



ALFRED NZO

DISTRICT MUNICIPALITY



ALFRED NZO DISTRICT MUNICIPALITY
INTEGRATED DEVELOPMENT PLAN 2017 – 2022

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The Municipal Systems Act, 2000

“Each municipal council, within a prescribed period after the start of its elected term, must adopt a single, inclusive and strategic Integrated Development Plan...”

Core components of integrated development plans

According to *Section 26 of the Local Government Municipal Systems Act, 2000*, an integrated development plan must reflect-

- a) the municipal council’s vision for the long-term development of the municipality with special emphasis on the municipality’s most critical development and internal transformation needs;
- b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- c) the council’s development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- d) the council’s development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- f) the council’s operational strategies;
- g) applicable disaster management plans;
- h) a financial plan, which must include a budget projection for at least the next three years; and
- i) the key performance indicators and performance targets determined in terms of section 41.

Alfred Nzo District Municipality Strategic Agenda

VISION

**Self-Sustainable
communities with
equitable access to basic
services**

MISSION

**To be a responsive and capable institution
that effectively delivers basic services
and innovative development programmes
with a strong orientation to rural development in
partnership with its communities and other
social partners**

STRATEGIC GOALS 2017-22

- 1. Inclusive Growth and Development**
- 2. Basic Services Delivery and Community Empowerment**
- 3. Effective Public Participation, Good Governance and Partnerships**
- 4. A Capable and Financially Viable Institution**

Foreword from the Executive Mayor

The Constitution urges us all to build local government that has the capacity to:



- Promote social and economic development
- Promote a safe and healthy environment
- Encourage involvement of communities and community
- Provide democratic and accountable government for local communities
- Ensure the provision of services to communities in a sustainable manner
- Organisations on matters of local government.

Local government is the sphere of government in which communities have the most direct contact with the government. Our communities must therefore have a say in who leads them, how they are led, and on the type of development that takes place where they live. This exercise of people's power must happen in a respectful, peaceful and democratic manner. We therefore encourage all residents to be active in the affairs of the Alfred Nzo district and join us in building better communities where all people enjoy political freedom, have access to basic services and contribute to uniting the country and its people.

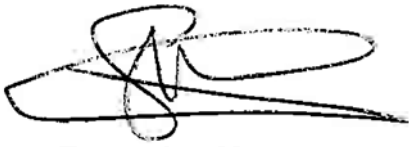
In its previous vision statement ANDM committed itself to strive to become "A self- sustainable municipality that guarantees effective and efficient rural development". This approach was further clarified in our 2016/17 IDP Review which identified priority programmes to confront the challenges that are continuously faced by the people we serve.

Before last year's local government elections, we pledged in our Manifesto, that, working with communities we would:

- Build further on achievements made in delivering basic services to the people
- Improve access to municipal services and reduce outsourcing in municipalities
- Further improve public participation and accountability of councillors
- Enhance the capacity of the local state to deliver on its mandate
- Develop and strengthen local economies, create jobs and promote job placements, especially for the youth
- Intensify the fight against fraud and corruption in local government and crimes in communities
- Promote education as the apex priority
- Improve health
- Help communities to adapt to climate change
- Build spatially-integrated communities, and
- Promote nation-building and social cohesion.

2017 presents us with an opportunity to reflect on our performance and challenges, and to identify gaps and develop a new plan for the next five years. As a Constitutional democratic state, we collectively undertake this process together. The new IDP remains a people's plan which places our residents at the centre of development. Local government is in the hands of the people it serves. And it is only through collective effort that will demonstrate our ability to radically transform the socio-economic conditions of the people we serve.

It is my pleasure to present this 2017/22 IDP which sets out how we intend to achieve our Manifesto commitments and our Apex Strategic Priorities for the next five years.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Executive Mayor
Cllr. S Mehlomakhulu

Message from the Municipal Manager

ANDM and its local municipalities use integrated development planning to map out future development in our district. We however continue to face some difficult challenges. Apartheid planning left us with rural towns and villages that:



- Were underdeveloped and largely un-serviced
- Were economically marginalised
- Remained heavily dependent on remittances and welfare grants
- Are able to contribute very little to the ANDM and local municipality fiscuses via rates and service charges
- Are badly planned to cater for the poor, with long travelling distances to work and poor access to business and other services.

The current approach to local government is developmental and aims to overcome the poor planning of the past. It involves the entire municipality and its residents in finding the best solutions to achieve good long-term development.

This Integrated Development Plan (IDP) is a “super-plan” for our district that lays down an overall framework for development. It aims to co-ordinate the work of district, local and other spheres of government in a coherent plan to improve the quality of life for all the people living in Alfred Nzo district:

- It takes into account the existing conditions and problems and resources available for development
- It looks at economic and social development for the area as a whole
- It sets a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected.

As part of its responsibility to produce the IDP, the municipality has drawn in all stakeholders in the area who can impact on and/or benefit from development in the area. The approved IDP will be the basis for all municipal planning and projects. The annual council budget is based on the IDP.

Other government departments working in the area should take the IDP into account when making their own plans.

We are proud to deliver this 2017 - 22 IDP, developed with the community through our public participation process. The participation process helped us to shape and to guide the IDP. This community partnership makes us proud and demonstrates that it is indeed a genuine social compact, a living document that can bring socio-economic change to the people we serve.

This is our plan. Let us make it work for all. Together let us move Alfred Nzo District Municipality forward!

Municipal Manager
Mr Z. Sikhundla

1. Introduction and Background

1.1. Process plan document – how this IDP was drawn up

This IDP was drawn up in terms of an **IDP Process Plan** to ensure the proper management of the planning process. The ANDM IDP/PMS and Budget Process Plan 2017 – 2018 was adopted by Council on the 30th of August 2016.

This plan outlined:

- Structures to manage the planning process
- How the public could participate and structures to ensure this participation
- A time schedule for the planning process
- Who is responsible for what; and
- How the process would be monitored.

At District Council level, a framework was developed in consultation with all our local municipalities. This ensured co-ordination, consultation and alignment between the district council and local municipalities. The framework also guides the development of an IDP process plan for each local municipality.

The process undertaken to produce this IDP consisted of 5 phases:

Phase 1 Analysis

During this phase information was collected on the existing conditions within the municipality. It focused on the types of problems faced by people in the area and the causes of these problems. Identified problems were assessed and prioritised. This phase allowed the municipality to provide:

- An assessment of the existing level of development
- Details on priority issues and problems and their causes
- Information on available resources

Phase 2: Strategies

During this phase, the municipality worked on finding solutions to the problems assessed in phase one.

This entailed:

- **Developing a vision**

The vision is a statement of the ideal situation the municipality would like to achieve in the long term once it has addressed the problems outlined in phase one. The following is an example of a vision statement:

An economically vibrant municipality with citizens living in a secure, healthy and comfortable environment

- **Defining development objectives**

Development objectives are clear statements of what the municipality intends to achieve in the medium term to deal with the problems outlined in phase one.

For example: *Provide access to clean water for all residents living in informal settlements*

- **Development strategies**

Once the municipality worked out where it wanted to go and what we needed to do to get there, we worked out how to get there. Our development strategies are about finding the best way for the municipality to meet its development objectives.

For example: *Co-operate with the Department of Water Affairs to provide one water stand pipe for every 20 households.*

- **Project Identification**

Once we had identified the best methods to achieving our development objectives we went on to the identification of specific projects.

Phase 3: Projects

During this phase the municipality worked on the design and content of projects identified during Phase 2.

Clear details for each project had to be worked out in terms of:

- Who is going to benefit from the project?
- How much is it going to cost?
- How will it be funded?
- How long will it take to complete?
- Who is going to manage the project?

Clear targets were set and indicators worked out to measure performance as well as the impact of individual projects.

Phase 4: Integration

Once all projects had been identified, the municipality checked again that they contributed to meeting the objectives outlined in Phase 2. These projects provide an overall picture of our development plans.

All the development plans now had to be integrated. In addition, the municipality has also drawn up strategies for issues like poverty alleviation and disaster management. These are integrated with the overall IDP.

Phase 5: Approval

The IDP is then presented to the council for consideration, adoption and public comment, before approval of a finalised IDP.

The IDP Review took into consideration the MEC comments that were raised in the 2016/17 IDP. It is also one way of implementing the Council Resolutions. The Council further, made an invitation via the media for members of the public to register their interests to participate as organized interest groups.

Consideration of MEC's (CoGTA) Comments for IDP Review 2016 /17

As required in terms of Section 32 (a) of the Municipal Systems Act of 2000, ANDM submitted its adopted IDP as reviewed for 2016/17 to the MEC CoGTA. The District municipality further participated in the IDP Assessment process which was facilitated by the Office of the MEC and subsequently comments were obtained. In summary the municipal IDP 2015/16 was declared to be credible as it was rated high in accordance with the Department's rating criteria. The overall assessment scorings are summarized below:

KPA	RATING 2012/13	RATINGS 2013/14	RATINGS 2014 / 15	RATINGS 2015/ 16	RATINGS 2016/17
Spatial Development Framework	High	High	High	High	HIGH
Basic Service Delivery	High	High	High	High	HIGH
Financial Viability	Medium	High	High	Medium	HIGH
Local Economic Development	High	High	High	High	HIGH
Good Governance & Public Participation	High	High	High	Medium	HIGH
Institutional Arrangements	High	Medium	Medium	Medium	MEDIUM
OVERALL RATING	HIGH	HIGH	HIGH	Medium	HIGH

2. National and Provincial Policy Context

Over the last few years there have been key changes in national and provincial policy that have reshaped the strategic environment. There is now a stronger commitment to ensuring harmony and alignment between the three spheres of government. The National Development Plan Vision for 2030, and other key national and provincial strategies are seen as primary mechanisms through which this will be achieved.

This IDP document has been developed on the basis of critical reflection on the following key policy documents.

2.1 National Development Plan (NDP) - Vision For 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. As a long-term strategic plan, it serves four broad objectives:

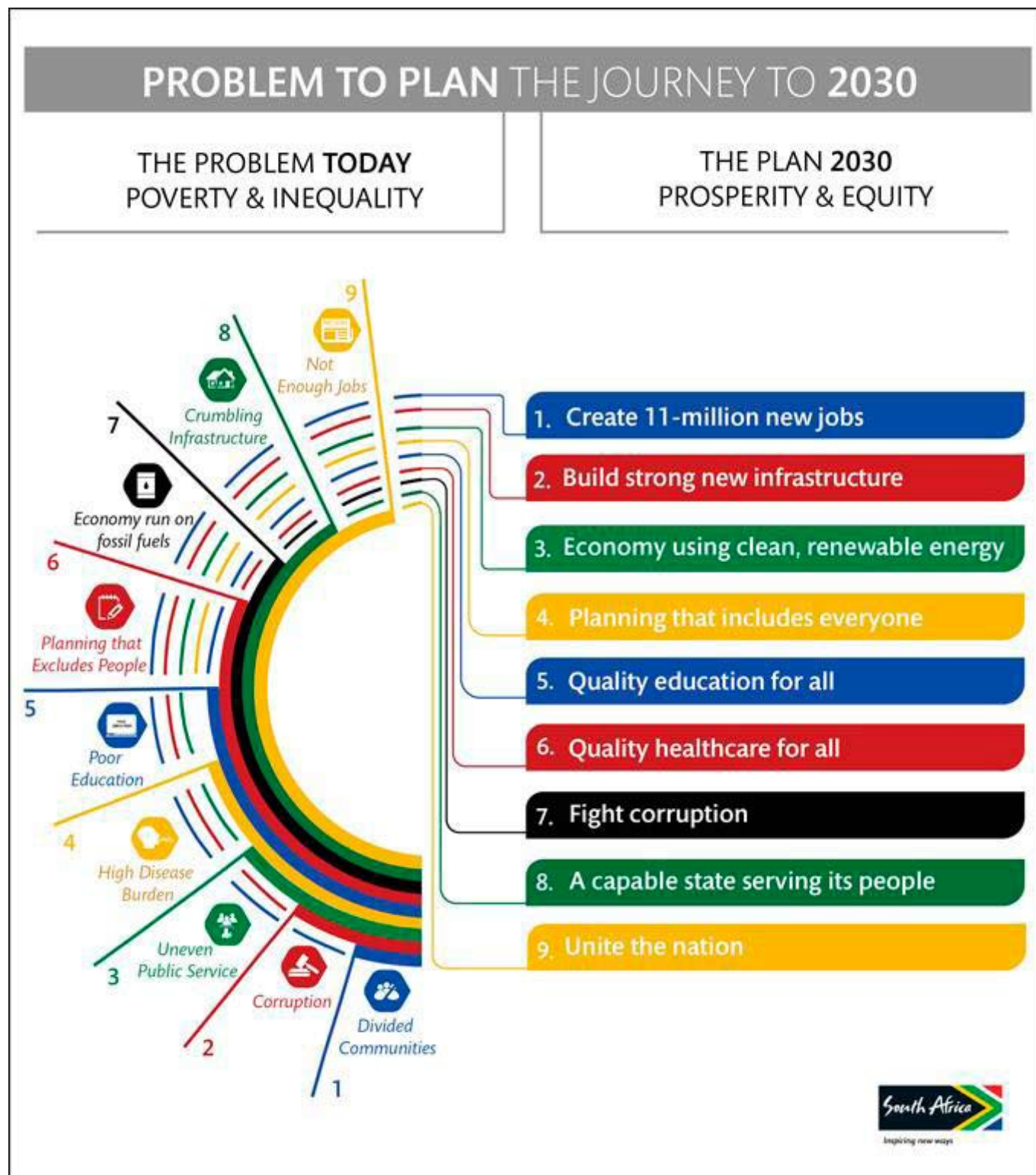
- Providing overarching goals for what we want to achieve by 2030
- Building consensus on the key obstacles to us achieving these goals and what needs to be done to overcome those obstacles
- Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the NDP
- Creating a basis for making choices about how best to use limited resources

The Plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality. The core elements of a decent standard of living identified in the Plan are:

- Housing, water, electricity and sanitation
- Safe and reliable public transport
- Quality education and skills development
- Safety and security
- Quality health care
- Social protection
- Employment
- Recreation and leisure
- Clean environment
- Adequate nutrition.

The NDP aims to eliminate poverty and reduce inequality by 2030. South Africa can realise 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 NDP highlights the increasing levels of urbanisation with approximately 70% of the country's population expected to live in cities by 2030.



NDP targets by 2030 include the elimination of income poverty (i.e. reduce the proportion of households with a monthly income below R419 per person - in 2009 prices - from 39 percent to zero) and reduce the country's Gini coefficient from 0.69 to 0.6. In order to do this, a number of enabling milestones are detailed:

- Increase employment from 13 million in 2010 to 24 million in 2030
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030
- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent
- Establish a competitive base of infrastructure, human resources and regulatory frameworks

- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup
- Broaden ownership of assets to historically disadvantaged groups
- Increase the quality of education so that all children have at least two years of preschool education and all children in Grade 3 can read and write
- Provide affordable access to quality health care while promoting health and wellbeing
- Establish effective, safe and affordable public transport
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes
- Make high-speed broadband internet universally available at competitive prices
- Realise a food trade surplus, with one-third produced by small-scale farmers or households
- Ensure household food and nutrition security
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities
- Realise a developmental, capable and ethical state that treats citizens with dignity
- Ensure that all people live safely, with an independent and fair criminal justice system
- Broaden social cohesion and unity while redressing the inequities of the past
- Play a leading role in continental development, economic integration and human rights.

Critical actions that may affect ANDM include the need for a strategy to address poverty through broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes. Investment should be increased in labour-intensive areas.

2.2 National Government's Outcomes - Role of Local Government

National Government has agreed on 14 outcomes which have been expanded into high-level outputs and activities. These in turn form the basis of a series of performance agreements between the President and relevant ministers.

All of the outcomes can to some extent be supported through the work of local government, but Outcome 9 (A responsive, accountable, effective and efficient local government system) is particularly important. ANDM aims to comply with the following 14 outcomes by taking them into consideration in this IDP process:

- Improve the quality of basic education
- Improve health and life expectancy
- All people in South Africa protected and feel safe
- Decent employment through inclusive growth
- A skilled and capable workforce to support inclusive growth
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities and food security
- Sustainable human settlements and improved quality of household life
- A responsive, accountable, effective and efficient local government system
- Protection and enhancement of environmental assets and natural resources
- A better South Africa, a better and safer Africa and world.

- A development-orientated public service and inclusive citizenship
- An inclusive and responsive social protection system
- A diverse, socially cohesive society with a common natural identity.

2.3 Medium-Term Strategic Framework (MTSF) 2014-19

The central focus of the 2014-2019 MTSF is on ensuring sustainable and reliable access to basic services, particularly in weaker municipalities which have the highest unmet demand for basic services.

The NDP proposes that by 2030 the proportion of people with access to the electricity grid should rise to at least 90%, with non-grid options available for the remainder of households. Full access to affordable and reliable water and sanitation is envisaged before 2030. Where municipalities lack technical capacity, regional utilities or alternative institutional mechanisms should be used so that basic services are not compromised. Key targets for the MTSF include:

- Increase in the percentage of households with access to a functional water service from 85% in 2013 to 90% by 2019
- Increase in the percentage of households with access to a functional sanitation service from 84% in 2013 to 90% by 2019, including elimination of bucket sanitation in the formal areas
- 1.4 million additional households to be connected to the grid between 2014 and 2019, and 105 000 additional non-grid connections
- Income support to the unemployed through expansion of the Community Work Programme to reach 1 million participants in 2019
- An increase in the level of public trust and confidence in local government from 51% in 2012 to 65% in 2019, as measured by the IPSOS survey
- An improvement in overall municipal audit outcomes, with at least 75% of municipalities receiving unqualified audits by 2019.

Some of the targets that should be realised by 2030 are summarised below:

Infrastructure development
South Africa's infrastructure is seeing a major boost with the upgrading of major roads and the building of power stations
Dams are receiving priority from government, while rail infrastructure has not been left behind, with the Gautrain linking OR Tambo International Airport with the two major cities in Gauteng (Johannesburg and Pretoria).
The Passenger Rail Agency of South Africa is also introducing a new fleet of trains. About 3600 trains, valued at R51 billion are expected to be delivered over a 10-year period from 2015.
Job creation
The NDP suggests the creation of 11 million jobs, increased infrastructure development, using mineral resources to benefit everyone while at the same time making sure that such resources can be used in the long-term.

Improving education and training
For South Africa to realise Vision 2030, education should take a central role. A lot of work has been done in ensuring that access to education is improved and more still needs to be done.
The NDP sets out what should be done in the next years to ensure that the country achieves its goals. Among others, there should be an increase in teacher training output by expanding the bursary scheme "Funza Lushaka", which means to educate the nation, to attract learners into teaching, especially those with good passes in maths, science and languages.
Teachers should also be regularly tested in the subjects they teach to determine their level of knowledge and competence, while teacher pay should be linked to learner performance improvements.
Quality health care
At the centre of achieving all the plans of a thriving nation is a healthy nation. The NDP sets out what should be done to ensure quality health care for all South Africans. Coverage of anti-retroviral treatment to all HIV-positive people should be increased.
Community specialists should be trained in medicine, surgery including anaesthetics, obstetrics, paediatrics and psychiatry, while between 700 000 and 1,3 million community health workers should be recruited, trained and deployed to implement community-based health care.
Working together
The NDP is a plan for the whole country. Government will engage with all sectors to understand how they are contributing to implementation, and particularly to identify any obstacles to them fulfilling their role effectively.
The NDP sets out ambitious goals for poverty reduction, economic growth, economic transformation and job creation. The private sector has a major role to play in achieving these objectives.
Long-term planning and investment in the future is just as important for the private as the public sector. Government is clearly stating its commitment to the NDP, and it is important that the private sector does the same.
Where the private sector faces obstacles, sectoral dialogues will take place to identify how these obstacles can be addressed within the parameters laid out by the NDP.

Citizen participation in local government processes will continue to be promoted. Cooperative governance arrangements will be strengthened to better support and empower municipalities. A long-term approach will be taken to skills development and capacity building for the local government sector. Institutional problems will be addressed to improve the quality of municipal administrative and management practices including human resources and recruitment practices, supply chain and financial management, and anticorruption initiatives.

2.4 Back to Basics Local Government Programme

Our National Development Plan makes it clear that meeting our transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialise. Our goal is to improve the functioning of municipalities to better serve communities by getting the basics right. The Department of Cooperative Governance is tasked to build and strengthen the capability and accountability of municipalities.

The Building blocks for the Back-to-Basics approach are:

Basic services: Creating decent living conditions Municipalities must:

Develop fundable consolidated infrastructure plans. They should ensure infrastructure maintenance and repairs to reduce losses with respect to:

- Water and sanitation
- Human Settlements
- Electricity
- Waste Management
- Roads.
- Public Transportation
- Ensure the provision of Free Basic Services and the maintenance of Indigent register.

Good governance

Good governance is at the heart of the effective functioning of municipalities. Municipalities will be constantly monitored and evaluated on their ability to carry out the following basics:

- The holding of Council meetings as legislated
- The functionality of oversight structures, S79 committees, audit committees and District IGR Forums
- Whether or not there has been progress following interventions over the last 3 – 5 years:
 - The existence and efficiency of anti-corruption measures
 - The extent to which there is compliance with legislation and the enforcement of by- laws
 - The rate of service delivery protests and approaches to address them.

Public participation

Measures will be taken to ensure that municipalities engage with their communities. Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

- The existence of the required number of functional Ward committees
- The number of effective public participation programmes conducted by Councils
- The regularity of community satisfaction surveys carried out.

Financial management

Sound financial management is integral to the success of local government. Performance against the following basic indicators will be constantly assessed:

- The number of disclaimers in the last three to five years
- Whether the budgets are realistic and based on cash available
- The percentage revenue collected
- The extent to which debt is serviced
- The efficiency and functionality of supply chain management.

Institutional capacity

There has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes. The basic requirements to be monitored include:

- Ensuring that the top six posts (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning) are filled by competent and qualified persons
- That the municipal organograms are realistic, underpinned by a service delivery model and affordable
- That there are implementable human resources development and management programmes
- There are sustained platforms to engage organised labour to minimise disputes and disruptions
- Importance of establishing resilient systems such as billing.

2.5 The Eastern Cape Provincial Development Plan

Based on the National Development Plan (NDP), the Provincial Development Plan (PDP) seeks to outline a development path for the province. Vision 2030 sets the development agenda and priorities for the next 15 years (2015-2030), building on the Provincial Growth and Development Plan (PGDP) of 2004-2014. The plan proposes key programmes and projects for implementation up to 2030 and suggests arrangements for implementation of the plan, tracking and accountability.

The diagnostic phase centred on the nine key challenges identified by the National Planning Commission's *Diagnostic Report*. Many of these challenges reflect the multi-generational underdevelopment and alienation that is both a legacy of our colonial / apartheid past and a neo-colonial present that focuses on the comforts of a few rather than a concern for the well-being of the many. At the root of South Africa's and the province's developmental struggle is the structural legacy of under-development and deprivation inherited from colonialism and apartheid - the dispossession of land and property, the disruption of families and social institutions, the undermining of opportunities for the majority of the population, the disruption of organic intellectualism and self-determination, and a systematic destruction of self-worth that is replicated across generations for the majority of citizens.

The key challenges highlighted in the NDP and the PDP are:

- Too few people work
- The standard of education for most black learners is poor
- Infrastructure is poorly located, under-maintained and insufficient for fostering higher growth and spatial transformation
- Spatial patterns exclude the poor from the fruits of development
- The economy is overly and unsustainably resource intensive
- A widespread disease burden is compounded by a failing public health system
- Public services are uneven and often of poor quality
- Corruption is widespread
- South Africa remains a divided society

Unemployment in the former Bantustan areas is much higher than the rest of the province. A basic services index, constructed using Census 2011 data, provides scores for RDP level access to water and sanitation, as well as the use of electricity for lighting. The areas that make up the OR Tambo and Alfred Nzo districts show very low access in the majority of wards. The NDP characterises these areas of deprivation as “poverty traps” to be eliminated by 2050.

PDP Vision and conceptual framework

The 2030 vision for the Eastern Cape is of “flourishing people in a thriving province”. This vision will be achieved by development in each of three areas of focus, namely: (i) *human development*, (ii) *economic opportunity and rights* and (iii) *institutional capabilities*. The PDP seeks to achieve “human flourishing and a thriving province” through strengthening the positive interactions between human, economic and institutional development. The framework is illustrated below.

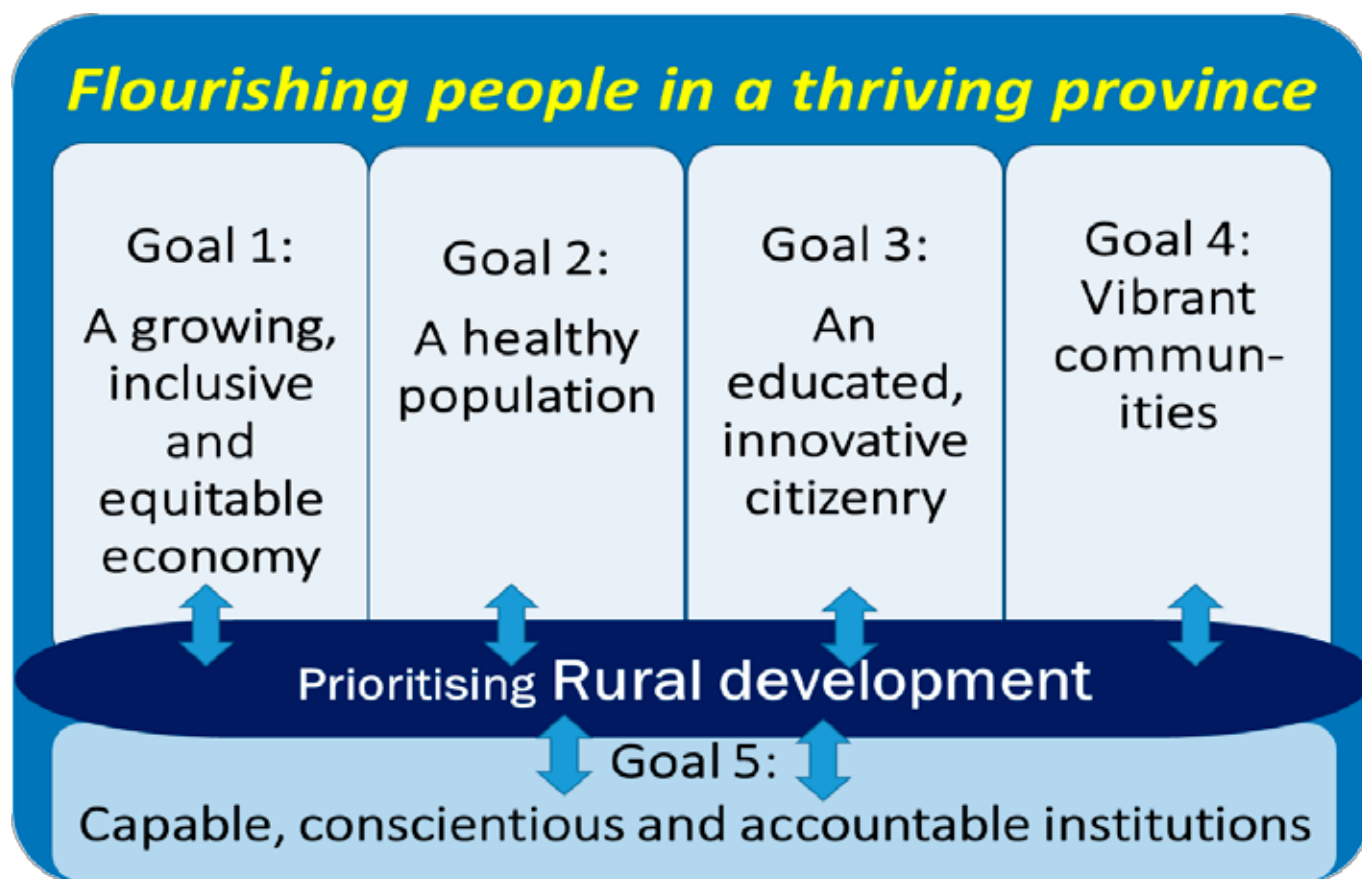


Principles and assumptions of the PDP

The provincial plan starts from the premise that key structural features hobble the provincial economy and social progress. The plan therefore strives for social and economic justice. It places particular emphasis on transforming the apartheid spatial geography. The plan promotes cultural development, inclusion and respect for diversity. It further encourages citizen participation and co-responsibility for development. It promotes ethical, integrated multi-agent action predicated on relative strengths of institutional partners. This is not a plan for government alone, but for the entire province. Accountability is one of the most important principles of the plan – and must be the basis for renewed social partnerships. The plan and its proposals should be based on objective evidence and critical deliberation.

Vision 2030 is a strategic plan for the province rather than a detailed master plan. The plan outlines strategic departures from current practice and identifies “game-changers” to set the province on a necessarily different development path. However, the plan also argues for continuation and strengthening of current practice in some areas. The focus of the plan is on issues of implementation and execution. Hence it proposes new instruments to be designed, where budgets must be aligned and institutional capabilities re-modelled to implement the plan. Vision 2030 has put more emphasis on planning among strategic partners (government structures, enterprises, communities, civil society organisations etc.) and locating agency for implementation outside of the state. The plan proposes spatially targeted interventions.

To set the Eastern Cape on a new development trajectory, the plan is organised around five goals:



Goal 1: A growing, inclusive and equitable economy

This goal emphasises a larger and more efficient provincial economy, more employment, and reduced inequalities of income and wealth. This proposals deal with: rural development; economic infrastructure; land reform; industry and enterprise support; and economic sector development. Proposals for priorities and interventions are district-specific.

Goal 2: A healthy population

This goal targets a healthy population through an improved healthcare system. The system should move from being hospital-centric to focusing on a primary care system that is integrated across primary, secondary, and tertiary levels. The proposals deal with: primary health care and strengthening of district health systems; improvement of leadership across the sector; infrastructure and facility improvement; health workforce planning and the social determinants of health.

Goal 3: An educated, innovative citizenry

This goal seeks to ensure that people are empowered to define their identity, are capable of sustaining their livelihoods, living healthy lives and raising healthy families, developing a just society and economy, and playing an effective role in the politics and governance of their communities. The proposals deal with: access to and quality of early childhood development; basic education and training, including foundation phase literacy and numeracy, mother-tongue education, teacher development, improved leadership, management and governance and infrastructure. For the post school education and training sector, it addresses adult education and training, community colleges, technical and vocational education training, universities as well as research and innovation.

Goal 4: Vibrant communities

This goal seeks to generate a shift from a focus on state-driven housing delivery to one that that enables people to make own decisions, build their own liveable places and transform spatial patterns. The proposals deal with transformed human settlements, spatial planning and land use management, regional development, social infrastructure and community safety.

Goal 5: Capable, conscientious and accountable institutions

This goal seeks to build capable, resilient and accountable institutions to champion rapid inclusive development. The proposals deal with the creation of capable provincial and local government; leadership renewal across society; citizen-centred development and multi- agency partnerships.

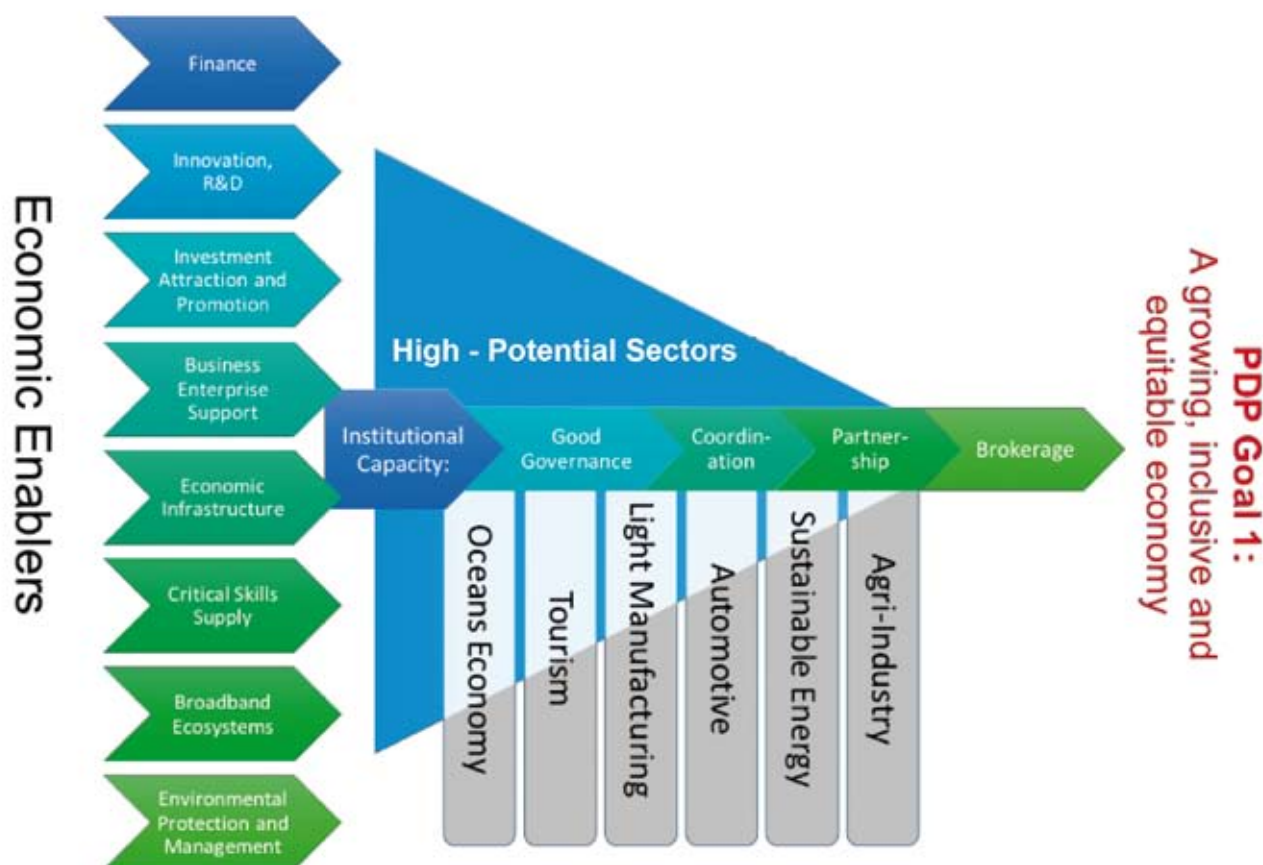
Achievement of the vision is impossible without concurrent, systemic and continuous interaction between an inclusive and equitable economy, a healthy population, an educated, innovative citizenry, vibrant communities and capable, conscientious and accountable institutions. There are complex interrelations between the goals, as well as the objectives and strategic actions proposed in this plan.

Prioritising rural development

Given that over 70% of the population is rural, the fortunes of the province are inherently bound up with the future of its rural areas. While urbanisation is an undeniable trend, we estimate that the majority of the population will still be outside of the metropolitan areas in 2030. The Eastern Cape is set to remain a rural province for the foreseeable future and this situation demands appropriate development and support measures. Therefore rural development is a key priority and has been integrated into all the goal areas.

2.6 Eastern Cape Provincial Economic Development Strategy (PEDS) Strategic Framework

The diagram below synthesises neatly the framework for the strategy. The Economic Goal and Objectives of the PEDS is built upon the growth pillars of six 'high-potential sectors' and eight 'economic enablers'. All of these hinges critically upon institutional capacity – this is elaborated on below in “making the strategy work.”



2.7 Eastern Cape Infrastructure Plan 2030 (ECIP)

The overall purpose of the Eastern Cape Infrastructure Plan (ECIP) is to articulate the infrastructure priorities for the province between 2016 and 2030 and outline key programmes and interventions.

In addition to this the ECIP:

- Supports the realisation of the Eastern Cape development priorities that are in the National Development Plan and the Eastern Cape Development Plan
- Complements the National Infrastructure Plan (2012) in the Eastern Cape
- Aims to derive more value from the large public expenditures on infrastructure assets through improved infrastructure planning and infrastructure delivery management.

Major infrastructure challenges in the province include:

- Spatial inequalities of infrastructure provision inherited from our colonial and apartheid history
- Social infrastructure backlogs still persist especially in the eastern part of the Eastern Cape
- Disconnect between the economic development strategy of the Eastern Cape and the infrastructure programme
- Absence of central planning of infrastructure in the EC to ensure integrated planning, rational project prioritization
- Premature announcement of infrastructure projects before completion of feasibility studies and resource allocations
- Under expenditure of major grants and CAPEX allocations
- Capacity, skills and system required are inadequate.

The ECIP has four goals:

1. Infrastructure investment must respond to **spatial** aspects of future infrastructure demand and undo apartheid geography
2. Accelerate eradication of **social** infrastructure backlogs
3. Ensure effective infrastructural support for **economic** development
4. Improve infrastructure planning, delivery, operations and maintenance.

The goals are to be achieved through the implementation of Eleven Provincial Strategic Projects (PSPs):

1. Strategic catalytic projects;
2. Small Town Development;
3. Urban Settlements Infrastructure
4. Water & Sanitation
5. Energy and Electricity;
6. Agro-logistics;
7. Education Infrastructure
8. Health Infrastructure;
9. Transport infrastructure;
10. ICT Infrastructure; and
11. Enabling interventions.

An implementation matrix has been developed that identifies lead agents; strategic risks; proposed interventions for the period 2016-2021; and immediate action required.

The ECIP contains a summary of priorities per district. For the Alfred Nzo district these are:

- Household electrification
- Completion of five regional bulk water schemes
- Reticulation infrastructure for Ludeke Dam
- Infrastructure for Mbizana peri-urban area
- Small-scale irrigation schemes
- Matatiele Agri-park.

2.8 Eastern Cape Agriculture Economic Transformation Strategy

Between 95% and 99% of agricultural output in the Eastern Cape is produced by commercial farmers. Commercial farmers have however declined in numbers both nationally and provincially (SA: 60 000 to 37 000, EC: 6 000 to 4 000). Only about one to five per cent of agricultural output now comes from smallholder farmers whose practices are deeply rooted in former homeland subsistence farming practices.

The Eastern Cape has the smallest commercial agricultural sector. The Strategy argues that the strength of EC agriculture lies in the untapped potential of the smallholder and communal sector. The challenge is to make smallholder and communal farmers commercially viable and derive real economic value from their land.

The Strategy suggests treating agriculture as a business and enabling the private sector to intervene and invest alongside government. Smallholder/communal farmers should be developed into agro-entrepreneurs who partner with businesses that are willing to invest for reasons beyond short-term profit. Partnerships will focus on expansion, market access, creating more value through appropriate funding, technology development, skills development, innovation and job creation.

The point is to stimulate both public and private procurement directly from primary producers. Government should put in place appropriate policies and regulations to strengthen these partnerships and drive investment in infrastructure. The goal is to increase agriculture's contribution to GDP by at least 2% and create 10 000 (direct and indirect) job opportunities annually.

Critical success factors include:

- The expansion of production
- Market access and off-take agreements
- Training and development of farmers
- Value addition and local beneficiation
- Increased employment, especially for unemployed graduates
- Increased farm income
- Increased opportunity and business for SMMEs
- Increased total investment into industry
- Increased transformation within the industry.

The transformation model:



3. District Situational Review

3.1 Socio-economic Overview



Source: ECSECC, 2016

3.1.1 General Overview of Alfred Nzo District Municipality

Alfred Nzo District Municipality was historically part of the Transkei homelands. As such the district is characterized by high levels of poverty, based on both income inequality and low level of development. In response to this deprivation, the Alfred Nzo District was one of the presidential poverty nodes identified in the Integrated Sustainable Rural Development Programme (ISRDP), and has been a subject of different forms economic intervention through time.

The district is largely rural in nature, with village settlements defined by the district's geographical footprint through mountain ranges and river systems. Agriculture and tourism make up core components of the local economy. The Matatiele municipality is close to the Lesotho/South Africa national border and has two urban nodes – the towns of Matatiele and Cedarville. Matatiele acts as a service node to the agrarian based economy of the area, while Cedarville serves as a secondary service centre. Umzimvubu municipality hosts the district's administrative capital in Mt Ayliff and the district's largest economic node in Mt Frere. The N2 traverses the course of the Umzimvubu municipality, and can be seen as its most prominent defining trait.

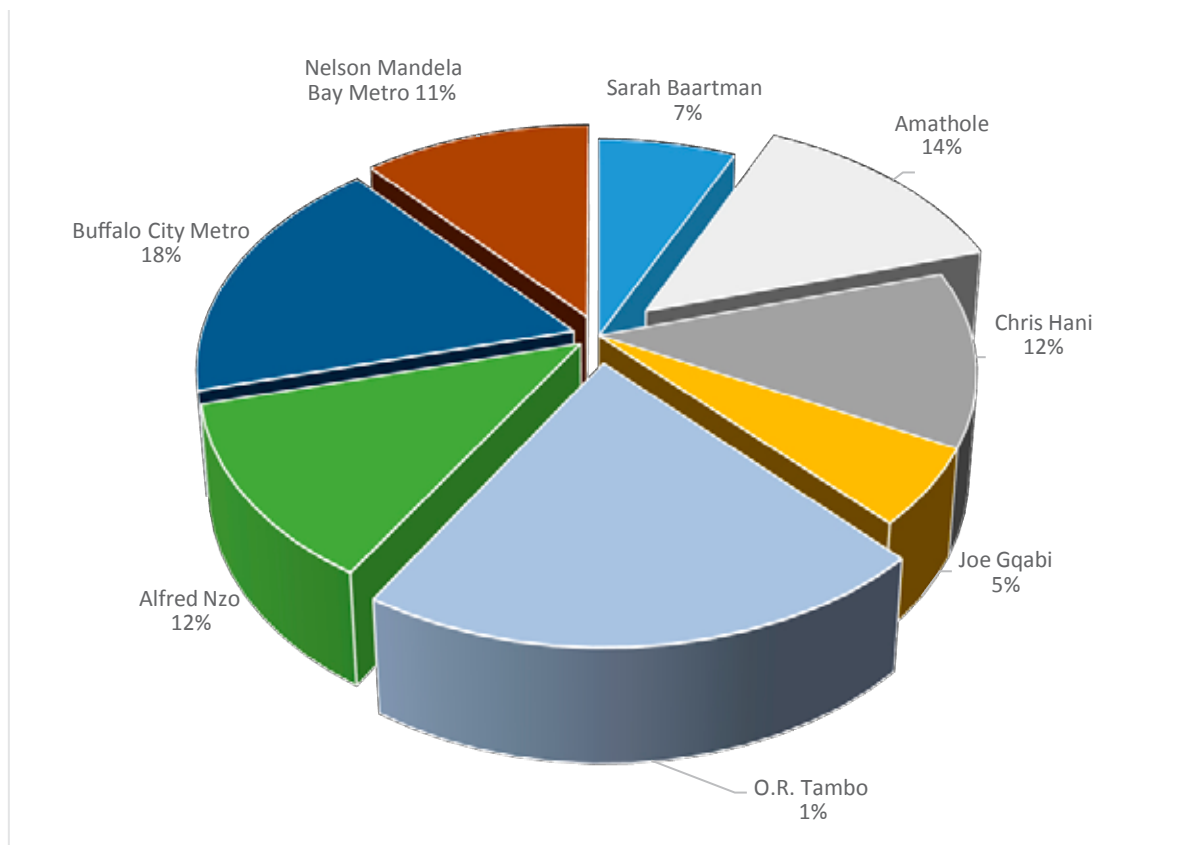
Ntabankulu municipality has small urban settlements at Ntabankulu town and Cacadu village. Ntabankulu has a strong rural presence and is geographically defined by several mountain ranges. Mbizana municipality is the district's gateway to the Wild Coast and has a medium sized town at Bizana. The district has a very mountainous terrain. The land form of the district is generally rugged, with parts of it characterized by steep slopes and high elevations. The topography has implications on the district's natural, social and economic environment. The district is characterized by a high level of biodiversity, and natural resources include river systems, indigenous forests and rich soils. Socially, settlement patterns are determined by the courses of rivers, valleys and hills. The interaction between people and nature also means that the terrain either exacerbates or ameliorates human impacts on the environment.

Economically, a mountainous terrain provides opportunities and challenges not found in other areas. Opportunities include potential for scenic tourism and forestry activity. Challenges include high costs of doing business, given the implications of mountains and hills for the provision of infrastructure such as roads, electricity and telecommunications.

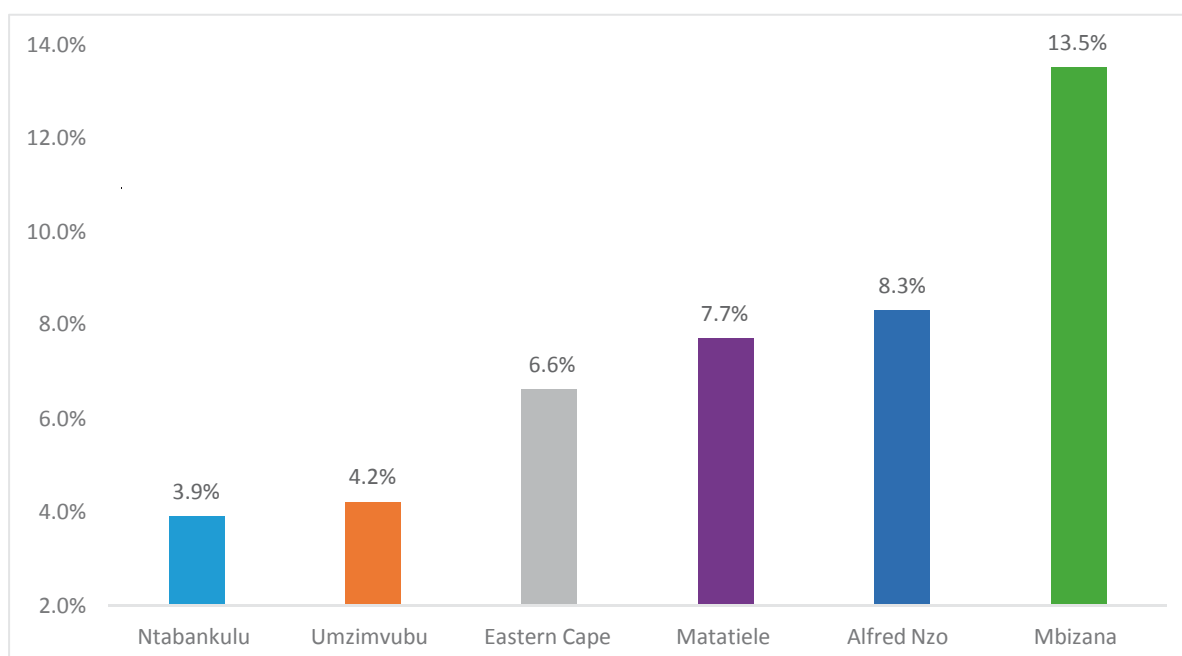
3.1.2 Demographic Patterns of Alfred Nzo District

Demographics	2011		2016	
Alfred Nzo	Number	Percent	Number	Percent
Population	801,344	100.0	867,864	100.0
Black African	794,382	99.1	862,589	99.4
Coloured	3,307	0.4	3,647	0.4
Indian or Asian	1,132	0.1	598	0.1
White	1,898	0.2	1,030	0.1
Population by home language				
Afrikaans	6,716	0.8	1,757	0.2
English	18,090	2.3	3,427	0.4
IsiXhosa	673,519	84.6	752,214	88.8
IsiZulu	9,954	1.2	5,631	0.7
Sesotho	69,811	8.8	81,265	9.6
Other	18,237	2.3	2,507	0.3
Number of households	187,183		195,975	
Households size	4.3		4.4	
Gender				
Male	366,488	45.7	397,206	45.8
Female	434,857	54.3	470,658	54.2
Population by age				
0 - 14	327,704	40.9	345,624	39.8
15 - 34	264,442	33.0	340,753	39.3
35 - 64	159,685	19.9	113,039	13.0
65 +	49,514	6.2	68,448	7.9

Source: Statistics South Africa (2011 Census and 2016 Community Survey) Table 1.1



Between 2011 and 2016, the population in Mbizana grew by 13.5% and that of Alfred Nzo by 8.3%



Source: Statistics South Africa, 2016 Figure 1.2

Alfred Nzo Demographic results from the 2016 Community Survey:

The population dynamics of a district is of paramount importance in addressing developmental needs in society. The population growth, ageing population, migration and urbanisation present both

important developmental challenges and opportunities that have direct and indirect implications for social, economic and environmental development. These dynamics in the population structure affect macro-economic factors such as consumption, production, employment, income distribution and poverty. The changes in the population structure influence universal access to social services such as health, education, sanitation, water, food and energy.

Proper planning for population dynamics will therefore ensure that the wellbeing of both the current and the future generation is promoted with the motive of advancing sustainable development. In analyzing the population dynamics it is essential to look at factors such as urbanisation, migration, fertility, mortality, life expectancy as well as the age structure of the population. These factors will give an indication with regard to the estimated number of people who are dependent on government for transfers as well as the number of people who are economically active. These factors also play an essential role in the efficient allocation of resources at all spheres of government.

The data used in this section is from the 2016 Community Survey published by Statistics South Africa. The analysis and results of this section could be used by Alfred Nzo and its local municipalities for promoting optimal resource allocation in order to reduce poverty and vulnerability among marginalized people in municipality.

The total population in Alfred Nzo district municipality has increased by 8.3% from 801 344 people in 2011 to 867 864 people in 2016

	2011 Census			2016 Community Survey		
	Male	Female	Total	Male	Female	Total
Alfred Nzo	366,488	434,857	801,344	397,206	470,658	867,864
Matatiele	93,675	110,168	203,843	100,288	119,159	219,447
Umzimvubu	87,946	103,674	191,620	92,129	107,491	199,620
Mbizana	128,332	153,573	281,905	145,821	174,127	319,948
Ntabankulu	56,534	67,442	123,976	58,968	69,880	128,848
Eastern Cape	3,089,699	3,472,353	6,562,051	3,327,495	3,669,481	6,996,976

Source: Statistics South Africa (2011 Census and 2016 Community Survey)

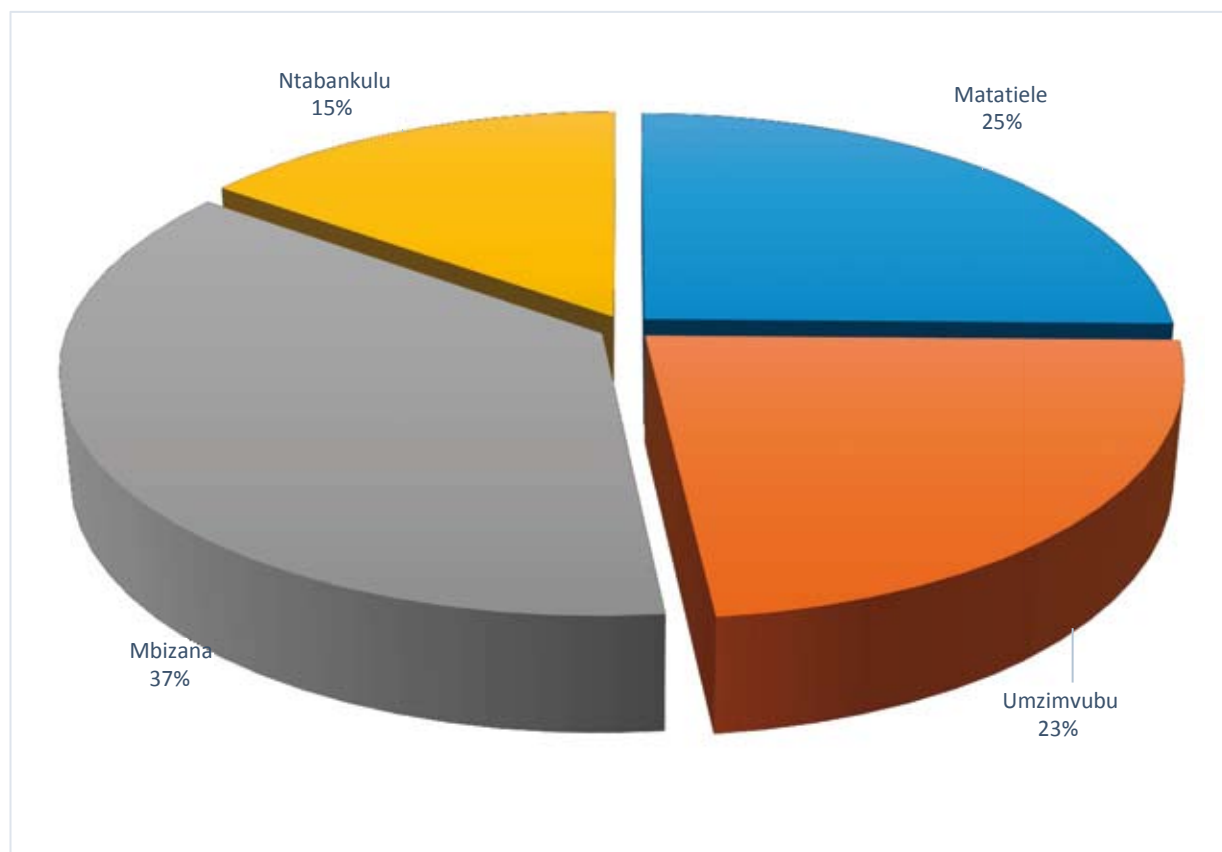
Table 1.2

The findings from the 2016 community survey are critical for decision-making not only in the public sector but also in the private sector. Population size and characteristics can influence the location of businesses and services to satisfy the needs of the target population.

The following lessons are derived from the demographics of Alfred Nzo district municipality:

- According to Statistics South Africa, Alfred Nzo total population has grown from 801 344 people in 2011 to 867 864 people in 2016 (See Table 1.1). This population of 867 864 people represent 12% of the Eastern Cape total population (See Figure 1.1).
- Between 2011 and 2016, Alfred Nzo district municipality grew by 8.3% (See Figure 1.1).
- In 2016, the district has more females (470 658) than male (397 206), however the male population has grown faster at 8.4% than their female counterpart at 8.2%.
- Between 2011 and 2016, the population growth was high in Mbizana at 13.5% and low in Ntabankulu at 3.9%. In Umzimvubu and Ntabankulu, the female population grew by 3.6%.

How the population of Alfred Nzo is distributed among the local municipalities (2016 Community Survey)



Source: Statistics South Africa, 2016 Community Survey Figure 1.3

Overall, demographic development outcomes influences other population variables such as migration, settlement, fertility, mortality and morbidity rates. It gives insight into the living standards of the population and an indication of what policy options should be undertaken according to the structure of the socio-economic context.

Comparing 2011 population with that of 2016, with the exception of Matatiele, the male population has grown faster than their female counterparts (Table 1.3).

Growth rate by Gender

Gender	Growth rate				
Male	8.4	7.1	4.8	13.6	4.3
Female	8.2	8.2	3.7	13.4	3.6
Total	8.3	7.7	127.0	13.5	3.9

Source: Statistics South Africa (2011 Census and 2016 Community Survey)

Table 1.3

Sustainable development represents a commitment to advance people's well-being. It hinges on two factors: consumption and population growth. High fertility rates (which lead to high population growth) burden the economy in terms of consumption. Further to this, the number of children women bear in their lifetime has a significant impact on the level of economic and social development that they can achieve. Generally, in a rural district like such as Alfred Nzo, a woman who has a child or several children is bound to remain in the home to take care of them, which

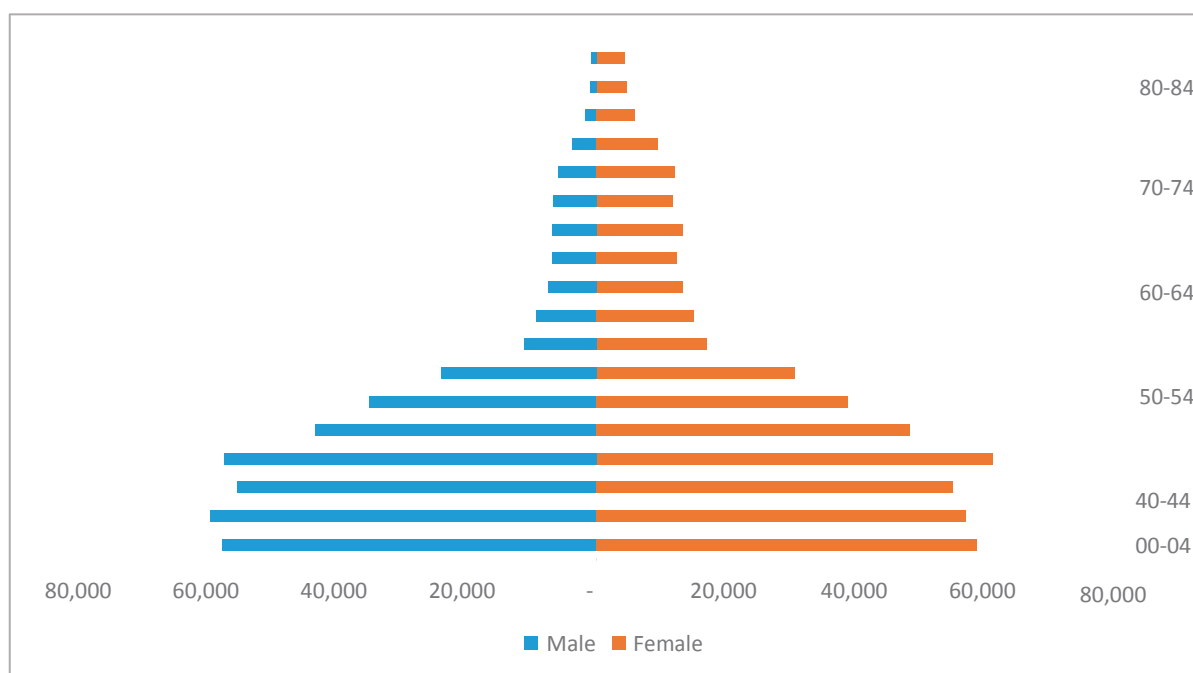
reduces her chances of seeking work or education outside of the home. This results in fewer opportunities for personal development on her part, and therefore perpetuates a cycle of poverty. The fertility rate can therefore be considered to be an indicator of the general health status of a population, and a specific indicator of maternal health, as it encompasses health initiatives such as family planning.

Age pyramid of Alfred Nzo District Municipality

The age pyramid of Alfred Nzo district municipality is a combination of both a “**Triangular-Shaped Pyramid**” at the bottom of the pyramid and a “**Rectangular-Shaped Pyramid**” in the middle of the pyramid.

In general, a population with more young people, will grow more rapidly than a population with a larger percentage of older. This is the case for Alfred Nzo, a district populated largely with very young people.

Age pyramid of Alfred Nzo District: 2016



Source: Statistics South Africa, 2016 Community Survey Figure 1.4

Figure 1.4 shows a triangular-shaped pyramid from the age of zero to the age of 34, a rapid transition from infant to child and from youth to young adult. Thereafter, the age pyramid shifts to a rectangular-shaped from the age of 35 to the age of 70. It changes again to a triangular-shaped at the age of 70 and beyond.

It is important for Alfred Nzo district municipality to monitor population data, as a rapidly growing population may need to be followed by faster investment in household, health and other essential infrastructure to ensure that a favourable socio-economic environment is maintained. In addition, investigating the dynamics of a population is vital in attaining the precise viewpoint of those who are likely to be affected by any prospective policy, project or development.

From demographic dividend to demographic gift: Is this the case for Alfred Nzo?

Over time, the age structure of the district's population may change as the population transitions from high to lower fertility and mortality rates. Demographic changes that a society experiences may lead to a window of opportunity or higher economic growth, with a greater supply of labour and lower dependency ratios as the working age population rises in proportion to the number of young and elderly people.

“Demographic dividend” occurs when the proportion of working people in the total population is high because this indicates that more people have the potential to be productive and contribute to growth of the economy (Look at Figure 1.4 with a combination of a triangular- shaped pyramid and a rectangular-shaped pyramid).

Advanced countries in Europe, as well as Japan and USA have an ageing population because of low birth rates and low mortality rates. Neither the least developed countries nor the countries of Africa have as yet experienced favorable demographic conditions according to the research by UN population division. China's one child policy has reversed the demographic dividend it enjoyed since the mid-1960s according to a World Bank global development report.

In Alfred Nzo, we see with both increasing numbers of young people and declining fertility has the potential to reap a demographic dividend. Due to the dividend between young and old, many argue that there is a great potential for economic gains, which has been termed the **“demographic gift”**. In order for economic growth to occur the younger population must have access to quality education, adequate nutrition and health including access to sexual and reproductive health.

Population age structure

The district's age profile is presented here shows a large juvenile population, with almost 40% of residents being below the age of 15. When read together with the over 65 population, it can be seen that the district potentially has a high dependency ratio. Dependency in this case refers to the proportion of the population that is not able to work, and thus economically dependent on others for its survival. The mid-life cohort of ages 35-64 can be said to be underrepresented as it constitutes fewer than one in every five people. The implication of this is found in a shortage of experienced workforce members that make significant contributions to economic productivity, output and production. It is also in these cohorts that positive and high returns to scale on social and human capital investments such as education and health are felt.

The population age structure of an area impacts on development in determining the demand and supply for goods and services. People of different age groups have different type of needs.

For example in Table 1.4, a high proportion of children (0 – 14 years) in Alfred Nzo District Municipality (39.8%) and (39.3%) for the youth aged 15 to 34 years of age would influence development on education and health services. The size of the working age population has important consideration in analyzing the size of the potential labour force. It is evident from the statistics that urban areas had a higher proportion of working age persons to the total population than rural areas.

About 80% of population in Alfred Nzo is young below the age of 35

	0 -14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	345,625	340,753	131,488	49,997	867,864
Matatiele	82,180	86,031	37,044	14,192	219,447
Umzimvubu	73,104	80,467	33,337	12,713	199,620
Mbizana	138,257	123,567	42,669	15,455	319,948
Ntabankulu	52,083	50,689	18,441	7,636	128,848

	0-14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	39.8	39.3	15.2	5.8	100
Matatiele	37.4	39.2	16.9	6.5	100
Umzimvubu	36.6	40.3	16.7	6.4	100
Mbizana	43.2	38.6	13.3	4.8	100
Ntabankulu	40.4	39.3	14.3	5.9	100

Source: Statistics South Africa, 2016 Community Survey Table 1.4

The demographic analysis of Alfred Nzo reveals that the population is young, with about 80% of the total population being below the age of 35 (See Table 1.4). This implies that expenditure on social infrastructure such as schools, health care facilities and recreational centers are crucial. However, evidence from both the age pyramid (Figure 1.4) and the structure of the population (Table 1.4) reveals that elderly people in Alfred Nzo are very few. Adults aged between 35 and 64, who are mature people responsible to bring food on the table, only account for 15% of the population. This implies that the dependency ratio in the district is high.

Dependency Ratio

What is a dependency ratio and what importance it has in demographic analysis? The dependency ratio measures the ratio of the non-working age population (i.e. people between the ages of 0 and 14 years old, and those older than 65 years) to the working age population (15–64 years). The higher the ratio, the more pressure there is upon the working age population to provide for the non-working age individuals.

Dependency ratios of Districts and Metros in the Eastern Cape

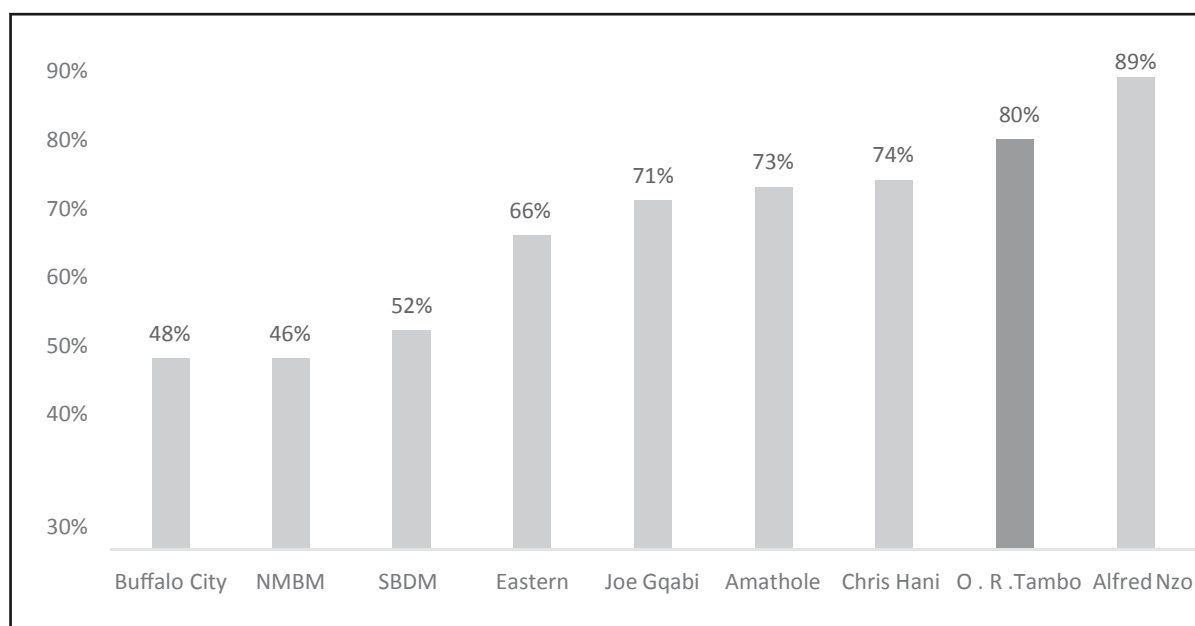


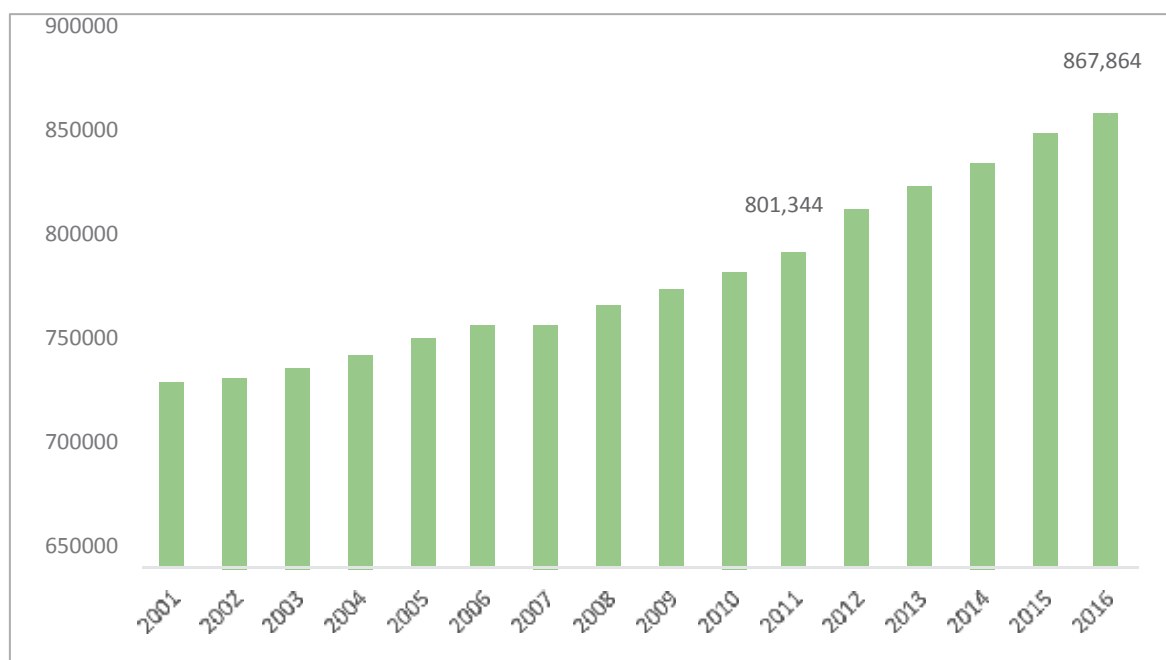
Figure 1.5

Results in figure 1.5 reveal that the higher dependency ratios are associated with rural districts and districts with limited economic activity. The opposite is also shown with lower dependency ratios being associated with urban districts and Metros. However, the measure does not take into account that age may not be an indicator of economic dependency as children and the elderly can qualify for social security grants. The indicator also assumes that those older than 65 years do not have other sources of income (e.g. pensions). However, the indicator does provide a useful indication of age-based dependency, both for households and for the state.

Where the ratio is high, there is a greater burden placed on the state to assist households with the provision of child and social services and welfare assistance. The highest dependency ratio in the province was in the Alfred Nzo District Municipality (88.8%), followed by the O.R. Tambo District Municipality (80.3%). The Eastern Cape's two metros, namely the Nelson Mandela Bay Metro and the Buffalo City Metro, had the lowest dependency ratio at 46% and 48% respectively. Cities naturally attract the working age population who migrate from rural areas to seek work opportunities. This often results in the very young and old populations remaining in rural and under developed areas.

A young and growing population

Geographically, much of South Africa's population growth is taking place in the urban areas, where over 60 percent of the country's people now live. However, although they provide economic opportunities, urban areas face huge developmental challenges.



A Growing Population in Alfred Nzo Local Municipality

Source: Statistics South Africa and Quantec, 2016 Figure 1.6

Figure 1.6 provides demographic trends for Alfred Nzo District municipality. Between the last census in 2011 and the latest community survey in 2016, population growth in district has been very impressive. This, in turn, has an impact on resource allocation, the consumption of goods and services and human capital development, which influences factors such as education, employment, income distribution and the physical well-being of a population.

Head of households in Alfred Nzo

Head of Household					Grand Total
	Male	Female	Male	Female	
Eastern Cape	902,719	870,755	50.9	49.1	1,773,473
Alfred Nzo	84,266	111,709	43.0	57.0	195,975
Matatiele	26,809	30,059	47.1	52.9	56,868
Umzimvubu	22,548	28,982	43.8	56.2	51,530
Mbizana	24,428	36,955	39.8	60.2	61,383
Ntabankulu	10,482	15,713	40.0	60.0	26,195

Source: Statistics South Africa, 2016 Community Survey Table 1.5

This section highlighted four important facts about Alfred Nzo district municipality. Firstly, its high growing population could contribute to high demand for goods and services. Secondly, the population age structure results in both a triangular-shaped pyramid and a rectangular-shaped pyramid. Thirdly, households in Alfred Nzo is predominantly headed by females. Lastly, about 80% of the population is young below 35 years of age.

3.1.3 Alfred Nzo Socio Economic Performance and Development

This section presents a brief snapshot of Alfred Nzo District's economy. It looks at the structure and performance of the economy, its features, dynamics, potentials of key sectors, and economic trends. It includes a sectoral analysis and makes reference to selected key sectors which are major contributors to the economic activity of the district and drivers of Alfred Nzo economic growth.

Alfred Nzo IDP acknowledges the following challenges facing the district:

- High rate of unemployment
- High poverty rate
- Low income levels
- Skills shortage
- Slow average economic growth
- Transformation on the ownership of land is slow
- Slow delivery on Land Reform Programme
- Land use planning: sparsely distributed population and topography resulting in costly provision of services
- Limited economic potential in rural areas / poor investment in the area due to land under the Traditional Authority (Communal Land Tenure)
- Environmental health and management related issues
- High prevalence of HIV / AIDS
- Absence of tertiary education facilities
- Poor access to Health Care facilities
- High number of child headed households.

This document will provide a diagnostic of challenges facing the district in line with the socio-economic indicators listed above.

Selected key economic indicators: Alfred Nzo, 2015

Table 2.2 presents a summary of selected key economic indicators for Alfred Nzo.

- In 2015, the total production (Output) of goods and services in Alfred Nzo was R18 671 million
- The input cost (Intermediate consumption expenditure) used to produce those goods and services was R8 859 million
- The difference between Output and input (Also called Gross Value Added) was R9 812 million
- 57% of GVA was used as Compensation of Employees (CoE) and 41% as Gross Operating Surplus (GOS)
- The input cost accounts for 47% of total production output and the GVA for 53%.

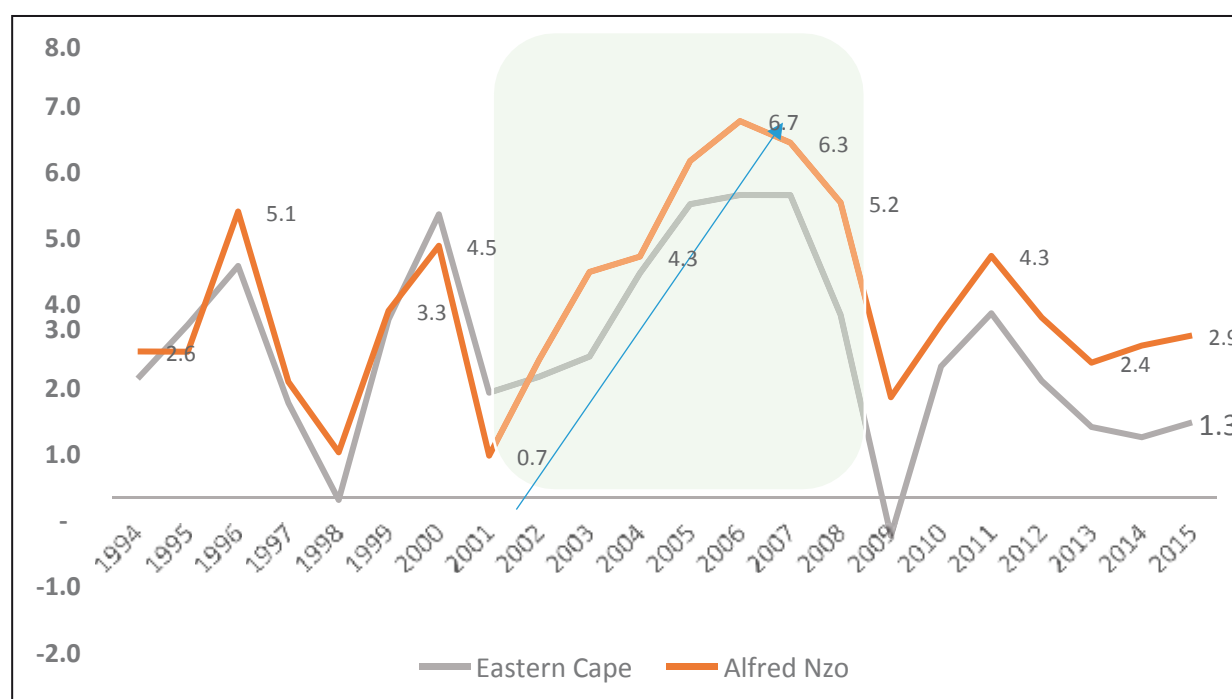
Selected key economic indicators: Alfred Nzo, 2015 (R millions at constant 2010 prices)

	Real Gross value added at basic	Real Compensation of employees	Real operating surplus	Gross Real Output at basic prices
Alfred Nzo	9,812	5,595	4,017	18,671
Umzimvubu	2,728	1,640	1,041	5,096
Matatiele	3,524	1,909	1,536	6,787
Mbizana	2,663	1,508	1,098	5,139
Ntabankulu	897	538	342	1,650
Eastern Cape	210,006	118,328	87,165	469,860

Source: Quantec easy data, 2016

Table 2.2

GDP in Alfred Nzo has grown dramatically between 2003, it reached a peak of 6.7% growth in 2007. High performance was offset by recession in 2008/2009. Since then, growth in the district has stagnated above 2 percent. Overall, the district has performed above the province (See Figure 1.7).

Alfred Nzo economic performance and trends: GDP growth rate between 1994 and 2015

Source: Own calculations derived from Quantec Easy Data, 2016

Figure 1.7

Economic challenges in Alfred Nzo

The Alfred Nzo District has various economic challenges. The economy is highly dependent on Government and community services sectors. This is an indication of limited private sector presence throughout the district. Another persisting challenge is about how to achieve a more equitable distribution of economic development opportunities when the greater number of the population reside in less economically developed areas and experience an ever deepening poverty cycle. Hence, the need to diversify the economy so that other productive sectors can be enhanced, especially sectors that have direct impact to poverty, such as agriculture. The economy of Alfred Nzo is dominated by the service sector, while productive sectors (Agriculture, Mining, Manufacturing, Construction...) have remained very insignificant in terms of their contribution to

the district GDP. This implies lack of local economic development initiatives in the district in the GVA sectors. However, the country and the district have a LED strategy in place.

Alfred Nzo District Local Economic Development Strategy

The national LED framework recommends intensified enterprise support be carried out through SEDA. The role of SEDA is to stimulate economic growth through the establishment and provision of support to local enterprise will be important in the district. This is given further articulation, direction and expression in the Provincial Strategy and Programme for Cooperative Development and Support in the Eastern Cape and the Integrated Strategy for Promotion of Entrepreneurship and Small Enterprise in the Eastern Cape.

The vision for local economic development of Alfred Nzo DM as developed in this strategy is to develop a vibrant and sustainable local economy for the benefit of the local population through creating sustainable business growth, infrastructure development and creation of jobs. This vision is articulated through several goals, which speak to the development of human capital, positioning the ANDM as one of the Eastern Capes cultural, adventure and eco-tourism destinations, investment attraction and place marketing.

To achieve this, the strategy puts forth programmes for:

- Small business promotion, expansion and retention
- Business infrastructural development
- Agriculture revival
- Developing tourism potential

Alfred Nzo Sectoral contribution to GVA and % share

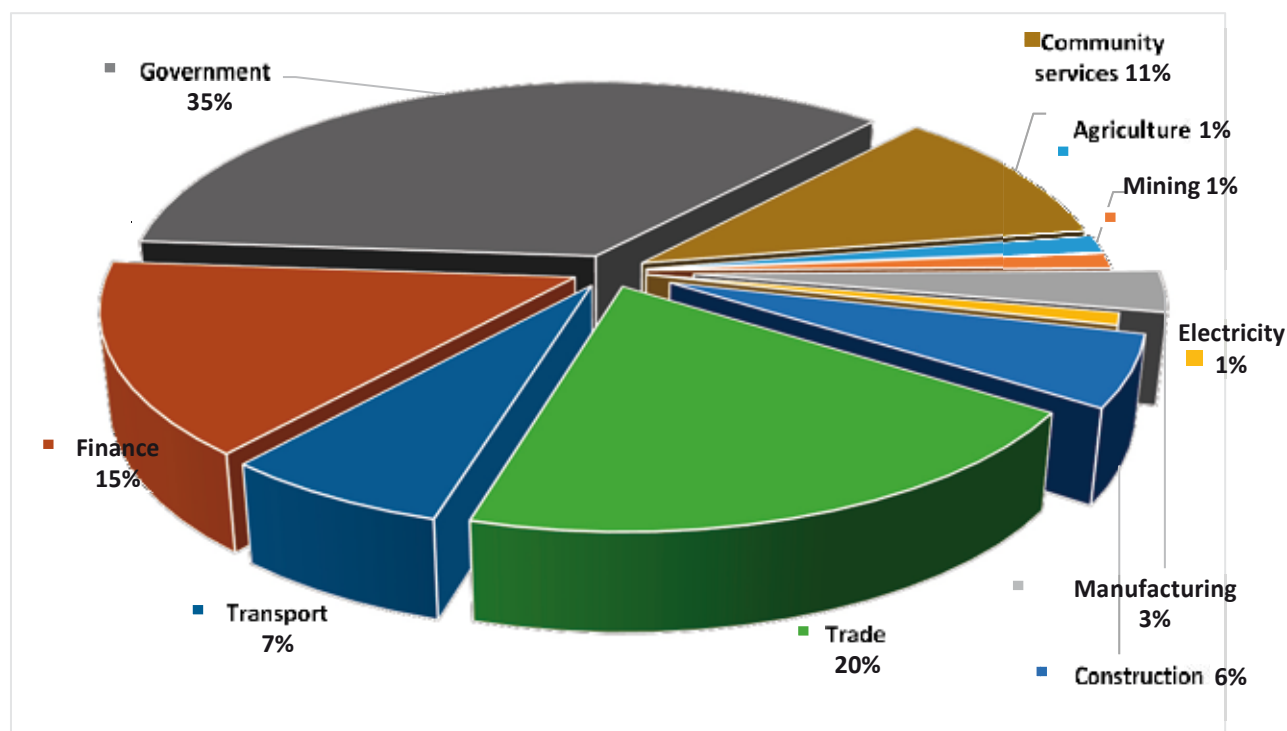
In 2015, Gross Value Added (GVA) generated by the General Government sector (35%), Trade sector (20%) and Finance sector (15%), accounted altogether for almost 70% of total Gross Domestic Product (GDP-R) of Alfred Nzo District (see figure 1.8 below). The challenge is that all the productive sectors (Agriculture, mining, manufacturing, Electricity & Water, Construction...) have little contribution.

According to the System of National Accounts (SNA) and the Standard Industrial Classification (SIC), the economy comprises the following sectors:

- **Agriculture sector** includes all activities related to the growing of crops, gardening and horticulture, farming with animals, agricultural husbandry services, hunting, trapping and game propagation, forestry and logging, fishing and operation of fish hatcheries
- **Mining sector** includes the extraction and beneficiation of minerals occurring naturally through underground and surface mines, quarries and all supplemental activities for dressing and beneficiating for ores and other crude materials

- **The manufacturing sector** is the sector where natural resources and other intermediate goods are converted through value adding processes into final products for the trade sector
- **The construction sector** includes activities related to site preparation, construction of buildings, building installations, building completion and the renting of construction equipment. The range of activity contained within the construction sector thus includes shop fitting, plumbing, electrical contracting, painting and decoration
- **The trade sector** includes wholesale and retail sale. The sector is defined either as “trade” or the resale, i.e. sale without transformation of new and used goods to the general public for personal or household consumption or use by shops, department stores, stalls, hawkers etc. The trade sector entails wholesale, commission trade, retail trade, hotels, restaurants, bars, canteens, short-stay accommodation
- **The Transport and telecommunication sector** include transport by sea (blue economy), by air (colourless economy) and by road. Telephone and cell-phone are part of this sector. Recently communication by e-mail, social network has overtaken this sector and there is little literature quantifying the impact of social media on the economy.
- **The finance and business services sector** includes activities related to obtaining and redistributing funds, including for the purpose of insurance, real estate or commercial and business services. Some of the activities that fall under this sector include financial intermediation; insurance and pension funding; real estate activities; renting or transport. equipment; computer and related activities; research and development; legal; accounting; bookkeeping and auditing activities; architectural, engineering and other technical activities; and business activities not classified elsewhere
- **The government services sector** includes community, personal and social services rendered by private and public institutions. Activities classified within this sector include public administration and defense activities, activities of government, government departments and agencies; education, public and private; health and social work; activities of membership organisations; recreational, cultural and sporting activities.

Alfred Nzo Sectoral contribution to GVA and % share



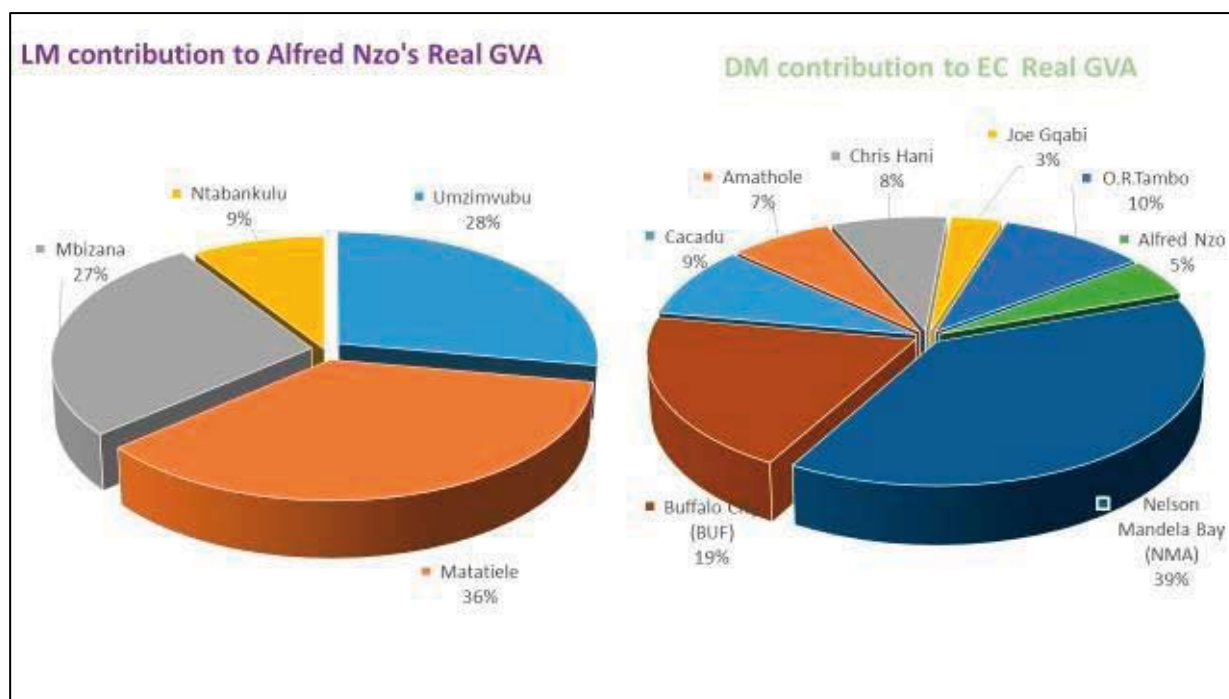
Source: Own calculations derived from Quantec Easy Data, 2016 Figure 1.8

Notably, the primary sector which includes Agriculture and mining remained very insignificant in size and their bubbles are trivial. This is a concern to the District, a call for an urgent agriculture strategy to unlock the hidden potential of the sector and also contribute to employment in the region.

Looking at the size of Alfred Nzo's economy, Figure 1.9 shows that the district has the lowest contribution (5%) to the Eastern Cape economy. As indicated earlier, this contribution is mostly generated by Government, Trade and finance sectors.

Agriculture is the main economic activity in the District. Currently, it has a limited base for economic expansion due to the fact that the majority of farming is traditional subsistence farming. Commercial farming is limited to the Cedarville area in the north east of the District. The District has favourable conditions for the development of the agricultural sector and it is therefore critical to assess the potential of this industry and devise methods of exploiting this untapped potential. The District has also been selected as one of the regions to undertake the implementation of AgriParks initiative (one of the 27 poorest district municipalities in the country). This initiative came as one of the president's interventions to transform rural economics. Furthermore this initiative is directly in line with the Agricultural Policy Action Plan and the district Grain Production Master Plan which has the envisaged objective of increasing the level of production within the agricultural sector, in order to significantly reduce unemployment and increase economic growth and development.

Local municipalities' contribution to Alfred Nzo's GVA and Alfred Nzo contribution to Eastern Cape



Source: Own calculations derived from Quantec Easy Data, 2016 Figure 1.9

Focusing on agro-processing is a priority for Alfred Nzo District

The District's IDP and the vision 2030 have identified agriculture-led growth and agricultural value chains as "clear-cut priorities for accelerated industrialization". Alfred Nzo District Municipality's prioritization of this sector will allow the district to benefit from growth opportunities in the region and beyond. Despite its relatively small direct contribution to GDP, the agricultural sector has been a mainstay of the Alfred Nzo District Municipality's economy and driver of economic development in this rural area.

Hence, inclusive growth in Alfred Nzo District Municipality should focus on agriculture and manufacturing since these are value add sectors with great potential to create jobs and stimulate growth.

Economic growth should as a final outcome cause an improvement in the overall quality of life as measured by different socio-economic development indicators if the growth is inclusive. On the other hand, socio-economic improvements also benefit economic growth. Local government policies directly aimed at these improvements become agents of economic growth by creating conditions favourable to economic development. High potential sectors are identified so that government resources can be prioritised towards interventions in a small number of opportunities rather than spread across the board.

The economic contribution of primary agriculture is supported by various value chains: its linkages extend to agro-processing producers as intermediate inputs in the production of consumer goods and as backward linkages to its suppliers within the manufacturing and services sector. Increasing

farmer participation in the full agriculture value chain via beneficiation of agricultural produce could stimulate inclusive growth and employment creation.

Key policy implications identified should include the benefits of having manufacturing as a growth sector is important. Particularly one with an export-orientation, ability to develop and transmit modern technology and capacity to create employment opportunities. In commodity production the agricultural value chain remains an important sector in which the region has a clear comparative advantage. Whilst real growth potential is currently dominated by agricultural produce and food value chain, there is still a need to add to existing value, and diversify the sector. The sources of and constraints to high sustainable growth are closely linked to the sector composition of economic growth and the productivity-enhancing distribution of resources among industries. Outside of the broad services sector, agriculture and its associated processing industries, as well as building and construction, stand out for their revealed comparative advantage in Alfred Nzo District Municipality.

Alfred Nzo District Municipality: Real Gross value basic prices, R millions constant 2010	1995	2000	2005	2010	2015
Total	6,030	7,058	8,248	10,191	11,787
Primary Sector	209	206	208	223	248
Agriculture, forestry and fishing	94	93	86	121	134
Agriculture	56	58	53	72	84
Forestry	37	34	33	47	48
Mining and quarrying	115	113	121	102	114
Other mining and quarrying	115	113	121	102	114
Secondary Sector	1,461	1,742	2,010	2,471	2,921
Manufacturing	158	185	221	266	312
Food, beverages and tobacco	51	54	74	108	126
Food	38	41	57	87	100
Beverages and tobacco	12	13	17	21	27
Textiles, clothing and leather goods	6	7	8	15	20
Wearing apparel	5	6	7	13	18
Wood and paper; publishing and printing	26	33	32	28	33
Wood and wood products	24	29	28	24	27
Paper and paper products	2	2	3	3	4
Printing , recorded media	1	1	1	2	2
Petroleum products, chemicals, rubber and plastic	9	14	19	24	37
Coke, petroleum products and nuclear fuel	4	7	8	12	23
Other chemical products	5	7	10	12	14
Other non-metal mineral products	31	37	41	39	42
Non-metallic mineral products	31	37	41	39	42
Metals, metal products, machinery and equipment	14	18	26	28	32
Basic iron and steel products; casting of metal	2	3	6	7	10
Non-ferrous metal products	1	1	1	1	1
Structural metal products	1	1	2	1	3
Other fabricated metal products	8	10	13	14	13
Machinery and equipment	3	3	4	5	6
Transport equipment	2	1	2	2	3
Motor vehicles, parts and accessories	2	1	2	2	3
Furniture; other manufacturing	18	20	20	20	18
Furniture	2	2	3	3	4
Other manufacturing groups	16	18	17	17	14
Electricity, gas and water	44	58	64	82	92
Electricity and gas	27	36	43	55	58
Water	16	22	21	28	33
Construction	97	119	212	362	543
Tertiary Sector	4,361	5,111	6,029	7,497	8,618
Wholesale and retail trade catering and	1,163	1,380	1,513	1,761	1,974
Wholesale and retail trade	1,054	1,287	1,414	1,644	1,861
Catering and accommodation services	109	93	99	117	114
Transport, storage and communication	288	374	500	574	659
Transport and storage	272	349	459	507	574
Communication	16	25	41	67	85
Finance, insurance, real estate and business services	404	505	787	1,105	1,468
Finance and insurance	136	121	219	283	317
Business services	268	384	568	822	1,151
Professional business services	230	303	438	653	893
Business activities n.e.c.	37	80	130	169	258
General government	2,013	2,232	2,476	3,127	3,467
National and Provincial government	1,889	2,073	2,283	2,915	3,218
Local government	124	159	194	212	249
Community, social and personal services	493	619	753	929	1,049
Education (Private)	132	181	220	321	331
Health and social work (Private)	140	191	231	259	337
Other community, social and personal services	221	247	301	349	382

Source: Quantec easy data, 2016 Table 2.3

Comparative advantage of Alfred Nzo local economy: Location Quotient Analysis

The location quotient is an indication of the comparative advantage of an economy. It is used to identify those local industries that are producing more than is needed for local use and selling outside the region (exporting) and those that are not meeting local needs and are a source of consumption leakage (importing). The table 2.4 below show the District's location quotients relative to the province of the Eastern Cape.

When interpreting the data, a location quotient greater than 1.0 indicates that the local economy is self-sufficient, and may even be exporting the good or service of that particular industry. On the other hand, a location quotient less than 1.0 suggests that the region tends to import the good or service.

According to Quantec regional data (2016), the Table 2.4 below shows that Alfred Nzo District Municipality's comparative advantage relative to province is in construction, trade, Government and community services. Alfred Nzo's disadvantages relative to Eastern Cape Province are in Agriculture, Mining Manufacturing, Energy, Transport and Finance.

But according to the IDP of the district and based on the existing economic activity, market opportunities, resources, assets and skills; the following economic sectors are of significant potential:

- Agriculture
- Forestry
- Manufacturing
- Construction and Mining
- Trade and Business Services/ICT
- Tourism
- SMME and Cooperative Development.

Alfred Nzo's location quotient relative to Eastern Cape: 2015

Location quotient relative to Province	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Primary sector	1.22	1.14	1.22	1.06	1.94
Agriculture	0.78	0.95	0.96	0.45	0.51
Mining	3.59	2.15	2.63	4.30	9.65
Secondary sector	0.51	0.47	0.60	0.47	0.40
Manufacturing	0.23	0.22	0.30	0.22	0.05
Electricity	0.78	0.55	1.13	0.68	0.28
Construction	1.35	1.28	1.44	1.21	1.60
Tertiary sector	1.11	1.12	1.09	1.13	1.12
Trade	1.02	0.95	1.26	0.84	0.81
Transport Finance	0.77	0.76	0.65	0.94	0.79
Government	0.73	0.63	0.80	0.83	0.53
Community services	1.57	1.75	1.33	1.59	1.90
	1.42	1.45	1.26	1.54	1.58
Total	1.00	1.00	1.00	1.00	1.00

Source: Quantec easy data, 2016

Table 2.4

While location quotients can help you better understand your local economy, you should not rely solely on them for decision-making purposes. Users should keep the following in mind: The location quotient assumes that local productivity (output per worker) is the same as national productivity. One interpretation of a “high” location quotient might be that a particular industry is exporting.

Tress Index Analysis: To remain competitive, Alfred Nzo District Municipality must diversify its local economy

The Tress Index measures the level of concentration or diversification in an economy. An index score of zero represents a much diversified economy, while a number closer to 100 indicates a high level of concentration. The economy of Alfred Nzo District Municipality appears to be slightly more concentrated on few industries.

Concentration or diversification of Alfred Nzo economy: Tress index over 10 industries

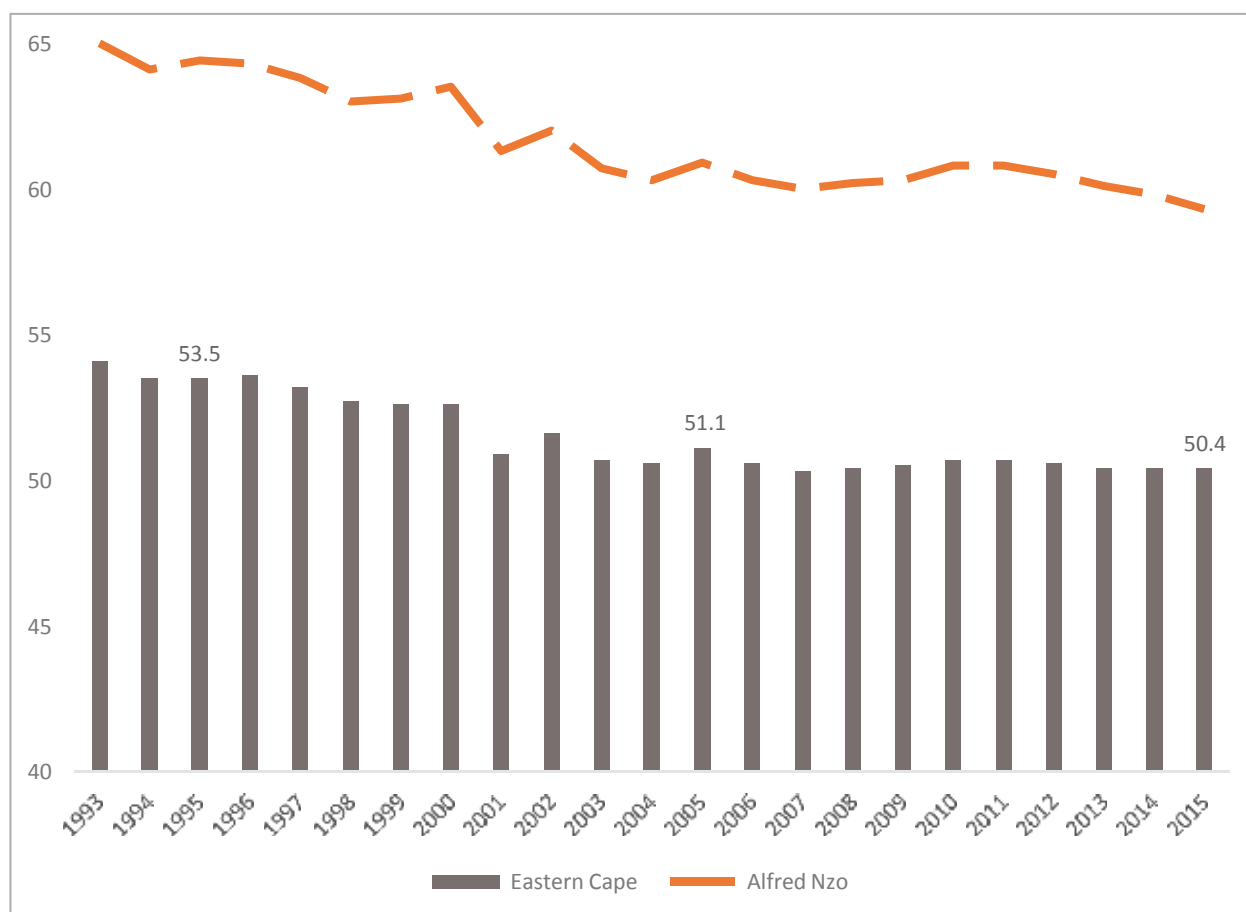
	1995	2000	2005	2010	2015
Alfred Nzo	64.4	63.5	60.9	60.8	59.3
Umzimvubu	68.6	67.7	64.6	63.9	61.9
Matatiele	61.7	61.0	59.2	58.8	57.3
Mbizana	63.4	62.0	59.5	59.8	59.1
Ntabankulu	68.3	68.0	64.5	64.9	62.8

Source: Quantec easy data, 2016

Table 2.5

According to Quantec Regional data (2016), the level of concentration in the District is gradually increasing. This is an indication that the District is not diversifying its industries (See Table 2.5).

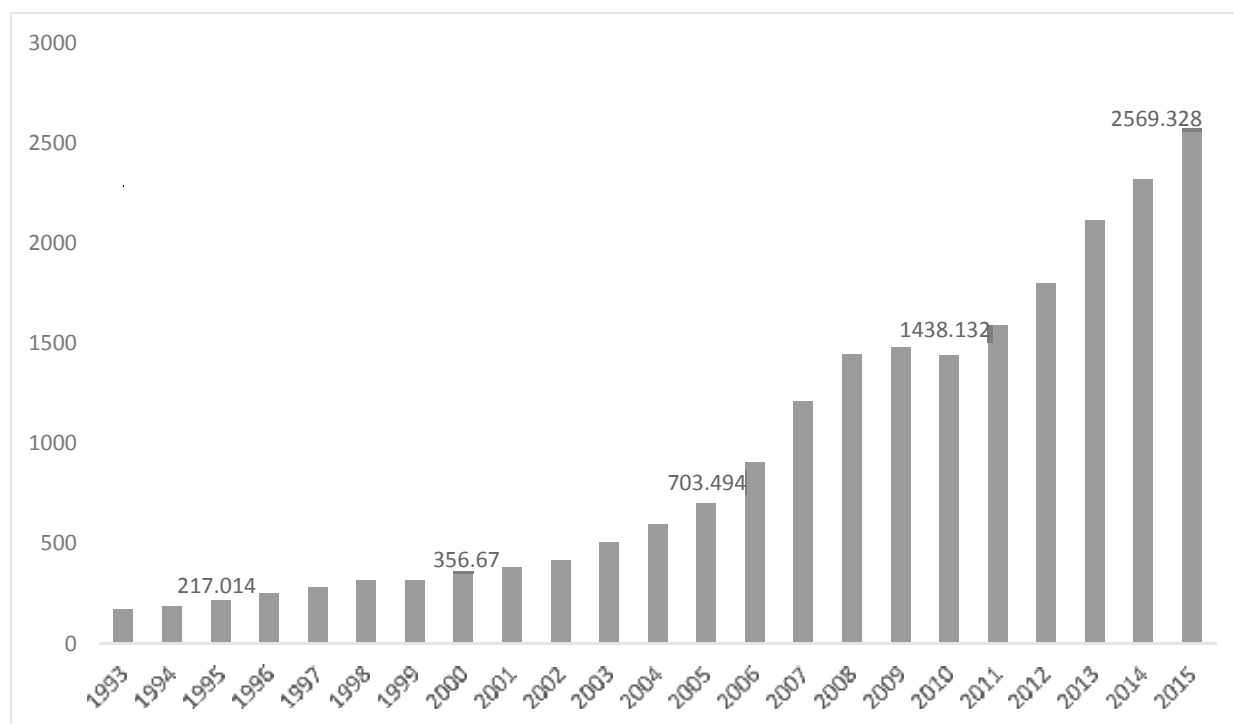
Tress index trend for Alfred Nzo District Municipality and Eastern Cape: 1993 to 2015



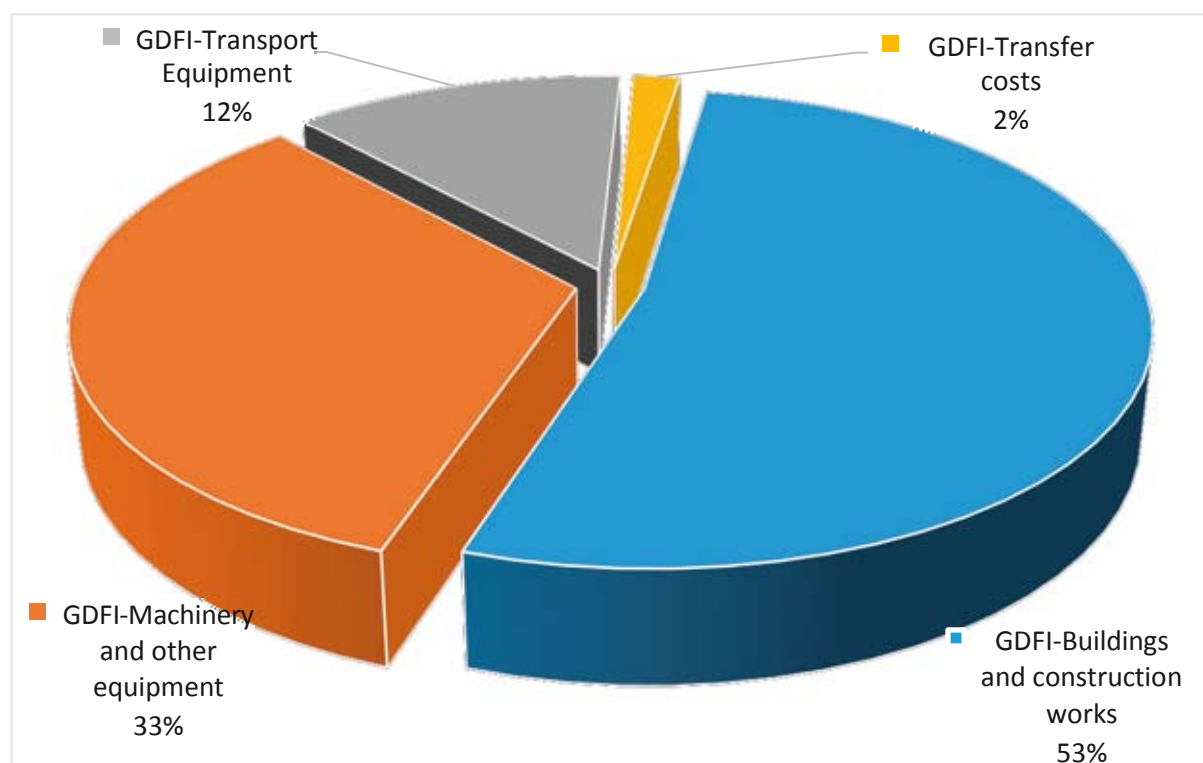
With over a third of all economic activity derived from, driven by or associated to government services, the public sector makes the largest contribution to regional output. Although this sectors contribution to total output has declined since 1995, the absolute value of public sector expenditure more than doubled in that period. This points to declining reliance or dependence on the government as an engine for activity and a growing, but still small private sector over the years. This is mirrored by the district's Tress index, which has declined from 51.0 in 2005 to 50.5 in 2015 (See Figure above).

Investment in the Alfred Nzo District

Investment in an area can be measured in terms of Gross Domestic Fixed Investment (GDFI) and/or Fixed Capital Stock (FCS). The total fixed investment provides an indication of investment within the economy into machinery, equipment, building and land. The capital stock formation refers to the net additions to the capital stock of the country or a regional area. In other words, capital stock formation measures the amount by which the total physical capital stock increased during a period.

Gross Domestic Fixed Investment in Alfred Nzo District: 2015 (Rm constant 2010 prices)

Source: Quantec Easy Data, 2016 Figure 1.10

Investment distribution in Alfred Nzo, 2015

Source: Own calculations derived from Quantec Easy Data, 2015 Figure 1.11

Gauteng leads the country in fixed capital stock formation (34%) due firstly to large amounts of foreign direct investment that flow into Gauteng province, and secondly its indisputable position as the commercial hub of South Africa - Why not of the continent? The province of Eastern Cape is ranked 6th highest in terms of capital formation.

Figure 1.11 shows that more than three quarters of GDFI in Alfred Nzo are mainly in Building and construction works (53%) and in Machinery and other equipment (33%). Transport equipment only accounts for 12% of GDFI.

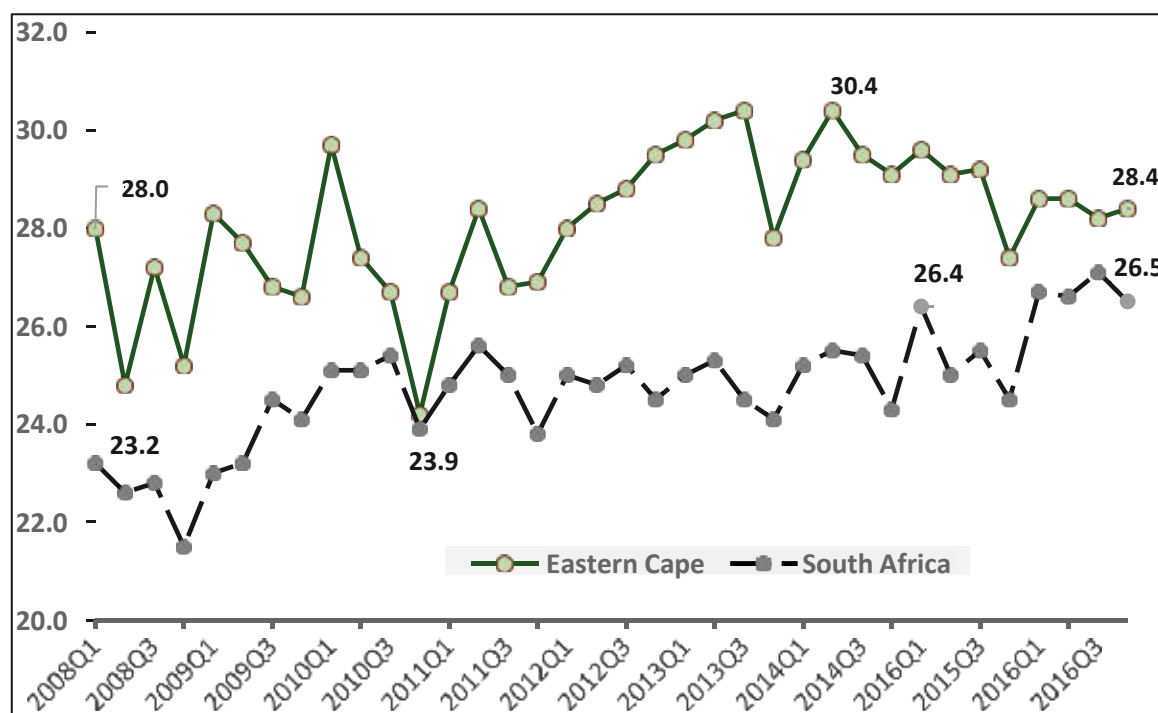
The continued underperformance of the Alfred Nzo District economy has exacerbated the existing trend in de-industrialisation. Sluggish growth is not translated in job creation. Consequently increasing levels of poverty and unemployment while at the same time reducing state revenue and increasing spending of public good through free health, basic service, grants, and education subsidies for those poor people who cannot afford it. Due to lack of economic opportunities in Alfred Nzo, entrepreneurs seem averse towards investing in corporations based in this municipality. Lack of infrastructure such as good roads, telecommunication systems, health care facilities do not motivate skilled labour and businesses to migrate in the district. Also poor infrastructure, in particular poor road networks, unreliable energy supply and insufficient telecommunication facilities create high transaction costs and are serious obstacles to operating business.

3.2 Labour Market Analysis, Performance and the Role of Education in Alfred Nzo

The labour market is the main transmission channel with various growth, poverty and inequality outcomes. In South Africa, output employment elasticity of about 0.69 between 2000 and 2008 stands in sharp contrast to the post crisis period (2009-2015) with negative elasticity of -0.16 percent. There was a profound impact of the recession on the labor market. The employment has never fully recovered. As shown in Figure 3.1, during the 3rd quarter of 2016, unemployment in the Eastern Cape (28.4%) remained higher than that of South Africa (26.5%). High unemployment remains the key challenge facing South Africa and the country struggles to generate sufficient jobs.

The rate of youth unemployment (ages 15-24) stood at close to 50 percent and long term unemployment for more than a year accounts for two-thirds of the unemployed. The unemployment rate for unskilled workers has been increasing as employers are seeking higher skilled workers. The current environment of weak growth is not favourable for private sector job creation—agricultural growth is weak and extractives and mineral sectors continues to struggle causing further jobs losses in these sectors.

During the 3rd quarter of 2016, unemployment in the Eastern Cape (28.4%) remained higher than that of South Africa (26.5%)



Source: Statistics South Africa (2017) Figure 3.1

The labour market is a major source of interest to policy makers because levels of employment and unemployment have far-reaching social, economic and political implications. Sector employment can either be analysed in terms formal employment and informal employment or by primary, secondary and tertiary sector. Productive employment remains the key mechanism through which individuals and households can sustainably escape poverty. Unfortunately, employment is relatively scarce in Alfred Nzo District Municipality. In an effort to increase jobs, economic opportunity and growth, the municipality will be required to capitalise on its relative comparative advantages while simultaneously considering interventions which encourage an economic structure which is more labour intensive to fully utilise the growing unskilled/ semi-skilled labour. More broadly, greater incentives for the private sector to grow the economy are an option to explore.

Formal and informal employment

Table 3.1 below shows that in 2015, there were in total 75 981 people employed in Alfred Nzo District Municipality's economy. Of these, 48 434 people (64%) were employed in the formal sector and 27 547 people (36%) in the informal sector.

Looking at the skills of the 48 434 people employed in the formal sector, 30% were skilled, 35% semi-skilled and 35% low/unskilled (See Table 3.1). The Government of Alfred Nzo District Municipality should pay much attention on unskilled labour and those in the informal sector.

The informal sector is characterized by short-term employment opportunities, little or no prospect of internal promotion, and wages are determined by market forces. In terms of jobs, it consists primarily of low or unskilled jobs, whether they are blue-collar (manual labour), white-collar (filing clerks), or service jobs (waiters). These jobs are also characterized by low earnings, easy entry, job impermanence, and low returns to education or experience.

Employment, 2015 (Total number of people employed)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total Formal and Informal	75,981	20,712	27,664	20,774	6,831
Formal: Total	48,434	14,042	16,486	13,090	4,816
Formal: Skilled	14,691	4,412	4,438	4,309	1,532
Formal: Semi-skilled	16,918	5,077	5,904	4,353	1,584
Formal: Low skilled	16,825	4,553	6,144	4,428	1,700
Informal	27,547	6,670	11,178	7,684	2,015

Source: Quantec, 2016 Table 3.1

Generally, the primary sector is dominated by unskilled labour, while the tertiary industry, particularly Finance, insurance, real estate and business services has a bigger share of highly skilled employees. The construction; transport, storage and communication; and wholesale and retail trade, catering and accommodation sectors have a significant share of informal labour.

The skills gap in Alfred Nzo District Municipality indicates the need for training and development centres, especially for the young people who account for over 40% of the population. As shown in the Table 3.1 above, in 2015, about three quarters of the employed people are either unskilled or semi-skilled. The Department of Education will play a major role in Alfred Nzo District Municipality. Given limited resources, Government needs to re-allocate resources in the development of human capital so that the economy can have more skilled people to occupy strategic positions in the municipality. Developing human capital will ensure that the skills gap is bridged and more people are becoming efficient and effective in uplifting the economy.

The development of human capital has a chain reaction. When people are trained and developed, they will be employed in the formal sectors, and pay taxes that can be used to fund other activities. As more effort is invested in human capital in the short-term, the long run economy of the municipality will become promising for future development because people will use their acquired skills in the economy. “Knowledge economy” is leading regions driven by innovation; whereby unskilled people are less needed. Hence Government interventions are critical. Some of these interventions should include the following:

- Reduce unskilled labour and increase skilled or highly skilled labour through training and education of workers
- Upgrade training facilities with the latest technology
- Introduce domestic policies that discourage the outflow of highly skilled workers (brain drain)
- Ensure labour equity is reached; and previously disadvantaged workers (Africans, women and youth) are trained; and they are fully participating in the main stream labour markets. This will help to bridge the skill gap

Once these labour interventions are implemented, the positive impact will be felt in the long run, not only to the individual workers, but also to the economy as whole. Thus, highly skilled workforce will contribute to improved productivity, leading to economic growth.

Compensation of employees

What are the wages and salaries earned by employed people in Alfred Nzo District Municipality? The table 3.2 below shows the amount paid to workers in the form of compensation of employees. The real compensation of employee for people employed in Alfred Nzo District Municipality's economy amounted to R5 039million in 2015 of which about 96% in paid in the formal sector and 4% in the informal sector.

Alfred Nzo District Municipality's compensation of employees in the formal sector was estimated at R4 834 million in 2015 of which:

- 60% was paid to skilled workers
- 28% to the semi-skilled workers
- 12% to low/unskilled workers.

Compensation of employee (R million constant 2010 prices)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total Formal and Informal	5,039	1,486	1,689	1,362	502
Formal: Total	4,834	1,441	1,600	1,306	487
Formal: Skilled	2,916	866	915	830	304
Formal: Semi-skilled	1,367	421	479	338	128
Formal: Low skilled	552	153	206	138	55
Informal	205	45	89	56	15

Source: Quantec, 2016 Table 3.2

3.2.1 Employment trends in Alfred Nzo District Municipality

The Eastern Cape Vision 2030 developed by the EC Planning Commission highlights education and job creation as key building blocks for the long term development of South Africa. The Plan establishes the following set of priorities as pivotal for the development of the Eastern Cape: (1) An improvement in education and provide skill needed by employer; (2) Job creation; (3) A more effective drive to transform and develop our rural regions to boost the economic performance of the province as a whole. Jobs must also be created in rural areas; and (4) A commitment to improving the functionality and efficiency of the public sector to ensure key priorities and desired outcomes are achieved. Figure 3.2 below shows how employment in Alfred Nzo District Municipality stagnated between 1993 and 2000 and how jobs were created between 2003 to 2008. The speed in employment growth was disrupted by the 2008 and 2009 recession. But since 2013, employment in the municipality has again started increasing.



Source: Quantec, 2016 Figure 3.2

Age Distribution, community survey 2016

	0to14 (Children)	15to34 (Youth)	35to64 (Adults)	65+Grand Total (Elderly)	
Alfred Nzo	39.8%	39.3%	15.2%	5.8%	100.0%
Matatiele	37.4%	39.2%	16.9%	6.5%	100.0%
Umzimvubu	36.6%	40.3%	16.7%	6.4%	100.0%
Mbizana	43.2%	38.6%	13.3%	4.8%	100.0%
Ntabankulu	40.4%	39.3%	14.3%	5.9%	100.0%

Source: Quantec, 2016 Table 3.3

Looking at the age structure of the municipality, from the Table 3.3, it is clear that 39.8% of Alfred Nzo District Municipality population is below the age of 14; and 39.3% of total population is youth between 15 and 34 years of age. In total, almost 80% of the population in Alfred Nzo District Municipality is below the age of 35. Therefore, employment in Alfred Nzo District Municipality should focus on the young people.

In order to absorb the younger generation, measures should be put in place to help them enter the labour market of which early retirement schemes are the most obvious. The younger generation continue to face unemployment problem because the majority of them enter the labour market for the first time without any work experience or skills.

3.2.2 Sector employment in Alfred Nzo District Municipality

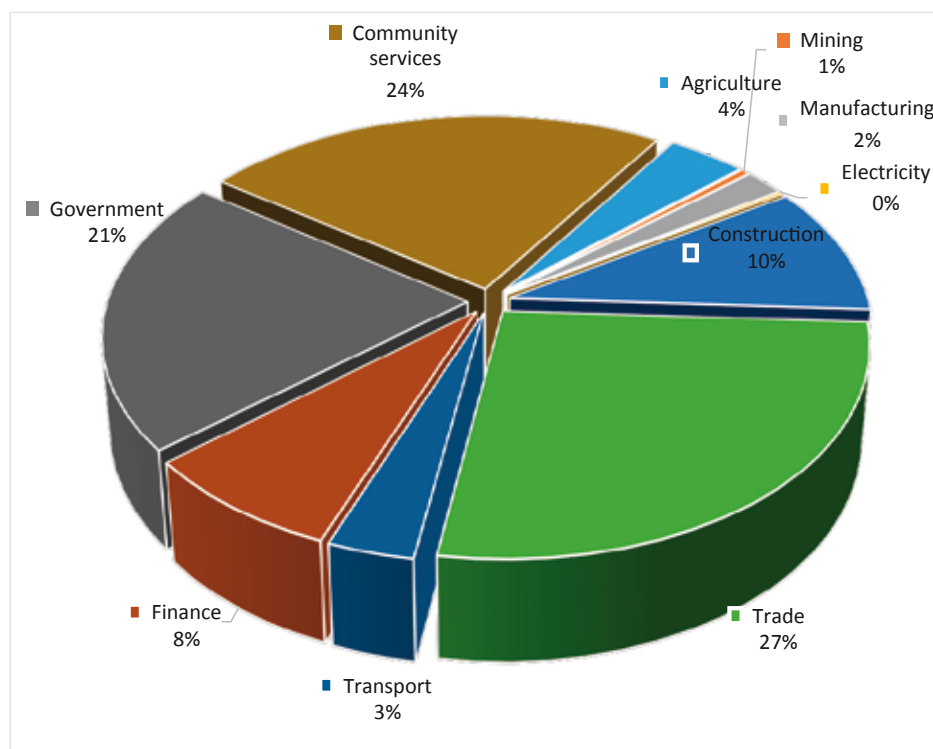
Which sector employs people in Alfred Nzo District Municipality? The Figure below shows that government sector which includes community services sector employs about 45% of total employment in Alfred Nzo District Municipality. This means that should Government sector be closed in Alfred Nzo District Municipality, almost half of workers in Alfred Nzo District Municipality will be without work.

Sector employment, 2015 (Total number of people employed)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total	75,981	20,712	27,664	20,774	6,831
Primary sector	3,432	1,045	1,460	638	289
<i>Agriculture, forestry and fishing</i>	3,099	990	1,371	529	209
<i>Mining and quarrying</i>	333	55	89	109	80
Secondary sector	9,252	2,371	3,712	2,457	712
<i>Manufacturing</i>	1,539	392	664	422	61
<i>Electricity, gas and water</i>	149	30	77	35	7
<i>Construction</i>	7,564	1,949	2,971	2,000	644
Tertiary sector	63,297	17,296	22,492	17,679	5,830
<i>Wholesale and retail trade, catering and</i>	20,268	5,153	8,572	5,062	1,481
<i>Transport, storage and communication</i>	2,509	646	843	819	201
<i>Finance, insurance, real estate and business</i>	6,001	1,711	1,789	2,042	459
<i>General government</i>	16,122	5,092	4,824	4,348	1,858
<i>Community, social and personal services</i>	18,397	4,694	6,464	5,408	1,831

Source: Quantec, 2016 Table 3.4

Sectors employment in Alfred Nzo, 2015



Source: Quantec, 2016 Figure 3.4

Table 3.4 above shows that valued added sectors (primary and secondary sectors where most jobs creation are expected from) only contributes 16.7% to total employment. Employment is distributed as follows:

- The primary sector employs for 4.5%
- The secondary sector employs 12.2%
- The tertiary sector employs 83.3%.

Government and trade are the largest employers in Alfred Nzo District Municipality but their contributions to GDP differs (See Table 3.4). An additional consideration is to investigate the earnings potential of prioritised growth sectors, to ensure that increased employment also equal an increase in standards of living. One of the challenges for policymaking as it relates to labour is to improve the balance between supply and demand across the various labour markets. This requires growing the supply of skills, through a range of interventions related to improving education outcomes. Women remain relatively disadvantaged within the labour market, which should be carefully considered by policy makers, given the important role women play in stabilising a family unit, which could impact on broader social ills. High youth unemployment requires an improvement in the employability of youth, policy makers will need to strengthen current skills development initiatives.

Employment and GVA contributions in Alfred Nzo, 2015

Sectors Contribution	Employment (%)	GVA (%)
Agriculture	4%	1%
Mining	0%	1%
Manufacturing	2%	3%
Electricity	0%	1%
Construction	10%	6%
Trade	27%	20%
Transport	3%	7%
Finance	8%	15%
Government	21%	35%
Community services	24%	11%
TOTAL	100%	100%

Source: Quantec, 2016 Table 3.4

The agriculture sector makes a sizeable contribution to employment, even though its GDP output is low. On the upside, this points to a high level of labour intensity, meaning that agriculture represented an employment-creating sector. On the downside, this indicates that productivity levels in the agricultural sector are very low.

In considering the small percentage contributions of the agricultural sector, it must be noted that the rural and poor nature of the district's resident population predisposes them to be inclined towards informal subsistence agricultural activity that is generally not reflected in the official records of national accounts. The implication of this is that although formalized commerce related to agriculture was only attributed to approximately 1% of Alfred Nzo GDP and 4% of Alfred Nzo total employment in 2015 (See Figure 3.4), the reality on the ground is that the agricultural sector is probably worth much more in terms of the monetary value of its output and production and contribution to household food security.

Turning to the trade sector, it is the largest private sector employer. Its employment contribution (27%) is greater than its GDP contribution (20%) (See Figure 3.4), which shows how in Alfred Nzo this sector is labour intensive. This is a result of low levels of investment into equipment, machinery and other such forms of capital. The local trade sector relies on unskilled labour, which gives an indication of the nature of the sector: mostly retail with limited maintenance and repair of goods. A relatively large retail trade sector in an area with a low average household income level indicates consumptive behaviour which is not sustained or supported by a notable productive base. Such an economy's performance and growth is closely coupled to broader economic cycles, and is not shielded from cyclical troughs and will often lag in terms of capitalizing on economic upswings.

3.2.3 Youth unemployment in Alfred Nzo

The weak economic growth performance in the province and in the District in particular has exacerbated already high unemployment, inequality, and macro vulnerabilities. The impact is even worse amongst the youth.

Youth unemployment rate (using the official definition) in Alfred Nzo district has remained extremely high at 59.6 % in 2016. The reasons for high prevalence of unemployment amongst the youth includes amongst others:

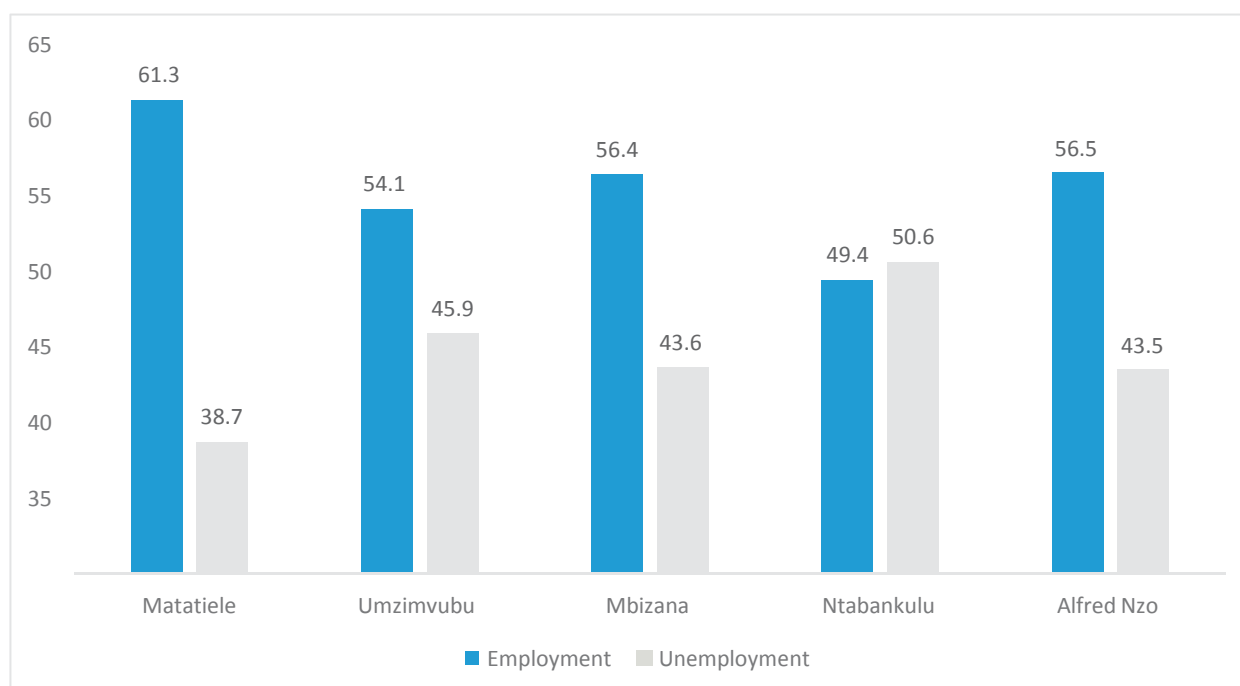
- Fewer jobs that are not enough to meet the pace of youth entry
- Youth gain insufficient skills and capabilities
- Lack of networks and work readiness capabilities
- Lack of direction and lack of money to enable the search for jobs
- Mismatch between demand and supply of labour, and youth expectations for high position without relevant skills
- 81% of discouraged work seekers have not completed secondary education and
- Private sector is reluctant to employ inexperienced youth.

According to the National Treasury's policy proposal document (National Treasury: 2011:4), the possible reasons that can explain the high rate of unemployment amongst the youth include among others:

- Employers who are looking for skills and experienced workers regard unskilled, inexperienced jobseekers as a risky investment
- Education is not a substitute for skills. Schooling is not a reliable signal of capabilities and low school quality feeds into poor workplace learning capacity.

Looking at unemployment rate and employment rate in the district, the figure below shows high employment rate in Matatiele (61.3%) and high unemployment rate in Ntabankulu (50.6%).

3.2.4 Unemployment rate and employment rate in Alfred Nzo



Source: Alfred Nzo IDP, 2016

Employed people are those who have within the last thirty days performed work for pay.

Unemployed are those people within the economically active population who: are not working; want to work and are available to start work immediately; and have taken active steps to look for work or to start some form of self-employment.

Not economically active i.e. a person who is not working, not seeking work and not available for work.

The labour force participation rate is also very low with only 30.2% of the population of working age (aged 15 to 64) either employed or seeking employment.

All of the municipalities registered average 60% of their working-age populations as not being economically active. This is indicative of perceptions of limited opportunities for gainful and permanent employment in the district leading to worker discouragement. These perceptions may be formed by factors including:

- Skills mismatch (given the educational profile of the district)
- Large percentage of the population that is classified as new entrants into the labour market
- (given the youthful demographic profile of the district)
- Barriers to entry into the job market (technical, geographic and financial)
- Low wages in the district in comparison to wages commanded in other districts and provinces.

Based on the above analysis, one is left with several questions that policy makers in Alfred Nzo need to address:

- What opportunities exist to increase the contribution of the informal economy to poverty reduction?
- What are the options for improving the pro-poor efficiency of employment through public works?
- What is the sources of the high unemployment in Alfred Nzo– demand or supply factors?
- What is the role of internal and international migration in Alfred Nzo labor market?
- What are the drivers of employment in strategic sectors such as agriculture? What are the direct and indirect socio-economic impacts of job losses in this sector?
- How can agriculture sector's contribution to poverty reduction be enhanced?
- Poverty and policy for the reduction of poverty among full-time and seasonal mine workers.

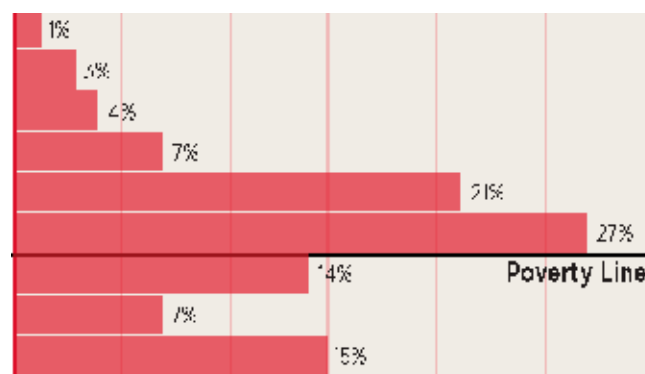
Income levels

Income levels within the District are very low. Only 6.6% of the economically active population has an income of more than R1601.00 per month. The majority of the people within the district are having income that is less than R800 per month. Municipal planning needs to focus strongly on local economic development initiatives that will enable the community to generate income.

The absence of a higher income earning class limits the growth potential of the District in that it is this category that usually offers the necessary intellectual and financial capital to support growth.

Poverty Levels

Increasing levels of absolute poverty have been recorded in the Eastern Cape and 74% of the people of the Eastern Cape live below the poverty line of R800 or less a month. Poverty levels vary from district to district but in Alfred Nzo approximately 40% of the population lives below the poverty line. High poverty levels imply a high dependency on social assistance in the form of grants. Municipal planning needs to focus strongly on poverty alleviation mechanisms.



3.2.5 Education in Alfred Nzo is regarded as the cornerstone to sustainable development

Education is an important indicator of development due to its correlation with human capabilities, productivity and, ultimately, income. The level of educational attainment is used as an indicator of the skill levels of the population, with the higher educational attainment levels being associated with greater opportunities for higher earnings, better social circumstances and the potential investment attraction.

Level of education attained in Alfred Nzo District Municipality

Education	2011		2016	
	Number	Percent	Number	Percent
Level of education (20+)				
No schooling	49,423	13.6	36,504	9.1
Some primary	91,921	25.2	77,214	19.3
Completed primary	26,289	7.2	26,885	6.7
Some secondary	130,340	35.8	170,757	42.6
Grade 12/Matric	46,450	12.7	66,538	16.6
Higher	18,713	5.1	20,020	5.0
Other	1,280	0.4	3,074	0.8

Source: Statistics South Africa, 2016

The district has low levels of educational attainment. This has implications on the present percentage of the population that is functionally literate.

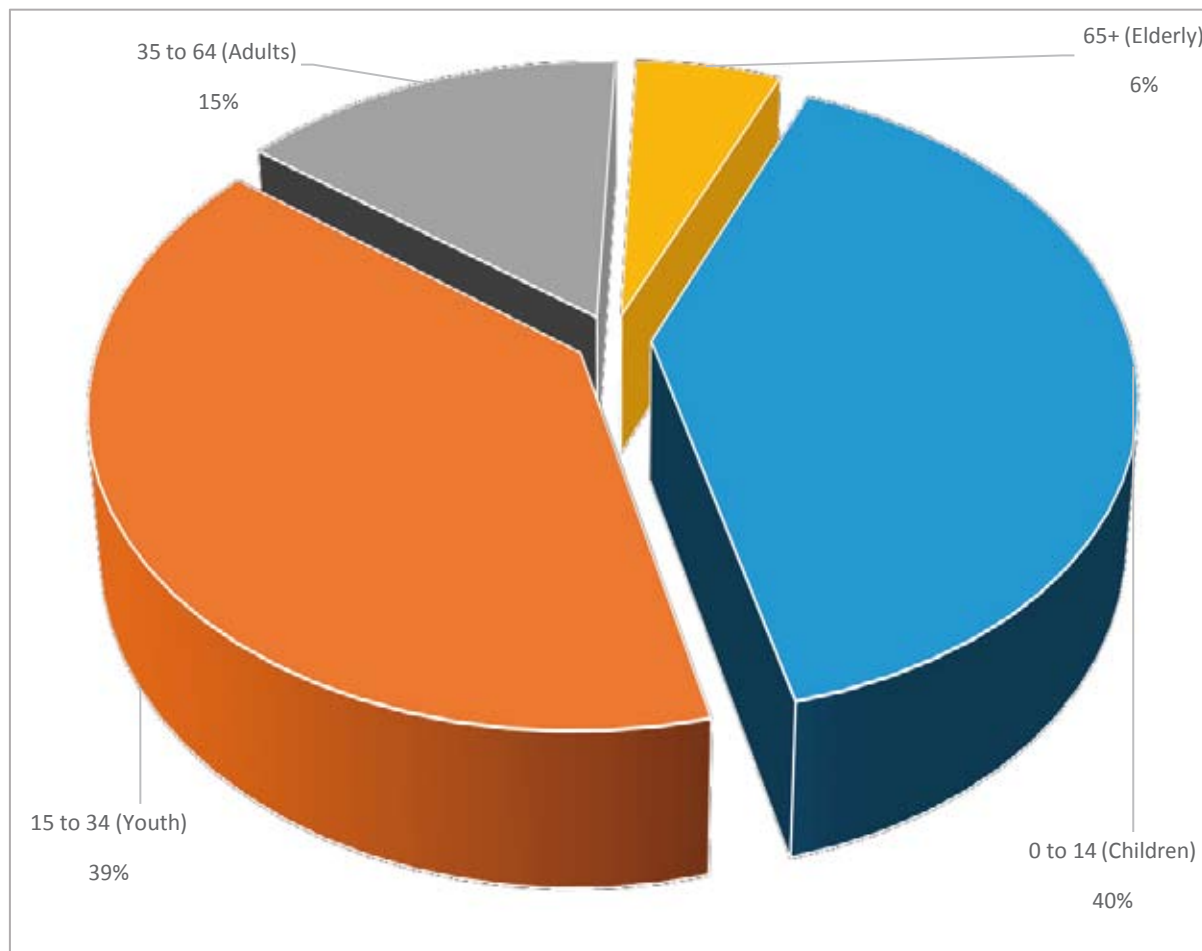
Only 5.1% of the population completed Matric or higher levels of educational attainment in 2011 and the percentage declined to 5.0% in 2016 (See Table above).

Education and age structure in Alfred Nzo

The wide base of juveniles and narrow apex of middle-life cohorts points to cycles perpetuating migrant labour, representing a form of economic leakage. If young people leave the district, the effect is a loss of capital investments made into them in the form of education.

From another perspective, a youthful population is often associated with a high level of creativity, energy and dynamism as is associated with entrepreneurial start-ups. The youthful population may then be seen as a means of mitigating economic leakage through government initiatives that specifically target this age group.

79% of Alfred Nzo District population fall between 0-34 years of age



Source: Statistics South Africa, 2016 Community Survey Figure 3.5

The Alfred Nzo District Municipality population is made up of 40% children under the age of 14 years. The youth aged between 14 and 34 years also account for 39% of the total population. The dynamics of this youth cohort will increasingly drive economic development of the municipality in terms of opportunities for education, work and social services. Figure 3.5 shows that the young population aged 0 – 34 years constitutes 79% of Alfred Nzo District Municipality's total population. These are the people who drive the demand side of education in the municipality.

The district municipality need to have a strategy on how to build this young dynamic population. For every 10 people in Alfred Nzo District Municipality, 8 are aged between 0-34 years. Education should therefore be listed among the top priorities in the district.

Alfred Nzo District Municipality: Population Age structure, 2016

	0 to 14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	345,625	340,753	131,488	49,997	867,864
Matatiele	82,180	86,031	37,044	14,192	219,447
Umzimvubu	73,104	80,467	33,337	12,713	199,620
Mbizana	138,257	123,567	42,669	15,455	319,948
Ntabankulu	52,083	50,689	18,441	7,636	128,848

Source: Statistics South Africa (2016 Community Survey) Table 3.5

Field of TVET in Alfred Nzo**Field of TVET in 2016**

	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
Management	1,595	538	370	526	161
Marketing	333	152	40	101	40
Information technology and	316	73	61	158	23
Finance	457	158	104	174	21
Office administration	523	204	114	163	42
Electrical infrastructure construction	269	76	38	136	19
Civil engineering and building	414	52	149	171	42
Engineering	898	92	422	367	17
Primary agriculture	55	-	1	55	-
Hospitality	257	78	44	115	20
Tourism	208	21	60	99	28
Safety in society	133	18	108	7	-
Mechatronics	47	-	28	19	-
Education and development	1,083	263	299	497	24
Other	1,467	573	291	511	94
Do not know	69	51	18	-	-
Not applicable	857,044	216,334	197,246	316,244	127,220
Unspecified	2,694	764	227	607	1,096
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) Table 3: 6

Table 3.6 shows the field of TVET in Alfred Nzo. In 2016, there were 898 people in the field of engineering and 414 people in the field of civil engineering and building construction.

The low education levels in Alfred Nzo affect the potential for employment that workers have, their productive efficiency and also their ultimate income levels. Low education levels may lead to an unavailability of skilled workers from the district, leading to significant proportions of the workforce being drawn in from other areas. As such a workforce would still have ties to their previous areas of habitation, this would exacerbate economic leakage in the area, as incomes earned in Alfred Nzo may be remitted to other districts. Education is therefore acknowledged as being inextricably linked to the economic development of the area.

Field of higher educational institution in Alfred Nzo**Field of Higher education institution, 2016**

	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
Agriculture	325	154	80	74	17
Architecture and the built environment	59	10	19	30	-
Arts (Visual and performing arts)	22	-	10	-	12
Business	1,536	281	452	643	159
Communication	108	34	39	35	-
Computer and information sciences	362	22	118	152	70
Education	7,367	2,282	2,019	2,398	668
Engineering	652	147	143	279	82
Health professions and related clinical					
Family ecology and consumer sciences	50	-	50	-	-
Languages	74	23	29	-	23
Law	243	71	120	52	-
Life sciences	92	-	63	18	11
Physical sciences	62	33	10	-	19
Mathematics and statistics	108	19	21	20	48
Military sciences	14	3	-	10	-
Philosophy	106	11	50	34	11
Psychology	145	49	38	57	-
Public management and services	624	237	120	213	53
Social sciences	510	129	211	159	10
Other	1,411	568	272	401	171
Do not know	878	818	39	-	21
Not applicable	849,341	213,339	195,151	314,554	126,297
Unspecified	2,694	764	227	607	1,096
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) Table 3:7

Education shapes how people experience the social, political and economic conditions in society. Consequently, education is central to how we respond to the quest for human development and flourishing. The basic purpose of education is to provide children, youth and adults with a socialising experience that enables self-knowledge and develops personal and social attributes to engage with, change and contribute meaningfully to society.

Highest level of education attained in Alfred Nzo

Table 3:8 shows the highest level of education attained by people in Alfred Nzo District Municipality. The 2016 community survey released by Stats SA reveals that Alfred Nzo had 146 947 people with no schooling of which 61 995 people were in Mbizana and 32 343 people in Matatiele Municipality.

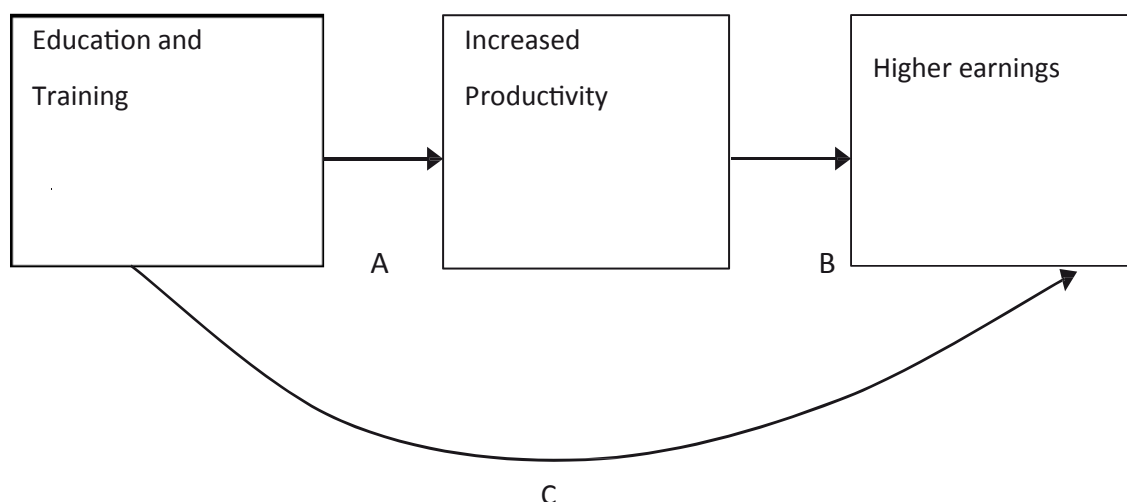
Highest level of education attained

	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
No schooling	146,947	32,343	26,852	61,995	25,758
Grade 0	48,067	11,857	9,474	20,031	6,706
Grade 1/Sub A/Class 1	32,360	7,935	7,065	12,129	5,231
Grade 2/Sub B/Class 2	26,283	5,590	5,924	10,571	4,197
Grade 3/Standard 1/ABET 1	48,948	11,536	10,673	18,602	8,137
Grade 4/Standard 2	47,879	11,264	10,931	18,428	7,256
Grade 5/Standard 3/ABET 2	48,382	11,801	10,026	19,388	7,167
Grade 6/Standard 4	55,134	15,051	12,217	19,259	8,607
Grade 7/Standard 5/ABET 3	49,132	12,520	12,428	16,770	7,414
Grade 8/Standard 6/Form 1	61,395	15,515	16,798	20,259	8,823
Grade 9/Standard 7/Form 2/ABET4/Occupational certificate NQF Level 1	71,079	19,047	17,010	24,861	10,162
Grade10/Standard8/Form3/Occupational certificate NQF Level 2	66,411	17,400	18,024	22,282	8,705
Grade 11/Standard 9/Form 4/NCV Level3/ Occupational certificate NQF Level 3	66,959	17,208	17,146	23,797	8,808
Grade12/Standard10/Form5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	70,266	20,638	18,003	22,942	8,683
NTC I/N1	249	59	63	109	19
NTCII/N2	351	80	98	174	-
NTCIII/N3	714	226	122	300	66
N4/NTC 4/Occupational certificate NQF	1,333	385	247	430	271
N5/NTC 5/Occupational certificate NQF	866	483	156	166	61
N6/NTC 6/Occupational certificate NQF	1,402	336	462	499	105
Certificate with less than Grade 12/Std	699	633	37	29	-
Diploma with less than Grade 12/Std10	687	412	92	149	33
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF Diploma with	2,017	742	678	456	140
Grade 12/Std certificate NQF Level 6	6,092	1,864	1,726	1,901	601
HigherDiploma/Occupational Level 7	2,134	421	503	891	320
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	2,086	549	550	642	345
Masters/Professional Masters at NQF Level 9 degree	4,056	1,137	1,012	1,420	488
PHD (Doctoral degree/Professional degree at NQF Level 10) Other	1,925	547	499	666	213
	183	56	75	51	-
	263	117	51	95	-
	988	265	220	320	183
	1,973	1,284	433	145	111
	603	146	27	193	237
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) Table 3:8

In line with the millennium development goals, the government of Alfred Nzo District Municipality should take measures to eradicate education backlog, especially for the people with no schooling.

The Human Capital Theory



Education and training should be regarded as an investment and not just a mere consumption services because education and training provide more than immediate benefits such as subjective satisfaction and status but a long term monetary rewards through higher earnings and better life style.

According to the human capital theory, the monetary return on education and training is the net return which is derived at by taking into accounts both the costs and the benefits of education and training.

The reason for this illustration here is that when workers are productive the economy grows and when the economy grows more jobs will be available, and when people find jobs more tax revenue goes to the government while its expenditure on social welfare declines. Thus less budget is spent on fighting poverty and creating jobs through government programs such as the Accelerated Shared Growth and Initiative South Africa (ASGI-SA); the Broad Based Black Economic Empowerment (BBBEE); Small, Micro and Medium Enterprises (SMMEs) and Co-operations (Coops).

The promotion of these programs will then be on the individual to take active steps to be innovative and flexible to take up challenges.

Government will therefore concentrate more effort in investing in both economic and social infrastructure.

Fees must fall and education in Alfred Nzo

Challenges in South Africa's education system include the fact that education quality remains poor overall and uneven across regions and population groups, which largely reflects the country's historical legacy. Although private returns to schooling are shown to be large, especially at the tertiary level, they have been shown to be significantly lower for Black Africans relative to the national average, which may be linked to differences in school quality and persistent discrimination. Recently the issues of affordability of tertiary education has been brought to the fore via the fees must fall campaign in which University students led a national protest for free tertiary education.

Improving governance of education through for example improved teacher accountability will help increase cost-efficiency. To facilitate the role of the labor markets in poverty reduction, there is need to put in place policies and initiatives to correct the skill supply and demand mismatch.

In addressing the challenges facing Education in the Province, the Eastern Cape Planning Commission have identified the following key action issues:

- Community ownership of schools
- Implementing mother-tongue-based language medium policies
- Developing well-grounded early childhood specialists/practitioners
- Developing teachers as public intellectuals
- Developing academic excellence in sciences and humanities in primary and secondary schools
- Adopting co-operative approaches to post-schooling institutions and designing programmes for community education.

Key Questions for policy consideration

- What are the determinants of learning outcomes across different population groups and across geographical areas of Alfred Nzo?
- What are the outcomes for learners completing high school or dropping out in secondary school, in terms of the higher education landscape?
- What are the key constraints faced by learners in trying to enter post-schooling institutions?
- To what extent does educational attainment or school performance of pupils from previously disadvantaged communities (including rural areas) contributes to their probability of penetrating the formal labor market?
- How do factors such as the learner's gender, ethnicity, origin, family income, parents' education and so on link to the learner's school performance?
- Do accountability arrangements such as community participation, principal-teacher management teams help improve outcomes in previously disadvantaged schools?
- Resources constraints (e.g. lack of equipment) and teaching capacity constraints (e.g. lack of teacher training) in learning outcomes?
- What are the implications of fees must fall for poor students in higher education in South Africa?

3.3 Diagnostic Review

3.3.1 Natural conditions

The Alfred Nzo District (AND) is a mountainous region stretching from the tops of the southern Drakensberg escarpment in the northwest (over 2,000 metres above sea-level and forming the border with Lesotho) down to the Wild Coast, about 120 kilometres away in the south-east.

The AND has about 30 km of coastline. Bordered by the Mtamvuna river (and KZN) in the northeast and the Tina river in the southwest, the AND has an area of 10,734 square km (the smallest area among the Eastern Cape's six rural districts).

There is large climatic variation in the AND, from Alpine in the high mountain areas to subtropical in the coastal belt. Rainfall is generally quite high (900 to 1500 mm/year) particularly under the escarpment and near the coast.

Most of the AND falls within the upper Mzimvubu river catchment area or basin, and the district has deep and steep-sided river valleys of the Mzimvubu itself and three of its four main tributaries (the Tina, Kinira and Mzintlava rivers):

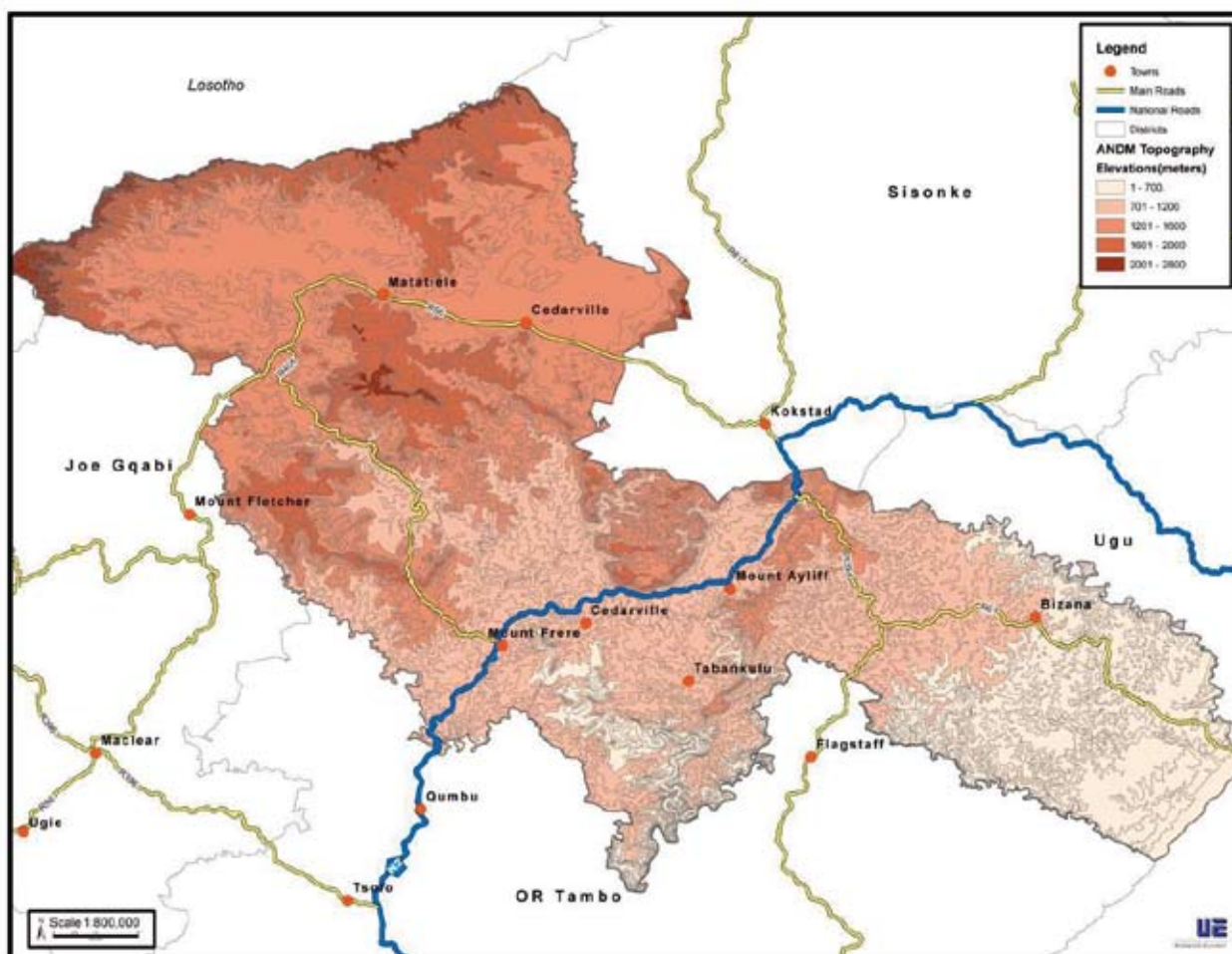
- The Tina river passes just to the east of Mount Fletcher
- The Mzimvubu passes just to the west of both Cedarville and Mount Frere
- The Kinira joins the Mzimvubu to the northwest of Mount Frere
- The Mzintlava passes just to the east of Mount Ayliff, and then flows down to Flagstaff.

There are extensive wetlands at the base of the escarpment.

The vegetation of the AND is mostly grassland with pockets of indigenous forest. About 5% of the district's land area (or 50,000 ha) is judged to have high-potential for arable farming.¹

AND is very scenic.

¹ See ANDM Grain Masterplan, page i



(Note: Please disregard the location of Cedarville in this UrbanEcon map)

3.3.2 Socio-economic snapshot

The economy of AND is dominated by the public sector, accounting directly for 46% of the municipal economy, compared to 15% for SA as a whole. The business sector is mainly trade and other services, while the productive economy (agriculture, manufacturing and construction etc) is very small. The AND economy is consumptive rather than productive.

The total value-added of the AND economy is about R50 billion a year. Formal employment is about 50,000 jobs and there are also about 27,000 informal jobs. Matatiele LM has the largest economy and Ntabankulu has the smallest.

About 90% of households in AND are poor, unemployment is rife (particularly among the youth), and business employment is extremely small in relation to the working age population (and probably not showing much growth).

Most households rely on social grants and remittances to avoid extreme hunger.

In 2016 the South African Institute of Race Relations published a study (based on StatsSA's 2016 Community Survey) that calculated a "deprivation and comfort index" for 8 metropolitan and 44 district councils and found the AND to be the worst off.

² See ECSECC review 2017

- AND had lowest proportion of households with access to piped water inside their home or yard at 16%
- AND had the lowest employment rate at 53% (Johannesburg had the highest at 73%)
- AND also scores worst at income: 90% of the households get less than R1600 per month.

A question was introduced in the Community Survey 2016 that asked households what they considered to be the main problem or difficulty they were facing in their municipality presently. In addition to collecting data about the actual services and the quality of services that households have access to, asking households what they perceive as their main challenge or difficulty provides policymakers and planners with key data on how households understand or feel about their environment and the services in their municipality. Alongside the statistics of household services, employment and crime statistics, the results from this question could be useful to assess needs and analyse trends. Overall in South Africa, households listed (1) lack of a safe and reliable water supply, (2) lack of or inadequate employment opportunities, (3) the cost of electricity, (4) inadequate housing and (5) violence and crime as the main challenges that they presently faced in their municipality. The table below shows how perceptions vary between AND, EC and SA:

Leading challenges facing the municipality presently as perceived by households:

	Alfred Nzo District Ranking	Eastern Cape Ranking	South Africa Ranking
Lack of safe and reliable water supply	1	1	1
Lack of reliable electricity supply	2	Data not available	Data not available
Inadequate housing	3	2	4
Inadequate roads	4	4	Data not available
Lack of/inadequate employment opportunities	5	3	2
Inadequate sanitation	7	5	Data not available
Cost of electricity	8	Data not available	3

Rankings for AND as opposed to the rest of the province show that infrastructure backlogs are perceived as key priorities in the district. These perceptions of households are relevant to framing the Apex Priorities of Alfred Nzo District Council for the next five years (see Chapter 6 below).

AND contains some valuable natural assets. For example, fertile lands, warm temperatures, fairly good soils and frost-free conditions (in some areas). The Wild Coast is considered the most spectacular eco-tourism destination in SA.

Agriculture and tourism have long been identified as high-potential sectors to drive development, but despite several public sector interventions these sectors have not yet taken off.

³ See *Daily Dispatch*: <http://www.dispatchlive.co.za/news/2016/06/07/alfred-nzo-municipality-is-the-worst-area-to-live-in-sa-survey-finds/>

3.3.3 People and human settlements

According to the Community Survey (2016) about 868,000 people live in the Alfred Nzo District (AND). Between 2011 and 2016 AND's population grew faster than the Eastern Cape provincial total, and the population of Mbizana grew particularly fast:

	% change of population between 2011 and 2016
Ntabankulu	3.9
Umzimvubu	4.2
Matatiele	7.7
Mbizana	13.5
Alfred Nzo	8.3
Eastern Cape	6.6

The people of AND include Bhaca, Sotho and Mpondo. Traditional leaders are represented on the AND Municipal Council.

There are broadly three types of human settlements in AND:

- Low-density rural villages (average size about 700 people; villages are often contiguous)
- Small towns
- Higher density peri-urban settlements around the small towns.

There is evidence of de-population of deeper rural areas (e.g. the Mzimvubu population fell by 5% between 2001 and 2011 according to census data) and fast growth of peri-urban settlements.

Local Municipality	Population (000s)	Area (square km)	Population density (people/sqkm)	Small towns	Other nodes
Matatiele	219	4352	49.6	Matatiele/ Maluti Cedarville	Queen's Mercy, Ematolweni, Thaba Chicha, Ndaleni
Mzimvubu	200	2507	78.9	Mount Ayliff Mount Frere	Cancele junction, Phakade junction, Phuthi junction
Mzimvubu	200	2507	78.9	Mount Ayliff Mount Frere	Cancele junction, Phakade junction, Phuthi junction
Mbizana	320	2415	123.5	Bizana	Mzamba Kubha junction, Mpunfu (new N2), Ndlovu
TOTAL	868	10734	80.1		

Note: Population data from Community Survey 2016 (StatsSA)

From this table it is observed that:

- Matatiele LM has the second largest population and the largest land area, and
- Ntabankulu LM has the smallest population and land area
- Mbizana has the largest population and the densest population, and Matatiele is the least dense
- All six of the small towns are on a main road, except Ntabankulu.

The main problem with peri-urbanisation processes is that they can occur in unplanned and haphazard ways. Economic growth is largely an urban phenomenon and more dynamic small towns will improve the development prospects of the overall district.

Possible priorities include the following:

- Strong urban planning of the five small towns (and their peripheries) is required
- Increased focus of public investment and development initiatives in small town development, and ensuring that they become competitive and investment attractive areas
- High population densities and high population growth in Mbizana suggests that, for example, Mzamba is a growth node and requires a special focus, particularly in view of the new Wild Coast N2
- Municipalities must acquire more well-located land that can be made available for investors (see section 3.3.12 below on construction and property development).

3.3.4 Roads and transport network

The main roads in the District are:

- The N2
- The R56
- The R61.

The new Wild Coast N2 is being planned from Mzamba to the new Mtentu bridge 30 km to the south.

Other roads include:

- Three gravel roads from N2 to R56 (ending at Cedarville and Ematolweni, the R405)
- Gravel back road from Mount Ayliff to Mount Frere passing through Sphambukeni and Cancele junctions
- N2 (from Phuthi junction) to Ntabankulu (and south to Lusikisiki)
- N2 (Mount Ayliff) to R61
- R626 from N2 (Phakade junction) to R61 (Kubha junction), and on to Flagstaff
- Matatiele to Qacha's Nek (Lesotho)
- Matatiele to Queen's Mercy, Malekgonyane (Ongeluksnek) and Thaba Chicha.

To upgrade the district's road network there needs to be ongoing engagement among ANDM, the LMs, DRPW and SANRAL to ensure:

- Upgrading of roads in the new emerging peri-urbanization zones.
- Maintaining priority road networks (preventative)
- The use of employment-intensive methods as much as possible
- The use of transport nodes to develop commercial precincts (taxi ranks, hawkers facilities, shops etc).

3.3.5 Water, sanitation and electricity

The Alfred Nzo District mainly lies in the Mzimvubu catchment area, which has relatively high annual rainfall and consequent high annual surface water run-off (river flows). This catchment has the highest un-used water potential yield in SA. This potential has been studied over many years but the water resource remains under-utilised for a number of reasons:

- Absence of large-scale and local urban/industrial demand
- Absence of large-scale irrigation potential (topography and soils)
- High cost of water transfer to water scarce regions (such as Gauteng) due to high pipeline and pumping costs.

Presently there is one large dam in AND (the new Ludeke dam in Mbizana) and several small dams. Most of water supply for towns and rural areas comes from standalone schemes using streams, springs and boreholes.

There are very large water backlogs, particularly in Mbizana. The following data is from Community Survey 2016:

Area	% households without access to piped water	% households without access to sanitation
Alfred Nzo District	54.1	5.7
Matatiele	31.2	6.7
Umkhumbi	46.7	6.4
Mbizana	77.8	5.6
Ntabankulu	63.3	2.5

AND Municipality is both the Water Service Authority (WSA, with full regulation and oversight functions) and the Water Service Provider (WSP, with full delivery functions).

ANDM is engaged in major delivery of water supply projects to address backlogs, which are estimated to require R14.6 billion to eradicate, at an average cost per household of R85,000. The total capex budget in 2016-17 was R421 million. Average household costs are high due to the dispersed nature of human settlements and difficult topography.

The District has four water supply intervention areas (WSIAs):

WSIA name	Bulk pipelines (km)	Reticulation pipelines (km)	Yard connections (000s)	Cost (R billion)
Kinira River Dam (Matatiele)	310	496	37	5.1
Mkhemane River Dam (Umzimvubu)	916	1603	35	5.9
Nkanji Dam (Ntabankulu)	478	836	22	4.5
Ludeke Dam (Mbizana)	968	1694	45	5.4

Water issues to be addressed during this IDP are the following:

- Optimal implementation for the WSIA programme and raising of grant funds
- Ensure that roll-out of WSIA responds to population dynamics (peri-urbanisation trend)
- Ensure ANDM meets DWS regulatory requirements as a WSA (in terms of the Regulatory Performance Management System, RPMS). ANDM's status as WSA is under threat
- Under-capacity, ageing and poor operations and maintenance of WTWs and WWTWs (poor blue drop and green drop scores)
- Implement water conservation and demand management strategy
- All households outside towns are considered indigent in terms of free basic services.
- Expedite training of WSP personnel through SETA programmes
- Maintenance of existing stand-alone village water schemes.

Waterborne sewerage is being provided in Maluti Township (Matatiele) at a cost of R40 million⁵.

Other priorities include:

- Complete VIP toilet provision programme
- Eskom to complete household electrification programme (100,000 households)
- Municipal waste services to be delivered at least in towns and other tourism and transport nodes (use EPWP where feasible).

3.3.6 Health

The district has 8 hospitals and 65 clinics. These facilities fall short of DoH norms, as do the services rendered.

Health outcomes in the district are generally poor, as a result of poverty and malnutrition and reflected in extremely high rates of infant and child mortalities. Additional national and provincial resources are being invested in the AND health system. ANDM is required to improve infrastructure for health facilities.

The spread of HIV/AIDS is an extremely severe and urgent problem in the area. In 2009 the HIV/AIDS prevalence rate was as high as 50%-60% among tested cases; these cases were

mainly females who participated in voluntary testing during their regular pregnancy visits to local clinics. The logistical difficulties of getting ARV's and other health care to remote and scattered communities is recognized.

Future priorities include:

- Programmes to improve child nutrition (early childhood development)
- Achieving national norms regarding facilities and service standards, particularly in the growing and denser peri-urban areas.

3.3.7 Education and training

AND has 274 primary schools, 482 combined schools and 77 secondary schools (823 schools in total). There is also a TVET college (Ingwe College).

There are three campuses of Ingwe TVET college in the district: Mount Frere, Bizana (Siteto campus) and Matatiele/Maluti. Project Isizwe has provided free wi-fi access for Mount Frere TVET campus and surrounding communities.

Some schools are overcrowded and need more classrooms, others are under-utilised. ASIDI has been building new schools in the district. ECDoE is conducting a study to inform the school rationalization process.

The district has low literacy rate (50%). A high % of the population is without schooling; and a low % of the population has higher education.

Generally the quality of education and training is not good and should be improved. This is an essential condition for the future growth and development of the area. Indeed, education and training are a development priority of AND.

DRDLR launched the National Rural Youth Services Corps (NARYSEC) in 2010 to train unemployed youth in skills relevant to CRDP projects.

Future priorities include:

- Improve the quality of education in AND and reduce classroom backlogs.
- Ingwe TVET College to provide skills, particularly for infrastructure, construction and maintenance and modern farming practices. Ideally the college offerings should be extended and a full range of relevant curricula should be offered (in view of the very youthful population of AND)
- Development partnerships between Ingwe TVET college and, for example, SANRAL, War on Leaks, Youth Farming Initiatives etc
- Mobilise resources for the TVET expansion and upgrading through relevant SETAs, mining companies etc
- Ideally NARYSEC should also be scaled-up in AND
- Focus on improving the skills pipeline for growth sectors and major projects and specifically SETA resource mobilization and curriculum development.
- ANDM should engage with DRPW to scale-up the Accelerated Professional and Trade
- Competencies (APTCoD) in the district.

⁵ Serving 7000 people (R5700/person)

3.3.8 Agriculture

AND has the potential to grow the value of production by the farming sector. This is for a number of reasons:

- Good rainfall, sufficient for rain-fed arable farming
- Communal grazing land (unimproved although partly degraded) and large existing herds of cattle, sheep and goats. There is potential for growth based on more intensive systems, managed pastures and feedlots
- 50,000 ha of communal arable land (according to the AND Grain Masterplan)
- Estimated 52,000 ha of itsiya or homestead gardens.⁶
- 52% of AND households engage in unpaid farming activity: at Itsiya and on communal lands. Food production (meat, maize, vegs, fruit etc) is happening, but with low productivity. There is potential to grow high-value crops on itsiya (such as berries) with irrigation from “water harvesting” (roof-water tanks etc). Logistics systems would need to be devised for aggregation into large-scale supplies
- A significant proportion of households grow and sell (illegal) cannabis. Household income from this source could increase by many times with controlled legalisation and international market access
- High potential cultivation zones (listed below, and see map below)
- Future partnerships between AND farmers and commercial entities being planned by
- DRDAR
- Opportunities for local production to supply school nutrition programme.
- Niche opportunities, such as indigenous medicinal plants and essential oils.

The areas with higher agricultural (arable) potential (see map below) are:

- From Cedarville area to Malekgonyane Nature Reserve (the 35 Ongeluksnek farms)
- East of Mount Fletcher
- West of Mount Ayliff
- West and South of Bizana.

In particular, there are irrigable lands next to the Mzimvubu tributaries (less than 50 ha each) and along the Mtamvuna river.

There are several agricultural development activities underway in the district, notably:

- DRDAR activities
- DRDLR's Agri-Parks programme
- ANDM fencing of arable land (under EPWP)
- ECRDA RED hub in Mbizana
- Masisizane Fund (Old Mutual) support to Grain Masterplan (local feed production for livestock feedlots)
- Projects by Lima NGO.

⁶ According to Community Survey 2016 there are 102,000 households in AND engaged in agriculture (52% of total). At an average of 0.5 ha each this equals 52,000 ha

The AND Agri-Parks Business Plan (CSIR, 2016) plans for a central agri-hub to be located in Cedarville, with Farmer Production Support Units (FPSU) in each LM area. The FPSUs supply raw materials to be processed at the Agri-Hub:

- Cedarville agri-hub: Products to include animal feed, maize meal, mutton, scoured wool, prepacked potatoes, fresh and frozen vegetables
- Mount Frere FPSU: feedlot and woolshearing
- Matatiele FPSU: maize support and silos; feedlot and woolshearing
- Mount Ayliff, Mbizana and Ntabankulu FPSUs: vegetables.

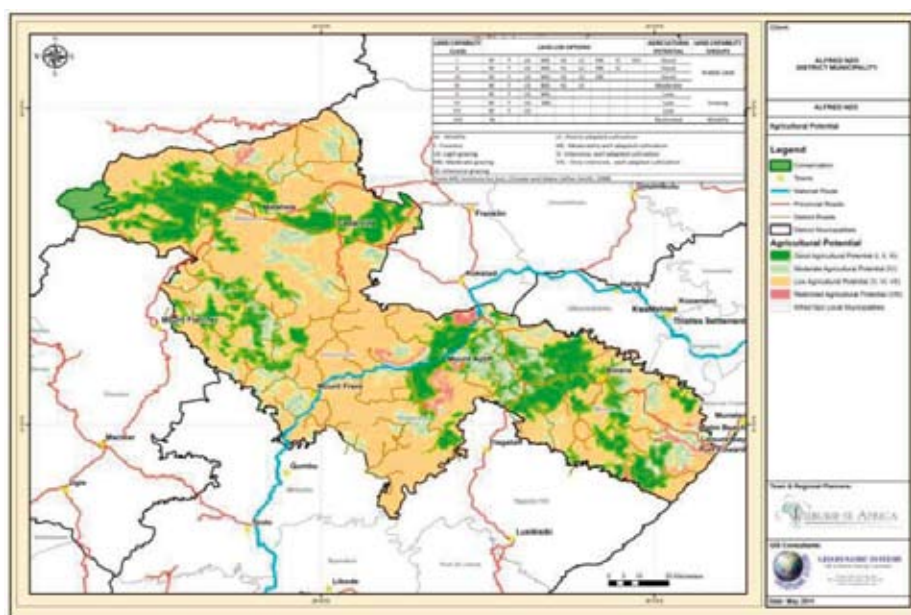
However, the farming sector faces a number of challenges, such as:

- Past interventions by DRDAR, AghiSA, ANDA etc have not created sustainable and profitable agricultural production
- Large-scale irrigation from river water is limited by small areas of arable land next to perennial rivers
- Communal land tenure hinders investment by private capital
- Small farmers have inadequate access to farming knowledge and skills; water infrastructure; fencing; mechanization; inputs (such as seedlings); finance and markets.

The future priority is therefore to realise the potentials listed above through addressing the various challenges and obstacles.

A prospectus for partners and investors should be prepared around an AND based “Itsiya Youth Farming Initiative”. This should be a broad-based programme to unlock the potentials listed and involve a wide-range of partners. There should be a conference around “AND Agricultural Development Partnerships” that would show-case the various potentials.

AND needs better agricultural interventions that can create and support profitable smallholder enterprises (through, for example, CPPP’s, contract farming arrangements/outgrower schemes, and collection/aggregation systems).



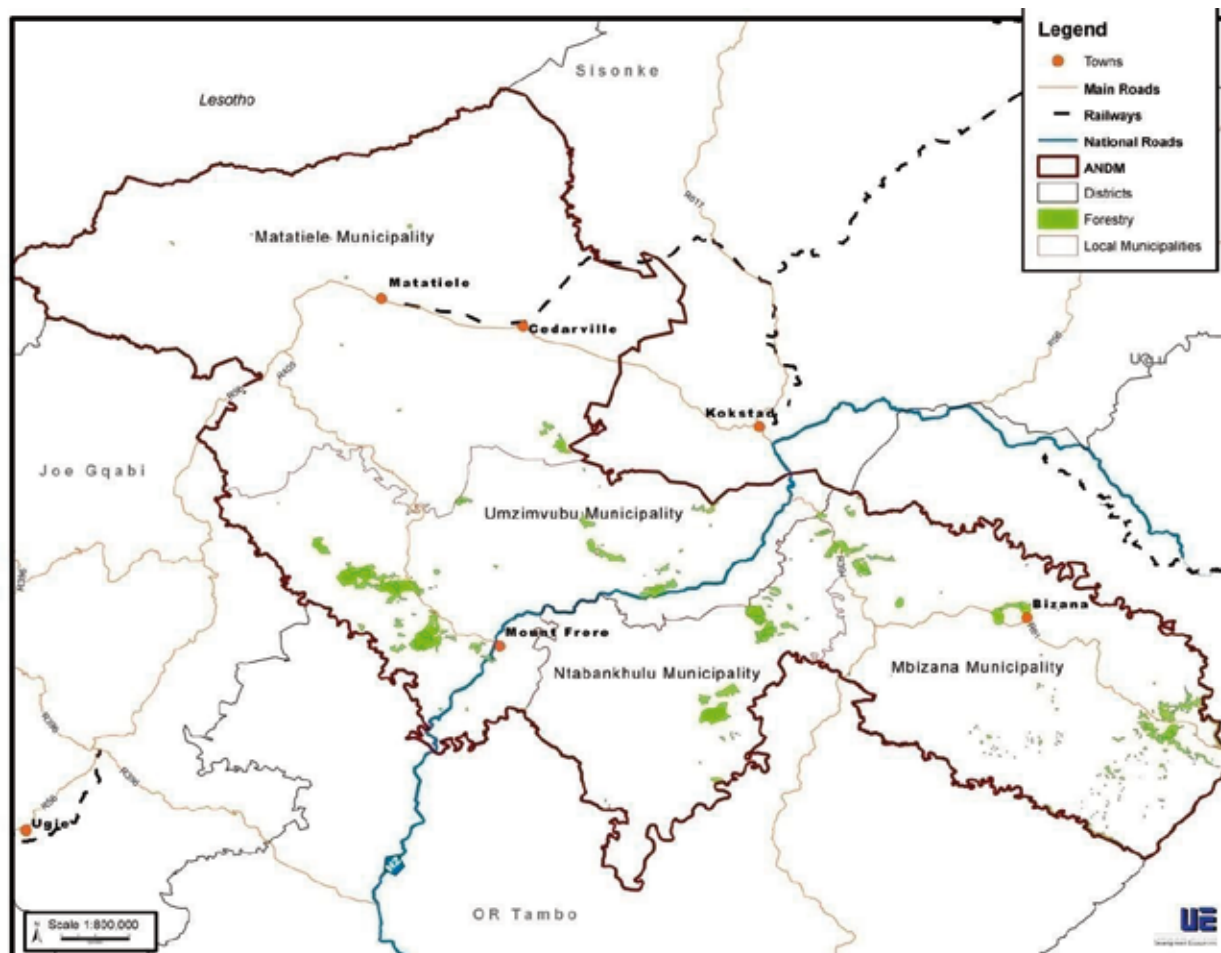
⁷ See DRDAR’s “EC Agricultural Economic Transformation Strategy, 2016-2021”

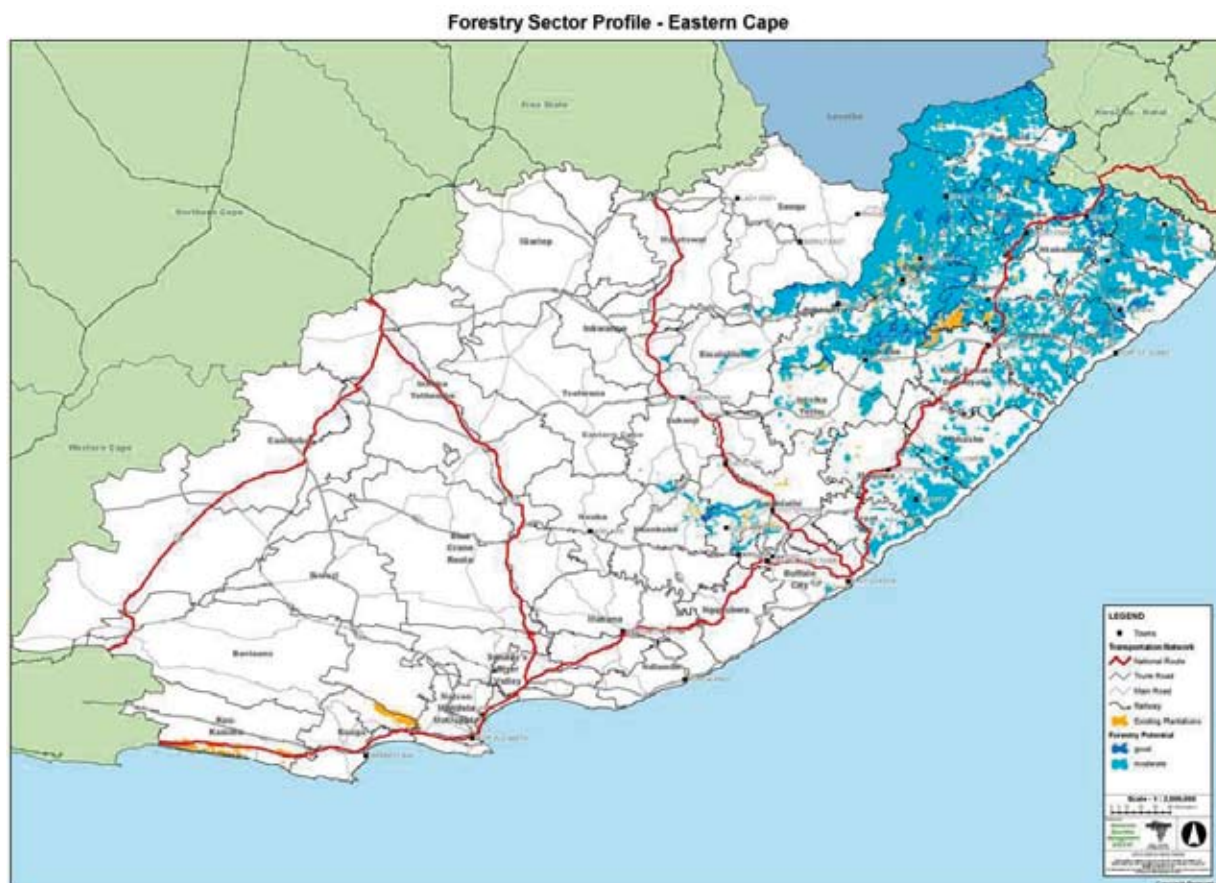
⁸ Irrigable land parcels are less than 50 ha each

3.3.9 Forestry

The following data is extracted from EC Forestry Sector Profile (DWAF, 2007):

	Mbizana	Ntabankulu	Umzimvubu	Matatiele	TOTAL
Commercial plantations (ha)	0	1051	3149	0	4200
Woodlots (ha)	951	92	285	408	1736
Indigenous (ha)	3719	3353	4597	1684	13353
Afforestation potential (moderate)(ha)	119710	35713	131288	250928	537639
Afforestation potential (good)(ha)	2590	13467	27746	18310	62113
Number of sawmillers	0	0	4		4





There are two recent ECRDA/Jobs Fund/Sappi Community Forestry projects in Mbizana: Sinawo and Izinini. Sinawo Forestry is located on land previously used by North Pondoland Sugar.

There are two main issues with community forestry. Firstly, the economic returns to communities are fairly small and long-term, particularly when there are hundreds of household beneficiaries. Secondly, afforestation takes land away from other land uses (such as grazing and even arable farming) that may offer better economic returns.

Future community forestry projects should therefore be approached with due caution.

But AND has very substantial afforestation potential (56% of the total land area of the district) which if realized would provide direct employment opportunities and (in time) downstream opportunities.

Community forestry projects demonstrate that CPPP's can work. CPPP's should be more prevalent in more employment-intensive sectors (such as irrigated agriculture/horticulture).

Future priorities include:

- Identify communities wishing to enter into community forestry arrangements
- Explore partnerships with Sappi and Hans Merensky.

3.3.10 Commerce and industry

AND has no major commercial centres and inputs are bought from Kokstad, Port Shepstone and Mthatha. (Mount Frere is nearer to Kokstad than Mthatha, 87km versus 104km, but Mthatha-Mount Frere is the busiest taxi route in the EC).

But AND has a busy commercial sector, with shops in the main towns, rural service centres/transport nodes and some villages. There are new enterprises such as 100% black-owned Matatiele Grainco providing mechanization and transport services to the farming sector.

The manufacturing sector is extremely small, consisting of:

- Activities in old Transido complexes
- Concrete block-makers
- Sawmillers (one medium and three small in Mzimvubu)
- Sanami: SEDA Alfred Nzo Agro-Manufacturing Incubator at Mount Ayliff
(See sanami.co.za)
- Crafts enterprises.

Priorities include:

- Commercial property developments (see 2.11 below)
- Upgrade of Transido complexes
- Attraction of new incubators
- Agro-industrial development
- Crafts development.

3.3.11 Tourism

The district has an active tourism economy, including:

- Wild Coast Sun (golf course and R80 million Wild Waves Water Park) 750 ha
- B&Bs
- Tour operators, such as Mzamba Tours and Itembalampondo Tours
- Craft Route: Matatiele to Mount Frere
- Mehlooding Hiking Trail
- Mbizana birthplaces of OR Tambo and Winnie Mandela
- Ntabankulu Cultural Village
- Events such as Ntabankulu Pondo Festival and Matatiele Jazz Festival (including pop- up fashion shows).

The district has very good potential to grow the tourism economy and multiply tourism- based enterprises (including crafts) particularly in view of the new Wild Coast N2 and ANDM's useful framing concept of "Beach to Berg". Potential exists around ecotourism, cultural and heritage tourism.

All local municipalities have a tourism office, but there is an absence of an active “Beach to Berg” website. The B2B website should include:

- Attractions (with detailed write-ups)
- Events
- Accommodation
- Routes and maps
- Photos (there are two good ANDM tourism brochures with excellent photos)
- Community-based ecotourism operators.

Priorities for the development of the sector include:

- Set-up active Beach to Berg (B2B) website
- Improve infrastructure and signage of B2B route
- Plan tourism-related property developments (see next section).

3.3.12 Construction and Property development

The employment-intensive construction industry presently accounts for about 10% of jobs in the district and there is good potential to grow this sector (in terms of employment and growth of local emerging contractors) based on public sector infrastructure contracts and private sector property developments. However, there are a number of obstacles to sector development that must be addressed.

There are many opportunities for private property development in AND. Examples include:

- Coastal developments associated with the new N2 (such as OR Tambo Theme Park at Mzamba)
- Inland tourism projects (such as Matatiele waterfront)
- New commercial developments, such as shopping complexes
- Small town developments (such as new Mount Ayliff precinct)
- Transport nodes/precincts: such as at Pakade junction and Phuti junction
- Middle-income housing
- Hawkers facilities and taxi ranks (including public toilets).

The sector’s development is being held back by a number of issues, including:

- Land issues (see below)
- Opportunities for local emerging contractors in public sector infrastructure contracts
- Training opportunities for TVET students in infrastructure contracts
- Need for a Contractors Development Programme (planned by ANDM).

Private sector property development requires long-term legal security of land rights, These are often not readily available, due to the following issues:

- Land claims. There are 146 claims in the district, and only one resolved (in Matatiele LM). The towns of Mt Ayliff and Mt Frere are under claim
- There are many parcels of state-registered land in the district, but these parcels are not available for development. There is need for a State Land Audit (with DRDLR) so that titles can be sold or long-term leased
- Much of the district is under communal tenure. For parcels of prime development land

communities should be able to get formal rights so that long-term investment partnerships can be created with the private sector

- High-priority development precincts should be identified and land titles acquired.

Future priorities include:

- Resolve land claims speedily (with assistance from the Land Claims Commission)
- ANDM to do a state land audit and get access to state land for property development
- ANDM to support communities to acquire titles over communal land for development. DRDLR can assist with this
- Identify and prioritise land precincts to be titled for private investment (such as coastal tourism nodes; transport nodes; along development corridors and possibly high-potential agricultural zones). This will be in preparation for a proposed AND Land Assembly
- Ensure public sector contracts provide business and training opportunities for local people
- Implement ANDM Contractors Development Programmes
- Detailed planning around Wild Coast N2 and coastal development.

3.3.13 SMMEs

Small enterprises are found in all the sectors reviewed above, with great variation in incomes and formality. They include street traders, shopkeepers, commercial smallholders, taxi operators, motor repairs/panel-beaters, building contractors and block-makers, Transido complex enterprises, B&B operators and professionals (such as lawyers and medical practitioners) etc. AND has an emerging culture of enterprise and entrepreneurship.

It is important to note that communities can be enterprising, using such techniques as asset-based community development (ABCD).

It is clear that SMME development has most potential for development around four value-chains already discussed:

- Sawmillers and other downstream wood-using enterprises
- Emerging small commercial farmers (and downstream activities)
- Construction and builders
- Tourism-related enterprises (including crafters).

Small enterprises are supported by SEDA and ECDC and will benefit from the successful implementation of sector strategies, including, for example, infrastructure for street traders, new commercial developments and incubators.

Possible future priorities include:

- ANDM must identify all existing SMEs in the four priority value chains and facilitate partnerships to remove obstacles to value-chain development and support enterprise start-ups and growth
- Use e-connecting and e-learning to form local groups of people that share development interests, and are experimenting with the possible

- Techniques of ABCD should be more widely known and practised
- Virtual and physical (combined) enterprise incubators should be more ubiquitous than at present.

3.3.14 Environmental protection

AND faces a number of environmental issues that could jeopardise future development efforts, particularly tourism development and agricultural development.

The environmental issues to be addressed include:

- Land degradation caused by livestock over-grazing, indicating the need for land rehabilitation projects (and fencing)
- Human settlement encroachment on agricultural land.
- Untreated sewage flowing into rivers
- Illegal building on the Wild Coast. DEDEAT's Wild Coast Nature Conservation Plan
- and the nodal development approach need to be strictly enforced
- Absence of solid waste disposal and recycling systems
- Scaling-up environmental EPWP.

Existing conservation areas include:

- Pondoland Centre of Endemism
- Maluti Drakensberg Transfrontier Conservation Area
- Matatiele Nature Reserve
- Ongeluksnek Nature Reserve.

There is a severe threat to Wild Coast conservation from the new N2 (Mzamba to Mtentu). But there are also great development opportunities. This issue requires special attention.

3.3.15 Public sector

The public sector is the dominant player in the socioeconomic development of the AND and potentially a key enabler of economic growth. The public sector in AND includes:

- ANDM
- The four LMs
- Schools and health facilities
- Police and magistrates courts
- Ingwe TVET college
- Other activities by provincial and national sector departments and agencies, such as DRDLR, DRDAR, ECRDA, DEDEAT, ECDC, SEDA, SANRAL, Public Works etc.

To achieve its developmental mandate the public sector must have strong leadership and much improved management capabilities. NDP and ECPDP have proposals on how this can be achieved.

Economic governance leadership in the AND should have:

- Good knowledge of the economic issues facing AND
- A good understanding of the needs of stakeholders
- A clear development vision and agenda

- An ability to communicate these persuasively to relevant stakeholders
- An ability to leverage resources from state sector departments and state-owned entities (such as IDC and PIC).

Tourism activities within the District are currently fragmented, therefore the District undertook development of the Beach to Berg (B2B) Corridor Development Plan as an output of the Tourism Sector Plan and 2012 SDF. The B2B development plan is a framework for implementing a collection of initiatives or programs consolidated into one umbrella to grow regional development and assist in economic development of the region through tourism. The following are the main elements of the Beach to Berg project:

Beach to Berg

Borderlands of Eastern Cape, KZN and Lesotho

*The Mzimvubu and its tributaries, the Tina, Kinira and Mzintlava rivers
Place of deep river pools and occult snakes, mamlambo and inkanyapa
From Nomansland, East Griqualand and Amadiba's coastal edge
To postcolonial precincts and harmonious productive partnerships*

The shared home of Oliver Tambo, Winnie Mandela

And other fallen heroes

4. Alfred Nzo District Municipality Institutional Review

4.1 ANDM Institutional Snapshot

ANDM is an organ of local government that potentially plays a crucial and central role in the socio-economic development of the Alfred Nzo District. It plays particularly important roles in the delivery of basic water services and the co-ordination and integration of the development efforts of its four local municipalities and provincial and national sector departments.

ANDM prioritises six of the nationally determined key performance areas (KPA's):

KPA1: Municipal Transformation and Organisational development (improvement of internal efficiencies and effectiveness)

KPA2: Basic-Service Delivery (particularly water and sanitation. ANDM is both WSA and WSP for the district)

KPA3: Local Economic Development (to expand the local economy and increase employment and reduce poverty)

KPA4: Financial viability and financial management (improve ANDM's performance in this area)

KPA5: Good governance and public participation (deepen democracy)

KPA6: Cross-cutting issues (integrated development and strong partnerships)

To enable performance in these six areas ANDM employs about 400 people. About half of employees are skilled (managerial, professional and technical) and the other half are semi- skilled or unskilled. The average employee compensation was R495,000 in 2015-16⁹.

Segment staff compensation

ANDM had audited total income of R945 million in 2015-16. ANDM is almost entirely dependent on income from grants. Own revenue (mainly from water and sanitation service charges) accounts for only 4.5% of total income. Conditional grants (mainly MIG and MWIG) at R538 million accounted for 57% of total income and equitable share at R365 million accounted for 39% of total income. Essentially equitable share covers Opex and conditional grants cover capex.

Total expenditure in 2015-16 was roughly equally split between Opex and capex. Most of the capex budget goes to extending bulk water supply throughout the district.

⁹ Based on audited employee costs in 2015-16 of R198.5 million.

¹⁰ Audited own revenue in 2015-16 was R41 million. Water and sanitation service charges were R25.7 million.

Audited operating expenditure in 2015-16 was R551 million, 36% of which went to paying ANDM employees.

While the average employee compensation appeared to be relatively high at R495, 000 in 2015-16, ANDM appears to suffer from a shortage of appropriately skilled staff in critical service delivery areas. This leads to excessive dependency on external service providers. For example: consultancy reports (see Chapter 6) a contract with Sebata Municipal Solutions to do a water metering system and a contract with Munsoft to help implement the new Standard Chart of Accounts (SCOA). Such services would normally be rendered by in-house technical and administrative staff.

Assets

ANDM has assets worth R2.9 billion at end June 2016, in the form of land and buildings (including a relatively new HQ in Mount Ayliff), water and sanitation infrastructure (although much is old and requiring maintenance and rehabilitation), vehicles (for drought relief and leased) and current assets such as cash and debtors (accounts payable for water and sanitation services).

Asset type	Audited depreciated value at end June 2016 (R million)
Buildings	37.2
Finance leased assets (trucks)	32.3
Infrastructure (mainly water)	1,452.7
Other property, plant and equipment	27.9
Assets under construction	1,262.1
Current assets	80.1
TOTAL ASSETS	2,936.6

ANDM tried to raise a R1 billion loan sourced from the Billion Group in 2016, but the deal fell through.

The ANDM Council consists of 40 councillors.

4.2 Organisational Structure

The ANDM organisational structure is divided into the following six directorates:

- Office of the Municipal Manager
- Community Development Services
- Corporate Services
- Budget and Treasury Office
- Infrastructure Development and Municipal Services / Technical Services
- Planning and Economic Development.

4.2.1 Office of the Municipal Manager:

The Municipal Manager has the widest span of control and has responsibilities in eight areas:

Communications Unit

The Communications unit is responsible for the development of internal and external communications including communication strategies, branding, publications, events management, and information dissemination.

Special Programmes Unit

The Special Programmes Unit (SPU) which is responsible for all the activities associated with the provision of HIV & AIDS information and training in the District and programmes which deal with issues relating to the youth, gender, disability and children.

Manager in the office of the Executive Mayor

The Manager in the office of the Executive Mayor is responsible for the functionality of the Mayoral Committee, technical advice to the Executive Mayor and oversight of Mayoral programmes.

Manager in the office of the Speaker

Responsible for providing support to all standing committees and council meetings, coordination of councillor training programmes and promoting public participation in all important municipal programmes.

- **Internal Audit**
- **Risk Management**
- **Inter-governmental relations.**

Coordination of inter-governmental relations programmes within the district.

Legal Services

Legal Services includes all legal related matters of the whole Municipality such as litigation, contract management, advisory services, debt recovery, by-law development and disciplinary proceedings.

4.2.2 Corporate Services:

The responsibilities of the department include:

- **Human Resource Management** which provides management and staff with quality human resource support including career and compensation management, labour relations management and employee wellness
- **Human Resource Development** which includes assisting new entrants into the labour market, training and development of staff, Councillor Development and community empowerment
- **Administrative Support**
- **Information and Communication Technology (ICT)** which is responsible for ICT Governance; Development and Implementation of ICT operating Standards and Policies; ICT Network Infrastructure Deployment and Management and Connectivity; ICT Systems

Management; Disaster Recovery and Business Continuity; Information and Data Management and retention; Development and Implementation of ICT strategic and Master Systems Plans in line with municipal IDP; Implementation of MCGICTPF; ICT risk management and deployment of long and short term control measures; General Systems and user support services; Deployment of systems security and enforcement of compliance with applicable laws and regulations; Establishment and maintenance of community ICT Centre.

4.2.3 Infrastructure Development and Municipal Services / Technical Services

The department is responsible for the following:

- Water Service Authority which deals with planning (Water Service Development Plan, Water Conservation and Demand Management and Sanitation Master Plan) and regulatory functions
- Water Service Provision which deals with bulk purchase, source development and distribution of water as well as operations and maintenance. Waste water management including provision of sewerage services
- Project Management which deals with implementation of both bulk water supply and reticulation projects as well as sanitation programmes (rural and urban)
- Emergency Services to deal with sudden water supply breakages, electricity breakdowns, attending spillage of poisonous and dangerous substances and water quality monitoring
- Engineering Services to deal with coordination of Electricity Planning, District
- Transport Planning and Municipal Building Maintenance.

4.2.4 Community Development Services:

Community Development Services is responsible for provision of various community and social services in the district and all these are administered through the following units:

- Municipal Health Services: designed to ensure that comprehensive environmental health services package to inhabitants of the district
- Customer Care Unit: responsible for ensuring existence of sound relations between the district municipality and its customers and further ensure maximum stakeholder participation in the development initiatives of the district through a people centered approach to achieve sustainable development
- Fire and Rescue Services: Responsible for protection and rescue of life, property and environment from any fire related threats
- Disaster Risk Management Services: Responsible for Disaster Risk Management and response services
- Thusong Centre Management: Responsible for coordination of provision of services closer to the people
- Sports, Arts, Culture, Recreation and Heritage: Responsible for coordination of sport, arts, culture, and recreation.

4.2.5 Budget and Treasury Office

The Chief Financial Officer is responsible for:

- Budgeting
- Supply Chain Management
- Revenue / Income Generation & Collection
- Expenditure Management
- Assets and Liabilities Management.

4.2.6 Planning and Economic Development

The Manager: Development and Economic Planning deals with the following:

- Promotion of Local Economic Development and Planning
- Development Planning which includes Integrated Development Planning (IDP), Organisational Performance Management System (OPMS)
- Spatial Planning and Land Use Management
- Geographic Information Systems (GIS)
- Land and Development Administration
- Town Planning.

4.3 ANDM Human Resources

The Department draws up the Employment Equity Report.

Skills Development

The Municipality adopts a Workplace Skills Plan, in accordance with the Skills Development Act. The plan aims to address the identified skills shortages within the municipality.

Performance Management System (PMS)

The reviewed policy aims to get the PMS cascaded to lower levels than Section 56 managers. The municipality will develop its Service Delivery and Budget Implementation Plan (SDBIP) as the basis for performance management in terms of implementation of the IDP and Budget expenditure. All Supervisors have been trained on the PMS.

4.4. Information and Communication Technology (ICT)

Disaster Recovery Business Continuity Plan

ANDM Council has approved a Disaster Recovery and Business Continuity Plan. A Business Continuity site has been established at the Disaster Management Centre in Mt Ayliff. The BC site stores both backup data and live front end of municipal systems.

ICT Community Centres

ANDM has completed four community ICT centres. These community centres are situated at libraries in the following areas Matatiele, Bizana, Mt Ayliff and Ntabankulu. Maintenance and support for all community centres is managed by ANDM. Currently the district has provided internet services for all the community centres. The district has also completed another community centre at Mfundisweni Skills centre and provided internet access this centre. ANDM is implementing a programme to provide ICT at all Thusong Centres.

ICT Master System Plan

ANDM has adopted an ICT Master Systems Plan. Key elements include:

- ICT Infrastructure Assessment and investment Plan
- Hardware and software evaluation
- District (including all LMs) shared services
- Enterprise Architecture
- ICT Business Engagement Plan
- Strategic alignment arrangements to optimise ICT enablement of service delivery.

ICT Risk Management Plan

ANDM has reviewed the ICT Risk Register and management plan

Electronic Document and Records Management System

ANDM has developed an electronic document and records management system. The approach is to focus more on developing electronic backup for all critical municipal records that are currently filed as hard copies at municipal store rooms. This process will be prefaced by records audit and recommendations on disposal and provincial archiving.

Information and Communication Technology Governance Steering Committee

ICTGSC is in place with two key responsibilities: to play oversight on ICT policy development and implementation and Implementation of ICT IDP projects. Secondly, the committee is also responsible for ICT Change Management in the institution.

The ICT Strategic Plan focuses on:

- ICT Governance
- Security Management
- Access Management
- ICT Service Continuity
- ICT Governance (MCGICTPF Implementation).

ANDM has adopted a Municipal Corporate Governance of ICT Policy Framework (MCGICTPF). The municipality is implementing this framework and it is aligned with the IDP and other key municipal strategies to ensure that ICT Governance is mainstreamed in the organisation and continuous benefits are realizable.

4.5. Financial Viability and Financial Management

Financial viability at district municipality level demands:

- Optimal financial management (outcomes based budgeting)
- Effective systems (financial, technological and human)
- Ability to generate own revenue.

Sound financial management practices are essential to the long-term sustainability of municipalities. They underpin the process of democratic accountability. Weak or opaque financial management results in the misdirection of resources and increases the risk of corruption. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

With good Performance Based Management there is a close alignment of planned expenditure to programme and project inputs and outputs. This applies to both capital and operational programmes and projects. It can also apply to the support service for the projects and programmes as well as for the Municipality as a whole.

The Budget provides the baseline for the allocation of resources. To make implementation happen effectively the managed disbursements of these financial resources is required.

A sound Financial Management System that supports priority delivery by controlling the efficient channelling of finances. The financial management system must interact to ensure that resources are used:

- in the right amount
- at the right time
- in the right way
- in order to produce the outputs envisaged within the priority objectives and prioritised projects of the IDP.

Budget Summary 2017

The total budget for the financial year 2017/18 is R1.3 billion.

Income Allocations and Sources

The Alfred Nzo Municipality derives its income from several sources:

National:

- Equitable share
- Finance Management Grant
- MSIG Funding
- MIG Funding
- Water and sanitation backlog funding (DWA)
- RSC Levy replacement grant
- Councillors' remuneration provision.

Provincial:

- Sports Art and Culture
- Municipal Health Services
- LED Capacity Building.

Own income:

- Water and Sanitation service fees
- Interest on grants
- Input VAT
- FNB Building Rental
- Plant Machine Rental.

The Municipality has a low income base and is heavily dependent on National and Provincial Grants. This trend exhibits little expectation that the Municipality will reduce its dependency from these sources of funding in the near future.

Revenue Adequacy and Certainty

It is essential that the municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable to carry out its functions. It is furthermore necessary that there is a reasonable degree of uncertainty with regard to source, amount and timing of revenue. The Division of Revenue has laid out the level of funding from National Government for the next three years.

Cash/Liquidity Position

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

- The current ratio, which expresses the current assets as a proportion to current liabilities. “Current” refers to those assets which could be converted into cash within 12 months and those liabilities which will be settled within 12 months. ANDM’s ratio 0.2 and is seen as undesirable in the medium term
- Debtor collection measures which have an impact on the liquidity of the municipality. Currently the municipality takes 180 days to recover its debts.

Sustainability

The municipality needs to ensure that the budget is balanced (income covers expenditure). As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable, and that the full costs of service delivery are recovered. However, to ensure that households which are too poor to pay for even a proportion of service costs, at least have access to basic services, there is a need for subsidisation of these households.

Effective and Efficient use of Resources

In an environment of limited resources, it is essential that the municipality makes maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and Investment will increase poor people’s access to basic services.

Accountability, Transparency and Good Governances

The municipality is accountable to the providers the resources they use, for what they do with those resources. The budgeting process and other financial decisions should be open to public scrutiny and participation.

Implementation of Credit Control policy

This policy and relevant procedures details all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.

Payments Strategy

This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month.

Implementation of an Indigent policy

This policy defines the qualification criteria for an Indigent, the level of free basic services that will be enjoyed by Indigent households, penalties for abuse etc.

Provision of Free Basic Services

Provision is made on the budget for the provision of free basic water services from the equitable share. A certain percentage of the equitable share is used for this purpose at this stage, which is mainly attributable to the fact that households in rural areas that do have access to water supplied

by the Municipality are not being charged for their consumption as there are no water meters in many rural areas since water provision is at RDP standards. The municipality is also struggling to put systems in place that will enable to bill for consumption as a result almost all the people that have access to water are receiving water for free.

Billing and Payment of water and sanitation levies

Over 9000 urban households (5% of all households in the district) are billed for water and sanitation levies. Rural areas that do have access to water supplied by ANDM and are not being metered or charged for their consumption, which implies that a considerable amount of purified water is unaccounted for.

ANDM is in the process of cleansing and reviewing its database of households who are being serviced. Payment rates are poor and this is compounded by the high poverty levels and low affordability levels of our communities.

ANDM is constantly striving to provide services to its community which requires substantial capital investment, especially in terms of infrastructural assets. In order to maintain service delivery it is imperative that these assets be maintained in proper working order which requires investment in terms of maintenance and repair costs. According to the National Treasury, municipalities should be budgeting between 10% and 15% of their operating expenditure for repairs and maintenance.

Revenue Enhancement Strategy

ANDM is faced with the dilemma of revenue management in terms of being able to account for what has been sold, versus what has been supplied. One primary objective of ANDM, is to ensure that every consumer gets billed correctly (accurate billing) and fairly.

We have developed metering systems to allow ANDM to improve revenue management, combined with switch-off mechanisms which ultimately results in better returns. We understand that communication is an integral key to revenue enhancement and customer satisfaction. Thus, our aim is to meet (and surpass) our customers' expectations by providing them with transparency and control when it comes to their utility metering.

All households utilising water must be billed for the consumption used. Therefore all consumers must be metered and accurate readings be taken on a monthly basis. In cases where the meter is not accessible or not working a system estimation is levied on such accounts. Accounts must be printed and distributed to ensure that consumers are aware of their monthly usage.

Faulty meters must be identified and reports be forwarded to ANDM (IDMS) for replacement. Water leakages should be attended to immediately and be minimized. When the customer is converted from credit to prepaid meter and there is an outstanding amount on the account, a percentage of arrears should be recovered from prepaid purchases. The ANDM has appointed Sebata Municipal solution for the audit, installation and replacement of water meters. The service provider is assisting ANDM in billing management, the objective being to ensure that accurate billing is accomplished. The municipality has installed prepaid water meters in Matatiele and Cedarville: a total of 1 894 prepaid water meters were installed in Matatiele. The following areas in Matatiele had meters installed: Itsokelele, Njongo Village, Dark City, North End and Harry Gwala. The municipality will install meters in Mountain View, Mbizana and town area.

Alfred Nzo District Municipality has also installed credit or convertible water meters at Mount Ayliff, Mount Frere, Mbizana and Ntabankulu. ANDM will be converting credit meters to prepaid water meters for Mbizana, Ntabankulu Mount Ayliff and Mount Frere.

Revenue management in improving service delivery

Improved service delivery in revenue management demands that the following are in place:

- Dispensing free basic services accurately with audit trail
- Accurate and complete customer readings
- Measures for avoidance of theft
- Automatic meter reading
- Systems available 24 hours per day close to the customer
- Systems in close proximity to the customer
- Direct online vending of water, with no human intervention on transactions, as the alternate goal
- Automatic connection and disconnection of meters
- Accurate logging of complaints, faults on the customer relations management system
- Effective and efficient delivery of services i.e. timeous correction of faults when the class has been logged
- Accurate, valid and complete records kept on the document management system;
- Easy access to information when required
- Accurate, valid and complete financial records kept on the financial system (billing) to ensure correct bills are sent to the correct customers and payments/receipts are attached to the correct customers
- Accurate, valid and complete records kept on the geographical information and easy access to ensure that when the call/complaint/fault has been logged, the geographical information system can point the directions as to where exactly the area is with a problem
- Accurate, valid and complete performance information kept on the performance management system to ensure improved performance monitoring; and profiling of load data per customer.

Assets and Liabilities management

The municipality continues to maintain a fixed assets register that is GRAP compliant. The major benefit of having an asset register is to ensure that ANDM keeps track of assets, provides a fair estimate of their worth and provides an estimate of the aging of the assets. This provides the basis of information to help plan future asset investments and also informs the Municipality's maintenance plan. The municipality continues to budget for the repairing and maintenance of old infrastructure.

Infrastructure Assets

ANDM continues to focus on development of new infrastructure, while not ignoring maintenance of the existing infrastructure in order to ensure a reliable provision of services. The water and Sanitation departments are now focusing on growing its 'asset management maturity' with the implementation of a strategic municipal asset management program. The primary focus of this process is to prolong the immediate serviceability of the affected assets so that we can prolong their life time.

A major threat to ANDM is ageing infrastructure and the deterioration of assets. To address this problem, the Municipality is embarking on an asset replacement program. The first phase of the project is to develop a detailed well informed replacement plan.

Municipal Fleet

ANDM's water services have recently acquired trucks. These trucks have been most beneficial to the district during the recent drought as they were able to transport and supply water to the most water-needy areas. For the municipality to ensure that its fleet continues to deliver services in an efficient way, a fleet management system will be introduced. The system will ensure that the use of the fleet is monitored to ensure that services are indeed delivered to where they are needed.

The municipality continues to investigate ways of ensuring that the trucks are managed and used where they are necessary. As part of cost cutting measures, the municipality continues to monitor the use of fuel and other fleet related costs. Cases of abuse or fraud are investigated and necessary action taken against culprits.

Standard Chart of Accounts

The Local Government Municipal Finance Management Act, 2003 determines measures for the local sphere of government (Municipalities) designed to ensure transparency and expenditure control. National Treasury is responsible for enforcing compliance and is required to compile national accounts incorporating all three spheres of government.

Uniform expenditure classifications have already been established and implemented for both national and provincial government departments. The SCOA regulations seek to implement the same uniform classifications at local government level. These enable National Treasury to provide consolidated local government information for incorporation into national accounts.

Currently each municipality manages and reports on its financial affairs in accordance with its own organisational structure (chart of accounts) and this results in disjunctures amongst municipalities and entities as to how they classify revenue and expenditure as well as reporting thereof. This compromises transparency, reliability and accuracy in planning and reporting processes and limits the ability of national government to integrate information and formulate coherent policies in response to the objectives of local government.

Expenditure management

The municipality pays its creditors within the prescribed period of 30 days in accordance with section 65(2) (e) of the MFMA. The municipality has implemented controls to ensure that monthly creditors' reconciliation is performed and reviewed by the manager, expenditure, and that an invoice register is maintained in order to comply with the 30 day requirement. ANDM is currently in the process of implementing a document management system in order to ensure that all expenditure records and documents are secured and available when requested.

Supply-chain Management

Alfred Nzo District Municipality's supply chain management policy is implemented in a way that is fair, equitable, transparent, competitive and cost-effective. ANDM has a fully functional Supply Chain Management Unit which serves as an advisor for all procurement in the municipality in terms

of its Supply Chain Management policy. Three bid committee systems as prescribed by the MFMA are in place, with proper delegations and terms of reference for each committee. Procurement of goods and services in excess of R200 000 is done through the Bid Committee system.

Elimination of unnecessary expenditure

The aim is to ensure that departments spend budget efficiently, effectively and economically.

Payroll management

Alfred Nzo District Municipality reports to the council monthly on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely:

- salaries and wages
- contributions for pensions and medical aid
- travel, motor car, accommodation, subsistence and other allowances
- housing benefits and allowances
- overtime payments
- loans and advances
- any other type of benefit or allowance related to staff.

Key financial issues

The key issues can be summarized as follows:

- Efficient, effective and economical supply chain management
- Implementation of eProcurement: Quote Management System, ISO 9001 accreditation, Procurement scheduling and Contract management
- Improved alignment of the budget to the IDP – budgeting in terms of IDP priorities
- Budgeting for sustainability and timeous updated Medium Term Expenditure Framework
- Reduced debts through effective credit control and debt management
- Development and implementation of a new billing system in line with 2016/2017 IDP
- Access to alternate sources of funding: PPPs (public-private partnerships), development levy, business tax, etc
- Maximising of revenue from Council properties
- Securing of properties and property rights necessary for capital projects
- Effective asset management
- Efficient fleet management to improve service delivery
- Investment and cash flow management
- Cash receipts control and management
- Training of staff on Credit Control & Debt Collection Policy
- Timeous production of Generally Recognised Accounting Practices (GRAP) compliant financial statements
- Timeous payment of creditors in terms of SCM procedures
- Asset and liability insurance cover
- Deadline monitoring
- Risk management
- Effective and efficient processes.

4.6 Governance

The Municipal Council consists of 40 Councillors of whom 11 are full-time Councillors, including the Speaker and Chief Whip of the Council. The Council is led by the Speaker, the Executive Mayor, the eight full-time Mayoral Committee Members and councillors. The council has traditional leaders that participate in terms of section 81 of the Municipal Structures Act. There has been a delegation of powers from Council to the Executive Mayor and the Executive Mayor in turn has delegated some of these powers to Mayoral Committee Members. The Mayoral Committee, led by the Executive Mayor, functions through the following S80 and S79 of the Municipal Structures Act committees which assist in decision making and ensure that there is a political environment that is conducive for service delivery:

Committees and functions:

Structure	Key Areas of Responsibility
Human Resources	Human resources; General administration; Information and Communication technology
Finance Standing Committee	Budget; Expenditure; Income; Supply chain management;
Infrastructure Development & Municipal Services	Project Management Water services Authority; Water services provision; Infrastructure provisioning
Community Development Services	Sports and Recreation Heritage and Culture Disaster management Fire & Rescue Municipal Health Services ISD & Customer Care
LED, Developmental Planning	Integrated Development Plan. Local Economic Development
Office of the Municipal Manager Communications	Communication of municipal programmes Media Engagements Media Liaison
SPU	Events Management Development of Municipal Publications Youth Development & Transformation Disability Programmes Children's care and Support Programmes Gender Development and Transformation HIV and AIDS; TB; Awareness; Care and Support; Older Persons
IGR	Intergovernmental Relations, Stakeholder management, Protocol & Municipal Relations and agreements
Risk Management	Integrated Risk Management Sound Good Governance
Public Participation	Direct interaction between the council and communities Oversight of council business
Internal Audit	Internal Audit Services: Internal Controls Risk Management, Governance

The following departments support the above structures:

- Infrastructure Development and Municipal Services
- Community Development Services
- Planning and Local Economic Development
- Budget and Treasury Office
- Corporate Services Department

- Office of the Municipal Manager.

The Municipality has a functional Audit Committee. In order to enhance its effectiveness, an Audit Committee Charter has been developed and adopted by Council to guide the functionality of the Committee. Alfred Nzo District Municipality has managed to improve its audit opinion. In the last two financial years it has managed to obtain a qualified audit opinion. The summary overview of the *Audit Outcome of the District Municipality and Local Municipalities* is as follows:

ANDM Audit Outcomes

Municipality	Financial Year	Audit Report
ANDM	2010/2011	Disclaimer
	2011/2012	Disclaimer
	2012/2013	Disclaimer
	2013/2014	Qualified
	2014/2015	Qualified
	2015/2016	Qualified
Matatiele		
	2010/2011	Unqualified
	2012/2013	Unqualified
	2013/2014	Unqualified
	2014/2015	Unqualified
Umzimvubu		
	2010/2011	Unqualified
	2012/2013	Unqualified
	2013/2014	Unqualified
	2014/2015	Unqualified
Ntabankulu		
	2010/2011	Qualified
	2011/2012	Disclaimer
	2012/2013	Qualified
	2013/2014	Qualified
	2014/2015	Disclaimer
Mbizana		
	2010/2011	Disclaimer
	2011/2012	Disclaimer
	2012/2013	Disclaimer
	2013/2014	Disclaimer
	2014/2015	Disclaimer

The municipality has further developed an Audit Action Plan aimed at addressing audit queries. This was adopted by Council and will assist the municipality in achieving better audit outcomes.

Intergovernmental Relations (IGR)

During the current financial year the functionality of IGR Structures within the municipality have improved significantly, with CoGTA support, through the implementation of the Back to Basics Programme and the introduction of an Integrated Service Delivery Model by the Office of the Premier. The structures are composed of the District Mayors Forum (DIMAFO), the District

Speakers' Forum, the IDP/IGR Representative Forum (IDRF), IDP Steering Committee (HODs for both municipalities & sector departments), the Municipal Manager Forum, Technical IGR Support Forum, District Planners Forum (Planners & IDP Managers/Coordinators) and sub-forums as per the implemented District IGR Framework. Staff shortage is however hindering progress in the implementation of the District IGR Framework which operates with only two staff members.

Partnerships and Strategic Relationships

The Municipality has made a concerted effort to develop its capacity through the formation of strategic partnerships and relationships. It has concluded partnerships with the following institutions:

- City of Lusaka
- O. R. Tambo District Municipality
- The Development Bank of Southern Africa (DBSA)
- Swedish Government (Ohstresund Municipality)
- Thina Sinako (European Union)
- Coega
- DME
- NYDA
- ANDA.

Public (Community) Participation and Communication

The Municipality has a Communication Strategy which is in line with the National and Provincial Communication Strategies. The GCIS has allocated one staff member to provide communication support to the municipalities as well as other organs of the state in the district.

The District Municipality considers communication and public participation to be very important and has consequently established a Customer Care Centre to improve lines of communication between the municipality and its communities.

The communication unit works in close liaison with local municipalities. It utilizes various means of communication, including the Alfred Nzo newsletter, brochures, bulletins, community radio stations, newspapers, some television stations, and national newspapers.

To support the process, the municipality established the District Communicators Forum (DCF) that sits quarterly to discuss matters relating to communication.

The district further communicates with communities through community development workers and ward councillors who are based within local municipalities.

Alfred Nzo District Municipality developed and adopted a Public Participation Strategy to guide the implementation of mechanisms through which the public may participate in the municipality's programme of action. The strategy further promotes a culture of openness, transparency and accountability on the part of the council, its political structures and its administration, by allowing citizens to exercise their right to public participation.

Institutional Guidelines:

These focus on managerial reform aiming at:

- Objectives and results orientated management
- Effectiveness and efficiency orientated management
- Service and client oriented management
- Performance based contracts
- Service orientated codes of conduct.

4.7 Service Delivery and Operational Modelling

Flowing from the foregoing situational analysis which characterises the socio-economic and institutional strengths, weaknesses, opportunities and challenges, that confront Alfred Nzo; and given the emerging Strategic Agenda, it's Vision-Mission-Goals and the Strategies below in the next chapters. Alfred Nzo District Municipality must develop an appropriate Services Delivery and Operating Model that assures:

- alignment between mandate and strategy
- internal vertical and horizontal coordination and integration
- appropriate centrality of the core business of the District
- identification of key enablers to support the service model
- appropriate grouping of functions along the core services, support services and orientation towards service users.

4.7.1 Institutional diagnosis and Reengineering

Background and Purpose

The preceding section sights the financial position of the Alfred Nzo District Municipality. The municipality acknowledges that it is currently in a serious financial crisis and thereby unable to meet it's financial and service delivery obligations. On the 10-11 May 2017, the Executive Mayor of the ANDM then convened a session, "aimed at turning around the municipality's financial challenges, so that the municipality can continue with its constitutional mandate of fast tracking services provisions to its citizens".

The session observed that the financial challenges faced by the municipality, if not addressed, will result in the municipality being, by default, in contravention of Section 65(2)(e) of the MFMA. It is within this background that the municipality is seeking solutions to the financial crisis in terms of section 135(3) (a) of the MFMA.

Should the Municipality not be in a position to fulfill its mandate, some strategic implications for ANDM may include:

- Limited ability to address the developmental agenda as articulated in national and provincial strategic documents i.e. NDP, Nine-Point Plan, etc
- A lessened capacity to fulfill the service delivery mandate in particular as relates to water services provisioning and authority.
- The current status has already led to a need to reconsider and as result undertake the reprioritisation of the municipal strategic agenda
- The current financial status of ANDM may deprive the municipality of potential investment

opportunities

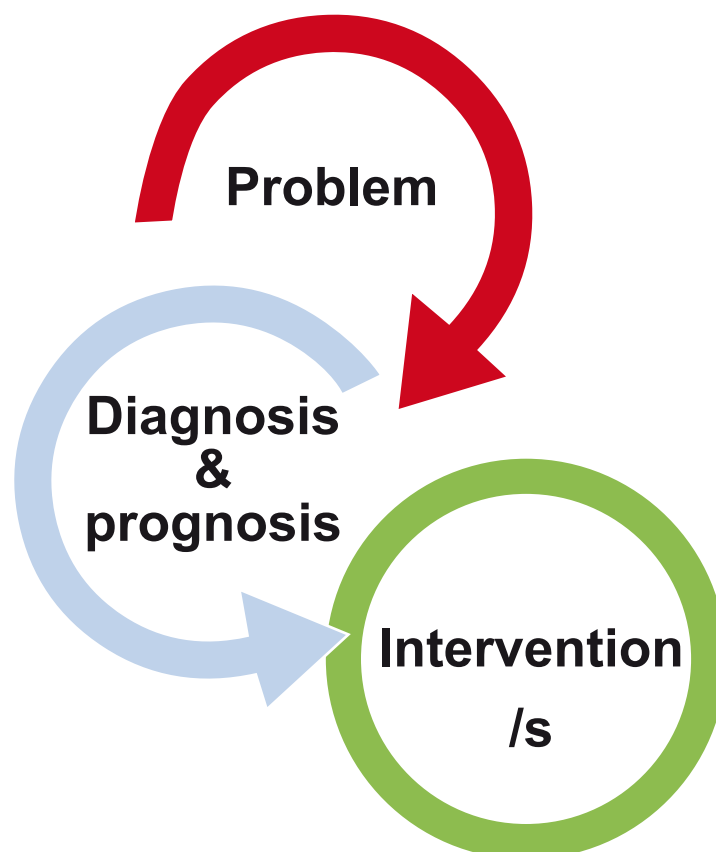
- Possible community unrest as a result of poor service delivery.

From a service delivery perspective, this has a number of implications for ANDM and its communities. Having noted the above, the Turnaround session was identified as one of its objective the need to solicit and initiate a Section 154 support: “Section 154(1) of the Constitution of the Republic of South Africa, 1996, states that, “the national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.”

The session of the 10th -11th of May 2017 also identified from discussions of 4 groups or commissions, the need to provide special attention on the institutional capabilities, foundational issues (policies, standard operating procedures, process-flows and systems), as these were seen as contributors to the current state and challenges.

The purpose of this section is therefore to give an overview of the current financial situation, perform a prognosis and sight the proposed recommendations going forward. To map the process going forward, work-streams on Financial Management, Infrastructure Development and Municipal Services (IDMS), Institutional Transformation as well as Legal and Contracts deliberated on challenges that possibly led to the current financial position. Short, medium and long term recommendations have been sighted as possible solutions to assist the Municipality.

The following diagram illustrates the approach taken during the 10 - 11 May 2017 Session:



Challenges and Recommendations

FINANCIAL VIABILITY

The municipality is currently experiencing various major financial challenges and thereby unable to meet its financial and service delivery obligations. The municipality is therefore by default in contravention of Section 65(2)(e) which states that “*All money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure*”.

It is within this background that the municipality is seeking solutions to the financial crisis in terms of section 135(3) (a) of the MFMA. The approach is therefore to analyse the financial current situation, perform a prognosis and come up with solutions going forward.

The following are some challenges identified and proposed recommendations:

CHALLENGE	1. CASH FLOW
ROOT CAUSES	• High Commitments vs Income • Accrual that were not paid for from the previous Financial Years • Lack of Coordination between IDMS and Finance Departments with regard to Grant allocations • Multi-year commitments by IDMS, thus not appearing on DORA • High Expenditure on operational activities (ie cost drivers; overtime, S&T, Standby allowances, security costs, car allowance policy to be reviewed) • Price fixing by service providers • Procurement of goods and services where there is no value for money
RISKS	• Non-compliance with Legislation • Service delivery is compromised
ACTIVITIES/SOLUTIONS	SHORT TERM • Review the draft 2017/18 IDP and Draft Budget in order to finalise Budget and address Cash Flow - o IDP: to identify the sources of funding for a specific financial year - o No allocations for non-core functions within ANDM - Example: MIG allocations must be complied with and clearly specified in the IDP & Budget. • Stop Procurement • Appointed Service Providers to forward Invoices, then do the following: - o Consider current contracts/invoices; undertake analysis to determine amount needed to pay off current invoices; Negotiate terms of payment with Service Providers - o Stop/postpone Equitable Share project activities until the Municipality is in a position to pay; with the exception of Conditional Grants • Financial Projections for multi-year projects must be accompanied by proof (for the purposes of DORA) • NB: Comply with policies, laws and regulations • Recovery of funds owed by Dept of Human Settlements and various sector Departments as presented by COGTA - o Ensure that Invoices are submitted timeously to Departments • Clearly determined collection rates for own revenue collection MEDIUM TERM • Form a team of Management and Council to undertake collection of revenue owed to ANDM • Together with IDMS and LMs, create consolidated Indigent Register for Alfred Nzo and follow processes to ensure that it is included in the Final Budget (ie advertise for Indigents to come forward and Register with ANDM before finalising the Budget). - o Currently, Indigent levels are high, but not clearly articulated in the Budget • Develop strategies to address price fixing by service providers - o Set price ceilings that cannot be exceeded by service providers LONG TERM • Get information on Indigent Registers from all LMs, submit to Treasury so that Equitable Share can be increased

CHALLENGE	2. NON-ADHERENCE TO POLICIES, LEGISLATION AND PROCEDURES (Governance issues)
ROOT CAUSES	- Non-implementation of policies in place Culture of non-adherence to policies, legislation and procedures that are in place
RISKS	Fraud, corruption, non-compliance. Fruitless and wasteful Expenditure
ACTIVITIES/SOLUTIONS	SHORT TERM - Procedure Manual Reviewal - Delegation of powers with time lines - Amend / Review policies eg. Virement Policy: ensure it is clearly articulated in terms of figures/amounts and must be adhered to in projects implementation. Must be thoroughly motivated - Centralise receipt of invoices by making use of the "Invoice Box" at ANDM - Adhere to all SCM regulations and policies - Implement and monitor PMS - Risk office to advocate compliance
	MEDIUM TERM
	LONG TERM
CHALLENGE	3. LOW REVENUE BASE
ROOT CAUSE	- Lack of Asset Management Plan - No O&M Plan linked to Local Municipalities - Poor quality and unavailability of water has a direct impact on revenue collection - Rate payers will not pay for poor water quality, and billing will not be accurate if there are instances where there is no water
RISKS	Non billing of new developed areas
	SHORT TERM - Prioritise O&M and Asset Management Plan linked to LM spatial planning - Invest in Infrastructure; ie functional running meters that will provide accurate readings, which will in turn provide accurate billing and collect revenue effectively

ACTIVITIES/SOLUTIONS	- o This will also assist in meeting capacity challenges • IGR Structures within ANDM to assist in revenue collection
	MEDIUM TERM BTO & LED: Strategies to create revenue and investment opportunities Must consider the following: • How do we get ANDM population to be able to afford paying for services • How do we lobby for appropriate investments for the District Increase the capacity of meter readers
	LONG TERM • Minimise the flow of water in reservoirs
CHALLENGE	4. SCM DECENTRALISED
ROOT CAUSES	Non-compliance to SCM Regulations
RISKS	Inaccurate figures/calculations on documents Incorrect information in documents Opens up possibilities of Fraud
ACTIVITIES/SOLUTIONS	SHORT TERM • Enforce consequence management where non-compliance is identified. • No quotations sourced outside SCM office will be allowed • Training of departmental staff on SCM processes to be conducted
	MEDIUM TERM
	LONG TERM
CHALLENGE	5. ILLEGAL/UNAUTHORISED WATER CONNECTIONS
ROOT CAUSES	• Non-adherence to policies, procedures and regulations
RISKS	• Affects Liquidity Ratios
SOLUTIONS	SHORT TERM • Connection of metres for Business
	MEDIUM TERM
	LONG TERM
CHALLENGE	6. ICT SYSTEMS CONTROL
ROOT CAUSE	• Lack of Internal Controls • Non-compliance with Policies and legislation guiding ICT
RISKS	• May result in Fraud • Budget override
SOLUTIONS	SHORT TERM • Close access to passwords overriding and give those powers to CFO and MM
	MEDIUM TERM
	LONG TERM
CHALLENGE	7. LACK OF STAFF
ROOT CAUSE	• Non-compliance

RISKS	• No segregation of duties • No isolation of responsibilities • Rolling of cash • Fraud
SOLUTIONS	SHORT TERM: Prioritise filling of key and high risk positions
	MEDIUM TERM
	LONG TERM
CHALLENGE	8. GRANT DEPENDENCY
ROOT CAUSE	• Low revenue base • Most indigents in ANDM population
RISK	(see notes on session)
ACTIVITIES/SOLUTIONS	(see notes on session)
CHALLENGE	9. HIGH SALARIES
ROOT CAUSE	Hiring for the sake of hiring
RISKS	(see notes on session)
ACTIVITIES/SOLUTIONS	ANDM to thoroughly review the Organogram

INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES (IDMS)

The IDMS function within ANDM is mandated with the core function of the District; Water Services Authority and Water Services Provision. The IDMS function is mainly funded partly through the Municipal Equitable Share as well as through grants from the Municipal Infrastructure Grant (MIG), Department of Water Affairs (DWA), the Development Bank of South Africa (DBSA), etc

These grants are usually transferred to the Municipality in tranches for specific service delivery targets. Failure to receive these grants on time affects the Municipality's cash flows, and often also results in the Equitable Share being used to fund grand-funded projects. The ripple effect of this occurrence is service delivery on other departmental projects that cannot be implemented due to unavailability of funds.

Following are some challenges identified and proposed recommendations:

SHORT TERM FOCUS AREAS		
FOCUS AREA/CHALLENGE	PROPOSED INTERVENTION	TIME FRAME
Over and Under commitment	• Alignment of projects with available budget • Engage DWS for O&M support • Follow-up on engagements regarding the secondary bulk infrastructure funds for Mbizana	Immediately
Lack of accounting	• Institute internal controls (process flows and checklist). • Develop Institutional Project Management Framework	June 2017
Inadequate funding for Repairs and Maintenance	• Develop proper planned and preventative costed Maintenance plans. • Council to adopt PPM budgeting tool. • Consolidate Asset Register.	June 2017
Poor drinking water quality and effluent quality	• Develop TORs/job descriptions for rural operators • Partner with LGSETA for skills development and capacity building • Benchmark the most optimal model through DWS that can be employed by the ANDM to operate and maintain rural water schemes. • Request DWS to conduct BDS and GDS assessment for rural water schemes seasonally	June 2017
Variation orders	• Proper planning, design and project costing prior to implementation • Undertake due diligence processes (demand management section with SCM) with regards to project cost estimates • Develop Standard Operating Procedures for approval of variation orders.	July 2017
High Water Losses	• Partner with DBSA and sector Departments to benefit for best practices • Prioritize staffing of WCDM section • Mobilise resources so as to roll out installation of prepaid water meters programme throughout ANDM	
MEDIUM TERM FOCUS AREAS		
FOCUS AREA	PROPOSED INTERVENTION	TIMEFRAME
Insufficient qualified staff for water services	• Compile a data base of people trained on water services within the district • Establish the tripartite relations with institutions (TVETs, Universities, Department of Public Works)	Sep 2017
Unauthorised Water Connections	• Clear mandate from the Council regarding control measures aimed at managing unauthorised connections • Charge a flat rate to consumers that have unauthorised water connections (rate to be differentiated for uses).	Dec 2017
Institutional Customer Care not conforming to RPMS requirements	• Design synergy between IDMS and CDS in order to comply RPMS • Council policies should be aligned with RPMS • Development of Customer care communication plan	Sep 2017

Regulatory Performance Management System (RPMS)	- Auditing by DWS (regulator) should receive same status as AG's auditing. - Internal Auditor to perform periodical assessments	Immediately
LONG TERM FOCUS AREAS		

FOCUS AREA	PROPOSED INTERVENTION	TIMEFRAME
Monitoring and Evaluation of Service Providers	MM's office to prioritise M&E function.	Dec 2017
Terrain and inaccessible households	Council to lobby for review of funding model with sector departments (budget allocated for rural municipality must be different from urban municipality)	On -going
Ageing Water Services Infrastructure	- Council to embark on refurbishment / replacement programs - Establish Resource Mobilisation Committee for the purposes of lobbying for funding.	On -going
Free Basic Services	- Municipality to redefine indigence within ANDM. - Devise mechanism to provide services to population residing in the privately owned land	June 2018

INSTITUTIONAL AND CAPACITY BUILDING

The issues of governance and institutional capacity building need to be prioritised as they have a direct bearing on service delivery which will affect the Municipal Audit opinion.

Some challenges and recommendations relating to institutional transformation include:

Challenges/ Cost Drivers	Measures to Reduce Costs	Proposed intervention	Policy Implications	Service Delivery Implications
Telecommunication (voice calls only)	To reduce monthly telephone pin codes allocation amount	Monthly monitoring of telephone usage by Supervisors	To review telephone policy to address the monthly pin codes allocation.	Excessive/ high bill of telephone reduces service delivery vote budget allocations
Printing Solution (Rental only without toners and repairs)	To reduce printing by implementation of paperless	Centralise printing	New policy on paperless management	Reduction will fund s/d votes
Stand By Allowances	Continuous placement of employees in stand by wherein they are 5 day workers	Revisit and review institutional arrangements – review functional chart	Irregular placing employees on standby is in conflict with collective agreement and no policy review is required	Non-compliance with collective agreements will to the municipality being issued with compliance orders
Working on Saturday	Minimise work on Saturday and Sundays	Revisit and review institutional arrangements – review functional chart	No policy implication	same as above matter

Cost Drivers	Measures to Reduce Costs	Proposed Intervention	Policy Implications	Service Delivery Implications
Overtime	Close and management of overtime; Overtime payment should be reduced. Office based employees overtime work must be stopped with immediate effect except for service delivery department.	Revisit and review institutional arrangements – review functional chart. HODs to account as per policy	Overtime is regulated in terms of Basic Conditions of employment Act and Municipal Policy and maximum hours to be worked is 40 hours. Working overtime is not a right and reduction thereof will not conflict with the act	Service delivery will not be affected if overtime is properly managed vis a vis proper shift system and /or stand by systems
Shift Allowance	Employees who do qualify and who do work shift as envisaged in the collective agreement should not receive same. Immediate audit of the shift allowance vs employing personnel	Revisit and review institutional arrangements – review functional chart	Irregular shift allowances are in conflict with collective agreements.	Service delivery will not be affected if shift allowance is properly managed vis a vis proper shift system and /or stand by systems
Cost Drivers	Measures to Reduce Costs	Proposed intervention	Policy Implications	Service Delivery Implications
Travelling claims	Employees must report at their workstation and must not claim from Mount Ayliff despite their workstations are in the satellite offices. Employees must claim from the satellite they are based on to the site.	Revisit and review institutional arrangements – review functional chart	Review the policy to be aligned cost cutting Council adopted policy	Service delivery will not be affected as employees will be working on their sites but need to be stationed on the satellite they are working at.
Accommodation costs	Consider payment in terms of 8.3.2 and increasing R303.00 to R500.00 Further consider to review use of travelling agents	This can be done by ANDA.	Review the policy to be aligned cost cutting Council adopted policy	Savings will be used to fund municipal operations

LEGAL AND CONTRACTS

The diagnosis identifies limited contract management capacity; from inception to performance managing contracts, herein are the details of the challenges and solutions.

No.	Challenges	Proposed Solution	Rating : S,M & L
1.	Limited contract management capacity	1. There must be a Contract Management Unit, composed of : 1.1. Legal Unit 1.2. Contract Management practitioner 1.3. SCM Practitioner	Short (S)
		2. Restructuring the SCM Organogram	Short (S)
		3. Centralization of Contract of Management: 3.1 Service level agreement including Agency. 3.2 Contract documents	Short (S)
		4. Contract Management Framework, Policies and Procedures must be in place in order to guide the contract management operations	Medium (M)
		5. Capacity building for all Stakeholders that are involved in the Project.	Short and Ongoing (S)
		6. Monitoring, Reporting and Evaluating in order to enhance accountability. 6.1. Contract register	Short and Continuous (S)
2.	Over commitments on projects	7. Follow proper processes of budget adjustments. Clarify the elements of focus due to budget constraints versus commitments	Short (S) to Medium (M)
3.	Extension of Scope for Capital Projects	8. It should in line with the law, National Treasury Regulations and National Treasury Circulars	Short (S) to Medium (M)
4.	Lack of customized of Service Level Agreements	9. The Legal Services Unit should review the Service Level Agreements in order to ensure that they are tailor-made to a specific Project. 9.1 Aligning the ANDA SLA duration with Municipality Council's term.	Medium (M)
5.	Limited Legal Support	10. Capacitating Legal Unit	Medium (M)
		10.1. Co-sourcing of Legal Services matters	Medium (M)
		10.2 Review of Litigation Register of the Municipality to assess the individual cases. 10.3. Centralization of Legal services between the Agency and the ANDM (Through a shared Service).	Short (S) to Medium (M)

Interventions

In light of the deliberations and presentations furnished at the Business reengineering session, the following recommendations have been deduced:

- ANDM urgently needs to re-prioritise projects for implementation in the short, medium and long term
- The District also needs to take into account grants at the District's disposal versus the revenue that the District is in a position to collect
- To have clearly determined collection rates for own revenue collection to assist the Municipality's cash flow
- ANDM Council calls upon for Section 154 support of the Constitution, with its purpose being to support turnaround ANDM, Financial woes, institutional processes and systems, building of requisite capabilities and change management.

5. Strategic Framework: Vision, Mission, Values, Goals and Strategies

5.1 Introduction

This Chapter introduces ANDM's Vision and Mission which give direction to the developmental agenda of the Municipality.

The broader developmental agenda of ANDM consists of short, medium and long term development goals. The District Municipality is committed to the objectives of local government which are enshrined in section 152 (1) of the Constitution of the Republic of South Africa, 1996 namely:

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

Our development strategies therefore aim to ensure we deliver on the expected outcomes of the developmental mandate of the local sphere of government.

5.2 Vision

A vision statement provides strategic direction and describes what our elected leadership and those it represents, want the Municipality to achieve in the future. Our commitment to undertake the comprehensive development of this, the poorest district in South Africa, is comprehensively expressed in the following Vision, namely:

“A District whose communities are self-sustaining and enjoy a good quality life, equitable access to basic services and socio-economic opportunities.”

5.3 Mission

Our mission statement describes the municipality's purpose and answers the questions: “What business are we in?” and “What is our business for?” The Mission of this Municipality is:

“To be a responsive and capable institution that effectively delivers basic services and innovative development programmes with a strong orientation to rural development in partnership with its communities and other social partners”

5.4 Values

The agreed values of the District Municipality are as follows:

- Transparency
- Honesty and Integrity
- Accountability
- Professionalism
- Fairness
- Openness and Responsiveness
- Diversity.

5.5 Strategic Goals

At a strategic session held in March 2017, Alfred Nzo District Municipality identified the following major thematic areas to give direction to the work of the organization:

Inclusive Growth and Development

- Local Economic Development.

Effective Public Participation

- Batho-Pele
- Partnerships for Development
- Networks.

Basic Services Delivery and Community Empowerment

- Back-to-Basics Programme
- Provision of equitable access to government assets
- Customer Relations and Care
- Service Excellence.

Good Governance

- Oversight and Strategic Leadership
- Political Stability
- Compliance
- Clean Administration
- Equity.

A capable Institution

- Institutional Development
- Exploit appropriate technology
- Financial Viability
- Effective assets & resource management.

Springing from these thematic areas, the ANDM IDP includes the following **Strategic Goal Statements** which are aligned with the national KPAs.

1. Inclusive Growth and Development
2. Basic Services Delivery and Community Empowerment
3. Effective Public Participation, Good Governance and Partnerships
4. A capable and financially viable institution.

These goals seek to ensure a strategic alignment at the highest level of the organization but do not necessarily translate directly into distinct departmental responsibilities.

This alignment with national KPAs is illustrated in the table below:

Table 1: National KPA/ANDM Strategic Goals Alignment

National KPAs:	ANDM Strategic Goals:	KPI	Five Year Targets (2017 – 2022)				
			Year 1 2017/18	Year 2 2018/19	Year 3 2019/20	Year 4 2020/21	Year 5 2021/22
KPA1: Municipal Transformation and Organisational development (improvement of internal efficiencies and effectiveness)	A capable and financially viable institution (4)	Progress report on improvement of internal efficiency and effectiveness (institutional transformation plan report: e.g. filling of top six post, performance management, training, labour relations etc.)	1	1	1	1	1
KPA2: Basic-Service Delivery (particularly water and sanitation. ANDM is both WSA and WSP for the district)	Basic Services Delivery and Community Empowerment (2)	Number of fundable consolidated infrastructure plans	1	1	1	1	1
KPA3: Local Economic Development (to expand the local economy and increase employment and reduce poverty)	Inclusive Growth and Development (1)	Minimum number of district fundable economic catalytic projects	5	5	5	5	5
KPA4: Financial viability and financial management (improve ANDM's performance in this area)	A capable and financially viable institution (4)	Number of Small Towns with implementation of the Small Towns revitalisation programme	5	5	5	5	5
KPA5: Good governance and public participation (deepen democracy)	Effective Public Participation, Good Governance and Partnerships (3)	- Audit opinion (QA = Qualified Audit; UQA = Unqualified Audit; CA = Clean Audit) - A Progress Report on Implementation of the Financial Management Plan	UQA	UQA	CA	CA	CA
		Progress Report on the Functionality of council meetings, oversight structures, section 79 committee, audit committees, District IGS forums	1	1	1	1	1
		A Progress Report on various Good Governance initiatives (anti-corruption, compliance with legislation and by-laws & service delivery protests)	1	1	1	1	1
KPA6: Cross-cutting issues (integrated development and strong partnerships)	Effective Public Participation, Good Governance and Partnerships (3)	Minimum number of multi-stakeholder partnership (e.g. SANRAL, DBSA, IDC, PIC; CoGTA, Prov. Treasury OTP, ECSECC etc)	10	10	10	10	10

The above ANDM strategic goals are described in further detail below:

5.6 Inclusive Growth and Development

In order to grow the local economy of AND, the Municipality has to create an enabling environment which will support local economic development, agriculture and forestry, construction and tourism and attract investment into the area. This will stimulate economic activity and result in job creation to alleviate poverty. In order for the economy to grow, it is essential that the correct infrastructure is in place to accommodate current and new business and agricultural activities. Therefore infrastructure investment has to be a primary focus for the next 10 to 15 years. This can link to the already significant N2 road building programme. The leading sectors such as agriculture and small business need to be stimulated to ensure that the key towns in the district become regional services hubs. Sector strategies need to be effectively implemented in partnership with a range of stakeholders to ensure economic stimulation. Due to the importance of the local educational facilities such as Ingwe TVET, education needs to be seen as a priority in terms of future growth potential of the district. ANDM should aim to set the pace in transformation of under-developed former Bantustan areas.

5.7 Basic Service Delivery and Community Empowerment

To deliver quality services in AND it is essential that all residents have access to basic services (water, sanitation) provided by local government. While access to basic services by all citizens should be 100%, the district is particularly disadvantaged (fewer than 10% of residents currently have access to municipal water) and this may take some time. Delivery of quality, affordable housing also needs to be improved. The Council needs to make land available for town development and proper development controls must be in place, particularly in rapidly growing areas along new roads.

5.8 Effective Public Participation, Good Governance and Partnerships

ANDM must ensure that all members of the public and organised business, agriculture and other organisations have the opportunity to participate in our decision making processes. It is of utmost importance that a culture of participation is nurtured. A proper and responsive customer care system must be put in place. Public and private sector organisations must play a more active role in the decision making process and proper platforms established to allow public participation at various levels of government. We should strive to develop all our public facilities such as community halls and multi-purpose centres as “one-stop shops” where communities can be linked to government programmes.

The Municipality must ensure that good governance is key and free of corruption to ensure services are delivered as effectively and efficiently as possible. The District should be managed as transparently as possible: our Communications Unit must ensure a regular flow of information to the public on municipal activities. This relates directly to the way in which municipal income and grants are spent. It is essential that good financial practices are adhered to in order to ensure value for money and inhibit corruption, as will be indicated by clean audits from the Auditor General. Financial sustainability also needs to incorporate financial planning for future revenue streams and ways to increase business activity without increasing the service charge burden which deters economic growth. Strategic planning needs to be done in order to find the correct ways to attract and retain business and stimulate agriculture.

5.9 A Capable and Financially Viable Institution

National government has determined that all municipalities must enforce competency standards for managers and appoint persons with the requisite skills, expertise and qualifications. All staff are required to sign performance agreements. Performance management systems must be managed and implemented. Municipal management is obliged to conduct regular engagements with labour to ensure sound labour relations.

We aim to ensure that our municipal organisation is productive and rooted in skilled officials and adequate human resource capacity in all departments. The focus will be on performance per department in line with specific performance indicators linked to the IDP, to ensure maximum efficiency and efficient service delivery. Transparent reporting on departmental progress will ensure that the public is able to monitor and evaluate the progress being made on IDP projects and programmes.

The above strategic goals are set to ensure that the vision and mission are realised. In order to ensure that ANDM becomes the developmental municipality we all strive for, each of the five goals needs to be linked to key implementation priorities. The following section will discuss each of the five strategic goals and the implementation priorities which are linked to community needs and our most urgent priorities.

6. ANDM Strategies and Projects

6.1 Organising Framework for five year IDP Strategies

The strategies of the five year IDP are organised in terms of the following six factors:

1. Growth and Development
2. Spatial Planning
3. Service Delivery
4. Financial Viability
5. Good Governance
6. Municipal Transformation.

These six factors are broadly aligned and articulate with the National Local Government KPAs. Each factor is translated into various areas of focus which constitute strategic priorities for that factor. In turn the areas of focus are articulated into strategies, with strategies translated into costed projects.

The strategies fall into three broad categories:

- Strategies that are process and operational activities. These are input activities to outcomes-focused IDP Strategies
- Strategies where there are blockages in implementation. These are not new strategies but rather require unlocking the blockages. These should be formulated clearly either as outcomes-focused IDP strategies or operational strategies
- Strategies that can be firmed up with proper formulations to constitute outcomes- focused IDP strategies.

6.2 2017/18 IDP Strategies, Projects and Budgets

mSCOA is a Municipal Standard Chart of Accounts. It is a multi-dimensional recording and reporting system across seven segments:

- Function or sub-function (GFS votes structure)
- Item (asset, liability, revenue, expenditure, etcetera)
- Funding source (rates, services charges, grants, loans, etcetera)
- Project (capital, operating, repair & maintenance, programme, etcetera)
- Costing (activity based recoveries, internal billing & departmental charges)
- Regional indicator (jurisdictional area, town, suburb, ward, etcetera)
- Municipal Standard Classification (own cost centres votes structure).

mSCOA is regulated through the mSCOA Regulations and is compulsory as from 1 July 2017.

Key requirements include:

- Need to table mSCOA Regulations at Council
- Need to table a mSCOA Project Plan at Council
- Need to have an mSCOA Project Implementation and ITC Risk Register in place (or late billing will lead to no payments and cash flow problems, no service delivery)
- A non-compatible mSCOA payroll system will lead to payment of salaries out of time, etc
- mSCOA compliant financial systems need to be implemented
- An in-house mSCOA champion should be appointed
- Need to appoint an mSCOA Steering Committee and Project Management Team
- Need to establish mSCOA Project Management Office
- Need to engage with provincial mSCOA forums to ensure common understanding.

Council must take note of the promulgated mSCOA Regulations and of the mSCOA Project Implementation Plan and avail sufficient resources for the implementation of the project. The Executive Mayor must provide political guidance over the fiscal and financial affairs, budget process and priorities of the municipality (mSCOA is a serious budget reform issue). The Executive Mayor must monitor and oversee the Municipal Manager and Chief Financial Officer in exercising their responsibilities in terms of the MFMA (MFMA legislation directs the mSCOA Regulations). The Executive Mayor needs to oversee the implementation of the mSCOA Project Implementation Plan and the related Risks Register and ensure that the current financial system becomes mSCOA compliant; that an in-house mSCOA Champion is appointed by the Municipal Manager; that the mSCOA Steering Committee and Project Management Team are in place; and that an mSCOA Project Management Office has been established by the Municipal Manager.

The MTREF (Medium Term Revenue and Expenditure Framework) is a financial plan to enable the municipality to achieve its vision and mission through the IDP Strategy which is informed by the development agenda and community/stakeholder inputs. The financial plan is for three years, based on a fixed first year and indicative further two years budget allocations. It also includes details of the previous three years and current year's financial position.

Possible priorities arising from the District Diagnostic Review (above) to be incorporated into ANDM strategies and projects:

Strong urban planning of the five small towns (and their peripheries) is required.

- Increased focus of public investment and development initiatives in small town development, and ensuring that they become competitive and investment attractive areas
- High population densities and high population growth in Mbizana suggests that, for example, Mzamba is a growth node and requires a special focus, particularly in view of the new Wild Coast N2
- Municipalities must acquire more well-located land that can be made available for investors (see section 3.3.12 below on construction and property development).

To upgrade the district's road network there needs to be ongoing engagement among ANDM, the LMs, DRPW and SANRAL to ensure:

- Upgrade of roads in the new emerging peri-urbanization zones
- Maintenance of a priority road network (preventative)
- Use of employment-intensive methods as much as possible
- Use of transport nodes to develop commercial precincts (taxi ranks, hawkers facilities, shops etc).

Water and sanitation issues to be addressed are the following:

- Optimal implementation for the WSIA programme and raising of grant funds
- Ensure that roll-out of WSIA responds to population dynamics (peri-urbanisation trend)
- Ensure ANDM meets DWS regulatory requirements as a WSA (in terms of the Regulatory Performance Management System, RPMS). ANDM's status as WSA is under threat
- Under-capacity, ageing and poor operations and maintenance of WTWs and WWTWs (poor blue drop and green drop scores)
- Implementation of water conservation and demand management strategy
- Review of a situation where all households outside towns are considered indigent in terms of free basic services
- Expedited training of WSP personnel through SETA programmes
- Maintenance of existing stand-alone village water schemes
- Completion of VIP toilet provision programme
- Eskom to complete household electrification programme (100,000 households)
- Municipal waste services to be delivered at least in towns and other tourism and transport nodes (use EPWP where feasible).

Future **health** priorities:

- Programmes to improve child nutrition (early childhood development)
- Achieving national norms regarding facilities and service standards, particularly in the growing and denser peri-urban areas.

Education and training priorities:

- Improve the quality of education in AND and reduce classroom backlogs
- Ingwe TVET college to provide skills, particularly for infrastructure, construction and maintenance and modern farming practices. Ideally the college offerings should be extended and a full range of relevant curricula should be offered (in view of the very youthful population of AND)
- Development partnerships between Ingwe TVET college and, for example, SANRAL, War on Leaks, Youth Farming Initiatives etc
- Mobilise resources for the TVET expansion and upgrading through relevant SETAs, mining companies etc
- Ideally NARYSEC should also be scaled-up in AND
- Focus on improving the skills pipeline for growth sectors and major projects and specifically SETA resource mobilization and curriculum development
- ANDM should engage with DRPW to scale-up the Accelerated Professional and Trade Competencies (APTCOD) in the district.

Agriculture priorities:

- A prospectus for partners and investors should be prepared around an AND-based “Itsiya Youth Farming Initiative”. This should be a broad-based programme to unlock the potentials listed and involve a wide-range of partners
- There should be a conference around “AND Agricultural Development Partnerships” that would show-case the various potentials
- AND needs better agricultural interventions that can create and support profitable smallholder enterprises (through, for example, CPPP’s, contract farming arrangements/ outgrower schemes, and collection/aggregation systems).

Forestry priorities:

- Identify communities wishing to enter into community forestry arrangements
- Explore partnerships with Sappi and Hans Merensky. Priorities for **commerce and industry**:
- Commercial and tourism property developments
 - Set-up active Beach to Berg (B2B) website
 - Improve infrastructure and signage of B2B route
 - Plan tourism-related property developments
- Upgrade of Transido complexes
- Attraction of new incubators
- Agro-industrial development
- Crafts development.

Priorities for construction and property development:

- Resolve land claims speedily (with assistance from the Land Claims Commission)
- ANDM to do a state land audit and get access to state land for property development
- ANDM to support communities to acquire titles over communal land for development. DRDLR can assist with this
- Identify and prioritise land precincts to be titled for private investment (such as coastal tourism nodes; transport nodes; along development corridors and possibly high-potential agricultural zones). This will be in preparation for a proposed AND Land Assembly
- Ensure public sector contracts provide business and training opportunities for local people.
- Implement ANDM Contractors Development Programme
- Detailed planning around Wild Coast N2 and coastal development.

SMME priorities:

- ANDM must identify all existing SMEs in the four priority value chains and facilitate partnerships to remove obstacles to value-chain development and support enterprise start-ups and growth
- Use e-connecting and e-learning to form local groups of people that share development interests, and are experimenting with the possible
- Techniques of ABCD should be more widely known and practised
- Virtual and physical (combined) enterprise incubators should be more ubiquitous than at present.

Priorities for Municipal leadership:

To achieve its developmental mandate the public sector must have strong leadership and much improved management capabilities. The NDP and ECPDP have proposals on how this can be achieved.

Municipal leadership in the AND should develop:

- Improved knowledge of the economic issues facing AND
- An improved understanding of the needs of all stakeholders
- A clear development vision and agenda for the District
- An ability to communicate these persuasively to relevant stakeholders
- An ability to leverage resources from state sector departments and state-owned entities (such as IDC and PIC).

6.3 Projects

Below are the basic performance and 5 year budget information for the various projects of the relevant Departments/ Units. More detailed performance information (key performance indicators, annual, quarterly targets, etc) is contained in the separate, stand-alone Annexure 6 to this IDP. The high level 5 year KPIs and Targets appear in par 5.5 above.

6.3.1 Infrastructure Development and Municipal Services (IDMS)

6.3.1.1 Water Services Authority (WSA)

Reference	Priority Area (KPA)	Strategic Objective	IDP Project Name	Function	Funding Source	Regional	Year1 (2017/18)	Year2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.1.1.1	Basic Service Delivery	Promoting equitable access to water services	Free Basic Services	WSA	Equitable Share	Whole of municipality	1 300 000	1 374 100	1 451 050	1 538 112.58	1 630 399.33
6.3.1.1.2	Basic Service delivery	Promote safe and healthy environment	Community Based Natural Resource Management	WSA	Equitable Share	Umzimvubu	400 000	422 800	446 477	473 265.41	501 661.33
6.3.1.1.3	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Water Safety Plan	WSA	Equitable Share	Whole of municipality	650 000	687 050	725 525	769 056.29	815 199.67
6.3.1.1.4	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Effluent Management Plan	WSA	Equitable Share	Whole of municipality	450 000	475 650	502 286	532 423.58	564 369.00
6.3.1.1.5	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Water Quality Monitoring	WSA	Equitable Share	Whole of municipality	1 300 000	1 374 100	1 451 050	1 538 112.58	1 630 399.33
6.3.1.1.6	Basic Service delivery	Promote and maintain potable water standards SANS241	Auditing of Regional Schemes	WSA	Equitable Share	Whole of municipality	800 000	845 600	892 954	946 530.82	1 003 322.66
6.3.1.1.7	Basic Service delivery	Promoting the efficient, sustainable & beneficial use of water in public interest;	Waterborne Emergency Response Planning	WSA	Equitable Share	Ntbankulu LM	200 000	211 400	223 238	236 632.70	250 830.67
6.3.1.1.8	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Proficiency Testing	WSA	Equitable Share	Whole of municipality	200 000	211 400	223 238	236 632.70	250 830.67

6.3.1.1.9	Basic Service delivery	Improve the quality of municipal infrastructure services	Kinira bulk water	WSA	RBIG	Matatiele	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.1.10	Basic Service delivery	Improve the quality of municipal services	Ntabankulu bulk water supply	WSA	RBIG	Ntabankulu LM	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.1.11	Basic service delivery	Improve the quality of Municipal services	Mkhemane bulk water supply	WSA	RBIG	Umtzimvubu LM	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.1.1.12	Basic Service delivery	Improve the quality of municipal infrastructure services	RAMS professional fee	WSA	Department of Roads and Transport	Whole of the municipality	2 285 000	2 415 245	2 550 499	2 703 528.64	2 865 740.36
6.3.1.1.13	Basic Service delivery	Improve the quality of municipal infrastructure services	Mbizana ward 10, 12, 13 and 15 water feasibility study	WSA	MIG	Mbizana LM	6 874 850	7 266 716	7 673 653	8 134 071.73	8 622 116.03
6.3.1.1.14	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 17 and 18 water feasibility study	WSA	MIG	Ntabankulu LM	8 000 000	8 456 000	8 929 536	9 465 308.16	10 033 226.65
6.3.1.1.15	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 12 and 14 water feasibility study	WSA	MIG	Ntabankulu LM	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.1.16	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 1.5 and 6 water feasibility study	WSA	MIG	Ntabankulu LM	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.1.17	Basic Service Delivery	Improve the quality of municipal infrastructure services	Water Services Development Plan	WSA	Equitable share	Whole Municipality	800 000	845 600	892 954	946 530.82	1 003 322.66
6.3.1.1.18	Basic Service delivery	Improve the quality of municipal infrastructure services	District Integrated Transport Plan	WSA	Equitable Share	whole Municipality	400 000	402 400	426 544	452 136.64	479 264.83

6.3.1.2 WCDM Unit

Reference	Priority Area (KPA)	Strategic Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.1.2.1	Basic Service Delivery	Ensure No Drop compliance for ANDM	Develop WCDM Strategy	WCDM	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.1.2.2	Basic Service Delivery	Improve quality of Municipal Infrastructure	Develop WCDM asset replacement plan	WCDM	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.1.2.3	Basic Service Delivery	Improve quality of Municipal Infrastructure and enhance revenue collection	Consumer meter audit and replacement	WCDM	Equitable Share	Matatiele LM and Mbizana LM	-	-	-	-	-
6.3.1.2.4	Basic Service Delivery	Ensure reduction of water losses for ANDM.	WCDM leak detection & repairs	WCDM	Equitable Share	Whole Municipality	300 000	317 100	335 492	355 621.31	376 958.59
6.3.1.2.5	Basic Service Delivery	Promote public participation and good governance	WCDM Public Awareness Campaign	WCDM	Equitable Share	Mbizana LM and Matatiele LM	-	-	-	-	-
6.3.1.2.6	Basic Service Delivery	Ensure reduction of water losses for ANDM.	Installation of PRV's & Protective Chambers	WCDM	Equitable Share	Mbizana LM	600 000	634 200	669 715	709 898.11	752 492.00
6.3.1.2.7	Basic Service Delivery	Ensure No Drop compliance for ANDM	Purchase of Bulk & Domestic water meters	WCDM	Equitable Share	Whole Municipality	1 000 000	1 057 000	1 118 306	1 185 404.36	1 256 528.62
6.3.1.2.8	Basic Service Delivery	Ensure reduction of water losses for ANDM.	Purchase of WCDM field equipment	WCDM	Equitable Share	Whole Municipality	1 000 000	1 057 000	1 118 306	1 185 404.36	1 256 528.62

6.3.1.2.9	Basic Service Delivery	Ensure monitoring of reservoir levels for improved early warning system for ANDM	Telemetry System Upgrade	WCDM	Equitable Share	Whole Municipality	-	-	-	-

6.3.1.3 Project Management Unit (PMU)

Reference	Priority Area (KPA)	IDP Project Name	Function	Funding Source	Regional	Year1 (2017/18)	Year2 (2018/19)	Year3 (2019/20)	Year4 (2020/21)	Year5 (2021/22)
6.3.1.3.1	Basic Service Delivery	MIGADMIN	PMU	MIG	Alfred Nzo	3 790 183	3 790 183	3 791 080	3 792 587	4 020 422
6.3.1.3.2	Basic Service Delivery	VIP SANITATION - MIG	PMU	MIG	Alfred Nzo	11 512 300	12 168 501	12 849 937	13 620 933.39	14 438 189.39
6.3.1.3.3	Basic Service Delivery	NTABANKULU MWIG	PMU	MIG	Alfred Nzo	28 636 183	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.4	Basic Service Delivery	MBIZANA MWIG	PMU	MIG	Alfred Nzo	27 904 653	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.5	Basic Service Delivery	MATATIELE:MWIG PROV CAP EXP	PMU	MIG	Alfred Nzo	27 500 000	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.6	Basic Service Delivery	UMZIMVUBU MWIG	PMU	MIG	Alfred Nzo	25 959 165	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.7	Basic Service Delivery	RBIG MATATIELE PRO	PMU	MIG	Alfred Nzo	20 000 000	21 140 000	22 323 840	23 663 270.40	25 083 066.62
6.3.1.3.8	Basic Service Delivery	MT AYLIF PERI-URBAN	PMU	MIG	Alfred Nzo	15 000 000	15 855 000	16 742 880	17 747 452.80	18 812 299.97
6.3.1.3.9	Basic Service Delivery	THOLAMELA WATER SUPPLY - DBSA	PMU	MIG	Alfred Nzo	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.3.10	Basic Service Delivery	FOBANE WATER SUPPLY DBSA PROV	PMU	MIG	Alfred Nzo	7 337 800	7 756 055	8 190 394	8 681 817.28	9 202 726.31
6.3.1.3.11	Basic Service Delivery	NTABANKULU SEWER UPGRADE PROV	PMU	MIG	Alfred Nzo	25 000 000	26 425 000	27 904 800	29 579 088.00	31 353 833.28
6.3.1.3.12	Basic Service Delivery	GREATHER MBIZANA WATER SUPP PHASE 1A RETICULATION	PMU	MIG	Alfred Nzo	84 359 267	89 167 745	94 161 139	99 810 807.29	105 799 455.73
6.3.1.3.13	Basic Service Delivery	KWABHACA REGINAL WATER -MIG PR	PMU	MIG	Alfred Nzo	45 314 600	47 897 532	50 579 794	53 614 581.64	56 831 456.54
6.3.1.3.14	Basic Service Delivery	QWIDLANA WATER SUPPLY - MIG PR	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66

6.3.1.3.15	Basic Service Delivery	CABAZANA WATER - MIG PROV CAP	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.16	Basic Service Delivery	UMZIMVUBU WARD14 - MIG PROV	PMU	MIG	Alfred Nzo	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32
6.3.1.3.17	Basic Service Delivery	MALUTI/MATATIELE/RAMO -MIG WATER SUPPLY	PMU	MIG	Alfred Nzo	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.3.18	Basic Service Delivery	NTIBANE WATER PROJECT PROV CAP	PMU	MIG	Alfred Nzo	22 000 000	23 254 000	24 556 224	26 029 597.44	27 591 373.29
6.3.1.3.19	Basic Service Delivery	NYOKWENI BOMVINI BULK WATER SUPPLY	PMU	MIG	Alfred Nzo	6 500 000	6 870 500	7 255 248	7 690 562.88	8 151 996.65
6.3.1.3.20	Basic Service Delivery	UMZIMVUBU WARD 13 PROV CAP EXP	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.21	Basic Service Delivery	UMZIMVUBU WARD 22 PROV CAP EXP	PMU	MIG	Alfred Nzo	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32
6.3.1.3.22	Basic Service Delivery	MATATIELE WARD 15 PROV CAP EXP	PMU	MIG	Alfred Nzo	15 000 000	15 855 000	16 742 880	17 747 452.80	18 812 299.97
6.3.1.3.23	Basic Service Delivery	MATATIELE WARD 5 PROV CAP EXP	PMU	MIG	Alfred Nzo	10 000 000	10 570 000	11 161 920	11 831 635.20	12 541 533.31
6.3.1.3.24	Basic Service Delivery	MATATIELE WARD 7 PROV CAP EXP	PMU	MIG	Alfred Nzo	41 000 000	43 337 000	45 763 872	48 509 704.32	51 420 286.58
6.3.1.3.25	Basic Service Delivery	UPGRADING OF MBIZANA TOWN SEWER	PMU	MIG	Alfred Nzo	37 000 000	39 109 000	41 299 104	43 777 050.24	46 403 673.25
6.3.1.3.26	Basic Service Delivery	MATATIELE LM: FEASIBILITY STUDY FOR UPGRADING/NEW WTW	PMU	MIG	Alfred Nzo	3 300 000	3 488 100	3 683 434	3 904 439.62	4 138 705.99
6.3.1.3.27	Basic Service Delivery	MBIZANA WARDS 10,12,13 and 15 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	6 874 850	7 266 716	7 673 653	8 134 071.73	8 622 116.03
6.3.1.3.28	Basic Service Delivery	NTABANKULU WARDS 17 & 18 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	8 000 000	8 456 000	8 929 536	9 465 308.16	10 033 226.65
6.3.1.3.29	Basic Service Delivery	NTABANKULU WARDS 12 & 14 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.30	Basic Service Delivery	NTABANKULU WARDS 1,5 and 6 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.31	Basic Service Delivery	EPWP	PMU	EPWP	Alfred Nzo	10 280 000	12 336 000	14 803 200	15 691 392	16 632 875
6.3.1.3.32	Basic Service Delivery	ISD Coordination of all IDMS Projects,32 Consultation Meetings	PMU	MIG	Alfred Nzo	-	-	-	-	-

6.3.1.3.33	Basic Service Delivery	ISD Public Education and Awareness: 4 Water usage, vandalism, health and hygiene workshops	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-
6.3.1.3.34	Basic Service Delivery	Strengthening of District ISD Services: 8 Meetings (4 District ISD Forum Meetings and 4 Meetings with Service Delivery Units)	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-
6.3.1.3.35	Basic Service Delivery	Promote public participation and meaningful good governance :4 Accredited/Non Accredited Trainings	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-
6.3.1.3.36	Basic Service Delivery	16 Functional PSC's,32 Community Satisfaction Meetings	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-

6.3.1.4 Water Services Provision (WSP)

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2202)
6.3.1.4.1	Basic Service Delivery	Improve expenditure management and controls	Electricity	WSP	Equitable share	All LMs	12 000 000	12 684 000	13 394 304	14 197 962.24	15 049 839.97
6.3.1.4.2	Basic Service Delivery	Optimize systems, administration and operating procedures	Tools and Equipment	WSP	Equitable	All LMs	25 000	26 425	27 905	29 579.09	31 353.83
6.3.1.4.3	Basic Service Delivery	Improve disaster management and prevention	Drought Relief Projects	WSP	Equitable Share	All LMs	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.4.4	Basic Service Delivery	Improve the quality of municipal infrastructure services	Matatiele WTW Refurbishment & water Augmentation	WSP	Equitable Share	Matatiele	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.5	Basic Service Delivery	Improve expenditure management and controls	Bulk water purchases	WSP	Equitable Share	All LMs	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.4.6	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Matatiele	WSP	Equitable Share	Matatiele	6 000 000	6 342 000	6 697 152	7 098 981.12	7 524 919.99

6.3.1.4.7	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Mzimvubu	WSP	Equitable Share	Umkhumbi	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.4.8	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Mbizana	WSP	Equitable Share	Mbizana	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32
6.3.1.4.9	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Ntabankulu	WSP	Equitable Share	Ntabankulu	4 250 000	4 492 250	4 743 816	5 028 444.96	5 330 151.66
6.3.1.4.10	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Matatiele	WSP	Equitable Share	Matatiele	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.11	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Umzimvubu	WSP	Equitable Share	Umkhumbi	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.12	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Mbizana	WSP	Equitable Share	Mbizana	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.1.4.13	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Ntabankulu	WSP	Equitable Share	Ntabankulu	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.1.4.14	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Mnceba water scheme	WSP	Equitable Share	Mnceba water scheme - Umzimvubu	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.4.15	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Mbizana Ponds	WSP	Equitable Share	Mbizana	3 500 000	3 699 500	3 906 672	4 141 072.32	3 500 000
6.3.1.4.16	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Ntabankulu Ponds	WSP	Equitable Share	Ntabankulu	860 540	909 591	960 528	1 018 159.54	1 079 249.11

6.3.1.4.17	Basic Service Delivery	Improve the quality of municipal infrastructure services	Building maintenance and alterations	WSP	Equitable Share	All LMs	400 000	422 800	446 477	473 265.41	501 661.33
6.3.1.4.18	Basic Service Delivery	Optimize systems, administration and operating procedures	Leasing of motor vehicles	WSP	Equitable Share	All LMs	4 218 000	4 458 426	4 708 098	4 990 583.73	5 290 018.75

6.3.2 Budget & Treasury Office

6.3.2.1 Asset & Liabilities Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.2.1.1	Financial Viability	Update of Fixed Assets Register & Bar coding of infrastructure assets	Update Of Fixed Assets	Budget & Treasury	Equitable Share	Whole Municipality	R 2 000 000	R 2 114 000	R 2 232 384	R 2 366 327.04	R 2 508 306.66
6.3.2.1.2	Financial Viability	Safeguarding and Maintenance of Assets	Motor vehicle	Budget & Treasury	Equitable Share	Whole Municipality	R 500 000	R 528 500	R 558 096	R 591 581.76	R 627 076.67
6.3.2.1.3	Financial Viability	Safeguarding and Maintenance of Assets	Insurance	Budget & Treasury	Equitable Share	Whole Municipality	R 800 000	R 845 600	R 892 954	R 946 530.82	R 1 003 322.66
6.3.2.1.4	Financial Viability	Management of Long -Term Liabilities - Repayment of DBSA loan	Servicing Of The DBSA Loan	Budget & Treasury	Equitable Share	Whole Municipality	R 661 690	R 699 406	R 738 573	R 782 887.47	R 829 860.72
6.3.2.1.5	Financial Viability	Safeguarding and Maintenance of Assets	Fleet Management System	Budget & Treasury	Equitable Share	Whole Municipality	R 350 000	R 369 950	R 390 667	R 414 107.23	R 438 953.67
6.3.2.1.6	Financial Viability	Construction of Stores	Construction of stores	Budget & Treasury	Equitable Share	Whole Municipality	R 900 000	R 951 300	R 1 004 573	R 1 064 847.17	R 1 128 738.00
6.3.2.1.7	Financial Viability	Safeguarding and Maintenance of Assets	Inventory Management	Budget & Treasury	Equitable Share	Whole Municipality	R 3 000 000	R 3 180 000	R 3 370 800	R 3 370 800.00	R 3 370 800.00

6.3.2.2 Budget & Reporting

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.2.2.1	Financial Viability	Prepare accurate and reliable Annual Financial Statements	Consultancy and Professional Fees	Budget & Treasury	Equitable Share	Whole Municipality	R 3 500 000	R 3 699 500	R 3 906 672	R 4 141 072.32	R 4 389 536.66
6.3.2.2.2	Financial Viability	Develop and Implement credible and sustainable budget	Co-ordinate Compliant Budget and submit to stakeholders	Budget & Treasury	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.2.2.3	Financial Viability	Implement mSCOA budgeting and reporting	SCOA	Budget & Treasury	Whole Municipality	R0.00	R540 000	R570 780	R602 744	R638 908.30	R 677 242.80

6.3.2.3 Expenditure

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4	Year 5
6.3.2.3.1	Financial Viability	Strengthen Governance and reduce risk	VAT Recovery	Budget & Treasury	Reserves	Whole of Municipality	-	-	-	-	-
6.3.2.3.2	Financial Viability	Payment of Creditors within 30 Days	Creditors Management	Budget & Treasury	Equitable Share	Whole of municipality	-	-	-	-	-
6.3.2.3.3	Financial Viability	Improve expenditure management and controls	VIP Payroll	Budget & Treasury	Equitable Share	Whole of municipality	R500 000	R528 500	R558 096	R591 581.76	R627 076.67

6.3.2.4 Project Expenditure

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.4.1	Financial Viability	Strengthen Governance and reduce risk	Capital Project Management Accounting	Budget & Treasury	Reserves	Whole of Municipality	-	-	-	-	-

6.3.2.4.2	Financial Viability	Payment of Creditors within 30 Days	Creditors Management	Budget & Treasury	Equitable Shares	Whole of municipality	-	-	-	-	-

6.3.2.5 Financial Information System Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.5.1	Financial Viability	Comply with national Treasury mScoa Regulation	Roll Out of mSCOA Modules on Financial Information System	Budget & Treasury	Equitable Share	Whole Municipality	R540 000	R570 000	R602 744	R 500 000	R500 000
6.3.2.5.2	Financial Viability	Strengthen and implement a seamless integrated 3rd party financial management system.	Financial Management System support and maintenance	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.3	Financial Viability	Ensure Financial System meets requirement of business processes, policies and legislations	Management of Financial Management System	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.4	Financial Viability	Ensure adherence to policies and legislation	Review and enforcement of Roles and Responsibilities	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.5	Financial Viability	Functional Financial Management System modules	Maintenance of accurate state of business systems	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.6	Financial Viability	Ensure Financial System is up and running and service providers adhere to SLA requirements	Annual renewal of Licences and SLA monitoring	Budget & Treasury	Equitable Share	Whole Municipality	R 450 000	R 475 650	R 502 286	R 532 423.58	R 564 369.00
6.3.2.5.7	Financial Viability	Ensure effective and efficient financial management	Incident Management Monitoring System	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0

6.3.2.6 Revenue

Reference	Priority Area (KPA)	Strategy / Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 3 (2020/21)	Year 3 (2021/2022)
6.3.2.6.1	Financial Viability	Implement Revenue Enhancement Strategy, Tariff policy and by laws, Credit and Debt by laws	Revenue Enhancement Strategy	Budget & Treasury	Equitable Share	Whole Municipality	R700 000	R739 900	R781 334	R828 214.46	R877 907.33
6.3.2.6.2	Financial Viability	Implement Credit and Debt Collection policy and By laws	Revenue Collection and Debt Management	Budget & Treasury	Own Revenue	Whole Municipality	R 800 000	R 845 600	R 892 954	R 946 530.82	R 1 003 322.66
6.3.2.6.3	Financial Viability	Safeguarding of Satellite offices	Properties Rent & Leases	Budget & Treasury	Own Revenue	Whole Municipality	R340 000	R359 380	R379 505	R402 275.60	R426 412.13
6.3.2.6.4	Financial Viability	Develop and implement Cash and Investment policy	Cash and Investment policy	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.5	Financial Viability	Develop and Implement Revenue procedure Manuals	Revenue Procedures	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.6	Financial Viability	Develop and Implement Credit Control, Tariff policy and Model	Revenue Policies	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.7	Financial Viability	Prepare Lead Schedule for Revenue section	Preparation of AFS	Budget and Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.8	Financial Viability	Implement Indigent policy	Indigent Debtors	Budget and Treasury	N/A	Whole Municipality	-	-	-	-	-

6.3.2.7 Supply Chain Management

Reference	Priority Area (KPA)	Strategy / Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.7.1	Financial Viability	Maximize economies of scale and value for money by complying with SCM policies.	SCM Management Projects	Budget & Treasury	Equitable Share	Whole Municipality	R 150 000	R 158 550	R 167 429	R177 474.53	R188 123.00
6.3.2.7.2	Financial Viability	Maximize economies of scale and value for money by complying with SCM policies.	BTO SOP's delegations and contract management	Budget & Treasury	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.3 CORPORATE SERVICES

6.3.3.1 Admin Support

Reference	Priority Area (KPA)	Strategy /Objective	Tdp Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.3.1.1	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Elec Records Management System	Admin support	Equitable share	Mount AYLIFF	1 100 000	985 047	789 502		
6.3.3.1.2	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Security Services	Admin support	Equitable share	Alfred Nzo District	10 000 000	10 118 945	10 168 759	10 778 884.54	11 425 617.61
6.3.3.1.3	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Security Infrastructure Prov C	Admin Support	Equitable share	Alfred Nzo District	300 000	317 100	334 858	354 949.06	376 246.00
6.3.3.1.4	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Facilities Management And Maintenance	Admin Support	Equitable share	Alfred Nzo District	-	-	-	-	-
6.3.3.1.5	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Leasing - Photocopiers	Admin Support	Equitable share	Equitable share	500 000	528 500	558 096	591 581.76	627 076.67
6.3.3.1.6	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Cleaning Materials	Admin Support	Equitable share	Equitable share	500 000	528 500	558 096	591 581.76	627 076.67

6.3.3.2 Human Resource Management

Reference	Priority Area (KPA)	Strategy / Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.3.2.1	Municipal Transformation and OD	Develop Employee Wellness Programmes to improve productivity of staff.	Protective Clothing	HRM	Equitable Share	Alfred Nzo District	750 000	792 750	837 144	887 372.64	940 615.00
6.3.3.2.2	Municipal Transformation and Organizational development	Optimise systems, administration and operating procedures	OHS	HRM	Equitable Share	Alfred Nzo District	800 000	845 600	892 954	946 530.82	1 003 322.66
6.3.3.2.3	Municipal Transformation and Organizational development	Develop Employee Wellness Programmes to improve productivity of staff.	Employee Wellness Programme	HRM	Equitable Share	Alfred Nzo District	250 000	264 250	279 048	295 790.88	313 538.33
6.3.3.2.4	Municipal Transformation and Organizational development	Optimise systems, administration and operating procedures	Policy development	HRM	Equitable Share	Alfred Nzo District	75 000	79 275	83 714	88 737.26	94 061.50
6.3.3.2.5	Municipal Transformation and Organizational development	Improve organisation, capacity, knowledge and Transformation	Employment Equity	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-
6.3.3.2.6	Municipal Transformation and Organizational development	Develop and implement Succession Planning policy	Retention and Succession planning of staff	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-
6.3.3.2.7	Municipal Transformation and Organizational development	Increase performance and efficiency levels	Municipal Performance Management System	HRM	Equitable Share	Alfred Nzo District	200 000	211 400	223 238	236 632.70	250 830.67
6.3.3.2.8	Municipal Transformation and Organizational development	Ensure alignment of departmental functions with functional structure to optimise human resources deployment across the institution.	Organogram Review	HRM	Equitable Share	Alfred Nzo District	150 000	158 550	167 429	177 474.53	188 123.00

6.3.3.2.9	Municipal Transformation and Organizational development	Enhanced and harmonised labour relations environment	Labour Relations Matters	HRM	Equitable share	Alfred Nzo District	100 000	105 700	111 619	118 316.35	125 415.33
6.3.3.2.10	Municipal Transformation and Organizational development	Improve implementation of induction or Socialisation model.	Induction programme	HRM	Equitable Share	Alfred Nzo District	50 000	52 850	55 810	59 158.18	62 707.67
6.3.3.2.11	Municipal Transformation and Organizational development	Strengthen internal & external LED capacity	Skills Programme	HRM	Equitable Share/LGSETA	Alfred Nzo District	5 000 000	5 285 000	5 580 960		
6.3.3.2.12	Municipal Transformation and Organizational development	Initiate organisational change management process for organisational re-engineering and business process improvement	District Job Evaluation Unit	HRM	Equitable Share	Alfred Nzo District	150 000	158 550	167 429	177 474.53	188 123.00
6.3.3.2.13	Municipal Transformation and Organizational development	Strengthen internal & external LED capacity	External Bursary Scheme	HRM	Equitable Share	Alfred Nzo District	700 000	739 900	781 334	828 214.46	877 907.33
6.3.3.2.14	Municipal Transformation and Organizational development	Promote Public participation and Good Meaningful Governance	CAREER EXPO DISTRICT	HRM	Equitable share/TETA/LGSETA	Alfred Nzo District	-	-	-	-	-
6.3.3.2.15	Municipal Transformation and Organizational development	Strengthen internal & external LED capacity	ISDG internship	HRM	Equitable Share/ISDG	Alfred Nzo District	2 450 396	2 590 069	2 735 113	2 899 219.59	3 073 172.76
6.3.3.2.16	Municipal Transformation and Organizational development	Development of Technical Capacity	ISDG Expense	HRM	ISDG grant	Alfred Nzo District	2 743 604	2 899 989	3 062 389		
6.3.3.2.17	Municipal Transformation and Organizational development	Development of Technical Capacity	Study assistant program	HRM	Equitable share	Alfred Nzo District	400 000	422 800	446 477	473 265.41	501 661.33

6.3.3.2.18	Municipal Transformation and Organizational development	Strengthen Governance and reduce risk	Data Cleansing	HRM	Equitable Share	Alfred Nzo District	-	-	-	-
6.3.3.2.19	Municipal Transformation and Organizational development	Increase performance and efficiency levels	End Year function	HRM	Equitable Share	Alfred Nzo District	-	-	-	-

6.3.3.3 ICT

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)
6.3.3.3.1	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Centers Maintenance and Support	ICT	Equitable Share	Mount Frere Bizana Matatiele Ntabankulu	450 000	1 057 000	1 116 192
6.3.3.3.2	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Establishment of ICT Community Centre	ICT	Equitable Share	Alfred Nzo District	500 000	550 000	605 000
6.3.3.3.3	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Infrastructure upgrade	ICT	Equitable Share	Alfred Nzo District	500 000	550 000	605 000
6.3.3.3.4	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Cabling of ANDM stores	ICT	Equitable Share	Mount Ayliff Maluti Nomiacu	250 000	275 000	302 5000
6.3.3.3.5	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Municipal Licenses and SLA's	ICT	Equitable Share	Alfred Nzo District	3900 000	4290000	429000
6.3.3.3.6	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Procurement of ICT tools of Trade	ICT	Equitable Share	Alfred Nzo District	400 000	440 000	484 000
6.3.3.3.7	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Implementation of Network Access points for ANDM offices	ICT	Equitable Share	Mount Ayliff Ntabankulu Matatiele Mount Frere	400 000	440 000	484 000
6.3.3.3.8	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Maintenance of Data Communication and Telecommunications	ICT	Equitable Share	Alfred Nzo District	1500 000	1650 000	1815 000
6.3.3.3.9	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Physical Access Control	ICT	Equitable Share	Mount Ayliff	100 000	110 000	121 000

6.3.3.3.10	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Implementation of EDRMS	ICT	Equitable Share	Alfred Nzo District	1500 000	1650 000	1815 000
6.3.3.3.11	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Broadband Strategy Development	ICT	Equitable Share	Alfred Nzo District	800 000	880 000	968 000
6.3.3.3.12	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Regional Data Centre	ICT	Equitable Share	Alfred Nzo District	100 000	110 000	121 000
6.3.3.3.13	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Data Purification	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.14	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Backup Monitoring	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.15	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	User Creation on Municipal Systems	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.16	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Review of Roles and Responsibilities	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.17	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Monthly visit to all ANDM Remote Sites	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.18	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Review and Development of Risk Register	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.19	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Implementation of AG Recommendations	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.20	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Assessment of mSCOA implementation	ICT	N/A	Alfred Nzo DM	None	None	None

6.3.4 Community Development Services

6.3.4.1 Thusong Services Centre

References	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.1.4.1.1	Basic Service Delivery	Improve quality of Municipal Infrastructure Services	Construction of 2 Thusong Centers established and functioning by 2014	Department of Human Settlements	External Funding	Mbizana and Matatiele LM's	-	-	-	-	-
6.3.1.4.1.2	Basic Service Delivery	Improve quality of Municipal Infrastructure Services	Establishment/Upgrade of Thusong Centre Unit	Thusong Unit	Equitable share	Umzimvubu and Matatiele LM's	-	-	-	-	-
6.3.1.4.1.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Improvement of government access to information and coordination of services	Thusong Unit	Equitable Share	All LMs	200 000	211 400	223 238	236 632.70	250 830.67

6.3.4.2 Fire & Rescue Services

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.2.1	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Procurement of Fire & Rescue Services Equipment	Fire & Rescue Services	Equitable share	Whole Municipality	150 000	158 550	167 429	177 474.53	188 123.00
6.3.4.2.2	Basic Service Delivery	Improve the quality of municipal infrastructure services	Strengthening Emergency Communication Control Center	Fire & Rescue Services	Equitable share	Whole Municipality	300 000	317 100	334 858	300 000	317 100
6.3.4.2.3	Municipal Transformation & Organisational Development	Strengthen Good Governance & Reduce Risk	Fire & Rescue Services Policies and Bylaw Enforcement	Fire & Rescue Services	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.2.4	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Fire & Rescue Internal Building Capacity	Fire & Rescue Services	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.2.5	Good Governance & Public Participation	Improve Community Health & Safety	Development of Community Emergency Response Teams (C.E.R.T)	Fire and Rescue services	Equitable share	Whole Municipality	1 000 000	1 057 000	1 098 254	1 000 000	1 057 000
6.3.4.2.6	Good Governance & Public Participation	Improve Community Health & Safety	Strengthen community resilience through P.I.E.R programs	Fire & Rescue Services	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.2.7	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Protective Clothing	Fire & Rescue Services	Equitable share	Whole Municipality	500 000	528 500	558 096	500 000	528 500

6.3.4.3 Disaster Management Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.3.1	Basic Service Delivery	Improve community and social safety of the district	Satellite Centre establishment – Mbizana	Disaster Management	Equitable share	Mbizana (Ward 1)	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230
6.3.4.3.2	Service Delivery	Promote the earnings potential of ANDM Communities	Disaster Management Volunteer Programme (Disaster Man Response and Recovery)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.3.3	Municipal Transformation and Organisational Development	Increase access to municipal services	Disaster Management Policy Framework (DISASTER 1)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.3.4	Municipal Transformation and Organisational Development	Increase access to municipal services	Disaster Management Plan (Disaster1)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.3.5	Good Governance & Public Participation	Promote public participation and good meaningful governance	Disaster Management Capacity Building (Disaster 1)	Disaster Management	Equitable share	Equitable share	-	-	-	-	-
6.3.4.3.6	Good Governance & Public Participation	Optimise systems,administration and operating procedures	DISASTER COMPLIANCE (Research Agenda)	Disaster Management	Equitable share	Equitable share	200 000	317 100	334 858	354 949.06	376 246
6.3.4.3.7	Good Governance & Public Participation	Promote public participation and good meaningful governance	Disaster Management Public Education & Community Awareness Programme (Disaster 1)	Disaster Management	Equitable share	Whole Municipality	100 000	-	-	-	-
6.3.4.3.8	Basic Service Delivery	Increase access to municipal services	Response , Recovery and Rehabilitation Programme (Disaster Man Response and Recovery)	Disaster Management	Equitable share	Whole Municipality	1 800 000	1 802 600	1 805 900	1 914 254	2 029 109.24

6.3.4.3.9	Basic Service Delivery	Increase access to municipal services	Procurement of Disaster Management vehicles (lease)	Disaster Management	Equitable share	Whole Municipality	300 000	317 100	334 858	354 949.06	376 246
6.3.4.3.10		Availability of protective equipment and clothing	Procurement of Protective Clothing	Disaster Management	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.4.4 Customer Care Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.4.1	Basic Service Delivery	Promote Public participation and Good Meaningful Governance	Procurement of Customer Care Mobile Unit (Leasing)	Customer care	Equitable Share	All LMs	400 000	422 800	446 477	473 265.41	501 661.33
6.3.4.4.2	Good governance and Public Participation	Promote Public participation and Good Meaningful Governance	Batho Pele Championship Programme (Implementation)/ Customer Care	Customer care	ES	All LMs	-	-	-	-	-
6.3.4.4.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Customer Satisfaction Surveys (Customer Care)	Customer care	ES	All LMs	-	-	-	-	-
6.3.4.4.4	Good Governance and Public Participation	Improve Community safety and ensure Social Crime and Prevention	Improve Community Safety and ensure Sound Crime Prevention	Customer care	ES	All LMs	-	-	-	-	-
6.3.4.4.5	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Customer Care day	Customer care	ES	Whole of municipality	-	-	-	-	-
6.3.4.4.6	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Good Governance and Public Participation	Customer Care	ES	Customer Care Unit	-	-	-	-	-

6.3.4.5 Municipal Health Services

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 2018/19	Year 3 2019/20	Year 4 2020/2021	Year 5 2021/2022
6.3.4.5.1	Good Governance and Public Participation	Improve community and environmental health & safety	Water & food sample analysis	MHS	ES	Whole municipality	300 000	317 100	334 858	354 949	376 246
6.3.4.5.2	Good Governance and Public Participation	Improve community and environmental health & safety	Procurement of sampling equipment (IAQM)	MHS	ES	Whole municipality					
6.3.4.5.3	Good Governance and Public Participation	Improve community and environmental health & safety	Protective equipment & clothing (Uniform for EHPs)	MHS	ES	Whole municipality	-	-	-	-	-
6.3.4.5.4	Institution	Improve organizational capacity, knowledge & transformation	Strengthening of MHS	MHS	ES	Whole municipality	350 000	369 950	390 667	414 107.23	438 953.67
6.3.4.5.5	Good Governance and Public Participation	Improve community and environmental health & safety	Environmental Health Awareness	MHS	ES	Whole municipality	0	-	-	-	-
6.3.4.5.6	Good Governance and Public Participation	Improve community and environmental health & safety	Evaluation of business premises (food & non-food) and of HCRW generators	MHS	ES	Whole municipality	0	-	-	-	-
6.3.4.5.7	Cross Cutting	Strengthen IGR	World Environmental Health Day Commemoration	MHS	ES	Whole municipality	-	-	-	-	-
6.3.4.5.8		Improve organizational capacity, knowledge & transformation	Registration of EHPs	MHS	ES	Whole municipality	-	-	-	-	-

6.3.4.6 Sports

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.6.1	Good Governance and Public Participation	Promote public participation and good meaningful governance	Sport and Recreational development programs	SACCHR	Equitable Share	Whole of municipality	R200,000	R211,400	R223,238	R236,632.70	R250,830.67
6.3.4.6.2	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Arts and Culture programs	SACCHR	Equitable Share	Whole of municipality	R200,000	R211,400	R223,238	R236,632.70	R250,830.67
6.3.4.6.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Museum	SACCHR	Equitable Share	Whole of municipality	R50,000	R52,850	R55,810	R59,158.18	R62,707.67
6.3.4.6.4	Promote public participation and good meaningful governance	Promote Public participation and Good Meaningful Governance	Support Centenary Project	SACCHR	Equitable Share	Mbizana LM	R500,000	R528,500	R558,096	R591,581.76	R627,076.67

6.3.5 Office of the Municipal Manager

6.3.5.1 Office of the Municipal Manager

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.5.1.1	Good Governance and Public Participation	To provide support to community members and non-profit organisations in times of dire need	Mayoral Intervention Programs	OMM	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.1.2	Good Governance and Public Participation	To Promote Public participation and Good Meaningful Governance	Mayoral Imbizo	OMM	Equitable Share	Whole Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.1.3	Good Governance and Public Participation	Improve Municipal planning and spatial development	IDP	OMM	Equitable Share	Whole of Municipalities	R450,000	R475,650	R502,286	R532,423.58	R564,369.00

6.3.5.1.4	Good Governance and Public Participation	Increase performance and efficiency levels	Monitoring & Evaluation Strategy / IDP & OPMS Monitoring	OMM	Equitable Share	Whole Municipalities	R200,000	R211,400	R223,238	R250,830.67	R211,400
6.3.5.1.5	Growth & Development	Formulate strategies for mobilisation of development finance and grants for implementation of catalytic projects in the project	DISTRICT DEVELOPMENT PLAN	OMM	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.5.2 Special Programmes Unit

Reference	Priority Area (KPA)	Strategy / Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year (2020/21)	Year (2021/22)
6.3.5.2.1	Good Governance and Public Participation	To identify skills , coordinate youth empowerment for economic growth and development expand, encourage youth through training and education in collaboration with other stakeholders	Youth Development and Transformation Programme	SPU	Equitable Share	Whole of municipality	R1,500,000	R1,585,500	R1,674,288	R1,774,745.28	R1,881,230.00
6.3.5.2.2	Good Governance and Public Participation	To sensitize communities about HIV and AIDS epidemic and its impact in the socio economic development of the individual, families and community at large	HIV and AIDS; TB Awareness Programmes	SPU	Equitable Share	Whole Municipality	R150,000	R158,550	R167,429	R177,474.53	R188,123.00
6.3.5.2.3	Good Governance and Public Participation	To support functioning of all HIV and AIDS council structures through coordination of programmes	HIV and AIDS; TB Co-ordination Care and Support Programmes	SPU	Equitable Share	Whole of Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33
6.3.5.2.4	Good Governance and Public Participation	To coordinate response to gender inequalities through empowerment, mainstreaming, awareness and consultation of men and women	District Gender Programme	SPU	Equitable Share	Whole of Municipality	R350,000	R369,950	R390,667	R414,107.23	R438,953.67

6.3.5.2.5	Good Governance and Public Participation	To facilitate the creation of an environment that will be conducive for growth and development of children by coordinating government departments and civil society with the district	Co-ordination of District Children's Development Programmes, Care and Support	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.2.6	Good Governance and Public Participation	To create an environment that is free of barriers, prejudice and stereotypes in-order to maximize access of people with disabilities to basic services	District Disability Programmes, care, support and implementation	SPU	Equitable Share	Whole of Municipality	R350,000	R369,950	R390,667	R414,107.23	R438,953.67
6.3.5.2.7	Good Governance and Public Participation	To coordinate and facilitate the integration and mainstreaming of Older Persons programmes to keep societal norms and values and to maintain their respect and dignity	Older Person's Care and Support Programmes	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.2.8	Good Governance and Public Participation	Promote the earnings potential of ANDM Communities	SPU Mainstreaming	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.2.9	Good Governance and Public Participation	To unleash the potential of human mind through learning	Community Empowerment Programme	SPU	Equitable Share	Whole of Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
6.3.5.2.10	Good Governance and Public Participation	To promote access of young to basic services	Completion of Youth Office	SPU	Capital Budget	Whole of Municipality	R50,000	R52,850	-	-	-

6.3.5.3 Communications Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.3.1	Good Governance and Public Participation	Promote Public participation through implementation of the communication strategy	Audio visuals and equipment	Communications	Equitable Share	Whole of municipality	-	-	-	-	-
6.3.5.3.2		Promote Public participation through implementation of the communication strategy	Translation	Communications	Equitable Share	Whole Municipality	R50,000	R52,850	R55,810	R59,158.18	R62,707.67
6.3.5.3.1.3		Promote Public participation through implementation of the communication strategy	Branding and Marketing	Communications	Equitable Share	Whole Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
6.3.5.3.4		Promote Public participation through implementation of the communication strategy	Community Outreaches	Communications	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.3.5		Promote Public participation through implementation of the communication strategy	Legacy & Heritage programmes	Communications	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.3.6		Promote Public participation through implementation of the communication strategy	Newsletter and leaflet production	Communications	Equitable Share	Whole Municipality	R150,000	R158,550	R167,429	R177,474.53	R188,123.00
6.3.5.3.7		Promote Public participation through implementation of the communication strategy	Publicity Cost	Communications	Equitable Share	Whole Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
6.3.5.3.8		Promote Public participation through implementation of the communication strategy	Road Signage	Communications	Equitable Share	Whole Municipality	R100,000	-	-	-	-
6.3.5.3.9		Promote Public participation through implementation of the communication strategy	Audio and visuals equipment (Capex)	Communications	Equitable Share	Whole Municipality	R100,000	R105,700	R111,619	R118,316.35	R125,415.33

6.3.5.3 Internal Audit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.3.1	Governance	Ensure full implementation of Audit Action Plan, Internal Controls and risk mitigating factors. Improve audit opinion through monitoring of governance, risk management and internal control processes.	Develop Strategic Internal Audit Plan	Internal Audit	Equitable Share	Whole of municipality	-	-	-	-	-
6.3.5.3.2			Installation of AG Tracking System				R200 000	R220 000	R242 000	R266 200	R292 820
6.3.5.3.3			Follow up on Implementation of Management Action Plan				-	-	-	-	-
6.3.5.3.4			Follow up on Dashboard Report				-	-	-	-	-
6.3.5.3.5			Performing Mandatory Internal Audit Assignments				-	-	-	-	-
6.3.5.3.6			Implementation of Risk Based Internal Audits				-	-	-	-	-
6.3.5.3.7			mSCOA Implementation Reviews				R150 000	R165 000	R181 500	R199 650	R219 615
6.3.5.3.8			ICT Reviews				R125 000	R137 500	R151 250	R166 375	R183 012
6.3.5.3.9			IA Support to ANDA				R310 000	R341 000	R375 100	R412 610	R453 871
6.3.5.3.10			Revised Internal Audit Methodology				-	-	-	-	-
6.3.5.3.11			Effective Audit Committee				R275 000	R302 500	R332 750	R366 025	R402 628

6.3.5.3 Inter-governmental Relations

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.3.1	Good Governance and Public Participation	Strengthen Intergovernmental Relations	IGR and Stakeholders management	OMM	Equitable Share	Whole Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33
6.3.5.3.2	Good Governance and Public Participation	Strengthen Intergovernmental Relations	Municipal cooperative agreements (MIR & Protocol)	OMM	Equitable Share	Whole Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33

6.3.5.4 Legal Services

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 3 (2019/20)	Year 3 (2019/20)
6.3.5.4.1	Strengthen Governance and Reduce Risk	Ensure the full implementation of ANDM Litigation Strategy	Legal Support and Representation	OMM	Equitable Share	Whole of municipality	R1 300 000	R1 374 100	R1 452 423-70	R1 539 569.12	R1 631 943.26
6.3.5.4.2	Strengthen Governance and Reduce Risk	Ensure a fully functional Alfred Nzo District Legal Services' Forum	Alfred Nzo District Legal Services' Forum	OMM	N/A	Local Municipalities	R0	R0	R0	R0.00	R0.00

6.3.5.5 Risk Management

Reference	Priority Area (KPA)	Strategy / Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.5.1	Strengthen Governance and Reduce Risk	Ensure full implementation of the anti-corruption strategy and fraud prevention plan	Development and implementation of the fraud prevention plan	Risk Management	Equitable Share	Whole of municipality	150 000	158 550	167 28.80	176 804.81	186 705.87
6.3.5.5.2	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	ICT and Fraud Risk Assessment	Risk Management	Equitable Share	Whole Municipality	150 000	158 550	167 428.80	176 804.81	186 705.87
6.3.5.5.3	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Conduct strategic and operational risk assessment	Risk Management	Equitable Share	Whole Municipality	R50 000	R52 850	55 809.60	58 934.93	62 235.28
6.3.5.5.4	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Maintain Effectiveness of Risk Management Committee	Risk Management	Equitable Share	Whole Municipality	150 000	158 550	167 428.80	176 804.81	186 705.87
6.3.5.5.5	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Review , update and monitor District Wide Compliance Checklist	Risk Management	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.5.5.6	Strengthen Governance and Reduce Risk	Ensure full implementation of the anti-corruption strategy and fraud prevention plan	Establish the Fraud and Ethics Hotline	Risk Management	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.5.6 Office of the Speaker

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.5.6.1	Good Governance and Public Participation	Promote culture of community participation	Public Participation	Office of the Speaker	Equitable Share	Whole of municipality	500 000, 00	R529 000, 00	R559 153, 00	R592 702. 18	R628 264. 31
6.3.5.6.2	Good Governance and Public Participation	Instil the ethical behaviour using acceptable moral conduct	Moral Regeneration Movement	Office of the Speaker	Equitable Share	Whole Municipality	R265 000, 00	R280 370, 00	R296 351. 09	R314 132. 15	R332 980. 07
6.3.5.6.3	Good Governance and Public Participation	Promote spirit of Ubuntu across various races	Africa Month Programme	Office of the Speaker	Equitable Share	Whole of Municipality	R50 000, 00	R52 900, 00	R55 915, 30	R59 270, 22	R62 866,43
6.3.5.6.4	Good Governance and Public Participation	Introduce structured programmes to develop capacity of councillors in line with circular on Upper Limits	Provision of accommodation for Capacity Building Programme for Councillors	Office of the Speaker	Equitable Share	Whole of Municipality	R150 000, 00	R158 700, 00	R167 745, 90	R177 810, 65	R188 479, 28
6.3.5.6.5	Good Governance and Public Participation	Promote intergovernmental relations amongst the Speakers of the district	District Speakers Forum	Office of the Speaker	Equitable Share	Whole of Municipality	R100 000, 00	R105 800, 00	R111 830. 60	R118 540. 43	R125 652. 85
6.3.5.6.6	Good Governance and Public Participation	Ensure effective Oversight function is exercised on the Executive and Administration	Municipal Public Accounts Committee (MPAC)	Office of the Speaker	Equitable Share	Whole of Municipality	R75 000, 00	R79 350, 00	R83 872, 95	R88 905, 32	R94 239, 65
6.3.5.6.7	Good Governance and Public Participation	Create a platform for the communities to engage with the municipality and present a chance for the Executive Mayor to present the State of the District	State of the District Address (Open Council Day)	Office of the Speaker	Equitable Share	Hosting local municipality in the district	R1 000 000, 00	R1 058 000, 00	R1 118 306, 00	R1 185 404, 30	R1 256 528, 50

6.3.5.6.8	Good Governance and Public Participation	Ensure there is provision for the maintenance of the Council Chamber in having a conducive environment	Interior Design & Décor of The Council Chamber/ Office furniture (Council Upgrade)	Office of the Speaker	Equitable Share	Council Chambers, Mount Ayiiff	R0, 00	R500 000, 00	R529 000, 00	R559 153, 00	R592 702, 18
6.3.5.6.9	Good Governance and Public Participation	Ensure the municipal Council has comprehensive and legally valid Rules and Orders regulating all statutory meetings that are gazetted	Reviewing and Printing of Council Rules and Orders	Office of the Speaker	Equitable Share	Whole of Municipality	R80 000, 00	R84 560, 00	R89 379, 92	R94 742, 70	R100 427, 25
6.3.5.6.10	Good Governance and Public Participation	Promote engagements across whips of various political parties represented in Council	Whippery Programmes	Office of the Chief Whip	Equitable Share	Whole of Municipality	R90 000, 00	R95 220, 00	R100 647,54	R106 686, 39	R113 087, 57
6.3.5.6.11	Good Governance and Public Participation	Promote accountability to constituencies by councillors through constant and regular meetings	Constituency Work	Office of the Chief Whip	Equitable Share	Whole of Municipality	R200 000, 00	R211 800, 00	R224 084, 00	R237 529.04	R251 780.74
6.3.5.6.12	Good Governance and Public Participation	Ensure adequate preparation for Council meetings by convening caucus meetings of various political parties	Council Caucus	Office of the Chief Whip	Equitable Share	Whole of Municipality	R150 000, 00	R158 850, 00	R168 063, 00	R178 146.78	R188 835.58
6.3.5.6.13	Good Governance and Public Participation	Develop capacity of councillors on various topics through workshops	Council Study Groups	Office of the Chief Whip	Equitable Share	Whole of Municipality	R300 000, 00	R317 700, 00	R336 127, 00	R356 294.62	R377 672.29

6.3.5.6.14	Good Governance and Public Participation	Promote women engagement to provide advocacy and setting women's agenda to be launched before 30 September 2017	Women's Caucus	Office Of The Speaker	Equitable Share	Whole of Municipality	R50 000, 00	R53 000.00	R56 180.00	R59550.08	
6.3.5.6.15	Good Governance and Public Participation	Provide Support and provide accountability for Local Municipalities through Coordination Of Quarterly Reports for all four local muns	Local Municipality Support	Office Of The Speaker	Equitable Share	Whole Of Municipality	R50 000, 00				

6.3.6 Department: Planning and Economic Development

6.3.6.1 Local Economic Development

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.6.1.1	Local Economic Development	Ensure all major district projects include growth and development components to enhance local economic development	Vuka Alfred Nzo	LED	Equitable Share	Whole of Municipality	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.6.1.2	Local Economic Development	Ensure all major district projects include growth and development components to enhance local economic development	Collaborative Initiatives	LED	Equitable Share	Whole of municipality	350 000	369 950	390 667	414 107.23	438 953.67
6.3.6.1.3	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	Led Strategy Review	LED	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.4	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	Forestry Development Programme	LED	Equitable Share	Whole of Municipality	-	-	-	-	-

6.3.6.1.5	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	Oceans Economy Development Programme	LED	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.6	Local Economic Development	Establish strategic partnerships with the Government, Private sector and NGOs for successful coordinated implementation of agricultural development programmes	Agri-Parks Programme	LED	Equitable Share	Whole of Municipality	1 230 000	1 300 110	1 372 916	1455 291.13	1542 608.60
6.3.6.1.7	Local Economic Development	Develop strategies which seek to prioritize local economic development within the District	Institutional Arrangements	LED/ PLANNING	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.8	Local Economic Development	Develop Value Chain Analysis for identified key sectors in the District to identify opportunities for local beneficiation and empowerment	Manufacturing Development Programme	LED	Equitable Share	Whole of Municipality	1 000 000	1 057 000	1 116 192	1183 163.52	1254 153.33
6.3.6.1.9	Local Economic Development	Ensure all major district projects include growth and development components to enhance local economic development	Beach To Berg	LED	Equitable Share	Whole of Municipality	300 000	317 100	334 858	354 949.06	376 246.00
6.3.6.1.10	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	Resource Mobilization (Smmes)	LED	Equitable Share	Whole of municipality	-	-	-	-	-

6.3.6.2 Spatial Planning

References	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
6.3.6.2.1	Spatial Planning	Update and Implement Land Use Management Systems (LUMS) and wall-to-wall Schemes	Land Use Management Framework (LUMF)	Planning	Equitable Share	Whole of Municipality	500 000	528 500	558 096	591 581.76	627 076.67
6.3.6.2.2	Spatial Planning	Enhance the implementation of SPLUMA Establish the Municipal Planning Tribunal (MPT)	SPLUMA Implementation	Planning	Equitable Share	Ntabankulu Municipality	500 000	528 500	558 096	591 581.76	627 076.67
6.3.6.2.3	Spatial Planning	Implement measures to improve coordination and alignment between the District Municipality and Local Municipalities	District Planners' Forum Establishment	Planning	Equitable Share	Whole of Municipality	-	-	-	-	-

6.3.6.3 Geographical Information System (GIS)

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
6.3.6.3.1	GIS	Strengthen and consolidate spatial information management the District Municipality and Local Municipalities	GIS Data Maintenance	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	1 200 000	1 268 400	1 339 430	1 419 796.22	1 504 984.00
6.3.6.3.2	GIS	Strengthen and consolidate spatial information management the District Municipality and Local Municipalities	GIS Infrastructure Upgrade	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.3.3	GIS	Strengthen and consolidate spatial information management for the District Municipality and Local Municipalities	GIS Systems Integration	Spatial Planning and land use management	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.7 Umzimvubu Local Municipality Projects

PROJECT NAME	WARD NO	SOURCE OF FUNDING	Scope of works
By pass of lower to upper brooksnek AR and Bridge	1	MIG Project	7 km of new gravel access road and portal culvert bridge.
Ext of Mthelanjia concrete paving	2	MIG Project	1.2 km of concrete paving, installation of Guardrails, construction of gabions and concrete v drains
Sidakeni AR Maintenance	2	Infra Project	8km of Road Maintenance, 100m of concrete causeways and 2x dish drains and 2000m of stone pitching
Dundee to Gugwini AR Maintenance	3	Infra Project	4 km to be done
Bridge link to Bottom	4	Infra Project	2.7 km of new gravel access road and portal culvert bridge.
Electrification infills	4	Eskom	Including the following villages:Mnqwane, Essek, Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman
Manwaqa bridge	5	MIG	Construction of culvet bridge
Sirhoqobeni C/H	5	MIG	272m2 of Community hall, 50x50 stock fencing, three pit ablation unit.
Silindini Bridge	6	MIG	Construction of structural bridge
Surfacing of Mt Ayliff Phase 6	7	MIG Project	Surfacing of streets
Multi - Purpose Centre - Phase 3	7	MIG Project	On-going project
Services at extension 06	7	MIG	Sewer line, water line and road network
Upgrading of Mt Ayliff Landfill site	7	MIG	Upgrading of landfill site
Leveling of grounds next to Mada for the Bus rank	7	ECDC Funding	Leveling of grounds next to Mada for the Bus rank
Phuti Eco Hub Phase 03	8	Economic Infrastructure	Construction of Restaurant facility
Magade – Zigadini Bridge	8	Infra Project	2 km of gravel access road and bridge
Bamko AR	9	Infra Project	6 km to be done
Electrification infills	9	Eskom	Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman, Mnqwane, Essek
Mdakeni AR Maintenance	10	Infra Project	7.3km road maintenance, 15x crossings, 13 x cleaning of existing crossings, cleaning of portal culvert bridge, 2x dish drains, 250m stone pitching
Electrification	10	Electrification Grant	Siqhingeni 336 H/H (Sirhudlwini, Sifolweni & Ntabeni)
Rhode Surfacing	11	DRPW Intervention	Brick paving
Mzinto - Nyosini A/R	11	Infra Project	Maintenance of access road
Electrification	11	Eskom	Mhlotsheni 659 H/H (Mhlotsheni, Lutshikini, Mkhangisa)

Msongonyane AR	12	Infra Project	5.3km new gravel access road, 1.2 cut-off berm, 12x 600mm crossings, 6x dish drain, 1000m of stone pitching.
Electrification	12	Eskom	Mhlotseni 659 H/H including the following villages (Mkhangisa, Mhlotseni, Lutshikini)
Mpungutshane via Luvalweni to Manqilweni	13	MIG	5.36 km of new gravel access road
Electrification	13	Electrification Grant	Lwandana – Lower Mt Horeb 78 H/H
Goxe AR	14	Infra Project	2.5km new gravel AR, 4.2km road maintenance, 1200x 1200 portal culverts, 300m of stone pitching and 7 x dish drains.
Electrification	14	Electrification Grant	Nqalweni Phase 1 (200 + 120 H/H)
Electrification	14	Electrification Grant	Mandleni Phase 1 (200 H/H)
Gubhuzi AR	15	Infra Project	4.2 km to be done
Lugangeni CH	15	MIG	Construction of a community hall
Silver City AR & Bridge	16	MIG	5 km of new gravel access road and 1500 x1500mm of portal culvert bridge, 1x 900mm causeway
Moyeni Hall Maintenance	16	R&M	Replacing of existing roof structure and Replacing and painting of ceiling, painting of internal walls.
Sidikidiki AR/ Lubhacweni Upgrading	17	Infra Project	1.38km of new gravel access road and 6.87 km of road maintenance. 12x ditch drains and 920m of concrete stone pitch.
Upgrading of Mt Frere Landfill site	18	MIG	Landfill site
Surfacing of Mt Frere Internal Streets Phase 6	18	MIG	Surfacing of internal streets
Shinta to Dungu, Diphini AR	19	Infra Project	0.22 km of new gravel access road and 3.78km of road maintenance. 11x dish drains and 600m of concrete v-drain.
Matankini AR	20	Infra Project	3.4 km of new gravel access road. Construction of concrete slab and 9x dish drains.
Electrification infills	20	Eskom	Scope include the following villages: Essek, Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman, Mngqwane,
Qoqa to Qunubeni via Komkhulu/Zibokwana AR Maintenance	21	Infra Project	2.91 km of new roads and 6 km of road maintenance
Mthonjeni to Kwa Duma Store AR	22	Infra Project	4.68 km of new gravel access road and 0.6 km of road maintenance. 1.24 km section of boulders. 7x dish drains and 120 m of concrete stone pitch.
Kuyasa AR Maintenance	22	Infra Project	8.58 km of road maintenance and 0.36 km of new gravel access road. 11x ditch drains
Mabhobho Electrification	22	Electrification Grant	398 household electrification
Mlenze AR	23	MIG	3.63 km of new gravel access road. 1.73 km on mountainous area. 800m of concrete v-drain and 4x dish drains.
Luyengweni to Cwebeni AR	24	Infra Project	4.192 km of new gravel access road and 6.282 road maintenance. Section of boulders of 860m. 7x dish drains ad 280m of concrete stone pitch.
Sivumela Electrification of households	24	Electrification Grant	Completion of Phase 2 230 households
Osborn Bridge/Mpolosa bridge with AR	25	MIG Project	Construction of portal culvert bridge.

Mnxekazi Electrification	25	Electrification Grant	Household electrification of 160
Mtholweni to Mangweni Access Road	26	Infra Project	3 km of new gravel access road. 3 km new road and 2km maintenance and stormwater management.
Phuka bridge	26	Infra Project	Sive consulting appointed to facilitate the acquiring of environmental authorisation.
Electrification infills	26	Eskom	The following villages: Tembisa, Mvalweni, Bottoman, Mnqwane, Essek, Saphukanduku, Goso, Dukathole,
Nkanini AR	27	Infra Project	4.18 km of new gravel access road. 11x dish drains and 180m of concrete stone pitch.
Sibhozweni Electrification	27	Electrification Grant	130 Household electrification

6.3.8 Matatiele Local Municipality Projects

Three –Year Capital Plan

IDP Ref	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.5km access road by 30 June 2018	Butsula via Taung to Pre-School Access Road	6	R 1 450 591	R 1 315 034	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4km access road by 30 June 2018	Vikinduku Access Road	5	R1 417 421	R2 379 713	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4km access road by 30 June 2018	Nomgavu Access Road(Mnyamaneni)	18	R200 000	R3 602 526	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct an 8.6km access road by 30 June 2018	Epiphany Access Road	22	R200 000	R7 478 373	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 5.5km access road by 30 June 2018	Msukeni Access Road	21	R200 000	R5 195 380	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Gudlintaba Access Road	9	R3 178 860	R327 843	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 6.5km access road by 30 June 2018	Zazingeni-Mazizini Access Road	4	R5 723 846	R 917 725.00	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a km access road by 30 June 2018	Mabheleni Access Road	21	R 1 594 000	R399 419	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.5km access road by 30 June 2018	Khaue Access Road	25	R949 464	R228 049	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.7 km access road by 30 June 2018	Mangopeng Access Road and Bridge	14	R2 000 000	R460 000	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Lagrange Pedestrian Bridge	07	R1 515 950	R244 883	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Tlakanelo Culvert Bridge	13	R257 888		

To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4.4km access road by 30 June 2018	Soloane Access Road	24	R458 074		
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.4km access road by 30 June 2018	Manase Access Road	03	R220 042		
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 5.8km access road by 30 June 2018	Sandfontein Access Road	26	R440 290		
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.8km access road by 30 June 2018	Kamorathaba-Tsepisong Access Road	03	R344 530		
To improve accessibility in urban areas by upgrading gravel roads to tarred roads for the purpose of attracting more investments by 30 June 2022	To construct a 6.5km access road by 30 June 2018	Sijoka Access Road	10	R3 632 252	R1 090 854	
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 8.6km access road by 30 June 2018	Mehloloaneng Access Road and Bridge	16	R817 939		
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.5km access road by 30 June 2018	Ngwengane- Bomvini Access Road and Bridge	7	R2 000 000	R2 000 000	R2 000 000
To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 25m bridge by 30 June 2018	Freystata Bridge	15	R 370 000	R 2 000 000	R 2 000 000
	To construct a 22m bridge by 30 June 2018	Goodhope Bridge	23	R 370 000	R0.00	R0.00

To maintain 125km existing surfaced roads for the purpose of retaining the quality of roads by 2022	To construct a 5km surfaced road by 30 June 2018	Mountain View Internal Streets in Ward 20.	20	R10 000 000	R7 875 000	R2 500 000
To maintain 125km existing surfaced roads for the purpose of retaining the quality of roads by 2022	To construct a 5km surfaced road by 30 June 2018	Maluti Internal Streets-Phase 3	1	R1 000 000	R0.00	R0.00
To maintain 125km existing surfaced roads for the purpose of retaining the quality of roads by 2022	To construct a 5km surfaced road by 30 June 2018	Matatiele Internal Streets CBD-Phase 2	19	R 260 000.00	R7 875 000	R2,500 000
To maintain 125km existing surfaced roads for the purpose of retaining the quality of roads by 2022	To construct a 5km surfaced road by 30 June 2018	Cedarville Internal Streets –Phase 3	26	R0.00	R7 875 000	R2 500 000
	To construct a sport center by 30 June 2020	Matatiele Sport Centre	19	R5 662 452	R8 000 000	R8 000 000
	To construct a grain storage facility by 30 June 2019	Silo Facility	19	R2 520 000		
	To construct a 5km surfaced road by 30 June 2019	Matatiele Area C Internal Streets –Phase 3	20		R7 875 000	R2 500 000
	To construct a 2,5km access road by 30 June 2019	Hardenburg Bridge to grave site	2		2 000 000	
	To construct a 2,5km access road by 30 June 2019	Nkasela Sportsfield	4		2 000 000	
	To construct a 2,5km access road by 30 June 2019	Phephela AR	11		1 000 000	
	To construct a 2,5km access road by 30 June 2020	Rhoyi Bridge	3			1 000 000
	To construct a 2,5km access road by 30 June 2020	Nchodu to Nkasela AR	8			1 000 000
	To construct a 2,5km access road by 30 June 2020	Magongqolweni AR	10			1 000 000
	To construct a 2,5km access road by 30 June 2020	Mafaesa AR	12			1 000 000
	To construct a 2,5km access road by 30 June 2020	Dikgabisong AR	13			1 000 000
	To construct a 2,5km access road by 30 June 2020	Mateleng to Sehlabeng AR	14			1 000 000

		To construct a 2,5km access road by 30 June 2020	Maqatseng AR	24			1 000 000
		To construct a 2,5km access road by 30 June 2020	Nkosana Bridge	25			1 000 000
		To construct a 5km surfaced road by 30 June 2020	Cedarville Internal Streets-Phase 4	26			5 000 000
		To maintain 20km by 30 June 2020	Thaba-Bosiu AR	13		500 000	
		To maintain 20km by 30 June 2020	Hlwahlweni AR	4		500 000	
		To maintain 20km by 30 June 2020	Magonqolweni A/R	10		500 000	
		To maintain 20km by 30 June 2020	Likhetlane A/R maintenance Project	16		500 000	
		To maintain 20km by 30 June 2020	Maluti Internal Roads maintenance Project	01		500 000	
		To maintain 20km by 30 June 2020	Cedarville Internal Roads maintenance Project	26		500 000	
Electrification Project							
	<u>Objective</u>	target	Project Name	wards	Source of funding	2017/18	2018/19
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nkali	Ward 9	INEP	6 238 118	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nuresh	Ward 9	INEP	6 238 118	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Mahangu:(Kwambombo , Magayazidile, Newhouse)	Ward 9	INEP	7 500 000	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Edrayini	Ward 9	INEP	7 178 554	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Maphokoma & Zikhalini	Ward 4	INEP	12 113 056	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Thotaneng , Chera And Mahareng	Ward 13	INEP	15 500 000	

To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Goxa	Ward 5	INEP	3 660 800	
To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Kwa Matias A	Ward 9	INEP	3 429 300	
To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nyaniso , Bubesi B & Nkalweni E	Ward 18	INEP	13 601 500	
To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Mzongwana Substation	Ward 5	INEP	3 040 554	
To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Designs		INEP	1 500 000	
To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Kwa Madlangala	Ward 11	Provincial Electrification Support	9 380 000	
HUMAN SETTLEMENTS AND BUILDING CONTROL						
To improve lifespan of assets	Completion of Council Chamber	Council Chamber and Offices	20	R30 000 000	R40 000 000	R10 000 000
To improve working environment and office space by 2021	Completion of Infrastructure Offices and workshop	Infrastructure Offices and workshop	20	N/A	N/A	R5 000 000
To improve lifespan of assets	Completion of Maintenance of Municipal Building Assets	Maintenance Programme	All	R2 000 000	R 2 500 000	R6 000 000
To improve lifespan of assets	Completion of Town Hall & Main Offices Upgrade	Matatiele Heritage Town Hall & Main Offices Upgrade	19	Nil	R15 000 000	R5 000 000
To improve access to infrastructure services through building	Completion of two Community Centres	Malubelube Community Centre Magema Community Centre	02 08	N/A	R2 900 000 R2 900 000	
		Mangolong Community Centre Protea Community Centre	23 06	N/A	R3 000 000 R3 000 000	
		Upper Mvenyane Community Centre Mengine Community Centre	21 26	N/A		R3 200 000 R3 200 000

Planned Projects

Budget Planning And Investment Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET	2017/2018	2018/2019	2019/2020
Municipal financial viability	Ensure that the work within the unit is done	Procurement of a laptop	Laptop	All		R30 000	R0	R0

Financial Reporting And Asset Management Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET	2017/2018	2018/2019	2019/2020
Municipal Financial Viability and Management	Ensure that the municipality is able to fairly produce its annual financial statements	Submit GRAP compliant Annual Financial Statements to Management Team, Audit Committee, Auditor-General, National and Provincial Treasury by the 31 st August.	Preparation of Monthly and Annual Financial Statements with no misstatements.	N/A		R2 000 000		
Municipal Financial Viability and Management	Capacitated staff	Two trainings to be attended by 31 March 2018.	Training of staff	N/A		R50 000		
Municipal Financial Viability and Management	Ensure and maintain useful lives of assets	Insurance of municipal Assets each financial year	Insure all municipal assets	N/A		R1 150 000		
Municipal Financial Viability and Management	Fully capacitated staff	Two trainings to be attended by 31 March 2018.	Training of staff	N/A				

Supply Chain Management Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
Municipal Financial Viability	Ensure safe keeping of municipal inventory	Completion of municipal store by March 2018	Completion of municipal stores	19	N/A	R300,000	
Municipal Financial Viability	Ensure proper record keeping of bid documents	Procurement of Bulk filling cabinet	Procurement of Bulk filling cabinet	N/A	R 300 000		
Municipal Financial Viability	To ensure roadworthy vehicles	Reviewable of Municipal fleet	Municipal fleet	N/A	N/A	R 5 000 000	

Revenue And Expenditure Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
Municipal Financial Viability	Ensure full compliance with the requirement of MPRA	Procurement of services from a service provider and production of a general valuation roll to be implement on 01 July 2017	General valuation roll	N/A	R1,500,000.00	R1,700,000.00	R1,800,000.00
Municipal Financial Viability	Ensure that electricity meters are remotely managed and controlled.	Replacement of 4000 non-smart meters to smart – grid meters by 30 June 2018.	Installation of Smart meters	19 & 20	3,143,680.00	R5,555,174.00	5,999,588.00
Municipal Financial Viability	Reduction Debt to be within ageing of 60 days	Reduce debt by R3,000 000	Debt Collection & Reduction	N/A	1 000 000.00		
Municipal Financial Viability	Provide support households that are indigent in the area of jurisdiction.	Provided services to indigent beneficiaries as follows: Electricity, Refuse and rates, Gel and oil, Solar	Indigent support	N/A	R10 000 000.00		
Municipal Financial Viability	Billing and posting of accounts	Billing done by end of the month and Posting of accounts by the 15 th of each month	Billing of Accounts	N/A	R11 000.00		

Environment And Waste Management Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET	
					2017/2018	2018/2019
	To achieve sound environmental management and land use conservation management	Identification and provision of sufficient burial land for all religious groups by 30 June 2018	Identification and provision of sufficient burial land for all religious groups and Cemetery Management	19 & 20	N/A	2019/2020
		Establishment of a 30 KM fire breaks in the nature reserves by 30 June 2018	30 KM fire breaks Establishment	19	N/A	
	To achieve Land use Conservation Management	Fencing of 3km Fence in Cedarville Commonage by 30 June 2018	Fencing of Commonage	19 & 26	R 200 000	
		Donga rehabilitation in the nature reserve by 30 June 2018	Donga rehabilitation	19	R 150 000	
		To cut grass and prune trees in Ward 1, 19, 20 and 26 by 30 June 2018	Cutting of grass and pruning of trees	1, 19, 20 26	R 2 100 000	
	To achieve sound environmental management	Operation and management of landfill site by 30 June 2018	Operation and management of landfill site	19	R 7 819 000	
		To remove Waste in Ward 1, 19, 20 and 26	Waste removal	1, 19, 20 and 26	R 1 400 000	

Public Participation Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET	
					2017/2018	2018/2019
	To establish and promote community participation in Municipal affairs and government programmes annually	Capacitation of Ward structures and communities. -Management of petitions and marches	Capacity Building of Ward Governance Structures	All Wards	R200 000.00	2019/2020
			War-room stakeholder orientation	All Wards		
			Community based planning	All Wards		
			Establishment and monitoring of Ward Public Participation Fora	All Wards		
			Management of petitions and marches	All Wards		
	To recruit and identify beneficiaries from the disadvantaged and marginalised backgrounds annually	To create 390 Job opportunities	Remuneration of Ward Committees	All Wards	R3 200 000.00	
			Rea Hloekisa	All Wards	R3 500 000.00	
		EPWP Protective Clothing and Working tools	Protective Clothing and Working tools	All Wards	R 1 680 000.00	

Public Safety Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET	
					2017/2018	2018/2019
	To improve Community Safety	To develop and Implementation Disaster Risk Management Plan and Community Safety Plan by 30 June 2018	Development of Disaster Risk Management Plan and Community Safety Plan	-	R 300 000.00	2019/2020
	Improve fines collection the functioning of the back office	Procurement of Traffic Management System	Procurement of a Traffic Management System	Ward 19	R 200 000.00	
	To build capacitated and self-reliant communities in matters of community safety	2 Local Community Safety fora, 2 Local Transport Fora and 2 Disaster Risk Management Advisory fora held by 30 June 2018	Fora meetings	-	R 50 000.00	
	To Provide safety to municipal assets	Maintenance and Services of 60 fire extinguishers in Matatiele, Maluti. And Cedarville by 30 June 2018	Maintenance and Services fire extinguishers all municipal buildings	19, 20, 01	R 1 50 000.00	

	Maintenance of Law enforcement equipment	Maintenance of calibration Vehicle Testing Station by 30 June 2018	Vehicle Testing Station Equipment	19	R 1 50 000.00		
		Procurement of 2 vehicle canopy	Procurement of vehicle Canopy		R 40 000.00		
To have an efficient and well managed municipal pound by June 2022	Improvement of existing Pound (security fence, toilets and water tank)	Matatiele Pound	Equitable share and MIG	Ward 19	R 300 000.00	R 200 000	R 200 000

Administration Support Services Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD	BUDGET		
						2017/2018	2018/2019	2019/2020
	To provide safety and security for municipal property and human resources	Management and monitoring the provision of security services on key municipal premises	Monitoring of provision of safety and security services	Equitable share	1, 19,20,26	R10,000,000.00	R12,000,000.00	R15,000,000.00
	To coordinate the purchase of protective uniform	To provide staff with necessary protective clothing	Acquisition of protective clothing for admin support staff	Equitable share	All	R200 000.00	R0.00	R0.00

Human Resource Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD BUDGET		
					2017/2018	2018/2019	2019/2020
	To ensure quality human resources for the Municipality	Filling of budgeted vacant post (2017/18) by 30 June 2018.	Filling of budgeted and approved vacant posts	Equitable share	All	85 000.00	-
	To Capacitate, develop, manage and maintain municipal human capital	Percentage of newly appointed staff that undergo an induction program within 2 months of appointment by 30 June 2018.	Employee induction	Equitable share	All	15 000.00	15 000
	To Capacitate, develop, manage and maintain municipal human capital.	20 training programs to be rolled out by 30 June 2018	Training intervention for municipal employees	Equitable share	All	1 500 000	1 600 000
	To build and strengthen the administrative and institutional capability of the municipality	03 Capacity building sessions held for Councillors	Councillor capacity building programme	Equitable share	All	500 000	600 000
	To Capacitate, develop, manage and maintain municipal human capital.	Number of payments made for approved study programs by 30 June 2018	Provision of financial study assistance for approved study programs	Equitable share	All	300 000	350 000
	To Capacitate, develop, manage and maintain municipal human capital	Experiential Training	INTERNSHIP	Equitable share	All	1 000 000	1 433 000
	To encourage and motivate employees and council working towards delivery of services in the municipality	Staff excellence recognition awards (Khanya Naledi Day) event held by 30 Dec 2017	In-service trainings Staff excellence recognition awards (Khanya Naledi Day) event	Equitable share	All	300 000.00 500,000.00	572,450.00
	To provide a healthy, safe, secure and a productive work environment.	Four (4) educational awareness sessions on safety & wellness for employees by 30 June 2018	Four (4) educational awareness sessions on health and safety employees by 30 June 2018	Equitable share	All	100 000	100 000
	To provide a healthy, safe, secure and a productive work environment.	Conduct two (2) wellness programmes events by 30 June 2018	Conduct two (2) wellness programmes events by 30 June 2018	Equitable share	All	400,000.00	457,960.00
	To build and strengthen the administrative and institutional capability of the municipality.	100% of all EAP cases referred	Employee Assistance Programme (EAP)	Equitable share	All	80,000.00	91,592.00
	To ensure compliance to legislation, adopted policies and plans by June 30, 2022	Development and Review of HR policies, Plans, Standard Operating Procedure	Development and review of HR Policies	Equitable share	All	100,000.00	114,490.00

ICT Unit

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD			BUDGET
				Funding source	2017/2018	2018/2019	2019/2020
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Management of Cellular Phones Services	Provision of Cellular phones to councillors, managers, coordinators, essential services and other approved members of staff	Equitable share	R1,100,000.00		
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Management of Telephone and internet Services	Provision of Telephone and internet Services	Equitable share	R 1,100,000.00		
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Securing of contract for Bulk messaging services	Provide access to bulk messaging services	Equitable share	R10 000.00		
	Provide support for optimal use of Information and management systems by June 30, 2022	Provision of records storage, archiving and retrieving	records management system	Equitable share	R20 000		
	Facilitation of website design, development and hosting services by 2022	Reporting on hosting and availability of Municipal website	Management of municipal Website	Equitable share	R110 000.000		
	Provide effective Exchange Email Service by June 30, 2022	Coordinating and monitoring provision of email continuity system	MANAGEMENT Of email continuity system	Equitable share	360,000.00		
	To integrate municipality Information Technology and Information Systems by June 30, 2022	Development of Business Cases to enable system integration through business interrelated functions	Development of Business Cases and Workflows for systems integration	Equitable share	R200 000		
	To integrate municipality Information Technology and Information Systems by June 30, 2022	Configuration, structuring and setup of document structure to enable document sharing	Configuration and setup of file structure and roll out of SharePoint	Equitable share	100,000.00		
	To ensure compliance to legislation, adopted policies and plans by June 30, 2022	Ensure deployment and utilisation of licenced software in all systems	Renew and acquire licenses for all software	Equitable share	1,120,000.00		
	Provide support for optimal use of Information and management systems by June 30, 2022	Provision of records storage, archiving and retrieving by 30 June 2018	Electronic Documents Management System	Equitable share	R 200 000.00		

To provide systems to improve efficiency and easy communication within the municipality by June 30, 2022	Installation of 7 surveillance cameras at main municipal offices by 30 June 2018	Procurement of 7 surveillance cameras	Equitable share	all	R 100 000.00	
Establishment of cable network to municipality building by June 30, 2022	Establishment of Unified network in Maluti and Cedarville offices through Aps by 30 June 2018	Project Unified network in Maluti and Cedarville offices(Aps)	Equitable share	all	R 180 000.00	

Local Economic Development Unit

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD BUDGET		
					2017/2018	2018/2019	2019/2020
	provide training support 300 SMME'S/cooperatives to cooperatives by June 2022	To support 40 co-operatives trained annually	SMME/ Co-operatives Skill Development	Equitable share	All wards	R 300 000	R 380 000
	To assist 100 local SMMEs and Coops with funding support by June 2022	20 Emerging contractors trained annually	Skill Development of housing emerging Contractors	Equitable share	All wards	R 200 000	R 350 000
	To provide infrastructure for Informal Traders by June 2022	10 SMMEs and Co-operatives funded annually	SMME/ Co-operative Funding support	Equitable share	All wards	R 600 000	R 2 000 000
	To review LED Strategy and develop an annual implementation plan for all LED programmes by June 2022	Identification of a site and sourcing of funding for the construction of Informal Traders stalls by 2020	Informal Trading Hawker Stalls construction	Equitable share	Ward 19	N/A	R 700 000
	To support commercial and emerging farmers by 30 June 2022	Review of LED Strategy and introduction of an implementation plan for LED projects by June 2018	LED Strategy Review	Equitable share	All wards	R 50 000	
	Support 5000 Households in 26 wards with seeds and seedlings for household gardens by June 2022	Construction of poultry abattoir structure should be completed 30 June 2022	Construction of Matatiele poultry Abattoir	CRR & Job funds	Ward 26	N/A	R 1 000 000
	Provide funding support for the ward based rotational grazing and livestock improvement to all wards by June 2022	1000 household gardens assisted annually	Household food security	Equitable share	All Wards	R 50 000	R 50 000
		Annual Funding support Livestock Improvement & auctioning	Livestock Improvement & auctioning	Equitable share	All wards	R 100 000	R 100 000

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD	BUDGET	
						2017/2018	2018/2019 2019/2020
	To coordinate and improve the functioning of the Mountain lake chalet by June 22	Running of the existing chalet & fly-fishing activities at the lake by 30 June 2017	Managing mountain lake chalet	Equitable share and DEDEAT MDTP	All 26 wards.	R 60 000	R150 000 R200 000
	To enhance Tourism development strategy through identification and management of tourist attractions around the local area by June 2022	Conduct Tourist Attraction Audit study by 30 June 2017	Tourist attraction audit Study	Equitable share DEDEAT MDTP	All 26 wards	R 100 000	R200 000 R200 000
	Provide efficient support to crafters through Crafter product Development by June 2022	Registration and Provision of Mobile stands for exhibitions and day to day flea market by 30 June 2017	Crafters Product Development	Equitable share SRAC, DEDEAT ECPTA	All 26 wards	N/A	R200 000 R200 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	host the 6th Matatiele Music Festival by 31 December 2016	Matatiele Music Festival Event	Equitable share ECPTA, ANDA, ANDM, DEDEAT	All 26 wards	R 2 000 000	R3 500 000 R4 000 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host tourism month celebration by 30 September 2017	Tourism month celebration event	Equitable share, DEDEAT, ECPTA	All 26 wards	R 150 000	R250 000 R300 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Matat fees by 30 November 2016	Matat Fees	Equitable share, DEDEAT, ECPTA	Ward 19	R150 000	R150 000 R150 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Mehlooding heritage Event 31 October 2017	Mehlooding heritage Event	Equitable share, DEDEAT, ECPTA	Ward 14	R150 000	R150 000 R150 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Ced Matat Heritage Race by 31 October 2017	Ced-Matat Heritage Race	Equitable share, DEDEAT, ECPTA	Ward 26	N/A	R100 000 R100 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Zubathwale Gospel Event 31 May 2016	Zubathwale Gospel Event	Equitable share, DEDEAT, ECPTA	Ward 19/20	N/A	R100 000 R100 000

To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host (BTM) Back Matat Closing of Soccer Tournament Event By 31 July 2017	Back To Matat Music festival	Equitable share, DEDEAT, ECPTA	Ward 20	N/A	R100 000	R100 000
To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	Market Matatiele through Exhibitions	Equitable share, DEDEAT, ECPTA	All 26 wards	R100 000	R250 000	R300 000
To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	Tourism Branding Material	Equitable share, DEDEAT, ECPTA	All 26 wards	N/A	N/A	N/A
To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	To conduct tourism Awareness Workshop	To conduct tourism awareness workshop	Equitable share, DEDEAT, ECPTA, MDTP	All 26 wards	R10 000	R15 000	R20 000
To market Matatiele as a destination of choice through functioning of the LTO by June 2022	Coordinate and manage Local tourism organization By 30 June 2017	Local Tourism Organisation	Equitable share, DEDEAT, ECPTA	All 26 wards	R50 000	R100 000	R100 000

Development Planning Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To provide land for low income and middle income residential development	Township Registration by June 2019	Planning & Survey - Cedarville Middle Income township	26	N/A	R150 000.00	-
		Township Registration by June 2019	Planning & Survey – Matatiele Middle Income township	19,20	N/A	R250 000.00	-
	To provide land Commercial and Industrial development	Township Registration by June 2019	Planning & Survey – Matatiele Commercial Development	19	N/A	R250 000.00	
		Township Registration by June 2020	Planning & Survey – Cedarville Industrial Development	26	N/A	N/A	R200 00.00

	To provide land Future development	Surveying and valuation of Municipal land by June 2020	Surveying and Valuation of 20 Municipal land Parcels	1, 19, 20 and 26	R200 000.00	R200 000.00	R200 000.00
	To develop a wall to wall aerial and cadastral map and plans by June 2022	26 ward based Aerial Cadastral Plans completed by June 2020	Aerial and Cadastral Mapping for rural areas	All	N/A	R1 000 000.000	R1 000 000.000
	To ensure that the current SDF is compliant with SPLUMA regulations by June 2021	Review of Spatial Development Framework by 2021	Approved Spatial Development Framework	All	R200 000.00	R250 000.00	-
	To develop wall to wall land use scheme and local Precinct Plans	Matatiele SPLUMA land use scheme and Precinct Plans completed by June 2022	Matatiele SPLUMA land use scheme and Precinct Plans	All	R250 000	R250 000.00	R500 000.00
	Ensure that the cadastral information is updated for future use (base information)	Updating of Land Audit and GIS Data set by 2020	Updating of Land Audit and GIS Data set	All	-	-	R400 000.00
		Procurement of GIS Equipment by 30 June 2018	Procurement of GIS Equipment	All	R 100 000.00	N/A	N/A

Management Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To Capacitate Councillors and Staff on Performance Management System and Risk Management and PMS/Risk Consulting Fees on the System	2 Capacity Building workshops for Councillors and 2 Capacity building workshops for Staff on Performance Management System and Risk Management by 30 June 2018	Capacity Building on PMS and Risk Management	N/A	R 2 100 000		
	To develop and ensure adoption of the SDBIP, Revised SDBIP, Quarterly Reports, Mid-year Reports, Annual and Back to Basics Reports	2017/18 Revised SDBIP Approved by 31 January 2018 and 2018/19 SDBIP Approved by 30 June 2018 Mid-year Performance report adopted by council by 30 June 2018 2016/17 Annual Performance Report submitted to AG by 31 August 2017	Approval of Municipal SDBIP Adoption of Mid-year Performance Report Adoption of Annual Performance Report	N/A N/A N/A	R 200 000 R 200 000 R 200 000		

Integrated Development Planning Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD	BUDGET		
						2017/2018	2018/2019	2019/2020
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Development of 2017/2018 IDP/Budget Process Plan annually	IDP/Budget Process Plan	Equitable Share	N/A	R 10 000	R 15 000	R 20 000
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Conduct 4 IDP Steering Committee and Representative Forum Meetings annually	IDP Steering Committee and Rep Forum meetings	Equitable Share	N/A	R 20 000	R 25 000	R 30 000
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Review of 26 ward based plans by 31 December Annually	Review of community ward based plans	IDP support grant	Wards 1-26	R 20 000	N/A	N/A
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Conduct IDP Community Outreach Programmes Annually	IDP Community Outreach for Collecting of Needs and Priorities	Equitable Share	Wards 1-26	R 250 000	R 260 000	R 270 000
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Conduct IDP Budget Outreach by 30 April annually	Budget Outreach	Equitable Share	Wards 1-26	R100 000	R110 000.00	R120 000.00
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Conduct Strategic Planning Session by 28 February annually	Strategic Planning Session	Equitable Share	N/A	R 1 000 000	R 1 100 000	R 1 200 000
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Tabling of the 2017/2018 Draft IDP Document by 31 March annually	Tabling of the IDP Document	Equitable Share	N/A	R 5000	R 6000	R 7000
	Sustainable planning and implementation of credible IDP for the period 2017/2022	Adoption of the 2017/2018 IDP Document by 31 May annually	Adoption of the IDP Document	Equitable Share	N/A	R 5000	R 6000	R 7000

Communications and Special Programmes Unit Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDS	WARD	BUDGET		
						2017/2018	2018/2019	2019/2020
Good Governance & Public Participation	Ensure implementation of the Communication strategy and its action plan To promote engagements between communities and the Municipality	1 communications strategy review by 30 June 2018	Conduct stakeholder engagements and communication workshop	Equitable share	All wards	R150, 000.00		
		4 LCFs by June 2018	Functional Local Communicators Forum meetings	Equitable share	All wards	R50 000.00		
		4 IGR meetings by June 2018	Functional Intergovernmental Relations forum meetings	Equitable share	All wards	R40 000		
		2 media partnerships by June 2018	Establish media partnerships	Equitable share	All wards	R850, 000		
Good Governance & Public Participation	Showcase service delivery/share best practices Municipality	2 Newsletter editions by June 2018	Newsletter production	Equitable share	All wards	R250, 000		
		20 infographics developed by June 2018	Service Delivery Infographics	Equitable share	All wards	270,000.00	288,900	309,123
		48 newspaper columns/Advertorials by June 2018	Newspaper Columns/advertorials - all local newspapers	Equitable share	All wards	R250, 000		
		20 NM products by June 2018	Development of New Media (NM) products - online & social media incl. Cell phones	Equitable share	All wards	R300, 000.00		
Good Governance & Public Participation	Profile the MLM leadership	2000 Council Posters printed/distributed by June 2018	Faces of Council poster	Equitable share	All wards	R5 000.00		
		Provide branded promotional material by November 2018	Promotional material production	Equitable share	All wards	R150, 000.00		
Good Governance & Public Participation	To promote and market the Municipality as the destination of choice	REVAMP THE MUNICIPAL LOGO by 30 June 2018	Re-branding of Matatiele	Equitable share	All wards	R200 000.00		
		Matatiele Heroes honoured through legacy project by June 2018	(street names and building) Ward sign boards	Equitable share	All wards	R50 000.00 R80 000.00		

	To promote and market the Municipality as the destination of choice by 30 June 2022	2 electronic billboards installed by June 2018	Outdoor Advertising (printed and electronic billboards)	Equitable share	N/A	R 380 000.00		
Good Governance & Public Participation	Promote transparency	Door signage in all doors and name tags for front line staff by June 2018	Door signage & front staff name tags	Equitable share	All wards	R40, 000.00		
	Improve community involvement and participation through information sharing by June 2022	4 TV screens installed at Munic offices by June 2018	Installation and monitoring of audio visual screens	Equitable share	N/A	R 200 0000.00		
Good Governance & Public Participation	Improve community involvement and participation through information sharing.	Conduct customer satisfaction survey by June 2018	Customer satisfaction survey	Equitable share	All wards	R230 000.00		
		8 migration dialogues by June 2018	Migration dialogues	Equitable share	All wards	R25000.00		
		Install and monitor 4 notice boards BY June 2018	Information Boards	Equitable share	All wards	R10 000.00		
		Two migration Advisory meetings by June 2018	Migration Advisory Committee meetings	Equitable share	All wards	R6000.00		
Good Governance & Public Participation	Create an environment where designated groups actively participate in municipal programmes	Two migration Panel meetings by June 2018	Migration Panel meetings	Equitable share	All wards	R6000.00		
		4 information sharing programmes by June 2018	information sharing programmes on substance abuse, teenage pregnancy and career education	Equitable share	All wards	R60000. 00		
		Conduct Annual Learner support initiatives by 30 June 2018	Assist 2 bursary holders, registration paid for 30 students	Equitable share	All wards	R300 000. 00		
		1 Matric Awards ceremony by June 2018	Matric awards ceremony	Equitable share	All wards			
Good Governance & Public Participation		Host youth indaba by June 2018	Youth indaba	Equitable share	All wards	R50 000.00		
		5 empowerment programmes for children by June 2018	-children's CONFERENCE	Equitable share	All wards	R50 000. 00		
			-children's programmes and ECDC support	Equitable share	All wards	R200 000.00		

Good Governance & Public Participation	Conducive environment for designated group's active participate in municipal programmes	Conduct 8 information sharing programmes on women and elderly related issues by June 2018	Information sharing programmes on women and elderly related issues	Equitable share	All wards	R35000. 00		
		Assess, assist and monitor 04 gender/women programmes by June 2018	Gender/women programmes	Equitable share	All wards	R150 000. 00		
		Conduct 01 golden games tournament by June 2018	Gender meetings	Equitable share	All wards	R20 000.00		
		Conduct 6 PWDs advocacy programmes by 30 June 2018	Elderly programmes	Equitable share	All wards	R10 000. 00		
Good Governance & Public Participation	Eradication of disability related stigma		Advocacy initiatives for PWDs	Equitable share	All wards	R100 000. 00		
			-Int. Day for PWDs					
			-Deaf awareness week					
			-Albinism Awareness Day					
			-Trainings for PWDs Care Givers					
			-forum meetings					
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	8 HIV/AIDS awareness campaigns by June 2022	HIV/AIDS prevention, educated and awareness Programmes	Equitable share	All wards	R25 000.00		
			-Condom Weeks					
			-HCT					
			-WAD					
			-HIV awareness in schools, IHL & communities					
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	4 LAC Meetings by June 2018	LAC meetings	Equitable share	All wards	R25 000. 00		
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	8 Support group to be assisted by June 2018	Facilitate the assistance for Support group's sustainability	Equitable share	All wards	R50000. 00		
			-working tools & trainings					

Internal Audit Services Unit Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	Information and Communication technology (IT) audits	Conduct IT audits	IT audits	all	R200 000.00	R400 000.00	R400 000.00
	To improve compliance management and internal controls	Quarterly sitting of audit committee meeting	Audit committee sittings	All	R100 000.00		
	Ensure review on Annual Financial Statement	Review of interim facial statements	Interim Financial statements	All	R200 000.00		
	Ensure review on Annual Financial Statement	Review of annual facial statements	Annual Financial statements	All	R200 000.00		
	To enhance accountability and stability within the municipality	Monitoring of Fraud cases	Fraud cases	All	R200 00.00		

Legal Services Projects

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	Supervising and overseeing the review, negotiation and drafting of contracts and other legal documents, as required by operational departments	100% vetting and drafting of contracts and development of contract register by 30 th June 2018.	Drafting and vetting of contracts, Development of Contract register.	N/A	N/A	N/A	N/A
	Drafting and reviewing of bylaws.	Review four bylaws by 30 June 2018	Reviewing and of Bylaws	N/A	R 105 500	R 111 303	N/A
	Supervising and monitoring the contesting of the cases in various courts of law and have interaction with MLM's legal advisors.	12 Monthly report on Administration and management of litigation cases against and or instituted by the municipality.	12 Monthly reports	N/A	N/A	N/A	N/A
	Ensuring that bylaws are enforced	100% Enforcement of Notices received on contravened Bylaws by 30 June 2018	Enforcement of Notices on contravened bylaws	N/A	N/A	N/A	N/A
	Rendering legal services and providing legal advice to the Municipality and council.	100% of legal advice and services provided to the Municipality and council by 30 June 2018	Legal Advice	N/A	N/A	N/A	N/A

6.3.9 Department of Social Development Projects

SUB-PROGRAM	DISTRICT	AMOUNT	MATATIELE	AMOUNT	UMZIMVUBU	AMOUNT	MBIZANA	AMOUNT	NTABANKULU	AMOUNT
2.2 CARE AND SUPPORT TO OLDER PERSONS	61	R3 602 400	8	R508 800	20	R1 365 600	22	R1 152 000	11	R576 000
2.3 SERVICES TO PEOPLE WITH DISABILITIES	03	R1 267 450	01	R68 000	01	R1 080 000	01	R119 450	NIL	NIL
2.4 HIV AND AIDS	08	R2 132 000	02	R533 000	02	R533 000	03	R798 000	01	R266 000
3.2 CARE AND SUPPORT TO FAMILIES	05	R425 000	02	R180 000	02	R180 000	01	R65 000	NIL	NIL
3.3 CHILD CARE AND PROTECTION SERVICES- NON GOVERNMENTAL ORGANIZATIONS	05	R1 265 592	02	R830 873	01	R199 301	01	R122 376	01	R113 042
3.4 NON CENTRE BASED ECD PROGRAMMEES	Nil	Nil	NIL	NIL	01	R294 158	NIL	NIL	NIL	NIL
3.4 EARLY CHILDHOOD DEVELOPMENT PROGRAMME	198	R21 832 140	44	R4 508 130	63	R7 408 005	51	R5 517 600	40	R4 398 405
3.5 CHILD AND YOUTH CARE CENTRE- NON GOVERNMENTAL ORGANIZATIONS	02	R3 056 750	01	R1 788 034	01	R1 268 716	NIL	NIL	NIL	NIL
3.6 COMMUNITY BASED CARE SERVICES FOR CHILDREN – ISIBINDI PROGRAMME	04	R2 473 500	01	R770 700	02	R1 702 800	01	R104 400	NIL	NIL
4.2. CRIME PREVENTION	01	R300 000	Nil	Nil	01	R300 000	NIL	Nil	NIL	NIL
4.3 VICTIM EMPOWERMENT	17	R2690 000	06	R1 150 000	07	R1 405 266	03	R400 000	01	R150 000
4.4 SUBSTANCE ABUSE	06	R854959	01	R 135 000	02	R 261 000	02	R350 000	01	R106 000
TOTAL NO OF NPO'S PER AREA & FUNDS ALLOCATED	310	R35 893 512	67	R10 143 377	103	R14 358 333	85	R8 402 050	55	R5 496 405

Care and support services to older persons

PROJECT NAME	ACTIVITY	LOCATION	FAC	WARD	MAXIMUM CAPACITY	TOWN	MUNICIPALITY	ALLOCATION
1. Mabobo Aged Support and care centre	Care and support to Older Persons and Income generating programs	Mabobo	9535	22	20	Mt Frere	Umzimvubu	R48' 000
2. Likomkhulu HCBC	Care and support to Older Persons and Income generating programs	Lugangeni	9437	15	30	Mt Frere	Umzimvubu	R72' 000
3. Lukhanyiso Multi-purpose Centre for the Aged	Care and support to Older Persons and Income generating programs	Dangwana	9543	12	30	Mt Frere	Umzimvubu	R72' 000
4. Phakamisizwe Social Club	Care and support to Older Persons and Income generating programs	Lubaleko	9455	02	30	Mt Ayliff	Umzimvubu	R72' 000
5. Bambisanani Maxesibe	Care and support to Older Persons and Income generating programs	Brooksnek	9339	01	20	Mt Ayliff	Umzimvubu	R48' 000
6. Mzamowethu Old Age Project	Care and support to Older Persons and Income generating programs	Ngwegweni	9529	02	30	Mt Ayliff	Umzimvubu	R72' 000
7. Thuthukani Geriatric Club	Care and support to Older Persons and Income generating programs	Mhlotseni	9532	11	30	Mt Frere	Umzimvubu	R72' 000
8. Celizapholo Club for the Aged	Care and support to Older Persons and Income generating programs	Mvuzi	9438	16	24	Mt Frere	Umzimvubu	R57 600
9. Phuthumani Old Age Project	Care and support to Older Persons and Income generating programs	Qhanqu	9524	12	30	Mt Frere	Umzimvubu	R72' 000
10. Nceduluntu HCBC Organization for the Aged	Care and support to Older Persons and Income generating programs	Ntlabeni	9551	13	30	Mt Frere	Umzimvubu	R72' 000
11. Buhlebendawo Project for the Aged	Care and support to Older Persons and Income generating programs	Mt Ayliff Village	9528	07	30	Mt Ayliff	Umzimvubu	R72' 000
12. Masongane Service Centre	Care and support to Older Persons and Income generating programs	Gugwini,	9678	04	30	Mt Ayliff	Umzimvubu	R72' 000
13. Sibatsha service centre	Care and support to Older Persons and Income generating programs	Betshuana	9807	04	30	Mt Ayliff	Umzimvubu	R72' 000
14. Bonanokuhle Service Centre	Care and support to Older Persons and Income generating programs	Ncome	9815	22	30	Mt Frere	Umzimvubu	R72' 000
15. llingeletu Service Centre	Care and support to Older Persons and Income generating programs	Qwidlana	9817	23	30	Mt Frere	Umzimvubu	R72' 000
16. Mpembeni Service centre	Care and support to Older Persons and Income generating programs	Sigidini	9818	04	30	Mt Ayliff	Umzimvubu	R72' 000
17. Songezulwazi Service centre	Care and support to Older Persons and Income generating programs	Lugelweni	10811	8	25	Mt Frere	Umzimvubu	R60' 000

18. Masivuke Service Centre	Care and support to Older Persons and Income generating programmes	Sidakeni	10812	2	30	Mt Ayliff	Umnzimvubu	R72 000
19. Kamvelihle Service Centre	Care and support to Older Persons and Income generating programmes	Ngonyameni location	11250	04	30	Mt Ayliff	Umnzimvubu	R72 000.00
20. Yeyethu service centre	Care and support to Older Persons and Income generating programmes	Phuka	12353	26	30	Mt Ayliff	Umnzimvubu	R72 000.00
21. Magadla Old Age Project	Care and support to Older Persons and Income generating programmes	Homendlini	9531	6	26	Matatiele	Matatiele	R62 400.00
22. Phaphamani Senior citizens Club Old Age Project	Care and support to Older Persons and Income generating programmes	Sibi	9654	3	20	Matatiele	Matatiele	R48 400.00
23. .Paballong Old Age Multi-Project	Care and support to Older Persons and Income generating programmes	Palmaville	9338	15	26	Matatiele	Matatiele	R62 400.00
24. Thuthukani Sizwe Project for the Aged	Care and support to Older Persons and Income generating programmes	Pamlaville	9525	07	30	Matatiele	Matatiele	R72 000.00
25. Makabongwe Luncheon Club	Care and support to Older Persons and Income generating programmes	Hary gwala	9522	19	20	Matatiele	Matatiele	R48 000.00
26. Phapama-Lunda	Care and support to Older Persons and Income generating programmes	Lunda	9816	10	35	Matatiele	Matatiele	R84 000.00
27. .Ntatayise old age	Care and support to Older Persons and Income generating programmes	Maluti Township	9819	01	30	Maluti	Matatiele	R72 000.00
28. Sinenjongo luncheon club	Care and support to Older Persons and Income generating programmes	Cedarville	9653	26	25	Matatiele	Matatiele	R60 000.00
29. Khananda Service Centre	Care and support to Older Persons and Income generating programmes	Makewini	9677	22	30	Mbizana	Mbizana	R72 000.00
30. Lukhanyo Society For The Aged	Care and support to Older Persons and Income generating programmes	Kwa Nikwe	9457	17	30	Mbizana	Mbizana	R72 000.00
31. Ikhetelo Serv. Centre	Care and support to Older Persons and Income generating programmes	Magqabasini	9456	08	20	Mbizana	Mbizana	R48 000.00
32. Abadala Nkantolo	Care and support to Older Persons and Income generating programmes	Nkantolo	10814	27	20	Mbizana	Mbizana	R48 000.00
33. Ncedisizwe Service Centre	Care and support to Older Persons and Income generating programmes	Lukholo	10810	22	24	Mbizana	Mbizana	R57 600.00
34. Ncedo service centre	Care and support to Older Persons and Income generating programmes	Redoubt	11699	20	20	Mbizana	Mbizana	R48 000.00
35. Mthayise Old Age group	Care and support to Older Persons and Income generating programmes	Mthayise	12373	16	20	Mbizana	Mbizana	R48 000.00
36. Sakhubomi service centre	Care and support to Older Persons and Income generating programmes	Nomlacu	12372	26	20	Mbizana	Mbizana	R48 000.00

37. Senzokuhle Service Centre	Care and support to Older Persons and Income generating programmes	Mfundisweni	10816	16	20	Ntabankulu	Ntabankulu	R48 000.00
38. Ngqwashu Siyazama Elderly	Care and support to Older Persons and Income generating programmes	Ngqwashu Location	9454	14	25	Ntabankulu	Ntabankulu	R60 000.00
39. Sikhona Manci Elderly Project	Care and support to Older Persons and Income generating programmes	Mbangweni Location	9631	14	25	Ntabankulu	Ntabankulu	R60 000.00
40. Old Age Covenant Partners	Care and support to Older Persons and Income generating programmes	Ndakeni Location	9821	07	30	Ntabankulu	Ntabankulu	R72 000.00
41. Zamukulungisa Service Centre	Care and support to Older Persons and Income generating programmes	Mamcakeni location	11227	20	20	Ntabankulu	Ntabankulu	R48 000.00
42. Umkhosi Wezulu Elderly	Care and support to Older Persons and Income generating programmes	Bonxa Location	11372	13	20	Ntabankulu	Ntabankulu	R48 000.00
43. Vukuphile Service Centre	Care and support to Older Persons and Income generating programmes	Lucingweni Location	11373	13	20	Ntabankulu	Ntabankulu	R48 000.00
44. Luncedo service centre	Care and support to Older Persons and Income generating programmes	Dumsi Location	11374	2	20	Ntabankulu	Ntabankulu	R48 000.00
45. Sibanye service centre	Care and support to Older Persons and Income generating programmes	Mbangweni	11794	14	20	Ntabankulu	Ntabankulu	R48 000.00
46. Mnceba service centre	Care and support to Older Persons and Income generating programmes	Mnceba	12010	12	20	Ntabankulu	Ntabankulu	R48 000.00
47. Bomvini service centre	Care and support to Older Persons and Income generating programmes	Bomvini	12399	8	20	Ntabankulu	Ntabankulu	R48 000.00
48. Nceduluntu Service centre	Care and support to Older Persons and Income generating programmes	Ntshentshe	12400	18	20	Ntabankulu	Ntabankulu	R48 000.00
49. Mgcinephila Service Centre	Care and support to Older Persons and Income generating programmes	Luroiweni location	11231	24	20	Mbizana	Mbizana	R48 000.00
50. Sophumelela Service Centre	Care and support to Older Persons and Income generating programmes	Ezityaneni location	11146	31	25	Mbizana	Mbizana	R60 000.00
51. Noedisa Service Centre	Care and support to Older Persons and Income generating programmes	Mcetsheni location	11232	10	20	Mbizana	Mbizana	R48 000.00
52. Simanyene Service Centre	Care and support to Older Persons and Income generating programmes	Bulala Location	11229	29	25	Mbizana	Mbizana	R60 000.00
53. Khanyisa Service Centre	Care and support to Older Persons and Income generating programmes	Amangutyana location	11228	19	20	Mbizana	Mbizana	R48 000.00
54. Suthu Service Centre	Care and support to Older Persons and Income generating programmes	Kwa Ntshangase Location	11233	03	25	Mbizana	Mbizana	R60 000.00
55. Mhlabeni Service Centre	Care and support to Older Persons and Income generating programmes	Mhlabeni location	11226	22	20	Mbizana	Mbizana	R48 000.00

56.Nikolo old age project	Care and support to Older Persons and Income generating programmes	Topolo	11225	28	20	Mbizana	Mbizana	R48 000.00
57.Siwisa service centre	Care and support to Older Persons and Income generating programmes	siwisa	11706	31	20	Mbizana	Mbizana	R48 000.00
58.Senzokwethu service centre	Care and support to Older Persons and Income generating programmes	Khumbuza	11698	25	20	Mbizana	Mbizana	R48 000.00
59.Luhle service centre	Care and support to Older Persons and Income generating programmes	Mabekuteni	11700	15	20	Mbizana	Mbizana	R48 000.00
60.Ilinge old age project	Care and support to Older Persons and Income generating programmes	Esikhumbeni	11696	31	20	Mbizana	Mbizana	R48 000.00
61.Ntola support service centre	Care and support to Older Persons and Income generating programmes	Ntlakhwe	11704	17	20	Mbizana	Mbizana	R48 000.00
TOTAL								R 3 600 000

Service to people with disabilities

PROJECT NAME	ACTIVITY	LOCATION	WARD	MAX CAPACITY	TOWN	MUNICIPALITY	ALLOCATION
1.Nolitha CBR Home Care Centre	Home for Disabled	Lubaleko	03	60	Mt Ayliff	Umzimvubu	R1, 080 000
2.Masakhane Project	Home for Disabled	Mount Zion	12	24	Bizana	Mbizana	R119 450.00
3.Siyakhula Project	Home for Disabled	Mzongwana	7	20	Matatiele	Matatiele	R68 000.00
TOTAL							R1, 267 450.00

Hiv and Aids

PROJECT NAME	ACTIVITY	LOCATION	WARD	Beneficiaries	TOWN	MUNICIPALITY	ALLOCATION
1.Emadumasinini HCBC	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Ncome Springs	24	348	Mt Frere	Umzimvubu	R266,500.00
2. Sizophila Community and Child Health Forum	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Amadiba Location	23	150	Bizana	Mbizana	R266,500.00
3. Someleze HCBC	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Magema Location, Sibi A/A	26	851	Matatiele	Matatiele	R266,500.00
44 4. Gumpe HCBC	Care and Support to Orphans and Vulnerable Children through Home	45 Mvenyane A/A	46 12	1404	Ntabankulu	Ntabankulu	R266,500.00
47 5.Sinosizo support group	Care and Support to Orphans and Vulnerable Children through Home	48 Envis	49 09	800	Bizana	Mbizana	R266,500.00
50 6.Tandisizwe HCBC	Care and Support to Orphans and Vulnerable Children through Home	51 Goxe	52 15	200	Mt Ayliff	Umzimvubu	R266,500.00
53 7.Xabiso Lumntu	Care and Support to Orphans and Vulnerable Children through Home	54 Magqabasini	55 08	1500	Bizana	Mbizana	R266,500.00

56	8.Mamoheu	Care and Support to Orphans and Vulnerable Children through Home	57	Masupha	58	13	186	Matatiele	Matatiele	R266,500.00
59	TOTAL									R2132000.00

Care and support to families

PROJECT NAME	ACTIVITY	LOCATION	WARD	Beneficiaries	TOWN	MUNICIPALITY	ALLOCATION
1. Mt Frere Single Parents Association Program.	Single Parent Association Programmes	Lubhacweni A/A	17	6	Mt Frere	Umzimvubu	R90' 000
2. Mpoza Family Resource Centre	Family Preservation Programme	Mvalweni A/A	03	21	Mt Ayiliff	Umzimvubu	R90' 000
60	3.Maluti Family Resource Centre	62 Maluti	01	04	Maluti	Matatiele	63 R90' 000
4.Maluti Family Preservation	64 Family Preservation Programme	65 Sibi A/A	03	04	Maluti	Matatiele	66 R90' 000
5. Mbizana Masincedane Family Preservation	67 Family Preservation Programme	68 Luthulini A/A	14	04	Mbizana	Mbizana	69 R65'000
TOTAL							70 R425 000

Child Care and Protection Services: Non- Governmental Organizations

PROJECT NAME	ACTIVITY	LOCATION	WARD	TOWN	MUNICIPALITY	ALLOCATION
Child Welfare Society	Provide child protection services to children	Matatiele	19	Matatiele	Matatiele	R501 713
Siphumelele Isikelo	Provide child protection services to children	Mbizana	26	Mbizana	Mbizana	R122 376
Umzimvubu PEIP	Provide child protection services to children	Umzimvubu	19		Umzimvubu	R199 301
Ubuntu WDC PEIP	Provide child protection services to children	Ntabankulu	13		Ntabankulu	R113 042
Maluti family preservation PEIP	Provide child protection services to children	Matatiele	19	Matatiele	Matatiele	R329 160
TOTAL						R1 265 592

ECD Centres

NO	PROJECT NAME	ACTIVITY	LOCATION	WARD	FAC	MAX CAP	TOWN	MUNICIPALITY	ALLOCATION
	Siphamandla Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mandileni	14	11256	30	Mount frere	Umzimvubu	94 050
	ESSEK PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Essek	20	504	25	Mount frere	Umzimvubu	78 375
	LANGENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Tshisane	5	510	30	Mount frere	Umzimvubu	94 050
	MASIZAKHE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lugangeni	8	494	5z	Mount frere	Umzimvubu	156 750
	Mount Horeb Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Ngwetsheni	14	528	50	Mount frere	Umzimvubu	156 750
	MTHONJENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Jijini	22	498	45	Mount frere	Umzimvubu	141 075

NCEDANANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sivumela	24	505	30	Mount frere	Umzimvubu	94 050
NGWETSHENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ngwetsheni	14	503	35	Mount frere	Umzimvubu	109 725
NOXOLO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntlabeni	13	8989	30	Mount frere	Umzimvubu	94 050
SIHLE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Frere	18	496	60	Mount frere	Umzimvubu	188 100
VOVENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lwandana	20	484	60	Mount frere	Umzimvubu	188 100
Vusizwe Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nijjini	22	495	35	Mount frere	Umzimvubu	109 725
VUYANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nijjini	22	501	29	Mount frere	Umzimvubu	90 915
ZAMANI SEMENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Semeni	19	519	50	Mount frere	Umzimvubu	156 750
Bonintwente dcc	Provision of Cognitive Development Services for Children from 0-4 years	Lubhacweni	17	9606	60	Mount frere	Umzimvubu	188 100
Lukhanyo dcc	Provision of Cognitive Development Services for Children from 0-4 years	Qhanqu	12	9699	30	Mount frere	Umzimvubu	94 050
Zanolwazi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mandileni	14	10614	30	Mount frere	Umzimvubu	94 050
Mayibuye Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dungu	19	10613	60	Mount frere	Umzimvubu	188 100
JUSTICE SODLADLA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mabhobho	3	499	35	Mount frere	Umzimvubu	109 725
LOWER MKEMANE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lower Mkemane	6	490	30	Mount frere	Umzimvubu	94 050
NKANYISWENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sihlahleni	13	8988	35	Mount frere	Umzimvubu	109 725
Noluthando Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Dangwana	20	9151	35	Mount frere	Umzimvubu	109 725
ZANOKHANYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cancele	23	493	35	Mount frere	Umzimvubu	109 725
ZINGISANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ngxabaxha	20	500	35	Mount frere	Umzimvubu	109 725
Nompumelelo	Provision of Cognitive Development Services for Children from 0-4 years	Lwandana	20	10067	30	Mount Ayiliff	Umzimvubu	94 050
SAKHISIZWE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Ayiliff	7	488	60	Mount Ayiliff	Umzimvubu	188 100

DUTYINI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dutyini	8	1854	30	Mount Ayliff	Umzimvubu	94 050
LINGELETHU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sipolweni	5	522	35	Mount Ayliff	Umzimvubu	109 725
LUBALEKO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lubaleko	6	489	60	Mount Ayliff	Umzimvubu	188 100
LUGELWENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lugelweni	8	513	60	Mount Ayliff	Umzimvubu	188 100
Dundee Community Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dundee	3	11747	35	Mount Ayliff	Umzimvubu	109 725
MAGONTSINI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rhode	11	515	60	Mount Ayliff	Umzimvubu	188 100
Masizakhe Day Care Centre	Provision of Cognitive Development Services for Children from 0-4 years	Mwaca	6	9135	20	Mount Ayliff	Umzimvubu	62 700
MHLOZINI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mhlozini	6	497	39	Mount Ayliff	Umzimvubu	122 265
NALEDI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mwaca	6	399	30	Mount Ayliff	Umzimvubu	94 050
PAKAMANI GOSO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Goso	9	389	35	Mount Ayliff	Umzimvubu	109 725
PHAKAMANI RODE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ndakeni	11	508	30	Mount Ayliff	Umzimvubu	94 050
PHEZULU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Phuka	26	486	60	Mount Ayliff	Umzimvubu	188 100
SIKHUMBENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sikhumbeni	8	487	34	Mount Ayliff	Umzimvubu	106 590
SINOYUYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntsizwa	8	512	30	Mount Ayliff	Umzimvubu	94 050
SIYAMTHEMBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Manzana	15	390	37	Mount Ayliff	Umzimvubu	115 995
SPUDU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Siphundu	9	403	30	Mount Ayliff	Umzimvubu	94 050
VEZUKHANYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Voveni	11	483	28	Mount Ayliff	Umzimvubu	87 780
Zamani Nyosini Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nyosini	13	9379	30	Mount Ayliff	Umzimvubu	94 050
Chithwa	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Ayliff	7	10043	60	Mount Ayliff	Umzimvubu	188 100
Khanyisani Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Saphukanduku	9	10301	60	Mount Ayliff	Umzimvubu	188 100

Madadiyela pre school	Provision of Cognitive Development Services for Children from 0-4 years	Madadiyela	11	9700	30	Mount frere	Umzimvubu	94 050
Makukhanye	Provision of Cognitive Development Services for Children from 0-4 years	Colana	10	10065	30	Mount frere	Umzimvubu	94 050
Nompilo	Provision of Cognitive Development Services for Children from 0-4 years	Qwidlana	23	9897		27 Mount Ayliff	Umzimvubu	84 645
MASIBULELE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sidakeni	2	11790		20 Mount Ayliff	Umzimvubu	62 700
CABAZANA PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cabazana	26	523		30 Mount Ayliff	Umzimvubu	94 050
KUYASA PRESCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	3	506		30 Mount Ayliff	Umzimvubu	94 050
MAKHAYA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	6	507		30 Mount Ayliff	Umzimvubu	94 050
NONCEBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	6	376		27 Mount Ayliff	Umzimvubu	84 645
NONCEDO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dambeni	6	777		40 Mount Ayliff	Umzimvubu	109 725
Nokhaya Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Sigidini	4	10033		30 Mount Ayliff	Umzimvubu	94 050
ROLOBILE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sigidini	4	388		28 Mount Ayliff	Umzimvubu	87 780
SIYABULELA NOTA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rhode	5	521		35 Mount Ayliff	Umzimvubu	109 725
Siyabulela Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ndzongiseni	5	8985		30 Mount Ayliff	Umzimvubu	94 050
Zizamele Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Goxe	15	8984		60 Mount Ayliff	Umzimvubu	188 100
Sithandubuhle Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mlamvuna		772		30 Mount Ayliff	Umzimvubu	94 050
Khwezikazi	Provision of Cognitive Development Services for Children from 0-4 years	Msukeni	4	9896		30 Mount Ayliff	Umzimvubu	94 050
Thembeke DCC	Provision of Cognitive Development Services for Children from 0-4 years	Goxe	15	9697		24 Mount frere	Umzimvubu	75 240
BETHESDA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bethesda	23	646		30 Matatiele	Matatiele	94 050
BOITEKO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Kuaopa	6	778		35 Matatiele	Matatiele	109 725

Mparane Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mparane	13	10007	30	Matatiele	Matatiele	94 050
St Nicholas Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Itsokolele	19	9516	50	Matatiele	Matatiele	156 750
DIKONYANA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Queens Mercy	12	1036	50	Matatiele	Matatiele	156 750
KHOTHALANG PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mapfontein	11	1035	35	Matatiele	Matatiele	109 725
KHULANI-ZWELITSHA	Provision of Cognitive Development Services for Children from 0-4 years	Kuaopa	6	767	50	Matatiele	Matatiele	156 750
MABUA	Provision of Cognitive Development Services for Children from 0-4 years	Tsisa	11	690	30	Matatiele	Matatiele	94 050
MALUTI PRE-PRIMARY SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Maluti	1	525	50	Matatiele	Matatiele	156 750
MASEKELA	Provision of Cognitive Development Services for Children from 0-4 years	Mabheleni	21	517	30	Matatiele	Matatiele	94 050
MECHAEILING	Provision of Cognitive Development Services for Children from 0-4 years	Nchodu	8	529	50	Matatiele	Matatiele	156 750
MVENYANE	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	21	511	35	Matatiele	Matatiele	109 725
MZOMHLE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nkawulweni	21	516	35	Maluti	Matatiele	109 725
PHAMOTSE KUETLISO	Provision of Cognitive Development Services for Children from 0-4 years	St Paul	25	2050	60	Matatiele	Matatiele	188 100
SIJOKA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sijoka	10	644	22	Matatiele	Matatiele	68 970
TSWELO-PELE DAY CARE	Provision of Cognitive Development Services for Children from 0-4 years	Bethel	4	509	30	Matatiele	Matatiele	94 050
Vukuzakhe Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Vikinduku	5	10391	30	Matatiele	Matatiele	94 050
Latelang Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Thembeilhele	8	10389	30	Matatiele	Matatiele	94 050
Outspan Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Outspan	3	10386	60	Matatiele	Matatiele	188 100
Reahola Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Khuoe	25	10383	30	Matatiele	Matatiele	94 050
Dikamoreng Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Likamoreng	15	11224	30	Matatiele	Matatiele	94 050
Super kids Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Skiti	1	11212	30	Matatiele	Matatiele	94 050

EMTHONJENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mehloloaneng		11791	25	Matatiele	Matatiele	78 375
IKAHENG PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Khubetsoana	12	1041	35	Matatiele	Matatiele	109 725
KHUPHUKANI	Provision of Cognitive Development Services for Children from 0-4 years	Montsa village	7	1039	25	Matatiele	Matatiele	78 375
Our Little People Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Cerdaville	26	9989	30	Matatiele	Matatiele	94 050
MANGO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lupindo	23	643	35	Matatiele	Matatiele	109 725
MSENTI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Chibini	7	1038	22	Matatiele	Matatiele	68 970
KHANYA MZONGWANA	Provision of Cognitive Development Services for Children from 0-4 years	Mzongwana	7	703	35	Matatiele	Matatiele	109 725
Nkululekweni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Matewu	8	10388	30	Matatiele	Matatiele	94 050
ELUKHANYISWENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mkemane	18	1037	30	Matatiele	Matatiele	94 050
KHETHOKUJHLE	Provision of Cognitive Development Services for Children from 0-4 years	Nyaniso	18	1040	20	Matatiele	Matatiele	62 700
TANDUXOLO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Upper mvenyane	21	647	28	Matatiele	Matatiele	87 780
LESEDI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Pontseng	11	718	30	Matatiele	Matatiele	94 050
Sibonelo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Lunda	6	10385	30	Matatiele	Matatiele	94 050
NOLUNTU SILOZI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Fiva	18	1034	30	Matatiele	Matatiele	65 835
NOLUNTU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Caba	10	645	25	Matatiele	Matatiele	78 375
Mnceba Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mceba	5	10390	30	Maluti	Matatiele	94 050
Khanya Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Zingcuka	24	9155	35	Matatiele	Matatiele	109 725
Noluvuyo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Likhetlane	16	1505	20	Matatiele	Matatiele	62 700
Masikhanyiseni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ramafole	24	1519	25	Matatiele	Matatiele	78 375
Phakamani Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mariteng	24	1502	25	Matatiele	Matatiele	78 375

Masizakhe Luxeni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Luxeni	17	10387	30	Matatiele	Matatiele	94 050
Phumelela Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Makhoba		1033	21	Matatiele	Matatiele	65 835
AMADIBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mgungundlovu	24	8918	30	Mbizana	Mbizana	94 050
Bagcine Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Gumzana	22	9215	30	Mbizana	Mbizana	94 050
BIZANA VILLAGE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bizana	1	1457	30	Mbizana	Mbizana	94 050
BOYCE PRE PRIMARY SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mhlanga	6	1367	35	Mbizana	Mbizana	109 725
CRITCHLOW PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Kanyayo	15	1364	41	Mbizana	Mbizana	128 535
Dlangzwa Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Madiba	16	1445	40	Mbizana	Mbizana	125 400
EKUZAMENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gwala	5	1362	40	Mbizana	Mbizana	125 400
HAMBANATHI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dlungwana	5	1439	40	Mbizana	Mbizana	125 400
HORRAINE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	7	8919	30	Mbizana	Mbizana	94 050
ILITHA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Emathwebu	13	1372	30	Mbizana	Mbizana	94 050
Intsingizi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	KwaNikhwe	17	9382	40	Mbizana	Mbizana	125 400
JAKUJA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Majazi	13	1426	40	Mbizana	Mbizana	125 400
LUKHULO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lukholo	22	1350	40	Mbizana	Mbizana	125 400
MABhodweni PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mpisi		9214	30	Mbizana	Mbizana	94 050
Mabula Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Imizizi		9381	35	Mbizana	Mbizana	109 725
Magusheni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Amantshangase		1453	30	Mbizana	Mbizana	94 050
MANUNDU PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt zion	12	1356	40	Mbizana	Mbizana	125 400

MBOBENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Isikelo	5	1437	40	Mbizana	Mbizana	125 400
Mretshi	Provision of Cognitive Development Services for Children from 0-4 years	Ntshamathe	6	1361	40	Mbizana	Mbizana	125 400
Mtenjiwa Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	17	9384	40	Mbizana	Mbizana	125 400
Mthanyise Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Amadiba	25	9139	40	Mbizana	Mbizana	125 400
Niniva Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Amangutyana	5	1359	30	Mbizana	Mbizana	94 050
Nkantolo Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Nkantolo	27	10293	30	Mbizana	Mbizana	94 050
Nokhanyo Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Hlolweni	21	1358	40	Bizana	Mbizana	125 400
Ntlenzi Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ntlezi	8	1456	40	Bizana	Mbizana	125 400
Pele pele Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Qhasa	11	10393	30	Bizana	Mbizana	94 050
Rock Star Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ntlezi	8	1428	58	Bizana	Mbizana	181 830
Siyabulela Day Care	Provision of Cognitive Development Services for Children from 0-4 years	Ludeke	7	9158	60	Mbizana	Mbizana	188 100
SIYAKHULA	Provision of Cognitive Development Services for Children from 0-4 years	Ndela	31	9385	25	Bizana	Mbizana	78 375
THOKOZANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	KwaNikhwe	3	1443	60	Bizana	Mbizana	188 100
Xholobeni Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Bizana	25	9714	30	Bizana	Mbizana	94 050
Zamokuhle Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nkongqo	7	9383	60	Mbizana	Mbizana	188 100
Zamukwenyuka Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Ntlezi	8	1377	60	Mbizana	Mbizana	188 100
Chief Mtenjiwa Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Sizityaneni	31	11219	30	Mbizana	Mbizana	94 050
Happy Hearts Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Mhlanga	6	11220	15	Mbizana	Mbizana	47 025
Zamokuhle (2) Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	26	10394	30	Mbizana	Mbizana	94 050
Lusindisweni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Matshangase	15	10392	30	Mbizana	Mbizana	94 050

Umtombowolwazi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Ndela	3	10395	30	Mbizana	Mbizana	94 050
Khotsho Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Magutyana	13	10397	30	Mbizana	Mbizana	94 050
Malihambe Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mbobeni	5	10396	30	Mbizana	Mbizana	94 050
Sicelimfundo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Nikhwe	19	10659	30	Mbizana	Mbizana	94 050
Siyaphambili Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Nyanisweni	7	11210	30	Mbizana	Mbizana	94 050
Gwabeni Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Gwabeni	9	11217	30	Mbizana	Mbizana	94 050
Laleni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mbutweni	2	10087	30	Mbizana	Mbizana	94 050
Lubala Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Monti	19	10400	30	Mbizana	Mbizana	94 050
Ngingo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ngingo	8	12371	30	Mbizana	Mbizana	94 050
Mbabazo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mbabazo	17	12370	30	Mbizana	Mbizana	94 050
Needuluntu Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Bukuveni	8	12369	30	Mbizana	Mbizana	94 050
Zamani Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Luthulini	15	11709	30	Mbizana	Mbizana	94 050
September Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mkolora	19	12368	30	Mbizana	Mbizana	94 050
Mtiamvuna Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mtiamvuna	5	12367	30	Mbizana	Mbizana	94 050
Candulwandle Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dumsi		9850	30	Ntabankulu	Ntabankulu	R94 050
DUMAKUDE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nyokweni		1461	50	Ntabankulu	Ntabankulu	R156 750
Dumsi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dumsi		10298	35	Ntabankulu	Ntabankulu	R109 725
EKHAYENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rwatshana		1399	15	Ntabankulu	Ntabankulu	R47 025
James Cingo Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mfundisweni		1386	60	Ntabankulu	Ntabankulu	R188 100
KUYASA PRESCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntlamvini		10299	30	Ntabankulu	Ntabankulu	R94 050

MAKUKHANYE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bomvini		8901	35	Ntabankulu	Ntabankulu	R109 725
Masakhane Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mowa		10137	30	Ntabankulu	Ntabankulu	R94 050
MASIZAKHE NTLAMUNI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bonxa		8899	60	Ntabankulu	Ntabankulu	188 100
Mzomomhle Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Caba		10186	30	Ntabankulu	Ntabankulu	R94 050
NDAKENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ndakeni		1449	60	Ntabankulu	Ntabankulu	R188 100
Ndamase Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Phepheni		1448	60	Ntabankulu	Ntabankulu	R188 100
NDUMISO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cetshe		1452	60	Ntabankulu	Ntabankulu	R188 100
Nomzamo Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Ngwemnyama		719	17	Ntabankulu	Ntabankulu	R53 295
NYANDA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mbangweni		1436	20	Ntabankulu	Ntabankulu	R62 700
SOLOMZI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mnceba		1369	35	Ntabankulu	Ntabankulu	R109 725
Isipetu Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Slindini		9380	35	Ntabankulu	Ntabankulu	R109 725
Sonwabile Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Nyokweni		10642	30	Ntabankulu	Ntabankulu	R94 050
Manyawuza Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Madamini		10641	30	Ntabankulu	Ntabankulu	R94 050
Ngqwashu Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ngqwashu		10603	30	Ntabankulu	Ntabankulu	R94 050
Zwelitsha Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	c	10602	30	Ntabankulu	Ntabankulu	R94 050
Phathekile Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mbangweni	13	10643	30	Ntabankulu	Ntabankulu	R94 050
Imithayelanga Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mnceba	12	11918	35	Ntabankulu	Ntabankulu	R109 725
BULELANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Tabankulu	9	1376	52	Ntabankulu	Ntabankulu	R163 020
KHANYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Zulu	10	1409	50	Ntabankulu	Ntabankulu	R156 750

	KHETHANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	10	1363	50	Ntabankulu	Ntabankulu	R156 750
	Luthambeko Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Luthambeko	1	9851	30	Ntabankulu	Ntabankulu	R94 050
	Masithokoze Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Lwandlana	13	9849	49	Ntabankulu	Ntabankulu	R153 615
	Mathole Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Silindini	2	10324	15	Ntabankulu	Ntabankulu	R47 025
	Mfulamde Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mabofu	16	1401	25	Ntabankulu	Ntabankulu	R78 375
	Noluvo Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Mbangweni	9	8900	60	Ntabankulu	Ntabankulu	188 100
	Nitsitsana Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Ntlenzi A/A	8	9852	30	Ntabankulu	Ntabankulu	R94 050
	Siyavuya Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dungu	1	10090	30	Ntabankulu	Ntabankulu	R94 050
	VALELA PRE - SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mabhudu A/A	14	1351	25	Ntabankulu	Ntabankulu	R78 375
	VUSANI	Provision of Cognitive Development Services for Children from 0-4 years	Ngcolo Location	1	1366	25	Ntabankulu	Ntabankulu	R78 375
	Zamukulungisa Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dungu Location	1	10296	30	Ntabankulu	Ntabankulu	R94 050
	Goodhope Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dungu Location	9	12974	15	Ntabankulu	Ntabankulu	R47 025
196	George Pre school	Provision of Cognitive Development	Mbangweni loc	14	12673	20	Ntabankulu	Ntabankulu	R78 375
197	Lingelihle Preschool	Services for Children from 0-4 years	Mjila	11	12677	25	Ntabankulu	Ntabankulu	R78 375
198	Vumani Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Caba Location	1	12672	20	Ntabankulu	Ntabankulu	R78 375
									R 21 832 140

Child And Youth Care: Non-Governmental Organizations
Crime Prevention and Support
Victim Empowerment
Substance Abuse

PROJECT NAME	ACTIVITY	LOCATION	WARD	BENEFICIARIES	TOWN	LOCAL MUNICIPALITY	ALLOCATION
1. Umzimvubu Tada	Empower youth-in school on the risk factors of substance abuse	Mt Ayliff Village	7	6	Mt Ayliff	Umzimvubu	R140 000.00
2. Mount frere tada	Empower youth-in school on the risk factors of substance abuse	Mount frere	18	5	Mt frere	Mzimvubu	R140 000.00
3. Makhoba TADA	Empower youth-in school on the risk factors of substance abuse	Makhoba	7	5	Matatiele	Matatiele	R130 000.00
4. Imizizi Youth Advocate	Empower youth-in school on the risk factors of substance abuse	Imizizi	20	5	Bizana	Bizana	R140 000.00
5. Ntabankulu Tada	Empower youth-in school on the risk factors of substance abuse	Ntabankulu	09	4	Ntabankulu	Ntabankulu	R140 000.00
6. Bizana Community Treatment Services	Empower youth-in school on the risk factors of substance abuse	Bizana	01	5	Bizana	Bizana	R164 959 .49
TOTAL							R854 959.49

NO.	NAME OF APPLICANT (ORGANISATION)	PHYSICAL ADDRESS	DISTRICT	LOCAL MUNICIPALITY & WARD	ACTIVITY	CONTACT PERSON & NO	PERIOD	BUDGET
POVERTY AND SUSTAINABLE LIVELIHOODS								
1.	Jimoro Development initiative	Mqhokweni Village,	Alfred Nzo	Umzimvubu 06	Household Garden	Nosisa Caroline Ngwadla 079 384 3312	01/04/2017- 31/03/2018	R10.000.00
2.	Monti Garden Household	Monti Village	Alfred Nzo	Mbizana 19	Household Garden	N. Mbhokwe 0710814894	01/04/2017- 31/03/2018	R10.000.00
3.	Mthukukazi Household Organization	Mthukukazi Vilage	Alfred Nzo	Tabankulu 06	Household Indigenous Chickens	N061248758 . R Bunqwe	01/04/2017- 31/03/2018	R10.000.00
4.	Mavenu CNDC	Luthulini	Alfred Nzo	Mbizana 14	CNDC	S. Majila 082628666	01/04/2017- 31/03/2018	R36.000.00
YOUTH DEVELOPMENT								
1.	Ubomi Sewing Primary Coop Limited	Zwelitsha Village	Alfred Nzo	Matatiele 8	Sewing	Z Phambaniso 0736266980	01/04/2017- 31/03/2018	R150.000.00
2.	Vutha Youth Structure	Mtshazi	Alfred Nzo	Umzimvubu 19	Broilers	N.Gawulana 078 4448 130	01/04/2017- 31/03/2018	R100.000.00
WOMEN DEVELOPMENT								
1.	Mangopeng Household Food Production	Mangopeng	Alfred Nzo	Mtatiele 14	Household Indigenous Chickens	M Likotsi 0715832297	01/04/2017- 31/03/2018	R50.000.00
2.	Inamandla Matwebu Agric Coop	Matwebu	Alfred Nzo	Mbizana 13	Broilers	N. Maphetshana 0791871251	01/04/2017- 31/03/2018	R206.608.00
3.	Tsita Household Organization	Tsita	Alfred Nzo	Tabankulu 12	Household Indigenous Chickens	N. Nyaba 0835176537	01/04/2017- 31/03/2018	R50.000.00
4.	Zulu Household Organization	Zulu A/A	Alfred Nzo	Tabankulu 10	Household Indigenous Chickens	T.N Matubatuba 0784661550	01/04/2017- 31/03/2018	R50.000.00
5.	Edabini Bafazi Development Initiative	Gudintaba,	Alfred Nzo	Umzimvubu 11	Household Indigenous Chickens	Sihoyi Thabisa 073 268 4019	16/01/2017	R50.000.00
TOTAL								R406 608 00

6.3.10 Economic Development Environmental Affairs and Tourism (Dedeat) Projects

PROJECT/PROGRAMME NAME	LOCATION/WARD OR VILLAGE NAME	PROJECT STATUS	CHALLENGES	REMEDIAL/ CORRECTIVE ACTION	ALLOCATED BUDGET	FINANCIAL YEAR
Ntabankulu Street Cleaning and Beautification Project	Ward 08	Implemented	-Project was supposed to have been implemented in the beginning of the 4th quarter (2016/17 FY) - The project started on March 01, 2017 and up to now the contracts have not been signed by the MM - The LM wants to report about the project on the EPWP reporting system of which DEDEAT as the funder is the one that needs to report on the EPWP reporting system.	The project has now been implemented. MM to sign the contracts A meeting will be set between the LM, DEDEAT and the Regional Department of Roads and Public Works where this issue will be clarified.	1 million	2016/17-2017/18
Marine Day Celebrations	Mbizana LM/ Mthentu	Held on October 20, 2016	Mining and Tourism issues emanated and led to the event ending abruptly	N/A	R250 000.00	16/17 & 17/18
Regional and Provincial Enviro Awards	Mt Ayliff	August 2016	None	N/A	R41 500.00 R60 000.00	16/17 & 17/18
EES Awareness Campaigns	Per Local Municipality	Per quarter	None	N/A	R500 000.00	16/17 & 17/18
Biodiversity Day	Umzimvubu LM	31/05/2018	None currently	N/A	R250 000.00	17/18
Roahang Craft Centre & Upholstery	Nchodu-Naledi – Matatiele LM	In progress			R1,8 mil	16/17 & 17/18
Back to Eden Primary Cooperative	Umzimvubu LM – Toleni Location	In progress			R500 000.00	16/17
Breakthrough Primary Cooperative	Mbizana LM	In progress			R500 000.00	16/17
Amambanjwa Agricultural Cooperative	Mbizana LM Ntlenzi	In progress			R500 000.00	16/17
Enterprise Development Capacity Building Session	Mbizana and Ntabankulu Lm				R40 000.00 R50 000.00	16/17 17/18
Local and Regional Economic Development (LRED) Fund		Call for proposals – open 01 April 2017			R32 mil (Provincial Budget)	2017/18

6.3.11 Department of Rural Development and Agrarian Reform (DRDAR) Projects

PROJECT/PROGRAMME NAME	LOCATION/ WARD OR VILLAGE NAME	ALLOCATED BUDGET	FINANCIAL YEAR
LIVESTOCK PROJECTS			
Mpendla Multi-purpose shed	Mpendla	1 100 000	2017-18
Machibini livestock project	Machibini	220 000	2017-18
Cabazana livestock project	Cabazana	220 000	2017-18
Mvenyane livestock project	Mvenyane	220 000	2017-18
Mahobe livestock project	Mahobe	780 000	2017-18
Greystone Farm livestock project	Cedarville	400 000	2017-18
Mnyameni livestock project	Mnyameni	1 510 000	2017-18
Dumse livestock project	Dumse	220 000	2017-18
Dutyini livestock project	Dutyini	220 000	2017-18
Chibini Multi-purpose shed	Chibini	950 000	2017-18
Ndlantaka livestock project	Ndlantaka	400 000	2017-18
Mpisini livestock project	Mpisini	220 000	2017-18
GRAIN PROJECTS (FENCING)			
Mahobe maize project	Mahobe	300 000	2017-18
Delamonte Maize project	Ongelusnek	720 000	2017-18
Brownlee Maize project	Ongelusnek	600 000	2017-18
Donaldrift Maize project	Ongelusnek	1 200 000	2017-18
Stanford Maize project	Ongelusnek	540 000	2017-18
CROPPING PROJECTS			
Umzimvubu	1220 ha	R 2 196 000,00	2017-18
Matatiele	4130 ha	R7 434 000.00	2017-18
Mbizana	2500 ha	R4 500 00.00	2017-18
Ntabankulu	798 ha	R1 436 400.00	2017-18

PROGRAMME	BUDGET
CROPPING	R 33 741 000.00
INFRASTRUCTURE	R 9 960 000.00
LAND CARE	R 2 646 000.00
LIVESTOCK IMPROVEMENT	0
TOTAL	R 46 347 000.00

7. SECTORAL PLANS

7.1 Spatial Development Framework

7.1 Executive Summary

Spatial planning in the Alfred Nzo District Municipality occurs within the national and provincial policy directives, and sets the agenda for spatial planning at a local level. The national policy framework includes the Constitution of the Republic of South Africa, various pieces of legislation that give effect to the intentions of the Constitution in respect of spatial planning, and the associated policies that outline the spatial transformation and development agenda. Provincial policy includes the Eastern Cape Provincial Growth and Development Strategy and the accompanying Spatial Development Plan.

The ANDM SDF aligns with these policy directives and enables the municipality to contribute to the attainment of the spatial development targets and objectives outlined in these policies. It also deals directly with the spatial issues facing the district.

7.2 Spatial Planning Mandate

Since the beginning of the new democratic era in South Africa, the notion of spatial planning has become an integral part of the development planning and transformation discourse. The Constitution (Schedule 4 Part B) bestows this responsibility to local sphere of government. In the interim, municipalities give effect to this mandate through the Development Facilitation Act, Act No. 67 of 1995 and the Municipal Systems Act, Act No. 32 of 2000. The latter requires a municipality to prepare and adopt an SDF as part of its IDP.

On 6 May 2011 the Department of Rural Development and Land Reform published the Draft Spatial Planning and Land Use Management Bill (SPLUMB) for public comments. Once passed into law, the proposed legislation will replace the Development Facilitation Act No 67 of 1995, Removal of Restrictions Act No 84 of 1967, the Physical Planning Act No 88 of 1967 and other laws. The Bill provides, inter alia, for a uniform, effective, efficient and integrated regulatory framework for spatial planning, land use and land use management in a manner that promotes the principles of co-operative government and public interest. It provides for and determines development principles, compulsory norms and standards for land use management, and promotes sustainable and efficient use of land.

As prescribed in the bill, the ANDM SDF gives effect to the development principles enshrined in the bill, and presents both a narrative and visual representation of a five year spatial development plan. It assumes a long term vision and identifies significant structuring elements of spatial development.

7.3 National Development Plan (NDP)

The National Planning Commission (NPC) has been established and tasked inter alia with the formulation of a long term strategic plan for South Africa. The plan will articulate a long term vision and a plan for its implementation. It will shape government's service delivery and development programmes, and guide spatial transformation.

In the interim, the national government has adopted various sector based policy frameworks. The majority of these have serious implications for spatial planning at a local level. In view of the rural nature and underdevelopment that characterises the ANDM, only the following are considered:

- The New Growth Path
- Comprehensive Rural Development Strategy and the associated programme
- The Comprehensive Plan for the Development of Sustainable Human Settlements.

7.4 Environmental Management

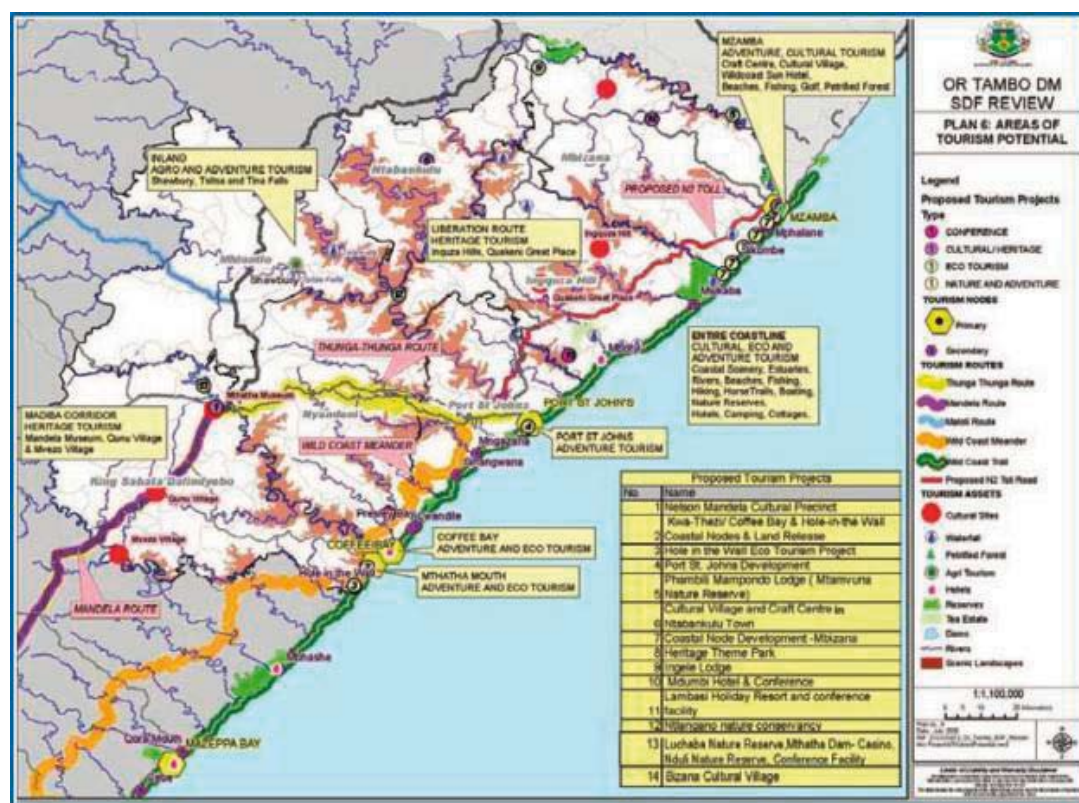
The Environmental Management Plan for Alfred Nzo District fulfils, in part, the requirements of the National Environmental Management Act (NEMA) of 1998. It was prepared as a means to promote sound environmental management and promote sustainable land use practices within the district. It provides a comprehensive picture of the status of the environment, and outlines a strategic direction for environmentally sustainable development and effective management of the natural resources.

It adopts a long-term vision, but also identifies short to medium term actions that need to be addressed as part of the IDP process. These include capacity building and training, catchment management, protected areas, climate change and vulnerability mapping, and waste management.

It also identifies priority environmental areas (PEAs) such as follows:

- Mount Fletcher-Maluti Drakensburg Escarpment.
- Ongeluksnek-Matatiele Ridge Corridor.
- Western Tswereke Catchment
- Semongkong ridgeline
- Matatiele - Cedarville Ridge Corridor.

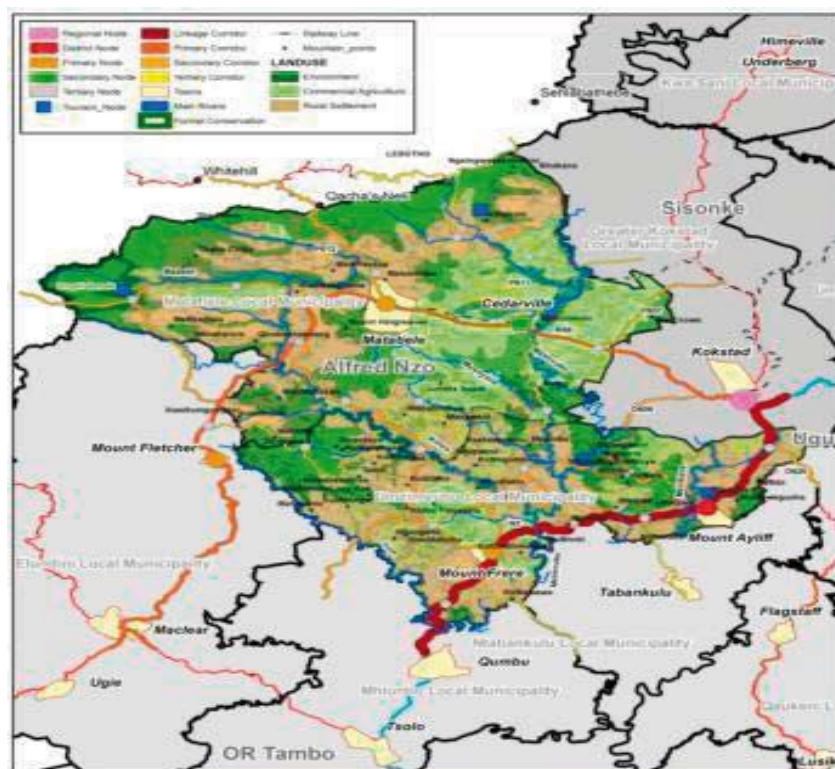
Map 1: Tourism Potential



7.5 Spatial Planning

Spatial planning is a shared function between the district and the local municipalities with the former focusing mainly on cross-border issues, bulk infrastructure and regional economic development. Both the current ANDM SDF (November 2011) and the OR Tambo DM SDF provide an overview of the districts spatial development trends and patterns, and outlines strategies for spatial transformation at a district level. They adopted a service centre (service node hierarchy) approach and accordingly identify primary, secondary and tertiary nodes. Mt Ayliff is the only primary node, while Matatiele, Mt Frere and Ntabankulu and Mbizana all serve as secondary nodes. Tertiary nodes include Maluti, Cedarville, Mzamba and others. This recognises the role of these towns as service centres and commercial hubs for a large part of the district, and a strategic link with towns outside the district. The N2 which runs in a north-south direction linking the Eastern Cape and KwaZulu-Natal provinces serves as the primary corridor and main access route to the district while R56 and R61 are identified as secondary corridor.

Map 2:



In addition, they identify the following key areas for intervention:

- Improved access and service delivery to urban and rural areas;
- Facilitating efficient agricultural development
- Developing the tourism potential and managing the environmental resources; and
- Developing a hierarchy of service nodes.

All four local municipalities have developed and adopted SDFs as a component of their IDPs. This review will consider each of these SDFs and provides a framework for alignment.

7.6 Regional Access

The geographic location of Alfred Nzo District Municipality along the border of Eastern Cape and KwaZulu-Natal Provinces establishes the area as gateway (entry and exit) point to KwaZulu-Natal from the Eastern Cape and vice versa. The N2 national corridor runs in a north-south direction and serves as the main access route to the District. Other important access and trade routes include R61 linking Mbizana and Port Edward, and R56 which runs along the northern and western boundaries linking Matatiele with Kokstad to the east and Mt Fletcher to the south respectively. The ANDM forms part of the Eastern Region in terms of the ECPSDP. This region includes the majority of the former Transkei, smaller towns (Mt Frere, Mt Ayliff, Maluti, Mbizana, etc) and the surrounding dispersed rural settlements which occur alongside various environmental corridors. The distance from the ANDM to the major economic hubs within both provinces suggests that Kokstad, Port Shepstone and Pietermaritzburg are the main areas that service the district with major commercial facilities. These economic hubs are all located in KwaZulu-Natal Province, and Mthatha in the Eastern Cape are within a 300km radius. East London and Port Elizabeth are located beyond the said radius.

The position and role of the ANDM in the regional space economy is tightly interlinked with both the provinces with the area having strong functional linkages with KZN town such as Kokstad and Port Shepstone. Despite this strategic location of the area in relation to the N2, Alfred Nzo has remained a peripheral economy to these two provinces. The key challenge is to capitalize on its regional accessibility, location in relation to Drakensberg, Coastline, Lesotho and a huge rural (rural settlement and commercial agriculture) catchment/threshold.

7.7 Land Use Patterns

Current land use patterns has evolved in response to the settlement patterns, rural character of the district, applicable planning policies and land use management practices i.e. formal and customary. The broad categories of land uses that exist within the area are:

- Urban Settlements – these are the small towns with an agglomeration and variety of social and economic uses;
- Rural Settlements – which primarily include rural villages with social facilities, subsistence agriculture but limited economic uses;
- Commercial agriculture – these are mainly the privately owned farms around Cedarville and Ongeluksnek Nature Reserve; and
- Conservation areas – which include the protected nature reserves such as Ongeluksnek and Mkhambathi Nature Reserve.

A substantial area of arable land has been left fallow. This could be ascribed to a number of factors including availability of resources to produce food, degradation and loss of productive potential. Most of the hill slopes are used for grazing of livestock with the result that most of these slopes have limited vegetation cover (ADM Enviro Status Quo Report, June 2003:1).

7.8 Land Ownership Patterns

Land ownership within Alfred Nzo District Municipal Area is dominated by state land which functions as the rural villages and accommodates the majority of the population. There are few privately owned farms within Matatiele and Umzimvubu Municipal Area. The majority of the land is registered in the name of the state and used for a different uses. The following categories of

state land could be identified:

State land – the majority of the land parcels within the municipal area are held in trust by the Minister of Rural Development and Land Reform (Formerly the Minister of Land Affairs). Some state land (former commercial farms) is surveyed and registered, but much, especially communal land, has only recently been surveyed and is still unregistered in the Deeds Registry (PSDP, Vol 1: 60).

There are numerous parcels of state land located throughout the local municipal areas. They include the Nature Reserves, land parcels upon which various facilities have been constructed, for example, government and municipal offices, police stations, schools, clinics and utilities (such as water works and sewerage treatment works).

7.9 Communal Land

Communal land is held in trust by the Minister of Rural Development and Land Reform and 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, Act No. 31 of 1996 also known as IPILRA.

7.10 Land Tenure Upgrading

The land tenure upgrading project has been initiated in Maluti, which is a former R293 township that is situated within the administrative boundaries of Matatiele Municipality. This upgrading of land tenure rights in Maluti occurs at two levels such as follows:

Upgrading of Deeds of Grant, which the apartheid government issued to black people in urban areas in the past. A review of the land ownership database in Maluti suggests that an overwhelming majority of residents still hold the land in terms of Deeds of Grant. The extent to which the same applies in Itsokolele Township needs to be confirmed.

Upgrading of land tenure rights that pertain to communal land in the rural hinterland. These include Permission to Occupy (PTOs) and beneficial occupation rights. The declaration of the Communal Land Rights Act, Act No. 11 of 2004 (CLaRA), unconstitutional means that the status quo will remain in the rural areas until a new land rights legislation is enacted. This has denied local communities an opportunity to benefit from localised spatial planning and exercise their rights in terms of security of tenure (CLaRA provided a continuum of tenure security from communal through to titling paradigm).

7.11 Bulk Infrastructure (Water and Sanitation)

The provision of bulk services is very important for the sustainability of settlements and economic growth, such that economic development is heavily dependent on the availability of good infrastructure in order to be unlocked. Local government has a responsibility as well, to ensure that communities have access to basic services. Bulk infrastructure delivery is therefore a legal mandate as well as an economic instrument to unleash the growth of the area. Sector plans have been prepared for some of the services. These include the Water Services Development Plan and Integrated Development Plan. The recommendations thereof have implications for the SDF especially for alignment and integration purposes.

7.12 Sanitation

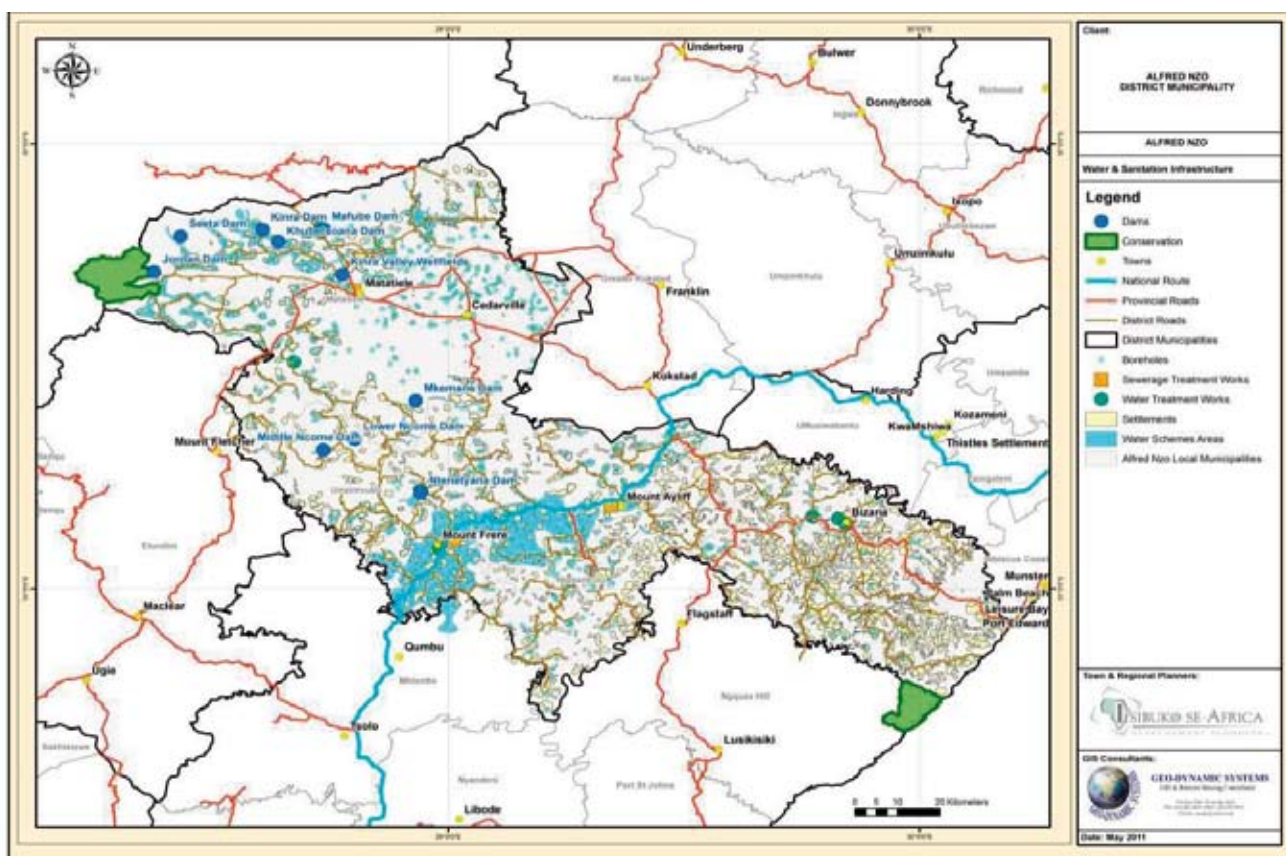
The Water Services Development Plans indicated that there is a huge sanitation backlog within Alfred Nzo, particularly within Ntabankulu where the town does not have a waterborne sewerage. Also some rural villages within various parts of the municipal area have poor access to sanitation. Packaging of sanitation programs should be based on settlement clusters and be integrated with the drive towards the transformation of rural villages into sustainable human settlements. The following spatial planning standards should be applied in all sanitation projects:

- Giving priority to settlements located within priority environmental areas.
- Providing settlements located within a 100m of wetlands with lined ventilated pit latrines at the minimum.
- Providing urban (Ntabankulu) and other peri-urban settlements with water borne sewerage.

7.13 Water

Like many areas in South Africa, Alfred Nzo Municipality has inherited the historical legacy of a large backlog of water services infrastructure. This situation is clearly intolerable and therefore the efficient and adequate supply of water services for domestic consumption and for economic development is one of the most important challenges facing Alfred Nzo District Municipality, in its capacity as the Water Services Authority for its area of jurisdiction. ANDM has identifies the following as critical and strategic water supply areas:

- Additional sustainable water source for Matatiele and Maluti towns.
- Bulk water supply system where rural schemes can just be “plugged in”.
- Bulk water supply to Cedarville.
- Raw water supply for Agricultural irrigation (Ongeluksnek, Matatiele, Cedarville, and some other areas).
- Implementation Readiness Study for Regional Bulk Water Supply Infrastructure in the Matatiele and Umzimvubu Municipality areas recommended the following bulk water schemes for Matatiele:
- M1 - Kinira River Dam.

Map 3:

7.14 Spatial Economy

This section provides an analysis of where population and economic activities and related opportunities are located within the Alfred Nzo District Municipality. It compares the structure of the district economy, with those of other districts economic performances within the Eastern Cape Province. The main aim is to identify those sectors of the economy with which the Alfred Nzo District has an inherent comparative advantage relative to spatial characteristics and economic infrastructure so as to enhance the process of translating the comparative advantage to competitive advantage for the district and province's benefits.

7.15 Impact of Boundary Re-demarcation

Alfred Nzo has over the years evolved drastically in terms of geographical space and population composition. During the early 2000s, the district comprised of Umzimvubu and UMzimkhulu Local Municipalities. Both these municipalities were very fragmented such that they did not even share the boundaries, which allowed for wall-to-wall municipal planning. After the 2006 local government elections, Alfred Nzo District administrative boundary was changed to include Matatiele. UMzimkhulu Local Municipality was transferred to KwaZulu-Natal Province. Both these municipalities shared the administrative boundaries and therefore mark an improvement in the spatial configuration of the district for planning and administrative purposes.

The recent demarcation following 2011 local government elections has resulted in Alfred Nzo District obtaining two additional local municipalities (i.e. Ntabankulu and Mbizana). This will further strengthen the role of co-ordinated spatial planning amongst the four municipalities that were previously administered by two different districts.

7.16 Under-Developed Urban Centres

Urban towns (Mount Ayliff, Matatiele, Mount Frere, Mbizana and Ntabankulu) play a significant role within the municipal area. These serve as the administrative, service and main economic centres with a threshold that covers the full extent of the municipal area and beyond. Although these towns exist with a range of commercial activities, they are currently poorly developed and structured. They are characterised by an unstructured linear form, land use separation and sprawling residential expansion. These towns should be planned as rural towns and be structured and managed to enable them to perform their functions efficiently and effectively.

7.17 Spatial Planning Principles

Alfred Nzo District Municipality's SDF is underpinned by normative principles reflected in various policy documents and pieces of legislation including the Development Facilitation Act (DFA), National Environmental Management Act (NEMA) and Provincial Spatial Development Plan. The following principles have been extracted from these sources and are considered appropriate to guide the preparation, review and implementation of Alfred Nzo Municipality SDF.

7.18 Spatial Framework

Alfred Nzo District Spatial Framework provides guidelines and directives for development in respect of the following key concerns:

- Spatial transformation and restructuring
- Environmental management
- Protection of high value agricultural land
- Rural Development and Agrarian Reform
- Economic Development and Land Use Management.

7.19 Spatial Restructuring

The following are the key elements of a spatial restructuring programme for Alfred Nzo District Municipality:

- Hierarchy of Nodes
- Hierarchy of corridors.
- Settlement clusters.

7.20 Primary Node

Mount Ayliff is one of the main urban centres within Alfred Nzo District. It is strategically located at the central parts of the district and it plays an important role as a regional centre for district. It has a good potential as a primary node for investment promotion and centre of supply of services in the district. It forms part of the provincial spatial systems and is identified in the PSDP as one of the economic hubs. This node has administrative, social, and economic potential and there is provision of concentration of different activities of services. As a regional node, the following activities should be strengthened in Mount Ayliff Town:

- Development of commercial activities serving the entire district municipal area and the surrounding areas (region)

- Location of district and sub-district offices of various government departments and service delivery agencies
- Location of facilities and services for an effective administration
- Industrial development, focusing mainly on the processing of raw materials produced within the sub-region
- Location of public facilities serving the whole sub-region and beyond. These may include district hospital, sports facilities and transportation facilities.

7.21 Secondary Nodes

There are three secondary nodes that have been identified within the district and these are:

- Matatiele
- Mount Frere
- Mbizana.

These nodes currently function as the main urban centres for the local municipalities that they serve. Similar to the primary node, these areas are well located within the main transportation routes that connect nodes with various settlements within each local municipality. As a sub-regional node the following activities should be strengthened in these secondary nodes:

- Development of commercial activities serving the whole local municipal areas and the surrounding areas (sub-region)
- Light Industrial development, focusing mainly on the processing of raw materials produced within the sub-region and the neighbouring areas – agri-processing centre
- Location of public facilities serving the local municipalities. These may include sports and transportation facilities
- Location of facilities and services for an effective administration and local governance of the municipalities.

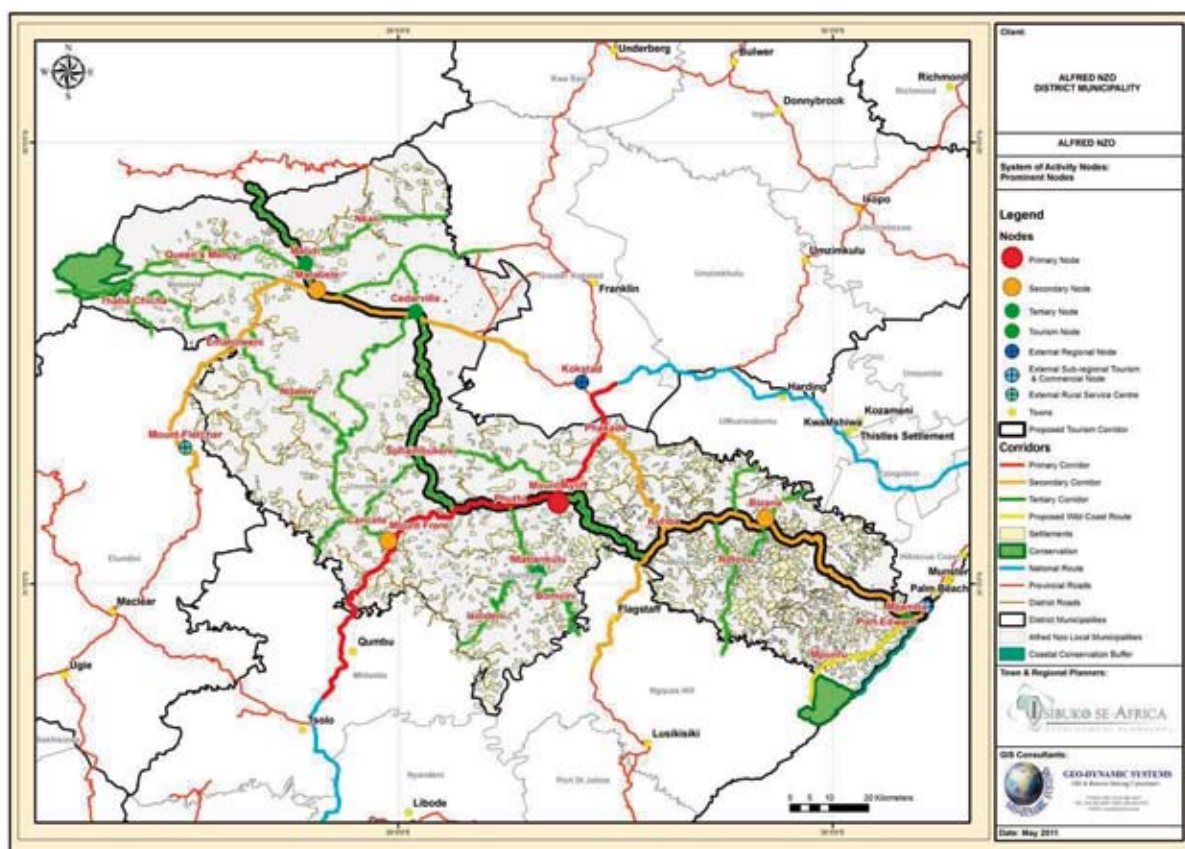
7.22 Tertiary Nodes

While the primary and secondary nodes serve as regional and sub-regional centres, at least four other areas present an opportunity for the development of tertiary nodes with much less threshold/sphere of influence, namely:

- Maluti
- Cedarville
- Mzamba.

Three main factors have influenced the selection of these areas:

- Location in relation to major access routes. Secondary nodes are located either along a primary or secondary corridor, or at the intersection of the primary and secondary corridors.
- Location in relation to large rural or urban settlements, which provides a threshold for services, rendered from these areas.
- Development potential based on the above two factors, and broad overview of the historical development of the areas as well as the current level of development.

Map 4:

7.23 Hierarchy of development corridors

Development corridors in Alfred Nzo District Municipality occur at different scales depending on function and categorization of the transportation route that forms the basis of the corridor. They carry the flows of people and trade between two points (origin and destination) and encourages nodal development at strategic point.

7.24 Primary Corridor

The N2 is identified in the NSDP as a national corridor, and is recognised as such (strategic transport route) in the PSDP. It runs in a north to south direction almost dividing Alfred Nzo District Municipality into half and link the area with KwaZulu-Natal towards the north as well as Eastern Cape towards the south. The N2 is a high speed limited access road providing access and inter-nodal connections at a national and provincial level. At a regional and local level, it presents an opportunity for the integration of Alfred Nzo to the national and provincial trade routes. It is a tourist route to the major tourist destinations in Eastern Cape. Development along this route should occur as follows:

- Facilitate the establishment of mixed land use activity nodes at the intersection of the N2 and the regional or provincial routes. Activities that may locate in these areas include logistics, warehousing, light industry and commercial facilities
- In the short to medium term, high value agricultural land located along the corridor should be protected, but in the long term, strategically located areas abutting onto the mixed land use nodes should be opened for development as mixed land use precincts.

7.25 Secondary Corridors

R56 and R61 are the provincial routes that link Alfred Nzo with external significant nodes such as Kokstad, Port Edward and Mount Fletcher. Secondary to the N2, these routes serve as the main link between the Eastern Cape Province and KwaZulu-Natal Province. These are identified in the Provincial Spatial Development Plan (PSDP) - Eastern Cape as some of the Strategic Transport Routes.

R56 is a multi-sectoral corridor as it facilitates access to agricultural zones in the Cedarville-Matatiele Area, tourism zones in the Ongeluksnek area and commerce and industry in Matatiele. It forms the basis for a road system that connects different parts of the municipal area.

Due to the current settlement patterns and population distribution, R61 has attracted a lot of settlement and establishment of business uses dependent on accessibility and population concentrations. The on-going densification along this route is resulting in R61 fulfilling the role of a residential access road.

Development along R61 and R56 Development Corridor should follow the following guidelines:

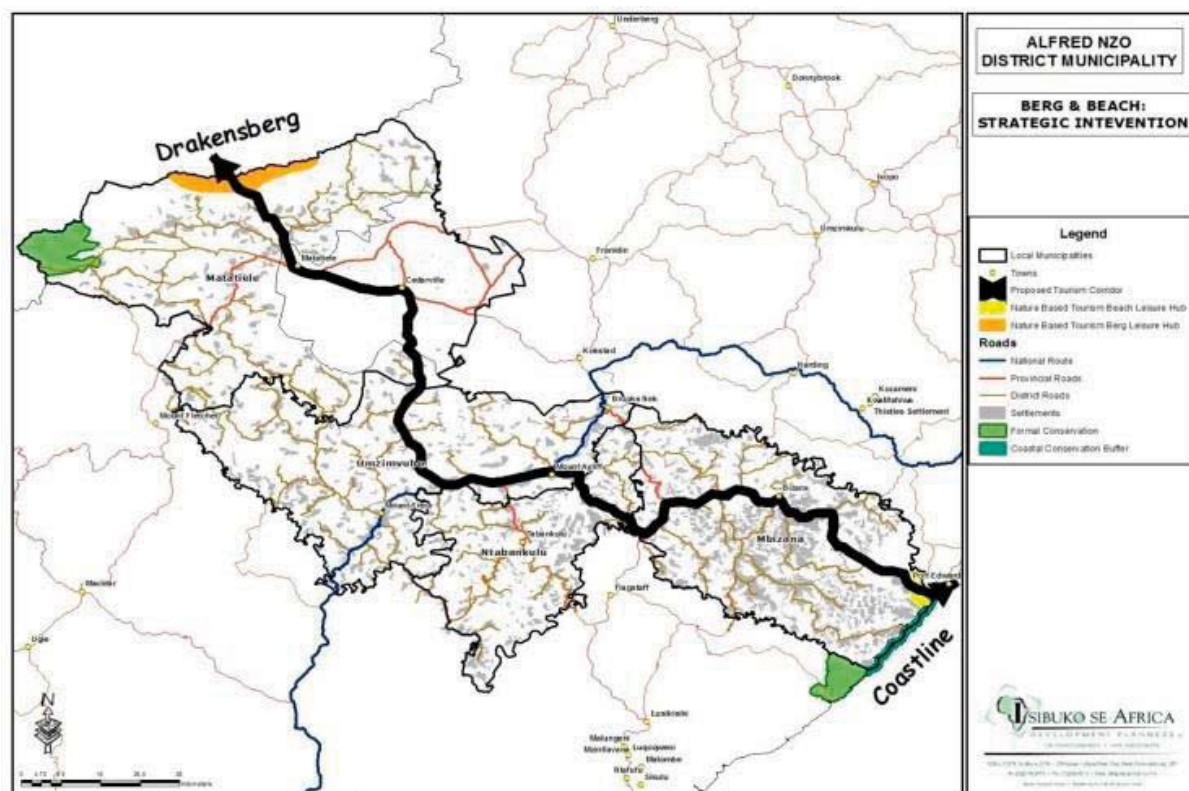
- R61 and R56 are regional limited access and high speed public transport routes, as such direct access onto this road should be subject to the provincial road transport regulations
- Higher order land uses should be accommodated in the nodes, but lower order land uses could develop in a linear fashion subject to alternative access opportunities
- A 15m buffer should be observed from the boundary of the road reserve. This has implications for settlements that have encroached onto the buffer areas.

7.26 Tertiary Corridors

There are a number of existing roads that have potential to develop as tertiary development corridors. These create opportunities to unlock new development areas through the use of a network of tertiary corridors. The key existing tertiary corridors include:

- The road from Matatiele to Lesotho through Maluti is one of the roads that carry huge volumes of vehicular and trade related traffic. It also provides access to a large number of peri-urban and rural settlements located just outside of Maluti. This road requires regular maintenance and upgrade as it has huge volumes of traffic
- Road to Ongeluksnek which branches nearly 15km outside of Matatiele. This road provides access to a tourist destination (tourism node) and block of high potential agricultural land located in the area. It also requires substantial upgrading and maintenance
- Proposed Maluti – Kingscote link road. This road will run along the foothills of the Drakensburg Range and thus provide strategic linkages and unlock tourism development potential of this area
- Road linking Matatiele and Ongeluksnek
- Road linking Swartburg with both Matatiele and Cedarville; Road from Ntabankulu to
- N2 (leading to Mount Frere); Road from Ntabankulu to Isilindini
- Mzamba-Mtentu Road; and
- Other district roads providing access to clusters of rural service nodes and settlements.

Map 5:



7.27 Proposed Wild Coast Toll Route

There is a proposed national route (i.e. wild coast toll route) which will be positioned from Mbitana (Mzamba) to Lusikisiki. According to the discussion with South African Roads Agency Limited (SANRAL) this toll road will not replace the existing N2 such that both routes will be under the authority of the Department of Transport. However the description of the existing N2 may change.



7.28 High Level LED Strategy

DISTRICT LOCAL ECONOMIC DEVELOPMENT STRATEGY

In response to the challenges faced by the district the district developed a LED Strategy, aimed at identifying local resources and skills, in order to stimulate local economic growth and development. The reviewed strategy was adopted by the Council on the 28 March 2013.

ROLE OF ALFRED NZO IN LED

This strategy is based on a new approach, which requires the municipality not to run LED projects itself, but to facilitate the setting up of institutional arrangements and creation of an enabling environment for business development. This is often referred to as “the new institutionalism”. As such, the role of ANDM Municipality in LED includes the following (DPLG, 2006: 7):

- Creating and strengthening multiple social and economic networks that support LED. These may extend to international scale given the strategic location of the municipality adjacent to a world heritage site. This includes partnerships, associational networks, etc.
- Developing and maintaining governance systems that give meaning to the notion of developmental local government. This includes a flexible yet effective land use scheme, enforceable bylaws, etc.
- Marketing and investment promotion working in support of structures responsible for promoting different sectors. This should focus mainly on the comparative and competitive advantages of the area and could be done via the electronic and print media
- Infrastructure development and maintenance as well as the delivery of reliable services.
- Managing progressive property tax system. This will assume the form of Property Rates Act (PRA) and the associated systems
- Promoting environmentally sustainable development.

LED VISION

The strategy identifies the following vision to driven economic development in the district; “ANDM, the food basket of the District and markets beyond.”

STRATEGIC PILLARS

The Strategy further identifies the following key pillars to promote and enhance local economic development and thus also respond to the poor socio-economic conditions faced by the district.

- Creating and strengthening multiple social and economic networks that support LED. These may extend to international scale given the strategic location of the municipality adjacent to a world heritage site. This includes partnerships, associational networks, etc.
- Developing and maintaining governance systems that give meaning to the notion of developmental local government. This includes a flexible yet effective land use scheme, enforceable bylaws, etc.
- Marketing and investment promotion working in support of structures responsible for promoting different sectors. This should focus mainly on the comparative and competitive advantages of the area and could be done via the electronic and print media
- Infrastructure development and maintenance as well as the delivery of reliable services.
- Promoting environmentally sustainable development.

LED DRIVERS

The following are critical drivers for effective LED implementation as identified by the strategy:

- **Local people:** Active involvement and participation of the local people in integrated development planning as undertaken by the municipality is a hallmark and a foundation for building a robust sustainable and all-inclusive local economy. The key challenge is to change the mindset and mobilise communities towards a common vision for developing the local economy
- **Local assets:** The municipality will harness the local assets such as natural, human and manmade resources for the purpose of local economic development. The key challenge is to develop local skills to tap onto these opportunities and exploit them for the benefit of the area
- **Main economic sectors:** Government services, agriculture, tourism and commerce are the main economic sectors that form the backbone of the local economy. Particular focus (priority) should be given to these sectors
- **Strategic leadership:** Effective LED requires champions and leaders that inspire confidence and are able to mobilise resources for the advantage of the local communities. The municipality, through its economic development directorate occupies a uniquely strategic position to provide such leadership. In so doing, it needs to ensure that all other leaders within the area share the same vision and are able to amass their influence, power and authority towards the attainment of the vision
- **Networks and partnerships:** In addition to strategic leadership, effective LED implementation in ANDM requires the establishment of networks horizontally and vertically. These networks and partnerships are required to support LED implementation, sharing of ideas and knowledge and to build social cohesion around a common economic development vision
- **Co-operative competition** is about collaboration and gives further impetus to a need for networking and partnerships. It refers to the cooperation among businesses that are involved in either similar or complementary business activities to maximize benefits, manage risks, and reduce unnecessary losses.

ECONOMIC DEVELOPMENT OBJECTIVES

The following objectives are set in order to guide the process of moving progressively towards the attainment of the long-term vision:

- To facilitate regional economic economy and create employment opportunities directly and indirectly
- To alleviate poverty and promote socio-economic development
- To create opportunities for youth and women empowerment
- To support SMMEs and create opportunities for growth
- To provide direct strategic support to key economic sectors while promoting new economic sectors
- To facilitate rural development
- To address infrastructure backlogs and unlock latent economic development opportunities.

DEVELOPMENT STRATEGIES

Economic development issues facing the district are both structural and fundamental and addressing these issues requires the municipality to adopt a strategic approach focusing mainly on aspects that will yield a higher impact. The strategies identified with a view to implement the vision as formulated above are:

Strategy 1: Optimal use of resources the Municipality and other government agencies having access to and controls.

Strategy 2: Facilitating the implementation of bulk infrastructure projects to unlock economic development potential and opportunities.

Strategy 3: Providing strategic support to key economic sectors.

Strategy 4: Establishing planning frameworks and governance systems that support Local Economic Development.

Strategy 5: Developing and supporting SMME.

LED Institutional Arrangements

Alfred Nzo District Municipality established its Development Agency to focus on promotion and implementation of local economic development initiatives, investment mobilization, trade promotion and marketing in so far as it relates to local economic development. ANDA is a municipal entity established in terms of the Municipal Systems Act and is accountable to the Municipality. The district has also established intergovernmental relations forums such as the LED Forum, District Support Team (DST), and IDP Representative Forum, District AgriPark Operational task Team etc. which sit on a regular basis in order to encourage dialogue and also strengthen relationships with relevant stakeholders to promote development and to also ensure efficient service delivery.

DISTRICT LED PROGRAMMES

The district is implementing and supporting the following programmes towards local economic development:

AGRICULTURAL PROJECTS INCLUDING:

- Siyazondla Homestead Food Production (Green revolution)
- Cropping Programme
- Land Care Programme
- Communal Soil Conservation Scheme
- Resource Planning Programme
- Natural Resources
- Soil Conservation Scheme
- Comprehensive Agriculture Support Programme (CASP)
- Livestock production Improvement Programme
- Micro-Economies (Business Plan development, Coop Registration, Marketing)
- VETTING (Animal Health Technicians and Agricultural Development Practitioners)

- Extension and Advisory services
- Agro-processing programmes
- Currently supporting and facilitating a process toward the successful implementation of the Agri-Parks Programme.

TOURISM DEVELOPMENT PROGRAMMES INCLUDING:

- Msukeni Enterprise
- Ntsizwa Venyane Hiking Trails
- Ongeluksnek Eco Tourism
- Tshisa Hot Springs
- Mehlooding Hiking Trail
- Feasibility Study and Comprehensive Business Plans for the development of tourism activities (i.e. conference centre, accommodation etc.) at Ludeke Dam and Ntenetyana Dam.

SMME development

The district is committed to implement programmes that will build the capacity of SMMEs in the District; that will ensure that the SMME sector takes the lead in the provision of decent and sustainable employment – thus stimulating the District's economic growth and development.

SMME Support Programmes currently under implementation

- Grain Production Programme – maize production
- Fencing of arable land
- SMME Capacity building - Training & mentorship
- Poverty Alleviation – supply and delivery of business inputs as per the SMME's needs
- Small scale mining
- Continuous business advice and creation of linkages created between businesses and support linkages.

The district is currently undertaking the following programmes to enhance mobilization of resources with a deliberate focus on financial resources:

- Business Planning and Application for Funding
- Cooperative Incentive Scheme
- Black Business Supplier Development Programme
- Anglo Sebenza Fund
- LRED Fund
- Masisizane Fund
- DTI Funding for Labour Sending Areas
- Information Dissemination – Road Shows through the District to promote access to information especially remote areas.

ICT

- Msukeni Development Centre
- Mfundisweni Development Centre.

INFRASTRUCTURE DEVELOPMENT

- Mfundisweni Development Centre
- Revitalisation of the Small Town - MOU - With Department of Public Works
- Sport Development - Grading of sports grounds.

MANUFACTURING

- Sewing and Crafts.

CONSTRUCTION

- Contractor Development Programme linked to the ANDM Zone.

8. ANDM Sector Plans

8.1. Introduction

The municipality has a number of sector plans in principle, which are viewed as the component parts of the IDP. These plans are used in conjunction with the IDP, hence serving as plans guiding specific functions of the municipality. The municipal departments and other stakeholders such as sector / government departments, in their key major functions develop plans for addressing specific pressing development matters, hence referred to as sector plans. In essence, the key relevant sector plans will be listed below and briefly described in showing the update of their development status hence can be acquired from the municipality on request. The following is a list of relevant sector plans and policies referred to as annexures to the IDP document:

8.2. List of Sector Plans and Update

SECTOR PLANS	ANDM YES	ANDM NO	PROGRESS / COMMENTS
ANNEXURES			
Spatial Development Framework (SDF)	X		SDF was reviewed and completed and is awaiting adoption by Council.
Disaster Management Plan (DMP)	X		Adopted by Council in 2016 -2017 financial year and is expected to be reviewed every financial year in line with the adoption of the IDP
Risk Management Plan / Framework	X		The plan / framework together with the policy were crafted during financial year 2013– 2014 and 2016/2017 financial year
Local Economic Development (LED) Strategy	X		The updated strategy was adopted by Council in March 2013.
Land Use Management Framework (LUMF)		X	The LUMF is used in conjunction with the SDF guiding the LMs in the development of their LUMS. Currently, there is no LUMF in place, however it is in the process of development.
Land Use Management System (LUMS)		X	It is the role and responsibility of the LMs to develop LUMS that are aligned to the LUMF of the District Municipality (not a competency of the DM).
Coastal Zone Management Plan (CZMP)		X	This plan will be completed in 2016/2017 financial year
Environmental Management Framework (EMF)	X		Adopted by Council in December 2013
Air Quality Management Plan (AQMP)		X	Yet to be developed by the municipality.
Integrated Waste Management Plan (IWMP)	X		Reviewed and adopted by 2017
C-Plan		X	For the Coastal Protected Areas. This plan will be developed by Mbizana LM, which is the only coastal municipality in our area of jurisdiction.
Water Service Development Plan (WSDP)	X		This plan incorporates two entities, which are the Water Services and Sanitation Master Plans. The reviewed plan has just been completed and is awaiting approval by Council.

Water Safety Plan (WSP)	X		The plan is currently under review to incorporate the two new LMs Ntabankulu and Mbizana and will be completed in the current financial year
Emergency Response Plan (Waterborne)	X		Adopted by Council in December 2013
Health And Safety Plan	X		Adopted by Council in December 2013
Dam Safety Plan	X		Adopted by Council in December 2013
Effluent Management Plan	X		The plan has just been finalized / completed and adopted by Council.
Waste Water Risk Abatement Plan (WWRAP)	X		The plan has just been finalized / completed and adopted by Council.
Water Conservation and Demand Strategy (WCDM)	X		The plan is currently under review to incorporate the two new LMs Ntabankulu and Mbizana and will be completed in the current financial year.
Public Transport Plan (PTP) / Integrated Transport Plan (ITP)	X		Reviewed and completed in 2016/2017 financial year
Housing Sector Plan (HSP)		X	This plan is a role and responsibility of the LMs. The LMs are required to develop their own housing plans with the assistance from DHS, which is the main source of funding for the activity. In essence, the DM has a desire to craft a district-wide Housing Master Plan; however the current challenge is the issue of funding.
Institutional Plan (IP)	X		The plan was adopted with the 5-year IDP 2012 / 17). The organogram was also reviewed and approved with the IDP 2012 / 17 and is currently being implemented and reviewed on annual basis together with the IDP
Financial and Capital Investment Plan (FCIP)		X	Yet to be developed by the municipality
Occupational Health and Safety Plan (OHSP)	X		OHSP was last developed in 2008 and has never been review since. The Plan will be re- crafted as a matter of urgency
Organizational Performance Management Plan (OPMS) and Service Delivery and Budget Implementation Plan (SDBIP)	X		The Organizational Performance Management Framework (OPMF) and SDBIP are continuously implemented and reviewed together with the IDP. This will be approved at the end of June 2017. IDP & Budget has been approved by Council on the 31st of May 2017.
Energy / Electricity		X	The Integrated Strategy / Plan has not been
Master Plan (EMP)			developed as yet, however an Electricity Sector Plan is available and reviewed in 2013 – 2014 financial year
Infrastructure Investment Plan (IIP)		X	Yet to be developed by the municipality
Area Based Plans (ABP)		X	These types of plans are developed by the LMs with reference to different localities and specific contexts.
WaterServices Development plan	X		Reviewed in 2016/17 financial year
Backlog Eradication Strategy	X		Developed in 2013/14 financial year
Sanitation Master Plan	X		Developed in 2016/17 financial year
Electricity Sector Plan	X		Reviewed in 2016/17 financial year
Anti-Corruption Strategy (ACS)		X	Yet to be developed by the municipality
Perfomance Management Framework	X		Reviewed and adopted every financial year

8.3 National, Provincial Sectoral Plan within Alfred Nzo District

These sector plans are drawn directly from the APPs¹¹, AOPs of Provincial Government Departments and provincial entities and Policy Speeches of MECs.

Government Department	Strategic objective	Performance Indicator / Project Description	Targeted Municipality: District / LM	Rand Value
1. CoGTA (AOP)	To improve municipal performance, monitoring, reporting and evaluation services through effective and coordinated hands-on support	Facilitate and coordinate B2B implementation programmes at District level	Alfred Nzo DM Ntabankulu LM Mbizana LM Umzimvubu LM Matatiele LM	R100 000 shared with other municipalities
	To promote excellence in leadership, good governance, corporate services and financial management to achieve clean administration	legal support referrals and Litigation Matters attended to	Alfred Nzo DM	R6 690 000 shared with other municipalities
	To facilitate improved functionality of 39 municipal institutions through the complete implementation of individual performance management and development systems aligned to the organisational performance management systems	Number of municipalities supported in aligning their reviewed organograms with IDP's	Alfred Nzo DM	R1 265 000 shared with other municipalities
	To promote economic prosperity, liveable integrated cities, towns and rural areas as well as basic income	Number of municipalities supported to implement Local Economic Development in line with municipal	Alfred Nzo DM	R1 343 992 shared with other municipalities

	security for citizens of the Eastern Cape Province	LED strategies (Sub-outcome 4, Action 2)		
2. DEDEAT (APP)	Mainstream climate change into the Municipal IDP's.			
	Creating an enabling environment to support enterprise development, in reference with outcome 4: Decent employment through inclusive economic growth	Number of cooperatives provided with nonfinancial support Number of economic development projects funded at local and regional levels	Not specified	
(Policy Speech)	MEC refers to "On the Forestry programme, which covers parts of OR Tambo and Alfred Nzo, six forestry community projects are underway employing more than 1000 people. More than 3400 ha of land has been planted and the first harvest is expected in the next three years. Already some community 5 enterprises are benefiting from the sales of timber harvested from the compartments.			
3. Department of Human Settlement		Top Structures: Alfred Nzo 1119 Emergency Alfred Nzo 130 Disaster Relief Alfred Nzo 209 Emergency Alfred Nzo 4333 Emergency Alfred Nzo 536 Alfred Nzo Destitute 4000 Bhetshwana 1000 Bothashoek 93 (transfers) Cabazana 400 Cancele 30 Dundee 500	ANDM zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu zimvubu	

	Mvenyane 500 Njongweville Extension 500 Njongweville 106 Nyaniso 500 Pote 40 Pote 700 Destitute Queensmercy 300 Sandfontein/Bultfontein 164 SIPHETHU 1000 (Ntabankulu Mun) Thaba Chicha 500 Thabacicha MPCC Tholeni 1000 Tsitsong 200 Emergency			
	Bizana 800 Didi 1000 Down Town 1000 Down Town 553 Ludeke 1000 (100) Mbizana 170 Emergency Mbizana 347 (Destitute) Mbizana 486 Emergency Mbizana Nkantolo 30 Units Mphetshwa 1000 NGQUMANE 300 NKANTOLO 2000 Nkantolo 2000 (Phase 1 - 1000) Nkantolo MPCC Nomzamo 569 Zinini (Ph2) 150			
		Bomvini 300	Ntabankulu	

		Dumsi 500 Ngqwarhu/Xhukula 500 Ntabankulu 2876 Emergency Ntabankulu 471 (227) Ntabankulu 471 (244) Ntabankulu 486 Emergency Ntabankulu 500 NTABANKULU DAMBENI 604 Ntabankulu destitutes Ntabankulu Destitute 200 Ntabankulu Destitute 429 Ntabankulu(Alfred Nzo) NTABANKULU-BOMVINI 300 SUBS Phungulweni/Lubala 500 Silindeni MPCC Silindini 500		
4. Office of the Premier	Lead socio-economic transformation by accelerating implementation of government programmes to ensure access to quality services	Small Town Revitalisation Programme [Alice, Kirkwood, Mt Fletcher, Nyandeni (Libode & Ngqeleni), Port St Johns, Ntabankulu and Mbizana]	Ntabankulu Mbizana	R136m
		Increase percentage of women, youth, and people with disability participating in various sectors of the economy		R1.584m share with other districts
		Training on International, Regional and National Instruments related to Older Persons' Rights.		
		Co-ordinate socio-economic inclusion and protection capacity building prioritizing Social Security. (Alfred Nzo and OR Tambo DMs)		

		Co-ordinate economic empowerment programmes focusing on Non-Profit Organisations' Management and Good Governance. (Alfred Nzo and OR Tambo DMs)		R455 000
		Co-ordinate Anti-Gender Based Violence Empowerment Session focusing on Older Women (OR Tambo and Alfred Nzo)		
		Roll out the Men's Movement Programme (Alfred Nzo DM)		
		Monitoring of Youth Economic Empowerment and Development Programmes and Projects, including Youth Day Legacy Projects. (Alfred Nzo and OR Tambo DMs)		
		Conduct 1 Anti-Corruption and Ethics Training and Awareness Programme in		R800 000

		Alfred Nzo DM		
5. Provincial Treasury	To monitor the implementation of the budgeting frameworks, coordinate, monitor and report on MFMA.			
	Ensures that accounting and financial reporting of municipalities is according to the prescribed Generally Recognised Accounting Practices (GRAP) and assists municipalities in complying with Supply Chain Management and Asset Management regulations			

	To improve accessibility to social infrastructure in municipalities	Number of municipalities with improved access to services: • Rural Access roads • Rehabilitation of the in-streets of Ntabankulu	• Alfred Nzo • Ntabankulu	R46 million rands R48,3 million rands
6. Roads and Public Works	• The department in its request to provide the requisite to create job opportunities and entrepreneurs. • APTCoD program 2016/17	• The focus is on trades like bricklaying, carpentry, electricity, painting and road maintenance. • The program facilitates the training of learners in the built environment so that they can undergo trade testing and be qualified as fully flagged artisans	Alfred Nzo: Matatiele Mt Ayliff Mt Frere Alfred Nzo 133	
7. Transport	• Demand for Public transport because of the highest population growth. • Scholar transport • EPWP Co – ordination and monitoring	• Phakade integrated law enforcement	4 Alfred Nzo	
8. DRDAR	Coherent and co-ordinated rural development for improved quality of life: • Increased crop production • Improved livestock production • Rural development initiatives facilitated and coordinated	Ematolweni Soil Conservation Works	Alfred Nzo	2 605
		Stock Water	Alfred Nzo	2 131
		Plunge dip tanks and stock water	Alfred Nzo	1.298
		Handling Facility	Alfred Nzo	276
		Multi-purpose sheds	Alfred Nzo	1 870
		Stock proof fencing	Alfred Nzo	4 385
		Fencing of arable land	Alfred Nzo	1 393

9. DSD	To provide eight integrated developmental social welfare services to the relevant targeted people infected and affected with HIV and AIDS and people with special needs by March 2020	CARE AND SUPPORT TO OLDER PERSONS	ANDM	R576 000
		SERVICES TO PEOPLE WITH DISABILITIES	ANDM	NIL
		HIV AND AIDS	ANDM	R266 000
		CARE AND SUPPORT TO FAMILIES	ANDM	NIL
		CHILD CARE AND PROTECTION SERVICES- NON GOVERNMENTAL ORGANIZATIONS	ANDM	R113 042
		NON CENTRE BASED ECD PROGRAMMEES	ANDM	NIL
		EARLY CHILDHOOD DEVELOPMENT PROGRAMME	ANDM	R4 398 405
		CHILD AND YOUTH CARE CENTRE- NON GOVERNMENTAL ORGANIZATIONS	ANDM	NIL
		COMMUNITY BASED CARE SERVICES FOR CHILDREN – ISIBINDI PROGRAMME	ANDM	NIL
		CRIME PREVENTION	ANDM	NIL
10. DSRAC	The Department has been given responsibility by Provincial Government to host the National events. These five (5) priorities, namely; talent	VICTIM EMPOWERMENT	ANDM	R150 000
		SUBSTANCE ABUSE	ANDM	R106 000
		Mt Ayiliff Museum	Alfred Nzo - Umzimvubu	8 000
		Ntabankulu Library	Alfred Nzo - Ntabankulu	-
	management, employment equity, systems and information capacity, employee health and wellness; values and ethical behavior			

11. Education	Progressively eradicate schools constructed of inappropriate infrastructure in line with Norms and Standards for Infrastructure from 1465 to 0 by 2023	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Ensure that all schools have basic services and meet basic safety requirements in line with the Norms and Standards. (What is the extent of the problem)	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Progressively provide appropriate Grade R classrooms in line with the Norms and Standards for Grade R	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Provide intervention in cases of disasters and emergencies together with chronic facility shortages brought about by rapid migration.	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Monitor the minor maintenance	Strategic objectives embody direct	Eastern Cape	Utilisation of

	required at schools, a school principal's guidelines (Policy/Guideline to be developed).	infrastructure commitment in the whole of the EC	Province	available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Provide infrastructure in respect of the realigned schools and optimise existing infrastructure in rationalised schools.	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
12. Health	Compliance with norms and standards for all new infrastructure projects by 2019		Eastern Cape Province	Grants Funding

Entities				
Government Department or Entity	Strategic Objective	Performance Indicator / Project Description	Targeted Municipality: District /LM	Rand Value
ECSECC	Long-term planning and institutional support to the Alfred Nzo district municipality, with a specific focus on water and sanitation services as well as multi-agency projects to unlock economic potential.	Finalisation and implementation of District Development Strategies. Identification, packaging and facilitation of priority interventions.	ANDM	Co-Funded by ANDM
		Research analysis and generation of knowledge products to inform economic development planning, district and metro development strategies and design of priority interventions.	ANDM	Co-Funded by ANDM
	Support to OTP led Small Town Development Programme including towns in the Alfred Nzo District.	• Coordination • Vertical & horizontal integration • Compacting of role-players • Facilitation for the Programme.	ANDM	Co-Funded by ANDM

ECDC	Development Finance and business support	- Loans disbursed - At least 300 SMMEs receive development finance - At least 300 SMMEs receive non-financial support - At least 70-80 enterprises incubated - At least 2500 jobs are created and saved	None (amounts are for whole of the EC)	Portion of R110m
	Innovation and trade promotion	At least R650 million in direct investment	None (targets are for whole of the EC)	
		- Leverage at least R90 million of 3rd Party Funding - at least 2500 jobs are created and saved - At least 70 local entrepreneurs are provided with integrated export support - At least 100-500 people are trained in critical skills in key priority sectors		
	Small town revitalisation (incl. townships) and improved roads	Portion of: - R120 million in external funding for mega-projects - R200 million from provincial fiscus for ISIDP projects - Further R150 million Mega projects commenced - Alternative revenue of R4 million for mega-projects	None (targets are for whole of the EC)	

ECGBB APP	Infrastructure Development in the Bingos Located in the Eastern Cape as part of Town Revitalisation Strategy of DEDEAT.	Bingo Royale Matatiele	Matatiele	R3.5m
	Eastern Cape Casinos per zone or Municipal Boundaries	Transkei Sun International Ltd t/a Wild Coast Sun Casino.	Mzamba Bizana	
	Community health, education and awareness	Awareness interventions conducted	Portion of 120 for EC	
ECLB				
ECPTA	Leverage resources for tourism & conservation priorities	Social responsibility programmes Conducted	Portion of 5 for EC	
		People reached through awareness interventions	Portion of 23000 for EC	
		Expand protected area system	None	R1.22m for whole EC
		Participation of previously disadvantaged individuals in mainstream tourism	None	R3.7m for whole EC
		Participation of previously disadvantaged individuals in conservation & game farming	None	R571 000 for whole EC
		Develop provincial nature reserves	None	R4.66m for whole EC
		Management of protected areas	None	R23.7m for whole EC

8.4. Municipal Sector Policies (Others)

Apart from legislative requirements, the following are policies and procedures developed to guide all activities and procedures of the municipality. These policies are developed to ensure effective and efficient service delivery and use of municipal assets. They are:-

Human Resources	Financial Management	Reviewal date
13th cheque policy	Accounting policies	31 May 2017
Acting allowance policies and procedures manual	Capital replacement reserve policy	31 May 2017
Code of conduct policy	Fleet management policy	31 May 2017
Compensation for occupational diseases and injuries policies and procedures manual	Fixed asset management policy	31 May 2017
occupational health and safety policy	Investment and cash management policy	31 May 2017
Consuming of alcohol or any abusive drugs-substance policy	Auxiliary and Information Technology	31 May 2017
Death of staff member policy	Email and Internet User Policy	31 May 2017
Draft- promotion policy	Telephone and cell phone policy	31 May 2017
Sexual harassment policy		31 May 2017
Smoking policy		31 May 2017
Unauthorized absence policy		31 May 2017
Retention policy		31 May 2017
Employee assistance programme policy		31 May 2017
Gift, favors or reward policy		31 May 2017
Hours of work policy		31 May 2017
Housing rental policy		31 May 2017
Implementation of new policies & procedures		31 May 2017
SMME Policy		31 May 2017
Tourism Policy		31 May 2017

9. References for Diagnostic Section of Situational Analysis Chapter

- Specific documents reviewed for this chapter include:
- ANDM IDP 2016-17 Review
- ANDM LED Strategy (Isibuko se Africa)
- ANDM SDF (2015, Tshani)
- ANDM economic leakage analysis (UrbanEcon, 2011)
- ANDA corporate plan 2020
- ANDM grain masterplan (2014)
- ANDM investment attraction strategy (WYG, 2013)
- ANDM tourism sector plan (WYG, 2012)
- ANDM agri-parks masterplan
- StatsSA Community Survey 2016
- Numerous ECSECC information sources.

10

Annexures

Annexure 1: ANDM Financial Plan

1. PURPOSE

- The purpose of this document is to outline the comprehensive multi-year financial plan that will ensure long-term financial sustainability for the municipality.
- A multi-year financial plan is essential to ensure that the municipality continues to implement its mandate effectively without impairing its capital base. It will also enable the municipality to move towards self-sufficiency in meeting the growing demands of service delivery.

2. BACKGROUND

- A financial plan is prepared for a period of at least three years, however it is preferred that it should be for over a period of five or more years
- A multi-year financial plan is prepared to ensure financial sustainability of the municipality, paying particular attention to the municipality's infrastructure requirements.
- It is also an important component of the municipality's Integrated Development Plan.
- A prudent multi-year financial plan identifies and prioritizes expected needs based on the municipality's Five-year Integrated Development Plan and details estimated amounts of funding from various sources
- The multi-year financial plan will also ensure that the municipality has greater financial health and sustainability, making it easier to collaborate on projects with other levels of government and various public and private stakeholders. This will further enhance the ability of the municipality to have access to more financing, funding and grants.

3. FINANCIAL STRATEGY FRAMEWORK

- Alfred Nzo District Municipality is a developing and growing municipality striving for service delivery excellence. Therefore many challenges are faced with regards to financial planning and are ever changing due to the dynamic setting of local government
- The priority for the municipality, from the financial perspective is to ensure viability and sustainability of the municipality. The multi-year financial plan and related strategies will therefore need to address a number of key areas in order to achieve this priority. These strategies are detailed below:

3.2 Revenue Enhancement Strategy

- To seek alternative sources of funding;
- Expand income base through implementation of new valuation roll;
- The ability of the community to pay for services;
- Identification and pursuance of government grants;
- Tightening credit control measures and debt collection targets;

- Improve customer relations and promote a culture of payment;
- Realistic revenue estimates;
- The impact of inflation, the municipal cost index and other cost increases; and
- The creation of an environment which enhances growth, development and service delivery.

3.2.2 Asset Management Strategy

- The implementation of a GRAP compliant asset management system;
- Adequate budget provision for asset maintenance over their economic lifespan;
- Maintenance of asset according to an infrastructural asset maintenance plan;
- Maintain a system of internal control of assets to safeguard assets; and
- Ensure all assets owned and/or controlled except specific exclusions are covered by insurance.

3.2.3 Financial Management Strategies

- To maintain an effective system of expenditure control including procedures for the approval, authorization, withdrawal and payment of funds;
- Preparation of the risk register and application of risk control;
- Implement controls, procedures, policies and by-laws to regulate fair, just and transparent transactions;
- Training and development of senior financial staff to comply with prescribed minimum competency levels;
- Implement GRAP standards as gazette by National Treasury; and
- Prepare annual financial statements timeously and review performance and achievements for past financial years.

3.2.4 Operational Financing Strategies

- Effective cash flow management to ensure continuous, sufficient and sustainable cash position;
- Enhance budgetary controls and financial reporting;
- Direct available financial resources towards meeting the projects as identified in the IDP; and
- To improve Supply Chain Management processes in line with regulations.

3.2.5 Capital Financing Strategies

- Ensure service delivery needs are in line with multi-year financial plan;
- Careful consideration/prioritization on utilizing available resources in line with the IDP;
- Analyse feasibility and impact on operating budget before capital projects are approved;
- Determine affordable limits for borrowing;
- Source external funding in accordance with affordability;
- Improve capital budget spending; and
- Maximizing of infrastructural development through the utilisation of all available resource.

3.2.6 Cost-Effective Strategy

- Invest surplus cash not immediately required at the best available rates;
- Restrict capital and operating expenditure increases in relation to the inflation rate taking into consideration the macro economic growth limit guideline and municipal cost increases.
- To remain as far as possible within the following selected key budget assumptions:
- Provision of bad debts of at least 2%;
- Overall cost escalation to be linked to the average inflation rate;
- Tariff increases to be in line with inflation plus municipal growth except when regulated;
- Maintenance of assets of at least 3% of total operating expenditure;
- Capital cost to be in line with the acceptable norm of 18%;
- Outstanding external debt not to be more than 50% of total operating revenue less government grants; and
- Utilisation of Equitable Share for indigent support through Free Basic Services

3.2.7 Measurable Performance Objectives for Revenue

- To maintain the debtors to revenue ratio below 10%;
- To maintain a debtors payment rate of above 85%;
- To ensure that the debtors return remain under 60 days; and
- To keep the capital cost on the Operating Budget less than 18%.

3.3 Financial Management Policies

3.3.1 The purpose of financial policies is to provide a sound environment to manage the financial affairs of the municipality. The following are key budget related policies:

3.3.2 Tariff Policy – the policy prescribes the procedures for calculating tariffs. This policy is required in terms of Section 74 of the Local Government Municipal System Act, Act 32 of 2000;

3.3.3 Indigent Support Policy – to provide access to and regulate free basic services to all indigents;

3.3.4 Budget Policy – this policy set out the principles which must be followed in preparing a Medium-Term Revenue and Expenditure Framework Budget. It further ensures that the budget reflects the strategic outcomes embodied in the IDP and related strategic policies.

3.3.5 Asset Management Policy – the objective of the policy is to prescribe the accounting and administrative procedures relating to property, plant and equipment;

3.3.6 Accounting Policy – the policy prescribes the basis of presentation of the Annual Financial Statements in accordance with the Generally Recognized Accounting Practices and Accounting Standards;

3.3.7 Supply Chain Management Policy – this policy is developed in terms of Section 11 of the Municipal Finance Management Act, Act 56 of 2003. The principles of this policy is to give effect to a fair, equitable, transparent, competitive and cost effective system for the procuring of goods and services, disposing of goods and selecting of contractors in the provision of municipal services

- 3.3.8 Subsistence and Travel Policy** – this policy regulates the reimbursement of travelling and subsistence cost to officials and councillors attending official business
- 3.3.9 Credit Control and Debt Collection Policy** – this policy provides for credit and debt collection procedures and mechanisms to ensure that all consumers pay for the services that are supplied.
- 3.3.10 Investment and Cash Management Policy** – this policy was compiled in accordance with the Municipal Investment Regulation R308 and ensures that cash resources are managed in the most efficient and effective manner possible.
- 3.3.11 Short-term Insurance Policy** – the objective of the policy is to ensure the safeguarding of Council's assets

4. REVENUE FRAMEWORK

In order to serve the community and to render the services needed, revenue generation is fundamental to financial sustainability of every municipality. The reality is that we are faced with developmental backlogs and poverty, challenging our revenue generation capacity. The requests always exceed the available funds. This becomes more obvious when compiling the municipality's annual budget

Municipalities must table a balanced and more credible budget, based on realistic estimation of revenue that is consistent with their budgetary resources and collection experience

The revenue strategy is a function of key components such as:

- Growth in town and economic development;
- Revenue enhancement;
- Achievement of above 90% annualized collection rate for consumer revenue;
- National Treasury guidelines;
- Approval of full cost recovery of specific department;
- Determining tariff escalation rate by establishing/calculating revenue requirement; and
- Ensuring ability to extent new services and recovering of costs thereof

The South African economy is taken an economic downturn and it will take some time for municipal revenues to increase through local economic growth.

5. GRANT FUNDING

The Division of Revenue Act contains allocations from National and Provincial, which allocations are recognized as government grants and factored as follows over the medium term.

The Equitable share allocation to the local sphere of government is an important supplement to existing municipal revenue and takes account of the fiscal capacity, fiscal efficiency, developmental needs, extent of poverty and backlogs in municipalities.

Municipal Infrastructure Grant allocation which caters for the infrastructure backlogs within Alfred Nzo District Municipality.

Other Provincial, COGTA and any other grants in kind allocations which cater for specific projects for that particular year.

6. TARIFF SETTING

Alfred Nzo District Municipality derives its revenue from the provision of services such as water and sanitation. A considerable portion of the revenue is also derived from grants by national governments as well as other minor charges such as tender documents, interests from investments and clearance certificate charges.

As in the past, increase cost primarily driven by the Consumer Price Index (CPIX), dictates an increase in the tariffs charged to the consumers. It therefore follows that all the tariffs will have to be increased by a percentage in line with the forecasted CPIX estimated at 6% for the 2016/2017 and 5.1% for 2017/2018.

It is realised that the ability of the community to pay for services rendered is also under tremendous pressure and that the economic outlook for the near future require everybody to make sacrifices.

7. DEBTORS

Debtors with the age of ninety days (90) plus constitute more than 60% of the total debtors book.

The credit control and debt collection policy has been reviewed to address indigents, pensioners and child headed households. It further addresses the debts of customers who have now been converted to pre-paid water wherein in 20% of the prepaid water purchase will be allocated to the old debt and 80% towards the purchase of water.

The debtor's book constitutes 20% of the total municipal operating budget.

Collection rate was 95% in the 2016/2017 as at May 2017.

REVENUE BY SOURCE						
OWN REVENUE	ADJUSTED BUDGET	1 MONTHS PROJECTED	1 MONTHS ACTUAL REVENUE	% COLLECTION	VARIANCE	REASONS FOR VARIANCE
INTEREST ON INVESTMENTS	8 000 000,00	666 666,67	8 481 307,95	1272%	7 814 641,28	The higher the funds invested results in higher the interest received.
INTEREST RECEIVED ON ARREAR DEBT	25 000,00	2 083,33	11 000,00		8 916,67	Not Budgetted
LG SETA REFUNDS	200 000,00	16 666,67	-	0%	(16 666,67)	No funds received to date
SANITATION	2 500 000,00	208 333,33	317 558,64	152%	109 225,31	
WATER CONSUMERS	15 000 000,00	1 250 000,00	1 184 468,52	95%	(65 531,48)	The budget is not based on anticipated revenue to be collected. The budget must be adjusted downwards
WATER CONNECTION	22 640,00	1 886,67	19 833,33	1051%	17 946,66	The higher the customers applied for Connection the higher the return
PREPAID SALES	1 700 000,00	141 666,67	299 786,35	212%	158 119,68	The higher the consumption the higher the returns.
SEPTIC TANK	250 000,00	20 833,33	34 079,16	164%	13 245,83	Depends on number of customers request the
SUNDRY INCOME	25 000,00	2 083,33	3 863,98	185%	1 780,65	Not Budgetted
FIRE LEVY CHARGED	-	-	2 724,94	0%	2 724,94	Not Budgetted
SANITATION CONNECTION	9 000,00	750,00		0%	(750,00)	No funds received to date
FNB RENTAL	131 095,00	10 924,58		0%	(10 924,58)	No signed contract between FNB and ANDM
TENDER FEES	1 000 000,00	83 333,33	-	0%	(83 333,33)	Depends on a amount& number of Tenders advertised
COMMISSION RECEIVED- GARNISHES	30 000,00	2 500,00		0%	(2 500,00)	Depends on a number of garnishes received.
GOV'T COMM AND INFORM SYSTEMS	15 000,00	1 250,00	-	0%	(1 250,00)	No funds received to date and No signed contract between FNB and ANDM
CONFERENCE HIRE	-	-	-	0%	-	The absent the books result negative impact.
TOTAL	28 907 735,00	2 408 977,92	10 354 622,87	430%	7 945 644,95	

The revenue base is still very low as the municipal area is mostly rural.

8. CONCLUSION

The continued improvement and development of an effective financial planning process aids the actualization of fulfilling the municipality's facilitating role to capacitate the community to build a better future for all.

The Financial planning imperatives contribute to ensuring that the Municipality remains financially viable and that municipal services are provided economically to all communities

The Multi-year Financial Plan contains realistic and credible revenue and expenditure forecasts which should provide a sound basis for improved financial management and institutional development as well as service delivery improvements and implementation.

The strategy towards cash backing will certainly ensure the sustainability of the Municipality over the medium-to long-term.

Revised Alfred Nzo AFS Plan 2017

ALFRED NZO DISTRICT MUNICIPALITY						
FINANCIAL YEAR ENDING 30 June 2017						
PLANNING FOR PREPARATION OF AFS						
						Deadline for Task completion (Final AFS)
1. Bank and Cash	1,1	Review/Prepare Monthly and Year-end bank reconciliations on all bank and call accounts	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,2	All reconciling items on recons to be cleared - Monthly	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,3	Ensure that past 12 months bank reconciliations have been signed by the compiler and the verifier and supporting documents are on file	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,4	Obtain the petty cash register and agree to the TB. • Ensure that cashiers floats (particulars listed for audited purposes) as well as petty cash float (cash balances) are paid back on 30 June or reconcile and prepare a list that is compared with the closing balance as per General ledger	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,5	Obtain a listing of long outstanding/stale cheques. • Reverse all stale cheques (outstanding cheques older than 6 months).	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,6	Agree the bank charges per the TB/GL to supporting documentation	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,7	A list of the bank and investment accounts in the name of the municipality, as well as contact details. Proof of bank account details being submitted to National Treasury and the Auditor General of South Africa	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,8	Prepare the disclosure note for Bank and cash	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,9	Send out confirmation from the bank to support all securities and collateral	Expenditure Management	Thobeka Mabhoza	Bonakele	14 July 2017
	1,10'	Address Audit Queries EX.44 Cash and Bank recons - Invalid reconciling items	Expenditure Management	Thobeka Mabhoza	Bonakele	30 June 2017
2. Consumer Receivable & Other Debtors	2,1	Indigent debtors:				

2.1.1	Obtain approved indigent debtor policy of the municipality	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.1.2	Obtain Indigent Register	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.1.3	Compare indigent debtors per the age analysis/ MunSoft System to the Indigent register	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.1.4	Review transactions processed for indigent debtors	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.1.5	Get supporting documents and application forms for the new applications	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	<u>Consumer Debtors & other debtors</u>				
2.2.1	Perform reconciliation between the GL receivables account and the age analysis and clear all reconciling items	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	- Ensure that the age analysis/ balance list reconcile to control account within General ledger.	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	- Obtain the listing for debtors with credit balances - (Trace and populate with debtors account numbers	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	- Investigate debtors with credit balances to confirm the validity	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	- Communicate these debtors for clearing and Include amounts paid by debtors in advance as trade and other payables. (Current liabilities)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.2	Sundry Receivables reconciliations	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.3	In instances where interest is not charged on overdue debtors consider the provisions of GRAP par 15	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.4	Ensure the existence of Consumer Receivables assertion is met- (Receipts from debtors, non paying debtors reviewed and agreements)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.5	Calculation of the provision for impairment	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.7	Prepare the journals to account for the impairment	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Perform the Impairment calculation - Impairment losses recognised	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.8	Prepare the Debtors age analysis by Service	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.2.9	Prepare the Debtors age analysis by Debtor type/Customer classification	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017

2,10	Prepare the Debtors age analysis for loan/Rental accounts - Other debtors	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,11	Compile a reconciliation of the impairment provision per debtor category reflecting:	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Balance at beginning of the year	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Perform the Impairment calculation - Impairment losses recognised	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Amounts written off as uncollectable	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Balance at the end of the year.	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,12	Identify impaired sundry debtors, especially 3 years and older (prescribed) and provide additional bad debt provision.	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,13	Bad debts written off in 2016 (listing and council approval item)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Bad debts written off (new date) (listing and council approval item)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,14	- Recommendation to be made for write off - with justification	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,15	Agreements for long term debtors - where these have not been included under Sundry debtors write off	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2,15	Prepare debtors note per the provisions of GRAP and MFMA	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
	Address Audit Queries				
2.16.1	Receivables: Discrepancies identified on receivables (Ex.134)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.16.2	Planning: Receivables-Inadequate controls over collection of revenue(Ex.12)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.16.3	Receivables: The municipality did not charge interest on arrears (Ex.67)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.16.4	Receivables: Figures per trial balance does not agree to the Annual financial statements(Ex.80)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
2.16.5	Receivables from non-exchange transactions: Corresponding figures per the current year annual financial statements do not agree to the prior year audited annual financial statements with no explanation to the difference (Ex.133)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017

	2.16.6	Receivables: AFS discrepancies (Ex.148)	Debtors & Billing	Thobeka Mabhoza	Bonakele	21 July 2017
3.Suspense						
	3,1	Determine which vote numbers are suspense accounts and that the balances on these votes are 0 or are accounted for. This is normally salary control accounts, etc	Budget & Treasury Office	Konae Sibutha	Palesa	21 July 2017
	3,2	Investigate all balances or miscellaneous entries in the General ledger accounts that need to be reallocated (maybe to revenue or expenditure votes that will affect the end of the year statement of performance results)	Budget & Treasury Office	Konae Sibutha	Palesa	21 July 2017
	3,3	Clear Salaries control accounts and prepare reconciliations between VIP/ Pay day and Expenditure votes to proof correct allocation during interface	Budget & Treasury Office	Konae Sibutha	Palesa	21 July 2017
	3,4	Reconcile the VAT control accounts (Input and output) and create debtor or liability provision.	Budget & Treasury Office	Konae Sibutha	Palesa/ Nomusa	21 July 2017
	3,5	Reconcile salary payments to bank (Staff payments and third parties) to VIP/Pay day and suspense account	Budget & Treasury Office	Konae Sibutha	Palesa	21 July 2017
	3,6	Review the reconciliations on Suspense accounts for the period. General ledger votes that cannot be closed must be properly motivated with working papers.	Budget & Treasury Office	Konae Sibutha	Palesa	21 July 2017
4. Inventory	4,1	Invite the Auditor General for the inventory count. And perform the count.	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,2	Ensure controls are in place for the receipts and issue of stock	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,3	Compare stock quantities per the valuation report to the count sheets & or the stores system. Investigate differences and ensure they are accounted for correctly	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,4	Determine and list obsolete stock (impaired inventory included)	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,5	Prepare a list of shortages with value and report to Council before or on the 31 July for possible write off.	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,6	Test the valuation of stock for compliance with the accounting policy and GRAP	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017
	4,7	Include in the Council report a list of impaired stock and the obsolete stock with reference to the department it affects, quantity and value to be sold in a future auction.	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	07 July 2017

		Address Audit Queries						
	4,8	Inventory: Incorrect average cost of production (Ex.156)				Sihle Kuzwe	Livhu	07 July 2017
	4,9	Inventory: Limitation of scope: Information not provided for audit purposes (Ex.161)				Sihle Kuzwe	Livhu	07 July 2017
5. Assets (PPE, HA, IP, IA)	5,1	Infrastructure Assets - Appointment of the Engineers			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	01 June 2017
	5,2	Obtain the final complete asset registers that agrees to the GL			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	14 July 2017
		- Physical verification of assets			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	15 June 2017
		- Update of the FAR and GL with disposals and additions			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	14 July 2017
		- Calculate Depreciation			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	14 July 2017
		- Compile list of impaired assets			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	14 July 2017
		- Review useful life of assets						
	5,3	Prepare the disclosure note for PPE.			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	21 July 2017
	5,4	Reconcile Appendix B to the notes disclosed in the AFS			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	21 July 2017
	5,5	Follow-up on the correction of prior year audit findings.			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5,6	Address Audit Queries						
	5.6.1	Assets under construction(WIP): Discrepancies identified during the testing of WIP(Ex.150)			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5.6.2	PPE: Differences between the Fixed Assets register and the AFS(Ex.27)			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5.6.3	PPE: Infrastructure Assets: Completeness(Ex.167)			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5.6.4	PPE: Depreciation: Discrepancies in the depreciation calculation(Ex.54)			Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017

	5.6.5	PPE: Insufficient insurance over fixed assets of the municipality(EX.151)	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5.6.6	PPE: Municipality does not have title deeds to prove rights and ownership of land(EX.162)	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
	5.6.7	PPE: Asset registers submitted for audit do not comply with the applicable MFMA legislation(EX.152)	Supply Chain and Asset Management	Sihle Kuzwe	Livhu	30 June 2017
6. Provisions	6,1	Obtain the listing of all provisions applicable at the municipality	Expenditure Management	Konae Sibutha	Bonakele	30 June 2017
	6,2	Establish the assumptions and information required for the calculation of the provision. Calculate based on the available information. If an expert is required obtain the provision calculations	Expenditure Management	Konae Sibutha	Bonakele	30 June 2017
	6,3	Prepare the journals and disclosure note for the provisions	Expenditure Management	Konae Sibutha	Bonakele	30 June 2017
		Address Audit Queries				
	6,4	Provisions: Discrepancies identified on leave pay provisions(EX.73)	Expenditure Management	Konae Sibutha	Bonakele	30 June 2017
7. Rental of Facilities and equipment	7,1	Obtain al lease agreements relating to rental income	Supply Chain and Asset Management	Thobeka Mabhoza	Palesa	07 July 2017
	7,2	Review the lease agreement check terms and conditions and ensure rental income is accounted for per GRAP provisions on an accrual basis.	Supply Chain and Asset Management	Thobeka Mabhoza	Palesa	07 July 2017
	7,3	Ensure the rental register and lease agreements are available to support rental income. Reconcile these supporting to the general ledger and sundry debtor/bank.	Supply Chain and Asset Management	Thobeka Mabhoza	Palesa	07 July 2017
8. Investments	8,1	Obtain the confirmation from the banks relating to the investments	Income	Thobeka Mabhoza	Palesa	07 July 2017
	8,2	Prepare the journals for the adjustment of the investments and interest earned	Income	Thobeka Mabhoza	Palesa	07 July 2017
		Address Audit Queries				
	8.2.1	Investments: Investments are not presented accurately.(Ex.187)		Thobeka Mabhoza	Palesa	07 July 2017

9. Accounts Payable	9,1	Obtain/Prepare listing of creditors	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,2	Agree the creditors age analysis to the TB and prepare creditors age analysis	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,3	Agree balance of Creditors Reconciliations to the Creditors age-analysis	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,4	Obtain all accruals and compare to PY	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,5	Reverse PY accruals where appropriate	Expenditure Management	Konae Sibutha	Taka	14 July 2017
		<u>Retentions</u>				
	9.6.1	Obtain the Retentions listing and agree to the TB	Expenditure Management	Konae Sibutha	Taka	14 July 2017
		- Retentions older than 3 years	Expenditure Management	Konae Sibutha	Taka	14 July 2017
		- Retentions with credit balances	Expenditure Management	Konae Sibutha	Taka	14 July 2017
		- Retentions differences between MunSoft system and last invoice	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9.6.2	Follow up on long outstanding retentions	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,7	Obtain & Review Audit fees reconciliation & Disclosure Note	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,8	Ensure supporting documentation is available for all payables balances	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,9	Inspect the payments made after year end to ensure that these were accrued for as at year end.	Expenditure Management	Konae Sibutha	Taka	14 July 2017
		Perform a search for unrecorded liabilities- Assure Completeness	Expenditure Management	Konae Sibutha	Taka	14 July 2017
	9,10	Prepare the disclosure note for all Payables	Expenditure Management	Konae Sibutha	Taka	21 July 2017
	9.11	<u>Address Audit Queries</u>				
	9.11.1	Trade and other payables: Not all creditors have been recorded in the listing and AFS (Ex:83)	Expenditure Management	Konae Sibutha	Taka	30 June 2017
	9.11.2	Trade and other payables: Creditors paid after 30 days from receiving invoice (compliance) (Ex:86)	Expenditure Management	Konae Sibutha	Taka	30 June 2017

9.11.3	Trade and other payables: Differences between the trial balance, Trade payables listing provided and the AFS (Ex.72)	Expenditure Management	Konae Sibutha	Taka	30 June 2017
9.11.4	Trade and other payables: Transaction incorrectly recognised and included in the creditors listing for the year (Ex.84)	Expenditure Management	Konae Sibutha	Taka	30 June 2017
9.11.5	Trade payables from exchange transactions: The municipality did not disclose trade creditors and accruals separately (Ex.107)	Expenditure Management	Konae Sibutha	Taka	30 June 2017
9.11.6	Payables from exchange transactions: Adjustments made to the final AFS without sufficient appropriate audit evidence provided (Ex.197)	Expenditure Management	Konae Sibutha	Taka	30 June 2017
9.11.7					
10. Loans Payable					
10,1	Obtain the list of long term loans	Long term liabilities	Konae Sibutha	Taka	14 July 2017
10,2	Obtain the statements from DBSA	Long term liabilities	Konae Sibutha	Taka	14 July 2017
10,3	Perform the calculation for amortisation tables	Long term liabilities	Konae Sibutha	Taka	14 July 2017
10,4	Recalculate interest and agree with GL	Long term liabilities	Konae Sibutha	Taka	14 July 2017
10,5	Prepare the summary of movements of loans for Annexure A to AFS	Long term liabilities	Konae Sibutha	Taka	14 July 2017
11. VAT					
11,1	Obtain the monthly VAT returns submitted	Expenditure Management	Konae Sibutha	Nomusa	14 July 2017
11,2	Review the VAT reconciliation	Expenditure Management	Konae Sibutha	Nomusa	14 July 2017
11,3	Reconcile the VAT 201 return to the GL	Expenditure Management	Konae Sibutha	Nomusa	14 July 2017
11,4	Prepare the additional MFMA disclosure note	Expenditure Management	Konae Sibutha	Nomusa	14 July 2017
11,5	Address Audit Queries				
11.5.1	VAT: VAT claimed from a supplier not registered as a VAT vendor (Ex.28)	Expenditure Management	Konae Sibutha	Nomusa	07 July 2017
11.5.2	Planning: VAT Receivable: VAT 201 Return not submitted to SARS within 25 Days as prescribed in the VAT Act(Ex.11)	Expenditure Management	Konae Sibutha	Nomusa	07 July 2017
11.5.3	VAT: No Return Submission Date (Ex.65)	Expenditure Management	Konae Sibutha	Nomusa	07 July 2017

12. Defined Benefit Obligation & Long service Awards	12,1	Obtain request for information from actuary and assist in providing requested information	Budget & Treasury Office	Konae Sibutha	Taka	14 July 2017
	12,2	Liase with actuarial company to commence with the valuation	Budget & Treasury Office	Konae Sibutha	Taka	14 July 2017
	12,3	Monitor progress and ensure that the information supplied is accurate and complete	Budget & Treasury Office	Konae Sibutha	Taka	14 July 2017
	12,4	Prepare the journals to account for the DBO balances	Budget & Treasury Office	Konae Sibutha	Taka	14 July 2017
	12,5	Prepare the disclosure note for the AFS	Budget & Treasury Office	Konae Sibutha	Taka	14 July 2017
13. Finance Leases	13,1	Obtain all finance lease agreements	Supply Chain and Asset Management	Sihle Kuzwe	Taka	14 July 2017
	13,2	Trace lease agreements to the lease register and ensure all leases are accounted for correctly and completely	Supply Chain and Asset Management	Sihle Kuzwe	Taka	14 July 2017
	13,3	Prepare amortisation schedule and effect the necessary journals	Supply Chain and Asset Management	Sihle Kuzwe	Taka	14 July 2017
	13,4	Ensure all Finance lease payments are adequately budgeted for	Supply Chain and Asset Management	Sihle Kuzwe	Taka	14 July 2017
	13,5	Prepare the disclosure note to the financial statements	Supply Chain and Asset Management	Sihle Kuzwe	Taka	14 July 2017
		Address Audit Queries				
	13,6	Finance Lease Obligation: Prior period restatement (Ex. 102)	Supply Chain and Asset Management	Sihle Kuzwe	Taka	30 June 2017
14. Funds and Reserves	14,1	Prepare disclosure for correcting the misstatements between Revaluation Reserve and Accumulated Surplus	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	14,2	Obtain and review the funds register	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	14,3	Prepare journals for movements in the reserves to ensure that the GL agrees to the register	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	14,4	Address Audit Queries				
	14.4.1	Accumulated surplus: Corresponding figures per the current year AFS do not agree to prior year audited AFS (Ex. 141)	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017

15. Grants	15,1	Review the Grant register and ensure all transactions are recorded in the GL	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15,2	Reconcile the grants per the register to the DoRA	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15,3	Prepare the disclosure note for grants and subsidies paid	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15,4	Prepare the disclosure note for the AFS	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15,5	Prepare an Annexure for Grants to be included in AFS	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15,6	Address Audit Queries				
	15.6.1	Grants: Grants allocated to sanitation project used for the other purpose (Ex.178)	Debtors & Billing	Maxoli Nkume	Taka	14 July 2017
	15.6.2	Grants Expenditure: Payment was not made within 30 days of invoicing (Ex.79)	Debtors & Billing		Taka	14 July 2017
16. Revenue	16,1	All meters to be read and captured	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,2	Ensure Revenue is recognised and measured per the provisions of GRAP	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,3	Review the report for meters not read in the last 3 months and obtain appropriate reasons. (Analyse the exception report)	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,4	Analyse and clear all the exceptions from the exception report	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
		- Readings where the consumers are charged fixed rates	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,5	Calculate the revenue for the period between cut-off and year end and process the journal (cut-off)	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,6	Prepare the schedule for Other Income	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,7	Perform monthly analysis of income per category and obtain reasons	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,8	Prepare all the revenue disclosure notes per the AFS	Debtors & Billing	Thobeka Mabhoza	Bonakele	14 July 2017
	16,9	Address Audit Queries			Bonakele	
	16.9.1	Planning: Revenue: Omission of key information and key controls in the business processes(Ex.14)	Debtors & Billing	Thobeka Mabhoza	Bonakele	30 June 2017
	16.9.2	COAF 37:Revenue : Non-compliance:Municipality did not use the approved Tariff structure for connection fees (Ex.47)	Debtors & Billing	Thobeka Mabhoza	Bonakele	30 June 2017

	16.9.3	Revenue: Connection fees: Consumers charged more than the current year tariff structure (Ex.48)	Debtors & Billing	Thobeka Mabhoza	Bonakele	30 June 2017
	16.9.4	Revenue: Customers billed incorrectly on service charges (EX.70)	Debtors & Billing	Thobeka Mabhoza	Bonakele	30 June 2017
17. Interest Received - Investment	17,1	Prepare the schedule for interest income based on Investments, debtors, etc	Debtors & Billing	Thobeka Mabhoza	Palesa	07 July 2017
	17,2	Prepare the disclosure note for the AFS	Debtors & Billing	Thobeka Mabhoza	Palesa	07 July 2017
18. Operating Leases Income and Expense	18,1	Prepare/update the operating lease register (based on the contract register)	Supply Chain and Asset Management	Konae Sibutha	Taka	14 July 2017
	18,2	Prepare a schedule for the straight lining of leases where applicable	Supply Chain and Asset Management	Konae Sibutha	Taka	14 July 2017
	18,3	Perform the calculation and prepare the journal entries where necessary (straight lining)	Supply Chain and Asset Management	Konae Sibutha	Taka	14 July 2017
	18,4	Prepare the commitment disclosure necessary for the AFS: - Less than one year - Between one and five years - More than five years	Supply Chain and Asset Management	Konae Sibutha	Taka	14 July 2017
19. Expenditure	19,1	Obtain the municipal SCOA and review for GRAP compliance	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,2	Review the R&M accounts for possible capital expenditure expensed	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,3	Prepare the disclosure note for General expenses	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,4	Review the current classification of general expenditure for appropriate classification	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,5	Prepare the disclosure note for audit fees	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,6	Prepare the disclosure note for contracted services in the AFS	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
	19,7	Prepare the disclosure for contributions to organised local government (SALGA)	Expenditure Management	Konae Sibutha	Palesa	14 July 2017

19,8	Perform analytical review on all expenditure items and follow up on all material discrepancies	Expenditure Management	Konae Sibutha	Palesa	14 July 2017
19,9	<u>Address Audit Queries</u>				
19.9.1	Expenditure: Suppliers not settled within 30 days from receipt of invoices (Ex.26)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.2	Expenditure: Invoices could not be traced to the general ledger relating to expenditure (Ex.43)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.3	Repairs and Maintenance: Limitation of scope: Information not provided for audit purposes (Ex.24)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.4	Expenditure: Expense recorded in the incorrect period (Ex.31)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.5	Expenditure: Incorrect Classification of expenses (Ex.32)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.6	Repairs and maintenance: Invoice amounts recorded at the incorrect amount in the General Ledger (Ex.34)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.7	Contracted Services: Difference between Trial Balance and Annual Financial Statement (Ex.51)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
19.9.8	General Expenses: Difference between Trial Balance and Annual Financial Statements(Ex.53)	Expenditure Management	Konae Sibutha	Palesa	30 June 2017
20. Finance cost					
20,1	Document a detailed breakdown of interest paid	Expenditure Management	Sihle Kuzwe	Taka	14 July 2017
20,2	Obtain detailed support for all interest paid	Expenditure Management	Sihle Kuzwe	Taka	14 July 2017
20,3	Prepare the disclosure for interest cost for the AFS	Expenditure Management	Sihle Kuzwe	Taka	14 July 2017
21. Payroll & Leave					
21,1	Obtain Payday reports	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,2	Review Councillors' Remuneration calculations and ensure that they are in line with Remuneration of Public Office Bearers Act	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,3	Perform the calculation for the leave provision	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,4	Perform the calculation for the employee related costs provisions	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,5	Prepare the reconciliation between Payday and system from 01 July 2015 to 30 June 2016 for both employees and councillors	Expenditure Management	Konae Sibutha	Taka	14 July 2017

21,6	Obtain the monthly EMP201 submitted (reconciliation to GL & payroll report)	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,7	Obtain Personnel list with post levels	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,8	Prepare the disclosure note for management remuneration	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,9	Prepare the disclosure note for councillor remuneration - all councillors	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,10	Obtain Letter from the local bargaining forum that approves general salary increases	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,11	Obtain Government Gazette for determination of Councillor's remuneration	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,12	Obtain Support for additional MFMA disclosures, PAYE, UIF, etc. Prepare the disclosure note	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21,13	Address Audit Queries				14 July 2017
21.13.1	HR Management: Non-compliance with MSA: Performance agreements not signed within prescribed timeframe(EX.98)	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21.13.2	Employee Costs: Appointments: Recruitment processes not followed in the current year appointments(EX.29)	Expenditure Management	Konae Sibutha	Taka	14 July 2017
21.13.3	Employee costs: Third party payments: Amounts per payroll listing do not agree to the billing statements from third part (Ex.60)	Expenditure Management	Konae Sibutha	Taka	14 July 2017
22.1	Compile a register for capital and operational commitments	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.1.1	Agree contract amounts to contract/appointment letters	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.1.2	Agree expenses to the ledger	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.1.3	Ensure all contracts are included in the register	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.1.4	Ensure all WIP projects are on the register	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.1.5	Compare the Commitment register to the contract register	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
22.2	Ensure the completeness of Commitment register by performing a reconciliation between WIP register and Commitment register	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017

22,3	Prepare the disclosure note for the AFS	Supply Chain and Asset Management	Nombini Mbana	Keitsu	14 July 2017
	<u>Address Audit Queries</u>			Keitsu	
22.3.1	Commitments: Commitment value determined incorrectly (Ex.139)	Supply Chain and Asset Management	Nombini Mbana	Keitsu	30 June 2017
22.3.2	Commitments: Contracts duplicated in commitments register(Ex.163)	Supply Chain and Asset Management	Nombini Mbana	Keitsu	30 June 2017
22.3.3	Commitments: Commitments register not complete(Ex.165)	Supply Chain and Asset Management	Nombini Mbana	Keitsu	30 June 2017
22.3.4	Commitments: Limitation of Scope: Non-submission of information(Ex.164)	Supply Chain and Asset Management	Nombini Mbana	Keitsu	30 June 2017
23.1	Obtain schedule with investigations, litigations and claims by the municipality or against the municipality	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.2	Obtain & Review schedule with contingent liabilities	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.3	Obtain a list of financial guarantees on behalf of employees	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.4	E mailed the confirmation template to the Municipal Lawyers representative	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.5	Names and contact details of legal representatives in order to obtain legal confirmations -	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.6	Obtain legal confirmations	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
23.7	Prepare disclosure note for the AFS	Budget & Treasury Office	Maxoli Nkume	Palesa	21 July 2017
24.1	Prepare the disclosure note for the AFS	Budget & Treasury Office	Maxoli Nkume	Taka	21 July 2017
24.2	Prepare working paper to update disclosures directly from the TB/AFS and use as reference when updating the AFS	Budget & Treasury Office	Maxoli Nkume	Taka	21 July 2017
24.3	Review the appropriate classification of financial assets and liabilities	Budget & Treasury Office	Maxoli Nkume	Taka	21 July 2017
24.4	Review the appropriate accounting policies for financial assets and liabilities	Budget & Treasury Office	Maxoli Nkume	Taka	21 July 2017
	<u>Address Audit Queries</u>				

	24.4.1	Financial Instruments: Inconsistent disclosures on the notes to the financial statements (Ex.179)	Budget & Treasury Office	Maxoli Nkume	Taka	21 July 2017
25. Related parties GRAP 20	25,1	Facilitate the annual declarations for key management personnel (interests)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	14 July 2017
	25,2	Prepare the councillors debt balances per month for disclosure purposes	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	14 July 2017
	25,3	Prepare the disclosure note for related parties	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	14 July 2017
26. Unauthorised expenditure	26,1	Prepare the schedule for expenditure per directorate in order to identify any unauthorised expenditure	Budget & Treasury Office	Maxoli Nkume	Keitumetse	21 July 2017
	26,2	Obtain the approval for expenditure that has been condoned, if any	Budget & Treasury Office	Maxoli Nkume	Keitumetse	21 July 2017
	26,3	Prepare the disclosure note in the AFS	Budget & Treasury Office	Maxoli Nkume	Keitumetse	21 July 2017
	26,4	<u>Address Audit Queries</u>				
	26.4.1	Unauthorised expenditure: Understatement of unauthorised expenditure (Ex.112)	Budget & Treasury Office	Maxoli Nkume	Keitumetse	21 July 2017
	26.4.2	Unauthorised Expenditure: Adjustments made to the final AFS without sufficient appropriate audit evidence provided (Ex.196)	Budget & Treasury Office	Maxoli Nkume	Keitumetse	21 July 2017
27. Fruitless and Wasteful	27,1	Prepare the register of fruitless and wasteful expenditure for the 2016 period	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017
	27,2	Obtain the approval for expenditure that has been condoned, if any	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017
	27,3	Prepare the disclosure note in the AFS	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017
		<u>Address Audit Queries</u>				
	27.3.1	Consequence Management: No investigations conducted (Ex.154)	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017
	27.3.2	Procurement: Less than 3 quotes(Ex.38)	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017
	27.3.3	Fruitless and wasteful expenditure: Incomplete register (Ex.138)	Expenditure Management	Maxoli Nkume	Palesa	21 July 2017

28. Irregular expenditure	28,1	Prepare the register of irregular expenditure for the period	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	21 July 2017
	28,2	Obtain the approval for expenditure that has been condoned, if any	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	21 July 2017
	28,3	Prepare the disclosure note in the AFS	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	21 July 2017
	28,4	Address Audit Queries				
	28.4.1	Procurement: Deviations - There is no declaration of interest(Ex.115)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.2	Procurement: Deviation - Deviations not disclosed in the AFS(Ex.116)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.3	Procurement: Contracts not advertised in the local newspaper(Ex.119)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.4	Procurement: There are no bid adjudication minutes(Ex.121)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.5	Procurement: There are no bid specification committee minutes(Ex.123)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.6	Procurement: Contracts not advertised for the required period(Ex.124)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.7	Procurement: There are no declaration of interest(Ex.125)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.8	Procurement: There is no tax clearance attached(Ex.128)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.9	Procurement: No points calculations submitted(Ex.129)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.10	Irregular expenditure: Completeness of irregular expenditure (Ex.136)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.11	Quarterly records review: SCM Irregular expenditure (EX.9)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.12	Procurement: Bid adjudication and evaluation committee has the same person(Ex.3)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.13	Procurement: Internal Controls(Ex.35)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.14	Compliance – Deviations not disclosed in the AFS and reasons for deviations not justifiable(Ex.42)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.15	Procurement: Incorrect evaluation criterion used(Ex.127)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017
	28.4.16	Irregular expenditure: Irregular expenditure disclosed in the incorrect period (Ex.110)	Supply Chain and Asset Management	Maxoli Nkume	Keitumetse	30 June 2017

29. Deviations	29,1	Prepare the register of deviations for the 2017 financial year (Irregular Expenditure)	Supply Chain and Asset Management	Zuko Mani	Keitumetse	07 July 2017
	29,2	Obtain the approval for expenditure that has been condoned, if any	Supply Chain and Asset Management	Zuko Mani	Keitumetse	07 July 2017
	29,3	Prepare the disclosure note in the AFS	Supply Chain and Asset Management	Zuko Mani	Keitumetse	07 July 2017
30. GRAP 24 / Budget disclosures	30,1	Obtain the budget and adjustment budget	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	30,2	Prepare the reconciliation between the approved budget and the adjustment budget, with related explanations for significant variances	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	30,3	Obtain reasons for significant variances between adjustment budget and actual figures	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	30,4	Prepare Appendix D	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	30,5	Prepare Appendix E(1) and E(2)	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
	30,6	Obtain the schedules for completion of Annexure G1-5	Budget & Treasury Office	Maxoli Nkume	Taka	14 July 2017
		Address Audit Queries				
	30.6.1	Budget statement: Actual figures disclosed incorrectly and no explanations provided for material differences (Ex.111)	Budget & Treasury Office	Maxoli Nkume	Taka	30 June 2017
31. Opening balances	31,1	Ensure that the opening balances on the system agree to the closing balances of the AFS	Budget & Treasury Office	Maxoli Nkume	Taka	15 June 2017
	31,2	Prepare a file for all prior year adjustments	Budget & Treasury Office	Maxoli Nkume	Taka	15 June 2017
32. Audit file	32,1	Obtain all minutes of meetings (council, Mayoral committees, portfolio committees mng, etc)	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
		Obtain minutes of the meetings - After reporting date (council, exco, mng, etc)	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
	32,2	Consolidate all audit working paper files for each account balance in the AFS	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
	32,3	Obtain specimen signatures - Mayor, Mun Manager, CFO	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017

32,4	Obtain Integrated Development Plan (IDP) + Budget + Tariff + Council Items & Resolutions (Draft & Final)	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,5	Advertisement of IDP + Budget + Tariffs	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,6	Adjustment Budget + Item + Resolution	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,7	Approved SDBIP	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,8	Performance Agreements (Municipal Manager, CFO & Sen. Managers)	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,9	Draft Preliminary Annual Report	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,10	The council resolution where the budget for the financial year was approved to ensure that the tariff structure for the year under review was approved by council in terms of Section 75A of the Municipal Systems Act	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,11	The newspaper advert containing the following in respect of the approval of tariffs—	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
	(i) that a resolution as contemplated in subsection (2) has been passed by the council;	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
	(ii) that a copy of the resolution is available for public inspection during office hours at the main administrative office of the municipality and at the other places specified in the notice;	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
	(iii) the date on which the determination will come into operation	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,12	Letter to the MEC of DLG that the above notice has been published	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,13	Obtain Performance reports	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,14	Organisational chart / organogram	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,15	Declarations of conflict of interests register for both councillors and management, with system process documentation of how this feeds into the AFS.	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,16	Ensure all sections have filed supporting documentation in file	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017

32,17	Obtain the latest policy and by-laws documents	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,18	Obtain the Risk register	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
32,19	Obtain Internal audit plan and reports	Budget & Treasury Office	Maxoli Nkume	Palesa	15 July 2017
33. AFS					
33,1	Complete the disclosure checklist and prepare related identified disclosures	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,2	Review accounting policies for alignment to GRAP	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,3	Prepare the prior period reconciliation working paper	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,4	Prepare Note 2 - New standards and interpretations	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,5	Prepare financial sustainability calculations and disclosure note	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,6	Review the council minutes to identify any events after the reporting date	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,6	Prepare Risk management disclosures:	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.1	(i) Capital risk management	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.2	(ii) Financial risk management objectives	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.3	(iii) Significant accounting policies	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.4	(iv) Market risk exposure per the following component thereof:	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.5	- Foreign currency risk	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.6	- Fair value interest rate risk	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.7	- Price risk	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.6.8	(v) Interest rate risk	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33,7	Review the following Annexures to ensure that it agrees with the AFS	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
33.7.1	Appendix A	Budget & Treasury Office	N Mahlasela	Taka	31 July 2017

	33.7.2	Appendix B		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
	33.7.3	Appendix C		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
	33.7.4	Appendix D		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
	33.7.5	Appendix E(1) and E92)		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
	33.7.6	Appendix F		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
	33.7.7	Appendix G1-5		Budget & Treasury Office	N Mahlasela	Taka	31 July 2017
34. Cash Flow	34,1	Prepare Cash Flow statement and supporting schedules for the 2017 AFS and submit to AG		Budget & Treasury Office	Maxoli Nkume	Taka	28 July 2017
	34,2	Prepare Cash Flow statement for the 2017 AFS with all supporting schedules		Budget & Treasury Office	Maxoli Nkume	Taka	28 July 2017
35. Review of AFS	35,1	Complete the NT disclosure checklist		Budget & Treasury Office	Internal Audit	N Swana	31 July 2017
	35,2	External review of AFS through completion of the NT disclosure checklist		Budget & Treasury Office	Internal Audit	N Swana	31 July 2017
	35,3	Submit the disclosure checklist to NT signed off by the CFO		Budget & Treasury Office	Internal Audit	N Swana	31 July 2017
36. Audit committee	36,1	Approval of the AFS		Budget & Treasury Office	N Mahlasela	N Swana	18 August 2017
	36,2	Management & Review and recommendation		Budget & Treasury Office	Internal Audit	N Swana	21 August 2017
	36,3	Internal Audit - Review and Recommendation		Budget & Treasury Office	Internal Audit	N Swana	22 August 2017
	36,4	Audit Committee Meeting - Review and recommendation		Budget & Treasury Office	Internal Audit	N Swana	25 August 2017

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national treasury

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National Treasury
REPUBLIC OF SOUTH AFRICA

Contact details:

Elsabé Rossouw
National Treasury
Tel: (012) 315-5534
Electronic submissions:
lgdocuments@treasury.gov.za

Preparation Instructions

 Municipality Name:

 CFO Name:

 Tel:

 Fax:

 E-Mail:

 Budget for MTREF starting:

Budget Year: 2017/18

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DC44 Alfred Nzo - Table A1 Consolidated Budget Summary

Description	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework			
	2013/14	2014/15	2015/16	2016/17	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast		
Financial Performance								
Property rates	15 363	18 777	25 668	28 509	19 257	19 136	24 931	26 327
Service charges	16 497	27 160	11 871	8 000	8 000	8 000	10 500	11 025
Investment revenue	736 736	374 159	480 062	531 431	566 836	566 836	530 375	575 069
Transfers recognised - operational	3 840	3 346	5 392	1 002 100	64 124	64 124	122 541	52 081
Other own revenue	772 436	423 441	522 994	1 570 040	658 216	658 096	688 346	664 501
Total Revenue (excluding capital transfers and contributions)	151 328	189 602	198 473	213 767	224 244	224 244	266 300	281 212
Employee costs	7 722	8 626	8 688	9 294	9 340	9 340	10 568	11 160
Remuneration of councillors	51 887	51 430	58 862	55 000	55 000	55 000	58 135	61 391
Depreciation & asset impairment	2 175	1 641	6 529	-	-	-	939	991
Finance charges	16 037	33 189	48 215	3 500	4 154	4 154	25 579	26 900
Materials and bulk purchases	137 448	79 492	43 906	-	-	-	21 140	-
Transfers and grants	152 629	167 218	190 742	20 000	20 000	20 000	177 505	183 538
Other expenditure	519 225	531 198	555 416	301 561	312 739	312 739	560 167	565 192
Total Expenditure	253 211	(107 757)	(32 422)	1 268 479	345 478	345 357	128 180	99 310
Surplus/(Deficit)	-	445 782	422 206	-	-	-	597 316	591 740
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	-	-	-	-	-	-	-	-
Contributions recognised - capital & contributed assets	253 211	338 025	389 785	1 268 479	345 478	345 357	725 496	691 050
Surplus/(Deficit) after capital transfers & contributions	-	-	-	-	-	-	-	-
Share of surplus/ (deficit) of associate	253 211	338 025	389 785	1 268 479	345 478	345 357	725 496	691 050
Surplus/(Deficit) for the year	253 211	338 025	389 785	1 268 479	345 478	345 357	725 496	691 050
Capital expenditure & funds sources								
Capital expenditure	296 156	508 010	527 549	1 523 833	583 296	583 296	550 743	560 402
Transfers recognised - capital	295 801	476 583	500 261	1 496 783	571 916	571 916	550 743	560 402
Public contributions & donations	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-
Internally generated funds	355	31 427	24 728	-	-	-	-	-
Total sources of capital funds	296 156	508 010	524 989	1 496 783	571 916	571 916	550 743	560 402
Financial position								
Total current assets	285 420	198 045	80 143	60 138	60 138	60 138	47 339	49 878
Total non current assets	1 900 832	2 855 446	2 855 446	2 859 369	2 859 369	2 859 369	1 620 299	1 665 821
Total current liabilities	128 562	172 760	172 760	200 005	200 005	200 005	178 444	184 529
Total non current liabilities	34 859	19 717	19 717	1 005 057	1 005 057	1 005 057	-	-
Community wealth/Equity	2 022 832	2 743 113	2 743 113	1 714 445	1 714 445	1 714 445	293 854	179 095

[illegible]

DC44 Alfred Nzo - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14			2014/15		2015/16		Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome			Audited Outcome		Audited Outcome		Original Budget		Adjusted Budget	Full Year Forecast		Budget Year +1 2018/19
R thousand	1													Budget Year +2 2019/20
<u>Revenue - Functional</u>														
Governance and administration														
Executive and council														
Finance and administration														
Internal audit														
Community and public safety														
Community and social services														
Sport and recreation														
Public safety														
Housing														
Health														
Economic and environmental services														
Planning and development														
Road transport														
Environmental protection														
Trading services														
Energy sources														
Water management														
Waste water management														
Waste management														
Other														
Total Revenue - Functional	2	772 436	869 223	945 200	2 143 037	1 231 438	2 143 037	1 231 438	2 143 037	1 231 438	1 231 438	1 093 791	1 285 238	1 255 793
<u>Expenditure - Functional</u>														
Governance and administration														
Executive and council														
Finance and administration														
Internal audit														
Community and public safety														
Community and social services														
Sport and recreation														
Public safety														
Housing														
Health														
Economic and environmental services														
Planning and development														
Road transport														
Environmental protection														

Trading services		2 116 603	204 205	5 350	277 088	259 921	—	701 041	729 515	749 171
Energy sources		—	—	—	—	—	—	—	—	—
Water management		2 116 603	204 205	5 350	277 088	259 921	—	701 041	729 515	749 171
Waste water management		—	—	—	—	—	—	—	—	—
Waste management		—	—	—	—	—	—	—	—	—
Other	4	—	—	—	—	—	—	—	—	—
Total Expenditure - Functional	3	5 119 225	531 198	555 416	678 643	659 523	529 416	1 063 665	1 110 910	1 125 595
Surplus/(Deficit) for the year		253 211	338 025	389 785	1 464 394	571 916	(529 416)	30 126	174 328	130 198

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist the compilation of national and international accounts for comparison purposes
2. Total Revenue by functional classification must reconcile to Total Operating Revenue shown in Budgeted Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to Total Operating Expenditure shown in Budgeted Financial Performance (revenue and expenditure)
4. All amounts must be classified under a functional classification. The GFS function 'Other' is only for Abbajoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification.

DC44 Alfred Nzo - Table A2 Consolidated Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17	Adjusted Budget	Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1									
Revenue - Functional										
Municipal governance and administration										
Executive and council		-	-	-	-	-	-	523 141	661 395	636 041
<i>Mayor and Council</i>		-	-	62 255	-	-	-	5 000	6 000	5 000
<i>Municipal Manager, Town Secretary and Chief Executive</i>				62 255				5 000	6 000	5 000
Finance and administration		757 073	850 446	142 726	2 114 528	1 211 957		518 141	655 395	631 041
<i>Administrative and Corporate Support</i>										
Asset Management										
Budget and Treasury Office		757 073	850 446	78 413	2 114 528	1 211 957	1 211 957	507 447	644 678	620 107
Finance										
Fleet Management										
Human Resources				64 312				10 694	10 717	10 934
Information Technology										
Legal Services										
Marketing, Customer Relations, Publicity and Media Co-ordination										
Property Services										
Risk Management										
Security Services										
Supply Chain Management										
Valuation Service										
Internal audit		-	-	-	-	-	-	-	-	-
Governance Function										
Community and public safety		-	-	60 971	-	-	-	10	11	11
Community and social services		-	-	60 825	-	-	-	-	-	-
Aged Care										
Agricultural										
Animal Care and Diseases										
Cemeteries, Funeral Parlours and Crematoriums										
Child Care Facilities										
Community Halls and Facilities										
Consumer Protection										
Cultural Matters										
Disaster Management										
Education										

[illegible]

Museums and Art Galleries	47 534	57 395		73 168	70 306	70 306	50	53	56
Population Development	-	-	-	-	-	-	-	-	72 448
Provincial Cultural Matters									
Theatres									
Zoo's									
Sport and recreation									
Beaches and Jetties									
Casinos, Racing, Gambling, Wagering									
Recreational Facilities									
Sports Grounds and Stadiums									
Public safety									
Public safety	-	-	-	-	-	-	1 150	1 216	1 266
Civil Defence									
Cleansing									
Fencing and Fences									
Fire Fighting and Protection									
Licensing and Control of Animals							1 150	1 216	1 266
Housing	-	-	-	-	-	-	-	-	-
Housing									
Informal Settlements									
Health	-	-	-	-	-	-	650	687	726
Ambulance									
Health Services							350	370	391
Laboratory Services							300	317	335
Food Control									
Health Surveillance and Prevention of Communicable Diseases including immunizations									
Vector Control									
Chemical Safety									
Economic and environmental services	12 838	22 127	-	46 793	43 128	43 128	36 373	38 447	18 276
Planning and development	12 838	22 127	-	46 793	43 128	43 128	36 373	38 447	18 276
Billboards									
Corporate Wide Strategic Planning (IDPs, LEDDs)									
Central City Improvement District									
Development Facilitation									
Economic Development/Planning	12 838	22 127		46 793	43 128	43 128	34 873	36 861	16 602
Regional Planning and Development									
Town Planning, Building Regulations and Enforcement, and City Engineer							1 500	1 586	1 674
Project Management Unit									
Provincial Planning									
Support to Local Municipalities									
Road transport	-	-	-	-	-	-	-	-	-
Police Forces, Traffic and Street Parking Control									

[illegible]

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison
2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)
3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expenditure)
4. All amounts must be classified under a Functional classification. The GFS function 'Other' is only for Abbatoirs, Air Transport, Forestry, Licensing and Regulation, Markets and Tourism - and if used must be supported by footnotes. Nothing else may be placed under 'Other'. Assign associate share to relevant classification

DC44 Alfred Nzo - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand										
Revenue by Vote	1									
Vote 1 - Exwcutive and Council		-	-	-	-	-	-	5 000	6 000	5 000
Vote 2 - Planning and Development		-	-	-	-	-	-	-	-	-
Vote 3 - Bugdet and Treasury		1 259 711	869 444	9 452 000	2 143 037	1 231 438	1 231 438	507 447	644 678	620 107
Vote 4 - Technical service		-	-	-	-	-	-	570 640	623 832	619 741
Vote 5 - Community services		-	-	-	-	-	-	10	11	11
Vote 6 - Corporate Service		-	-	-	-	-	-	10 694	10 717	10 934
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	1 259 711	869 444	9 452 000	2 143 037	1 231 438	1 231 438	1 093 791	1 285 238	1 255 793
Expenditure by Vote to be appropriated	1									
Vote 1 - Exwcutive and Council		44 516	54 063	551 007	44 849	46 028	41 028	67 540	70 262	73 824
Vote 2 - Planning and Development		15 400	-	-	16 251	15 273	15 273	36 373	38 447	18 276
Vote 3 - Bugdet and Treasury		135 593	-	-	-	-	-	131 434	138 925	143 998
Vote 4 - Technical service		224 831	-	-	-	-	-	701 041	729 515	749 171
Vote 5 - Community services		50 089	-	-	-	-	-	68 934	72 720	76 635
Vote 6 - Corporate Service		36 293	-	-	-	-	-	58 343	61 040	63 691
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	506 722	54 063	551 007	61 100	61 301	56 301	1 063 665	1 110 910	1 125 595
Surplus/(Deficit) for the year	2	752 989	815 381	8 900 993	2 081 937	1 170 138	1 175 138	30 126	174 328	130 198

References

1. Insert 'Vote'; e.g. department, if different to functional classification structure
2. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
3. Assign share in 'associate' to relevant Vote

DC44 Alfred Nzo - Table A3 Consolidated Budgeted Financial Performance (revenue and expenditure by municipal vote)/A

R thousand	Ref	Vote Description	2013/14	2014/15	2015/16	Current Year 2016/17	Adjusted Budget	Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20
Revenue by Vote	1										
Vote 1 - Exwative and Council			-	-	-	-	-	-	5 000	6 000	5 000
1.1 - [Name of sub-vote]									5 000	6 000	5 000
Vote 2 - Planning and Development			-	-	-	-	-	-	-	-	-
2.1 - [Name of sub-vote]											
Vote 3 - Bugdet and Treasury			1 259 711	869 444	9 452 000	2 143 037	1 231 438	1 231 438	507 447	644 678	620 107
3.1 - [Name of sub-vote]			1 259 711	869 444	9 452 000	2 143 037	1 231 438	1 231 438	507 447	644 678	620 107
Vote 5 - Community services			-	-	-	-	-	-	10	11	11
5.1 - [Name of sub-vote]									10	11	11
Vote 6 - Corporate Service			-	-	-	-	-	-	10 694	10 717	10 934
6.1 - [Name of sub-vote]									10 694	10 717	10 934
Vote 7 - [NAME OF VOTE 7]			-	-	-	-	-	-	-	-	-
7.1 - [Name of sub-vote]											
Vote 8 - [NAME OF VOTE 8]			-	-	-	-	-	-	-	-	-
8.1 - [Name of sub-vote]											
Vote 9 - [NAME OF VOTE 9]			-	-	-	-	-	-	-	-	-
9.1 - [Name of sub-vote]											
Vote 10 - [NAME OF VOTE 10]			-	-	-	-	-	-	-	-	-
10.1 - [Name of sub-vote]											

Vote 7 - [NAME OF VOTE 7] 7.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 8 - [NAME OF VOTE 8] 8.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 9 - [NAME OF VOTE 9] 9.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 10 - [NAME OF VOTE 10] 10.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 11 - [NAME OF VOTE 11] 11.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 12 - [NAME OF VOTE 12] 12.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13] 13.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14] 14.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15] 15.1 - [Name of sub-vote]	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	506 722	54 063	551 007	61 100	61 301	56 301	1 063 665	1 110 910	1 125 595	
Surplus/(Deficit) for the year	2	752 989	815 381	8 900 993	2 081 937	1 170 138	1 175 138	30 126	174 328	130 198

References

1. Insert 'Vote'; e.g. Department, if different to Functional structure
2. Must reconcile to Financial Performance ('Revenue and Expenditure by Functional Classification' and 'Revenue and Expenditure')
3. Assign share in 'associate' to relevant Vote

DC44 Alfred Nzo - Table A4 Consolidated Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1										
Revenue By Source											
Property rates	2	—	—	—	—	—	—	—	—	—	—
Service charges - electricity revenue	2	—	—	—	—	—	—	—	—	—	—
Service charges - water revenue	2	15 363	16 960	25 668	26 000	16 748	16 010	—	20 054	21 197	22 384
Service charges - sanitation revenue	2	—	1 816	—	2 509	2 509	3 126	—	3 532	3 734	3 943
Service charges - refuse revenue	2	—	—	—	—	—	—	—	—	—	—
Service charges - other											
Rental of facilities and equipment		255	184	234	330	131	131		401	424	448
Interest earned - external investments		16 497	27 160	11 871	8 000	8 000	8 000		10 000	10 500	11 025
Interest earned - outstanding debtors		1 426									
Dividends received											
Fines, penalties and forfeits											
Licences and permits											
Agency services	4		31	20							
Transfers and subsidies		736 736	374 159	480 062	531 431	566 836	566 836		467 480	530 375	575 069
Other revenue	2	1 528	3 131	5 138	1 001 770	63 993	63 993	—	57 451	122 116	51 633
Gains on disposal of PPE		627									
Total Revenue (excluding capital transfers and contributions)		772 436	423 441	522 994	1 570 040	658 216	658 096	—	558 919	688 346	664 501
Expenditure By Type											
Employee related costs	2	151 328	189 602	198 473	213 767	224 244	224 244	—	251 940	266 300	281 212
Remuneration of councillors		7 722	8 626	8 688	9 294	9 340	9 340		9 998	10 568	11 160
Debt impairment	3	14 014	13 543	22 129	20 000	20 000	20 000		22 500	23 783	25 114
Depreciation & asset impairment	2	51 887	51 430	58 862	55 000	55 000	55 000	—	55 000	58 135	61 391
Finance charges		2 175	1 641	6 529					888	939	991
Bulk purchases	2	2 338	4 078	5 350	3 500	4 154	4 154	—	3 000	3 171	3 349
Other materials	8	13 699	29 111	42 865					21 200	22 408	23 552
Contracted services		49 023	41 100	31 034	—	—	—	—	—	—	—
Transfers and subsidies		137 448	79 492	43 906	—	—	—	—	20 000	21 140	—
Other expenditure	4, 5	89 592	112 238	133 172	—	—	—	—	146 865	153 722	158 423
Loss on disposal of PPE			337	4 408							
Total Expenditure		519 225	531 198	555 416	301 561	312 739	312 739	—	531 391	560 167	565 192

Surplus/(Deficit)	253 211	(107 757)	(32 422)	1 268 479	345 478	345 357	-	27 527	128 180	99 310
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		445 782	422 206					535 274	597 316	591 740
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)										
Surplus/(Deficit) after capital transfers & contributions	253 211	338 025	389 785	1 268 479	345 478	345 357	-	562 801	725 496	691 050
Taxation										
Surplus/(Deficit) after taxation	253 211	338 025	389 785	1 268 479	345 478	345 357	-	562 801	725 496	691 050
Attributable to minorities										
Surplus/(Deficit) attributable to municipality	253 211	338 025	389 785	1 268 479	345 478	345 357	-	562 801	725 496	691 050
Share of surplus/ (deficit) of associate										
Surplus/(Deficit) for the year	253 211	338 025	389 785	1 268 479	345 478	345 357	-	562 801	725 496	691 050

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item; e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development; e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method (Includes Joint Ventures)

DC44 Alfred Nzo - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +2 2019/20
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	
R thousand	1										
Capital expenditure - Vote	2										
Multi-year expenditure to be appropriated											
Vote 1 - Exccutive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		-	-	-	-	-	-	-	-	-	-
Vote 3 - Bugdet and Treasury		355	29 396	-	4 550	1 930	-	-	-	-	-
Vote 4 - Technical service		295 801	476 583	-	1 338 594	545 457	545 457	-	-	-	-
Vote 5 - Community services		-	-	-	21 700	6 550	6 550	-	-	-	-
Vote 6 - Corporate Service		-	2 031	-	21 850	15 000	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]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	296 156	508 010	-	1 386 694	568 937	567 007	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Exccutive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Planning and Development		269	-	-	-	-	-	-	-	-	-
Vote 3 - Bugdet and Treasury		355	29 396	-	-	-	-	-	-	-	-
Vote 4 - Technical service		295 801	476 583	-	-	-	-	-	-	-	-
Vote 5 - Community services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Corporate Service		-	2 031	-	-	-	-	-	-	-	-
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]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		296 426	508 010	-	-	-	-	-	-	-	-
Total Capital Expenditure - Vote		592 582	1 016 020	-	1 386 694	568 937	567 007	-	532 274	550 743	560 402

Capital Expenditure - Functional	Governance and administration	355	31 427	2 560	5 350	4 830	4 830	–	10 412	10 405	10 681
	Executive and council	355	31 427	2 560	800	2 900	2 900	–	400	–	–
	Finance and administration				4 550	1 930	1 930		10 012	10 405	10 681
	Internal audit										
	Community and public safety	–	–	–	21 700	6 550	6 550	–	1 650	1 744	1 842
	Community and social services				21 700	6 550	6 550		1 500	1 586	1 674
	Sport and recreation										
	Public safety								150	159	167
	Housing										
	Health										
	Economic and environmental services	–	–	–	–	–	–	–	100	106	112
	Planning and development								100	106	112
	Road transport										
	Environmental protection										
	Trading services	295 801	476 583	524 989	1 496 783	571 916	571 916	–	520 112	538 488	547 768
Funded by:	Energy sources										
	Water management	295 801	476 583	524 989	1 496 783	571 916	571 916		520 112	538 488	547 768
	Waste water management										
	Waste management										
	Other										
	Total Capital Expenditure - Functional	3	508 010	527 549	1 523 833	583 296	583 296	–	532 274	550 743	560 402
	National Government	295 801	476 583	500 261	1 496 783	571 916	571 916		532 274	550 743	560 402
	Provincial Government										
	District Municipality										
	Other transfers and grants										
	Transfers recognised - capital	295 801	476 583	500 261	1 496 783	571 916	571 916	–	532 274	550 743	560 402
	Public contributions & donations										
	Borrowing	355	31 427	24 728							
	Internally generated funds										
	Total Capital Funding	7	508 010	524 989	1 496 783	571 916	571 916	–	532 274	550 743	560 402

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year
3. Capital expenditure by functional classification must reconcile to the appropriations by vote
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure)
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure)
6. Include finance leases and PPP capital funding component of unitary payment- total borrowing/repayments to reconcile to changes in Table SA17
7. Total Capital Funding must balance with Total Capital Expenditure
8. Include any capitalised interest (MfMA section 46) as part of relevant capital budget

DC44 Alfred Nzo - Table A5 Consolidated Budgeted Capital Expenditure by vote, functional classification and funding

Vote Description		Ref	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +1 2018/19	Budget Year +2 2019/20	
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome					
R thousand		1												
Capital expenditure - Municipal Vote <u>Multi-year expenditure appropriation</u> Vote 1 - Exwcutive and Council 1.1 - [Name of sub-vote] Vote 2 - Planning and Development 2.1 - [Name of sub-vote] Vote 3 - Bugdet and Treasury 3.1 - [Name of sub-vote] Vote 4 - Technical service 4.1 - [Name of sub-vote] Vote 5 - Community services 5.1 - [Name of sub-vote] Vote 6 - Corporate Service 6.1 - [Name of sub-vote] Vote 7 - [NAME OF VOTE 7] 7.1 - [Name of sub-vote] Vote 8 - [NAME OF VOTE 8] 8.1 - [Name of sub-vote] Vote 9 - [NAME OF VOTE 9] 9.1 - [Name of sub-vote] Vote 10 - [NAME OF VOTE 10] 10.1 - [Name of sub-vote] Vote 11 - [NAME OF VOTE 11] 11.1 - [Name of sub-vote]		2	-	-	-	-	-	-	-	-	-	-	-	
			-	-	-	-	-	-	-	-	-	-	-	-
			355	29 396	-	4 550	1 930	-	-	-	-	-	-	-
			355	29 396		4 550	1 930							
			295 801	476 583	-	1 338 594	545 457	545 457	-					
			295 801	476 583		1338593752	545456773	545 457						
			-	-	-	21 700	6 550	6 550	-					
						21 700	6 550	6 550						
			-	2 031	-	21 850	15 000	15 000	-					
				2 031		21 850	15 000	15 000						
			-	-	-	-	-	-	-					
			-	-	-	-	-	-	-					

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DC44 Alfred Nzo - Table A6 Consolidated Budgeted Financial Position

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
ASSETS											
Current assets											
Cash	1	134 602	73 810	36 375	42 767	42 767	42 767				
Call investment deposits		123 928	52 796	—	—	—	—	—	—	—	—
Consumer debtors	1	15 408	22 860	30 724	—	—	—	—	23 586	24 931	26 327
Other debtors		5 673	42 629	7 251							
Current portion of long-term receivables											
Inventory	2	5 809	5 950	5 793	17 371	17 371	17 371		21 200	22 408	23 552
Total current assets		285 420	198 045	80 143	60 138	60 138	60 138	—	44 786	47 339	49 878
Non current assets											
Long-term receivables		231	115	115							

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References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

DC44 Alfred Nzo - Table A7 Consolidated Budgeted Cash Flows

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		Pre-audit outcome	2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		17 479	10 077	35 705	28 509	28 509	28 509	23 586	24 931	26 327
Service charges		67 051	47 643		2 429	2 429	2 429	57 451	122 116	51 633
Other revenue	1	492 969	374 159	905 582	531 431	531 431	531 431	467 480	530 375	575 069
Government - operating	1	230 927	441 701		572 668	572 668	572 668	535 274	597 316	591 740
Government - capital		9 371	13 501	11 871	8 000	8 000	8 000	10 000	10 500	11 025
Interest										
Dividends										
Payments										
Suppliers and employees		581 106	414 038	528 753	(517 885)	(517 885)	(517 885)	(510 503)	(538 088)	(564 202)
Finance charges		1 053	1 562		(33 369)	(33 369)	(33 369)	(888)	(939)	(991)
Transfers and Grants	1				(20 000)	(20 000)	(20 000)	(20 000)	(21 140)	
NET CASH FROM/(USED) OPERATING ACTIVITIES		1 399 956	1 302 681	1 481 911	571 783	571 783	571 783	562 400	725 071	690 600
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		103 189								
Decrease (increase) in non-current debtors				49 038						
Decrease (increase) other non-current receivables				(510 349)						
Decrease (increase) in non-current investments										
Payments										
Capital assets		404 519	580 609		(1 496 783)	(1 496 783)	(1 496 783)	(532 274)	(550 743)	(560 402)
NET CASH FROM/(USED) INVESTING ACTIVITIES		507 707	580 609	(461 311)	(1 496 783)	(1 496 783)	(1 496 783)	(532 274)	(550 743)	(560 402)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans										
Borrowing long term/refinancing					1 000 000	1 000 000	1 000 000			
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing				542	(32 233)	(32 233)	(32 233)			
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	542	967 767	967 767	967 767			
NET INCREASE/ (DECREASE) IN CASH HELD		1 907 664	1 883 290	1 021 142	42 767	42 767	42 767	30 126	174 328	130 198
Cash/cash equivalents at the year begin:	2	202 924	134 602	73 822				36 375	66 502	240 830
Cash/cash equivalents at the year end:	2	2 110 588	2 017 892	1 094 964	42 767	42 767	42 767	66 502	240 830	371 028

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less
3. The MTREF is populated directly from SA30.

DC44 Alfred Nzo - Table A8 Consolidated Cash backed reserves/accumulated surplus reconciliation

R thousand	Description	Ref	Current Year 2016/17			2015/16	2017/18 Medium Term Revenue & Expenditure Framework		
			Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
	<u>Cash and investments available</u>								
	Cash/cash equivalents at the year end	1	42 767	42 767	42 767	-	66 502	240 830	371 028
	Other current investments > 90 days		-	-	-	-	(66 502)	(240 830)	(371 028)
	Non current assets - Investments	1	120 426	120 426	120 426	-	1 002 754	1 127 691	1 166 809
	Cash and investments available:		163 193	163 193	163 193	-	1 002 754	1 127 691	1 166 809
	<u>Application of cash and investments</u>								
	Unspent conditional transfers		-	-	-	-	-	-	-
	Unspent borrowing		-	-	-	-	-	-	-
	Statutory requirements	2	-	-	-	-	-	-	-
	Other working capital requirements	3	174 110	174 110	174 110	-	123 395	128 863	132 247
	Other provisions		-	-	-	-	-	-	-
	Long term investments committed	4	-	-	-	-	-	-	-
	Reserves to be backed by cash/investments	5	-	-	-	-	55 000	119 526	48 897
	Total Application of cash and investments:		174 110	174 110	174 110	-	178 395	248 389	181 144
	Surplus(shortfall)		(10 917)	(10 917)	(10 917)	-	824 359	879 302	985 665

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT, taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

DC44 Alfred Nzo - Table A9 Consolidated Asset Management

R thousand	Ref	Description	2013/14	2014/15	2015/16	Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
CAPITAL EXPENDITURE	1	<u>Total New Assets</u>	296 156	508 010	524 989	1 496 783	571 916	571 916	533 924	552 487	562 244
		Roads Infrastructure	-	-	-	-	-	-	-	-	-
		Storm water Infrastructure	-	-	-	-	-	-	-	-	-
		Electrical Infrastructure	-	-	-	-	-	-	-	-	-
		Water Supply Infrastructure	288 233	505 978	485 480	1 371 383	545 457	545 457	520 112	538 488	547 768
		Sanitation Infrastructure	7 568	-	-	-	-	-	-	-	-
		Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
		Rail Infrastructure	-	-	-	-	-	-	-	-	-
		Coastal Infrastructure	-	-	-	-	-	-	-	-	-
		Information and Communication Infrastructure	-	-	-	-	-	-	-	-	-
		Infrastructure	295 801	505 978	485 480	1 371 383	545 457	545 457	520 112	538 488	547 768
		Community Facilities	-	-	-	21 700	-	-	1 650	1 744	1 842
		Sport and Recreation Facilities	-	-	-	-	-	-	-	-	-
		Community Assets	-	-	-	21 700	-	-	1 650	1 744	1 842
		Heritage Assets	-	-	-	-	-	-	-	-	-
		Revenue Generating	-	-	-	-	-	-	2 950	3 118	3 237
		Non-revenue Generating	-	-	-	-	-	-	-	-	-
		Investment properties	-	-	-	-	-	-	2 950	3 118	3 237
		Operational Buildings	-	-	39 255	103 700	26 459	26 459	-	-	-
		Housing	-	-	-	-	-	-	-	-	-
Other Assets	2	Biological or Cultivated Assets	-	-	39 255	103 700	26 459	26 459	-	-	-
		Servitudes	-	-	-	-	-	-	-	-	-
		Licences and Rights	355	2 031	253	-	-	-	-	-	-
		Intangible Assets	355	2 031	253	-	-	-	-	-	-
		Computer Equipment	-	-	-	-	-	-	700	740	781
		Furniture and Office Equipment	-	-	-	-	-	-	8 112	8 396	8 616
		Machinery and Equipment	-	-	-	-	-	-	-	-	-
		Transport Assets	-	-	-	-	-	-	400	-	-
		Libraries	-	-	-	-	-	-	-	-	-
		Zoo's, Marine and Non-biological Animals	-	-	-	-	-	-	-	-	-
		<u>Total Renewal of Existing Assets</u>	-	-	-	-	-	-	533 924	552 487	562 244
		Roads Infrastructure	-	-	-	-	-	-	-	-	-
		Storm water Infrastructure	-	-	-	-	-	-	-	-	-
		Electrical Infrastructure	-	-	-	-	-	-	-	-	-
		Water Supply Infrastructure	-	-	-	-	-	-	520 112	538 488	547 768

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[illegible]

[illegible]

[illegible]

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Detail of upgrading of existing assets provided in Table SA34e
7. Detail of depreciation provided in Table SA34d

DC44 Alfred Nzo - Table A10 Consolidated basic service delivery measurement

Description	Ref	2013/14		2014/15		2015/16		Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework			
		Outcome	2013/14	Outcome	2014/15	Outcome	2015/16	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Household service targets</u>	1												
<u>Water:</u>													
Piped water inside dwelling		22 000	22 000	22 000	22 000	22 000	22 000	22 000	22 000	22 000	38 007	41 807	45 987
Piped water inside yard (but not in dwelling)		6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	6 000	22 445	24 689	27 157
Using public tap (at least min.service level)	2	7 000	7 000	7 000	7 000	7 000	7 000	7 000	7 000	7 000	36 039	35 136	31 623
Other water supply (at least min.service level)	4	-	-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		35 000	35 000	35 000	35 000	35 000	35 000	35 000	35 000	35 000	96 491	101 632	104 767
Using public tap (< min.service level)	3	-	-	-	-	-	-	-	-	-	-	-	-
Other water supply (< min.service level)	4	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	40 174	36 157	32 542
No water supply		12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	12 000	60 261	54 595	49 136
Below Minimum Service Level sub-total		24 000	24 000	24 000	24 000	24 000	24 000	24 000	24 000	24 000	100 435	90 752	81 678
Total number of households	5	59 000	59 000	59 000	59 000	59 000	59 000	59 000	59 000	59 000	196 926	192 384	186 445
<u>Sanitation/sewerage:</u>													
Flush toilet (connected to sewerage)		-	-	-	-	-	-	-	-	-	8 709	9 580	10 538
Flush toilet (with septic tank)		19 000	19 000	19 000	19 000	19 000	19 000	19 000	19 000	19 000	2 552	2 327	2 095
Chemical toilet		-	-	-	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)		-	-	-	-	-	-	-	-	-	137 237	150 961	161 557
Other toilet provisions (> min.service level)		-	-	-	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total		19 000	19 000	19 000	19 000	19 000	19 000	19 000	19 000	19 000	148 498	162 868	174 190
Bucket toilet		27 000	27 000	27 000	27 000	27 000	27 000	27 000	27 000	27 000	-	-	-
Other toilet provisions (< min.service level)		-	-	-	-	-	-	-	-	-	-	-	-
No toilet provisions		1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	1 000	-	-	-
Below Minimum Service Level sub-total		28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	28 000	-	-	-
Total number of households	5	47 000	47 000	47 000	47 000	47 000	47 000	47 000	47 000	47 000	148 498	162 868	174 190
<u>Energy:</u>													
Electricity (at least min.service level)		-	-	200	200	200	200	200	200	200	-	-	-
Electricity - prepaid (min.service level)		-	-	18 683	18 683	18 683	18 683	22 346	22 346	22 346	-	-	-
Minimum Service Level and Above sub-total		-	-	18 883	18 883	18 883	18 883	22 546	22 546	22 546	-	-	-
Electricity (< min.service level)		-	-	-	-	-	-	4 155 000	4 155 000	-	-	-	-
Electricity - prepaid (< min. service level)		-	-	-	-	-	-	-	-	-	-	-	-
Other energy sources		-	-	3 000	3 000	3 000	3 000	6 000	6 000	6 000	-	-	-
Below Minimum Service Level sub-total		-	-	3 000	3 000	3 000	3 000	4 161 000	4 161 000	6 000	-	-	-
Total number of households	5	-	-	21 883	21 883	21 883	21 883	4 183 546	4 183 546	28 546	-	-	-
<u>Refuse:</u>													
Removed at least once a week		7 665	7 665	8 365	8 365	8 365	8 365	14 597	14 597	14 597	-	-	-
Minimum Service Level and Above sub-total		7 665	7 665	8 365	8 365	8 365	8 365	14 597	14 597	14 597	-	-	-
Removed less frequently than once a week		3 258	3 258	3 358	3 358	3 358	3 358	7 488	7 488	7 488	-	-	-
Using communal refuse dump		383	383	625	625	625	625	56 695	56 695	56 695	-	-	-
Using own refuse dump		161 152	161 152	161 152	161 152	161 152	161 152	103 317	103 317	103 317	-	-	-

Other rubbish disposal		-	1	-	3	3	-	-	-
No rubbish disposal		19 162	66 809	-	58 210	58 210	-	-	-
Below Minimum Service Level sub-total		183 955	231 945	-	225 713	225 713	-	-	-
Total number of households	5	191 620	240 310	-	240 310	240 310	-	-	-
<u>Households receiving Free Basic Service</u>	7								
Water (6 kilolitres per household per month)		-	-	-	-	-	-	-	-
Sanitation (free minimum level service)		-	-	-	-	-	-	-	-
Electricity/other energy (50kwh per household per month)		-	-	-	-	-	-	-	-
Refuse (removed at least once a week)		-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Formal Settlements (R'000)</u>	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)		-	-	-	-	-	-	-	-
Refuse (removed once a week for indigent households)		-	-	-	-	-	-	-	-
<u>Cost of Free Basic Services provided - Informal Formal Settlements (R'000)</u>									
Total cost of FBS provided -		-	-	-	-	-	-	-	-
<u>Highest level of free service provided per household</u>									
Property rates (R value threshold)									
Water (kilolitres per household per month)							6	6	6
Sanitation (kilolitres per household per month)									
Sanitation (Rand per household per month)									
Electricity (kwh per household per month)									
Refuse (average litres per week)									
<u>Revenue cost of subsidised services provided (R'000)</u>	9								
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)									
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		-	-	-	-	-	-	-	-
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									
Total revenue cost of subsidised services provided	6	-	-	-	-	-	-	-	-
<u>References</u>									

1. Include services provided by another entity; e.g. Eskom

2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area (informal settlements receiving services must be included)
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free (informal settlements must be included)
8. Must reflect the cost to the municipality of providing the Free Basic Service
9. Reflect the cost to the municipality in terms of 'revenue foregone' of providing free services (note this will not equal 'Revenue Foregone' on SA1)

DC44 Alfred Nzo - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	Ref	Current Year 2016/17				Pre-audit outcome	2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand									
REVENUE ITEMS:									
Property rates	6								
Total Property Rates									
less Revenue Foregone (exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)									
Net Property Rates									
Service charges - electricity revenue	6								
Total Service charges - electricity revenue									
less Revenue Foregone (in excess of 50 kwh per indigent household per month)									
less Cost of Free Basis Services (50 kwh per indigent household per month)									
Net Service charges - electricity revenue									
Service charges - water revenue	6								
Total Service charges - water revenue									
less Revenue Foregone (in excess of 6 kilolitres per indigent household per month)									
less Cost of Free Basis Services (6 kilolitres per indigent household per month)									
Net Service charges - water revenue									

Service charges - sanitation revenue										
	Total Service charges - sanitation revenue	1 816	2 509	2 509	3 126		3 532	3 734	3 943	
	less Revenue Foregone (in excess of free sanitation service to indigent households)	-	-	-	-		-	-	-	
	less Cost of Free Basis Services (free sanitation service to indigent households)	-	-	-	-		-	-	-	
Service charges - refuse revenue	Net Service charges - sanitation revenue	1 816	2 509	2 509	3 126	-	3 532	3 734	3 943	
	Service charges - refuse revenue									
	Total refuse removal revenue									
	Total landfill revenue									
Other Revenue by source	less Revenue Foregone (in excess of one removal a week to indigent households)	-	-	-	-		-	-	-	
	less Cost of Free Basis Services (removed once a week to indigent households)	-	-	-	-		-	-	-	
	Net Service charges - refuse revenue	-	-	-	-		-	-	-	
	Fuel Levy									
Other Revenue	Other Revenue	1 528	3 131	5 138	1 001 770	63 993	63 993	122 116	51 633	
	Total 'Other' Revenue	1 528	3 131	5 138	1 001 770	63 993	63 993	122 116	51 633	
EXPENDITURE ITEMS:	Employee related costs									
	Basic Salaries and Wages	151 328	189 602	198 473	138 467	141 261	141 261	186 971	197 531	
	Pension and UIF Contributions				20 487	17 495	17 495	23 825	25 068	
	Medical Aid Contributions				9 821	10 790	10 790	11 406	12 044	
	Overtime				3 150	3 206	3 206	1 057	1 116	
	Performance Bonus				9 655	8 896	8 896	-	-	
	Motor Vehicle Allowance				11 751	12 340	12 340	15 665	16 542	
	Cellphone Allowance				-	-	-	-	-	
	Housing Allowances				8 160	13 561	13 561	8 451	8 924	

Other benefits and allowances						10 631	14 254	14 254	16 330	17 261	18 228
Payments in lieu of leave						1 100	1 790	1 790	1 050	1 110	1 172
Long service awards						545	650	650	525	555	586
Post-retirement benefit obligations											
sub-total	4	151 328	189 602	198 473		213 767	224 244	224 244	251 940	266 300	281 212
<u>Less: Employees costs capitalised to PPE</u>											
Total Employee related costs	1	151 328	189 602	198 473		213 767	224 244	224 244	251 940	266 300	281 212
<u>Contributions recognised - capital</u>											
List contributions by contract											
Total Contributions recognised - capital		-	-	-	-	-	-	-	-	-	-
<u>Depreciation & asset impairment</u>											
Depreciation of Property, Plant & Equipment		51 887	51 430	58 862 137		55 000	55 000	55 000	55 000	58 135	61 391
Lease amortisation											
Capital asset impairment											
Depreciation resulting from revaluation of PPE											
Total Depreciation & asset impairment	10	51 887	51 430	58 862		55 000	55 000	55 000	55 000	58 135	61 391
<u>Bulk purchases</u>											
Electricity Bulk Purchases		2 338	4 078	5 350		3 500	4 154	4 154	3 000	3 171	3 349
Water Bulk Purchases											
Total bulk purchases	1	2 338	4 078	5 350		3 500	4 154	4 154	3 000	3 171	3 349
<u>Transfers and grants</u>											
Cash transfers and grants		137 448	79 492	43 906		-	-	-	20 000	21 140	-
Non-cash transfers and grants						-	-	-	-	-	-
Total transfers and grants	1	137 448	79 492	43 906		-	-	-	20 000	21 140	-
<u>Contracted services</u>											
List services provided by contract											
sub-total	1	-	-	31 034		-	-	-	-	-	-
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		49 023	41 100	31 034		-	-	-	-	-	-

Other Expenditure By Type											
Collection costs											
Contributions to 'other' provisions											
Consultant fees											
Audit fees											
General expenses											
List Other Expenditure by Type	3										
Total 'Other' Expenditure	1	89 592	112 238	133 172	146 865	153 722	158 423				
		89 592	112 238	133 172	146 865	153 722	158 423				
Repairs and Maintenance by Expenditure Item	8										
Employee related costs											
Other materials											
Contracted Services											
Other Expenditure				5 456	21 200	22 408	23 552				
Total Repairs and Maintenance Expenditure	9	-	-	5 456	21 200	22 408	23 552				
		-	-	5 456	21 200	22 408	23 552				

References

1. Must reconcile with 'Budgeted Financial Performance (Revenue and Expenditure)
2. Must reconcile to supporting documentation on staff salaries
3. Insert other categories where revenue or expenditure is of a material nature (list separate items until 'General expenses' is not > 10% of Total Expenditure)
4. Expenditure to meet any 'unfunded obligations'
- 5 This sub-total must agree with the total on SA22, but excluding councillor and board member items
6. Include a note for each revenue item that is affected by 'revenue foregone'
7. Special consideration may have to be given to including 'goodwill arising' or 'joint venture' budgets where circumstances require this (include separately under relevant notes)
8. Repairs and Maintenance is not a GRAP item. However to facilitate transparency, municipalities must provide a breakdown of the amounts included in the relevant GRAP items that will be spent on Repairs and Maintenance.
9. Must reconcile with Repairs and Maintenance by Asset Class (Total Repairs and Maintenance) on Table SA34c.
10. Only applicable to municipalities that have adopted the 'revaluation method' in GRAP 17. The aim is to prevent overstating 'depreciation and asset impairment'

DC44 Alfred Nzo - Supporting Table SA2 Consolidated Matrix Financial Performance Budget (revenue source/expenditure type & dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Planning and Development	Vote 3 - Budget and Treasury	Vote 4 - Technical service	Vote 5 - Community services	Vote 6 - Corporate Service	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
R thousand	1	R'000	R'000	R'000	R'000	R'000	R'000										R'000
Revenue By Source																	
Property rates																	
Service charges - electricity revenue																	
Service charges - water revenue					20 054												20 054
Service charges - sanitation revenue					3 532												3 532
Service charges - refuse revenue																	
Service charges - other																	
Rental of facilities and equipment					401												401

[illegible]

DC44 Alfred Nzo - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits		123 928	52 796								
Other current investments		123 928	52 796	-	-	-	-	-	-	-	
Total Call investment deposits	2										
Consumer debtors											
Consumer debtors		15 408	22 860	30 724					23 586	24 931	26 327
<u>Less: Provision for debt impairment</u>											
Total Consumer debtors	2	15 408	22 860	30 724	-	-	-	-	23 586	24 931	26 327
<u>Debt impairment provision</u>											
Balance at the beginning of the year		8 112							22 500	23 783	25 114
Contributions to the provision											
Bad debts written off											
Balance at end of year		8 112	-	-	-	-	-	-	22 500	23 783	25 114
Property, plant and equipment (PPE)											
PPE at cost/valuation (excl. finance leases)		1 897 902	2 812 294	2 812 294	2 701 706	2 701 706	2 701 706		532 274	550 743	560 402
Leases recognised as PPE	3								55 000	58 135	61 391
<u>Less: Accumulated depreciation</u>									477 274	492 608	499 012
Total Property, plant and equipment (PPE)	2	1 897 902	2 812 294	2 812 294	2 701 706	2 701 706	2 701 706	-			
LIABILITIES											
Current liabilities - Borrowing											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities			11 425	11 425					888	939	991
Total Current liabilities - Borrowing		-	11 425	11 425	-	-	-	-	888	939	991
Trade and other payables											
Trade and other creditors		122 934	159 945	159 945	174 110	174 110	174 110		146 865	153 722	158 423
Unspent conditional transfers											
VAT											
Total Trade and other payables	2	122 934	159 945	159 945	174 110	174 110	174 110	-	146 865	153 722	158 423
Non current liabilities - Borrowing											

Borrowing	4	26 747	13 821	13 821	1 000 000	1 000 000	1 000 000	1 000 000				
Finance leases (including PPP asset element)												
Total Non current liabilities - Borrowing		26 747	13 821	13 821	1 000 000	1 000 000	1 000 000	1 000 000	-	-	-	-
Provisions - non-current												
Retirement benefits		8 112	5 896	5 896	5 057	5 057	5 057	5 057				
List other major provision items												
Refuse landfill site rehabilitation												
Other												
Total Provisions - non-current		8 112	5 896	5 896	5 057	5 057	5 057	5 057	-	-	-	-
CHANGES IN NET ASSETS												
Accumulated Surplus/(Deficit)												
Accumulated Surplus/(Deficit) - opening balance		2 017 017		1 244 424								
GRAP adjustments												
Restated balance		2 017 017	-	1 244 424	-	-	-	-	-	-	-	-
Surplus/(Deficit)		253 211	338 025	389 785	1 268 479	345 478	345 357	562 801	725 496	691 050		
Appropriations to Reserves												
Transfers from Reserves												
Depreciation offsets												
Other adjustments												
Accumulated Surplus/(Deficit)	1	2 270 228	338 025	1 634 209	1 268 479	345 478	345 357	562 801	725 496	691 050		
Reserves												
Housing Development Fund												
Capital replacement												
Self-insurance												
Other reserves		1 517 942	1 517 942	1 517 942	168 596	168 596	168 596	55 000	119 526	48 897		
Revaluation												
Total Reserves	2	1 517 942	1 517 942	1 517 942	168 596	168 596	168 596	55 000	119 526	48 897		
TOTAL COMMUNITY WEALTH/EQUITY	2	3 788 170	1 855 967	3 152 151	1 437 075	514 074	513 953	617 801	845 021	739 947		

Total capital expenditure includes expenditure on nationally significant priorities:

Provision of basic services												

References

1. Must reconcile with Table A4 Budgeted Financial Performance (revenue and expenditure)
2. Must reconcile with Table A6 Budgeted Financial Position
3. Leases treated as assets to be depreciated as the same as purchased/constructed assets. Includes PPP asset element accounted for as finance leases
4. Borrowing must reconcile to Table A17

DC44 Alfred Nzo - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2013/14			2014/15			2015/16			Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +1 2018/19	Budget Year +2 2019/20
				Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20		
R thousand																				
Municipal Transformation and Organisational Development	Self-sustainable, compliant, efficient and capable municipality	A														10 704	10 728	10 945		
Basic Service Delivery	Improved quality of life	B														570 640	623 832	619 741		
Local Economic Development	Development in Rural Areas and maximum utilisation of natural resources	C																		
Financial Viability and Financial Management	Self-sustainable, compliant, efficient and capable municipality	D														507 447	644 678	620 107		
Good Governance and Public Participation	Self-sustainable, compliant, efficient and capable municipality	E														5 000	6 000	5 000		
Allocations to other priorities			2																	
Total Revenue (excluding capital transfers and contributions)			1	-	-	-	-	-	-	-	-	-				1 093 791	1 285 238	1 255 793		
References																				
1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)				(772 436)			(869 223)			(945 200)			(1 570 040)			(658 216)			(401)	
2. Balance of allocations not directly linked to an IDP strategic objective																				
check op revenue balance																				

DC44 Alfred Nzo - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +2 2019/20
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget		Budget Year 2017/18	Budget Year +1 2018/19		
R thousand	Municipal Transformation and Organisational Development	A									117 678	123 791	130 049
	Basic Service Delivery	B									180 929	191 027	201 402
	Local Economic Development	C									36 273	38 341	18 164
	Financial Viability and Financial Management	D									129 522	136 905	141 864
	Good Governance and Public Participation	E									66 990	70 104	73 713
Allocations to other priorities													
Total Expenditure				-	-	-	-	-	-	531 391	560 167	565 193	
<u>References</u>													
1. Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)													
2. Balance of allocations not directly linked to an IDP strategic objective													
check op expenditure balance													

DC44 Alfred Nzo - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +2 2019/20	
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19		
R thousand	Municipal Transformation and Organisational Development	Self-sustainable, compliant, efficient and capable municipality	A								9 600	9 970	10 277
	Basic Service Delivery	Improved quality of life	B								520 112	538 488	547 768
	Local Economic Development	Development in Rural Areas and maximum utilisation of natural resources	C								100	106	112
	Financial Viability and Financial Management	Self-sustainable, compliant, efficient and capable municipality	D								1 912	2 021	2 134
	Good Governance and Public Participation	Self-sustainable, compliant, efficient and capable municipality	E								550	159	112
Allocations to other priorities													
Total Capital Expenditure				-	-	-	-	-	-		532 274	550 743	560 402

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36
3. Balance of allocations not directly linked to an IDP strategic objective
check capital balance

(592 582) (1 016 020) - (1 386 694) (568 937) (567 007) - (0) (0) (0)

DC44 Alfred Nzo - Supporting Table SA7 Measureable performance objectives

Description	Unit of measurement	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +2 2019/20
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget		
Planning and Development								
Function 1 - (name)								
Vuka Alfred nzo project	Number of beneficiaries supported						10 beneficiaries	10 beneficiaries
Beach to Berg Development Programme	% of the Beach to Berg Corridor Development Plan implemented						1 schedule	1 schedule
AGRI-PARKS DEVELOPMENT PROGRAMME	Number of hectares Fenced						30 Hectares of Arable Land	30 Hectares of Arable Land

MANUFACTURING DEVELOPMENT PROGRAMME	Number of ANDM Crafters trained and Zone Centres Assessed	10 Crafters trained and 7 Centres Assessed	10 Crafters trained and 7 Centres Assessed	10 Crafters trained and 7 Centres Assessed	10 Crafters trained and 7 Centres Assessed
CORPORATE SERVICES	Reliable community information hubs	6 ICT community centres supported and maintained	6 ICT community centres supported and maintained	6 ICT community centres supported and maintained	6 ICT community centres supported and maintained
Leasing of Photo copying	100% of municipal buildings kept clean	100% of Hygienic and municipal environment / buildings well kept	100% of Hygienic and municipal environment / buildings well kept	100% of Hygienic and municipal environment / buildings well kept	100% of Hygienic and municipal environment / buildings well kept
OHS	Number of occupational Safety and Healthy Audit	8 OHS inspections and safety Audit	8 OHS inspections and safety Audit	8 OHS inspections and safety Audit	8 OHS inspections and safety Audit
Employee Wellness programme	Number of Employee wellness awareness programmes conducted and held	4 Employee Wellness awareness programmes held	4 Employee Wellness awareness programmes held	4 Employee Wellness awareness programmes held	4 Employee Wellness awareness programmes held
Infrastructure Development and Municipal Services					
Water Quality Monitoring	Number of water quality monitoring results submitted to DWS and Appointment of accredited laboratory services	123 Sample points monitored	123 Sample points monitored	123 Sample points monitored	123 Sample points monitored
Waterborne disease emergency response	Number of awareness campaigns conducted	1 door to door awareness campaign	1 door to door awareness campaign	1 door to door awareness campaign	1 door to door awareness campaign
Vehicles Leasing	Number of vehicles leased	30 vehicles leased	30 vehicles leased	30 vehicles leased	30 vehicles leased
MT AYLIFF PERI-URBAN	Number of households with access to water	Construction of pumping mains, concrete reservoirs, river crossings and chambers for valves.	Construction of pumping mains, concrete reservoirs, river crossings and chambers for valves.	Construction of pumping mains, concrete reservoirs, river crossings and chambers for valves.	Construction of pumping mains, concrete reservoirs, river crossings and chambers for valves.
Budget & Treasury Office	% of support fees paid	Updated and renewed SLA	Updated and renewed SLA	Updated and renewed SLA	Updated and renewed SLA
Annual renewal of Licences and SLA monitoring	% of assets exposed to risk safeguarded	Updated insurance portfolio	Updated insurance portfolio	Updated insurance portfolio	Updated insurance portfolio
INSURANCE	% of Council vehicles maintained	Update Fleet register	Update Fleet register	Update Fleet register	Update Fleet register
Fleet Management System	% of GRAP compliant fixed assets register	Updated and GRAP Compliant asset register	Updated and GRAP Compliant asset register	Updated and GRAP Compliant asset register	Updated and GRAP Compliant asset register
Update of Fixed Assets Register & Bar coding of infrastructure assets					
OFFICE OF THE MM					

[illegible]

[illegible]

1. Include a measurable performance objective for each revenue source (within a relevant function) and each vote (MFMA s17(3)(b))
2. Include all Basic Services performance targets from 'Basic Service Delivery' to ensure Table SA7 represents all strategic responsibilities
3. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

DC44 Alfred Nzo - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework				
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.4%	0.3%	1.1%	10.7%	10.3%	10.3%	0.0%	0.2%	0.2%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	6.1%	3.3%	13.9%	3.1%	35.3%	35.3%	0.0%	1.0%	1.1%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	-908.4%	-33570.2%	-20371.5%	0.0%	0.0%	0.0%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	1.8%	0.9%	0.9%	593.1%	593.1%	593.1%	0.0%	0.0%	0.0%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	2.2	1.1	0.5	0.3	0.3	0.3	-	0.3	0.3

Current Ratio adjusted for aged debtors	2.2	1.1	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Current assets less debtors > 90 days/ current liabilities										
Monetary Assets/Current Liabilities	2.0	0.7	0.2	0.2	0.2					
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)										
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)	113,8%	113,8%	53,7%	100,0%	148,0%	149,0%	149,0%	149,0%	149,0%	100,0%
Outstanding Debtors to Revenue	2,8%	15,5%	7,3%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	4,0%
Longstanding Debtors Recovered										
<u>Creditors Management</u>										
Creditors System Efficiency										
Creditors to Cash and Investments	5,8%	7,9%	14,6%	407,1%	407,1%	0,0%	220,8%	63,8%	42,7%	
<u>Other Indicators</u>										
Electricity Distribution Losses (2)										
Total Volume Losses (kW)										
Total Cost of Losses (Rand '000)										
% Volume (units purchased and generated less units sold)/units purchased and generated										
Total Volume Losses (kWh)										
Total Cost of Losses (Rand '000)										
% Volume (units purchased and generated less units sold)/units purchased and generated										
Employee costs	19,6%	44,8%	37,9%	13,6%	34,1%	0,0%	45,1%	38,7%	42,3%	
Remuneration	8,4%	21,3%	14,7%	5,5%	12,2%		94,0%	81,2%	89,4%	
Repairs & Maintenance	1,8%	6,9%	0,0%	0,0%	0,0%		3,8%	3,3%	3,5%	
Finance charges & Depreciation	7,0%	12,5%	12,5%	3,5%	8,4%	0,0%	10,0%	8,6%	9,4%	
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	2,6	4,4	1,1	25,8	25,8		8,7	14,3	8,1	
ii. O/S Service Debtors to Revenue	135,0%	345,4%	146,6%	0,0%	0,0%	0,0%	98,3%	98,3%	98,3%	

iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	62,5	61,4	33,9	2,4	2,3	2,3	2,1	7,3	11,3
References										
1. Consumer debtors > 12 months old are excluded from current assets										
2. Only include if services provided by the municipality										
DC44 Alfred Nzo - Supporting Table SA9 Social, economic and demographic statistics and assumptions										
Description of economic indicator	Ref.	Basis of calculation	2001 Census	2007 Survey	2011 Census	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework
<u>Demographics</u>										
Population			755 000	900 486	801 344					867 864
Females aged 5 - 14										
Males aged 5 - 14										
Females aged 15 - 34										340753
Males aged 15 - 34										
Unemployment										
<u>Monthly household income (no. of households)</u>	1, 12									
No income										
R1 - R1 600										
R1 601 - R3 200										
R3 201 - R6 400										
R6 401 - R12 800										
R12 801 - R25 600										
R25 601 - R51 200										
R52 201 - R102 400										
R102 401 - R204 800										
R204 801 - R409 600										
R409 601 - R819 200										
> R819 200										

Detail on the provision of municipal services for A10										
Total municipal services		2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework				
	Ref.	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
		Household service targets (000)								
		Water:								
		22 000	22 000	-	22 000	22 000	22 000	38 007	41 807	45 987
		6 000	6 000	-	6 000	6 000	6 000	22 445	24 689	27 157
	8	7 000	7 000	-	7 000	7 000	7 000	36 039	35 136	31 623
	10	-	-	-	-	-	-	-	-	-
		35 000	35 000	-	35 000	35 000	35 000	96 491	101 632	104 767
	9	-	-	-	-	-	-	-	-	-
	10	12 000	12 000	-	12 000	12 000	12 000	40 174	36 157	32 542
		12 000	12 000	-	12 000	12 000	12 000	60 261	54 595	49 136
	24 000	24 000	-	24 000	24 000	24 000	24 000	90 752	81 678	
	59 000	59 000	-	59 000	59 000	59 000	59 000	192 384	186 445	
		-	-	-	-	-	-	8 709	9 580	10 538
		19 000	19 000	-	19 000	19 000	19 000	2 552	2 327	2 095
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	137 237	150 961	161 557

Other toilet provisions (> min. service level)	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	19 000	19 000	-	19 000	19 000	148 498	162 868	174 190
Bucket toilet	27 000	27 000	-	27 000	27 000	-	-	-
Other toilet provisions (< min. service level)	-	-	-	-	-	-	-	-
No toilet provisions	1 000	1 000	-	1 000	1 000	-	-	-
Below Minimum Service Level sub-total	28 000	28 000	-	28 000	28 000	-	-	-
Total number of households	47 000	47 000	-	47 000	47 000	148 498	162 868	174 190
<u>Energy:</u>								
Electricity (at least min.service level)	-	200	-	200	200	-	-	-
Electricity - prepaid (min.service level)	-	18 683	-	22 346	22 346	-	-	-
Minimum Service Level and Above sub-total	-	18 883	-	22 546	22 546	-	-	-
Electricity (< min.service level)	-	-	-	4 155 000	4 155 000	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-
Other energy sources	-	3 000	-	6 000	6 000	-	-	-
Below Minimum Service Level sub-total	-	3 000	-	4 161 000	4 161 000	-	-	-
Total number of households	-	21 883	-	4 183 546	4 183 546	-	-	-
<u>Refuse:</u>								
Removed at least once a week	7 665	8 365	-	14 597	14 597	-	-	-
Minimum Service Level and Above sub-total	7 665	8 365	-	14 597	14 597	-	-	-
Removed less frequently than once a week	3 258	3 358	-	7 488	7 488	-	-	-
Using communal refuse dump	383	625	-	56 695	56 695	-	-	-
Using own refuse dump	161 152	161 152	-	103 317	103 317	-	-	-
Other rubbish disposal	-	1	-	3	3	-	-	-
No rubbish disposal	19 162	66 809	-	58 210	58 210	-	-	-
Below Minimum Service Level sub-total	183 955	231 945	-	225 713	225 713	-	-	-
Total number of households	191 620	240 310	-	240 310	240 310	-	-	-

Municipal in-house services		2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20
	Ref.	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	
		<u>Household service targets (000)</u>						
		<u>Water:</u>						
		Piped water inside dwelling						45 987
		Piped water inside yard (but not in dwelling)						27 157
	8	Using public tap (at least min. service level)						31 623
	10	Other water supply (at least min. service level)						
		Minimum Service Level and Above sub-total	-	-	-	-	-	104 767
	9	Using public tap (< min.service level)						
	10	Other water supply (< min.service level)						32 542
		No water supply						49 136
		Below Minimum Service Level sub-total	-	-	-	-	-	81 678
		Total number of households	-	-	-	-	-	186 445
		<u>Sanitation/sewerage:</u>						
		Flush toilet (connected to sewerage)						10 538
		Flush toilet (with septic tank)						2 095
		Chemical toilet						-
		Pit toilet (ventilated)						161 557
		Other toilet provisions (> min. service level)						-
		Minimum Service Level and Above sub-total	-	-	-	-	-	174 190
		Bucket toilet						
	Other toilet provisions (< min. service level)							
	No toilet provisions							
	Below Minimum Service Level sub-total	-	-	-	-	-	-	

Municipal entity services	Ref.	Total number of households	Energy:	-	-	-	-	-	-	148 498	162 868	174 190
				Electricity (at least min.service level)	200		200	200	200			
				Electricity - prepaid (min.service level)	18 683		22 346	22 346	22 346			
				Minimum Service Level and Above sub-total	18 883	-	22 546	22 546	22 546	-	-	-
				Electricity (< min.service level)								
				Electricity - prepaid (< min. service level)	3 000		6 000	6 000	6 000			
				Other energy sources								
				Below Minimum Service Level sub-total	3 000	-	6 000	6 000	6 000	-	-	-
				Total number of households	21 883	-	28 546	28 546	28 546	-	-	-
				Refuse:								
				Removed at least once a week	700		800	800	800			
				Minimum Service Level and Above sub-total	700	-	800	800	800	-	-	-
				Removed less frequently than once a week	100		157	157	157			
				Using communal refuse dump	242		250	250	250			
				Using own refuse dump	-		-	-	-			
				Other rubbish disposal	1		3	3	3			
				No rubbish disposal	47 647		47 480	47 480	47 480			
				Below Minimum Service Level sub-total	47 990	-	47 890	47 890	47 890	-	-	-
				Total number of households	48 690	-	48 690	48 690	48 690	-	-	-
Municipal entity services	Ref.	Household service targets (000)	Water:	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		Budget Year +1 2018/19	Budget Year +2 2019/20
				Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18		
				22 000 6 000	22 000 6 000		22 000 6 000	22 000 6 000	22 000 6 000			
Name of municipal entity		Household service targets (000)	Water:	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		Budget Year +1 2018/19	Budget Year +2 2019/20
				Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18		
				22 000 6 000	22 000 6 000		22 000 6 000	22 000 6 000	22 000 6 000			

8	Using public tap (at least min. service level)	7 000	7 000	7 000	7 000	7 000	7 000	7 000	
10	Other water supply (at least min. service level)	35 000	35 000	35 000	35 000	35 000	35 000	35 000	-
9	Minimum Service Level and Above sub-total								
9	Using public tap (< min. service level)								
10	Other water supply (< min. service level)	12 000	12 000	12 000	12 000	12 000	12 000	12 000	
	No water supply	12 000	12 000	12 000	12 000	12 000	12 000	12 000	
	Below Minimum Service Level sub-total	24 000	24 000	24 000	24 000	24 000	24 000	24 000	-
	Total number of households	59 000	59 000	59 000	59 000	59 000	59 000	59 000	-
	<u>Sanitation/sewerage:</u>								
	Flush toilet (connected to sewerage)								
	Flush toilet (with septic tank)	19 000	19 000	19 000	19 000	19 000	19 000	19 000	
	Chemical toilet								
	Pit toilet (ventilated)								
	Other toilet provisions (> min. service level)								
	Minimum Service Level and Above sub-total	19 000	19 000	19 000	19 000	19 000	19 000	19 000	-
	Bucket toilet	27 000	27 000	27 000	27 000	27 000	27 000	27 000	
	Other toilet provisions (< min. service level)								
	No toilet provisions	1 000	1 000	1 000	1 000	1 000	1 000	1 000	
	Below Minimum Service Level sub-total	28 000	28 000	28 000	28 000	28 000	28 000	28 000	-
	Total number of households	47 000	47 000	47 000	47 000	47 000	47 000	47 000	-
	<u>Energy:</u>								
	Electricity (at least min. service level)								
	Electricity - prepaid (min. service level)								
	Minimum Service Level and Above sub-total	-	-	-	-	-	-	-	-
	Electricity (< min. service level)								
	Electricity - prepaid (< min. service level)								
	Other energy sources								

Name of municipal entity

Name of municipal entity

[illegible]

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I		I		I	I		I	4 155 000	I	4 155 000		I	
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Total number of households	
<u>Sanitation/sewerage:</u>	
Flush toilet (connected to sewerage)	
Flush toilet (with septic tank)	
Chemical toilet	
Pit toilet (ventilated)	
Other toilet provisions (> min. service level)	
Minimum Service Level and Above sub-total	
Bucket toilet	
Other toilet provisions (< min. service level)	
No toilet provisions	
Below Minimum Service Level sub-total	
Total number of households	
<u>Energy:</u>	
Electricity (at least min.service level)	
Electricity - prepaid (min.service level)	
Minimum Service Level and Above sub-total	
Electricity (< min.service level)	
Electricity - prepaid (< min. service level)	
Other energy sources	
Below Minimum Service Level sub-total	
Total number of households	
<u>Refuse:</u>	
Removed at least once a week	
Minimum Service Level and Above sub-total	
Removed less frequently than once a week	
Using communal refuse dump	
Using own refuse dump	

Names of service providers	
Names of service providers	
Names of service providers	

[illegible]

[illegible]

	Informal settlements (R'000)	
	Number of HH receiving this type of FBS	-
	Informal settlements targeted for upgrading (R'000)	-
	Number of HH receiving this type of FBS	-
	Living in informal backyard rental agreement (R'000)	-
	Number of HH receiving this type of FBS	-
	Other (R'000)	-
	Number of HH receiving this type of FBS	-
	Total cost of FBS - Refuse Removal for informal settlements	-

References

1. Monthly household income threshold. Should include all sources of income.
2. Show the poverty analysis the municipality uses to determine its indigents policy and the provision of services
3. Include total of all housing units within the municipality
4. Number of subsidised dwellings to be constructed by the municipality under agency agreement with province
5. Provide estimate based on building approval information. Include any non-subsidised dwellings constructed by the municipality
6. Insert actual or estimated % increases assumed as a basis for budget calculations
7. Insert actual or estimated % collection rate assumed as a basis for budget calculations for each revenue group
8. Stand distance $\leq 200\text{m}$ from dwelling
9. Stand distance $> 200\text{m}$ from dwelling
10. Borehole, spring, rain-water tank etc.
11. Must agree to total number of households in municipal area
12. Household income categories assume an average 4 person household. Stats SA - Census 2011 Questionnaire
13. Based on National poverty line of R515 per capita per month (2008 prices), assuming an average household size of 4 persons

DC44 Alfred Nzo Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year +1 2018/19	Budget Year +2 2019/20
Funding measures											
Cash/cash equivalents at the year end - R'000	18(1)b	1	2 110 588	2 017 892	1 094 964	42 767	42 767	42 767	-	240 830	371 028
Cash + investments at the yr end less applications - R'000	18(1)b	2	232 577	137 829	(79 784)	(10 917)	(10 917)	(10 917)	-	879 302	985 665
Cash year end/monthly employee/supplier payments	18(1)b	3	62,5	61,4	33,9	2,4	2,3	2,3	-	7,3	11,3
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	253 211	338 025	389 785	1 268 479	345 478	345 357	-	725 496	691 050
Service charge rev % change - macro CPIX target exclusive	18(1)a;(2)	5	N.A.	16,2%	30,7%	5,1%	(38,5%)	(6,6%)	(106,0%)	(0,3%)	(0,4%)
Cash receipts % of Ratepayer & Other revenue	18(1)a;(2)	6	455,1%	260,9%	115,0%	3,0%	37,1%	37,2%	0,0%	99,7%	99,4%
Debt impairment expense as a % of total billable revenue	18(1)a;(2)	7	91,2%	72,1%	86,2%	70,2%	103,9%	104,5%	0,0%	95,4%	95,4%
Capital payments % of capital expenditure	18(1)c;19	8	(68,3%)	(57,1%)	0,0%	107,9%	263,1%	264,0%	0,0%	100,0%	100,0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	0,0%	0,0%	0,0%	(908,4%)	(33570,2%)	(20371,5%)	0,0%	0,0%	0,0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								100,0%	100,0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A.	210,7%	(42,0%)	(100,0%)	0,0%	0,0%	0,0%	5,7%	5,6%
Long term receivables % change - incr(decr)	18(1)a	12	N.A.	(50,0%)	0,0%	(100,0%)	0,0%	0,0%	0,0%	0,0%	0,0%
R&M % of Property Plant & Equipment	20(1)(vi)	13	0,7%	1,0%	0,0%	0,0%	0,0%	0,0%	0,0%	4,5%	4,7%
Asset renewal % of capital budget	20(1)(vi)	14	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	100,3%	100,3%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

12. Indicative of realistic long term arrear debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)

13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection

14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

Supporting indicators	18(1)a		22,2%	36,7%	11,1%	(32,5%)	(0,6%)	(100,0%)	22,5%	5,7%	5,6%
% incr <i>total service charges (incl prop rates)</i>	18(1)a		22,2%	36,7%	11,1%	(32,5%)	(0,6%)	(100,0%)	22,5%	5,7%	5,6%
% incr Property Tax	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% incr Service charges - electricity revenue	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% incr Service charges - water revenue	18(1)a		10,4%	51,3%	1,3%	(35,6%)	(4,4%)	(100,0%)	19,7%	5,7%	5,6%
% incr Service charges - sanitation revenue	18(1)a		0,0%	(100,0%)	0,0%	0,0%	24,6%	(100,0%)	40,8%	5,7%	5,6%
% incr Service charges - refuse revenue	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
% incr in Service charges - other	18(1)a		0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Total billable revenue	18(1)a	15 363	18 777	25 668	28 509	19 257	19 136	-	23 586	24 931	26 327
Service charges		15 363	18 777	25 668	28 509	19 257	19 136	-	23 586	24 931	26 327
Property rates		-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
Service charges - water revenue		15 363	16 960	25 668	26 000	16 748	16 010	-	20 054	21 197	22 384
Service charges - sanitation revenue		-	1 816	-	2 509	2 509	3 126	-	3 532	3 734	3 943
Service charges - refuse removal		-	-	-	-	-	-	-	-	-	-
Service charges - other		-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		255	184	234	330	131	131	-	401	424	448
Capital expenditure excluding capital grant funding		296 781	539 437	(500 261)	(110 089)	(2 979)	(4 909)	-	-	-	-
Cash receipts from ratepayers	18(1)a	84 530	57 720	35 705	30 938	30 938	30 938	-	81 037	147 047	77 959
Ratepayer & Other revenue	18(1)a	18 576	22 123	31 061	1 030 609	83 380	83 260	-	81 439	147 471	78 407
Change in consumer debtors (current and non-current)		34 087	44 292	(27 514)	(38 090)	(38 090)	(38 090)	(38 090)	23 586	1 344	1 396
Operating and Capital Grant Revenue	18(1)a	736 736	819 941	902 269	531 431	566 836	566 836	-	1 002 754	1 127 691	1 166 809
Capital expenditure - total	20(1)(vi)	592 582	1 016 020	-	1 386 694	568 937	567 007	-	532 274	550 743	560 402
Capital expenditure - renewal	20(1)(vi)	-	-	-	-	-	-	-	533 924	552 487	562 244
Supporting benchmarks											
Growth guideline maximum		6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%	6,0%
CPI guideline		4,3%	3,9%	4,6%	5,0%	5,0%	5,0%	5,0%	5,4%	5,6%	5,4%
DoRA operating grants total MFY									462 480	524 375	570 069
DoRA capital grants total MFY									540 274	603 316	596 740
Provincial operating grants											
Provincial capital grants											
District Municipality grants											

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Debt Impairment % of Total Billable Revenue	91,2%	72,1%	86,2%	70,2%	103,9%	104,5%	0,0%	95,4%	95,4%	95,4%
Capital Revenue										
Internally Funded & Other (R'000)	355	31 427	24 728	-	-	-	-	-	-	-
Borrowing (R'000)	-	-	-	-	-	-	-	-	-	-
Grant Funding and Other (R'000)	295 801	476 583	500 261	1 496 783	571 916	571 916	-	532 274	550 743	560 402
Internally Generated funds % of Non Grant Funding	100,0%	100,0%	100,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Borrowing % of Non Grant Funding	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%
Grant Funding % of Total Funding	99,9%	93,8%	95,3%	100,0%	100,0%	100,0%	0,0%	100,0%	100,0%	100,0%
Capital Expenditure										
Total Capital Programme (R'000)	296 156	508 010	527 549	1 523 833	583 296	583 296	-	532 274	550 743	560 402
Asset Renewal	-	-	-	-	-	-	-	533 924	552 487	562 244
Asset Renewal % of Total Capital Expenditure	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	100,3%	100,3%	100,3%
Cash										
Cash Receipts % of Rate Payer & Other	455,1%	260,9%	115,0%	3,0%	37,1%	37,2%	0,0%	99,5%	99,7%	99,4%
Cash Coverage Ratio	0	0	0	0	0	0	-	0	0	0
Borrowing										
Credit Rating (2009/10)								0		
Capital Charges to Operating	0,4%	0,3%	1,1%	10,7%	10,3%	10,3%	0,0%	0,2%	0,2%	0,2%
Borrowing Receipts % of Capital Expenditure	0,0%	0,0%	0,0%	(908,4%)	(33570,2%)	(20371,5%)	0,0%	0,0%	0,0%	0,0%
Reserves										
Surplus/(Deficit)	232 577	137 829	(79 784)	(10 917)	(10 917)	(10 917)	-	824 359	879 302	985 665
Free Services										
Free Basic Services as a % of Equitable Share	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,0%
Free Services as a % of Operating Revenue (excl operational transfers)	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		0,0%	0,0%	0,0%
High Level Outcome of Funding Compliance										
Total Operating Revenue	772 436	423 441	522 994	1 570 040	658 216	658 096	-	558 919	688 346	664 501
Total Operating Expenditure	519 225	531 198	555 416	301 561	312 739	312 739	-	531 391	560 167	565 192
Surplus/(Deficit) Budgeted Operating Statement	253 211	(107 757)	(32 422)	1 268 479	345 478	345 357	-	27 527	128 180	99 310
Surplus/(Deficit) Considering Reserves and Cash Backing	232 577	137 829	(79 784)	(10 917)	(10 917)	(10 917)	-	824 359	879 302	985 665
MTREF Funded (1) / Unfunded (0)	15 1	1	0	0	0	0	1	1	1	1
MTREF Funded ✓ / Unfunded ✖	15 ✓	✓	✖	✖	✖	✖	✓	✓	✓	✓

15. Subject to figures provided in Schedule.

DC44 Alfred Nzo - Supporting Table SA13a Service Tariffs by category									
Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		
							Budget Year 2017/18	Budget Year +1 2018/19	
Property rates (rate in the Rand)	1								Budget Year +2 2019/20
Residential properties									
Residential properties - vacant land									
Formal/informal settlements									
Small holdings									
Farm properties - used									
Farm properties - not used									
Industrial properties									
Business and commercial properties									
Communal land - residential									
Communal land - small holdings									
Communal land - farm property									
Communal land - business and commercial									
Communal land - other									
State-owned properties									
Municipal properties									
Public service infrastructure									
Privately owned towns serviced by the owner									
State trust land									
Restitution and redistribution properties									
Protected areas									
National monuments properties									
Exemptions, reductions and rebates (Rands)									
Residential properties									
R15 000 threshold rebate			15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate									
Indigent rebate or exemption									
Pensioners/social grants rebate or exemption									
Temporary relief rebate or exemption									
Bona fide farmers rebate or exemption									
Other rebates or exemptions									
Water tariffs	2								
Domestic									
Basic charge/fee (Rands/month)									
Service point - vacant land (Rands/month)									
Water usage - flat rate tariff (c/kl)									
Water usage - life line tariff		(describe structure)							

Water usage - Block 1 (c/kl)		2	2	2	2	2	2	2
Water usage - Block 2 (c/kl)		5	5	6	6	6	6	7
Water usage - Block 3 (c/kl)		10	11	11	12	13	13	14
Water usage - Block 4 (c/kl)		15	16	17	18	20	20	21
Other		21	22	23	25	26	26	27
2								
<u>Waste water tariffs</u>								
Domestic								
Basic charge/ fixed fee (Rands/month)								
Service point - vacant land (Rands/month)								
Waste water - flat rate tariff (c/kl)								
Volumetric charge - Block 1 (c/kl)		2	2	2	46	46	46	46
Volumetric charge - Block 2 (c/kl)		5	5	6	-	-	-	-
Volumetric charge - Block 3 (c/kl)		10	11	11	46	46	46	46
Volumetric charge - Block 4 (c/kl)		15	16	17	2	2	2	2
Other		21	22	23	6	6	6	7
2								
<u>Electricity tariffs</u>								
Domestic								
Basic charge/ fixed fee (Rands/month)								
Service point - vacant land (Rands/month)								
FBE								
Life-line tariff - meter								
Life-line tariff - prepaid								
Flat rate tariff - meter (c/kwh)								
Flat rate tariff - prepaid (c/kwh)								
Meter - IBT Block 1 (c/kwh)								
Meter - IBT Block 2 (c/kwh)								
Meter - IBT Block 3 (c/kwh)								
Meter - IBT Block 4 (c/kwh)								
Meter - IBT Block 5 (c/kwh)								
Prepaid - IBT Block 1 (c/kwh)								
Prepaid - IBT Block 2 (c/kwh)								
Prepaid - IBT Block 3 (c/kwh)								
Prepaid - IBT Block 4 (c/kwh)								
Prepaid - IBT Block 5 (c/kwh)								
Other								
2								
<u>Waste management tariffs</u>								
Domestic								
Street cleaning charge								
Basic charge/ fixed fee								
80l bin - once a week								
250l bin - once a week								

References

1. If properties are not rated or zero rated this must be indicated as such
2. Please provide detailed descriptions on Sheet SA13b

DC44 Alfred Nzo - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2013/14	2014/15	2015/16	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework		Budget Year +2 2019/20
							Budget Year 2017/18	Budget Year +1 2018/19	
Exemptions, reductions and rebates (Rands)									
[Insert lines as applicable]									
<u>Water tariffs</u>									
0 - 6 KI (Non - Indigent)		(fill in thresholds)				R 1,74	R 1,85	R 1,96	R 2,05
7 - 20 KI		(fill in thresholds)				R 5,73	R 6,07	R 6,44	R 6,76
21 - 50 KI		(fill in thresholds)				R 11,48	R 12,17	R 12,90	R 13,55
51 - 120 KI		(fill in thresholds)				R 17,38	R 18,43	R 19,53	R 20,51
121 KI and more		(fill in thresholds)				R 23,17	R 24,56	R 26,03	R 27,33
0 - 10 KI		(fill in thresholds)				R 5,94	R 6,30	R 6,68	R 7,01
11 - 30 KI		(fill in thresholds)				R 12,08	R 12,80	R 13,57	R 14,25
31 - 50 KI		(fill in thresholds)				R 15,58	R 16,52	R 17,51	R 18,39
51 - 120 KI		(fill in thresholds)				R 23,17	R 24,56	R 26,03	R 27,33
121 KI and more		(fill in thresholds)				R 30,00	R 31,80	R 33,71	R 35,39
<u>Waste water tariffs</u>									
[Insert blocks as applicable]									
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
		(fill in structure)							
<u>Electricity tariffs</u>									
[Insert blocks as applicable]									
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							
		(fill in thresholds)							

DC44 Alfred Nzo - Supporting Table SA14 Household bills

Ref	Description	2013/14	2014/15	2015/16	Current Year 2016/17		Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +1 2018/19	Budget Year +2 2019/20
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget		Budget Year 2017/18 % incr.	Budget Year 2017/18	Budget Year +1 2018/19		
	Rand/cent											
1	<u>Monthly Account for Household - 'Middle Income Range'</u>											
	Rates and services charges:											
	Property rates											
	Electricity: Basic levy											
	Electricity: Consumption											
	Water: Basic levy											
	Water: Consumption											
	Sanitation											
	Refuse removal											
	Other											
	sub-total	-	-	-	-	-	-	-	61,00	61,00	61,00	61,00
	VAT on Services											
	Total large household bill:	-	-	-	-	-	-	-	61,00	61,00	61,00	61,00
	% increase/-decrease								-	-	-	-
2	<u>Monthly Account for Household - 'Affordable Range'</u>											
	Rates and services charges:											
	Property rates											
	Electricity: Basic levy											
	Electricity: Consumption											
	Water: Basic levy											
	Water: Consumption											
	Sanitation											
	Refuse removal											
	Other											
	sub-total	-	-	-	-	-	-	-	61,00	61,00	61,00	61,00
	VAT on Services											
	Total small household bill:	-	-	-	-	-	-	-	61,00	61,00	61,00	61,00
	% increase/-decrease								-	-	-	-
3	<u>Monthly Account for Household - 'Indigent' Household receiving free basic services</u>											
	Rates and services charges:											
	Property rates											
	Electricity: Basic levy											
	Electricity: Consumption											
	Water: Basic levy											
	Water: Consumption											

Sanitation																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6kl water free)
4. Note this is for a SINGLE household.

DC44 Alfred Nzo - Supporting Table SA15 Investment particulars by type

[illegible]

[illegible]

References

1. Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

DC44 Alfred Nzo - Supporting Table SA 16 Investment particulars by maturity

Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate *	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
1	Yrs/Months												
	10 years	Fixed Deposit		Fixed Rate	14,07%			31 March 2025	6	1			6
Parent municipality													
Municipality sub-total													
									6		-		6
Entities													
										</			

References

1. Total investments must reconcile to all items in

Table SA15 for the Current Year (30 June)

2. List investments in expiry date order

3. If 'variable' is selected in column F, input interest rate range

4. Withdrawals to be entered as negative

DC44 Alfred Nzo - Supporting Table SA17

Borrowing		2017/18 Medium Term Revenue & Expenditure Framework				2018/19		2019/20	
Borrowing - Categorized by type	Ref	2013/14	2014/15	2015/16	Current Year 2016/17	Adjusted Budget	Full Year Forecast	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget				
Parent municipality									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity)								939	991
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Municipality sub-total	1	-	-	-	-	-	-	888	991
Entities									
Annuity and Bullet Loans									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
Entities sub-total	1	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	-	-	-	-	888	991
Unspent Borrowing - Categorized by type									
Parent municipality									
Long-Term Loans (annuity/reducing balance)									
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									

[illegible]

References

1. Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

check borrowing balance

(26 747)

(13 821)

(13 821)

(000 000)

(000 000)

(000 000)

888

939

991

DC44 Alfred Nzo - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2013/14		2014/15		2015/16		Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
RECEIPTS:	1, 2											
Operating Transfers and Grants												
National Government:		121 444	140 294	174 034	166 243	166 243	166 243	166 243	166 243	462 480	525 375	570 069
Local Government Equitable Share		117 834	136 167	169 767	162 992	162 992	162 992	162 992	162 992	437 586	511 925	557 420
EPWP Incentive										10 280	–	–
Finance Management		1 500	1 600	1 600	1 625	1 625	1 625	1 625	1 625	1 795	2 050	2 050
Municipal Systems Improvement		890	934	930						2 425		
Local Government Equitable Share												
Energy Efficiency and Demand Management		1 220	1 593	1 737	1 626	1 626	1 626	1 626	1 626	5 000	6 000	5 000
ISDG										5 394	5 400	5 599
Provincial Government:		–	–	–	–	–	–	–	–	–	–	–
Health subsidy												
ISDG												
District Municipality:		–	–	–	–	–	–	–	–	–	–	–
[Insert description]												
Other grant providers:		–	–	250	250	250	250	250	250	5 000	5 000	5 000
LG SETA Mandatory				250	250	250	250	250	250	5 000	5 000	5 000
Total Operating Transfers and Grants	5	121 444	140 294	174 284	166 493	166 493	166 493	166 493	166 493	467 480	530 375	575 069
Capital Transfers and Grants												
National Government:		60 066	68 294	78 277	59 261	59 261	59 261	59 261	59 261	535 274	597 316	591 740
Regional Bulk Infrastructure										40 000	83 441	68 000
Municipal Infrastructure Grant (MIG)		40 066	43 294	45 277	44 261	44 261	44 261	44 261	44 261	382 989	406 420	431 148
Municipal Water Infrastructure Grant										110 000	105 000	90 000
Rural Transport Services and Infrastructure		20 000	25 000	33 000	15 000	15 000	15 000	15 000	15 000	2 285	2 455	2 592
Other capital transfers/grants [insert desc]												
Provincial Government:		–	–	–	–	–	–	–	–	–	–	–
Other capital transfers/grants [insert description]												
District Municipality:		–	–	–	–	–	–	–	–	–	–	–
[Insert description]												
Other grant providers:		–	–	–	–	–	–	–	–	–	–	–
LG SETA Mandatory												

Total Capital Transfers and Grants	5	60 066	68 294	78 277	59 261	69 461	69 461	535 274	597 316	591 740
TOTAL RECEIPTS OF TRANSFERS & GRANTS		181 510	208 588	252 561	225 754	235 954	235 954	1 002 754	1 127 691	1 166 809

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality, donor or other organisation
2. Amounts actually RECEIVED; not revenue recognised (objective is to confirm grants transferred)
3. Replacement of RSC levies
4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
5. Total transfers and grants must reconcile to Budgeted Cash Flows
6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

DC44 Alfred Nzo - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2013/14			2014/15		2015/16		Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		Budget Year +1 2018/19	Budget Year +2 2019/20
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Full Year Forecast	Original Budget	Adjusted Budget	Budget Year 2017/18	Budget Year +1 2018/19		
EXPENDITURE:	1													
Operating expenditure of Transfers and Grants														
National Government		-	-	-	-	-	-	-	-	-	462 480	525 375	570 069	
Local Government Equitable Share											437 586	511 925	557 420	
EPWP Incentive											10 280			
Finance Management											1 795	2 050	2 050	
Municipal Systems Improvement											2 425			
Local Government Equitable Share														
Energy Efficiency and Demand Management											5 000	6 000	5 000	
ISDG											5 394	5 400	5 599	
Provincial Government:		-	-	-	-	-	-	-	-	-	-	-	-	-
Health subsidy														
ISDG														
District Municipality:		-	-	-	-	-	-	-	-	-	-	-	-	-
[Insert description]														
Other grant providers:		-	-	-	-	-	-	-	-	-	5 000	5 000	5 000	
LG SETA Mandatory											5 000	5 000	5 000	
Total operating expenditure of Transfers and Grants:		-	-	-	-	-	-	-	-	-	467 480	530 375	575 069	
Capital expenditure of Transfers and Grants														
National Government		-	-	-	-	-	-	-	-	-	535 274	597 316	591 740	
Regional Bulk Infrastructure											40 000	83 441	68 000	
Municipal Infrastructure Grant (MIG)											382 989	406 420	431 148	

[illegible]

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

DC44 Alfred Nzo - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

[illegible]

[illegible]

References

1. Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position; total recurrent grants revenue must reconcile to Budgeted Financial Performance

2. CTBM = conditions to be met

3. National Treasury database will require this reconciliation for each transfer/grant

[illegible]

DC44 Alfred Nzo - Supporting Table SA21 Transfers and grants made by the municipality

R thousand	Description	Ref	2013/14			2014/15			2015/16			Current Year 2016/17			2017/18 Medium Term Revenue & Expenditure Framework			Budget Year +1 2018/19		Budget Year +2 2019/20	
			Audited Outcome			Audited Outcome			Audited Outcome			Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2017/18		Budget Year +1 2018/19		Budget Year +2 2019/20	
Cash Transfers to other municipalities	Insert description	1																			
	Total Cash Transfers To Municipalities:		-			-			-			-	-	-	-	-		-		-	
	Cash Transfers to Entities/Other External Mechanisms																				
Cash Transfers to ANDA	Insert description	2	137 448			79 492			43 906									21 140		-	
	Total Cash Transfers To Entities/Ems'		137 448			79 492			43 906			-	-	-	-			21 140		-	
	Cash Transfers to other Organs of State																				
Cash Transfers to other Organs of State	Insert description	3																			
	Total Cash Transfers To Other Organs Of State:		-			-			-			-	-	-	-	-		-		-	
	Cash Transfers to Organisations																				
Cash Transfers to Groups of Individuals	Insert description																				
	Total Cash Transfers To Organisations		-			-			-			-	-	-	-	-		-		-	
	Cash Transfers to Groups of Individuals																				
Cash Transfers to Groups Of Individuals:	Insert description																				
	Total Cash Transfers To Groups Of Individuals:		-			-			-			-	-	-	-	-		-		-	
	TOTAL CASH TRANSFERS AND GRANTS	6	137 448			79 492			43 906			-	-	-	-	20 000		21 140		-	
Non-Cash Transfers to other municipalities	Insert description	1																			
	Total Non-Cash Transfers To Municipalities:		-			-			-			-	-	-	-	-		-		-	
	Non-Cash Transfers to Entities/Other External Mechanisms																				
Non-Cash Transfers to Entities/Other External Mechanisms	Insert description	2																			
	Total Non-Cash Transfers To Municipalities:																				
	Non-Cash Transfers to Entities/Other External Mechanisms																				

Other benefits and allowances	86	2 038	2 166	2 331	2 331	2 331	150	159	167
Sub Total - Councillors	13 848	16 623	17 411	18 734	18 734	18 734	9 998	10 568	11 160
% increase		20,0%	4,7%	7,6%	-	-	(46,6%)	5,7%	5,6%
<u>Senior Managers of the Municipality</u>	2								
Basic Salaries and Wages	3 896	4 230	3 496	3 762	3 762	3 762	7 487	7 913	8 356
Pension and UIF Contributions	306	491	522	562	562	562	402	425	449
Medical Aid Contributions	47	121	129	138	138	138	68	72	76
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	367	671	714	768	768	768	-	-	-
Motor Vehicle Allowance	980	999	1 062	1 143	1 143	1 143	233	247	260
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	837	691	735	790	790	790	446	471	497
Other benefits and allowances	264	348	370	398	398	398	136	144	152
Payments in lieu of leave	-	299	318	342	342	342	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Senior Managers of Municipality	6 696	7 850	7 344	7 903	7 903	7 903	8 771	9 271	9 791
% increase		17,2%	(6,4%)	7,6%	-	-	11,0%	5,7%	5,6%
<u>Other Municipal Staff</u>									
Basic Salaries and Wages	24 037	39 330	28 120	34 153	34 153	34 153	169 335	178 987	189 010
Pension and UIF Contributions	3 011	3 428	3 644	3 813	3 813	3 813	22 161	23 424	24 736
Medical Aid Contributions	2 061	6 953	6 391	6 877	6 877	6 877	10 722	11 333	11 968
Overtime	-	-	-	-	-	-	1 000	1 057	1 116
Performance Bonus	478	1 297	-	-	-	-	-	-	-
Motor Vehicle Allowance	2 805	2 617	2 782	2 993	2 993	2 993	14 587	15 418	16 281
Cellphone Allowance	269	-	-	-	-	-	-	-	-
Housing Allowances	1 241	2 160	2 296	2 471	2 471	2 471	7 550	7 980	8 427
Other benefits and allowances	3 057	3 213	2 415	2 599	2 599	2 599	2 866	3 029	3 199
Payments in lieu of leave	933	370	393	423	423	423	1 050	1 110	1 172
Long service awards	55	185	159	171	171	171	525	555	586
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
Sub Total - Other Municipal Staff	37 948	59 553	46 199	53 499	53 499	53 499	229 795	242 894	256 496
% increase		56,9%	(22,4%)	15,8%	-	-	329,5%	5,7%	5,6%
Total Parent Municipality	58 492	84 026	70 955	80 136	80 136	80 136	248 565	262 733	277 446
		43,7%	(15,6%)	12,9%	-	-	210,2%	5,7%	5,6%
<u>Board Members of Entities</u>									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									

[illegible]

Total Municipal Entities		6 603	6 345	5 747	6 351	–	258 460	276 553	295 911	316 625
TOTAL SALARY, ALLOWANCES & BENEFITS		65 095	90 371	76 702	86 487	80 136	338 596	525 118	558 645	594 072
% increase	4		38,8%	(15,1%)	12,8%	(7,3%)	322,5%	55,1%	6,4%	6,3%
TOTAL MANAGERS AND STAFF	5,7	50 884	73 445	59 291	67 310	61 402	319 419	514 646	547 569	582 369

References

1. Include 'Loans and advances' where applicable if any reportable amounts until phased compliance with s164 of MFMA achieved
2. s57 of the Systems Act
3. In kind benefits (e.g. provision of living quarters) must be shown as the cost (full market value) to the municipality, as part of the relevant allowance
4. B/A, C/B, D/C, E/C, F/C, G/D, H/D, I/D
5. Must agree to the sub-total appearing on Table A1 (Employee costs)
6. Includes pension payments and employer contributions to medical aid
7. Correct as at 30 June

Column Definitions:

- A, B and C. Audited actual as per the audited financial statements. If audited amounts are unavailable, unaudited amounts must be provided with a note stating these are unaudited
- D. The original budget approved by council for the budget year.
- E. The budget for the budget year as adjusted by council resolution in terms of section 28 of the MFMA.
- F. An estimate of final actual amounts (pre audit) for the current year at the point in time of preparing the budget for the budget year. This may differ from E.
- G. The amount to be appropriated for the budget year.
- H and I. The indicative projection

DC44 Alfred Nzo - 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								2.
Councillors	3							
Speaker	4		135 198		270 396			405 593
Chief Whip			126 748		253 496			380 244
Executive Mayor			168 998		337 995			506 993
Deputy Executive Mayor			135 198		270 396			405 593
Executive Committee			612 947		1 668 523			2 281 470
Total for all other councillors			4 625 639		1 392 828			6 018 467
Total Councillors	8	-	5 804 728	-	4 193 634			9 998 362
Senior Managers of the Municipality	5							
Municipal Manager (MM)			1 495 000		25 467			1 520 467
Chief Finance Officer			1 289 283		25 576			1 314 858
List of each official with packages >= senior manager								
LED Director			684 844		604 439			1 289 282
Technical Director			1 289 283		25 576			1 314 858
Corporate Services Director			1 641 415		18 199			1 659 614
Community Services Director			922 600		672 115			1 594 714
Total Senior Managers of the Municipality	8,10	-	7 322 423	-	1 371 370	-		8 693 793
A.Heading for Each Entity	6,7							
List each member of board by designation								
Mr S Diko			38 500					38 500
Mr M Mthimkulu			45 000					45 000
Ms N Mabude			45 000					45 000
Ms K Sangoni			55 000					55 000
Total for municipal entities	8,10	-	183 500	-	-	-		183 500
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	10	-	13 310 651	-	5 565 004	-		18 875 655

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1: speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control

7. List each senior manager reporting to the CEO of an Entity by designation
 8. Must reconcile to relevant section of Table SA24
 9. Must reconcile to totals shown for the budget year of Table SA22
 10. Correct as at 30 June

DC44 Alfred Nzo - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		2015/16			Current Year 2016/17			Budget Year 2017/18		
Number	Ref	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities	1,2	61	4	57	61	4	57	49		49
Councillors (Political Office Bearers plus Other Councillors)	4									
Board Members of municipal entities	5									
Municipal employees	3	6		6	6		6	6		6
Municipal Manager and Senior Managers	7	16	3	13	16	3	13	42		42
Other Managers										
Professionals		-	-	-	-	-	-	98	98	-
Finance										
Spatial/town planning								20	20	
Information Technology								2	2	
Roads								5	5	
Electricity										
Water										
Sanitation										
Refuse										
Other										
Technicians		53	50	2	53	50	-	71	71	-
Finance		11	10	-	11	10	-	98	98	-
Spatial/town planning										
Information Technology										
Roads										
Electricity										
Water								56	56	
Sanitation										
Refuse										
Other		42	40	2	42	40		42	42	
Clerks (Clerical and administrative)		97	67	31	97	67		87	76	11
Service and sales workers								50	50	
Skilled agricultural and fishery workers										
Craft and related trades		4		4	4			21	13	8
Plant and Machine Operators		83	83		83	83		93	93	
Elementary Occupations										
TOTAL PERSONNEL NUMBERS	9	320	207	113	320	207	76	544	428	116
% increase					-	-	(32,7%)	70,0%	106,8%	52,6%

1. Positions must be funded and aligned to the municipality's current organisational structure
2. Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
3. s57 of the Systems Act
4. Include only in Consolidated Statements
5. Include municipal entity employees in Consolidated Statements
6. Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
7. Managers who provide the direction of a critical technical function
8. Total number of employees working on these functions
9. Correct as at 30 June
10. Must account for all budgeted positions, as per the municipal organogram

Description	Ref	Budget Year 2017/18	August	Sept.	October	November	December	January	February	March	April	May	June	Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
<u>Revenue By Source</u>																
Property rates													-	-	-	-
Service charges - electricity revenue													-	-	-	-
Service charges - water revenue													1 671	21 197	22 384	
Service charges - sanitation revenue													294	3 734	3 943	
Service charges - refuse revenue													-	-	-	-
Service charges - other													-	-	-	-
Rental of facilities and equipment													33	424	448	
Interest earned - external investments													833	10 500	11 025	
Interest earned - outstanding debtors													-	-	-	-
Dividends received													-	-	-	-
Fines, penalties and forfeits													-	-	-	-
Licences and permits													-	-	-	-
Agency services													-	-	-	-
Transfers and subsidiaries													38 957	530 375	575 069	

(continued)

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

DC44 Alfred Nzo - Supporting Table SA26 Consolidated budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2017/18	Medium Term Revenue and Expenditure Framework

R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
<u>Revenue by Vote</u>															
Vote 1 - Exccutive and Council	417	417	417	417	417	417	417	417	417	417	417	417	5 000	6 000	5 000
Vote 2 - Planning and Development													-	-	-
Vote 3 - Bugdet and Treasury	42 287	42 287	42 287	42 287	42 287	42 287	42 287	42 287	42 287	42 287	42 287	42 287	507 447	644 678	620 107
Vote 4 - Technical service	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	570 640	623 832	619 741
Vote 5 - Community services	1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Vote 6 - Corporate Service	891	891	891	891	891	891	891	891	891	891	891	891	10 694	10 717	10 934
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	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	1 093 791	1 285 238	1 255 793
<u>Expenditure by Vote to be appropriated</u>															
Vote 1 - Exccutive and Council	5 628	5 628	5 628	5 628	5 628	5 628	5 628	5 628	5 628	5 628	5 628	5 628	67 540	70 262	73 824
Vote 2 - Planning and Development	3 031	3 031	3 031	3 031	3 031	3 031	3 031	3 031	3 031	3 031	3 031	3 031	36 373	38 447	18 276
Vote 3 - Bugdet and Treasury	10 953	10 953	10 953	10 953	10 953	10 953	10 953	10 953	10 953	10 953	10 953	10 953	131 434	138 925	143 998
Vote 4 - Technical service	58 420	58 420	58 420	58 420	58 420	58 420	58 420	58 420	58 420	58 420	58 420	58 420	701 041	729 515	749 171
Vote 5 - Community services	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	68 934	72 720	76 635
Vote 6 - Corporate Service	4 862	4 862	4 862	4 862	4 862	4 862	4 862	4 862	4 862	4 862	4 862	4 862	58 343	61 040	63 691
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	88 639	88 639	88 639	88 639	88 639	88 639	88 639	88 639	88 639	88 639	88 639	88 639	1 063 665	1 110 910	1 125 595
Surplus/(Deficit) before assoc.	2 511	2 511	2 511	2 511	2 511	2 511	2 511	2 511	2 511	2 511	2 511	2 511	30 126	174 328	130 198
Taxation													-	-	-
Attributable to minorities													-	-	-

DC44 Alfred Nzo - Supporting Table SA27 Consolidated budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
<u>Revenue - Functional</u>																
Governance and administration		43 595	43 595	43 595	43 595	43 595	43 595	43 595	43 595	43 595	43 595	43 595	43 595	523 141	661 395	636 041
Executive and council		417	417	417	417	417	417	417	417	417	417	417	417	5 000	6 000	5 000
Finance and administration		43 178	43 178	43 178	43 178	43 178	43 178	43 178	43 178	43 178	43 178	43 178	43 178	518 141	655 395	631 041
Internal audit														-	-	-
Community and public safety		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Community and social services														-	-	-
Sport and recreation														-	-	-
Public safety		1	1	1	1	1	1	1	1	1	1	1	1	10	11	11
Housing														-	-	-
Health														-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development														-	-	-
Road transport														-	-	-
Environmental protection														-	-	-
Trading services		47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	570 640	623 832	619 741
Energy sources														-	-	-
Water management		47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	47 553	570 640	623 832	619 741
Waste water management														-	-	-
Waste management														-	-	-
Other														-	-	-
Total Revenue - Functional		91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	91 149	1 093 791	1 285 238	1 255 793
<u>Expenditure - Functional</u>																
Governance and administration		21 443	21 443	21 443	21 443	21 443	21 443	21 443	21 443	21 443	21 443	21 443	21 443	257 316	270 228	281 513
Executive and council		5 099	5 099	5 099	5 099	5 099	5 099	5 099	5 099	5 099	5 099	5 099	5 099	61 190	63 779	67 295
Finance and administration		15 965	15 965	15 965	15 965	15 965	15 965	15 965	15 965	15 965	15 965	15 965	15 965	191 577	201 868	209 698
Internal audit		379	379	379	379	379	379	379	379	379	379	379	379	4 550	4 581	4 521
Community and public safety		5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	5 745	68 934	72 720	76 635
Community and social services		5 595	5 595	5 595	5 595	5 595	5 595	5 595	5 595	5 595	5 595	5 595	5 595	67 134	70 817	74 644

[illegible]

1. Surplus (Deficit) must reconcile with Budgeted Financial Performance

DC44 Alfred Nzo - Supporting Table SA28 Consolidated budgeted monthly capital expenditure (municipal vote)

DOR-Financed RTO - Supporting funds or RTO consolidated budgeted monthly capital expenditures (interim report)																
Description	Ref	Budget Year 2017/18											Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
Multi-year expenditure to be appropriated	1															
Vote 1 - Exccutive and Council													-	-	-	-
Vote 2 - Planning and Development													-	-	-	-
Vote 3 - Bugdet and Treasury													-	-	-	-
Vote 4 - Technical service													-	-	-	-
Vote 5 - Community services													-	-	-	-
Vote 6 - Corporate Service													-	-	-	-
Vote 7 - [NAME OF VOTE 7]													-	-	-	-
Vote 8 - [NAME OF VOTE 8]													-	-	-	-
Vote 9 - [NAME OF VOTE 9]													-	-	-	-
Vote 10 - [NAME OF VOTE 10]													-	-	-	-

DC44 Alfred Nzo - Supporting Table SA29 Consolidated budgeted monthly capital expenditure (functional classification)

Description	Ref	Budget Year 2017/18												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand																
Capital Expenditure - Functional	1	868	868	868	868	868	868	868	868	868	868	868	868	10 412	10 405	10 681
Governance and administration		33	33	33	33	33	33	33	33	33	33	33	33	400	-	-
Executive and council		834	834	834	834	834	834	834	834	834	834	834	834	10 012	10 405	10 681
Finance and administration														-	-	-
Internal audit		138	138	138	138	138	138	138	138	138	138	138	138	1 650	1 744	1 842
Community and public safety		125	125	125	125	125	125	125	125	125	125	125	125	1 500	1 586	1 674
Community and social services														-	-	-
Sport and recreation		13	13	13	13	13	13	13	13	13	13	13	13	150	159	167
Public safety														-	-	-
Housing														-	-	-
Health		8	8	8	8	8	8	8	8	8	8	8	8	100	106	112
Economic and environmental services		8	8	8	8	8	8	8	8	8	8	8	8	100	106	112
Planning and development														-	-	-
Road transport														-	-	-
Environmental protection														-	-	-
Trading services		43	43	43	43	43	43	43	43	43	43	43	43	520 112	538 488	547 768
Energy sources		343	343	343	343	343	343	343	343	343	343	343	343	-	-	-
Water management		43	43	43	43	43	43	43	43	43	43	43	43	520 112	538 488	547 768
Waste water management		343	343	343	343	343	343	343	343	343	343	343	343	-	-	-
Waste management														-	-	-
Other														-	-	-
Total Capital Expenditure - Functional	2	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	532 274	550 743	560 402
Funded by:																
National Government		44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	532 274	550 743	560 402
Provincial Government														-	-	-
District Municipality														-	-	-
Other transfers and grants														-	-	-

Transfers recognised - capital	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	532 274	550 743	560 402
Public contributions & donations											—	—	—
Borrowing											—	—	—
Internally generated funds											—	—	—
Total Capital Funding	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	44 356	532 274	550 743	560 402

References

1. Table should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates
2. Total Capital Expenditure must reconcile to Budgeted Capital Expenditure

DC44 Alfred Nzo - Supporting Table SA30 Consolidated budgeted monthly cash flow

MONTHLY CASH FLOWS												Medium Term Revenue and Expenditure Framework		
Budget Year 2017/18												Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R R thousand														
<u>Cash Receipts By Source</u>														
Property rates														
Service charges - electricity revenue														
Service charges - water revenue												1 671	1 671	22 384
Service charges - sanitation revenue												294	294	3 943
Service charges - refuse revenue														
Service charges - other														
Rental of facilities and equipment												33	33	448
Interest earned - external investments												833	833	11 025
Interest earned - outstanding debtors														
Dividends received														
Fines, penalties and forfeits														
Licences and permits														
Agency services														
Transfer receipts - operational												38 957	38 957	575 069
Other revenue												4 729	4 729	51 185
Cash Receipts by Source												46 518	46 518	664 053
Other Cash Flows by Source														
Transfer receipts - capital												44 606	44 606	591 740

[illegible]

NET INCREASE/ (DECREASE) IN CASH HELD	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 486	2 786	30 126	174 328	130 198
Cash/cash equivalents at the month/year begin:	36 375	38 861	41 346	43 832	46 317	48 803	51 288	53 774	56 260	58 745	61 231	63 716	240 830
Cash/cash equivalents at the month/year end:	38 861	41 346	43 832	46 317	48 803	51 288	53 774	56 260	58 745	61 231	63 716	66 502	371 028

References

1. Note that this section of Table SA 30 is deliberately not linked to Table A4 because timing differences between the invoicing of clients and receiving the cash means that the cashflow will differ from budgeted revenue, and similarly for budgeted expenditure. However for the MTREF it is now directly linked to A7.

DC44 Alfred Nzo - Supporting Table SA31 Aggregated entity budget

[illegible]

Financial position	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Total Contract Value
Total current assets			15		3	0	4		4		4	5	5	
Total non current assets			0		3	3	2		2		3	3	3	
Total current liabilities			2		5	13	8		8		9	9	10	
Total non current liabilities														
Equity														
<u>Cash flows</u>														
Net cash from (used) operating														
Net cash from (used) investing														
Net cash from (used) financing														
Cash/cash equivalents at the year end														

DC44 Alfred Nzo - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2016/17	2017/18 Medium Term Revenue & Expenditure Framework	Budget Year +1 2018/19	Budget Year +2 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2017/18	Budget Year 2018/19	Budget Year +2 2019/20	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Revenue Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Operating Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Expenditure Obligation By Contract	2													
Contract 1														-
Contract 2														-
Contract 3 etc														-
Total Capital Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Parent Expenditure Implication		-	-	-	-	-	-	-	-	-	-	-	-	-

Entities:	2																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			

DC44 Alfred Nzo - Supporting Table SA34a Consolidated capital expenditure on new assets by asset class

Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework				Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework			
		2013/14		2014/15		2015/16		2016/17		2017/18	
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +1 2018/19	Budget Year +2 2019/20
Capital expenditure on new assets by Asset Class/ Sub-class											
Infrastructure		295 801	505 978	485 480	1 371 383	545 457	545 457	545 457	545 457	547 768	
Roads Infrastructure		-	-	-	-	-	-	-	-	-	-
Roads											
Road Structures											
Road Furniture											
Capital Spares											
Storm water Infrastructure		-	-	-	-	-	-	-	-	-	-
Drainage Collection											
Storm water Conveyance											

Attenuation	-	-	-	-	-	-	-	-	-
Electrical Infrastructure	-	-	-	-	-	-	-	-	-
Power Plants	-	-	-	-	-	-	-	-	-
HV Substations	-	-	-	-	-	-	-	-	-
HV Switching Station	-	-	-	-	-	-	-	-	-
HV Transmission Conductors	-	-	-	-	-	-	-	-	-
MV Substations	-	-	-	-	-	-	-	-	-
MV Switching Stations	-	-	-	-	-	-	-	-	-
MV Networks	-	-	-	-	-	-	-	-	-
LV Networks	-	-	-	-	-	-	-	-	-
Capital Spares	-	-	-	-	-	-	-	-	-
Water Supply Infrastructure	288 233	505 978	485 480	1 371 383	545 457	520 112	538 488	547 768	
Dams and Weirs									
Boreholes									
Reservoirs									
Pump Stations									
Water Treatment Works		505 978							
Bulk Mains									
Distribution	288 233		485 480	1 371 383	545 457	520 112	538 488	547 768	
Distribution Points									
PRV Stations									
Capital Spares									
Sanitation Infrastructure	7 568	-	-	-	-	-	-	-	-
Pump Station	7 568								
Reticulation									
Waste Water Treatment Works									
Outfall Sewers									
Toilet Facilities									
Capital Spares									
Solid Waste Infrastructure	-	-	-	-	-	-	-	-	-
Landfill Sites									
Waste Transfer Stations									
Waste Processing Facilities									
Waste Drop-off Points									
Waste Separation Facilities									
Electricity Generation Facilities									
Capital Spares									
Rail Infrastructure	-	-	-	-	-	-	-	-	-
Rail Lines									
Rail Structures									
Rail Furniture									
Drainage Collection									
Storm water Conveyance									
Attenuation									

[illegible]

[illegible]

[illegible]

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

DC44 Alfred Nzo - Supporting Table SA34b Consolidated capital expenditure on the renewal of existing assets by asset class

[illegible]

[illegible]

[illegible]

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on upgrading of existing assets (SA34e) must reconcile to total capital expenditure in Budgeted Capital Expenditure

DC44 Alfred Nzo - Supporting Table SA34c Consolidated repairs and maintenance by asset class

Description	Ref	2013/14	2014/15	2015/16	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1								
Repairs and maintenance expenditure by Asset Class/ Sub-class									
Infrastructure		13 699	29 111	-	-	-	-	20 876	21 933
Roads Infrastructure		-	-	-	-	-	-	-	-
Roads									
Road Structures									
Road Furniture									
Capital Spares									
Storm water Infrastructure		-	-	-	-	-	-	-	-

[illegible]

[illegible]

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1

DC44 Alfred Nzo - Supporting Table SA34d Consolidated Depreciation by asset class

[illegible]

[illegible]

Computer Software and Applications	(765)	(1 139)	(8 714)					492	520	549
Load Settlement Software Applications										
Unspecified										
<u>Computer Equipment</u>	-	-	-	-	-	-	-	1 313	1 388	1 466
Computer Equipment								1 313	1 388	1 466
<u>Furniture and Office Equipment</u>	-	-	-	-	-	-	-	806	852	899
Furniture and Office Equipment								806	852	899
<u>Machinery and Equipment</u>	-	-	-	-	-	-	-	1 051	1 111	1 173
Machinery and Equipment								1 051	1 111	1 173
<u>Transport Assets</u>	-	-	-	-	-	-	-	5 657	5 979	6 314
Transport Assets								5 657	5 979	6 314
<u>Libraries</u>	-	-	-	-	-	-	-	-	-	-
Libraries								-	-	-
<u>Zoo's, Marine and Non-biological Animals</u>	-	-	-	-	-	-	-	-	-	-
Zoo's, Marine and Non-biological Animals								-	-	-
Total Depreciation	1	51 121	47 964	39 607	55 000	55 000	55 000	55 000	58 135	61 391

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.

DC44 Alfred Nzo - Supporting Table SA34e Consolidated capital expenditure on the upgrading of existing assets by asset class

Ref	Description	2013/14				2014/15	2015/16	Current Year 2016/17				2017/18 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome			Original Budget	Adjusted Budget	Full Year Forecast		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
1														
	<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>													
	<u>Infrastructure</u>													
	Roads Infrastructure													
	Roads													
	Road Structures													
	Road Furniture													
	Capital Spares													
	Storm water Infrastructure													
	Drainage Collection													
	Storm water Conveyance													
	Attenuation													
	Electrical Infrastructure													
	Power Plants													
	HV Substations													
	HV Switching Station													
	HV Transmission Conductors													
	MV Substations													
	MV Switching Stations													
	MV Networks													
	LV Networks													
	Capital Spares													
	Water Supply Infrastructure													
	Dams and Weirs													
	Boreholes													
	Reservoirs													
	Pump Stations													
	Water Treatment Works													
	Bulk Mains													
	Distribution													
	Distribution Points													
	PRV Stations													
	Capital Spares													
	Sanitation Infrastructure													
	Pump Station													
	Reticulation													
	Waste Water Treatment Works													
	Outfall Sewers													

[illegible]

Toilet Facilities	
Capital Spares	
Solid Waste Infrastructure	
Landfill Sites	
Waste Transfer Stations	
Waste Processing Facilities	
Waste Drop-off Points	
Waste Separation Facilities	
Electricity Generation Facilities	
Capital Spares	
Rail Infrastructure	
Rail Lines	
Rail Structures	
Rail Furniture	
Drainage Collection	
Storm water Conveyance	
Attenuation	
MV Substations	
LV Networks	
Capital Spares	
Coastal Infrastructure	
Sand Pumps	
Piers	
Revetments	
Promenades	
Capital Spares	
Information and Communication Infrastructure	
Data Centres	
Core Layers	
Distribution Layers	
Capital Spares	
<u>Community Assets</u>	
Community Facilities	
Halls	
Centres	
Crèches	
Clinics/Care Centres	
Fire/Ambulance Stations	
Testing Stations	
Museums	
Galleries	
Theatres	
Libraries	

[illegible]

Cemeteries/Crematoria	
Police	
Purls	
Public Open Space	
Nature Reserves	
Public Ablution Facilities	
Markets	
Stalls	
Abattoirs	
Airports	
Taxi Ranks/Bus Terminals	
Capital Spares	
Sport and Recreation Facilities	
Indoor Facilities	
Outdoor Facilities	
Capital Spares	
Heritage assets	
Monuments	
Historic Buildings	
Works of Art	
Conservation Areas	
Other Heritage	
Investment properties	
Revenue Generating	
Improved Property	
Unimproved Property	
Non-revenue Generating	
Improved Property	
Unimproved Property	
Other assets	
Operational Buildings	
Municipal Offices	
Pay/Enquiry Points	
Building Plan Offices	
Workshops	
Yards	
Stores	
Laboratories	
Training Centres	
Manufacturing Plant	
Depots	

[illegible]

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
References																																																																																																			
1. Total Capital Expenditure on upgrading of existing assets (SA34e) plus Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure																																																																																																			

DC44 Alfred Nzo - Supporting Table SA35 Consolidated future financial implications of the capital budget

Vote Description	Ref	2017/18 Medium Term Revenue & Expenditure Framework				Forecasts			
		Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20		Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Present value
1									
Capital expenditure									
Vote 1 - Excutive and Council		550	159	112		118	125	133	
Vote 2 - Planning and Development		100	106	112		118	125	133	
Vote 3 - Budget and Treasury		1 912	2 021	2 134		2 262	2 398	2 541	
Vote 4 - Technical service		520 112	538 488	547 768		580 634	615 472	652 400	
Vote 5 - Community services		1 650	1 744	1 842		1 952	2 069	2 194	
Vote 6 - Corporate Service		7 950	8 225	8 435		8 942	9 478	10 047	
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]		-	-	-		-	-	-	
List entity summary if applicable									
Total Capital Expenditure		532 274	550 743	560 402		594 026	629 668	667 448	-
2									
Future operational costs by vote									
Vote 1 - Excutive and Council		66 990	70 104	73 713		78 136	82 824	87 793	
Vote 2 - Planning and Development		36 273	38 341	18 164		19 254	20 409	21 634	
Vote 3 - Budget and Treasury		129 522	136 905	141 864		150 376	159 399	168 963	
Vote 4 - Technical service		180 929	191 027	201 402		213 487	226 296	239 874	
Vote 5 - Community services		67 284	70 976	74 794		79 281	84 038	89 080	
Vote 6 - Corporate Service		50 393	52 815	55 255		58 571	62 085	65 810	
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]		-	-	-		-	-	-	
List entity summary if applicable									
Total future operational costs		531 391	560 167	565 193		599 105	635 051	673 154	-
3									
Future revenue by source									

Property rates						
Service charges - electricity revenue						
Service charges - water revenue	20 054	21 197	22 384	23 727	25 151	26 660
Service charges - sanitation revenue	3 532	3 734	3 943	4 179	4 430	4 696
Service charges - refuse revenue				–	–	–
Service charges - other				–	–	–
Rental of facilities and equipment	401	424	448	475	503	534
List other revenues sources if applicable	1 069 804	1 259 883	1 229 008	1 302 748	1 380 913	1 463 768
List entity summary if applicable						
Total future revenue	1 093 791	1 285 238	1 255 782	1 331 129	1 410 997	1 495 657
Net Financial Implications	(30 126)	(174 328)	(130 187)	(137 998)	(146 278)	(155 055)
						–

References

1. Summarise the total capital cost until capital project is operational (MFMA s'19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s'19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

DC44 Alfred Nzo - Supporting Table SA36 Consolidated detailed capital budget

Municipal Vote/ Capital project	Ref	Program/Proj- ect description	Project number	IDP Goal code 2	Individually Approved (Yes/No)	Asset Class	Asset Sub- Class	GPS co-ordi- nates	Total Project Estimate	Prior year out- comes		2017/18 Medium Term Revenue & Expenditure Framework			Project in- formation	
										Audited Outcome2015/16	Current Year 2016/17Full Year Fore- cast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	Ward loca- tion	New or re- newal
R thousand	4		Audited Actual		6	3	3	5								
Parent municipi- pality: List all capital projects grouped by Municipal Vote																
	RBIG Matatiele				No	Water Supply Infrastructure	Pump Stations	28.803131 -30.314016	71 300			20 000	21 140	22 324	19 and 26	New
	Matatiele MWIG				No	Water Supply Infrastructure	Distribution	28.531921 -30.114420	27 500			27 500	226 250	22 500	4,9,22,26	New
	Ntabankulu MWIG				No	Water Supply Infrastructure	Distribution		28 636			28 636	26 250	22 500		New
	Mbizana MWIG				No	Water Supply Infrastructure	Distribution	29.45119 -30.54572	27 905			27 905	26 250	22 500		New
	Umkimvubu MWIG				No	Water Supply Infrastructure	Distribution		25 959			25 959	26 250	22 500		New
	Mt. Ayliff Peri- Urban				No	Water Supply Infrastructure	Water Treat- ment Works	29.372616 -30.818769	187 000			15 000	15 855	16 743	7	Renewal

	Ntbankulu Sewer Upgrade				No	Water Supply Infrastructure	Waste Water Treatment Works	29.386413 -31.052633	73 653						25 000	25 425	27 905	8 New
	Greater Mbitzana Water Supply				No	Water Supply Infrastructure	Distribution	29.771012 -30.809881	353 073						84 359	89 168	94 161	26 New
	Kwabhaca Regional Water Supply				No	Water Supply Infrastructure	Bulk Mains		119 316						45 315	47 898	50 580	18 New
	Ntbanane Water Supply				No	Water Supply Infrastructure	Distribution	29.028351 -30.735886	88 798						22 000	23 254	24 556	12 New
	Nyokweni Bomvini Water Supply				No	Water Supply Infrastructure	Distribution	29.325425 -31.015253	73 665						6 500	6 871	7 255	7 New
	Umzimvubu Ward 13 WS				No	Water Supply Infrastructure	Distribution	28.939820 -30.728017	69 750						5 000	5 285	5 581	13 New
	Umzimvubu Ward 22 WS				No	Water Supply Infrastructure	Distribution	28.831614 -30.855896	60 997						4 000	4 228	4 465	22 New
	Matatiele Ward 15 Water Supply				No	Water Supply Infrastructure	Bulk Mains	28.539285 -30.416175	88 185						15 000	15 855	16 743	15 New
	Matatiele Ward 5 WS				No	Water Supply Infrastructure	Bulk Mains	29.074215 -30.235989	83 088						10 000	10 570	11 162	5 New
	Matatiele Ward 7 WS				No	Water Supply Infrastructure	Distribution	28.859439 -30.120154	164 317						41 000	43 337	45 764	7 New
Parent Capital expenditure	1														403 174	613 885	417 238	
Entities: List all capital projects grouped by Entity																		
Entity A Water project A																		
Entity B Electricity project B																		
Entity Capital expenditure															-	-	-	
Total Capital expenditure															403 174	613 885	417 238	

References

1. Must reconcile with Budgeted Capital Expenditure
2. As per Table SA6
3. As per Table SA34
4. Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by programme by Vote
5. Correct to seconds. Provide a logical starting point on networked infrastructure.
6. Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13 Check

DC44 Alfred Nzo - Supporting Table SA37 Consolidated projects delayed from previous financial year/s

Municipal Vote/ Capital project	Ref.	Project name	Project number	Asset Class 3	Asset Sub-Class 3	GPS co-ordinates 4	Previous target year to complete	Current Year 2016/17		2017/18 Medium Term Revenue & Expenditure Framework		
							Year	Original Budget	Full Year Forecast	Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20
R thousand	1,2		Audited Actual R'000									
Parent municipality: List all capital projects grouped by Municipal Vote				Examples	Examples							
		RBIG Matatiele		Water Supply Infrastructure	Pump Stations	28.803131 -30.314016				20 000	21 140	22 324
		Niabankulu Sewer Upgrade		Water Supply Infrastructure	Waste Water Treatment Works	29.386413 -31.052633				25 000	25 425	27 905
		Greater Mbizana Water Supply		Water Supply Infrastructure	Distribution	29.771012 -30.809881				84 359	89 168	94 161
		Kwabhaca Regional Water Supply		Water Supply Infrastructure	Bulk Mains					45 315	47 898	50 580
		Nibane Water Supply		Water Supply Infrastructure	Distribution	29.028351 -30.735886				22 000	23 254	24 556
		Nyokweni Bomvini Water Supply		Water Supply Infrastructure	Distribution	29.325425 -31.015253				6 500	6 871	7 255
		Umzimvubu Ward 13 WS		Water Supply Infrastructure	Distribution	28.939820 -30.728017				5 000	5 285	5 581
Entities: List all capital projects grouped by Municipal Entity												
Entity Name Project name		Goxe Cut-Flower Emfundisweni Skills Development					300000 1000000	300 1 000	300 1 000	321 1 070	343 1 145	368 1 225

1. List all projects with planned completion dates in current year that have been re-budgeted in the MTRF.

4. Correct to seconds. Provide a logical starting point on networked infrastructure.

Municipal Vote/Operational project	Ref	Program/Project description	Project number	IDP Goal code	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	GPS co-ordinates	Total Project Estimate	Prior year outcomes	Current Year 2016/17 Full Year Forecast	2017/18 Medium Term Revenue & Expenditure Framework			Project information
												Budget Year 2017/18	Budget Year +1 2018/19	Budget Year +2 2019/20	
R thousand	4		Audited Actual	2	6			5		Audited Outcome 2015/16					Ward location
Parent municipality: List all operational projects grouped by Municipal Vote															
Municipal Manager		Risk Management Internal Audit										500	529	558	
		Development and review of by-laws										500	300		
		District Gender Programmes										100	106	112	
		Youth Development Programmes										350	370	391	
		Community Empowerment Program										1 500	1 586	1 674	
		Beach to Berg										500	529	558	
		Vuka Alfred Nzo Programme										300	317	335	
Planning and Economic Development												1 000	1 057	1 116	
		Agri-Park Development										1 230	1 300	1 373	

[illegible]

References

1. Must reconcile with Budgeted Operating Expenditure
2. As per Table SA5
3. Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by programme by Vote
4. Correct to seconds. Provide a logical starting point on networked infrastructure.
5. Distinguish projects approved in terms of MFMA section 19(1)(b) and MRRR Regulation 13

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INFRASTRUCTURE ASSETS VERIFICATION APPROACH

Introduction

In line with MFMA section 122(3) the municipality must prepare Annual Financial Statements in accordance with Generally Recognized Accounting Practice (GRAP). GRAP 17 prescribes the accounting treatment of fixed assets and requires that a municipality must prepare a GRAP compliant fixed asset register for each reporting period.

The purpose of the project is to ensure that the Municipality complies with section 126 (1)(a) of the Municipal Finance Management Act and GRAP standards, infrastructure fixed assets register is updated, that the amendment on GRAP 17 is implemented and all audit queries that were raised by the Auditor General relating to infrastructure assets in the 2015/2016 financial year are addressed.

Purpose and Background

The purpose of this document is to give guideline on the selection of infrastructure assets that will be included in the verification exercise for 2016/17 financial year. The aim of conducting a physical verification of assets is to ensure that the fixed asset register as at 30 June 2017 is complete, accurate and all assets recorded do exist.

The district municipality has 65 488 number of infrastructure assets in its register as at 30 June 2016. The municipality is expected to submit the annual financial statements to the Auditor General by 31 August 2017. On 31 July 2017, the municipality is also expected to submit the draft annual financial statements to the National Treasury.

It is the intention of management to ensure that all infrastructure assets are verified for completeness and existence. However, due to the deadlines for submission of the annual financial statements, both to the National Treasury and the Auditor General, it becomes impractical to verify all the assets. As a result, the verification exercise of the infrastructure assets will be done in phases over a period of two financial years, 2016/17 and 2017/18.

The approach used to determine the assets that will be included in the verification exercise in the current year is detailed below:

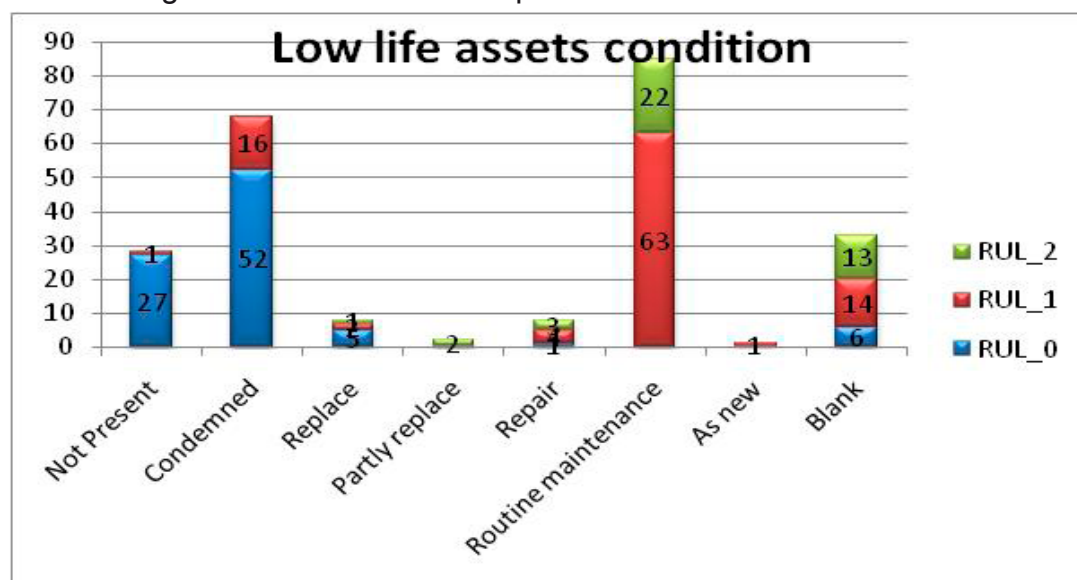
Analysis of the infrastructure assets

The infrastructure assets as at 30 June 2016 are made up as follows:

Infrastructure categories	Balance at 30 June 2016	Number of Assets
Road Transport		
Roads: Gravel	4,591,450.57	16
Stormwater	1,416,318.61	30
Sewerage:		
Sewer Bulk Pipelines	2,857,903.11	5
Pumping Stations -Sewer	4,823,117.27	73
Purification Works	23,050,838.27	173
Sewers / Reticulation	33,663,394.90	5
Water:		
Boreholes	83,077,217.51	1,141
Water Bulk Pipelines	474,808,999.09	14,379
Spring & Weirs	9,556,702.71	581
Dams	320,433.21	8
Pumping Stations -Water	14,380,260.97	307
Purification Plant	41,548,825.48	433
Reservoirs and Tanks	318,676,612.55	3,496
Supply and Reticulation	716,048,928.26	44,837
Total infrastructure assets	1,728,821,003	65,484

Low life assets

The low life assets are those infrastructure assets that have the remaining useful lives of 2 years and below. The analysis will assist in determining the assets that will be prioritised when reviewing the remaining useful life as well as impairment of assets.



Description of the condition

- Not Present (0) – The assets are no longer in the asset register.
- Condemned (1) – The asset is either beyond economical repair, technical obsolete or equipment damaged by contamination etc. The assets are no longer in the asset register.
- Replace (2) – The asset require full replacement
- Partly replace (2.5) – The asset requires part replacement
- Repair (3) – The asset requires repairs
- Routine maintenance (4.5) – The asset requires routine maintenance
- As new (5) – the asset is fairly new
- Blank – No description on the asset register.

Completed Projects 2016/17

The following is a list of projects completed in the current financial year:

- Ntibane Water
- Umzimvubu Ward 22
- Umzimvubu Ward 13 - Eskom connection pending
- Nyokweni Bomvini - Civil works completed but electrical & mechanical still being finalised.
- MWIG projects – Some of the MWIG projects are completed. These will be unbundled and capitalised.
- Tholamela Water
- Mt Ayliff Water
- Fobane Water Supply
- Greater Mbizana Water Supply.

Completed projects in 2015/16 unbundled post-audit

The following projects were completed in 2015/16 financial year and were unbundled after the audit:

- Bethal Outspan Mdeni Borehole Development
- Harry Gwala and Maluti and Surrounds Borehole Development and Refurbishment Phase 2
- Umzimvubu ward 14 Water Supply (Reticulation)
- Maluti Regional WS (Belfort Bulk Lines) Phase 2
- Maluti Regional WS (Belfort Bulk Lines) Phase 1
- Maluti Ramohlakoana Sewer
- Maluti Matatiele Ramohlakoana Bulk Water Supply Scheme (M&E Works) .

Prioritisation of areas for asset verification

Due to the deadlines for submission of the annual financial statements, both to the National Treasury and the Auditor General, it becomes impractical to verify all the infrastructure assets existing in the infrastructure asset register. Management adopted an approach that will prioritise assets to be verified to give reasonable assurance on completeness of the register. The verification exercise of the infrastructure assets is planned to be done in phases over a period of two financial

years, 2016/17 and 2017/18.

The verification exercise for the current financial year will focus on the following areas:

- Completed projects 2016/17;
- Completed projects that were unbundled post audit 2015/16; and
- Low life assets with the remaining useful life below two (2) years.

Infrastructure categories	Phase 1 2016/17	Phase 2 2017/18
Completed projects		
Low life assets under 2 years with blank condition assessment		
Completed projects 2015/16 unbundled post-audit		
Other infrastructure assets		

Componentisation/unbundling of assets

The completed projects shall be unbundled from source documents such as 'as built' drawings, bill of quantities, project close out, reports and project invoices. The assets will be componentised according to the asset hierarchy. Following determination of the values of the various components, the Preliminary & General (P&G) costs and professional fees will be apportioned on a pro rata basis based on the weight of each individual component that forms part of the project.

Level of breakdown

The key considerations in determining what should become a separately depreciable part (component) are:

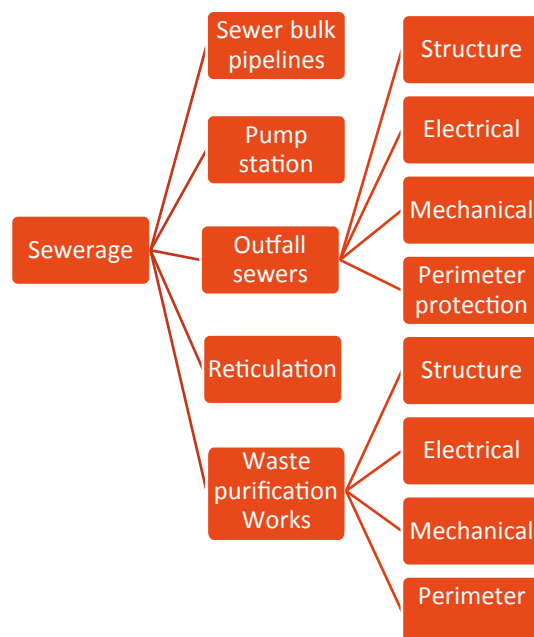
- significant cost
- considerable difference in useful life.

The decision on what is to be treated as a separately depreciable part depends on municipality's judgement in terms of materiality and management practices. If the value of a part of the asset is significant (i.e. material) compared to the value of the asset as a

whole and/or has a useful life that is considerably different to the useful life of the asset as a whole, it will be recognised as a separately depreciable part (component).

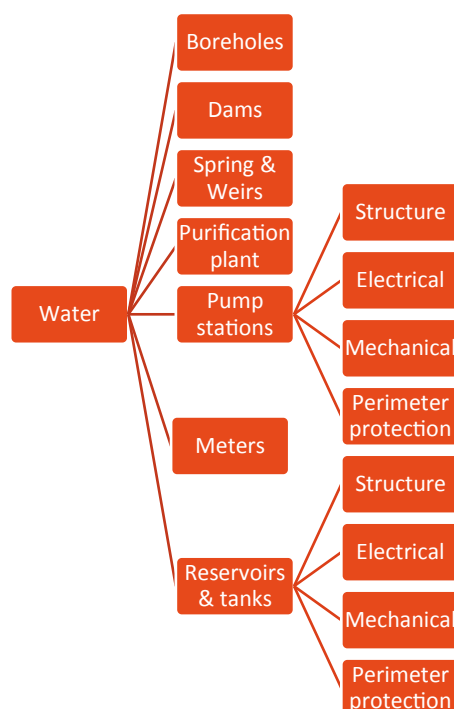
Sewerage

These assets have a lifespan that typically starts at 30 years, except for the electrical/mechanical components that have a typical lifespan of 10 to 15 years.

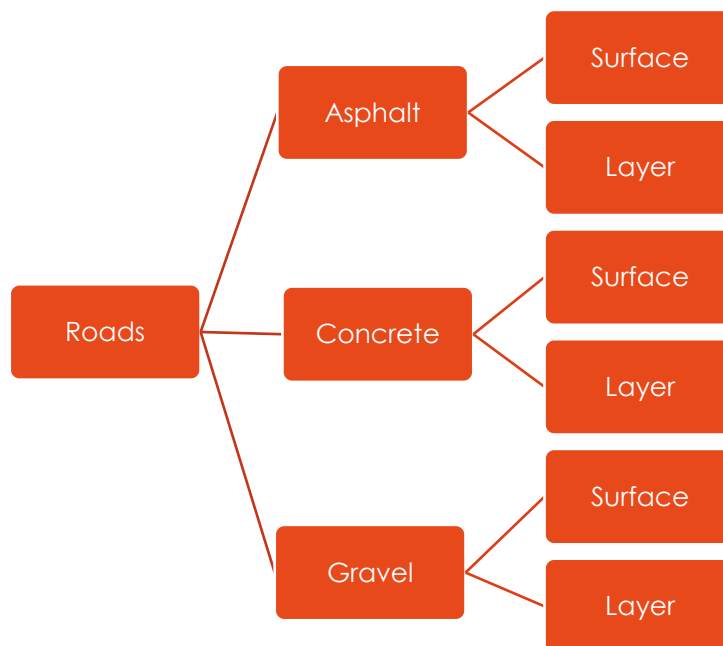


Water

These assets are typically constructed to last for a number of years, ranging from a minimum of 30 years onwards. The electrical/mechanical components of these works will, however, have a lifespan in the 10 to 15 year range.



Roads



Estimation of useful life of component items

The accounting policy of the municipality will be used to determine the useful life of the component items.

Take on date

The take on date will be date reflected on the Practical Completion Certificate.

Conclusion

This approach will give management reasonable assurance on existence and completeness of infrastructure assets completed in the current financial years, as well as those that were unbundled post-audit.

The verification of low life assets with estimated useful life of 2 years and below will assist in determining the assets that will be prioritised when reviewing the remaining useful life as well as impairment of assets.

ANNEXURE 2: ANDM PMS

SECTION A: ORGANISATIONAL PMS

Introduction

This performance management framework document of Alfred Nzo District Municipality (ANDM) sets out the Performance Management System of the District undergirded by the District IDP and its annual SDBIP of the District.

The performance management framework covers, what it is, why there is performance management, who is involved in the performance management system, how the system is organised and how and when it is implemented.

The primary mandatory components of the performance management framework herein are the Organisational level Performance Management, Departmental performance management and individual performance management.

The performance management system process is enjoined in the IDP process plan as depicted in the process under the section on implementation.

PMS defined & rationale for the performance management framework

What Is Performance Management, Monitoring and Evaluation and the Annual IDP Review? Performance management is defined as:

“A strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets of efficiency, effectiveness and impact.”

The municipality shall develop a performance management system based on the prescripts contained in the legal framework for the performance management system.

The municipality shall set targets and monitor and review the performance of the municipality based on the indicators linked to the Integrated Development Plan (IDP). Performance management consist of these two inseparable, integral components, namely:

- Organisational performance management: to determine whether a municipality is achieving its strategic goals; and
- Employee performance management: to determine how well employees perform their duties towards the achievement of the municipality's objectives.

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

- Identifying and describing essential job functions and relating them to the strategy (IDP) and Budget of the Municipality
- Developing realistic and appropriate performance standards
- Giving and receiving feedback about performance

- Undertaking constructive and objective performance appraisals ; and
- Identifying and planning education and development opportunities; to sustain, improve or build on employee work performance.

Why Performance Management System; the purpose of the IDP Plan is to ensure that the resources available to the ANDM are directed at the delivery of projects and programmes that meet agreed development priorities.

As AND Municipality starts the implementation of the IDP plan it is important to check that:

- the delivery is happening in the planned manner
- the Municipality is using its resources most efficiently
- it is producing the quality of delivery envisaged; and
- the delivery is having the planned effect on the lives of the people in the Municipality.

To achieve this it is necessary to monitor and evaluate, measure and review the performance of ANDM against indicators and targets set in the IDP and SDBIP. Performance management will assist Municipalities:

- to make immediate, appropriate changes in delivery and management of resources;
- identify and overcome major or systemic blockages; and
- guide future planning on developmental objectives and resource use,
- Achieving this requires pro-active development of a performance management system and undertaking an annual review of the IDP.

Applicable legislation for the pms framework

The local government: municipal planning and performance management regulations, 2001.

Section 7(2) of the Regulations requires that the Municipality, in developing its Performance Management System, must ensure that the system:

- Complies with all the requirements set out in the Municipal Systems Act
- Demonstrates how it is to operate and be managed from the planning stage up to the stages of performance review and reporting
- Clarifies the roles and responsibilities of each role player, including the local community, in the functioning of the system
- Clarifies the processes of implementing the system within the framework of the Integrated Development Planning process
- Determines the frequency of reporting and the lines of accountability for performance;
- Relates to the Municipality's Employee Performance Management processes
- Furthermore, Section 43 of the Regulations prescribes the seven general key performance indicators (see relevant section below).

Municipal performance regulations for municipal managers and managers directly accountable to municipal managers, 2006

These regulations articulate issues of employment contracts, performance contracts and performance appraisal of Municipal Managers and Managers directly accountable to them. Chapter 3 of the regulations allude to the following regulation clauses as purpose of performance agreement:

The purpose of the agreement is to:

- Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties
- specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality
- specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement
- monitor and measure performance against set targeted outputs
- use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job
- in the event of outstanding performance, to appropriately reward the employee; and
- give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

Municipal Systems Act (Act No 32 of 2000)

In terms of this Act (Chapter 6, Sections 38 – 49) all municipalities are required among other things to:

- Develop a PMS, monitor and review performance based on the indicators linked to the IDP
- Involve the community in the development of key performance indicators; and reviewing municipal performance
- Publish an annual report on performance for councillors, staff, the Municipal and other spheres of government.

Section 57 of chapter 7 (MSA) of this chapter requires the Municipal Manager and those officials reporting directly to the Municipal Manager (section 57 employees) to sign annual performance agreements.

Municipal Finance Management Act (2003)

Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

- a) Projections for each month of-
 - (i) revenue to be collected, by source; and

- (ii) operational and capital expenditure, by vote
- b) Service delivery targets and performance indicators for each quarter.

According to Section 53(1) (c) ii of the MFMA (Act 56 of 2003) “the Mayor of the municipality must take all reasonable steps to ensure that the municipality’s service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget”

The Mayor is to receive the draft SDBIP 14 days after approval of budget and therefore the final SDBIP approved 14 days after receiving the first draft of the SDBIP.

RSA Constitution, 103, of 1996

The overarching legislative mandate of the PMSF is to achieve the objects of Section 152 of the Constitution which are:

- To provide democratic and accountable government for local communities
- To ensure 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 organisations in the matters of the local government.

Objectives and guiding principles of the performance management framework

The main Goal of Performance Management is to ensure that the municipality as a system and its subsystems work together in an integrated fashion for accomplishing optimum results; and facilitate increased accountability.

The PMS provides a mechanism for ensuring increased accountability between:

- The citizens of the AND Municipality and the municipal council
- The political and administrative components of the municipality and
- The Office of the Municipal Manager and each municipal department.

The PMS also provides a platform for learning and improvement. It enables ANDM to assess which approaches and methods are having the desired impact and this way enable ANDM to make the necessary improvements that will lead to more effective service delivery.

This PMSF provides managers and supervisors at all levels; the municipal manager, portfolio committees and the council with early warning of performance targets that are not going to be reached and thus adversely affecting the implementation of the IDP.

The PMS should provide suitable management information that will allow for efficient, effective and informed decision making, particularly on the allocation of resources.

This Performance Management Framework is to clarify the processes of implementing the performance management system within the framework of the Integrated Development Planning process. To demonstrate how the system will be conducted, organized, operated and managed from the planning stage up to the performance review. It will determine the roles and responsibilities and the frequency of reporting for Organisational Performance Management System and Individual

Performance Management System.

This framework aims to:

- Clarify the processes of implementing the performance management system within the framework of the Integrated Development Planning (IDP) Process
- Clarify definitions and standards for performance management
- Ensure compliance with the South African Legal framework
- Demonstrate how the system will be conducted, organized, operated and managed from the planning stage up to the stages of performance review
- Define roles and responsibilities
- Determine the frequency of reporting
- Promote accountability and transparency of performance management within the Alfred Nzo District Municipality.

Prior to implementing a PMS, an approved organisational structure that is aligned to the IDP be put in place. This structure should indicate roles, responsibilities, powers and functions for the implementation of the IDP.

Who uses the PMS and How: Roles & Responsibilities

A range of different ANDM stakeholders use the Performance Management System for different reasons. Understanding these is important as it affects the type of information required and the form in which it is prepared.

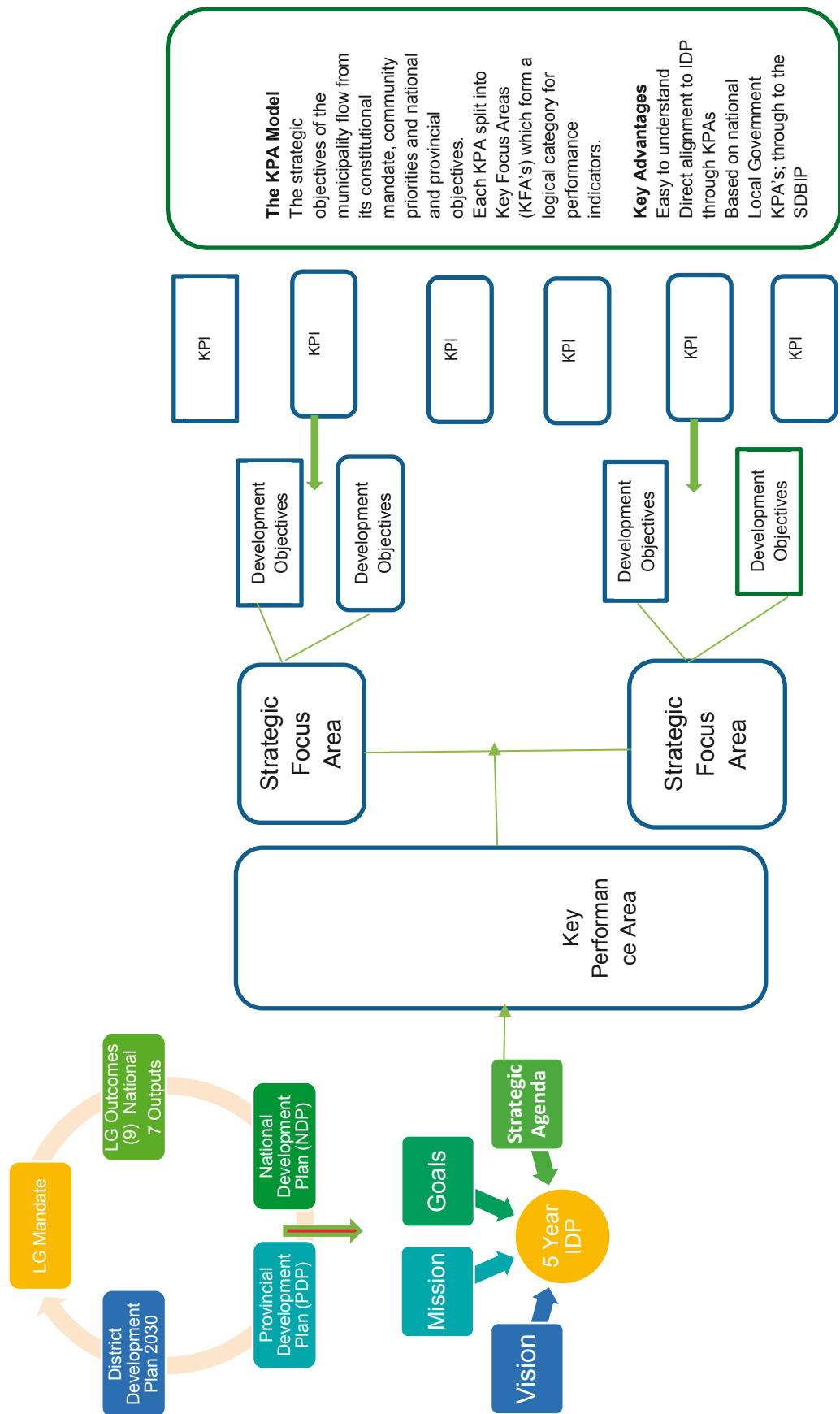
The table on the next page outlines some of the key usages.

ANDM Council	Assess whether it is meeting its developmental objectives and whether these are having an impact on the lives of the people in the Municipality. Help define ways of improving its resource usage and impact on the developmental needs of the people in the Municipality. Assist in evaluating progress made by the Municipality against key performance indicators.
Executive Mayor and Mayo	Strategic monitoring of progress and effectiveness of the implementation of the IDP Plan. Review the effectiveness of service delivery strategies used by the Council and inform recommendation on best methods including partnerships for service delivery.
Municipal Manager	Strategic and operational control of the delivery of the IDP & SDBIP. Use the information and analysis to advise the Council on the best action for the Municipality to take to realise its development objectives.
Senior Management Team	Keep an up to date understanding of implementation. Understand reasons for problems and blockages Inform ways of tackling day-to-day and systemic blockages to implementation. Conduct regular reviews of performance.
Financial Team	Monitors how effectively the financial resources are used to implement the IDP. Controls the flows of money to maximise its contribution to the implementation.
Programme Managers	Monitors and evaluate the delivery of range of projects or parts of projects to understand how the implementation can best achieve the defined programme objectives.

Sectoral Managers	Understand and assess how his sectoral resources are performing in implementing the IDP plan. Evaluate/Measure performance in terms of agreed indicators and targets.
Project Managers	Monitor and evaluate the proper allocation of resources to achieve the project delivery in the most efficient way within the defined timeframe.
Consultation For a like IDP Rep Forum	Monitoring and evaluation and review information to provide the opportunity for them and the groupings they represent to assess the extent to which the Municipality is delivering its IDP plan. Assess better ways of mobilising their “constituencies” to appropriately involve themselves in delivery.
Local Residents	Receive information on the progress in the delivery of the IDP Plan. Hold Municipalities accountable for their performance against key performance indicators and targets.
National and Provincial Government	Understand the extent to which the Municipality is contributing to meeting National and Provincial development priorities. How effectively the Municipality is using financial and other resources provided to it by other spheres of government. Assess the overall state of local government.
Grant Funders	Monitoring and evaluation as to whether their financial contributions are used effectively and appropriately to meet the Municipality’s development objectives and their conditions as funders.
Auditors	Understand the policy bases of performance management in ANDM for performance audits

SECTION B: ORGANISATIONAL PERFORMANCE MANAGEMENT MODEL & APPROACH

The PMS is modelled on the overall Integrated Development Planning system and ethos which brings all plans from national and provincial to converge within district and local plans in a specific local space for implementation. The diagram below depicts the overall model of the PMS:



The Balanced Scorecard approach will be used based on the KPAs and the strategic objectives as they appear in the reviewed IDP. It will also link the IDP objectives to operational plans and ensuring that there is a balance of outcome, output and input indicators in the organizational and departmental SDBIPs. The KPIs and performance targets will be developed for each of the strategic focus areas and high level objectives. Baseline information for the previous financial year will also be used to determine where the municipality is in terms of achieving its previous plans, and to determine what should be done to improve on the past performance. The Balanced Scorecard approach will be customised as follows:

Service Delivery Perspective: (outcome/impact)

KPA: Basic Service Delivery & Local Economic Development

This looks at whether the services provided meet the needs of the customers in terms of value added to customers, time, quality, service costs and outcomes. Outcomes are “what we wish to achieve and the impact are the results of achieving specific outcomes”

Financial Perspective: (efficiency & effectiveness)

KPA: Financial viability management

This looks at the efficiency and effectiveness of managing operations and costs, sustainability and revenue growth.

Internal Business Processes: (outputs)

KPA: Good governance and public participation

It refers to activities and processes done by the organization to deliver services, it looks at both short term and long term objectives. How well the municipality is running and whether the services rendered conform to customer needs. They are “what we produce or deliver.”

Learning and Growth Perspective: (inputs)

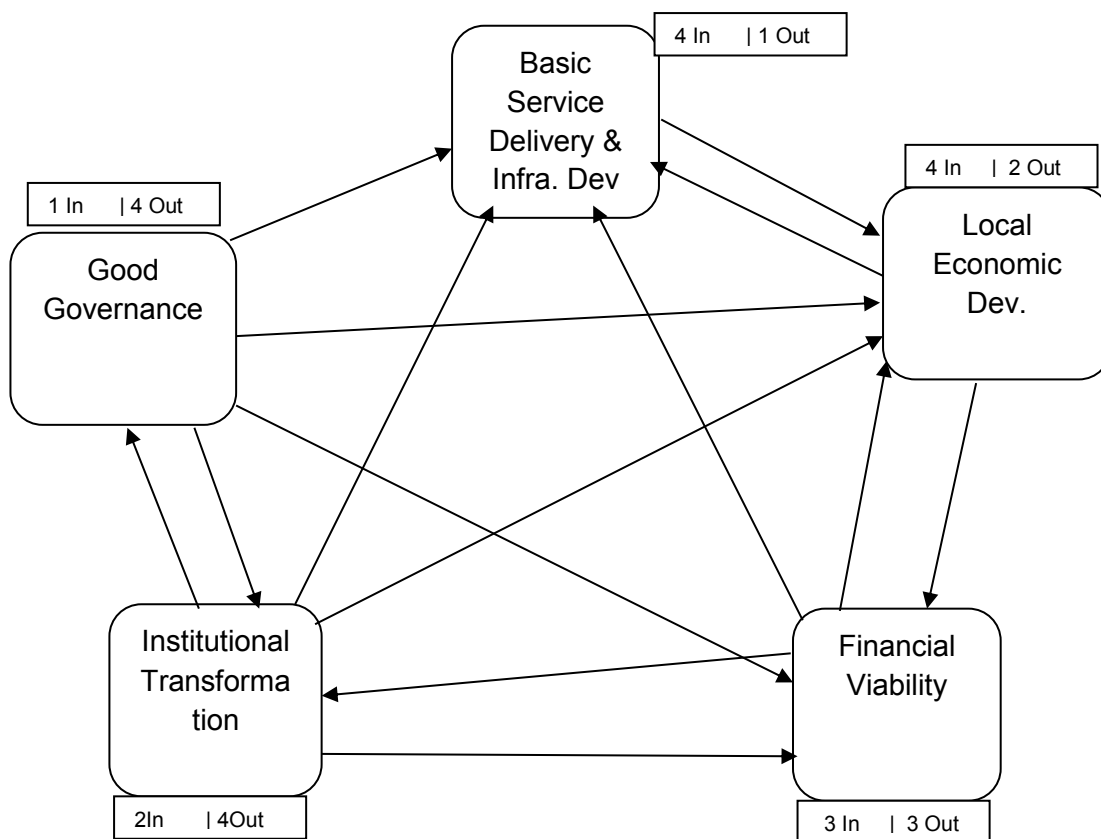
KPA: Institutional transformation and organisational development

It looks at human capacity, systems, organizational climate and culture. It emphasizes skills and capabilities required to improve performance. Inputs contribute to the production and delivery of outputs. They are “what we use to do the work.”

Taking from the National Government guide on the scorecard AND municipality through the Strategic Planning process and into the IDP Strategic Agenda articulation developed the following Scorecard:

KEY PERFORMANCE AREA	WEIGHT (%)
Basic Service Delivery and Infrastructure Development	40
Local Economic Development	30
Financial Viability	15
Good Governance and public Participation	5
Institutional Transformation	10

The scorecard is informed by the logic that achieving the strategic agenda will be through appreciating which are the drivers and outcomes between the KPAs, as illustrated below:



The Performance Management Cycle

PERFORMANCE PLANNING: This ensures that the strategic direction of the municipality informs and aligns the IDP with all planning activities and resources, like the development of departmental SDBIPs, development of Performance Contracts for Section 54 and 56 employees and the Performance Plans of all employees. The key performance areas and key performance indicators are aligned to the IDP and the national requirements and the targets are set at this stage.

The overall cycle includes four phases illustrated in the figure below:



Performance, measurement, review and analysis

This is an ongoing process to determine whether performance targets are met, exceeded or not met. Projections can also be made during the year as to whether the final targets will be met by comparing achievements to the past deliverables. This also analysis why there is under-performance or over performance in a particular area. Where targets have not been met, reasons are examined and corrective actions recommended. Evidence to support the status is also reviewed. This is where indicators are also reviewed to determine if they are feasible and measure the key areas appropriately.

Performance review sessions- the cycle for performance runs throughout the year. Monitoring is a process of consistently measuring performance and providing ongoing feedback to the employee or group of employees on their own progress towards reaching the set objectives.

Accountability to the Councillors of the Portfolio / Standing Committees takes place every month, hence the monthly Portfolio / Standing Committee meetings. This is where the quarterly KPAs are worked on and accounted upon monthly and the next month's plan is agreed upon and where the Councillors give input on the next month's programme and projects. This should be seriously considered as the platform in which the Councillors exercise their oversight role.

It is therefore imperative that the time is invested in the process for the:

- Self-assessment by the employee
- Assessment by the employee's manager
- Joint discussion between the employee and the responsible manager; and reaching consensus on the outcomes, detecting problems and jointly devising solutions.
- The performance reviews will take place as follows
- All Departments to submit their Quarterly Reports to the relevant department
- on the 10th day after the end of the Quarter
- The consolidated quarterly review report will be presented to Portfolio / Standing Committees on the 15th after the end of the quarter.

The Consolidated Review Report and Performance Analysis Report will be presented to Top Management and the Extended Top Management on the 20th after the end of the quarter. The Quarterly Review Meeting will then take place on the 24th after the end of the quarter when all inputs from various committees have been incorporated into the review reports.

Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

Performance reporting

Sections report weekly to the Managers. These reports are consolidated into monthly reports where line managers report to their Executive / Senior Managers. The monthly reports will be presented and discussed at the Extended Top Management on monthly basis. These departmental reports will then be consolidated into quarterly reports by respective departments. The quarterly reports are sent to the Portfolio / Standing Committees and the Internal Audit prior it being sent to Council and the Performance Audit Committee. Quarterly reports are consolidated and reporting is done twice a year to management and communities in the form of an Annual Report at the end of the Financial Year.

Organisation of performance management

Although organizational and individual performance management are linked, as the latter cannot be meaningfully developed without the former, it is important to manage these two fields of performance management as two separate systems. Once organizational objectives (Integrated Development Plan) and targets have been set for the Municipality, municipal departments and sections, it is possible to cascade them down to individuals within the sections through the use of individual performance plans. In turn, the achievement of individual, section and municipal department objective, contribute towards the achieving the overall objectives of the Integrated Development Plan.

Performance Management is organised into three layers of organisational performance, Departmental Performance, which can be subdivided into units, and the third layer is the individual performance management:



Departmental performance management system

Each Department shall draw up its annual departmental performance management framework based on the Integrated Development Plan, Performance Management Framework, Strategic Plan and Service delivery and budget implementation plan (SDBIP).

The Departmental performance management system shall be driven and championed by the Head of the Department.

The Departmental performance management system shall set an enabling performance environment for the efficient and effective utilization of employees within the Municipality. The Departmental key performance areas, objectives, indicators targets and results shall be formulated by the Executive Manager or through a Departmental workshop.

The Municipality shall set aside an annual funding for departmental workshops to take place immediately after the adoption of the budget and the IDP for formulation of annual departmental performance plans.

The effective management of performance at a unit and individual levels shall be the responsibility of the head of the department or unit.

The Head of the unit shall ensure that employees complete tasks assigned to them within the context of a performance management system.

Individual performance management system

The substantive details of the individual performance management system are discussed under section c below.

SECTION C: INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

Performance appraisal

The individual performance management system will be largely informed by and based on the organizational and Departmental performance management system.

Appointment of individual managers shall be based on performance contract so as to enhance the culture of accountability and performance within the Municipality.

The practice of appointing managers on performance contract shall be extended up to Post level 4 or equivalent level employees.

Annual performance contracts or accountability agreements or undertakings /promises shall be concluded and signed between the person responsible for managing the performance of a particular employee and that employee

Performance of Section 57 employees shall be strictly managed according to the 2006 performance management regulations issued by the Department of Provincial and Local Government.

Performance standards and measures for each employee shall be set according to the pre-determined performance values and criteria for the Unit and the post.

Performance management shall be pursued in order to identify performance gaps, deficiencies, and good performance for the purpose of making interventions and awarding rewards where necessary.

Employees shall be informed both verbally and in writing of what is expected of them in their jobs.

The employees shall be assessed according to the competency model which entails job knowledge, skills, attributes and set performance standards, objectives and targets.

Critical training needs will also be established through this process.

Employees will be entitled to receive regular feedback on their performance from their superiors. In return, employees have a moral duty and obligation to perform their duties in terms of the set performance standards and job description without failure.

Rendering of services by employees in the most efficient, economical and effective manner will lead to judicious delivery of the right quality and quantity of output at the correct time.

Individual performance assessments shall be done quarterly in respect of all employees. Performance assessment shall be based on a set of performance standards, objectives and targets.

The Municipality shall establish a Performance Management System (PMS) Unit within the Corporate Services Department to drive the individual performance management programme of

the Municipality.

The PMS unit shall be responsible for co-ordination of individual performance management from probation stage of personnel utilization through the entire life cycle of personnel utilization within the institution.

The PMS unit shall be responsible for recording the proceedings of performance assessment sessions at all times.

The PMS unit shall be the custodian and a place/point of reference for all working/current records of individual performance management subject to compliance with the requirements of the Municipal records and information management policy.

The PMS unit shall be responsible for managing and co-ordinating performance management in respect of provision of outstanding performance awards and payment of performance bonuses to respective employees.

The PMS unit shall be responsible for institution of poor performance counselling proceedings as may be required in terms of feedback from various service users from time to time.

The institution of disciplinary proceedings arising from poor work performance will be exclusive reserve of the Labour Relations Unit within the Corporate Services Department of the Municipality.

Performance review for managers reporting to executive managers

Managers will submit their performance reports based on their performance plans to the Executive Manager at the end of every month.

The Executive Manager will then sit with all managers at the end of the quarter on a one to one basis assessment, which will eventually inform the Executive Manager's performance.

Performance appraisal of managers reporting to the executive managers

The appraisal of managers reporting to the Executive Managers shall be done using the performance appraisal form every six months.

For purposes of evaluating the annual performance of managers reporting to the executive managers, an evaluation panel constituted of the following persons must be established –

- Relevant Executive Manager of the department being evaluated.
- Corporate Services
- Planning and Economic Development / Development Planning Unit
- A representative from another municipality / Department.

Management of evaluation outcomes for managers reporting to executive managers

The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance. Performance shall be awarded on the discretion of the evaluation panel.

Performance award for managers reporting to executive managers

Outstanding performance shall be awarded with incentives in a form of certification and monetary value. Incentives shall be given on the basis of the result of the performance appraisal.

Section 54 and 56 employees

Section 54 and 56 employees are assessed on an 80:20 basis, where 80% represents the Key Performance Areas and the 20% represent the Core Competency Requirements (CCR).

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

The annual report for the financial year under review has been tabled and adopted by the municipal council;

An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and

Approval of such evaluation by the municipal council as a reward for outstanding performance or effective performance.

Performance Evaluation for Section 54 and 56 employees and Managers

Reporting to the executive managers

The monitoring and performance evaluation of section 54 and 56 employees shall be done in accordance with the Local Government: Municipal Performance Regulations for Municipal Managers and Managers directly accountable to Municipal Managers, regulations of 2006, which prescribes as follows:

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established –

- Executive Mayor or Mayor
- Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee
- Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council
- Mayor and/or municipal manager from another municipality; and
- Member of a ward committee as nominated by the Executive Mayor or Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

- Municipal Manager
- Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee
- Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council; and
- Municipal manager from another municipality.

The Manager: Human Resources shall provide secretariat services to the evaluation team referred to above.

Management of evaluation outcomes for section 54 and 56 employees

Regulation 32(1) (2)(a) and (b) states that;

- (1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.
- (2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -
 - (a) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%.
 - (b) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

The performance bonus based on affordability of the municipality shall therefore be paid to the section 54 and 56 employees after the annual report for the financial year under review has been tabled and adopted by the municipal council.

Dealing with poor performance

In the event of an employee failing to meet his/her performance objectives, the following guidelines should be followed:-

Poor performance and incapacity process

- The onus lies with the Manager/Supervisor to ensure that the employee knows what is required
- Objectives/targets – key performance areas and deadlines should be agreed with the employee
- The employee should be given appropriate training, coaching and instructions in order to be able to meet the objectives/targets
- The employee has to have the means to perform the required objectives
- The employee must be given a reasonable time to achieve the required objectives.
- The employee must be given regular feedback on his/her performance.

Formal counselling

- The employee's direct Manager/Supervisor is responsible for conducting any formal counselling sessions on poor performance; The Counselling session is an opportunity to formally plan and agree on corrective action
- Identify why the employee is failing to meet the required performance standards/objectives
- Agree on a plan to assist the employee in achieving the required standards/objectives and give the employee a fair opportunity to improve his/her performance
- Make the employee aware of the potential consequences of not complying with performance requirements
- Ensure that these meetings are documented so that procedural fairness can be proved in the event of any future disciplinary been taken.

Corrective formal disciplinary process

Should the employee after a reasonable period of time for improvement, continue to perform unsatisfactorily, notwithstanding appropriate evaluation, instruction, guidance and/or counselling, formal disciplinary steps may be implemented.

A formal disciplinary hearing should be held, and corrective action through series of graduated disciplinary measures should be considered, e.g. formal counselling, written warning, written final warning, and finally dismissal as a last resort.

Supervisors must meet regularly with employees to:

- discuss the employee's performance objectives
- monitor their performance
- conduct formal assessment and agree on areas of improvements and what will be required to enhance that improvement. These included systematic, remedial and development support
- The feedback must be formal and in writing.

Disputes:

- Employees must record their disagreement on the performance assessment
- Such dispute must be resolved without delay through formal structures.

Situations of poor performance, after everything possible has been done, the following may be considered:

- Mentoring of the employee
- Placing the employee in a more appropriate job; and
- Possible dismissal of the employee.

Departmental Award**Procedure**

One week prior to the monthly departmental meeting, the Head of Department invites members of the department to nominate colleagues to contend for the performance excellence award based

on the above criteria.

Nominations should be submitted through respective managers to the Head of Department. At the departmental monthly meeting, staff members may vote for the deserving colleague of their choice. Nominated officials may vote. The Head of Department may not vote at such proceedings. Colleagues will vote through the mechanism of a secret ballot. The Head of Department will officiate over the tallying of votes and communicate the successful departmental candidate at a departmental meeting after it has been approved by Top Management.

Probation management system

A newly appointed employee for a period of not less than 12 months will be required to serve a six month-probation period prior to confirmation of employment.

Probation shall apply to contract employees as well, including performance contract employees.

Employees hired for a period of less than 12 months but not less than three months, will be required to serve a probationary period of two to three months prior to confirmation of employment.

Employees hired for a period of less than three months will not be required to serve probation. During probation, employees shall be given an opportunity to demonstrate performance up to the standards expected of them and be provided with appropriate feedback, assistance and support to achieve them.

The new employee and his or her supervisor will discuss formally or informally the required performance levels within the first month of employment in an effort to lay a sound foundation for tracking performance.

Performance of employees on probation for a six month-period shall be assessed on a bi-monthly basis.

Performance assessment of an employee on a less than six month-probation period will be conducted on a monthly basis.

The Municipal Manager shall be responsible for approval and confirmation of satisfactory completion of probation by each employee of the Municipality.

Upon successful completion of probation the employee will be issued with a letter of confirmation of employment from the Corporate Services Department.

An employee who demonstrates unsatisfactory performance at the end of his/her probationary term of six month-period may be put on an extended probation of more than three months or have his or her services terminated, should there be no hope of performance improvement.

An employee shall be afforded a poor performance/conduct hearing prior to the extension of probation or termination of services as contemplated in clause No 9.11.

An employee afforded a poor performance/conduct hearing during the probation process shall be entitled to representation by a shop steward or a fellow employee of his or her choice.

An employee put on extended probation shall be assessed on a monthly basis.
Probation monitoring shall encompass both conduct and performance of an employee.

Notwithstanding the clause above, termination of services on grounds of misconduct shall be preceded by institution of disciplinary proceedings, against the employee.

Scoring criteria:**Score sheet**

ITEM			
1. CONSULTATION	Yes/No	Evidence Y/N	Score
According to your SDIP, did you consult with the beneficiaries of your services?			
Provide evidence			
2. ACCESS			
Are your Services accessible to the beneficiaries?			
Provide evidence			
3. COURTESY			
Are you courteous towards the beneficiaries of your Services?			
Provide evidence			
4. INFORMATION			
Are you effectively providing information about your Services?			
Provide evidence			
5. OPENNESS AND TRANSPARENCY			
Are you providing Services in a manner that is open and transparent to your beneficiaries?			
Provide evidence			
6. SERVICE STANDARDS			
Has your department developed departmental service standards?			
Provide evidence			
7. REDRESS			
Are you apologizing for not meeting the standards as expected by your customers?			
Provide evidence			
8. VALUE FOR MONEY			
Are you implementing strategies to reduce cost of your services?			
Provide evidence			
9. LEADERSHIP & STRATEGIC DIRECTION			
Are you providing leadership and strategic direction in your department?			
Provide evidence			
10. INNOVATION & EXCELLENCE			
Are you encouraging innovation and rewarding excellence among the employees in your department?			
Provide evidence			
11. SERVICE DELIVERY IMPACT			
Because of all your initiatives for Service Delivery Improvement, Is there an impact on the lives of the beneficiaries of your services?			
Provide evidence			

Team award system

The award system that Alfred Nzo District Municipality intends to embrace is “team award system”. The system aims, upon everything, to encourage team work and harmony towards the same departmental and organisational strategic objectives.

Team award is a system used to award excellent team effort/ performance towards achieving the achievement of the departmental and organisational strategic objectives and vision.

what is a team?

A team is two or more people working together for the purpose of achieving a common goal. In Alfred Nzo District Municipality’s context, teams will be referred to, in relation to departmental sections / functional areas within a department.

the purpose of team performance award

The purpose of the TeamAward System is to promote, recognize, and reward excellent performance in all areas of the municipality. The award system will give ANDM a chance to acknowledge excellence and innovation and reward such effort.

The Awards will be an important way to promote continuous improvement and best practice and recognise those individuals; teams; sections and departments that have contributed high standard of service to the municipality.

The best performance and service delivery expectations of the municipality are guided in the following documents, which therefore position them as the central purpose of the award system implementation;

- Service Delivery Charter
- Service Delivery Improvement Plan
- Implementation of all Batho Pele principles
- IDP
- Budget
- SDBIP.

Procedure to nominate a team

The team award shall be conducted bi-annually, in February after the mid-year review has been undertaken and in August following the 4th quarterly review.

One week after the start of the month of February and August, the Head of Departments shall invite sectional heads to submit reports based on each departmental team’s performance plan as entrance for the performance excellence award.

The Head of Department will then sit with other Head of Departments and nominates the best performed teams for each department.

At the departmental monthly meeting of February and August, the HOD will announce the best team and elaborate on their conclusion to nominate such a team.

The team award shall be financial or non-financial. If financial or leave linked, it shall be considered along the Alfred Nzo District Municipality's remuneration and/or leave policies.

scoring criteria:

The overall score of each team will be based on three stages, stage one, percentage as allocated per each KPI in the team's performance plan, stage two, the 5 generic ratings as outlined below and stage three – general characteristics of the best team:

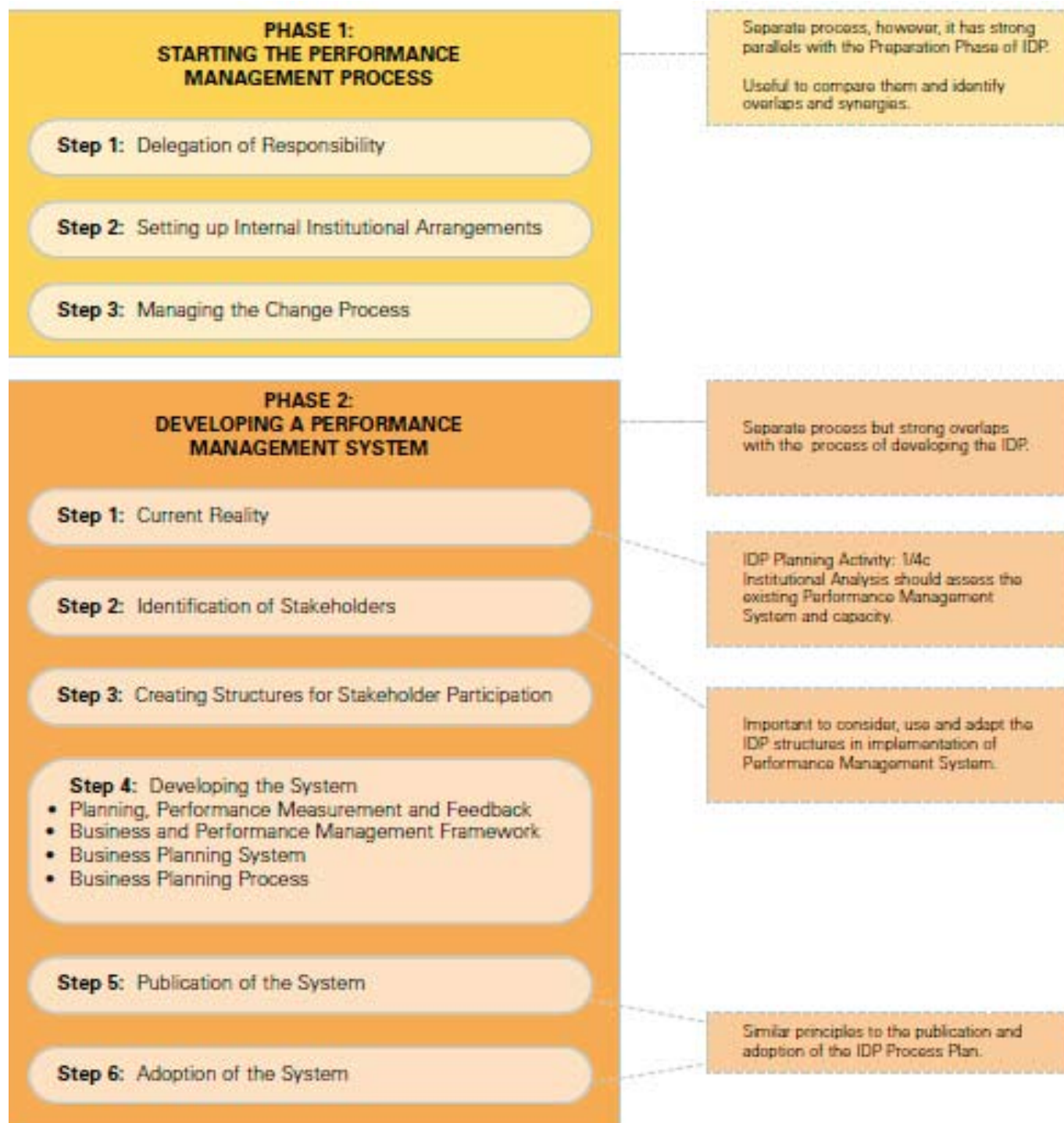
Score	Description of Performance
5	<i>Outstanding Performance</i>
4	<i>Performance significantly above expectations</i>
3	<i>Fully effective performance</i>
2	<i>Performance not fully effective</i>
1	<i>Unacceptable performance</i>

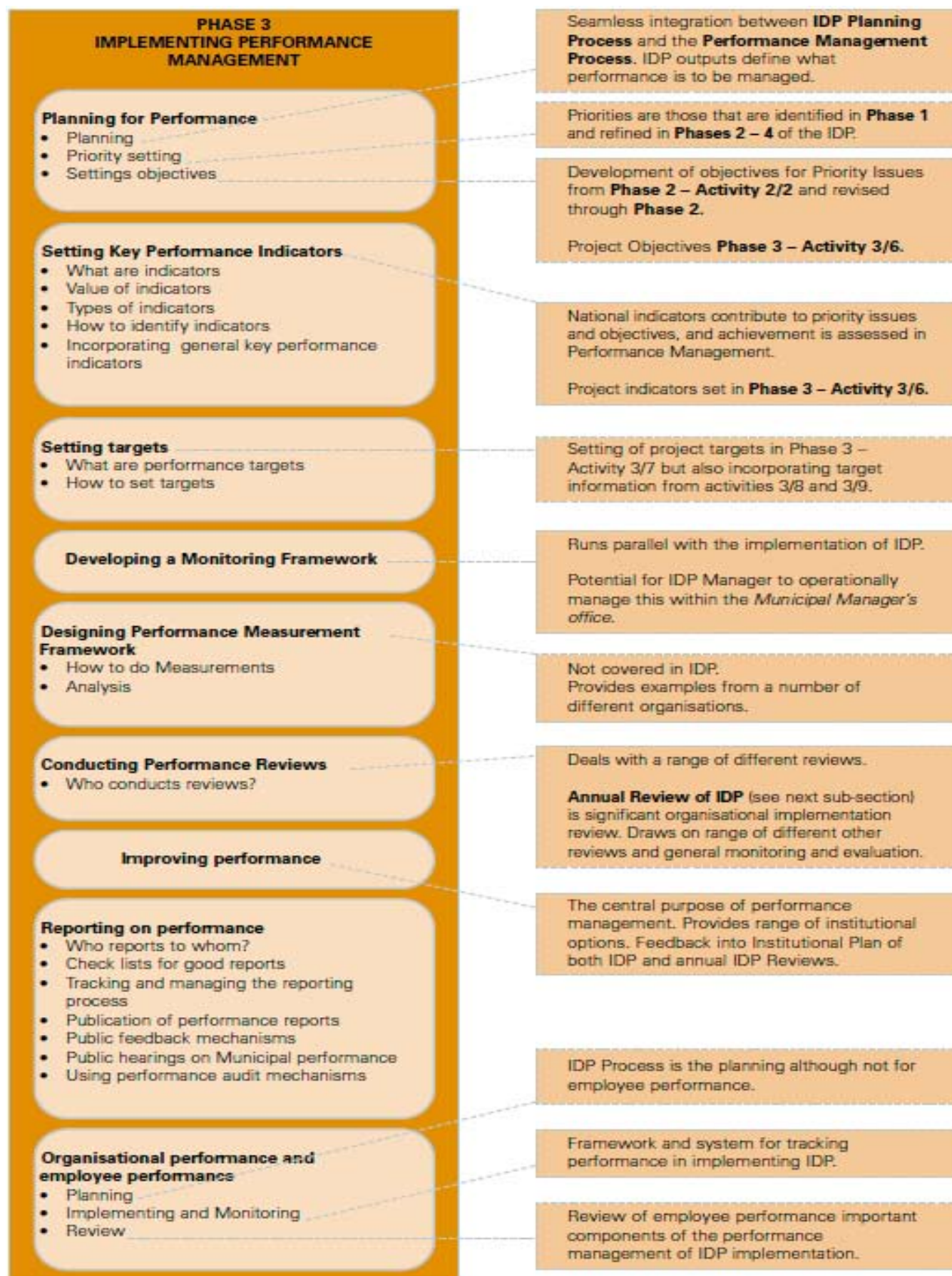
General Characteristics of a best team

Score	Team Characteristics
2	Punctuality at work
4	Quality reports with evidence
3	Timely performance of tasks
3	Promotion of Batho Pele Principles
3	Knowledge of Alfred Nzo District Municipality's vision and mission statements
3	Team that performs beyond its scope of work
2	Promotion of team unity and co-operation
Total <u>20</u>	

SECTION D: IMPLEMENTATION PROCESS

The PMS implementation process is at an organisational and departmental levels embedded in the IDP Process and at the individual levels draws from the implementation of the SDBIP as illustrated within the section on the individual Performance Management above.





ANNEXURE 3: ANDM DISASTER MANAGEMENT PLAN

1. Municipal ANDM Disaster Management Centre

Despite the fact that municipalities were only legally obliged to commence the implementation of the Act on 01 July 2004 and that funding arrangements were not as yet defined, the Alfred Nzo District Municipality – ever mindful of the context of its disaster risk profile – did not lag behind in adopting a more proactive approach. For example, as early as the year 2002 it had, with the financial support of the Province of the Eastern Cape already established its DRM centre to address DRM needs in the District Municipality. And the centre meet the minimum requirements for disaster management centre, the Information Communication System has been installed in during 2015/16 Financial Year.

2. Municipal Disaster Management Policy Framework

ANDM has adopted Disaster Management Policy Framework and the purpose of this policy framework is to provide those with statutory DRM responsibilities (in terms of the Disaster Management Act, 2002; the National Disaster Management Framework, 2005 (NDMF); the Policy Framework of the Province of the Eastern Cape (EC PDRMPF) and other applicable legislation) within the Alfred Nzo District Municipality with a written mandate which

1. Is coherent, transparent and inclusive
2. provides the criteria for the systematic management of administrative decisions; stakeholder participation; operational skills; and
3. capacities and achieves uniformity in the: Development, Implementation, Maintenance, Monitoring and assessing of all policies, plans, strategies, programmes and projects which are aimed at achieving the vision and mission statement; goals; strategic objectives; and key performance indicators for DRM in the municipality.

This policy framework also serves to guide the development and implementation of uniform and integrated disaster risk management policy and plans in the Umzimvubu, Ntabankulu, Matatiele and Mbizana local municipalities in the Alfred Nzo District Municipality. The framework has also 15 supporting policies which serve as guide in managing disaster risk management within ANDM area of jurisdiction.

3. Municipal Disaster Management Plan

ANDM has adopted reviewed Disaster Risk Management Plan in 2014 and here are the details of the plan:

- Level of the Plan: 2
- Due for Review: 2016/17 Financial Year (November 2016).

4. Municipal Disaster Management Inter-Departmental Committee

The Disaster Management Act No. 57 of 2002 (DM Act) requires municipal disaster risk management centres to promote a coordinated, integrated and uniform approach to disaster risk management, including the development and implementation of appropriate disaster risk reduction methodologies, emergency preparedness and rapid and effective disaster response

and recovery, in their municipalities.

To achieve these objectives and to promote interdepartmental liaison, arrangements must be put in place to enable all the key internal role players in the administration of a municipality to participate in disaster risk management activities and to coordinate their disaster risk management responsibilities. To achieve this objective, a Municipal Interdepartmental Disaster Risk Management Committee (MIDRMC) needs to be established as currently seating on ad hoc basis.

5. Municipal Disaster Management Advisory Forum

The municipality has the Disaster Management Advisory forum in place in line with the DMA, 57 of 2002. The DMAF has technical task teams established as per Supporting Policy: 10 of the ANDM Disaster Management Policy Framework, namely; Capacity Building.

Coordinating Task Team, Emergency Coordinating Task Team and Social Relief Coordinating Task Team.

Challenges and improvement measures may also be provided.

Inconsistence in members attending the DDMAF, which has been improved by appointing focal points.

6. Municipal Fire and Rescue Stations

The municipality has Fire and Rescue satellite stations in all local municipalities.

The staffing of the stations is on the four shift system although there is need for improvement in order to comply with SANS: 40090 (Community Protection against Fire).

7. Municipal Fire and Rescue Bylaws

Developed and approved municipal bylaws to regulate internal fire and rescue procedures, including fire safety and prevention policies. Fire and Rescue bylaws, with approved tariffs, and reviewed annually. Must be in line with the Constitution, Municipal Structures Act and the Municipal systems Act.

8. Municipal Fire and Rescue IGR Structures

The ANDM Fire and Rescue is a member and participates in the following structures:

- Fire Protection Associations
- Emergency Coordinating Technical Task Team.

9. Disaster Risk Assessment

9.1 List of Priority Risks (Hazards)

The municipality has conducted risk assessment during the review of the disaster management plan in 2014 and here are the top five priority risks:

- Extreme weather conditions (heavy rains, lightening, snowfall, hailstorm)
- Veld and forest fires
- Motor vehicles accidents
- Human Diseases
- Stock theft

Due to the drought phenomena that has affected the ANDM, the municipality has included drought as a risk priority.

9.2 Hazard Maps

The municipality has conducted risk mapping during 2015/16 FY in line with the major occurrences within the district. Further information was gathered on the scientific vulnerability and risk assessment as conducted in 2014.

10. Disaster Risk Reduction

The main disaster risk management center is located in Mt Ayliff and satellite offices situated per each local municipality, however, it's only Mbizana Satellite Office that is operating in a temporal structure.

11 Disaster Management Projects

NAME OF PROGRAM	TARGET AREAS	BUDGET
1.Review of the Disaster Management Plan	All ANDM local municipalities	R420 000.00
2.Improvement in support and relief	All ANDM communities	R3 045 000.00
3.Education,training, awareness and research	Stakeholders, Practitioners, Members of the communities	R420 000.00
4.Construction of the Mbizana Disaster Management Centre	Mbizana LM	R20 000 000.00
5.Volunteer program	All ANDM local municipalities	R850 000.00

11.2 Fire Services Programmes Projects

NAME OF PROGRAM	TARGET AREAS	BUDGET
1.Procurement of fire and rescue equipment	All ANDM local municipalities	R50 000
2.Fire and Rescue Services Communication Control Centre upgrade	District office	R245 600
3.Strengthening of community resilience through Public \ Information, Public Education; Public Relations (P.I.E.R) programs	Stakeholders, Practitioners, Members of the communities	R325 000
4. Fire and Rescue Services Policies and By- Law Enforcement	All ANDM local municipalities	R 175 000
5.Community Emergency Response Teams program	All ANDM local municipalities	R660 000
6.Fire and Rescue Internal Capacity building	District Municipality	R315 000

12. Information Management and Communication

The municipality has procured and installed a Disaster Management Information Management and Communication System in accordance with the National Disaster Management Policy Framework in 2015.

13. Early Warning Strategy

The municipality collaborates with South African Weather Services for information dissemination of early warnings.

14. Education, Training, Public Awareness and Research

In the current financial year the municipality has the following programs in place in line with

Enablers 1 and 2 of the ANDM Disaster Management Policy Framework:

- Capacity building for disaster management stakeholders
- Public awareness campaigns to enhance community resilience from disasters.

Research agenda: the municipality has forged relations with institutions of higher learning. (Currently, there is research on the functioning and impact of stakeholders in disaster risk management at Alfred Nzo District Municipality Disaster Management)

15. Funding Arrangements for Disaster Management, Fire and Rescue Services

The disaster management function is funded from the equitable share grant, section 7(2) (k) of the Act requires that the national disaster management framework makes provision for “a framework within which organs of state may fund disaster risk management with specific emphasis on preventing or reducing the risk of disasters, including grants to contribute to post-disaster recovery and rehabilitation and payment to victims of disaster and their dependents”.

ANNEXURE 4: WATER SERVICES DEVELOPMENT PLAN

Water Services Development Plan (WSDP) – IDP Water Sector Input Report

1. Overview

Alfred Nzo District Municipality (ANDM) is both a Water Services Authority and a Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained in order that the service may be provided in an equitable, sustainable and efficient manner.

The primary responsibility for Water Services Authority includes:

Ensuring access:

To ensure the realisation of the right of access to water services, particularly basic water services (subject to available resources) by seeing that appropriate investments in water services infrastructure are made.

Planning: To prepare water services development plans to ensure effective, efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.

Regulation: To regulate water services provision and Water Services Providers within the jurisdiction of the municipality and within the policy and regulatory frameworks set by Department of Water Affairs through the enactment of by-laws and the regulation of contracts.

Provision: To ensure the provision of effective, efficient and sustainable water services (including water conservation and demand management) either by providing water services themselves or by selecting, procuring and contracting with external Water Services Providers.

1.1 Legal Requirements

The Water Services Act, 1997 (Act 108 of 1997) requires municipalities which have been authorized to render the water services provision function (Water Services Authorities) to:

- draft a Water Services Development Plan as part of their IDP process
- elicit comments on the draft WSDP
- consider and report consideration of comments
- finalize and adopt the WSDP
- supply copies of the WSDP to the Department of Water and Sanitation, CoGTA and neighbouring WSA's
- incorporate the WSDP into the IDP
- report on the implementation of the WSDP every year.

The “Regulations relating to Compulsory National Standards and Measures to Conserve Water”, as published in terms of sections 9 (1) and 73 (1) (j), requires that a WSA must:

include a water services audit in its annual report on the implementation of its WSDP as required in terms of section 18(1) of the Act

include details for the previous financial year and if available, comparative figures for the preceding two financial years, of:

- the quantity of water services provided
- the levels of services rendered
- cost recovery
- meter installation and meter testing
- water quality sampling programme
- water conservation and demand management.

2. Business Element 2: Service Levels

2.1 Service level options and current state of access to water

The Water Services Act provides for the right of access to a basic water supply, and regulations specify the minimum level of service for water to be provided by a municipality as follows:

Provision of appropriate education in respect of effective water use;
Provision of water meters to all user connections; and
A minimum quantity of potable water of 25 litres per person per day or 6 kilolitres per household per month: •At a minimum flow rate of not less than 10 litres per minute; •Within 200 metres of a household; •With an effectiveness such that no consumer is without supply for more than seven full days in any year; •The water reticulation system must operate at a pressure below 900 kPa; •Leaks must be repaired within 48 hours of becoming aware of these leaks.

The National Water Act (Act 36 of 1998) refers to the SANS 241 specification for drinking water. SANS 241 describes an ideal classification (Class 0) that is closely comparable to international standards for water quality and a classification (Class 1) that is considered to be acceptable for lifetime consumption. A Class 2 classification specifies a minimum acceptable quality for drinking water for various maximum consumption periods. Physical, organoleptic, chemical and microbiological requirements are specified, and recommendations made on sampling. The Health Act (Act 63 of 1977) regulates the fluoridation of drinking water.

2.2 Sanitation service level options and current state of access to services

The Water Services Act provides for the right of access to a basic sanitation, and regulations specify the minimum level of service for sanitation to be provided by a municipality as follows:

Provision of appropriate health and hygiene education; and

Provision of a toilet which:

- Is safe,
- reliable,
- environmentally sound,
- easy to clean,
- provides privacy and protection against the weather,
- well ventilated,
- keeps smells to a minimum and prevents the entry and exit of flies and other disease carrying pests.

In accordance with the “Guidelines for Human Settlement, Planning and Design”, 2003 (CSIR Red Book), the provision of appropriate sanitation to a community should take place in accordance with national policy. Among the major aims set out in the National Sanitation Policy are the following:

- To improve the health and quality of life of the whole population;
- To integrate the development of a community in the provision of sanitation;
- To protect the environment; and
- To place the responsibility for household sanitation provision with the household.
- The target date set to achieve the minimum acceptable basic level of sanitation was 2010 (for purposes of this report the target date is revised to 2020).

2.3 Service levels Policies

2.3.1 Service Level Policy for Water

Alfred Nzo District Municipality has formulated a level of service policy and this is defined in its Free Basic Water (FBW) policy.

The policy provide a guideline for the free basic service provisioning to indigent households, for both urban and rural households

This policy identifies the following levels of water and sanitation services:

- Supply of water through a communal water service;
- Supply of a controlled volume of water to a household;
- Supply of an uncontrolled volume of water to a household;
- Supply of waterborne sanitation services through sewers to a household

Alfred Nzo District Municipality has taken proactive action to develop a strategy and plan for water backlog eradication. Alfred Nzo District Municipality is currently implementing projects of infrastructure development with the aim of eradicating water and sanitation backlogs in the District. These projects are based on eradicating backlogs in a number of geographical “clusters”.

2.3.2 Service Level Policy for Sanitation

Alfred Nzo District Municipality does have a services level policy that defines acceptable levels of sanitation infrastructure for towns and rural areas. In rural areas, the Municipality is currently installing Ventilated Improved Pit (VIP) Latrines through MIG and RHIP funded projects.

Rural Sanitation backlogs are being addressed by the implementation of VIP toilets where various service providers have been appointed to assist the municipality to fast-track the process of addressing the sanitation backlogs.

2.4 Current state of access to services

Access to water and sanitation remains fairly poor. The Community Survey 2016 reveals that 40% of households had access to potable water (household connections and communal stands) above the national above minimum standards. Approximately 53% of households are reported to have no service and should receive priority through service improvement projects through addressing the infrastructure needs

The table below give an overview of the water service delivery access profile in Alfred Nzo District Municipality's Management Area (Department of Water and Sanitation's Module 1 of the WDSP Guide Framework).

Table 1: Residential water services delivery access profile: Water

Census Category	Description	Community Survey 2016		Census 2011	
		Nr	%	Nr	%
WATER (ABOVE MIN LEVEL)					
Piped (tap) water inside dwelling/ institution	House connections	6 174	3%	9 837	6%
Piped (tap) water inside yard	Yard connections	25 631	13%	17 202	10%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Standpipe connection < 200 m	47 406	24%	36 045	21%
	Sub-Total: Minimum Service Level and Above	79 211	40%	63 084	37%
WATER (BELOW MIN LEVEL)					
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Standpipe connection: > 200 m < 500 m	13 367	7%	13 344	8%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling / institution	Standpipe connection: > 500 m < 1 000 m			5 004	3%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	Standpipe connection: > 1 000 m			3 528	2%
No access to piped (tap) water	No services	103 401	53%	84 303	50%
	Sub-Total: Below Minimum Service Level	116 768	60%	106 179	63%
	Total number of households	195 979	100%	169 263	100%

Table below give an overview of the water sanitation delivery access profile in Alfred Nzo District Municipality's Management Area (Department of Water and Sanitation's Module 1 of the WDSP Guide Framework).

Table 2: Residential water services delivery access profile: Sanitation

Census Category	Description	Community Survey 2016		Census 2011	
		Nr	%	Nr	%
	SANITATION (ABOVE MIN LEVEL)				
Flush toilet (connected to sewerage system)	Waterborne	8 182	4%	8 712	5%
	Waterborne: Low Flush	0	0%		0%
Flush toilet (with septic tank)	Septic tanks / Conservancy	1 836	1%	2 538	1%
Chemical toilet	Non-waterborne (above min. service level)	7 879	4%	9 183	5%
Pit toilet with ventilation (VIP)		131 196	67%	47 742	28%
Other		283	0%		0%
	Sub-Total: Minimum Service Level and Above	149 376	76%	68 175	40%
	SANITATION (BELOW MIN LEVEL)				
Pit toilet without ventilation	Pit toilet	29 559	6%	66 984	40%
Bucket toilet	*Bucket toilet	1 049	0%	840	0%
Other toilet provision (below min. service level)	Other	4 778	0%	8 631	5%
No toilet provisions	No services	11 217	6%	24 627	15%
	Sub-Total: Below Minimum Service Level	46 603	24%	101 082	60%
	Total number of households	195 979	100%	169 257	100%

* The bucket sanitation system has been successfully eradicated by Alfred Nzo District Municipality. However the Starts SA data shows that some of the households in the District are still unable to differentiate between pit and bucket toilet. This interpretation is general common among the households.

3. Business Element 4: Water Services Infrastructure Management (Infrastructure)

3.1 Extent of water and sanitation network

Alfred Nzo District Municipality is responsible for the operation and maintenance of all the water and sewerage infrastructure. The summary in the tables below has been extracted from Alfred Nzo District Municipality's infrastructure asset register (iAR) 2016/17.

Table 3: Extent of water infrastructure – fixed point assets

Asset/Component Type	Approximate Extent	Unit
Boreholes	203	№
Bulk Mains	1 306 800.68	m
Distribution Network	2 931 023.37	m
Water Pump Stations	42	№
Springs and weirs	178	№
Storage – Water reservoirs, dams and tanks	768	№
Water purification	8	№

Table 4: Extent of sanitation infrastructure – fixed point assets

Asset/Component Type	Approximate Extent	Unit
Bulk Sewers	167 985	m
Sanitation pump stations	6	№
Sewer Reticulation	7 324	m
Waste water purification	4	№

3.1.1 Value of the water and sanitation networks

The costs used in the calculations and reflected in the results for this section are based on the Current Replacement Cost (CRC). This total can be defined as the cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset. This cost includes the full cost of installation, contractor's P&G costs, design, construction supervision, and excludes VAT. These unit costs are based on Alfred Nzo's infrastructure asset register's unit rates used during cost estimation. The unit costs determined by this method are not and cannot be accurate, but are reasonable estimates.

The table below shows the total replacement value of water and sanitation supply network as R 1.728 billion, and the current value at R 1.258 billion, as at 30 June 2016 according to Alfred Nzo District Municipality's iAR. The average percentage of current value/replacement value for all asset groups is about 67%, which indicates that approximately 33% of the infrastructure life has been consumed.

Table 5: Current and Depreciated Replacement value: Water network

Description	Replacement value (CRC)	Current value (DRC)	DRC/ CRC (%)
Sanitation			
Bulk Pipeline	R2 857 903,11	R2 223 554,91	78%
Pump Station	R4 823 117,27	R1 943 797,37	40%
Reticulation Pipeline	R33 663 394,90	R22 339 524,58	66%
Sewage Treatment Works	R23 050 838,27	R14 551 588,01	63%
Water Supply			
Borehole	R14 503 348,63	R13 683 811,57	94%
Bulk Pipeline	R477 478 053,61	R364 885 347,42	76%
Bulk Supply	R75 666 113,22	R38 971 475,25	52%
Pump Station	R12 232 638,84	R6 988 594,88	57%
Pumpstation	R2 965 776,78	R2 268 797,18	76%
Reservoir	R319 276 416,76	R211 575 271,59	66%
Reticulation Pipeline	R702 098 760,24	R539 703 008,60	77%
Spring	R941 576,31	R815 634,74	87%
Water Bulk Pipeline	R10 953 856,33	R10 136 778,33	93%
Water Treatment Works	R41 548 825,48	R25 240 504,31	61%
Weir	R752 613,58	R752 613,58	100%
Grand Total	R1 728 821 002,50	R1 258 268 471,29	67%

3.1.2 Condition of the water and sanitation networks

Figures below summarise the condition of the water and sanitation networks. As can be seen the majority of assets fall in the very good and good categories with the exception of the sanitation supply network which is approaching the end of its expected life.

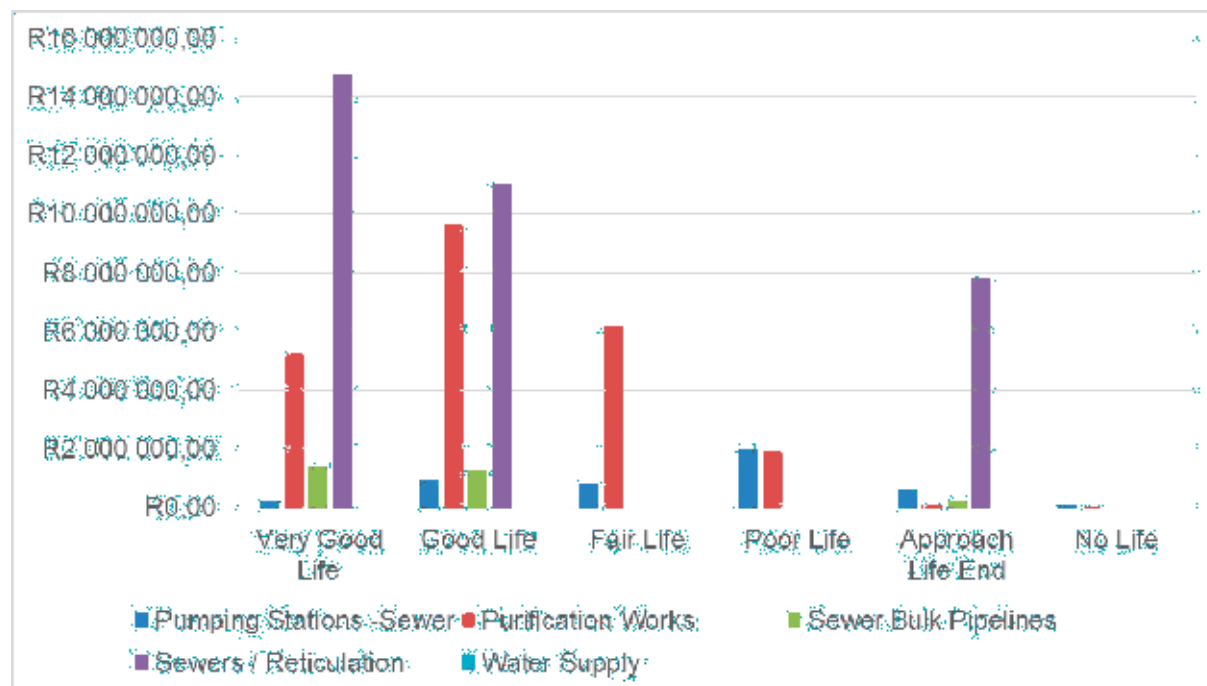


Figure 1: Condition of the Sanitation network

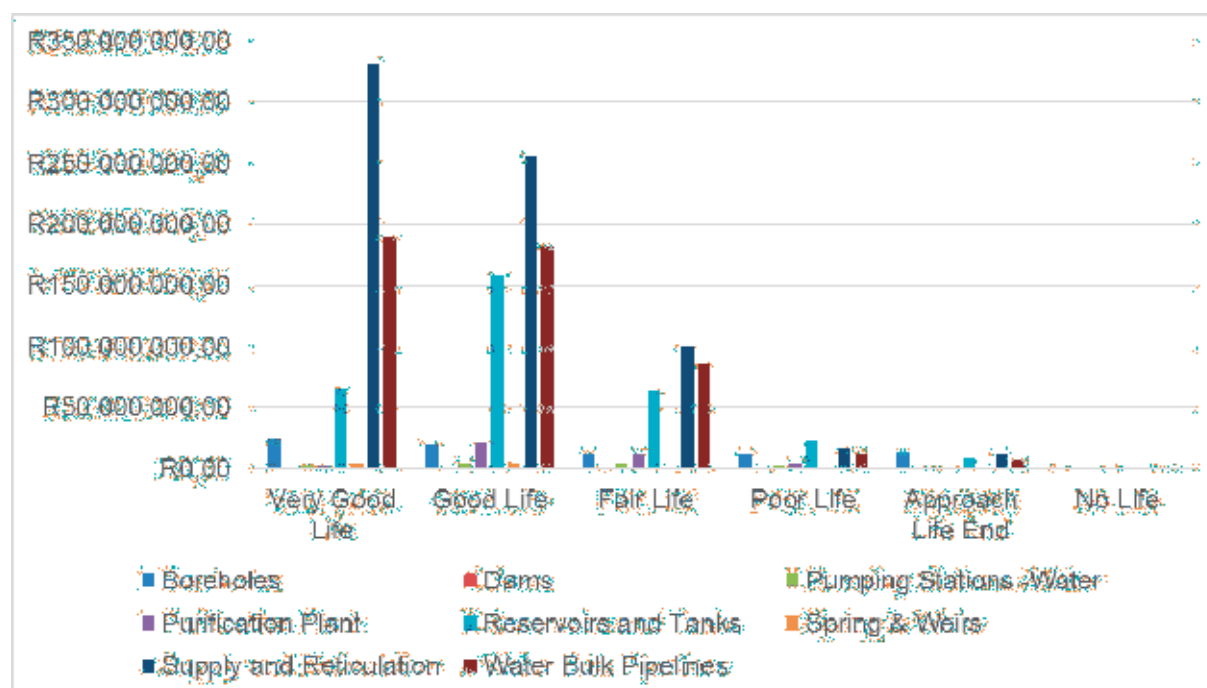


Figure 2: Condition of the Water network

3.1.3 Expected renewals of the water and sanitation networks

Following is an analysis of the replacement value of assets within selected remaining useful life brackets for the potable water network. The value of each age bracket gives an indication of the extent of renewals required in that period for existing assets. Error! Reference source not found. summarises the water and sanitation network's remaining useful life per asset group in terms of the replacement values. Provision of around R180 445 018,34 will need to be made for the renewal of the Water services infrastructure assets over the next 15 years; this amounts to

R12 029 667,89 per year for the next 15 years. Provision of around R15 070 624,31 will need to be made for the renewal of the Water services infrastructure assets over the next 15 years; this amounts to R1 004 708,29 per year for the next 15 years.

3.2 Water Infrastructure Overview

The water services infrastructure in Alfred Nzo District broadly consists of a few medium-sized regional schemes and a large number of relatively small 'standalone' supplies in the more remote rural areas.

The District is relatively well served in terms of water resources. The Alfred Nzo District lies within Water Management Area (WMA) No 12 (Mzimvubu to Keiskamma WMA), and occupies the central region of the Mzimvubu River Catchment. The Mzimvubu River, with its main tributaries the Tsitsa, Tina and Mzintlava Rivers, is the largest river in the WMA and is also the largest undeveloped river in South Africa.

Rainfall occurs mainly in summer and the mean annual rainfall (MAP) within the district is fairly constant, varying from between 700 to 800 mm. The surface water flows within this region are fed by conventional catchment runoff during wet periods, water from springs and seeps, as well as snow melt from snowfalls occurring on the higher ground. While the district has abundant surface water resources, a challenge is that many of the river valleys are steep, so pumping water to communities is a challenge. In addition some of the rivers, such as the Mzintlava, are being heavily utilised by upstream users such as commercial farmers.

The municipality has also realised that many of the water supply schemes that were completed in recent years are now currently dysfunctional. This has led to the coining of a new term, "reverse backlogs", to describe those areas where backlogs were thought to have been addressed, but which are now effectively unserved once again.

The recent geographical expansion of Alfred Nzo District to include Mbizana and Ntabankulu Municipalities has both increased the number of schemes falling under the responsibility of the municipality and the level of backlogs in the District as a whole. Mbizana and Ntabankulu are two of the municipalities with the lowest level of water services coverage. In addition, many of the completed schemes that have been transferred to Alfred Nzo District from O.R. Tambo District are currently dysfunctional.

3.2.1 Bulk Water Infrastructure

There are vast disparities with regards to the provision of bulk water infrastructure in different areas of Alfred Nzo District. Ntabankulu lack the requisite bulk infrastructure more than any other parts of the district. There are eleven (11) villages which are supplied by the Mncebha scheme which originates in Mt Ayliff (Umzimvubu) but there are bulk-line problems. The majority of the villages are being supplied by boreholes.

Mbizana has a regional water scheme which is equipped with internal reticulation to supply water to Bizana Town. However the capacity of this infrastructure is not clear. The villages within Mbizana are provided with approximately 700 communal standpipes. Matatiele and Umzimvubu Local

Municipal areas appears to be at the better position with regards to bulk water infrastructure. Matatiele has a regional water scheme which has a storage capacity of 1,7Ml/d. The regional scheme supplies Matatiele Town, Cedarville and Maluti with pipe water.

There are approximately 31 schemes within Matatiele which provides water through the borehole system within the rural villages of the municipal area. The capacity of these schemes appears to be adequate in terms of meeting the current demand. Umzimvubu has a regional water scheme within a storage capacity of 6,03Ml/d. This scheme supplies pipe water to Mount Ayliff and Mount Frere towns. There are approximately 40 schemes that supplies water through the boreholes within different rural villages within Umzimvubu municipal area.

3.2.2 Sanitation infrastructure overview

There are three sewerage treatment works which exists within Alfred Nzo District. These are located in the towns of Matatiele, Mount Frere and Mount Ayliff. Such infrastructure provides waterborne sanitation services to the towns of Matatiele, Cedarville, Mount Ayliff and Mount Frere. The town of Bizana currently makes use of septic tanks as a sanitation system.

The town of Ntabankulu is served by privately owned septic tanks. The rural areas are reportedly not served by any sanitation projects. A feasibility report for the development of a water-borne system with oxidation ponds is currently being prepared. Toilets in rural areas mainly comprises of VIP latrines. The bucket sanitation system has been successfully eradicated.

Table 6: Sanitation overview

Local Municipality	Flush toilet connected to a public sewerage system	septic tank or conservancy tank	VIP toilet	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Backlog
Matatiele	5,090.00	475.00	27,073.00	14.00	24,215.00
Umzimvubu	2,613.00	674.00	36,773.00	81.00	11,389.00
Mbizana	361.00	352.00	48,058.00	8.00	12,602.00
Ntabankulu	118.00	335.00	19,287.00	180.00	6,274.00
Total	8,182.00	1,836.00	131,191.00	283.00	54,480.00

3.3 Matatiele

3.3.1 Matatiele Town Water Supply

The town of Matatiele in Alfred Nzo District is currently supplied with potable water by a water treatment works situated above the town. The town also receives water from a series of boreholes which mostly supply the new housing development known as Harry Gwala Park. The water treatment works obtains raw water from two sources, namely the 'so-called' Mountain Dam and Mountain Lake.

The current volume of water being processed by the water treatment works and produced from the boreholes has been measured at approximately 3.1Ml/day (or 36l/s). Of this total, the estimated supply from the boreholes is 0.35Ml/day (4l/s) representing 11%. (This data has been sourced largely from recent water demand management and regional planning studies).

In winter, the water level in the Mountain Dam can drop dramatically and supplementation of flow from the Mountain Lake is limited by the pipe size. In addition, inadequate monitoring and maintenance of the boreholes limits their effectiveness in supplementing supply to the town. Water from the water treatment works is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The boreholes located in the area of the old town pump directly into the network. The boreholes in Harry Gwala Park pump to a high level reservoir from where consumers are supplied under gravity.

The current population of the town is estimated at 4,000, although much of the water demand is from shops, institutions and businesses. The current estimated demand is 5.5 Mℓ/day whereas the supply is around 3.1Mℓ/day.

To address this shortfall in supply, Alfred Nzo District Municipality is currently developing infrastructure to augment the supply to the town from a new well-field, which is being developed in the Kinira River Valley. Eleven exploratory boreholes were drilled and tested, and three of these exploratory boreholes were identified as potential production boreholes to meet the short term needs of Matatiele Town. A Service Provider (Beacon Consulting Engineers) has been appointed to manage design and construction of the rising main and equipping of the boreholes to augment the Matatiele water supply.

3.3.2 Matatiele Town Wastewater System

Sewage from the town is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, activated sludge and sludge ponds. This plant is old and has experienced significant operational challenges due to broken equipment and machinery. ANDM is, however, now in the process of implementing a significant refurbishment of the works.

3.3.3 Maluti Town Water Supply

The town of Maluti is currently supplied with potable water by a water treatment works situated above the town. The water treatment works obtains raw water from the Belfort Dam. The current volume of water being processed by the water treatment works has been measured at approximately 0.6Mℓ/day (or 7ℓ/s). It is not possible to estimate the supply from the boreholes in town since they are inadequately metered. (This data has been sourced largely from recent water demand management and regional planning studies)

Water from the water treatment works is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The boreholes located in pump directly into the main town storage reservoir.

The current population of the town is difficult to estimate, although a figure of 854 households within the formal area of the town has been suggested. There are also large informal areas surrounding the town that receive water from the same system. Much of the water demand is from shops, institutions, businesses and surrounding informal settlements and the current total water demand is estimated at 2.3Mℓ/day.

The Maluti Water Supply Scheme was built in the early 1980s by the former Transkei Government and was transferred to Alfred Nzo District Municipality in 2004. The scheme is located in the

northern area of the Municipality and sources water from the Belfort Dam, which is located on the slopes of the Drakensberg Mountains close to the Lesotho border.

The scheme supplies potable water to the Town of Maluti, 15 rural villages and a military garrison that currently functions as a police camp. The total population served by the scheme is estimated to be 25,000 people.

Water from the Belfort Dam is fed under gravity to the Belfort Water Treatment Works through 13.5 km of steel and AC pipes. There are numerous leaks on the raw water line and considerable water is lost.

The water treatment works is a conventional plant with flocculent dosing, sedimentation, filtration through pressure filters and chlorination. The water treatment works is able to operate at 13l/s, limited by the flow in the raw water line from the dam and the throughput of the filter pumps. Downstream from the treatment works is a bulk supply system including over 30km of bulk supply pipeline, 7 pump stations and 19 storage reservoirs.

Internal reticulation to the RDP standard is provided to 15 villages. The town of Maluti is reticulated to a higher level of service with most consumers within the formal boundaries of the town enjoying household connections.

The military garrison is fully reticulated and even has provision for the watering of horses that were used by the military in the past. This campus now operates as a police camp.

Since transfer to the Alfred Nzo District Municipality, the scheme has suffered from numerous leaks and pipe bursts and many components may be getting to the end of their design life. (Note: Belfort Water Treatment Works is sometimes referred to as the Maluti Water Treatment Works)

3.3.4 Maluti Town Wastewater System

Sewage from Maluti Town is currently treated in on-site septic tanks; but a waterborne sewerage system is planned for the near future.

3.3.5 Cedarville Water Supply

The town of Cedarville is currently supplied with potable water from three boreholes located within the town.

There are no water meters installed at the pump stations and hence it is only possible to estimate the volume of water being abstracted. This estimated to be 0.2Ml/day. Water from the boreholes is distributed under gravity to a network of domestic, commercial and institutional connections in the town after it has been disinfected at the high level reservoirs to the south of the town.

The current population of the town is estimated at 1,400, although a significant proportion of the total demand may come from shops, institutions and businesses.

3.3.6 Cedarville Wastewater Treatment System

Sewage in the town is currently treated in on-site septic tanks. When such tanks are emptied the

contents are transported to a series of oxidation ponds close to town. A new wastewater treatment works using a series of ponds has just been constructed.

3.3.7 Standalone Rural Water Schemes in Matatiele

In addition to the larger schemes, there are numerous standalone water schemes serving other rural communities in Matatiele. A number of these schemes are fed with water by diesel-driven pumps; although a large number are also fed under gravity from springs and streams in the mountains. Rural operators are employed on a part-time basis and paid a monthly allowance.

3.3.8 Rural Sanitation in Matatiele

As illustrated by the census 2011 data, 15% of rural residents in Alfred Nzo District Municipality lack adequate sanitation infrastructure.

The District Municipality does have a rural sanitation infrastructure programme that is in the process of constructing VIP latrines throughout the Matatiele municipal area, so this backlog in services is being addressed.

3.4 Mbizana

3.4.1 Overview

Water services infrastructure in Mbizana is dominated by a substantial regional water supply scheme that supplies communities from Ludeke dam that has been recently constructed from Ludeke River. There are about 20 standalone water schemes that serve other communities within Mbizana LM.

Ludeke Dam has a capacity to supply an expanded regional scheme covering the whole of Mbizana Municipality.

The Ludeke Dam supplies raw water through a pumping main to the new 10.5Mℓ/day Nomlacu Water Treatment Works which supply to Mbizana Town and, eventually will supply most of the communities in the municipality. Nomlacu WTP is designed in such a way that it could be easily augmented to 20Mℓ/day so that it can cater future demands. However the plant will need to be upgraded to 33Mℓ/day to meet the water requirements of the entire Mbizana LM.

The following map gives an indication of the proposed expanded Mbizana Regional Scheme.

However this will require substantial capital investment and so is unlikely to be completed in the foreseeable future.

In addition, there are approximately 20 standalone water schemes in other communities; but nonetheless the reality is that the majority of communities are very poorly served in Mbizana.

3.4.1.1 Nomlacu Water Treatment Works (New Works)

Nomlacu WTP design current capacity is 10,5Mℓ/d, however it has been designed in such a way that it could easily be augmented to 20Mℓ/d. In future the plant will need to be upgraded to 33Mℓ/day to meet the water requirements of the entire Mbizana LM.

There is a raw water storage reservoir with capacity of 2 250 m³ at the end of the pumping main from Ludeke Dam. The plant is currently being operated at 4Mℓ/d to serve the town and surroundings.

3.4.1.2 Standalone Water Schemes in Mbizana

There are approximately 20 standalone water schemes serving other communities in Mbizana. The majority of schemes are fed with water by diesel-driven pumps. Rural Operators are employed on a part-time basis to assist in operation of the schemes.

3.4.1.3 Mbizana Wastewater Treatment Works

The Mbizana Wastewater Treatment Works consists of a concrete lined pond. Effluent from septic tanks is supposed to be deposited directly down concrete channels into the pond. Further information on the grossly inadequate situation at the Mbizana Wastewater Treatment Works is given as a Case Study in 11.2.2.

3.4.1.4 Mbizana water-borne sewers

The town of Bizana is served by a variety of septic tanks, pit latrines and conservancy tanks. Both septic tanks and conservancy tanks serve the CBD area, but the majority of residents in Bizana use septic tanks.

The municipality has a 'honeysucker' that is available to remove effluent and deposit it at the wastewater treatment works.

3.4.1.5 Rural Sanitation in Mbizana

As illustrated in the 2016 Starts SA Community Survey data in Bizana LM there approximately 48,058 household provided with VIP toilets and approximately 12,602 still lack adequate sanitation infrastructure.

3.5 Ntabankulu

3.5.1 Overview

Water Services in Ntabankulu are now managed by the Alfred Nzo District Municipality, which fulfils the role of both Water Services Authority and Water Services Provider. The area previously fell under O.R. Tambo District, until July 2011 when it was transferred to Alfred Nzo District.

Water infrastructure in the area has been developed over the years and includes:

- Former DWA Schemes
- Small standalone schemes (constructed by agencies such as Mvula Trust)
- New schemes constructed by the District Municipality
- Schemes recently funded by other agencies (i.e. Japanese Government).

3.5.1.1 Ntabankulu Town Water Supply

Ntabankulu Town Water Supply Scheme receives its water from two sources, namely two boreholes and the Ntabankulu Forest Dam.

Raw water gravitates to the waterworks through an approximately 4.3 km long 160 mm diameter pipe. The water from the boreholes gets pumped through a 75 mm diameter pipe to one of the two clear water reservoirs located at the treatment plant (0.84 Mℓ/day capacity).

The town and its residential areas are supplied from these two reservoirs through a 160 mm diameter pipe that decreases to various diameters within the reticulation network.

3.5.1.2 Ntabankulu Water Treatment Works

Treatment at the Ntabankulu Water Treatment Works is achieved through dosing the raw water with aluminium sulphate (“alum”), water clarification in an up-flow clarifier, filtration in an enclosed vertical, self-backwashing, filter and disinfection with HTH tablets.

3.5.1.3 Standalone Water Schemes in Ntabankulu

There are approximately 50 standalone water schemes serving other communities in Mbizana. The majority of schemes are fed with water by diesel-driven pumps. A particular challenge in Ntabankulu is that the steep valleys mean that considerable pumping is required to bring water to the people. An example is the Dambeni Water Supply Scheme (funded by the Japanese Government), where multi-stage pumping using electrical pumps is required.

Rural operators are employed on a part-time basis to assist in the operation of the schemes.

3.5.1.4 Ntabankulu Town Sanitation Infrastructure

In Ntabankulu Town, according to the DWA All Towns Water Resources Study, about 15% of the households use septic tanks, 40% use a bucket system, 5% use simple pit latrines and 3% use conservancy tanks. The rest of the households are not serviced at all. The use of the bucket system and septic tanks is concentrated in the Central Business District, while the bucket system, pit latrines and conservancy tanks predominate in the residential areas.

3.5.1.5 Ntabankulu Wastewater Treatment Works

The sewage treatment system at the Ntabankulu Wastewater Treatment Works is an oxidation pond with a small septic tanker off-loading facility. There is no evidence of a discharge point. However sludge from the septic and conservancy tanks in the Central Business District is apparently often dumped at an illegal disposal site.

In addition to the town wastewater treatment works, Ntabankulu Prison in the town also has a wastewater treatment facility consisting of six ponds connected in series to receive sewage from the prison.

3.5.1.6 Rural Sanitation in Ntabankulu

As illustrated in the 2016 Starts SA Community Survey data in Bizana LM there approximately 19,287 household provided with VIP toilets and approximately 6,274 still lack adequate sanitation infrastructure.

3.6 Umzimvubu

3.6.1. Mount Ayliff Town Water Supply

The town of Mount Ayliff is currently supplied with potable water from a water treatment works situated above the town. This water treatment works obtains raw water from two sources, namely a pumped water supply from the Mzintlava River and a weir that captures spring water from the valley above the works.

The current volume of water being processed by the water treatment works has been measured at approximately 1.4Mℓ/day (or 16ℓ/s). Of this, around 4ℓ/s is sourced from the gravity weir and 12ℓ/s from the Mzintlava River.

In order to address the water supply challenges faced by Mount Ayliff, Alfred Nzo DM, is progressively rolling out Regional Bulk Water Infrastructure across the whole district. In the Mount Ayliff area, this proposed regional bulk infrastructure centres on a proposed future dam in the Sirhoqobeni Valley, some 10km from the town. Such a dam will take many years to develop; so in the short term a new weir supply is being developed to supply the town. The new weir supply will feed raw water from four weirs on Ntsizwa Mountain to the water treatment works at Mount Ayliff. These weirs are in the valleys of Sirhoqobeni, Ndikini and Nkanji.

The weirs are projected to supply an additional 40ℓ/s to the water treatment works to augment the current supply from the gravity weir and from the Mzintlava River. In addition to augmenting the supply to Mount Ayliff, it is hoped that the weirs can double as gauging weirs and generate valuable hydrological stream flow data that will be extremely useful in designing the proposed Sirhoqobeni Dam.

Design and construction of the weir supply is currently underway. The DM also has plans to upgrade the capacity of the current Mount Ayliff Water Treatment Works to accommodate this additional raw water supply.

3.6.2 Mount Frere Water Supply

The town of Mount Frere is currently supplied with potable water by a water treatment works situated above the town. This water treatment works obtains raw water from the Ntenetyana Dam which is situated 17 km upstream. The Dam is an earthfill embankment structure situated on the Ntenetyana stream, which is a tributary of the Mzimvubu River, and has an assured yield of 6Mℓ/day.

The water from the dam flows under gravity to the treatment works. The water treatment works present capacity can be taken to be 3.2Mℓ/day.

A constraint in the system is that the current bulk pipeline does not have sufficient capacity to supply sufficient water to operate the WTW at full capacity. An intervention is currently underway to upgrade the pipeline.

There is also a plan to supplement the water from the current Mount Frere WTW with treated water from a new treatment works at the Ntenetyana Dam. Water from the water treatment works

is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The current population of the town is estimated at 13,712, although much of the water demand is from shops, institutions and businesses.

3.6.3 Mount Frere Wastewater Treatment System

Sewage from Mount Frere is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, activated sludge and sludge ponds and treats approximately 0.36 Mℓ/day of sewage.

3.6.4 Standalone Rural Water Schemes in Umzimvubu

In addition to the larger schemes, there are numerous standalone water schemes serving other rural communities in Umzimvubu. A number of these schemes are fed with water by diesel-driven pumps; although a large number are also fed under gravity from springs and streams in the mountains. Rural operators are employed on a part-time basis and paid a monthly allowance.

3.6.4.1 Rural Sanitation in Umzimvubu

As illustrated in the 2016 Stats SA Community Survey data in Bizana LM there approximately 19,287 household provided with VIP toilets and approximately 6,274 still lack adequate sanitation infrastructure.

3.6.5 Water and sanitation backlogs

Alfred Nzo District Municipality is the Water Services Authority (WSA) for the area under its jurisdiction namely Umzimvubu, Mbizana, Ntabankulu and Matatiele Local Municipalities. The Municipality has developed a Water Service Development Plan (WSDP) and is amongst the key sector plans of the IDP.

3.7 Service backlogs: Water

Like many areas in South Africa, Alfred Nzo Municipality area has inherited the historical legacy of a large backlog of water and sanitation service infrastructure. This situation is clearly intolerable and therefore the efficient and adequate supply of water services for domestic consumption and for economic development is one of the most important challenges facing Alfred Nzo District Municipality, in its capacity as the Water Services Authority for all four municipalities. ANDM has identified the following as critical and strategic water supply areas:

- Additional sustainable water source for Matatiele and Maluti towns
- Bulk water supply system where rural schemes can just be “plugged in”
- Bulk water supply to Cedarville
- Raw water supply for Agricultural irrigation (Ongelukse, Matatiele, Cedarville, and some other areas).

Implementation Readiness Study for Regional Bulk Water Supply Infrastructure in the Matatiele and Umzimvubu Municipality areas recommended the following bulk water schemes for Matatiele:

- M1 - Kinira River Dam.
- M9 - Wellfield & Supplementary Dam (Kinira or Mafube).

Identification of supply zones should be based on the cluster of settlements defined in terms of quaternary catchments. The following spatial planning standards should be implemented in all water supply schemes:

- Urban settlements should be supplied with water within the house
- Peri-urban settlements should ideally be supplied with water on site or at least within a 200m from each household
- Dense rural settlements should be provided with water at least within 200m from each household
- Scattered rural settlements should be prioritized for spring protection, source water from the rivers and where possible boreholes.

The district municipality has a water backlog of about 47% of households with no water and 9% of households having access to water below RDP standards. Mbizana and Ntabankulu Local Municipalities are the municipalities with high water backlogs in terms of households with no water estimated at 91% and 77% respectively. The situation in as far as the water backlogs is concern is summarized on a table below:

Table 7: Water Backlogs by LM

Local Municipality	Piped (tap) water inside the dwelling/ house	Piped (tap) water inside yard	Piped water on community stand : distance less than 200m from dwelling	Backlog
Matatiele	3,612.00	14,659.00	18,411.00	20,186.00
Umzimvubu	1,721.00	7,065.00	14,799.00	27,943.00
Mbizana	449.00	2,342.00	9,960.00	48,632.00
Ntabankulu	362.00	1,441.00	4,027.00	20,365.00
Total	6,144.00	25,507.00	47,197.00	117,126.00

3.8 Service backlogs: Sanitation

The Water Services Development Plans indicated that there is a huge sanitation backlog within Alfred Nzo, particularly within Ntabankulu where the town does not have a waterborne sewerage and the rural villages within various parts of the municipal area. Packaging of sanitation programs should be based on settlement clusters and be integrated with the drive towards the transformation of rural villages into sustainable human settlements. The following spatial planning standards should be applied in all sanitation projects:

- Giving priority to settlements located within priority environmental areas.
- Providing settlements located within a 100m of wetlands with lined ventilated pit latrines at the minimum.
- Providing urban (Ntabankulu) and other peri-urban settlements with water borne sewerage.

Waterborne sanitation is only provided in urban areas. Ntabankulu and Mbizana Towns are served with Septic Tank Systems and the district municipality is working towards providing waterborne sanitation systems connected to sewer system linked to proper water system. Toilets in rural areas comprise VIP latrines. There is a rural sanitation programme in place and the bucket system has

been totally eradicated.

The municipality has since outsourced the implementation of VIP toilets where a total of two service providers have been appointed to assist the municipality to fast-track the process of addressing the sanitation backlogs. The situation in as far as the sanitation backlogs is concerned is summarized on the table below:

Table 8: Sanitation Backlogs by LM

Local Municipality	Flush toilet connected to a public sewerage system	septic tank or conservancy tank	VIP toilet	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Backlog
Matatiele	5,090.00	475.00	27,073.00	14.00	24,215.00
Umzimvubu	2,613.00	674.00	36,773.00	81.00	11,389.00
Mbizana	361.00	352.00	48,058.00	8.00	12,602.00
Ntabankulu	118.00	335.00	19,287.00	180.00	6,274.00
Total	8,182.00	1,836.00	131,191.00	283.00	54,480.00

The situation above shows that there is a need for the municipality to speed up the process of rural sanitation rollout especially in Matatiele where there is a high percentage (60%) of households with no access to proper sanitation facilities followed by Umzimvubu Municipality with 49%. Generally, there is a challenge with provision of proper sanitation facilities within the district where over 51% of the households have no access to proper sanitation facilities and this situation can contribute towards increasing health hazards and could result in high disease outbreak such as cholera.

4. Business Element 5: Water Services Infrastructure Management (O&M)

4.1 Water and wastewater quality

For the past four years, the Department of Water Affairs has implemented a programme of drinking water quality (DWQ) assessment called the Blue Drop Certification Programme.

4.1.1 2014 Blue Drop Requirements

The 2014 Blue Drop requirements have changed slightly from the 2012 requirements and are centred on the following main components:

- Water Safety Planning
- DWQ Process Management and Control
- Drinking Water Compliance
- Management Accountability and Local Regulation
- Asset Management.

While the overall Blue Drop Score of Alfred Nzo DM increased to 64%, an improvement was recorded in all the water schemes that were assessed in 2012.

The 2014 Assessment has been completed throughout Alfred Nzo District and the results have

not been released to the Municipality.

4.1.2 Summary of 2012 Blue Drop Assessment Findings

The overall Blue Drop Score of Alfred Nzo DM in 2012 was 64.38% (up from 52.54% in 2011 and 26.2% obtained in 2010).

4.1.2.1 Operational Monitoring at WTWs

Regular water quality testing at each of the water treatment works in the District is completed by operators as part of their daily routine. The results are recorded at each plant and are forwarded to the District for processing, interpretation and remedial action taken (if required).

4.1.3 Compliance monitoring across the reticulation network

Monitoring of water quality at the point of consumption is undertaken by Environmental Health Practitioners (EHPs).

These EMPs sample water at a number of sampling points throughout each municipality in accordance to the registered and approved sampling program.

In the event that a sample fails to comply with the required standards, it is retested to get confirmation before remedial action is taken. For the EColi test, a control water sample is first taken from an unsterilized tap and after it has been burned to sterilise the tap. This will give an indication if any pollution enters the water at the tap or prior to the tap.

4.1.4 Water Safety Planning Compliance

One of the key requirements of the Blue Drop Assessment is to ensure that the Municipality has developed Water Safety Plans for each of its supply systems. These plans assess all the risks in the system from catchment to consumer and scientifically prepare control actions to minimise risks to water quality. In 2013, Alfred Nzo District Municipality developed the following Water Safety Plans:

- Cedarville Water Supply
- Maluti Belfort WTW
- Matatiele WTW
- Mbizana WTW
- Mount Ayliff WTW
- Mount Frere WTW
- Nomlacu WTW
- Ntabankulu WTW.

4.1.4.1 O&M Benchmarks

The need to separate the records and budget for operations and the records and budget for maintenance has been identified in Alfred Nzo District Municipality. This includes a separate replacement budget for renewals of water and sanitation infrastructure. The compilation and annual review of the infrastructure asset management plans (IAMP's) can assist with strategic

planning and operations information. The information contained in the IAMP's can be strategically utilised in order to enable practical technical and financial decision making. The IAMP can also be used as a reporting tool to communicate the Municipality's current state of operations and its efficiency in managing its asset portfolio to external stakeholders. The IAMP can also be used to identify assets and areas requiring new asset development in phased yearly increments.

A great need has been identified for the renewal of existing infrastructure and efforts for rehabilitation should be prioritised. The renewal of assets generally provides the best cost to benefit ratio and utilises financial resources optimally. The effective renewal of assets allows the municipality to achieve quick wins in terms of an increase in service level due to efficient and effective operation of its assets.

The information contained in the IAMP's should inform the Operations and Maintenance Plan of the municipality. A plan based on preventative maintenance is required to mitigate the risk and possible damage of assets within the municipality. A clear plan needs to be adopted informing not only senior staff, but operations staff in the municipality on the planned maintenance activities for different facilities and assets. The knowledge of when and how to maintain the vast asset portfolio in ANDM can assist the municipality in reducing unplanned network interruptions, save costs by extending the relevant assets remaining useful lives, reduce water losses, improve water quality and reduce the risk associated with the operation of a water and sanitation network. The lack of an Operations and Maintenance Plan in ANDM needs to be addressed. This includes the development and implementation of an O&M Plan.

5. Business Element 6: Associated Services

ANDM provides water serves to the schools, clinics and hospitals accordingly to the allocation of each facility i.e. to all the facilities allocated within the Urban Edge are provided with high level of service while the ones in the rural

6. Business Element 7: Water Resources

6.1 Surface water

The studies (WSDP) that have been undertaken within the municipalities that form part of Alfred Nzo, indicates that that the area has a substantial fair amount of water resources but the challenge is the development and maintenance of water infrastructure. One of the main surface water sources is Mzimvubu River Catchment (with its main tributaries i.e. Tsitsa, Tina and Mzintlava Rivers). This river is considered to be one of the largest but undeveloped rivers in South Africa.

There are also three dams (Belfort, Mountainous and Town Dam) and seven weirs which are located within Matatiele Municipal Area. The surface water sources that are found in Umzimvubu Municipal Area include Mzintlava River, Perennial Mountain Stream, one weir and Ntenetyana Dam. There is also a dam in Mbizana (Bizana Dam) with an effective storage capacity of 167 000 m³. Based on the WSDP, the Nomlacu Water Purification Works is under construction in five phases to purify the Bizana Dam Water as well as the additional future supply from the Ludeke weir.

6.2 Future water requirements for ANDM

The projected future water demands are as summarised in the table below:

Table 9: Proposed Regional Scheme

Proposed Regional Scheme	Design Demand for 2043 (MI/day)
Mount Frere Supply Zone	19.53
Mount Ayliff Supply Zone	13.00
Ntabankulu Supply Zone	11.35
Total Ntabankulu and Umzimvubu Supply Area	43.88

6.2.1 Umzimvubu: Mount Ayliff Supply Area

This proposed regional scheme covers the eastern portion of Umzimvubu Local Municipality. The focus are to be served by the scheme is the Mount Ayliff and the communities along the N2. The water demand for the study area amounts to 4.73 million m³/a.

Different alternatives were considered during the investigation and the following dam sites were identified:

- Sirhoqobeni
- Nkanji and
- Mvalweni

The Nkanji dam site was considered by abstracting water from Mzintlava River. In consideration of the range of abstraction rates and range of dam heights. It was confirmed that Nkanji dam at height of 40m with a continuous abstraction rate of 0.1m³/s can meet the projected demand of 4.73 million m³/a.

However in the consideration additional of water requirements for Ntabankulu Water Supply area then a 40m high dam with an abstraction of 0.3m³/s would be required. Alternatively a 60m high dam with an abstraction of 0.2 m³/s would be required to meet the demand.

6.2.2 Umzimvubu: Mount Frere Area

According to the Greater Ntabankulu Rional Water Supply RBIG Long Term Planning Report REV 6 prepared by UWP, Camdekon and Asande Projects the water requirements for Mount Frere and surroundings will be addressed as follows:

The envisaged raw water requirements from the Mkhemane dam to services the Mt Frere region assuming full development of the planned extensions to the Ntenatyan Dam system, and excluding possible supplies to the Ntabankulu region amount to 2.12 Mm³/a or 5.8 MI/day.

Alternatively should only partial development of the Ntenetyana system take place, comprising of the planned 5 meter raising to the dam, but excluding the planned ROR off-take from the Kinira river, then Ntenetayna dam system will deliver a reduced yield of 2.15Mm³/a or 5.9 MI/day to the Mt Frere groth node only.

The Mkhemane dam will then be required to deliver additional supplies to supply zones with the total raw water requirement amounting to 4.98Mm³/a or 13.63 Ml/day.

6.2.3 Matatiele: Bulk water Long-term Planning

According to the Matatielele LM Bulk Water Long-Term Planning Scoping Report prepared by Consortium (Sektor Consulting Engineers (Pty)Ltd, Aurecon South Africa (Pty)Ltd and Monde Consulting Engineers & Project Managers) the future water requirements for Matatiele LM are as described below.

This planning does not only focus on the Matatiele Town growth node, but focuses on the provision of bulk water to the entire Matatiele LM (which includes the Matatiele Town growth node, Maluti and Cedarville).

The current water supply infrastructure is therefore only able to address approximately 38,7% of the current water demand and only 31,5% of the projected future water demands of the area covered by the reach of the proposed regional scheme. The resultant water deficits are therefore quite substantial.

It is to be noted that, even with the proposed wellfield development operating at full capacity and including all current water sources, there will still be a current water demand deficit of approximately 5 455 m³/day (27%) and a projected future water demand deficit of 10 026 m³/day (41%). A more sustainable bulk water source/supply is therefore essential.

In the above said report it is recommended that the development option should include the development of the proposed Kinira River Dam as primary bulk water source with the wellfields as interim and supplementary water source.

6.3 Business Element 8: Conservation and demand management

6.3.1 Background to Water Conservation and Demand Management (WCDM)

Water Conservation and Demand Management is an important activity in water services provision in that it attempts to control excessive consumption and water wastage. While WCDM falls organisationally under the WSA unit, many of the water conservation issues have a direct bearing on water services operations. Specific, ongoing challenges that the WSP unit faces include:

- High water losses
- Lack of meter information
- Confusion over meter reading date (i.e. consistent time of the month)
- Inaccurate / incomplete reading and inaccurate data capturing
- Position of WCDM in organogram
- Delays in meter installation programme
- Excessive reliance on consultants
- WCDM is not an isolated project; but an ongoing approach underpinning all water services activities

In promoting water conservation, ANDM will strive to use indicators and benchmarks that are recommended by the IWA and regarded as current best practice, such as:

- Losses as litre/km/day
- Losses as litres/connection/day
- Infrastructure leakage index.

6.3.2 Water Conservation and Demand Management Strategy

Alfred Nzo District Municipality (ANDM) needs to prioritise the development and implementation of a Water Conservation and Water Demand Management (WC/WDM) strategy.

The aim of a WCDM Strategy is to reduce non-revenue water, reduce wasteful consumption, improve system metering and improve consumer metering and in this way deliver water to its citizens as cost efficiently as possible.

The ultimate purpose of the WCDM Strategy is to reduce the cost of water to citizens by delaying the need for

Department of Water Affairs.

6.4 Business Element 10: Water Services Institutional arrangements

6.4.1 Background

The WSA is responsible for the compilation of the Water Services Development plan (WSDP) and the Master Plans for sanitation. It is also responsible for the verification and review of by-laws and tariffs in terms of the Water Services Act (108 of 1997). It is also responsible for the investigations and designs of all water schemes and extensions.

The PMU deals with all capital and MIG funded projects in the entire district. These include water, sanitation, community facilities, and LED projects. This section also deals with the management of the funding of projects for which applications have been received and the implementation thereof. The strategic objectives of this unit are to provide services including engineering and community services to address the current backlogs.

The WSP is responsible for the operations and maintenance of the water purification and sewerage treatment works in all local municipalities within ANDM (Matatiele, Umzimvubu, Mbizana and Ntabankulu local Municipalities). It is responsible for the bulk and reticulation networks in the aforementioned municipalities. It is responsible for the operations and maintenance of water services infrastructure management of the drought relief funding, also deals with sampling for water and effluent quality testing and compliance with legislative requirements (BDS & GDS).

6.4.2 Current WSA and WSP Arrangements

The current situation regarding water services in Alfred Nzo District Municipality is that the municipality is both the legislated Water Services Authority (with full regulation and oversight functions) and the Water Services Provider (with full delivery functions). This dual role does raise a potential conflict of interest as the Municipality is required to fulfil both the regulator and operator functions.

In an ideal situation, these two functions would be very clearly separated to minimise the chances of conflicting obligations emerging. Currently both these functions reside in the Infrastructure Development and Municipal Services (IDMS) Department, so this remains an issue to be

addressed by the Municipality.

Aside from the normal regulatory Water Services Authority functions of policy development, by-laws promulgation, compliance monitoring, the remaining water services tasks can be divided into:

- Operation and maintenance of existing service infrastructure
- Development of new infrastructure to address backlogs in service levels.

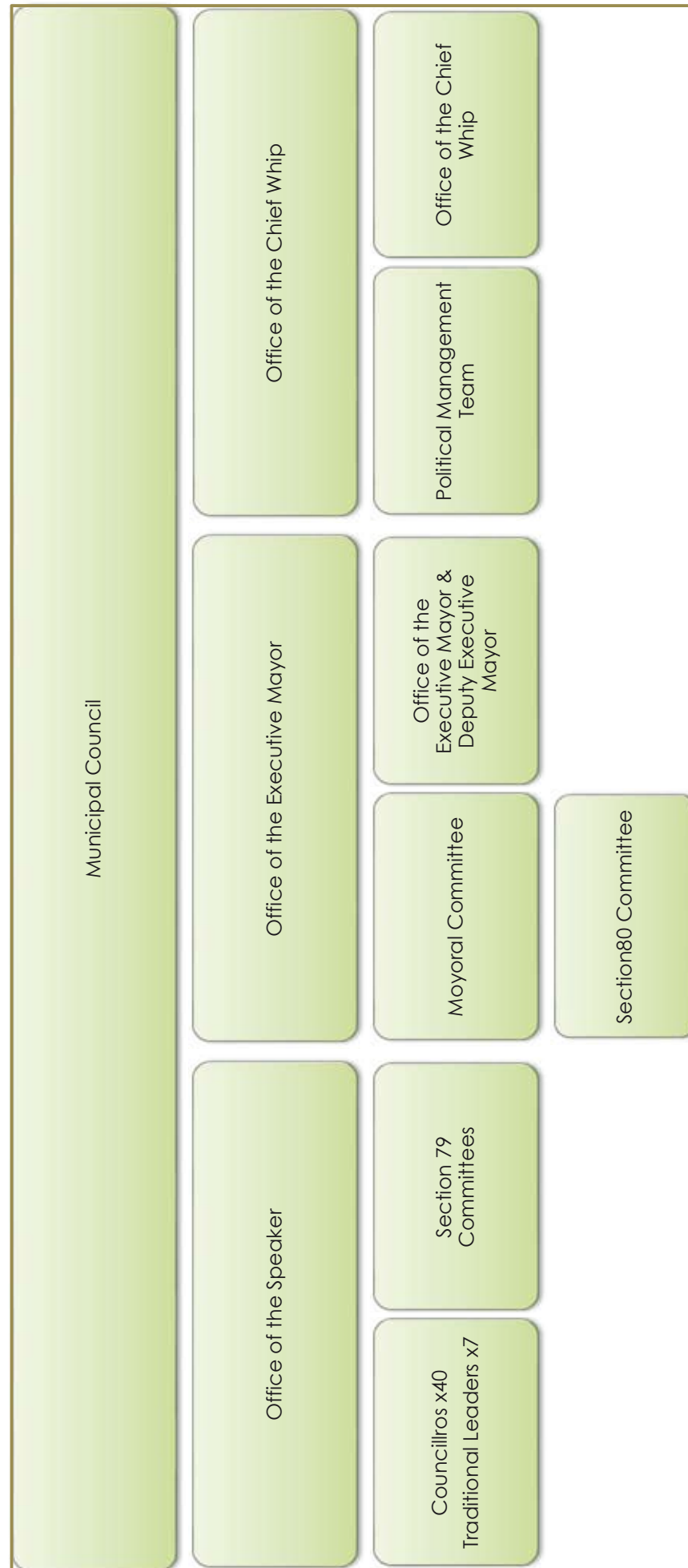
The first of these is clearly a Water Services Provider function; while the second function of developing and owning new infrastructure is normally considered a Water Services Authority responsibility.

However in Alfred Nzo District Municipality, these responsibilities are effectively split into three units with a Project Management Unit (PMU) that appears to have similar status to the WSP and WSA Units, handling infrastructure development.

ANNEXURE 5: Organisational Structure 2017-2018

1. Political Structure

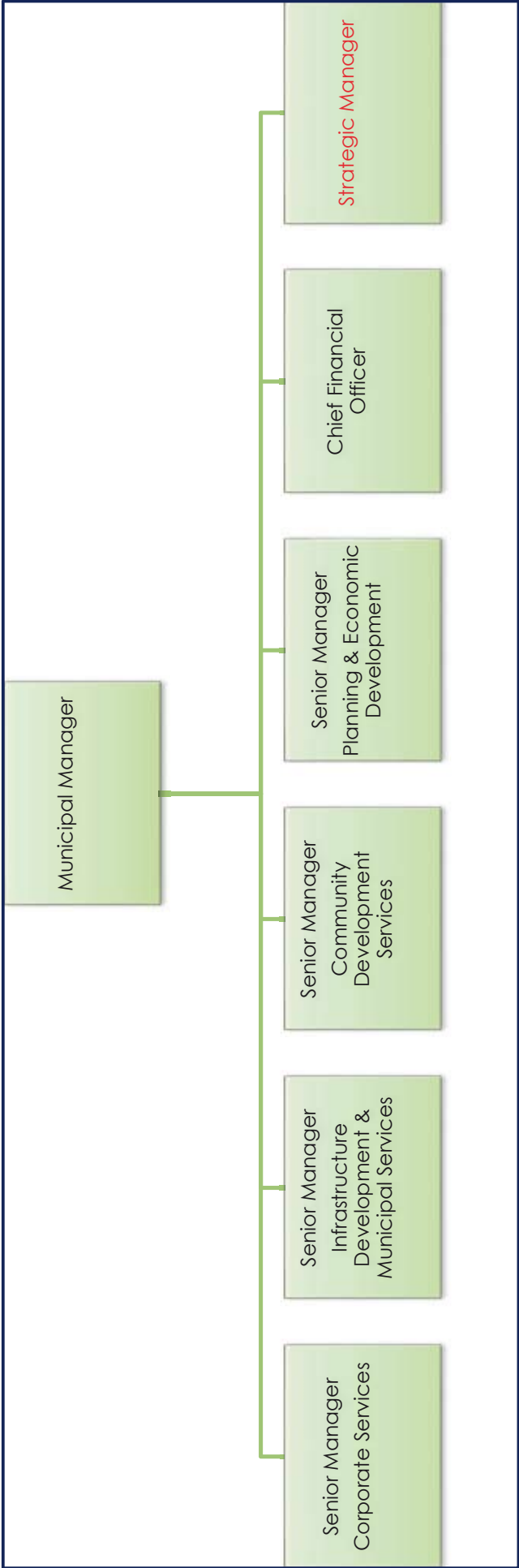
Structure



Purpose & Functions

Office	Purpose	Function	Committees
Office of the Speaker	To promote council legislative authority and oversight over executive	1. Presides over meetings of council 2. Assumes responsibilities for the legislative functions of Council 3. ensures that council meetings are conducted in accordance with the rules and order 4. ensure that council conducts its business in a transparent manner	S79 COMMITTEES 1. Municipal Public Accounts 2. Rules and ethics 3. Petitions and public Participation 4. information Communication Technology Oversight committee 5. Remuneration Committee 6. Audit Committee
Office of the Executive Mayor	To promote the integrated sustainable socio-economic development and political stability	1. presides over Mayoral committee meetings 2. perform ceremonial functions 3. Performs delegated function by the council 4. provide political guideline, IDP/Budget/SDBIP and annual performance of S56 manager and financial matters of the municipality 5. submission of statutory reports to council 6. responsible for political supervision of the administration	S80 COMMITTEES 1. Budget and Treasury 2. Infrastructure Development and municipal services 3. Corporate Services 4. Community Development Services 5. Economic Development Planning and intergovernmental services 6. special programmes and communications
Office of the Chief Whip	To promote the district-wide service delivery efficiency and effectiveness	1. Political functionary placed to ensure that council interest are carried out by councillors 2. advise councillors on important issues on council agenda and party to party caucuses 3. Advise speaker in what order the important issues should be dealt with in the council 4. ensures that meeting procedures are properly followed 5. advises on quotation and sitting of council meetings and committee 6. Promotes and maintains positive party to party relations and deployment to council committees.	

2. Administrative Structure



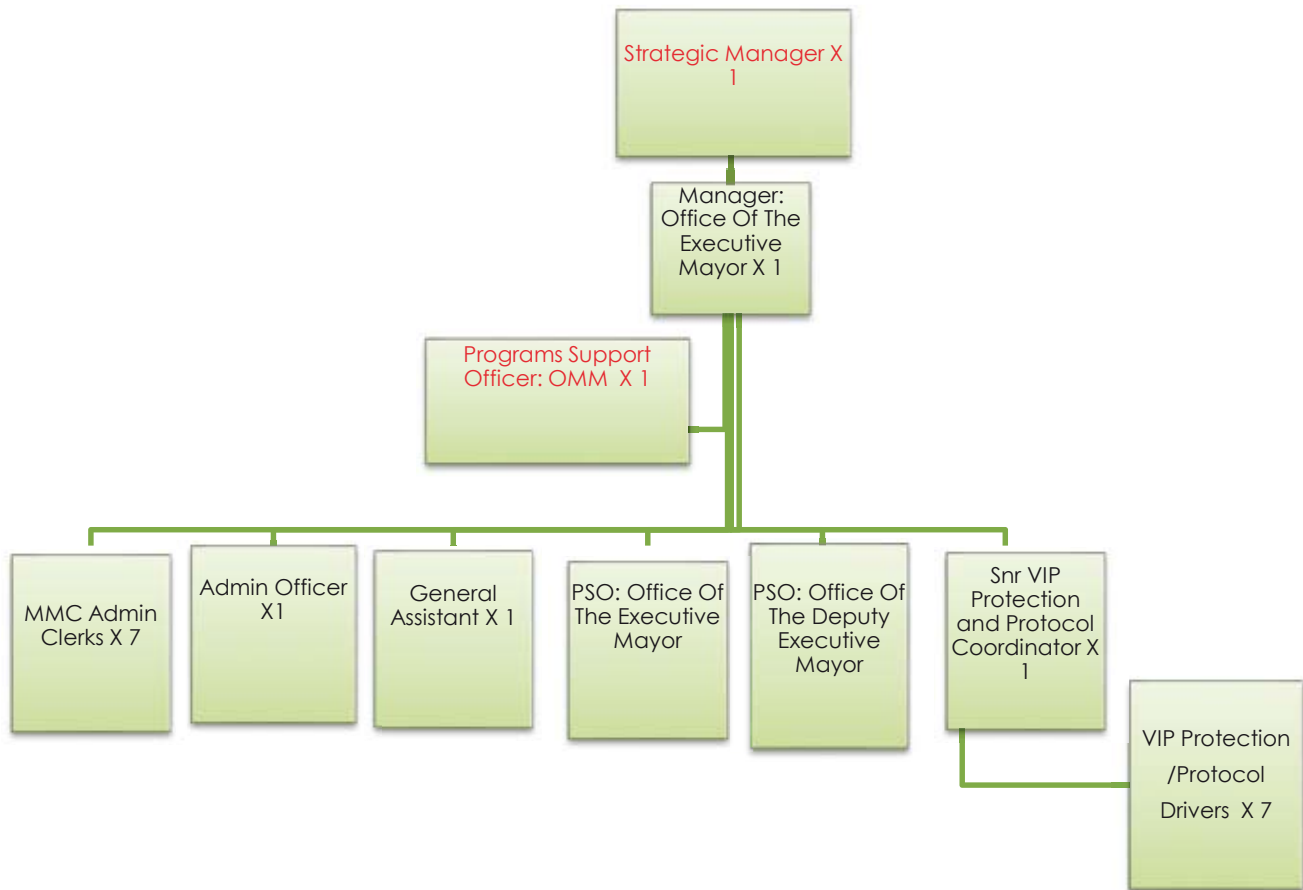
Total Number of Posts
824

Functions

Department	Function
Office of the Municipal Manager	1. Overall Municipal Administration 1. Ensures Compliance with laws and agreements 2. Provides legal support and advise 3. Provide support programs to the communities in need i.e. Bursary; Experiential Training; and Internship programs 4. Ensure organisational development through Training and developments for municipal personnel 5. Provide skills development program 6. Responsible for Recruitment 7. Manage condition of services 8. Manager Payroll and Benefits 9. Responsible for Fully function of Job evaluation 10. Responsible for implementation for Performance management system 11. Responsible for employees wellbeing; health and safety 12. Responsible for Employees relations 13. Manages Municipal Administration 14. Manages institutional memory (Records) 15. Manage Cleaning of Municipal Facilities 16. Provides Information Communication Technology 17. Administers Municipal technological systems 18. Manage security access (for safety of employees) 19. Remuneration of employees and councillors 20. Responsible for implementation of Employment Equity
Corporate Services	
Infrastructure Development & Municipal Services	1. Responsible for supply of water services 2. Responsible for supply of Electricity Services 3. Manages Sanitation 4. Manages Road Maintenance 5. Responsible for waste management 6. Responsible for Housing and Town Planning

Community Development Services	1. Responsible for municipal Health services 2. Manages customer care 3. Manages Institutional and social development 4. Manages Sport Art and culture, Recreation, Heritage and Museum 5. Manages disaster and Risk Management 6. Manage Thusong Services Centre 7. Special program 8. Responsible for implementation for Indigent Policy
Planning & Economic Development	1. Responsible for Agriculture 2. Responsible for forestry 3. Manages Geographical Institutional Spatial (GIS) system 4. Responsible for manufacturing and trade 5. Responsible for development of trade and business services
Budget & Treasury Office Chief Financial Officer	1. Responsible for consolidation of financials 2. Manages leases 3. Manages Intangible and Heritage Assets 4. Ensure implementation of employee benefits 5. Collection of revenue 6. Manage Fruitless and wasteful expenditure 7. Manage Property plant and equipment 8. Long term receivable 9. Operating lease accruals 10. Manage government grants and subsides 11. Manages financial disclosures
Strategic Management	1. Manage/development/implementation; review of the IDP and OPMS 2. Manage/development/review of the vision and long term strategy and IGR 3. provide institutional legal support to Council; MAYCO 4. Manage the development; implementation/review of the institutional strategic transformation agenda. 5. Responsible for all functions that have a legislative mandate in the Office of the Executive Mayor i.e. SPU ; Communications and Strategic Services etc

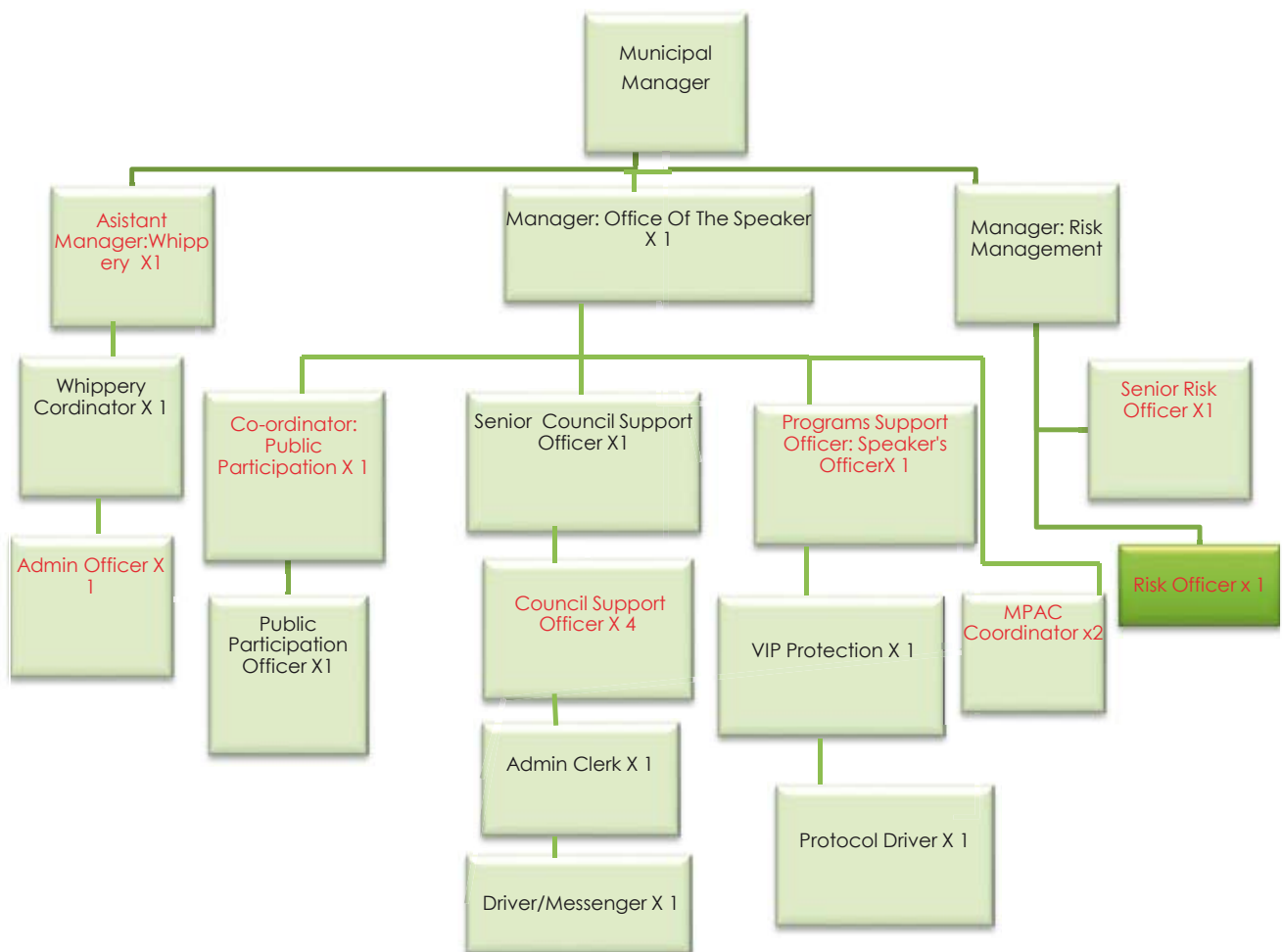
2.1.1 Office of the Municipal Manager



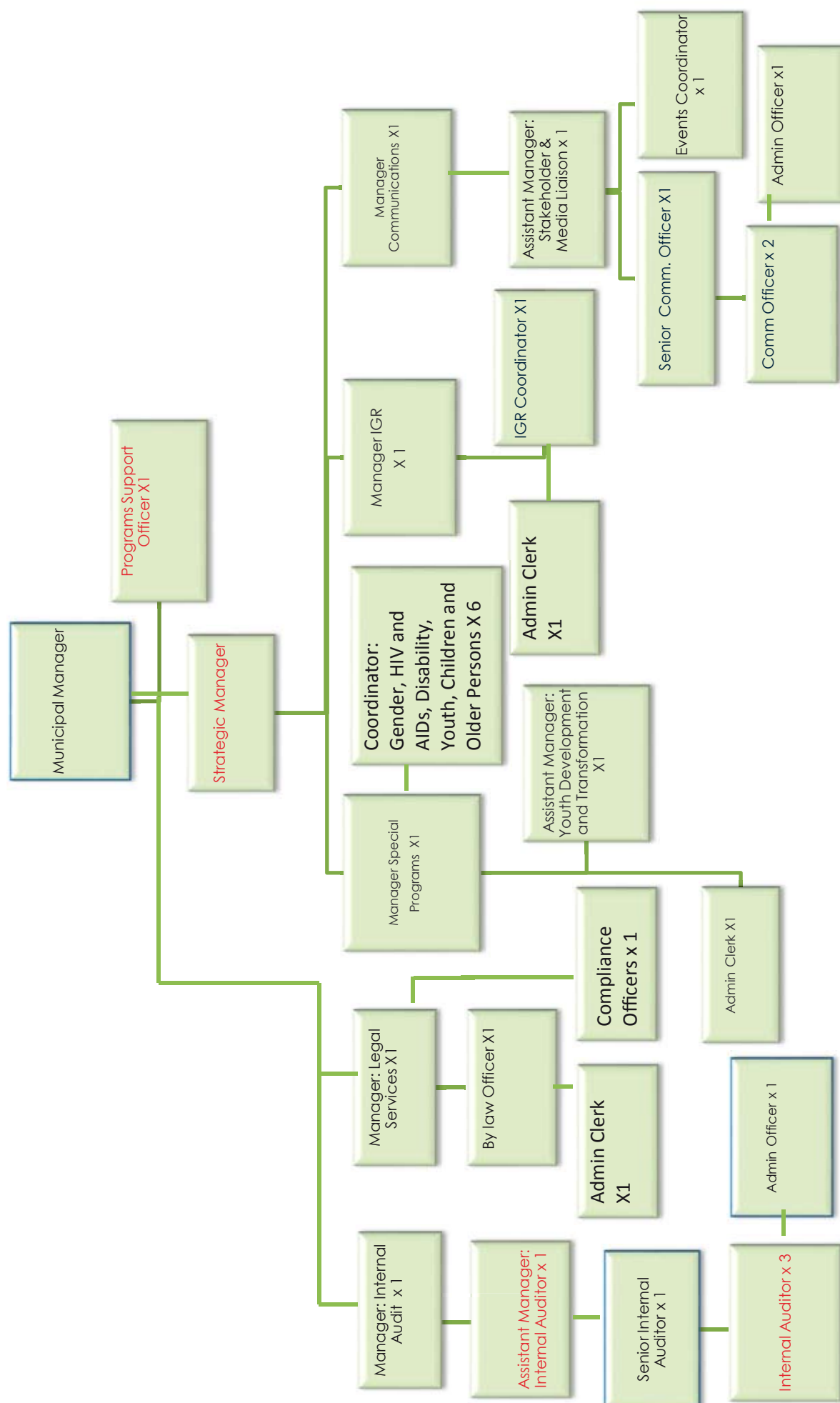
Total Number of Posts

84

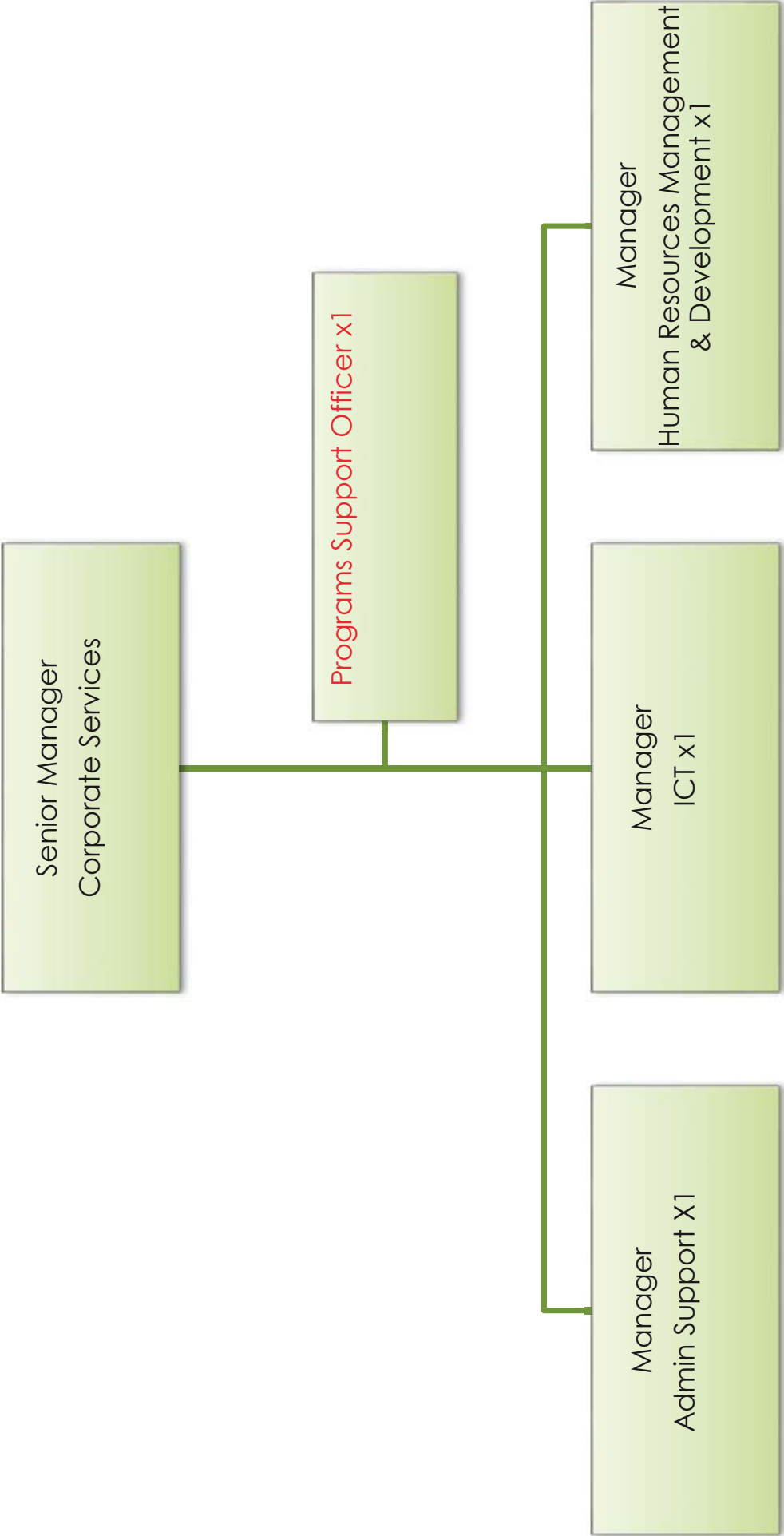
2.1.2. Constituency And WhipPery Support, Office Of The Speaker, Council Support, Risk Management



2.1.3. INTERNAL AUDIT, LEGAL SERVICES, IGR, SPU & COMMUNICATIONS



2.2 Corporate Services



Total Number of Posts

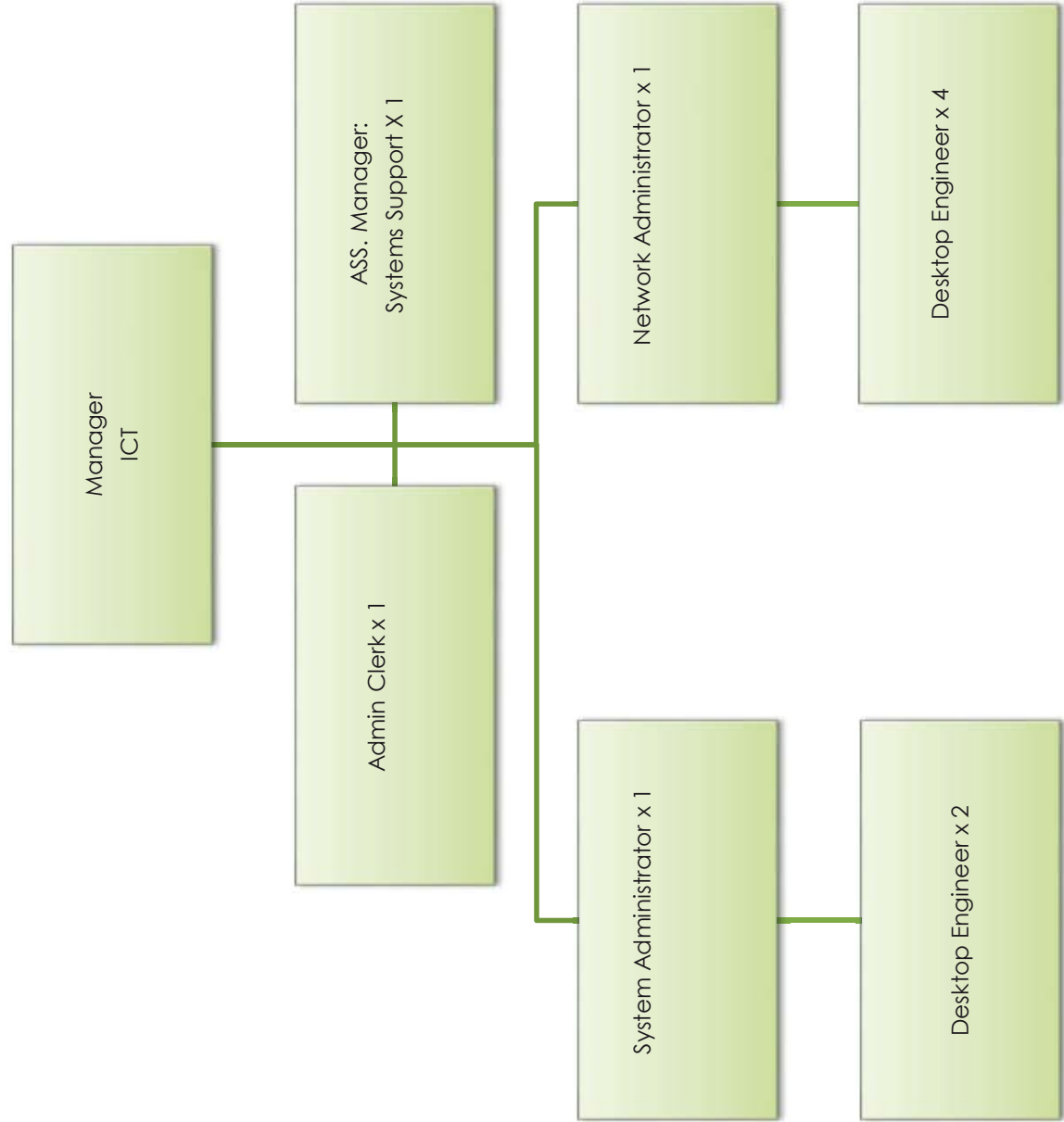
66

Functions

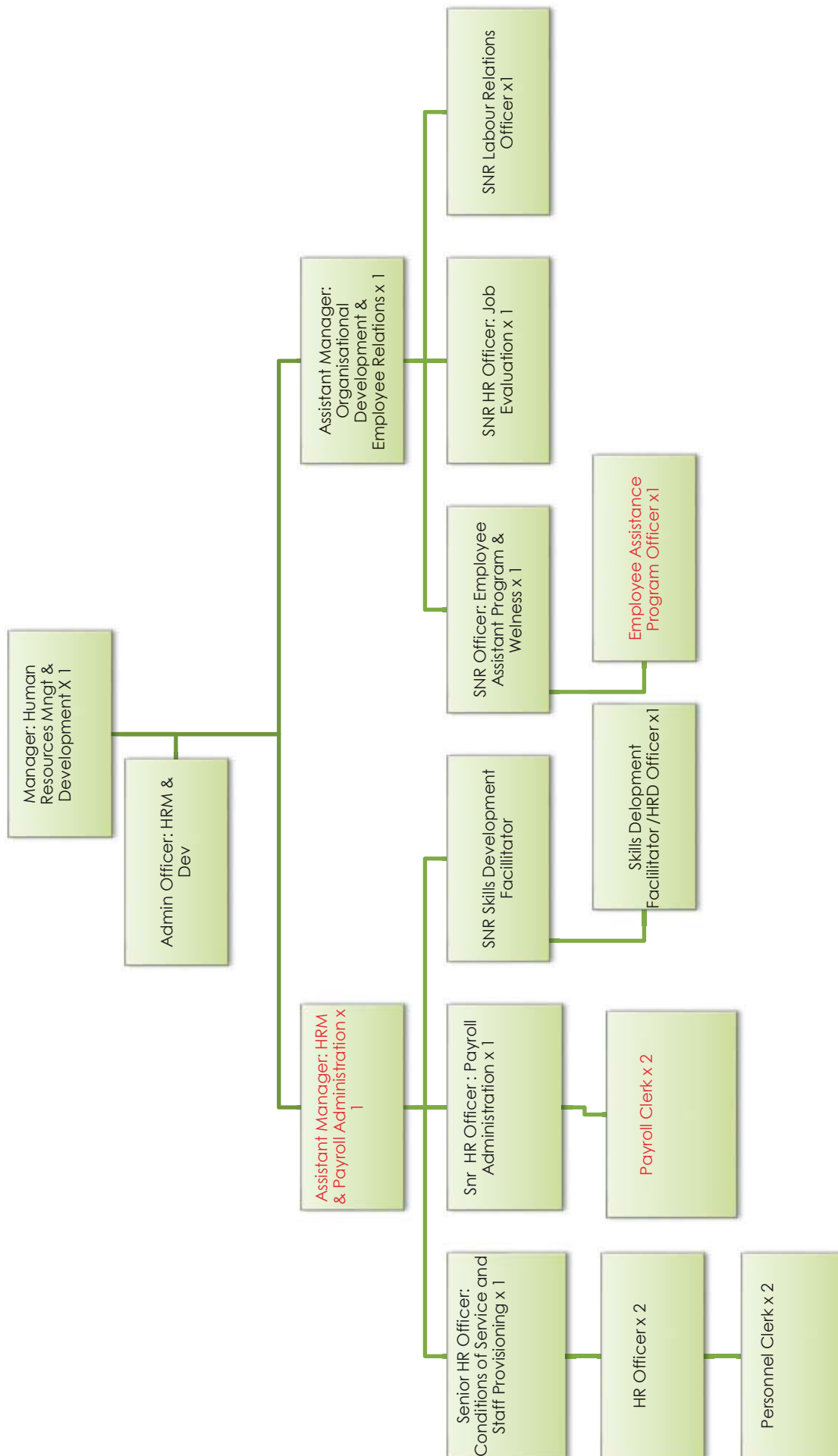
Unit	Function
Admin Support	1. The provision of general administration services and records/document management 2. The provision of administration support 3. Cleaning and security services; facilities management
ICT	1. The installation and configuration computer software 2. The provision of end-user support services 3. The provision of advice on system and hardware requirements 4. The management and maintenance of IT networks 5. The management of municipal data integrity and data analysis services 6. The development and maintenance of the municipal website
Human Resources Management & Development	1. Provision of the Human Resources Transactional and practices services 2. Payroll administration and labour relations services 3. ensure compliance with legislation/relevant collective agreements/policies/procedures 4. Employee wellness/Performance Management /job evaluation 5. Human Resources Development

2.2.1.1. Admin Support

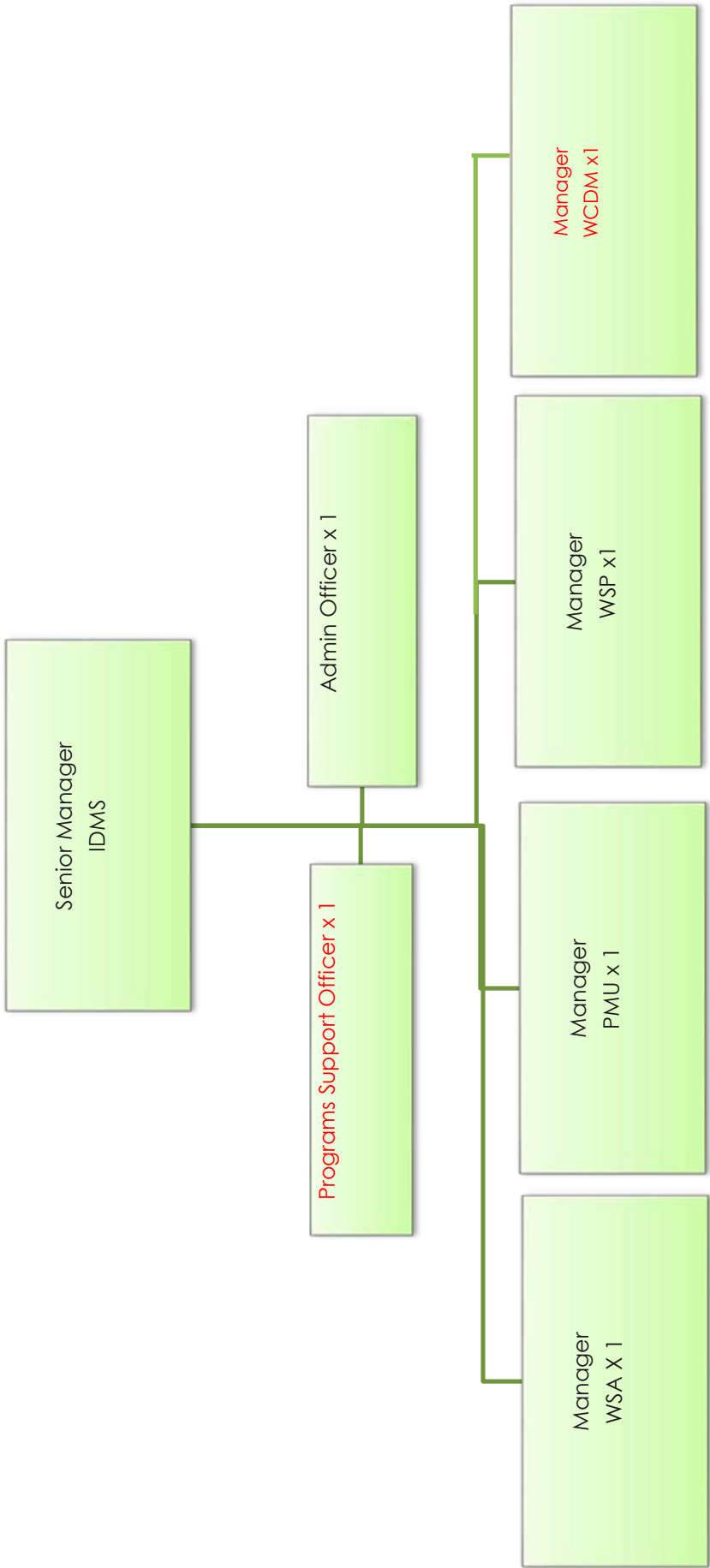
2.2.1.1. INFORMATION COMMUNICATION TECHNOLOGY



2.1.3. Human Resources Management & Development



2.3. Infrastructure Development & Municipal Services

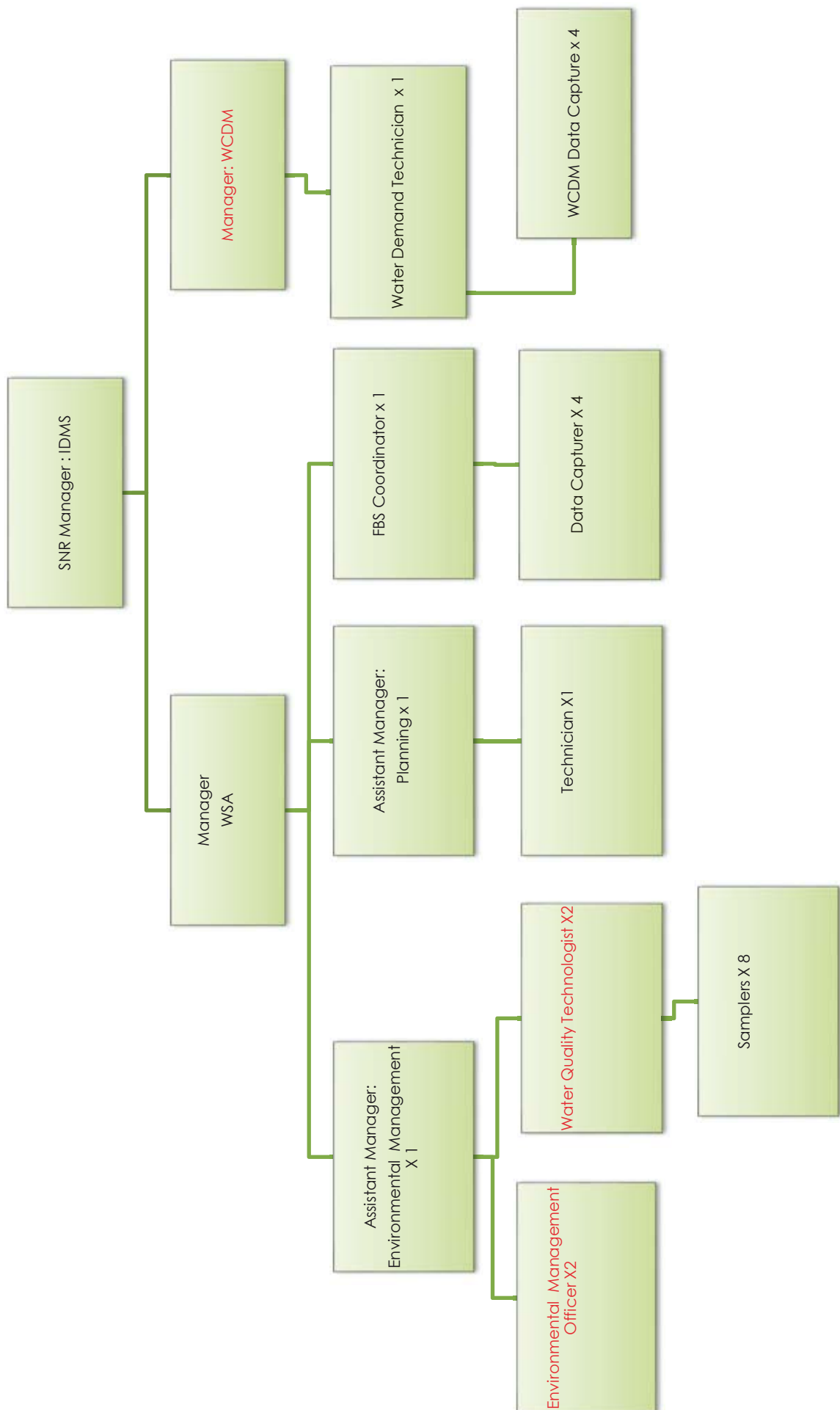


Number of posts
399

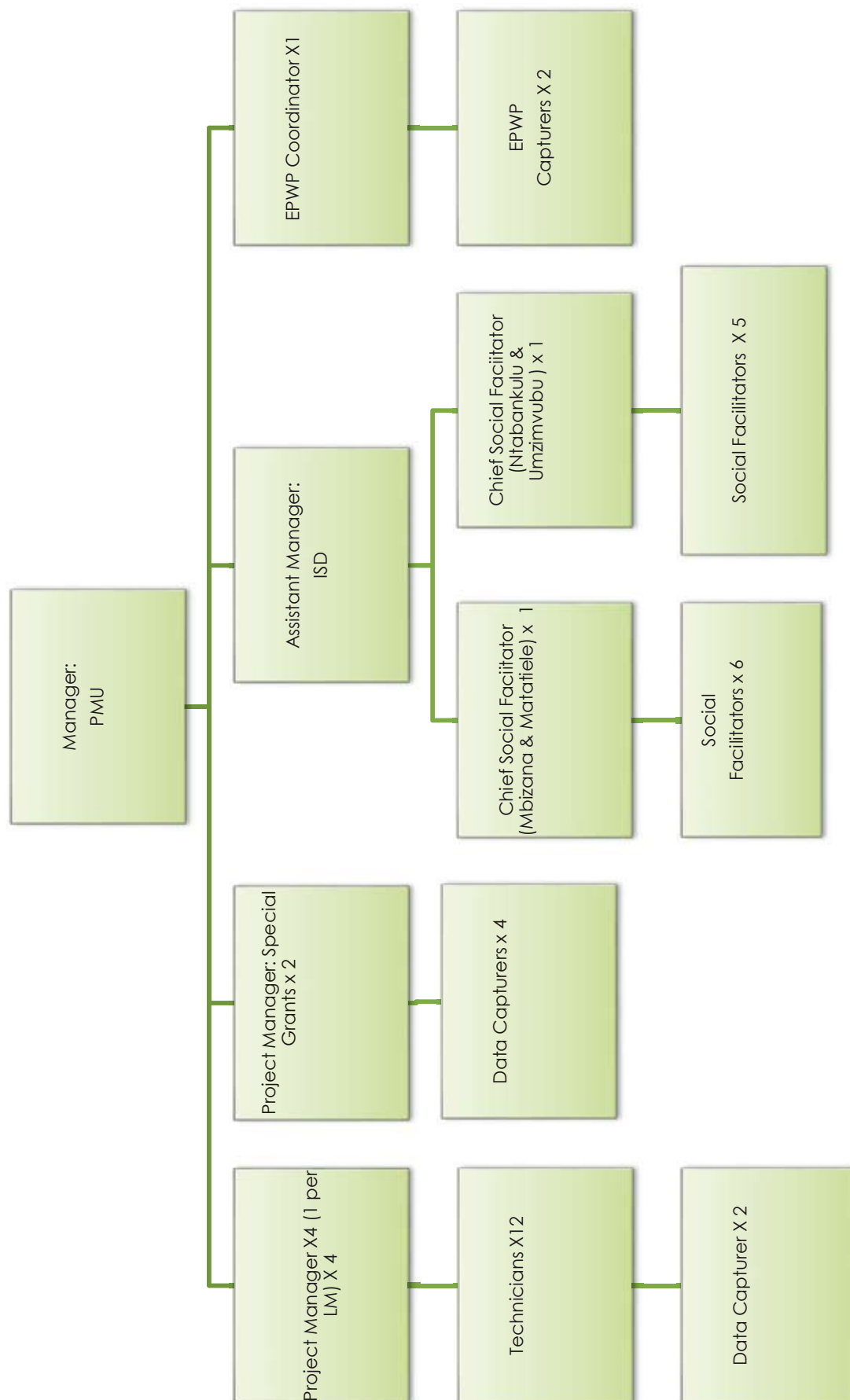
Functions

Unit	Function
WSA	1. Responsible for the development of WSDP 2. Responsible for Water Conservation and demand Management. 3. Responsible for feasibility studies; development of all water service policies & development of all environmental plans 4. Enforcement of bylaws 5. Development of indigent register
PMU	1. directs/controls outcomes associated with the PM Unit. 2. Controls the financial/administrative /information system requirements necessary for the coordination and control MIG funded projects and programmes
WSP	1. Responsible for operations & maintenance of water services infrastructure. 2. Water & waste Water treatment. 3. Development of O and M Plans 4. Implementation of the WCDM strategy 5. Water quality management
WCDM	Manage Water Conservation and Demand management in the District

2.3.1.1. Water Services Authority

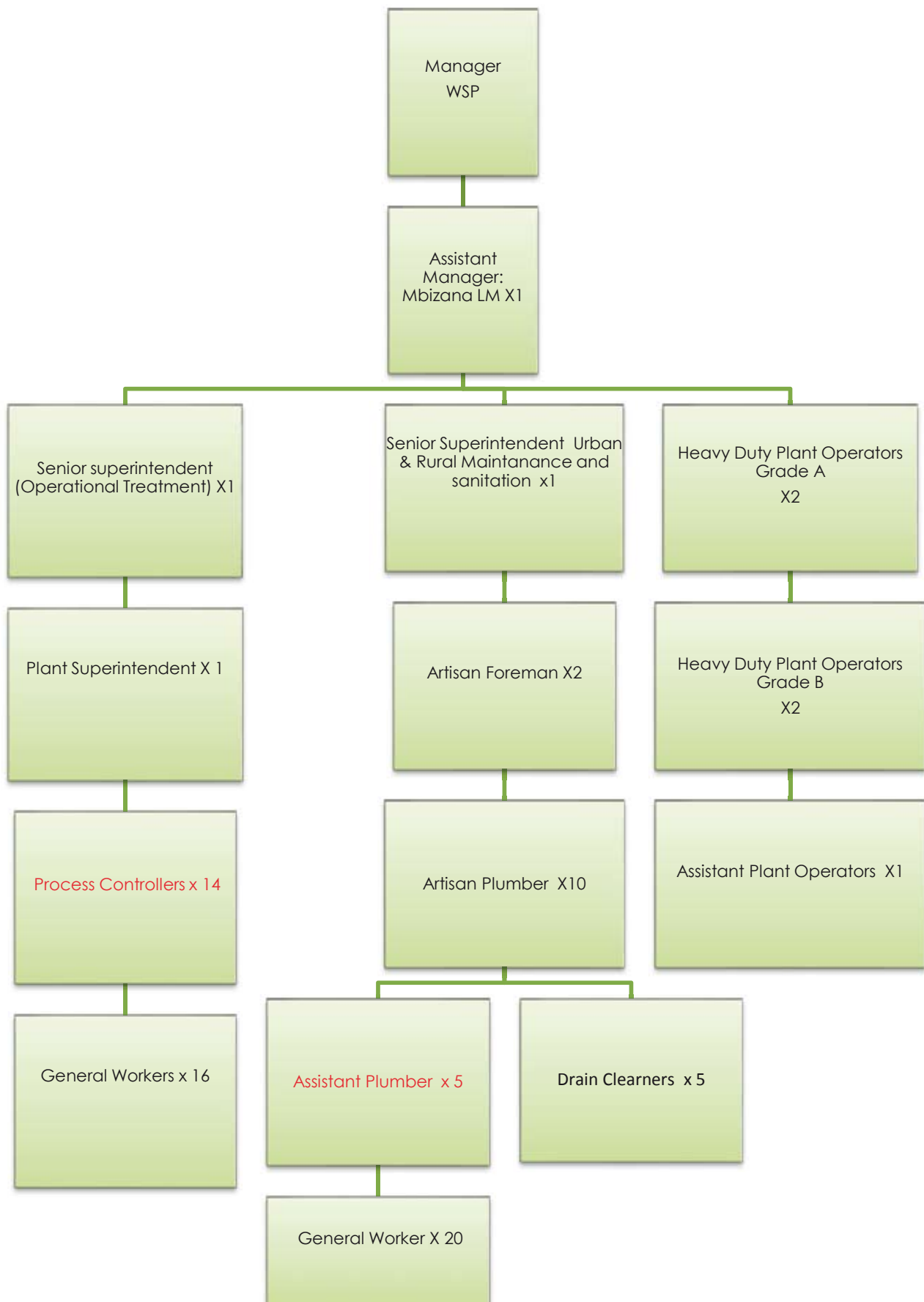


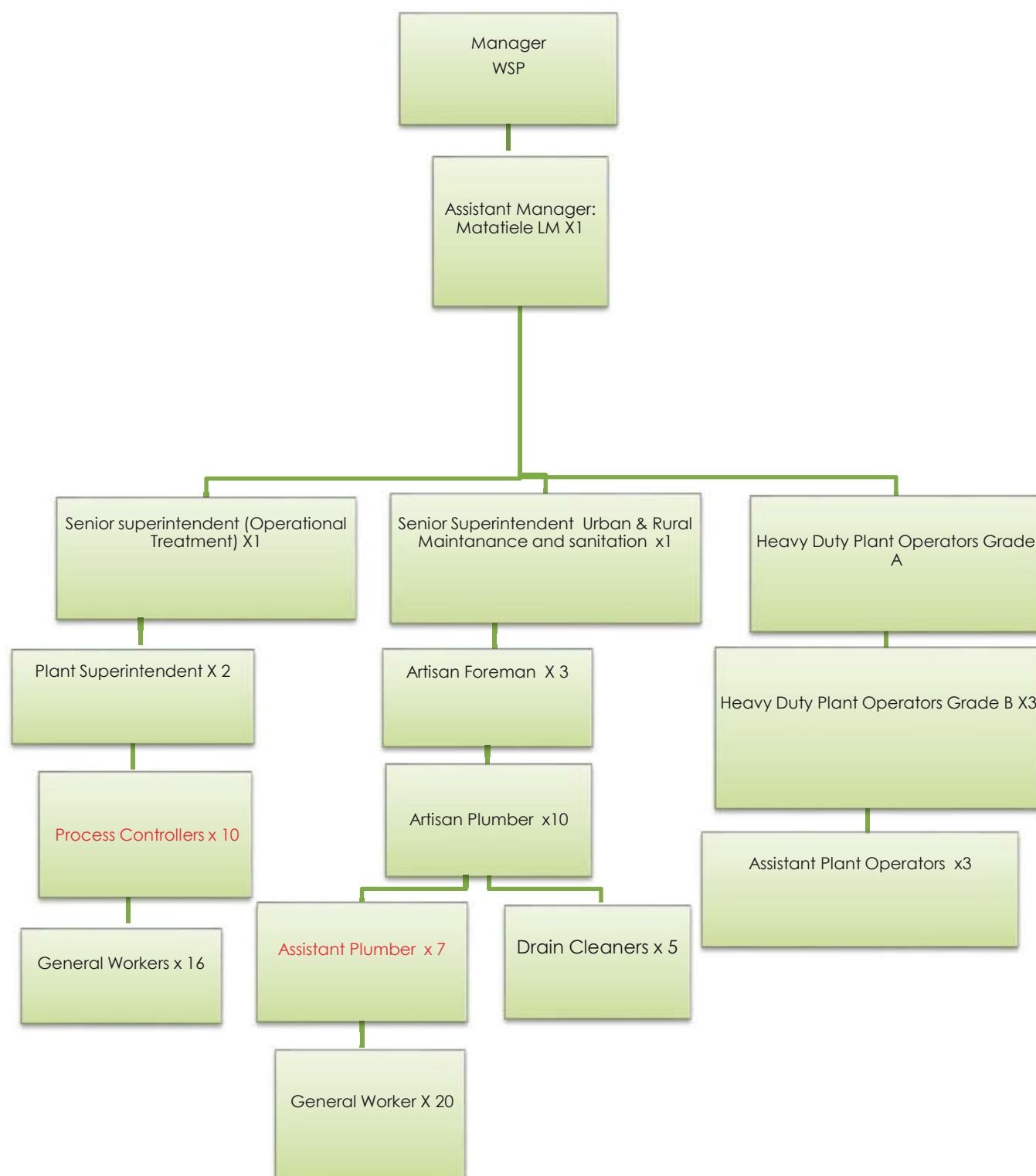
2.3.4. Project Management Unit

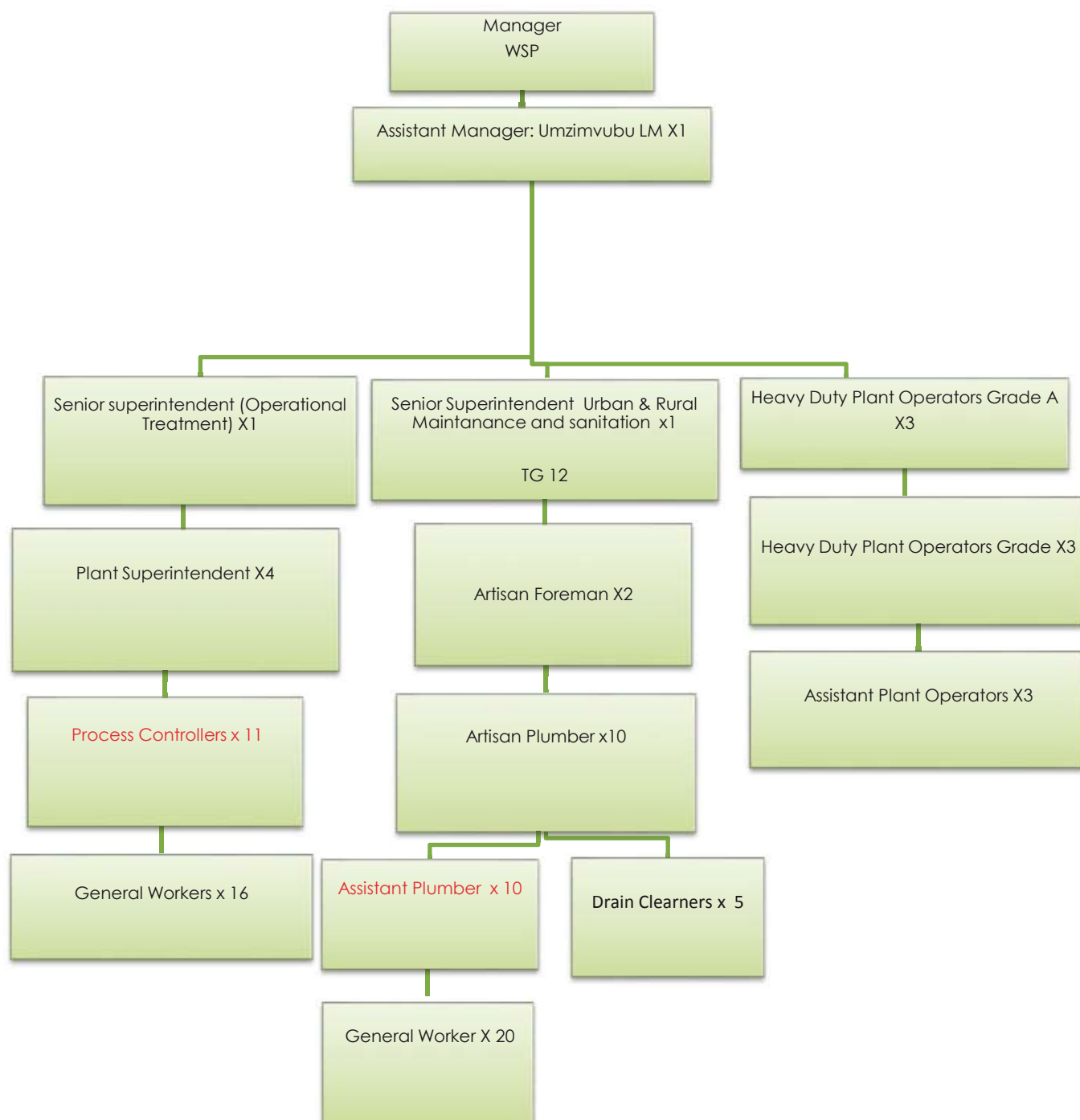


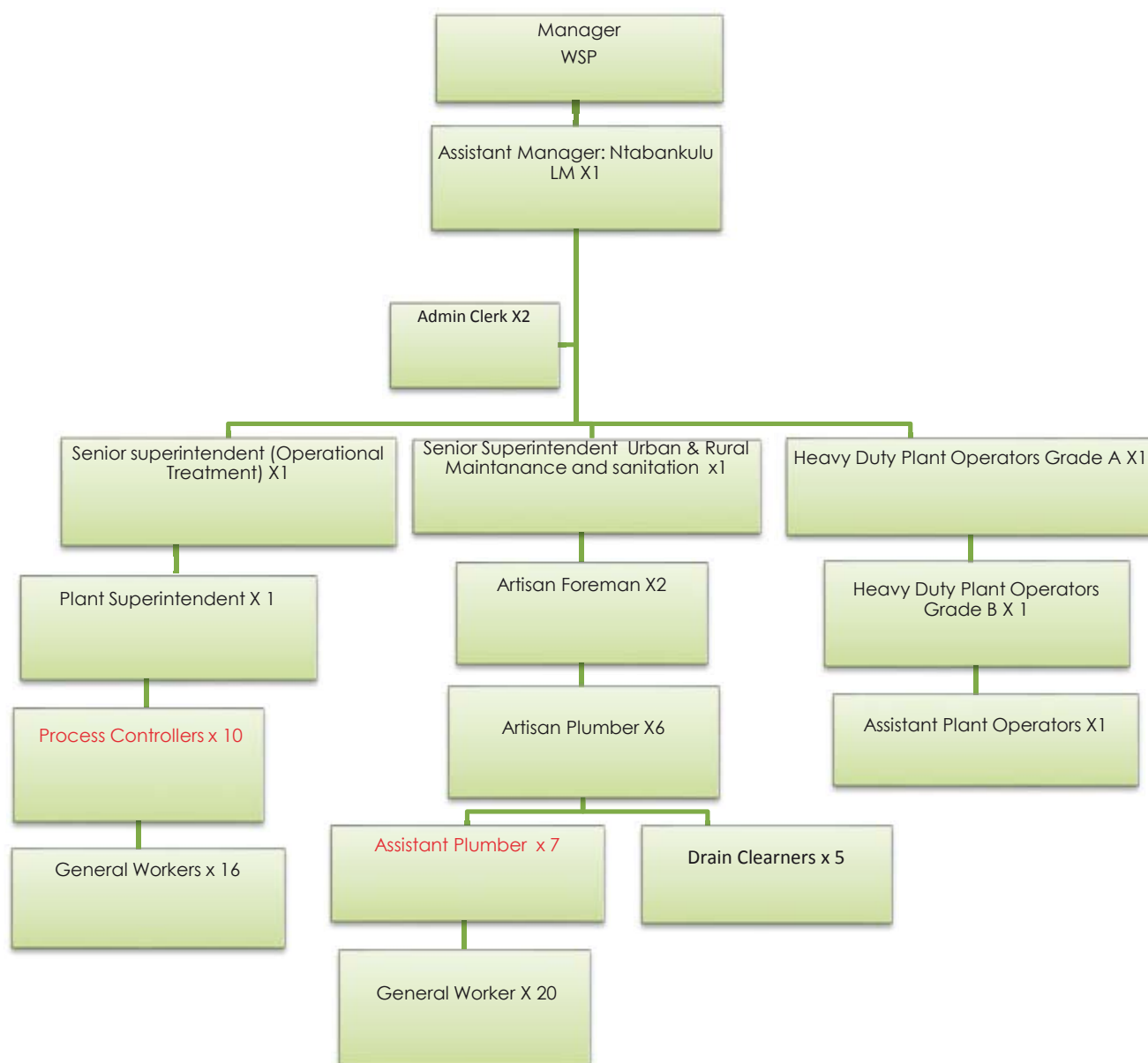
2.3.5. Water Services Provision

WSP Mbizana

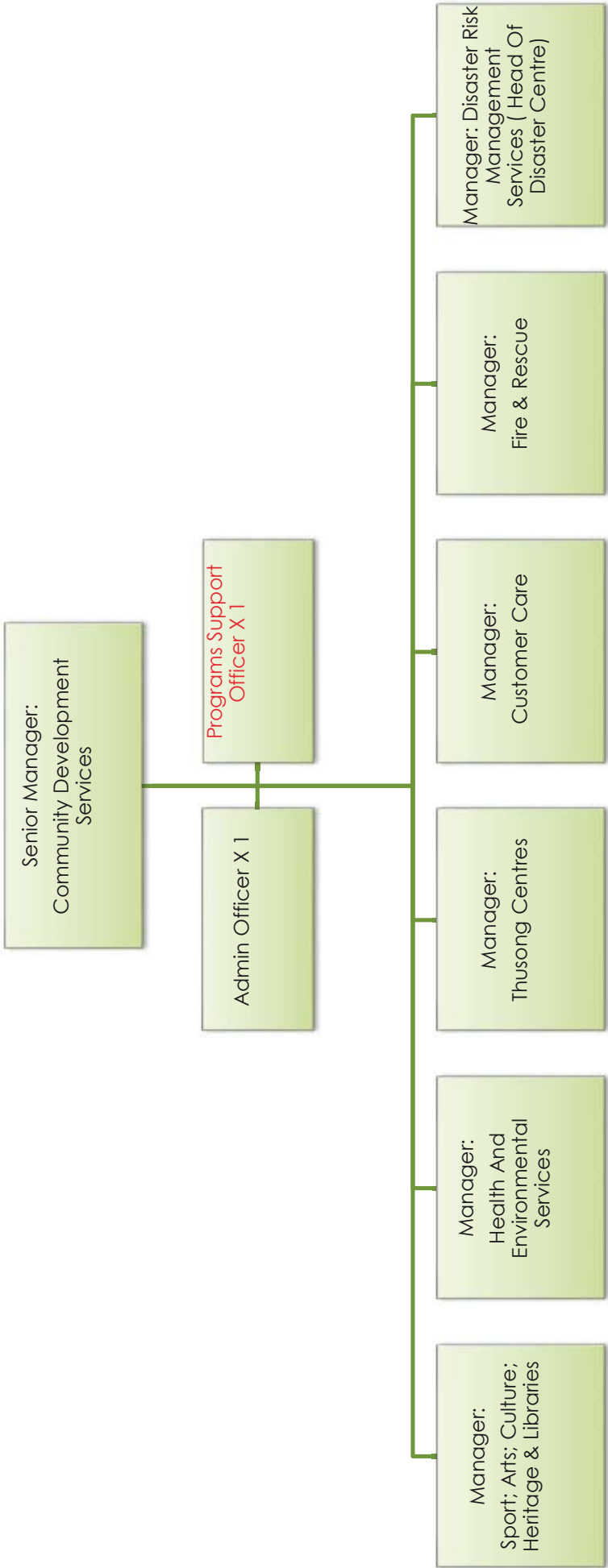


WSP Matatiele

WSP uMzimvubu

WSP Ntabankulu

2.4. Community Development Services



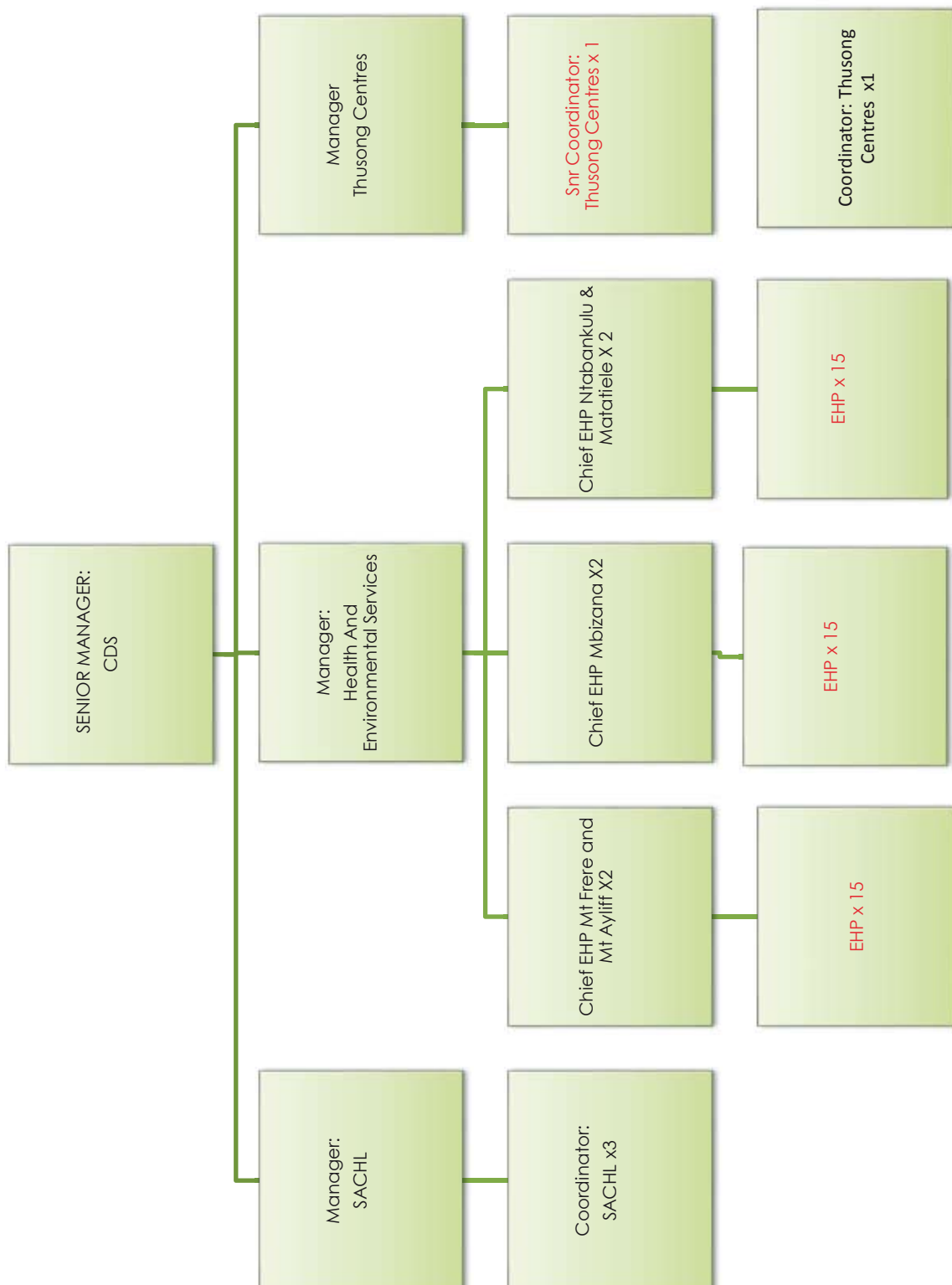
Total Number of Posts

207

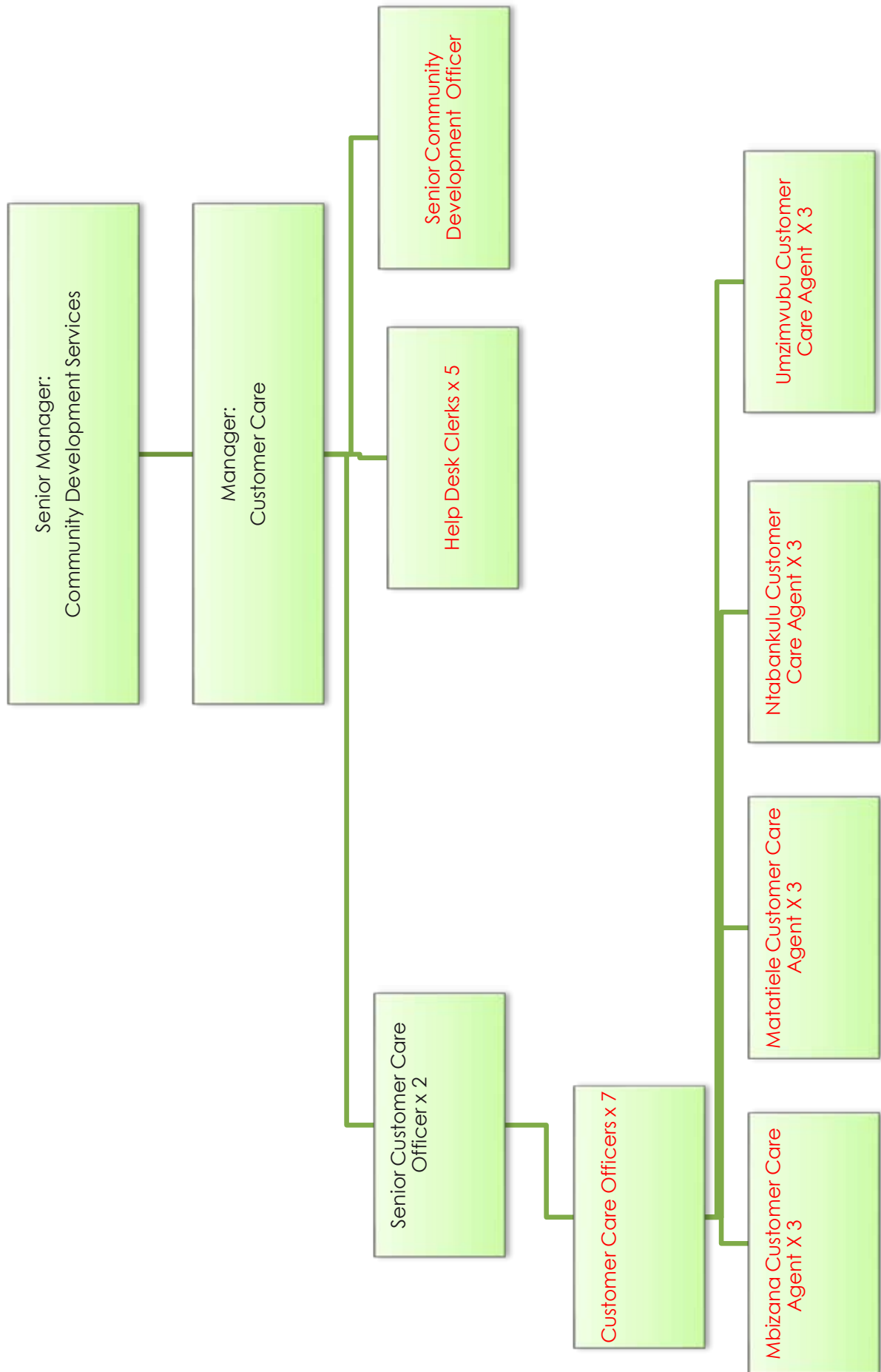
Functions

Unit	Function
Sport; Arts; Culture; Heritage & Libraries	1. The identification, support and coordination of sporting activities within the municipality
Health And Environmental Services	1. The identification, support and coordination of municipal health activities within the municipality 2. awareness campaigns/assessments/mitigating risk associated with Municipal health 3. By-law enforcement
Thusong Centres	1. 1.identification; support and coordination of Thusong centres 2. Management and monitoring of the centre activities
Customer Care	1. to ensure maximum stakeholder participation and the development initiatives of the district 2. To build sound relations between the DM and its stakeholders to ensure effective and efficient service delivery.
Fire & Rescue	1. Ensure the provision of fire and rescue services 2. Ensure that fire challenges are identified and reported for interventions
Disaster Risk Management Services	1. Disaster management services 2. Risk reduction 3. Recovery & rehabilitation 4. Awareness & Information

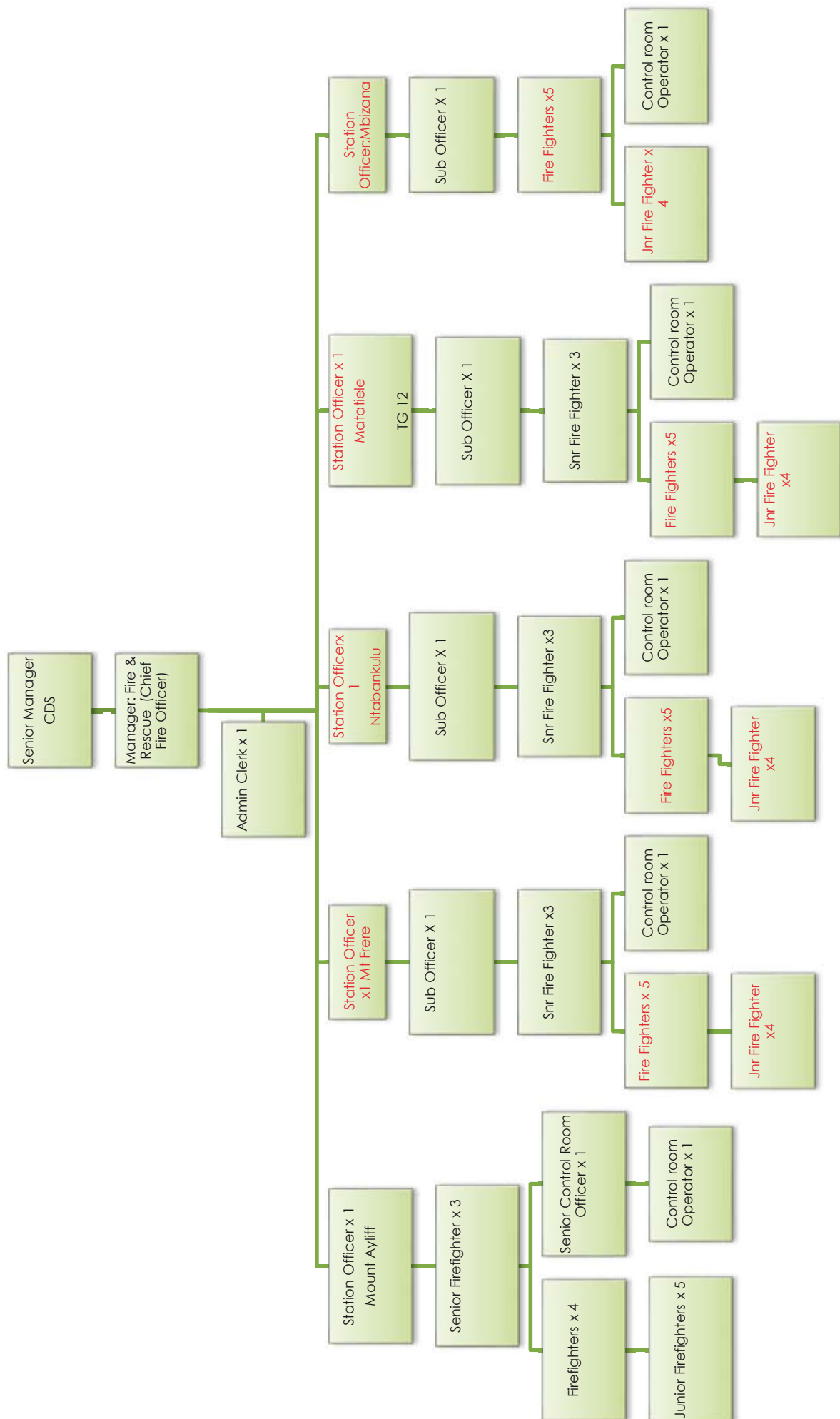
2.4.1.1. SACHL, Health And Environmental Services & Thusong Centre



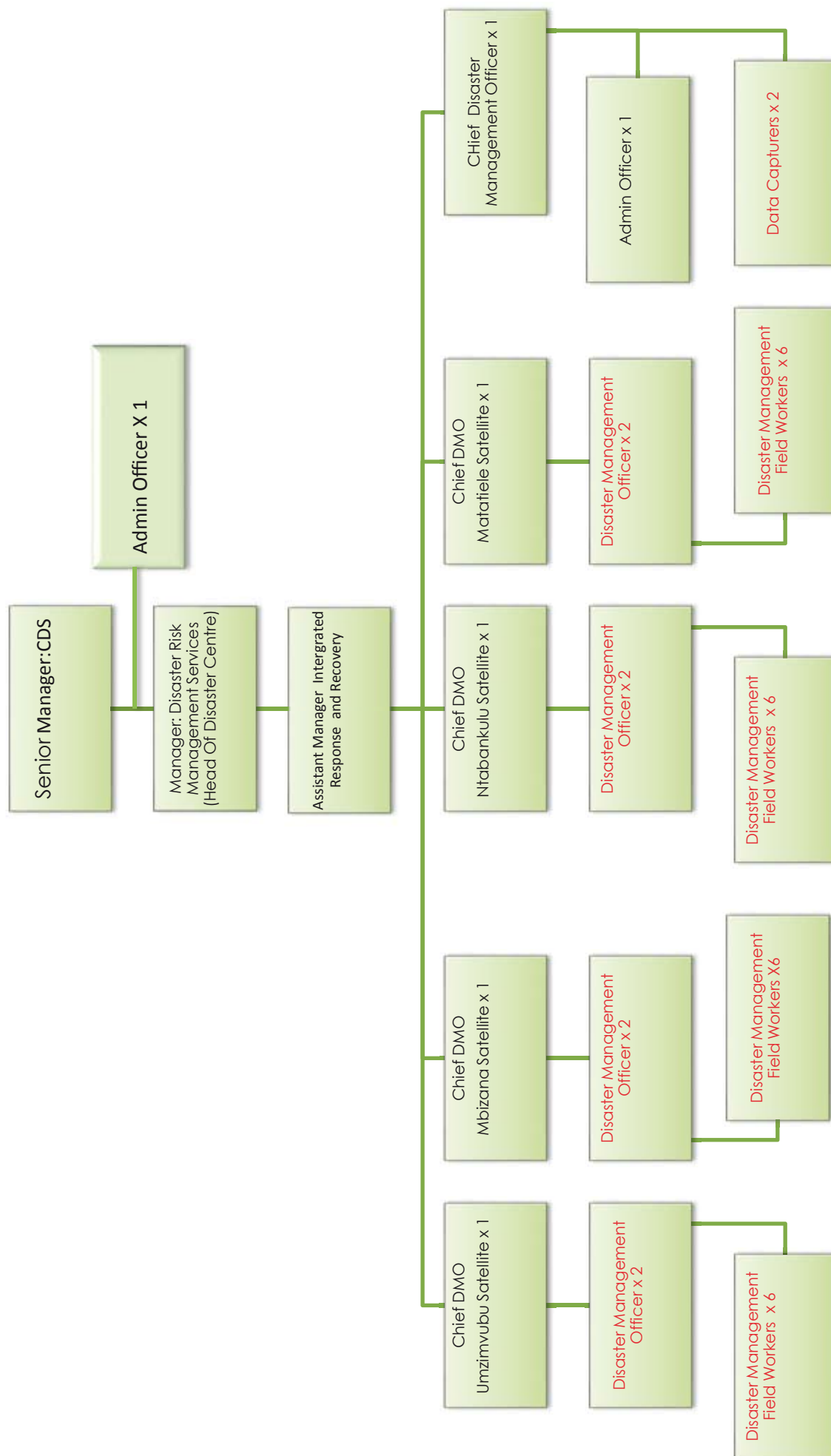
2.4.2. Customer Care



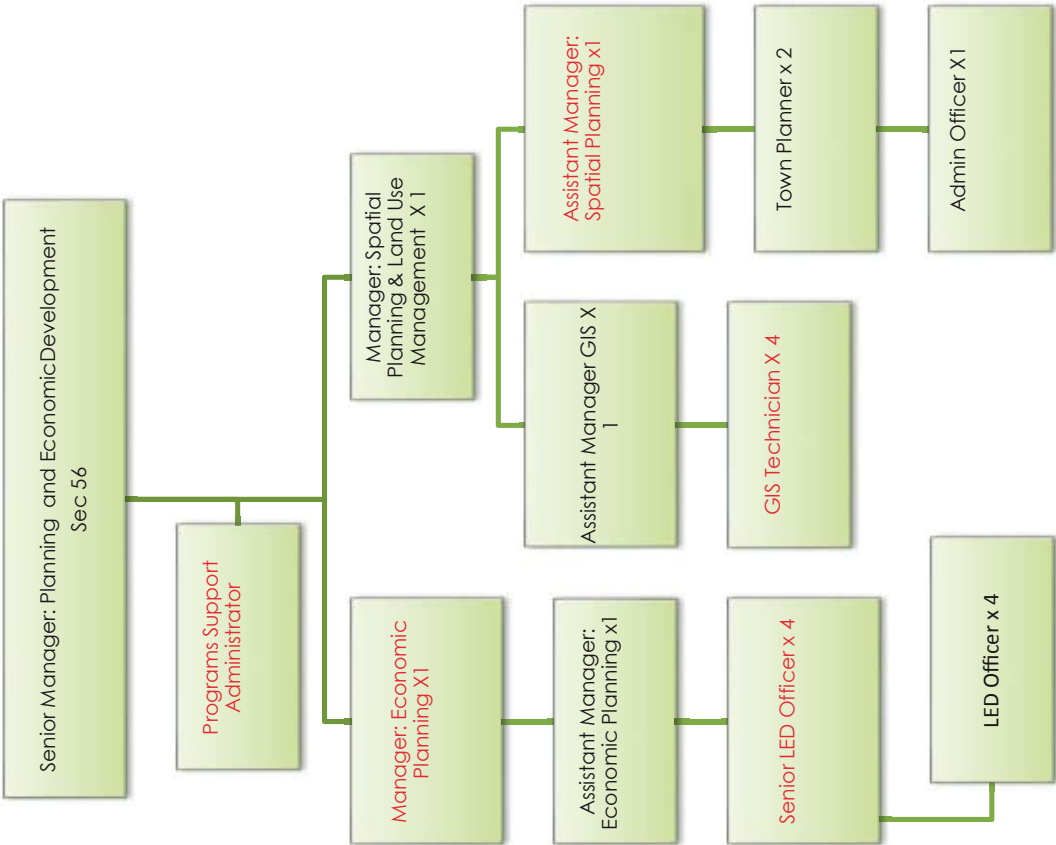
2.4.3. Fire & Rescue



2.4.4. Disaster Risk Management Services



2.5. Planning & Economic Development



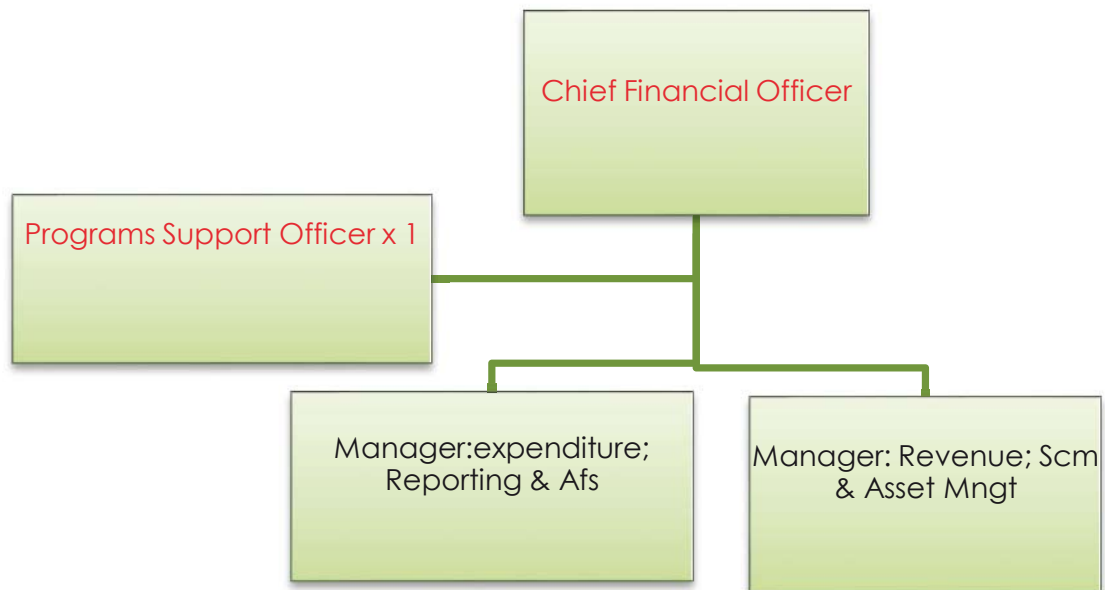
Total Number of Posts

19

Functions

Unit	Function
Economic Planning	1. The implementation, monitoring and evaluation of the municipal led strategy and projects 2. Facilitate the implementation of the municipal poverty grain production projects 3. The promotion and support of SMME's 4. The provision of tourism development services 5. The provision of hawkers administration services
Business Development	1. Identifies/defines the immediate; short and long term objectives/plans and controls associated with economic development. 2. Facilitating the coordination /integration/implementation of economic regeneration programs in the targeted rural villages small towns//townships 3. Business Plans Development
IDP/OPMS	1. The facilitation of the annual IDP strategic planning process 2. The development and implementation of an organisational performance management system
Development Planning; Spatial Planning & Land Use Management	1. Keeping abreast with developments and legislative imperatives supporting economic development and community improvement. 2. Controls the planning/operational efficiency of specific approaches associated with the delivery of core services associated with the functionality and spatial planning and land use management
GIS	1. Performs specific applications associated with the preparation/updating/processing of data from hardcopy and digital sources for the AND geographical area. 2. Performs specific applications with maintain geographic information records and cadastral databases.

2.6. Budget & Treasury Office



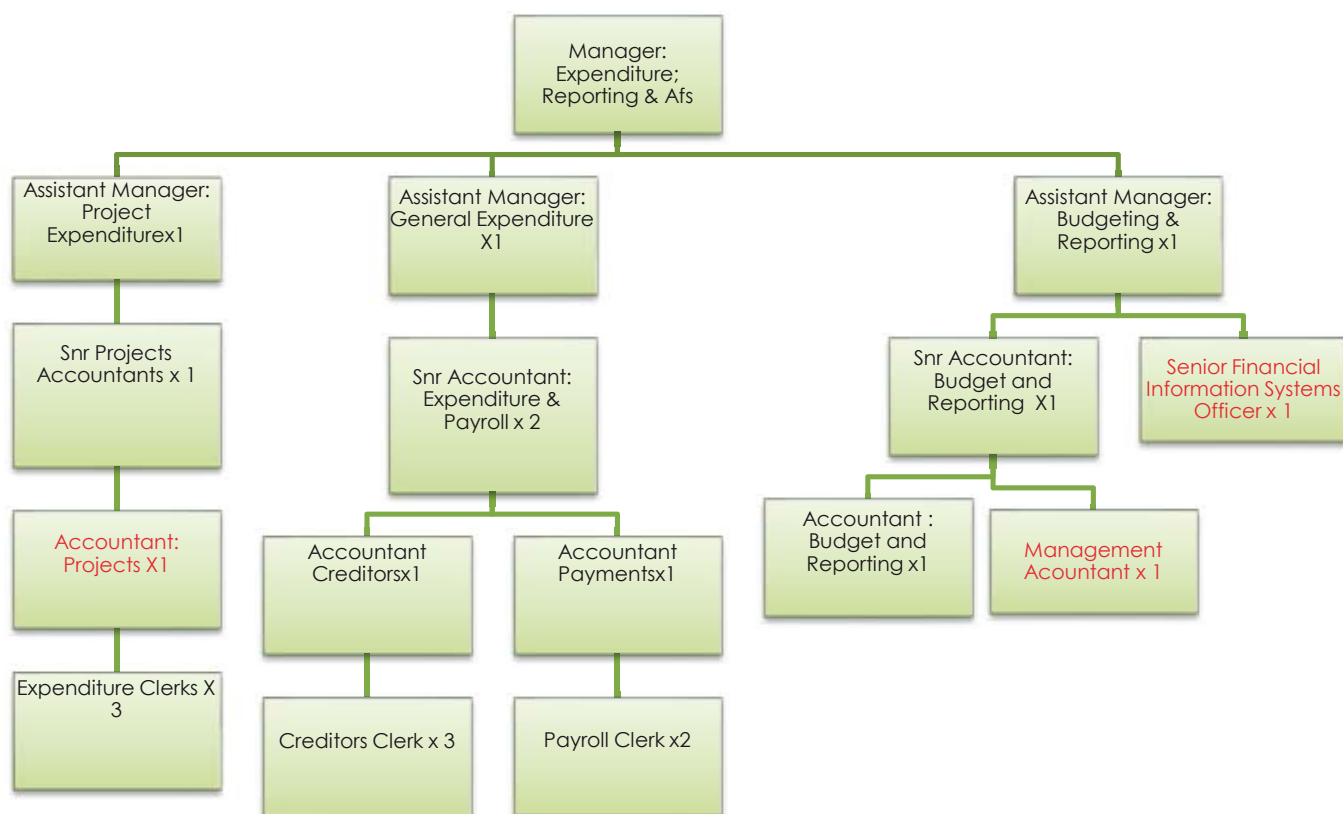
Total Number of Posts

77

Functions

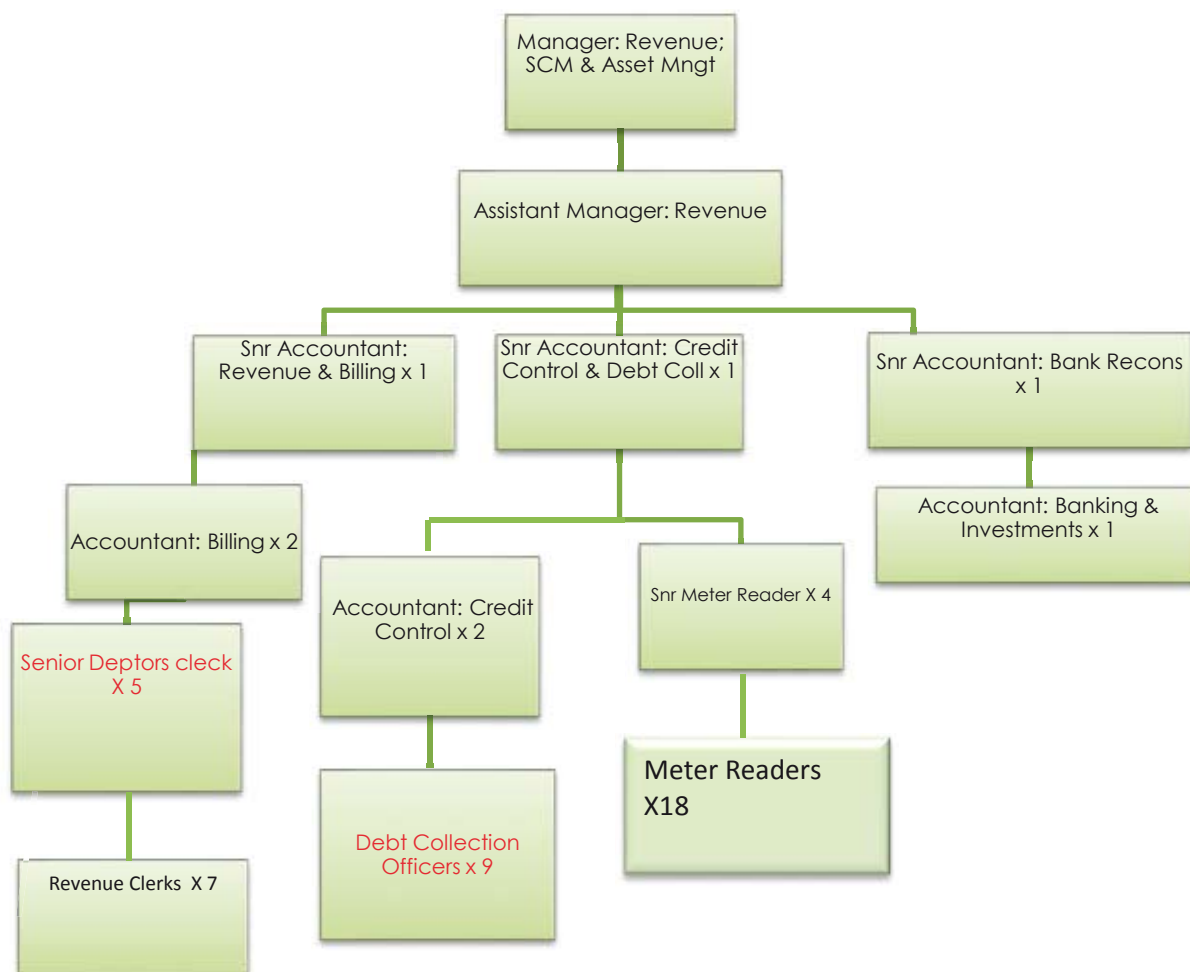
Unit	Manager	Function
Expenditure; Reporting & AFS	Manager: Expenditure; Reporting & AFS	1. Coordinates/implements sequences associated with the verification and provision of information related to the creditors accounts. 2 Prepares financial documents and reports on the creditors accounts 3. preparation of AFS
	Assistant Manager: Project Expenditure	1. Preparing & presenting reports detailing the status of expenditure and availability of funds and reporting on deviations. 2. manages the compilation of budget; prepares capital & operating estimates; midyear reviews; reallocations; additional releases; financial management/controls expenditure against the approved budget allocations
	Assistant Manager: General Expenditure	1. control and account for the expenditure of the Municipality 2. maximize the collection of VAT 3. payroll administration 4. timeous payments of all service providers within 30 days of invoicing
	Assistant Manager: Budgeting & Reporting	1. Facilitate the compilation/coordination of the annual budget. 2. Compile monthly reports and annual financial statements. 3. execute budget management duties/ cash management/ supply chain management
Revenue; SCM & Asset Management	Manager: Revenue; SCM & Asset Mngt	1. Promoting/developing/monitoring//directing/controlling all aspects of SCM in the Municipality to ensure compliance with the SCM Policy and Administrative Framework. 2. prepares capital/operating estimates and controls contract expenditure against budget allocations 3. manage/monitor/control fleet and asset management in the municipality 4. manage/control revenue management
	Assistant Manager: Asset Management	1. manage/monitor/control fleet and asset management in the municipality
	Assistant Manager: Revenue	1. manage/control revenue management
	Assistant Manager: Supply Chain Management	1. Promoting/developing/monitoring//directing/controlling all aspects of SCM in the Municipality to ensure compliance with the SCM Policy and Administrative Framework.

2.6.1. Expenditure; Reporting & AFS

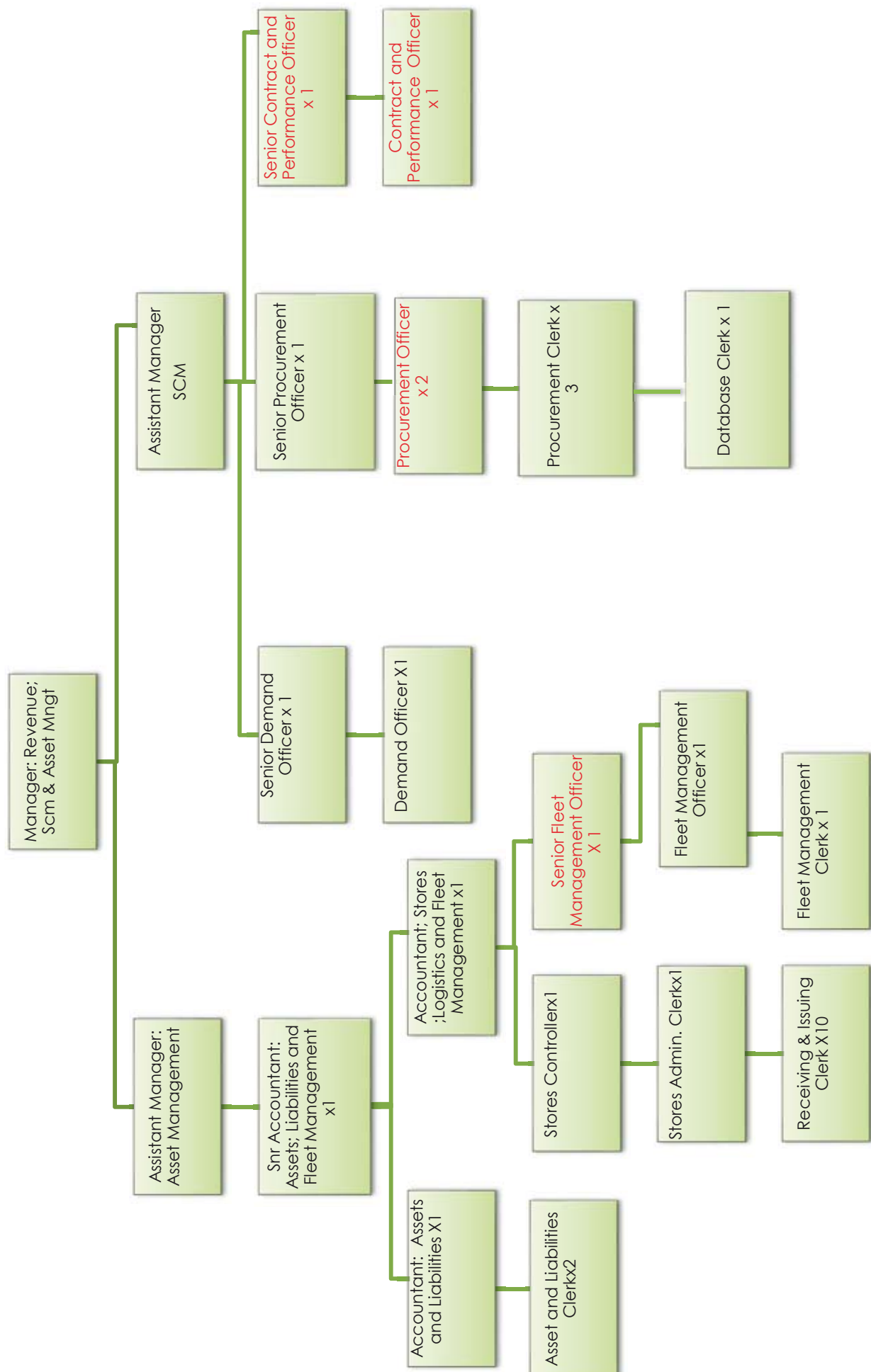


2.6.2. Revenue; SCM & Asset Management

Revenue



2.6.2.1 SCM & Asset Management



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