



**MATATIELE**

LOCAL MUNICIPALITY

## 2014/2015 DRAFT IDP REVIEW

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## **EXECUTIVE SUMMARY**

The Municipal Systems Act (No.32) of 2000 requires that local government structures prepare Integrated Development Plans (IDPs). The IDPs serve as tools for transforming local governments towards facilitation and management of development within their areas of jurisdiction. In terms Chapter 5 and Section 25 of Local Government Systems Act, (Act 32 of 2000), that the municipal council must within a prescribed period after the start of its elected term, adopt a single all inclusive and strategic plan for the development of the municipality. The Local Government Systems Act also identifies the IDP as the vehicle to be used in the achievement of these goals. In conforming to the Act's requirements the Matatiele Council has delegated the authority to the Municipal Manager to prepare the IDP. The IDP Strategic Approach is to ensure that the Municipality is a more responsive, efficient, effective and accountable local government.

### **INTEGRATED DEVELOPMENT PLANNING IN MATATIELE**

Matatiele local Municipality IDP review (2013 – 2014) will serve a strategic guide during for the Municipality. It is based on the issues articulated by the stakeholders and is aligned with the National and Provincial development plan, MDG's, 12 National Outcomes, and the Provincial Growth the Development Strategy (PGDS).

### **KEY COMPONENTS OF THE IDP**

Section 26 of the Municipal Systems Act prescribes the key components of an IDP. In keeping consistency with this section of the Act, Matatiele Municipality's IDP presented main sections as follows:

- The Executive summary which gives the municipal overview and developmental challenges.
- An outline of the key development issues and trends based on an analysis of the current level of development (Situational Analysis).
- A strategic framework which outlines a council long term vision with specific emphasis on the municipality's most critical development objectives, actions plans and strategies.
- A capital program including a one year program, three year program aligned to the medium term Expenditure Framework and the five year plan.
- Implementation framework which includes sector plans particularly the financial plan, spatial development framework, organizational performance management system and an organizational transformation and institutional development plan.

## GENERAL KEY PERFORMANCE INDICATORS

Also drawing the attention on the background of general key performance indicators as prescribed in terms of section 43 of the act, namely:

- (a) The percentage of households with access to basic level of water, sanitation, electricity and solid waste removal
- (b) The percentage of households earning less than R1100 per month with access to free basic services
- (c) The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial years in terms of the municipality's integrated development plan
- (d) The number of jobs created through municipality's local economic development initiatives including capital projects.
- (e) The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;
- (f) The percentage of municipality's budget actually spent on implementing its workplace skills plan; and
- (g) Financial viability as expressed by the following ratios:
  - i. Where-
    - 'A' represents debt Coverage
    - 'B' represents total operation revenue received
    - 'C' represents operating grants
    - 'D' represents debt service payments (i.e. interest + redemption) due within the financial year
  - ii. Where-
    - 'A' represents outstanding services debtors to revenue
    - 'B' represents total outstanding service debtors
    - 'C' represents annual revenue actually received for services
  - iii. Where-
    - 'A' represents cost coverage
    - 'B' represents all available cash at a particular time
    - 'C' represents Investments
    - 'B' represents monthly fixed operating expenditures.

*The IDP is systemically aligned to the budget process, and the Performance Management System (PMS).*

## CHALLENGES FACING THE MATATIELE AREA

The Matatiele IDP through a consultative process identified various challenges that need to be addressed in order to meet the needs of the community and achieve sustainable development and the vision for the future development of the area. These challenges were identified as follows:

- Access to social facilities is considered to be a challenge. The existing police stations are considered to be inadequate and a need exists for satellite police stations. The health facilities are also said to be inadequate to cater for community needs. Furthermore, due to the remote and rural nature of other villages, access by even mobile clinics in some villages is a challenge. Shortage of sports and recreation facilities as well as other facilities such as banks, Post Offices

are some of the issues that still require attention by the Municipality in partnership with sector departments, the District Municipality and other stakeholders.

- Due to the distance from service centers, other localities do require satellite municipal and government offices. Also, educational facilities are considered to be inadequate, particularly the technical skills centers and public schools. In addition, there is a major backlog with general maintenance of infrastructure and service delivery.
- There is a need to improve safety and security particularly for low cost townships. The provision of street lights as a means to reduce the incidents of crime has been suggested as a strategy. Stock theft is considered to be very high. Community Policing Forums (CPFs) need to be revived. An allowance needs to be made as compensation to the CPFs as a form of motivation.
- General moral regeneration is a need in the Matatiele municipal area. The level of alcohol consumption amongst the youth is attributed to the lack of entertainment and recreation centers.
- Land and Housing – land ownership and access to land is a severe problem. Limited land use management and development control makes it difficult to prevent and control land invasion. Upgrading tenure security is essential, particularly providing more secure rights for people that already occupy land. The need for rural planning is noted. There is a shortage of housing within the urban areas and access to funding is a major concern for middle income housing in particular. Settlements are mushrooming in an uncontrollable environment.
- Local Economic Development and Tourism – Due to the high rate of unemployment in Matatiele, there is a need to attract private sector investment. The local resources are underutilized due to poor skills base. The need to offer comprehensive skills development programmes that not only focus on technical skills but include business skills has been expressed. The tourism potential (heritage) is currently not being fully harnessed. Lack of access to Markets for SMMEs is glaring. The presence of an information centre at the entrance of Matatiele is critical.
- Environmental pressure – there are several environmental threats and limitations which if not addressed could contribute to decline in the supply of natural resources and livelihoods in the municipality. Key limitations include poor soil and highly erodible soils contributing to land degradation and poor crop yield. In addition to that the harsh climatic conditions such as high temperature, heavy rainfall, and periodic strong winds which under favourable conditions could result in natural disasters such as floods and runaway bush fires. The highly rugged terrain can significantly reduce the development potential of the municipality. The management of wetlands is a critical issue.
- Encroachment of settlements onto high potential agricultural land affects the significantly limited land capability of the Matatiele local Municipality. Only an estimated 30% of the total land area of the municipality constitutes of land with minor limitations to agricultural production. The remaining 70% is either not arable or has severe limitations to agriculture. Unfortunately, the limited land for agriculture is decimated by extensive settlement and the associated uses. Currently, it appears that commercial agriculture is not a viable land use option for a development programme in most parts of the municipal area.
- Viable agricultural schemes have also proved to be difficult to implement in rural areas due to shortage of land.
- Uncontrolled settlements – the sprawl of rural settlements and growth of informal settlements in Maluti is considered a critical issue affecting the municipal area. This phenomenon could be ascribed to the factors such as the collapse of the land administration systems, lack of forward planning together with the tendency for people to be opportunistic and move to highly accessible areas (such as along R56 corridor and road to Lesotho).

## OPPORTUNITIES WITHIN THE MATATIELE AREA

The municipality has vast opportunities. These are inclusive of the following:-

- Heritage and eco-Tourism – The environment within Matatiele Municipality provides several opportunities for eco-tourism development provided these would be harnessed appropriately and utilized on a sustainable basis.
- The largely rural wilderness areas for the development of ecotourism and wilderness education.
- Rugged terrain with its relatively undisturbed and water sources environment for biodiversity conservation initiatives.
- Huge wetlands system that provide suitable habitats for wildlife and raw materials for local economic activities.
- The heritage resources in the municipality that could augment tourism and education.
- The LED Strategy identified a strong potential for the development and promotion of winter tourism, cultural tourism, eco-tourism, agricultural tourism, adventure tourism, avi-tourism (e.g. bird-watching) and water sports facilities for supporting tourism.
- Matatiele CBD as a potential vibrant and dynamic rural centre – Matatiele town plays a significant role within the municipal area. It is an administrative, service and main economic centre with a threshold that covers the full extent of the municipal area and beyond. It is a link between Matatiele and other towns within the district as well as the major provincial centres and beyond. As such, the town should be planned as a rural town and be structured and managed to enable it to perform its functions efficiently and effectively. The opening of road linkages between Matatiele with the neighbouring Ulundi Municipality, Lesotho as a potential trade and tourism route will improve access to Ukhahlamba, Maloti Drakensburg Transfrontier Park. This will add further impetus to the need to the development Matatiele Town as a vibrant and dynamic rural centre.
- Value Adding Products – There is a strong potential for large-scale production, processing and marketing of local products in external markets (e.g. agricultural, forestry products and related products and sandstone) with the view to introduce value-addition activities in all economic sectors. The opportunities also exist for establishing and identifying new markets for locally-produced products and services. The need exists to explore opportunities for investment in activities, businesses or services currently not offered in Matatiele as well as exploring the potential for use of available underutilized land and other natural resources (e.g. rivers) resources for income generation purposes.
- High potential agricultural areas offer unique opportunities for cultivation and food security. Areas of high agricultural potential are identified as areas with inherent potential for cultivation based on the soil, slopes and climate of the area.  
It is recommended that activities that will result in the loss of agricultural potential such as the subdivision of land, settlement and extensive infrastructure development should not be undertaken in this zone.
- Ultimately these areas should not be developed for purposes other than agriculture, and should retain the opportunity for future agricultural production. As such, they should be maintained either for cultivation or grazing. In areas of high agricultural potential that also have high biodiversity value it will be important to attempt to identify land uses that may achieve both objectives such as grazing or less intensive cultivation that include areas to be set aside for biodiversity management. High potential agricultural land located within existing settlements but is too small or lack the appropriate infrastructure to become viable agricultural areas could be considered for small scale or intensive food production and urban agriculture. Agricultural development should be promoted based on latent potential with high production potential land



being reserved mainly for agricultural purposes. The following agricultural activities are prevalent in the area:

- Timber plantations should be established in areas where the adverse effects on the environment will be easily mitigated. Otherwise the area is too environmentally sensitive for timber plantations.
- Extensive livestock farming should be promoted, particularly in communal areas. But, grazing land management programmes should also be introduced to address the increasing problem of soil erosion.
- Crop production (irrigated and dry land) should be promoted in low - lying areas and irrigation along the main river tributaries.
- Irrigation estates along the major rivers.
- Pastures and dairy in and around Cedarville.
- Farms stay within a five to ten kilometer radius from Matatiele Town and Cedarville should be considered for the establishment of smallholdings where limited processing of agricultural products and tourism facilities should be allowed. The same applies to farms located immediately along development corridors.
- Regional Access – R56 which runs through Matatiele in an east-west direction serves as the main regional access route that links Matatiele with other urban centres such as Kokstad to the east and Mount Fletcher to the south west. Secondary to the N2, it serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province. It is identified in the Draft Provincial Spatial Development Plan (PSDP) - Eastern Cape as one 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 Ongelukse area and commerce and industry in Matatiele. It forms the basis for a road system that connects different parts of the municipal area.
- Development along R56 Development Corridor should follow the following guidelines.
- R56 is a regional limited access and high speed public transport route; as such direct access onto this road is 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; and
- 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.
- R56 also provides an alternative shorter route to Cape Town with views of scenic beauty, which can attract both domestic and International tourist thereby promoting LED projects at some locations.

## **CHAPTER 1: INTRODUCTION & CONTEXTUALISATION**

### **INTRODUCTION**

This Integrated Development Plan (IDP) Review is being prepared for the period 2013/2014 in accordance with the prescription of the Municipal Systems Act (Act 32 of 2000), requires that, all municipalities review their integrated development plans annually.

The development of this IDP will be based on three major principles namely, consultative, strategic and implementation oriented planning. In terms of the Municipal Systems Act (Section 25.1) the municipality is required to adopt a single, inclusive and strategic plan for the development of the Municipality which:

- Links, integrates and co-ordinates all development plans of the municipality
- Aligns the resources and capacity of the municipality with the implementation plan.
- Forms policy frameworks which constitute the general basis on which the annual budget must be based
- Is compatible with the National and Provincial development plans and planning requirements.

The IDP would have to be integrated with other plans and be aligned with the municipality's resources and capacity and must also be compatible with national and provincial plans and priorities. The IDP formulation and implementation process will therefore be guided by the following legislation and/ or policies:

Constitution of the Republic of South Africa 1996

Local Government: Municipal Systems Act, 2000

Local Government: Municipal Structures Act, 1998 as amended

Local Government Municipal Finance Management Act, 2003

White Paper of Local Government

The Provincial Growth and Development Plan (2010) as well as other National Policies

A good environment for the preparation of the IDP has been established.

As prescribed by Section 28 of MSA, a process plan was prepared and adopted by Council. The process plan made provision for institutional arrangements, roles and responsibilities, the organisational structure, procedures and mechanisms for public participation and for alignment of the IDP with that of the Alfred Nzo District Municipality.

### **1.1 BACKGROUND**

Matatiele Local Municipality (MLM) is located on the Northern part of the Eastern Cape Province. It adjoins onto Elundini Municipality to the South West, Greater Kokstad Municipality (KZN) to the East, Umzimvubu Municipality to the South, and Lesotho to the North.

It is one of the four local municipalities forming part of the Alfred Nzo District Municipality. The other municipalities are uMzimvubu, Mbizana and Ntabankulu Local Municipalities. With the

changes in ward demarcation, Matatiele now consists of 26 municipal wards with a population of 203 843 people.

The R56 road is a major arterial and trade route running through the municipality in an east-west direction linking Matatiele with Kokstad to the east and Mount Fletcher to the west. It links the municipality with KwaZulu-Natal Province and parts of the Eastern Cape Province located south of Matatiele Municipality. The western parts of the area (commercial agricultural farms) forms part of high production potential land stretching from Matatiele and Kokstad in the south through the KwaZulu-Natal Midlands to the north western parts of KwaZulu-Natal.

Matatiele Municipal area is composed of the commercial farmlands surrounding the service centre of Matatiele, the town of Cedarville together with the R293 township of Maluti. The municipality is predominantly rural in nature, with 91% of households classified as rural and only 9% as urban (ANDM, WSDP, 2010: 37). The district is dominated by expansive poorly developed rural villages.

While Matatiele Town serves as a service centre and/or the main economic hub for Matatiele Municipality and beyond, and is identified in the District Municipality SDF as a primary node, the settlement pattern is characterised by dispersed rural settlements surrounded by subsistence farmlands in the former Transkei region, which fell within the previous Umzimvubu boundary. The area is located at the foothills of Drakensburg Mountains. It adjoins onto the World Heritage site along its western boundary and was included in the Maloti-Drakensberg Transfrontier Conservation and Development Project (MDTP). The latter was a collaborative initiative between South Africa and the Kingdom of Lesotho to protect the exceptional biodiversity of the Drakensberg and Maloti mountains through conservation, sustainable resource use, and land-use and development planning. This area encompasses distinct landscape and biological diversity. It is quite rich in species and high in endemism.

## **1.2 IDP OBJECTIVES**

Integrated development planning is a process whereby municipalities prepare strategic development plans for a five-year period. These plans should inform planning, decision making, budgeting, land management, promotion of local economic development, and institutional transformation in a consultative systematic and strategic manner.

This Integrated Development Plan (IDP) seeks to achieve the following:-

- Speed up delivery through making more effective use of scarce resources
- Attract additional funds
- Strengthen democracy
- Overcome the apartheid legacy at local level
- Promote intergovernmental co-ordination

This IDP also aims to:-

- Create a higher level of focus and thereby improve the strategic nature of the document;
- Align this strategic document with the limited financial and human resources
- Align the IDP with the activities of the municipality's departments and other service providers in other spheres of government

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

### **1.3 DEVELOPMENT STRATEGY**

The development strategy for Matatiele local Municipality seeks to respond to the development issues facing the municipal area as outlined in the preceding sections of this document. It aligns with and seeks to contribute to the attainment of the Provincial and National development imperatives as outlined in the relevant policy documents. The Municipality's development vision is as follows:

#### **1.3.1. MUNICIPAL VISION**

Matatiele Local Municipality has adopted the following vision;

***“Where Nature, Agriculture, And Tourism Are Investments Of Choice”***

The vision is guided by the constitutional imperatives, which generally require all local governments' structures to be service delivery driven in nature, and continuously strive to empower their communities socially and economically.

#### **1.3.2. MISSION STATEMENT**

*Matatiele Local Municipality's mission is:*

- *To create an awareness on nature conservation,*
- *To promote and support agricultural activities*
- *To promote and market Local Tourism organizations and Small, Medium and Micro Enterprises*
- *To create an environment conducive for investment*

#### **1.3.3 CORE VALUES**

*The values of Matatiele Local Municipality are:*

- *Respect: observing the Batho Pele principles*
- *Accountability: Taking responsibility for decisions and actions taken.*
- *Transparency: openness and public involvement in municipal affairs.*
- *Integrity: professionalism, a commitment to ethics, and focus on justice and fairness and accountability.*
- *Commitment: persevere as we seek to fulfil our duties and responsibilities.*
- *Efficiency: results orientation, cost effectiveness, superior performance, customer satisfaction.*

#### **1.3.4 DEVELOPMENT GOALS**

Development strategy for Matatiele Municipality is based on the notion of developmental local government as introduced in the Constitution, and given effect in terms of various pieces of legislation establishing local government structures. This mandate could be Summarised as follows:

- Social development, which includes promoting access to social services, addressing vulnerability, discrimination and poverty, and broadening access to the assets base for the poor.
- Economic development geared towards creating opportunities for employment and sustainable livelihoods.
- Infrastructure development as a means to address service backlogs and create opportunities for economic development.
- Institutional transformation focusing mainly on democratization, shift from control to governance, etc
- Establishment of legal and financial management systems as a means to enable efficient allocation of scarce resources.

- Integrated development and concern with sustainability issues serves as supporting and guiding principles for the implementation of the development strategy and the IDP generally.

#### 1.4 METHODOLOGY

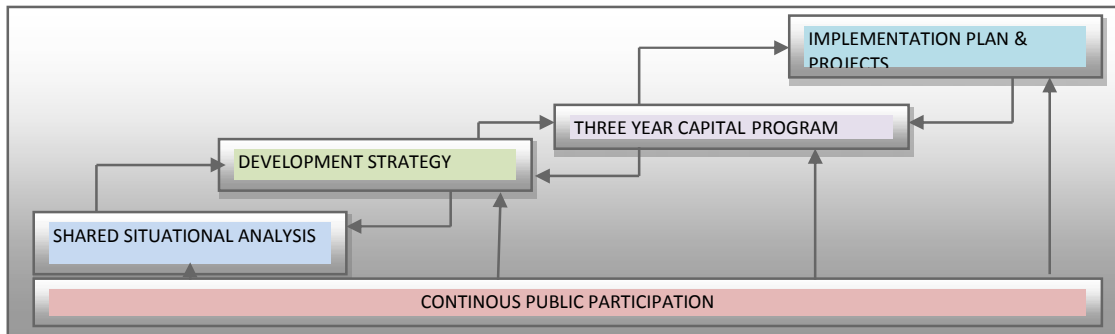
The preparation of this IDP is based on a Process Plan, which Matatiele Municipality adopted by council on the 31 July 2013, council resolution number CR 411/31/07/2013 in terms of the Systems Act, and 32 of 2000 at the beginning of the review process. The plan establishes a firm foundation for the alignment of the IDP and budget preparation processes. As such, one all-encompassing Process Plan was prepared for these two processes and adopted by Council to ensure proper management of the IDP planning process.

In addition, the preparation of the IDP preparation process took cognizance of the following:

- Preparation of the Executive Summary indicating the issues facing the municipality, development opportunities, municipal plans to address opportunities and constraints, institutional development programmes and five year service delivery programme.
- A shared and detailed analysis of the current situation. This should form the basis for the identification of key development issues, development opportunities and review of the strategic framework.
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities, and other role players in the IDP drafting process.
- Development strategy clearly indicating the long, medium and short terms development vision. These are expressed in the form of long term vision, medium term development strategies and short term interventions – projects.
- An indication of the organisational arrangements for the IDP process.
- Binding plans and planning requirements, i.e. policy and legislation and mechanisms and procedures for vertical and horizontal alignment.
- Alignment of the budget and the IDP expressed in the form of a medium term (3 years) capital programme corresponding with the medium term expenditure framework, one year capital programme indicating the projects to be implemented in this financial year, etc.
- Spatial development framework indicating a link between the IDP policy framework and the site specific Land Use Management System (LUMS).

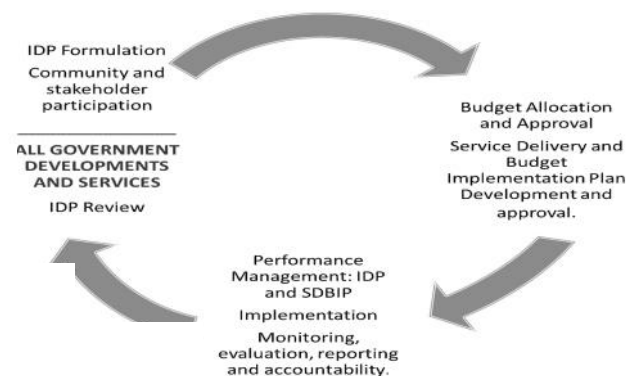
Further, the preparation of this IDP considered Section 26 of the Municipal Systems Act prescribes the key components of an IDP. In keeping consistency with this section of the Act, Matatiele Municipality IDP is presented four main sections as follows (refer to Figure 1):

- The Executive summary which gives the municipal overview and developmental challenges
- An outline of the key development issues and trends based on an analysis of the current level of development (Situational Analysis).
- A strategic framework which outlines a Council long term vision with specific emphasis on the municipality's most critical development objectives, actions plans and strategies.
- A capital program including a one year program, three year program aligned to the Medium Term Expenditure Framework and the Five (5) Year Plan.
- Implementation framework which includes sector plans particularly the financial plan, spatial development framework, organizational performance management system and an organizational transformation and institutional development plan.



### 1.5 ALIGNMENT OF THE IDP, BUDGET AND PERFORMANCE MANAGEMENT SYSTEM

The IDP is systemically aligned to the budget process, and the Performance Management System (PMS). The nature of the alignment is depicted on figure 2 below:



**Figure 2: The Matatiele Municipality IDP, Budget and PMS Linkages**

### 1.6 MEC COMMENTS

The MEC comments on the 2013/2014 IDP review rated the Municipality with an overall high rating. However, ratings of Low were obtained in the KPA of institutional Arrangements.

The MEC Comments were also taken into account specifically looking at improvement of these areas, namely:-

Improvements to be done on Institutional Arrangements and Development KPA.

The following are the assessment results for from 2010/11 – 2013/14

KPA	Rating 2010/11	Rating 2011/12	Rating 2012/13	Rating 2013/14
Spatial development Framework	medium	High	high	high
Service Delivery	medium	medium	high	high
Financial Viability	high	high	high	high
Local Economic Development	high	high	high	high
Good Governance & public Participation	medium	medium	high	high
Institutional Arrangements	high	high	low	High
Overall Rating	high	high	High	High

### 1.7 IDP ACTION PLAN

Action	Timeframe	Responsibility
HODs to be part of the IDP Assessment tool review stage in order to influence the development of the IDP Assessment tool	Annually	All HOD's
Draft IDP – to be verified for alignment with the IDP Assessment tool prior to submission	Annually	All HOD's
IDP to reflect on status of signed job descriptions per Department	Annually	Corporate Services
Organogram to be inserted in the IDP	Annually	IDP Unit
Public Participation Plan	December 2014	Corporate Services
Solid Waste Trade Effluent Policy Leachate Management Plan	Dec 2014 June 2015	Community Services
Environment Environmental Management By-Laws - Draft Bylaws be adopted	December 2013	Community Services
Environmental Management Framework - tabled to the STANCO in October 2013	October 2013	Community Services
Land, Housing, Agriculture Issues raised need to be reflected in the IDP document.	Annually	LED/EDP
Disaster Management, FBS & Energy (i) Disaster Management Plan - draft to Standing Committee & EXCO (ii) Disaster Management Bylaw (iii) Mapping of Potential Disaster Areas (iv) Link between SDF & Disaster risk vulnerability Report (v) MOU with other LM's in dealing with Disaster	October 2013 December 2013 September 2013 March 2014 December 2013	Community Services
Financial Viability. (i) Revenue enhancement Strategy (ii) Promulgation of Policies /By Laws	June 2014 June 2014	Budget & Treasury Office
Basic Service Delivery. Roads - & Transport Plan (i) CIP – draft to be presented to STANCO	October 2013	Infrastructure Services
Corporate Services Development of the HR Plan	October 2013	Corporate Services

## CHAPTER 2: CURRENT SITUATIONAL ANALYSIS

This section presents an analysis of the current development situation within Matatiele local Municipality. It provides background to the strategic framework and identifies development trends and patterns. It is based on information collected by means of stakeholder interviews, review of secondary data in the form of records and sector plans, IDP Forum meetings and IDP Community Outreaches.

### 2.1 OPPORTUNITIES WITHIN THE MATATIELE LOCAL MUNICIPALITY

The municipality has vast opportunities. These are inclusive of the following:-

- Heritage and eco-Tourism – The environment within Matatiele local Municipality provides several opportunities for eco-tourism development provided these would be harnessed appropriately and utilized on a sustainable basis.
- The largely rural wilderness areas for the development of ecotourism and wilderness education.
- Rugged terrain with its relatively undisturbed and water sources environment for biodiversity conservation initiatives.
- Huge wetlands system that provide suitable habitats for wildlife and raw materials for local economic activities.
- The heritage resources in the municipality that could augment tourism and education.
- The LED Strategy identified a strong potential for the development and promotion of winter tourism, cultural tourism, eco-tourism, agricultural tourism, adventure tourism, avi-tourism (e.g. bird-watching) and water sports facilities for supporting tourism.
- Matatiele CBD as a potential vibrant and dynamic rural centre – Matatiele town plays a significant role within the municipal area. It is an administrative, service and main economic centre with a threshold that covers the full extent of the municipal area and beyond. It is a link between Matatiele and other towns within the district as well as the major provincial centres and beyond.
- Value Adding Products – There is a strong potential for large-scale production, processing and marketing of local products in external markets (e.g. agricultural, forestry products and related products and sandstone) with the view to introduce value-addition activities in all economic sectors. The opportunities also exist for establishing and identifying new markets for locally-produced products and services. The need exists to explore opportunities for investment in activities, businesses or services currently not offered in Matatiele as well as exploring the potential for use of available underutilized land and other natural resources (e.g. rivers) resources for income generation purposes.
- High potential agricultural areas offer unique opportunities for cultivation and food security. Areas of high agricultural potential are identified as areas with inherent potential for cultivation based on the soil, slopes and climate of the area.  
It is recommended that activities that will result in the loss of agricultural potential such as the subdivision of land, settlement and extensive infrastructure development should not be undertaken in this zone.
- Ultimately these areas should not be developed for purposes other than agriculture, and should retain the opportunity for future agricultural production. As such, they should be maintained either for cultivation or grazing. In areas of high agricultural potential that also have high biodiversity value it will be important to attempt to identify land uses that may achieve both objectives such as grazing or less intensive cultivation that include areas to be set aside for biodiversity management. High potential agricultural land located within existing settlements but is too small or lack the appropriate infrastructure to become viable agricultural areas could be considered for small scale or intensive food production and urban agriculture. Agricultural



development should be promoted based on latent potential with high production potential land being reserved mainly for agricultural purposes.

- Extensive livestock farming should be promoted, particularly in communal areas. But, grazing land management programmes should also be introduced to address the increasing problem of soil erosion.
- Crop production (irrigated and dry land) should be promoted in low - lying areas and irrigation along the main river tributaries.
- Irrigation estates along the major rivers.
- Pastures and dairy in and around Cedarville.
- Farms stay within a five to ten kilometer radius from Matatiele Town and Cedarville should be considered for the establishment of smallholdings where limited processing of agricultural products and tourism facilities should be allowed. The same applies to farms located immediately along development corridors.
- Regional Access – R56 which runs through Matatiele in an east-west direction serves as the main regional access route that links Matatiele with other urban centres such as Kokstad to the east and Mount Fletcher to the south west. Secondary to the N2, it serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province. It is identified in the Draft Provincial Spatial Development Plan (PSDP) - Eastern Cape as one 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 Ongelukse area and commerce and industry in Matatiele. It forms the basis for a road system that connects different parts of the municipal area.
- Development along R56 Development Corridor should follow the following guidelines.
- R56 is a regional limited access and high speed public transport route; as such direct access onto this road is 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; and
- 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.
- R56 also provides an alternative shorter route to Cape Town with views of scenic beauty, which can attract both domestic and International tourist thereby promoting LED projects at some locations.

## 2.2 SWOT ANALYSIS

Integrated development planning is also about focusing on strategic areas of intervention and concern with interventions with a high impact using the limited resources available to the municipality, with the aim to achieve appropriate and sustainable delivery of services and create an enabling framework for social and economic development. With this in mind and the current situational analysis, Matatiele Local municipality has identified key issues and areas of priority and intervention towards achieving sustainable social and economic development.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Abundant natural resources: fertile soil and favourable rainfall conditions, natural forests and forestry plantations, flora and fauna, mountains and water (i.e. wetlands, rivers, streams, lakes, etc.),</li> <li>• Livestock, crop, poultry, pigs and bees raised in the municipality</li> <li>• Large parcels of undeveloped land</li> <li>• Approved SDF, IDP and other plans, strategies and policies</li> <li>• Existing social facilities and services</li> <li>• Tourism destination and ecotourism</li> <li>• Productive land for ploughing grain products</li> <li>• Sufficient land for agro processing industry development.</li> <li>• Conducive areas for a forestation</li> <li>• Existence of access roads leading to various villages in the wards</li> <li>• Regular road transport to some major centres of South Africa, including Durban and Gauteng, and existence of rail network and an airstrip,</li> <li>• Relatively low crime levels</li> <li>• EPWP initiatives</li> <li>• Sufficient airspace capacity available for disposal of general waste</li> <li>• Approved organizational structure</li> <li>• Financial Management systems in Place</li> <li>• Unqualified Audit Reports</li> <li>• Established performance management system</li> <li>• Good relations with Traditional leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Poor infrastructure and lack of infrastructure maintenance, complete lack of physical infrastructure and lack of access to municipal services, especially in the rural areas,</li> <li>• Skills shortages across economic sectors and limited scientific knowledge in the agricultural and forestry sectors</li> <li>• Debtors balance reduction.</li> <li>• 70% council grants dependency on budget</li> <li>• Limited financial resources to foster infrastructure development.</li> <li>• Ageing or infrastructure and equipment</li> <li>• The housing subsidy system to be in place and development of the municipal Management Plan.</li> <li>• town planning schemes and mapping (Cadastral planning)</li> <li>• Limited accommodation and few housing programmes for rental/middle income housing.</li> <li>• Sprawling rural settlements and Delays in resolving land claims</li> <li>• Poorly maintained Tourism Infrastructure and development of tourism development plan</li> <li>• Access to markets for fresh produce</li> <li>• No value addition for forestry.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Potential for use of available underutilised land and other natural resources (e.g. rivers) resources for income generation purposes</li> <li>• Strong potential for the development and promotion of winter tourism, cultural tourism, eco-tourism, agricultural tourism, adventure tourism, avi-tourism (e.g. bird-watching) and water sports, and of facilities supporting tourism,</li> <li>• Grant funding: MIG &amp; INEP, also Financial Support from Sector Departments and Agencies</li> <li>• Political stability in the Municipality</li> <li>• Available programmes within DRDLR to assist in rural planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of access to land and demarcation disputes hamper development: Ongoing land claim matters lead to slow allocation of land that can be used for business purposes</li> <li>• Labour force migration, HIV/AIDS and low school completion rates may adversely affect labour force participation rates in the municipality: Low skill completion rates can lead to a rise in unemployment and crime rates, which hamper development.</li> <li>• Forests face many threats, including fire, disease, drought, strong winds, snow, vandalism and trespassing by livestock, which can lead to damage to drains, soil structure and the trees themselves.</li> </ul>

<ul style="list-style-type: none"> <li>• Available skills from existing commercial farmers to foster opportunities for crop production, meat and wool processing.</li> <li>• Training and participation of local communities in forestry potential to improve retail sector.</li> <li>• Funding opportunities for SMMES</li> <li>• Opportunities for introduction of self-help projects for unemployed community members in both urban and rural areas</li> </ul>	<ul style="list-style-type: none"> <li>• Culture of non –payment for services</li> <li>• Electricity theft and tempering (electricity losses) and illegal connections</li> <li>• Occurrence of illegal activities; illegal dumping, illegal hunting and harvesting of flora &amp; fauna, unpermitted sand mining.</li> <li>• Slow capturing of rural housing beneficiaries</li> <li>• Stock theft, disease outbreaks and wild – fires.</li> </ul>
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## 2.3 DEMOGRAPHIC PROFILE

### 2.3.1 Population size and Distribution

Matatiele local municipality has a population size of 203 843 people, spread across 26 wards. A comparative demographical analysis demonstrates that Matatiele Local Municipality has the largest geographical size at 4352 within Alfred Nzo District Municipality. The area accounts for 41% of the district's population. In terms of Population density, Matatiele local Municipality has a rather lower density (46.8 p/square kilometre) within ANDM. The population growth over the past ten year is estimated at 0.46%

Area	Area Size (Km <sup>2</sup> )	Population (persons per km2)	Density	Population Estimate Census 2011
South Africa	1,221,037	42.4		51,770,560
Eastern Cape	168,966	39		6,562,053
Alfred Nzo DM	10,731	74.7		801,344
<b>Matatiele Local Municipality</b>	<b>4,352</b>	<b>46.8</b>		<b>203,843</b>
Umzimvubu Local Municipality	2,577	74.4		191,620
Ntabankulu Local Municipality	1,385	89.5		123,976
Bizana Local Municipality	2,417	116.6		281,905

**Table: 1 population size. Source: STATSSA, Census 2011.**

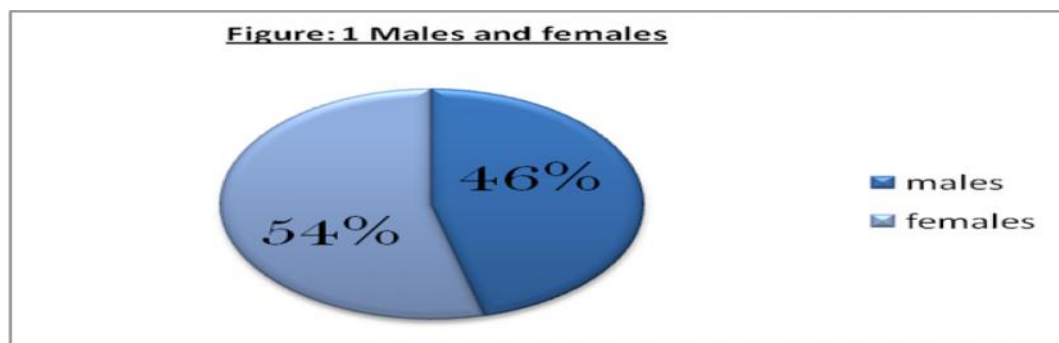
The population of Matatiele local municipality is distributed unevenly over 26 wards as reflected on table2 below. The number of villages per ward also varies in size and number. Ward 2 has the largest population within the Municipality, with ward 19 having the smallest population. It also to be noted that, in terms of the number of households; Ward 20 has the largest number of households within the municipality. The majority of the population is African and most of them reside in rural villages and formal townships around Matatiele, Maluti and Cedarville. The total household size is estimated at 49 527 households; (48491) is African, (410) is Coloured, and (403) is White, (149) is Asian/ Indian and (74) are classified as other. On average, the household's size in Matatiele Municipality is 4.

Wards	Population size per ward	Number of households in a ward
1	6 434	1 330
2	13 574	3 069
3	7 811	1 880
4	8 324	2 006
5	8 474	2 037
6	7 399	1 968
7	7 611	1 684
8	9 747	1 207
9	6 605	1 659
10	8 864	2 155
11	11 421	2 815
12	6 626	1 643
13	8 241	1 672
14	6 586	1 678
15	6 715	1 855
16	6 405	1 652
17	8 509	2 200
18	7 253	1 921
19	4 124	1 378
20	11 816	3 548
21	7 142	1 625
22	6 288	1 752
23	6 344	1 553
24	5 570	1 378
25	7 067	1 659
26	8 894	2 202
<b>Grand Total</b>	<b>203 843</b>	<b>49 527</b>

Table 2: Source: STATSSA; SuperCROSS. Copyright © 1993-2013 Space Time Research Pty Ltd. All rights reserved

### 2.3.2 Gender Differentiation

Matatiele Local Municipality has a slight imbalance between the females and the males. The females outnumber the males such that they constitute 54% (110167) of the population while the males amount to 46% (93675) of the population. Nevertheless this confirms with the national trends that a higher proportion of women are found in the dominant rural areas than men. 55.3% of the households are female headed.



### 2.3.3 Age Composition

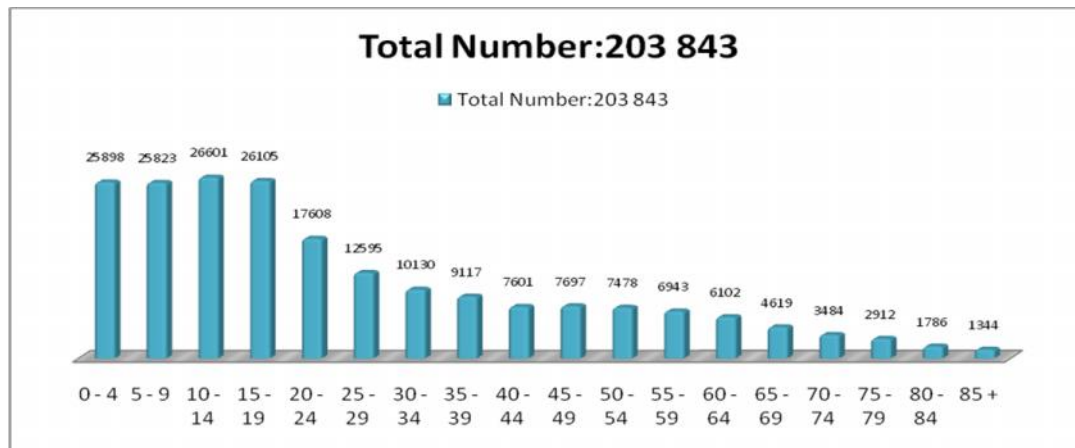


Figure 2: population per age group; Census tables, 2011

The age composition or structure influences the kinds of economic activities within the locality. Different age groups have different economic needs and different spending patterns. According to the Census 2011, 71% of the population within the municipality is younger than 35 years of age and only 7% are over 65 years of age. The age profile shows a large proportion of the population being young people between ages 0 and 34 years old. This trend in age composition points out that priority should be given by the Municipality, Sector Departments and other stakeholders to ensure that a large percentage of the budget is allocated to social development facilities and youth Empowerment initiatives in order to meet the needs of a youthful population and ensuring that people falling within this age acquire relevant skills. The creation of more job opportunities is one of the key aspects of the developmental issues by the municipality in partnership with the sector departments and other stakeholders.

## 2.4 SOCIAL ECONOMIC PROFILE

### 2.4.1 Education Profile and Literacy Levels

Education plays a pivotal role on community development. It provides a set of basic skills for development, creativity and innovative abilities within individuals. The South African Constitution provides that everyone has a right to education, which includes Adult Education and Training. The Literacy levels within Matatiele Local Municipality have improved over the last ten years. There is a significant growth in the number of children attending school. The table below shows a comparison the last 10 years.

EDUCATION (aged 20 +)								
	No Schooling		Higher Education		Matric		Primary Educational Enrolment (aged 6-13)	
	2001	2011	2001	2011	2001	2011	2001	2011
EC441: Matatiele	23.2	9.4	4.0	3.1	8.3	12.7	90.9	94.4

Table 3; education levels, census 2011 municipal fact sheet.

The percentage of non-scholars has dramatically declined from 23.2% in 2001 to 9.4% in 2011. This shows the progress that has taken place over this period. The percentage of Children between the ages 6-13 that have enrolled in school increased from 90.9% in 2001 to 94.4% in 2011. It is observed

that although the percentage number of people with matric increased to 12.7%, the percentage number of people in higher education has declined from 4.0% to 3.1% between 2001 and 2011. The reason for this could be attributed to poor financial backgrounds, in that most students after Matric do not have the financial means to further their studies.

#### **2.4.2 Employment Profile**

The economically active population (EAP) is defined as the number of people who are able, willing and who are actively looking for, work and who are between the ages of 15 and 65. It thus includes both *employed* and *unemployed* people. The population which is economically active in Matatiele Local Municipality is recorded at 112 338 people (Census 2011). The unemployment rate is currently estimated at 38.2 %.

#### **2.4.3 Income Profile and Indigent Support**

Matatiele Local Municipality is characterized by high levels of unemployment and unequal distribution of income, this however is a characteristic seen in the rest of the country. Census 2011 indicates that an average household size in Matatiele Local Municipality is 4, therefore requiring a minimum of R2658.00 per month to survive. In reference to this, it is estimated that 25 358 households in Matatiele Local Municipality live below this average. This has created a large number of people with high dependency on social assistance in the form of grants. Municipal planning recognises the need to focus strongly on poverty alleviation mechanisms as well as job creation. The Municipality has a credible indigent register, with 12 104 households registered. Currently the indigent support is in the form of free basic electricity, non-grid energy, and alternative energy and refuses removal. There is an adopted Indigents Support policy. Table 4 below lists the beneficiaries per ward and the type of service provided.

WARD NO	Refuse	Rates	Eskom Electricity	Municipal. Elec	Non - grid Energy	Total Indigent
1	33	33	101	0	50	153
2	0	0	152	0	108	267
3	0	0	85	0	35	120
4	0	0	421	0	391	1152
5	0	0	0	0	622	622
6	0	0	112	0	63	175
7	0	0	0	0	420	931
8	0	0	83	0	418	570
9	0	0	0	0	359	465
10	0	0	1023	0	190	1214
11	0	0	69	0	19	99
12	0	0	100	0	245	345
13	0	0	0	0	166	166
14	0	0	0	0	305	426
15	0	0	0	0	96	96
16	0	0	0	0	101	101
17	0	0	274	0	241	515
18	0	0	38	0	725	779
19	41	41	0	41	0	41
20	490	490	65	599	311	1311
21	0	0	343	0	21	366
22	0	0	0	0	235	460

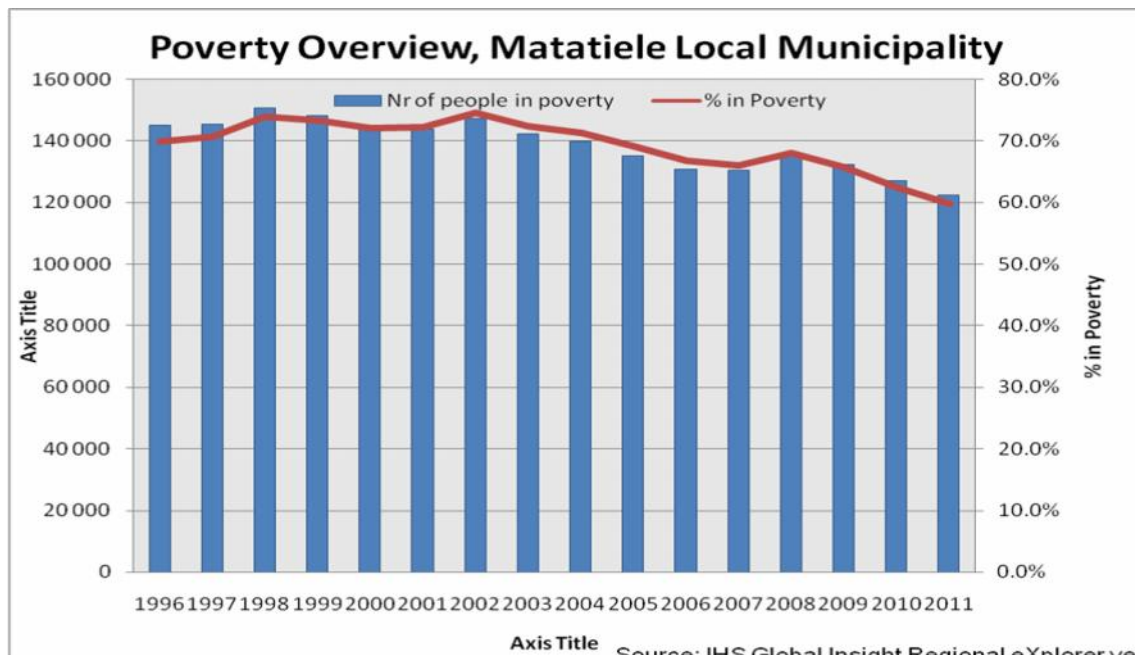
23	0	0	215	0	332	599
24	0	0	70	0	310	401
25	0	0	58	0	44	102
26	434	434	244	0	350	628
<b>TOTAL</b>	<b>998</b>	<b>998</b>	<b>3453</b>	<b>640</b>	<b>6157</b>	<b>12104</b>

**Table 4: Beneficiaries per indigent register**

#### 2.4.4 Poverty Levels and Indicators

The number of people in poverty is the number of people living in households that have an income less than the poverty income, i.e. the minimum income required to sustain a household according to the particular household size. The percentage of people in poverty is the number of people in poverty as a percentage of the total population in a region. In Matatiele Local Municipality, there are still large numbers of people living in poverty. The estimated number of people living in poverty is 122 537, that is almost 60 percent of the population. The situation gives rise to an even greater need for indigent support and also a high number of people who are grant dependant.

Looking at the poverty trends For Matatiele Local Municipality, there seems to be a decline in the number of people living in poverty over the years. Although the change is not significant, this however shows improvement in the efforts to eradicate poverty. The figure below highlights the Poverty Overview for Matatiele Local municipality form 1996 to 2011.



**Figure 3: poverty overview**

Source: IHS Global Insight Regional eXplorer version 655

Looking at the graph, it gives an indication that the percentage of people living in poverty was at its lowest in 2011 since 1996, that being said, this percentage of approximately 60% is still high, as it indicates that over half of the population of Matatiele still live in poverty. The Poverty Gap indicates how much extra all of the poor households combined would have to earn each year to rise up to the poverty income. Currently the poverty gap is sitting at 427 (Rm).

#### **2.4.5 HIV/AIDS**

Matatiele local municipality has an HIV/AIDS strategy in line with the national strategy. *The strategy* focuses on issues that are critical in developing the multi-sectoral municipal response to HIV/AIDS. The impact of the pandemic on the livelihood of the communities is reflected as:

- *Impact on Family Life and Children*
- *Provision of Service Health, Education and Welfare*
- *Impact on Local Economy*
- *Impact on community and poverty*

There are currently 23 500 people living with HIV/AIDS within the municipal area. Over the last five years, the number has decreased slightly. This can be attributed to the efforts and programmes from various sectors, aimed at reducing the rate of new infections, reducing the impact of HIV/AIDS on individuals, families, communities and the broader society by ensuring improving access to treatment, care, support and service delivery targeting the infected and affected.

#### **1.5.6 Migration**

##### **Background**

South Africa currently faces a scenario where unknown number of immigrants are living along the borders, creating insecurity and worsening the problem of porous borders. The escalation of this problem post the democratic breakthrough has amongst others worsened the political and security problems and the fraudulent and illegal entry into the National Population Register (NPR). migrants may be defined as foreign-born, foreign nationals, or people who have moved to South Africa over a period of time.

The Department has identified about 35 local municipalities across the country with varying degrees of concentration of border migrants. These include Musina, Lephalale, Phalaborwa and Thabazimbi (Limpopo); Phongolo, Golela, Umhlaluyalingana, Kwa-Sani, Mkhuze (KwaZulu-Natal); Maluti-a-Phofung, Dihlabeng, Setsotso, Maletswai, Mantsopa (Free State); and Matatiele (Eastern Cape). Of these, Matatiele and Kwa-Sani were identified as the first areas to kick-start project implementation followed by Mantsopa and Phalaborwa.

Awareness has been raised on the importance of integrating migration management into local planning processes as such some Government Departments and Municipalities have started integrating migration strategies into their programmes and plans. This has helped towards strengthening the social fabric of local communities and enhancing their social capital.

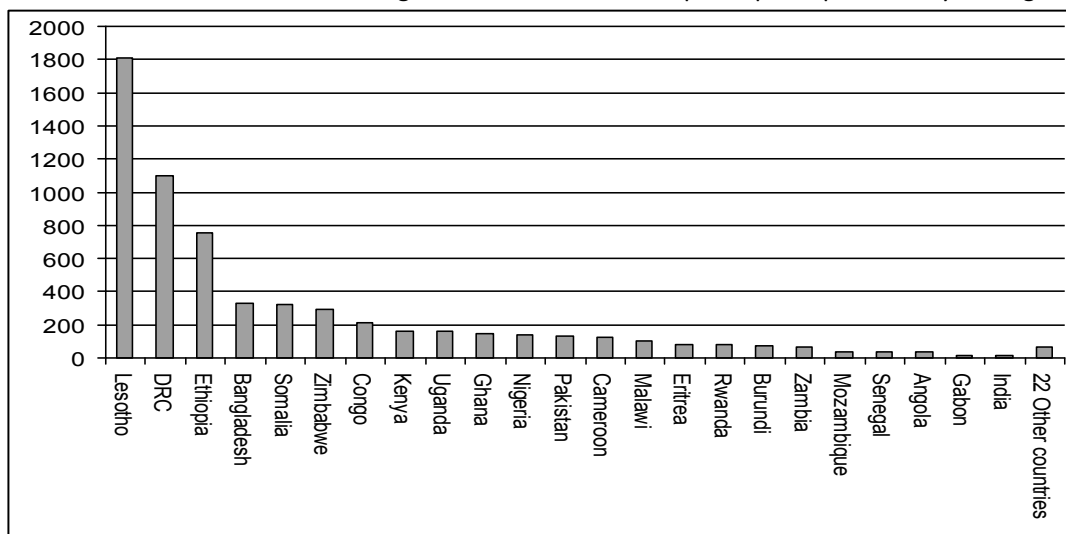
##### **Profiling Of Foreign Nationals**

A survey was conducted in from April to August 2012 in Matatiele. The key strategic goal of the survey project was to build a secure and credible database of all immigrant communities and families who have settled in and around the border areas of the country. Such a database will contain the following key sets of information:

- Estimated number of immigrant communities and their families residing along the border lines;
- Countries of origin; duration of their stay in the country;
- Reasons why they are in the country;
- Types of documents in their possession and whether they are willing to return all documents obtained illegally to relevant authorities;
- Their current economic activities in the country etc.



The survey was voluntary and a total of 6,291 migrants participated in the survey in Matatiele. Of the participants, 29% came from Lesotho. This came not as a surprise since Matatiele Local Municipality is bound on the north by Lesotho. The rest come from other African countries, and some countries such as India. The figure below will show the participants per country of Origin:



**Figure 5: number of people per country of origin**

The findings of the Survey also revealed that migrants come to the country for reasons such as looking for work opportunities, studying, wanting to start a new life, wars and conflict in their country of Origin, poverty amongst other things.

## Migration Support Office

Matatiele Local Municipality in partnership with Department of Home Affairs (DHA) and the United Nations Development Programme (UNDP) took an initiative to establish a Migration Support Office which will act as a single point of contact for migration related issues. The initiative to establish the Migration support office is part of the project to Support the South African Government to Strengthen Communities of Diversity and Peace that is funded by the European Commission and implemented through the United Nations Development Programme.

A Help Desk office will be established with the main purpose of enhancing and advancing the current Home Affairs programme on documentation of citizens, both in land and cross border migrants. Through partnerships with the Department of Home Affairs the Desk will establish a database system that can be used by all relevant parties for planning and other related purposes. Three (3) staff members would be trained to provide the services. The launch of the Migration support office on the 16<sup>th</sup> May 2013.

## 2.1 ACCESS TO BASIC SERVICES

### 2.1.1 Water

The IDP Community Outreach conducted by the Matatiele Local Municipality in all 26 Wards during the month of September 2013, identified that there is still a great backlog in provision of water services. About 5441 and 4154 households still draw water from springs and dams respectively. In some areas people draw water from rivers and also rely on rain water. This presents a challenge

during winter and seasons of draught. From table 5 below, it is noted that almost 49% of the household have access to clean drinking water through a local water scheme.

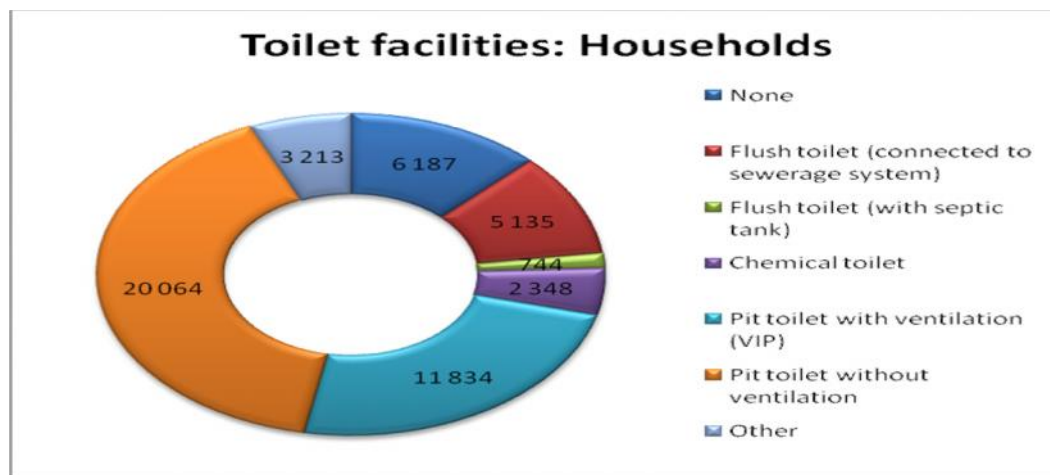
Census 2011, Municipality, piped water by population group of head of the household	
<b>EC441: Matatiele</b>	
Piped (tap) water inside dwelling/institution	6 034
Piped (tap) water inside yard	7 637
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	14 323
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	5 279
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling/institution	2 117
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	1 282
No access to piped (tap) water	12 855
<b>Total</b>	<b>49 527</b>

**Table 5: piped water by household, Census 2011 municipal tables**

The backlog of RDP standard water provision in Matatiele is therefore sitting at 51%, this figure is less than the 64 % recorded in 2007. That being said, it is to be noted from table 5 that about 12855 households have no access to piped water. In some villages, people still travel several kilometres to access water, people in approximately 1282 households travel more than 1 km to access water. The District Municipality has identified this need and has commissioned a study to report on the implementation of a Rural Bulk Raw Water Supply Scheme for the area and feasibility studies are conducted in wards such as ward 5& 7.

### 2.1.2 Sanitation

During the September 2013 IDP Community Outreach, it was identified that there is still a need for toilets in other villages. The District Municipality has made progress in that, a large number of households have been provided with ventilated pit toilets. Waterborne sanitation is only provided in urban areas. Toilets in rural areas comprise VIP toilets while the bucket system has been totally eradicated.



**Figure 6: toilets facilities by households, census 2011 tables**

Figure 6 above shows that approximately 6187 households have no form of toilets facilities. Hygienic toilet by definition includes flush toilets, chemical toilets and pit latrines with a ventilation pipe. It is

therefore determined that only 36% of households have hygienic toilets. This leaves 64% of households with no hygienic toilets.

### 2.1.3 Energy

Eskom is the licensed distributor of electricity in the majority of the municipal area with the exception of the town of Matatiele and Cedarville where Matatiele Local Municipality is the licensed distributor. There is still a huge backlog, although progress has been made. The 2013 IDP community Outreach revealed that in almost all the other 25 wards, Electricity is a priority. Census 2011 revealed the 22 223 households use electricity for lighting; while about 20 139 still make use of candles for lighting.

The electrification of houses by Matatiele Local Municipality is ongoing, but not at the desired pace, primarily due to financial and power capacity constraints. Areas for prioritised intervention include the Upgrade existing sub-station feeding Matatiele, investigate means for rural communities to access alternative free basic energy and facilitate to accelerate access to electricity and lobby for funding to address backlogs for the provision of universal energy in rural areas .

There are a few wards that have electricity, with the exception of ward 19 which is fully electrified; the other wards have various villages with no electricity. The municipality has made means to provide solar power, stoves and gels as a temporary solution to households which have no electricity. Over the past year, Eskom has electrified 800 households in ward 16 and 450 households in ward 08. The municipality has also been able to electrify 400 households in Harry Gwala.

Referring to the figure below, only 45% of households use electricity for lighting, leaving 65% of household's using alternative means of energy for lighting.

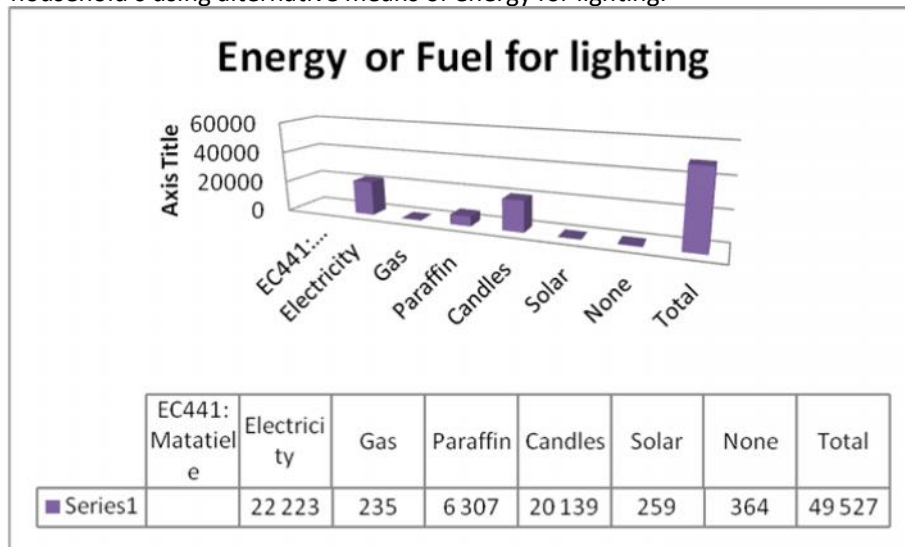


Figure 7: Census table 2011

### 2.1.4 Solid Waste

The Matatiele Local Municipality is responsible for waste management in their area of jurisdiction.

Census 2011 by Municipality, refuse removal by population group of head of the household	
<b>EC441: Matatiele</b>	
Removed by local authority/private company at least once a week	5 395
Removed by local authority/private company less often	940
Communal refuse dump	560
Own refuse dump	35 014
No rubbish disposal	5 973
Other	1 645
<b>Total</b>	<b>49 527</b>

**Table 7: Census 2011 municipal tables**

Matatiele Local Municipality is responsible for waste management in their area of jurisdiction. The Municipality collects household refuse from all three urban areas on a weekly basis and has started removal in some rural areas. A developed and licensed waste disposal site has been operating in Matatiele since 2008. This site has the capacity to accommodate all the waste from the urban areas for at least the next 15 years. There is however a large number of households who still use their own means of disposing waste; this puts the waste removal backlog at 86%.

MLM is also in the process of introducing an integrated waste management system that includes a recycling component that will contribute to local economic development and cleaning of the environment. Obtain a copy of the District WMP, coordinate initiatives, and investigate the expansion of refuse removal services and facilities to prevent indiscriminate dumping in rural areas.

## **2.2 TRANSPORT INFRASTRUCTURE**

At a broad level, Matatiele has a well-established road system comprising of provincial, district and local access roads. This improves accessibility and connectivity at a regional scale and serves as an opportunity for corridor based development. R56 is the main provincial road linking KwaZulu-Natal and Eastern Cape through Matatiele.

The other provincial roads that play an important role in terms of linkages include P612 which link the area with Lesotho. There are also provincial routes that play a significance role in terms of linking various parts internally within Matatiele. These routes are P607, P604, P649 and P605. District Roads connect different settlements and provide access to public facilities. These district routes include DR639, DR641, DR642, DR660, DR643 and DR611. There are also Local Access Roads which provide access within each village.

### **2.2.1 Road Network**

The construction and maintenance of provincial roads is the responsibility of the Department Of Roads and Public Works, and the district roads are maintained by the district municipality. On the other hand, Construction and maintenance of access roads is the competency of the Local municipality. Maintenance includes re-gravelling, storm water drainage, bridges, pothole patching, paving, Road signs and road markings.

The municipality is also responsible for the construction and maintenance of sidewalk, foot paths in an around the three towns. The main role player at Matatiele Local Municipality is the Infrastructure services department. The municipality currently has developed a draft Consolidated Infrastructure Plan which incorporates the Roads Master Plan, Electricity plan as well as a Storm Water Management Plan.

This improves accessibility and connectivity at a regional scale and serves as an Opportunity for corridor based development. The estimated Access road backlog is 52% (Community base outcome).The modes of transport that are mainly used by the community are public transport and private transport. Matatiele Local Municipality is currently using the District Municipality's Integrated Transport Plan.

### **2.2.2 Public Transport**

Various means of public transportation are used within the municipality. Buses, Taxis and vans are commonly used as form of transportation from one place to another. Vans are common in rural areas and are used to transport people to the towns, where they can access services. There are currently four (4) operational taxi ranks, and 1 bus rank in the Matatiele town. Despite some investments in new roads and maintenance there remain local communities who are isolated and disconnected due to poor road infrastructure.

This has significant consequences in terms of local economic development as well as service delivery, especially accessibility to emergency ambulance services. Transport whether motorized or non-motorized faces many challenges within the Municipal area. These can be summarized as follows:

Access roads need maintenance;

- Unavailability of adequate public transport facilities especially for the disabled;
- Lack of cooperation between public transport operators and the municipal authorities;
- Lack of institutional capacity at Local and District Municipal level to manage transport planning and implementation;
- Limited of pedestrian and non-motorized transport facilities.

The Department of Transport did initiate some rural transport initiatives including:

- The AB 350 which established 16 buses on various routes in Matatiele
- Scholar transport was operated by a number of schools in the Municipal area

Areas of prioritised intervention include Maintenance of roads, improving on regulation to improve of road worth scholar transport. Investigate traffic calming measures within areas of high accidents and facilitate the provision of adequate public transport facilities especially for the disabled. Improve cooperation between public transport operators, the municipal authorities. Build and improve institutional capacity at Local and District Municipal level to manage transport planning and implementation. There have been measures put in place to be improve traffic management within Matatiele (town); traffic lights have been put in 6 major intersections.

### **2.2.3 Rail**

The Municipality does not have an established public and goods rail transport system. However, a railway line runs through the area connecting the area with KwaZulu-Natal towns (Kokstad and beyond) although it has not been in use for over three years.

### **2.2.4 Air Transport**

There is no established and operational air transport system. A small landing Strip (airstrip) exists within both Matatiele and Cedarville. The aerodrome in Matatiele has been newly renovated.

## **2.3. ACCESS TO COMMUNITY FACILITIES**

### **2.3.1 Health**

Matatiele has one (1) Hospital, Taylor Bequest Matatiele Hospital, one (1) Khotso TB Hospital, Maluti Community Health Centre, 17 Clinics and 2 Mobile clinics. The application of the planning standards suggests that a population of 50 000 people needs to be provided with a Hospital while 6000 people need to be provided with a clinic. This therefore suggests that the Area is supposed to be serviced by 5 hospitals and 43 clinics which suggest a backlog of 2 Hospital and 19 clinics. Substantial inroads have been made in terms of the provision of health Care facilities including non-profit Organisations offering health care to communities.

There remain significant challenges in the provision of health services including:

- The provision of facilities falls short of the Departments desired norms of providing all inhabitants of the municipality with access to at least a primary health care facility within a radius of 5 km that has the capacity to serve between 8000 – 12000 people. This is largely attributable to the rural nature of the area.
- All most all facilities are short staffed.
- Clinics are unable to render the full range of services at this stage and many are hampered by a lack of communication with no telecommunication network within the area and electricity.
- Some clinics are underutilized and this is primarily attributable to the perception that the aim of clinics is to provide curative and not preventative services.

### **2.3.2 Education Facilities**

Maluti District is made up of 194 schools, 31 combined schools, 138 primary schools and 25 High schools. There are no existing tertiary education facilities within the Municipal Area. An application of planning standards for education facilities, suggest that: 1 primary school per 600 households and 1 secondary school for every 1200 households. The backlogs in terms of both the primary schools and secondary schools can be determined based on these standards.

The PGDP identified education, agriculture and industrial development strategy as the main ingredients towards poverty eradication. Therefore education remains an important factor in the development of our country and the municipality. Through education, individuals are prepared for future engagement in the labour market, which directly affects their quality of life as well as the economy of the country.

The Provincial Strategic Priorities identifies Strengthening Education, skills and human resource base as one of the strategic priorities. The municipality therefore has to also prioritise skills development, particularly in areas where education levels are low. AET is also provided.

A great deal of progress has been made in the construction of schools. During the IDP Community Outreach, a number of schools identified the need for new classrooms, admin block, toilets, fencing, water tanks, laboratory, library, electricity, security rooms and assembly slabs. There is also a great need for preschools. The department has committed to the eradication of mud structures as well as provide better and quality structures. Currently, construction and upgrading of Bokamoso SPS (ward 20) and Mrwabo J.S.S (ward 18) are underway. The facilities include 4 new classrooms, office and store, 1 reception classroom, 9 pit toilets, external works including assembling slab, security fencing and 4 rain water, an electric conduit at Mrwabo and 7 new classrooms, Resource centre, Admin Block, Soup kitchen, Fencing and Site works at Bokamoso.

### **2.3.3 Cemeteries**

The municipal cemeteries satisfy the existing service demand but there is urgent need to expand current capacity and ensure that all communities have access to adequate burial facilities. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones. Cemeteries in the three towns have been fenced. The areas of prioritised intervention include the identification of all rural cemeteries which must be fenced and maintained. There is a need to look at options to expand current capacity or identify new site in Matatiele, Cedarville and Maluti and investigate the provision of extended cemetery services to ensure that entire area has access to services.

#### ***2.3.4 Sports Facilities***

The municipality comprises mainly of a youthful population and this warrants that specific Attention should be given to the development of sport and recreation facilities and initiatives. Currently there are only three (3) formal sport stadiums with limited facilities in the urban areas. The IDP Community Outreach revealed a greater need for Multipurpose Centres and Sports Fields in all wards; as such each ward has prioritised Sports fields as a need. All facilities are maintained as and when required, but require upgrading. Priority has been given to the provision of sport fields in the rural areas to encourage the youth to participate in sports. There is a need for a Sport complex in Matatiele (town) which will cater for a variety of sporting codes as well as indoor games.

#### ***2.3.5 Community Facilities***

The municipality currently has (36) community halls on the asset register, which are available for the use by the Community, however during the 2012 snow Disaster, ward 10 community halls were destroyed and another hall in ward 21. The condition of the majority of these facilities is fair. The Municipality does no longer prioritise the building of community halls since through community identification of priority needs; it has proven that there are more urgent needs to be given priority prioritized such as roads, water & electricity.

#### ***2.3.6 Libraries and Museums***

There is a need for libraries especially for the majority of learners in rural areas. Within the Municipality there are currently three libraries and one mobile library at Mango Village. The libraries in the Matatiele, Cedarville and Maluti are functional while Mango Library needs electricity. The provision of libraries and museums is the competency of DSRAC. There is one Museum in Matatiele Town.



## **2.4. PUBLIC SAFETY AND SECURITY**

### **2.4.1 Police Services**

Within the municipal area, there are currently 6 police stations, serving the communities. Crime has the potential to impact negatively on the local economic development of the municipal area, and for this reason it is imperative that the Municipality play an active role in ensuring the safety of their Community. It is worth noting that the Military has returned to Matatiele Local Municipality and are responsible for the safe Guarding of the border's posts to Lesotho. The official hand over was done on 9 May 2012.

When analysing the crime statistics within the municipality, it becomes evident that stock theft, Assault with the intent to inflict grievous bodily harm, burglaries at residential areas are the highest in the area. Prioritised intervention include lobbying for increased visibility of SAPS in Maluti and Matatiele as it has been noted that crime seems to be high in ward 1 and 2, create awareness around police forums; and lobby for additional police stations or satellite police units. Efforts need to be put in place to encourage participation of other stakeholders and the community at large in the fight against crime, such as community safety forum.

### **2.4.2 Disaster Management**

The District Municipality is providing Disaster Management services on a large scale within the Matatiele Local Municipality. Matatiele Local Municipality provides immediate Disaster relief, support and other initiatives throughout the local municipal area. The Municipality is currently developing the Disaster Management Plan, linked to the ANDM Disaster Management Plan. In recent years, there has been a prevalence of Disasters, natural and other. The following are some of the frequently occurring disasters in the Matatiele local Municipal Area;

- Wild fires
- Floods
- Heavy snow disasters
- Heavy Storms & tornados

Within Matatiele Local Municipality, The Disaster, Fire and Rescue unit functions to provide emergency and rescue services. Although the unit is operational, there are challenges experienced which may hinder the sustainable progress on disaster Management. Some of these challenges are;

- Limited financial and human resources
- Lack of equipment and tools
- Awareness on disaster Management
- Lack of support and integration of services from other stakeholders

Although there are challenges being experienced, there are plans in place to address some of these challenges. In the coming financial year, the unit plans to get funds to carry out the proposed projects which will include: training of 260 volunteers in the wards, 10 fire fighters and also appointment of experts on fire and rescue.

### **2.4.3 Housing**

Even though housing is the competency of the Department Human Settlements, the Municipality plays an active role providing support to Human settlements development .The Municipality has a functioning Human settlements office providing services in the form of:

- Beneficiary identification & Administration
- Community Consumer Education
- Housing Demand Assessment & Management
- Project Management
- Emergency Human Settlement assessment and Applications

The housing backlog is considered to be enormous in Matatiele. This backlog occurs mainly in the traditional areas as well as the informal housing settlements found in and around towns. A continuous flow of people from rural to urban areas – urbanization – has vast implications on the housing backlog.

Housing delivery is hindered by red tape bureaucracy in accessing funds and there is a lack in the variety of alternatives when it comes to housing projects within housing policies. The construction of houses is also affected by expenses related to the delivery of materials because of the geographic location. The rate at which houses are built is relatively slow. Housing delivery is affected by issues such land invasion and non-conformity to approval standards. The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being spaces where implementation takes place.

Within the urban areas, housing development is generally occurring, but within the rural or communal areas, the provision of housing has still currently on going. When it comes to housing and housing delivery the Matatiele area stands to an advantage because the capacity in terms of skilled and qualified builders is available.

The IDP also reveals that the people are willing to be actively involved in housing programmes. It is predicted that with these advantages emerging building material suppliers may grow stronger and ultimately impact on the economic growth and job creation. Housing growth/subsidies by National Department of Housing and Provincial Government present an opportunity to improve Housing delivery through access of social grants. Public participation is an important component of housing delivery and fortunately as already mentioned above the people are generally willing to Participate.

The Municipality has developed adopted the Department of Housing' housing sector plan. Development of a Housing needs register is in underway and as such capturing has started which will assist in identifying areas with housing needs. Lack of reliable data on housing demand and lack of uniformity in the current system has let to mal-administration and fraud regarding the allocation of housing subsidy financed dwellings surfaced. To over this problem or challenges we have to ensure the existence of consolidated lists and that there is integrity to the lists and that people have confidence in these lists. The target is that we should have a single integrated database of potential beneficiaries captured and data verified for accuracy.

A land audit is currently underway which should be able to assist with additional information to the land asset register. The Municipality has a land and buildings register and a valuation roll. With regards to mechanisms to control land invasions, Matatiele Local Municipality is working with the Department of Rural Development and Land Reform to address the situation. It also recognised that the issue of controlling land invasions should be a joint effort including other stakeholders such as

the Traditional leaders, SAPS, and the community in general. Day to day inspections, awareness campaigns and workshops, have assisted the municipality to deal with land invasions.

The following is the status of current housing projects as well as the planned projects:-

DESCRIPTION	No of UNITS	STATUS
<b>Completed Projects</b>		
Harry Gwala (Top-structure)	583	Completed
Kwa-Sibi Village	16	Completed
Caba-Mdeni	300	295 houses complete
<b>Current Projects</b>		
Masakala	500	Contractor appointed – site establishment
Thaba-chicha	500	Pre-planning stage
Mvenyane	500	Pre-planning stage
Maritseng	1500	Pre-planning stage
Mafube	300	On progress
Mehloloaneng	989	Beneficiary Administration
Queens mercy	300	Contractor appointed
Pote	40	Beneficiary administration
<b>TOTAL NUMBER OF UNITS</b>		<b>5 982</b>

Table 8: Completed and Current Housing Projects

The housing backlog which occurs mainly in the traditional areas as well as the informal housing Settlements found in and around towns is considered to be enormous in Matatiele. Some of The issues surrounding housing is:-

- Unmanaged urbanization has huge implications on the housing backlog. Housing delivery is hindered by red tape bureaucracy in accessing funds and there is a lack in the variety of alternatives when it comes to housing projects within housing policies. The erection of houses is also affected by expenses related to the delivery of materials because of the geographic location. The rate at which houses are built is relatively slow and the houses are prone to disaster.
- Housing delivery is also affected by issues such land invasion and non-conformity to approval standards. Within the urban areas, housing development is generally occurring, but within the rural or communal areas, the provision of housing has still not been addressed. When it comes to housing and housing delivery the Matatiele area stands to an advantage because of its capacity in terms of skilled and qualified builders.

As a rural Municipality, rural housing delivery has been prioritised as a key housing human settlements delivery strategy. The objective of the rural housing scheme is to give rural communities an opportunity to benefit where they live in order to reduce urbanisation. The municipality has managed to develop few housing projects though there are still housing backlogs. Housing demand is defined as the number of households requiring formal housing. Traditional housing is perceived as an acceptable form of housing and the majority of the traditional population lives in this form of housing. The majority of the population in the municipal area reside in traditional houses with formal and informal houses concentrated mainly in urban areas. The community base plan estimates the current backlog of RDP houses to be 77%.

These are some of the challenges that are encountered in addressing housing backlogs:

- Difficulties in locating missing beneficiaries lead to delays in many housing projects. The Municipality should develop an effective policy to administer this issue. Thereby avoiding the enormous delays encountered.
- Land Claims are also posing challenges in addressing the rural Housing backlogs. Although in some areas land claims have been addressed, there are areas such as Matshemla area (ward 19). The issue of Land Claims has the potential to pose challenges even on future development plans.
- The delay in the payment of contractors is a risk. Projects that experience this challenge often fall behind schedule. The payment of Contractors is the responsibility of the Provincial Department of Housing. Systems for processing contractor claims should be improved.
- The delay in the finalising of rectification projects is a cause for concern. The condition of some of the houses that need reconstruction does not improve in the meantime. The Municipality should pursue the matter with the Provincial Housing Department.
- Lack of proof of ownership of sites in rural areas. Beneficiaries in Rural Housing Projects sometimes do not have the rights to the site. They acquire sites depending on verbal agreements with site owners. When site owners dishonour their agreements for approved subsidies, delays are encountered. Two of the rural housing projects were affected by this issue. This is an implementation risk for which there are minimal remedial actions that can be effected.
- Beneficiaries often decide on re-location after they have been approved in a particular project. This causes problems as such beneficiaries would have to be de-registered and new beneficiaries allocated. Delays become unavoidable as a result. This issue suggests that Communities are not static but indeed dynamic. It is also clear that, despite the consumer awareness workshops at registration of subsidies is sometimes not fully comprehended by Communities. Therefore, regular Consumer awareness should be conducted for Communities.

Census 2011 by Municipality, type of main dwelling and Population group of head of household	
<b>EC441: Matatiele</b>	
House or brick/concrete block structure on a separate stand or yard or on a farm	16 524
Traditional dwelling/hut/structure made of traditional materials	21 410
Flat or apartment in a block of flats	2 879
Cluster house in complex	75
Townhouse (semi-detached house in a complex)	132
Semi-detached house	290
House/flat/room in backyard	4 441
Informal dwelling (shack; in backyard)	444
Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)	253
Room/flat let on a property or larger dwelling/servants quarters/granny flat	252
Caravan/tent	33
Other	2 793
<b>Total</b>	<b>49 527</b>

**Table 9: types of dwellings by household Census 2011 municipal tables**

The table above shows that approximately 21 410 households live in Traditional dwelling/hut/structure made of traditional materials. A differential strategy will need to be followed in the development of human settlement, with particular focus in the urban areas to eradicate informal settlements and release of land for the establishment of new settlements and delivery of a range of housing products within the urban edge. Matatiele local municipality currently does not have a Migration plan.

## HOUSING SECTOR PLAN

### 2.5. ECONOMIC PROFILE

#### 2.5.1 Size of the Local Economy

Gross Value Added is a measure of output (total production) which measures the total output of a region by considering the value that was created within that region. One can think of GVA-R as the difference between the inputs obtained from outside the region and the outputs of the region – that is, the region's total "value added" (REX model).

The real value of goods produced and services rendered totalled R622 414 (at 2005 constant prices (R1000)). the sectors that contributed the most to this output were government services, trade and financial services. Economic sectors that are major within Matatiele Local Municipality are mainly secondary and tertiary. The Primary sector is explored on a small scale and primarily includes Agriculture. The figure below shows that there seems to be a steady growth in GVA in over the past five years from 2006 - 2011.



Figure 8: IHS ,Rex model,2012

#### 2.5.2 Sectoral Analysis

Nine (9) Economic Sectors are found within Matatiele Local Municipality. Reflected below is the detailed Labour Remuneration per Economic Sector. Labour remuneration measures the total amount paid out by firms to labourers working within the region. This amount is a total cost to company concept and includes worker's contributions to medical or pension schemes etc. This figure represents the total amount of production created by labour (REX Model).

IHS Global Insight

Code

H441

Regional eXplorer 646 (2.5h)

Matatiele Local Municipality (EC441)

Economic

Labour Remuneration

Broad Economic Sectors - 9 sectors (Current prices, R 1000)

2012

1 Agriculture	SRBAGR10	6 023
2 Mining	SRBMIN10	5 444
3 Manufacturing	SRBMAN10	11 601
4 Electricity	SRBELE10	4 302
5 Construction	SRBCON10	8 102
6 Trade	SRBTRA10	50 336
7 Transport	SRBTRN10	17 109
8 Finance	SRBFIN10	41 054
9 Community services	SRBCOM10	411 515
Total Industries	SRBTOT10	555 487

**Table 10: IHS, Rex Model, 2012**

The share of the community services sector to the local municipality's economy was the highest compared to other economic sectors in 2012. The trade sector has consistently become the second largest value contributor to the region's economy, contributing 50 336. The dependency of the region on a small number of sectors increases its vulnerability to external factors. Drought, hailstorms, commodity price fluctuations, fires, etc. would negatively harm the agriculture sector, while activities such as labour strikes would adversely affect the government services sector.

### **Sector Comparative and Competitive Advantages**

The table below uses location quotients to indicate the competitive advantage of each of the sectors found within Matatiele Local Municipality in relation to the district. The location quotient is an indication of the competitive advantage of an economy. A location quotient that is greater than one indicates a relative competitive advantage in that sector.

	Location Quotient
Agriculture, Hunting and Fishing	2.29
Mining and Quarrying	4.50
Manufacturing	0.24
Electricity, Gas & Water Supply	1.88
Construction	1.61
Wholesale & Retail Trade	1.23
Transport, Storage & Communication	0.68
Financial, Insurance, Real Estate & Business Services	0.80
Community, Social & Personal Services	1.39
Total	1.00

**Table 11: competitive advantage, LED strategy**

The adopted Matatiele LED Strategy analysed the eight economic sectors which exist within Matatiele. This sub-section provides an overview of these sectors as they are considered important for current and future employment opportunities, economic growth and quality of life. It also attempts to describe the challenges facing them and opportunities to improve the contribution.

The following table shows the levels of economic growth over the last five years:

Average annual growth (Constant 2005 Prices)		
2007	SW0607	3.0%
2008	SW0708	1.1%
2009	SW0809	1.5%
2010	SW0910	10.0%
2011	SW1011	3.3%

**Table 12: economic growth rates**

### **2.5.2.1 Agriculture**

The most common farming activities in Matatiele are livestock and crop farming. The former is the dominant agricultural activity in this municipality. The main livestock farming activities in this municipality are cattle farming, sheep farming and goat farming. The Department of Agriculture provides support for emerging livestock farming in the area through various initiatives in the form of stock water-dams and boreholes, dipping tanks, shearing sheds, fencing, divisions of livestock camps and veterinary services. Poultry farming, fruit production and bee farming is also common in certain parts of the municipality.

The good quality of soil and favourable rainfall conditions suggest that its agricultural sector has the potential to be more productive, efficient and competitive than it is at the moment. In view of the many opportunities and challenges facing emerging farmers within the municipality, this sub-section devotes its attention to the discussion of emerging farming in the municipality. It is worth pointing out that emerging or semi-commercial farmers are previously disadvantaged farmers who aspire to increase their share of the commercial farming market.

**Cattle Farming** - Many emerging livestock farmers in urban Matatiele raise cattle on their farms mainly for beef to sell to their customers, which are local slaughter-houses, supermarkets and individuals. Some of them also sell their cattle to buyers from Durban, Howick and Pietermaritzburg in KwaZulu-Natal, and Port Elizabeth in the Eastern Cape through auctions organised by the Cedarville Farmers Association.

A smaller number of them also sell their milk. Among their customers are local institutions such as crèches and individuals in both urban and rural areas. Cattle's farming is also a popular economic activity in rural Matatiele. However, commercial cattle farming activities are very limited in these areas. There are a number of challenges that these farmers experience when trying to sell their cattle through these auctions. One of them is lack of ownership of selling facilities.

Since emerging farmers do not own selling facilities, such as sale pens, they incur the costs of transporting their cattle to sales pens in Cedarville. Furthermore, since these sales pens are owned by the Cedarville Farmers Association, they are charged for keeping their cattle in them during auctions. In an effort to avoid paying for the transportation of these cattle back to their farms, they often end up settling for the next best solution, which is to sell them at low prices. In addition to these challenges, emerging cattle farmers in Matatiele generally face a number of difficulties that compromise the productivity of their cattle. These are:

- Lack of proper stock-handling facilities,
- Lack of dipping facilities for protecting cows against diseases,
- Need for bulls to improve certain types of breeds and perpetuate those that are not found in large numbers, such as the Nguni breed,
- Shortage of grazing land for some cattle including Nguni cattle,
- Need for a feedlot for cows that are raised for commercial purposes,
- Lack of modern milking parlour,
- Poor access to economic-enabling physical infrastructure, such as electricity, roads and water infrastructure, which hamper productivity,
- Limited understanding of modern farming methods and practices, which compromises the quality of the cattle raised in the municipal area, especially in the rural areas, and
- Overgrazing, which increase the risks of:
- Decreased grass or plant growth and reproduction,

- Declining land or soil productivity,
- Soil erosion, and
- Desertification.

**Goat and Sheep Farming** – are important economic activities among the emerging farmers of within the municipality. They sell live goats and sheep to consumers and slaughter houses in Matatiele and some of its surrounding areas, such as Mount Ayliff. Some of the farmers in the area also shear mohair/wool from the animals and sell through brokers such as BKB Limited/Beperk to local manufacturers in Port Elizabeth and Durban and to those based in other countries.

A number of emerging goat producers and goat producer organisations exist in the area. However, commercial goat product processing activities are very limited. The meat and/or meat products are also sold in various parts of Matatiele, including its rural areas. Their skins are also processed into belts and shoes. There is a need however to improve facilities and to expand the market by addressing the following challenges:

- Lack of machinery for meat and skin processing and for wool selection, grading and packing,
- Skill shortages,
- Shortage of land space for establishing a slaughter-house and processing plant(s), and
- A generally low demand for goat and sheep products.

Available opportunities in livestock farming in Matatiele include:

- Dairy production
- Red meat production (beef, mutton and goat meat)
- Other cattle, sheep and goat products (leather products, wool, mohair, etc.)

There are currently 89 000 cattle, 83 000 sheep, 27 000 goats (all excluding commercial farmers) found in Matatiele Local municipal Area.

**Crop Farming** – These include maize, wheat, sorghum, beans, soya beans, canola, potatoes, butternut, green leafy vegetables (cabbage, spinach, turnip etc.), green, red and yellow pepper and sunflower. Many emerging farmers grow a variety various crops. They include grains (maize, wheat, and sorghum), highly perishable vegetables such as green, leafy vegetables (cabbage, spinach, turnip, etc.), other vegetables such as red, yellow and green pepper, as well as beans, potatoes, canola, butternut, sunflower sorghum beans, soya beans and hemp.

The markets for those who sell vegetables include local formal businesses, such as hypermarkets, including Shoprite and Pick’n’Pay, local vegetable vendors and vegetable traders from Lesotho. In addition, there are opportunities for them to supply of crops/vegetables to local orphanages, hospitals and some primary schools. The availability of water resources in various parts of Matatiele, such as rivers, streams and wetlands, the good quality of its soil and rainfall render the area suitable for large-scale production of the above-mentioned crops. Despite this potential, Matatiele agricultural crop sales have been ranked among the lowest in the country for many years. Among the challenges that emerging crop farmers experience are:

- Lack of storage facilities for the preservation of crop products, especially maize: Many rural farmers who produce excess maize are forced to sell it at prices lower than its market value because they do not have storage facilities to protect it against harsh weather conditions and some insects,
- Lack of fuel (e.g. diesel) and/or electricity for the very few who own farming equipment



- Absence of milling plants in areas where they are needed the most: Mafube, Belfort in Ward 08 are among the areas that can benefit greatly from milling facilities,
- The existence of a vast area of under-utilised agricultural land under-utilised in many parts of the municipal area: Limited access to land to lack of title deeds and on-going land hamper crop production and productivity in this municipal area,
- Many emerging farmers who have been granted permission to use land in the rural areas for growing crops do not have modern farming machinery such as tractors and implements: As a result, they do not participate in most local projects, including those in the rural areas,
- Subsistence crop farming, especially in the rural areas,

**Fruit Production** – Matatiele fertile soil, particularly in the Ongeluksnek area, is good for a variety of fruits. There is good potential for large-scale production of a variety of fruits for commercial purposes. They include: Apples, Citrus fruit, Peaches, Pears, Apricots and grapes.

**Honey Production** – Matatiele also has the potential to benefit economically from bee farming. There are many bees living in the mountains that surround the municipal area, including those closest to the Matatiele town area.

Several business people are already involved in the bee production business. However, the honey production sub-sector is hugely underdeveloped. For example, efforts have not yet been made to retain them, since they move from place to place. One way of doing this is to plant sunflowers where they are found in large numbers.

#### **2.5.2.2 Tourism**

The abundant natural beauty that Matatiele has makes it an area of high tourism potential. Among its attractive features are its wide, open spaces, mountainous terrain, rivers, scenic botanic features, flora and fauna (biodiversity), wetlands, picnic spots, birds, including special bird species, and snowy winters. In addition, Matatiele is home to diverse cultures making. These features provide opportunities for the growth or expansion of the following existing forms of tourism in the municipality:

**Nature-based tourism:** The municipality boasts several unspoiled environments with a diversity of naturally occurring attractions.

**Cultural tourism:** There are opportunities for the showcasing of the various cultures that exist in the municipality.

**Agricultural tourism:** A number of festivals, all of which are associated with farms and agriculture, have been held in the municipality. They include agricultural shows, pumpkin festivals, fruit festivals, flower festivals, bird watching trips, hikes and wagon rides. The development of the educational aspect of this form of tourism should be considered since it has the potential to attract more tourists.

**Bird-watching/ Avitourism:** Since bird-watching has become one of the fastest growing recreational activities that attract international tourists, it can be used for boosting the economic performance of the municipality. One of the conditions for the success of avi-tourism in this municipality is that habitat protection and environmental education are incorporated into the strategic documents of the municipality.

**Eco and Adventure Tourism:** The area has the potential to become one of the most important eco-tourism and adventure travel tourist destinations in the country. Existing activities include rafting, hiking and 4X4 trips through the mountain passes that form the border between the municipality and the Southern districts of Lesotho. Qacha"s Nek, Ramats"eliso"s Pass and Ongeluksnek provide access to Lesotho.

**Winter Tourism:** Since snow is often experienced in winter, the municipality may consider exploring the possibility of introducing skiing as one of the tourism activities in the municipal area, The following table shows the figure for 2011, it shows the number of trips by purpose. In 2011 68241 people (expressed by trips) visited Matatiele Local Municipal area. It is worth noting that 87% of these trips were for people coming to visit friends and relatives.

IHS Global Insight			Code	H441
Regional explorer 646 (2.5h)				Matatiele Local Municipality (EC441)
Tourism				
Number of Trips by Purpose of trip 2011				
		Leisure / Holiday	TSTPL11	1 833
		Business	TSTPB11	1 388
		Visits to friends and relatives	TSTPF11	59 776
		Other (Medical, Religious, etc)	TSTPO11	5 244
		Total	TSTPT11	68 241

**Table 13: IHS, REX Model, 2012**

The Rural Nature of Matatiele: The rural setting of Matatiele renders it suitable for the development of tourism that is nature based, utilises the environment as a key resource, and places people development at the core of the planned tourism enterprises: Matatiele tourism sector faces a number of challenges, which include:

- Poor tourism infrastructure along the R56 leading to the municipality. There is a general lack of services that most tourists may require, such as fuel, banking, restaurants, and rest stops with the internet. Matatiele is the only place that comes close but is still lacking in some of the aspects.
- There is also a general lack of outlets that cater for the foreign tourist market, including backpackers and adventure travellers.
- Public transportation problems: Lack of public transportation in the Alfred Nzo District, including Matatiele, hampers tourism progress. In addition, there are no well-defined places for vehicles to stop and for tourists to get off and stretch their legs. Furthermore, the poor condition of many local roads discourages self-drive.
- Lack of signage to encourage self-drive,
- Land disputes, which have led to very slow allocation of land for development,
- Generally poor infrastructure and lack of maintenance (roads, water, information, communications, shopping, quality of accommodation, etc),
- Lack of knowledge or understanding of tourism opportunities and threats facing local people.

### **2.5.2.3 Forestry**

Matatiele Local Municipality is one of the municipalities in the province that have areas that are biophysically suitable for commercial forestry. In terms of percentages, while privately-owned plantations accounted by 0% of the total number of plantations in the municipality, 98.04% were owned by the state (i.e. the municipality).

Those that were owned by local communities accounted for only 1.96% of the total number of plantations in the municipality. Being the main facilitator of development and owner of the majority of forestry plantations in the area, the government has an indispensable role to play in the development of the local forestry sector.

This includes the facilitation of the process of converting of some of the plantations that it owns into commercial forestry plantations through:

- Speedy processing of applications for commercialisation of local natural forests and plantations,
- Expediting of the process of transferring forests and forestry plantations to private operators,
- Feasibility studies and environmental impact assessments, and
- The development of policies and by-laws.

The following is a list of forestry products that can be produced from the natural forests and forestry plantations in Matatiele Local Municipality:

- Timber Products
- Manufacture of furniture, poles (e.g. sign-posts), etc.
- Manufacture of charcoal from timber waste products
- Non-Timber Forest Products (closely related to natural forests and forestry plantations)
- Beekeeping and honey production
- Basket-making
- Picking and packaging of edible plants
- Ferns, foliage and flowers
- Hiking trails
- Medicinal plants
- Picking and packaging of mushrooms

In response to the official recognition of Matatiele forestry sector growth potential, a number of applications for the use of some forestry plantations in Matatiele for commercial purposes were approved by the provincial Department of Agriculture and Forestry in recent years. Plans are underway for implementation of forestry projects. Amongst other Forestry Projects, Klein Jonas Forestry projects supported by SAPPI, in ward 11. In spite of many proposals for the commercialisation of some forestry plantations in the area being approved by the Municipality, there are concerns over the potential negative impact of some of them on the supply of water.

Some of them are said to be located on some of the municipality's sources of water. Since some of the trees found near some of these areas are known to consume a lot of water, the likelihood that they will cause a reduction of the amount of water flowing to certain parts of the municipality is believed to be high 23. If this happens, some of the development-oriented activities, such as agricultural and manufacturing processes might be negatively affected by water shortages.

It is also believed that they will have a huge negative impact on the tourism potential of the municipal area since some tourist attractions, including fishing rivers, need a constant supply of water. Like many other forestry plantations, Matatiele natural forests and forestry plantations face a number of threats, including: fire, disease, drought, strong winds, snow, trespassing by livestock, and vandalism.

#### **2.5.2.4 Commerce**

Over the past 10 years, there has been progress as far as developing the commercial sector of Matatiele. Formal business in Matatiele consists mainly of retail and commercial farming businesses. As far as the former are concerned, supermarkets, clothing stores and spaza shops are the most common types of business in the rural areas of this municipality. It is important to note that many businesses people are members of Sectoral-organised business co-operatives.

The area still faces the challenge of lack of formal shopping areas. While there are many informal businesses in the major centres of the municipality, which function as retail businesses, there is a shortage of retail services in the rural areas. Thus, many of the shopping needs of Matatiele communities have not yet been provided for and require attention. Matatiele towns, is the hub for services. People from rural area urban within the municipality, come to this town for day to day services such as buying groceries and household supplies.

The second most preferred shopping area is Kokstad, where clothing is the most preferred item, followed by shoes and furniture. Very few of the people buy shopping items from Cedarville and Maluti; these mini towns do not have banking facilities, retail stores and super markets. This result implies that the variety of goods and services sold in these towns are very limited.

A number of businesses and/or business services are either not found or limited within the Local Municipal area. They include:

**Suppliers of agricultural inputs:** Farmers buy supplies from other municipalities, such as GKM Local Municipal area in KwaZulu-Natal;

**A tourism information or support office:** A tourism office is needed for the provision of Assistance to tourists;

**Limited Forex services:** since most local banks do not offer forex services, international tourists have to travel to the other commercial centre for foreign currency exchange.

The number of co-operatives within the municipality has increased since the initiative started, although the growth is not as great. The challenges are experienced and seem to hinder the growth of co-operatives:

- Lack of information of Funding Opportunities
- Uncertainty
- Stiff competition
- Lack of financial assistance
- Lack of skills
- Access to suppliers
- Financial institutions are reluctant to lend local entrepreneurs money to start or expand businesses because of their lack of access to land: Many applications for land are generally not successful due to on-going land claims.

In addition to these challenges, some locals believe that Chinese businesses and, to a lesser extent, some businesses owned by citizens of some African countries, have a negative impact on the growth of local businesses. In their view, the quality of Chinese products is mostly poor and often fake copies of some of the brands that they themselves sell. As a result, they sell them at cheaper prices. This lowers the demand for goods sold by local businesses and deprives them of the opportunity to grow.

Business in Rural Matatiele – The dominant businesses in the rural areas are spaza shops (general dealers), transport businesses, cultural and eco-tourism activities, small-scale agricultural production and wood processing. One of the major challenges that they face is that their generally low density in these areas and a dispersed business population undermine their ability to access and benefit from knowledge transfer, which can help them grow.

#### **2.5.2.5 Construction**

The construction industry in Matatiele is very small. Construction activities include road construction and the building of houses. This industry has the potential to provide more job opportunities in the

future, based on rapidly increasing fiscal allocations for public infrastructure. In essence Contraction job are available to on a large scale to semi-skilled and unskilled labourer. However this form of employment is not sustainable as once the project is complete, the labourer are left without work.

#### **2.5.2.6 Manufacturing**

Matatiele manufacturing sector offers a number of services. Agri-processing is one of them. Current activities that fall under agri-processing include yoghurt-making and small scale dairy product production. A number of opportunities exist in manufacturing. These include the processing of wool and mohair into warm clothing since Matatiele is characterised by extremely cold winters. Other products that can be produced include charcoal, which can be produced from waste timber produced in this municipal area.

Below is an overview of the opportunities and challenges facing the manufacturing sector, among the major challenges that the manufacturing industry in Matatiele is facing is the generally low skills level. In some instances, the quality of products has been found to be poor. This has not only lowered their demand, but also increased the cost of producing them. Another challenge is that there is a general lack of innovation.

It has been discovered that instead of producing what is not available in the municipality, a considerable number of local manufacturers produce the same types of products. Examples include corrugated water tanks and Seshoeshoe" garments. Another major challenge is limited of access to land for the manufacturing firms, including wood processing firms, brick-making.

#### **2.5.2.7 The Informal Sector**

In urban parts of Matatiele, such as Matatiele Town and surrounding areas, Cedarville and Maluti, is heterogenic and ranges from street traders to mechanics. Since it falls outside the regulatory environment within which formal businesses operate, it poses a number of challenges. These include health problems and blocking of pavements and access to formal businesses nearby. These risks make it difficult for the government to offer sufficient support and protection to the local informal traders. There are many informal traders in the municipality who still operate in a dysfunctional uncoordinated environment that is characterised by lack of access to trading facilities, markets and other important commercial services.

Those who have been provided with shelter and other necessary facilities still face challenges, some of which have a huge significant impact on their businesses. They include the fact that the metal facilities that they have been provided with do not provide protection from bad weather and that their design does not offer adequate security. Some informal traders in major centres, such as Matatiele Town, trade at taxi ranks and other places that attract many people. The informal economy of Matatiele supports the livelihoods of many residents; there is a need for the municipality to provide more support in terms of more proper facilities to trade amongst other things.

#### **2.5.2.8 Mining**

Little quarrying activity takes place in the municipality. However, the majority of operators, a significant number of them are not registered. The stone that is extracted is used in road construction projects and in building houses. There is a potential for exporting the stone to various

parts of the country for building purposes. Since there is an abundance of river sand in the municipality, sand mining is a common activity in the municipality. Most of the sand obtained from the local river banks is exported to other municipalities for construction purposes. It is also believed a number of environmental management areas and eco-tourism with the potential for diamond, coal and paraffin mining exist in Wards 8 and 24. Its recommendation in this regard is that detailed investigations into these potentials should be undertaken.

## **2.6. STRATEGIC ENVIRONMENTAL ASSESSMENT**

### **2.6.1 Topography**

Topography and slope within Matatiele Municipality varies from very steep gradients of 1:1, 5 to a relatively gentle slope of less than 1:7 at the foothills of the mountain and river plans. Matatiele Municipality consists of two topographical regions, that is:

- A central plateau with relatively good soils and intermediate rainfall supporting a mixed agriculture with a lower population density; and
- A high plateau leading up to the Drakensberg Mountains with relatively good soils, a high rainfall supporting a mixed agriculture with a lower population density.

Very steep terrain occurs mainly along the western boundary as an extension of the Drakensberg Range and also along the south-eastern boundary. The farming areas that surround Cedarville and Matatiele tend to have a much gentle gradient. This is considered beneficial for possible future expansion of these urban areas and consolidation of commercial agriculture. Some of the rural settlements are located in the hilltop areas which renders access and delivery of services a major challenge. On the other hand, steep slopes, incised river valleys and the plateau create splendid scenery, and give the area a comparative advantage in terms of tourism development.

### **2.6.2 Soil**

Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction, followed by fine-grained Tarkastad sandstone and mudstone, course grained Molteno sandstone and by maroon, green or grey Elliot sediments. Later intrusions of dolerite are found throughout the municipal area. Alluvium is found along the Kinira and Tswereka rivers west of Matatiele and north of Cedarville. The soil types generally associated with these geological formations are: - Sedimentary rock (Ecca mud and Sandstone); Dolerite, and Alluvium.

**Sedimentary rock** – is a shallow greyish brown and yellow-brown soil on partially weathered rock. They may have prominent bleached layers in the upper subsoil. The latter in particular are extremely erodible and should normally not be cultivated. Rock outcrops are common. Much of these soils in the study area is cultivated or was cultivated in the past. According to the Natural Resource Conservation Act and subsequent legislation pertaining to the Eastern Cape, most of the soil in this category should not be cultivated, while some soil forms, only if the slope is less than 12%. Soils on plateaus are sometimes deeper and sandier with neocutanic properties and may have water tables that are perched. Because of their position on the landscape they are less erodible. They are normally arable provided the slope is less than 12% be the upper limit.

Alluvial soils are widely found along the major rivers and on the broad valley floor between Matatiele to the east of Cedarville. They consist of sandy and loamy soils that are deep or moderately deep with a granular or poorly developed blocky structure. Because of the even slopes

on which they occur, they may have perched water tables in the lower laying topographical units. Because of the even topography the rivers meander and much of the soils have wetland properties (grey matrix colours on the subsoil that is gleyed below 500mm). These are normally high potential soil if not waterlogged. Most of the irrigated land falls in this group.

### **2.6.3 Geology**

Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction, followed by fine-grained Tarkastad sandstone and mudstone, course grained Molteno sandstone and by maroon, green or grey Elliot sediments. Later intrusions of dolerite are found throughout the municipal area.

### **2.6.4. Grasslands**

The land cover within Matatiele is dominated by unimproved grasslands and degraded grasslands. 111,928 ha (25.7%) within the municipality is covered by degraded grasslands, which are generally associated with high levels of soil erosion and gullyng, and low livestock carrying capacities. Such degradation leads to siltation in water bodies, and general loss of ecosystem integrity within rivers and terrestrial areas. 56.1% of the municipality has retained its natural or near natural state (in other words unimproved grassland, water-bodies, wetlands etc). The concerning corollary is that 43.9% of the area is in a non-natural, transformed or degraded state (in other words urban/settlement areas, cultivated land, plantation and degraded grassland etc). This implies that a large proportion of the municipality has more or less lost its original ecosystem functioning and biodiversity status.

### **2.6.5 Sensitive Vegetation**

Matatiele falls generally within the Sub-Escarpment Grassland Bioregion and the Drakensberg Grassland Bioregion. These bioregions are characterised by high species richness and a high rate of species turnover (or variation) associated with changing gradients, altitude and environmental conditions. The main vegetation types change from Lesotho Highland Basalt Grassland at highest altitude, to Southern Drakensburg Highland Grasslands, East Griqualand Grassland and finally Drakensburg Foothill Moist Grasslands at lower altitudes.

Within this pattern, Mabela Sandy Grasslands occur in two sections of alluvial/ saturated soils. East Griqualand (making up 57% of the area) and Mabela Sandy Grasslands (making up 10.8% of the area) are classified as vulnerable vegetation types in a national biodiversity context. Both these vegetation types are classified as “Hardly Protected” in terms of protection within declared reserves. In terms of Area Based Planning, ideally widespread development in endangered and vulnerable areas should be avoided or conducted in an environmentally sensitive manner.

### **2.6.6 Land Cover**

Basal cover of the grasslands shrinks over time, exposing the soil to erosion forces, resulting in extensive sheet erosion over large areas. Loss of productive plant biomass as palatable, nutritious species is replaced by unpalatable, non-nutritious species.

Unimproved grasslands and degraded grasslands dominate the landscape in Matatiele Municipality. Degraded grasslands accounts for 111,928 ha (25.7%) and is generally associated with high levels of soil erosion, gulling, and low livestock carrying capacities. This creates conditions for siltation in water bodies, and general loss of ecosystem integrity within rivers and terrestrial areas. 55 000 hacteres is arable of which 2 000 hacteres is unused. 75 000 hacters are suitable for grazing around the Cedarville area however is not fully utelized. This includes grassland, water-bodies, wetlands etc.



It is however, concerning that 43.9% of the area is in a non-natural, transformed or degraded state (in other words urban/settlement areas, cultivated land, plantation and degraded grassland etc). This implies that a large proportion of the municipality has more or less lost its original ecosystem functioning and biodiversity status. The majority of unimproved grassland is degraded. Significant impacts on the rural economy as productive land gradually becomes unproductive and fewer families are able to subsist on the land. The EMP identifies the following as indicators of this phenomenon:

Alien plants invade ecologically depressed grasslands. Carrying capacity diminishes over time and quality and productivity of livestock deteriorates (lower calving rates, lower annual growth of individuals, lower wool returns). Significant loss of plant diversity, especially of the palatable grasses and forbs (and presumable associated invertebrate and vertebrate species). The reduced biomass associated with such over-grazing means that more pressure is placed on remaining grasslands and the process accelerates over time, leading to run-away erosion and further loss of plant material.

Changes in plant community structure from a diverse resilient composition to a vulnerable plant community composition unable to withstand climate change. The following land uses taking place within Matatiele Municipality have a tremendous impact on the natural environment (ABP, June 2007): Cultivation of crops. Grazing which can be one of the least damaging of land uses IF stocking rates are adhered to, and rotational grazing is practiced. The practice of annual burning to stimulate new green growth is prevalent because of the persistence of the stereotype that fires stimulate early growth. Forestry adjacent to grasslands can sometimes increase local animal species diversity as it provides another habitat along the margin of the plantation and grassland interface.

Road construction is often the source of gully erosion due to creation of concentrated run-off from improperly designed road drainage systems. The link between settlements and livestock concentrations, with heavy grazing and trampling in such areas, is a major threat to the health of groundcover in general

#### ***2.6.7 Temperature and Rainfall***

The southern portion has a moderate climate with an average maximum in summer of 26°C which then falls to 1°C in mid-winter. The average temperature at Matatiele is four degrees colder with an average maximum of 17°C in January which falls to 2°C in June. Minimum temperatures can fall well below zero. The mountainous areas south of Matatiele and the border region in the north eastern parts can expect frost for more than 75 days. Snow at the latter is common. Average annual rainfall ranges from below 550 mm to more than 1 000 mm per year. a typical summer rainfall pattern commences in October and continues through to April.

A rain shadow is experienced in the northern valley area south of Cedarville and Matatiele. This is also where the reliability of the rain is at its lowest and the chances of consistently high crop yields are lowest. Runoff is exceedingly high in most of the study area because of poor vegetation cover. This has increased soil erosion.

#### ***2.6.8 Climate Change***

Alfred Nzo District Municipality is implementing a vulnerability assessment project with, looking at socio-economic, institutional and environmental vulnerability through Conservation South Africa, within Alfred Nzo district and the four local municipalities that fall under it. The project will also assess adaptation response options for the district, underpinned by an ecosystem-based adaptation (EbA) approach to climate change that uses biodiversity and sustainable ecosystems as a means of

improving the livelihoods and resilience of local communities to adverse climate change impacts. In addition, a process to mainstream climate change into the Alfred Nzo District Municipal vision and goals by integrating climate change into its Integrated Development Plan (IDP) and the IDPs for Matatiele, Umzimvubu, Mbizana and Ntabankulu local municipalities will be undertaken.

This process will be informed and guided by the Lets Respond - Toolkit Guide (A Guide to Integrating Climate Change Risks and Opportunities into Municipal Planning, 2012) developed jointly by the Departments of Environmental Affairs (DEA) and Cooperative Governance (CoG) and in collaboration with South Africa Local Government Association (SALGA). A Climate Change Committee for Alfred Nzo District will be set up to oversee and give guidance on the vulnerability assessment process, integrating climate change into the district and municipal IDPs and on matters concerning climate change response options and actions, including disaster risk reduction for the District.

## Outcomes

A climate change Vulnerability Assessment for Alfred Nzo District – Can form the basis for a climate change response or adaptation plan and includes a set of maps that can act as a spatial planning tool highlighting particularly vulnerable areas.

A Climate Change Committee to oversee climate adaptation response options in the district.

An IDP that includes climate change in its vision and objectives, and includes climate response projects based on EbA options for building local resilience.

Useful lessons learned that will inform local policy planning and resource allocation. This includes local Green Economy Strategy, Disaster Risk Reduction Plan, Climate Action Plan etc. Useful lessons can also inform provincial and national policy, including Provincial Climate Change Response Strategy, National Water Resources Strategy, and National Long-term Adaptation Scenarios.

CSA will use the lessons learned to profile local climate change response and EbA demonstrations at international forums to inform negotiations e.g. climate change negotiations at the COP and other UNFCCC climate change response platforms as the Nairobi Work Plan.

National policy has identified municipal climate change response as a crucial element that needs to be included in the planning process to develop Integrated Development Plans (IDPs) and create an enabling local environment for a sustainable economic development/green economy. The National Climate Change Response Policy sets out priorities for achieving climate resilient development in the short, medium and long term. Included in the priorities is integrated planning and informed decision making.

The former involves mainstreaming climate change considerations and responses into all relevant sectors, including at the local level into Integrated Development Plans (IDPs) while the latter includes systemic observation, knowledge generation, information management and planning that enhances our ability to measure and predict climate change and the implications of its adverse effects on society, economy and the environment.

The Eastern Cape Climate Change Response Strategy (2011) indicates that due to local changes in the climatic system, in the next 30 years there is a high probability the Eastern Cape Province will experience:

Higher temperatures (an increase of 1.5 to 2.5 °C), also associated with increases in evaporation rates and increased intensity of droughts;

Altered rainfall patterns;

More frequent and intense and extreme weather events; and

Rising sea-levels and tidal surges.

## **2.7 COMMUNITY NEEDS**

### **2.7.1 Ward needs**

The development of the IDP is a consultative process, which incorporates inputs from the community, Representative Forums, Traditional Leaders, Sector Departments and other Stakeholders. The 2013/2014 IDP community outreach was conducted from the 11 to the 13 of September 2013. During this three-day period, all 26 wards were visited at their respective venues. The community members were given an opportunity to express their concerns regarding the service delivery and also to identify some of the service delivery backlog, and issues that need to be prioritized.

A general observation with regards to the needs of the community is that almost all wards, the following issues are of concern:

- Water
- Sanitation
- Access Roads
- Electricity
- Employment opportunities
- Access to social services

### **2.7.2 Ward Based Plans**

Matatiele Local municipality is one of the municipalities which have been identified for assistance by the Department of Local Government and Traditional Affairs (DLGTA) to conduct Ward Based Plans in the 2013/2014 Financial Year. The main objective of this support initiative is to promote a participatory process that focuses on the mobilization of communities on grassroots planning with a view to:

- Improve the quality of the IDP
- Improve the quality of Service delivery
- Promote the community's ownership over development ; and
- Enhance community capacitating and reduce protestations

Ward Based Plans must comply with the following requirements:

- The requirements of Section 26 (e) and section 27 of the Municipal Systems Act, regarding integrated Development Plans
- Aligned with the strategies and objectives Reflected in the IDP of the National or Provincial Government or Relevant District Or Local Municipality
- Aligned with any applicable National or Provincial Legislation

The DLGTA has appointed Tshani Consulting cc to assist in the development of credible Ward Based Plans for the Twenty six (26) wards within Matatiele Municipality. A project steering committee has been set up and is made up of amongst others; representatives from Sector Departments, General Managers form the Municipality and the Speaker.

The Project Phases as reflected in the Inception report are listed as follows:

- Phase1 – Project Inception
- Phase 2- Ward Planning
- Phase 3 – Identification of Priorities
- Phase 4 – Ward Development Intervention
- Phase 5 – Close out Report

### **2.7.3 Summary of Priority services for intervention**

The following are some of the service areas that need to be prioritised within the municipality.

- **WATER**

*In most wards, there are still villages that do not have access to clean drinking water. In Some villages, people still draw water from streams and have to travel several kilometers to access water. In some wards where there are taps, the water supply is not consistent; residents go for a number days without water. There is also a concern as some schools also do not have access to clean drinking water. Some schools have water tanks but no water.*

- **ELECTRICITY**

*There is a great urgency in most wards with regards to electricity, and in many wards electricity is a priority. Out of the 26 wards, nine (9) wards are completely not electrified.*

- **SANITATION**

*Toilets have been built in some villages, however in some wards there is still a great need for toilets. In other municipal wards, sanitation projects were initiated though not yet completed.*

- **ROADS**

*Roads found within the municipality are mostly gravel roads. There is still a great need for construction of access roads and maintenance of such. With the recent floods and heavy rains, the condition of most roads, including access roads, district roads as well as T-roads has worsened, making it virtually impossible for vehicles to travel in other areas and access to services rather difficult.*

- **TERTIORY INSTITUTIONS**

*There are currently no tertiary institutions within the municipality. Many Young people, who have completed Matric and intending to further their studies, travel to other towns, cities and even provinces to access such educational facilities. This has been identified as a great need, and it contributes to the great number of out-migrants who are you young people.*

- **SPORTS AND REACTIONTIONAL FACILITIES**

*Matatiele local Municipality has a youthful population and there's a need for investment in social services and facilities to meet the needs of this growing population. Sports facilities, especially in rural areas, including multi-purpose centers are a priority. Recreational facilities such as parks in the three towns are needed.*

- **JOB OPPORTUNITIES**

*Unemployment is prevalent within the municipality, especially amongst the youth. There is a great need to provide employment opportunities and equip people with the necessary skills that are required in the job market. Business opportunities, skills development programmes and other LED initiatives are some of the areas for intervention.*

## **2.8 SUMMARY OF KEY STATISTICS**

<b>Total Population</b>	203 843
<b>Young (0-14)</b>	38.4%
<b>Working Age (15-64)</b>	54.6%
<b>Elderly (65+)</b>	6.9%
<b>Dependency Ratio</b>	83%
<b>Sex Ratio</b>	85
<b>Growth Rate</b>	0.46% (2001-2011)
<b>Population Density</b>	47 persons/square kilometre
<b>Unemployment Rate</b>	38.7%
<b>Youth Unemployment rate</b>	47.2%
<b>No schooling aged 20+</b>	9.45
<b>Higher education aged 20+</b>	5.8%
<b>Matric aged 20+</b>	12.7%
<b>Number of Households</b>	49 527
<b>Average household size</b>	3.7
<b>Female Headed Households</b>	55.3%
<b>Formal Dwellings</b>	49.7%
<b>Housing owned/ paying off</b>	55.3%
<b>Flush toilet connected to sewage</b>	10.4%
<b>Weekly refuse removal</b>	10.9%
<b>Piped water inside dwelling</b>	12.2%
<b>Electricity for Lighting</b>	44.9%

Source : STATSSA website (census: 2011)

## **CHAPTER 3: STRATEGIC FRAMEWORK**

The strategic framework presents a long-term development vision, the associated strategic objectives and action plans. It outlines specific actions that the municipality should undertake to move progressively towards the attainment of the vision. Performance indicators are formulated on the basis of action plans identified in this strategy.

### **3.1 ALIGNMENT WITH NATIONAL AND PROVINCIAL POLICY**

The development strategy for Matatiele Municipality seeks to respond to the development issues facing the municipal area as outlined in the preceding sections of this document. It aligns with and seeks to contribute to the attainment of the National and Provincial development imperatives as outlined in the relevant policy documents.

### **3.2 NATIONAL CONTEXT**

#### **3.2.1 NATIONAL DEVELOPMENT PLAN 2030**

The national Development Plan is a plan for the country to eliminate Poverty and reduce inequality by 2030 through uniting South Africans, unleashing the energies of its citizens, growing an inclusive economy, building capabilities, enhancing the capacity of the state and leaders working together to solve complex problems.

The plan addresses the need to enhance the capabilities of our people so that they can live lives that they desire; and to develop the capabilities of the country so that we can grow faster, draw more people into working and raise living standards for all, but particularly the poor. This is a plan for South Africa, requiring action, change and sacrifice from all sectors of society.

The plan is the product of hundreds of interactions with South Africans, inputs from tens of thousands of people, extensive research and robust debate throughout the country. This plan envisions a South Africa where everyone feels free yet bounded to others; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work.

#### **3.2.2 NATIONAL SPATIAL DEVELOPMENT PLAN**

The vision and principles of the National Spatial Development Perspective (NSDP) serve as a guide for meeting national government's objectives of economic growth, employment creation, sustainable service delivery, poverty alleviation and the eradication of historic inequities including spatial distortions.

The Presidency has made it clear (in a statement issued in October 2004) that the NSDP principles should play an important role in the respective development plans of local and provincial government, namely: Integrated Development Plans (IDPs) and Provincial Development Strategies. Investment in infrastructure and other development programs in Matatiele support the government's growth and development objectives as follows:

Focusing economic growth and employment creation in areas where this is most effective and sustainable;

Supporting restructuring where feasible to ensure greater competitiveness; and

Fostering development on the basis of local potential.

The NSDP provides a concrete mechanism in terms of which integrated development planning in Matatiele can be formally linked in support of national priorities and objectives. The principles of the NSDP find concrete expression in the IDP, including the Spatial Development Framework (SDF) and IDP programs.

### **3.2.3 EPWP PRINCIPLES**

The Expanded Public Works Programme (EPWP) is a nation-wide National Government programme to draw significant numbers of unemployed into productive work, accompanied by training, so that they increase their capacity to earn an income. The Expanded Public Work Programme was launched in April 2004 to promote economic growth and create sustainable development. The immediate goal of the EPWP Phase 1 was to help alleviate unemployment by creating at least 1 million work opportunities, of which at least 40% of beneficiaries will be women, 30% youth and 2% people with disabilities. The EPWP is about the reorientation of line function budgets (capital and operational) so that expenditure by the Municipality results in increased employment opportunities and training, particularly for unemployed and unskilled labour. The main objective of the programme is to create an enabling environment to:

- Create employment opportunities for the unemployed within local communities through the implementation of each Cluster's EPWP implementation plan which collectively cuts across the different sectors inter alia, the Infrastructure, Social, Environmental and Economic Sectors .
- Develop skills within communities through EPWP training programs, by accredited training providers aimed at developing sustainable skills and capacity within communities.
- Capacitate SMMEs to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through a relevant SETA qualification, in properly structured learnership programmes.
- Maximise the percentage of the total annual budget spent and retained within local communities in the form of wages. Where feasible, and within SCM regulations, promote the procurement of goods and services from local manufacturers, suppliers and service providers.
- Adopt and align cluster / departmental annual business plans to the EPWP, through the development of clear key performance indicators in-line with prioritised socio-economic objectives.
- Matatiele Municipality initiated one (1) EPWP compliant project which employs 101 people. This project is a multi-year project and will still be running in 2011/12 financial year.

### **3.2.4 THE 12 NATIONAL OUTCOMES OF GOVERNMENT**

The National outcome twelve outcomes of government provide the time frames within which to time service delivery priorities and targets. These targets are extended to the Local Government sphere of Government through cascaded service delivery agreements.

Essentially, all the twelve outcomes of government affect the Local Government as Local government is at the face of the service delivery and development agenda. In the preparation of the strategic framework, it was therefore paramount to ensure that it is informed by these government priorities and outcomes. To this end, Matatiele Municipality has adopted and aligned the strategic framework with these outcomes, particularly outcome seven (7) and outcome nine (9).



## 4.4 PROVINCIAL CONTEXT

### 4.4.1 PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The Eastern Cape Provincial Growth and Development Plan 2004 -2014 provides a strategic framework, sectoral strategies and programmes aimed at rapid improvement in the quality of life for the poorest people of the province. It sets out a vision with sequenced and quantified targets in areas of poverty eradication, agrarian transformation, economic growth (diversification manufacturing and tourism potential), infrastructure development, human resource development and public sector institutional transformation. It is thus critically important to ensure that spatial transformation and development in Matatiele Municipality is pursued with

in the context of the PDGP, and itself advances the aims and objectives of this overarching strategy and provincial development vision.

## 4.5 SUMMARY OF SECTOR PLANS

Ref	Activity/ Item description	Levels of Execution		Comments
		*LM	*DM	
1.	Disaster Management Plan	✓	✓	MLM adopted the Districts Plan
2.	HIV/AIDS Action Strategy	✓		Needs to be reviewed
3.	Human Resource Plan	✓		Not yet Complete
4.	Performance Management System (PMS)	✓		In Place
5.	Skills Development Plan	✓		In Place
6.	Financial Management Plan	✓		Available and integrated into the IDP.
7.	Consolidated Infrastructure Plan (CIP0	✓		Draft in Place
8.	Integrated Environmental Programme	✓		In Place
9.	Local Economic Development (LED)	✓		In Place
10.	Housing Sector Plan			In Place
11.	Water Services Development Plan (WSDP)		✓	WSDP prepared at District level.
12.	Waste Management Plan	✓		In Place
13.	Roads and Storm water Master Plan	✓		Forms part of the CIP
14.	Transportation Plan		✓	TP is prepared at District level. Forms part of the CIP
15.	Electrification Plan	✓		Draft in-place
16.	Tourism and Marketing Plan	✓		Not in-place
17.	Land Use Management Plan	✓		In Place
18.	Spatial Development Framework	✓		In Place
19.	Climate Change	✓		Not in Place
20.	Migration Plan (for informal settlements)	✓		Not in Place

21.	Licheate Management Plan	✓		Not in-place
22.	Trade Effluent Policy	✓		Not in-place
23.	Nature Reserve Integrated Management Plan	✓		In Place

## CHAPTER 4: KEY PERFORMANCE AREAS

### 4.1 SPATIAL DEVELOPMENT

The main purpose of the SDF is to guide the form and location of future spatial development. It is a legislative requirement and has a legal status. Matatiele Local Municipality has an adopted Spatial Development Framework, adopted on 10 May 2011 and will be reviewed in 2013/2014. SDF facilitates decision making with regard to the location of service delivery projects and guides public and private sector investment, it strengthens democracy and spatial transformation and facilitates effective use of scarce land resources. It promotes intergovernmental coordination on spatial issues and serves as a framework for the development of detailed Land Use Management Scheme (LUMS).

#### 4.1.1. Spatial Analysis

##### I. Settlement Patterns

- **Urban settlement:** comprises of three towns Cedarville, Matatiele and Maluti.
- **Administrative areas:** Serves as a basic spatial unit in the greater part of the Eastern Cape rural landscape
- **Dispersed rural settlements:** Municipal Area comprises of 238 dispersed rural villages occurring in small pockets of settlements within traditional authority areas.
- **Commercial farmlands:** The space that commercial agriculture occupies is characterized by widespread farm homesteads and clusters of farm workers accommodation (farm dwellers).
- **Settlement density:** low-density settlements with an average density of 50 persons per km<sup>2</sup>.

##### II. Current Land Use

Current land use pattern has evolved in response to the settlement pattern, rural character of the municipal area, applicable planning policies and land use management practices. A Land use pattern includes the commercial agriculture mainly to the east and west of Matatiele town. There are areas that are conserved and protected, which include natural ecological state and should remain as core areas for conservation of protective species. Rural villages with residential occurring in the form of a grid with sites being relatively equal in size.

Urban land use pattern is characterized by a high level of spatial fragmentation and land use separation. Land uses in the urban area are commercial activities concentrated in the central business district (CBD). Industrial land Middle income residential located around the CBD and away from industrial land. Low-income residential situated in peripheral locations. Centrally located is a golf course, which serves as a buffer and inhibits spatial linkage of various parts of the town.

##### III. Access and Movement

Matatiele Municipality has a general good and well established road system comprising of provincial, district and local access roads, there is a none operational railway running through the area. Small landing strips exist in Matatiele and Cedarville. Public transport is provided mainly through taxis, buses and vans.

#### **IV. Infrastructure**

Approximately 51% of households do not have water at the acceptable RDP standard. Waterborne sanitation is only provided in Matatiele and Cedarville urban areas. Toilets in rural areas mainly comprise of VIP latrines. Access to electricity is limited to areas around Matatiele Town and Cedarville and most rural areas are not connected. The general quality of the road infrastructure in Matatiele is poor; this includes R56 and other important routes such as the link road from Matatiele to Lesotho.

#### **Public Amenities**

There are 228 schools both primary schools and secondary schools. Matatiele has 1 DISTRICT Hospital (Tayler Bequest Matatiele Hospital), two TB Hospitals, 19 clinics. Currently there are only three (3) formal sport stadiums with limited facilities in the urban areas which are in use by the community. The municipality currently has nine (9) community halls.

#### **V. Spatial Economy**

In terms spatial economy, Matatiele has restricted agricultural potential, it is ascribed to the limiting topographical features such as rugged terrain and steep slopes. Two forms of agriculture occur in Matatiele, namely commercial agriculture and subsistence agriculture. 6.8% of the area has potential for forestry. The remaining 93% (250,928ha) is classified as having moderate potential. Tourism development composed of natural beauty and a diverse range of cultural groups. These attributes complements the elements of eco-tourism, adventure tourism and cultural tourism.

#### **VI. Natural Environment**

Matatiele Municipality is located along the Drakensberg and Maluti Mountain Range, in an area that is characterized by relatively high level of environmental sensitivity and highly endangered species. Umzimvubu River rises from this region, and its feeder tributaries are endowed with major wetlands which serve as habitat for rare and endangered species, and a source of water.

#### **VII. Physical Environment**

Topography and slope within Matatiele Municipality varies from very steep gradients of 1:1, 5 to a relatively gentle slope of less than 1:7 at the foothills of the mountain and river plains. Municipality consists of two topographical regions, central plateau and a high plateau leading up to the Drakensberg Mountains. Matatiele Municipality is located on Karoo sediments, the south western portion on grey and reddish-brown Adelaide mud and sandstone, and in a north-westerly direction. Soils generally found in Matatiele are highly erodible.

#### **VIII. Biodiversity**

The area falls generally within the Sub-escarpment Grassland Bioregion and the Drakensberg Grassland Bioregion characterized by high species richness and a high rate of species turnover. Unimproved grasslands and degraded grasslands dominate the landscape in Matatiele Municipality and accounts for 111,928 ha (25.7%).

## **IX. Water Resources**

The municipality accumulates water from the catchment area, wetlands and springs. Available protected areas are:-

- Ongeluksnek Nature Reserve measures approximately 13 000ha.
- The Matatiele Nature Reserve (MNR)

### **4.1.2 Key Spatial Issues**

Encroachment of settlement onto high potential agricultural land, only 30% of the total land area of the municipality has land with minor limitations to agricultural production. 70% has severe limitations to agriculture. Uncontrolled settlement results in sprawl of rural settlements and growth of informal settlement in commonage areas.

#### **4.1.2.1 Spatial Planning Strategies**

The municipality will give effect to the intentions of the SDF through a set of spatial planning strategies that indicates the desired future spatial situation, and broad policy positions to guide decision-making.

- Enhancing The Quality Of The Environment
- Protection Of High Value Agricultural Land
- Supporting An Efficient Movement System
- Development Corridors As Investment Routes
- Focusing Development In Strategic Nodal Points
- Integration Of Different Landscapes And Land Use Zones
- Developing Sustainable Human Settlements
- Establishing Framework For Growth And Development

#### **4.1.2.2 Spatial Restructuring**

The following are the key elements of a spatial restructuring program:-

- Hierarchy of corridors
- Hierarchy of nodes
- Settlement clusters.

#### **4.1.2.3 Hierarchy of Development Corridors**

- **Primary Node** - The Matatiele Town is a sub-regional centre servicing the entire Matatiele Municipality and beyond. Therefore this is a primary node for investment promotion and centre of supply of services in the Matatiele Municipality. It forms part of the district spatial systems and is identified in the district SDF as a primary node or main economic hub.
- **Secondary Node** - Two other areas present an opportunity for the development of secondary nodes with much less threshold/sphere of influence, namely, Maluti and Cedarville.
- **Tertiary Centers** - In addition to the secondary centres, the vision for the future spatial development of Matatiele Municipality makes provision for the development of community

centres within a cluster of settlements. These small centres will serve as location points for community facilities serving the local community such as Caba/Mdeni, Afzondeling, Outspan, Queens Mercy, Qili and Thaba Chicha /Sijoka.

- **Continuum of Settlement Clusters**
- **Urban Settlements** - Matatiele Town including the surrounding townships, Maluti and Cedarville
- **Peri-Urban Settlements** - Large and expansive settlements have developed around Maluti, including Ramohlakoana, Maritseng, Sikiti, Motsekoa
- **Dense Rural Settlements**
- **Scattered Rural Settlements** (lilali) and
- **Settlement Clusters**

The Implementation framework has identified some projects including the preparation of a strategic planning document to guide future development and expansion of Matatiele Town and CBD Master Plan.

- **Primary Development Corridors**

R56 which runs through Matatiele in an east-west direction serves as the main regional access route that links Matatiele with other urban centres such as Kokstad to the east and Mount Fletcher to the south west. Secondary to the N2, it serves as the main link between the Eastern Cape Province and KwaZulu-Natal Province. It is identified in the Draft Provincial Spatial Development Plan (PSDP) - Eastern Cape as one of the Strategic Transport Routes

- **Secondary Development Corridors**

Two existing roads have potential to develop as secondary or sub-regional development corridors, creating opportunities to unlock new development areas through the use of a network of secondary corridors.

- The road from Matatiele to Lesotho through Maluti - provides access to a large number Of peri-urban and rural settlements located just outside of Maluti.
- Road to Ongeluksnek which branches nearly 15km outside of Matatiele - providing access to a tourist destination (tourism node) and block of high potential agricultural land.
- Proposed Maluti – Kingscote link road, to run along the foothills of the Drakensburg range and thus provide strategic linkages and unlock tourism development potential.

- **Tertiary Corridors**

Tertiary corridors which link service satellites in the sub-district also provide access to public and commercial facilities at a community level. Tertiary corridors are as follows:

- Road linking Matatiele and Ongeluksnek
- Road linking Swartberg with both Matatiele and Cedarville.
- Other district roads providing access to clusters of settlements.

## **4.2 BASIC SERVICE DELIVERY**

The reduction of Service Delivery Backlogs is one of the five (5) priorities for the municipality, thus striving to provide sustainable municipal services and infrastructure. Matatiele Local municipality has a number of service delivery and infrastructure backlogs as evident in the current situational analysis.

### **4.2.1 Water Provision and Sanitation**

In terms of water and sanitation, the district Municipality (ANDM) currently provides water and Sanitation to Matatiele Local Municipality. There is currently a large backlog with regards to the provision of water and sanitation. Sanitation in the rural areas comprise of VIP latrines. The District municipality, being the WSA is responsible for the compilation of the Water Services Development Plan (WSDP) and the Master Plans for sanitation & transport Planning. Currently in Matatiele Local Municipality, the following issues are experienced regarding water and Sanitation:

- There are a number of wards with no access to clean drinking water as per the RDP standards.
- The water backlog is sitting at over 64%
- Where there is access to water; the supply is irregular, at times people go for days without water.
- Some Schools and health facilities in rural areas do not have access to clean drinking water.
- There are large numbers of households which still require toilets in the rural areas; the current backlog sits at 61.4%

There seems to be a great need to speed up the process for addressing the challenges regarding the provision of these essential services, thus strategies need to be put in place to fast track the process.

In terms of water availability, The Mzimvubu to Keiskamma WMA has the highest mean annual runoff in South Africa, and equates to almost 15% of the total river flow in the country. 40% of that occurs within the Mzimvubu River catchment. Consequently from a water availability perspective, it can be expected that the water sources and the selection of sites for potential bulk storage within this Municipal Area are plentiful.

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 Municipal Area is fairly constant, varying from between 550 to 1000 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.

The Mzimvubu to Keiskamma WMA has the highest mean annual runoff in South Africa, and equates to almost 15% of the total river flow in the country. 40% of that occurs within the Mzimvubu River catchment. Consequently from a water availability perspective, it can be expected (and will be illustrated) that the water sources and the selection of sites for potential bulk storage within this Municipal Area are plentiful. In general there are a vast number of wetlands, rivers, and dams providing water to the municipality

#### **4.2.2 Comprehensive Infrastructure Plan**

- ❖ **Content:** Comprehensive Infrastructure Plan is comprised of **Storm water plan, Electricity Master plan and Intergrated Transport Plan**, Intergrated Transport Plan is aligned with District Intergrated Transport Plan.
  - **Electrification Plan**
    - Electrification Plan
    - Proposed Projects and Capital Plan
    - Funding Model
    - Conclusion and Recommendations
  - **Storm Water Plan**
    - The Study Area
    - Catchment Hydrology
    - Storm water Infrastructure Design Criteria
    - Required Storm water Intervention
    - Conclusion and Recommendations
  - **Integrated Transport Plan**
    - Transport Register
    - Spatial Development Framework
    - Roads and Traffic
    - Identified Road and Transport Projects
    - Gap Analysis
    - Road Maintenance and Upgrading Strategy
    - Road Maintenance and Upgrading Plan
    - References
- ❖ **Current Status:** Municipality purchased full set of plant for maintenance of roads and adopted priority list for implementation.
- ❖ **Future Plans:** The municipality has budgeted for an additional grader to concentrate on light maintenance because most of access do not just require maintenance however they need total rehabilitation, hence the plant take long reconstructing one access road.
- ❖ **Status of CIP:** Draft was prepared and submitted to the council and adopted on 24 January 2014, council resolution number: **CR 538/24/01/14.**

#### **4.2.3 Integrated Waste Management Plan (IWMP)**

The Municipality has IWMP was adopted in and is essentially a strategic planning document including background information on the current waste situation in the LM, a regulatory framework and objectives and strategies to improve the waste management system.

The primary objective of Integrated Waste Management Planning is to integrate and optimise waste management, in order to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of life of all South Africans including those in the Matatiele LM.

##### **i. Current Waste Categories and Characteristics**



- **General domestic waste:** This consists of paper, plastic, metal, glass, putrescibles / food waste, garden refuse and building rubble.
- **Commercial waste:** This waste is produced in insignificant quantities in the area and can also be categorised as general waste. Commercial wastes identified in the area include used cooking oil from restaurants and takeaways
- **Industrial waste:** This waste is derived from industrial activities taking place in Matatiele LM, such as waste from sawmills (sawdust, residual treatment chemicals, etc).
- **Medical waste:** This includes hazardous medical waste such as sharps, infectious waste.
- **Hazardous waste:** Includes waste such as sewage sludge, oil from workshops and putrescible organic matter.
- **Agricultural waste:** Includes combination of the above, but could also include waste such as pesticide, herbicide and fertilizer residues and containers.

## ii. Waste Collection

Refuse is collected by the local authority/private company at least once a week in 5395 households. Approximately 86% of the households do not have access to refuse collection, mainly in rural areas. Domestic and commercial waste tends to be collected together, mingled and is transferred to the respective landfill sites. There are is licenced lands fill site in Matatiele.

## Waste recycled or minimization

There is some evidence of limited recycling of cardboard in Matatiele LM; however, these activities are limited. In addition, there is no evidence of recycling of any measurable quantities of commercial, industrial, medical and hazardous waste generation in Matatiele Local Municipality.

## iii. Priority issues with regards to waste management

- Recycling is not coordinated
- There appears to be a great deal of recyclable waste in urban centres such as Matatiele that is sent to the landfill (e.g. cardboard, paper, engine oil, tins, metal, plastics, tyres, etc.)
- Landfill site is filling up rapidly
- The IWMP must come up with recommendations to deal with the impact of VIP toilets on underground water, particularly in rural areas
- Widespread littering
- There appears to be a general lack of awareness among the public concerning good waste management practices
- Hazardous waste and medical waste entering landfill site
- Hospitals seem to have adequate waste management practices in place, including medical waste
- Clinics generally appear to have good practices for the disposal of medical waste (e.g. Maluti Clinic).
- Waste disposal from funeral parlours is unknown
- There is a problem of LMs not having a lot of input in the allocation of MIG funding from the district municipality. This funding will help LMs in implementing the waste management plan.

## iv. Proposed Waste Management Objectives and Strategies for Priority Issues

- Integrated long term planning of waste management in a sustainable manner
- Increase waste management related capacity and awareness among LM officials and councillors and the public
- Make provision of extended sustainable waste services
- Promote broader public awareness concerning waste management issues and cleaner urban areas
- Establish an effective legal, regulatory and policy framework for waste management
- Reduce waste disposal to landfills or dump sites and promote waste minimization, reuse and recycling
- Promote better waste management practices in rural areas

#### **4.2.4 Disaster Management And Fire Services**

The District Municipality is providing Disaster Management services on a large scale within the Matatiele Local Municipality. Matatiele Local Municipality provides immediate Disaster relief, support and other initiatives throughout the local municipal area. The Municipality is currently developing the Disaster Management Plan, linked to the ANDM Disaster Management Plan. In recent years, there has been a prevalence of Disasters, natural and other. The following are some of the frequently occurring disasters in the Matatiele local Municipal Area;

- Wild fires
- Floods
- Heavy snow disasters
- Heavy Storms & tornados

Within Matatiele Local Municipality, The Disaster, Fire and Rescue unit functions to provide emergency and rescue services . although the unit is operational, there are challenges experienced which may hinder the sustainable progress on disaster Management. Some of these challenges are;

- Limited financial and human resources
- Lack of equipment and tools
- Awareness on disaster Management
- Lack of support and intergration of services from other stakeholders

Although there are challenges being experienced, there are plans in place to address some of these challenges. In the coming financial year, the unit plans to get funds to carry out the proposed projects which will include: training of 260 volunteers in the wards, 10 fire fighters and also appointment of experts on fire and rescue.

### **4.3 LOCAL ECONOMIC DEVELOPMENT**

Matatiele Local Municipality's Main Economic Development Challenges

Based on the findings of the situation analysis as captured in the SWOT analysis in the preceding section the following main challenges faced by Matatiele's economy are identified:

- Matatiele's agricultural potential is not fully utilised;
- There is a need to expand and diversify the economy especially with respect to the secondary sector that includes manufacturing and tourism development;

- The low human development capacity of the population is a particular challenge to the economy;
- The poor provision of infrastructural services and access to basic resources is a constraint to the development of the economy of Matatiele.
- There is a weak business development system of commercial services, information and advisory services, skills access to resources;
- Emerging entrepreneurs requires access a participatory institutional structure that can facilitate and lead economic growth and development in Matatiele through partnership agreements;
- A serious challenge in Matatiele is the poverty and needs within the rural areas

Further to that, a concerted effort was applied towards the attainment of LED objectives.

➤ **Improve public and market confidence**

The Municipality has a Spatial Development Framework (SDF) which was adopted by Council in 2011. The SDF provides a guide for the location of future development projects. It also details the Spatial Planning strategies that guide the Development of the Municipality in general. For example, one of the strategies is the focusing of development on strategic Nodal Points so as to maximize the Public and Private sector investment.

➤ **Investment and trading bylaws**

The Municipality recognized the importance of improving the policy framework in order to attract investors. As a result funding was obtained towards the development of a trading by-law. The Municipality does have an investment policy. This policy does amongst other things seek to position the Municipality as an investment destination for the domestic and foreign investors.

➤ **Exploitation of Comparative and Competitive advantages**

Exploiting sector comparative and competitive advantage of the Municipality is essential. As a result, enhancing and creating an enabling environment for the growth of these sectors is pursued. Funds are regularly sourced to assist in the financing of initiatives that are aimed at exploiting this competitive advantage, as discussed in Section 2.5.2. The various agricultural projects were assisted by the Municipality in terms of Management and Project monitoring.

**Intensify enterprise support and business development**

The Municipality is yet to develop an SMME development and support plan. This will entail methods of assisting Cooperatives, Informal Sector in the following:-

- *Skill Development /Training*
- *Financial Support*
- *Monitoring and Business Advice*
- *Access to funding*
- *Compiling Business Plans*
- *Newly Established SMMEs*

The Municipality also assisted in the establishment and continued support of 20 new Cooperatives. This figure could be more since more Cooperatives could have been established directly with

Companies and Intellectual Property Commission (CIPC). Similarly three hundred and four (304) informal traders can be recorded as established.

#### **4.3.1 Existing Businesses**

Some progress has been made as far as developing the commercial sector. However, this industry is still far from being fully developed. Formal business in Matatiele consists mainly of retail and commercial farming businesses. As far as the former are concerned, supermarkets, clothing stores and spaza shops are the most common types of business in the rural areas of this municipality.

Other than agriculture the dominant businesses in the rural areas are spaza shops (general dealers), transport businesses, cultural and eco-tourism activities, small-scale agricultural production and wood processing. One of the major challenges that they face is that their generally low density in these areas and a dispersed business population undermine their ability to access and benefit from knowledge transfer, which can help them grow.

A number of businesses and/or business services are not found in Matatiele. These include:

- Suppliers of agricultural inputs: Farmers buy supplies from other municipalities, such as Umvoti Local Municipality in KwaZulu-Natal;
- A tourism information or support office: A tourism office is needed for the provision of assistance to tourists; and

#### **4.3.2 LED Sectors**

The LED Strategy was adopted in 2010 and aims to provide a strategic direction to guide the municipality in efforts towards achieving local economic development of the municipality.

It suggests the following sectors as the ones that make the largest contribution to Matatiele's economy:-

- Commerce and industry
- Community, social and other personal services
- Wholesale & retail trade; catering and accommodation
- Finance and business services
- Transport and Communication
- Construction
- Agricultural and Agri-Tourism
- Manufacturing mining and quarrying

However, due to numerous challenges facing each of these sectors, creation of employment opportunities to adequately address poverty and to keep up with the economic needs of local communities has been growing at a slow pace. As a result, the municipality is home to many poverty-stricken communities with high levels of poverty and unemployment, and generally low income levels. Many of these communities face the challenge of very limited access to basic services such as water and electricity.

Many people living in the rural areas rely mainly on subsistence agriculture. On the other hand, the construction industry is very small. Construction activities include road construction and the building of houses. This industry has the potential to provide more job opportunities in the future, based on:-

- Rapidly increasing fiscal allocations for public infrastructure

- Expansion of the EPWP (there needs to be a District (i.e. Alfred Nzo) EPWP Plan, with an M&E capability).
- Increased house-construction (human settlements) and retail infrastructure.

#### **4.3.3 EPWP**

In Matatiele local municipality, the implantation of the Expanded Public Works Programme commenced with the registration of Nkhoesa Mofokeng Project in the Infrastructure Sector of EPWP. With the Expansion of the programme, additional EPWP programmes were introduced being; Rea-hloekisa programme, Food for Waste, Wattle removal Programme. Also an EPWP unit was established with 6 Cluster supervisors, an EPWP Co-ordinator and data Capturer.

The three programmes mentioned above, have contributed to the providing job opportunities and income opportunities in every ward within the municipality. To date the following opportunities have been created from the three programmes:

<b>Programme</b>	<b>Number of workers</b>
Nkhoesa Mofokeng	780
Rea-Hloekisa	312
Wattle removal	520
<b>TOTAL</b>	<b>1612</b>

#### **4.3.4 Agricultural Development**

The availability of water resources in various parts of Matatiele, such as rivers, streams and wetlands, the good quality of its soil and rainfall render the area suitable for large-scale production of a number of crops. Particular areas have been identified to be suitable for certain types of crops, for example, fertile soil, particularly in the Ongeluksnek area, is good for a variety of fruits such as apples, citrus fruit, and peaches. Despite this potential, Matatiele's agricultural crop sales have been ranked among the lowest in the country for many years due to a number of challenges:-

- Lack of storage facilities for the preservation of crop products, especially maize
- Lack of fuel (e.g. diesel) and/or electricity for the very few who own farming equipment.
- Absence of milling plants in areas where they are needed the most: Mafube, Belfort is among the areas that can benefit greatly from milling facilities.
- The existence of a vast area of under-utilised agricultural land in many parts of the municipal area Limited access to land as well as lack of title deeds hamper crop production and productivity.
- Lack of modern farming machinery such as tractors and implements
- Subsistence crop farming, especially in the rural areas is very dominant

Livestock farming and crop farming are the most common farming activities, the dominant of which is the livestock farming. The main livestock farming activities include cattle farming, sheep farming and goat farming. Many emerging livestock farmers in urban Matatiele raise cattle on their farms mainly for beef which they sell to local slaughter-houses, supermarkets and also to individuals. Some sell cattle to buyers from Durban, Howick and Pietermaritzburg in KwaZulu-Natal, and Port Elizabeth in the Eastern Cape through auctions organised by the Cedarville Farmers Association. Live sheep, goats and wool get sold to local manufacturers in Port Elizabeth and Durban and to manufacturers based outside the country. A need for provision of dipping tanks has been raised for fourteen wards.

Emerging farmers in Matatiele generally face a number of difficulties, including:-

- Lack of proper stock-handling facilities,
- Lack of dipping facilities for protecting cows against diseases,
- Need for bulls to improve certain types of breeds and perpetuate those that are not found in large numbers, such as the Nguni breed,
- Shortage of grazing land for some cattle including Nguni cattle,
- Need for a feedlot for cows that are raised for commercial purposes,
- Lack of modern milking parlour,
- Poor access to economic-enabling physical infrastructure, such as electricity, roads and water infrastructure, which hamper productivity,
- Limited understanding of modern farming methods and practices, which compromises the quality of the cattle raised in the municipal area, especially in the rural areas, and
- Overgrazing.

Crop farming includes mainly maize, wheat, sorghum, beans, soya beans, canola, potatoes, butternut, green leafy vegetables (cabbage, spinach, turnip etc.), green, red and yellow pepper and sunflower. The markets for those who sell vegetables include local formal businesses, such as hypermarkets, including ShopRite and Pick'n'Pay, local vegetable vendors and vegetable traders from Lesotho. In addition, there are opportunities for them to supply crops and vegetables to local orphanages, hospitals and some primary schools.

Opportunities also exist for honey production, although this sub-sector is highly underdeveloped. Efforts to retain bees could be made through planting of sunflowers in areas where most bees are found.

Approximately nine (9) wards indicated that they require fencing for their cultivate fields in order for them to better cultivate their land. Currently, the Department of Agriculture has committed funds towards economic development focussing on poverty alleviation and unemployment:-

#### **4.3.5 Forestry**

Land Was Secured In 2011 For New Forestation Purposes In The Jurisdiction Of Matatiele Local Municipality. Environmental And Rural Solutions Cc Were Appointed In 2011 To Conduct An EIA In The Sites Identified For Forestation.

The Department of Rural Development and Land Reform, SAPPI, Department of Agriculture, Forestry and Fisheries has assigned consulting services to Department of Trade and Industry (DTI) to conduct feasibility studies to the identified community sites that have been approved for forestation. Subsequent to the feasibility and Environmental Impact Assessment will be undertaken, 17 villages licensed for the establishment of Forestry project while 48 villages applied and waiting for license

The following is a list of forestry products that can be produced from the natural forests and forestry plantations in the Municipality:

- **Timber Products**
  - ▶ Manufacture of furniture, poles (e.g. sign-posts), etc.
  - ▶ Manufacture of charcoal from timber waste products
  
- **Non-Timber Products** (closely related to natural forests and forestry plantations)
  - ▶ Beekeeping and honey production
  - ▶ Basket-making
  - ▶ Picking and packaging of edible plants
  - ▶ Ferns, foliage and flowers
  - ▶ Hiking trails
  - ▶ Medicinal plants
  - ▶ Picking and packaging of mushrooms

A number of challenges and threats facing the forestry sector were identified, including fires, diseases, drought, strong winds, snow, livestock trespassing and vandalism. There are also concerns about the potential impact on the water supply which could negatively affect existing agricultural and manufacturing processes and might also have negative impact on the tourism sector since some tourist attractions need a constant water supply.

#### **4.3.6 Tourism Development**

The abundant natural beauty of Matatiele makes it an area of high tourism potential. Among its attractive features are its wide, open spaces, mountainous terrain, rivers, scenic botanic features, flora and fauna (biodiversity), wetlands, picnic spots, birds, including special bird species, and snowy winters. In addition, Matatiele is home to diverse cultures.

These features provide opportunities for the growth or expansion of the following existing forms of tourism in the municipality:-

- **Nature-based tourism:** The municipality boasts several unspoiled environments with a diversity of naturally occurring attractions.
- **Cultural tourism:** There are opportunities for showcasing various cultures that exist in the municipality.
- **Agricultural tourism:** A number of festivals, all of which are associated with farms and agriculture, have been held in the municipality. They include agricultural shows, pumpkin festivals, fruit festivals, flower festivals, bird watching trips, hikes and wagon rides. The development of the educational aspect of this form of tourism should be considered since it has the potential to attract more tourists.
- **Bird-watching/Avitourism:** Since bird-watching has become one of the fastest growing recreational activities that attract international tourists, it can be used for boosting the economic performance of the municipality. One of the conditions for the success of avitourism is that habitat protection and environmental education are incorporated into the strategic documents of the municipality.
- **Eco and Adventure Tourism:** The area has the potential to become one of the most important econ-tourism and adventure travel tourist destinations in the country. Existing activities include rafting, hiking and 4X4 trips through the mountain passes that form the border between the municipality and the Southern districts of Lesotho. Qacha's Nek, Ramatseliso's Pass and Ongeluksnek provide access to Lesotho.
- **Winter Tourism:** Since snow is often experienced in winter, potential exists for skiing as one of the tourism activities in the municipal area,
- **The Rural Nature of Matatiele:** The rural setting of Matatiele renders it suitable for the development of tourism that is nature based, utilises the environment as a key resource, and places people development at the core of the planned tourism enterprises

#### **4.3.7 Mining**

Limited quarrying activity takes place in the municipality with some of them not registered. The stone that is extracted is used in road construction projects and in building houses. There is great potential for exporting the stone to various parts of the country for building purposes. Since there is an abundance of river sand in the municipality, sand mining is a common activity.

Most of the sand obtained from the local river banks is exported to other municipalities for construction purposes. According to the Matatiele Municipality IDP Review (2008-2010), a number of environmental management areas and eco-tourism with the potential for diamond, coal and paraffin mining exist in Wards 8 and 24. It is recommended in this regard that detailed investigations into these potential areas should be undertaken. Mining also has some potential but has to be further investigated.



#### **4.3.8 LED Strategy**

##### **I. Introduction**

The Matatiele LED strategy was adopted on 30 June 2010, council resolution number CR548/30/06/2010. S.A has adopted the Local Economic Development (LED) approach as a key element of an integrated approach to development. LED is an integrated, multi-disciplinary approach that aims to ease poverty in a local area and to develop its economic ability to improve its economic and social conditions. Municipalities are mandated to develop LED strategies and plans to build up the economic capacity of their respective areas to improve their economic future and quality of life.

Matatiele Local Municipality recognizes that it has a significant role to play in addressing the developmental challenges that it faces and in promoting economic development and human welfare. LED strategy is as a result of the high unemployment and poverty levels experienced. This Local Municipality is endowed with a variety of natural resources, counting fertile soils, game reserves, historical sites, natural forests, rivers and mountains. These resources provide opportunities for the development of diverse sectors of the local economy.

##### **II. Purpose and Objectives**

The purpose of this LED Strategy is to provide a strategic direction to guide the Matatiele Local Municipality in its actions and efforts to lead local LED stakeholders towards achieving local economic development in the municipal area. It sets out actions that will help improve the strength of the local economy and encourage its growth in a sustainable mode.

The objectives are to:

- Capacitate the Matatiele Local Municipality in carrying out its LED mandate
- Develop a strategic implementation plan that outlines the strategies and activities that the municipality and other LED stakeholders can employ
- Facilitate the creation of an enabling framework for private and public sector investment
- Provide an overall economic assessment for Matatiele in order to identify sectors or areas of high economic potential
- Identify and estimate the cost of projects that will potentially contribute to the improvement of both Matatiele local Municipality's economic future and quality of life within the municipal area
- Provide guidelines for implementing LED projects in Matatiele Local Municipality and for monitoring and evaluating them
- Identify the roles and responsibilities of local stakeholders in LED
- Provide guidelines for the monitoring and evaluation of the strategy.

The formulation and eventual implementation of the LED Strategy in this document takes place within the context of the national and provincial policy and strategy frameworks.

##### **III. Situational Analysis**

An overview of the current demographic, socio-economic and economic profiles and trends of the municipality was done. Through this overview, it was possible to identify the development strengths, weaknesses, opportunities and threats of the economy of the municipality. This section accordingly deals with the following:

- Overview of Matatiele;
- Demographic and socio-economic profile of the area;
- Economic profile and trends
- Analysis of main economic sectors of the municipal area and
- Provision of services and resources impacting on the economy.

#### IV. Strategic Framework for LED intervention

Formulation of a strategic framework for the implementation of the LED Strategy consists of the following components:

- The identification of the main challenges facing MLM's economy as derived from the SWOT analysis;
- The formulation of an LED Vision as derived from the Municipal IDP vision
- The formulation of goals and objectives. The goals and objectives flow from the vision, the main challenges and the inputs received.

The above section contains the main components of the LED Strategy of the municipality. This is followed below with the implementation strategy indicating the actions and projects that should be implemented in order to achieve the vision, goals and objectives.

#### V. Implementation Strategy

The purpose of the section is to unpack the actions and projects that need to be employed by the stakeholders in order to achieve the goals and objectives outlined in the previous section. The main components of this section are the following:

- Identification of prioritized actions and projects for implementation
- From the prioritized list of projects a set of key anchor projects has been developed for the implementation by the stakeholders;
- An implementation schedule is devised from the key projects identified indicating responsibilities and resource requirements;
- Identification of monitoring and evaluation criteria that would be used to assess progress in terms of the implementation of the LED Strategy;
- Project Implementation Guidelines.

**VI Implementation Guidelines** - This section aims to guide the MLM LED Unit when implementing this LED Strategy in general and the identified LED anchor projects in particular. It is intended to be used by the LED unit as a manual for implementing the LED strategy. The section is structured as follows:

- ❖ *Roles and responsibilities Of Programme and Project Level Institutions*
- ❖ *General step-by-step guidelines for project implementation, and*
- ❖ *Creation of an environment that is constructive for economic growth and development*

#### Stakeholder Involvement and Community Participation

Matatiele Local municipality considers the inputs of stakeholders and communities as valuable in developing strategies and plans towards developing and improving the Local Economy. Various methods and mechanisms are utilised to engage stakeholders and the public. Amongst others is the:

##### ■ LED Forum/Local Action Team (LAT)

An institutional arrangement that allows for participation and input at the community level will be critical to the successful implementation of this LED strategy. The key guiding principles of this LED

Forum includes the following:

- It must be inclusive and representative,
- It must be participatory,
- It must have a clear and transparent role,
- It must meet regularly (at least quarterly) and adhere to proper meeting procedures, and
- It must receive feedback from project level committees.

The LED Forum comprises a number of stakeholders from the public sector, private sector, NGOs, and the civil society, private individuals and associations such as the Matatiele Farmers associations, Masibumbane Hawkers Association, Uncedo taxi association, Matatiele Drakensburg Taxi Association, Business Unit and bus associations amongst others.

## 4.4 FINANCIAL VIABILITY

### FIVE (5) YEAR FINANCIAL PLAN

#### Introduction

In general usage a financial plan is a budget, in other words a plan for spending and saving future income. This plan allocates future income to various types of expenses, such as salaries, insurances and also reserves some income for short term and long term savings. A financial plan is also an investment plan, which allocates savings to various assets or projects expected to produce future income.

One of the key issues identified for the sustainability of Matatiele Local Municipality is expanding its revenue base whilst remaining financially viable and sustainable. The objectives are therefore to provide effective, efficient and co-ordinated financial management and financial accounting.

This financial plan includes therefore the assumptions used when compiling the budget, the operating and capital budget, financial strategies as well as the accounting policies.

#### PURPOSE

To advise Council about the budget process for 2014/2015 to 2016/2017 MTREF (Medium Term Revenue and Expenditure Framework).

To submit the 2014/2015 Draft Capital and Operating budget; proposed tariff increases and budget related policies for tabling by Council.

To advise council about items affecting budget and service delivery.

To provide budget information to council for more discussions to achieve approved budget within the legislative required time.

#### LEGAL / STATUTORY REQUIREMENTS

Municipal Finance Management Act 56 of 2003, Chapter 4.

Local Government Municipal System Act 32 of 2000.

National Treasury Regulations, MFMA Circulars and other relevant Guidelines.

MFMA Municipal Budget and Reporting Regulation.

#### BACKGROUND AND REASONING

The preparation process of the Medium Term Expenditure Revenue Forecast for 2014/2015 and Two Outer years 2016/2017 has commenced as required by Municipal Finance Management Act by submitting the Budget and IDP Review process plan to Council for approval before 31 August 2013.

During these Budget and IDP Reviews the communities and other stakeholders have submitted their needs to be included in the IDP and their priorities to be budgeted for of which the Management have consolidated those budget proposals with alignment with the IDP to advise Council on Budget product.

#### BUDGET PREPERATION ASSUMPTIONS

The following assumptions have been used to prepare the proposed final budget,

*Headline inflation forecasts*

*On setting up increases on tariffs and increasing of budget expenditures, the National Treasury issued inflation forecast through MFMA circular No 70 for 2014/15 of 5.6% has been well considered.*

*Revision of rates, tariffs, and other charges*

*As detailed on paragraph 1 above, when revising tariffs, rates and other charges, inflation forecast has been considered to ensure that all are proposed to increase not above 5.6%.*

*Further to the above, the labour and other input costs of services have been taken into account to ensure financial sustainability, local economic conditions and the affordability of services and also taken into consideration the municipality's indigent policy.*

*The proposed rates, tariffs and other charges have been tried to be kept as as low as practically possible.*

*Eskom bulk tariff increases*

*On announcement of Eskom bulk increases by NERSA, the municipality proposed increases on electricity tariffs is 7.39% as guided by NERSA and MFMA circular No 70 and final approved tariffs will be subject to NERSA. These will be only tariffs to increase above 7.39% and this is beyond municipality as electricity is purchased in bulk from Eskom.*

*Funding choices and management matters*

*Tough decisions on the expenditure side have been made by giving priority to ensure that service delivery is improved in all aspects as follows,*

Supports of meaningful local economic development initiatives that foster micro and small business opportunities and job creation. Day to day operations for provision of service delivery.

That there is expediting spending on capital projects that are funded by conditional grant and council revenue. Supports of meaningful special programs for community groups.

*The Municipal Budget and reporting Regulations*

*Since 1 July 2009, the budgets have been prepared as per requirements of the regulations. The municipality have complied with the formats set out in schedule A, B and C and the relevant attachments to each of the schedules.*

MFMA Circular No. 70

*Circular No. 70 has provided guidance on budget preparations on many aspects on this current budget preparations, the inflation forecast for increases have been considered.*

*Circular No. 70 provides further guidance to municipalities for the preparation of 2014/15 Budgets and Medium Term Revenue and Expenditure Framework.*

*Main guidance provided is on need to ensure that the inputs into 2014/15 budget and MTREF safeguard the financial sustainability of the municipality. More specifically, the council is advised against unrealistically low tariff increases and over-ambitious capital expenditure programmes.*

*The following assumptions have been used to prepare the proposed final budget,*

### **Capital & Operating Budget**

The five-year financial plan includes an Operating Budget and Capital Investment Programme for the five years ending June 2017.

#### **a) Operating Budget**

Table F1 details the Operating Budget for the five years starting 1 July 2014 and ending 30 June 2017.

#### **Table F1 Operating Budget**

#### **Draft Expenditure Budget**

	Audited Outcome 2011/12	Audited Outcome 2012/13	ADJUSTED BUDGET 2013/14	BUDGET 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18
Employee related costs	52 549 389	63 037 806	76 333 355	88 906 593	93 351 923	98 019 519	102 920 495
Remuneration of Councilors	12 521 875	15 344 136	16 778 550	17 350 834	18 218 376	19 129 294	20 085 759
Bad Debt Provision	2 000 000	2 000 000	3 000 000	4 277 597	4 491 477	4 716 051	4 951 853
Depreciation	10 697 549	13 892 626	13 053 023	14 065 850	14 769 143	15 507 600	16 282 980
Repairs and maintenance	15 643 000	12 933 500	12 559 001	10 065 000	10 568 250	11 096 663	11 651 496
Interest external borrowings	1 431 790	3 000 000	2 000 000	0	0	0	0
Bulk purchases – Electricity	23 615 855	28 300 000	28 000 000	28 000 000	29 400 000	30 870 000	32 413 500
Contracted Services	9 539 917	11 351 438	14 962 983	11 938 607	12 535 537	13 162 314	13 820 430
Grants and subsidies paid	12 283 442	24 860 370	28 888 555	33 834 748	35 526 485	37 302 810	39 167 950
General Expenses	30 328 898	35 739 550	49 846 012	67 298 099	70 663 004	74 196 154	77 905 962
Internal Charges	302 500	28 500	0	0	0	0	0
<b>Sub-Total</b>	<b>170 914 215</b>	<b>210 487 025</b>	<b>245 421 479</b>	<b>275 737 329</b>	<b>289 524 195</b>	<b>304 000 405</b>	<b>319 200 425</b>
Capital Grants	90 851 050	43 390 026	0	154 265 392	161 978 662	170 077 595	178 581 474
Surplus	-5 307	-91 748	0	-485 455	-509 728	-535 214	-561 975
<b>TOTAL OPERATING EXPENDITURE</b>	<b>261 759 958</b>	<b>167 097 400</b>	<b>245 421 479</b>	<b>120 986 482</b>	<b>127 035 805</b>	<b>133 387 596</b>	<b>140 056 976</b>

**Break down of Employee Related Cost of R 88 906 593 per department:**

Unit	Amount
Municipal Manager's Office	8 485 185
Budget and Treasury Office	15 206 647

Corporate Services	18 469 523
Community Services	16 534 288
Economic Development Planning	7 513 288
Infrastructure	22 697 662
	88 906 593

#### Salary Budget

Description	Salary Budget	Total Operating Budget	Percentage of operational budget
	88 906 593	275 458 979	32%

#### Repairs and Maintenance

Description	Repairs and Maintenance	Total Operating Budget	Percentage of operational budget
	10 065 000	275 737 329	3.65%

#### Creditor's Turnover Rate:

#### Draft Income Budget

	AUDITED OUTCOME 2011/12	AUDITED OUTCOME 2012/13	ADJUSTED BUDGET 2013/14	BUDGET 2014/15	BUDGET 2015/16	BUDGET 2016/17	BUDGET 2017/18
Property Rates	25 173 298	25 900 000	42 297 947	42 297 947	44 412 844	46 189 358	48 498 826
Service Charges	43 331 139	43 624 028	49 813 718	48 690 405	51 124 925	53 681 172	56 365 230
Rentals of facilities and equipment	1 183 382	555 570	586 633	599 165	629 123	660 579	693 608
Interest earned – external investments	3 000 000	5 800 000	5 500 000	4 000 000	4 200 000	4 410 000	4 630 500

Interest earned – outstanding debtors	1 785 000	2 095 000	1 850 800	1 943 340	204 057	214 260	224 973
Fines	487 000	483 000	451 000	450 000	472 500	496 125	520 931
Licenses and permits	2 154 484	3 150 000	2 704 000	2 704 000	2 839 200	2 981 160	3 130 218
Government grants & subsidies	91 763 651	127 240 780	135 157 408	274 605 798	288 336 088	302 752 892	317 890 537
Capital Grants	90 851 050	43 390 026	0	153 985 392	161 684 661	169 768 895	178 257 339
Other	2 030 954	1 731 296	65 046 526	54 935 520	57 682 296	60 566 411	63 594 731
<b>TOTAL OPERATING INCOME</b>	<b>261 759 958</b>	<b>253 969 700</b>	<b>303 408 032</b>	<b>584 211 567</b>	<b>611 585 694</b>	<b>641 720 852</b>	<b>623 106 893</b>

Debtor's turnover:

95%

**Billing:**

Consumers are billed on a monthly basis.

**Valuation Roll:**

In terms of Municipal Property Rates Act of 2004, the municipality has a valuation roll and it has been implemented. The supplementary valuation roll has also been conducted and implemented.

**DRAFT OPERATING AND CAPITAL BUDGET SUMMARY BY MAIN VOTES**

Draft operating and capital budget is tabled as follows:

**Table 5: Total Draft Budget Summary**

DEPARTMENT	EXPENDITURE	INCOME	CAPITAL
Executive & Council	45 014 683	8 970 501	221 000
Budget & Treasury	68 132 211	238 114 236	3 955 200
Corporate Services	30 911 885	300 000	1 843 000
Community Services	36 155 139	19 930 883	7 343 000
Economic Development & Planning	14 136 010	176 774	915 000
Infrastructure	81 387 400	162 715 781	171 272 192
Capital Grants	153 985 392	0	0
<b>Total</b>	<b>429 722 720</b>	<b>430 208 175</b>	<b>183 985 392</b>
Surplus/(Deficit)	485 455		



## GRANTS AND SUBSIDIES

The municipal allocations from grants and subsidies for conditional purposes and operational purposes are tabled as follows for the medium term expenditure revenue forecast,

Table 6: Grants and Subsidies for MTERF

GRANT DESCRIPTION	DORA 2014/2015	DORA 2015/2016	DORA 2016/2017
Equitable Share	138 979 000	176 035 000	176 741 000
Finance Management Grant (FMG)	1 600 000	1 650 000	1 700 000
Municipal Systems Information System (MSIG)	934 000	967 000	1 018 000
Municipal Infrastructure Grant (MIG)	45 759 000	48 086 000	50 164 000
INEP	19 300 000	25 000 000	30 000 000
<b>Total</b>	<b>206 572 000</b>	<b>251 738 000</b>	<b>259 623 000</b>

## FUNDING FOR DRAFT CAPITAL BUDGET

Draft capital budget is projected at R184, 2 million and this is inclusive of council revenue allocated for capital projects from operating budget as tabulated below:

Table 3: Summary of Draft Capital Budget

DESCRIPTION	ADJUSTMENT BUDGET 2013/2014	DRAFT BUDGET 2014/2015	NET-CHANGE
Grants Rolled Over	11 728 654	0	11 728 654
Electrification – DoE	10 008 865	55 988 000	-45 979 135
Municipal Infrastructural Grant – MIG	38 677 962	45 210 902	-6 532 940
<b>Sub-Total</b>	<b>60 415 481</b>	<b>101 198 902</b>	<b>-40 783 421</b>
Capital Replacement Reserve	51 776 782	52 786 490	-1 289 708
External Loans	11 500 000	30 000 000	-18 500 000
<b>Total</b>	<b>123 692 263</b>	<b>183 985 392</b>	<b>-19 789 708</b>

## DRAFT TOTAL CAPITAL AND OPERATING BUDGET

Total Draft capital and operating budget for 2014/2015 is R459, 7 million and reflects an increase of R90, 6 million which is 19, 7% from the 2013/2014 adjustment budget.

Table 7: Total Draft Budget

DESCRIPTION	2013/2014 ADJUSTMENT BUDGET	2014/2015 DRAFT BUDGET	NET-CHANGE	%
Operating Expenditure Budget	245 421 479	275 737 329	-30 315 850	12%
Revenue Budget	-366 038 656	-430 208 175	-64 169 519	18%
Capital Budget	123 692 263	183 985 392	-60 293 129	49%
<b>Total</b>	<b>369 113 742</b>	<b>459 722 721</b>	<b>-90 608 979</b>	<b>25%</b>

In conclusion, this final budget for both capital and operating estimates as suggested by all the Municipal departments. The capital estimates have been compiled after taking into account the IDP projects.

#### 8.1.4 Financial Strategy

Matatiele Local Municipality is a developing municipality located in the rural areas of the Province of the Eastern Cape. Only 6.5% of its population is economically active which poses specific challenges regarding financial sustainability. Council operations must be conducted in a manner that will ensure that services will remain affordable and yet tariffs must be able to cover costs.

##### **Revenue Raising Strategy**

Outstanding debt amounts to R50 million. Drastic steps must be implemented to have this amount reduced as it will eventually lead to cash flow problems. The target is that 90% of all billing must be collected.

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

**The review and implementation of the Credit Control & Debt Collection Policy.** This policy and the relevant procedures detail all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc.

***The review and implementation of the Indigent Policy.*** This policy defines the qualification criteria of an indigent, the level of free basic services enjoyed by indigent households, penalties for abuse etc.

***The review and implementation of the Tariff Policy.*** This policy will ensure that fair tariffs are charged in a uniform manner throughout the Matatiele Local Municipality area. Tariffs must remain affordable but also insure sustainable services.

***The review and implementation of the Property Rates and Valuation Policy.*** This will ensure that a fair rates policy and an updated valuation roll is applied to the entire Matatiele Local Municipality area and will aim to ensure that all properties are included in the municipality's records. Furthermore the policy will ensure that valuations are systematically carried out on regular bases for all properties.

***The review and implementation of the Customer Incentive Scheme.*** This scheme will detail the incentives and prizes that will be made available to encourage customers to pay their accounts promptly.

***The review and implementation of the Improved Payment Strategy.*** This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month, including increasing the methods of payment and implementing on-line pre-payment systems.

#### **Asset Management Strategy**

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

***The implementation of an integrated asset management system.*** This programme will involve the investigation, identification and implementation of a suitable integrated asset management system. It will also include the capture of all assets onto this system, the maintenance of this system and the production of a complete asset register in terms of GRAP requirements.

***The implementation of the fixed asset infrastructure roadmap i.e. action plan.*** This plan will involve a status quo assessment of current infrastructure assets, the implementation of individual action plans within the roadmap and the development of individual infrastructure asset registers. This project is contingent on various departments maintaining their respective infrastructure asset registers and supplying all the necessary information to the Asset Management Section to enable the necessary infrastructure asset information to be included in the asset register in terms of GRAP requirements. ***The review and update of asset and risk insurance procedures and the renewal of the insurance portfolio.*** This programme will involve the identification of risks in conjunction with insurers and all Departments and the review and update of the asset and risk insurance procedure manual. It will also include the review of the existing insurance portfolio and the renewal of the insurance policy as per the renewal terms.

#### c) Capital Financing Strategy

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

***The review and implementation of the debt capacity policy.*** This policy will ensure that any borrowings taken by the Matatiele Local Municipality will be done in a responsible manner and that the repayment and servicing of such debt will be affordable.

***The review and implementation of the policy for access finance (including donor finance).*** This policy will ensure that all available funding sources are vigorously pursued.

#### d) Projected staff growth and costs

Matatiele Local Municipality provides limited services to its rural population. When refuse removal services, roads and storm water management, building and town planning control and other services affected in the 3 towns are extended to the 256 rural villages, the staff complement will have to increase. This will be done through the Extended Public Works Programme.

### **8.1.5 Financial Management Policies**

#### **General Financial Philosophy**

The financial policy of the Matatiele Local Municipality is to provide sound, secure and fraud free management of financial services. The municipality reviews its policies on an annual basis.

The Budget and Finance Office has the following objectives:

Implementation of LG MFMA

Implementation of the LG Municipal Property Rates Act

Management of the Budget Process

Performance of the Treasury Function

Management of Municipal Revenue

Management of a Supply Chain Management Unit

Establishment of a FBS/Indigent Support Unit

Maintenance of Internal Financial Control

Production of Financial Performance Reports  
To Retain the Financial Viability of the Municipality  
To have an Unqualified Audit Report

#### **Budget Policy**

The aim of the policy is to set out the budgeting principles which the municipality will follow in  
Preparing each annual budget, as well as the responsibilities of the chief financial officer in  
Compiling such Budget.

#### **Tariff Policy**

A tariff policy must be compiled, adopted and implemented in terms of Section 74 of the Local Government: Municipal Systems Act 2000, such policy to cover, among other things, the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements.

#### **Property Rates Policy**

In developing and adopting this rates policy, the council has sought to give effect to the sentiments expressed in the preamble of the LG Municipal Property Rates Act, namely that:  
the Constitution enjoins local government to be developmental in nature, in addressing the service delivery priorities of our country and promoting the economic and financial viability of our municipalities;  
there is a need to provide local government with access to a sufficient and buoyant source of revenue necessary to fulfill its developmental responsibilities;  
revenues derived from property rates represent a critical source of income for municipalities to achieve their constitutional objectives, especially in areas neglected in the past because of racially discriminatory legislation and practices; and  
it is essential that municipalities exercise their power to impose rates within a statutory framework which enhances certainty, uniformity and simplicity across the nation, and which takes account of historical imbalances and the burden of rates on the poor.

In applying its rates policy, the council shall adhere to all the requirements of the Property Rates Act no. 6 of 2004 including any regulations promulgated in terms of that Act.

#### **Indigent Support Policy**

The objective of Indigent Support Policy is to ensure the following:  
The provision of basic services to the community in a sustainable manner, within the financial and administrative capacity of the Council; and  
To provide procedure and guidelines for subsidization of basic provisions received from Central Government, according to prescribed Policy guidelines.

The Council also recognizes that there may be residents simply not able to afford the cost of full provision and for this reason the Council will endeavour to ensure affordability through:  
Settings tariffs in terms of the Council Tariff Policy; which will balance the economic viability of continued service delivery; and  
Determining appropriate service levels.

#### **Credit Control & Debt Collection Policy**

The purpose is to ensure that credit control forms an integral part of the financial system of the local authority, and to ensure that the same procedure be followed for each individual case.

### **Supply Chain Management Policy**

The objective of this policy is to provide a policy framework within which the municipal manager and chief financial officer can institute and maintain a supply chain management system which is transparent, efficient, equitable, competitive, which ensures best value for money for the municipality, applies the highest possible ethical standards, and promotes local economic development.

By adopting this policy the council further pledges itself and the municipal administration, to the full support of the Proudly SA campaign and to the observance of all applicable national legislation, including specifically the:

Preferential Procurement Policy Framework Act No. 5 of 2000 and its regulations;

Broad Based Black Economic Empowerment Act No. 53 of 2003 and any applicable code of practice promulgated in terms of that Act; and

LG Municipal Finance Management Act No. 56 of 2003, including the regulations relating to the prescribed framework for supply chain management.

A paraphrase of the relevant provisions of the foregoing statutes is annexed to this policy. Where applicable, the council also pledges itself to observe the requirements of the Construction Industry Development Board Act No. 38 of 2000 and its regulations.

### **Banking and Investment Policy**

The objective of this policy is to gain the optimal return on investments, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes.

To provide effective cash management

To comply with Sect. 13 of the MFMA

Fixed Asset Management Policy

The objective to specify the duties of all role players involved in asset management.

To provide directives regarding the management, depreciation and acquisition of fixed assets.

### **Transport Policy**

Vehicles allocated to officials for carrying out their official responsibilities or to use in the service of the municipality;

The officials designated by the municipal manager to control and allocate municipal vehicles;

The use by employees and councillors of official transport.

### **GRAP Framework Policy**

The objective of the policy is to define the practical implementation of Generally Recognised Accounting Practice at the municipality, in accordance with the provisions of the Municipal Finance Management Act.

### **Risk Management Policy**

Define roles and responsibilities and outlining procedures to mitigate risks,

Ensure pro-active, consistent, integrated and acceptable management of risk,

Define a reporting framework to ensure regular communication of risk management information,

Provide a system to accommodate the central accumulation of risk data, and,

Comply with Sect. 62 and 95 of the MFMA.

**Data Backup Policy**

The objective of the policy is to provide guidelines on the backup procedures to be adhered to regarding all data utilised by the municipality in the normal course of business.

**Cash Management Policy**

The Council of the municipality is the trustee of the public revenues which it collects, and it therefore has an obligation to the community to ensure that the municipality's cash resources are managed effectively and efficiently.

**Special Services Tariff Policy**

The objective of the policy is to define the guidelines to be utilised regarding the reduction of tariffs for municipal services to qualifying institutions.

**Grant & Donation Policy**

The objective of this policy is to define the conditions under which grants and donations may be made to organizations or individuals from the municipal operating budget.

**Donor Finance Policy**

The objective of the policy is to provide guidance to the management team of the municipality on the actions required to attract donor finance, grants and donations from Government and the private sector, for projects identified by the municipality.

**Procurement Policy**

The objectives of this policy are as follows:

To create a procurement system that is uniform within the municipality;

To clarify procurement definitions;

To eliminate fraud or any other irregularities in the procurement of goods and services; and

To outline the code of conduct of municipal staff.

**Payment Policy**

The objective is to describe the process to be followed regarding payment of invoices from creditors.

**Virement Policy**

The objective of the policy is to provide the guidelines to be followed, to effect virements of approved budgeted expenditure during the course of a financial year.

**Cash-up Policy**

The objective of this policy is to provide the guidelines to all staff tasked with the collection of cash at the various cash-taking points.

**Cash Shortage Policy**

The objective of the policy is to describe the steps to be taken when there is a cash shortage subsequent to a cashing up procedure at any cash taking point of the municipality.

**Electricity Token Policy**

The objective of the policy is to provide guidance on the actions required regarding requests from electricity consumers to replace a lost token or refund unused capacity relating to a token purchased.

**Credit Card Policy**

The objective of the policy is to describe the conditions and methods relating to the use of Credit Cards by office bearers of the municipality.

**Entertainment / Refreshment Policy**

The objective of the policy is to provide guidance on the expenditure allowed on the provision of Refreshments and Entertainment to staff, visitors and the public.

#### **Customer Incentive Scheme Policy**

The objective of the policy is to provide a framework for attracting industrial development to the municipal area by offering financial incentives.

#### **Strategy to improve Debtor Payment Policy**

The demands on the municipality to deliver services within its powers and functions underline the urgency to recover the cost of delivery wherever possible, to ensure continuity and expansion of service delivery to the inhabitants within its area of jurisdiction.

A revenue enhancement strategy has been developed is being implemented on a day to day basis.

#### **Customer Care Policy**

The objective of this policy is:

- To provide a reliable, responsive, competent, courteous, multi-optional, affordable quality service;
- To define a manageable customer care framework;
- To promote the culture of paying for services;
- To protect Municipal services users who are paying; and
- To encourage those not paying, to do so in the interest of sustainable services delivery.

Aligned to Sect. 95 of the Municipal Systems Act

#### **Fraud Prevention & Response Plan Policy**

Fraud prevention is about changing organisational features that allow fraud to occur and possibly go unnoticed or unreported. Fraud control is an essential element of sound corporate governance and is integral to internal risk control.

#### **Debt Capacity Policy**

The objective of the policy is to define the circumstances under which the municipality can incur debt.

#### **Long-Term Financial Plan**

- The above policies are reviewed on an annual basis as they form part of budget process.
- The budget related policies are promulgated into by-laws and are gazetted.
- On an annual basis, the municipality reviews its cash flow status on whether it is financially distressed or not.

#### **Accounting Policies**

Matatiele Local Municipality has always submitted its Annual Financial Statements in time to the Auditor General. Regrettably, qualified audit reports were received for the 2005/2006 and 2006/2007 financial years. The Budget and Treasury Standing Committee has addressed the matters that caused the qualifications and corrective steps have been implemented, which includes amongst others the strict adherence to policies. Hence, an Unqualified Audit Report was received for the 2007/2008, 2008/2009, 2009/2010, 2010/2011 and 2011/2012 financial years.

These accounting policies were adopted in the preparation of the Annual Financial Statements;

##### **1. Basis of Presentation**

The Annual Financial Statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention, except where indicated otherwise.

The Annual Financial Statements have been prepared in accordance with the Accounting Standards as prescribed by the Minister of Finance in terms of Government Gazette number 31021, Notice Number 516, dated 9 May 2008, and also in terms of the standards and principles contained in Directives 4 and 5 issued by the ASB in March 2009.

The Accounting Framework of the municipality, based on the preceding paragraphs, is therefore as follows:

GRAP 1	Presentation of Financial Statements
GRAP 2	Cash Flow Statements
GRAP 3	Accounting Policies, Changing in Accounting Estimates and Errors
GRAP 4	The Effects of Changes in Foreign Exchange Rates
GRAP 5	Borrowing Costs
GRAP 6	Consolidated and Separate Financial Statements
GRAP 7	Investments in Associates
GRAP 8	Interests in Joint Ventures
GRAP 9	Revenue from Exchange Transactions
GRAP 10	Financial Reporting in Hyperinflationary Economies
GRAP 11	Construction Contracts
GRAP 12	Inventories
GRAP 13	Leases
GRAP 14	Events after the Reporting Date
GRAP 16	Investment Property
GRAP 17	Property, Plant and Equipment
GRAP 19	Provisions, Contingent Liabilities and Contingent Assets
GRAP 21	Impairment of Non-cash-generating assets
GRAP 23	Revenue from Non-exchange Transactions
GRAP 24	Presentation of Budget Information in Financial Statements
GRAP 25	Employee Benefits
GRAP 26	Impairment of Cash-generating assets
GRAP 27	Agriculture (Replaces GRAP 101)
GRAP 31	Intangible Assets (Replaces GRAP 102)
GRAP 100	Non-current Assets Held for Sale and Discontinued Operations
GRAP 101	Agriculture (Replaced by GRAP 27)
GRAP 102	Intangible Assets (Replaced by GRAP 31)
GRAP 103	Heritage Assets
GRAP 104	Financial Instruments
GAMAP 9	Paragraphs relating to Revenue from Non-exchange Transactions
IPSAS 20	Related Party Disclosures
IPSAS 21	Impairment of Non Cash-generating Assets
IFRS 3	Business Combinations
IFRS 7	Financial Instruments: Disclosures
IAS 19	Employee Benefits
IAS 32	Financial Instruments: Presentation



IAS 36	Impairment of Assets
IAS 39	Financial Instruments: Recognition and Measurement
IFRIC 4	Determining whether an Arrangement contains a Lease

## **1. BASIS OF PRESENTATION (continued)**

### **1.1 Changes in Accounting Policy and Comparability**

**Accounting Policies have been consistently applied, except where otherwise indicated below:**

For the year ended 30 June 2009 the municipality has adopted the accounting framework as set out above. The details of any resulting changes in accounting policy and comparative restatements are given in Notes 40 and 41 to the Annual Financial Statements.

The municipality changes an Accounting Policy only if the change:

- (a) Is required by a Standard of GRAP; or
- (b) Results in the Annual Financial Statements providing reliable and more relevant information about the effects of transactions, other events or conditions, on the performance or cash flow.

### **1.2 Critical Judgements, Estimations and Assumptions**

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the municipality's Accounting Policies and that have the most significant effect on the amounts recognised in Annual Financial Statements:

#### **1.2.1 Revenue Recognition**

Accounting Policy on Revenue from Exchange Transactions and Accounting Policy on Revenue from Non-exchange Transactions describes the conditions under which revenue will be recorded by the management of the municipality.

In making their judgement, the management considered the detailed criteria for the recognition of revenue as set out in GRAP 9 (Revenue from Exchange Transactions) and GAMAP 9 (Revenue) as far as Revenue from Non-exchange Transactions is concerned (see Basis of Preparation above), and, in particular, whether the municipality, when goods are sold, had transferred to the buyer the significant risks and rewards of ownership of the goods and when services is rendered, whether the service has been rendered. The management of the municipality is satisfied that recognition of the revenue in the current year is appropriate.

#### **1.2.2 Financial Assets and Liabilities**

The classification of Financial Assets and Liabilities, into categories, is based on judgement by management.

#### **1.2.3 Impairment of Financial Assets**

Accounting Policy on Impairment of Financial Assets describes the process followed to determine the value with which financial assets should be impaired. In making the estimation of the impairment, the management of the municipality considered the detailed criteria of impairment of financial assets as set out in IAS 39: Financial Instruments - Recognition and Measurement. The management of the municipality is satisfied that impairment of financial assets recorded during the year is appropriate. Details of the impairment loss calculation are provided in Note 7 to the Annual Financial Statements.

#### **1.2.4 Useful lives of Property, Plant and Equipment**

As described in Accounting Policy clause 2.3, 4 & 5, the municipality depreciates its property, plant and equipment, Intangible Assets and Investment Property over the estimated useful lives of the assets, which is determined when the assets are brought into use. As mentioned in the said policy, the estimated useful life of the assets and the depreciation methods of the assets were however not reviewed during the current or prior financial years. The useful lives and residual values of the assets are based on industry knowledge.

#### **1.2.5 Impairment: Write-down of PPE and Inventories**

Significant estimates and judgements are made relating to PPE impairment tests and write down of Inventories to Nett Realisable Values.

### **Defined Benefit Plan Liabilities**

As described in Accounting Policy, the municipality obtains actuarial valuations of its Defined Benefit Plan Liabilities. The defined benefit obligations of the municipality that were identified are Post-retirement Health Benefit Obligations and Long-service Awards. The estimated liabilities are recorded in accordance with the requirements of IAS 19. Details of the liabilities and the key assumptions made by the actuaries in estimating the liabilities are provided in Note 18 to the Annual Financial Statements.

**Presentation Currency**

The Annual Financial Statements are presented in South African Rand, rounded off to the nearest Rand which is the municipality's functional currency.

**Going Concern Assumption**

The Annual Financial Statements have been prepared on a going concern basis.

**Offsetting**

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GAMAP, GRAP or GAAP.

Standards, Amendments to Standards and Interpretations issued but not yet Effective

The following GRAP standards have been issued but are not yet effective and have not been early adopted by the municipality:

GRAP 18 Segment Reporting - issued March 2005

GRAP 23 Revenue from Non-Exchange Transactions (Taxes and Transfers) - issued February 2008

GRAP 24 Presentation of Budget Information in Financial Statements

GRAP 103 Heritage Assets - issued July 2008

Application of all of the above GRAP standards will be effective from a date to be announced by the Minister of Finance. This date is not currently available.

1.6 Standards, Amendments to Standards and Interpretations issued but not yet Effective (continued)

The following standards, amendments to standards and interpretations have been issued but are not yet effective and have not been early adopted by the municipality:

IFRIC 17 Distribution of Non-cash Assets to Owners - effective 1 July 2009

IAS 39 Financial Instruments: Recognition and Measurement - portions of standard effective 1 July 2009

Management has considered all the of the above-mentioned GRAP standards issued but not yet effective and anticipates that the adoption of these standards will not have a significant impact on the financial position, financial performance or cash flows of the municipality.

See Note 58 to the Annual Financial Statements for more detail.

**2. PROPERTY, PLANT AND EQUIPMENT****Initial Recognition**

Property, Plant and Equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year.

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the municipality, and if the cost or fair value of the item can be measured reliably.

Property, Plant and Equipment are initially recognised at cost on its acquisition date or in the case of assets acquired by grant or donation, deemed cost, being the fair value of the asset on initial recognition. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.  
Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

The cost of an item of property, plant and equipment acquired in exchange for a non-monetary assets or monetary assets, or a combination of monetary and non-monetary assets is measured at its fair value. If the acquired item could not be measured at its fair value, its cost was measured at the carrying amount of the asset given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

### **Subsequent Measurement**

Subsequent expenditure relating to property, plant and equipment is capitalised if it is probable that future economic benefits or potential service delivery associated with the subsequent expenditure will flow to the entity and the cost or fair value of the subsequent expenditure can be reliably measured. Subsequent expenditure incurred on an asset is only capitalised when it increases the capacity or future economic benefits associated with the asset. Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component.

Subsequently all property plant and equipment, except for Infrastructure Assets, are measured at cost (or deemed cost), less accumulated depreciation and accumulated impairment losses.  
or given up is included in surplus or deficit when the compensation becomes receivable.

### **Depreciation**

Depreciation on assets other than land is calculated on cost, using the straight-line method, to  
Depreciation only commences when the asset is available for use, unless stated otherwise.

### **The depreciation rates are based on the following estimated useful lives:**

Asset Class	Years	Asset Class	Years
Infrastructure		Other	
Roads and Paving	10 - 100	Buildings	25 – 30
Pedestrian Malls	15 - 30	Specialist Vehicles	10 – 15
Electricity	15 - 60	Other Vehicles	5 – 15
Water	15 - 100	Office Equipment	3 – 15
Sewerage	15 - 60	Furniture and Fittings	5 – 15
Housing	30	Watercraft	15 – 20
		Bins and Containers	5 – 15
Community		Specialised Plant and	
Improvements	25 - 30	Equipment	10 – 15
Recreational Facilities	15 - 30	Other Plant and	
Security	15 - 25	Equipment	2 – 15

Residual values, estimated useful lives and depreciation methods were not reviewed in the previous and current financial years as required by GRAP 17. The municipality applied ASB directive 4 which states that the municipality need not comply with the measurement requirements of GRAP 17 for the years ending 30 June 2009 and 2010 but must comply with the measurement requirements for the year ending 30 June 2011. It must however identify and correctly classify all PPE on an assets register during the 2009 and 2010 years. depreciated as it is regarded as having an infinite life.  
Regarding to their estimated useful lives.

**Infrastructure Assets**

Infrastructure Assets are any assets that are part of a network of similar assets. Infrastructure assets are shown at cost less accumulated depreciation and accumulated impairment. Infrastructure assets are treated similarly to all other assets of the municipality in terms of the Asset Management Policy. recognition of Property, Plant and Equipment.

The carrying amount of an item of property, plant and equipment is derecognised on disposal, or Included in the Statement of Financial Performance as a gain or loss on disposal of property, plant and equipment.

**Impairment****Impairment of Cash Generating Assets**

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable amount of the asset. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for cash-generating units if the recoverable amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

**Impairment of Non-cash Generating Assets**

The municipality assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the municipality estimates the recoverable service amount of the asset. If there is any indication that an asset may be impaired, the recoverable service amount is estimated for the individual asset. If it is not possible to estimate the recoverable service amount of the individual asset, the recoverable service amount of the non-cash generating unit to which the asset belongs is determined.

The recoverable service amount of an asset or a non-cash generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable service amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable service amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

An impairment loss is recognised for non-cash generating units if the recoverable service amount of the unit is less than the carrying amount of the unit. The impairment loss is allocated to reduce the carrying amount of the assets of the unit as follows:

- To the assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.
- The municipality assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets may no longer exist or may have decreased. If any such indication exists, the recoverable service amounts of those assets are estimated.

The increased carrying amount of an asset attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation is recognised immediately in surplus or deficit.

#### **Transitional Arrangements**

The estimated useful lives and the depreciation methods were not reviewed in the previous financial year as required by GAMAP 17 as these requirements were exempted in terms of General Notice 522 of 2007. The estimated useful lives and depreciation methods have not been reviewed for the year ended 30 June 2009 in accordance with the transitional arrangements of ASB Directive 4.

## Cash flow projections

EC441 Matatiele - Supporting Table SA30

Budgeted monthly cash flow

MONTHLY CASH FLOWS	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014 /15	Budget Year +1 2015 /16	Budget Year +2 2016 /17
<u>Cash Receipts By Source</u>													1		
Property rates	4 230	4 230	4 230	4 230	4 230	4 230	4 230	4 230	4 230	4 230			42 298	44 413	46 633
Property rates - penalties & collection charges	-	-	-	142	142	142	142	-	-	-	-	-	-	-	-
Service charges - electricity revenue	3 458	3 458	3 458	3 458	3 458	3 458	3 458	3 458	3 458	3 458	3 458	3 458	41 500	43 575	45 754
Service charges - water revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	599	599	599	599	599	599	599	599	599	599	599	599	7 190	7 550	7 927
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	50	50	50	50	50	50	50	50	50	50	50	50	599	597	621
Interest earned - external investments	333	333	333	333	333	333	333	333	333	333	333	333	4 000	4 200	4 410
Interest earned - outstanding debtors	-	-	-	13	13	13	13	162	163	163	-	-	1 943	1 951	1 960
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	38	38	38	38	38	38	38	38	38	38	38	38	450	474	496

Licences and permits	229	229	229	229	229	229	229	229	229	229	229	229	2	2	2
													744	839	981
Agency services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer receipts - operational	19 824	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	22 881	237 885	252 783	269 416
Other revenue	4 576	4 576	4 576	4 576	4 576	4 576	4 576	4 576	4 576	4 576	4 576	4 576	54 911	35 609	35 635
Cash Receipts by Source	33 336	36 394	36 394	36 548	36 548	36 548	36 548	36 556	36 557	36 557	32 164	32 164	393 520	393 990	415 834
Other Cash Flows by Source															
Transfer receipts - capital												-			
Contributions recognised - capital & Contributed assets												-			
Proceeds on disposal of PPE												-			
Short term loans												-			
Borrowing long term/refinancing												-			
Increase (decrease) in consumer deposits												-			
Decrease (increase) in non-current debtors												-			
Decrease (increase) other non-current receivables												-			
Decrease (increase) in non-current investments												-			
Total Cash Receipts by Source	33 336	36 394	36 394	36 548	36 548	36 548	36 548	36 556	36 557	36 557	32 164	32 164	393 520	393 990	415 834

<b>Cash Payments by Type</b>															
Employee related costs	7 409	7 409	7 409	7 409	7 409	7 409	7 409	7 409	7 409	7 409	7 409	7 408	88 907	97 275	104 226
Remuneration of councillors	1 413	1 413	1 413	1 413	1 413	1 413	1 413	1 413	1 413	1 413	1 413	1 408	16 951	17 798	18 688
Finance charges	-											-	-	-	-
Bulk purchases - Electricity	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 172	1 174	14 066	14 769	15 507
Bulk purchases - Water & Sewer	-											-	-	-	-
Other materials	2 333	2 333	2 333	2 333	2 333	2 333	2 333	2 333	2 333	2 333	2 333	2 337	28 000	29 400	30 870
Contracted services	839	839	839	839	839	839	839	839	839	839	839	836	10 065	10 546	10 998
Transfers and grants - other municipalities	1 352	1 352	1 352	1 352	1 352	1 352	1 352	1 352	1 352	1 352	1 352	1 352	16 224	16 962	17 810
Transfers and grants - other	2 820	2 820	2 820	2 820	2 820	2 820	2 820	2 820	2 820	2 820	2 820	2 815	33 835	21 229	21 967
Other expenditure	5 641	5 641	5 641	5 641	5 641	5 641	5 641	5 641	5 641	5 641	5 641	5 640	67 690	71 325	74 940
Cash Payments by Type	22 978	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 969	275 737	279 304	295 006
Other Cash Flows/Payments by Type															
Capital assets												-			
Repayment of borrowing												-			
Other Cash Flows/Payments												-			
Total Cash Payments															



by Type	22 978	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 979	22 969	275 737	279 304	295 006
NET INCREASE/(DECREASE ) IN CASH HELD	10 358	13 415	13 415	13 569	13 569	13 569	13 569	13 577	13 578	13 578	9 185	9 195	117 783	114 686	120 827
Cash/cash equivalents at the month/year begin:		10 358	23 773	37 188	50 758	64 327	77 896	91 465	105 042	118 620	132 198	141 383	–	117 783	232 469
Cash/cash equivalents at the month/year end:	10 358	23 773	37 188	50 758	64 327	77 896	91 465	105 042	118 620	132 198	141 383	150 578	117 783	232 469	353 296

## 4.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### 4.5.1 Public Participation and Communications.

#### 4.5.1.1 Public Participation

The consultation and involvement of the general community in the development agenda of Matatiele is primary to the IDP. This informs the strategic planning process and ensures that planning responds to the root causes of development challenges, the ward based community needs and ward based priorities. In essence, the fact that approximately ninety one percent of the population of Matatiele is rural, high levels of illiteracy, and is generally poor indicated the need for the Municipality to use means of participation that would be both relevant and maximize the impact of the participation.

The municipality also has developed a draft public participation and petitions policy to be adopted by May 2014, and has appointed a Public Participation Coordinator. As a result, whilst written media (newspapers, internet etc.) was utilized as other means of communication, other forms of communication that are relevant to the municipality were utilized to a greater extent. The use of radio, word of mouth and the use of the existing traditional structures like senior traditional leaders, together with the existing council support structures like the ward clerks and community development workers were effective.

The following is a list of the tools that were utilized to consult with the community:-

- **IDP Representative Forum (IDP REP):** This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees, Senior Traditional leaders, Non-Governmental Organizations (NGOs), Community Based Organizations (CBOs), Organized Business and organized agriculture.
- **Media:** Local newspapers are used to inform the community of the progress of the IDP and planned meetings.
- **Radio Slots:** The community radio station is used to make public announcements where necessary.
- **The ANDM and Matatiele Website:** The Alfred Nzo DM's website will also be utilized to communicate and inform the community. Copies of the IDP and Budget will be placed on the website for people and service providers to download.
- **Ward Committees:** Matatiele Municipality has adopted the Ward Committee policy which has resulted to the establishment of ward committees. There are 260 Ward committees (each ward has 10). The municipality considers ward committees as one of the institutional bodies to fast-track service delivery. Ward committee meetings are held on a quarterly basis. They are represented in the IDP REP forums meetings and their input is always considered. They are also being used to disseminate the information about the developmental agenda of the municipality.
- **Traditional leaders:** As a rural community, the reliance of the majority of the community on the traditional leaders as the custodian of culture, state land and leadership cannot be overemphasized. Traditional leaders are considered and for an integral part of the planning and processes of this municipality. Ten (09) traditional leaders are part of the Municipal Council. IDP outreach meetings were also communicated through this institution.

The IDP Guide Pack recommends the following

#### **ROLES AND RESPONSIBILITIES:-**

##### ➤ **Mayor**

The Mayor coordinated and made the final decisions on issues regarding the process plan.

##### ➤ **IDP Manager**

The IDP Manager as delegated by the Municipal Manager was given the responsibility to prepare, properly manage, monitor, organize and implement the planning process on a daily basis.

##### ➤ **IDP Steering Committee (Technical Representation)**

The IDP Steering Committee is made up of technical specialists, such as the Municipal Manager, representatives from each municipal directorate (General Managers), Executive Committee members, and the Chairperson of the IDP Representative Forum. The IDP Steering Committee is chaired by the Municipal Manager. The Steering Committee assists the IDP Manager in driving the IDP process. They are a technical committee which provides direction to Representative Forum meetings.

##### ➤ **IDP Representative Forum (Community Representation)**

The IDP Representative forum represents the broader community. They advise all stakeholders and assist in the IDP process by providing information for review and gap identification. They represent the interests of the organizations and contribute their knowledge and ideas towards identifying community priorities. The IDP Representative Forum is composed of the steering committee, all ward councillors and ward committees, youth, women, disabled, business, religious leaders and other recognized stakeholders. The Mayor chairs the IDP Representative Forum.

The Municipality in its process plan assigned roles and responsibilities to various stakeholders involved in the development of the IDP.

IDP and Budget Process Plan which was adopted by Council and Implemented

MILESTONE	ACTIVITIES & PURPOSE	RESPONSIBILITY	TIMEFRAME
<b>PROCESS PLAN</b>			
	Council Adoption of the IDP/Budget Process Plan for the review 2014/2015	Municipal Manager/CFO/ IDP/M&E Manager	31 July 2013
	Council adoption of the Budget Timetable for 2014/2015		
	Submit Process Plan to National Treasury and Provincial Treasury	Municipal Manager/CFO/ IDP/M&E Manager	02 August 2013
	Draft Annual Performance Report to be inclusive of the Annual Financial Statements		15 August 2013
	1 <sup>st</sup> IDP Steering Committee 1 <sup>st</sup> IDP Representative Forum meeting Outlining and buy – in on the process plan	Municipal Manager IDP/ M&E Manager	20 August 2013
	Submit Process Plan to relevant authorities		20 August 2013
	Budget Steering Committee/BTO STANCO	CFO	26 August 2013
	Advertise the IDP Community Based Plan Outreach	IDP/M& E Manager	29 August 2013
<b>SITUATIONAL ANALYSIS</b>			

	Issue GM's with Budget Assumptions, Policy Guidelines and instructions as well as the IDP planning guidelines and requirements	Municipal Manager /CFO/IDP / M& E Manager	10 September 2013
	IDP community Outreach -confirm community needs and priorities	Municipal Manager IDP / M& E Manager	11-13 September 2013
	All IDP sector plans to be reviewed commence situation analysis	All Section 57 Managers	16 September 2013
	2 <sup>nd</sup> IDP Steering Committee 2 <sup>nd</sup> IDP Rep Forum	Municipal Manager IDP/M& E Manager	10 October 2013
	Draft status quo report <ul style="list-style-type: none"> <li>• <i>service Delivery achievements and identified gaps</i></li> <li>• <i>Presentation of community needs</i></li> <li>• <i>Presentation of status quo on IDP sector plans</i></li> </ul>	ALL Departments	
	Review of budget policies e.g. Budget, Tariffs of charges, Property Rates, Supply Chain Management, Indigent, Dept collection and Credit control	CFO	21-22 October 2013
	Submission of budget requests from Municipal departments	All section 57 Managers	29 November 2013
	Budget Steering Committee meeting	CFO	06 December 2013
EXCO SITTING	Draft IDP Status Quo Report to EXCO	Mayor/ Municipal Manager IDP/M& E Manager	05 December 2013
COUNCIL SITTING	Draft IDP Status Quo Report to Council	Mayor Municipal Manager IDP/M& E Manager	13 December 2013
PROJECTS PHASE & PRIORITISATION			
	<ul style="list-style-type: none"> <li>• <u>Departmental Mid-year Assessment reports to reach the Municipal Managers Offices</u></li> <li>• <u>Municipal Budget, departmental request consolidated by Budget &amp; Treasury</u></li> </ul>	All Section 57 Managers  CFO	14 January 2014
	<ul style="list-style-type: none"> <li>• <u>All project proposals finalized and submitted to the Municipal manager</u></li> </ul>	ALL Departments	17 January 2014
	<ul style="list-style-type: none"> <li>• <u>Presentation of draft budget to MANCO</u></li> </ul>	CFO	21 January 2014
EXCO	<ul style="list-style-type: none"> <li>• <u>Tabling of Annual Report, Mid-Assessment report</u></li> </ul>	Municipal Manager	20 January 2014
COUNCIL	<ul style="list-style-type: none"> <li>• <u>Tabling of Annual Report, Mid-Assessment report</u></li> </ul>	Mayor/Municipal Manager	24 January 2014
STRATEGIC PLANNING	<u>Strategic Plan Session</u> <ul style="list-style-type: none"> <li>• <u>Evaluate the status quo</u></li> <li>• <u>Formulate Strategies and Indicators</u></li> <li>• <u>Review of Policies</u></li> <li>• <u>Align indicators with Performance framework</u></li> </ul>	ALL Section 57 Managers Municipal Manager IDP/ M&E Manager Communications Manager	26-29 January 2014
	<u>3<sup>rd</sup> steering Committee</u> <u>3<sup>rd</sup> Representative Forum Meeting</u> <u>Presentation of Strategies &amp; Projects</u>	Mayor Municipal Manager IDP / M& E Manager	25 February 2014
INTEGRATION	<u>Integrate - interdepartmental &amp; sector projects</u>  Integrate all IDP sector Plans	All Sector Departments IDP/M& E Manager	26-28 February 2014
EXCO SITTING	Draft IDP and Budget to EXCO	Municipal Manager/CFO / IDP/ M&E Manager	06 March 2014
COUNCIL SITTING	Table Draft IDP and Budget to Council	Mayor Municipal Manager IDP/ M&E Manager	31 March 2014
SUBMIT FOR MEC COMMENTS	Forward Draft IDP/ Budget to Department of Local Government & Traditional Affairs for MEC comments and relevant departments for comments	Municipal Manager /CFO/ IDP / M& E Manager	01 - 04 April 2014

	Advertise draft IDP, Draft Budget, Outreach Programme & Tarrifs	Municipal Manager CFO	03 April 2014
	Public Participation Draft Budget and IDP Outreach	Municipal Manager CFO	15-17 April 2014
	Incorporate Inputs into the IDP	Municipal Manager IDP/ M&E Manager	21 - 25 April 2013
	Align Budget to IDP re: submission made by community, Provincial Treasury, National Treasury and others	Chairperson Budget & Treasury Standing Committee/CFO	
<b>EXCO SITTING</b>	Consideration of submission made by community, Provincial Treasury, National Treasury and other departments, Final IDP/Budget	Mayor Municipal Manager IDP/ M&E Manager	08 May 2013
<b>COUNCIL SITTING</b>	Consideration of submission made by community, Provincial Treasury, National Treasury and other departments, Final IDP/Budget	Mayor	29 May 2014
<b>PUBLICIZING</b>	Advertise the Approved IDP, Budget and Tariffs and	MM/CFO	05 June 2014
<b>SUBMISSION</b>	Submit to relevant Stakeholders		02 - 06 June 2014

#### **4.5.1.2 Customer care Management**

With regards to Customer care, Matatiele Local municipality has the objective to provide a reliable, responsive, competent, accessible, courteous, multi operational, affordable quality service and to treat consumers with empathy at all times under all circumstances, also to define a customer care framework to ensure loyalty and participation of customers into the objective of the municipality. A community liaison officer has been appointed to deal with community relations and customer care. There is a customer care policy which has been adopted to guide the processes and procedures with regards customer care and complaints management.

The policy address the aims of BATHO-PELE principles and the municipality is committed to the provision of high quality relevant services in an open and responsive manner and will ensure the strategy is delivered to a standard that is user-friendly and efficient. The Municipality is also linked to the Presidential Hot Line, monitored by the Community Liaison Officer. Customers use written and verbal means of conveying their concerns, using such as Walk-ins and suggestion books and boxes.

The municipality currently has an adopted Customer Care Policy which set out following Objectives:

1. To restore and promote the culture of paying for services rendered and used, through a fair and equitable customer care policy.
2. To protect the Municipal services users, paying for services and to encourage those not paying to do so in the interest of sustainable service delivery.
3. To define a manageable customer care framework to ensure enrolling of consumers into the objectives of the municipality.
4. To meet customer's needs with efficiency, effectiveness, fairness and courtesy.
5. To provide a friendly service, demonstrating respect and sensitivity.
6. To demonstrate our commitment to equality and diversity.
7. To recognize and respond to customer's particular needs.
8. To deal with customer's requests and enquiries accurately, promptly, and efficiently.
9. To respect customer's confidentiality.
10. Making effective referrals to other departments/institutions.
11. Offering an explanation if the municipality is unable to can't answer one's requests/enquiries.
12. Making effective use of Information Technology (IT) and web services.
13. Establishing service standards and monitoring our performance.
14. Welcoming customer's feedback.

#### **4.5.2 Communication**

##### **4.5.2.1 Communication Strategy**

Matatiele Local Municipality has an adopted communication strategy which has been reviewed in the (2013/2014) financial year. For the local sphere to fulfil its mandate effectively, the need for a consultative, democratic, integrated, participatory and developmental communication becomes central to the developmental agenda of local government in line with the local government turn-around strategy (LGTAS). A national effort has been initiated by the tripartite alliance of: SALGA, CoGTA and Gcis to develop a system of local government communication which will ensure effective and coordinated communication between the three spheres of government.

The main objectives of communication are:

- To promote transparency in the municipality
- To enhance maximum public participation
- To empower communities with information

To communicate successes in service delivery

- To coordinate internal and external communication
- To build good working relations with traditional leaders, NGO's, CBO's, FBO's and other civil society structures.
- To ensure compliance to communication policy and protocol

To brand and market the municipality

In line with the Batho Pele Principles the following are the communication Objectives:-

- To Promote Transparency in the Municipality
- To Enhance Maximum Public Participation
- To Empower Communities with Information
- To Communicate Successes in Service Delivery
- To coordinate internal and external communication
- To build good working relations with traditional leaders, NGO's, CBO's, FBO and other civil society structures.
- To ensure compliance to communication policy and protocol
- To brand and market the municipality

Communication environment has Positive Perceptions including business opportunities, tourism potential, cleanest town and clean audit reports. Public Perceptions on the other hand involve slow service delivery, lack of quick feedback to people's needs, politicians are only interested in people's votes - politicians are more with power struggle than service delivery, lack of local economic development support from the municipality, nepotism, high crime rate, poverty, corruption and poor public participation of NGO's, CBO's and FBO's.

Media relations with local and national needs to be strengthened through:-

- Minimal coverage on electronic and print
- Municipal support on local print media is still a challenge.
- Maximum utilization of community radio

### **I. Internal Communication Assessment**

Internal Communication Assessment done revealed the following:-

- Staff members are viewed to be the best marketers and implementers of institutional communications when they are well informed, once they are not well informed, they dent the institutional image.
- Lack of understanding of the communication role as well as the strategic or political role within the municipality

### **II. External communication assessment**

External communication assessment revealed a lack of information and understanding of government and municipal functioning in communities. A lack of public participation and lack of communication personnel in sector departments was also revealed.

Some of the communication challenges to be dealt with are:-

- Coordination of communication between sector departments and municipality (slow response on lcf by Sector departments)
- The geographic rural nature of Matatiele villages versus the semi-urban type of the town causes an imbalance on the rate of communication flow within the municipal area.
- Non availability of electricity and lack of network poles lack of network poles in most wards contribute to a slow flow of information dissemination
- Communicating in sign language is a challenge in the municipality.
- Internal communication flow and tools for communication is a challenge e.g. intranet and audiovisuals.
- Interpretation of document into languages used in Matatiele is a very big challenge.
- Improve on compliance by the municipality to SALGA Resolution (Local Government Communication System)

The Municipality plans to align its events with the national calendar of events considering consistency in themes, messages, tone and style, to ensure an instantly recognizable look and feel to all from the council to all audiences.

### **III. Communication Channels**

The following channels of communication are used to communicate to the public, stakeholders, customers etc.:

- EXCO Outreach Programmes
- Traditional Councils
- School Governing Bodies
- Electronic and Print Media
- Posters, Brochures, Banners, and Fliers
- Information Days
- Civil Society Organizations
- Municipal Billboards
- Loud Hailing
- Municipal Staff
- Municipal Website
- SMS
- News Letters
- Public Participation Outreaches
- Constituency Offices



- Distribution Points
- Council Meeting
- Local Communicators Forum

#### **4.5.2.2 Inter-Governmental Relations**

The Matatiele Local Municipality has a an IGR Forum, guided by the terms of reference compiled during the workshop held conducted with the assistance of the Department of Local Government and Traditional Affairs. The IGR forum is chaired by the municipal Manager and consists of the Senior Management from Various Sector Department. The forum Meetings are held quarterly. Sector departments should also be involved in the IDP process from the first phase to ensure that their programmes and projects are included in the IDP document.

IGR Forum Meetings and IDP Rep Forum meetings are used as platforms for information sharing and progress reporting on all programmes planned and implemented in the local municipality. Sector Plans are also prepared and reviewed in line with IDP development and review process and such plans should form the basis for initiating and guiding development within the municipality and further assist the municipalities in having credible IDPs.

#### **4.5.2.3 Stakeholders**

The main purposes of the external communication is to inform stakeholders of MLM with policy and legislative matters of the Municipality , its IDP, PMS Municipal Programmes of service delivery , information about campaigns, best practices, issues. Two way communications is prompted in order to obtain feedback so that MLM convey relevant information that meets the needs of the communities. The following are the stakeholders within the municipality;

- Womens' Forum
- Business Organization
- Community Organization
- Faith Based Organization
- NGO's
- Traditional Leaders
- Youth Forums
- Labour Forums
- Political Organizations
- Ratepayers
- Hawkers Association
- Sector Departments

*Below is the stakeholder registers, detailing some of the stakeholders:*

NAME OF ORGANISATION	CONTACT PERSON	CONTACT NUMBERS
IMBUMBA YA MAKHOSIKAZI	MRS SIBI	083 678 0021
MATATIELE RETIRED TEACHERS(MARTA)	MR LESAOANA	076 724 9187
NAFCOC	MR NONJINGO	073 556 2813
CONTRALESA	CHIEF SIBI	072 533 4873
LOCAL CO-ORPARITIVE FORUM		083 506 8021
DISABILITY FORUM	MR PHOOKO	072 9898 507
COSATU	MR KORTJAAS	078 358 4920
MASIBUMBANE HAWKERS ASSOCIATIONS	MR RORISANG MOOROSI	073 497 2951
MATATIELE RATE PAYERS AND BUSINESS ASSOCIATION	MR VINCENT, MR HAVISIDE AND MR MOHOTO	083 5572214
WORLD VISION	Mr Mbi/Mvimbi Z.	071 585 4645/071 605 3830/ 072 950 2249
SANANCO	NOMAWETHU SOMDAKA	083 398 0699
MEHLODING TOURISM TRUST	MR Lesia Simon	078 285 0999
MATATIELE FARMERS ASSOCIATION	MR Mohapi	083 582 7398
COUNCIL OF CHURCHES	Rev. Setlaba Rev. Qobo	071 204 7743 079 493 6455
UNCEDO TAXI ASSOCIATION	MR DLOMO	073 135 0231
DRAKENSBURG TAXI ASSOCIATION	MR MOTHIBEDI	082 680 0577
FARMERS UNIONS : GRAIN SA NERPO	CLLR MONGOATO MR MOHAPI	082 770 4710 083 582 7398
BUS ASSOCIATION	MR V.S. MBOBO	083 561 1646
PAKISTAN & INDIAN COMMUNITY	CHAIRPERSON MR SHAHID MUHAMMAD	072 3402189
IMFUYO FARMERS ASSOCIATIONS	MR THOBILE MFENE	079 265 7721/082 796 6313
CERDAVILLE FARMERS ASSOCIATIONS	MR KENNY BIGGS	

#### **4.5.3 Performance Management System**

The Department of Co-operative Governance and Traditional Affairs, (CoGTA) defines Performance Management 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 for efficiency, effectiveness and impact." This system will therefore ensure that all leaders, managers and individuals in a municipality are held accountable for their actions, which should bring about improved service delivery and value for money.

For a PMS to be successful it is important that:

- Top management and the council drive the system.
- There is a clear understanding and appreciation of its value by all stakeholders.
- Middle Managers are trained and take responsibility for performance management.

Performance management in a municipality is a two way communication process between the municipality and the community that is making use of the municipal services. The performance of the municipality is then measured against specific standards and priorities which have been mutually developed and agreed upon during the IDP process. Performance management is potentially the area of management that can make the most significant contribution to organisational performance.

The system should be designed in such a way that it improves strategic focus and organisational effectiveness through continually seeking to improve the performance of the municipality as a whole.

In compliance with the basic requirement of Chapter 6 of the Municipal Systems Act (2000), Matatiele Local Municipality has an adopted PMS framework and Policy for implementing Performance Management System (PMS). The PMS model that is used by Matatiele is Municipal Scorecard. The framework recommended this Model because it is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed.

The model has proved useful in performance management for it provides balance, simplicity, mapping of inter – relationships and alignment to the Integrated Development Planning processes of the municipalities. The model also prompts municipal organizations to take a balanced view in terms of how it measures and manages its performance. It prevents bias by ensuring that performance measurement does not heavily rely on one facet of performance (i.e. financial viability), but rather encapsulates a multi – perspective holistic assessment of the municipality's performance. It is considered simple because it covers all key areas of performance within the municipal organization.

The municipality facilitates the implementation of this framework on an on – going basis as a tool to meet the targets that are outlined on the municipal objectives and priorities as entailed in the comprehensive Integrated Development Plan (IDP). The Service Delivery and Budget Implementation Plan (SDBIP) is prepared on an annual basis to monitor the implementation of the IDP and Budget in the immediate term. The SDBIP captures the IDP capital projects and other municipal operational activities which have been resourced with funding and human capital for the current financial year and set the measurable annual and quarterly targets for Council to be able to monitor development on the ground versus what has been planned.

It is also through the SDBIP that Matatiele Management reports to the Municipal Council in a structured manner (i.e. Monthly and Quarterly) and the performance of the Municipal Manager and Section 56 Managers is thus monitored. The Municipal Manager is directly responsible for the Performance of the municipality as such the IDP and PMS Unit are located within the Office of the Municipal Manager. The key units that mainly assists the Municipal Manager with PMS can be briefly discussed as follows:

- **IDP, Monitoring and Evaluation Unit (PMS)** – this unit is responsible for the development and review of the Municipal Integrated Development Plan, compilation of the Service Delivery and Budget Implementation Plan, consolidation of the SDBIP quarterly reports for Council, Mid – Year Budget and Performance Report, Annual Performance Report and co – ordination of the Strategic Planning Session.
- **Budget and Treasury (Financial Reporting)** – this office is responsible for monitoring the municipality's performance in terms of financial expenditure in line with the IDP, Budget and SDBIP. This also includes consolidation of monthly and quarterly financial reports that are part of the SDBIP quarterly reports, Midyear Report and Annual Financial Statements.

In addition to the above the municipality also considers additional PMS functions to the Internal Audit Unit and the External Audit Committee. These functions can be briefly outlined as follows:-

**Internal Auditing and Risk Reserves**– the Risk and Audit Services Unit has been established in terms of Section 165 of MFMA, which states that each municipality each entity must have an internal audit unit. The Unit has a Manager, Chief Audit Officer, Chief Risk Officer, 2 Interns. An Internal Audit is a co-sourced function.

The Internal unit of a municipality municipal entity among other issues:

Prepare a risk-based audit plan and an internal program for each financial year

Advise the accounting officer and report to the audit committee on the implementation of the internal audit plan and matters relation to:

Internal Audit

Internal Controls

Accounting procedures and practices

Risk and risk management

Performance management

Loss control and

Compliance with the MFMA, Annual DORA and any other applicable legislation

- **Independent Advisory (Audit Committee)** – The Audit Committee has been appointed council-Council Resolution No: *CR456/11/10/2013* terms of Section 166 of the MFMA. As independent advisory body.

Each municipality and each municipal entity must have an audit committee, subject to subsequent (6)

(1) advises the municipal council, the political office bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity on matters relating to:

- (a) Internal financial control and internal audits
- (b) Risk Management
- (c) Accounting policies
- (d) The adequacy, reliability and accuracy of financial reporting and information
- (e) Performance management
- (f) Effective governance
- (g) Compliance with MFMA, the DORA and any other applicable legislation
- (h) Performance evaluation and
- (i) Any other issues referred to it by municipality or municipal entity

The Audit committee is responsible for all issues as outlined in Section 166 of the MFMA.

The members of an Audit committee are as follows:

Advocate Andrew Duminy	Chairperson
Ms SJK Earl	Member
Ms N Thipa	Member
Ms TW Tsabo	Member
Ms MS Panicker	Member

#### **4.5.4 HIV/AIDS Strategy**

The Matatiele Local Municipality guided by SALGA and AMICAALL Policy Framework for municipalities respond to HIV/AIDS challenge, facilitated the establishment of a multi-sectoral AIDS council. The Municipality has an adopted HIV/AIDS strategy which has been reviewed in 2013/2014. This document is the product of that engagement and it is organised according to six sections which are:

**Section1: Municipal Situational analysis:** the Matatiele multi-sectoral plan focuses on issues that are critical in developing the multi-sectoral municipal respond to HIV and AIDS. The Municipal HIV/AIDS multi-sectoral plan analyses different socio-economic conditions that drives for the spread and impact of the HIV and AIDS pandemic in our communities.

The Municipal situational analysis focuses on the following:

- Municipal geographic location
- Municipal Socio-economic profile
- Access to basic services and health care services

**Section 3: Policy and Legal framework for municipal response to HIV and AIDS:** this section of the strategy document provides a policy framework for municipality's response to HIV/AIDS. The document focuses on the National and International prescripts.

**Section 4: HIV Prevalence and impact on the municipality:** in this section of the strategy document we map out the landscape of the pandemic within the municipality. The landscaping traces the HIV prevalence in the provinces, district and local. As part of this landscaping we also look at some of the factors that contribute towards the spread of the pandemic. The second part of this section focuses on the impact of the pandemic in the livelihood of the communities and it focuses on:

- *Impact on Family Life and Children*
- *Provision of Service Health, Education and Welfare*
- *Impact on Local Economy*
- *Impact on community and poverty*

**Section 5: Matatiele Local Municipality HIV and AIDS strategy 2010-2015:** in line with the national strategic framework, the Matatiele multi-sectoral strategic plan has set its broad objectives as to:

- Reduce the rate of infection of HIV and AIDS
- Reduce the impact of the HIV and AIDS on individuals, families, communities and the broader society by ensuring improving access to treatment care and support and service delivery targeting the infected and affected.

This section is organised into three focus areas which are:

- Prevention, education and awareness
- Treatment, care and support
- Care and support for orphaned and vulnerable children

In each of these three focus areas the Matatiele Municipality HIV and AIDS strategic plan document outline:

- The broad goal
- Problem analysis
- Available services
- Gap analysis between the available services and needs

- Outputs needed and approach towards the implementation.

**Section 6: Structural arrangements and co-ordination of the municipal response:** this last section of the strategic documents focuses on the establishment and function of the local AIDS council. The document outlines the structures, roles and responsibilities and what it needs to ensure effective co-ordination and implementation of multi-sectoral response.

#### **4.5.5 Audit and Compliance**

The scope of work of the Internal Audit function is to determine whether the municipality's risk management, control and governance processes, as designed and represented by management, are adequate and functioning in a manner to ensure:-

- That risks are appropriately identified and managed;
- That interaction with the various governance groups occurs as needed;
- That significant financial, managerial, and operating information is accurate, reliable, and timely;
- That employees' actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
- That resources are acquired economically, used efficiently, and adequately protected;
- That programs, plans, and objectives are achieved
- That quality and continuous improvement are fostered in the municipality's control process.
- Those significant legislative or regulatory issues impacting the municipality are recognized and addressed appropriately.
- Effective, efficient and transparent governance / administration

Matatiele Local Municipality has an Audit Committee. The Audit committee operates in terms of accepted terms of Reference for the Audit Committee as set out in the appointment letters subject to the provisions of Section 166 of the MFMA. In particular the Committee emphasises that its overall objective is to ensure that good corporate governance is observed and practiced by the Municipality. In particular the purpose is to assist the Council in the course of the Council fulfilling and achieving its developmental objectives which are to deliver a quality service to ratepayers, service consumers and stakeholders utilizing minimum resources, while creating and bringing about a self-sufficient municipality.

##### **4.5.5.1 Audit Committee Members**

**Chairperson:** Advocate Andrew Duminy                      082 776 3148

- Ms Shivaun Jane Katherine Earle                      082 3357 805
- Dr. Merida Roets                      083 630 7787
- Mr. Lulamile Mapholoba                      083 2624 265
- Mr. Maurice Mthandeki Boki                      083 592 4458

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

S79 Committee reporting directly to Council. Municipality had an "Oversight Committee" as prescribed by the MFMA for the conclusion of the Annual Reporting Process. The MPAC has been established and in early stages of executing its duties.

**MPAC Members:**

- T.V. Mongoato (Chairperson)
- J.Z. Munyu
- P.G. Muir
- N. Nkukhu
- R.T. Mnika
- S. Baba
- S. Mavuka
- N.B. Nkomo
- N.N. Ndukwana
- V.M. Mlandu

**4.5.5.3 Audit Outcomes Opinions for the last three financial years**

<b>Opinion</b>	<b>Financial Year</b>	<b>Audit Finding</b>
<b>Unqualified Audit Opinion</b>	<b>2010-2011</b>	<i>Material losses on electricity distribution</i>
		<i>Measures taken to improve performance were not provided in the performance report</i>
		<i>Compliance with laws and regulations: Strategic planning and performance management</i>
		<i>Annual financial statements, performance and annual report</i>
		<i>Expenditure management</i>
		<i>Leadership- Management have not implemented and ensured adherence to all documents policies and procedures that guide the operation and financial reporting of the municipality.</i>
<b>Unqualified Audit Opinion</b>	<b>2011 - 2012</b>	<i>Performance Indicators not well defined</i>
		<i>Performance target not specific measurable or time bound</i>
		<i>Reported indicators and targets not consistent with planned indicators and targets</i>
		<i>Reported performance not valid, accurate or complete</i>
		<i>Annual financial statement, performance and annual report</i>
		<i>Leadership- Management have not implemented and ensured adherence to all documents policies and procedures that guide the operation and financial reporting of the municipality.</i>
<b>Unqualified Audit Opinion</b>	<b>2012/2013</b>	<i>Impairment loss</i>
		<i>Electricity distribution</i>
		<i>Pre-determined objectives</i>
		<i>Restatement of corresponding figures (Irregular Expenditure)</i>

**4.5.5.4 Audit Plan**

The purpose of this plan is to set out the nature, role, responsibility, status and authority of the Internal Audit function within the municipality and to outline the scope of the internal audit. The Audit Committee accepted the conclusions of the Auditor-General on the Annual Financial Statements for the year ended 30 June 2013. The municipality developed an action plan and is implementing the action plan to address the findings raised.

#### **4.5.5.5 Compliance Auditing**

Compliance Auditing is performed after the internal controls have been evaluated and is defined as test of controls with the objective to express an opinion that is satisfactory, needs improvement, or unsatisfactory on the achievement of the control objectives of each significant system.

#### **4.5.5.6 Performance Auditing**

The promotion of economy, efficiency and effectiveness depends on adequate overall management arrangements for planning, budgeting, authorisation, control and evaluation of the use of resources. Whereas accounting officers are responsible for the implementation of proper functioning of such overall management arrangements, the responsibility of performance audit is to confirm independently that these measures do exist and are effective and report to the management and the Audit Committee on these issues.

#### **4.5.5.7 Information Systems Review**

A high level review of the Information system controls to obtain an understanding of the control environment, to support the audit risk assessment and to ensure that proper IS controls are in place in such a way as to ensure that IS supports the business objectives and process of the organization.

#### **4.5.5.8 Fraud Prevention**

The identification and prevention of fraud is clearly the responsibility of management. Internal Audit function is well qualified to assist management to identify the main fraud risks facing the Organisation and to design appropriate controls that could help minimize the effects of the risks.

**Accountability** - The Internal Audit function, in the discharge of its duties, shall be accountable to the Audit Committee to:-

- Provide annually, an assessment on the adequacy and effectiveness of the organization's processes for controlling its activities and managing its risk in the areas set forth under the mission and scope of work;
- Report significant issues related to processes for controlling the activities of the organization including potential improvements to those processes;
- Periodically provide information on the status and results of the annual audit plan and sufficiency of the division resources; and
- Coordinate with and provide oversight of other control and monitoring functions (risk management, compliance security, legal, external audit).

**Independence** - To provide for the independence of the Internal Audit function, it reports to the Accounting officer administratively and operationally to the Audit Committee periodically.

**Responsibility** - The Internal Audit function has responsibilities amongst others to develop a flexible annual audit plan using an appropriate risk-based methodology, including any risks or control concerns identified by management, and submit that plan to the Audit Committee for review and approval as well periodic updates. It also has a responsibility to implement the annual audit plan as approved, including as appropriate any special task or projects requested by the management and the Audit Committee.



**Authority** - There are no restrictions placed upon the scope of internal audit's work. Members of the internal audit function engaged on internal audit work are entitled to receive whatever information or explanations they consider necessary to fulfil their responsibilities to senior management. In this regard, internal audit may have access to any records, personnel or physical property of the organization.

**External Auditors** - The External Auditors will be notified of the activities of Internal Audit in order to minimize the duplication of audit effort. This will be accomplished by a compulsory meeting between Internal and External Audit to discuss the annual internal and external audit plans.

**Strategic Internal Audit Plan** - Internal audit will in consultation with management prepare a [three](#) year rolling internal audit plan to the Audit Committee for approval. The plan should set out the recommended scope of their work in the period.

**Operational Internal Audit Plan** - Internal audit will in consultation with management present an annual internal audit operational plan to Audit Committee for approval. The plan should set out the recommended scope of their work in the year.

**Reporting** - The Internal Audit function will carry out the work as agreed, report the outcome and findings to the management, and will make recommendations on the action to be taken. The details will be copied to the relevant line management, given a maximum response period of two weeks. A follow up report will be issued to the managers of the affected section three months after the main report enquiring about the progress made regarding the corrective measures taken as a result of the audit. On a quarterly basis the Internal Audit will submit an Executive Report to the Audit Committee. The process of drafting annual financial statements and the ensuing audit will take up at least 6 months of the financial year between July and December.

**Standard of Audit Practice**- the Internal Audit function will meet or exceed the Standard for Professional Practice of Internal Auditing of The Institute of Internal Auditors, provided that sufficient resources have been allocated. A full time resource will be available to Matatiele Local Municipality in ensuring the proper implementation of systems and controls at the Municipality.

#### **4.5.5.8 Fraud Prevention Plan**

The Municipality has an adopted Fraud Prevention Plan. The purpose is to ensure that the Matatiele Local Municipality has a successful, efficient and transparent system of financial and risk management and internal control. It is committed to fighting fraudulent behaviour at all levels within the organization.

The policy of the Municipality is zero tolerance to fraud and corruption. In addition, all fraud and corruption will be inspected and followed up by the application of all remedies available within the full extent of the law and implementation of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies and procedures of the Municipality. It is the responsibility of all employees to immediately report all allegations or incidents of fraud and corruption to their managers.

The Municipality encourages the members of the public or providers of goods and/or services who suspect fraud and corruption to contact any member of management, the Municipal Manager, the Speaker, the Mayor and/or the chairperson of the Audit Committee. For issues raised by employees,

ratepayers, members of the public or providers of goods and/or services, actions taken depend on the nature of the allegation.

The matters raised will be screened and evaluated and may be subsequently:

- Investigated internally
- Directed to the law enforcement agency

Any fraud and corruption committed by any employee or any other person will be practiced by a thorough examination and to the full level of the law, consider the following:

- In case of employees, taking disciplinary action within a reasonable period of time after the incident.
- Instituting civil action to recover losses;
- Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
- Any other appropriate and legal remedy available

**a) Components of the plan**

The main principles of this plan are based on and aligned to the LGTAS including the following:

- Creating a culture which is ethical and intolerant to fraud and corruption;
- Deterrence of fraud and corruption;
- Prevention of fraud and corruption which cannot be deterred;
- Detection of fraud and corruption;
- Investigating detected fraud and corruption;
- Taking appropriate action in the event of such irregularities, e.g. disciplinary action, recovery of losses, prosecution, etc. and
- Applying sanctions that include blacklisting and prohibition from further employment.

**b) Approach to Fraud Prevention**

Steps of approaching fraud prevention:

- Organizational focus
- Focus on employees including management
- Focus on other stakeholders
- Enforcement
- Implementation

**4.5.5.9 Risk Management Plan**

The management of risk is the process by which the Accounting Officer, Chief Financial Official and the other senior management of the municipality will proactively, purposely, and regularly, but at least annually, identify and define current as well as emerging business, financial and potential risks and identify appropriate, business and cost effective methods of managing these risks within the municipality, as well as the risk to stakeholders.

The purpose of risk assessment is to provide management with an assessment of the risk profile of the municipality. The risk analysis also provides an indication of the impact and likelihood of critical risks occurring that may prevent the Municipality from attaining the desired performance against strategic objectives.

#### **a) Risk Management Policy**

##### *Objective of the risk management policy*

The objective of the risk policy is to ensure that a strategic plan is developed that should address the following:

- An effective risk management architecture
- A reporting system to facilitate risk reporting; and
- An effective culture of risk assessment

The Policy is used to ensure that risk management becomes the concern of line management and everyone in the Municipality and that risk management practices are consistent across the whole of the municipality.

A risk management committee for the municipality is established to oversee the implementation of the risk management Policy. The committee comprises of the following disciplines

- The Municipal Manager and all General Managers
- Electrical services unit
- Public Safety unit

The committee:

- Ensure that the Risk Management Strategy is appropriate to the Municipality
- Convene and facilitate Risk Assessment workshops for the purpose of identifying, analysing and evaluating risks
- Prepare the Risk Profile of each Department
- Ensure that the Risk Assessment and Risk Profile is completed prior to the end of each financial year
- Oversee the implementation of the Strategy within the Organisation to ensure that Departments identify, analyze and rate risks and furthermore implement the necessary control measures as prescribed by management to respond to risks identified

#### **b) Risk Management Strategy**

- **Risk Identification and Evaluation**

Risks will be identified and related to the process objectives for each department. It is accepted that risks within the three categories are themselves subjected to further categorization. For instances, within the High-risk category, it is accepted that some risks will be of a higher level than others, whilst all of them will be globally categorized as "high".

- **Assessment of controls**

According to South African Auditing Standard, an internal control system" consists of all the policies and procedures (internal controls) adopted by management of an entity to assist in achieving management's objective of ensuring, as far as it is practicable, the orderly and efficient conduct of its business, including adherence to management policies, the safeguarding of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information. Controls are evaluated and rated as being strong, medium or weak. Non-existent controls are indicated as such in the assessment of controls.

- **Residual risks**

After documenting the activities; identifying, classifying and rating risks as well as identifying and rating the existing controls, the residual risks per activity, will be established. Residual risks are the risks that are identified after taking into consideration the effect and impact of direct control

measures implemented as well as the impact of compensating control measures, relative to a risk identified.

- **Risk profile**

A risk profile will be maintained by Internal Audit reflecting all activities with a residual risk and shall categorize the residual risks into High, Medium and Low. The residual risks will be depicted in tabular form and the rating of residual risks will be indicated. Management shall identify the person/s responsible for the implementation of the control measure and time frame within which the control measure will be implemented.

- **Control Self Assessment**

The final phase of the risk management strategy requires continuous monitoring and evaluating of the risk profile.

Management shall conduct a cost-benefit-analysis to establish whether the benefits of implementing a control measure exceed the costs thereof. If not, the effects of the risk should be carefully analysed and appropriate action taken.

- **Monitoring / Review**

The Manager shall, on a regular basis, but at a minimum on an annual basis, review the risks identified in the risk profile, with due regard of the impact of any compensating controls, and report to council on the effectiveness of the Risk management strategy. Accounting officer will coordinate an annual review of the effectiveness of this policy with the key managers in the municipality.

This annual review will take place immediately prior to the development of the annual business and integrated development plans so that it can have due regard to the current as well as the emerging risk profile of the business. Internal audit will monitor key controls identified in the risk management system as part of the annual audit plan developed in conjunction with the Accounting Officer and approved by the Audit Committee.

#### **4.5.6 Social Cohesion**

Matatiele Local Municipality is committed to promoting social initiatives that enhance the uplifting and empowering of communities through social cohesion. The municipality has amongst other initiatives, annual events which are geared towards improving and empowering communities.

- **Golden Games**

Golden Games is a programme that is held annually, the purpose of this programme is to encourage our senior citizens to participate in physical activities. More importantly the municipality recognizes that not all senior citizens are physically active in sporting activities, hence the Municipality identified the need to have a sport day for our senior citizens to encourage them to be active physically.

This is because principles, values and discipline that are involved in sport also apply in physical fitness with benefits such as: reduced dependency on pain and depression medication and fewer secondary medical conditions (e.g., diabetes, hypertension etc). The programme allows all elderly people from all wards to participate those in projects and those who are not in projects.

## 4.6 INSTITUTIONAL ARRANGEMENTS AND TRANSFORMATION

### 4.6.1 Organisational structure

Matatiele Local Municipality (EC441) is a Category B Municipality as determined by the Demarcation Board in terms of Section 4 of the Municipal Structures Act 1998. The Municipality functions under the Collective Executive system consisting of nine (9) Executive members of whom one is the Mayor. The Council consists of 52 Councillors including the members of the Executive Committee and nine Traditional Leaders. Of the 52 Councillors, 26 are Ward elected Councillors. The Council has six (6) standing committees which are chaired by Portfolio Heads.

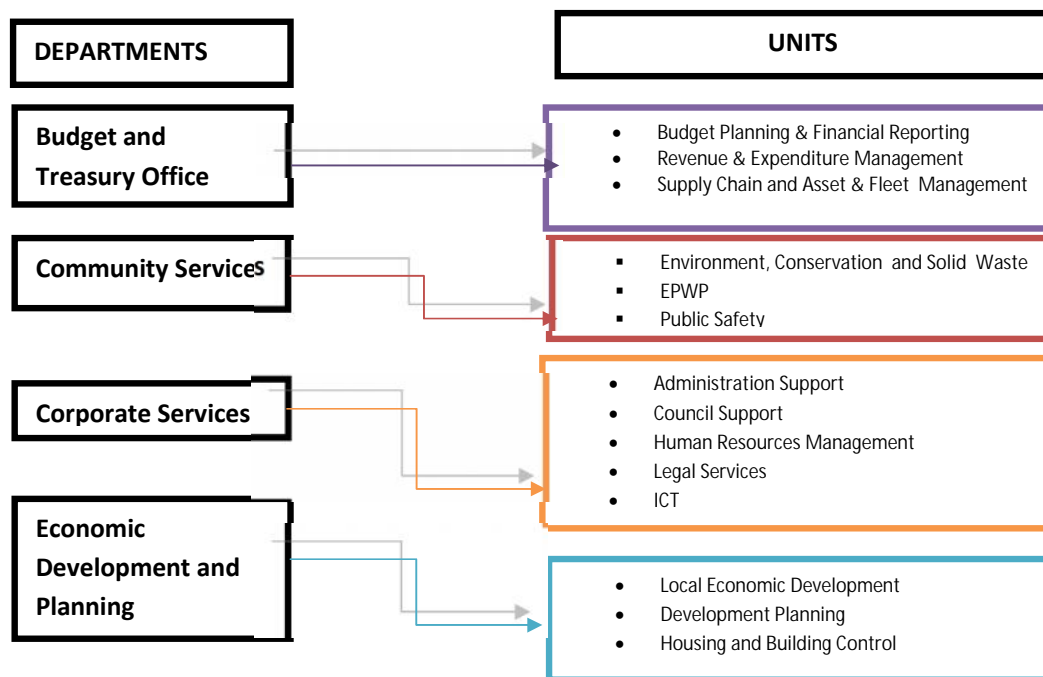
The six (6) portfolios of the municipality are as follows:

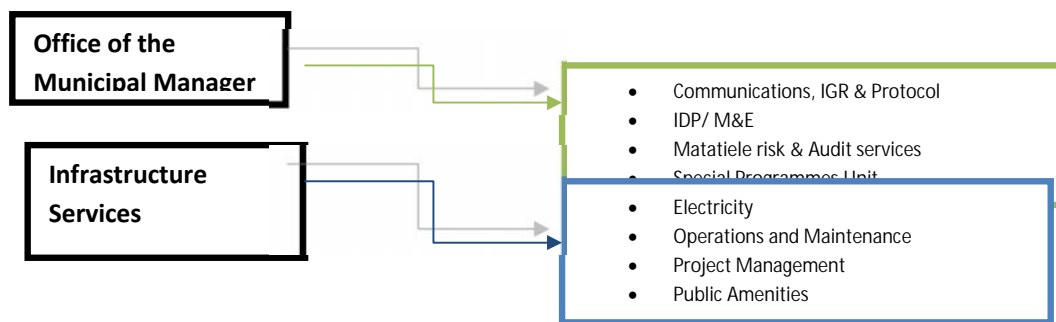
- Budget and Finance – Portfolio Head: Cllr. P.M Stuurman
- Community Services – Portfolio Head: Cllr. M.M Mbobo
- Corporate Services – Portfolio Head: Cllr. N.Mshuqwana
- Local economic Development – Portfolio Head: Cllr. N. A Nkukhu
- Infrastructure –Portfolio Head :Cllr. S. Mngenela
- Communications and Special Programmes Unit- Cllr: N. Ngwanya

### 4.6.2 Municipal Administration

The Municipality's organisational structure comprises three hundred and fifty five (355) positions which are divided into six (6) departments including the Office of the Municipal Manager. The management comprises of the Municipal manager, 5 General Managers, 18 middle managers. There are currently 32 interns and 8 in-service trainees. Matatiele Local Municipality has three offices located in the towns within the municipal area, i.e Maluti, Matatiele, Civic Building and Cedarville.

The main office is in Matatiele, with two other sub offices in Cedarville and Maluti. Below are the departments and the units within each department





#### 4.6.3 Human Resources-Employment Practices

The Municipality is committed to developing human resources systems, policies and procedures, which incorporate prevention practices. There is a risk of poor implementation of its human Employees focused anti-fraud and anti-corruption measures should be visible from the point of advertising a vacant post, recruitment, specific employment conditions, maintaining high employee morale, Individual performance management and even exit procedure upon resignation or retirement.

The approaches indicated below are key to the Municipality's efforts in this regard:

- Advertising posts
- Pre-employment screening
- Probation
- Ongoing financial disclosure
- Employee induction programme
- Obligatory leave periods
- Managers will encourage ensuring that appropriate control
- Exist procedures for employees and control over assts
- The Municipality will ensure that an exit interview process is in place

##### A) Discipline

The Municipality is consistent and efficient in its application of disciplinary measures. Additional measures, which will be considered include:

- Communication of specific disciplinary standards and forbidden conduct. Each Employee upon appointment signs the Code of Conduct.
- Introducing a system where the application of disciplinary measure is applied consistently
- Steps for ongoing training of managers in the application of disciplinary measures
- Where managers are found to be inconsistency and/ or inefficient in the application of discipline, the Municipality will consider firm action;
- Publicize the outcomes and sanction of disciplinary action as a deterrent effect to others.

##### B) Staff Development/Capacity Enhancement

There is staff development initiatives taken by the municipality in the form of training programs and bursary assistance offered to the municipal officials and councillors, from July 2013. The skills development ranged between one week to 12 months with the assistance of different service

providers like PALAMA, NMMU, Lemark Training & Development, University of Pretoria, University of Fort Hare and Stellenbosch University etc. officials and councillors were trained and some of them are still attending in the following areas:-

- Bid Committee Training
- Disciplinary Hearing
- Project Management 1
- Public participation
- Project Management 2
- Employee wellness
- Credit Control, Debt collection and Indigent Policy for government and Parastatals
- First Aid Level 1
- Basic Fire Fighting
- Occupational Health & Safety
- Peace Officer Training
- Programme in Municipal Finance Management offered by Fort Hare University
- Municipal Minimum Competency Training offered by Stellenbosch University

### ***C) Staffing Policies***

#### ***I. Employment Equity Plan***

The MLM is committed to the implementation of employment Equity to redress the legacy of past discrimination during which people were denied access to equal opportunities based on their race, gender, HIV/AIDS, marital status, sexual orientation, religion; ethnic/social origin, age and disabilities. MLM is committed to redress the past legacies through the establishment of EE Forum. In order to guide its implementation process and review, the municipality developed an Employment Equity Plan covering a period until 2014 in 2009. The plan needs to be continually reviewed and updated to ensure that it is consistently in line with the economic realities of the Municipality. Employment Equity Reports are submitted online in October annually.

#### ***II. Training Policy***

The training policy aims to fulfil the following objectives:

- To provide skills development framework for officials and Councillors.
- To provide a framework for aligning training needs with the strategic objectives of the Municipality.
- To equip Municipal Human Resources with the necessary skills for better service delivery.
- To manage skills development processes within the Municipality.
- To cater for the previously under privileged sections of the Municipal Human Resources.

#### ***III. Succession Policy***

The reasons for preparing succession planning and career path plans are as follows:

- To ensure continuity of suitably trained staff in key posts for the future
- To ensure that someone is always available to fulfil any particular job in the municipal service, even in the event of illness, resignation or death. More than one staff member in a specific department should always be able to do any particular job.
- To comply with the legal requirements of the Employment Equity Act, this requires the appointment and promotion of suitably qualified persons from previously disadvantaged groups, to ensure proportional representation in all occupational categories and levels.

- To ensure that training programs are undertaken in an orderly way and that staff do not simply attend training courses without a purpose. In this way training initiatives can be properly focused.
- To develop career paths for individual staff members to assist them in their careers, making them more enthusiastic about their jobs and therefore making them more productive. In this way, the individual skills may be utilised to achieve the goals of both the department as well as the organisation
- To assist the employee in meeting his/her performance goals. Individual goals must be aligned with the goals of the overall department and the organisation, including the Council's Integrated Development Plan (IDP) and budget. Succession planning and career planning must, furthermore, be aligned with all other human resources activities such as selection, training, performance management etc
- To establish a highly motivated work force which could lead to a decrease in staff turnover
- Employed successful applicants in the identified critical and budgeted posts
- Implement Salary and Wage Agreement
- Consolidated Conditions of Service
- Started implementing the Electronic Archiving System

### **III. RETENTION STRATEGY**

The purpose of the Staff Retention Strategy is:

To allow Council to effectively retain their staff by providing information on staff retention and some possible staff retention techniques.

To prevent the loss of competent staff from the Municipality that can have an adverse effect on service delivery

To attract and retain competent staff

To retain key staff members whose services are regarded as critical to achieve the vision and mission of the Municipality.

To identify individual's potential for assuming a higher degree of responsibility.

To help develop a skills base for succession planning

#### **APPLICATION OF THE STRATEGY**

This strategy will apply:

To all Senior Management and Middle Management positions

To all the Municipal employees

#### **RETENTION TOOLS**

The following should be regarded as tools to assist in the achieving the retention of staff :

Performance appraisal system

Personal development plan

Career development/training

Staff moral assessment/survey

Exit interview report



## STAFF RETENTION TECHNIQUES

### Scarce Skills

Conducting of a skills audit to identify and classify the current skills needs and the future needs of the Municipality.

Identification of scarce and critical skills on an annual basis.

Where scarce/critical skills have been identified, an executing authority may set the salary for a post or an employee above the minimum notch of the salary scale indicated on the staff structure of Council.

The process may also be initiated where an employee with scarce/critical skills and/or experience has received a higher job offer and the executing authority may give a counter offer to retain his/her service. Below are some of the challenges experienced in implementation of the strategy:

*Employment Equity-* Employment Equity Act, 1998, requires every employer to retain and develop people from the designated groups. The municipality is currently experiencing difficulty in attracting women (in senior management positions) and people with disabilities (PwD). Opportunities should be created to make the employment more attractive for example apprentice, learnership and furthering of studies for all employees and the previously disadvantaged in particular. Decisions of this nature must be taken with due consideration to the Municipality's Employment Equity Plan.

*Performance Appraisal-* Performance appraisal is a two-way process, it includes the employer and employees as a tool to identify short-comings and future development of employees.

*Performance Management and Development-* Each employee must have a performance agreement, which is cascaded from the departmental score card. The output must be specific and measurable with clear time frames for achievement. The performance must be assessed four times per financial year. The identified needs or shortcomings must be followed by the appropriate intervention/training.

*Succession Plan-* A Succession Plan database should be compiled from the career discussion outcomes and should be in the custody of Corporate Services Department and kept confidentiality. The Corporate Services Department should identify potential key competencies to be developed in the light of the identified succession plan positions. Planning is fostering activities like job rotation to expose staff to the workings of the Municipality. This can assist in the identification of top performers and employees with potential.

*attracting scarce skills-* Scarcity of the skills and/or the competencies that the said employee possesses shall be the key guiding factors that will determine the final outcome. In order to attract new employees whose skills are critical to the Municipality, higher packages can be offered to the employee regardless of the current packages. The prevailing market trends should be studied and taken into consideration. The granting of higher salaries for the purpose of counter offer requires that the following measures be taken into account, namely the demonstration of fairness, budgetary provisions to sustain the position and alternatives.

#### Monitoring and evaluation

Methods to be used for the evaluation of the effectiveness of the Retention Strategy shall include:

- Analysis of the staff turnover
- Analysis of the exit interview reports,
- Analysis of Labour market trends

#### **IV. Workplace Skills Plan**

The Workplace Skills Plan (WSP) document provide information on the Municipal current employment profile and to indicate the training interventions that have been planned for each financial year in order to develop the Municipal employees and councillors and to improve the municipal performance. The document also requests information on Skills Development circumstances so that Local Government Sector Education and Training Authority (LGSETA) can render assistance and support. This WSP must be submitted to the LGSETA by 30 June each financial Year.

The process of developing Workplace Skills Plan includes:

- The Training needs analysis through circulation of Skills Audit Questionnaires to all employees and councillors.
- Consolidation of all Skills Audit Questionnaires collected
- Compilation of Workplace Skills-Plan(WSP) and Annual Training Report (ATR)
- Presentation of Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the Training Committee
- Signing of Workplace Skills Plan (WSP) and Annual Training Report (ATR) by the relevant signatories
- Submission of Signed Workplace Skills Plan (WSP) and Annual Training Report (ATR) to the National and Provincial office of LGSETA by 30 June.

#### **V. Recruitment & Selection Policy**

The municipality currently has an adopted Recruitment & Selection policy. The purpose of this policy is to guide the process of recruiting and thus ensuring that In the appointment of any staff member, the principles set out in the policy be followed, to ensure that the most suitable person will be appointed to the to a particular post. The current policy however needs to be reviewed in the next financial year.

The policy gives guidance and procedure regarding the following:

- Planning, Organising and Advertising the Position
- Processing Of Application Forms Received
- Checking Of References and Other Personal Information
- Interviewing Process
- Appointment of Employees, Letters Of Appointment and Contracts of Employment

## **VI. Human resource plan**

The municipality is currently on the process of developing an HR Plan and these is a draft HR Plan in place. The contents of the HR Plan include the following:

### **Municipal HR Strategic Objectives**

- To provide effective Human Resource Management
- To provide effective and efficient administrative services
- To ensure compliance with all relevant pieces of legislation and agreements
- To ensure development and implementation of policies and bylaws

### **ACTION PLAN/ IMPLEMENTATION PLAN**

The HR Plan will be implemented on 5 year period reviewed annually

#### **Monitoring and Evaluation**

The plan will be monitored quarterly

#### **Identified Priority HR Issues**

#### **Recruitment and Selection**

#### **Retention Strategy**

#### **Skills Development**

#### **Employee Wellness Programme**

#### **Occupational Health and Safety**

#### **Performance Management System (PMS)**

#### **Employee Relations**

#### **Succession Planning and Career Development**

## **4.6.4 Physical and Information Security**

### **a) Physical Security**

The Municipality's main physical security threat arises in the area of control over its physical assets, facilities and employees. Security personnel and access system are deployed to ease this threat.

### **b) Information Security**

The Municipality will ensure that all employees are sensitized on regular basis to fraud and corruption risks related with information security and the utilization of computer resources, particularly access control, & to ensure systems are developed to limit the risk of manipulation of computerized data.

### **c) Enforcement**

No Fraud Prevention Plan would be complete without enforcement forming an integral component for instances where fraud and corruption occurs. The implementation and awareness will be achieved through: Monitoring, Creating awareness, Education, Communication, Implementation structure, Adoption and Implementation-This Plan shall take effect on the date of Council resolution. It shall be reviewed as and when required.

#### **4.6.5 ICT**

The municipality has an established ICT Unit, and currently employed the Senior ICT Services Officer and the post for the IT Manager is still vacant and to be filled soon. 2 ICT Desktop Support Technicians are proposed and need to be filled.

The IT General Control Framework has been developed and is expected to be adopted by Council by the 30<sup>th</sup> June 2014. The contents of the policy include the following:

- Information Systems security
- Internet Usage
- Email usage
- Network Usage
- Front End Peripheral Usage
- Physical Access and Environmental Control
- Logical Access control
- Virus Protection and Patch Management
- ICT Fault Reporting and Management
- Acquisition and Provision of IT Resources
- Backup and Restoration
- Network Security
- Risk Management
- Privacy
- Protection of ICT Equipment

The current available IT Infrastructure

- Upgrade of Server infrastructure to blade servers(Virtualization)
- ICT Network upgrade
  - Installation of new Cisco switches
  - Upgrade of network cabling (from cat5e to cat6e)
- Telkom Virtual Private Network Supreme(VPNS)

## CHAPTER 5: KEY DEVELOPMENT PRIORITIES

### 5.1 PRIORITIES, OBJECTIVES AND STRATEGIES

A municipal/Council Strategic planning session was held on 16 to 20 February 2014 to formulate immediate and future development Objectives, Priorities, Targets, strategies and Key Performance Indicators to address the developmental issues and to budget accordingly as identified through community needs analysis. Taking into consideration the limited resources and the scope of service delivery backlogs, priorities' objectives as well as strategies were formulated to address the developmental issues, as per the assessment of the current situational analysis. The subsequent discussion is linked directly to the findings on the Situational Analysis and taken further to realise the developmental vision of the municipality. The focus is intended to achieve appropriate and sustainable delivery of services and create an enabling framework for social and economic development.

#### 5.2.1 BUDGET AND TREASURY

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
<b>SUPPLY CHAIN MANAGEMENT</b>											
<b>Basic Service Delivery and Infrastructure</b>	Annual Procurement Plan	Integrated Plan by 31/08/14	Approved Procurement Plan	To have an approved Procurement Plan by the 31 August 2014.	Report to MANCO on a monthly basis.  Report to standing committee on a quarterly basis	2013/2014 was adopted by Council	Projects not meeting the set dates on the Approved Procurement Plan	Submission Procurement Plan for adoption before 31 August 2014	Procurement Plan	None	SCM Unit together with all the departments.
	Compliance with SCM Regulations	Ensure that the monthly Report are prepared and submitted to Manco and	Ensure that the institution complies with regulations as set out in the SCM	To have 12 monthly reports submitted to Manco and the Council.	Report to MTM, MANCO on a monthly basis.  Report to standing	Monthly Reports	None	Abakus Financial System and Personnel	Implementation of Council Policy	None	BTO: Supply Cha

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		Council			committee on a quarterly basis						
	Fixed Asset Register	To ensure that the GRAP Compliant Updated Register is Reconciled to General Ledger	Updated Fixed Asset Register reconciled to general ledger by the 10 <sup>th</sup> of every Month	To have 12 monthly reports submitted to Manco and the Council.	Report to MTM, MANCO on a monthly basis.  Report to standing committee on a quarterly basis  Updated Fixed Asset Register	There is an Updated Fixed Asset Register for 2013/2014	None	Physical verification of movable and immovable assets  4 times a quarter	Fixed Asset management	None	Asset Unit together with all the other department
<b>REVENUE AND EXPENDITURE MANAGEMENT</b>											
Financial Viability	<b>High debt – collection of rates and services</b>	Implementing the Credit Control Policy and Revenue Enhancement Strategies and reduce our debt from R50m to current by 2017	Report on a monthly basis to MANCO, Treasury.  Report on a quarterly basis to standing committee	R15m in 2013/2014  R5m p.a. until 2017	Monthly basis to MANCO, Treasury.  Report on a quarterly basis to standing committee	N/A	R50m debt outstanding	Training of current staff on implementation of the policy  Recruitment of skilled personnel  Seek assistance from Eskom for areas not supplied by municipality - electricity	Debt Recovery		BTO

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<b>Reconciliation of debtors</b>	Align the Age Analysis with the General Ledger – ensure that there are no variances	12 monthly Reconciliations	Reconciliations Done on a monthly basis until 2017	No. Of reconciliations	Monthly Reconciliations are done monthly	N/A	Retaining skilled personnel.  Training of personnel to adapt to changes.  Adherence to section 64 of MFMA	Monthly Debtors Reconciliation	N/A	BTO
	<b>Indigent Support</b>	Identify and support households that are indigent in a municipal wide	Report to MANCO on a monthly basis  Report to Provincial Treasury on a monthly basis  Report to Standing Committee on quarterly basis.	Policy be reviewed on an annual basis.  Registration be done every two years.	Report to MANCO on a monthly basis  Report to Provincial Treasury on a monthly basis  Report to Standing Committee on quarterly basis.	+ - 12000 Indigent applicants on the register	+ - 10 000 not on the register	Adherence to municipal council's policy  Formulation of a team that includes Ward Councillors, Ward Committees and ward Clerks	Identification of all indigent beneficiaries	Depends on DORA allocation ( Equitable Share portion of FBS)	BTO

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<b>Free basic services provision</b>	Ensure that all households that are indigent receive the services	Report to MANCO on a monthly basis.  Report to Provincial Treasury on a monthly basis  Report to STANCO on a quarterly basis	Establish a team that consist of Ward Councilors, Ward Committees, Ward Clerks and Municipal Officials  Policy be reviewed on an annual basis.  Should be providing at least 30 000 by 2017 from the current outstanding of 30 000.	Report to MANCO on a monthly basis.  Report to Provincial Treasury on a monthly basis  Report to STANCO on a quarterly basis	+ - 12000 Indigent applicants on the register	+ - 10 000 not on the register	Request more funding for FBS	Implementation of Indigent Support Programme	Depends on DORA allocation ( Equitable Share portion of FBS)	BTO
	<b>Poor collection of rental income i.e. Transido, Itsokolele hostel, Stores, Commonages,</b>	Ensure all municipal properties that are leased are paid for.	Report to MANCO on a monthly basis  Report to Standing	Leases need to be reviewed and adhered to.	Report to MANCO on a monthly basis  Report to Standing Committee on a quarterly basis	There are leases in place	Review has not been done	Adherence to municipal council's policy and reviewing of leases	Review of Rental Properties	N/A	BTO



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
			Committee on a quarterly basis								
	<b>Charge interest on outstanding debt</b>	Encourage customers that owe for municipal services to make payment before it incurs interest	Report to MANCO on a monthly basis.  Report to Treasury on a monthly basis.  Report to Standing committee on a quarterly basis.	Levying of Interest on outstanding debtors	Report to MANCO on a monthly basis.  Report to Treasury on a monthly basis.  Report to Standing committee on a quarterly basis.	Interest is charged on arrear accounts	N/A	Adherence to municipal policy and MFMA	Charging of Interest on arrear accounts	N/A	BTO
	<b>Inadequate staff - Vacancies – cashiers</b>	Fully implement the approved organogram	Report to MANCO on a monthly basis	Review of organogram on annual basis	Report to MANCO on a monthly basis			Adherence to municipal policy and MFMA.			BTO
	<b>Staff Training</b>	Ensure that the staff in the department are trained for relevant courses	Report to MANCO number of staff that need to be trained.	Training of Revenue and Expenditure staff	No of trained staff	9 Employees are training MMC	8 Employees need to be trained	Registering employees through Stellenbosch for training	MMC Training Programme	FMG Funding	BTO
<b>BUDGET PLANNING AND FINANCIAL REPORTING</b>											
	<b>Submission of monthly, quarterly and</b>	Ensure all we fully comply	12 reports per	Fully comply		Monthly	None	Abacus Financial	Reports submitted to		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	mid-year reports	with MFMA – with regards to reports that need to be submitted.	year	with MFMA		submission		System/Corvu/personal by the 10th working day of the following month	National Treasury as required to National and Provincial i.e. section 71, 72		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	4 reports	No of quarterly reports		Quarterly reports	None	Abacus Financial System/Corvu/personal by the 10th working day of the following quarter	Reports submitted to National Treasury as required to National and Provincial i.e. quarterly reports		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	One annual report	No of annual reports		Annually	None	Abacus Financial System/Corvu/personal before the 30 June each year	Reports submitted to National Treasury as required to National and Provincial i.e. annual details of bank accounts		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	4 reports	No of quarterly reports		Quarterly reports	None	Abacus Financial System/Corvu/personal by the 10th working day of the following quarter	Reports submitted to National Treasury as required to National and Provincial i.e. withdrawal report		
		Ensure all we fully comply	1 report	No of reports		Annual	None	Abacus Financial	Submission of		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		with MFMA – with regards to reports that need to be submitted.				report		System/Corvu/personal by the 25th January each year	mid-year report		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	12 monthly reconciliations	No of reconciliations		Bank reconciliation	none	Abacus Financial System/Corvu/personal by the 10th working day of the following quarter	Completion of recons on a monthly basis and adherence to MFMA		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	12 monthly investment reports	No of investment reports		Investment register	none	Abacus Financial System/Corvu/personal by the 10th working day of the following quarter	Completion of recons on a monthly basis and adherence to MFMA		
		Ensure all we fully comply with MFMA – with regards to reports that need to be submitted.	Reviewal of policies	No of policies		Policies reviewed	None	Reviewal of policies on an annual basis and adherence to MFMA	Completion of recons on a monthly basis and adherence to MFMA		
	<b>Loan Register</b>	Ensure that loans that were taken are being	Repayment of loans taken	No of payments made (proof		Statement from the funder	none	Abacus Financial System / Corvu/person	Completion of recons on a monthly basis and adherence to		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		served		of payment)				al by the 10th working day of the following month	MFMA		
			Reconciliation with the ledger	No of reconciliation			None	Abacus Financial System/ Corvu/person al by the 10th working day of the following month	Completion of recons on a monthly basis and adherence to MFMA		
			Monthly Financial Statements	No of financial statements		Financial Statements	None	Abacus Financial System/ Corvu/person al by the 10th working day of the following month	Completion of financial statements on a monthly basis and adherence to MFMA		
	<b>Multi-year budget</b>	Ensure that the municipality reports on its spending petins as at 31 December and adjust the budget if the is a need	Time schedule	Table to Council 10 months before start of new financial year		Time schedule	None	Abacus Financial System/ Corvu/person al	Adherence to municipal council policy and MFMA		
			Tabling of annual	Be tabled 90 days before of		Tabling of annual	None	Abacus Financial	Adherence to municipal council		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
			budget	the new financial year		budget		System/Corvu/personal	policy and MFMA		
			Public meeting	No of public held during each financial year		Public meeting	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			Undertake tariff setting during budget preparation	30 days before the start of the new financial year		Undertake tariff setting during budget preparation	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			Align budget with IDP	90 days before the start of the new financial year		Align budget with IDP	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
	<b>Standard budget return form</b>	Provide the managers with template or guidance on budgeting for each year	Submit to managers 10 months before start of new financial year	Need to be submitted to budget and treasury by 31 October of each financial year		Submit to managers 10 months before start of new financial year	None	Abacus fs/Corvu/personal	Adherence to municipal council policy and MFMA		
	<b>Budget Control</b>	Ensure that departments don't spend more than what they	12 monthly reports to General Managers	No of reports to General Managers		12 monthly reports to General Managers	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		have budgeted for						al			
	<b>Annual Financial Statements</b>	Ensure that the municipality is able to fairly produce its annual financial statements	Trail balance preparation	Need to be done by the 15th July each year		Trail balance preparation	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			Reconciliation with general ledger	Need to be done by the 15th July each year and reported to MANCO		Reconciliation with general ledger	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			Working papers for year-end transactions	Need to be done by the 15th July each year and reported to MANCO		Working papers for year-end transactions	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			Accounting policies i.r.o. statements	Need to be done by the 15th July each year and reported to MANCO		Accounting policies i.r.o. statements	None	Abacus Financial System/Corvu/personal	Adherence to municipal council policy and MFMA		
			GRAP Statements	20th August each year and reported to		GRAP Statements	None	Abacus Financial System/	Adherence to municipal council		

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
				MANCO and Audit Committee				Corvu/personal	policy and MFMA		
			Submission to Auditor-General , National and Provincial Treasury	31st August of each year		Submission to Auditor-General , National and Provincial Treasury	None	Abacus Financial System/ Corvu/personal	Adherence to municipal council policy and MFMA		
	<b>Audit Report</b>		Achieve Clean Audit Report	Quick and efficient responses to Auditor-General on an annual basis		Achieve Clean Audit Report	None	Abacus Financial System/ Corvu/personal	Adherence to municipal council policy and MFMA		
<b>KEY ISSUES OF THE BTO COMMISSION</b>											
Municipal transformation and Organisational Development	<ul style="list-style-type: none"> <li>2014/15 budgeting for the posts.</li> <li>Entry levels in organisational work structure are clerk for clerical work.</li> </ul> <p>Clean Audit through monthly financial statements and monthly asset management.</p>							<ul style="list-style-type: none"> <li>Appointment at Accountant Level to be done.</li> <li>Creditors clerk appointment to be done.</li> <li>Accountant Budgeting post to be</li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								filled <ul style="list-style-type: none"> <li>Consider Manager Financial Reporting.</li> </ul> Appoint BTO receptionist.			
	<ul style="list-style-type: none"> <li>Engage old mutual to make presentation on councillors on pension rules compliance and benefits of the old mutual fund.</li> <li>Councillors to be registered on the councillors pension fund.</li> </ul>							<ul style="list-style-type: none"> <li>Councillors to cancel the old mutual with old mutual not with municipal payroll and join pension.</li> <li>Non-cancelling councillors to make their own stop order with old mutual.</li> <li>Municipality to cancel debit order from municipal bank account.</li> <li>Invite councillors pension fund to join councillors</li> </ul>			



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<ul style="list-style-type: none"> <li>Recovery of irregular payments from councillors.</li> </ul>							<ul style="list-style-type: none"> <li>Council resolved to deduct from salaries of councillors</li> <li>Enforcement of council resolution.</li> </ul>			
	<ul style="list-style-type: none"> <li>Raise an argument with the MEC that the Council does not agree with the Stats results of 2011.</li> </ul>							<ul style="list-style-type: none"> <li>Appoint an independent consultant to do the survey of the wards and present to the MEC.</li> <li>The Municipality Administration to be given authority by Council to appoint a consultant/ University to do the Survey on the Population of Matatiele</li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								<p>Wards.</p> <ul style="list-style-type: none"> <li>A report will be submitted to the MEC.</li> </ul>			
	<ul style="list-style-type: none"> <li>Arrange a meeting with DM leadership.</li> <li>Public Works follow ups do be done.</li> <li>Enforce credit control measures as provided by the policy for Matatiele debt.</li> <li>Farmer's accounts are issued to all famers.</li> <li>Engage Eskom for debt collection purposes and assistance through electricity sales.</li> <li>Perform data cleansing &amp; revenue enhancement strategy.</li> </ul>							<ul style="list-style-type: none"> <li>Meet District Mayor, MM &amp; CFO to find a solution on the district debt matter.</li> <li>Report Public Works to Local Government and National Treasury to pay for rural schools.</li> <li>Amend famer's names on municipal accounts being issued through</li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								<p><i>data cleansing.</i></p> <ul style="list-style-type: none"> <li>• <i>Municipality to apply for supplier license in Cedarville and Maluti.</i></li> <li>• <i>Arrange meetings with Cedarville and Maluti ratepayers on individual basis to resolve the disputes on accumulated amounts being owed.</i></li> <li>• <i>Municipality to consider discounts and write-offs when agreed amounts paid.</i></li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								<ul style="list-style-type: none"> <li>• Clean data on billing system.</li> <li>• Valuer to be arranged to explain again the process to</li> <li>• STANCO.</li> </ul>			
	<ul style="list-style-type: none"> <li>• Income allocation R360 million.</li> <li>• Operating Expenditure Estimates R316 million.</li> <li>• Capital Estimates R211.</li> <li>• Deficit as per estimates R167 million.</li> </ul>							<ul style="list-style-type: none"> <li>• Provided estimates are more than the estimated income.</li> <li>• Balanced draft budget to be tabled to council before end of March 2014.</li> <li>• Department s to reprioritise and review their budget proposal through</li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								management and budget committee.			
	<ul style="list-style-type: none"> <li>Review the accounting policy on revaluation to avoid material adjustments.</li> <li>Repair and maintain infrastructural assets to avoid loss.</li> </ul>							<ul style="list-style-type: none"> <li><i>Internal Auditors to review the policy and advice on amendments.</i></li> <li>Develop and implement maintenance plan for all infrastructural assets.</li> </ul>			
	<ul style="list-style-type: none"> <li>Employment of youth</li> <li>Employment of women and disabled people</li> </ul>							<ul style="list-style-type: none"> <li><i>Utilisation of FMG to appoint interns – 5 every two years</i></li> <li><i>Employ women and disabled through Nkhoesa Mofokeng Project and Reahlokisa</i></li> </ul>			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								(EPWP) <ul style="list-style-type: none"> <li>• <i>Employ people through contractors that are contracted with the municipality (SCM)</i></li> </ul>			

### 5.2.2 COMMUNITY SERVICES DEPARTMENT

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
ENVIRONMENTAL AND WASTE MANAGEMENT											
Basic Service Delivery and Infrastructure	Environmental Management and Climate Change	To facilitate Game translocation to Matatiele Nature Reserve	Herd of 70 Burchell's Zebra.	To source 70 Burchell's Zebra	70 Burchell's Zebra by 30 <sup>th</sup> June 2015	One male Burchell's Zebra	A herd 69 Burchell's Zebra	Apply for game species donation	Game translocation	MDTP Funding	Community Services
Basic Service Delivery and Infrastructure	Environmental Management and Climate Change	To Construct two (10) chalets at Nature Reserve	10 Chalets	Initiate preliminary work towards construction of Ten Chalets	10 Chalets	One 6 bedded chalet	10 chalets	Apply for funding assistance	Chalets construction	MDTP Funding	Community Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Basic Service Delivery and Infrastructure	Environmental Management and Climate Change	To construct new landfill site cells	3 Landfill cells	To contract 3 landfill refuse cells	Approved budget by council, approved specification and plans , adverts & appointment of Service providers to construct at least 2, by 31st June 2015	3 landfill cells	Three landfill cells	Source the service provider for construction through procurement process	Landfill cells construction	(CRR) R 3 500 000.00	Community Services
Basic Service Delivery and Infrastructure	Environmental Management and Climate Change	To promote Community waste management awareness and education programmes	To conduct awareness in Maluti, Matatiele and Cedarville communities	To conduct waste management awareness to communities	Meetings, door to door campaigns and workshops in Matatiele, Maluti & Cedarville	Minimum campaign conducted in Matatiele	Waste awareness conducted in Matatiele	Conduct various campaigns through Youth in Waste Jobs Incumbents	Waste management awareness campaigns	DEA Funding	Community Services
Basic Service Delivery and Infrastructure	Environmental Management and Climate Change	To facilitate eradication of illegal dumping sites in Matatiele	Elimination of illegal dump sites	To conduct awareness on communities or citizens	Reduced waste dumps. Regular meetings with communities	Cedarville dumping area	Matatiele CBD & Residential area	By-law enforcement	Illegal dump control	DEA Funding	Community Services



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
EPWP											
Basic Service Delivery and Infrastructure	EPWP	To create 810 jobs for 2014/15 financial year	810 beneficiaries to be contracted	810 beneficiaries by the 1st of August 2014	Number of beneficiaries by set date	766 EPWP beneficiaries	Non expenditure in the first quarter and no beneficiaries at Ward 11 and 12	Create EPWP jobs	Nkhoesa Mofekeng, Rea Hloekisa and Food for Waste	R1 093 500.00	Community Services
PUBLIC AMENITIES											
Basic Service Delivery and Infrastructure	Maintenance of community facilities	To undertake major renovations of community halls		To renovate four (4) community halls	Number of halls renovated	3 community halls renovated last financial year	Source the service provider for the renovations through procurement process	Appoint service providers to do the renovations	Renovation of four (4) community halls	R420 000.00	Community Services
Basic Service Delivery and Infrastructure	maintenance of public toilets in Matatiele town	To maintain Public Toilets		Daily Cleaning and maintenance of Coffee pot & Bus rank toilets	Scheduled spot checks	ongoing		Appoint service providers to do the renovations	Maintenance of Coffee pot and Bus Rank Toilets	R150 000	Community Services
Basic Service Delivery and	Maintenance of Preschools	To refurbish preschools		Refurbish two (2) preschools by 30 March	Number of preschools		Source the service provider for	Use Municipal Personnel for Cleaning and	Refurbishing of: 1. Maphokong	R220 000	Community Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Infrastructure				2015	refurbished		the renovations through procurement process	EPWP for Maintenance	Pre school 2. Malubalube Pre school		
Basic Service Delivery and Infrastructure	Wear & tear of Swimming pool water pump system	To maintain the swimming pool(mechanical) & the water pump system	Daily cleaning and maintenance of the swimming pool		Scheduled spot checks	One swimming pool in ward 19	Source the service provider for the renovations through procurement process	Appoint service providers	Cleaning & maintenance of Matatiele swimming pool	R 400 000	19
Basic Service Delivery and Infrastructure	Acquire cleaning supplies & materials	To purchase cleaning supplies and materials for daily operations	Monthly purchase of supplies		Scheduled spot checks	ongoing		Procurement process done on time	Purchase supplies & materials	R200 000	N/A
Basic Service Delivery and Infrastructure	Maintenance of sportfields	To grade & level the grounds	To grade & level two (2) sports fields by 30 June 2015		Number of sportfields graded.	Lack of fields in rural areas	Source the service provider for the renovations through procurement process	Appoint service providers	Grading & levelling of: 1.Pontsheng sportfield 2.Paballong sportfield	R 200 000	11 & 15

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Maintenance of sportfields	To do major renovations at Northend	To do major renovations at northend		Renovated stadium	Lack of fields in town	Source the service provider for the renovations through procurement process	Appoint service providers	Renovation of North end stadium	R 350 000.0	19
Basic Service Delivery and Infrastructure	Establishment of the park	Establishment of the park			A completed park			DEA to appoint service provider		DEA	19
Basic Service Delivery and Infrastructure	Upgrading of existing Parks in Maluti & Cedarville	Upgrading of existing Parks in Maluti & Cedarville	Upgrade 3 X parks in Maluti & 1 X in Cedarville (purchase park equipment)		Number of parks upgraded	Parks need equipment	Source the service provider for the acquisition of equipment through procurement process	Appoint service providers	Upgrading of : 1. Maluti parks 2.Cedarville park	R 300 000.00	1 & 26
Basic Service Delivery and Infrastructure	Development of a burial register/ management system	To install management system	To install management system by March 2014		Installed management system	No proper register for the municipality	Source the service provider for the supply and installation of the system through procurement	Appoint service providers	To install management system in MLM by March 2014	R 300 000.00	1, 19 & 26

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
							process				
Basic Service Delivery and Infrastructure	Acquire tools & equipment	To purchase tools and equipment for daily operations	To acquire equipment for the parks & cemeteries		Number of equipment purchased	No tools for the daily maintenance	Source the service provider for the acquisition of equipment through procurement process	Procurement processes	Purchasing of tools and equipment	R 250 000.00	N/A
<b>PUBLIC SAFETY</b>											
Basic Service Delivery and Infrastructure	Test all grades of Drivers Licences	To upgrade the testing ground to Grade A	Grade A testing station	Complete Surfacing of Grade A testing ground by.....	Tarred testing surface	Grade B testing station	CIDB rating changed hence the delay as the tender was readvertised	Source a contractor to conduct surfacing of testing ground	Surfacing of Grade A Testing Ground	R 1 500 000	Comm. Services
Basic Service Delivery and Infrastructure	Supply fire/rescue services to all 26 wards	To provide immediate response when fire, disaster and accidents occur	Rescue, Fire and Disaster management services for entire MLM area	1.... staff trained by... 2. Purchase heavy duty fire tender by.... 3. Purchase a Tractor, lasher	1.number of staff trained 2. Date of Acquired heavy duty rural fire tender	<ul style="list-style-type: none"> <li>207 volunteer staff trained</li> <li>Medium fire tender</li> <li>Work contracted out</li> </ul>		1.Training of additional staff 2. Acquire a heavy duty rural fire tender 3. Emergency feed for live stock	1. staff training 2. Purchase of new rural heavy duty fire tender. 3.purchase equipment 4.Establishing of a disaster, fire 7 rescue	R 100 000 R1 500 000 R1 500 000 R250 000	

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
				& Bailer by....  4. Have an operational 24hr control room by.....	3.date of acquisition of a tractor, lasher and bailer  4. Have establish a dedicated 24hr control room.	• <i>Dayshift control room operational</i>		available and to conduct own bailing for emergency feed During disasters.  4. coordinated operations for all emergencies and channel for community to report incidents.	management 24hr control room		
Basic Service Delivery and Infrastructure	replacement of all traffic vehicles	To replace the existing feet of traffic vehicles	6 LDV traffic vehicles and 3 sedan traffic vehicles	Purchase ... vehicles by ...	Number of vehicles replaces	3 aveo traffic vehicles, 1 corsa Ldv,	Tender readvertised due to aveo vehicles being used as a trade in	Source supplier for providing vehicles	Purchasing of traffic vehicles	R1 800 000	Comm. Services
Basic Service Delivery and Infrastructure	Monitoring of Hot spot crime areas	To have cctv camera's operational in town	CCTV coverage on all 26 wards	To have.... CCTV cameras installed by...	Number of cameras installed	No cameras		install 10 CCTV cameras throughout town linked to the control room	First –phase of installing CCTV Cameras	R1 000 000	Comm. Services
Traffic control	Regulate the parking areas	To regulate and control parking	manage paid parking areas		number of parking meter installed	No parking meters	Parking meters for entire town of Matatiele	Implement the mobile parking meter by.....	Acquire parking meters	R 500 000	Comm. Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	facilitate road marking and signage to be completed adequately	To install road signs and do road marking in Matatiele town.	Purchase a dedicated LDV for painting		Number of Road signs and marking done	No painting vehicle	Dedicated vehicle and staff for road sign and painting	... Road signs and markings done by...	Road markings & signage	R 150 000	Comm. Services
	<ul style="list-style-type: none"> <li>❖ All vacant post</li> <li>❖ Initiate EPWP programmes</li> <li>❖ Source grants / funds</li> </ul>							Audit all vacant posts & must be filled  Enviro...  – 4 Field Rangers Waste...  – Supervisor Waste Collection Public Safety  – 10 permanent Fire Fighters – 1 examiner grade A test – Deputy Chief Disaster, Fire & Rescue – 1 x EPWP: Co-ordinator – 4 x Cluster Supervisor			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								1x Data Capturer			
	Rural communities  Programmes:  ❖ Rea Hlokisa ❖ Food for Waste ❖ Nkhoesa Mofokeng							Identify and target disadvantaged groups  <ul style="list-style-type: none"> <li>– Youth,</li> <li>– Young adults</li> <li>– Disabled</li> <li>– Women</li> </ul> Engage Sector Departments on job creation opportunities			
	Rural areas and Commonage  Business Operators							To work closely with local Traditional Leaders.  Engage law enforcement in all wards.  Municipality to obtain licence/ permit for all the			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								identified quarries  Conduct further awareness programmes with campaigns, together with Department of Mineral Resources and DEDEAT			
	Support the District Climate Change Committee that deals with the topic							Involvement of relevant Municipal offices in the District coordinated Committee as per the Municipal Manager's recommendations:  -Environment -IDP -PMU -LED -Planning			
	Recreational Parks in Towns; i.e.  – Matatiele – Maluti – Cedarville							Source funding from relevant Departments			



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<ul style="list-style-type: none"> <li>❖ <i>Chalets</i></li> <li>❖ <i>Environmental Education Centre</i></li> <li>❖ <i>Preservation of Rock Arts</i></li> </ul>							Source Funding DEA, DEDEAT  MDTP  Advocate the Private Partnership Programme			
	Affected wards 19, 18,21, & 22							Engagement of Wattle clearing initiatives  Engagement of Sector Departments, eg. WFW			
	Affected areas  Identify wards with wetlands							Conduct community awareness programmes  Conduct Wetlands workshop through EC Wetlands Forum			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Maluti Town,  Schools, Traditional Houses Community halls in all Wards							Purchase trees for planting  Conduct awareness programmes  Apply for tree donation from relevant Organisations, e.g. Wildland Conservation Trust, DAFF, SAPPI, etc			
	Food for waste (revitalise)  Extend service to rural wards							Conduct Awareness Programmes  Develop Integrated Waste Management Plan			
	Supply efficient service to all							Compiling integrated disaster management plan			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Transport Management Plan  Study on the Municipal Rank  Utilize unemployed to conduct Scholar patrol point duties							Integrated Transport management Plan  Business plan to be compiled			

### 5.2.3 CORPORATE SERVICES DEPARTMENT

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
HUMAN RESOURCES MANAGEMENT UNIT											
Municipal Institutional Transformation and Development	The development and implementation of the Human Resource Plan	To plan, design and provide a sustainable human capital establishment as well as quality human resources for the Municipality respectively	The entire municipal work force	Approval of Plan by 30 June 2015	Approved HR Plan by Council by set date	Draft plan in place	No approval by Council	To utilise both internal and external resources for attainment of this objective	Human Resource Plan	0.00	Corporate Services
Municipal Institutional Transformation and Development	Employment of appropriately qualified Human Capital	To plan, design and provide a sustainable human capital establishment as well as quality human resources for the Municipality respectively	The entire municipal work force	Approved and Reviewed recruitment policy by 30 June 2015	Approved Recruitment Policy by Council by set date	Recruitment policy	Reviewed Policy	Implementation of an inclusive recruitment system	Recruitment policy	0.00	Corporate Services
Municipal Institutional Transformation and Development	Capacitated Human Capital	To Capacitate, develop, manage and maintain municipal human capital.	Half of the municipal work force	Train 50 municipal workforce in terms of the WSP by 30 June 2015	Number of municipal workforce trained	Training policy developed	Reviewed Policy	Implementation of Work Place Skills Plan	Capacitated Human Capital	900,000.00	Corporate Services
Municipal Institutional Transformation and Development	Promotion of a conducive working environment	To Capacitate, develop, manage and maintain municipal human	Ongoing	Have 10 HR policies approved by 30 June 2015	Number of policies approved by set date	Reviewed HR policies	No approval by Council	Implementation of properly managed HR processes	HR Policies	0.00	Corporate Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Development		capital.									
<b>COUNCIL SUPPORT UNIT</b>											
Municipal Institutional Transformation and Development	Engage community in Municipal Affairs	To create an enabling environment for community participation in Municipal Affairs	Establishment of Ward Fora	Establishment of 26 Ward Fora by 30 June 2015	Number of ward Fora by set date	Matatiele Local Municipal Forum	None availability of Ward level Fora	Engage Municipal stakeholders	Establishment of Ward Fora	1,000,000.00	Corporate Services
Municipal Institutional Transformation and Development	Properly managed Customer care, Complaints & petitions system	To provide a Proactive, effective and efficient Customer care, Complaints & Petitions management system within the Municipality	Public Participation Policy Customer Care Policy	Approved Public Participation and Customer Care Policy by 30 June 2015	Two policies by set date	Draft Policies	Non approval by Council	Stakeholder engagement and table policies to Council	Policy Development	500,000.00	Corporate Services
Municipal Institutional Transformation and Development	Harmonious and congruent governance internal stakeholders support environment	To provide efficient and effective support services to the Municipal Councillors, Traditional Leaders, Ward Committee Members, Community Development Workers (CDWs) and Ward Clerks (Governance Stakeholders)	Minimum of twenty (20) meetings	Minimum of four (4) meetings per annum	Number of meetings	One meeting held	3 meetings not held	Systemic coordination of all meetings and involvement of all internal governance stakeholders in Municipal Affairs	Ward Stakeholders engagement	1,000,000.00	Corporate Services
<b>ADMINISTRATIVE SUPPORT UNIT</b>											
Municipal Institutional Transformation	Safe record-keeping and paperless work	To create a well-structured records and information	• <i>Records and Information</i>	Approved Policy	Policy approved by set date	Policy being scrutinised by the EC	Policy not implementable	Usage of the latest information and records	Records and Information Management	0.00	Corporate Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
and Development	environment	management system	<i>Management Policy</i> • <i>Paperless Institution</i>			Provincial Archives		management technology			
Municipal Institutional Transformation and Development	Efficient and effective governance system	To deliver an efficient and effective support to the functioning of the council and its committees	Rules of Order in place	Reviewed Rules of Order	Reviewed Rules of Order by set date	Rules of Order being reviewed	N/A	Formulation and implementation of annual calendar of meetings and use of appropriate technology to enhance the quality of service	<i>Rules of Order</i>	0.00	Corporate Services
Municipal Institutional Transformation and Development	Safe and Secure environment for municipal property and human resource	To provide safety and security for the Municipal property and human resources	Continuum	Monitor Security Services through monthly reports	Monthly reports	Service provider appointed	N/A	Use of security services to safeguard Municipal property and human resources	Safety and Security	0.00	Corporate Services
Municipal Institutional Transformation and Development	Satisfactory rendering of all auxiliary services to recipients	To coordinate provision of all auxiliary services within the Municipality	Continuum	Monitor of all auxiliary services within the Municipality	Monthly reports	Staff appointed	N/A	Provision of the appropriate equipment and tools of trade to the employees	Auxiliary Services	Operational	Corporate Services
<b>LEGAL SERVICES UNIT</b>											
Municipal Institutional Transformation and Development	Proper contractual management and consistent legal environment	To provide effective legal drafting and contract management services for the Municipality	Contractual Management	Vet and review all contracts	Database of all contracts and leases	<ul style="list-style-type: none"> <li>• <i>Leases have been renewed</i></li> <li>• <i>Contracts are being reviewed</i></li> <li>• <i>Compliance to contracts is being enforced</i></li> </ul>	N/A	Use of relevant legal resources	Contractual Management	0.00	Corporate Services
Municipal Institutional	Legally compliant acts	To foster compliance with	To ensure continual	To ensure continual	Ensuring council is	Non-compliant	Absence of Legal advice at	Use of both internal and	Legal Compliance	0.00	Corporate Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Transformation and Development	of the Municipality and the public	legal requirements and council resolutions	compliance	compliance and resolutions are legally compliant	receiving proper advise before resolutions taken	resolutions	Council Meetings	external resources			
Municipal Institutional Transformation and Development	Effective legal protection of the Municipal interests	To provide an effective litigation services in defence of the interests of the Municipality	Litigation against the municipality	Establish reliable external legal base	Hire competent attorneys	External referrals	N/A	Deployment of internal and external legal resources	Litigation Management	2,000,000.00	Corporate Services
Municipal Institutional Transformation and Development	Legally acceptable property registration and proof of ownership	To render effective real estate management services for the Municipality	Registration of properties	Properties registered	Engage a competent service provider	On-going property registration	N/A	Use of conveyances	Property Registration	500,000.00	Corporate Services
ICT UNIT											
Municipal Institutional Transformation and Development	Efficient and balanced ICT governance framework	To provide effective and efficient ICT governance	ICT strategy aligned to the municipality's strategy	<ul style="list-style-type: none"> <li>Development of ICT Usage and Security Policies</li> <li>ICT General Control Framework</li> </ul>	<ul style="list-style-type: none"> <li>Approved ICT Policies and General Control framework</li> </ul>	<ul style="list-style-type: none"> <li>Reviewed ICT Usage and Security Policies and framework</li> <li>DRAFT ICT General Control Framework</li> </ul>	No approval by Council	Use of internal and external resources	Development ICT Strategy	3,000,000.00	Corporate Services
Municipal Institutional Transformation and Development	Well-oiled and fully functional ICT systems	To provide a reliable and effective ICT infrastructure and systems administration	Fully functional ICT systems in place	Linking of all municipal sites	Upgraded network infrastructure	Service provider appointed	Sites are not linked	Deployment of internal and external resources	ICT Infrastructure Upgrade	10,000,000.00	Corporate Services

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Municipal Institutional Transformation and Development	Effective and reliable user support environment	To provide timely; efficient and effective user support services	On-going User Support Services	Self sufficiency of users	User support training	Draft Incident Management Policy	Sites are not linked	Deployment of an effective user-support management system	ICT Maintenance	5,000,000.00	Corporate Services



#### 5.2.4 ECONOMIC DEVELOPMENT AND PLANNING

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
<b>DEVELOPMENT PLANNING</b>											
<b>KEY PERFORMANCE AREA: FUTURE PLANNING</b>											
Spatial Rationale	Small town revitalisation	To develop a precinct plan by 2014	Develop proposal for revitalisation of small towns	Approved Cedarville Precinct Plan by 30 June 2015	Approved precinct plan by date	2011 SDF and Land Use Management By-Law	Small town Urban Decay	Small Town Revitalisation	Cedarville Precinct Plan	R350 000.00	EDP: Development Planning
Spatial Rationale	Access to land for shopping centres/Malls	To provide access to land for shopping centre in rural areas.	Conduct Feasibility Study for development of shopping facilities in rural areas	Approved Feasibility Study by 30 June 2015	Approved Feasibility study by date	2011 SDF	Lack of shopping facilities in rural areas	Appoint a Service Provider to conduct a Feasibility Study	Feasibility study for shopping centres /Malls	400 000.00	DEDEAT / EDP: Development Planning
<b>KEY PERFORMANCE AREA: LAND USE MANAGEMENT</b>											
	Provision of middle income sites	To provide access to land for middle income housing	Council Resolution for land identification, Planning & Survey of identified land for middle Income development in	Approved Township Establishment, SG diagram for Cedarville middle Income by June 2015	Approved township Establishment by date	2011 SDF, Council Resolution for land identification	High demand of middle income residential sites	Future spatial planning	Planning & Survey for middle Income development in Cedarville	R500 000.00	EDP: Development Planning

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
			Cedarville								
			Planning & Survey of identified land for middle Income development in Cedarville	Approved Township Establishment in Cedarville for middle Income by June 2015	Approved Township Establishment by date	2011 SDF, Council Resolution for land identification	High demand of middle income residential sites	Future spatial planning	Middle Income Residential Development	500 000.00	EDP: Development Planning
	Residential Housing Development	To open a township register for approved Area M Township	Register 106 sites for the approved Area M Township	Open Township Register for Area M by 30 June 2015	Township register by date	Approved S/G diagram	Township Register for Area M	Appointment of the Service Provider for conveyancing	Township Register for Area M	50 000.00	EDP: Development Planning
	Ensure full compliance with the Town Planning Scheme by 2017	To improve turn- around time of assessing received applications to be within 60 days of receipt	Approve rezoning, and special consents applications within 60 days	Approved rezoning, and special consents applications within 60 days	Number of days (Turnaround time) For approval of Rezoning and consent Application	Received applications, LUMS By-Law, Town Planning Scheme	Long turn-around time for assessing applications	Process all applications within specified period	Approved rezoning, and special consents applications within 60 days	Operational	EDP: Development Planning
	Ensure full compliance with the Town Planning	To improve turn- around time of assessing received	Approve subdivision applications within 60 days	Approved subdivision applications within 60	Number of days (Turnaround time) for approval of	Received applications, LUMS By-Law, Town	Long turn-around time for assessing applications	Process all applications within specified	Approved subdivision applications within 60 days	Operational	EDP: Development Planning

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Scheme by 2017	applications to be within 60 days of receipt		days	Subdivision applications	Planning Scheme		period			
	Ensure full compliance with the Town Planning Scheme by 2017	To Identify illegal land uses & issue notices to all Town planning scheme contraventions.	Full compliance with the Town Planning Scheme regarding illegal uses	Compliance notices served within one week of identification	Number of days (turnaround time to issue notices	Conducted site inspections, LUMS By-Law	Town Planning Scheme Contraventions (illegal land uses)	Develop a register of all non – complying uses	Compliance notices served within one week of identification	Operational	EDP: Development Planning
	Ensure full compliance with the Town Planning Scheme	To formulate Policies in line with the relevant legislation	Formulate Scrapyard/Panel Beating Policy	Approved Scrapyard/Panel Beating Policies by 30 June 2015	Approved policy by date	Town Planning Scheme and LUMS By-Law	Formulation of new land use management policies	Develop new policies in line with relevant legislation	Formulation of Scrapyard/panel beating policy	Operational	EDP: Development Planning
	Ensure full compliance with the Town Planning Scheme	To formulate Policies in line with the relevant legislation	Formulate Car Wash Policy	Approved Car Wash Policies by 30 June 2015	Approved policy by date		Formulation of Car Wash policy	Develop new policies in line with relevant legislation	Formulation of Car Wash policy	Operational	EDP: Development Planning
	Ensure full ownership of Land for previously disadvantaged	To upgrade land tenure rights for Maluti Township	Upgrade of Land Tenure rights for Maluti Townships	1241 Title Deeds issued by June 2016	Registered title Deed by date	Deed of grants	Register 1241 Title Deeds	Register of Title Deeds for Maluti Township	Maluti Land Tenure Upgrade	Operational	EDP: Development Planning

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	communities										
Service Delivery	Ensure compliance with the approved Survey Diagram	To identify and relocate survey beacons	Reduce site encroachment by ensuring fencing is done according to the Survey Beacons as per approved Surveyor-General Diagrams	Re-location of Survey Beacons as per approved Surveyor-General Diagrams by 30 June 2015	Relocated beacons by date	Approved Surveyor-General Diagrams	Re-location of Survey Beacons to avoid encroachments	Appoint Land Surveyor to identify and relocate survey beacons	Re-location of Survey Beacons	1.5 million	EDP: Development Planning
<b>KEY AREAS: LAND ADMINISTRATION</b>											
	Ensuring a holistic and integrated land development of Municipal land	To provide land for strategic development	Provision of land for strategic development	Approved SG diagram and Rezoning for the identified land by 30 June 2015	Approved SG diagram and rezoning by date	SDF	Coordination land development	Ensure integrated land development Municipal land	Land identification and preparation for strategic development	500 000.00	EDP: Development Planning
	Ensuring a holistic and integrated land development of Municipal land	To provide land for strategic development	Provision of municipal land for strategic development	60 sites to be disposed by 30 June 2015	Disposed 60 sites by date	Approved Land Management Plan	Disposal of municipal sites	Valuation and disposal of identified municipal sites	Implementation of Municipal Land Management Plan	100 000.00	EDP: Development Planning
<b>KEY FOCUS AREA: OUTDOOR ADVERTISING</b>											

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Ensure full compliance with the Out Door Advertising by-law by 2017	To assess received applications within 30 days of receipt	To improve turn-around time of assessing received applications to be within 30 days	Approved Out Door Advertising applications within 30 days	Number of days (Turnaround time) to approve applications	Received applications	Out Door Advertising Contraventions	Co-ordinate Process all applications	Approved Out Door Advertising applications within 30 days	Operational	EDP: Development Planning
	Ensure full compliance with the Out Door Advertising by-law by 2017	To Identify illegal signage uses & issue notices to all by-law contraventions.	Identify illegal signage uses & issue notices to all by-law contraventions.	Compliance notices served within one week of identification	Number of days ( Turnaround time to issue notices	Conducted site inspections	Out Door Advertising Contraventions	Develop a register of all illegal signage	Compliance notices served within one week of identification	Operational	EDP: Development Planning
	Review of policies	To review Policies in line with the relevant legislation and current trends	review Policies in line with the relevant legislation	Review of Outdoor Advertising by law by 30 June 2015	Reviewed policy by date	Outdoor Advertising by law	Outdated Policies	Monitoring and picking up latest trends to effect change	Review of Outdoor Advertising by law	Operational	EDP: Development Planning
<b>LOCAL ECONOMIC DEVELOPMENT</b>											
	SMME Support in Agriculture	Converting emerging farmers to Commercial livestock farmers	16 Water troughs	To construct water troughs in eight Cedarville camps	Number of camps with water troughs	6 water troughs	10 Water troughs to be built	Intensive rotational grazing camps for livestock production	Cedarville emerging farmers (Pilot Project, Pipe Laying and Construction of water troughs)	R200, 000.00	EDP:LED

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	SMME Support on Agriculture and Forestry sectors	Food security/job creation and poverty reduction	3 000 hectares	To support farmer formations in soil mechanisation	Number hectares planted with grain crops (green mielies)	1 000 hectares planted by DRDAR and World Vision	2 000 hectares	Massive food production	Soil mechanisation	2000 000.00 400 000 00	EDP:LED
			3000 hectares	To fence 40 hectares of arable land	Number of hectares fenced	1 000 hectares fenced	2 000 hectares		Fencing of arable land		EDP:LED
			200 000 households	To support 100 households to grow vegetables for food security	Number of households planted with vegetables for as food security	5 000 Fenced household gardens	195 000		Household food security garden	20 000.00	EDP:LED
			12	To compile two feasibility studies for afforestation	Number of feasibility studies done	7	5		Feasibility study on Afforestation	180 000.00 250 000.00 500 000.00	EDP:LED
			150	To compile SMME sector plan for all wards	Completed plan by date	70 registered SMMEs	80		SMME Sector plan		EDP:LED
			500	To construct hawker stalls for informal traders	Completed hawker stalls by date	20 hawkers stalls	480 hawkers stalls		Hawker Stalls		EDP:LED
	Destination Marketing	Economic development	Ongoing	To host the Matatiele	Date of the Music	Matatiele Music	N/A	Forge partnership	Matatiele Music Festival	1 800 000.00	EDP:LED

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		and investment attraction		Music Festival in December 2014	Festival	Festival hosted for three years		with the private sector/Marketing			
			Ongoing	To host Matatiele Fees in December 2014	Date of hosting Matatiele Fees	Matatiele Fees hosted for more than five years	N/A		Matatiele Fees	250 000.00	EDP:LED
			Ongoing	To host Tourism month celebration in September 2014	Date of hosting Tourism month celebration	Tourism month celebrations hosted for two years	N/A		Tourism month celebration	40 000.00	EDP:LED
			Ongoing	To attend Tourism Indaba in 2014 as a calendar event	Number of crafters marketed in the event	Tourism indaba is hosted as a calendar event	N/A		Tourism indaba	50 000.00	EDP:LED
			Tourism brochures and banners	To buy Tourism branding material	Date of buying Tourism branding material	Tourism Brochures in place	Tourism Brochures and Banners		Tourism Branding material	30 000.00	EDP:LED
			Intensification Mehlooding Trust programmes	Funding of Mehlooding trust programmes	Date of implementation of programmes				Mehlooding Trust	250 000 00	EDP:LED

### 5.2.5 INFRASTRUCTURE SERVICES

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
PROJECT MANAGEMENT UNIT											
	Roads	Ensure accessibility to all communities of Matatiele Local Municipality	931km	35km	Virgin road upgraded to gravel road	372.4km	558.6km	Utilise Equitable share allocation	Paballong AR - Masopha AR - Nyanzela AR- Thotaneng AR- Nkululekweni A/R- Sijoka AR	R10M	Infrastructure: PMU
	Roads	Ensure that gravel roads in all 03 towns of Matatiele Local Municipality are upgraded to tarred roads	70km	16km	Gravel roads upgraded to tar roads	10km	60km	Utilise MIG allocation	Maluti Internal Streets, Cedarville Internal Roads, Matatiele Internal Roads (CBD & Area C)	R28 million	Infrastructure: PMU
	Bridges	Ensure that communities are accessible		6no	Bridges constructed			Utilise MIG and equitable share allocations	Lagrange Bridge Mahasheng Bridge Manzi bridge Mnqayi bridge Nyanzela bridge Rholweni bridge	R6Million	Infrastructure :PMU
	Community Halls	Ensure that new community halls are built  Ensure that damaged community halls are rebuilt	5number	0 number	Community facilities completed	5 number	-	Utilise equitable share allocation	Bethel community Hall Lunda Community Hall Hlomendlini Community Hall Caba Community Hall Mvenyane Community Hall	R12,5million	Infrastructure :PMU
	Sportsfields	Ensure that sporting facilities are available in communities	86 number	0number	Sporting facilities completed	6number	-	Utilise MIG allocation	Nkau Sportsfield Nicefield Sportsfield Epiphany Sportsfield	R15 million	Infrastructure: PMU



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
									Afsondering Sportsfield Majoro Sportsfield Mahangwe Sportsfield		
	Lack of office space	Ensure that there is enough office space	5number	4number	Offices available	1 number	-	Utilise equitable share allocation	Council chambers	R30 million	Infrastructure: PMU
	Lack of office space	Ensure that there is enough office space and water provision	1number	number	Park home and elevated tanks			Utilise MIG allocation	Purchase park homes with elevated 02 no of 5000l tanks	300 000	Infrastructure: PMU
	Development of residential sites and light industrial sites	Ensure readiness of sites for development	19 industrial sites and 102 residential sites	19 industrial sites 102 residential sites	Services available	-	19 industrial sites 102 residential sites	Utilise equitable share	Area M and	R5million	Infrastructure :PMU
	LED market	Ensure that there is a fresh produce market	0 market	1 fresh produce market	Fresh Produce Market	0 number	1 fresh produce market	Utilise MIG allocation	Ward 19	R2 million	Infrastructure:P MU
<b>OPERATIONS AND MAINTENANCE UNIT</b>											
	Maintenance of all stormwater drains and pipes	To ensure that all that communities are protected against flooding	1500m of pipes 50 000m	300m of pipes 10 000m	300m pipes 10 000m	Ongoing	None	Use of own plant	Stormwater maintenance and upgrade	R1,7 million	Infrastructure : O&M
	Maintenance of all surfaced roads	To ensure that existing surfaced roads are maintained	50 000m2	15 000m2	15 000m2	15 000m2	35 000 m2	Inhouse programmes with equitable share funding	Pothole and tar repairs	R1,6Million	Infrastructure : O&M
	Maintenance of all gravel roads	To ensure that existing gravel roads are maintained	250km	50km	50km	50km	200km	Use of own plant and equitable share funding	Maloto AR, Bekesdal AR, Jabulani AR, Zitapile AR, Thaba Bosiu AR ,T69-Tshita AR AND	R3million	Infrastructure : O&M

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
									Mahlabatheng AR		
	Kerbing and channeling	To ensure that existing roads and assets are maintained	20 000metres	3000m	300m	3900m	16 100m	Use of inhouse staff and equitable share allocation	Road widening and kerbing	R1,5Million	Infrastructure : O&M
	Maintenance of municipal buildings	To ensure that existing buildings are maintained	28	05	09	07	23	Use equitable share allocation	Khubetsoane Community Hall Sigoga Community Hall Gwadana Community Hall Mparane Community Hall Thabachicha Community Hall	R750,000	Infrastructure : O&M
<b>ELECTRICITY UNIT</b>											
Basic Service Delivery and Infrastructure	Electricity	Install 5 high mast lights	5 high mast lights	5 high mast lights	Number of lights	No area lighting in low cost housing areas	Two low cost housing areas without area lighting	CRR	High mast light installation		Infrastructure: Elect
	Electricity	Provide electricity to the community of Matatiele	73661 Households	MLM 610 households Eskom 2592 households	Number of connections	30629 households currently have electricity (42%)	43032 households without access to electricity (58%)	Schedule 6 Loan	Electrification of Matatiele rural areas		Infrastructure: Electricity Unit
	Electricity	Increase capacity of electricity in the town of Matatiele	5 MVA required	10 MVA to be installed	Substation completed	8,5 MVA available	4.0 MVA required	DBSA Loan	New substation		Infrastructure: Elect
	Electricity	Replace MV cables		Replace 4,7 km MV cable		Exceeding estimated life	N/A	CRR			

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Electricity	Replace mini substations		Replace 2 mini substations		Exceeding estimated life	N/A	CRR			
	Electricity	Tools & Equipment		Procure tools		Insufficient tools	N/A	CRR			
	Electricity	Radios		Procure 4 radios		Lack of communication equipment between staff	N/A	CRR			
	Electricity	Prefab offices		Procure prefab offices		Inadequate office space	N/A	CRR			

### 5.2.6 OFFICE OF THE MUNICIPAL MANAGER

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
<b>COMMUNICATIONS, IGR AND PROTOCOL UNIT</b>											
<b>Good Governance and public participation</b>	Enhanced internal and External Communications	To have an approved Municipal Communication Strategy	Access to Information	Communication Strategy adopted by Council by 30 June 2014		Communication strategy		Review Communication strategy, develop action plan and conduct workshop	Review Communication strategy Action Plan	R51000	Office of the Municipal Manager : Communication Unit
	Intergovernmental Relations (IGR) & Stakeholder engagement	To promote Coordinated planning of service delivery within the Municipal area	Coordinated Planning	Conduct 4 IGR meetings	Attendance registers and minutes	IGR ToR		Coordinate stakeholder engagements: IGR forum, Twinning and benchmarking	IGR forum meetings, Twinning Programmes and benchmarking visits	R120 000	Office of the Municipal Manager : Communication Unit
	Coordinated Municipal Events, and Branding	To ensure proper coordination of municipal events	Coordinated Municipal Events	Municipal calendar of events adopted by Council by June 2014	Approved municipal calendar of events	ICF		To develop calendar of events for the Municipality		N/A	Office of the Municipal Manager : Communication Unit
	Municipal Protocol	To ensure adherence to	Adherence to Municipal	Organise Protocol manual by 30 June 2015	Attendance register,	1 Workshop Training		Organise protocol manuals and		R 25 000	Office of the Municipal

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		Municipal Protocol	Protocol	One protocol workshop protocol by 30 June 2015	minutes and protocol manual			trainings for municipal employees and council			Manager : Communication Unit
	Integration of Migrants to local Communities	To ensure a smooth integration of migrants with local communities	Embrace diversity and tolerance in communities	Establish Migration advisory committee with ToR by June 2015	Adopted Policy and ToR	migration desk MoU with UNDP		Develop an integration of migrants policy	Coordinate inter-cultural programmes. Conduct community dialogues Conduct policy workshops Collect migrants data	R 225 000	
	Marketing	To promote and market the Municipality as the destination of choice	Attract Tourist and investors	Marketing strategy adopted by council by June 2015	Adopted marketing strategy	None		Develop a marketing strategy	Use of national marketing magazines  Radio and TV adverts Bench marking	R 285 000	
	Mayoral Outreaches	To promote engagements between communities and the Municipality	To eliminate community service delivery protests	To conduct ... mayoral outreaches	Number of Mayoral outreaches conducted	3 Mayoral outreach conducted		Develop a community engagement plan	Coordinate the taking the Mayor and EXCO to the people programme  Coordinate Radio Slot and interviews	R480 000	
IDP/M&E UNIT											

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
Good governance & Public Participation	IDP Development and Performance Management	IDP Development by 30 June 2015	Credible IDP Document	Annual reviews of the IDP	Date	Credible and Adopted IDP	None	IDP Phases	-IDP/Budget Process Plan -IDP Steering Committee and Rep Forums -IDP Outreaches -Strategic Planning -Annual IDP Review	R1 000 000	Office of the Municipal Manager
		Performance Management System	PMS to be cascaded to all levels of employment	All Supervisors to have Agreements by 30 June 2015	Number and date	Signed Performance Agreements and Plans	No Performance Agreements for Supervisors	Development of Performance Agreements for Supervisors	Development of Performance Agreements of Municipal Manager, GM's, Middle Managers and Coordinators/Supervisors	R2 000 000	Office of the Municipal Manager
			Quarterly reports	Submission of Quarterly Performance reports to council	Number	-PMS Framework -PMS Policy	None	Timely Submission of quarterly reports to council	4 Quarterly Reports		Office of the Municipal Manager

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
						-PMS Audit Charter					
			Midterm report		Number and date		None	Compilation of the Midterm Report	Midterm Budget and Performance Report		Office of the Municipal Manager
			Midyear and Annual Performance Assessment for all managers	Midyear assessment of managers	Date and Number		None	Coordination of Performance Assessments	-Midyear Performance Assessments for MM, GM's and Middle Managers -Annual Performance Assessments for MM, GM's and Middle Managers		Office of the Municipal Manager
			Submission of Midterm Budget and Performance Report	Midyear submitted to council by 25th January each year	Date		None	Adoption of Midyear Budget & Performance Assessment	Midyear Performance Assessment adopted by 25th January 2015		Office of the Municipal Manager
			Annual Performance Report submitted to AG by 31 August each year	Timely submission of the Annual Performance Report submitted to AG by 31 August	Date		None	Timely submission of Annual Performance Report	Annual Performance Report		Office of the Municipal Manager

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
				each year							
					Date		None		Annual Report adopted by council		Office of the Municipal Manager
		Monitoring and Evaluation of PMS	Adopted SDBIP	Formulation of SDBIP	Date	Approved SDBIP	None	Formulation of Municipal SDBIP	approval of the Municipal SDBIP		Office of the Municipal Manager
		Enhancement of Public Participation	Public Participation promoted in all wards	Public Participation promoted in all wards	Number	IDP Steering Committee and IDP Rep Forum	None	Promotion of Stakeholder engagement	Advertisements on Media Website Uploading Noticeboards All Municipal Wards	R50 000	Office of the Municipal Manager
<b>MATATIELE RISK AND AUDIT SERVICES UNIT</b>											
Good Governance and Public Participation	Governance Issues: Internal Audit	To strive for clean audit opinion	Clean administration	Four OCA meetings with four reports. One report from internal audit on AG's action plan	Four meetings with four reports, one AG's report.	Auditor General's Audit opinion 2013 – 2014	Matters of emphasis	OCA to sit four times. Internal audit will develop reports on auditor general's action plan	Operation clean audit with no matters of emphasis	Nil	Office of the Municipal Manager
	Governance Issues: Internal Audit	Review of internal audit	Compliance with laws and	Three policies approved. One Plan	Three policies, one plan	We have all the policies, plans and	Late approval of internal audit strategy	Three policies approved by	Policies, Plans and Strategy	1 200 000	Office of the Municipal



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		policies, Plans and strategies	regulations	approved. One strategy approved.  All policies and Plan to be reviewed by end June 2015. Approved strategy by 31 July 2015	and one strategy .	strategy		30 June 2015. One Plan approved 30 June 2015. One strategy approved by 31 July 2015.			manager
	Governance Issues: Internal Audit	To strengthen internal controls	To safeguard municipal assets	Four quarterly Internal Control tool submissions to ECLGTA. 48 annual spot checks	Four reports, 48 spots checks.	Internal Control tool and Spot checks	N / A	Four quarterly Internal Control tool submitted to ECLGTA. 48 spot checks performed at different departments	Spot checks and internal control tool and spot checks	Nil	Office of the Municipal manager Audit unit
	Governance Issues: Risk Management	To have a fully functional Risk Committee	As per our Risk Management Policy	Twelve Risk meetings and reports	Twelve meetings and reports.	Non-functioning risk committee	Poor risk reporting	To have monthly risk meetings and reports	Risk Management Committee	Nil	Office of the Municipal manager
	Governance Issues: Risk	To review risk policy,	As per National	One risk register.	One risk register,	Policy. Register	Risk management	One annual risk register	Plan, Policies, Workshop and	R 250 000.00	Office of the

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	Management	register, strategy and plans	Treasury risk framework	One risk management plan. One risk management workshop. One risk management Policy	one risk management plan, one risk management workshop and one risk management policy.	and Annual risk workshop	plan and Project risk management plan	by end June 2015 (Four quarterly risk reports). One risk management plan by end June 2015. One risk management workshop to be conducted before end June 2015. One risk management Policy review and adoption by end June 2015	Registers		Municipal manager
	Governance Issues: Risk and Audit Services unit	To source internal audit and risk management software / system	To ensure credible reporting	One software by 2015	One software	None	None	To benchmark with other users (three municipality's and other government	To source risk and audit software	R3 000 000.00	Office of the Municipal manager

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
								agencies)			
<b>SPECIAL PROGRAMMES UNIT</b>											
Good Governance and Public Participation	Youth development	To raise awareness about the dangers of drug abuse among young people	Intensification of awareness about the dangers of drug abuse	4 Awareness Campaigns	Attendance Register Pictures	Youth Development Strategy Youth Council	A high rate of youth using drugs and engage in criminal activities	To raise awareness about dangers of drug and substance abuse among young people	Conduct awareness campaigns	R00.00	MM's Office
	Youth development	To enhance social cohesion; and informed and proactive citizenry	Sports, arts and cultural initiatives	engagement/dialogue 4 sport Activities 4 cultural activities	attendance Registers Pictures 4 Reports	Youth Development Strategy Youth Council Sport Council	Indifference/apathy of young people in societal issues.	To ensure youth participation in sport, arts and cultural activities	Youth Engagement session with the leadership Sporting Activity (Mayoral Cup) Cultural Activity Intombi zenciyo Miss Matat	R 500 000	MM's Office
	Youth Development	To facilitate access to education and skills development	Increased levels of literacy within the Municipality	5 skills development programmes	Attendance registers Reports Pictures	*Youth Development Strategy *Youth Council *Good Working relationship with the DOE	Low levels of literacy amongst young people	To empower youth through education	Career Exhibition Registration to tertiary institutions Bursaries Extra-Tuition for grade 12 Back to school campaigns	R 10 000.00  R 120 000.00  R 600 000.00	MM's Office

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
						*consistent good performance in matric results				0 R 600 000.00  R150 000.00	
	Economic development	Creation of enabling environment for Economic Participation and Development	Employment opportunities	*4 Economic Engagement Activities	*Attendance Register	*SMME Unit *PMU *NAFCOC Youth *NYDA	High levels of unemployment	To lobby and engage and form partnerships with relevant stakeholders	Economic Youth Development Indaba	R 00.00	MM's Office EDP (SMME, LED, Agriculture, Tourism Units)
Good Governance and Public Participation	Protection of children's Rights.	To ensure that children have a voice	Children's Policy	1 Children advisory Council 4 CAC meetings 4 awareness campaigns	Attendance Register	Children Strategy	Absence of Children Advisory Council	Establish and ensure the functioning of children structures	Facilitate Establishment of Children Advisory Council	R 40 000.00	SPU
	Protection of Children's Rights	To facilitate access to early childhood	Funded ECDCs	4 ECDCs assisted	Report	Children Strategy	Absence of funded ECDC's disadvantaging may	Create platforms for children to learn and	assist ECDCs	R 100 000.00	SPU

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		development					underprivileged children.	develop skills that will contribute positively in their development			
	Protection of Children's Rights	To develop a guiding document for protection of children's rights	Child Protection Policy and awareness campaigns about Children's Rights	4 Campaigns and 1 Child Protection Policy	Attendance Registers Policy Document	Children strategy	Absence of policy guiding the municipality on protection of children	Identification and integration of partners involved in children's programmes	Child Policy development	R 100 000.00	SPU
KPA	Priorities	Objectives	Demand	Target	KPI	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
good governance and public participation	Women empowerment	To raise awareness about specific women health issues	Decreased number of women who suffer from diseases like diabetic, high blood pressure	4 awareness campaigns 4 distribution of educational material	4 Reports	Women empowerment strategy, women's forum,	High levels of ignorance and lack of access to information around health issues	To raise awareness about women specific issues	<ul style="list-style-type: none"> <li>Awareness campaign about women health issues</li> <li>Conduct educational sessions and workshops</li> </ul>	R20 000.00  R20 000.00	SPU

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
			etc.							R0 00	
	Women empowerment	To promote a Society free from gender based violence and exploitation	Eradication or elimination of gender based violence	8 awareness campaigns on GBV and women's rights as human rights; 1 Gender mainstreaming work	4 Reports	Women empowerment strategy, women's forum, good working relation with relevant stake holders	Lack of access to support system for vulnerable and abused women; people do not speak out about abuse	To raise awareness about women's rights as humans rights	<ul style="list-style-type: none"> <li>Awareness campaigns on gender based violence</li> <li>Ensure Mainstreaming of gender</li> </ul>	R40 000.00  R80 000.00	SPU
	Women empowerment	To empower women economically	High levels of employable, skilled and literate women.	1 women economic empowerment indaba	4 Reports	Women empowerment strategy, women's forum, good working relation with relevant stake holders	Implementation of policies by all stake holders	To empower women through economic initiatives	<ul style="list-style-type: none"> <li>Convene a women economic empowerment indaba</li> <li>Facilitate assistance for women led project.</li> <li>Facilitate project management skills</li> </ul>	R80 000.00	SPU
good governance	Promotion and	To lobby for the	accessibility to	Identify 4 institutions that	4 Reports	Older persons	In accessibility to services	To ensure conducive	<ul style="list-style-type: none"> <li><i>Lobby for easy</i></li> </ul>	R0 00	SPU

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
ce and public participation	protection of Elder Person's rights	creation of support systems and infrastructure for easy movement of elderly people.	Service points, pay points in particular	have poor access and convene 4 meetings with individuals incharge		forum; older person's strategy; good working relation with relevant stakeholders	point or not elderly friendly	and accessible service points	access to essential services e.g. Clinics, pay points, banks etc. <ul style="list-style-type: none"> <li>Identification and development of list of areas that need attention and nature of intervention needed</li> </ul>	R0 00	
	protection of Elder Person's rights	To honour and protect older persons rights	public old age home	8 campaigns; 4 Meetings; 2 meetings lobbying relevant stakeholders for the establishment of old age home	4 Reports	Older persons forum; older person's strategy; good working relation with relevant stakeholders	Absence of old age home	Awareness on elderly needs	<ul style="list-style-type: none"> <li>Awareness on elderly abuse</li> <li>Mobilising support from other sectors</li> <li>Visit elderly people in their homes</li> <li>Lobby for old age home</li> </ul>	R40 000.00 R20 000.00 R0 00 R20 000.00	SPU

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<b>protection of Elder Person's rights</b>	To promote active aging	Increased levels of physical activity	1 golden games	pictures	Older persons forum; older person's strategy; good working relation with relevant	Lack of support and unavailability of resources	Support elderly people with resources	<ul style="list-style-type: none"> <li>• <i>Golden games</i></li> <li>• <i>Lobby for the</i></li> </ul>	R0 00  R0 00	SPU
Good Governance and Public Participation	Prevention Education and Awareness	To effectively coordinate the integration of all prevention, education and awareness programmes of all stakeholders	Reduction of the spread of HIV/AIDS in our communities.	12 Prevention, Education and Awareness activities.	4 Reports	AC, HIV/AIDS Strategy, MANOP (Support group network structure), good working relations with Stakeholders.	High prevalence of HIV/AIDS	To intensify and integrate awareness programmes of all stakeholders.	Awareness Workshops on Basic HIV.  HIV/AIDS indaba on STI and Condom  Anti Natal Care, Prevention of Mother To Child transmission-awareness  Train volunteers to do community	R100 000.00	SPU and LAC



KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
									awareness.  Develop a programme for LAC to establishment of ward based AIDS structure.		
	<b>Care and support for people living with HIV/AIDS (PLWHA)</b>	To advocate and lobby for the support of PLWHA and their families.	Increased access to the healthcare and other services.	2 meetings with DoH  4 vegetable gardens  12 families visited	4 Reports	LAC; MANOP (Support group network structure).	Significant number of Defaulters	Lobby and advocate for an increase and accessibility to ART for all the infected in need.	Identify and lobby decision makers to extend treatment services.  Facilitate the establishment of food gardens.  Convene workshop. Educational sessions targeting the infected and their families.  Mobilise food supplements to ensure that PLWHA have access to nutritious and healthy food.	R 100 000.00	SPU and LAC
	<b>Care and support for orphaned (OVC's)</b>	To ensure that all orphaned and vulnerable	Increased Support of OVC's	1 forum  100 OVC's identified	4 Reports	LAC; MANOP (Support group network	Children's forum	To engage local structures in identifying OVC's	Establish children's forum.  Engage local based structures	R 200 000.00	SPU and LAC.

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
		children receive the necessary support from their families, community members, government and other civil society structures.		10 school visits		structure).			such as ward committees in identifying OVC's  School visits and organise awareness campaigns		
		To lobby transport department to develop, implement policies and regulations that cater for the needs of PWD'S	Poor transport system.	4 meetings with Department of Transport	4 Reports	Disability forum, Disability Policy	Lack of disability rep to transport forum	To raise the awareness of those involved in the transport industry on the plight of PWD in relation to transport challenges.	Awareness campaign on disability targeting transport industry		SPU
		To conduct education and awareness programmes on the plight and rights of PWD's	Eradication of stigma and discrimination	4 education and awareness programmes	4 Reports	Disability forum, Disability Policy	Stigma and discrimination	To use Commemoration of National and international days as tools to create awareness	Awareness campaign, Service audit, round table discussions  Awareness workshop  Facilitate access to assistive devices	R50 000	SASSA, SOCDEV, MUNICIPALITY, DISABILITY FORUM, DOH, DOE

KPA	Priorities	Objectives	Demand	Target	Key Performance Indicator	Baseline	Backlog	Strategy	Project Name	Budget	Responsible Department
	<b>Skills development and education</b>	To mobilise resources to ensure empowerment of people with disabilities to take active participation in social and economic development	Improved skills in PWD'S	10 PwD trained in different skills	4 Reports	Disability forum, Disability Policy	Unemployability of PWD's	To partner with institutions that provide services, skills development for PWD's	Establish relationship with Ikhwezi Lokusa, Enoch sontonga and FET's. Facilitate the establishment of co-operatives.  Mobilise resources to capacitate PWD's involved in business and co-operatives.  Engage financing institutions for support of initiatives of PWD's.	R30 000	SASSA, SOCDEV, MUNICIPALITY, DISABILITY FORUM, DOH, DOE

## CHAPTER 6: PROPOSED CAPITAL PROJECTS

PROPOSED PROJECTS-2014/2015	AMOUNT
<b>PUBLIC SAFETY</b>	
Fire Arms (x20)	200 000
CCTV Camera System	800 000
Rescue Equipment	100 000
Alcometre printer	50 000
Renovation of Traffic Offices	100 000
Two Way Radio	80 000
Automated Generator	150 000
<b>SOLID WASTE AND ENVIRONMENT</b>	
Construction of Landfill Cells	3 500 000
<b>PUBLIC AMENITIES</b>	
Construction of Public Toilets	800 000
Grass Cutters	80 000
Furniture & Equipment community hall chair	300 000
Cemetery Establishment	800 000
Cemetery Management System	200 000
Mobile Toilets	100 000
Backup Generator	50 000
<b>LOCAL ECONOMIC DEVELOPMENT</b>	
Grain Storage	400 000
Hawker Stalls	500 000
<b>OPERATION AND MAINTANACE</b>	
3.0km(3000m)kerbing and channelling Material	1 500 000
300 m Storm Water pipe Installation	750 000
Laptop x2	32 000
Furniture & Equipment	30 000
Bomag Roller	300 000
Tar Drums and Material	500 000
60 Steel 2 compartment lockers	100 000
Grader	2 200 000
Smooth Roller	900 000
<b>PROJECT MANAGEMENT UNIT</b>	
Matatiele CBD Internal Streets-Phase 1	3 000 000
Maluti Internal Streets -Phase 3	500 000
Matatiele Internal Streets Phase 2 Area C - Harry Gwala	8 000 000
Cedarville Internal Streets -Phase 3	4 220 440
Khaue Community Facility	1 250 000
Bethel Community Facility	919 635
Manzi Access Road	2 048 212
Sabasaba Access Road	243 367
Mqayi Access Road	1 300 000

Paballong Access Road	1 500 000
Masopha Access Road	1 432 500
Mahangwe Sport Field	400 000
Afsondering Sport Field	400 000
Nkau Sport Field	400 000
Nice Sport Field	400 000
Majoro Sport Field	400 000
Epiphany Field	400 000
Mahasheng Bridge	105 000
Council Chambers	20 000 000
Diaho Great Place	68 703
Maluti Internal Streets -Phase 2	1 418 679
Cross to St Johns	490 000
Sekhotlong Access Road	306 889
Fiva Access Road	264 239
Zingcuka-Madlangeni	311 964
Nyanzela Access Road	4 782 365
Lunda Access Road	523 718
Fresh Poduce Market	2 558 000
Rholweni Bridge	1 200 000
Lunda Community Facility	1 500 000
Development of Light Industrial Sites	500 000
Park Home & Furniture	330 000
Laptops and Printer	39 000
Office and Civic Center	45 000
LED Offices	274 480
Finance Offices	5 264 472
<b>ELECTRICITY</b>	
Rural Electrification	19 300 000
Eskom electrification	36 688 000
Itsokolele Ringfeed	850 000
Replace MV Cables	1 000 000
Replace Mini Subs (Sirah hardware & north end)	750 000
Substation Golf Club	30 000 000
Park Homes & Office Furniture	12 000
Tools and Equipment	50 000
Radios	10 000
Christmas Decoration Lights	60 000
Five high mast lights	1 250 000
Fencing of Electrical Workshop	50 000

## CHAPTER 7: SECTOR PROJECTS: 2014/2015

### 7.1 ALFRED NDZO DISTRICT MUNICIPALITY

CAPITAL PROJECT UNDER PLANNING AND CONSTRUCTION						
MATATIELE LOCAL MUNICIPALITY PROJECT LIST & STATUS						
Project description/project Name	Local Municipality	Project Category	Funding Source	Adjusted Budget 2013/14	Stage	Status
ANDM VIP Sanitation (Matatiele)	Matatiele LM	Sanitation	MIG		Construction	3 separate contractors awarded tenders for construction of 780 VIP toilets in each zone centre, i.e, Mpakamisi Mhlaba, Madiba and Maggie Resha. Also the contract for Amanzabantu was extended to continue with implementation of VIP toilets in the 3 zone centres, their instruction is to construct 100 VIP toilets per zone centre per month for a period of six months.
Cederville Sewer Upgrade	Matatiele LM	Sanitation	MIG	0	Completed	Construction completed, however, there is a need for extension of the scheme to accommodate additional households that were not part of the plan initially as they came in at a later stage.
Maluti/Ramohlakoana Sewer Phase 2	Matatiele LM	Sanitation	MIG	7913153	Construction	Currently construction of sewer network at Ramohlakoana village is underway.
Caba - Mdeni water supply	Matatiele LM	Water	MIG	2073760	Construction	Construction almost completed, with Eskom power already installed and pumps ready to be commissioned
Fobane Sub-regional WS - 1G	Matatiele LM	Water	MIG	3000000	Construction	Construction of the Waterworks still underway, the entire Fobane

						scheme depends on this waterworks to supply water.
Hlomendlini water supply	Matatiele LM	Water	MIG	0.00	Completed	Complete and operational
Maluti/Matatiele/Ramohlakoana Water Supply	Matatiele LM	Water	MIG	1000000 0	Tender	Project at tender stage, this will assist with augmentation of the water supply in Maluti and surrounding areas.
Mvenyane water supply phase 1 part 2	Matatiele LM	Water	MIG	1338164	Completed	Construction completed, currently working on available springs as alternative water sources.
Nchodu water supply	Matatiele LM	Water	MIG	0.00	Completed	Complete
Tholamela water supply	Matatiele LM	Water	MIG	1000000 0	Construction/tender	Construction currently underway, tenders advertised for other parts of the project, planned to commence construction by October 2013
Tholang water supply	Matatiele LM	Water	MIG	0.00	Construction	All installation of the infrastructure has been completed, the only challenge is that the scheme does not have a source, therefore this project is dependent on the upgrading of the Belfort Scheme to have water
Matatiele Ward 5 Water Supply project	Matatiele LM	Water	MIG	4255545	Design	Project ready for implementation, however, there is limited funding to commence implementation
Matatiele Ward 7 Water supply project	Matatiele LM	Water	MIG	2403986	Design	Project ready for implementation, however, there is limited funding to commence implementation
Matatiele Ward 15 Water Supply project	Matatiele LM	Water	MIG	5125995	Design	Project ready for implementation, however, there is limited funding to commence implementation
Matatiele Ward 16 Water Supply project	Matatiele LM	Water	MIG	875510	Design	Project ready for implementation, however, there is limited funding to commence implementation

Matatiele Ward 17 & 18 Water Supply project	Matatiele LM	Water	MIG	0.00	Design	Project ready to go to tender, however, there is limited funding to commence implementation
Matatiele Ward 22 Water Supply project	Matatiele LM	Water	MIG	5637138	Design	Project ready for implementation, however, there is limited funding to commence implementation
Matatiele Ward 4 Water Feasibility study	Matatiele LM	Water	EQS	Refer Feasibility study budget	Planning	Project still at feasibility stage
Refurbishment of Belfort Scheme	Matatiele LM	Water	WSOG	5000000	Construction	Aim of the project is to refurbish the existing Belfort scheme for it to operate smoothly. Upgrading of the pipeline for the Belfort dam under construction, tenders for other parts of the scheme
Cedarville borehole development	Matatiele LM	Water	MWIG		Inception	Waiting for appointment of service providers
Tsitsong bulk pipelines	Matatiele LM	Water	MWIG		Inception	Waiting for appointment of service providers
Mahlake Scheme	Matatiele LM	Water	MWIG		Inception	Waiting for appointment of service providers
Kinira River Dam Bulk water supply	Matatiele LM	Water	RBIG	20 000 000.00	Planning	This project is planned for a long term water supply to Matatiele Local municipality area, currently the service providers are working on the feasibility study of the dam.
Matatiele Regional Bulk Water Supply scheme (Short & Long Term)	Matatiele LM	Water	RBIG		Tender	This scheme will provide water augmentation to the Matatiele Town as well as the villages along the pipeline. Tender for supply of pipes awarded by supplier failed. Construction tender will only be advertised once the pipe supply is clear. The long term project is the construction of the Kinira Dam.



Mataiele Ward 13 (Ramagele and Masupa)	Mataiele LM	Sanitation	RHIP	6 500 000.00	Construction (RHIP)	Project aimed at construction of 660 VIP toilets in ward 25 villages. The funding was allocated last year as schedule 5 but this funding was not used and hence rolled over to spend this financial year.
Mataiele Ward 5 (Munderstone and Mngayi villages)	Mataiele LM	Sanitation	RHIP	4 000 000.00	Planning	Project aimed at construction of about 440 VIP toilets in the villages as named, funding allocated by the Department of Human Settlements. The funding is currently gazetted under Mataiele LM , however, the DHS is busy trying to regazzete the funds against Alfred Nzo as the WSA responsible for implementation of water services

## 7.2 SECTOR DEPARTMENTS

### 7.2.1 World Vision: Umzimvubu ADP

Logframe Description		Total in US\$		
Enter Logframe Description	Sector Name		Total in Rands	Wards
<b>Improved vegetable and poultry production at community and household level</b>				
<b>Communal gardens, support groups, CHAT teams, schools gardens and households supported with agricultural inputs</b>				
Carry out nutritional assessment with 6 local Clinics and DOH withl focus also on young mothers and all primary care givers ( facilitated by the CBOs)	Health	1 500	12 750	Ward 16; 15; 17; 12; 13; 14; 10
300 needy households supported with inputs (seed packs) ( Ward 16; 15; 17; 12; 13; 14; 10) 200 supported by CBOs and remainder by the WV and RDAR	Agriculture	3 000	25 500	Ward 16; 15; 17; 12; 13;
Support 5 agric projects with essential materials and inputs	Agriculture	11 000	93 500	Ward 16; 15; 17; 12; 13; 14; 10
Facilitate support of 10 school gardens for school feeding with LIMA and RDAR	Food Security	4 000	34 000	Ward 16; 15; 17; 12; 13; 14; 10
Hold quaerltely food security partners meeting government and local partners such as the CBOs to monitor progress towards indicators	Food Security	1 500	12 750	
Monitor village and school vegetable production, consumption and use with the village lead farmers and the village forums	Agriculture	500	4 250	Ward 16; 15; 17; 12; 13; 14; 10
Continue to profile all households and projects on food security development programme and plan support accodngly	Food Security	2 500	21 250	Ward 16; 15; 17; 12; 13; 14; 10
Best garden competition per ward	Agriculture	2 500	21 250	Ward 16; 15; 17; 12; 13; 14; 10
<b>Farmers trained on rearing healthy broilers and small stock for household consumption and sale.</b>		-	-	
Suppport 50 households on poultry production to supplement nutrition ( Rhode Island red breed)	Agriculture	6 000	51 000	Ward 16; 15; 17; 12; 13; 14; 10
Support small stock development forum with a support of 10 breeding rams through village	Agriculture	10 000	85 000	Ward 16; 15; 17; 12; 13; 14; 10
Support live stock production forum for increased production ( dipping, vaacination and deworming with RDAR)	Agriculture	5 000	42 500	Ward 16; 15; 17; 12; 13; 14; 10
<b>Increased household income levels</b>		-	-	
<b>Strengthen Small and Micro level businesses in the community to improve income generation</b>		-	-	
Facilitate formal registration of 10 unregistered income generating interventions and youth groups	Economic Development	1 100	9 350	Ward 16; 15; 17; 12; 13; 14; 10

Support 5 income generating interventions with material and equipment ( working with the local Municipality Economic Development)	Economic Development	9 000	76 500	Ward 16; 15; 17; 12; 13; 14; 10
Support 2 large scale field production of maize with Municipality and RDAR for increased production	Agriculture	24 031	204 261	Ward 16; 15
Hold quarterly economic development partners meetings	Economic Development	1 500	12 750	Ward 16; 15; 17; 12; 13; 14; 10
Support 10 households on economic development interventions	Economic Development	4 000	34 000	Ward 16; 15; 17; 12; 13; 14; 10
Support procuding economic development interventions to establish market with RDAR	Economic Development	3 000	25 500	Ward 16; 15; 17; 12; 13; 14; 10
Broiler abbatoir training	Agriculture	4 500	38 250	Ward15
Piggery production training	Agriculture	4 000	34 000	Ward 17
Work with the economic development groups and stakeholders to develop a monitoring framework	Agriculture	-	-	Ward 16; 15; 17; 12; 13; 14; 10
<b>Improved access to clean water and proper sanitation facilities</b>		-	-	
<b>Households suopported with portable water tanks</b>		-	-	
Support 32 vulnerable hh with portable water tanks ( terminally ill, child headed and granny headed)	Water and Sanitation	7 000	59 500	Ward 16; 15; 17; 12; 13; 14; 10
<b>Community Disaster Preparedness Plan developed</b>		-	-	
Revise Community Disaster Management document with the municipality ( CDPP)	Disaster mitigation	2 000	17 000	
Organize 1 environmental awareness campaigns with Environmental Affairs Department (EAD)	Disaster mitigation	2 500	21 250	Ward 16; 15; 17; 12; 13; 14; 10
Allocate Funds for NEPRF	Disaster mitigation	8 706	74 001	
Support villages disaster mitigation teams in the villages	Disaster mitigation	1 500	12 750	Ward 16; 15; 17; 12; 13; 14; 10
Allocate funds for local farmers to harvest grass for livestock during annual snow season with RDAR ) late march	Disaster mitigation	5 000	42 500	Ward 16; 15; 17; 12; 13; 14; 10
<b>Meaningful and working partnerships and collaborations improved</b>		-	-	
Sought for the establishment of development forum in the ADP area	Advocacy	1 500	12 750	Ward 16; 15; 17; 12; 13; 14; 10
Carry out programme transition / redesign	Advocacy	5 000	42 500	
Produce & send DIPs for the ADP in the next year	Advocacy	-	-	
Coordinate regular bi monthly ADP committee meetings	Advocacy	2 070	17 595	Ward 16; 15; 17; 12; 13; 14; 10
Coordinate quarterlyforum community meetings	Advocacy	2 000	17 000	Ward 16; 15; 17; 12; 13; 14; 10

Conduct bi- monthly meetings with government departments for partnerships ( DOA, DOE, DOH, DOSD. LIMA, SAVE ACT, SEDA, DTI and DEDEA)	Advocacy	1 000	8 500	Ward 16; 15; 17; 12; 13; 14; 10
Carry out community engagement to ward committees, volunteers and community based	Advocacy	3 000	25 500	Ward 16; 15; 17; 12; 13; 14; 10
Support two schools with toilets		58 118	494 000	Ward 15; 17
<b>Total</b>		<b>-</b>	<b>1 683 207</b>	

### **7.2.2 Department Of Roads and Public Works**

#### **Roads rose during MEC visits**

MEC has visited the area and went to the extent of travelling with Meyer in DR08069, DR 08070, DR08646 & DR077

<b>Programs/projects name</b>	<b>Program/Project Status Quo</b>
DR 08069 (To Queensmercy)	Quotations done, awaiting approval of funds
DR 08017 (To Mvenyane)	Quotations done, awaiting approval of funds
DR 08646 (To Ongeluksnek)	Quotations done, awaiting approval of funds

### 7.2.3 Department of Social Development



Matatiele Area Office–Maluti Place of Safety – Maluti PO Box 250 –4740 – REPUBLIC OF SOUTH AFRICA

Tel: +27 (0) 39 256 0329- Email address:George.maphoi@ [socdev.ecprov.gov.za](mailto:socdev.ecprov.gov.za)

Ref: IDP Projects 2013/2014

Enquiries: Mr. G.L Maphoyi

### ALFRED NZO FOR IGR PROJECTS 2013/2014

### DEVELOPMENTAL SOCIAL WELFARE SERVICES

### MATATIELE AREA OFFICE

### DEVELOPMENTAL SOCIAL WELFARE SERVICES

## 2.2- SUBSTANCE ABUSE AND REHABILITATION PROGRAMME

Ward no.	Project Description	Source of Funding	Budget						Beneficiaries
			2009/10	2010/11	2010/11	2011/12	2012/2013	2014/15	
7	Makhoba TADA Group	Social Development	R48 000.00	R110 000.00	R110 000.00	R110 000.00	R120, 000 .00	R120, 000.00	5

## 2.3- CARE AND SUPPORT SERVICES TO OLDER PERSONS

Ward no.	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/14	
10	1. Magadla Old Age Project	Social Development	R62 400.00	R62 400.00	R62 400.00	R52 000.00	R62 400,00	14
3	2. .Phaphamani Senior citizens Club Old Age Project	Social Development	R48 000.00	R48 000.00	R48 000.00	R40 000.00	R48 000,00	18
15	3..Paballong Old Age Multi-Project	Social Development	R907 690.00	R907 690.00	R907 690.00	R38 000.00	R60 000,00	10
5	4.Thuthukani Sizwe Project for the Aged	Social Development	R45 600.00	R45 600.00	R45 600.00	R80 000.00	R96 000,00	18
20	5.Makabongwe Luncheon Club	Social Development	R48 000.00	R48 000.00	R48 000.00	R40 000.00	R 48 000,00	13
10	6.Phapama-Lunda	Social Development	R84 00.00	R84 00.00	R84 00.00	R70 000.00	R 84 000,00	23
1	7.Ntataise old age	Social Development	R120 000.00	R120 000.00	R120 000.00	R80 000.00	R96 000,00	18

12	8.Zakhele old age	Social Development	R74 400.00	R74 400.00	R74 400.00	R70 000.00	R84 000,00	23
26	9.Sinenjongo luncheon club	Social Development	R52 800.00	R52 800.00	R52 800.00	R44 000.00	R52 800,00	37

## 2.7 –CRIME PREVENTION AND SUPPORT

Ward no.	Project Description / Programme	Source of Funding	Budget						Beneficiaries
			2009/10			2010/11	2011/12 2012/13	2013/2014	
1	Skills Development	Social Development	00	00					

## 2.8 CHILD CARE AND PROTECTION SERVICES

Ward no.	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2009/10	2011/12	2012/13	2013/14	
23	1.Bethesda Preschool	Social Development	R115 500.00	R115 500.00	R115 500.00	R61 875.00	R105 600,00	32
6	2.Boiteko Preschool	Social Development	R101 640.00	R101 640.00	R101 640.00	R108 900.00	R145 200,00	44

12	3.Dikonyana Preschool	Social Development	R92 400.00	R92 400.00	R92 400.00	R99 000.00	R132 000,00	40
18	4.Elukhanyisweni Preschool	Social Development	R110 880.00	R110 880.00	R110 880.00	R89 100.00	R118 800,00	36
12	5.Ikaheng Preschool	Social Development	R83 160.00	R83 160.00	R83 160.00	R89 000.00	R118 800,00	36
7	6.Khanya- Mzongwana	Social Development	R138 600.00	R138 600.00	R138 600.00	R148 500.00	R132 000,00	40
18	7.Khethokuhle Preschool	Social Development	R85 470.00	R85 470.00	R85 470.00	R69 300.00	R115 500,00	35
11	8.Khothalang Preschool	Social Development	R92 400.00	R92 400.00	R92 400.00	R900 000.00	R132 000,00	40
6	9.Khulani- Zwelitsha	Social Development	R87 780.00	R87 780.00	R87 780.00	R94 050.00	R125 400,00	38
7	10.Khuphukani Preschool	Social Development	R57 750.00	R57 750.00	R57 750.00	R61 875.00	R99 000,00	30
11	11.Lesedi Preschool	Social Development	R115 500.00	R115 500.00	R115 500.00	R103 950.00	R99 000,00	35
11	12.Mabua Preschool	Social Development	R106 260.00	R106 260.00	R106 260.00	R113 850.00	R99 000,00	30
1	13.Maluti Preschool	Social Development	R138 600.00	R138 600.00	R138 600.00	R148 500.00	R198 000,00	60
17	14.Mango Preschool	Social Development	R138 600.00	R138 600.00	R138 600.00	R148 500.00	R181 500,00	60
21	15.Masekela Day Care centre	Social Development	R113 190.00	R113 190.00	R113 190.00	R84 150.00	R112 200,00	34
3	16.Mechealing Preschool	Social Development	R138 600.00	R138 600.00	R138 600.00	R108 900.00	R145 200,00	44
5	17.Msenti Preschool	Social Development	R83 160.00	R83 160.00	R83 160.00	R54 450.00	R82 500,00	25



21	18.Mvenyane day care Centre	Social Development	R138 600.00	R138 600.00	R138 600.00	R103 950.00	R138 600,00	
13	19.Mparane Pre-school	Social Development	R69 300.00	R69 300.00	R69 300.00	R74 250.00	R99 000,00	30
21	20.Mzomhle Preschool	Social Development	R101 604.00	R101 604.00	R101 604.00	R108 900.00	R145 200,00	44
10	21.Noluntu Preschool	Social Development	R69 300.00	R69 300.00	R69 300.00	R70 250.00	R82 500,00	25
18	22.Noluntu- Silozi Preschool	Social Development	R87 780.00	R87 780.00	R87 780.00	R51 975.00	R82 500,00	25
	23. Our Little People	Social Development	R69 300.00	R69 300.00	R69 300.00	R74 250.00	R99 000,00	30
6	24.Phamotse- Kuetliso	Social Development	R115 500.00	R115 500.00	R115 500.00	R64 350.00	R85 800,00	26
9	25.Phumelela ECDC	Social Development	R138 600.00	R138 600.00	R138 600.00	R148 500.00	R99 000,00	30
10	26.Sijoka Preschool	Social Development	R50 820.00	R50 820.00	R50 820.00	R54 450.00	R82 500,00	25
19	27.St Nicholas ECDC	Social Development	R57 750.00	R57 750.00	R57 750.00	R61 875.00	R 82 500,00	25
21	28.Tanduxolo Preschool	Social Development	R108 570.00	R108 570.00	R108 570.00	R69 300.00	R92 400,00	28
4	29.Tswelo-Pele Pre school	Social Development	R69 300.00	R69 300.00	R69 300.00	R74 250.00	R99 000,00	30
10	30. Sibonelo	Social Development	NIL	NIL	NIL	NIL	R86 850.00	30
25	31. Reahola	Social Development	NIL	NIL	NIL	NIL	R86 850.00	30
05	32. Mnceba Luvuyo	Social Development	NIL	NIL	NIL	NIL	R101 325.00	35
08	33. Enkululekweni	Social Development	NIL	NIL	NIL	NIL	R101 325.00	35
08	34. Latelang	Social Development	NIL	NIL	NIL	NIL	R101 325.00	35

01	35. sekete	Social Development	NIL	NIL	NIL	NIL	R86 000.00	30
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## NON-GOVERMENTAL ORGANISATION

### 2.9 CHILD CARE AND PROTECTION SERVICES

Ward no.	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/2014	
19	1.Siyakhula Boys Shelter	Social Development	NIL	NIL	R547 200.00	R626 700.00	R547,200.00	14
19	2.Child Welfare S.A	Social Development	NIL	NIL	R239 000.00	R350 550.00	R 239,000.00	4
19	3.Cross –roads children's Home	Social Development	NIL	NIL	R1, 224 000.00	R1,383 000.00	R1,224.000.00	60

## 2.10 VICTIM EMPOWERMENT PROGRAMME

Ward no.	Project Description / Programme	Source of Funding	2009/10	2010/2011	2011/2012	2012/2013	2013/14	Beneficiaries
B			Budget					
			2009/10	201/11	2011/12	2012/13	2013/14	
1	1.Maluti Victim Support Centre	Social Development	R80 000.00	R80 000.00	R80 000.00	R80 000.00	R230 000.00	5
18	2.kwaMashu Victim Support Centre	Social Development	R80 000.00	R80 000.00	R80 000.00	R80 000.00	R250 000.00	06
05	3. <i>Thusanang White Door Centre of Hope</i>	Social Development	NIL	NIL	NIL	NIL	R200 000.00	05
17	4. <i>Masakhuxolo White Door Centre</i>	Social Development	NIL	NIL	NIL	NIL	R200 000.00	05
	5. <i>Maluti White Door Centre</i>	Social Development	NIL	NIL	NIL	NIL	R200 00.00	05

## 2.8 HIV/AIDS

Ward no.	Project Description / Programme	Source of Funding	Budget				2013/2014	Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/14	
21	1.Sinosizo Mvenyane HCBC	Social Development	R541 800.00	R541 800.00	R541 800.00	R144 000.00	NIL	10
16	2.Senzokuhle	Social Development	NIL	NIL	NIL	R144 000.00	NIL	10
6	3.Manguzela	Social Development	R556 097.00	R541 800.00	R541 800.00	R169 302. 00	NIL	10
21	4. Sinethemba H.C.B.C.	Social Development	R541 800.00	R541 800.00	R541 800.00	R144 000.00	NIL	
1	5.Someleze	Social Development	NIL	NIL	NIL	R169 302. 00	R169 302.00	10
13	6.Mamhau Conditional grant	Social Development	NIL	NIL	R299 934.00	R299 934.00	R299 804,00	18
26	6. Thusanang Development Project	Social Development	R469 300.00	R469 300.00	R144 000.00	R144 000.00	NIL	10
16	7. Philisani Community	Social Development	R541 800.00	R541 800.00	R144 000.00	R144 000.00	NIL	10

	Project							
20	8. Petals Home Based Care	Social Development	R469 300.00	R469 300.00	R541 800.00	R144 000.00	NIL	10

## 2.10 CARE AND SUPPORT TO FAMILIES

Ward no.	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/2014	
01	1. Maluti Family Resource Centre	Social Development	R80 000.00	R80 000.00	R80 000.00	R80 000.00	R230 000.00	05
04	2. Maluti Family Preservation	Social Development	R80 000.00	R80 000.00	R80 000.00	R80 000.00	R250 000.00	06
05	3. Thusanang White Door Centre	Social Development	NIL	NIL	NIL	NIL	R200 000.00	05
17	4. Masakhuxolo White Door Centre	Social Development	NIL	NIL	NIL	NIL	R200 000.00	05

## COMMUNITY DEVELOPMENT AND RESEARCH

### 3.2 YOUTH DEVELOPMENT

Ward no.	Project Description / Programme	Source of Funding						Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/2014	
26	Laphumikhwezi Cerdarville Youth Co-operative	Social Development	NIL	NIL	NIL	NIL	R390 990,00	6
5	.Mt Elephant Youth Project	Social Development	R250 000.00	Nil	NIL	NIL	R348 510,00	9
6	Sindezama Agricultural Primary Cooperative LTD	Social Development	R250 000.00	NIL	NIL	R155 950.00	NIL	6
6	Phaphamani Youth Project	Social Development	NIL	NIL	R250 000.00	NIL	NIL	5
2	Masakhane Youth Project	Social Development	R250 000.00	NIL	NIL	NIL	NIL	6
21	Sithechu Youth Project	Social Development	NIL	R500 000.00	NIL	NIL	NIL	7

### 3.3 SUSTAINABLE LIVELIHOODS:

Ward no.	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/14	
5	Mzongwana Entrepise Ass.	Social Development	R375 000.00	NIL	NIL	NIL	NIL	10
15	Ntataise Community Programme	Social Development	R375 000.00	NIL	NIL	NIL	NIL	5
17	Sinethemba Home Based Care	Social Development	NIL	NIL	NIL	R100 000.00	NIL	10
12	Ziphilise Project	Social Development	NIL	R375 000.00	R375 000.00	NIL	NIL	3
08	Masimanyane Descuur Project	Social Development	NIL	NIL	R750 000.00	NIL	NIL	12
08	Ncholu	Social Development	NIL	NIL	R250 000.00	NIL	NIL	10
	Mejametalane	Social Development	NIL	NIL	R250 000.00	NIL	NIL	12
13	Mphahlalatsane	Social Development	NIL	NIL	NIL	NIL	R375,000.00	8

## WOMEN DEVELOPMENT

	Project Description / Programme	Source of Funding	Budget					Beneficiaries
			2009/10	2010/11	2011/12	2012/13	2013/2014	
3	Pheelang Development Organization	Social Development	NIL	NIL	NIL	NIL	R500,000.00	
15	Thusanang Bomme	Social Development	NIL	R500 000.00	NIL	NIL	NIL	10
10	Vingciphango Women Co-op	Social Development	NIL	R250 000.00	NIL	NIL	NIL	6
11	Bokamoso Community Development Project	Social Development	R500 000.00	NIL	NIL	NIL	R44 963.15	06
20	Kuyasa Poultry and vegetable Project	Social Development	R500 000.00	NIL	NIL	NIL	NIL	6
9	Siyakhula Community Project	Social Development	R125 000.00	R125 000.00	NIL	NIL	NIL	
24	Vukani Bakery Project	Social Development	NIL	R500 000.00	NIL	NIL	NIL	6
14	Harelebohe Bakery Project	Social Development	NIL	R500 000.00	NIL	NIL	NIL	6
15	Lesedi Bana Ba Lebenya Project	Social Development	NIL	NIL	R500 000.00	NIL	NIL	9
06	Ikaheng Protea Project	Social Development	NIL	NIL	R500 000.00	NIL	NIL	7



2	Boitiko Cleaning Services Co-operative	Social Development	NIL	NIL	NIL	NIL	R500 000,00	9
21	Masisebenzisane	Social Development	R500 000.00	NIL	NIL	NIL	NIL	8