

# Status Quo Analysis



# SECTION B

## 2.1 Population and Demographics

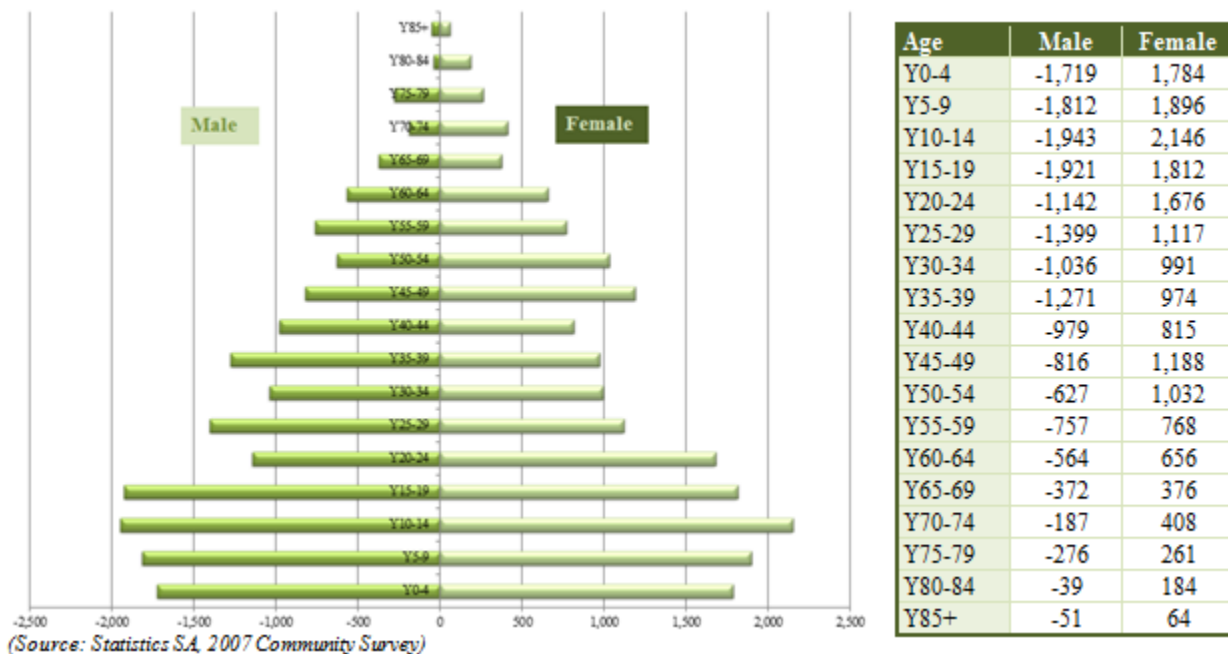
The Phumelela Local Municipality forms part of the **Mofutsanyane District**. It consists of 8 wards and covers an area of **7,550.4910 km<sup>2</sup>**. The terrain morphology indicates that the most eastern part of Phumelela, including Memel and a stretch of ground towards the northwest, consists of low mountains. The Warden and Vrede areas are strongly undulating irregular land. The whole Phumelela local municipality grounds falls in the Vaal River catchment's drainage region.

Phumelela is situated in the eastern Free State, to the north east of Bloemfontein. The local municipality area measures 7531.24km<sup>2</sup> in extend and comprises the former TLCs of Vrede, Warden and Memel, as well as a part of the former Riemland and Drakensberg TRCs.

The individual sizes of the various town units are: Vrede: 49.00 km<sup>2</sup>, Memel: 12.02 km<sup>2</sup>, Warden: 18.22 km<sup>2</sup>, and Farmland: 7452.00 km<sup>2</sup>. Most of the population (38 %) is resident on the rural farm areas. There is not definite predominant urban concentration of people, although Vrede has slightly higher population numbers.

The terrain morphology indicates that the most eastern part of Phumelela, including Memel and a stretch of ground towards the northwest, consists of low mountains. The Warden and Vrede areas are strongly undulating irregular land. The whole Phumelela local municipality grounds falls in the Vaal River catchment's drainage region.

**Figure / Table 2.1:** Population according to gender



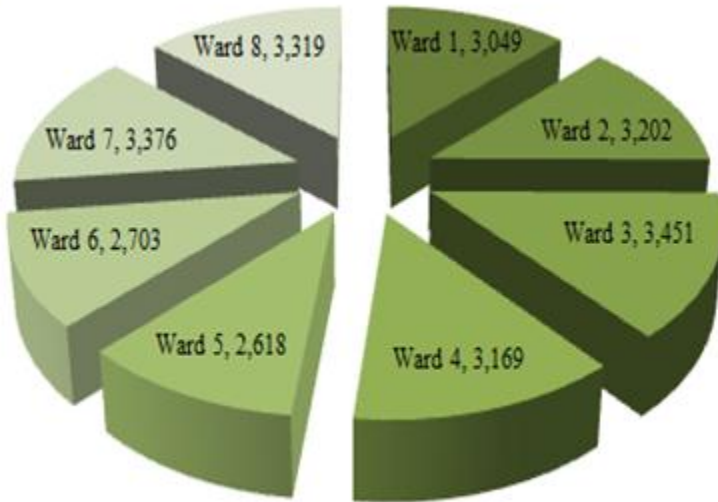
**Figure / Table 2.2:** Population trends

Population Trends	Census 2001	Community Survey 2007
Population	50 906	35 090
Households	11 934	11 531

(Source: Community Survey 2007)

Figure / Table 2.3: Voters per ward

Ward	Voters
Ward 1	3,049
Ward 2	3,202
Ward 3	3,451
Ward 4	3,169
Ward 5	2,618
Ward 6	2,703
Ward 7	3,376
Ward 8	3,319



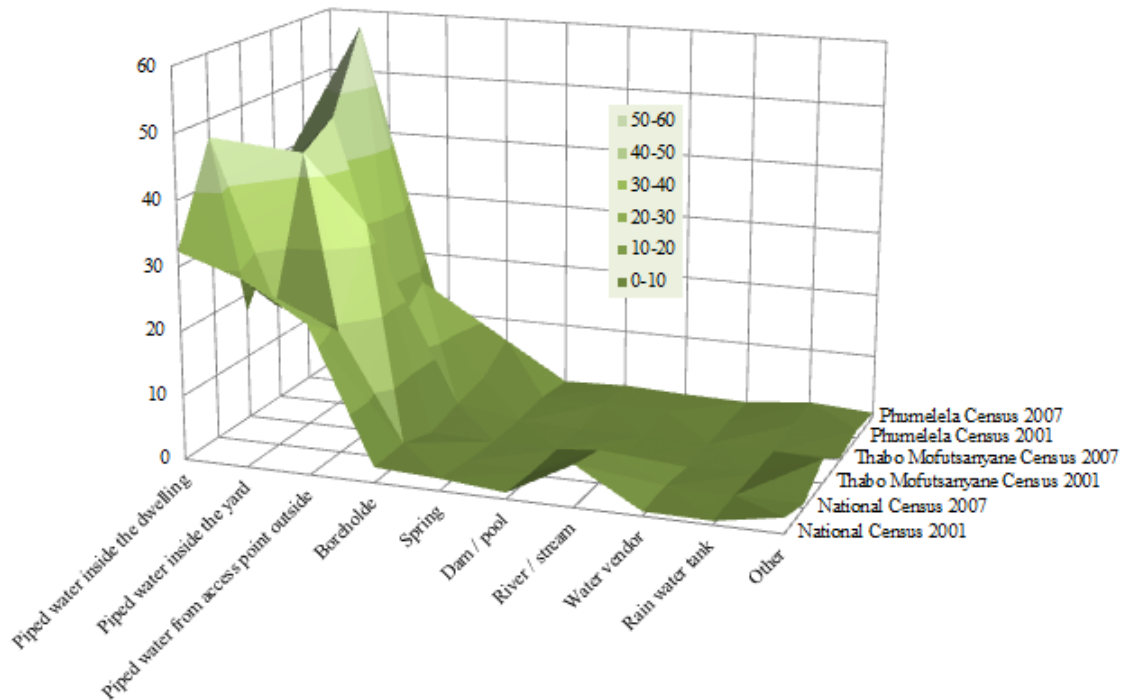
There are a total of 8 wards in the Phumelela Municipality, with a total of 24,887 registered voters

(Source: Municipal Demarcation Board, 2011)

## 2.2 Basic Service Delivery and Infrastructure Development

### 2.2.1 Water

Figure / Table 2.4: Access to water



**Figure / Table 2.5: Access to water**

Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Piped water inside the dwelling	32.3	47.3	17.2	36.1	13.9	48.2	15	18.9	34.3
Piped water inside the yard	29	22.2	43.4	46.9	59.4	35.9	-6.8	3.5	-23.5
Piped water from access point outside	23.2	19.1	33.1	13.3	18.3	5.6	-4.1	-19.8	-12.7
Borehole	2.4	2.6	0.8	2.1	3	6.4	0.2	1.3	3.4
Spring	1.9	1	0.5	0.5	1	0.4	-0.9	0	-0.6
Dam / pool	1	0.5	0.5	0.2	1.1	0.8	-0.5	-0.3	-0.3
River / stream	6.5	5.1	0.2	0.2	0.9	0.4	-1.4	0	-0.5
Water vendor	0.7	0.9	0.1	0.2	0.2	0.2	0.2	0.1	0
Rain water tank	0.6	0.6	0.3	0.2	1	1.3	0	-0.1	0.3
Other	2.4	0.6	3.8	0.3	1.3	0.7	-1.8	-3.5	-0.6

(Source: Community Survey 2007) (Values expressed as percentages)

- Within Vrede, the high number of un-serviced erven can be mainly attributed to the undeveloped Extension 4, which cannot be serviced due to its topography in relation to bulk water supply. This problem is currently being attended to and the first phases of the area should be serviceable within the next two years.
- The Warden / Ezenzeleni area is generally well serviced with water and only about 400 households make use of communal standpipes for their daily water supply. However, the addition of 271 houses within the coming year will need to be serviced in order to maintain the same level of services. Within Memel / Zamani a large number of erven are not serviced with water at all. Approximately 1,300 households depend on communal standpipes or have to gather water elsewhere.
- The rural areas mostly make use of fountains and boreholes as their water source, due to, difficulties experienced with water supply from farm owners. In some cases surrounding farm workers even collect water from communal stands in nearby urban areas.

#### Status of the Municipality in terms of key water-related legislative requirements

- The Water Services Development Plan has not been reviewed since its adoption in 2004
- The Municipality is a water services authority

**Figure / Table 2.6: Analysis of the function in terms of the requirements for simplified IDPs (Water)**

Requirement in terms of the Simplified IDP Framework	Status
Indicate the status of the Water Services Development Plan	<ul style="list-style-type: none"> <li>• Outdated and needs to be reviewed. The Municipality does not have the resources to review the WSDP at this stage</li> </ul>
Indicate the national target for this service	<ul style="list-style-type: none"> <li>• 100% access to basic level of service (within 200m walking distance from dwelling) by 2014</li> </ul>
Number / percentage of households without access at all, with below standard access and with access	<ul style="list-style-type: none"> <li>• Refer to the Table below</li> </ul>
Indicate all areas or settlements without access in terms of the basic service standards and provide reasons for lack of service	<ul style="list-style-type: none"> <li>• The informal settlements in the areas do not have access to the service. It is the policy of the municipality to focus on eradication informal settlements as part of the Outcome 8</li> </ul>



	initiatives, rather than to try and provide services in informal areas.
Indicate all areas or settlements with an unreliable service and provide reasons for this	<ul style="list-style-type: none"> <li>All formal residential areas have at least RDP level of access. Ageing infrastructure and unaffordable maintenance and upgrading needs put pressure on the sustainability of these services.</li> </ul>
Indicate the approved service level for the municipality informed by the Spatial Development Framework (SDF)	<ul style="list-style-type: none"> <li>The approved level is access to bulk services (serviced stands). The municipality's SDF support this policy and informs future service planning.</li> </ul>
Indicate whether the municipality is the service authority or not	<ul style="list-style-type: none"> <li>Water Services Authority</li> </ul>
Status of the provision of the basic services	<ul style="list-style-type: none"> <li>Registered indigents receive free basic services.</li> </ul>
Indicate other challenges that are not highlighted above	<ul style="list-style-type: none"> <li>Lack of base-line (status quo) information</li> </ul>
Availability and status on the operations and maintenance plan	<ul style="list-style-type: none"> <li>Operations and maintenance plan not currently available.</li> </ul>
Availability of water to other associated facilitated such school, clinics, police stations	<ul style="list-style-type: none"> <li>All clinics in the area have access to water, but not the schools. The municipality does not have the capacity to serve these schools.</li> </ul>

Figure / Table 2.7: Analysis of the function in terms of access levels (Water)

Water						
Settlements	Number of households	Above RDP	Below RDP	Challenge / Risk	Intervention required	Status Quo
WARDEN	3360	Services are at acceptable standards.	N/A	Insufficient trained personnel. Lack of adequate funds to properly maintain infrastructure. Ageing infrastructure, resulting in huge repairs and maintenance expenditure. Water Services Development Plan not reviewed since 2004.	Training of personnel who are purifying the water. Building the acceptable purification plant. Replacing the old infrastructure.	All households in formal townships have access to water according to national standards. Ageing infrastructure is putting huge pressure on the capacity of the municipality to maintain access standards. Within Vrede, the high number of un-serviced erven can be mainly attributed to the undeveloped Extension 4, which cannot be serviced due to its topography in relation to bulk water supply. The Warden / Ezenzeleni area is generally well serviced with water and only about 400 households make use of communal standpipes for their daily water supply. However, the addition of 271 houses within the coming year will need to be serviced in order to maintain the same level of services. Within Memel / Zamani a large number of erven are not serviced with water at all. Approximately 1,300 households depend on communal standpipes or have to gather water elsewhere.
VREDE	4300	Services are in a acceptable standard	N/A		Training of personnel who are purifying the water. Increase the reservoir due to more township development Replacing the old infrastructure.	
MEMEL	2400	Services are in a acceptable standard	N/A		Training of personnel who are purifying the water. Replacing the old infrastructure. Build a water purification plant that will cater for the whole community due to the new township development	

Water						
Settlements	Number of households	Above RDP	Below RDP	Challenge / Risk	Intervention required	Status Quo
						The rural areas mostly make use of fountains and boreholes as their water source, due to, difficulties experienced with water supply from farm owners. In some cases surrounding farm workers even collect water from communal stands in nearby urban areas.

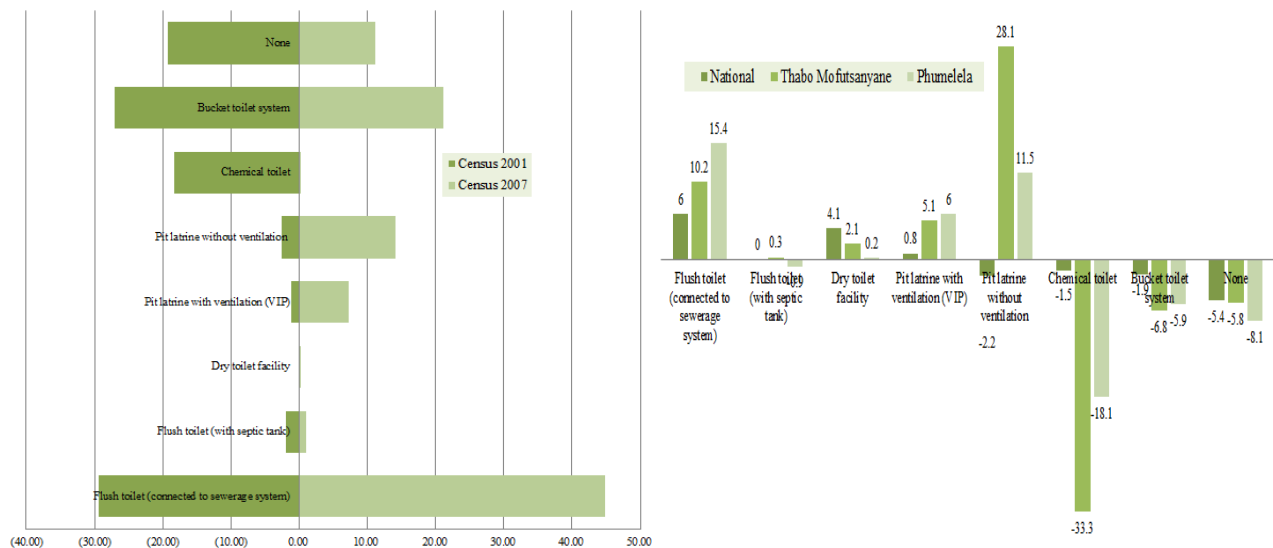


### 2.2.2 Sanitation

The bucket system is still the main prevalent method of sanitation in the district only second to waterborne systems. The eradication of the bucket system is a high government priority. All other forms of sanitation need to adhere to standards set by the Departments of Water Affairs and Forestry and Health standards.

In general the bulk sanitation infrastructure in all the urban areas are either insufficient for any future expansion or is close to reaching its full potential in the near future. Before any major internal sanitation upgrading can be considered, the bulk infrastructure will need to be upgraded to accommodate such expansions.

Figure / Table 2.8: Access to sanitation



Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Flush toilet (connected to sewerage system)	49.1	55.1	26.8	37	-29.4	44.8	6	10.2	15.4
Flush toilet (with septic tank)	2.8	2.8	1.6	1.9	-2	1.1	0	0.3	-0.9
Dry toilet facility	0	4.1	0	2.1	0	0.2	4.1	2.1	0.2
Pit latrine with ventilation (VIP)	5.7	6.5	1.4	6.5	-1.2	7.2	0.8	5.1	6
Pit latrine without ventilation	22.8	20.6	7.8	35.9	-2.6	14.1	-2.2	28.1	11.5
Chemical toilet	1.9	0.4	33.4	0.1	-18.3	0.2	-1.5	-33.3	-18.1
Bucket toilet system	4.1	2.2	19.5	12.7	-27.1	21.2	-1.9	-6.8	-5.9
None	13.6	8.2	9.5	3.7	-19.3	11.2	-5.4	-5.8	-8.1

(Source: Community Survey 2007) (Values expressed as percentages)

- Government's assistance through the MIG and EPWP will enable the municipality to address backlogs in terms of sanitation of the short, medium and long term
- Although there are no projects identified for 2009/10, projects totalling R13 450 000 has been budgeted for 2010/11 and R11 960 000 are budgeted for 2011/12.
- The bulk sanitation infrastructure in all the urban areas are either insufficient for any future expansion or is close to reaching its full potential in the near future.
- The soon to be finalized Water Services Development Plan makes provision for bulk infrastructure development.
- Waste water treatment to be addressed in the Water Services Development Plan.
- Provision is made on the staff establishment for a Sanitation Section that is adequately resourced.
- Inadequate budget to achieve the national target of providing basic sanitation to all households by 2010.
- The municipality's capacity in terms of infrastructure maintenance and upgrading are limited.
- The municipality's resource constraints limit its capacity to deal effectively with waste water treatment requirements.

**Figure / Table 2.9:** Analysis of the function in terms of the requirements for simplified IDPs (Sanitation)

Requirement in terms of the Simplified IDP Framework	Status
Indicate the status of the Water Services Development Plan	<ul style="list-style-type: none"> <li>• Outdated and needs to be reviewed. The Municipality does not have the resources to review the WSDP at this stage</li> </ul>
Indicate the national target for this service	<ul style="list-style-type: none"> <li>• 100% access to basic level of service by 2014</li> </ul>
Indicate all areas or settlements without access in terms of the basic service standards and provide reasons for lack of service	<ul style="list-style-type: none"> <li>• The informal settlements in the areas do not have access to the service. It is the policy of the municipality to focus on eradication informal settlements as part of the Outcome 8 initiatives, rather than to try and provide services in informal areas.</li> </ul>
Type of sanitation systems which are available in the municipality and areas where they are found	<ul style="list-style-type: none"> <li>• Full waterborne systems (in most formal settlements). These systems are also installed in new service stands.</li> </ul>
Indicate all areas or settlements with an unreliable service and provide reasons for this	<ul style="list-style-type: none"> <li>• It is mostly the previously disadvantaged area (Ezenzeleni, Zamani, Thembalihle) that have areas with vulnerability in terms of sustainable services. DWA has done a status quo analysis. Warden, Vrede, Thembalihle and Memel has acceptable access. Problems in Zamani. 144 households connected during 2011/12 financial year.</li> <li>• Bucket eradication finished – all formal stands have been</li> </ul>



Requirement in terms of the Simplified IDP Framework	Status
	<ul style="list-style-type: none"> <li>served</li> <li>Operation of current infrastructure have certain environmental risk due to the age thereof (pumping stations, as well as treatment works).</li> <li>Vrede's water treatment works are adequate for current demand. Both Memel and Warden need new treatment works.</li> <li>Memel's treatment works is currently under construction.</li> <li>Purification works in Warden are current being addressed (feasibility study for new dam in progress). New water treatment plant in progress. Purification works must also be replaced. Purification works are being investigated for possible relocation – closer to the source.</li> <li>Memel: Structure was built during phase I, but is not functional. Phase II currently in progress: Structures were finished</li> <li>Lack of public toilet facilities deter tourists</li> </ul>
Indicate the approved service level for the municipality informed by the Spatial Development Framework (SDF)	<ul style="list-style-type: none"> <li>The approved level is access to bulk services (serviced stands). The municipality's SDF support this policy and informs future service planning.</li> </ul>
Indicate whether the municipality is the service authority or not	<ul style="list-style-type: none"> <li>Water Services Authority</li> </ul>
Status of the provision of the basic services	<ul style="list-style-type: none"> <li>Registered indigents receive free basic services.</li> </ul>
Indicate other challenges that are not highlighted above	<ul style="list-style-type: none"> <li>Lack of base-line (status quo) information</li> </ul>
Availability and status on the operations and maintenance plan	<ul style="list-style-type: none"> <li>Operations and maintenance plan not currently available.</li> <li>Water Treatment masterplan required to inform strategic management and control of waste water management</li> </ul>
Availability of water to other associated facilitated such school, clinics, police stations	<ul style="list-style-type: none"> <li>All schools in the area do not have access to basic level of sanitation. The municipality does not have the capacity to serve these schools.</li> </ul>

Figure / Table 2.10: Analysis of the function in terms of levels of access (Sanitation)

Sanitation						
Settlements	Number of households	Above RDP	Below RDP	Risks / Challenges	Intervention required	Status Quo
WARDEN	3360	Acceptable standard and used water borne system	N/A	Government's assistance through the MIG and EPWP will enable the municipality to address backlogs in terms of sanitation of the short, medium and long term Waste water treatment to be addressed in the Water Services Development Plan, but the Plan has not been updated since 2006 Inadequate budget to achieve the national target of providing basic sanitation to all households by 2010	Replace old infrastructure and ensure that spillage is attended as a matter of urgency	In general the bulk sanitation infrastructure in all the urban areas are either insufficient for any future expansion or is close to reaching its full potential in the near future. Before any major internal sanitation upgrading can be considered, the bulk infrastructure will need to be upgraded to accommodate such expansions. The bulk sanitation
VREDE	4300	Acceptable standard and used water borne system	N/A		Replace old infrastructure and ensure that spillage is attended as a matter of urgency	
MEMEL	2400	Only 150 houses uses waterborne system	The rest are using		Replace old infrastructure and ensure that spillage is attended as a	





Sanitation						
Settlements	Number of households	Above RDP	Below RDP	Risks / Challenges	Intervention required	Status Quo
			Pit latrine	The municipality's capacity in terms of infrastructure maintenance and upgrading are limited	matter of urgency	infrastructure in all the urban areas are either insufficient for any future expansion or is close to reaching its full potential in the near future The municipality's resource constraints limits its capacity to deal effectively with waste water treatment requirements

Provision of water for full waterborne systems. DWA has done a status quo analysis. Warden, Vrede, Thembalihle, Memel achieved. Problem in Zamani – current financial year – 144 households have been connected and use waterborne. COGTA has funded municipality to extend to 100 households in Zamani (under construction). Sewerage network in Warden needs to be upgraded. Use French drains (septic tank). Municipality to provide flashing toilets. Extension 4: Reticulation meant for 400 houses; 250 households to be provided during 2010/11. (Total: 1,200 stands) Water Treatment masterplan required to inform strategic management and control of waste water management Bucket eradication finished – all formal stands have been served Operation of current infrastructure have certain environmental risk due to the age thereof (pumping stations, as well as treatment works). Vrede's water treatment works are adequate for current demand. Both Memel and Warden need new treatment works. Memel's treatment works is currently under construction. Purification works in Warden are current being addressed (feasibility study for new dam in progress). New water treatment plant in progress. Purification works must also be replaced. Purification works are being investigated for possible relocation – closer to the source. Memel: Structure was built during phase I, but is not functional. Phase II currently in progress: Structures were finished





## 2.2.3 Waste Management

Figure / Table 2.11: Access to toilet facilities

Percentage distribution of households by type of toilet facilities									
Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Flush toilet (connected to sewerage system)	49.1	55.1	26.8	37.0	29.4	44.8	6.0	10.2	15.4
Flush toilet (with septic tank)	2.8	2.8	1.6	1.9	2.0	1.1	0.0	0.3	-0.9
Dry toilet facility	0.0	4.1	0.0	2.1	0.0	0.2	4.1	2.1	0.2
Pit latrine with ventilation (VIP)	5.7	6.5	1.4	6.5	1.2	7.2	0.8	5.1	6.0
Pit latrine without ventilation	22.8	20.6	7.8	35.9	2.6	14.1	-2.2	28.1	11.5
Chemical toilet	1.9	0.4	33.4	0.1	18.3	0.2	-1.5	-33.3	-18.1
Bucket toilet system	4.1	2.2	19.5	12.7	27.1	21.2	-1.9	-6.8	-5.9
None	13.6	8.2	9.5	3.7	19.3	11.2	-5.4	-5.8	-8.1

(Source: Community Survey 2007)

The Phumelela Municipality falls in the category where refuse removal services is classified as unsatisfactory.

Most towns experience problems with the management of their waste disposal sites, and do not adhere to the requirements of the Department of Water Affairs. A plan to establish a regional framework for effective waste disposal, including the possibility of regional dumping sites and how to deal with toxic waste, is required.

All the urban areas are serviced, with refuse removal on a weekly basis. However, the effective and co-ordinated functioning of this service will have to be addressed. The equipment used for removal (mostly a tractor and trailer) are old and in poor condition.

Each of the urban units has one waste disposal site. However, the capacity and condition of two of these sites need to be improved as soon as possible. The Vrede site is located near the airstrip and is not fenced in, (because of theft). Furthermore the site has insufficient capacity for even short-term use. The site within Memel is situated close to the Pampoenspruit, which is a tributary to the Seekoeivlei wetland area. This site is also unfenced as a result of theft, and will have to be expanded or relocated for future demands. Warden's site was upgraded recently with the addition of an incinerator.

Table 2.12: Percentage distribution of households by type of refuse removals (number of households)

Area	Waste sites	Legal status	Refuse removal	Equipment	Personnel
Vrede	1	Legal	4 times p/m	Tractor	20
Thembalihle	-	Legal	16 times p/m	Tractor	20
Memel	1	Legal	4 times p/m	Tractor	5
Zamani	-	Legal	12 times p/m	Tractor	5
Warden	1	Legal	4 times p/m	Tractor	12
Ezenzeleni	-	Legal	12 times p/m	Tractor	12
<b>Phumelela</b>	<b>3</b>	<b>Legal</b>		<b>Tractor</b>	<b>74</b>

**Figure / Table 2.13:** Analysis of the function in terms of the requirements for simplified IDPs (Waste Management)

Requirement in terms of the Simplified IDP Framework	Status
<b>Waste Management</b>	
Status of the Integrated Waste Management Plan	<ul style="list-style-type: none"> <li>No Integrated Waste Management Plan available. The municipality has compiled an internal document to guide its waste management services and priorities, based on legislative requirements</li> </ul>
Percentage of people accessing the service	<ul style="list-style-type: none"> <li>Level of access = 44,8% (Community Survey 2007)</li> </ul>
Strategies employed to reduce, re-use and recycle	<ul style="list-style-type: none"> <li>No such strategies are in place. The municipality does not have the capacity and resources to render the service beyond basic levels of regular refuse removal.</li> </ul>
Service rendered internally or externally	<ul style="list-style-type: none"> <li>Service rendered internally</li> </ul>
<b>Waste Removal</b>	
National target for this service	<ul style="list-style-type: none"> <li>All households receiving at least basic level of services.</li> </ul>
Service levels adopted in relation to the SDF	<ul style="list-style-type: none"> <li></li> </ul>
Areas without solid waste removal at all and reasons for lack of access	<ul style="list-style-type: none"> <li>The informal settlements in the areas do not have access to the service. It is the policy of the municipality to focus on eradication informal settlements as part of the Outcome 8 initiatives, rather than to try and provide services in informal areas.</li> </ul>
Areas with solid waste removal and the frequency of the removal and the reliability of the service	<ul style="list-style-type: none"> <li>It is mostly the previously disadvantaged area (Ezenzeleni, Zamani, Thembahihle) that have areas with vulnerability in terms of sustainable services.</li> </ul>
<b>Waste Disposal</b>	
Status of waste disposal	<ul style="list-style-type: none"> <li>Landfill sites not licensed or registered and too close to residential areas (health hazard)</li> </ul>
Resources available to support the delivery of the service in terms of the following - personnel, skills and other related requirements	<ul style="list-style-type: none"> <li>Adequate to sustain current level of services.</li> </ul>

**Figure / Table 2.14:** Analysis of the function in terms of levels of access (Waste Management)

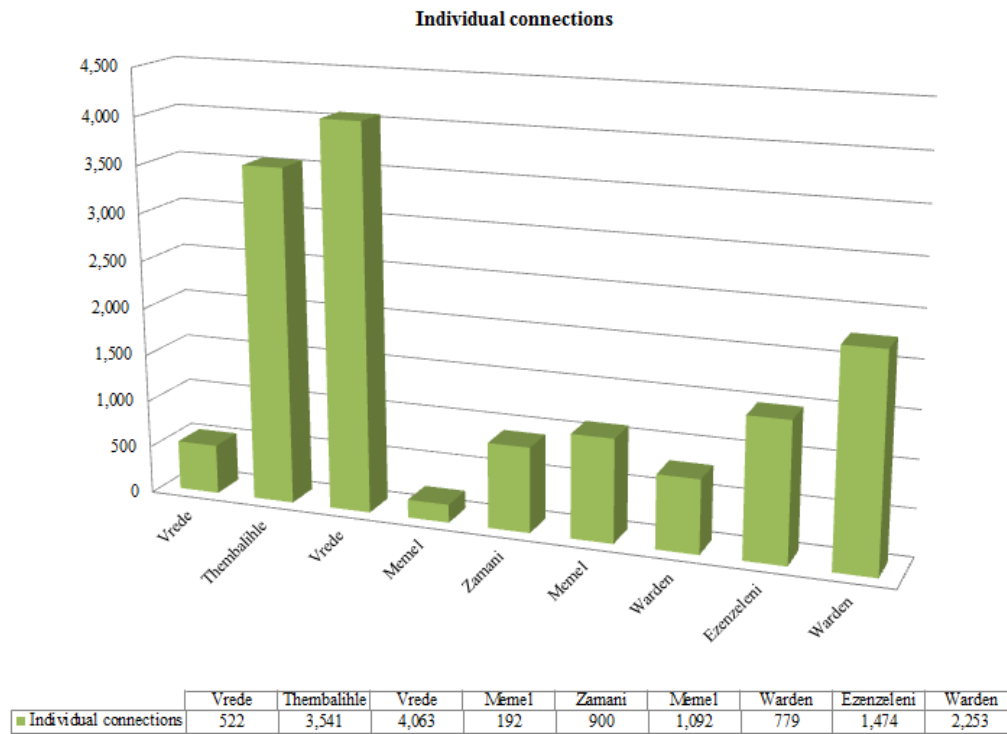
<b>Refuse Removal</b>						
Settlements	Number of households	Above RDP	Below RDP	Risks / Challenges	Intervention required	
<b>WARDEN</b>	3360	Acceptable standard and is removed once a week	Only on the informal settlement	Environmental unsafe dumping sites: to close to residential areas and located on private land Due to a lack of resources and capacity, the municipality will not be able to compile its own integrated waste management plan in the short to medium term Inadequate resources in terms of budget and human	Refuse removal trucks are needed to ensure that at least refuse is removed twice a week	The Phumelela Municipality falls in the category where refuse removal services is classified as unsatisfactory.  Most towns experience problems with the management of their waste disposal sites, and do not adhere to the requirements of the Department of Water
<b>VREDE</b>	4300	Acceptable standard and is removed once a week	Only on the informal settlement		Refuse removal trucks are needed to ensure that at least refuse is removed twice a week	
<b>MEMEL</b>	2400	Acceptable standard and is removed once a week	Only on the informal settlement		Refuse removal trucks are needed to ensure that at least refuse is removed twice a	



Refuse Removal						
Settlements	Number of households	Above RDP	Below RDP	Risks / Challenges	Intervention required	
					week	<p>Affairs. A plan to establish a regional framework for effective waste disposal, including the possibility of regional dumping sites and how to deal with toxic waste, is required.</p> <p>All the urban areas are serviced, with refuse removal on a weekly basis. However, the effective and co-ordinated functioning of this service will have to be addressed. The equipment used for removal (mostly a tractor and trailer) are old and in poor condition.</p> <p>Each of the urban units has one waste disposal site. However, the capacity and condition of two of these sites need to be improved as soon as possible. The Vrede site is located near the airstrip and is not fenced in, (because of theft). Furthermore the site has insufficient capacity for even short-term use. The site within Memel is situated close to the Pampoenspruit, which is a tributary to the Seekoivlei wetland area. This site is also unfenced as a result of theft, and will have to be expanded or relocated for future demands. Warden's site was upgraded recently with the addition of an incinerator.</p>

## 2.2.4 Electricity / Energy

**Table 2.15: The electricity provision in Phumelela**



(Source: Municipal Own Sources)





**Table 2.16: Comparative perspective on energy sources, based on the results of Census 2007**

Percentage distribution of households by main type of energy used for lighting									
Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Electricity	69.7	80.0	63.4	80.9	64.6	78.1	10.3	17.5	13.5
Gas	0.2	0.2	0.1	0.1	0.1	0.0	0.0	0.0	-0.1
Paraffin	6.8	5.3	2.6	2.6	0.5	0.9	-1.5	0.0	0.4
Candles	22.7	13.8	33.2	15.8	34.0	20.6	-8.9	-17.4	-13.4
Solar	0.2	0.2	0.4	0.1	0.3	0.5	0.0	-0.3	0.2
Other	0.3	0.5	0.3	0.5	0.5	0.0	0.2	0.2	-0.5

(Source: Community Survey, 2007)

**Table 2.10: Percentage distribution of households by main type of energy used for cooking**

Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Electricity	51.4	66.5	34.5	64.5	24.6	55.5	15.1	30.0	30.9
Gas	2.5	2.0	4.0	3.0	2.1	1.0	-0.5	-1.0	-1.1
Paraffin	21.4	14.9	33.3	18.4	8.4	1.3	-6.5	-14.9	-7.1
Wood	20.5	15.1	13.6	7.8	25.0	18.9	-5.4	-5.8	-6.1
Coal	2.8	1.2	12.4	5.6	35.4	20.6	-1.6	-6.8	-14.8
Animal dung	1.0	0.2	1.7	0.6	3.9	2.3	-0.8	-1.1	-1.6
Solar	0.2	0.0	0.2	0.0	0.2	0.3	-0.2	-0.2	0.1
Other	0.2	0.1	0.3	0.0	0.4	0.0	-0.1	-0.3	-0.4

(Source: Community Survey, 2007)

**Table 2.11: Percentage distribution of households by main type of energy used for heating**

Category	National		Thabo Mofutsanyane		Phumelela		Analysis		
	Census 2001	Census 2007	Census 2001	Census 2007	Census 2001	Census 2007	National	Thabo Mofutsanyane	Phumelela
Electricity	49.0	58.8	27.6	40.8	23.3	45.4	9.8	13.2	22.1
Gas	1.1	1.0	1.8	2.2	0.8	1.2	-0.1	0.4	0.4
Paraffin	14.6	13.1	21.9	17.4	5.6	0.8	-1.5	-4.5	-4.8
Wood	24.6	20.0	18.5	14.1	25.2	21.4	-4.6	-4.4	-3.8
Coal	6.6	3.9	26.5	22.3	40.0	28.5	-2.7	-4.2	-11.5
Animal dung	0.7	0.2	1.7	0.7	4.0	2.3	-0.5	-1.0	-1.7
Solar	0.2	0.1	0.2	0.1	0.1	0.0	-0.1	-0.1	-0.1
Other	3.1	2.9	1.9	2.4	0.9	0.4	-0.2	0.5	-0.5

(Source: Community Survey, 2007)

- Eskom is primarily responsible for providing electricity in the municipal area.
- Close cooperation with Eskom to facilitate increased access to electricity as a source of energy is a priority for the municipality.
- A change in cost recovery and the current subsidization policy has made it very expensive to electrify the rural areas, which include farms and farming communities that are in need of basic power supply.

**Figure / Table 2.17:** Analysis of the function in terms of the requirements for simplified IDPs (Electricity)

Requirement in terms of the Simplified IDP Framework	Status
Status of the Energy Plan	<ul style="list-style-type: none"> <li>Not available. The municipality does not have the resources to develop an Energy Plan.</li> <li>Electricity Maintenance Manual completed.</li> <li>Electricity audit has been conducted</li> </ul>
National target for the service	<ul style="list-style-type: none"> <li>All households to have access to minimum basic level of services by 2014.</li> </ul>
Areas without access to electricity or other forms of energy	<ul style="list-style-type: none"> <li>No formal areas, only informal areas. The policy of the municipality is to eradicate informal settlements, and with that provide serviced stands with access to basic services.</li> </ul>
Areas with access to electricity and the reliability thereof	<ul style="list-style-type: none"> <li>Eskom is providing electricity everywhere in the municipal area, with the exception of Warden and Ezenzeleni.</li> <li>A contractor has been appointed for one year to maintain electricity in Warden and Ezenzeleni</li> </ul>
Other challenges	<ul style="list-style-type: none"> <li>Ageing electricity infrastructure in Warden and Ezenzeleni. Refurbishment of the electricity network in Warden – on-going</li> <li>Tempering with electricity infrastructure– remove illegal connections and correction at payment of re-connection fees</li> <li>Defaulting accounts</li> <li>Identification and implementation of renewable energy options</li> </ul>

**Figure / Table 2.18:** Analysis of the function in terms of levels of access (Energy)

Electricity						
Settlements	Number of households	Above RDP	Below RDP	Risks / Challenges	Intervention required	Status Quo
<b>WARDEN</b>	3360	Acceptable standard	N/A	<p>Lack of adequate expertise in terms of electricity</p> <p>Due to the lack of expertise and resources no alternative energy options can be considered in the foreseeable future.</p> <ul style="list-style-type: none"> <li>Cost recovery</li> <li>Power failures especially during thunderstorms</li> <li>Weak networks                             <ul style="list-style-type: none"> <li>Limited infrastructure</li> </ul> </li> </ul>	<p>That the electricity network needs to replace because is old.</p> <ul style="list-style-type: none"> <li>-Maintenance of network needs attention.</li> <li>-Transformers need to be replaced with the new one</li> <li>-New established township need to be electrify</li> </ul>	<p>Ageing infrastructure. Electricity Maintenance Manual completed. Refurbishment of the electricity network in Warden – on-going</p> <p>Upgrading of transformers</p> <p>Deal with tempering with electricity – 2010/11 law enforcement – remove illegal connections and correction at payment of re-connection fees</p> <p>Conversion to prepaid meters</p>



<b>Electricity</b>						
<b>Settlements</b>	<b>Number of households</b>	<b>Above RDP</b>	<b>Below RDP</b>	<b>Risks / Challenges</b>	<b>Intervention required</b>	<b>Status Quo</b>
<b>VREDE</b>	4300	Acceptable standard	N/A		- Street lights network need to be replaced -New established township need to be electrify	ESKOM is primarily responsible for providing electricity in the municipal area
<b>MEMEL</b>	2400	Acceptable standard	N/A		-Street lights network need to be replaced -New established township need to be electrify	Increased access to high-mast lights  Close cooperation with ESKOM to facilitate increased access to electricity as a source of energy is a priority for the municipality

**Status of the Municipality in terms of key electricity-related legislative requirements**

- No Energy Plan not in place. The municipality does not have adequate funds to commission the compilation of such a plan during the 2012-2017 IDP cycle

**2.2.5 Streets & Stormwater**

Regular maintenance on the road network in the region is required. The road condition is deteriorating at a rapid pace and very little maintenance is done due to a lack of funding. It is very important to maintain and upgrade all main routes in order to continue the flow of traffic throughout the area. An emerging fact is that since the drive to curb the overloading of vehicles, secondary roads are more frequented by overloaded trucks to avoid demarcated truck routes. These secondary roads are not designed to carry these loads and are therefore causing damages in a short space of time.

There are two railway lines operating in the Phumelela vicinity. The one railway line runs from Gauteng, through Standerton, to Vrede. The second railway line connects Warden with Harrismith. No railway line operates near Memel and no air transport takes place within the Phumelela area. There are no airfields or airstrips recorded in Vrede, Memel or Warden.

Continued maintenance of tertiary roads is important as it forms the lifeline for the rural community, health, emergency and educational services. In the urban areas the main problem is the poor condition of the streets and storm water drainage in the townships. In most of the townships, streets are in poor conditions with very little water drainage systems. This is not only a problem to the local inhabitants but also complicates effective service delivery, policing, emergency services, public transportation, economic development and accessibility in general. Due to high cost of road construction this problem also has to be resolved in a systematic, integrated and sustainable way.

The older roads within Vrede/ Thembalihle were tarred in 1992, although now deteriorating at a notable rate. The biggest threat to road maintenance in Vrede is the absence of proper bulk storm water drainage systems. The roads within certain areas of Thembalihle are regarded as the worst in the region.



The situation in Memel/ Zamani is slightly different; although the roads are also in a fairly poor state, there is sufficient storm water drainage. The main problem in this area is the dilapidated and unsurfaced state of access roads, especially in Zamani.

Where both Thembalihle and Zamani have a small portion of tarred ring roads, Ezenzeleni has no tarred roads at all, and only a small section is paved.

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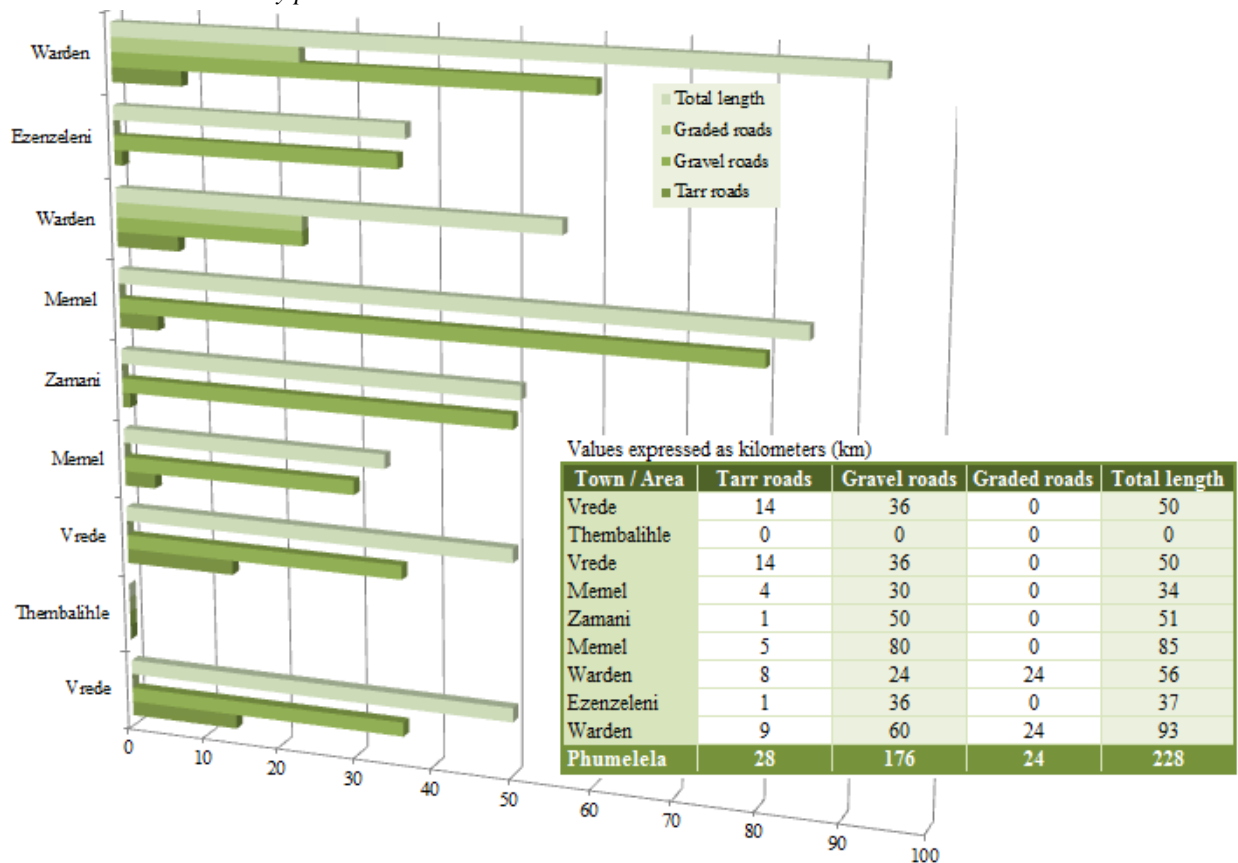
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Where both Thembalihle and Zamani have a small portion of tarred ring roads, Ezenzeleni has no tarred roads at all, and only a small section is paved.



**Table 2.19:** *The electricity provision in Phumelela*



(Source: Municipal records)

Regular maintenance on the road network in the region is required. The road condition is deteriorating at a rapid pace and very little maintenance is done due to a lack of funding. It is very important to maintain and upgrade all main routes in order to continue the flow of traffic throughout the area. An emerging fact is that since the drive to curb the overloading of vehicles, secondary roads are more frequented by overloaded trucks to avoid demarcated truck routes. These secondary roads are not designed to carry these loads and are therefore causing damages in a short space of time.

There are two railway lines operating in the Phumelela vicinity. The one railway line runs from Gauteng, through Standerton, to Vrede. The second railway line connects Warden with Harrismith. No railway line operates near Memel and no air transport takes place within the Phumelela area. There are no airfields or airstrips recorded in Vrede, Memel or Warden.

**Figure / Table 2.20:** *Analysis of the function in terms of the requirements for simplified IDPs (Streets and Stormwater)*

Requirement in terms of the Simplified IDP Framework	Status
<b>Streets (Roads)</b>	
Status of the Integrated Transport Plan	<ul style="list-style-type: none"> <li>• Not available</li> <li>• Municipality aims to develop an Integrated Roads and Stormwater Master Plan (must also address O&amp;M issues)</li> <li>• Integrated Roads and Stormwater Master Plan approved</li> </ul>
Council approved service levels in relation to	<ul style="list-style-type: none"> <li>•</li> </ul>



Requirement in terms of the Simplified IDP Framework	Status
the SDF	
Status of arterial roads / internal roads	<ul style="list-style-type: none"> <li>• Access roads are priorities</li> <li>• Streets and stormwater network is too large to operate and maintain properly with available funds</li> <li>• Ageing tar roads became dysfunctional</li> <li>• There is a need to properly maintain gravel roads; but the huge backlog in this regard remains a problem</li> <li>• Some roads are used by heavy vehicles – attention must be given to allocate specific roads to heavy vehicles to keep them out of the CBD areas of the main towns.</li> </ul>
Status of the operations and maintenance	<ul style="list-style-type: none"> <li>• No operation and maintenance plans in place</li> </ul>
Resources / capacity	<ul style="list-style-type: none"> <li>• MIG funds negotiated to address internal roads in settlements</li> <li>• Inadequate internal capacity to properly address needs</li> </ul>
<b>Stormwater</b>	
Approved service level	<ul style="list-style-type: none"> <li>• None</li> </ul>
Areas without the service	<ul style="list-style-type: none"> <li>• Most areas in the municipality has none, or inadequate stormwater infrastructure</li> </ul>
Status with regard to maintenance	<ul style="list-style-type: none"> <li>• No formal plans in place</li> </ul>
Availability of a storm water management plan or system	<ul style="list-style-type: none"> <li>• None</li> </ul>

**Figure / Table 2.21: Analysis of the function in terms of access levels (Streets and Stormwater)**

<b>Roads and Stormwater</b>						
Settlements	Approved service level	Level available in the area?	Maintenance	Included in operation and maintenance plan or schedule?	Intervention required	Status Quo / Risks
<b>WARDEN</b>	6.0km	yes	Municipality is responsible	yes	That more gravel road need to be paved	Regular maintenance on the road network in the region is required. The road condition is deteriorating at a rapid pace and very little maintenance is done due to a lack of funding. It is very important to maintain and upgrade all main routes in order to continue the flow of traffic throughout the area. An emerging fact is that since the drive to curb the overloading of vehicles, secondary roads are more frequented by overloaded trucks to avoid demarcated truck routes. These secondary roads are not designed to carry these loads and are therefore causing damages in a short space of
<b>VREDE</b>	3.5km	Yes	Municipality is responsible	Yes	That more gravel road need to be paved	
<b>MEMEL</b>	2km	yes	Municipality is responsible	yes	That more gravel road need to be paved	



Roads and Stormwater						
Settlements	Approved service level	Level available in the area?	Maintenance	Included in operation and maintenance plan or schedule?	Intervention required	Status Quo / Risks
						<p>time.</p> <p>There are two railway lines operating in the Phumelela vicinity. The one railway line runs from Gauteng, through Standerton, to Vrede. The second railway line connects Warden with Harrismith. No railway line operates near Memel and no air transport takes place within the Phumelela area. There are no airfields or airstrips recorded in Vrede, Memel or Warden. Continued maintenance of tertiary roads is important as it forms the lifeline for the rural community, health, emergency and educational services. In the urban areas the main problem is the poor condition of the streets and storm water drainage in the townships. In most of the townships, streets are in poor conditions with very little water drainage systems. This is not only a problem to the local inhabitants but also complicates effective service delivery, policing, emergency services, public transportation, economic development and accessibility in general. Due to high cost of road construction this problem also has to be resolved in a systematic, integrated and sustainable way.</p> <p>The older roads within Vrede/Thembalihle were tarred in 1992, although now deteriorating at a notable rate. The biggest threat to road maintenance in Vrede is the absence of proper bulk storm water drainage systems. The roads within certain areas of Thembalihle are regarded as the worst in the region. The situation in Memel/</p>



Roads and Stormwater						
Settlements	Approved service level	Level available in the area?	Maintenance	Included in operation and maintenance plan or schedule?	Intervention required	Status Quo / Risks
						Zamani is slightly different; although the roads are also in a fairly poor state, there is sufficient storm water drainage. The main problem in this area is the dilapidated and unsurfaced state of access roads, especially in Zamani. Where both Thembalihle and Zamani have a small portion of tarred ring roads, Ezenzeleni has no tarred roads at all, and only a small section is paved.
<p>MIG funds negotiated to address internal roads in settlements                      Access roads are priorities                      Streets and stormwater network is too large to operate and maintain properly with available funds                      Ageing tar roads became dysfunctional                      There is a need to properly maintain gravel roads; but the huge backlog in this regard remains a problem                      Some roads are used by heavy vehicles – attention must be given to allocate specific roads to heavy vehicles to keep them out of the CBD areas of the main towns.</p>						

**Status of the Integrated Transport Plan**

- No Integrated Transport Plan is in place and the municipality does not have the funds to commission its compilation during the 2012-2017 IDP cycle

**2.2.6 Social Profile**

**Table 2.22: Highest educational level**

Persons	2001	1996
No Schooling	6 744	6 269
Some Primary	7 621	6 646
Complete Primary	1 863	1 554
Secondary	6 184	4 971
Grade 12	3 473	1 928
Higher	1 289	71

(Municipal Demarcation Board, Census 2001)

**Table 2.23: Health Facilities**

ITEM	Vrede	Memel	Warden	Rural Areas
Regional Hospital	Monapo Regional Hospital			
District Hospital	Vrede hospital which is equipped with 32 beds, theatre services, a mortuary (6 corpses) and laundry services.			
Community Health Centre	None			
Fixed Clinics	12			
Mobile clinics	1 team; 20 routes 4 weekly	0	0	0
Vehicles	18 Government vehicles, 2 Subsidised vehicles (includes Harrismith)			
Emergency Medical Services	3	0	2	0
Radiographic Services	Make use of Harrismith Hospital – X-Ray machine and 1 radiographer			
Laboratory Services	Make use of SAIMR (Bethlehem)			
Rehabilitation Services	Services available in QwaQwa			
Drug Depot	None, make use of those in Bloemfontein			
Oral health services	1	0	0	0
Environmental Health Services	Sessions once a month in Warden.			
Nutrition Programmes	Only on District Level			
Pharmaceutical services	1	0	0	0
District Office Seat	QwaQwa			
District Health Services: Personnel	36			
Local Authority: Personnel	44			
Sessional Medical Officers	3	0	0	0
Community Medical Officers	None (Harrismith - 2)			
Full time medical officer	None (Harrismith – 2)			
Administration and support centers	Yes	-	-	-
Health Forums	None			
Voluntary Care Groups	None			
Contract Services	Stationary Purchase of Equipment Service of Equipment Medical Supplies Transport			
Traditional Healer Structure	Yes – 3			

(Phumelela Health Services and Facilities Source: Department of Health, 2002)

There is inadequate sport and social facilities, in the region, and that contributes to the social problems experienced in most of the communities. Unemployed youth loiter in the street and recreational facilities and programs must be implemented to direct their behavior towards active participation and to serve as a deterrent to unsociable and criminal behavior. Sport does have the potential to unite communities across cultural and racial boundaries and all inhabitants must be encouraged to participate in sport and social activities. It is therefore essential to improving on

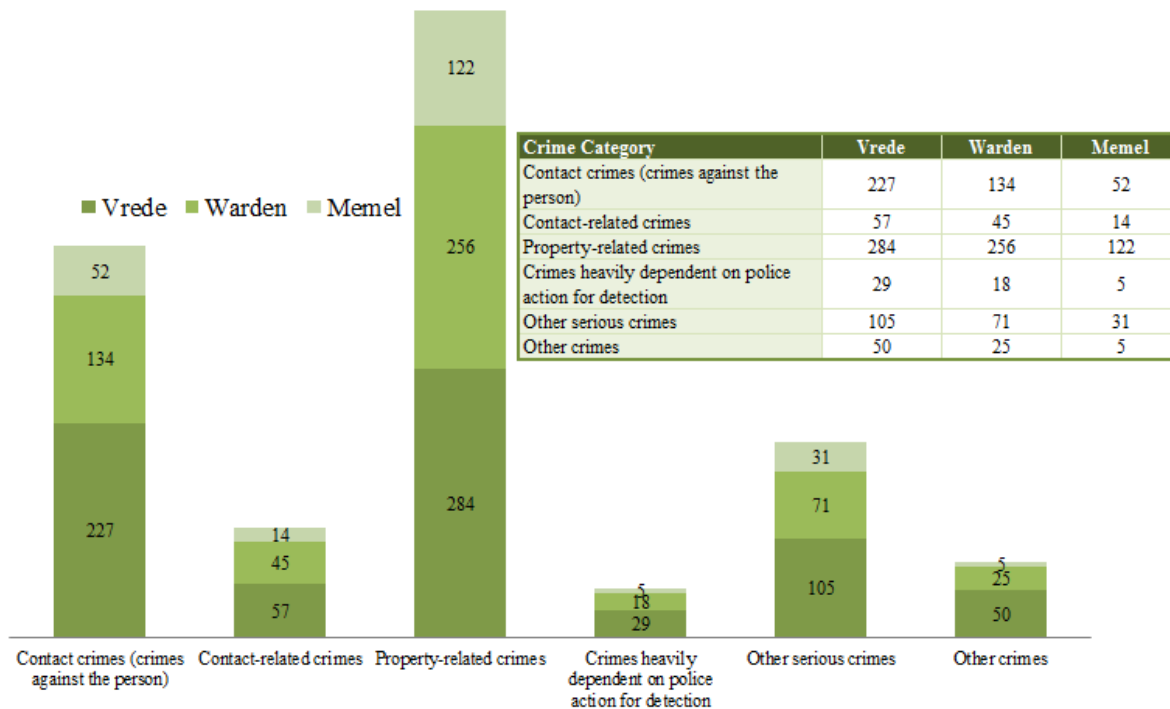
creating the necessary infrastructure and facilities in both urban and rural areas. Although effective recreation activities, such as sport support development, there is only 1 sport centre in the district.

There is no disaster management center in the district. The challenges recorded in the FSPGDS include:

- The transfer of firefighting services to the district municipality
- Establishment of fire protection areas
- Establishment of firefighting services
- Procurement of firefighting equipment

### 2.2.6.1 Safety and Security

**Table 2.24:** Crime profile, Vrede, Warden and Memel (2008/2009)



(Crime Information System, SAPS)

**Table 2.25:** Safety and Security

Unit	South African Police Service	Flying Squad	Neighbourhood Watch	Detective Unit
Vrede	Yes	No	Yes	Yes
Thembalihle	Yes	No	No	Yes
Memel	Yes	No	No	Yes
Zamani	Yes	No	No	Yes
Warden	Yes	No	No	Yes
Ezenzeleni	Yes	No	No	Yes

(Safety & Security Source: Phumelela Municipality, 2002)

According to the Municipality's Spatial Development Framework<sup>1</sup>, the following trends are evident in the Phumelela Municipal area:

- Within the urban areas, crimes associated with alcohol abuse and vandalism is on the increase;

<sup>1</sup> SDF, 2008 review

- Housebreaking in Warden and Memel is increasing;
- Within Warden an increase in rape and truck hi-jacking is taking place owing to the high transport industry within the area; and
- Within the rural areas, stock theft is constantly increasing and personal attacks on farms are emerging.

### 2.2.6.2 Cemeteries and Graveyards

Cemeteries and Graveyards	
<b>Phumelela LM</b>	<p>Cemeteries form part of authorizations for implementation by local municipalities in the district. The general management of cemeteries is a problem and in most cases there is a lack of funds to ensure effective maintenance and care of cemeteries. The high rate of HIV and AIDS in the region is reaching alarming proportions and need to be considered in the planning for cemeteries. In general the combination of old cemeteries and the increase in the number of local deaths (caused by HIV/AIDS and burials from other areas with insufficient cemeteries) is increasing the pressure on the existing facilities. In Vrede the two cemeteries, currently in use, are completely full and not properly developed.</p> <p>A site of approximately 5 hectares has been provided in Extension 4 and the speedy development thereof should be sufficient for short-term future demand. The cemeteries found in Zamani are completely occupied while the cemetery in Memel has sufficient space at the current rate of occupation. Within Ezenzeleni there are two cemeteries, of which one is already reached maximum capacity and the other is expected to be filled completely during the current financial year. The cemetery in Warden has sufficient space available for future demand.</p> <p>The bulk electrical network is well established specifically around Thabo Mofutsanyane area. Eskom serves all towns in the District Municipal area and therefore sufficient bulk infrastructure is available to service the whole area. However, a change in cost recovery and the current subsidization policy has made it very expensive to electrify the rural areas, which include farms and farming communities that are in need of basic power supply.</p>





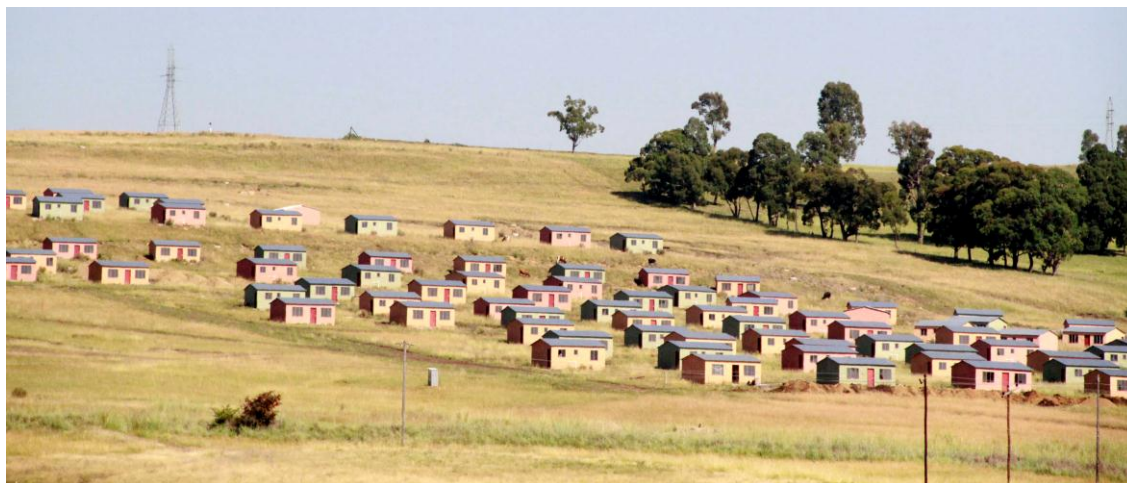


### 2.2.6.2 Housing

Table 2.26: Access to housing

Percentage distribution of households by type of main dwelling			
Indicator		Census 2001	Census 2007
House or brick structure on separate stand or yard		53.7	63.0
Traditional dwelling Structure made of traditional materials		22.6	15.9
Flat in block of flats		0.4	0.3
Town/cluster/semi-detached house (simplex, duplex, triplex)		0.3	0.9
House/flat/room in backyard		2.0	2.8
Informal dwelling / shack in backyard		4.7	4.8
Informal dwelling / shack not in backyard-e.g. Informal/squatter settlement		15.7	9.6
Room/flatlet not in backyard but on a shared property		0.5	0.8
Caravan or tent		0.2	
Other		0.0	2.0

(Source: Community Survey, 2007)



## 2.3 Economic Profile (Local Economic Development)

When the economic profile of the Phumelela municipal area is considered, the approach followed in formulated the National Housing Atlas could be mirrored, which is as follows: Two indices of economic potential were formulated:

- ❑ a formal economic potential index and an informal employment index. The formal economic potential index was derived from combining existing and trend information of Gross Value Added (GVA) and formal employment numbers. In addition to the total economic potential index, a disaggregated index for each of three types of economic activity was prepared: predominantly labour-intensive, mass-produced goods, predominantly high value differentiated goods and services.
- ❑ The informal employment index was derived only from existing and trend employment figures as informal activity by its very nature is excluded from any measures of GVA.
- ❑ Only 34,8% of Phumelela’s population is formally employed. However, if categories such as homemaker or housewives, pensioners and retired persons and those that chosen not to work are added to the 34,8% it adds up to 69,74%. Unemployment nevertheless remains a critical challenge in the municipal area.

Agriculture is the main economic activity in the town. Others of importance are private households, wholesale, retail and community and social services. If these statistics are analyzed, it is clear that, additional to agriculture, the only meaningful job opportunities in the area are provided by private households (for domestic workers) and by the shops and other businesses in the main towns. The ability of the Phumelela Municipality to create additional employment opportunities is also limited.

No major industrial developments are taking place in Phumelela. The promotion of agri-processing plants and other value adding industries should be encouraged in order to diversify the economy of the area. Warden is thought to be an ideal area to stimulate most of these investments, because of its warehousing facilities and larger and better-managed truck stops. One of Memel's largest industrial assets is the knitting factory situated to the north of Memel. Other industrial activities include a woodwork factory, transporters and steel works; all of which is aimed at satisfying local market needs.

Currently there are no facilities available for the development and training of skills. The promotion of skills development programmes locally are a crucial part of industrial and general employment stimulation. The utilization of existing facilities (e.g. land, buildings, and railways) for industrial promotion purposes is important.

**The population of the area is very poor.** Excluding those returns where no conclusion could be made (“not applicable”), 83,47% of the employed population has an income of R1,600 per month or less. Add to that the 65% of the population that is either unemployed or not economically active, the poverty levels in the area became apparent.

An alarmingly high percentage of the Phumelela population reflects no income, implying extremely high poverty levels. Statistics indicate that at least 68 % of the population is poor.

**Table 2.27: Employment Status**

Census 2001 by municipalities and official employment status		
Employed	10,585	34.81%
Unemployed	5,540	18.22%
Not economically active	14,285	46.97%

(Source: Census 200, Stats SA1)

Agriculture is the main economic activity in the town. Others of importance are private households, wholesale, retail and community and social services. If these statistics are analyzed, it is clear that, additional to agriculture, the only meaningful job opportunities in the area are provided by private households (for domestic workers) and by the shops and other businesses in the main towns. The ability of the Phumelela Municipality to create additional employment opportunities is also limited.

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The northern boundary of the Eastern Free State forms part of the Highlands tourism route, due to its natural and scenic beauty, historical value and fairly good accessibility. The area has a tremendous potential for tourism development. The Seekoeivlei wetlands bird sanctuary forms part of the tourist attractions. A conservation area is planned between the two dams of Vrede.



## 2.4 Public Participation & Good Governance

The Municipality faces several challenges in optimizing its response capacity over the last couple of years. Some of the most noticeable of these were the following:

- ❑ Key senior positions were vacant, including those of the Municipal Manager, the Manager Administration, the Chief Financial Officer and the Manager Technical Services. The post of Chief Financial Officer is currently vacant again after it has initially being filled for a short period of time.
- ❑ The Municipality was faced with the challenge to implement several key local policies at a time when it was most vulnerable due to personnel vacancies. These include the municipal planning systems prescribed in Chapters 4 and 5 of the Municipal Systems Act, 2000. In summary, the initiatives of the Municipality in this regard could be summarized as follows:

**Table / Figure 28: Legislative Regulation: Institutional**

<b>Integrated Development Planning</b>	The Municipality is currently engaged in a process of streamlining its IDP and related planning activities in order to improve the credibility of its strategic planning documents.
<b>Organisational Performance Management System</b>	<ul style="list-style-type: none"> <li>☒ Finalisation of the Municipal Service Delivery and Budget Implementation Plan.</li> <li>☒ Finalisation of the 3-5 Year IDP Implementation Plan.</li> <li>☒ Design and implementation of a municipal performance scorecard.</li> <li>☒ Streamlining of the contents and processes for the compilation of quarterly, mid-year and annual performance reports.</li> </ul>
<b>Individual Performance Management System</b>	<ul style="list-style-type: none"> <li>☒ Implementation of the Regulations for the Performance Management of the Municipal Manager and Managers directly accountable to the Municipal Manager, 2006</li> <li>☒ Finalization of Performance Agreements for section 57 managers.</li> <li>☒ Preparation of annual Performance Plans for senior managers.</li> <li>☒ Annual evaluation of the performance of section 57 managers.</li> </ul>

No system for the measuring of productivity is in place. The municipality's strategic plan should be implemented simultaneously with the IDP, after finalisation. The IDP Specialised Plan namely the Performance Management System, will allow for increased productivity and measuring of performance to the lowest job level in the organisation. An electronic management information system, which allows for budget and votes allocation control, but could be utilised more effectively. Management Support Team: No Management Support team is appointed to assist the municipality.

**Table 2.29: Assessment of Public Participation and Good Governance**

Issue	Compliance	Comments
Internal Audit function	✓	An Internal Auditor has been appointed in 2011. One additional post is vacant, which will be filled as a priority consideration.
Audit Committee	✓	Shared service with the district.
Oversight Committee	✓	The Municipality has consistently followed the oversight process prescribed in section 129 of the MFMA and MFMA Circular No. 32 over the last three years. Oversight reports have been produced.
Ward Committees	✓	Ward committees have been established in all wards, and monthly meetings are conducted.
Council committees	✓	The municipality is a plenary type of municipality, although it's status is currently being changes to an executive type municipality.
Supply Chain Management	✓	All relevant financial and management committees will be



Issue	Compliance	Comments
committees		introduced as part of the comprehensive organizational renewal action plan that is currently being implemented. The members of the Bid Evaluation Committee are: <ul style="list-style-type: none"> <li>• Miss Fikile Khumalo – Procurement Officer</li> <li>• Mr. Gerson Nthompe – Project Management Unit Manager (Chairperson)</li> <li>• Miss Rachel Lebona – Income Accountant</li> <li>• External Specialist Advisor (if required)</li> </ul> Members of the Bid Adjudication Committee: <ul style="list-style-type: none"> <li>• Mr. Moses Moremi – CFO (Chairperson)</li> <li>• Mr. Jossy Ralebenya – Director Corporate Services</li> <li>• Mr. Hope Mthembu – Director Technical Services</li> </ul>
Complaints Management System	✘	Not in place
Fraud Prevention Plan	✓	Fraud and Anti-Corruption Strategy has been approved by Council
Communication Strategy	✓	A Communication Strategy, which incorporates a community participation part, has been approved by Council
Public Participation Strategy	✓	



## 2.4.1 Priority Risk Issues

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- Lack of financial capacity
- The non-submission of annual financial statements will be addressed as a matter of the highest priority.
- The budget and reporting systems and procedures of the Municipality will be aligned with statutory and policy formats and requirements.
- Greater interaction and co-operation with the district municipality is a priority of the Council.
- No audit committee are in place
- No funds are allocated for spatial development due to budget constraints
- A major weakness of the municipality is that no financial statements were submitted for the past 3 financial years
- There are no internal audit committee

## 2.4.2 Governance Issues

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### *Political Management*

The Phumelela Local Municipality was established in terms of Section 14 of the Local Government: Municipal Structures Act, Act No 117 of 1998) and was published in Provincial Gazette No 109 dated 28 September 2000. The new Local Municipality is a category B Municipality with a plenary executive system as contemplated in Section 3(b) of the Determination of Types of Municipality Act, 2000 (Act No 1 of 2000).

### *Council Functioning*

The powers and function assigned to the Municipality are stipulated in sections 156 and 229 of the Constitution and Sections 83 and 84 of the Local Government: Municipal Structures Act, 1998. There are 14 Councillors with the speaker and plenary being full time. The organizational structures and levels of administration and existing human resources are indicated in the diagrams in this Chapter. The Council meets 6 times per annum and special council meeting take place as the need may arise. Management meets weekly. The political groupings in the Council are mainly as follows:

- a) ANC (Majority)
- b) Democratic Alliance
- c) Freedom Front plus
- d) PAC

To investigate all matters with reference to the relevant department and to make recommendations to Council via the Mayoral Committee which include:

- Centralization of administration
- Human resources
- Rendering of Services
- Integrated Policies and By-laws
- Integrated financial and IT systems
- Integrated financial management
- Administration infrastructure



- Stationary and printing
- Creation of new identity
- Integrated Development Plan

**Policies and legislative requirements**

**Table 2.30: Policies and legislative requirements**

Item	Status Indicator
Language Policy	Not yet available. Inadequate funds to address at in this IDP.
Integrated Development Plan	Reviewed – finalized.
Municipal Code (councillors and employees)	Finalized.
Guidelines for Community Participation	Finalized.
Delegation of Powers	Finalized. To be reviewed annually.
Election of Speaker, Mayor and Mayoral Committee Members	In place.

## 2.5 Institutional Development and Transformation

The Municipality faces several challenges in optimizing its response capacity over the last couple of years. Some of the most noticeable of these were the following:

- The Municipality was faced with the challenge to implement several key local policies at a time when it was most vulnerable due to personnel vacancies. These include the municipal planning systems prescribed in Chapters 4 and 5 of the Municipal Systems Act, 2000. In summary, the initiatives of the Municipality in this regard could be summarized as follows:

**Table / Figure 2.31: Legislative Regulation: Institutional**

<b>Integrated Development Planning</b>	The Municipality is currently engaged in a process of streamlining its IDP and related planning activities in order to improve the credibility of its strategic planning documents.	<i>3-year period:</i> 2009/10-2011/12
<b>Organisational Performance Management System</b>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Finalisation of the Municipal Service Delivery and Budget Implementation Plan.</li> <li><input checked="" type="checkbox"/> Finalisation of the 3-5 Year IDP Implementation Plan.</li> <li><input checked="" type="checkbox"/> Design and implementation of a municipal performance scorecard.</li> <li><input checked="" type="checkbox"/> Streamlining of the contents and processes for the compilation of quarterly, mid-year and annual performance reports.</li> </ul>	<i>Initial implementation:</i> 2007/08 – 2008/09 <i>Streamlining:</i> 2009/10-2011/12
<b>Individual Performance Management System</b>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Implementation of the Regulations for the Performance Management of the Municipal Manager and Managers directly accountable to the Municipal Manager, 2006</li> <li><input checked="" type="checkbox"/> Finalization of Performance Agreements for section 57 managers.</li> <li><input checked="" type="checkbox"/> Preparation of annual Performance Plans for senior managers.</li> <li><input checked="" type="checkbox"/> Annual evaluation of the performance of section 57 managers.</li> </ul>	<i>Initial implementation:</i> 2008/09 <i>Streamlining:</i> 2009/10-2011/12

No system for the measuring of productivity is in place. The municipality’s strategic plan should be implemented simultaneously with the IDP, after finalisation. The IDP Specialised Plan namely the Performance Management System, will allow for increased productivity and measuring of performance to the lowest job level in the organisation. An electronic management information system, which allows for budget and votes allocation

control, but could be utilised more effectively. Management Support Team: No Management Support team is appointed to assist the municipality.

**Table 2.32: Assessment of Institutional Development and Transformation Requirements**

Issue	Compliance	Comments
Availability of key staff	✓	<p>Key vacancies</p> <ul style="list-style-type: none"> <li>• Town Planner (in terms of report from COGTA)</li> <li>• IDP Manager</li> <li>• Municipal Manager</li> <li>• HR Manager</li> </ul> <p>Several key management positions, as well as key operational staff positions filled:</p> <ul style="list-style-type: none"> <li>• Budget and Treasury Manager</li> <li>• SCM Manager (interviews have been conducted)</li> <li>• Fleet officer</li> </ul> <p>Other important vacancies:</p> <ul style="list-style-type: none"> <li>• Director Community Services</li> <li>• Town Planner (in terms of report from COGTA)</li> <li>• IDP and PMS Manager</li> <li>• Municipal Manager</li> <li>• HR Manager</li> <li>• Electrician</li> </ul>
Organizational Structure	✓	The organizational structure has been reviewed in 2011. However, an in-depth review is currently planned to co-inside with the comprehensive Municipal Organisational Development processes underway.
Skills Development Plan	✓	The Municipality has prepared and submitted reports in respect of the Skills Development Plan as legislatively required.
HR Strategy	✓	The HR Strategy has been approved by Council and is reviewed annually.
Individual and Organisational Performance Management System	✓	Both an individual, as well as an organizational performance management system has been introduced and the PMS Policy is reviewed annually.
Monitoring, evaluation and reporting systems and processes	✓	The M&E systems of the Phumelela Local Municipality makes provision for measuring IDP targets by relating these targets to the in-year key performance indicators and targets in the Service Delivery and Budget Implementation Plan (SDBIP). Quarterly performance assessments are then conducted, whereby actual performance for the quarter is measured against targets for the same period. This result in quarterly performance reports to Council, the issuing of the mid-year budget and performance report and ultimately the Annual Report.

**Table 2.33: Policies and legislative requirements**

Item	Status Indicator
Human Resource Policy	Available
Election of Speaker, Mayor and Mayoral Committee Members	In place.
HIV/AIDS Policy	Not yet finalized. Inadequate funds to address at in this IDP.
Communication Policy	Approved by Council in 2008/09 financial year.
Sexual Harassment Policy	Not yet finalized. Inadequate funds to address at in this IDP.



## 2.6 Financial Viability and Management

The Municipality was faced with the challenge to implement several key local policies at a time when it was most vulnerable due to personnel vacancies. These include the implementation of a revised financial management framework, as prescribed in the Municipal Finance Management Act, 2003. In summary, the initiatives of the Municipality in this regard could be summarized as follows:

<b>Implementation of the MFMA</b>	<ul style="list-style-type: none"> <li>☒ Risk Management systems and procedures.</li> <li>☒ Implementation of the Budget and Reporting Regulations for Municipalities</li> <li>☒ Implementation of supply chain management policies, structures and procedures.</li> <li>☒ Revenue, debtor and creditors management policies and procedures.</li> </ul>	<i>Ongoing</i>
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**Table 2.34:** Policies and legislative requirements

Item	Status Indicator
Tariff Policy	<i>Approved by Council in 2008/09 financial year.</i>
Competitive Bidding System	<i>Available.</i>
Credit Control and Debt collecting System	<i>Approved by Council in 2008/09 financial year.</i>
Procurement (Tender) Policy	<i>Not yet finalized. Inadequate funds to address at in this IDP.</i>
Cash Management and Banking Arrangement Policy	<i>Not yet finalized. Inadequate funds to address at in this IDP.</i>
Investment Policy	<i>Not yet finalized. Inadequate funds to address at in this IDP.</i>
<i>Compilation of annual financial statements</i>	<i>Available</i>

### 2.6.1 Auditor-General's Findings

The municipality received an adverse audit opinion from the Auditor-General for the 2010/11 financial year's statements. The following were some of the main issues raised in the Audit Report:

- Issues related to receipts from a trust of which the municipality is the sole beneficiary, but that is currently under investigation.
- Issues related to accumulated surpluses: The differences between the amounts declared in the trail balance and the amount disclosed as accumulated surpluses from exchange transactions, numerous instances of variances between the opening balances as reflected in the current year trail balance and the balances as per the audited financial statements and insufficient appropriate supporting documentation for adjustment journals relating to prior period arrears.
- Non-compliance with GRAP and accounting policies.
- Issues related to irregularities discovered in terms of trade and other payables from exchange transactions.
- Non-compliance with acceptable financial and disclosure practices in terms of property, plant and equipment.
- Investment property not properly recorded and reported.

- Incorrect classification and reporting of non-current assets held for sale.
- Inadequate supporting documentation to verify financial assets reported in the annual financial statements.
- Insufficient appropriate audit evidence to support journal entries in respect of value-added-tax.
- Other instances where inadequate audit evidence were available, or required and acceptable accounting practices were not followed in respect of provisions for the rehabilitation of landfill sites, employee benefits, long-term liabilities, expenditures, inventory and leases.
- Incorrect recording of financial transactions, such as employee costs, on the financial statements.

## **2.6.2 Priorities Issues related to Financial Viability and Management**

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1. Training of all finance officials in the use of the financial system (ABAKUS) (Data cleansing will be critical)
2. Ensure that all critical vacant positions in the Finance Department are filled: SCM Manager, Budget and Treasury Officer, Senior Debtors Clerk (3 temporary personnel appointed on a month-to-month basis to fulfill the vacant clerical roles)
3. Establish an independent credit and debt management unit (10 officials)
4. Draw up an Action Plan to address the audit queries
5. Sourcing capacity-building interventions from Provincial Treasury and COGTA
6. Measures to avoid over-expenditure
7. Establishment of IT infrastructure and accessibility of Internet connections to all staff members are critical for Finance to perform its functions

