

High Level Sector Plans (SDF)



SECTION

4.1 Spatial Development Framework

The Phumelela Spatial Development Framework can be categorized into the following development categories:

- Primary Urban Development areas;
- Agricultural Development Area;
 - Intensive area;
 - Extensive area;
 - Urban area.
- Enabling framework of linkages and nodal development; and
- Tourism development.

The **objectives** of the Phumelela Spatial Development Framework are as follows:

- To develop a spatial pattern which will promote integration of all communities
- To promote an environment which will contribute and facilitate local economic growth and be compatible with the needs of small, micro and medium enterprises
- To stimulate agricultural development
- To ensure that existing infrastructural services are maximized to the benefit of all the residents
- To develop a spatial framework which accommodates the diverse socio-economic needs of the local communities and potential investors
- Promote the sustainable use of land and resources
- Channel resources to areas of greatest need and development potential, thereby redressing the inequitable historical treatment of marginalized areas
- Take into account the fiscal, institutional and administrative capacities of role players, the needs of the community and the environment
- Stimulate economic development opportunities in rural areas
- Support the equitable protection of tenure and land use rights
- Promote accountable, open and transparent decision-making in terms of land use and development
- Improve co-operative governance and information sharing

How does the Plan relate to the status quo analysis?	The SDF make provision for the integration of communities, but this is a long-term objective, because the lack of adequate resources makes it impossible for the municipality to launch large-scale initiatives and projects on its IDP to achieve the objective. The aim is to make provision on the IDP for settlement and spatial utilisation patterns that will gradually enable the municipality to achieve this aim. Current spatial and land utilization practices supports this aim, and new human settlement areas are already situated closure to existing commercial and economic centers.
Relation to strategic objectives	The strategic objectives of the municipality are formulated to reflect the spatial formations suggested in the SDF. Water, sanitation, electricity, refuse removal, housing and local economic planning are done in terms of the spatial guidelines of the SDF.
Programmes and Projects	A comprehensive list of long, medium and short term SDF projects has been developed and approved by Council on 31 March 2012.

The Municipality's SDF has been revised and approved by Council on 31 March 2011

4.2 Municipal Waste Management Plans

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 Pamponspruit, 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.

Currently a huge problem with regard to integrated waste management is the fact that, although there are adequate personnel available, disposal sites are not equally well managed throughout the Phumelela municipal area. The possibility of recycling in the area has been investigated, and a service provider has been identified to assist the Municipality in this regard.

The Municipality has taken various initiatives to ensure sound management of waste management in its area of jurisdiction. These are prescribed below:

Table / Figure 5.3: Waste Management Requirements

Vrede	<input type="checkbox"/> Disposal sites must be less than 500m from residential areas. <input type="checkbox"/> Meetings were conducted with the community to ensure buy-in in respect of the re-allocation of disposal sites. <input type="checkbox"/> A new site has been identified, which is on the Rietkuil Road; 2.5 kms from town. A decision has been taken to budget R500 000 in the 2009/10 budget for this purpose.
Warden	<input type="checkbox"/> The disposal site is currently on private land, and (following a court case in this regard) it must be relocated. However, no agreement regarding the site for possible relocation has been reached. The area initially identified by the Municipality not approved. A decision has been reached to appoint advisors to assist with the investigation into the issue.
Memel	<input type="checkbox"/> Disposal site comply with basic requirements.

In the absence of an integrated Waste Management Plan, the waste management strategy of the Municipality is described in the strategy formulation section of this IDP; within its context of national, provincial and sectoral integration requirements. In summary, that approach could be explained as follows:

The Municipality's waste management strategies are driven by the following principles:

Sustainable Living

Municipalities are in a unique position to encourage the kind of lifestyle choices that will promote sustainable living. They can achieve this by taking into account economic, social and natural environmental factors in their decisions and the activities that they undertake.

Economic Incentives

Recycling is an activity that needs both financial and logistical support, especially in the early stages of an initiative, if it is to be successful and sustainable. Such support could include the following:

- Direct cash payment in return for materials delivered or collected e.g. at a buy back facility
- Subsidies for collection and transport of materials for recycling

- Tax incentives, including tax exemption for recyclers who purchase new recycling equipment; low interest loans for purchase of recycling capital equipment; landfill charges or taxes; and raw material charges.
- Enhancing market conditions for recycling by ensuring the supply of recyclable materials and simultaneously stimulating demand for products made from recycled materials.

Regulations

Government might set targets to promote recycling. Although there is currently no law requiring recycling, future recycling targets might be regulated by law. Such targets should set realistic levels of recycling within achievable timeframes and be agreed in consultation with the key role-players in the recycling chain.

The Phumelela Local Municipality's response to the demands for integrated waste management planning is as follows:

(1) Review the regulatory guidelines for waste management in the area

The Municipality will review its by-laws, policies, strategies, plans and programmes related to waste management in order to ensure that it is in line with the National Waste Management Strategy and Action Plan and to ensure that there is a sound and effective statutory framework in place for waste management practices in the municipality. It is envisaged that the integrated statutory framework will ultimately address the waste management needs of the municipality holistically.

(2) Conduct a comprehensive waste situation analysis

The Municipality will conduct a comprehensive analysis and survey of the waste situation, challenges, constraints and actual waste disposal capacity in the area. The aim will be to obtain accurate and reliable data that could be used to inform the envisaged by-laws, programmes and strategies aimed at effective and environmental friendly waste disposal.

Such a survey would address the following issues:

- A Gaps and Needs Analysis.
- A Waste Generation Model.
- Economic Analysis of Options concerning Landfill Sites.
- Collection Needs.

(3) Awareness campaigns

The Municipality plans to make extensive use of awareness campaigns as an inexpensive way of working towards achieving its waste management objectives.

The Municipality intends to set up a data-base with the aim of keeping records of all waste management and waste disposal statistics, as required by the National Waste Management Strategy, as soon as the necessary administrative capacity is in place.

The Municipality is planning to gradually introduce and popularize waste recycling initiatives. However, due to resource and capacity constraints, these initiatives will for the short and medium term focus on awareness creation.

The Municipality does not currently have the resource and budget capacity to invest in alternative waste collection and transportation. The immediate focus will be to sustain current levels of services and make the community aware of the importance of sustainable waste collection practices.

Given the current capacity limitations of the Municipality, short to medium term strategies will focus on developing and implementing a waste classification system. In this regard, mention could be made of the following categories of waste¹:

Solid Waste is waste of a solid nature generated by a person, business or industry.

Domestic solid waste (General Waste) is solid waste generated by single or multifamily residential dwellings, and solid waste of a non-hazardous nature, generated by wholesale, retail, institutional or service establishments such as office buildings, stores, markets, restaurants, theatres, hotels, warehouses, industrial operations and manufacturing processes.

Hazardous waste is any waste which by reason of chemical reactivity, or toxic, explosive, corrosive or other characteristics causes danger or is likely to cause danger to human health or the environment, whether alone or in combination with other wastes. Hazardous waste is categorized in four hazard ratings with 1 being the most hazardous and 4 being the least hazardous.

Medical waste is any waste generated by hospitals, clinics, nursing homes, doctor's offices, medical laboratories, research facilities and veterinarians, which are infectious or potentially infectious.

Special waste is a non-hazardous waste, which due to its nature requires special or separate handling at a sanitary landfill. Special wastes include but are not limited to tires, asbestos, demolition waste, industrial sludges of a non-hazardous nature, paper mill sludge, olive oil waste, abattoir wastes and petroleum waste oil.

In terms of waste disposal sites, the short to medium term emphasis of the Municipality will be on solving issues related to the location of landfill sites (too close to urban areas)² and the fact that some landfill sites are located on private property.

The Municipality's capacity constraints do not allow it to fully comply with all the requirements mentioned above. However, once the current challenges relating to the existing landfill sites are resolved, the Municipality will amend its waste management strategies to ensure a gradual introduction of initiatives aimed at ensuring full compliance.

4.2.1 Alignment with the requirements of the Framework for simplified IDPs

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none"> • The municipality aims to address the gap between the national target for access to waste removal and the access levels in the municipality, but a shortage of resources is a critical challenge in this regard. • The municipality has invested in long-term initiatives to relocate the landfill sites in order to prevent legal action and to facilitate the licensing and registration of landfill sites.
Relation to strategic objectives	<ul style="list-style-type: none"> • The municipality needs to promote safe waste management practices in order to prevent hazardous risks that may prevent the municipality from achieving targets related to water, sanitation and a safe and secure environment.
Programmes and Projects	<p>The municipality has included the following objectives in this IDP:</p> <ul style="list-style-type: none"> • aims to achieve the target of the national government in terms of access to refuse removal; and • relocation of one landfill site.

¹ *Integrated Waste Management Master Plan - June 2003 (Amajuba Municipality)*

² *The waste disposal site in Memel is situated near the Pampoenspruit and holds a danger of polluting the Seekoeivlei wetland. This site will have to be relocated within the near future.*

4.3 Disaster Management Plan

In March 2008 the Disaster Management Plan was reviewed. During the work session, the following was outlined:

- Disaster management must deal with proactive and reactive maintenance of possible disaster areas.
- It was also noted that the District Municipality should play more of an active role in assisting the local Municipalities.

The following was identified by the participants:

Steps for Incidents:

- Create ground "0" meaning to vacate the disaster area
- Inform affected communities regularly
- Assess regularly

Operational Structure of the Disaster Management Committee:

- Mayor
- Emergency services
- Police
- Hospitals
- Community based organizations

Risk Response

Proactive:

Pro-action refers to determining possible disasters, maintaining the area and educating the public on possible disasters. Disasters were further classified into the following:

NATURAL DISASTERS:

- Floods
- Fire
- Snow
- Storms
- Disease/s
- Drought
- HIV/Aids

The Municipality is especially exposed to fires, soil erosion, the indiscriminate destruction of natural vegetation and storms as major potential sources of disasters. Especially in Thembalihle the houses are old and not properly constructed, and therefore especially exposed to storms.

Other disasters that impact directly on the budget of the municipality include:

- (1) Motor vehicle accidents.
- (2) Livestock that graze in residential areas.
- (3) Sewerage spill-over into the Cornelius River.
- (4) A water tank that is not properly maintained and is causing unnecessary water losses.

Susceptibility and Vulnerability Assessment

Susceptibility

The susceptibility of an area to a particular emergency, hazard or disaster refers to the likeliness of such an event actually happening in that particular area. Physical characteristics, spatial structure and historical occurrence all determine the likeliness of a disaster or the susceptibility to a disaster. As an example, an area which has never received any snowfall will be less susceptible to snow hazards than areas who have frequently experienced heavy snow in the past. As most of these disasters are unpredictable to a large degree, the relative susceptibility is indicated within the Prevention and Mitigation framework as an expression of high, medium or low susceptibility.



Furthermore the susceptibility to a particular disaster could differ across the geographical area of the municipality. The specific areas most susceptible to a disaster are also indicated within the Prevention and Mitigation framework.

Vulnerability

Vulnerability refers to (a) the possible extent of loss in lives and property in an area, should a disaster occur and (b) the ability of a community of the particular area to adapt to or deal with the occurrence of such a disaster.

The locality of a community in relation to a potential flood would be an indication of a high vulnerability.

Furthermore the availability of emergency response services to a community also determines its vulnerability.

Where a community with a high susceptibility to a disaster is a considerable distance from such emergency services the vulnerability of that community would be considered high.

Table 5.4: Risk and Vulnerability Assessment

Type of Incident	Areas to be affected	Probability	Consequences
Floods	Zeekoeivleipoort Lincolnshire Mont Pelaa Merinodal Verkykerskop Hlomisa Thembalihle Warden Aanvang Jachtkop County Claire Vaalkop Paardeplaats Oudewoning Koefontein Memel	40%	People without shelter Damages to infrastructure Disruption of economy of municipality Deaths Vegetation destroyed Transportation disrupted Roads inaccessible No telecommunication
Heavy Snow	Zeekoeivleipoort Lincolnshire Mont Pelaa Merinodal Verkykerskop Hlomisa	30%	People cut off from others Residents cut-off from food supplies Telecommunication disrupted Damages to infrastructure Residents cut-off from medical care Deaths Transportation disrupted Roads inaccessible
Veld fires	The whole of Phumelela	100%	People without shelter Animals without gratin Damages to infrastructure Dead animals Disease Residents cut-off from medical care Deaths Residents cut-off from food supplies
Dam Wall Breakages	<u>Vrede/Thembalihle Dam:</u> Farms: Dippenaarsdal 1347 Kelkklip 1326, Mizpah 141, Ziklag 140 <u>Vrede Dam:</u> Squatters in Thembalihle	10%	People drowned People without shelter Damages to infrastructure Residents cut-off from medical care Disease



Type of Incident	Areas to be affected	Probability	Consequences
	Emanzini Resort Private Property around dam <u>Cornelis River: Warden</u> Residents residing on banks of river		
Road Blockages	N3 – Warden	50%	Accidents Detours Delay in people on their way to medical care Water shortages
Transportation: hazardous/toxic substances	All people alongside the route of transportation All other people travelling on the route Towns, i.e. Warden next to N3,	5%	Toxic contamination Injuries Accidents Medical care needed Traffic Control needed Emergency medical care needed
Oxidation Ponds (Vrede)	Residents of Extention 3 Thembalihle	5%	People in aid of medical care People without shelter Damages to infrastructure People in aid of emergency medical care
Airplane crashes	Residents residing in the area where crash occurred	2%	Need of Emergency Medical Care Fire fighting Damages to infrastructure Traffic control needed Temporary shelter needed
Road accidents	People using the road	50%	Need for emergency medical care Transportation needed Traffic Control needed Fire fighting needed
Stock disease (Foot & Mouth)	Animals in the areas where the disease occurred	30%	Need of Veterinary care Need of medical care
Civil Violence	All people in area where civil violence occurred	10%	Need of assistance of Safety & Security Need for Emergency medical care Temporary shelter needed
Droughts	All people and animals in area where drought occur	30%	Need for food and grazing Need for Water Dead Carcasses Lack of nutrition

Prevention and Mitigation (Contingency Plans)

The responsibility of the municipality is not only to react to disasters, but to ensure that a potential disaster is prevented. These prevention strategies are indicated within the Disaster Management Act, Act 57 of 2002, section 47:

“(1) A municipal disaster Management centre, to the extent that it has the capacity, must give guidance to organs of state, the private sector, non-governmental organisations, communities and individuals in the municipal area to assess and prevent or reduce the risk of disasters, including-

(a) ways and means of-

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- (i) determining levels of risk
- (ii) assessing the vulnerability of communities and households to disasters that may occur
- (iii) increasing the capacity of communities and households to minimise the risk and impact of disasters that may occur, and
- (iv) monitoring the likelihood of, and the state of alertness to, disasters that may occur;
- (b) the development and implementation of appropriate prevention and mitigation methodologies;
- (c) the integration of prevention and mitigation methodologies with the development plans, programmes and initiatives; and
- (c) the management of high-risk developments
- (2) A municipal Disaster Management Centre must promote formal and informal initiatives that encourage risk-avoidance behavior by organs of state, the private sector, non-governmental organisations, communities, households and individuals in the municipal area.”

4.3.1 Alignment with the requirements of the Framework for simplified IDPs

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none"> • The municipality’s exposure to risks, with specific reference to veld fires (and then specifically in the rural areas) must be combatted through the interventions planned in the disaster management plan. This element is a priority for the farming community in the municipality, but the role of the municipality is complicated by the lack of resources and the fact that disaster management is in essence a district function.
Relation to strategic objectives	<ul style="list-style-type: none"> • The effective management of disaster has implications for the ability of the municipality to implement, execute and achieve all of its strategic objectives, because it impact directly on the risks that may face the municipality. The one specific strategic objective that is core to the disaster management strategy is to ensure effective firefighting in the Phumelela municipal area. • There has been plans to develop waste recycling capacity in the Phumelela area in previous IDPs, but a lack of adequate resources has prevent this from materializing.
Programmes and Projects	<ul style="list-style-type: none"> • The municipality is planning to train ten firefighters over the next three years, which will assist in alleviating the demand from the rural farming community for the municipality to assist with combatting veld fires. • The municipality is also in the process of improving coordination and communication with the district municipality to synergize disaster management efforts in the area.

4.4 Environmental Management Planning

A major component of this environmental programme is an assessment of the legal requirement necessary for sustainable development in Phumelela. This section constitutes an indication of those requirements.

❑ **The National Environmental Management Act principles:**

Section 2 of The National Environmental Management Act (107 of 1998), or referred to as NEMA, requires all organs of the State to implement and adhere to the principles set out in Chapter one of NEMA. All organs of State also have the responsibility to protect, promote and conserve the needs of the people. NEMA Section 2 also stipulates that the organs of State have to serve as a framework for environmental management and it is their duty to guide the implementation of this Act. It is therefore a prime requisite of the Phumelela local municipality to incorporate this wider environmental analysis.

NEMA sets clear principles for guidance in the stipulation of general principles for the environmental programme (Section 2 of NEMA).

These principles are summarized below:

1). Environmental management must place people and their needs at the forefront of its concern, and serve their physical, psychological, developmental, cultural and social interests equitably.

2). Development must be sustainable socially (people), environmentally (planet) and economically (prosperity).

3). Sustainable development requires the consideration of all the relevant factors, including the following:

- To avoid and minimize:
 - the disturbance of ecosystems and loss of biological diversity
 - the disturbance of landscapes and sites that constitute the cultural heritage
 - pollution and degradation of the environment
 - waste (re-use or recycle)
- The responsible and equitable use of renewable and non-renewable resources
- That a risk prevention approach are taken, and
- The prevention of negative impacts on the environment and on people's environmental rights
- Environmental justice must be pursued so that adverse environmental effects shall not be distributed in such a manner as to unfairly discriminate against any person.

At the core of the NEMA principles are thus primarily the needs of the people, and social, environmental and economical sustainable development. These core guidelines act as excellent indicators when measuring all potential development.

□ Strategic Environmental Assessment principles:

Strategic Environmental Assessment (SEA) aims to ensure that environmental issues are addressed from an early stage in the process of formulating policies, plans and programmes, and incorporated throughout this process. In The development and understanding of SEA will assist in practically implementing sustainability and moving towards a true integration of economic, social and biophysical goals.

Ten principles are proposed for SEA in South Africa. These principles are the fundamental premises underpinning SEA methodologies in South Africa and provide the theoretical base for the development of local SEA processes.

The following is the ten principles of SEA for South Africa:

1. SEA is driven by the concept of sustainability;
2. SEA identifies the opportunities and constraints, which the environment places on the development of plans and programmes;
3. SEA sets the criteria for levels of environmental quality or limits of acceptable change;
4. SEA is a flexible process, which is adaptable to the planning and sectoral development cycle;
5. SEA is a strategic process, which begins with the conceptualization of the plan or programme;
6. SEA is part of a tiered approach to environmental assessment and management;
7. The scope of an SEA is defined within the wider context of environmental processes;
8. SEA is a participative process;
9. SEA is set within the context of alternative scenarios;
10. SEA includes the concepts of precaution and continuous improvement.

□ The Environmental Conservation Act (Act 73 of 1989)

The MEC may, through the Environmental Conservation Act (ECA), identify those activities that will have a detrimental effect on the environment, and those activities will be prohibited. The MEC also has the right to identify areas of limited development for any activities relating to infrastructure, land use or resources. This could be areas with red-data species, wetlands or any other environmentally sensitive areas.

The following table is a summary of the environmental management functions of the different departments and the applicable legislation.

Phumelela Environmental Issues

In order to ensure that the negative impacts of the priority environmental issues are minimized there needs to be a sound understanding of the relationship between the causes and the effects of these issues.

In the following table the various environmental problems associated with the proposed projects, (set out in the analysis phase), are presented, together with the most prominent causes of these environmental problems. The various effects of these environmental problems on the people, as well as the communities/towns being affected by these problems are also presented.

Table / Figure 9: *Environmental problems, causes, effects and people being affected*

Environmental problems, risks and threats	Causes of the problem	Effect(s) of the problem on the environment	People being affected
Cemetery development	<ul style="list-style-type: none"> ▪ Shortage in capacity ▪ Increased number of deaths, due to HIV/AIDS 	<ul style="list-style-type: none"> ▪ Shortage in burial sites ▪ Creates an unhealthy environment ▪ Loss in arable land 	All urban areas
The provision of waterborne sanitation	<ul style="list-style-type: none"> ▪ Population growth, thus increased demand for sanitation systems ▪ Contamination of underground water through the old sanitation systems 	<ul style="list-style-type: none"> ▪ Increase in water use, which leads to a decrease in the resource 	Rural areas Vrede
The upgrading of the refuse sites	<ul style="list-style-type: none"> ▪ Insufficient and unfenced waste disposal sites ▪ Not sufficient capacity ▪ Waste management not effective 	<ul style="list-style-type: none"> ▪ Pollution ▪ Creates an unhealthy environment 	Vrede
Increased water supply	<ul style="list-style-type: none"> ▪ Population growth, thus increased demand for water ▪ Improvement of water supply ▪ Will improve the lives of the people 	<ul style="list-style-type: none"> ▪ Decrease in the water resource 	Vrede Warden
Parks and Sports field development	<ul style="list-style-type: none"> ▪ There is a need for more recreational facilities 	<ul style="list-style-type: none"> ▪ Disturbance of natural resources: trenches will be dug, trees will be cut down ▪ Visual pollution 	All towns
The provision, upgrading and maintenance of transport routes	<ul style="list-style-type: none"> ▪ Poor infrastructure of roads ▪ Neglect of maintenance of roads 	<ul style="list-style-type: none"> ▪ Increase in air pollution (increased amount of private vehicles on roads) ▪ Increase in accidents ▪ Damage to land alongside roads 	All towns
The installation of area lighting	<ul style="list-style-type: none"> ▪ For improved lighting, and safety 	<ul style="list-style-type: none"> ▪ Visual pollution: Erection of towers or masts ▪ Impact on the biodiversity 	Memel Vrede

Environmental problems, risks and threats	Causes of the problem	Effect(s) of the problem on the environment	People being affected
			Warden

Activities/projects that will need an Environmental Impact Assessment (EIA), will be mentioned below. The additional activities not mentioned below, would all require scoping reports.

Activities, which will require an Environmental Impact Assessment (EIA), are:

- The construction of proper infrastructure for water and sanitation services
- The new cemetery sites
- The construction and maintenance of roads
- The construction of infrastructure for electricity
- The establishment of a sports field

4.4.1 Alignment with the requirements of the Framework for simplified IDPs

How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none"> • Landfill and waste disposal sites that are too close to residential areas, illegal refuse dumps and waste water management practices that endanger water sources are some of the issues in the Phumelela area that necessitates the formulation and implementation of an Integrated Environmental Management Plan.
Relation to strategic objectives	<ul style="list-style-type: none"> • Development of legislatively compliant and environmentally friendly waste disposal sites. The municipality will gradually relocate current waste disposal sites and improve the management thereof to ensure that the negative environment impact thereof is limited. • The strategic aim is to promote environmental health by the way in which the waste disposal function is managed.
Programmes and Projects	<ul style="list-style-type: none"> • The municipality adheres to the requirements for environmental impact studies where projects are undertaken that may potentially have a negative impact on the environment. • Awareness campaigns regarding environmental issues have been included in previous IDPs, but a lack of adequate resources has prevented the effective implementation thereof. However, the concept is still part of the municipality's long-term programme of action.





4.5 Infrastructure Investment Planning

The municipality does not have an updated Infrastructure Investment Plan. It has developed a document with guidelines to inform infrastructure investment planning in the area for the purposes of compiling the IDP.

These are as follows:

Table 5.7: Infrastructure

Priority	Issue	Targeted for infrastructure investment over the next five years	Short description of main infrastructure issues / considerations
1	Water and sanitation	Yes	<input type="checkbox"/> Ageing infrastructure require replacement / high maintenance costs <input type="checkbox"/> Increase access has put huge pressure on infrastructure, and require exponential infrastructure expansion <input type="checkbox"/> Required to support envisaged economic and social expansion
2	Streets and Stormwater	Yes	<input type="checkbox"/> Declining condition of access roads <input type="checkbox"/> Need to expand good quality internal roads to previously disadvantaged areas
3	Waste Management	Yes	<input type="checkbox"/> The Municipality needs to solve problems related to the location of landfill sites (close to urban areas) and the fact that some landfill sites are located on private property
4	Electricity and lights	Yes	<input type="checkbox"/> <i>Limited scope:</i> With the exception of Warden, Eskom distributes electricity throughout the region. Although the distribution of electricity is seen as an additional source of income to the council, the network within Warden is old and in desperate need of repair, the proper metering of this service will also need to be attended to.
5	Cemeteries	Yes	<input type="checkbox"/> Insufficient capacity of existing sites
6	Local Economic Development	Yes / No	<input type="checkbox"/> The prioritisation will be through the proper maintenance and upgrading of water, sanitation and roads infrastructure. <input type="checkbox"/> The Municipality does not have the budget or resource capacity to invest in expensive economic infrastructure.
7	Land Development and Land Reform	No	<input type="checkbox"/> Not a municipal core function – the municipality’s role is focused on the identification of land for redistribution and in so-doing supporting sector departments.
8	Disaster and Environmental Management	No	--
9	Institutional Development	No	--
10	Sport and Recreation	No	<input type="checkbox"/> Sport and recreation facilities are essential to improve the quality of life of citizens, with specific focus on previously disadvantaged areas. <input type="checkbox"/> Low municipal priority , considering the extent of needs and demands versus the capacity limitations of the municipality.
11	Safety and Security	No	<input type="checkbox"/> Not a municipal core function – the municipality’s role is focused on the identification of land for redistribution and in so-doing supporting sector departments.
12	Transversal Programmes	No	<input type="checkbox"/> Initiatives to be funded through the operating budget.



4.5.1 Water

Core Issue	Description
Sufficient Bulk water supply	Bulk supply of water sources as well as the maintenance of storage and purification infrastructure and equipment (especially in Warden) should enjoy highest priority as this would be the biggest direct threat of being able to provide sufficient potable water to households.
Individual connections	The continuous individual connection of erven to available reticulation networks is the most direct activity of providing water to households. Although other resource constraints exist, such connections should not be neglected as a result and should receive constant implementation.
Water losses	Large volumes of water are lost from the network annually due to illegal connections, wastage and leakages from old pipelines. These losses could be reduced by proper metering and leakage repair, resulting in accountable water and financial savings.
Water provision to Rural areas	The farm workers in Phumelela have difficulties in obtaining water from the farmers, resulting in them having to travel long distances to get water and transport it to their homes. The intention is that councillors/officials should engage in negotiations with the farmers to try and persuade them to provide water to their workers
Shortage of personnel	None of the town units within the municipality has sufficient technical human resources to be able to upgrade and maintain the water infrastructure beyond basic repairs. Organizational structures should include sufficient technical personnel as far as possible.
Maintenance and upgrading of equipment	Maintenance and upgrading of equipment will facilitate the constant and uninterrupted provision of water services. Proper equipment will also ensure a long term cost saving through maintenance rather than constant replacement.



4.5.2 Internal Roads and Stormwater Drainage

Core Issue	Description
Insufficient storm water drainage in various areas.	The lack of storm water drainage contributes greatly to the poor state of roads. The provision of adequate storm water drainage will drastically limit the need for maintenance.
Weak condition of roads.	Roads are not maintained regularly with the result that the condition of poor roads deteriorate rapidly. Large trucks make use of many of the major roads in Phumelela due to its border with Mphumalanga and Kwa-Zulu Natal and contribute further to the poor state of the roads.
Established urban areas with no roads.	Streets in urban areas fulfill an important role in that it ensures the delivery of goods and services, but more importantly it forms the medium for public transport. Streets should therefore always be in a good and safe condition.
Structured maintenance programme.	Sustained maintenance is required to minimize infrastructure losses and breaks in service delivery.





4.5.3 Waste Management

Core Issue		Description
Condition and capacity of waste disposal sites		Waste disposal sites in Vrede and Warden are in a poor condition and the fences that have been erected were stolen. The capacity of these sites is only sufficient for the short term.
Position of waste disposal sites		The waste disposal site in Memel is situated near the Pampoenspruit and holds a danger of polluting the Seekoeivlei wetland. This site will have to be relocated within the near future.
Buying of Bulk Containers with equipment		The residents in the townships of Phumelela tend to through their refuse (with the exception of ash) on streetcorners etc. resulting in a huge necessity to place bulk containers on strategic places for that purpose. However, the relevant equipment to remove the containers must also be obtained
Equipment for the rehabilitation of waste disposal sites		Throughout Phumelela there is a need for a Bulldozer to rehabilitate the waste disposal sites. Comparison between the purchase of a bulldozer and the renting of equipment occasionally should be done.
Issues of Alignment	Alignment with priorities of AsgiSA	A massive investment in infrastructure
	National Spatial Development Perspective	Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities) wherever they reside.





4.5.4 Electricity

Core Issue	Description
Reclamation of electrical distribution infrastructure.	Electricity is seen as a reliable source of income for the municipality, but the municipality provides electricity only in Warden. Negotiations with Eskom will have to be undertaken to transfer the service provision function to the municipality in all the other towns.
Old distribution networks causing power dips and failures.	The electricity network and infrastructure is very old and the capacity is not sufficient for current usage. This causes power dips and failures on a regular basis. The replacement of the entire network or parts thereof should be a priority to the municipality and Eskom.
Small cluster of erven without electricity.	The clusters of households in the various towns that are not connected to the electricity network should receive attention. These households should be connected to the network as soon as possible to provide equality of services to all.
Stealing of electricity / electrical infrastructure.	Theft of electricity cables contributes to the problem of power failures. This is an expense the council and Eskom has to make, but the money can rather be used for upgrading and maintaining the network. The theft should be stopped at all cost.
Insufficient area lighting in most areas.	The lack of area lighting in most areas makes nightlife dangerous and difficult. Crime is more evident in these areas and especially women and children are vulnerable in these situations.

4.5.5 Cemeteries

Core Issue	Description
Insufficient capacity of existing sites.	Due to the rapid rate that cemeteries are occupied many of the cemeteries can only provide in the short-term need. New cemeteries will have to be developed in Vrede, Zamani and Ezenzeleni.
Public facilities at cemeteries.	Most of the cemeteries in Phumelela are not provided with public facilities. Unfortunately these facilities are a target for vandalism and are thus expensive to maintain.
Possible effects of HIV/AIDS.	The number of deaths has increase drastically over the last few years mostly due to HIV/AIDS. Reducing the number of people infected with HIV/AIDS will reduce the short-term need for cemeteries.



4.5.6 Alignment with the requirements of the Framework for simplified IDPs

<p>How does the Plan relate to the status quo analysis?</p>	<ul style="list-style-type: none"> • The Phumelela municipality faces two key challenges in terms of infrastructure investment, namely to maintain, upgrade and/or replace ageing infrastructure, and secondly to expand infrastructure to new areas targeted for human settlements and development. The guidelines developed by the municipality attempt to identify the areas and functional challenges to achieve these two key issues.
<p>Relation to strategic objectives</p>	<p>The following strategic objectives in this IDP relate to these planning guidelines:</p> <ul style="list-style-type: none"> • To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of water by 2014 • To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of sanitation by 2014 • To ensure that identified internal roads in the Phumelela municipal area are maintained and/or upgraded to facilitate economic and social activity required for the sustainable development of the municipality; considering the capacity limitations facing the Municipality • To ensure good waste management in the Phumelela municipal area • To ensure good that 100% of households in the Phumelela municipal area have access to electricity by 2014 • To ensure effective management of graveyards and cemeteries in the Phumelela municipal area • To ensure access to quality sport and recreational in the Phumelela municipal area
<p>Programmes and Projects</p>	<ul style="list-style-type: none"> • Refer to the relevant Programmes and Projects in Section C of the IDP.



4.6 Local Economic Development (LED) Strategy

Thabo Mofutsanyana held a LED Summit from 30 January to 1 February 2002, with the key participants local municipalities, national and provincial departments, tourism enterprises, the IDC, Khula, Ntsika, banks, Vodacom, MTN, Eskom, Telkom, NGOs, business organisations, NAFCOC, institutions of higher learning, local businesses, etc. The summit came up with strategies and recommendations on the following:

Key issues:

- Job creation and sustainable communication
- Wealth creation and prosperous societies
- Infrastructure creation and human capital development
- Future hope creation for the youth, woman and disabled people

Main strategies

- Woman economic empowerment and social empowerment of the disable people
- Development of the youth entrepreneurs and innovators
- Individual development, infrastructure development and human capital
- Supplier development of agricultural products, crafts and art work
- Beneficiaries of minerals and other resources

Integrated Development Plan 2012-2016

The LED Summit was held amidst current realities in the district, such as the closing down of businesses, factories and industries, the decline in the agricultural sector and other retrenchments, leading to the decline of the local economy. As a result just about half of the population was left unemployed, which in turn had an adverse effect on buying power in the region.

The **purpose of the LED Summit** was therefore to come up with strategies that will deal with / answer the following :

- How to revive the local economy of the district
- How to create opportunities for employment and job creation
- How to improve living conditions of people in a sustainable manner

The primary **focus** is on :

- Growing newly established small and medium enterprises
- Capacity building on newly established business in terms of business management and business accounting
- Promotion of especially agriculture, tourism, retail and manufacturing sectors

The summit also endeavored to create an environment that would produce sustainable opportunities for **SMME's** in the short and long term with a view to :

- Widening the scope of business opportunities
- Entrepreneurship development through relevant training
- Active financing of small business
- Small business participating in job creation
- Wealth creation for economic growth

Economic regeneration study

The District Municipality has applied to the Local Economic Development Fund of the Dept. of Local Government & Housing for an economic regeneration study. However due to the limited resources, the study eventually focused only on the specific nodal municipality, viz. Maluti A Phofung.

Strategic guidelines for LED

National policy documents

- White Paper on Local Government
- Growth, Employment and Redistribution Programme.
- Local Economic Development Policy Paper

Strategic guidelines

Focal economic, sectors and geographical areas for promotion

- Tourism (eco-tourism) – Clarens, Qwaqwa, Bethlehem, Ficksburg, Fouriesburg, Harrismith, Kestell, Reitz and Memel
- Agriculture (agricultural products and agri-businesses)
- Whole area of Thabo Mofutsanyana
- Fruit production: Ficksburg
- Horticulture: Reitz and Bethlehem

Basic principles for promotion

- Labour intensive techniques
- Use of SMME's in projects such as repairing roads

Integrated Development Plan 2012-2016

- Create district markets
- Promote involvement of women
- Good marketing strategies
- Improve knowledge (empowerment through training)
- Maintenance of infrastructure (roads, water, sanitation)
- Manage spread of HIV

4.6.1 The Integrated Local Economic Development (LED) Programme

The LED programme provides an overview of interventions to promote economic development and employment generation in the Municipality, in a co-ordinated way to achieve a significant impact. The LED Programme consists of:

- a socio-economic analysis,
- strategy guidelines on local economic development and
- a consolidated summary of independent LED projects and LED activities which are part of the designed projects.

In March 2008 the Integrated Local Economic Development Programme was reviewed at a workshop for the purpose of reviewing the plan. The outcomes of the review are stated below:

- The workshop identified an imbalance in the economy of Phumelela Municipality.
- The economy of the area is driven by agriculture, as is illustrated in the following pie chart:

It is imperative for the Municipality to diversify the economy. The high dependence on agriculture renders it vulnerable to economic instability when indices and market indicators for the agricultural sector decline.

Furthermore, a local economy based in a single commodity type finds itself inadequate to respond to diverse local needs and for the broad based economic empowerment.

The following key areas were pointed out:

- The ASGISA programme must be linked to the Phumelela Municipality's Economic Strategy as well as the Free State Growth and Economic Strategy;
- The Second economy must be unpacked in order to ensure all people benefits;
- The SMME development strategy as well as a Rural development plan must create the integration to building the local economy;
- The Municipality must ensure that it play a role in facilitating and stimulating the economic growth patterns in the area by creating "an economic environment" in which investors and local people will build the local economy.

4.6.2 Alignment with the requirements of the Framework for simplified IDPs

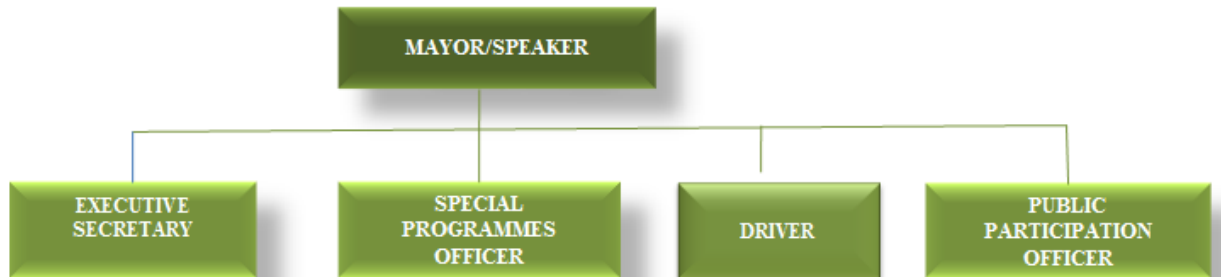
How does the Plan relate to the status quo analysis?	<ul style="list-style-type: none"> • High levels of unemployment and poverty in the Phumelela area • The Phumelela Municipality has been identified as one of the pilot sites for the implementation of the CWP in the Free State.
Relation to strategic objectives	<p>The LED Strategy relates to the following objective in the IDP:</p> <ul style="list-style-type: none"> • To create employment opportunities in the Phumelela municipal area; resulting from programmes and projects of this IDP
Programmes and Projects	<ul style="list-style-type: none"> • Refer to the LED Programmes and Projects in Section C of the IDP.



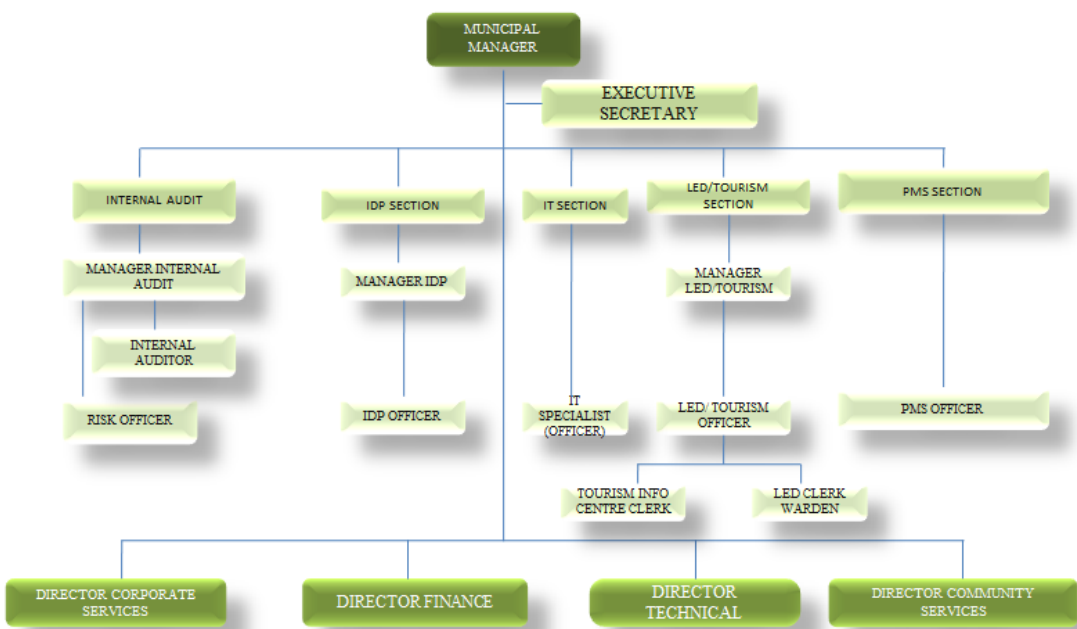
4.7 Institutional Development

The Phumelela Local Municipality has reviewed its organizational structure annually. Currently the high-level organizational structure of the Municipality is as follows:

OFFICE OF THE MAYOR/SPEAKER



OFFICE OF THE MUNICIPAL MANAGER



The overall purpose of strategic human resources management is to:

- Ensure adequate human resources to meet the strategic goals and operational plans of the Municipality – the right people with the right skills at the right time.
- Keep up with social, economic, legislative and technological trends that impact on human resources in the Municipal area and in the voluntary sector.
- Remain flexible so that the Municipality can manage change if the future is different than anticipated.



The Municipality's Strategic Response to Human Resource Management and Development Issues are comprehensively addressed in its Human Resource Strategy

4.7.1 Personnel Component and Employment Equity

Table / Figure 37: Total Number of Employees in the Municipality

Employment Category		Race										Total
		African		Coloured		Indian		White		Total		
		M	F	M	F	M	F	M	F	M	F	
SOC 100	Legislators	9	5	0	0	0	0	0	1	9	6	15
SOC 100	Directors and Corporate Members	4	1	0	0	0	0	0	0	4	1	5
SOC 200	Professionals	3	2	0	0	0	0	0	0	3	2	5
SOC 300	Technicians and Trade Workers	1	1	0	0	0	0	2	0	3	1	4
SOC 400	Community and Personal Service Workers	5	7	0	0	0	0	0	1	5	8	13
SOC 500	Clerical and Administrative Workers	15	15	0	0	0	0	0	1	15	16	31
SOC 700	Machine Operators and Drivers	11	5	0	0	0	0	0	0	11	5	16
SOC 800	Labourers	139	27	0	0	0	0	0	0	139	27	166
Apprentices		0	0	0	0	0	0	0	0	0	0	0
Total		187	63	0	0	0	0	2	3	189	66	255

(Source: Municipal Employment Equity Plan, 2011/12)

Integrated Development Plan 2012-2016



Table / Figure 38: Global Figures:

Total anticipated no of employees on 1 July 2011	262
Total anticipated payroll amount (on which levy payment is based) for 2011/12:	R31,958,000.00
Casual Workers:	11
Contract Workers:	5
Part-time Councillors:	14
Full-time Councillors:	1
Total Councillors:	15

(Source: Municipal Employment Equity Plan, 2011/12)

Table / Figure 39: Employee profile

Employment Category	Race							Age categories												
	African		White		Total			21-30		31-40		41-50		51+		Total				
	M	F	M	F	M	F		M	F	M	F	M	F	M	F	M	F			
Legislators																				
	Mayor	1				1	0	1						1				1	0	1
	Local Government Legislators (Councillors)	8	5		1	8	6	14		1	1	5	2	2	3			8	6	14
Total:		9	5		1	9	6	15		1	1	5	2	3	3			9	6	15
Directors and Corporate Managers																				
11131	Municipal Manager		1			0	1	1						1				0	1	1
11133	General Managers																			
1211	Corporate Services Managers	1				1	0	1					1					1	0	1
1212	Finance Managers	1				1	0	1					1					1	0	1
1213	Human Resource Managers																			
1214	Policy and Planning Managers																			
1221	Engineering Managers	1				1	0	1			1							1	0	1
1222	Construction Managers	1				1	0	1			1							1	0	1
Total:		4	1			4	1	5			2		2	1				4	1	5
Professionals																				
Corporate Services	Core Admin	2				2	0	2			2							2	0	2
	Core Finance	1	1			1	1	2			1	1						1	1	2
	Legal																			
	IT																			
	Procurement		1			0	1	1			1								0	1
Total:		3	2			3	2	5			2	3						3	2	5
Technicians and Trade Workers																				
Corporate Services	Core Admin		1	2		2	1	3			1		1	1				2	1	3
	Core Finance																			
	Legal																			
	IT																			
	Procurement																			
Technical Services	Roads and Storm water	1				1	0	1				1						1	0	1
Total:		1	1	2		3	1	4			1	2	1					3	1	4
Community and Personal Service Workers																				
Corporate Services	Core Admin	2	2			2	2	4		1	1	1	1					2	2	4
	Core Finance																			
	Legal																			
	IT																			



Employment Category		Race						Age categories												
		African		White		Total		21-30		31-40		41-50		51+		Total				
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F			
	Procurement																			
Financial Services	Client Services		2			0	2	2				1					1	0	2	2
Community Services	Libraries	2	2		1	2	3	5	1			2	1	1				2	3	5
Community Safety	Traffic Management	1				1	0	1			1							1	0	1
Municipal Planning	LED/IDP/Urban Planning		1			0	1	1			1							0	1	1
Total:																				
Clerical and Administrative Workers																				
Corporate Services	Core Admin	9	6			9	6	15	5	3	3	1	1	2			9	6	15	
	Core Finance	6	7			6	7	13	3	4	1	1	1	2	1		6	7	13	
	Legal																			
	IT																			
	Procurement																			
Financial Services	Client Services		2		1	0	3	3		2				1			0	3	3	
Total:		15	15	0	1	15	16	31	8	9	4	2	2	5	1		15	16	31	
Machine operators and Drivers																				
Corporate Services	Core Admin	10				10	0	10	3		2		3		2		10	0	10	
	Core Finance																			
	Legal																			
	IT																			
	Procurement																			
Community Services	Parks	1	5			1	5	6					1	2		3	1	5	6	
Total:		11	5			11	5	16	3	2	4	2	2	3	11	5	16			
Labourers																				
Corporate Services	Core Admin	1				1	0	1					1				1	0	1	
Community Services	Parks	6	5			6	5	11	1	1	2	1	1	3	2		6	5	11	
	Community Facilities	44	2			44	2	46	14		13	1	17	1			44	2	46	
	Cemeteries	9	2			9	2	11			3		1	1	5	1	9	2	11	
Community Safety	Public Safety	3				3	0	3	1		1		1				3	0	3	
Technical Services	Roads and Storm water	11	9			11	9	20	1	1	5	1	5	3		4	11	9	20	
	Solid Waste and Landfill	38	3			38	3	41	1	1	8	1	11		18	1	38	3	41	
	Water supply and waste water	27	6			27	6	33	1	2	9	3	11		6	1	27	6	33	
	Electricity																			
Total:		139	27			139	27	166	19	5	41	7	48	8	31	7	139	27	166	
Total:		187	63	2	3	189	66	255	33	18	60	16	62	21	34	11	189	68	255	

(Source: Municipal Employment Equity Plan, 2011/12)





4.7.2 Skills Development

Table / Figure 40: Training for Municipal Employees

No	Course Name or Qualification Title	Name of Provider	Skills Area	NQF Level	Informal / Formal	In-house: External	Includes SAQA reg. unit standards	Duration	Number of employees trained	Actual Cost
1	Training of Training Committee	LGSETA	Administration		Formal	In-house		1 day	5	LGSETA Funds
2	Consumer Training Education	University of Johannesburg	Administration	5	Informal	External	Yes	2 weeks	2	LGSETA Funds
3	HR Training	Pay Day	Administration		Informal	External		1 week	2	R15 387,72
4	Supply Chain Management Training	PALAMA	Financial	5	Informal	External	Yes	1 week	1	LGSETA Funds
5	Assets Management Training	INFO	Financial		Informal	External		3 days	1	R5 700.00
6	Public Participation Training	University of Western Cape	Administration	5	Informal	External	Yes	1 week	1	COGTA Funds
7	Risk Management training	University of Johannesburg	Financial	5	Informal	External	Yes	2 days	1	R3 300.00
8	TAX Training	Pay Day	Financial		Informal	External		1 day	2	R4 000.00
9	CPMD	Wits University	Management/Leadership	6	Informal	External	Yes	1 year	3	R105 000.00
10	IDP Training	Central University of Technology	Management/Leadership	5	Informal	External	Yes	1 year	1	R15 000.00
11	Municipal Finance Management Programme	University of Pretoria	Financial	6	Informal	External	Yes	1 year	4	R60 000.00
12	Local Government Accounting Certificate	SAICA/AAT	Financial	3	Informal	External	Yes	1 year	8	R120 000.00
13	LGRC/LGNET Training	DBSA	Computer literacy	5	Formal	In-house	Yes	3 days	14	DBSA Funds
14	CPMD (Additional Modules)	Wits University	Management/Leadership	6	Informal	External	Yes		2	R50 000.00

(Source: Municipal Skills Development Plan, 2011/12)



Table / Figure 41: Summary of Actual Programmes

Total number trained		47
Total Actual Cost of Training		R378 387.72
Total Interventions		
Skills priority No	Name of intervention	Number of interventions planned
5	ABET	0
0	Administration	4
8	Client Services	0
0	Computer Literacy	1
0	Corporate, legal and support	0
1	Financial	6
9	Life Skills	0
1	Management/ leadership	3
7	Occupational Health and Safety	0
0	Policy development	0
8	Project management/ Planning	0
10	Social/ community/ economic development and planning	0
4	Specialist technical	0
0	Training Skills	0
0	Specialist skills required by legislation	0
	Total interventions not linked to Sector Skills Priorities	0

(Source: Municipal Skills Development Plan, 2011/12)

Table / Figure 42: Total Number of Employees in the Municipality to Receive Training

Employment Category		Race										
		African		Coloured		Indian		White		Total		Total
		M	F	M	F	M	F	M	F	M	F	
SOC 100	Legislators	9	5	0	0	0	0	0	1	9	6	15
SOC 100	Directors and Corporate Members	4	1	0	0	0	0	0	0	4	1	5
SOC 200	Professionals	3	2	0	0	0	0	0	0	3	2	5
SOC 300	Technicians and Trade Workers	1	1	0	0	0	0	1	0	3	1	4
SOC 400	Community and Personal Service Workers	4	5	0	0	0	0	0	1	5	8	13
SOC 500	Clerical and Administrative Workers	16	15	0	0	0	0	0	1	15	16	31
SOC 700	Machine Operators and Drivers	6	2	0	0	0	0	0	0	11	5	16
SOC 800	Labourers	79	15	0	0	0	0	0	0	139	27	166
Apprentices		0	0	0	0	0	0	0	0	0	0	0
Total		122	46	0	0	0	0	1	3	123	49	172

(Source: Municipal Skills Development Plan, 2011/12)



4.8 Anti-Corruption Strategy

The Phumelela Local Municipality based its anti-corruption strategy on the following eight (8) objectives:

- To pro-actively manage the anti-fraud responsibilities of the municipality;
- To provide employee guidance if fraud is suspected;
- To issue a clear statement forbidding misconduct, and to popularise this statement amongst all employees;
- To concentrate the responsibility for investigating possible instances of fraud and corruption in a central, non-bias office;
- To issue assurances to all personnel that fraud will be fully investigated;
- To issues clear protection guidelines for those reporting suspected fraud;
- To adopt and apply the norms, standards and principles of the National Anti-Corruption Forum; and
- To create a suitable environment for fraud management.

The Phumelela Local Municipality has identified the following strategies to achieve the objectives mentioned above:

- (1) *Strategy 1:* To implement a risk-based approach towards the management and combating of fraud, corruption and irregularities.
- (2) *Strategy 2:* To formulate clear guidelines that could be used by employees and the public about reporting procedures and methods in instances where fraud and/or corruption are expected.
- (3) *Strategy 3:* To increase institutional response capacity in terms of the ability of Municipality to respond to, and prevent instances of fraud and corruption.
- (4) *Strategy 4:* To make sure that appropriate measures are in place to promote the reporting of instances of fraud or corruption.
- (5) *Strategy 5:* To create and participate in networks of interested parties with a common aim of combating fraud and corruption.
- (6) *Strategy 6:* To institute measures aimed at creating a culture of fraud and corruption control.

The Municipality adopted an Anti-corruption Strategy

4.9 Organisational & Individual Performance Management System

A fully functional Performance Management System (PMS) has been introduced in the Phumelela Local Municipal, consisting of the following elements (or sub-systems):

- (1) **IDP goals and objectives** represent the long-term (5 year) performance indicators and targets for the municipality over the term of the elected Council.
- (2) The IDP indicators and targets are annually **aligned** to the **municipal budget** on an activity level (programmes and projects) as part of the IDP review process.
- (3) Funded IDP goals, objectives, strategies, programmes and projects are annually cascaded down into the municipal **Service Delivery and Budget Implementation Plan (SDBIP)**, where it is translated into annual municipal key performance indicators and targets.
- (4) IDP activities are also cascaded down to **Departmental SDBIPs** (one for each of the different Departments of the Municipality); a process whereby the responsibility for the implementation of the IDP is aligned with the --

- (5) annual **individual Performance Plans** (which is part of the Performance Agreements of the respective section 57 managers), because the departmental SDBIPs are used as a reference source for the formulation of the key performance indicators and targets against which the different section 57 managers will be evaluated and performance assessed.

The Municipality has approved an Organisational and Individual Performance Management Policy



4.10 Municipal Monitoring & Evaluation System

The Municipal M&E System compose of the following elements:

Table / Figure 43: *Elements of the Phumelela LM M&E System*

Design of a Municipal Scorecard	<ul style="list-style-type: none"> The Municipal institutional scorecards relates directly to the Municipal Service Delivery and Budget Implementation Plan
Daily, monthly and quarterly performance monitoring	<ul style="list-style-type: none"> Daily capturing of performance details based on activities performance and schedules executed / implemented. Monthly performance reports from individual supervisors to senior managers (HODs)
Performance Evaluation	<ul style="list-style-type: none"> Mid-year performance evaluation, based on Municipal SDBIP



	<ul style="list-style-type: none"> targets in comparison with actual results achieved Annual performance evaluation, based on Municipal SDBIP targets in comparison with actual results achieved
Annual Auditing of the PMS	<ul style="list-style-type: none"> Annual auditing of the Organisational PMS in terms of Chapter 3 of the Municipal Planning and Performance Management Regulations by the Internal Auditors
Reporting and Accountability	<ul style="list-style-type: none"> Compilation of the Mid-Year Budget and Performance Report in terms of section 72 of the Municipal Finance Management Act Compilation of the Annual Performance Report in terms of section 46(1) of the Municipal Systems Act Compilation of the Annual Report in terms of section 46 of the Municipal Systems Act and the Municipal Finance Management Act, sections 121-127 (including the Annual Financial Statements) Consideration of the Performance Reports by Management, Council and the Audit Committee Submission of performance reports to the Provincial and National Treasury and COGTA Advertisement of performance reports for scrutiny and comments by the public

4.11 Communication and Public Participation Policy

The community participation strategy of the Phumelela Local Municipality focuses on compliance with the requirements of the Municipal Systems Act, 2000 and the Municipal Planning and Performance Management Regulations, 2001 in the manner in which the municipality organises its engagement structures and processes. In this regard, overall aim of the Municipality’s participation strategy is to develop a culture of municipal governance that complements formal representative government with a system of participatory governance. In this regard, the objectives of the Municipality’s participation processes are as follows (related to the requirements of s. 16 of the Systems Act, 2000):

- ☛ Encourage, and create conditions for, the local community to participate in the affairs of the municipality, including the preparation, implementation and review of its integrated development plan; the establishment, implementation and review of its performance management system; the monitoring and review of its performance, including the outcomes and impact of such performance; the preparation of its budget; and strategic decisions relating to the provision of municipal services.
- ☛ Contribute to building the capacity of the local community to enable it to participate in the affairs of the municipality; councillors and staff to foster community participation; and use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing the IDP, PMS and community engagement initiatives.

The purpose of communication in local government is to fulfill the mandate and duty to consult with and inform the public about services impacting on their daily lives. Councillors, managers and the public should understand the chain of events in a municipality’s communication system and they should be sensitive to all conditions that impact on the environment in which they are operating.

The function of communication in municipalities is directly linked to the function of meeting the information needs of society. Therefore, all councillors and employees should perform their functions with the knowledge that the purpose of all messages is to satisfy the community’s most urgent expectations.

Communication in local government is a process aiming at the sharing of information between a municipality and all its stakeholders. It requires the establishment of an interactive process that should be aligned with the Integrated Development Plan of a municipality. To ensure that the flow of communication is effective and efficient, it is essential that a communication strategy is developed. The purpose of a municipal communication strategy is to convey correct, clear and simple messages on a regular basis to all internal and external stakeholders in a transparent manner. This will, on the one hand, ensure that councillors and career officials:

- Are familiar with the expectations of the stakeholders;
- Convey clear messages to all relevant stakeholders;
- Identify and apply appropriate communication methods; and
- Frequently communicate with all the stakeholders.

On the other hand it would ensure that community members are informed about the processes available to them to participate in local government affairs and to play a watchdog role in the level and quality services that they are getting from their municipality.

In addition to the theoretical foundation for communication in a municipal setup, there is also a comprehensive policy framework comprising of national government legislation and other policy documents. It is essential that any municipality's communication strategy is aligned with the directives stipulated in the legislation and the relevant policy documents.

The Municipality has approved a Communication and Public Participation Policy (one policy addressing both elements)



4.12 Financial Plan

Requirements of Regulation 2 (3) of the Municipal Planning and Performance Management Regulations, 2011 regarding the contents of a municipal financial plan:

(3) A financial plan reflected in a municipality's integrated development plan must at least-

- (a) include the budget projection required by section 26(h) of the Act;
- (b) indicate the financial resources that are available for capital project developments and operational expenditure; and
- (c) include a financial strategy that defines sound financial management and expenditure control, as well as ways and means of increasing revenues and external funding for the municipality and its development priorities and objectives, which strategy may address the following:
 - (i) Revenue raising strategies;
 - (ii) asset management strategies;
 - (iii) financial management strategies;
 - (iv) capital financing strategies;
 - (v) operational financing strategies; and
 - (vi) strategies that would enhance cost-effectiveness.

4.12.1 Financial strategies of the municipality

Table / Figure 46: Financial Strategies

Revenue raising strategies	<p>To improve the financial viability of the Municipality during the 2011/12 financial year as measured in terms of the following outcomes:</p> <ul style="list-style-type: none"> • Increase the operational cash flows of the Municipality by 15% • Collection rate: 70% per quarter • Creditors to be paid within 30 days <p>Property Rates Act implemented, as measured in terms of –</p> <ul style="list-style-type: none"> • The percentage of property owners included on the billing system; and • Property rates collection rates
Asset Management Strategies	<p>To implement an asset management system, as measured against the following indicators:</p> <ul style="list-style-type: none"> • Finalization of an asset and disposal, acquisition and disposal policy • Implementation and updating of an asset register. • Valuation of assets.
Financial Management Strategies	<p>To improve the financial management of the Municipality, as measured in terms of the following indicators:</p> <ul style="list-style-type: none"> • Appointment of a Creditors and Payroll Clerk; • An updated policy register; • Implementation of internal controls according to the internal Action Plan; • Incorporation of the fixed assets register into the financial system; • Regular updating of the Investment Register; and • Regular updating of the Loans Register. • Upgrade / improve the debt control / debt collection capacity of the Municipality • Updating of the indigent register



Capital Financing Strategies	<p>The capital financing strategies of the municipality focus on:</p> <ul style="list-style-type: none">• The upgrading, repair and maintenance of aging infrastructure.• Servicing of identified service sites in terms of the human settlements plan for the municipality• Upgrading and expansion of infrastructure according to Council priorities.• The priority capital projects of the municipality are reflected in par. 4.11.2 above.
Operating financing strategies	<p>The operating financing strategies of the municipality are determined according to the following criteria:</p> <ul style="list-style-type: none">• Government's requirements regarding personnel expenditure as a percentage of the operating budget (less than 30%);• Repairs and maintenance at least 5% of the operating budget; and• Council's stated priorities identified in terms of the framework for simplified IDPs.
Strategies to enhance cost-effectiveness	<ul style="list-style-type: none">• Achieving economy by ensuring that appropriate procurement mechanisms and control measures are in place to obtain resources (the required inputs to the management process) at the right quality and quantity at the cheapest possible price (cost);;• Achieving efficiency by putting in place and ensuring the application of institutional control that promote the effective utilisation of and supervision over the activities of resources required to performed (or enable the municipality to perform) the activities required to achieve its IDP goals and objectives; and• Achieving effectiveness by measuring progress towards goal-achievement and putting in place appropriate performance assessment and monitoring and evaluation mechanisms to measure the extent of goal-achievement.



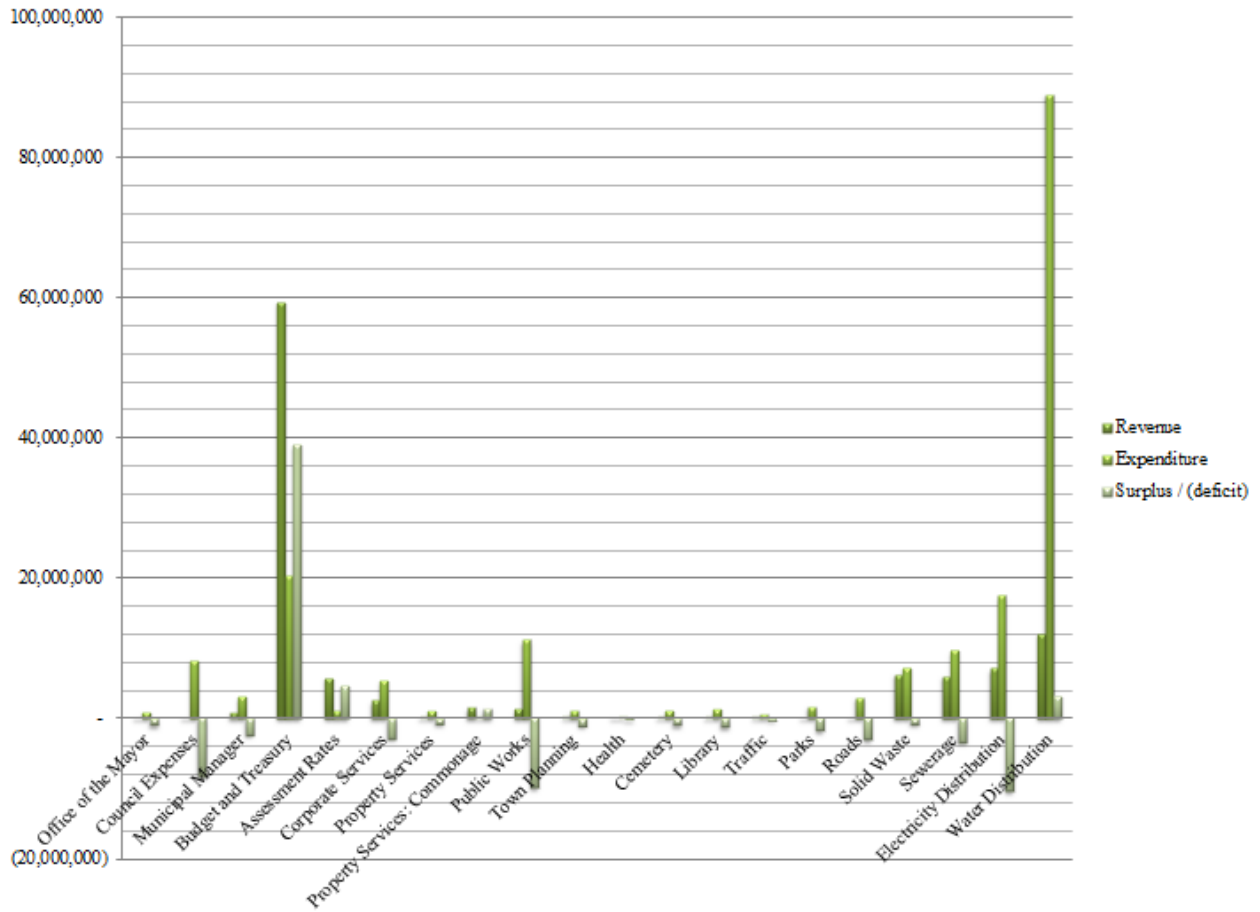
4.12.2 Operating Budget: 2012/13 – 2014/15

Table / Figure 44: Operating budget: 2012/13-2014/15

Vote	Operating Budget			Capital Budget
	Revenue	Expenditure	Surplus / (deficit)	
Office of the Mayor	-	923,200	(923,200)	
Council Expenses	-	8,243,400	(8,243,400)	
Municipal Manager	760,000	3,092,400	(2,332,400)	
Budget and Treasury	59,377,000	20,338,400	39,038,600	
Assessment Rates	5,758,978	1,088,200	4,670,778	
Corporate Services	2,532,000	5,353,000	(2,821,800)	
Property Services	241,600	1,056,300	(814,700)	
Property Services: Commonage	1,528,000	97,000	1,431,000	
Public Works	1,334,000	11,192,900	(9,858,900)	
Town Planning	18,000	1,115,000	(1,097,000)	
Health	-	111,900	(111,900)	
Cemetery	159,000	1,117,000	(958,000)	
Library	1,000	1,257,700	(1,256,700)	
Traffic	200,000	563,000	(363,000)	150,000
Parks	-	1,675,800	(1,675,800)	
Roads	-	3,000,000	(3,000,000)	8,399,853
Solid Waste	6,205,000	7,101,213	(896,213)	15,000,000
Sewerage	6,014,000	9,661,600	(3,669,600)	56,309,769
Electricity Distribution	7,158,669	17,450,800	(10,292,131)	4,500,000
Water Distribution	12,048,500	88,910,000	3,157,500	46,010,100
Other			-	2,099,538
<i>Sport and Recreation</i>				4,042,487
<i>Firefighting</i>				700,000

Vote	Revenue			Expenditure			Balance (Surplus / (deficit))		
	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Office of the Mayor	-	-	-	923,200	985,000	1,050,400	(923,200)	(985,000)	(1,050,400)
Council Expenses	-	-	-	8,243,400	8,716,300	9,199,400	(8,243,400)	(8,716,300)	(9,199,400)
Municipal Manager	760,000	837,000	921,000	3,092,400	3,263,800	3,442,400	(2,332,400)	(2,426,800)	(2,521,400)
Budget and Treasury	59,377,000	63,592,000	68,858,000	20,338,400	21,082,600	21,589,500	39,038,600	42,509,400	47,268,500
Assessment Rates	5,758,978	6,074,171	6,414,032	1,088,200	1,146,000	1,203,000	4,670,778	4,928,171	5,211,032
Corporate Services	2,532,000	2,669,000	2,814,000	5,353,800	5,637,300	5,928,300	(2,821,800)	(2,968,300)	(3,114,300)
Property Services	241,600	263,700	285,800	1,056,300	1,153,400	1,257,100	(814,700)	(889,700)	(971,300)
Property Services: Commonage	1,528,000	1,681,000	1,849,000	97,000	104,000	111,000	1,431,000	1,577,000	1,738,000
Public Works	1,334,000	1,468,000	1,516,000	11,192,900	12,149,500	13,182,200	(9,858,900)	(10,681,500)	(11,567,200)
Town Planning	18,000	20,000	22,000	1,115,000	1,208,000	1,304,000	(1,097,000)	(1,188,000)	(1,282,000)
Health	-	-	-	11,900	122,100	132,700	(111,900)	(122,100)	(132,700)
Cemetery	159,000	168,000	178,000	1,117,000	1,217,000	1,322,000	(958,000)	(1,049,000)	(1,144,000)
Library	1,000	2,000	3,000	1,257,700	1,394,000	1,543,000	(1,256,700)	(1,392,000)	(1,540,400)
Traffic	200,000	211,000	223,000	563,000	521,000	682,000	(363,000)	(410,000)	(459,000)
Parks	-	-	-	1,675,800	1,841,200	2,019,700	(1,675,800)	(1,841,200)	(2,019,700)
Roads	-	-	-	3,000,000	3,159,000	3,314,000	(3,000,000)	(3,159,000)	(3,314,000)
Solid Waste	6,205,000	6,540,000	6,870,000	7,101,213	7,697,000	8,337,000	(896,213)	(1,157,000)	(1,467,000)
Sewerage	6,292,000	6,625,000	6,950,000	9,661,600	10,477,200	11,352,100	(3,369,600)	(3,852,200)	(4,402,100)
Electricity Distribution	7,158,669	8,042,335	9,200,840	17,450,800	19,351,300	21,402,300	(10,292,131)	(11,308,965)	(12,201,460)
Water Distribution	12,048,500	12,689,800	13,313,200	8,891,000	9,529,500	10,195,900	3,157,500	3,160,300	3,117,300

Table / Figure 45: Operating Budget: 2013/14 financial year



4.12.3 Capital Budget

Table / Figure 46: Capital Budget

Department	Town	Category	Funding	Project Title	Budget Year 2012/2013	Budget Year +1 2013/2014	Budget Year +2 2014/2015
					R	R	R
Technical	Vrede	Other	MIG	PMU	1,331,200	1,407,700	1,451,150
Technical	Warden	Water Waste Management: Sewerage	MIG	Ezenzeleni: Upgrading of bulk sewer	620,000	4,192,848	419,285
Technical	Memel	Water Waste Management: Sewerage	MIG	Zamani: Sewer outfall pumps and rising main	400,000	0	0
Technical	Vrede	Water Waste Management: Sewerage	MIG	Thembalihle: Ext 4 Construction of sewer network-1827 stands	5,231,978	3,000,000	4,500,000
Technical	Vrede	Road Transport: Roads	MIG	Thembalihle: Construction of 3km paved road. (14/15) Ext 4	2,995,825	0	7,669,355
Technical	Vrede	Road Transport: Roads	MIG	Construction of 4km paved roads (MIS: 191520)	4,492,410	0	0
Technical	All Units	Sports and Recreation	MIG	Sports facilities in Phumelela	3,052,587	4,822,165	1,988,701
Technical	Memel	Water: Water Distribution	MIG	2ML Reservoir rising main & pumpstation	3,000,000	5,303,000	2,500,750
Technical	Warden & Vrede	Waste Management: Solid Waste	MIG	Landfill site	1,500,000	4,000,000	415,000
Technical	Memel	Waste Management: Solid Waste	MIG	Landfill site	0	0	3,000,000
Technical	Warden	Road Transport: Roads	MIG	Construction of 2km paved road	4,000,000	0	0
Technical	Memel	Road Transport: Roads	MIG	Construction of 5km paved road	0	5,500,000	3,000,000
Technical	Vrede	Water: Water Distribution	MIG	Thembalihle: Reservoir in Ext 4	0	0	5,000,000
Technical	Vrede	Electricity: Electricity Distribution	DOE	Electrification of 100 houses as well as bulk infrastructure	3,000,000	3,000,000	0
Corporate	Vrede	Assets: Municipal Assets	Revenue	Office Furniture (Speaker's Office)	250,000	0	0
Corporate	Vrede	Administration: Other	Revenue	Linkage to E-Natis (Traffic)	150,000	0	0
Technical	Warden	Electricity: Electricity Distribution	Revenue	Ezenzeleni: Upgrading of electricity	2,000,000	0	0
Council General	Vrede	Assets: Municipal Assets	Revenue	Office Furniture (Mayor's Office)	150,000	0	0
Technical	Warden	Waste Water Management/Water Distribution: Sewerage	H/S	Construction of water & Sewer reticulation - Ezenzeleni	3,615,000	0	0
Technical	Memel	Waste Water Management: Sewerage	H/S	Construction of water & Sewer reticulation - Zamani	7,327,000	0	0
Technical	Warden	Water: Water Distribution	DWA	Ezenzeleni: Construction of Reservoir	8,000,000	0	0
Technical	Warden	Water: Water Distribution	DWA	Ezenzeleni: Pipeline and Pumpstation	15,000,000	0	0
Technical	Warden	Water: Water Distribution	DWA	Ezenzeleni: Water treatment works	20,000,000	0	0
Technical	Vrede	Capital Repayment : Loans	Revenue	ABSA Loan : Equipment	403,551	441,407	482,814
Technical	Vrede	Capital Repayment : Loans	Revenue	DBSA : Capital Projects	114,787	138,661	162,392
TOTAL FUNDING OF CAPITAL EXPENDITURE					86,116,000	31,225,713	29,944,240

Table / Figure 47: Capital Budget according to Category

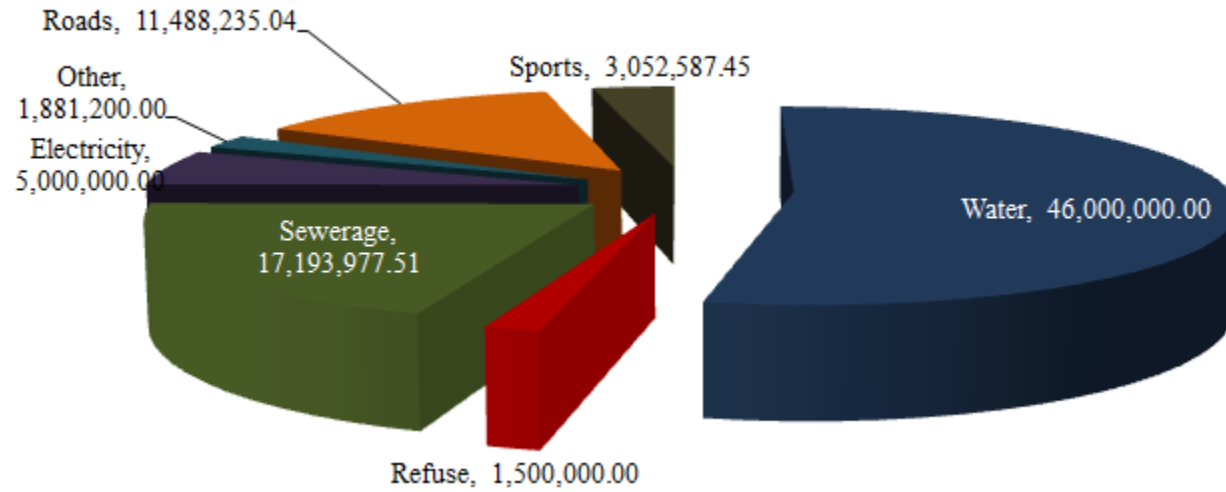
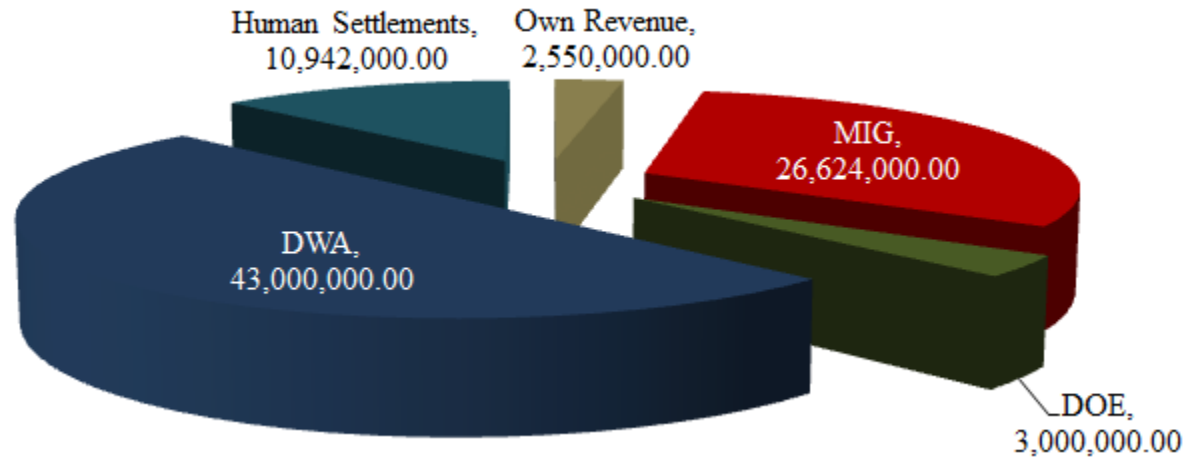


Table / Figure 48: Capital Budget according to Category



4.12.4 IDP Strategies, Programmes and Projects Funded Through the Capital Budget

Table / Figure 48: Strategies, Programmes and Projects funded through the capital budget

Institutional						Funding Source
Objective	Strategies	Programmes / Projects	MTEF			
			2012/13	2013/2014	2014/2015	
To establish and operationalise a Project Management Unit		Project Management Unit	R 1,331,200.00	R 1,407,700.00	R 1,451,150.00	MIG
Municipal assets	Procure municipal assets	Furniture for the Office of the Mayor	R 150,000.00	R 0.00	R 0.00	Own revenue
		Furniture for the Office of the Speaker	R 250,000.00	R 0.00	R 0.00	Own revenue
Repayment of loans	Loan repayment	ABSA loan for equipment	R 403,550.85	R 441,406.70	R 482,813.70	Own revenue
		DBSA loan	R 114,787.28	R 138,660.80	R 162,391.77	Own revenue

Priority 1: Water						Funding Source
Objective	Strategies	Programmes / Projects	MTEF			
			2012/13	2013/2014	2014/2015	
To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of water by 2014	Memel					
	Upgrading and maintenance of water infrastructure (water distribution)	2ML Reservoir rising main and pump station	R 3,000,000.00	R 5,303,000.00	R 2,500,750.00	MIG
	Thembalihle					
	Upgrading and maintenance of water infrastructure (water distribution)	Construction of reservoir in Extension 4	R 0.00	R 0.00	R 5,000,000.00	MIG
	Ezenzeleni					
	Upgrading and maintenance of water infrastructure (water distribution)	Construction of reservoir	R 8,000,000.00	R 0.00	R 0.00	DWA
		Pipeline and pump station	R 15,000,000.00	R 0.00	R 0.00	DWA
Water treatment works		R 20,000,000.00	R 0.00	R 0.00	DWA	

Priority 2: Sanitation						
Objective	Strategies	Programmes / Projects	MTEF			Funding Source
			2012/13	2013/2014	2014/2015	
To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of sanitation by 2014	Eenzeleni					
	Upgrading of sewerage infrastructure	Upgrading of bulk infrastructure	R 620,000.00	R 4,192,847.62	R 419,284.76	MIG
		Construction of water and sewerage reticulation	R 3,615,000.00	R 0.00	R 0.00	H/S
	Zamani					
	Upgrading of sewerage infrastructure	Construction of water and sewerage reticulation	R 7,327,000.00	R 0.00	R 0.00	MIG
		Sewer outfall pumps and rising main	400,000.00	0.00	0.00	MIG
		Construction of water and sewerage reticulation	7,327,000.00	0.00	0.00	H/S
	Thembalihle					
	Upgrading of sewerage infrastructure	Extension 4: Construction of sewer network - 1,827 stands	5,231,977.51	3,000,000.00	4,500,000.00	MIG

Priority 3: Municipal Roads and Stormwater						
Objective	Strategies	Programmes / Projects	MTEF			Funding Source
			2012/13	2013/2014	2014/2015	
To ensure that identified internal roads in the Phumelela municipal area are maintained and/or upgraded to facilitate economic and social activity required for the sustainable development of the municipality; considering the capacity limitations facing the Municipality	Thembalihle (Extension 4)					
	Paving of roads	Construction of 3kms of paved road (14/15)	R 2,995,825.25	R 0.00	R 7,669,355.00	MIG
	Vrede					
	Paving of roads	Construction of 4kms of paved roads (MIS: 191520)	R 4,492,409.79	R 0.00	R 0.00	MIG
	Warden					
	Paving of roads	Construction of 2km paved road	R 4,000,000.00	R 0.00	R 0.00	MIG
	Memel					
Paving of roads	Construction of 5km paved road	R 0.00	R 5,500,000.00	R 3,000,000.00	MIG	

Priority 6: Refuse Removal, including Solid Waste and Landfill Sites)						
Objective	Strategies	Programmes / Projects	MTEF			Funding Source
			2012/13	2013/2014	2014/2015	
To ensure good waste management in the Phumelela municipal area (To ensure that 100% of households in formal residential areas have access to basic level of sanitation services)	Vrede					
	Relocation of landfill sites (ensure that all landfill sites are licensed and registered)	Vrede and Warden landfill site relocation started	R 1,500,000.00	R 4,000,000.00	R 415,000.00	MIG
	Memel					
	Relocation of landfill sites (ensure that all landfill sites are licensed and registered)	Vrede and Warden landfill site relocation started	R 0.00	R 0.00	R 3,000,000.00	MIG

Priority 7: Electricity Reticulation						
Objective	Strategies	Programmes / Projects	MTEF			Funding Source
			2012/13	2013/2014	2014/2015	
To ensure that at least 92% of households have access to basic level of electricity by 2014	Vrede					
	Electrification of houses	Electrification of 100 houses as well as bulk infrastructure	R 3,000,000.00	R 3,000,000.00	R 0.00	MIG
	Ezenzeleni					
	Electricity infrastructure upgrading	Upgrading of electricity infrastructure	R 2,000,000.00	R 0.00	R 0.00	MIG

Priority 9: Sport and Recreational Facilities					
Objective	Strategies	Programmes / Projects	MTEF		
			2012/13	2013/2014	2014/2015
To ensure access to quality sport and recreational in the Phumelela municipal area	VREDE (WARD 3), THEMBALIHLE (WARD 3), MEMEL (WARD 1) AND WARDEN (WARD 7)				
	Upgrading of existing sport stadiums	Sporting stadium upgrading project	R 3,052,587.45	R 4,822,165.27	R 1,988,700.54

Priority 10: Traffic and Parking					
Objective	Strategies	Programmes / Projects	MTEF		
			2012/13	2013/2014	2014/2015
To ensure effective traffic management and parking in the Phumelela municipal area	Support the AARTO legislative initiative	Linkage to E-Natis	R 150,000.00	R 0.00	R 0.00

4.12.5 Expenditure Targets Based on IDP Strategic Objectives: Operating Budget

Table / Figure 49: IDP Strategic Objectives: Funding Contribution through the Operating Budget

Priority	Objectives	Outcomes (Goals)	Vote	Revenue			Operating Expenditure		
				2012/13 FY	2013/14 FY	2014/15 FY	2012/13 FY	2013/14 FY	2014/15 FY
1: Water	To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of water by 2014	<p>100% of households in formal settlements have access to basic level of water</p> <ul style="list-style-type: none"> Water infrastructure required to enable achievement of the strategic objective as measured in terms of the performance targets in this 5-year IDP. The percentage of households earning less than R1,100 per month with access to free basic services 	Water Distribution	12,048,500	12,689,800	13,313,200	8,891,000	9,529,500	10,195,900
2: Sanitation	To ensure that 100% of households in formal settlements in the Phumelela municipal area have access to basic level of sanitation by 2014	<ul style="list-style-type: none"> 100% of households in formal settlements have access to basic level of sanitation Sanitation infrastructure required to enable achievement of the strategic objective as measured in terms of the performance targets in this 5-year IDP 	Sewerage	6,014,000	6,332,000	6,642,000	9,661,600	10,477,200	11,352,100
3: Municipal Roads and Stormwater	To ensure that identified internal roads in the Phumelela municipal area are maintained and/or upgraded to facilitate economic and social activity required for the sustainable development of the municipality; considering the capacity limitations facing the Municipality	Repair and paving of roads according to the targets and projects indicated in the 5-year IDP	Public Works / Roads	1,334,000	1,468,000	1,615,000	11,692,900	12,676,500	13,735,200
4: Local and Rural Economic Development	To create employment opportunities in the Phumelela municipal area; resulting from programmes and projects of this IDP	<ul style="list-style-type: none"> (Number of) employment opportunities created through targeted IDP projects (Number of) employment opportunities created through EPWP initiatives 	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated



Priority	Objectives	Outcomes (Goals)	Vote	Revenue			Operating Expenditure		
				2012/13 FY	2013/14 FY	2014/15 FY	2012/13 FY	2013/14 FY	2014/15 FY
5: Institution Building	To facilitate the financial viability of the Phumelela local municipality as measured in terms of the key indicators of the Municipal Planning and Performance Management Regulations, 2001	<ul style="list-style-type: none"> The percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan; the percentage of a municipality's budget actually spent on implementing its workplace skills plan; and financial viability as expressed by the following ratios 	Budget and Treasury & Assessment Rates	59,377,000	63,592,000	68,858,000	20,338,400	21,082,600	21,589,500
				5,758,978	6,074,171	6,414,032	1,088,200	1,146,000	1,203,000
5: Institution Building	To facilitate institutional transformation and development in the Phumelela local municipality	<ul style="list-style-type: none"> 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; Targets in the organizational redesign and change management strategy; and Skills development targets in the municipal Skills Development Plan 	Corporate Services; Property Services and Commonage	2,532,000	2,669,000	2,814,000	5,353,800	5,637,300	5,928,300
				241,600	263,700	285,800	1,056,300	1,153,400	1,257,100
5: Institution Building	To ensure good governance in the Phumelela local municipality	Monthly ward committee meetings with duly recorded minutes that are submitted to Council at regular intervals for consideration	Office of the Mayor				923,200	985,000	1,050,400
		An organizational and individual Performance Management and Monitoring and Evaluation Systems that facilitate quarterly, mid-year and annual performance and financial reports.	Council				7,793,400	8,227,300	8,667,400
		Audit arrangements (including an operational internal audit unit and audit committee) to manage risks facing the municipality and ensure adequate internal controls to prevent fraud and irregularities.	Municipal Manager	760,000	837,000	921,000	3,092,400	3,263,800	3,442,400
		By-laws and policies to enable the effective governance of the municipality	Town Planning	18,000	20,000	22,000	1,115,000	1,208,000	1,304,000



Priority	Objectives	Outcomes (Goals)	Vote	Revenue			Operating Expenditure		
				2012/13 FY	2013/14 FY	2014/15 FY	2012/13 FY	2013/14 FY	2014/15 FY
6: Refuse Removal	To ensure good waste management in the Phumelela municipal area	<ul style="list-style-type: none"> Three licensed and registered landfill sites. 100% of households in formal areas with access to refuse removal services at basic acceptable national standards 	Solid Waste	5,628,000	5,926,000	6,216,000	7,101,213	7,697,000	8,337,000
7: Electricity Reticulation	To ensure good that 100% of households in the Phumelela municipal area have access to electricity by 2014	100% of households in formal areas with access to electricity	Electricity Distribution	7,158,669	8,042,335	9,200,840	17,450,800	19,351,300	21,402,300
8: Cemeteries and Parks	To ensure effective management of graveyards and cemeteries in the Phumelela municipal area	Adequate provision for, safe and well maintained graveyards and cemeteries	Cemetery	159,000	168,000	178,000	1,117,000	1,217,000	1,322,000
			Parks				1,675,800	1,841,200	2,019,700
9: Sport and Recreational facilities	To ensure access to quality sport and recreational in the Phumelela municipal area	Adequate provision for, safe and well maintained sport and recreational facilities, as measured in terms of the targets set for the programmes and projects in the 5-year IDP	Library	1,000	2,000	3,000	1,257,700	1,394,000	1,543,000
10: Traffic and Parking	To ensure effective traffic management and parking in the Phumelela municipal area	Adequate provision for traffic management and parking, as measured in terms of the targets set for programmes and project in the IDP	Traffic	200,000	211,000	223,000	563,000	621,000	682,000
11: Firefighting	To ensure effective firefighting in the Phumelela municipal area	Ten trained firefighters	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated	No operating budget allocated
Other	No strategic objective in IDP		Health				111,900	122,100	132,700
				103,613,747	110,883,006	119,516,872	100,380,613	107,734,200	115,275,400



4.12.6 Revenue Targets According to Source

Table / Figure 50: Revenue Targets according to source

Source	2012/13	2013/14	2014/15
Property Rates	7,608,000	8,020,000	8,454,000
Service charges	32,576,170	34,802,136	37,275,039
<i>Electricity</i>	8,132,670	9,065,336	10,276,839
<i>Refuse Removal</i>	5,628,000	5,926,000	6,216,000
<i>Sewerage</i>	6,014,000	6,332,000	6,642,000
<i>Water</i>	12,801,500	13,478,800	14,140,200
Interests earned	3,529,000	3,731,000	3,937,000
<i>Outstanding debtors</i>	2,879,000	3,046,000	3,218,000
<i>External investments</i>	650,000	685,000	719,000
Transfers recognized	59,673,000	63,962,000	69,316,000
<i>Equitable share</i>	56,039,000	60,124,000	65,001,000
<i>Finance Management grant</i>	1,500,000	1,500,000	1,750,000
<i>MIG - receipts (PMU)</i>	1,334,000	1,468,000	1,615,000
<i>Municipal Systems Improvement grant</i>	800,000	870,000	950,000
Other revenue	5,012,600	5,373,700	5,759,800
<i>Fines</i>	201,000	213,000	226,000
<i>Licenses and permits</i>	43,000	46,000	49,000
<i>Rent of facilities and equipment</i>	1,769,600	1,944,700	2,134,800
<i>Other sources</i>	2,999,000	3,170,000	3,350,000

4.12.7 Revenue Foregone (Impact of Free Basic Services)

Table / Figure 51: *Impact of free basic services*

Revenue Foregone	FY 2012/13	FY2013/14	FY2014/15
Free electricity	1,332,000	1,404,000	1,480,000
Free sewerage	534,000	563,000	591,000
Free Solid Waste	318,000	335,000	352,000
Free water	1,459,000	1,538,000	1,622,000
Rebate-Property rates	1,902,022	2,002,829	2,100,968
	5,545,022	5,842,829	6,145,968

Table / Figure 52: *Impact of free basic services, 2012/13 financial year*

