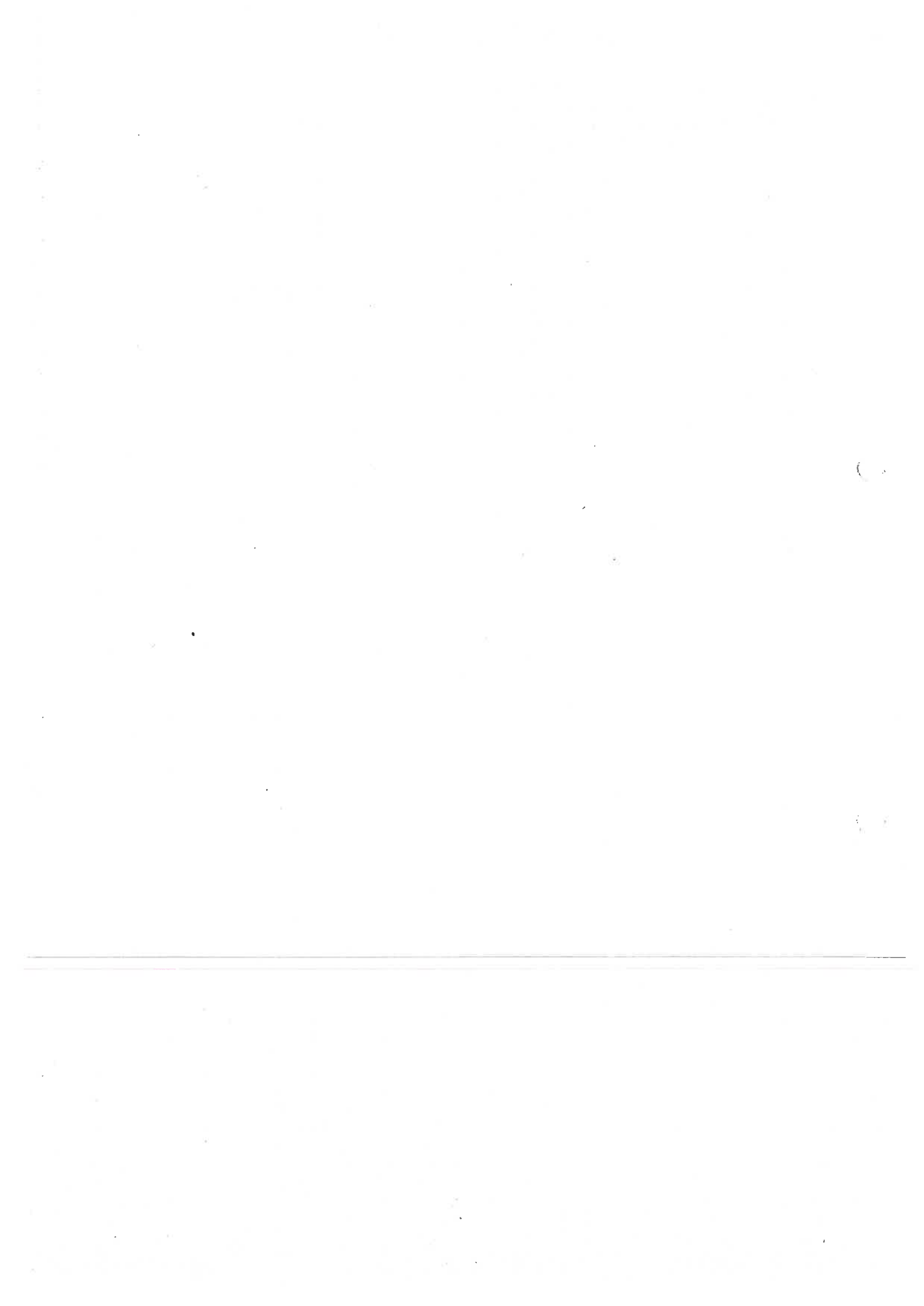




INTEGRATED  
DEVELOPMENT  
PLAN 2020-2021





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**GLOSSARY OF TERMS**

ABET	Adult Based Education and Training
ABSA	Amalgamated Banks of South Africa
AIDS	Acquired Immune Deficiency Syndrome
ASGISA	Accelerated and Shared Growth Initiative for South Africa
CASP	Comprehensive Agriculture Support Programme
CBO	Community Based Organization
CHDM	Chris Hani District Municipality
CHARTO	Chris Hani Regional Tourism Organisation
CPF	Community Policing Forum
CSIR	Council for Scientific and Industrial Research
DBSA	Development Bank of South Africa
DEAT	Department of Environment and Tourism (Also known as DEA)
DFA	Development Facilitation Act No 67 of 1995
DLA	Department of Land Affairs
DLGH	Department of Local Government
DM	District Municipality
DME	Department of Mineral and Energy
DRDAR	Department of Rural Development and Agrarian Reform
DRLR	Department of Rural Development and Land Reform
DoE	Department of Education
DoH	Department of Health
DHS	Department of Human Settlements
DoSD	Department of Social Development
DoT	Department of Transport
DPLG	Department of Provincial and Local Government (National)
DRPW	Department of Roads and Public Works





DSRAC	Department of Sport, Recreational, Arts & Culture
DWS	Department of Water and Sanitation
ECA	Environmental Conservation Act
EIA	Environmental Impact Assessment
ES	Equitable Share (grant)
FBS	Free Basic Services

ECDC	Eastern Cape Development Corporation
ECPGDS	Eastern Cape Provincial Growth & Development Strategy
EXCO	Executive Committee
GGP	Gross Geographic Product
GIS	Geographical Information System
GTZ	German Technical Cooperation
GVA	Gross Value Added
HDI	Human Development Index
HIV	Human Immune Deficiency Virus
HR	Human Resource
IDC	Independent Development Corporation
IDP	Integrated Development Plan
IDT	Independent Development Trust
ICT	Information Communication & Technology
ITP	Integrated Transportation Plan
IWMP	Integrated Waste Management Plan
LDO	Land Development Objectives
LED	Local Economic Development
MEC	Member of the Executive Committee
MIG	Municipal Infrastructure Grant
MFMA	Municipal Finance Management Act



MSIG	Municipal Support & Institutional Grant
MSA	Municipal Systems Act, 2000
MSA	Municipal Structures Act, 1998
NDC	National Development Corporation
NEMA	National Environmental Management Act
NER	National Electrification Regulator
NGO	Non-Governmental Organizations
NSS	National Sanitation Strategy
PAJA	Promotion of Administrative Justice Act
PMS	Performance Management System
PPP	Public Private Partnership
RAFI	Rural Agro-Industries Finance Initiative
RDP	Reconstruction and Development Programme
REDs	Regional Electricity Distributors
RTP	Responsible Tourism Planning
SMME	Small Medium and Micron Enterprises
SoE	State Owned Enterprises
SoR	State of Environment Report
SADC	Southern African Development Community
SALGA	South African Local Government Association
SANDF	South African National Defence Force
SAPS	South African Police Service
SGB	School Governing Body
SMME	Small, Medium and Micro Enterprises
STDs	Sexual Transmitted Diseases
TB	Tuberculosis
VAT	Value Added Tax



## FOREWORD BY MAYOR

"#Thuma Mina-to build the Mzantsi i want" is a pronouncement that was made by President Cyril Ramaphosa, to intensify service delivery efforts and interactions with our communities and encourage political visibility to communities. Our municipality with the district the call and embarked on campaigns including clean-up campaigns in both towns.

*On the 8<sup>th</sup> May 2019, South Africa will held its 6<sup>th</sup> general elections. These elections were held at a time where our government has been unravelled in corruption, maladministration and increased service delivery protests. Our municipality is not immune from the challenges, as the past financial year has been a difficult year for the municipality with the political stability and community protests that resulted in the closure of offices, affecting service delivery. Our municipality has further been listed as one of the municipality that are financially distressed. This has an impact on the delivery of services to our communities.*

*In the mist of all the challenges that the municipality is faced with, it has received an Unqualified Audit Opinion from the Auditor-General for the 2017/18 financial year, this is a continuous achievement that we aim to maintain in all successive years and even go higher*

The Municipal Systems Act, 32 of 2000 requires all municipalities to develop 5 year Integrated Development plans and reviewed annually. Sakhisizwe municipality has reviewed its IDP for the 2020/2021 in line with the approved IDP process plan and engaged in a consultation process to ensure that communities become part of the planning and decision making processes. The review of the IDP document therefore serves as a basis upon which the municipality can implement strategic objectives whilst encouraging economic growth and development to improve the quality lives of our people.

As we work towards changing and improving the lives of the citizens of Sakhisizwe, we are required to ensure proper municipal governance and enhancing government efficiency. We strive to improve efficiencies on several facades such as the fully functioning of the Municipal Public Accounts Committee (MPAC) and the Municipal Audit, Risk and Performance Committee. The municipality also has an obligation to equip our staff with the necessary skills in order to improve efficiency.

During the State Of Nation Address, 2019 by the president, he stated that "agriculture and tourism had been identified as a key job driver. Sakhisizwe municipal area's strength is in tourism and agriculture. As the municipality, we are committing to support and promote these sectors. Expanded Public Works Programme (EPWP) which more than any programme helps us to absorb many of our communities into sustainable jobs

Sakhisizwe Municipality strive to promote social, political and economic development and empowerment to its communities by delivery of quality services, improved community participation, promoting local economic development and creating a smart administration.





.....  
**Cllr B. Ntsere**  
**MUNICIPAL MAYOR**

## **CHAPTER 1: EXECUTIVE SUMMARY**

### **1.1 INTRODUCTION**

The Municipal Systems Act, 2000 (Act 32 of 2000) states that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality which (a) links, integrates and coordinates plans and takes into account proposals for the development of the municipality (b) aligns the resources and capacity of the municipality with the implementation of the plan and (c) forms the policy framework and general basis on which annual budgets must be based.

In line with the Municipal Systems Act (MSA) and the Municipal Finance Management Act, 2003 (Act 56 of 2003), the Sakhisizwe Municipality has developed its five-year IDP for 2017–2022, which is supported by the Medium-term Revenue and Expenditure Framework (MTREF) for the 2017–2020 financial years. This is the third review of the 2017- 2022 IDP and is premised key strategic goals that the Council resolved in during the development of the 5 year IDP in 2016.

This IDP review has not amended the agreed vision and mission of the municipal council ever since it was amended in Mountain Shadow at our Strategic Plan in 2016.

The document also provides a detailed list of programmes and projects to be implemented in attempting to reverse the development challenge outlined above. It further provides a framework for ensuring smooth integration, alignment and synergy in the implementation of this IDP's intention. It concludes with the outline of the processes followed in approving this IDP review for implementation.

### **OBJECTIVES OF THIS REVIEW**

The main objectives of this review are to:

- Identify the progress, gaps and challenges in the provision of services
- Comply with legal requirements in terms of LG MSA of 2000
- Update our planning information and integrate ward based planning
- Improve credibility of our IDP document
- Address the concerns and comments made by MEC on our previous document so that we may achieve a credible plan
- Correct and prevent recurrence of the issues relating to the alignment of Planning, Governance and Performance Management processes raised as concerns to the Auditor General (AG) in our annual reports

### **1.2 PROCESS FOR THE REVIEW OF THE 2020-2021 IDP**

The process followed in the review of this IDP document is in line with the legislative requirements of both the Municipal Systems Act and the Municipal Finance Management Act, which is detailed in the IDP/Budget and PMS Process Plan. The Process Plan outlines the roles and responsibilities of all key role players in the IDP review process, outlines the public



participation and mechanisms for alignment as well as timeframes for each phase of the IDP. The process was adopted by Council in August 2018

### 1.2.1 Pre-Planning

In terms of the Municipal Systems Act, Chapter 5, Part 3, a Municipal Council must review its integrated development plan annually in accordance with its performance measurements in section 41; and to the extent that changing circumstances so demand and may amend its integrated development plan in accordance with a prescribed process plan.

Further, the Local government Municipal Finance Management Act 56 of 2003 provides for the Mayor/Speaker of the municipality to:

- Co-ordinate the process for preparing the annual budget and for reviewing the municipality's integrated development plan and budget-related policies,
- Ensure that tabled budget and revisions of the integrated development and budget related policies are mutually consistent and credible.

Sakhisizwe council adopted its process-plan for the review of the 2019/2020 IDP by 28 August 2018.

### 1.2.2 Organisational Arrangements

The following arrangements have been set in place to institutionalize community/ stakeholder participation and also to enable the municipality to manage the drafting of the IDP Review. Through these platforms, municipal stakeholders will be empowered to contribute, influence and inform decision making relating to municipal affairs and general issues relating to service delivery and planning.

#### IDP Steering Committee

The IDP steering committee comprising largely of internal senior management is tasked to:  
Provide technical and advisory support to the IDP Manager and drafting team

- Perform daily planning activities including the preparation and facilitation of events; documentation of outputs and making recommendation to the IDP Manager and the Municipal Council and Mayor
- Commission in depth studies when necessary
- Act as the secretariat for the IDP Representative Forum.

IDP Steering Committee work sessions and meetings may, from time to time be arranged by the IDP manager or his/her delegate in order to implement this process plan. Ideally, these sessions would precede the representative forum workshops.

#### IDP Representative Forum

The IDP representative forum forms the main platform for broad consultations and debates on issues and policy recommendations. It is chaired by the Mayor and composed of representatives across our stakeholder community including but not limited to the following institutions or interest groups:

- Secretariat of IDP steering committee or the drafting team
- Councillors, Ward Committees and Community development workers
- Government Organs including Sector Departments, State Owned Entities and our District Municipality
- Business Formations
- Youth Formations
- Rate payers association
- Traditional Leaders
- Civic bodies & Community Organizations (NGO's, CBOs etc.)



IDP representative forum workshops or meetings shall be convened by the Mayor from time to time in order to consult municipal stakeholders on critical issues relating to municipal planning and decision-making in general.

### 1.2.3 ACTIVITY PROCESS PLAN

The following table illustrates the 2020/21 IDP review action programme and also gives an indication to the planning activities that will be undertaken in a calendar format. This action plan incorporates the IDP, Budget and PMS programmes.

In conclusion the municipality will continue to provide efficient, effectiveness and financial management prudence remain the key priority for good governance and administration in the municipality in order to achieve service delivery and good governance.

<b>SAKHISIZWE LOCAL MUNICIPALITY 2020/2021 IDP/ BUDGET – PM PROCESS PLAN</b>			
<b>Activities</b>	<b>Function</b>	<b>Timeframe</b>	<b>Responsible Department</b>
<b>Preparation phase / Pre-planning</b>			
Q4 and 2018/19 Annual Performance Assessment	PMS	01-02 August 2019	Acting MM
Audit/Risk and PMS Committee Meeting	Audit/Risk	31 July 2019	Acting MM
Signing of Performance Agreements by HOD's	PMS	18 July 2019	Acting MM
Budget Steering Committee	BTO	23 July 2019	BTO
Technical IGR Meeting	IDP	24 July 2019	Acting MM
District Planners Coordinating Forum- IDP/PMS Managers Session for Alignment of IDP Process Plans	IDP	13 August 2019	IPED/CHDM
IDP Steering Committee - Meeting looking into the IDP Framework & IDP/Budget Process Plan	IDP	22 August 2019	IPED
Council Approval of Framework Plan & Process Plans (IDP & Budget)	IDP	28 August 2019	Acting MM
MPAC Committee - Present the Draft Annual Report with APR/AFS	PMS/BTO	17 August 2019	Acting MM
Ordinary Council Meeting	MM	28 August 2019	Acting MM/Council
Submission of Draft 18/19 Annual Report with APR and AFS to AG & Treasury	PMS	30 August 2019	IPED
Advertise Adopted IDP/Budget/PMS Process Plan and Submit to COGTA and PT	IDP	06 Sept 2019	IPED
IDP/Budget/PMS Rep Forum Meeting	IDP	12 Sept 2019	IPED/Mayor
<b>Analysis Phase / Monitoring and evaluation</b>			





Assess implementation progress (HODs to present action plans for existing projects and planned completion dates for projects, aligning expenditure with progress), impact of new information/unexpected events, evaluation of achievement with regard to objectives, strategies and projects (per programme), overview of funding available per cluster (both from savings as well as new funding from operating budget and from external funds), possible implications on programmes of additional sector information.	IDP	July - October 2019	All Depts. Championed by HOD's
IDP/Budget/PMS Steering Committee- Outline the 2020/20 Situational Analysis Review Process	IDP	22 August 2019	IPED
CHDM Rep Forum	IDP	26 September 2019	IPED
Q1 Quarter Institutional Performance Assessments	PMS	10 -11 October 2019	Acting MM
Risk management Committee Meeting	Audit/Risk	17 October 2019	Acting MM
Audit Committee & Performance Committee	Audit/Risk	24 October 2019	Acting MM
Technical IGR Meeting -Inputs by Sector Departments and progress on implementation of projects	IDP	23 October 2019	Acting MM
IDP/PMS/Budget Steering Committee meeting: To review Implementation progress and report on gaps identified during the analysis phase	IDP	13 November 2019	Acting MM
IDP/Budget/PMS Rep Forum Meeting - Present Draft Situational Analysis Report	IDP	11 November 2019	IPED/Mayor
District Mayors Forum (DIMAFO)	IDP	20 November 2019	Acting MM/IPED
CHDM Rep Forum	IDP	28 November 2019	CHDM/IPED
Annual Report Roadshows	PMS	01-03.Oct 2019	Acting MM/IPED
MPAC Committee - Present the Final Draft Annual Report with APR/AFS	Audit/Risk	18 November 2019	Acting MM
Technical Strategic Planning Session	IDP	17-19 December 2019	Acting MM/IPED
Council Meeting		12 December 2019	Acting MM
Strategies Phase / Refined objectives, strategies, programmes and projects phase			
Performance Audit (Draft Annual Report)	Audit/Risk	14 January 2020	Acting MM



Internal Audit /Risk Committee Meeting	Audit/Risk	17 January 2020	BTO
Q2 and Mid- Year Performance Assessments of HOD's	PMS	14-15 January 2020	Acting MM
Mid- Year Performance Report to Mayor	PMS	17 January 2020	Acting MM
Audit & MPAC Committee Meeting - Oversight Report	Audit/Risk	20 January 2020	Acting MM
Council Meeting (Final 2018/19 Annual Report & 2019/20 Mid -Year Report)	IPED/BTO	23 January 2020	Acting MM
Submission of Draft 18/19 Annual Report with APR and AFS to Cogta and Treasury	IPED	25 January 2020	IPED/BTO
Budget Steering Committee - Adjustment Budget	BTO	21 February 2020	BTO
CHDM Technical IGR	IDP	05 February 2020	Acting MM
CHDM DIMAFO	IDP	12 February 2020	Acting MM
Technical IGR	IDP	26 February 2019	Acting MM
Institutional Strategic planning session. Adopt proposed overall direction of the 2017-2022 IDP - agree on main themes and key strategic objectives and key financial issues. Refine objectives, strategies, programmes and draft projects as necessary for MTEF period	IDP	29-31 Jan 2020	IPED/Acting MM
Council Meeting Adopting Adjusted Budget	BTO	25 February 2020	Acting MM/CFO
IDP/Budget Steering Committee - Identify operating impacts (including staff issues) of proposed projects and ensure that these are included in the operating budget submissions	IDP	27 February 2020	IPED /BTO / Corporate Services
Budget Steering Committee - Draft Budget	BTO	13 March 2020	Acting MM
Councillor Workshop - Draft IDP/ Budget and Sector Plans	IDP	03-05 March 2020	Acting MM/ IPED
IDP/Budget Steering Committee - Finalise Draft IDP and Budget/Projects and Draft Sector Plans	IDP	11 March 2020	IPED
IDP Rep Forum	IDP	24 March 2020	Mayor/ IPED
Council Meeting - Adopt Draft IDP/Budget and Sector Plans	IDP	26 March 2020	Acting MM
Draft IDP and Draft Budget published	IDP	06 April 2020	IPED
Advertise for public comments (for 21days after adoption)	IDP	08 April 2020	IPED



IDP/Budget road shows - Public hearings	IDP	07-09 April 2020	Acting MM/IPED/BTO
Quarter 3 Performance reporting by HOD's (Jan - March))	PMS	15-16 April 2020	HOD's & Acting MM
Risk Committee	Audit/Risk	23 April 2020	Acting MM
Audit Committee	Audit/Risk	29 April 2020	Acting MM
<b>Reviewed IDP document (integration/programme implementation and operational plan)</b>			
Incorporate relevant comments to the Draft final reviewed IDP	IDP	April - May 2020	IPED
IDP/Budget Steering Committee meeting (Final IDP/Budget, implementation and operational plan)	IDP	05 May 2020	Acting MM/IPED/BTO
Technical IGR	IDP	07 May 2020	Acting MM
IDP Rep Forum	IDP	11 May 2020	Mayor/ IPED
Municipal Wide SDBIP Engagement	PMS	21-22 May 2020	Acting MM
Submit draft SDBIP within 14 days after approval of the budget	PMS	12 June 2020	Acting MM
CHDM IGR	IDP	13 May 2020	Acting MM
<b>Approval phase</b>			
Sakhisizwe LM Council & Approval of Final 2020-21 IDP & Budget	IDP	28 May 2020	Acting MM
DIMAFO	IDP	19 May 2020	Acting MM
Submission of SDBIP to the Mayor for Approval within 14 days	PMS	12 June 2020	Acting MM
Stakeholders Engagement on IDP & Budget	IDP	June 2020	Acting MM
Signing of Acting MM and Section 56 Managers Performance Agreements	PMS	14 June 2020	Acting MM
Submission of the Signed SDBIP and Performance Agreements to COGTA and PT	PMS	18 June 2020	Acting MM
Quarter 4 Performance reporting (April - June))	PMS	15-16 July 2020	HOD's & Acting MM
<b>Performance Management System</b>			
Publicize SDBIP and Performance Agreements no later than 14 days after approval	PMS	14 July 2020	Acting MM





### 1.3 COMMUNITY PARTICIPATION STRATEGY

ISSUE	PARTICIPATION MECHANISM & PLANNING EVENTS
Planning participation	<ul style="list-style-type: none"> <li>Use of workshops &amp; Community Based Plans</li> </ul>
Attendance at meetings, workshops etc	<ul style="list-style-type: none"> <li>Interchanging of venue logistics between Khowa and Cala to ensure convenience</li> <li>Support with transportation where it is financially feasible</li> <li>Issuing of invitations via popular media and local institutions like ward committees, public announcements in community radio, newspapers and social events etc.</li> </ul>
Effective communication	<ul style="list-style-type: none"> <li>Meetings shall largely run in IsiXhosa and this is done to allow the majority of participants to inputs meaningfully without restrictions of language</li> </ul>
Approval & Comments on the document	<ul style="list-style-type: none"> <li>Use of ward level Mayoral Imbizos/ War Rooms and Road shows further explaining the budget and IDP Review to the communities</li> </ul>

### 1.4 MECHANISMS AND PROCEDURES FOR ALIGNMENT

The IDP Manager is responsible for ensuring smooth coordination of the municipal IDP development and its alignment with the district IDP review through the use of workshops and bilateral discussions with affected sector departments. Inter-departmental Forum will be utilized as a mechanism for alignment of programmes and projects. Below are the mechanisms that the municipality uses to ensure alignment and integration with others spheres and sectors of government.

PHASE	ALIGNMENT ON CROSS CUTTING ISSUES	WITH WHOM
1 and 2. Process Plan + Situation Analysis	<ul style="list-style-type: none"> <li>IDP &amp; Budget process activity plans</li> <li>Sector Department planning &amp; Municipal IDP inputs</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> BTO &amp; IPED</li> <li><input type="checkbox"/> District Municipality</li> <li><input type="checkbox"/> Gov Departments</li> </ul>
2. Strategies	<ul style="list-style-type: none"> <li>Technical input on objectives and goals of programmes</li> <li>Local and wide strategic debates</li> </ul>	<ul style="list-style-type: none"> <li><input type="checkbox"/> Internal Departments;</li> <li><input type="checkbox"/> District Municipality;</li> <li><input type="checkbox"/> Gov Departments</li> </ul>
3. Projects	<ul style="list-style-type: none"> <li>Technical input on projects</li> <li>Input on budgets</li> <li>Cross cutting projects e.g. HIV/Aids</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Departments;</li> <li>• District Municipality;</li> <li>• Gov Departments</li> </ul>



4. Integration & Alignment	<ul style="list-style-type: none"> <li>▪ Technical input</li> <li>▪ Sector alignment &amp; integration</li> </ul>	<ul style="list-style-type: none"> <li>• Internal Departments;</li> <li>• District Municipality;</li> <li>• Gov Departments</li> </ul>
5. Approval	▪ Submission; Comments on revised IDP's	□ Municipality

## 1.5 MAIN LEGISLATION AND POLICY FRAMEWORK

The Sakhisizwe Municipality's IDP formulation and implementation processes will be bound by the following, but not limited to, legislation and policy framework:

### 1.5.1 Legislation framework

- Constitution: 1996
- Development Facilitation Act 96 of 1995
- White paper on Local government of 1998
- Municipal Structures Act 117 of 1998
- Municipal Systems Act 32 of 2000 + its regulations of Aug 2001
- Municipal Finance Management Act: 2003
- Municipal Property Rates Act: 2004
- All other laws governing and regulating development in South Africa

### 1.5.2 Policy Framework

- LG White paper of 1997
- National Planning & Performance Management circulars by CoGTA, National Treasury etc
- National Development Plan 2030
- National LG Turn Around Strategy for LG - 2009
- Eastern Cape Provincial Growth & Development Plan (PGDP)
- Eastern Cape Spatial Development Plan
- Credible IDP guide by CoGTA
- District Municipal Strategic Plans (IDP, SDF, LED etc)
- Municipal Strategic Planning 2018 Report
- Provincial Dev Plan
- National, Provincial and District SDF

## 1.6 THE KEY DEVELOPMENT CHALLENGES

Sakhisizwe Municipality is still struggling to emerge from the establishment phase of local government largely due to a huge apartheid legacy, past internal instability and poor administrative capacity. The resultant situation from such legacy manifests in the existence of high service backlogs, poorly structured and underperforming local economy.

Grand Apartheid segregated South Africa into three kinds of social, economic and politico administrative spaces: the major urban areas, which were a preserve of white people; fertile commercial farming regions and associated small rural towns, also a preserve of white South Africans; and, barren, economically unviable so-called homelands, reserved for South Africa's black majority population.

The result is enduring underdevelopment with its social, economic, and cultural manifestations: poverty, gross income inequality compared to urban areas, chronic unemployment, and cultural backwardness.



- ❑ Unequal distribution of assets, skewed distribution of income and employment opportunities amongst citizens, inequality in access to social services, high level of illiteracy and social backwardness.
- ❑ Segregated planning approaches and scattered residential and farming settlements without viable economic and social linkages to the more economically active areas of the country.
- ❑ Under-utilisation and/or unsustainable use of natural resources, Poor or lack of access to socio-economic infrastructure and services, public amenities and government services (e.g. industrial parks lying idle especially in the former homeland areas).
- ❑ Poor access to water and/or water sources for both household and agricultural development
- ❑ Low literacy, skills levels and migratory labour practices.

However, considerable gains have been achieved in certain areas of Municipality's interventions, more needs to be done in especially the areas of obtaining a clean audit, expanding basic services, fighting the scourge of poverty, inequality and HIV/Aids among our people, and those will be elaborated further below in the plan.

The promise to a better future remains an elusive goal for many households and peoples who are trapped into a vicious cycle of poverty and unemployment. It remains a commitment of this council to lay a solid foundation for better life for all and to direct our development trajectory toward improved economic development, better service delivery and marked reduction in poverty and unemployment.

#### **1.6.1 Basic Infrastructure & Service Delivery**

The municipality continues to lag behind with provision of basic services. This poses a strategic risk for the municipality of not meeting strategic goals. Chris Hani District's commitment to fast track the community's access to water & sanitation acceptable progress is made in this area. Our own competency on the functions run directly by us is severely affected by staff shortages, especially at senior levels. This is due to, among others, brain drain and better socio-economic profiles offered by our competitor employers.

Our backlogs are roads and bridges, water, sanitation, electricity, housing and refuse. There are also other challenges such as poor accessibility of facilities and quality outputs affecting Education, Health, Public Transport, Social Development and Safety & Security. These challenges militate against the strength to better the lives of our people.

#### **1.6.2 Economic Development and Environment**

Sakhisizwe has an underperforming local economy unable to deal with strategic challenges such as poverty, unemployment and low revenue base. The LED strategy was developed in 2011 to institutionalise responses of the municipality to LED. That strategy is outdated and due to capacity and financial resources the municipality could not perform reviews. There is a need for the development of a new LED strategy. Sakhisizwe's competitive advantage is on tourism and agriculture, these sectors contribute in the LED strategy and economic growth of the area. The infrastructure development also plays a critical role in the ability for the municipality to attract business.

Key sectors with potential but currently under performing and needing focused interventions include Agriculture, forestry and Tourism and explore manufacturing. While Sakhisizwe is a small economy it is appreciated that it currently shows a better trend index of diversification at 79, 7 compared to that of





the region at 65, 5. The municipalities' comparative advantage is in agriculture, forestry and tourism, though the major economic contributors include community services and trade sectors.

### 1.6.3 Municipal Institutional Development & Transformation

The municipality is still unable to perform all are expected mandate in terms of assigned powers and functions due to administrative and other capacity constraints and the ability to retain and employ staff. These are manifested by low revenue base and the low salary packages that are not attractive to the market. The council is an executive system and administration is managed through six key administrative departments including that of the office of the municipal manager. In terms of transformation, the administrative arm is largely male dominated, in management there are four men and one women with one vacancy.

This is partly due to our poor scarce skills staff retention which leaves us with few options on who we employ and retain. Furthermore the municipality is faced with challenge of high staff turnover. This can also be attributed to the ability for the municipality to attract and budget for vacant and critical positions. This has a huge impact on service delivery and implementation of Council policies.

### 1.6.4 Good Governance

Sakhisizwe Local Municipality is politically and administratively fairly stable. Though the past year has been challenging politically and financially, this had an impact on the operations of the municipality. The Municipality has experienced instability in the political governance of the municipality. This is attributed to a number of issues, such as the pace of service delivery and resulted protests. This affected the Council role of performing its oversight role, such that some of the legislated requirements were not met during the last financial year.

The findings of the Auditor General do not necessary indicate poor governance and administration, but point to poor audit education and inadequate systems. This is usually a secondary consequence resulting from in capacity. IGR is existent with sector departments taking place. However, this needs to be strengthened. This is a co-operation environment that requires other sectors to take IGR seriously.

### 1.6.5 Financial Viability

The municipality has, as defined by national treasury a weak low capacity organization. Our current systems of financial control as found by auditor general reports of the last 2 years are evidently showing signs of improvement. We however remain weak in our main operation areas namely:

- (a) Revenue Enhancement
- (b) Debt Collection
- (c) Supply chain management
- (d) Expenditure management

We have resolved to pay specific attention to the following critical areas of our turnaround strategy:

- AG queries
- Debt collection
- Audit education
- Systems development and financial controls
- Revenue enhancement

## 1.7 DEVELOPMENT PRIORITIES FOR 2017/2022



The following are key priorities and strategic development goals of SLM in 2017/2022 1)

#### **Service Delivery**

- **Strategic Goal:** Eradicate backlogs in order to improve access to basic infrastructure and services and ensure proper operations and maintenance by 2022
- **Intended outcome:** Sustainable delivery of improved services to all households (in line with the term of council, 2017 – 2022) 2) **Local Economic Development**
- **Strategic Goal:** Create an enabling environment that promotes the development of the local economy and facilitate job creation
- **Intended outcome:** Improved municipal economic viability (in line with term of council, 2017 – 2022).

### **3) Financial Viability**

#### **Strategic Goal:**

To improve overall financial management in the municipality by developing and implementing appropriate financial management policies, procedures and systems

- **Intended outcome:** Improved financial management and accountability (in line with terms of council, 2017 – 2022)

#### **4) Good Governance & Public Participation**

- **Strategic Goal:** Promote a culture of public participation and good governance.
- **Intended outcome:** Entrenched culture of accountability and clean governance (in line with term of council, 2017 - 2022)

#### **5) Municipal Institutional Development & Transformation**

- **Strategic Goal:** Improve organizational cohesion and effectiveness.
- **Intended Outcome:** Improved organizational stability and sustainability (in line with the term of council, 2017 – 2022)
- Ensure a fully functional, responsible, accountable and responsive administration by 2022.

#### **6) Spatial Planning and Land Use management**

- **Strategic Goal:** Improve overall use and management of land and environment
- **Intended Outcome:** Sustainable planning and use of Land resource and care for the environment