



**O.R. TAMBO
DISTRICT MUNICIPALITY**

INTEGRATED DEVELOPMENT PLAN

2011/12 REVIEW

EXECUTIVE MAYOR'S FOREWORD

The Integrated Development Plan as reviewed for the 2011/12 financial year is hereby presented as a product of robust consultative engagements and interaction with the role-players and stakeholders, particularly the communities of O.R. Tambo District. This review consolidates the development plans to be implemented in the five (5) Local Municipalities of 1. King Sabatha Dalindyebo, 2. Mhlontlo, 3. Nyandeni, 4. Ingquza Hill and 5. Port St Johns after Ntabankulu and Mbizana have been incorporated into Alfred Ndzo District through municipal demarcation processes facilitated by the Demarcation Board.

The communities through the consultative processes conducted throughout the five (5) local municipalities made it clear that ensuring increased access to water and sanitation services is still the main priority that the current implementation plan should focus on. This is in full awareness of the need to reduce the backlog towards the national 2014 target, whilst ensuring both the operation and maintenance as well as the refurbishment of old and dilapidated water and sanitation infrastructure. Key to achieving the targets so presented for the current financial year is focusing on unblocking the ever notorious bottlenecks to service delivery including poor implementation and non-compliance with supply chain management processes, litigation/ lawsuit against awarded tenders, non approval of water abstraction applications, delays in approval of environmental impact assessments, etc. This will be achieved through among others, focused performance monitoring, project/ contracts management and project level community participation (social facilitation). The monitoring expenditure of the Municipal Infrastructure Grant as well as other service delivery grants allocated to this municipality is also of paramount importance.

The annual recurrence of disasters in the district in the form of drought, fire, hailstorms, thunderstorms etc, demand that the district municipality should beef up its preparedness to both mitigate and respond to disaster situations. A lot of effort will also need to be put to building capacity of the new councillors as they will be assuming responsibilities for the next term of council.

The 2011/12 IDP Review ushers a transitional era, with the Local Government elections on the 18 May 2011, the incoming municipal council will ensure its implementation. This IDP review is thus handed over as baton by the outgoing municipal council having run the race, to the incoming to carry on and attend to the social and economic aspirations of the communities in O.R. Tambo district.

To the outgoing council, allow me to say “MAZ’ENETHOLE”, and to the incoming “KUF’AYAYO”.

Yours truly,

Cllr. EN DIKO
EXECUTIVE MAYOR

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LIST OF ACRONYMS

ABET	:	Adult Based Education and Training
ASGI-SA	:	Accelerated and Shared Growth Initiative of South Africa
CBD	:	Central Business District
CDW	:	Community Development Worker
COGTA	:	Cooperative Governance and Traditional Affairs
CRDP	:	Comprehensive Rural Development Programme
DBSA	:	Development Bank of Southern Africa
DEA	:	Department of Environmental Affairs
DEDEA	:	Department of Economic Development and Environmental Affairs
DLGTA	:	Department of Local Government and Traditional Affairs
DME	:	Department of Minerals and Energy
DMP	:	Disaster Management Plan
DOE	:	Department of Education
DSRAC	:	Department of Sports, Recreation and Culture
DWA	:	Department of Water Affairs
ECDC	:	Eastern Cape Development Corporation
ECSECC	:	Eastern Cape Socio-Economic Consultative Council
EMP	:	Environmental Management Plan
EPWP	:	Expanded Public Works Programme
ESKOM	:	Electricity Supply Commission
FBS	:	Free Basic Services
FET	:	Further Education and Training
GDP	:	Gross Domestic Product
GIS	:	Geographic Information System
GDS	:	Growth and Development Summit
HDI	:	Historically Disadvantaged Individual
HRD	:	Human Resource Development
IDP	:	Integrated Development Plan
ISRDP	:	Integrated Sustainable Rural Development Program
IWMP	:	Integrated Waste Management Plan
KPA	:	Key Performance Area
KPI	:	Key Performance Indicator
LED	:	Local Economic Development
LRAD	:	Land Reform for Agricultural Development
MDG	:	Millennium Development Goals
M&E	:	Monitoring and Evaluation
MFMA	:	Municipal Finance Management Act
MIG	:	Municipal Infrastructure Grant
MSA	:	Local Government Structures Act
MSA	:	Local Government Municipal Systems Act
MSIG	:	Municipal Systems Improvement Grant
MTEF	:	Medium Terms Expenditure Framework
MTSF	:	Medium Term Strategic Framework
NDOT	:	National Department of Transport
NEMA	:	National Environmental Management Act no.
NEPAD	:	New Partnership for Africa's Development
NSDP	:	National Spatial Development Perspective
PDI	:	Previously Disadvantage Group
PGDP	:	Provincial Growth and Development Plan
PPP	:	Public Private Partnership
PMS	:	Performance Management System
RDP	:	Reconstruction Development Programme
RLCC	:	Regional Land Claims Commission
RSC	:	Regional Service Council levies
SASSA	:	South African Social Security Agency
SDBIP	:	Service Delivery Budget Implementation Plan
SDF	:	Spatial Development Framework
SDP	:	Skills Development Plan
SMME	:	Small Medium & Micro Enterprises
SOPA	:	State of the Province Address
SONA	:	State of the Nation Address
SWOT	:	Strength, Weaknesses, Opportunity and Threat
WSA	:	Water Services Authority
WSDP	:	Water Services Development Plan
WSP	:	Water Services Provider

EXECUTIVE SUMMARY

1. What is an IDP?

AN INTEGRATED DEVELOPMENT PLAN IS A STRATEGIC DEVELOPMENT PLAN WHICH SETS OUT THE STRATEGIC AND BUDGET PRIORITIES OF A MUNICIPALITY. THE MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000) DEFINES IDP AS

S35(1)(A) “THE PRINCIPAL STRATEGIC PLANNING INSTRUMENT WHICH GUIDES AND INFORMS ALL PLANNING AND DEVELOPMENT, AND ALL DECISIONS WITH REGARDS TO PLANNING, MANAGEMENT AND DEVELOPMENT IN THE MUNICIPALITY;

(B)IT BINDS THE MUNICIPALITY IN THE EXERCISE OF ITS EXECUTIVE AUTHORITY...”

Section 34 of the MSA further requires that a municipality must review its IDP annually

The review and amendment of the IDP thus, further develops the IDP and ensures that it remains the principal management tool and strategic instrument for the Municipality.

This document sets out the results of the Municipality’s 2010/11 IDP Review Process, and details the following: -

The process followed to review O.R.Tambo DM’s IDP;

The key informants that have provided the basis for amending certain elements of the IDP;

The amended Objectives, Strategies, Indicators and Targets, which have been revised on the basis of the informants identified herein.

2. The process followed:

In August 2010 Council adopted the Process Plan, which outlined the process to be followed in conducting a review towards the 2011/12 Integrated Development Plan. Below is a summary of some of the key activities that were carried out during the review and development of IDP and Budget:

DATE	EVENT	ACTIVITY
01 July to 31 August 2010	Preparation of the IDP Review process	Development of District IDP Framework and Process Plan
		Establishment of the IDP Coordinators Forum
		Advertise for community and stakeholder participation in the IDP Rep Forum.
		Establishment of the IDP Rep Forum
August 2010	IDP Steering Committee	Introduction of the Review Process.
		Presentation of the District Framework and Process Plan.
31 August 2010	Council Meeting	Adoption of the Framework and Process plan.

14 October 2010	IDP Coordinators Forum	To begin the Analysis phase and identify district wide priority issues.
October 2010	IDP Steering Committee Extended Municipal Managers Forum	Lobbying for departmental inputs for IDP priorities and Budget
October 2010	District Planning Sector Forum	To review progress on the implementation of 2010/11 IDP. Lobbying for inputs for IDP priorities for 2011/12
3 November 2010	IDP Representative Forum	To review progress on the implementation of 2010/11 IDP. Sector Departments reporting on all projects implemented in the District since the beginning of the current cycle.
December 2010	IDP Coordinators Forum	To track progress on the Analysis Phase and to tease out challenges faced and map wayforward.
January 2010	IDP Steering Committee	Revision of the Process Plan in line with Circular 54 of the MFMA issued on 10 December 2010
19 to 20 January 2011	Extended Municipal Managers Forum and District Mayors Forum	Present the Amended IDP.PMS and Budget Process Plan. Discuss quick win projects from Government Departments to be used
2 – 3 February 2011	IDP Work Session	Compilation of the situational analysis for all LMs.
9 February 2011	IDP Steering Committee	Presentation of the DM situational analysis and confirmation of the status quo by departments
10 February 2011	IDP Representative Forum	Presentation of the District Wide situational analysis Presentation of projects to be implemented in 2011/12 by sector departments
2 - 4 March 2011	Joint Sector Forums	Identification and submission of Strategies and objectives for 2011/12
24 March – 7 April 2011	IDP and Budget Roadshows	Solicit community inputs before the finalization of 2011/12 IDP and Budget.

3. What informed our IDP

The IDP review process was undertaken within the framework of National, Provincial and District policies and legislation. Amendments contained in this revised IDP for 2011/12 were informed by the following:

- an assessment of IDP implementation;
- changing internal and external circumstances
- IDP/Budget Public hearings in May 2010
- Departments' situational analysis reports;
- Comments from the MEC;
- Millennium Development Goals;
- Provincial Growth & Development Plan;
- National Spatial Development Perspective;
- ORT DM Turn Around Strategy
- O.R. Tambo DM Programme of Action – emanating from the District Lekgotla held in May 2010

4 Our key development objectives

O.R. Tambo DM's key development objectives have been identified and distilled over a number of years. Due to the time it takes to achieve most of the goals, to this the O.R. Tambo District Municipality strives to:

- Provide adequate and accessible infrastructure
- Promote economic growth and creating sustainable economic activity through rationalized programmes within the limits of the available natural resource base.
- Promote sustainable community livelihoods and
- Improve the institutional systems' overall capacity

To ensure that these goals become a reality and to ensure appropriate management and implementation of the district priorities, five Priority Clusters have been established, namely:

1. Good governance and public participation

The demand for sound and accountable leadership, transparent governance as well as public participation has always been expressed more especially in the local sphere of government. This cluster mainly focuses on such issues across the municipality and ensure that the internal regulatory framework, by-laws and anti-corruption strategies are in place as required.

2. Institutional transformation and Organisational Development

This cluster mainly focuses on ensuring that the institution is not lagging behind in terms of transformation issues and compliance particularly with relevant legislation. It also focuses on social development issues throughout the district including the issue of HIV and AIDS, mainstreaming the needs of the vulnerable sectors. With regards to organizational development, the cluster ensures that the institution is properly positioned to carry out its mandate without fail.

3. Local Economic Development

The economy of the O.R. Tambo district hinges around the following key economic drivers:-

- **Agriculture** – the agricultural potential in the District remains largely untapped. Although subsistence farming, essentially maize and stock farming, is fairly general throughout the area, practices remain less than effective in relation to the potential.
- **Tourism** – the unspoilt natural resources along the Wild Coast, culture and historic heritage that puts the District in the international map are some of the strategic assets that the District possesses. Creating a competitive advantage in tourism remains a challenge that the District is

faced with. Accordingly the district is committed to addressing bottlenecks to tourism development such as building infrastructure and institutional capacity.

- **Forestry** - existing forestry plantations in the Eastern Cape cover approximately 176 000 ha, a large portion of this is located within the O.R. Tambo District. Of the 100 000 ha considered for possible new Afforestation in the Province, about half of this is within our District. Our municipalities therefore have some responsibility to support certain forestry initiatives, this includes supporting downstream SMMEs, facilitating collaboration of key stakeholders for mutual benefit and for the benefit of the sector and economy as a whole.
 - **Marine and Aquaculture** – with the Wild Coast presenting extensive opportunities for people to participate in marine harvesting activities, it is the challenge of all spheres of government to ensure that local people are able to participate equitably and to ensure that harvesting is carried out at levels that are sustainable. In this respect there is a need for improved data, greater awareness amongst stakeholders and roleplayers as well as improved controls. These activities call for a coordinated approach as well as collaboration of all spheres of government.
4. **Financial Viability** – About 70% of households in our District are indigent. The municipalities in the District therefore have a challenge in identifying other innovative strategies to enhance revenue additional to their normal services. This cluster therefore focuses on ensuring that the District is financially viable and sustainable by keeping revenue generation and enhancement key to their advances. Key to this is sound financial management systems and adherence to controls and also ensuring that the supply chain management enhances to development of local entrepreneurship and local economy.
5. **Basic Services and Infrastructure** - the O.R. Tambo DM has taken massive strides in advancing the delivery of basic services to its communities; however the challenge is still huge when considering the huge backlogs as against the targets that are set nationally. The focus of the District municipality as an authority of this function has been at extending services to those with no access – largely the poor. This meant that very little resources were available for refurbishing, maintaining and increasing the capacity of existing infrastructure especially in urban areas. This has led to a situation where the state and capacity of existing infrastructure have become a constraint to growth and development. The DM now faces a challenge of having to balance extending services to unserved communities with refurbishing, maintaining and increasing the capacity of existing infrastructure to support economic growth and development.

6. Demarcation Processes

In September 2010 the Municipal Demarcation Board underwent a delineation process where some wards boundaries were changed. Some of local municipalities have their ward boundaries changed and some have wards added to their jurisdiction. Two municipalities Mbizana and Ntabankulu have been moved to Alfred Nzo. This means that O.R. Tambo will now have 5 local municipalities under its jurisdiction.

7. Municipal Turn-around Strategy

The year 2009, is a year where the local government sphere was marred by political unrests and community protests. In trying to find the root causes, the Department of Cooperative Governance and Traditional Affairs commissioned an evaluation of local government in all the provinces. The results of that study then culminated into the State of Local Government in South Africa report which was released in November 2009. The report details challenges that currently face the sphere of government which is closest to communities. Such challenges hamper the functioning of local government and its ability to deliver services. Following the assessment of local

government, a strategy to turn things around for the better was proposed – this is what we know as the municipal turn-around strategy. However, the strategy steers away from a ‘one size fits all approach’ advocating that each municipality has to develop its own turn- around strategy which takes into account the unique conditions and circumstances of each municipality.

The O.R. Tambo District municipality developed and adopted its turn-around strategy in May 2010 and is attached hereto as annexure. The O. R. Tambo DM turnaround strategy identifies bottlenecks in each of the 5 Key Performance Areas of the 5 Year Local Government Strategic Agenda and seeks to address those.

8. IDP Review 2010/11 - Report Structure

Our reviewed IDP document for 2011/12 is structured as follows:

PART ONE	<i>Introduction</i> <i>This section gives a concise overview of the municipality and processes followed to develop this document.</i>
PART TWO	ORTDM Overview and Updated Situation Analysis <i>This section provides a brief overview of the situation in ORTDM and focuses on new developments.</i>
PART THREE	IDP Issues Objectives & Strategies <i>This section sets out the reviewed departmental objectives, strategies, indicators and targets.</i>
PART FOUR	Performance Management <i>This section includes Performance Management details.</i>
PART FIVE	Operational Strategies/Sector Plans <i>This section outlines sector plans currently available at the DM and their status.</i>
PART SIX	Projects <i>This section outlines programmes and projects to be implemented in the O.R. Tambo District by the DM itself as well as other government departments</i>
PART SEVEN	<i>Three year Capital Plan</i>

PART ONE
INTRODUCTION

1.1 LEGISLATIVE FRAMEWORK

The Constitution of Republic of South Africa Act 108 of 1996 regulates and directs the operations and existence of local sphere of government. Section 152 of the Constitution clearly sets out the objects of local government that a municipality must strive to achieve the following objects:-

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

Section 153 of the Constitution also stipulates that a municipality must:-

- a) Structure and manage its administration and budgeting and planning process to give priority to the basic needs of the community and to promote the social and economic development of the community and;
- b) Participate in national and provincial development programmes.

Section 25 of the Local Government Municipal System Act No 32 of 2000 (MSA) stipulates 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 co-ordinates 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;
- (c) forms the policy framework and general basis on which annual budgets must be based;
- (d) complies with the provisions of this Chapter; and
- (e) is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

In addition Section 26 of the MSA prescribes the following peremptory components that an IDP must reflect on:

- ◆ The municipal council's vision including the municipal critical developmental and transformation needs;

- ◆ An assessment of existing level of development in the municipality;
- ◆ The council's developmental priorities and objectives including its local economic development aims;
- ◆ The councils' development strategies which must be aligned to national and provincial sector plans;
- ◆ A spatial development framework which must include the provisions of basic guidelines for a land use management system;
- ◆ The council's operational strategies;
- ◆ Applicable disaster management plans;
- ◆ A financial plan, which must include a budget projection for the next three years; and
- ◆ The key performance indicators and performance targets determined in terms of section 41.

The Municipal Planning and Performance Management Regulations (2001) set out the following further requirements for an IDP:

- ◆ An institutional framework for implementation of the IDP and to address the municipality's internal transformation;
- ◆ Investment initiatives must be clarified;
- ◆ Development initiatives including infrastructure, physical, social and institutional development and;
- ◆ All known projects, plans and programmes to be implemented within the municipality by any organ of state.

The Municipal Finance Management Act No. 56 of 2003, (MFMA) provides for closer alignment between the Annual Budget and the compilation of the IDP. To give effect to the said mandates, the IDP has been legislated as a planning mechanism to be adopted by municipalities (Chapter 5 of the MSA No. 32 of 2000). The council of O.R Tambo district municipality is reviewing an Integrated Development Plan (IDP) to adopt it for implementation during (2011/2012) financial year. The IDP as a strategic development plan is reviewed annually to guide all development in a municipal area and inform municipal budgeting and resource allocation. It also plays a pivotal role in informing all planning processes of the other spheres of government (National and Provincial) as well as all state owned enterprises. The main purpose of an IDP is to foster more appropriate service delivery by providing the framework for economic and social development within the municipality. In doing so it:-

- i. Contributes towards eradicating the development legacy of the past.
- ii. Operationalizes the notion of developmental local government.
- iii. Foster a culture of co-operative governance.

1.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES

1.2.1 THE NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The fundamental aim of the NSDP is to guide the reconfiguration of apartheid spatial relations and the implementation of spatial priorities in ways that meet the Constitutional imperative to provide basic services to all; alleviate poverty and inequality; and to ensure that government investment is able to maximise its impact on growing the country's economy in sectors where there is greatest potential. Important in this is the targeting of government investment in ways that encourage the 'crowding in' of private investment.

The spatial configuration of our country is not only the product of investment and growth, but also of apartheid spatial planning – a disjuncture exists between where people live and where economic opportunities exist. This spatial marginalisation from economic opportunities is still a significant feature of our space economy that needs to be addressed in order to reduce poverty and inequality, and ensure shared growth.

The existing national policy allocates developmental responsibilities across all three spheres of government. The NSDP is intended to guide the three spheres of government to plan and allocate resources to achieve the country's developmental objectives. The NSDP document puts forward a set of principles, which recommend the focusing of government fixed investment in **areas with development potential**. It is argued that these areas present the greatest possibility for both economic growth and poverty alleviation.

In **areas of limited potential**, the NSDP proposes that government takes an approach that ensures that citizens are provided with a package of essential services. Moreover that government concentrates primarily on social investment, such as basic social infrastructure and human resource development, labour market intelligence and social grants. The fact that poverty may be dire in these areas does not mean that it is physically in such areas that poverty can be more effectively addressed.

Intergovernmental planning and resource allocation

To achieve a common platform for deliberation and decision-making around infrastructure investment and development spending decisions NSDP has 2 key components:

- the defining of the space economy in terms of needs and development potential

- the set of guiding principles, to be utilised by all actors in government when planning, deliberating and budgeting for investment and spending.

This requires a **well co-ordinated and integrated system of planning** in which the plans at a national, provincial and local level inform and are informed by each other. Also that there is agreement on the priority financing targets for both basic needs and economic development, and that the financing streams in the various spheres are targeted at these priorities.

Achieving this requires a strongly co-ordinated interaction between the key planning instruments in each sphere:

- At a national level within The Medium Term Strategic Framework (MTSF) and linked MTEF
- At a provincial level through Provincial Growth and Development Strategies (PGDSs) and Provincial MTEF's
- At a local level through the District and local municipalities, Integrated Development Plans and the Municipal MTEF's District wide agreements

Within this planning framework it is important to differentiate regions and sub regions. From an administrative perspective Districts are important foci of sub regional planning and the point at which the planning of the three spheres can best intersect.

A particular focus of this project is **district wide agreements needed on the district space economy** in terms of need/poverty and development potential. This agreement should not will not only form the base for preparing and reviewing IDP's in the district, but also agreements or implementation protocols on the roles and responsibilities regarding infrastructure investment and development spending in the district.

- Each of these should inform and focus the other in reconciling four fundamental planning imperatives:
 - **Alleviating poverty**
 - **Growing the local, regional and national economies**
 - **In doing so increasing the amount of employment**
 - **Maximising the skills and resources available to contribute to economic development**

1.2.2 THE MEDIUM TERM STRATEGIC FRAMEWORK AND OUTCOMES BASED APPROACH

The MTSF is meant to guide planning and resource allocation across all the spheres of government. National and provincial departments had to develop their five-year strategic plans and budget requirements taking into account the medium-term imperatives.

Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their Integrated Development Plans in line with the national medium-term priorities. The MTSF is reviewed annually during the mid-year Cabinet makgotla in the light of new developments and experience in actual implementation.

The yearly reviews then inform both the corresponding three-year rolling MTEF's and government's annual Programme of Action.

The 2009 Electoral Mandate of the ruling party identifies the following objectives:

- **Halve poverty and unemployment by 2014.**
- **Ensure a more equitable distribution of the benefits of economic growth and reduce inequality.**
- **Improve the nation's health profile and skills base and ensure universal access to basic services.**
- **Improve the safety of citizens by reducing incidents of crime and corruption.**
- **Build a nation free of all forms of racism, sexism, tribalism and xenophobia.**

To give effect to the above strategic objectives, the MTSF identifies 10 priorities which government work must be centered around

- 1) *Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.*
- 2) *Massive programme to build economic and social infrastructure*
- 3) *Comprehensive rural development strategy linked to land and agrarian reform and food security*
- 4) *Strengthen the skills and human resource base - access to quality education*
- 5) *Improved health care for all South Africans*
- 6) *Intensify the fight against crime and corruption.*
- 7) *Build cohesive, caring and sustainable communities.*
- 8) *Pursuing African advancement and international relations.*

9) *Sustainable resource management and use.*

10) *Building a developmental state including improvement of public services.*

The Manifesto and the MTSF were further translated into 12 outcomes through which government performance will be monitored:-

1. *Quality basic education*
2. *A long and healthy life for all South Africans*
3. *All people in South Africa are and feel safe*
4. *Decent employment through inclusive economic growth*
5. *Skilled and capable workforce to support an inclusive growth path*
6. *An efficient, competitive and responsive economic infrastructure network*
7. *Vibrant, equitable, sustainable rural communities contributing towards food security for all*
8. *Sustainable human settlements and improved quality of household life*
9. *Responsive, accountable, effective and efficient Local Government system*
10. *Protect and enhance our environmental assets and natural resources*
11. *Create a better South Africa, a better Africa and a better world*
12. *An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship*

Although the outcome that relates specifically to local government is Outcome 9, the local government sphere has a role to play in all the 12 outcomes as shown on the table below.

Table 1: 12 Outcomes of Government

Outcome 1: Improve the quality of basic education		
Outputs	Key spending programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve quality of teaching and learning. 2. Regular Assessments to track progress. 3. Improve early childhood development. 4. A credible outcomes-focused accountability system 	<ul style="list-style-type: none"> • Increase the number of Funza Lushaka bursary recipients from 9300 to 18 100 over the 2011 MTEF. • Assess every child in grades 3,6, and 9 every year. • Improve learning and teaching materials to be distributed to primary schools in 2014. • Improve maths and science teaching 	<ul style="list-style-type: none"> • Facilitate the building of new schools by : • Participating in needs assessment s • Identifying appropriate land • Facilitating zoning and planning processes • Facilitate the eradication of municipal service backlogs in schools by extending appropriatebulk infastructure and installing connections
Outcome 2: Improve health and life expectancy		
Outputs	Key spending programmes	Role of Local Government

<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females 2. Reduce maternal and child mortality rates to 30-40 per 1000 births. 3. Combat HIV/Aids and TB 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> • Revitalise primary health care • Increase early antenatal visits to 50%. • Increase vaccine coverage. • Improve hospital and clinic infrastructure • Accredite health facilities • Extend coverage of new child vaccines. • Expand HIV prevention and treatment. • Increase prevention of mother-to-child transmission. • School health promotion increase school visits by nurses from 5% to 20%. • Enhance TB treatment 	<ul style="list-style-type: none"> • Many municipalities perform health functions on behalf of provinces. • Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments. • Municipalities must continue to improve Community Health Services infrastructure by providing clean water, sanitation and waste removal services.
Outcome 3: All people in South Africa are protected and feel safe		
Outputs	Key spending programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime. 2. An effective and integrated criminal justice system. 3. Improve investor perceptions and trust. 4. Effective and integrated border management. 5. Improve perception of crime among the population. 6. Integrity of identity of citizens and residents secures 7. Cyber-crime combated 	<ul style="list-style-type: none"> • Increase police personnel. • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities. • ICT renewal in justice cluster • Occupation – specific dispensation for legal professionals. • Deploy SANDF soldiers to South Africa’s borders. 	<ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning and enforcement of municipal by-laws. • Direct the traffic control function towards policing high risk violations – rather than revenue collection.
Outcome 4: Decent employment through inclusive economic growth		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth 2. More labour-absorbing growth 3. Strategy to reduce youth unemployment 4. Increase competitiveness to raise net exports and gross trade 5. Improve support to small business and cooperatives 6. Implement expanded public works programme 	<ul style="list-style-type: none"> • Invest in industrial development zones • Industrial sector strategies – automotive industry; clothing and textiles • Youth employment incentive • Development training and systems to improve procurement • Skills development and training • Reserve accumulation • Enterprise financing support • New phase of public works programme 	<ul style="list-style-type: none"> • Create an enabling environment for investment by streamlining planning application process • Ensure proper maintenance and rehabilitation of essential services infrastructure • Ensure proper implementation of the EPWP at municipal level • Design service delivery processes to be labour intensive • Improve procurement systems to eliminate corruption and ensure value for money • Utilise community structures to provide services
Outcome 5: A skilled and capable workforce to support inclusive growth		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism 2. Increase access to intermediate and high-level learning programmes 3. Increase access to occupational – specific 	<ul style="list-style-type: none"> • Increase enrollment in FET colleges and training of lectures • Invest in infrastructure and equipment in colleges and technical schools • Expand skills development 	<ul style="list-style-type: none"> • Development and extend intern and work experience programmes in municipalities • Link municipal procurement to skills development

programmes (especially artisan skills training) 4. Research, development and innovation in human capital	<p>learnerships funded through sector training authorities and National skills Fund</p> <ul style="list-style-type: none"> • Industry partnership projects for skills and technology development • National Research Foundation centres excellence, and bursaries and research funding 	initiatives
Outcome 6: An efficient, competitive and responsive economic infrastructure network		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation 2. Reliable generation, distribution and transmission of energy 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports 4. Maintain bulk water infrastructure and ensure water supply 5. Information and communication technology 6. Benchmark for each sector 	<ul style="list-style-type: none"> • An integrated energy plan successful independent power producers • Passenger Rail Agency acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers • Increase infrastructure funding for provinces for the maintenance of provincial roads • Complete Gauteng Freeway Improvement Programme • Complete De Hoop Dam and bulk distribution • Nandoni pipeline • Invest in broadband network infrastructure 	<ul style="list-style-type: none"> • Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services • Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport • Maintain and expand water purification works and waste water treatment works in line with growing demand • Cities to prepare to receive the devolved public transport function • Improve maintenance of municipal road network
Outcome 7: Vibrant, equitable and sustainable rural communities and food security		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Sustainable agrarian reform and improved access to markets for small farmers 2. Improve access to affordable and diverse food 3. Improve rural services and access to information to support livelihoods 4. Improve rural employment opportunities 5. Enable institutional environment for sustainable and inclusive growth 	<ul style="list-style-type: none"> • Settle 7000 land restitution claims. • Redistribute 283 592ha of land use by 2014 • Support emerging farmers • Soil conservation measures and sustainable land use management • Nutrition education programmes • Improve rural access to services by 2014: <ul style="list-style-type: none"> -Water – 92% to 100% -Sanitation – 69% to 100% -Refuse removal – 64% to 75% -Electricity – 81% to 92% 	<ul style="list-style-type: none"> • Facilitate the development of local markets for agricultural produce • Improve transport links with urban centers so as to ensure better economic integration • Promote home production to enhance food security • Ensure effective spending of grants for funding extension of access to basic services
Outcome 8: Sustainable human settlements and improved quality of household life		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Accelerate housing delivery 2. Improve property market 3. More efficient land utilization and release of state-owned land 	<ul style="list-style-type: none"> • Increase housing units built from 220 000 to 600 000 a year • Increase construction of social housing units to 80 000 a year • Upgrade informal settlement: 400 000 units by 2014 • Deliver 400 000 low-income houses on state-owned land • Improve urban access to basic services: <ul style="list-style-type: none"> -Water – 92% to 100% -Sanitation – 69% to 100% -Refuse removal – 64% to 75% -Electricity – 81% to 92% 	<ul style="list-style-type: none"> • Cities must wait to be accredited for the housing function • Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlement • Participate in the identification of suitable land for social housing • Ensure capital budgets are appropriately prioritized to maximum existing services and extend services
Outcome 9: A response and, accountable, effective and efficient local government system		

Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support 2. Community work programme 3. Support for human settlements 4. Refine ward committee model to deepen democracy 5. Improve municipal financial administrative capability 6. Single coordination window 	<ul style="list-style-type: none"> • Municipal capacity-building grants: • Systems improvement • Financial management (target: 100% unqualified audits) • Municipal infrastructure grant • Electrification programme • Public transport & systems grant • Bulk infrastructure & water grants • Neighbourhood development partnership grant • Increase urban density • Informal settlements upgrades 	<ul style="list-style-type: none"> • Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality • Implement the community work programme • Ensure ward committees are representative and fully involved in community consultation processes around the ID, budget and other strategic service delivery issues • Improve municipal financial and administrative capacity by competency norms and standards and acting against incompetence and corruption
Outcome 10: Protection and enhancement of environmental assets and natural resources		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources 2. Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality 3. Sustainable environmental management. 4. Protect biodiversity 	<ul style="list-style-type: none"> • National water resource infrastructure programme. • Expanded public works environmental programmes • Biodiversity and conservation 	<ul style="list-style-type: none"> • Develop and implement water management plans to reduce water losses • Ensure effective maintenance and rehabilitation of infrastructure. • Run water and energy saving awareness campaigns. • Ensure development does not take place on wetlands
Outcome 11: A better South Africa, a better and safer Africa and world		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development. 2. Enhance regional integration 3. Reform global governance institutions 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> • Proposed establishment of South African Development Partnership Agency. • Defence: peace support mechanisms • Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained. • Creating an enabling environment for investment.
Outcome 12: A development orientated public service and inclusive citizenship		
Outputs	Key spending programmes (National)	Roles of Local Government
<ul style="list-style-type: none"> • Improve government performance • Government wide performance and monitoring • Conduct comprehensive expenditure review. • Celebrate cultural diversity 	<p>Performance monitoring and evaluation Stats SA: Census 2011- reduce undercount.</p> <p>Sports and Recreation: support mass participation and school sport programmes</p>	<ul style="list-style-type: none"> • Continue to develop performance monitoring and management system • Comply with legal financial reporting requirements. • Review municipal expenditures to reduce wastage. • Ensure councils behave in ways that restore trust in local government.

1.2.3 OUTCOME 9 UNPACKED

In line with the Programme of Action (POA) of this new administration, an outcomes based approach has been adopted. This resulted in twelve outcomes approved by the Cabinet to address the main strategic priorities of the government. Each outcome has a set of measurable outputs and clear targets. These outputs should be the strategic focus of all spheres of government between 2011-2014. Based on the 12 outcomes, the President has signed Performance Agreements with each minister, which in return they have signed with their respective MECs and Mayors.

As part of responsibilities of the new Monitoring and Evaluation Department within the Presidency Office, a performance monitoring and evaluation management system has been introduced so as to continuously monitor the performance of all 12 outcomes. All spheres of government are expected to develop and produce strategic plans that will reflect the outcome based approach, so as to prepare for the realisation and commitment of the outcomes based approach. Provincial Departments of Local Government and Municipalities are guided by Outcome 9 and will be monitored on the performance of the 7 outputs of outcome 9 .

Outcome 9 promotes a responsive, accountable , effective and efficient local government system.

This outcome arises from the ideals of the best performing municipality as envisaged in the Local Government Turn Around Strategy (LGTAS). This will therefore necessitate that the implementation LGTAS as intended is monitored..

7 Outputs of Outcome 9

- **Output 1:** Implement a differentiated approach to municipal financing, planning and support
- **Output 2:** Improving access to basic services.
- **Output 3:** Implementation of the Community Work Programme
- **Output 4:** Actions supportive of the human settlement outcome
- **Output 5:** Deepen democracy through a refined Ward Committee model
- **Output 6:** Administrative and financial capability
- **Output 7:** Single window of coordination

The seven outputs as mentioned above can be further unpacked as follows:

OUTPUT 1: Differentiated Approach

- Detailed segmentation of municipalities
- Autonomy in respect of infrastructure and housing delivery
- Simplified IDPs planning for the delivery of 10 critical municipal services

- Simplified revenue enhancing plans
- Filling of top 6 critical posts by suitably qualified individuals
- Contracts of Municipal Managers are crisp and concise

OUTPUT 2: Improved access to Basic Services

- Improved access to water
- Improved access to sanitation
- Improved access to refuse removal
- Improved access to electricity
- Increased number of bulk infrastructure projects funded through Bulk Infrastructure Funding
- Special Purpose Vehicle for municipal infrastructure

OUTPUT 3: Community Work Programme

- Number of work opportunities identified that are useful by communities per ward (2 per ward)
- Number of wards per municipality where CWP has been implemented
- Number of job opportunities created
- % of job opportunities created that are associated with functional cooperatives

OUTPUT 4: Support the Human Settlement Activities

- Number of regulatory amendments for spatial planning reviewed and proposed
- Hectors of public land released for low income and affordable housing
- Number of municipalities where NUSP has been expanded
- National Grant Co ordination Framework developed and monitored by March 2011

OUTPUT 5: Deepening democracy

- Legislative Framework reviewed to strengthen ward committee capacity and functionality

- Adoption of new approach for funding mechanism of ward committees
- % of fully functional ward Committees

OUTPUT 6: Improved Municipal Financial and Administrative Capabilities

- Address immediate financial and administrative problems in municipalities
- Ensure the implementation of transparent municipal SCM
- Implement the Revenue Enhancement Strategy through public mobilization campaigns
- Improved municipalities with unqualified audit opinion
- Average monthly collection rate on billing to arise
- % of municipalities with debtors more than 50% of own revenue to be reduced
- % of municipalities under spending on Capex to be reduced
- % of municipalities spending less than 5% of Opex on repairs and maintenance to be reduced
- Anti –Corruption legislation reviewed and implemented
- Revised system of reporting by municipalities

OUTPUT 7: Single window of coordination

- Improved Intergovernmental relations between spheres of government through improved functionality of IGR structures
- Reviewed IGR Fiscal Framework before 2011 Local Government Election
- The implementation of a single cycle of election for national, provincial and local government to improve system of governance and service delivery

1.2.4 THE NEW ECONOMIC GROWTH PATH

Government, under the leadership of Minister Ebrahim Patel, on 23 November 2010 released the **Framework of the New Economic Growth Path** aimed at enhancing growth, employment creation and equity. The policy's principal target is to create five million jobs over the next 10 years. This framework reflects government's commitment to prioritising employment creation in all economic policies. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa's developmental agenda.

Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy. This calls for all spheres of government to prioritise job creation and as such ensure that all programmes that they implement have an element of job creation.

- The framework for the New Economic Growth Path identifies investments in five key areas namely: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas will create jobs in construction, operation and maintenance of infrastructure.
- The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme.
- Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved. Risks include the still fragile global recovery; competition and collaboration with the new fast-growing economies; and competing interests domestically.

The New Growth Path identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector:

- **Green economy:** expansions in construction and the production of technologies for solar, wind and biofuels is supported by the draft **Energy on Integrated Resource Plan**. Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.
- **Agriculture:** jobs will be created by addressing the high input costs and upscaling processing and export marketing. Support for small holders will include access to key inputs. Government will explore ways to improve working and living conditions for the country's 660 000 farm workers. The growth path also commits the Government to unblocking stalled land transfers, which constrain new investment.
- **Mining:** calls for increased mineral extraction and improving infrastructure and skills development. It focuses support for beneficiation on the final manufacture of consumer and capital goods, which can create large-scale employment. It foresees the establishment of a state mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.
- **Manufacturing:** calls for re-industrialisation in the South African economy based on improving performance through innovation, skills development and reduced input costs in the economy. The document targets a doubling of South Africa's research and development investment to 2% of gross domestic product by 2018.

- **Tourism and other high-level services:** hold employment potential and the framework calls for South Africa to position itself as the higher education hub of the African continent.

1.2.5 THE PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The Eastern Cape PGDP (2004 – 2014) provides a strategic framework, and sectoral strategies and programmes aimed at achieving a rapid improvement in the quality of life for the poorest people of the Province. In order to achieve this, the PGDP sets out a vision with quantified targets in the areas of economic growth, employment creation, poverty eradication and income redistribution for the ten-year period 2004-2014.

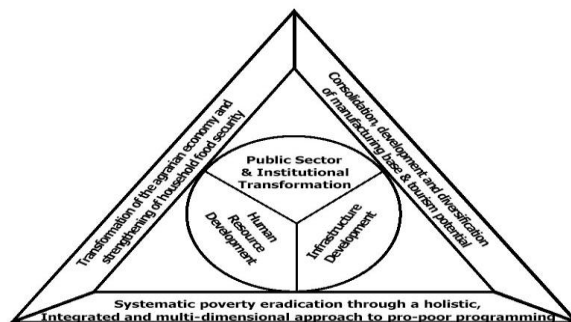
The strategy framework for growth and development is expressed in terms of six strategic objectives, which are divided further into **three key objectives** and **three foundation objectives**.

The three **key objectives**:

1. Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to pro-poor programming.
2. Agrarian transformation and strengthening of household food security.
3. Consolidation, development and diversification of the manufacturing base and tourism potential.

These key objectives are supported by the following three **foundation objectives**:

1. Infrastructure development.
2. Human resource development.
3. Public sector and institutional transformation.



It is understood that the PGDP is presently under review. Nevertheless, it has initiated **14 Priority Programmes**, as follows: -

1. *Sustainable homestead food production programme, complemented by promotion of commercial production through programmes such as the Massive Food Production Programme.*
2. *Provincial industrial strategy identifying new opportunities and key sub-sectors in all parts of the province, and including provisions for the facilitation of structured finance for small manufacturing initiatives.*
3. *Integrated infrastructure development programme with a particular emphasis on rural infrastructure and job creation, and on the promotion of input purchase and service provision from local small and medium enterprise suppliers (Community Based Public Works Programme to be part and parcel of this process).*
4. *Programme to build access to productive assets by the poor (including assets such as land, plant, machinery and agriculture).*
5. *A programme of phased decentralization of service provision and facilitation of economic growth from provincial government departments to district and local municipalities, paying attention to the integration of the delegation of powers and functions, the building the capacity of municipalities, and the targeting and management of fiscal resources.*
6. *Integrated human resource development strategy that pays particular attention to skills development initiatives that address the income and asset base of the poor (such as learnerships) while addressing the longer term skills needs that will make the Eastern Cape more competitive.*

1.2.6 ACCELERATED AND SHARED GROWTH INITIATIVE (ASGISA)

The primary national government development objective for areas such as the ORTDM is the commitment to reducing poverty and unemployment by 50% by the year 2014. This includes the eradication of all basic needs infrastructural backlogs and significant government investment in infrastructure for economic development. The latter investments to encourage the ‘crowding-in’ of private sector investment.

ASGI-SA is aimed at removing the binding constraints and blockages to South Africa’s economic development in order to set the economy on high growth trajectory.

The policy instrument developed to realise this objective is the Accelerated and Shared Growth Initiative (Asgi-SA). In the Eastern Cape the establishment of the implementing agency Asgisa East Cape (Pty) Ltd. is intended to support these objectives particularly through driving agrarian reform in the OR Tambo and surrounding districts incorporating former Bantustans.

1.2.7 LOCAL GOVERNMENT TURN-AROUND STRATEGY

Local government in South Africa has contributed to the achievement of a number of significant social and economic development advances since the new democratic municipal dispensation. The majority of the citizens have increased access to a wide range of basic services and more opportunities have been created for their participation in the economy.

Since beginning of 2009 the country has been marred by service delivery protests. These protests were characterised by violence, intimidation, destruction of property (municipal, government as well as property owned by councillors). The Minister of Cooperative Governance and Traditional Affairs then commissioned a Task Team to undertake assessments in all municipalities in the country. These assessments then culminated into the State of Local Government Report.

Despite the valuable role that municipalities have played in the country’s democracy, key elements of the local government have shown signs of distress.

All municipalities in the country were then directed to develop turn-around strategies in order to:

- Restore the confidence of the majority of the people in our municipalities as the primary delivery machine of the developmental state at a local level.
- To rebuild and improve the basic requirement for a functional, accountable, responsive, effective, efficient developmental local government.

Like all other municipalities in the country, the O.R. Tambo District municipality developed and adopted its Turn –around strategy in May 2010.

1.3 OVERVIEW OF PROCESSES

The Municipal Systems Act 32 of 2000, Chapter 5 - part 3 prescribes that Municipal Council must review its Integrated Development Plan (IDP) annually in accordance with its performance measurements to the extent that changing circumstances so demand. This involves an assessment of the Municipality's performance and achievement of its targets and strategic objectives. The Council must also amend its IDP in accordance with a prescribed process.

The IDP is annually reviewed to reflect the impact of successes, while corrective measures are applied to address development problems that may arise. This is done to ensure its relevance as the Municipality's Strategic Plan, informing other components of the municipal business processes including institutional development, financial planning, cyclical inter-governmental planning and budgeting.

1.3.1 IDP FRAMEWORK AND PROCESS PLAN

As stipulated in the Act, the review process begins with the formulation of the Framework Plan at the District Municipality level, which also provides an IDP framework for Local Municipalities within its area of jurisdiction. This is done to ensure alignment and coordination between the District and its Local Municipalities' processes. Following the Framework plan, Municipalities are also required to prepare process plans outlining the way in which the review is to be undertaken to include the following:-

- i. A program with time frames, specifying the different steps to be followed
- ii. Outline of mechanisms, processes and procedures for consultation and participation of communities, traditional leaders, government departments and other roleplayers in the IDP process.
- iii. Layout of organisational arrangements in place for the IDP process
- iv. Binding plans and planning requirements
- v. Mechanisms and procedures for alignment
- vi. Financial requirements for the IDP process

On the 31 August 2010, the O.R. Tambo DM council after due consultation with the local municipalities, approved the framework and the process plans, to guide and inform the processes to be followed in the 2011/12 IDP PMS and Budget review process as prescribed by law. Unique for the current review is the fact that, as all Local Government Municipal Councils are due to elect new Councils, the National Treasury published the MFMA circular No 54. The circular provided guidance on how Municipalities

should conduct the review processes to ensure that they are able to function at the beginning of the new financial year with approved IDP and Budgets where possible. The MFMA circular No. 54 provided two options for the Municipalities as follows:

Option 1: Outgoing council approves 2011/12 Budget

Option 2: Outgoing council prepares 2011/12 budget, new council

The council of O.R Tambo DM adopted a reviewed process plan in line with option 1, with the following detail:

- Current Mayor prepares a budget schedule leading to tabling of budget by late February or early March 2011.
- Community consultations on annual budget conducted between March and April 2011.
- Technical work on annual budget completed by mid-April 2011
- Current council approves the annual budget before the end of April
- New council implements annual budget from 1st July 2011.

This necessitated an amendment of the approved IDP, PMS and Budget Process Plan in order to align with Circular 54 . Such an amendment was approved by Council on 31 January 2011.

Table 2. Approved IDP, PMS and Budget schedule as per option 1, approved on 31 January 2011.

MILESTONE	ACTIVITIES	RESPONSIBILITY	TIMEFRAME
SITUATIONAL ANALYSIS	Consolidation of sector input on progress made	IDP Unit	End Jan 2010
	Preparation and distribution of budget guidelines.	Budget & Treasury Office	31 January 2011
	Evaluation of service delivery achievement and identification of gaps.	IDP Steering Committee IDP Rep Forum	04 February 2011 08 February 2011
	Mid –term performance assessments	MAYCO	February 2011
	Preparation of 2010/11 adjustment budget.	All Departments	4 February 2011
	COUNCIL SITTING	Adoption of Revised/ Amended IDP, PMS & Budget Process Plan. Tabling of Annual Report	Council
PROJECT PRIORITIZATION AND STRATEGIES	Identification of priority projects in 2010/11.	IDP Steering Committee IDP Rep Forum	4 February 2011 10 February 2011
	Capital budget preparation and submission to BTO.	All departments	15 February 2011
	Oversight Roadshows on the Annual Performance Report	Council	08 – 18 February 2011
COUNCIL SITTING	Tabling of Draft IDP and Budget for 2011/12.	Council	9 March 2011
PROJECT PHASE	Outline prioritized development projects and setting of targets and indicators	All Departments	7 – 11 February 2011
	Projects phase session to align projects and programmes of local municipalities, sector departments and parastals	IDP Steering Committee IDP Rep Forum	22 February 2011 March 2011
	IDP , PMS & Budget Roadshows	MAYCO	17 – 25 March 2011
INTEGRATION PHASE	Integrate - interdepartmental & sector projects	All Departments IDP Steering Committee	22 February 2011
	Draft IDP and advertise for comments	IDP Unit/ Public Participation	11 March 2011
	IDP Indaba – for further inputs into the draft IDP before final adoption.	IDP Unit	4 – 8 April 2011
COUNCIL SITTING	Approval of Annual Report, IDP and Budget 2011/12 review	Council	28 April 2011

1.3.2 Implications of the 2010 Demarcation process

In September 2010, the Municipal Demarcation Board announced a number of changes to the municipal boundaries, which also affected the O.R. Tambo district in that the Local Municipalities of Ntabankulu and Mbizana are moving to Alfred Nzo District. As such the facilitation of the transition processes is underway as per the section 12 notice issued by the MEC for the Eastern Cape Department of Local Government and Traditional Affairs.

1.3.3 Organisational Arrangements

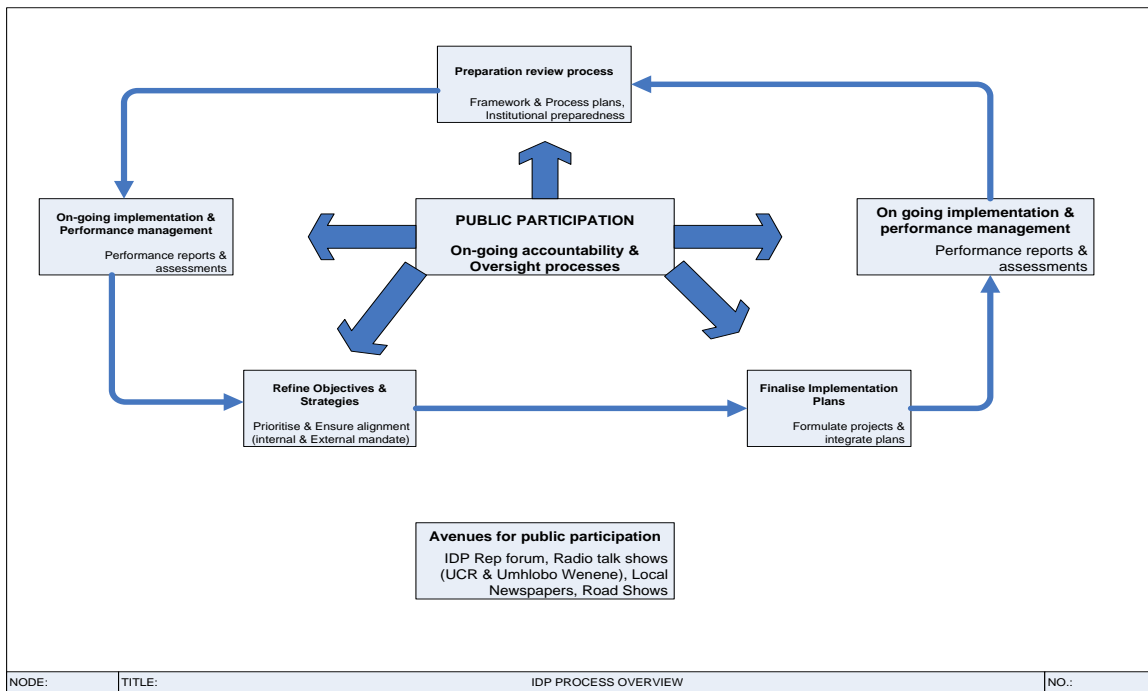
The Mayor and the Municipal Manager with the IDP Steering Committee were responsible for managing and drafting the Municipality's IDP. The following role players with the enlisted responsibilities were involved to ensure the success of the IDP Review process.

Table 3. IDP Role players and responsibilities

ROLE PLAYER	ROLES AND RESPONSIBILITIES
COUNCIL	<ul style="list-style-type: none"> <input type="checkbox"/> Approve and adopt the process and framework plans as well as the IDP <input type="checkbox"/> Monitor the implementation and approve any amendments of the plan when necessary
EXECUTIVE MAYOR	<ul style="list-style-type: none"> <input type="checkbox"/> Overall management, coordination and monitoring of the process and drafting of the IDP, which she assigns to the municipal manager. <input type="checkbox"/> Presents draft framework and process plans to council for adoption <input type="checkbox"/> Political coordination and management of the resulting implementation programme. <input type="checkbox"/> Presents draft reviewed IDP to the council for approval and adoption
IDP REPRESENTATIVE FORUM	<ul style="list-style-type: none"> <input type="checkbox"/> Provides an organisational mechanism for discussion, negotiation and decision making between stakeholders <input type="checkbox"/> Represents the interests of their constituencies in the IDP review process <input type="checkbox"/> Monitor the performance of the planning and implementation process
MUNICIPAL MANAGER	<ul style="list-style-type: none"> <input type="checkbox"/> Managing and coordination of the entire IDP process as assigned by the Executive Mayor <input type="checkbox"/> Facilitate the horizontal and vertical alignment of the District IDP review <input type="checkbox"/> Chair the IDP steering committee <input type="checkbox"/> Coordinate with various government departments to ensure proper alignment of programme
IDP STEERING COMMITTEE	<ul style="list-style-type: none"> <input type="checkbox"/> Provide technical and advisory support in the IDP review process <input type="checkbox"/> Monitor and evaluate effective management of IDP <input type="checkbox"/> Ensure strategic management of the implementation programme <input type="checkbox"/> Monitoring programme expenditure against budget <input type="checkbox"/> Commissions research studies and business plans for projects
IDP COORDINATORS FORUM	<ul style="list-style-type: none"> <input type="checkbox"/> ensure horizontal alignment between the District Municipality and between Local municipalities within the district; <input type="checkbox"/> ensure vertical alignment (through Department Local Government as official point of entry) between municipalities in the O R Tambo District and Provincial Government as well as National Government where relevant;
PROVINCIAL GOVERNMENT DEPARTMENTS	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure that sector plans are aligned with; and are part of the District IDP
SUPPORT PROVIDERS	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure that the IDP is aligned with the budget and planning requirement of both Provincial and National Departments. <input type="checkbox"/> Facilitate linkages between local and district municipal IDP <input type="checkbox"/> Provide information of national and provincial planning frameworks <input type="checkbox"/> Provide facilitation secretariat support

1.3.4 Mechanisms and Procedures for Public Participation

The IDP Representative Forum is the main organizational mechanism in place for discussion, negotiation and decision-making between stakeholders with the municipal area. It is constituted of Councilors, Mayors and Municipal managers of all constituent municipalities, representative of organised role playing groups, NGO, Senior officials from Government departments and municipal heads of departments. A number of meetings and road shows were conducted; radio announcements (UNITRA Community Radio, Ikhwezi FM, Alfred Nzo Community Radio and Umhlobo Wenene) and local newspaper publications, (Daily dispatch, Pondo News, Ikhwezi news, Mthatha Herald) were made as an effort to ensure that the public is actively involved throughout the process. Below is a schedule of events that took place in relation to the above.



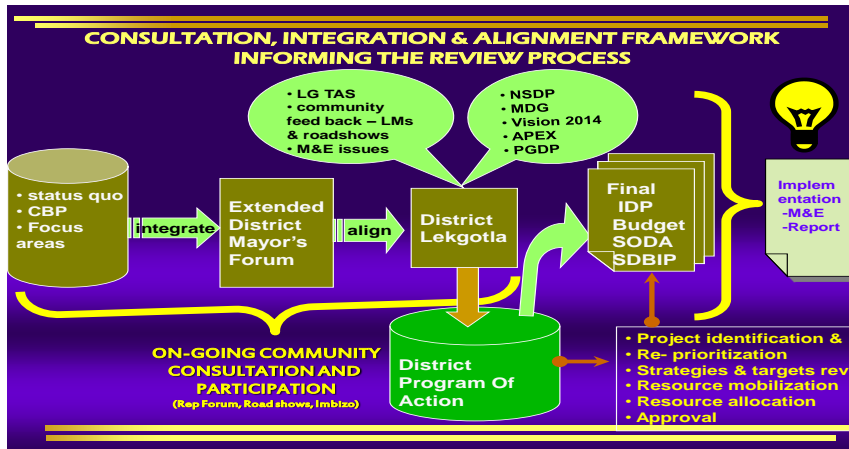
1.3.5 ALIGNMENT AND INTEGRATION

The Municipal Finance Management Act No 56 of 2003 prescribes a planning and budgeting cycle that municipalities must follow to ensure alignment. The critical phases, activities as well as the structures or role-players involved are listed in the table below.

Table 4 : Phases of IDP and Key Structures

Phase	Structures Involved	Activity
Analysis	District and Local Municipalities Relevant Government Departments	<ul style="list-style-type: none"> • Re-defining priority issues • Incorporating aspects of sector information (assessing plans from relevant sectors) • Agree on parallel processes
Strategies	District and Local Municipalities	<ul style="list-style-type: none"> • Vision, goals and objectives • Aligning strategies to the ISRDS, CMIP, Social Plan etc.
Projects	Relevant Government Departments, Sector Specialists, Project Task Teams – District and Local Municipalities, CBOs and NGOs, Traditional Communities	<ul style="list-style-type: none"> • Technical inputs by relevant sectors and governments • Relevant sector plans in order to align with project proposals accordingly • Business plans • Project proposals with budgets • Alignment of projects and plans with government department plans and budget
Integration	District and Local Municipalities and Government departments – Technical Specialists	<ul style="list-style-type: none"> • Screening of project proposals and making the necessary adjustments • Developing integrated programmes
Approval	District Municipality	Final comments and adjustments

To facilitate alignment with Government Sector Department, IDP engagements were conducted and this review cycle attendance by sector departments improved to more than 78%. Alignment between District IDP and Government Departments was facilitated through sector specific forums to allow in-depth engagement between sector role players and municipalities in the IDP development process. A critical gap was identified on the non-alignment of Provincial and National planning and budgeting cycles, which has always hampered smooth integration of priorities identified at Municipal level. The figure below summarises the process.



1.3.6 CONSIDERATION OF MEC COMMENTS ON 2009/10 IDP REVIEW

The O.R Tambo DM IDP for 2010/11 was submitted for comments to the MEC for the Department of Local Government and Traditional Affairs in terms of the section 32 of the Municipal Systems Act no.32 of 2000. The department conducted IDP assessments, the outcomes of which are tabulated below, together with an indication of how the O.R. Tambo DM has considered such in the current review process. The gaps identified were taken into consideration and addressed in this review.

Table 5 . Consideration of MEC comments

FUNCTIONAL AREA	GAPS IDENTIFIED	CORRECTIVE MEASURE/ ACTION UNDERTAKEN
WATER	The WSDP needs to be reviewed.	The DM has embarked on the process of reviewing the WSDP and the first will be available at the end of March 2011.
	Backlogs on water and sanitation have not been indicated in the IDP.	The current review clearly articulates the current backlogs and level of services provided until December 2010.
	The IDP clearly states that there are financial and human capacity constraints. Strategies need to be developed to recruit, retain staff, staff remuneration and skills development.	Process controllers have been trained and the placement process is almost finalised to address capacity constraints
	The IDP states that the WSA is the WSP. However, more details needs to be provided on the sustainability and efficiency of the WSP function	In the 2011/12 IDP review, under the Service Deliver KPA , the function of the WSP has been clearly outlined.
Environmental management	There is no Integrated Waste Management Plan or Strategy The IWMP does not capture some of the LM specific issues on Waste Management. DM needs t develop a Forestrt Plan as well as a greening strategy for the streets.	The IWMP was approved BY Council in September 2010. DM needs to budget for the development of the said sector plan or source funding from the relevant sector departments.
Forestry Plan		
Free Basic Services	There is no indication of existence of FBS or indigent policy	The indigent policy has been approved by council
	There is no indication of the budget on free basic services	100% of equitable share allocation for water and sanitation is allocated for FBS

Local Economic Development	There is no LED strategy for the DM	The DM LED strategy adopted in 2003 has been reviewed and adopted in September 2010.
Stakeholder and community Involvement/ participation	No there is no clear indication of community and stakeholders involvement. The municipality should state clearly involved communities and other stakeholders in the IDP.	Community and stakeholder involvement is undertaken as per the approved IDP framework and Process plans
	There is no indication of involvement of traditional leaders and the IDP processes. The DM needs to develop strategy to involve Traditional Leaders in the IDP Process	Traditional leaders are an integral part of IDP & DGDS stakeholder component for IDP processes
	The municipality has no clear strategy to inform communities of the priorities for current year.	This is provided for in the approved framework and process plans
Special Programmes (promotion of involvement of people with disabilities, youth and women)	There is no clear focus on special programmes. The DM should indicate special focus to promote people with disabilities, women and youth. The DM does not have a unit dedicated to promotion of programmes for youth.	The DM is implementing programmes that support youth, people with disabilities and women The Office of the Executive Mayor is responsible for performing this function and the unit looking at youth, gender and people with disabilities.
Promotion of Gender equity	There is no indication of status on promotion of gender equity for access to economic opportunity. The municipality should state clearly as to how they promoted access to economic opportunities for special groups.	The DM will introduce a monitoring and evaluation framework that allows reporting on issues of gender equity
Financial Management and Viability	The DM did not include the summary of the three year budget There is no mention o any financial policies that the municipality. Municipal Budget was not included in the IDP.	A three year financial plan will be included in the current IDP review. Summaries of the financial policies that the municipality has in place is found under the section on Financial Management and Viability. The municipal budget will be attached to the IDP as an annexure.

1.3.7 CONSIDERATION OF INPUT MADE BY COMMUNITY

IDP and Budget Roadshows were scheduled as follows for the period of 24 March – 7 April 2011, four areas in each Local Municipality where a minimum of 3 wards were clustered in each venue. A report on the findings is currently being compiled and will be incorporated before final adoption of the IDP.

MHLONTLO LM	
ISSUES RAISED BY COMMUNITY MEMBERS	RESPONSES BY THE DM
<p>1. WATER</p> <ul style="list-style-type: none"> ▪ No water in the following areas; In ward 16, 17 (Mzuzanto), Ward 20 (Esixhotyeni), ward 8 (their water scheme is small), Ngcolosi, ward 1, ward 7 (Mayolweni), ward 3 (Maqadanto & Zingcuka), ward 6 & 7 (Ntshaqo and Malebelebe) ▪ Problems with Water Schemes; some engines have been installed but are not working; Chulunca & Magunyo (one engine is not working, need tank and third engine), illegal connections are increasingly becoming a problem ▪ Ward 12 (Ngcolosi) water project not completed (no funds available) ▪ Incomplete water projects and lack of proper maintenance; i.e. taps are not working in various parts of the municipality 	<p>If the money is capital budget the money will be shifted to other project if there is no spending</p> <p>Noted</p> <p>ORTDM:- Contractor not able to complete, new contractor to complete in ward 7</p>
<p>2. SANITATION</p> <ul style="list-style-type: none"> ▪ No toilets; ward 16, 21, 22, ward 8 (Qebeyi) ▪ No sewerage system in ward 5 (Tsolo Junction & Hospital) ▪ Unqualified and incomplete toilets were constructed in some areas; ward 6 (new extension), ward 9, ward 12 (Ngcolosi), 	<p>The Department of Health provincial has not yet present their allocation to the municipality</p> <p>Noted - environmental affairs have to come to the ward and make an assessment</p>
<p>3. HOUSING</p> <ul style="list-style-type: none"> ▪ No houses; Ward 3 (Zingcuka & Maqadanto), waiting list since 1997/1998, no houses have been delivered yet, ward 6 and 16 – people were promised RDP houses ▪ Disaster Houses; Collapsed houses in ward 12 (Ngcolosi) and 24 	<p>Noted</p>
<p>4. ROADS</p> <ul style="list-style-type: none"> ▪ Bad roads and limited access in some areas such as; wards 1, 6, 17, 18, 21, 22, 20 (Esixhotyeni), Magunyo, 3 (Maqadanto), Qhutumeni (Sangeni to Qhutumeni) & T208 to Ugie ▪ There is a need for bridges as heavy rains limit community members' accessibility to certain areas ▪ Incomplete road construction work; Mayalulweni, Ngcolosi (no pipes and contractor is missing) 	<p>Noted</p>
<p>5. HEALTH</p> <ul style="list-style-type: none"> ▪ No clinic in ward 1 	
<p>6. EDUCATION</p> <ul style="list-style-type: none"> ▪ Mud Schools: Ward 3 (Zingcuka & Maqadanto) 	
<p>7. SPORTS FACILITIES AND LIBRARIES</p> <ul style="list-style-type: none"> ▪ Sports Grounds - grounds ruined and not maintained (Ward 7) 	
<p>8. LOCAL ECONOMIC DEVELOPMENT</p> <ul style="list-style-type: none"> ▪ Maintenance of existing projects: Fencing Project - Ward 6 and vegetable project in ward 1 (pipe bursts) ▪ Financial Aid/Bursary Scheme; Lack of Information 	<p>Refer to Department of Agriculture</p> <p>Bursary awarded to students with good matric results; no parents, Confirmation from the Councillor to award students.</p>
<p>9. ELECTRICITY</p> <ul style="list-style-type: none"> ▪ No electricity – Ward 7 (Mayalweni), Ward 22, 24 (Nciyana Area), Ward 3 (Maqadanto) 	
<p>10. SPECIAL PROGRAMMES UNIT</p> <ul style="list-style-type: none"> ▪ Children with no grant 	

INGQUZA HILL LM

ISSUES RAISED	RESPONSE
<p>1. WATER</p> <ul style="list-style-type: none"> ▪ No water; Ward 7 (Nqwabeni) ▪ No water coming out of the taps in Ward 24, ward 5 (need Jojo water tanks and water carting), ward 10 (water is not enough, need Boreholes to supply water for our villages), ward 9 (Siphaqeni) ▪ Need completed and functional water schemes 	
<p>2. SANITATION</p> <ul style="list-style-type: none"> ▪ Incomplete toilets, while some areas do not have any in Ward24 ▪ Sanitation was not finished the contractor says the money is in O.R Tambo and has not yet been paid for work done ▪ Sanitation was started in 2007 in Ward 7 at Msikana Village ▪ Toilets were built but need more bricks; Ward 10 	<p>Noted</p> <p>Noted</p> <p>Noted</p>
<p>3. ROADS</p> <ul style="list-style-type: none"> ▪ Construction of access road in Nqwabeni was done but not finished and work completion certificate was signed; Ward 7 (Nqwabeni) ▪ Bridge is not accessible in WaRd 24 	
<p>4. LOCAL ECONOMIC DEVELOPMENT</p> <ul style="list-style-type: none"> ▪ Lack of information regarding Bursaries 	<p>Budget for youth is in special programme unit in O.R Tambo Consult CDW, Ward Councillor and request for bursary. There is an office that is responsible for bursary</p>
<p>5. SPECIAL PROGRAMMES UNIT</p> <ul style="list-style-type: none"> ▪ Women's Project; no building/structure, fence or toilets ▪ No budget for youth 	

KING SABATHA DALINDYEBO	
ISSUES RAISED	RESPONSE
<p>1. WATER</p> <ul style="list-style-type: none"> • Qokolweni Water Supply (Ward 26): This project is supposed to cover ward 30, 26, & 29 but there is no progress on this project. These wards are not getting this water as promised ▪ Scarce water and Incomplete Water Projects: Ward 10, 14, 20, 21, 30 ▪ Faulty water meters in ward 10 ▪ Leaking water pipes ▪ No clean water in some areas 	<p>To report to KSD</p> <p>The is a policy for indigent in KSD offices</p>
<p>2. SANITATION</p> <ul style="list-style-type: none"> ▪ Construction of toilets are of a low standard and pose a threat to the health of the (Ward 21- Mbozisa, Khalala, Tonti etc) while some areas still have no access to sanitation facilities (Ward 4, 5, 10, 14, 19, 22, 26, 30) and Ncambedlana in Mthatha still use septic tanks. Other sanitation facilities need upgrading while some have not been completed 	<p>The old contractor left the project and a new contractor has been put to work on the toilet project. The project of toilets is in implementation stage but we have to cover certain areas at a time not all the area at once.</p> <p>Upgrade has been done at Mqanduli ORTDM upgrading of sewerage system in June 2011 it will be attended.</p>
<p>3. ROADS</p> <ul style="list-style-type: none"> ▪ Road from Mqanduli to Ngqeleni, ward 1, North Crest to Tababse, Road to Waterfall needs to be tarred before the state of the road deteriorates further. ▪ Some wards (ward 8 (Norwood), 10, 14, 21, 22 (Sudwane & Khovuthu), Gqubeni & Mboneni), 25, 29) still do not have access roads. ▪ Blocked projects: Bridge to Qokolweni is not complete 	<p>Road from Mqanduli to Ngqeleni is taken into consideration and a follow up will be made in that Access roads are not are not the responsibility of the District Municipality but that of the Local Municipality and the road construction project is in progress.</p> <p>The municipality did go to the affected community members and addressed them and the problem is being dealt with.</p>
<p>4. HOUSING</p> <ul style="list-style-type: none"> ▪ Low quality houses were built in 2001 , ward 10 ▪ Disaster houses still not built in ward 22 and 25 (Ngojini Ngcwanguba) 	
<p>5. HEALTH</p> <ul style="list-style-type: none"> ▪ RDP Houses were built but have structural problems (Phase 1 in Ward 4) ▪ Need RDP Houses in Ward 10; Northcrest, Ngojini Ngcwanguba (ward 25), ▪ Clinics are always full, need mobile clinics to visit other areas (esp. in ward 25 – Ngcwanguba) 	<p>Beneficiaries were allocated by community to Department of Housing in Bisho</p>
<p>6. ELECTRICITY</p> <ul style="list-style-type: none"> ▪ Shortage of electricity in ward 21, 22, 25, Ntshomane ▪ Street lights not working ▪ Frequent power cuts in ward 10 	<p>Ward 21 does not have the electricity poles yet but the project is on implementation and soon they will have electricity.</p> <p>Money is available but we are bizzzy consulting engineers for construction of electricity</p>
<p>7. SPECIAL PROGRAMMES UNIT</p> <ul style="list-style-type: none"> ▪ Need assistance with bursaries and school uniform for children and youth in Macam – ward 22 	

NYANDENI LOCAL MUNICIPALITY

ISSUES RAISED	RESPONSE
<p>1. WATER</p> <ul style="list-style-type: none"> ▪ Limited budget for water: Need more water in ward 2,3 & 9 (Gxulu), Gcininkosi, wards 15 & 16 (Ntlaza), ward 19 (Ngqondoreni, Ntshingeni, Sazinge); limited taps in ward 9 (Vezamandla), 15 & 16 (Didi, Khuleka, Maseme & Mkhweshubeni) ▪ We need construction of toilets in churches ▪ Incomplete water projects ▪ Unmaintained water schemes; ward 20 	<p>Application to the Department of Water Affairs by the Municipality done still under consideration The is no budget for churches</p>
<p>2. SANITATION</p> <ul style="list-style-type: none"> ▪ Limited sanitation services in Gcininkosi & Izinduneni ward 19 	
<p>3. ROADS</p> <ul style="list-style-type: none"> ▪ Need construction of road T173 ▪ Lack of road maintenance leading to inaccessibility; Road to St Barnads, ward 19 	<p>To communicate with Department of Transport</p>
<p>4. HOUSING</p> <ul style="list-style-type: none"> ▪ All disaster houses need to be taken into consideration and dealt with urgently 	
<p>5. SOCIAL AMENITIES</p> <ul style="list-style-type: none"> ▪ There is a need for social amenities such as pre-schools, community halls and sports fields 	
<p>6. ELECTRICITY</p> <ul style="list-style-type: none"> ▪ Limited electricity in Gcininkosi & Izinduneni ward 19 	
<p>7. SPECIAL PROGRAMMES UNIT</p> <ul style="list-style-type: none"> ▪ We need permanent jobs – youth in ward 5 	<p>The is no posts at the moment</p>
<p>8. LOCAL ECONOMIC DEVELOPMENT</p> <ul style="list-style-type: none"> ▪ The agricultural project was started late by Ntinga and ASGISA we were contributing on this project. There is also a need to fence arable land (ward 2) ▪ Sewing Projects: We need registration for Co-ops in ward 2 ▪ High rate of unemployment leading to crime in the community. In addition, there is a need to decrease the number of casual workers in the municipality 	<p>We apologize for starting late the project</p> <p>To consult LED Offices in LM & DM</p> <p>Working hand in hand with the Department of Public works in creation of jobs</p>

PORT ST JOHNS	
ISSUES RAISED	RESPONSE
<p>1. WATER</p> <ul style="list-style-type: none"> ▪ No water; ward2 (Tombo), ward 5. Ward 8, ward 9, ward 12, ward 14, 15, Ngcoya & Ndoniyeni, ward 16, Mthombane Village, Cwele-Bandla ▪ Limited water taps, ward 4 Tombo ▪ There is a need for emergency Jojo and water tanks in some areas ▪ A proper Maintenance Plan for all schemes should be in place ▪ Non – functioning water engines ▪ Blocked water pipes ▪ Water pipes and taps are being vandilsed and stolen by community members ▪ 	<p>Water tanks can be provided for communities that have dried up bore holes, please consult the ward committees.</p> <p>It was published in local radios that there is a drought in the O.R. Tambo Region that was the reason for engine not being functioning.</p>
<p>2. SANITATION</p> <ul style="list-style-type: none"> ▪ Incomplete construction of sanitation facilities in Ward 2 (Tombo), ward 5, ward 6 (Mdumbane village), Ward 15 (Lutshaya), ward 6 (Mamvenyane & Mthimde), Mthombane Village ▪ ▪ No sanitation facilities; ward 6 Green village, ward 9, ward 11 (Section A, B & C) 	<p>Mamvenyane toilets taken into consideration.</p>
<p>3. ROADS</p> <ul style="list-style-type: none"> ▪ Incomplete construction of access roads and bridges which lead to the inaccessibility of the road when it rains; ward 15 Bhakoleni Road & Mapube, Mdlankala. ▪ Need access roads; ward 5, ward 13, ward 14 (Etyeni & Gugwini), ward 15, ward 16 (Mamvenyana & Mbungutyeni), Mamfengwini, Mthimbe, Ngcoya, Thende, Nyazi & Nkweza ▪ There is a need for bridges as roads become inaccessible due to heavy rains; Nyathi, Ntlenga ▪ Tarred road from Tombo to Silimela ▪ Incomplete road construction work - Ntafufu to Ntile, no peoper storm-water drainage ▪ Lack of road maintenance - Lupoko & Ludedini road, R61, 	<p>The LM has a limited budget as a result of the municipality’s population and population growth trends.</p> <p>The Department of roads and transport has asked for people to come with the requests for bridges and are willing to help.</p>
<p>4. HOUSING</p> <ul style="list-style-type: none"> ▪ Blocked Housing Projects; There is no progress in the housing project in Mbozisa, ward 14 Mgukuqweni and ward 6 in Mdumbane village, Maheng Housing still has not toilets ▪ Need for Housing – ward 2(Tombo), Ntafufu and Bomvini, Cwele-Bandla ▪ Defects in built houses; ward 5 & 6 ▪ Mbongweni Housing Project – limited number of households as well as some inequities with regards to the beneficiary list 	
<p>5. ELECTRICITY</p> <ul style="list-style-type: none"> ▪ Limited and unreliable electricity supply in some wards 	
<p>6. SPECIAL PROGRAMMES UNIT</p> <ul style="list-style-type: none"> ▪ Youth – issue of unemployment, lack of sport facilities for social amenities, ward 14 Mgukuqweni ▪ No programmes in place that focus on youth development and for the disabled ▪ There is a need to develop a youth skills programme for youth who did not complete grade 12 ▪ There is a need to develop an HIV & AIDS Forum and requested resources. 	<p>The youth programmes as indicated before are in the mayor’s office and are budgeted for so any one can contact the Mayor’s office or Cllr Marini as there are special programmes also for the disabled.</p>

PART TWO SITUATIONAL ANALYSIS

O.R. Tambo District Municipality (ORTDM) is one of the six district municipalities and one of the four ISRDP nodes of the Eastern Cape Province. It covers less than 80% of what used to be marginalised homeland of Transkei and is formed by five Local Municipalities, namely:-

- King Sabatha Dalindyebo LM (Mthatha & Mqanduli)
- Nyandeni LM (Libode & Ngqeleni)
- Mhlontlo LM (Qumbu & Tsolo)
- Port St. Johns LM
- Ngquza Hill LM (Flagstaff & Lusikisiki)

It must be noted that due municipal demarcation processes, two municipalities will no longer be part of the O.R.Tambo DM, viz:- Ntabankulu and Mbizana

2.1 LOCALITY

The O.R. Tambo District is located to the east of the Eastern Cape Province, on the Indian Ocean coastline of South Africa. It is bordered by the Alfred Nzo District Municipality to the north, the Ukhahlamba District Municipality to the northwest, the Chris Hani District Municipality to the west and the Amathole District Municipality to the southwest.

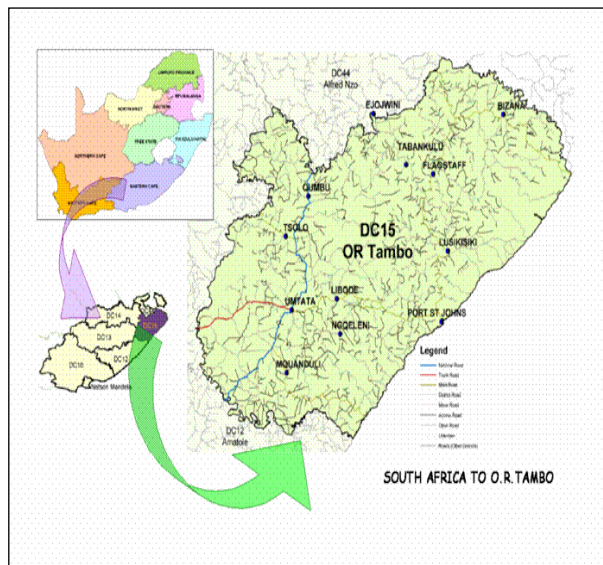


Figure 1: O.R. Tambo relative to South Africa

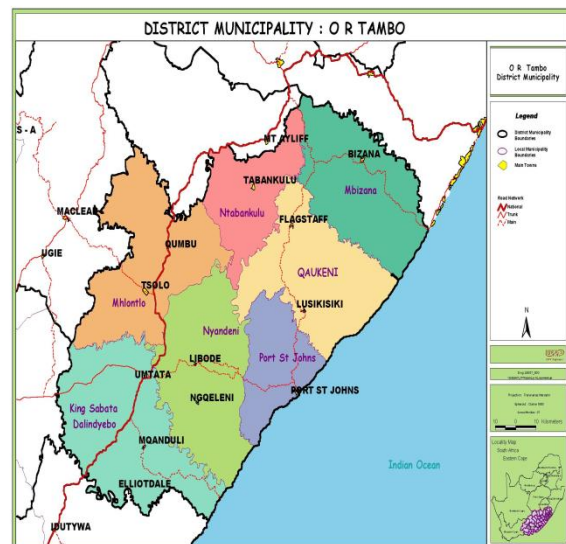


Figure2: Locality Map

The O.R. Tambo DM is classified as a Category C2 municipality, indicating a largely rural character (it is estimated that some 93% of the district population resides in rural areas with a consequent dispersed settlement pattern) and low urbanisation rate, as well as limited municipal staff and budget capacity. All, but King Sabata Dalindyebo (KSD), local municipalities are classed as Category B4 (rural, mainly subsistence) reflecting limited institutional capacity and areas characterised by small centres, limited SMMEs and market opportunities, dependence on public support and LED activities that are principally at the level of the small project. KSD is classed as a Category B2 (large core town/s with surrounding agricultural areas) municipality reflecting reasonably adequate budgets and staff, urban centre(s) with associated resources where LED activities are emerging into strategies and programmes to take advantage of economic potential, as well as substantial numbers of SMMEs, considerable market opportunities, but limited private sector business development services.

2.2 DEMOGRAPHICS AND SOCIO-ECONOMIC INDICATORS

The total population of O.R. Tambo District amounted to 1,441 120 people in 2007. The population of the O.R. Tambo DM constitutes approximately 22.5% of the total population for Eastern Cape and about 25% of the total number of households. The average population density per sq.km for the administrative area in 2007 was 116. Generally, populations tend to be unevenly distributed within an area.

Chart 2 gives an indication of population spatial density patterns within O.R. Tambo. The District’s population grew by 96 413 people between 2001 and 2007 at an average annual growth rate of 0.89%. In comparison the annual average growth rate for the country stood at 1.21% over the same period. Chart 3 gives an indication of population growth rates for different time periods. The District has the largest population and the highest population density of all the districts in the Eastern Cape.

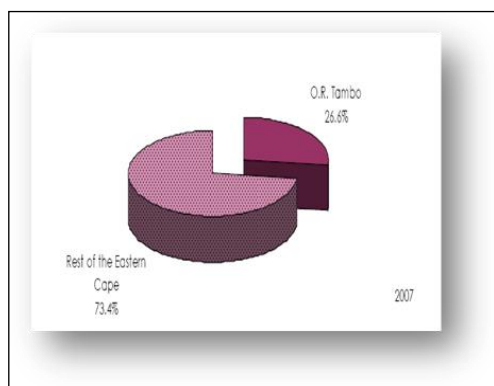


Figure 3: Total population in O.R Tambo relative to the Eastern Cape (1997, Numbers)

Municipality	Persons		Households	
	Census 2001	CS 2007	Census 2001	CS 2007
Ngquza Hill	254 480	279 795	50 206	48 701
Port St Johns	146 967	165 084	28 869	30 951
Nyandeni	274 416	314 273	54 365	56 851
Mhlontlo	202 851	237 138	43 554	49 861
KSD	416 348	444 830	89 697	93 383
O.R. District Municipality	1 295 062	1 441 120	266 691	279 747

Table 6: O. R. Tambo Population – C.S. 2007

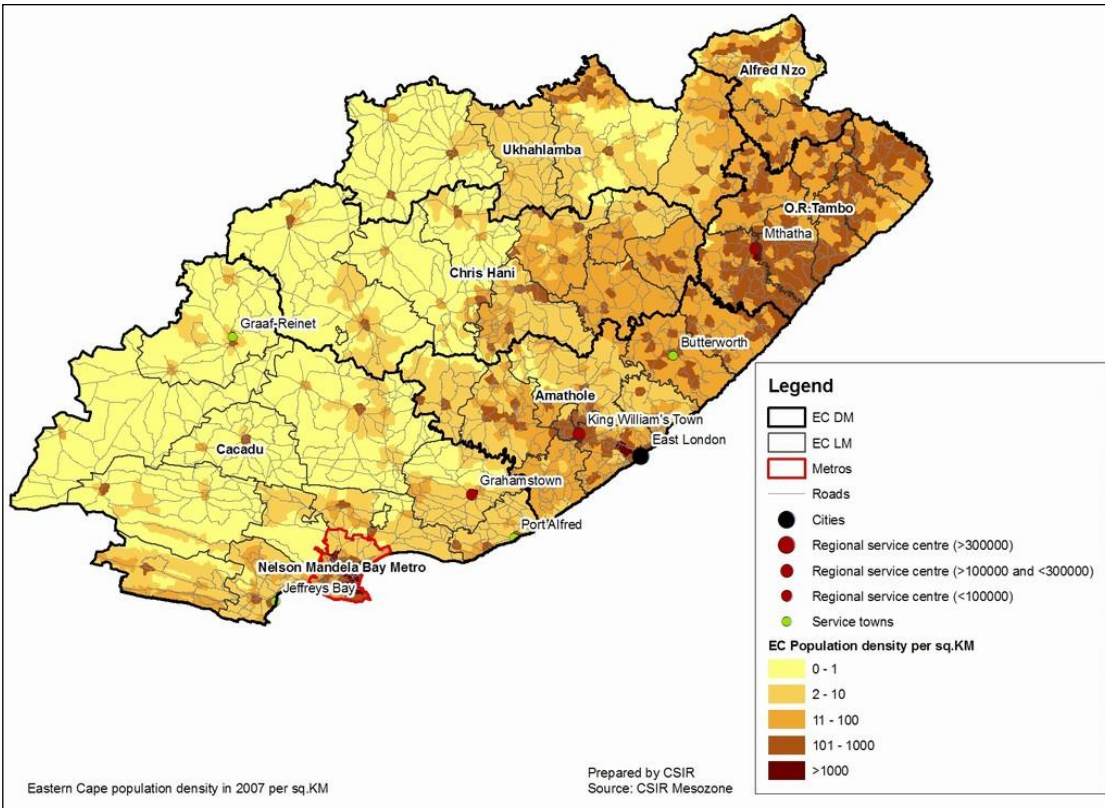


Figure 4: Population Spatial Density Patterns

2.2.1 DEMOGRAPHIC TRENDS

Much of the demographic and economic information in the following sections is taken from the Global Insights study commissioned by the District Municipality in 2008.

Population Distribution and density

The total population residing in the OR Tambo District Municipality (ORTDM) is estimated at 1,441 120 (2007) with a total of 279747 households (average household size of 4.2 people per household).

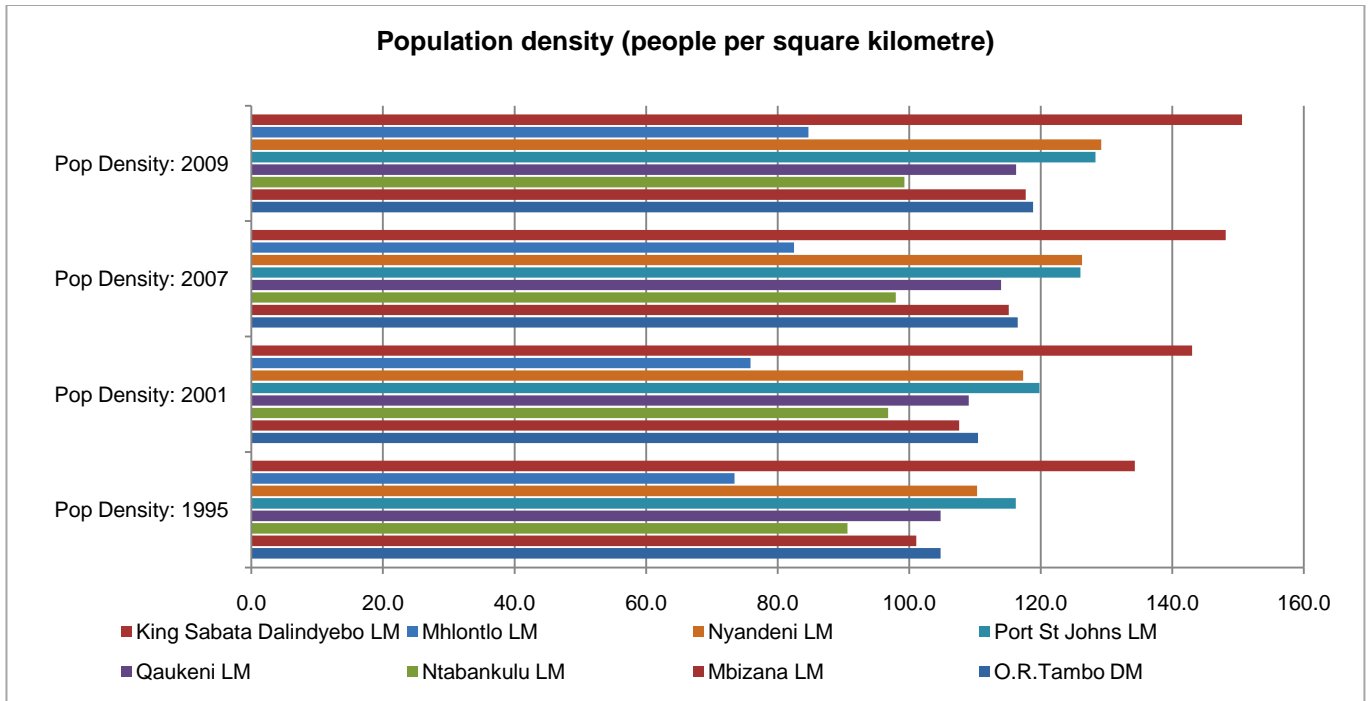


Figure 4: Population density

The population represents approximately 27% of the total for the Eastern Cape for 2007 (6.4m) and approximately 22.5 % of the households in the Province. The estimated density is 106.6 per km². The distribution of population and densities within the ORTDM is summarized per local municipality in table below:

Local Municipality Name	Population	% Share of District Population	No of Households	Density per km2
King Sabata Dalindyebo	444 830	30.80%	93 383	142
Ingquza Hill	279 795	19.41%	48 701	104
Mhlontlo	237 138	16.45%	49 861	
Nyandeni	314 273	21.80%	56 851	71
Port St John's	165 084	11.50%	30 951	118
ORTD - Total	1, 441 120	22.5 % of EC pop	279 747	106.6
EC PROVINCE	6, 393,259			

Table 7: Population and Densities within ORTDM

The largest portion of the district population is concentrated in the western part of the district around the main urban centre, Mthatha. The King Sabata Dalindyebo (KSD) Municipality has the largest population

in the district with 429 233 people and accounts for 29% of the total district population. It also has the highest population density of 142 people per km². The next largest town in the district is Port St Johns set on the eastern coast about 100kms from Mthatha. In this municipality the density is 118 people per km². People tend to relocate or settle closer to the towns in search of employment. O. R Tambo, with its relatively high population density, could be considered to be over-populated, although the extent to which this is true is highly dependent on factors such as quality of housing available, capacities of existing infrastructure and accessibility to urban facilities and amenities.

The population growth rate has decreased over the past 10 years. Between 1996 and 2007 the annual average growth rate in the District was 0.5% compared to 2.7% for the country as a whole. In 2006 – 2007 the District as a whole experienced a negative growth rate of -0.3%. It is anticipated that the net population in the District will continue decline over the next number of years. The high migration rate for economic reasons; poverty conditions that affect health; and the high incidence of HIV/AIDS and TB all contribute to this projected negative annual growth rate.

Age Spread and dependency levels

The demographic profile of the district emphasises high levels of dependency. In 2007 41.7% of the population was under the age of 15 years and 5.9% of the population was older than 65 years. This leaves the economically active part of the population at 52.4% compared to 60.5% for the Eastern Cape Province.

Table 8 : DEPENDENCY levels of population by LM

Local Municipality Name	Population Numbers	% 15 – 64 years
King Sabata Dalindyebo	444, 830	56.90%
Ingquza Hill	279,795	50.00%
Mhlontlo	237,138	52.50%
Nyandeni	314,273	51.90%
Port St John's	165,084	49.60%
ORTD - Total	1, 441,120	52.40%
EC PROVINCE	6, 393,259	60.50%

However the large portion of the population under the age of 15, while increasing the dependency levels at present, can over the years, result in an increase in percentage terms of people in the District of

employable age. These could contribute to economic growth if they remain in the District and if they develop the skills required to service economic development of the District.

2.3 MIGRATION PATTERNS

Historically during Apartheid times, and since, there has been an emphasised pattern of migration both from the District to other parts of the country and within the district from rural to urban and peri urban areas. This migration, for mainly economic and life style reasons, has an important impact on the nature of the district economy and the trajectory for development.

Studies on migration in the Province provide insights that are important in understanding the dynamics of migration in the district. While it is estimated that 5.6% of economically individuals in the Province migrate it is 6.2% in the OR Tambo District. (7).Over 80% of migrants from the Province are from rural areas. Since the early 1990's the bulk of this migration appears to have been aimed at the bigger metropolitan areas, especially Cape Town and Johannesburg, rather than local and regional urban centres. Generally the pattern in the Province shows an increase in the flow from rural areas directly to major metropolitan areas. In this respect Johannesburg is more of a metro target for people from the District than the other major cities.

The studies findings suggest that out-migration from rural areas is slowing down and that most of those who intended or are able to leave have already left. Perhaps it is not a lack of desire, just that the cost of migration has increased and the opportunities to go have decreased since the 1990's making it more difficult to move. But is also a important local 'pull' factor that since basic services are much more widely available, people do not have to move to the heavily populated peri urban and urban areas to access these.

The migration patterns show an increase in the number of women migrating with the Provincial figures showing that 2 women to every three men migrate compared to the early 1990's when migration was predominantly male. Woman migrants are generally slightly better educated than their male counterparts but most all migrants have low levels of formal education. Women are generally paid less than their male counterparts and are less likely to remit money. Rural areas contribute proportionately more to migration, 4 rural families affected to every 1 family in the urban area. Almost 50% of those migrating are employed and another 25% are actively seeking work. About a quarter of migrants in all areas send home income monthly and 4% weekly, which means that 30% send money home regularly, while a further 10% send it home less often.

An associated problem, however, for service delivery is that, while the number of people moving might be decreasing, the demand for services in receiving localities is not necessarily following this trend. There appears to be a very fragmented response to migration and settlement within the province. The capacity of municipalities to source funds for housing is driving development investment, rather than any clear understanding of where migrants might best be accommodated and secure sustainable livelihoods.

The implications of migration patterns have a significant impact on the ability to deliver basic services. While there would appear to be a slowing down or marginal stabilisation of the migration trends from ORTDM, this should not be construed as a static situation. "...The problem, however, for service delivery is that, while the number of people moving might be decreasing, the demand for services in receiving localities is not necessarily following this trend. This is because households are proliferating, while population is declining."

In many informal settlements near urban centres shacks are inhabited by 1 member households providing a dilemma for the state where the emphasis is on provision for a household and not individual. In OR Tambo this is likely to be a particular problem in and around Mthatha but could in the future become one in any nodal areas where there is rapid economic growth. The pull is not always jobs. "...It is also clear that development infrastructure and the anticipated access to it has become a major driven of migration – people are actively seeking out 'sites of development' rather than jobs per se."

2.4 Poverty level indicators

All the indicators of poverty and human development demonstrate that the district has some of the highest levels and concentration of poverty in the Eastern Cape and in the country as a whole. Although the Human Development Indicator (HDI) indicates a slight improvement in the quality of life for people in the District, other poverty indicators point to an increase in poverty. Not only does this pose challenges to the development trajectory for the district it also poses critical challenges to understand why the large investment of the past 15 years has had so little impact. Generally the indicators show that KSD has the lowest levels of poverty with Mhlontlo generally better off than the other Local municipalities. However within both of these areas there are areas with levels of poverty as high as for the other districts. Ingquza Hill and Port St. Johns are the Local municipalities showing the highest levels of poverty. The Tables below indicate the key poverty indicators per Local municipality in the district.

Table 9 : Key Poverty Indicators Per Municipality

Local Municipality Name	GINI Coefficient	HDI	Functional Literacy	Poverty Levels	Poverty Gap Rm	Poverty Gap per household
King Sabata Dalindyebo	0.67	0.49	59%	66.0%	572	R5, 281
Ingquza Hill	0.61	0.38	42%	73.3%	404	R7, 032
Mhlontlo	0.62	0.43	49%	71.8%	294	R5, 894
Nyandeni	0.61	0.4	46%	76.3%	450	R6, 817
Port St John's	0.63	0.38	36%	76.1%	235	R7, 009
ORTD - Total	0.64	0.42	47%	72.2%	2560	R6, 343
EC PROVINCE	0.67	0.53	64%			

Gini Coefficient

This indicator of inequality within an area demonstrates that the District Gini coefficient is slightly lower than that for Eastern Cape and South Africa. However the coefficient has increased in the district from .58 in 1996 to .64 in 2007, reflecting similar scales in increase to both South Africa and the province. There are very little variations between the municipalities except in KSD with a co-efficient of 0.67 representing the inequalities that characterise areas of economic development in South Africa. It is worth noting that if there was a significant increase in the economic development in the area then it is expected that the Gini co-efficient in the municipalities with the development would increase at least in the short to medium term.

Human Development Index (HDI)

More significant as an indicator of poverty in the area is the HDI. In 2007 the district HDI was estimated at 0.42 significantly lower than that for the province (0.53) and country as a whole (0.60). Since 1996 it has increased from a low 0.38, possibly a reflection of improved conditions arising from the increase in basic infrastructure, social services and access to welfare grants. However the improvements in the District do not match those in the province and nationally over the same period of time. So while conditions have improved from a relatively low base level, they have improved less than for many other parts of the country during the same period. Ingquza Hill, Port St Johns and Ntabankulu score lowest in the HDI. It would be interesting to better understand whether this is a reflection of larger basic infrastructure backlogs and/or levels of grants take-up in the municipalities.

Functional Literacy

This is measure of ability read, write and spell at a Grade 7 level and thus have more potential for employment. The literacy rate in the District of 47.3% is significantly lower than for the province (63.5%) and for South Africa as a whole (71.3%). While functional literacy rates did increase in the District by 3% over the ten-year period 1996 – 2007 the increase was significantly lower than for the province (+ 6%) and nationally (+ 6%). A further indicator that, although the situation is improving, it is doing so at a slower rate than the province and the country as a whole.

Poverty Levels

It was estimated that in 2007 1,229,832 people were living in poverty in the District – 72.2% of the total population. The number of people living in poverty has increased from 66.4% of the population in 1996. Within the District it is only KSD that has poverty levels closer to those of the province as a whole. All the other municipalities have poverty rates over 70% and with numbers living in poverty increasing. Nyandeni, and Port St Johns have higher poverty levels than the other municipalities. What is interesting is that Nyandeni has a relatively higher HDI but also higher poverty level than average for the District.

Poverty Gap

These figures and trends show that the poverty gap in the District increased from R1.253bn at current prices in 1996 to R2.56bn in 2007. While the total gap amount is most significant in KSD municipality the per household impact is greater in all the other municipalities but particularly in Ingquza Hill and Port St. Johns

Grant Dependency

Household dependency on Government grants is undisputed in the Eastern Cape. ORTDM has the highest percentage of households receiving grants (75.1%) in the Province. The figures in the Table below of grant receipts in the District for May 2009 show that a total of R336,107,000 were paid out in grants to households in the District during the month of May 2009. If extrapolated for an annual basis this would mean R4bn in grant payments per annum. Forty six percent (46%) of the amount was for child support grants while, were child support grant while 35% of the total was for old age grants and 12% for disability grants.

District – Grants May 2009

KSD municipality received the largest amount R84m in grant payment for May 2009 however it only receives 25% of the amount paid in grants compared to its 27% of the households in the District. Ingquza Hill (20% of grant amount paid – 14 % of households) and Nyandeni (19% of grant amount

paid – 16 % of households) both receive higher proportions of the grant share compared to their % share of district households. Of interest is that Port St Johns Municipality, although scoring high on a number of poverty indicators has a grant application uptake lower than the percentage share of household.

Table 10: grant payments by Local Municipality for May 2009

	Care Dependency	Child Support	Foster Care	Grant in Aid	Old Age	Permanent Disability	Temporal Disability	TOTAL	No. Of Households	Ave Grant per H/H in LM
KSD										
Amount	R1 966 470	33 827 730	4 230 960	71 280	27 649 471	15 004 245	1 385 254	84 135 410	108309	777
% of LM	2.34	40.21	5.03	0.08	32.86	17.83	1.65	25	27	
MHLONTLO										
Amount	710 030	15 567 060	2 083 520	86 400	16 643 502	4 767 327	529 240	40 387 079	49 878	810
% of LM	1.76	38.54	5.16	0.21	41.21	11.80	1.31	12	12	
NYANDENI										
Amount	987 780	29 218 620	3 172 880	8 880	21 263 949	7 080 305	936 270	62 668 684	66 007	949
% of LM	1.58	46.62	5.06	0.01	33.93	11.30	1.31	12	16	
INGQUZA										
Amount	1 018 080	26 714 310	5 630 400	8 400	25 930 669	6 644 119	894 777	66 840 755	57 451	1 163
% of LM	1.52	39.97	8.42	0.01	38.79	9.94	1.34	20	14	
PORT ST JOHNS										
Amount	437 330	11 178 960	1 345 720	1 200	5 568 374	2 041 474	494 056	21 067 114	55 101	628
% of LM	2.08	53.06	6.39	0.01	26.43	9.69	2.35	6%	14	
ORT DM										
Amount	5 119 690	116 506 680	16 463 480	176 160	97 055 965	35 537 470	4 239 597	275 099 042	336 746	865
% of District	2	43	6	0	35	12	2	100		

The large number of households in receipt of grants is in part a result in improved access to such grants for poor households. However it importantly shows the high levels of poverty that make households dependent upon this as a primary income source. Overall welfare grants are a very important component of the household incomes and livelihood strategies of the majority of the families. The grant payments

represent approximately 20% of total income in the District. On the one hand the District strategy must attempt to maximise the access to grants for eligible households as an important strand in its anti poverty activities. In the medium term it would want to reduce grant dependency for households by increasing their access to economic development.

Household Income

While ORTDM contributes the second highest total annual personal income of all districts in the province to the annual income of the province, this must be seen against the significantly larger population in the area and with the high levels of receipt of government grants.

Local Municipality Name	Total Personal Annual Income to District (Rm)	Annual Per Capita Income ®
King Sabata Dalindyebo	7,041	16,403
Ingquza Hill	2,435	9,491
Mhlontlo	2,539	12,683
Nyandeni	2,806	10,000
Port St John's	1,554	10,780
ORTD - Total	20,167	11,837
<i>EC PROVINCE</i>	<i>87,303</i>	<i>19,945</i>

Table 11: Personal Annual Income & Per Capita Income

Seventy two percent (72%) of all households in the district have monthly incomes that fall within the category of poor, with 22.4% in the middle and only 5.1% considered affluent. Annual average per capita income in 2007 for the District was R11,837 compared to R19,945 for the Province and R28 910 nationally. There is very little variation between the Local municipalities except at the higher end where the KSD has a per capita income of R16,403 per annum while Mbizana is only R8,817 per annum.

Unemployment

Unemployment in the district is 68.1%. It has increased by an average of 3,9% per annum since between 1996 and 2007. Among the local municipalities it drops to 52.7% in KSD and rises as high as 83.6% in Port St. Johns. It demonstrates a substantial skewering of the demographic profile of the district and high dependency rates of those not economically productively active. It also reflects the levels of out migration of economically active population to other parts of South Africa. The highest number of

people available for active employment in KSD reflects, not only the larger population in that area, but also the internal migration within the district of people moving from areas with little economic development to the predominant economic hub around Mthatha.

Table 12: Unemployment levels per municipality

Local Municipality Name	Economically Active Population	Unemployment	% Unemployment
King Sabata Dalindyebo	96,721	50,967	52.7%
Ingquza Hill	41,752	32,561	78.0%
Mhlontlo	35,444	25,817	72.8%
Nyandeni	42,954	31,019	72.2%
Port St John's	25,232	21,237	84.2%
ORTD - Total	242103	161 330	68.1%
EC PROVINCE	2,002,507		

2.5 Indicators of economic performance

2.5.1 Economic levels and growth – GDP and GVR

The district had a GDP-R of R13.2bn in 2007 accounting for 8.5% of the total Eastern Cape GDP. Since 2001 the District GDP has grown en by 3.1% per annum compared to an average growth of 3.6% for the province. In recent years the growth has increased more rapidly to 3.7% in 2005-2006 and 3.9% in 2006-2007. However this is against a backdrop of even higher growth rates in the Province – 5.2% and 5.0% - over the same periods. However the general downturn in the national economy is likely to impact in the District. The Table below shows the contribution by municipality to the district’s GDP and GVA.

Table 13 : Contribution by Municipality to the District’s GDP and GVA

FUNCTIONAL AREA	GDP - Rm	% CONTRIBUTION TO DISTRICT GDP	% AVG ANNUAL GROWTH – GDP 2001- 2007	GVA - Rm	% CONTRIBUTION TO DISTRICT GVA
Port St Johns	R655	5.00%	3.10%	R569	4.80%
Ingquza Hill	R1, 021	7.70%	2.20%	R896	7.50%
Nyandeni	R836	8.40%	2.10%	R714	6.00%

Mhlontlo	R1, 140	8.60%	1.50%	R1, 008	8.50%
KSD	R8, 130	61.70%	3.70%	R7, 502	63.00%
ORTDM	R13, 176	8.5% to Provincial GDP	3.10%	R11, 908	8.60%

The contribution to the GDP by different municipalities reflects the high levels of spatial underdevelopment of most of the District. The exception is KSD in 2007 contributed 61.7% of the Districts GDP and 63% of its GVA.

Table 14: Relative gdp and gva contributions by local municipality

FUNCTIONAL AREA	GDP - Rm	% AVG ANNUAL GROWTH – GDP	GVA - Rm
Port St Johns	6	2	6
Ingquza Hill	4	4	4
Nyandeni	5	5	5
Mhlontlo	2	7	2
KSD	1	1	1

Not only is the District underperforming economically but also the primary focus of economic development is centred in one small spatial area around the major urban area of Mthatha. Nor has there been any significant change in this trend since 2001. As the Table above shows the greatest growth, from the relatively high existing base, has occurred in KSD 3.7%. PSJ has also shown a substantially above average growth for the District but from a much lower base while the growth in Mhlontlo is the lowest of all the municipalities. All the other municipalities have had annual growth rates of less than 2.5%. The development investment of government might have helped in the alleviation of poverty but it has not yet succeeded in stimulating economic development in the District.

2.5.2 Economic Contribution and Growth by Sectors

The Tables below shows that the district is over- dependent on the tertiary sector that contributed 89% of the District GDP in 2007 and since 2001 has increased its contribution from 81%. This over reliance on the tertiary sector is further exacerbated by the District’s high dependence on the ‘Community Services’ that contributed 46.8 % of the District GDP in 2007 an increase from 43.3% in 2001. This over reliance on Community Services is a factor across all the Local municipalities in the district.

Table 15: Economic Contribution By Sectors

SECTOR	GDP - Rm (2001)	% Contribution to District GDP (2001)	GDP - Rm (2007)	% Contribution to District GDP (2007)
Agriculture	836	11.70%	518	4.40%
Mining	14	0.20%	18	0.20%
Manufacture	327	4.60%	451	3.80%
Electricity	23	0.30%	106	0.90%
Construction	165	2.30%	176	1.50%
Trade	1,539	21.60%	2,371	19.90%
Transport	263	3.70%	422	3.50%
Finance	881	12.40%	2,277	19.10%
Govt. & Community Services	3,088	43.30%	5,573	46.80%
ORTD – Total	7,136		11,912	

Finance and trade have grown significantly in their contribution during the period. This is predominantly on the back of government spending except for a small increase in the contribution of tourism. Of major concern is the declining contribution, in percentage and real terms, of the agriculture sector in a predominantly rural district with medium to high agriculture potential. These figures however do not show the contribution of ‘subsistence’ agriculture to economy of the District. This is the primary form of agriculture and the labour focus of the largest population in the District. Manufacturing has increased in real amount but percentage contribution has dropped. Again this is a concern because of the potential for ‘value adding’ from the agricultural and forestry resources.

2.5.3 Role of Community Services in District economy

This is a major problem for the District as the primary source of financing in the ‘Community Services’ is direct remittances from government in the following forms:

- Capital Infrastructure
- Operational costs of government Employees and Infrastructure in the three

spheres of government operating in the district

- **Welfare Grants**

The intention is that such investment, while contributing to poverty alleviation, economic development and employment creation, has so far had little impact on stimulating private sector investment in the District. On the present trajectory it is likely to result in a growing long-term District dependency on such government finance.

A further problem with this dependence on government finance, without the necessary growth in the secondary and primary sector, is that this investment flows out of the district in the following forms:

- Professional fees and material for major infrastructure work – it is estimated that at maximum only 20% of the government’s capital investment is absorbed directly into the District economy through wages and salaries to labour, supervisors and some middle management. The rest is lost to the District through primarily outflows for materials, the technical expertise and profits on the infrastructure development that are paid mainly outside of the District.
- Expenditure on foodstuffs and household consumables most of which are brought into the district from outside given the District’s lack of a manufacturing sector. In 2007 it was estimated that R3.9bn was spent in the district in the retail sector. While some of it would have stayed within the retail infrastructure of the province, large portions would have flowed out of the district to pay for the products purchased. A critical challenge for the District is how it can increase the amount of this that remains within the district

2.5.4 Labour Remuneration

In 2007 this amounted to R5.9bn in the District - approximately 8.2% of the provincial total. Of this amount R3.6bn (61%) is attributed to KSD again reflecting small and highly spatially concentrated economically productive base in the district.

2.5.5 International Trade

The district exports and imports insignificant amounts internationally. This is another indicator of its lack of established tertiary and primary sectors in the economy but also its isolation from the broader South African and international economies.

2.5.6 Internal Trade Within The South African Economy

While more information is required on this, the existing structure of the District economy, particularly the low exploitation of agricultural potential and declining manufacturing sector, makes it very

dependent on the rest of province and country for product inputs and expertise and gives very little scope for 'exporting' to the rest of the South African market.

Its existing potential to 'export' to these markets is limited to forestry and the small amount of commercial agriculture products, both raw and processed. Marketing of goods from the district is also inhibited by its physical isolation from these markets and the high transactional costs associated with getting to the markets. This makes the District uncompetitive even where it has access to the natural resources for production.

2.5.6 Retail Sales

A total of R3.9bn was spent on retail sales in the district in 2007. Perishable and processed products made up a total of 24.7% while the second highest amount was spent on household furniture 15%. Much of this expenditure is on products that are imported from outside the District.

2.5.7 Competitive Advantage

In the report by Ann Vaughan and Anton Cartwright analysing the competitive advantage of in the Eastern Cape, OR Tambo had the second lowest competitive advantage score (40.47) in the Province. This report confirmed that KSD with 52.6 was the most competitive of the local municipalities with all others having very low competitive levels of competitive advantage.

The report identifies the following major factors contributing to this lack of competitiveness:

- The least developed economic infrastructure and service networks in the province. This is particularly so in the lack of sufficiently developed and safe road network.
- High transaction costs relative to most of the rest of the province making it even more difficult for businesses to be competitive.
- The high levels of crime and perceptions of crime and particularly those directed at business
- A perceived low level of capacity within local municipalities with the lowest rate on the HDI.
- Very limited access to service providers and finance and enterprise support

2.5.8 Employment

In 2007, the number of formally employed people in O.R.Tambo amounted to 70,823. This amounted to approximately 10% of total formal employment in the Eastern Cape¹. Reference to table below illustrates formal employment in the ORTDM relative to the Eastern Province.

Table 16 : Formal And Informal Employment By Local Municipality

Local Municipality Name	Formal Employment	% Share of Formal Employment in District	Informal Employment	% Share of Informal Employment in District
King Sabata Dalindyebo	45,754	64.6%	10,396	42.9%
Ingquza Hill	9,191	13.0%	3,363	13.9%
Mhlontlo	9,627	13.6%	2,804	11.6%
Nyandeni	11,935	16.8%	2,355	9.7%
Port St John's	3,995	5.6%	1,707	7.0%
ORTD - Total	70,832	100.0%	24,226	100.0%

Of the total formal employment in O.R.Tambo, 35,555 opportunities occur in King Sabata Dalindyebo. This constitutes about 65% of the job opportunities in the entire District. Port St Johns has the least job opportunities in the whole District – at about 6%.

The Table below shows employment by different sectors in the District underscoring dominance of the tertiary sector particularly ‘community services’ - 52.9% in the provision of formal employment. The other sectors of significance, but substantially below that of ‘community services’, are ‘domestic work’ (17.9%), agriculture (8.4%) and ‘trade’ (9.9%) and ‘finance’ (5.2%).

Table 17 : Employment per sector

SECTOR	No. Formal Jobs	% Formal Employment by Sector	No. Informal Jobs	% Informal Employment by Sector	% All Employment by Sector
Agriculture	3883	8.4%	-	-	4.1%

Mining	135	0.2%	-	-	0.1%
Manufacture	2,550	3.6%	2,882	11.9%	5.7%
Electricity	266		0	0.0%	0.3%
Construction	2,236	3.2%	4,087	16.9%	6.7%
Trade	6,989	9.9%	10,714	44.2%	18.6%
Transport	971	1.4%	3,006	12.4%	4.2%
Finance	3,654	5.2%	496	2.0%	4.4%
Households	12,679	17.9%	0	0.0%	13.3%
Community Services	37,549	52.9%	3,041	12.6%	42.7%
ORTD - Total	70,832	100.0%	24,226	100.0%	100.0%

It is of significance that although there is very high natural potential for agriculture, forestry and tourism that these sectors presently provide very low levels of formal employment. Trade dominates in the provision of informal employment (44.2%). However, while agriculture remains uncounted in this category it is a significant contributor to the subsistence economy that is a significant factor in poverty alleviation in the District.

2.6 Social Indicators

2.6.1 Education

In 2007 24.4% of the population of the District over the age of 15 years had no schooling at all compared with the equivalent of 14.8% of the provincial population. Only 15 % of the district population over 15 years of age have a matric or more. Only 4.3 % of the District population over the age of 15 years has tertiary education. Almost 38% of the District population with matric or more live in the KSD municipality and 47% of those with tertiary education. The table below illustrates a breakdown of learners per educational institution in the seven constituent Local Municipalities comprising the ORTDM.

Table 18: Breakdown of Learners in Local Municipalities.

Local Municipality	None	Primary	Secondary	Tertiary	Unspecified
Ingquza Hill	42.6%	34.9%	19.6%	1.1%	1.7%

Port St Johns	47.1%	34.5%	15.2	0.7%	2.4%
Nyandeni	40.8	34.5	22.1%	0.8%	1.8%
Mhlontlo	30.6%	41.3%	24.9%	1.4%	1.9%
King Sabata Dalindyebo	34.4%	31.2%	28.7%	2.8%	2.9%
ORT DM	38.3%	35.5%	22.5%	1.4%	2.2%

The District is greatly hindered in economic development by the very low formal educational levels of the population. The percentage with education at matric or above is significantly lower than for the province or nationally. There are no figures for the number of people from the District with matric or higher who have migrated from the district for economic or lifestyle reasons.

2.6.2 Health

While the majority of the literature researched contains extensive coverage of poverty and other social indicators, there is a paucity of documented information related to health indicators. As such, this is a section of the demographic analysis that could be considered to have “gaps”. The Health Systems Trust District Health Barometer 2007/2008 study provides a number of health status and access indicators for the District that provides a limited understanding of the profile for the district. The population of the District is predominantly reliant on the government health service as only 4.1% of the district population is registered with medical aid schemes and there are only 100 private hospital beds in the District.

Table 19 : Health Indicators for O.R. Tambo District

INDICATOR	YEAR		NATIONAL VALUE	DISTRICT RANK
	05/06	07/08		
Non hospital PHC expenditure per capita	212	223	302	45
Cost per Patient day Equivalent	761	1012	1128	
Avg. Length of Stay	9	8	4	51
Bed Utilisation Rate	47	56	65	45
Immunisation coverage	85	74	84	43
TB Smear Conversion rate	40	55	60	31
Prevalence of HIV ANC clients tested (survey)		28	28	25

Peri Natal mortality rate in facility	53	37	33	43
Delivery rate in Facility	67	61	80	45

The indicators on health status and access are all below the national average. The low Primary Health Care expenditure of R223, although an improvement on the previous year, is far too low for a District with such high levels of poverty. Average length of stay and bed utilisation rate although improving are still indicators of poor management of the health service and possibly also reflect access problems because of isolation of many rural communities. Encouraging are some of the drops in status indicators. The HIV prevalence among women attending antenatal services has decreased year-on-year by 2% to 28% and is now slightly lower than the national average. The peri-natal mortality rate is also decreasing although this still remains significantly higher than the national norm.

The ECSECC Growth and Development Summit (2007) profile (10) points out that there are still major challenges for the health sector in the ORTDM. It reports that the distribution of human resources and health workers is biased in favour of the larger urban centres. For example, the national norm for nurses is 12 per 100,000 people. O.R.Tambo is under-resourced in this regard with figures of 4.5 nurses per 100,000 people, and in some areas such as Ntambankulu this figure reduces to as low as 2.7. Reported access to health care is greater in King Sabata Dalindyebo, Nyandeni and Ingquza Hill, and lowest in Ntambankulu and Port St. Johns.

The February 2007 study produced under the auspices of the SA National Roads Agency Ltd. (11) notes in the Executive Summary that at the District Health level, in terms of Primary Health Care in the District, OR Tambo District has:

- An excess of 46 professional nurses
- A shortage of:
 - ✓ 50 doctors
 - ✓ 100 enrolled nurses
 - ✓ 80 counsellors and
 - ✓ 40 admin staff

The table below provides the profile of the health facilities available in the District.

Table 20 : Health facilities in the district

No. of health facilities and Beds	Clinics	CHC's	Mobile	Hospitals						Beds
				District	Regional	Tertiary	Central	Specialised	Pvt.	
Public: Facilities (2007) Beds (2005)	143	10	13	10	3	0	0	1		3280
Pvt: Facilities and beds (2008)									1	110

2.6.4 Housing

The average size of a household is 4.25. Housing is predominantly in scattered rural settlements. The greater majority of households in the district live in traditional dwellings. According to Statistics SA in 2001, 24% of households occupied formal dwellings and by 2007 this totalled 26.7% while in 2001 68.1% households were in traditional dwellings with increasing to 70.1% by 2007.

Table 21: Type of dwelling by municipality

Local Municipality Name	Formal Dwellings	Informal Dwellings	Traditional dwellings
King Sabata Dalindyebo	30 633	3 945	44 467
Ingquza Hill (Qaukeni)	11 672	282	32 894
Mhlontlo	11 371	1 290	26 088
Nyandeni	8 432	309	41 251
Port St John's	48 710	170	21 387
ORTD - Total	110 818	26.60%	403 617

There is a divergence between these figures and those in the District's Consolidated Infrastructure Plan where it is estimated that 269,275 households were living in inadequate accommodation that is the total district housing backlog. Constructing formal houses to overcome this estimated backlog at a cost of the national government's subsidy of R43 400 would amount to R11,686,531,675.

2.7 NATURAL ENVIRONMENT ANALYSIS

2.7.1 Hydrology

The O.R Tambo area has one large river, Umzimvubu and two medium –sized rivers, Mthatha and Umthamvuna as well as a number of smaller coastal rivers with limited catchments that stretch no more

than 60 km inland. It is these smaller coastal rivers and their estuaries that give the Wild Coast much of its character. The nature of the river systems directly impacts on the current environmental threats in various areas in this region.

2.7.2 Rainfall

Most of the O.R. Tambo district receives an annual rainfall of above 800mm, which decreases steadily moving inland. The coastal areas receive a fair distribution of its rainfall throughout the seasons including winter, whereas the more inland areas receive at least 80% of their precipitation in the period between October to March.

2.7.3 Temperature

Temperature range from a mean minimum of 14.3 – 19.8 °C in January and 1.8-13.4 °C in July to a mean maximum in 14.3 – 25.3 °C in January and 19.5 – 21.4 °C in July.

2.7.4 Vegetation

The environment of the O.R. Tambo area has a wide range of habitats, including upland and coastal grassland, afro-montane and coastal forest, valley thicket, thorny bushveld, coastal and marine habitats. Two components are of particular interest, first the coastal forests, bushveld and grassland of the Pondoland area North of Mbotyi has been identified as a ‘Centre of plant endemism’, with more than 130 plant species including the well-known Pondoland coconut palm that occur nowhere else in the world. Secondly, the terrestrial biodiversity is matched by extremely rich marine biodiversity, also with a large number of endemic fish species. The Wild Coast has been identified as one of WWF International’s Global Eco-regions of Global significance.

2.7.5 Geology

O.R Tambo district is underlain by a variety of rock types representing a considerable time span. These include a sandstones and shales, through which magmas have intruded to form dolerite dykes represents the conduits that fed the lavas that form the higher lying areas of the Drakensburg, Kimberlites, diatremes and other centres of volcanic activity also occur at a number of localities within O.R. Tambo. The underlying geology and geomorphology of the region are closely tied to the formation of the soils. As such more arable and productive soils (according to ENPAT data) are located in the Eastern and North- Eastern portion of the District, covering Flagstaff, Bizana and Lusikisiki.

2.7.6 Environment

Environmental degradation, soil erosion in particular is a major concern in the O.R. Tambo district. This imposes a number of limitations to the possible uses of land and hence the economic viability. The table below depicts the extent of degradation per Local Municipality.

Table 22. Degradation per LM

Local Municipality	Total Area (km ²)	Degraded Area (km ²)	% Degraded
King Sabatha Dalindyebo	3027.43	815.50	27
Mhlontlo	2826.19	795.39	28
Ingquza Hill	2477.06	302.37	12
Nyandeni	2474.02	378.11	15
Port St Johns	1291.25	190.12	15
O.R. Tambo District	12095.95	2481.49	24

SITUATIONAL ANALYSIS PER KEY PERFORMANCE AREA

2.8 SPATIAL ANALYSIS AND RATIONALE

The district is situated in the Eastern Cape Province and covers some 80% of the area previously designated as the Transkei.

Although it straddles the National Route N2 linking Durban to East London, the Garden Route and Cape Town, the OR Tambo district may, in general terms, be said to be peripheral to the main (central) communication and transport routes linking the economic heart of South Africa, Gauteng, and the major centres of Durban, and Cape Town.

This peripheral location is mirrored in the peripheral nature of the economy of the district, which is largely land-based (subsistence) and has been impacted negatively by historic practices of discrimination and marginalisation prior to 1994.

In September 2010, the DM adopted a reviewed Spatial Development Framework. A Spatial Development Framework (SDF) is a document that seeks to guide the spatial distribution of current and future desirable land uses/activities within the municipality, in order to give physical effect to the vision, goals and objectives of the municipal Integrated Development Plan (IDP). The IDP is the principal strategic planning instrument that guides and informs all decisions with regard to planning, management and development in the municipality (Section 35 of the Municipal Systems Act, 32 of 2000, hereafter referred to as the MSA).

In effect, the SDF represents a “picture” of where the municipality wishes to direct its efforts in facilitating development. As such, the primary purpose of the SDF is to guide all decisions of the municipality relating to the use, development and planning of land and, at the district level, should guide and inform:

- A hierarchy of settlement to illustrate the relative importance and purpose (function) of different places (towns and settlements);
- The identification of major movement routes;
- The identification of Special Development Areas for specific interventions either to facilitate and/or improve local economic development opportunities or to address special instances of need
- The conservation of both natural and built environments

In so doing, it is hoped that the SDF would become a useful tool whereby other roleplayers in different spheres of government, non-governmental agencies and the private sector would be better informed as to how best to direct their investment and development programme activities in the district, in order to ensure better co-ordination and mutual enhancement of productive outcomes.

In this regard, therefore, the SDF attempts to ensure that public and private sector investment and activities are located in areas that can best:

- Promote economic generation potential
- Maximise opportunities for the poor
- Improve accessibility
- Minimise the cost of physical expansion
- Ensure that people are well located
- Promote a sustainable environment

In addition to the above general purpose, it is also the intention of a SDF to provide the basis to inform the development of a coherent land-use management system. As the SDF provides a broad framework for land use planning, it also includes Land Use Management Guidelines that are to be used to guide the municipality in the management of land and to facilitate the land management process. The SDF thereby further informs development decisions and attempts to strengthen the framework in an attempt to boost investor confidence to facilitate both public and private spending.

The reviewed OR Tambo District Spatial Development Framework applies to the area administered by the OR Tambo District Municipality. This area encompasses approximately 16,617 km² and comprises seven Local Municipalities: -

- Mbizana (CE151)
- Ntabankulu (EC 152)
- Ingquza Hill (EC153 – formally known as Qaukeni LM)
- Port St Johns (EC154)
- Nyandeni (EC155)
- Mhlontlo (EC156)
- King Sabata Dalindyebo (EC157)

It must be noted that the ORTDM Spatial Development Framework as it right now, also incorporated Ntabankulu and Mbizana and these two municipalities will fall under Alfred Nzo District after the Local Government Elections. In light of these developments, the DM SDF may need a sectional review.

Below, the Nodes and corridors as identified in our SDF are listed per local municipality.

KING SABATA DALINDYEBO LM

KING SABATA DALINDYEBO (KSD)		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
NODES	Primary Nodes	Mthatha, Mqanduli
	Tourism nodes	Coffee Bay, Hole in the Wall
	Prioritised secondary nodes	Langeni Forest, Mvezo
	Other Secondary nodes	Viedgesville Qunu Gogozayo Kwaaiman Qokolwen Mthatha Dam Baziya Mpheko Mqhekezweni
ROUTES	Primary Route	The N2
	Secondary Route	Viedgiesville/Coffee Bay corridor link Mthatha and Mqanduli towns. Also serves as a tourism route linking with the node of Kwaaiman and Coffee Bay to the South East
	Tourism Corridor	Langeni / Ugie Route
PRIORITY AREAS	Urban Edge	The development and definition of the urban edge is proposed, in order to minimize the chances of settlement sprawl of low density developments
	Urban Renewal Areas –	Mqanduli Town and Ngangelizwe. The urban renewal areas are those with a dire need for upgrading of infrastructure and services

KING SABATA DALINDYEBO (KSD)		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
	Corridors/Mobility Routes	The municipality in conjunction with the SANRAL should devise strategies to manage developments along the main corridors and national route
	Forestry Development	Langeni is the main forestry development area. Other small scale forestry development proposals should also be taken into consideration
	Tourism Development	Coffee Bay and Hole in the Wall serve as first order tourism nodes. Facilities and infrastructure needs to be improved.
		Mthatha Dam has also been identified for tourism development but needs improvement with accessibility.
	Commercial Node	A process of rationalisation involving planning and surveying will have to be undertaken in Viedgiesville
	Business and Commercial Development Zones	It is proposed that the municipality should develop more business zones outside the CBD in Mthatha
	Settlement Upgrading	Areas along the R62 are currently being upgraded are Mthatha West, Mandela Park, Slovo Park, Chris Hani.
	Agri tourism	Mvezo – Development of irrigation scheme and upgrading of infrastructure to promote the area for tourism development
PRIORITY ISSUES	<i>Unmanaged Urbanisation, Land Use and Zoning, Livestock Management</i>	

KEY SPATIAL DEVELOPMENT PROPOSALS

NYANDENI LM

NYANDENI		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
NODES	Primary Nodes	Libode and Ngqeleni.
	Transport Nodes	Ntlaza Junction and Canzibe
ROUTES	Primary Route	The N2

	Secondary Route	Existing R61 (from Mthatha to Port St Johns),
	Transport Corridor	Ngqeleni to the R61 junction
PRIORITY AREAS	Tourism Development	Tourism should be promoted and facilitated at Mthatha Mouth, Hluleka – where there is also a nature reserve – and Ntlangano. In these three coastal areas, construction of hotels and any other forms of accommodation such as camping sites as well as any other tourist attractions should be encouraged
	Industrial Development	An area for manufacturing be established west of the Municipality along the N2 road and in the Caranafi Fields
	Service Centres	Spatial development should be facilitated and approved in three service centres of Marubeni in the north, Ntlaza junction in the centre and Canzibe in the south

KEY SPATIAL DEVELOPMENT PROPOSALS

MHLONTLO LM

MHLONTLO		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
NODES	Primary Nodes	Tsolo and Qumbu
	Prioritised secondary nodes	Tsolo Junction; Sulenkama; St Cuthberts; Tsitsa falls; Tina falls; Langeni Forest;;
	secondary nodes	Mafusini Mafusini Sidwadweni Tsilitwa Chulunca Lotana Caba Tholeni Ka Nomazolwana Shawbury
ROUTES	Secondary Route	Upgrade access roads –Sulenkama, Tsitsa Falls, Mafusini, Bridge – Caba
PRIORITY AREAS	Tourism Development Areas	Tina Falls, Tsitsa Falls, Shawbury, Tsilitwa
	Agriculture Development Areas	<p>Tsolo School of Agriculture will be revived and developed to provide training and skills development programmes for the identified agricultural cluster projects</p> <p>Conservation of prime agricultural land, involving the local Department of Agriculture to assist in the identification of land with potential for different types of agricultural production, for example, irrigation.</p>

	Forestry Development Areas	Nqadu, Langeni, Tsilitwa, Ngqukuqeni, Blackhill
PRIORITY ISSUES	<i>Underutilised Land/Low Density development, Security of Tenure, Unmanaged Development, Urban and Rural Development Implementation of infrastructure and economic development projects Tourism Development, Forestry Development, Agriculture Development, Environmental Management</i>	

PORT ST JOHNS LM

PORT ST JOHNS		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
NODES	Urban Node	The urban node comprises of the built up areas of the Port St Johns town.
	Peri Urban Node	The Port St Johns Zoning Scheme Boundary forms the outer boundary of the Peri Urban Node
	Administrative nodes	Ntombo Administrative Node, Ntafufu Administrative Node
	Service Nodes	Bambisani Services Node, Isilamela Services Node
	Coastal accommodation nodes	The Singwanana, Mngazan, Mngazi River Mouth, Mntafufu River Mouth and Mauteku
ROUTES	Primary Route	The main spine which connects Port St Johns to Mthatha and Lusikisiki is the R61 Trunk Road. This route also provides access to the Tombo and Ntafufu Administrative Nodes
	Secondary Route	The lower order spines District Roads, need to be upgraded in order to improve the accessibility to the Services, and coastal Accommodation Nodes. These roads areas: <ul style="list-style-type: none"> <input type="checkbox"/> DR 08307 – R61 to Mngazi River Mouth <input type="checkbox"/> DR 08029 – Tombo to Isilamela & Singwanana <input type="checkbox"/> DR 08029 – Tombo to Mngazana <input type="checkbox"/> DR 08151 – R61 to Manteku River Mouth <input type="checkbox"/> DR 08152 – R61 to Ntafufu River Mouth <input type="checkbox"/> DR 08158 – Lusikisiki to Bambisana Mission
DEVELOPMENT ZONES	The Coastal Zone including the Special Development Area	A special development area zone or low impact eco-tourism zone should be maintained for the remaining strip of coastline not earmarked for nodal development. Spatial development areas are areas where only low intensity environmentally and culturally sensitive development aimed primarily at eco-tourism should occur.

PORT ST JOHNS		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
	Urban Area	Port St John
	The River Valley Zone	This area is classified as the lower lying land portions adjacent to the six rivers traversing the study area. The most prominent of these river reen areas is the Umzimvubu loval flood plain traversing the entire study area
	The Highlying Hinterland	This area is classified as the higherlying areas to the north of the riverine valleys. The terrain is characterised by very steep valleys and undulating landscape with portions of flatter plateaux located in the northern portion of the study area

INGQUZA HILL LM

INGQUZA HILL		
SPATIAL CONCEPT	TYPE	NAME/ DESCRIPTION
NODES	Primary Nodes (1 st Order)	Flagstaff and Lusikisiki.
	Tourism nodes	Ingquza Hill; Qaukeni Great Place; The Whole Coastal Area; Mkhambathi; Magwa Falls
	Coastal Nodes (2 nd Order)	Mbotyi; Msikaba
	Rural Service Centres	Nkoko; Holy Cross; Mthontsasa
ROUTES	Existing Mobility Route	Trunk Road connecting Lusikisiki to Flagstaff
		District Road connecting Flagstaff to Holy Cross to Mthontsasa to Msikaba; District Road from Lusikisiki to Qaukeni to Holy Cross to Mbizana; District Road from Mbotyi to Lusikisiki
	Proposed Mobility Routes	N2 Toll Road from Lusikisiki to Mbizana to KZN
PRIORITY ISSUES	Coastal Area	The Coastal Area includes the land above the coast from Mtentu to the Mzintlava Rivers and includes the Coastal Area of Mbotyi and Msikaba.

	Rural Settlement Area	Rural settlements are dominant in the area and in need of access to basic levels of services and development opportunities.
	Urban Area	The urban areas of Flagstaff and Lusikisiki are earmarked for further urban growth where a vast amount of amenities and basic services will be clustered.

2.9 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

2.9.1 COUNCIL AND COUNCILOR AFFAIRS

In terms of Section 12 Notice, O.R. Tambo is a category C municipality which consists of 59 Councillors. Currently the district municipality has 53 Councillors which are composed as depicted in the following table:

DESCRIPTION	NUMBER
Full time	9
Part time	44
Directly elected	23
Indirectly elected	30
Females	25
Males	28
Resigned	3
Deceased	3

Table 23: Composition of ORTDM Councillors

Structurally, the O.R Tambo District Municipality is an executive mayoral type, constituted of political and administrative structure.

Table 24 : Existing Councillors in the O.R Tambo District Municipality

PARTY MEMBERS	TOTAL NO. OF CLLRS	PART-TIME CLLRS	FULL-TIME CLLRS	NUMBER OF FEMALE CLLRS
	59	49	10	22
ANC members	51	47	10	22
UDM members	5	5	-	0
APC members	1	1	-	-
ID member	1	1	-	-

Table 25 :Number of indirectly elected councillors per municipality

NAME OF MUNICIPALITY	NO OF COUNCILLORS
King Sabatha Dalindyebo	9
Nyandeni	5
Port St Johns	3
Ingquza Hill	6
Mhlontlo	4
Ntabankulu	3
Mbizana	5

Political Management Committee

The Office of the Council Chief Whip has just established a political committee called Troika which consists of the Executive Mayor, Speaker and Council Chief Whip. This committee is coordinated and chaired by the Council Chief Whip and can when needs be invite the Municipal Manager to the meeting. This committee provides strategic leadership for the district municipality to be able to effectively utilize the limited resources to achieve its objectives.

Whippery Support

Council took a resolution to have a full time Chief Whip and institutionalization of the Office of the Chief Whip. Council Chief Whip performs duties as stated in the Council's delegated authority. The Council Chief Whip meets quarterly with Chief Whips from all seven local municipalities to conduct audit of service delivery. In doing this all whips are expected to present a written report on service delivery challenges, programs / projects taking place, achievements and any other things that may hinder service delivery. A policy on the functionality of the Office of the Chief whip has been developed and adopted by council.

SECTION 79 AND 80 COMMITTEES

The district municipality has four Section 79 Committees which are managed and coordinated by the Office of the Speaker. These committees are fully functional and are meeting quarterly unless there are urgent issues that warrant their attention. These committees assist the Speaker in execution of her duties in line with relevant pieces of legislation and municipal delegation authority. All deliberations and recommendations of these committees are presented to Council for consideration. They have managed to assist Council in taking informed decisions ranging from welfare of Councillors to effective governance and enhancement of public participation.

Both Sec 79 and 80 Council committees do meet and process council reports to other structures of council till adoption and resolution by Council meeting. There is a good working relationship between these committees and sometime they organize combine capacity workshops and information sharing as well as joint sitting of various committees.

i. Rules Committee

The objective of Rules Committee is to review the Standing Orders of Council and recommend to Council. This objective has not been achieved for 2009/2010 financial year.

ii. Ethics and Members' Interests Committee

The committee managed to sit and consider the Gazette on Upper Limits of Councillors as well as facilities to support Councillors in performing their duties.

iii. Oversight Committee

After tabling the annual report the Council establishes the Oversight Committee to consider the Annual Reports of the District Municipality and that of its Entity, Ntinga O.R. Tambo Development Agency for each financial year. The Committee is usually chaired by the member of the opposition party. The Oversight Report on the Annual Reports was adopted without reservations by Council in an Ordinary Council Meeting held on 31 March 2010.

iv. Municipal Public Accounts Committee

The Municipal Finance Management Act (Section 129, MFMA) assigns specific oversight responsibilities to Council in regards to the Annual Report and the preparation of an Oversight Report. Given the processes required by Council to effectively undertake its oversight role on the Annual Report, the establishment of a Municipal Public Accounts Committee (MPAC) of council would provide the appropriate mechanism in which Council could fulfill its oversight responsibilities. The MPAC's primary role, in terms of the MFMA will be to consider the Annual report, receive input from the various role players and to prepare a draft Oversight Report for consideration by Council.

PUBLIC PARTICIPATION AND CONSULTATION

Public Participation derives its principles from the Constitution of the Republic of South Africa, which grants all citizens a right to meaningful participation in the country's affairs, thus a right to shape and determine their own destiny. Thus, local government has been entrusted with the responsibility of ensuring involvement of communities, and community (civic) organisations in local government affairs. During 2011/12 financial year the O R Tambo District Municipality calls upon all her citizens to exercise their right to actively participate in the municipality's affairs to the fullest of their abilities, endowments and human dignity.

The objectives of this approach to public participation are as follows:

- To create and strengthen the appropriate community structures required for local governance;
- To establish an appropriate institutional mechanism to ensure the sustainability of such end-user groups and civil society structures;
- To capacitate members of the community structures, relevant end-user groups, councillors and officials to be effectively involved in community participation;
- To build the internal capacity within Council to roll out the training Programme to all community structures;
- To provide support to officials within the DM to ensure implementation of the new way of doing business;

The White Paper on Local Government puts forward the vision of “developmental local government” which it defines as: **“Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve their quality of lives”**.

The vehicle and system for involving the public is given more emphasis in Section 16 of the Municipal Systems Act, which requires that municipalities develop a culture of community participation and create mechanisms, processes and procedures. These mechanisms would involve communities in planning, performance management, budgeting, and service delivery. Municipalities are also required to build the capacity of the local community to participate, as well as the capacity of Councillors and staff to foster community participation.

Draft Public Participation Policy and Public Participation Strategy have been developed to ensure that communities that are within the area of jurisdiction of O.R. Tambo District Municipality do participate in the policy formulation and implementation processes. The O.R. Tambo District Municipality Strategy is also meant to support and translate into reality the vision, mission and objectives of the municipality.

PARTICIPATION IN IDP AND BUDGET PROCESSES

Emphasis is placed on ensuring representativity in terms of age, gender, race and disability, as well as reaching those previously excluded from formal local government structures. IDP and Budget are very important documents that have programs and funding for all municipal projects. Municipalities are by law expected to create platforms for members of the public to participate in drafting IDP and Budget. In light of the above, a public notice was issued out notifying the community about the schedule of visits. Seven local municipalities were visited and approximately seven to ten thousand people attended the IDP & Budget road shows. The attendance in all the venues was good even though in some areas numbers picked up after the set starting time. Some of the contributing factors were distances that are traveled by communities.

The methodology followed this time was to allow communities to voice their views on service delivery under general and not to be specific on the presented draft IDP and budget. A booklet containing a summarized version of the presentation in Xhosa made it very easy for communities to follow the presentation and this was highly appreciated. After the IDP and Budget Road-shows, the municipality then amends the draft documents to reflect the needs of the public where necessary. They are then taken to the open council meeting for adoption where members of the public are invited to attend. In order to enhance effective public participation, a Public Participation Policy and Strategy has been developed and in the process of being tabled for adoption by the Council.

WARD COMMITTEES

Ward Committees are committees established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998, and they are also referred to as Section 73 Committees. They consist of a Ward Councillor as the chairperson, and 10 other members elected by ward residents in a Ward General Meeting taking into cognisance the balance in terms of gender. They play a major role in IDB/Budget and Oversight processes as they serve as a link to communities

The District Municipality conducted a district wide Ward Committee audit to determine existence and functionality of these committees. This was done mainly to determine whether all wards do have fully functional ward committees as they are an extension of Council in ensuring participatory democracy at grassroots level. Ward Committees are a competency of local municipalities and the O.R. Tambo DM did this exercise in support of our local municipalities by visiting all 162 wards. All wards indeed do have ward committees though in some wards not all members are still active due to various reasons and that was raised with local municipalities. Ward Committees are only receiving out of the pocket expenses whenever they attend Council activities and their meetings.

There are challenges in the operations due to non-existence of infrastructure / office space to do their daily operations. Majority of ward are using public schools or dilapidated buildings for their meetings. Only Nyandeni Local Municipality which has fully functional committees with informal office space and an office administrator which is paid a stipend of R650.00 per month. Capacity was also identified as another challenge which hampers effectiveness of the operations. All these challenges were raised with both Provincial and National Department Cooperative Governance for assistance to enhance public participation. The District Lekgotla held on the 19-20 May 2008 identified some serious challenges affecting effective operations of ward committees in our local municipalities and recommended intervention from the district municipality. To address the above challenges, the District Municipality has developed a Ward Committee Strategy and Guideline as a document to be used by all local municipalities. This document will be adopted by council on 31 March 2011. Council then allocated budget in the Office of the Speaker for auditing existence of Ward Committees, availability of amenities for their operations and any kind of support that may be required to improve their operations. The plans for the next financial year is to organize training programs so as to strengthen their effectiveness.

COMMUNITY DEVELOPMENT WORKERS

All seven local municipalities under O.R. Tambo district municipality have Community Development Workers who are working with other community structures in ensuring that services are delivered to the people. The intention was to ensure that each and every ward has a Community Development Worker but due to limited resources and other logistics there are wards that still have no CDWs but are being serviced by other CDWs with the coordination of a local coordinator. The district municipality works closely with the seven local coordinators who represent all CDWs per municipality in terms of implementation of CDW programs. The district municipality provides support to CDWs in implementation of their programs. Generally there has been some challenges on how CDWs operate on their daily activities and their reporting lines still pose a challenge to municipalities. CDWs have been capacitated in Ward Based Planning and Information System. This program is an upgrade of the existing Socio Economic Survey and in this process each ward will have updated electronic information of each household.

COUNCILLOR CAPACITY BUILDING PROGRAMS

The Office of the Speaker together with the Human Resources Department has in the year under review, working with different training institutions, trained Councillors on the following courses:

- Executive Leadership
- Leadership Skills
- Presentation Skills
- Project Management
- Finance for Non Financial Managers
- Certificate in Local Government Law and Administration
- Advanced Certificate in Local Government law and Administration
- Honours in Local Government law and Administration

OVERSIGHT COMMITTEE

The MFMA stipulates that after tabling of Annual Report, the Council must appoint an Oversight Committee and within two months after the tabling of the Annual Report the Council has to adopt the Oversight Report. Committee members are elected and trained annually on Oversight processes. In 2009/10 O.R Tambo has adopted 2008/09 Oversight Report without reservations. The Committee was being chaired by the member of the opposition party.

SUPPORT TO LOCAL MUNICIPALITIES

All Local Municipalities were encouraged to establish oversight committees and were provided with terms of reference for such committee. This was discussed and agreed upon at the level of District Speakers Forum which is the platform coordinated by the Speaker of the District Municipality for all Speakers from different local municipalities within the district. The support given to LMs also include the Community Development Workers programmes; establishment and capacitation of Municipal Public Accounts Committee; establishment and capacitation of Oversight Committee members; Policy development; and compilation of council documents.

COUNCIL MEETINGS

There is a Council approved Council Calendar that regulated the sitting of Council meetings and Council Committee meetings. The Office of the Speaker has fully complied regarding the sitting of Council meetings. During this term at least 4 ordinary and 5 Special Council meetings and all of them were publicized to enhance accessibility to the general public. The Office of the Speaker has provided laptops to its councillors as working tools. The intention is to introduce a paper free, electronic council meeting, and minimise transportation and cartridge costs. To assist the process, Councillors have received Computer literacy training.

DISTRICT SPEAKERS' FORUM

There is a fully functional District Speakers' Forum which is a platform coordinated by the Speaker of the District Municipality for all Speakers from different local municipalities within the district. The aim is to share challenges and experiences on how to run the Office of the Speaker.

2.10 AUDIT AND RISK MANAGEMENT

The district municipality has an in-house internal audit function. It was established in year 2003 and has been fully operational since then. This function is also extended to support some of the local municipalities that fall under its jurisdiction.

Key challenges related include the following:-

- Past audit issues are not addressed timeously. This may be due to inadequate monitoring and supervision and budgetary constraints.
- There are municipalities in the district that still require support in order to improve their audit outcomes. The existing internal audit capacity is inadequate to fully provide the required support.
- Effectiveness of the committee is not continuously monitored.
- Risk management is not yet entrenched in operations of the institutions.
- The existing systems and procedures are not fully effective in mitigating the risk of fraud and corruption.

2.10.1 Audit outcomes for the 2009/2010 financial year

In the past two financial years the district municipality received qualified audit reports. This is an area of concern for the council of this municipality. Issues that were raised in past audits were addressed as a result they were raised again during the 2009/2010 financial year. In the 2009/2010 financial year two local municipalities, being Nyandeni and Port St Johns, received unqualified audit opinions. This illustrates that the district is on the right path towards achieving good financial management and accountability. The rest of the municipalities either received disclaimers or adverse audit opinions. The table below illustrates the types of audit opinions received by municipalities over the last three years.

Table 26 : Audit Outcomes

Name of the organisation	2008/9	2009/2010 audit opinion
OR Tambo District Municipality	Qualified	Qualified
Port St Johns municipality	Qualified	Unqualified
King Sabata Dalindyebo municipality	Disclaimer	Disclaimer
Ingquza Hill municipality	Adverse	Qualified
Nyandeni municipality	Qualified	Unqualified
Mhlontlo municipality	Adverse	Disclaimer

Root causes of bad audit reports in the district can be summarized as follows:

- Poor and lack of systems, procedures and policies;
- Vacancies in critical positions;
- Unsuitably qualified people in critical positions;
- Poor record keeping;

- Inadequate management monitoring and supervision;
- High reliance on consultants particularly in areas such as preparation of annual financial statements.

Audit committee

The district municipality has appointed and has a functional audit committee. It was first appointed in 2003. It is appointed for a period of three years. The current committee was appointed in 2009 and its term of office expires in year 2012.

Below is the status of audit committees in the municipal entity and local municipalities that fall under the district municipality:

Name of the organization	Audit committee status
Ntinga OR Tambo Development Agency	Committee is in place
Port St Johns municipality	Committee is in place
King Sabata Dalindyebo municipality	Committee is in place
Ingquza Hill municipality	Committee is in place
Nyandeni municipality	Committee is in place
Mhlontlo municipality	Committee is in place

Table 27: Status of Audit Committees

Below is the status of the internal audit function at the municipal entity and local municipalities that fall under the district municipality:

Name of the organisation	Internal status
Ntinga OR Tambo Development Agency	Co-sourced function
Port St Johns municipality	Shared with the district municipality
King Sabata Dalindyebo municipality	In-house function
Ingquza Hill municipality	In-house function
Nyandeni municipality	In-house function
Mhlontlo municipality	Shared with the district municipality

Table 28: Status of Internal Audit Function

2.10.2 RISK MANAGEMENT, FRAUD AND CORRUPTION

In OR Tambo District municipality risk management and anti fraud and anti corruption policies are in place. However, the municipality has not yet entrenched risk management in its operations. A policy on declaration of conflict of interest by staff is being developed.

The district municipality is already working hard in achieving its key milestone of receiving unqualified audit opinion. In order to achieve this, root cause of audit findings have been identified and comprehensive corrective measures are being developed. Plans are in place to address issues that resulted to a qualified audit opinion in the past year. The audit committee will play a significant role in monitoring the implementations of risk management plans.

2.11 INTEGGOVERNMENTAL RELATIONS AND SUPPORT TO LOCAL MUNICIPALITIES

The role of the District Intergovernmental Forum is to serve as a Consultative Forum for the District Municipality and the Local Municipalities, Provincial, National and parastatals in the District to discuss and consult each other on matters of mutual interest, including:-

- a) Draft National and Provincial policy and legislation relating to matters affecting Local Government interests in the District.
- b) The implementation of National and Provincial policy and legislation with respect to such matters in the District.
- c) Matters arising in the Premier Intergovernmental Forum or MUNIMEC are affecting the District.
- d) Mutual support in terms of Section 88 of the Local Government: Municipal Structures Act, 1998 (Act no. 117 of 1998);
- e) The provision of services in the District;
- f) Coherent planning and development in the District;
- g) The co-ordination and alignment of the Strategic and performance plans and priorities, objectives and strategies of the Municipalities in the District; and
- h) Any other matter of strategic importance which affect the interest of the Municipalities in the District.
- i) Submission and coordination of allocation of resources to MTF budget.

The functioning of the Intergovernmental Relations is improving in the O.R. Tambo district, particularly the District Mayor's forum (DIMAYFO) and the various sector fora including those linked to the IDP. Most of these fora, particularly the DIMAYFO have achieved their target of meeting at least once per semester. Some of the outcomes of the functional IGR environment in the district has been the adoption

of a District Programme of Action for each, outlining what the district wide priorities as adopted by all the municipalities should be, of cause guided by the local priorities, the Local Government Turnaround Strategy, as well as other Provincial and National Planning frameworks. The District programme of action was approved with a related District Monitoring and Evaluation Framework.

The most remarkable IGR initiative in the O.R. Tambo is the establishment of a Joint Task Team (JTT) forum, which was established as a result of the declaration of a dispute on water services related issues against the District Municipality by the Minister for the Department of Water Affairs and Forestry. The forum was established to try and address the issues in an IGR environment as against the litigation option.

All IGR structures in place and their functionality in the O.R Tambo DM are listed in the table below:

Table 29: Functionality of IGR Structures

IGR structure	Nature (political/Technical)	Required frequency of meetings	Functionality
District Mayor’s Forum	Political – chaired by the Executive Mayor	Once per semester	Functional, with consistent attendance by most Mayors from the LMs
Water Services Joint Task Team	Political – chaired by the MMC for Planning Infrastructure and Services	Bi-Monthly	Functional, with a linked technical task team meeting once a week to ensure follow up on JTT issues
Various IDP sector forums	Political	Quarterly	Not all Sector Forums have been able to sit.
District AIDS Council	Political-chaired by the MMC for Special programmes	Once quarterly	Functional but lack of of consistence in the attendance of DAC members.
Municipal Manager’s forum	Technical – chaired by the Municipal Manager of the DM	Quarterly	Functional, but not all LMs are actively involved
District Communicators forum	Technical – Chaired by the DM manager for communications unit	Monthly	Functional and active
Local Communicator’s forum	Technical- Chaired by the LM heads of communications	Monthly	Functional in some LMs
District Speaker’s Forum	Political – Chaired by the Speaker	Once per quarter	Functional, with consistent attendance by most Speakers from the LMs
District Whippery Forum	Political – Chaired by the Council Chief Whip	Once per quarter	Functional, with consistent attendance by all Chief Whips from the LMs
DWA Bilateral Forum/ Meetings	Combination of both Technical and Political- Chaired by the MMC for Planning, Infrastructure and Services	Bi-Monthly	Functional with consistence attendance by most of relevant department within DWA
MIG District Co-ordination Forum	Technical- chaired by the Senior Manager from DLGTA	Bi-Monthly	Functional and constitute DLGTA, DCoC, PMU’s from all LM’s including the District
MIG District Appraisal Committee	Technical – chaired by the Senior Manager DLGTA	Bi-Monthly	Functional and constitute of all LM’s & DM, DWA, DLGTA
KSD Presidential Intervention	Political- Chaired by the Premier	Bi-Monthly	Functional and constitutes of all sector departments
District LED Forum	Political – Chaired by MMC for LED, Agriculture & Tourism	Quarterly	The forum is partially functional due to the fact that it managed to sit twice in the last financial year and in 2008/2009 the forum

			was non-functional. However the sub-sector forums (The District Tourism coordinating forum, the agriculture fisheries and forestry sector forum and the district support teams) that feed to the LED forum are functional and have managed to sit as scheduled.
District Spatial Planning & Environmental Management forum.	Political -	Quarterly	Not functional. The forum was launched in September 2009 and only the technical team of the forum has managed to sit as scheduled.
District IDP Coordinators Forum	Technical	Monthly	Functional, although in all meetings only about 80% attendance by local municipalities has been achieved.
Corporate Services Forum	Technical (composed of the LMs of the district)	Quarterly or when a need arises	Functional except that it is being overtaken by other pressing matters
Legal Services Forum	Technical	Quarterly	Functional
I.T. and H.R. Fora	Technical		In the process of launching

Table 30: Existing twinning arrangements and MOA/ MOU

TWINNING ARRANGEMENT/ MOA/ MOU	AFFECTED INSTITUTIONS	PURPOSE	LEADING DEPARTMENT
Water Services Function	Amatola & Umgeni Water Board	Improvement of Water Services function	Water Services
Development of Water master Plans	DWA & Water-Boards	Development of Sustainable and reliable water resource (development of water master plans)	Infrastructure Cluster
Acceleration of sanitation backlogs	National Department of Human Settlement	Reduction of backlogs through Accelerate of the delivery of Sanitation	Technical Services

2.9.2 Support to Local Municipalities

The various departments in the O.R. Tambo are implementing a number of programmes in support to the various local municipalities. The major challenge is that up to so far there is no system in place to centrally coordinate the LM support programme, and as such these are not monitored. Currently the DM has limited capacity to ensure central coordination of LM support, mainly due to limited staff component. The table below shows the various LM support programmes implemented by the various departments in the DM.

Table 31: LM Support Programmes

Name of Department	Nature of support	Beneficiary Municipalities	Key Milestones/ achievement to date	Challenges
Office of the	Local AIDS Council	All LMs	Seven Local AIDS	Inconsistence in the

Executive Mayor			Councils had been established	attendance of meetings by the members
	Ward AIDS forums	All LMs	Thirty two wards forums had been established	Unavailability of stipend for the members is a hindering effect in the maximum participation of members
	Non governmental organisations/Faith Based and Community based Organisations	All LMs	Community based organisations doing home based care program were given home based care kits.(Faith based organisation : Mthatha)	Funds not enough to provide required support.
	Support groups	HIV positive people in all LMs	162 support groups were supported	Low socio economic status for people living with HIV virus is hindering effect to their maximum participation as most of them depend on conditional grant.
	Community health care centres	Terminal ill and neglected clients in Ntabankuluand K.S.D LMs	Ixabiso lomntu community care centre –Ntabankulu and Temba community based care –Mthatha were given financial support	R120 000 which was given to both centres proved not be enough to address their challenges.
	Non medical HIV Counselling & testing sites	All LMs	25 Non medical HIV counselling & testing sites were supported	Funds not enough to cater for the stipend of retired professional nurses and Lay Counsellors.
	High Transmission Area sites	K.S.D , Mhlontlo, Nyandeni and Port St. Johns	Five High transmission area sites were supported(Mthatha Shell Ultra City, Tsolo junction ,Mbizana , Ngqeleni and Port St. Johns second beach.	NONE
	Health facilities	All LMs	Professional nurses for communicable diseases were trained for different health facilities.	Mostly on completion of the training,professional nurses become marketable or promoted. Meaning that HIV/AIDS unit had to train new nurses.
	Nurses schools	Mhlontlo and Nyandeni LM	150 young people identified in needy homes were enrolled as in Enrolled nurses and enrolled assistance programs in an attempt to address the shortage of health care workers, unemployment and shortage of skills in the District. 75 young people completed Enrolled nurses assistance	Lack of infrastructure in these nursing schools limits the annual intake of new student nurses.

			program and they are placed in different health facilities.	
	Places of safety	Palmerton –Ingquza Hill , Siyakhana ; Ingquza Hill & K.S.D,	85 vulnerable children and 15 abducted girls were placed in Palmerton child care centre and in nearby Junior and High school to continue with their education.	Shortage of funds has a negative impact in the operations of the centre.
	Orphans and vulnerable children	All LMs	All identified needy children were placed in different schools and tertiary institutions to continue with their education	Lack of integration of programs has serious impact in expanding the program due to the fact that ,the District has to pay for the fees, stationery and uniform whereas they are supposed to be exempted.
	Cooperatives for the vulnerable groups	Zalu Hill: Ingquza Hill , Baziya, Mthatha: K.S.D.,Gxulu: Nyandeni , Hormies furniture : K.S.D LM Xhwili A/A:K.S.D LM	Two women sewing projects in Zalu Hill and Gxulu are currently functioning. Baziya Poultry project for young women is functioning well , Hormies carpentry for young men is operational , Eastern cape magazine for a young woman in Xhwili A/A is operational, Project for carpentry Arts and craft for people with Disabilities in Flagstaff : Ingquza Hill is operational	NONE
	Students finance Program	All LMs	104 tertiary students are currently benefiting in the program. 26 have completed their degree	Funds are not enough to cover needy students .
Office of the Speaker	Support on the Establishment of MPAC and Oversight Committees; -Development of Public participation Policy, Public Participation Strategy and Ward Committee Guidelines; -Compilation of Council Documents, Council Minutes and Resolutions register	All LMs	-All LMs have been workshopped on MPAC Terms of Reference -All local municipalities have been encouraged to participate in the Speakers and Traditional Leaders Summit	Inconsistence in attending meetings convened by the DM.
Internal Audit	Provide internal audit	Port St Johns and	There has been	•The existing capacity in the

	support to local municipalities on a shared service arrangement.	Mhlontlo local municipalities.	improvement in audit outcomes with Port St Johns municipality obtaining an unqualified audit opinion in the 2009/2010 financial year.	district is inadequate to fully service the local municipalities. • Past audit issues are not addressed on time resulting in recurring audit issues.
Municipal Operations	Coordination of development of IDP and PMS	All LMS	Development of Framework and process plans for both IDP and PMS	Limited capacity (staff complement), some LMs do not dedicated personnel for IDP and PMS
Budget and Treasury				
Legal Services	Legal , consultative and sharing of personnel for legal support	Mhlontlo ,Nyandeni, Ingquza Hill ,KSD and PSJ	Successfully defended cases for the municipalities' .Shared skills and legal manual.	Structures do not provide for adequate legal staff, too many litigations and less funding. Less opportunities for meetings
Human Resources	Support for job evaluation , Consultative	Mhlontlo ,Nyandeni, Ingquza Hill ,KSD and PSJ	Job evaluation finalized and implemented in some LMs and in other still in process	Formulation of policies, No uniformity of systems, lack of skilled personnel.
ICTM	Consultation,	Mhlontlo ,Nyandeni, Ingquza Hill ,KSD and PSJ		Formulation of policies, No uniformity of systems, lack of skilled personnel.
Planning and Economic development	Planning	Mhlontlo LM Mhlontlo Ward 2 & 13 PSJ LM Ward 11	Tsolo Junction SDF being developed. Community Based plans developed.	
	Capacity building and training	All LMs	Training of community members on Tourism Arts & Craft, Business skills, Poultry management & disease management. Public transport operators trained on conflict management, Customer care & financial management.	
Housing				
Community and Social Services				
Infrastructure Cluster	Engineering Support	All LM's	<ul style="list-style-type: none"> • Development of standard tender document that complies with CIDB regulations. • Purchase of Design Soft Water for Nyandeni LM. • Training on General Conditions of Contract 2010 	N/A

2.12 COMMUNICATIONS

STATUS QUO

District Communicators Forum (DCF) is partially functional. Most municipalities do attend DCF meetings but a few municipalities are not consistent in attending meetings. Issues pertaining to the communication cluster are attended to. Communicators have been inducted. A communication Strategy and Plan (including the Media Plan) has been drafted pending approval on the 31 March 2011. Most municipalities have a communications officer as reflected below:

Table 32: Status of Communication Units in the District

Name of the organisation	No. of Personnel
OR Tambo District Municipality	2 permanent, 1 acting
Port St John's municipality	1
King Sabata Dalindyebo municipality	2
Ntabankulu municipality	0
Ingquza Hill municipality	1
Mbizana municipality	1
Nyandeni municipality	1
Mhlontlo municipality	1

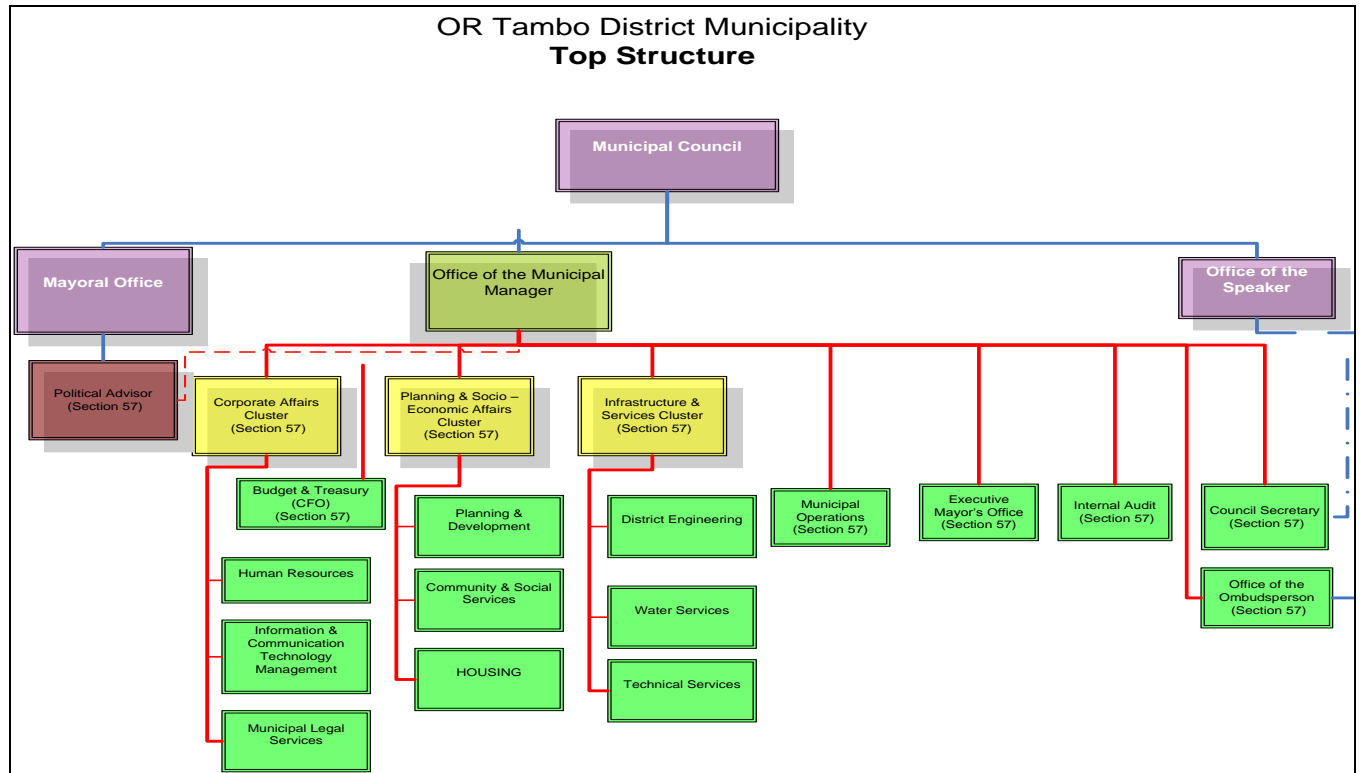
Key challenges related include the following:-

- Non- Centralised communications.
- Communications units not sufficiently resourced both on Human Resources and financialy (communications units manned by 1 official in Local Municipalities).
- Strategic placement of and use of communications – Heads of communications and officers placed on lower levels in the organogramme.
- Inconsistency in updating information in the municipal websites.
- Negative perceptions from Media
- Inconsistency in attendance of the DCF by some municipalities.
- Lack of Corporate Identity.

2.13 INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

2.13.1 Administrative Structure

The O.R. Tambo District Municipality adopted a revised organisational structure in line with its powers and functions. The top structure is presented as follows:



2.13.2 Vacancy rate and gender

Table 33: Staff Complement ORTDM

DESIGNATION LEVELS	TOTAL NUMBER OF POSTS	POSTS FILLED	NO OF FEMALES	POSTS FILLED AS A %
MUNICIPAL MANAGER	1	0	-	0%
SECTION 57 POSITIONS	10	8	3	80
SENIOR MANAGEMENT	9	8	3	89
HEADS OF SECTIONS	100	44	18	5
GENERAL STAFF Skilled , semi skilled and general assistants	974	772	267	32
TOTAL	1094	833	285	

2.13.3 CONDITIONS OF SERVICE

The three conditions of service for former KSD, former DWAF and ORTDM officials still exist and the institution needs to embark on a process of harmonising these. As a result, *the sound labour relations have been negatively affected due to increase in number of grievances.*

2.13.4 TRAINING AND DEVELOPMENT

The WSP for 2010/11 has not been properly rolled out due to delays in placement, filling of vacancies and budget constraints. Due to limited resources, the RPL has also not taken place. Community capacity building has also not been budgeted for and has not taken place except the learnership on IDP as one of our support measures to local municipalities. Planned implementation of the Finance learnership did not taken place due to budgetary constraints.

The learnerships implemented in the previous years have been hampered by the huge number of drop-outs. Skills audit for the officials below section 57 is being conducted to inform the WSP for 2011/12 and to prepare for the relevant implementation of training interventions. In terms of community capacity building programmes, there is no adequate information on skills shortage and priority training development interventions required. It is envisaged that the results of the Ward Based Planning and Information Systems (WBPIIS) will guide the district on required skills. All Section 57 managers who do not meet the Competency requirements will undergo training. A partnership has been formed with Nelson Mandela Metropolitan University, the first group is due to start in March 2011.

2.13.5 LABOUR RELATIONS

There has been a number of areas of conflict between employer and employee during the financial year (2010/11) and they related to population of the organogram (advertisements, recruitment, placement & selection processes, study assistance, etc) job evaluation, and remuneration processes. Interaction in the Local Labour Forum (LLF) has increased and has improved communication. New disciplinary cases have increased due to internal capacity constraints (shortage of staff and lack of internal controls). Process flow of dealing with grievances, disciplinary procedures and suspensions should be reviewed and workshopped amongst the officials, managers and council to emphasize that dealing with disciplinary matters starts at departmental level. Two legal advisors have been employed and can be utilised to support the labour relations section.

2.13.6 EMPLOYEE WELLNESS

Two Wellness practitioners have been appointed and the District and the implementation of employee wellness programmes has started. Full compliance with the OHSA has not yet been achieved although processes towards achieving this have been started. The Employee Wellness strategy has been finalised and its currently being implemented according to the approved Implementation Plan. The working conditions for officials in the Water Plants and satellite offices indicate non compliance with the OHSA and the Labour Relations Act. There has been no follow up on the Hazard Identification and Risk Assessment (HIRA) report due to financial constraints and limited training of the OHS committee. There has been little interaction with officials in the satellite offices to monitor the working conditions. The District needs to address this challenge as a matter of urgency.

2.13.7 STAFF PROVISIONING

Huge vacancy rate of 23.86% has remained due to challenges in the population of the organogram and delays in the placement process. Filling of critical posts took place at a slower pace. The oversight / error of judgement in placing the transferred employees has also created challenges and presented a negative picture in terms of vacancies, however, the placement process has been embarked upon to address this challenge although not yet finalised.

2.13.8 ORGANISATIONAL DEVELOPMENT

The non implementation of the job evaluation / benchmarking results has been a source of demotivation for a number of employees. The District Municipality is finalising the job evaluation process.

2.13.9 INTERACTION WITH THE STAKEHOLDERS AND STRATEGIC PARTNERS

Continuous interaction with the following stakeholders is taking place:

- Office of the Premier (EC)
- Department of Local Government and Traditional Affairs (EC)
- Department of Public Service and Administration (DPSA)
- Department of Corporate Governance and Traditional Affairs
- SALGA and SALGBC
- SETAs
- Academic institutions
- Office of the Premier
- Department of Mining Resources

2.14 LOCAL ECONOMIC DEVELOPMENT

The O.R. Tambo DM's vision is that of a Municipality responsive to social aspirations for an economically vibrant, healthy, sustainable community. The District faces a declining economy, high levels of poverty, underdevelopment and infrastructure backlogs as well as reliance on the government sector. The O.R. Tambo DM council resolved to drive its Local Economic Development (LED) strategy by establishing special purpose vehicle in a form of a development agency which was later converted into a Municipal Entity by the name of Ntinga O.R. Tambo Development Agency (Ntinga). This entity was first established in January 2003 to be an implementing agent focusing on:

- Agriculture and Food Production;
- Mariculture and Tourism;
- Social Infrastructure and Services;
- Institutional Building;
- Strategic Infrastructure such as rail, dams, electrification, roads (priority surfaced & rural roads);
- Any other Functions delegated to Ntinga by the ORTDM in terms of its powers and functions.

The economy of the O.R Tambo district hinges around the following four key economic drivers, namely:- Agriculture, Tourism, Forestry, as well as Mariculture and Aquaculture.

2.14.1 Agricultural Development

The district's population is largely populated in rural settlements and is considered to have a rich natural resource that gives it a comparative advantage whilst posing developmental opportunities in agriculture . At present, the structure of the O.R. Tambo economy does not promote high rates of economic growth. As a result of historical factors, the district economy is hampered by several blockages, bottlenecks and constraints that limit the level of growth and development.

With the municipality having identified amongst others, agriculture, as a key driver for local economic development, the agricultural sector does not make a large contribution to the district's GDP, and has continued to maintain a small share of 1.8% to the total district GDP. Despite this, the sector retains its position as the backbone of rural livelihoods in the largely un-urbanized areas of O.R. Tambo. The importance of agriculture can therefore not be undermined, as an informal rural based activity. When consideration is made of the rural based agriculture; the sector becomes an integral component of the OR Tambo district Local Economic Development (LED) landscape, through its ability to provide for community livelihoods, by generating employment and fighting endemic poverty in the district.

Agriculture therefore plays an integral part in the development the district economy but the agricultural sector potential in the district remains largely untapped. Although subsistence farming - essentially maize and stock – is fairly general throughout the area, practices remain less than effective in relation to the potential. Subsistence farming as a remedy to poverty alleviations needs massive support to households within the district. With plans for new dams and associated water supply systems, there may be opportunities for commercial scale irrigated agriculture projects. The communal tenure system results in issues that require creative management approaches and in this respect fencing of arable land may represent improvement. Land claims have affected agriculture production in some areas of the district, a remedy to such challenges will foster developmental goals of the district.

Research trials have been conducted for High Value Crops such as Cotton, Sunflower and Cassava. The Kei Fresh Produce Market (KDMP) seeks to increase potato and banana production in the district working in partnership with AsgisaEC. A Farmer Support Unit has been established within the KFPMP so as to assist local farmers develop quality produce and be able to market their produce in the region.

Livestock Improvement

While agriculture makes up only 50% of the Eastern Cape GDP, it provides 12% of the Province’s formal sector employment. Within the Eastern Cape agricultural economy, the livestock and livestock products group is the single biggest sub-sector with an estimated gross income value of R2.4 billion per annum. This represents 70% of the Eastern Cape’s gross agricultural income. Livestock farming within the OR Tambo District Municipality is by far the biggest livestock farming practice in communal farming in the whole country, 631 674 cattle, 732 478 goats and 1 225 244 sheep.

The District Wide Livestock Improvement Programme is composed of the following sections:

- Beef Development Programme;
- Iqhayiya Sheep and Wool Production; and
- Laphumilanga Goat Production Programme.

The objective of the livestock improvement programme or O.R Tambo DM is to increase the income of communal cattle farmers by assisting them to realize higher prices for their cattle through:-

- i) Increasing their participation in the formal marketing channels and
- ii) Improving the quality of the animals marketed by increasing farmer’s access to veterinary and feed input markets.
- iii) Exchange of bulls, heifers and bucks with the local livestock farmers in order to improve their genetic make-up.
- iv) Mentors are appointed from within communities to provide technical advice to ensure care, safety and access through community participation.

This programme seeks to address the fact that livestock in the district is of poor quality as well as the reluctance of farmers to market their livestock. The following strategic activities were implemented to address the above mentioned issues:

- Creation of Awareness on Potential Economic Value of Livestock;
- Beef Production to Supply Quality Livestock to the Abattoir;
- Promotion of Appropriate Veld Management and Land Care Practices;
- Setup Institutional Arrangements to Ensure Co-ordination;
- Training an Animal Health Aspects and Animal Husbandry; and
- Farmer Support and Development.

Challenges and Possible Causes

- Land tenure system
- Dragging and unresolved land claims
- Lack of physical infrastructure in terms of irrigation systems including availability of water provisioning for Local Economic Development specifically for agriculture.
- Limited access to irrigation water
- Poor coordination and integration of stakeholder interventions

Recommended Intervention

- Improvements in physical infrastructure
- Improved collaboration between all stakeholders
- Speedily resolution of land claims

2.14.2 Tourism

The untapped natural resources, culture and historic heritage that put the district in the international map are some of the strategic assets that the district possesses. Initiatives pursued under tourism development include:

- Tourism product development facilitation.
- Tourism promotion and marketing.
- Tourism infrastructure deployment facilitation.
- Special focus period local tourism facilitation and co-ordination.
- Facilitation of a district tourism development and promotion plan.

One of the focus areas is the capacity building for Crafters throughout the district. More than 50 Arts and Crafters received training on Craft Development & Design. In order to improve product quality and therefore marketability of these products, 145 performing artists were trained on Art Business Administration and performing artistry. Tourism marketing for the district has taken place in the form of tourism month held in September of each calendar year and tourism campaigns and brochure distribution within the entire province. Councillor support has been conducted through training of 07 LED

councillors on responsible tourism planning. The SA Host Program and Customer Care training was conducted for accommodation providers and /or owners funded by ECTB. There is need to further improve tourism awareness in the district, province, national and even international forums.

2.14.3 Forestry and Timber Production

Existing forestry plantations in the Eastern Cape cover 176 000 ha, a large proportion of which is located in the ORTDM. Of the 100 000 ha considered possible for new Afforestation in the Province, around half of this is within the ORTDM area. With Department of Water Affairs and Forestry (DWAFF) withdrawing from operational forestry, the Municipalities have some responsibility to support certain forestry development initiatives.

This role would include creating awareness and acceptability of forestry as a legitimate land use, facilitating and supporting downstream participation by local SMMEs, facilitating collaboration of key stakeholders for mutual benefit and for the benefit of the sector and economy as a whole. In this regard, the private sector is well established and is seeking opportunities to grow and will require support from all spheres of government. The District Municipality, together with DTI, the provincial government, ECSECC and ECDC is currently implementing the Furniture Incubator project in Mthatha to take advantage of the abundant timber and forests that is there in the district. More than 100 young people have been trained in woodwork and upholstery. The Timber processing industry has a potential of providing more than 1000 jobs during new afforestation and saw milling. The eLangeni Development node programme is seriously engaged in processes that are aimed at exploiting the potential that afforestation has in the district.

Challenges and Possible Causes

- Limited skills within the sector
- Poor co-ordination and integration between the sector stakeholders
- Lack of a district sector strategy

Recommended Intervention

- Strengthening of the Forestry Sub Sector Forum
- Improved support to Forestry SMMEs and Co-operatives
- Development of the forestry cluster and value chain
- Improve skilling within the forestry sub-sector

2.14.4 Marine and Aquaculture

The district possesses a wide coastline that gives it a tourism development opportunity including the development of the marine and aquaculture sector. With the Wild Coast presenting extensive opportunities for people to participate in marine harvesting activities, it is the challenge of all spheres of government to ensure that local people are able to participate equitably and to ensure that harvesting is carried out at levels that are sustainable. In this respect there is a need for improved data, greater awareness amongst stakeholders and role-players, and improved controls. Again, these activities require collaboration of all spheres of government and a coordinated approach.

Challenges and Possible Causes

- Limited skills within the sector
- Poor co-ordination and integration between the sector stakeholders
- Lack of a district sector strategy
- Poor knowledge of the legislative requirements regulating the sector

Recommended Intervention

- Strengthening of the Marine and Aquaculture Sub Sector Forum
- Improved support to sector SMMEs and Co-operatives
- Development of a Marine and Aquaculture sub - industry
- Improve skilling within the sub-sector

2.14.5 Trade, Manufacturing and Investment Promotion

Trade is the second largest contributor to the district's Gross Value Added (GVA) and has over the past 10 years experienced positive growth rates which have been accompanied by positive net job gains. Informal trade has also played a very significant role over the same period, growing by more than 100% in size. Manufacturing on the other hand has experienced significant declines and stagnation and has contributed to the general decline in the ability of the district to create and absorb jobs. Both sectors are of strategic importance to the district and will be supported in a manner that ensures sustainable jobs are created. To achieve this, the district commits to facilitating efforts aimed at mobilising investments with a particular focus on value adding investment opportunities. To this end the district will ensure that constraints to investments such as infrastructure, land availability and incentives are addressed by amongst others, ensuring strong alignment and integration with the emerging Regional Industrial Development Strategy.

The District Municipality also focuses on Investment Promotion and Marketing of the District for Investment opportunities. In this regard the DM conducted an investment conference as a means to market the investment opportunities of the District, source partnerships for investment promotion and

unlocking the investment potential of the O.R Tambo Region. Currently the District Municipality has developed the concept for the One Stop Shop which needs to be established as a centre responsible for the implementation of the investment conference outcomes and is reflected with proposed partners in the figure presented below.

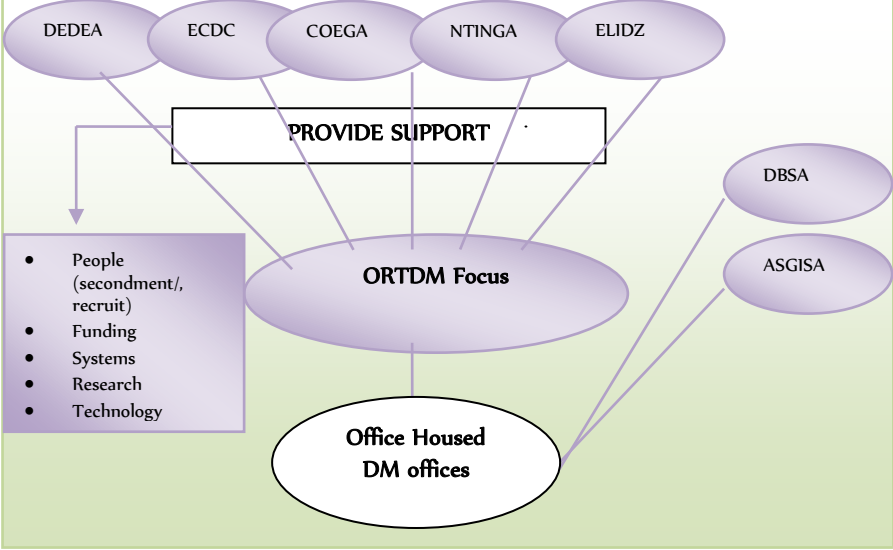


Figure: Major Role Players

The strides to have partners commitments to the establishment of the One-Stop-Shop went in vain and currently the District Municipality is responsible for the co-ordination of investment initiative of the district working with the local municipalities.

Local municipalities prioritized potential investment projects of which the District Municipality packaged for presentation during the investment conference and further used as resource information for investors. The main purpose was to source strategic partners in developing Viable Business Plans for the projects and source funding for unlocking bottlenecks such as land issues, EIA’s bulk infrastructure and sanitation, affecting the implementation of the potential Investment conference projects.

The implementation the resolutions of the investment conference is a critical project which requires strong partnerships with all spheres of government and private sector involvement. For sustainability it requires intensive resource mobilization.

On **Land Claims and Investment** two issues drew the attention of the commission on land claims and Investment during the District Growth and Development Summit, betterment claims and investment

opportunities that cannot take off because of land claims. It is to the disappointment of the O.R Tambo District Municipality that no tangible partnerships were sourced both the Private and the Public sector.

Challenges on investment promotion

- Backlogs in appropriate physical bulk infrastructure necessary for investment
- Communal land tenure
- Perpetual land claims

Recommended Intervention

- Capitalize on the district's local strengths and comparative advantage for investment promotion
- Position and market the district as a viable region economically for investment
- Attract additional investment from new local and international investors in key growth sectors
- Retain and boosts existing investment
- Support the district's key investment projects identified during the investment conference

Summary of the Investment Conference Resolutions

The conference adopted a number of resolutions, all of which were premised on the principle of adopting an attitude that recognises that the district has immense potential, and it is endowed with resources that can, if purposefully exploited, reverse the present image of the district.

The conference further decided that post conference engagements with all stakeholders were required so that the purpose of convening the conference is realised. The conference also adopted the following resolutions:

Resolution 1 – Land Availability

The district will continue its process of consultation with various traditional councils to expedite the processing of PTO (Permission to Occupy) for all identified project. The district would also engage stakeholders in the restitution of land programme with a view of facilitation of speedy resolution of land claims both on municipal commonage land as well as business (e.g Land Claim lodged by Mbolompo community).

Resolution 2 – Governance

The district has committed itself to the principles of good governance and transparency to inspire confidence and improve the quality of investments made in the district. The district is doing everything in its power to co-ordinate its administration in line with the provisions of the Inter-Governmental Relations Framework Act (IGR).

Resolution 3 – Partnering with Asgisa EC

The district is conducting discussions with Asgisa-EC aimed at paving the way for a comprehensive strategic partnership on the Mzimvubu Development Zone.

Resolution 4 – Social Mobilisation

The district believes that community participation is critical to achieve lasting economic and social development, and it was resolved that championing the philosophy of 'Vuk' uzenzele' (Get up and do

things for yourself) will be infused in the programme of action through initiatives such as the 'one household, one food garden'.

Resolution 5 – Infrastructure Development

The district will endeavour to increase the penetration of information and telecommunication technology by facilitating the construction of Thusong Service Centres (formerly Multi-Purpose Community Centres), where communities can have access to these technological advancements to improve their skills and entrepreneurship. The district will also facilitate the development of social and economic infrastructure to improve the ability of the district to attract investment.

Resolution 6 – Protection of Environment

The district undertook to consult with traditional leaders and communities in order to promote the protection of wet-lands, this as a way of improve the profile of the district as a tourist destination. Affected communities will be encouraged to approach the district so that agreements are made based on the information made available.

Resolution 7 – Post Conference Monitoring and Evaluation

A monitoring team will be appointed comprising of political and administrative capacity to ensure the conference resolutions are implemented on an ongoing basis.

Resolution 8 – System for Effective Engagement with Investors

The conference resolved that the mechanism for the effective implementation of the conference resolutions would be a dedicated facility to facilitate a convenient dispensation for future engagement with potential investors. A concept document will be tabled to the district council for endorsement of the facility and engagement with strategic stakeholders.

2.14.6 Cooperatives and SMME support

In order to provide descent jobs, sustainable livelihoods and food security, the O.R Tambo District Municipality has used its Local Economic Development Programmes to provide short and Long term Job Opportunities while ensuring massive food production for poverty alleviation. The implementation role for all co-operatives and SMME projects will be transferred fully to the implementing arm of the District. The Planning and Development Directorate will be responsible for coordinating role. The following will be the key focal areas for the department and require proper funding to ensure avoidance of an unfunded mandate:

◆ **Integrated District Co-operatives Development Strategy and Implementation plan**

Co-operatives and SMME's play a critical role on developing the district economy and normally they face challenges regarding access to markets, finance, and information and quality support services. There are many role players that are supporting co-operatives and SMMEs in the district and their support provision is highly disintegrated. This strategy and implementation plan will assist in the identification of key actions to be played by each role player in the District, and results to an

intergration of the action of the various role players for efficiency in supporting the sector so as to achieve maximum impact in supporting this sector.

Table 34. Cooperatives and SMME developed with the DM support

Sector	Number of Cooperatives	Number of jobs created	LM where located
Food Production	9	151	Ngquza-1 KSD-5 Mhlontlo-2 Nyandeni-1
Agriculture	114	1391	KSD-49 A/NZO-1 Ngquza-27 Mhlontlo-23 Nyandeni-4 PSJ-10
ICT	1	5	KSD
Manufacturing	30	358	KSD-18 Ngquza-5 Mhlontlo-5 PSJ-2
Wool	7	124	KSD-4 Mhlontlo-1 Ngquza-1
Tourism & Hospitality	4	34	KSD-2 Ngquza -2
Multipurpose	4	80	KSD-3 Mhlontlo-1
Recycling	1	9	KSD
Cleaning	1	5	KSD

2.14.7 District Skills Development programme:

Creating awareness, capacity building and providing assistance to co-operatives is one of the institutional support mechanisms the district commits to support and facilitate.

Building viable and sustainable communities requires a holistic and integrated approach that involves all aspects of community life, including but not limited to, leadership development, social capital, poverty alleviation, and institutional development. The district is committed to addressing these issues in a manner that ensures communities are able to engage in activities that create jobs and have access to basic services. Small medium and micro enterprises continuously face the challenge of access to markets, finance, information and quality support services. These are issues that the district commits to facilitating and ensuring they are addressed. Creating awareness and providing assistance to co-operatives is one of the institutional support mechanisms that the district commits to support and facilitate.

A district wide skills development programme has been identified as a foundation objective for the achievement and sustainability of the identified drivers. Small medium and micro enterprises continuously face the challenge of access to markets, finance, information and quality support services. These are issues that the district commits to facilitating and ensuring they are addressed. Creating awareness and providing assistance to co-operatives is one of the institutional support mechanisms that

the district commits to support and facilitate. The success of the district in growing and sustaining the local economy depends on the extent to which it builds partnerships and collaboration with all relevant stakeholders. The district recognises the need to develop functional and effective collaborative efforts with business by amongst others ensuring that there is a united vision and drive to address challenges confronting business and the district in general

14 Co-operatives have benefited from Ntinga O.R. Tambo Dev. Agency in the form of Business plans and Constitutions outsourced to service providers for development. Baziya sustainable village was established and has co-operatives formed that have a variety of core functions (Bakery, Sewing, Poultry and Agriculture). The total number of beneficiaries is 200 and all are community members.

(a) Emfundisweni Skills Development and Resource Centre

The centre is located in Ntabankulu and dilapidated former missionary teachers college was renovated to establish it. The renovations were done in partnership with Eskom foundation, mining qualification authority, Old Mutual and some mining houses. This was a result of an agreement between ORTDM, local Chief and Methodist Church of South Africa. The centre is running a community bakery, Guest house, rural jewellery, sewing project and skills development and has generated revenue in excess of R1.6 million. In partnership with the Department of Education the centre assisted no-pass grade 12 schools to achieve better results. 34 permanent and many temporal jobs were created of which 56% are women. This centre is an enabler for skills development that are linked with our projects. Currently the centre is in negotiation with Fort Cox Agricultural College to establish their satellite campus at the centre. The brick and fence projects that was started at Emfundisweni has since grown to Esiphaqeni village (Flagstaff) and Kwa Tshemese village (Mthatha), with an annual turnover of more than R2.1 million and created permanent 96 (48% women) and 88 temporary jobs.

(b) Kei Fresh Produce Market

This market has been built by the provincial department of Agriculture and transferred to the ORTDM since markets and abattoirs are a function of district municipalities. Local farmers, provincial department of Agriculture and KSD local municipality are active partners in this venture. The market has grown from strength to strength with current annual turnover more than R30 million. 17 permanent jobs have been created of which 42% are women. The main challenge is that the market is getting most of its produce outside the OR Tambo region. To turn this around a strategic plan has been developed in partnership with ASGISA-EC. Thina Sinako (EU programme) has already funded part of the strategy. The plan is to expand the market to have more banana ripening rooms and introduce a meat market.

(c) Umzikantu Abattoir

This red abattoir was purchased from an action sale to use it as a marketing outlet for our livestock programme. The project has created 13 permanent jobs and has generated more than R1.5 million revenue.

(d) Adam Kok Farms

As there are no commercial farms in the O.R. Tambo region, the O.R. Tambo District Municipality purchased the farms as a means for revenue enhancement with the main focus utilising the farms as a skills development and training centre for the emerging farmers of the O.R Tambo Region that we want them to migrate to commercial farming. This formed a base to provide a conducive environment for training the emerging farmers as several strides by the district proved beyond reasonable doubt that one cannot train farmers to be commercial in an environment that is not commercial, particularly noting the O.R Tambo Region is predominantly rural and the majority of the district's local communities are illiterate and learn better with experiential training.

- ◆ Resource mobilization and business plan development for funding.

A need for capacity building and training for LMs in business plan development for funding in taking advantage of funding opportunities from provincial and national government specifically targeting the co-operatives development fund.

◆ District Support Teams

The District Support Team is a co-ordination and intergration model that has resulted from the Thina Sinako Provincial LED Support Programme and is meant to participate all government led institutions that are supporting Local Economic Development programmes and projects in the district. The team will ensure that all LED initiatives are intergrated by all government led institutions and the DST will form part of the LED Forum, which is mostly constituted by all LED roleplayers including private business organization, labour and non governmental institutions.

Challenges and Possible Causes

- Lack of a district co-operatives development strategy
- Integration of the action of the various role players for efficiency in supporting the sector

Recommended Intervention

- Integrating the implementation of the District Co-operatives Development Strategy

2.14.8 Implementation of Ward Based Planning & Information System

The ward based planning process is carried out in order to continuously update the existing socio-economic status quo information of the District Municipality and its Local Municipalities with the aim of ensuring that the holistic planning function of the District is well informed and aligned. The process further ensures improved research capacity and planning for informed service delivery. The need for an up-to-date District socio-economic status synthesis suggests that the DISTRICT's demographic profile changes on a daily basis hence the Ward Based Information System is a proper tool necessary to ensure accurate recording of up-to-date information on the demographic profile of the District.

With the implementation of the Ward Based Planning Information System, The District Municipality will be able to access current and accurate information on the following aspects:

- daily updates of changes in population size per ward for the entire District
- the levels of indigence, in terms of the number of people living in poverty and that of the unemployed.
- Education levels and skills availability per ward.
- Access to Services
- Levels and Standards of service accessed.

Phase 1 of the project has been completed which included System Development, door to door data collection, capturing of the collected data into the system and training of users in local municipalities. Various reports such as the household register, skills register, indigent register, level of service delivery are now accessible on-line from the system.

Data verification is planned for the current phase of the project of which a team of ward administrators (one in each ward) will conduct the data verification and data cleansing process for all wards in the O.R Tambo region.

- First, this process will be done on the system and at the relevant wards with the relevant ward councillors.
- Secondly the team of ward administrators will have to undertake field trips to specific areas within OR Tambo District to fill any gaps identified during the verification process.
- Finally, once all gaps have been filled and the system is fully accurate and all the required reports can be accessed, ongoing day-to-day update will be conducted at ward level by each municipality.
- The hosting of the system will then be moved to the premises of the district municipality, a system development specialist be acquired to properly manage the project and the necessary hardware and software be made available to ensure sustainability of the project.



2.15 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

2.15.1 LAND SURVEY AND PLANNING

The O.R. Tambo District straddles the National Route N2 linking Durban to East London, the Garden Route and Cape Town. The economy of the district is largely land-based (subsistence) and has been impacted negatively by historic practices of discrimination and marginalization before 1994. The past political engineering, current tenure arrangements and population densities have impacted on the land cover of the district. At least 21% of the total land area is classified as degraded/eroded which indicates the imbalance between the resident population and the land resources and/or inefficient land use management in regard to the agricultural activities. In the region agriculture 5.6% of land cover is forestry and commercial farming with a further 20.23% subsistence farming.

O.R. Tambo District thus has a predominantly a rural landscape with a rural population residing in traditional villages and traditional homes. The towns are located along the main access roads serving as rural service centres to the surrounding rural population. The land ownership in the district vests mainly in the following main structures: government through the Department of Rural Development and Land Reform as the main custodian of communal land. Legal forms of land tenure in the district include freehold, permission to occupy, leasehold and grazing rights on commonage.

The District has a number of land claims which tend to be communal in nature. This results into claimants and extents of the land being claimed not clear in all instances, making it difficult to adjudicate and resolve/settle land claims. The District sector forums such as the Environmental management and Spatial Planning Forum and other platforms provide an opportunity to engage the stakeholders so as to unlock these challenges facing the district.

Challenges and Possible Causes

- Unresolved land claims
- Complex land administration issues
- Lack/ ineffective approach in coordinating stakeholders

Recommended Intervention

- A speedy resolution of land claims, and negotiations with land claimants in areas identified for development.
- Strengthen the District Environmental Management and Spatial Planning Forum.
- Commitment of funds on catalytic projects that are meant to unlock the potential of the district

2.15.2 ENVIRONMENTAL MANAGEMENT

The White Paper on Environmental Management Policy emphasizes the need for implementing an effective information management system that makes environmental information accessible to all interested and affected parties that are responsible for and/or interested in effective environmental management. In this regard the O.R. Tambo DM developed an Environmental Management Plan (EMP); which provides a baseline assessment of the main environmental issues and challenges facing the DM.

Based on the information obtained from the reviewed EMP, the District Spatial Planning & Environmental management technical forum working in partnership with DEDEA has managed to prioritize programs and develop appropriate action plan to respond to the most pressing and threatening issues of environmental management. The O.R. Tambo DM has planned a number of training workshops focusing on environmental education so as to disseminate this environmental information with the practical programs on how to face these environmental challenges in order to attain an effective environmental management. Also Environmental Management Forum will play a major role in collecting and sharing of Sade environmental issues.

Within the O.R Tambo District Region there are 11 operating landfill sites, of which only 4 are licensed namely: Mhlontlo (both Qumbu and Tsolo), Port St John's and King Sabatha Dslindyabo (Mqanduli). The ones operating illegally are located at Inguza Hill (both Flaggstaff & Lusikisiki), Nyandeni (both Libode & Nqgeleni) and KSD (Mthatha).

The O.R. Tambo DM is implementing a waste minimisation project located at Mhlontlo Local Municipality with about 80 job opportunities created. Facilitation processes are underway for the development of a regional waste disposal site as well as regional waste minimisation project which can be linked to job-creation, skills development and poverty alleviation.

Challenges

- ◆ Funding for the implementation of priority projects is still an issue from the Municipality.
- ◆ Staff shortage as well as prioritisation of the sector by the municipality and political by in is still a challenge.
- ◆ Lack of capacity, knowledge and interest in Local Municipalities is posing a serious challenge and this is resulting on bad cooperative governance in this sector.

Recommendations

- ◆ A dedication and prioritization by the municipality is needed.
- ◆ Funding must be allocated more especial on the environmental education side.

Waste management

The O.R Tambo DM has reviewed and update its existing Integrated Waste Management Plan (IWMP) also recognizing that the Plan as a critical tool in promoting sustainable development and service delivery within the District. Waste Management has traditionally not been seen or perceived as a priority concern and this has resulted in a number of ramification which manifest in a complete system failure or lack thereof. In addition, the environmental management forum that is serving as a mobilizing body on waste management programs must kept live and moving with the implementation of waste minimisation programs for poverty alleviation in the district.

2.15.3 PUBLIC TRANSPORT PLANNING

Current deficiencies in the district wide transport system, and with regard to deficiencies in mobility, the needs of the population, both in motorised and non-motorised transport systems, must be identified and described based on the data collected and the status quo inventory as well as by taking into account feedback from stakeholders and role players through a program of public participation.

The recently reviewed integrated transport plan, apart from describing the existing transport situation, describe the mobility needs of the population of the transport authority area for all trip purposes, and includes a detailed demand or market analysis for movement by either public or private modes of travel, in different corridors or along the routes which comprise the integrated transport plans public and private networks.

Challenges:

- ◆ Lack of capacity in Local Municipalities as a result most of the processes that are available in the LMs are by-passed or ignored by both the administrators and operators and incomplete information is fed to the DITP processes.
- ◆ Funding for the implementation of priority projects is not forthcoming from the potential funding institutions.

- ◆ Non-attendance of Local Municipalities in crucial Transport Planning meeting/forums as a result scanty reports get submitted to the District Transport Forums.
- ◆ Roads classification remains a major challenges as no sphere of government knows whether it his competence or not.

Recommended Interventions

As part of all transport related issues, the following should always be taken into consideration:

- ◆ Traffic and safety issues
- ◆ Support for the recapitalization project for taxis
- ◆ All public transport facilities to be developed in the ORTDM should be user-friendly to disabled persons.
- ◆ The promotion of subsidised transport in areas that currently do not receive public transport subsidies
- ◆ Creating an atmosphere conducive to the implementation of the national Government's Taxi Recapitalisation Project.

2.16 PROVISION OF WATER AND SANITATION SERVICES

In July 2003, Cabinet declared and pronounced OR Tambo District Municipality a Water Services Authority and Water Services Provider. This therefore means that the DM is responsible for planning, implementation, operation and maintenance of water and sanitation services within its Local Municipalities. As an Authority the DM is responsible for Planning and Governance function which includes

- Development of Water services policies and by-laws
- Local Regulatory function
- Water Services Planning
- Tariff Determination
- Water Quality Monitoring and Environmental Safety
- Revenue Management
- Communication and Customer Relation
- Free Basic Services
- Drought relief

The following functions are included under water services planning:

- Water Conservation & Water Demand Management

- Water services master plans
- Water Services Development Plan (WSDP)
- Asset Management Plan
- Water Safety plans

Current status of the Water Services Policies and By-Laws

- Water Services By-Law – Approved by Council
- Indigent Policy - Approved by Council
- Tariff Policy – Under review and it should be tabled by Council before the start of the new financial year
- Free Basic Policy – Approved by Council
- Credit Control / Debit Collection policy – under review and it should be tabled before Council before the start of the new financial year
- Occupational Health and Safety Specification – Approved by Council

In terms of Provisioning the O.R. Tambo DM is responsible for operation and maintenance which includes:

- Daily operations of water and wastewater works inclusive of the daily monitoring and management of plant performance and compliance with the required quality and performance management systems.
- Maintenance of urban and rural infrastructure;
- General management inclusive of administration, financial management, monitoring and reporting;
- Communication and customer relations;
- Operations and maintenance planning;
- Ensuring desludging of on-site latrines;
- Safe treatment and disposal of sewage waste; and
- Ongoing and regular testing of water, effluent and sewerage disposal for conditions dangerous to human health and the environment.
- Health and Safety

Other Functions of the department includes

- Identification and implementation of Capital project

- Co-ordination of infrastructure related sectors (Eskom, Tele-communication, Public Works, Local Municipality, Human Settlement, etc)

SANITATION SERVICES PROVISION

The District Municipality has developed a Sanitation Strategy in an effort to address its sanitation backlogs and challenges. The Strategy seeks to address ways in which sanitation backlogs could be eradicated in terms of

- Purpose of the strategy is to ensure that the issue of backlogs eradication is dealt with
- And that appropriate sanitation model is provided to the communities/consumers for both urban and rural
- The District is intending to upgraded all town sewer system into full waterborne sewer system
- Through development of Sanitation Strategy, the Council has adopted a standard VIP structure (Pre-cast) to be utilized and this has been done in an effort to address quality and the size of the structure.
- Ensure Promotion of health and hygiene is addressed during the pre and post project implementation.

Only 1 (Mthatha town) out of 11 towns has got a full waterborne sewer system and the only available system has reached its design life span and has exceeded its design capacity. The Waste Water Treatment Works has been designed to accommodate 12MI/d and the current flows are estimated above 18MI/d with exclusion of flows that do disappear within sewer network. At the time of transfer only one out of 23 sewer pump stations was function, with other areas not connected within the network system. Other towns are currently using either Septic tanks and or conservancy tanks.

- 18 sewer pump stations have been refurbished and additional 4 sewer pump stations are under refurbishment.
- In partnership with DWA the DM has refurbished the waste water treatment works and repairing/replacing sewer networks within Mthatha town and is performing according to its maximum capacity and is able to release the effluent that meets the regulator standards.
- Under this partnership, the District Municipality managed to replace steel manhole covers with concrete covers and replace few old AC sewer pipes.

In an effort to implement the sanitation strategy, the District municipality is currently at design stage with the upgrading of sewer system into waterborne sewer in the following towns:

- Mqanduli – at detail design stage
- Flagstaff – at detail design stage

- Tsolo – at detail design stage
- Lusikisiki – at preliminary design stage

The table below tabulate the number of households for each Local Municipality that are currently served with basic sanitation

Table 35: Sanitation Backlogs

Sanitation Backlogs Mid Year 2010/2011 FY

Name of Municipality	Total Household	Household access to sanitation	Household access to sanitation 2009/2010	Households provided with basic sanitation by 2010/2011	Households with access to sanitation 2010	Households without basic sanitation
KSD LM	93.384	41.016	43.9%	1 406	45.43%	54.57%
Mhlontlo LM	49.862	16.646	33.4%	0	33.4%	33.4%
Nyandeni LM	56.853	12.833	22.6%	4 241	30%	70%
Ingquza Hill LM	48.703	9.927	20.4%	1 809	24.10%	75.90%
PSJ LM	30.950	8.810	28.5%	1 021	31.76%	68.24%



VIP Sanitation Collapsing as no lining provision was made



VIP Pit Lining Adopted



Adopted Rural VIP Pre-Cast Structure

WATER SERVICES PROVISION

In October 2006, the O.R. Tambo District Municipality held a Water Services Summit which was aimed at development of strategic framework for the delivery of quantitative and sustainable water services and accelerate water service delivery as a vehicle for Local Economic Development in the District. This summit adopted a Conceptual Water Master Plan which was a framework with 3 stage approach and the following was agreed upon

- *Continued Schemes to alleviate the immediate need through Standalone*
- *Integrating the Standalone schemes into Sub-regional Schemes*
- *Integrate all the latter into Regional Schemes*

OR Tambo in partnership with DWA thereafter approached/appointed **Umgeni Water Board** and **Amatola Water Board** and entered into a collaborative arrangement to assist in identification of an improved bulk water supply system within its area of supply. Four Regional Schemes were then identified and feasibility studies were undertaken to investigate/explore on reliability of the identified schemes:

- Northern Scheme (Mbizana & parts of Flagstaff) – confluence of Ludeke and Ntlavukazi: Feasibility study complete and the project is on implementation



- Central Scheme (Ingquza Hill & parts of PSJ) – Mzintlavana River: Feasibility Study complete and preliminary design are in progress
- Southern Scheme (KSD, Nyandeni & parts of Mhlontlo,) – Optimal Utilization of Mthatha Dam for domestic consumption: Study complete but awaiting abstraction permit from DWA

- Cross Border Scheme (Ntabankulu) – Alfred Ndzo source – Feasibility study under investigation

Other Sub-Regional Schemes to be integrated within the Regional Schemes Proposed.

- Sidwadweni Regional Water Supply under Mhlontlo LM and also supplies parts of Nyandeni: Supplies Rural Villages within Tsolo & Tsolo Hospital. *Approximately costs of R250million has been allocated for the development of the scheme since its inception and currently the last phase (phase 5) is on design*
- Mvumelwano Regional Water Supply under Mhlontlo: Supplies Qumbu town and other Rural Villages within Qumbu. *Approximately R150million has been allocated for the development of the scheme since its inception and one phase is on implementation.*
- Upper Culunca Regional Water Supply under Mhlontlo: Supplies Rural Villages within Qumbu. *Approximately R150million has been allocated for the development of the scheme since its inception and the last extension is under construction. Currently the possible construction of a Dam to sustain the scheme is under investigation and submission of BP for additional funding may be put forward*
- PSJ Regional Water Supply under PSJ: Supplies Rural Villages. *Approximately R90million has been allocated for the development of the scheme since its inception has been provided and phase 2 of the bulk services is under construction and the Phase 2b is on tender and expected to start implementation by Mid April. A BP has been submitted to DWA for Dam construction has been submitted and requires an approximate amount of R25million*
- Ngqeleni Regional Water Supply: Supplies 45 Rural Villages within Ngqeleni. *Approximately R100million has been allocated for the development of the scheme and the 2 phases which includes Ngqeleni Dam are at its completion stage*
- Coffee-Bay Regional Water Supply under KSD: Supplies Coffee-bay and Rural Villages. *Approximately R110million has been allocated for the development of the scheme and is currently under construction.*
- Flagstaff Regional Water Supply under Ingquza Hill: Supplies Flagstaff town and Rural Villages. *Approximately R94million has been allocated for the development of the scheme and is currently on design and tender stage.*

Other water supply has been provided through stand-alone schemes, boreholes, springs and streams/small Rivers. The table below tabulates the number of households for each Local Municipality that are currently served with basic sanitation

Table 36: Water Backlogs

Water Backlogs 2010/2011					
Name of Municipality	Total Household	Household access to water	Household access to water as a percentage	Households below basic level of service/backlog	Households without access to water as a percentage
KSD LM	93,384	49,150	52.6%	44,234	47.4%
Mhlonto LM	49,862	19,596	39.3%	30,266	60.7%
Nyandeni LM	56,853	21,226	37.3%	35,627	62.7%
PSJ LM	30,950	7,620	24.6%	23,330	75.4%
Ingquza LM	48,703	17,344	35.6%	31,359	64.4%

CHALLENGES AND CAUSES

The table below depicts some of the challenges that the District Municipality faces in providing water and sanitation services.

Table 37: Challenges for provision of water and sanitation services

CHALLENGE	CAUSES
Huge Backlogs	Negligence of the area during the apartheid era. Topography of the area which makes it expensive for some areas to be services
Old Infrastructure	Lack of refurbishment, and as result the infrastructure is being operated though it has far reached its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth amd as such the infrastructure is overstrained which result in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure
Lack of energy supply	Has an effect on the capacity of the infrastructure to be provided as the dependency is on diesel which are limiting on type of infrastructure that should be provided.
High Level of Vandalism and theft	High unemployment
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other area due to financial constraints
Poor Maintanance on existing infrastructure	Low revenue generation as the inhabitants are unemployed and as such there is dependency on grants which are very minimal

RECOMMENDED INTERVENTIONS AND STRATEGIES TO ADDRESS CHALLENGES

- **Adoption of Regionalization as a best option to enhance local economic development**
In the past year the district has been struck by drought which resulted in some of the majority of standalone schemes being non functional as their water sources dried out. This has thus shown the extent of non reliability of the standalone hence the regionalization is seen as the best option as it is resilient to drought due to additional storage.
- **Upgrading of Town System into Full Water-Borne Sewerage System**
In an effort to create a conducive and environmental friendly situation
- **Acceleration of Service Delivery to reduce backlogs**
- **Adoption of Water Services 10 Key Focus Areas in an effort to improve in delivery of water services**
- **Engagement of Water Boards**
To assist in water services business and on attainment of requisite skills through transfer of knowledge as they have been trading on this function and have better experience.

PROGRAMMES TO ADDRESS CHALLENGES

More than 90% of the district is rural and as such most of its inhabitants receive free basic services. This therefore means that there is minimal revenue collected from the service and as a result is dependent on Grants in order to perform its water services functions. The following are the programmes/ funding streams received for Infrastructural development

Table 38: Funding streams for infrastructure development

FUNDING STREAM	2011/2012 TOTAL ALLOCATION	2012/2013	2013/2014
Municipal Infrastructure Grant	R562 773	R 684 281	721 916
Regional Bulk Infrastructure Grant	R0.6m	0	0
Sanitation Human Settlement Grant	R21m	R58m	Not available
Equitable Share (Infrastructure related services)	R324m	R351m	R375m

ROADS INFRASTRUCTURE

The very low historical investment in the access road network in the District has resulted in very poor access to the major road routes. This not only isolates already impoverished communities from important livelihood socio-economic opportunities but it also inhibits economic opportunities, making it expensive and difficult to move inputs and outputs from many of the areas in the District. This function

has now been transferred to local municipalities. Although this is no longer a function of the DM, strong relations between the DM, Provincial Department of Roads and local municipalities need to be maintained in order to improve the state of our roads especially those that inhibit access to social facilities such as hospitals, clinics and schools.

FREE BASIC ENERGY

Name of Municipality	STATISTICS SOUTH AFRICA CENSUS 2001					MUNICIPAL SOURCE 2008			
	Total Households	Total Indigent Households	Total Households	Total Indigent Households	ESKOM supplied areas	MUNICIPALITY (Municipal supplied areas)	Alternate source of Energy (Municipal Source)	Total Households served	Total households Served as percentage
King Sabata Dalindyebo	9.979	57.850	21.380	62.617	6.899	160	-	7.059	12.2%
Mhlontlo Local Municipality	67.568	32.442	71.531	30.153	9.124	-	299	9.423	29.0%
Nyandeni Local Municipality	55.095	41.646	59.179	47.187	3.286	-	-	3.286	7.9%
PSJ Local municipality	29.502	22.567	30.995	23.732	4.835	-	51	4.886	21.7%
Ingquza Hill Local municipality	51.063	39.311	54.728	-	1.735	-	119	1.854	4.7%

Table 39: Access to Energy

ACCESS TO REFUSE REMOVAL

MUNICIPALITY	TOTAL HOUSEHOLDS	HOUSEHOLD ACCESS TO REFUSE REMOVAL SERVICE	HOUSEHOLF ACCESS TO REFUSE REMOVAL SERVICE AS A PERCENTAGE	HOUSEHOLD BELOW BASIC LEVEL OF SERVICE / BACKLOGS	HOUSEHOLDS BELOW BASIC LEVEL OF SERVICE / BACKLOGS AS A PERCNTAGE
King Sabata Dalindyebo	93,382	21,755	23,3%	71,627	76,7%
Mhlontlo	49,861	1,511	3,0%	48,350	97%
Nyandeni local Municipality	56,851	677	1,2%	56,174	98,8%
PSJ local Municipality	30,950	585	1,9%	30,365	98,1%
Ingquza Hill local Municipality	48,701	1,235	2,5%	47,466	97,5%

Table 40: Access to refuse removal

2.17 HOUSING DEVELOPMENT

The O.R. Tambo District Municipality views housing and related infrastructure delivery as catalysts for development and improved quality of life in many previously disadvantaged communities in the District. Under the Constitution of South Africa, 1996 and within the National Housing Act of 1997 policy framework, the provincial and local government entities are compelled to provide adequate shelter and infrastructure for their areas of jurisdiction. This is further postulated in the 'Breaking New Ground' housing delivery approach to create sustainable communities. The predominant settlement pattern in OR Tambo District is based around the rural village with grouped homesteads dispersed along ridge crests in the uplands or in the valleys on flatter land. Areas along the coastline are sparsely populated as people tend to locate their homes inland (See Map 4.5). Migration has contributed to the urban growth of Mthatha and the service centres of Bizana, Lusikisiki and Port St Johns. There has also been substantial growth along the N2 corridor from East London through Mthatha to Kokstad.

As can be seen from Figure below KSD is the most urbanised municipality in the district accounting for 20.5% of the population living in the urban areas followed by Mhlontlo (12.0%), Tabankulu (9.4%), Port St Johns (5.3%), Ingquza Hill (Qaukeni) (1.3%), and Nyandeni (0.3%). The average size of a household in the whole district is 5.3.

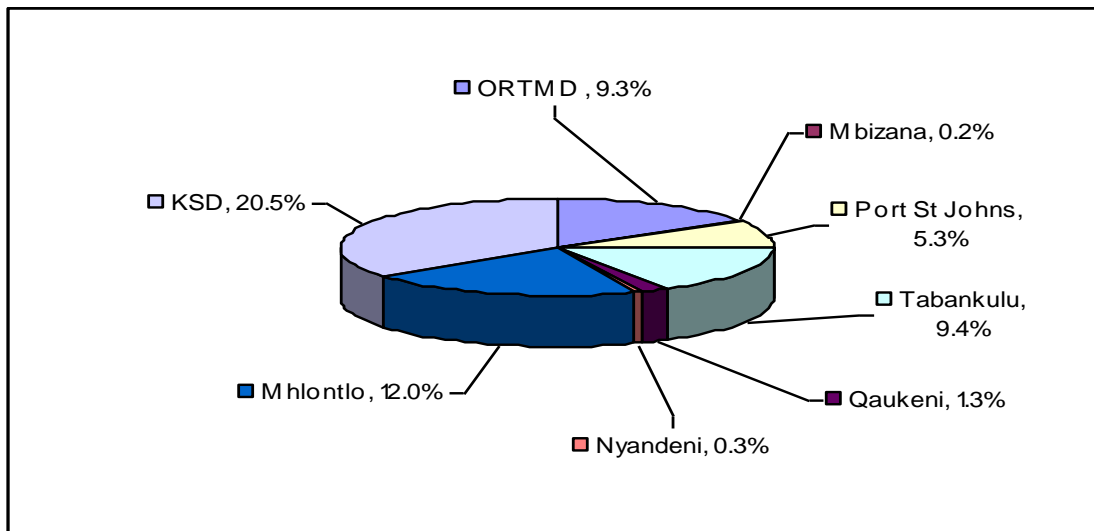


Figure: Urbanisation Rate (percentage of people living in urban areas)

- With significant number of the population living in rural areas, the housing typology within ORTDM is predominated by traditional dwellings. According to the O R Tambo SDF (2007 / 08), it is estimated that approximately 71% of the dwellings are traditional, with 27% being formal and only 2% informal or inadequate. The ORTDM has in recent years experienced a growing informal sector dwelling mainly adjacent to the main town centres such as Mthatha, Lusikisiki and Mbizana. It is also important to indicate that the growth in specific industries has resulted in a movement by people to settle in areas where such industries are located.



Picture 1: Dilapidated traditional rural dwelling

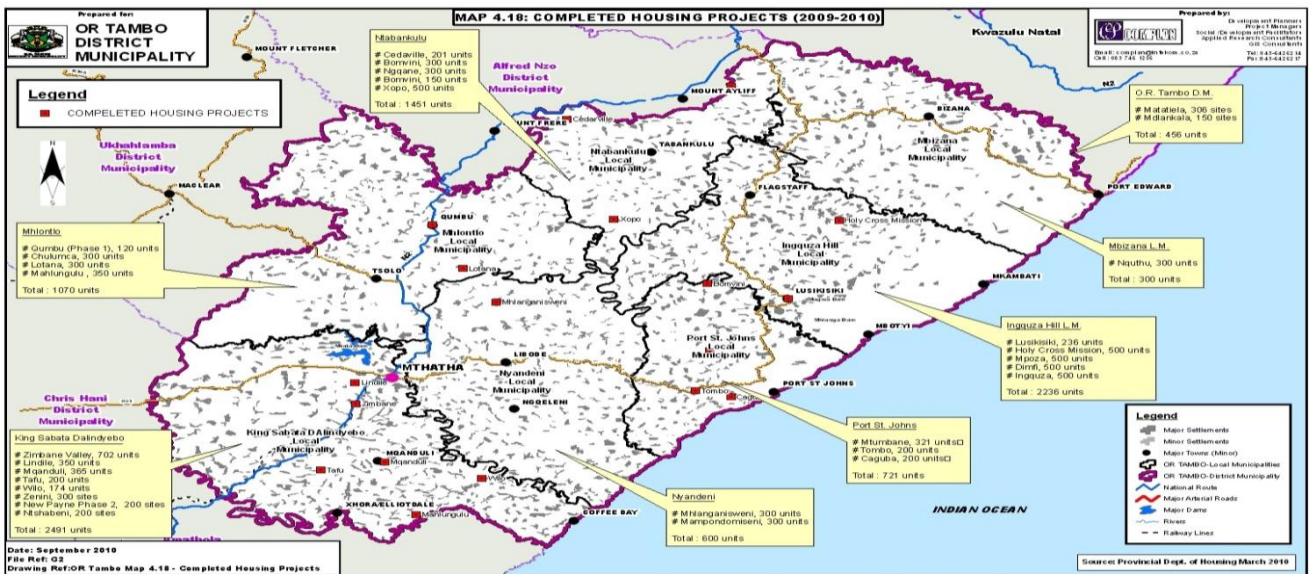
In fulfilling its vision and mission to create integrated and sustainable human settlements and the provision of quality housing options, the O.R. Tambo District Municipality is in a process of crafting a District Housing Strategy for the O. R. Tambo District Municipality. This will be finished just before the end of the 2010/11 financial year. There is however the national department of housing has not yet developed a scientific formula for calculating Rural housing backlog. Our response to rural housing is thus informed by the dire emergency needs that are either caused by disaster or just dilapidated structures that we may feel are not habitable. The table below reflects the estimated housing backlog as per the 2001 District Housing Strategy.

Table 41: OR Tambo District Housing Backlog

Municipality	Total	Urban	Rural	Units completed (March 2010)	Balance
King Sabata Dalindyebo	50015	5548	55, 563.00	2 291 (1241 urban and 1050 rural)	53 272
Ingquza Hill LM	33503	608	34,111.00	2 236 (2000 urban, 236 Rural)	31 875
Mhlontlo	27773	1685	29,458.00	1070 (rural)	28 388
Nyandeni	42181	930	43,111.00	600 (rural)	42 511
Port St Johns	21861	474	22,335.00	1371 (rural)	20 964
Total	223695	10297	233,992.00	9 325	224 673

From 2004 to date there are **9 325** low cost housing units that have been developed within O.R. Tambo District Municipality from 36 projects. Of these, KSD has 21 projects, Ingquza Hill has 5 projects, Nyandeni has 3 projects, Mbizana and Port St. Johns have 2 projects each, Mhlontlo and Ntabankulu have 1 project each and the only remaining project is an emergency project consisting of 385 units.

Map: Settlement Pattern



KEY ISSUES OF FOCUS AND CHALLENGES

Rural housing development

In terms of the new BNG approach the department of housing is expected to play a central role in human settlement development process. Human settlement is being defined as just more than just the construction of the house. The new human settlements plan moves towards more holistic, integrated, flexible and responsive mechanisms which address the multi-dimensional needs of sustainable human settlements.

Creating integrated and sustainable settlements

There is a lack of planning together between departments within the District and with the sector departments. There is a need to enhancing Spatial Planning, through greater coordination and alignment of various planning instruments and economic policies. In order to ensure that human settlements are sustainable there is a need to accelerate the Integrated Rural Development Program which is aimed at responding to a comprehensive range of rural housing related issues, such as tenure, livelihood strategies and broader socio-cultural issues.

Ensure that all LM's have credible Housing Sector Plans

The housing chapters of the LM's IDPs must be considerably enhanced to include municipal housing needs assessment, the identification, surveying and prioritization of informal settlements, the identification of well located land for housing, the identification of areas for densification, the linkages between housing and urban renewal and the integration of housing, planning and transportation frameworks, and will link these to a multi year implementation plan.

Housing Consumer Education Program

There is still a huge information gap in relation to people's human settlement rights. There is a need to intensify and accelerate the consumer education program to ensure that communities are empowered to constructively engage with municipalities in identifying and fulfilling their housing needs .So far 943 people have been trained on Housing Consumer Education.

Eradication of informal settlements

Progressive Informal Settlement Eradication is a primary aim of the new policy. Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion.

Supporting Urban Renewal Program/BNG

Our layout plans for new settlement in urban areas promote urban sprawl. There is a need to promoting densification and integration of previously excluded groups into the city and the benefits it offers and to ensure the development of more integrated, functional and environmentally sustainable human settlements, towns and cities. One aspect of this process can be achieved through supporting urban renewal and inner city regeneration. The district has got on one urban renewal project which is Ngangelizwe project. This project is driven by KSD Local Municipality.

Responding to Emergency Housing

O.R. Tambo district is prone to disasters and this is supported by occurrences that happened on the 4 and 25 November 2010 and on the 22, 27, 30 December 2010. All these call for a new way of doing things. Currently response time with temporal shelter is not efficient, it takes a long time to respond to needy communities after disaster. This is because of the administrative processes involved in the procurement of temporal structures which is done by province. There process needs to be reviewed and some of the function has to be relegated to the district to allow for a quicker response.



Picture 2: Homes affected by disaster

The Eastern Cape provincial department of Housing has since approved the following permanent housing solutions to be implemented 2011/12 financial year.

- 385 Units in various Local Municipalities within O.R Tambo
- 259 Units approved in Port St Johs (PSJ)
- 77 units in Nyandeni
- 76 Units at Ingquza and it also includes 11 units from PSJ.

2.17.1 Release of land for Human Settlement

There is a need to fast-track the release of well-located public land to municipalities. The province has to set aside budget for this process through the National Housing Development Agency. Municipalities do not have enough revenue to fund these acquisitions. Some of the well located pieces of land are privately owned and thus are subjected to the general open market prices. Land ownership in the ORTDM vests in the government, tribal authorities, local municipalities and private individuals. Government through the Department of Land Affairs is the main custodian of communal land. Legal forms of land tenure in the District include: freehold (mainly concentrated in the urban centres and certain shops in rural areas, providing security to the owner), Permission to Occupy (PTO) (mainly in the rural owners where there is no right of ownership), leasehold and grazing rights on commonage land.

2.9 Budgeting for human settlement

The provincial department of Housing only makes transfers of funds to the DM on the principle of value created. This means that the DM needs to first build the house then submit the invoice to the Provincial Department of Human Settlements to claim the housing subsidy funds. This poses a challenge in the following areas.

- Internal financial management systems at local government require that only projects with funding that shall be transferred to us (e.g. MIG) can be loaded in our system. The housing grant does get transferred upfront.
- Only funds that are on the system (or where there is a guarantees that such funds) that should be included in the SDBIP. The above policies contradict with each other and thus make planning difficult for housing projects.
- Furthermore, contractors that have been employed through the open tender process, legislation prescribes that they be paid within 30 days. This becomes difficult because when we receive invoices from these contractors we still need to forward them to the province. We have no control over the delays caused by the province.

2.17.2 Availability of infrastructure

Most housing projects suffer because of lack of bulk services and mainly water. Urban projects like the Libode has been blocked for years because there is no bulk water in Libode. Even the rural housing projects get to be delayed in winter when there is no rain because there is no water for construction. Most households then resort to traditional means of fetching water from the river that are sometime far. This causes a huge delay in the construction process.



Lack of Access roads and steep slopes



Most projects suffer delays because of double handling of building material causes by villages that are not easily accessible. This challenge could be alleviated if the infrastructure department with the Local Municipalities priorities access roads to areas where there will be housing developments.

LAND ISSUES

Land Reform

Land Reform is a National competence, that is, the constitution assigns the National sphere of government with responsibility for land reform policy and implementation. Since the mid 1990s, the Department of Land Affairs has maintained a stable policy framework, generally referred to as its ‘three-legged programme’, consisting of:

- Restitution
- Redistribution, and
- Tenure Reform

Each of these components of the programme aims to address a particular legacy of apartheid. The restitution programme seeks to address the legacy of apartheid dispossession and results in returning of land to the original owners through land claims. The redistribution programme aims at addressing the skewed ownership of land and the tenure programme aims to accord ‘black people/ secure rights to land that they managed to occupy in spite of apartheid. In the ORT DM there has been a number of land claims / projects through the land restitution programme as can be seen in Table 4.15 below.

Table 42: Restitution Claims

Parcel Number	Municipality	Description of Area
16	Ngquza Hill (Qaukeni)	
19	Ngquza Hill (Qaukeni)	
22	Ngquza Hill (Qaukeni)	Within Nature Reserve
24	Ngquza Hill (Qaukeni)	Mkhambathi – Nature Reserve
R 86	Ngquza Hill (Qaukeni)	
R 89	Ngquza Hill (Qaukeni)	Nature Reserve
R 91	Ngquza Hill (Qaukeni)	
R 103	Ngquza Hill (Qaukeni)	
R 120	Ngquza Hill (Qaukeni)	
R 124	Ngquza Hill (Qaukeni)	
R125	Ngquza Hill (Qaukeni)	

Parcel Number	Municipality	Description of Area
R 128	Ngquza (Hill (Qaukeni)	
49	Port St. John's	Hluleka – Nature Reserve
R 110	Port St. John's	
R 112	Port St. John's	Hluleka – Nature Reserve
7	Mhlontlo	Forest plantation
14	Mhlontlo	
21	Mhlontlo	Forest plantation
24	Mhlontlo	
36	Mhlontlo	
RE 23	Mhlontlo	
RE 29	Mhlontlo	
2	Nyandeni	
3	Nyandeni	
7	Nyandeni	
8	Nyandeni	
9	KSD	Forest plantation
21	KSD	
29	KSD	
32	KSD	
75	KSD	Forest plantation

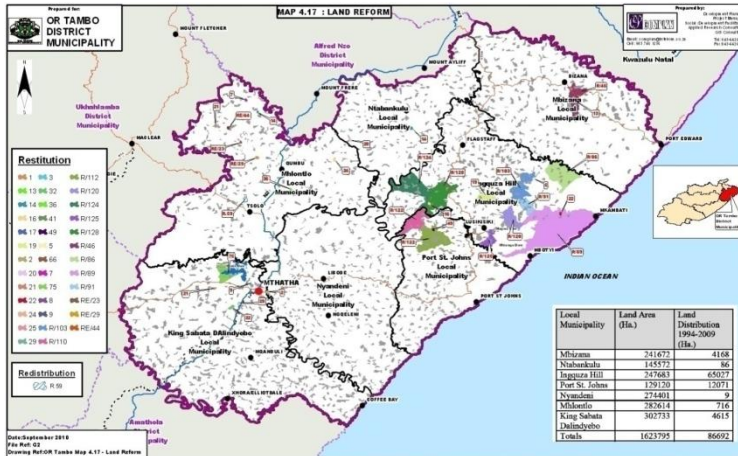
Source: DLA (2008)

Amongst others, the claimed properties include the Nature Reserves (Mkhambathi, Silaka and Hluleka), forestry plantations (covering mainly parts of the municipalities of KSD and Mhlontlo), and sugarcane plantation in the Mbizana area. Some of the claims, such as, Mkhambathi have been resolved whilst others are in the process of being finalised. Unlike some parts of urban South Africa where claims have been made by individuals or group of families, in the ORTDM, the claims have tended to take the communal form.

- LRAD has three sub-programme or components (Ministry of Agriculture and Land Affairs, 2002):
- Agricultural development where the intention is to make land available to people who want to farm

- Settlement where land will be made available for settlement purposes
- Non-agricultural enterprises, which entails providing land for non-agricultural activities such as tourism,

The LRAD has the explicit focus on distributing land but this programme does not have much impact or relevance in the OR Tambo because of the ownership patterns that exists. Most land in the District is communally owned with government also owning significant portions of land.



2.18 EXPANDED PUBLIC WORKS PROGRAMME

STATUS QUO

The District had designated a Political and a Technical champion. The programme has improved in reporting even though there is still a huge room for improvement. All Departments have selected departmental representatives to coordinate the activities according to EPWP sectors. The Provincial and National Department of Public Works have conducted an induction session for the District and data captures on electronic reporting system of Public Works have been allocated to the District.

The Regional Steering Committee composed of Line function Departments of the region, Local Municipalities and the District Municipality is sitting and has the Terms of Reference. This is co-chaired by the DM and the Regional office of Public Works and Transport.

The District had submitted required reports to the two previous Provincial Steering Committee meetings and that was applauded as a great improvement since it was not done previously.

As a requirement, the District is in a process of developing an EPWP policy that will guide everyone on the implementation of the programme. In the last M&E report given in February 2011, there is improvement on reporting as approximately R41 000 has been claimed in the first quarter and approximately R2m in the second quarter.

Out of 8 municipalities of the DM, three have signed EPWP Protocol Agreements with Public Works. The three are Port St Johns, Ingquza Hill and Mhlontlo. The outstanding are KSD, Mbizana, Ntabankulu, Nyandeni and the DM. These are signed by Mayors or Municipal Managers when delegated by the Mayor. These agreements seek to improve working relations between municipalities and Public Works. There are technical teams that are assigned by Public Works to give support to municipalities.

CHALLENGES AND POSSIBLE CAUSES

O.R.Tambo District is known for under reporting and underperforming in this programme. The reasons for this are as follows:

1. There was no proper coordination and integration of the programme within the DM. The four different EPWP sectors were not sitting.
2. Either than infrastructure, other EPWP sectors were not reporting to the Province and projects were not captured in the reporting system
3. There is no specific identified EPWP Model of the District that would be at a large scale of job creation.
4. The attendance of Regional Steering Committee (a forum that is checking regional/ district performance) is not up to expectation as most Regional Directors are represented mostly by junior people

2.19 SPECIAL PROGRAMMES

2.19.1 HIV/AIDS PROGRAMS

HIV/AIDS unit was established in 2005 to coordinate and ensure the implementation of HIV/AIDS & STI programs ,focusing more on prevention programs (HIV/AIDS & STI awareness , distribution of condoms , information, education and communication material, capacity building of professional nurses for the communicable diseases and community at large). The unit further ensures that all HIV positive people are comprehensively managed. To promote disclosure, positive living among people living with HIV/AIDS and continuous Psychosocial supports , 162 support groups were established and supported throughout the District.

The District is able to support terminal clients through home based care programs done by the NGOs, FBOs and CBOs. Those who have no one to care of them , are referred to the Community care centres for further management . O.R. Tambo District Municipality was identified as pilot site for the Presidential massive HIV counselling & testing . To accelerate HIV counselling & testing uptake , the Council resolved that all municipal vehicles be branded with HIV/AIDS messages as a marketing strategy.

24 EPWP temporal jobs(8 retired professional nurses & 16 Lay counsellors) were created to ensure that HIV counselling & testing services are accessible in 8 non medical HIV counselling & testing sites. To ensure that relevant people are capacitated in the program , retired nurses, currently employed professional nurses, lay counsellors and traditional health practitioners were trained HIV/AIDS & STIs programs and on new HIV counselling & testing guidelines.

To promote referral and maximum participation of communities in HIV/AIDS and STI programs ,Ward AIDS fora were established. Through the involvement of the communities in the program , 395 000 people were tested for HIV. On the Nelson Mandela day, one terminal ill client in Zimbane village in Mthatha was an RDP as part of 46664 campaign and Presidential massive HIV counselling & testing.

The District is managing HIV/AIDS and STIs spread through the abstinence youth program and by supporting the already established High transmission Area sites(Port St Johns second beach ,Mbizana , Tsolo junction, Ngqeleni-nyandeni LM premises and Mthatha Shell Ultra City) . The District can pride itself by effective prevention strategies which resulted in reduction of HIV infections from 33% in 2005 to 23%(latest statistics).

CHALLENGES	POSSIBLE CAUSES
Irregular sitting of District AIDS Council members	No dedicated personnel in LMs and committed Local AIDS Council chairpersons to attend the meeting. Non functioning of Local AIDS Council
Unmet training targets for the professional nurses	Late transferees of provincial grant funding

RECOMMENDED INTERVENTIONS TO ADDRESS CHALLENGES

It is recommended that all Local municipalities should budget for HIV/AIDS coordinators. There should be a dedicated Port folio head for HIV/AIDS programs as the program is too demanding. In the case where Special Programs and HIV/AIDS are combined , Portfolio head might prioritise one over another. Provincial health department must be caused to see a need to the agreement between two Organisations .

2.19.2 SPECIAL PROGRAMS

Special Programmes was established based on Chapter 9 of the constitution of the Republic of South Africa .National Assembly addressed by former President of the Republic of South Africa Mr. Thabo Mbeki in Cape Town on 25 June 1999 lead to the establishment Special Programs Unit.

Policy Formulation and Analysis

Assists in the formulation of policies and in identifying gaps in policies and implementation of such policies in favour of women, people with disabilities, aged and children.

Mainstreaming of designated groups

Mainstreaming is the main function of the Special Programmes Unit in order to ensure that the District Council complies with the constitution of South Africa, Bill of Rights, policies and other pieces of legislation.

Co-ordination and Mobilization

The Special Programmes Unit coordinates government departments and other stakeholders in the district in order to ensure that programmes for designated groups are developed and implemented and further mobilize all vulnerable groups to be part of development plans and processes

Monitoring and Evaluation

The Special Programmes Unit generates national, sub-regional, regional and international reports which provide progress reports made against benchmarks and also monitors and evaluates the implementation of policies.

Capacity-building

To strengthen Government's systems, processes and structures to ensure delivery sensitive to youth, women, people with disabilities, elderly and children and to ensure that vulnerable people are empowered and capacitated so that they able access socio-economic opportunities.

Advocacy and Lobbying

To spearhead public awareness and education for the promotion of mainstreaming youth, women, people with disabilities, elderly and children interests and programmes issues into Government programmes with extensive campaigns associated with national and international days. The Special Programmes Unit has to ensure that the development and needs of the designated are always a priority in development agenda as enforced by a number of Acts, policies, charters as well as the constitution of the Republic of South Africa.

Liaison and networking

To establish sound relations and partnership with national, international, provincial and local institutions and organizations for resource mobilizations and for other strategic objectives.

To address the above , the following had been achieved in the financial year 2010 2011:

- Youth Councils has been established in five LMs.
- Women's caucus was established.
- 82 computers were donated by Dell and Vodacom to Palmerton Child care centre.
- Tiger Brand company donated groceries worth R20 000
- 104 students have benefited from Students finance program and 26 students have completed .
- Cooperatives were established by LED through mainstreaming program.
- Service delivery was intensified in recognition of Mandela and O.R. Tambo months.
- Rural women's summit was done together with Community Services Directorate.

The challenge faced by the Special Programs Unit is that there is dedicated person to translate documents to be accessible to different people with disabilities .

2.19.3 POVERTY RELIEF PROGRAM

Poverty relief is meant to address all social ills. It is through this program that the District is able to achieve EPWP objectives of job creation. Since its inception , the District was able to create more than 5 000 jobs for cleaning and greening projects. It is also through this program that the District is able to ensure the provisioning of food in families in distress through one household one food garden program. 150 young people were identified from child headed families and homes with no source of income and trained to be enrolled nurses and Enrolled nurses assistants. The District was able to address the issue of unemployment , shortage of nurses, skills shortage, crime and poverty.

2.19.4 FLAGSHIP PROGRAMS

Sectoral engagement programs is meant to address issues that Council of churches ,Traditional leaders ,Traditional health practitioners and Excombatants. Sectoral engagement program promotes Intergovernmental Relations. Through engagement with these sectors , the District is able to identify gaps and challenges faced by the communities and be able to provide relevant support , as these people are the ones who in touch with the communities on daily basis. It is through this Sectoral engagement program that the District creates more partnerships.

2.20 FINANCIAL VIABILITY AND MANAGEMENT

The Budget and Treasury Office falls under the Portfolio of Finance ,Budgeting & Auditing. The department has been established in terms of Municipal Finance Management Act No.56 of 2003 and is headed by the Chief Financial Officer appointed in terms of section 57 of Municipal Systems Act. In terms of the Council approved organogram, there are four managers reporting to the Chief Financial Officer such as Chief Accountant: Accounting Services; Manager: Budget & Reporting; Manager: Supply Chain Management and Chief Accountant: Treasury & Revenue. The managers who are performing the duties assigned to them in terms of this new organogram are managers who were contractually appointed in terms of old organogram whose contracts were either expired or about to expire. During the year under-review, only one post was filled that of Manager: Supply Chain, other managerial posts had not yet been filled. The support staff consists of about 57 staff members. There is a high vacancy rate among the support staff members. The department is also dependant on a number of interns and students to supplement the duties which are required to be performed in the Department.

O R Tambo District Municipality is classified as a high capacity municipality. This requires the municipality to be fully compliant with Generally Recognised Accounting Practice, MFMA compliance issues and all its related circulars & regulations. The Budget and Treasury Office is mainly responsible to ensure adherence to all these requirements. Due to the commitment and hard work of the team ,with limited constraint, which work beyond the call of duty, department has substantially ensured in all material effects that the duties were carried out to ensure compliance. The financial management system is also a major limiting factor in terms of financial & management accounting procedures and information flow. It exerts a lot of pressure on the performance of the department.

The Budget and Treasury Office focuses mainly on the areas mainly identified as follows:

- Budget preparation, implementation and reporting
- Revenue management
- Supply Chain and asset Management
- Expenditure and Liability management
- Financial management system support
- Financial accounting reporting and Treasury

Below is summary of what each focus area is responsible for and what their challenges are:

Key focus area 1: Budget preparation, implementation and reporting

Status Quo

This section has been marred by serious understaffing in that only one person in the sub directorate responsible for the whole process. This section prepares the Budget for approval in terms of the Division of Revenue Act (DORA) directive i.e. 78% for Water and Sanitation : 22% for the rest of the municipal programmes. This office ensures that the budget timetable is tabled on time.

- The monthly reports in the form of section 71 of the MFMA are complied with.
- Quartely reports in the form of section 52(d) of the MFMA are complied with.
- Mid year reports in the form of section 72 of the MFMA are complied with.

Some of the challenges experienced

- Budget submissions by the HODs are not realistic and informed by proper planning resulting in the high frequency of viaments in the first month of budget implementation and the DM does not yet have a Viament policy in place.
- Due to capacity constraints in the DM , no support is rendered to the local municipalities.
- Classification is not always correct as there are items budgeted under repairs and maintenance whilst they are capital expenditure and visa versa.

Key focus area 2 : Revenue management

Status Quo

The District currently has a total of 14 940 meters of which 13 343 are in KSD and 1597 spread across all other local municipalities. Of the total meters mentioned earlier about 4200 meters are not read on a monthly basis and this causes a huge loss on revenue for the District. The District employs about 52 meter reader of which 37 are placed in KSD municipality. The rest of the municipalities shares the 15. Meters are read manually, this to a large extent contributes to the huge number of unread meters.

Some of the challenges faced by the section:

- Fire hydrants are not protected – business entities and some residents steal water from these and put into water tanks. This deprives the municipality of the revenue or income that would have been derived.
- Instability and understaffing within the DM – the department just submitted 21 vacant posts to HR for advertising and filling.
- Under billing – non functioning of meters , old maps,
- No annual tariff reviewal
- No policy reviewal annually on credit control and other policies
- No tarrif policy
- Late billing and submission of reports
- Under statement of revenue due to non reading of meters
- Poor controls in collections rate

- The debt book is inherently incremental due to poor working capital management
- Poor controls regarding reliable measurement of water losses.
-

Key focus area 3 : Supply Chain and asset Management

With effect from the 15th November 2010, the whole procurement of the municipality became centralized to the SCM unit. However the unit is not fully functional due to understaffing. Currently there is no procurement plan in place to ensure effective, efficient and economic use of municipal resources. Only two committees are in place these being BEC and BAC in contravention of the ACT. No BSC in place. Sitting of committees not adhered to as per the approved council calendar thereby affecting spending mainly on grant funding.

Some of the challenges:

- Orders committed for longer periods not followed up by relevant departments thereby leading to viaments that may have been avoided.
- Lack of proper planning by departments and thereby leading to waiver of procurement processes.
- No system in place to monitor and detect awards to people in the service of the state.
- Compliance with the requirements of the Act in respect of placement of information adhered to in respect of competitive bids.
- No compliance to requirements of the Act in respect of bids awarded through quotations.
- Competency levels of the staff in the SCM unit not yet in line with the competency levels as required by National Treasury

ASSET MANAGEMENT

This section, as is the case with rest of the department is understaffed and there is no senior staff member to lead the section. Not all municipal assets are bar-coded. There are a lot of municipal assets still included in the assets register that are obsolete. The Municipal Asset register is not updated on a regular basis and there is no proper control and management of municipal assets.

Some of the challenges:

- Movement of assets not communicated with the unit.
- Assets are acquired using wrong votes by departments and missed for inclusion in the asset register.
- Not all assets are in the asset register e.g. PSJ land
- Infrastructure assets register in place.
- Completeness of the Infrastructure Asset Register still a challenge due to lack of cooperation from the lead department in the update of information.
- No control and monitoring over the use of assets that are based in the farms
- Municipal assets not utilized that could have generated revenue for the municipality.
- Capital commitments are not accurate, complete and reliable

Fleet Management

The unit is not fully functional due to under staffing. There are no proper control and management of municipal fleet assets. The implementation of Fleet Management Policy is not not adhered to resulting in abuse and misuse of municipal fleet.

Some of the challenges:

- No central point where all municipal vehicles are kept leading to continuous use of municipal fleet even over the week-ends.
- No central and covered place for the disaster fleet thereby leading to the disaster machinery exposure to various weather temperatures. (Red trucks)
- Continuous running of disaster fleet even when there are no situations requiring their use. (Red trucks)
- Non- monitoring of use of disaster fleet at satellite offices.
- Municipal fleet used beyond its radius.
- Municipality losing revenue on plant that is not used.
- Municipal fleet is old and dilapidated thereby affecting service delivery.
- Use of municipal fleet by persons benefitting on the travel allowance scheme.
- Vehicle fuel report not utilized to detect irregular use of fuel.
- Vehicle tracking system not utilized by the department.
- Appointment of drivers is not centralized to the fleet management section
- No Public Drivers Permits (PDPs) for the drivers
- No accident investigation procedures in place.

STORES SECTION

- The state of the stores is not in good order.
- No experienced personnel at the stores sites,
- No proper records management.
- Stock-taking done on a quarterly basis.
- Discrepancies always identified during stock taking periods especially at the farms.
- Stores section is decentralized thus leading to lack of proper monitoring of stock receipts and issues.
- Stock levels not properly monitored thus leading to shortages in stocks required to attend to emergency situations.
- No proper monitoring by HOD's of request forms for stationery and stock leading to continuous request of the same items.
- Some stores are not properly secured to ensure municipal assets are safe-guarded.
- Custody of stores key with Superintendents thereby leading to lack of segregation of duties in issue and receipt of stock.
- Documented stores procedure is outdated.

Key focus area 4: Expenditure and Liability management

Payments are processed within a week when received in expenditure section. Vat is reconciled monthly and Vat claim are processed timeously on monthly basis. Journals are processed on monthly basis. Quarterly reports in the form of section 66 of the MFMA are prepared on time. When there are queries directorates are informed of the queries on their invoices.

Some of the challenges

- Receiving of invalid tax invoices.
- Receiving of invoices without tax clearance.

- Directorates are not addressing queries of tax invoices on time.
- Under spending of grant funded projects.
- Vat refunds are less than what have been budgeted for.
- Payroll reconciliation is not done on monthly basis.

Key focus area 5: Financial management system support

The DM uses the financial system called Venus and Payday, like all the other sections this is no exception to staff shortages. Venus system is being integrated with Payday and cash drawer

Some of the challenges

- Calendar month end (closing down of the month) is not done on the last day of the month.
- Ledger month end is not closed on the fifth day of the following month
- UPS is not functioning properly
- No notification of users who are no longer with the municipality for the suspension of their user status.
- It is difficult to identify receipts which were not uploaded to cash drawer from the venus system

Key focus area 6: Financial accounting reporting and Treasury

This section deals with the preparation of Annual financial statements and it ensures that they are submitted on time to the Auditor General. Consolidated annual financial statements (ORTDM and Ntinga development agency) are prepared and submitted on time.

Some of the challenges

- Annual Financial Statements were subject to major adjustment after submission to AG
- Preparation of audit file not on time
- AFS were not subjected to internal auditing due to late completion thereof
- Quarterly AFS are not yet performed
- Interim AFS are not performed to assess audit readiness
- There is still a delay in submitting of relevant and reliable information for completion of AFS on time
- Dependency on consultants were also a problem – due to staff shortages – no dedicated person to deal with the function.

Unspent Conditional Grants

- Funds(unspent conditional grants) reconciliations with investments not fully performed monthly. No monitoring of ensuring that conditional grants are spent according to their conditions
- Supporting spread sheets not attached to transfer letters
- Main Bank reconciliations still performed manually
- Fund raising is not effective
- No monitoring of the viability of the institutions where the funds are banked.

2011/12 ANNUAL BUDGET

DESCRIPTION	ORIGINAL ANNUAL BUDGET 2010/2011	ANNUAL BUDGET 2011/2012	INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)
TOTAL REVENUE	R 1 274 060 702	R 1 213 124 793	(R 60 935 909)	(5%)
TOTAL EXPENDITURE	R 1 414 060 702	R 1 363 124 793	(R 50 935 909)	(4%)
DEFICIT	(R140 000 000)	(R 150 000 000)		
ADD BACK NON CASH ITEM: DEPRECIATION	R140 000 000	R 150 000 000		
SURPLUS (DEFICIT)	-	-		

The summary per line items is tabulated as per the table below:

DESCRIPTION	ORIGINAL ANNUAL BUDGET 2010/2011	ANNUAL BUDGET 2011/2012	INCREASE/ (DECREASE)	%INCREASE /DECREASE
PERSONNEL EXPENDITURE	R 231 229 848	R 252 463 925	R 21 234 076	9%
GENERAL EXPENDITURE	R 748 890 741	R 895 555 896	R 146 665 155	20%
REPAIRS AND MAINTENANCE	R 53 251 000	R 46 545 408	(R 6 705 592)	(13%)
CAPITAL EXPENDITURE	R 350 689 113	R142 269 564	(R 208 419 549)	(59%)
PROVISIONS	R 30 000 000	R 31 000 000	R 1 000 000	3,3%

The analysis as per line items is explained as follows:

Personnel Expenditure:

The increase in personnel costs is R 21 2 Million. The personnel that will be transferred to Alfred Nzo DM is still included in the personnel budget. There will be a saving when the personnel and their costs have determined accurately and reliably. Although the overall increase by R21,2 million constitutes 9%, the percentage increase in the salaries is projected at 13%.

General Expenditure:

The overall increase operational expenditure is R 136, 6 Million, which constitutes 18%. The increase general expenditure is mainly due to the following:

- Bulk water purchases R25 million
- Estimated MIG sanitation R451,01 Million
- Network infrastructure upgrade R2,5 million
- Establishment of archives R1,5 million

- Rental of IT equipment R1,2 million
- Village water committees R16 million
- Water purification chemicals R14,9 million
- Maize projects for Ntinga R11,4 million
- Ntinga Enterprise support R6,78 million
- Ntinga payroll & operations R38 million
- Waste water management R4,million
- Electricity purchases R24 million
- Farms operations R4million

Repairs and Maintenance:

The overall decrease is R 7,2 million which constitutes 13%. Included in the repairs and maintenance are the following:

- Sewage rehabilitation R11,2 million
- Water pump stations R11,4 million
- Maintenance of pipe leaks R9,3 million

Capital Expenditure

The overall decrease in capital expenditure is R 208,1 million. Included therein are the following:

- MIG capital expenditure R111,8 million
- Disaster management centre R3,5 million
- Disaster recovery systems R2,5 million

2.21 COMMUNITY AND SOCIAL SERVICES

2.21.1 Intergovernmental Relations (IGR) and organs of State Power

In order to support coordination and oversight on functionality of organs of state power there are IGR structures in place as per compliance with the IGR Act. These are:

- District Health Council that sits once every quarter. This plays as an oversight to the District Health Advisory Committee which is a forum of technocrats.
- The Social Needs Cluster also sits every quarter and as per need. Terms of reference have been developed and are awaiting processes for Council adoption.
- The District Heritage Council have quarterly heritage sector meetings that sit to give oversight to all the activities of the heritage sector
- The District Sport Council sits to review sporting activities in the district.
- The 2010 FIFA World Cup District Forum was also formed to see to the smooth running of the activities and for consolidating the plans of various work-streams and ensure continuous support to spin offs beyond the World Cup.
- Justice and Safety cluster was established to unlock Justice and Crime bottlenecks and sits to strategize on safety issues every quarter.
- The Disaster Management Advisory / Consultative Forum works on adhoc basis when urgent need arises. This is not a satisfactory arrangement. This awaits the adoption of the Disaster Management Framework implementation policy

2.21.2 Ensure safe and secure community livelihoods

In order to prioritize Crime prevention & law enforcement, District and Local Safety Forums have been strengthened in various areas with the Department of Safety and Liaison. Programs included Safer Schools Programmes conducted in various schools, Sport Against Crime Program in PSJ and Coastal Patrollers Program in four coastal LMs. A Draft Crime prevention strategy is available and awaits workshop and after that Council approval.

2.21.3 Ensure effective disaster management

In order to ensure effective disaster management in the District an integrated disaster risk management planning and monitoring that involved a scientific disaster risk assessment is done. The Disaster Management Framework has been finalized and has been adopted by Council. To build institutional capacity and preparedness disaster management information was installed in some LMs and communication radios were purchased for 7 wards. Community awareness program are rolled out to all Local Municipalities and include the following stakeholders O.R.Tambo Fire staff, DaF, WoF, Social Development, SASSA, Home Affairs, Dept. of Agriculture, Ward Councilors, Communities & Traditional leaders.

A coordinated disaster response and recovery is successfully implemented in affected areas. Families distressed by wild fires, lightening, accidents, etc are assisted with material needs and funeral arrangements. Dept of Social Development and SASSA assisted with social relief items like food parcels, blankets. Home Affairs replaces ID documents for those who lost them. Temporal shelters are provided and erected by Provincial Department of Housing.

Challenges include:

- Poor understanding of Disaster Management by the Institution (Internally) and by the Community (externally)
- Poor communication system with our communities
- Lack of operational resources and sufficient equipment.
- Absence of the Main Disaster Management Centre.
- Absence of skills development training in the institution.
- Non- involvement of Disaster Management during infrastructure development.
- Lack of institutional integration

2.21.4 Provide Fire & Emergency Services

An integrated fire and emergency risk management planning and monitoring include training of volunteers for fire and emergency response. The draft and concept has been developed for ORT Fire By-law, approved by Council and awaiting workshops to all relevant stakeholders.

Institutional capacity and preparedness has been ensured by the provision of fire fighting protective clothing, training community & fire staff on Community Fire Protection and purchase and repairs fire-fighting equipment. Challenges include:

- Water resources shortages
- Budget constraints , people, equipment, budget and buildings
- Type of vehicles plus inaccessibility of areas for fire vehicles
- Lack of information flowing within the District with regards to programs to allow smooth participation
- Lack of communication tools with satellite centres- radio and telephones
- Control centre operations streamlined and not centralised
- No ready proclaimed fire services bylaws

2.21.5 Provision of sustainable district health services

Waste disposal and recycling program involved monitoring and control of uncontrolled solid waste tipping and illegal dumping sites in all LMs. Water and food samples were taken and analyzed various areas in all LMs. Boxes of Jik regular for domestic water purification & water borne disease prevention are distributed to affected areas. Business premises are also inspected to check conditions that may endanger lives of inhabitants in the DM. Primary Health Care support is ensured by support to Bambisanani Projects for maintenance of ambulance donated by DM partner - Impala Platinum. Bambisanani Project ensures PHC and community mobilization at Mbizana and Flagstaff. Challenges include:

- Absence of by-laws
- Infrastructure (Roads inaccessible)
- Lack of resources e.g. cars that cannot reach other areas
- Lack of communication: LMs do not involve Health Practitioners
- Lack of involvement in activities that involve catering n the planning stage.

2.21.6 Protection and promotion of rights for vulnerable groups

Training and capacity building in Moral Regeneration is rendered as workshops on Life Skills awareness & Parenting skills for teenage mothers at schools and Organized Youth. On a quest to mainstreaming of

the interests of vulnerable groups Early Childhood Development Centres (ECDCs) are equipped with educational equipment.

2.21.7 Support to Distressed indigent families

To improve livelihood of indigent families under distress, families in distress affected by disaster related incidents receive material support in the form of funeral costs, food parcels and psycho-social support. A draft Social Relief of Distress Policy is awaiting a workshop and relevant processes for Council approval.

2.21.8 Ensure development of sport, heritage, arts and culture

Capacity building and coordination of implementation of sports, heritage arts and culture development is done. This included football clinics for talent identification, ensuring spin offs for the 2010 FIFA World Cup, support to mayoral cups tournaments, support to various sport codes in all LMs in the form of kits and sport equipment, capacity building for coaches, Athletics Federation officials, District Sport Council, transfer of sport facilities, District heritage structure strengthened, and celebration of significant heritage days. Challenges include:

- Maintenance of Community facilities
- Coordination of services rendered
- Understaffing

2.21.9 Support to library and information services

Basic library furniture and equipment required for community library services are provided. The establishment of public community and school libraries in remote areas in LMs is coordinated, i.e. school-community libraries. Library furniture, equipment and stationery are also provided for public/community libraries in all 7 LMs. Library outreach programmes (*Library Awareness*) are co-ordinated and supported through the following library annual events, namely, international Literacy & Readathon Week, international Library Week, World Book Day, World Poetry Day and Career Exhibition. INTERNET connection is co-ordinated and installed in some public libraries.

PART 3 DEVELOPMENT STRATEGIES

3.1 VISION, MISSION AND GOALS

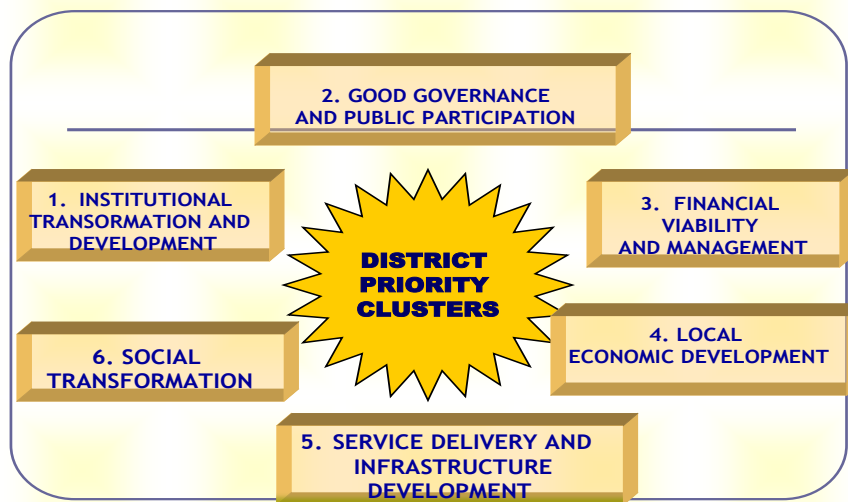
VISION: Attaining a developmental Municipality, responsive to social aspirations for an economically vibrant, healthy and sustainable community.

MISSION: To create an economically viable municipality through optimum utilisation of available resources, to provide efficient and effective service delivery, adequate access to land, security of tenure, housing, social well-being and effective skills development aimed at promoting a self sustaining healthy community.

DEVELOPMENT GOALS

1. Providing adequate and accessible infrastructure
2. Promoting economic growth and creating sustainable economic activity through rationalized programmes, within the limits of available natural resource base.
3. Promoting sustainable community livelihoods
4. Improving the institutional systems and overall capacity.

KEY PERFORMANCE AREAS



3

3.2 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Local government, especially Districts and metropolitan municipalities have become significant economic actors. National factors are becoming less important as a result of globalization. This is because input factors such infrastructure and logistics are in the hands of local government. In addition a range of other competitive factors are also in the purview of local government. The global trend is that issues such as taxation, human resource development and industrial incentives are becoming a terrain of local government. This is both a threat and an opportunity depending on how Local Government positions itself. Local Government therefore have to:

- Plan strategically for their economies
- Build highly competitive regional economies
- Play a leadership role in ensuring that their economies achieve
 - a. high levels of resource accumulation
 - b. technology absorption; and
 - c. penetration of foreign markets

To achieve the above, local government needs a selective set of interventions in human capital development, infrastructure investment and regulating market failures. In line with the provisions of the constitution and legislative framework, the ORTDM has put in place all necessary mechanisms (both political and administrative) to ensure fully participatory democratic governance. Focus is mainly on ensuring the following:-

- ✚ Transparency and accountability
- ✚ Effective functioning of the IGR environment and support to local municipalities
- ✚ Community based planning
- ✚ Promotion of consultative and sound relations with organised labour
- ✚ Promotion of Batho Pele principles

Key challenges related include the following:-

- Inadequate infrastructure such as offices and equipment.
- Lack of guidance and training of committees.
- Some wards have many villages versus the fixed number of W/C members (10) cover vast areas as compared to others but there is no additional reward.
- Internal audit functions were established but are not adequately capacitated.
- Audit committees were established but their effectiveness has not been monitored.
- Risk management has not been fully applied
- IGR structures are in place, but some not fully functional
- Support to Local municipalities not coordinated centrally, therefore not systematically monitored
- Councillors are not catered for after the expiry of their term.

AUDIT AND RISK MANAGEMENT

The district municipality is already working hard in achieving its key milestone of receiving unqualified audit opinion. In order to achieve this, root cause of audit findings have been identified and comprehensive corrective measures are being developed. Plans are in place to address issues that resulted to a qualified audit opinion in the past year. The audit committee will play a significant role in monitoring the implementations of these plans.

As part of our IDP we have identified the following projects:

- Designate a person outside of internal audit to coordinate the risk management function within the municipality.
- Training of staff in risk management.
- Internal audit to regularly review the adequacy and effectiveness of risk management.
- Implement an anti-fraud and anti-corruption policy.
- Implement a code of ethics and declaration of interest policy within the Municipality
- Deal with reports and queries from internal and external auditors.
- Develop and implement a plan in relation to Whistle Blowing
- Strengthen auditing functions
- Implement shared internal audit shared services with local municipalities and the municipal entity.

COMMUNICATION

Communication in the DM needs a three-fold focus/ approach:

1. Internal communication within the O.R. Tambo DM employer and employee components, within departments.
 - a. Periodic general staff meetings with the Political and Administrative leadership
 - b. Periodic Departmental meetings across the DM
 - c. Review of communications organogram in-line with SALGA guidelines
 - d. Quarterly News letter
 - e. Training and capacity building for communications staff
 - f. Filling of vacant key positions
2. External communication, with the communities, stakeholders, other spheres of government etc., where the DM communicates its programmes, plans and processes.
 - a. Enhance DM branding and marketing (corporate identity)
 - b. Approval of communication plans for key municipal programmes
 - c. Media liaison
 - d. Communications IGR environment and support to Local Municipalities
3. Feedback communication, where the DM positions itself to receive and process community/ stakeholder feedback by providing the required mechanisms and systems
 - a. Implementation of Community feedback imbizo
 - b. Developing a system to monitor and track implementation of queries including Presidential hotline
 - c. Intergation and upgrade of call centre

The following programmes need to be implemented:

- Review of communication strategy also considering the above
- Review of communications organogram inline with SALGA guidelines
- Development of communication plans for key programmes
- Implementation of a Operation Cacisa, extending scope thereof to cover the communication needs of the entire institution, beyond WSA
- Improve call centre operations to enhance coordination of service delivery queries and complaints

STRATEGIES FOR GOOD GOVERNANCE

Focus area	Interventions /Activities	Timeframes	Responsibility
Ward Committees system	Establish sub-committees to assist ward committees	30 December 2011	All LMs
	All municipalities to budget for ward committees. Provide ward committees with cell phones and other work tools.	31 December 2011	All LMs
	Quarterly progress reports to be given to communities on the implementation of IDP and budget.	31 January 2011	All LMs
	Speakers of councils to establish monitoring mechanisms over ward committees. (Agendas of council meetings to be informed by inputs from ward committees)	30 December 2011	All LMs
	Each ward to have a ward administrator	31 December 2011	All LMs
Oversight structures, processes and systems	Capacitate ward committees on oversight processes	31 July 2012	DM
	DM and LM oversight committees to work jointly. Improve coordination.	31 December 2011	DM
	Improve outreach programmes on annual reports.	28 February 2011	All LMs
	Develop institutional arrangements on the role of council whips in oversight processes.	30 September 2011	All
	Office of the Speaker to furnish all Councillors with draft Council resolutions within seven days after Council meeting	31 December 2011	All Speakers
	Executive Mayor or EXCO to evaluate implementation of council resolutions.	31 December 2011	Mayors
	Conduct an audit of policies and by-laws in all municipalities	31 December 2011	District Speaker
Council resolution / compliance	Quarterly reports to Council to reflect progress on implementation of council resolutions.		All
	Office of the Speaker to furnish all Councillors with draft Council resolutions within seven days after Council meeting		All Speakers
	Executive Mayor or EXCO to evaluate implementation of council resolutions.		Mayors
	Conduct an audit of policies and by-laws in all municipalities		District Speaker
	Council to monitor compliance with all legislation and bargaining council agreements.		All Speakers
System of delegation	Develop a proper system of delegation for administration.		All
	Review all existing delegations taking into account turnaround strategy.		MMs
Communication	Approval communication strategy and plan. Implementation and monitoring of the communication plan		
Turn Around Strategy	All municipalities to develop their mid to long term turnaround strategies		All
Intergovernmental Relations	Building capacity of the IGR unit (filling of vacant positions) Centralise monitoring of IGR structures (coordination) Implementation of the District Monitoring and Evaluation Framework Following up and strengthening of		IGR unit

Internal audit function	Evaluate the effectiveness of the internal audit function.	Quarterly	Audit committee
Audit committees	Complete all planned audit assignments.	Routine	Internal audit
	Review the effectiveness of risk management strategies.	Quarterly	Internal audit
Auditor General	Render effective support to local municipalities.	Routine	Internal audit
Councillors' safety and wellbeing	Develop discussion document on matters of council interests for submission to SALGA.		DM Speaker
	Discussion document to be adopted by council. Municipalities must lobby SALGA on exit packages and insurances for to be included in the gazette on remuneration of councillors.		DM Speaker

1. Good governance and public participation

OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINES	PRIORITY PROGRAMMES	Turn Around Strategy Action	ANNUAL TARGETS 2011/12	RESPONSIBLE DEPARTMENT
Enhance community participation and improve interface with the general public	% implementation of the public communication system	New indicator -	- Massive communication campaign -	--Establishment of public participation unit -Development of procedure manuals for petitions management - Roll-out of the Revenue Enhancement – Public Mobilisation campaign	- 100% -Implement massive communication campaign “operation cacisa”	Municipal Operations Water services
	% Development of baseline information for government wide service delivery	New indicator	District wide baseline data development	Governance model	-100% Government wide baseline data and indicator development for O.R. Tambo District	Municipal Operations, Planning and Development
	% improvement in customer service	-New indicator (There is no method for measuring/ determining customer satisfaction)	-Development of service standards for each core business process -training programme	-Upgrade call centre operations and enhance functioning - Facilitate the inclusion of the local level “Social Compact” in the IDP -Capacity building on customer care and batho pele	- 10 % improvement	All departments Human Resources
	% resolution of service delivery queries raised during Izimbizo, roadshows, etc.	New indicator (Responses are currently on an ad-hoc basis)	Customer care	Improve service standards	-100%	Municipal Operations All departments
	% resolution of service delivery queries referred by the Presidential Hotline	New indicator	Customer care	Improve service standards	-100%	Municipal Operations All departments
Effective IGR environment in the DM	% implementation of District Programme Action	New indicator	Intergovernmental Relations	Improve planning and coordination	-100% implementation of POA	Municipal Operations All Departments

1. Good governance and public participation

OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINES	PRIORITY PROGRAMMES	Turn Around Strategy Action	ANNUAL TARGETS 2011/12	RESPONSIBLE DEPARTMENT
	% Development of district M&E Framework	New indicator	District M&E framework	-Improve monitoring and accountability	-100% accountability	Municipal Operations
	Number of service level agreements signed ²	To be advised	Signing of service level agreements	-Improve monitoring and accountability	To be advised	All departments and legal services
	% Implementation of signed service level agreements	To be advised	Implementation of Service level agreements	-Improve monitoring and accountability	100%	
Ensure structured and coordinated programme for supporting LMs	Number municipalities assisted under the district facilitated operation clean audit report programme	2008/09 AG's report	Financial management Human Resources Compliance Good governance IDP PMS	-Agreement with each municipality on the ideal scope of functions to be provided and how best the State can support service delivery through intergovernmental agency arrangements and improved sector coordination	Seven municipalities	Municipal Operations All Departments
Institutional performance monitoring, reporting and compliance	% compliance with prescribed institutional reporting requirements	-In year reporting in terms of Section 71 & 66 of MFMA has been complied to.	Institutional reporting	-Compliance on aligning operational plans with institutional strategies.	Annual report tabled by and final approved by 30/03 GRAP compliant AFS by Section 52d quarterly Section 71 monthly	Municipal Operations Budget & Treasury All Departments
	Employee levels signing performance agreements	Section 57 employees	Performance Management System	Cascade performance management systems	Up to sectional heads	Municipal operation All departments

² Service level agreements signed with seven LMs,

3.3 INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

The focus on this priority is on improving on the following:-

- ✦ Workplace and Community Skills Development
- ✦ Institutional Systems And Structures
- ✦ Performance Management System
- ✦ Employment Equity Planning
- ✦ Sound Labour Relations & COS
- ✦ Organisational Development & Transformation/Change Management
- ✦ Review existing organograms
- ✦ Placement of personnel

Area of Focus	Project / Strategies	Target	Duration
Business Process Reengineering			
ICT services (Billing systems, reporting, websites, etc	Development of ICT plan for the district	ICT plan	
Link organogramme with IDP	Assessment of key posts	IDP aligned structure	
Human Resources			
Leave Management, Employee management , Employee wellness and retention strategies, Recruitment strategies, Labour relations	conduct district audit of all HR policies and strategies. with bargaing council collective agreements	Audit compliance	Minimum audit issues, integrated HR policies
Capacity building			
Capacitation of Chief whip's offices & other political offices	Conduct skills audit of the district office bearers	Skills report	
Training of cllrs & senior officials	Develop a skills plan	Skills plan	
Building internal capacity	Facilitate capacity building programmes for Mayors, MMCs and EXCO in line with Municipal Performance Regulations	Training report	
Compliance			

Statutory reporting	audit of policies	Policy register	
Policy formulation and implementation	Simplification of the MFMA and other related legislations	User friendly policies and legislations	
Municipal integration			
Sector specific clusters	Resuscitate the District Mayor's forum according to the IGRF Act	Functional District Mayor's Forum	
Enhancement of participation of traditional leaders in municipality	Establish sector specific clusters (governance and administration) both political and administrative	Functional Sector forums	
Communication			
Education of communities	Development of the communication strategy and plans	Integrated community strategy	
Corporate image	Develop / implementation of a marketing strategy for the district	Integrated market strategy	
Employee recognition		Employee Recognition Awards	
Delegations	Development of delegations framework to comply with sec 59 of the MFMA, 2003	Delegations framework	
Institutional memory			
Record keeping	District Knowledge management system	District knowledge management system	
Securing municipala assets	Asset management strategy	Asset management system	
Customer services			
Customer satisfaction survey	Development of a customer management strategy	Customer management strategy	
Induction programme	Establishment of the Public Liaison unit in all local municipalities and district (for complaints handling)	Public Liaison Unit in all Local Municipalities	
Relationship between politicians and administrators	Team building sessions	2 team building sessions	
Government priorities	Development of implementation plan to link district priorities with government and ruling party priorities	Implementation reports	
District wide skills development	Develop project plan for training of ex-combatants, communities	50 trained combatants on relevant skills	

OBJECTIVE	KEY PERFORMANCE INDICATORS	BASELINE INFORMATION	MILESTONES/ PRIORITY PROGRAMMES	Turn Around strategy action	ANNUAL TARGET 2011/12	Responsible department
					Quantity, quality & time	
Credible integrated Development planning and performance monitoring	% development of a Council approved IDP	-100% -IDP approved as per prescribed processes -No approved sector plans except for WSDP, Housing sector Plan and	Aligning IDP& Budget to TAS Approval of process plan Alignment with LMs & Sector Departments Consultation of communities	Securing and monitoring sector agreements regarding commitments into IDPs	-100% -Table draft IDP by 31 March IDP approval by 31 May Development and review sector plans	Municipal Operations
	Number of performance reports submitted	-4 quarterly reports -1 Annual reports -4 District Programme of Action Reports	Setting up institutional structures for rolling out PMS Drafting of SDBIP & signing of performance agreements Approval of M&E Framework		100% 100% by 100%	Municipal Operations
	% development of performance improvement initiatives	New indicator	Organisational Performance	-Improved organisational performance -Initiate interventions to address performance gaps identified in the reports	100%	Municipal Operations All departments
	Number of the Council term (2006-2011) reports developed	New indicator	Council Term Report	Improved accountability		Municipal Operations

3.4 PROVISION OF BASIC SERVICE DELIVERY AND INFRASTRUCTURE

3.4.1 Key Programmes to address spatial planning challenges

- The review of the O. R. Tambo District Municipality Spatial Development Framework
- Regeneration of Small Towns and development of coastal towns
- District Environmental Management and Spatial Planning Forum
- Creation of the Local Spatial Development Frameworks

3.4.2 Key Programmes to address Environmental management challenges

The responsibility for sound Environmental Management is increasingly resting on Municipalities. The responsibilities entrusted to the O.R Tambo local Municipalities is that of ensuring compliance of own operations to relevant legislation, by-laws and policies, monitoring

Issues	Strategic Objectives	Key Implementation initiatives	Responsibility
Local Governance structures do not exercise the constitutional and legal mandate and obligations in respect of environmental decision making and environmental management.	Capacity building, focusing on Mayors, Councilors, Senior Management.	Key decision makers need to be trained and workshopped on environmental management Establishment of Environmental management units in all municipalities	ORTDM LMs, DEAET
No environmental Management Plan	Integration of sustainability principles in the planning and subsequent activities within the District.	Develop district-wide Integrated Environmental Management Plans for the DM	ORTDM, LMs, DEAET, DWAF
Uncoordinated approach to the environmental governance.	Improve co-ordination of environmental governance through the intergovernmental relations structures	Establish an Intergovernmental Technical Committee on Environmental management Develop environmental management policy	ORTDM, LMs, DEAET

No co-coordinated approach to Coastal Management	Sustainable coastal development	Develop Coastal Management Plan	ORTDM, LMs, DEAT, DLA, DBSA
Poor waste management and lack of proper disposal facilities.	Establishment of proper waste disposal facilities and recycling facilities.	<p>Implement IWMP</p> <p>Ascertain if there is a need for regional waste sites and identify them (including undertaking the necessary d technical investigations) if they are required.</p> <p>Rehabilitate of waste disposal sites</p> <p>Permit register and/ or legalization of waste disposal sites</p> <p>Facilitate SMME opportunities in waste management</p>	<p>ORTDM</p> <p>LMs</p> <p>DEAT</p> <p>Private Sector</p>
Biodiversity	To conserve the biodiversity of the area	<p>District biodiversity and action plan</p> <p>Ensure that parks and nature reserves are promoted and contribute to tourism and recreation needs of the District</p> <p>Facilitate the establishment of the nature reserves:</p> <p>Mthamvuna Nature Reserve</p> <p>Ntlangano Game Reserve.</p>	ORTDM , DEAT, DLA, DBSA, ECPB

and taking necessary actions on issues relevant for the compliance of developments taking place in areas within their scope of responsibility. Of major concern is that Municipalities may have constraints in terms of capacity, policies and systems to exercise these responsibilities. One of the issues is the level of commitment to sound environmental management throughout the various levels of Municipal management – from its highest levels to the lowest.

3.4.3 Key programmes to address Public transport challenges

ISSUES	STRATEGIC OBJECTIVES	RESPONSIBILITY
District Integrated transport plan	Develop plans for integration of transport modes, infrastructure and facilities	NDoT, PDoT, ORTDM, LMs
Taxi assistance program	Implementation of a diversification strategy	ORTD
Improvement of transport facilities	Implementation of priority project identified in the audit and needs analysis report of public transport facilities.	NDoT, ORTDM
Promotion of non-motorised transport	Conduct a schools audit on the bicycles that were issued buy PDoT	PDoT, ORTDM
Upgrading of airport infrastructure	Upgrading the Mthatha airport and PSJ airstrip	DoT, ORTDM, PSJ-LM

3.4.4 Key issues on the provision of adequate infrastructure

- Decaying Infrastructure – has reached its design lifespan
- Infrastructure capacity exhausted
- Inadequate or lack of maintenance
- Delays in implementation of projects due to abstraction and licensing permits
- Backlogs and Funding
- Regional Efficiency
- Drying out of water sources
- Indigent (90% rural and unemployed)
- Illegal connections resulting in water losses
- Water use mismanagement
- Human Resource Capacity challenges
- Communities receiving water from unprotected sources
- High water table

- Toilet structures sinking
- Spillages
- Our towns do not have a waterborne sewer system

STRATEGIES ON PROVISION OF ADEQUATE INFRASTRUCTURE

Area of Focus	Interventions (Programme/Projects/PPPs)	Timeframes	Source of Funding
Refurbishment and upgrading of Water Schemes	Focus on the towns as a revenue generation strategy., Assess the impact in terms of revenue collected.	6 months	Equitable Share
Water Resource Allocation	Bi-lateral with DWEA (Engagement of Political Leadership with Minister DWEA & COGTA)	2months	
Provisions of bulk services and New Connections	Regional capital projects and inter-reconnection	2014	MIG, RBIG, Loans, Concessions
Drought Relief	Installation/supply of Jojo Water Tankers and refilling and water harvesting	Ongoing	
Free Basic Services	Provision of at-least 1 water cart per town, Develop Asset/Fleet Management system	6 months	Equitable Share
Water Conversation and Demand Management	Enforcement of bylaws and policies, Training and capacitation of personnel, Regular inspection of pipelines to determine leaks		
Water Services Authority Compliance requirements			
Protection of springs and borehole equipment	Exploration on borehole equipment and spring protection	6 months	
2.Resource shortage			
Provision of water services for Local Economic Development	Development of an integrated plan towards water services (master plan for LED) Get Best Practices from other Municipalities	6 months	
Programme and project management			
Sanitation			
VIP toilets	Lining of all pits	On-going	
Sewer	Purchasing of h		

Huge Sanitation Backlogs	Implementation of Sanitation backlog, Top up on MIG with equitable share funds Task team to complete the unfinished toilets	2014	
Upgrade Town's sewer to waterborne	Upgrading of 11 towns sanitation to waterborne		
Upgrade of waste water treatment			
Effluent to meet the required standard			
Sewer Spillages	Purchase of 3 honey suckers and 1 Jet Vac		
Operation and Maintenance of VIP latrines			
Roads			
Roads master plan	Monitor Implementation of roads master plan Ensure that all LMs get the roads master plans		
	Soldiers and bridges Lobby the national department of COGTA		

STRATEGIES ON EPWP

RECOMMENDED INTERVENTIONS/ STRATEGIES TO ADDRESS THE EPWP CHALLENGES

1. Mainstream the programme within all Departments that are affected by the four specified EPWP sectors (infrastructure; environmental and Culture; social; non-state sector(including NGO's and CBOs) and come up with a clear project.
2. Develop an EPWP Framework/ Policy for the District and Council should approve it. This will contain types of projects to be done, funding and monitoring and evaluation and strategies to be followed.
3. Seeing that job creation has been emphasized and prioritized by the National government, there should be a dedicated unit that will focus on the EPWP for better coordination and M& E.
4. EPWP Protocol agreement should be signed.

IDENTIFY A PROGRAMME/ PROJECT LINK THAT CAN BE IMPLEMENTED TO ADDRESS THE ISSUE.

This should be done according to EPWP sectors by affected HoDs as mentioned above.

3.4.5 FINANCIAL VIABILITY AND MANAGEMENT STRATEGIES

REVENUE MANAGEMENT		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS
4200 meters are not read on a monthly basis.	<p>Part of 4200 meters is Mayden Farm , Zimbane Valley and Water Fall Phase 4 meters that are not being read yet. These unread meters are totaling to 1669. A number of 2 531 meters need to be fixed . Though this may be less as some accounts do not exist due to data cleansing. Domestic Consumers are 12 389, Business 581, Schools are 150, churches 39, clinics (National GVT) 3.</p> <p>Meters in Zimbane Valley , Mayden Farm and Waterfall phase 4 are not being read as they were treated as low cost/indigent . The area has 1669 meters. Duplicating accounts may also be cause of 2 531 meters not working.</p>	Reading of all meters in the RDP areas and changing of all stuck meters. Data cleansing
GVT Dept – Health owe R3 868 912. , R 10 386 362, TDRF R1 689 389.60, Public works has R 1 967 091.00 with old Nkululekweni owing R934 894.KSD is up to date with its debt and consumes about R 145 thousand . National Public works is owing R4 432963.00 and paid R1,1 million but busy reconciling.	Reconciliations of their accounts and disputes of opening balances has been causing the big balance.	They promised to clear their debt before their year end 30 th March 2011.
Meters are read manually	The meters which were procured are read manually leading to errors and some meters not read.	Procure automated meter readers.
Fire hydrants are not protected	No proper monitoring on use of fire hydrants	Fire hydrants to be locked and only plumbers and fire fighting personnel to have access to the keys
Number of fire hydrant are not known	No person given responsibility for monitoring the fire hydrants	There must be a dedicated person for the fire hydrant who will keep the record of state of each hydrant
High turnover rate of staff	Due to unfavourable working conditions. Posts are not subsequently filled.	Have submitted 21 vacant posts to HR for advertising
Lack of capacity in the staff that are currently utilised.	Due to high turnover rate and the utilised staff are not properly trained in the system.	Appointment of staff to relevant posts and training to be organised for the staff utilised

Under billing – non functioning of meters , old maps, unwillingness to work, Poor Infrastructure (street names unknown and house numbers), community politics.	Due to untrained meter readers and drivers working as cashiers and admin officers. Unwillingness to work because the utilised personnel are not compensated according to the duties they perform. Poor infrastructure due to lack of identifying the physical addresses when reading meters. Community politics due to culture of non payment	Consider electronic meter readers. Appoint qualified personnel to fill the posts and training to be conducted. Liase with the Local Municipalities through the Inter Governmental Relations (IGR) to address the street names. Conduct community meetings to address the culture of non payments and beef up the call centre and customer relations
No tariff reviewal	Policy is not yet developed	Develop tariff policy to be approved by council
No policy reviewal annually on credit control and other policies	Policies not yet work shopped	Draft policies to be submitted to the council for approval
Credit control implemented but manual	Module for credit control not activated by BCX	BCX to activate the credit control module
Data not cleansed	No proper planning and the no system that monitors the changes in classification of consumers such as converting from residential to business.	Appoint service provider to conduct data cleansing and procure a system that will be able to monitor any changes in classification of consumers.
Late billing and submission of reports	Printers needing maintenance	Maintain the printer for the bills and procure a new printer
No dedication and staff passes responsibilities.	Low staff motivation	Appoint personnel to fill the vacant posts
Old maps and for some, no valuation rolls	Local municipalities did not review the maps and the valuation rolls	Maps are in the process of reviewal and through IGR the LMs be motivated to review their valuation rolls
Increase in zonal averages for unread meters	Due to large number of unread meters and lack of supervision	Within the maximum of a month, all faulty meters should be fixed and supervision be improved
Short billing periods in June and December	In June, it is due to early closing of the billing for preparation of year end cut off. In December is due to the closing of the municipality in mid December.	Manager in the sub directorate to encourage and motivate the personnel to work harder during June and December
Bills for seven months R67 million and receipts including debt up to date R45million. Total debt to date is R174 million of which R132 million is residential.	Debt collection and credit control policy not fully implemented	Debt collection and credit control policy reviewal to be submitted to the council for approval and full implementation thereof
High Debt of Govt departments, i.e. schools and a hospital.	Schools are underfunded ever since schools are responsible for their budgets and bills are not delivered to all schools because of faulty printer.	Regular reconciliations to be conducted for government debtors and meetings with senior managers of the relevant departments to address the debts.
No Service contracts of the old accounts with consumers	Accounts which were taken over from Local Municipalities had no service agreements	Invite the consumers through written correspondence to update their service contracts.
No control over plumbers	Due to unclear line of command	Plumbers must be centralised and controlled at one point
Miss allocations of receipts.	Due to the system allowing users to receipt in closed accounts	To submit request to BCX.
Limited office space and filing not properly done	Large number of personnel resulting in lot of sharing of facilities.	Utilisation of the former ATTIC offices.
ICT support very poor	Due to lack of dedicated ICT personnel	Dedicated person should be allocated to the premises
Lots of legal challenges	Due to movements and changes in ownerships.	Billing should be addressed to the owners of the premises.

Slow processing of invoicing by the post office.	Due to the long process of invoicing in the post office	Improvement of working relations with the post office through the office of the ORTDM CFO.
Major part of qualification and emphasis of matters due to deficiency of internal controls	Unbiling and incomplete revenue as a result of not reading the meters regularly	Introduction of automated meter reading so that all meters to be read
The debt book is inherently incremental.	Due to poor working capital management	Debtors reconciliation and money collection to be done on a regular basis as required by MFMA section 64 (2)(h)
Poor controls regarding reliable measurement of water losses. This is likely to recur again	Due to lack of bulk meters and their reading thereof	Monthly reading of water losses to be performed and reports to be submitted to the Office of the Municipal Manager cc CFOs office.
SUPPLY CHAIN MANAGEMENT		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS
The unit is not fully functional due to understaffing.	Delays in the advertisement of positions and the challenges with the placement process	Advertise interview and place personnel by the end of May 2011.
Staff moral low due to challenges with the results of placement of staff.	Vertical and horizontal placement of staff.	Review and submit to council reviewed organizational structure by 30 March 2011.
No procurement plan in place to ensure effective, efficient and economic use of municipal resources. (This will lead to the procurement of goods and services as per the approved SDBIP).	SDBIP's not approved on time.	Submit SDBIP as per requirements of the Act.
Quotations still sourced manually due to database system not utilized	Delays in the utilization of the system due to problems with merging of data.	Receive merged data from service provider by the end of March 2011. Allocate resource to fully implement the use of the system.
Only two committees are in place these being BEC and BAC in contravention of the ACT. No BSC in place.	Regularization of the committees.	Accounting officer to regularize the committees.
Sitting of committees not adhered to thereby affecting spending mainly on grant funding.	None adherence to council approved calendar.	Adherence to approved council calendar.
Monitoring of contract register not in place.	No expertise and dedicated staff member to perform this role.	Appoint person with legal background to monitor and manage contracts.
Tender advert register not complete due to continuous placing of adverts by consultants without involving the SCM unit.	Tender adverts placed outside the procurement officer.	All departments to liaise with the SCM unit in respect of adverts to be placed.
Orders committed for longer periods not followed up by relevant departments thereby leading to viaments that may have been avoided.	No follow up on the orders placed and payments made through sundry payments	Quarterly reports to be submitted to all HOD's advising of long outstanding orders for verification of validity.
Lack of proper planning by departments and thereby leading to waiver of procurement processes.	Departments requesting procurement of services when the event is due.	Requests for procurement must be submitted on time for proper processing and economic use of municipal funds.
No system in place to monitor and detect awards to people in the service of the state.	The municipality is not linked to the financial management system used by both Provincial and National Departments.	Municipality to be linked to Persal system used by the Provincial and National departments
Non compliance to requirements of the Act in respect	Challenges with running reports from Venus Financial	Financial Management System Support person to activate

of bids awarded through quotations.	Management System	report for all procurements above R 100 000.00.
No training on code of ethical standard provided for SCM officials	No workshop and training done.	Capacitate staff through workshops and training.
Competency levels of the staff in the SCM unit not yet in line with the competency levels as required by NT.	Staff not sent for formal training due to budget constraints.	Include in the business plan for the Financial Management Grant training of SCM staff.
ASSET MANAGEMENT		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS
Understaffed no senior staff member to lead the section		
Not all municipal assets are bar-coded.	Departments procure assets using incorrect votes and not informing the asset management unit.	All requisitions for assets to be firstly submitted to the senior person in the asset management section for identification and verification of vote used.
There are a lot of municipal assets still included in the assets register that are redundant.	Non submission of the list of redundant assets to Council for approval to dispose.	Submit a list of redundant assets to Council for approval to dispose.
Asset register is not updated on a regular basis.	Shortage of personnel in the section.	Appoint a Chief Accountant to perform this task by end May 2011. Meanwhile source quotations for the update of the asset register.
Movement of assets not communicated with the unit.	Non adherence to the asset management policy. None filling of asset removal form.	Adherence to the asset management policy. HOD's to ensure that all movement of assets under their control is authorized.
Assets are acquired using wrong votes by departments and missed for inclusion in the asset register.	Departments procure assets using incorrect votes and not informing the asset management unit.	All requisitions for assets to be firstly submitted to the senior person in the asset management section for identification and verification of vote used.
Not all assets are in the asset register e.g. PSJ land	Delays in the registration of the land in the name of the municipality.	Fast track the registration of the asset acquired for inclusion in the asset register and obtain the title deed.
Completeness of the Infrastructure Asset Register.	Lack of cooperation from the lead department in the update of information. Project managers do not have adequate information such as expenditure reports to date and coordinates.	Lead department to be part of the steering committee and avail a dedicated person to assist during the updated.
Capital commitments are not accurate, complete and reliable	No register of contracts kept for work in progress (project management issue)	Monthly register of contracts to be kept for all projects under implementation.
Photocopier and fax machines not properly controlled	Senior managers and other officials responsible for assets in their departments are not implementing section 78(1)(e) of the MFMA. e.g. no register for logging of photocopies and faxes and also poor access control.	Senior managers and other officials of municipality must fully comply with section 78 of MFMA
FLEET MANAGEMENT		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS

Not fully functional due to under staffing	Delays in the advertisement of positions and the challenges with the placement process	Appointment of qualified personnel by the end of May
Trip authorities for use of municipal fleet not in triplicate	Trip authorities are only print out and not bound books	Introduce a new trip authority that is in triplicate and in a bound book.
Implementation of Fleet Mgt Policy not adhered to.	No proper controls over municipal fleet as a result there is abuse and misuse of municipal fleet. Furthermore there are no sanctions imposed on culprits.	Fully implement the fleet management policy with the full co operation of the HR directorate.
Excessive maintenance of municipal fleet due to abuse and misuse.	Municipal fleets is old Abuse and misuse of fleet. Maintenance periods not monitored by the transport section.	Dispose old fleet as per the fleet management policy. Acquire new fleet. Implement stringent measures to those abusing fleet. Develop a schedule of a maintenance plan.
Municipality incurs cost of insuring and registration of municipal fleet that is not in good working order.	No proper follow up of the orders for vehicles submitted to the garages.	Transport office to continuously follow up on orders for vehicle repairs.
No central point where all municipal vehicles are kept leading to continuous use of municipal fleet even over the week-ends.	The municipal fleet has grown as the municipality grew. Approval of trip authorities by HOD's for weekend use without proper work-plans developed.	Construct a municipal vehicle garage for the storage of municipal fleet after hours at a site identified.
No central and covered place for the disaster fleet thereby leading to the disaster machinery exposure to various weather temperatures. (Red trucks)	No dedicated place identified for disaster centre.	Identify and construct a disaster management center to accommodated disaster fleet.
Continuous running of disaster fleet even when there are no situations requiring their use. (Red trucks)	No dedicated place identified for disaster centre. No trip authorities signed.	Identify and construct a disaster management centre to accommodated disaster fleet.
None monitoring of use of disaster fleet at satellite offices.	None use of the vehicle tracking system in place.	Activate the Vigil system Allocate responsibility to a senior person in the transport office. Sign service level agreement with the Provincial Transport Office to stop and check municipal council vehicle and impound where there is no approved trip authority.
Municipal fleet used beyond its radius.	None use of the vehicle tracking system in place. No use of the trip authorities.	Sign service level agreement with the Provincial Transport Office to stop and check municipal council vehicle and impound where there is no approved trip authority.
Municipality losing revenue on plant that is not used.	There was a gentlemen's agreement in terms of the storage of the plant with hidden costs incurred	Fast-track the finalization of the legal matter. Pay off debt relating to storage
Municipal fleet is old and dilapidated thereby affecting service delivery.	None implementation of the accounting policy in respect of the replacement of motor vehicles.	Implement approved accounting policy of the municipality.
Use of municipal fleet by persons benefitting on the travel allowance scheme.	Approval of the trip authorities by department heads when they know the status of the person doing the application for the use of the vehicle.	HOD's not to approve use of municipal vehicles to people who are earning a travelling allowance and those who participate on the user scheme. An audit of personnel who is benefitting in the user scheme to be conducted by HR and relevant action will be taken accordingly.
Appointment of drivers is not centralized to the fleet	Lack of proper processes for efficient and effective	Centralisation of the appointment of the drivers and their

management section	implementation of fleet management policy and procedures and in term of the best practice.	management under the fleet management section.
Vehicle fuel report not utilized to detect irregular use of fuel.	Shortage of personnel dedicated to perform this task.	Allocate resource to fully follow up on the reports from the bank and follow up on the irregular uses detected.
No Public Drivers Permits (PDPs) for the drivers	No system of monitoring in place to ensure all drivers meet employment requirements	Request all drivers of the municipality starting from code 10 upwards to submit their PDPs
Vehicle tracking system not utilized by the department.	No dedicated person to perform this task. Transport officer preoccupied by other tasks.	Activate the Vigil system Allocate responsibility to a senior person in the transport office.
No accident investigation procedures in place.	No proper monitoring in respect of vehicles involved in an accident	Monitoring and investigation to be conducted for each accident report
STORES SECTION		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS
The state of the stores is not in good order.	Stores built have no approved plans. Poor quality of materials used. Not qualified service providers are awarded the tender.	All building to have building plans. All new buildings to be built are awarded to service providers who are registered with NHBRC. All buildings to be in compliance with the Occupational Safety Regulations. Before hand over of the building it must be checked by a qualified person. Retentions to be kept for a period of almost one year.
No experienced personnel at the stores sites,	Use of casual workers who are not trained on stores management.	Fill vacancies in the organizational structure.
No proper records management.	Lack of training on records management of responsible persons.	Conduct training workshops for all staff at our stores offices.
Discrepancies always identified during stock taking periods especially at the farms.	Grazing of stock that does not belong to the municipality	Agreement to be signed between the municipality and agency that no stock to be allowed to graze in our farms utilizing our resources.
Stores section is decentralized thus leading to lack of proper monitoring of stock receipts and issues.	Lack of sufficient centralized stores office to accommodate the volume of stock levels.	All deliveries to be received at the central stores office at the government printers building.
Stock levels not properly monitored thus leading to shortages in stocks required to attend to emergency situations.	Lack of leadership in the stores section Lack of proper training of person assigned with performing tasks and no demand forecasting in place.	Appoint a qualified person to manage the stores. Conduct training sessions for the staff at stores offices.
No proper monitoring by HOD's of request forms for stationery and stock leading to continuous request of the same items.	Lack of record keeping by HOD's of the request made during the month.	Request for stationery request to be reduced so as to minimize the spending on the vote.
Some stores are not properly secured to ensure municipal assets are safe-guarded.	Budget constraints	Allocate sufficient budget for the repairs and maintenance of municipal buildings to ensure safety of the assets.
Custody of stores key with Superintendents thereby leading to lack of segregation of duties in issue and	Staff shortages. Bullying by some superintendents.	Employ persons to be responsible for the stores to ensure segregation of duties.

receipt of stock.		
No documented stores procedure.	Delays in the development of the stores procedure manual.	Develop and implement stores procedure manual.
SUPPLY CHAIN MANAGEMENT		
Challenges	Possible Causes	Strategies/Interventions
Receiving of invalid tax invoices.	SCM unit accepting invalid tax invoices from suppliers and directorates.	SCM unit should scrutinize invoices before accepting them, so that incorrect invoices are not accepted.
Receiving of invoices without tax clearance.	Order issued without tax clearances or expired tax clearances.	No order from R15000 and above should be issued without tax clearance.
Staff not trained on using venues and payday system.	Because of workload, staff is trained by other staff members so that they can be able to work on the system.	Arrangement should be made with BCX and Payday to train all our new staff members.
Invoices are received while 30 days have already expired.	Suppliers and directorates keep invoices and submit them late, while others are kept because there is not budget available.	Services should not be required without confirming that the grant has been received and also BTO should follow outstanding orders to ensure that if the service or goods have been received, the invoice is received on time.
Directorates are not addressing queries on time.	Negligence on the part of the directorates in addressing the queries	There should be a log book that assist payment section to know the progress of each query
Under spending of grant funded projects.	Mainly due to the following : <ol style="list-style-type: none"> 1. MIG projects are approved late by COGTA 2. bid committees not sitting regularly 3. awarded bidders commence work late because of surities, 4. Challenges by bidders which were not awarded 5. Re advertisement as a result of specification that did not accommodate all the tenders 	<ol style="list-style-type: none"> 1. Appointments letters to be issued before the beginning of the year. 2. Bid committees to adhere to the schedules 3. Re visiting of the bid committees time schedules from Mondays due to commitments. 4. Bid committees to be capacitated on the legal issues pertaining to tendering. 5. Legal advice should be sought before taking critical decisions 6. Deviation from the normal specification should be approved by the Municipal Manager
Staff are not work-shopped on policies and procedures.	Induction not properly done due to the understaffing in the sub directorate	Appointment of relevant staff members by the end of May
There is no dedicated person who deals with filling (document management)	The current structure does not have the post of a filling clerk.	The revised draft structure has catered for the filling clerks and a dedicated senior person responsible for document management.
Vat refunds are less than what have been budgeted for.	Under spending in grant funded projects results in vat refund less than budgeted for.	Accelerate the spending of grant funded projects especial MIG.
Understaffing in salaries section.	There are 3 salaries clerk according the current structure but only one is employed.	The posts have been advertised and the interviews have been conducted, we are waiting for HR directorate to issue appointment letters.
Current staff in payroll section are unable to work overtime because of their post level.	Currently we have one salaries clerk who can work overtime and 2 assistant accountants who cannot work overtime because they will not be paid in the form of money instead they can be given days and they are not happy with that situation.	Appointment of salaries clerk.
Deadline are not adhered to, information is received	Bulk information from HR directorate is received after the 15 th	Every – information should be submitted before the 15 th , if

after the 15 th of every-month.	i.e. overtime and other allowances.	late it should be processed the following month.
Receiving of input from HR directorate that is not accurate or incomplete.	The input is not checked by HR directorate before submitting it to salaries section.	HR directorate should check the correctness of input before submitting it to salaries section.
Some salary information is received after the payroll system has been closed for the month.	Information received on the 1 st of the following month that has to be processed for the previous month.	Every – information should be submitted before the 15 th , if late it should be processed the following month.
Payroll reconciliation is not done on monthly basis.	Because of understaffing and the information that is received late, Payroll Accountant does not have enough time to do payroll reconciliation and	Relevant staff should be employed and the deadlines adhere to, so that the Payroll Accountant can have time to do the reconciliation.
New staff members are not paid on time.	Relevant HOD's are not always available to sign assumption of duty form for new employees.	There should be deadline by which all assumption of duty forms are signed.
Currently there is a huge DWA debt	Poor reconciliation of schemes belonging to ORTDM and other municipalities	Database cleansing of the water schemes belonging to ORTDM.
Housing directorate not adhering to the MFMA section 65 (2)(e) requiring payments to be made within 30 days	Issuing of parallel orders without following the procurement processes and also not ensuring that the cash is available from the Human Settlement provincial department.	All housing expenditure staff to be centralised under the leadership of the expenditure manager. No order to be issued outside normal procurement processes. Memo should be prepared for the signature by the Acting Municipal manager instructing the housing directorate that under no circumstances that the directorate deviate or issue any orders parallel to the procurement processes of the municipality.

FINANCIAL MANAGEMENT SYSTEM SUPPORT		
Challenges	Possible Causes	Strategies/Interventions
Understaffing	Long placement process resulted in delays in the appointment	Firm re allocation of venus specialist to the BTO directorate and appointment of other staff members by May.
Some of the Venus and Payday System users sharing the user names	Lack of awareness on access and password controls and segregation of duties	System to prompt the users to change the user password on regular intervals
Lack of knowledge of the system by the users	Due to lack of training	Organise more trainings to be conducted by BCX
Users are not attending the workshops on updates organised by the BCX	Lack of proper communication as a result of the misallocation of venus specialist	Re allocation of the venus specialist will address the communication breakdown
No formal procedure exist on creating the users in the system from head of sub directorates.	Poor planning and poor attitude towards controls	Written requests signed by head of sub directorate will only be accepted in creating the new users
Calendar month end (closing down of the month) is not done on the last day of the month.	Unprocessed vouchers by expenditure.	Vouchers to be processed on the last day of the month
Ledger month end is not closed on the fifth day of the following month	Due to unauthorised journals as a result of non availability of the relevant supervisors	Journals to be authorised on the third day of each month
UPS is not functioning properly	Poor backup system	Procure fully functional UPS

Users who left the municipality are active in the system.	No notification of users who are no longer with the municipality.	HR to inform the BTO of the users who are no longer in employ of the municipality on a monthly basis
It is difficult to identify receipts which were not uploaded to cash drawer from the venus system	Since the Cash drawer is a standalone system, there is no constant monitoring of ensuring that cash is uploaded daily and understaffing	Appointment of supervisors who will monitor the cashiers.
FINANCIAL ACCOUNTING REPORTING AND TREASURY		
CHALLENGES	POSSIBLE CAUSES	STRATEGIES AND INTERVENTIONS
Annual Financial Statements were subject to major adjustment after submission to AG	Dependency on consultant and the delay in the submission of the information on infra structure asset register	Appointment of qualified manager for the sub directorate and his/her subordinates. Development of realistic time schedule and AFS checklist. The draft AFS should be available by the first week of August each year
Preparation of audit file not on time	Mainly due to understaffing in the Department	Population of the revised organisational structure by end of May
AFS were not subjected to internal auditing due to late completion thereof	Non completion of Annual financial statements on time as a result non submission of the required information	Appointment of the manager in the sub directorate and adhere to the time schedules of preparation of AFS.
Quarterly AFS are not yet performed	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Interim AFS are not performed to assess audit readiness	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
There is still a delay in submitting of relevant and reliable information for completion of AFS on time	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Dependency on consultants were also a problem	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Funds(unspent conditional grants) reconciliations not fully performed monthly	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Investment reconciliations schedule not in agreement with the individual reconciliations	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Individual reconciliation of unspent conditional grants with investments call accounts not performed monthly	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Transfer letters not signed by both signatories	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Supporting spread sheets not attached to transfer letters	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Transfer letter files not complete	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Main Bank reconciliations still performed manually	The venus system does not produce reliable bank reconciliation reports	Plan to procure the new financial management system that will produce reliable bank reconciliation statements
No monitoring of ensuring that conditional grants are spent according to their conditions	Understaffing in the sub directorate.	Appointment of qualified manager with the subordinates by end of May
Fund raising is not effective	No person yet employed responsible for the fund raising.	Appoint relevant person who will be responsible for the fund raising.
No monitoring of the viability of the institutions where the funds are banked.	Due to understaffing, no person is responsible to monitor the investments of ORTDM	Appointment of qualified manager with the subordinates by end of May

3.5 LOCAL ECONOMIC DEVELOPMENT

3.5.1 AGRICULTURAL DEVELOPMENT

Key Programmes & Strategies to address challenges

- Explore and expand the agricultural value chain
- Increase in number of local emerging commercial farmers engaging in local food production as well as commercially oriented activity
- Maximization of agricultural production, manufacturing and value addition activities
- Strengthen Agriculture Sub Sector Forum

Focus Area	Strategic Objectives	Strategies
1) Agricultural Development and Food Security.	a) Implementation of Livestock Improvement Programme.	<ul style="list-style-type: none"> • Genetic improvement of livestock through distribution of sires and heifer exchange. • Mitigate stock theft through livestock identification. • Ensure good health for Ntinga owned livestock and those that belong to Ntinga projects. • Effective and efficient management of Ntinga biological assets. • Training, skills development and capacity building of local farmers. • Assist local woolgrowers to market their produce.
	b) Development & support of vegetable production for small scale farmers.	<ul style="list-style-type: none"> • Optimum utilization of available natural resources for irrigated vegetable production. • Strengthen supply of vegetable products by local producers to Kei Fresh Produce Market. • Promote one household one food garden.
	c) Promotion of agricultural production as a source of livelihood through crop production.	<ul style="list-style-type: none"> • Increase number of households involved in crop production. • Increase marginalised and vulnerable groups (women & youth) involved in agriculture. • Increase in number of hectares ploughed and tons per hectare harvested in maize production. • Promotion of high value crops through introduction of new variety crops. • Develop agricultural feasibility studies and business plans and submit for funding and spatial development. • Support agricultural programmes and economic development practices in the region. • Develop functional agricultural cooperatives.
	d) Ensure positive impact of agricultural projects implemented.	<ul style="list-style-type: none"> • Develop an effective M&E tool for measuring impact of agricultural products. • Promote good communication, public participation and frequent feedback from communities served. • Develop functional models and strategies for economic growth and development.
		<ul style="list-style-type: none"> • Establish and develop an agricultural research and development unit to support DM, LM's & Ntinga. • Develop and maintain effective strategic partnerships that add value in agricultural development and beyond.

Focus Area	Strategic Objectives	Strategies
	e) Establishment and maintenance of agricultural marketing and handling infrastructure.	<ul style="list-style-type: none"> • Avail livestock facilities like camps, sheds, pans, dipping baths, etc. • Ensure that livestock facilities are always in good and working order.
	f) Establishment and maintenance of irrigation equipment and infrastructure.	<ul style="list-style-type: none"> • Establish irrigation equipment and infrastructure. • Ensure maintenance and functionality of irrigation equipment and infrastructure.

Key Programmes to address Forestry challenges

- Facilitation of community afforestation.
- Development of a district strategy for forestry development.
- Undertaking of community awareness campaigns on value of forestry.
- Facilitation of deployment of critical infrastructure.
- Playing of a leading advocacy role to secure public sector investment in forestry in the district.
- Strengthening of the Forestry Sub Sector Forum
- Improved support to Forestry SMMEs and Co-operatives
- Development of the forestry cluster and value chain
- Improve skilling within the forestry sub-sector

Key Programmes to address Marine and Aquaculture challenges

- Facilitation of community awareness around the sector
- Development of a district strategy for Marine and Aquaculture development.
- Strengthening of the Marine and Aquaculture Sub Sector Forum
- Improved support to sector SMMEs and Co-operatives
- Development of a Marine and Aquaculture sub – industry
- Improve skilling within the sub-sector

Key Programmes to address challenges on investment promotion

- Development of a Trade and Investment Promotion Strategy
- Development and packaging of Trade and Investment Incentives Policy

- Formulation of a Business Investment guide
- Establishment of an Investment One Stop Shop to facilitate and attract investment in the district
- Formation of successful Public Private Partnerships (PPPs) to ensure implementation of the DGDS and Investment Conference resolutions.

Key Programmes to address challenges on cooperatives and SMME development

- Establishment of a Co-operatives Development Centre (CDC) that will provide comprehensive support to co-operatives in the district.
- Facilitation of access to funding for start –up and emerging co-operatives
- Formation of successful Co-operatives Public Private Partnerships (CPPPs)

KPI	STRATEGIES
Successful implementation of Community Public Private Partnership for economic growth	Dev Tourism Related CPPPs. Pilot CPPPs in all sectors including Waste Management Recycling. Develop feasibility studies for Inv Conf projects and other anchor Projects
Co-operatives development	Craft a Strategy for Co-operatives Development. Promote entrepreneurship and change mindset. Conduct in-depth research into factors affecting local entrepreneurship
Integration / co-ordination of LED Planning ,Implementation, Monitoring and Evaluation	Intensify and enforce IGR Legislation Strengthen co-ordination between sector departments and respective LMs/DMs(IGR POLICIES) Sector Dev. Integrate planning and programme implementation between all spheres of government
Investment in Economic Infrastructure (Roads, Energy Water).	Conduct Asset Audit Investigate possibilities of PPPs to address investment backlogs
Implementation of skills Development per Sector Industry Related Skills	Cascade National Skills Strategy to District level District Skills Development Appraisal

KPI	STRATEGIES
Alignment of Skills with Demand Research on Required Skills	
Appropriate Legislative Frameworks : By- Laws relating to LED/Infrastructure.	Develop by laws promoting local economic development Initiate Anti-Corruption Campaigns
Alignment of LED strategy to National & Provincial LED planning framework	Strengthen understanding of LED mandate at LM level develop integrated strategic planning between DM & LMs Develop a credible district wide LED strategy that will inform all sectors of the District and Key Priority Projects. Finalize all LED plans all LMs
Facilitate convergence in LED planning, implementation and M&E	Scheduled sitting and effective functioning of the District Support Teams & LED forums inclusive of sub sector forums (Tourism and Agriculture) and the District Co-operatives Forum
Sustainable Villages and alternative sources of energy for rural development	Develop appropriate infrastructure for sustainable villages
Review and development of the Tourism Planning Policies	Develop tourism planning framework inclusive of tourism marketing
Functional Regional Tourism Organizations	Establish and strengthen Tourism Information Centres
Tourism Development (product development, awareness, marketing) Development of tourism related Infrastructure Environment and Indigenous tourism Development (Heritage) Arts & Craft Development	Conduct tourism awareness and Marketing. Facilitate development of Tourism Related Infrastructure Coastal Care Management.

KPI	STRATEGIES
Review of the district agricultural development policy	Craft an integrated Agricultural Development Strategy.
Improved revenue generated on agriculture, food security and poverty eradication through agrarian transformation	<p>Diversify agriculture from grain production to high value crops production (e.g. sugar cane, sunflower production and processing etc).</p> <p>Develop alternative means of water resources e.g. rain-water harvesting,</p> <p>Resuscitate and establishment of irrigation schemes.</p> <p>Establish agric-tourism projects</p>
Development of the fisheries sector	Develop and implement fish farming initiatives /projects linked to co-ops.
Forestry Development	<p>Enhance current forestry initiatives (Langeni Integrated Forestry Development cluster)</p> <p>Develop new afforestation in the district</p> <p>Identify suitable regions where medicinal plants can be preserved and promoted among communities</p>
Strengthen Economic Research Capacity of the district	Live broadcast of the Ward Based Planning Information System with all data captured into the system and implementation in all LMs
	Awareness campaign on government services

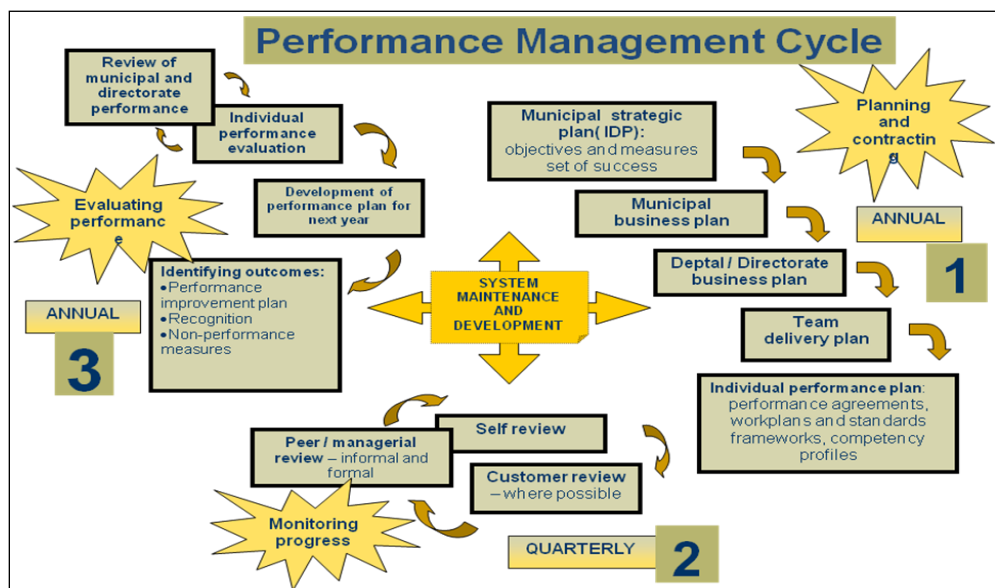
PART 4 PERFORMANCE MANAGEMENT

4.1 PERFORMANCE MANAGEMENT SYSTEM

Performance Management System refers to a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organised and managed, while determining the roles of different role-players. The O.R. Tambo District Municipality is reviewing its performance management system to guide the roll out of the policy to cover all employees. The policy is reviewed to make it applicable to all employees of the Municipality, the following categories of employees:

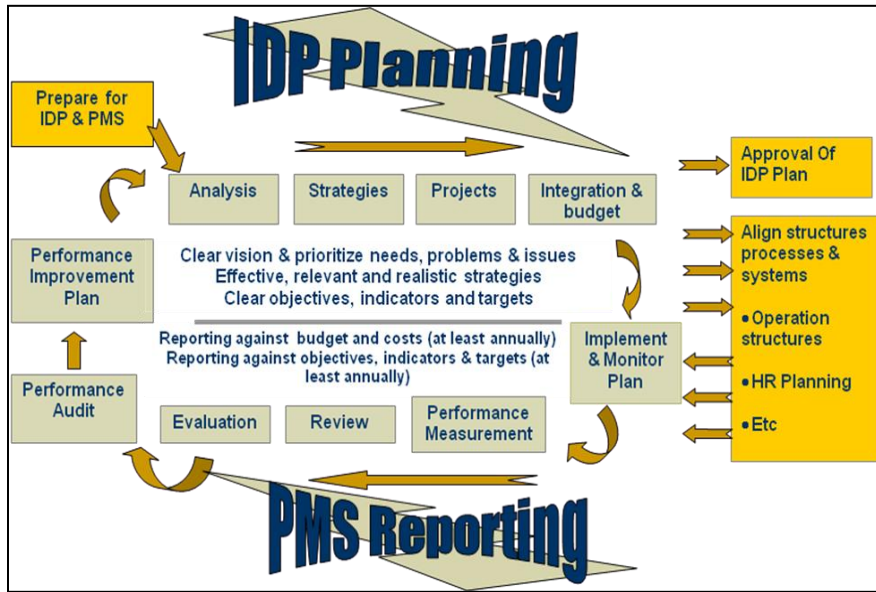
- Employees referred to in the Municipal Systems Act as Section 57 Employees i.e. the Municipal Manager and the managers reporting directly to the Municipal Manager;
- Employees who are permanent employees of the Municipality and fall within the ambit of the Local Government Collective Bargaining Council; and
- Employees who are employed by the Municipality on fixed term contracts and fall outside of the Local Government Collective Bargaining Council.

The O.R. Tambo District Performance Management System is structured in such a way that it recognises the various stages involved in the performance management cycle as depicted in the diagram below.



Aligning IDP, PMS and Budget

IDP fulfils planning stage of Performance Management whereas Performance Management in turn fulfils implementation management monitoring and evaluation of IDP.



ANNUAL COMPOSITE PROGRAMME

Components of Report	Preparation	Audit Committee	Tabled in Council	Tabling in Council	Council Adoption	After Adoption of Report by Council	
						Copies Available	Copies Submitted
1. Quarterly Reports 2. Performance reports of the Municipality and any service provider during that financial year and also in comparison of targets with performance during the previous year 3. Development priorities and performance targets set for the Municipality for the following year 4. Measures that were taken to improve performance	Municipal Manager assisted by HOD's and Internal Audit (May / June)	30 June	One month after report is received from External Audit (31 July)	<ul style="list-style-type: none"> • Prior notice to media/local community (14 days before) • Written notice of intention to Auditor General / MEC • Representatives of Auditor General / MEC attend and allowed to speak 	14 Days after report was tabled (July)	<ul style="list-style-type: none"> • Community • Interested Organisations • Media (August)	<ul style="list-style-type: none"> • MEC (Local Government) • Auditor General • Minister (Provincial and Local Government)

4.2 IMPLEMENTATION PLAN

4.2.1 INSTITUTIONAL SCORECARD

For the 2011/12 Financial year the O.R. Tambo District Municipality will be guided by the following score card as well as the related weightings per Key Performance Area.

KEY PERFORMANCE AREA	WEIGHT	
	2010/11	2011/12
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	10	10
INSTITUTIONAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT	10	10
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	15	15
LOCAL ECONOMIC DEVELOPMENT	10	10
SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	55	55

O.R. Tambo District Municipality Institutional Scorecard for 2011/2012

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
1.0 BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	1.1 To increase the number of households in the District that now have affordable, clean and potable water to RDP standards.	1.1.1	Number of new bulk water connections implemented in the district	0	4 (KSD; Nyandeni; Ingquza Hill; Port St Johns)		Infrastructure and services cluster
		1.1.2	Cumulative number of households that now have access to basic level of water.	162 435	9 500		
		1.1.3	Cumulative number of households that now have access to basic level of sanitation (VIP toilets).	??	27 200		
		1.1.4	cumulative number of town sewer systems upgraded		Upgrade 5 town sewer sytems (Mqanduli, Tsolo, Mthatha, Flagstaff & Lusikisiki)		
		1.1.5	cumulative number of existing water schemes refurbished	new indicator	6 ponds		
		1.1.6	Cumulative improvement in turn around time in responding to maintenance queries regarding Water, Sanitation & Refuse Removal	New indicator	25%		
		1.1.7	Cumulative percentage of indigent households with access to free basic services.	70%	80%		
	1.2 To ensure a sustainable, reliable and affordable provision of clean water and sanitation services in the entire district (both urban and rural areas)	1.2.1	% of water and sewer treatment pumps that are fully functional at any one time	<100%	100%		
	1.3 To ensure full compliance with District Municipality's status as a WSA	1.3.1	Availability of updated Water Services Infrastructure Master and Related Sector Plans	Plans need to be reviewed and continued communication	revised / updated plans approved by Council and ready for implementation		

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
		1.3.2	% compliance by ORTDM in its role as WSA	<100%	100%		
		1.3.3	% of water supply sources complying with all safe water provision standards	<90%?	100%		
		1.3.4	% reduction in waterborne diseases in all water schemes	New indicator	20%		
		1.4 To increase the level of municipal readiness to respond to Emergency and Disaster situations in the district	1.4.1	Availability of a revised and fully implemented Emergency and Disaster Management Plan	Plans need to be reviewed and continued communication	Revised / updated plan approved by Council and ready for implementation	
	1.4.2	Cumulative number of communities trained and now aware of disaster and emergency response requirements	?	?			
	1.4.3	% increase level of sufficiency (in terms of infrastructure & equipment) to respond in cases of Emergency and Disaster	0%	15%		Infrastructure and Services Cluster	
	1.4.4	Number of kilolitres provided for supply in cases of emergency and disaster	new indicator	24 000kl			
	1.4.5	% of households affected by disaster and emergencies that receive support and assistance	new indicator	100%			
	1.5 To contribute to crime prevention and reduction in the communities	1.5.1	Number of wards that have functional community policing forums and structures	new indicator	all wards (?)		
	1.5.2	Number of communities which are now trained and are aware of their roles in crime reduction and prevention	new indicator	??			
	1.6 To facilitate access to social services and social grants by indigent communities	1.6.1	% increase in number of deserving indigent community members who now receive social grants	0%	20%		
	1.6.2	% increase in number of deserving community members in distress who now receive social services					

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
	1.7 To facilitate and provide housing for district citizens	1.7.1	% increase in number of district's citizen who did not enjoy adequate housing provision who are now housed through efforts and collaboration of the ORTDM	0%	20%		
	1.8 To provide sufficient municipal health care services	1.8.1	% compliance by the ORTDM with the public health standards	new indicator	100%		
		1.8.5	% increase in the level of community sectors' compliance with municipal health standards	new indicator			
		1.8.6	increase in number of communities that have received training in and are now aware of health standards and hazards	new indicator			
	1.9 To increase the availability of equipment and materials to communities Sports, Arts and Cultural Activities	1.9.1	Cumulative % increase in numbers of community people in the district that now have access & participate in sporting activities	new indicator	10%	Support communities with sporting facilities and equipment	
		1.9.3	Number of libraries that are equipped with library material and equipment	new indicator			
		1.9.4	% increase in levels of library utilisation by communities	new indicator			
		1.9.5	number of communities that benefited from the programmes implemented in commemoration of the key cultural events	new indicator			
	1.10 To increase the participation of previously excluded population groups in accessing employment and empowerment opportunities	1.10.1	cumulative % increase in programmes that create jobs for the youth	new indicator	20%		Office of the Executive Mayor
		1.10.2	cumulative % increase in programmes that empower youths	new indicator	20%		
		1.10.3	cumulative % increase in programmes that create jobs for the women	new indicator	20%		
		1.10.4	cumulative % increase in programmes that empower women	new indicator	20%		
		1.10.5	cumulative % increase in programmes that create jobs for the disabled	new indicator	20%		
		1.10.6	cumulative % increase in programmes that empower disabled	new indicator	20%		

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
		1.10.7	cumulative % increase in the communities reached and benefiting from programmes that ensure the access and preservation of children's right.	new indicator	20%		Office of the Executive Mayor
		1.10.8	cumulative % increase in the communities reached and benefiting from programmes that ensure the access and preservation of elderly right.	new indicator	20%		
		1.10.9	Cumulative % increase in number of HIV/AIDS infected and affected indigent community members supported (including other communicable diseases, TB, etc.)	New indicator	40%	Support to ARV rollout programs Support indigent families affected by HIV/AIDS (counselling & food parcels/ food garden)	
		1.10.10	cumulative number of educational and development campaigns for staff, communities, professional nurses and caregivers held in the current year	New indicator	12	Awareness and voluntary testing campaigns (workplace and communities) Training	
		1.11.1	% alignment of DMs SDF to the 5LMs SDFs	New indicator	100%		
1.11.2	% update of Ward Based Planning and Information System (WBPIS)						
1.11.3	Cumulative increase in number of community based plans	1	10				
1.11.4	% update of settlement polygons on GIS as per latest aerial photography in LMs	2	100% in 3 LMs				
1.11.5	% installation of integrated spatial information management system in LMs	2	100% in 3 LMs				
1.11.6	% update and linking of street addresses to ownership and cadastral	100% of KSD	100% in all 5 LMs				

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
			information in all 5 LMs				
	1.12 To coordinate district wide coherent environmental management	1.12.1	% district wide alignment of IWPM and EMP			-Review of DM and LM IWMP & EMP	
		1.12.2	% implementation of IWMP & EMP priorities			-Capacity building for officials & communities -Greenest town competition -EM by-law enforcement	
2.0 LOCAL ECONOMIC DEVELOPMENT (LED)	2.1 To support upgrading and development of small and coastal towns LED infrastructure	2.1.1	% of capital budget spent on key LED infrastructure in the small towns	New indicator	5%	LED plant and equipment purchased.	Planning and Socio-Economic affairs
		2.1.2	Number of key LED interventions implemented			Coordination of development of Mthatha airport and Port St Johns air strip	
	2.2 To ensure that major economic sectors in the district are supported	2.2.1	Cumulative % increase in tourism support, awareness and safety in the district	New indicator	25%	Advertising, linkages with strategic partners, special packages for targeted tourists, tour guides, etc.	
		2.2.2	% improvement in functionality of local tourism institutions (incl. RTO & LTO)			support programmes for tourism organisations, artists, crafters etc.	
		2.2.3	Cumulative % increase in the number of jobs created through tourism SMMEs, Cooperatives and community projects supported			Registration of tourism SMME & cooperatives per LED sector in the district	
		2.2.4	Cumulative % increase in number of farmers/ farming communities supported			Farming support and training, massive maize production	
		2.2.5	% improvement in farm operations and productivity	New indicator	25% return on investment across all enterprises in adam kok farms	-Adam Kok Farms enterprise performance monitoring -Farm records management	
2.2.6	% improvement in registered enterprises operations and productivity	New indicator	25% return on investment in KFPMP, Abattoir	Performance monitoring on registered enterprises Enterprise records management			

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
		2.2.7	Cumulative increase in number of functional agriculture related SMMEs & Cooperatives registered with DM support			Update data base periodically Support new registration	
		2.2.8	Cumulative increase in number of jobs created through agricultural related SMME, Cooperatives and community projects supported by DM			Register projects on EPWP Update database on number of jobs created	
		2.2.9	Cumulative increase in number of mining and manufacturing development programmes supported	new indicator	15%		
	2.2.10	Cumulative increase in number of new local jobs created through mining and manufacturing development in the district	New indicator	200			
	2.2.11	Number of public and private partnerships created in the district that lead to job creation	New indicator	2			
	3.0 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT	3.1 To create a conducive policy environment for improved systems	3.1.1	% development & review of 10 key strategic policies and procedure manuals	New indicator	100% adopted by council	IDP & related sector plans PMS policy review Delegations framework ICT master systems plan Employee code of conduct Disciplinary Risk management SCM policy OHS policy and manual
3.2 To build capacity and enhance skills for communities, councillors and officials		3.2.1	% of targeted employees (as per wpsdp) who are actually trained	New Indicator	80%		
		3.2.2	% of employee salary budget spent on training and development	new indicator	2%		
		3.2.3	Increase in number of new learnerships supported/ learners enrolled with the DM	? learners enrolled	?		
		3.2.4	% of targeted Councillors actually trained	100%	100%	Develop and implement training programme for councillors	
3.3 To implement a		3.3.1	% Implementation of PMS policy that	PMS policy	100%	Availability of individual	Office of the

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
	robust and fair performance management and service delivery monitoring system		fairly includes organisational & employees (at all levels)	approved and available. Implementation not comprehensive		performance plans for all employees. All senior managers and managers sign performance agreements All institutional arrangements for PMS rollout in place as per PMS framework	COO
		3.3.2	% Implementation of District M&E framework	50%	100%	Development of District Programme of Action Periodic reporting on implementation of DPoA	
		3.3.3	% Rollout of Service delivery monitoring and reporting through operations centre	20%	100%	Upgrade of DIMS version Update service delivery performance module on DIMS Coordinate service delivery performance reporting through DIMS	
	3.4 To enhance productivity and technical capacity of human resources for service delivery improvement	3.4.1	% achievement of organisational employment equity targets	New indicator	75%	Review of employment equity plan	Corporate affairs cluster
		3.4.2	% reduction in the number of established posts that have remained unfunded/ unfilled for more than 2 successive years	0%	20%	Filling of funded vacant positions Review of organogram Job evaluation – update JDs	
		3.4.3	% compliance with HR Policies, Procedures and Conditions of Service	70%	85%	All new employees inducted on available & updated HR policies, procedures and Conditions of Service	
	3.5 To ensure healthier and safe workplace environment and accountable labour relations	3.5.1	% compliance with OHS standards and procedures	less than 100%	100%	Develop OHS manual/ guidelines for the DM	
		3.5.2	% LLF issues resolved/ concluded	estimated at 65% or less	85%	Resolve all LLF issues within 30 days	
		3.5.3	% of disciplinary cases concluded as per disciplinary procedures				
		3.5.4	% compliance with disciplinary procedures requirements	estimated at 80% or less	100%		

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department		
		3.5.5	% reported staff unethical behaviour addressed	New indicator	100%	-Cases reported to ethics committee			
		3.5.6	% Review of code of ethics and disciplinary procedure manuals for employees	0	100%	-Council approval of reviewed code of ethics and disciplinary procedure. -Code of ethics and disciplinary procedures awareness workshops conducted			
		3.6 Safe and secure work environment for municipal officials and assets	3.6.1	No. of functional CCTVs installed	27				
		3.6.2	% completion of security audit of all the key points	New indicator					
		3.6.3	% reduction in safety and security breaches	60%					
	3.7 Ensure appropriate facilities management and auxiliary services	3.7.1	Number of bulk cleaning maintenance of office buildings and environment	1					
		3.7.2	% provision of appropriate cleaning equipment and material to all facilities	New indicator					
	4.0 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	4.1 To ensure an increase in the municipal revenue	4.1.1	% increase in earned revenue (excluding grants)	New indicator	15%		Revenue enhancement programmes incl. Ntinga VAT recovery Installation of meters Improve meter reading	Budget and Treasury office (BTO)
			4.1.2	Reduction in Debtors to revenue ratio	New indicator	<1:2		Increase debt collection Accurate billing Improve reconciliation Reduce overpayments Improve debtor analysis	BTO
		4.2 To improve budget expenditure on IDP priority projects	4.2.1	% improvement in grants expenditure	New indicator	50%		SDBIP approval Compliance reporting Capital expenditure monitoring	
4.2.2			% of creditors paid within 30 days of invoice submission		70%				
4.2.3			Cumulative % of MIG funding spent		100				

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
		4.2.4	% of municipal capex spent		90%		
		4.2.5	% level of compliance with expenditure guidelines from MFMA and National Treasury		within 10% of budget		
		4.2.6	% of operational budget actually spent		within 100%		
		4.2.7	% of operational budget spent on Operations and maintenance				
		4.3 To ensure that effective and efficient financial management systems are put in place	4.3.1	% progress in the development of an integrated financial recovery plan	New indicator	100%	Developing financial recovery / improvement plan in consultation
		4.3.2	% reduction in down time in the Venus FMS	New indicator	20%	provide and improve ICT infrastructure that supports FMS Train of users of FMS secure reliable and quick responsive back-up support	
		4.3.3	cumulative % of financial management by-laws, policies & procedures targeted for review that are actually reviewed	New indicator	100%		
	4.4 To increase SCM efficiency	4.4.1	Average reduction in turnaround time in concluding procurement of service delivery projects	0	30 days	firm calendar and schedule of bid committee meetings. Establish all necessary committees all the time.	
		4.4.2	Average reduction in turnaround time in concluding procurement during disaster/ emergency	0	<5		
4.4.3		% Improvement on compliancy with SCM regulations and circulars	New indicator	100%	Update/ review of SCM policy and controls		
4.5 To improve compliance to National mandates on		4.5.1	% of previous year's audit queries on financial management and controls addressed	50%	100%		

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
	financial planning reporting and preparation of AFS	4.5.2	Type of audit report received due to implementation of financial reforms	Qualified Opinion in 2009-10	Unqualified with matters of emphasis		
		4.5.4	Attainment of acceptable liquidity ratio		2:1		
		4.5.5	Attainment of acceptable leverage ratio		<40%		
		4.5.6	Attainment of acceptable level of grant dependency		<40%		
5.0 GOOD GOVERNANCE AND PUBLIC PARTICIPATION	5.1 Ensure Effective functioning of council and council structures	5.1.1	Approval of council calenda and compliance thereto	100%	100%	Number of council meetings Number of council committee meetings Number of sector forums meetings Number of MAYCO meetings Number of Imbizos	Office of the Speaker
		5.1.2	Implementation of prioritized capacity building schedule for councillors and oversight structures	100%	100%	Councilor induction and orientation Councilors training	
		5.1.3	Implementation of resolutions, decisions and directives of council and council structures				
	5.2 Improve functioning of oversight structures, systems and processes	5.2.1	% Establishment of section 79 & 80 committees of council including MPAC	80%	100%	Review of political delegation framework Review of MAYCO manual Review TOR for council committees Workshop councillors and senior officials on delegations, MAYCO manual and TOR for council committees	

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
		5.2.2	% development and implementation of code of conduct for councillors	New indicator	100%	Review of council standing orders Review of code of conduct for councillors Establish ethics committee Develop and Implement system of monitoring level of ethical conduct and compliance with council standing orders in the DM	
	5.3 Support functioning of ward committees and CDW	5.3.1	% DM support in the establishment of ward committees and appointment of CDWs			Support establishment processes in LMs	
		5.3.2	% DM support in the training and capacity building of ward committees				
	5.4 Ensure sound ethical culture practice in the organization and among all individuals	5.4.1	% Development and implementation of code of ethics for employees	New indicator	100%	Establish ethics management committee Review/ develop employee code of conduct Workshop the code to all staff	Corporate affairs cluster
	5.5 Improve audit environment and risk management	5.5.1	% Review/ update and implementation of risk management plan				Internal Audit Office of the COO
		5.5.2	% Reduction in avoidable risk incidences that occur				
	5.6 Improve internal and external communication	5.6.1	% Review of communication strategy				Office of the Executive Mayor
		5.6.2	Cumulative Number of Community Outreach programmes conducted			Roadshows conducted Sectoral engagements held Oversight roadshows conducted	
	5.7 Ensure effective IGR environment and	5.7.1	% of service delivery queries resolved or attended to			Coordinate service delivery queries incl. Presidential hotline	COOs office

KEY PERFORMANCE AREA	Strategic Objectives	KPI Ref. No	KPI	Baseline	Annual Target	Strategic Approaches / Key Activities / Projects	Responsible Department
	support to Local Municipalities	5.7.2	% improvement in Functionality of IGR structures			DIMAYFO meetings Speaker's and chief whips forum meetings held DAC meetings held Technical IGR forum meetings	
		5.7.3	% coordination of DM support programme to the LMs			Audit of DM support to LMs Assessment of LM support requirements Develop monitoring tool for implementation on LMs support programme	
		5.8 To provide appropriate legal services	5.8.1	% of litigation cases concluded/ settled out of court			
		5.8.2	% of litigation cases concluded in favour of the DM				
		5.8.3	% Compliance with legal services manual				
		5.8.4	% Compliance with binding contractual arrangements, MOA, MOU etc				

A Service Delivery and Budget Implementation Plan (SDBIP) linked to the Local Government turnaround strategy as well as the O.R. Tambo district Programme of Action will be developed as per the legislative requirements.

PART 5 SECTOR PLANS

5.1 FINANCIAL PLAN

The planning of the budget preparation process involved consideration of all factors, which had far reaching implications on the annual budget of the municipality. These were;

- a) External Economic factors
- b) National and Provincial priorities
- c) Policies on tariffs and service charges
- d) Determination of prudent levels of cash reserves
- e) Development of financial performance measures
- f) An analysis of performance trends in terms of operational and capital budget components

External economic factor

- (a) Headline inflation and Gross Domestic Product (GDP) forecasts

	2009/2010 Actual	2010/2011 Estimate	2011/2012 Forecast	2012/2013 Forecast	2013/2014 Forecast
Headline CPI Inflation	6.3%	4.2%	4.8%	5.3%	5.5%

Alignment with National and Provincial Priorities

The budget must be aligned with the National and Provincial Priorities. In his 2011 State of the Nation Address, the President signaled that government is primarily concerned about the continuing high levels of unemployment and poverty in the country. To address these concerns, 2011 has been declared a year of job creation. Every sector and every business entity, regardless of size, is urged to focus on job creation. Every contribution counts in this national effort. All government departments will align their programmes with the job creation imperative. The provincial and local government spheres are requested to do the same.

The municipality ought to focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital project use labour intensive methods wherever appropriate;
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programme; and
- Implementing interns programmes to provide young people with on-the-job training.

Over and above the call by the President, the budget should seek to achieve the following medium-term strategic framework priorities;

- To speed up economic growth and transform the economy to create decent and sustainable livelihoods;

- Massive programme to build economic and social infrastructure;
- Comprehensive rural development strategy linked to land and agrarian reform and food security;
- Strengthening the skills and human resource base;
- Improve health profiles for all South Africans;
- Intensify the fight and crime and corruption;
- Build cohesive, caring and sustainable communities;
- Pursuing African Advancement and enhanced international cooperation;
- Sustainable resource management use
- Building a developmental state including improvement of the public services and strengthening democratic institutions.

Operating budget summary

A medium term operating budget has been prepared including detailed estimates for 2011/12 and indicative forecast for 2012/13 and 2013/14, to ensure the sustainability of strategies and policies incorporated in the IDP. The operating budget for 2011/12 reflects all known sources of income at realistic levels of collection and income performance targets. The 2011/2012 capital budget was aligned to the integrated development plan objectives and priorities to give effect to the impact on service delivery. The municipal priorities which were considered when preparing the budget are as follows:

- Basic Services and Infrastructure Development
- Financial Viability and management
- Institutional Transformation and Development
- Local Economic Development
- Good Governance and Public Participation
- Social Transformation

Past Financial Performance (2009/10 and 2010/11)

The 2009/10 audited financial year has been successful for Council as the financial performance reflected a healthy situation with the surplus amounting to R 113,7 million and the full year forecast for the 2010/11 financial year indicates a surplus of R 257,3 million.

- **Operating Budget**

With regards to the 2009/10 financial year, an expenditure of R 973,4 million was funded from municipality's own revenue, operating grants and subsidies from National and Provincial government. The operational budget for the current financial year was originally approved as R972,3 million and adjusted to R953,3 million during the budget adjustment.

- **Capital Budget.**

The capital budget for the 2010/2011 financial year was R350,6 million and was adjusted to R397,8 million during the budget adjustment.

Medium Term Framework: 2011/12 – 2013/14

- **Operating Budget**

The operating budget for the budget year 2011/2012 outlines the operational expenditure amounting to R1, 2 billion (R1,1 billion). The operational expenditure budget shows a trend of 9.1% increase amounting to R100 million, in comparison with the 2010/11 adjusted operational budget of R 436 million (R459 million). The growth is mainly attributable to the following budget guidelines used:

DESCRIPTION	% INCREASE
Salaries, Wages And Allowances	9.5%, taking into consideration the collective agreement and the results of the job evaluation process.
Remuneration of Councillors	8% (CPI plus 2%)
General Expenditure: Bulk Purchase	53.5%
General Expenditure	6.2%
General Expenditure: Contracted Services	8%
Repairs and Maintenance	-13% of the total operating budget
Depreciation	7.1% based on the previous year's depreciation as per the annual financial statements
Provision for doubtful debts	24.9% of the water and sanitation charge revenue

- **Capital Budget**

The 2011/2012 capital budget of R142,7 million shows a decrease of R208 million compared to 2010/2011 capital budget. This is mainly due to the reduction of the Municipal Infrastructure Grant allocation due to the demarcation of two municipalities to another district. The capital budget per programme for the medium term amounts to R142,2 million for the 2011/2012 financial year increasing to R496,7 million and R492,4 for the 2012/2013 and 2013/2014 respectively. The capital budget does not include roll-overs from the 2010/2011 financial year as the projection will not be realistic at this stage on the committed multi-year projects. No roll-overs will be done for own funded projects unless a commitment can be proved for such projects. Approval from the National Treasury must be obtained for roll-overs which are grant funded projects as required by the Division of Revenue Act.

Operational Budget Analysis

- **Operating expenditure**

Employee related costs

Employee related costs accounts for 22,6% of the operating budget over the medium term. Municipal employees and the skills they bring to the workplace are a critical input in the delivery of all services council delivers.

Bulk purchases

Bulk purchases (water and electricity) account for 8% of the total operating budget for the 2011/12 budget year.

Repairs and maintenance

The total allocation for repairs and maintenance has been increased by 66.36% from the 2010/2011 operational budget. The overall budget for repairs and maintenance accounts for 4% of the total operating budget

Provision for bad debts

The provision for bad debts has been budgeted for taking into consideration the projected payment level of 73% for the 2011/2012 budget year. The implementation of the revenue enhancement strategy will contribute to the increase on the payment level for the 2011/2012 budget year.

Overview Of Budget Assumptions

- Key Financial Indicators

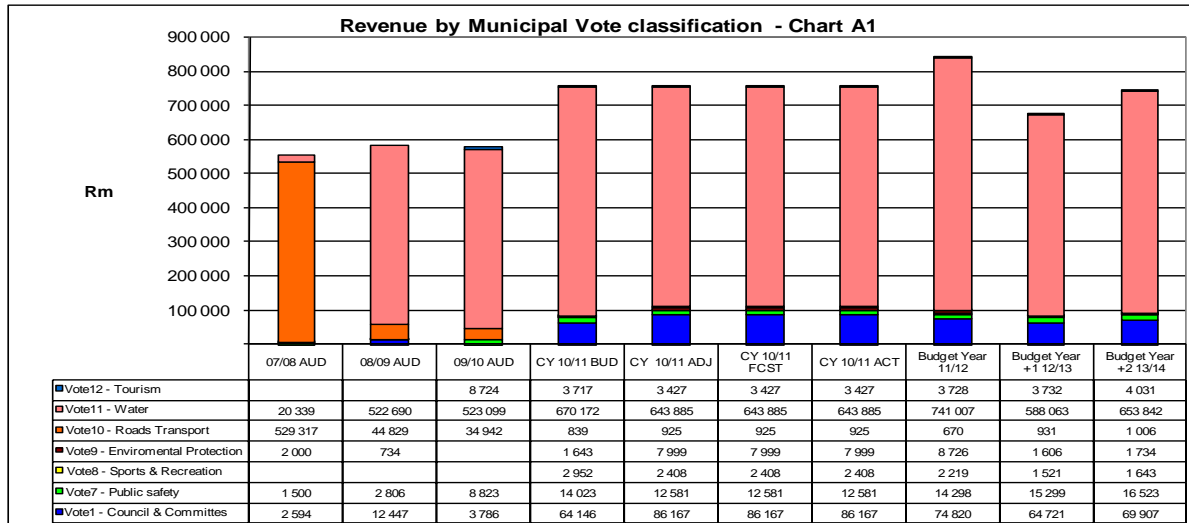
The municipal fiscal environment is influenced by a variety of macroeconomic control measures. National Treasury determines the ceiling of year to year increases in the total operating budget, the National Electricity Regulator regulates electricity tariff increase and the South African Local Government Bargaining Council regulates employee related cost (salary) increase. Budget assumptions/ parameters are determined in advance of the budget process to allow budgets to be compiled to support the achievement of the longer term financial and strategic targets.

Key budget parameters

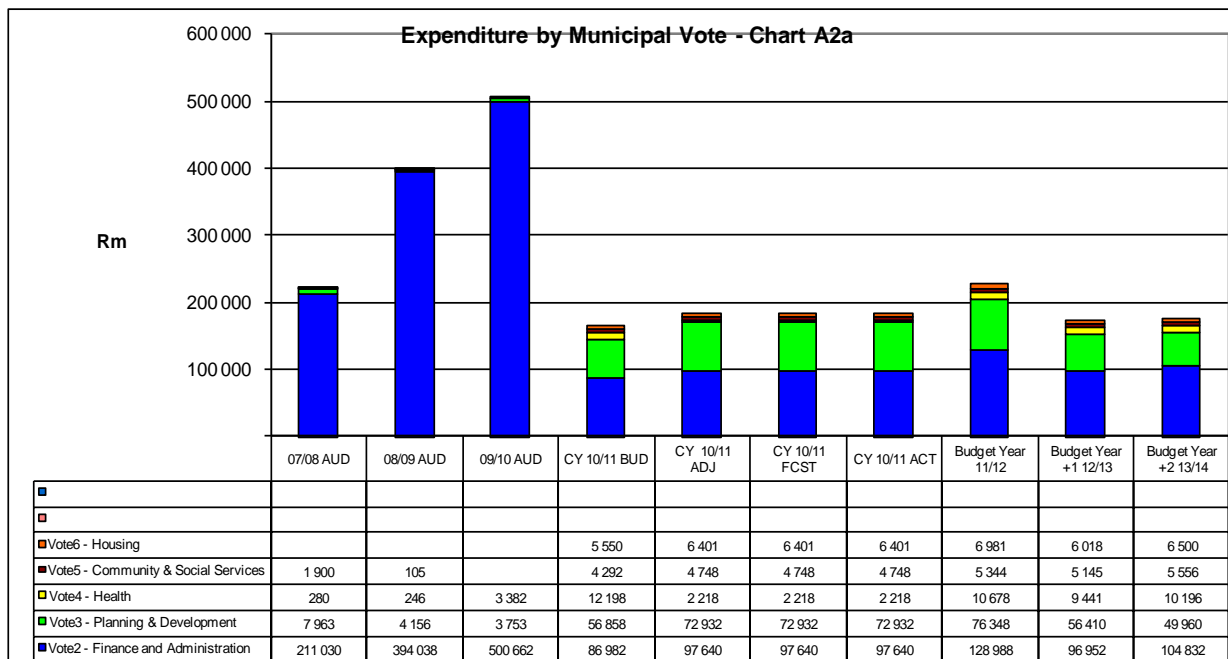
	2009/2010 Actual	2010/2011 Estimate	2011/2012 Forecast	2012/2013 Forecast	2013/2014 Forecast
Headline CPI Inflation	6.3%	4.2%	4.8%	5.3%	5.5%

Supporting Charts

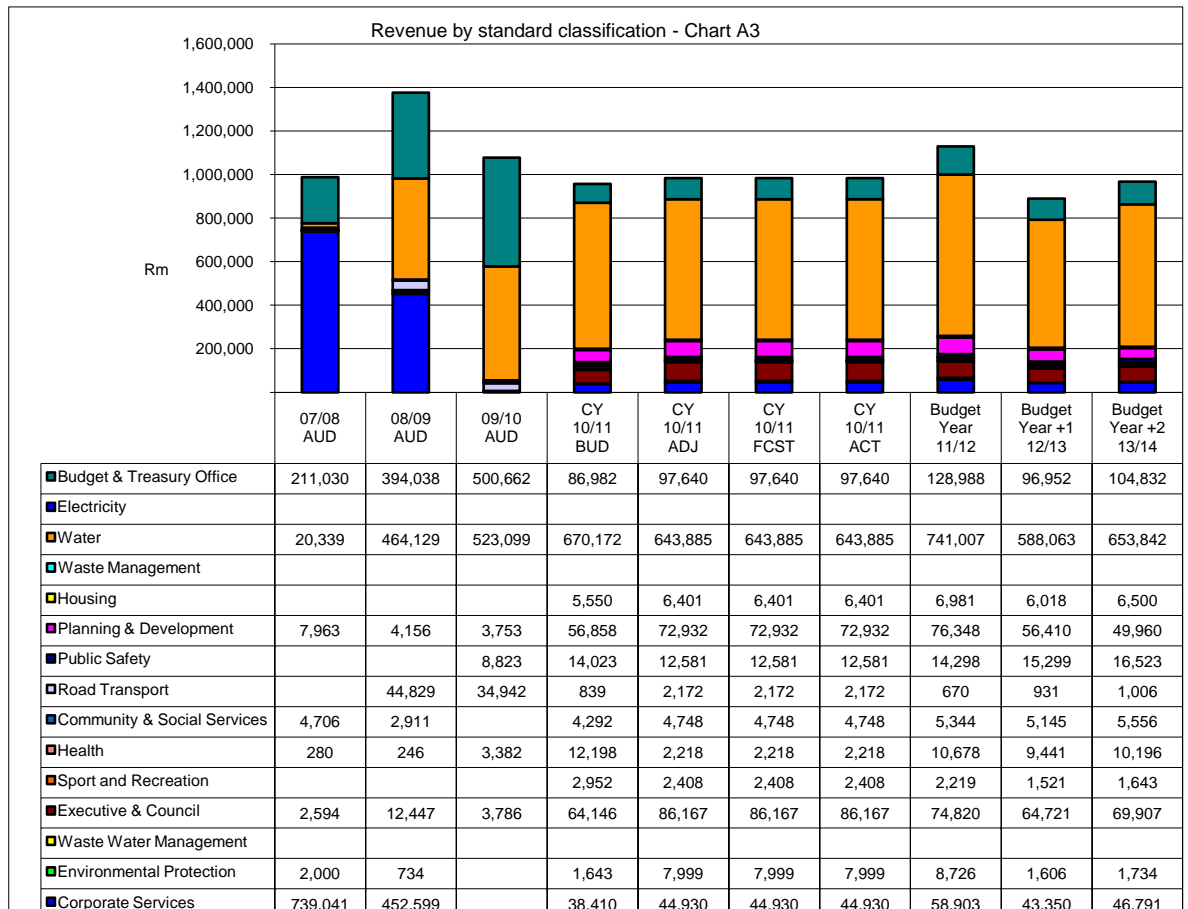
Revenue by Municipal Vote Classification Chart A1



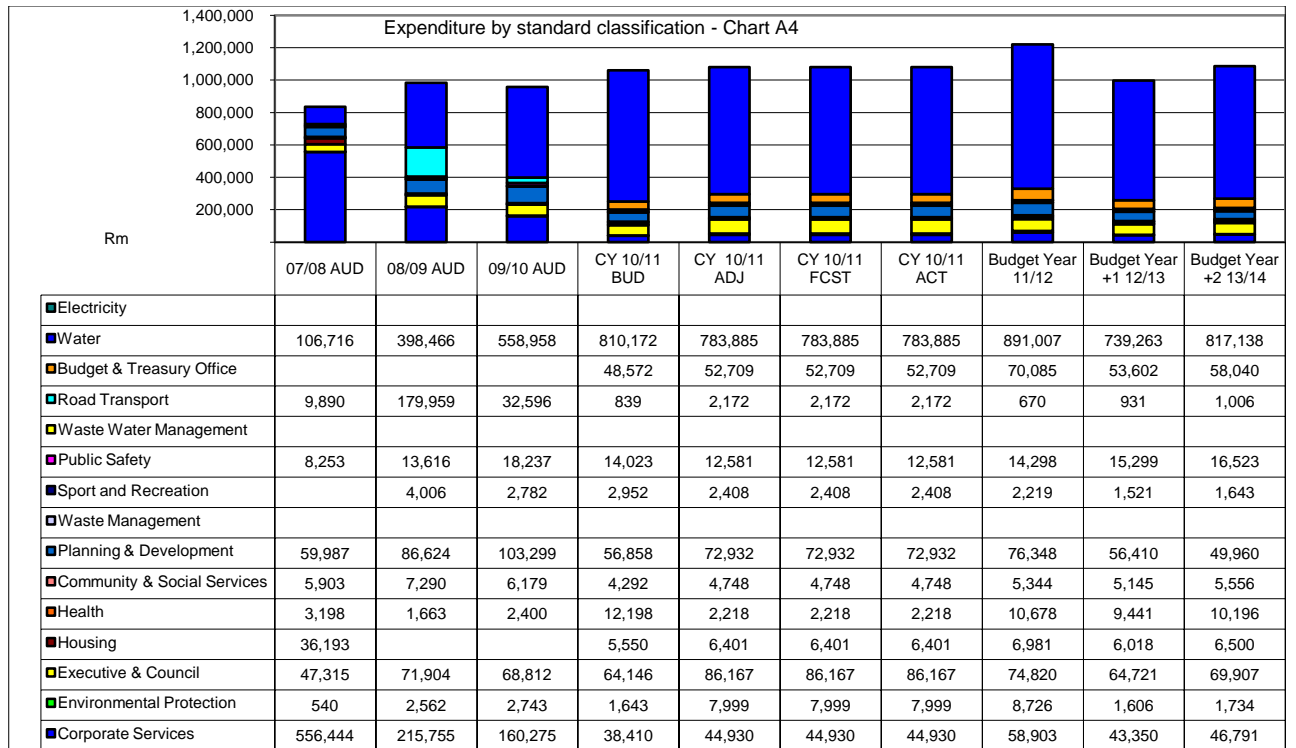
Expenditure by Municipal Vote Classification Chart A2a



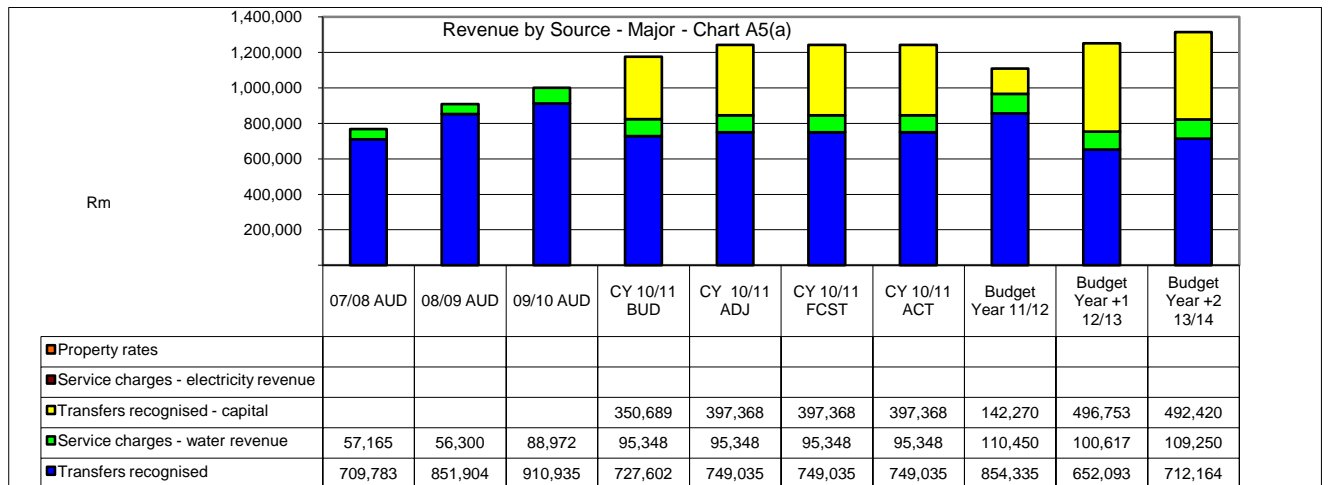
Revenue by Standard Classification Chart A3



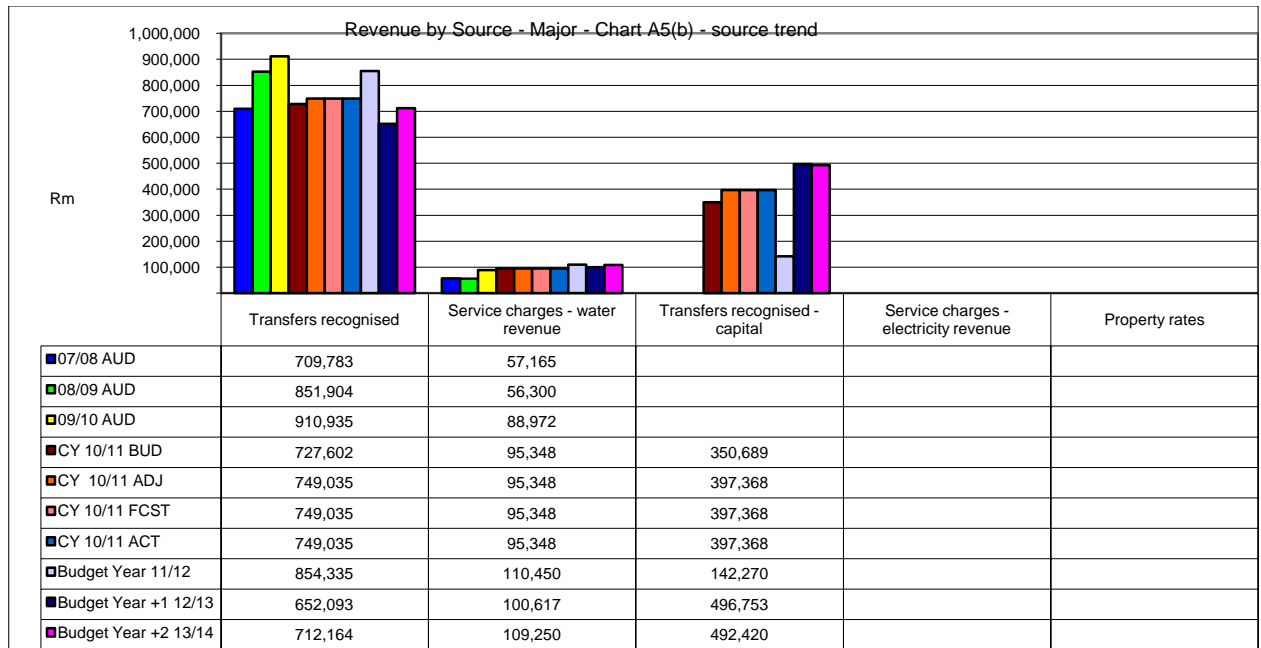
Expenditure by standard Classification Chart A4



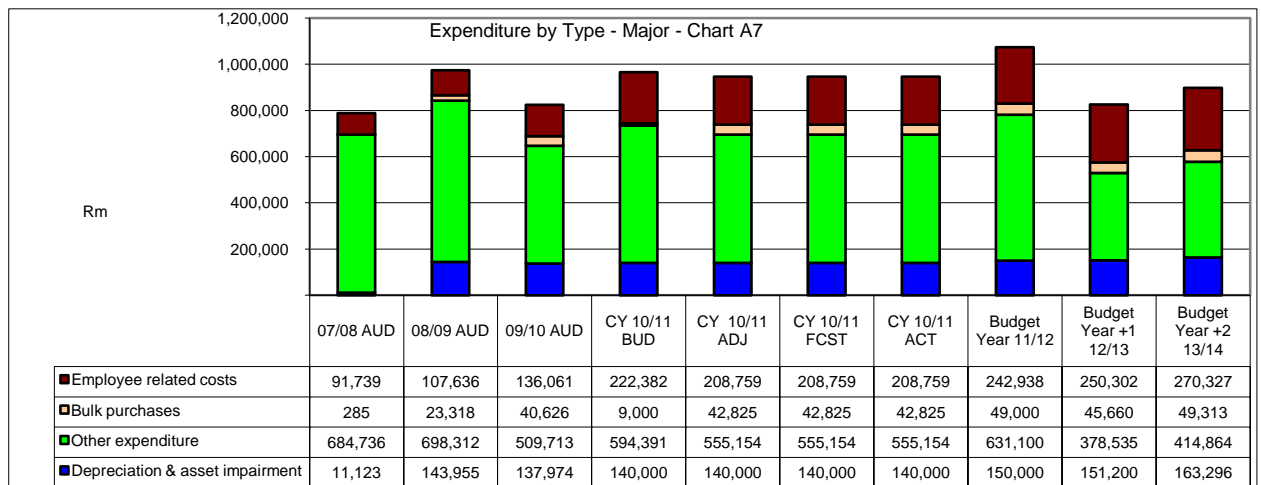
Revenue by Source Major Chart A5(a)



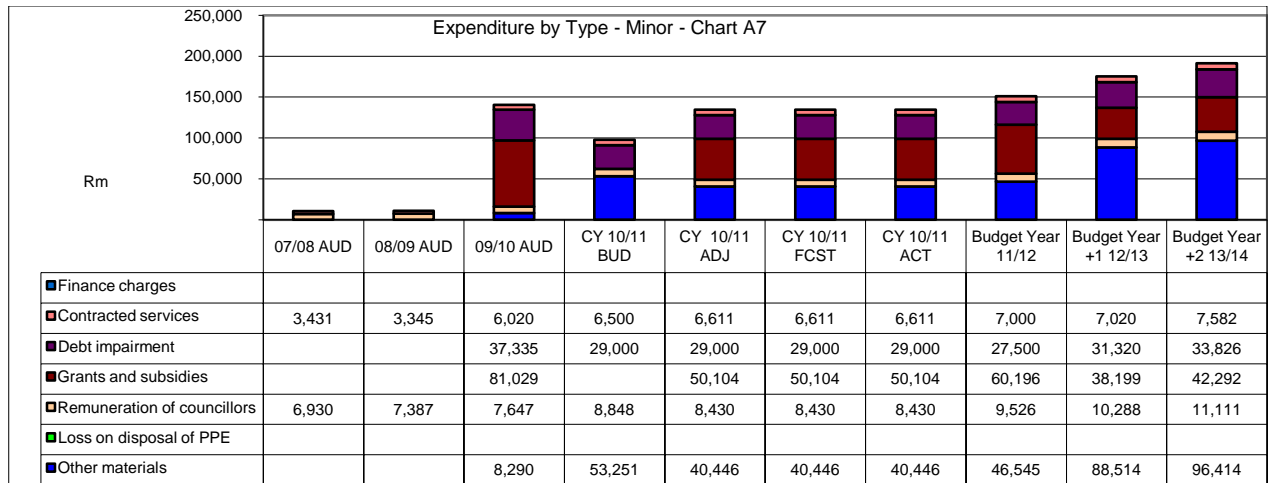
Revenue by Source Major Chart A5(b)-Source Trend



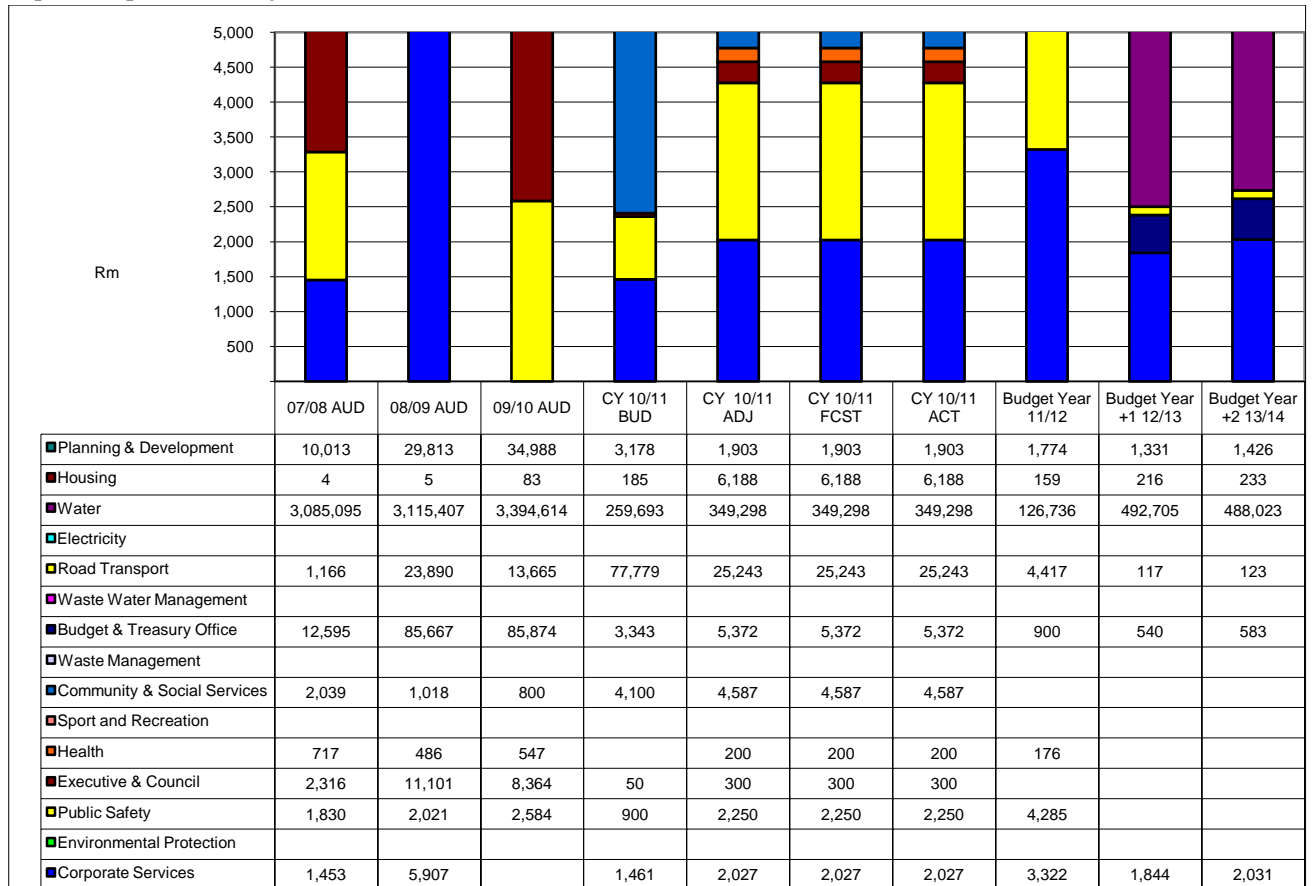
Expenditure by Type-Major - Chart A7



Expenditure by Type-Minor - Chart A7



Capital Expenditure by Standard Classification - Chart A11



Overview of Budget Related Policies

The following budget related policies have been reviewed or are currently being reviewed / amended in line with MFMA and the Municipal System Act.

Virement Policy

A draft Virement policy has been developed in terms of the Municipal Budget and Reporting Regulation No 32141, 2009. The draft virement policy seeks to give clear guidelines in terms of which movement and transfer of funds between votes and line-items can be made and also give certain delegation of authority to the Municipal Manager, General Managers and Senior Managers

Tariff Policy

The Municipal system Act requires Council to adopt a Tariff Policy. The general financial management functions covered in section 62 of the MFMA includes the implementation of a tariff policy. The tariff policy takes into consideration all applicable legislation.

Credit Control and Debt Collection Policy

This policy has been developed in line with section 96(b) and 98 of the local Government Municipal system Act, 2000 and the credit control and debt collection By-Law.

Free Basic Services Policy

This policy has been developed to address non affordability of services by indigent communities.

Investment of funds, reserves, borrowing and cash management

Investment of cash is managed and invested in accordance with the municipality's approved investment policy which is aligned with National Treasury's municipal investment regulations implemented 01 April 2005.

Supply Chain Management Policy

In terms of the section 111 of the MFMA a municipality must adopt and implement a supply chain management policy which gives effect to the requirements of the Act. This policy is currently being reviewed in line with the restructuring the unit.

Asset Management policy

This policy complies with all relevant legislative requirements including:

- The Constitution of the Republic Of South Africa, 1996;
- Municipal Structures Act, 11998;
- Municipal Systems Act,2000
- Division of Revenue Act (enacted annually)
- Municipal Finance Management Act, 56 of 2003

It further complies with standards specified by the Accounting Standard Board. The relevant currently recognized accounting standards include: GRAP 17: Property, Plant and Equipment

5.2 SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework is an integral component of the IDP and translates this plan into its spatial implications and guidelines for development. It is therefore not a tool to be used in isolation, but should support decision-making within the context of the IDP. The guide pack for Integrated Development Planning makes it clear that the SDF is a key element in the integration of development processes applicable to different sectors. The aim of undertaking the Spatial Development Framework project is to serve to broaden and deepen the current Spatial Development Framework as stipulated in the IDP.

The O.R. Tambo District Municipality has completed the review of its Spatial Development Framework (SDF), and it was adopted in September 2010. The O.R Tambo District Spatial Development Framework outlines the desired spatial development of the district as contemplated in Section 25(e) of the Municipal Systems Act (Act 32 of 2000). It highlights priority investment and development areas and will serve as a guide to decision-makers and investors. The SDF is development orientated, to allow for growth and changing circumstances, and to promote investor confidence in the district. But most importantly the SDF endeavors to attain the millennium development goals (MDGs) through public investment in public goods and facilities where there is underdevelopment or development is nonexistent, like in health and sanitation; the halving of poverty and joblessness by 2014; as well as the eradication of homelessness by 2014.

1.1 Legal Requirements

Section 26(e) and the subsequent regulations in terms of the Municipal Systems Act (Act No.32 of 2000) stipulates that amongst other things the SDF should give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act No.67 of 1995), and determine spatial priorities.

The Land Use Management Bill requires that a Spatial Development Framework should: -

- a) Give effect to the directive principles
- b) Be consistent with the National Spatial Development Framework
- c) Be consistent with Provincial Spatial Development Framework applicable in the area of the municipality
- d) Be consistent with any applicable national or provincial legislation on environmental management; and
- e) Give effect to any national and provincial plans and planning legislation.

1.2 Situational Analysis

The O. R. Tambo District Municipality SDF was reviewed in 2010. There are key elements that the O. R. Tambo District Municipality seeks to address. The SDF as laid down on the O.R.T.D.M IDP contains vital information on proposed existing development nodes, development corridors that will assist the development of the district.

1.2.1 Nodes and activity corridors

The National Spatial Development Perspective (NSDP) guides that the settlements and economic development should be channelled into economic corridors and nodes. The NSDP also states that the focus on economic growth and employment creation should be in areas where it is most effective and sustainable. The Eastern Cape Provincial Growth and Development Plan (2004-2014) provides a strategic framework, and sectoral strategies and programmes aimed at achieving a rapid improvement in the quality of life for the poorest people in the province. The key investment nodes and activity corridors identified in the O. R. Tambo District Municipality are as follows:-

Nodes

The nodes are defined as follows:-

- **Primary Nodes (PN):** These are high order centers providing educational facilities, administrative functions and highest level of access to shopping and social services in the district.
- Mthatha is the only primary node in the district
- **Secondary Nodes (SN):** These are towns identified as having important local and district level development functions relating to commerce and tourism.
- Bizana, Lusikisiki, and Port St. Johns are the secondary nodes of the district.
- **Tertiary Nodes (TN):** These towns are seen as lower order service centers where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas.
- Libode, Mqanduli, Ngqeleni, Tsolo, Qumbu, Ntabankulu, Flagstaff and Mzamba fall within this category.
- **Higher order Rural Nodes (HoRN):** These are rural villages where higher order rural-level services are prioritized.
- Nkozo, Mbozisa, Baziya, Kwaaiman, Langeni, Mpeko, Mqekezweni, Gengqe, Meje, Sulenkama, Bomvini, Mfundisweni, isilindeni, Canzibe, Marubeni, Bambisana Mission and Isilimela are under this category.
- **Tourism Nodes:** these are settlements where the principal function has been identified as being related to the development of a viable and sustainable Coastal Tourism sector.
- Mzamba, Port St. Johns, Umtata Mouth, and Coffee Bay are primary tourism nodes. Mphalane, Mnyameni, Kwayimane, Sikombe, Mbotyi, Mngazana, Sihangwana, Lwandile, Presley Bay and Hole in the Wall are identified as the secondary tourism nodes.

Corridors

Corridors are defined as follows:-

- **Primary corridor (PC):** High-density development on sections of this corridor. The main mobility route of goods and people through the district.
- East London/Mthatha –Kokstad N2, Railway Corridor are the primary corridors identified in the District.
- **Mobility routes (MB):** these routes carry passing traffic and provide access between local areas in the district and centers further afield.
- N2, R61, Ugie-Langeni Road, R394 and proposed N2 Toll Road are the mobility routes within the district.
- **Special Routes-Tourism Focus (SP-TF):** these relate to tourism destinations and links between tourism nodes and main mobility routes.
- Wild Coast Meander, Thunga Thunga Route, Mandela Route, R394- Mthatha via Mqanduli towards the coast fall under this category.

5.3 LOCAL ECONOMIC DEVELOPMENT STRATEGY

The District LED Strategy was developed and formally adopted in 2003. The Reviewed LED Strategy has been developed and approved by council during 2010/2011 financial year. Due to the current demarcation process of the O.R Tambo and Alfred Nzo, there are plans in place to review the recently approved LED Strategy to be in line with the post-demarcation process.

The Reviewed LED Strategy outlines a set of choices and outcomes for implementation over a period coinciding with the following national & local government framework:

- ◆ Vision 2014: Government Manifesto, which is crucial and has to be reflected in our service delivery initiatives namely:
 - Reduce unemployment by half
 - Reduce poverty by half,
- ◆ NSDP Rapid Economic Growth, Address social inequalities and poverty,
- ◆ The National government's Accelerated and Shared Growth Initiative for South Africa (ASGI-SA).
- ◆ The DGDS resolutions focusing on: delivery initiatives namely:
 - Agricultural Development,
 - Marine and Terrestrial Resources,
 - Community Development, SMME support and Co-operatives support,
 - Tourism Development, and
 - Investment promotion.

The specific choices identified in the Strategy have been fleshed out in an Implementation Plan with quantifiable outcomes to ultimately achieve our overall vision of attaining a developmental Municipality, responsive to social aspirations for an economically vibrant , healthy and sustainable community. All of the focus areas in the Strategy encompass those in the current Integrated Development Plan and the Strategy will be reviewed in the next 5 years to ensure closer alignment with the District Integrated Development Plan.

5.4 COMMUNICATION STRATEGY

The O.R. Tambo District Municipality is currently reviewing its communication strategy framework, which is a guiding framework for communication by various local municipalities and their agencies. An integrated and effective local programme will also serve as a backbone of an overall societal communication system that will be anchored by growing partnership among various sectors of civil society.

The draft strategy is guided by legislation such as the Promotion of Access to information Act 2 of 2000, the Local Government Municipality Structures Act 117 of 1998, the Local Government Municipality Systems Act 32 of 2000 and the Local Government Municipality Finance Management Act 56 of 2003. It is also informed by successful implementation of above all, the face-to-face communication programme with the Mayor's outreach, sector engagements as well as Izimbizo visits.

5.5 WATER SERVICES DEVELOPMENT PLAN (WSDP)

The O.R. Tambo DM approved a water services development plan and is currently under review. The first draft of the reviewed WSDP will be presented to the stakeholders at the end of March 2011.

5.6 INTEGRATED WASTE MANAGEMENT PLAN

The main objective of the IWMP for the OR Tambo DM is to give effect to the objectives of the NEMWA (“Each municipality must submit its integrated waste management plan to the MEC for approval and must include the approved integrated waste management plan in its Integrated Development Plan contemplated in Chapter 5 of the Municipal Systems Act”) and other relevant legislation; whilst also ensuring that sustainable, cost effective, environmentally/socially/economically feasible and practical solutions to the “waste management problem” are developed, implemented and monitored.

Legislative Framework

Municipalities are mandated by NEMWA, 2008 to develop the IWMP to be integrated in the IDP. O.R Tambo recognizes that an Integrated Waste Management Plan is a key tool with very specific and significant implications on the goal of promoting sustainable development and service delivery with regards to waste management with the District, and one that will inform the Integrated Development Plan (IDP) and other strategic Plans for the District and the local Municipality within O.R Tambo District Municipality

Situational Analysis

The following key issues were identified in the Status Quo reports. The key issues identified were the same in all of the seven local municipalities:

- Lack of institutional capacity (human resources, management, and budget);
- Absence of minimization and recycling programmes;
- Poor disposal practices (landfill operations).

The IWMP proposed the following priority projects to address some of the key challenges.

Key Activities	Responsibility	Time Frames
Development of waste management bylaws and implementation.	District municipality and all local municipalities.	On going program.
Development of waste information systems.	District municipality and all local municipalities.	On going program.
Awareness training and capacity building.	District municipality.	2011/ 2012 financial year.
Establishment of buyback centers and recycling facilities.	District municipality and all local municipalities.	2011/ 2012 financial year.
Development of local integrated waste management plans for local municipalities.	Local municipalities.	2011/ 2012 financial year.

5.7 ENVIRONMENTAL MANAGEMENT PLAN

Environmental Management PLAN

An Environmental Management Plan (EMP) is aimed at contributing to a healthy environment by ensuring that urgent environmental issues are adequately addressed and that proposed projects have no negative impact on the natural environment. The purpose of the EMP is to provide a Municipality with a decision support tool to evaluate its outcomes in terms of its environmental implications. An Environmental Management Plan (EMP) is defined as a plan which organizes and coordinates mitigation, rehabilitation and monitor measures in order to guide the implementation of the proposal.

Legal Requirements

National Environmental Management Act, 1998 (NEMA) gives legislative effect to the principles of the Constitution and the White Paper on a National Environmental Policy. NEMA also creates the institutions and procedures needed for cooperative governance and integration between spheres of government for environmental management. The Act also imposes a number of duties on the various spheres of government in terms of environmental management, including local government. Municipalities are mandated by NEMA to develop and implement EMP.

Situational Analysis

Despite O.R Tambo being seen as having a potential in Agriculture and Tourism within the province, but a number of threats to the environment can be identified within the area of Jurisdiction, including:

1. Destruction of indigenous forests
2. Uncontrolled settlement on valuable agricultural soils and sensitive coastal habitats
3. Spread of invasive alien plants
4. Poor solid waste management
5. Inadequate application of Integrated Environmental Management procedures and
6. Over-use of intertidal and marine resources

O.R Tambo EMP proposes the following Action Plans

Theme	Responsible	Time Frames
Water monitoring: rivers and wetlands	Water services, Environmental	On going
Waste water effluent monitoring	Water services	On going
Monitoring of terrestrial and aquatic biodiversity	Water services, Environmental	On going
Urban edge delineation	Spatial planning	2011-2012
Identification, delineation and planning of key natural resources	Spatial planning, Environmental	2011-2012
Monitoring programme for reporting on compliance	Environmental	On going
Conservation planning	Spatial planning, LED, Environmental	2011-2012

5.8 DISASTER AND RISK MANAGEMENT FRAMEWORK PLAN

In pursuance of the national objective each province as well as each district and metropolitan municipality is, in terms of sections 28 and 42 of the Disaster Management Act, 2002, respectively, mandated to “establish and implement a framework for Disaster Risk Management (DRM) aimed at ensuring an integrated and uniform approach to DRM” in its jurisdiction by all provincial and municipal organs of state; statutory functionaries of provinces and municipalities; local municipalities; statutory functionaries of local municipalities in the area of the district municipality; all municipal entities operating in its area; non-governmental organisations involved in DRM; and by the private sector. Provincial and municipal policy frameworks must be consistent with the Act and with the National Disaster Management Framework (NDMF). The Disaster Risk Policy Framework of the O.R. Tambo District Municipality is thus the instrument which gives effect to these legislative imperatives. It is in the context of the disaster risk profile of the ORT DM that this policy framework pursues the core philosophy of risk reduction through vulnerability reduction and resilience building, by placing priority on developmental initiatives.

The purpose of this policy framework is to provide those with statutory DRM responsibilities (in terms of the Disaster Management Act, 2002; the National Disaster Management Framework, 2005 (NDMF); the Policy Framework of the Province of the Eastern Cape (EC PDRMPF) and other applicable legislation) within the ORT DM with a written mandate which is coherent, transparent and inclusive; provides the criteria for the systematic management of administrative decisions; stakeholder participation; operational skills; and capacities and achieves uniformity in the development, implementation, maintenance, monitoring and assessing of all policies, plans, strategies, programmes, projects and practice which are aimed at achieving the vision and mission statement; goals; strategic objectives; and key performance indicators for DRM in the municipality.

This policy framework also serves to guide the development and implementation of uniform and integrated DRM policy and plans of the local municipalities in the district. The ORT District Municipality's vision is to achieve integrated disaster risk management and to ensure resilient communities within a safe environment in the ORT District Municipality. The ORT District Municipality's mission is to entrench effective and efficient management of multi-disciplinary and multi-sectoral disaster risk management in the ORT District Municipality, executed by committed and empowered people. This policy framework, which establishes the policy of the council of the ORT DM for the management of disaster risk in its jurisdiction, is constituted in terms of the Disaster Management Act, 2002; is consistent with the National Disaster Management Framework, 2005; with the Policy Framework of the Province of the Eastern Cape; and is compliant with all applicable legislation, regulations, standards, codes and practices for DRM in the ORT DM. There are supporting policies that establish specific parameters for complying with the relevant imperatives such as terms of reference; organisational and administrative arrangements; the scope of responsibilities and/or activities; operating protocols; templates and good practice standards. The supporting policy is thus the legal instrument aimed at ensuring that the national objective of uniformity and integration in the execution of DRM legislation and policy in the municipality is achieved, and therefore *carries equal statutory obligation and status* as does that of the body of the policy framework.

The Council of the ORT District Municipality is the custodian of the DRM Policy Framework and must ensure the regular review and updating of thereof. The Head of the OR Tambo District Municipality Disaster Management Centre must ensure that the procedures for the establishment and implementation of the policy framework and any amendments thereto, as prescribed by section 42 of the Act are executed. A copy of the Disaster Management Policy Framework is available and will be posted in the ORT DM website.

5.9 INTEGRATED TRANSPORT PLAN

Current deficiencies in the transport system, and with regard to mobility, needs of the population must be identified and described based on the data collected and the status quo inventory as well as by taking into account feedback from stakeholders and role players through a program of public participation. The transport needs assessment will provide valuable input in the formulation of transport goals and objectives on the one hand, as well as the setting of transport infrastructure and services standards on the other hand. Guidelines for transport needs identification and assessment include:

- The identification of transport problems and needs
- The grouping of related problems and needs
- The prioritization of problems and needs

Therefore, the integrated transport plan, apart from describing the existing transport situation, should describe the mobility needs of the population of the transport authority area for all trip purposes, and should include a detailed demand or market analysis for movement by either public or private modes of travel, in different corridors or along the routes which comprise the integrated transport plans public and private networks.

ISSUES	STRATEGIC OBJECTIVES	KEY INITIATIVES	IMPLEMENTATION RESPONSIBILITY
District Integrated transport plan	Develop plans for integration of transport modes, infrastructure and facilities	<ul style="list-style-type: none"> ○ Development of terms of reference. ○ Call for proposals from qualified service providers ○ Appointment of a suitable service provider 	NDoT, PDoT ORTDM, LMs
Taxi assistance program	Implementation of a diversification strategy	<ul style="list-style-type: none"> ○ Develop a constitution for the cooperative ○ Register a cooperative ○ Develop a business plan for the business that has been identified by the members of the cooperative 	ORTDM
Improvement of transport facilities	Implementation of priority project identified in the audit and needs analysis report of public transport facilities at Mhlontlo LM	<ul style="list-style-type: none"> ○ Develop a business plan ○ Solicit funds from the NDoT ○ Develop terms of reference 	NDoT ORTDM
Promotion of non-motorised transport	Conduct a schools audit on the bicycles that were issued buy PDoT	<ul style="list-style-type: none"> ○ Introduce non-motorised transport and infrastructure (pedestrian walkways) 	PDoT ORTDM
Upgrading of airport infrastructure	Upgrading the Mthatha airport and PSJ airstrip	<ul style="list-style-type: none"> ○ Implement the Mthatha Airport and PSJ landing strip 	DoT, ORTDM, PSJ-LM

The existing Integrated Transport Plan is currently under review and it is expected to be completed in June 2011.

5.10 HOUSING SECTOR PLAN

Constitution

The Constitution of South Africa clearly states that every citizen has a right to housing.

Housing Act

This Act defines the role of local municipalities on housing related as that of developing Housing Sector Plans and Strategies. The housing function is the Provincial Departments responsibility. The municipality implements projects on an Agent basis.

Municipal Systems Act

This act states that municipalities should have a Housing Chapter on their IDP's.

The District Municipality has complied with this regulation as it had a District Housing Plan that was approved on 2004. In terms of the law Sector Plans are for a 5 year planning period, subject to annual review. The Department is now in the process of reviewing the plan and as such a Service Provider has been appointed. It is anticipated that the plan be completed within a period of four [4] months. The review of this plan is led by the Provincial Department of Human Settlements.

In order to ensure that the process is inclusive of Local Municipalities, the LM's will be visited and consulted with regards to the formulation of the plan.

DRAFT WARD COMMITTEE STRATEGY AND GUIDELINES

Ward Committees are committees established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998, and they are also referred to as Section 73 Committees. They consist of a Ward Councillor as the chairperson, and 10 other members elected by ward residents in a Ward General Meeting taking into cognisance the balance in terms of gender.

Ward Committees are a link between the municipal council and communities within a ward. They are there to inform the municipality about the aspirations, potentials and challenges or problems of the people in a ward. They are the eyes, mouth and ears of the ward citizenry and represent citizens in core municipal processes such as Integrated Development Planning, Municipal Budgeting as well as Municipal Performance Management System processes. In other words, ward committees are established in order to ensure that people really govern as envisaged in the Freedom Charter adopted by the ANC in 1955.

The DM implements its projects and programmes in wards within local municipalities. Good working relations therefore between the DM and its local municipalities are critical for the smooth delivery of services to the people of O.R. Tambo District.

Ward committees have been established in all the 162 wards within the O.R. Tambo District and it is crucial therefore that there is uniformity in the manner in which these committees across the district operate, hence this Draft Strategy and Guidelines.

2. REGULATORY FRAMEWORK

In terms of Section 73 (1) of Local Government: Municipal Structures Act, Act No. 117 of 1998, if a metro or local council decides to have ward committees, it must establish a ward committee for each ward in the municipality.

3. WHAT THE STRATEGY AND GUIDELINES SEEK TO ADDRESS

The Strategy and Guidelines for Ward Committees within the O.R. Tambo District seeks to ensure uniformity in the manner in which ward committees within the 7 local municipalities conduct their business or operate.

4. AIMS AND OBJECTIVES OF THE STRATEGY AND GUIDELINES

The aims and objectives of the Strategy and Guidelines for ward committees within the O.R. Tambo District are to:

- a) provide a framework and guiding principles on how ward committees should operate;
- b) enhance participatory democracy in local government through the establishment of ward committees;
- c) encourage uniformity in the manner in which ward committees within the District operate;
- d) ensure functionality of ward committees as a link between municipal councils and communities;
- e) promote coordinated participation of members of the public in the municipal affairs through ward committee structures;

5.11 PUBLIC PARTICIPATION POLICY

Public participation is a constitutional mandate that has to be complied with by all the three tiers of governance. **Section 152(1)(e) of the Constitution of the Republic of South Africa Act 108 of 1996** provides for the involvement of communities and community Organizations in Local Government. The O.R. Tambo District Municipality public participation policy is currently being developed and is in the advanced stages towards approval through council committees to final adoption by council.

The objects of both structural and institutionalized public participation are:

- To ensure proper co-ordination, management, inclusive and meaningful participation of local communities in the affairs of the O.R. Tambo District Municipality. A structured public participation process makes provisions for the participation of all relevant stakeholders’.
- Provides an opportunity for the development of an integrated and cohesive service delivery strategy.
- Provides for an establishment of a public participation steering committee, with representation from all the Local Municipalities and stakeholders with specific terms of reference as defined and determined by the council.
- Provides the council with an opportunity to demand for integration of public participation by all administrative components of the District Councils. Thus, ensuring that individual departments integrate public participation in their plans and developmental initiatives.

PART 6 PROJECTS

6.1 O.R. Tambo DM Projects

Water and Sanitation projects

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
To improve provision of water services in order to reduce backlogs by 2014	Provision of bulk services and reticulation connection	Coffee Bay Regional Water	Municipal Infrastructure Grant	KSD	Bulk Connector Services	R24 320	Bulk Connector at Mhlahlane	R30 000	Bulk Connector at Mthatha Regional Water	R50 000	Technical Services & District Engineer
		<ul style="list-style-type: none"> Extension of Rosedale to Lebode Phase 2 of Extension to Thekwini Dumasi Water Supply 		NYANDENI	Bulk Connector and connection to 3000 households	R100 000	Bulk Connector and reticulation to 5000 households	R100 000	Bulk Connector and reticulation to 10000 households	R80 000	Technical Services & District Engineer
		<ul style="list-style-type: none"> Extension of Mvumelwano Water Supply Construction of Culunca Dam 		MHLONTLO	Extension of existing infrastructure to connect 1 500 households	R37 516	Dam Construction and Bulk Connector	R 50 000	Culunca Dam and extension to 4000 households	R40 000	Technical Services & District Engineer
		<ul style="list-style-type: none"> Extension of Flagstaff Regional WS Ingquza Hill Regional WS 		INGQUZA	Connection to 5000 households and Bulk Connector for Ingquza Hill Master Plan	R55 000	Bulk Connector	R40 000	Bulk Connector, Construction of Dam & Treatment Works	R100 000	Technical Services & District Engineer
		<ul style="list-style-type: none"> PSJ Regional Water Supply 		PSJ	Construction of PSJ off-channel dam meant to supply PSJ W10 & W12	R40 000	Extension of PSJ Regional to connect 3000 households	R20 000	Extension of PSJ Regional to connect 3000 households	R26 000	Technical Services & District Engineer
To improve water provisioning and reduce water interruptions	Restore water outages within 48 hours and or provide alternative water	360 schemes (inclusive of standalone schemes)		District Wide	Engagement of 2 Water-Boards to assist in water provisioning as operators	R65 000					Technical Services & District Engineer

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
	supply during outages.										
To ensure adequate sanitation provisioning	No of households with basic sanitation	<ul style="list-style-type: none"> Upgrading of Mqanduli & Mthatha Town sewer KSD Ward 10, 17, 22, 25 & 23 Sanitation 	Municipal Infrastructure Grant Department of Human Settlement	KSD	Upgrading of town sewers and connection of 9000 households with VIP toilets	R135 662 MIG R4 500 DHS	Extension of sewer borne infrastructure and connection to 8 500 households with VIP Sanitation	R164 523 MIG R16 000 DHS	Phase 2 Upgrading of Mthatha Sewer, Mqanduli & Connection of 6 500 households with VIP Sanitation	R155 000	Technical Services & District Engineer
		<ul style="list-style-type: none"> Nyandeni Ward 3, 9, 10, 24 & 26 Sanitation 		NYANDENI	Connection of 4000households with VIP Sanitation	R26 914 MIG R4 500 DHS	Upgrade of Town Sewer & Connection to 5 400 households with VIP Sanitation	R54 316 MIG R16 000 DHS	Upgrading of sewer system & connection to 3200 households with VIP Sanitation	R82 808	Technical Services & District Engineer
		<ul style="list-style-type: none"> Upgrade of Tsolo Town sewer and Extension to Tsolo Junction Mhlontlo Ward 14 & extension to Ward 10, 15,18,19,3,4,20 &7Sanitation 		MHLONTLO	Upgrading of town sewer and connection of 5700 households with VIP Sanitation	R64 500 MIG R7 500 DHS	Completion of Tsolo Sewer Upgrade and connection to 6 000 households with VIP Sanitation	R64 442 MIG 16 000 DHS	Upgrade of Qunbu Town sewer and connection to 4400 households with VIP Sanitation	R80 647	Technical Services & District Engineer
		<ul style="list-style-type: none"> Upgrade of Flagstaff & Lusikisiki Town sewer Ingquza Ward 7, 8 & 26 sanitation 		INGQUZA HILL	Upgrading of town sewer system and connection of 4 900 households with VIP Sanitation	R59 078 MIG R4 500 DHS	Completion of Flagstaff sewer & extension of Lusikisiki sewer. Connection to 6 600 households with VIP Sanitation	R98 709 MIG R16 000 DHS	Completion of Lusikisiki Waterborne system and connection to 2300 households with VIP Sanitation	R46 338	Technical Services & District Engineer
		<ul style="list-style-type: none"> Ward 8 & 9 Sanitation 		PSJ	Connection of 3 600 households with VIP Sanitation	R27 678 MIG	Upgrading of PSJ Sewer System and connection of	R32 290 MIG	Completion of Sewer Upgrade and connection to all	R60 816	Technical Services & District

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
							3 200 household with VIP Sanitation		outstanding ward with 2600 VIP Sanitation		Engineer
To improve the water quality	Amount of water chemicals purchased	Supply and delivery of chemicals		District wide	30 water schemes supplied with chemicals	R20 000	31 water schemes supplied with chemicals	R22 000	33 water schemes supplied with chemicals	R25 000	Water Services
	Bulk Water purchase	Raw water Purchase from DWA			34 200ML	R45 000	35 000ML	R50 000	36 000ML	55 000	Water Services
	Provision of power Supply for the schemes	Electricity Purchase		District wide	All schemes that are using power	R25 000	All schemes that are using power	R27000	All schemes that are using power	R30 000	Water Services
To improve provision of water services to reduce backlogs by 2014	Counter funding of capital projects	Water and Sanitation		District	9 projects	R15 000	9 projects	R20 000	9 projects	R25 000	Technical Services & District Engineer
To develop municipal infrastructure for service excellence	Construction of council offices	Construction of parking area (municipal vehicle)		ORTDM	Parking area completed	R5 500	Extension of council offices to accommodate council chambers	R 20 000	Completion of council chambers	R30 000	Technical Services & District Engineer
	Maintenance of existing offices	Maintenance of existing offices		ORTDM	All offices	R10 000	Maintenance of council offices	R12 000	Maintenance of council offices	R15 000	Technical Services & District Engineer
To restore human dignity through the provision of public convenience	No of public toilets constructed	Construction of public toilets in Mqanduli		KSD	1 block of toilet	Included under sewer and sewer treatment works	None	None	None	None	Technical Services & District Engineer
		Construction of public toilets in Towns		Ingquza Hill	1 block of toilet in Flagstaff	Included under sewer and sewer treatment works	1 block of toilet in Lusikisiki	Included under sewer and sewer treatment	None	None	Technical Services & District Engineer

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
								works			
		Construction of public toilets in Town		Mhlonlo	1 block of toilet in Tsolo Town	Included under sewer and sewer treatment works	1 block of toilet in Tsolo Junction	Included under sewer and sewer treatment works	1 block of toilet in Qumbu Town	Included under sewer and sewer treatment works	Technical Services & District Engineer
Health and environmental safety	Compliance with regulatory requirements	Water quality monitoring		ORTDM	97% blue Drop status on water 97% Green Drop status on sanitation	R2 500	97% blue Drop status on water 97% Green Drop status on sanitation	R3 000	97% blue Drop status on water 97% Green Drop status on sanitation	R3 500	
	Refurbishment of existing waste water schemes in towns	6 towns		District wide	6 ponds	R3 000	5 ponds	R2 500	4 ponds	R2 000	Technical services/District Engineer
Revenue enhancement		Revenue collection		ORTDM	80% revenue collections	R3 000	90% revenue collections	R3 500	100% revenue collections	R4 000	Water Services
Revenue enhancement		Installation and repairing of meters Billing process Issuing of statements		ORTDM	Billing 100% households 95% meter reading Delivering statement every month to all households	R2 000	Billing 100% households 97% meter reading Delivering statement every month to all households	R3 000	Billing 100% households 99% meter reading Delivering statement every month to all households	R4 000	Water Services
Water conservation and demand management		Water balance Water Audit Bulk meter installation Bulk meter reading Leak detection and repair		ORTDM	Keeping records of all meter readings for all lm's every month Calculation of water losses monthly Reduce leaks by 75%	R4 000	Keeping records of all meter readings for all lm's every month Calculation of water losses	R4 500	Keeping records of all meter readings for all lm's every month Calculation of water losses	R5 000	Water Services

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
		program Retrofitting Awareness Calculation of water losses			Repairing 450 leaking taps for indigent households		monthly Reduce leaks by 75% Repairing 450 leaking taps for indigent households		monthly Reduce leaks by 75% Repairing 450 leaking taps for indigent households		
Provision of free basic services		Water carting Clearing of VIPs Allocation of free 6kl of water		ORTDM	Delivering 24 000 kilolitres Clearing 1500 VIPs	R10 000	Delivering 24 000 kilolitres Clearing 1500 VIPs	R11 000	Delivering 24 000 kilolitres Clearing 1500 VIPs	R12 000	Water Services
WSA Compliancy		WSA Bylaw enforcement		ORTDM	Disconnecting 1500 households Implementation of the credit control to 1500 H/H	R1 500	Disconnecting 1500 households Implementation of the credit control to 1500 H/H	R2 000	Disconnecting 1500 households Implementation of the credit control to 1500 H/H	R2 500	Water Services
Performance management		Communication and customer relation. Awareness campaigns Call center management		ORTDM	Conducting 5 road shows creating awareness about water services	R3 000	Conducting 5 road shows creating awareness about water services	R3 500	Conducting 5 road shows creating awareness about water services	R4 000	Water Services
WSA Planning		Master Planning WSDP Planning for New developments Updating database and GIS mapping		ORTDM	Approved WSDP Completed master plans	R5 000	Review WSDP Review master plans	R1 800	Review WSDP Review master plans	R2 000	Water Services
Policy development and		Development of new policies		ORTDM	Approved policies	1 500	Approved policies	1 600	Approved policies	1 700	Water Services

KPA : Basic Service Delivery and Infrastructure – Technical Services											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget (R000)	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
bylaws		Reviewal of existing policies									

LOCAL ECONOMIC DEVELOPMENT

KPA : Local Economic Development											
Responsible Unit: Planning and Development											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
Improve communication for service delivery improvement	Social facilitation of all infrastructure and other service delivery projects	SOCIAL FACILITATION		ORTDM	120 awarded infrastructure and other service delivery projects facilitated	0	150 awarded infrastructure and other service delivery projects facilitated	0	170 awarded infrastructure and other service delivery projects facilitated	0	ISD
To ensure effective IGR environment and proper functioning of IGR structures	Number of functional planning and Development related sector forums	Environmental Management Plan		DM	4 Planning & Environmental management forums	R12,052.00	4 Planning & Environmental management forums	R43,200.00	4 Environmental management forums	R46,656.00	ENV
		TOURISMORGANISATION RTO's AND LTO's	7010-16509700	ORTDM	4 Tourism Sector Forum Meetings	R33,560.00	4 Tourism Sector Forum Meetings	R259,300.00	4 Tourism Sector Forum Meetings	R279,936.00	TOURISM
		Support to LED		ORTDM	8 Subsector forums 4 LED Forums 4 DST Meeting	R54,647.00	8 Subsector forums 4 LED Forums 4 DST Meeting	R86,400.00	8 Subsector forums 4 LED Forums 4 DST Meeting	R93,312.00	LED
		District planning strategy	450516502600	DM	4 Transport Planning forums		4 Transport Planning forums	0	4 Transport Planning forums	0	TRANSPORT
To create a conducive policy environment for improved systems	No. of sector plans, policies and by-laws developed/ reviewed	O. R. Tambo DM Spatial Development Framework	Spatial Planning	District-Wide	1 Spatial Development Framework review	0	Approved SDF by Council	0	Approved SDF by Council	0	LAND
	% development of Co-operatives Development Strategy	Sector Development		ORTDM	Council Approved Co-operatives Development Strategy and facilitate Development of LM plans in 5 LMs	R200,000.00	100% Implementation of the Co-operatives Development Strategy	R86,000.00	100% Implementation of the Co-operatives Development Strategy	R93,312.00	LED
	% development of Agricultural Development Strategy		150541004100	ORTDM	100% development of Agricultural Development Strategy		100% Implementation of the Agricultural Development Strategy		100% Implementation of the Agricultural Development Strategy		LED

KPA : Local Economic Development

Responsible Unit: Planning and Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
	% Review of LED Strategy	LED Strategy		ORTDM	100% Review of LED Strategy.	R350,000.00	Facilitate alignment of LED Plans in all LMs.	R86,400.00	Facilitate 100% Review of LED plans in all LMs.	R93,312.00	LED
	%Review of IWMP & EMP	IWMP	(450516510800)	ORTDM	Two sector plans to be reviewed (IWMP & EMP)	R133,783.00	Council Approved IWMP & EMP.	R216,000.00	Implementation of the EMP & IWMP	R233,280.00	ENV
	% Review of District Tourism Planning Framework.	DISTRICTTOURISM PLANNING FRAMEWORK	7010-16529600	ORTDM	Council Approved District Tourism Planning Framework	0	Facilitate review and/or development of tourism plans in all LMs	R172,800.00	Reviewed Tourism Plans in all LMs	R186,624.00	TOURISM
	% Review of District Tourism Marketing Strategy.	District Tourism Marketing		ORTDM	Council approved District Tourism Marketing Strategy.	R250 000.00	No target set	0	No target Set	0	TOURISM
To build capacity and enhance skills for councilors and officials	No. of training opportunities created	Environmental awareness		DM & LM	1 Training opportunities created on Environmental Awareness	R49,327.00	capacity building in DM	R108,000.00	Capacity building in the DM	R116,640.00	ENV
		Env Risk Assessment		ORTDM	1Awareness workshop on environmental risks	R66,200.00	1Awareness campaign on environmental risks	R108,000.00	1Awareness campaign on environmental risks	R116,640.00	ENV
		Arts & Craft Development	70102000100	ORTDM	Provision of operational equipment to trained Crafters 2 tourism co-operatives trained on product Development, Marketing & Tourism Safety	R500,000.00	No Target Set	0	No Target Set	0	TOURISM

KPA : Local Economic Development

Responsible Unit: Planning and Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
		Public Transport Assistance Program		District Municipality	50 Bus and Taxi operators trained on operational aspects of public transport.	R100 000.00	50 Bus and Taxi operators trained	0	50 bus and taxi operators trained	0	TRANSPORT
Improve management and enforcement of contracts, SLA, MOU & MOA and partnerships for community/ institutional development	Number of new partnerships for community/ institutional development established.	LOCAL ECONOMIC DEVELOPMENT PROGRAM	None	ORTDM	2 new partnerships for community/ institutional development established.	0	2 new partnerships for community/ institutional development established.	0	2 new partnerships for community/ institutional development established.	0	LED
	Number of programmes implemented in recognition of Mandela day	Sector Development	150541002700	KSD	2 Programmes implemented at Qunu Integrated Energy Centre and Ngweni Poultry Project	R135 000	1 programme implemented in recognition of Mandela day	0	1 programme implemented in recognition of Mandela day	0	LED
To strengthen the mainstreaming of special programmes	Number of programmes implemented in recognition of O.R Tambo Month	Environmental Awareness		ORTDM	Greenest Town Competition Awards Ceremony	0	Greenest Town Competition Awards Ceremony	0	Greenest Town Competition Awards Ceremony	0	ENV
To develop functional models and strategies for economic growth	No. of feasibility studies for Investment Conference projects and other anchor Projects conducted	SMME Development Programme	150541004100	ORTDM	2 feasibility studies for Investment Conference projects and other anchor Projects conducted	0	2 feasibility studies for Investment Conference projects and other anchor Projects conducted	0	2 feasibility studies for Investment Conference projects and other anchor Projects conducted	0	LED
To diversify and expand the economic base	No. of tourism marketing initiatives conducted	TOURISM MARKETING	7010-165-149-00	ORTDM	2 tourism marketing initiatives conducted	R250 000.00	3 tourism marketing initiatives	R378,000.00	4 Tourism marketing initiatives	R408,240.00	TOURISM
	No. of tourism awareness initiatives conducted	TOURISM EDUCATION AND AWARENESS.	701016590500	ORTDM	3 Tourism Awareness initiatives conducted.	R1,000 000.00	3 Tourism Awareness initiatives conducted.	R540,000.00	3 Tourism Awareness initiatives conducted.	R583,000.00	TOURISM

KPA : Local Economic Development

Responsible Unit: Planning and Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
	% Completion of research on LED, Tourism intelligence and Arts & Craft	TOURISM RESERCH & DEVELOPMENT	7010-16507400	ORTDM	1 Tourism initiative on tourist attraction infrastructure 100% Development of Tourism Intelligence, Arts & Craft & Marketing Database for the Region	R800 000.00	1 Tourism initiative on tourist attraction infrastructure	R162,000.00	1 Tourism initiative on tourist attraction infrastructure	R174,960.00	TOURISM
To enhance co-operative development	No. of District Co-operatives Centre piloted	Co-operatives Support		ORTDM	1 District Co-operatives Centre piloted	R450,000.00	Support, Monitoring & Evaluation of 2 Co-operatives.	R648,280.00	Support, Monitoring & Evaluation of 3 Co-operatives	R699,840.00	LED
	% Monitoring and Evaluation of the Kwam Rural Women's Co-operatives Project	Kwam Rural Women's Co-operatives	150516527600	Mhlontlo LM	Monthly visits on Monitoring and Evaluation of the Kwam Rural Women's Co-operatives Project	R283,000.00	Monthly visits on Monitoring and Evaluation of the Kwam Rural Women's Co-operatives Project	None	Monthly visits on Monitoring and Evaluation of the Kwam Rural Women's Co-operatives Project	None	LED
	Amount of honey produced at Hluleka Beekeeping Co-operative facility	Hluleka Beekeeping Co-operative facility	150516528800	Ngquza LM	15 000 litres of honey produced at Hluleka Beekeeping Co-operative facility	0	15 000 litres of honey produced at Hluleka Beekeeping Co-operative facility	None	15 000 litres of honey produced at Hluleka Beekeeping Co-operative facility	None	LED
	% completion of wild coast fishing cooperative project	Wild Coast Fishing Co-operatives	150516527700	Nyandeni LM	100% completion of construction of the wild coast fishing cooperative fish farm	R178,300.00	No target set	None	No Target set	None	LED
	% construction of honey processing facility at Hluleka Beekeeping Co-operative	No target set	N/A	N/A	100% construction of honey processing facility at Hluleka Beekeeping Co-operative	None	No target set	None	No target set	None	LED
To promote forestry development	No. of forestry anchor implemented within	SMME Development Programme	150541004100	ORTDM	1 forestry anchor implemented within the timber cluster (1 Langeni Forest Co-op	0	100% Monitoring and Evaluation Forestry Co-operatives	None	100% Monitoring and Evaluation of Forestry Co-operatives	None	LED

KPA : Local Economic Development

Responsible Unit: Planning and Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
	the timber cluster				established)						
To promote preservation and efficient use of energy sources	% completion of a feasibility study for Information and Energy Centre	Fort Donald Information & Energy Centre.			100% completion of a feasibility study for Information and Energy Centre	R479,000.00	No target set	None	No target set	None	LED
To promote the development of one LSDFs	No. of LSDF developed / Reviewed	Sector Development		KSD and Langeni LSDF	2 LSDF's developed and 1 District SDF Reviewed	R400 000	Facilitate the Implementation of 1 project from the LSDF	R350 000	Facilitate the Implementation of 1 project from the LSDF	R500 000	LAND
Rural Development Programme	No. of awareness campaigns and workshops on Rural Development	PHASE 1 AWARENESS CAMPAIGNS	251016513800	District Wide	2 Awareness Campaigns on government services on rural development	R100 000,00	2 Awareness Campaigns on government services on rural development	R540 000,00	25 Awareness Campaigns on government services	R583 000,00	SD:PSEA
To provide coherent coordination of District Integrated Transport Plan (DITP)	% development of a DITP	District Transport Plan		District Wide	100% Review of the DITP	0	100% Review of the DITP	0	100% Review of the DITP	0	TRANSPORT
To strengthen Economic Research Capacity building and public participation	% of ward development information captured on WBPIS	WBPIS		ALL LMs	100% ward development information captured on WBPIS, Data cleansing and up-dated indigent register	R2,000,000.00	Ongoing update of WBPIS	1,170,789.00	Ongoing update of WBPIS	1,264,450.00	Planning
To implement public transport assistance programme	No. of Taxi Cooperatives registered	Public Transport Assistance Program		TBC	1 of Taxi Cooperative registered	0	Monitoring of established public transport co-operatives	0	Monitoring of established public transport co-operatives	0	Transport
	No. of taxi, bus and scholar transport operators trained	Public Transport Assistance Program		District Wide	50 taxi, bus and scholar transport operators trained	0	None	0	None	0	Transport
To implement priority projects as per Integrated Transport Plan (ITP)	% implementation of development of public transport facilities	Public Transport Assistance Program		TBC	2 Business Plans Developed for development of public transport facilities.	R265,719.00	2 Business Plans Developed for development of public transport facilities.	R291,600.00	2 Business Plans Developed for development of public transport facilities.	R314,928.00	Transport
To provide coherent coordination of Environmental Management Plan	No. of LMs supported to implement EMP and IWMP	Support to the LM and Development project.	450516510800	LMs	5 LM's to be supported to implement IWMP & EMP and to develop their own IWMP's.	R500 000	Implemented sector plans, supported LMs.	R1M	Implemented sector plans, supported LMs.	R1M	ENV

KPA : Local Economic Development

Responsible Unit: Planning and Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
(EMP) and Integrated Waste Management Plan (IWMP)	No. of Buyback and recycling centres established	Waste minimization.	new	DM & LMs	Facilitate the development of at least two buyback centres and facilitate the development of the feasibility and business plan for a regional landfill site	R500 000	Operating recycling facility & buyback centers and a number of jobs created.	R500 000	Operating recycling facility & buyback centers and a number of jobs created.	R500 000	ENV
To enhance alignment, Review and implementation of the ORTDM' SDF	No. of anchor projects identified in the ORTDM' SDF	O. R. Tambo DM SDF Review	Spatial Planning	District-wide	2 anchor projects identified in the ORTDM' SDF	0	O. R. Tambo DM SDF Review	0	O. R. Tambo DM SDF Review	0	Land Use, Survey and Planning

KPA :Local Economic Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
To improve genetic make-up of livestock	No of heifers distributed to communities.	Livestock Improvement Programme		ORTDM	100 heifers distributed	R900 000	120 heifers distributed	R1 080 000	140 heifers distributed	R1 260 000	Ntinga CEO
To prevent theft	No. of livestock branded	Livestock Identification		ORTDM	5000 cattle 10000 sheep 1000 goats	R90 000	7000 cattle 15000 sheep 2000 goats	R120 000	10000 cattle 25000 sheep	R200 000	Ntinga CEO
To develop and support vegetable production for small scale farmers.	No of hectors planted and tons produced per hectare	Crop Production		ORTDM	6000 ha maize @ 4 tons/ha 250 ha vegetables	R42 750 000	R6000 ha maize @ 4 tons/ha 250 ha vegetables	R47 025 000	6000 ha maize @ 4 tons/ha 250 ha vegetables	R51 727 500	Ntinga CEO
To provide appropriate plant and machinery	% hectorage planted with tractors and equipment	Mechanisation			10% hectorage planted with own tractors and equipment	R1 425 000	10% hectorage planted with own tractors and equipment	R1 567 500	10% hectorage planted with own tractors and equipment	R1 724 250	Ntinga CEO
To provide irrigation and storage facilities	% of hectorage under irrigation No. of silos installed	Production and distribution Infrastructure			75 ha under irrigation 4 silos installed	R700 000 R8 800 000	50 hectors under irrigation 4 silos installed	R467 500 R9 680 000	50 hectares under irrigation 2 silos installed	R514 250 R5 324 000	Ntinga CEO
To provide constant supply of milk and milk products	No. of litres produced	Ikwezi Dairy Farm		KSD	50 cows purchased Irrigation equipment revamped Installation of electric fence	R750 000 R400 000 R180 000	50 cows purchased	R825 000	0	R0	Ntinga CEO
To commercialize agriculture in the region	No. of hectares of cassava planted	High Value Crops		Ngquza Hill	100 ha planted	R400 000	N/ A	0	N/A	0	Ntinga CEO
To support emerging farmers through distribution of farm produce	Value of tons sold	Kei Fresh Produce Market		KSD	R34 million turnover	R6,5m	R38 million turnover	R6m	R45 million turnover	R5,5m	Ntinga CEO

KPA :Local Economic Development

Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
To support livestock improvement programme and provide slaughter facility	Value of units slaughtered	Umzikantu Red Meat Abattoir		KSD	R2,5m	R2m	R3,5m	R3m	R4m	R3,5m	Ntinga CEO
To develop skills	No of people trained	Emfundisweni SDRC		Ntabankulu	500 people trained	R19m	800 people trained	R21m	1000 people	R8m	Ntinga CEO
To provide jobs and business opportunities for rural communities	No of projects established and jobs created	Sustainable Villages Programme		ORTDM	2 project sites developed and 200 jobs created	R10m	2 project sites developed and 210 jobs created	R11m	2 project sites developed and 240 jobs created	R12m	Ntinga CEO
		Cooperatives Development		ORTDM	30 active cooperatives and 150 jobs created	R5m	50 active cooperatives and 200 jobs created	R8m	60 active cooperatives and 250 created	R12m	Ntinga CEO
		SMME Support		ORTDM	10 SMME's supported and 30 jobs facilitated	R1,2m	10 SMME's supported and 30 jobs facilitated	R1,5m	10 SMME's supported and 30 jobs facilitated	R2m	Ntinga CEO
	No of business units operational	Fort Donald		Mbizana	Convenience store and information centre operational	R2m	Fuel station operational	R3,5m	15 sustainable jobs	R500 000	Ntinga CEO
To promote commercialization of agricultural production and revenue generation	Amount of revenue generated and no of farmers mentored	Adam Kok Farms		Swartberg	R5million generated and 20 farmers mentored	R5m	R6million generated and 20 farmers mentored	R5,5m	R7million generated and 20 farmers mentored	R6m	Ntinga CEO

OFFICE OF THE EXECUTIVE MAYOR

KPA :Community and social transformation											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
Improve communication for service delivery improvement	No. of roadshows and imbizos conducted	Roadshows & imbizos		All LMs	Five imbizos						
To ensure effective IGR environment and proper functioning of IGR structures	No. of District AIDS Council meeting	District AIDS Council	052016504400	ORTDM	Four District AIDS Council meeting	R1,836,000					HIV/AIDS unit
	No. of ward AIDS forums established	Ward AIDS forum	0520165044 00	All LMs	All wards have functioning ward AIDS forums						HIV/AIDS unit
	Number of LAC supported in their quarterly meetings	Local AIDS Council	052016504500	All LMS	All LMs have functioning Local AIDS Council						HIV/AIDS unit
	No. of DIMAYFO meetings coordinated	District Mayor's forum		ORTDM	Two DIMAYFO meetings						Mayoral office
	No. of sectors supported	Sector engagement		All LMs	Four sectors to be supported						Mayoral office
To build capacity of communities and professional nurses	Number of trained nurses and communities on HIV/AIDS7 STIs programs	Professional nurses Training & communities	052016511200	All LMs	296 professional nurses to be trained Key stakeholders to be trained	Varies-Grant funding					ATICC unit
	No. of workshop conducted for Traditional Health Practitioners and other stakeholders	Workshop		All LMs	One workshop for each stakeholder						SPU & HIV/AIDS
To build capacity of young people	No. of learnerships created in the Mayor's Office	Learnership program		ORTDM	4 Learnership created						
	Number of tertiary students benefited in students bursary scheme	Students finance program	052016503300	All LMs	140 students to be financed	R1100 000					SPU
Create job opportunities and reduce unemployment	Number of jobs created through EPWP and other job	Cleaning and greening project	052016506800	All towns	Nine towns to be cleaned and greened	2,052,000					SPU

KPA :Community and social transformation											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
	creation programmes										
	No. of Nurses school supported	Nurses school project	052016506800	Mhlontlo, Ingquza Hill & Nyandeni	Four nurses schools supported						
To improve access to business opportunities for designated groups and cooperatives	No. of small businesses initiated and cooperatives established and supported for designated groups	Companies for designated groups and cooperatives	052016508700	Nyandeni and Port St Johns	One small business and cooperative to be established per LM	R500 000					SPU
To strengthen the mainstreaming of special programmes	Number of programmes implemented in recognition of O.R Tambo Month	OR Tambo month	052016506500	All LMs	Commemoration of OR Tambo month	R2,160,000					O.E.M department
	Number of programs implemented in recognition of Mandela day	Mandela day	052016525000	KSD	Mandela day	NIL					O.E.M department
	Number of food gardens planted	One household one food garden	052016506800	All LMs	25 food gardens to be planted in each LM						
	Number of support groups established and supported	Support groups	052016504500	All LMs	Twelve support groups established and 162 supported						HIV/AIDS unit
	Number of HIV Counseling & testing sites and High transmission area sites supported .	HIV Counseling & testing sites High transmission area sites		All LMs	25 HIV Counseling & testing sites and five High transmission area sites supported						HIV/AIDS unit
	No. of HIV/AIDS awareness campaign conducted	Awareness campaign		All LMs	Twelve awareness campaign conducted						
	No. of identified schools benefiting from the winter and summer school program	Winter & summer schools program		Nyandeni & Port St Johns	Two bad performing schools supported						
	No. of programs implemented in support to mainstreaming of special programs	Mainstreaming of SPU programs		ORTDM	10 programs implemented to mainstream SPU programs						
Ensure the protection of vulnerable groups	Number community care centre supported	Community care centres	052016508300	Ingquza Hill	Palmerton Child care centre supported						

KPA :Community and social transformation											
Project Objective	Key Performance Indicator (project)	Project Name	Project Vote Number	Project Location	2011/2012		2012/2013		2013/2014		Responsibility
					Annual Target	Allocated Budget	Annual Target	Allocated Budget	Annual Target	Allocated Budget	
				KSD	Temba community care centre and Faith & hope supported						
				Nyandeni	Malungeni centre for children with disabilities supported						

EXPANDED PUBLIC WORKS PROGRAMME

					2011/2012		2012/2013		2013/2014		
Project objective	KPI (project)	Project name	Project vote number	Project allocation	Annual Target	Allocated budget	Annual Target	Allocated budget	Annual Target	Allocated budget	Responsibility
Job creation through Labour Intensive Methods	Capaigns on EPWP policy	Policy Formulation			5 LMs	R50 000.00	Review EPWP Policy		Review EPWP Policy		
	Monitoring and Evaluation	EPWP monthly, quarterly meetings			8 meetings 4 Regional Steering Coommittee quarterly meetings 4 Provincial Steering Coommittee quarterly meetings	R50 000.00	8 meetings 4 Regional Steering Coommittee quarterly meetings 4 Provincial Steering Coommittee quarterly meetings	R50 000.00	8 meetings 4 Regional Steering Coommittee quarterly meetings 4 Provincial Steering Coommittee quarterly meetings	R50 000.00	

ICT

No	Programme	Objectives	Projects Planned 2011/2012	Budget
1	Records, Archives and Auxiliary Services	<ol style="list-style-type: none"> 1. Development of document management system (DMS) 2. Provision of an efficient, effective and economic telephone infrastructure for the ORTDM to supporting the administration and political office bearers 	<ol style="list-style-type: none"> 1. Introduction and implementation of an organized Records Management system 2. Provisioning and training to staff iro of the Records Management Policies and Procedures (File Plan) 3. Installation of a new PABX for telephones 	R4m
2	Security Securities	<ol style="list-style-type: none"> 1. Management of security and control of council assets in the ORTDM 2. Internal investigations 	<ol style="list-style-type: none"> 1. Installation of CCTV cameras in municipal buildings to improve security controls 2. Reduction and resolving of reported criminal cases 	R6.5m
3	Geographic Information System (GIS)	<ol style="list-style-type: none"> 1. GIS development and utilization 2. GIS audit and land management use 	<ol style="list-style-type: none"> 1. Update of settlement polygons on GIS as per latest aerial photography to supporting LMs 2. installation of integrated spatial information management system 3. update of street address to ownership and cadastral information in all LMs 4. Data brokering and migration to spatial data engine and web publisher 	R1.1m
4.	Cleaning services	<ol style="list-style-type: none"> 1. To ensure appropriate facilities for cleaning and housekeeping 2. Compliance with the Occupational Health and Safety Standards Act 	<ol style="list-style-type: none"> 1. The maintenance and cleaning of the buildings in the form of landscaping 	R900,000
5.	Information Technology	<ol style="list-style-type: none"> 1. Development of ICT policies and plans to support business processes to include intranet and website 2. Development of Disaster Recovery 	<ol style="list-style-type: none"> 1. Convene O.R. Tambo District ICT Summit to involving LMs 2. Develop ICT strategy framework 3. DRP/BC Plans 	R14,761,215.00

		and Business Continuity strategies (ICT strategy framework) to supporting LMs	4. Building of ICT community centres in LMs to bridging digital divide 5. Smarten up current website to comply with minimum standards as per National Treasury regulations	
6	Master Systems Plan	1. To Improve our IT System to enable the DM to take a proactive approach as opposed to the reactive approach we had been taking. 2. To outline IT Systems and IT Infrastructure development that is aligned to IDP objectives	6.	R500 000.00

1. GOVERNMENT SECTOR DEPARTMENTS PROJECTS

DEPARTMENT OF AGRICULTURE

At this stage, the government sector departments have not yet finalised their planned projects for 2011/12. Below are some of the draft projects that departments have submitted to the district municipality. The final approved projects need to be made available to the District Municipality as soon as possible.

MUNICIPALITY	SUB-DISTRICT	PROJECT NAME	ENTERPRICE	EXTENT	WARD	Budget allocated 2011/12
KSD	Mthatha	Madondile	Fencework (Labour & Concrete)	21km	19	789,371
KSD	Mqanduli	Khalalo	Large stock dip tank(repairs)	1	21	44,000
KSD	Mqanduli	Khalalo	Small stock dip tank	1	21	275,000
KSD	Mqanduli	Khalalo	Stock water dam	1	21	275,000
KSD	Mqanduli	Khalalo	Shearing shed construction	1	21	495,000
King Sabata Dalindyebo	Mqanduli	Mzwakazi Maize Project	Retention Arable land Fence work	20700m		45,191
King Sabata Dalindyebo	Mthatha	Tabase-Gangxo-Tyhalarha-Zimbane-Cacadu-Gengqe Projects	Retention Arable land Fence work	34659m		73,870
Ngquza Hill	Lusikisiki	Mqwengana	Fenceworks (Labour + concrete)	10km	19	148,906
Ngquza Hill	Lusikisiki	Goso Forest	New Dip Tank Construction	1	22	450,000
Ngquza Hill	Lusikisiki	Mcamba dip tank	New Dip Tank Construction	1	2	450,000
Ngquza Hill	Flagstaff	Ndukudeni Dip Tank	New Dip Tank Construction	1	18	450,000
Mhlontlo	Qumbu	Bambanani	Shearing shed construction	1	18	495,000
Mhlontlo	Qumbu	Bambanani	Small stock Dip tank construction	1	18	350,000
Mhlontlo	Qumbu	Ncumbe	Shearing shed construction	1	11	595,000
Mhlontlo	Qumbu	Zone 6	Shearing shed construction	1	16	595,000
Mhlontlo	Tsolo	Cingo Tshisane Blk 2 ASGISA Projects	Retention Arable land Fence work	9840m		34,802
Port St Johns	Port St Johns	Zimisele	Goat Stock dam & handling facilities	1	7	495,000

Port St Johns	Port St Johns	Masakhane	Boundary fence	1,265m	11	90,447
Port St Johns	Port St Johns	Masakhane	Construction of Poultry house	1	11	481,822
Port St JohnsPort St. Johns	Port St Johns	Lutshaya Inter Develop	Irrigation project fence	1438m	15	102,817
Port St Johns	Port St Johns	Mantusini Dairy Camp Fenceworks	Retention Arable land Fence work	1423.3		108,395
Port St Johns	Port St Johns	Mantusini Dairy Equipment Installation	Continuing Integrated Project	1		601,373
Nyandeni	Libode	Tyara Valley	Fenceworks (Labour + concrete)	5538m	3	134,185
Nyandeni	Libode	Mamfengwini	Shearing Shed	1	8	495,000
Nyandeni	Ngqeleni	New B.V	Poultry Structure	1500-capacity	12	457,436
Nyandeni	Ngqeleni	Lujizweni	Poultry Structure	1500-capacity	22	457,436
Nyandeni	Ngqeleni	Ngxokweni	Poultry Structure	1500-capacity	17	457,436
Nyandeni	Libode	Mhlanga-Nyandeni-Coza ASGISA Projects	Retention Arable land Fence work	5011.5m		286,764

DEPARTMENT OF ROADS AND TRANSPORT

Project Name	Municipality	Project description	Type of Infrastructure	Project duration		Total Project Cost	Expenditure to date from previous years	MTEF 2011/12	MTEF 2012/13	MTEF 2013/14
			(No of km)	Date: Start	Date: Finish			Project Costs R'000	Project Costs R'000	Project Costs R'000
			Total							
Ugie Langeni (Ph 3)	KSD	Tarred roads / Surfaced roads	17	Nov-10	Jun-12	212,186	135,089	72,097	5,000	0
			17			212186	135089	72,097	5,000	0
T125 Phase 1 N2 to Siphetu Hospital	Ntabankulu	Tarred roads / Surfaced roads	37.5	Apr-11	Feb-14	355,000	14,000	80,000	80,000	181,000
Sulenkama Hospital Road	Mhlontlo	Tarred roads / Surfaced roads	25	aug-06	Jun-10	272,030	271,180	850	0	0
Wild Coast Meander Coffee Bay to Zithulele(Ph 2)	KSD	Tarred roads / Surfaced roads	18	Apr-10	Feb-14	70,000		0	30,000	40,000
Wild Coast Meander Coffee Bay to Zithulele(Ph 3)	KSD	Tarred roads / Surfaced roads	30	Apr-10	Mar-14	30,000			20,000	10,000
Wild Coast Meander: Madwaleni Hospital Road (Ph 2)	KSD	Tarred roads / Surfaced roads	18	Apr-10	Mar-14	69,400	400	34,000	30,000	5,000
Greenville Hospital Road (Ph 2)	KSD	Tarred roads / Surfaced roads	13	May-12	Mar-14	28,400	400	0	25,000	3,000
Mthatha Dam	KSD	Tarred roads / Surfaced roads	7	Apr-11	Mar-12	25,500		25,500	0	
Wild Coast Meander: Tombo to Mpamba/ Isimela Hospital	Port St Johns	Tarred roads / Surfaced roads	30	Oct-09	Mar-14	161,600	11,600	55,000	55,000	40,000
R61: Bizana to Port Edward (Magusheni-Mzamba)	Mbizana	Tarred roads / Surfaced roads	80	Apr-10	Mar-15	145,276	7,480	0	50,000	87,796
			259			1,157,206	305,060	195,350	290,000	366,796
DR 08288 & DR 08033 & DR 08289 Mvezo Great Place and Museum	KSD	Surfaced Road	26	Apr-11	Mar-14	20,000		0	10,000	10,000
Ngqeleni to Mthatha Mouth	KSD	Surfaced Road	30	Apr-11	Mar-14	#REF!		10,591	100,000	40,000
			56			#REF!	-	10,591	110,000	50,000
Wild Coast Meander Zithulele to Coffee Bay (Ph 1)	Port St Johns, Mbashe	Tarred roads / Surfaced roads	15	Apr-10	Mar-12	34,310	10,310	24,000		

			15			34,310	10,310	24,000	0	0
Coffee Bay to Mdumbi Turnoff Bridges	KSD	Bridges / Culverts		Jul-11	Mar-12	20,000		20,000		
Stabilization Retaining Wall 1 - Ncemu Plateau to Langeni Sawmill	KSD	Tarred roads / Surfaced roads		Aug-10	Jun-12	37,500		36,000	1,500	0
			0			57,500	0	56,000	1,500	0
			15			91,810	10,310	80,000	1,500	0

RMC Tar : R61 Port Edward to Port St Johns	various	Maintenance	239	Apr-11	Mar-12	33,252	19,682	4,180	4,510	4,880
Flagstaff-Lusikisiki	Ingquza Hill	Maintenance	18	Apr-11	Mar-12	39,925	0	35,925	4,000	
Flagstaff-Magusheni	Ingquza Hill	Maintenance	30	Apr-11	Mar-12	46,700	10,000	33,700	3,000	
Routine Roads Maintenance	Qaukeni	Maintenance	498	Apr-11	Mar-12	9,630		1,000	4,150	4,480
DR 08026 & DR 08149 to Magwa Tea Plantation	Ingquza Hill	Maintenance	24	Apr-11	Mar-14	36,500	16500		10,000	10,000
T191-Majola Tea Plantation		Maintenance	10	Apr-11	Mar-12	7,000		7,000		
Routine Roads Maintenance	Mhlontlo	Maintenance	526	Apr-11	Mar-12	66,760	53,940	3,000	4,720	5,100
Routine Roads Maintenance	Port St Johns	Maintenance	320	Apr-11	Mar-12	29,415	22,865	1,000	2,670	2,880
Routine Roads Maintenance	Nyandeni	Maintenance	502	Apr-11	Mar-12	37,259	26,549	1,000	4,670	5,040
			44			55,500	16,500	9,000	20,000	10,000

DEPARTMENT OF ENVIRONMENTAL AFFAIRS

PORT ST. JOHNS LOCAL MUNICIPALITY						
Project name	Approved Budget	Additional Funding	Municipal intervention	IMPLEMENTATION START DATE	PROPOSED END	IMPLEMENTER
AP1-SILAKA NATURE NATURE-Entrance Gate, Staff accommodation	R 5.851 Million	R 10 Million	Budget for the infrastructure to enhance the project establishment		31/03/2012	ECPB
EC- Wftc-MNGAZI to MANTEKU RIVERS	R 9.5 Million		Plan and Budget for the maintenance of infrastructure, such as ablution facilities and Braai Stands developed by the project		31/07/2011	PSJ Dev. Agency
EC- Wftc-MTHATHA MOUTH to MNGAZI	R 9.5 Million		Plan and Budget for the maintenance of infrastructure, such as ablution facilities and Braai Stands developed by the project		31/03/2011	XN Fund Environmental Management

MHLONTLO LOCAL MUNICIPALITY						
EC-Ntlangano Community Nature Reserve	R4M		<ol style="list-style-type: none"> 1. Facilitate the management agency 2. Assist in ESKOM connection 		30/07/11	Jaymat Enviro Solutions
EC-MHLONTLO WASTE	R9.5M		Assist in management structure		30/04/12	IKAMVA

RECYCLING (PHASE2)			of assets and management			Consulting
NYANDENI LOCAL MUNICIPALITY						
EC-HLULEKA NATURE RESERVE UPGRADING	R20M				31/03/11	ECPB
EC-TSHANI MANKOSI-NEW PHASE 2	R9.5M				01/03/12	Jaymat Enviro Solutions

NGQUZA HILL LOCAL MUNICIPALITY						
IP-QAUKENI GREENING AND BEAUTIFICATION	R10M				30/06/11	SANBI
API- MKHAMBATHI NATURE RESERVE	R23M				31/12/11	ECPB

KING SABATA DALINDYEBO LOCAL MUNICIPALITY						
EC-MTHATHA DAM TOURISM CENTRE & RECREATIONAL	R19.5M				31/12/11	UWP Consulting
EC-Wftc- NTLONYANA TO MTHATHA MOUTH	R9.5M				31/03/11	MANASEH HOLDINGS

EC- REHAB OF KSD WASTE SITES	R9.5M				28/02/12	IKAMVA Consulting
EC-GREENING-KING SABATA DALINDYEBO MUNICIPALITY	R21M				30/05/12	IKAMVA Consulting
EC-STREET CLEANING & GREENING -KSD MUNICIPALITY	R26M				01/06/12	IKAMVA Consulting
EC-MTHATHA RIVER BIO REMEDIATION	R21M		Assist in limiting waste overflow in pump stations by DM		31/12/11	AVANTU
EC- HEGEBE LAND REHABILITATION AND GREENING	R8M				-	Hegebe Cultural Development Trust

DEPARTMENT OF HEALTH

Area	Type of Facility	Commenced	Ended	Funding	Progress
Qaukeni Municipality	KTC Clinic	Oct 07	Aug 10	R 4 990 051	Completed but not yet opened
	Mbadango Clinic	Dec 07	July 09	R 5 332 094	Completed but not yet functional
	Mbotyi Clinic	July 05	April 10	R 4 369 682	Completed but not yet functional
	Meje Clinic	June 10	April 10	R 9 000 000	Upgrade

Mhlontlo Municipality	Dr Mpehle Gateway Clinic	Jane 09	Jan 10	R 14 2000 000	Final touches i.e. Electricity & Painting
	Malephelephe Clinic	June 07	Aug 10	R 4 463 805	Final touches i.e. Electricity & Painting
	Tikitiki Clinic	July 08	Dec 10	R 4 829 315	Final touches i.e. Paving & Electricity
	Qhaqhu Clinic (Upgrade)	July 06	July 10		Final touches i.e. Electricity
KSD Municipality	Zwelebunga Clinic	April 08	Oct 09	R 6 037 115	Completed
	Ntshеле Clinic (upgrade)	April 11	Dec 12	R 9 000 000	
	Ems Satellite Ngcwangula	April 08	Jan 10	R 11 384 596	
Nyandeni Municipality	Cwele Clinic (Upgrade on new site)	April 11	Dec 12	R 90 000 000	
	Nkumandeni Clinic (Upgrade)	April 11	Dec 12	R 90 000 000	
	Gqubeni Clinic	Aug 05	March 10	R 3 877 537	Completed but not yet functional
	EMS Satellite Tombo	Oct 08	Aug 10	R 9 541 492	

DEPARTMENT OF SOCIAL DEVELOPMENT

YOUTH DEVELOPMENT PROJECTS

AREA OFFICE	LOCAL MUNICIPALITY	PROJECT NAME	NATURE OF PROJECTS	LOCATION	NO OF BENEFICIARIES	PROBLEMS TO BE ADDRESSES	BUDGET
KSD	Mthatha	Nkqubela	Carpentry		11	Insufficient Income. Inadequate Skills Limited Job opportunities	R 500 000 is required but pending approval of business plans
	Mthatha	Quick and Fast/Ithemba Leather Works	Leather works		10	Insufficient Income. Inadequate Skills Limited Job opportunities	R 500 000 is required but pending approval of business plans
MHLONTLO	Tsolo	Buthasayolo Farming and Multi service project	Poultry and Egg	Caba	11	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
LIBODE	Ngqeleni	Zanobuhle Youth	Poultry	Bolotwa	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans is

							required but pending approval of business plans
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WOMEN DEVELOPMENT

DISTRICT MUNICIPALITY: OR TAMBO

LOCAL MUNICIPALITY	AREA OFFICE	NAME OF PROJECT	LOCATION	NATURE OF PROJECT	NO OF BENEFICIARIES	PROBLEMS TO BE ADDRESSED	FINANCIAL IMPLICATIONS (availability required)
KSD	Mqanduli	Krakra Zizamele		Poultry	23	Insufficient Income. Inadequate Skills Limited Job opportunities	R 500 000 is required but pending approval of business plans
		Lumanyano Project		Poultry	10	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
		Kunene Project		Poultry	10	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
LUSIKISIKI	Ingquza Hill	Bhengez'imithwane	Mangqzun i 07 Flagstaff	Poultry	14	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of

							business plans
	Ingquza Hill	Masikhulisane Community	Taweni Lusikisiki	Poultry	16	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
	Ingquza Hill	Zanokhanyo Bhungeni	Flagstaff 08	Poultry	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
	Mbizana	Diamond	Dayimani	Poultry	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
			Ludeke	Poultry Sewing	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
		Thina Ludeke Project	Skwateni	Poultry	07	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
MHLONTLO	Tsolo	Tsolo City Agricultural Multi Purpose	New Homes	Poultry	10	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans
		Masilinde Project	Khokonxa	Poultry	13	Insufficient Income. Inadequate Skills Limited Job opportunities	R500 000 is required but pending approval of business plans

LIBODE	Libode	Masikhule Women co-opTop	Mamolweni	Poultry	15	Insufficient Income. Inadequate Skills Limited Job opportunities	R250 000 is required but pending approval of business plans
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SUSTAINABLE LIVELIHOODS

LOCAL MUNICIPALITY	AREA OFFICE	NAME OF PROJECT	LOCATION	NATURE OF PROJECT	NO OF BENEFICIARIES	PROBLEMS TO BE ADDRESSED	PROJECT COSTS
KSD	Mthatha	1.Vuka Mntomtsha		Crop Production	25	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
		2.Izwi lendalo F.S		Crop Production	25	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
		Gxwalibomvu FS		Crop Production	25	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
		Nozenzele Poultry Project		Poultry	10	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R500 000 is required but pending approval of business plans
		Ezasemzantsi Piggery		Piggery	5	Inadequate food supply High levels of poverty Insufficient Income,	R500 000 is required but pending

						Limited Jobs	approval of business plans
LUSIKISIKI	Lusikisiki	Masikhule Food Security	Mpoza(17)	Crop Production	23	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
	Mbizana	Mthentu Irrigation	Ndengane	Crop Production	25	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
MHLONTLO	Tsolo	Gungululu Farmers	Gungululu	Crop Production	14	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
	Qumbu	Silindeni Agric Prim Coop	Mthonjevi	Crop Production	20	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
	Tsolo	Siphosethu Vegetable	Mdibanisweni	Crop Production	12	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
LIBODE	Ngqeleni	MasondlaneFs	Zincukuthwini	Poultry	25	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R 500 000 is required but pending approval of business plans
	Libode	Mdlawesizwe-	Mdlankomo	Crop	20	Inadequate food supply High levels of poverty	R750 000 is required but

		Trading Prim Co-o-				Insufficient Income, Limited Jobs	pending approval of business plans
	Libode	<i>Sibanye Women Coop</i>	Mthombe	Poultry	12	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R 500 000 is required but pending approval of business plans
	PSJ	Kwa Dwerha Food Sec	Kwa Dwerha	Crop	26	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R 750 000 is required but pending approval of business plans
	PSJ	Nomabhunge ni Community Garden	Swazini	Poultry	17	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R750 000 is required but pending approval of business plans
	Ngqeleni	Sinoxolo Nursury and Community Garden	Maqanyeni	Poultry	06	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R250 000 is required but pending approval of business plans
	Libode	Sondelani Food security	Coza	Crop	20	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R 375 000 is required but pending approval of business plans
	Libode	Sizabantu food Sec	Zibungu	Crop	20	Inadequate food supply High levels of poverty Insufficient Income, Limited Jobs	R 375 000 is required but pending approval of business plans
	PSJ	Eye sizwe Mthimde community	Mthimde	Egg		Inadequate food supply High levels of poverty Insufficient Income,	R750 000 is required but pending

		Project				Limited Jobs	approval of business plans
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DEPARTMENT OF HUMAN SETTLEMENTS

KSD MUNICIPALITY

Name of project	Budget	Targeted number of Units	No of Units targeted for 2011/12
Zimbane Valley (Rectification)	2 800 000	702	100
Mqanduli (Rectification)	R2 870 000	500	100
Lindile (Rectification)	R3 000 000	200	100
Ngangelizwe BNG	R848 239	200	100
Ngangelizwe BNG (Phase 1)	R3 650 000	200	200
Consolidation Waterfall 233	R375 000	463	233 Outstanding
Maydene 969	R6 325 615	500	Project still at Feasibility study phase.

MHLONTLO

Name of project	Indicative Budget	Location of project	Project output
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Mampondomiseni 300	19 118 800	Nyandeni-Nggeleni	300 Units
Mhlanganisweni 350	22 997 100	Nyandeni- Libode	350 Units
Chulunca 300	19 118 800	Qumbu	300 Units
Lotana 300	19 118 800	Qumbu	300 Units

NYANDENI

Name of project	Budget	Targeted number of Units	No of Units targeted for 2011/12
Mampondomiseni Phase 1 (new)	R6 806 000	56	56
Mampondomiseni Phase 2	R6 246 000	Not indicated	74
Mhlanganisweni Phase 1	R2 465 000	Not indicated	40
Mhlanganisweni Phase 2	R2 465 000	Not indicated	100
Ngqeleni	R3 151 900	420 (259 being developed by Nyandeni LM)	50

PORT ST JOHNS

Name of project	Budget	Targeted number of Units	No of Units targeted for 2011/12
Ntafufu New	R2 453 000	350	190
Bomvini (New)	R360 000	200	50

Port St Johns (Rectification)	R4 200 000	321	120
Gaguba (new)	R360 000	Not indicated	Not indicated
Tombo (new)	R360 000	Not indicated	Not indicated
Mdlankala (New)	R360 000	Not indicated	Not indicated

INGQUZA HILL

Name of project	Budget	Targeted number of Units	No of Units targeted for 2011/12
Holy Cross(new)	R8 050 000	Not indicated	Not indicated
Dimfi (new)	R360 000	Not indicated	Not indicated
Ingquza (new)	R3 253 000	Not indicated	30
Flagstaff	R10 614 015	503	100

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PART 7. THREE YEAR CAPITAL PLAN

MIG - THREE YEAR INFRASTRUCTURE PLAN FOR 2011/12 , 2012/2013 & 2013/2014 FINANCIAL YEARS

KING SABATHA DALINDYEBO LM

PROJECT NAME	AMOUNT REQUIRED (R000)	2011 / 2012 FY ALLOCATED (R000)	2012/ 2013 FY ALLOCATED (R000)	2013/ 2014 FY ALLOCATED (R000)	CATEGORY
Extension of Coffee-Bay Regional Water Supply	24,320.00	24,320.00			WATER
Upgrading of Mhlahlane T/W & Extension to villages	30,000.00		30,000.00		WATER
Upgrading of Mthatha Regional water Supply	45,000,000.00			50,000.00	WATER
Upgrading Of Mqanduli Sewer into full Water-borne system	45,000.00	25,000.00	20,000.00	30,000.00	Sewer
Upgrading of Mthatha Waste Water Treatment Works	585,000.00	25,000.00	65,000.00	55,000.00	Sewer
KSD Ward 10, 17, 22, 25 & 23 Sanitation	90,162.00	90,162.00			Sanitation
KSD Ward 28 & 30			85,000.00		Sanitation
VIP Sanitation to other Wards not covered	100,000.00			70,000.00	Sanitation

NYANDENI LOCAL MUNICIPALITY

PROJECT NAME	AMOUNT REQUIRED (R000)	2011 / 2012 FY ALLOCATED (R000)	2012/ 2013 FY ALLOCATED (R000)	2013/ 2014 FY ALLOCATED (R000)	CATEGORY
Extension of Rosedale Water Supply to Libode	150,000.00	55,000.00	70,000.00	35,000.00	WATER
Extension of Thekwini Water Supply (Phase 2)	30,000.00	30,000.00			WATER
Dumasi Water Supply	40,000.00	15,000.00	15,000.00	10,000.00	WATER
Upgrading of Cibeni - Ntlambeni Water Supply	25,000.00		15,000.00	10,000.00	WATER
Upgrading of Ngqeleni Town Water System	50,000.00			35,000.00	SEWER
Nyandeni Ward 3,9,10,24 & 26	34,314.00	34,314.00			SANITATION
Nyandeni Ward 1,5 & 25 Sanitation	54,316.00		54,316.00		SANITATION
Upgrading of Libode Sewer System into full water-borne system	60,000.00		16,000.00	29,000.00	SEWER
Upgrading of Ngqeleni Sewer System into full water-borne system	60,000.00			16,000.00	SEWER
VIP Sanitation to other Wards not covered	37,808.00			37,808.00	SANITATION

MHLONTLO LOCAL MUNICIPALITY

PROJECT NAME	AMOUNT REQUIRED (R000)	2011 / 2012 FY ALLOCATED (R000)	2012/ 2013 FY ALLOCATED (R000)	2013/ 2014 FY ALLOCATED (R000)	CATEGORY
Culunca Dam	45,000.00	17,000.00	25,000.00		Water
Extension of Mvumelwano Water Supply	20,000.00	20,000.00			Water
Extension of Sidwadweni/Tsolo Junction Water Supply	50,000.00		25,000.00	20,000.00	Water
Extension to Mangxamfu Water Supply	35,000.00			20,000.00	Water
Upgrading Tsolo Town & Junction Sewer System into water-borne	49,000.00	29,000.00	20,000.00		Sewer
Mhlontlo Ward 14 & extension to ward 3,4,7,10,15,18,19 & 20	154,089.00	43,000.00			Sanitation
Mhlontlo Ward 1,14 & extension to ward 3,4,7,10,15,18,19 & 20			60,442.00		Sanitation
Mhlontlo Ward 17,21 & extension to ward 3,4,7,10,15,18,19 & 21				50,647.00	Sanitation
Upgrading of Qumbu Town Sewer System into water-borne	60,000.00			30,000.00	SEWER

INGQUZA HILL LOCAL MUNICIPALITY

PROJECT NAME	AMOUNT REQUIRED (R000)	2011 / 2012 FY ALLOCATED (R000)	2012/ 2013 FY ALLOCATED (R000)	2013/ 2014 FY ALLOCATED (R000)	CATEGORY
Flagstaff Regional Water Supply	150,000.00	42,000.00			
Ingquza Hill Regional Water Supply (master plan)	500,000.00	13,000.00	40,000.00	100,000.00	WATER
Upgrading of Flagstaff Sewer System into water-borne system	45,000.00	17,000.00	28,000.00		SEWER
Upgrading of Lusikisiki Sewer System into water-borne system	49,500.00	9,500.00	20,000.00	20,000.00	SEWER
Ingquza Ward 7,22,23 & 26 Sanitation	37,078.00	37,078.00			SANITATION
Ingquza Ward 3,8,11,12,13,17,18 & 27 Sanitation	66,709.00		66,709.00		SANITATION
Ingquza Hill Ward 15 & 16	26,338.00			26,338.00	SANITATION

PORT ST JOHNS LOCAL MUNICIPALITY

PROJECT NAME	AMOUNT REQUIRED (R000)	2011 / 2012 FY ALLOCATED (R000)	2012/ 2013 FY ALLOCATED (R000)	2013/ 2014 FY ALLOCATED (R000)	CATEGORY
PORT ST JOHNS Off Channel Dam for Regional Water Supply and Extension to villages	86,000.00	40,000.00	20,000.00	26,000.00	WATER
PSJ Ward 8 & 9 Sanitation	27,678.00	27,678.00			SANITATION
PSJ Ward 3,5,6,7 & 13 Sanitation	32,290.00		32,290.00		SANITATION
Upgrading of Port St Johns Sewer System			30,000.00	30,000.00	SEWER
VIP Toilets to remaining villages	30,816.00			30,816.00	SANITATION

