

NKONKOBÉ LOCAL MUNICIPALITY



INTERGRATED DEVELOPMENT PLAN

2012- 2017

(5 Years)

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Foreword by the Mayor

Municipalities are entrusted with a responsibility to realise the objects of local government as enshrined in the constitution of the republic of South Africa. These are:

- To provide democratic and accountable government of local communities.
- To ensure the provision of services to communities in a sustainable manner.
- To promote social and economic development.
- To promote safe and healthy environment and
- To encourage the involvement of communities and community organisation in the matters of local government.

As Nkonkobe Municipalities we have to confront a myriad of challenges in order to realise the above objects. These include inter-alia, rural nature of our municipality, the thin revenue base & Implementation of by-laws.

Nonetheless the municipality has got numerous strengths and opportunities which include inter-alia the following, heritage sites, Institutions of higher learning such as Fort Hare University, Lovedale FET College and Fort Cox Agricultural College.

Local Economic Development is the cornerstone of integrated development plans in rural municipalities.

Nkonkobe Municipality has developed the LED Strategy and it will be part of the IDP. As a consequence Nkonkobe Municipality takes Rural Development seriously and to this end the municipality has established technical unit to construct roads in rural areas & build community halls in house to minimise use of contractors.

This initiative is in line with the government priority of job creation. Province plays a key role in supporting municipalities with the implementation of LED strategy.

Expanded Public Work Programmes (EPWP) is crucial to addressing poverty in rural areas .Poverty eradication is still one of the biggest challenges facing our country. In this context our municipality has committed itself to the resolutions of the expanded public works summit to eradicate poverty.

Nkonkobe Municipality pride itself for being listed among financially viable municipality for the first time in its history. The Municipality has made a major breakthrough after it has been receiving disclaimers since its establishment. It has now moved to qualified audit opinion. We must ensure that we strive for unqualified audit opinion in 2012.

I can safely say our IDP is a credible IDP and our budget is aligned to our IDP.

Mayor A. Ntsangani

Executive Summary by the Municipal Manager

The executive Summary provides a background to the IDP process and experience and in so doing it explains why the Nkonkobe Municipality is preparing a five-year IDP, the lessons informing this process, and how this experience will inform future planning in terms of long –medium and short –term planning. It also outlines the strategic context in which the IDP is developed and further clarifies the link between the National and Provincial priorities and five-year IDP. The National regulatory legislation sets specific core components that Integrated Development Plan must incorporate. According to the Systems Act, an IDP must reflect the provisions contained in the section 26(a)-(i)

- a) The Municipal Council vision for the long term development of the Municipality with Special emphasis on the Municipality's most critical development and internal transformation needs;
- b) An assessment of the existing level of development in the Municipality, which must include an identification of communities which do not have access to basic Municipal Services;
- c) The Council's development priorities and objectives for its elected term, including its Local Economic Development aims and its internal transformation needs;
- d) The Council's development strategies which must be aligned with any National or Provincial sectoral plans and planning requirements binding on the Municipality in terms of legislation;
- e) A spatial development framework which must include the provision of basic guidelines for land use management system for the Municipality;
- f) The Council's operational strategies;
- g) Applicable disaster management plans;
- h) A financial plan, which must include a budget projection for at least the next three years;
- i) The key performance indicators and performance targets determined in terms of Section 41.

Prior to preparing the five –year IDP the Municipality looked at how best the five – year the Municipality looked at how best five -year IDP can be conceptualized and executed, focusing on the lessons learnt from the previous cycle. The assessment considered different case studies both Internationally and Nationally and provided recommendations on the best approach for the five year plan

The assessment focused on the:

- Relationship between the IDP and long-term strategy formulation and sector planning ;
- Co-ordination and integration of various sector plans and activities and services in the Municipality;
- Intergovernmental planning and alignment ;
- Public participation in the process of IDP preparation;

- Nature content and focus of the IDP review

Previous IDP assessment comments from the MEC for Local Government have affirmed that the Municipality has established a system that is successfully working in the Municipality's IDP formulation previous Provincial IDP assessments have also indicated that the Municipality has progressed each year in preparing better IDP.

In conclusion, the Municipality is blessed with a well- oiled human Capital .Margaret Mead stressed that "Never doubt that a small group of thoughtful, committed citizens can change the world .Indeed it is the only thing that ever has "

So let us not get tired of doing what is good .At just the right time we will reap a harvest of blessing if we do not give up.

K.C.MANELI

MUNICIPAL MANAGER

CHAPTER 1: THE PLANNING PROCESS

1.1 INTRODUCTION

Nkonkobe Local Municipal Council is in the process of developing its Integrated Development Plan for a period of 5 years. The processes of developing an IDP are informed and guided by Local government legal documents. Integrated Development Planning is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good and long-term development. It aims to coordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people in Nkonkobe Municipal area.

LEGAL FRAMEWORK GUIDING THE IDP:

CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, SECTION 152- MANDATES LOCAL GOVERNMENT TO:

- Provide democratic and accountable government for local government
- Ensure provision of services to communities in a sustainable manner
- Promote social and economic development
- Promote safe and healthy environment
- Encourage the involvement of communities and community organization in matters of local government

WHITE PAPER ON LOCAL GOVERNMENT:

Introduced a notion of developmental local government:

“Defined as local government that is committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve quality of their lives”

MUNICIPAL SYSTEMS ACT 32 OF 2000, as amended

Chapter 5, Section 25 states that:

- Each Municipal Council must adopt a single, inclusive strategic plan
- The IDP must be 5 year plan that provides a road map for the municipality.
- The IDP must be reviewed annually to the extent that changing circumstances demands; and
- The IDP must identify all projects, plans and programs to be implemented within the municipality by any organ of state

- Taking into account provisions of Municipal Structures Act – powers and functions of municipality concerned vs capacity & resources at its disposal
- The plan should be aligned to national and provincial plans and also integrate various plans within municipality
- give the community at least 21 days to comment on the draft of its IDP before it is submitted to council for adoption; consider and approve any changes to the IDP by 31 May;

In terms of the Annual revision /reviewal of the IDP, Chapter 5, Section 34 states that:

A Municipal Council –

(a) must review its integrated development plan –

(i) Annually in accordance with an assessment of its performance in terms of section 41; and

(ii) to the extent that changing circumstances so demand; and

(b) may amend its integrated development plan in accordance with a prescribed process

Municipal Systems Act chapter 6, section 38

PERFORMANCE MANAGEMENT

Establishment of performance management system.—A municipality must—

(a) establish a performance management system that is—

(i) commensurate with its resources;

(ii) best suited to its circumstances; and

(iii) in line with the priorities, objectives, indicators and targets contained in its
integrated development plan;

(b) promote a culture of performance management among its political structures, political office bearers and councillors and in its administration; and

(c) administer its affairs in an economical, effective, efficient and accountable manner.

Provincial IDP Assessment

Section 32 of the Municipal Systems Act (Act 32 of 2000) compels municipalities to submit a copy of their Integrated Development Plan (IDP) to the MEC for Local Government to assess its credibility. After the adoption of the Draft IDP, the local municipalities are assessed against 6 Key Performance Areas (KPA) namely:

1. Spatial Considerations
2. Service Delivery and Infrastructure Planning
3. Financial Planning and Budgets
4. Local Economic Development
5. Good Governance: Public Participation, labour, IGR etc.
6. Institutional Arrangements

Nkonkobe Municipal IDP was assessed as one of the credible IDP in the Eastern Cape, Amatole District. The MEC in his comments encouraged the municipality to improve on three (3) KPAs namely Service Delivery, Good Governance and Institutional Arrangement.

Nkonkobe Municipality was rated as follows:

KPA	RATING 2009/10	RATING 2010/11	RATING 2011/12
Spatial Development Framework	Low	Medium	High
Service Delivery	Medium	Medium	Medium
Financial Viability	Low	High	High
Local Economic Development	Low	Medium	High
Good Governance & Public Participation	Low	Medium	Medium
Institutional Arrangements	Low	Medium	Medium
Overall Rating	Low	Medium	High

Nkonkobe Municipal Council within its powers and function commits to deliver better service to its community complying with all the legal requirements and also addressing the comments raised by the MEC and further develop an Action Plan to remedy the issues raised by Auditor General.

2. ORGANISATIONAL ARRANGEMENTS

There are 4 structures guiding the IDP Processes within the Nkonkobe Municipal Area

- 2.1 IDP Steering Committees
- 2.2 IDP Representative Forums
- 2.3 IDP Cluster Teams
- 2.4 Inter Governmental Relations

2.1 IDP STEERING COMMITTEE

An IDP Steering Committee functioning as a technical team consists of the following members:

- Municipal Manager
- Strategic Planning & LED Manager
- Chief Financial Officer
- Municipal Engineer
- Corporate Services Manager and
- Assistant Managers

The steering committee provides a technical support to the IDP Driver to ensure a smooth planning process. It guides the processes of the IDP and responsible for:

- Establishment of the Representative Forum
- Define criteria to choose members of the Forum
- Inform public about the establishment of the forum, request submissions of applications from stakeholders and communities (indicate objectives, activities and number of members)
- Identify additional stakeholders from unorganized groups, e.g. potential academics, advocates, doctors and resource persons.
- Submit proposed groups/ members to the Council for consideration.

2.2 IDP/BUDGET REPRESENTATIVE FORUM

In terms of ensuring a maximized participation of different interest groups and sectors, IDP Representative Forum established and an advert inviting all stakeholders to participate was also issued. The forum consist of Ward Councilors , PR Councilor's ,Ward committees ,Sector departments, municipal managers ,traditional leaders ,state entities, business fraternity , NGO's and other organized structures within the community. The rationale behind the establishment of this committee is to ensure that communication channels are kept smooth and efficiently.

2.3 CLUSTER TEAMS

Cluster Teams are a combination of IDP Steering Committees, councilors and government departments. The cluster teams are formulated as per the 5 Key Performance Areas (KPA).

The main brief of the Cluster Teams is to refine projects agreed upon and lift out the details to be captured in project templates that are supposed to be included in the IDP. The Cluster Teams undertake a pre-scooping work on projects that are due for implementation in the forthcoming planning cycle.

CLUSTER	KEY PERFORMANCE AREA
Local Economic Development	<ul style="list-style-type: none">• Agriculture• HIV/AIDS• Unemployment• IDP/PMS• Tourism• Small Medium Micro Enterprise (SMME) & Cooperatives Development• Environment• Sport,• , Arts and Culture• Parks and open spaces• Environment

<p>Basic Service Delivery & Infrastructure Development</p>	<ul style="list-style-type: none"> ▪ Electricity • Roads • Community Amenities • Land and Human settlements • Water • Sanitation • Solid Waste • Cemeteries
<p>Municipal Financial Viability</p>	<ul style="list-style-type: none"> • Expenditure Management • Debt Control and Revenue Management • Financial Reporting • Asset Management • Internal Audit • Supply chain Management • Risk Management • Free Basic Services

Institutional Transformation , Organisational Development ,Good Governance and Public Participation

- Capacity Building
- Land
- Information, Communication & Technology
- Law Enforcement
- Fleet Management
- Recruitment and Selection
- Public Participation
- Renovation of municipal buildings

3 .THE PLANNING PROCESS

On the 25 August 2011, Nkonkobe Municipal Council adopted an IDP/ Budget Process Plan for 2012/13-2016/17.The Process Plan was informed by the District's framework. After the adoption it was submitted to Amatole District Municipality and was afterwards advertised for public comments. The process plan was developed to outline all the activities that are to unfold during the development of the IDP. The Municipal Systems Act requires that the process be set out in writing and be adopted by the Municipal Council to guide, among other aspects, the IDP processes.

4. SCHEDULE OF MEETINGS

IDP Action Plan

ACTIVITY	DATES	Responsible Dept.
1. Preparation Phase		
IDP / Budget steering committee meeting <ul style="list-style-type: none"> Prepare full IDP process 	15 August 2011	Strategic Planning
1.2 Presentation to the Executive Committee(Special)	19 August 2011	Mayor's Office
1.3 Presentation to council for adoption(Special)	25 August 2011	Mayor's Office
1.4 Submission to Amathole District Municipality	31 August 2011	Strategic planning
1.5 Advertising for Public comments IDP/Budget Process Plan	05 September 2011	Strategic planning
1.6 IDP/ Budget Steering Committee Meeting	12 September 2011	Strategic Planning
1.7 Quarter 1 Performance reporting (July-Sept)	12 October 2011	All HODs
2. Monitoring & Evaluation –		
2.1 Cluster Team Meetings	05-06 October 11	Strategic Plan. and Cluster Teams
2.2 IDP/ Budget Steering Committee Meeting	13 October 2011	Strategic Planning /BTO
2.3 Representative Forum Meeting	10 November 20 11	Strategic Planning

3. Refined Objectives, Strategies, Projects and Scorecards		
3.1 IDP / Budget Steering Committee Meeting	13 January 12	Strategic Planning / BTO
3.2 Quarter 2 Performance reporting (October –Dec)	17 January 12	All HODs
3.3 Cluster Team Meetings	19 – 20 January 12	Strategic plan. Cluster Team
3.4. Strategic Planning Session (IDP)	15-17 Feb 2012	Strategic Planning
3.6. Steering Committee Meeting <ul style="list-style-type: none"> Cluster Team Reports Agenda for the Rep Forum 	22 Feb.2012	Strategic Planning
3.7 IDP Rep Forum <ul style="list-style-type: none"> Draft Revised Analysis Draft Revised Objectives and Strategies Draft Projects and Programmes linked to budget 	06 March 2012	Strategic Planning
4. Consolidate IDP and Budget		
4.1 Steering Committee Meeting <ul style="list-style-type: none"> Confirm contents of the IDP and Budget, and consider inputs from the Rep Forum Review Performance Management System 	12 March 2012	Strategic Planning/ BTO
4.2 Table Draft IDP/Budget to LED and Finance Standing committee	15 March 20 12	Speaker's Office
4.3 Table Draft IDP/Budget to Exco	20 March 2012	Mayor's Office
4.4 Table Draft IDP/Budget Council	30 March 2012	Mayor's Office
4.5 Quarter 3: Performance Reporting (Jan-March)	02 April 2012	All HODs
4.6 Draft IDP and Draft Budget Published for Public Comments (21 Days)	02 April 2012	Strategic Planning

4.6.IDP/Budget Public Hearings	10 -13 April 2012	Strategic Planning
5. Approval		
5.1 Review progress – Steering Committee <ul style="list-style-type: none"> Public participation programme & comments received Present final draft to be adopted by council 	30 April 2012	Strategic Planning
5.2 IDP Rep Forum <ul style="list-style-type: none"> Present Final IDP 	04 May 2012	Strategic Planning
5.3 Present IDP Review to LED and Finance Standing Committee	10 May 2012	Speaker's Office
5.4. Present Final IDP/Budget to EXCO	18 May 2012	Mayor's Office
5.4 Council adopts IDP Review 12/13 <ul style="list-style-type: none"> Submit copy of IDP to ADM and to MEC (DHLG&TA) 	31 May 2012	Mayor's Office
6. Performance Management System		
6.1 Drafting of Service Delivery and Budget Implementation Plan(SDBIP)	02 April 2012	All HODs
6.2. Submit draft SDBIP within 14 days after approval of the Budget	Jun 2012	Strategic Planning
6.3 Approval of SDBIP within 28 days After adoption of the Budget	Jun 2012	Mayor's Office
6.4 Signing of MM and Section 57 Managers Performance agreements	Jun 2012	Municipal Manger
6.5 Publicize SDBIP and Performance Agreements within 14 days after the approval	30 Jun 12	Strategic planning
6.6 Quarter 3: Performance Reporting (Jan-March)	30 Jun 12	All HODs

5. OTHER RELEVANT DOCUMENTS

- ❖ IDP Guide Pack, with reference to Guide 3 & 6
- ❖ Nkonkobe IDP Process Plan 2012/13-2016/17
- ❖ Nkonkobe IDP Review 2011/12
- ❖ Spatial Development Framework
- ❖ Performance Management Framework
- ❖ Sector Plans
- ❖ Provincial Growth and Development Plan (2004-2014)

6. THE REPORT STRUCTURE

Nkonkobe IDP 2012-2013 is structured as follows:

Chapter 1	PLANNING PROCESS
Chapter 2	SITUATIONAL ANALYSIS
Chapter 3	CLUSTER OBJECTIVES, STRATEGIES & PROJECTS
Chapter 4	SUMMARY OF SECTOR PLANS
Chapter 5	SUMMARY OF PERFORMANCE MANAGEMENT SYSTEM
Chapter 6	FINANCIAL PLAN
Annexures	Annexure 01: Reviewed Organizational Structure

CHAPTER 2: SITUATIONAL ANALYSIS

1.1 INTRODUCTION

The Local Government Municipal Systems Act 32 of 2000, section 26 (b) states that:

An Integrated Development Plan must reflect –

(b) An assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal service;

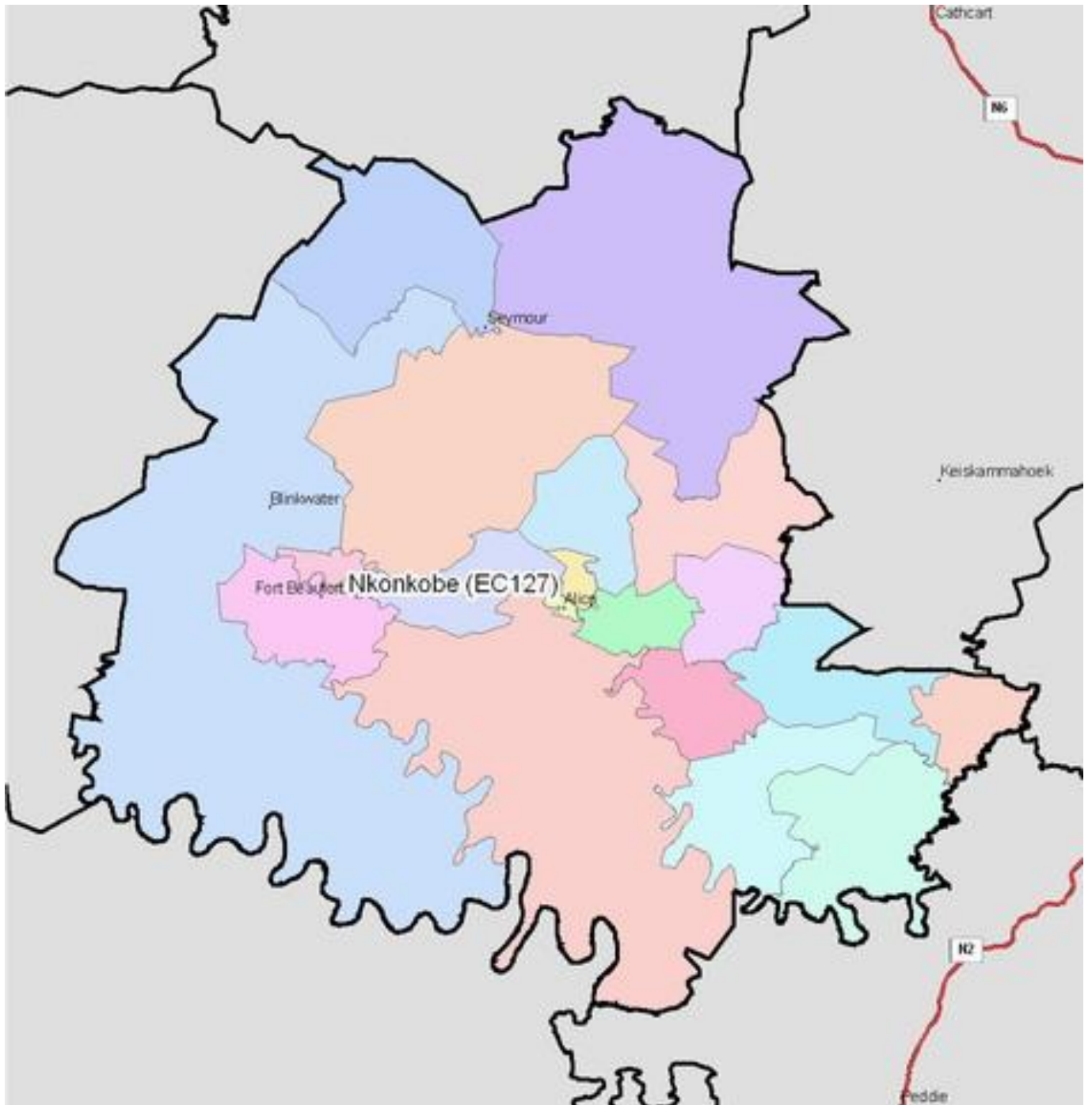
As mandated by the above mentioned piece of legislation, the municipality conducted a Baseline Community Survey within the wards with the support of the Ward Committees, CDW's and all structures with the community in order to get a true reflection of what is happening in the community. The report of the Baseline Community Survey confirmed many issues highlighted by Global Insight report.

This chapter provides an analysis of the socio-economic performance of Nkonkobe Municipality. The aim of this section is to give selected key indicators on demographics, economics, labour, development, household, infrastructure, tourism and crime that inform policy decisions in the municipality.

1.2 Situational Analysis

Nkonkobe Municipality was established in 2000 and is made of now disestablished TLCs i.e. Alice, Middledrift, Fort Beaufort, Hogsback and Seymour/Balfour. Alice is a legislative seat and Fort Beaufort is the administrative seat, the latter is situated about 140 km North West of East London on R63 and is approximately 200 km North East of Port Elizabeth. The municipality is the second largest local municipality covering 3 725 km², and constituting 16% of the surface area of the Amatole District Municipality. Nkonkobe municipality is a countryside municipality that sits on the foot of the ever imposing and majestic mountain range of the Winterberg (liNtabazeNkonkobe).

Figure 1: Map of Nkonkobe Municipality



1.2.1 WARD BASED INFORMATION

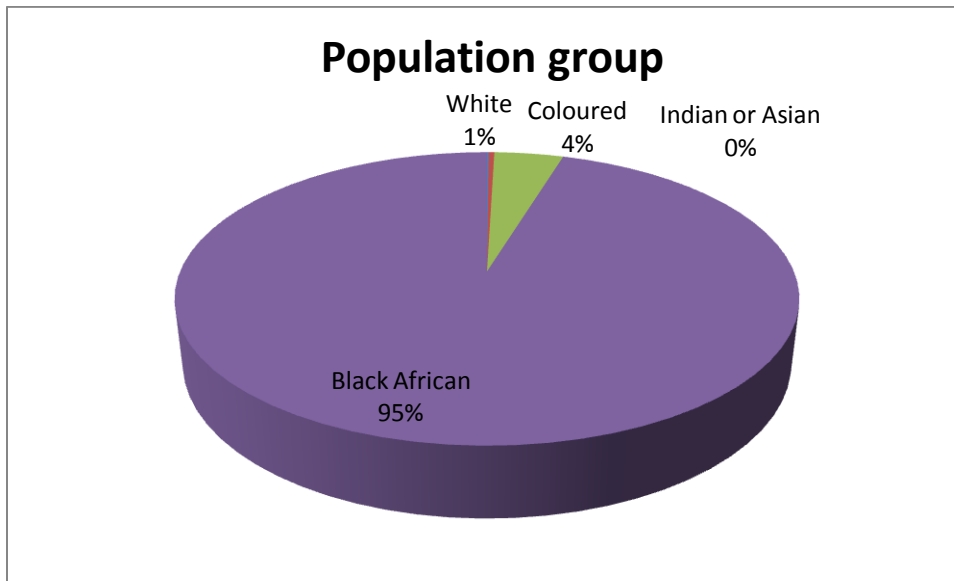
Ward	Councillor	Villages
1	Cllr Kata	Khulile, Qamdobowa, Mgxotyeni, Ndulini, Qhibirha, Zigodlo, Ndindwa, Zalaze, Quthubeni
2	Cllr Ngcakaza	Gaga, Nkobonkobo, Mavuso, Ngwabeni, Ngobe, Mgquba, Lenge, Roxeni, Meva.
3	Cllr. Blackie	Mxhelo, Ntlekisa/Tyoks, Chris Hani, Mpolweni 1, Mpolweni 2, Takalani, Memela, Skolweni, Sigingqini, Nkukwini
4	Cllr Makeleni	Jacaranda Drive/Kwepileni, Mlalandle, Ndaba, Ntoleni, Hillside, , Golf Course
5	Cllr Nyangintaka	Dish, Gcado, Binfield, Upper Ncerha, Hopefield, Mdlankomo, Ndlovurha, Ngwangwane, Chamama, Komkhulu, Mdeni, Mkhobeni, Mkhuthukeni, Zixinene, Mazotshweni, Kwezana, Emachibini, Esiphingweni, Macfarlan, Mqhayise, Majwarheni, Krwakrwa
6	Cllr Kganedi	Hillcrest, Happy Rest, Town Central, Golf Course
7	Cllr Matya	Ngwevu, Tyatyorha, Platform, Buxton, Gonzana, Paradise, Upper Blinkwater, Ntilini, Mankazana, Nobanda, Lamyeni, Elukhanysweni, Ekuphumleni, Elundini, Khayelitsha, Rwantsana, Mabheleni, Stanley, Picardy, Fairbairn, Hertzog, Tambokiesfle
8	Cllr Bantam	Taba, Cimezile, Konkulu, Luzini, Skolweni, Mt Pleasant, Lower Blinkwater, Newtown, Kluklu Farm, Rietfontein, Emdeni, Sparkington Farm
9	Cllr Mlamla	Old location, Seymour, Joe Slovo, Marias, Ngqikana, Cains, Phakamisa, Peter, Dunedin, Votywiwe, Blackwoods, Balfour, Balfour Phola Park, Phillipton, Jurrieshoek, Maasdorp/Roma, Grafton, Katberg, Ekuphumleni, Readsdale, Tshokotshela, Chris Hani
10	Cllr Sixolo	Nothenga, Gilton, Cartcathvale, Hala, Guquka, Mpundu, Hogsback, Sompondo, Gomoro, Makhuzeni, Khayaletu
11	Cllr Ngaye	Tukulu, Guburha, Lalini, Skweyiya, Fort Hare
12	Cllr Ndevu	Bergplaas, Lower Gqumashe, Ngcothoyi, Zingqayi, Magaleni, Skhutshwane, Melani, Woburn, Msobomvu, Taylor
13	Cllr Tyibilika	Lower Sheshegu, Joji, Xolani, Jim Farm, Gxwederha, Thembisa, , Phumlani, Bhalurha, Kwezana West, Nofingxane, Lokwe, Nomtayi, Joe, Khayamnandi, Khwali, Masakhane, Mpozisa
14	Cllr Rawana	Debe Marele, Njwaxa, Machibini Banzi, Mbizana, Phewuleni, Ngcabasa, Fama, Ngqolowa, Qhomfo, Dikidikana, Washington, Mbizana
15	Cllr Rulashe	Tyhali, Dyamala, Upper Gqumashe, Ntselamanzi, Jonini Frances, Lower Ncerha
16	Cllr Mgengo	Middledrift, Zibi, Ngqele 2, Cildara, Ngele, Tyutyuzza, Gugulethu, Mabheleni, Mfiki, Lower Regu, Upper Regu, Lugudwini
17	Cllr Daniels	Saki, Gqadushe, Njwarxa, Ngwenya, Sityi, Ngqele 1
18	Cllr Xelelwa	Qanda, Mxumbu, Chwaru, Trust No 2, James, Qawukeni, Annshaw, Tafeni, Perksdale, Farm B
19	Cllr Matshaya	Xhukwane, Zihlaheni, Debe Nek, Trust No 1, Nonaliti, Mayipase, Ntonga
20	Cllr Papu	Gomma Gomma, Zwelitsha, Gomma Gomma 2, Nkunkwini, Dubu, Town East, Town West
21	Cllr Stofile	Daweti 1, Daweti 2, Zwide, Kanana, Mike Valley, Kuwait, Gontsi, Group Five

1.3 Demographic indicators

1.3.1. Total Population

According to ECSSEC, Nkonkobe Municipality has an estimated total population of 135,660. There are 21 wards within the Nkonkobe municipal area. Approximately 74% of people living within the Nkonkobe municipal area are indigent. The majority of the population of Nkonkobe (72%) resides in both villages and farms and 28% resides in urban settlements. Urbanisation is mainly concentrated in Alice and Fort Beaufort.

Figure 2. Total Population: 2011



Source: ECSSEC, 2011

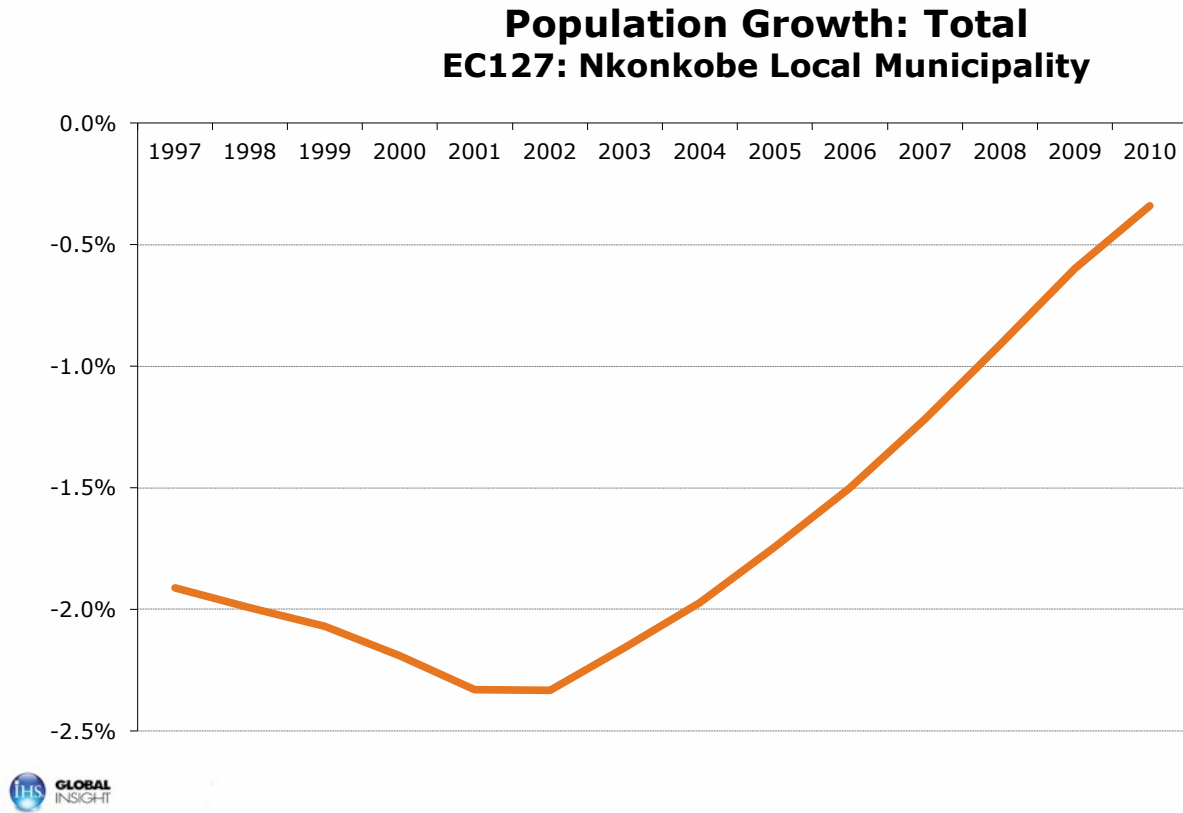
Figure 2 above shows that the population of Nkonkobe Municipality is dominated by black people as illustrated in the table below.

Population group			
Area	Population group	Number 2011	Percentage
Nkonkobe Local Municipality	Indian or Asian	141	0%
	White	476	1%
	Coloured	5,805	4%
	Black African	129,238	95%

1.3.2 Population Growth Rate

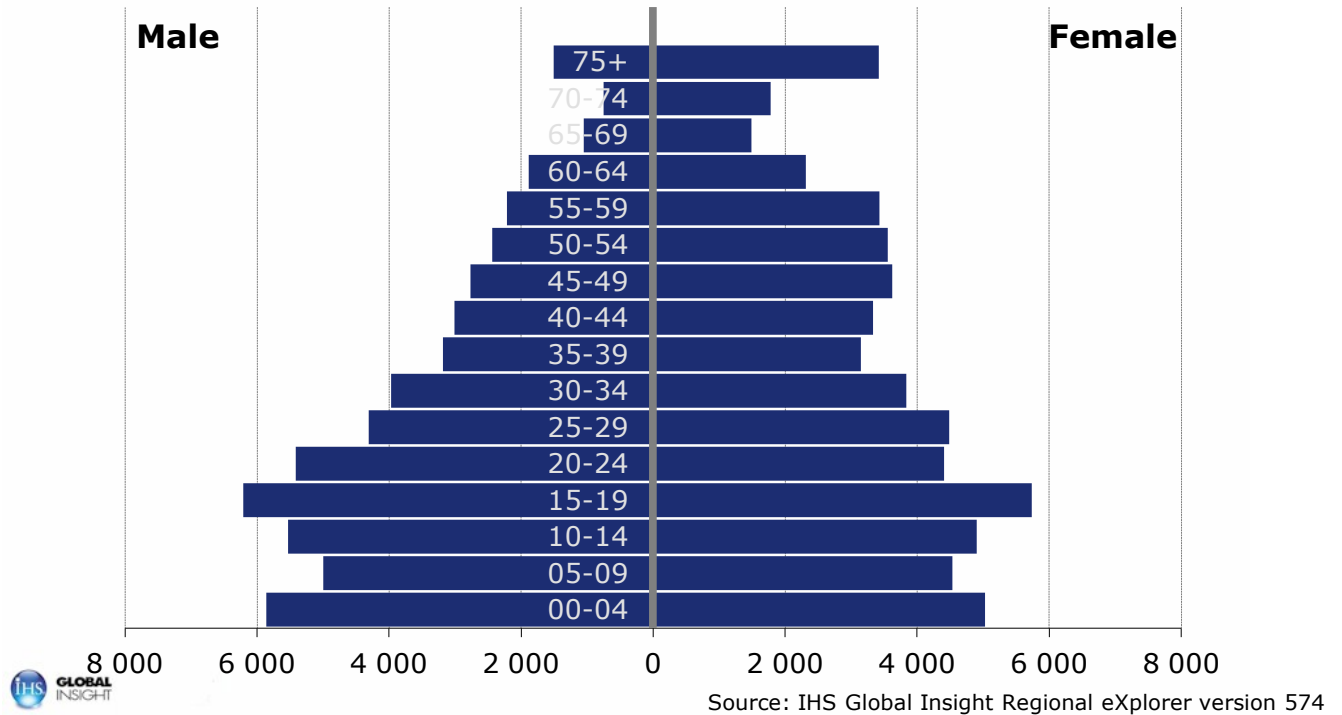
The population of Nkonkobe has moved from -2.0% in 1997 to -0.5% in 2010. This is according to Global Insight estimates for 2010 and is reflected in the graph below.

Graph 1: Population Growth Rate



1.3.3. Population Distribution by age and gender

Population Pyramid, Total, 2010 EC127: Nkonkobe Local Municipality



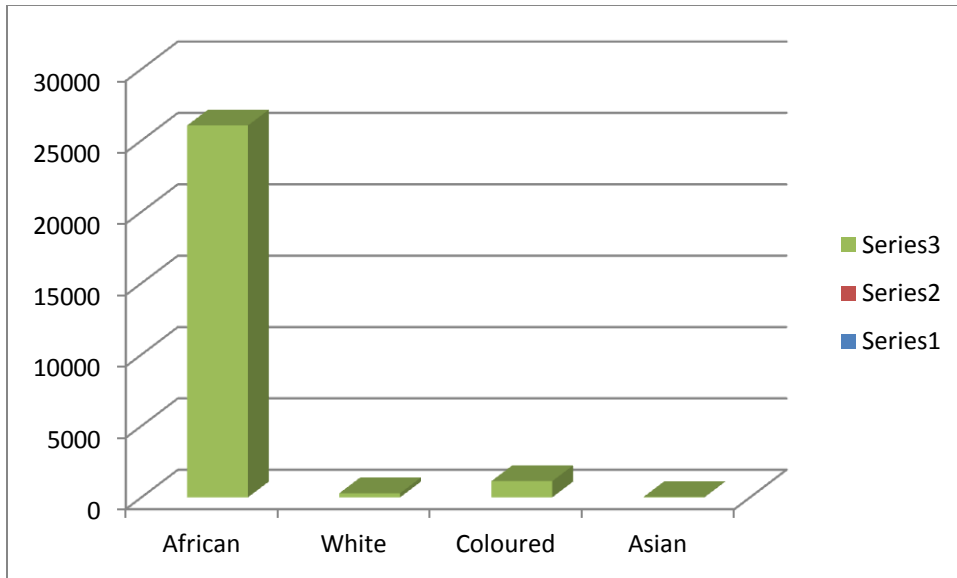
The table above indicates that the population of Nkonkobe is dominated by youth and women, ages from 15-34 are in the majority. The graph shows that the women live longer than men as there are more women at 75 than men.

1.3.4 Number of Households by Population group

According to Global insight, there are 27,716 households and are divided according to racial groups as follows, Africans with 25 866 households, Whites with 250 households, coloureds with 1114 households and Asians with 28 households.

African	25 866
White	250
Coloured	1,114
Asian	28
Total	27 716

Source: Global Insight 2010

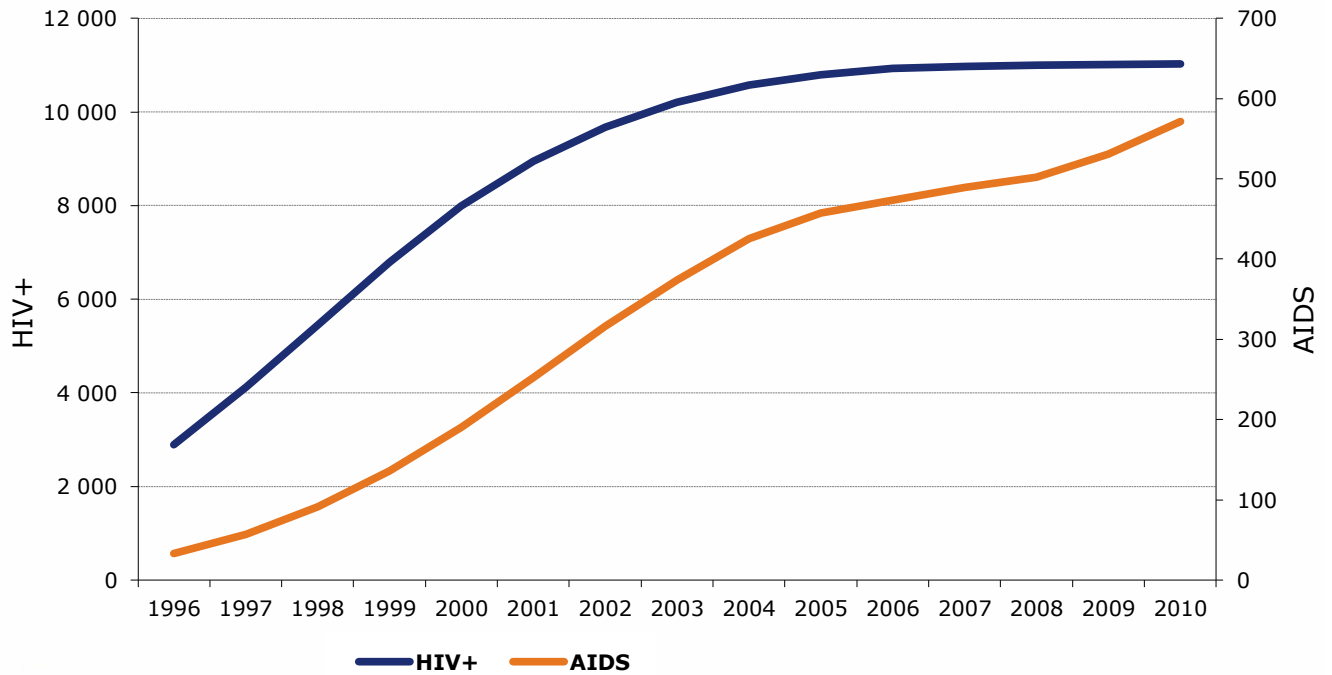


Source: Global Insight 2010

1.3.HIV/AIDS Estimates

The population of Nkonkobe is said to be declining and one of the contributors is suspected to be the HIV/AIDS pandemic but not conclusive. The Graph below shows that HIV infections are growing, however this growth is happening at a declining rate. Taking for instance the number of infected people from 1996 to 2010 it shows that the infection numbers are growing. On the other hand when we look at the rate of infections between the same years, it shows that the rates are declining.

HIV+ /AIDS profile EC127: Nkonkobe Local Municipality



Source: IHS Global Insight Regional eXplorer version 574

1.4 Development

1.4.1 Human Development Index(HDI)

HDI is a summary of composite index that measures a country's average achievements, in the three basic aspects of the human development: longevity, knowledge, and decent standard of living. Longevity is a measurement by a combination of adult literacy rate and the combined primary, secondary and tertiary gross enrolment ratio and the standard of living is measured by GDP per capita. The Human Development Index (HDI) reported in the HDI report of the United Nations is an indication of where a country is, in terms of development. The index can take value between 0 and 1, countries with an index over 0.800 are part of the high Human Development Group and countries between 0.500 and 0.800 are part of the medium and countries below 0.500 are part of the low HDI group. The human development for Nkonkobe Municipality is sitting at 0.60. This shows that the levels of human development are still very low.

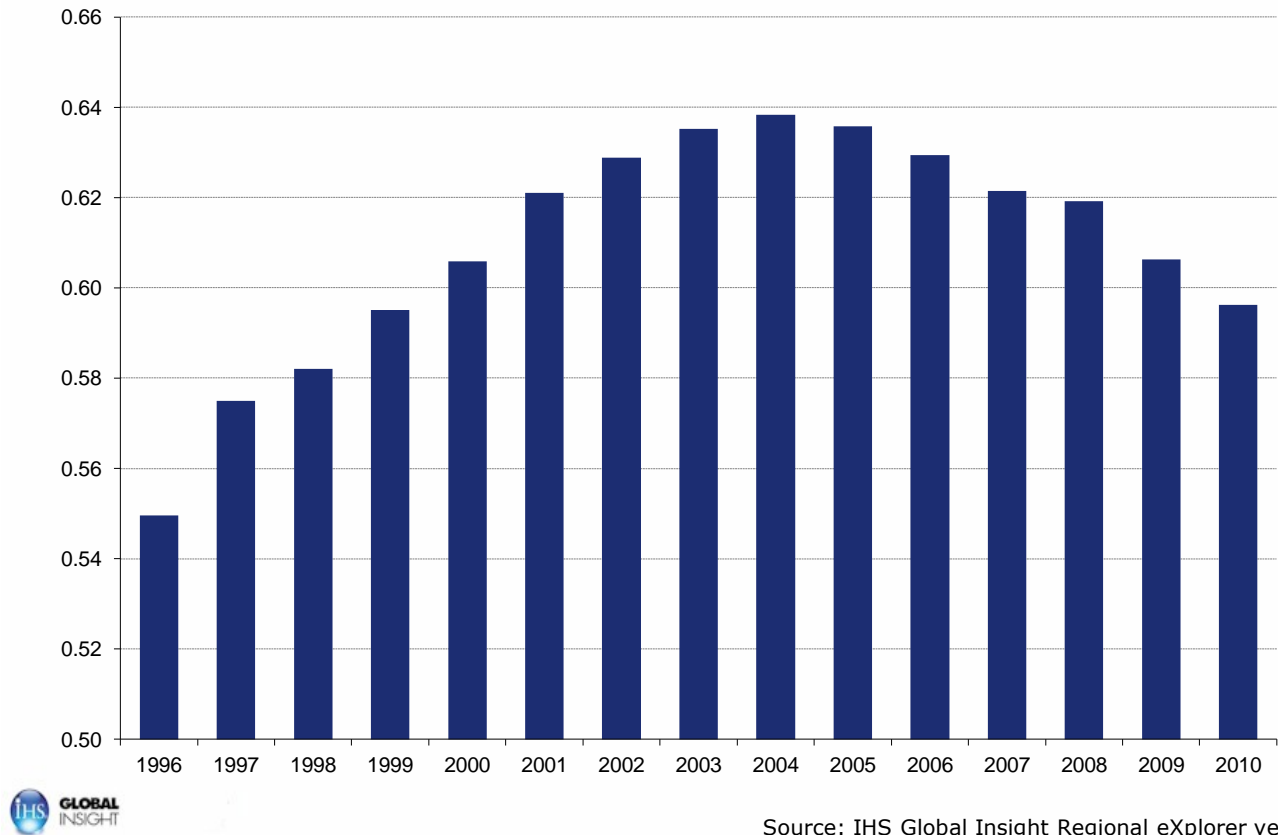
TOTAL NUMBER OF HUMAN DEVELOPMENT INDEX

YEAR	2008	2009	2010
TOTAL PERCENTAGE	0.49	0.49	0.60

1.4.2 Gini Coefficient

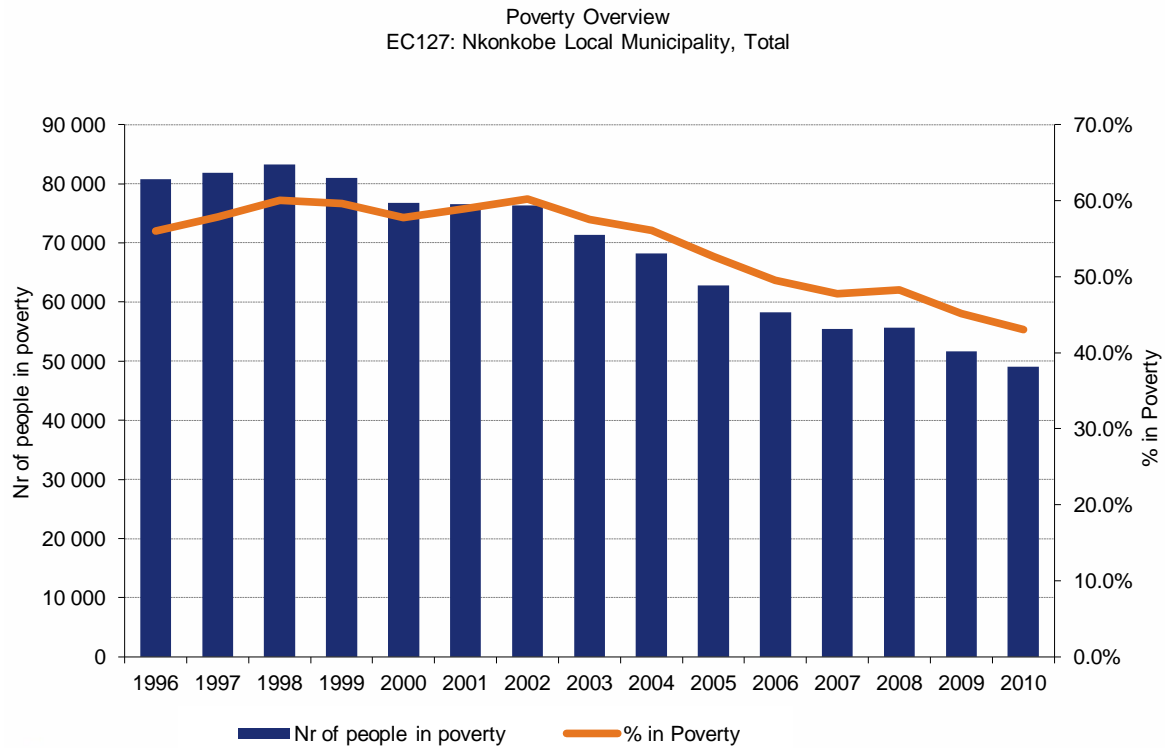
GiniCoefficient is the measure of the inequality of a distribution, a value of 0 expressing total equality and a value of 1 maximal inequality. It is commonly used as a measure of inequalities of income or wealth.

Gini coefficient
EC127: Nkonkobe Local Municipality, Total



1.4.3 Poverty Indicators

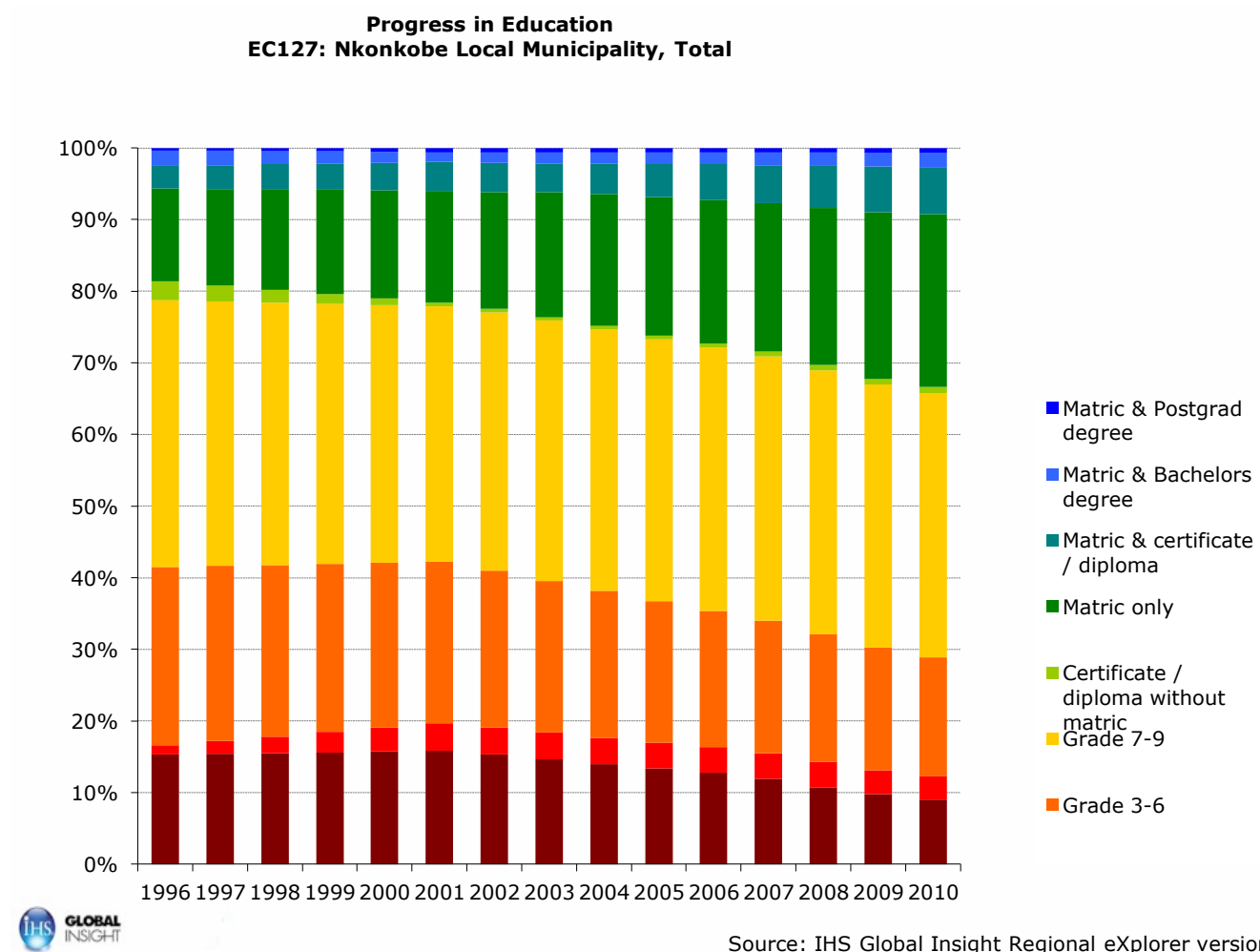
The graph below shows that the level of poverty in Nkonkobe is declining. The total number of people living in poverty is less than 40%. This may be attributed to many aspects. The social grants offered by national government, seasonal jobs offered in the citrus industry and even contributions done by the municipality in terms of infrastructure development



Source: IHS Global Insight Regional eXplorer version 574

1.4.4 Education

Nkonkobe municipality is showing great improvement in terms of education. This is reflected by the table below of highest levels of education of people at age 15+.



In terms of functional literacy, the municipality is also showing a great improvement. The total number of illiterate people as at 2010 is 21 293 and it was sitting at 19 541 in 2009. These people are at age 20 and have completed grade 7 or higher. Literate people are 50 017. In 2009 this number was sitting at 49 638. In terms of percentage, literacy is at 70.1%.

1.4.5 Population density

(number of people per km²)

	2000	2009	2010
African	33.84	28.83	28.96
White	0.40	0.22	0.23
Coloured	1.25	1.40	1.42
Asian	0.02	0.02	0.02
Total	35.49	30.47	30.62

1.4.6 Development Diamond

Total Development Diamond EC127: Nkonkobe Local Municipality, 2010



Source: IHS Global Insight Regional eXplorer version 574

1.5 Household Infrastructure

1.5.1 Formal Housing

Out of 27 716 households, Nkonkobe municipality has various types of houses ranging from very formal, formal, informal, traditional and other dwellings.

The following table shows the number of households by type of dwelling

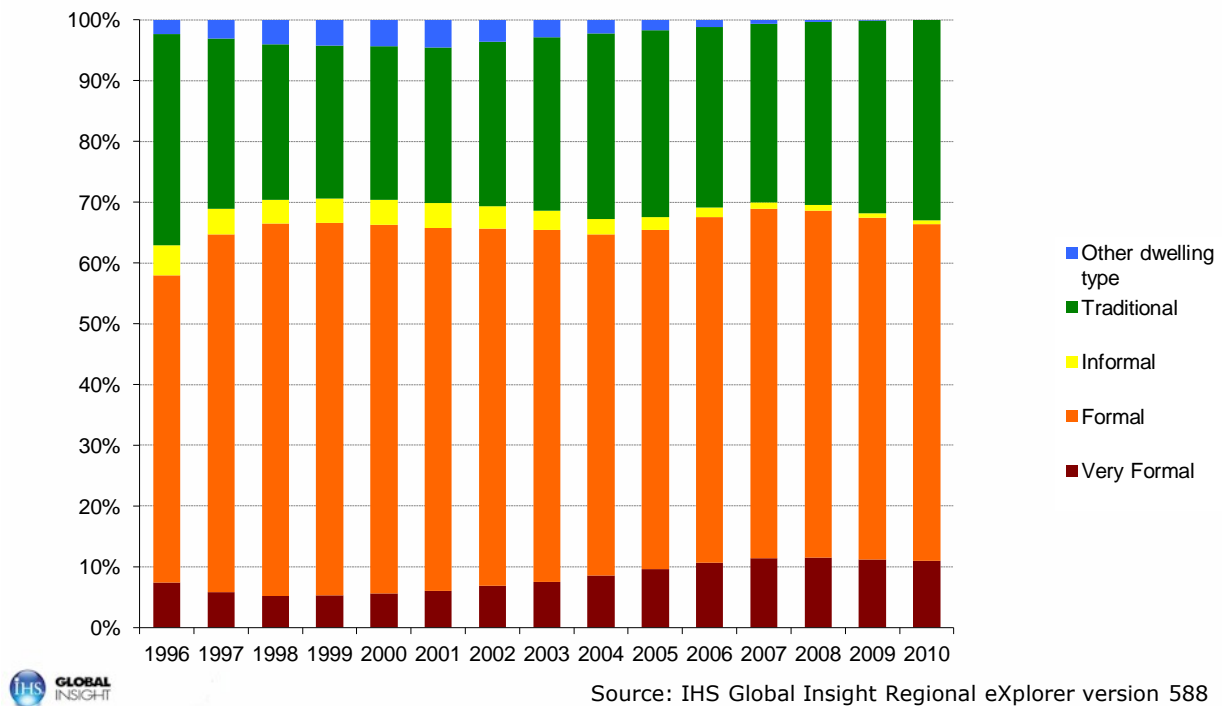
No of households by type of dwelling unit

Very Formal	Formal	Informal	Traditional	Other	Total
3 048	15 352	182	9 119	15	27 716

Source: Global Insight, 2010

This puts 66.4% of households occupying formal dwellings in Nkonkobe municipality. The backlog of formal housing is estimated at 9 316.

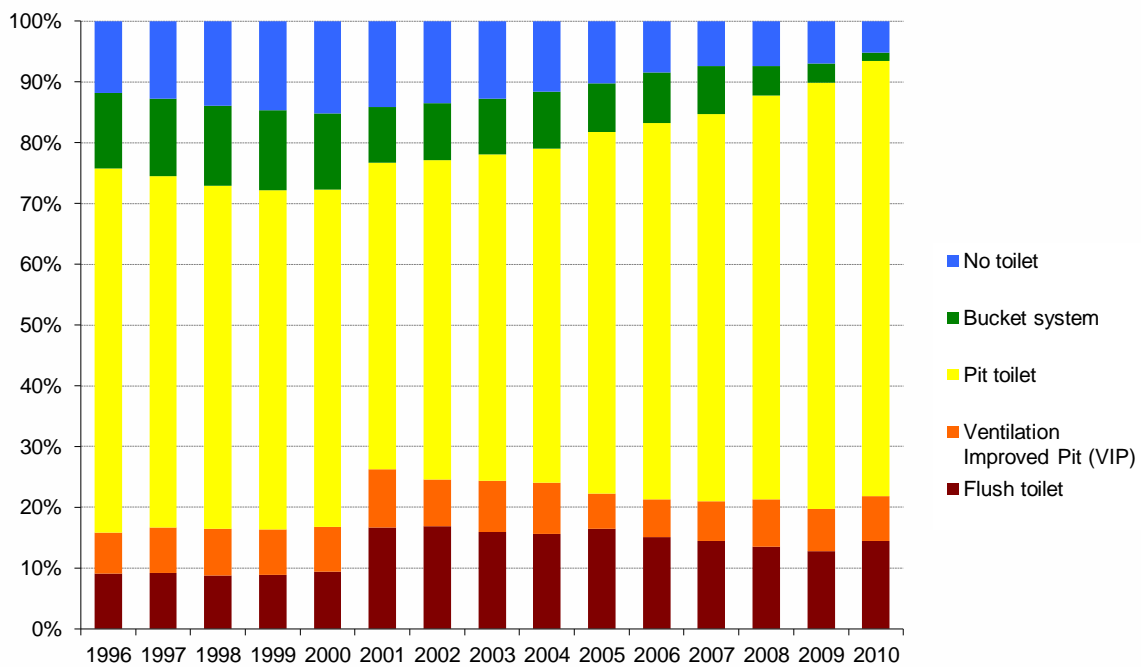
Households by dwelling type
Nkonkobe Local Municipality (EC127)



1.5.2 Sanitation

The municipality has done a great job in terms of sanitation. Toilet facilities have improved since 1996. The municipality has various types of toilets, these include flush toilets, ventilation improved, pit toilets and there are still few bucket system toilets. There are also areas where there are no toilets. According to Global insight (2010), there are 3 999 households with flush toilets, 2063 households with ventilation improved, 19 827 households with pit toilets, 386 households with bucket system toilets and 1440 households have no toilet facilities at all. 21.1% percent households have hygienic toilets. There is backlog of 21 654 of households without hygienic toilets.

Households by toilet facilities
Nkonkobe Local Municipality (EC127)



Source: IHS Global Insight Regional eXplorer version 588

1.5.3 Water Infrastructure

The municipality has also done very well in terms of water infrastructure since 1996. The water infrastructure is divide into piped water inside dwelling, piped water in yard, communal piped water less than 200m(within the RDP standard), communal piped water above 200m (Below RDP standard). There are still areas that are without formal piped water though.

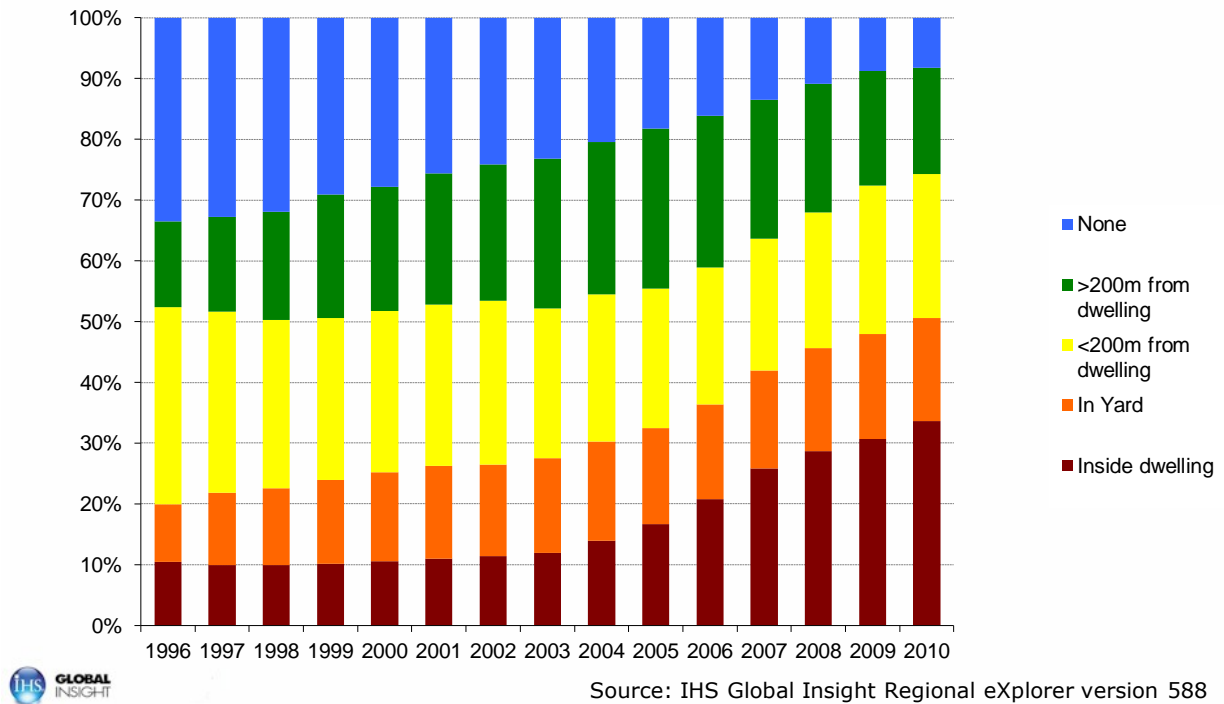
The table below shows the number of households with formal piped water

No of household by level of access to water

Piped water inside dwelling	Piped water in yard	Communal piped water less than 200m	Communal piped water more than 200m	No formal piped water	Total house holds
9325	4692	6570	4855	2274	27 716

74.3 % Of households have access to water at or more than RDP standard in Nkonkobe municipality. The water backlog below RDP level is 7129 households.

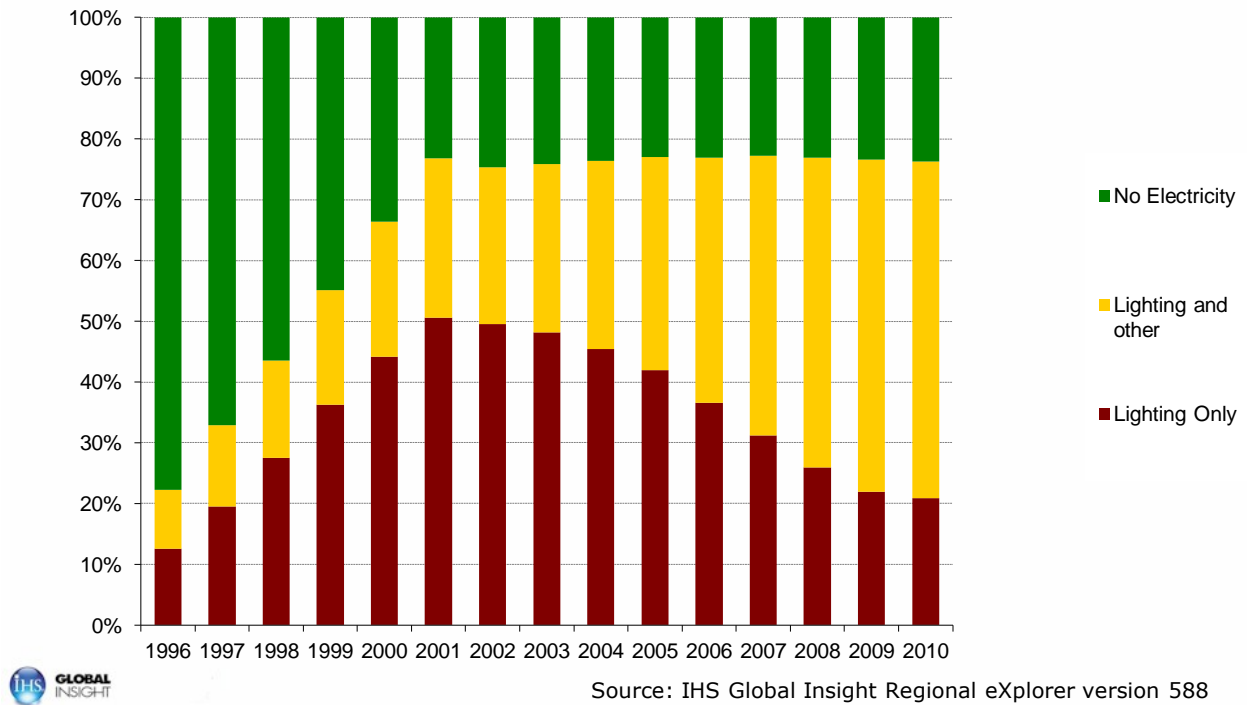
Households by water infrastructure
Nkonkobe Local Municipality (EC127)



1.5.4 Electricity connections

Electricity connections in Nkonkobe municipality have shown great improvement. This is reflected in the estimates by Global Insight for 2010. Global insight suggests that 5 784 households have access to electricity and they use it only for lighting and 15 366 households also have access to electricity and use it for lighting and other purposes. 6 566 out of 27 716 households have no access to electricity.

Households by electrical connections
Nkonkobe Local Municipality (EC127)



1.5.5 Refuse Removal

Nkonkobe municipality is rural in nature, however in terms of refuse removal it is still collecting in the urban areas. This is shown by the number of household with access to refuse removal as suggested by Global Insight. Global Insight has divided households according to the level in which they access refuse removal.

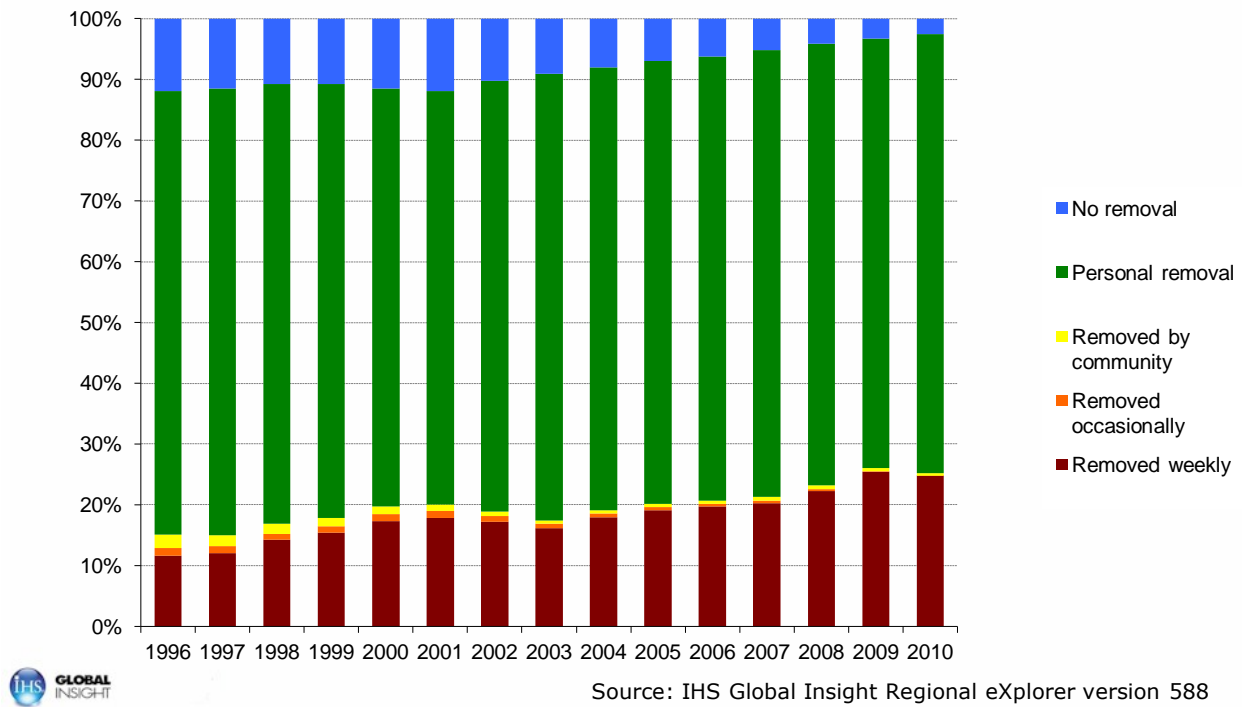
The table below depicts the situation in Nkonkobe municipality in terms of access to refuse removal.

No of household by access to refuse removal

Removed weekly by the Municipality	Removed less often than weekly by the municipality	Removed by community members	Personal removal	No Refuse removal
6871	1	131	20 031	719

Only 24.8 % percent have access to refuse removal in Nkonkobe municipality. About 20 881 households have no access to refuse removal.

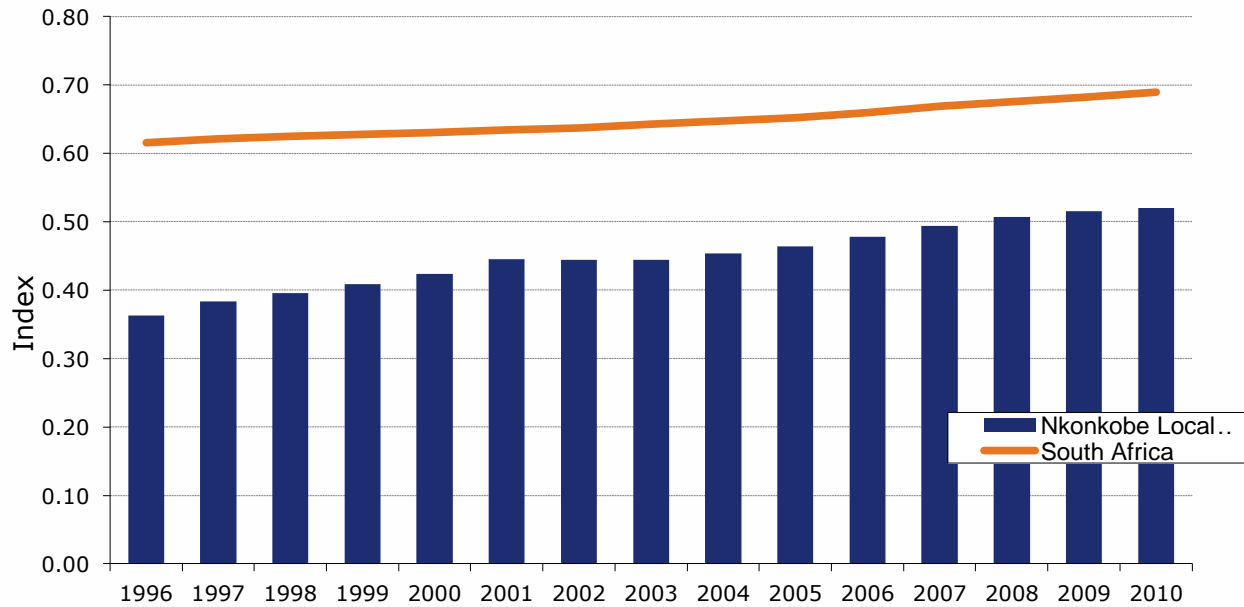
Households by type of refuse removal
Nkonkobe Local Municipality (EC127)



1.5.6 Household Infrastructure Overview

This is an overview of the infrastructure development in Nkonkobe municipality as shown in the graph below compared to national. The graph shows that since 1996 Nkonkobe municipality has improved in terms of upgrading its household infrastructure. It is just below 0.50 index when compared to national.

Household Infrastructure Overview Nkonkobe Local Municipality (EC127)



Source: IHS Global Insight Regional eXplorer version 588

1.6 Labour

1.6.1 Economically Active Population (EAP)

Nkonkobe municipality has 25 692 economically active people as per the official definition (Global Insight, 2010). This represents 22.5% of the total population.

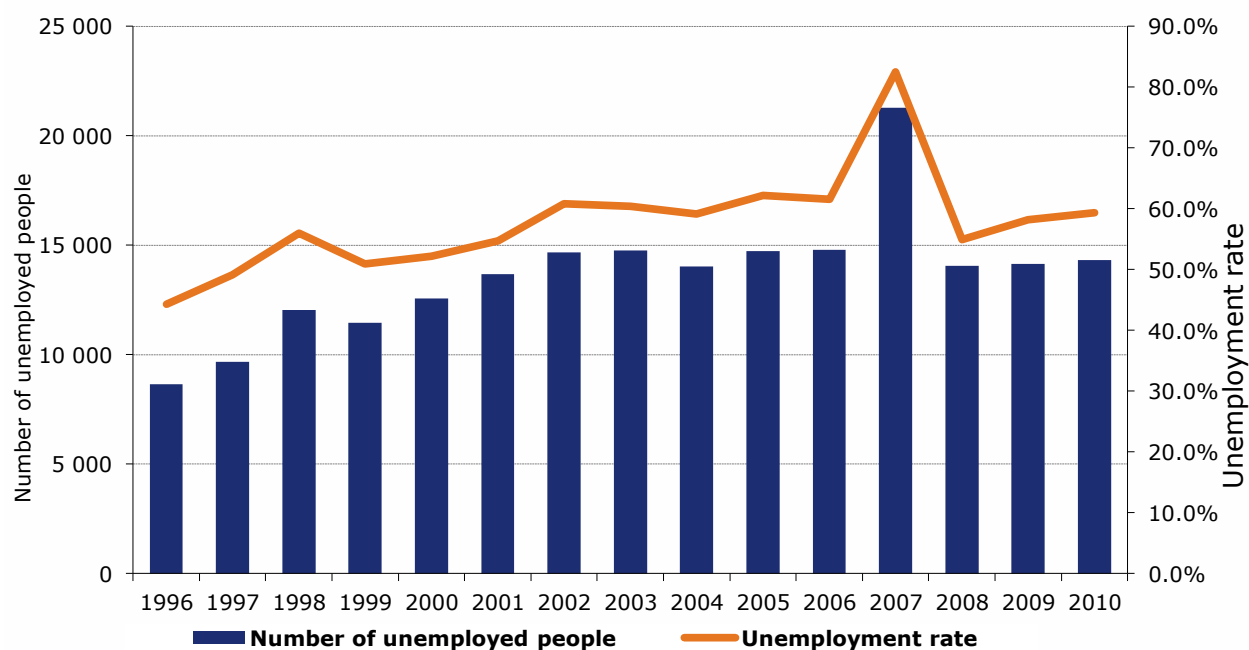
YEAR	2007	2008	2009	2010
PERCENTAGE	22.4%	23.0%	22.6%	22.5 %

1.6.2 Unemployment

Nkonkobe municipality still experiences high levels of unemployment. According to the official definition of unemployment, there are 14 848 unemployed people in the municipality. Unemployment rate is 57.8%.

YEAR	2007	2008	2009	2010
PERCENTAGE	57.2%	55.6%	57.5%	57.8%

Unemployment rate, official definition (%)
EC127: Nkonkobe Local Municipality, African - Total

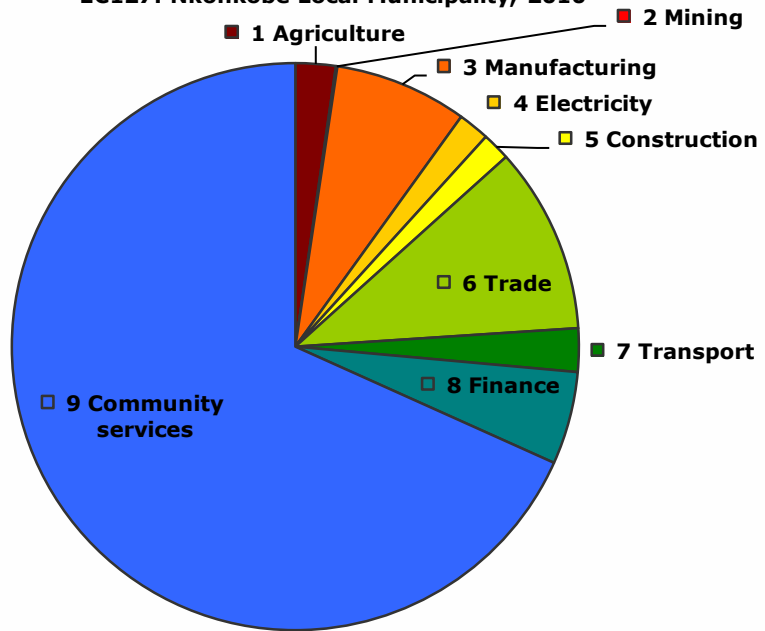


Source: IHS Global Insight Regional eXplorer version 574

1.6.3 Employment

Employment refers to people who are actively engaged in the production of goods and services. The total number of people employed in Nkonkobe Municipality is 7732 as per the official definition of employment (Formal Employment). The biggest employer is the community services at 4 874, followed by Households at 1006 and agriculture at 889. Other sectors employ less than 200 people. Total number of informal employment is 1732. This gives a total of 9 969 of employed people both formal and informal in Nkonkobe municipality.

**GVA-R Sectoral composition
EC127: Nkonkobe Local Municipality, 2010**



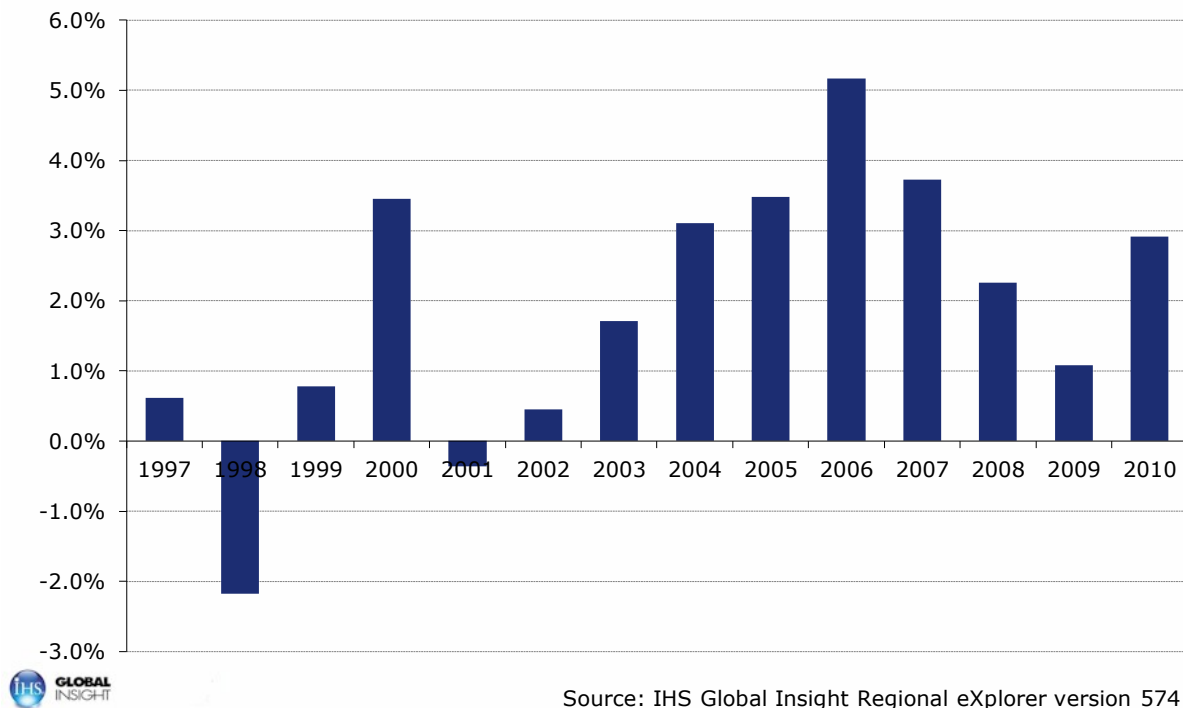
Source: IHS Global Insight Regional eXplorer version 574

1.7. Economic

1.7.1 Gross Value Added

Gross domestic production is the total market value of all goods and services produced within the political boundaries of an economy during a given period of time; usually one year .The Gross Domestic Product for Nkonkobe municipality is R2, 111,176

GVA-R Total Growth EC127: Nkonkobe Local Municipality



1.7.2 Labor Remuneration

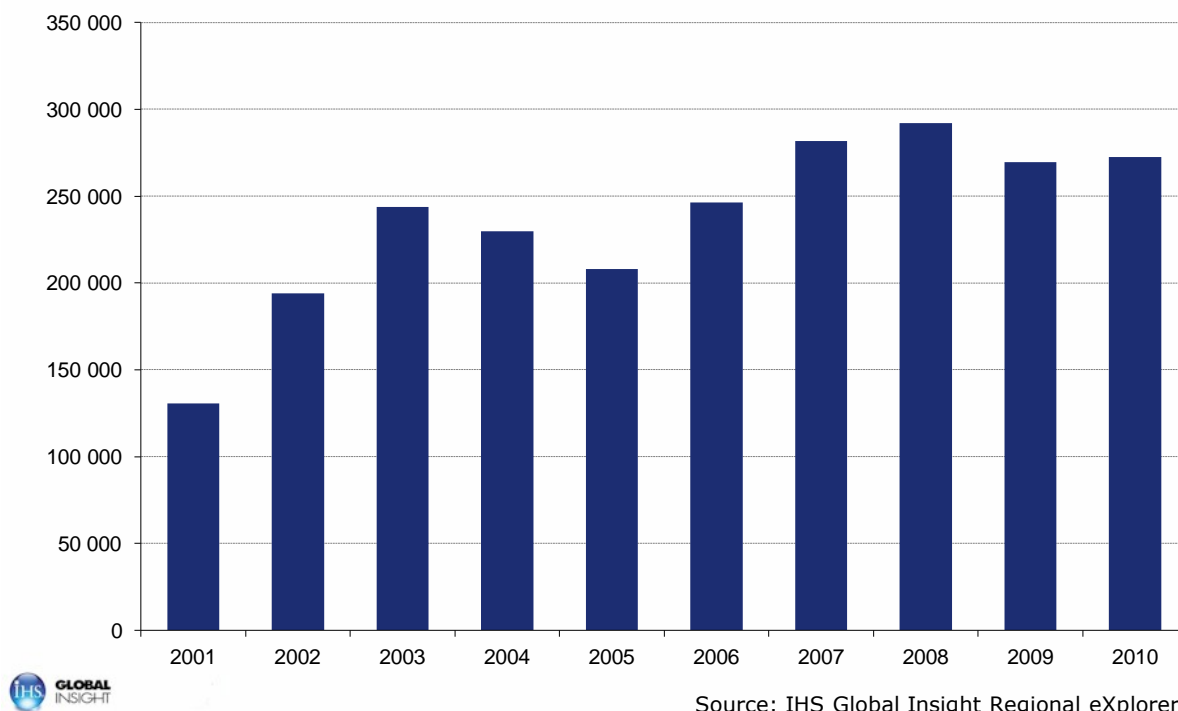
Labour remuneration stands at R1, 367,158 as per the three sectors (primary, secondary and tertiary)

YEAR	2007	2008	2009	2010
Labour remuneration	R973,653	R1,089,733	R1,227,486	1,367,158

1.7.3 Tourism

Tourism in Nkonkobe is one of the key sectors of economic growth .Nkonkobe is renowned of its rich heritage and history .It is the hometothe university of Fort Hare, Lovedale College, and Healdtown.This rich history and heritage however is not yet exploited. In terms of tourism growth, global insight says tourism spend in Nkonkobe municipality was just above R272 000 in 2010.

Total Tourism Spend (R 1000, Current prices)
EC127: Nkonkobe Local Municipality



Growth in Tourism

Growth in Tourism (using bednights) by origin

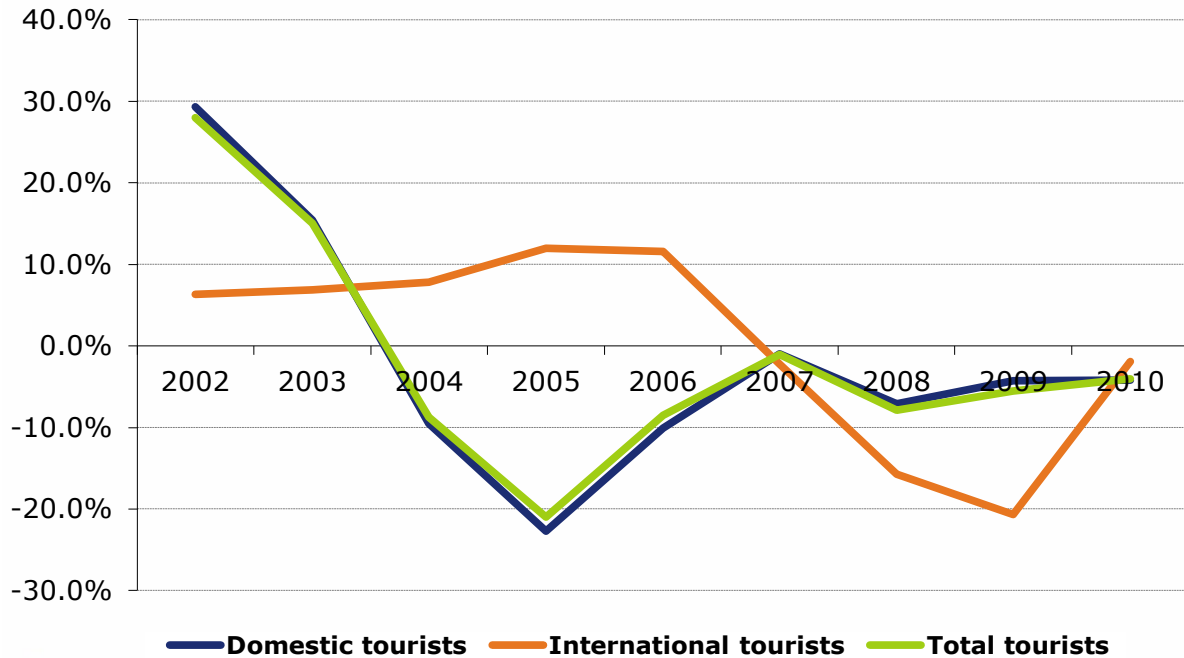
	Eastern Cape	ADM	Nkonkobe LM
Domestic tourists			
2006	-3.9%	-3.5%	-10.1%
2007	7.4%	7.5%	-0.9%
2008	2.5%	2.8%	-7.1%
2009	4.8%	5.7%	-4.2%
2010	3.5%	3.9%	-4.2%
International tourists			
2006	8.3%	8.7%	11.6%
2007	-0.6%	0.0%	-2.2%
2008	-5.4%	-3.5%	-15.7%
2009	-8.6%	-7.1%	-20.7%
2010	5.2%	5.2%	-1.9%

Total tourists

2006	-2.7%	-2.5%	-8.5%
2007	6.6%	6.8%	-1.1%
2008	1.7%	2.2%	-7.9%
2009	3.6%	4.6%	-5.5%
2010	3.7%	4.0%	-4.0%

The table above and the figure below show that the growth in tourism in Nkonkobe Municipality is rather declining. This has been as result of economic recession that the country as whole has witnessed in the past few years.

Growth in Tourism EC127: Nkonkobe Local Municipality



Source: IHS Global Insight Regional eXplorer version 574

2.8 Crime

Like all small towns, Nkonkobe municipality is affected by various forms of crime ranging from, rape, robbery, burglary and assault. For the purpose of this document, four types of crime happening in Nkonkobe area have been selected ,namely sexual crimes, common robbery ,burglary at residential premises and assault with the intent to inflict grievous bodily harm.

a) Sexual crimes

Sexual crimes reported during 2010/11 were about 250 and thus puts the rate of crime at 250 .0 per 100 000 people as reflected in the graph above.

b) Common robbery

Common robbery is as 180.0 per 100 000 people and 200 common robbery crime were reported during 2010/2011

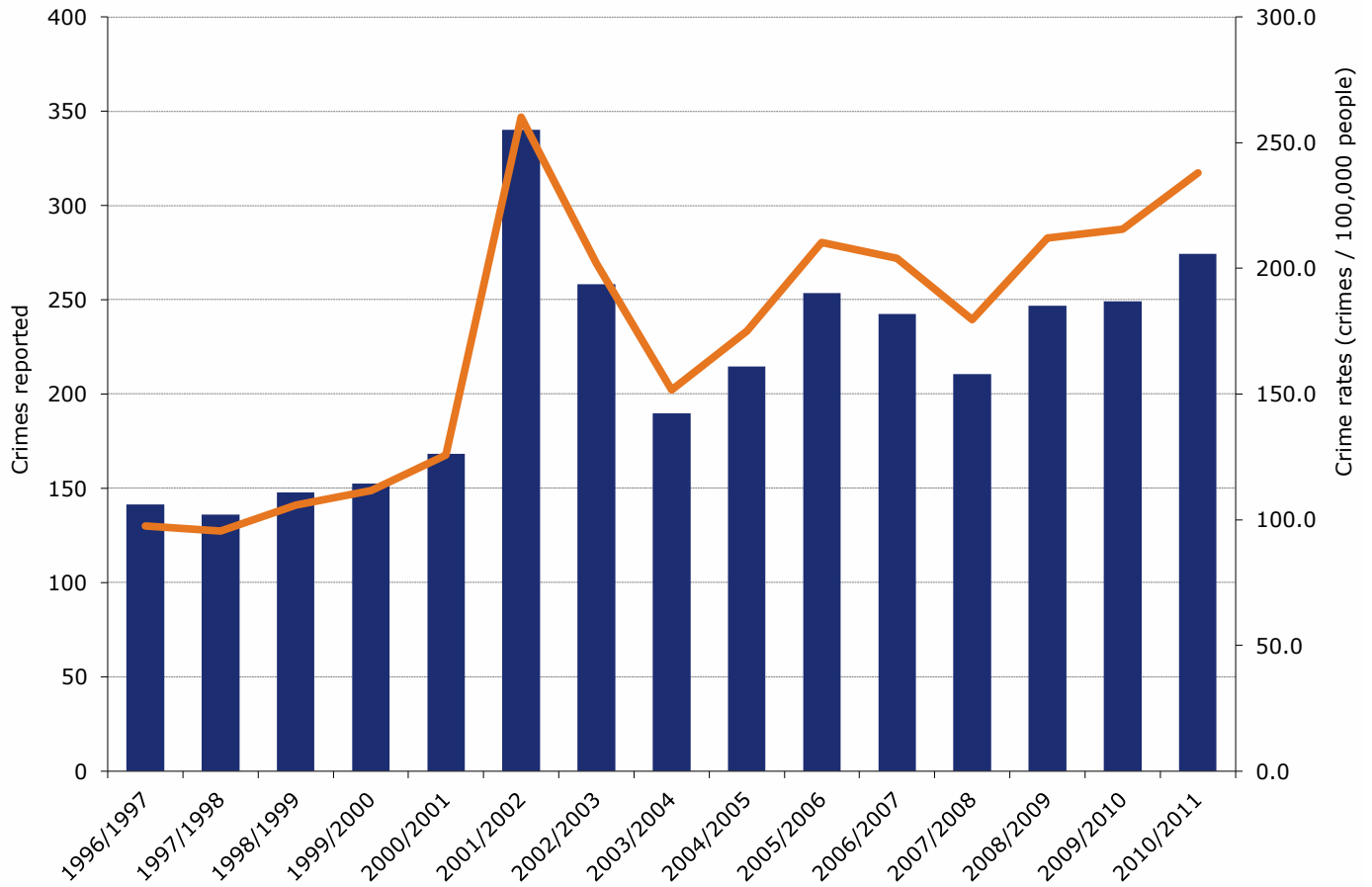
c) Burglary at residential premises

Burglary at residential premises seem to be very high as more than 800 cases were reported and the rate is just below 800.0 per 100.000 people as the graph below shows

d) Assault with the intent to inflict

Assault is the highest of the selected crimes. Crime of this nature reported were above 1000 and also the rate is also above 1000 per 100 000 people, see the graph below

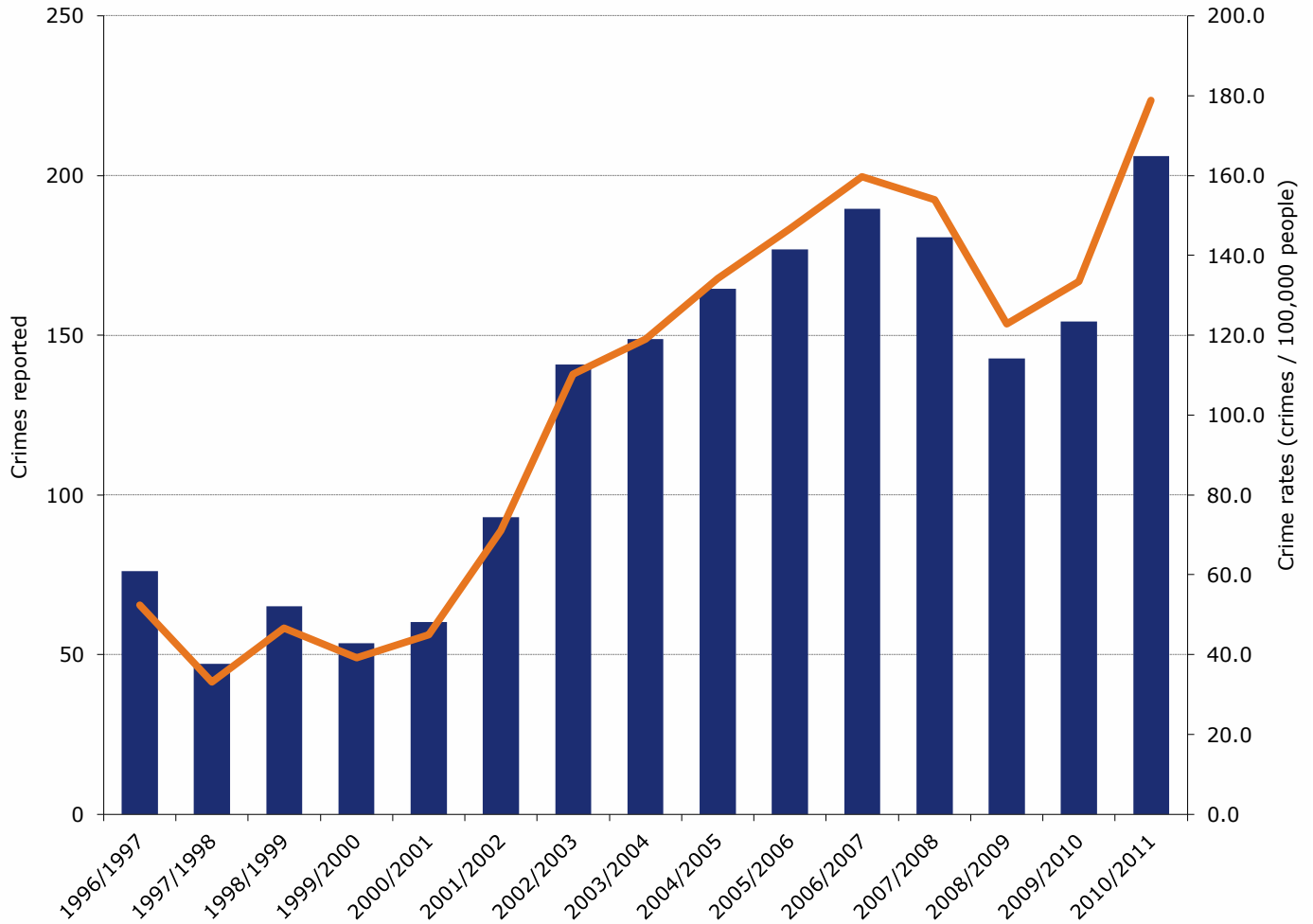
**Crime - Sexual crimes - Total
Nkonkobe Local Municipality (EC127)**



■ Crimes reported — Crime rate (crimes / 100,000 people)

Source: IHS Global Insight Regional eXplorer version 588

**Crime - Common robbery
Nkonkobe Local Municipality (EC127)**

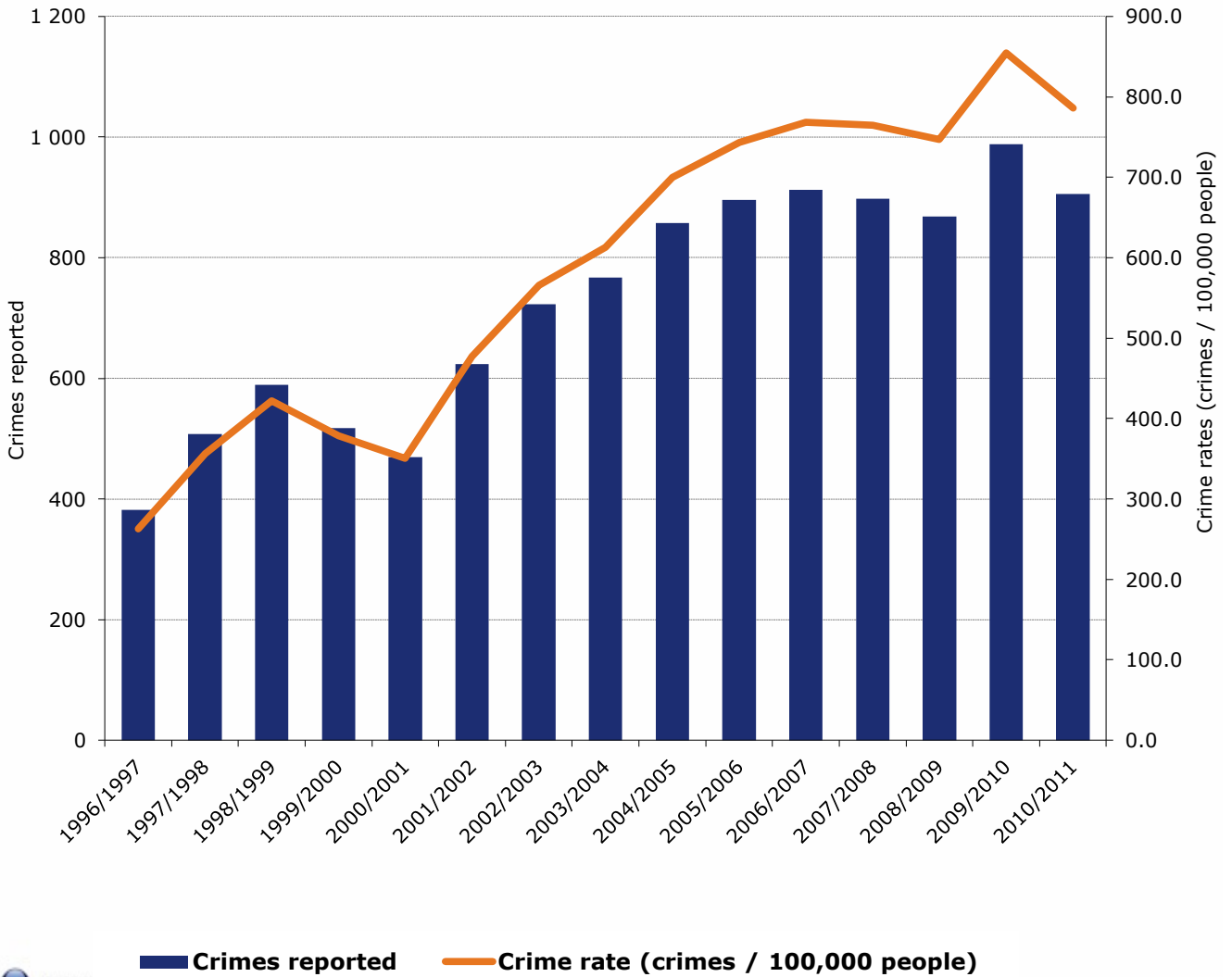


■ Crimes reported
— Crime rate (crimes / 100,000 people)



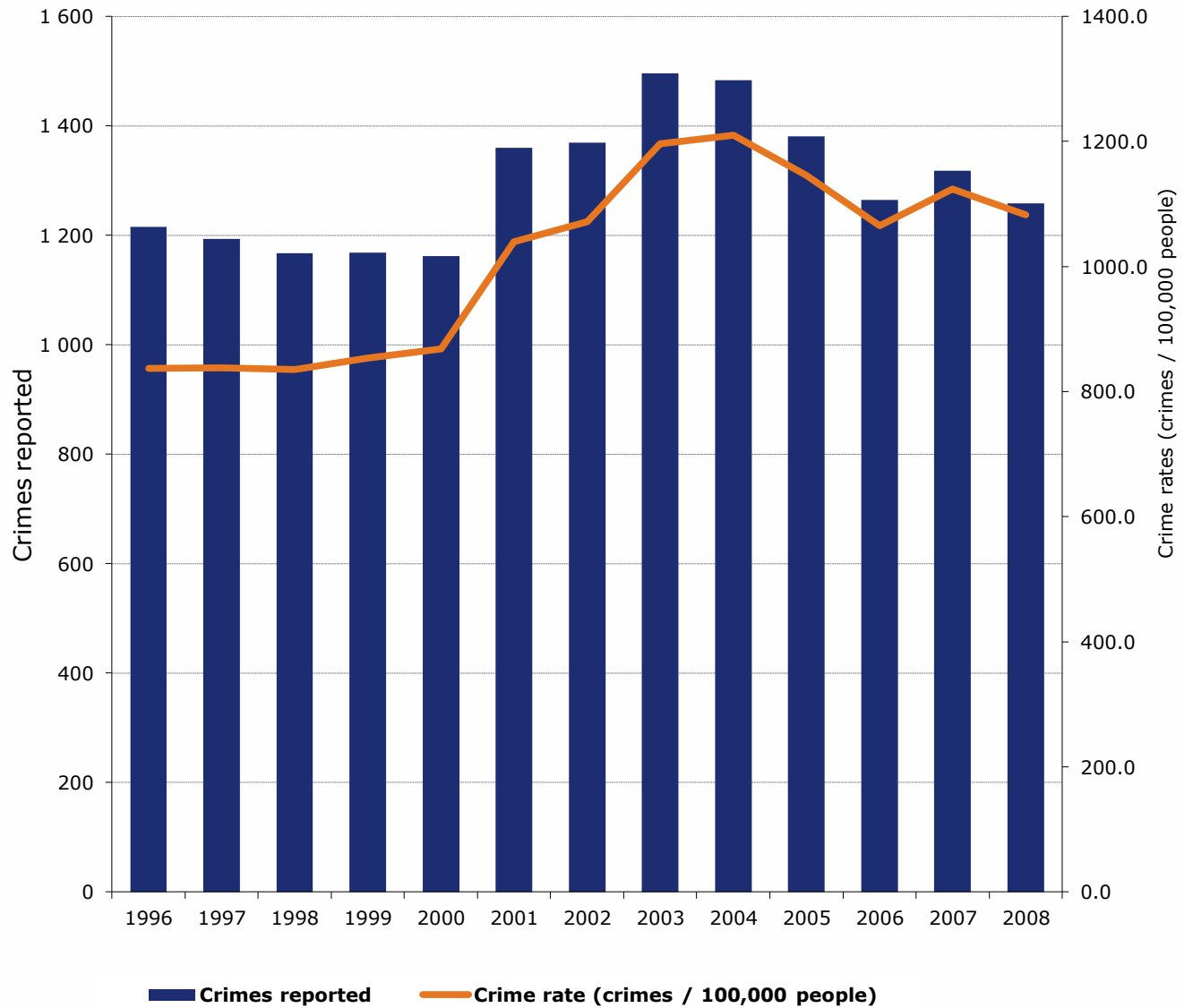
Source: IHS Global Insight Regional eXplorer version 588

**Crime - Burglary at residential premises
Nkonkobe Local Municipality (EC127)**



Source: IHS Global Insight Regional eXplorer version 588

**Crime - Assault with the intent to inflict grievous bodily harm
Nkonkobe Local Municipality (EC127)**



Source: IHS Global Insight Regional eXplorer version 588

2. LOCAL ECONOMIC DEVELOPMENT

According to the World Bank, "Local Economic Development (LED) is the process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation. The aim is to improve the quality of life for all."

Policy context for LED

"A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community."

South African Constitution (1996)

The White Paper on Local Government (1998) introduces the concept of 'developmental local government', which is defined 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 the quality of their lives."

Government's perspective on municipal LED role:

"Local Government is not directly responsible for creating jobs. Rather, it is responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of employment opportunities"

Local Government White Paper (1998)

"Local Economic Development is not about municipalities or other public bodies financing small local projects from the public purse. Nor is it about Mayors, Councillors or municipal officials trying to run or manage these or even larger projects. All too frequently these have been initiated without real business plans or any serious notion of sustainability and they only last and provide temporary employment for as long as the public grant, which created them, lasts".

LED Guidelines (2005)

Nkonkobe Municipality has through many initiatives strived to strengthen the local economic development within the area as informed by the mentioned legislations. Nkonkobe local municipality has taken a decision to develop a Local Economic Development Strategy in an effort to streamline and accelerate service delivery. A draft socio economic profile has been developed and to be presented to the council.

2.1 Agriculture

Local Government White Paper and the Constitution of the Republic of South Africa state that “No country today can effectively meet its challenges unless the components of government function as a cohesive whole. This involves:

- Collectively harnessing all public resources behind common goals and within a framework of mutual support.
- Developing a cohesive, multi-sectoral perspective on the interests of the country as a whole and respecting the discipline of national goals, policies and operating principles.
- Coordinating their activities to avoid wasteful competition and costly duplication
- Utilizing human resources effectively.
- Settling disputes constructively without resorting to costly and time-consuming litigation.
- Rationally and clearly dividing between them the roles and responsibilities of government, so as to minimize confusion and maximize effectiveness.

The municipality has been working very close with Government departments. The Department of Agriculture through its Agricultural programmes namely; Siyazondla, Comprehensive Agricultural Support Programme (CASP), Citrus Production and King Sandile Development Trust projects (KSDT) has played a big role on the development of the Nkonkobe Municipal area. A large number of communities in various wards of the municipality who were confronted by poverty and unemployment benefited from these projects. Siyazondla beneficiaries are able to consume fresh vegetables from their home gardens and also able to sell the surplus produce to the surrounding communities at low costs. The Siyazondla project slightly curbed the dependency syndrome where communities were in the past heavily dependent on government for continuous assistance. Siyazondla project a government initiative will expand to benefit more communities for as long as communities are able to sustain their projects.

2.1.1 Siyazondla 2010/11

Budget R325000.00

The following villages (15 households/village) benefited from our Siyazondla funding (Zixinene, Nceraward 11, Ngqele, Zibi from ward 15, Nonaliti from ward 19, Washington ward 14, Msobomvu ward 12, Mxhelo, Gaga ward 20, Hopefield, Khayaletu ward 10, Balura, Phumlani ward 13, Alice town ward 5, Ncera ward 11, Mpolweni ward 3, Wezo, Lushington, Tyatyora, Healdtown ward 7, Tinisi ward 21, Balfour, Phillipton, Kolomane, Seymour 4-H, Katberg 4-H ward 9, Upper Blinkwater, Toll ward 8

Siyazondla 2011/12

The following villages benefited this financial year (15 households/villages) Hala (ward10),Francis (ward15),Buxton and Picardy (ward 8),Mfiki (ward 16),Saki (ward 17),Mxumbu (ward 18) Qibira (ward 1),Lamyeni (ward 7),Mdeni(ward 8),Mpolweni(ward3),Ntilini (ward 8)

2.1.2 CASP

The Comprehensive Agricultural support Programme (CASP) was also allocated a huge budget and prioritizations were more biased to Land Reform beneficiaries and also on the economic impact that the project will have to the beneficiaries. Old and new shearing sheds were renovated with woolgrowers gaining on their produce, which has improved to a large degree. A shearing shed at Sompondwasconstructed by Amathole District Municipality and more than 12600 sheep are shorne. Shearers and sorters have been trained. Farmers are organised and they have formed a structure: Nkonkobe Farmers Association .Kolomane woolgrowers are members of NWGA and they have benefited from the Ram Exchange programme. Department has terminated its contract on Ram Exchange Program with National Wool Growers Association and these services will be done inhouse.

CASP 2010/11: Budget R1, 5M

Orders for construction of Windturnbines (Boreholes) have been issued to the contractor, work is due to start in November and be completed by end of March. The following are the villages to be assisted Ndindwa,Pewuleni, Sityi, Ngqele, Perksdale, Lamyeni, Khala, Msobomvu, Joe, Sheshegu, Kwezana West.

CASP 2011/12 – Budget R1, 375 000

1. R1m- for fencing of LRAD Project (25km) inMxhelo.
2. R275000.00- for renovation of 2 Dipping in Middledrift and Njwaxa

2.1.3 Land Care 2010/11 –Budget R450 000.00

The project focused on Land Reclamation, 46 people were employed for 3 months at a rate of R65.00 /person/day

Land Care 2011/12 -Budget R580000.00

46 people employed to eradicate jointed Cactus,

2.1.4 Cattle Production Scheme

There are five LRAD Projects fenced, with only one Communal project that is fenced, while the number of commonages stands at zero. The total km fenced is 60 km which was costing to R3 million. The only challenge with LRAD projects is that commonages are not fenced due financial constraint.This financial year 25km fence will be constructed at one of the LRAD farm in Mxhelo.

2.1.5 Citrus Production

Revitalization of citrus in Nkonkobe is of essence, as Citrus is a major contributor in the economic development of the area and it employs workers that are permanent and seasonal base. A number of high value crops have been identified by numerous scientific studies that have been carried out in the Nkonkobe Municipal area namely paprika, olives and essential oils. Alice fresh produce market has been constructed for all the marketing of vegetables in the area. In 2006/07 the government started the process of revitalization, through infrastructural support. To date the National Minister has given an approval for farmers to be able to buy these farms taking in to consideration of lease payments that they have already paid, which means purchasing price less lease contributions and currently the lawyers are processing their title deeds. Total number of beneficiaries are 21 farmers, Total number of 520 hectares is to be revitalized ,240 hectares has been revitalized to date i.e. removal of old trees, soil preparations, replacement of old irrigation system with new, planting of new tree seedlings and 280 hectares are still outstanding.

Industrial Development Cooperation (IDC) has played a huge role in financing the 11 farmers and a community citrus business through loans. The farmers who are benefiting for now from IDC Funding are those who are mentored by Riverside. Battlesden citrus Business has received a loan of R2m this Financial year from IDC. Planting of new trees has begun during this month of October.

New Recapitalisation Program by National Department of Rural Development and Land Reform has been introduced to fully rehabilitate the farms giving priority the financially distressed farms. To date business plans of 2 citrus farms had been approved by Provincial Screening Committee to access R3m funding for next financial year. To date 2 citrus farmers have received title deeds whilst for the rest of the farms lawyers are finalizing the total transfers to the farmers.

2.1.6 Massive Food Production 2010/11

Budget R1000 000.00 (Production inputs & Chemicals)

20 Citrus farmers who are members of Alice/Kat Citrus Thrust have benefited from the budget allocation, The production inputs were delivered to beneficiaries but arrived very late due to procumbent system.

This financial year 2011/12 an amount of R1m has also been allocated to 20 farmers for production inputs.

2.1.7 King Sandile Development Thrust Fund (KSDT)

Budget R365000.00

A Lucerne Mower, Rake and Bailer had been purchased for the 2 Projects i.e.Katrivier Irrigation Scheme and HACCOP.

2.1.8 Indigenous poultry project Pilot

Nkonkobe is one of the Municipalities in the province earmarked to pilot this project. The pilot is being coordinated by the Head Office inBisho and is being focused to Amagqunukhwebe area where 4 villages will be targeted and 40 households per village will benefit.

2.2 Community Based Planning

The municipality has funded 20 projects through Community Based Planning (CBP) in 2010/11 financial year. The following is the list of projects and beneficiaries:

WARD NO	PROJECT	LOCATION
1	Siyalinga Agricultural	Zalaze
2	Gaga Poultry	Gaga
3	Masizame Poultry	Tyoks Valley
4	Sokwakhana Co-op	Ntoleni
5	Phuhlisani Poultry	Chamama
7	Nomzamo Poultry	Rwantsana
8	Cape Missionary Institute Primary Co-op Thembalabantu Community Co-op	Newtown Lower Blinkwater
9	Vukuzenzele Masakhane Poultry	Phillipton Blackwoods
10	Makhuzeni Youth	Makhuzeni
11	Ncera Poultry	Ncera
12	Masiphathisane	Bergplaas
13	Sophumelela	Gxwederha
14	Phuhlisa Poultry	Qhomfo
15	Ithemba Clean & Green Co-op	Ntselamanzi
16	Masimanyane Primary Co-op	Ngele
17	Sakhi Poultry	Saki
18	Khanyisa Poultry	Mnqaba
19	Someleza Poultry	Ntonga

20	Elethullinge	Dorrington
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2.3 Alice Fresh Produce Market

The market was meant to be utilized by all farmers within the area for selling of their produce. It was supposed to gain the support from the local businesses and hawkers within the area and beyond with a huge potential that was identified but it is not performing at its maximum best as expected

2.4 Tourism

Nkonkobe municipality prides itself for world - class tourist destinations namely; Hogsback, Katberg, Mpofu and the Double Drift Game Reserves to mention just a few, the battle fields of the Frontier wars, the battles of the Axe and Amalinda, It cuts across water streams of the AmaGqunukhwebe tribe and to the popular sites of our rich heritage like Lovedale College across the Thyume river and the University of Fort Hare in Alice which have both produced heroes and heroines, great sons and daughters of Africa in Dr.TengoJabavu, Prof. Z.K. Matthews, Nelson Mandela, Oliver Tambo, Julius Nyerere, Robert Mugabe, Seretse Kama, Robert Sobukwe, Thabo Mbeki (the list is long). In the local front, Nkonkobe Municipality has provided 3 past Premiers for the Eastern Cape in the late Raymond "Oom Ray" Mhlaba, MakhenkesiStofile and NosimoBalindlela.

The Tourism sector within Nkonkobe Municipal area is clustered according to accommodation, heritage, hiking trails, cultural villages, craft and tour guiding. The Tourism sector is not accounted for in the Census statistics in terms of performance. Many studies that have been undertaken in the Nkonkobe Municipal area reveals that the Tourism sector is one of the sectors that seems to possess a strong potential to regenerate the economy of the Nkonkobe Municipal area. A craft center and cultural villages in Ngcabasa was constructed.

2.4.1. Tourism Supply

Nkonkobe Local Municipality has a small selection of accommodation available to the visitor. This includes country hotels, town-based guest houses and B&B's, guest farms (farm stays), guest cottages, game farms, lodges and facilities for camping / caravanning. In most categories, there is a relatively limited selection of different establishments. The majority (79%) of the establishments are located in and around Hogsback (53%) and Fort Beaufort (25%).

The number of accommodation establishments is shown in Table 5. The number of formal tourist beds in Nkonkobe Local Municipality and their measured average bed occupancies, divided into the categories of accommodation, is shown in Table 6.

NKONKOBÉ LOCAL MUNICIPALITY TOURIST ACCOMODATION ESTABLISHMENT IN 2011

Accommodation Type	Type Number of Establishments in Nkonkobe Total						Total Number of Establishments in Nkonkobe
	Alice	Balfour	Fort Beaufort	Hogsback	Katberg	Seymour	
Hotels	0	0	2	3	1	0	6
Bed & Breakfast	1	0	5	8	0	0	14
Lodges	0	4	0	0	0	0	4
Guest Houses	1	0	1	3	0	0	5
Self-Catering	8	0	10	26	0	1	45
Country house	0	0	1	0	0	0	1
Backpacker & Hostelling	0	0	0	2	0	0	2
Caravan parks & camping sites	0	0	1	0	0	0	1
Total	10	4	20	42	1	1	78

(Source: Kyle Business Projects, 2011)

Table 5: The tourist accommodation establishments in the Nkonkobe municipal area.

Accommodation Type	Type Number of Establishments in Nkonkobe Total						Total Number of Establishments in Nkonkobe	Average bed occupancy rate
	Alice	Balfour	Fort Beaufort	Hogsback	Katberg	Seymour		
Hotels	0	0	48	132	192	0	372	20.00%
Bed & Breakfast	27	0	85	44	0	0	156	20.00%
Lodges	0	41	0	0	0	0	41	20.00%
Guest Houses	4	0	10	21	0	0	35	20.00%

Self-Catering	82	0	72	298	0	8	460	20.00%
Country house	0	0	8	0	0	0	8	20.00%
Backpacker & Hostelling	0	0	0	191	0	0	191	20.00%
Caravan parks & camping sites	0	0	8	0	0	0	8	20.00%
Total	113	41	231	686	192	8	1271	20.00%

2.4.2. Tourism Demand

Tourism demand in the Nkonkobe municipal area is measured through the average number of tourist bednights sold over the period of a year. This data, derived from the number of beds and the average occupancies, is shown in Table 7.

Nkonkobe Local Municipality tourist accommodation occupation & bednights sold

Accommodation type	Number of beds in Nkonkobe LM	Estimated average bed occupancy Nkonkobe LM	Bednight sold per annum 2010
Hotels	372	20.00%	27,156
Bed & Breakfast	156	20.00%	11,388
Lodges	41	20.00%	2,993
Guest Houses	35	20.00%	2,555
Self-Catering	460	20.00%	33,580
Country house	8	20.00%	584
Backpacker & Hostelling	191	20.00%	13,943
Caravan parks & camping sites	8	20.00%	584
Total	1,271	0.00%	92,783

Table 7: The tourist accommodation number of beds, average occupancies and average bednights sold in the Nkonkobe municipal area.

Although the number of bednights sold is the real measure of the performance of the tourism sector in an area, as it is from overnight stays that the real economic benefit is derived, to evaluate the potential market for a tourist attraction it is more relevant to obtain a measure of the estimated number of visitors (foreign and local tourists, VFR and non-VFR) which visit an area. This is calculated in Table 8.

NKONKOBE - ESTIMATED ANNUAL TOURIST VOLUMES 2010

Total bednights sold	92 783
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NATURE BASED	
NAME	AREA
Great Fish River Reserve	Alice
Hiking Trails at Katberg Forest	Balfour
Mpofu Game Reserve	Balfour
Fort Fordyce Nature Reserve	Fort Beaufort
Hiking Trails at Fort Fordyce Nature Reserve	Fort Beaufort
Oak Tree at Picnic Site	Fort Beaufort
Rock Climbing	Fort Beaufort
Hogsback Park	Hogsback
Hiking Trails	Seymour
Horse Trails	Seymour
Bednights sold to foreign tourists (10.06%)	9,334
Bednights sold to local tourists (89.94%)	83,449
Total number of non VFR tourists	51 ,051
Total number non-VFR foreign (ave length of stay 1 night)	9,334
Total number of non-VFT local tourists (ave length of stay 2 nights)	107,293

Est total number of VFR (25.1% of foreign tourist)	3,128
Est total number of VFR (71.4% of local tourist)	104, 165
Est Total Visitors	158, 352
Est Total foreign visitors	12 ,462
Est Total local visitors	145,890
Estimated Total number of visitors	158 ,352

(Source: Kyle Business Projects, 2011)

Table 8: The estimated annual tourist volumes in the Nkonkobe municipal area.

The visitor attractions in the different areas in the Nkonkobe municipal area are identified and characterized as nature-based, arts and crafts, heritage & history, and other types of attraction, in table 9

ARTS & CRAFT	
NAME	AREA
Alice Crafters	Alice
Lilliput Crafters	Alice
Lukhanyiso	Alice
SiyagayaMakhosikazi	Alice
Siyavuka Project	Alice
Sophumelela Women's Project	Fort Beaufort
Amathole Crafts	Hogsback
The Little Studio at Moonshine	Hogsback

(Source: Kyle Business Project)

HERITAGE & HISTORY	
NAME	AREA
Doctor John Knox Bokwe Graves	Alice
Fort Hare University	Alice
Fort Woburn	Alice
Galla Slave's Grave	Alice
Lovedale College	Alice
Nkonkobe Garden of Remembrance	Alice
Place of Worship	Alice
Dutch Reformed Church	Balfour
Fort Armstrong	Balfour
Hertzog Church	Balfour
Maqoma' s Great Place	Balfour
Ntsikana's Grave	Balfour
Olive Shreiner's House	Balfour
Phillipton Mission	Balfour
AGS Church	Fort Beaufort
Dutch Reformed Mission Church	Fort Beaufort
Emgwenyeni	Fort Beaufort
Fort Beaufort Historical Musuem	Fort Beaufort
Fort Fordyce Fallen Site	Fort Beaufort
Grave of the "Hottentot" victim of the war 1846	Fort Beaufort
Graves of 3 British Soldiers at Fort Fordyce Nature Reserve	Fort Beaufort
Graves of 4 British Soldiers at Fort Fordyce Nature Reserve	Fort Beaufort

Holy Trinity Church	Fort Beaufort
Independent Church	Fort Beaufort
Infantry Barracks	Fort Beaufort
Lakeman's Fort	Fort Beaufort
Lord Charles Somerset House	Fort Beaufort
Masonic Lodge	Fort Beaufort
Martello Tower 1837	Fort Beaufort
Mater Hill 1860	Fort Beaufort
Mfengo Position	Fort Beaufort
Military Musuem 1837	Fort Beaufort
Military Hospital	Fort Beaufort
Officers' Quarters	Fort Beaufort
Presbyterian Church	Fort Beaufort
Rev.Williams' Grave	Fort Beaufort
St John's Anglican Church	Fort Beaufort
The Fort	Fort Beaufort
The Fossil	Fort Beaufort
Officers' Mess	Fort Beaufort
Toposcope at Fort Fordyce	Fort Beaufort
Victoria Bridge	Fort Beaufort
Healdtown College	Healdtown
Ecology Shrine	Hogsback
Fort Michel	Hogsback
Elands' Post	Hogsback

The Residency Sundial	Seymour
Christmas Day Massacre Memorial	Woburn Village
Tyalis' Grave	Woburn Village
Woburn Post	Woburn Village
Dr Stuart Monument	Woburn Village
Piet Retief House	
Piet Retief Memorial Stone	
Post Retief	

(Source: Kyle Business Project, 2011)

OTHER	
NAME	AREA
Hobbiton Outdoor Education Centre	Hogsback
Labyrinth	Hogsback
BaddafordFarmstall	Fort Beaufort
Nkonkobe Publicity Association Fort Beaufort	Fort Beaufort
Fort Beaufort Golf Club/Course	Fort Beaufort
Hogsback Bowling Green	Hogsback
Hogsback Golf Driving Range	Hogsback
Balfour Visitor Information Office	Balfour
Amathole Mountain Escape	Fort Beaufort
Hogsback Tourism Office	Hogsback
Katberg Eco Golf Estate & Hotel	Katberg
Kattour Publicity Office	Fort Beaufort

(Source: Kyle Business Projects, 2011)

Festival and Events in the Nkonkobe Local Municipality		
Festival/Event	Activities	Month
Hogsback Arts Festival, Hogsback	Family	September
Hogsback Spring Festival	Family	September
Christmas in July	Family	July

(Source: Kyle Business Projects, 2011)

2.4.5. Nkonkobe Local Municipality Heritage Management

Although the Nkonkobe Local Municipality has benefitted from funding for projects related to heritage, notably the Amathole Heritage Initiative and the Commonwealth Local Government Forum (through the Oxfordshire Twinning Project), the projects undertaken have not been sustainable due to the lack of suitably-qualified and dedicated resources within the Local Municipality to focus on the sector.

As part of the implementation of the Amathole Heritage Initiative, the Visitor Information Center in Alice was constructed, and established as a key point for the heritage route. Identified heritage sites on the Maqoma Route within the Local Municipality were rehabilitated.

The Oxfordshire twinning project resulted in the development of a database of heritage products and sites in the area, and incorporation of these into a GIS database to facilitate their development as a portfolio of heritage tourism products.

Current Status of the Heritage Products in the Study Area

- The bulk of the heritage sites / products date from the Frontier Wars / Wars of Dispossession era;
- The sites are mainly historical buildings and sites (forts, barracks, graves, battlefield sites etc) relating to the activities and sites of the settlers. The sites and activities of the Xhosa residents of the time are not yet adequately represented to provide a balanced and neutral view of the events;
- The focus of the heritage sites (i.e. the storyline at each site) is still biased towards the "Frontier Wars", and does not present an unbiased view of the events of the time. Visitors should be given the historical facts, and allowed to draw their own understanding and conclusions.
- Heritage structures are generally largely deteriorated due to lack of maintenance, and require significant remedial maintenance in order to be saved from complete destruction;
- Directional signage and interpretive signage, where it exists, is severely deteriorated. This includes site-specific interpretive signage installed as part of the Amathole Heritage Initiative in 2006;
- There is no visitor-accessible self-guided route through the heritage inventory of the area.

2.6 Visitor Information Centres

Nkonkobe municipality has three operating visitors information centres, one in Alice, Hogsback and the other in Balfour. These were built as part of Amathole heritage route. The municipality is in the process of building another one in Debenek. The Arts and craft centre is in the process of being converted into Nkonkobe museum to house the heritage of this area. The Arts craft shop has been leased to the Arts and Craft group called Abantu Arts.

2.7 Local Tourism Organizations

Nkonkobe Municipality has successfully established the Local Tourism Organisation that is a structure that will drive tourism within the Municipality. The structure is working hand in hand with the municipality and the way it is constructed it includes all sub sectors within the area. The structure is constituted by various Community Tourism Organisations that have products to offer in the sector except for Middledrift. Various initiatives are originating from the CTO's that will be implemented by the LTO those activities include the annual event by Hogsback CTO Christmas in July. The municipality has got to influence the event for the benefit of all product owners. The advantage of the event is that it already attracts people from all areas even beyond the municipal area, but the municipality needs to ensure that the event accommodates all.

2.8 LED Forum

The municipality has established the LED forum for all stakeholders to participate in local economic development issues within the area. The LED forum is composed of sector departments, state institutions such as NEDA, local businesses, NGOs and Labour.

2.8.1 LED Strategy

Summary of Local Economic Development Strategy for Nkonkobe Local Municipality

Nkonkobe Local Municipality has developed a Local Economic Development (LED) strategy in order to stimulate the local economy and therefore assist in providing a livelihood for the inhabitants of the municipality. Nkonkobe municipality has identified key areas which have potential to assist in the stimulation of economic activity as a starting point of their LED strategy. There are nine major economic sectors in the Nkonkobe municipality which include the following:

- Agriculture
- Mining and quarrying
- Manufacturing
- Electricity, gas and water supply
- Construction
- Wholesale and retail trade
- Transport, storage and communication

- Financial intermediation, insurance, real estate and business services
- Government and Community Services

The table beneath lists these nine major sectors together with other economic activities and the Gross Value Added (GVA) of each sector. Gross Value Add (GVA) is an important indicator of economic activity, since it communicates the value of all final goods and services, produced during one year, within the boundaries of a specific region.

GVA per Sector

Industry	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Agriculture, forestry and fishing	50	44	44	44	39	45	46	49	47	49
Mining and quarrying	1	2	2	2	2	3	3	3	3	3
Food, beverages and tobacco	8	7	6	6	6	6	6	5	5	5
Textiles, clothing and leather goods	17	16	16	15	13	13	12	12	11	11
Wood, paper, publishing and printing	23	22	20	18	17	15	14	13	11	11
Petroleum products, chemicals, rubber and plastic	8	7	7	7	7	7	7	6	6	6
Other non-metal mineral products	5	5	5	4	4	4	4	4	3	3
Metals, metal products, machinery and equipment	13	13	13	13	13	13	12	13	10	10
Electrical machinery and apparatus	1	1	1	1	1	1	1	1	1	1
Transport equipment	2	1	1	1	1	1	1	1	1	1
Furniture and other manufacturing	28	25	24	23	22	22	20	20	15	15
Electricity	17	13	14	14	14	13	12	12	11	11
Water	6	5	5	6	6	6	6	6	5	5
Construction	23	20	26	28	31	35	40	45	50	53
Wholesale and retail trade	134	137	144	159	178	197	216	229	236	246
Catering and accommodation services	15	17	18	20	22	24	26	27	28	29
Transport and storage	33	33	34	37	40	42	45	46	46	48
Communication	7	7	7	7	8	10	10	11	12	13
Finance and insurance	74	74	81	90	102	119	138	163	168	182
Business services	71	73	80	87	94	97	102	105	107	110
Community, social and personal services	222	212	217	212	214	221	229	231	232	236
General government	430	407	400	394	403	406	411	420	426	429

Source: ECSECC Socio-economic Database, 2010

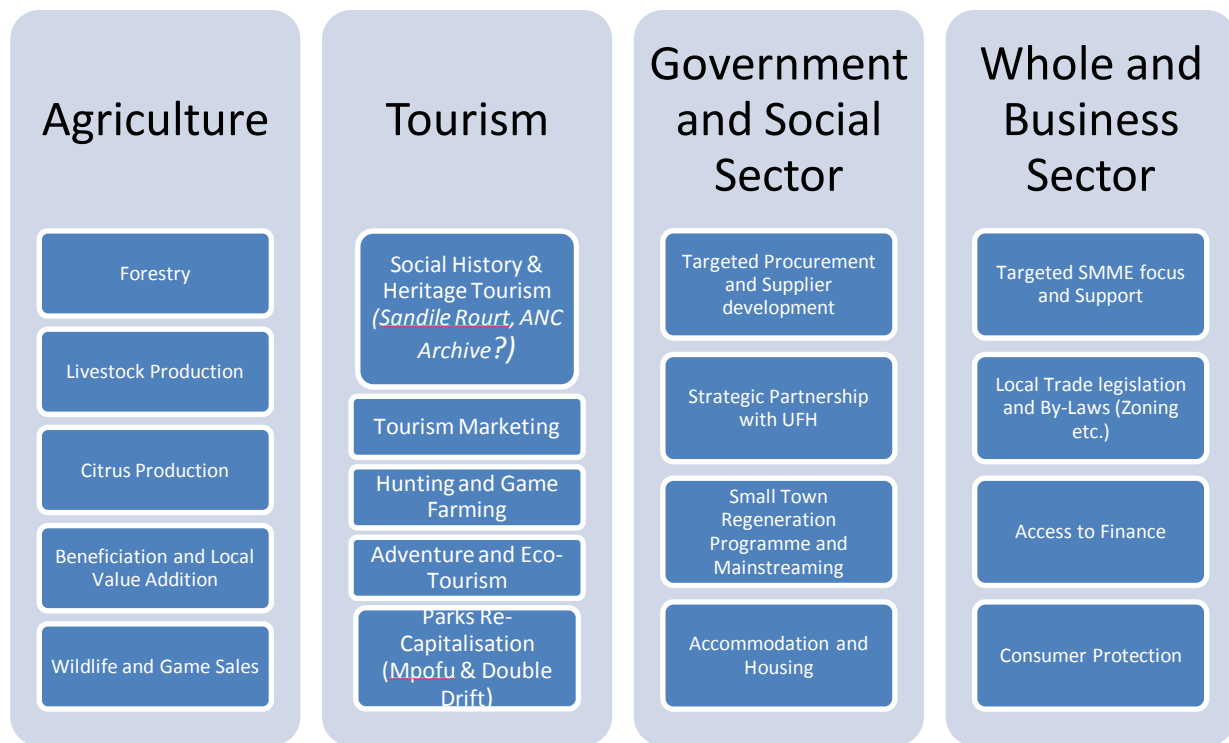
General government services dominate the local economy of Nkonkobe, followed by: wholesale and Retail Trade; Community, Social and Personal Services; Finance and Insurance; Business Services; and Construction. Agriculture, Forestry and Fishing appear to contribute minimally to the economy of the region in terms of GVA, however there are significant opportunities for this economic sector to contribute significantly to the LED strategy of the municipality.

LED strategic Framework

The diagram beneath depicts the overall strategic vision for the municipality in terms of implementing a viable LED strategy. From the diagram we can see that Nkonkobe municipality has identified four pillars which will underpin the strategy, namely: Agriculture, Tourism, Government and Social Sector and Whole business Sector. Each pillar has a number of relevant drivers/priority interventions which have been designated as areas which have the potential to stimulate the local economy.

In order for these sectors to be viable, the municipality has recognised the importance of a number cross-cutting issues depicted in the arrow figure beneath, namely: Infrastructure Development, Skills Development, Good Governance and responsive local government. These issues cut across all the pillars and economic activities and are therefore imperative for economic stimulation.

Vision and Strategic Framework



1. Infrastructure Development / 2. Skills Development / 3. Good Governance and Responsive Local Government

Implementation and Resource Management Plan

The implementation and resource management plan contains all the strategic objectives and priority interventions that the municipality seeks to implement within its LED strategy. The strategic objectives and intervention priorities are categorised according to the strategic goals that they respond to. There are five strategic goals in the LED strategy which include the following:

1. A municipal area characterised by infrastructure and facilities that enables sustained economic development.
2. A thriving agricultural sector which facilitates agribusiness growth and development.
3. A preferred tourism destination within the Eastern Cape Province.
4. A self-sustainable community utilising local resources and services.
5. A skilled and learned community contributing to the development of Nkonkobe.

The implementation resource plan further lists the specific programmes and projects which speak to the fulfilment of the strategic objectives and goals and also elaborate upon how much funding will be made available for programmes and projects. Furthermore the plan outlines the source of the funding and the timelines associated with the projects.

Resource Mobilisation

Nkonkobe's LED strategy shall also seek to mobilise resources from a number of different sources such as different government departments, this will require an Intergovernmental Strategy in order to harness the resources that could be made available by provincial and national departments. In addition, the LED strategy will also require the strengthening of existing partnerships and the completion of new ones. The Private sector and the academic sector are two examples of potential partnerships which could add great value to the LED strategy.

Institutionalisation of the LED

The Nkonkobe municipality has made efforts to institutionalise the LED through holding workshops that encourage participation of various stakeholders in the formulation of the strategy. The stakeholders come from various sectors including local government, government departments, business, farming community, civil society, universities/colleges and the local community. This is in line with the Thina Sinako Guide for Developing a Local Economic Development Strategy which basically advises that the LED Strategy development process needs to be inclusive and encourage maximum participation.

Monitoring and Evaluation

The Nkonkobe LED process makes provision for monitoring and evaluation in order to ensure that the process achieves the goals and objectives that it seeks to achieve and to also track the progress of the various programmes and projects. To this end the Implementation and resource management plan becomes very important as it details all the programmes and projects that the LED strategy seeks to implement. Nkonkobe already possess a monitoring and evaluation framework which will be applied to the LED strategy. In addition the municipality's Performance Management Strategy shall also inform the process of M&E with regards to the LED strategy.

2.9. Nkonkobe Economic Development Agency

Nkonkobe Economic Development Agency hereinafter referred to as NEDA was established by Nkonkobe Municipality in the year 2002. It is registered as a Section 21 Company and with the advent of the Amendments to the Municipal Systems Act it is yet to be converted into a Pty (Ltd).

The Agency was established along the principles of Agency that are in operation in the world. The decision had to be made on whether it is going to be precinct-based agency or sector focused agency. The decision was made that the Agency will be neither of the two but it would rather be assuming the middle ground. The rationale behind that approach was the fact that the Agency has been expected to operate in a relatively small area. The implications of the space constraints to the Agency were mainly the bases on its ability to create a critical mass. It has thus looked into projects in all the sectors and geographic pockets of the Nkonkobe Municipal area.

However it should be noted that the Agency's area of operation has always been characterised by a strong dominance of rural inclined economic sectors. Agriculture has always been and it still is the lead sector. In an economic turnaround it is extremely important that a balance is struck between the long term agenda which must have strong sustainability elements and the short term agenda which is mainly characterised by quick win projects and catalytic projects.

Another important point of emphasis regarding the strategic outlook of the Nkonkobe Economic Development Agency has been the Municipality's appreciation of its limitations.

NEDA has recently completed an OPS1 Business Plan that provides a detailed account of how it has performed in the previous two phases. This seeks to ensure that the organic linkages between the different phases are clearly illustrated and there is a sense of continuity.

In terms of that outline it is quite evident as it was also affirmed by the Audit that NEDA performed exceptionally well during the Pre Establishment, hence the swift move for pre establishment phase into the establishment phase.

However, it is quite apparent that the Agency could not sustain the momentum from the Pre Establishment phase into the Establishment Phase. In terms of the business plan that was submitted for the Establishment Phase, it was envisaged that the milestone would be realised within a period of 12 months (May 2006 – March 2007). However it is quite apparent that such objectives were not realised and as a consequence thereof, the completion of the phase was done in a period of 24 months.

This has put a lot of challenges to Nkonkobe Economic Development Agency. This is particularly important if considerations are to be given to the fact that the Agency is treated as a going concern which is continually incurring cost. This is better expressed by the budget expenditure report for the Establishment phase of Nkonkobe Economic Development Agency.

Nkonkobe Economic Development Agency has envisaged that the following projects would be fully running and profitable as and when this business plan is being submitted to the IDC Agency Development Services division:

- i. Hogsback Mineral Water – the company with whom Nkonkobe Economic Development Agency concluded an agreement was made insolvent. Subsequently the project collapsed. However, there are strong prospect of reviving the project subject to the Agency securing an operational partner. The owner of the old company is prepared to work with the new company that would take over the operation.
- ii. Seymour Quarry – There was a preliminary funding commitment from IDC which was later withdrawn. The operation has since been struggling to secure funding. Further requests have been made to ECDC for the start-up capital.
- iii. Alice Fresh Produce Market – The operation went bankrupt due to operation related deficiencies such as fork lift, computers, and trolleys; we have since accessed funding from the ADM to buy those equipments. On the other hand, the resuscitation of the initiative is at an advanced stage. Independent operators with a sound understanding of the fresh produce markets are being identified to partner with Nkonkobe Economic Development Agency. The operation will be run on contract terms; a management contract is being developed by service provider.
- iv. Cotton Production – The project collapsed because of the withdrawal of investment by the Da Gamma Textile. The withdrawal has been largely due to the challenges that were facing the textile industry particularly regarding their inability to compete with economies like China.
- v. MiddledriftBlockyard – Start-up capital could not be secured for this project. We are still waiting for a management contract to be developed; a service provider has been appointed in this regard.
- vi. DEAT Funded Project – the name of the project is EC Nkonkobe Land and Wetland Rehabilitation. It is about removal of alien vegetation and gabions construction (8 gabions) in Lushington, beautification of entrances and exits in Alice, Fort Beaufort and Seymour as well as tree planting and land scaping.

Although the Agency has attempted vigorously to focus all its energies on the initiatives outlined above, it has however not been able to register any significant progress. It was envisaged that at the time of submitting the business plan for the Ops 1 Phase, a minimum of two initiatives would have been running and as such would have reached the breakeven point.

As reported that the Agency did establish system to ensure operational stability. It is these systems that have helped ensure that the Agency is enabled to withstand the challenges of the last phase i.e. establishment phase. As far back as the pre establishment phase the Development Agency had completed all the critical instruments which included:

- i. Financial Policies
- ii. Human Resource Policies

- iii. Asset Register
- iv. Procurement Policy
- v. NEDA By Law
- vi. Articles of Association and the Memorandum of Association – the agency is still required to convert the Agency from a Section 21 Company into Pty (Ltd).

The above are extremely important documents for the smooth operations and sound administration of Nkonkobe Economic Development Agency. It is on the basis of these documents and many other applicable pieces of legislations that compliance with corporate governance will be judged on the Agency. However during the establishment phase there has been numerous challenges pertaining to the implementation of these policies. There have been adverse issues that have been raised about audit undertaken on Nkonkobe Economic Development Agency by the Agency Development Services.

It is also important to note that the Agency has been moving from an extremely shaky financial footing with the Industrial Development Corporation's grant as the main source of its funding. A lot of variations on the budget have been due to this factor. Most importantly has been its failure to secure additional funding during this phase. However there have since been significant improvements ranging from the commitment by Nkonkobe Municipality into an agreement entered into with the Department of Environmental Affairs and Tourism to the total value of R 17 million. Despite the resource constraints that the Municipality as the principal entity has been seemingly faced with, with regard to the assistance of the Agency it has demonstrated an unequivocal support to the agency which guarantees its success

As part of the new phase herein after referred to the OPS 1 phase, Nkonkobe Economic Development Agency is expected to undertake a comprehensive review of the original projects planned and determine whether they are still relevant projects to pursue. Furthermore additional projects would be identified for full implementation.

2.10 SMME Development

The Cooperative Act spells out how cooperatives should operate and as such the Municipality has assisted small business in the form of training and legal registration. Both DTI and ECDC has got funding for SMME development, auditing of SMME's is of essence to ensure that the municipality has statistical information of its SMME's. A need to develop an SMME strategy is still outstanding and has to be developed for sustainable projects. Registration forms for cooperatives are now available in the municipal offices. An advert for cooperatives and SMMEs to come and register in LED DATABASE was issued but response was received and this makes things difficult to know the number of these cooperatives and SMMEs that exist in the municipality and be able to assist.

Co-operative Development and Promotion

According to chapter 7 of the Constitution of South Africa, the objectives of local government are; to promote social and economic development and it further the development duties of municipalities as to participate in national and provincial development programmes.

The co-operatives Act 14 of 2005 preamble recognizes the co-operatives values of promoting self-help, self-reliant, self-responsibility, democracy, equality and social responsibility . The government has a commitment to provide supportive legal environment to enable co-operatives to develop and flourish. Furthermore the act states that achieving the recognized factors of cooperatives development will result to a greater platform to support emerging co-operatives. Ensure that co-operatives principles are implemented in in the municipality and the Republic of South Africa at large.

As informed by the Constitution of the Republic of South Africa,Nkonkobe Local Municipality has in its Integrated Development Plan (IDP) “Co-operatives development and promotion” as one of the key objectives for economic development of the municipality. The municipality hosted its 1st Annual Co-operatives Indaba in August 2011. The intent for hosting the event was to strengthen co-operatives development and building stronger co-operative movement.

The key participants were:

- Ward Councillors
- Institute of Cooperatives Development
- Council of churches
- Department of Economic Development and Environment Affairs
- Amathole District Municipality
- Eastern Cape Rural Finance Corporation
- Eastern Cape Development Corporation
- Department of Trade and Industry
- Provincial Co-operatives Task Team (Premier's Office)
- South African National Co-operatives Organization
- National Co-operatives Association of South Africa
- Eastern Cape Socio-Economic Consultative Council
- Asgisa-EC
- Traditional Leaders
- Small Enterprise Development Agency
- Amathole C-operatives Forum
- Nkonkobe Co-operatives Forum

The main objectives of the event were:

- Stimulation of opportunities for co-operatives and SMME'S
- To exchange best practices with National, Provincial co-operatives champions as they will be participating in the event.
- To raise awareness of the co-operatives models, principles and methodologies on how their ability can assist to empower people so as to ensure better sustainable socio-economic stable livelihoods.
- To be informed on the impact of co-operatives on our country's GDP (National Economy)
- Promoting economic development through co-operatives in the local municipality's communities.

2.11 Partnerships established

The municipality has established two private public partnerships with MTN SA and Standard Bank of South Africa. The partnership with MTN is focusing on four areas viz, Arts and Craft, Education, health and Entrepreneurship. The partnership will culminate into the development of the business support centre managed by NEDA on behalf the municipality. MTN will transfer the money for appointment of two people to operate the center. An agreement between NEDA and MTN has been signed already to start the process. The standard bank partnership focuses on the support on small businesses especially those that cannot get start-up funding from the commercial banks. Businesses such as hawkers, welders and even spaza shops are the ones considered. The partnership has resulted into the establishment of loan committees from three towns, Alice, Fort Beaufort and Middledrift.

2.12 Special Programmes

The municipality established Special Programmes Unit (SPU) under the office of the Mayor as per the constitution of the Republic of South Africa.

The focus of the unit is the implementation of youth, disabled, women, elderly and children programme and projects. A policy on special programmes was adopted by the Council to manage issues related to designated groups. The vision of the municipality on special programmes.... Nkonkobe Municipality envisages a future for all designated groups which:

- Is free from discrimination
- Promotes enabling environment to build capacity amongst women, youth and people with disability to be active participate in the life of the Nkonkobe municipality with the view to fulfill their potential, hopes, and aspirations.

The policy identifies the following as the focal priority areas for the Special Programmers Unit:

1. Youth,
2. Women
3. HIV/AIDS,

4. People with disabilities,
5. Elderly
6. Children and
7. Sport

The principles and values of the policy are:

- I. Redressing imbalances
- II. Sustainability
- III. Empowering environment
- IV. Gender inclusion
- V. Mainstreaming designated group issues

The Special Programmes Unit (SPU) facilitates the integration and mainstreaming of the designated groups into the development of the Municipality by;

1. Creating the necessary / conducive environment both internal and external through establishment of structures that will promote participation of youth, Woman, Disabled, Children, Elderly and HIV/AIDS infected individuals in our local Municipality.
2. Developing Policies, strategies and plans for the above groups for integration, mainstreaming, and alignment of such policies, plan and strategies into the sector plans of the Local Municipality.
3. Maintaining a mutual relationship between stakeholders in an endeavor to share experiences, align programmes and plans harness resources for better implementation of policies, strategies and plans

The population demographics of the Nkonkobe Municipality show that youth is the dominant group. The municipality entered into partnership with the National Youth Development Agency wherein a Youth Advisory Center (YAC) was opened in the Municipality, subsequent to that partnership the office was then absorbed by the municipality for sustainability .The are two officers permanently employed responsible for the provision of services in the office. Their main focus is on career counselling and outreach programmers. Theoffice has the mandate of ensuring youth development in the community and the mandate is informed by the lack of skills, high unemployment rate, poverty and crime and scarcity of required resources. The office is located in Alice town one of the municipal units. The targeted group mainly are unemployed youth, entrepreneurs and upcoming entrepreneurs, in & out of school youth, skilled & unskilled and the disabled.

Objectives of the Office

- Dissemination of information to young people on employment (finding work, job preparation, etc.), self-employment (starting your own business, financing, etc.), education and training (career planning, skills development, etc.), citizenship (lifeskills, rights, community work, etc.), and health and well-being (reproductive health, general health, mental health, etc.).
- Linking young people to entrepreneurship support services (business support and finance).
- Provision of basic career and business counseling and support to young people.
- Placement of young people into exit opportunities.
- Referral of young people to other specialized service providers for follow-up services.

Achievements and impacts of the SPU

- The has managed to establish relationships with certain institutions like MSC-College, Lovedale College, University of Fort Hare, FortCox College, Government Department, Government Communications, First National Bank, The Business Place, ECDC, SEDA, SARS, Rhodes University SMME Business Solutions, Eastern Cape Youth Commission, Ilitha College of Nursing World Vision, and the Office of The Premier.
- ▲ Establishment of Older Persons Forum, Children Advisory Council, Women's Forum and Nkonkobe Disabled Forum
- ▲ Assistance on Cooperatives workshops and trainings
- ▲ Facilitation of National Rural Youth Service Corp. (learnership)
- ▲ Career Exhibitions
- ▲ Youth Business Seminar
- ▲ Sport Development
- ▲ Back to School Campaign
- ▲ Awareness Campaigns
- ▲ Outreach Programmes

The municipality in its three year Capital Plan has put aside a dedicated budget of R620,000 for 2011/12, R656 580 for 2012/13 and R702 541 for 2013/2014 for Special programmes. The budget might not be enough to cater for all the challenges facing the Special Programmes Unit, however the municipality is taking the issue seriously.

2.13 Unused properties for economic development

There are a number of underutilized specific economic immovable assets in the municipal area that can be effectively utilized for local economic development namely; SMME incubation, Tourism etc. These are public owned properties and as such government has already paid money on them, to transform these properties to productive assets will be of benefit to the municipality. Threat, other people are already illegally occupying these buildings for private gain,

It is positive to take the existing properties as it is a costs benefit analysis points to a positive result if it means taking the existing structures than constructing new ones. ECDC has committed herself in releasing her properties to the municipality and an agreement has been signed between the two parties after the council agreed on the terms set by ECDC. The only thing left is the official hand over of the properties. A process is underway to get Public works to release all the properties to the municipality. A disposal plan has been developed and approved by the council and were are waiting public works to release the properties.

2.14 Alice Regeneration Programme

The Alice Regeneration Programme initially started as the Alice Rejuvenation Project by local stakeholders and Fort Hare Alumni in the early 2000's. This has evolved with Aspire, NEDA, Nkonkobe Municipality and Amathole District Municipality playing more prominent roles in formulating the strategy for the regeneration of this forum, in alignment with Aspire's small towns Regeneration Model.

Interventions identified

Two catalytic interventions have been identified, which will have the maximum impact in moving Alice from its current position towards its vision. Focusing attention in these interventions is seen as something that will unlock opportunities and encourage further investments into Alice, whilst also providing tools towards the spatial integration of Alice and University of Fort Hare (UFH).

These two catalytic interventions are middle-income residential developments for students and middle-upper income earners and upgrading of the CBD and creation of a civic core.

However there are other key interventions that are suggested as part of Alice Regeneration Programme and they are as follows:

- I. ICT Development
- II. Heritage Preservation and Tourism
- III. Promotion and Development of Agriculture value chain

Strategic focus areas

The Strategic Priorities are to encourage investment, unlock economic and job opportunities and to integrate UFH and Alice. These are further developed into Strategic Focus Areas which include;

- Release of state owned land.

- Upgrading of urban infrastructure.
- Unlocking of the value of the property in Alice.
- Development of the Agriculture sector and agricultural value chain.
- Preservation and development of Alice's heritage to unlock the tourism potential
- Attracting student, lecturers and professionals that work in Alice to also reside in Alice.
- Spatial and social integration of Alice, UFH and Lovedale by developing more used neighbourhoods to create an integrated African University town.
- Specification and qualification of complementary interventions such as the AgriPark extension, development of ICT infrastructure and industry.
- Creation of partnership among key stakeholders.

Achievements

- I. Alice regeneration strategy has been developed and approved by Council.
- II. Final LSDF (Alice Local Spatial Development Framework) has been developed and approved by council
- III. High level feasibility assessment report has been compiled.
- IV. Alice Heritage Assessment report was also done
- V. Business Plan for the infrastructural development was submitted to National Treasury by Aspire in May 2011.

2.15 Educational Level

Nkonkobe Municipality enjoys a high literacy rate of 61.0%, which makes the illiteracy rate 39%. There are 249 schools excluding tertiary institutions namely; the University of Fort Hare, and colleges such as MSC, Lovedale, Fortcox and Healdtown within Nkonkobe municipal area.

It has been identified in some of the areas that children are traveling long distances from where they live to the schools and that put their lives at risk. Because the municipality is rural in nature it is difficult to provide proper accommodation to teachers and schools do not have libraries in order for children to study during breaks if they want. Due to the quality of education that is provided in our schools, children are migrating to better schools like model c schools. Lastly it has been identified that there is a lack of commitment from some teachers and learners.

A number of challenges have been identified in this sector, those challenges include:

- The high rate of failure amongst students and that is caused by poverty and unemployment.
- Teachers for vital subjects are scarce from the area

- Learners are migrating to urban areas
- Infrastructure – shortage of buildings
- Teacher overload – teachers are reduced by staff establishment yet the number of subjects remain the same
- School needs teaching equipment to enhance teaching and learning
- Scholar transport – limited funds to cover more schools
- Quintile contestants- there are 4 primary schools that are not in the National School Nutrition Programme(NSNP) due to wrong quintile
- NSNP – 44 Post Primary Schools are benefiting from the programme
- Roads infrastructure affects scholar transport.

The remedial actions proposed for some of the challenges mentioned above are: The department needs to improve the level of education provided in schools, re-skilling of teachers and introduce attractive programmes in schools like sport and recreation. Teachers need to be motivated by provision of workshops, improving working relations and rewarding or issuing of incentives

2.16 Health Services

There is a total of thirty - two (32) clinics in the entire Nkonkobe Municipal area. Twenty- seven (27) clinics are run by the Provincial Department of Health for Nkonkobe communities. There are four (4) hospitals in the Nkonkobe Municipal area and one (1) Health centre, namely:

- Provincial Hospital
- Tower Hospital in Fort Beaufort
- Winterberg SANTA Hospital in Fort Beaufort
- Victoria Hospital in Alice
- Middledrift Health Centre

Three of these hospitals are in Fort Beaufort and the fourth one is situated in Alice.

500m access road to the Middledrift centre needs to be tarred. A need for health posts was identified; these should be established more especially in areas like Hogsback and Cangca, due to the financial constraints of the Department these areas are being serviced by Mobile clinics. This sector has got challenges that need to be addressed as a matter of urgency, shortage of staff has been identified and the solution to that challenge was a need to appoint an administrative staff to assist nurses. There is a need to aggressively recruit and train young people to be nurses especially locally based ones. A need to use retired nurses to assist in clinics and hospitals as some of the retired nurses are still interested in serving their communities and an increase of salaries for nurses to prevent them living the country for better salaries. Accommodation is also a challenge for the staff.

The Department of Health has currently sent two (2) candidates to Cuba to be trained as Doctors and also twelve (12) candidates are currently being trained at Lilitha College of Nursing in different categories of Nursing .Eleven (11) Community Health Workers have been trained are back to work as Assistant nurses now .The Department is also in a process of sending retired Nurses for training and enrolled Nurses for training.

Government Structures

Out of the 32 Clinics that are at Nkonkobe Municipal area only twenty nine (29) clinics that having functional Clinic Committees.

Local Aids Council is not established and is Councillor driven, Sub District HIV /AIDS coordinator has contacted Councillors to assist in establishment and functionality of this structure.

Outreach Programmes

Cervical cancer screening and HIV Counselling and Testing (HCT) campaigns are conducted in our areas and Clinic committees' serves as link to notify Communities on dates of visits.

2.17 Local Sport Facilities

The municipality has listed the upgrading of sport facilities in the IDP as one of the development objectives and strategy projects. It is important for the municipality to facilitate the provision of sport facilities so as to uplift the standard of living but due to financial constraints the municipality find it difficult to establish the sport fields and maintain the existing ones, which therefore leads to vandalism.

The following are the existing sport facilities and some of them need attention as their condition is not good.

- Chris Hani in Debe Nek,
- Wilton Mkwazi Stadium for cricket in Middledrift
- Alice grounds rugby field and are also utilized for soccer.
- Ntselamanzi Cricket grounds owned by Alice Cricket Board
- Victoria East Rugby Union fields in Alice
- Happy Rest Cricket Fields in Alice
- Zwelitsha Stadium in Fort Beaufort
- Gontsi in Fort Beaufort
- Newtown multipurpose fields - condition not good
- Ngumbela park in partnership with Healdtown Cricket Board
- Old Country Club multipurpose fields in Fort Beaufort

- Seymour sport field for rugby and soccer – condition bad

2.18 Libraries

Library service is the function of the Department of Sports, Recreation, Arts and Culture in terms of Schedule 5 of the Constitution of South Africa 1996. Nkonkobe Municipality is performing this service with Service Level Agreement. This service is performed in the following areas:

- Fort Beaufort Public Library- Fort Beaufort Town
- Washington Bongco Public Library- Bhofolo location
- Newtown Public Library- Fort Beaufort, Newtown
- Alice Public Library- Alice

The Fort Beaufort Public Library is manned by two Librarians (one from the Municipality and one from the Department of Sports, Recreation, Arts and Culture) and one cleaner, Newtown Public Library is manned by one Librarian and one cleaner, Alice by two Librarians, one Library assistant and one cleaner and Washington Bongco is manned by one Librarian from the Department of Sports, Recreation, Arts and Culture and one cleaner.

Libraries offer the following services:

- Assist community members by registering them to become members of the library
- Internet access free to all library members
- Give out books and other library material available to all members of the library.
- Provide information services for the benefit of use by the community.
- Promote and encourage the informal self-education of the community people.
- Offer supplementary information to those pursuing formal educational courses.
- Conserve books and other library material.
- Meet the recreational and educational needs of the community and encourage sound use leisure time.
- Design various outreach programs targeted at communities that surrounds the library

3. Municipal Financial Viability

3.1 Revenue

The year has seen the credit crunch loom large [critical situation], and increasing signs of an undecided economic factors that also had an impact on the municipalities cash flow and collection rates. Against this backdrop the municipality partially has done well in terms of collection and has sustained a firm cash flow.

The section mainly deals with collection & management of the municipal revenue, section 64 MFMA clearly states that the municipality must have a revenue collection systems in place consistent with section 95 of the MSA and the municipality's credit control and debt collection policy.

Considerable amount of municipal revenue is obtained from levying services in order for the municipality to determine its stability, efficiency and capacity to finance municipal services into the future.

In order to remain financially viable and sustainable, the municipality must generate sufficient resources. As limited scope exists to generate alternative revenue, it is necessary to increase rates and tariffs annually. The determining of tariffs is the responsibility of Council, as per the provision of the Local Government Municipal Systems Act. Affordability is an important factor when considering the rates and tariff increases. Consideration was also given to the alignment between there sources of the municipality, level of service and customer expectations. Below is the classification service

3.2Property rates

The levying of rates in terms of the Municipal Property Rates Act has had an impact on the rates individual property owners were charged with effect from 1July 2009, Properties were assessed based on the market value (which had substantial gains in value); however, the gains in terms of rates revenue were limited owing to the increase in various rebates to the different classes of ratepayers. The cent in the rand (rand age) was adjusted downward to compensate for the higher values. In addition, the impact on the indigent, pensioners, disability grantees and lower and middle-income ratepayers was not considered to ensure a limited impact. As it is a major source of municipal revenue All relief measures were projected for the previous financial year as it reflects in the budget as income on the revenue side on rates but the item had remain with low figures collected in relation to the prior year's performance. [2008] A contributing factor and challenge that the municipality is facing, is the information enclosed in the valuation roll which was never reconciled with the old valuation roll that the municipality had, and that affected the financial billing system. E.g. profitable government properties not listed namely in the new GV [General Valuation Roll] Cape College and Thubalethu High School, Fort Hare.

Farm Sites in Alice were valued to R3500 per site, also Chapter 2 of the MPRA part2 of Section (8) subsection (2) criteria set for different categories of rateable property was not clearly stated on GV, e.g. coding of residential government properties were incorrectly classified as normal residence that affected revenue in terms of imposing correct tariff set for state owned properties all properties were charged at the lower of rate for residence.

3.3 Electricity

The electricity tariffs increased by 20.38 %, which was much higher than that of previous years mainly due to the above average increase by Eskom as approved by the National Electricity Regulator. These above average increases are expected to continue in the medium term, as it is the service that is measurable and can be distributed to an individual consumer. The challenge of the municipality is that it does not have enough and competent electricians that partly hamper electricity revenue with the followings

- Disconnections / 10 Day check for cost recovery on arrear service of electricity was not done for the under reviewed year
- The focus of ensuring that disconnection of services for non-payment of accounts is done immediately and effectively and immediate follow up on those customers that have been disconnected and have not made any arrangements to pay electricity debt.
- Late submission of monthly readings for billing which resulted to late payments
- Identification of tempering or illegal connections as it was identified in last year audit report 08/09 that the service is being run at loss
- Also to be assisted with the project on conversion of business to prepaid metering systems, so as for the business to buy electricity on cash basis.
- Monitoring of electricity usage on municipal premises and street lighting that are always on during the day also contributed in the loss.

3.4 Refuse Removal

The municipality is providing this service to all urban areas of its jurisdiction, and also the municipality is in a process of enhancing its capacity to perform this function like for instance the institution has acquired relevant equipment and establishment of cooperatives in 2009/ 2010.

To domestic and businesses it is also the service that can be measured or determined with reasonable accuracy and distributed to an individual consumer. During the period of implementing Credit Control Policy, it was reported by lot consumers that the service is lacking and most of the time they end up taking it to the dumping site by themselves or burning it. E.g. Thubalethu high school it was reported that it was never being taken, Katco factory is not taken as per the agreement, Shaddei Flats requested a yellow bin which was never made available , and champs is taking its refuse agreement was not honoured. The revenue budgeted was affected versus monthly rising of debt that resulted to low collection.

3.5 Social package / FBS

Furthermore, the cost of the basic social package is granted in order to provide a social welfare to indigent's debtors who cannot afford to pay municipal services and provided with free electricity. The cost of the social package was funded from the equitable share allocated to Council by National Treasury in terms of the Division of Revenue Act.

The total expenditure for Free Basic Service as at April 2012 is R7 036 226.32

Total number of Refuse is 3371 and amount is R1 781 453.87

Total number of Electricity Eskom is 9870 and total amount is R3 370 884.83

Total number of Electricity municipal beneficiaries 4042 and total amount is R1 883 887.62

COMPARISON OF CONSUMER DEBTORS AS AT JULY 2011& 2012

	DEBT AS AT JULY 2011	DEBT AS AT APRIL 2012	VARIANCE
ELECTRICITY	14 961 635.97	4 486 672.66	10 474 963.31
REFUSE	3 979 526.05	7 754 589.52	3 775 063.47
RATES	20 590 246.33	16 170 896.37	4 419 349.96
TOTAL	39 531 408.35	28 412 158.55	18 669 376.74

3.6 Government debt

- There have been no successes in recovering outstanding debts, however there is still a number of unresolved payments which are not reimbursed to the municipality
- One of the most relevant issues is the debt that has accumulated over a period of 2 years.
- Discussions still continue to resolve this matter for the outstanding rates 08/09 and 09/10
- Also the government department are not paying in good time

Currently the municipality collects more revenue in Fort Beaufort area, reason being, the municipality distributes electricity in the area, therefore it is simple to implement credit control policy to defaulters e.g. blocking of electricity is exercised

For other areas where Eskom is a distributor the municipality is unable to do proper debt collection in case of defaulters, it is still a challenge for the following towns, Seymour, Alice, Middelrift, Hogsback

- Valuation roll that is currently in use is still having some gaps.
- The financial year of 2010/2011 was closed with the balance of R32, 817,244.09
- ADM still owe the Municipality huge amount of money for pump stations.
- Also during the period of conversion to prepaid electricity there are still outstanding balances that were not collected, only conversion cost were considered, these balances were left unattended.

3.7 Revenue collected by source for 2011/2012

REVENUE BY SOURCE	BUDGET	ACTUAL COLLECTION	VARIANCE
ASSESSMENT RATES	13 000 000	17 986 318.00	(4 986 318.00)
SERVICE CHARGES – ELCTRICITY	35 150 000	17 139 674	18 010 326
SERVICE CHARGES – REFUSE REMOVAL	6 000 000	1 781 989.00	4 218 011.00
RENT FACILITIES & EQUIPMENT	364 194	185 028	179 166
INTEREST EARNED – EXTERNAL INVESTMENTS	1 200 000	5 572 324.00	4 372 324.00
INTEREST EARNED – OUTSTANDING DEBTORS	11 000 000	1 068 141.00	9 931 859.00

FINES	300 000.00	64 880.00	235 120.00
REVENUE FOR AGENCY SERVICES	2 100 000.00	1 843 064.00	256 936.00
OTHER REVENUE	620 400	6 085 927.00	(5 465 506)

3.8 Reasons for reduction in collection rate

3.8.1 Implementation of municipal property rates act

The implementation of MPRA had a substantial negative impact in the collection rates of our debtors and the budget was over estimated, e.g. indigent debtors were not excluded from the valuation roll and that affected the budget's estimates.

Secondly newly rated farmers also did not pay for rates because accounts were not sent out.

3.8.2 Implementation of credit control policy

As per the table the main sources of municipal income is from property rates, refuse removal and the sale of electricity. Credit control policy was and is not yet fully implemented as the information in our valuation roll is not correct which is having a negative impact on billing.

3.8.3 Recession & national credit act.

Recession had a negative impact on the collection of outstanding debts, customers could not afford to pay outstanding amounts, and certain consumers were granted extended terms to pay because of the National Credit Act. The banks requirements for granting loans became inflexible and that had a huge impact in recovering outstanding amounts.

3.8.4 Grants RECEIVED 2011/2012

REVENUE BY SOURCE	BUDGET	ACTUAL	VARIANCE
EQUITABLE SHARE	76 099.00.00	76 099.00.00	0
MIG	21 693 000.00	21 693 000.00	0
FMG	1 450 000.00	1 450 000.00	0
MSIG	790 000.00	790 000.00	0
DEPT OF SPORTS	1 469 000	1 469 000	0
TOTAL	101 501 000	101 501 000	0

3.9 Asset management

The Nkonkobe Municipality adopted the Asset Management Policy in July 2007.

The municipality owns both movable and immovable assets. The municipality managed to have a GRAP compliant asset register through the assistance of ADM who appointed a service provider to execute the job. All the additions for the 10/11 financial year have been updated.

3.10 Directive for Accounting Standards.

Asset management is now controlled under BTO department through the office of supply chain. The municipality is utilizing directive 4 Accounting Standard that give the municipality a grace period of three years before depreciation will be considered, therefore it is currently utilizing the straight line method. Municipalities are not required to measure intangible assets for reporting periods beginning on or after a date within three years following the date of initial adoption of the standards of GRAP. Standards of GRAP set out the recognition, measurement, presentation and disclosure requirements for financial reporting in the public sector. However the municipality is required to fully comply with GRAP 17 by 12/13 Financial year and is thus in the process of procuring competent service provider to do a fully GRAP compliant asset register. This will include componentization, values, lives of assets, depreciation rates etc.

Section 63 of the MFMA No. 56 of 2003 stipulates that "the Accounting officer is responsible for the management of:-

- (a) The assets of the municipality, including the safeguarding and the maintenance of those assets
- (b) Ensure that the municipality has and maintains a management, accounting and information system that accounts for the assets and liabilities of the municipality
- (c) That the assets and liabilities are valued in accordance with standards of GRAP

(d) That the municipality has and maintains a system of internal control of assets and liabilities including an asset and liabilities register, as may be prescribed”.

- This then means that the municipality does not have a choice but to make means that will ensure the smooth running of asset management.
- There is a high demand for a more controlled environment by Auditor General. Asset management can be a nightmare if not managed properly. Currently the municipality appointed an Asset Management officer who manages the assets of the municipality.
- Total value of asset additions of the 10/11 financial year as at 30 June 2011 is **R 46 817 478**.

3.11 SUPPLY CHAIN MANAGEMENT.

Nkonkobe Municipality's Supply Chain Management (SCM) Policy seeks to promote an innovative form of targeted procurement, which will encourage socio-economic transformation within its locality. The SCM will empower the Nkonkobe Municipality to continue to redress the skewed distribution of wealth. The SCM also assist in achieving the goals of poverty alleviation and job creation within its locality.

The SCM will achieve the above by providing employment opportunities to Historically Disadvantaged Individuals [HDI's] and disadvantaged communities, enabling socio-economic transformation objectives to be linked to fair, transparent, equitable, competitive and cost effective procurement practices. The SCM unit reports to National Treasury, Provincial treasury all contracts above R100 000 on a monthly basis.

Functions of the SCM Unit

- To manage the tender processes of the Municipality.
- Manages, acquires and compiles databases of Professional Service Providers (PSP), General Service Providers (GSP) and Contractors for the Municipality.
- Manages possible procurement risks by verifying and scrutinising submission of information from tenderers and service providers.
- Manages the disposal of municipal goods no longer needed and/or are redundant.
- Manages the Municipality's Stores.
- Develop and continuously review the SCM Policy of Nkonkobe Municipality.
- Ensuring that all additions of assets a correctly accounted for and updated on the asset register

- Effectively and efficiently overseeing the constant flow of units into and out of an existing inventory of the municipality.
- This process usually involves controlling the transfer in of goods in order to prevent the inventory from becoming too high, or dwindling to levels that could put the operation of the municipality into jeopardy.

3.12 Expenditure management.

This section contains the level of spending for the whole Institution, its detailing expenditure levels versus budget.

3.12.1 OPERATING EXPENDITURE.

DESCRIPTION	BUDGET/ OPEN BAL	YTD MOVEMENT	BALANCE	%
EMPLOYMENT SALARIES & CONTRIBUTIONS	67 303 314	49 033 678.78	18 269 635.22	73%
REPAIRS & MAINT-MUN ASSETS	7 337 814	4 025 138.81	3 312 675.19	55%
INT EXP-EXT BORROWINGS	3,654,000.00	3,653 011.59	988	100%
GENERAL EXPENCES-OTHER	67 300 876	50 926 851.01	16 374 024.99	76%
TOTAL	145 596 004	107 638 680.19	37 957 323.81	74%

Salaries

Expenditure on salaries is currently standing at 73% this can be attributed to vacant posts which have not been filled, and resignations over the past 8 months.

Repairs & Maintenance

Expenditure on repairs and maintenance is currently at 55%, this can be attributed to the fact that some expenditure is still at commitment stage.

External Borrowings

Expenditure on external borrowings is reflecting 100%, this is due to the fact that the loan has been fully settled.

General expenses

Expenditure on general expenses is currently at 74%, most of the expenditures are sitting at commitment stage.

Capital Expenditure

.VOTE NUMBER	DESCRIPTION	BUDGET	YTD MOVEMENT	BALANCE
1000/00/5/02/9992	MIG: GRANT & SUBS NEW	21 693 000	13 926 430.37	7 766 569.63
1000/00/5/01/9992	REVENUE FUNDED CAPITAL	22 921 105	7 863 696.74	15 057 408.26
TOTAL		44 614 105	21 790 127.11	22 823 977.89

Capital related expenses is currently sitting at 41% for MIG and 23% for own revenue funded capital. Expenditure is expected to pick up in the last quarter as most of the expenditure is currently sitting on commitment stage.

3.12.2 RESOLVING THE OUTSTANDING MATTERS RAISED BY THE AUDITOR GENERAL

The Audit Report for the financial year 2010/2011 has been issued by Auditor General wherein Nkonkobe Municipality received a qualified audit opinion on a number of issues namely, comparatives, Irregular expenditure due to trading with suppliers employed in the organ of state, trade and other receivables, journals amounting to R5mil that could not be substantiated with sufficient and appropriate evidence as these balances are prior period errors, debt impairment not included in this financial statements, etc. Although the municipality has a number of qualification matters, it has put considerable efforts to resolve the problems encountered by the implementation of actions planned. Establishment of Performance Audit Committee. Capacitating Internal Audit through co-sourcing of the function has.

The Auditor General presented the report to the council commending the municipality from putting governance structures in place e.g. Audit Committee and internal audit unit. The audit report stipulated the following:

TABLE 1: Audit outcomes

	2008/09	2009/10	2010/11 (Consolidated AFS)
Opinion	DISCLAIMER	DISCLAIMER	Qualified audit Report
Qualifications	15	25	3
Emphasis of matter	3	3	6
Other matters	23	23	26

Table 2 below shows the areas that lead to qualifications over the two financial years, whilst there are still challenges with regard to revenue, trade payables and infrastructure assets.

	2009/2010 – GRAP AFS	2010/2011- Consolidated AFS
Comparatives	yes	yes
Cash and cash equivalent	no	Yes-prior period error
Revenue and receivables	yes	yes
Vat receivable	no	yes
Other receivables	yes	yes
Trade and other payables	yes	No
Property , plant and equipment	yes	No
Unspent conditional grants	no	yes
Other loans	yes	No
Suspense account	yes	No
Government grant and subsidies	yes	No
Revenue	yes	No
Interest received	no	No
General expenditure	yes	yes
Commitments	no	No
Irregular expenditure	yes	yes
Post-retirement benefits	no	Yes- long service award
Contingencies	no	No
Related parties	no	No
Subsequent events	no	No

Accumulated surplus	no	No
Cash flow	no	No
Unauthorized expenditure	yes	yes
Going concern	no	No
Employee cost	yes	No
Provisions	yes	yes
Investments	yes	No
Deviations	No	yes
IT Control Deficiency	No	yes

Steps have been taken to rectify the valuation roll which is aligned to the billing system in Venus through supplementary rolls, exception are drawn from the system and discrepancies followed up by Revenue Manager. Letters of demand and orders for disconnection have been issued to consumers for the implementation of credit control policy. Capacitating of IT, SCM and GRAP 17 compliant Asset register has been one of the priorities going forward.

Internal control environment

The key issue is to always improve on controls so that the control environment is not compromised up to the extent of breakdown in controls. Basic controls such as reconciliations and supervision are critical as they not only safeguard accuracy of information but also promote regular and consistent improvement in performance therefore prevent unbecoming behaviour of staff. Although the issue of reconciliation has been raised by AG, it must be noted that major reconciliation such as the following:

- Asset register to general ledger are being performed
- Creditors reconciliation
- Bank reconciliation
- Debtors reconciliation (done on debtors control account)
- Payroll reconciliation, all of which are done monthly on the system , reviewed by the CFO on a monthly basis

Reporting on performance information

Although an audit opinion is not expressed on performance information as yet, the national treasury has indicated that performance information will be audited in the near future and an opinion expressed. The Auditor General has raised the following issues with regard to performance information

The municipality needs to:

- Put more effort on streamlining its performance information so that reported indicators are reliable and underperformance is addressed
- Ensure indicators are measurable and time bound
- PMS policy needs to be fully implemented and Sec 57 performance reviewed
- Maintain supporting source of information corroborate the achieved targets
- Internal Audit to review the performance reports before submitted to council and advise on areas of under achievement as required by Sec 14 of MPPR.

An Audit Action Plan has been developed and tabled to council to address issues raised on performance and a service provider appointed to assist the municipality to craft objectives and indicators that Measurable, Time bound and Specific. Care should be taken to ensure that recommendations made in the internal audit reports are implemented by council and management.

TABLE BELOW HIGHLIGHTS ALL THE ISSUES RAISED BY AUDIT GENERAL AND THE CORRECTIVE MEASURE TO BE TAKEN BY THE MUNICIPALITY THEREOF:

No	Department	Item	Finding	Risk Level	Root cause	Remedial Actions/Corrective Measures.	Responsible person (Entity)	Validation of information	Due date
1	SCM	Unauthorised expenditure	As disclosed in note 30.1 to the consolidated and separate financial statements, an amount of R14 778 699 relating to unauthorised expenditure was incurred during 2010/2011 due to overspending of the budget.	High	Write off of debtors that was done in the current year, which relates to debtors that had been outstanding in previous years, caused an overspending on some votes.	1) All departments should participate in budget process and monitoring thereof. 2) In addition to the current monitoring of budget tool, the municipality will include the Treasury template to ensure that unauthorised expenditure per component is avoided.	Mr Nokwe	Mr Makedama/Internal Audit	On-going / Monthly reviews
2	SCM	Irregular expenditure	As disclosed in note 30.3 to the consolidated and separate financial statements, an amount	High	1) Irregular expenditure was incurred as a result of transacting with	1) Appoint more staff members to strengthen the unit. 2) Perform vendor	Mr Pantsi	Mr Makedama	On-going / Monthly reviews

			of R5 129 471 relating to irregular expenditure was incurred during 2011 as the municipality diverted from the Municipal Supply Chain Regulations GNR 868 of 30 May 2005.		suppliers who had no tax clearance. 2) Lack of resources (human resources)	vetting regularly			
3	Community Services and Strategic	Material under-spending of the conditional grants	As disclosed in note 9.1 to the consolidated and separate financial statements, the municipality/municipal entity has materially under-spent the conditional grants by R3 202 275. As a consequence, the municipality/municipal entity has not fully achieved all of its objectives regarding the purposes for which the grants were received	High	1) Lack of proper planning. 2) Grant was allocated late, scm procedures took longer thereby delaying implementation. 3) Ineffective inter-governmental forums	1) Strengthening of IGR 2) Strengthening of internal controls, and proper planning	1) LED-Mr Matiwane 2) Dept of Sports- Mr Matiwane 3) FMG/MSIG-Mr Makedama 4) MIG-Mr Njokweni	Municipal Manager/ Internal Audit	On-going / Monthly reviews

4	Revenue	Material losses and impairment	As disclosed in note 2 and note 3 to the consolidated and separate financial statements, the municipality has written off unrecoverable debts for the amount of R113 191 956	High	1) Lack of implementation of credit control policy	1) Proper monitoring of debtors through implementation of credit control 2) Develop and implement a Revenue enhancement strategy	Ms Mdlalo	Mr Makedama	Monthly
5	Revenue + Engineering		As disclosed in note 24 to the consolidated and separate financial statements, the municipality purchased electricity at a cost of R18 163 361. As disclosed in note 14 to the consolidated and separate financial statements, the municipality sold this electricity for R9 231 427. The municipality has incurred distribution losses amounting to R8 931 934 mainly caused by	High	1) Lack of human resources 2) Outdated and old infrastructure	1) Hire a service provider to perform meter audits 2) Awareness campaigns 3) Strengthen the unit by hiring more staff members 4) Re-address by laws 5) Re-look the "per unit" cost of electricity 6) Consider handing the electricity function to Eskom 7) Identify bulk	Mr Channon	Mr Njokweni	End of February

			tampering and illegal connections.			electricity meter users. Meter installation in area where there are none, bill accordingly.			
6	ALL	Assets Valuation	The exemption provided by Directive 4 will no longer apply when reporting for the 2011/2012 financial year. This will be especially relevant for Property, plant and equipment which will now have to be valued and measured in accordance with GRAP 17. Comparative figures (2010/2011) will also need to be treated in the same way.	High		1) Resolution of a meeting held on 07/02/2011 was that the appointed service provider was given a week to give a report back to the municipality, including timelines.			
7	Strategic	Pre-determined Objectives	Measures taken to improve performance were not explained in the annual	High	Reporting template was not designed to	Reporting template will adjusted to reflect measures to	Ms. Hanabe	Mr. Matiwane	Second quarterly report

			performance report.		reflect on that	be taken			
8	Strategic	Reported performance indicators were not consistent or not complete when compared with planned indicators.	Twenty-one percent of the total number of performance indicators included in the annual performance report were not consistent with the planned indicators	High	Alignment of reports with IDP and SDBIP	A service provider has been appointed to assist the municipality with regard to alignment issues	Ms.Hanabe	Mr. Matiwane	Already working
9	Strategic	Reported performance targets were not consistent or not complete when compared with planned targets	Fifty-four percent of the total number of performance targets included in the annual performance report were not consistent with the planned targets.	High	Alignment of reports with IDP and SDBIP	A service provider has been appointed to assist the municipality with regard to alignment issues	Ms. Hanabe	Mr. Matiwane	Already working
10	Strategic	Planned development priorities/objectives were changed but not adequately explained in the annual performance	For selected programmes, all of the development priorities/objectives that were changed were not adequately explained in the annual performance report.	High	Lack of monitoring of reports	A service provider will assist the municipality in the monitoring and validation of reports	Ms. Hanabe	Mr. Matiwane	Already working

		report.							
11	Strategic	Planned and reported performance indicators are not well defined.	For selected programmes, 77% of the selected indicators for testing were not clear and well defined.	High	Lack of good interpretation of good indicators	A service provider is already assisting the municipality to craft new indicators	Ms. Hanabe	Mr. Matiwane	already working
12	Strategic	Planned and reported performance indicators/measures are not verifiable.	For selected objectives valid performance management processes and systems that produce actual performance against the planned performance indicators do not exist for 48% of the indicators.	High	Lack of good interpretation of good indicators	A service provider is already on site assisting the municipality to set verifiable targets	Ms. Hanabe	Mr. Matiwane	Already working
13	Strategic	Planned and reported performance	For selected programmes, 52% of the planned and	High	Lack of good setting of targets	A service provider is already on site assisting the	Ms. Hanabe	Mr. matiwane	Already working

		targets are not specific.	reported targets tested were not specific.			municipality to set measurable targets			
14	Strategic	Planned and reported performance targets are not measurable.	For selected programmes, 57% of the targets tested were not measurable.	High	Lack of setting of measurable targets	A service provider has been appointed to assist the municipality with regard to alignment issues	Ms. Hanabe	Mr. matiwane	Already working
15	Strategic	Planned and reported performance targets are not time bound.	For selected programmes, all of the targets tested were not time bound.	High	Lack setting time frames for our targets	A service provider is already on site set time bounds for the targets	Ms. Hanabe	Mr. matiwane	Already working
16	MM	Audit Committee	The municipality did not appoint and budget for a performance audit committee, nor was the audit committee utilised as the performance audit committee as required by regulation 14(2)(a) of the Municipal Planning and Performance Management	Medium	Challenges on the then appointed audit committee	1) The audit committee terms of reference has been amended to include performance audit functions, and approved by the council. 2) The council has also appointed a chairperson for the performance audit.	Municipal Manager		Quartely reports to council.

			Regulations, 2001.						
18	SCM	Procurement and contract management	Valid reasons for deviating from obtaining written price quotations from at least three different prospective providers as per the requirements of Supply Chain Management Regulation 17(a) and (c) were obtained and approved for procuring goods and services with a transaction value of between R10 000 and R200 000. However these deviations were not reported at council/board meetings nor disclosed in notes to the consolidated and separate financial statements as per the	High	1) Lack of awareness 2) The absence of a compliance officer/ risk officer in the institution.	1) SCM deviation reports will be presented to council for condonment quarterly. 2) The municipality is in the process of appointing a compliance officer.	Mr Pantsi	Mr Makedama	Quarterly

			requirements of Supply Chain Regulation 36(2).						
19			Awards were made to suppliers who did not submit a declaration on their employment by the state or their relationship to a person employed by the state as per the requirements of Municipal Supply Chain Management Regulation 13(c).	High	1) Lack of awareness by suppliers on legal implication of false declaration	1) The SCM unit will engage dept of local government and Treasury so as to identify suppliers who are in service of the state. 2) The municipality will implement a declaration form, whereby all directors of all suppliers will be requested to declare. 3. Indaba for Suppliers on regulations and their impact	Mr Pantsi	Mr Makedama	On-going / Monthly reviews

20			Awards were made to providers who are persons in service of other state institutions in contravention of the requirements of Supply Chain Management Regulation 44.	High	1. the declaration form for suppliers did not provide for all directors to declare	1)amend the declaration form to provide for all directors will be circulated to suppliers	Mr Pantsi	Mr Makedama	On-going / Monthly reviews
21			No risk assessment was performed for the supply chain management system which is in contravention of the requirements of Supply Chain Management Regulation 41.	High	1) Lack of awareness	1) Risk assessment has been done and will be table at a concil meeting to be held in March.	Ms Msauli	Mr Maneli	Mar-12
22	MM	Oversight report	The municipal council did not adopt an oversight report containing the council's comments on the annual report within two months from the date on which the 2009/10 annual report was tabled in the	Medium	1) Lack of awareness	1) Annual report will be adopted.	Mr Maneli		Mar-12

			council as required by section 129(1) of the Municipal Finance Management Act						
23			The accounting officer did not make public the council's oversight report on the 2009/10 annual report within seven days of its adoption, as required by section 129(3) of the Municipal Finance Management Act.	Medium	1) Lack of awareness	1) Oversight report will be made public as per requirement of the relevant legislation	Mr Maneli		Mar-12
24	Strategic	Predetermined objectives	The accounting officer of the municipality did not submit the results of the assessment on the performance of the municipality during the first half of the financial year to the mayor of the municipality, the National Treasury, and the provincial treasury as required by section 72(1)(b) of the	High					

			Municipal Finance Management Act.						
25	HR	Effective human resource management	Inadequate controls on HR	High	1) Lack of HR strategy.	1) Approach ADM to assist in implementing the HR strategy OR Appoint a service provider to design and implement an HR Strategy.	Mrs Malinzi	Mr Maneli	Mar-12
26	IT	Establishment of an IT governance framework	Numerous IT deficiencies were identified which include inter alia that project management policies are not in place for the management of IT projects. IT service performance was not measured. There is no IT risk and control framework in place. There is no IT strategy, steering committee or	High	1) Lack of human resources 2. Lack of awareness	1) Co-sourced IT services to address issues raised by Auditor General. 2) Back-up of financial information both offside & onside. 3. Continued training of IT staff on new systems	Mrs Malinzi	Mr Maneli	Mar-12

			governance framework in place. A 'User Account Management' policy and procedure are not in place and there is no disaster recovery plan in place at the municipality						
27	Strategic	Status of oversight resolutions	There was inadequate action taken to address prior audit findings, especially with regards to reporting against predetermined objectives and compliance with laws and regulations. This has resulted in a number of recurring audit findings.	High		1) Appointed the service provider to assist the municipality on performance information.	Mr Matiwane	Mr Maneli	Quartely
29	MM	Audit committee	The audit committee did not function effectively throughout the year. Consequently while it is noted that there is an approved internal audit plan this	High	1) Other members of the audit committee resigned during the year. Appointment of full committee	1) Audit committee to submit quarterly reports to council and meet regularly	Mr.Qupe	Mr Maneli	Quartely

			was not effectively implemented during 2010-2011.		members was done later during the year.				
30	SCM	Deviation not reported at council meeting	Three quotations were not obtained from different suppliers and reasons were recorded, however the reasons for deviations were not reported by the accounting officer at any of the council meetings nor were they disclosed in notes to the financial statements	High	Lack of awareness	Reports to be presented to council	Mr Pantsi	Mr Makedama	Quartely
33	MM	Internal audit unit incapacitated	1. It was identified that the internal audit unit was not capacitated in order to effectively fulfil its responsibilities during the period under review due to a shortage of staff and skills.	High	Lack of human resources	1) Internal audit will capacited with 1) Internal Auditor - Risk and Audit clerk and the Internal Auditor- performance, a service provider appointed these	Ms.Msauli	Mr Maneli	Mar-12

			<p>2. In addition there was no evidence that the internal audit manager is subscribed to a professional body for 2010-2011 and has received the necessary training to enhance skills and technical competence.</p>			<p>positions were already budgeted and approved to commenced in March ,as for the co-sourced services looking at 75% implementation of the Internal Audit Plan and transfer of skill and training..</p>			
34	Strategic / AOPO	<p>Objectives,indicat or and target in the annual performance report not consistent with objectives,indicat or and target on IDP</p>	<p>Priority areas, objectives, performance indicators and performance targets reported in the Annual Performance Report for the current year under review were not consistent with those in the Integrated Developmental Plan. There were objectives that were reported on the Annual Performance Report,</p>	High					

			but were not included in the IDP. The changes in the priority areas, objectives, indicators and targets were not adequately explained in the Annual Performance Report. Certain changed objectives could not be linked to the budget						
35	AFS	Material misstatements corrected(Section 2: Part A of Management report)		High	Lack of review of AFS	1) Service provider to be appointed, to assist the municipality on accounting work. 2) Audit committee to review the AFS.	Mr Makedama	Mr Maneli	30-Jun-12
36	Revenue	Indigent corrective suspense and under and over banking- Limitation of scope	Adequate explanations and/or supporting documentation could not be obtained for Journals	High	1) Lack of review of journals.	1) The municipality will restrict users of the system. Only certain individuals will have a right to pass journals on the system. 2) All journals will be reviewed by Mr	Mr Koikoi		Daily

						Koikoi prior approval to ensure that they are adequately supported.			
38	AFS	Provision for long service awards- Limitation of scope	The following matters could not be adequately reviewed/tested for the finalisation process of the audit: Provision for long service awards: Reasons/supporting documentation to explain/substantiate differences between amounts calculated by the auditors and amounts disclosed in the AFS could not be provided.	High	1) Lack of review of work performed by service provider.	1) Local government schedule will be used to calculation of long-services award	Mr Makedama	Mr Makedama	Mar-12

39	ALL	Policies and procedures	<p>The following policies and procedures inter alia were not obtained/fully implemented for the 2010/2011 financial year:</p> <ul style="list-style-type: none"> • Disaster management, business continuity plans and backup policy; • Performance management (i.e. policies and procedures to guide the recording of performance information processes and related controls) (Draft Approved 29 March 2011) • Finance policy and procedure (This includes best practice for finance related processes) (Banking & investment management policy was approved 29 	Medium	Policies were approved late	<p>1) Policies have been adopted 2) The IT department will be co-sourced so as to assist in dealing with all IT related deficiencies. 3. Develop procedure manual for implementation of these policies 4. workshop of staff on procedure manuals 5. policies put on municipal website for easy access</p>	Mr Makedama	Mr Maneli	Mar-12
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			<p>March 2011)</p> <ul style="list-style-type: none"> • Delegation policy and procedure. (Approved 29 March 2011) 						
40	ALL	Internal control deficiencies	<p>The following internal control deficiencies, relevant to the entity's preparation and fair presentation of the financial statements, report on predetermined objectives and compliance with laws and regulations, were identified:</p> <ol style="list-style-type: none"> 1. Management did not assess/measure the performance of staff and remunerate them accordingly. 2. There does not 	High	<ol style="list-style-type: none"> 1) Lack of implementation of PMS 	<ol style="list-style-type: none"> 1) Implementation of PMS. 2) PMS to be implemented to lower level employees. 3) Action plan to be fully developed and implemented. 	Mr Maneli		Mar-12

			<p>appear to be a management strategy which provides for routine feedback and monitoring of performance and control objectives.</p> <p>3. Management does not take appropriate follow-up action on the recommendations provided by the external auditors.</p>						
41	Expenditure	Expenditure payment supporting documentation not marked as PAID and invoices not stamped to confirm date of receipt	It was identified that invoices were not marked or stamped "PAID/PROCESSED" after the payment was processed.	Medium	1) The municipality was using a "cancelled for re-used" stamp which served the same purpose.	1) Corrected. "PAID" stamp is now being used.	Mrs Sontshaka	Mr Makedama	Done

42	SCM	A report for implementation of the SCM policy was not submitted to the mayor or council	No evidence could be found that the accounting officer, within 30 days of the end of each financial year, and 10 days after the end of each quarter, submitted a report on the implementation of the SCM policy to the council or mayor of the municipality.	Medium	Lack of awareness	1) Reports will be submitted as required by the applicable legislation	Mr Makedama	MM/INTERNAL AUDIT	Quartely
44	SCM	Monthly report with regards to dispute, objections and complaints were not submitted to the accounting officer	The SCM policy does not address the monthly reports to be submitted to the accounting officer with regards to disputes, objections and complaints. There was no evidence that monthly reports relating to disputes, objections and complaints regarding SCM were submitted to	Medium	Lack of awareness	1) Reports will be submitted as required by the applicable legislation	Mr Makedama	MM/INTERNAL AUDIT	Quartely

			the accounting officer.						
45	SCM	Insufficient controls to prevent abuse of SCM system	It was noted that the municipality does not have a whistle blowing mechanism and/or fraud hotline to ensure that any alleged cases can be reported and acted upon. There is also no complaints register maintained at the municipality.	High	Absence of a unit that deals with corruption matters.	1) Anti-fraud and anti - corruption committee has been established. 2. Terms of Reference for the Committee to be approved by council 3. the Committe to meet quarterly to look at emerging fraud areas	Mr Maneli		Done
46	SCM	Inadequate control over additions/removals from supplier database	The database is maintained on Excel which does not have an audit trail, and consequently suppliers can be added or deleted without a trail of such transactions.	Medium	No software/system in place for supplier database.	1) Purchases of SCM system	Mr Pantsi	Mr Makedama	March

47	IT	No IT Strategy steering committee or governance framework	Numerous IT deficiencies were identified which include inter alia that project management policies are not in place for the management of IT projects. IT service performance was not measured. There is no IT risk and control framework in place. There is no	High	Lack of human resources	1) Co-sourcing of IT function to assist with the requirement		Mr Maneli	Mar-12
		IT Organisational structure weaknesses				1) Co-sourcing of IT function to assist with the requirement			
		IT risk and control deficiencies				1) Co-sourcing of IT function to assist with the requirement			
		IT Service performance not measured				1) Co-sourcing of IT function to assist with the requirement			
		No project management policies				1) Co-sourcing of IT function to assist with the requirement			
		IT Security policy not in place				1) Co-sourcing of IT function to assist with the requirement			

		User Account management policies and procedure not in place				1) Co-sourcing of IT function to assist with the requirement			
		User Account management policies and procedure not in place				1) Co-sourcing of IT function to assist with the requirement	Mrs Malinzi		
		User access rights and activities not reviewed				1) Co-sourcing of IT function to assist with the requirement			
		Non-expiring passwords for payday system				1) Co-sourcing of IT function to assist with the requirement			
		No IT change management process in place				1) Co-sourcing of IT function to assist with the requirement			
		Environmental control deficiencies				1) Co-sourcing of IT function to assist with the			

						requirement			
		No access logs to the server room				1) Co-sourcing of IT function to assist with the requirement			
		Data centre operation weaknesses				1) Co-sourcing of IT function to assist with the requirement			
		No disaster recovery plan in place				1) Co-sourcing of IT function to assist with the requirement			
		Offsite backup facilities				1) Co-sourcing of IT function to assist with the requirement			
48	MM	Reports not submitted by accounting officer	There was no evidence that reports with regards to fruitless and wasteful expenditure and irregular expenditure from the Accounting Officer to	High	Lack of awareness	1) Reports will be sent to AG and MEC	Mr Maneli		1-Apr-12

			the Mayor, MEC of Local Government and Auditor-General were prepared or provided.						
49	AFS	Accounting policy not disclosed in the consolidated financial statements	There was no accounting policy for commitments disclosed in the Summary of Significant Accounting Policies in the financial statements.	Medium	lack of review of the AFS	1) Financial statement will be reviewed by the audit committee	Mr.Qupe	Municipal Manager	Aug-12
50	Revenue	Correspondence between national energy regulator(NER) and municipality not obtained for the supply of electricity	Through inspection of correspondence between NERSA and the municipality dated 07 July 2010, it was noted that NERSA could not analyse the financial status of the municipality and the application for a tariff increase. Furthermore based on the above correspondence, NERSA still regarded the municipality as not having submitted the	High	Forms were submitted to NERSA. However, some parts of submitted forms could not be filled as they could not be determined by the municipality.	1) Request assistance from NERSA, in assessing the viability of sale of electricity.	Ms Mdlalo	Mr Makedama	End of February

			application for the tariff increase. The correspondence also indicated that the distribution losses submitted by the municipality were not accurate. (-0.65%)						
51	Revenue	Service income-action for long outstanding accounts	The municipality does not cut-off services for debtors who have not paid their accounts and does not hand over long outstanding debtors to attorneys.	Medium	Credit control policy not fully implemented.	1) Implementation of credit control policy, (cut off)	Ms Mdlalo	Mr Makedama	Monthly cut offs
52	Revenue	Traffic income received from learners and driving testing and traffic income does not agree to the general ledger	The traffic income received from learners and driving testing as per eNatis system do not agree with general ledger	High	Daily banking was centralised. It was therefore difficult to trace traffic revenue deposits, to be able to identify under banking timeously.	1) Traffic department is now doing the direct deposit to the bank.	Ms Mdlalo	Mr Makedama	Daily

53	Revenue	Interest on investments as per investment register does not agree to consolidated and separate financial statements	The investment register does not agree to the general ledger and annual financial statements.	Medium	Too many votes were used for capturing interest, eventually resulting in a missallocation of R8000.00	1) Interest on all bank accounts will now be posted to one vote on the system to avoid missallocations	Mrs Sontshaka	Mr Makedama	Monthly
54	Expenditure	Suspense account not cleared on a timely basis	The Nkonkobe Municipality's Best Practice Finance Procedures Manual and Internal Controls do not address receipts received from insurance claims and the clearing of suspense accounts on a timely basis.	High	Insufficient vote numbers to capture all types of revenue and expenditure	1) Suspence account will be cleared monthly. 2) BCX will be asked to open new votes	Kgotla	Mr Makedama	Monthly
55	BTO	Neither budgets nor performance assessments were published on the website	There was no evidence that the accounting officer published either the budgets or the mid year performance report on the website of the municipality.	Medium	The website of the entity was not functioning	1) Documents will be loaded timeously, and monitored.	Cynthia	Mrs Malinzi	Monthly

56	HR	Official approved own leave	A senior manager signed and approved his own leave form for leave	Medium	Lack of close monitoring of leave	1) Leave books have since been moved from departments, and taken to HR. Every staff member has to sign a leave form at HR. All leaves are approved by seniors prior to capturing by HR.	Mrs Malinzi		Monthly
57	HR	Minimum compulsory leave days not taken by employees	Section 7.2 of the South African Local Government Bargaining Council Collective Agreement (SALGBC) on Conditions of Service states that an employee, who is a five day worker, is required to take leave within each leave cycle to a minimum of sixteen (16) days.	High	Lack of close monitoring of leave	1) HR will communicate leave balances of all employees on a monthly basis. 2) Sectional heads are charged with a responsibility of ensuring that staff members do take the minimum leave as required by SALGBC	All	Mrs Malinzi	Monthly

58	Expenditure	No fringe benefit tax paid by employee for rental benefit	Employees did not have tax calculated on the fringe benefit of below marketrelated rental of municipal houses.	High	Lack of awareness	1) The municipality is aming at recovering the outstanding rental fees from affected employees, and pay over to SARS the fringe benefit tax part.	Mrs Sontshaka		Monthly
59	Expenditure	Manual salary register inadequate	The municipality does not maintain a proper manual salary register. (a register kept is for all manual payments)	Medium	Manual salaries are seldom made. The municipality did keep a register of all cheques issued, and not a separate register for manual salaries	1) Manual salaries register will be implemented.	Ms Botha	Mrs Sontshaka	Monthly
61	SCM	Assets not complete	Assets could not be traced to the fixed asset register from the sample selected (It is noted that asset counts are performed annually at the municipality).	High			CFO		

62	Strategic	Control deficiencies	<p>Auditor General raised 21 findings on control deficiencies. Concern is expressed that there is a lack of commitment by management with regard to internal controls surrounding predetermined objectives. There are insufficient monitoring processes within the municipality to ensure reliability of the performance report. The above findings were raised in the prior financial year and some of the recommendations were not implemented by the municipality for the current year under review. However it is noted that the timing of IDP and budget approval for the 2010/11 period did not</p>	High					
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			allow for such implementation as the auditors recommendations were received subsequent to these processes.					
63	Expenditure	Journal not sequentially numbered	General journals of the Nkonkobe municipality did not follow a particular sequence. Nkonkobe municipality's Best Practice Finance Procedures Manual & Internal Controls does not address the process to be followed with regard to issuing journals and ensuring that they are numbered sequentially.	High	Lack of procedure manual to guide journal processes.	1) Measures are being put in place to ensure the municipality's journals are sequentially numbered 2) Nkonkobe's best practice finance procedure manual will be amended to include controls over passing and approval of journals.	Mr Makedama	End of February
64	Expenditure	Invoice amount overstated	Payments for inaccurate invoices were made. Consequently, expenditure is	High	Human error.	1) All projects will be monitored. 2) Raise a debtor. Ensure that before any payments are		

			overstated.			made to the supplier concerned the debt is paid up. (offset)			
65	Revenue	Control environment: other receivables suspense accounts not cleared at year end	The balances for the following suspense accounts of other debtors were not cleared as at year end.	High	Lack of follow up on transactions posted to suspense accounts.	1) A senior official at finance department has been appointed to draw a report on a monthly basis of all suspense accounts, and follow up on their clearance.	Mr Koikoi	Mr Makedama	Monthly
66	Finance/ AFS	Control Environment: Journal: Control deficiencies	a) Adequate supporting documentation was not always attached to the journal. b) The detail in the description of the journal and the account number was not always the same. (They did not always agree) c) Narrations indicating the reasons for the	High	1) Lack of review of journals.	1) The municipality will restrict users of the system. Only certain individuals will have a right to pass journals on the system. 2) All journals will be reviewed by Mr Koikoi prior approval to ensure that they are adequately	Mr Koikoi	Mr Makedama	Daily

			<p>journals were also not clear/adequate in all instances.</p> <p>d) Bulk journals were processed that were not clear e) Numerous corrections of journals occurred, indicating that the original journal was not adequately reviewed.</p>			supported.			
67	SCM	SCM policy not in line with legislation regarding listing criteria	The SCM policy does not specify the listing criteria for accredited prospective providers and the criteria is only included on the contractors database application form.	Medium	Inefficiencies of the SCM policy	1) SCM policy will be reviewed.	Mr Pantsi	Mr Makedama	March
68	SCM	Register of bids received in time is not published on the municipality's website	The register of bids received in time was not published on the municipality website, but the bid results were published on the website. In terms of section 26(d) of the	Medium	lack of awareness	1) The municipality's website is currently running and bids will be loaded	Mr Pantsi/ Cynthia	Mr Makedama	March

			Nkonkobe SCM Policy.						
69	Legal Services	Leases not in the lease register	It was identified from inspection of the leases that the following leases were not included in the lease register	High	lack of monitoring	1) Lease register to be maintained and updated regularly	Mr Britz		
70	HR/MM	Clocking system not utilised	The municipality acquired an electronic clocking system in 2009-2010. However it was confirmed that the device has not yet been fully implemented to date.	High	Disagreements with labour unions	Management in a process of implementing the system.	Mrs Malinzi	Mr Maneli	
71	Revenue	VAT output not correctly programmed on the system.	VAT output not correctly programmed on the system. VAT is deducted on all receipts regardless of whether the supplies are exempt, zero rated	High	Venus system incorrectly programmed.	1) Re-check the billing programme of the system. 2) Transfer of skills 3) Visit a municipality that uses the same system and has no	Mr Koikoi	Mr Makedama	End of February

			or non taxable.			issues with VAT, so as to observe how VAT is deducted by their system.			
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4. INSTITUTIONAL TRANSFORMATION , ORGANISATIONAL DEVELOPMENT,GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The cluster focuses on the following:

- Political Structure
- Finance
- Human Resources
- Information technology
- Institutional issues
- Intergovernmental Relations Forum
- Public Relations Office
- Legal Services
- Fleet
- Public Participation
- Internal Audit
- Law enforcement, Safety and Security
- Housing

4.1 Institutional Structure of Nkonkobe Municipality

The institutional structure of Nkonkobe Municipality is divided into two levels, namely, Political and administrative structures. The administrative structure is accountable to the Political structure.

Political Structure of Nkonkobe Municipality

The principal-ship of Nkonkobe Municipality lies with Council, which operates a number of committees. The Committees listed below are established in terms of Sections 79 and 80 of Local Government Municipal Structures Act (Act no 117 of 1998).

Listed below are the committees that assist Council in carrying out its Political responsibilities:

1. Executive Committee
2. Rules Committee
3. Remuneration Committee
4. Audit Committee
5. Advisory Committee
6. MPAC

Oversight Committee & Audit Committee

- Both the Audit and MPAC are operational.

Standing Committees:

- a) Engineering Services
- b) Corporate Services
- c) Economic Development and Environment
- d) Budget & Treasury

4.2 Administrative Structure of Nkonkobe Municipality

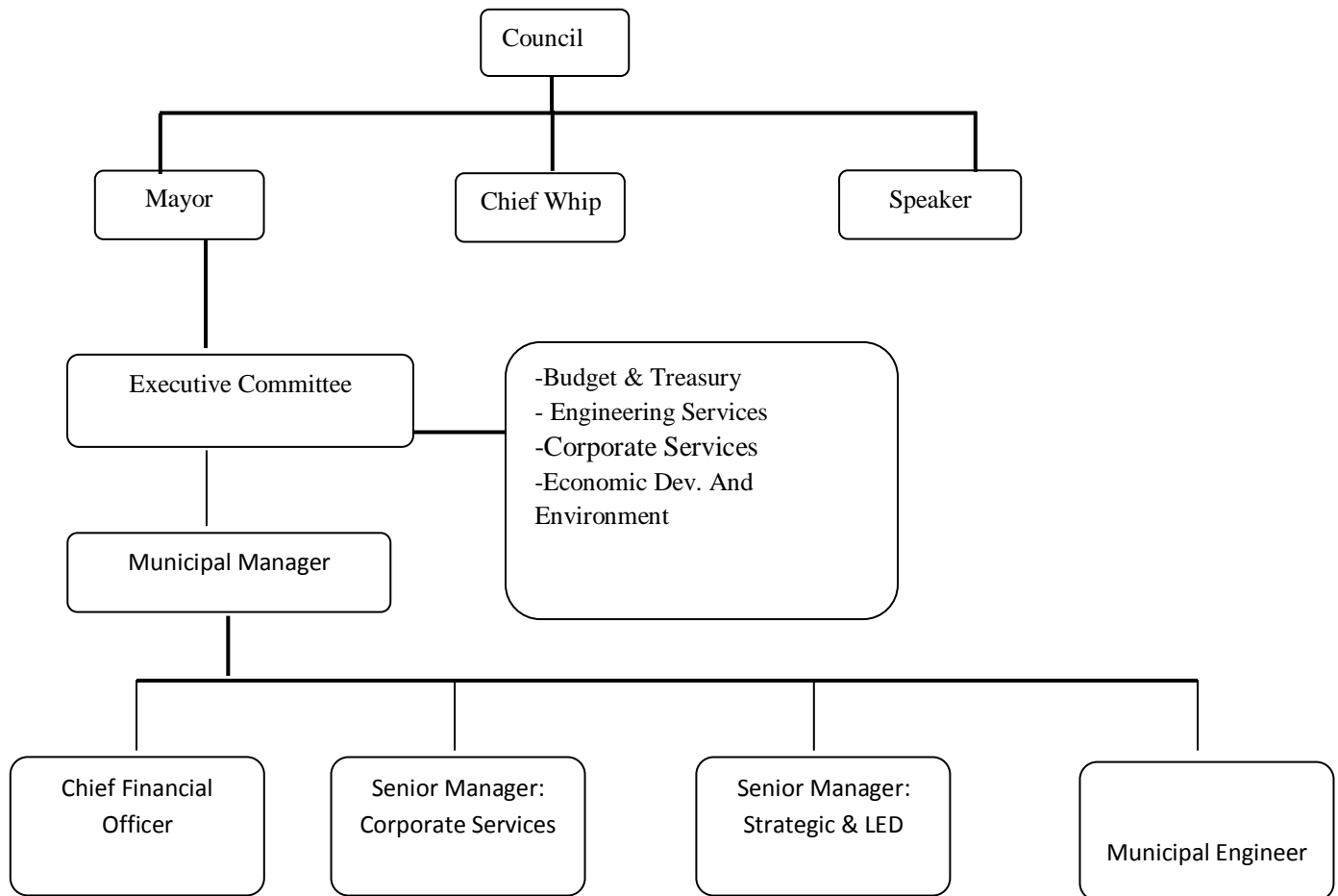
The principal-ship of the Nkonkobe Municipality's administrative structure lies with the Municipal Manager who administers the Institution with departments and various units reporting directly to him/her. Functions of the Municipal Manager include:

- The management of the Municipality;
- The rendering of Nkonkobe Municipality's administrative Services to the Municipality;
- The rendering of Financial Services to the Municipality;
- The rendering of Corporate Services to the Municipality;
- The rendering of Protection Services;
- The rendering of Engineering Services;
- The rendering of support to the Office of the Mayor.
- The rendering of support to the Office of the Speaker

Of the functions identified five (5) departments were established to perform the functions, these being:

- Municipal Manager's Office
- Corporate Services
- Budget & Treasury Office
- Strategic Planning & LED
- Engineering Services

Illustration of the Institutional Structure of Nkonkobe Municipality is as follows:



a) A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS

Department	No of Posts per Division	Total	Filled
Office of the Mayor	Personal Assistant	1	0
	Executive Secretary	2	2
	Mayoral Driver	1	1
	TOTAL	4	3

Office of the Speaker	Manager: Speakers Office	1	1
	Executive Secretary	1	1
	Administrator	1	0
	TOTAL	3	2
Office of the Chief Whip	Secretary	1	0
	TOTAL	1	0

Municipal Manager's Office	Municipal Manager	1	1
	Executive Secretary	1	0
	Manager: Internal Audit	1	1
	Performance Auditor	1	0
	Risk Management Auditor	1	1
	Audit Clerk	1	1
	IT Technician	1	1
	Systems Administrator	1	0
TOTAL		8	5

Strategic Planning &LED Special Programmes	Snr Manager: Strategic Planning & LED	1	1
	Secretary	1	0
	Local Economic Development Officer	1	1
	Local Economic Development Clerk	1	0(on contract)
	Community Facilitator	1	1
	IDP Officer	1	0
	IDP Clerk	1	1
	PMS Clerk	1	0
	Rural Dev. Officer	1	1
	Tourism Officer	1	1
	Heritage Officer	1	0
	Development Practitioners	3	0
	Division: Social Needs Manager	1	0
	Division: Library Services: Librarians	4	3
	GA (Bev Attendant)	4	3
	Caretakers (library)	4	0
	Sport Officer	1	1
	Caretakers (Sportsfield)	4	0
	GA (Parks)	9	0
	Division: Special Programme Officer	1	1

	Outreach Officer	1	1
	Career Counsellor	1	1
	TOTAL	44	16

Corporate Services	Senior Manager	1	1
	Secretary: Senior Manager	1	0
	Division: Senior Committee Officer	1	1
	Principal Clerk: Committees	1	1
	Senior Clerk: Committees	4	4
	Driver/ Messenger	2	1
	Division: Administration – Manager	1	1
	Admin Officer	4	0
	Admin Clerk	1	0
	Clerk (Records)	1	1
	Switchboard Operator	1	1
	GA (Messenger/Cleaner)	4	4
	General Assistant (Halls)	5	5
	General Assistant (Beverage Attendant/Cleaner)	15	9
	Division: Manager (Human Resources)	1	1
	Labour Relations Officer	1	1
Human Resource Officer	4	2	

Personnel Clerk	1	0
EAP Practitioner	1	0
Skills Development Facilitator	1	0
Division: Public Relations Officer PRO	1	0
Communication Officer	1	1
Division: Fleet Management: Superintendent (Workshops)	1	0
Transport Officer	1	1
Office Assistant	4	3
Sen. Handyman Mechanical	1	0
Sen. Artisan Mechanic	1	1
Artisan (Mechanic)	1	1
Gen Assistant (Mechanic)	1	0
Division: Legal Services: Manager	1	1
Snr Peace Officer	1	0
Peace Officers	20	10
Division: Traffic Section: Chief Traffic Officer	1	1
Traffic Officers	8	4
Senior Natis Clerk (Licensing)	1	1
Senior Clerk (Licensing)	5	5
Division: Protection Services: Security Officer	1	0

	Security Guard	4	4
	General Assistant (Security)	29	21
	Division: Housing: Housing Manager	1	1
	Town Planner	1	0
	Building Inspectors	2	1
	Sen. Housing Officer	1	0
	Housing Officers	3	2
	TOTAL	142	90

Engineering Services	Engineering Manager	1	0
	Secretary: Municipal Engineer	1	1
	Division: Electrical Services: Superintendent Electrical	1	1
	Sen. Clerk (Electrical services)	1	0
	Senior Artisan (Electricians)	2	1
	Artisan (Electricians)	2	2
	Electrical Assistant	8	8
	Meter Reader	2	0
	Division: PMU Manager	1	0
	PMU Technician	2	2
	Data capturer	1	1
	Division: Technical unit: General Works Foreman	1	1

	Sen. Supervisor (maintenance)	1	1
	Supervisor (Driver)	1	0
	Driver operators	10	3
	Artisan (Bricklayer)	2	2
	Plumber	2	1
	Carpenter	2	2
	General Workers (Civil Works)	10	6
	Section: Fire & Rescue: Chief Fire Fighter	1	0
	Fire Fighters	6	1
	Disaster Officer	1	0
	Division: Cleansing Services: Manager	1	1
	Officer : cemeteries	1	0
	Supervisors	5	5
	Foreman	1	0
	Driver Operator	8	8
	General Assistants(maintenance)	13	10
	Driver Operators	8	6
	Tractor driver	3	2

	Gen Worker (level II) Refuse Collectors)	36	31
	G Assist (Maintenance)	13	8
	Gen Worker (Level I) (Loaders)	9	9
	GA (Grass cutting)	9	7
	Gen Worker (disposal sites)	5	0
	Sites Guards	2	0
TOTAL		171	120
Budget & Treasury Office	Chief Financial Officer	1	1
	Senior Accountant	1	1
	Secretary: Chief Financial Officer	1	1
	Division: Manager : Revenue (Income)	1	1
	Accountant Revenue	1	0
	Principal Clerk (Income)	1	1
	Senior Clerk (Income)	5	4
	Credit Controller	1	0
	FBS Coordinator	1	1
	Cashiers	6	4
	Clerk (Records)	1	1
	Division: Controller (Expenditure)	1	1
	Accountant Expenditure	1	0

Payroll Officer	1	1
Principal Clerk (Expenditure)	1	1
Senior Clerk (Expenditure)	2	1
Payroll clerk	1	0
Division: Manager (Budget & Treasury)	1	1
BTO Accountant	1	0
Division: Supply Chain Manager	1	0
Supply Chain Management Practitioner	1	1
Procurement Officers	2	0
Supply Chain Management Clerk	1	1
Principal Clerk: Stores	1	1
Store man	1	1
Asset Management Officer	1	1
TOTAL	37	25

FORMULATION AND IMPLEMENTATION OF HR POLICIES, EMPLOYMENT EQUITY AND SKILLS DEVELOPMENT PLAN

No	Key Initiatives	<i>Key successes</i>
1.	<p><u>Employment Policies:</u></p> <p>Employee Provisioning,</p>	<ul style="list-style-type: none"> • Motivation for filling vacant posts is done according to the Employee Provisioning Policy • Council approves the filling of vacant posts • Short listing and interviewing committees are constituted according to the Employee Provisioning Policy to ensure transparency and accountability • Relevant competency tests have been used as and when necessary.
2.	<p><u>Employee Health & Safety policies:</u></p> <p>Substance Abuse & HIV/Aids</p> <p>Telephone Usage</p>	<p>The following policies were adopted by council:</p> <ol style="list-style-type: none"> a. Employee Provisioning Policy b. Cell-phone Policy c. Sexual Harassment Policy d. Smoking Policy e. Dress Code f. Telephone Usage Policy g. Vehicle Usage Policy h. Bereavement Policy <ul style="list-style-type: none"> • No EAP Unit • The policy of HIV/Aids was adopted by Council. <p>The purpose of the policy:</p> <ul style="list-style-type: none"> • To ensure the effective and efficient use of municipal telephones • To curb the abuse of municipal telephones by officials and councillors • To reduce the telephone costs

	Vehicle Usage policies	<ul style="list-style-type: none"> To prevent unauthorised access <p>Policy is assisting but implementation needs to be tightened. Policy needs to be annually reviewed to close gaps.</p>
3.	<u>Employee Capacity</u> <u>Building & Productivity</u> <u>Enhancement Policies:</u> Training &Development Policy. Induction and Retention Policy	<p>Councillors were trained in computer literacy, local government law, administration, labour law, IDP processes and project management. Training of officials conducted in CPMD, SAICA, risk management, OD –ETDP learnership ,MIDP and LED learnership ,project management, labour law and grader operating and maintenance.</p> <p>Policy approved by Council</p> <p>Policy approved by Council</p>
4	Property valuation policy	Reviewed by Council in July 2011

Summary of an Employment Equity Plan

Legislation: Employment Equity Act (Act 55 of 1998)

Purpose: The plan seeks to achieve reasonable progress towards Employment Equity in the workforce.

After the analysis of the existing employee profile of Nkonkobe Municipality it was discovered that Nkonkobe Municipality race is no longer a problem but the main challenges are the:

1. Under-representation of females.
2. Gross under representation of people with disabilities.

The EE plan for the period July 2010 until end June 2013 concentrates on addressing the two identified problems.

The following table is an illustration of the status quo as at 30 September 2011. Nkonkobe Employee Profile including people with disabilities as at 30 September 2011.

Total number of employees (including employees with disabilities) in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	3	0	0	0	2	0	0	0	0	0	5
Professionally qualified and experienced specialists and mid-management	7	3	0	4	8	1		1	0	0	24
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	88	6	0	7	15	7		5	0	0	128
Semi-skilled and discretionary decision making	41	0	0	6	47	5	0	5	0	0	104
Unskilled and defined decision making	32	14	0	2	11	3	0	7	0	0	69
TOTAL PERMANENT	150	16	0	4	68	5	0	0	0	0	243
Temporary employees	502	7	0	11	462	6		2	0	0	990
GRAND TOTAL	652	23	0	15	530	11	0	2	0	0	1232

Total number of employees with disabilities only in each of the following occupational levels: Note: A=Africans, C=Coloureds, I=Indians and W=Whites

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	0	0	0	0	0	0	0	0	0	0	0
Senior management	0	0	0	0	0	0	0	0	0	0	0
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	0	0	0
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	0	0	0	0	0	0	0	0	0	0	0
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0	0	0
TOTAL PERMANENT	0	0	0	0	0	0	0	0	0	0	0
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	0	0	0	0	0	0	0	0	0	0	0

LIMITATIONS TOWARDS ACHIEVING GOALS

During the development of the EE Plan the following barrier may hinder Nkonkobe Municipality in achieving its goals.

- Labour turnover- Care should be given to ensuring skill retention through structures on –job learning and/or succession plans.

OPPORTUNITIES/ENABLES

Opportunities that were identified include the following:

- Embarking on eliminating the identified barrier,
- In service-training,
- To ensure that all Managers participating in Nkonkobe Municipality selection panels are sensitive to EE issues and always discuss it in their selection sessions.

Summary of Workplace Skills Plan (WSP)

According to Government Gazette of June 2005, all employers are expected to submit their Workplace Skills Plan and Annual Training Report to their respective SETA's by the 30 June of each financial year. Employers are also expected to prepare monitoring reports on any training that has taken place as per the submitted WSP and submit to LGSETA on quarterly basis. The following programs are reflected in Nkonkobe Municipality Workplace Skills Plan (WSP).

Training of officials and Councillors

Training is currently being conducted in line with the Council approved Annual Training Programme and an allocated budget of a total amount of R1 00 000 was earmarked for training in 2011/12 and currently being utilized for both Councillors and officials. The following training interventions were conducted:

- Diploma in Local Government Law & Admin
- Advanced Certificate in Local Government Law & Admin
- Certificate in Local Government Law & Admin
- Diploma in Labour Law
- Tax Reconciliation - 2012
- Code 14 Drivers Licence
- Examiner of Drivers Licence
- Trade Test-Electrical
- Local Government Accounting Certificate
- CPMD
- Fire Fighter Level One
- Traffic Officers Diploma

- Assets Accounting
- Annual Employee Benefits Conference
- Learning and Development Function
- Peace Officer's Training Course
- Financial Accounting on Bank Reconciliation

Other trainings conducted by other institutions:

- Venus Training on Bank Reconciliation
- Venus Training on Creditors Reconciliation
- New Venture Creation Learnership for unemployed learners with disabilities.
- Local Labour Forum-Skills Development Workshop
- Leases & Inventories Training
- Basic Computer Skills

Fire Rescue Level 1

The Municipality applied for discretionary grant funding with LGSETA for employed and unemployed learners for Fire and Rescue Training and other trainings and the Municipality successful met the requirements for discretionary grant funding for those training and Fire and Rescue was one of those trainings.

- 3 employed and 6 unemployed learners were selected for the Fire Rescue Level 1. Buffalo City Municipality was appointed as the Service Provider and the classes commenced on September end in December. All learners passed except one unemployed learner that absconded.

Experiential Training

A total number of candidates were exposed to the field of work in this financial year.

Adult Basic Education and Training (ABET)

ABET Directorate deployed 6 educators to assist Nkonkobe Municipality on ABET. The Programme was rolled out in March 2011. The classes are conducted from Mondays to Thursday at 15H00 to 17h00. All employees are encouraged to take part in this Programme at Nkonkobe Municipality. The following levels are attended by Municipal employees

1. ABET LEVEL 1 – Those who cannot read and write/had basic read and write skills
 - Learners enrolled in but one learner passed away leaving only 3 learners at this level.

Learning Areas Offered:

- LLC (English)
- Numeracy
- Integrated Studies

2. ABET LEVEL 4

- 18 learners are registered for this programme.

The following Learning Areas are offered:

A. FUNDAMENTALS (COMPULSORY)

LLC (English)

Maths Literacy

B. CORE (COMPULSORY)

Life Orientation

C. VOCATIONAL LEARNING AREAS

Travel and Tourism

D. ACADEMIC LEARNING AREAS

Economic and Management Sciences

Minimum Competency Level Training in line with National Treasury Guidelines.

Government Gazette 29967 pronounced on National Treasury's "Minimum Competency Levels" Training which certain levels of municipal employees need to have by June 2013. All Nkonkobe Municipality Managers are earmarked by Municipality as targeted candidates for the programme by 2013.

- 9 candidates have taken part in the programme thus far and more candidates are envisaged to take part in programme as soon as possible.

4.3 Financial Information on Medical Aid and Pension Funds

In-kind Benefits

The Mayor, Speaker, Portfolio Heads of HR, Strategic Planning & LED, Engineering Services and Budget & Treasury Office are full time. Each is provided with an office and both the Mayor and the Speaker are provided with secretarial support at the cost of the Council. The Mayor is entitled to a council vehicle for official duties and has one full-time driver/bodyguard. The Council offers 5 accredited Medical Aid Schemes, namely Hosmed, LA Health, SAMWU Med, Bonitas and Key Health Medical Scheme.

4.4 Interaction between Council, Staff and Community

4.4.1 Website

A service provider was appointed to develop the municipal website. The website is now fully functional and the communications section is responsible for content updates.

4.4.2 Newsletter

The municipal newsletter "Umhlali" is supposed to be printed quarterly. The municipality works with the University of Fort Hare to assist in the interpretation of the newsletter to Xhosa. There have been challenges however with the quality of the paper used by printers but this has been addressed.

4.4.3 Local Communicators Forum (LCF)

The main purpose for the establishment of the LCF was to close the information gap between the municipality and its communities and to ensure the co-ordination of a local level information management system advising the council and government on issues affecting the communication environment at local level.

The strategy that the municipality has adopted is to include ward committees as part of the LCF to ensure that information reaches communities.

4.4.4 Intergovernmental Relations Forum (IGR)

Non-attendance by sector departments was reported to the office of the Premier as resolved by Council. The office of the Premier advised that all non-cooperative departments should be reported to MEC's responsible for such departments as their political principals if it means to.

4.4.5 Public Participation

The municipality developed a Public Participation and Ward Committee development programme in order to ensure effective lines of communication with its community. The programme was adopted and reviewed by the council.

The programme is developed in order to ensure :

- a) that the Nkonkobe Municipality works in partnership with communities for improved service delivery and sustainable development;

- b) that there is consensus between communities and the Council on the needs and strategic interventions necessary for development;
- c) that communities know what is happening in the municipality at all times in line with the principle of transparent and
- d) that communities have a platform to engage with the municipality and thereby hold it accountable for improved governance and service delivery.

In accordance with the Local Government Municipal Systems Act, the Nkonkobe Municipality holds regular Integrated Development Plan (IDP) Representative Forum meetings in drafting its IDP. At the beginning of the planning cycle, advertisements are placed in the local newspaper, notices and radio announcements calling for interested parties to contact the Nkonkobe Municipality.

The office of the Speaker also engages with Traditional Leaders in matters of Public Participation where there are Traditional Councils. The Municipality signed a memorandum of understanding with Traditional Leaders, this was done in 2006 with the assistance of Fort Hare University.

The Nkonkobe Municipality collaborates with Amathole District Municipality in hosting National Imbizo Events. The dates for the National Imbizo Focus Weeks are set by Cabinet and provide an opportunity for all spheres of government to go out and meet the local communities and to talk about government services that are available for the public. These meetings also provide the local communities with an opportunity to meet their political leaders and to voice their comments needs, and issues in an unmediated fashion.

In addition, once the IDP and budget has been drafted, the Nkonkobe Municipality embarks upon an IDP and Budget public hearings to the communities. The ward councilors mobilize the ward committee members and community members to attend the meetings. The Draft IDP is summarized and presented to communities in English and presented in isiXhosa for comment and discussion. Records of these meetings are kept. Once all the comments and discussions have been taken into consideration towards an amended IDP and Budget, the above process is followed up by ward committees meeting before it goes to an IDP Representative Forum, where the amended/Draft IDP and Budget is again presented for the last time before they are submitted to Council for adoption. It is difficult though for the municipality to implement all the projects raised by communities due to budget constraints of council.

The Nkonkobe Municipality also engages volunteers within the community in a wide range of activities, including community health care, disaster management, community policing forums etc.

4.4.6 Ward Committees

Ward Committees are playing a huge role in the municipality's IDP and budget processes including Community Based Plans. The municipality has 210 ward committees in 21 wards. The meetings do sit quarterly and ward committees are given a monthly allowance of R1000 and ongoing capacity building is conducted to enhance their performance.

4.4.7 Community Development Workers

The Department of Local Government and Traditional Affairs appointed 21 Community Development Workers to assist the municipality in enhancing public participation by ensuring that communities are consulted and their problems are communicated through all government departments.

4.4.8 Administration Services Section under Corporate Services Division

The goal of the Administration Services Section is to provide an efficient auxiliary services function to both internal and external departments by providing the following services:

- Switchboard operations
- Tea serving and cleaning/housekeeping
- Office accommodation
- Office automation
- Registry / Archives management
- Insurance services
- Property Evaluations

4.4.9 Document Management

The Nkonkobe Municipality's document management system is divided into two namely:

- Index System
- MunADMIN

Council has compiled and adopted the Promotion of Access to Information Manual. The Filing system of the Nkonkobe Municipality has been registered. MunAdmin has been upgraded and it's operational. Training of all Secretaries and end users was done. System need to be used by officials.

4.5 Fleet

The Nkonkobe Municipality's has improved substantially due to the fact that 13 new vehicles were purchased and a total of 53 fitted with the tracking system.

Composition of the fleet

Type of vehicle	Total number
Sedan	5
Trucks	10
MPV's	5
Tractors	5
Trailers	3
Graders	3
TLB'S	2
Fire fighting	2
LDV's	18
Landfill compactor	1
Roller	1
TOTAL	54

4.6 Housing Developments

The Municipality facilitates the housing projects with the Department of Human Settlements. There is a rectification project currently underway and the following projects have been rectified:

- Seymour
- Middledrift

There is a plan to rectify the following projects:

- Seymour - 232
- Kanana - 300
- Hillside phase 2 - 500

The list for rectification is as follows:

- Newtown Housing project 662
- Hillside Phase 2 500
- Bhofolo Phase 1 300
- GommaGomma 18
- Middledrift Phase 2 311

Further 5 new projects were identified and applications were submitted to Provincial Dept. of Housing for approval. These projects were approved as follows:

;

- Bhofolo Phase 2 : 1000 units,
- Lower Blinkwater : 1 500 units,
- Daweti : 260 units,
- Joji : 300 units
- Khayelitsha (emaplangezi Alice): 260 units.

Nkonkobe municipality has requested the Provincial Department of Housing to proceed with procurement process for these newly approved projects. Nkonkobe Municipality is still waiting for a report from the Provincial Dept. of Housing around Procurement processes for these newly approved projects so that they can be implemented.

There are projects that are being implemented by Amathole District Municipality on behalf of the Municipality. These projects are Hogsback settlement and Victoria Post settlement. The housing project in Mt. Pleasant is under implementation and the Katberg Settlement is waiting for the transfer of land from Land Affairs to the Municipality. There are also rural Housing Projects that the provincial department of Housing is implementing in our area. These are Roxeni, Mcfallen and Nkobonkobo.

4.7 Land Administration

As in most local authorities within the ADM area, the reorganization of local authority boundaries has highlighted the uncertainty of land administration roles between the municipality and the traditional leaders. The allocation of sites particularly in rural areas is effected through the department of Agriculture on request by the Residence Associations. This creates problems when it comes to planning particularly in rural areas because these allocations are not reflected in the IDP. Land Use guidelines are followed in urban areas but the problem revolves around the lack of town planning schemes in some areas particularly former Ciskei areas. Only one area in the whole Nkonkobe Municipality has a town-planning scheme to control development and it becomes difficult to control development in areas where there is no town-planning scheme. The absence of town planning schemes is hampering development. Nkonkobe municipality has request ADM, and Dept of Land Affairs to assist in formulating town planning schemes in

areas where there are no such control tools. There is a potential of developing Debe Nek area but challenges are that: the land is owned by the Dept of Land Affairs secondly, part of Debe Nek falls under the jurisdiction of both Amahlathi and Nkonkobe Municipality and as such any development will have positive/negative spin offs to that municipality. The municipality should request ownership of the land to the Dept of Land Affairs for developing the area and Amahlathi Municipality should be consulted. The farms that Nkonkobe Municipality has requested for the development of Debenek from Department of Land Affairs are 1623, 1624, 1625 and 1626. The following properties were planned and surveyed for development: Happy Rest (Alice), Group 5, and ERF 202 (Fort Beaufort), ERF 72 Middledrift (in ERF 202(Fort Beaufort) the municipality needs to cancel the contract with the previously appointed contractor and appoint another developer, this is the case with group 5. For both Happy Rest and Middledrift the outstanding issue is the identification of a developer.

4.8 Land Productivity and Rural Livelihoods

There is a strong feeling among community leadership that land needs to be made productive. Most residents who own arable plots do not utilize such land effectively and as such do not want to lease it to those who can put the arable land in good use. The most unfortunate part around this issue is that those who have means to utilize the arable land do not have access in such land, meaning they do not own it. Some leasing of arable plots does occur, but often this is for limited periods to ensure that the lessee does not end up being the owner or is perceived as having any rights. Other limiting factors to rural livelihood development were identified as:

- Lack of interest in farming by the youth (and a perspective that farming is a lower status occupation).
- Older residents who may not have the abilities to carry out the hard work largely hold to the "dream" of rural development but do not effectively utilize the land
- The inability to attract industry to the rural areas / small towns.
- The lack of services / service centres, capital, infrastructure and equipment to enhance farming.
- The existing tenure patterns of large arable fields far away from the homestead were seen to inhibit production.

Other Issues:

- A large number of restitution claims that had not been settled were highlighted.

The delays were causing resentment among the claimants and in one case the claimants had begun invading the claimed land.

- Redistribution initiatives were underway which was meeting the demand of emerging farming.

However problems that caused failure of these projects were highlighted namely; group dynamics and a lack of commitment from the beneficiaries. The Land Reform and Development planning process needs to focus on identifying committed farmers, and screen out those who are just interested in owning land and/or seeking grant.

4.9 Safety and Security

There are Nine (9) police stations in the municipal area namely in; Alice, Fort Beaufort, Seymour, Hogsback, Headtown/Ntoleni, Balfour, Middledrift, Dorrington and Debe Nek / Chungwa. The municipality has two (2) prisons namely; a maximum prison in Middledrift and a smaller one in Fort Beaufort. Nkonkobe Policing Forum is in place with the aim of combating crime in the municipal area of jurisdiction. Stock theft is a major problem in rural areas. The high unemployment levels in the area were also attributed as a contributing factor of most criminal acts performed. Main contributing factors on crime were reported to be:

- Assault and Grievance bodily Harm (GBH) as a result of liquor intake
- Domestic violence and contact assault is reported to be the most common crime
- Dark areas without streetlights
- Bad road conditions
- Stock theft
- House breaking (Businesses and Residential areas)
- Rape of elderly people and young children (vulnerable group)
- Murder
- Drink and driving

The Nkonkobe Safety Forum (NSF) (Alice Cluster CPF Board) is in place and its mandate is to improve service delivery of Criminal Justice System and create a sound foundation from which to implement social crime prevention in the municipal jurisdiction. Safety Forums are not yet fully functionally in all units. Presently NSF is developing a plan of establishing Safety Forums at ward level for all 21 wards in the municipal area. The aim of establishing Ward Forums is for the community to benefit on:

- ✓ Community Crime Prevention projects and Plan; and a safer community
- ✓ A better functioning Criminal Justice System. Improved facilities and better service
- ✓ Improve access to justice and an opportunity to interact with wide range of government departments
- ✓ A coordinated approach and joint problem solving
- ✓ Integrated and transparent programmes

There is a need to establish mobile police stations and construction of more police stations since crime rate in the area is high. There is a lack of committed staff within the police sector and a need to introduce a management tool, a need of capacitating police officers on communication and writing skills due to the fact that they take and write statements wrong and that has an impact on the public or to complainants. Community policing forum needs to be capacitated with skills and terms of reference needs to be developed so that they could be monitored for delivery as expected of them.

Community Policing Forums conducted convoys and roadblocks in the entire municipal area to reduce crime levels, this effort was commended by SAPS as this assisted to a large degree in curbing crime. Commitment on SAPS caused by police officers placement in area for longer periods. Sector policing is not in place in all areas due to lack of human and financial resources. A satellite police station in Kwezana East is not operational due to staff shortage and as a result of non-functional it was vulnerable to vandalism.

Achievements

- Thirty eight (38) student constables fresh from the training institution Bisho SAPS Academy are distributed in this area of jurisdiction.
- Highway Patrol squad are patrolling the R63 from Seymour to DebeNek 24hrs a day to curb theft of motor vehicles in this area.
- Established task team for Detectives in Alice cluster .These Detectives are focusing on serious crimes like Murder ,Arm robbery ,business robbery, FCS unit (Family offences ,Children, and Sexual offences unit) This FCS unit deals with rape cases ,Child abuse cases and Sexual assault cases which is based at Chungwa Police Station
- There is a victim support centre at Alice which is responsible for the counselling of the rape victims (Isibane Victim Support centre at Fort Beaufort which under the guidance of Department of Social Development).
- SAPS are also intending to have victim support centres to each and every Station in this Municipal jurisdiction

5. BASIC SERVICE DELIVERY &INFRASTRUCTURE DEVELOPMENT

Engineering department has the following sections:

- Electricity
- Civil works
- Project Management Unit
- Cemeteries
- Waste management
- Cleansing
- Fire
- Disaster Management and Rescue

The department is responsible for all the infrastructural projects within Nkonkobe Municipality and also to liaise with other spheres of government that deal with infrastructure

5.1 Electricity

The supply of electricity in the Nkonkobe Municipality is provided by two suppliers, i.e Eskom and Nkonkobe Municipality.

Nkonkobe Municipality is only supplying electricity in Fort Beaufort town and its surrounding townships. Electricity on the other four administrative units of Alice, Middeldrift, Hogsback, Seymour and all rural villages is supplied by Eskom. The current status in Fort Beaufort in terms of electricity supply is 98% with the backlog of only 2%. The backlog of 2% in Fort Beaufort comprises houses in Bofolo and houses in GommaGomma. The municipality has completed the connection of houses in Hillside.

In areas supplied by Eskom it is estimated that electricity provision is at 85% with the backlog of 15%. This may change as new townships are established and villages extended and it takes time for Eskom to provide electricity in these areas. The backlog of 15% may increase as more developments are undertaken.

PRIORITY LIST FOR ELECTRIFICATION OF NKONKOB

NO	WARD NO	LOCATION
1	6	All connected
2	7	Lundini, Elukhanyisweni, Ekuphumleni, Khayelitsha, Hertzog, Tambokiesfle, Tallhotel, Aucdine, White Tennis Court, Hernest, Mankazana, Ngquthu, Platform, Ferban, Upper Blink Water, Buxton
3	20	Goma-Goma
4	3	Chris Hani
5	10	Cathcart vallyely, (pheshakomfula), Gwadana, Dukathole, Gilton.
6		Limbete village
7	8	Lower Blink Water, , Mt Pleasant, Witney Farm(Spaklington)
8	16	Cilidara extension
9	12	Magaleni, Bergplaas and Worbun
10	9	Roma (maasdorp), Katberg, Jureshoek, Fingin (Ekuphumleni) Rietsdale, Blackwood, Filipton, Kolomane (Seven areas).
11	4	All connected
12	13	Nkobonkobo, Rwanyeni, Hopefield
13	1	Khulile, Qamdobowa, Zigodlo, Qhibira, Ndulini, Ndindwa, Mgxotyeni these are all extensions
14	18	Mxumbu, Trust no. 1, Cwaru, Tafeni all extensions

15	14	Ngcabasa, Ngqolowa, Dikidikana, Pewuleni, Peksdale, all are extensions.
16	11	Binfield, Hopefield
17	19	Nonaliti, Zihlahleni extensions
18	17	Sityi extension, Saki extension, Mbizana extension, Njwaxa extension, Ngwenya extension, Gqadushe extension
19	15	All have electricity
20	2	All have electricity
21	20	All have electricity

5.2 Roads and storm water management

According to Amatole District Municipality, Nkonkobe has 192.82km of paved roads and 1424.63 unpaved roads. The main tarred routes run in a north-south direction through Seymour and Fort Beaufort, and an east-west direction through Fort Beaufort, Alice and Middledrift. These routes are of strategic importance because they link places of economic activities. Most of the roads linking the rural settlements are generally in poor conditions. The backlog in terms of roads in Nkonkobe municipal area stands at 88%. To address this backlog the municipality relies on funding allocation from MIG as well as assistance from the Department of Roads and Transport.

Upon the redetermination of powers and functions, the roads function is being determined to be the responsibility of the Category B Municipalities which would include Nkonkobe Municipality. The Department of Roads and Transport is responsible for the provincial roads whilst the municipality is responsible for the internal streets within the villages.

Roads:

Some roads were constructed using the MIG funds and these roads include Alice internal streets, Newtown internal streets, Bofolo internal streets, Ntselamanzi internal streets, Gomoro internal street, and Nontetha gravel road.

In terms of storm water management, this is provided in the towns and townships of the Nkonkobe areas. The Municipality has prioritized storm water and storm water management needs to be taken seriously as it becomes very difficult for the communities to access their properties where storm water drainage is not attended. The technical team has been established to attend to these issues.

5.3 Boundary Disputes

This issue relates to disputes on the following levels: Between traditional leaders concerning their area of jurisdiction. This has impacts on support for projects and land allocations. The real challenge is to provide institutional stability in local government.

According to the municipal demarcation board the area of upper Cathcart will have to be removed from the area of Nkonkobe to the Amahlathi municipality, the area of around cairns village to be removed from Lukhanji to the area of Nkonkobe and exclude the area of Anta Traditional Authority from Nkonkobe and be included in the area of Amahlathi.

5.4 Status of Refuse Removal

No refuse removal is currently being done in rural areas as refuse disposal sites are situated only in the urban areas. Refuse removal service is currently done in urban areas due to the following reasons:

- Non readiness of community members
- Long distances to and from the waste sites
- Shortage & ageing transport system.

Black bags /bins kerbside collection is done once per week in households. Four (4) refuse bags are distributed to each household per month. As an attempt to improve the standard of service; the municipality procured brand new compactor and skip trucks.

The municipality took a resolution on piloting waste management cooperatives in three areas namely: Alice Golf Course; Newtown as well as Bhofolo location; to which only two are currently implemented (Alice Golf Course and Newtown). The cooperatives are intended to render the following services: refuse collection; litter picking; street sweeping; removal of illegal dumpings and conduct environmental and waste awareness campaigns. The cooperatives were involved to achieve the following:

- render refuse removal service where the municipal cannot
- assist in job creation
- capacity building in communities
- create a sense of ownership among the citizens
- increase awareness on waste related issues

Illegal dumping is a serious challenge in residential areas; as an attempt to address this; the municipality is in process of constructing refuse drop off points. In order to prevent illegal dumping of refuse, the municipality has appointed peace officers that have to implement refuse by - laws.

5.5.1 Status of Solid waste sites

Nkonkobe municipality has five solid waste sites and one refuse transfer station. They are located in all administrative units (Middledrift; Hogsback; Alice; Seymour and Fort Beaufort). Three of the sites are operating without permits (Hogsback; Seymour and Fort Beaufort and the other three has permits though they are not operated as per conditions of the permits.

The municipality is in the process of addressing the issue of non-permitted sites and poor operations. Through a service provider; it has compiled landfills lifespan assessment; rehabilitation and post closure monitoring of waste disposal sites. Concurrent to that the

municipality is also in the process of constructing two refuse transfer stations in Seymour and Hogsback; EIA is underway to that effect.

Development of Integrated Waste Management Plan (IWMP)

As a mandate by The National Environmental Management: Waste Act of 2008 that all municipalities develop their own Integrated Waste Management Plans (IWMP). Nkonkobe municipality has appointed a service provider who is currently busy with the development of Nkonkobe Municipality IWMP. The primary objective of the IWMP is to integrate and optimize waste management services; thereby maximizing efficiency and improving the quality of the all the citizens

The IWMP incorporates the following:

- Reviewing the existing baseline situation
- Making projections of future requirements
- Setting objectives
- Identify system components
- Identify and evaluating alternative methods/ approaches for meeting requirements
- Developing and implementing IWMP
- Evaluating and reviewing the plan to ensure the objectives are met

The Nkonkobe Municipality draft IWMP as of today contains the following:

- Status quo assessment on waste management
- Gap analysis and needs assessment report
- Development options and alternatives assessment report

5.6 Fire fighting

Nkonkobe Municipality does not have fire stations but using the municipal buildings as fire stations. These buildings do not have necessary equipment / resources so that will enable fire fighters to operate effectively and efficiently, however Nkonkobe Municipality has budgeted for R1m for the construction of fire station but it was discovered that the budgeted funding is insufficient to expedite and accomplish the project and therefore the Council is in a process of sourcing external top up funding from Municipal Infrastructure Grant (MIG).

Nkonkobe Municipality has employed 2 permanent fire fighters however Amathole District Municipality has sent 9 additional fire fighters to fire and rescue training for a period of 3 months. Out of 9 volunteers 6 are from unemployed members of Nkonkobe Municipality community and 3 are the existing employees of Nkonkobe Municipality.

6. Community Based Planning

6.1 WARD BASED COMMUNITY ISSUES

Section 152 of the Constitution stipulates the roles of local government:

- 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
- e. To encourage the involvement of communities and community organisations in the matters of local government

The Municipal Systems Act (Act 32 of 2000)

Section 16. (1) "a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose-

- (a) Encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in
 - i. the preparation, implementation and review of its Integrated Development Plan in terms of Chapter 5;
 - vii. the preparation of its budget; and
 - viii. Strategic decisions relating to the provision of municipal services in terms of Chapter 8;

As informed by the above pieces of legislation the municipality embarked on conducting a Ward based planning programme to identify the key needs of the community. The following represents the various community development issues identified during the ward based planning programme. The identified key issues form the basis of the budget and development priorities of the municipality. Ward Councilors, Ward Committee, Traditional leaders, Chairpersons in the community and Representatives from organized structures in the community.

Ward 1		
Ward Clr : M Kata		
No	Community Issue	Description
1	Electricity	Electrification of new extensions : Qamdobowa, Zigodlo, Qutubeni, Ndulini, Zalaze, Mgxotyeni, Khulile, Qibira, Drain
		Provision of Free Basic Electricity
2	Roads	Regravelling and upgrading of Roads in all villages
		Installation of bridge in the following areas: Middledrift River, Ndulwini & Seko, Qibira & Ndulini, Qutubeni, Qamdobowa & Zalaze
3	Community Amenities	Construction of a multipurpose centre: Qibira
		Construction of community hall: Qibira, Ndulini, Zalaze, Ndindwa, Qutubeni, Mgxotyeni, Ezigodlo
		Fencing of Qamdobowa community hall
		Construction of sportfield
4	SMME	Training on skills development programmes (Cotton, candle making, juice making, brick making and soap production)
5	Agriculture	Revive irrigation scheme : Qamdobowa, Zalaze
		Fencing of grazing lands
		Dam scooping –all villages
6	Education	Scholar transport

		Renovation of all schools
7	Health	Building of clinic- Mgxotyeni
		Renovation of clinic : Zigodlo&Qibira
8	Safety & Security	Erection of Satellite Police Station : Zigidlo&Xhukwana
		Revival and strengthening of CPF
9	Water & Sanitation	Installation of VIP toilets in all village
		Installation of taps

Ward 2		
Ward Cllr : J.N Ngcakaza		
No	Community Issue	Description
1	Electricity	Free Basic Electricity- Skolweni
		Electrification of new extensions
3	Roads	-Regravelling and upgrading of roads – All wards
		-Resurfacing and compacting of roads-Roads Maintenance Plan
4	Community Amenities	Construction of a Multi –purpose centre – Lenge
		Construction of Community Hall : Mgquba,Ngwabeni,Meva,Roxeni,
5	SMME	Processing of African potatoes, Aloe, Ashore
6	Agriculture	Dam Scooping in all villages
		Revival of Irrigation Scheme at Ngobe,
		Livestock farming
		Fencing of ploughing fields, Tractor and Supply of seedlings, and repair of boreholes.

7	Education	Improvement of food nutrition in all schools Extension of food nutrition from Grade R to Grade 12
8	Health	Renovation of clinics at Ngwabeni,
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Training on home based care giver

Ward 3		
Ward Cllr : N Sango -Blackie		
No	Community Issue	Description
1	Electricity	Electrification of new extensions
		Provision of Free Basic Electricity
2	Roads	Upgrading of roads /paving of internal streets
		Bush clearing from the location to Magaleni
		Installation of speed humps (Morris area, Mpolweni main road, next to the Mpolweni crèche
3	Community Amenities	Renovation of Old age hall
4	Tourism	Construction of memorial stone/garden in remembrance of the Heroes of Fort Beaufort
		Development of a Tourism center /sites in Eskolweni-Mxhelo
5	Land	Extension of Sites
6	SMME	Poultry project, Purchasing of washing machines for women project
		Skills development : Car wash, art & craft

		Construction of a mini market for hawkers
7	Agriculture	Camp for Livestock farming
8	Health	Availability of needed medicine in the clinics
		Training of home based care givers
9	Safety & Security	Availability of safety officers in all schools
		Erection of satellite /mobile police station
10	Water	More dams and tanks for the provision of water
11	Education	Renovation of Mxhelo primary school
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12

Ward 4		
Ward Cllr : M Makeleni		
No	Community Issue	Description
1	Electricity	Electric supply
		Provision of Free Basic Electricity
		Installation of High Mast
2	Roads	Regravelling of internal streets
		Tarring of the entrance road around magaleni to Ntoleni and mlalandle
3	Community Facilities	Construction of an Abbotoir
		Construction of Kwepileni and Golf course hall
		Renovation of : Ndaba community Hall & Hillside Community Hall
4	SMME	Projects for the reduction of high unemployment rate in the

		ward
5	Agriculture	Dam scooping ,reparation of windmill, dipping tank in Ntoleni
		Renovation of a dam at Magaleni
		Fencing of grazing camps
6	Education	Renovation of primary school in Mlalandle and Ndaba (Manzo&Qaka)
		Construction of a daycare Mlalandle
7	Water & Sanitation	Water & Sanitation of households

Ward 05		
Ward Cllr : MC Nyangintaka		
No	Community Issue	Description
1	Electricity	Electric supply for houses
		Installation of High Mast Lights
2	Telecommunication	Installation of public phones in all villages –
3	Roads	<ul style="list-style-type: none"> • -Upgrading of all bridges – • -Regravelling and upgrading of roads –
4	Community Amenities	Building of community halls in 14 villages -Dish, Mdlankomo, Hopefield, Upper Ncerha,BinfieldKhwezana, MdeniNgwangwane, Mkhuthukeni,Zixinene,Ndlovurha,Spingweni,,Chamama,, Fencing of cemetery: Khwezana, Ngwangwane,Zixinene, Mdeni, Gcatao, Krwakrwa,,Mkhobeni, Spingweni, Mqayise,
		Renovations of a community hall,

		Building of creche in Dish, Mkhobeni, Majwareni, Khwezana , Gcato,Ngwangwane,Mkhuthukeni, Zixenene, Mqhayise, Ndlovurha, Sphingweni, Chamamama, Binfield,
5	Tourism	Rehabilitation of tourist sites in all villages
6	SMME	Community Development and Resource Centre
		Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
7	Agriculture	Establishment of irrigation scheme: (Phuhlisana Poultry Project) Dam scooping, fencing of ploughing fields and grazing camps in all villages
8	Education	Ensure there are safety officers in schools
		Renovation of all schools in Gcado,Hopefield, Mdlankomo Primary, Machibini Primary, Mhlambiso High School – Ward 11
9	Health	Training of Home Based Care givers
		HIV/AIDS awareness campaign
		Weekly mobile clinic
		Building of clinic at Mkhobeni , Mdlankomo,Hopefield,Binfield,Mkhuthukeni,, Machibini,
10	Safety & Security	Erection of Satellite Police Station

Ward 6		
Ward Cllr : R.A Kganedi		
No	Community Issue	Description
1	Electricity	<ul style="list-style-type: none"> • Upgrade electrical reticulation and supply
2	Roads	<ul style="list-style-type: none"> • -Purchase roads construction equipment • -Regravelling and upgrading of roads – • -Maintenance of all roads
3	Community Amenities	Construction of quality houses
4	Agriculture	<p>Processing of African potatoes, Aloe, Ashore</p> <p>Training on skills development (cotton, candle making, juice making, brick making, soap production, financial and project management)</p>
5	Amathole District Municipality	Provide shelter at the taxi rank in Alice

Ward 7		
Ward Cllr : T Matu		
No	Community Issue	Description
1	Electricity	Provision of FBE
2	Roads	Regravelling and upgrading of roads all areas
		Maintenance of roads all villages
3	Community Amenities	Renovation of Community Halls :Lushington
		Construction of a library

		Construction of recreation facilities /play grounds : Nobanda, and Rwantana
		Construction of sportsfields: Hertzog
		Fencing of cemeteries : Ekuphumleni, Elundini, Rwantana and White,
		Provision of Mail Boxes : Elundini and Hertzog
4	SMME	Skills development (cotton,candlemaking,juice making ,brick making,soap production and piggery project,poultry project, bakery and beadwork
5	Agriculture	Upgrading of citrus farms- Farms
		Fencing of grazing camps all villages
		Processing of African potatoes ,aloe and land care
		Reviving and establishment of dipping tanks in all villages
		Reparation of windmills in all villages
6	Health	Building of clinic at Lushngton and Mankazana
7	Education	Construction of a crèche/ Educarecentre : Mabheleni
8	Cleansing	Grass cutting and Bush clearing

Ward 8		
Ward Cllr : E Bantam		
No	Community Issue	Description
1	Electricity	Electricity supply: Lowerblink water, Platform, Mt Pleasant and farm areas.
		Installation of high mast lights
		Provision of FBE: Teba/Cimezile
2	Roads	Regravelling and upgrading all villages

		Maintenance of all roads in Newtown
		Reparation of bridges
		Road construction and maintenance : Teba /Cimezile and Mt Pleasant
		Reparation of bridges: Teba/Cimezile & Dan
		Installation of pedestrian crossing signs at Lowerblink water
3	Community Amenities	Maintenance of community hall : Lowerblink Water and Mt Pleasant
		Renovations of community hall & library in Newtown
		Installation of an alarm system in Newtown hall
		Construction of recreational facilities : Skolweni ,komkhulu/ Luzini
4	Land	Land transfer from the private owners to the community members
5	Tourism	Construction of a BnB in Mt Pleasant
6	SMME	Skills development : (cotton ,candle making, juice making ,brick making ,soap production ,piggery project ,bakery and beadwork
7	Agriculture	Dam scooping : ,Lowerblinkwater ,Mdeni and Cimezile
		Dipping tanks :Mt Pleasant ,Teba/Cimezile
8	Education	Scholar Transport all villages and farms Rietfontein& Sparks
9	Health	Construction of health centre : Lowerblink water
		Training of homebased care givers
10	Safety & Security	Fencing along the road
11	Cleansing	Grass cutting and Bush Clearing : Teba /Cimezile
12	Water & Sanitation	Mt pleasant ,Teba/Cimezile ,Rietfontein and Splarklington

Ward 9		
Ward Cllr : N.P Mlamla		
No	Community Issue	Description
1	Electricity	<ul style="list-style-type: none"> -Electrification of hall and houses- Maasdorp, Dyala and 14 villages without electricity
		<ul style="list-style-type: none"> -Installation of Street lights/High mast –Ward: 9
2	Roads	<ul style="list-style-type: none"> -Regravelling and upgrading of roads – All villages
		<ul style="list-style-type: none"> -Maintenance of all roads
3	Community Amenities	<ul style="list-style-type: none"> Renovation of unused building for multi-purpose centre and VIC-Seymour
		Renovations of halls – Kolomane and Ekuphumleni
		Construction of Balfour stadium and Sportfield: Seymour, Lowerblink Water and Balfour.
		Construction of Sportfield: Seymour and Balfour.
4	Land	Land for grazing and for cemeteries
5	Tourism	Funding for establishing a game reserve
		Training on skills development (cotton, candle making, juice making, brick making, soap production, financial and project management)
7	Agriculture	Processing of African potatoes, Pelargonium (Mvendale),Aloe, Ashore
		Funding for Ikhala Co-operatives Projects-Seymour
8	Education	Intensive training of SGB in all schools
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
9	Health	Training on home based care giver

		ARV rollout in clinics and hospitals Health Centre (Day Hospital) to operate 24 hours a day.
10	Safety & Security	Fencing along the road side
11	Eskom	Installation of High Mast Lights
12	Waste Management	Establish Solid waste site in Seymour

Ward 10		
Ward Cllr : P Sixoli		
No	Community Issue	Description
1	Electricity	Upgrade electrical reticulation and supply
2	Roads	<ul style="list-style-type: none"> • Purchase roads construction equipment • -Regravelling and upgrading of roads – All wards
3	Community Amenities	<ul style="list-style-type: none"> • Construction of centre for processing natural resources • Installation and upgrading of dipping tanks at Makhuzeni, Nothenga, Sompondo, Gilton and Khayaletu (Ward 10)
4	Land	
5	Tourism	Establishment of new tourist sites in Hogsback
6	SMME	Processing of spring water in Hogsback (Ward 10) Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
7	Agriculture	Fencing along the road side –all wards Scooping and fencing of all dams
8	Education	Improvement of food nutrition in all schools

		Extension of food nutrition from Grade R to Grade 12
9	Health	HIV/AIDS awareness campaign ARV rollout in clinics and hospitals
10	Safety & Security	Erection of Satellite Police Station
11	Eskom	Installation of High Mast Lights Installation of electricity : new extensions
12	Amathole District Municipality	Construction of community halls
13	Sport & Recreation	Upgrading sport facilities Ward 10 (Makhuzeni)

Ward 11		
Ward Cllr : Ngaye		
No	Community Issue	Description
1	Electricity	Electric supply for houses
		Installation of High Mast Lights
2	Telecommunication	Installation of public phones in all villages – Ward 11
3	Roads	<ul style="list-style-type: none"> • -Upgrading of all bridges – • -Regravelling and upgrading of roads – All wards
4	Community Amenities	Multi –purpose centre – (Ward 11) Construction of a community hall
5	SMME	Community Development and Resource Centre (Ward 11)

		Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
6	Agriculture	Establishment of irrigation schemes
7	Health	Training of Home Based Care givers
		HIV/AIDS awareness campaign
		Weekly mobile clinic
8	Safety & Security	Erection of Satellite Police Station

Ward 12		
Ward Cllr : Ndevu		
No	Community Issue	Description
1	Electricity	Electric supply at Woburn, Taylor, Skhutshwana, Melani, Magaleni and for new extensions in Magaleni, Bergplaas&Gqumashe
		Provision of Free Basic Electricity
2	Roads	Regravelling and upgrading of roads – All villages
		Construction of crossing bridges in
		Msobomvu, Taylor, Melani & Skhutshwana
3	Community Amenities	Renovation of community halls – in Msobomvu, Magaleni, Melani
		Furniture and Chairs for Bergplaas Community Hall
		Construction of sports field in: Ward 12

4	SMME	Construction of B&B in Lower Gqumashe
		Brickmaking at Gqumashe and Fishing project at Magaleni, Guqawe, Lower Gqumashe, Skhutshwane
		Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.) Electricity and Manufacturing material for Mdeni Bakery
7	Agriculture	Resuscitation of citrus farms – Woburn, Taylor
		Alien species (tree) removal project – (Ngcothoyi ,Magaleni, Bergplaas and Msobomvu)
		Processing of African potatoes, Aloe, Ashore
		Provision of bulls and Goat project
8	Education	Renovation of Msobomvu Primary and High.
		Construction of Day Care Centers in Ward 12
		Intensive training of SGB in all schools in Ward 12
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
9	Health	Training on home based care giver
		HIV/AIDS awareness
10	Safety & Security	Appointment of camp rangers

Ward 13		
Ward Cllr : T.E Tyibilika		
No	Community Issue	Description
1	Electricity	Electric supply
		Free basic electricity
		Installation of High Mast Lights
2	Roads	<ul style="list-style-type: none"> -Regravelling and upgrading of roads – All villages
		<ul style="list-style-type: none"> -Building of bridge in Sheshegu,Phumlani,Bulura/Masakhane,Xolani, Gxwederha and Thembisa
3	Community Amenities	Construction of hall – Ward 13
		Fencing of cemeteries in Sheshegu, Pumlani, Balurha, Thembisa, Smith, Xolani, Skolweni, Gxwederha,Nkobonkobo
		Construction of sport and recreational facilities
		Fencing of cemeteries
7	Agriculture	Fencing of grazing camps, Dam scooping, and Reparation of windmills
8	Education	Renovation of all schools in
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
9	Health	Extension of clinics at Sheshegu
		Weekly mobile clinic
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Training of Home Based Care givers

10	Safety & Security	Erection of Satellite Police Station a. Lower Sheshegu
11	Water and Sanitation	Construction of toilets in all villages
		Provision of water to all villages

Ward 14		
Ward Cllr : M O Rawana		
No	Community Issue	Description
1	Electricity	Electric supply for new extensions in Pewuleni, Ngqolowa
		-Upgrading of electrical infrastructure
		Electrification of Pewuleni Community Hall (wiring and tubing already done).
		Installation of High Mast Lights
		Provision of Free Basic Electricity.
2	Telecommunication	Public phones are needed in all the villages.
3	Roads	<ul style="list-style-type: none"> Regravelling and upgrading of roads – All villages
		<ul style="list-style-type: none"> Bridge crossing colberts for Dikidikana, DebeMarele, Farm B to QhibirhaNdulini and Ngqolowa via Ngcabasa.
4	Community Amenities	Upgrading sport facilities.
		-Construction of Hall in Qhomfo.
		-Fencing and grassing of sportsfields
		-Rural housing projects

5	Land	-Small scale farmers have identified land for grazing camps near Double drift.
6	Tourism	Tarring of access roads to Double drift game reserve to enhance tourism.
7	SMME	Funding for women's coops and SMME,
		Market for poultry and crop production in Dikidikana, Fama, Pewuleni and Qhomfo.
		Awareness campaigns on funding of cooperatives, SMME, market opportunities and training in business skills.
8	Agriculture	Dam scooping, shearing shed, dipping tanks,
		Fencing of grazing camps, repair of windmills and Siyazondla for Ngqolowa, Qhomfo, Pewuleni, Ngcabasa and Dikidikana
9	Education	Renovation of all schools : -Jose Marele
		Construction of Zwelimjongile, Ngqolowa Primary and Junior Secondary School, Pewuleni Pre-School
		Improvement of food nutrition in all schools Extension of food nutrition from Grade R to Grade 12
10	Health	Training on home based care giver
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Building of Clinic in Qhomfo village
11	Safety & Security	Erection of Satellite Police Station

		Ngqolowa and Pewuleni
	Water and Sanitation	Household connection of water stand pipes and building of toilets in all the villages of Ward 14

Ward 15		
Ward Cllr : N Rulashe		
No	Community Issue	Description
1	Electricity	Installation of Street lights/High mast
		-Free basic electricity-not all people receive it but have filled the indigent forms.
		Installation of High Mast Lights in Ward 15
3	Roads	-Regravelling and upgrading of roads – All villages
4	Community Amenities	Construction of Community Hall and Skills development centre
		Construction of quality houses in Ward 15
7	SMME	Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
8	Agriculture	Dam scooping, Reparation of Wind-mills and dipping tanks
		Fencing of ploughing fields
		Processing of African potatoes, Aloe, Ashore
9	Education	Renovation of school and Creche
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
10	Health	Strengthen of Ikhwezi Resource Centre at Dyamala –

		Weekly mobile clinic at Dyamala, Upper Gqumashe, Francis, Jonini – Ward 15
		Construction of a clinic

Ward 16		
Ward Cllr : M.E Mgengo		
No	Community Issue	Description
1	Electricity	Electrification of Ngele Community hall
		Electrification of hall and houses- Gugulethu Phase 1 houses and new extensions
		Installation of Street lights/High mast –Ward16
3	Roads	-Upgrading of all bridges – -Regravelling and upgrading of roads – All villages
4	Community Amenities	Construction of a library
		Construction of community hall in Zibi, Lugudwini, Cildara, Upperregu and Ngqele 2
5	Land	Land Care –ward 16
6	Tourism	Construction of a garden of remembrance
7	SMME	Construction of Abattoir Middledrift town – Ward 16
		Development /construction of poultry project structures
8	Agriculture	Establish New Irrigation Scheme
		Dam scooping all villages
		Renovation of dipping tanks : Ngele and Mfiki
9	Education	Renovation of Day Care Centres in Ward 16
		Improvement of food nutrition in all schools

		Extension of food nutrition from Grade R to Grade 12
		Provision of furniture in schools: Mfiki, Upper Regu, Town – Ward 16
10	Health	Renovation of clinics at Middledrift Health Centre – Ward 16 (and fencing)
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Training of Home Based Care givers
11	Water & Sanitation	Construction of toilets

Ward 17		
Ward Cllr : C.N Daniels		
No	Community Issue	Description
1	Electricity	Electrification of new extension :Sityi
		Installation of High Mast Lights
		Provision of FBE
2	Telecommunication	Installation of public
3	Roads	Purchase roads construction equipment -Regravelling and upgrading of roads – All wards
4	Community Amenities	Cleaning of cemeteries
		Construction of a Sportsfield
		Construction Community Halls in Gqadushe and Sityi
5	Tourism	Rehabilitation /development of Eliweni jointly with Maqoma caves

6	SMME	Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
7	Agriculture	Construction of centre for processing natural resources
		Renovations of dipping tanks at Gqadushe, Ngwenya, Sityi
		Revival of Irrigation Scheme of Gqadushe, Sityi
		Support for Vegetable gardens
8	Education	Renovation of schools in Sityi, Saki, Gqadushe, Ngwenya
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
		Building of Basic Adult Education Centre in Ngwenya, Saki, Gqadushe
9	Health	HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Training of Home Based Care givers
10	Water and sanitation	Construction of toilets

Ward 18		
Ward Cllr : H Xelelwa		
No	Community Issue	Description
1	Electricity	- Electrification of houses
		Provision of free basic electricity
3	Roads	-Regravelling and upgrading of roads – All villages
4	Community Amenities	

		- Renovation of Sports field's gates and grassing of grounds
		-Renovations of halls – Trust No 2
		Construction of hall at Thafeni
5	Water & Sanitation	No toilets in most village and Water connection to new extensions.
6	SMME	Training on skills development (cotton, candle making, juice making, brick making, soap production, financial and project management)
7	Agriculture	Revival and establishment of dipping tanks
		Dam Scooping in Tafeni, Qaukeni, Trust No.1
		Revival of Irrigation Schemes.
8	Education	Renovation of all schools in Mngqaba,
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
9	Health	Training of home based care giver
		Building of clinics at Qanda&Mxumbu
		Weekly mobile clinic in Mxumbu&Qanda
		Extend clinic operating time from 8hrs -24hrs

Ward 19		
Ward Clr :M Matshaya		
No	Community Issue	Description
1	Electricity	Electrification of hall and new extensions -
		Installation of High Mast Lights
3	Roads	-Regravelling and upgrading of roads – All villages
4	Community Amenities	Construction of hall –Ntonga
		Renovations of halls –
		Construction of sports field in Mayipase, Nonaliti-Ward 19
5	SMME	Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
6	Agriculture	Processing of African potatoes, Aloe, Ashore
		Establish cotton project in Xhukwana – Ward19
7	Health	Training on home based care giver
		Renovation of clinics at Nonaliti, Zihlahleni – Ward 19
		Weekly mobile clinic at Ward 19
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
	Water & Sanitation	Installation of VIP toilets in all villages

Ward 20		
Ward Cllr : L Papu		
No	Community Issue	Description
1	Electricity	Free Basic Electricity
2	Roads	-Regravelling and upgrading of roads –
		-Resurfacing and compacting of roads-Roads Maintenance Plan
3	SMME	Processing of African potatoes, Aloe, Ashore
4	Agriculture	Livestock farming
5	Education	Renovation of Schools
		Improvement of food nutrition in all schools
		Extension of food nutrition from Grade R to Grade 12
6	Health	HIV/AIDS awareness campaign
		Training on home based care giver
7	Cleansing	Cleaning of an area between Sakhuleka and Municipal Traffic Department
8	Community amenities	Construction of a park at Mchatho

Ward 21		
Ward Cllr :A Stofile		
No	Community Issue	Description
1	Electricity	-Faulty electrical transformers
		-Reparation of High Mast and Installation of new high mast lights.
2	Telecommunication	Installation of public phones
3	Roads	Regravelling and upgrading of roads
		Paving of internal roads
		Stormwater drainage in Mama street, Matikinca street, GommaGomma and Lande street.
4	Community Amenities	Access to Indoor Sports /Games in Tinissportfield
		Recreational facilities for children in open spaces
		High Mast lights for sport fields.
		Renovation of Municipal buildings for community use such (SANCO BUILDING), Old police barracks, SMME building next to Dr.Mbethe's surgery, Mbewu street.
		Construction of swimming pools, access to cape college stadium, gymnasium and tennis courts, grand stands, grassing and irrigation of sport fields, caretakers for sportsfields
		Construction of sports field in Ward 21
5	Land	Land for grazing livestock &ploughing
6	Tourism	Military Fort, Old Tower, Healdtown and FB Museum to use for

		tourism purposes
7	SMME	Citrus Processing into downstream products
		Skills development (Cotton, candle making, juice making, brick making, soap production, financial & project management Piggery, poultry, bakery, beadwork, etc.)
		Training of youth in electrical related matters
8	Agriculture	Camp for grazing livestock- Speed up the process of Mdala farm.
		Pound and Rangers to control stray animals
9	Education	Renovation of Tinis, Eyabantu, Maqoma.
		Collection of refuse and installation of rubbish bins in school.
		Renovation of Day Care Centres at Ward 21, Improvement of food nutrition in all schools Extension of food nutrition from Grade R to Grade 12 Building of laboratories at all schools in Ward 21 (high schools)
10	Health	Change ThozamileMadakana clinic into a Day Hospital (Health Centre operating 24 hours a day) installation of electricity and ablution facilities.
		Shortage of ambulances and staff.
		HIV/AIDS awareness campaign
		ARV rollout in clinics and hospitals
		Training of nursing staff and volunteers – Ward 21
11	Safety & Security	Anti-crime campaigns.
		Shortage of police vehicles, staff and re- introduction of municipal police
12	Water and Sanitation	- Infrastructure challenges.

		<ul style="list-style-type: none">-shortage of trucks-waterborne sewerage system is not functioning well.-Some households still using bucket system.-Improve communication and customer care at FB ADM Offices.Connection of sewerage and electricity in schools
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6.2 IDP /BUDGET ROADSHOW

During the month of April 2012, the Honorable Mayor: Cllr A.W Ntsangani, the Executive Committee together with the Municipal Management and Sector departments took rounds within the municipal area presenting IDP and Budget in order to get the inputs and comments from the public in preparation for the final adoption of the IDP and Budget 2012-2017 financial year.

The following are the list of comments and inputs:

DATE	TIME	WARD	COUNCILLOR	DEPLOYMENT	VENUE	Comments /inputs
10/04/12	10H00	6,11 & 15	Cllr Kganedi , Cllr Rulashe & Cllr Ngaye	EXCO & Management	Alice Town hall	<ul style="list-style-type: none">• Installation of highmast lights in Golf Course• Construction of houses in Hillcrest (phase 02)• Regravelling of roads to Hillcrest• Rugby fields in Hillcrest not complete• Installation of Street Lights in Hillcrest• Fencing of Alice cemeteries• Regravelling Road from Golf Course via Mavuso to Nkobonkobo• Construction of Dyamala Community Hall• Construction of Tyhali Community Hall• Reparation of a Bridge in Tyhali .• Regravelling of roads• Construction of a Clinic• Construction of Upper Gqumashe Community Hall• Reparation /regravelling of access road near Victoria Hospital to Ntselamanzi

						<ul style="list-style-type: none"> • Reparation of High Mast Lights Ntselamanzi • Electrification of RDP Houses in Ntselamnzi • Construction of Lower Ncerha Community Hall. • Regravelling of Roads in Lower Ncerha • Fencing of cemeteries in Lower Ncerha • Construction of RDP Houses in Maplangeni (Ntselamanzi • Construction of Ncerha Community Hall • Day Care Centre to be built between Ward 11 and 5
10H00	5,10, & 12	Cllr Nyangintaka , Cllr Sixolo & Cllr Ndevu	EXCO & Management	Melani Community hall	<ul style="list-style-type: none"> • Construction of sportsfield and maintenance of the existing. • How is the public participation measured if wards are clusters? • Budget allocation for roads is not enough • No clear approach of how to address the problems of roads • Construction of the brigde :Duka Thole and Cathcartville and Reparation of small bridge • Employment of security guards for sportsfield • Request for the municipality to redirect funds for paraffin to free basic electricity. • Construction of low cost houses and toilets :ward10 	

11/04/12	10H00	16 & 17	Cllr Mgengo & Cllr Daniels	EXCO & Management	Middledrift Community Hall	<ul style="list-style-type: none"> • Upgrading of roads • Construction of houses • Employment opportunities • Revival of irrigation schemes • Furniture for the halls • Construction of a hall at Zibi • Fencing of cemeteries • Construction of Public toilets • Unavailability/scarcity of water • Construction of Community Hall: Ngqele 2 • Assistance for: Sophakama Poultry Project Phumelela Poultry Project, Sihlangene Old Age Centre, Siyakha Garden Project and Nomzamo Garden Project at Ngqele 2 • Renovation of crèche at Ngqele 2 • Construction of a Sportsfield • Fencing of cemeteries • Fencing of dams
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	10H00	1& 14	Cllr Kata & Cllr Rawana	EXCO & Management	Ndindwa Community Hall	<ul style="list-style-type: none"> ○ Construction of small bridges: Between Ward 1 and Ward 14 (Quthubeni and Fama), Ngcabasa and Fama. ○ Regravelling of roads ○ Construction of Njwaxa (Machibini)Community Hall ○ Installation of a bridge for the road between Njwaxa and Machibini. ○ The municipality must priorities roads and stormwater drainage for villages ○ Regravelling of roads: from Qamdobowa via Ngcabasa to Zalaze ○ Construction of Sportfields per ward ○ Construction of toilets for all villages ○ Fencing of grazing and ploughing fields ○ Construction of Quthubeni Community Hall ○ Installation of culverts Qhibirha (Ndulini)
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	14H00	18 & 19	Cllr Xelelwa, Cllr Matshaya	ALL	Mnxumbu Community Hall	<ul style="list-style-type: none"> ○ Construction of a community hall at Qaukeni ○ 6 houses without electricity. ○ Regravelling of roads and land care project. ○ Construction of a bridge at James (Mnqaba) Bridge, ○ Construction of a sportsfield (incomplete) ○ Renovation of Nonaliti shearing shed. ○ Construction of toilets at Xhukwana ○ Construction of a bridge at Qanda-Mxumbu and ○ Construction of clinic. ○ Provision of Free Basic electricity. ○ Construction of houses in rural areas ○ Regravelling of roads ○ Fencing of grazing and ploughing fields ○ Construction of a filling station at Debe Nek . ○ Water connection or taps ○ Regravelling of road/ internal streets ○ Renovation of Zihlalani Community Hall ○ Construction of a community hall at Trust no1
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12/04/12	10H00	20,21 & 3	,Cllr Stofile,Cllr Papu & Cllr Blackie	EXCO & Management	Fort Beaufort Town Hall	<ul style="list-style-type: none"> ○ Criteria used for awarding tender (incompetence in consultants appointed) ○ Lack of monitoring of projects and consultants. ○ The municipality has to ensure that the appointed consultants transfer skills to the relevant people ○ Establishment of more partnerships for the sustainability of Alice Park. ○ Effective implementation of municipal bi-laws concerning the operating car wash businesses in open spaces. ○ Development of the municipality must include job creation opportunities and economic development. ○ Creation of sustainable programmes for the betterment of the community. ○ There is no value for money (rate payers not satisfied about the services rendered by the municipality). ○ Provision of houses. ○ Reparation of Getyezayo. ○ Reparation and maintenance of roads. ○ Budget for maintenance and reparation needs to be revised. ○ The municipality should consider capacitating people responsible for electricity instead of outsourcing. ○ Regular cleaning of cemeteries
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	10H00	7 & 9	Cllr Matya & Cllr Mlamla	EXCO & Management	Balfour Community Hall	<ul style="list-style-type: none"> ○ Seymour town hall renovations are incomplete. ○ Stormwater drainage and parking bays incomplete. ○ Surfacing of internal streets ○ No land for cemeteries ○ Construction of Sportsfield in complete ○ Water and Sanitation for Zinyoka Township ○ Construction of Zinyoka Community Hall ○ Installation of High mast lights for Zinyoka ○ Library : Lack of material, equipment and staff ○ Water and Sanitation:Hetzorg ○ Revival of irrigation schemes ○ Electrification of houses and settlement plans ○ Regravelling of roads and installation of culverts ○ Construction of Toilets and Community hall at Phillipton ○ Construction of a daycare centre in dyala and other areas ○ Renovation of Oakdene Community Hall (Leaking) ○ Water and sanitation ○ Fencing of cemeteries ○ Kolomane: Access roads ○ Renovation of community hall at kolomani. ○ Maasdorp : Fencing of grazing and ploughing fields, electricity ○ Maintenance of community hall ○ Fencing of dams ○ Installation of water stand pipes / taps
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	15H00	4&8	Cllr Makeleni, Cllr Bantam	ALL	Newtown Community Hall	<ul style="list-style-type: none"> ○ Reparation of RDP Houses ○ Installation of High mast lights for both Newtown and Hillside ○ Fencing of dams in Hillside ○ Regravelling and paving of roads in villages and townships ○ Eradication of Bucket system in Newtown ○ Construction of Toilets ○ Empowerment of emerging contractors in paving of roads ○ Construction of RDP Houses
13/04/12	10H00	2	Cllr Ngcakaza	EXCO & Management	Gaga Community Hall	<ul style="list-style-type: none"> ○ Water and Sanitation for all villages. ○ Construction of RDP Houses for all villages ○ Creation of youth development projects ○ Installation of highmast lights ○ Regravelling and paving of roads from Mavuso to Gaga ○ Reparation of Roxeni bridge ○ Creation of job opportunities ○ Construction of Shelter in the sportsfields ○ Construction of computer training centre for youth in Gaga

	10H00	13	Cllr Tyibilika	EXCO & Management	Khayamnandi Community Hall	<ul style="list-style-type: none"> ○ Fencing of community hall. ○ Fencing of grazing lands & mielies fields ○ Fencing of dams ○ Construction of a shelter and toilets for the taxi rank ○ Construction of RDP houses. ○ Construction of toilets. ○ Installation of highmast lights. ○ Construction of sportsfield. ○ Job creation opportunities ○ The municipality to capacitate people that will do regravelling of roads within the ward. ○ Renovate / Upgrade Alice grounds ○ Reparation of a bridge (damaged by the storm) ○ Regravelling / Tarring of a road linking Alice and Peddie ○ Renovation of a shearing shed at Kwezani incomplete
04/05/12	12h30	NGO's, CBO's and organised structures	EXCO & MANAGEMENT		TRC HALL	<ul style="list-style-type: none"> ○ Culture & Heritage progammes should be budgeted. ○ Budget for sports development. ○ Assistance for centers around Nkonkobe ○ Bursaries and leanerships for youth ○ Assistance for carwash in Alice

CHAPTER 3: DEVELOPMENTAL OBJECTIVES AND STRATEGIES

The objectives and strategies are developed in response to the key priority areas lifted from the situational analysis, Chapter 2 of this document.

Situational Analysis provides information on the status of the municipality. This chapter seeks to address and prioritize all the issues raised inline with National priorities, Provincial priorities, Local Government Turn Around Strategy and the national outcomes in order to develop strategic initiatives for the community. More integration of the local government turn around strategies have been integrated within each KPA objectives below.

Strategic alignment :

Municipal Strategic Objectives / Key Performance Area	Municipal priority areas	10 National Priorities	8 provincial priorities	12 National outcomes	Local government Turnaround Strategy
<p>Local Economic Development :</p> <p>To promote economic development and job creation.</p>	<ul style="list-style-type: none"> • IDP/PMS • HIV/AIDS • Unemployment • Agriculture • Tourism • SMME & Cooperative development • Environment • Parks and open spaces • Sport and • Arts & Culture 	<p>1. Speeding up growth and transforming the economy to create decent work and sustainable livelihood.</p> <p>2. Massive programmes to build social and economic infrastructure</p> <p>5. Improve the health profile of society</p>	<p>1. Speeding up growth and transforming the economy to create decent work and sustainable livelihood</p> <p>5. Improving the health profile of the province</p>	<p>2. A long and healthy life for all South African</p> <p>4. Decent employment through economic growth</p> <p>10. Protect and enhance our environment assets and natural resources</p>	<p>vi. Through the municipal Spatial Development Frameworks, each municipality is aware of and is able to guide the land use activity on every square meter and kilometer in its area of jurisdiction</p>

<p>Institutional Transformation and Development:</p> <p>To improve institutional capacity and ensure institutional effectiveness.</p> <p>Good governance & Public Participation :</p> <p>To promote good governance and public participation.</p>	<ul style="list-style-type: none"> • Capacity Building • Land • Information, Communication & Technology • Law Enforcement • Fleet Management • Recruitment and Selection • Public Participation • Renovation of municipal buildings 	<p>4.Strengthen education, skills and human resource base</p> <p>6.Intensify the fight against crime and corruption</p>	<p>3. All people in S.A are and feel safe</p> <p>4.Strengthen education, skills and human resource base</p>	<p>5.Skilled and capable workforce to support an inclusive growth path</p> <p>12. An efficient ,effective and development orientated public service and an empowered ,fair and inclusive citizenship</p>	<p>iii. Professional administration that supports the political vision contained in the electoral mandate</p> <p>ix. Improved public participation and communication including effective complaint management and feedback systems</p>
<p>Service Delivery & Infrastructure Development :</p> <p>To ensure efficient and effective service delivery to all communities.</p>	<ul style="list-style-type: none"> ▪ Electricity • Roads • Community Amenities • Land and Human settlements • Water • Sanitation • Solid Waste • Cemeteries 			<p>8.Sustainable human settlement and improvement in quality of house holds</p>	<p>v. Provision of basic services and ensuring every cent spent is well considered and accounted for – ‘value for money</p>
<p>Financial Viability :</p> <p>To improve financial management of the institution.</p>	<ul style="list-style-type: none"> • Expenditure Management • Debt Control and Revenue Management 	<p>6.Intensify the fight against crime and corruption</p>			<p>vii. Optimised revenue collection and improved billing, customer care, indigent and credit control policies – ‘balance the books</p>

	<ul style="list-style-type: none"> • Financial Reporting • Asset Management • Internal Audit • Supply chain Management • Risk Management • Free Basic Services 				
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MUNICIPAL VISION:

To be a self-sufficient municipality that is responsive to the needs of the people

MUNICIPAL MISSION:

By providing sustainable basic services and promoting socio- economic development through partnerships.

VALUES:

- Transparency
- Honesty
- Integrity
- Accountability
- Value for money and
- Dignity

5 YEAR IDP STRATEGIC SCORED CARD: OBJECTIVES, STRATEGIES, INDICATORS AND TARGETS 2013-2017

LOCAL ECONOMIC DEVELOPMENT												
Priority Area	Strategic Objective (5 year)	Strategy	KPI	Measurement Source	Baseline 2011/12	Total Target 2016/17	Annual Targets					Person Responsible
							2012/13	2013/14	2014/15	2015/16	2016/17	
IDP AND PMS	To ensure an effective developmental planning by 2017	Review IDP in line with the legislative requirements	Develop and review credible IDP for five years	Signed five IDP	Previous five year IDP	Five year deliverable plan	Reviewed IDP	Reviewed IDP	Reviewed IDP	Reviewed IDP	Reviewed IDP	STRAT. PLAN & LED MNGER
	Ensure effective performance monitoring and evaluation of municipal plans and programmes	Development of performance management, monitoring and evaluation system	Implementation of performance management system	Annual performance reports	Performance management policy and framework reports	Legislative compliance and effective of service delivery	Continuous monitoring and evaluation	Continuous monitoring and evaluation	Continuous monitoring and evaluation	Continuous monitoring and evaluation	Continuous monitoring and evaluation	STRAT. PLAN & LED MNGER
HIV and AIDS	To facilitate the reduction of HIV infection by 2017	By establishing an HIV/AIDS council that will drive HIV /AIDS programmes	Established HIV/AIDS council	Resolutions establishing the HIV/AIDS council	Nil	Developed HIV/AIDS programme	Develop HIV/AIDS programme	Implementation of programmes	Implementation of programmes	Implementation of programmes	Implementation of programmes	STRAT. PLAN & LED MNGER
			No of awareness campaigns conducted	Annual HIV Stats reports	Nil	10 awareness campaigns	2 awareness campaigns	2 awareness campaigns	2 awareness campaigns	2 awareness campaigns	2 awareness campaigns	STRAT. PLAN & LED MNGER

Priority Area	Strategic Objective (5 year)	Strategy	KPI	Measurement Source	Baseline 2011/12	Total Target 2016/17	Annual Targets					Person Responsible
							2012/13	2013/14	2014/15	2015/16	2016/17	
Unemployment	To reduce unemployment by 750 by 2017	By creating 700 temporal jobs and 50 permanent jobs through LED initiatives and capital projects	No of jobs created through LED initiatives	Annual Reports on jobs created	9969 (both temporal and permanent)	700 temporal jobs and 50 permanent jobs	150 temporal and 10 permanent	150 temporal and 10 permanent	150 temporal and 10 permanent	150 temporal and 10 permanent	150 temporal and 10 permanent	STRAT. PLAN & LED MNGER
Agriculture	To improve support to agricultural enterprises by 2017	By providing resources to previously disadvantaged communities	No of resources provided /purchased	Purchased resources and expenditure reports	2 tractors and fencing of grazing lands	10 tractors, 100 hectors to be fenced	2 tractors & 20 hectors	2 tractors & 20 hectors	2 tractors & 20 hectors	2 tractors & 20 hectors	2 tractor s & 20 hector s	STRAT. PLAN & LED MNGER
		By facilitating and coordinating agricultural development	No of initiatives facilitated and coordinated	Annual Reports of coordinated initiatives	Nil	Improved support to agricultural enterprise	Facilitation and coordinatio n	Facilitati on and coordin ation	Facilitation and coordinati on	Facilitati on and coordin ation	Facilit ation and coordi nation	STRAT. PLAN & LED MNGER
		By capacitating emerging farmers	No of training conducted	Attendance register and report on trainings conducted	Nil	10 trainings	2 trainings	2 trainings	2 trainings	2 trainings	2 trainings	2 trainin gs

Tourism	To promote Nkonkobe as a leading tourism destination in the Amathole Region by 2017	By developing tourism master plan	Tourism master plan developed	Resolution adopting master plan	Nil	Tourism master plan developed	Develop tourism master plan	Implementation and reviewal	Implementation and reviewal	Implementation and reviewal	Implementation and reviewal	STRAT. PLAN & LED MNGER	
		By facilitating the development of tourism and package tourism products including community related enterprises	No of tourism products facilitated	Reports of the products facilitated	Nil	20 tourism products	4 tourism products	4 tourism products	4 tourism products	4 tourism products	4 tourism products	4 tourism products	STRAT. PLAN & LED MNGER
		By strengthening Local Tourism Organization's	No of LTO meetings held	Minutes of the meeting held quarterly	LTO structure	Fully function structure	Revival of LTO Structure						STRAT. PLAN & LED MNGER
SMME and Cooperatives development	To support and promote SMME and Cooperative development by 2017	By formalizing, emerging and aspiring SMME's	No of emerging and aspiring businesses formalised	Copy of registration certificates	23 Formalized businesses	25 Formalized businesses	5 Formalized businesses	5 Formalized businesses	5 Formalized businesses	5 Formalized businesses	5 Formalized businesses	STRAT. PLAN & LED MNGER	
		By facilitating capacity building	No of capacity building programmes	Proof of programmes and attendance		10 programmes	2 programmes	2 programmes	2 programmes	2 programmes	2 programmes	2 programmes	STRAT. PLAN & LED MNGER

		programs for SMME's and Coops	facilitated	registers								
		By facilitating access to finance by SMMEs and Coops	No of SMMEs and COOP with access to finance	Proof of funding or finance accessed		20 SMME's & COOP's finances	4 SMME's & COOP's finances	4 SMME's & COOP's finances	4 SMME's & COOP's finances	4 SMME's & COOP's finances	4 SMME's & COOP's finances	STRAT. PLAN & LED MNGER
		By developing small business strategy	Small Business strategy developed	Council resolution approving the strategy	NIL	Business strategy in place		Small business strategy developed				STRAT. PLAN & LED MNGER
		By developing strategic partnerships with stakeholders	No of partnerships established	MOA signed with strategic partners	1 (MTN)	5 established partnerships	1 established partnerships	1 established partnerships	1 established partnerships	1 established partnerships	1 established partnerships	STRAT. PLAN & LED MNGER
		By encouraging local procurement in line with new supply chain	No of local businesses benefited through local procurement	List of tenders awarded to local businesses		100 local businesses	20 local businesses	20 local businesses	20 local businesses	20 local businesses	20 local businesses	STRAT. PLAN & LED MNGER

		regulations										
Priority Area	Strategic Objective (5 year)	Strategy	KPI	Measurement Source	Baseline 2011/12	Total Target 2016/17	Annual Targets					Person Responsible
							2012/13	2013/14	2014/15	2015/16	2016/17	
Environment	To conserve and improve ecological integrity of natural resources by 2017	By developing Environment management plan	Environment management plan developed	Resolution approving environmental management plan	Nil	Environmental management plan developed		Develop environmental management plan				STRAT. PLAN & LED MNGER
		By conducting environmental awareness campaigns	environmental awareness campaigns conducted	Annual Reports of awareness campaigns conducted	Nil	5 campaigns	1 campaigns	1 campaigns	1 campaigns	1 campaigns	1 campaigns	STRAT. PLAN & LED MNGER
		By developing a climate change strategy	developed climate change strategy	Resolution approving climate change strategy	Nil	Climate strategy developed		Develop climate change strategy				STRAT. PLAN & LED MNGER

PARKS AND OPEN SPACES	To improve the image and standard of municipality parks and open spaces in order to attract tourists by 2017	By establishing new and maintaining existing parks	No of new parks established	Reports on completion of work	Nil	2 new parks established	1 new park established		1 new park established			STRAT. PLAN & LED MNGER	
		in partnership with private partners	no of existing parks maintained	Reports on completion of work	4 existing parks	4 existing parks	4 existing parks	4 existing parks	4 existing parks	4 existing parks	4 existing parks	4 existing parks	STRAT. PLAN & LED MNGER
		By promoting clean, green and healthy environment	No of trees planted	Proof of trees planted	Nil	200 trees	40 trees	40 trees	40 trees	40 trees	40 trees	40 trees	
SPORT	To encourage sport participation by all communities in Nkonkobe by 2017	By facilitating establishment of sport council to drive sports programmes	Sport council established	Resolutions of AGM for sport council	Interim structure in place	Developed sports programmes	Develop a programme s	Implementation of sports programmes	Implementation of sports programmes	Implementation of sports programmes	Implementation of sports programmes	STRAT. PLAN & LED MNGER	
		By building new sport facilities	No of new sport field built	Physical structures of sport fields built	Nil	3 new sport facilities	2 sport facility		1 sport facility			STRAT. PLAN & LED MNGER	
		By maintaining existing sport facilities	No of sport fields maintained	Proof of maintenance(payment vouchers & pictures)	8 sportsfields	All municipal sport fields maintained	8 sportsfields	8 sportsfields	8 sportsfields	8 sportsfields	8 sportsfields	8 sportsfields	STRAT. PLAN & LED MNGER
ARTS AND CULTURE	To promote traditional and	By facilitating arts and culture	No of arts and culture	Activities report	Cultural week	5 activities facilitated	1 activity	1 activity	1 activity	1 activity	1 activity	STRAT. PLAN & LED MNGER	

	ubuntu culture by 2017	activities	activities facilitated										
SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT												Person Responsible	
PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL TARGET						
							2012/13	2013/14	2014/15	2015/16	2016/17		
ROADS	To ensure that communities have access to services through the road network by 2017.	By concluding a Service Level Agreement with the DoRT	Approved SLA	Signed SLA	Nil	Signed SLA	Consultation process	Approved SLA					INFRASTRUCTURE MANAGER
		By paving streets/roads	No of km paved	Certificate of completion Annually	1 km	10 km's	2 km's	2 km's	2 km's	2 km's	2 km's	2 km's	INFRASTRUCTURE MANAGER
		By surfacing streets/roads	No of km surfaced	Certificate of completion Annually	8.15 km's	47 km's	7 km's	8 km's	9 km's	11 km's	12 km's	12 km's	INFRASTRUCTURE MANAGER
		By regraveling streets/roads	No of km regravelled	Certificate of completion	2,5 km's	69 km's	10 km's	12 km's	14 km's	15 km's	18 km's	18 km's	INFRASTRUCTURE MANAGER
		By developing a maintenance plan	Developed maintenance plan	Maintenance plan	nil	Maintenance plan developed	Maintenance plan developed	Implementation	Implementation	Implementation	Implementation	Implementation	INFRASTRUCTURE MANAGER

PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL TARGET					PERSON RESPONSIBLE	
							2012/13	2013/14	2014/15	2015/16	2016/17		
ELECTRICITY	To facilitate electrification of all households by 2017	By facilitating the electrification of new extensions and existing areas	No of extensions and existing areas electrified	Reports on electrification of areas	2 extension(Hillside and Gomagoma)		2 Extensions						INFRASTRUCTURE MANAGER
		By developing an electricity infrastructure maintenance plan	Electricity infrastructure maintenance plan developed	Approved maintenance plan	Maintenance plan in place	Implementation of maintenance plan	Reviewal of maintenance plan	Reviewal of maintenance plan	Reviewal of maintenance plan	Reviewal of maintenance plan	Reviewal of maintenance plan	Reviewal of maintenance plan	INFRASTRUCTURE MANAGER
		By developing a comprehensive infrastructure plan (first strategy)	Comprehensive infrastructure plan developed	Council approving the infrastructure development plan	Nil	Comprehensive infrastructure plan developed	Development of comprehensive infrastructure plan	Reviewal of comprehensive infrastructure plan	Reviewal of comprehensive infrastructure plan	Reviewal of comprehensive infrastructure plan	Reviewal of comprehensive infrastructure plan	Reviewal of comprehensive infrastructure plan	INFRASTRUCTURE MANAGER
LAND AND HUMAN SETTLEMENTS	To facilitate access to land and proper human settlements by 2017	By facilitating the provision of human settlements	No of meetings held	Minutes and reports with resolutions taken	6859 houses	4 meeting per year	4 Meeting	4 Meeting	4 Meeting	4 Meeting	4 Meeting	INFRASTRUCTURE MANAGER	
		By facilitating access of land with Dept of Rural Dev	No of meetings held	Minutes and reports with resolutions taken	3 parcels of land	4 meeting per year	4 Meeting	4 Meeting	4 Meeting	4 Meeting	4 Meeting	INFRASTRUCTURE MANAGER	

		By developing a land policy	Land policy developed	Council resolution approving the policy	Nil	Land policy developed	Develop a land policy	Implementation of a land policy	Implementation of a land policy	Implementation of a land policy	Implementation of a land policy	INFRASTRUCTURE MANAGER	
PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL TARGET					PERSON RESPONSIBLE	
							2012/13	2013/14	2014/15	2015/16	2016/17		
SANITATION	To facilitate that all households have access to basic sanitation services by 2014	By concluding a Service Level Agreement with ADM	Service Level Agreement with ADM concluded	Approved SLA	Nil	Service Level Agreement with ADM concluded	Conclude a Service Level Agreement with ADM					INFRASTRUCTURE MANAGER	
SOLID WASTE	To ensure access to an improved solid waste services by 2017	By implementing Integrated Waste Management Plan	Integrated Waste Management Plan implemented	Annual report	An implementable IWMP is in place	Implementation of IWMP	Implementation of IWMP	Implementation of IWMP	Review of the IWMP	Implementation of IWMP	Implementation of IWMP	INFRASTRUCTURE MANAGER	
		By conducting community awareness on waste management	Awareness campaigns conducted	Annual report on awareness campaigns conducted	20 awareness campaign	20 awareness campaign	4 awareness campaign	4 awareness campaign	4 awareness campaign	4 awareness campaign	4 awareness campaign	4 awareness campaign	INFRASTRUCTURE MANAGER
		By facilitating the	No of landfill	Licenses/ permits	3 landfill		2 landfill						INFRASTRUCTURE

		application of landfill sites/ refuse transfer stations licences/permits	sites licensed	for landfill sites/ refuse transfer stations	sites		sites					MANAGER
		By providing sustainable refuse bins at strategic points	No of refuse bins provided	Refuse bins installed	400 refuse bins	500 refuse bins	100 refuse bins	100 refuse bins	100 refuse bins	100 refuse bins	100 refuse bins	INFRASTRUC TURE MANAGER
		By promoting and supporting recycling activities	No of recycling activities promoted and supported	Recycling initiatives in place	Nil	3 recycle activities	1 recycle activity		1 recycle activity		1 recycle activity	INFRASTRUC TURE MANAGER
CEMETERIES	To ensure all communities (households) have access to cemeteries by 2017	By conducting audit of remaining space in all urban cemeteries	Audit report	Audit report	nil	8 urban cemeteries	Auditing of 8 urban cemeteries					INFRASTRUC TURE MANAGER
		By providing land for establishment of new cemeteries	New cemeteries established	Report on newly established cemeteries	8 urban cemeteries		3 new urban cemeteries					INFRASTRUC TURE MANAGER

		By fencing existing cemeteries	No of cemeteries fenced	Cemeteries fenced	34 cemeteries	105 cemeteries	21 cemeteries	21 cemeteries	21 cemeteries	21 cemeteries	21 cemeteries	21 cemeteries	INFRASTRUCTURE MANAGER
		By developing a cemetery management system	Cemetery management system developed	Approved cemetery management system	Nil	Cemetery management system developed	Develop a cemetery management register (manual)	Develop a cemetery management system	Implementation	Implementation	Implementation		INFRASTRUCTURE MANAGER
COMMUNITY FACILITIES	To provide community facilities to all nkonkobe communities by 2017	By building community halls, child care facilities and other community facilities needed by communities	No of community facilities built	Certificate of completion			2	12					INFRASTRUCTURE MANAGER
INSTITUTIONAL TRANSFORMATION ,ORGANIZATIONAL DEVELOPMENT ,GOOD GOVERNANCE AND PUBLIC PARTICIPATION													
PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL TARGET					PERSON RESPONSIBLE	
							2012/13	2013/14	2014/15	2015/16	2016/17		
LAND	To establish land ownership within the jurisdiction of Nkonkobe by 2017	By conducting land audit and land use plan	Approved land audit report and land use plan	Developed land audit report and land use plan	Valuation Roll	A five year land use plan in place	Land audit	Land use plan					CORPORATE SERVICES MANAGER

CAPACITY BUILDING	To ensure all employees, councillors and ward committees acquire the necessary skills to perform their duties by 2017	By conducting skills audit and develop a work place skills plan	Developed WSP	Approved WSP	WSP	150 employees and councillors	30 employees and councillors	30 employees and councillors	30 employees and councillors	30 employees and councillors	30 employees and councillors	CORPORATE SERVICES MANAGER
PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL TARGET					PERSON RESPONSIBLE
							2012/13	2013/14	2014/15	2015/16	2016/17	
INFORMATION, COMMUNICATION & TECHNOLOGY	To rebrand and communicate effectively with stakeholders by 2017	By developing communication and media strategy	Developed communication and media strategy	Approved communication and media strategy	Nil	Developed communication and media strategy	Develop communication and media strategy	Reviewal of communication and media strategy	Reviewal of communication and media strategy	Reviewal of communication and media strategy	Reviewal of communication and media strategy	CORPORATE SERVICES MANAGER
		By putting in place an effective IT system and develop an IT strategy.	Developed IT strategy	Approved IT strategy	IT Policy	Fully functional IT system and developed strategy	Develop IT Strategy	Reviewal of an IT strategy	Reviewal of an IT strategy	Reviewal of an IT strategy	Reviewal of an IT strategy	CORPORATE SERVICES MANAGER
LAW ENFORCEMENT	To ensure effective law	By ensuring effective	Number of peace	Appointment letters and signed	4 peace officers	30 peace officer	10 peace officer	10 peace officer	10 peace officer			CORPORATE SERVICES

NT	enforcement by 2017	implementation of By- Laws by appointing and training peace officers	officers appointed and trained	contract of employment									MANAGER
		By recruiting more traffic and security officers	Number of traffic and security officers recruited	Appointment letters and signed contract of employment	25 security officers 4 traffic officers	40 security officers, 10 traffic officers	10 security officers and 3 traffic officers	2 traffic officers 10 security officers	3 traffic officers 10 security officers	10 security officers and 2 traffic officers			CORPORATE SERVICES MANAGER
FLEET MANAGEMEN NT	To ensure effective management of municipal fleet by 2017	By reviewal and effective implementation of the Fleet Management Policy	Reviewed and implemented Fleet Management Policy	Approved policy and monthly reports	Fleet management policy	Reviewed and implemented policy	Reviewal of the fleet management policy	Reviewal of the fleet management policy	Reviewal of the fleet management policy	Review al of the fleet management policy	Review al of the fleet management policy		CORPORATE SERVICES MANAGER
		By ensuring effective and efficient control system of municipal fleet	Tracking system reports	System generated report	Tracking system	Effectiveness of municipal fleet system	Fleet controller appointed	Car tyres branded	System updated	System updated	System updated		

Recruitment and Selection	To ensure sound and effective recruitment and selection system by 2017	By reviewal and effective implementation of the Employee Provisioning Policy	Reviewed and implemented Employee Provisioning Policy	Quarterly report on recruitment and selection, Approved , Reviewed Employee Provisioning Policy	Employee Provisioning policy	Reviewed Employee ProvisionPolicy	Reviewal of Employee Provision Policy	Reviewal of Employee Provision Policy	Reviewal of Employee Provision Policy	Review al of Employee Provision Policy	Review al of Employee Provision Policy	CORPORATE SERVICES MANAGER
		By developing of an HR Strategy	Developed HR Strategy	Approved HR Strategy	Nil	Developed HR Strategy	Develop HR Strategy	Review HR Strategy	ReviewHR Strategy	Review HR Strateg y	Review HR Strateg y	CORPORATE SERVICES MANAGER
Public Participation	To ensure involvement and effective participation of communities in decision making by 2017	By conducting ward committee meetings and public hearings for all stakeholders	Number of meetings held	Minutes and attendance register	4 annual meeting and the Minutes	20 meeting	4 meetings	4 meetings	4 meetings	4 meetings	4 meetings	CORPORATE SERVICES MANAGER
Renovation of municipal buildings	To ensure proper maintenance of municipal buildings by 2017	By assessing all municipal buildings	No of municipal buildings assessed	Assessment report	Nil	Assessment of all municipal buildings	All municipal buildings	Implement assessme nt report	Impleme nt assessm ent report	Implem ent assess ment report	Implem ent assess ment report	CORPORATE SERVICES MANAGER

		By developing maintenance plan	Maintenance plan developed	Approved maintenance plan	Nil	Maintenance plan developed	Development of maintenance plan	Implementation of maintenance plan	Implementation of maintenance plan	Implementation of maintenance plan	Implementation of maintenance plan	CORPORATE SERVICES MANAGER
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FINANCIAL VIABILITY

PRIORITY AREA	STRATEGIC OBJECTIVE (5 YEAR)	STRATEGY	KPI	MEASUREMENT SOURCE AND FREQUENCY	BASELINE 2011/12	TOTAL TARGET 2016/17	ANNUAL REPORTS					PERSON RESPONSIBLE
							2012/13	2013/14	2014/15	2015/16	2016/17	
Expenditure Management	To ensure sound and effective expenditure management system by 2017.	By improving internal controls	Improved internal controls	Monthly expenditure reports	Financial management system, creditors reconciliation and withdrawal quarterly reports	An improved expenditure management system	Conduct 4 workshops on procedure manuals	Conduct 4 workshops on procedure manuals	Conduct 4 workshops on procedure manuals	Conduct 4 workshops on procedure manuals	Conduct 4 workshops on procedure manuals	CFO

Debt Control and Revenue Management	Ensure optimum revenue collection by 2017	By developing revenue enhancement strategy.	Developed enhancement strategy	Approved revenue enhancement strategy	Nil	Development of the revenue enhancement strategy	Reviewal of revenue enhancement the strategy	Reviewal of revenue enhancement the strategy	Reviewal of revenue enhancement the strategy	Reviewal of revenue enhancement the strategy	Reviewal of revenue enhancement the strategy	CFO
		By reviewing and implementing debt and credit control policy	Reviewed and implemented debt and credit control policy,	Approved reviewed policy	Debt and credit control policy	Reviewal and implementation of debt and credit control policy	Reviewal and implementation of debt and credit control policy	Reviewal and implementation of debt and credit control policy	Reviewal and implementation of debt and credit control policy	Reviewal and implementation of debt and credit control policy	Reviewal and implementation of debt and credit control policy	CFO

Free Basic Services	To ensure all indigent households within Nkonkobe area are registered	By developing and reviewing indigent register and policy.	Approved indigent policy	Approved indigent policy and updated indigent register as well as Monthly Indigent Reports.	Indigent Register and Monthly Indigent Reports	Updated Indigent register	Updated Indigent register	Updated Indigent register	Updated Indigent register	Updated Indigent register	Updated Indigent register	CFO
	for free basic services by 2017	By ensuring all households who are indigent have access to free basic service	% of household with access to free basic services	Monthly indigents reports	52.6% indigent	100% indigents	20%	20%	20%	20%	20%	CFO
Financial Reporting	To ensure timeous financial reporting and compliance with the legislation and treasury regulations	By developing a compliance check list	Developed check list	Signed compliance checklist	Submitted reports	Submitted reports	Submitted reports	Submitted reports	Submitted reports	Submitted reports	Submitted reports	CFO
		By holding regular meetings to check compliance	Number of meetings held	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	Monthly, quarterly, bi-annually and annual reports	CFO

Supply Chain Management	Ensure effective implementation of SCM policy and regulations.	By reviewing , adopting the policy and ensure adherence to SCM regulations	Reviewed and adopted policy, full implementation of SCM policy and procedures.	Reviewed SCM policy and SCM implementation reports. Consistently submission of reports.	Reviewed SCM policy, procedures and SCM reports.	Updated SCM policy in line with current regulations. SCM reports continuously.	Updated SCM policy in line with current regulations	Updated SCM policy in line with current regulations	Updated SCM policy in line with current regulations	Updated SCM policy in line with current regulations	Updated SCM policy in line with current regulations	CFO
		By aligning procurement plans to IDP and Budget	Developed and adopted procurement plan.	Aligned procurement plan	Procurement plan	Fully aligned procurement plan	Aligned procurement plan	Aligned procurement plan	Aligned procurement plan	Aligned procurement plan	Aligned procurement plan	CFO
		By facilitating staffing and training of SCM officials so as to ensure proper segregation of duties	Centralization of SCM activities.	Fully fledged SCM unit	No of filled SCM posts	Fully fledged SCM unit	Key posts filled	Key posts filled	Key posts filled	Key posts filled	Key posts filled	CFO
		By regular submission of bid committee reports	Monthly and quarterly submission of bid	Monthly and quarterly reports	Monthly and quarterly reports	Timeous submission of monthly and quarterly reports	Timeous submission of monthly and quarterly reports	Timeous submission of monthly and quarterly reports	Timeous submission of monthly and quarterly reports	Timeous submission of monthly and quarterly reports	Timeous submission of monthly and quarterly reports	CFO

			committee reports.					quarterly reports	quarterly reports	quarterly reports	and quarterly reports	
Asset Management	Effective control of municipal assets	By developing GRAP compliant asset register	Developed asset register	Monthly reconciliation of assets	Monthly reports	Fully compliant asset register with GRAP 17	Fully compliant asset register with GRAP 17	Fully compliant asset register with GRAP 17	Fully compliant asset register with GRAP 17	Fully compliant asset register with GRAP 17	Fully compliant asset register with GRAP 17	CFO
Internal Audit	To ensure effective internal audit unit by 2017	By developing Annual Internal Audit assignments	Preparation and submission of regular Internal audit reports	Approved Audit Methodology and Procedure Manual, Internal Audit reports submitted on set targets and Approved Internal Audit reports	Signed audit assignments	64 audit assignments	16 audit assignments	12 audit assignments	12 audit assignments	12 audit assignments	12 audit assignments	CFO
Risk management	To ensure effective risk management strategy by 2017	By developing a municipal risk register	Developed municipal risk registers	Approved municipal risk register	Strategic risk register SCM risk register Adopted risk Management	Municipal risk register developed	Develop 4 departmental risk registers	Develop 4 departmental risk registers	Develop 4 departmental risk registers	Develop 4 departmental risk registers	Develop 4 departmental risk registers	CFO

					strategy						register s	
		By developing fraud risk register	Fraud risk register	Approved fraud risk register	Nil	Fraud risk register	Development of fraud risk register	Reviewal of fraud risk register	Reviewal of fraud risk register	Reviewal of fraud risk register	Reviewal of fraud risk register	CFO

3 YEAR CAPITAL PROJECTS: 2012/13, 2013/14 and 2014/15

SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT: 2012/2013 Financial year

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATED	PROJECT FUNDER
1	Multi-purpose- Middledrift	Construction of multi-purpose- Middledrift	R 6,000,000.00	Municipal Infrastructure Grant
2	DLTC - Fort Beaufort	Construction of Drivers Licence testing Centre - Fort Beaufort	R 1,450,000.00	Municipal Infrastructure Grant
3	Chicken Abattoir -Middledrift	Construction of Chicken Abattoir	R 800,000.00	Municipal Infrastructure Grant
4	Alice park- phase 1	Construction of a Park in Alice	R 1,000,000.00	Municipal Infrastructure Grant
5	Balfour internal streets	Paving and greening around Post Office and Police Station in Balfour	R 1,000,000.00	Municipal Infrastructure Grant
6	Paving,Greening & Regravelling inAlice	Paving and greening in Chris Hani / Recreation Street	R1000 000	Municipal Infrastructure Grant
		Paving and greening in Gqumashe	R1000 000	
		Paving and greening in Montago street	R700 000	
		Surfacing in Temlet street	R1000 000	
		Paving and greening Ntselamanzi	R1000 000	
		Regravelling in Msobomvu	R1000 000	

7	Debeneck	Paving and greening in Debeneck	R1 200 000	Municipal Infrastructure Grant
7	Grade A testing centre (motor vehicle testing)-Fort Beaufort	Construction of Grade A testing centre	R 1,000,000.00	Municipal Infrastructure Grant
8	Surfacing of Fort Beaufort town	Surfacing of Durban street	R2 478 786	Municipal Infrastructure Grant
		Paving and greening in Somerset street	R2 000 000	
		Paving and greening in Jacaranda Street	R1 000 000	
9	Ngqolowa sport field	Construction Ngqolowa sport field	R 1,190,464.00	Municipal Infrastructure Grant
10	Community hall : dyamala	Construction of a hall	R750 000.00	Municipal budget
11	Community hall :Balfour/Massdorp	Construction of a hall	R750 000.00	Municipal budget
12	EPWP	Regravelling of access road to the following community halls : <ul style="list-style-type: none"> • Ndindwa • Ngcothoyi • Dikidikana • Debemarele 	R3 000 000	Municipal budget
		Regravelling,Culverts /Bridge <ul style="list-style-type: none"> • Kwezana • Zalaze • Kolomane • Qanda • Sheshegu • Ward 05 • Tyali • Zibi and Ngele 		

		<ul style="list-style-type: none"> • Trust No1 • Oakdene 		
13	LED Projects	MxheloBakery Project	R120 000	Municipal budget
		Golf course Project	R500 000	
		LED projetcs : Fort Beaufort	R430 000	
14	CBP Projects	Siyazama Ndindwa (Ward1)	R1 050 000	Municipal budget
		Isisele sika lamani (ward 16)		
		Elifu (ward 07)		
		Lakhitha youth project (ward 03)		
		Masiphumelele poutry (ward 04)		
		Zanakhanyo goat project (ward 08)		
		Ncera Poultry (Ward 11)		
		Masphumelele poutry (ward 14)		
		Masiphilisane (ward 09)		

		Somgxada food security (ward 15)		
		Takalani Internet Café(Ward 21)		

SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT: 2013/2014 Financial year

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATED	PROJECT FUNDER
ALICE CLUSTER				
1	Paving streets	Paving streets	2,000,000.00	Municipal Infrastructure Grant
2	Culverts and regravelling	Culverts and regravelling	1,800,000.00	Municipal Infrastructure Grant
3	Alice Park Phase 2	Construction of Alice Park Phase 2	3,000,000.00	Municipal Infrastructure Grant
4	Makhuzeni Sport field	Construction of Makhuzeni Sport field	762,200.00	Municipal Infrastructure Grant
5	Community Hall Binfield	Construction of Community Hall Binfield	1,000,000.00	Municipal Infrastructure Grant
6	Child care facility (educare center) kwa Meva	Construction of Child care facility	250,000.00	Municipal Infrastructure Grant

FORT BEAUFORT CLUSTER				
PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATION	PROJECT FUNDER
1	High mast lights (F. B.)	Installation High mast lights (F. B.)	4,100,000.00	Municipal Infrastructure Grant
2	Community Hall Hertzog	Construction of Community Hall Hertzog	1,500,000.00	Municipal Infrastructure Grant
3	Hawker Stalls	Construction of Hawker Stalls	712,200.00	Municipal Infrastructure Grant
4	Sport Complex -Phase 1	Construction of Sport Complex - Phase 1	2,500,000.00	Municipal Infrastructure Grant
5	Paving and regraveling in F.B	Paving and regraveling	2 000 000.00	Municipal budget
MIDDLEDRIFT CLUSTER				
PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATION	PROJECT FUNDER
1	Community Hall - khulile	Construction of Community Hall - khulile	800,000.00	Municipal Infrastructure Grant
2	community Hall - Ntonga	Construction of Community Hall - Ntonga	800,000.00	Municipal Infrastructure Grant
3	Regraveling of gravel roads and culverts	Regraveling of gravel roads and culverts	2,832,906.00	Municipal Infrastructure Grant
4	Paving	Paving	2,000,000.00	Municipal Infrastructure Grant
5	Chicken Abattoir (phase 2)	Construction of Chicken Abattoir	1,420,967.25	Municipal Infrastructure Grant
6	Fencing of Dams	Fencing of Dams	132,183.00	Municipal Infrastructure Grant
7	Day care centre (Ward 11)	Construction of Day care centre (Ward 11)	165,228.75	Municipal Infrastructure Grant

8	Day care centre (Ward 1)	Construction of Day care centre (Ward 1)	165,228.75	Municipal Infrastructure Grant
9	Day care centre (Ward 16) Lugudwini	Construction of Day care centre (Ward 16) Lugudwini	165,228.75	Municipal Infrastructure Grant
10	Day care centre (Ward 19) Xhukwana	Construction of Day care centre (Ward 19) Xhukwana	165,228.75	Municipal Infrastructure Grant
11	Day care centre (Ward 17) Sityi	Construction of Day care centre (Ward 17) Sityi	165,228.75	Municipal Infrastructure Grant
12	Sityi Community Hall	Construction of a hall	800 000 00	Municipal budget
13	Thafeni Community Hall	Construction of a hall	800 000 00	Municipal budget

SERVICE DELIVERY & INFRASTRUCTURE DEVELOPMENT: 2014/2015 Financial year

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATED	PROJECT FUNDER
ALICE CLUSTER				
1	Paving streets	Paving streets	2,000,000.00	Municipal Infrastructure Grant
2	Culverts and regravelling	Construction of Culverts and regravelling	2,267,567.00	Municipal Infrastructure Grant
3	Alice Park Phase 3	Construction of Alice Park Phase 3	3,000,000.00	Municipal Infrastructure Grant
4	High mast and street lights	Installation of High mast and street lights	2,000,000.00	Municipal Infrastructure Grant
PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATED	PROJECT FUNDER
FORT BEAUFORT CLUSTER				
1	Paving	Paving	2,000,000.00	Municipal Infrastructure Grant

2	Regraveling and culverts	Regraveling and culverts	2,267,567.00	Municipal Infrastructure Grant
3	Sport Complex -Phase 2	Construction of Sport Complex - Phase 2	5,000,000.00	Municipal Infrastructure Grant
PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	BUDGET ALLOCATED	PROJECT FUNDER
MIDDLEDRIFT CLUSTER				
1	Chicken Abattoir	Purchasing of equipment Chicken Abattoir	1,000,000.00	Municipal Infrastructure Grant
2	Sport field (Mxumbu)	Construction of Sport field (Mxumbu)	2,500,000.00	Municipal Infrastructure Grant
3	Paving	Paving	2,000,000.00	Municipal Infrastructure Grant
4	Regravelling	Regravelling	3,000,000.00	Municipal Infrastructure Grant
5	Recreational Facility(Horse Racing- Debe neck)	Construction of Recreational Facility(Horse Racing- Debe neck)	767,567.00	Municipal Infrastructure Grant

PROJECT FUNDED BY OTHER INSTITUTIONS: 2012/2013 FINANCIAL YEAR

Project No	Project Name	Ward /Location	Project Description	Budget	Funder
1	Masiphathisane Women Support Centre	Mdt town	Empowering victims and survivors of domestic violence	R80 000	Dept Of Soc Dev &SP
2	FBT skills Development Programme	Mdt town	Skills Development for children in conflict the law and at risk	R150 000	Dept Of Soc Dev &SP
3	Crime Prevention programme	Mdt town	Preventative prorammes	R100 000	Dept Of Soc Dev &SP

			against crime		
4	FBT Family Resource Center	F.B,Tinis Location	Empowering Victims and survivors of domestic violence	R150 000	Dept Of Soc Dev &SP
5	Sikhanyisele HCBC Project	F.B,Mdeni Location	Caring for infected and affected people,OVC,child headed families	R 269 298	Dept Of Soc Dev &SP
6	Isibane Victim empowerment Center	F.B,Provincial Hospital	Empowering Victims and survivors of domestic violence	R80 000	Dept Of Soc Dev &SP
7	Alice VEP	Alice Town	Empowering Victims and survivors of domestic violence	R100 000	Dept Of Soc Dev &SP
8	TADA	Alice	Teenagers preventative programmes against drugs abuse	R122 000	Dept Of Soc Dev &SP
9	Thixo Ovayo Family Resource Centre	Seymour	Care and support to families	R190 000	Dept Of Soc Dev &SP
10	Ethembeni HCBC	Balfour	Caring for infected and affected people, OVC ,child headed families	R269 298	Dept Of Soc Dev &SP
11	St Buchanan HCBC	Middledrift ,Qanda location	Caring for infected and affected people, OVC ,child headed families	R269 298	Dept Of Soc Dev &SP
12	Mthonsi Lodge	Mt. Pleasant	Construction of Mthonsi lodge	R30 000 000	National Dept of Tourism
13	Nkonkobe Wetland & Rehabilitation		Removal of alien vegetation, rehabilitation of wetland by removing alien species and gabions construction, landscaping, signage at the entrances, beautification of gateways and tree planting.	R16,100,000	Dept of Enviro.Affairs

14	Rehabilitation of Eco systems at Fort Fodyce Nature Reserve	Fort Fordyce	Rehabilitation of eco system at Fort Fordyce Nature Reserve	R14,820,000	Dept of Enviro.Affairs
ALICE REGENERATION PROGRAMME					
Project No	Project Name	Ward /Location	Project Description	Budget	Funder
15	Public transpot hub upgrade	Alice	Construction of the taxi rank, informal trader stalls, etc	R18 175 500	Aspire/National Treasury
16	CBD upgrade	Alice	Landscaping, roads and storm water, sidewalks, garden of remembrance, central park	R17 237 000	Aspire/National Treasury
17	Tyme pedestrian Bridge	Alice	Fort Hare and the Alice town	R2 100 000 000	Aspire/National Treasury
18	Ghagha river bridge	Alice	Alice Lovedale, Victoria Hospital and Ntselamanzi		
19	Alice Sports precinct	Alice	Upgrades to the Alice sports fields, and integration of Alice Primary and Davidson Primary		

ESKOM ELECTRIFICATION PLAN FOR 2012/2013

PROJECT	CONNECTIONS	BUDGET
Alice Housing Development	533	R 5 596 500.00
Mpofu Extensions	200	R 3 200 000.00
Farm worker dwellings	2	R 14 035.00
TOTAL	735	R 8 810 535.00

ADM FUNDED PROJECTS	
PROJECTS FOR 2012/13	
Project Name and Description	Amount
West Victoria East (Roxeni) Water Supply (Phase 3)	7,000,000
Ekuphumleni & 9 Villages Water Supply (Phase 4)	5,000,000
Nkonkobe Area Wide Sanitation Programme	5,000,000
Bhofolo & Newtown BEP (Phase 5)	4,000,000
PROPOSED MIG PROJECTS (to be registered)	
Gaga-Tyume Valley Region Water Supply (Phase 5)	1,000,000
Kolomane Bulk Water Supply (Phase 3)	6,000,000
Newtown upgrade bulk water supply	1,000,000
Hogsback Water Treatment Works and New Reservoir	1,000,000
Fort Beaufort Bulk Water Services Upgrading	8,000,000
Hogsback Settlement	500,000
Sub Total	38, 500,000

CHAPTER 4: SECTOR PLANS

INTRODUCTION

This Chapter outlines the list of sector plans which guides the implementation of projects and programmes by the municipality .The following is the list of all available and outstanding Sector Plans:

4.1 List of adopted Sector Plans

- Housing Sector Plan
- Spatial Development Framework
- Disaster Management Plan
- Workplace Skills Plan
- Employment equity plan
- Alice LSDF
- Middledrift/Debeneck LSDF
- Recruitment & Retention strategy
- Draft LED strategy

4.2 List of outstanding Sector Plans

- HR Strategy
- Integrated Transport plan
- Infrastructure Plan

STATUS OF SECTOR PLANS /POLICIES

DEPARTMENT	FOCUS	STATUS		KEY ISSUES
		ADOPTION YEAR	REVIEWAL YEAR	
Engineering	<ul style="list-style-type: none"> Housing Sector Plan 	2009	30 March 2012 (Draft)	<ul style="list-style-type: none"> Difficulty in tracing beneficiaries regarding registration Municipality not engaged by Provincial departments on development projects A low pace by Provincial Department of Housing in approving new housing projects as well as in their supply chain management. Electrification of new houses.
	<ul style="list-style-type: none"> Disaster Management Plan Integrated Waste Management Plan : 	2010 Draft		
LED	<ul style="list-style-type: none"> Spatial Development Framework 	2004	2010 reviewed and adopted (May 31)	<ul style="list-style-type: none"> Areas of development Environmental sensitive areas
	<ul style="list-style-type: none"> LED Strategy 	2012 (Draft)	30 March 2012	

	<ul style="list-style-type: none"> • Alice LSDF 	2011		sector and wholesale and retail
	<ul style="list-style-type: none"> • Middledrift / Debeneck LSDF 	2012	30 March 2012	<ul style="list-style-type: none"> • Proposals on land capability, classification of land and spatial proposals
Corporate Services	<ul style="list-style-type: none"> • Workplace Skills Plan 	Developed yearly		
	<ul style="list-style-type: none"> • Equity Plan 	2011		
Finance	<ul style="list-style-type: none"> • Financial Plan 			<ul style="list-style-type: none"> • Revenue Enhancement Strategies • Asset Management strategies • Financial Management Strategies • Capital Financing Strategies • Strategies to Enhance Cost-effectiveness. • Free Basic Services

CHAPTER 5: SPATIAL DEVELOPMENT FRAMEWORK

Local government Municipal Planning and Performance Management Regulations, 2001 Chapter 2 requires that :

- (4) A spatial development framework reflected in a municipality's integrated development plan must-
- (b) set out objectives that reflect the desired spatial form of the municipality;
 - (c) contain strategies and policies regarding the manner in which to achieve the objectives referred to in paragraph (b), which strategies and policies must-
 - (i) indicate desired patterns of land use within the municipality;
 - (ii) address the spatial reconstruction of the municipality; and
 - (iii) provide strategic guidance in respect of the location and nature of development within the municipality;
 - (d) set out basic guidelines for a land use management system in the municipality;
 - (e) set out a capital investment framework for the municipality's development programs;
 - (g) identify programs and projects for the development of land within the municipality;
 - (i) provide a visual representation of the desired spatial form of the municipality, which representation-
 - (i) must indicate where public and private land development and infrastructure investment should take place;
 - (ii) must indicate desired or undesired utilisation of space in a particular area;
 - (iii) may delineate the urban edge;
 - (iv) must identify areas where strategic intervention is required; and
 - (v) must indicate areas where priority spending is required.

The Spatial Development Framework of Nkonkobe Municipality was formulated in a participatory manner and guided by the Local Government Municipal Planning and Performance Management Regulations of 2001 .The current Spatial Development Framework was adopted on the 31 May 2010 by the council. The document will be reviewed during the 2013/2014 financial year. The Nkonkobe municipality SDF addresses various issues, for example:

- Settlement
- Natural environment
- Environmental issues
- Land use analysis
- Spatial development proposals

Under Settlement, the SDF looks at the settlement pattern of the municipality which talks about the urban areas and rural areas of the municipality. It also shows settlement growth trends within Nkonkobe. The SDF defines the types of natural environment that characterizes Nkonkobe municipality in terms of topography, soil and geology, water resources climate and vegetation. On environmental issues, the document indicates biodiversity and conservation areas, environmental sensitive areas and ecosystem status. Under land use analysis, the SDF analyses the dominant land uses in Nkonkobe which are Settlement, agriculture and

Forestry and conservation. It also identifies the types of land classifications that are found in the municipality. There following classes of land are not found in Nkonkobe, Class 1, Class 11 and class v, all other classes of land can be found.

Spatial structuring elements of nkonkobe municipality are clustered into the following main components, namely:

- Development Nodes
- Development Corridors
- Special development Areas
- Environmental management systems

All of these are shown by means of maps within the Spatial Development Framework. The municipality is now focusing on developing local spatial development frameworks for its small towns in line with the broader SDF of the municipality. For example the municipality in partnership with various stakeholders has managed to develop Alice Local spatial development framework and was adopted by council in 2011. The municipality has also completed another LSDF for Middledrift and Debenek area which is due for adoption.

5.1 Middledrift/ Debenek LSDF

1. Background and Introduction

The Nkonkobe Local Municipality has embarked on the Middledrift/ Debenek Area LSDF in order to define the current space in order to work towards a desired spatial structure as well as to ensure that land use is managed efficiently.

2. Key Issues and Objectives

A Summary of the Key Issues as identified in the Status Quo Analysis Phase and objectives is reflected hereunder:

No.	Key Performance Area	Key Spatial Issue	Objective
1	Basic Service Delivery – Infrastructure Development Framework	Poor access to basic infrastructure due to unmanaged development	Efficient, integrated spatial development of infrastructure and transport systems with limited impact on climate change
2	Basic Service Delivery – Social Development and Human Settlement Spatial Framework	Lack of access to social infrastructure linked to unmanaged development and spatial fragmentation	manage development of compact and sustainable human settlements with appropriate infrastructure, amenities and socio-economic opportunities
3	Basic Service Delivery – Environmental spatial framework	Neglect of the natural environment and lack of conservation that results in environmental degradation	Protection of the core-bio-diversity areas, natural resources and the ecological system through adhering to the recommendations of the bio- diversity

			land management class (BLMC) map
4	Local Economic Development – Economic Spatial Framework	Lack of integration of rural communities into the local economy	Equal spatial distribution of economic activity that will lead to improved livelihoods
5	Local Economic Development – Economic Spatial Framework	Lack of integration of rural communities into the local economy	Fast-tracking of land reform projects in order to improve rural livelihoods
6	Municipal transformation and institutional development – human resources spatial framework	Lack of institutional capacity to implement Spatial Planning and development Lack of enforcement of spatial planning and land administration policies and by-laws	To ensure that the local spatial development framework is implemented and its progress monitored and evaluated by dedicated officials Creation of an awareness of policies and by-laws

3. The Strategic Development Framework

The Strategic Development Framework is based on the guidelines contained in the Provincial Spatial Development Plan (PSDP, October 2003) document. The PSDP suggests that policies of investment and management should be applied at three levels, namely;

- Investment should seek to address basic needs;
- Strengthen local capacity by building on existing strengths; and
- Target development zones that have the potential to attract private sector investment.

Based on the above, nodes identified are:

- Primary Node : Middledrift
- Secondary Node : Debenek
- Primary Development Corridor : R63
- Secondary Development Corridor : Refer to Map - Proposed Nodal Areas Map
- Special Development Areas : Agriculture: Areas with suitability in maize and Citrus production.
Infrastructure or Transport Network: All the collector/distributor roads and access roads to important tourism or agricultural activities within the study area .
Tourism Node: Towards the north of the study area (Ward 5)
- Rural Nodes :All rural villages – Maps indicating the desired direction of growth and the identification of suitable land for agricultural and future settlement purposes.

5.3 Alice LSDF

Nkonkobe Municipality adopted its Spatial Development Framework in 2010. It then embarked on a process of developing an Alice Local Spatial Development Framework.

The Alice LSDF covers the following areas:

- Egolfini
- Alice South (Happy Rest)
- Alice East (Hillcrest)
- Ntselamanzi
- Lovedale
- University of Fort Hare

The main features of the Alice Local Spatial Development Framework is:

- Direction of growth
- Major movement routes
- Special Development areas
- Conservation: Built & natural environment
- Areas of intensity of land use

The Alice LPDF proposes a clear implementation framework which focuses on the disposal of state land, funding and partnerships. It lists projects that can be implemented as part of the Regeneration of Alice. The projects are identified as short/Medium and long term.

CHAPTER 6: PERFORMANCE MANAGEMENT SYSTEM

6.1 INTRODUCTION

In terms of establishing Performance Management, Municipal Systems Act, no 32 of 2002 states that,

—A municipality must—

- (a) establish a performance management system that is—
 - (i) commensurate with its resources
 - (ii) best suited to its circumstances; and
 - (iii) in line with the priorities, objectives, indicators and targets contained in its integrated development plan;
- (b) promote a culture of performance management among its political structures, office bearers and councillors and in its administration; and
- (c) administer its affairs in an economical, effective, efficient and accountable manner.

Performance Management system is a tool of monitoring and evaluating the performance of the Nkonkobe Municipality in relations to Integrated Development Plan.

6.2 THE PERFORMANCE MANAGEMENT FRAMEWORK.

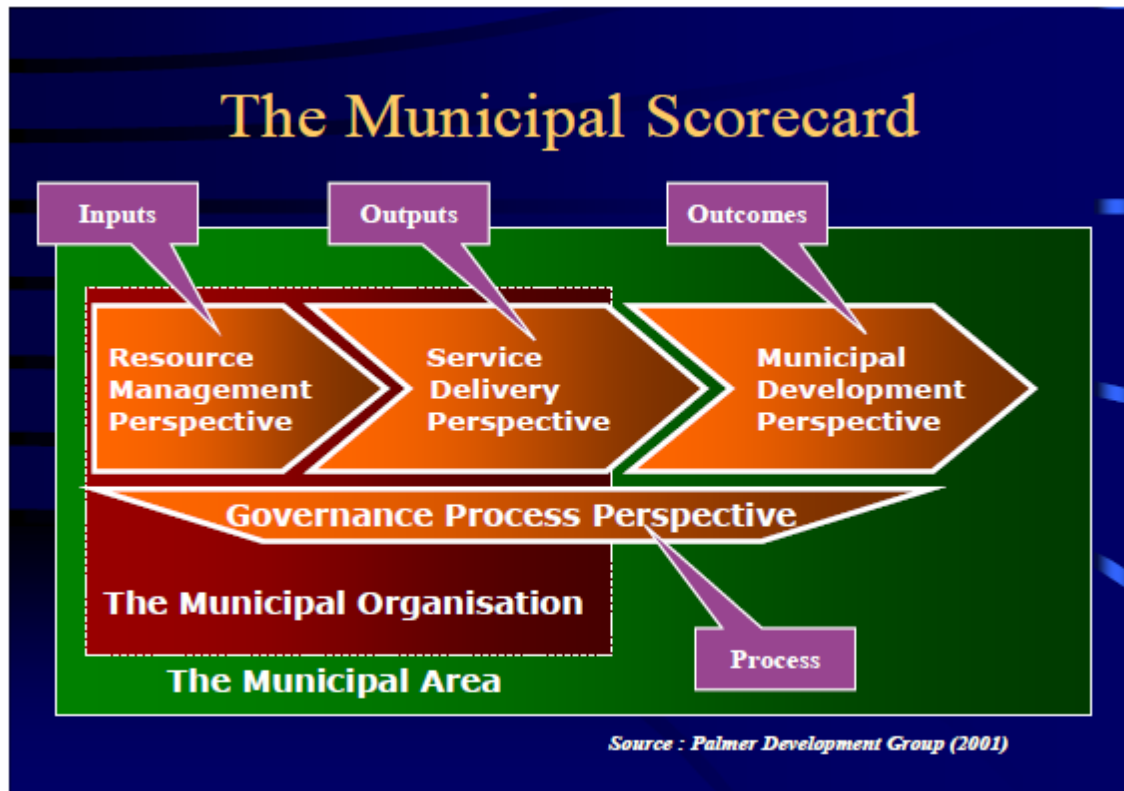
The performance management framework is a guiding document that defines the municipal performance management system including how it operates. The framework sets out the following:

- Development and maintaining the Performance Management System
- Measuring performance
- Monitoring and evaluation
- Reporting on performance
- Reviewing institutional and individual performance
- Reviewing the Performance Management System
- Institutional arrangement and
- Roles and Responsibilities

The Nkonkobe Municipality Performance Management Framework as adopted by the council is a documented record of the PMS as it will be implemented. The PMS Framework of Nkonkobe Municipality is in line with the requirements of the Municipal Systems Act (Act 32 of 2000)

6.3 The Nkonkobe Municipal Scorecard

Nkonkobe Municipality has chosen the municipal scorecard as its preferred performance management model. In this model all indicators are grouped together into four perspectives as depicted in the figure below e.g. inputs, processes, outputs and outcomes.



The municipality scorecard is based on two levels of scorecards and embodies five key performance areas. These key performance areas relate directly to the IDP.

THE MUNICIPAL SCORECARD MODEL IS:

- Strictly aligned to the Strategic Planning and IDP Processes.
- Directly in line with the principles of developmental local government
- A balance view of performance based on municipal inputs, outputs and processes.
- Compliant with the requirement of the relevant regulations.
- Based on the 5 year local government strategic agenda

FIVE (5) KEY PERFORMANCE AREAS (KPA'S)

1. Municipal Transformation and Organizational development
2. Infrastructure and Service Delivery
3. Local Economic Development
4. Municipal financial viability and management
5. Good Governance

The Municipal Development Perspective

In this perspective, the municipality will assess whether the desired developmental impact in the municipal area is being achieved.

This incorporates social, environmental and economic developmental aspects.

The service delivery perspective

The perspective will assess the performance with regard to the delivery of basic services. This specifically relates to the output of the municipality.

The institutional development perspective

This perspective will assess performance with respect to the management of municipal resources.

- Human Resources
- Information and Communication
- Organizational infrastructure
- Fleet Management

This relates to the inputs of the municipality

The financial viability perspective

This perspective will assess performance with respect to financial management and viability including:

- The financial viability indicators
- Operating income vs operating expenditure
- Financing of infrastructure investment vs capital expenditure performance
- Financial management performance.

Governance Process Perspective

The perspective will assess performance with respect to engagement and relationship with its stakeholders. This will include the following:

- Public Participation
- Functionality and impact of municipal governance of municipal governance structure
- Access to information
- Intergovernmental relations: This relates to the governance process within the municipality

THE TWO LEVELS OF SCORECARDS

The organizational level score card

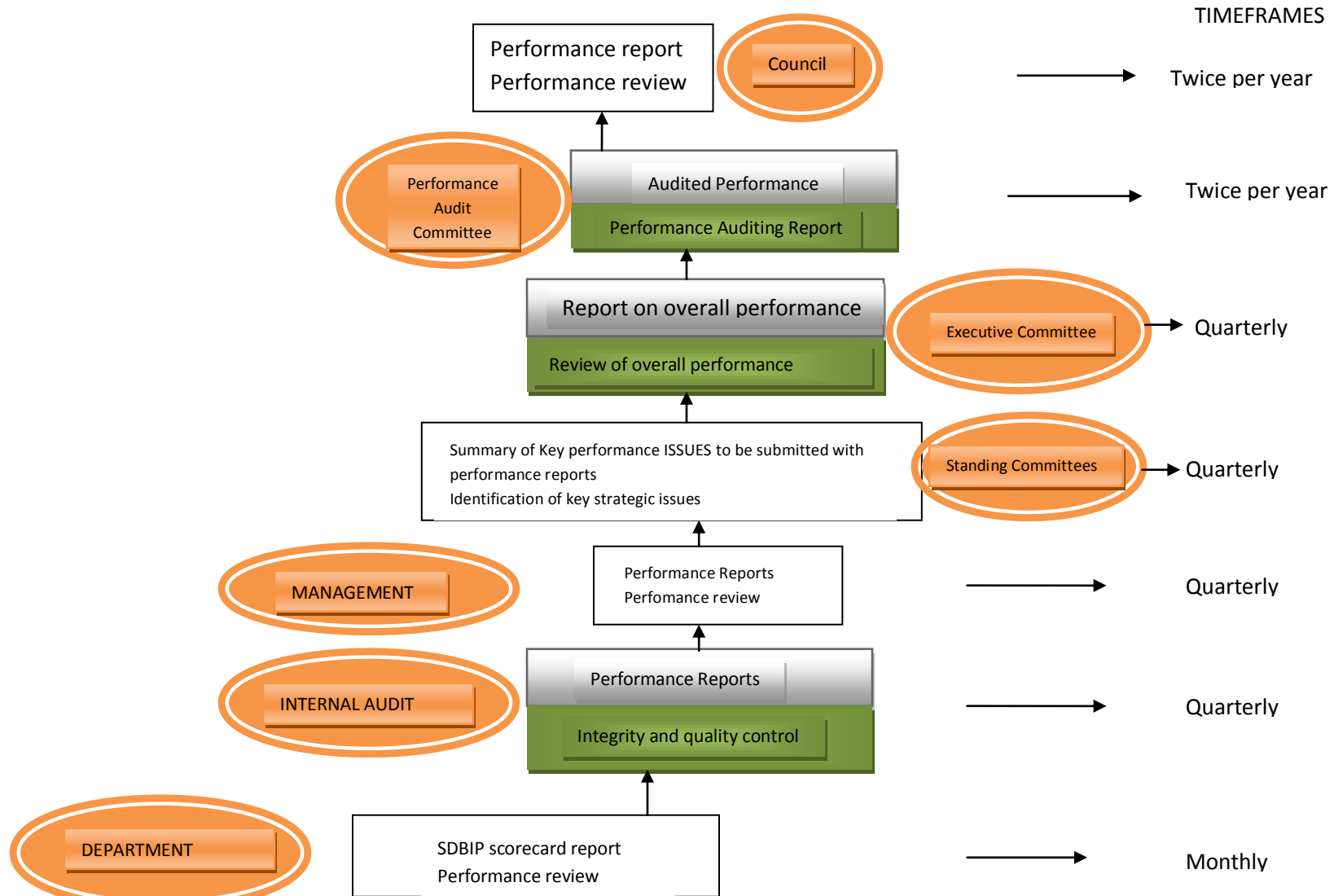
The organizational scorecard will provide an account of performance for the Nkonkobe Municipality towards the development of its area. At this level the IDP forms the levels of Performance Management .The institutional scorecard is set in the IDP as the high level of SDBIP.

Operational level /SDBIP scorecard

The SDBIP scorecard will capture the performance of each municipal department .The SDBIP at operational level forms the basis for Performance Management

Performance reporting and reviews

Annual process of reporting and reviews



CHAPTER 7: FINANCIAL PLAN

1. Financial Strategies

Council's overall Financial Strategy is broken into the following segments to allow for a clearer understanding of the overall task.

- a. **Revenue Enhancement Strategies**
- b. **Asset Management strategies**
- c. **Financial Management Strategies**
- d. **Capital Financing Strategies**
- e. **Strategies to Enhance Cost-effectiveness.**
- f. **Free Basic Services**

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals. The strategy conforms to Council's financial policies in place and recognizes the requirements of current and future legislation. The multiyear budget process being implemented currently has changed Council's financial focus. Instead of only reflecting on what Council is to receive in revenue in a year and how much Council intends procuring in a year, the focus has changed in that Council requires a total financial plan over a 3yr period. In order for Council to achieve this Council must align all its financial policies and plans into a single document.

The Financial Strategy has been formulated to ensure that the Nkonkobe Municipality maximizes on opportunities that would enhance Council's financial strength especially considering the cost-shift environment that has been created with the implementation of assigned powers and functions.

a) Revenue Enhancement Strategies

The changing of budgetary emphases and accounting has led the municipality to consider other avenue of revenue rather than depending on Grants and Donations. Though the Nkonkobe Municipality is categorized or classified as rural municipality, the change in focus of government that encourages the rural development in all levels has since encouraged and gave the municipality no option but to take revenue enhancement as the core project the viable financial viability.

b) **Alternate Funding**

In relation to other services that are revenue base, Nkonkobe municipality has no chance to explore due to powers and functions. The existence and functioning of Nkonkobe Economic Development Agency can play the role of alternative funding in proceeds of the agency in particular. In trying to address some national priorities and infrastructure challenges, the municipality has appointed services providers to source funds for the municipality.

1.2 Subsidies and Grants

In order for Nkonkobe Municipality to obtain maximum benefit from external monies available, a policy is awaiting council approval that intends laying out the relevant procedures needed to be put in place with the Strategic Manager's Office to ensure that all grants, donations and subsidies are investigated, applied for and received at the appropriate times. The policy will ensure that Council receives maximum benefit from external funding available in the form of interests accumulated.

1.3 Administration Fee Policy

The Administration Fee Policy has been updated to address the needs of Council with regards to administration of contracts on behalf of third parties.

1.4 Credit Control Policy

The Policy sets out to control and manage the recovery of outstanding debt due to Council. This policy is in place and is subject to regular updates. The policy has subsequently being gazette in order to become an official By-law.

The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment.

The Policy (By-Law) also captures the approach to Indigent Household subsidy and methodology of treating with arrear debt.

1.5 Tariff Policy

The policy in this regards is in place and is reviewed every year as part of budgeting for the municipality.

2. Asset Management Strategies

The purpose of the strategy is to optimize the use of all assets under the control of Nkonkobe Municipality.

2.1 Asset Management Policy

The Nkonkobe Municipality Asset policy facilitates the effective management, control and maintenance of the assets.

The prime objectives of the policy are to ensure that the assets of Nkonkobe Municipality are properly managed and accounted for by:

- Ensuring the accurate recording of asset information
- The accurate recording of asset movements
- Exercising strict control over all assets
- Providing correct and meaningful management information
- Compliance with Council's Insurance Policy and Payment Procedure
- Effecting adequate insurance of all assets
- Maintenance of Council's Assets

2.3 Asset Movement System

At the same time as commissioning a new Asset Register, an asset tracking system using bar-coded discs and scanners was put in place utilizing Service Providers, which were funded by the DPLG's MSP Programme.

With the completion of the Asset Register, the asset tracking system is fully operational.

3. Financial Management Strategies and Financial Viability

The purpose of this strategy is to ensure that the Financial Systems in place at Nkonkobe Municipality are of such quality to allow for the generation of accurate and timely reporting at all times.

Statistics South Africa and other relevant reports clearly describe Nkonkobe municipal area as one with economic development challenges and that includes the municipality itself and the most contributing sector in the economy of the area is the public sector and that suggest that it is vital that the municipal finances are managed in a sustainable manner to create the enabling environment so that the reality of going concern can be non questionable.

There are number of programs to be funded currently and in the future and the funding sources of these programs range from; external, little internal and grant funding. Both these programs will have to be undertaken within the financial and organizational capacity as required by the constitution of the country.

Financial viability can only be achieved with the positive financial attitude including the following:

- Continual monitoring of staffing costs.
- Identifying efficiencies and reduce unnecessary spending.
- Increase revenue collection and explore more avenues to maximize revenue.
- Implementing capital budget with the affordability levels as outlined in the MTREF

3.1 Budget and Finance Reform

A considerable amount of time and effort has been expended on ensuring that Nkonkobe Municipality has the capacity to deliver the finance and budget reporting requirements as prescribed by National Treasury.

Nkonkobe Municipality is one of the pilot sites for the Budget and Finance Reform process sponsored by National Treasury. Due to this status, money has been channeled from National Treasury to Council.

The Chief Financial Officer is overseeing the process and significant progress has been made in some areas. Specific tasks being performed are:

- Establishment of a BTO Section
- Employment of interns and short term contract workers (5 of them)
- Implementation and continuous monitoring of GRAAP compliance.
- Establishment of SCM unit to comply with MFMA Chapter 11.

4. Capital Financing Strategies

The purpose of this strategy is to address the capital plans and aspirations of the Integrated Development Plan for Nkonkobe Municipality. This will be reviewed yearly depending on the municipal needs and should be aligned with the new regulations on budgeting.

4.1 Policy for Accessing Donor Funds

Due to the large number of projects that are being requested from the community, it has become necessary for the formulation of a policy, which will create a framework for accessing funds both locally and internationally.

The proposed policy intends to outline the type of donors available and the conditions related to the donations. All procedures and special conditions attributable to the different donors will be catalogued in the policy to ensure the smoothest approach to these donors when the occasion arises. This policy implementation lies with the Strategic Manager's Office as an extension of the Subsidies and Grants Policy.

5. Strategies to Enhance Cost-Effectiveness

The purpose of this strategy is to ensure that Nkonkobe Municipality employs the most cost effective operating practices.

5.1 Benchmarking and Performance Indicators

A set of performance indicators will be developed and implemented to test the effectiveness and efficiency of the Municipality.

Benchmarking these against similar organizations will allow for regular internal assessment and upgrading.

5.2 Training and Development of Staff

Training sessions and courses are continually being planned to ensure that all, financial as well as non-financial, senior staff and councillors will be in a better position to evaluate the financial position of the Municipality. The Council also has an approved skills development plan, which is being implemented and is used to guide training of both Councillors and Officials.

5.3 Cost-Effectiveness

All departments of the Nkonkobe Municipality are challenged continually with identifying the most cost effective means of operating by employing the methods commonly associated with BOP (Best Operating Practices).

5.4 Post Retirement Benefits

There is reason to be concerned about the possibility of an undisclosed liability that Council may be facing with regard to post retirement benefits due to staff.

An actuary will be appointed, to evaluate the full extent of Council's liability in this regard. Funding for such an exercise is presently being sourced from external funders, as the Municipality does not have its own resources to undertake such exercise.

6. Free Basic Services

Council during the course of the previous financial year developed policy relating to free basic services. The following policies were developed with a brief content listing:

6.1 The indigence support policy:

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to basic services, the Nkonkobe Municipality is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable basic services to all residents within the area of jurisdiction.

The indigent support policy should complement and be an integral part of the Nkonkobe Municipal tariff policy that is presently being developed. The implementation of the indigent policy should be in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost.

The indigent policy is intended to provide poor households ongoing access to a minimum, nationally specified level of service. The subsidies contained in the policy should not compromise the quality or efficiency of service delivery.

THREE YEAR CAPITAL PROGRAMME FOR 2012/13, 2013/14 & 2014/15

FUNDER	MUNICIPAL INFRASTRUCTURE GRANT			MUNICIPAL BUDGET		
	2012/2013	2013/2014	2014/2015	2012/2013	2013/2014	2014/2015
PROJECT IMPLEMENTED						
MULTI-PURPOSE-MIDDLEDRIFT	R 6,000,000.00					
DLTC - FORT BEAUFORT	R 1,450,000.00					
CHICKEN ABBATTOIR:MIDDLEDRIFT	R 800,000.00					
PARKS IN ALICE	R 1,000,000.00					
BALFOUR INTERNAL STREETS	R 1,000,000.00					
PAVING ,REGRAVELLING AND CULVERTS IN ALICE	R 5,700,000.00					
GRADE A TESTING CENTRE (MOTOR TESTING) IN FB	R 1,000,000.00					
SURFACING OF FORT BEAUFORT TOWN	R 5,478,786.00					
NGQOLOWA SPORT FIELD	R 1,190,464.00					
COMMUNITY HALL : DYAMALA				R750 000		
COMMUNITY HALL BALFOUR/ MASSDORP				R750 000		
CBP				R1 050 000		
LED PROJECT				R1 050 000		
EPWP				R3000 000		
DEBENECK :PAVING & GREENING	R1 200 000					
PAVING AND GREENING STREETS		R 2,000,000.00				
CULVERTS AND REGRAVELLING		R1,800,000.00				
ALICE PARK PHASE 2		R3,000,000.00				
MAKHUZENI SPORT FIELD		R 762,200.00				
COMMUNITY HALL BINFIELD		R1,000,000.00				
CHILD CARE FACILITY (EDUCARE CENTRE) KWAMEVA		R 250,000.00				
HIGH MAST LIGHTS (F. B.)		R4,100,000.00				
COMMUNITY HALL HERTZOG		R1,500,000.00				

HAWKER STALLS		R712,200.00				
SPORT COMPLEX -PHASE 1		R2,500,000.00				
PAVING AND REGRAVELING F.B		R2 000 000.00				
COMMUNITY HALL - KHULILE		R800,000.00				
COMMUNITY HALL - NTONGA		R800,000.00				
REGRAVELLING OF GRAVEL ROADS AND CULVERTS		R2,832,906.00				
PAVING		R2,000,000.00				
CHICKEN ABBATTOIR		R1,420,967.25				
FENCING OF DAMS		R 132,183.00				
DAY CARE CENTRE (WARD 11)		R165,228.75				
DAY CARE CENTRE (WARD 1)		R165,228.75				
DAY CARE CENTRE (WARD 16) LUGUDWINI		R165,228.75				
DAY CARE CENTRE (WARD 19) XHUKWANA		R165,228.75				
DAY CARE CENTRE (WARD 17) SITYI		R165,228.75				
SITYI COOMUNITY HALL					R800 000 00	
THAFENI COMMUNITY HALL					R800 000 00	
PAVING STREETS			R 2,000,000.00			
CULVERTS AND REGRAVELLING			R2,267,567.00			
ALICE PARK PHASE 3			R3,000,000.00			
HIGH MAST AND STREET LIGHTS			R2,000,000.00			
PAVING			R2,000,000.00			
REGRAVELING AND CULVERTS			R2,267,567.00			
SPORT COMPLEX -PHASE 2			R5,000,000.00			
CHICKEN ABBATTOIR			R 1,000,000.00			
SPORT FIELD (MXUMBU)			R2,500,000.00			
PAVING			R2,000,000.00			
REGRAVELLING			R3,000,000.00			

RECREATIONAL FACILITY(HORSE RACING- DEBE NECK)			R767,567.00			
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**BUDGET STATEMENT FOR
2012/13 TO 2014/2015**



	2012/2013	2013/2014	2014/2015
-			
EXPENDITURE			
Salaries and Wages	54,364,246.00	57,626,101.00	61,662,668.00
Remuneration for councillors	12,785,909.00	13,553,064.00	14,501,778.00
EPWP	4,000,000.00	4,240,000.00	4,536,800.00
Repairs and Maintenance	8,000,000.00	8,480,000.00	9,073,000.00
General expenses and other	73,923,550.00	78,358,963.00	83,841,950.00
Capital Expenditure	45,149,250.00	47,858,205.00	51,206,159.00
TOTAL EXPENDITURE	198,222,955.00	210,116,333.00	224,822,355.00
INCOME			
Rent of Facility and Equipment	-382,404.00	-405,348.00	-433,722.00
Interest earned-EXT Investment	-1,655,000.00	-1,754,300.00	-1,877,101.00
Other income	-57,838,551.00	-60,128,924.00	-62,635,389.00
SUB-TOTAL	-59,875,955.00	-62,288,572.00	-64,946,212.00
<i>GRANTS AND SUBSIDIES: OPERATING</i>			
Equitable share	-86,351,000.00	-92,780,000.00	-100,812,000.00
FMG Funding	-1,500,000.00	-1,500,000.00	-1,750,000.00
MSIG Funding	-800,000.00	-870,000.00	-950,000.00
EPWP	-1,181,000.00	-1,251,860.00	-1,339,490.00
Subsidies	-3,365,750.00	-3,567,695.00	-3,818,494.00
TOTAL: GRANTS OPERATING	-93,197,750.00	-99,969,555.00	-108,669,984.00
<i>GRANTS, CAPITAL & OTHER FUNDING</i>			
MIG Funding	-26,315,000.00	-27,760,000.00	-29,846,473.00
Internal Capital Contribution	-20,150,000.00	-21,359,000.00	-22,852,010.00
Total Capital Funding	-45,149,250.00	-47,858,205.00	-51,206,159.00
TOTAL FUNDING	-198,222,955.00	-210,116,332.00	-224,822,355.00