



**NXUBA
LOCAL MUNICIPALITY**

**INTEGRATED DEVELOPMENT PLAN
2012-2017**

**The Municipal Manager
Nxuba Local Municipality
Private Bag X350
Adelaide
5760
Telephone no. (046)684 0034**

The Nxuba Local Municipality's Integrated Development Plan 2012-2017 is structured as follows:

Chapter 1	Background and Legal Overview
Chapter 2	Situational Analysis
Chapter 3	Development Strategies, Objectives and Projects
Chapter 4	Sector Plans
Chapter 5	Spatial Development Framework
Chapter 6	Performance Management Framework
Chapter 7	Financial Plan and SDBIP

FOREWORD



Hon. Mayor Councillor Louisa Leonora "Dolly" Bruintjies

Nxuba Municipality is a Local Municipality in the Amathole District, situated in the Eastern Cape of South Africa. Its administrative seat is the town of Adelaide. The urban population is mainly located in the two small towns of Adelaide and Bedford. As a low capacity Municipality in terms of the framework for the implementation of Municipal Finance Management Act No.56 of 2003, the preparation of Annual Report has become peremptory in respect of the 2010\2011 Financial Year as a result some effort have been made to make the Annual Report as informative as possible despite the obvious challenges we have faced.

As a Mayor \ Speaker of Nxuba Local Municipality, I acknowledge the size of the shoes that I have to fill but I am confident that together with the Council and Municipal Manager at the reins, we can bring about an even more positive influence in the lives of our people, both rural and urban communities, which together constitute Nxuba Local Municipality .

One of the highlights of 2011 was the visit to the Provincial EXCO (Local Government on 4 and 5 August 2011. Our engagement with them has resulted in much needed assistance being provided on some of our projects and we are confident that because we now have business plans for all those projects, this will yield positive results. But in so doing, we should all endeavour to work together as partners in finding solutions to our common goals. Where there are differences, real or perceived, let us engage in constructive dialogue in order to establish common ground and reach amicable solutions. As the local municipality, we will continue to be responsive to constructive criticism and suggestions as well as to remain accountable to the communities.

A handwritten signature in dark ink, appearing to read "L. Bruintjies". The signature is written in a cursive style.

Cllr Louisa Leonora "Dolly" Bruintjie
HONORABLE MAYOR

STATEMENT



Acting Municipal Manager
Mr Siphwo Caga

The Yearly Program Priorities' Statement by the Acting Municipal Manager

The 2010/2011 Financial Year marks the end of the 5-year term of the Council that was elected in 2006. A number of priority areas have been identified in Nxuba's Integrated Development Plan for the implementation of programs and projects in order to achieve the goals as set out in the IDP. In order to implement its programs the Municipality has identified 5 key performance areas for the 2010/11 financial year. These are the following:

KPA 1: Municipal Transformation and Institutional Development Including Human Resources, Skills Development, Records Management, Information Technology, Council Support etc.

The organisational structure of the municipality was revised in order to align it to its integrated development plan. Various trainings were provided to municipal councillors, staff and ward committees in order to capacitate them, thereby sharpening their skills in the performance of their duties. The municipality also revised and adopted new policies and plans for the institution in order to carry out its mandate, including the employment equity plan, supply chain management policy, skills development plan. The internal audit function was outsourced in the year under review and achievements in this field were noted as the municipality has been without this function for a considerable period of time.

In spite of the above achievements, the Municipality experienced resignations in key and critical positions during the year under review and it became a challenge to fill those positions: Chief Finance Officer, Corporate Services Manager, IDP/PMS Officer, and Supply Chain Management Officer Etc. These had a detrimental effect on the implementation of the Integrated Development Plan:

KPA 2: Basic Service Delivery and Infrastructure Development.

In the year under review there has been an addition of 3.8km of paved roads for both Adelaide and Bedford. Fencing of grave-yards has continued and it is expected that in the next financial year, all cemeteries in Nxuba will be completely fenced. It is estimated that about 98% of all households in Nxuba have access to electricity. The Integrated Waste Management Plan has been developed and funding is being sourced so as to implement identified projects.

The Municipality has experienced intermittent breakages in the collection of refuse due to old plant and equipment. In the year under review, two housing projects were unblocked and construction has started in earnest. This will alleviate the plight of the homeless and those whose houses were blocked many years ago. The Municipality has not been able to address the huge backlogs in terms of service delivery due to financial constraints and limited funding from other spheres of government:

KPA 3: Local Economic Development

The Municipality has managed to develop and promote its enterprise development by providing business skills training to its SMME's. Focus in the 2010/11 financial year was agriculture and the Municipality, together with other Government Sectors, provided communities with food gardens and livestock thereby improving their livelihood.

Funding for LED projects remains a great challenge in this Municipality. Nxuba is now in the process of developing its Local Economic Development Strategy.

KPA 4: Financial Viability and Management Including Revenue Enhancement, Budget Reform, Financial Management, Asset Management, Supply Chain Management

A Revenue Enhancement Strategy has been developed by the Municipality to improve its liquidity. The Municipality has been experiencing a number of challenges in its financial viability. It has not been able to service its debt on time with Eskom and also experienced cash flow problems in paying its outstanding creditors. The Credit Control Policy has been reviewed and is being implemented.

KPA 5: Good Governance and Public Participation

The outsourced Internal audit function managed to prepare the internal audit charter, risk assessment register, risk management policy, audit performance information, preparation of a 3 year internal audit plan and audit of traffic section. This strengthened the functioning of the audit committee and was able to perform its oversight function.

The performance management framework was reviewed and implemented in 2010/11 financial year and performance contracts for senior managers concluded and signed. Public participation programs have been conducted through the Mayoral Imbizo's, IDP/Budget Road Shows and ward committee meetings. With the election of new Councillors in May 2011, the Municipality had to establish new Ward Committees. The Municipality is in the process of capacitating the newly elected Ward Committees.



S CAGA
ACTING MUNICIPAL MANAGER

CHAPTER: 1

1. INTRODUCTION: IDP PROCESS

1.1 IDP PROCESS

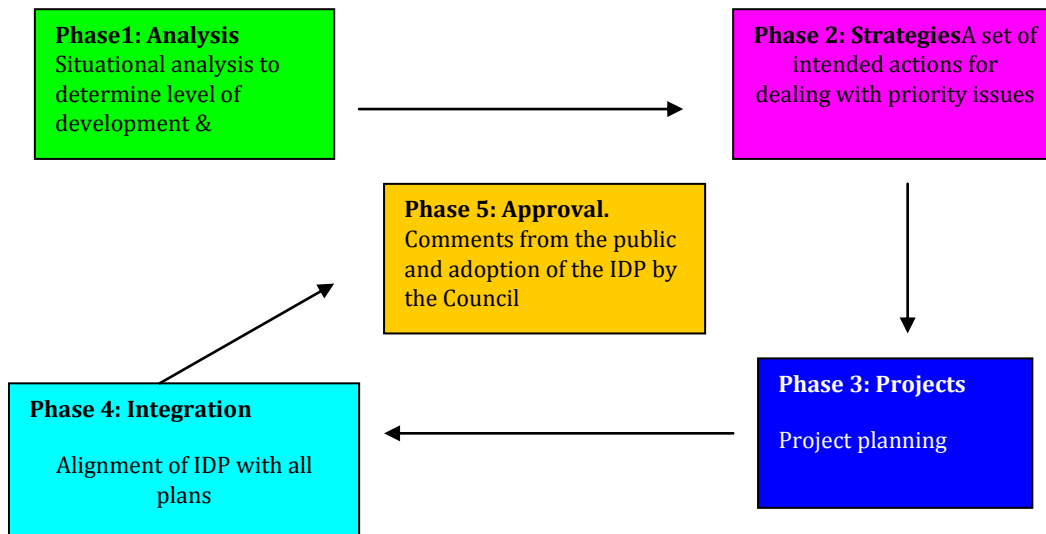
Integrated Development Planning (IDP) is a planning tool for promoting developmental local government. It enables the Municipality to identify its priorities and develop a strategic development plan for the short, medium and long term. The IDP process is a consultative process which requires of the Municipality to engage with its citizenry and other stakeholders in the development thereof.

IDP's must be reviewed on an annual basis and adjusted and revised in accordance with the monitoring and evaluation of existing performance and changing circumstances.

The integrated development planning methodology comprises five interrelated phases namely;

- ⇒ Analysis
- ⇒ Strategies
- ⇒ Projects
- ⇒ Integration
- ⇒ Approval

These phases are illustrated graphically below:



The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment and impact thereof on the inhabitants of the Municipality. The analysis process facilitates the identification and analysis of the environmental challenges facing the municipality and allows the municipality to accurately prioritize these challenges.

The ensuing phases of the integrated development planning process build on the analysis phase, and it is therefore imperative that the analysis phase be compiled accurately. Planning,

budgeting, decision making and service delivery are largely informed by the existing environment and its inherent challenges. A plan that is not based on an accurate understanding of the current environment will lack credibility and efficacy.

The IDP under review will contain a comprehensive analysis of the **Nxuba** Local Municipality including the legislative and policy environment, the Municipal vision and mission, the geographic positioning and composition of the study area, and an environmental analysis in the broadest sense of the word that includes a demographic, socio economic, spatial and environmental analysis. An analysis will also be done of service provision including infrastructural services, community services and community facilities. Economic growth and development will be analyzed with specific reference to current trends in terms of poverty, employment trends and the predominant sectors. An analysis of the institutional and governance environment as well as the financial viability of the **Nxuba** Local Municipality will also be done to ascertain its capacity to provide sustainable service delivery. The IDP will conclude with an analysis of priority issues, project identification, funding implications, targets and performance measures.

Framework guide for credible IDP's

A Credible IDP Framework Guide has been developed by the Department of Provincial and Local Government. The objective of the framework guide is to provide a standardized reference point for municipalities with respect to their key service delivery, governance and management obligations. The framework also serves as an enabling tool for the IDP drafting and revision process and facilitates compliance with the Municipal Systems Act by municipalities.

The framework outlines six key focus areas namely;

- ⇒ Spatial Development Framework
- ⇒ Service Delivery
- ⇒ Financial Viability
- ⇒ Local Economic Development
- ⇒ Good Governance and Public Participation
- ⇒ Institutional Arrangements

1.2 PROCESS PLAN 2012/13 IDP REVIEW

Nxuba Local Municipality comprises of a large geographical area that is delimited into four wards with 12 702 registered voters. A structured approach is therefore needed to enhance public participation in the planning process. The Process plan, adopted by Council on 25 August 2011, outlines the path to be undertaken during the 2012/2013 planning cycle and furthermore identifies the establishment of the following mechanisms for public participation in the planning process.

- Nxuba IDP Representative Forum.
- Nxuba IDP Steering Committee
- Ward Committees
- Ward Based Planning and Outreaches
- Community Development Workers

1.3 NXUBA IDP REPRESENTATIVE FORUM

The Nxuba IDP Representative Forum has been established to ensure that there is representation in the 2012/13 planning process, by the various organized and unorganized groups within municipal area. The table hereunder reflects a **summarized extract of Nxuba Municipality's Process Plan** as far as it relates to the IDP Representative Forum.

Nxuba IDP Representative Forum			
Purpose	The IDP Representative Forum is the organizational mechanism for discussion, negotiation and decision-making between stakeholders within the municipal area. The Representative Forum is chaired by the Mayor.		
Key organizations and structures	Terms of Reference	Meeting time schedule	Meeting held
Councillors Ward Committee Members Stakeholder representatives of organized groups Community Representatives Non- Governmental Organizations Traditional Leaders Disabled groups. Youth Organizations Community Based Organizations Municipal Officials Sector and Provincial Officials and Parastatals	<ul style="list-style-type: none"> ○ Represents the interests of their constituents in the IDP review process ○ Provides an organizational mechanism for discussion, negotiation and decision-making between the stakeholders including municipal manager ○ Ensure communication between all stakeholder representatives including municipal government ○ Monitor the performance of the planning and implementation process. 	14 September 2011; (Postponed to 16/09/2011) Strategic Planning Session 04-07 March 2012 9 March 2012; 24 May 2012	16 September 2011. Held on 04 to 07 March 2012 9 March 2012 27 March 2012

1.4 NXUBA IDP STEERING COMMITTEE

The Senior Management of the Nxuba Municipality meets prior to IDP Representative Forum to look at the technical and strategic issues that need to be lifted for decisions during the Representative Forum meetings and any Strategic Sessions.

1.5 WARD COMMITTEES

During the 2012/13 IDP review cycle it became clear that some residents felt that their needs were not reflected in the municipalities priorities and that additional efforts had to be applied to ensure that the all of the communities democratic rights to participate in the planning process of the municipality needed to be strengthened. The Municipality is committed in the 2012/13 planning cycle to make a concerted effort to promote community participation and convene regular meetings in order to give the community the opportunity to express their views and needs.

Ward Committees have been established in all 4 wards. Each Ward Committee is chaired by a Ward Councillor. Ward Committees are established for purposes of enhancing participatory democracy in local government and to make recommendations on any matter affecting their wards through the Ward Councillor. All wards are fully functional although the functionality of Ward 2 could be improved. The local government elections resulted in the appointment of new ward committee members. Attempts are made to ensure fully functional new ward committees thus creating a measure of continuity.

However, it is acknowledged that the post of the IDP Officer is currently vacant which could hamper the municipality's efforts to promote an inclusive planning process.

1.6 NXUBA WARD BASED PLANNING & OUTREACH PROGRAMME

The table below contains the priority needs of ward 1,2, 3 and 4, which was identified during November 2011 and submitted to the municipality by the Ward Councillors.

Ward 1	Ward 2	Ward 3	Ward 4
1.Upgrading of Wanderers Sports field	1.Upgrading of streets in Bezuidenhoutville locations	1. Bedford Town Streets	1. Upgrading of streets
2.Upgrading of Red Location Sports field	2.Upgrading of Bezuidenhoutville Sports Field	2.Upgrading of Nyarha Sports field	2. Upgrading of Goodwin Park Sports field
3.Red Location access roads	3.Street lights in New town location	3.Youth Center	3.High mast lights in New Area in Goodwin Park
4.Adelaide Town access roads	4.Upgrading of streets in Old Lingeletu	4.Fencing of Taxi Rank	4.Multipurpose Center
5.Job creation	5.Job creation	5.Construction of concrete slab for netball	5.Construction of Fox wood dam

1.7 THE LEGISLATIVE AND POLICY FRAMEWORK

The Integrated development planning process is highly regulated and the municipality is guided by the following important legislation; The Republic of South Africa Constitution Act (1996); Chapter 3 and 7

- ⇒ The Municipal Systems Act (2000); read together with the Municipal Planning and Performance Regulations (2001)
- ⇒ The Local Government Municipal Finance Management Act, (2003)
- ⇒ The Municipal Structures Act, (1998) and the Inter-Governmental Relations Framework, (2005).
- ⇒ Provincial Growth and Development Strategy, Reviewed Provincial Spatial Development Framework, (2010) and the IDP Framework Guide for Credible IDP's.

1.8 ANNUAL REVIEW AND AMENDMENT OF INTEGRATED DEVELOPMENT PLAN

The review for 2012/2013 of the Nxuba IDP is based on the following prescripts:

A Municipal Council:

- Must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements, and to the extent that changing circumstances so demand a review;
- May amend its Integrated Development Plan in accordance with a prescribed process (Local Government Municipal Systems Act, 2000, Section 34).

The Mayor of a municipality must co-ordinate the annual revision of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act, and determines how the Integrated Development Plan is to be taken into account or is to be revised for the purposes of preparing the annual budget. (MFMA 53(1) (b)).

1.9 OVERVIEW OF NXUBA LOCAL MUNICIPALITY THE STUDY AREA

Nxuba Local Municipality falls within the Amathole District of the Eastern Cape Province. The Municipal area comprises an area of 2,749.45km².

1.10 ENVIRONMENTAL ANALYSIS

An environmental analysis includes a demographic, socio economic, spatial and biophysical environmental analysis:

- ⇒ The following **demographic trends** were identified;
 - The population of Nxuba is 21 467. The population density is low with an average population density of 7.8 people per Km². The population is predominantly female (51.5%) and predominantly African (75%). The largest portion (61.9%) of the population is young and under the age of 35 years, 29.6% are still dependent (1-14), 61.7% are potentially economically active (15-65) and 8.7% are elderly (65+). The high number of dependent children implies a higher burden on the economically active population and organs of state that are

providing social assistance services. 7.6% of the population has some form of disability with more men than women being afflicted. Most of the disabilities are physical.

⇒ The following *socio economic trends* were identified;

- The area is characterised by poor socio economic conditions.
- Poverty levels are high with 75.9% of the population earning less than R800 per month and technically falling under the poverty line. This is exacerbated by high levels of unemployment and a high number of potentially economically active people not being economically active (60.8%).
- Low income levels imply a high dependence on social grants and 32.8% of the population is dependent on social grants. Old age pension and child support grants constitute the majority of grants.
- Agriculture is the dominant economic activity, followed by community and public sector services with manufacturing and the wholesale and retail trade trailing slightly. The community and public sector services have limited capacity for expansion.
- The employment sector is dominated by elementary occupations and occupations requiring low qualification levels.
- The Municipal area is characterised by relatively low education and literacy levels and 6.3% of the population over 20 years of age have no education while 36.9% have only some form of primary school education. Only 16% of the population has attained Grade 12, in addition only 7.2% have received a tertiary qualification.
- There are approximately 13 schools in the urban area of the municipality of which just over 17% are Senior Secondary Schools. There are no tertiary education facilities within the municipal area. Fortunately the University of Fort Hare (Alice Campus) is only 60 km from Adelaide.
- Health services are provided by the Department of Health who face many challenges. The Department has several programmes in place namely the Saving Mothers, Saving Babies Project and Integrated nutrition programmes. There is 2 Hospitals, 5 Clinics and 1 Mobile clinic.
- The average District HIV/AIDS prevalence is 26%. Although the prevalence has stabilised, HIV/AIDS remains a challenge and the Department is concentrating on the management of antiretroviral treatment of infected people. There is also a high level of TB in the region which is commonly associated with HIV/AIDS and the Department is also focusing its attention on the management of TB. Primary health care facilities offer HIV/AIDS testing and counselling services, but there is a shortage of ARV treatment sites with Hospital being the closest one in the District.

KPA 1: SPATIAL DEVELOPMENT FRAMEWORK

Nxuba municipality has developed a Spatial Development Framework which was reviewed in 2011.

- ⇒ The following **spatial trends** were identified;
 - The Municipal area is predominantly rural and dispersed with low density commercial farms. It is estimated that there are 6 277 households in the municipal area. There are two urban centres, the primary one being Adelaide and Bedford serves as a secondary service centre.
 - According to the Community Survey 2007, 58.1% of the Nxuba population owns their homes. 41.4% of the population either make use of rented accommodation or reside rent free which normally implies a high backlog in terms of housing grants but in the case of Nxuba it is also contributed to the fact that many households work and live on the surrounding farms.
 -
- ⇒ The **biophysical environment** is characterized by mountainous terrain and hills, with moderate gradient. Relatively flat areas are found on the valleys.

KPA 2: INFRASTRUCTURAL DEVELOPMENT AND SERVICE DELIVERY

This part of the analysis provides an overview of infrastructural services, and community services and facilities. The existing level of services compare relatively well to that of the district. The following trends were identified in relation to infrastructural services

⇒ **Water and sanitation**

- The Amathole District Municipality is the Water Services Authority (WSA) and the Water Services Provider for the entire Nxuba area.
- Water reticulation is provided by the WSP in the urban areas.
- Adelaide has got insufficient bulk water and ADM has started with a groundwater exploration study in Nxuba to look at alternative options.
- 100% Bucket system is used for Lingelethu and in portions of Nyarha. These toilets were upgraded to waterborne facilities although not connected to the system due to the persistent drought and insufficient capacity of the sewerage treatment plants.

⇒ **Roads and storm water**

- The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the Amathole District Municipality and the Local Municipality.
- The most important transportation distributor is the R63, linking King Williams Town to the N10 and Cradock. The stretch that transverses Nxuba from the direction of Fort Beaufort to the N10 is in a good state of repair. The R63 forms axes with the R67 which is also used as an alternative route to Queenstown via Whittlesea. These roads are particularly important for the development of agriculture and tourism in the area.
- The general condition of internal gravel roads within Nxuba is in very poor condition and storm water systems either need to be developed or extensively upgraded. The process of maintaining and upgrading roads is hampered by budget constraints.

⇒ **Electricity and energy**

ESKOM is the licensed distributor of electricity in the rural area and Nxuba Municipality renders this service in the urban areas of Adelaide and Bedford. Efforts should be intensified to increase the notified maximum demand and faulty meters should be replaced. Electrical network urgently requires be servicing and maintaining. Implement an audit of electrical connections.

⇒ **TV and Telecommunication**

- There is access to telecommunication services. The cellular network is mostly good except in the southern part of Adelaide and 2km outside of Bedford (approaching from Adelaide). There is no reception of ETV and SABC1.

The following trends were identified in relation to **community services and facilities**:

⇒ **Solid waste management**

- Refuse removal services are limited to urban areas. 75.3% of households have access to a weekly refuse removal service and a further 1.8% less frequently. 22.9% of households dispose of their own refuse. There is a licensed landfill site at Bedford and an unregistered site in Adelaide.
- A local Integrated Waste Management Plan has been developed.
- Amathole DM provides **Disaster Management** in the District from a centre in East London and there is a Disaster Management plan in place to effectively manage disasters. Disasters stem primarily from natural causes (drought, fire and storms etc). A Disaster Management Satellite Centre has been established in Nxuba and a Disaster Management Officer employed locally.
- The **pound** does not conform to the prescriber standard.

⇒ **Public, social and recreational facilities and amenities**

- There are **sport facilities** in the urban areas, but these facilities are not of the desired standard. Sport and recreation plays an important role in youth development.
- There are 5 **community/town halls** in the area which are utilized by the community. The condition of these facilities are generally poor and in need of renovation and maintenance. A new community/town hall is being built in Goodwin Park.
- 15 **Cemeteriess** serve the current demand but should be fenced.
- There are three **libraries** in the Municipal area which is managed by the Municipality in terms of a service level agreement with the Province. Nxuba has a low level **of crime** which is likely to have a positive impact on Local Economic development. Domestic violence and unlawful breaking and entering is the most prevalent crime.

KPA 3: FINANCIAL VIABILITY

The audit outcome received by Nxuba for the 2010/11 financial year was a disclaimer.

- ⇒ The Nxuba Local Municipality derives its income from external sources and generates its own income. External income is derived from government grants, subsidies and capital

- grants. Own income is derived primarily from property rates, service charges on electricity and refuse removal and other services that are provided by the municipality
- ⇒ The Municipality has a low income base and is heavily dependent on government grants and subsidies and capital grants which constitute 56% of its 2012/13 budget.
 - ⇒ Property rates constitute only 5 % of the Municipalities income. The Municipality has an updated valuation roll. Reluctance of some ratepayers to pay has, however, hampered the implementation thereof. The smooth implementation of the valuation roll could make a significant contribution to the municipality's rates income.
 - ⇒ Service charges constitute 36% of the Municipalities own income for the 2010/11 financial year. Payment rates are poor and the Municipality needs to develop a culture of payment to ensure that its projected income is realised.
 - ⇒ The capital and operational budgets constitute 18 % and 82% of the 2012/13 budget respectively.
 - ⇒ National treasury no longer prescribes a norm for salary expenditure and instead requires Municipalities to develop a personnel expenditure ratio based on their circumstances. The Municipality has allocated 35% to its personnel expenditure which is over par for expected norms.
 - ⇒ Provision is made on the budget for repairs and maintenance 9% which is just under par with the norm of between 10% and 15% proposed by National Treasury.
 - ⇒ Provision is made on the budget for the provision of free basic electricity and refuse services from the equitable share. The equitable share is not adequate to deliver services in the area
 - ⇒ The Municipality has adequate financial policies and procedures in place to effectively manage its finances although these require consistent application to achieve the desired results.

KPA 4: ECONOMIC GROWTH AND DEVELOPMENT

Economic growth and development was analyzed with specific reference to current trends in terms of poverty, employment trends and the predominant sectors. The following trends were identified;

- ⇒ High unemployment and poverty levels in the Municipality result in low affordability levels which manifest in low levels of investment, development and service delivery and under-utilization of development opportunities. There is an urgent need for major new private sector investments to create jobs and improve livelihoods in the Municipality
- ⇒ Municipality has a limited and almost non-existent industrial economy and a high dependency upon primary economic activities.
- ⇒ The sectors offering the most significant potential include:
 - Agriculture (livestock and game farming)
 - Tourism (The nature reserve, arts, crafts, scenery, wildlife, wetlands, cultural heritage).
 - SMME
 - Trade and Business Services
 - Forestry (limited to the Northern mountainous region)
- ⇒ The Amathole District Municipality has established Aspire, an Economic Development Agency, to promote economic development in the District and which is responsible for the implementation of local economic projects in the District in co-operation with the Local Municipalities.
- ⇒ Nxuba Local Municipality does not have a LED strategy.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION ANALYSIS

- ⇒ Community participation has to be improved through regular meetings and outreaches
- ⇒ Effective governance has been achieved in a number of ways;
 - The establishment of portfolio committees
 - Participation in District IGR structures
 - The establishment of Ward Committees

KPA 6: INSTITUTIONAL ANALYSIS

The following *institutional trends* were identified;

- ⇒ The organizational structure has 203 positions of which 83 (41%) are vacant; including 1 on senior management level (Levels 1-3). There are 4 critical positions which are budgeted for and need to be filled. The position of Municipal Manager is vacant.
- ⇒ The Municipality has a fairly low vacancy rate and faces challenges in recruiting and retaining key staff due to its location.
- ⇒ Lack of office space. Personnel working at separate locations within Adelaide could compromise institutions communication and corporate values.

PRIORITIES IN THE CONTEXT OF KPA's.

Financial Viability

- Implementation of the Financial Recovery Strategy
- Revenue enhancement
- Clean Audit
-

Infrastructure Development and maintenance:

- Electricity provision
- Solid Waste Services
- Roads and storm water
- Water and Sanitation (ADM):
 - Bucket eradication
 - Expansion of the sewerage treatment plant
- Community Halls
 - Goodwin Park
- Office accommodation:
 - Phase 2
- Housing (DoH)

New, Backlogs and Blocked project

Land (DoLA and Rural Development)

- Commonage expansion
- Land reform
- Environmental conservation (NLM)

Economic Development and Job Creation

- Tourism
- Agriculture
- SMME

Public Participation and Communication

- Social Services
- Fire Services
- Social Facilities

Capacity and skills Development

- Training of staff
- Organogram restructuring
- Institutional values
- Performance Management

CHAPTER: 2

2. EXTERNAL AND INTERNAL SITUATIONAL ANALYSIS – NXUBA AREA

The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment, the impact thereof on the inhabitants of the municipality and by taking cognizance of community perceptions and needs. It also facilitates the identification and analysis of the environmental challenges facing the Municipality and allows the Municipality to accurately prioritize these challenges. The analysis phase should be seen as the foundation of the IDP that informs the ensuing phases. Municipal planning, budgeting, decision making and service delivery are based on the IDP and it is therefore critical that the analysis phase of the IDP provide an accurate understanding of the prevailing environment to ensure credibility of the final IDP or IDP review.

This section provides a strategic analysis of the external and internal dimensions hereunder, which have a direct impact on development in Nxuba Local Municipality.

2.1 THE STUDY AREA

Nxuba Local Municipality is situated in the Winterland of the Eastern Cape, under the jurisdiction of the Amathole District Municipality. The two towns are imbedded with a variety of architecture and steeped in history. The Municipality has a rich historical background dating back to the 19th century with many places of interest and heritage sites that need to be preserved.

2.1.1 GEOGRAPHIC DESCRIPTION

The following map represents the geographic location of Nxuba Municipality.



Nxuba Municipal area is abutted by the boundaries of Nkonkobe (East), Lukhanji (North East), Tsolwana (North), Inxuba Yethemba (North West), Blue Crane Route (West) and Makana (South) Municipal areas.

Based on the 2007 Community Survey, the population figure is 21 467. The largest concentration of people is found in Adelaide. The economy is based on social services and government spending, with very strong roots in the agriculture sector.

The Nxuba Local Municipality covers an area of 2,749.45km² and constitutes 11.66% of the Amathole District. The physical area is characterised by three distinctive settlement and land use patterns, consisting of the undermentioned two urban centers; rural hinterland, comprising of privately owned farms where most of the farming activities take place; and high lying hinterland which is mainly characterized by mountainous terrain and hills.

- **Adelaide**, including Bezuidenhoutville and Lingelethu – old and new
- **Bedford**, including Goodwin Park and Nyarha

Suburbs/Villages

Adelaide
Bedford
Bezuidenhoutville
Lingelethu
Ndlovi
New Brighton
New Lingelethu
Old Lingelethu
Phola Park

2.1.2 DEMOGRAPHIC ANALYSIS

2.1.2.1 POPULATION AND POPULATION DENSITY

According to the 2007 Community Survey conducted by Statistics South Africa the total population of the Eastern Cape Province is 6,527 747 people and the total population of the Amathole District is 1,664 753. The District population accounts for 25.5% of the Provincial population. Nxuba Local Municipality has a total population of 21 467 which constitutes 1.3% of the total District population. Nxuba's population has declined by 13.5% since 2001 primarily due to the high death, low birth rate and out migration. The Nxuba Local Municipality has a low population density of 7.8 people per square kilometer. This is much lower than the District average of 70.6 people per square kilometer.

Table 1: Population and population density

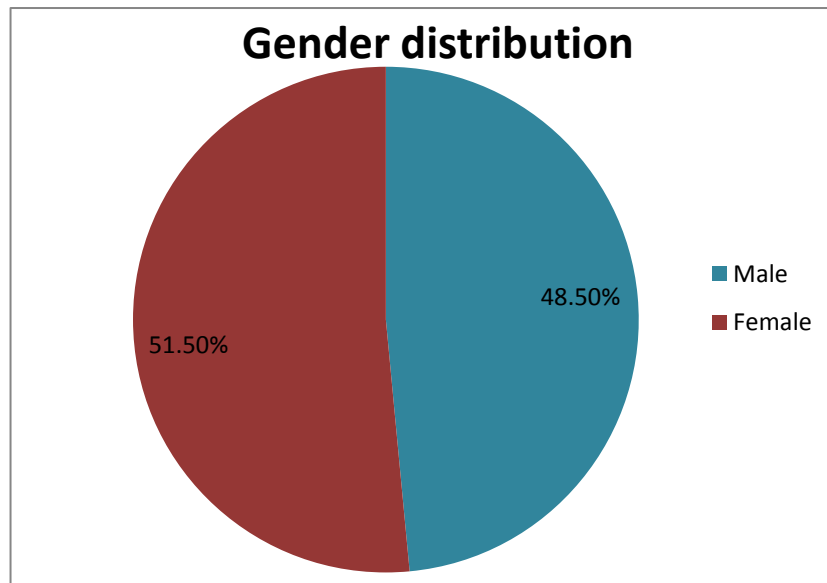
Municipality	Total Population	Area / square km	Density
Nxuba	21 467	2 749.45	7.8

Stats' SA Community Survey 2007

2.1.2.2 GENDER DISTRIBUTION

The population of Nxuba Local Municipality consists of slightly more female than male residence. Females constitute 51.5% of the population and males 48.5%. Municipal planning does takes cognizance of the gender distribution in the Municipality and the Special Programmes Unit has established Nxuba Women's Forum. The forum needs to be strengthened to continuously function optimally throughout the year and not only limit its activities to special events during Women's Month in August.

Figure 1: Gender Distribution



Source: Statistics South Africa: Community Survey 2007

Table 2: Population: Gender breakdown per group

Group	Male	Female
Black	7 806	8 320
Coloured	1 931	2 088
Indian or Asian	0	14
White	677	637
Total	10 414	11 059

Source: Statistics South Africa: Community Survey 2007

The trend in the dominance of females is consistent between the various groups with the exception of the white population where there are 40 more males than females.

Table 3: Household Head

Municipality	Male	Female
Nxuba	3587	2692

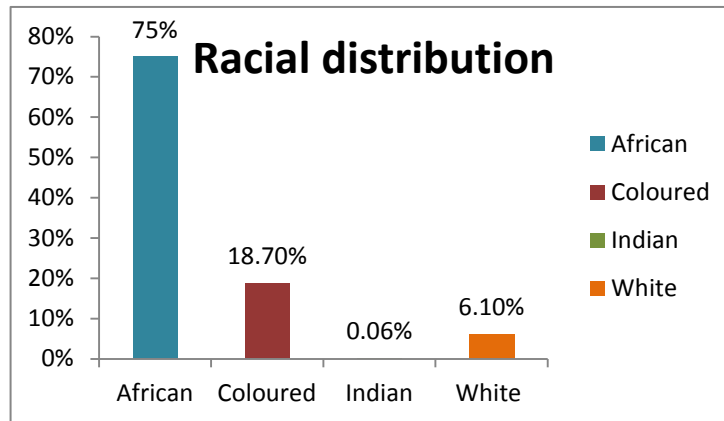
Source: Statistics South Africa: Community Survey 2007

Despite the predominance of the female population, by comparison there are 14.2% more male headed households.

2.1.2.3 RACIAL DISTRIBUTION

The majority of the population in Nxuba is African. African people constitute 75% of the population and other racial groupings make-up the remaining 25%. This trend is not reflective of the District level where African people constitute 92% of the total population and the remaining population groups only 8% of the total population.

Figure 2: Racial Distribution



Source: Statistics South Africa: Community Survey 2007

Table 4: Population by group

Municipality	African	Coloured	Indian	White
Nxuba	16 126	4 019	14	1 314

Source: Statistics South Africa: Community Survey 2007

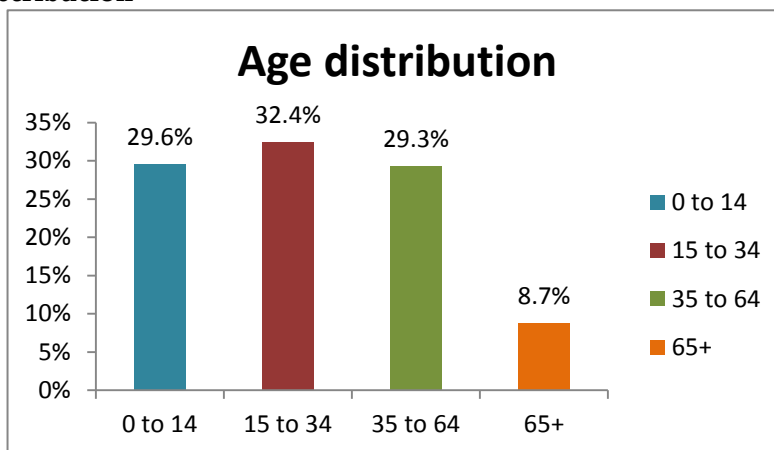
2.1.2.4 AGE DISTRIBUTION

The population of Nxuba is predominantly a youthful one. 61.9% of the population is under the age of 35 years. 29.6% of the population is between the ages of 0 and 14 years and dependent while the potentially economically active population (15 - 65 years) constitutes 61.7% of the population. The elderly make-up 8.7% of the local population.

This trend is fairly reflective at District level where 67.1% of the population are under the age of 35 years. 32.06% of the population is between the ages of 0 and 14 years and dependent while the potentially economically active population constitutes 60.28% of the population. The elderly constitute 7.6 % of the district population. The high proportion of dependent youth in the Municipality implies a higher burden on the economically active population. Given that a high percentage of the economically active population are not economically active this burden shifts to organs of state and places a higher burden on municipalities and government departments

tasked with providing social assistance such as Social Development, Health, Education etc. Municipal planning takes cognizance of the age distribution in the Municipality. The Special Programmes Unit has established an Elderly Forum and a Youth Council within Nxuba Municipality.

Figure 3: Age Distribution



Source: Statistics South Africa: Community Survey 2007

Table 5: Population by age category

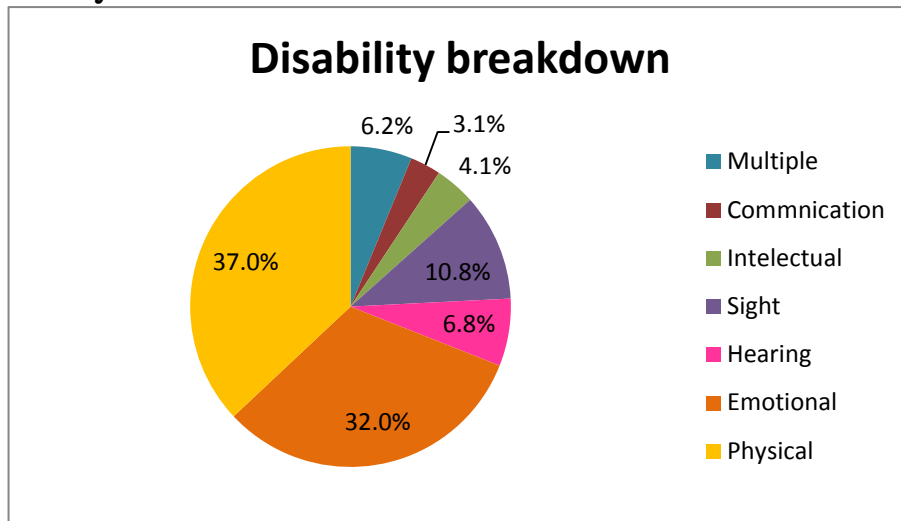
Municipality	0 to 14	15 to 34	35 to 64	65+
Nxuba	6 357	6 951	6 302	1 866

Source: Statistics South Africa: Community Survey 2007

2.1.2.5 DISABILITY

There are a number of people in the Nxuba Local Municipality who have disabilities and 7.6% of the total population suffers from some form of disability and a further 1.7% are institutionalized therefore their status is unknown. From the segment of population that suffers from some form of disability, a slightly higher percentage of males (54.4%) than the female population (45.6%) are afflicted. An analysis of the most predominant types of disability revealed that physical disabilities (37%) are the most common followed by emotional disorder (32%). Only 6.2% of people with disabilities have multiple disabilities. Municipal planning does take cognizance of people with disabilities in the Municipality. The Council has established Nxuba Disability Forum under the auspices of the Special Programmes Unit.

Figure 4: Disability breakdown



Source: Statistics South Africa: Community Survey 2007

2.1.3 SOCIO-ECONOMIC ANALYSIS

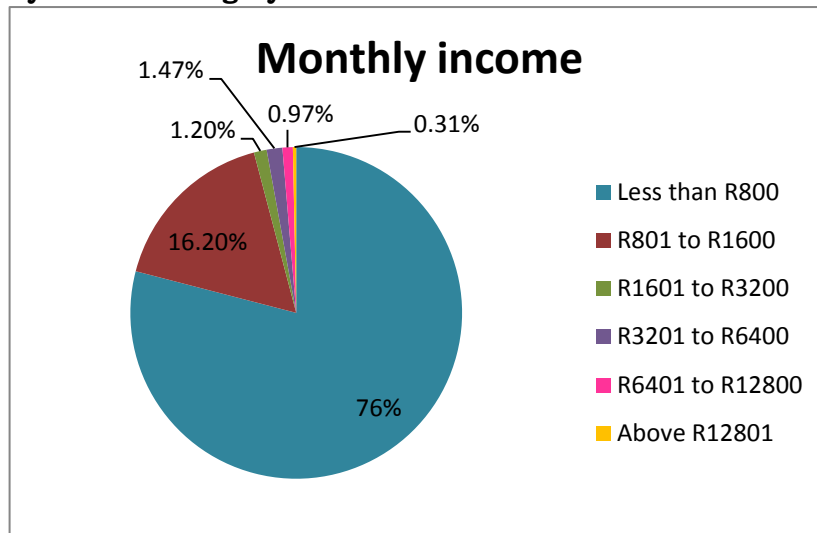
The Nxuba Local Municipality is characterized by poor socio economic conditions. The low economic growth rate coupled with low income leads to low affordability level. On average the level of services compare relatively well with that of the district.

2.1.3.1 INCOME LEVELS

Income levels within the Municipal area are very low. 60.8% of the economically active population does not generate an income. Only 9.3% of the economically active population has an income of more than R1601.00 per month. Municipal planning needs to focus strongly on local economic development initiatives that will enable the community to generate an income.

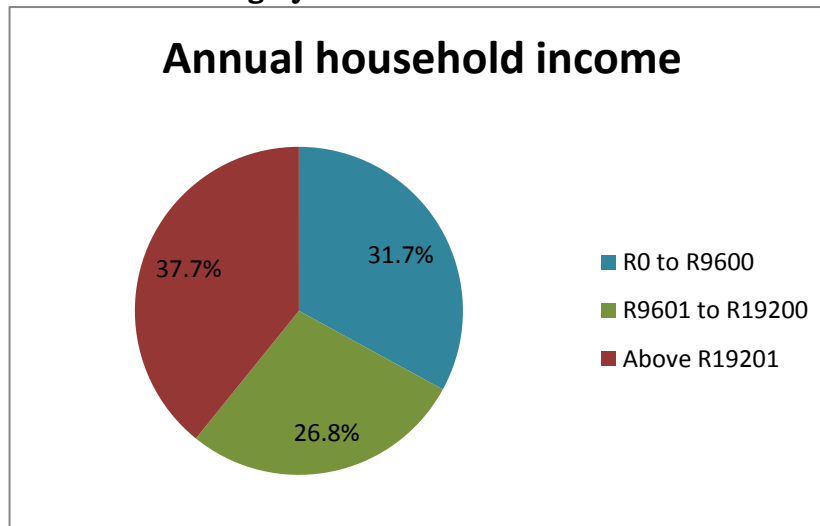
Figure 5 and 6 below represents the monthly and annual household income earned by the population as at 2007.

Figure 5: Monthly income category



Source: Statistics South Africa: Community Survey 2007

Figure 6: Household income category



Source: Statistics South Africa: Community Survey 2007

Likewise, household income levels are low. Approximately a third of the households (31.7%) within the Nxuba Municipality record income levels of R0-R9 600, and 26.8% earn between R9 601 and R19 200 a year, in other words, about 58.5% of households receive an incomes below R19 201 per annum. Annual income levels of around 3.7% households in Nxuba are unknown. The table below reflects that household incomes vary considerably in the Nxuba area.

Table 6: Annual Household Income

Municipality	None	R1- 9 600	R9601- 19 200	R19201 - 38 400	R38401- 76800	R76801+
Nxuba	808	1182	1680	1383	559	429

Source: Statistics South Africa: Community Survey 2007

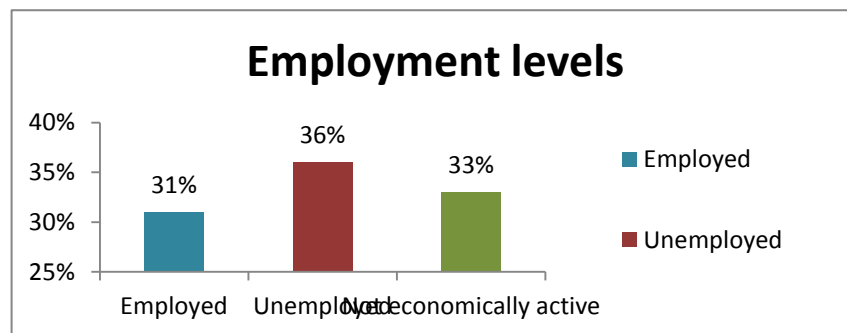
2.1.3.2 POVERTY LEVELS

Increasing levels of absolute poverty have been recorded in the Eastern Cape and 74% of the people of the Eastern Cape live below the poverty line of R800 or less a month. Poverty levels in the Amathole District are slightly lower than the Provincial norm at 72.3%. Poverty levels within Nxuba Local Municipality are 75.9% which is higher than the Provincial and District norm. High poverty levels imply a high dependency on social assistance in the form of grants. Municipal planning needs to focus strongly on poverty alleviation mechanisms.

2.1.3.3 EMPLOYMENT LEVELS AND TRENDS

The Nxuba Local Municipality is characterized by low levels of employment and a high percentage of people who are not economically active. This in turn accounts for the high poverty levels and low income levels. High unemployment rates impact negatively on municipalities as low affordability levels generally result in a poor payment rate for services. Nxuba Local Municipality's unemployment rate is estimated to be 69%.

Figure 7: Employment levels



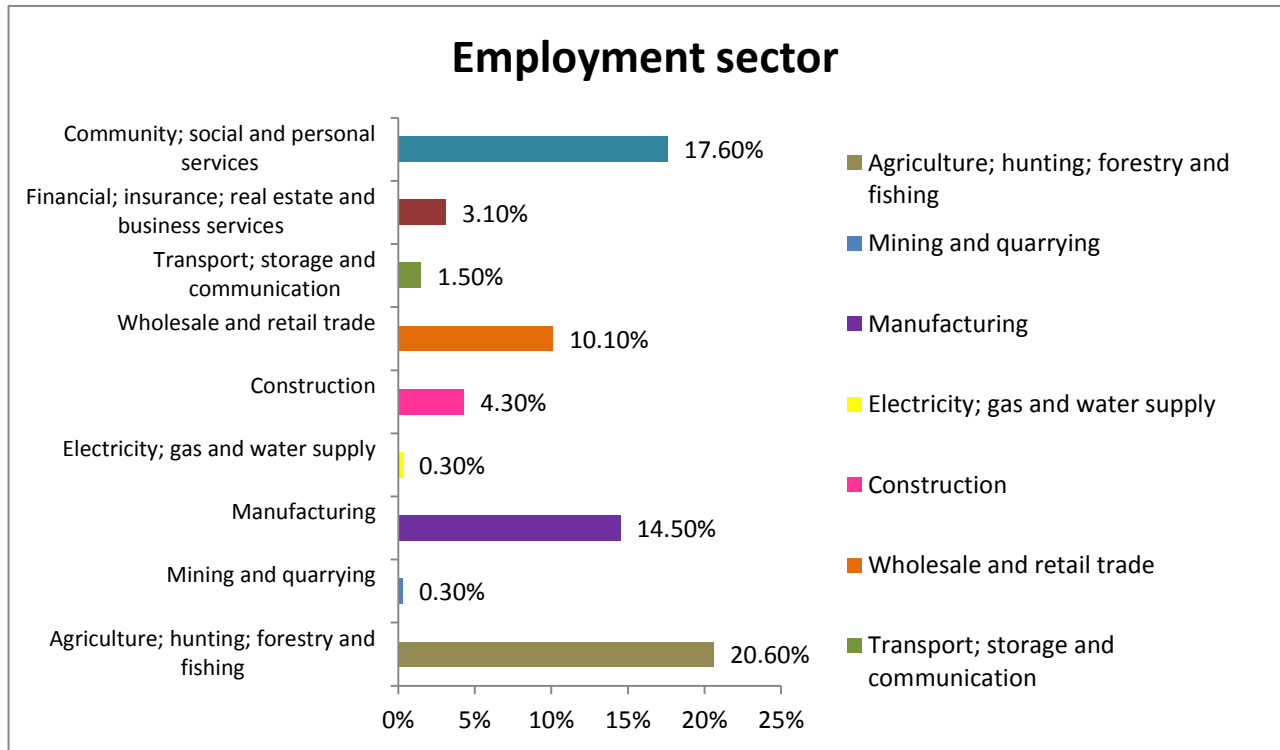
Source: Statistics South Africa: Community Survey 2007

Table 7: Labour market status of those aged 15-65 years

Status	Persons
Employed	4 069
Unemployed	4 690
Non economically active	4 299
Unspecified	121
Institutions	210
Total	13 389

Source: Statistics South Africa: Community Survey 2007

Figure 8: Employment Sectors



Source: Statistics South Africa: Community Survey 2007

The economy of Amathole District Municipality is derives from three sectors namely:

- ⇒ The Primary sector is dominated by community and public sector.
- ⇒ The Secondary most important is the finance and business services sectors.
- ⇒ The Third most important contributor to the GGP is the manufacturing sector.
- ⇒ The contribution of the agriculture sector is minimal.

These trends are not mirrored in Nxuba Local Municipality where the agriculture sector accounts for the majority of specified jobs (20.6%) and this is closely followed by the community and public sector with 17.6%. The latter sector is an unlikely base for employment expansion. Manufacturing and the wholesale and retail trade constitute the third and fourth highest employment sector (14.5% and 10.1% respectively), but it is also doubtful whether these sector will expand significantly as commercial and business activities are confined to urban centers of Adelaide and to a lesser degree Bedford. This limits the majority of the rural population from finding work in these sectors.

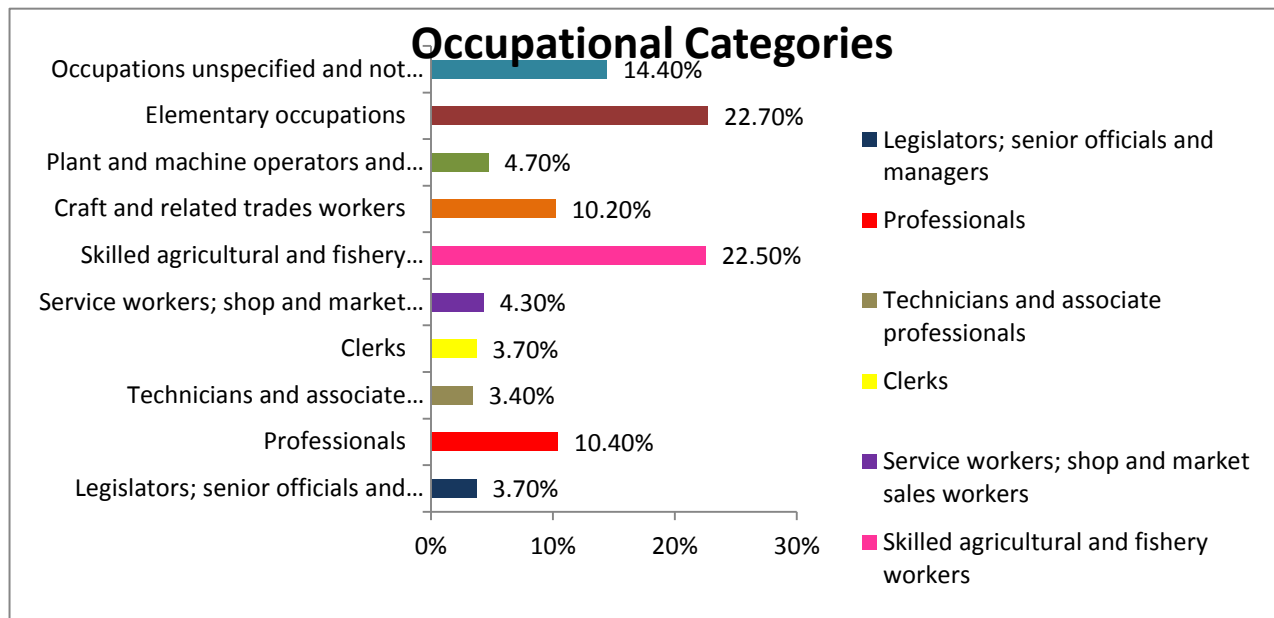
The following table provides an overview of the occupational categories within Nxuba Local Municipality

Table 8: Formal employment sectors

Municipality	Mining	Elec	Transport	Manufacturin g	Constructio n	Whole sale	Communit y	Financial	Agriculture
Nxuba	10	12	62	591	173	412	718	124	840

Source: Statistics South Africa: Community Survey 2007

Figure 9: Occupational Categories



Source: Statistics South Africa: Community Survey 2007

The employment sector is dominated by elementary occupations (22.7%) and agricultural and fishery workers (22.5%). Craft and related workers, plant and machine operators, service shop market and sales workers, and clerks jointly constitute 17.5% of the employment sector. Professionals, technicians and associate professionals and legislators /senior managers jointly constitute 22.8 % of the employment sector.

This dominance of elementary and other low level occupations is indicative of the low skills base in the area. As a result there is a shortage of skilled artisans, engineers, project managers, business management skills and technical skills in agriculture, tourism and environmental management.

Table 9: Skills levels / Occupational categories

Municipality	Senior Management	Professional	Technical	Clerks	Service Related	Agriculture and fishery	Craft / Trade	Plant Machinery	Elementary
Nxuba	152	423	139	152	173	916	414	189	922

Source: Statistics South Africa: Community Survey 2007

Table 10: Human Development Index (HDI)

Municipality	1998	2000	2002	2004	2006	2008
Nxuba	0.47	0.49	0.50	0.50	0.51	0.51

Source: Amathole IDP 2010/2011

2.1.3.4 DEPENDENCY ON SOCIAL GRANTS

There is a high level of dependency on social grants. 32.8% of the population is dependent on social grants which include the following;

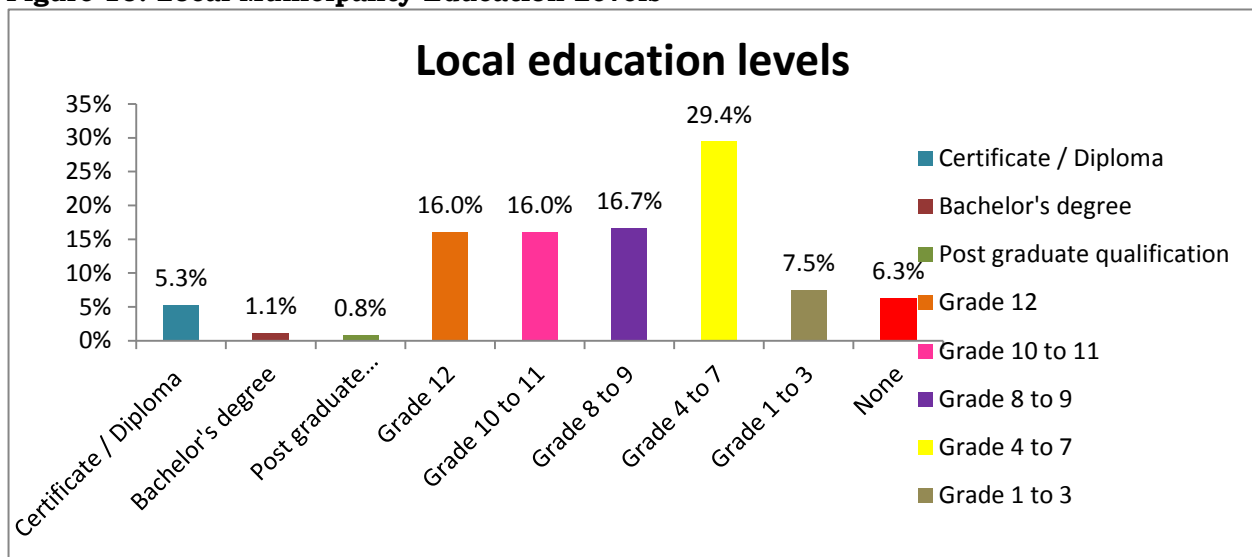
- ⇒ Old age pension
- ⇒ Disability grant
- ⇒ Child support grant
- ⇒ Care dependency grant

Child support grants and old age pensions respectively constitute 58.6% and 27.1% of the allocated grants. Only 4.4% of the population receives disability grants as compared to the 9.3% of the population who have a disability. Given the high poverty levels, the Nxuba Municipality needs to facilitate a process to ensure that all potential beneficiaries of grants receive what they are entitled to.

2.1.3.5 EDUCATION

Nxuba Local Municipality is characterized by low education and literacy levels. 6.3% of the population over 20 years of age has no education, while 36.9% has only some form of primary school education. Only 16% of the population has attained grade 12. Only 7.2 % of the population has attained any higher qualification. The following figure represents the highest levels of education attained by the population over 20 years of age as at 2007

Figure 10: Local Municipality Education Levels



Source: Statistics South Africa: Community Survey 2007

Table 11: Levels of Education: 20 years and older

Municipality	No formal schooling	Grade 0-7	Grade 8-11	Grade 12	Diploma/Certificate	Tertiary
Nxuba	840	4 911	4 319	2 130	709	247

Source: Statistics South Africa: Community Survey 2007

The Statistics South Africa Community Survey of 2007 reveals that 64.8% of the Municipality's population between the ages of 5 and 24 years is attending some form of educational institution. Of these 41.2% are attending secondary school and 1% tertiary institutions.

Table 12: Educational attendance of those aged 5-24 years

Municipality	Not attending	Pre-school	Primary school	Secondary school	University	Other
Nxuba	2 391	289	2 697	2 144	47	28

Source: Statistics South Africa: Community Survey 2007

Table 13: Education Facilities

LOCATION	PRE-PRIMARY	PRIMARY SCHOOL	SECONDARY SCHOOL
Adelaide Town	2 (Check if both registered)	1	1 Adelaide Gymnasium
Bezuidenhoutville	3	1	
Lingelethu (Old & New)	2	3	1 (New) Sipho Camagu
Bedford Town	1	1	1 Templeton High
Goodwin Park	2	1	
Nyarha	2	2	1 Lonwabo SS
TOTAL	12	9	4

In the Nxuba Local Municipality area there are 23 educational facilities. Of these facilities 10 are Pre-primary Schools, 9 Primary Schools and 4 Secondary Schools.

There appears to be an adequate number of primary education facilities in the municipal area and 17% percent of schools provide secondary level education. The closest tertiary education facility is in Alice. In addition there are a number of farm schools.

Schools
ADELAIDE GYMNASIUM
ADELAIDE PRIMARY
ALWYNKRANTZ FARM
AMAJINGQI PUBLIC
BEDFORD FS
BEDFORD PUBLIC PRIMARY
BELMONT FARM
BOSRIVIER FARM
CHEVIOT FELS FARM
COWIE BUSH P
CRAIG RENNIE P
CULLENDALE FARM
ELANDSDRIFT (PRES) P
ELINGENI P

FOUNTAIN HEAD P
GLEN THORN PRES P
HUNTLEY GLEN P
KAALHOEK FARM
KHOBONQABA P
KINGSDALE P FARM
LONWABO SS
LYNEDOCH FARM
MILLHOLME P
MILLNESS P
NONYAMEKO P
NTLAMA SP
POST RETIEF P
RICHARD MSUTHU P
ROCKVILLE P
SAXFOLD PARK FARM
SILVERBROOK FARM
TEMPLETON HIGH
VULINDLELA P
WELVERDIEND P
YELLOWWOODS P
ZEERUST P

2.1.4 HOUSING AND SETTLEMENT ANALYSIS

2.1.4.1 SETTLEMENT PATTERNS

The Municipality is predominantly rural and the majority of land is covered by dispersed low density commercial farmlands. There are two urban centers. The primary urban centre is Adelaide and secondary urban centre is Bedford. The majority of people reside in the urban areas.

2.1.4.1.1 LAND REFORM FOR SETTLEMENT AND HOUSING

The land needs for housing in ADM are detailed in the Land Reform and Settlement Plan reviewed in 2005 and in each LM's SDF. The SDF for Nxuba reflects the urban land needs by the identification of actual land parcels (Map 12 and 13). The access to such land and its acquisition could potentially be a hindrance to the implementation of the housing programme in the urban areas of Nxuba.

Closer communication between DRD & LR, the Department of Human Settlement and municipalities are required to align land reform in both the urban and rural settlement sectors. Rural housing programmes for farm workers in particular need alignment to national, provincial and municipal sectors.

2.1.4.2 HOUSEHOLDS

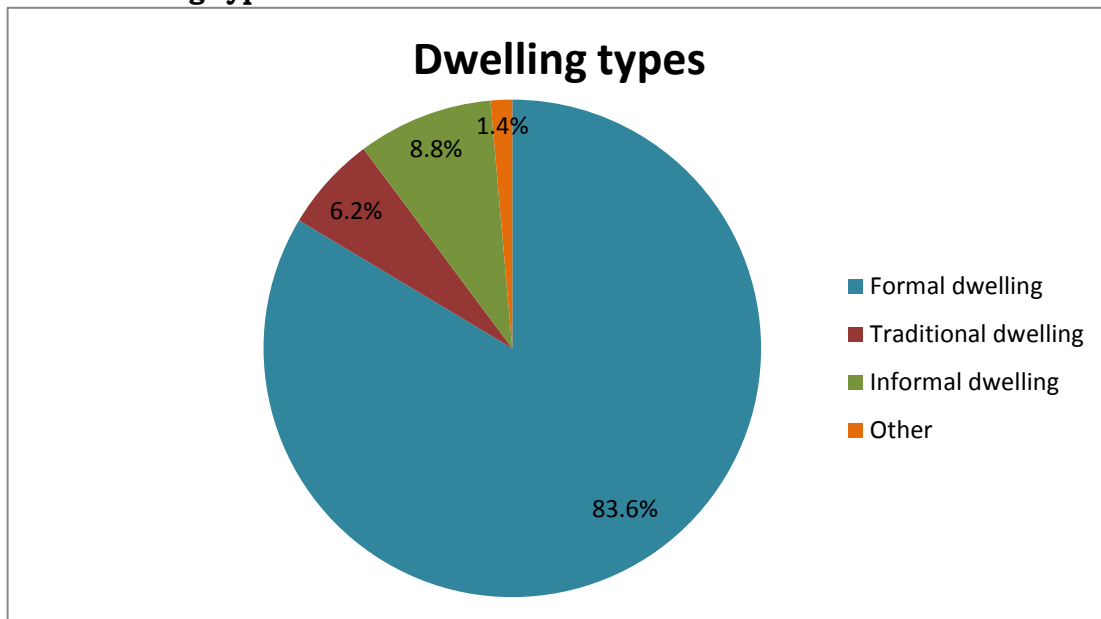
According to the Statistics South Africa Community Survey 2007, there are 6 277 households in Nxuba Local Municipality.

2.1.4.2.1 HOUSING TYPES AND TENURE

The majority of Nxuba's population resides in formal dwellings (83.6%) such as a house or flat in a town house cluster. This is confirmed by the Community Survey 2007 data stating that there are 5 246 households living in formal houses. Close on 9% of the population live in informal backyard and squatter community dwellings and a further 6% have traditional dwellings made of traditional materials.

According to the Statistics South Africa Community Survey 2007, 58.1% of the Nxuba population owns their homes. This is lower than the District norm of 65.6% and the Provincial norm of 63%.

Figure 11: Dwelling types



Source: Statistics South Africa: Community Survey 2007

Table 18: Type of structure

Municipality	Formal	Informal	Traditional	Other
Nxuba	5 246	552	387	92

Source: Statistics South Africa: Community Survey 2007

2.1.4.3 HOUSING SECTOR PLAN

The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being implementing agents. Nxuba Municipality adopted a Housing Sector Plan 2008 to 2012.

The need for subsidized housing generates the only real demand for urban space, the bulk of which is primarily for upgrading and to address the existing backlogs.

Nxuba Municipality must as part of its IDP take all reasonable steps within the framework of national and provincial housing legislation to ensure that the inhabitants within its area have access to adequate housing on a progressive basis and that conditions not conducive to the health and safety of the inhabitants of its area are prevented or removed and services in respect of water, sanitation, electricity, road, storm water drainage and transport are provided in a manner which is economically efficient. In addition the Municipality must set housing delivery goals for its area and identify and designate land for housing development.

The funding to purchase private land for housing purposes no longer forms part of the housing subsidy and the responsibility now rests with the Department of Land Affairs.

The table hereunder reflects the status quo with regard to the blocked projects.

Funding	Status quo	Location
R26 000000.00 Provisional	624 Houses Unblocked	Adelaide Ph 2
	481 Unblocked	Adelaide Ph 1
	172 Assessment report submitted	Zink Structures
	200 Assessment report submitted	Goodwin Park
	161 Busy with assessment	Nyarha

THE HOUSING ACT (ACT NO 107, 1997)

The Housing Act, 1997 stipulates that housing development must take due cognisance of the impact of housing development on the natural environment. Flowing from the White Paper the Act expands on the provisions of the Constitution, prescribes general principles for housing development. The Housing Act, 1997 states that national, provincial and local spheres of government must ensure that housing development is based on integrated development planning. The Integrated Development Planning process ensures that all plans (e.g. water services plans, housing development plans, EIAs) are considered when developing an area.

2.1.4.3.1 HOUSING BACKLOGS

Approximately 1673 potential beneficiaries appear on the housing waiting list. The total area needed to accommodate the existing demand is 56 hectares, based on the density calculated at 30 units per hectare. An approved layout plan is available and the housing application is being prepared by Amathole DM for a further 250 housing units in Worteldrift Agri-Village and has therefore not been included as part of the backlog hereunder.

TABLE 19: ESTIMATED HOUSING BACKLOG

GEOGRAPHICAL AREA	NUMBER OF UNITS
Emabaleni	173
Spoornet Area	100
Ndlovini (Adelaide)	300
Ndloveni Informal settlement (Bedford)	600
Sizakele Informal settlement (Bedford)	400
Tyoksville informal settlement	100
TOTAL	1673

(Source: Nxuba Municipality 2011)

2.1.4.3.2 HOUSING AND LAND REFORM NEEDS IN NXUBA

Housing backlogs are currently being recalculated by the provincial Department of Housing. The existing data on backlogs given in the table 20 below suggests that there is currently a backlog of some 182,439 units within the jurisdiction of Amathole DM of which Nxuba contributes 0, 5%, which is the lowest in the district. (ADM. ABP)

Table 20: Housing Backlogs for Nxuba Municipality

LOCAL MUNICIPALITY	NO. OF UNITS	%	NO OF HECTARES
Nxuba	1000	0.5	30

Source: Dept of Housing 2007

The eradication of current housing backlogs in the municipal area will have a positive impact on the construction industry and the creation of jobs. It is therefore critical that housing projects are linked to strategies that will ensure greater local content and the development of local small businesses or contractors in this sector.

2.1.4.4 AREA BASED PLAN – NXUBA LAND REFORM

The Department of Rural Development has compiled an Area Based Plan, for the Amathole district area as a whole. An Area Based Plan essentially is a sector plan that seeks to address land related issues at a municipal level and is intended to form part of the Integrated Development Plan (IDP), informing the Spatial Development Framework (SDF) and Land Use Management System (LUMS). Fundamentally the Plan seeks to integrate Land Reform into the municipal planning process wherein identified projects are supported during and post implementation phases to ensure sustainability. Also to develop an implementation tool for pro-active land acquisition to facilitate acquisition of land at scale by DRD & LR to meet the 2014 target of transferring 30% of white owned land into the hands of the black farming class.

This study therefore identifies the distribution of State Land, land under claim and other forms of tenure. The information is currently (2010) being updated and will soon be available to the District and Local Municipalities for use in planning.

The prime purpose of the country's land reform programme is to address the skewed land ownership patterns that were given effect by the 1913 Land Act. The key objectives of the land reform programmes are:

- Redistribution of 30% of white owned land by 2014 for sustainable agricultural development.
- Provision of tenure security to create socio-economic opportunities for those who have less formal forms of tenure.
- Provision of land for sustainable human settlements, industrial and economic development.
- Provision of efficient state land management that supports development.
- Provision of efficient land use and land administration services.
- Settlement of all outstanding land claims and implementation of restitution awards.
- Development of programmes for empowerment of women, children, disabled, People Living with Aids, youth and the aged within DRD & LR mandate.

The Land Reform Programme is anchored on three key programmes, namely: *restitution*, *redistribution*, and *tenure reform*. These were developed to promote land acquisition, restore land rights lost through dispossession and achieve tenure upgrade respectively.

This sub-section provides an analysis of spatial and household data and attempts to display these dynamics in the context of land reform.

Table 13: Land situation in Nxuba Local Municipality in KM²

LAND CATEGORY	Communal (PTO, Quitrent, Freehold, Landless)	Farms ((Freehold, farm workers)	State Land (Leased)	Urban Commonage (Landless, township)	Forestry, Conservation	TOTAL AREA
Notes	1	2	3	4	3	
Nxuba	0	2734	0	57	0	2739

Land Reform Situations in Nxuba Local Municipalities in KM²

TABLE 14: NXUBA LAND REFORM SITUATION

Local Municipality	Farms	Redistribution (SLAG, LRAD)	Redistribution %	Restitution (all land categories)	State Land (GIS & Vested)	State Land Disposal	State Land Disposal %
Notes	2	5		7	3	8	
Nxuba	2734	0	0	12	0	0	0

N.B. Totals may not match as data is obtained from unrelated sources

Key:

2. Source: GIS map, S.G cadastre
3. Nkonkobe

5. Source: DRD & LR Spatial Planning and PLRO tables
7. Source: DRD & LR Spatial Planning. These data require verification
Restitution may overlie any category of land but especially farms and state land.
8. Vested Land

Table 15 below represents restitution claims settled within the jurisdiction of Nxuba Municipality. This data consist of validated, gazette, settled, research, registered and dismissed claims. The total number of claims in the Amathole district is 5989. A large number of these claims are in the Buffalo City Municipality at 5795 almost 96% of the claims in the Amathole district, followed by Nxuba Municipality at 69 representing 1.25% of the total number. Mbashe has the lowest number (0.05%) of claims.

TABLE 15: STATUS OF RESTITUTION CLAIMS FOR NXUBA MUNICIPALITY

Municipality	No of settled claims	Percentage (%)
Nxuba	75	1.25 %

2.1.4.4.1 REDISTRIBUTION STRATEGY

Although PLAS should be the major tool in accelerating land acquisition and redistribution, it is important that the other redistribution programmes (LRAD, State Land Disposal, and Commonage Extension) are also accelerated. Similarly, rural restitution settlements also need to be urgently completed. Pre-requisites for an accelerated, sustainable redistribution programme in each Local Municipality are to:

- Complete a land needs survey;
- Quantify the 30% target in hectares as illustrated in Table 17below;
- Locate the LR focus areas;
- Identify farms for sale with the help of farmers / farmer's associations/Agri-EC;
- Identify and match potential beneficiaries to farms.

Table 17: Nxuba Land Redistribution 30% target in Hectares to 2014

Municipality	Farms (ha)	30% area	Per year to 2014	No of farms per year
Nxuba	269 200	80 800	16 000	16

At a municipal level land needs are often expressed through a sector initiative, such as housing development.

2.1.4.5 COMMONAGE

Both towns have commonage pastures around the built up suburbs that are used for grazing of livestock. The poor rains and dryer conditions, coupled with large herds, have placed environmental pressure on the commonage causing erosion, loss of grass cover resulting in considerable degradation.

2.1.4.5.1 COMMONAGE EXPANSION

The high demand for subsidized housing has resulted in the utilization of large portions of municipal owned commonage for the purposes of residential development. The acquisition of land for communal / small scale farming and the potential for job creation and economic sustainability in adequately managing the expansion of commonages should be prioritized.

- This necessitates the development of a Commonage Management Plan for Nxuba and to lobby for grant funding from the Department of Land Affairs to acquire land for commonage purposes. Approach Amathole DM to assist in these endeavors.
- Soil and economic sustainability studies must be undertaken;
- SDF proposals regarding commonage usage must be considered;
- Permanent settlement on expanded commonage acquired for small scale agriculture should be disallowed;
- Community based partnerships to manage expanded commonage should be encouraged.

2.1.4.5.2 COMMONAGE LANDS REFORM

There is a need for additional commonage land in the vicinity of the two towns to answer the demand for grazing from township and informal settlement livestock owners. The Commonage Grant provides the means to acquire farms for this purpose; such farms do not necessarily have to be directly adjacent to existing commonage.

The most important aspect of commonage extension is that the Local Municipality puts in place a proper management system to ensure the sustainability of such projects.

2.1.4.5.3 AGRI VILLAGE

The ADM's Land Reform and Settlement Plan of 2005 indicates that farmworkers on commercial farms need land for security of tenure, either on farms or in agri-villages. This is a community that largely worked on farms in the rural hinterland surrounding Adelaide and Bedford.

In Nxuba, tenure upgrade is considered significant due to historic experiences with forced removals. There is no positive policy or programme tailored specifically towards farm workers, who are assumed to be covered by LRAD or Proactive Land Acquisition Strategy (PLAS). On-farm tenure through negotiation and use of LRAD, off-farm tenure using PLAS, and acquisition of land for Agri-villages should form the basis of a pro-active LR programme for this sector. Such a programme would relieve the informal settlement pressures around small agricultural centers such as Adelaide.

Amathole District Municipality purchased Portion 1 of the Farm Worteldrift (588 hectares) on the outskirts of the urban edge of Bedford. This area has been included within the boundary of the reviewed urban edge and no further extension is envisaged. The Worteldrift Rural Agri Village makes provision for approximately 250 surveyed residential even with an average area of 1000 m². This project aims to provide land for farm labourers who live and carry out subsistence farming in a sustainable manner. A Project Application will be submitted to the DoH through Amathole DM for 250 housing units (1000m). A beneficiary waiting list has been drawn-up. Nxuba Municipality owns large tracts of farm land in the Adelaide area.

TABLE 16: Land Delivery System: Nxuba Municipality

UNITS OF ANALYSIS	ADELAIDE	BEDFORD
LRAD	0	3
PG & Other	3	0
No of Individuals	0	121
Hectares	0	3510
Grant Amount	0.00	2 048 810
Purchase Price	0.00	2 085 000

Primary data indicates that the Provincial Department of Rural Development & Land Reform has procured 3 510ha for 121 land reform beneficiaries in Bedford. The total capital cost of the project procured is R 4 533 810 divided between R 2 048 810 in state grants and R2 085 000 land value.

2.2. KPA 1: SPATIAL ANALYSIS

2.2.1 EASTERN CAPE PROVINCIAL SPATIAL DEVELOPMENT PLAN (ECPSDP): 2010 REVIEW

The Department of Local Government and Traditional Affairs, with the assistance of UN-Habitat, undertook the Review of the Eastern Cape Provincial Development Plan (ECPSDP) in 2010.

The first ECPDP provided strategic principles rather than a prescriptive framework for development for local and district municipalities. The Review on the other hand considers issues such as clustering of opportunities in nodes and development corridors to achieve areas of shared impact. It also takes into account the environmental potential, and characteristics, economic attributes, migration trends and the impact of climate change on development. The impact of these factors will influence the development trends in Nxuba thus will be taken into account during the next SDF review.

2.2.2 NXUBA SPATIAL DEVELOPMENT FRAMEWORK

Nxuba municipality has developed a Spatial Development Framework which was reviewed in 2011.

- ⇒ The following *spatial trends* were identified;
 - The Municipal area is predominantly rural and dispersed with low density commercial farms. It is estimated that there are 6 277 households in the municipal area. There are two urban centres, the primary one being Adelaide and Bedford serves as a secondary service centre.
 - According to the Community Survey 2007, 58.1% of the Nxuba population owns their homes. 41.4% of the population either make use of rented accommodation or reside rent free which normally implies a high backlog in terms of housing grants but in the case of Nxuba it is also contributed to the fact that many households work and live on the surrounding farms.
 -

⇒ The **biophysical environment** is characterized by mountainous terrain and hills, with moderate gradient. Relatively flat areas are found on the valleys.

2.2.3 ENVIRONMENTAL ANALYSIS

The biodiversity land management class that dominates the landscape is *near natural landscapes* and the recommended land use objective is to maintain the biodiversity in as natural state with minimal loss of ecosystem integrity. No transformation of natural habitat should therefore be permitted. Recommended land uses are limited to conservation, game farming and communal livestock.

The second largest track of land is functional landscapes and the recommended land use objective is to manage this area for sustainable development, keeping natural habitat intact in wetland and riparian zones. Environmental authorisation should therefore support ecosystem integrity. Recommended land uses are conservation, game farming, communal livestock and commercial livestock ranching. Conditional uses such as, dry land cropping, irrigated cropping, dairy farming, timber production or for settlement purposes, will be subject to environmental authorisation. (EIA)

To a smaller degree there are tracks of natural landscapes and the recommended land use objectives is to maintain the biodiversity in as natural state as possible. These zones should accordingly be managed for no biodiversity loss. Recommended land use is strictly limited to conservation purposes.

Small pieces of land pockets classed as transformed landscapes are also in existence and the recommended land use is for sustainable development.

The intrinsic bio-diversity value of eco-systems and natural habitats on commercial farmlands provide the basis for eco-tourism diversification, thus activities need to be carefully planned in order to integrate with the environmental attributes and minimize any negative impacts. In terms of land use management, the specific ecosystems and vegetation communities that require specific environmental management are wetlands, grasslands and other indigenous forests which provide the habitats of important species.

In general term, development proposals should seek to meet the following Spatial Guidelines:

- Encourage environmental sustainability.
- Meet basic needs in an economically and environmentally efficient and sustainable manner.
- The disturbance of eco-systems and loss of bio-diversity must be avoided or at least minimised and remedied.
- Pollution and degradation of the environment is to be avoided, or where they cannot be altogether avoided, minimised and remedied.
- Protect the landscapes and sites that constitute the area's cultural heritage.

The municipality does not have the financial resources to employ a full-time environmental officer but is committed to partner with ADM and Department of Environmental Affairs to develop an Environmental Management System. In preparation for an EMP the Departments of DEA will be approached to assist with an environmental audit for the Nxuba area.

In the interim the municipality will ensure that any local activities, listed hereunder, that require an Environmental Impact Assessment will be undertaken either as a scoping exercise or a full EIA and mitigation measures will be adhered to.

- Solid waste disposal;
- Change in land use from agriculture, nature conservation or zoned open space to any other use;
- Cemeteries; and
- New housing development

2.2.3.1 ENVIRONMENTAL MANAGEMENT LEGISLATION

There are several pieces of legislation that have implications on the long-term management of environmental resources around Nxuba Local Municipality. Integrating environmental management into development initiatives is not a choice but a response to the law some of which are outlined below.

2.2.3.1.1 SOUTH AFRICAN CONSTITUTION (ACT NO 108, 1996)

The environmental clause of the Bill of Rights provides that everyone has the listed right:

- a) To an environment that is not harmful to their health or well-being and
- b) To have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that –
 - i) Prevent pollution and ecological degradation
 - ii) Promote conservation
 - iii) Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

2.2.3.1.2 NATIONAL ENVIRONMENTAL MANAGEMENT ACT (ACT NO, 107, 1998)

The Environmental Management Act 107 of 1998 provides an overall framework for environmental management in South Africa to ensure the effective protection and responsible utilization of the environment. According to the Act, the protection of the environment and the promotion of sustainable utilization of natural resources will take place as a matter of policy.

Its prime aim is to provide for co-operative governance to establish principles for decision making on matters affecting the environment, establishing institutions to promote co-operative governance and establishing procedures for coordinating environmental functions

2.2.3.1.3 CONSERVATION OF AGRICULTURAL LAND ACT (ACT NO 43, 1983)

The Act provides for, among others, control over the utilization of the natural agricultural resources to promote the conservation of the soil, water sources and vegetation, and the combating of weeds and invader plants.

2.2.4 CLIMATE PATTERNS

2.2.4.1. CLIMATE

The Climate Information Portal (CIP) developed by the climate systems analysis group (CSAG) at the university of cape town is a very useful web interface/tool for collecting climate data – observational climate data as well as projections of future climate. The CIP tool can be accessed at: <http://cip.csag.uct.ac.za/webclient/introduction>). It must be noted that the CIP tool does not have climate data for all the municipalities or regions – for example, the CIP tool does not have climate data for Nxuba municipality - in this circumstance existing climate change information in the municipality can be used.

2.2.4.2 RAINFALL AND TEMPERATURE

According to a climate change forecast study conducted by Amathole District Municipality as part of its Climate Change Strategy; Nxuba Local Municipality is expected to have:

- Average monthly temperatures, which will increase by 1.5 to 2.5 degrees Celsius
- More extremely hot days and heat waves,
- Fewer cold and frost days,
- Increase or decrease in annual average precipitation in certain areas,
- Likely changes in precipitation occurrences and a possibility of:
 - Increased variability from year to year
 - Heavier and more intense rain
 - Higher livelihood of destructive storms
 - Shorter return periods for floods

2.2.4.3 Conclusion

It is clear from the forecast that Nxuba will experience heavy rains, and temperatures are projected to increase. Increased rainfall and the resulting floods will have implications for the municipality (livelihood) – preparedness in terms of disaster and risk management is essential. Increased temperatures on the other hand will result in extreme heat which will cause veld fires, uncomfortable heat levels for human beings etc. The municipality has to adopt adaptation measures for future climatic changes such as these. Sustainable housing design/green building is one of the ways that the municipalities can respond to extremes heat. Thus, the climate information presented calls for need for the municipality to find ways to adapt to the projected climatic changes. However, adaptation needs to be balanced with

mitigation. Mitigation means reducing carbon emissions that cause climate change. To mitigate, the municipality has to undertake a greenhouse gas emissions scan.

3 UNDERSTANDING MUNICIPAL GREENHOUSE GAS EMISSIONS

3.1 GREENHOUSE GAS EMISSIONS SCAN

A greenhouse gas emissions scan is a quick glance at the carbon footprint of the municipality and its surrounding communities. It measures carbon dioxide and methane emitted. It provides a baseline picture for measuring progress, provides information with which to make policy decisions. It enables the municipality to know which sectors in its demarcated area contribute the most to GHG emissions and it helps the municipality to prioritise mitigation actions, support national commitments and improve the economic resilience of its region.

In establishing a greenhouse gas picture, the following information needs to be collected:

- Liquid Fuel Data which can be requested from the South African Petroleum Industry Association, alternatively the Department of Energy.
- Electricity data, which is available within the municipality, only if it is the distributor or alternatively from Eskom, only if the state-owned power utility is the distributor.

For optimum results, when using the greenhouse emission scan, it is important to select a year or a time horizon for which you will get the most data. The data that was used in this document was a 2009 data.

3.2 Collecting and calculating data

Fuel	Unit	Quantity	Conversion factor (GJ/unit)	GJ	Conversion factors (tonnes CO ₂ /GJ)	tonnes CO ₂ e
Electricity (munic)	kWh	0	0.0036	0	0.3056	0
Electricity (Eskom)	kWh	0	0.0036	0	0.3056	0
Paraffin	litre	13 859	0.036	499	0.0717	36
LPG	m ³	0	0.025	0	0.063	0
Natural gas	m ³	0	0.039	0	0.0642	0
Coal	kg	0	0.03	0	0.0944	0
Petrol (transport)	litre	0	0.034	0	0.0692	0
Diesel (transport)	litre	206 793	0.037	7651	0.0739	565
Heavy furnace oil	litre	0	0.04	0	0.0772	0
Coke	kg	0	0.034	0	0.107	0
Wood	kg	0	0.019	0	0	0
Aviation Fuels	litre	0	0.036	0	0.072	34

Maritime Fuels	litre	0	0.037	0	0.078	0
Solid waste (landfill)					0.76	500 401
Waste water treatment	ML	0			0.033	21 728
TOTAL tons CO ₂ e						12 846 344
Population						21 467
Tonnes CO₂e/capita						0.8

3.3 ANALYSIS

3.3.1 SUBSTANTIAL CONTRIBUTIONS TO EMISSIONS

South Africa's emissions per capita exceed the world average of 4 tons per capita at about 8 tons per capita. Smaller-rural towns and villages in South Africa have very low CO₂ emissions per capita – often at 1-2 ton/capita in line with the rest of Africa and below the world average. Nxuba's CO₂ emissions per capita are very low, at 0.8 ton CO₂e/capita. However, it is important to note that, those figures might not be a true reflection of reality since electricity data for Nxuba was not available. Though not significantly, inclusion of electricity data can change that picture.

2.3 KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE

Service delivery is divided into three groups; namely infrastructure services, and community services and facilities. Service delivery fall within the functional area of a number of different institutions, but all impact on the lives of the community and are hence mentioned here.

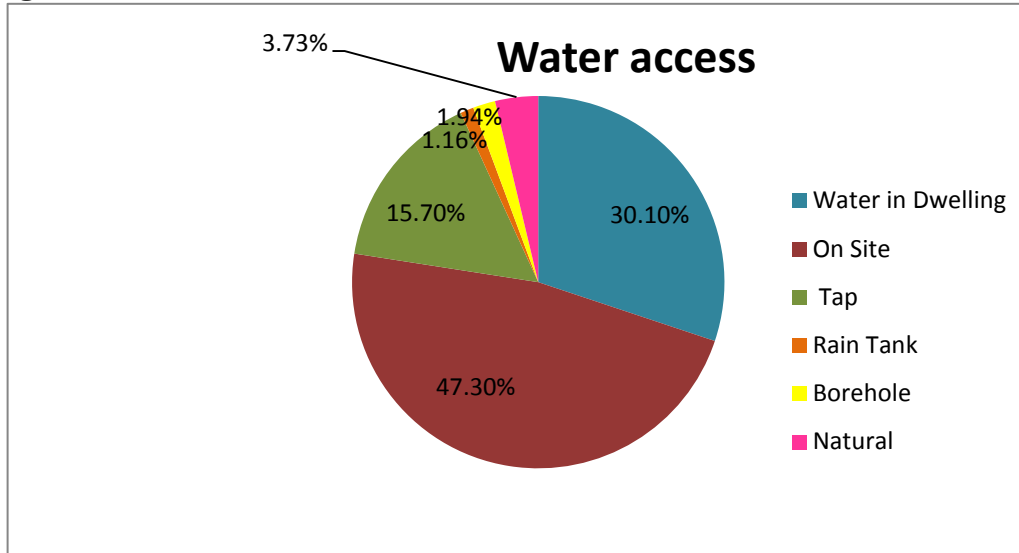
2.3.1 INFRASTRUCTURE /CAPITAL INVESTMENT

2.3.1.1 WATER AND SANITATION

The Amathole District Municipality is the Water Services Authority (WSA) and the Water Service Provider for the Nxuba Local Municipality area of jurisdiction and therefore responsible for the planning and provision of water and sanitation services.

2.3.1.1.1 WATER

Figure 12: Water access



Source: Statistics South Africa: Community Survey 2007

Table 21: Access to water

Municipality	Water in Dwelling	On Site	Tap	Rain Tank	Borehole	Natural	Total
Nxuba	1 891	2 973	984	73	122	234	6 277

Source: Statistics South Africa: Community Survey 2007

93% of the households have access to water within the standard set for RDP provision of which 15.6% consists of taps within a range of 200m. Approximately 7% of the inhabitants use water from tankers, boreholes and other sources. Due to the dispersed farming settlement patterns it is concluded that the majority of inhabitants living in the rural hinterlands make use of boreholes, tanks and other water sources in the rural areas.

Water reticulation is only provided in the urban areas. In June 2009 Nxuba was declared a drought stricken area. Due to the seriousness of the drought and below-normal rainfall conditions, ADM embarked on a groundwater exploration study in Nxuba with funding received from Dept. of Water Affairs.

ADELAIDE

Adelaide bulk water supply comes from the weir in the Koonap River located 12 km west of the town which gravitates down to a treatment plant. The bulk water is insufficient. There is a water reservoir located in Adelaide Town, Bezuidenhoutville and Lingelethu respectively. The reservoir at Bezuidenhoutville and Lingelethu are empty due to the ongoing drought and Amathole DM is supplying both areas with water tankers. As at January 2011, the reservoir at Adelaide town is still operative but the supply is limited to the town.

BEDFORD

Bedford's main supply of water is the Andrew Turpin Dam. The dam is about 60% full. The water treatment plant has been upgraded with funding provided by the Amathole District Municipality.

In terms of reticulation, the two township areas, Lingelethu and Nyarha have 50% and 80% reticulation respectively.

RETICULATION

GEOGRAPHICAL AREA	CONNECTION
Adelaide Town	100 % metered connection
Bezuidenhoutville	100 % metered connection
Lingelethu (Old & New)	50 % metered connection
Bedford Town	100 % metered connection
Goodwin Park	100 % metered connection
Nyarha	80 % metered connection

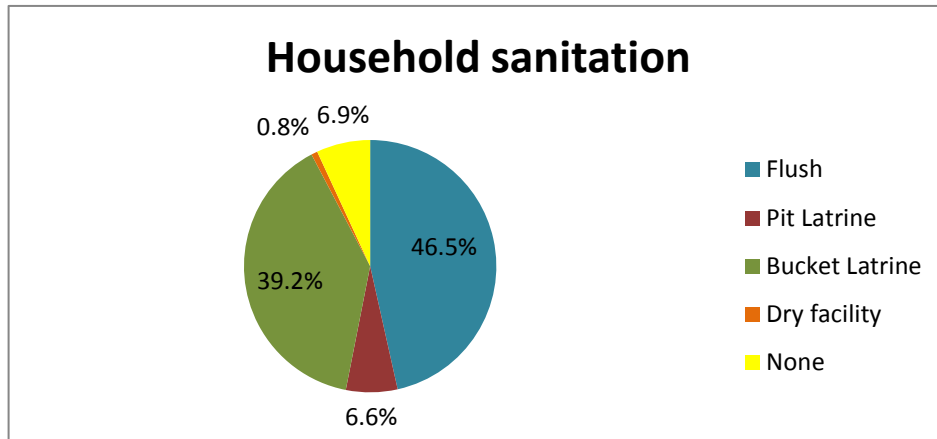
NATIONAL WATER ACT (ACT NO.36, 1998)

Application of this legislation will ensure that Nxuba Local Municipality optimizes utilization of the water resources in the District. It aims to manage the country's water resources to meet a wide range of objectives including basic needs, equitable access, facilitating social and economic development, protecting ecosystems and preventing pollution.

2.3.1.1.2 SANITATION

The Statistics South Africa Community Survey of 2007 reveals that a high number (39.2%) of the residents within Nxuba are using a bucket toilet system, 6.9% have no sanitation services and 10% uses pit latrines.

Figure 13: Household sanitation



Source: Statistics South Africa: Community Survey 2007

Table 22: Type of Sanitation

Municipality	Flush	Pit Latrine	Bucket Latrine	None	Dry facility
Nxuba	2916	414	2461	435	50

Source: Statistics South Africa: Community Survey 2007

The sanitation constraints are mostly being experienced in Lingelethu (100% bucket system) and Nyarha (30% waterborne and 70% bucket system). It should, however, be noted that the inadequate sanitation system has been upgraded but not connected to the waterborne sewerage system due to the severe shortage of water and limited capacity of the sewerage treatment plants. No formal sanitation service is offered for rural hinterlands, as these are privately owned farms.

- Other areas in need of proper sanitation include, Ndlovini, Sizakele, Bongweni, Polar Park and the informal areas.

ADELAIDE

The sewerage treatment works consists of 6 Oxidation ponds and an aerated lagoon with a total volume of 2795 cubic meter, which covers an area of 3.44 ha. The sewer treatment plant at Adelaide poses a health hazard as it is too close to the residential area Lingelethu

There is three pump stations in Adelaide Town and one in Bezuidenhoutville that serve the Adelaide area. A sewerage treatment plant (Phase 1) was constructed during the course of 2002.

BEDFORD

A sewerage pump station consisting of six oxidation ponds is located on the North-eastern side of Bedford.

Areas of prioritized intervention

- Upgrade / expand capacity of the sewerage treatment plant at Adelaide and Bedford and connected the inadequate sanitation system at Lingelethu and affected portions at Nyarha to the waterborne sewerage system.

TABLE 23: RETICULATION

GEOGRAPHICAL AREA	TYPE
Adelaide Town	100 % waterborne sewerage
Bezuidenhoutville	100 % waterborne
Lingelethu (Old & New)	100% Bucket system (not connected)
Bedford Town	100 % waterborne sewerage
Goodwin Park	95 % waterborne sewerage
Nyarha	30% Waterborne – to be check with ADM
Rural	70% bucket system (Status unknown/No formal sanitation system)

2.3.1.2 ROADS AND STORMWATER

The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the District Municipality and Nxuba Local Municipality. Nxuba Municipality is guided by the district-wide Amathole Integrated Transport Plan. The Department of Roads and Transport establishes and maintains National and Provincial roads. The construction and maintenance of access roads and local municipal streets is performed by Nxuba Municipality, who are also responsible for ensuring that storm water is effectively managed.

The Department allocated R9.2 million grant funding for the maintenance of rural access roads in the 2010/11 budget. A further R10.5 million (indicative) is earmarked for the 2011/12 financial year. It also contributes to economic upliftment of the area through EPWP Programmes. Work opportunities for approximately 79 people have provided through the EPWP Programme. This initiative employs community members to carry out routine road maintenance for a period of 8 days a month, at R480.00.

The Transport Forum is functional and meets quarterly.

The roads in the Nxuba area are generally in a very poor condition as reflected in table 25 below. Roads and Stormwater is a priority issue and the road section has 25 employees to improve and maintain the road network. MIG funding has been utilized to complete approximately 6km paving of access roads, and streets in the towns are receiving patchwork (potholes) which is done with cold premix using in-house funds. Sabunga is however in short supply.

TABLE 25: STATUS OF MUNICIPAL ROADS AND STORM WATER

AREA	STATUS OF MUNICIPAL ROADS
Adelaide Town	Tarred roads are in poor to very poor condition
Bezuidenhoutville	Gravel roads are in a very poor condition. The storm water system needs a lot of upgrading.
Bedford Town	The main road is tarred and not in a bad condition. The rest of the town's gravel roads are in a very poor condition. The storm water system needs upgrading.
Goodwin Park	All streets are gravel roads and in very poor to dangerous condition. There is no proper storm water infrastructure.
Nyarha	The access road is tarred and in good condition. All other roads are gravel in poor to very poor condition. There is no proper storm water infrastructure.

The Municipality does not have a storm water /pavement management system nor sufficient roads infrastructure. Maintenance is carried out as and when required. Preliminary investigations estimate that in the regions of R200,000.00 will be needed to purchase the software programme to manage a Storm water/Pavement Management System.

An additional problem is that in some areas the water infrastructure is very near to the surface and this hampers grading and routine maintenance. A co-ordinated approach will be embarked upon by Nxuba in conjunction with Amathole DM to overcome this constraint.

Areas of prioritized intervention

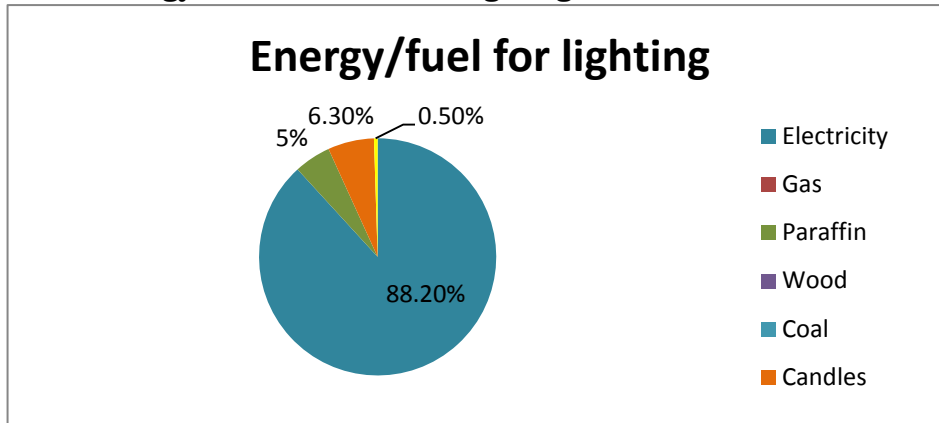
- Develop a storm water / pavement management system; Negotiate with ADM/DR&T for funding to develop a Pavement Management System.
- Develop a road maintenance plan; NLM/ADM/DR&T
- Source funding for the resurfacing of streets including plant ; and
- Facilitate the improvement of road infrastructure. (Integrated Infrastructure Investment Plan)

2.3.1.3 ELECTRICITY AND ENERGY

The Municipality is the Service Provider for electricity and distributes in the urban area. Rural areas are supplied by Eskom. There are 5 535 households in Nxuba area that use electricity for lighting and an additional 742 households use alternative sources of energy. It is unknown whether rural farm workers, who might otherwise qualify for FBE if they lived in the urban area, are benefitting from the free basic energy policy.

There is no major electricity out breakages currently, though the infrastructure in some areas needs upgrade. Street lights in some areas are a great challenge as the Municipality is experiencing financial difficulties resulting in non-maintenance. There are seven high mast lights in Adelaide and six in Bedford.

Figure 14: Energy/fuel for household lighting



Source: Statistics South Africa: Community Survey 2007

Table 26: Source of Energy for cooking, heating and lighting

Municipality	Electricity	Gas	Paraffin	Wood	Coal	Candles	Other Source
Cooking	4344	308	1232	378	0	0	16
Heating	1255	121	2944	1550	119	0	290
Lighting	5535	0	314	0	0	396	32

Source: Statistics South Africa: Community Survey 2007

TABLE 27: ELECTRICITY SUPPLY IN DIFFERENT AREAS

GEOGRAPHICAL AREA	SUPPLY	STREET LIGHTING
Adelaide Town	99 % Full connection	Street lights
Bezuidenhoutville	100 % Full connection	Street lights
Lingeletu (Old & New)	99 % Full connection	High mast lights, street lights and top post lights
Bedford Town	100 % Full connection	Street lights
Goodwin Park	100 % Full connection	Street lights
Nyarha	99 % Full connection	High mast lights
Sizakele		Street lights and 33 Top Posts.

Nxuba Municipality 2011

A total of 1 500 new pre-paid electricity meters are being installed. In Katanga some pre-paid meters are dysfunctional and must be replaced.

Based on a guesstimate 3000 pre-paid meters that must be installed or replaced at R1 200.00 per unit.

GEOGRAPHICAL AREA	REPLACEMENT NEED	NEW INSTALLMENT NEED
Adelaide Town		
Bezuidenhoutville		
Lingelethu (Old & New)		
Bedford Town		
Goodwin Park		
Nyarha		

Affordability could be a major constraint looking at the dependency rate on grants and the unemployment statistics.

- Review the tariff structure.
- Electricity audit per area, including billing and payment rate

Source funding to purchase new pre-paid meters the supply agreement entered into with Eskom, stipulates a notified maximum demand allocation per month, which is totally inadequate. Consumption above the allotted maximum demand results in hefty penalties with disastrous financial consequences, especially the accumulative affect over time. Alleged illegal connections, tampering and non-payment for services rendered is also contributing to further financial loss. Electricity is potentially a revenue generating service but the aforementioned constraints are creating the opposite effect and placing a huge financial burden on the municipality. It is imperative for the municipality to turn this situation around. A recovery strategy is being developed, with the assistance of the Department of Local Government and Traditional Affairs, that will address, at least but not be limited to, the following minimum requirements:-

- Community awareness campaign to save energy and to stimulate payment of services;
- Strict implementation of credit control policy
- Review and update FBE indigent register annually, Ward Councillor to verify status and cross reference with ADMs, FBW indigent register.
- Apply by-law dealing with tampering and illegal connections.
- Write to Eskom and negotiate an increase in the notified maximum demand per month. Continue to liaise with the Office of the Premier in this regard. Also look at options/lobby for funds to deal with the financial consequences of increasing the maximum demand.
- Monitor the outcome of the proposed priority actions and re-evaluate the feasibility of continuing with this service.

2.3.2. COMMUNITY SERVICES

2.3.2.1 MUNICIPAL HEALTH SERVICES

Municipal health services are a district function. Amathole District Municipality is therefore responsible for water quality monitoring; food control; waste management monitoring; health surveillance of premises; surveillance and prevention of communicable disease, excluding immunizations; vector control; environmental pollution control; disposal of the dead; chemical safety but excludes port health, malaria control and the control of substances.

2.3.2.2 SOLID WASTE MANAGEMENT

Nxuba municipality is responsible for waste management which includes the street sweeping, collection, transportation and disposal of solid waste. The municipality has a Local Integrated Waste Management Plan 2010, with detailed operational management plans.

The Nxuba Local Municipality collects household refuse from the urban areas on a weekly basis. This service is not provided in rural areas. According to the Statistics South Africa Community Survey 2007, 75.3% of households in Nxuba have access to a weekly refuse removal service. More than 20% of households are not provided with this service and are disposing waste on site by either burying or burning. The sparse settlement density and per capita waste generated are normally low therefore the environmental impact should not be significant, especially if managed appropriately.

- Refuse is collected once weekly in all of the urban areas in both towns.
- Refuse is collected twice a week from businesses.

There is one waste disposal site in Adelaide & Bedford respectively. Bedford landfill site is permitted but it is not strictly managed according to the legislation and permit conditions. Permit conditions pertain to the design, construction, monitoring and closure of a waste disposal site. The Adelaide waste site is not registered and does not conform to DWAF standards. In addition the site is not zoned for waste disposal. Waste by-laws must be developed.

This unit is under-staffed and the waste infrastructure is inadequate. There are 2 old tractors but they are out or order 1 refuse truck which is not roadworthy and 1 medium truck and 2 refuse trailers which are used for the collection of refuse services.

Figure 15: Access to waste disposal facilities



Source: Statistics South Africa: Community Survey 2007

Areas of prioritized intervention

- Identify alternate land for a new licensed landfill site at Adelaide;
- Adopt by-laws dealing with waste, including dumping.
- Address the shortage of equipment and staff.
- Waste data – record keeping.
- Investigate intermediate plans to minimize the quantity of waste with the view of reducing waste disposal by landfill by 50% by 2012.
- Investigate the feasibility of establishing a transfer station at Adelaide with a recycling component that will contribute to local economic development.
- Illegal burning of waste at landfill sites is a challenge.
- Consider options of waste minimization and recycling strategies.

2.3.2.3 AIR QUALITY

The Air Quality Act makes it incumbent on local municipalities to monitor ambient air quality within its area of jurisdiction. It is accepted that a permanent air quality officer is required to regularly monitor air pollution and analysis the data in areas with heavy industrial emissions due to high industrial development. However in Nxuba there is almost no industrial economy and the air quality is pure and untainted. This situation does not warrant the appointment of a permanent air quality officer thus the municipality is looking at more sustainable solution like partnering with the DEA to monitor the air quality in Nxuba.

2.3.2.4 DISASTER MANAGEMENT

Disaster Management services are rendered from the central District Disaster Management Centre in East London. A Disaster Management Satellite Centre has been established in Nxuba and one vehicle is allocated to support this function. The human resources are provided by the district municipality namely a Disaster Management Officer. The most common disaster sources are storms, fire, drought and accidents. The Disaster Management Plan is designed to assist the municipality to prevent or reduce and deal with disasters and to identify high risk development zones. It also deals with the following:-

- Mitigate the severity of the consequences of a disaster;
- Rapid and effective response to disasters
- Post disaster recovery and rehabilitation
- Nxuba Disaster Plan is part of a regional initiative.

2.3.2.4.1 FIRE SERVICES

Amathole District Municipality is not responsible for the fire service function in the Nxuba area and the local municipality has the following resources available to provide this function in its area of jurisdiction: - One fire engine skid unit; one 4x4 skid unit and 4 volunteers.

2.3.2.5 POUNDS

The Municipal pound does not meet the required or acceptable standards and the by-law, dealing with the impounding of stray animals, should be enforced.

Areas of prioritized intervention

Upgrade the pound and implement by-law dealing with stray animals.

2.3.2.6 PUBLIC TRANSPORT

Despite some investments in new roads and maintenance there is poor road infrastructure. Transport is mainly done through Taxi services. The municipality has a Taxi Forum to discuss issues of mutual concern.

Bedford and Adelaide have one taxi rank respectively.

There is minimal demand for non-motorized transport in Nxuba, certainly the present demand does not warrant special cycle lanes. Pedestrian walkways need to be improved in suburbs.

Areas of prioritized intervention

- Improve pedestrian signs and markings and off loading areas especially in the urban areas;

2.3.2.7 COMMUNITY SAFETY

In the past, crime prevention and by implication community safety was the exclusive domain of the SAPS. The 1996 Constitution introduced a fundamental change to the role played by municipalities in the management of crime and safety in South Africa, by requiring of them to provide a safe and healthy environment for the communities within their areas of jurisdiction. The South African Police Service Act as amended made provision for the establishment of municipal police services and community police forums and boards.

Three Police stations and two Magistrate Courts operate within the jurisdiction of Nxuba Local Municipality. These are situated in Bedford, Adelaide and Doringkloof, which covers the rural / farm areas of Adelaide. The statistics show that crime levels are relatively low within Nxuba Local Municipality. Domestic violence, stock theft and unlawful breaking and entering are the most prevalent.

Areas of prioritized intervention

- Increase visibility of police

Police Stations
ADELAIDE
BEDFORD
DORINGKLOOF

2.3.2.8 PRIMARY HEALTH CARE

Primary Health care is provided by the Provincial Department of Health. There are two hospitals and six clinics in the urban area of Nxuba. One Mobile clinic serves the rural areas.

TABLE 28: HEALTH CARE FACILITIES

GEOGRAPHICAL AREA	FACILITY	
	HOSPITAL	CLINIC
Adelaide Town	1 including 1 clinic on site.	1 x mobile
Bezuidenhoutville	-	1
Lingeletu	-	1
Bedford Town	1	1
Goodwin Park	-	-
Nyarha	-	1

(Source: Nxuba Municipality)

Medical Facilities

Adelaide Clinic
Adelaide Gateway Clinic
Adelaide Hospital
Adelaide Mobile
Bedford Clinic
Bedford Hospital
Bedford Mobile
Bezuidenhoutville Clin
CC Lloyd Clinic
Mzamomhle Clinic (Bedf
Nomakhwezi Makhenyane

- Community Access to Health Services include: mobile clinic, emergency medical service, HIV/AIDS programme, nutrition programme, psychiatry hospital and TB hospital and they are rendered with assistance from and Nkonkobe Local Services Authority and Amathole District Municipality

2.3.2.8.1 HIV & AIDS

HIV and Aids is a significant contributing factor to the demographic changes taking place in Nxuba and the Amathole DM IDP predicts that a high drop in the rate of births from a current average of 3.2 to 1.5 births per woman in the year 2020.

Areas of prioritized intervention

- Support the functionality of the Local AIDS Council

2.3.3 COMMUNITY FACILITIES

2.3.3.1 SPORT AND RECREATION FACILITIES

The provision of sports and recreational facilities has been directly associated with the development of a healthy society and plays an important role in the development of our youth. The high levels of youth within the community warrant that specific attention be given to the development of sport and recreation initiatives by the Municipality and the Provincial Department of Arts, Culture, Sport and Recreation.

The under mentioned sports facilities are available in the Nxuba area. Ownership of the golfcourse and facilities are vested in Nxuba Municipality and leased out, including the day to day maintenance. Sports facilities are within easy reach of the urban community although the majority are in need of maintenance and upgrading.

TABLE 29: SPORTS FACILITIES

AREA	SPORTS FIELD	TENNIS COURT	GOLF COURSE	Comments
Adelaide Town	1	2	1	Tennis Court is in a bad state of repair.
Bezuidenhoutville	1	1	-	Needs maintenance
Lingeletu (Old & New)	4	-	-	All in a bad state of repair
Bedford Town	1	1	1	The sportfield is in a fairly good state of repair
Goodwin Park	1	1	-	In a bad state of repair. need repairs
Nyarha	2	-	-	
Rural	-	-	-	

(Source: Nxuba Municipality)

Areas of prioritized intervention

- Upgrade sport facilities and development a maintenance plan(DSRAC/NLM)
- Facilitate the development sports and recreational infrastructure (DSRAC/NLM)

2.3.3.2 COMMUNITY HALLS

There are five Community halls within the Municipal area (1 each in Adelaide; Bezuidenhoutville; Lingeletu; Bedford; Nyarha). All of these facilities require renovation and or maintenance. R3.7million (MIG funding) is earmarked to construct a new community hall in Goodwin Park in 2011/12. Design drawings should be completed in 2010/11.

Areas of prioritized intervention

- Develop a MTEF community hall maintenance plan budget
- Development utilization plan to maximize effective use; and Corporate services
- Construction of a Community hall in Goodwin Park.

2.3.3.3 LIBRARIES

Library services are a provincial competency that is performed on an agency basis by Nxuba local municipality. Nxuba has three libraries; one in located in Bedford town and the other in Adelaide town and Bezuidenshoutville respectively. All three are public libraries, which is managed by the Nxuba Local Municipality in terms of a service level agreement with the Province.

Areas of prioritized intervention

- Formalize the SLAs for 2012/13 financial year.

2.3.3.4 CEMETERIES

Municipal cemeteries satisfy the existing service demand except for one in Adelaide and one in Bongweni (Bedford) where the current capacity needs to be expanded. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones.

TABLE 30: CEMETERIES

LOCALITY	Number
Adelaide Town	3
Bezuidenhoutville	1
Lingelethu (Old & New)	2
Bedford Town	5
Goodwin Park	-
Nyarha	2
Commonage Bedford	2
TOTAL	15

2.4 KPA 3: LOCAL ECONOMIC DEVELOPMENT ANALYSIS

2.4.1 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)

The Provincial Spatial Economic Development Strategy guides and informs the following:

- Spatial principles that will direct growth and development in the Province, such as inter alia, principles of sustainability, the need to address historic spatial imbalances, curbing urban sprawl and differentiated levels of infrastructure provision;
- Identification of priority development areas, focusing on areas in which specific types of development should be encouraged or discouraged;
- Strengthening or development of major movement routes or corridors;
- Identification of areas that have to be protected for biodiversity and conservation purposes;
- The preparation of Municipal Spatial Development Frameworks, to ensure full alignment of national, provincial and municipal spatial visions;
- Budgeting processes of all spheres of government to ensure that government creates an environment conducive for development in the prioritised areas; and
- The investment decisions of the private sector, not only in pursuance of optimal returns, but also in support of a shared spatial vision for the Province.

In terms of the PSEDS, the Sectors of the provincial economy which will drive the growth of the province and address unemployment and poverty are the following sectors:

- Agriculture, including agri-industry (with opportunities to impact considerably on the economic needs of the poor through Land Reform)
- Industry, including heavy and light industry and manufacturing
- Tourism, including domestic and foreign tourism
- Service sector including financial, social, transport, retail and government.

Nodes and Activity Corridors are identified in the PSEDS. These are to serve the following functions:

- To facilitate the increased growth of existing centers and corridors of economic development in the Province; and
- To ensure that the potential for economic development within areas of high poverty are realized

The following critical threats are identified in the PSEDS:

- (a) *Agriculture and Land Reform*
 - Loss of productive commercial agricultural land to residential development
 - Loss of land with agricultural potential in poor rural areas
 - Land reform resulting in a loss of productive commercial agriculture
 - Municipal rates on agricultural land
 - Provision of adequate water supplies
- (b) *Tourism*
 - Safety and Security
 - Land invasion and illegal activities affecting tourism assets
- (c) *Industry*
 - Reliability of services
 - Social support services
 - Destructive Inter-Municipal competition
 - Municipal rates on industrial and commercial development

The PSEDS identifies tourism as being second in importance to industrial development, while agriculture and agri-business are seen as:

-

2.4.2 LOCAL DEVELOPMENT INITIATIVES AND CHALLENGES WITHIN THE REGIONAL CONTEXT OF AMATHOLE REGIONAL DEVELOPMENT STRATEGY.

The Amathole District Municipality has established Aspire, the Economic Development Agency to promote economic development in the District and which is responsible for the implementation of local economic projects in the District in co-operation with the Local Municipalities. The Agency is a municipal entity established in terms of the Municipal Systems Act and is accountable to the District Municipality.

Aspire supported the development of the Amathole Regional Development Strategy (AREDS) and District Growth and Development Summit agreements in 2007. The Strategy was accepted, by ADM Council, as a sector plan of the IDP in May 2005, and in its entirety in September 2007. As Nxuba Municipality does not have a Local Economic Development Strategy, it is heavily reliant on the Amathole Regional Development Strategy.

During the participatory phase interaction took place with a broad spectrum of stakeholders from economic sectors and from localities. The interaction focused on four “logistics corridors” namely the N2, N6, R72 and R63). The R63 is the most significant transportation route in the Nxuba Municipal area.

The “corridor and node” approach, which seeks to “crowd in” multiple relevant and linked interventions into specific areas, thus improving the impact and sustainability. The most critical aspect of the AREDS, however, is that it recognizes economic development as a PROCESS and not merely an event or a project.

The Amathole Regional Economic Development Strategy comprises three elements, namely

1. The context.
2. Strategy Statement.
3. The strategy impact chain, which shows the linkage between the interventions and the impact to be achieved.

Aspire is currently in the process of aligning Corridor activities to the AREDS. This is being undertaken through:-

- Establishing Corridor Stakeholder Forums;
- Developing “Corridor” strategies: and
- Piloting “catalytic” projects in nodes, linked to sectors of comparative advantage.

As a result of the historic lack of investment in the District, Nxuba Municipality faces considerable challenges to economic development including the following:-

- Low level of human capital development,
- Lack of competitiveness of sectors and localities. This resolves into two key aspects:
 - ⇒ Support systems and services – there is inadequate technical and systemic (e.g.: for maintenance, provision of supply, production) support across all the sectors.
 - ⇒ Skills – all sectors and area raised the issue of inadequate and inappropriate skills as a constraint to growth.
- Under-developed infrastructure and
- Land related issues – this includes the resolution of land ownership and use rights, land use planning and land use management to exploit (where applicable) and protect (where applicable) the environment.

- Ineffective governance.

Principles for Economic Development: REDS

The strategy has been developed using the principle of “systemic competitiveness”. This requires that the systems and actions be focused on **creating an environment that enterprise can flourish in**, that actions focus on removing blockages to growth and development and that **enterprise succeed because they are competitive**.

Competitive advantage (Strengths & Weaknesses)

Competitive advantage of the region relates to those aspects which compete on cost, quality, and/or availability with that which other localities can offer. Certain regions have built competitive advantage on “comparative” advantage – i.e.: those natural endowments which give the region an advantage. Other regions have built competitive advantage in the absence of any obvious comparative advantage.

Competitive disadvantages are those aspects which increase the cost of doing business, present barriers, and result in enterprise establishing elsewhere. These can be insurmountable (for example: distance from markets) and will then influence the choice of niche markets where these barriers have a low relevance.

The dominant advantages in Nxuba are:

- The quality and talent of the local people
- The quality educational institutions, and
- The environment
- Distance from markets

The dominant disadvantages in Nxuba are:

- The poor infrastructure
- The cost of doing business
- Lack of productive investment

High impact investment

For AREDS the “high impact investment” is central to growth, and this is where most of the “hard” interventions will be located. Five result areas combine to the achievement of high impact investment:

- Locality development includes infrastructure, spatial development (including access and linkages), protection and development of the environmental assets, urban renewal, tourism facilities and even lifestyle facilities.
- Subsector development, which includes diversification of the economy, value chain development and business retention, all focused on development of the competitive advantage of the locality. For the AREDS urban development has been linked under corridor developments to strengthen the integration of the economy and support value chain development across the district.
- Public good investment: this refers primarily to investment in land, the environment, economic assets, production facilities, machinery, equipment and other productive assets that are used by multiple stakeholders.
- District venture capital fund: while it is not necessary that such a fund be limited to the district, or “owned” by anyone in the district, it is necessary that access to investment funds that target the district, syndicate risk and respond to criteria that address the constraints of investors in the district.
- Stimulate new sectors: public and private investment is required to stimulate sectors which build on the advantages (strengths) of the district. The approach should be to

stimulate a diversity of sectors to see which “take” – i.e.: which sectors find champions and investors.

DEA is supporting the following projects;

BEDFORD FLOWER SHOW AND GARDEN FESTIVAL

The festival was established 8 year ago and receives marketing exposure in national gardening media and draws gardening enthusiasts to its award winning garden displays. A way must be found to address the unemployment with the opportunities offered by this unique event and to create spin offs to support emerging entrepreneurs. ASPIRE and Nxuba Municipality is investigating such linkages through the development of an environmental centre in Bedford with a display garden for heritage roses. Plans to develop a biosphere reserve in Bedford, encapsulating the mountain range and its diverse fauna and flora will also benefit from the beautification project and must be pursued.

NXUBA GREENING AND BEAUTIFICATIONPROJECT 2010 - 2013

The municipality has secured R20m from DEA for greening and beautifying the towns by improving the quality of life in Lingelethu, Bezuidenhoutville (Adelaide) and Nyarha and Goodwin Park (Bedford). R1m is earmarked for non-accredited and accredited training.A Project Concept Plan has been developed and acknowledges the critical role that the public sector has in unlocking private sector potential.

All of the urban areas will benefit from this investment as the development proposal contains the following facets:-

- Create short term jobs of at least 68000 person days over three years (2011 to 2013);
- Investing in human capital
- Landscaping of four suburban parks in the areas mention above
 - Erection of a borehole in Bezuidenhoutville
 - Installation of solar panels
- Beautification and landscaping of three town entrance features, Townscapes and suburban streets and walkways
- Creation of two horticultural nurseries (10 sustainable employment Opportunities)
- Implementation of a rainwater harvesting programme

2.4.3 NXUBA LOCAL ECONOMIC OVERVIEW

The Municipality’s organogram makes provision for a LED and Planning Unit. There are five LED posts and one IDP/PMS post. A LED officer is employed to oversee the LED and Tourism functions. The DLGTA deployed a LED Assistant at Nxuba in the 2011/12 financial year to strengthen the LED Unit.

High unemployment and poverty levels in the Municipality result in low affordability levels which in turn manifest in low levels of investment and under-utilization of development opportunities. There is an urgent need for major new private sector investments to create jobs and improve livelihoods in area.

Nxuba has a limited and almost non-existent industrial economy and there is a high dependency on primary economic activities. Commercial and business development in the area is confined to the urban centers of Nxuba. The main part of Nxuba's business retention, expansion and attraction strategy is to keep business property rates as low as possible and to lobby for funding for high impact projects like the Greening and Beautifying Project. One major limitation, however, is that substantial commercial and businesses activities take place in King Williams Town, Queenstown and Cradock which means that a significant portion of the potential income is not being reinvested into the town's economy.

Economic growth is constrained by:

- Slow growth rate
- High illiteracy, poverty and unemployment rate

2.4.4 SECTORAL OVERVIEW

Based on existing economic activity, market opportunities and present resources, assets and skills bases the sectors offering the most significant potential include:

- ⇒ Agriculture (game and livestock farming)
- ⇒ Tourism (freshwater fishing, arts, crafts, scenery, wildlife, cultural heritage)
- ⇒ SMME
- ⇒ Trade and Business Services

2.4.4.1 AGRICULTURE

Agriculture is the main economic activity in the Municipal area.

2.4.4.1.1 LIVESTOCK FARMING

Adequate good quality grazing makes the area suitable to livestock, cattle and game farming. Cattle, sheep and game farming are the most predominant. Much of this farming is commercial livestock farming.

Significant Agricultural Enterprises

This undermentioned is based on the assessment of the natural resources in their order of importance of the economy of the ADM.

- *Livestock-Sheep and Beef*: generally farmed together for pasture management, there is declining profitability in real terms with a shift from small stock to beef and to game in the commercial sector. However, together this is the largest sector in terms of land area, economic contribution and participation and has primary strategic value in both economic and socio-political benefits within the ADM. Stock theft has resulted in a major shift out of sheep farming into large stock and game.
- *Livestock Farming*: Animals and animal products are the dominant farming activity in the district, accounting for 72% of agriculture value added. Agriculture's competitive advantage in the district is enhanced by, proximity to markets product diversity (across agro-ecological zones) and business services.

Table 31: Opportunities for Agriculture in Nxuba

Enterprise	Product	Management & Tech Enterpr	Employment Creation (Jobs)	Processing Infrastructure	Markets	Market Potential
Sheep (extensive)	Mutton Wool	Medium	1/100ha	Existing agents & abattoirs	Local (mutton) Export Wool	Good
Beef (extensive)	Beef	Medium	0.8/100ha	Existing agents & abattoirs	Local	Good
Boer goats (Extensive)	Meat	Low	1.2/100ha	Existing agents & abattoirs	Local	Good
Game	Hunting, live game, tourism	Medium	0.3/100ha	No	National Export	Good (Forex related)

- In agriculture growth is constrained by
 - Limited opportunity for field crops due to shallow soils.
 - Lack of access to finance for historically disadvantaged farmers
 - Aging farming population

- Opportunities in agriculture
 - Bio-fuels and free-range livestock.
 - Agricultural GVA can feasibly be doubled over the mid-term.

2.4.4.1.2 CROP FARMING

Nxuba Municipal area does not have a high potential agricultural land and soils.

2.4.4.1.3 FORESTRY

The National government ASGISA programme has identified forestry development as a key pillar to achieving the economic growth and development targets, and has prioritized forestry as a key sector for support across all tiers of government.

In the Amathole District area, most of the forestry plantations exist in Amahlathi, Mquma and Mbashe Municipalities. Although there are limited forestry areas in Nxuba there is nevertheless some economic potential in portions of the northern mountainous regions. The nature of the forests in the Amathole mountain areas includes both commercial pine and indigenous forests. Low volume, high end furniture production from indigenous forest is exploited in a very small

way in Nxuba. Virgin agricultural land identified as suitable for forestry is subject to an environmental impact scoping and assessment process under the NEMA legislation.

2.4.4.2 TOURISM

Tourism activities in the Municipality are limited, despite the fact that there is abundant natural beauty and a diverse array of cultural groups which have strong potential for eco, adventure and cultural tourism.

Accessibility to and information on tourist attractions is limited and the urban centers should ideally serve as tourism gateways and information centers in order to attract tourists to the local area. The importance of linking Nxuba's tourism potential to other established tourism routes such as the Amathole Mountain Escape are recognized and the Amathole Mountain Escape includes Nkonkobe, Amahlathi and Nxuba municipalities. The route starts from King Williams Town to Bedford and into Hogsback village and the historic town of Alice.

Further initiatives that are being looking at (ADM-IDP2010/11) are as follows:

- ⇒ Chatha Chalets
- ⇒ Craft mania
- ⇒ Bedford Garden Festival
- ⇒ Nxuba Dam Chalets Feasibility
- ⇒ Amathole Mountain Escape hiking trail
- ⇒ Local Tourism Organisation
- ⇒ Visitors Information Centres
- ⇒ Maqoma Heritage Route

In addition the Aspire have engaged two students to research the urban regeneration in the Nxuba area. A report was tabled on their finding.

Tourist attractions in the Nxuba area include;

- ⇒ Spectacular scenery
- ⇒ Adelaide Museum
- ⇒ Heritage Sites:
 - ✓ Fort Fordyce
 - ✓ Post Retief
 - ✓ Dutch Reformed Church
 - ✓ Glen Eden Church
 - ✓ War Memorial

In tourism growth is constrained by:

- Lack of tourism promotion and signage
- Lack of knowledge to manage heritage resources
- Aging farming population
- Lack of funds

Opportunities in tourism

- It is labour intensive
- Tourism potential to stimulate economic development

2.4.4.2. NATURE RESERVE

The Fort Fordyce nature reserve falls within Nxuba Municipality. The area has been declared a conservation area and has tourism potential.

2.4.4.3 SMALL MEDIUM AND MICRO-ENTERPRISE DEVELOPMENT

The area has potential for the development of SMME's and the majority operates as sole traders. Nxuba Municipality has registered 30 SMME and is in the process of signing a SLA with SEDA to support Nxuba and the surrounding area.

Most of the SMMEs are in the trade / service sector consisting of spaza shops, hair salons and caterers. There is a need to diversify SMME development to include agriculture and tourism as opposed to the prevalent over-dependency on the retail sector.

SMME development is constrained by:

- Lack of technical skills to manage the business.
- Access to micro-credit

2.4.4.3.1 SMALL SCALE MINING

Unauthorized mining of river sand for building purposes is taking place and Nxuba Municipality should facilitate the formalization of these activities.

2.4.4.4 TRADE AND BUSINESS SERVICES

The urban areas serves as local service centers that requires well planned physical development to support the growth of the trade sector (formal and informal) and the tourism industry.

Trade and Business Services constrained by:

- Lack of market access.
- Lack of investment
- Under-investment in human capital

2.4 KPA 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

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

The municipality has been rated as follows:

KPA	RATING 2008/09	RATING 2009/10	RATING 2010/11	RATING 2011/12
Spatial Development Framework	Low	Low	Low	High
Service Delivery	Low	Medium	Medium	Medium
Financial Viability	Low	Low	Low	Medium
Local Economic Development	Medium	Low	Low	Medium
Good Governance & Public Participation	Medium	Medium	Low	High
Institutional Arrangements	Medium	Low	Medium	High
Overall Rating	Low	Low	Low	High

The municipality has undergone some serious challenges over the past few months so much so that the Department of Local Government has deployed teams to support the various Departments and Units within the Municipality. Nxuba Municipality has considered the MEC comments based on the 2011 Assessment and have filled these gaps. Some of the corrective measures contained in the MECs comments recommended that the DLGTA would assist to formulate appropriate tools and frameworks and where these are still lacking support will be sought from deployed officials.

2.5 POLITICAL GOVERNANCE

The Nxuba Municipality is a Category B Municipality (local municipality) as defined under section 3 of the Local Government: Municipal Structures Act No. 117 of 1998

The Municipal Council has eight Councilors, four of which individually directly represent a specific ward and the remainder to represent parties proportionally in the council. After the Local Government elections in 2011, one councilor was proportionally elected to serve on the Amathole District Council to represent Nxuba municipality. The mayor is a full time public office bearer. The Municipality has a Plenary Executive System combined with a ward participatory system.

There are three portfolio committees that have been established in terms of Section 79 of the Local Government Municipal Structures Act, (Act 117 of 1998) to serve the following portfolios;

- ⇒ Budget & Finance;
- ⇒ Corporate Services;
- ⇒ Technical and Community Services.

The Accounting Officer (Municipal Manager) and section 57 managers attend Council and Standing Committees to represent the municipality's administration and to account in the form of the IDP, budget, strategic and operational plans / Service Delivery and Budget Implementation Plan (SDBIP).

2.6 COMMUNITY DEVELOPMENT WORKERS

Four Community Development Workers, one per ward, have been deployed at Nxuba Municipality to bring government closer to the people. It is proposed that collaboration between the municipality and CDWs needs to be approached within clearly defined terms of reference and formalize by means of a Service Level Agreement.

2.7 COMMUNICATION AND PUBLIC PARTICIPATION

Nxuba has drafted a Communication Strategy to improve public participation in the affairs of the municipality and the Local Communication Forum was launched on 16 September 2010. A wide range of communication tools are used and these include:-

- Winterberg News,
- Imbizo's / Road shows,
- Loud tailing,
- Library;
- Notice boards, and
- Nxuba Municipal Website.

2.7.1 INFORMATION MANAGEMENT

Nxuba Local Municipality has developed a website. The site address is www.Nxuba.co.za and the aspiration is to widen public participation and enhance legal compliance as prescribed by Section 21B (1) of the Municipal Systems Act.

The foundation of a sound information system lies in an effective Electronic Mail and Directory Service, both of which is used by the municipality (Microsoft Active Directory) and Electronic Mail (Microsoft Exchange)

To promote access to information internally, the Municipality has created access to the Intranet.

2.8 INTER-GOVERNMENTAL RELATIONS

The Municipality participates in District IGR structures. These structures are composed of the Technical Task Group and District Mayors Forum. The Nxuba IGR Forum (clusters) held two meetings in the 2011/12 financial year and is scheduled to convene quarterly during 2012/13. The local IGR structure is mainly utilized to solve problems affecting service delivery as well as shared priorities for development. This process is hampered by the inconsistency of member department's representation to the structures and the attendance of officials who do not have decision making capacity and impact on budgeting processes. This negatively affects integration and the municipality has called upon OTP and DLGTA to address the issue of defaulting Departments. Service level agreements are being entered into where services are to be provided collaboratively by different departments

2.9 PARTNERSHIPS AND STRATEGIC RELATIONSHIPS

Nxuba Local Municipality has recognized the potential of strategic partnerships to develop its capacity. The Municipality entered into a Memorandum of Understanding during 2006 with Nelson Mandela Metropolitan Municipality. A meeting was held in 2009 and again during 2010. The partnership has proved beneficial for Nxuba Municipality and will be rekindled and strengthened in the meeting to be held in May 2012.

Nxuba Local Municipality also collaborates closely with the District Municipality and benefits from strategic Inter-governmental partnerships entered into by the Amathole District Municipality.

2.6.5.1 TRADITIONAL LEADERSHIP - PARTNERSHIPS

There are no Traditional Leaders in the Nxuba area.

2.6.6 MAINSTREAMING OF SPECIAL GROUPS

The following structures have been established and are being coordinated in the Office of the Mayor:-

- Nxuba Youth Council
- Nxuba Disabled Council
- Nxuba Women forum
- Nxuba Elderly Person Forum
- Nxuba HIV/AIDS Council
- Nxuba Sport Council

- Nxuba Local Communicators Forum

A draft Youth Plan has been developed and the Municipality also participates in the National and Provincial youth initiatives. R90 000.00 was earmarked for mainstreaming of special groups during the 2011/12 financial year.

The municipality has a dedicated official to deal with the mainstreaming of special groups and efforts will be directed toward Government objective to reduce youth unemployment and other marginalized groups. Municipal procurement and job creating projects are geared not only toward poverty alleviation but also to draw special groups into the economy.

2.7 KPA 6: INSTITUTIONAL ANALYSIS

Nxuba Municipality has experienced severe institutional challenges over the past few months, including financial constraints and the loss of key personnel. The Department of Local Government and Traditional Affairs deployed a Team of sector specific officials to render support to the institution as a whole in 2011. These officials were working with their municipal counterparts for three days a week. A recovery plan was implemented in the Finance Department and additional assistance rendered by ESKOM to improve systems. These initiatives will contribute to the stabilization of the administration and go a long way in restoring the confidence of the community in the institution.

2.7.1 POWERS AND FUNCTIONS

The Constitution indicates that the objectives of local government are:

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

A municipality has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution. These functions and powers are divided between the District municipality and the local municipalities established within its area of jurisdiction. Section 84(a) to (p) of the Structures Act defines the functions and the powers that are assigned to District Municipalities. The Minister may authorize (under certain circumstances) a local municipality to perform a district function and power and the Member of the Executive Council for local government may (under certain circumstances) adjust specified functions and powers between the district and a local municipality in its area.

FUNCTIONS OF NXUBA LOCAL MUNICIPALITY.

The MEC for Local Government adjusted the functions and powers between Amathole District Municipality and Nxuba Local Municipality as published in the Provincial Gazette No. 1890 on 9 May 2008, to the extent reflected hereunder.

Function	Amathole DM	Nxuba LM
Air pollution		X
Building regulations		X
Child Care facilities		X

Function	Amathole DM	Nxuba LM
Electricity reticulation		X
Fire Fighting		X
Local Tourism		X
Municipal airports		X
Municipal Planning		X
Municipal Health Services	X	
Municipal Public Transport		X
Storm water		X
Trading regulations		X
Water (potable)	X	
Sanitation	X	
Schedule 5 part b		
Amusement facilities		X
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria and funeral parlours		X
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		X
Facilities for the accommodation, care and burial of animals		X
Fencing and fences		X
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public	X	
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X

2.7.1.1 BY-LAWS

By the legislative powers vested in the Nxuba Municipal council, the following By-laws have been promulgated:-

- Advertising Signs
- Cemeteries & Crematorium
- Community Fire Safety
- Credit Control & Debt Collection
- Delegation of Powers
- Impounding of Stray Animals
- Keeping of Dogs and Other Animals
- Liquor Trading
- Neglected Buildings and Premises
- Prevention of Nuisances
- Public Open Spaces
- Solid Waste Disposal
- Standing Rules for Council
- Street Trading
- Use and Hire of Municipal Buildings
- Ward Committees

2.7.2 NXUBA INSTITUTIONAL OVERVIEW

2.7.2.1 OFFICE ACCOMMODATION

The administrative and political seat is in Adelaide although the various Departments and their incumbents are scattered and housed in separate centres in and around the Town hall. These isolated staff pockets have the potential of developing its own ethos that could undermine the corporate image of the institution as a whole and contribute to the creation of silo mentality. In addition there is also a satellite administrative unit stationed in Bedford. To overcome this fragmentation the municipality is renovating one of their properties in order to consolidate the staff during Phase 2 of the project.

2.7.3 NXUBA ORGANISATIONAL OVERVIEW

Municipalities have to establish, in compliance with Section 66(1)(a) of the Municipal System Act(32 of 2000) an organization structure to support and give effect to their Integrated Development Plans(IDPs). It is imperative that, with the review of their IDPs, the organogram must likewise be reviewed to ascertain if it still talks to the delivery imperatives as contained in the municipal objectives. This kind of a review is necessitated by inter alia, the fact that:

- a) Legislation may have been amended, requiring the municipality to cater for new delivery imperative;
- b) IDP objectives might have changed, fallen away or new ones introduced, necessitating for some functions in the organizational structure to be scrapped, added or amended;
- c) The volume and complexity of some jobs may have increased or decreased, necessitating a review, reduction and/or enrichment of such positions and concomitant re-grading and re-designation of the affected jobs;

- d) There may be a need to look into the municipality's efficiencies, effectiveness and work flow; and
- e) Delegation of authority between National, Provincial and District levels may have changed causing a need for the scopes affected jobs and delegated powers to be revisited.

Over and above the foregoing, an organizational structure is used by municipality as a basis for driving of strategic objectives and giving effect to its Service Delivery Budget Implementation Plans (SDBIP). Section 66(1) (d) further provides for municipalities to establish a processor mechanism to regularly evaluate and if necessary, review the organizational structure, remuneration and conditions of service. In view of the foregoing, the Department of Local Government and Traditional Affairs appointed Spontaneous Management Consulting of Verity whether the organizational structure of Nxuba Municipality is aligned with the municipality's IDP, Powers and Functions.

The Organogram for Nxuba Municipality is reviewed annually to ensure alignment to the IDP and was adopted by Council on 28 March 2012.

The Municipality's organizational structure comprises 203 positions which are divided into the following Departments

- ⇒ Office of the Municipal Manager
- ⇒ Corporate Services
- ⇒ Community Services
- ⇒ Financial Administration
- ⇒ Infrastructure Development

The organizational structure of the municipality is indicated on figure 13 below

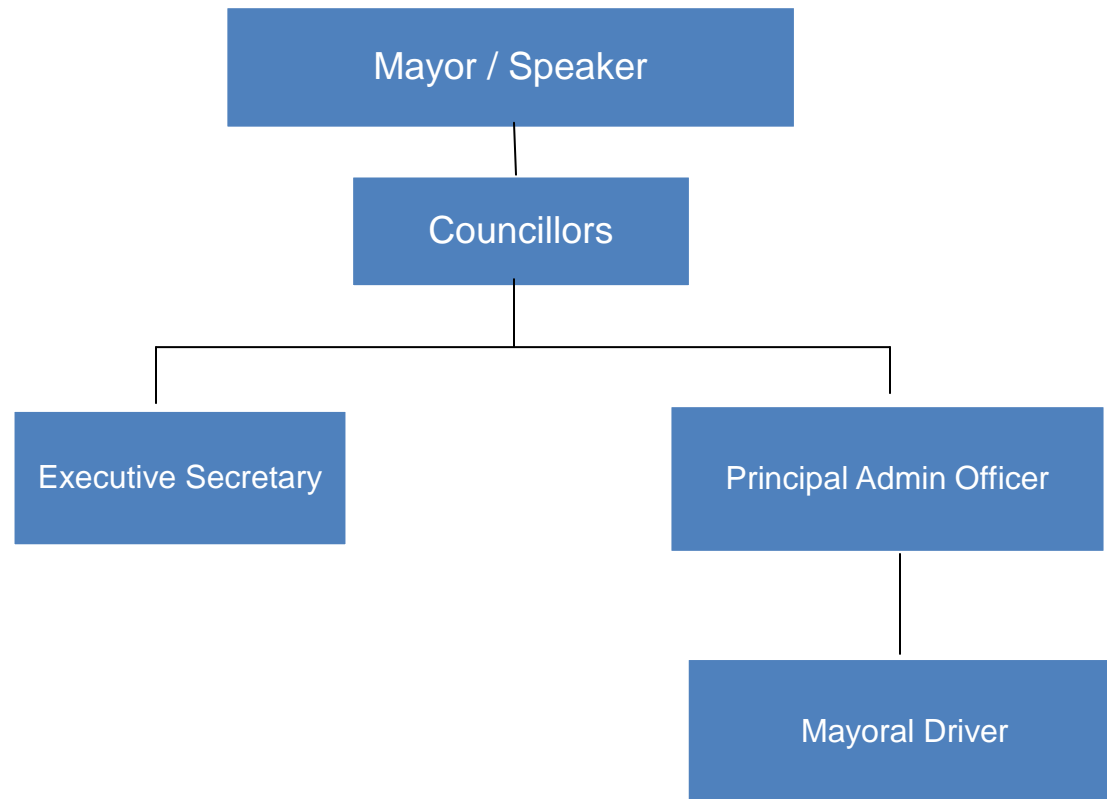


Figure 13: Organisational Structure

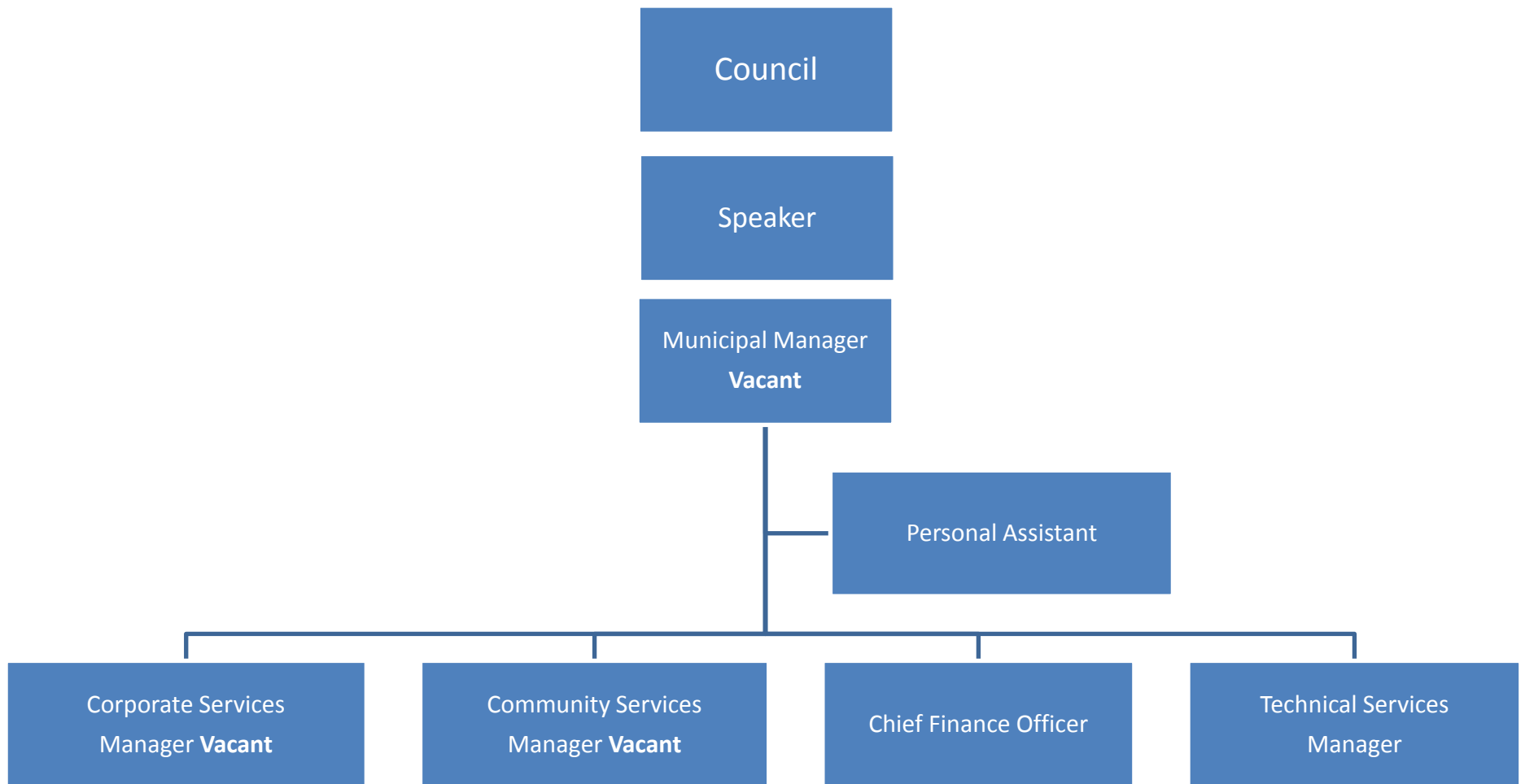


TABLE: FUNCTION ARRANGEMENT

BUDGET & TREASURY	CORPORATE SERVICES	TECHNICAL SERVICES	COMMUNITY SERVICES
a) Income/Revenue; b) Expenditure; c) Salaries and Wages; d)Debt Collection; e) Creditors; f) Meter reading; g) Insurance; and h) ICT Support	a) Human Resources; b) Administration c)Local Economic Development	a) Electricity and reticulation; b) Roads and Storm water; c) Building maintenance and Inspectorate; and d) Town Planning and Housing Administration	a) Town Cleansing, refuse collection, street sweeping and waste disposal; b) Sports fields Management; c) Land Utilization and sales; d) Libraries; e) Traffic; and f) Social Development

2.7.3.1 OFFICE OF THE MAYOR/SPEAKER

As a plenary municipality Nxuba has a combined and full time Mayor/Speaker. However staff supporting the Mayor/Speaker resorts under Municipal Manager for purposes of supervision and control and also because of the fact that the Mayor/Speaker has other political commitments which results in her not to be in the office all the time.

The Mayor/Speaker is elected to provide political leadership and be the custodian of the vision of the municipality.

2.7.3.2 OFFICE OF THE MUNICIPAL MANAGER

The Office of the Municipal Manager is composed of the staff who provide support and assist with the following up of issues in his/her office. It excludes Section 56 Managers who are dealt with under their respective portfolios. Due to the fact that the Mayor/Speaker is not desk-bound, it is necessary, for leadership presence in her absence, for the staff in her to resort under the Municipal Manager for the purpose of supervision. The reasoning is informed by the fact that all municipal employees, regardless of their placement or what responsibilities they may hold, must be subjected to the Municipal Manager’s authority, in his capacity as head of Administration and Accounting Officer of the municipality.

The office of the Municipal Manager has the following duties assigned to it;

- ⇒ Internal audit.
- ⇒ Legal services
- ⇒ Intergovernmental relations
- ⇒ Customer care
- ⇒ Integrated Development Planetc.

The Office of the Municipal Manager consists of 8 posts of which 13% are filled. The internal audit and IDP/PMS posts have been advertised.

Department	No of Posts	Post Description	Filled posts	Vacant posts	Budgeted For
Municipal Manager	8	Municipal Manager	1	7	4
		Internal Auditor	0	1	1
		IDP / PMS Officer	0	1	1
		Administrator: Bedford Unit	0	1	1
		Executive Support Officer	0	0	
		Communication & IGR Clerk	0	1	
		Customer Care Clerk	1	0	
		Executive Secretary	0	0	
	3	Executive Secretary	3	0	
		Principal Admin Officer	1	0	
		Executive Secretary Driver	1	0	
Speakers Office					
Total	11		4	7	

2.7.3.3 CORPORATE SERVICES DEPARTMENT

The Manager for Corporate Services is responsible for

- ⇒ Administration (Surveys and Reports)
- ⇒ Community Participation
- ⇒ Communication
- ⇒ Human Resource Management
- ⇒ Registry and Archives
- ⇒ Executive and Council Support
- ⇒ Labour Relations
- ⇒ Planning and Development
- ⇒ LED
- ⇒ Typing pool and switchboard
- ⇒ The Key Performance areas of this Department are:
- ⇒ Municipal Transformation and Organizational Development
- ⇒ Good Governance
- ⇒ Local Economic Development

The Corporate Services Department has 29 posts of which 48% are filled.

Department	Division	No. of posts	Posts	Filled posts	Vacant posts	Budgeted for
Corporate Services		2	Corporate Services Manager	0	1	1
			Personal Assistant	0	1	
	Human Resources	4	HR Admin Officer	1	0	
			Personnel Clerk	1	0	
			HR Admin Clerk	0	1	
			Skills Development Facilitator	0	1	
	Administration	15	Administration Officer	1	0	
			Committee Officer	0	1	
			Typist	0	1	
			Records Management Clerk	0	1	
			Operator/Receptionist	3	0	
			Registry, Archives & Records Clerk	1	0	
			Messenger/ Cleaner			
			5	2		
	LED	6	LED Coordinator	0	1	

			LED Officer	1	0	
			LED Assistant	1	0	
			Tourism Officer	0	1	1
			Information Clerks	0	2	
	Special Programmes	2	SPU Officer	0	1	1
			Public Participation/Communications Officer	0	1	
		27		14	15	

2.7.3.4 COMMUNITY DEVELOPMENT

The Manager for the Community Development Department is responsible for the development and maintenance

- ⇒ Community facilities and amenities (gardens, sport fields and pavements)
- ⇒ Cleansing and Street Sweeping
- ⇒ Solid Waste Management and refuse removal, including waste disposal sites.
- ⇒ Fire fighting
- ⇒ Security Guards
- ⇒ Land use, land sales and subdivisions/rezoning.
- ⇒ Library services
- ⇒ Traffic control including pounds

The Community Services Department has 92 Posts and 47 % is filled.

Department	Division	No. of posts	Posts	Filled posts	Vacant posts	Budgeted for
Community Services		2	Community Services Manager	0	1	
			Personal Assistant	0	1	
	Library	10	Chief Librarian	0	1	
			Bezuidenhoutville librarian	1	-	
			Adelaide Librarian	1	-	
			Bedford Librarian	1	-	
			Library Assistant	2	1	
			Messenger/Cleaners	2	1	

	Traffic	16	Chief Traffic Office Peace Officer Traffic Officer Pound Master General Assistant E-Natis Supervisor E-Natis Clerk Filling Clerk Examiner of vehicles	1 0 1 0 0 1 1 0 0	0 1 2 2 3 0 2 1 1	
	Waste Management	50	Superintendent Refuse Collection Driver General Assistant (Refuse) Foremen Parks :Driver General Assistant Cleaning General Assistant ×4 Street Sweeper	0 2 10 0 1 4 8 4	2 0 0 2 1 0 2 0	
	Security Services	13	Security Officer Security Guards	0 4	1 8	
	Fire Services	1	Coordinator Fire Fighter services	0	1	
		92		43	49	

2.7.3.5 MUNICIPAL TREASURY

The Chief Financial Officer is responsible for the Municipal Treasury which includes the management of Municipal assets & risks, revenue, debt collection, meter reading, IT, SCM, cashiers, expenditure, salaries and wages, payment of creditors, insurance and valuations.

Key performance areas include

- ⇒ Developing the financial viability of the Municipality
- ⇒ Maximize the amount of Capital Budget spent on IDP related projects

The Finance Department has 21 posts, of which 86% are filled.

Nxuba Local Municipality: IDP 2012-2017

Department	Division	No of post	Post	Filled post	Vacant post	Budgeted for
Municipal Treasury		21	Chief Financial Officer Personal Assistant	1 0	0 1	
	Expenditure		Senior Accountant Expenditure Controller Principal Clerk(payroll)	1 1 1	0 0 0	
	Revenue (Income)		Senior Clerk(Expenditure) Income Controller Senior Clerk	1 1 1	0 0 0	
	Supply Chain Management Office		Credit Controller × 2 Meter Reader × 3 Cashier × 2 Budget Controller Supply Chain Management Officer Logistics Clerk Stores Clerk Asset Management Clerk IT Officer	2 3 2 0 1 1 0 1 1	0 0 0 1 0 1 0 0 0	1
		21		18	3	

The Technical Services Department has 50 posts, of which 44 % are filled

Department	Division	No. of posts	Posts	Filled posts	Vacant posts	Budgeted for
Technical Services		2	Technical services Manager Personal Assistant	1 0	0 1	
	Electricity	9	Chief Electrician Electrician Electrical Assistants	0 2 4	1 2 0	
	PMU	3	PMU: Manager ISD Officer Data Capturer	1 0 1	0 1 0	
	Housing	3	Housing Officer Administration Assistants	1 0	0 2	
	Inspectorate	1	Building Control Officer	1	0	

	Land Use	1	Land Use Officer	1	0	
	Administration	1	Administration Officer	0	1	
	Roads, Stormwater, Building & maintenance	30	Superintendent	2	0	
			Foreman: Roads & Stormwater	0	2	
			General Assistance	8	0	
			Foreman: Building & Maintenance	0	2	
			Artisans	0	8	
			General Assistants	0	8	
		50		22	28	

The following funded posts are considered key positions and therefore critical to fill before July 2012:-

- Corporate Services Manager retired at the end of December 2010;
- The IDP/PMS office has been vacant for some time;
- The IDP/PMS Officer and Internal Audit Manager – Notices have been posted and it is anticipated that the latter posts will be filled by April 2012.

2.7.4 INSTITUTIONAL (HR) POLICY DEVELOPMENT

The following administration and human resources policies have been developed by the Municipality;

ADOPTED POLICIES	DRAFT POLICIES
⇒ Cell phone;	⇒ Attendance and Punctuality;
⇒ Cellular telephones: Municipal Councilors	⇒ Incapacitation due to ill Health / Injury;
⇒ Employee Study Assistance	⇒ Incapacity due to Poor Work Performance;
⇒ Fleet Management	⇒ Employee under influence of intoxicating Substance;
⇒ Health and Safety	⇒ Legal Aid Policy;
⇒ HIV/AIDS Policy	⇒ Smoking Policy;
⇒ Long Service Allowance	⇒ Staff Retention Policy
⇒ Overtime: Policy and Control	
⇒ Fraud Prevention policy/plan	
⇒ Promotion and Transfer	
⇒ Public Participation Policy	
⇒ Recruitment and Selection policy	
⇒ Succession Planning	
⇒ Transport Allowance	
⇒ Training and Development Policy	
⇒ Employment Equity Policy	
⇒ Occupational Health and Safety	

Nxuba municipality has developed a draft HR Plan which will be work-shopped on 28 May 2012 and it is anticipated that the draft Staff Retention Policy will be tabled to Council for consideration and adoption before the end of the financial year.

2.7.5 EMPLOYMENT EQUITY

The Municipality's employment equity plan was approved and adopted during 2011.

2.7.6 SKILLS DEVELOPMENT AND TRAINING

As prescribed in the Skills Development Act, the Municipality developed and submitted a Workplace Skills Plan on 28 June 2011. The plan aims to address the identified skills shortage within the municipality. On 7 December 2011 the municipality received the scoring guideline report for LGSITA.

Nxuba Municipality intended to use the report of the Skills Audit carried out by Nxuba Municipality and Labour Vision during March 2012 as a basis to inform its training programme for 2012/13.

Some of the capacity building initiative undertaken by the municipality in the past include:-

- Customer Communication
- Practical Office Skills

- CPMD
- Project Management, and
- Training on Principles of Payroll & Leave Modules.

Members of the public, councilors and officials benefitted from these training initiatives.

2.7.6 PERFORMANCE MANAGEMENT

The Municipality does have a Performance Management System in place. The Municipal Scorecard Model was adopted by Council on 10 September 2008.

The Scorecard Model process includes the development and implementation of an organizational performance management system which in addition not only monitors and evaluates the performance of Section 57 Managers but also that of the lower echelons within the municipality. The performance of post levels 1 to 6 are measured in terms of Accountability Agreements; Post levels 7 to 12 on Performance Promise Agreements and Section 57 Managers are evaluated in terms of Performance Agreements.

The Municipal Scorecard Toolkit guides the Nxuba Municipality in the following performance management aspects:

- requirements of its PMS;
- principles informing its development and application;
- model describing performance management areas to be managed;
- processes to be followed in managing performance;
- institutional arrangements; and
- Different role players involved in the system.

It has become well accepted that in order to assess an organization's performance, a balanced view is required; incorporating a multi-perspective assessment of how the organization is performing as seen by differing categories of stakeholders. To ensure this approach, SALGA recommended that municipalities should consider adopting the "Municipal Scorecard Model" to guide the performance management of the municipal organization.

The model aligns the processes of performance management to the IDP processes of the municipality. It ensures that the IDP is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided in the model relate directly to the National identified priority areas and those used in local IDPs.

In a local municipality context, the Municipal Scorecard Model is based on two levels namely, at a Strategic level and a SDBIP level and performance is measured at each level according to the five Key Performance Areas listed below:-

- Municipal Transformation and Organizational Development;
- Infrastructure Development and Service Delivery;
- Local Economic Development;
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

The municipality invests in building planning/performance monitoring capacity and is then often faced with staff resigning and moving on to larger municipalities that are able to offer higher salaries. In a small municipality like Nxuba, the impact can have a devastating effect on the implementation aspect.

Audit Committee

Nxuba municipality has an independent advisory body that advises the institution on matters, amongst other things, relating to performance management and performance evaluation.

Internal Audit Unit

Each municipality must have an internal audit unit, which must advise the accounting officer and report to the audit committee on matters, amongst other things, relating to performance management. The municipality shared this service with the ADM but it did not function optimally and Nxuba has since outsourced this function.

2.7.7 INTERGOVERNMENTAL RELATIONS

For the purposed of the 2012/2013 review it was decided to deal with IGR related issues under Key Performance Area 4 namely Good Governance and Public Participation.

2.8 IDENTIFICATION OF PRIORITIES IN CONTEXT

PRIORITIES IN CONTEXT.

Priority issues identified for Nxuba include:

- The population numbers have decreased, but the household size has remained virtually the same. This is as a result of disaggregation of households (household size reduced), but the corresponding needs for infrastructure and social services has not declined, as the number of indigent people remains high. This means that the equitable share is likely to remain insufficient for the provision of free basic electricity and solid waste removal.
- The high number of indigent people is a reflection of the low levels of economic development in Nxuba. There is a low labour absorption rate and no value chains present in the local economy.
- There is very little diversification in the local economy. The tourism sector does have some potential and this must be built on.
- The agricultural sector is the most important sector for the local economy and its performance must be enhanced. Land and agrarian reform must contribute to the growth of this sector.
- The towns are the focal points in the municipality for social grant payments and the provision of social services. Intergovernmental arrangements must be strengthened to improve the quality of services and this must be seen as an opportunity for Nxuba.
- There is a severe shortage of water in Adelaide and the inadequate sanitation system in Lingelethu and portions of Nyarha must be connected to the waterborne system subject to the improvement of the drought impact on the water supply and the challenges imposed by the limited capacity of the waste water treatment plant.
- Skills retention and training of municipal staff must be a priority and the limitations around the land use management function in the municipality must receive priority attention.
- Repairs to vehicles and replacement of ageing and obsolete machinery must be addressed especially in the electricity and waste management services.

- To provide democratic and accountable government in 2012/13 for our local communities through effective ward committees and the creation of 4 support ward structures and earmarked funding.
- To promote Socio-Economic Development mainly through LED initiatives and the development of a LED strategy and implementation of a Poverty alleviating programme to create at least 50 jobs per ward;
- To promote a Safe & Healthy Environment by engaging SAPS to establish at least 2 satellite police stations to service the rural hinterland and Department of Health to ensure provision of adequate medical supplies to 5 clinics.
- To encourage the involvement of communities and community-organizations in the matters of our municipality by conducting at least 2 outreaches per ward to raise awareness campaigns around local government issues.
- To ensure the provision of services to our communities in a sustainable manner by focusing on-
 - the provision and maintenance of access (gravel) roads within the urban edge and to maintain the road infrastructure in the 2 town centers; In 2012/13 the target for road maintenance for access roads will be 6 km. In the urban towns to maintain 3 km surfaces roads including the laying of 3 km of curbing.
 - to improve the electricity network by upgrading the supply cable between ESKOM sub-station and the sub-station as well as implementing an audit of electrical connections.
 - The municipality's facilitation role to lobby donor and sector departments (DME, DBSA, DEDEA, Health, DoR&T and DSRAC) for additional funding.

CHAPTER THREE

3.1 STRATEGIC FRAMEWORK

The previous Chapter took into account what the needs of the people are and determined the in-depth status quo and gap analysis before setting priorities. This Chapter acknowledges that Local Government has become more 'outcomes-driven' and the Strategic Framework will set the context for this to be realised. The municipality will refine its Strategic Framework in Chapter 3 by considering and adjusting, if necessary, its strategic approach based on the following:-

- National and Provincial Policy Frameworks;
 - OUTCOME 9
 - PGDP
 - NSDP
 - ASGISA
- relevance of the vision statement;
 - Vision
 - Mission
- level of synergy between the municipality's set objectives and National Priority Areas; and
- develop strategies to address the objectives

The identification of projects to give effect to the strategies will form part of Chapter 4.

3.2 STRATEGIC ALIGNMENT WITH OTHER SPHERES OF GOVERNMENT.

POLICY FRAMEWORK

The following paragraphs provide an overview of National and Provincial policy frameworks most relevant to the IDP process.

Provincial Growth and Development Plan, 2004 – 2015

The Eastern Cape Provincial Growth and Development Plan (PGDP) provides a framework for the development agenda in the province, The PGDP sets out a quantified vision statement for growth and development in the Eastern Cape. The foundation and core objective of the PGDP reflected below are aligned to the Millennium Development Goals and National Government's Development Strategy.

The PGDP aims over a ten-year period for:

- Systematic poverty eradication
- Agrarian transformation and household food security
- Development and diversification of the manufacturing base and tourism potential
- Human resource development
- Infrastructure development
- Public sector and institutional transformation

The National Spatial Development Perspective (NSDP) contains the following principles:

- Principle 1: Rapid Economic growth that is sustained and inclusive is a Pre-requisite for the achievement of poverty alleviation.
- Principle 2: Government spending on fixed investment should be focused On localities of economic growth and / or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities.
- Principle 3: Where low economic potential exists investments should be Directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities.
- Principle 4: In order to overcome the spatial distortions of Apartheid, Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways to the global economy.

Accelerated and Shared Growth Initiative (ASGI-SA).

The following principles and broad national goals are set in ASGI-SA, and are brought through into the Policy Framework of the Provincial Spatial Economic Development Strategy:

- Accelerated growth in the economy to more than 4,5 % in the period 2009, and more than 6 % from 2010 to 2014.
- Reduce the gap between the first and second economies, and halve poverty and unemployment by 2014.
- Ensure that social security reaches all who are eligible.

Outcome 12

- Speed up economic growth and transform the economy to create decent work and sustainable livelihoods
 - Decent employment through inclusive economic growth.
 - A skilled and capable workforce to support an inclusive growth path.
- Develop and implement a comprehensive rural development linked to land and agrarian reform and food security
 - Vibrant, equitable and sustainable rural communities with food security for all.
- Introduce a massive programme to build economic and social infrastructure
 - An efficient, competitive and responsive economic infrastructure network.
 - Sustainable human settlements and improved quality of household life.

- Intensify the fight against crime and corruption

All people in South Africa are and feel safe

- Strengthen the skills and human resource base
 - Improved quality of basic education.
 - Improve health profile of all South African
 - A long and healthy life for all South Africans.
 - Build cohesive, caring and sustainable communities
 - Pursue Municipal advancement and enhanced regional co-operation(IGR)
 - Ensure sustainable resource management
-
- Build developmental, improve public service, and strengthen democratic institutions
 - A responsive, accountable, effective and efficient local government system.

The Nxuba Local Municipality has set a vision and mission statement for its people, to provide strategic direction for all planning and service delivery in the Municipality. These statements remain relevant to the period under review (2011/12) as it is both informed by the situational analysis and realities on the ground.

NXUBA LOCAL MUNICIPALITY HAS ADOPTED THE FOLLOWING VISION;

NXUBA VISION

“Nxuba Municipality, a catalyst for a sustainable development for all!”

NXUBA MISSION

The mission of the Nxuba Local Municipality is to be;

“Nxuba Municipality strives to render service excellence through competent human capital using integrated approach”

STRATEGIC OBJECTIVES

Strategies will be informed, in terms of content by the uniqueness of the local conditions (see strategic objective hereunder) while however the overall national and provincial growth and development strategic framework and policy vision, as well as those of the Amathole DistrictMunicipality will be considered.

The Municipality’s has identified six high level objectives for 2012/13;

1. Build an efficient, competitive and responsive economic infrastructure network;
2. Create decent employment through inclusive economic growth;
3. Build an efficient, effective, accountable and responsive local government system;
4. Ensure sustainable human settlements and improved quality of household life;
5. Protected and enhanced environmental assets and natural resources;
6. Grow vibrant, equitable and sustainable rural communities and food security

The following high level strategies have been developed to address the municipality's objectives above.

1	Build an efficient, competitive and responsive economic infrastructure network.
	Ring-fence electricity function to facilitate cost-reflecting pricing. Spatial plans to provide for commuter rail and road corridors of public transport Provide and maintain municipal roads network Facilitate ADM to expand water purification works and waste water treatment works to meet growing demand.
2	Create decent employment through inclusive economic growth.
	Develop and implement a LED strategy by 2012; Support Aspire Tourism Initiatives; Lobby funding for projects with job creation and skills development emphasis; Support and interface municipal activities to promote economic regeneration and job creation opportunities.
3	Build an efficient, effective, accountable and responsive local government system;
	Improve Communication and Customer Care Service; Entrench Public Participation as a development mandate; Strengthen oversight role of council; Establish stakeholder forums; Ensure skill training Create and Support Ward Committees
4	Ensure sustainable human settlements and improved quality of household life
	Develop a Land Register of municipal land zoned for housing development and investigate ownership of land pockets identified in SDF for infill and new housing development. Implement the Greening and Beautification Project.
5	Protected and enhanced environmental assets and natural resources;
	Implementation of the LWMP SDF Review 2011/12 to identify environmental sensitive areas including wetlands.
6	Grow vibrant, equitable and sustainable rural communities and food security
	Develop a commonage expansion plan
	Facilitate partnership with Farmers Unions
	Identify state land
	Formulate & implementation of Revenue enhancement strategy;

The Strategic Framework Matrix will be structured in the 5 Key Performance Areas of the Assessment Framework Tool as sequenced hereunder:

- Spatial Development Framework
- Basic Service Delivery and Infrastructure Investment
- Financial Viability and Financial Management
- Local Economic Development
- Good Governance and Public Participation
- Municipal Transformation and Institutional Development

KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTION DEVELOPMENT OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 12/13	TARGET: 13/14	TARGET: 14/15	ACCOUNTABLE OFFICIAL
By-Law Enforcement	To ensure proper compliance with the legislation	MTI 1	By-Law enforcement and implementation	Trained staff on implementation of By-laws	MTI 1: 1	Quarterly reports with supporting evidence	Nil	Trained staff on implementation of by-laws	Trained staff on implementation of by-laws	Trained staff on implementation of y-laws	Corporate Services Manager
				Implementation and enforcement of By-Laws	MTI 1:2	Quarterly reports with supporting evidence	Existing by-laws	Implemented and enforced by-laws	Implemented and enforced by-laws	Implemented and enforced by-laws	Corporate Services Manager
	To ensure proper enforcement of By-Laws	MTI2	Identify and facilitate training of peace		MTI 2:1	Quarterly reports	Nil	No. of Peace Officers trained	No. of Peace Officers trained	No. of Peace Officers trained	Corporate Services Manager

			officers								
Integrate d planning, monitorin g and evaluatio n	To ensure proper developme nt and review of credible IDP	MTI 3	Develop and implement IDP process plan		MTI3:1	Quarterly report supported by evidence	Existing Process Plan	Credibl e Process Plan	Credibl e Process Plan	Credible Process Plan	Municipa l Manager
	To ensure effective co- ordination of integrated planning, implement ation, monitorin g and evaluation in NLM	MTI4	Strengthe n IGR Co- ordination	4 NLM Technica l Fora	MTI 4: 1	Quarterly report supported by evidence	Service Level Agreeme nt ,Legislati ve Framewo rk and IGR Structur e	4 NLM Technic al Fora	Annual report	Annual report	Municipa l Manager
			Developme nt of the annual report	4 NLM Political Fora	MTI 4:2	Council resolution	Annual report	Annual report	Annual report	Annual report	Municipa l Manager
				4 Sitting of LRSP & Housing							

				Forum							
				4 Solid Waste Forum and 4 Water Forum Adopted Annual Report							
			Alignment of IDP, SDBIP, Budget and SDF	IDP alignment to the SDF submitted to the council for approval	MTI 4:3	Quarterly report supported by evidence	Existing IDP	Aligned IDP with SDBIP, Budget and SDF	Aligned IDP with SDBIP, Budget and SDF	Aligned IDP with SDBIP, Budget and SDF	Municipal Manager
			Monitoring and evaluate implementation of IDP	70% Achievement in each Key Performance Area in all 4 quarters	MTI 4:4	Quarterly report supported by evidence	Quarterly reports	Quarterly reports with evidence	Quarterly reports with evidence	Quarterly reports with evidence	Municipal Manager
				Functional IT/IS system in performance management, monitoring		Quarterly report supported by evidence					Corporate Services Manager

				ng and evaluation							
			Strengthened Community Safety Forum	Capacity building programs conducted	MTI 4:5	Quarterly report supported by evidence	Existing Community Safety forum	Community safety forum	Community safety forum	Community safety forum	Community Services Manager
			Coordinate Health & Protection consultative sessions	Health & Protection consultative Forum session	MTI 4:6	Quarterly report supported by evidence	Nil	Consultative sessions	Consultative sessions	Consultative sessions	Corporate Services Manager
Vacancies	Recruit and retain staff for the Municipality	MTI 5	Review and Implement recruitment and selection policy		MTI 5: 1	Quarterly report supported by evidence	Existing Recruitment and selection policy	Reviewed Recruitment and Selection Policy	Reviewed Recruitment and Selection Policy	Reviewed Recruitment and Selection Policy	Corporate Services Manager
Policy	To ensure compliance with legislation	MTI 6	Develop new key policies and implement the existing policy review all Municipal policy		MTI 6:1	Quarterly report	Existing policies	Developed, reviewed and implemented policies	Developed, reviewed and implemented policies	Developed, reviewed and implemented policies	Corporate Services Manager
Human Resources	To ensure that the Corporate	MTI6	To develop and implement		MTI 6:1	Quarterly report	Nil	Developed and implem	Developed and implem	Developed and impleme	Corporate Services

	Services Department complies with all policies and legislation regarding provisioning and retaining of staff		the HR strategy					ent HR strategy	ent HR strategy	nted HR strategy	Manager
Skills Development	To ensure the compliance of Skills Development Act	MTI7	Skills Development Audit and identify gaps		MTI 7:1	Quarterly report	Nil	Skills audit	Skills audit	Skills audit	Corporate Services Manager
	To ensure effective co-ordination of integrated planning, implementation, monitoring and evaluation across the District		Management of staff performance (below sections 57 managers)	Staff performance agreements signed in all departments and actual performance assessed	MTI 8:2	Quarterly report supported by evidence	Quarterly performance report	Accountable Agreements & Performance Promises	Accountable Agreements & Performance Promises	Accountable Agreements & Performance Promises	Corporate Service Manager
Records management	Develop a secure records management	MTI9	To review and implement reliable		MTI 9:1	Quarterly report	Nil	Development and implem	Development and implem	Development and impleme	Corporate Services Manager

	nt system		records management system					entation of records management system	entation of records management system	ntation of records management system	
			Establish records management unit		MTI 9:2	Quarterly report	Nil	Capacitate records management unit	Capacitate records management unit	Capacitate records management unit	Corporate Service Manager

KPA 2: Service Delivery and Infrastructure Development

PRIORI TY AREA	OBJECT IVE	OBJEC TIVE CODE	STRATEGY	INDICATO R	INDICATO R CODE	MEASUR EMENT SOURCE AND FREQUE NCY	BASE- LINE	TARGET: 12/13	TARGET : 13/14	TARGET: 14/15	ACCOUNT TABLE OFFICIA L
Land Audit	To Audit all land within Nxuba jurisdiction and determine land ownership by 2017	SDI 1	By verification of land ownership	Database of land	SDI 1:1	Quarterly reports	Nil	Verification reports	Verification reports	Verification reports	Corporate Services /Technical Services
			By engaging public participation regards to rezoning	No. of sessions	SDI 1:2	Quarterly report supported by evidence	Nil	Reports on public participation regarding rezoning	Reports on public participation regarding	Reports on public participation regarding	Corporate Services /Technical

			(complying with the legislation).						g rezoning	rezoning	Services
			By taking legal action and enforcement of By-laws Relocation of Beacons	Reports on actions taken	SDI 1:3	Quarterly reports	Nil	Reports on legal action taken	Reports on legal action taken	Reports on legal action taken	Corporate Services /Technical Services
Roads and storm water	To ensure that Nxuba community have access to all services through the road network in 2017	SDI 2	By upgrading and Maintaining all access roads and stormwater through in house funding	No. of km's of access roads upgraded	SDI 2:1	Quarterly report supported by evidence	8km	No. of km's of access roads upgraded	No. of km's of access roads upgraded	No. of km's of access roads upgraded	Technical Services Manager
			By constructing new roads through grant funding	No. of km's of new roads constructed	SDI 2: 2	Quarterly report supported by evidence	12km	No. of km's of new roads constructed	No. of km's of new roads constructed	No. of km's of new roads constructed	Technical Services Manager
			Maintaining existing infrastructure	Report on infrastructure maintained	SDI 2: 3	Quarterly report supported by evidence	Nil	Report on infrastructure maintained	Report on infrastructure maintained	Report on infrastructure maintained	Technical Services Manager

									ed		
Electricity	To ensure that all Nxuba communities have legitimate and updated access to electricity in 2017	SDI 3	By reducing losses	Report on electrical losses	SDI 3:1	Quarterly report supported by evidence	Nil	Reduction of electrical losses by 15%	Reduction of electrical losses by 40%	Reduction of electrical losses by 85%	Technical Services Manager
			By appointing electrical inspectors	No. of electrical inspectors appointed	SDI 3:2	Quarterly report supported by evidence	Nil	No. of inspectors appointed	No. of inspectors appointed	No. of inspectors appointed	Technical Services Manager
			By facilitating sourcing of funding through donors	Memorandum to Finance for sourcing of funds	SDI 3:3	Quarterly report supported by evidence	Nil	Application for funding	Application for funding	Application for funding	Technical Services
			Replacement of faulty meter by July 2012	No. of faulty meters replaced	SDI 3:4	Quarterly report supported by evidence	3000	No. of new meters installed	No. of new meters installed	No. of new meters installed	Technical Services

Disaster Management	To ensure efficient response when disaster strikes	SDI 4	By coordinating good working relationship between Nxuba and ADM	Service Level Agreement	SDI 4:1	Quarterly report supported by evidence	Nil	MOU / SLA and implementation of the agreement	Implementation of the MOU/SLA	Implementation of the MOU/SLA	Technical Services
Environmental Issues	To ensure that Nxuba communities have clean and friendly environment and conservation of sensitive /protective areas	SDI 5	By regulating illegal mining(liasing with DOE to issues out permits)	Report on assistance provided to illegal miners	SDI 5:1	Quarterly report supported by evidence	Nil	No. of permits issued	No. of permits issued	No. of permits issued	Technical Services
			By implementing Municipal by-laws	Report on by-laws enforced	SDI 5:2	Quarterly report supported by evidence	Nil	Development and implementation of by-laws	Implementation of by-laws	Implementation of by-laws	Technical Services
Social Facilities	To ensure access to well-maintained social amenities	SDI 6	By building internal capacity	Report on capacity building	SDI 6:1	Quarterly report	Nil	No. of trainings conducted	No. of trainings conducted	No. of trainings conducted	Technical Services

			By solicite fund from MIG	Applicatio n for funding	SDI 6:2	Quarterl y report supporte d by evidence	Nil	Application for funding	Applicati on for funding	Applicatio n for funding	Technica l Services
			Partnership with department of sports, arts and culture.	MOU / SLA	SDI 6:3	Quarterl y report supporte d by evidence	Existin g SLA	Implementa tion of SLA	Impleme ntation of SLA	Implement ation of SLA	Technica l Services
Cemeter ies	To ensure that all communi ties have access to proper maintain ed and managed cemeteri es	SDI 7	By maintaining and fencing all cemeteries	No. of km's fenced (No. of cemeteries fenced)	SDI 7:1	Quarterl y report supporte d by evidence	5	1	1	1	Technica l Services
			By building internal capacity	No. of trainings organized or conducted	SDI 7:2	Quarterl y report	Nil	No. of trainings conducted	No. of trainings conducte d	No. of trainings conducted	Technica l Services
			By implementi ng the cemetery managemen t database	Database	SDI 7:3	Quarterl y report	Nil	Developmen t and maintenanc e of database	Mainten ance of database	Maintenan ce of database	Technica l Services
Waste Manage ment	To improve the	SDI 8	By implementi ng by-laws	By-laws on Waste Manageme	SDI 8: 1	Quarterl y report supporte	Nil	Developmen t and implementa	Impleme ntation of by-	Implement ation of by-laws	Technica l Services

	frequency and the quality of solid waste management services in Nxuba by 2017			nt		d by evidence		tion of by-laws	laws		
			Building internal capacity	No. of trainings conducted	SDI 8:2	Quarterly report	Nil	No. of trainings conducted	No. of trainings conducted	No. of trainings conducted	Technical Services
			Purchase vehicles and equipment	No. of vehicles and equipment purchased	SDI 8:3	Quarterly report supported by evidence	Nil	Procurement of vehicles and equipment	Procurement of vehicles and equipment	Procurement of vehicles and equipment	Technical Services
			Partnership with department of sports, arts and culture.	MOU/SLA	SDI 6:3	Quarterly report supported by evidence	Nil	Implementation of SLA/MOU	Implementation of SLA/MOU	Implementation of SLA/MOU	Technical Services
Housing	To ensure that all people have access to human settlement by 2017	SDI 9	By verification of beneficiary list	Verification report	SDI 8:1	Quarterly report supported by evidence	Nil	Verification report	Verification report	Verification report	Technical Services

			By facilitating new applications through department of human resources settlement	Application for new housing projects	SDI 8:2	Quarterly report supported by evidence	Nil	Submission of application and implementation	Submission of application and implementation	Submission of application and implementation	Technical Services
			To seek to unblock funds	Application to unblock funds	SDI 8:3	Quarterly report supported by evidence	Nil	Submission of applications to unblock blocked housing projects	Submission of applications to unblock blocked housing projects	Submission of applications to unblock blocked housing projects	Technical Services Manager
			Service level agreement with the department	SLA	SDI 8: 4	Quarterly report supported by evidence	Nil	Implementation of SLA	Implementation of SLA	Implementation of SLA	Technical Services Manager
			To consult and implement the deregistration policy of the dept.	Developed deregistration policy	SDI 8:5	Quarterly report supported by evidence	Nil	Development and implementation of deregistration policy	Implementation of deregistration policy	Implementation of deregistration policy	Technical Services Manager
Fire	To ensure that municipality have effective and reliable	SDI 10	By engaging ADM and relevant stakeholders	No. of sessions held with ADM and stakeholders	SDI 9:1	Quarterly report supported by evidence	Nil	No. of sessions held with ADM and stakeholders	No. of sessions held with ADM and stakeholders	No. of sessions held with ADM and stakeholders	Technical Services Manager

	fire services by 2017										
			By training official and public volunteers on fire services	No. of trainings on fire services	SDI 9:2	Quarterly report supported by evidence	Nil	No. of trainings on fire services	No. of trainings on fire services	No. of trainings on fire services	Technical Services Manager
			Identify and train suitable volunteers	List of suitable volunteers	SDI 9:3	Quarterly report supported by evidence	Nil	Develop list of volunteers and train them	Training of volunteers	Training of volunteers	Technical Services Manager
Traffic	To ensure that Nxuba Municipality has got good and reliable traffic services by 2012	SDI 12	By constructing D/L testing ground through MIG funding	Constructed D/L testing grounds	SDI 11-1	Quarterly report supported by evidence	Nil	Construct and operationalise D/L testing grounds	Operationalisation D/L testing grounds	Operationalisation D/L testing grounds	Corporate Services
			By securing internal funding	Internal Memo	SDI 11-2	Quarterly report supported by evidence	Nil	Submission of request for funding	Submission of request for funding	Submission of request for funding	Corporate Services
Water and sanitation	To facilitate the provision of water and	SDI 13	By liaising with ADM through services agreement	SLA	SD 12-1	Quarterly report supported by evidence	Nil	No. of session with ADM	No. of session with ADM	No. of session with ADM	Technical Services

	sanitation to Nxuba community by 2017										
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KPA 3: LOCAL ECONOMIC DEVELOPMENT

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 12/13	TARGET: 13/14	TARGET: 14/15	ACCOUNTABLE OFFICIAL
Tourism	Marketing of Nxuba as a tourism destination by 2012	LED 1	Profiling of existing attractions within the Nxuba Area		LED 1:1	Quarterly reports	Nil	2 Tourism Projects implemented	Implementation of Tourism projects	Implementation of Tourism projects	Corporate Services Manager
			Promotion of tourism products within the Nxuba Area-through update of websites, exhibitions		LED 1:3	Quarterly reports	Existing website	Update website	Updated website	Updated website	Corporate Services Manager
SMME Development	To support development	LED 2	Ensure that municipalities		LED 2 :1	Quarterly reports with supporting	Existing SCM	Annual Compliance report	Annual Compliance report	Annual Compliance report	Corporate Services

	ntal local SMME sector		ties procureme nt policies (SCM) accommodate the growth and developme nt of Local SMME's			evidence	Policy				Manager
			Facilitatio n of training and research		LED 2:2	Quarterly reports with supporting evidence	Nil	No. of SMME's trained	No. of SMME's trained	No of SMME's trained	Corporat e Services Manager
			Co-ordinate their organizati ons into formally registered legal entities		LED 2:3	Quarterly report	Existi ng datab ase of regist ered entitie s	Update database	Updated database	Updated database	Corporat e Services Manager
Agricultu re Develop ment	To facilitate and co ordinate implementation of current	LED 4	Participati on in project implement ation steering committee		LED 4: 1	Quarterly reports	Nil	Steering committee meetings	Steering committee meetings	Steering committee meetings	Corporat e Services Manager

	commitments by IDP Departments of Rural Development and Agrarian Reform and Social Development and other stakeholders by 2017		s.								
	Enhance Agricultural SMME Development by 2017	LED 5	By availing resources through provision of services to agreed sites.		LED 5:1	Quarterly reports	Nil	No. of resources availed	No. of resources availed	No. of resources availed	Corporate Services Manager
	Realisation of profits from agricultural projects by 2017	LED 6	Create awareness in agri-processing		LED 6:1	Quarterly reports	Nil	Awareness campaigns	Awareness campaigns	Awareness campaigns	Corporate Services Manager
Economic Planning	To ensure sound planning	LED 7	Development of an Local		LED 7:1	Quarterly reports	Nil	Facilitate the developme	Implement LED strategy	Implement LED strategy	Corporate Services

	and forecasting for future economic growth and development by 2013		Economic Strategy					nt and implementation of LED strategy			Manager
Institutional Capacity Development	To build the capacity for carrying out LED operations	LED 8	By entering into Service Level Agreements with Department		LED 8 :1	Quarterly reports	Nil	SLA with departments	SLA with departments	SLA with departments	Corporate Services Manager

KPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 12/13	TARGET: 13/14	TARGET: 14/15	ACCOUNTABLE OFFICIAL
Project spending	Ensure 100% expenditure of project funds by the end of each financial year	MFV 1	Increase weighting of project expenditure on SDBIP	Spending on projects not less than 80% of departmental projected budget	MFV 1:1	Quarterly expenditure report including expenditure on projects Unspent project budget	Existing monthly expenditure report and unspent budget	Spending on projects not less than 80% of departmental projections	Spending on projects not less than 90% of departmental projections	Spending on projects not less than 100% of departmental projections	All HoDs
Asset management	To ensure that municipal assets are safeguarded by 2014	MFV 2	Review Asset Management Policy and clarify roles and responsibilities	Reviewed Asset Management Policy submitted to Council for approval	MFV 2:1	Quarterly report supported by evidence	Existing asset management policy	Reviewed asset management policy submitted to Council for approval	Implement policy	Implement policy	Chief Financial Officer
			Value and verify all municipal assets	Completed Valuation for NLM	MFV 2:2	Quarterly report supported by evidence	Existing Asset Register	All assets valued and verified for the NLM	All assets valued and verified for the NLM	All assets valued and verified for the NLM	Chief Financial Officer
				Appropriate management	MFV 2:3	Quarterly reports with	Internal and external	Management responses	Management responses and time-	Management responses	All HoDs

				ent responses provided within specified timeframes		supporting evidence	audit reports	and time-bound action plans submitted to IA and BTO for AG	bound action plans submitted to IA and BTO for AG	and time-bound action plans submitted to IA and BTO for AG	
			Identify centralized and secured office space for movable assets	Safe and secured office space for municipal movable assets	MFV 2: 4	Quarterly reports	Nil	Identify building and operational stores	Operationalisation and management of stores	Operationalisation and management of stores	Chief Financial Officer
			Reconcile asset register with general ledger	12 monthly reconciled ledger reports	MFV 2: 5						
Financial Management	To ensure Unqualified Audit in respect of Accounting and Financial reporting by 2014	MFV 3	Develop and implement monitoring tool for all departmental reconciliations	12 monthly reports on reconciliations submitted by departments	MFV 3.1	Quarterly report supported by evidence	Existing list of departments' reconciliations	12 monthly reports on reconciliations submitted	12 monthly reports on reconciliations submitted	12 monthly reports on reconciliations submitted	Chief Financial Officer
	To enhance process	MFV 4	To develop and	Quarterly reports on	MFV 4.1		Existing list of manuals	Develop and implement	Develop and implement manuals	Develop and implement	Chief Financial Officer

	flow and system description by 2013		implement procedural manuals according to relevant policies	development of manuals				manuals		manuals	
	To ensure relevant supporting documentation is managed for all transactions by 2013	MFV 5	To develop and implement a document management system	Quarterly reports	MFV 5.1		Electronic document management system	Development and implementation of electronic document management system	Implementation of electronic document management system	Implementation of electronic document management system	Chief Financial Officer
	To ensure increase in revenue collection by 2017	MFV 6	Develop and implement a Revenue Enhancement Strategy	Monthly reports	MFV 6: 1		Developed Revenue Enhancement Strategy	Development and implementation of Revenue Enhancement Strategy	Implementation of Revenue Enhancement Strategy	Implementation of Revenue Enhancement Strategy	Chief Financial Officer
	To ensure a financially viable municipality by 2017	MFV 7	Review and implement credit control policy	Quarterly reports	MFV 7: 1		Reviewed credit control policy	Reviewal and implementation of credit control policy	Reviewal and implementation of credit control policy	Reviewal and implementation of credit control policy	Chief Financial Officer
			Enforce by-laws		MFV 7: 2						

	To ensure that accurate and relevant levies are charged by 2013	MFV 8		Quarterly reports	MFV 8: 1		Accurate billed accounts	Accurate billing of accounts	Accurate billing of accounts	Accurate billing of accounts	Chief Financial Officer
Revenue management	To ensure that creditors are paid on time, by 2014	MFV 9	To implement revenue enhancement strategy	Quarterly reports	MFV 9: 1		Developed Revenue Enhancement Strategy	Development and implementation of Revenue Enhancement Strategy	Reviewal and implementation of Revenue Enhancement Strategy	Reviewal and implementation of Revenue Enhancement Strategy	Chief Financial Officer
	To ensure increase in own income by 10%			Quarterly reports							Chief Financial Officer
Expenditure Management	To ensure that unauthorized expenditure is eliminated, annually	MFV 10	To develop and implement and update Procurement Plans	Quarterly reports	MFV 10: 1		Developed procurement plans	Development and implementation of procurement plans	Implementation of procurement plans	Implementation of procurement plans	Chief Financial Officer
Supply Chain Management		MFV 11	To implement SCM regulations and policies	Quarterly reports	MFV 11: 1		SCM regulations and policies	Implementation of SCM regulations and policies	Implementation of SCM regulations and policies	Implementation of SCM regulations and policies	Chief Financial Officer

Contract Management	To ensure that contracts are managed effectively by 2017	MFV 12	Develop and manage Contracts Register	Quarterly reports	MFV 12: 1		Developed contracts register	Development and management of contracts Register	Management of contracts register	Management of contracts register	Chief Financial Officer
Budget Preparation and Management	To ensure that the budget is compliant with legislation, annually	MFV 13	Prepare municipal budget using history, current market indicators and research to do forecasts	Quarterly reports	MFV 13: 1		Existing budget	Development and implementation of budget process plan and budget	Development and implementation of budget process plan and budget	Development and implementation of budget process plan and budget	Chief Financial Officer
Contract Management	To ensure that contracts are managed effectively by 2017	MFV 12	Develop and manage Contracts Register	Quarterly reports	MFV 12: 1		Developed contracts register	Development and management of contracts Register	Management of contracts register	Management of contracts register	Chief Financial Officer
Budget Preparation and Management	To ensure that the budget is compliant with	MFV 13	Prepare municipal budget using history,	Quarterly reports	MFV 13: 1		Existing budget	Development and implementation of budget	Development and implementation of budget	Development and implementation of budget	Chief Financial Officer

	legislation, annually		current market indicators and research to do forecasts					process plan and budget	process plan and budget	process plan and budget	
Fleet Management	To ensure that fruitless expenditure is eliminated by 2014	MFV 14	Dispose of redundant vehicles	Quarterly reports	MFV 14: 1		Register of redundant vehicles	Disposal of redundant vehicles	Disposal of redundant vehicles	Disposal of redundant vehicles	Chief Financial Officer
	To ensure effective fleet maintenance by 2017	MFV 15	Develop and implement a Fleet Management Plan	Quarterly reports	MFV 15: 1		Fleet Management Plan	Development and implementation of Fleet Management Plan	Implementation of Fleet Management Plan	Implementation of Fleet Management Plan Implementation of Fleet Management Plan	Chief Financial Officer
Cash management		MFV 16	Prepare regular bank reconciliations	Monthly reports	MFV 16: 1		Bank reconciliations	Preparing bank reconciliations	Preparing bank reconciliations	Preparing bank reconciliations	Chief Financial Officer

KPA 5: GOOD GOVERNANCE OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 12/13	TARGET: 13/14	TARGET: 14/15	ACCOUNTABLE OFFICIAL
Special Programmes (Vulnerable Groups)	To ensure that vulnerable groups are taken into consideration when developing and implementing municipal programmes and activities by 2017	GGP 1	Develop and implement fully fledged SPU programme and projects for vulnerable groups	SPU Strategy submitted to council for approval	GGP 1: 1	Quarterly report supported by evidence	Nil	Developed SPU Strategy submitted to Council for approval	Implement SPU Strategy	Implement SPU Strategy	Corporate Services Manager
			Review and implement activity programme for vulnerable groups	Activity programme for vulnerable groups submitted to Council for approval	GGP1: 2	Quarterly report supported by evidence	Existing Activity programme for vulnerable groups	Reviewed Activity programme submitted to council for approval	Implement activity programme	Implement activity programme	Corporate Services Manager
Public	Ensure	GGP 2	Develop	Public	GGP 2:	Quarterly	Nil	Developed	Implement	Implement	Corporate

Participation and petitions	that all stakeholders participate in the affairs of the municipality by 2013		and implement public participation strategy	Participation strategy submitted to Council for approval	1	report supported by evidence		Public Participation Strategy submitted to Council for approval	ent Strategy	nt Strategy	Services Manager
			Capacitate ward committees and establish sub-structures	Ward Committee Capacity building manual submitted to council for approval	GGP 2: 2	Quarterly report supported by evidence	Existing capacity building manual on ward committees and sub-structures	Reviewed Capacity manual submitted to Council for approval	Implement Capacity building Manual	Implement Capacity building Manual	Corporate Services Manager
	Enhance the effectiveness of ward committees as true representatives of communities' views by 2014	GGP 3	Strengthen relations and coordinate the work of CDW, Ward Committees, NGO's and CBO'S	Activity programme of ward committees and community representatives	GGP 3: 1	Quarterly report submitted to Council with supporting evidence	Activity programme for ward committees and community representatives	Reviewed Activity programme submitted to council for approval	Implement activity programme	Implement activity programme	Corporate Services Manager
Integrat	To ensure	GGP 4	Strengthen	4 sittings	GGP 4:		4 sittings	4 sittings of	4	4	Municipal

ed Plannin g, Monitor ing and Evaluati on	effective co- ordinatio n of integrated planning, implemen tation ,monitori ng and evaluatio n across the municipal ity		n IGR Forum	of the LED Forum	1		of LED meetings	LED meetings	sittings of LED meeting s	sittings of LED meeting s	Manager
				4 sittings of the Housing Forum		Quarterly reports		4 Sittings of Housing Forum meetings	4 sittings of Housin g Forum meeting s	4 Sittings of Housing Forum meeting s	Municipal Manager
				4 sittings of IGR Forum meetings		Quarterly reports		4 sittings of IGR Forum meetings	4 Sittings of IGR Forum meeting s	4 Sittings of IGR Forum meeting s	Municipal Manager
			Developm ent of the Annual Report	Adopted Annual Report		Annual report	Adopted Annual Report	Adopted 2011/12 Annual report	Adopted 2012/1 3 Annual report	Adopted 2013/14 Annual report	Municipal Manager
			Alignmen t of IDP,SDBI	IDP Aligned with the		Quarterly reports	Existing SDF,IDP and	IDP aligned to SDF approved	IDP aligned to SDF	IDP aligned to SDF	Municipal Manager

			P, Budget and SDF	SDF			SDBIP	by council	approved by council	approved by council	
			Monitoring and evaluate implementation of IDP	70% Achievement in each KPA in all 4 quarters		Quarterly reports with supporting document	Existing performance management framework	70% Achievements in each KPA in all 4 quarters	80% Achievement in each KPA in all 4 quarters	90% Achievements in each KPA in all 4 quarters	Municipal Manager

PROJECT IMPLEMENTATION PLAN 2012/2013 FINANCIAL YEAR

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	BUDGET
1	Goodwin Park community Hall	Construction of Goodwin Park community Hall	4	MIG	1,800,000.00
2	Traffic Department Testing Centre	Construction of Testing Centre	1	MIG	2,000,000.00
3	Cementries	Fencing of cemeteries	All	MIG	392,000.00
4	Red Township access road	Red Township access road	2	MIG	1,950,000.00
5	Re-gravelling of Bedford streets (Town and Goodwin park)	Re-gravelling of Bedford streets (Town and Goodwin park)	3 and 4	MIG	1,500,550.00
6	Re-gravelling of Red township and Bezville streets)	Re-gravelling of Red township and Bezville streets)	1 and 2	MIG	500,000.00
7	Adelaide Town streets	Adelaide Town streets surfacing	1	MIG	1,000,000.00
8	Bedford Town streets surfacing	Bedford Town streets surfacing	3	MIG	2,000,000.00

PROJECT IMPLEMENTATION PLAN 2013/2014 FINANCIAL YEAR

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	BUDGET
1	Wanderers Sports fields	Construction of Wanderers Sports fields	1	MIG	500,000.00
2	Nonzwakazi Polar Park sports fields	Construction of Nonzwakazi Polar Park sports fields	4	MIG	3,000,000.00
3	Multi purpose centre in Goodwin park	Construction of Multi purpose centre in Goodwin park	4	MIG	1,154,350.00
4	Parks in Bezville	Parks in Bezville	1	MIG	1,500,000.00
5	Andrew Turpin Building	Andrew Turpin Building	3	MIG	500,000.00
6	Bezville Sports field	Construction of Bezville Sports field	2	MIG	2,000,000.00
7	Re-gravelling of Bezville Streets	Re-gravelling of Bezville Streets	1	MIG	1,050,000.00
8	Re-gravelling of Goodwin Park streets	Re-gravelling of Goodwin Park streets	4	MIG	1,050,000.00
9	Re-gravelling of streets in coloured valley	Re-gravelling of streets in coloured valley		MIG	500,000.00
10	Hawker Stalls in Adelaide	Hawker Stalls in Adelaide		MIG	500,000.00

PROJECT IMPLEMENTATION PLAN 2013/2014 FINANCIAL YEAR

PROJECT NO	PROJECT NAME	PROJECT DESCRIPTION	PROJECT LOCATION	SOURCE OF FUNDING	BUDGET
1	Sport Fields in Red township	Sport Fields in Red township	2	MIG	R 2,000,000.00
2	Construction of concrete slab for netball	Construction of concrete slab for netball	4	MIG	R 534,000.00
3	Re-gravelling of Lingelethu Streets	Re-gravelling of Lingelethu Streets	2	MIG	R 1,200,000.00
4	Re-gravelling of Red-township streets	Re-gravelling of Red-township streets	2	MIG	R 1,200,000.00
5	Re-gravelling of Nonzwakazi streets	Re-gravelling of Nonzwakazi streets	4	MIG	R 1,500,000.00
6	Re-gravelling of Bezville Streest	Re-gravelling of Bezville Streest	1	MIG	R 1,000,000.00
7	Re-gravelling of BedfoerdTown streets	Re-gravelling of BedfoerdTown streets	3	MIG	R 1,000,000.00
8	Re-gravelling of Polar park streets	Re-gravelling of Polar park streets	4	MIG	R 1,500,000.00
9	Surfacing of Adelaide town streets	Surfacing of Adelaide town streets	1	MIG	R 2,499,600.00

CHAPTER 4: SECTOR PLANS

4.0 **Introduction**

An analysis was conducted in respect of various sector plans developed for the local municipality. Some of these sector plans were found to be still relevant and required minor update. Others required to be reviewed, whilst new ones were developed.

4.1 **List of sector plans**

- Spatial Development Framework
- Integrated Waste Management Plan
- Housing Sector Plan
- Open Space Master Plan
- Disaster Risk Management All-Hazards Contingency Plan

4.2 **Status of Sector Plans**

Department	Focus	Adoption Year	Key Issues
Technical Services	Spatial Development Framework	2010/11	<ul style="list-style-type: none">• Pace of land reformed within the municipal area still lags behind.• Implementation capacity is viewed as a serious challenge in land reform;•
Technical Services	Housing Sector Plan	2008/11	<ul style="list-style-type: none">• Institutional capacity: only one staff member responsible for housing in Nxuba.• Statistic: Updated beneficiary statistics is required for the housing waiting list.• Housing backlog: The estimated backlog at the time of preparing the sector plan was approximately 3000 units.• Infrastructure: an integrated approach is required to fund infrastructure ahead of the housing delivery programme.• Skills: to improve the skills of emerging contractors.• Material: to have local material suppliers.• To reduce crime in the area
Community Services	Open Space Master Plan	20	<ul style="list-style-type: none">• To set aside and zone environmentally sensitive open spaces which are to be conserved for sustainability of future generations.

			<ul style="list-style-type: none"> • Implement greening and beautification programme which will upgrade the built environment and create opportunities for improved quality of life • Introduce measures to manage water resources in the light of climate change and on-going drought. • Establish recycling projects to create employment and managed solid waste in environmentally acceptable ways.
Community Services	Integrated Waste Plan	2010/11	<ul style="list-style-type: none"> • The Municipality is in need of comprehensive waste management strategy. • The Municipality has a serious shortage of equipment and personnel to render the current waste disposal service. • Landfills need to be managed properly to comply with legislation .There is only one permitted site within the Nxuba Municipality (Bedford), but it is not properly managed. • Waste minimization and recycling strategies are required. A transfer station to be developed in Adelaide to receive and recycle waste. • A community awareness program and communication strategy with waste generators would benefit the area. A waste information system is required .

Chapter 5

PERFORMANCE MANAGEMENT FRAMEWORK

The Performance Management Framework Systems for Nxuba Local Municipality is under review. This is under review due to the fact that it was not localized to our situation and findings were also identified during the 2008/2009 audit report. This summary includes the framework that was adopted in 2008.

1. EXECUTIVE SUMMARY

The White Paper on Local Government sets out the initial vision of developmental government. This is essentially a vision that calls upon municipalities to find means of confronting the legacy of under – development and poverty in their respective local areas of jurisdiction. A number of subsequent pieces of legislation further recognized integrated development planning, performance management and community participation as crucial mechanisms to achieve this. These mechanisms reinforce each other to bring about change, transformation and improved service delivery at a local level.

Performance management has been defined as a tool for change in conceptualizing local government transformation. It is another indication of government’s commitment to good governance and service delivery. The ethos of performance management rests on an understanding that other spheres of government need to play their part in supporting local government to perform their functions better than thereby improve the quality of lives of our people.

The Toolkit will therefore guide the municipalities in defining and describing their performance management system, its operation and the applicable legislation governing it. It will therefore guide the municipalities in the following performance management aspects:

- The requirements of their respective PMS;
- The principles informing its development and application;
- The model that describes performance management areas to be managed;
- Processes to be followed in managing performance;
- Institutional arrangements necessary for the process; and
- The different role players involved in the system.

5.2. PURPOSE OF THE TOOLKIT

- To develop an easy reference guide, which will assist the municipality under review to implement Performance Management System aligned with legislation requirements;
- To enable the municipality under review to plan, monitor, measure, review, report and improve both organizational and individual performance;
- To facilitate the creation of a performance management culture and improve service delivery through the successful implementation of a Performance Management System;
- The Toolkit will be the authoritative manual on the implementation of Performance Management System in all the municipalities under review.

5.3. OBJECTIVES OF A PERFORMANCE MANAGEMENT SYSTEM

The Performance Management System will be the primary mechanism to plan for performance management, monitor, and review and improve the implementation of the municipality's IDP's. The implementation of the Performance Management System shall achieve the following objectives:

5.3.1 FACILITATE INCREASED ACCOUNTABILITY

The Performance Management System will provide a mechanism for ensuring increased accountability between:

- The community and municipal council;
- The political and administrative components of the municipality; and
- Each department and the office of the municipal manager.

5.3.2 FACILITATE LEARNING AND DEVELOPMENT

Whilst ensuring that accountability is maximized, the performance management system will also provide a mechanism for learning and improvement. It will allow for the municipality to know which approaches are having the desired impact, and enable the municipality to improve delivery. It will form the basis for monitoring, evaluation and improving IDP implementation.

5.3.3 PROVIDE EARLY WARNING SIGNALS

The performance management system will provide political leadership and management with the diagnostic signals of the potential risks that are likely to implementation of the IDP. It is important for the system to enable decision – makers to be timeously informed of risks, to enable them facilitate intervention, where it is necessary and possible to do so.

5.3.4 FACILITATE DECISION – MAKING

The performance management system will provide the appropriate management information that will allow efficient, effective and informed decision – making, particularly in so far as indicating where the allocation of limited resources should be prioritized.

5.4. PRINCIPLES TO GOVERN PERFORMANCE MANAGEMENT SYSTEMS

The following principles will inform and guide the development and implementation of the performance management systems:

5.4.1 SIMPLICITY

The system should be simple user – friendly and should enable the municipality to operate within the existing capacity of its financial, human resources and information management system.

5.4.2 POLITICALLY DRIVEN

Legislation clearly tasks the municipal council and mayor as the owner of the performance management system. The Executive Mayor **MUST** drive both the implementation and improvement of the system. Further, Legislation allows for the delegation of this responsibility or aspects of it to the municipal manager or other appropriate structures as the Executive Mayor may deem fit.

5.4.3 INCREMENTAL IMPLEMENTATION

It is important that while a holistic performance management system is being developed, municipalities should adopt a phased approach to implementation, dependent on the existing capacity and resources of the municipality. Performance management is relatively a new approach in local government functioning and therefore requires adequate time to be given to the organization's processes of change. Extensive change management is therefore recommended to ensure successful implementation throughout the organization.

5.4.4 TRANSPARENCY AND ACCOUNTABILITY

The process of managing performance should be inclusive, open and transparent. This should be achieved by taking effective participation in the design and implementation of the system within the municipality. The process must also involve and empower stakeholders so that they are able to understand how the municipality and its departments are run, how resources are spent, and who is in charge of particular services. All information on the performance of departments should be available for other managers, employees, the public and specific interest groups.

5.4.5 INTEGRATION

The performance management system should be integrated into other management processes in the municipality, such that it becomes a tool for more efficient and effective management rather than an additional reporting burden. It should be seen as a central tool to the on – going management functions.

5.4.6 OBJECTIVITY

Performance management must be founded on objectivity and credibility in terms of both the processes of managing performance and the information on which it relies. Sources of data for measuring indicators should be scrutinized to enhance credibility of information and therefore objective decision making.

5.5. WHAT DO WE MONITOR AND REVIEW?

International experience in both the private and the public sectors has shown that traditional approaches to measuring performance, which have been heavily reliant on only financial measures, are severely lacking. It has become well accepted that in order to assess an organization's performance, a balanced view is required, incorporating a multi – perspective assessment of how the organization is performing as seen by differing categories of stakeholders. To ensure this balanced multi – perspective examination, Local Government recommends that all municipalities adopt a “Municipal Scorecard Model” to guide the performance management in the entire municipal organization.

5.5.1 WHY THE MUNICIPAL SCORECARD MODEL?

The Municipal Scorecard Model is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed. The model has proved useful in performance management for it provides balance, simplicity, mapping of inter – relationships and alignment to the Integrated Development Planning processes of the municipalities.

5.5.1.1 BALANCE

The model prompts municipal organizations to take a balanced view in terms of how it measures and manages its performance. It prevents bias by ensuring that performance measurement does not heavily rely on one facet of performance (i.e. financial viability), but rather encapsulates a multi – perspective holistic assessment of the municipality's performance.

5.5.1.2 SIMPLICITY

The model covers all key areas of performance within the municipal organization.

5.5.1.3 MAPPING OF INTER – RELATIONSHIPS

The model maps out the inter – relationships between different areas of performance. These inter – relationships relate to the extent to which poor performance in one category would lead to poor performance in other related areas and the converse. These inter – relationships help both in the planning stage and the review stage, particularly in the diagnosis of causes of poor performance.

5.5.1.4 ALIGNMENT TO THE IDP PROCESSES

The model aligns the processes of performance management to the IDP processes of the municipality. It ensures that the IDP is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided in the model relate directly to the identified priority areas of the municipality's IDP.

5.6. THE MUNICIPAL SCORECARD MODEL

The Municipal Scorecard Model is the model recommended by Local Government for managing Performance Management for municipalities. The Municipal Scorecard model is based on three levels of scorecards in the context of a "District Municipality" and embodies five (5) Key Performance Areas and two (2) levels of scorecards in the context of a "Local Municipality". Performance is measured at each level and according to the five (5) Key Performance Areas.

5.6.1 THE BASIS OF THE MUNICIPAL SCORECARD MODEL

The Municipal Scorecard Model is:

- Tightly aligned to the strategic planning and IDP processes of the municipality;
- Directly relevant to the notion of developmental local government;
- A balanced view of performance based on municipal inputs, outputs, outcomes and process;
- A simple portrayal of municipal performance, where inter – relationships can be mapped (municipal – wide, sectoral/departmental and unit/programme levels);
- Compliant with the requirements of the Municipal Systems Act (2002) and its subsequent regulations (2001 and 2006);
- Based on the five (5) Key Performance Areas for Local Government as determined in the Five Year Local Government Strategic Agenda and used in the Regulations and Vuna Awards for Performance Excellence.

5.6.2 THE FIVE (5) KEY PERFORMANCE AREAS FOR LOCAL GOVERNMENT

The Municipal Scorecard Model uses five (5) Key Performance Areas for Local Government which are:

- Municipal Transformation and Organizational Development;
- Infrastructure Development and Service Delivery;
- Local Economic Development;
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

5.7. THE KEY CHARACTERISTICS OF THE MUNICIPAL SCORECARD MODEL

The Municipal Scorecard Model has two (2) main features:

- The model uses the five (5) Key Performance Areas for Local Government as areas against which municipal performance must be measured and managed; and

- The model considers performance at three (3) levels i.e. District Scorecard, Strategic Scorecard and SDBIP Scorecard in the context of a district municipality whereas in the context of a local municipality, it considers performance at two (2) levels i.e. Strategic Scorecard and SDBIP Scorecard.

CHAPTER 6: SPATIAL DEVELOPMENT FRAMEWORK

6.1 INTRODUCTION

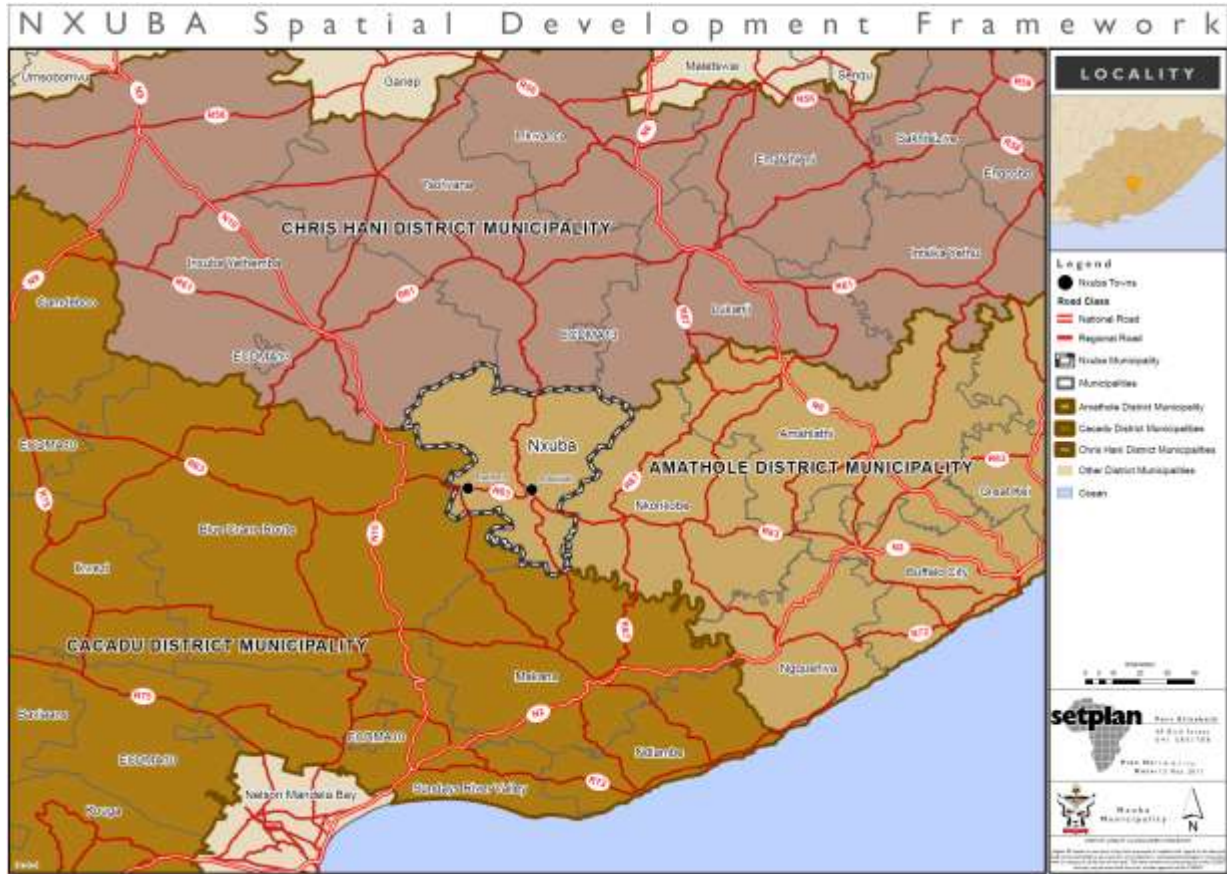
This document is prepared in fulfillment of the Municipality's legal obligation in terms of Section 26(e) of the Municipal Systems Act (Act 32 of 2000) and Section 4 of the Local Government: Municipal Planning and Performance Management Regulations.

The above regulations require that Municipal IDP and SDF's be reviewed annually within a 5 year cycle. The current 5-year IDP cycle commenced in 2007 and the most recent review of the Nxuba SDF was undertaken in 2008.

In compliance with the regulations, Setplan Port Elizabeth was appointed by the Amatole District Municipality to undertake the 2011 SDF Review for Nxuba Municipality.

This report records the process followed, decisions made and introduces the necessary changes into the Spatial Framework Plan.

STUDY AREA



Nxuba Local Municipality: IDP 2012-2017

6.2 ALIGNMENT OF NXUBA SDF WITH DIFFERENT SPHERES OF GOVERNMENT

In the review process, the Nxuba SDF will be aligned with the EC Provincial SDF (2010), Amathole District SDF (2009) and surrounding local SDF's. The SDF will also serve as a spatial representation of the Nxuba 2011/12 IDP.

The alignment with the Eastern Cape Biodiversity Plan will also be reflected in this review and addressed in Chapter 5 (New information).

6.2.1 PROVINCIAL ALIGNMENT: EASTERN CAPE SPATIAL DEVELOPMENT PLAN

EASTERN CAPE SDP VISION

The Provincial Spatial Development Vision or future spatial perspective over the next 15 – 20 years could be conceptualized in the context of the PGDP vision of **“A Poverty Free Eastern Cape”**. Understanding that such a vision would be founded upon a concept of a modern, ecologically sustainable economy based in agriculture, tourism and industry, it is believed the future spatial perspective would comprise a Spatial Development Framework of Managed Human Settlements clustered in settlement regions and corridors, alongside productive regions, managed ecological natural resource areas and connected to a network of strategic transportation routes, open to the global, national and provincial economy.

The proposals for Nxuba in the Eastern Cape SDF include:

- Bedford and Adelaide are indicated as towns.
- Upgrade of the railway between Adelaide and Bedford proposed as part of the rail link between East London and Cookhouse.
- Existing game farms indicated and the rest of the Municipal area demarcated for potential game farming activities.
- Nxuba in close vicinity to the Amatole/Manqoma Heritage Conservation

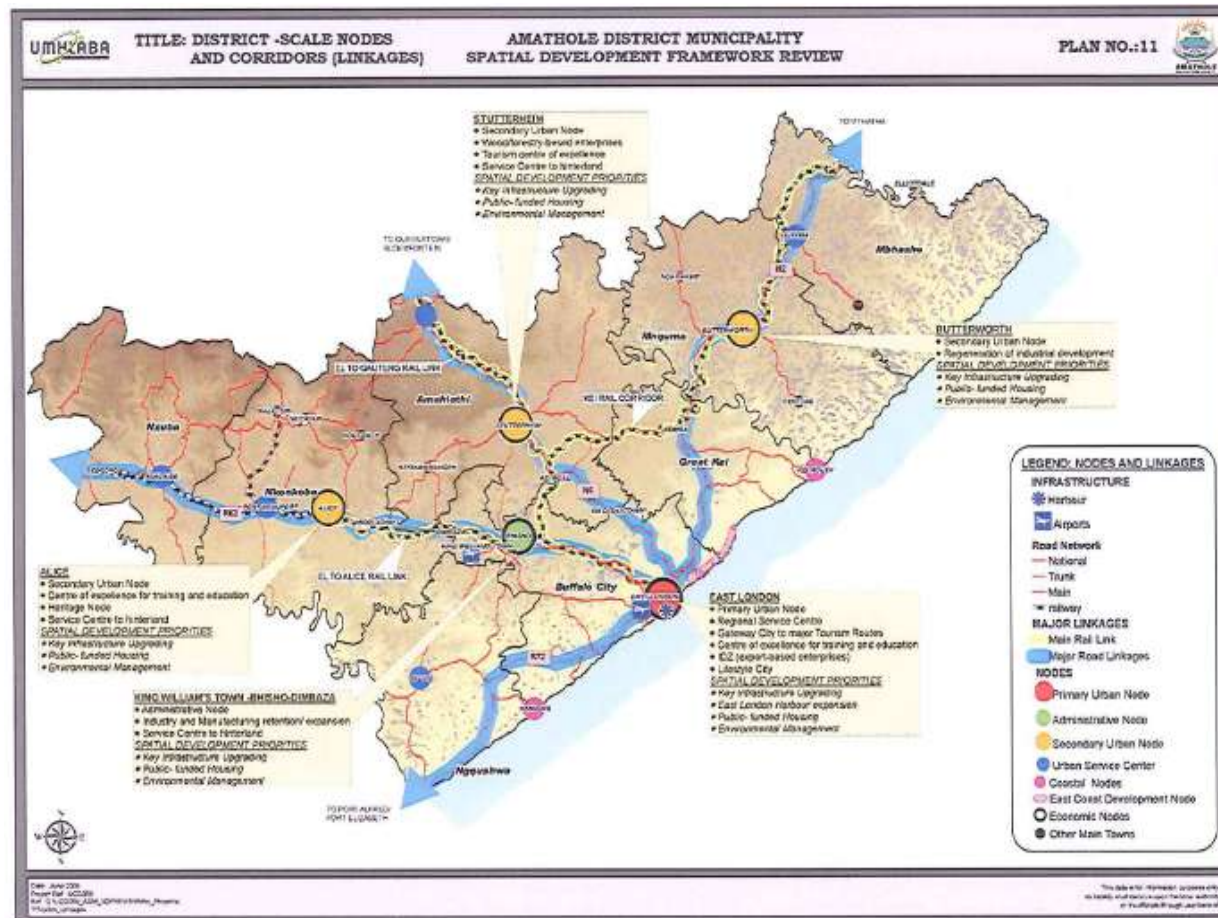
6.2.2 DISTRICT ALIGNMENT

AMATHOLE DISTRICT MUNICIPALITY

The strategic framework for the SDF for Amatole (2009) was informed by national policy and legislation and is summarized in a set of core principles below:

- Economic growth is a prerequisite to the achievement of poverty alleviation.
- The ADM has a constitutional obligation to provide facilitate the provision of basic services to all citizens.
- The ADM should focus spending on fixed investment in localities of economic growth.
- Efforts aimed at redressing social inequalities should be focused on people and not on places.
- Investment should be directed at land development and economic development in identified activity corridors and development nodes.

The Amatole SDF is comprised of the following structuring elements and associated land use management guidelines:

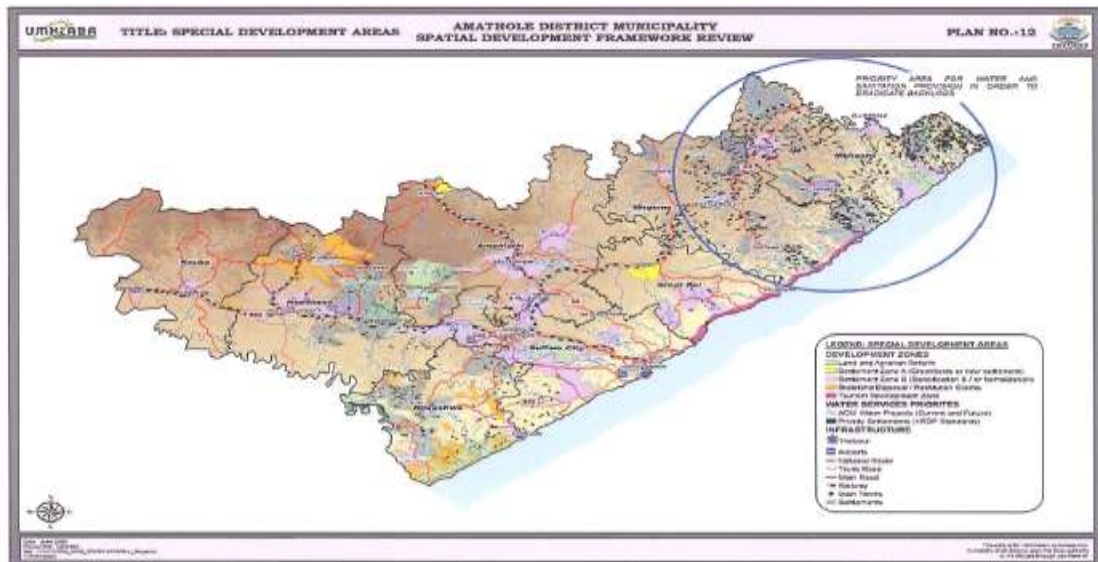


Development Corridors & Key Development Nodes

(ADM SDF Map 11)

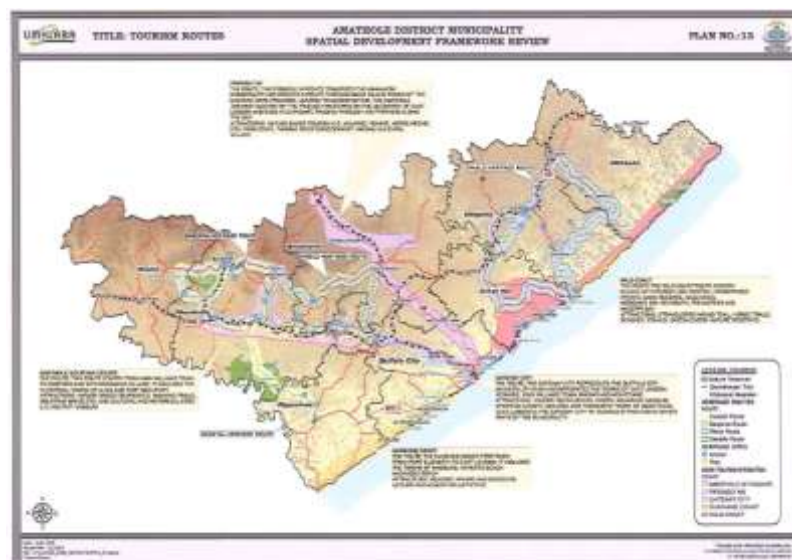
In terms of the Corridor Programme led by ASPIRE (the Amatole DM's Economic Development Agency) the following four corridors are identified for development and related investment initiatives: N2, N6, R63 and R72 Corridors. Nxuba is affected by the R63 Corridor.

The nodes in the Amatole DM were identified as Primary Urban Nodes, Administrative Nodes, Secondary Urban Nodes and Urban Service Centers. Adelaide is the Urban Service Centre in Nxuba Municipality. This is seen as town that provide a higher order level of services to their surrounding hinterland areas. It is also recognized that these towns exhibit trends of population influx and require investment in order to accommodate these pressures.



Special Development Areas dealing with Land Reform & Settlement Zones (ADM SDF Map 12)

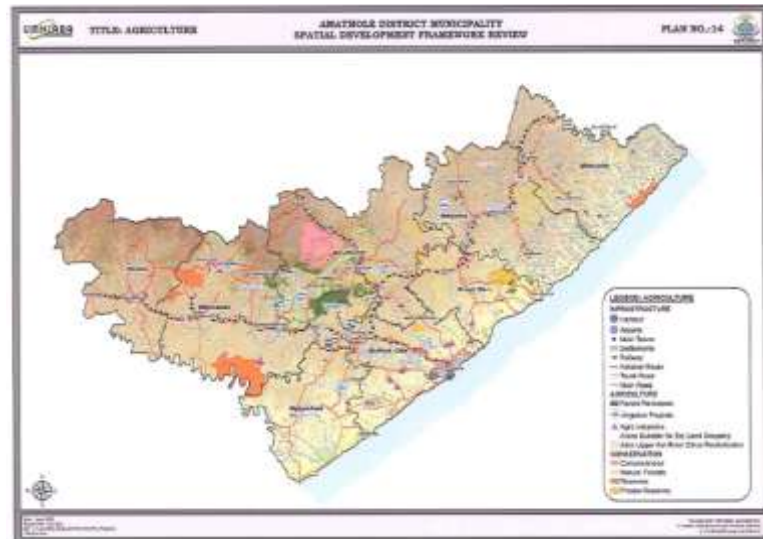
Two types of Land Reform and Settlement Zones were identified: Settlement Zone A for green fields planning and Settlement Zone B for formalization/densification/upgrading. Both Bedford and Adelaide have areas to be formalized/densified (Settlement Zone B). These areas are indicated in purple around the existing Adelaide and Bedford nodes.



Tourism (ADM SDF Map 13)

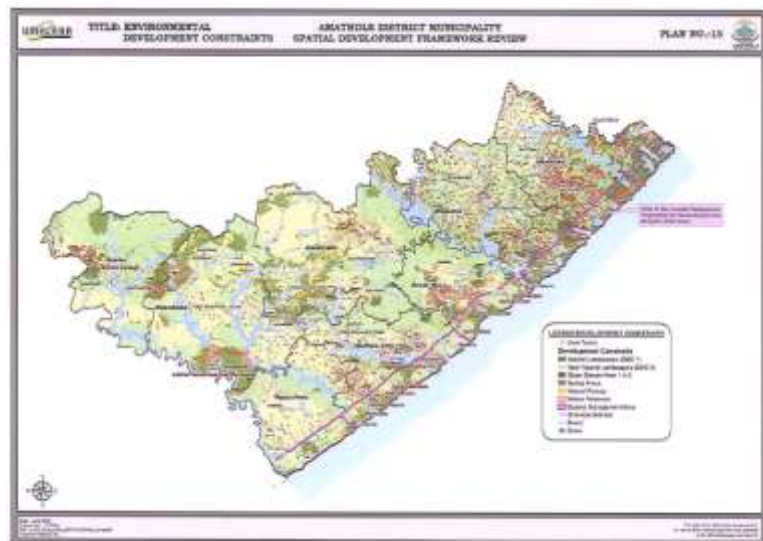
The Nxuba Municipality is situated in close vicinity to the Maqoma Tourism Route. This tourism route is situated to the north of the R63, in the Nkonkobe Municipal area and includes Balfour, Hogsback and Fort Fordyce in the vicinity of the Mpofu Nature Reserve.

An additional tourism route not indicated in the ADM SDF is the Bedford Garden Festival Route, which was highlighted during the consultation process.



Agriculture (ADM SDF Map 14)

Natural forests, reserves and irrigation projects are shown for the District Municipality. Nxuba has a small area reflected as Reserves and a small area indicated as Natural Forests.



Environmental Conservation (ADM SDF Map 15)

Environmental constraints include slopes steeper than 1:5 gradients, proclaimed nature reserves, natural forests and the coastal management belt/area. The majority of Nxuba are classified as natural landscapes or near natural landscapes.

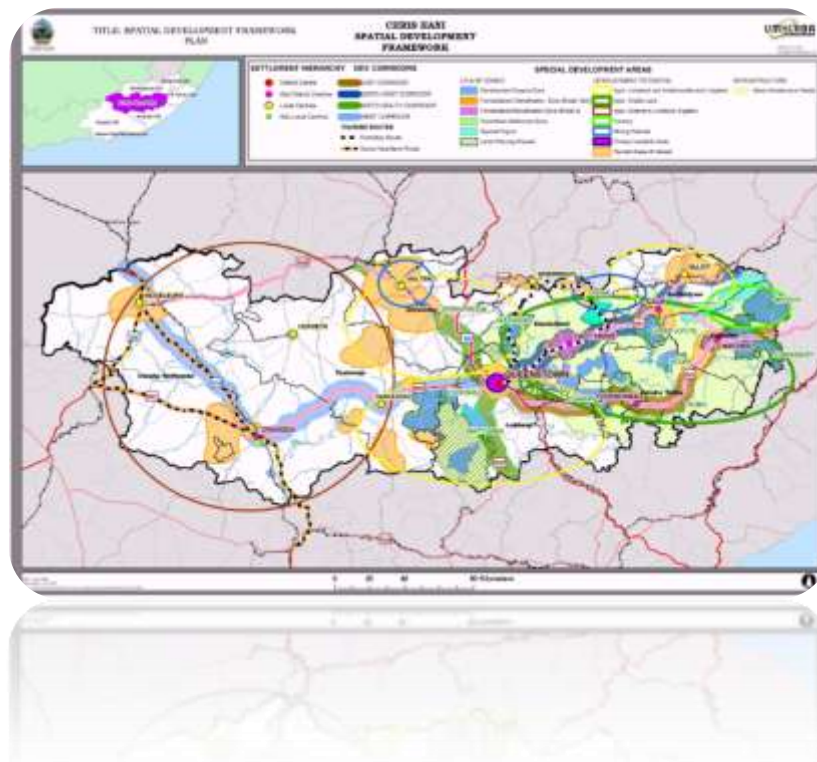
In summary, the following elements in the Amathole District Municipal SDF need to be included in the Nxuba SDF Review of 2011:

- The R63 Transport Route
- The Adelaide node as an Urban Service Centre.
- The East London to Alice/Cookhouse rail linkage.
- The Special Development Zones.
- The tourism and heritage routes.
- Agro-industries at Adelaide.

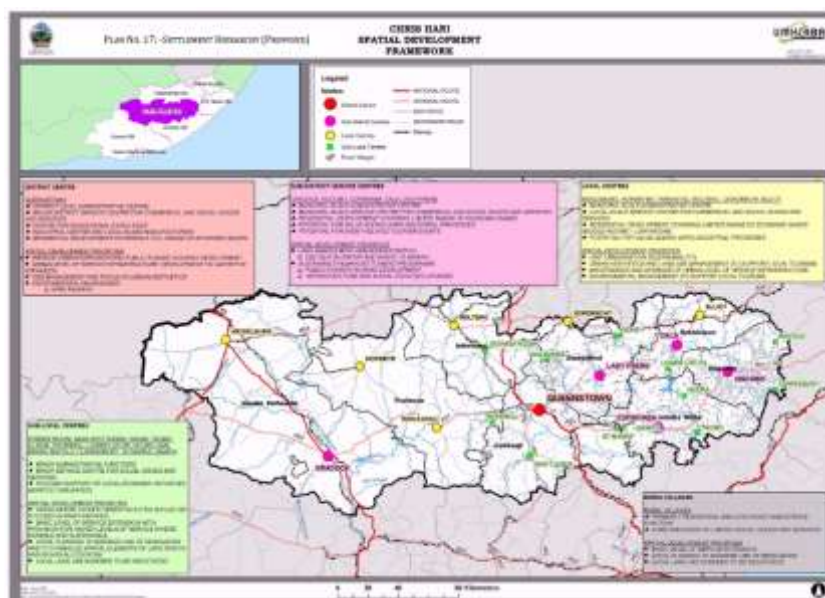
6.2.3 ALIGNMENT WITH SURROUNDING DISTRICT MUNICIPALITIES

6.2.3.1 CHRIS HANI DISTRICT MUNICIPALITY SDF

The District Spatial Development Framework was prepared in November 2009. This plan is a composite map of the settlement hierarchy, the development corridors and the special development areas proposed in the SDF.

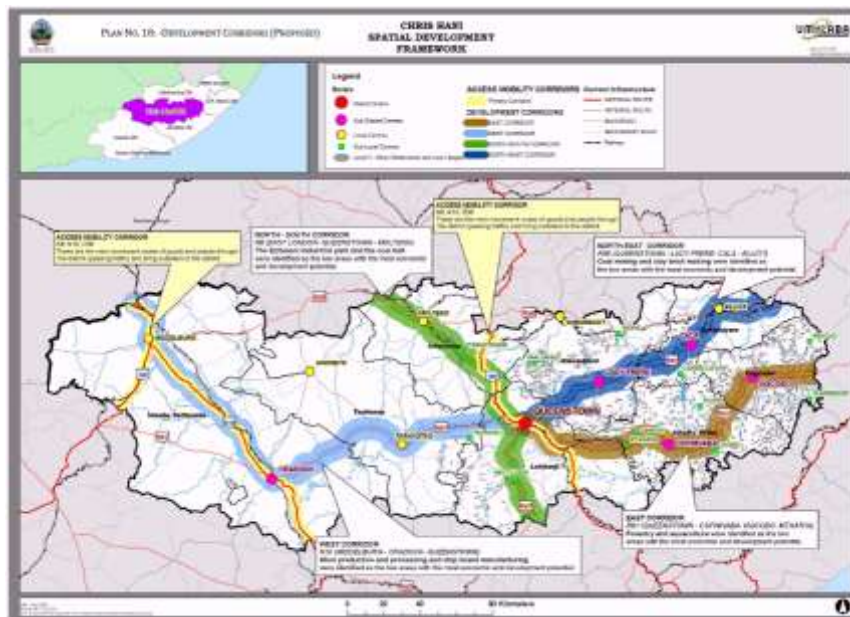


Spatial Development Framework Plan, Chris Hani SDF



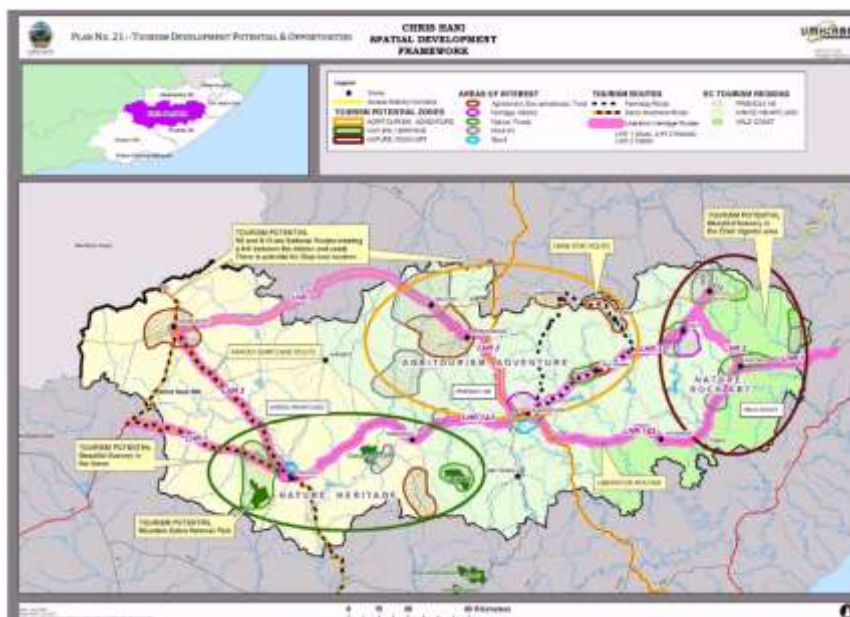
Settlement Hierarchy for Chris Hani District Municipality (CHDM SDF Plan 17)

The settlement hierarchy for Chis Hani has been classified as District Centres, Sub-District Centres, Local Centres and Sub Local Centres. The District Centre is Queenstown and the Sub District Centres are Cradock, Lady Frere, Cala, Cofimvaba and Ngcobo.



Development Corridors for Chis Hani District Municipality (CHDM SDF Plan 18)

The N10 between Middelburg, Cradock and Tarkastad is classified as the West Corridor. The North-South corridor stretches between Molteno, Queenstown (N6) and Whittlesea (R67). This corridor enters Nxuba Municipality from the north.



Tourism Development Potential and Opportunities (CHDM SDF, Map 21)

In summary the following elements in the Chris Hani District Municipal SDF need to be considered in the Nxuba SDF Review:

- Southern Tsolwana Tourism Interest Area/Route
- Local Planning process area and development support zone in Southern Lukhanji
- Environmentally sensitive areas along southern boundary of CHDM.

Nxuba Local Municipality: IDP 2012-2017

- Queenstown in CHDM District Centre.
- Whittlesea is Sub Local Centre.
- Rural villages near second road to Whittlesea.
- N10 is the Mobility corridor.
- West Corridor: Cradock, Queenstown, wood production and chip board manufacturing.
- North South Corridor: East London, Molteno (N6, R67) enters Nxuba from the north.
- Ezibeleni Industrial and Coal belt identified as economic activity.
- South West Lukhanji identified as area to address basic needs provision. Secondary road to Whittlesea.
- Southern area: higher agricultural grazing capacity.
- Development of small scale irrigation in Southern Lukhanji.
- Arable land with mitigation at Whittlesea.
- Queenstown is primary industrial and manufacturing node.

6.2.3.2 CACADU DISTRICT MUNICIPALITY SDF

In summary the following elements in the Cacadu District Municipal SDF need to be considered in the Nxuba SDF Review:

- Cookhouse and Alicedale are the nearest to Nxuba and have been identified as Level 1 Settlement where CDM will provide basic services at a minimum level.
- Grahamstown is the closest Level 3 settlement where the full spectrum of services and facilities would be available.
- Somerset East and Cookhouse areas have been identified as focus areas for agricultural land reform.
- N10 is the primary transportation link to the west of Nxuba.

CACADU DISTRICT: SPATIALLY REPRESENTATIVE POLICY GUIDELINES

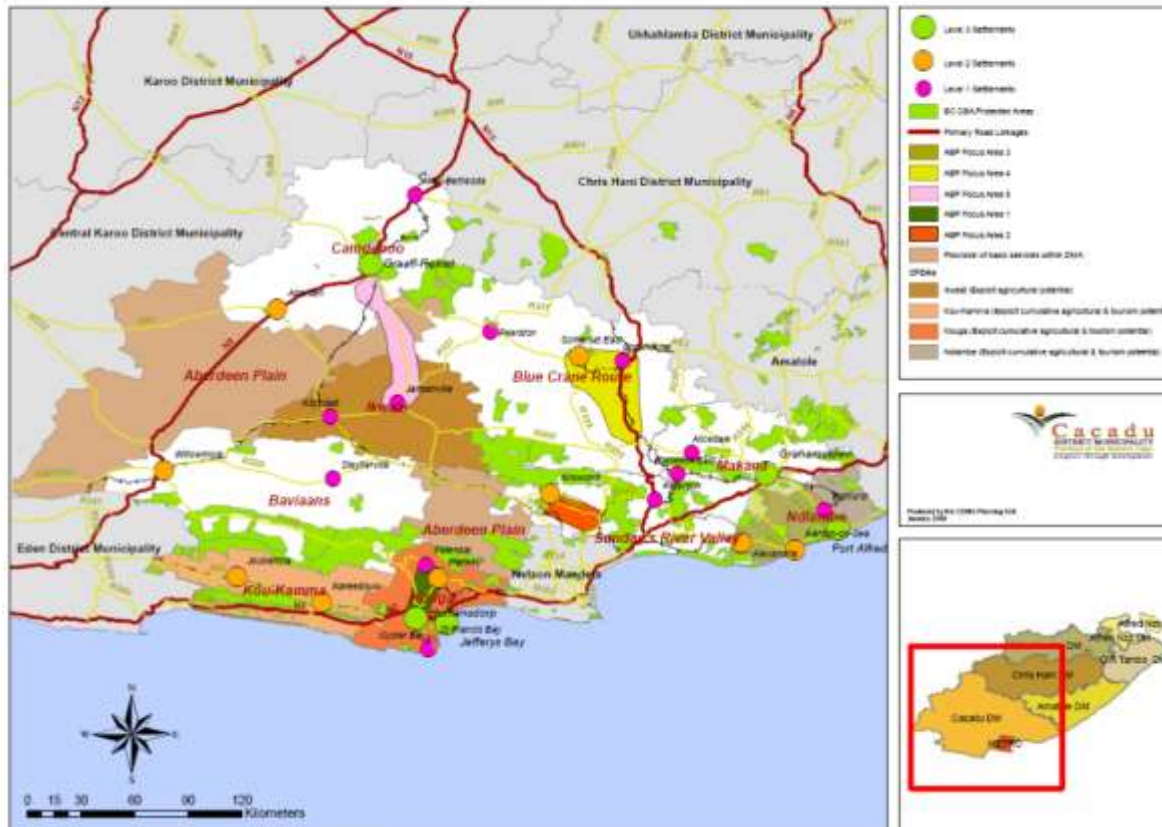


Figure 42 : Spatially Representative Policy Guidelines

6.3 ALIGNMENT WITH SURROUNDING LOCAL MUNICIPALITIES

6.3.1 MAKANA MUNICIPALITY

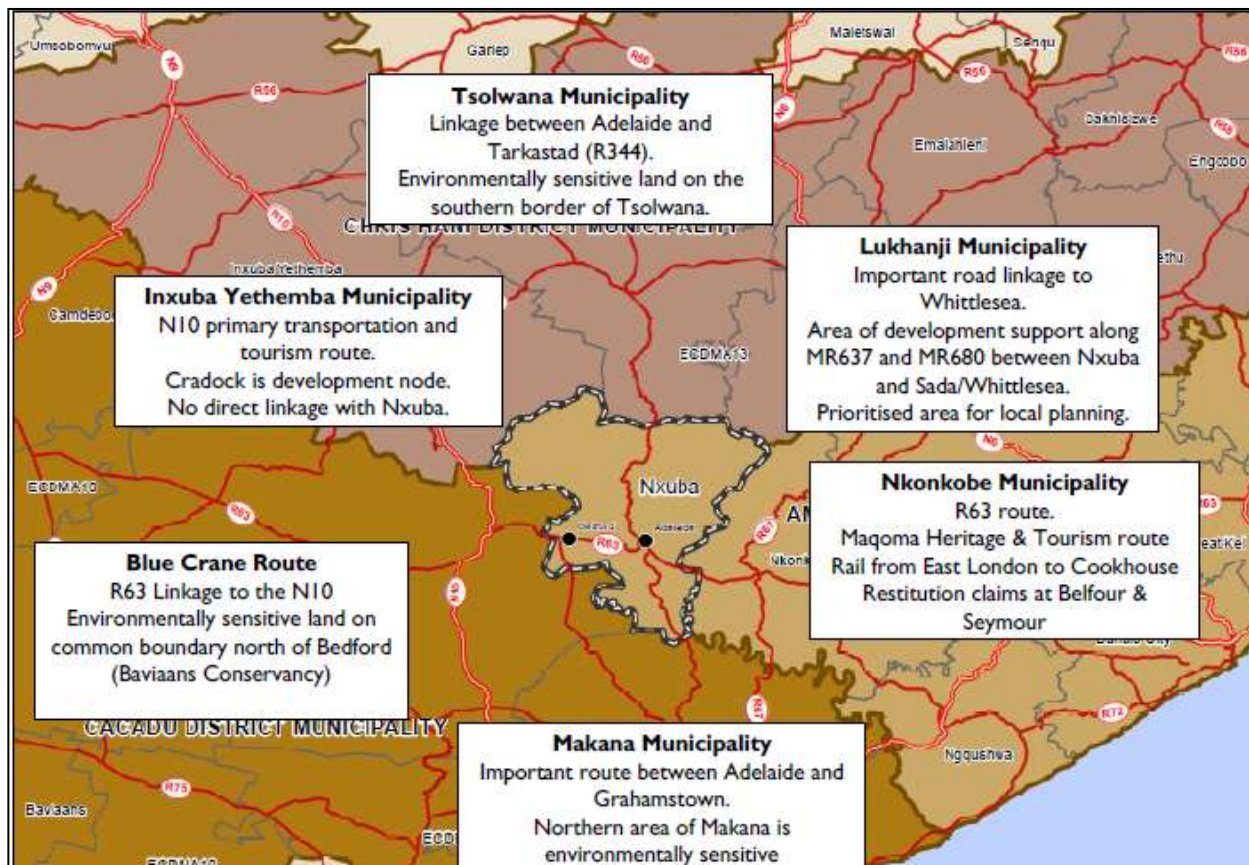
- Important route between Adelaide and Grahamstown.
- Northern area of Makana is environmentally sensitive.

6.3.2 TSOLWANA MUNICIPALITY

- Linkage between Adelaide and Tarkastad (R344).
- Environmentally sensitive land on the southern border of Tsolwana.

6.3.3 LUKHANJI MUNICIPALITY

- Important road linkage to Whittlesea.
- Area of development support along MR637 and MR680 between Nxuba and Sada/Whittlesea.
- Prioritised area for local planning.



6.3.4 INXUBA YETHEMBA MUNICIPALITY

- N10 primary transportation and tourism route.
- Cradock is development node.
- No direct linkage with Nxuba.

6.3.5 BLUE CRANE ROUTE MUNICIPALITY

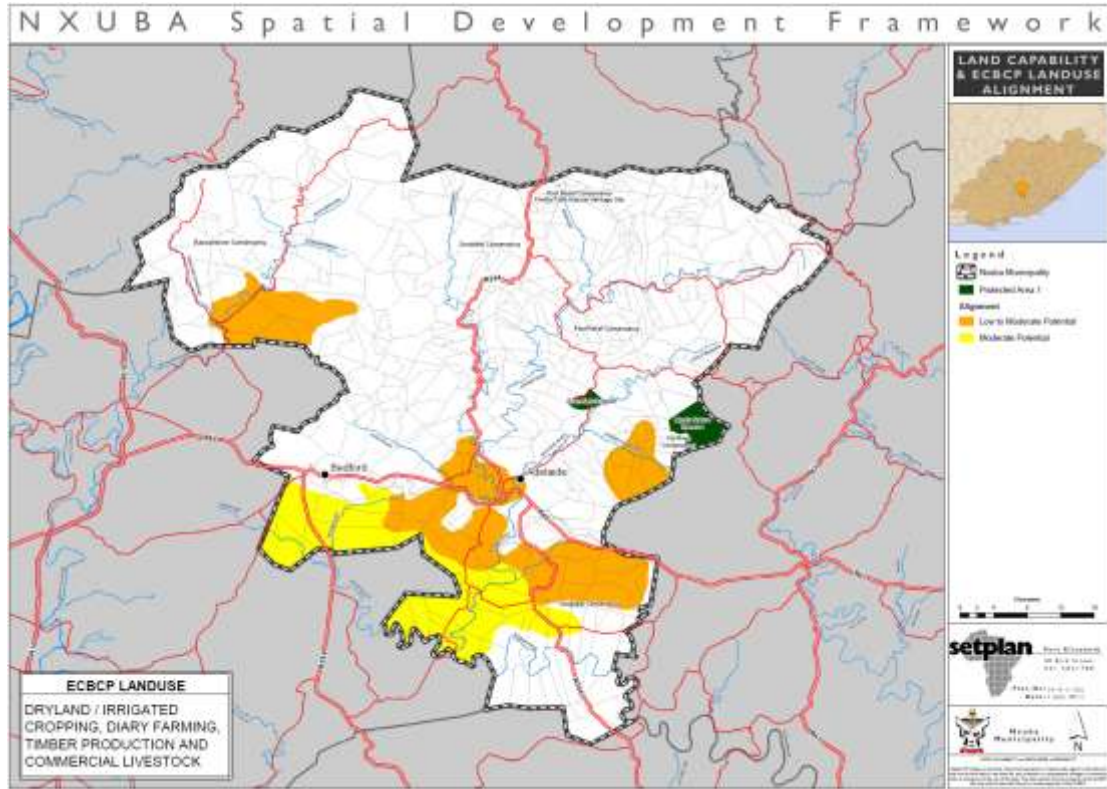
- R63 Linkage to the N10
- Environmentally sensitive land on common boundary north of Bedford (Baviaans Conservancy)

6.3.5 NKONKOBE MUNICIPALITY

- R63 route
- Maqoma Heritage & Tourism route
- Rail from East London to Cookhouse
- Restitution claims at Belfour & Seymour

6.4 SUMMARY OF ALIGNMENT

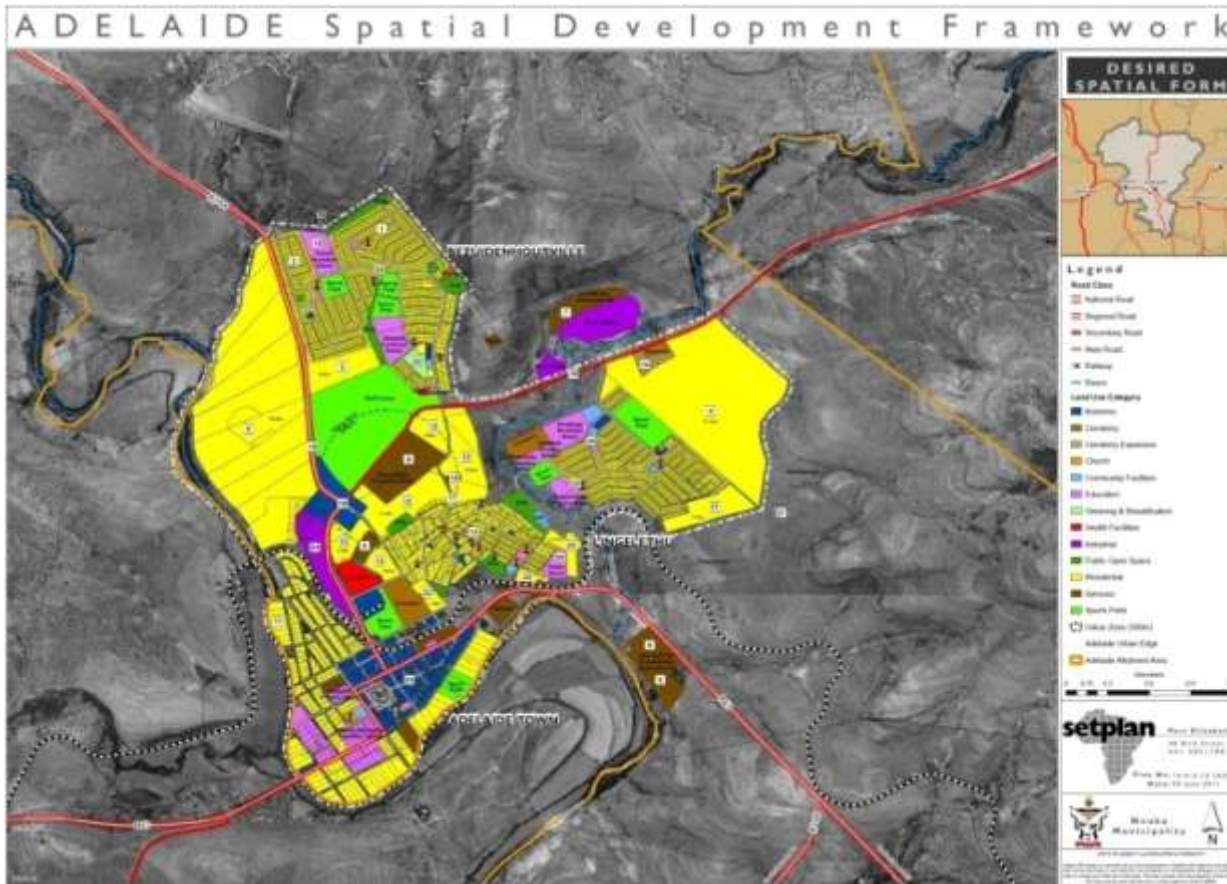
The map combines all the alignment issues identified in the Provincial, District and Local Municipalities:



VIEWED NXUBA SDF PLANS

ADELAIDE SDF

Adelaide Projects:



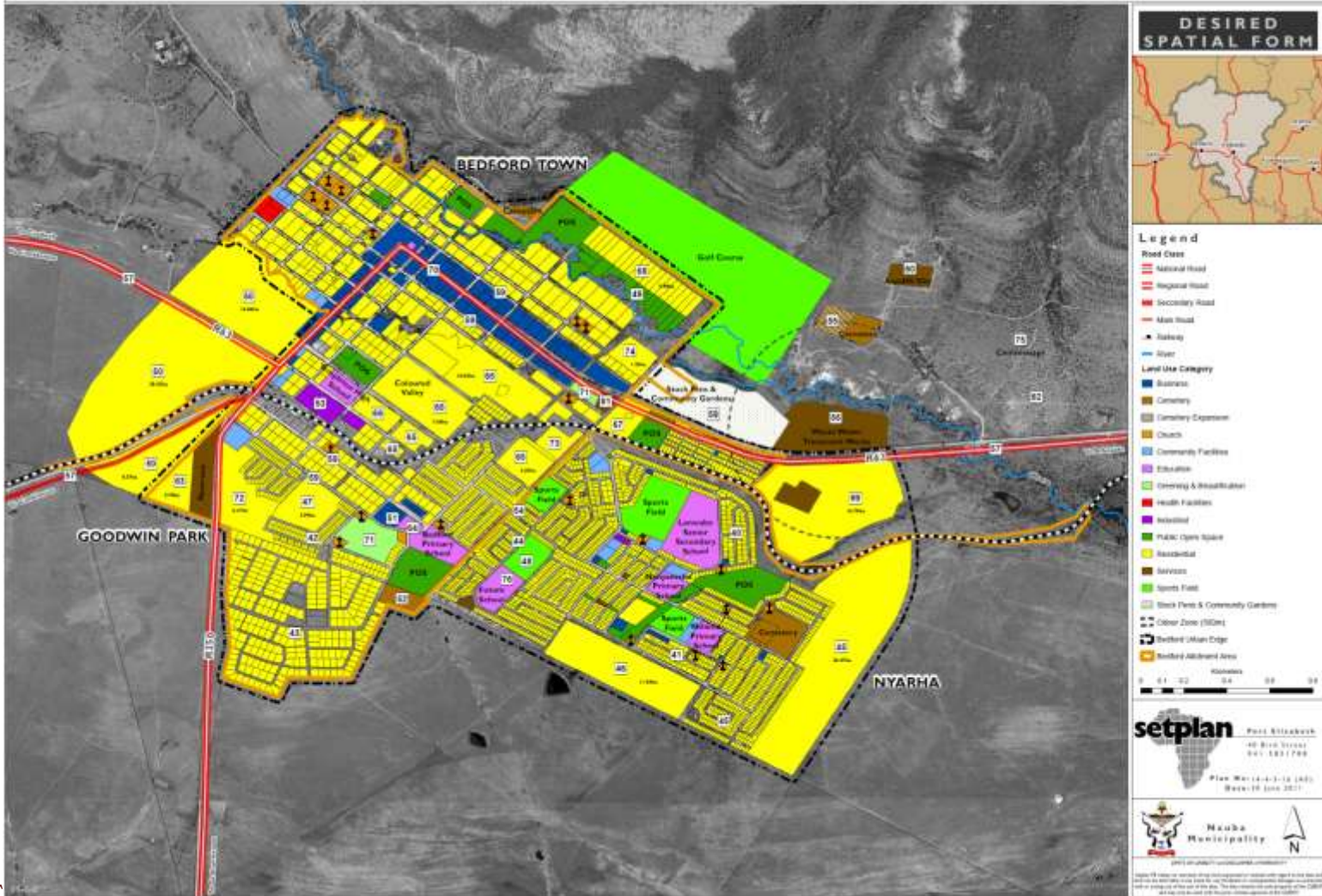
Number	Project
1	624 Bezuidenhoutville/Aerodrome Phase 1
2	481 Bezuidenhoutville/Aerodrome Phase 2
3	160 Bezuidenhoutville/Aerodrome Phase 3 (8.05ha)
4	376 Emabaleni Proposed Housing Project (71.17ha)
5	Bezuidenhoutville Phase 4 including primary school, police station, creche & clinic (98.40ha)
6	Close Adelaide Landfill Site (2010/11) Alternative A
7	Adelaide Landfill Site Alternative B
8	Adelaide WWTW
8	Adelaide WWTW
9	Long Term Relocation of WWTW
10	New WTW for Lingelethu & Adelaide Reservoir
11	Floodline Study along Koonap River
12	Infill Housing at Lingelethu (3.03ha)
12	Infill Housing at Lingelethu (4.70ha)
12	Infill Housing at Lingelethu (4.85ha)
12	Infill Housing at Lingelethu (11.14ha)
12	Infill Housing at Lingelethu (12.39ha)
13	Lingelethu in situ Upgrade 428 Housing
14	Lingelethu Cemetery Expansion
15	Future Secondary School
16	New Business Node/Retail Centre in Bezuidenhoutville
17	Road Link at Lingelethu
18	Upgrade Lingelethu Bridge
19	Upgrade Road between Adelaide & Farms (R344)
20	Upgrade Stormwater Reticulation & Drainage
20	Upgrade Stormwater Reticulation & Drainage
21	Squatter Upgrading Urban Renewal (7.73ha)
22	Infill Development ± 40 sites (2.25ha)
23	Squatter Upgrading Urban Renewal ± 82 sites (1.25ha)
23	Squatter Upgrading Urban Renewal ± 82 sites (3.11ha)
24	Future Industrial Development
25	Activity Corridor Mixed Use
26	Greening & Beautification
26	Greening & Beautification
27	Adelaide Commonage Management Plan
28	Future School

ADELAIDE P

ROJECTS

The existing housing projects in Bedford are spatially referenced under Projects 1 – 4. During the consultation, the community indicated that provision must be made for a primary school in the extension of Bezuidenhoutsville towards the west (Project 5). Concern was expressed that the middle income housing along the Koonap River might be flooded and a flood line study is suggested to determine the developable land next to the river (Project 11). Adelaide is segregated as a result of the locality of the WWTW. The relocation of the WWTW is suggested as a long term project (Project 9). The vast portions of land surrounding the WWTW will then be prime residential land, in close vicinity to all the amenities (Project 12). Lingelethu Cemetery expansion was identified in the Open Space Master Plan and is demarcated on the plan (Project 14). A geotechnical investigation would be required before this is implemented. A new business node was identified on a strategically located intersection in the town (Project 16). The proposed industrial area would be situated between the railway line and this business node (Project 24). The two parks currently in the process of being upgraded in the Greening and Beautification Project of Department of Environmental Affairs are indicated as Project 26.

BEDFORD Spatial Development Framework



BEDFORD SDF

Nxuba Local Municipality: IDP 2012-2017

BEDFORD PROJECTS

Number	Project
40	161 Nyarha Housing
41	172 Zink/Bongweni Housing
42	200 Goodwin Park Current Housing Project
43	250 Worteldrift Proposed Project
44	600 Ndlovini Proposed Project
45	1600 Sizakhele Proposed Project
45	1600 Sizakhele Proposed Project (26.47ha)
46	Infill Housing at Bongweni & Ndlovini (11.04ha)
47	Goodwin Park Community Hall & Infill Housing (3.99ha)
48	Relocate 30 Illegal Houses on Sportsfield
49	Floodline Study
50	Acquisition of Private Land for Goodwin Park (8.57ha)
50	Acquisition of Private Land for Goodwin Park (16.86ha)
50	Acquisition of Private Land for Goodwin Park (28.42ha)
51	Retail Centre in Goodwin Park
52	Feasibility for Future Cemetery at Worteldrift & Ndlovini
53	Future Industrial Development
54	Lilitha Women's Co-op
55	Expansion of Cemetery
56	Bedford WWTW
57	Bedford Garden Festival Route
57	Bedford Garden Festival Route
57	Bedford Garden Festival Route
58	Urban Agriculture: Stock Pens & Community Gardens
59	Surface Secondary Roads in Bedford CBD

The existing housing projects in Bedford are indicated as Projects 40 – 45. The next site identified for a future housing project by the Nxuba Municipality is situated at Bongweni and Ndlovini (Project 46). The site measures approximately 11.04ha.

A number of investigations were identified to be undertaken to implement this SDF. These are: investigate the acquisition of land for the expansion of Goodwin Park (Project 50), feasibility and geotechnical investigation into a new cemetery at Worteldrift (Project 52 and, a comprehensive infrastructure services investigation on the vacant portions of land around “Coloured Valley” (Project 65). Huge potential exist for infill housing, creating a more compact and vibrant town and to utilize the land optimally. Provision should be made for public open spaces in the infill housing projects, where suitable located, undevelopable land (due to infrastructure constraints) could be used for this purpose.

Number	Project
59	Surface Secondary Roads in Bedford CBD
59	Surface Secondary Roads in Bedford CBD
59	Surface Secondary Roads in Bedford CBD
60	Upgrade Bedford Landfill Site
61	Upgrade Bedford Taxi Rank
62	Commonage & Cultural Initiation (Abakwetha)
63	Infill Housing (2.70ha)
64	Public Open Space
65	Infill Housing Services, Investigation & Open Spaces (0.28ha)
65	Infill Housing Services, Investigation & Open Spaces (0.44ha)
65	Infill Housing Services, Investigation & Open Spaces (3.03ha)
65	Infill Housing Services, Investigation & Open Spaces (7.66ha)
65	Infill Housing Services, Investigation & Open Spaces (10.55ha)
66	Eskom Housing (1.70ha)
67	High Density Residential (2.18ha)
68	Medium Density Residential (5.90ha)
69	Medium Density Residential (16.75ha)
70	Activity Corridor Mixed Use
71	Greening & Beautification
71	Greening & Beautification
72	Infill Housing (6.41ha)
73	Infill Housing (2.12ha)
74	Infill Housing (1.93ha)
75	Bedford Commonage Management Plan
76	Future School

RURAL AREAS OF NXUBA

EXISTING PROJECTS IN ADELAIDE

The projects listed below are already identified or underway in the Nxuba Municipality. The projects were sourced from the Nxuba IDP, the Sector Plans and from Provincial Sector Departments. They have already gone through a budget prioritization process and are reflected as the priority projects for Adelaide:

Number	Project	Reference	Source	Strategic priority
1	624 Bezuidenhoutville/Aerodrome Phase 1	2011/12 IDP p.116 & Housing Sector Plan 2008 - 2012 p.6	Dept of Housing	Housing
2	481 Bezuidenhoutville/Aerodrome Phase 2	2011/12 IDP p.116	Dept of Housing	Housing
3	160 Bezuidenhoutville/Aerodrome Phase 3 (8.05ha)	Housing Sector Plan 2008 - 2012 p.6	Nxuba LM	Housing
4	376 Emabaleneni Proposed Housing Project (7.1.17ha)	Housing Sector Plan 2008 - 2012 p.6	Nxuba LM	Housing
6	Close Adelaide Landfill Site (2010/11) Alternative A	Nxuba Waste Management Plan	Nxuba LM	Infrastructure & services
8	Adelaide WWTW	2011/12 IDP p.115	Amathole DM	Infrastructure & services
8	Adelaide WWTW	2011/12 IDP p.115	Amathole DM	Infrastructure & services
10	New WTW for Lingelethu & Adelaide Reservoir	2011/12 IDP p. 115	Amathole DM	Infrastructure & services
13	Lingelethu in situ Upgrade 428 Housing	Housing Sector Plan 2008 - 2012 p.6	Nxuba LM	Housing
14	Lingelethu Cemetery Expansion	Nxuba Open Space Master Plan p.27	Nxuba LM	Infrastructure & services
16	New Business Node/Retail Centre in Bezuidenhoutville	Nxuba Open Space Master Plan p.35	Nxuba LM	Economic
18	Upgrade Lingelethu Bridge	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
19	Upgrade Road between Adelaide & Farms (R344)	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
20	Upgrade Stormwater Reticulation & Drainage	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
20	Upgrade Stormwater Reticulation & Drainage	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
21	Squatter Upgrading Urban Renewal (7.73ha)	2008 Nxuba SDF		Housing
22	Infill Development ± 40 sites (2.25ha)	2008 Nxuba SDF		Housing
23	Squatter Upgrading Urban Renewal ± 82 sites (1.25ha)	2008 Nxuba SDF		Housing
23	Squatter Upgrading Urban Renewal ± 82 sites (3.11ha)	2008 Nxuba SDF		Housing
24	Future Industrial Development	2008 Nxuba SDF		Economic
25	Activity Corridor Mixed Use	2008 Nxuba SDF		Economic
26	Greening & Beautification	Open Space Master Plan & IDP		Infrastructure & services
26	Greening & Beautification	Open Space Master Plan & IDP		Infrastructure & services

All the existing housing projects in Adelaide are listed and are spatially referenced on the Adelaide Map in Chapter 8. Funding for housing subsidies have already been applied for at the Department of Housing. The Greening and Beautification Project has also been spatially referenced and funding is made available from the Department of Environmental Affairs.

NEW PROJECTS IN ADELAIDE

During the SDF Review process a number of new projects were identified either through the consultation process or through the planning process.

The position of the Waste Water Treatment Works in Adelaide is segregating the town and makes integration impossible. Sufficient land is available inside the urban edge to provide for the total housing backlog as well as future population growth. Adelaide should not be allowed to sprawl outside the current urban edge prior to all the vacant land being utilized. An investigation into the possible relocation of the WWTW is necessary to determine the feasibility of the proposed infill development. A total of 36.11ha of vacant and underutilized land is situated in the centre of Adelaide. The best location for the landfill site requires specialist studies which will address environmental impact and visual impact.

Number	Project	Reference	Strategic priority
5	Bezuidenhoutville Phase 4 including primary school, police station, creche & clinic (98.40ha)	New Proposal	Housing
7	Adelaide Landfill Site Alternative B	New Proposal	Infrastructure & services
9	Long Term Relocation of WWTW	New Proposal	Infrastructure & services
11	Floodline Study along Koonap River to determine developable land	New Proposal	Housing
12	Infill Housing at Lingelethu (3.03ha)	New Proposal	Housing
12	Infill Housing at Lingelethu (4.70ha)	New Proposal	Housing
12	Infill Housing at Lingelethu (4.85ha)	New Proposal	Housing
12	Infill Housing at Lingelethu (11.14ha)	New Proposal	Housing
12	Infill Housing at Lingelethu (12.39ha)	New Proposal	Housing
15	Future Secondary School	New Proposal	Infrastructure & services
17	Road Link at Lingelethu	New Proposal	Infrastructure & services
26	Greening & Beautification	New Proposal	Infrastructure & services
26	Greening & Beautification	New Proposal	Infrastructure & services
27	Adelaide Commonage Management Plan	New Proposal	Infrastructure & services
28	Future School	New Proposal	Infrastructure & services

EXISTING PROJECTS IN BEDFORD

Number	Project	Reference	Source	Strategic priority
40	161 Nyarha Housing	2011/12 IDP p.116 & Housing Sector Plan 2008 - 2012 p.6	Department of Housing	Housing
41	172 Zink/Bongweni Housing	2011/12 IDP p.116	Department of Housing	Housing
42	200 Goodwin Park Current Housing Project	2011/12 IDP p.116 & Housing Sector Plan 2008 - 2012 p.6	Department of Housing	Housing
43	250 Worldrift Proposed Project	Housing Sector Plan 2008 - 2012 p.6	Nxuba Municipality	Housing
44	600 Ndlovini Proposed Project	Housing Sector Plan 2008 - 2012 p.6	Nxuba Municipality	Housing
45	1600 Sizakhele Proposed Project	2008 Nxuba SDF		Housing
45	1600 Sizakhele Proposed Project (26.47ha)	2008 Nxuba SDF		Housing
51	Retail Centre in Goodwin Park	Nxuba Open Space Master Plan p.34	Nxuba Municipality	Economic
53	Future Industrial Development	2008 Nxuba SDF		Economic
54	Lilitha Women's Co-op	2011/12 IDP p.116	Dept of Social Development	Economic
56	Bedford WWTW	2011/12 IDP p.115	Amathole DM	Infrastructure & services
57	Bedford Garden Festival Route	2011/12 IDP p.116	Nxuba Municipality	Economic
57	Bedford Garden Festival Route	2011/12 IDP p.116	Nxuba Municipality	Economic
57	Bedford Garden Festival Route	2011/12 IDP p.116	Nxuba Municipality	Economic
59	Surface Secondary Roads in Bedford CBD	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
59	Surface Secondary Roads in Bedford CBD	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
59	Surface Secondary Roads in Bedford CBD	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
59	Surface Secondary Roads in Bedford CBD	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
60	Upgrade Bedford Landfill Site	Nxuba Waste Management Plan	Nxuba Municipality	Infrastructure & services
61	Upgrade Bedford Taxi Rank	2011/12 Amathole DM ITP p.174	Amathole DM	Infrastructure & services
67	High Density Residential (2.18ha)	2008 Nxuba SDF		Housing
68	Medium Density Residential (5.90ha)	2008 Nxuba SDF		Housing
69	Medium Density Residential (16.75ha)	2008 Nxuba SDF		Housing
70	Activity Corridor Mixed Use	2008 Nxuba SDF		Economic
71	Greening & Beautification	Nxuba Open Space Master Plan & IDP		Infrastructure & services
71	Greening & Beautification	Nxuba Open Space Master Plan & IDP		Infrastructure & services
73	Infill Housing (2.12ha)	2008 Nxuba SDF		Housing

The projects listed above are already identified or underway in the Nxuba Municipality. The projects were sourced from the Nxuba IDP, the Sector Plans and from Provincial Sector Departments. They have already gone through a budget prioritization process and are reflected as the priority projects for Bedford.

NEW PROJECTS IN BEDFORD

A number of land investigation projects were identified in the SDF Review process. The formalization of the landfill site, the identification of burrow pits and cemetery expansion require geological input regarding the impact on ground water and the suitability of the soil for these land uses. Because of the specialist nature of these investigations, they could not be undertaken as part of the SDF Review.

In the vicinity of "Coloured Valley" large tracts of underutilized land is lying vacant. An engineering infrastructure investigation is required to determine the developable land in this area. The infill housing in this area will contribute greatly to the integration and densification of centrally located land within walking distance from the CBD. A total of 21,96ha is available in this area. The undevelopable land should be designed as public open spaces as part of the housing layout for this area.

The future extension of Goodwin Park to the west is not a priority. The acquisition of private land is identified as a long term project, but it is in the interest of Bedford to utilize the land inside the town before additional green field projects are initiated. IT will ensure the optimal utilization of infrastructure and reduce travel distances for the residents of Bedford.

Number	Project	Reference	Strategic priority
46	Infill Housing at Bongweni & Ndlovini (11.04ha)	New Proposal	Housing
47	Goodwin Park Community Hall & Infill Housing (3.99ha)	New Proposal	Housing
48	Relocate 30 Illegal Houses on Sportsfield	New Proposal	Housing
49	Floodline Study (to determine developable land)	New Proposal	Land investigation
50	Acquisition of Private Land for Goodwin Park (8.57ha)	New Proposal	Land investigation
50	Acquisition of Private Land for Goodwin Park (16.86ha)	New Proposal	Land investigation
50	Acquisition of Private Land for Goodwin Park (28.42ha)	New Proposal	Land investigation
52	Feasibility for Future Cemetery at Worteldrift & Ndlovini	New Proposal	Land investigation
55	Expansion of Cemetery	New Proposal	Land investigation
58	Urban Agriculture: Stock Pens & Community Gardens	New Proposal	Economic
62	Commonage & Cultural Initiation (Abakwetha)	New Proposal	Infrastructure & services
63	Infill Housing (2.70ha)	New Proposal	Housing
64	Public Open Space	New Proposal	Infrastructure & services
65	Infill Housing Services, Investigation & Open Spaces (0.28ha)	New Proposal	Land investigation
65	Infill Housing Services, Investigation & Open Spaces (0.44ha)	New Proposal	Land investigation
65	Infill Housing Services, Investigation & Open Spaces (3.03ha)	New Proposal	Land investigation
65	Infill Housing Services, Investigation & Open Spaces (7.66ha)	New Proposal	Land investigation
65	Infill Housing Services, Investigation & Open Spaces (10.55ha)	New Proposal	Land investigation
66	Eskom Housing (1.70ha)	New Proposal	Housing
71	Greening & Beautification	New Proposal	Infrastructure & services
71	Greening & Beautification	New Proposal	Infrastructure & services
72	Infill Housing (6.41ha)	New Proposal	Housing
74	Infill Housing (1.93ha)	New Proposal	Housing
75	Bedford Commonage Management Plan	New Proposal	Infrastructure & services
76	Future School	New Proposal	Infrastructure & services

CONCLUSION

This SDF Review addressed a number of gaps in the previous SDF, informed by the new guidelines of the Department of Rural Development and Land Reform. New policy, new legislation and new information were incorporated into this review. For the next review the following recommendations are made:

- The Nxuba Municipality should combine the IDP and SDF Review processes to streamline the consultation process and improve alignment. This will also improve the political support of both the IDP and SDF. The Mayor and the Municipal Manager has a key role to play.
- The new StatsSA Census figures should be available during 2013 or at the time of the next review and this document's population figures and demographic information should be updated.
- The draft Land Use Management Bill has recently been circulated for comment and it should be enacted in the near future. The future Land Use Management Systems for the Eastern Cape will be guided by this Act as well as the Provincial Planning legislation that should follow.

CHAPTER 7

FINANCIAL PLANNING AND BUDGET ANALYSIS

Nxuba Local Municipality is currently caught up in a financially crisis and is finding it difficult to meet all of its liabilities. Despite this the Municipality lacks financial resources and faces a multitude of financial challenges.

2.4.1 BUDGET 2011/2012

The Municipalities total budget for the 2012/13 financial year is R 64,245,612

Budget and forecasting statement for the year.

TOTAL COUNCIL - ALL SERVICES	2012/13	2013/14	2014/15
Salaries wages and allowances	20,205,000	21,276,000	22,318,000
Councilors allowances	1,968,000	2,072,000	2,174,000
TOTAL SALARIES WAGES AND ALLOWANCES	22,173,000	23,348,000	24,492,000
Bulk purchases	18,817,000	19,814,000	20,785,000
General Expenses	15,788,000	16,625,000	17,439,000
Repairs and Maintenance	1,602,000	1,687,000	1,770,000
Operating Expenditure	36,207,000	38,126,000	39,994,000
TOTAL DIRECT OPERATING EXPENDITURE	58,380,000	61,474,000	64,486,000
Rates	3,104,000	3,269,000	3,429,000
Income for Agency services	115,000	121,000	127,000
Grants and subsidies	35,087,000	36,947,000	38,757,000
Service charges	23,011,000	24,231,000	25,418,000
Other income	2,928,000	3,083,000	3,234,000
TOTAL DIRECT OPERATING INCOME	64,245,000	67,650,000	70,965,000
CAPITAL EXPENDITURE - PROJECTS			
MIG- Roads	11,756,000	12,403,000	13,011,000

Capital Expenditure Revenue Items	3,138,000	3,304,000	3,466,000
TOTAL CAPITAL EXPENDITURE	14,894,000	15,707,000	16,477,000

2.4.1.1 INCOME ALLOCATIONS AND SOURCES

The NxubaLocalMunicipality derives its income from two sources namely;

- ⇒ External income
 - Government Grants and subsidies
 - Capital Grants
- ⇒ Own income
 - Property rates
 - Service charges on electricity and refuse removal
 - Interest and dividends
 - Rental on facilities
 - Fines
 - Licenses and permits

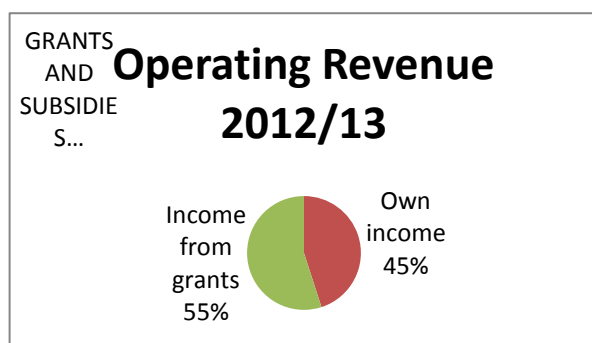
Description R thousand	Current Year 2011/12	2011/12 Medium Term Revenue & Expenditure Framework		
	Original Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source				
Property rates	2,945	3,104	3,269	3,429
Property rates - penalties & collection charges				
Service charges - electricity revenue	17,040	19,660	20,702	21,716
Service charges - refuse revenue	3,180	3,351	3,529	3,702
Rental of facilities and equipment	91	121	127	134
Dividends received	0	0	0	0
Fines	12	80	84	88
Licenses and permits	1,024	2,045	2,153	2,259
Agency services	0	0	0	0
Transfers recognized - operational	21,467	23,946	25,215	26,451
Other revenue	740	798	840	881
Gains on disposal of PPE				
Total Revenue (excluding capital transfers and contributions)	46,499	53,105	55,920	58,660

The Municipality has a low income base and is heavily dependent on Government grants and subsidies and capital grants which constitute 55% of the budget.

... (R30, 536, 00) of its 2011/12 budget. According to the budget forecast, external financing will constitute 55% (R35, 087,000) of the 2011/12 and 2012/13 budgets. This trend exhibits little expectation that the Municipality will reduce its dependency on external financing.

The following figure depicts the income sources for the 2012/13 financial year.

Figure 19 Income Sources 2012/13



Description R thousand	2011/12 Medium Term Revenue & Expenditure Framework			
	Original Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
RECEIPTS:				
<u>Operating Transfers and Grants</u>				
National Government:	20,867	22,891	24,335	25,193
Local Government Equitable Share	18,627	20 591	21,935	22,693
Finance Management Municipal Systems Improvement	1,450	1,500	1,500	1,550
	790	800	900	950
Provincial Government:	653	597	602	607
Health subsidy	-	-	-	-
Sport and Recreation	600	522	522	522
LED FUNDING	53	75	80	85
Total Operating Transfers and Grants	21,520	23,488	24,937	25,800
<u>Capital Transfers and Grants</u>				
National Government:	9,669	11,756	12,403	13,107
Municipal Infrastructure Grant (MIG)	9,669	11,756	12,403	13,107

Total Capital Transfers and Grants	9,669	11,756	12,403	13,107
TOTAL RECEIPTS OF TRANSFERS & GRANTS	31,189	35,244	37,340	38,907

All the tariffs were increased giving regard to the head inflation forecasts as well as on the basis of circular 55 of the MFMA, this excludes electricity costs that are determined subject to the confirmation by NERSA, this was estimate at an increase of 20.38

2.4.1.2 VALUATION ROLLS

Property rates constitute only of the Municipalities income. The Municipality has an updated valuation roll. Reluctance of some ratepayers to pay has, however, hampered the implementation thereof. The smooth implementation of the valuation roll could boost revenue collection and more importantly improve the municipality’s cashflow for the 2011/12 financial year.

2.4.1.3 BILLING AND PAYMENT RATES

Property rates and service charges on electricity and refuse removal constitute 12% (R 2,945,000) and 81% (R 20,219,730) of the Municipalities own income for the 2011/12 financial year. A total of 6900 households are billed each month of which 6115 are urban and 785 rural.

Payment rates are poor and it is estimated that less than 42% of households are paying their monthly accounts. This is compounded by the high poverty levels and low affordability levels of the community.

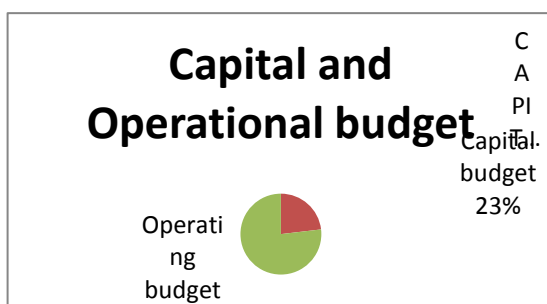
Financial management

In Nxuba Local Municipality has implemented systems internally. There are the systems implemented at Nxuba Local Municipality which include the following:

- Financial Management System (Venus)
- Payroll (Human Resources System) Payday
- Electricity System (Conlog)
- Electricity System (Plessey)

2.4.2 EXPENDITURE ALLOCATION AND TRENDS

The capital and operational budgets constitute 23% (R 12,854,250) and 77% (R 42,686,479) of the 2011/12 budget respectively.



National treasury no longer prescribes a norm for salary expenditure and instead requires Municipalities to develop a personnel expenditure ratio that is based on the nature of its functions, organizational structure, labour intensity of its operations, extent to which

labour intensive components of its operations are outsourced and the composition of non personnel components of its operational expenditure. The 2011/12budget reflects that ...30.....% of the operational budget was allocated to salary expenditure. This is well under the anticipated personnel expenditure for Local Municipalities in 2011/12.

The Municipality is constantly striving to provide services to its community which requires substantial capital investment, especially in terms of infrastructural assets. In order to maintain service delivery it is imperative that these assets be maintained in proper working order which requires equitable investment in terms of maintenance and repair costs. According to the National Treasury Municipalities should be budgeting between 10% and 15% of their operating expenditure for repairs and maintenance. The 2011/12budget reflects an allocation of 3% to repairs and maintenance which falls slightly short of the recommended norm.

Breakdown of Expenditure Allocation

Expenditure By Type				
Employee related costs	17,120	15,337	16,150	17,038
Remuneration of councillors		1,757	1,851	1,952
Bulk purchases	13,069	10,815	11,388	12,015
Other expenditure Loss on disposal of PPE	22,017	14,777	15,560	16,416
Total Expenditure	52,206	42,686	44,949	47,421
Surplus/(Deficit)	(34,618)	3,185	(11,707)	(12,351)
Transfers recognized - capital		9,669	10,181	10,741
Contributions recognized - capital	-	-	-	-
Contributed assets		-	-	-
Surplus/(Deficit) after capital transfers & contributions	(34,618)	12,854	(1,526)	(1,610)
Taxation		-		
Surplus/(Deficit) after taxation	(34,618)	12,854	(1,526)	(1,610)
Attributable to minorities				
Surplus/(Deficit) attributable to municipality	(34,618)	12,854	(1,526)	(1,610)
Surplus/(Deficit) for the year	(34,618)	12,854	(1,526)	(1,610)

Capital Budget

Capital budget amounts to 23% for the year 2012/13. This constitutes the MIG grant and capital expenditure to be funded from internal revenue.

Vote Description R thousand	Current Year 2010/11	2011/12 Medium Term Revenue & Expenditure Framework		
	Original Budget	Budget Year 2011/12	Budget Year +1 2012/13	Budget Year +2 2013/14
Capital expenditure - Vote Multi-year expenditure				
Vote10 - Roads and streets – MIG grant	8,244	10,107	10,643	11,228
Capital multi-year expenditure sub-total	8,244	10,107	10,643	11,228
Single-year expenditure to be appropriated				
Vote1 - Executive and Council	25	381	401	423
Vote2 - Budget and treasury office	123	80	84	89
Vote3 - Administration	–	–	–	–
Vote4 - Planning and Development	26	56	59	62
Vote5 - Community and Social services	65	15	16	17
Vote6 - Public safety	12	305	321	339
Vote7 - Housing	190	–	–	–
Vote8 - Parks and recreation	–	–	–	–
Vote9 - Waste management	614	860	906	955
Vote10 - Roads and streets	–	–	–	–
Vote11 - Electricity	300	1,050	1,106	1,166
Capital single-year expenditure sub-total	1,355	2,747	2,893	3,052
Total Capital Expenditure - Vote	9,629	12,854	13,536	14,280

2.4.3 PROVISION OF FREE BASIC SERVICES

Provision is made on the budget for the provision of free basic services from the equitable share. In terms of the Division of Revenue Act 2010 Nxuba Municipality received an Equitable Share of

R 3,566,400 which is not adequate to deliver services to the area.

The Nxuba Local Municipality has adopted an indigent support policy which aims to assist the poorest of the poor by providing free basic electricity and refuse removal services. The policy includes indigents throughout the

- and conservation purposes;
- The preparation of Municipal Spatial Development Frameworks, to ensure full alignment of national, provincial and municipal spatial visions;
- Budgeting processes of all spheres of government to ensure that government

Jurisdiction of the

Households receiving free basic services during the 2012/13 financial year are reflected below.

Free Electricity	Basic	Free Basic Refuse	
50Kw per month		R60.00 per month	
R 1,680,000		R1,886,400	

2.4.4 FINANCIAL POLICY DEVELOPMENT

The municipality has a number of financial policies in place including;

- ⇒ A debt collection and credit control policy
- ⇒ Tariff policy
- ⇒ Property rates policy
- ⇒ Indigent policy.
- ⇒ Supply chain management policy
- ⇒ Cash management policy
- ⇒ Investment policy
- ⇒ Cellular Allowance policy

Internal financial controls, such as payment procedures, income receipts, charges, debt collections, etc have also been developed and are being implemented.

2.4.5 AUDIT, REPORTING AND RISK MANAGEMENT

Reporting

Monthly financial reports are presented to the Municipal Council which reflects income and expenditure in accordance with the budget. Daily cash flow reports are produced to ensure sufficient available cash at hand. Annual Financial Statements in GRAP format were compiled and submitted for the previous financial year.

Audit Committee

Nxuba Local Municipality has a functional Audit Committee which was established on 20th March 2006. The Committee consists Ms L Smith, CA (SA), Mr. L Kemp (LLB) (resigned during the year), Ms. T Kakaza (MBA) and Mr. Mnyango (passed away during the year. The two members were replaced by Mr. H. Masberg and Mr. L. Ntshinga. The members carry

out the duties and responsibilities outlined in the MFMA and held four (4) meetings in the 2010/11 financial year.

The Audit Committee has evaluated the Annual Financial Statements for 2010/11 including the following

- Reviewed and discussed the annual financial statements to be included in the annual report with the Auditor-General;
- Reviewed the Auditor-General's management letter and management's response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit.

Internal Audit Unit

Each municipality must have an internal audit unit, which must advise the accounting officer and report to the audit committee on matters, amongst other things, on a wide range of financial management. The internal audit function may be outsourced if the municipality requires assistance to develop its internal capacity and the council has determined that this is feasible or cost effective. Nxuba Local Municipality has outsourced this function to Kabuso Chartered Accountants for 2010/11

LIST OF SECTOR DEPARTMENT'S COMMITMENTS TO NXUBA LOCAL MUNICIPALITY'S IDP FOR 2012/13

Department of Social Development

Project Name	Ward	Location	Budget	Project Description
Khayaletumba anti domestic violence Project	1	Lingeletu Loc, Adelaide Town	R 80 000	Empowering victims and survivors of domestic violence
Phakamisani DCC	1	Lingeletu Loc, Adelaide	Monthly claims	Care for children 0-4 years
Vukani DCC	2	Lingeletu Loc, Adelaide Town	Monthly claims	Care for children 0-4 years
Wonderland DCC	2	Bezuidenhoutville, Adelaide	Monthly claims	Care for children 0-4 years
Sonskyn DCC	2	Bezuidenhoutville, Adelaide	Monthly claims	Care for children 0-4 years
TADA Programme		Adelaide Town	R122 000	Teenage Preventative programme against Drug abuse
Huis Corie Dreyer		Adelaide Town	Monthly claims	Promote an active healthy life style, improve quality of life and protect them from violation of their rights
Masikhule Community Project	3	Bongweni Loc, Bedford Town	Monthly claims	Care for children 0-4 years
Nyarha Pre- school	3	Ntlama ST, Bedford Town	Monthly claims	Care for children 0-4 years
Heide Pre-school	4	Goodwin Park, Bedford Town	Monthly claims	Care for children 0-4 years
Colile Koeberg DCC	4	Goodwin Park, Bedford Town	Monthly claims	Care for children 0-4 years
Mzamomhle DCC	4	New bright, Bedford Town	Monthly claims	Care for children 0-4 years
Vukuzenzele DCC	3	Ntlama Street, Bedford Town	Monthly claims	Promote an active healthy life style, improve quality of life and protect them from violation of their rights
Siyanceda HCBC	3	Ntlama St, Bedford Town	R 269 298.00	Caring for infected and affected people, OVC, child headed families
Them bani Special	3	Bongweni Loc, Bedford	Monthly claims	Care for children

Day care centre		Town		0-4 years
TADA		Bedford Town	R 122 000	Teenagers Preventatives programmes against Drug abuse
Legacy Womens Co-op	1	Bedford	R 139 125	Timber Production
Sindwezama Womens C-op	1	Bedford	R100 000	Brick Making Production
Sophumelela Bakery Project		Adelaide	R100 000	Bakery Production