



2016-2017 REVIEW

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FOREWORD BY THE MAYOR

The Integrated Development Planning is a constitutional requirement that all municipalities must comply with on an annual basis. I confirm that the IDP review process is a culmination of process started in August 2015

The IDP and budget we are tabling today is responding to the challenges identified by communities, inter alia, and provides practical intervention. Every effort has been made to align the municipal priorities with national and provincial programmes of action

Acceleration of Social Infrastructure Development and good governance remains the defining feature and hallmark of Nyandeni Municipal Council



CLLR THOKOZILE SOKANYILE

HON MAYOR

STATEMENT BY THE MUNICIPAL MANAGER

The IDP/PMS and Budget Review process is guided by the Municipal Finance Management Act and MFMA Circular 74 and 75 issued by National Treasury. Amongst other things it requires municipalities to ensure that their tabled budget reflects the equitable share and conditional grant allocations set out in the 2016 Division of Revenue Act.



Furthermore, MFMA Circular 72 indicates that over the next three years, government as whole will have to learn to do more with less, similarly, municipal revenues and cash flows are expected to remain under pressure in 2016/17 and municipalities must adopt a conservative approach when projecting their expected revenues and cash receipts. To give effect to this directive the municipality will implement stringent measures to ensure efficiency in financial management.

Every effort has been made to align municipal programmes and priorities to the National and Provincial Medium Strategic Framework and Priorities. In doing so, we are confident that together we will through IGR Platform

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N NOMANDELA

MUNICIPAL MANAGER

INTRODUCTION**Defining the Integrated Development Planning**

The Municipal Systems Act defines IDP as

(a) "...the principal strategic planning instrument which guides and informs all planning and development, and all decisions with regard to planning, management and development in the municipality";

(b) "Binds the municipality in the exercise of its executive authority..."

The Nyandeni Local Municipality falls within the OR Tambo District Municipality which is situated in the eastern part of the Transkei region of the Eastern Cape Province. Nyandeni consists of the two former magisterial districts of Libode and Ngqeleni.

The Municipality is bordered to the south-west by the King Sabata Dalindyebo Municipality, to the north by the Mhlontlo Municipality, to the east by the Ntabankulu, Ingquza Hill and Port St Johns Municipalities. The Indian Ocean forms the southern boundary of the municipal area.

According to the Statistics South Africa's Population Census 2011, Nyandeni Local Municipality had an estimated total of 290 390 people living within the boundaries of the municipality. The population is growing at an average of 0.57% per annum since 2001. More than 99% of the population belongs to the African population group. In 2011 there were approximately 61 647 households in Nyandeni Local Municipality, with an average household size of 4.8 people.

The total population density (number of people per km²) for 2011 was 117.2. The total number of individuals with an education level of less than a matric certificate - including those without schooling - was approximately 221 500 in 2011. The total number of individuals having obtained a matric certificate without any other education was 21 650. In 2011, there were 67 700 people in Nyandeni Local Municipality who were considered to be functionally illiterate. Expressed as a literacy rate of all people aged 20 and up, this amounts to 51.3% - up by 6.3 percentage points from 44.9% in 2005. Nyandeni Local Municipality's literacy rate is still lower than that of the O.R. Tambo District Municipality. A higher literacy rate is often associated with higher levels of urbanisation, where access to schools is less of a

problem, and where there are economies of scale (more learners, more schools, more choices, better educators, etc).

A decline in the numbers of people living in extreme poverty is most certainly an indication that the community is developing. In 2011, there was an estimated 193 355 people (or 64.0% of the total population Nyandeni Local Municipality) living in poverty in . On average, this number declined at 1.3% per annum since 2005.

The annual per capita income in Nyandeni Local Municipality amounted to R7 969 in 2011, which is lower than the district average. The total personal income in 2011 amounts to R2 1 billion which is increasing over time. In 2011 the Nyandeni Local Municipality had a Gini-coefficient of 0.53. Between 2005 and 2011, income inequality decreased which means that an improvement is seen in the income distribution.

It is estimated that just over 9 069 people were employed by formal and informal sectors in the local municipality. The unemployment rate was very high at 49.3% in 2011 or 13 253 people. The total economically active population was just over 26 900 people. The largest sector in terms of jobs is the community service sector which includes all levels of government.

In 2011, the region had a total Gross Domestic product (GDP) of R1.2 billion which is a contribution of 7.2% to the total GDP of the O.R. Tambo District municipality and 0.57% to the GDP of the Eastern Cape Province. The average growth rate in constant prices from 2005 to 2011 is 2.3%. In 2011, the community services sector contributed 63.4% towards Nyandeni Local Municipality's GVA (an indicator of business activity), with the trade and finance sectors trailing at 16.1% and 10.4% respectively.

The Nyandeni Local Municipality is committed towards ensuring a brighter future for all inhabitants in the region and its investment strategies aim to enhance competitiveness and encourage sustainable growth that is inclusive. A stimulus should be created for the local economy to grow, compete and create more jobs. It is all about competitiveness, about enterprises thriving in competitive markets and locations with the aim to create sustainable employment at the local level. The main approach to do so is:

- To ensure that an environment and opportunities for more labour-absorbing economic activities is established;
- To ensure that the fruits of growth are shared in such a way that poverty is largely eliminated; and

- To ensure that severe inequalities that still plague South Africa are considerably reduced.

Organizational structure, systems, processes and personnel capacity

How are we structured?

<p>Political & Council Structures</p> <ul style="list-style-type: none"> • Mayor • Speaker • Executive Committee • 61 Councillors • 31 Wards & 310 Ward Committees Members <p>Committees Members</p> <ul style="list-style-type: none"> • 9 Standing Committees • Municipal Public Accounts Committee • Ethics and Members Interest Committee • Public Participation and Petition Committee • Office of the Chief-whip • Women Caucus • Traditional Leadership • Audit Committee 	<p>Administrative Structures</p> <ul style="list-style-type: none"> • Municipal Manager • Corporate Services • Budget and Treasury Office • Community Services • Infrastructure Department • Planning and Development •
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COORDINATION OF CLUSTERS

Introduction of Cluster System with dedicated

At the political level, the organization is based upon a strong programme management model and a politically orientated governance approach, combined with competencies in community based engagement, development and stakeholder mobilization. This is complimented by the leadership and executive management structures primarily at a political level. These structures are used to make decisions and inform high level planning for the achievement of desired objectives of Nyandeni Local Municipality.

The Municipal Manager reports to the Mayor and Council and is selected by this body. Since the Municipal Manager is selected by this body, he is strongly influenced to support and

execute the decisions of this body. In addition, the Municipal Manager is an integral link between the political and administrative structures.

Administrative Structures

Nyandeni Local Municipality structure is hierarchical based on functional silos represented by five departments which are supposed to be in aligned to the four core focus areas of the Municipality. The Nyandeni Local Municipality organizational structure is divided into five functional departments as follows:

- a) Office of the Municipal Manager
- b) Corporate Services;
- c) Budget and Treasury Office;
- d) Community Services;
- e) Infrastructure Department and
- f) Planning and Development

Each Department represents a functional area of work and is further divided into sub-functional components. The five key focus areas attempt to create integration. This integration demands a value chain response from each department in terms of its deliverables. This is one of the structural components deficiencies that will unlock organizational integration and consequently the linkages between departments within Nyandeni Local Municipality.

LEGISLATIVE FRAMEWORK AND POLICY ENVIRONMENT

The Constitution of the Republic of South Africa, 1996, provides the primary overarching framework within the Local Government planning must be understood. The Constitution gives Local Government a mandate to;

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

ALIGNMENT WITH NATIONAL AND PROVINCIAL LEGISLATIONS

Government Outcomes Approach	MDG's	Role of the municipality	Provincial MTSF
Outcome 1: improved quality of basic education	Goal 2: achieve universal primary education	Participate in needs assessment	

NATIONAL DEVELOPMENT PLAN –

The IDP Review for 2015/16 has taken into account *the National Development Plan* which defines South Africa's development trajectory by amongst other things investing in a strong network of economic and Social infrastructure designed to support the country's medium and long term economic and social objectives and improving the quality of education, skills development and innovation

NATIONAL DEVELOPMENT PLAN TARGETS FOR 2030

1. Employment: 13 million in 2010 to 24 million in 2030
2. Raise income from R50 000 a person to R120 000
3. Increase quality education and all children have at two years of preschool education and all children in grade 6 can read, write and count
4. Establish a competitive base of infrastructure, human resources and regulatory frameworks
5. Reduce poverty and inequality by raising employment, bolstering productivity and incomes, and broadening the social wage
6. Ensure that professional and managerial posts better reflect the country's demographics

7. Broaden ownership to historically disadvantaged groups
8. Provide quality health care while promoting health and well-being
9. Establish effective and affordable public transport
10. Produce sufficient energy at competitive prices, ensuring access for the poor
11. Ensure that all people have access to clean running water in their homes

EASTERN CAPE PROVINCIAL DEVELOPMENT PLAN -2030 VISION

Goal	Goal defined	Objectives and action	Municipal goal to achieve the provincial goal
Goal 1: A growing, inclusive and equitable economy	The PDP aims to develop a growing, inclusive and equitable economy. This includes a larger and more efficient provincial economy that optimally exploits the competitive advantages of the Eastern Cape, increased employment and reduced inequalities of income and wealth.	Improved economic infrastructure that promotes new economic activity across all regions of the Eastern Cape	
		Accelerated economic development of rural areas and all regions.	
		Stronger industry and enterprise support.	
		An accelerated and completed land-reform process.	
		Rapid development of high-potential economic sectors.	

BACK TO BASICS LOCAL GOVERNMENT STRATEGY

The Back to Basics Local Government Strategy was introduced to stakeholders on 18 September 2015 and have the following thrusts;

NO	BACK TO BASICS PILLARS	LG KPA	Role of the municipality
1.	Put people first	Good Governance and Public Participation	
2.	Delivering Basic Services	Service Delivery and Infrastructure Planning	Municipalities must delivery basic services Municipalities must ensure that services such as cutting of grass patching of potholes, working robots, street lights and constant refuse removal are provided Municipalities
3.	Good Governance	Good Governance and Public Participation	
4.	Sound Financial Management	Financial Viability and Management	
5.	Building Capacity	Institutional Transformation and Development	

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EASTERN CAPE MEDIUM TERM STRATEGIC PRIORITY AREAS

Priority 1 – Promoting quality education and skills development

Priority 2- Better health care for all

Priority 3 – Stimulating rural development, land reform and food security

Priority 4 – Transforming the economy to create jobs and sustainable livelihoods

Priority 5 – Intensifying the fight against crime and corruption

Priority 6 – Integrated human settlement and building cohesive communities

Priority 7 – Strengthening the developmental state and good governance

THE NEW GROWTH PATH

It is based on the following tenets: (a) Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally (b) developing a policy package to facilitate employment creation and institutional developments required to take advantage of opportunities.

SPLUMA

The Spatial Planning and Land Use Management Act, 2013 (SPLUMA) was assented to by the President of the Republic of South Africa on 5 August 2013. SPLUMA is a framework act for all spatial planning and land use management legislation in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making in this field. The other objects include addressing historical spatial imbalances and the integration of the principles of sustainable development into land use and planning regulatory tools and legislative instruments

Municipal Finance Management Act

Section 21 of MFMA requires the mayor to coordinate the process for preparing the annual budget and developing the Integrated Development Plan. The IDP and budget must be one process

Section 21 of the Local Government: Municipal Finance Management Act states that the Mayor must table a schedule of key deadlines for various budget activities 10 months before the start of the new financial year. The accounting officer is tasked by section 68 of the MFMA with assisting the mayor in performing the budgetary functions.

OVERVIEW OF THE IDP PROCESS

Each municipality, within a prescribed period must develop and adopt a process set out in writing to guide the planning, drafting, adoption and review of its Integrated Development Plan in terms of section 29 of the Municipal Systems Act.

The municipality must through appropriate mechanisms, processes and procedures established in terms of section 17 of the municipal systems Act, consult the local community before adopting the process plan.

Status of the Integrated Development Plan-2015-2016

The Integrated Development Plan is a strategic planning instrument that guides and informs all planning, budgeting, management and decision-making in a municipality. The IDP gives impetus to the implementation of the government programme of action

Matters considered during the Review Process

- Government Medium Term Strategic Framework
- Comments emanating from IDP and Budget Public Hearings
- Comments emanating from the Mayoral Outreach Imbizo's
- National Treasury Division of Revenue Act Allocations
- Contributions by various Sector Departments
- MEC Comments for 2013/2014 IDP Assessment
- Auditor General's 2012/2013 Report

ADOPTION OF THE IDP AND BUDGET PROCESS PLAN: 2015/2016

In accordance with section 21(b) of the Local Government: Municipal Finance Management Act, the IDP and Annual Budget Process Plan for the financial year 2015/16 was tabled and adopted by Council on 29 August 2014 with Council Resolution No. 1051 of 29 August 2014

TABLING OF DRAFT IDP AND BUDGET FOR 2015/2016

The Draft IDP and budget for 2015/16 was tabled to Council on 31 March 2015 and related policies and published for comments, inspection and representations in the Regional and Local News Paper. Publication was also placed on the Municipal Website (www.nyandenilm.gov.za) as well as all municipal Libraries for easy access by communities

ADOPTION OF THE IDP AND ANNUAL BUDGET FOR 2015/2016

The IDP and Annual Budget and related policies were unanimously adopted by Council on 28 May 2015 with Council Resolution No. In adopting, the IDP the Mayor has to respond, inputs and representation made raised during the public hearings

IDP ASSESSMENT REPORT FOR THE PAST THREE FINANCIAL YEARS

The IDP Assessment results for the past three years indicate improvements in most of the key performance areas. The challenge is to maintain the gains and

KPA	2012/13	2013/2014	2014/2015
SDF	High	High	High
Service Delivery	Medium	Medium	High
Financial Viability	High	High	High
Local Economic Development	High	High	High
Good Governance and Public Participation	High	High	High
Institutional Arrangement	High	HIGH	High

Source (DLGTA)

CONSIDERATION OF INPUTS BY MEC ON 2014/2015

CONSIDERATION OF MEC COMMENTS ON 2014/2015 IDP REVIEW AND ACTION PLAN

FUNCTIONAL AREA	GAPS IDENTIFIED	MEC Recommendations	ACTION PLAN
Alignment of National and Provincial Development Plans and Outcomes Approach	Outcomes Approach not aligned	Align Outcomes Approach and Provincial Development Plan	Priority Plans have been aligned
Environment Management	the IDP does not make reference to its air quality management plan as contemplated in section 15(2) of the NEMA: Air Quality Act 39 of 2004	Need to consider developing such a plan and include it in the IDP for future developments. Must be supported	Environmental Management related plans are being developed and will be include in the IDP for 2015/2016
	Environmental by-laws not in place	The municipality with the assistance of DEAT, District Municipality should develop environmental by-laws	Engage National Department of Environmental Affairs and the ORTAMBO DM to develop environmental management air quality and review waste management By-Laws
a) Considering all the recent debate on climate change, elaborate on how the	No comments on the climate change	Consider formulating a climate change response strategy whilst making use of	Allocate budget in the 2015/2016 for development of the climate change

FUNCTIONAL AREA	GAPS IDENTIFIED	MEC Recommendations	ACTION PLAN
municipality has incorporated planning in responding to the (climate change response strategy		the DM's strategy.	response strategy
the Municipality does not have a Trade Effluent Policy	Lack of Trade Effluent Policy	DEDEAT to assist the municipality with the development of the Trade Effluent plan.	Develop the Trade Effluent Plan during the 2015/2016 financial year
Lack of environmental management plans	No evidence indicating an attempt to develop environment planning tools such as SOER, EMFs, Coastal Management Plans, aquatic ecosystem, ecological infrastructure, wetlands bioregional plans and associated EMPs?	The municipality in collaboration with the DM and DEDEAT should develop the identified environmental plans	Develop coastal management plan, aquatic ecosystem, ecological infrastructure, wetlands bioregional plans and associated EMPs

CONSIDERATION OF INPUTS BY MEC ON 2015/2016

FUNCTIONAL AREA	GAPS IDENTIFIED	MEC Recommendations	ACTION PLAN

COMMUNITY INPUTS FOR 2015-2016

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
1	Complaining about water delays.	Manzimabi	OR Tambo
	Taps were installed but there's no running water.(since 2011)	Mahoyana	OR Tambo
	Boreholes should be rebuilt as they are no longer supplying water		
	Appreciated construction of Thembeni access road	Thembeni	Nyandeni LM
	Construction of bridge between Ngcolora and Weyi		
	Dipping tank		DRDAR
	Challenge of crime	ward 1	SAPS and Justice
Fencing of Tshaka school	Tshaka school	DOE	
2	Water supply	Whole ward	OR Tambo
	Water supply	Maqhinebe	

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Toilets at Tabase	Tabase	
	Access road from Tungwini to Mputshane. Request for community hall. Request for sports ground. Request for a Library at Zibungu. Maintenance of Zele, access road damaged by contractor. Access road from cape church to Manzi. Pre -school at Zele	Tungwini to Mputshane Whole ward Zibungu	Nyandeni LM
	Electricity.		ESKOM & NLM
	Clinics HIV/Aids challenges Poor service in St Banarbas hospital.	Whole ward	Department of Health
	Food security	Whole ward	DRDAR
	Housing	Whole ward	Human settlements
	Skills development	Ward 2	Labour & Nyandeni LM
	Request for Bus		
	Scholar transport irregularities	Whole ward	Dept – Transport & DOE
3	Mobile clinic		Dept. of health
	Awareness campaign on drug abuse		Social development
	Sport ground – Mhlanganisweni Bursaries		
	Water taps at Mlomo		OR Tambo
	Support to small farmers Dipping tank at Mhlanganisweni		DRDAR
	Paypoint	Whole ward	SASSA
	Skills development		NLM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
4.	Access road in new locations Construction of streets Maintenance of Marhubeni access road Maintenance of Gungqwana bridge Access road to Makhotyana clinic Support to Nkanga project Job creation Community hall		NLM
	Conversion of Makotyana clinic into hospital		Dept. Health
	Sheering shed at Makotyana Dipping tank		DRDAR
	Additional RDP Houses		Human Settlements & NLM
5	Mpindweni access road not finished. Nxukhwebe Access road. Mthombe, Tsitsa and Loliwe Request for maintenance of road. Bomvini access road. Acknowledged Nokoloza access road	Nokoloza Mpindweni Nxukhwebe Mtombetsitsa and Loliwe	Nyandeni LM
	Water supply	Whole ward	OR Tambo
	Housing projects	Whole ward	Human Settlements
	Electricity	<ul style="list-style-type: none"> • Nxukhwebe • Gebane • Bomvini • Mtombe 	Eskom & Nyandeni LM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
		<ul style="list-style-type: none"> Tafeni Mtombetsitsa 	
	Bus stop shelters	Whole ward	Public works
	Youth employment	Whole ward	Labour / Nyandeni LM
6	Upgrade the Ntsonyeni water project. Notikane Village-No water at all No water –Ntlambela and Mzimvubu project. Mtshiyekweni in Ntsoyini no water Mtitshane- no water	Notikane Ntlambela Mtshiyekweni Mtitshane	OR Tambo
	Houses	Whole ward	Human settlements
	Ntsonyini access road –incomplete. Maintenance of Dangwana access road Ngqongweni, Ntsoyini-Disaster bridge need attention. Mgwenyana bridge Mtitshane access road		Nyandeni LM
	Public works road in bad conditions	Ntlambela	Public works
	Electricity	New extensions Mfutshane 42 household. Mtshiyekweni mgwenyane Ntsonyini	ESKOM
	Children's safety	Whole ward	Nyandeni LM
	Employment of Local People in the EPWP program	Ward 6	Nyandeni LM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Building of Mgcotyelwa school	Ward 6	DOE
7	Supply of water at Eziteneni informal settlements	Eziteneni	OR Tambo
	Electricity at Belmont	Belmont	ESKOM
	Construction of access road at Belmont and Church of God Monitoring of the Contractor working at Mchonkco access road		Nyandeni LM
	Requested soil sampling at Tabo Mbeki.	Tabo Mbeki	DRDAR
8	Maintenance of Mamfengwini Access road Creation of sports ground	Mamfengwini Whole ward	Nyandeni LM
	Need for mobile clinic at Moyeni Mobile Clinic at Tyarha		
	Electrification of new extensions	Whole ward	ESKOM
	Building of toilets in all new extensions Magcakini and Mamfengwini they need water.		
	Poultry project	Whole ward	DRDAR
9.	Access road and water in Mzimkhulu JSS Access road in Ngqwangi JSS Sitsheke –Dininkosi Access road need to be maintained. Need access road Lukhanyisweni Need access road and water in Misty Mount	Ward 9	Nyandeni LM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	RDP houses	Whole ward	Human settlements
	Farmers need assistance especial those affected by disaster	Whole ward	DRDAR
10	Maintenance of Ntilini Access They request CDW for the ward. Provision of blankets to old people as promised	Ntilini Whole ward	Nyandeni LM NLM & CoGTA
	Speed humps	Ntilini	Public works
	Support to old age people. Support of Orphans at Ngubungela Village		Social development
	Electricity	Suncity. New extensions	ESKOM
	Ambulance.	Whole ward	Dept- Health
11.	Maintenance of access road at Ziphunzana Request assistance on providing gardening tools for elderly women as well as pottery project and project for disabled people project Interest in development of a shopping mall Request R300000 for road surfacing Request for Sport ground at Lukhanyisweni location Request a voter education at Lukhanyiswen		NLM IEC
	+Reminder for IDP houses as promised		
	Fencing of grazing fields Complain about R1800 payable by farmers without proper guidance		DRDAR

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Complain about poor quality of toilets		OR Tambo
	Complaint about Zithathele clinic to be taken		Dept. of Health
12	<p>Access road from R61 bridge to Maganise J.S.S.</p> <p>Access road from Ntaphane J.S.S. to Ngqubusini via Mthebezi. Proper maintenance of the roads as well as the bridge that has been totally damaged from Ntaphane village, joining the tar road to Ngqeleni</p> <p>All access roads in the village</p> <p>Request for an access road</p> <p>Road maintenance</p> <p>The need for water, electricity and all other services like roads.</p> <p>Response to disaster victims</p> <p>The school was identified by ward councillor as one of the mud schools and they were promised a container but that it was never done up to now.</p> <p>Also complained about the roads and internal roads. The toilets that have been built are too much septic.</p> <p>There is no proper water provision in the area.</p> <p>RDP houses that were registered long ago.</p> <p>There are people who had been affected by the disaster in 2013 they were not assisted.</p> <p>There are new extensions that need</p>		

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	<p>water, electricity, and roads together with the sanitation infrastructure. The village needs more development.</p> <p>Need a road next to the river bank of the area.</p> <p>We were promised to be given the RDP houses but there is nothing.</p>		
13	<p>Maintenance of Access Roads.</p> <p>Ntsaka Bridge.</p> <p>New BV access road</p> <p>Monitoring of projects</p> <p>Translation of Municipal documents into Isixhosa</p> <p>Completion of housing projects</p> <p>Dumasi-Slabs for houses are still waiting (Nyandeni 370.</p>	<p>Whole ward</p> <p>Ntsaka</p> <p>New BV</p>	NLM
	<p>Dipping tank</p> <p>Provision of water to local dipping tanks</p> <p>Employment of dip assistants</p> <p>Farm fencing</p>	<p>Dumasi</p> <p>Whole ward</p>	DRDAR
	<p>Electrification of new extensions</p>	<p>Whole ward</p>	ESKOM
	<p>No Clinic at Dumasi</p> <p>No clinic at Mandlovini</p>	<p>Dumasi</p> <p>Mandlovini</p>	Dept- of health
	<p>Water supply</p> <p>Building of Toilets in the ward office.</p>	<p>Whole ward</p>	OR Tambo
	<p>Youth skills development</p>	<p>Whole ward</p>	NLM
	<p>Re-building of Mantanjeni school (destroyed by hail storm)</p> <p>School renovations in B V J.S.S. to encourage our children.</p>	<p>Mantanjeni</p>	DOE
	<p>Create job opportunities through</p>		NLM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	opening of firms		
	Request for mobile clinic. Youth employment who are already qualified (Graduates).		
14	Bridge crossing to Gxaba S.S.S. from no1-no5. Youth employment Monitoring of the projects. Access Road between Ncambedlana to Mabovini		NLM
	Request for mobile clinic.		Dept. Health
15.	Mobile clinic	Whole ward	Dept health
	Access Road between Ncambedlana to Mabovini. Bridge crossing to Gxaba S.S.S. from no1-no5. Monitoring of projects.	Ncambedlana to Mabovini	NLM
	Creation of job opportunities for unemployed graduates	Whole ward	NLM
16	Water	Whole ward	OR Tambo
	Access road		NLM
	Clinic	Whole ward	Dept Health
	Building of Xhentse S.S.S	.....	DOE
	Youth employment opportunities.		NLM
	Food parcel	Deserving community members	Social Development
17.	2010 Housing still unfinished (O.R Tambo). Household Taps. Disaster house beneficiaries (nothing have been done)	Whole ward	OR Tambo

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	<p>Thonti-Road 2006(no pipes) maintenance.</p> <p>T-Road (public works) 3 loads of stores to help EPWP employers.</p> <p>Sidikidini bridge was complete.</p> <p>Retention for contractors must not be paid until the community is happy and satisfied.</p> <p>Road Inspectors.</p> <p>Ludaka-Duma Zulu(bad with pot hole) need maintenance.</p> <p>Guqa road finished but the ward is not satisfied.</p>	.....	NLM
	Employment of rangers (dep of Agric).	Whole ward	DRDAR
18.	<p>Slow progress on electrification of new extension by ESKOM.</p> <p>Disaster houses of 2007 are still waiting permanent structures(Bukwini)</p>		
	No progress in responding to the families affected by Disaster (assessment done but no progress)	Whole ward	
	Intervention in construction of Ngidini access road which lead to Khanyisa J.s.s.s		
	Water project – Imvula consultants– Still awaiting the appointment of contractor (water project).		
19.	<p>Appreciated the repairs of the hall and also thanked the road constructions</p> <p>Kit for Cwele football club (Mayor's Cup)</p>		

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Requested municipality to be proactive in fixing the water problems Moved for acceptance of the IDP and Budget including the Tarrifs for 2015-16		
20.	Toilets are on stand still since last year October 2014. We don't have water.	.....	OR Tambo
	Access Roads need to be maintained. We need ward office. We need humps.	Whole ward	NLM
	We don't have fields. We don't have kits for soccer.		NLM
21.	Armstrong Street-concern surfacing contract says R4.2m but on our IDP reflected as R3m. water is not mentioned at all, especially Pilot and extension 4, extension 5 got alternative that was water tanks. Middle income houses-rates should go hand in hand with service delivery that was lack of water. Capital projects-Bantini Access Road-Road is not complete, Bantini to Gadini Bridges, Sidikidiki to Nkalweni-bridge for school kids. Bantini to Mazizini- No water access for the past three years. Mngazana-No street at all. Maintenance of Development center Mposana-No Access road C Enforcement of the by-		NLM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	<p>lawsconstruction of streets – Maqanyeni Monitoring of town building (building plans) Sport grounds Street lights are not functioning. Connection of floodlights.</p>		
	Provision of water at Maqanyeni		
	There were people who were left out during electrification. , electricity	Whole ward	ESKOM
22.	<p>Maintenance of access road from Mgojweni to Mabivini Request for bridge from Lujizweni to Gxaba S.S.S.(Nkantsini). Community hall at Ndonga</p>		
	Request for Electricity and R.D.P households (Nqanda & Mthokwana).		
	Toilets	..... ....	OR Tambo
	Mobile clinic	Mgonondi	Dept. of health
	Building of school	.....	DOE
23.	<p>Access Roads for 2014-15 identified not finished. Manyosana access road not even started. Sizani access road not completed. Manqabeni and Manyosana access Road-need to be maintained There is no access road at Phafane</p>	..... .....	NLM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Some villages are not electrified some were not completed, Sizani and Nggeleni no electricity at all. Electricity-extension villages have not electrified		NLM
	No water at all. Disaster houses are not completed.		OR Tambo & Human Settlements
	No RDP houses		NLM & Human settlements
	Clinic		Dept of Health
24.	A need for provision no water tanks as the river water gets contaminated by surage in Nggeleni. A request for reviving of collapsing toilets.		OR Tambo
	A need for improving the bridge from Nggeleni. A request for a community hall was forwarded. A proposal for removal of alien plants at Godini was made.	..... .....	NLM
	A need for a clinic was forwarded.	Ward 24	Dept. of health
	A request for electrification of new extensions.	Whole ward	ESKOM
	A recruitment procedure on projects implemented by the municipality.		
25.	Water Maintenance of water engine	.....	OR Tambo
	Access road between Lwandile and		

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	<p>Mamolweni need maintenance.</p> <p>Ngonjini and Lwandile projects need access road</p> <p>Ludaka Bridge</p> <p>Sport fields-</p> <p>Access road from Lwandile to the sea</p> <p>Ntsunguzini access road</p> <p>Access road to the projects-</p> <p>Mngcibe, Mamolweni, Mphimbo (Shortage of access road).</p> <p>Access road to clinic</p> <p>Road maintenance</p> <p>Support to high school project (need machinery)</p> <p>Sport fields</p>		
	Slow progress of electricity project		ESKOM
	Building of houses..		Human settlements
	Fencing of fields and water for dipping tanks	Whole ward	DRDAR
26.	<p>In 2913 there was a request of Luxolweni and the School.</p> <p>The internal roads</p> <p>Asked which area is going to be electrified?</p> <p>She appreciated the Luxolweni Access road.</p> <p>She also requested the internal roads.</p> <p>Appreciated the improvement of the people's lives.</p> <p>He raised concern about the issue of water taps that are not functioning as there is no water from them. She</p>		

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	<p>appreciated</p> <p>She raised concern about the number of the households that are going to be electrified.</p> <p>Concern about the water taps that do not function.</p> <p>Concern about housing that is not even available in the IDP</p> <p>There is aNjiveni access road that did not reach Manangeni.</p> <p>Request for a preschool.</p> <p>Concern that the Zincukuthwini road is taking long</p> <p>What about the Tholeni Accessroad that had been in the IDP and scheduled for implementation in 2016, but it does not appear in this IDP.</p> <p>Concerned about the way the information is disseminated in terms of agrarian development</p> <p>There is no road in Mafusini</p> <p>The T road is in a very bad state especially the bridges.</p> <p>What about RDP houses.</p> <p>Appreciates the Mafusini road.</p> <p>There is no water in Mafusini.</p> <p>Asked about Zixambuzi bridge.</p> <p>Asked about Tholeni Access Road.</p> <p>There are water taps that are dysfunctional in Njiveni.</p> <p>They do not have the ward committee member in their area and also</p>		

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Zixambuzi Asked about Manangeni Access Road.		
27	Access roads Maintenance of road at Mseleni location Request for Community Hall at Nkanga location Maintenance of access roads at Nkanga location Maintenance of road from Mmejelweni to Bhakaleni and Smuts High School Building of better standard Sport Field, other sport fields must be maintained Need water at Mseleni, Gqweza		NLM
	Ambulance at Nkanga clinic Request for hospital at Nkanga as they have been promised Request for at least two doctors 24 hours at Nkanga clinic		Dept. Health
	Electrification, at Mseleni, Gqweza Request for electrification in new extension i.e. Nqumba, Kwanjilo and Bhakaleni		ESKOM
	Need deeping tank at Cola in Bhungu location Fencing of farming areas		DRDAR
	Need extra water tank		OR Tambo
	Satellite police Station		SAPS
	RDP houses		Human settlements
28.	RDP Houses Houses promised by Municipality to	Whole ward	Human settlements

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	the fire victims years ago		
	Request Access Road in Kwazulu. Mtsholobeni to Mayalweni Access Road. Qhokama Bridge from Qhokama to Canzibe should be constructed. Tar road to Ngqelenimust be constructed. The sea should be improved to make attraction to tourists. Buthongweni project not completed Mtsholobeni –They need maintenance of road and construction of a bridge. Handover of projects after completion	.....	NLM
	Request for water		
	Problem of scholar transport.	Whole ward	Dept. of Transport & DOE
	Maintenance of access road. Mpendle access road.	.....	NLM
	Request for Pre-schools. Assistance of disaster victims. Support to horse racing. Fencing of fountain.	..... .....	NLM
29.	Electrification of new extensions.	Whole ward	ESKOM
	Provision of water.	Whole ward	OR Tambo
	Support to farming projects.	Whole ward	DRDAR
30.	Electrification of new extensions.	Whole ward	ESKOM
	Acknowledged the construction of Mgamnye Access Road. Many people are employed in the contractors. Dikela springs Access Road need maintenance.	..... ....	NLM

WARD	INPUTS	VILLAGE/ AREA	RESPONSIBILITY
	Ndukunyeni great place access road needs maintenance Mqhaphetshu access road. Accommodation of all villages in the EPWP program Monitoring and supervision of Municipal Projects Community hall Waste recycling centre in Nyandeni Local Municipality. War office		
	Mfabantu has water pipes but no water for more than 10 years. Water leakages		OR Tambo DM
	Request for school like ABET.	.....	DOE
31	RDP houses	Whole ward	
	Internal access roads Community hall Bursary	Whole ward	NLN
	Sanitation project left incomplete		OR Tambo

INSTITUTIONAL ARRANGEMENT

ROLE PLAYER	ROLES AND RESPONSIBILITY
Council	Approve and adopt the process and framework plans as well as IDP and Budget
Executive Committee	<ul style="list-style-type: none"> Monitoring of the implementation of the IDP and Budget Political coordination and management of the programme implementation

IDP Representative Forum	<p>Represents the interests of various constituencies</p> <p>Participation in all phases of IDP and Budget process</p>
IDP & Budget Steering Committee	<ul style="list-style-type: none"> • Provide technical and advisory support during the IDP and Budget process • Monitor and evaluate adherence to the process plan •
Municipal Manager	<ul style="list-style-type: none"> • Responsible for managing and coordinating the entire IDP and Budget Process Plan • Chair the IDP and Budget Steering Committee

PARTICIPATION MECHANISMS

The following participation mechanisms have been established in accordance with the provisions of the MSA and MFMA

- IDP Representative Forum
- District Representative Forum
- Use of Councillors to call Ward meetings to keep communities informed on the IDP process
- Ward Committees and CDW to keep communities abreast on IDP process
- Published annual performance reports
- Advertisement on news papers and community radio station
- Municipal notices
- Making IDP document available to all units
- Use of municipal website
- Community outreaches
- Intergovernmental Forums
- **Sector Specific Engagements**
- **Civic Education Programme**

SCHEDULE OF KEY DEADLINES FOR 2016/2017

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLTATIVE FRAMEWORK
	✓ Infrastructure Policy Workshop		17-18 August 2015	MFMA/MSA
	✓			
	✓ BTO Special Standing Committee to consider Draft AFS		17 August 2015 14h00	

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	<ul style="list-style-type: none"> ✓ Risk Committee Meeting 	Municipal Manager	19 August 2015	
	<p>Table IDP, PMS and Annual Budget Process Plan for 2016/17 to the Executive Committee adoption including the following documents</p> <ul style="list-style-type: none"> ✓ Annual Financial Statements for 2014/2015 ✓ Performance Information report (MSA-s46) ✓ Draft Annual Report for 2014/2015 	Municipal Manager	25 August 2015	MFMA 21(1)(b) & 53 (1) (b)

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	Audit Committee Meeting to consider Draft AFS		28 August 2015	
	Tabling of IDP & Annual Budget Process Plan, AFS & Performance information report to council for adoption including the following documents <ul style="list-style-type: none"> ✓ Annual Financial Statements for 2014/2015 ✓ Performance Information report (MSA-s46) ✓ Draft Annual Report for 2014/2015 	Mayor	28 August 2015	MFMA 21(1)(b) & 53 (1) (b)
	Submit Annual Financial Statements and Annual Performance Assessment Information Report and Draft Annual Report for the	Chief Financial Officer, MM	31 August 2015	MFMA 126 (1) (a)

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	year ending 30 June 2014 to Auditor General			
	IDP REP FORUM	Municipal Manager	3 SEPTEMBER 2015	
	Spring Day		04 September 2015	
	Advertise budget & IDP time schedule	SM: Operations	September 2015	
	Intergovernmental Engagements (IGR FORUM)	Mayor	22 September 2015	Constitution of RSA, s41 & MSA s24
	Ordinary Audit, Risk & Performance Committee		23 September 2015	
	State of the Local Address (SOLA)		30 September 2015	MSA s18
	Collate information relevant for inclusion in reviewed IDP, taking	IDP Manager	October 2015	Chapter 3 of the

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	into account MEC comments			Constitution of the RSA, 1996
	IDP & Budget Steering Committee	Municipal Manager	5 October 2015	IDP Guide
	All Departments to embark on Organizational structure review		October 2015	
	Risk Committee Meeting		23 October 2015	
	Table first quarter performance report including financial performance analysis report (s52(d) to Council	Mayor	29 October 2015	MFMA s52(d)
	Management Retreat	Municipal Manager	16-17 November 2015	
	Mayoral Imbizo's to give service delivery feedback and get community priority needs		09-13 November 2015	MSA s34 & s16
	Audit, Risk & Performance Committee	Municipal Manager	19 November 2015	
	Council Lekgotla (setting of institutional indicators aligned with	MM & Mayor	24-27 November	Constitution of

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	national and provincial programmes, organizational structure , delegation framework and governance framework		2015	RSA s153
	IDP Representative Forum	Mayor	3 December 2015	MSA s34
	Special Exco		11 December 2015	
	Special Council Meeting		15 December 2015	
	Convene Management Retreat to compile and finalize Mid-year report, adjustment budget and Revised SDBIP	Municipal Manager & Senior Managers	12-13 January 2016	MFMA s72 (1) & 11
	BTO Special Standing Committee Meeting	CFO	14 January 2016	
	Convene Exco Workshop on Midyear report, adjustment budget and Revised SDBIP, followed by the Special Executive Committee Meeting	Mayor & MM	18 & 19 January 2016	MFMA s72 (1) & 11
	Table Mid-year Report, revised SDBIP and Adjustment Budget for	Mayor & MM	25 January 2016	MFMA s72 (1) &

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLATIVE FRAMEWORK
	approval to the Special Council Meeting			11
	Risk Management Committee		05 February 2016	
	Mid-year budget and performance assessments by Provincial Treasury	CFO & MM	February 2016	MFMA s72 (1) & 11
	IGR Forum	Mayor	23 February 2016	
	Ordinary Audit, Risk & Performance Committee			
	IDP Representative Forum	Mayor	08 March 2016	
COUNCIL SITTING	Presentation of Draft IDP, Annual Budget, Draft SDBIP, Tariffs and budget related policies to the Executive Committee	Municipal Manager & CFO	17 March 2016	
	Tabling of Draft IDP, Annual Budget, Draft SDBIP, Tariffs and budget related policies to Council	Mayor	31 March 2016	MFMA s16 (2)
	Adoption of the Oversight report	Speaker, MPAC	31 March 2016	MFMA s129)1)

PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIME
	Strategic Risk Assessment Workshop		7-8 A
	Risk Committee		15 A
	Conduct IDP & Budget Public Hearings	Mayor	18-2
	Special Executive Committee Meeting		21 A
	Table third quarter performance report including financial performance analysis report to Council	Mayor	28 A
	IDP Representative Forum	Mayor	05 M
	Intergovernmental Relations Forum	Mayor	12 M
	Ordinary Exco Meeting		18 M
	Table Reviewed IDP, Annual Budget, Tariffs, Organizational Structure and budget related policies for approval by Council	Mayor	31 M
	Approval of the SDBIP by the Mayor	Municipal Manager	June

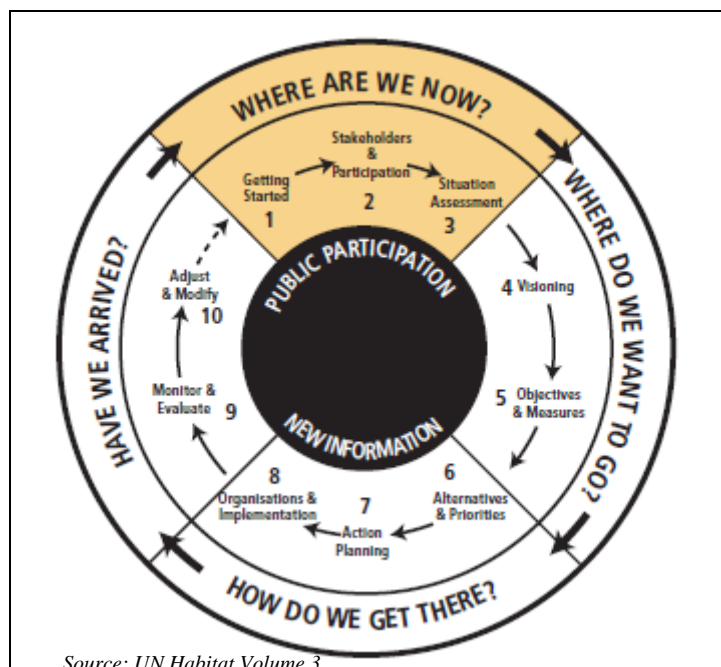
PHASE	ACTIVITIES	COORDINATING DEPARTMENT	TIMEFRAME	LEGISLTATIVE FRAMEWORK
	Ordinary Audit, Risk & Performance Committee		22 June 2016	
	Ordinary Council Meeting		30 June 2016	
	Table fourth quarter performance report including financial performance analysis report to Council	Municipal Manage	28 July 2016	MFMA s52 (d)

SECTION B: SITUATION ANALYSIS

CHAPTER 1: INTRODUCTION TO NYANDENI LOCAL MUNICIPALITY

Introduction

As a municipality, Nyandeni needs to provide the necessary support and create an environment that will be conducive for economic growth and social progress. A fragmented or uneven economic and business environment coupled with lack of communication and collaboration between government, community and business leads to society being disorganised. All economic agents need to come together and decide on a common strategy for their region in order to move forward and unlock benefits for all its citizens. Role players has to look at the existing and potential local capabilities of a region (**Local**), nurture existing markets and develop new markets (**Economic**) in addition to improving the general living conditions of a community (**Development**). In order to achieve these objectives a community first needs to determine where they are now, second where they want to go, third how to get there and lastly if they have arrived at their desired destination. The diagram below outlines the Local Economic Development (LED) process graphically:



Getting started and ensuring stakeholders are involved and participate lays the foundation for an LED in determining *where it is now*. The **Situational Analysis**

however provides quantifiable information that gives direction for the rest of the LED process.

A ***Situational Analysis*** quantifies the economic, demographic and socio-economic environment and contextualises it in terms of the spatial dynamics of the municipality. All relationships and dynamics between and within each of these concepts have to be understood. It is also important to understand the functioning of these concepts within the greater national and international context. The situation analysis requires both qualitative and quantitative information, which can be collected by either primary or secondary research methods. The information should then be used to conduct a SWOT (Strength, Weakness, Opportunities and Threats) analysis of the municipality. This will inform the LED team on the strengths, weaknesses, opportunities and threats that may influence LED. Identifying strengths will allow the municipality to devise plans and policies and to build on them as it could be more effective to grow existing businesses and markets as opposed to developing new ones. By identifying weaknesses the municipality can implement possible policies and plans to correct the situation. In many instances solutions may already exist and the weaknesses could be corrected with ease. Identifying opportunities could allow for the municipality to coordinate activities or facilitate stakeholders to take full advantage of the situation. The municipality could also coordinate and facilitate stakeholders in mitigating threats should they arise. An accurate understanding of the local economic, demographic and socio-economic history and current characteristics will help develop a realistic and achievable plan for economic development.¹

The socio economic status quo of Nyandeni Local Municipality is presented against the background of a macro economic outlook for South Africa as a whole. No primary research or surveys was conducted by IHS Global Insight as part of this study, and all information contained in this report was sourced from internal research conducted by IHS Global Insight through its Regional eXplorer (ReX) product.

Where applicable the Regional eXplorer (ReX) methodology and calculations is included to provide a summary of the approach followed by IHS Global Insight to explain and analyse the economic indicators. Although most of the figures used is from the ReX, some figures from Statistics South Africa (Stats SA) Population Census 2011 have also been incorporated into the report. The purpose for this incorporation is that we want to provide the Nyandeni Local Municipality with the latest and most accurate data that is available. The Regional eXplorer (ReX) does

¹*The local economic development series Volume 3*

not yet have the census data built in which instance the raw Census 2011 data was used. Unless specifically referenced, all data in the report is from the Regional eXplorer (ReX).

Take note that the provincial and municipal boundaries for the Eastern Cape and OR Tambo have changed significantly over the years. All historic 2001 Population Census data have been adjusted to be aligned with the boundaries as used in the 2011 population census. The implication for this is that the 2001 numbers will differ from Census 2001 publications using earlier boundary sets.

The report will consist of sections which establish a topic-based framework of the current status of the Nyandeni Local Municipality's economy by looking at some of these economic and socio-economic indicators relative to the provincial and national economy.

2 Demography

“Demographics” is a shortened term for “population characteristics”. It includes population groups, age and location. Distributions of values within a demographic variable, and across households, as well as trends over time are of interest. In this section, an overview is provided of the demography of Nyandeni Local Municipality. Where applicable the data from Statistics South Africa Population Census 2001 and 2011 were used.

2.1 Total Population

Population statistics is important when analysing an economy, as the growth in population impacts on employment, unemployment, economic growth and per capita income and a range of other economic variables.

Definition | The total population of a region is the total number of people within that region in the middle of the respective year. It therefore includes all residents, non-residents and individuals of any age, gender and population group.

According to StatsSA’s Census data Nyandeni Local Municipality had a total population of 274 344 in 2001 which increased at an average annual rate of 0.57% to 290 390 in 2011.

TABLE 1. POPULATION OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2001 AND 2011 [NUMBERS]

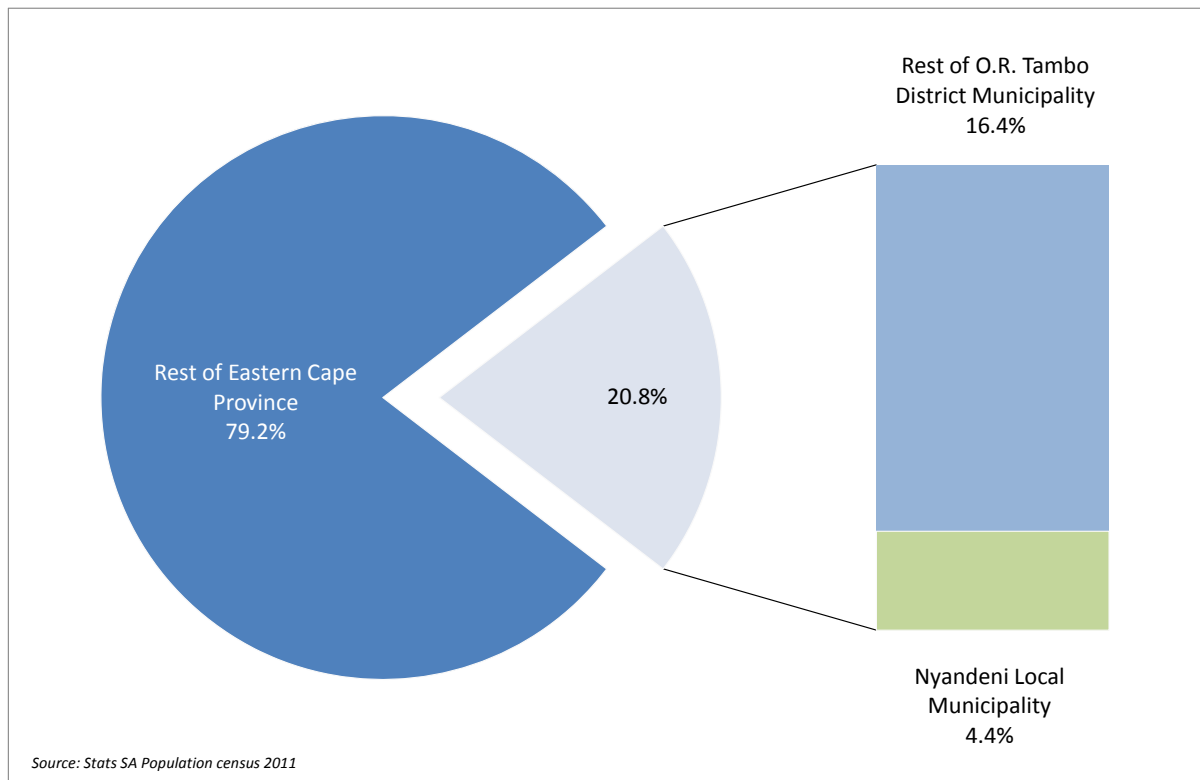
Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	254 590	278 481	0.90%
Port St Johns Local Municipality	147 026	156 136	0.60%
Nyandeni Local Municipality	274 344	290 390	0.57%
Mhlontlo Local Municipality	203 219	188 226	-0.76%
King Sabata Dalindyebo Local Municipality	416 119	451 710	0.82%
O.R.Tambo District Municipality	1 295 298	1 364 943	0.53%
Eastern Cape Province	6 436 765	6 562 053	0.19%
South Africa	44 819 779	51 770 560	1.45%

Source: Stats SA Population census 2001 & 2011

In terms of population the Nyandeni Local Municipality is the second largest local municipality in the O.R. Tambo District Municipality. Nyandeni Local Municipality has the second lowest average annual population growth rate amongst its peers in O.R. Tambo District Municipality between 2001 and 2011. The O.R. Tambo District

Municipality increased at an average annual growth rate of 0.53% which is relatively close to the growth rate in the Nyandeni Local Municipality. The population of South Africa increase at an average annual growth rate of 1.45%.

CHART 1. TOTAL POPULATION IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO THE REST OF THE EASTERN CAPE [PERCENTAGE, 2011]



The share of the O.R. Tambo District Municipality population remains mostly unchanged between 2001 (20.1%) and 2011 (20.8%). Nyandeni Local Municipality houses 4.4% of the total population in the Eastern Cape.

Nyandeni Local Municipality accounts for 0.56% of the South African population in 2011 as opposed to 0.61% in 2001 which might have some equitable share allocation implications. Despite Nyandeni Local Municipality's high fertility rate, the population growth is affected by negative factors such as HIV/AIDS and out-migration towards the bigger cities, which could explain the smaller share of the total South African population in 2011 when compared to 2001.

2.1.1 Population forecast

The Nyandeni Local Municipality population has a forecasted outlook of 0.65% at an average annual growth rate between 2012 and 2016. In 2016 the total population of

Nyandeni Local Municipality is expected to be 299 685, which is an increase of 7 718 people.

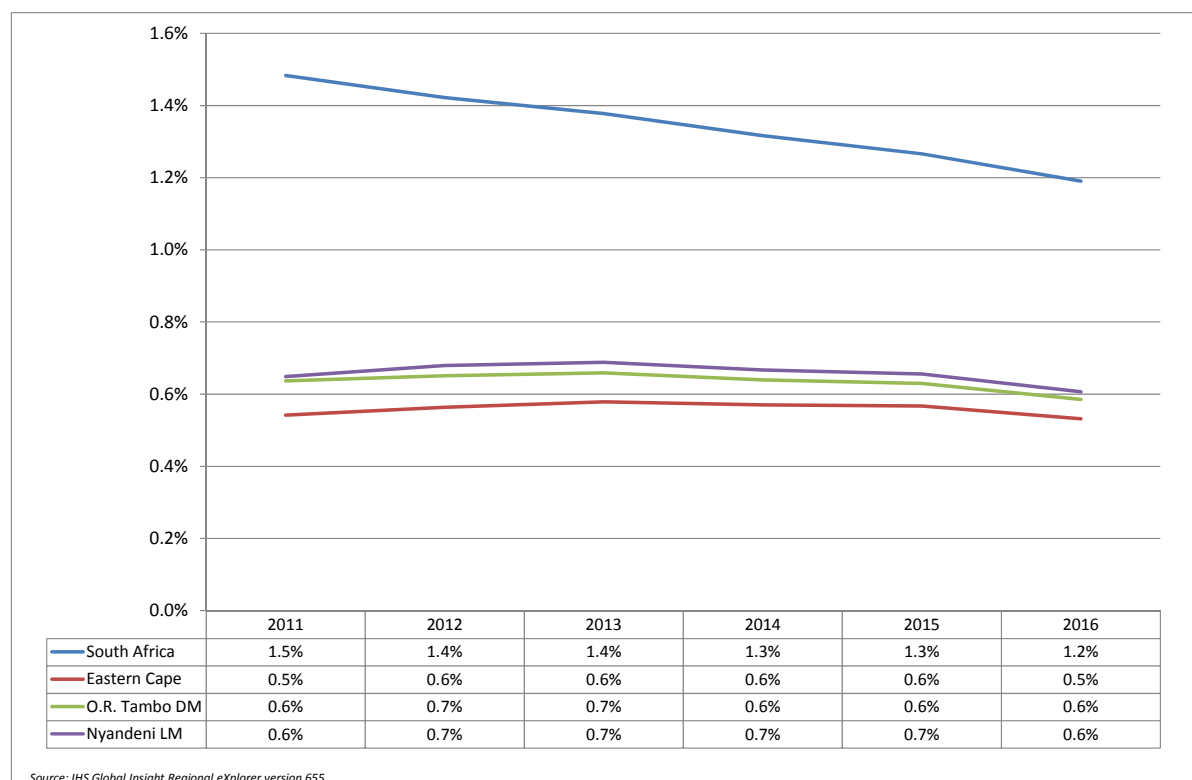
TABLE 2. TOTAL POPULATION FORECASTS IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS [NUMBERS, 2012 - 2016]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2012	52 246 418	6 645 595	1 373 951	291 967
2013	52 966 131	6 684 071	1 383 006	293 976
2014	53 663 501	6 722 196	1 391 852	295 937
2015	54 342 815	6 760 291	1 400 618	297 877
2016	54 989 625	6 796 249	1 408 817	299 685
Average annual growth rate:				
2012-2016	1.29%	0.56%	0.63%	0.65%

Source: IHS Global Insight Regional eXplorer version 655

The chart below represents the expected annual change in the population. The population growth rate of South Africa is clearly declining from 2011 to 2016. The population growth rate in the Eastern Cape, O.R. Tambo District Municipality and the Nyandeni Local Municipality seems to be relatively constant over the same period.

CHART 2. TOTAL POPULATION FORECASTS IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS [PERCENTAGE CHANGE, 2011 - 2016]



Source: IHS Global Insight Regional eXplorer version 655

The population growth of Nyandeni Local Municipality is expected, on average, to increase at 0.7% annually and a very small decline in growth will be seen in 2016. Nyandeni Local Municipality will continue to show a slow overall population growth rate in the years to come compared to South Africa.

2.2 Population by Population Group, Gender and Age

Definition | The population of a region is the total number of people within that region in the middle of the respective year, categorised according to population group and the sub categories of gender and age. The population groups output are African, White, Coloured and Asian. It is important to note that the 'Asian' population is made up of all people groups originating from Asia – this includes those of Indian and Chinese origin. The population is output in five year age categories.

Of the 290 390 people living in Nyandeni Local Municipality in 2011, 45.9% are African male and 53.5% African female. The other population groups make up a small percentage of the total population at 0.6%, with 0.3% being male and 0.3% being female.

TABLE 3. POPULATION BY POPULATION GROUP AND GENDER - NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011

Year	African		Other		Total	
	Male	Female	Male	Female	Male	Female
Total population						
2001	128 168	152 329	366	391	128 534	152 720
2011	133 343	155 341	898	808	134 241	156 149
Percentage of total						
2001	45.6%	54.2%	0.1%	0.1%	45.7%	54.3%
2011	45.9%	53.5%	0.3%	0.3%	46.2%	53.8%

Source: Stats SA Population census 2001 & 2011

It is evident from the figures that the female population in Nyandeni Local Municipality, at 53.8%, is much higher than the male population. This is clearly visible in the population pyramid below.

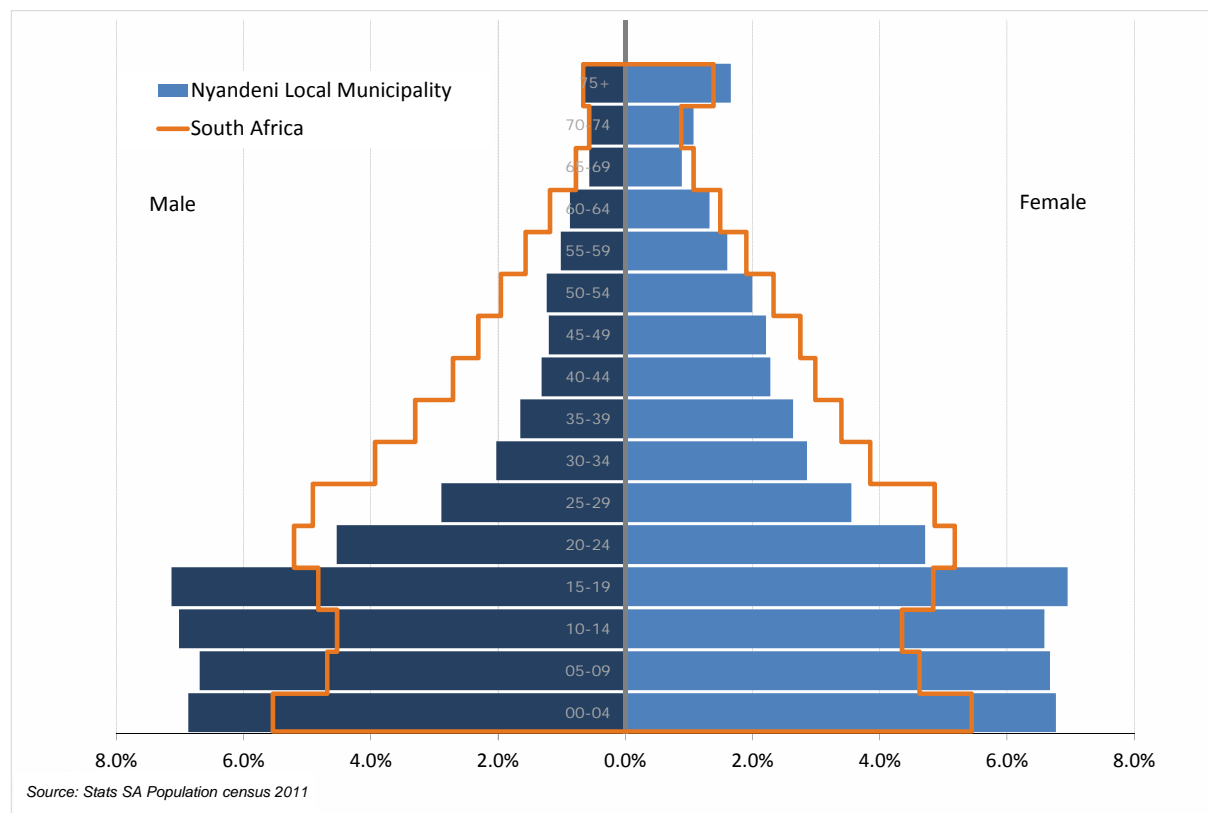
2.2.1 Population Pyramids

Definition | A population pyramid is a visual representation of the population broken down by gender and age for the selected year and region. The horizontal axis depicts the share of people, with the left pane depicting males and the right pane depicting females; the vertical axis depicts the 5-year age

categories. The **regional vs. national** population pyramid compares the population structure of the selected region (represented by bars) with that of the national population (represented by the line).

The total population pyramid greatly reflects that of the African population as the African population constitutes more than 99.4% of the total population for Nyandeni Local Municipality. The graph below compares the national population structure to that of Nyandeni Local Municipality.

CHART 3. POPULATION PYRAMID OF NYANDENI LOCAL MUNICIPALITY AND SOUTH AFRICA, 2011

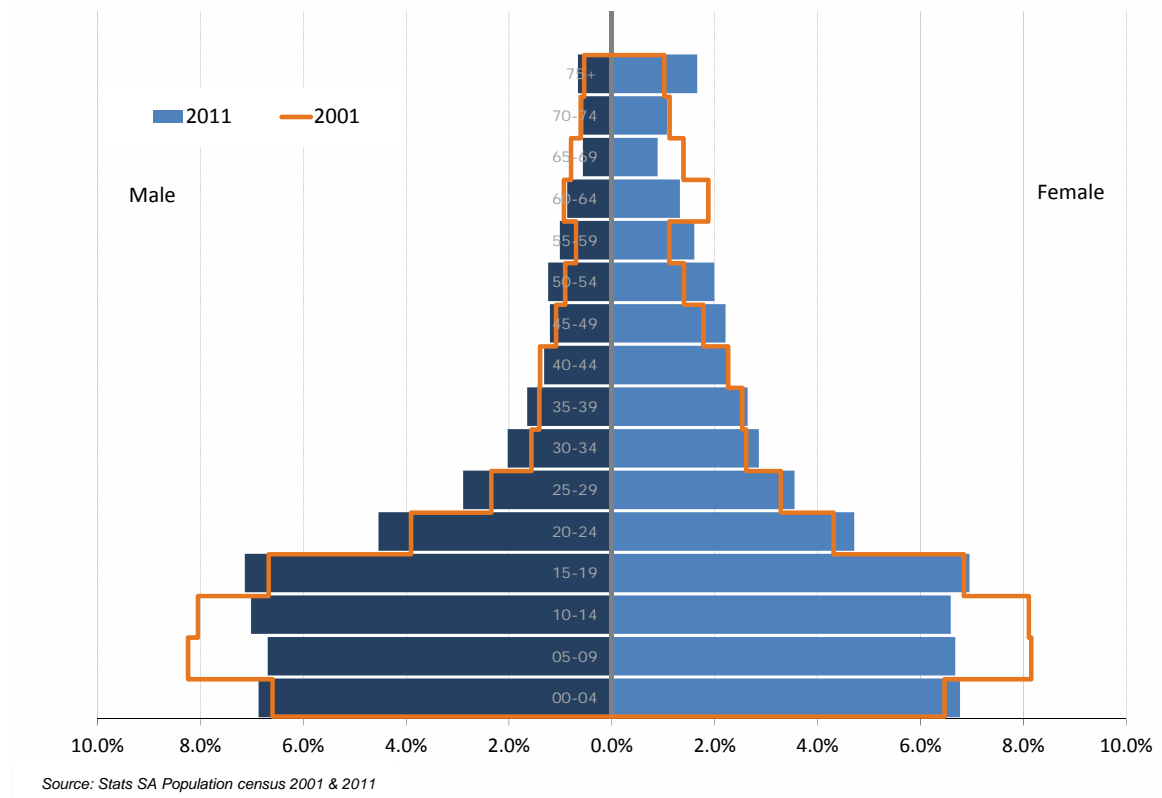


The total population tends to have a broad base with a big youth or student group present. From the age 20+ the number of people in each age group declines sharply. This can be a sign of out-migration of working age people as they move to the larger metropolitan areas looking for better employment opportunities. Other possible explanations for the differences between the national and the Nyandeni Local Municipality population pyramid:

- The effect of HIV/AIDS has an impact on the sexually active population.
- Employment conditions in urban areas force parents to send children to grandparents in rural communities.

- Distortions resulting from grants.
- Spatial policies, and subsequent re-allocation, that changed since 1994.

CHART 4. POPULATION PYRAMID OF NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011

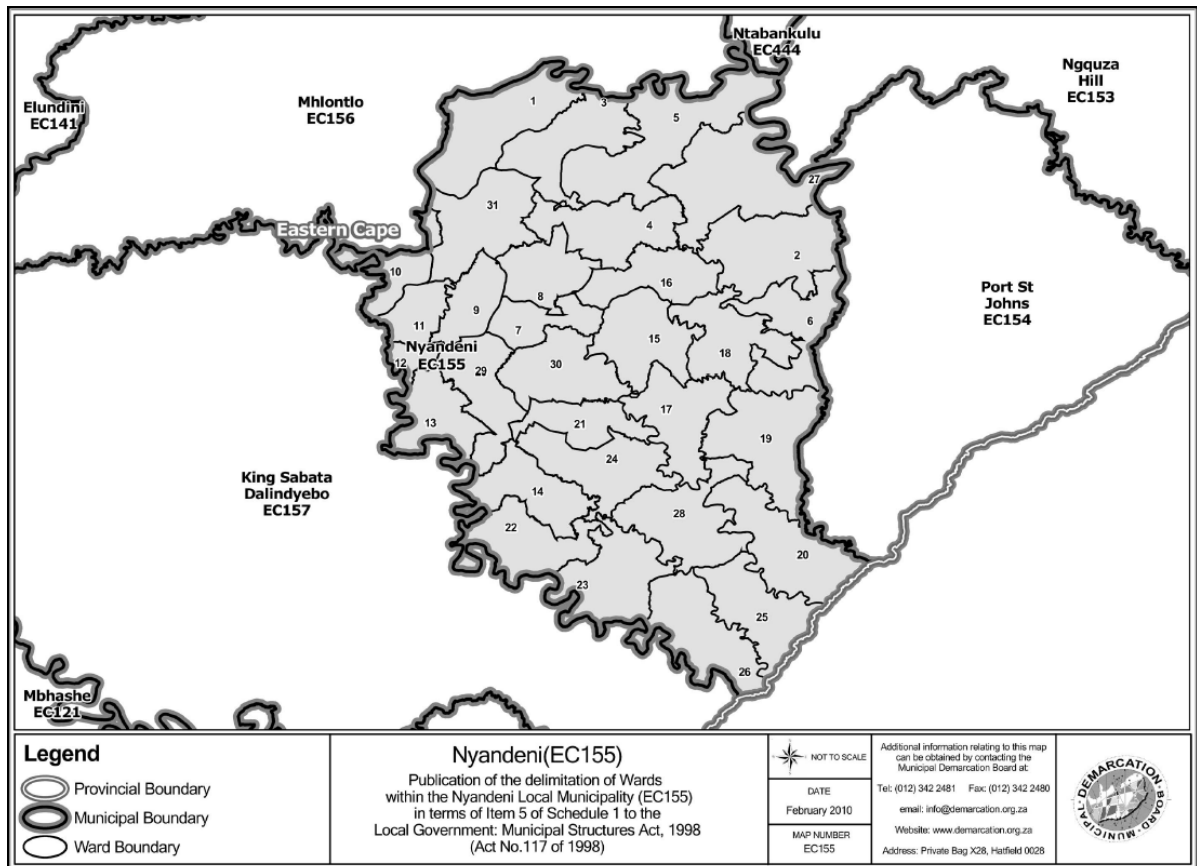


Possible explanations of the differences between 2001 and the 2011 Population Census in Nyandeni Local Municipality:

- 05-09 age cohort bulge in 2001 translates to a 15-19 age cohort bulge in 2011
- Student migration is a possibility – 10-14 age cohort bulge did not directly translate into a 20-24 age cohort bulge
- Increased concentration of 0 - 4 year olds due to fertility rates increasing
- There is also a possibility that there was less out migration of workers in 2011.
- Life expectancy increasing

2.3 Population by ward level

There are 31 wards in the Nyandeni Local Municipality. The population distribution of the Nyandeni Local Municipality is relatively equally distributed across all wards. The following is a map from the demarcation board of the latest layout of all the wards in the Nyandeni Local Municipality.



Source: Demarcation Board

The ward with the highest population is ward 11 with a total number of 13 243 people, or 4.6% of the total population in Nyandeni Local Municipality. The ward with the lowest number of people is ward 27 with 6 598 people currently in that ward. The percentage share in population by the different wards range between 2.3% and 4.6% with the average share being 3.2%.

TABLE 4. POPULATION BY POPULATION GROUP AND GENDER – WARD LEVEL IN NYANDENI LOCAL MUNICIPALITY, 2011 [NUMBER]

Ward	African		Other		Total	
	Male	Female	Male	Female	Male	Female
1	4 509	5 375	28	54	4 537	5 429
2	3 621	4 400	12	5	3 633	4 405
3	3 505	3 952	13	18	3 518	3 970
4	3 612	4 207	3	3	3 615	4 210
5	4 054	4 572	4	2	4 058	4 574
6	4 468	5 520	13	17	4 481	5 537
7	3 718	4 233	51	41	3 769	4 274
8	3 625	4 233	8	9	3 633	4 242
9	4 751	5 518	78	79	4 829	5 597
10	5 078	5 758	12	13	5 090	5 771
11	6 118	7 070	23	32	6 141	7 102
12	4 880	5 559	95	95	4 975	5 654
13	3 926	4 531	19	15	3 945	4 546
14	3 872	4 422	26	9	3 898	4 431
15	5 373	6 429	42	38	5 415	6 467
16	3 617	4 517	7	5	3 624	4 522
17	4 631	5 611	9	14	4 640	5 625
18	3 724	4 551	9	10	3 733	4 561
19	5 045	5 996	22	31	5 067	6 027
20	5 237	6 182	88	73	5 325	6 255
21	3 476	3 848	53	27	3 529	3 875
22	4 972	5 770	26	12	4 998	5 782
23	4 373	5 012	12	7	4 385	5 019
24	3 493	3 904	5	4	3 498	3 908
25	3 971	4 515	44	28	4 015	4 543
26	5 204	6 139	19	23	5 223	6 162
27	2 982	3 598	7	11	2 989	3 609
28	3 884	4 430	18	9	3 902	4 439
29	4 857	5 293	37	23	4 894	5 316
30	4 722	5 466	95	87	4 817	5 553
31	4 045	4 728	9	3	4 054	4 731
Total	133 343	155 341	898	808	134 241	156 149
% of Total	45.9%	53.5%	0.3%	0.3%	46.2%	53.8%

Source: Stats SA Population census 2011

2.4 Number of Households by population group

If the number of households is growing at a faster rate than that of the population it means that the households sizes is also decreasing and vice versa.

Definition | A household is a group of people who live together, and who provide themselves jointly with food and/or other essentials for living, or a single person who lives alone. An individual is considered part of a household if he spends at least four nights a week within the household.

This measure categorises a household according to the population

group to which the household head belongs.

There were 55 112 households in Nyandeni Local Municipality in 2001 and 61 647 in 2011. That equates to an average annual growth rate of 1.13% over time.

TABLE 5. Number Of Households by Nyandeni Local Municipality Relative To Other Regions, 2001 and 2011 [Numbers And Percentage Growth]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	51 160	56 212	0.95%
Port St Johns Local Municipality	29 560	31 715	0.71%
Nyandeni Local Municipality	55 112	61 647	1.13%
Mhlontlo Local Municipality	44 295	43 414	-0.20%
King Sabata Dalindyebo Local Municipality	90 597	105 241	1.51%
O.R.Tambo District Municipality	270 724	298 229	0.97%
Eastern Cape Province	1 535 968	1 687 384	0.94%
South Africa	11 770 276	14 450 163	2.07%

Source: Stats SA Population census 2001 & 2011

The level of the average annual growth in population (and the age composition of the population) places different demands on the need for health, education and safety services.

The average household size in 2001 was approximately 4.8 individuals per household as compared to the 4.6 persons per household in 2011. With faster growth in the number of households, compared to the growth in population, in Nyandeni Local Municipality, marginal demand for housing and basic services compared to that of health, education and safety services may be relatively higher.

TABLE 6. NUMBER OF HOUSEHOLDS BY POPULATION GROUP IN NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011 [NUMBER AND PERCENTAGE GROWTH]

Year	African	Other	Total
Number of households:			
2001	54 923	189	55 112
2011	61 228	419	61 647
Average annual growth rate:			
2001 - 2011	1.09%	8.29%	1.13%

Source: Stats SA Population census 2001 & 2011

The growth in the number of households for the African population is on average 1.09% per annum for the period 2001 – 2011, which translates to an increase of 6 305 households over the period. The average annual growth in the number of all the other population groups is 8.29% although it only amounts to 230 households according to the Census figures.

3 Development

Indicators of development are used to estimate the level of development of the Nyandeni Local Municipality relative to the rest of South Africa in terms of Human Development Index (HDI), Gini Coefficient (income inequality), poverty and education. Nyandeni Local Municipality should be a point of departure in the compilation of all policies that aspire towards a better life for all in the region.

3.1 Human Development Index (HDI)

Definition | The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions. HDI is the combination of three basic dimensions of human development

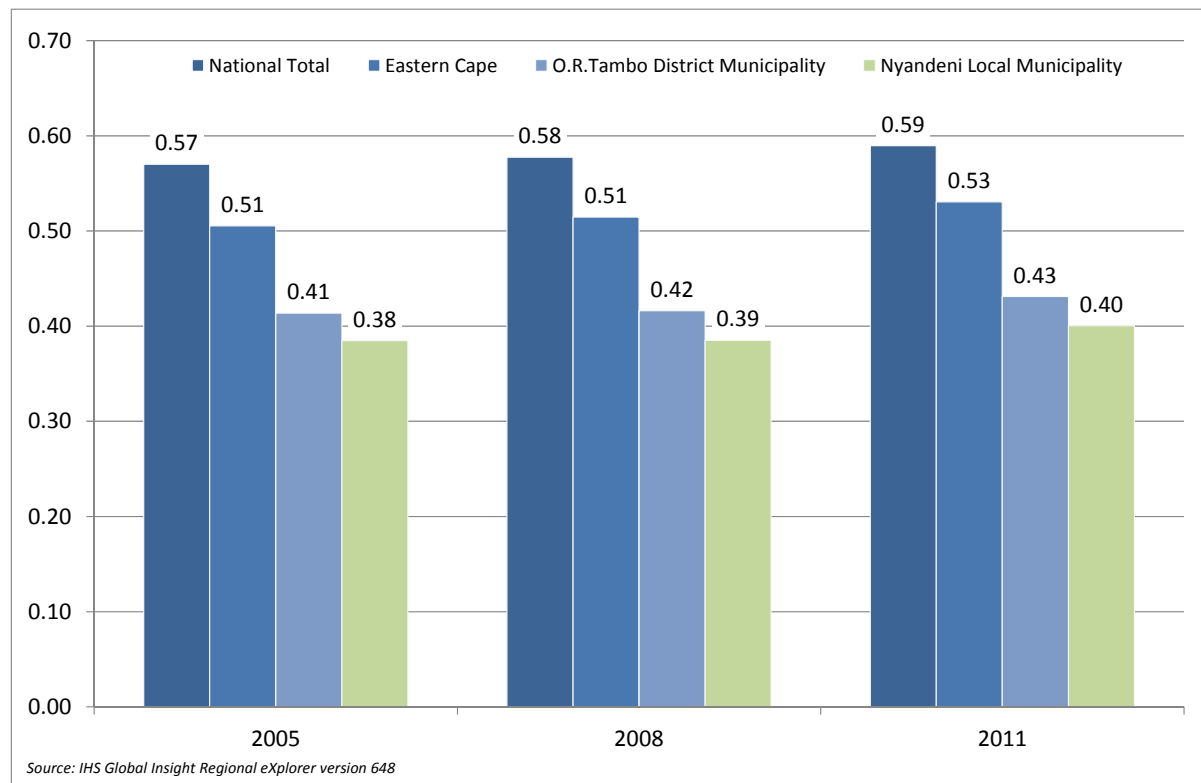
- A long and healthy life
- Knowledge
- A decent standard of living

A long and healthy life is typically measured using life expectancy at birth. Knowledge is typically measured using adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. A decent standard of living is typically measured using GDP per capita.

The HDI can assume a maximum value of 1, indicating a very high level of human development. It has a minimum value of 0, indicating no human development.

It is estimated that in 2011 Nyandeni Local Municipality had an HDI of 0.40. This is significantly lower than the Eastern Cape which has an HDI of 0.53 and South Africa with its 0.59.

CHART 5. HUMAN DEVELOPMENT INDEX BY REGIONS - 2005, 2008 AND 2011



The HDI has been increasing in South Africa, Eastern Cape, O.R. Tambo District Municipality and the Nyandeni Local Municipality since 2005. An explanation might be that education and health conditions have improved and a general increase in income is seen.

3.2 Gini Coefficient

Definition | The Gini coefficient is a summary statistic of income inequality, which varies from 0 to 1. If the Gini Coefficient is equal to zero it means that income is distributed in a perfectly equal manner, indicating a low variance between high and low income earners in the population. If the Gini coefficient is equal to one, income is completely inequitable, with one individual in the population earning income, whilst everyone else earns nothing.

In practice this coefficient is likely to lie in a range between 0.25 and 0.70.

In 2011, income inequality in Nyandeni Local Municipality at 0.53 was lower than that of the provincial and national level which was at 0.61 and 0.63 respectively.

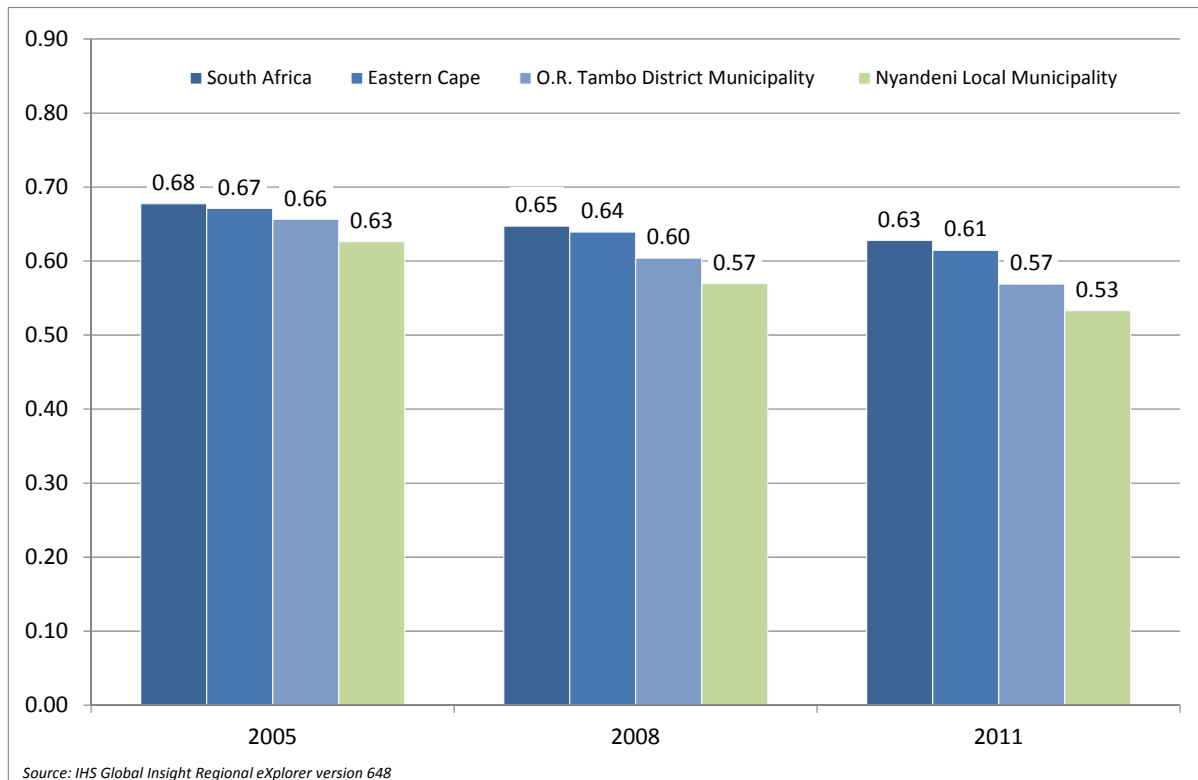
TABLE 7. GINI COEFFICIENT OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2005 - 2011

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2005	0.68	0.67	0.66	0.63
2006	0.67	0.66	0.64	0.61
2007	0.66	0.65	0.62	0.59
2008	0.65	0.64	0.60	0.57
2009	0.64	0.63	0.59	0.55
2010	0.63	0.62	0.58	0.54
2011	0.63	0.61	0.57	0.53

Source: IHS Global Insight Regional eXplorer version 648

Over time an improvement is noted on all regional levels were the Gini Coefficient declined reflecting a more equal distribution of income. This also might be due to social welfare and grants, community services employment and a more accessible economic environment conducive to economic growth and development.

CHART 6. GINI COEFFICIENT OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2005, 2008 AND 2011

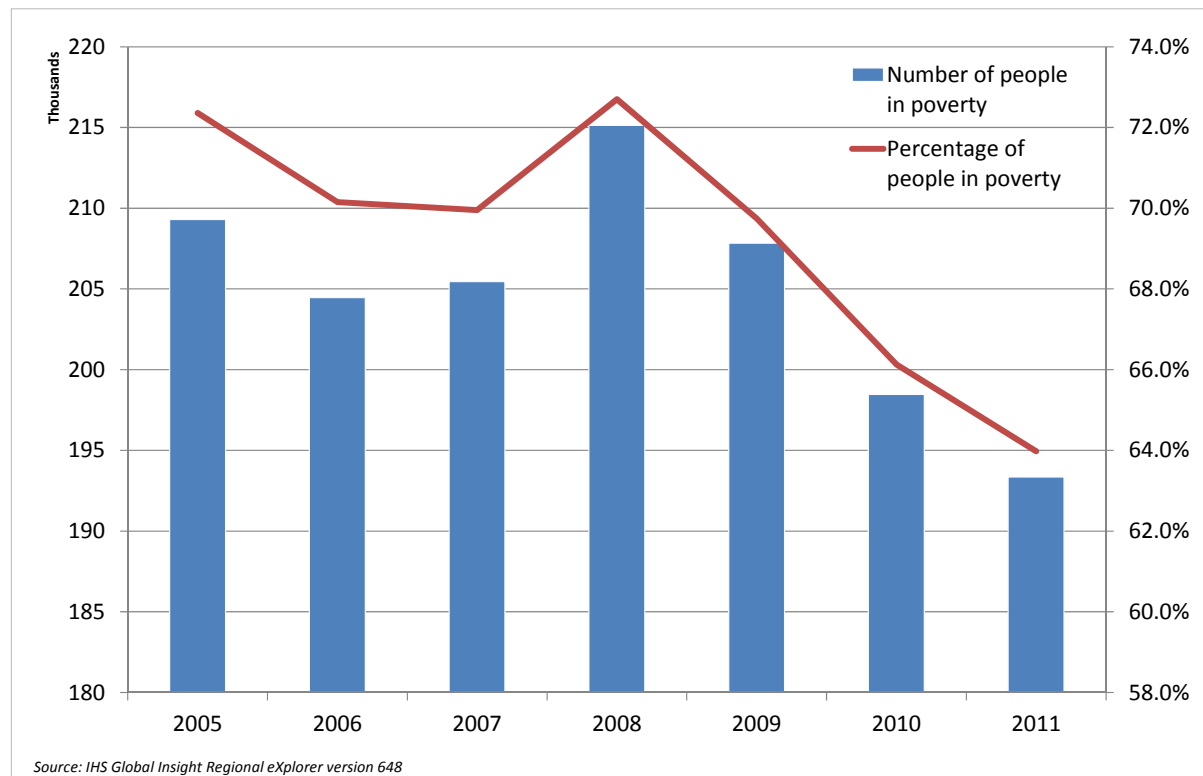


3.3 Poverty

Definition A household is considered to be subject to poverty if the individuals therein earn a combined income less than the poverty income threshold. The poverty income level is defined as the minimum monthly income needed to sustain a household and varies according to household size, the larger the household the larger the income required to keep its members out of poverty. The poverty income used by IHS Global Insight - within the context of this assessment - is based on the Bureau of Market Research's Minimum Living Level. Currently the poverty minimum amount of income for a household of 4 people is R2 544 per month.

In 2011, there were 193 355 people living in poverty across Nyandeni Local Municipality – down by 2.6% from 198 463 in 2010. In 2011, the number of Nyandeni Local Municipality's inhabitants that were living in poverty accounted for 64.0% of the total population of Nyandeni Local Municipality. The number of people living in poverty in the Nyandeni Local Municipality declined by an average annual rate of 1.3% from 2005 to 2011.

CHART 7. NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY, NYANDENI LOCAL MUNICIPALITY, 2005–2011



On a national basis 37.7% of the total population was living in poverty, while more than half the population of the O.R. Tambo District Municipality is living in poverty

TABLE 8. PERCENTAGE OF PEOPLE LIVING IN POVERTY IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2005 - 2011 [PERCENTAGE]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2005	45.7%	56.3%	68.2%	72.4%
2006	43.4%	54.2%	65.8%	70.2%
2007	42.0%	53.2%	65.2%	70.0%
2008	42.9%	54.3%	67.3%	72.7%
2009	41.3%	52.0%	64.8%	69.7%
2010	39.7%	49.5%	61.6%	66.1%
2011	37.7%	46.8%	58.9%	64.0%

Source: IHS Global Insight Regional eExplorer version 648

3.3.1 Poverty Gap

Definition | The Poverty Gap measures the difference between each poor household's income and the poverty line - measuring the depth of poverty of all poor households combined. In other words, the Poverty Gap indicates how much extra all of the poor households combined would have to earn each year to rise up to the poverty income.

The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth of poverty.

A shortcoming of the poverty rate as an indicator of poverty is that it does not give any indication of the depth of poverty i.e. how far the poor households are below the poverty income level. In contrast, the poverty gap proves useful in that it measures the difference between each poor household's income and the poverty line. It thus measures the depth of poverty of each poor household. The aggregate poverty gap is calculated by summing the poverty gaps of each poor household. It is thus equivalent to the total amount by which the incomes of poor households need to be raised each year to bring all households up to the poverty line and hence out of poverty.

It is estimated that the poverty gap in Nyandeni Local Municipality amounted to R535 million in 2011. Although the poverty gap has increased in nominal terms from R433

billion in 2005, in real terms this has come down when we include the effects of inflation.

TABLE 9. TOTAL POVERTY GAP – NYANDENI LOCAL MUNICIPALITY AND OTHER LOCAL MUNICIPALITIES, 2005-2011 [R MILLIONS, CURRENT PRICES]

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R. Tambo District Municipality
2005	413	230	433	285	524	1 884
2006	405	225	426	282	526	1 863
2007	419	234	436	290	557	1 936
2008	499	278	515	347	674	2 313
2009	513	284	523	357	686	2 364
2010	509	280	524	359	677	2 350
2011	516	284	535	369	689	2 393
Average annual growth rate:						
2005-2011	3.8%	3.6%	3.6%	4.4%	4.7%	4.1%

Source: IHS Global Insight Regional eXplorer version 648

In terms of the various local municipalities in O.R. Tambo District Municipality, the largest poverty gap exists in King SabataDalindyebo equaling R689 million. The smallest poverty gap exists in the Port St Johns Local Municipality with R284 Million. Take note that the population size should be taken into account when comparing the poverty gap in different local municipalities.

3.4 Education

Education is very important and industry and businesses are very much reliant on the availability of adequately trained and experienced professionals. The following is the definition of the education indicator:

Definition | This measure represents the highest level of education for those aged 15 or older. An age of 15 is used because, according to the United Nations definitions on education, one is an adult if they are 15 or older. Using this cut off point therefore allows for cross country comparisons. Furthermore, age 15 is the legal age at which children may leave school in South Africa.

Sustainable economic growth along with social upliftment is very much a factor of increased levels of education and literacy. Generally, the smaller an economy's skilled labour pool, the less likely it is to achieve accelerated rates of economic growth and increased levels of prosperity.

In 2001, the number of people with no schooling accounted for 22.4% or 61 585 persons. This number drastically decreased to 2011 at an annual average rate of 8% to 26 858. The number of 'some primary education' learners amounts to 102 833 or 35.4% of the total population in Nyandeni Local Municipality in 2011. The Nyandeni Local Municipality have a total of 5 821 people with an education higher than matric in 2011, which is an average annual growth rate from 2001 to 2011 of 6.4%.

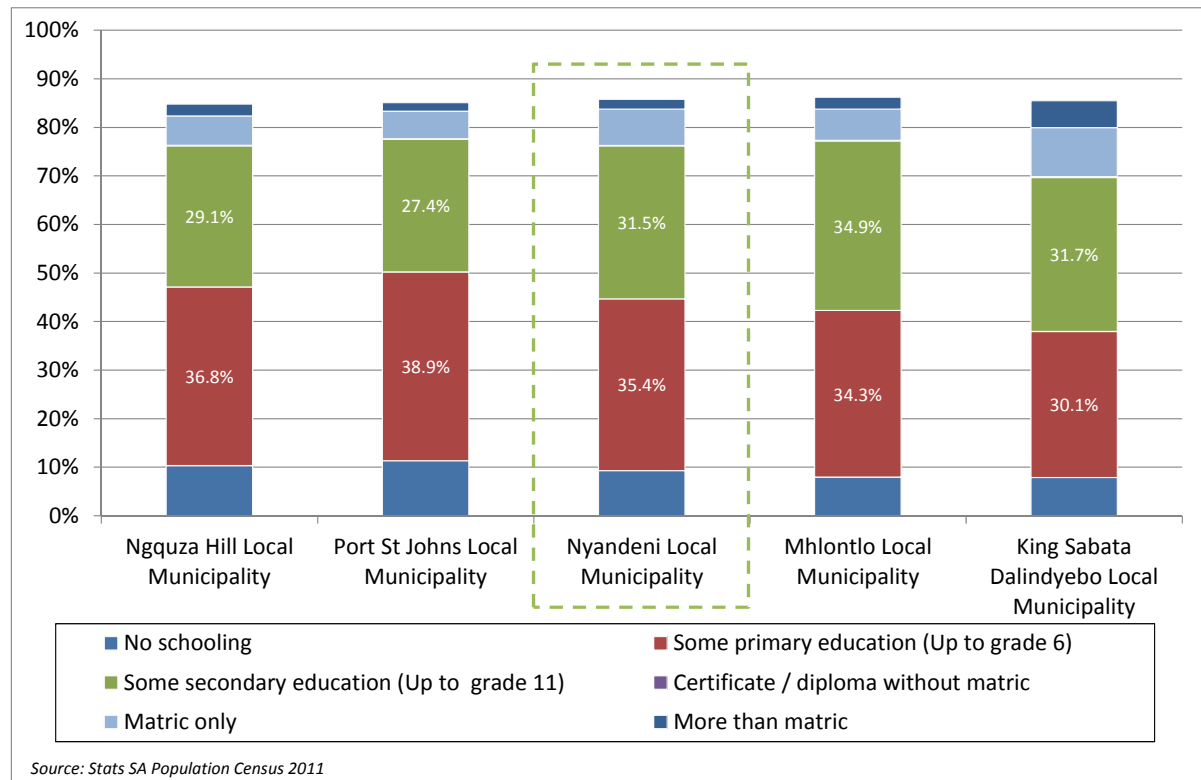
TABLE 10. HIGHEST LEVEL OF EDUCATION: AGE 15+ IN NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011 [NUMBERS AND PERCENTAGE SHARE AND GROWTH]

Level	2001	2011	AAGR 2001-2011
No schooling	61 585	26 858	-8.0%
Some primary education (Up to grade 6)	103 833	102 876	-0.1%
Some secondary education (Up to grade 11)	59 294	91 515	4.4%
Certificate / diploma without matric	397	280	-3.4%
Matric only	10 312	21 651	7.7%
More than matric	3 142	5 821	6.4%
Not applicable	35 869	41 388	1.4%
Total	274 432	290 389	0.6%
No schooling	22.4%	9.2%	
Some primary education (Up to grade 6)	37.8%	35.4%	
Some secondary education (Up to grade 11)	21.6%	31.5%	
Certificate / diploma without matric	0.1%	0.1%	
Matric only	3.8%	7.5%	
More than matric	1.1%	2.0%	
Not applicable	13.1%	14.3%	
Total	100.0%	100.0%	

Source: Stats SA Population census 2001

In the chart below, it is clear that the majority of people at 35.4% of the total population fall within the 'some primary education (up to grade 6)' category. There is a higher percentage of the population with some secondary education in 2011 compared to 2001, which can be the result of an increase in the number of schools in the area.

CHART 8. LEVELS OF EDUCATION: AGE 15 + BY LOCAL MUNICIPALITIES , 2011 [PERCENTAGE]



3.5 Functional literacy

Functional illiteracy is used to describe reading and writing skills that are inadequate to cope with the demands of everyday life - including the demands posed in conducting day-to-day activities in the workplace. This is contrasted with illiteracy in the strict sense, meaning the inability to read or write simple sentences in any language. Functional literacy is believed to promote economic growth by strengthening the basic literacy capacity and professional skills of individuals - and ultimately reducing poverty.

Definition | For purposes of this report, the functional literacy rate measures the number of people in a region aged 20+ who have completed their primary education (grade 7), and are thus deemed functionally literate.

In 2011, there were 71 282 literate individuals in Nyandeni Local Municipality as opposed to 67 726 who were considered to be functionally illiterate. Expressed as a rate, this amounts to 51.3% - up by 6.3% percentage points from 44.9% in 2005. Compared to the District, Nyandeni Local Municipality's literacy rate is still lower than that of O.R. Tambo District Municipality.

**TABLE 11. FUNCTIONAL LITERACY IN NYANDENI LOCAL MUNICIPALITY
RELATIVE TO OTHER REGIONS: AGE 20+, COMPLETED GRADE 7 OR
HIGHER, 2005 - 2011 [PERCENTAGE]**

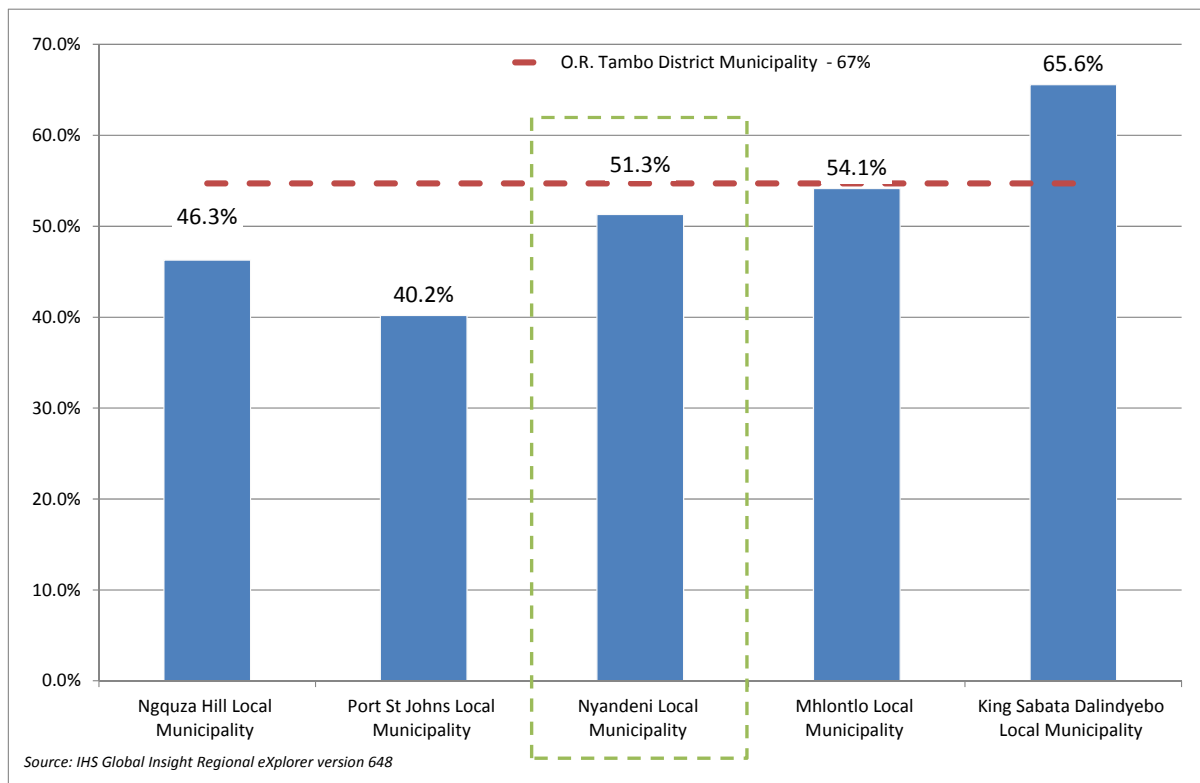
Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2005	70.2%	62.4%	47.9%	44.9%
2006	71.0%	62.7%	48.0%	45.0%
2007	71.4%	64.1%	49.4%	46.3%
2008	73.0%	66.2%	51.4%	48.2%
2009	73.4%	66.4%	51.5%	48.2%
2010	75.1%	68.7%	53.7%	50.3%
2011	76.2%	69.9%	54.7%	51.3%

Source: IHS Global Insight Regional eXplorer version 648

A higher literacy rate is often associated with higher levels of urbanization, where access to schools is less of a problem, and where there are economies of scale. We can see from the spatial breakdown of the literacy rates that the districts with bigger cities do have higher literacy rates.

The Nyandeni Local Municipality has a literacy rate of 51.3% in 2011. The King SabataDalindyebo Local Municipality at 65.6% does have a higher literacy rate than Nyandeni Local Municipality. The local municipalities that have a lower literacy rate than that of the O.R. Tambo District Municipality is the Port St Johns Local Municipality with 40.2% and the Ngquza Local Municipality with 46.3%.

CHART 9. LITERACY RATES BY LOCAL MUNICIPALITY, 2011 [PERCENTAGE]

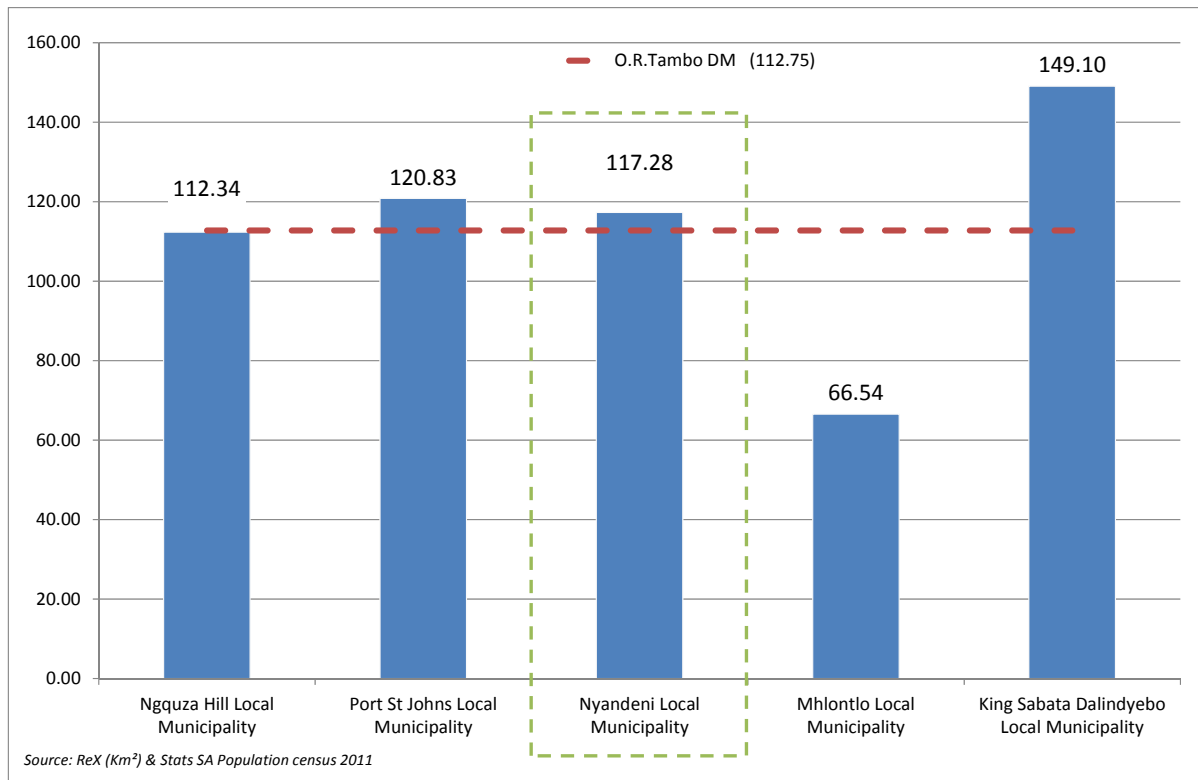


3.6 Population Density

Definition | Population density measures the concentration of people in a region by dividing the population of the region by the area size of that region. The output of this is the number of people per kilometer squared and can be broken down according to population group.

In 2011, there were 117.28 persons per square kilometer living in the Nyandeni Local Municipality. Compared to the other local municipalities, it seems to be on similar level than Ngquza Hill and Port St Johns local municipalities, as well as to the O.R. Tambo District Municipality.

**CHART 10. POPULATION DENSITY BY LOCAL MUNICIPALITY, 2011
[NUMBER OF PEOPLE]**



3.7 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years. Most people would acknowledge that the country has a crime problem, but very little research has been done on the relative level of crime. The media tends to publish sensational, exaggerated case studies and ignores the progress and positive side of combating crime.

3.7.1 IHS Global Insight composite crime index

The IHS Global Insight composite crime index is compiled using official data from the SAPS which is reported in 27 crime categories ranging from murder to crime injuries. These 27 categories are divided into two groups according to the nature of the crime—violent crimes and property crimes. Two methods are then used to derive weights for each category of crime:

- (a) Length-of-sentence approach and
- (b) Cost-of-crime approach.

Definition | The crime index is a composite weighted index of crime. This variable provides a comparative time series of the change in the level of crime. The higher the index number, the higher the level of crime in the selected year and region. However, a single figure by itself is meaningless unless compared with a figure from either another year or another region.

Although crime is on average very high in South Africa, O.R Tambo District Municipality has the second lowest crime rate in the Eastern Cape and the Nyandeni Local Municipality is very much on the same level. The IHS Global Insight Crime Index below represents the violent crime, Property crime and the overall crime index in the Nyandeni Local Municipality.

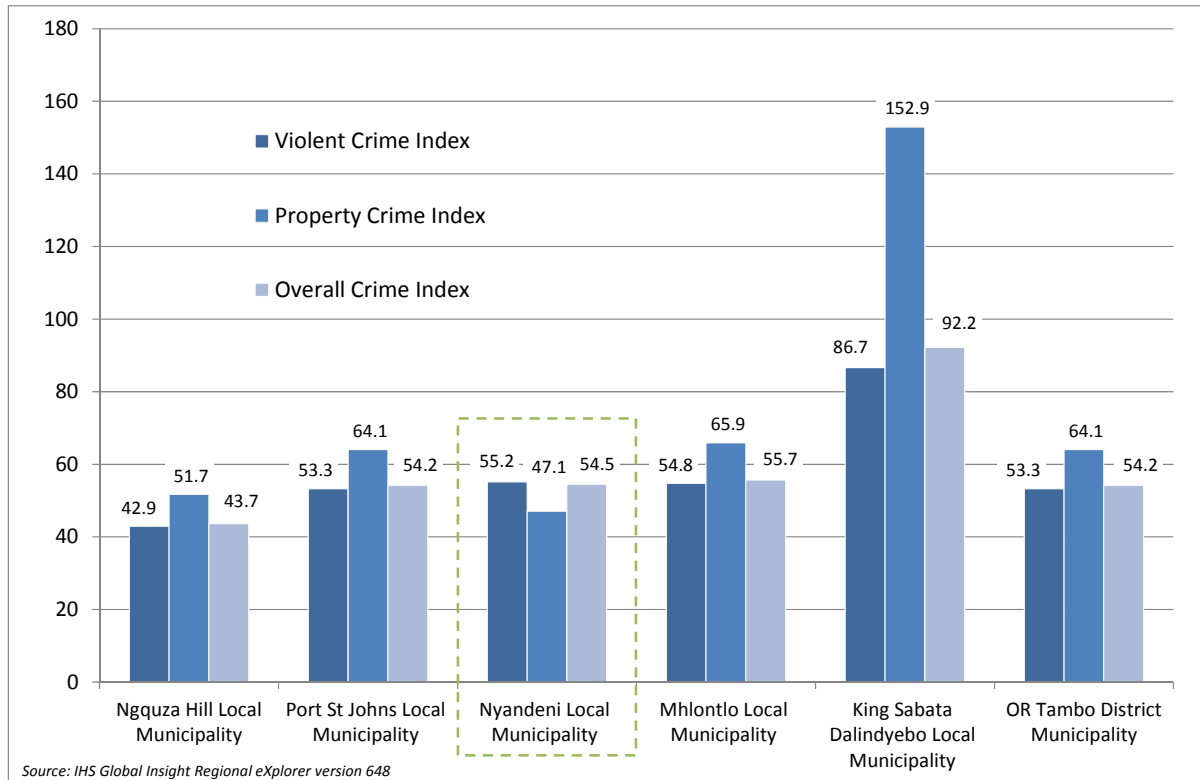
TABLE 12. CRIME INDICES OVER TIME IN NYANDENI LOCAL MUNICIPALITY, 2005/06 – 2011/12 FINANCIAL YEARS

Year	Violent Crime Index	Property Crime Index	Overall Crime Index
2005/2006	71.64	38.89	68.90
2006/2007	56.43	39.68	55.03
2007/2008	59.89	38.66	58.12
2008/2009	51.50	37.89	50.37
2009/2010	51.10	49.04	50.93
2010/2011	61.47	51.40	60.63
2011/2012	55.18	47.12	54.50

Source: IHS Global Insight Regional eXplorer version 648

For the period 2005 – 2008 overall crime in Nyandeni Local Municipality decreased at an annual average rate of 9.9%. Violent crime follows the same pattern at an average annual decrease of 10.4%, while property crimes decreased at an average annual rate of 0.9% in the Nyandeni Local Municipality from 2005 to 2008.

CHART 11. CRIME INDEX BY LOCAL MUNICIPALITY, 2011/2012 FINANCIAL YEAR

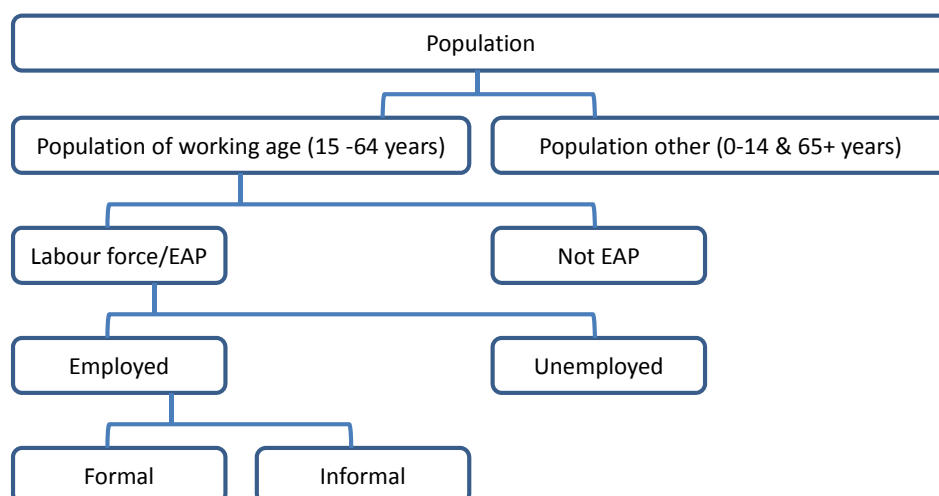


It is clear that the local municipality where the economy is more advanced is also more prone to crime. A proof of this is seen in the King Sabata Dalindyebo Local Municipality where the property crime is above average.

The change on an annual basis is very volatile due to the size of the population of the municipalities. A small increase in the actual number of crime incidents might reflect as large percentage increase. This trend is true for all the local municipalities.

4 Labour

The labour force of a country consists of everyone of working age typically above a certain age and below retirement, which is participating workers, that is people actively employed or seeking employment, and is also called the economically active population (EAP). People not counted include students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.



The following is the summary of the population distinguishing between the working age population (age 15 to 64) and the other population (age 0 to 14 and above 65 years of age).

TABLE 13. WORKING AND OTHER AGE POPULATION IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2001 AND 2011 [NUMBER, AVERAGE ANNUAL GROWTH RATE]

	South Africa	Eastern Cape	O.R. Tambo DM	Nyandeni LM
Population of working age (15 - 64 years)				
2001	28 239 271	3 663 394	649 823	137 594
2011	33 904 479	3 952 967	756 392	156 782
Population other (0-14 & 65+ years)				
2001	16 580 508	2 773 371	645 646	143 665
2011	17 866 081	2 609 084	608 552	133 606
Average annual growth rate:				
Working age	1.8%	0.8%	1.5%	1.3%
Other	0.7%	-0.6%	-0.6%	-0.7%

Source: Stats SA Population census 2001 & 2011

The working age population in Nyandeni Local Municipality totalled 156 786 in 2011 which is an average annual increase of 1.3% from 2001. This rate is lower than the growth in the working age population of the O.R. Tambo District Municipality (1.5%) and South African growth (1.8%), but higher than that of the Eastern Cape (0.8%).

In theory, a higher or increasing population dividend is supposed to provide additional stimulus to economic growth. People of working age have higher consumption patterns (FCE) and a higher concentration of people of working age is supposed to decrease dependency ratios – given that the additional labour that is offered to the market is absorbed.

4.1 Economically Active Population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working age population is participating in the labour market of a region. An economically active person forms part of the labour force.

Definition | The economically active population (EAP) is defined as the number of people who are able, willing and working or who are actively looking for work and who are between the ages of 15 and 65. It thus includes both employed and unemployed people. The strict definition of unemployment (and therefore EAP) is used. The implication here is that people who have not recently taken active steps to find employment are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

TABLE 14. EAP IN NYANDENI LOCAL MUNICIPALITY, AND EAP AS PERCENTAGE OF O.R. TAMBO DISTRICT MUNICIPALITY, 2005 - 2011 [NUMBER, PERCENTAGE]

Year	Eastern Cape	O.R. Tambo DM	Nyandeni LM	EAP as % of O.R. Tambo
2005	1 401 878	157 350	25 916	16.47%
2006	1 420 098	158 764	26 083	16.43%
2007	1 433 008	159 660	26 150	16.38%
2008	1 472 333	162 081	26 430	16.31%
2009	1 455 921	160 656	26 189	16.30%
2010	1 458 152	161 456	26 331	16.31%
2011	1 489 462	164 906	26 905	16.32%
Average annual growth rate:				
2005 - 2011	1.0%	0.8%	0.6%	-0.2%

Source: IHS Global Insight Regional eXplorer version 648

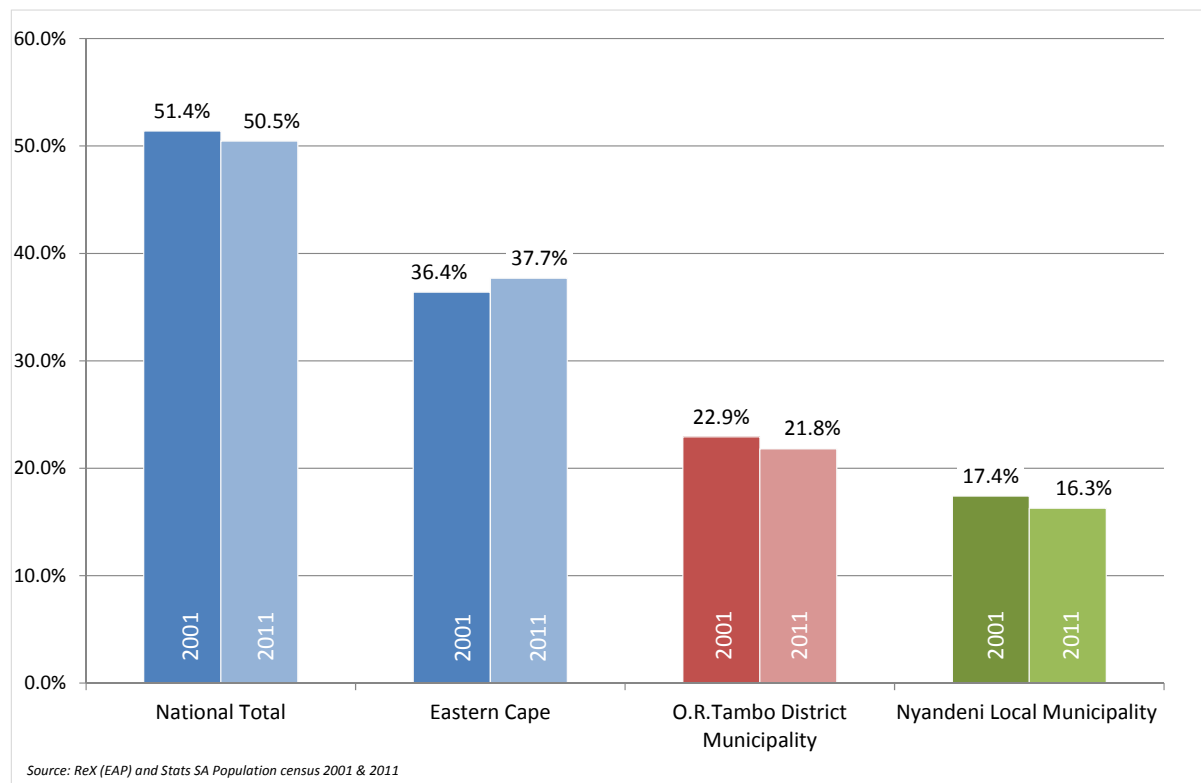
Nyandeni Local Municipality's EAP amounted to 26 905 in 2011 - as opposed to 26 331 the year before. In 2011, the EAP in Nyandeni Local Municipality constituted 9.03% of its total population of 290 390, and roughly 16.32% of the total EAP of the O.R. Tambo District Municipality. The average annual growth rate of the EAP in the Nyandeni Local Municipality was 0.6% from 2005 to 2011, which is 0.2% points lower than the average annual growth rate of the EAP in the O.R. Tambo District Municipality.

4.1.1 Labour force participation rate

Definition | The labour force participation rate (LFPR) is the sum of those who are employed and those who are unemployed expressed as a percentage of the total working age population.

The following is the labour participation rate by local municipality of the Nyandeni Local Municipality.

CHART 12. THE LABOUR FORCE PARTICIPATION RATE BY NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2011 [PERCENTAGE]



From 2001 to 2011 the national labour force participation rate decreased from 51.4% to 50.5%, while in the Eastern Cape Province it increased from 36.4% to 37.7%. The

labour force participation rate in O.R. Tambo District Municipality decreased from 22.9% to 21.8%, with the labour force participation rate in Nyandeni Local Municipality decreased from 17.4% in 2001 to 16.3% in 2011.

4.2 Unemployment

Definition | The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labour force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982):

‘(1) The "unemployed" comprise all persons above a specified age who during the reference period were:

(a) "without work", i.e. were not in paid employment or self-employment;

(b) "currently available for work", i.e. were available for paid employment or self-employment during the reference period; and

(c) "seeking work", i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment.

The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land, building, machinery or equipment to establish own enterprise; arranging for financial resources; applying for permits and licenses, etc.’

However, this definition goes further:

‘(2) In situations where the conventional means of seeking work are of limited relevance, where the labour market is largely unorganized or of limited scope, where labour absorption is, at the time, inadequate, or where the labour force is largely self-employed, the standard definition of unemployment given in subparagraph (1) above may be applied by relaxing the criterion of seeking work.’

In essence, there are two accepted definitions of unemployment; the first is called the official (or strict) definition which does not encompass

paragraph (2) above, and the second is the “expanded” definition which allows for the relaxation of paragraph (1c) as per paragraph (2).

Sufficient data pertaining to unemployment as per the “expanded” definition is no longer available and the findings of this report focus on only the official definition also used by StatsSA.

Clearly South Africa needs to steer clear of the elevated levels of unemployment that currently exist. While it is detrimental to the economy, the physiological, physical and socio-economic impacts on the individual may be even more severe than the knock to the economy at large. The prevalence of unemployment is usually measured using the unemployment rate, which is defined as the percentage of those in the labour force who are unemployed.

In 2011, the total number of unemployed people in Nyandeni Local Municipality (based on the official definition of unemployment) amounted to 13 235. Unemployment in the Nyandeni Local Municipality decreased at an average annual rate of 0.7% which is slightly lower than the rate of decrease in O.R. Tambo District Municipality (0.8%) and the Eastern Cape Province (0.8%).

TABLE 15. UNEMPLOYMENT IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS - OFFICIAL DEFINITION [NUMBER, PERCENTAGE GROWTH]

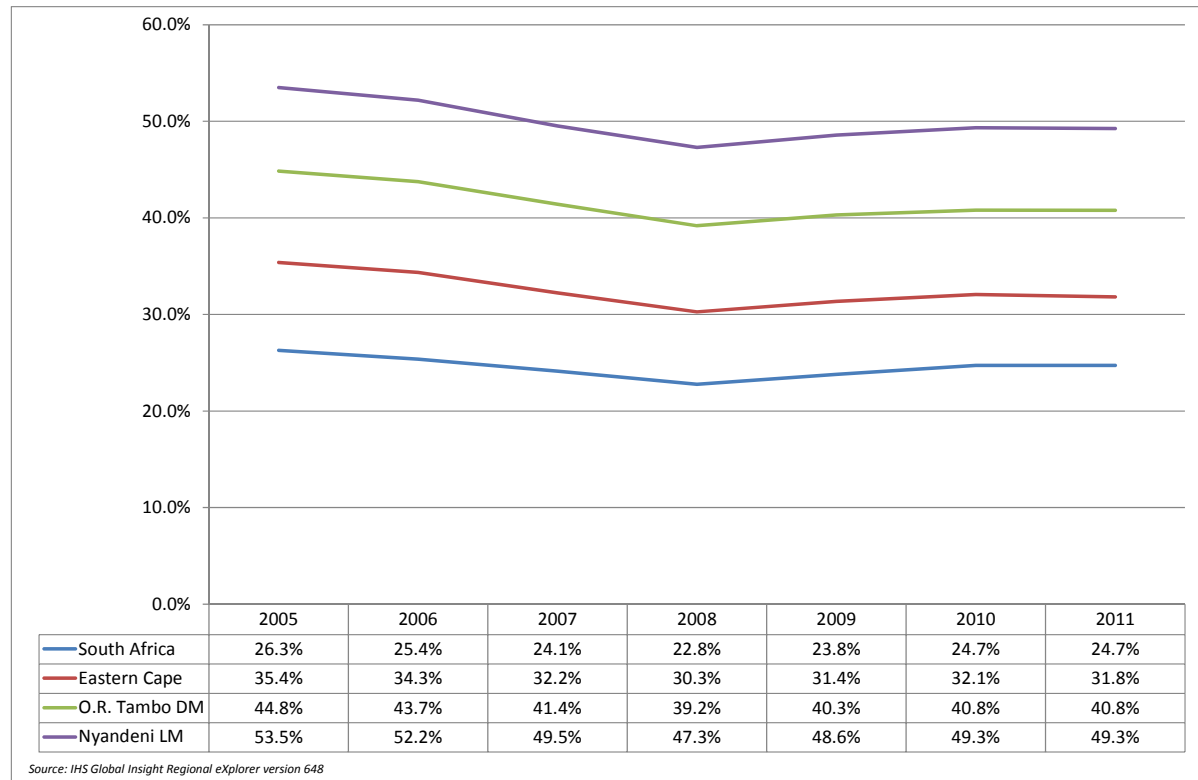
Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2005	4 084 026	496 130	70 549	13 865
2006	4 044 091	487 792	69 458	13 609
2007	3 931 819	461 849	66 104	12 946
2008	3 850 922	445 717	63 510	12 501
2009	3 981 594	456 534	64 737	12 718
2010	4 137 147	467 485	65 862	12 989
2011	4 231 740	474 084	67 244	13 253
Average annual growth rate:				
2005 - 2011	0.6%	-0.8%	-0.8%	-0.7%

Source: IHS Global Insight Regional eXplorer version 648

In Nyandeni Local Municipality the number of unemployed decreased from 2005 to 2008, after which it started to increase again, due to the impact of the economic slowdown. The same trend is visible in the unemployment rate which also includes

the dynamics of the economic active population and which is driven by the labour participation rates.

**CHART 13. UNEMPLOYMENT RATE IN NYANDENI LOCAL MUNICIPALITY
RELATIVE TO OTHER REGIONS- OFFICIAL DEFINITION
[PERCENTAGE]**



Looking at the unemployment rate across all regional levels, it is evident that a very similar trend is followed, although on different levels.

4.3 Total employment

Employment data is important as it can “be compared to the EAP to estimate unemployment, while trends in employment in different sectors or industries indicate important structural changes in the economy. Employment data are also used to calculate productivity, earnings per worker and other economic indicators.”²

Definition | Total employment consists of two parts: employment in the official economy, or the formal sector, and then employment in the unofficial economy or the informal sector.

² Philip Mohr, 2008, Economic indicators, Third edition, Unisa, Pretoria

TABLE 16. TOTAL EMPLOYMENT PER BROAD ECONOMIC SECTOR, - NYANDENI LOCAL MUNICIPALITY, 2005 - 2011[NUMBERS]

Sector	2005	2006	2007	2008	2009	2010	2011	AAGR 2005-2011
Agriculture	376	391	440	440	395	362	341	-1.6%
Mining	0	0	0	0	0	0	0	-0.4%
Manufacturing	276	285	291	293	265	265	275	-0.1%
Electricity	40	43	47	45	43	41	40	0.0%
Construction	509	475	473	480	421	439	452	-2.0%
Trade	991	1 008	958	1 031	954	952	948	-0.7%
Transport	344	351	350	481	468	474	467	5.2%
Finance	191	196	206	225	241	241	245	4.3%
Community services	3 697	3 875	4 207	4 550	4 614	4 590	4 755	4.3%
Households	1 284	1 363	1 562	1 715	1 668	1 580	1 547	3.1%
Total	7 707	7 988	8 535	9 261	9 068	8 944	9 069	2.7%

Source: IHS Global Insight Regional eXplorer version 648

The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 33 jobs and (2) agriculture down by 21 jobs. For the rest of the sectors it stayed relatively unchanged only for the Community services sector where an increase of 165 jobs is recorded from 2010 to 2011. The tertiary sector showed the highest average annual growth rate for the period between 2005 and 2011.

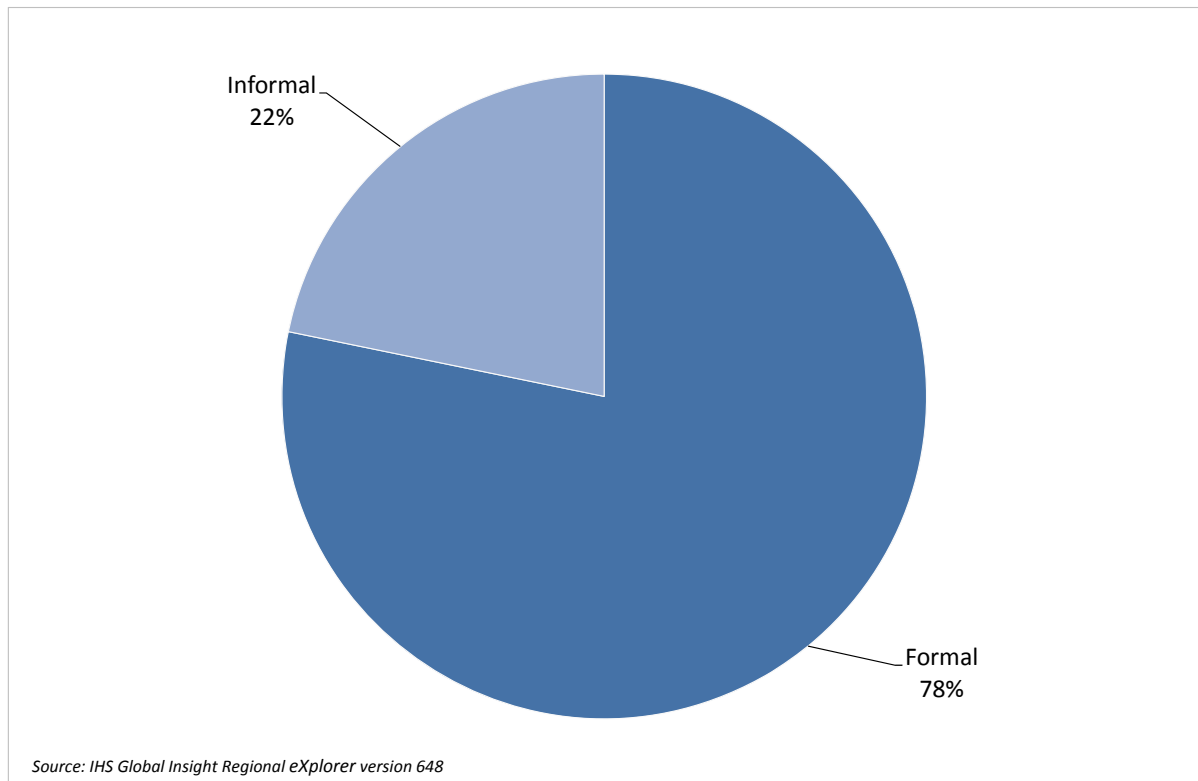
4.4 Formal & Informal employment

Formal employment is much more stable than informal employment. Informal employment is much harder to measure and manage, simply because it cannot be tracked through the formal business side of the economy. Informal employment is however a reality in South Africa and cannot be ignored.

Definition | Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

The following chart is the composition of total employment in the Nyandeni Local Municipality for 2011; the number of formally employed people in Nyandeni Local Municipality counted 7 094, which is about 78% of total employment, while the number of people employed in the informal sector counted 1 975 which translates into 22% of the total employment.

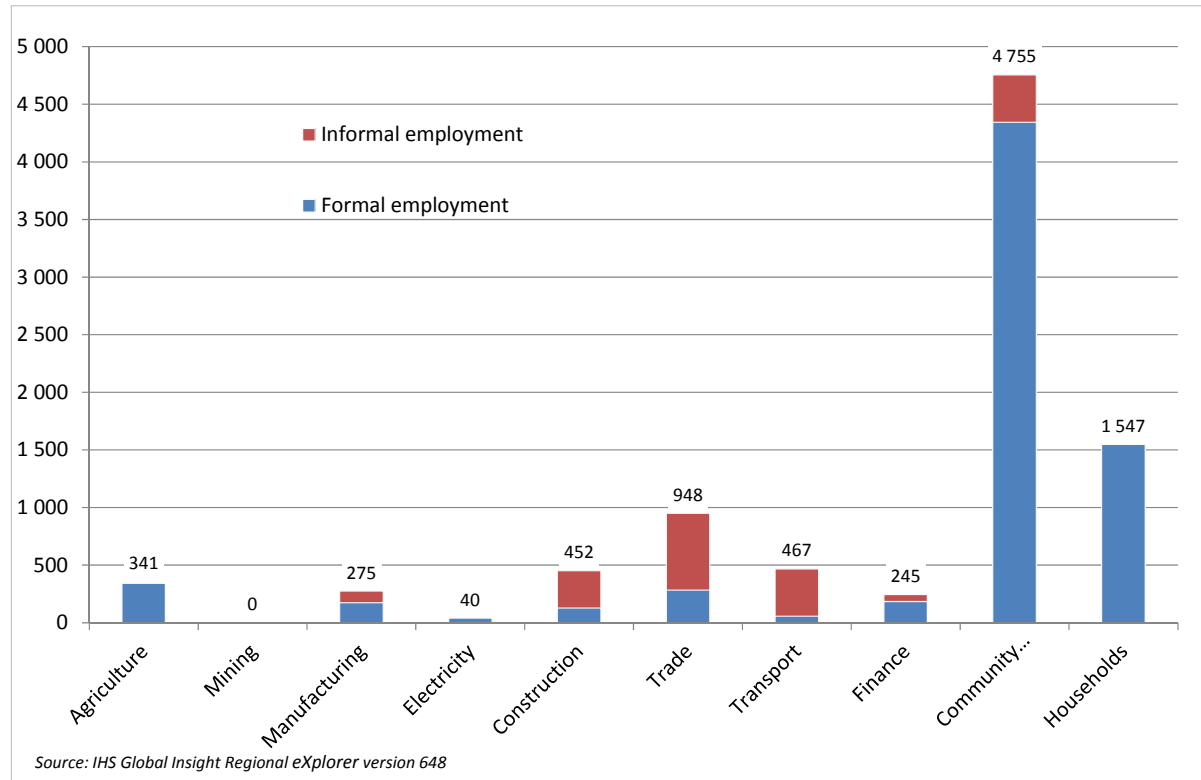
CHART 14. FORMAL AND INFORMAL EMPLOYMENT IN NYANDENI LOCAL MUNICIPALITY, 2011 [PERCENTAGE SHARE OF TOTAL]



Some of the economic sectors have little or no informal employment:

- **Mining industry**, due to well-regulated mining safety policies, and the strict registration of a mine, little or none informal employment can be found in this sector
- **Electricity**, there are no private electricity generating companies in South Africa, so it is hard to get informal employment in a regulated sector
- **Domestic Workers and Agriculture** is typically counted under a separate heading.

CHART 15. FORMAL AND INFORMAL EMPLOYMENT PER SECTOR IN THE NYANDENI LOCAL MUNICIPALITY, 2011 [NUMBERS]



Informal employment in Nyandeni Local Municipality was estimated at 1 975 in 2011, increasing from 1 826 in 2005. In 2011 the economic sector which recorded the highest number of informal employed people is the Trade sector, with a total of 664 workers being informally employed. When looking at the relative contribution of informal employment to the total sector employment, the trade, construction and transport sector is the least formal sector where employment in the informal sector is higher than formal employment. The informal taxi-industry is included in the bigger transport sector and may account for the employment in the informal transport sector. The spaza-shops and informal retailers make up a large percentage of the informal employment, and also a fairly large share percentage of the trade sector.

TABLE 17. FORMAL AND INFORMAL EMPLOYMENT IN NYANDENI LOCAL MUNICIPALITY BY BROAD ECONOMIC SECTOR IN 2011 [NUMBERS]

Sector	Formal Employment	Informal Employment	Total Employment
Agriculture	341	-	341
Mining	-	-	-
Manufacturing	173	102	275
Electricity	40	-	40
Construction	127	325	452
Trade	284	664	948
Transport	56	411	467
Finance	184	61	245
Community services	4 343	412	4 755
Households	1 547	-	1 547
Total	7 094	1 975	9 069

Source: IHS Global Insight Regional eXplorer version 648

The informal sector is vital for the areas with very high unemployment and very low labour participation rates. Unemployed people see participating in the informal sector as a survival strategy. The most desirable situation would be to get a stable formal job. But because the formal economy is not growing fast enough to generate adequate jobs, the informal sector is used as a survival mechanism.

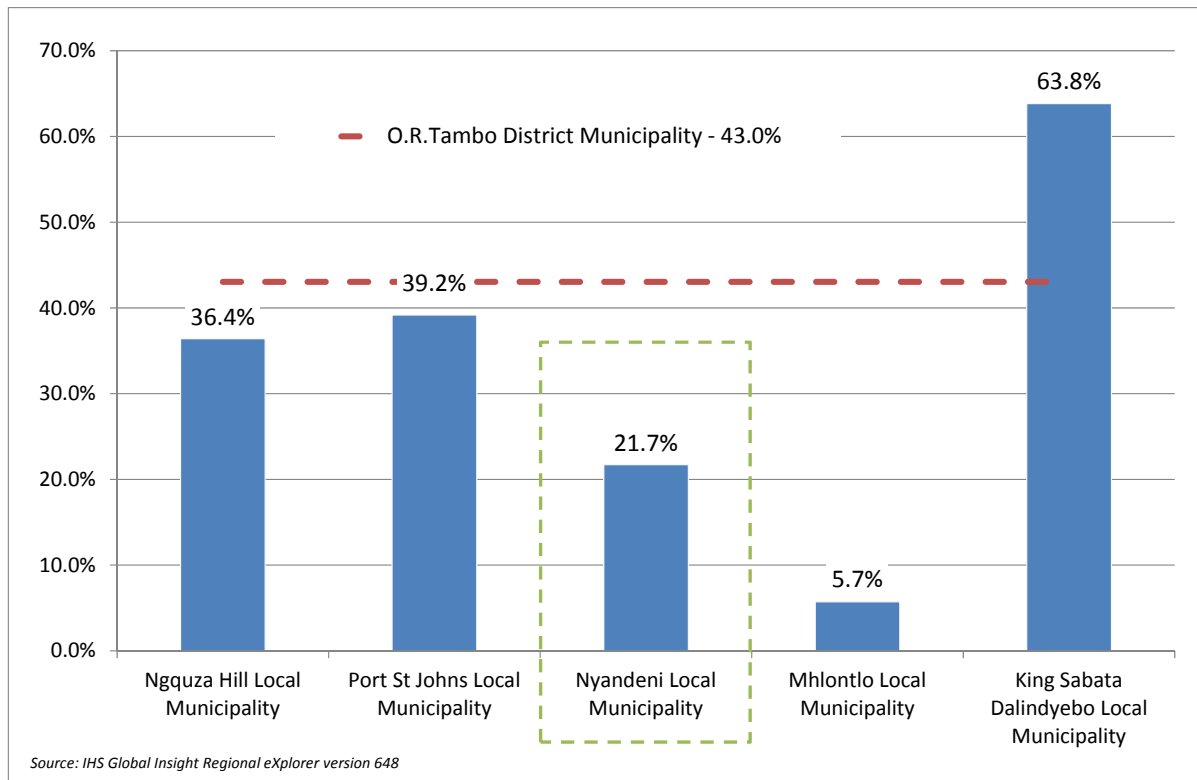
4.5 Labour absorption capacity

An indicator to measure the employment performance of the economy is (marginal) labour absorption capacity which can be defined as follows:

Definition | The ratio or percentage of new entrants to the labour force that is able to find employment in the formal sector of the economy. It is calculated by taking the change between the formally employed people divided by the change between the economically active people (EAP) in an economy.³

³Philip Mohr, 2008, Economic indicators, Third edition, Unisa, Pretoria

TABLE 18. THE LABOUR ABSORPTION RATE BY LOCAL MUNICIPALITY, 2011 [PERCENTAGE]



For 2011 the labour absorption capacity is 21.7% in the Nyandeni Local Municipality which means that 21.7% of the newly entered economically active people get employed. Looking at the other local municipalities, it is clear that the King SabataDalindyebo Local Municipality has the most capacity for labour absorption at a rate of 63.8%. On the other hand the Mhlontlo Local Municipality only has an absorption capacity of only 5.7%.

4.6 Labour per GVA

Total labour (formal and informal employment) in the economy can be expressed relative as a ratio relative to the Gross Value added (GVA). The following data shows the employment for every R1 million (constant prices) the economy grows.

In 2011, for every R1 million the Nyandeni Local Municipality grows (in constant prices) it employs on average 13 more people.

TABLE 19. LABOUR VERSUS GVA BY BROAD ECONOMIC SECTOR IN NYANDENI LOCAL MUNICIPALITY, 2005 TO 2011 [NUMBER PER R1 MILLION]

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	22	20	22	20	17	15	14
Mining	-	-	-	-	-	-	-
Manufacturing	19	19	19	19	18	18	18
Electricity	6	7	7	7	7	6	7
Construction	88	76	69	67	53	57	59
Trade	10	10	9	10	9	9	9
Transport	15	15	15	21	20	21	21
Finance	3	3	3	3	3	3	3
Community services	10	11	11	12	12	11	11
Total Industries	13	13	14	14	14	13	13

Source: IHS Global Insight Regional eXplorer version 648

The construction sector employs on approximately 60 additional people for every R1 million economic growth in this sector. This figure decreased from 88 in 2005. The finance sector only employs an additional 3 people for every additional R1 million that the sector grows - this rate stayed consistent from 2005. A change in the labour/GVA ratio can indicate a change in the capital versus the labour intensity of an economic sector.

5 Household Infrastructure

A figure representing household infrastructure is essential and very useful in economic planning and social development. Measuring household infrastructure involves the measurement of the following four indicators; access to running water, access to proper sanitation, access to refuse removal and access to electricity. A house is considered serviced if it has access to all four of these basic services. If not, the household is commonly known as forming part of the 'backlog'. However, what defines access to a given service (and how to accurately measure that specific definition over time) gives rise to some distinct problems. IHS Global Insight has therefore developed a unique model to capture the number of households and their level of access to the four basic services i.e. sanitation, water, electricity and refuse removal.

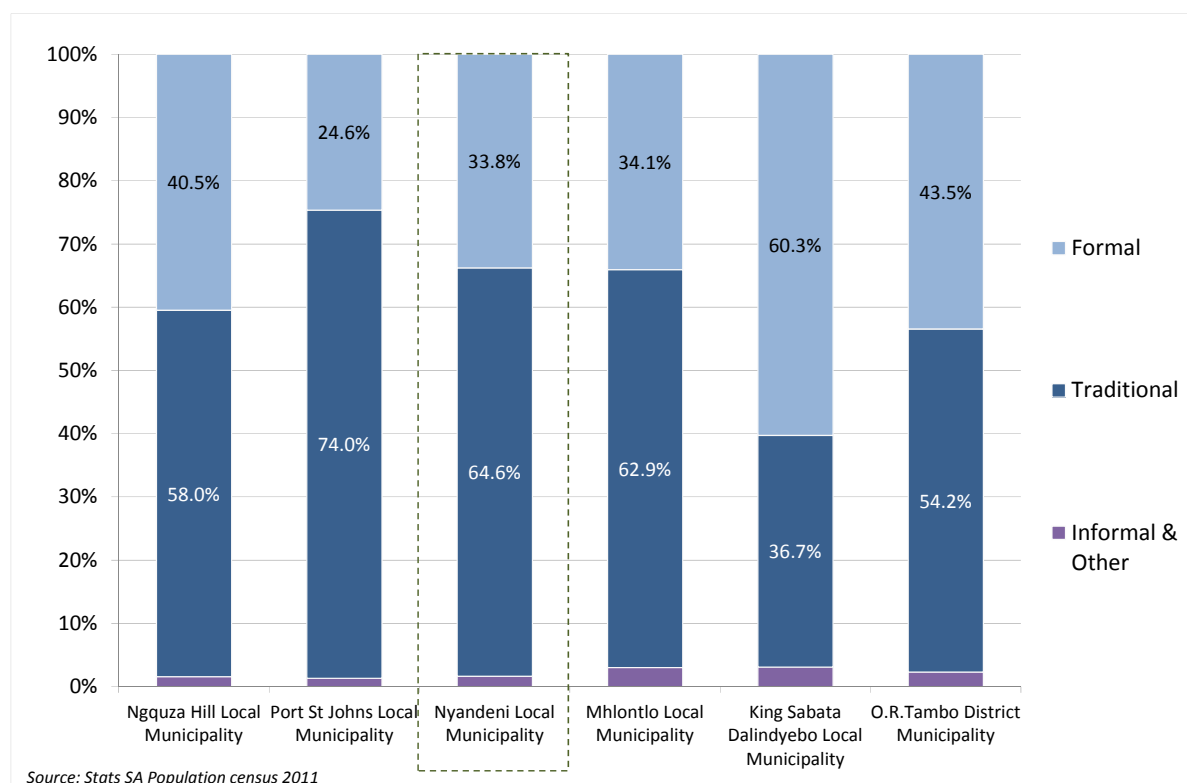
The following sections provide an overview of the household infrastructure that existed in Nyandeni Local Municipality between 2005 and 2011.

5.1 Households by Dwelling Type

Definition	<p>This time series categorises households according to the type of dwelling unit that they occupy, using the Stats SA definition of a household and a dwelling unit. A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone". A dwelling unit, which is known as a housing unit, is a unit of accommodation for a household, which may consist of one structure, or more than one structure or, part of a structure.</p> <p>Dwelling units are distributed into 3 categories:</p> <ol style="list-style-type: none">1. Formal Dwellings: structures built according to approved plans, e.g. houses on a separate stand, flats or apartments, townhouses, rooms in backyards or flatlet elsewhere.2. Traditional dwellings: Traditional dwellings made of clay, mud, reeds or other locally available material.3. Informal Dwellings: shacks or shanties in informal settlements, serviced stands or proclaimed townships or shacks in the backyards of other dwelling types.
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4. **Other Dwelling Units:** tents, ships, caravans etc.

CHART 16. PERCENTAGE OF HOUSEHOLDS BY DWELLING TYPE – LOCAL MUNICIPALITIES, 2011



In 2011, the Nyandeni Local Municipality had 33.8% or 20 820 formal dwelling units, and 39 815 traditional dwelling units which translates to 64.6% of the total dwelling units in Nyandeni Local Municipality. Nyandeni Local Municipality only has 397 informal dwellings units. When comparing the Nyandeni Local Municipality with the other local municipalities within the O.R. Tambo District Municipality, it is seen that the Nyandeni Local Municipality has the second highest number of dwelling units. The King Sabata Dalindyebo Local Municipality has the highest number of dwelling units with a total of 105 241 units.

TABLE 20. NUMBER OF HOUSEHOLDS BY DWELLING TYPE – LOCAL MUNICIPALITIES, 2011

Type	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Formal	22 749	7 817	20 820	14 785	63 416	129 587
Informal	541	319	397	1 016	2 087	4 360
Traditional	32 581	23 477	39 815	27 322	38 580	161 775
Other dwelling type	341	102	618	290	1 158	2 509
Total	56 212	31 715	61 650	43 413	105 241	298 231

Source: Stats SA Population census 2011

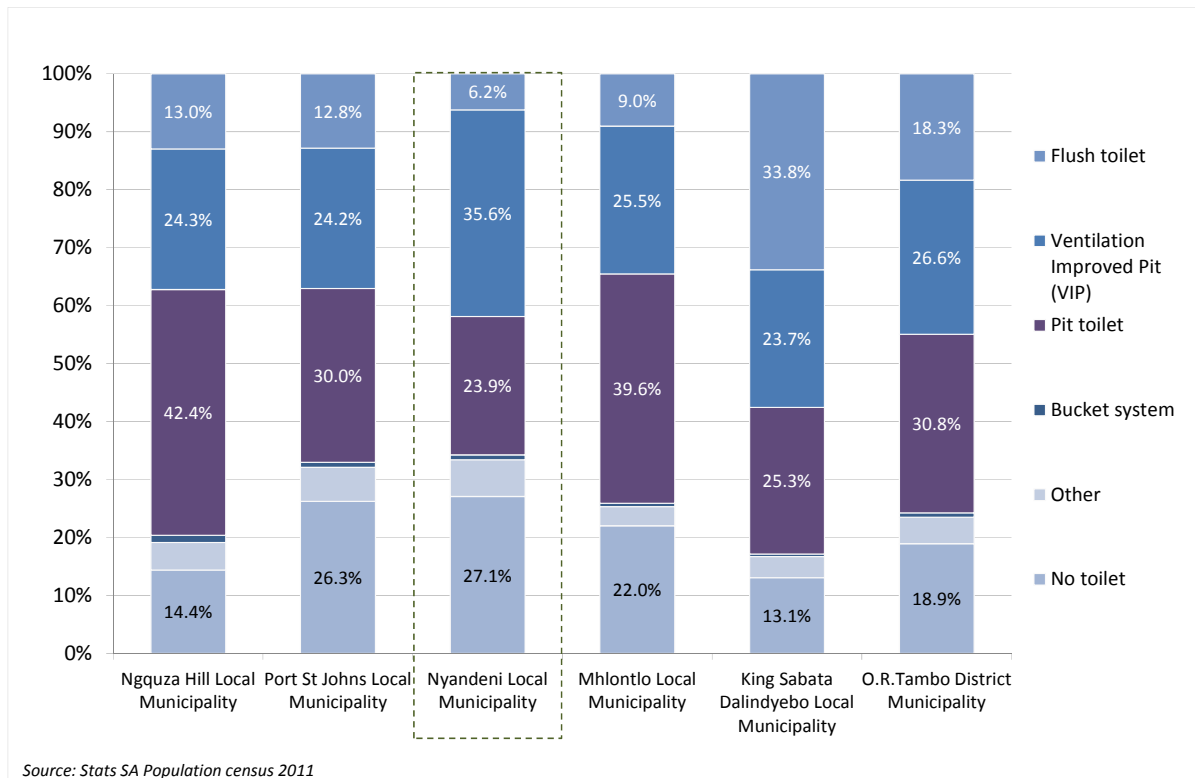
5.2 Households by Type of Sanitation

Definition | Number of households by access to type of sanitation. This variable categorises and sums all households in a region according to the type of sanitation they have access to. The sanitation types are broken down into 5 categories:

1. **Flush toilet:** Waste is flushed into a tank from where it cannot flow into the surrounding environment and which must therefore be either emptied or pumped elsewhere.
2. **Ventilation improved pit:** A top structure over a pit, vented by a pipe with a fly screen. The pit may be lined or unlined depending on soil conditions.
3. **Pit toilet:** A top structure over a pit.
4. **Bucket system:** A top structure with a seat over a bucket. The bucket is periodically removed and contents disposed of. Widely used but pose health risk to collectors. Most authorities are actively attempting to discontinue the use of such buckets in their local regions.
5. **No toilet:** No access to any of the toilet systems explained above.

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

CHART 17. PERCENTAGE OF HOUSEHOLDS BY TYPE OF SANITATION – LOCAL MUNICIPALITIES, 2011



In 2011, the Nyandeni Local Municipality had 3 845 households with access to a flush toilets which translates to 6.2 % of total households. The most common used method of sanitation used in the Nyandeni Local Municipality is the ventilation improved pit (VIP) which accounts for 35.6% or 21 965 of the total households that use this method. Although Nyandeni Local Municipality has a relatively low percentage of households using the bucket system, it still has a high number of households with no toilet facility (27.1%).

TABLE 21. NUMBER OF HOUSEHOLDS BY TYPE OF TOILET – LOCAL MUNICIPALITIES, 2011

Type	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Flush toilet	7 286	4 070	3 845	3 911	35 582	54 694
Ventilation Improved Pit (VIP)	13 637	7 678	21 965	11 075	24 972	79 327
Pit toilet	23 831	9 507	14 707	17 172	26 619	91 836
Bucket system	694	279	523	250	488	2 234
Other	2 666	1 850	3 912	1 436	3 798	13 662
No toilet	8 100	8 330	16 696	9 571	13 781	56 478
Total	56 214	31 714	61 648	43 415	105 240	298 231

Source: Stats SA Population census 2011

5.3 Households by Access to Water

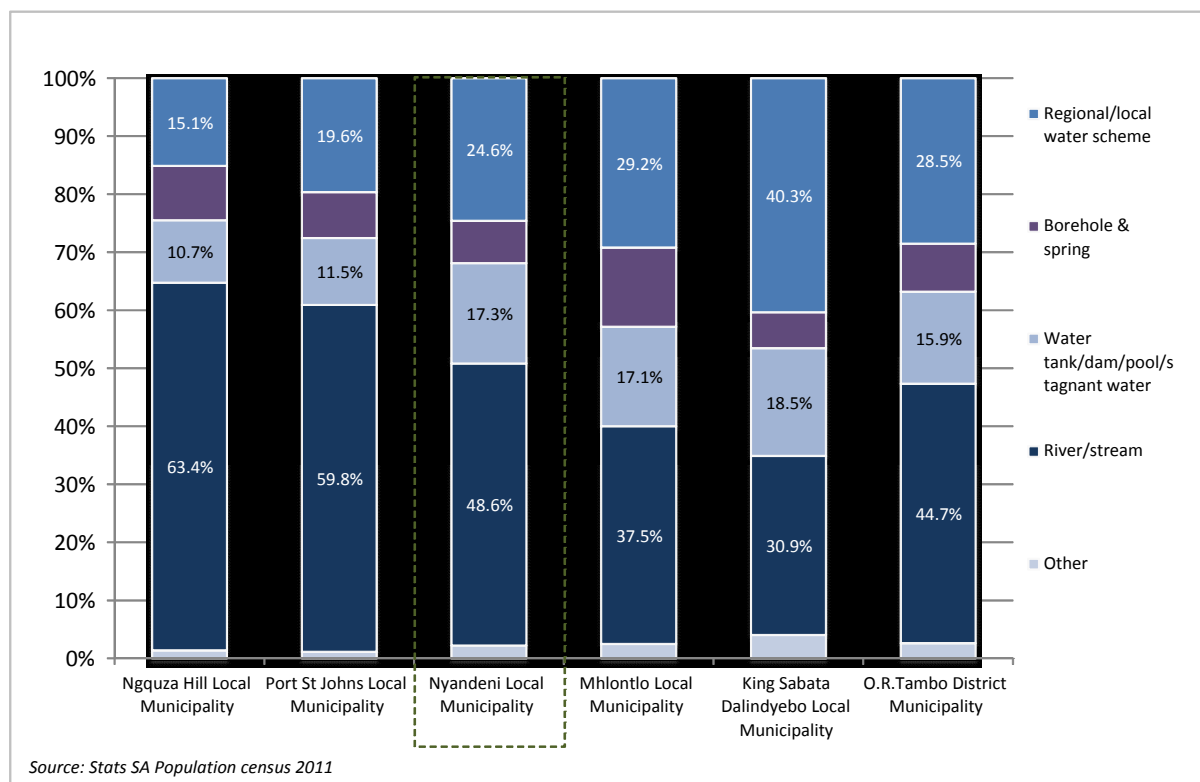
Definition | A household is categorised according to its main access to water, as follows:

- Regional/local water scheme
- Borehole and spring
- Water tank
- Dam/pool/stagnant water
- River/stream
- Other

'No formal piped water' includes households that obtain water via water carriers and tankers, rain water, boreholes, dams, rivers and springs.

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

CHART 18. PERCENTAGE OF HOUSEHOLDS BY TYPE OF WATER ACCESS – LOCAL MUNICIPALITIES, 2011



In 2011, the most households in Nyandeni Local Municipality had access to water through a river/stream, with 48.6% or 29 985 of the total households using this method. The second most common way to access water is the regional/local water scheme that the government provides, where a total of 15 149 or 24.6% of the total households in Nyandeni Local Municipality use this water scheme.

TABLE 22. NUMBER OF HOUSEHOLDS BY TYPE OF WATER ACCESS – LOCAL MUNICIPALITIES, 2011

Type	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	OR Tambo District Municipality
Regional/local water scheme	8 491	6 232	15 149	12 670	42 453	84 995
Borehole & spring	5 274	2 503	4 491	5 926	6 511	24 705
Water tank/dam/pool/stagnant water	6 037	3 652	10 654	7 445	19 521	47 309
River/stream	35 633	18 966	29 985	16 287	32 513	133 384
Other	778	363	1 368	1 086	4 243	7 838

Source: Stats SA Population census 2011

5.4 Households by Type of Electricity Usage

Definition Households are distributed into 3 electricity usage categories:

- Households using electricity for cooking
- Households using electricity for heating
- Households using electricity for lighting

Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

TABLE 23. NUMBER OF HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION – LOCAL MUNICIPALITIES, 2011

Type	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Electricity for lighting	35 317	21 504	43 760	31 525	77 182	209 288
Electricity for cooking	20 323	9 885	24 669	19 444	60 464	134 785
Electricity heating	10 680	5 406	9 583	6 519	20 888	53 076
Percentage of total households:						
Electricity for lighting	62.8%	67.8%	71.0%	72.6%	73.3%	70.2%
Electricity for cooking	36.2%	31.2%	40.0%	44.8%	57.5%	45.2%
Electricity heating	19.0%	17.0%	15.5%	15.0%	19.8%	17.8%

Source: Stats SA Population census 2011

In 2011 24 669 or 40% of the total number of households in the Nyandeni Local Municipality had access to electricity for cooking. The total number of households that had access to electricity for lighting was 43 760 or 71%. A similar

distribution is evident for the other local municipalities in O.R. Tambo District Municipality regarding access to electricity.

INTEGRATED WASTE MANAGEMENT

5.5 Households by Refuse Disposal

Distinction is made between 'formal' and 'informal' refuse removal. Formal refuse removal occurs when refuse is removed by local authorities. Informal refuse removal occurs when refuse is removed either by the community, by the individual household or if there is no refuse removal. These broad categories are used to split access to refuse removal further according to the frequency with which it is removed. The final categories of refuse removal are as follows:

- Removed weekly by authority
- Removed less often than weekly by authority
- Removed by community members
- Personal removal (own dump)
- No refuse removal

A household is a group of persons who live together and provide themselves jointly with food and/or other essentials for living, or a single person who lives alone.

The National Environmental Management: Waste Act (NEMWA), Act 59 of 2008 requires each and every municipality to develop an Integrated Waste Management Plan.

SUMMARY OF IWMP

ADOPTION OF THE IWMP

The Municipality has adopted its Integrated Waste Management Plan on 12 December 2012 with (CR No. 918-12/2012). The IWMP take stock of the situational analysis and identifies objectives, strategies and action plans to intervene decisively in managing Integrated Waste Management Plan.

The IWMP is developed in line with Government Policy as set out in the National Waste Management Strategy and the National Environment Management: Waste Act, 59 of 2008 (hereafter, Waste Act). The IWMP's should provide the Local Municipalities with an instrument with which to manage waste and prevent pollution, with particular emphasis on

sorting, separation, reduction, recycling, re-use, as well as the cradle-to-grave approach, thereby achieving high levels of sustainability with waste management.

WASTE COLLECTION AND STORAGE

The Libode Landfill site has been granted a waste licence by the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT). The municipality has the obligation to respond to the licence conditions. In Ngqeleni area the municipality has started a process of developing transfer station feed into Libode Main Landfill site. Given the geographical area of the Nyandeni municipality, formal refuse collection is restricted to rural areas henceforth the gazetted municipal By-law (Gazetted No. 2351 of 19 May 2010) address issues of waste collection in urban areas

Capacity on machinery and personnel

COLLECTION OF WASTE FROM DEVELOPMENTAL ZONES AND PERI URBAN AREA

The Municipality has provided refuse collection of waste in the following developmental zones and Peri Urban Areas of Ntlaza, Corana, Kopshop Junction, Ziphunzana and Thabo Mbeki areas. Mfenetyisi,

Challenges and Priority Programmes

Challenge	Intervention/Projects	Time Frames
Shortage of Compactor refuse removal truck	Purchase one additional compactor truck	2014/2015 Financial Year
Shortage of skip loader truck		
Enforcement of Municipal By-laws	Training of Peace Officers on Environmental Management inspectorate	2014/2015
Illegal dumping	Conduct community awareness campaigns to all wards	The programme is on-going
Reporting to Waste Information System	A refuse collection register has been developed for collection of data on waste tonnages	
Mngazi		

Kopshop & Canzibe		
Mfenetyisi		

6 ENVIRONMENTAL, SOCIAL AND ECONOMIC SUSTAINABILITY

State of the environment

Within the context of sustainable development the term environment encompasses the social, economic, biophysical and political spheres. Section 24 of the Constitution of the Republic of South Africa (RSA, 1996) legally mandates the government to ensure the people of South Africa is not harmed by the environment and the environment is protected against abuse. The Constitution also provides for co-operative government thus sharing both the responsibility and obligatory legislative provisions across the different spheres of government in terms of environmental management and conservation.

The White Paper on Environmental Management Policy (DEAT, 1997a) refers to the conditions and influences under which any individual or thing exists, lives or develops. Culture, economic considerations, social systems, politics and value systems determine the interaction between people and the environment, the use of natural resources, and the values and meanings that people attach to life forms, ecological systems, physical and cultural landscapes and places. People are part of the environment and are at the centre of concerns for its sustainability (DEAT, 1997a).

Environmental management and governance therefore comprise a system of tools which include principles, policies, legislation, regulation and practice. Each of these has a spatial element, i.e. occurs at global, regional, national, provincial, local, and/or neighbourhood scales. In turn, each of these elements have components for which government, non-government organisations or civil society would be responsible for-

- a) Ensuring environmental quality, protection and promotion of integrated environmental management;
- b) Ensuring biodiversity, conservation and coastal zone management; and
- c) Monitoring services rendered by the Wildlife Services (ECWS) and other parastatals

More specifically, like all municipalities, Nyandeni has a responsibility for environmental management and governance. Our IDP provides a platform through which this commitment can be clearly illustrated in a binding municipal development document. Critically therefore it addresses environmental issues through the Integrated Development Plan. The municipality thus understands that IDPs are the master plan for local development, and thus the manner in which the environment is addressed in such a plan is a measure of the role and responsibility the municipality accepts for environmental management. The Municipality further understands that crucial evaluative questions are used to measure the extent of commitment to environmental management.

- Does the IDP show an understanding of the policy and legislative framework surrounding the environment?
- Does the IDP show an understanding of the implications of the above policy and legislative framework for the municipality and their day-to-day operations?
- Does the IDP provide a structure and mechanisms for the responsibility and accountability of environmental issues?
- Does the IDP provide Localised Strategic Environmental Guidelines for the development of strategies?
- Is there an Integrated Environmental Program?
- Is there an Integrated Waste Management Plan?
- Have any projects related to the following been identified?
 - i. Sanitation and water
 - ii. Energy
 - iii. Integrated land and human settlement planning
 - iv. Environmental health
 - v. Integrated pollution and waste management
 - vi. Biodiversity and sensitive areas
 - vii. Parks and open spaces
 - viii. Community based natural resource management
- Throughout the IDP, has the environment considered in a holistic manner, or does it merely relate to conservation or 'green' issues?

6.1 Biodiversity UPDATE

Biological diversity, often shortened to 'biodiversity', is the variety of life on earth. It takes into account the differences in structure, function, and genetic make-up between living organisms and the ecological complexes in which they occur (Wilson, 1988). This variability occurs at the genetic, species and ecosystem levels (Gaston and Spicer, 1998). Biodiversity is important in assessing the state of the environment, because:

- a) It is closely linked to human well-being. For example, 10 of the world's 25 top-selling drugs are derived from biological resources (UNDP, UNEP, World Bank and WRI, 2000).
- b) Eighty percent of South Africa's population depends on wild plants and animals for medicines, and traditional medicinal plants in the Eastern Cape Province are valued at R27 million annually (Dold and Cocks, 2002).
- c) It provides environmental services such as maintaining river catchments and wetlands for sustainable water production, regulating and controlling floods, maintaining fertile soils, absorbing pollutants from the atmosphere and water bodies, and pollinating crops (Millennium Ecosystem Assessment, 2003).
- d) It provides baseline breeding and seed stocks for crop, livestock and wildlife production and is therefore essential in ensuring that the world's population has secure access to food (Millennium Ecosystem Assessment, 2003).
- e) Many species are threatened by extinction, and the status of our biodiversity is therefore an important reflection of a municipality's environmental track record.
- f) Biodiversity is linked to poverty and health, and this is especially true for a poor province such as Eastern Cape. Poor people depend heavily on biodiversity and have a stake in its conservation, but also have a potentially large impact on biodiversity because of their reliance on natural resources (Koziell and Saunders, 2001).

6.2 Climate

The climate varies according to the distance from the ocean. Coastal areas enjoy mild temperate conditions ranging between 14 and 23 degrees Celsius, while the inland areas experience slightly more extreme conditions with temperatures of 5 to 35 degrees Celsius. Inland mountain areas experience winter snows and summer rainfalls.

More specifically, Nyandeni Local Municipality experiences a large subtropical climate with the more elevated regions characterized by high temperatures and below the escarpment along the coast are the wettest areas within the municipality. t

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The municipal area is considered generally a high average rainfall area estimated to be

above 700mm per annum. Minimum temperatures range from 8.9 degrees Celsius in the high lying north – West to 15.3 degrees Celsius along the coast with the maximum estimated at 22.8 degrees Celsius along the coasts to 23.8 inland. The municipality has a generally steeped topography.

6.3 Land (topography)

These moderate climatic conditions mentioned above provide favourable conditions for agricultural development which currently predominate the local livelihood. However, it must also be stated though that, the agricultural potential of the area can be hindered by the steep nature of the terrain. Almost half the total land area is covered by scenic steep slopes with approximately 54.74% gently gradient slopes and 45.26% steep gradient. This topography poses various challenges for development and provision of infrastructure and general building processes. For instance, in a housing project additional investment would have to be made to cushion geotechnical challenges and yet another additional funding to reinforce foundations and provide more building material compared to a flat surface. This also poses a number of other challenges in terms of land capability.

6.4 The land capability

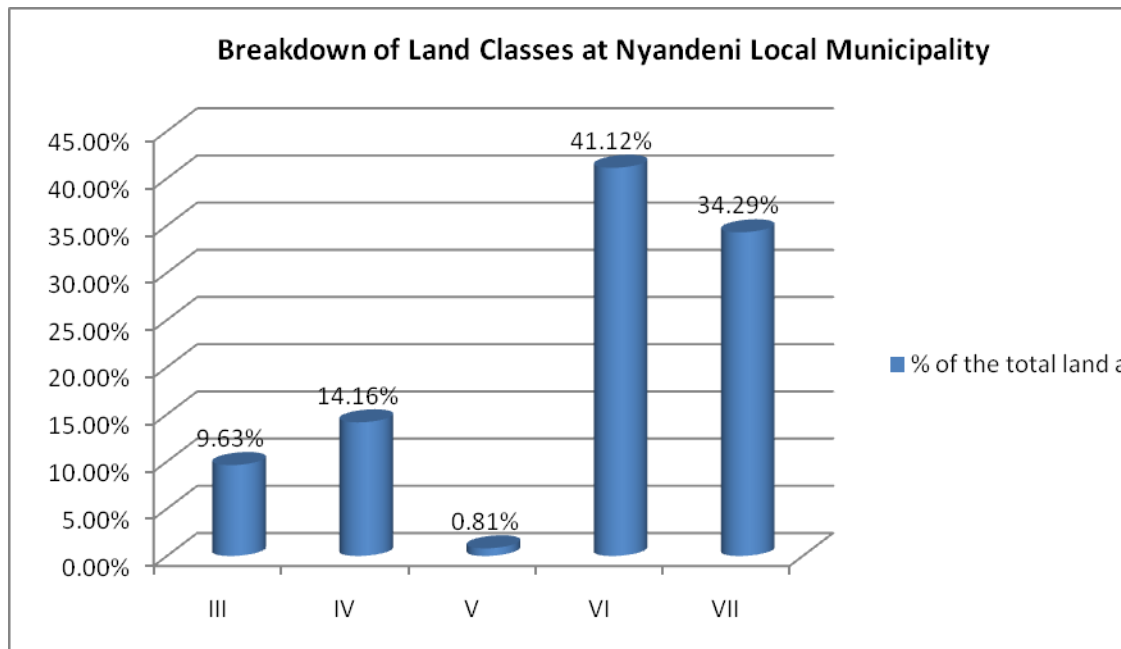
The land capability is determined by the collective effects of soil, terrain and climate features. It indicates the most intensive long term and sustainable use of land in rain – fed agriculture and sometimes highlights the permanent limitations associated with different land use classes. Land capability is therefore a more general term and conservation oriented than simply land suitability.

There is a strong correlation between the vegetation types and land capability. Land is classified into what is called land classes. Land class VI and VII have severe limitations that makes them unsuitable for cultivation and that restricts their use largely to grazing, woodland or wildlife. These limitations include mainly;

- Very steep slopes
- Erosion
- Shallow soil and
- (d) Slopes.

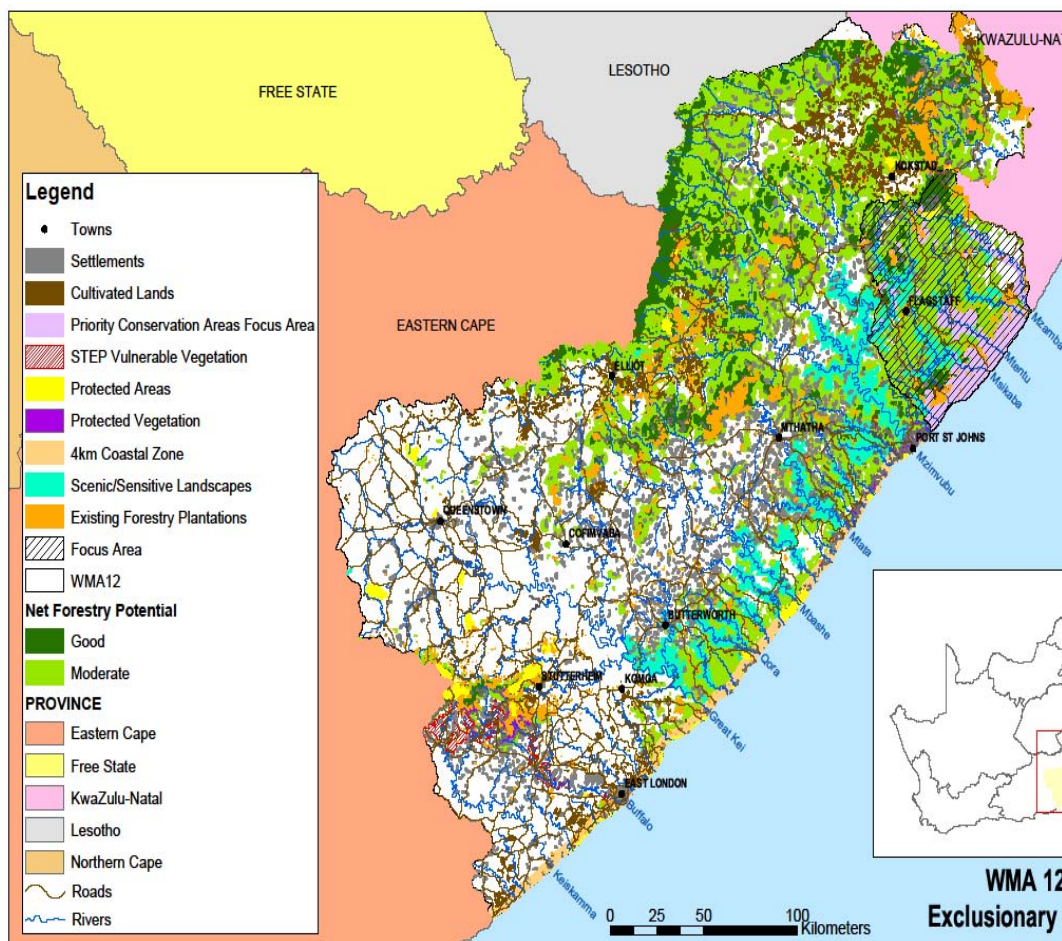
They therefore comprise mainly Thicket Vegetation, Eastern Thorn Bushveld and Moist Upland Grassland. These classes constitute a significantly proportion of the total land areas estimated at 75.4%, see Chart 19 below.

Chart 1: Breakdown of land classes at Nyandeni Local Municipality



Source: Nyandeni Spatial Development Framework (draft)(2010)

Nyandeni Local Municipality constitutes part of what is referred to as Waster Area Management Number 12 which is considered to be biophysically suitable for commercial forestry. In terms of the strategic environmental analysis conducted by the Department of Water Affairs (2006) the area from Keiskamma River to Umzimvubu River has the highest forestry potential with mostly likely, very low hydrological impact due to its relatively high rainfall and low levels of economic activity taking place. For forestry development, the area has a very low water requirement. It must be stated though that in terms of this SEA study, Nyandeni’s area is considered of moderate potential compared to the far eastern side of the Pondoland from Port St Johns towards Msikaba at Ngquza Hill Local Municipality. See the map below.



A closer analysis of the map will reveal that a significant land area within the municipality in terms of this study can be considered of environmental sensitive nature.

6.5 Vegetation and environmental sensitivity

Along the steep slopes of the periphery of Nyandeni Local Municipality, there is mainly Thicket (30.4%) with the exception of the coastal line where there is Coastal Bushveld and Grasslands (5.32%). The interior comprises mainly of the Eastern Thorn Bushveld (33.45%) with Moist Upland Grassland (28.12%) in the northern interior and approximately 30.40% being Valley Thicket.

Overview of the vegetation within Nyandeni Local Municipal area

Vegetation type	Area (Ha)	% of the total Area
Afromontane Forest	4.127.37	1.67%
Coastal Bushveld/Grassland	13.124.46	5.32%
Coastal Forest	2.475.55	1.00%
Coastal Grassland	92.43	0.04%
Dune Thicket	0.71	0.00%
Eastern Thorn Bushveld	82.523.02	33.45%
Moist Upland Grassland	69. 369.32	28.12%
Valley Thicket	74.999.90	30.40%

Nyandeni has a huge potential for tourism along the 20km coastal belt which stretches from Mthatha Estuary in the south west to Mnenu Estuary in the north east. This high tourism potential area is very important for eco – tourism destination. The area already has a number of forests, areas designated for nature conservation, estuaries, wildlife etc. Hluleka Game Reserve remains an area with high tourism potential and can be used to anchor tourism development especially if a cross – boundary nature reserve could be established between Nyandeni, Mhlontlo and Ngquza Hill Local Municipalities. The municipality would have to ensure that a good balance is managed between up scaling these areas with tourism potential into viable commercial tourism ventures and the environmental sensitive and marine protected areas. Rarely the municipal area provides access to coastal dune forests which are rapidly being eroded by residential and commercial agricultural development in other areas. This group of vegetation is crucial due to its high species diversity which may be home to medicinally useful plants, aesthetics, soil binding and soil erosion prevention characteristics. These types of vegetation also tend to be habitat for wildlife and serve a very important purpose of tourism and education.

Included in the state of the municipal environment are its wetlands. There are two types of wetlands found within Nyandeni municipal area. These are Coastal Wetlands that are influenced by tides that contains water that shows appreciable salinity and there are Inland Wetlands including fresh water areas; these can be likened to a basin which is filled with soil that has impervious layer such that it retains water. Wetlands are an important part of the environment and thus key for long term development planning. They offer a multitude of advantages to the environment viz; (a) replenishes ground water levels, (b) controlling

stream flow velocity thus flood control, (c) provide grazing land for live stock and wildlife, (d) serve as wildlife habitat and above all (e) provide fresh water.

In Nyandeni Local Municipality the majority of land area is covered in unimproved grassland, this is a total of 50% of the total area. Cultivated: temporary - semi-commercial/subsistence dry land covers 17.6% of the total area in the Nyandeni Local Municipality, while 11.9% is degraded: unimproved grassland.

Land degradation

Total Area km²	Degraded area	Percentage degraded
2474.02	378.11	15%

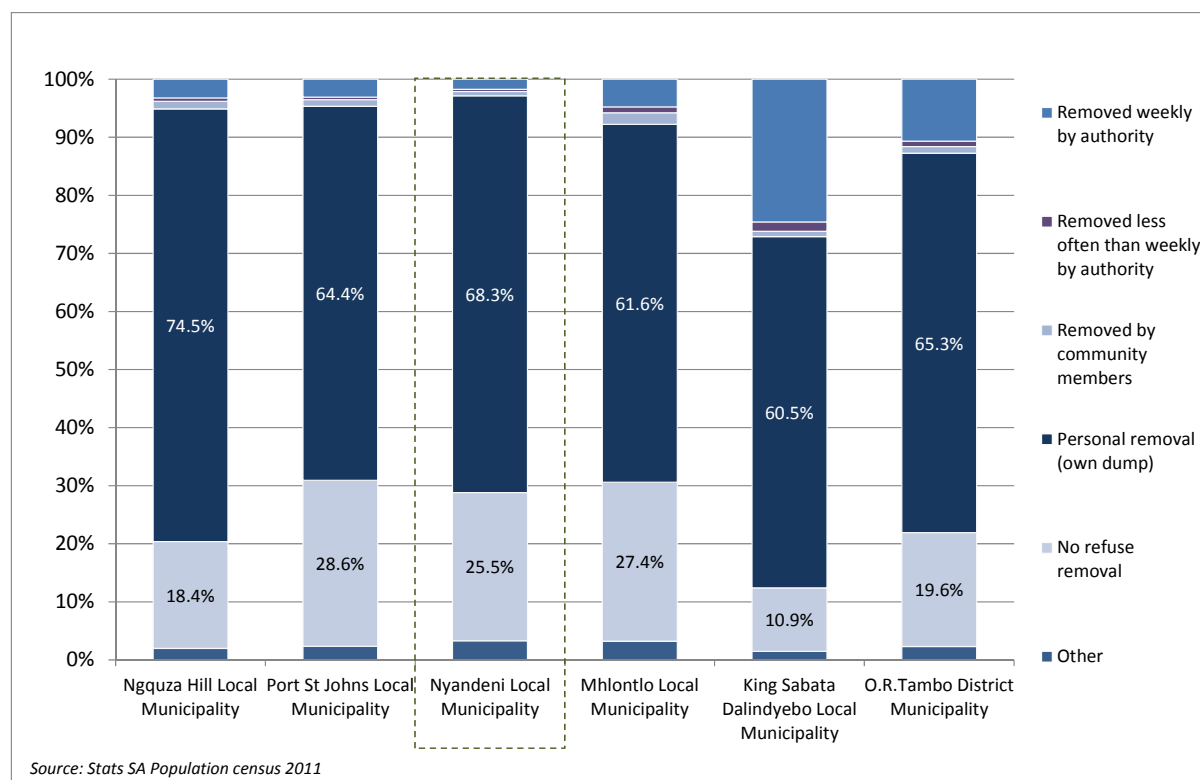
RECYCLING AND ENVIRONMENTAL MANAGEMENT

As integral part of implementing Environmental Friendly Practices, Nyandeni has facilitated establishment of three recycling projects, two in Libode and one in Ngqeleni. However, there is a need to support these projects with proper infrastructure including proper Building.

PRIORITY PROJECTS FOR 2014/2015

- Unti-litter campaign
- Greening and Beautification
- Adopt a spot
- Expansion of Recycling programme
- Conduct waste management Awareness Campaign in all wards

CHART 19. PERCENTAGE OF HOUSEHOLDS BY REFUSE DISPOSAL BY LOCAL MUNICIPALITY, 2011



In 2011, 68.3% of all the households in the Nyandeni Local Municipality were responsible for personal refuse removal. A total number of 15 731 households (25.5%) did not have any refuse removal.

TABLE 24. NUMBER OF HOUSEHOLDS BY REFUSE DISPOSAL BY LOCAL MUNICIPALITIES, 2011

Type	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	O.R Tambo District Municipality
Removed weekly by authority	1 811	981	1 081	2 078	25 872	31 823
Removed less often than weekly by authority	328	143	219	430	1 690	2 810
Removed by community members	734	354	454	864	943	3 349
Personal removal (own dump)	41 889	20 425	42 117	26 752	63 659	194 842
No refuse removal	10 337	9 056	15 731	11 877	11 494	58 495
Other	1 114	755	2 045	1 413	1 582	6 909

Source: Stats SA Population census 2011

7 Income and Expenditure

In a growing economy with increasing factors of production, household income is spent to purchase goods and services, therefore the income and expenditure of households is a major indicator of several economic trends and is a good indicator of growth and the propensity to consume.

7.1 Number of Households by income category

It was estimated that 86.0% of all households in Nyandeni Local Municipality were classified as living on R38 200 or less per annum in 2011. A total of 10 574 households or 17.2% of the total households have no income.

TABLE 25. TOTAL NUMBER OF HOUSEHOLDS PER INCOME CATEGORY BY NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2011 [NUMBERS]

2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
No income	2 177 538	264 309	50 887	10 574
R 1 - R 4800	648 754	98 769	20 414	4 448
R 4801 - R 9600	1 066 364	165 799	40 244	9 515
R 9601 - R 19 600	2 475 240	384 579	71 892	15 783
R 19 601 - R 38 200	2 740 596	343 052	61 172	12 704
R 38 201 - R 76 400	1 879 235	164 896	22 850	4 292
R 76 401 - R 153 800	1 335 657	113 971	14 765	2 339
R 153 801 - R 307 600	1 045 292	86 222	9 999	1 296
R 307 601 - R 614 400	685 364	46 463	4 417	511
R 614 001 - R 1 228 800	268 934	12 310	835	66
R 1 228 801 - R 2 457 600	79 896	3 895	415	64
R 2 457 601 or more	46 593	3 080	336	56
Unspecified	700	40	5	1
Total	14 450 163	1 687 385	298 231	61 649

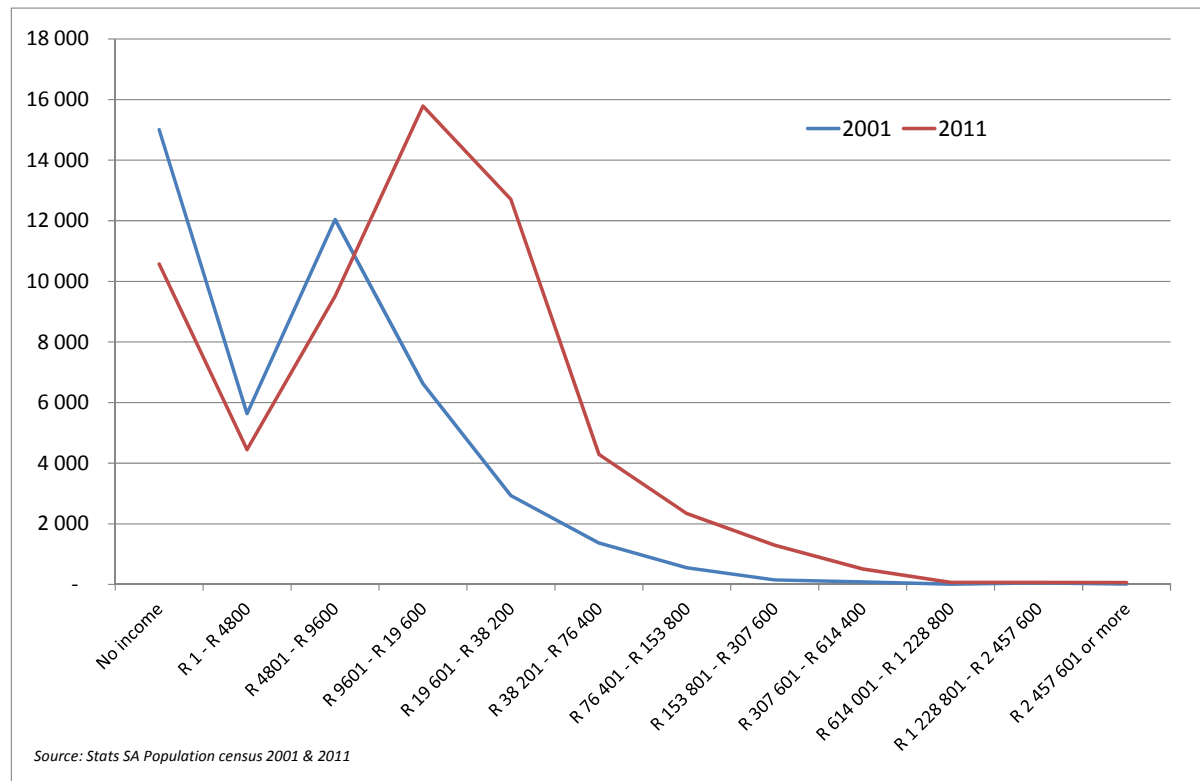
Source: Stats SA Population census 2011

The total number of households without any income in Nyandeni Local Municipality is at a concerning 17.2%. Dependency on subsistence farming could be a substitute for income as a means of survival as subsistence farming is not reported or understood as income by households and is therefore not reported. When a high percentage of households earn no income it may place an increased burden on state to provide health, education and safety.

The graph below portrays the number of households per income category - for 2001 versus 2011. The number of households earning more than R38 200 per annum has increased significantly - in 2001, 4.2% of households were earning more than R38 200 per annum, while in 2011 this percentage increased to 14.0%. The income brackets do not take inflation into account and "inflation creep" occurs. This implies

that - over time - movement of households “up” the brackets is natural, even if they are not earning any more in real terms.

CHART 20. NUMBER OF TOTAL HOUSEHOLDS PER INCOME BRACKET, NYANDENI LOCAL MUNICIPALITY, 2001 AND 2011



7.2 Annual per household income

Definition | Per household personal income is the annual total personal income of an area divided by the total number of households within the area and presented by the population group of the head of each household. Annual total personal income is the total personal income for all households in the region summed together.

In 2001, the average household income for Nyandeni Local Municipality was R16 800 and it increased at an average annual rate of 7.4% to R34 254 in 2011.

TABLE 26. ANNUAL PER HOUSEHOLD INCOME IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2001 AND 2011 [CURRENT PRICES, R MILLIONS]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	15 008	38 448	9.9%
Port St Johns Local Municipality	18 916	31 548	5.2%
Nyandeni Local Municipality	16 836	34 254	7.4%
Mhlontlo Local Municipality	14 599	36 246	9.5%
King Sabata Dalindyebo Local Municipality	26 755	61 135	8.6%
O.R.Tambo District Municipality	9 836	44 533	16.30%
Eastern Cape Province	14 717	65 613	16.12%
South Africa	24 005	104 491	15.85%

Source: Stats SA Population census 2001 & 2011

In 2011, the O.R. Tambo District Municipality had a household income of R44 533, which increased at an average annual growth rate of 16.3% from 2001. The Eastern Cape Province's household income grew at an average annual rate of 16.12% and South Africa as a whole with 15.85% average annually.

7.3 Annual total Personal Income

Personal Income is a broader concept than labour remuneration discussed in the economics section above. It includes profits, income from property, net current transfers and net social benefits.

Definition Annual total personal income is the total personal income for all households in the region summed together. Income is presented in units of rand million. The definition of "income" is the same as used in the income brackets variable, and also includes income tax. Annual total personal income is presented in current prices – this means that inflation has not been taken into account.

It is estimated that total personal income in Nyandeni Local Municipality amounted to R2.1 billion in 2011. This increased at an average annual rate of 9.0% since 2001 when the total personal income was estimated at R919 million.

TABLE 27. ANNUAL TOTAL PERSONAL INCOME IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS[CURRENT PRICES, R MILLIONS]

Region	2001	2011	AAGR 2001-2011
Ngquza Hill Local Municipality	785 322	2 282 696	11.3%
Port St Johns Local Municipality	645 310	1 076 523	5.3%
Nyandeni Local Municipality	919 626	2 186 227	9.0%
Mhlontlo Local Municipality	659 302	1 665 955	9.7%
King Sabata Dalindyebo Local Municipality	2 608 801	6 692 049	9.9%
O.R.Tambo District Municipality	5 618 361	13 903 985	9.48%
Eastern Cape Province	45 322 490	112 692 881	9.54%
South Africa	577 658 701	1 579 385 527	10.58%

Source: Stats SA Population census 2001 & 2011

Comparing Nyandeni Local Municipality with the other municipalities' it is seen that the municipality is performing average at an average annual growth rate. The only municipality that stands out with the lowest average annual growth rate of all the local municipalities was the Port St John Local Municipality with an increase of only 6.1% annually over the period.

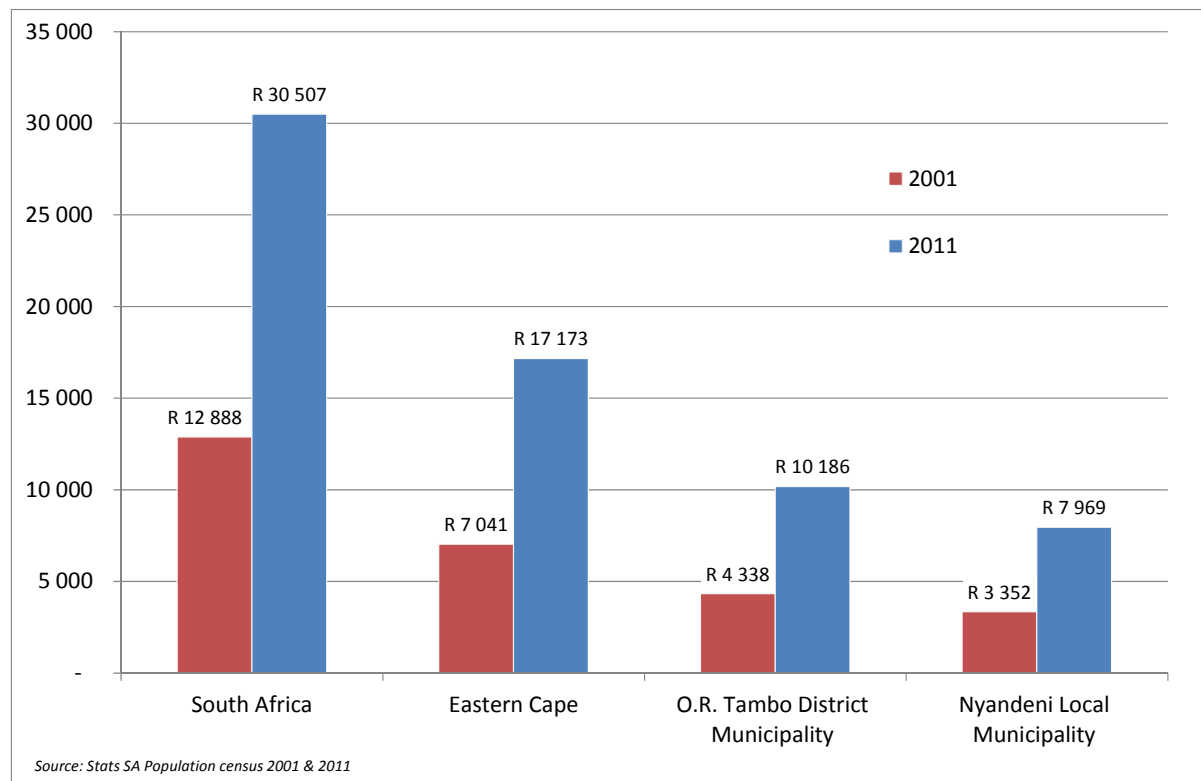
7.4 Annual Per Capita Income

Per capita income is often used as a measure of wealth particularly when comparing different economies or population groups - and rising per capita income usually alludes to possible increase in demand for consumption.

Definition | Per capita income refers to the income per person and is calculated by dividing the total personal income per annum equally among the population.

In 2011, the per capita income amounted to R7 969 in Nyandeni Local Municipality

**CHART 21. PER CAPITA INCOME IN NYANDENI LOCAL MUNICIPALITY
RELATIVE TO OTHER REGIONS, 2001 AND 2011
[RAND, CURRENT PRICES]**



The per capita income for South Africa in 2011 amounted to R30 507, which is an average increase of 9% per year from 2001. The Eastern Cape Province has a per capita income of R17 173 and had an average annual growth rate of 9.3%.

7.5 Household Goods

Ownership of a cellphone, television, refrigerator and computer has increased considerably between Census 2001 and Census 2011. However, the demand for radios and landline telephones has decreased owing to a rise in the popularity of cellphones.⁴

Only 32% of the people in South Africa had access to a cell phone in 2001 compared to the 89% in 2011. Households with access to computers increased from 9% in 2001 to 21% in 2011 in South Africa. 75% of the households in South Africa owned a TV in 2011 while only 54% of households had a TV in 2001. Only 69% of the households in South Africa have a refrigerator, even though 82% of the households have electricity connections. The percentage of households using landline

⁴Statistics South Africa

telephones and radios have decreased since 2001. South Africa seems to embrace technology as it becomes more accessible.

While Nyandeni Local Municipality seems to follow the national trend it does not exhibit the same level of absorption when compared to South Africa.

TABLE 28. ACCESS TO HOUSEHOLD GOODS IN NYANDENI LOCAL MUNICIPALITY, 2011

Access to	Yes	No	% Yes
Cell phone	49349	12298	80.1%
Electric/gas stove	33425	28222	54.2%
Television	30679	30968	49.8%
Radio	30080	31567	48.8%
Refrigerator	22837	38810	37.0%
DVD player	22147	39500	35.9%
Access to internet	10 425	51 223	16.9%
Mail Post box/bag	6 298	55 350	10.2%
Motor-car	5 382	56 266	8.7%
Satellite television	4 169	57 478	6.8%
Washing machine	1 972	59 676	3.2%
Computer	1 762	59 885	2.9%
Mail delivered at residence	1 754	59 894	2.8%
Vacuum cleaner	1 130	60 518	1.8%
Landline/telephone	1 025	60 622	1.7%

Source: Stats SA Population census 2011

It is evident that the majority of households (80.1%) have access to Cell phones. About 50% of households have access to electric/gas stove, radio or television. Although only 2.9% of households have access to computers, 16.9% have access to the internet.

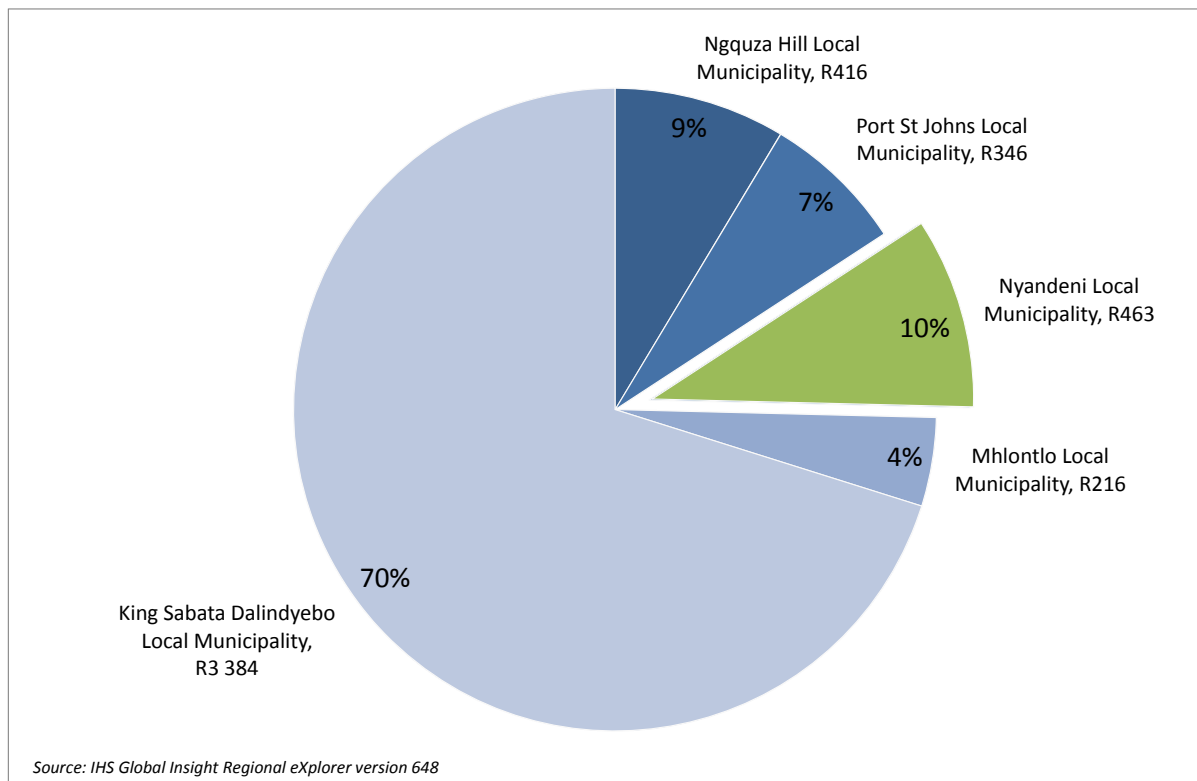
7.6 Formal Retail sales

Definition Annual retail trade sales by product type measure the total retail spend, distributed across spending categories, by all households within the region. The outputs are presented in units rand thousands. This measure represents consumption from the supply side (retail) perspective of the economy. Two important implications are thus:

- Only goods that are **sold by a shop** are counted as a sale. This measure therefore does not give an accurate account of *all* consumption in a region, particularly subsistence and inter-household transfer consumption.
- The sale is registered at the place of the sale, and not at the place of the household buying the good.

Formal retail trade in Nyandeni Local Municipality amounted to R463 million in 2011, which is 10% of the total formal retail sales within the O.R. Tambo District Municipality.

CHART 22. ANNUAL FORMAL RETAIL TRADE SALES BY LOCAL MUNICIPALITY, 2011 [PERCENTAGE SHARE]



The majority of formal retail sales occur in the King Sabata Dalindyebo Local Municipality and amounts to R3.4 billion (70.1%), while the least – only R216 million (4.5%) is sold in the Mhlontlo Local Municipality.

7.7 Index of Buying Power

Definition | The Index of Buying Power (IBP) is a measure of a region's general capacity to absorb products and services. This measure is useful when comparing two regions in terms of their capacity to buy products. This general capacity depends on three factors:

- The size of the population.
- The ability of the population to spend, which is measured by total income.
- The willingness of the population to spend, which is measured by total retail sales.

The index values range from 0 to 1 (with the national equal to 1) and can be interpreted as the percentage of national buying power attributable to the specific region.

TABLE 29. INDEX OF BUYING POWER PER REGION,2011

Variable	National Total	Eastern Cape	O.R.Tambo DM	Nyandeni LM
Population	50 252 369	6 873 100	1 407 374	302 201
Population - share of national total	100.0%	13.7%	2.8%	0.6%
Income (Rmill)	1 965 067	179 764	21 018	3 612
Income - share of national total	100.0%	9.1%	1.1%	0.2%
Retail (Rmill)	617 815	51 408	4 825	463
Retail - share of national total	100.0%	8.3%	0.8%	0.1%
Index	1.000	0.094	0.012	0.002

The Index of buying power suggests that only 0.2% of the national buying power is attributable to the Nyandeni Local Municipality, while 1.2% is attributable to the O.R. Tambo District Municipality.

8 Economy

In order to put the economic state of Nyandeni Local Municipality in perspective, the municipality is compared on a spatial level with the national, provincial, district municipality and local municipality economies.

8.1 Gross Domestic Product by Region (GDP-R)

When comparing economies and economic states, a good indicator to use is the Gross Domestic Product (GDP). This is one of the most important indicators of the performance of the economy⁵.

Definition | Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies. GDP-R can be measured using either current or constant prices.

With a GDP of R 1.28 billion (current prices) in 2011, the Nyandeni Local Municipality contributed 7.2% to the total GDP of the O.R. Tambo District municipality and 0.57% to the GDP of the Eastern Cape Province.

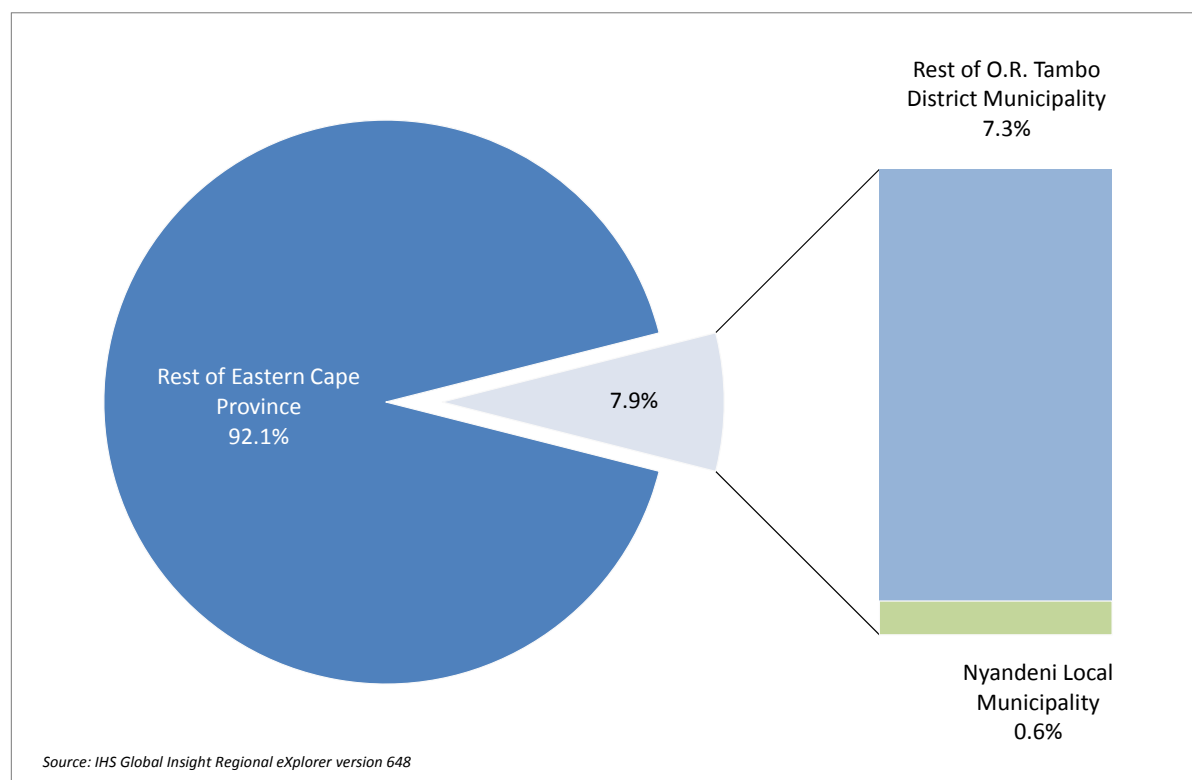
TABLE 30. GDP OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS [R MILLIONS, CURRENT PRICES, PERCENTAGE]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2005	1 571 082	122 819	9 584	686
2006	1 767 422	134 729	10 335	742
2007	2 016 184	150 943	11 431	815
2008	2 262 502	169 760	12 659	903
2009	2 398 156	181 806	13 879	997
2010	2 661 435	202 707	15 949	1 168
2011	2 964 261	224 566	17 738	1 284

Source: IHS Global Insight Regional eXplorer version 648

⁵ Philip Mohr, 2008, Economic indicators, Third edition, Unisa, Pretoria

CHART 23. GDP OF NYANDENI LOCAL MUNICIPALITY RELATIVE TO THE REST OF THE EASTERN CAPE PROVINCE [PERCENTAGE SHARE]



A local municipality does not function in isolation from its district, province, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

The following is a comparison between the Nyandeni Local Municipality and the neighboring municipalities falling in the O.R. Tambo District Municipality.

TABLE 31. GDP PER LOCAL MUNICIPALITY, 2005 TO 2011 [CURRENT PRICES]

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlo Local Municipality	King Sabata Dalindyebo Local Municipality
2005	822	537	686	925	6 614
2006	899	587	742	1 003	7 103
2007	991	648	815	1 101	7 876
2008	1 113	718	903	1 220	8 704
2009	1 215	782	997	1 329	9 556
2010	1 394	904	1 168	1 557	10 926
2011	1 562	1 004	1 284	1 710	12 177

The greatest contributor to the O.R. Tambo District Municipality economy is the King Sabata Dalinyebo Local Municipality with a share of 69% or R 12.1 billion. The economy with the lowest contribution is the Port St Johns Local Municipality with R 1 billion or 5.7%.

8.1.1 Economic Growth forecasts

The economic growth forecasts reveal a slow but positive economic recovery from the economic slowdown in 2008/09. It is expected that Nyandeni Local Municipality will grow at an average annual rate of 2.47% from 2012 to 2016. Compared to the O.R. Tambo District Municipality and South Africa, which is expected to grow at 2.60% and 3.2% respectively, the growth path seems to be very similar.

TABLE 32. GDP GROWTH FORECAST OF NYANDENI LOCAL MUNICIPALITY REALTIVE TO OTHER REGIONS,2012 – 2016 [PERCENTAGE-CONSTANT 2005 PRICES]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2012	1 739 187	134 429	10 286	693
2013	1 794 658	138 176	10 523	708
2014	1 860 120	142 739	10 818	726
2015	1 943 358	148 706	11 223	752
2016	2 036 237	155 554	11 696	783
Average annual growth rate:				
2012-2016	3.20%	2.96%	2.60%	2.47%

Source: IHS Global Insight Regional eXplorer version 648

8.2 Gross Value Added by Region (GVA-R)

Nyandeni's economy is made up of various industries. The GVA-R variable provides a sectoral breakdown, where each sector is measured in terms of its "value added" produced in the local economy.

Definition | Gross Value Added is a measure of output (total production) which measures the total output of a region by considering the value that was created within that region. GVA is often broken down by various production sectors. One can think of GVA-R as the difference between the inputs obtained from outside the region and the outputs of the region – that is, the region's total "value added".

The following is the Gross Value added (GVA) off all the relevant regions to put the Nyandeni Local Municipality in perspective.

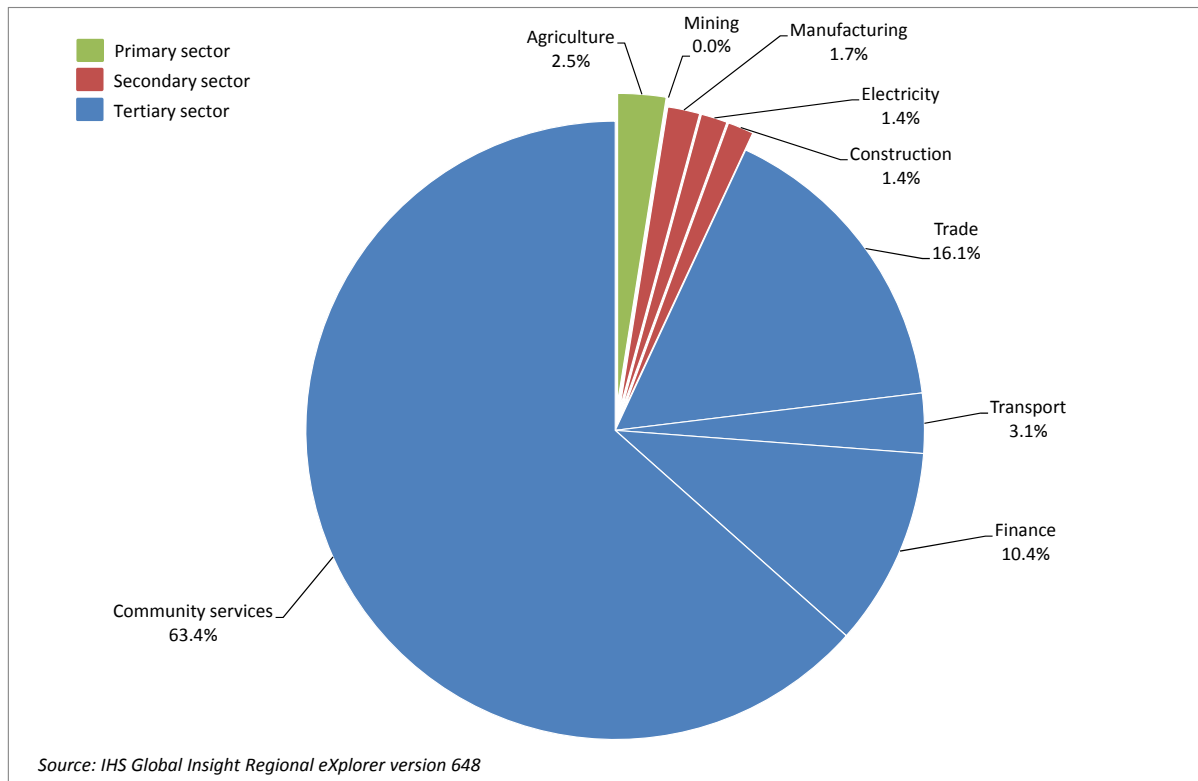
TABLE 33. TOTAL GROSS VALUE ADDED (GVA) BY BROAD SECTOR FOR NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2011 [R BILLIONS CURRENT PRICES]

2011	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
Agriculture	63 984	3 344	572	29
Mining	260 381	858	6	-
Manufacturing	357 756	27 622	457	19
Electricity	78 532	3 392	176	16
Construction	120 420	7 172	437	15
Trade	386 430	31 009	3 049	183
Transport	220 060	15 586	505	35
Finance	565 224	41 450	2 774	118
Community services	617 717	71 887	8 470	719
Total Industries	2 670 504	202 320	16 446	1 133
Taxes less Subsidies on products	293 757	22 246	1 292	151
Total (GDP)	2 964 261	224 566	17 738	1 284

Source: IHS Global Insight Regional eXplorer version 648

In 2011 Nyandeni Local Municipality's economy was dominated by the tertiary sector as a whole, which is primarily focused on community services. Community services accounted for more than half of the GVA with a 63.4% contribution to the total economic activity in Nyandeni Local Municipality in 2011. The community services consist of public administration (6.9%), education (40.6%), health and social work (14.6%) and other community services (1.3%). The trade sector at 16.1% is the second largest contributor to the economic activity.

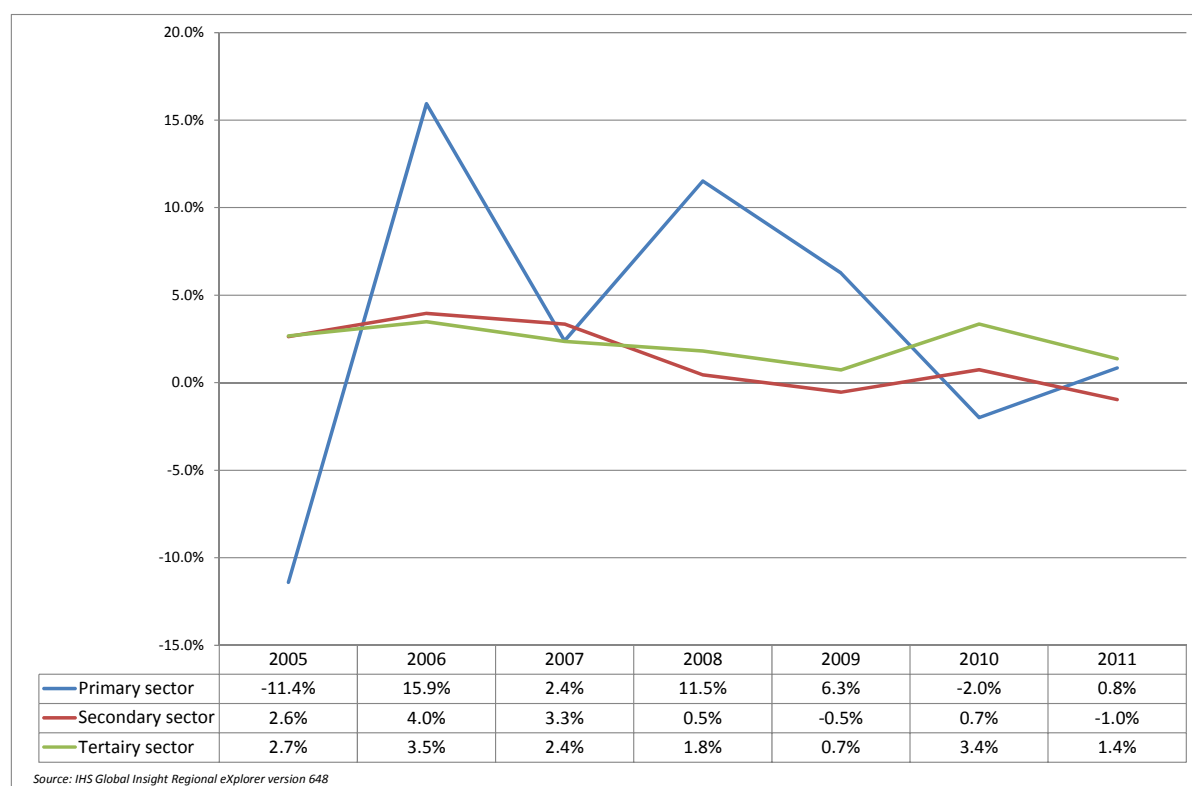
CHART 24. GROSS VALUE ADDED (GVA) COMPOSITION BY BROAD ECONOMIC SECTOR FOR NYANDENI LOCAL MUNICIPALITY, 2011 [PERCENTAGE CONTRIBUTION]



8.2.1 Historical Economic growth

When looking at growth in GVA on a sector level, the mining sector contracted considerably in 2008/2009. This was a direct response to a significant drop in demand for mining commodities. The global recession took its toll with the need to reduce production and operating cost resulting in a decline in most sectors.

TABLE 34. GROSS VALUE ADDED (GVA) GROWTH BY AGGREGATE ECONOMIC SECTOR - NYANDENI LOCAL MUNICIPALITY, 2005 – 2011 [PERCENTAGE- CONSTANT 2005 PRICES]

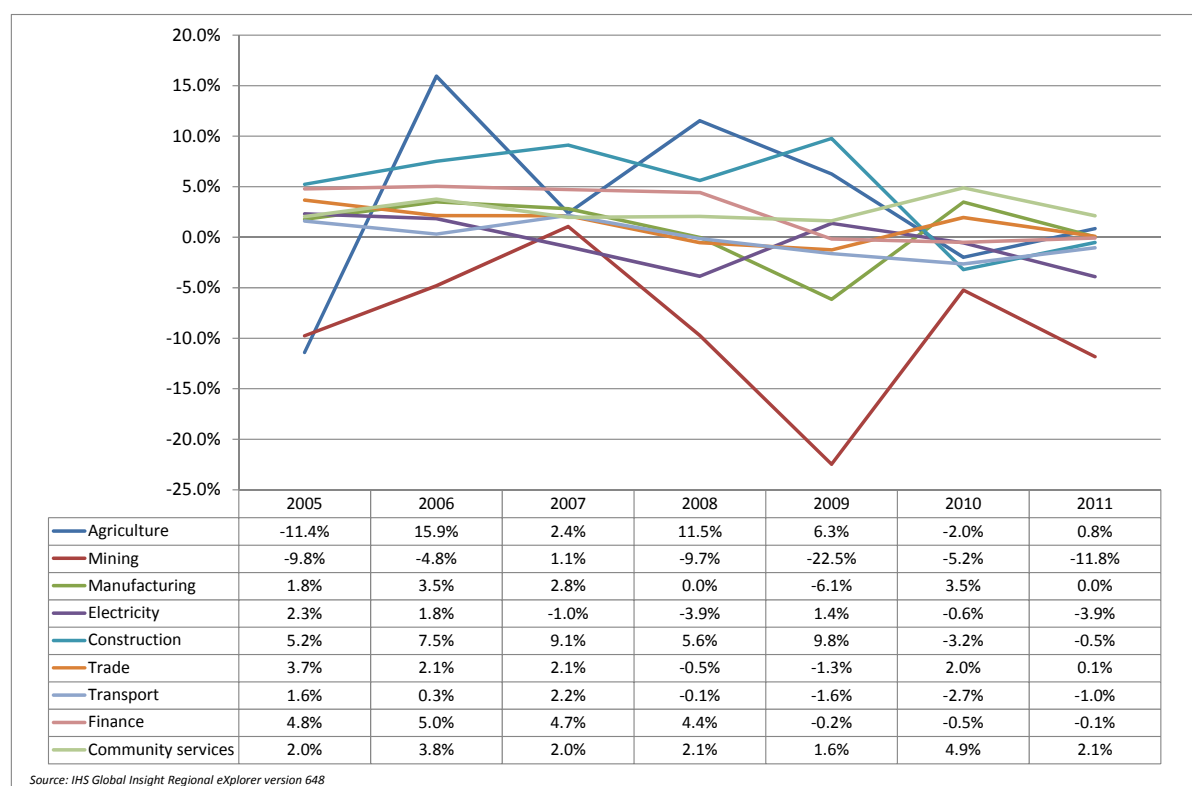


Within the primary sector, both the mining and the agricultural sectors seem to show volatility over time – the mining sector is small and a small change will therefore have a big effect and then agricultural sector is highly dependent on seasonal factors and weather conditions. The effect of the global recession on this sector is evident in the decline in growth. The agricultural sector within Nyandeni Local Municipality dominates the primary sector in terms of contribution, and therefore it will show similar growth patterns than the primary sector.

The secondary sector declined steadily from 2006 to 2009 after which it began to increase again. Although the secondary sector is fairly small it is dominated by manufacturing and therefore the growth pattern is similar to that of the manufacturing sub-sector. The electricity crisis in 2008 is shown clearly in the secondary sector. The construction sector slowed steady growth from 2005 to 2009 after which it began to decline to negative growth in 2010 and 2011.

Although the tertiary sector is the biggest economic sector in the Nyandeni Local Municipality, it showed a constant decline in the growth rate from 2006 to 2009, after which it began to show some signs of recovery.

TABLE 35. GROSS VALUE ADDED (GVA)GROWTH BY BROAD ECONOMIC SECTOR - NYANDENI LOCAL MUNICIPALITY,2005 – 2011 [PERCENTAGE- CONSTANT 2005 PRICES]



Based on the typical profile of a developing country, we can expect faster growth in the secondary and tertiary sectors when compared to the primary sector. Also remember that the agricultural sector is prone to very high volatility as a result of uncertain weather conditions, pests and other natural causes – and the forecasts presented here is merely a long-term trend rather than trying to forecast the unproductive weather conditions.

The table below lists the sectors’ contribution to the total economic growth for the period 2005-2011. In 2011 the community services sector contributed 1.1 percentage points to the overall GDP growth, only the community services sector made a notable contribution to economic growth in Nyandeni Local Municipality in 2011. This clearly reflects the importance of this community services sector in the Nyandeni Local Municipality’s economy.

TABLE 36. BROAD SECTOR CONTRIBUTION TOWARDS TOTAL ECONOMIC GROWTH - NYANDENI LOCAL MUNICIPALITY, 2005 - 2011 [PERCENTAGE POINT - CONSTANT 2005 PRICES]

Sector	2005	2006	2007	2008	2009	2010	2011
Agriculture	-0.3%	0.4%	0.1%	0.3%	0.2%	-0.1%	0.0%
Mining	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	0.0%	0.1%	0.1%	0.0%	-0.1%	0.1%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0.0%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%
Trade	0.5%	0.3%	0.3%	-0.1%	-0.2%	0.3%	0.0%
Transport	0.1%	0.0%	0.1%	0.0%	-0.1%	-0.1%	0.0%
Finance	0.5%	0.5%	0.5%	0.5%	0.0%	-0.1%	0.0%
Community services	1.1%	1.9%	1.0%	1.1%	0.8%	2.5%	1.1%
Total Industries	1.9%	3.3%	2.1%	1.8%	0.7%	2.6%	1.1%
Taxes less Subsidies on products	0.1%	0.3%	0.2%	0.4%	0.1%	0.7%	0.3%
Total (Gross Domestic Product - GDP)	1.9%	3.6%	2.3%	2.2%	0.9%	3.4%	1.4%

Source: IHS Global Insight Regional Explorer version 648

The growth in Community Services sector was also the only sector that delivered significant positive and consistent growth within Nyandeni Local Municipality over the period under review.

8.2.2 Sector Growth forecasts

The GVA projections are based on projected growth rates derived from two sources: historical growth rate estimates and national level industry forecasts. The projections are thus based partly on the notion that regions that have performed well in the recent past are likely to continue performing well (and visa versa) and partly on the notion that those regions which are well endowed with sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and visa versa). As the target year moves further from the base year (2005) so the emphasis moves from historical growth rates to national-level industry growth rates.

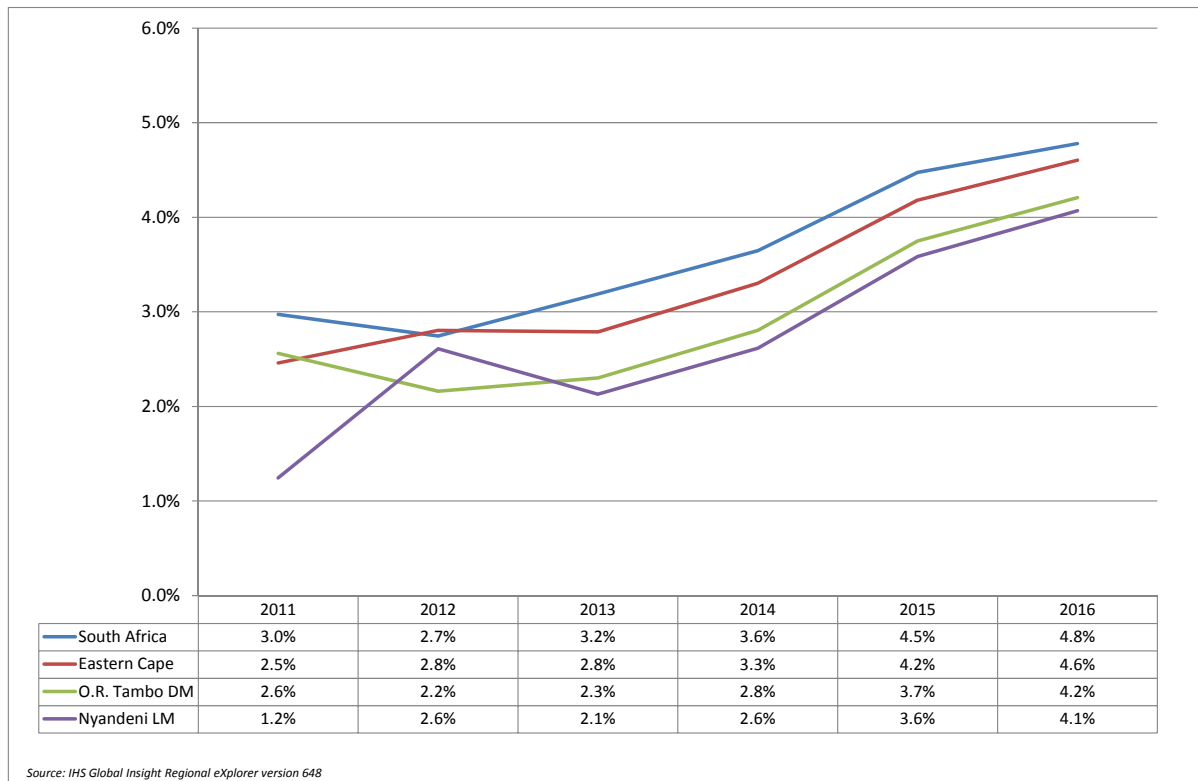
TABLE 37. GROSS VALUE ADDED (GVA) GROWTH FORECAST BY AGGREGATE ECONOMIC SECTOR - NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2011 – 2016 [PERCENTAGE- CONSTANT 2005 PRICES]

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
2011	1 692 724	130 760	10 068	675
2012	1 739 187	134 429	10 286	693
2013	1 794 658	138 176	10 523	708
2014	1 860 120	142 739	10 818	726
2015	1 943 358	148 706	11 223	752
2016	2 036 237	155 554	11 696	783
Average annual growth rate:				
2011-2016	3.13%	2.94%	2.53%	2.49%

Source: IHS Global Insight Regional eXplorer version 648

The Gross value added (GVA) in the Nyandeni Local Municipality has an expected average annual rate of 2.49% between 2011 and 2016. The O.R. Tambo District Municipality has an expected average annual growth rate of 2.53%. Looking at South Africa as a whole it is expected that the average annual growth will be 3.13% at constant prices.

CHART 25. GROSS VALUE ADDED (GVA) GROWTH FORECASTIN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS,2011 – 2016 [PERCENTAGE- CONSTANT 2005 PRICES]



8.3 Labour Remuneration

“The remuneration of labour is both an important source of income in the economy and an important component of the cost of production.” It also “determines the living standards of workers as well as the costs of production and competitiveness of firms, particularly in the labour-intensive industries.”⁶

Definition | Labour remuneration (a component of GVA) measures the total amount paid out by firms to labourers working within the region. This amount is a total cost to company concept and includes worker's contributions to medical or pension schemes etc.

In 2011, an estimated R633 million was paid out in terms of salaries and wages to employees across all economic sectors. This amounted to roughly 7.55% of the total districts' salaries and wages and 0.57% of the Eastern Cape total. Of total salaries and wages in Nyandeni Local Municipality, 0.38% was paid out to labourers in the primary sector, 3.10% to workers in the secondary sector, and 96.51% to people

⁶Philip Mohr, 2008, Economic indicators, Third edition, Unisa, Pretoria

employed within the tertiary sector. The tertiary sector within Nyandeni Local Municipality contributes 7.71% to the total tertiary sector of the O.R. Tambo District Municipality.

TABLE 38. LABOUR REMUNERATION BY BROAD ECONOMIC SECTOR IN NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS, 2011 [R MILLIONS, CURRENT PRICES]

Sector	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
Agriculture	19 338	740	46	2
Mining	92 163	381	2	-
Manufacturing	213 157	17 657	231	11
Electricity	25 834	1 343	50	4
Construction	44 028	2 517	131	5
Trade	154 587	11 614	657	36
Transport	76 352	5 431	241	16
Finance	208 492	15 991	756	32
Community services	483 704	55 492	6 270	527
Total Industries	1 317 655	111 166	8 384	633

Source: IHS Global Insight Regional eXplorer version 648

The largest amount of remuneration in 2011 was paid to workers within the Community service sector - with labour remuneration of R 527 million the Nyandeni Local Municipality is highly government concentrated. The mining sector in Nyandeni Local Municipality is clearly not active with any remuneration paid to that sector.

8.4 Gross Operating Surplus

Gross Operating Surplus (GOS) is one of the components of GVA and is typically an indication of the profitability of a particular sector. GOS comprises (1) profits, (2) consumption of fixed capital and (3) interest payments. The definition of GOS is as follows:

Definition | Gross Operating Surplus refers to the portion of GDP-R that is attributed capital. GOS is calculated as the difference between GVA-R and Labour Remuneration for each sector in each region.

Total GOS in Nyandeni Local Municipality is estimated to have amounted to R 500million (in current prices) in 2011 (or 44.15% of Nyandeni Local Municipality's Gross Value Added). Most of Nyandeni Local Municipality's total GOS, at 88.7%, is attributed to the tertiary sector.

**TABLE 39. GOS PER BROAD ECONOMIC SECTOR-
NYANDENI LOCAL MUNICIPALITY RELATIVE TO OTHER REGIONS,
2011[R MILLIONS, CURRENT PRICES]**

Sector	South Africa	Eastern Cape	O.R. Tambo District Municipality	Nyandeni Local Municipality
Agriculture	44 646	2 604	525	26
Mining	168 218	477	4	-
Manufacturing	144 599	9 965	226	8
Electricity	52 698	2 050	126	11
Construction	76 392	4 655	307	11
Trade	231 843	19 395	2 392	147
Transport	143 708	10 155	264	20
Finance	356 732	25 459	2 018	86
Community services	134 013	16 395	2 200	192
Total Industries	1 352 849	91 154	8 062	500

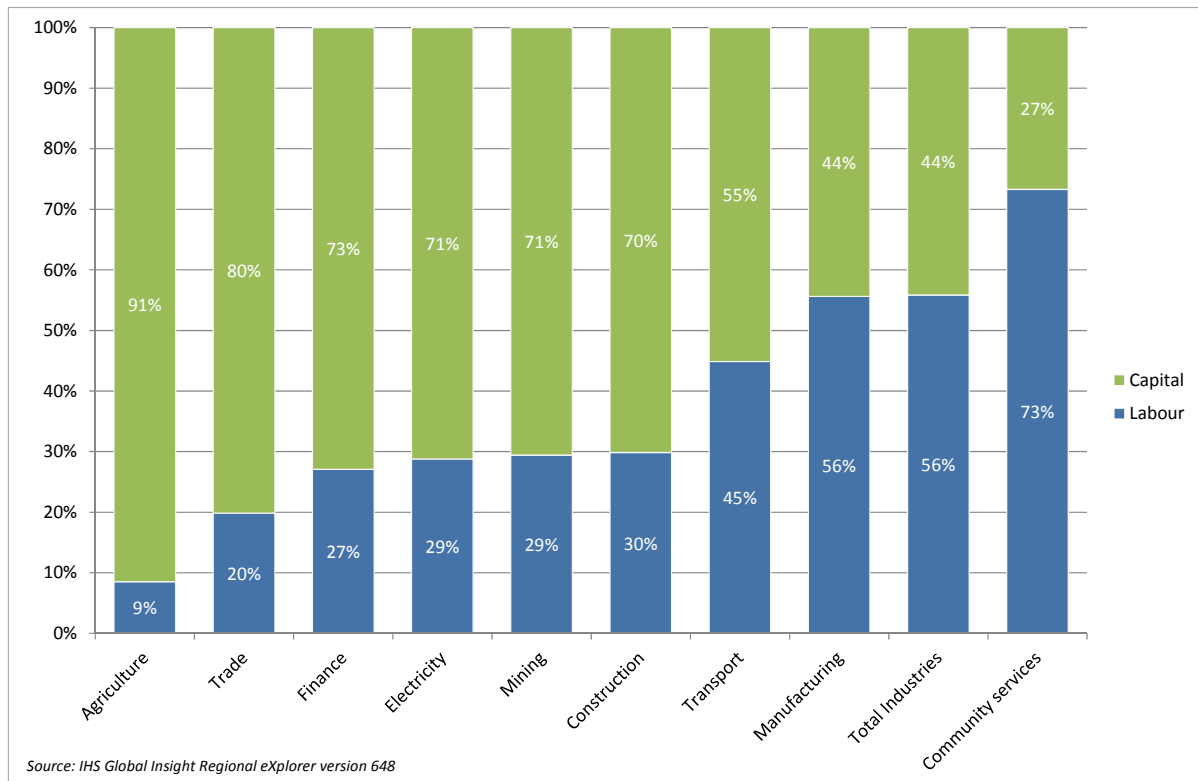
Source: IHS Global Insight Regional eXplorer version 648

In the Nyandeni Local Municipality the community services sector's contributes to the GOS is the largest at R 192 million. In the O.R. Tambo District Municipality the sector with the largest contribution to the GOS is the Trade sector with a total of R 2.4 billion or 29.7%.

8.4.1 Labour vs Capital

When comparing the labour (remuneration) with capital or Gross operation Surplus (GOS), the result shows how intensive a sector is using labour and capital. The combination of these two variables essentially equates to Gross Value Added (GVA).

**CHART 26. LABOUR VS CAPITAL BY BROAD ECONOMIC SECTOR -
 NYANDENI LOCAL MUNICIPALITY, 2011 [PERCENTAGE
 DISTRIBUTION]**



The Nyandeni Local Municipality deploys approximately 91% capital and 9% labour in the production of agricultural products (i.e. only 10c out of every rand value added in agricultural production will be spent on labour). The agricultural sector has the lowest labour intensity which is probably due to the importance of forestry and logging (70% of the agricultural sector) which is more capital than labour intensive. Community services have the lowest capital intensity of all the sectors, with 73% of the GVA consisting of labour remuneration and only 27% of capital.

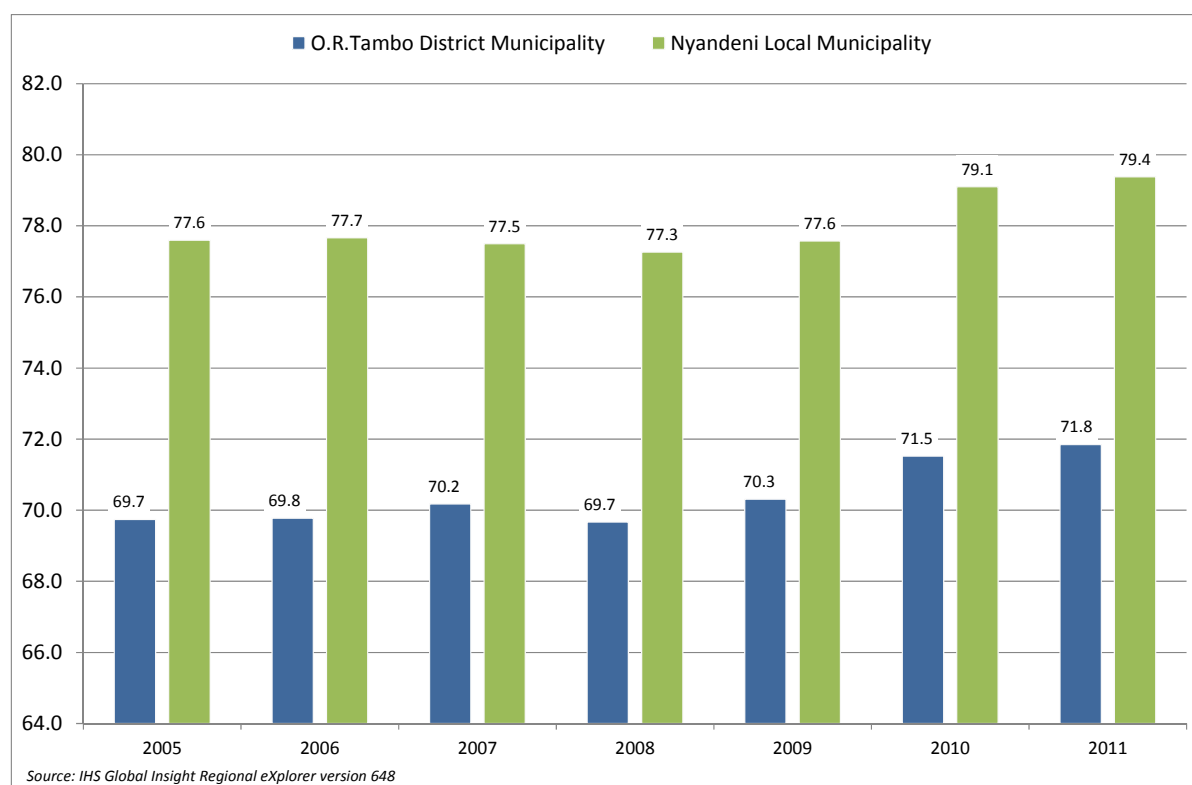
National and provincial programs aimed at generating jobs in the agriculture sector will therefore have less of an impact in creating employment in this sector given the type of activities being implemented – more labour intensive projects are therefore needed to positively impact on job creation.

8.5 Tress Index

A Tress index provides insight into the level of concentration (or diversification) within an economic region.

Definition | The Tress index is estimated by ranking the nine sectors according to their contribution to Gross Value Added (GVA) and then adding the values cumulatively and indexing them. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 1 means that only one economic sector makes up the whole GVA of the region.

CHART 27. TRESS INDEX – NYANDENI LOCAL MUNICIPALITY, O.R. TAMBO DISTRICT MUNICIPALITY, 2005 TO 2011.



In 2011, Nyandeni Local Municipality's Tress Index was an estimated 79.4 which is higher than that of the district with an index value of 71.8. This implies that, on average, Nyandeni Local Municipality is less diversified in terms of its economic activity spread than the O.R. Tambo District Municipality as a whole. The reason for the high Tress Index in Nyandeni Local Municipality is most probably the fact that the

province is relatively more dependent on community services, with little activity in terms of primary and secondary sectors.

Take note that the more diverse an economy is, the more likely it is to create employment opportunities across all skills levels (and not only - for instance - employment opportunities that cater for highly skilled labourers), and maintain a healthy balance between labour-intensive and capital-intensive industries. If both economic growth and the alleviation of unemployment are of concern, clearly there need to be industries that are particularly profitable, as well as those that typically employ large numbers of unskilled labourers. Unfortunately, in many cases (but not always), industries that are particularly profitable (and boost economic growth) are not those that create many employment opportunities for unskilled labourers (and alleviate unemployment).

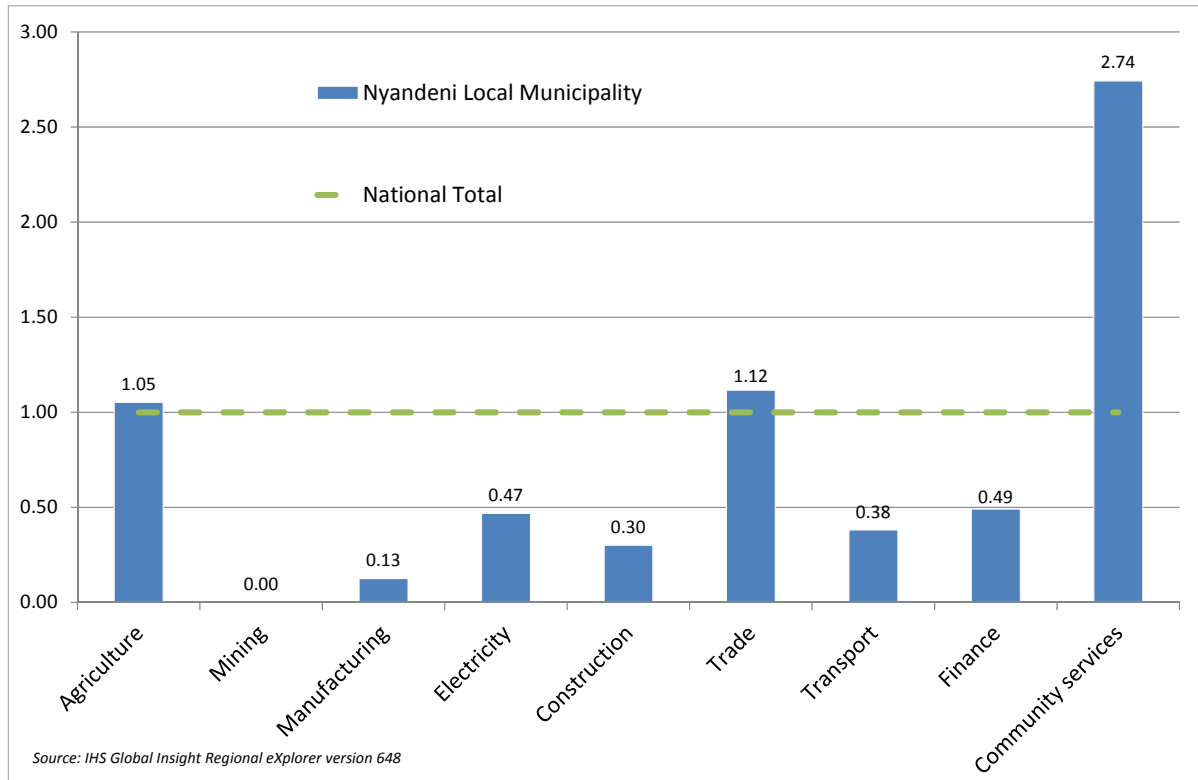
8.6 Location Quotient

A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage by taking into account production and employment.

Definition | If the location quotient is larger than one for a specified sector and region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

Compared to the national economy, Nyandeni Local Municipality has a comparative advantage when it comes to community services. Community services mostly consist of government and therefore do not really imply an advantage when compared to the national economy, but it rather raises a concern as to the importance of this sector when compared to the other sectors.

CHART 28. LOCATION QUOTIENT BY BROAD ECONOMIC SECTORS FOR NYANDENI LOCAL MUNICIPALITY AND SOUTH AFRICA, 2011



The Nyandeni Local Municipality exhibits a slight comparative advantage in the Agriculture and Trade sectors. The other sectors in Nyandeni Local Municipality have a significant comparative disadvantage relative to the country as a whole. In general Nyandeni Local Municipality has a very concentrated economy. The Manufacturing sector is generally seen as the growth propeller in the economy due to its linkages to other sectors – this sector is grossly underrepresented in the Local Municipalities’ economy.

9 Tourism

Tourism can be defined as the non commercial organisation and operation of vacations and visits to the place of interest. It ranges from visits to friends and relatives, business orientated visits, leisure / holiday and other trips such as medical or religious trips.

Reviewal of Tourism Sector Plan and tourism infrastructure

9.1 Trips by purpose of trips

Definition As defined by the United Nations World Tourism Organisation (UNWTO); a trip refers to travel, by a person, from when they leave their usual residence until they return to that residence. This is usually referred to as a round trip. ReX narrows the definition of trips to that of overnight trips only, and further narrows the definition by focusing only on trips made by adult visitors (in this case, those over the age of 18 years). It should be noted that ReX measures "person" trips, and not household or "party trips".

The purpose of a trip is defined as the **main** purpose for which one is taking an overnight trip, and it is broken down into the following categories:

- Visits to friends and relatives
- Business
- Leisure / Holiday
- Other Trips (religious or medical)

In 2011, the total number of tourist trips in Nyandeni Local Municipality numbered 135 868, which implies an average annual decrease of 0.5% since 2005. Tourism is dominated by visits to friends and/or relatives – which is a typical pattern seen in areas with high out-migration. Despite Leisure/Holiday and Business tourism's contribution to overall tourism in Nyandeni Local Municipality being small, Leisure/Holiday had the highest average annual growth from 2005 to 2011 at 19.8%.

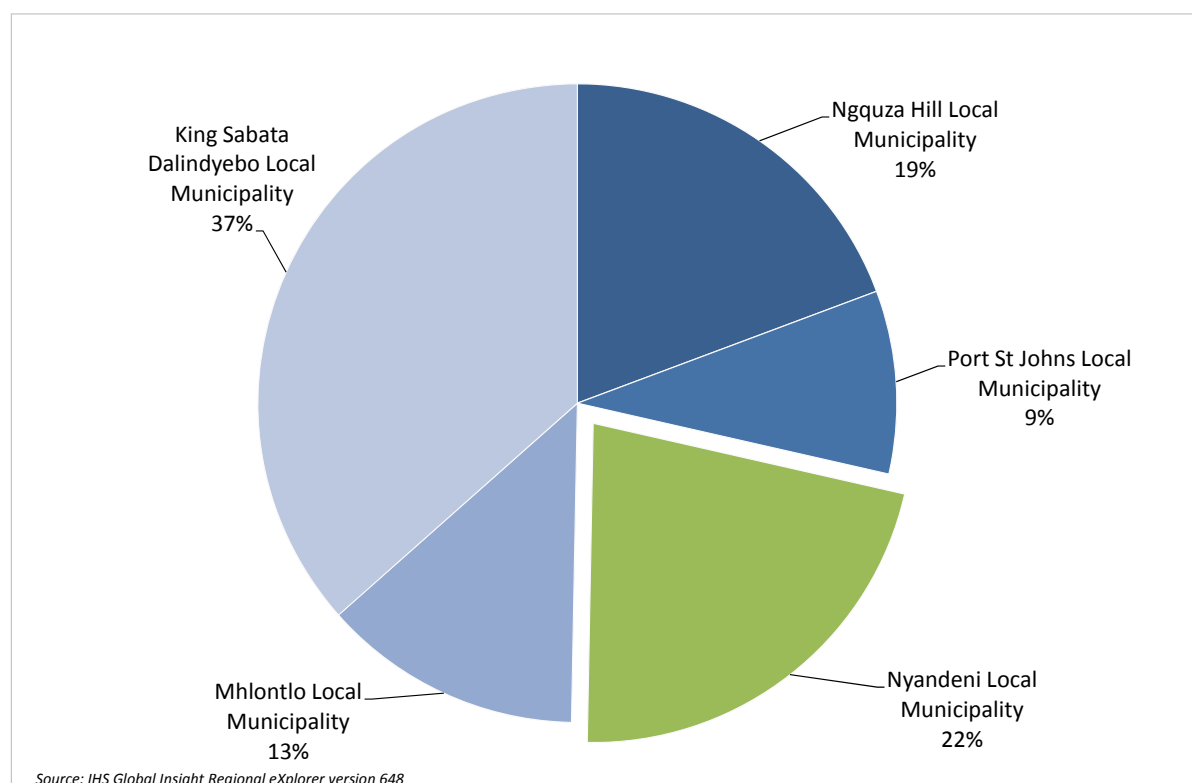
TABLE 40. NUMBER OF TRIPS BY PURPOSE OF TRIPS – NYANDENI LOCAL MUNICIPALITY, 2005 - 2011

Year	Leisure / Holiday	Business	Visits to friends and relatives	Other (Medical, Religious, etc)	Total
2005	208	948	128 224	10 478	139 858
2006	250	936	135 312	10 156	146 654
2007	365	1 018	147 223	10 636	159 242
2008	496	1 033	155 329	10 587	167 446
2009	618	1 018	168 355	10 356	180 347
2010	642	948	154 427	9 786	165 803
2011	615	793	126 098	8 362	135 868
Average annual growth rate:					
2005-2011	19.8%	-2.9%	-0.3%	-3.7%	-0.5%

Source: IHS Global Insight Regional eXplorer version 648

Business travel and other travel show an annual average decline for the period 2005 to 2011 of 2.9% and 3.7% respectively.

CHART 29. TOTAL NUMBER OF TRIPS BY LOCAL MUNICIPALITY IN O.R. TAMBO DISTRICT MUNICIPALITY, 2011



Source: IHS Global Insight Regional eXplorer version 648

In 2011, the Nyandeni Local Municipality, with 135 868 tourism trips, had the second largest share of total tourism trips in the O.R. Tambo District Municipality at 22%. The largest contributor is the King Sabata Dalindyebo Local Municipality with a total contribution of 37%.

9.2 Origin of tourists

Definition | Tourist origin is classified into two categories; domestic and foreign. A domestic tourist is a tourist that originated from within the country, and travelled within South Africa on a trip. An international tourist is someone that originated from outside South Africa's borders and travelled into South Africa on a trip.

The following is the number of tourists of domestic and international origin that visited the Nyandeni Local Municipality.

TABLE 41. TOTAL NUMBER OF TRIPS BY ORIGIN OF TOURISTS- NYANDENI LOCAL MUNICIPALITY, 2011

Year	Domestic tourists	International tourists	Total tourists
2005	137 233	2 625	139 858
2006	143 847	2 806	146 654
2007	156 417	2 825	159 242
2008	164 750	2 695	167 446
2009	177 694	2 653	180 347
2010	162 998	2 804	165 803
2011	132 950	2 918	135 868
Average annual growth rate:			
2005 - 2011	-0.5%	1.8%	-0.5%

Source: IHS Global Insight Regional eXplorer version 648

The total number of tourists in Nyandeni Local Municipality slightly decreased from 139 858 in 2005 to 135 868 2011, which translates to an average annual decline of 0.5%. The number of international tourists increased with 1.8% annually, while the domestic tourists decreased with 0.5% per year.

The following is the number of bed nights spend by tourists from domestic and of international origin in the Nyandeni Local Municipality.

TABLE 42. BEDNIGHTS BY ORIGIN OF TOURIST - NYANDENI LOCAL MUNICIPALITY, 2011

Year	Domestic tourists	International tourists	Total tourists
2005	952 525	24 597	977 122
2006	926 133	27 471	953 604
2007	979 336	29 007	1 008 343
2008	966 332	30 747	997 079
2009	934 129	32 731	966 860
2010	772 798	37 819	810 617
2011	558 532	42 599	601 131
Average annual growth rate:			
2005 - 2011	-8.5%	9.6%	-7.8%

Source: IHS Global Insight Regional eXplorer version 648

From 2005 to 2011 the number of bed nights spend by domestic tourists decreased at an average annual rate of 8.5% from 953 000 to 559 000. The number of bed nights spend by international tourists increase from 24 600 to 42 600 or at an average annual rate of 9.6%. Due to the fact that the majority of tourists are domestic, the total number of bed nights is decreasing at an average annual rate of 7.8%.

9.3 Tourism spending

Definition | The definition of tourism spending in ReX is inherited from the Stats SA definition used in their compilation of the Tourism Satellite Account. It includes all expenditure by visitors for their trip to the particular region excluding capital expenditure and the shopping expenditure of traders (known as shuttle trade.)

It is important to note that this definition of spending is different to the concept of 'contribution' to GDP and merely represents a nominal spend of total trips made to each region.

Tourism spend is presented at current prices which means that inflation has not been accounted for in the measure.

TABLE 43. TOTAL TOURISM SPENDING BY LOCAL MUNICIPALITY - NYANDENI LOCAL MUNICIPALITY, 2011 [R THOUSAND CURRENT PRICES]

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto Local Municipality	King Sabata Dalindyebo Local Municipality	OR Tambo District Municipality
2005	141 476	130 813	148 240	133 472	555 759	1 109 760
2006	141 476	130 813	148 240	133 472	555 759	1 109 760
2007	164 564	152 618	175 789	149 385	628 875	1 271 231
2008	179 199	161 271	191 497	154 023	672 409	1 358 400
2009	163 317	138 973	173 354	131 948	619 153	1 226 745
2010	164 469	134 653	173 976	125 934	621 767	1 220 798
2011	129 211	98 857	130 124	91 012	522 824	972 027
Average annual growth rate:						
2005-2011	-1.5%	-4.6%	-2.1%	-6.2%	-1.0%	-2.2%

Source: IHS Global Insight Regional eXplorer version 648

The following is the tourism spending per resident capita in the Nyandeni Local Municipality. This measure divides total tourism spending related to visiting a specific region by the total number of local residents living within that region.

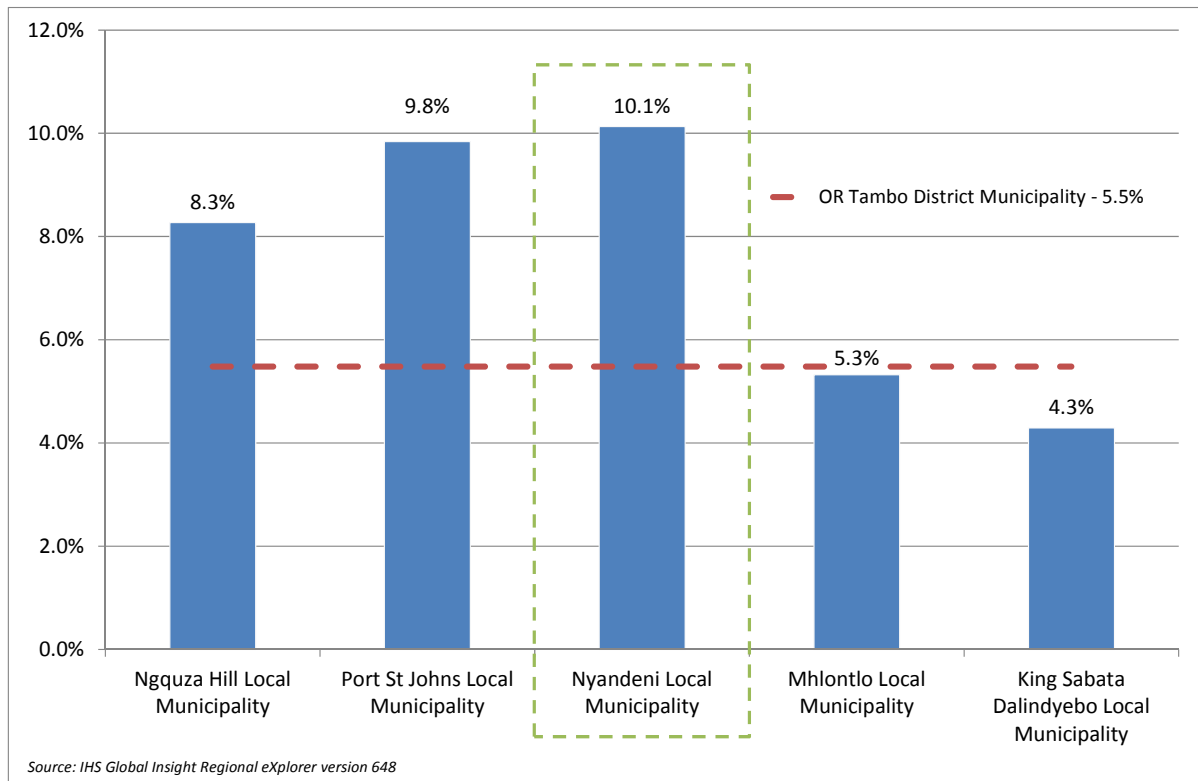
**TABLE 44. THE AVERAGE TOURISM SPEND PER RESIDENT CAPITA -
NYANDENI LOCAL MUNICIPALITY, 2011 [R THOUSAND CURRENT
PRICES**

Year	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality	OR Tambo District Municipality
2005	445	699	413	547	1 115	700
2006	530	871	509	642	1 250	816
2007	613	1 014	599	717	1 402	928
2008	663	1 067	647	737	1 485	985
2009	600	916	582	629	1 356	884
2010	600	884	580	598	1 349	873
2011	468	646	431	430	1 125	691
Average annual growth rate:						
2005-2011	0.8%	-1.3%	0.7%	-3.9%	0.2%	-0.2%

Source: IHS Global Insight Regional Explorer version 648

In 2011 the Nyandeni Local Municipality had a total of R 431 tourism spending per resident capita which translates to an average annual growth rate of 0.7%. The King Sabata Dalindyebo Local Municipality has the highest tourism spending per resident capita of R1 125, which increased from 2005 to 2011 at an average annual rate of 0.2%. The local municipality that decreased the most is the Mhlontlo Local Municipality with a decline of 3.9% annually.

CHART 30. TOTAL TOURISM SPENDING AS PERCENTAGE OF GDP (CURRENT PRICES) BY LOCAL MUNICIPALITY - NYANDENI LOCAL MUNICIPALITY, 2011



Although tourism spending is the highest in the King Sabata Dalindyebo Local Municipality in 2011 (R522 million), expressed as a percentage of the GDP it is the lowest of all the local municipalities at only 4.3%. The local municipality with the second most spending is the Nyandeni Local Municipality with R130 million. Nyandeni Local Municipality tourism spending is also the largest in terms of percentage share of the GDP with a 10.1% share of GDP.

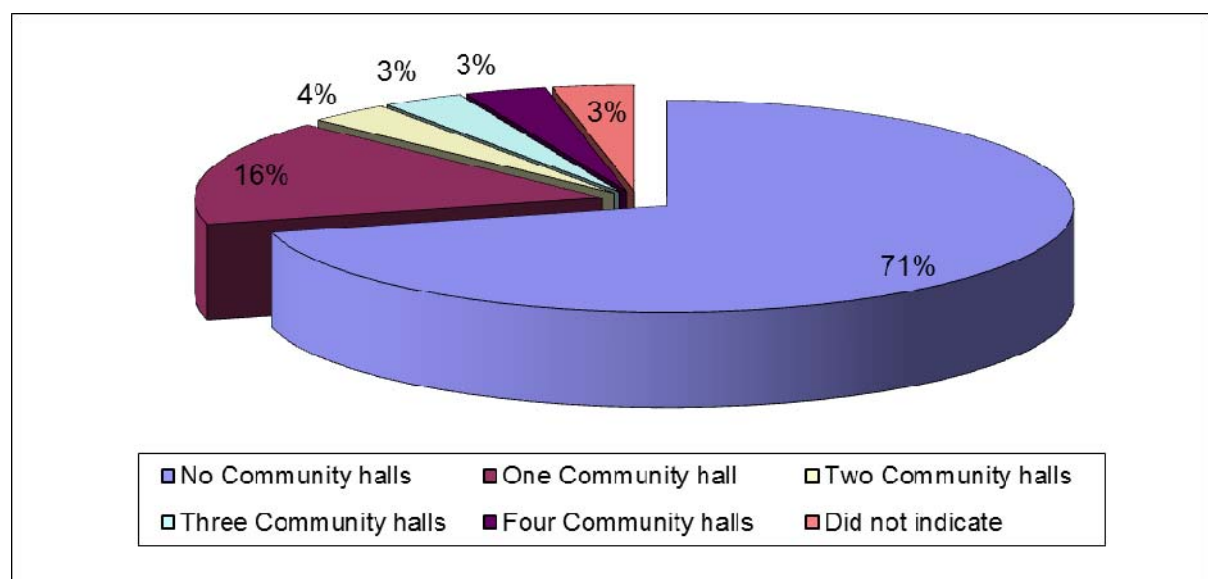
10 Social Infrastructure

Social infrastructure is a subset of the infrastructure sector and typically includes assets that accommodate social services. Examples of social infrastructure assets include schools, universities, hospitals, prisons, libraries, community halls and community housing. Social infrastructure does not typically extend to the provision of social services, such as the provision of teachers at a school or custodial services at a prison.

COMMUNITY HALLS

(a) Average number of community halls in the various wards

One other aspect investigated through this study was that of community halls, their distribution, funders, personnel and security. The respondents were asked to indicate how many community halls they had in their wards. Their responses are shown in Figure 5 and illustrate that community halls are not very common in these communities. Actually, of all the wards that partook of this study, 22 (or 71%) of them do not have any community halls at all. Sixteen percent (5 wards) of the wards have one community hall each and these are wards 1; 11; 19, 20 and 31. As also illustrated in Figure 5, there are two wards (3%) with 3 and 4 community halls each and these are wards 6 and 21, respectively. Ward 17 did not indicate if there is a community hall or not in that particular ward whereas ward 24 has 2 community halls. In total, there are 14 Community Halls in the entire municipality.



The following community halls were constructed by various funders in the following wards,01,06, 07,11,19,20,21,24 and 31.

PROPOSED PLANS

Build at least two Community Hall per annum including maintainance

LIBRARY SERVICES

The municipality has a Service Level Agreement (SLA) with Department of Sports, Recreation and Arts & Culture (DSRAC) to manage public libraries. There are 02 official public libraries (Libode ward 07 and Ngqeleni Town ward 21). There are 03 modular libraries established by DSRAC at Ward 04, 14, and 20

The municipality took a decision to establish and support school/community libraries, to that effect the municipality is operating with 07 community/ school libraries (Ward 04, 11, 14,18,19,24 and 31).

10.1 Educational services

Definition	<p>Educational services in a economy consist of many components, for the purpose of this report we will use the following indicators to summarise the educational services:</p> <ul style="list-style-type: none">• Total leaners – the number of leaners actively participating in education.• Total educators – the number of educators of teachers part of the education.• Number of facilities – al the facilities or schools used for the education.
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The following is an overview of the educational services and statistics of the Nyandeni Local Municipality. The total learners, total educators or teachers and number of schools are presented for the last 3 years.

TABLE 45. EDUCATION INFRASTRUCTURE BY LOCAL MUNICIPALITY IN O.R. TAMBO DISTRICT MUNICIPALITY, 2010 TO 2012

		Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto Local Municipality	King Sabata Dalindyebo Local Municipality	Total
Total Learners	2010	114 713	66 799	110 920	75 993	158 657	527 082
	2011	112 444	64 030	107 037	69 680	149 749	502 940
	2012	115 057	64 949	106 925	68 776	145 043	500 750
Total Educators	2010	3 282	1 824	3 331	2 559	5 082	16 078
	2011	3 162	1 838	3 299	2 591	5 020	15 910
	2012	3 194	1 799	3 251	2 533	4 939	15 716
Number of Schools	2012	218	147	259	259	350	1 233

Source: EMIS - Department of Basic Education

The number of learners in the Nyandeni Local Municipality was 106 925 in 2012, which is a decrease of 1.82% per year from 2010. The total number of educators that are serving the learners amounts to 3 251 and decreased at an average annual rate of 1.21%. Nyandeni Local Municipality has a total number of 259 schools to accommodate the learners and the educators.

EARLY CHILDHOOD DEVELOPMENT

Include Prioritisation of SOPA

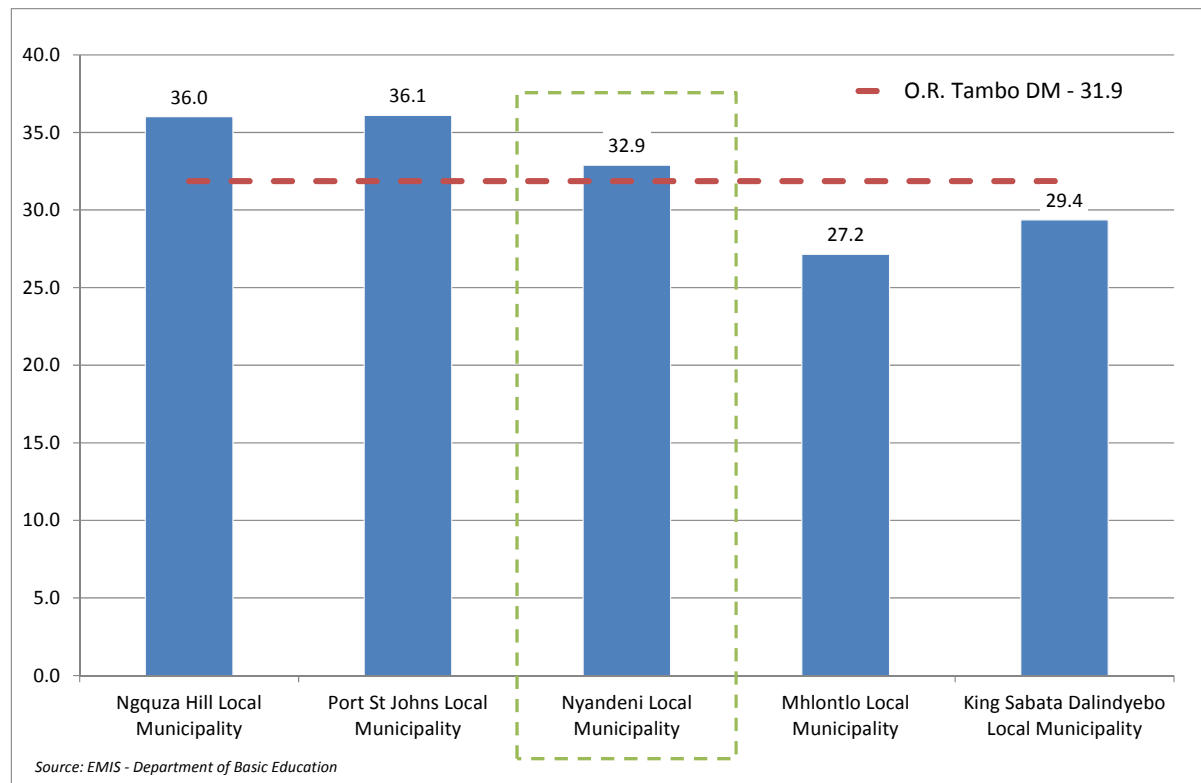
The municipality took a decision to contribute to the cognitive development of the child by making a provision of the child care facility, where a child will be developed emotionally, cognitively, morally, physical and social from birth to school going age.

Distribution of ECDCs between different wards in the municipality (N=31)

Number of ECDCs per ward	Frequency	Total number of ECDCs	Wards	Number of villages
00	1	00	20	18
01	2	02	17; 19	19
02	0	00	-----	00
03	4	12	7; 9; 22; 23	23
04	7	28	1; 3; 4; 5; 15; 25; 30	66
05	4	20	10; 11; 12; 31	24
06	2	12	18; 24	21
07	4	28	8; 26; 27; 29	54
08	1	08	16	10
09	0	00	-----	00
10	3	30	2; 6; 21	36
11	2	22	13; 28	19
12	1	12	14	10
TOTAL	31	174	31	300

To date the municipality has constructed 8 early childhood centres in the following wards 02, 04, 07, 10, 21, 25,26 28. Additional 2 ECDC's will be constructed in the 2014/2015 financial year

CHART 31. NUMBER OF STUDENTS FOR EACH EDUCATOR BY LOCAL MUNICIPALITY IN O.R. TAMBO DISTRICT MUNICIPALITY, 2012



In order to sustain growth in the number of learners, educators are necessary. In Nyandeni Local Municipality there is a total number of 3 251 educators/teachers which is equal to 33 learners to one educator, which is inline with the district municipality (32 learners per educator). Comparing that to the other local municipalities the Mhlontlo Local Municipality has the lowest ratio of 27 learners to one educator.

10.2 Healthcare facilities

Definition | A healthcare facility is, in general, any location at which medicine is practiced regularly. Medical facilities range from small clinics and doctor's offices to emergency medical centres and large hospitals with elaborate emergency rooms and trauma centres. The healthcare facilities is summed in to categories:

- **Private facilities** – all facilities that is for-profit this includes private

hospitals and private clinics. The not-for profit facilities also forms part of the private facilities, but is only non-medical sites.

- **Public facilities** – this includes general provincial facilities, provincial emergency services and any other department facilities

There is a total of 8252 healthcare facilities in South Africa, 6575 is in the hands of the government and 1677 in the private sector. The following summarizes the number of health facilities in the O.R. Tambo District Municipality and the Nyandeni Local Municipality.

TABLE 46. NUMBER OF HEALTH FACILITIES IN NYANDENI LOCAL MUNICIPALITY, 2011

Type	Number of health facilities		Facilities per 100,000 people	
	O.R. Tambo DM	Nyandeni LM	O.R. Tambo DM	Nyandeni LM
Private facilities	5	1	0.4	0.3
Public facilities	193	65	14.1	22.4
Total	198	66	14.5	22.7

Source: Health Information Systems Programme (HISP)

The Nyandeni Local Municipality has 33.7% of the total public facilities in the O.R. Tambo District Municipality. In the O.R. Tambo District Municipality there is a total of 14.5 healthcare facilities for every 100,00 people, while in Nyandeni Local Municipality a total of 22.7 healthcare facilities are available for every 100,000 people.

TABLE 47. NUMBER OF HEALTH FACILITIES IN NYANDENI LOCAL MUNICIPALITY BY TYPE OF FACILITY, 2011

Type	O.R. Tambo District Municipality	Nyandeni Local Municipality
Clinic	139	46
Community Health Centre	10	3
Correctional Centre	4	2
Crisis Centre	1	1
District Hospital	9	4
EMS Station	9	3
Mobile Service	14	6
Non-medical Site	3	-
Private Hospital	1	-
Provincial Tertiary Hospital	2	-
Psychiatry Service	3	1
Regional Hospital	1	-
Specialised Orthopaedic Hospital	1	-
Specialised TB Hospital	1	-
Total	198	66

Source: Health Information Systems Programme (HISP)

The above table is a breakdown of the type of healthcare facilities in the Nyandeni Local Municipality. The majority of health facilities are in the form of a clinic - 46 facilities or 69.7% of the total facilities in Nyandeni Local Municipality.

The number and quality of medical facilities in a country or region is one common measure of that area's prosperity and quality of life.

CHAPTER 3: THE SPATIAL DEVELOPMENT FRAMEWORK

Preparation and Adoption

The Spatial Development Framework was reviewed and adopted by Council **on 31 March 2011 with a council resolution no 650** as key component of the integrated development planning. It is five a year horizon plan that guide and inform spatial planning processes and key decisions.

The formulation of a Spatial Development Framework Plan is a legal requirement, which every Municipality must adhere to as part of their Integrated Development Planning process (IDP). Refer: Section 26 (e) of the Municipal Systems Act (Act 32 of 2000).

SDF REVIEW PROCESS

3.1 Purpose of Spatial Development Planning

The purpose of formulating a Spatial Development Framework Plan for Nyandeni is to provide the municipality and other development agencies with a tool to assist them in making development decisions, which ensures that land in Nyandeni is used and managed appropriately and that sustainable development decisions and practices are implemented.

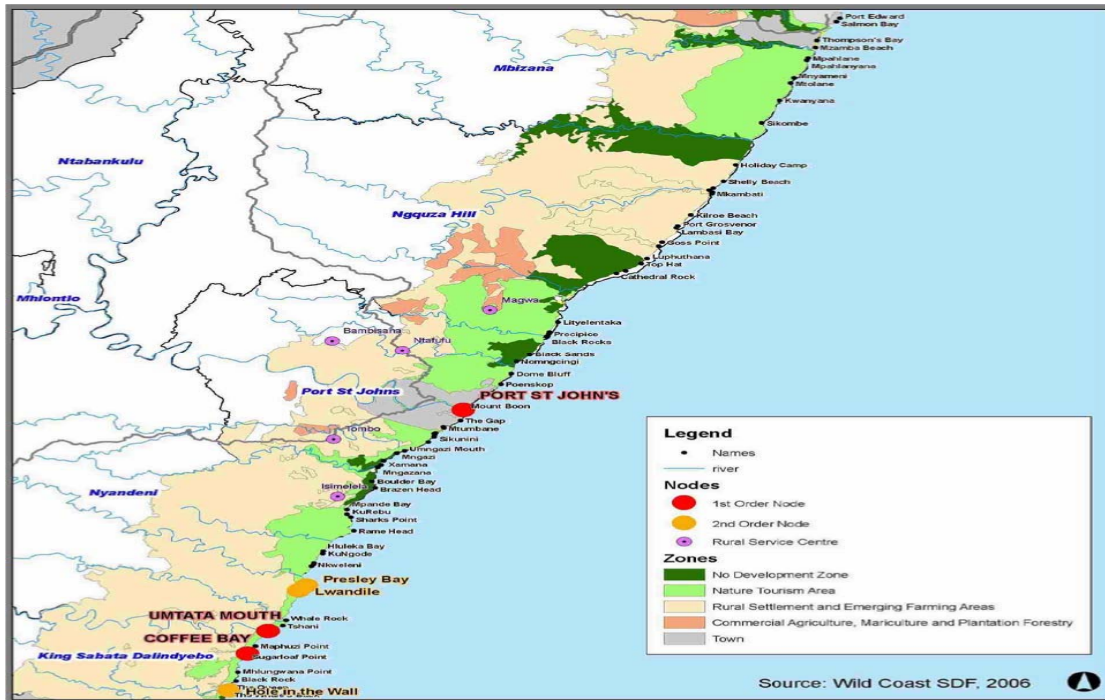
The Spatial Development Framework essentially creates a map “picture” of what the Nyandeni area will look like in the future in accordance with the Municipality’s vision and objectives, developed during the IDP process.

In so doing the purpose of the plan is to provide a spatial policy framework:

- To direct development agencies in decision making which directly or indirectly impacts on the Municipal area.
- To direct private and public investment to areas in that would ensure the most sustainable return of investment.
- To guide development in a spatially efficient way, ensuring linkage and alignment to regional and national development policies and programmes.

- Which in response to locally specific trends and dynamics in Nyandeni, directs investment to areas of greatest potential and to target areas of greatest need to alleviate poverty and promote economic growth.
- This proposes strategic options to improve linkages within Nyandeni and beyond its boundaries to stimulate effective and sustainable integrated development.

Nyandeni LM SDF



3.2 Legal Framework for the SDF

During the Apartheid era (pre-1994), spatial planning was commonly used as a tool to achieve the “separate development” ideology of the Apartheid Government. In those terms, spatial planning entailed prescriptive, inflexible and control-orientated measures that sought to manipulate the physical environment in order to achieve racially separate. As an inevitable consequence of this, fragmented and unequal socio-economic and spatial development patterns resulted across South Africa, which is a legacy that will need to be redressed for generations to come.

Since 1994, the post-Apartheid Government has sought productively to change the imbalances and inequalities of the past by: -

- *Promoting the restructuring of spatially inefficient settlement forms;*
- *Encouraging wise and sustainable land use;*
- *Channeling resources to areas of greatest need and development opportunity;*
- *Stimulating economic development opportunities in both rural and urban areas; and*
- *Supporting equitable protection of rights to and in land.*

In order to achieve this, the Government has adopted a range of new legislation and policies, which allows for a more flexible, participative planning methodology that is principle-led and rights-based.

For the Nyandeni Spatial Development Framework, the **key legislative informants** of the new approach to spatial planning are derived from: -

- *The Development Facilitation Act (Act 67 of 1995)*
- *The Municipal Systems Act (Act 32 of 2000) – specifically Chapter 5*
- *The Local Government: Municipal Planning & Performance Management Regulations (GN R796 of 2001)*
- *The White Paper on Wise Land Use: Spatial Planning and Land Use Management (March 2001)*
- *The Draft Land Use Management Bill (2008)*

The above laws and legislative policy documents provide the foundations for establishing the parameters of a Spatial Development Framework. As such, these are the principle informants on matters of spatial planning policy for the Municipality and, in the case of the enacted laws, the Municipality is legally obliged to apply their provisions when engaging in spatial planning and land use management.

3.3 Nyandeni Development Nodes

Nodes are usually located on main transport routes and intersections of such routes, to provide maximum access and can act as catalysts for new growth and development in areas adjacent to the nodes. As such, they are areas where the following should be prioritized: -

- Appropriate levels of development investment in infrastructure.
- Appropriate land use management to promote preferred development outcomes, which are further described in Section 6.3.3. Below in the Land Use Management Guidelines.

IT MUST BE NOTED that defining certain urban or rural settlements as development nodes does imply that these areas are of a higher level of strategic importance in the overall spatial pattern of development in Nyandeni.

However, this does not mean that the constitutional injunction to strive to deliver a basic level of service to all settlements in the municipal area within the available means of the state is to be compromised.

Rather, the identification of the development nodes is seen as a tool to assist the Municipality in prioritizing its efforts and expenditure appropriately to achieve the best possible developmental outcomes in the Nyandeni area, to the benefit of all Nyandeni communities.

URBAN NODES	
NODE TYPE	AREA/LOCALITY
Municipal Urban Node	Libode Ngqeleni
DESCRIPTION	

URBAN NODES	
NODE TYPE	AREA/LOCALITY
<p>Both these towns are described in the OR Tambo District SDF as lower-order service centres in terms of the district-scale.</p> <p>From the local municipal perspective they remain important as urban settlements where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas.</p> <p>The towns should be promoted by the LM as places for the location of retail and wholesale enterprises as well as education and health facilities. It is important also to ensure that public transport facilities are developed to an effective standard in these towns.</p> <p>The priorities in these towns are deemed to be the upgrade and extension of infrastructure networks and the implementation of rigorous land use management.</p>	

3.3.1 Libode

The specific priorities for land development in the town of Libode are suggested as follows (refer to Plans overleaf): -

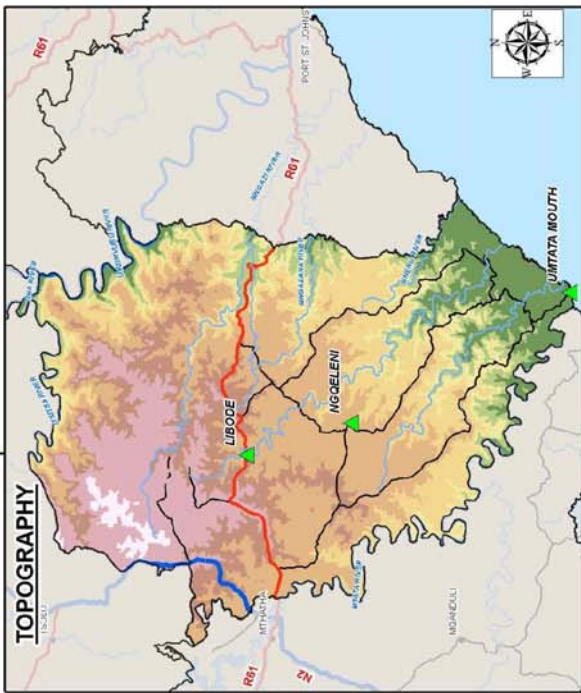
- Given the fact that the town is relatively close to the conurbation of Mthatha, where housing/accommodation is at a premium, the focus in Libode should be on developing the town as a secondary or satellite town to Mthatha. This means that emphasis should be placed on
 - a. The upgrade of urban infrastructure to ensure that a decent level of service can be provided to residents in the town;
 - b. The rendering of basic cleansing services and the effective management of solid waste so as to improve the quality of the living environment in the town;
 - c. Proper application of the Town Planning Scheme and Building Controls to ensure that land development takes place in terms of the requirements for site coverage, height controls and the provision of on-site parking and loading facilities;

- d. Placing a special focus on the improvement of infrastructure (including public transport facilities) in the Central Business area (Business Improvement District)
 - e. Maintaining the integrity of the urban edge until the area demarcated by the edge is fully developed and serviced.
 - f. Encouraging the densification of residential areas in the “old town” where erf sizes are large. This may be achieved by the application of rates surcharges for undeveloped land located in the town area.
- It is desirable that a Local Spatial Development Framework be formulated that focuses on the town of Libode and the rural settlements due south of the town to attempt to promote the integration of the functioning of the urban and rural areas.

.3.2 Ngqeleni

The specific priorities for land development in the town of Ngqeleni are suggested as follows

- Given the fact that the town is centrally located within the Nyandeni Municipal area and is located on a main access route to the coastal resort areas of Presley Bay and Lwandile, the focus in this area should be placed: -
 - a. The upgrade of urban infrastructure to ensure that a decent level of service can be provided to residents in the town;
 - b. The rendering of basic cleansing services and the effective management of solid waste so as to improve the quality of the living environment in the town;
 - c. Proper application of the Town Planning Scheme and Building Controls to ensure that land development takes place in terms of the requirements for site coverage, height controls and the provision of on-site parking and loading facilities;
 - d. Placing a special focus on the improvement of infrastructure (including public transport facilities) in the Central Business area (Business Improvement District);



Topography

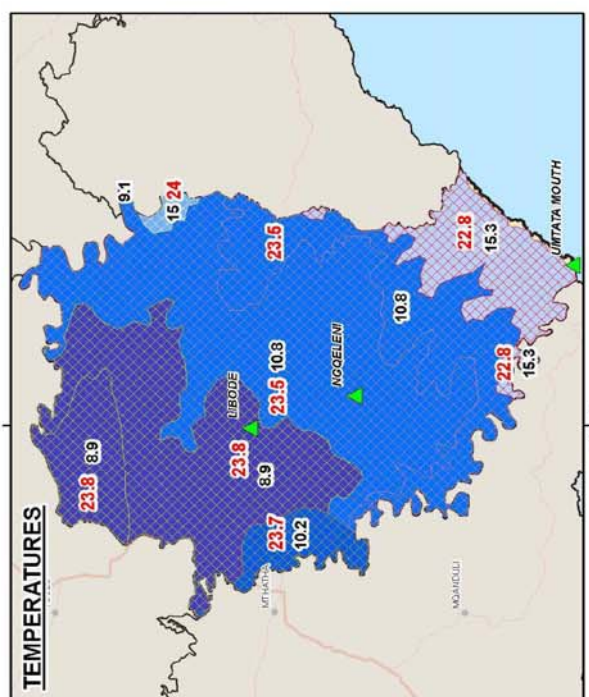
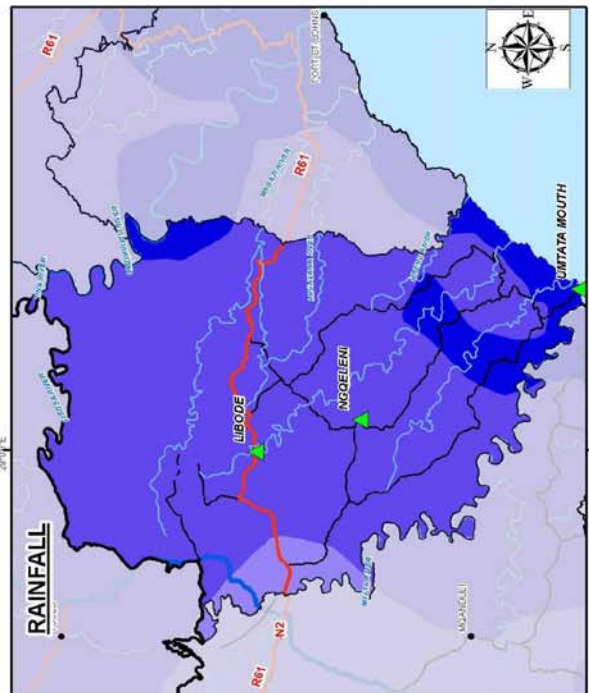
Nyandeni Municipality ranges in altitude from 1200m above sea level in the North-West slowly descending towards the South-East to the low lying coastal area. It is drained by four perennial rivers, Mngazi, Mngazana, Mlata and Mneni River.

Climate

Nyandeni experiences a largely subtropical climate, with the more elevated regions experiencing a more temperate climate. Below the escarpment, along the coast are the wettest area, though the whole municipality a very high average annual rainfall of above 700mm per annum.

Minimum temperatures range from 8,9°C in the high lying North West to 15,3°C along the coast, with a very small maximum range from 22,8°C along the coast to 23,8°C inland.

This moderate climate ensures favourable conditions for agriculture and this seems to be the most viable means of income generation for this region.



FOREST POTENTIAL

The eastern portion of the Eastern Cape has large areas which are biophysically suitable for commercial forestry. In 2003, DWSAF commissioned a Strategic Environmental Assessment (SEA) of areas that are biophysically suitable for forestry in Water Management Area 12 (WMA12) (Umzimvubu – Keiskamma).

Although there are other areas with forestry potential within the province, WMA12 represented the area with the highest forestry potential and where the hydrological impacts are likely to be lowest. The area has one of the lowest total requirements for water in the country, due to relatively high rainfall and low levels of economic activity.

The identified areas having "good" potential (Mean Annual Increments of 22 for Pine, 35 for Gum and 10 for Wattle) and 1 585 947 ha as moderate (Mean Annual Increments of 15 for Pine, 15 for Gum and 8 for Wattle). A Mean Annual Increment is a measure of plantation growth in cubic meters per hectare per year.

The areas with forestry potential were identified on the basis of biophysical criteria after filtering out existing forestry, areas of high biodiversity, conservation value, socio-economic value, hydrological restrictions, infrastructural constraints, and urban and residential settlements. At this stage the areas are merely identified as being suitable for forestry (as opposed to available).

Category	Area (Ha)	%
good	3764.15	2.82%
low	26935.25	20.15%
moderate	102966.12	77.03%
Total	133665.52	100.00%

ENVIRONMENTALLY SENSITIVE AREAS

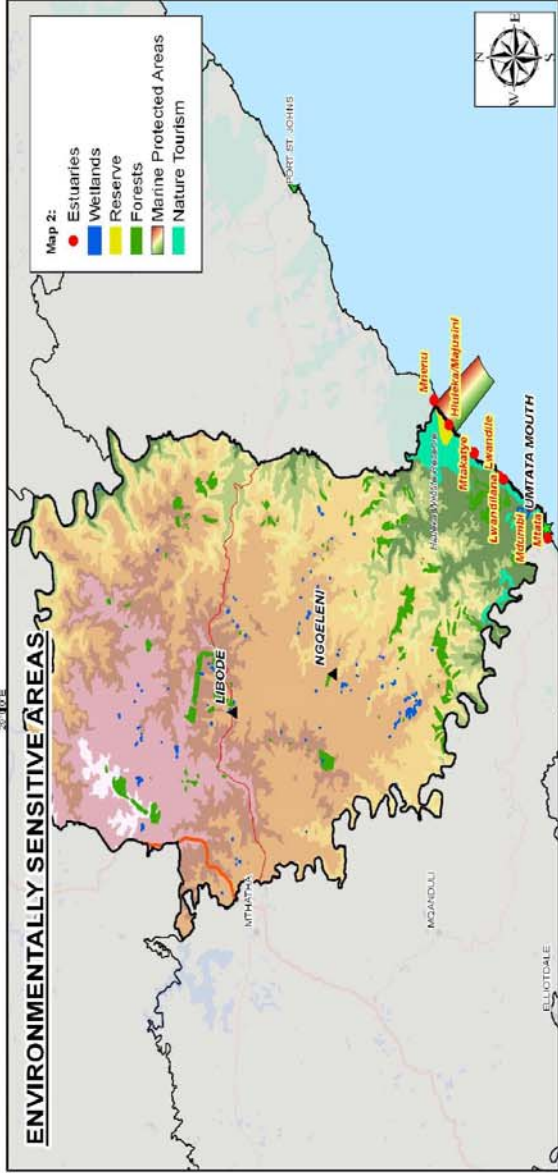
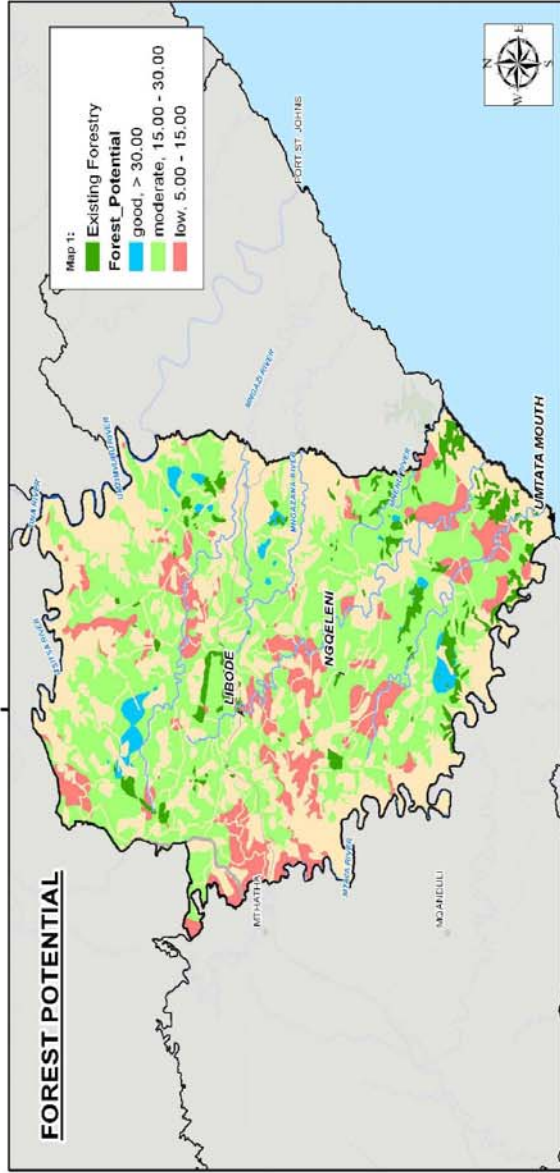
Nyandeni Municipality has potential for tourism along the 20km stretch of coastline from Mtata Estuary in the south-west to Mhenu Estuary in the north-east. This coastline is a very important eco-tourism destination, as there are a number of forests, areas designated for nature tourism, estuaries, Huleka Wildlife Reserve and a marine protected area.

Coastal Forest
Coastal Forest includes all areas of coastal dune forest and coastal lowland forest. It is becoming increasingly rare along the eastern coast due to clearing for agriculture and township development. This group of vegetation is important because of its high species diversity which may harbour medicinally useful plants; aesthetics; soil binding and erosion prevention characteristics habitat provision for wildlife and educational, tourism

Wetland Areas
Two types of wetland systems are found within the Nyandeni Municipality. Coastal wetlands are influenced by tides and contain waters that show appreciable salinity. Inland wetlands include fresh water areas and can be likened to a basin which is filled with soil that has an impervious layer such that it retains water. Wetlands are usually identified by a few characteristic plant types such as bulrushes, reeds, sedges, mangroves and other water loving trees and grasses. Wetlands offer a multitude of advantages to the environment.

1. Plant cover allows for filtering, reducing flow velocities and most importantly allowing for infiltration into the soil and thereby replenishing ground water levels.
2. Controlling stream flow velocities, flood control and volumes
3. Soil erosion protection.
4. Provision of stock grazing lands
5. Provision of wildlife habitat including aquatic nurseries (fishing, hunting, material harvesting, education and game viewing)

All estuaries, streams and rivers should be conserved within the Nyandeni Municipality due to their functional importance in the provision of freshwater supply as well as their ecological importance.



TOURISM NODES	
NODE TYPE	AREA/LOCALITY
Primary Coastal Node	Mthatha Mouth/Mdumbi/Tshani
Secondary Coastal Node	Presley Bay/Lwandile
Proclaimed Reserve	Hluleka Reserve
DESCRIPTION	
<p>These are areas or settlements where the principal function has been identified as being related to the development of a viable and sustainable Coastal Tourism sector</p> <p>Accordingly, the priorities in these nodes are related to appropriate infrastructure development, the development of suitable access roads and the maintenance of the infrastructure so developed.</p> <p>A further set of priorities for these nodes is strongly related to the appropriate management of land use and related activities as well as rigorous environmental management to preserve the environmental assets that provide the competitive advantage of these areas.</p>	

RURAL NODES	
NODE TYPE	AREA/LOCALITY
Higher Order Rural Settlement Node (Rural Service Centres)	Corana Junction Nyandeni village Marhubeni Dikela Hill Ntlaza Junction "Kop Shop" Junction Canzibe Entshilini Junction
DESCRIPTION	

RURAL NODES

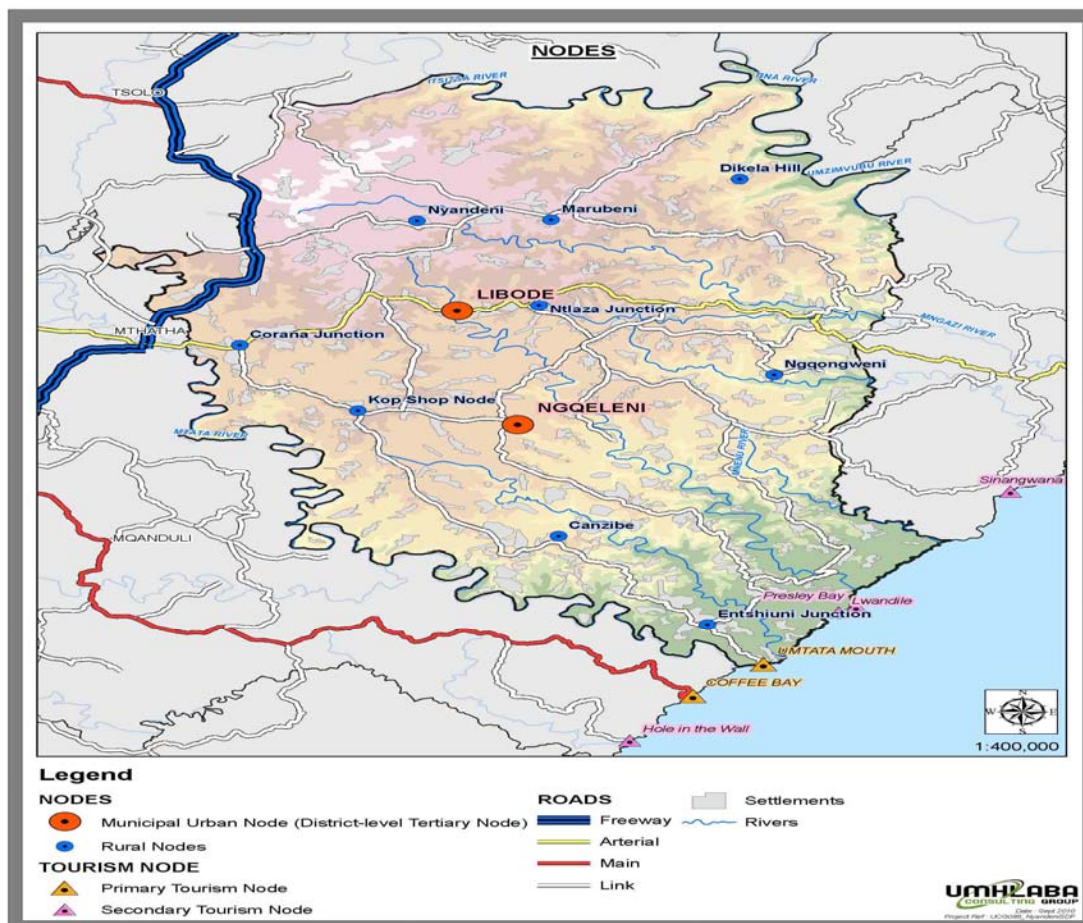
NODE TYPE

AREA/LOCALITY

These are rural villages or transport junctions where higher order rural-level services are prioritized. In the main, these are seen to include education facilities, primary health care facilities (clinics), businesses and, where required, other social facilities (police stations, pension pay points etc.).

The priority from an infrastructure point of view for these rural nodes remains a basic level of supply for water services and electricity. However, road access to and from these nodes is seen to be of a higher priority and should be noted accordingly when road development and maintenance budgets are drawn up.

These nodes are also prioritized as local areas where spatial planning to improve land use and infrastructure should be carried out.



3.4 Development Corridors

Development corridors are described in planning terms as roads or railway routes that are usually associated with the movement of people between places. This function of facilitating movement of people along a route also means that these “movement corridors” have the potential to accommodate development of different levels of intensity and a mix of land uses at certain points along the route.

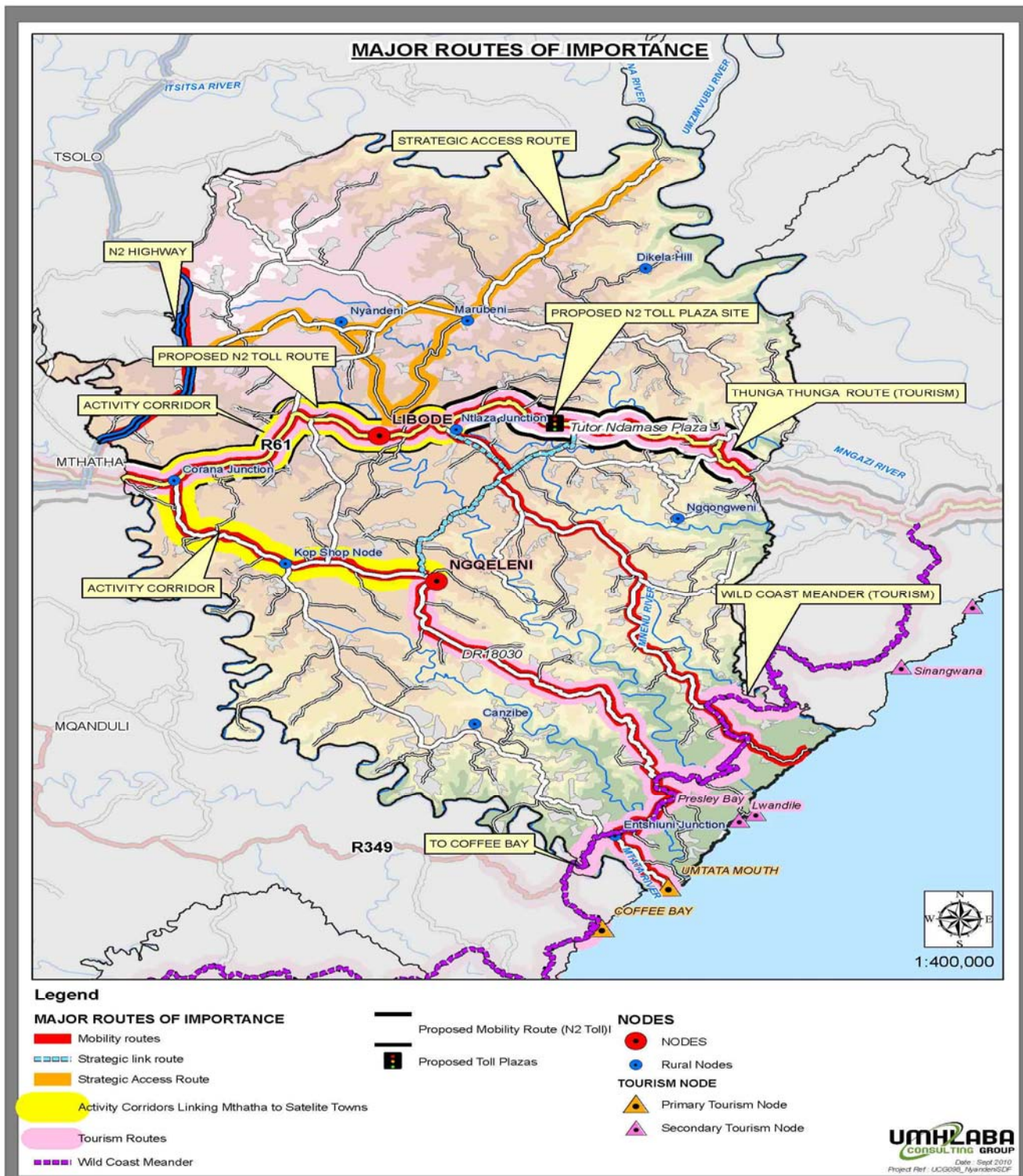
Different categories of Development Corridors can be described as follows (*adapted from the Buffalo City Spatial Development Framework: SETPLAN et al, 2003*):

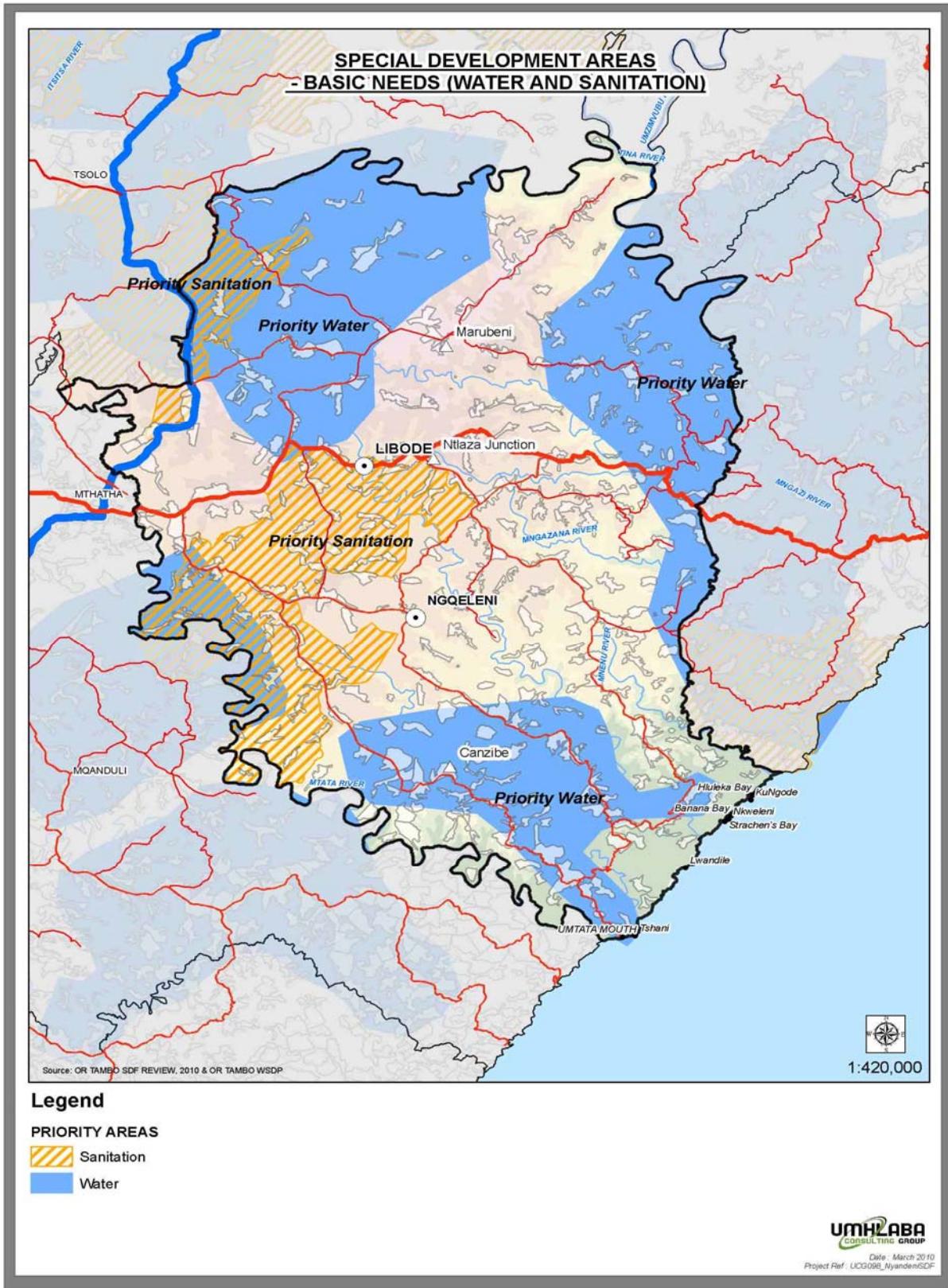
- **Mobility Route:** is a road with limited access that principally carries traffic between major nodes.
- **Activity Corridor:** is a band of high-density development up to 800m wide along a public transportation route. Typically, activity corridors link areas of greater intensity of land use (nodes) and are usually found in larger urban areas. They can, however, be designated in rural areas where deemed appropriate.

In addition to the above types of development corridor commonly defined, the particular circumstances within Nyandeni warrant the identification of **Special Routes**, which are, in this instance, related to tourism development.

TYPE	AREA/DESCRIPTION OF LOCALITY	FUNCTION
Primary Activity Corridor	<ul style="list-style-type: none"> ▪ R61 from Mthatha to Ntlaza Junction 	This route has the potential to be developed as a development corridor with a higher intensity of land use alongside it due to the proximity of the three nodal elements of Ntlaza Junction, Libode and Mthatha.
Mobility Routes	<ul style="list-style-type: none"> ▪ N2 ▪ R61 ▪ DR18030 (road from R61 to Mthatha Mouth via Ngqeleni) 	These routes carry passing traffic and provide access between local areas in Nyandeni and centres

Proposed Mobility Route	▪ N2 TOLL Road	further afield
Special Routes – Tourism Focus	<ul style="list-style-type: none"> ▪ Wild Coast Meander ▪ Thunga Thunga Route (R61) ▪ DR18030 (road to Mthatha Mouth) 	These routes relate to tourism destinations and provide links between tourism nodes and main mobility routes





SPATIAL DEVELOPMENT FRAMEWORK IMPLEMENTATION

NYANDENI PRECINCT PLAN

Nyandeni Precinct Plan was commissioned by the Eastern Cape Socio Economic Consultative Council herewith referred as (ECSECC) and completed in 2012. The study identifies 3 areas namely;

- *Central Business District (CBD) of Ngqeleni*
- *Mthatha Mouth to Mdumbi River*
- *Lwandile/Presley Bay*

Objectives and Strategies

2. Provide a clinic for the community of Ngqeleni	The nearest hospital is Canzibe Hospital, in Mgodweni location, 30 km away from Ngqeleni. An appropriate site has been allocated for a clinic in Ngqeleni Town.
3. Identify the strategic areas of opportunity that should be the focus areas for capital investment in engineering services infrastructure.	This is the mapped CBD area that will facilitate medium density developments and intense economic activity. Maintain the proposed urban edge for the next 10 years or more until such time that the area has been developed to its full potential and densified to its full potential.
4. Improve road quality by undertaking road maintenance and/or rehabilitation.	Tar the two main roads. Namely: King George and Armstrong street. And provide wide pavements that facilitate random street trading as well as people walking with their goods.
5. Implementation of a well designed stormwater system that will reduce damage to road infrastructure.	This will be costly and will disturb the everyday functioning of the town therefore careful planning is required and appropriate times for road works.
6. Implement a comprehensive land use management system for the municipality. This will lead to investment and development in the medium to long term.	Channel development into a system of nodes and corridors, in accordance with the principles of the National Spatial Development Perspective.
7. Unlocking of strategic land.	Support and develop strategic locations that contain the right characteristics to enable sustainable economic development and which contribute to the overall spatial efficiency and sustainability. Identify vacant land parcels which will have 1 st priority in terms of development and thereafter identify other land parcels that would facilitate ideal developments for the betterment of the town. Those land parcels would then need to be acquired from the municipality or bought from private owner.

Nggeleni Nodal Precinct identifies the following development priorities

- Construction of a Tourism Information Centre to cater for the needs of tourist travelling through the town
- Tourism Sector Plans
- Resources (Skilled Professional)
- Preparation of Business Plans
- Detail Urban design guidelines
- Tourism and Direction Signage
- Redevelopment of Taxi Rank with facilities
- Upgrading of water supply

Development Priorities – Mthatha Mouth/Mdumbi

- Detail Urban design guidelines
- Application for funding for township establishment
- Tourism and Direction Signage
- Marketing and investment opportunities
- Upgrading of the main access road
- Upgrading of water supply
- Upgrading of sanitation
- Development of Hotel/Lodge
- Development of Caravan Park'
- Development of two resort areas

Development Priorities – Lwandile/Presley Bay Node

- Upgrading of the main access road
 - Tourism signage and marketing
 - Township Establishment
 - Upgrade of water supply
 - Upgrade of sanitation
 - Development of Hotel/lodge
 - Development of two resort area
 - Development of Caravan Park
-

Local Spatial Development R61 Corridor/Ntlaza & Libode

Objective of the LSDF

- Manage development, upgrade the CBD and Ntlaza Junction area, improve the quality of life, give access to basic services, social facilities and create employment opportunities.
- Upgrading of infrastructure to support the growing transport services and new development initiatives.
- Manage use of natural resources.
- Identify and develop adequate land and services for existing and new communities.
- Create higher density settlements.
- Promote development along major transport routes and in close proximity to services.

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▶ Ntlaza Junction situated at a transport interchange. 	<ul style="list-style-type: none"> ▶ High dependency rate on the local government sector. ▶ Low levels of employment and income, which results in limited buying power. 	<ul style="list-style-type: none"> ▶ Densification of residential areas is encouraged. 	<ul style="list-style-type: none"> ▶ Predominant residential component, instead of a more business orientated centre.
<ul style="list-style-type: none"> ▶ Libode regarded as the economic hub of Nyandeni Local Municipality. 	<ul style="list-style-type: none"> ▶ No legislation in place to control development. 	<ul style="list-style-type: none"> ▶ Ntlaza Junction prioritized for education facilities, primary health care facilities, businesses and other social facilities. 	<ul style="list-style-type: none"> ▶ No projects to upgrade roads and stormwater in Libode.
<ul style="list-style-type: none"> ▶ Vacant land within the town of Libode is available for development. 	<ul style="list-style-type: none"> ▶ Infrastructure backlog. 	<ul style="list-style-type: none"> ▶ Road access to and from Ntlaza Junction prioritized for maintenance. 	<ul style="list-style-type: none"> ▶ Water shortages in Libode, particularly in dry seasons.
<ul style="list-style-type: none"> ▶ Favourably located on R61 en-route to the National N2 Road and the coast. 	<ul style="list-style-type: none"> ▶ Existing gravel roads, with no formal stormwater infrastructure. 	<ul style="list-style-type: none"> ▶ R61 identified as a 'Primary Activity Corridor' with the potential of being developed as a 'development corridor'. 	<ul style="list-style-type: none"> ▶ Illegal dumping of refuse by the Municipality at the unlicensed waste disposal site.
<ul style="list-style-type: none"> ▶ Proposal by SANRAL to upgrade interchanges along the R61 into Libode. 	<ul style="list-style-type: none"> ▶ Water demand is higher than the existing supply of water in Libode. 	<ul style="list-style-type: none"> ▶ Relatively high youthful population which reduces the dependency ratio. 	<ul style="list-style-type: none"> ▶ No formal taxi embayments along the R61 at Ntlaza Junction.
<ul style="list-style-type: none"> ▶ Proposal to construct a Waste Water Treatments Works for Libode. 	<ul style="list-style-type: none"> ▶ No formalised waterborne sewerage infrastructure. ▶ Poor sanitation services may cause water pollution. 	<ul style="list-style-type: none"> • Opportunity to provide land tenure to those settled at Ntlaza Junction. 	<ul style="list-style-type: none"> ▶ Rainwater tanks are main supply of water at Ntlaza Junction.
<ul style="list-style-type: none"> ▶ Electricity supplied by Eskom and is currently being upgraded to increase the supply. 	<ul style="list-style-type: none"> ▶ Little opportunities for employment poses a threat to development. 	<ul style="list-style-type: none"> ▶ Opportunity to prevent haphazard development at Ntlaza Junction. 	<ul style="list-style-type: none"> ▶ Non-existent refuse removal service at Ntlaza Junction, which is an environmental hazard.

INFRASTRUCTURE FRAMEWORK

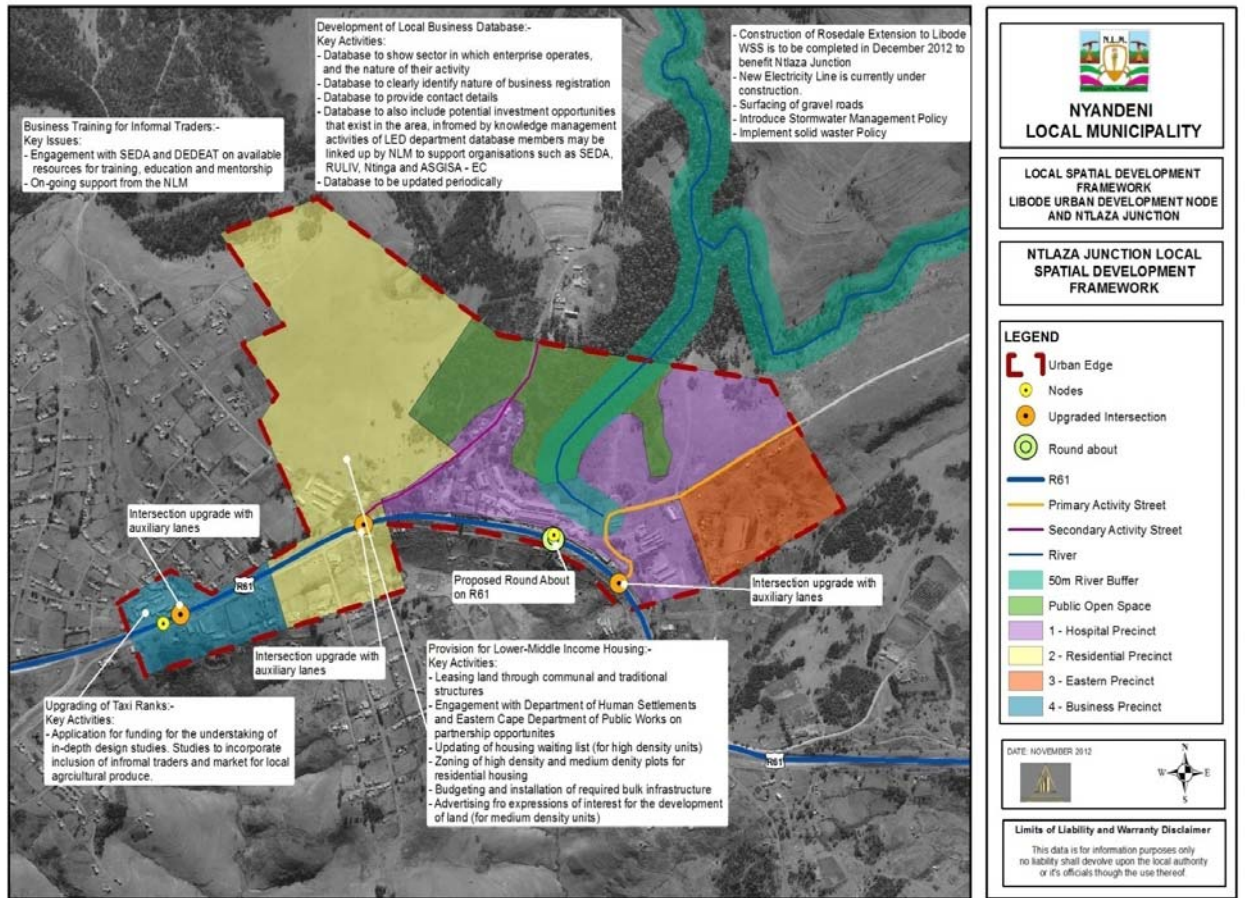
☉ Upgrading of the R61

- > Interchange at the eastern access road into Libode
- > Overpass at the currently closed off access near the NLM offices, including pedestrian ramps and public transport bays
- > Relocation of the western intersection to Libode with the introduction of auxiliary turning lanes
- > Pedestrian bridge at the school along the R61- Libode
- > Central median island along the R61- Ntlaza junction
- > The introduction of a roundabout at the hospital with the relocation of the access to the hospital off the side road at Ntlaza junction
- > The formalization and redevelopment of the public transport facilities along the R61 in the vicinity of the Ntlaza junction
- > Rationalization of intersections at the Ntlaza junction

Public Transport Facility in Libode

- ☉ Surfacing and demarcation of the rank
- ☉ Formalization of the informal trading areas
- ☉ Provision of adequate shelters for both informal traders and commuters
- ☉ Dedicated wash bays
- ☉ Ablution and office facilities
- ☉ Adequate municipal services such as water, sewerage, electricity, refuse removal, etc

NTLAZA JUNCTION SDF



BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

ROADS, STORM WATER AND PUBLIC TRANSPORT

Adoption

The Storm Management Plan for Ngqeleni and Libode Towns was adopted by Council on 31 May 2013 and covers the following areas;

Storm Water Management

Scope of Study

The study has the following aim:

- Review existing storm water reports, storm water maps, studies, soil maps, and other rainwater data.
- Review available drainage information in the study area.
- Identification of any storm water hazards/flood risks within the study area.
- Evaluation of potential implementation constraints and development of possible storm water drainage mitigation. Provide relevant information for the planning and design of future storm water drainage and furniture.
- Provide suitable detailed storm water layout and cost estimates.

Objective of Study

- This storm water management plan has the following objectives:
- To protect all life and property from damage by storm water and floods.
- To prevent or better manage erosion of soil by water.
- To improve the quality of life of the Libode Town and the affected surrounding communities.
- To conserve the natural environment and to protect and enhance water resources in the catchments.

Study area observations and discussion

Flood Risk

The current state of development tends to reduce the natural rainfall infiltration and increase storm runoff in areas where there is less or no permeability. Downstream flood damage risks will increase unless adequate management of flood runoff is provided by the municipality either collectively and/or individually.

The design of the major storm water system must address this issue as far as possible, but it is important to note that each type of land-use and its associated

runoff must be catered for in the process of design such that the current state of development's flood risks are no greater than the future development flood risks.

The hydrological analysis will advise the degree to which the municipality will have to provide adequate storm water drainage to ensure that flooding risks are minimized even after land-use changes in the process of development.

Storm water Management Philosophy

The major storm water system consists of culverts, pipe conduits. It includes V-drains and natural beams to control storm water. Roadways and their associated drainage structures may form part of the major storm water system if they result in a significant deflection of storm water from its natural overland flow path.

The minor storm water system consists of any measures provided to accommodate storm water runoff within sites and road reserves and convey the runoff to the major storm water system. These measures include conduits, berms, channels, road verges and small watercourses. Storm water runoff should not be concentrated to an extent that would result in any damage to the environment during storms with a probability frequency more than 1:10 years and would result in only minor, repairable damage in storms with a probability frequency more than 1 in 20 years. All elements of the built and natural environment must be able to withstand a 1: 20 year storm event without significant consequential loss and risk to property and life.

Note that a "storm frequency" equates to a "probability of occurrence" of a storm event that should be used to assess the annual budget or insurance provision for remedial works, should the event occur.

In all catchments, the water courses and built storm water infrastructure must be maintained in a clean state, free of any rubbish, debris and matter likely to pose any pollution threat to the lower reaches of the water courses.

The Storm water Management Philosophy for the Nyandeni Local Municipality encourages residents, technical officials and property owners to do the following:

- Maintain adequate ground cover at all places and at all times to negate the erosive water.
- Prevent concentration of storm water flow at any point where the ground is susceptible to erosion.
- Reduce storm water flows as much as possible by the effective use of attenuating devices.

- Ensure that their land-use practices do not increase the rate of storm water flow above that which the natural ground can safely accommodate at any point in the sub-catchments.
- Ensure that all storm water control infrastructure are kept in a safe and aesthetic manner in keeping with the overall environment landscape for the area.

Storm water Runoff Control

When formal underground storm water systems are provided in the overall municipality for the acceptance of storm water drainage from private properties, it is important that the peak runoff rate from private properties do not exceed the hydraulic capacities of the elements in the major storm water system. The following are general guidelines for storm water control from private properties.

Buildings

- a) Any building will inevitably result in some degree of flow concentration, or deflection of flow around the building.
- b) The owner shall ensure that the flow path of the storm water on his site is adequately protected against erosion and is sufficiently roughened to retard storm water flow to the same degree, or more, as that found in the natural
- c) Where the construction of a building causes a change in the natural environment of the site that might result in soil erosion, the risk of soil erosion by storm water must be eliminated by the provision of approved artificial soil stabilisation devices, or alternative grassing suited to the changed conditions on the site.
- d) Where a piped storm water system exists, an on-site storm water drainage system should be connected to this external system. Any inlet to a piped system shall be fitted with a screen, or grating to prevent debris and refuse from entering the storm water system. This must be done immediately on installation of the pipe system.
- e) No building works, earthworks, walls or fences may obstruct or encroach on a watercourse inside or outside the site without approved plans that do not compromise the objectives of the Storm water Management Plan. Pre-developmentn state of the site.

Roof Drainage

- a) Building designs must adopt the One-Planet-Living-10 principles and rainfall runoff from roofing and other areas, not subjected to excessive pollution, must be efficiently captured for re-use where possible for on-site irrigation and non- portable water uses.
- b) Where ground conditions permit, rainwater runoff that is not stored and utilised on site must be connected to infiltration galleries or trenches designed to maximise groundwater recharge. Infiltration facilities must be large enough to contain at least the first hour of a minor storm's runoff without overflowing.
- c) Infiltration trenches must be aligned along the contour on the downstream side of the property such that any spillage during major storms results in sheet overland flow.
- d) Where a piped storm water system has been provided to a property, surplus runoff should be connected to this system. Garden and other debris must be trapped on screens or gratings before entering the municipal storm water system.

Parking Areas and Yards

- a) Any external parking area, yard or other paved area must be designed to attenuate storm water runoff from a major storm to an acceptable degree.
- b) Any area described in (a) must discharge rainwater flowing over, or falling onto its surface, in a controlled manner either overland as sheet flow, or into a detention facility, or infiltration gallery suitably sized to accommodate minor storm runoff.

Driveways

- a) Driveways shall not be constructed to deflect or channel runoff onto a roadway, or to concentrate runoff along a particular path that is not a natural water course, without prior consent.
- b) Driveways and paths should be designed and constructed such that the rate of flow of storm water across and along the driveway or path is not increased when compared with the pre-development state.
- c) Where the driveway joins the road, the driveway must not obstruct the flow in any open channel, whether line or unlined, found along the road verge.

Private Roads

- a) The principle of overland flow should apply to roadways where possible and roads should be designed and graded to avoid concentration of flow along and off the road.
- b) Where flow concentration is unavoidable, measures to incorporate the road into the major storm water system should be taken, with the provision of detention storage facilities at suitable points.
- c) Inlet structures at culverts must be designed to ensure that the capacity of the culvert does not exceed the pre-development storm water flow at that point and detention storage should be provided on the road and/or upstream of the storm water culvert.
- d) Outlet structures at a road culvert or a natural watercourse must be designed to dissipate flow energy and any unlined downstream channel must be adequately protected against soil erosion.

CHAPTER 4: ORGANIZATIONAL ANALYSIS

Location of Departments

Nyandeni Main Municipal Offices are based in Libode approximately 30km from Mthatha, with a Satellite Office based in Ngqeleni. All departments are located in one central area in Libode (Main Offices). However, due to the organizational growth there is a huge shortage of space for both offices and boardrooms. In addressing the challenge a phased-in approach is proposed starting with the expansion of Ngqeleni Offices. Details of which will be teased out during the consultation process.

Nyandeni Local Municipality is seen as a key component of the Provincial Government of the Eastern Cape and the South African Government in managing and providing effective governance to all of the population within the municipality's jurisdiction. Consequently, a significant component of the Nyandeni Local Municipality core competence will be built around the Government role.

The South African Government has five key roles in the promotion of effective governance and Nyandeni Local Municipality as the local governance arm of National and Provincial Government must also support these roles. These include the following:

- a) Facilitation and Implementation;
- b) Coordination;
- c) Planning and Policy Making;
- d) Regulation and Monitoring; and
- e) Development Promotion.

Nyandeni Local Municipality is an integral component of Provincial and National Government and consequently has a critical role in the development and execution of local government strategy and strategic objectives. Overall, Nyandeni Local Municipality possesses the competency and capability to translate many of Government's vision and related legislation and policy into a blueprint framework through its Integrated Development Plan document.

Developing Offices

Phase-in approach

Expansion of municipal building in Ingqeleni

4.1 Organisational review

The institutional capability of Nyandeni Local Municipality is informed by overall organizational functioning, the interventions of management to engage in organizational leadership, development and management of organizational systems and processes to promote effective operations and service delivery through optimum use of resources. It is intended to inform Nyandeni Local Municipality's organizational strategy to enhance service delivery to key customers/stakeholders.

Nyandeni Local Municipality is represented by two components in terms of its organization and service delivery outcomes. These are the political structures represented by the politically elected councilors and the administrative structure represented by the Municipal Manager, the management team and municipality employees.

4.2 Organizational competency status

Nyandeni Local Municipality possesses the required competencies amongst staff as well as the required number of staff to perform its core functions. However, there exists an urgent need to redesign the organizational structure to ensure that the appropriate numbers of staff are placed on an organizational structure that is aligned to the organizational strategy and key strategic objectives. There is a need for a significant increase to core local government professionals, management, technical and functional posts as well as the enhancing the levels of competence to enable Nyandeni Local Municipality to develop and enhance the necessary institutional capacity and capability to deliver on its strategic objectives.

4.3 Functions assigned to the municipality that are being performed or not performed

Section 156 of the Constitution¹ provides for the powers and functions of municipalities and states that a municipality has executive authority in respect of, and has the right to administer:

- a) the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5;*
- and*
- b) Any other matter assigned to it by national or provincial legislation.*

As indicated above a municipality may make and administer by-laws for the effective administration of the matters which it has the right to administer.

Specific functions and the way that the responsibilities for these functions are allocated to the 3 different spheres of government are detailed in Schedules 4 and 5 of the constitution. Schedules 4B and 5B identifies those functions allocated to local government.

These Schedules read together with section 84 of the Local Government: Municipal Systems Act provide further for the distinction between those services which can be delivered by district municipalities and those which can be run by the local municipalities.

The Nyandeni Municipality has been allocated powers and functions in terms of the Constitution and the Municipal Structures Act no 117 of 1998. Accordingly, Nyandeni has been granted executive authority over its area of jurisdiction.

Section 85 of the Structures Act provides further that the MEC for local government in a province may, adjust the division of functions and powers between a district and a local municipality as set out in section 84 by allocating, within a prescribed policy framework, any of those functions or powers vested-

- a) *in the local municipality, to the district municipality; or*
- b) *in the district municipality (excluding a function or power referred to in section 84 (1) (a), (b), (c), (d), (l), (o) or (p), to the local municipality.*

Provincial Notice No. 23 of 2003 dated 5 May 2003 deals with the adjustment of functions and powers between district and local municipalities in terms of section 85(1) of the Structures Act.

The notice provides as follows:

1. *that O.R. Tambo District Municipality performs the following local functions in respect of Nyandeni Local Municipality:*
 - a. *Municipal planning;*
2. *that NLM performs the following district functions in its local area:*
 - a. *84(1)(e) Solid waste disposal sites, in so far as it relates to-*
 - (i) *the determination of a waste disposal strategy;*
 - (ii) *the regulation of waste disposal;*
 - (iii) *the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district*
 - b. *84(1) (l) the establishment, conduct and control of cemeteries and crematoria serving the area of a major proportion of municipalities in the district.*
 - c. *84(1) (n) Municipal public works relating to any of the above functions or any other functions assigned to the district municipality.*

The table below illustrates the powers and functions that the Nyandeni Local Municipality is authorized to perform in terms of Part B of Schedules 4 and 5 of the Constitution.

Part B of Schedule 4	Part B of Schedule 5
1. Air pollution	16. 16.Beaches and amusement facilities
2. Building regulations	17. 17.Billboards and display advertisement in public places
3. Child care facilities	18. 18.Cemeteries, funeral parlours and crematoria
4. Electricity and gas reticulation	19. 19.Cleansing
5. Fire-fighting services	
6. Local tourism	

Part B of Schedule 4	Part B of Schedule 5
7. Municipal airport 8. Municipal planning 9. Municipal health services 10. Municipal public transport 11. Pontoons, fairies, settees, piers and harbours excluding the regulations of international and national shipping 12. Municipal public works only in respect of the needs of the municipalities 13. Storm water management system 14. Trading regulations 15. Water and sanitation services (limited to potable water supply system, domestic waste water and sewerage disposal system)	20. Control of public nuisance 21. Control of undertakings that sell liquor to the public 22. Facilities for the accommodation care and burial of animals 23. Fencing and fences 24. Licensing and controlling of undertakings that sell food to the public 25. Local amenities 26. Local sport facilities 27. Markets 28. Municipal abattoirs 29. Municipal parks and recreation 30. Municipal roads 31. Noise pollution 32. Pounds 33. Public places 34. Refuse removals, refuse dumps and solid waste disposals 35. Street trading 36. Street lighting 37. Traffic and parking

Of the 39 functions listed in Parts B of Schedules 4 and 5 of the Constitution, Nyandeni has been allocated 34 functions which it is required to deliver on, the following 21 functions are being performed by Nyandeni Local Municipality:

Part B of Schedule 4	Part B of Schedule 5
1. Solid waste 2. Municipal planning 3. Storm water management system 4. Municipal public transport 5. Trading regulations 6. Local Tourism 7. Building regulations 8. Electricity reticulation(agency) 9. Child Care Facilities	10. Cemeteries, funeral parlours and crematoria – including the DM function 11. Cleansing 12. Local sport facilities 13. Municipal parks and recreation 14. Municipal roads 15. Pounds 16. Public places 17. Refuse removals, refuse dumps and solid waste disposal 18. Traffic and parking 19. Municipal public works

Part B of Schedule 4	Part B of Schedule 5
	20. Beaches and amusement 21. Billboards and display advertisement in public places 22. Street trading 23. Control of undertakings that sell liquor to the public 24. Street lighting

The table below reflects function that NLM is authorized to perform but is not performing:

Part B of Schedule 4	Part B of Schedule 5
1. Air pollution 2. Child care facilities 3. Electricity and gas reticulation (not authorized but included in new organizational design) 4. Fire-fighting services 5. Municipal airport 6. Municipal public transport 7. Pontoons and ferries 10 Electrification reticulation	11. Control of public nuisance 12. Fencing and fences 13. Markets 14. Municipal abattoirs 15. Noise pollution

4.4 Effectiveness of the legislative function

The administration, as appropriately delegated, has a responsibility to support the Council in exercising its powers and functions, including drafting of by-laws for approval by Council. By laws are developed annually as need arises

4.5 System of delegation within the municipality

Council delegates where appropriate the responsibility to exercise legislative and executive authority to the relevant structures of the municipality. A delegation framework and register has been developed and approved by council in 2011. it will be reviewed to accommodated new information during the first quarter of the financial year

4.6 Extent of service delivery by the municipality

Nyandeni Local Municipality is enhancing its service delivery by executing the following:

- Developing a performance culture at all levels of the organization which is able to clearly indicate a tangible influence on the key stakeholders within the

municipality’s area of jurisdiction in terms of poverty reduction and enhancement of the quality of life through the development and execution of an effective sustainable economic development and a job creation strategy;

- The efficient use of networks and internal human resources through the delivery of outcomes as opposed to engaging in significant planning and talk without outcomes to show for effort;
- Improving governance throughout the organization through controls, accuracy, punctuality, knowledge, professionalism and work ethic;
- Building a team-based organization that is people-oriented with a strong focus upon *Batho Pele*, with a general respect and a passion to deliver a quality service to all stakeholders. This includes developing a strong collective culture in terms of Nyandeni Local Municipality organizational building;
- Integrity: ethics, honesty, non-corruptive behavior;
- Innovation to face challenges and offer new solutions through a high intensity and work ethic;
- A commitment to its constituents, the majority of whom are poor and unemployed who live within the boundaries of the municipality’s area of jurisdiction.

4.7 Organizational structures, systems, processes and personnel capacity

4.7.1 Organizational Structures

REVIEWAL AND ADOPTION OF THE ORGANIZATIONAL STRUCTURE

The organizational structure was reviewed and approved by Council on 11 December 2014 with a council resolution No. 2209 Of 2014

Our Integrated Development Plan is aligned to our organizational structure and is a key institutional factor that determines the institutional capacity and capability of our municipality in order for it to deliver on its vision, mission, strategy and strategic objectives.

Our organizational structure and design has been strongly influenced by the development and optimization of competencies and capability. This will positively impact on the capacity requirements for Nyandeni Local Municipality to deliver on its key outputs. The diagram below shows how the Nyandeni Local Municipality is structured in terms of the different levels of government and the structures within the Municipality.

Nyandeni Local Municipality

Political Structures	Administrative Structures
<ul style="list-style-type: none"> • Executive Committee • 61 Councillors 	<ul style="list-style-type: none"> • Municipal Manager • Corporate Services

- 31 Wards
- Council Standing Committees**
- Infrastructure Development
- Corporate Services
- Budget & Treasury
- Human Settlement and Rural Development
- Local Economic Development
- Community Service
- Public Safety
- Special Programmes
-

- Budget and Treasury Office
- Community Services
- Planning and Development
- Infrastructure Development

Political Structures

At the political level, the organization is based upon a strong programme management model and a politically orientated governance approach, combined with competencies in community based engagement, development and stakeholder mobilization. This is complimented by the leadership and executive management structures primarily at a political level. These structures are used to make decisions and inform high level planning for the achievement of desired objectives of Nyandeni Local Municipality.

Section 79 Committees

- Municipal Public Accounts Committee (MPAC)
- Ethics and Members Interest Committee
- Public Participation and Petitions Committee
- Women’s Caucus

OVERSIGHT COMMITTEES

- Audit Committee
- Performance Audit Committee

Administrative Structures

Nyandeni Local Municipality structure is hierarchical based on functional silos represented by five departments which are supposed to be in aligned to the four core focus areas of the Municipality. The Nyandeni Local Municipality organizational structure is divided into five functional departments as follows:

- Office of the Municipal Manager
- Corporate Services;

- Budget and Treasury Office;
- Community Services;
- Planning and Development; and
- Infrastructure Development

Each Department represents a functional area of work and is further divided into sub-functional components. The five key focus areas attempt to create integration. This integration demands a value chain response from each department in terms of its deliverables. This is one of the structural components / deficiencies that will unlock organizational integration and consequently the linkages between departments within Nyandeni Local Municipality.

4.7.2 HR Strategy, Systems, processes and personnel capacity

The following systems, structure and process exist within the Nyandeni Local Municipality:

4.7.2.1 Systems

- Formal budget monitoring and control systems in place. Thus, budget control and management of operating expenditure is enhance;
- Impact assessment and benefits realization from the introduction of financial system; and
- Adequate management information systems and reporting tools.
- HR Strategy that is aligned to the organizational goals

4.7.2.2 Local Labour Forum

Local Labour Forum is in place and convenes on a quarterly basis to address labour related issues as well as implementation of Bargaining Council Agreement. It is constituted by Union and Employer representatives. In the last financial it had convened 8 times

Key responsibilities of the Labour

- Conflict moderating Forum
- It serves a forum for bargaining at a decentralized

OFFICE OF THE MUNICIPAL MANAGER

Office of the Municipal Manager performs the following focus areas

- Legal Services
- Internal Audit
- Council Affairs
- Communication
- Risk Management

- Municipal Planning
- Intergovernmental Relations
- Special Programmes
- Public Participation

COMMUNICATION

The Internal Communication Unit is headed by Manager Communications and is supported by the Communication Officer and Clerk. The unit has played an important role in the branding of the work performed by Nyandeni Local Municipality. The branding is an important vehicle to create awareness about Nyandeni Local Municipality amongst the communities. In addition, the core function of the Unit is to ensure effective communication to all stakeholders.

Key Functions

- Responsible for developing communications strategy
- Municipal branding
- Media liaison
- Presidential Hotline and complaints management system
- Public Participation

LEGAL SERVICES

This unit provides critical support in the management and administration of legal matters that affects the municipality. It is also responsible for contract management and development and reviewal of municipal bylaws. Furthermore, the unit is responsible for the development and reviewal of effective systems of delegation

COUNCIL AFFAIRS

Council Affairs provides administrative support to the Standing Committees, Section 79 Committees, Executive Committee and Council plays a pivotal role in ensuring that these structures achieve their mandate.

MUNICIPAL PLANNING

Responsible for coordination of Integrated Development Planning, Annual Budget process plan, Intergovernmental Relations and institutional performance management

4.8 CORPORATE SERVICES

Nyandeni Local Municipality will continue to develop the necessary institutional capacity and organizational culture required to mobilize the workforce towards the necessary performance levels. The Human Resources function is geared up in executing the necessary Human Resources processes, systems and policies that will ensure effective institutional development of Nyandeni Local Municipality. Human Resources Development,

transformation, mobilization and the need to create a motivated, competent and effective workforce is the responsibility of all levels of organizational leadership and management.

LEGISLATION

- Skills Development Act 97 of 1997
- Skills Development Levies Act 9 of 1999
- Basic Conditions of Employment Act 75 of 1997
- Employment Equity Act 55 of 1998
- Labour Relations Act 66 of 1995
- Occupational Health and Safety Act
- Compensation for Occupational Injuries and Diseases Act,
- State Information Technology Agency Act, 1998

The support functions of the Corporate Services Department include the following:

- Human Resources Management
- Human Resources Development
- Integrated Employee Wellness (OHS, EAP & HIV/AIDS)
- Employment Equity
- Information Communication Technology
- Records Management
- Facilities Management
- Customer Care

The Corporate Services Department is also responsible for Support Services Function which range from Switchboard Services, Office Accommodation, facilities management; office automation and Registry/Archives Management. The Support Services Function is in a position to support with the necessary levels of capacity, competence, technology and resources.

Work Place Skills Plan

The municipality needs to create a skilled workforce to ensure a sustainable economic development and also redress the pool of unskilled workers.

The main focus of the Human Resources Department is to ensure that as many staff members as possible from the officer level at BTO to top management level for all departments obtain the Municipal Minimum Competency Training which is required in terms MFMA section 83,107 and 119- Gazette 29967 of 15 June 2007.

The following skills development programmes is currently planned by the Corporate Services Department. LGSETA approved discretionary grants for skills and learnership programmes.

Focus Area	KPI	Annual Target	Potential Risks
Skills development	Empower BTO Officers and Management to obtain the Minimum Level Competency Certificate	15 (to check the exact nu.)	Funding. It costs approximately R 42 000 per learner for the course
	AET – (Learnership 18.1)	40	Delay of payment release by LGSETA
	Training for Ward Committee (Skills Programme 18.2)	200	Delay of payment release by LGSETA
	New Venture Creation – Learnership for 18.2)	40	Delay of payment release by LGSETA
	IDP Learnership: 18.1	5	
	Transportation Management – Learnership: 18.1&2)	20	
	DHET – (OR Tambo District Special Project) Skills Programme for General Unemployed	85	
	Municipal Leadership Development - Learnership	50	
	Project Management – Skills Programme for 25 Cllrs & 12 Traditional Leaders	37	
	DHET – (OR Tambo District Special Project) Learnership for 18.2 matriculants	20	
	Crop Production		
	Tour Guide		
	Life Saving Course		
	Customer Care		
	Computer Literacy		
	Workplace Integrated Learning (WIL) Programme- 18.2	16	
	Training on Construction Management, Paving, Plastering and Roofing for	50	

	unemployed people		

Skills development of employees, Councillors is one of the NLM's priorities. NLM annually develops WSP which sets out training needs for staff, Councillors as well as unemployed.

HRD programmes such as learnerships, in-service training, internship, skills programmes and bursaries initiated.

Table of LGSETA grants received in the past three years:

Type of grant	2012/13	2013/14	2014/2015	2015/2016
Mandatory	R153 602.00	R91 219.50		
Discretionary	R60 000.00	R143 000.00		

**HUMAN RESOURCES
DEVELOPMENT ANNUAL REPORT
JULY 2010- JUNE 2011**

**JULY 2014
DEC 2014**



TOTAL EXPENDITURE

R 2 138 222.20

Training Intervention	BENEFICIARIES				
	Departments	Gender		Levels	Amount
		Female	Male		
Housing Policy Development	Plann and Dev.		1	7	R 28 500.00
SAMTRAC	Infrastructure Dev.	2	3	11,8	R 31 700.00
ODETDP	CPS	1		7	0.00
Specialist Project Management	Plann and Dev.	1		11	R 21 440.00
Peace Officer Training	Comm. Serv.	3	4	11,7,3	R 14 000.00
LED Learnership Level 4	Plann and Dev. Comm. Serv.	5	4	11,8,7,3	R 141 588.00
Diploma in Local Law and Administration- 2nd Year	MM		1	8	R 23 000.00
Advances Certificate in Public Administration	MM		2	16,7	R 70 000.00
Examiner of Drivers Licences	Comm. Serv.	2	1	8	R 4 590.00
MFMP	BTO,MM	1	1	16,11	R 88 447.00
MPA	MM,CPS	1	1	20,25	R 110 000.00
CPMD- MF	Plann and Dev. CPS	2		16	R 91 000.00
Examiner of Drivers Licences- Grade L	Comm. Serv.	1		4	R 1 530.00
Applied Project Management in IT	CPS	1			R4,200.00
Designing and implementing telecommunication network	CPS		1		R3,400.00
Photoshop Design and Adobe Illustrator	CPS		1		R5999.00
Cobits Implementation	CPS, MM	1	1		R45554.40
Introduction to SAMTRAC	Infrastructure Dev.	1	3	11,8	R 31 700.00

End User Computing	CPS, Comm. Serv.	9	7	10,7, 5,3	R 52 672.00
COBIT	COBIT	4	1 0	20,16 ,11 & 4 Inter ms	105 000.00
TOTAL		35	4 1		R 815 167.00

TRAINING FOR COUNCILLORS

Training Intervention	BENEFICIARIES				
	Departments	Gender		Levels	Amount
		Female	Male		
Diploma in Local Government Law and Administration- 1st Year	Council	3	1	Councillor	R 88 000.00
Diploma in Local Government Law and Administration- 2nd Year	Council	4	2	Councillor	R 125 000.00
Diploma in Local Government Law and Administration- 3rd Year	Council		1	Councillor	R 23 000.00
LED Learnership Level 5	Council	7	6	Councillor	R 195 966.00
MPA	Council	1	3	Councillor	R 200 000.00
Advanced Certificate in Public Administration	Council	1		Councillor	R 35 000.00
TOTAL		16	13		R 666 966.00

TRAINING OF UNEMPLOYED

Training Intervention	Beneficiaries				
	Departments	Gender		Levels	Amount
		Female	Male		
Construction Management Training	Members of the Comm.	22	18	Unemployed	NHBRC
MFMP	BTO,MM		2	Interns	R 92 659.80
LED Learnership Level 4	Plann. And Dev.,Comm. Serv.	1	1	Interns	R 31 464.00
Bricklaying and Palstering	Members of the Comm.	18	30	Unemployed	NHBRC
Roofing Training	Members of the Comm.	11	19	Unemployed	NHBRC
End User Computing	Members of the Comm.	13	8	Unemployed	R 69 140.40
Ward Committee Governance	Members of the Comm.	41	115	Unemployed	R 462 825.00
TOTAL		106	193		R 656 089.20

Employment Equity Policy

Employment Equity Policy was reviewed and adopted by council during a Special Council Meeting held on 16 July 2014

Employment Equity Plan

Employment Equity Plan is in place and implemented. Employment Equity Report is submitted online to the Department of Labour annually.

All Nyandeni employees are Africans even though the employment Equity Plan caters for other races, the challenge is the other races do not apply which is why they are not represented.

In terms of the Eastern Cape Socio Economic Consultative Council (ECSECC) Demographics 2011 (Race), it shows a high percentage of Africans (98.86%) and low percentages of Whites (0.57%), Coloureds (0.48%) and Indians (0.09%). Currently the workforce is made up of Africans at 99.64%. The Nyandeni Employment Equity Plan caters for other races but they do not apply which is why they are not represented.

This therefore means that the Municipality still needs to appoint more Black Females and Coloureds.

The number of female employees in the workforce profile shows a low percentage of 44.% compared to that one of male employees which shows 56.%. The workforce of Nyandeni Municipality is dominated by males. In terms of ECSECC Demographics 2011 (Gender) Females dominates at 52.50% and Males are at 47.50%. There is still a need to appoint more female employees in order to reach 52.50%. The Employment Equity Plan must address this need in the vacant posts that still need to be filled. The Nyandeni Municipality budgets for Employment Equity and it should not stop the practice. This will assist to attract the kind of caliber of females that we need so that equity is not compromised.

JOB DESCRIPTIONS

Job descriptions are in place. The responsibility of updating job descriptions is incorporated into Senior Managers' Performance Agreements.

PERFORMANCE MANAGEMENT SYSTEM

Performance Management Policy and Procedure

Performance Management Policy has been reviewed and adopted by council on 16 July 2014

Individual performance management system currently implemented at top management Level. The municipality in collaborations Department of Cooperative Government and Traditional Affairs have thus far conducted two workshops with the view to conduct

Individual assessment for the Municipal Manager and Managers reporting directly to the Municipal Manager.

EMPLOYEE HEALTH AND WELLNESS

The components of the EHW include:

- OHS
- EAP; and
- HIV/AIDS

EAP deals with life skill empowerment, change management, substance abuse, disability and incapacity. NLM complies with the requirements of OHS, COID Acts to provide health and safety to employees, Cllrs and customers.

Key programmes includes, health screenings, observations of national health days, awareness campaigns on health

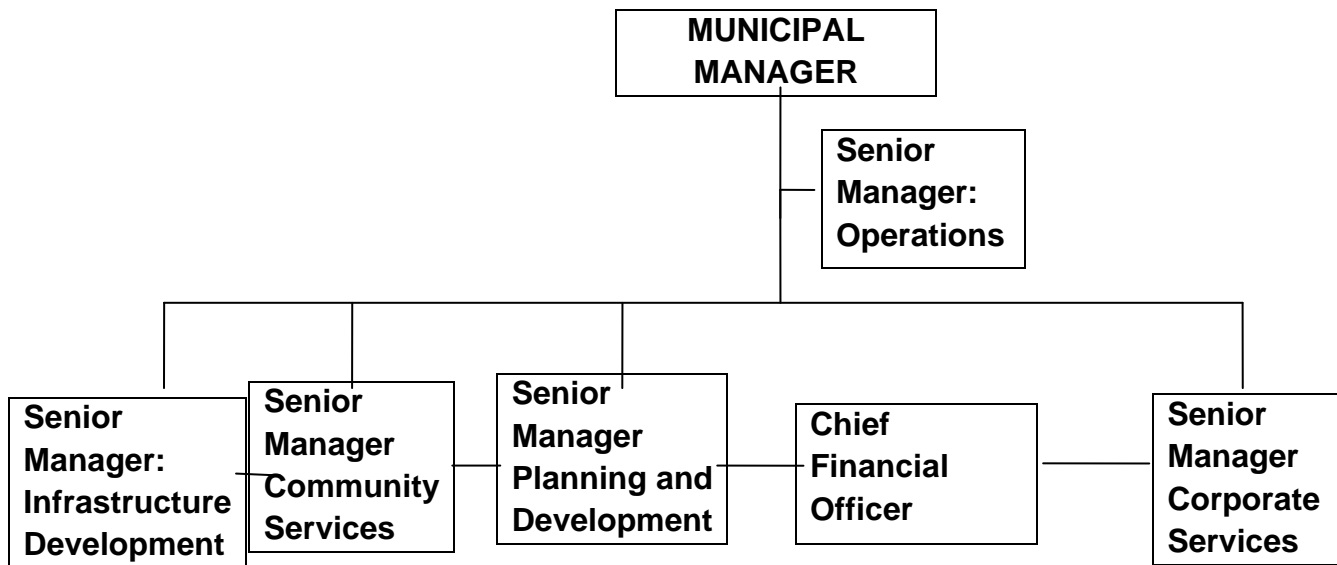
HIV/AIDS IN THE WORKPLACE

Awareness raising done through World AIDS Day commemoration, candle light memorials, workplace educational sessions, aerobics and sport. This is used as a marketing tool for the programme with the goal of involving all NLM employees.

HUMAN RESOURCES PLAN

Human Resource planning is the process of ensuring that an organisation has the right number of people, the right kind of the people, in the right places, at the right time doing things that are economically most useful for the municipality. It is not the case in terms of the current gap i.e. there is a number of posts that are not filled and the shortage of offices in those posts that the municipality has budgeted for hence the municipality has to prepare an HR Plan that will come up with solutions to the challenges we encounter. This is accomplished by identifying the gaps in the Human resource in terms of the current number of employees, their skills, competencies, knowledge of the Municipal intentions and the future needs. The department's mandate is derived from the Recruitment & Selection Policy, Succession Planning Policy, Employment Equity Plan and Retention Strategy.

MACRO STRUCTURE



Status of top management

Name	Position	Status	Date of appointment	Contract expiry date
N Nomandela	Municipal Manager	Filled	3 Sept. 2012	5 yrs
B Benxa	Chief Financial Officer	Filled	4 June 2012	5 yrs
Q Madikida	Senior Manager Infrastructure	Filled	23 May 2010	5 yrs
G Cekwana	Senior Manager Planning & Development	Filled	1 May 2012	5 yrs
G Zide	Senior Manager; Community Services	Filled	1 April 2013	5 yrs
Vacant	Senior Manager Corporate Serv.	Vacant		
L Madzidzela	Senior Manager Operations	Filled	1 March 2014	5yrs

Status of Middle Management

Name	Designation	Status	Date of appointment	Contract expiry date
B Ngqongwa	Manager LED	Filled	1 March 2014	2019 February
S Ntshanga	Manager Town Planning	Filled	1 February 2014	2019 January
G Nomqonde	Manager Legal Services	Filled	1 February 2014	2019 January
F Mgwedane	Manager Human Settlements	Filled	01 January 2015	permanent
J Sikhuni	Manager Community Services	Filled	January 2015	Permanent
J.Yengane	PMU Manager	Filled	2 April 2013	Permanent
S Maqekeza	Chief Law Enforcement	Filled	1 May 2011	31 April 2016
N Mcingane	Manager IDP	Filled	06 January 2015	Permanent
X Sikobi	Manager Budget		1 September 2012	30 August 2017
ZZ Madyibi	Manager SCM	Filled	4 February 2013	31 January 2018
L. Ndamase	Council Secretary Manager	Filled		Permanent
B.V. Ndamase	Communications Manager	Filled		Permanent
N.Koka	HR Manager	Filled	May 2013	April 2018
S. Mandla	Internal Audit Manager	Filled		Permanent

FILLED AND VACANT POSTS PER DEPARTMENT AS AT February 2015

Task Grade	MM's Office		INFRASTRUCTURE		BTO		CORPORATE SERVICES		COMMUNITY SERVICES		PLAN&LED		TOTAL POSTS	TOTAL FILLED
	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts	Number of Posts	Filled Posts		
25	1	1	0	0	0	0	0	0	0	0	0	0	1	1
20	1	1	1	1	1	1	1	1	1	1	1	1	6	5
16	6	5	2	2	2	2	1	1	2	2	3	3	16	15
14	0	0	0	0	1	0	0	0	0	0	0	0	1	0
11	9	8	9	7	8	8	6	6	7	5	6	4	45	38
10	0	0	2	2	0	0	2	0	3	3	0	0	7	5
9	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	17	17	3	2	7	7	1	1	11	11	2	2	41	40
7	3	3	3	2	8	4	9	9	22	21	3	2	48	41
6	0	0	10	9	0	0	0	0	2	1	0	0	12	10
5	0	0	0	0	6	6	0	0	55	48	0	0	61	54
4	0	0	0	0	0	0	2	1	2	1	0	0	4	2
3	0	0	2	2	0	0	28	28	40	39	0	0	70	69
	37	35	32	27	33	28	50	46	145	132	15	12	312	280
Vacancy Rate		5%		16%		15%		8%		9%		20%		10%
% of Total posts		89%		91%		91%		85%		58%		96%		
Vacancies		2		5		5		4		13		3		32

APPOINTMENTS OF EMPLOYEES 2014/2015

POST	EMPLOYEE	START DATE
1. Secretary to Senior Manager Community Services	Ms. N. T. D. Nani	07/07/2014
2. EPWP Technician,	Mr. M. Mgudlwa	07/07/2014
3. Examiner of Driving Licenses	Mr. T. V. Maritz	10/07/2014
4. Security Officer	Mr. M. Rafuza	07/07/2014
5. Office Cleaner	Ms. N. Mbali	07/07/2014
6. Office Cleaner	Ms. N. Nonkobongo	07/07/2014
7. Secretary to Senior Manager Operations	Mr. S. Hlazo	04/08/2014
8. Traffic Officer	Mr. M. Ngcongolo	04/08/2014
9. Town Planning Technician	Ms. N. Tukwayo	01/09/2014
10. Maintenance Manager	Mr. T.C. Matikita	01/10/2014
11. General Worker: Community Services	Mr. K. Ngaveli	03/11/2014
12. General Worker: Community Services	Ms. N. Soni	03/11/2014
13. General Worker: Community Services	Ms. N. Ponco	03/11/2014
14. General Worker: Community Services	Mr. X. Pakade	03/11/2014
15. General Worker: Corporate Services	Mr. C. Nazo	03/11/2014
16. General Worker: Corporate Services	Ms. T. Mavuka	03/11/2014
17. General Worker: Corporate Services	Ms. P. Mpaka	03/11/2014
18. General Worker: Corporate Services	Mr. M. Nohaji	03/11/2014
19. General Worker: Corporate Services	Ms. N. Mjam	03/11/2014
20. Civil Engineering Technician	Mr. S. Qhuzwana	03/11/2014
21. Community Services Manager	Mr. J. Sikhuni	01/12/2014
22. IDP Manager	Mr N. Mcingane	06/01/2015
23. Human Settlement Manager	Ms F. Mgwedane	06/01/2015
24. HIV/AIDS Clerk	Ms B. Jiphethu	02/02/2015
25. Licensing Examiner	Mr S. Ndamase	02/02/2015
26. Security Guard	Mr S.M. Goniwe	02/02/2015
27. Security Guard	Ms N. Mgwayi	02/02/2015
28. SPU Clerk	Ms P. Nkonyeni	02/02/2015

PROMOTIONS EMPLOYEES 2014/2015

POST	EMPLOYEE	START DATE
1. Enatis Clerk	Mr. M. Mncanca	07/07/2014
2. Security Officer	Ms. N. Sitabata	07/07/2014
3. Security Supervisor	Mr. N. Mavuso	29/10/2014
4. Transport Officer	Mr. A. Gqogqa	03/11/2014

In this context means a staff member who is appointed in accordance with chapter 3 of the municipal staff regulations to a post in a municipality that is higher than the one that he or she previously occupied in that municipality is deemed to be promoted in that post

Terminations

POST	EMPLOYEE	TERMINATION DATE	REASON FOR TERMINATION OF SERVICE
1.Civil Engineering Technician	Mr. S. Madubela	July 2014	Resigned
2. Security Supervisor	Mr. N.A. Bushula	July 2014	Resigned
3. Security officer	Mr. J. Vundle	August 2014	Resigned
4.SPU Clerk	Mr. V.Zongo	September 2014	Resigned
5 Security Officer	Mr. Bilitane	28 October 2014	Resigned
6. LED Clerk	S. Ndamase	November 2014	Resigned
7. Plant Operator	J.M. Koyana	November 2014	Retired/Disability
8.HIV Officer	M. I. Sandlana	December 2014	Death
9.Cashier	F. Matikinca	December 2014	Resigned
10. LED Officer	M. Sitshikiza	January 2015	Death
10. Senior Manager: Corporate Services	S.V. Poswa	February 2015	Contract Expired

INFORMATION COMMUNICATION TECHNOLOGY

The unit is responsible for the planning and maintenance of ICT infrastructure, development and maintenance of the municipal website, end user support and coordination of the ICT Steering Committee. The unit has rolled out a data and voice network which connects the three main municipalities in Libode and Ngqeleni.

The municipality is also seeking to provide support to Monitoring of existing Government School Computer Labs, due to the number of request for assistance that we get from government schools we decided to form a committee with government school principals (ICT Teachers) where we will decide a way of monitoring these computer labs and provide all the assistance that we can provide.

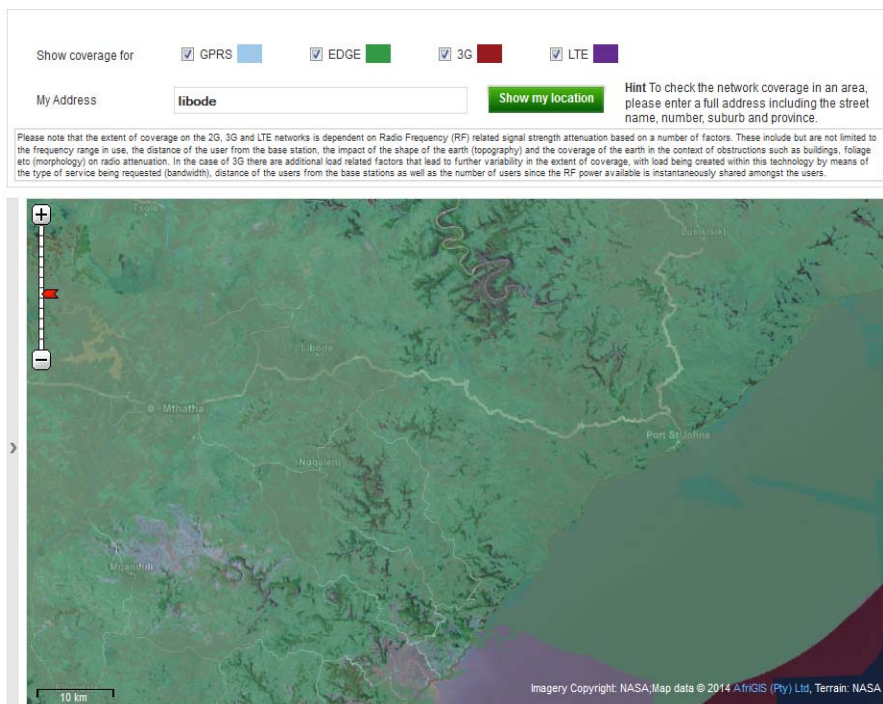
Annual Science Day

As part of community development the municipality will host annual science day to raise awareness and exposure to our rural schools focusing on science and technology

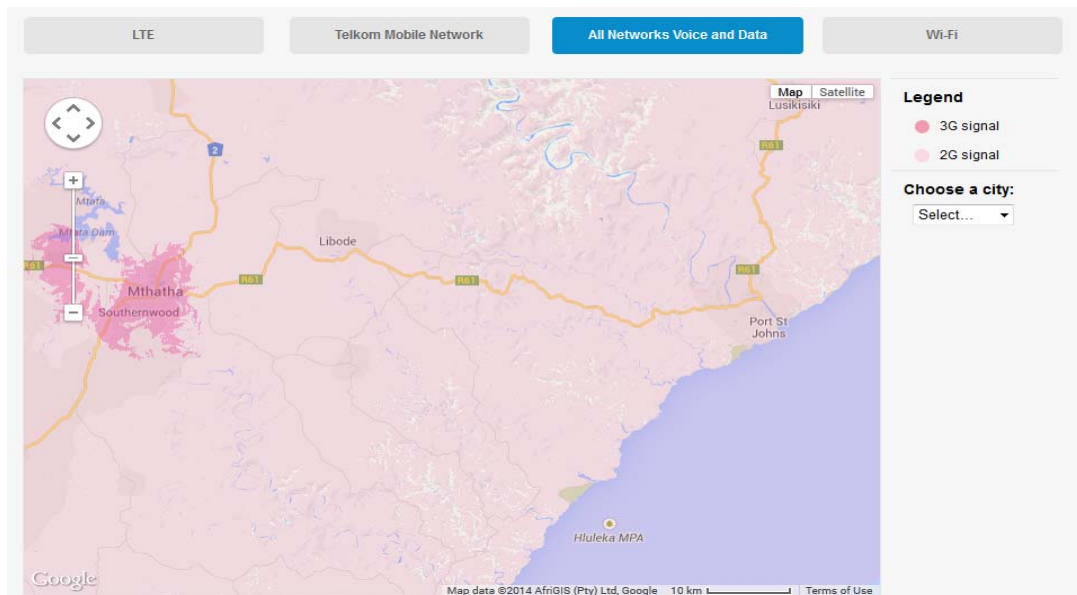
STRATEGIC OBJECTIVES for developing ICT situational analysis for Nyandeni LM

- Positioning Nyandeni Local Municipality as a destination of choice to both investors and tourists through the development of reliable network connections both data and voice.
- Information Communication Technology (ICT) division at Nyandeni Local Municipality is responsible for providing support services to its internal and external clients.
- Entrenching a culture of public participation in municipal planning, budgeting and decision-making processes through a well established systems.
- To provide technical and theoretical support to our government schools which are in the jurisdiction of nyandeni LM
- Institutionalization of an ICT Governance framework that ensures the reliability, accuracy, protection of the information and network that underpins it through the development of a reliable disaster recovery plan.

Vodacom Network coverage



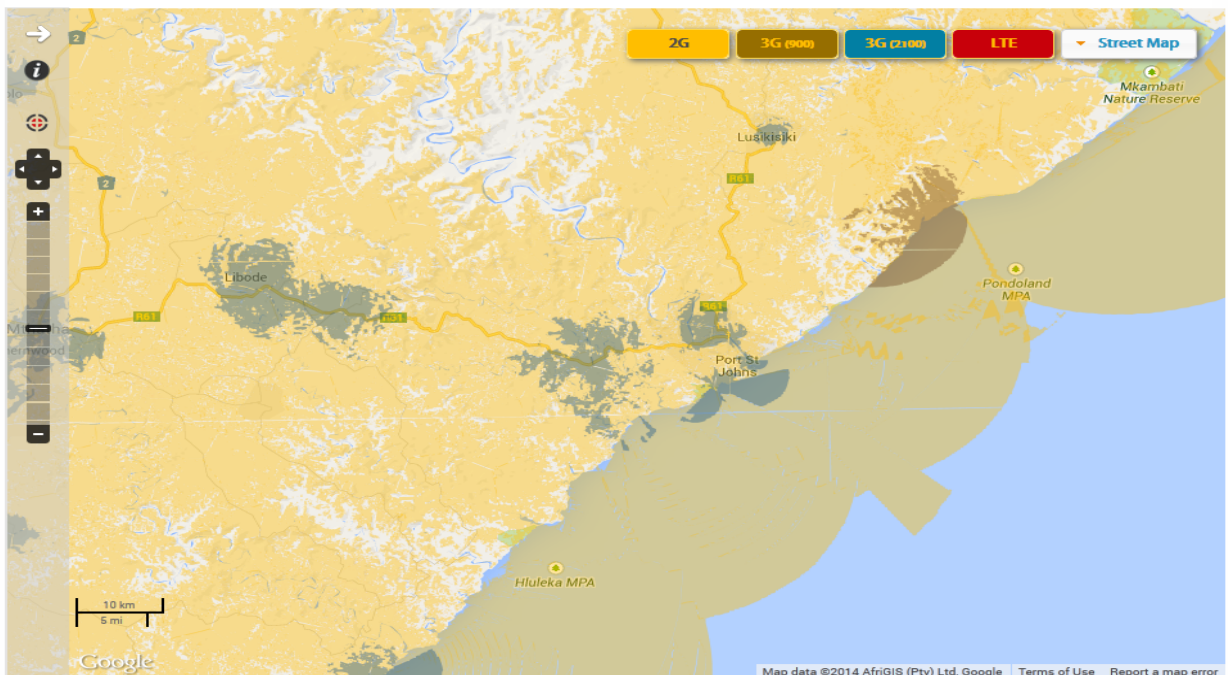
Telkom Coverage



MTN COVERAGE

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Network infrastructure around Nyandeni is still a challenge in attracting potential investors and providing support to our residents. Currently there is 2G coverage under Nyandeni LM that covers all our geographic infrastructure, which needs to be upgraded to meet the current telecommunication infrastructure support.

Internal Municipal Network

Currently our municipality has upgraded the network connectivity within its own existing buildings through Vodacom business network.

Challenges with the current network

- Shortage of permanent employees to provide the required network support.
- Back-up link to enables the municipality to be online 24 hours a day,

Disaster recovery

The municipality has purchased a Cibex data back-up software that automates data back-up in our laptops and desktops. Currently the municipality is following the procurement processes in procuring the offsite data back-up that will be in two different places outside the municipal buildings. The disaster recovery Plan is in place and will be fully functional or implemented when the offsite data back-up is fully functional.

Public participation

This function can only be achieved through the development of a well established database driven website that is user friendly and can generate proper reports on its usage (number of visits, time taken by the visitor etc) and can generate user import requirements and the municipality is in the process of providing website contracts to website developers to build such applications that will ensure that the municipality achieve its full public participation with its residents

Establishment of school support committee that will be formed by municipal officials and school principals (ICT teachers) it's on its initial phase, this committee will play as a technical support to government schools and an advisor that will provide technological knowledge to our pupils as a final product.

The municipality as part of public participation through its ICT department intends to host the annual Science that is being initiated by the Department of Science and Technology.

RECORDS MANAGEMENT AND ARCHIVING

Archiving and Document Management is regulated by the Promotion of Access to Information Act (PAIA) and National Archives and Record Service of South Africa and the Records Management Policy and Procedure Manual and as such it deals with overall document management of the institution. The impending need for proper document management has necessitated that Nyandeni Local Municipality integrate its systems to ensure that there is compliance with the relevant Acts and that we properly document

institutional information assets. The current implementation of Electronic Document Management Systems (EDMS) bears testimony to the fact that the institution is going with times with regards to contemporal issues around archiving, the project has not reached its entirety, currently the change management and mentoring is being implemented. The department is in the process of disposing old document to provide space for archiving the required documents.

CHALLENGES FOR RECORDS MANAGEMENT AND ARCHIVING

- Shortage of staff personnel under the registry office
- Training of the registry personnel
- Provisional offices not providing support to the municipality in disposing all document

4.9 Budget and Treasury Office

Nyandeni Local Municipality strives to build a strong institutional competence in terms of its capability to manage the finances and Supply Chain Management processes of the organization. Working together with other spheres of government and state owned agencies, systems have been put in place to improve systems, business process and procedures.

In doing business, the institution will strive to ensure efficiency and effectiveness. The Budget and Treasury Office will provide support and guidelines for financial management and business planning to Line Managers so as to improve the effectiveness and optimization of resources in terms of business operations.

4.10 Community Services

The Community Services Department plays a key role in the delivery of a broad spectrum of Social Services to the Nyandeni Local Municipality. Some of the core functions of this Department include the following:

- a) HIV AND AIDS and health related matters
- b) Safety and Security;
- c) Parks and public spaces
- d) Cleansing;
- e) Refusal Removal and Solid Waste Disposal;
- f) Early Childhood Development
- g) Sports, Arts and Culture;
- h) Traffic and Parking; and

The organizational structure is aligned to support the effective delivery of the mandate in terms of the Integrated Development Plan. Additional project, programme and technical

skills are required if Nyandeni Local Municipality is to add to the quality and service levels offered to the community.

4.11 Infrastructure Development

Infrastructure Department is the foundation upon which the infrastructure of the entire Nyandeni Local Municipality is sustained and managed. It is responsible for the key areas as follows:

- a) Electricity;(maintenance of street lights and electrification of households)
- b) Construction and maintenance of Access Roads;
- c) Public Amenities;
- d) Storm water management

4.13 LOCAL ECONOMIC DEVELOPMENT KPA

4.13.1. LED STRATEGY

Preparation and adoption

The LED Strategy was reviewed in collaboration with the Department of Local Government and Traditional Affairs and was subsequently adopted by Council on 28 March 2012 with the greater involvement of local stakeholder's participating in Local Economic Development Forum. It is a five year plan which will be reviewed in the 2016/2017 financial year to accommodate new trends and information

Institutional arrangement and coordination

The challenges of integrated planning and coordination in rural development has been pointedly diagnosed and captured in The Eastern Cape Rural Development Strategy, 2010 and elaborated in the Provincial Development Plan

Service delivery has been frustrated by insufficient integration and coordination across government departments and between different tiers of government (national, provincial and local) and the lack of readiness to implement such programmes. The reasons for this are complex and relate in part to the absence of clear strategic planning framework, institutional arrangements and problems of implementation capacity at the point of service delivery. As a result the socio-economic impact of service delivery is not being optimized, and important in the context of fiscal restraint, targeting and budgetary prioritization is not being sufficiently coordinated across departments and tiers of government

Source-Eastern Cape Rural Development Strategy, 2010

LED and Planning Capacity

Nyandeni has a fully fledged LED Unit which is commensurate with the available resources. The Unit has three sub-sections, namely, Agricultural Development, SMME and Cooperatives support and Tourism Development. It is headed by a Senior Manager, LED Manager, 3 LED Practitioners, 2 admin support staff.

In addition, the LED is supported by Manager Spatial Planning who is a registered Professional Planner with the South African Council of Town and Regional Planners (SACPLAN). In total the LED Unit has six posts of which all of them are filled

Given the significance of providing tourism information to traveler inter alia promoting nyandeni as a tourism destination there is need to strengthen the section through introduction of an additional post of a Tourism Information Officer.

In addressing the coordination challenges reflected above a number of LED stakeholder engagement Fora have been established to promote stakeholder and community participation, these structures are functional and includes but not limited to, Nyandeni Cooperatives Forum, Local Tourism Organization, Informal Traders Association, Arts and Craft Association, Nyandeni Farmers Association, Taxi Association and LED Forum

In addition, as reflected elsewhere in the document Economic and Infrastructure Cluster has been established to coordinate economic and infrastructure development related programmes and serves as a platform to unlock service delivery bottlenecks

RURAL DEVELOPMENT AND TRANSFORMATION

The Provincial Development Plan (2030 vision) expressly prioritises rural development and transformation and identified the following principles

- ✓ Firstly Eastern Cape, as noted in the plan is predominantly rural with over 70% of citizens live in depressed rural areas.
- ✓ The second principle relates to spatial justice and spatially equitable development. This requires a commitment to decisively and constructively addressing the unresolved structural, class and racial divide that continues to marginalize and disadvantage citizens in the underdeveloped rural spaces, hobbling prospects for economic development and a thriving society.
- ✓ Patterns of land ownership and legislation governing land administration ensure that a near permanent record of the region's history of dispossession and inequality is retained

We move from the premise that nyandeni is endowed with the plethora of natural resources such as 20km coastal area, arable land, indigenous forestry and perennial rivers.

It is against this context that in line with the Provincial Development plan nyandeni adopts ILIMA LABANTU as a paradigm shift. The plan affirms that rural development is people centred “The people have to be seen... as being involved, and given the opportunity in shaping their own destiny, and not just as passive recipients of the fruits of cunning development programmes” – (Sen, 1999)

PROVINCIAL DEVELOPMENT PLAN - GOAL 1: A GROWING, INCLUSIVE AND EQUITABLE ECONOMY

One of the objectives of the Provincial Development Plan under Goal 1 is to improve economic infrastructure that promotes new economic activity across all regions of the Eastern Cape. According to research conducted by ECSECC and supported by work done ELIDC the following economic opportunities exist in Nyandeni municipal area:		To Promote and develop Nyandeni as a (Tourism Destination of choice) tourists place of choice
		To support and promote development of agricultural initiatives
Provincial MTSF Objective	Priority: 3	Stimulating rural development, land reform and food security
PDP-2030 Vision	Goal 1	Improved infrastructure that promote economic activity
		Rapid economic development of rural areas and all regions

Sector	Primary sector	Public entity participation
Agriculture	Maize	DRDAR
	Hemp	DRDAR, Dept-Health, CSIR & SEDA
	Red meat	
	Essential oils	DRDAR, Dept-Health, CSIR & SEDA
	New wild coast agro-industrial SEZ (special economic zone)	DEDEA
Construction	Wild coast meander	DEDEA & DRDAR
	N2 toll route	SANRAL
	Small town revitalization program	CoGTA, DEDEAT
	Development of office park in Libode	Roads & Public works
	Development of Complex retail park at Ngqeleni	
Tourism	Wild coast (Mthatha Mouth, Hluleka & Mdumbi Coastal Areas)	DEDEA
	Marketing and promotions	
	Promotion of arts, culture and heritage	
	Hluleka nature reserve	DEDEAT,
Aqua culture	fish	DRDAR

Tourism Development

Tourism Development Strategy was adopted by Council in 2013 and identifies the following projects with potential

PROJECTS WITH POTENTIAL

PROJECT Name	PROJECT DESCRIPTION	INTERVENTION REQUIRED
Mdumbi, Mthatha Mouth, Presley Bay, Lwandile, and Hluleka	Beaches with potential but require development	Engage relevant institutions for development of day visitors facilities
Hluleka Nature Reserve	A Provincial Nature Reserve which provide tourist with diverse and wild Coast experience	Refurbishment of access roads leading to the Nature Reserve, improving branding and marketing
Wild Coast Meander	Hiking trail along coastal area	
Arts, Culture and heritage promotion	S.S Mendi Memorial Site upgrading	
	Promotion of Arts and Craft Product	
	Exhibition to national platforms	
Marketing and promotion	Signage and revitalization of the information office	
Ntlangano Nature Conservancy	Ntlangano is the intersection of three rivers, namely, the Mzimvubu, Tsitsa and Tina rivers, there is potential to develop this area, activities includes hiking trail, agro-tourism development	It requires funding for bulk infrastructure development. This project could be linked to the Mzimvubu water project
Mlengane Eco Tourism	Mlengane Eco Tourism Project is renowned for scenic topography, vulture colonies and rich bird watching. It is situated on R61 between Libode and Port St Johns	<ul style="list-style-type: none"> • Lobby for funding to implement the project • secure Private Investor for development purposes

LIVESTOCK IMPROVEMENT PROGRAMME

The Livestock Improvement Programme aims to develop animal health data base and develop action plan to maintain good animal health status. Conduct research and market development for access to commercial markets as well as building infrastructure. Strengthen of farmers organization to ensure better coordination of programmes

The Live Stock improvement Programme is also aiming to achieve the following

- Ensure quality of wool
- Training of farmers to improve quality and management of cattle, sheep and goats
- Massive food and meat Production

SMALL TOWN REVITALISATION PROGRAMES

Recognizing the undesirable state of our towns and need to implement strategic programme to revitalize our towns,

- Non Motorized Transport (side-walks)
- Resurfacing of town street
- Beautification and Greening
- Landscapping and removing of alien vegetation
- Development of Office Park and Business
- Development of Stadium in Libode
- Development of Ngqeleni Shopping Complex
- Enforcement of Trading Bylaws to restore order
- Support to Small Business Development
- Urban design
- Infrastructure for informal traders
- Public ablution facilities
- Construction of Transport hub
- Development the housing for middle class

EXPANDED PUBLIC WORKS PROGRAMME AND COMMUNITY WORKS PROGRAMME

The main objective of the EPWP and Community Works Programme is to create intensive labour opportunities targeting women and young people; the following programmes are being implemented

- Community Works Programme- include home based care, cleaning of schools and feed scheme, fixing of potholes; approximately 1060 have been appointed with 12 wards participating
- Non motorized Transport which includes paving of streets and building side walks
- Beautification and cleaning of open spaces and parks
- Environmental management programmes which includes land rehabilitation and waste management

LED Strategy unpacked

The situation analysis begins by contextualizing the LED strategy within **strategic policy and planning informants**. The relevance of various documents on a local, district, provincial and national level is noted as providing direction regarding the nature of optimal interventions and to inform and ensure alignment to the Nyandeni local economy.

Socio-economic information about the area is then provided. This reveals Nyandeni to be inhabited by a youthful populace whose demographic layout gives Nyandeni the highest population density of all the localities in the O.R. Tambo District Municipality, low educational levels in the locality's working age population result low levels of employment, which leads to endemic poverty as seen through the area's gini coefficient, grant dependence, HDI and average weighted household income levels.

The **economic profile** shows how the economy is very dependent on government services (public sector activity)(to initiate, stimulate, and sustain economic activity in the area. Nyandeni thus has limited private sector investment. The economy's performance is closely linked to the locality's proximity to the regional hub of Mthatha. Sector profiles provide information on identified trends, opportunities and constraints in the local economy.

The state of the natural environment and access to essential services is discussed under the headings of **built and natural capital**. The poor state of development in the area, is shown to be linked to under-provision of several forms of bulk economic infrastructure. Potential for development in the area is also revealed to be closely linked to the natural environment of the locality, given the largely rural settlement patterns within the municipality.

Vision:

A self-sustaining and vibrant economy that supports sustainable rural livelihoods through coordinated community-anchored development

Goals:

- i. To promote agriculture as a viable livelihood strategy and as a productive commercial sector
- ii. To support the business sector and facilitate its expansion
- iii. To develop the regional tourism industry in a responsible manner
- iv. To crowd-in public sector rural and nodal infrastructural investments
- v. To increase institutional capacity for LED through partnerships and governance
- vi. To provide support for SMMES and Cooperatives

The LED strategy identifies four strategic focus areas within which multiple interventions are proposed. These interventions involve detailed actions plans.

Strategic focus area	Interventions
Strategic institutional and infrastructural partnerships	➤ Establishment of new strategic partnerships, and full utilization of existing strategic partnerships with development organizations
	➤ Improvement of knowledge management in Nyandeni LED
	➤ Establishment of LED forum
	➤ Internal municipal-wide LED training
Enterprise support	➤ Urban infrastructural upgrades
	➤ Development of local business database
	➤ Business attraction, retention and expansion
Agriculture	➤ Review of municipal supply chain to reduce economic leakage
	➤ Forestry forestation partnerships

	<ul style="list-style-type: none"> ➤ In-depth fishing & fisheries study
	<ul style="list-style-type: none"> ➤ Skills development for dairy farming
Tourism	<ul style="list-style-type: none"> ➤ Prioritisation of responsible tourism sector plan projects with cross-cutting benefits
	<ul style="list-style-type: none"> ➤ Investigation of opportunities emanating from N2 re-routing
	<ul style="list-style-type: none"> ➤ Develop responsible tourism sector plan annual operation plans

4.13.2. Comparative and Competitive Advantage in Nyandeni

IMPLICATIONS OF NYANDENI'S ECONOMIC PROFILE ON LED

- Although the Nyandeni economy grew in nominal terms, the real size of the economy is reflected in low per capita levels of income and GGP. Nyandeni thus has a **small economy**, with low levels of gross value added.
- The Nyandeni **economic structure** is concentrated in service sector activity, with primary and secondary industries making minimal contributions to gross geographic product.
- High rates of growth in agriculture must be moderated by the fact that formalized agrarian output in the area is very low, with much activity being of a subsistence nature. This is seen in agriculture's large contribution to employment and low contribution to GGP.
- Government and community services thus emerge as the most **important economic sector** in Nyandeni, despite a fall in its relative contribution to output and the improved Tress index for the area.

Business attraction, retention and expansion

Rationale:

The DPLG LED toolkit and the National Regional Industrial Development Strategy recommend that LED strategies consider business expansion and retentions interventions as a core element of the planning framework (DPLG, 2006). Business Retention & Expansion (BR&E) is any strategy or programme designed to reduce barriers that hinder business expansion and growth, addresses issues that cause

business closure and enhance competitive advantage. Such strategies are typically firmly rooted within the land use management and spatial planning context of an area to build regional competitive advantage

Aims

- Increase in number of small value-adding enterprises that are established
- Reduction in the number of small businesses that close down
- Reduction of red-tape to investment and business establishment
- Stimulation of the second/informal economy
- Job creation
- Improving attitudes and perceptions of local business participants

Key actions

- Develop retail sector strategy

Regarding business retention:

- Enforcement of by-laws that relate to business regulation and operations in Nyandeni's urban and rural areas. This action will involve particular emphasis on mining and shell harvesting.
- Expediting of permit application processing times (e.g. for building alterations)
- Retail licenses and permits (including informal businesses such as hawkers)

Regarding business expansion:

- LED department to undertake value-chain research into value-adding activities linked to mining such as brick-making
- Promotion of middle-income housing development within municipality
- Reduction of time taken for rezoning of land and building plan processing applications

ESTABLISHMENT OF PARTNERSHIPS

PARTNERSHIP	AREA OF COOPERATION
The municipality has partnership with the University Of Fort Hare	Agricultural Development –the University was commissioned to develop Agricultural Development Plan
SEDA	SMME Development and trainings
Walter Sisulu University GR	Rural Development & capacity building for Cooperatives
Department of Rural Development of Agrarian Reform-DRDAR	Crop production
Tsolo Agricultural College	Capacity building
Mhlontlo Local Municipality	Ntlangano Nature Conservancy Project

HUMAN SETTLEMENTS AND TOWN PLANNING SERVICES DELIVERY STRATEGY AND MAIN ROLE-PLAYERS

ADOPTION OF HOUSING SECTOR PLAN

Nyandeni Housing Sector Plan had been reviewed and adopted by Council Recognizing changes in patterns of households, movements and increase in demand for housing, Nyandeni in Collaboration with Provincial Department of Human Settlement will during this financial year undertake Housing Sector Plan review

The Provincial Department of Human Settlements is responsible for the approval of applications for housing development and for the allocation of funds for the construction of houses. The Municipality plays a co-coordinating role in housing development. Among the roles of the Municipality in this regard is to identify land for housing development, mobilize housing beneficiaries and identify those beneficiaries who qualify for housing subsidy.

The Municipality also through its town planning develop the layout plan for the area where the houses are going to be built and have it approved. The town planning section also facilitates the survey of such area.

The Department of Human Settlement serves as the main develop and appoints contractors who will construct houses. When the construction of houses is complete, the Municipality and Department of Human settlements hand over the houses to the beneficiaries through signing of Happy Letters

The municipality also plays vital role in terms identification of beneficiaries, application processes, housing consumer education and transfers.

Further than that, the Town Planning Division is responsible for the general town planning services and land use management of the two towns, Libode and Ngqeleni. This section is responsible for advising the Municipality on all possible developments that are going to happen within the Municipality. This section also ensures that a credible Spatial Development Framework is in place and its implementation thereof in order to give effect to Section 26 (e) of the Municipal Systems Act 32 of 2000. The

Town Planning Division also ensures that the Standard Transkei Town Planning Scheme is enforced

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Key principle of good governance is the establishment of ethical leadership within the institution by doing the following

- The need to clearly define the roles and responsibilities of leadership and individual leaders in the organization
- The embedding within the leadership of an ethical culture based on the vision and values of the institution and the Constitutional principles

The King III report defines good governance as follows:

“Good corporate governance is essentially about effective, responsible leadership. Responsible leadership is characterised by the ethical values of responsibility, accountability, fairness and transparency”.

Council ascribes to the following principles of Good Governance

Principles	Detail
Openness and Transparency	Decision should be taken and enforced in accordance with legislation and law
	There should be access to information by public
Rule of Law	Council should abide by the law
Innovation and openness to change	Council should embrace new and efficient solutions
Ethical Conduct	Public good to be placed before individual interest
	There should be effective measures to combat corruption
Competency and capacity	Competency of those who delivery governance to be continuously strengthen to improve output
Sustainability and long term orientation	Needs of future generations have to be considered in policies
Sound financial management	Prudence to observed in financial management
	Planning and Budgeting to done in consultation with citizens
	Risk to be properly estimated and managed
	Charges should not exceed to cost of services
Accountability	Decision makers must take responsibility for their decisions
	There should be effective remedies for maladministration, including consequence management

5.1 Political governance

- Nyandeni Local Municipality is a Collective Executive System combined with a ward participatory system and has Eight Standing Committees which are chaired by Political Heads. The Political and administrative seat is situated in Libode
- Council meetings are opened to the public with the exception of special meetings
- Ordinary Council meetings take place at least once per quarter
- Special Council meetings are convened only when important issues arise that requires urgent and immediate attention
- Council has 31 wards as per the demarcation

Governance Structures

Structure	Function
Council	Pass policies, Annual budget, IDP and tariffs
Executive Committee	To identify the needs of the community Review and evaluate those needs in order of priority Recommend to the municipal council strategies, programmes and services to address priority needs Recommend or determine best methods, including partnership and other approaches to deliver those strategies, programmes and services
Standing Committees	Defined in terms of section. 80 of the Structures Act as Committees to assist Executive Committee or Executive Mayor
Municipal Public Accounts Committee	Appointed in terms of section. 79 of the Municipal Structures Act: section.79 (1) A Council may establish one or more committees necessary for the effective and efficient performance of any of its functions or the exercise of any of its powers. To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on annual report

	<p>To examine the financial statements and audit report of the municipality</p> <p>To promote good governance, transparency and accountability on the use of municipal resources</p> <p>To perform any other functions assigned to it through a resolution of council within its area of responsibility</p>
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Political Parties and traditional leaders represented in Council

Party	Total Seats	Ward Seats	PR Seats
African National Congress	53	31	22
UDM	4	-	4
COPE	2	-	2
DA	2		2
Traditional leaders	12	-	-
Total	73	31	30

Structure	Delegated Function	Executive Committee Member Responsible
Corporate Services Standing Committee	Human Resource Development Administration Health and Wellness Maintenance of municipal buildings	Cllr. N Fodo
Budget and Treasury Standing	Income and Expenditure Supply Chain Management Assets and Fleet Management	Cllr. Z Nondlevu

Structure	Delegated Function	Executive Committee Member Responsible
Committee	Financial viability and Management	
Human Settlement , Spatial development and Disaster management	Spatial Planning Land Use Management Human Settlement Fire Fighting Natural Disasters Provision of Responsive Material	Cllr. P Godongwana
Infrastructure development Services	Construction of access roads Maintenance of access roads Electricity	Cllr. Z Mevana
Local economy and Rural development	LED and Tourism SMME and Cooperative Agriculture and forestry	Cllr. N Thiyeka
Special programmes , Sports, Arts and Culture	Special Programmes Sports and Recreation Adult programmes Youth programmes Children's programmes Women programmes Sports Arts and Culture	Cllr Matanda
Community Services	Waste management Social programmes (SASSA, DOSD, DOH, any government Department charged with basic services delivery) HIV/AIDS Free Basic Services Public Amenities (libraries, cemeteries,	Cllr W Ngaveli

Structure	Delegated Function	Executive Committee Member Responsible
	pounds) Early childhood Development	

5.1.2 Municipal Public Accounts Committee

- a. Municipal Public Accounts Committee was established in terms of section 79 of the Local Government: Municipal Structures Act, its main purpose is to perform and exercise oversight over the executive functionaries of council and to ensure good governance in the municipality
- b. Council has determined functions of the committee and agreed on the terms of reference
- c. The Position of MPAC Chairperson has been designated a fulltime position and comprised of 8 members including opposition parties

Functions of MPAC

- a. To consider and evaluate the content of the annual report and to make recommendations to Council when adopting an oversight report on annual report, Mid-year performance assessment report and IDP Process Planning
- b. To examine the financial statements and audit report of the municipality
- c. To promote good governance, transparency and accountability on the use of municipal resources
- d. To perform any other functions assigned to it through a resolution of council within its area of responsibility

ACHIEVEMENTS

Since its inception in 2011 the Municipal Public Accounts Committee has diligently compiled Five Oversight Reports for 2010/11,2011/2012,2012/2013, 2013/2014, 2014/2015 financial years which were adopted without reservations.

The Committee has been invited to the Eastern Cape Provincial Colloquium held in Port Elizabeth to present a good practices and share its understanding of Oversight with the rest of the EC Province MPAC's, together with City of Cape Town, Cacadu District and Ekurhuleni Metro

ON the 7th March 2014 , we are the only local municipality to have been invited alongside four District municipalities to the Political Oversight Good Case Workshop. An assessment tool developed by SALGA was used to evaluate and assess these municipalities and a final three is to be chosen as showcase for the Province

5.1.3 Participation of Traditional Leaders in Council

The MEC for Local Government and Traditional Affairs gazzetted the Guidelines/Framework for participation of Traditional Leaders in Municipal Councils and the names of the identified Traditional Leaders per Provincial Notice no 42 published in the Provincial Gazette No. 2646 dated 19 October 2011

In fulfillment with the provisions of the above gazette, on 18 November 2011 Council Special Meeting was convened wherein twelve traditional leaders were sworn in. Inter alia, Status of their participation in council is fully expressed in section 7 of the gazette no.2646

To this far, Traditional Leaders have been trained in Basic Computer Skills, Municipal Governance and Legislation. Traditional Leaders are playing a meaningful role in promoting social cohesion and rural development through practical community programmes such as cultural festivals and education awareness

5.2 Community and Public Participation

In deepening democracy at local level, Citizen Participation and empowerment is at the centre of the government strategy, to this extend. R800.000.00 has been allocated for undertaking civil society education in all wards, 8 civil society education programmes will be conducted quarterly covering the following topics, roles and responsibilities of citizens in a developmental state, public accountability by politicians and officials and Municipal Finance Management.

5.2.1 Public Participation Plan and Policy

Public Participation Plan and Policy has been reviewed and adopted by Council in 2014 and it is a five plan.

The Public Participation Plan encapsulates the following key issues

- Procedures, systems, process, structures in the public participation process
- Public Participation methods and mechanisms

5.2.2. Ward Committee System

31 Ward Committees (each comprising of 10 members) have been established in terms of section 73 of the Local Government: Municipal Structures Act. Ward Committees have participated in the IDP review process and preparation of the annual budget for 2014/2015

Ward Councilors Forum has been established as a network to share information, resolve common service delivery challenges, serves as performance monitoring and evaluation platform.

Challenges

- Reports from ward committees does not reflect problematic areas at ward level so that the municipality is able to intervene, as a consequence the municipality has been experiencing sporadic service delivery protests
- Community satisfaction surveys not conducted regularly to ascertain the level of satisfaction or dissatisfaction thereof

BUDGET PROVISION FOR WARD COMMITTEES FUNCTIONING

- Allocated cell phones to all Ward Committee Members
- R 1500 stipend paid monthly to 31 Ward Administrators
- R 1000 stipend paid monthly to 310 ward committee members
- The municipality is further responsible for Ward Committee transport cost
- The municipality is further assisting Ward Committees with wards office management
- In 2014/2015 financial year 160 ward committees were trained, similarly, plans are in place to train the remaining ward committees
- Training on Computer Literacy

FUNCTIONALITY OF WARD COMMITTEES

WARD BASED PLANS

The Ward based plans developed in 2012 in all wards are outdated and needs review to accommodate new information including population patters. During the 2015/2016 the municipality will conduct a review of all the ward based plans.

5.2.3 Community Development Workers

Community Development workers performance monitoring

The municipality has 26 CDW's coordinated by CDW Coordinator. Monthly reports are submitted to the CDW Coordinator, who then compile a consolidated monthly report for submission to the municipality and the Department of Local Government and Traditional Affairs (DLGTA).

Reported cases are registered in the case register and referred to the relevant department. When a case has been resolved and concluded, a complainant is being informed about the resolution of that specific case.

Achievements

24 CDW's are functioning well and participates in the IDP and Budget Processes.

A memorandum of understanding has been signed with the Department of Local Government and Traditional Affairs to strengthen working relations and to ensure effective inter-governmental planning and delivery coordination and to improve the quality of democratic participation in decision making processes

Interventions

Nyandeni municipal leadership has committed to promoting sound and good governance culture within the organisation. The main focus areas identified for good governance interventions in this term includes but not limited

- Training of new ward committees to improve their effectiveness in advancing goals of public participation
- Provision of dedicated administrative support to CDWs and councillors to aid their role as link between council and communities
- Establishment of sound mechanisms and systems to discourage corruption and ensure functional internal audit
- Continuous engagement with sector departments to improve intergovernmental relations and especially their participation in the implementation of this IDP
- Mobilization and coordination of existing resource capacity to enhance our scale of service delivery and economic growth through such initiatives as establishment of PPPs and participation in district wide initiatives including the realisation of commitments made at the recent Economic Growth Summit held by ORTDM and the recent Investment Conference

5.2.4 INTERGOVERNMENTAL RELATIONS

ADOPTION OF NYANDENI IGR FORUM TERMS OF REFERENCE

Terms of Reference have been adopted and serve as the guidelines in managing IGR Forum affairs. Technical IGR Forum is in place, its main mandate is to prepare and make recommendations to Political IGR Forum which is chaired by the Mayor or a delegated person.

NYANDENI IGR CLUSTER ESTABLISHMENT

In accordance with the Eastern Cape Provincial guidelines the following clusters have to be established to co-ordinate and facilitate development in the Nyandeni Municipal Area

Cluster	KPA	Key Departments
Governance and Administration	<ul style="list-style-type: none"> ● Municipal Transformation and Organizational Development ● Integrated Development Planning ● Municipal Finance Viability and Management ● Good Governance and Public Participation ● Basic Service Delivery ● Performance Management System 	<ul style="list-style-type: none"> ● Nyandeni Local Municipality ● Department of Local Government & Traditional Affairs ● Provincial Treasury and Planning ● Office of the Premier ● OR Tambo DM ● ECSECC ● SALGA
Social Cluster	Comprehensive Health Care Education Special Programmes Social Safety Net Safety and Security Victim Empowerment Food Security and Nutrition Sport and Recreation	<ul style="list-style-type: none"> ● Nyandeni Local Municipality ● Department of Social Development ● Department of Health ● Department of Home Affairs ● Department of Sports, Recreation, Arts & Culture ● SASSA
Economic Growth and Infrastructure Cluster	Local Economic Development Roads Infrastructure Second Economy Interventions Water Resource Management Electricity Environmental Management	<ul style="list-style-type: none"> ● Nyandeni Local Municipality ● DEDEA ● Department of Environmental Affairs ● Department of Agriculture



These clusters are also indicative of the core organizational competencies required to support the attainment of the Integrated Development Plan. Our Integrated Development Plan matches our resources and capabilities in order to deliver on our mandate.

Challenges

- Reduced budget allocation for 2016/2017 particularly on energy provision, human settlement
- Non alignment of programs with Government Medium Term Strategic Framework, State of the Province Address
- Information provided is not always adequate to help strategic decision making in unlocking and accelerating service delivery, this can be attributed to the lack of training on IGR
- Fragmented approach in coordination of programmes
- Sub-forum are convened but does not systematically feed into the IGR



5.2.5 PRESIDENTIAL HOTLINE AND COMPLAINS MANAGEMENT SYSTEM

The Presidential Hotline services and a public liaison were launched on the 08 October 2009 to address problems that affect individuals and families. Although the programme is functional it remains with challenge such as network interruption,

Institutional arrangement

The Presidential Hotline and Complains Management System are housed in the Office of the Municipal Manager of which the Council Speaker is the political champion. 2 users have been trained and are responsible for day to day capturing and management of complaints and petitions.

5.2.6 SUPPORT TO SPECIAL PROGRAMMES

5.2.6.1 The Special Programmes Unit

The Special Programmes Unit is located in the Office of the Mayor and is currently has a compliment of 3 staff members and is headed by Senior Manager at the level of Section 57 Manager. The Unit is responsible for policy formulation and coordination

In the main the unit is responsible for mainstreaming of designated groups, coordination and mobilisation of various sectors, monitoring and evaluation and capacity building

5.2.6.2 Liaison and Networking

In this review we express the commitment to strengthen relations with stakeholders and facilitate cooperation.

Achievement

- Ward Based structures for youth, disable and women's structures have been established
- Women Caucus Established and conferred MSA section 79 Status inter alia, the Committee Chairperson was elected by Council on 29 May 2014

Special Programmes includes HIV and Aids, Children, Youth, Women, Physically challenged and Military Veterans Association.

Key programmes includes

- ✓ Hosting of Annual Mayoral Tournament
- ✓ Observing Annual Youth Month Programmes, including Solomon Mahlangu Lecture
- ✓ Observing of National calendar days
- ✓ Support to HIV and Aids related programmes
- ✓ Mainstreaming Local Economic Development programmes
- ✓ Hosting of Annual Miss Nyandeni to promote youth talent
- ✓ Support to vulnerable youth in school as well campaign against drug abuse

5.2.7 SOCIAL COHESION

The plethora prioritised programmes in this review firmly express our commitment in building social cohesion, these programmes includes hosting of annual horse racing where young and old, women and men converge to celebrate our cultural diversity. The hosting of Annual Mayoral Tournament at all wards facilitates Ubuntu and coming together of various villages. Young people are kept busy and thus have less time to embark on distractive activities.

The Promotion and support to sport, arts and culture in all wards will contribute in nation building, of significance is the participation of Old People in the Annual District and Provincial Golden's Games

5.2.8 INTER MUNICIPAL RELATIONS

Firstly, Nyandeni local Municipality views Inter-Municipal Relations as a strategic approach in accelerating service delivery, building capacity and improving municipal planning. Nyandeni Local Municipality has established inter Municipal Relations with Amathole District Municipality in the Eastern in the area of Good Governance Framework

A joint workshop was held in November 2013 to establish Protocol Arrangements in accordance with the IGR Framework. The Principle of Good Governance has been accepted as a crucial element towards the success of the local government sector. Amathole District Municipality has a sound "Good Governance Framework" in place. The leadership appreciation and recognise that we can learn and share experience in this area, in this regard, in the 2014/2015 efforts will be made to formalise relations between Amathole District Municipality and Nyandeni local Municipality through a Memorandum of Understanding.

Secondly, collaboration is in place between Nyandeni Local Municipality and King Sabata Dalidyebo Local Municipality (KSD) in the area of Integrated Waste Management Delivery. KSD is assisting Nyandeni in the collection of refuse along N2 Road. We intend to extend the partnership to include Roads Safety

5.2.8 COMMUNICATIONS

The Municipality has a functional Communications Unit headed by Manager Communications, supported by Communications Officer and a Clerk. A Communication Forum has been established, amongst other things, it is charged with the responsibility to undertake a rebranding of the municipal logo, Conduct Civil Education awareness campaign in all wards to primarily educate people about the concept of a 'developmental local government', roles and responsibilities of a community, administration and council

5.3 Municipal Audit

The Accounting officer is responsible for preparation and fair presentation of the financial statements to the Auditor General in a manner required by the Municipal Finance Management Act, 2003 (Act NO. 56 Of 2003)

In the year ending 30 June 2009 the municipality received a Qualified Opinion with one matter of emphasis. In the year ending June 2010 the municipality received Unqualified Opinion. However, in the ending 30 June 2011 the municipality received a Disclaimer Opinion. For the year ending 30 June 2012 the municipality received Qualified Opinion, whilst in the year ending 30 June 2013 the municipality received Unqualified Audit Opinion. In 2014/2015 financial year

OPERATION CLEAN AUDIT

2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Qualified opinion	Unqualified opinion	Disclaimer	Qualified Opinion	Unqualified Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion

AUDIT REPORT OVERVIEW

	2011/12	2012/13	2013/2014	2014/2015
AUDIT OPINION	Qualified	Unqualified	Unqualified Audit Opinion	Unqualified Audit Opinion
No. of qualification points	3			
	<ul style="list-style-type: none"> ✓ Corresponding figures ✓ Property, plant and Equipment ✓ Irregular Expenditure 	Matters: <ul style="list-style-type: none"> ✓ Predetermined objectives ✓ Procurement and contract management ✓ Internal controls ✓ Expend 	Matters <ul style="list-style-type: none"> ✓ Irregular expenditure ✓ Adjustment of material misstatements ✓ Achievement of planned targets ✓ Revenue Management 	<ul style="list-style-type: none"> ✓ The municipality incurred irregular expenditure of R13.9 million during the year under review. All of this irregular expenditure was the result of non-compliance with procurement requirements in previous financial years ✓ The municipality incurred unauthorised expenditure of R12,2 million during the year ended 30 June 2015. This unauthorised expenditure was mainly due to overspending the employee related cost and remuneration of councillor votes. ✓ Interest was not charged

		<p>iture</p> <p>✓ revenue</p> <p>e</p>		<p>on all accounts in arrears as required by section 64(2) (g) of the MFMA</p>
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5.3.1 FUNCTIONING OF AUDIT COMMITTEE

Section 166 of the MFMA requires each municipality to have an audit committee. The audit committee is an independent body which must amongst other things advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality on matters relating to internal financial control and internal audits, risk management and performance management.

Audit Committee is comprised of the following members and will serve for a period of three year from the date of appointment

NAME	DESIGNATION	APPOINTMENT DATE
Mr. S Mbalekwa	Chairperson	30 October 2014
Mr L Galada	Member responsible for internal auditing	30 October 2014
Mr. G.Labane	Member responsible for financial matters	30 October 2014
Adv. T Mqobi	Member responsible for legal matters	05 March 2015

Key programmes.

- Monitoring implementation of the auditor general recommendations
- Monitoring implementation of the commitments made with the regards to clean audit
- They provide support to Municipal Public Account Committee (MPAC)
- Provide recommendations to council based on the reports analysed and ensuring implementation of recommendations
- Monitor and evaluate adherence to internal controls processes and procedures

- Play meaningful advisory role to management

The following documents has been approved by Council

- I. Internal Audit Charter approved on the 31 July 2014
- II. Audit and Performance Committee Charter approved on 31 July 2014
- III. Internal Audit Plan approved on 02 September 2014

5.3.2 Institutional arrangement

The municipality has a fully functional Internal Audit Unit and is comprised of the following Manager Internal Audit ,2 x Internal Audit Officers ,Secretary and 2 interns. All the posts are filled

Key Programmes approved by the Audit Committee

- ✓ Development of the internal audit strategy
- ✓ Preparation of the annual audit plan
- ✓ Quarterly reports to the audit committee detailing performance against the annual internal audit plan
- ✓ Facilitate the identification, analysis and rating of risk by management
- ✓ Provide support to Audit Committee

5.4 RISK MANAGEMENT

The Municipality performs Risk Management functions to ensure compliance with legislation, policies, abide or ensure that strategic objectives are achieved, including fraud prevention. Although risk management is in place, there is a need to conduct awareness campaigns to all levels in the organization to ensure greater participation and ownership by all stakeholders, particularly, the municipal workforce.

To this end, Bongani Mbewu has been appointed as the Risk Management Committee Chairperson with effect from the 05 March 2015 of which the agreement for a period of three years from the date of appointment.

Risk Programmes approved for effective Risk Management a

- a. The Municipal Risk Profile and Risk Register have been compiled
- b. Risk Management Framework approved by Council on 05 March 2015
- c. Risk Management Committee Charter approved by Council on 05 March 2015
- d. Risk Management Policy approved by Council on 05 March 2015

5.5 FRAUD PREVENTION

The South African Media, particularly print media, has created a “narrative” that local government is the most corrupt sphere of government. In its position paper titled “Tackling The Scourge of the Corruption-Perception, Local Government and the People’ on Anti-Corruption South African Local Government Association assert that “Whatever local government’s protestations of innocence may be, it must learn that as is the case in law, the perceptions about how it deals with corruption is as important as the reality of measures to combat corruption within the sector. Intolerance to corruption must not only be a mantra, it must be seen to be done’

In this context, a fraud prevention strategy has been adopted by council; in essence, a regulatory framework is place to decisively deal with fraud and maladministration.

Priority programmes

- Launch of the toll free number where public can report fraud and maladministration
- Conduct training on the organizational values and ethics as adopted by council’
- Strengthening internal controls, mechanism and systems to ensure efficiency and effectiveness
- Clarify consequence management process, where there is wrong doing
- Support and strengthen Oversight Role by Council

MANAGEMENT ACTION PLAN WITH REGARD TO ISSUES RAISED BY AG: YEAR 2012/2013

No	AG Finding	Action/Activity	Responsible Person	Date
<p>Procurement of goods and services</p>	<p>Goods and services with a transaction value below R200 000 were procured without obtaining the written price quotations as required by SCM Regulation 17(a) and (c) .</p>	<ul style="list-style-type: none"> • Compile and document the quotations as we received them • Ensure that register captures the three quotations with the name of each service provider and the price • Ensure that where the quotations have not been obtained, the reasons are documented, and the approval by the Accounting Officer in the form of an approved deviation 	<p>SCM Officers</p>	<p>Monthly</p>
	<p>Sufficient appropriate evidence could not be obtained that bid specification were drafted by Bid Specification committee which were composed of one or more officials of the municipality as required by SCM Regulation 27</p>	<ul style="list-style-type: none"> • Ensure that in the Bid Specifications Committee the end user departments are represented • All the minutes are signed by the member of the bid specification committee • Ensure that the Bid Specification Minutes are signed and approved by the Accounting Officer 	<p>SCM Manager</p>	<p>Monthly</p>

No	AG Finding	Action/Activity	Responsible Person	Date
		<ul style="list-style-type: none"> Ensure that all the Bid Specification Minutes are kept safe . 		
	Bids were disqualified from evaluation based on the criteria that was not stipulated in the invitation/document contrary to the fairness as per S112 of the MFMA	<ul style="list-style-type: none"> Ensure that all of our adverts are clearly stating the requirements and criteria e.g Criteria for functionality and pricing Ensure that the Bid Evaluation Committee adheres to such requirements and criteria as stated in the advert 	SCM manager	Monthly
	Bid evaluation were not always evaluated by bid evaluation committees that included an SCM Practitioner as required by SCM Regulation 28(2)	<ul style="list-style-type: none"> Ensure that the Bid Evaluation Committee is composed of the relevant members and the SCM practitioner e.g SCM Manager 	CFO	Monthly
	Bid adjudication committee was not always done by committees which were composed in accordance with SCM Regulation 29 (2)	<ul style="list-style-type: none"> Ensure that the Bid Adjudication Committee is composed of all the relevant members. 	CFO	Monthly
	Construction projects were not always registered with the CIDB, as required by Section 22 of the CIDB Act and Regulation 18	<ul style="list-style-type: none"> Ensure that projects are registered with the CIDB, for example the projects that were advertised in 	SCM manager	Monthly

No	AG Finding	Action/Activity	Responsible Person	Date
		November are registered with CIDB website		
	Awards were made to the providers who are in the service of the municipality in contravention of Section 112(j) of the MFMA and SCM Regulation 24. Furthermore the service provider failed to declare that he/she was in the service of the municipality	<ul style="list-style-type: none"> • Ensure that during registration of the service providers in our database, the MBD 4 form is filled in by the service providers • Ensure that employees are encouraged to declare their interests • Ensure that the code of conduct for employees is communicated to enhance awareness • Whenever a service provider is forwarding the quotation the MBD 4 form must be filled in by the service provider 	SCM Officer	Monthly
	Awards were made to the providers who are in the service of other state organs whose directors/shareholders were in the service of the state institutions in contravention of	<ul style="list-style-type: none"> • Ensure that during registration of the service providers in our database, the MBD 4 form is filled in by the service providers 		

No	AG Finding	Action/Activity	Responsible Person	Date
	Section 112(j) of MFMA and SCM Regulation 24. Similar projects were identified in the prior year, and no effective steps were taken to combat the abuse of SCM processes in accordance with SCM Regulation 38	<ul style="list-style-type: none"> Whenever a service provider is forwarding and submitting the quotation to the municipality, the MBD 4 form must be filled in by the service provider 		
	Persons in the service of the state who had private/business interest in contracts awarded failed to disclose those interests	<ul style="list-style-type: none"> Ensure that the employees are encouraged to disclose their interests as it is the case with the Senior Managers and Managers Ensure that the code of conduct for employees is communicated to enhance awareness 	SCM Officer	Monthly
Expenditure Management	Reasonable steps were not taken to prevent irregular expenditure as required by Section 62(1)d and 95(d) of the MFMA	<ul style="list-style-type: none"> Identify the irregular expenditure on a monthly basis Ensure that irregular expenditure is submitted to the Council Procure the SCM Module to minimize the irregular expenditure, as the system is going to have a 	SCM Manager	Monthly

No	AG Finding	Action/Activity	Responsible Person	Date
		clear audit trail for all the processes		
Revenue Management	Interest was not charged on all accounts in arrears as required by section 64(2) (g) of the MFMA	<ul style="list-style-type: none"> • Communicate to the customers that the municipality is currently implementing the charges of interest on arrear accounts • Ensure that interest on arrears is charged on accounts. 	Budget Manager	31 March 2014
Predetermined objectives	Of the total number of 252 targets planned for the year, 94 targets were not completely achieved during the year under review. As a result only 63% of the planned targets were achieved during the year under review. This was due to the lack of monitoring and lack of corrective actions taken to ensure that planned targets were achieved	<ul style="list-style-type: none"> • Monthly reporting in extended management meetings • Quarterly reporting in extended management meetings • Individual performance assessment of senior managers and municipal manager 	Municipal Manager & All Senior Managers Assessment Committee headed by Mayor	Monthly; Quarterly annually

MANAGEMENT ACTION PLAN WITH REGARD TO ISSUES RAISED BY AG: YEAR 2013/2014

No	AG Finding	Action/Activity	Responsible Person	Date	Auditor's comments
Procurement of goods and services	Goods and services with a transaction value below R200 000 were procured without obtaining the written price quotations as required by SCM Regulation 17(a) and (c) .	<ul style="list-style-type: none"> • Compile and document the quotations as we received them • Ensure that register captures the three quotations with the name of each service provider and the price • Ensure that where the quotations have not been obtained, the reasons are documented, and the approval by the Accounting Officer in the form of an approved deviation 	SCM Officers	Monthly	
	Sufficient appropriate evidence could not be obtained that bid specification were drafted by Bid Specification committee which were composed of one or more officials of the municipality as required by SCM Regulation 27	<ul style="list-style-type: none"> • Ensure that in the Bid Specifications Committee the end user departments are represented • All the minutes are signed by 	SCM Manager	Monthly	

		<p>the member of the bid specification committee</p> <ul style="list-style-type: none"> • Ensure that the Bid Specification Minutes are signed and approved by the Accounting Officer • Ensure that all the Bid Specification Minutes are kept safe . 			
	<p>Bids were disqualified from evaluation based on the criteria that was not stipulated in the invitation/document contrary to the fairness as per S112 of the MFMA</p>	<ul style="list-style-type: none"> • Ensure that all of our adverts are clearly stating the requirements and criteria e.g Criteria for functionality and pricing • Ensure that the Bid Evaluation Committee adheres to such requirements and criteria as stated in the advert 	<p>SCM manager</p>	<p>Monthly</p>	
	<p>Bid evaluation were not always evaluated by bid evaluation committees that included an SCM Practitioner as required by SCM Regulation 28(2)</p>	<ul style="list-style-type: none"> • Ensure that the Bid Evaluation Committee is composed of the relevant members and the SCM practitioner e.g SCM Manager 	<p>CFO</p>	<p>Monthly</p>	

	Bid adjudication committee was not always done by committees which were composed in accordance with SCM Regulation 29 (2)	<ul style="list-style-type: none"> • Ensure that the Bid Adjudication Committee is composed of all the relevant members. 	CFO	Monthly	
	Construction projects were not always registered with the CIDB, as required by Section 22 of the CIDB Act and Regulation 18	<ul style="list-style-type: none"> • Ensure that projects are registered with the CIDB, for example the projects that were advertised in November are registered with CIDB website 	SCM manager	Monthly	
	Awards were made to the providers who are in the service of the municipality in contravention of Section 112(j) of the MFMA and SCM Regulation 24. Furthermore the service provider failed to declare that he/she was in the service of the municipality	<ul style="list-style-type: none"> • Ensure that during registration of the service providers in our database, the MBD 4 form is filled in by the service providers • Ensure that employees are encouraged to declare their interests • Ensure that the code of conduct for employees is communicated to enhance awareness • Whenever a service provider is forwarding the quotation the MBD 4 form must be filled in 	SCM Officer	Monthly	

		by the service provider			
	Awards were made to the providers who are in the service of other state organs whose directors/shareholders were in the service of the state institutions in contravention of Section 112(j) of MFMA and SCM Regulation 24. Similar projects were identified in the prior year, and no effective steps were taken to combat the abuse of SCM processes in accordance with SCM Regulation 38	<ul style="list-style-type: none"> • Ensure that during registration of the service providers in our database, the MBD 4 form is filled in by the service providers • Whenever a service provider is forwarding and submitting the quotation to the municipality, the MBD 4 form must be filled in by the service provider 			
	Persons in the service of the state who had private/business interest in contracts awarded failed to disclose those interests	<ul style="list-style-type: none"> • Ensure that the employees are encouraged to disclose their interests as it is the case with the Senior Managers and Managers • Ensure that the code of conduct for employees is communicated to enhance awareness 	SCM Officer	Monthly	

Expenditure Management	Reasonable steps were not taken to prevent irregular expenditure as required by Section 62(1)d and 95(d) of the MFMA	<ul style="list-style-type: none"> • Identify the irregular expenditure on a monthly basis • Ensure that irregular expenditure is submitted to the Council • Procure the SCM Module to minimize the irregular expenditure, as the system is going to have a clear audit trail for all the processes 	SCM Manager	Monthly	
Revenue Management	Interest was not charged on all accounts in arrears as required by section 64(2) (g) of the MFMA	<ul style="list-style-type: none"> • Communicate to the customers that the municipality is currently implementing the charges of interest on arrear accounts • Ensure that interest on arrears is charged on accounts. 	Budget Manager	31 March 2014	
Predetermined objectives	Of the total number of 252 targets planned for the year, 94 targets were not completely achieved during the year under review. As a result only 63% of the planned targets were achieved during the year under review. This was due to the lack of monitoring and lack of corrective	<ul style="list-style-type: none"> • Monthly reporting in extended management meetings • Quarterly reporting in extended management meetings • Individual performance 	Municipal Manager & All Senior Managers Assessment Committee	Monthly; Quarterly annually	

	actions taken to ensure that planned targets were achieved	assessment of senior managers and municipal manager	headed by Mayor		
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COMPONENT A: AUDITOR-GENERAL REPORTS 2014/15 as at 30 June 2015

o	AG Finding	Action/Activity	Responsible Person	Date	COMMENT
IRREGULAR EXPENDITURES					
	<ul style="list-style-type: none"> The municipality incurred irregular expenditure of R13.9 million during the year under review. All of this irregular expenditure was the result of non-compliance with procurement requirements in previous financial years 	<ul style="list-style-type: none"> Verify expenditure vouchers on a monthly basis to identify irregular expenditure Identify the reasons for irregular expenditure Forward the report to the Internal Audit Department on a quarterly basis to perform the audit Forward the Irregular expenditure report to the Council on a quarterly basis Perform a detailed investigation to determine whether the irregular expenditure should be recovered or not , from any person or third party 	SCM Manager/CFO	Quarterly	
UNAUTHORISED EXPENDITURES					

	<ul style="list-style-type: none"> The municipality incurred unauthorised expenditure of R12,2 million during the year ended 30 June 2015. This unauthorised expenditure was mainly due to overspending the employee related cost and remuneration of councillor votes. 	<ul style="list-style-type: none"> Confirm the budget availability before the actual procurement Confirm the budget availability of funds before actual payments Perform analysis of budget vs actual for both operational expenditures and capital expenditures to identify any unauthorised expenditures Ensure that the remedial actions are taken to deal with unauthorised expenditures Ensure that any unauthorised expenditures are approved through the adjustment budget Forward the report on unauthorised expenditures to the Council for condonement 	Budget Manager/CFO	Quarterly	
REVENUE MANAGEMENT:					
	<ul style="list-style-type: none"> Interest was not charged on all accounts in arrears as required by section 64(2) (g) of the MFMA 	<ul style="list-style-type: none"> Forward the report on OLD DEBT BOOK to the Council for write-off i.e. pre-2006 debtors book Prepare the debtors analysis book to identify any debtors that cannot be recovered and 	Budget Manager/CFO/Accounting Officer	March 2016	

		<p>make recommendations for write off</p> <ul style="list-style-type: none">• Forward the recommendation on overall debtors write-off to the Council for approval.• Hold the community meeting with the ratepayers to advise them about the charging of interest on arrears accounts.• Charge the interest on arrear accounts by the 1st of March			
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KPA: FINANCIAL VIABILITY AND MANAGEMENT

Objectives

The objective of the Financial Viability and Management is to secure sound and sustainable management of the financial affairs of the municipality and to comply with the accounting norms and standards.

National Treasury Municipal revenue budget and expenditure review of 2011 expressly states that “municipal councils, mayors and municipal managers are responsible for ensuring that available revenues are collected, that resources are allocated appropriately, and that procurement and service delivery processes are economical, efficient, effective and equitable”.

6.1 Financial Policies

The following financial policies were reviewed and adopted by Council in 2014

Sector Plan	Detail
IDP and Budget Policy	This policy sets out the budgeting principles, which Nyandeni Local Municipality will follow in preparing each annual budget, as well as the Integrated Development Planning process through which the municipality will prepare a strategic development plan, for a five-year period.
Rates Policy	To ensure that property rating in Nyandeni Municipality is carried out in a fair, consistent, considerate and controlled manner, this rate policy is developed in accordance with the provisions of the Local Government: Municipal Property Rates Act, (Act 6 of 2004).
Supply Chain Management Policy	Ensure Supply Chain Management Policy that is fair, equitable, transparent, competitive and cost effective; (c) complies with

	<p>(l) the Regulations; and</p> <p>(ii) any minimum norm and standards that may be prescribed in terms of section 168 of the Act;</p> <p>(d) is consistent with other applicable legislation;</p>
Fixed Asset Management Policy	<p>This document is provided to assist management and employees of Nyandeni Municipality to implement and maintain consistent, effective and efficient fixed asset management principles.</p> <p>The objective of this document is aimed at:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Safeguarding the fixed assets of the Nyandeni Municipality to ensure effective use of existing resources <input type="checkbox"/> Emphasizing a culture of accountability over fixed assets owned by the Nyandeni Municipality. <input type="checkbox"/> Ensuring that effective controls are communicated to management and staff through clear and comprehensive written documentation. <input type="checkbox"/> Providing a formal set of procedures to ensure that the Nyandeni Municipality's fixed asset policies are achieved and are in compliance with the Municipal Finance Management Act (MFMA) and National Treasury, GRAP and Accounting Standards Board directions, instructions, principals and guidelines.
Banking and Investment Policy(cash management)	<p>The policy is aimed at gaining the optimal return on investment, without incurring undue risks, during those periods when cash revenues are not needed for capital or operational purposes</p>
Fleet Management Policy	<p>To co-ordinate the management of council transport by means of control measures which are applicable to all political officer bearers, departments, divisions and sections of the Council's operation</p>

	To prescribe requirements relating to the utilization and maintenance of such transport by employees and political office bearers
Tariff Policy	Guide setting and implementation of tariff
Credit Control and Debt Collection Policy	Guide credit control implementation in line with the MFMA
Indigent Policy	Provision of basic services to communities in a sustainable manner within the financial and administrative capacity of the Council
	To provide guidelines and procedures for the subsidization of basic service charges to indigent households
Insurance Policy	To safeguard municipal assets and minimize risks where there will be a need of replacement due to natural causes

EC155 Nyandeni - Supporting Table SA18 Transfers and grant receipts

Description	R ef	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audite d Outco me	Audite d Outco me	Audite d Outco me	Original Budget	Adjuste d Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
RECEIPTS:	1, 2									
- <u>Operating Transfers and Grants</u>										
National Government:		-	-	-	165,787	165,787	165,787	177,202	239,141	246,511
Local Government Equitable Share					143,347	143,347	143,347	169,496	216,524	218,793
Finance Management					1,550	1,550	1,550	1,600	1,650	1,700
Municipal Systems Improvement					890	890	890	934	967	1,018
Integrated National Electrification Programme					19,000	19,000	19,000	4,000	20,000	25,000
EPWP Incentive					1,000	1,000	1,000	1,172	-	-
Provincial Government:		-	-	-	300	300	300	300	318	337
Sport and Recreation					300	300	300	300	318	337
District Municipality:		-	-	-	-	-	-	-	-	-
<i>[insert description]</i>										
Other grant providers:		-	-	-	500	500	500	-	-	-
LG SETA					500	500	500	-	-	-
Total Operating Transfers and Grants	5	-	-	-	166,587	166,587	166,587	177,502	239,459	246,848
<u>Capital Transfers and Grants</u>										
National Government:	-	-	-	48,566	48,566	48,566	56,324	59,368	61,990	
Municipal Infrastructure Grant (MIG)				48,566	48,566	48,566	56,324	59,368	61,990	
Provincial Government:	-	-	-	-	-	-	-	-	-	
Other capital transfers/grants <i>[insert description]</i>										
District Municipality:	-	-	-	-	-	-	-	-	-	

<i>[insert description]</i>										
Other grant providers:		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	-	-	-	48,566	48,566	48,566	56,324	59,368	61,990
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	-	215,153	215,153	215,153	233,826	298,827	308,838

6.4. STRATEGY ON REVENUE ENHANCEMENT AND COLLECTION:

6.4.1 Indigents Registration and Policy

It is fruitless to attempt debt collection endeavours from Indigents. It is therefore of critical importance to determine with greater accuracy and reliability who Indigent Debtors are.

The indigent register has been updated and covers all wards under the jurisdiction of Nyandeni Local Municipality. The municipality will annually update the register and conduct verification process to ensure accuracy and reliability.

Billing/Ability to Collect / Credit Control / Customer Care:

Approximately 2100 Customers are billed on a monthly basis focusing at Nqgeleni and Libode towns; this numbers is inclusive of Business, residential and government.

Customer Care in respect of Applications, Terminations of Service, and Enquiries/Queries is timeously dealt with. A Systematic Dispute/Query Handling System (statutory requirement) to be introduced to ensure that all queries are dealt with. Customer Care is also a statutory requirement.

Management of the Consumer Database:

Updating consumer information like telephone numbers, ID numbers, etc. Profiling/ Classification of Debtors; Identifying prescribed debts and irrecoverable debts for write off. Identifying material debt for immediate collection; Revisit consumer application forms. We need to ensure that all tariffs and also the correct tariffs are charged. There are several debtors who are not being charged/fully /correctly charged and council loses income, which it cannot afford.

Identifying Areas for Improvement in Revenue Generation and Collection Processes:

We need to review the Billing Cycle, Accounts Returned/Undelivered. Alternative sources of revenue and Public-Private-Partnerships should be explored. Grouping of Untraceable Debtors and applying a strategy of appointing a tracer on a "No-trace-no-fee" basis and placing of public notices for such debtors to come to council's offices to arrange.

Training and Mentoring of Staff:

Setting up and Training on Systematic Debt Collection and Credit Control Procedures, Processes, Legislation, Customer Care and Guidelines in line with approved policies. Training and capacity building is an area that has been neglected and has accounted for low morale.

Expenditure Management

As important as Revenue Management, is Expenditure Management which is also prescribed per Section 65 of the Municipal Finance Management Act.

In respect of Cash Outflow (Expenditure side) the following is also critical because how you spend is just as important as collecting revenue.

The following areas must be well managed and in certain areas, improved:

- Ensure accurate payments, e.g. no over payments, deduction of discounts.
- Reconciling of Creditors' Accounts.
- Avoid payments before due date.
- Ensure value-for-money in spending.
- Strict Budgetary Control / Fiscal Discipline.
- Better returns on Investments without compromising safety of investments.
- More competitive prices / bidding.
- Review Supply Chain Management Policy in line with the new BBBEEE
- External service provides to render services for non-core functions at cheaper rates.

Other initiatives:

- Letters of appreciation for good payers and possible incentives.
- Economic/Skills Profiling of Indigent Debtors to offer work to redeem debts instead of future write off. .
- Interest Write-off Incentive for non-indigent debtors (excluding Government, Councillors and Staff).
- The Mayors' letter to consumers / rate payers informing them about Income and Expenditure of Municipalities and their responsibility to pay. Motivating consumers to pay and thanking those who are paying promptly.

- Newsletters will also be initiated in order to communicate with our clients and thereby improving the image of the municipality. Projects and other achievements will also be communicated to the public. Businesses could advertise in the newsletter to cover (at least partly) our newsletter and account rendering costs.
- Investigation/Audit of all Assessment Rates Accounts based on Land Value only as some property owners are not being charged for improvements. Valuator to expedite process.
- VAT and Creditor's Audit to recover unclaimed/under claimed VAT and overpaid Creditors.
- Conduct customer satisfaction surveys

6.5. Summary of Operating and Capital Expenditure for MTERF

EC155 Nyandeni - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousands										
Financial Performance										
Property rates	4 356	4 692	5 259	5 005	5 005	5 005	5 005	5 317	5 637	5 980
Service charges	159	168	178	200	200	200	200	212	225	238
Investment revenue	2 552	2 850	4 743	5 000	5 000	5 000	5 000	5 300	5 610	5 955
Transfers recognised - operational	122 525	131 018	157 576	173 502	183 230	183 230	183 230	245 817	240 878	235 626
Other own revenue	3 447	8 038	4 906	22 840	27 153	27 153	27 153	10 520	11 206	11 977
Total Revenue (excluding capital transfers and contributions)	133 038	146 766	172 663	206 547	220 587	220 587	220 587	267 166	263 564	259 776
Employee costs	55 187	60 559	79 529	80 928	80 928	80 928	80 928	107 017	113 596	120 244
Remuneration of councillors	12 333	15 062	15 983	16 174	16 174	16 174	16 174	17 457	18 504	19 615
Depreciation & asset impairment	31 100	31 291	30 481	34 598	34 598	34 598	34 598	46 925	61 289	74 557
Finance charges	100	281	140	105	105	105	105	110	117	124
Materials and bulk purchases	10 627	6 685	4 463	16 846	20 346	20 346	20 346	23 774	25 177	21 706
Transfers and grants	-	-	-	3 720	3 720	3 720	3 720	5 000	6 000	5 032
Other expenditure	43 416	57 107	79 741	66 495	159 137	159 137	159 137	176 285	165 184	158 540
Total Expenditure	152 763	170 985	210 336	218 866	315 008	315 008	315 008	376 568	389 870	399 817
Surplus/(Deficit)	(19 725)	(24 220)	(37 674)	(12 319)	(94 421)	(94 421)	(94 421)	(109 403)	(126 307)	(140 041)
Transfers recognised - capital	38 660	39 753	48 566	60 324	56 324	56 324	56 324	58 809	61 132	64 612
Contributions recognised - capital & contributed a	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	18 935	15 533	10 892	48 005	(38 097)	(38 097)	(38 097)	(50 594)	(65 175)	(75 429)
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	18 935	15 533	10 892	48 005	(38 097)	(38 097)	(38 097)	(50 594)	(65 175)	(75 429)
Capital expenditure & funds sources										
Capital expenditure	38 545	14 789	65 660	86 102	67 102	67 102	67 102	77 318	70 819	65 312
Transfers recognised - capital	38 545	14 789	65 660	86 102	67 102	67 102	67 102	77 318	70 819	65 312
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	38 545	14 789	65 660	86 102	67 102	67 102	67 102	77 318	70 819	65 312
Financial position										
Total current assets	72 087	86 245	82 922	79 307	79 307	79 307	79 307	85 261	84 343	83 386
Total non current assets	291 199	308 354	323 988	316 819	316 819	316 819	316 819	361 950	374 190	369 632
Total current liabilities	17 963	19 452	20 928	8 000	8 000	8 000	8 000	9 284	8 746	8 238
Total non current liabilities	477	3 672	3 614	1 366	1 366	1 366	1 366	1 835	1 756	1 683
Community wealth/Equity	344 845	371 475	382 367	419 845	386 760	386 760	386 760	436 091	448 031	443 097
Cash flows										
Net cash from (used) operating	55 399	60 646	48 050	85 450	85 450	85 450	85 450	77 319	70 821	65 313
Net cash from (used) investing	(51 542)	(14 421)	(56 728)	(86 102)	(67 102)	(67 102)	(67 102)	(77 318)	(70 819)	(65 312)
Net cash from (used) financing	85	4 329	1 431	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	9 437	82 687	75 440	13 029	32 029	32 029	32 029	75 441	75 442	75 442
Cash backing/surplus reconciliation										
Cash and investments available	60 492	82 687	75 440	72 826	72 826	72 826	72 826	75 440	78 407	81 552
Application of cash and investments	(5 754)	12 264	1 962	1 670	2 513	2 513	2 513	(377)	2 969	6 563
Balance - surplus (shortfall)	66 246	70 423	73 478	71 156	70 313	70 313	70 313	75 817	75 438	74 988
Asset management										
Asset register summary (WDV)	291 199	308 354	323 988	379 482	360 482	360 482	361 950	361 950	374 190	369 632
Depreciation & asset impairment	31 100	31 291	30 481	34 598	34 598	34 598	46 925	46 925	61 289	74 557
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	16 846	20 346	20 346	23 774	23 774	25 177	21 706
Free services										
Cost of Free Basic Services provided	-	-	-	3 720	3 720	3 720	3 989	3 989	4 929	3 901
Revenue cost of free services provided	-	-	-	27 620	27 620	27 620	27 935	27 935	28 935	27 967
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	4	4	4	4	4	4	4
Refuse:	-	-	-	-	-	-	1	1	1	1

6.5.1 ANALYSIS OF OWN REVENUE SOURCES

EC155 Nyandeni - Supporting Table SA1 Supporting detail to
'Budgeted Financial Performance'

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
REVENUE ITEMS:											
<u>Property rates</u>	6										
Total Property Rates		6 669	5 781	6 168	5 970	970 ⁵	970 ⁵	5 970	6 328	6 708	7 110
<i>less Revenue Foregone</i>		2 313	1 089	908	965	965	965	965	1 011	1 071	1 131
Net Property Rates		4 356	4 692	5 259	5 005	005 ⁵	005 ⁵	5 005	317 ⁵	637 ⁵	980 ⁵
<u>Service charges - electricity revenue</u>	6										
Total Service charges - electricity revenue											
<i>less Revenue Foregone</i>											
Net Service charges - electricity revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - water revenue</u>	6										
Total Service charges - water revenue											
<i>less Revenue Foregone</i>											
Net Service charges - water revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - sanitation revenue</u>	6										
Total Service charges - sanitation revenue											
<i>less Revenue Foregone</i>											
Net Service charges - sanitation revenue		-	-	-	-	-	-	-	-	-	-
<u>Service charges - refuse revenue</u>	6										
Total refuse removal revenue		159	168	178	200	200	200	200	212	225	238
Total landfill revenue											
<i>less Revenue Foregone</i>											
Net Service charges - refuse revenue		159	168	178	200	200	200	200	212	225	238
<u>Other Revenue by source</u>											
<i>Insurance claim</i>		1	196	-							
<i>Library fees</i>			11	2	40	40	40	40	42	45	48
<i>Plan fees</i>		4	19	13	25	25	25	25	27	28	30
Other income		474	89	132	15 100	413 ¹⁹	413 ¹⁹	19 413	95	101	107
Tender sales		228	222	404	250	250	250	250	265	281	298
Training-LGSETA											1

		95	331	398	500	500	500	500	750	850	000
Vending & Hawking fees		15	56	7	10	10	10	10	11	11	12
Auction Sale		0	–	57	–	–	–	–			
Fees earned			45	44	–	–	–	–			
Commissions received		87	116	140	200	200	200	200	212	225	238
Recoveries			4 670	–	–	–	–	–			
Fair value gain on short term investments	3	191	171	254	–	–	–	–			
Total 'Other' Revenue	1	1 096	5 928	1 451	16 125	438	438	20 438	402	541	732
EXPENDITURE ITEMS:											
<u>Employee related costs</u>											
Basic Salaries and Wages	2	33 348	36 677	48 605	52 690	690	690	52 690	100	226	393
Pension and UIF						7	7		11	12	13
Contributions		9 858	3 376	4 776	7 400	400	400	7 400	783	508	240
						5	5		12	13	14
Medical Aid Contributions		351	6 900	7 864	5 742	742	742	5 742	981	780	586
Overtime		2 843	3 401	4 804	53	53	53	53	50	53	56
						5	5		5	5	6
Performance Bonus				–	5 848	848	848	5 848	489	826	167
						2	2		3	3	3
Motor Vehicle Allowance		4 763	5 890	5 972	2 286	286	286	2 286	068	256	447
Cellphone Allowance		176		–					–	–	–
						2	2		3	3	3
Housing Allowances		1 684	2 207	3 116	2 407	407	407	2 407	103	294	487
Other benefits and allowances		2 163	1 395	2 613	4 152	152	152	4 152	114	306	499
						4	4		3	3	3
Payments in lieu of leave			167	1 251					–	–	–
Long service awards			545	529	350	350	350	350	328	348	369
Post-retirement benefit obligations	4								–	–	–
<i>sub-total</i>	5	55 187	60 559	79 529	80 928	928	928	80 928	107 017	113 598	120 244
Less: Employees costs capitalised to PPE											
Total Employee related costs	1	55 187	60 559	79 529	80 928	928	928	80 928	107 017	113 598	120 244
<u>Contributions recognised - capital</u>											
<i>List contributions by contract</i>											
Total Contributions recognised - capital		–	–	–	–	–	–	–	–	–	–
<u>Depreciation & asset impairment</u>											
Depreciation of Property, Plant & Equipment		30 912	31 291	30 481	34 598	598	598	34 598	925	289	557
Lease amortisation						34	34		46	61	74
Capital asset impairment		188									
Depreciation resulting from	1										

revaluation of PPE	0										
Total Depreciation & asset impairment	1	31 100	31 291	30 481	34 598	598 ³⁴	598 ³⁴	34 598	925 ⁴⁶	289 ⁶¹	557 ⁷⁴
Bulk purchases											
Electricity Bulk Purchases		7 158									
Water Bulk Purchases											
Total bulk purchases	1	7 158	-	-	-	-	-	-	-	-	-
Transfers and grants											
Cash transfers and grants		-	-	-	3 720	720 ³	720 ³	3 720	000 ²	500 ²	032 ²
Non-cash transfers and grants		-	-	-	-	-	-	-	000 ³	500 ³	000 ³
Total transfers and grants	1	-	-	-	3 720	720 ³	720 ³	3 720	000 ⁵	000 ⁶	032 ⁵
Contracted services											
<i>List services provided by contract</i>											
<i>Nashua</i>				391	391	391	391	034 ¹	095 ¹	156 ¹	
<i>sub-total</i>	1	-	-	-	391	391	391	391	034 ¹	095 ¹	156 ¹
Allocations to organs of state:											
Electricity											
Water											
Sanitation											
Other											
Total contracted services		-	-	-	391	391	391	391	034 ¹	095 ¹	156 ¹
Other Expenditure By Type	-										
Collection costs											
Contributions to 'other' provisions											
Consultant fees											

		401	5 265	3 350	100	100	100	100	105	111	117
Audit fees		3 847	3 264	2 441	3 000	000	3	000	4	4	4
General expenses	3	39 043	47 006	60 980	59 504	044	85	044	90	039	85
<i>Fair value loss on short term investments</i>		124	130	228							
<i>Impairment Loss/Reversal of impairment</i>				2 418							
<i>Capital expenditure</i>						102	67	102	67	77	70
								67 102	318	819	312
											65
Total 'Other' Expenditure	1	43 416	55 664	69 417	62 604	155 246	155 246	155 246	171 584	160 205	153 282

Repairs and Maintenance by Expenditure Item	8											
Employee related costs												
Other materials				16 846	346	20	20		23	25	21	
Contracted Services					346	346			774	177	706	
Other Expenditure												
Total Repairs and Maintenance Expenditure	9	-	-	-	16 846	346	20	20	-	774	23	25
												21

EC155 Nyandeni - Table A9 Asset Management

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	-	-	-	67 102	67 102	67 102	77 318	70 819	65 312
Infrastructure - Road transport		-	-	-	54 422	54 422	54 422	58 354	65 044	63 190
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	225	-	-	235	249	263
Infrastructure		-	-	-	54 647	54 422	54 422	58 589	65 294	63 454
Community		-	-	-	-	225	225	200	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	11 955	11 955	11 955	16 512	4 749	1 038
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	500	500	500	2 017	777	820
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	54 422	54 422	54 422	58 354	65 044	63 190
Infrastructure - Road transport		-	-	-	54 422	54 422	54 422	58 354	65 044	63 190
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	225	-	-	235	249	263
Infrastructure		-	-	-	54 647	54 422	54 422	58 589	65 294	63 454
Community		-	-	-	-	225	225	200	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	11 955	11 955	11 955	16 512	4 749	1 038
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	500	500	500	2 017	777	820
TOTAL CAPITAL EXPENDITURE - Asset class	2	-	-	-	67 102	67 102	67 102	77 318	70 819	65 312
ASSET REGISTER SUMMARY - PPE (WDV)										
Infrastructure - Road transport	5	188 305	207 809	221 333	247 532	247 532	247 532	236 656	240 261	234 881
Infrastructure - Electricity		-	-	-	19 000	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	225	-	-	235	249	263
Infrastructure		188 305	207 809	221 333	266 532	247 532	247 532	236 891	240 510	235 144
Community		4 052	2 593	2 539	4 092	4 092	4 092	2 739	2 951	2 361
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		60 473	60 473	60 473	60 473	60 473	60 473	60 473	60 473	60 473
Other assets		37 992	37 069	39 217	47 575	47 575	47 575	59 829	69 479	70 834
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		376	409	424	809	809	809	2 017	777	820
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	291 199	308 354	323 988	379 482	360 482	360 482	361 950	374 190	369 632
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		31 100	31 291	30 481	34 598	34 598	34 598	46 925	61 289	74 557
Repairs and Maintenance by Asset Class	3	-	-	-	16 846	20 346	20 346	23 774	25 177	21 706
Infrastructure - Road transport		-	-	-	14 374	17 874	17 874	21 000	22 239	19 604
Infrastructure - Electricity		-	-	-	500	500	500	522	553	584
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	14 874	18 374	18 374	21 522	22 792	20 187
Community		-	-	-	162	162	162	170	180	190
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	1 810	1 810	1 810	2 082	2 205	1 329
TOTAL EXPENDITURE OTHER ITEMS		31 100	31 291	30 481	51 444	54 944	54 944	70 699	86 466	96 263
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		0.0%	0.0%	0.0%	6.6%	8.0%	8.0%	7.9%	8.0%	7.0%

GRANTS AND SUBSIDIES RECEIVED

EC155 Nyandeni - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		124 165	128 879	163 004	173 202	182 930	182 930	245 499	240 541	235 269
Local Government Equitable Share		111 925	121 517	140 564	169 496	169 496	169 496	216 750	217 959	212 536
Finance Management		1 450	1 500	1 550	1 600	1 791	1 791	1 600	1 625	1 700
Municipal Systems Improvement		790	800	890	934	934	934	930	957	1 033
Integrated National Electrification Programme		10 000	3 600	19 000	-	9 537	9 537	25 000	20 000	20 000
EPWP Incentive			1 462	1 000	1 172	1 172	1 172	1 219	-	-
Provincial Government:		199	300	300	300	300	300	318	337	357
Sport and Recreation			300	300	300	300	300	318	337	357
Mlengane ECO-Tourism Development Project /EU		199								
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total Operating Transfers and Grants	5	124 364	129 179	163 304	173 502	183 230	183 230	245 817	240 878	235 626
Capital Transfers and Grants										
National Government:		38 660	39 753	48 566	60 324	56 324	56 324	58 809	61 132	64 612
Municipal Infrastructure Grant (MIG)		38 660	39 753	48 566	56 324	56 324	56 324	58 809	61 132	64 612
Integrated National Electrification Programme					4 000	-	-			
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality: [insert description]		-	-	-	-	-	-	-	-	-
Other grant providers: [insert description]		-	-	-	-	-	-	-	-	-
Total Capital Transfers and Grants	5	38 660	39 753	48 566	60 324	56 324	56 324	58 809	61 132	64 612
TOTAL RECEIPTS OF TRANSFERS & GRANTS		163 024	168 932	211 870	233 826	239 554	239 554	304 626	302 010	300 238

CASH FLOW

EC155 Nyandeni - Table A7 Budgeted Cash Flows

Description	Ref	2011/12	2012/13	2013/14	Current Year 2014/15				2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates, penalties & collection charges		4 356	4 692	5 259	5 005	5 005	5 005	5 005	5 317	5 637	5 980
Service charges		159	168	178	200	200	200	200	212	225	238
Other revenue		6 969	8 038	4 906	22 188	22 188	22 188	22 188	10 520	11 206	11 977
Government - operating	1	122 525	131 018	157 576	173 502	173 502	173 502	173 502	245 817	240 878	235 626
Government - capital	1	38 660	39 753	48 566	60 324	60 324	60 324	60 324	58 809	61 132	64 612
Interest		2 551	2 850	4 743	5 000	5 000	5 000	5 000	5 300	5 618	5 955
Dividends									-	-	-
Payments											
Suppliers and employees		(119 597)	(125 720)	(173 165)	(180 664)	(180 664)	(180 664)	(180 664)	(243 546)	(247 758)	(253 919)
Finance charges		(224)	(153)	(14)	(105)	(105)	(105)	(105)	(110)	(117)	(124)
Transfers and Grants	1								(5 000)	(6 000)	(5 032)
NET CASH FROM/(USED) OPERATING ACTIVITIES		55 399	60 646	48 050	85 450	85 450	85 450	85 450	77 319	70 821	65 313
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE			368						-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables		327							-	-	-
Decrease (increase) in non-current investments		(1 087)							-	-	-
Payments											
Capital assets		(50 782)	(14 789)	(56 728)	(86 102)	(67 102)	(67 102)	(67 102)	(77 318)	(70 819)	(65 312)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(51 542)	(14 421)	(56 728)	(86 102)	(67 102)	(67 102)	(67 102)	(77 318)	(70 819)	(65 312)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing			1 221	(180)					-	-	-
Increase (decrease) in consumer deposits			3 107	1 611					-	-	-
Payments											
Repayment of borrowing		85							-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		85	4 329	1 431	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		3 942	50 554	(7 247)	(652)	18 348	18 348	18 348	1	1	0
Cash/cash equivalents at the year begin:	2	5 495	32 133	82 687	13 681	13 681	13 681	13 681	75 440	75 441	75 442
Cash/cash equivalents at the year end:	2	9 437	82 687	75 440	13 029	32 029	32 029	32 029	75 441	75 442	75 442

COMPLIANCE

1. MUNICIPAL GRAP COMPLIANT ASSET REGISTER

Nyandeni Local Municipality have complied with GRAP 17 in compiling the GRAP Asset Register in 2013/14 financial year.

2. FINANCIAL RECOVERY PLAN IN PLACE TO ADDRESS CASH FLOW PROBLEMS

Financial recovery has been developed and adopted by Council, inter alia, progress reports are compiled as part of MFMA S71, and 52d report

EXPENDITURES:

(a) Capital Budget spending patterns for previous years:

Year	Capital Budget	Actual Spending	Percentage
------	----------------	-----------------	------------

2012/13	R53 426 420	R53 426 420	100%
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(b) Expenditure on Grants for previous years

GRANT NAME	Budget Year (2012/13)	Actual Spending (2012/13)	Percentage spent
MIG	39 753 000	39 753 000	100%
MSIG	800 000	800 000	100%
FMG	1 500 000	1500 000	100%
INEP	3 600 000	3 600 000	100%

(c) Percentage of salary budget (Councillors remuneration and employees cost) to operational budget

	Budget Year 2012/13	Budget year 2013/14
Personnel Budget	R77 940 000	R90 965 000
General Expenditure	R53 446 000	R62 638 469
Repairs & maintenance	R10 125 000	R17 660 000
Capital Expenditure	R53 710 000	78 249 329
GRAND TOTAL	R195 221 000	R249 512 798

Percentage of the salaries and employee costs to the total operational budget is 55 % for 2012/13, and 53% for 2013/14 financial year.

(d) Percentage of repairs and maintenance on total budget

The percentage of repairs and maintenance to total operational budget is 5% for 2012/13, and 7% for 2013/14 financial year.

REVENUE MANAGEMENT:

(a) Percentage of revenue realised in the past two years

	Notes	2013	2012 Restated
REVENUE			
Revenue from exchange transactions			
Service charges - refuse	19	167 786	158 526
Rental of facilities and equipment	20	136 699	101 644
Interest earned	17	2 849 749	2 551 653
Fair value gain on short term investments	17	171 435	191 396
Other income	23	2 782 526	2 551 465
Revenue from non-exchange transactions			
Property rates	18	4 693 434	4 356 467
Fines	21	276 794	602 350
Recoveries	17	4 670 475	-
Transfers and subsidies	22	170 771 416	161 184 594
Total Revenue		186 520 314	171 698 096

Above is the actual income that was realised for the past two years.

REVENUE ACTUAL VS BUDGET 2012/13

Description	Actuals	Budget	Percentage	Reasons
Revenue				
Taxes	R4 693 434	R5 800 000	81%	Included in the Actual amount is revenue forgone of R 1 620 253
Fees, fines, penalties & licences	R276 794	R700 000	40%	There were delays in commencement for the operation of the Drivers & Licence Testing Centre
Revenue from exchange transactions	R3 325 669	R3 027 000	109%	Improved demand on sale transaction & other revenue sources
Transfers from other governments	R170 771 416	R175 846 000	97%	Unspent MIG Grant from 2011 financial year was withheld by National Treasury against 2012/13 Equitable Share Grant Allocation
Other operating	R7 453 001	R10 310 000	72%	Included in the Approved Budget was the Transfers from Reserves of R8.7 million
TOTAL REVENUE	R186 520 314	R195 683 000		

(b) Debtors Turnover Rate

Debtors Turnover Ratio	2012/13 Year actual	2011/12 Year actual
Billed revenue on levied consumers	<u>R4 861 222</u>	<u>R2 992 277</u>
Average debtors balance	R784 666.58	R1 996 138
	=619.52%	=200%

(c) Creditors turnover rate

Creditors Turnover Ratio	2012/13 Year actual	2011/12 Year actual
Cost of goods <u>acquired</u>	<u>R62 483 743</u>	<u>R51 967 281</u>
Average Creditors balance	R1 302 749	R908 492
	=47,96	=57,20

SYSTEMS OF INTERNAL CONTROLS

SUPPLY CHAIN MANAGEMENT SYSTEM

Supply Chain Management Policy

Section 112 of the MFMA prescribes that each municipality must have a supply chain management policy that is fair, equitable, transparent, competitive and cost effective and complies with a prescribed regulatory framework for municipal supply chain management

Nyandeni Municipality has adopted a Supply Chain Management Policy as contemplated in the aforementioned legislative provisions and its regulations. The SCM System is responsible for the following key components

- Demand management, acquisition management, Logistics management and disposal management

The Supply Chain Management Unit

Nyandeni Local Municipality has a functional Supply Chain Management Unit which is directly accountable to the Chief Financial Officer as prescribed by the MFMA and supported by the approved SCM Policy. **The Unit is composed of the following staff compliment**

- SCM Manager, two SCM Officers and two SCM Practitioners

Supply Chain Management Bid Committees

The municipality has a functional Bid Committees which are appointed by the Accounting Officer Quarterly and have been trained on SCM

- Bid Specification Committee
- Bid Evaluation Committee
- Bid Adjudication Committee

Training of SCM Staff on Competency levels

Currently SCM Staff is undergoing training with the University of Fort Hare. Bid Committee are trained two times a year to familiarise them with the reforms introduced by National Treasury.

Contract Management

Contract Management System is in place and composed of the Contract Management Register which encapsulate the following features

- Date of the goods and services advertised
- Appointed details of appointed service providers
- Contract price and related details
- Payment incurred versus awarded prices
- Service Level Agreement signed between the municipality and agencies appointed

Implementation of the Valuating Roll

The Municipal Valuation Roll has been approved by council will come to effect from the 1st of July 2013

OVERVIEW OF THE BUDGET RELATED POLIES

TARIFFS POLICY

The reviewed tariffs policy was adopted by Council on 29 May 2015

RATES POLICY

Nyandeni Rates Policy was adopted by Council during is Special Council Meeting held on 29 May 2014 together with the budget annual budget. The aim of the policy is to ensure that property rating in Nyandeni Municipality is carried out in a fair, consistent, considerate and controlled manner, this rate policy is developed in accordance with the

6. PLANNING THE FUTURE OF NYANDENI LOCAL MUNICIPALITY

Vision

“A well governed place of opportunities characterised by integrated-employment -creating economy and sustainable functional urban and rural centres for better livelihoods”

Mission

- a) *Nyandeni Local Municipality shall strive for an accountable and transparent governance system that fosters a culture of service and partnership with all our stakeholders and citizenry*
- b) *The Municipal shall provide sustainable quality service delivery and infrastructure.*
- c) *The municipality commits to implement socio – economic development interventions that prioritised rural development whilst ensuring functional urban spaces and infrastructure that supports viable businesses and sustainable human settlements*
- d) *Amongst its priorities, the municipality will strive to foster a strong IGR system to implement rural development and seamless service delivery.*
- e) *Through partnership with traditional council, the council shall ensure proper land use planning and management.*
- f) *The Nyandeni Local Municipality shall strive for financial viability through increased revenue generation, resource mobilisation strategies as well as sound financial management practices.*

Council values

The King III report defines good governance as following:

“Good corporate governance is essentially about effective, responsible leadership. Responsible leadership is characterised by the ethical values of responsibility, accountability, fairness and transparency. Section 195 of the Constitution of the RSA, 1996 states that public administration must be govern by the democratic values and principles enshrined in the Constitution, including

- ▶ High standard of professional ethics must be promoted and maintained
- ▶ Efficient, economic and effective use of resources must be promoted
- ▶ Public administration must be development oriented

In line with the Constitution the municipality has adopted the following values, inter alia, in a process of developing service standard charter to give meaning and effect to these values

- a) **Diligence** (self-driven public representative and management team, commitment to serving the people, assertive in representing the interests of Nyandeni inhabitants)
- b) **Promptness** (responding to matters of public and citizens interests within reasonable time including acknowledging and keeping people informed of all municipal processes)
- c) **Integrity** (transparency, honesty, good democratic ethics, impartial on matters of public good and interest and building a public service that transcends political and social boundaries)
- d) **Accountability** (responsible, taking ownership, discipline, efficient and implanting a culture of a demand driven development paradigm)
- e) **Participative** (building a reciprocal relationship between management and all internal stakeholders, between council and administration, between labour and organizational leadership, and between the municipality and its citizens and social formations)
- f) **Responsive** (building a customer friendly municipal environment, ensuring a proactive, flexible, creative and quality conscious service delivery environment)
- g) **Considerate** (implanting a culture of compassionate, caring and emotional intelligent municipal environment that prioritizes its inhabitants, employees and councillors)

Strategic goals of the municipality

- a) **To ensure sound governance practices within Nyandeni local municipality**
 - a. Improving and strengthening intergovernmental relations
 - b. Collaborative planning
 - c. Fostering strategic partnerships
 - d. By ensuring good corporate practices
 - e. Effective municipal leadership and management
 - f. Wise resource management
 - g. Seamless programme management
 - h. Ensuring a stable political environment
- b) **To provide sound governance for local communities through**
 - a. Broadening and deepening local democracy through ward committees and beyond
 - b. Ensure local accountability through continuous reporting system, local imbizos etc

- c. Implanting a culture of people centred people driven development

c) To provide sustainable services to all inhabitants of the municipality through

- a. Physical infrastructure provision
- b. Community and social services
- c. Effective local economic development planning
- d. Spatial development planning
- e. Effective intergovernmental collaboration
- f. Providing support to business development
- g. Strategic sector planning and development

10.3 Products and services as outlined in the powers and functions

a) Physical infrastructure

- a. Municipal buildings
- b. Plant and equipment
- c. Community facilities [halls etc]
- d. Access roads
- e. Storm water
- f. Walkways, transport halts etc
- g. Dams (for grazing and to catalyze agriculture and farming)
- h. Bulk infrastructure

b) Social services

- a. Primary health care
- b. Library services
- c. Social amenities
- d. Public safety
- e. Early childhood development
- f. Skills development

c) Environmental management

- a. Environmental health management services
- b. Environmental safety management
- c. Pollution control and management
- d. Environmental planning

- e. Environmental monitoring and compliance

d) Economic services

- a. Local economic development planning
- b. Tourism planning
- c. Land use management planning and zoning schemes
- d. Spatial planning
- e. Agriculture planning
- f. Transport planning
- g. Tourism planning
- h. Business regulations

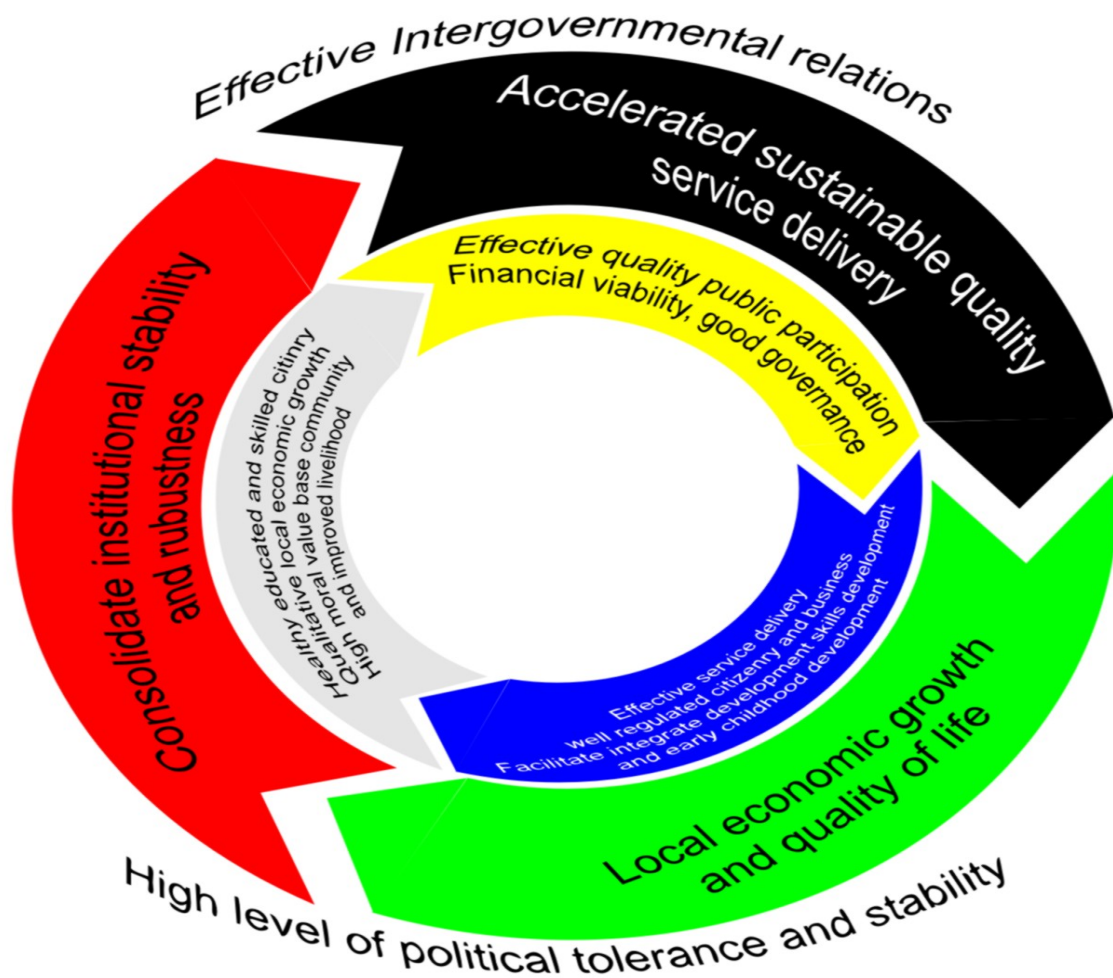
Within the spirit and context of sound intergovernmental relations, Nyandeni Local Municipality accept and therefore locates its current and future strategic areas of focus within the broad national and provincial planning frameworks in terms of development and growth priorities for the Eastern Cape and nationally.

As these broad frameworks embody the qualitative aspects of the national transformation trajectory, they thus inform and underpin our development priorities and strategic direction. Accordingly, the municipality crafted itself a macro-strategy as alluded to earlier and as detailed below.

Medium term macro institutional strategy

Recognizing the numerous and huge challenges it faces, the fact that solutions can potentially be in conflict with or complement each other, as stated above, the municipality conceptualized a medium term macro institutional strategy. The objective of this strategy is to equip leadership and management with a guide on decision making when there are conflicting strategic options. The macro/ overarching strategy will also provide a basis for the allocation of scarce resources. In addition, the macro strategy/overarching strategy will serve as a basis to rally collective energies of all employees and councilors in terms of the strategic direction the municipality is taking. This macro strategy was deduced from myriad institutional deficiencies, advances as well as development challenges. It is presented in the form of a diagram to illustratively communicate the dialectical inextricable interconnectedness of the components.

The diagram summarizes the medium term overarching institutional strategy of the municipality. Municipal objectives and their supporting strategies have been formulated in line with this macro strategy.



The strategy hinges on three dialectically inextricable intertwined components. These are:

- a) Consolidate institutional stability and robustness
- b) Accelerated quality and sustainable service delivery
- c) Local economic growth and quality of life

These key components should, and do overlap, in terms of timing. However there is also some sequence in terms of focus. The initial focus being on building a formidable municipal organisation; thus consolidate institutional stability and robustness which will, as it is being consolidated, be able to contribute towards improving living environments. The municipality will commit resources to ensure such institutional efficacy leads to sound financial management, effective revenue generation and ultimately financial viability. In terms of governance, although the municipality has managed to

establish a functional intergovernmental relations cluster system at both political and administrative levels, its impact in terms ensuring effective integrated development planning and management and establishment institutional cohesion between the municipality and all other critical role partners is still to be realised. The aim is to lobby all other local municipalities within the OR Tambo District to institutionalize an intergovernmental regime that emphasized a district – wide municipal support system.

- a) To support all municipalities in **financial administration** in order for them to be financially sustainable.
- b) To support all municipalities on **human resources** related issues for the purposes of sound management systems and a stable environment in terms of their labour force.
- c) To support all municipalities in **administration** for the purpose of effective operations of Council activities.
- d) To support and assist all municipalities on **technical** issues in order for them to manage their projects and to handle the technical aspects thereof.
- e) To support and assist all municipalities in developing and reviewing their **Integrated Development Plans (IDPs)** and the establishment of **Performance Management Framework which embeds a district-wide enjoyment**

These programmes should in the main be an outcome of shared institutional knowledge and cross – municipal – referencing in which outsourcing of certain support functions is the last resort. The ultimate vision is establishment of a shared services centre towards a seamless district institutional regime. The Nyandeni Local Municipality is not oblivious to the fact that current intergovernmental relations within OR Tambo District are experiencing serious challenges.

Over and above this approach towards effective intergovernmental relations, the municipality will strengthen its advocacy and lobbying capacity towards ensuring improvement of IRG. The strategic focus of such a system should be the following key objectives. The other crucial element within this component is systematically building public confidence and a reciprocal relationship between the municipality and its citizenry including all stakeholders within its jurisdiction.

This will lead to an institutional service delivery efficacy where sustainable and quality service delivery should lead to development of a law abiding, citizenry with high moral values. This stable economic and political environment will also lead to improved livelihoods characterized by a healthy and skilled

citizenry with high moral values enjoying employment in a robust employment creating economy which will in turn lead to better payment for services, better participation in the activities of the municipality, improved accountability by public representatives and municipal administration to the community. This will lead to a municipality that is characterized by improved financial viability, good governance, and qualitative public participation. Such a municipality should be able to deliver services, regulate citizens and businesses, facilitate development, and provide effective support to all Ward Committees and other organs of development to deepen democracy and thus high levels of political stability.

All of this will have to happen in a context of, and reinforce effective intergovernmental relationships. This positive feedback loop will deliver the vision of the municipality. The reversal of the positive feedback loop, anticipated above, is a real possibility. If the municipality fails to consolidate itself as a robust institution, it will not be able to accelerate service delivery, it will not be able to create the required environment for local economic growth, and it will not be able to contribute towards improving living environments. In turn, livelihoods will not improve, leading to high levels of unemployment with a generally unhealthy and unskilled citizenry with low moral values living in poverty and a lawless local environment. This will in turn erode the legitimacy of the Nyandeni Local Municipality as government. The institution will be characterized by citizen apathy, high levels of non-payment for services, and deteriorating standards of governance. Corruption, in this context, will be inherent and possibly high labour turn – over. Leadership will therefore have to strive to ensure that the feedback loop is not reversed. Difficult choices will have to be made and unpopular strategies will be implemented, where necessary, in support of the positive feedback loop.

In line with this line of strategic thinking, the strategic planning workshop developed a municipal scorecard as presented below.

11 Strategic scorecard

The municipal strategic scorecard was developed as part of the 2011/2012 IDP process. For purposes of this strategic plan, it has not been reviewed. What has been done is a high – level assessment against the national outcomes and the conclusion is that to a greater extent the scorecard covers all essential components that should lead to the municipality achieving these national outcomes.

11.1 National outcomes

For easy reference under listed are the national outcomes alluded to above;

- a) A responsive, accountable, effective and efficient local government system
- b) A developmental – oriented public service and inclusive citizenry
- c) Decent employment through inclusive economic growth
- d) An efficient, competitive and responsive economic infrastructure network
- e) Vibrant, equitable and sustainable rural communities and food security
- f) Improve the quality of basic education
- g) Improve health and life expectancy
- h) All people in South Africa are and feel safe
- i) Sustainable human settlements and improved quality of household life
- j) A skilled capable workforce to support inclusive growth

11.2 Provincial priorities

The high- level assessment of the scorecard was also administered against the provincial objectives to check the extent of confluence with the municipal strategic scorecard. For easy reference, these are listed below;

11.2.1 Provincial strategic objectives

- a) Poverty eradication,
- b) Agrarian transformation,
- c) Diversification of manufacturing and tourism,
- d) Massive infrastructure development,
- e) Human resource development and
- f) Public sector transformation.

11.2.2 Provincial targets (indicators)

The under listed provincial priorities are extremely impossible to meet by almost all spheres of government. These have been listed for easy reference.

- a) To maintain an economic growth rate of between 5%-8% per annum.
- b) To half the unemployment rate by 2014.
- c) To reduce by 60% and 80% the number of households living below the poverty line by 2014.
- d) To reduce by between 60% and 80% the proportion of people suffering from hunger by 2014.
- e) To establish food and self -sufficiency in the Province by 2014.
- f) To ensure the universal primary education (UPE) by 2014, with all children proceeding to the first exit point in a secondary education.
- g) To improve the literacy rate in the Province by 50% by 2014.
- h) To eliminate gender disparity n education and employment by 2014.
- i) To reduce by two thirds the under five mortality rate by 2014.
- j) To reduce by three quarters the maternal mortality rate by 2014.
- k) To halt and begin to reverse the spread of HIV/AIDS by 2014.
- l) To halt and begin to reverse the spread of tuberculosis by 2014.
- m) To provide clean water to all in the Province by 2014.
- n) To eliminate sanitation projects by 2014.

ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES AND PROGRAMME OF ACTION

Firstly, The IDP has been aligned with Province of the Eastern Cape MTSF Priorities as outlined by the Premier during his State of the Province address

Secondly, we have taken into account The Medium Term Strategic Framework which has been translated into practical programmes

Thirdly,

OUTCOMES 4 DECENT EMPLOYMENT THROUGH INCLUSIVE ECONOMIC GROWTH				
Outputs	Key spending programme(national)	Eastern Cape Programme of action	Role of Local Government	Millennium Development Goals
a. Faster and sustainable b. More labour absorbing growth c. Strategy to reduce youth unemployment d. Increase competitiveness to raise net exports and gross trade e. Improve support to small business and cooperatives f. Implement expanded public works programme	<ul style="list-style-type: none"> Investment in industrial development zones Industrial sector strategies – automotive industry, clothing and textiles Youth incentive Development training and systems to improve procurement Skills development and training Reserve accumulation Enterprise financing support New phase of public works programme 	<ul style="list-style-type: none"> Consolidation of Special Economic Zones Promotion of linkages with the minerals producing regions in teh country to promote large-scale industrialisation Positioning the province as the new energy hub through wind energy Focus on trade and logistics infrastructure Focus on infrastructure for rural development, Mzivumbu Multipurpose Project 	<ul style="list-style-type: none"> Create an enabling environment for investment by streamlining Ensure proper implementation of the EPWP and Community Works Programme Improve procurement systems to eliminate corruption and ensure value for money Payment of service providers within 30 days 	Goal 1 (target 1B) Achieve full and productive employment and decent work for all including women and young people

		<p>which was launched by the President in April 2014, and Mthatha Air Port a & Wild Coast</p> <ul style="list-style-type: none"> • Payment of Service Providers within 30 days 		
Outcome 6 an efficient, competitive and responsive economic infrastructure network				
Outputs	Key spending programme(national)	Eastern Cape of Programme action	Role of Local Government	Millennium Development Goals
<ol style="list-style-type: none"> 1. Improve competition and regulation 2. Reliable generation, distribution and transmission of energy 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports 4. Maintain bulk water infrastructure and ensure water supply 5. Information and communication 	<ul style="list-style-type: none"> • An integrated energy plan successful independent power producers • Passenger Rail Agency acquisition of rail rolling 	<ul style="list-style-type: none"> • Focus on infrastructure for rural development, • Focus on trade and logistics infrastructure • Focus on infrastructure for rural development, Mzivumbu Multipurpose Project which was launched by the President in April 2014, and Mthatha Air Port a & Wild Coast 	<ul style="list-style-type: none"> • Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport • Improve maintenance of municipal road network • Working together with Eskom and DNE expand electrification to all households 	<ul style="list-style-type: none"> •

technology		<ul style="list-style-type: none"> Upgrading of R61 and N2 		
OUTCOME 7: VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES AND FOOD SECURITY				
Outputs	Key spending programme(national)	Eastern Programme action	Role of Local Government	Millennium Development Goals
<ol style="list-style-type: none"> Sustainable agrarian reform and improved access to markets for small farmers Improve access to affordable diverse food Improve rural services and access to information to support livelihoods Improve rural employment opportunities Enable institutional environment for sustainable and inclusive growth 	<ol style="list-style-type: none"> Settle 7000 land restitution claims Redistribute 283 592ha of land use Support emerging farmers Soil conservation measures and sustainable land use management Improve rural access to services 		<ul style="list-style-type: none"> Unleash Massive ploughing programme in all wards to ensure food security and good nutrition to all households 	<p>Goal 7 (Target 7A) Integrate the principles of sustainable development into countries policies and programmes and reverse the loss of environmental resources</p> <p>Goal 1 (Target 1C) Halve, between 1990 and 2015, the proportion of people who suffer from hunger</p>

KPA- GOOD GOVERNANCE										
Strategic Focus Area	5 Year Objective	Objective Number	municipal Strategies	Output/Outcomes Indicator		Annual Targets				
						Baseline	2012/2013	2013/2014	2014/2015	2015/16	2016/2017
Public Participation	To ensure effective public participation in processes of decision making	GG 01	By empowering communities to better understand governance	Number of training of trainers workshops conducted	Civic education have been conducted	Review Public Participation Policy	Review Public Participation Policy	Conduct 8 civil education on the role of the municipality and stakeholders annually. Review Public Participation Policy	Conduct 8 civil education on the role of the municipality and stakeholders annually	Conduct 4 training of trainers workshop on governance by June 2017

By implementing public participation policy through complaints and Petition Management	% of complaints and petitions resolved	Complaints register has been updated	-	-	-	Update petition register and submit report quarterly	Monitor the resolution of 80% of complaints received by 30 June 2017 (check baseline)
By implement Public Participation Policy through ensuring that ward committee structures are	Number of sittings of Ward Committee Meetings	Monthly ward meeting are being held but issues raised dont find space to council	Training of 160 Ward Committees	Training of 160 Ward Committees	Training of 160 Ward Committees	Attend 4 Ward Committee Meetings per quarter in compliance with back to basics	Facilitate monthly sitting of ward committee meetings and submit reports quarterly

		functional and reports are processed and submitted to various Council structures						principles	with Ward issues to Council for resolution by 30 June 2017
To ensure effective public participation in processes of decision making	GG 02	By Co-ordinating Mayoral Imbizo's in approved clusters and IDP and Budget Public Hearings in all 32 wards Annually	Number of Mayoral Imbizo's on annual and midyear reports; and Number of IDP and Budget Public hearings	Mayoral Imbizo and IDP and Budget Public Hearings were conducted in 2015/2016	Conduct 2 Mayoral Imbizo's and 1 IDP & Budget Public Hearings	Conduct 2 Mayoral Imbizo's and 1 IDP & Budget Public Hearings	Host state of the local address. Conduct 2 Mayoral Imbizo's and 1 IDP & Budget Public Hearings per ward	Conduct 2 Mayoral Imbizo's and 1 IDP & Budget Public Hearings per ward.	1. Conduct 2 Mayoral Imbizo's on Annual and midyear reports by 30 June 2017; 2. Conduct 1 IDP &

										Budget Public Hearings to all 32 wards by 30 April 2017
Municipal Planning	To provide effective municipal planning	GG 03	By developing IDP and Budget planning processes appropriate to the municipality by May 2017	Approved IDP & Budget Process Plan 2017/18 ; IDP 2017/18 to 2020/21	Five year IDP adopted by Council in 2012 and reviewed annually	conduct annual IDP & Budget Review 2013/14	conduct annual IDP & annual budget Review for 2014/15	conduct annual IDP & BUDGET Review 2015/16	conduct annual IDP & Budget Review for 2016/17	Develop IDP and budget for the next term of Council 2017/18 to 2020/21 by 31 May 2017

			By developing a medium to long-term Municipal development strategy vision 2030	Approved Draft Nyandeni Development Plan 2030 vision by June 2017	Draft terms of reference for development plan (2030 vision) have been developed	-	-	-	Compilation of Nyandeni Development Plan (phase one) 2030 vision	Compilation of Draft Nyandeni Development Plan 2030 vision by 30 June 2017
Intergovernmental Relations	To ensure meaningful participation by all spheres of government	GG 04	By improving coordination and collaboration on service delivery by all 3 spheres of government through	Number of IGR Forum meetings coordinated	IGR Forums have been convened in 2015/2016	Conduct 4 IGR Forums	Conduct IGR Summit	Convene 4 IGR Forums	Convene 4 IGR Forums.	Coordinate government department through 4 IGR forums to assess plans and implement

		intergovern mental relations and related fora						tation on service delivery by June 2017	
			Number of social cluster meetings convened	Functiona l Social Needs Cluster Program me	Coordinate 4 Social Needs Cluster Meetings	Coordin ate 4 Social Needs Cluster Meeting s	Coordinat e 4 Social Needs Cluster Meetings	Coordinat e 4 Social Needs Cluster Meetings	Coordinat e 4 Social Needs Cluster Meetings by June 2017
			Number of roads forums conducted	Functiona l Roads Forums	3 roads forum	3 roads forum	3 roads forum	Facilitate and Conduct4 roads forum by June 2016	Facilitate and Conduct 4 roads forum by June 2017

To facilitate public safety programmes

BSD 64

Number of Community Safety Forums Sittings

Functional community safety Forum

Convene 4 Community Safety Forum sittings

Convene 4 Community Safety Forum sittings

Convene 4 Community Safety Forum sittings

Convene 4 Community Safety Forum sittings

Convene 4 Community Safety Forum sittings for the purpose of finding strategies to reduce crime by June 2017

Number of Transport Forum Sittings

Functional transport Forum

Convene 4 Transport Forum Sittings

Convene 4 Transport Forum Sittings

Convene 4 Transport Forum Sittings

Convene 4 Transport Forum Sittings

Convene 4 Transport Forum Sittings with the intention to find better ways of

								(Implemented by ESKOM) by June 2017
To provide basic water and sanitation supply to all communities	BSD 52	Number of meetings on progress on water and sanitation provision from OR Tambo DM.	Reports on water and sanitation provision were discussed in the relevant fora in 2015/2016	1. Bulk Infrastructure Projects.3 Progress reports from OR Tambo DM. 2.41% access to sanitation on 21450 households	1. Bulk Infrastructure Projects .3 Progress reports from OR Tambo DM. 2.20% access to sanitation for 10400 households	1. Bulk Infrastructure Projects.3 Progress reports from OR Tambo DM. 2.6% access for sanitation on 3120 households	4 Progress reports from OR Tambo DM	Facilitate 6 meetings for purposes of measuring progress on water and sanitation provision by OR Tambo DM by June 2017

					Ids Feasibility studies for waste water treatment works for Libode and Ngqeleni				
Coordinate the provision of sustainable rural and urban settlements	SDF-50		Number of housing forums and consumer educations convened	Functional housing fora	Commence with 650 rural housing units	Complete the outstanding units.	Conduct 4 housing fora	Conduct 4 housing fora	1. Convene 4 housing fora 2. Hold 4 Housing consumer education by June 2017

To promote entrepreneurship and access to markets	LED39	Number of LED fora held	Functiona l LED fora	-	-	-	Implementat ion of SMME and Co-operative s strategy (hold 4 LED fora)	Coordinat e 4 LED fora to engage stakehold ers to promote informati on sharing and integratio n of plans quarterly during 2016/2017
To provide accurate, timely and reliable informatio n to citizens		Number of communic ators fora held	Functiona l communi cators fora	-	-	Convene 4 communic ators forum meetings	Convene 4 communi cators forum meetings	Convene 4 communi cators forum meetings by 30

										June 2017
Legal Services	To improve management and administration of legal matters	GG 07	By developing mechanisms to monitor and fast-track the management of litigations	Number of progress reports on litigation register submitted to Council	Litigation register is in place	Develop a system for management of cases	Updating of the litigation register	Updating of the litigation register	Updating of the litigation register	Provide progress report and litigations register quarterly (4) as part of section 52d reports to Council by June 2017

By-Laws	To fast-track services delivery through the development and reevaluation of effective by-laws	GG 08	By assisting departments in development of new by-laws and reviewing of existing by-laws by June 2017	Number of developed and reviewed by-laws	18 By-laws in place	Review and development of new By-laws	Review 5 By-laws and Develop 2 new By-laws	Review 18 By-laws. Gazing of 2 by-laws	Assist departments to develop at-least 2 By-laws	Develop 2 By-laws(Park By-law and property rates by-law) and review 2 existing by-laws (advertising signs by-law and undeveloped sites by-law) by June 2017
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	To maximise administrative and operational efficiency through the use of the systems of delegation		By reviewing the delegation register	Approved delegation framework and register	System of delegation is in place	First Draft of the reviewed delegation register	Review of the delegation register	Review and adopt council delegation register in line with legislation	Review and adopt council delegation register in line with legislation	Review ,approve a new delegation framework and register by 30 June 2017
Communication	To provide accurate, timely and reliable information to citizens	GG 09	By implementing an effective communication strategy aligned to the National Framework	Number of reports submitted to Council	-	-	-	-	-	Compile and submit quarterly reports to Council on implementation of communication strategy by 30

										June 2017
Internal Audit	To monitor internal controls and provide advice to management and	GG 10	By performing audits as per risk – based internal audit plan to ensure compliance with relevant policies and legislations and to ensure internal controls	Approved annual audit committee charter, annual internal audit charter and annual internal audit plan	Fully Functional Internal Unit in place and Audit Committee established	Approved internal audit charter, Audit Committee Charter and internal audit plan. Internal audit reports submitted to audit committee	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan and reports submitted to audit committee	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan and reports submitted to audit committee	Review Audit Committee Charter, Internal Audit Charter and Internal Audit Plan and reports submitted to audit committee by 30 June 2017

are in place.	Number of internal audit unit reports submitted as per plan	Internal audit plan had 15 audits	Carry out and report on 12 audit projects	Carry out and report on 10 audit projects	Undertake 10 audit projects	Carry out and report on 10 audit projects	Carry out and report on 10 audit projects (specificity as per plan) by 30 June 2017
	Number of audit committee meetings held	Audit committee is in place	-	-	Convene 4 audit committee meetings	Convene 4 audit committee meetings	Convene 4 audit committee meetings to perform oversight on Municipal internal controls through internal

										audit reports by 30 June 2017
Risk Management	To identify, assess and mitigate municipal risk	GG 11	By reviewing and implementing comprehensive risk management strategy, policy, and risk management profile and risk register and management charter .	Approved risk management strategy, policy, risk register, risk profile and risk management charter.	Risk Management systems are in place	Develop Risk Management Plan, Risk management profile and risk management charter and Risk management Committee	Review Risk Management Plan, Risk management profile and risk management charter and Risk management Committee	Review Risk Management Plan, Risk management profile and risk management charter	Review Risk Management Plan, and risk management charter and Risk management Committee	Review Risk Management Plan, Risk management profile and risk management charter by 30 April 2017

				Number of risk committee meetings	-	-	-	4 risk management committee meetings	Risk committee meetings held	Convene 4 risk management committee meetings by 30 June 2017
Council Affairs	To ensure efficient and effective council support	GG 12	By ensuring timely and accurate recording of Council Decisions	Number of council resolution progress reports submitted to Council	Council Resolutions Register in place	Distribution of council resolutions annually	Distribution of council resolutions annually	Distribution of 4 quarterly council resolutions booklets	Distribution of 2 quarterly council resolutions booklets	Distribute 4 quarterly council resolutions and submit quarterly progress to Council by 30 June 2017

		By ensuring timely and accurate recording of Council Decisions	Number of Ordinary Council Meetings, EXCO & Standing Committee meetings against approved Council Calendar	Annual Council Calendar is in place	Arrange 4 Ordinary Council Meetings and Standing Committee Meetings	Arrange 4 Ordinary Council Meetings, Exco and Standing Committee Meetings	Coordinate 4 Ordinary Council Meetings,	Coordinate 4 Ordinary Council Meetings, 4 EXCO meetings and 4 Standing Committee Meetings	Coordinate Council Meetings, EXCO and Standing Committee Meetings in compliance with 2016/17 approved Council Calendar
		By developing governance framework	Approved governance framework	No governance framework and standing orders	-	-	-	-	Develop governance framework by 30 June 2017

PMS

To provide a tool for measuring achievement of predetermined objectives

GG 14

By developing and approving service delivery budget and implementation plan for 2016/17

Approved SDBIP 2017/17

SDBIP 2015/16 in place

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Develop and approve SDBIP by 30 June 2017

By Complying with MFMA/MSA and related regulations, S52(d), S72, S121& MSA S46 reports

Number of MFMA & MSA reports submitted

Reports have been compiled for 2015/16 FY

Compilation of MFMA, S52(d), S72, S121& MSA S46 reports

Compilation of MFMA, S52(d), S72, S121& MSA S46 reports

Compilation of MFMA, S52(d), S72, S121& MSA S46 reports

Compilation of MFMA, S52(d), S72, S121& MSA S46 reports

Compile in compliance with MFMA/MSA and related regulations, S52(d), S72, S121& MSA S46 reports

							by 30 June 2017
By implementing Performance Management System through formal assessments for section 56/57 managers	Number of section 56/57 managers assessed	Formal assessments conducted for 2014/2015 FY	Implement the procedure manual	50%	100%	100%	Conduct formal assessment for mid-year 16/17 and annual performance 2015/16 for 6 Senior Managers and the Municipal Managers by 31 march

									2017
To ensure that individual assessments are conducted for Senior Managers	GG 15	By ensuring implementation of PMS through signing of performance agreements by all section 56/57 and middle managers	Number of signed performance agreement by section 56/57 and managers	MM and Senior Managers have signed Performance Agreements in 2015/2016	All Managers below Senior Managers sign Performance Agreements by end July.	All Managers below Senior Managers sign Performance Agreements by end July.	All Managers below Senior Managers sign Performance Agreements by end July.	All Managers below Senior Managers sign Performance Agreements by end July.	100% of all section 56/57 managers and managers sign performance agreements by 31st July 2017

SPECIAL PROGRAMS	To contribute to national development priorities on designated groups (women, youth, disabled, children and elderly)	GG 16	By providing social support to designated groups	Number of women programmes supported	Women's Caucus is in place	Development and approval of database for vulnerable groups; Implement youth development plan	100 children ; 50 elderly; 20 women; 2 youth projects supported; 3 disabled projects supported	100 children; 50 elderly; 20 women; 2 youth projects supported ; 3 disabled projects supported and host of Ms Nyandeni	Support Ematoleni children's first program.(as per assessment in four schools	Support two women programmes by June 2017 (women's month and 16 days of activism)
				Number of children programmes supported	Children provided with school material and gifts in 2015/2016	Development and approval of database for vulnerable groups; Implement youth	100 children ; 50 elderly; 20 women; 2 youth projects supported	100 children; 50 elderly; 20 women; 2 youth projects supported ; 3	Support Ematoleni children's first program.(as per assessment in four schools	Support two children programmes (back to school campaign with

		developme nt plan	ed; 3 disabled projects support ed	disabled projects supported and host of Ms Nyandeni		school material and Christma s gifts in the form of toys by June 2017
Number of elderly persons supported	Provided with gifts in 2015/2016	Developme nt and approval of database for vulnerable groups;Imp lement youth developme nt plan	100 children ; 50 elderly; 20 women; 2 youth projects support ed; 3 disabled projects support ed	100 children; 50 elderly; 20 women; 2 youth projects supported ; 3 disabled projects supported and host of Ms Nyandeni	Support Ematoleni children's first program.(as per assessme nt in four schools	Support two elderly program mes by June 2017 (golden games, Christma s gifts)

				Number of youth programmes supported;	Youth development plan and in place, Youth Council in place	Development and approval of database for vulnerable groups; Implement youth development plan	100 children ; 50 elderly; 20 women; 2 youth projects supported; 3 disabled projects supported	100 children; 50 elderly; 20 women; 2 youth projects supported ; 3 disabled projects supported and host of Ms Nyandeni	Support Ematoleni children's first program.(as per assessment in four schools	Support two youth programmes (Ms. Nyandeni and Youth Month) by 30 June 2017
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				Number of disabled programmes supported	Nyandeni Disabled Persons' Association is in place	Development and approval of database for vulnerable groups; Implement youth development plan	100 children ; 50 elderly; 20 women; 2 youth projects supported; 3 disabled projects supported	100 children; 50 elderly; 20 women; 2 youth projects supported ; 3 disabled projects supported and host of Ms Nyandeni	Support Ematoleni children's first program.(as per assessment in four schools	Support two disabled programme by June 2017 (International disabled day and training)
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KPA- FINANCIAL VIABILITY										
Strategic Focus Area	5 Year Objective	Objective Number	Programmes/Projects/Strategies	Output/Outcomes Indicator	Annual Targets					
					Baseline	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Revenue Management	To ensure effective Debtors management	FVM 17	By performing Debtors data cleansing by June 2017	Fully Updated Debtors Master File with accurate debtors information	1887 debtors with inaccurate information	Debtors' Information Update	Debtors' Information Update	Annual Debtors' Information Update	Debtors' Information Update	Update Debtors Details for 1887 debtors by 30 June 2017
			By implementing Municipal Property Rates Act	Certified General valuation roll	2012-2013 Approved General Valuation Roll and 2 Supplementary Valuation Rolls	Continuous Interim Valuation	Annual (GV And Interim Valuation)	Updating Annual Supplementary Valuation Roll	Updating the Supplementary Valuation Roll	Compile a General Valuation Roll by 30 June 2017

	To increase revenue by 20%	FVM 18	By implementation of credit control and debt collection policy	Municipal Own revenue increased by 10% by 30 June 2017	Municipal own revenue was R11 024 000 in 2014/15	Approval and implementation of revenue enhancement strategy	2% increase in actual collection	Approval and implementation of the Revenue enhancement strategy to help increase revenue collection by 5% by June 2015 & 4 stakeholder awareness sessions	Review of Revenue Enhancement Strategy and 6% increase in actual collection	To increase municipal own revenue by 10% by 30 June 2017.
				Percentage of the debtors balances collected by 30 June 2017	Credit Control and debt collection policy reviewed and approved. Arrears amount to R20m	Implementation of credit control and Indigent policy	Implementation of credit control and Indigent policy	Implementation of credit control and debt collection policy	Implementation of credit control and Indigent policy	To collect 30% of of the old debtors balances(as at 30 June 2016) and 60% of the new debt by 30 June 2017

Expenditure management	To ensure effective budget management	FVM 19	By developing realistic and credible Budget	Approved Budget for 2017/18 by Council	Approved 15/16 annual budget with 2016/2017 projections	Compliance management, monitoring and quality management	Approved 13/14 annual budget	Approved 15/16 annual budget	Approved 16/17 annual budget	Approved 17/18 annual budget by 30 June 2017
			By adherence to budget reforms and DoRA	Preparation and submission Budget returns, s 52(d) s71, s72 B schedule, and C schedule	Complied with MFMA statutory reporting in 2015/2016	Implementation of budget reforms	Compliance reports as per MFMA Calendar	Compliance reports as per MFMA Calendar	Compliance reports as per MFMA Calendar	Compilation of 52(d) s71, s72 B schedule, and C schedule as per MFMA Calendar by 30 June 2017
			By complying with DoRA	% spent on EPWG,MIG,FMG,INEP	100% Expenditure on EPWG(Expanded Public Works Grant),MIG,FMG,INEP	Monthly reports on EPWP funds	Monthly reports on EPWP funds	Monthly reports on EPWP funds	Monthly reports on EPWP funds	100% expenditure on EPWG (Expanded Public Works Grant),MIG,FMG,INEP by June 2017

Asset management	To ensure proper management of municipal assets	FVM 21	By updating the GRAP compliant Asset Register	Approved GRAP compliant Asset Register	2014-2015 GRAP compliant Asset register in place	Development of fixed asset register	Updating of GRAP fixed asset register annually	Updating of fixed asset register annually	Updating of fixed asset register annually	Updating of GRAP Compliant Asset Register by 30 June 2017
			By safeguarding the municipal assets through Insurance and provision of adequate security	Number of Municipal assets insured by June 2017	Assets are insured with Indwe Risk Insurers	Annual insurance contract in place	Update Insurance list	Update Insurance list	Update Insurance list	To have all Municipal Assets insured by 30 June 2017
				Monthly reports	Safeguarding of municipal assets	Safeguard all 8 municipal facilities	Safeguard all 8 municipal facilities	Safeguard all 8 municipal facilities	Safeguard all 8 municipal facilities	Safeguard all 8 municipal facilities 30 June 2017
Supply Chain Management	To ensure proper SCM procedures	FVM 22	By implementing Fleet Management Policy.	Developed mechanism tool to monitor fleet management	New fleet has been procured and maintenance unit is in place.	Management of fleet and maintenance	Management of fleet and maintenance	Management of fleet and maintenance	Management of fleet and maintenance	Develop and implement mechanism tool to monitor fleet management by 30 June 2017

			By Implementing the supply Chain Management Policy	Number of reports on the implementation of the SCM policy prepared and submitted to the Municipal Manager	Reports on implementation of the SCM policy are submitted quarterly to the Accounting Officer	Implementation of the SCM Policy	Implementation of the SCM Policy	Implementation of the SCM Policy	Implementation of the SCM Policy	To update the contract register on a monthly basis with new contracts and changes to the existing contracts by 30 June 2017
			By strengthening administration of contract management	Updated contract register with new contracts and any changes to the existing contracts.	2015-2016 Contract Register is in place	Updated Contract Register	Updated Contract Register	Updated Contract Register	Updated Contract Register	Submission of 2015/16 Annual Financial Statements by 31 August 2016 to Auditor General.
Financial Reporting	To ensure compliance with the	FVM 23	By developing GRAP Compliant Annual Financial Statements (AFS).	Submitted of AFS by set date as per MFMA	In-house GRAP AFS submitted by 31* August 2016.	Submission of AFS 2011/12	Submission of AFS 2012/13	Submission of AFS 2013/14	Submission of AFS 14/15	Unqualified audit report without matters of emphasis 2015/2016

provisions MFMA and norms and standard of National treasury	By Obtaining an unqualified audit report with no matters of emphasis	AG Final Audit report 2015/16	Unqualified Audit Report in 2014/2015	Unqualified audit report 2011/2012	Unqualified audit report 2012/2013	Unqualified audit report 2013/2014	Unqualified audit report 2014/2015	Implementation of SCOA plan and reporting to Treasury on progress by 30 June 2017
	By Implementing the of Standard Charts of Accounts (SCOA) action plan in compliance with Treasury requirements	Quarterly reporting on progress against the SCOA action plan	SCOA implementation plan is in place	-	-	-	-	

KPA- INSTITUTIONAL DEVELOPMENT

Strategic Focus Area	5 Year Objective	Objective Number	Programmes/Projects/Strategies	Output/Outcomes Indicator	Annual Targets					
					Baseline	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Policy review and Development	To ensure effective compliance and sound management practices within the institution	ID 24	By developing and reviewing institutional policies	Number of policies adopted by Council	There are 41 policies currently which exists.	Develop 5 policies	Develop 7 policies	Develop 5 policies	Develop 5 policies	Develop two (2) on Councillor capacity building policy and Policy on tools of trade for councillors by 30 June 2017
				Number of policies reviewed and adopted by Council	Annually all HR policies are reviewed	review all policies	Review 27 policies	Review all 34 policies	Review all 39 policies	Review 41 policies which were approved by council in 2015/16 by 30 June 2017

<p>To ensure effective Debtors management by June 2017</p>	<p>18</p>		<p>Number of policies reviewed and approved by Council</p>	<p>All budget related policies are reviewed annually and adopted by council</p>	<p>Review of by-laws and policies & procedures</p>	<p>Review Credit Control by-laws and procedures</p>	<p>Review Credit Control & Debt Collection policy and procedures</p>	<p>Review Credit Control & Debt Collection policy and procedures</p>	<p>Review and approve by Council (4) policies (Credit Control & Debt Collection, Property Rates Policy, Debt Write Off and Tarrif) by 30 June 2017</p>
<p>To ensure proper management of municipal assets by June 2017</p>	<p>20</p>		<p>Number of policies reviewed and adopted by Council</p>	<p>All budget related policies are reviewed annually and adopted by council</p>	<p>Review of GRAP Fixed asset management policy</p>	<p>Conduct annual review of Fixed Assets Register</p>	<p>Review Asset Management Policy</p>	<p>Conduct annual review of Fixed Assets Register</p>	<p>Conduct annual review of two (2) policies (Asset management and Fleet management policy) to be approved by Council by 30 June 2017</p>

To ensure proper SCM procedures by June 2017	22	Reviewed and approved SCM policy by Council	All budget related policies are reviewed annually and adopted by council	Review SCM policy annually	Review SCM policy annually	Review SCM policy annually	Review SCM policy annually	Review SCM policy for compliance with relevant legislation to be approved by Council by 30 June 2017
To provide accurate, timely and reliable information to citizens	9	Approved Communication policy and strategy	Draft Communication policy and Strategy in place	adopt Communication Strategy and protocol guidelines	Adopt Communication Strategy and protocol guidelines. Adoption of the communication policy	Review of the communication policy and strategy	Review of the communication policy and strategy	Develop communication policy and review communication strategy by 30 June 2017
To provide a tool for measuring achievement of predetermined	14	Approved performance management policy/ framework and procedure document	PMS Policy in place last reviewed in 2015-16	-	-	-	-	Review performance management policy / framework and procedure document by

objectives									31 May 2017
To coordinate the provision of sustainable rural and urban human settlements	-		Approved policy on housing beneficiary identification and allocation	-	-	-	-	-	Develop a policy on housing beneficiary identification and allocation by 30 June 2017
To provide free basic services to Indigent people	61		Approved Indigent credible register, Policy and indigent strategy by set date	Indigent policy and indigent register have been approved. Ward Indigent Steering Committee	Development & Approval of Credible Indigent Register for 31 wards	Undertake indigent register update and review Indigent policy	Develop and approve indigent strategy	Undertake indigent register update and review Indigent policy	Review of indigent register, Policy and Strategy by June 2017.

					s established in 31 wards					
Revenue Managem ent	To increase revenue by 20%	FVM 18	By review and implementation of Revenue Enhancement strategy.	Number of other revenue sources identified and implemente d.	Revenue enhanceme nt strategy is in place	-	-	-	-	To review the strategy and identify one additional revenue source as part of implementati on of revenue enhancement by 30 June 2017.

Risk Management	To identify, assess and mitigate municipal risk		By developing systems and processes to combat corruption	Approved Fraud Risk Management and whistle blowing policy BY Council	Fraud Prevention Policy adopted by Council	Development and approval of the fraud prevention policy	-	Conduct 2 Fraud Awareness Campaigns	Review of the fraud prevention strategy	Review Fraud Risk Management Policy and Whistle Blowing Policy to be approved by Council by 30 June 2017 .
				Approved fraud prevention strategy BY Council	Fraud Prevention plan in place	-	Develop Fraud Prevention Strategy	Review fraud prevention strategy	Review fraud prevention strategy	Develop fraud prevention strategy by 30 June 2017
Organisational Design	To ensure alignment of the Organogram with the assigned powers	ID 25	By reviewing the Institutional Organogram	Approved Institutional Organogram by Council	Organogram Reviewed in 2015/16	Review annually	Review annually	Review annually	Review organogram annually	Review institutional organogram for approval by Council by 30 June 2017

	and functions		By developing Job Descriptions for all posts in the approved organogram	% of Signed job descriptions for all positions in the approved organogram	Unsigned Job Descriptions in place	100%	100%	100%	100%	100% of Job Descriptions as assigned by 30 December 2016
			By reducing the vacancy rate on all funded posts	% Vacancy Rate on all funded posts	Current vacancy rate is 4% (14 of 317 posts)	10%	5%	4%	4%	Reduction of vacancy rate to 3% by 30 June 2017
Skills Development	To ensure that all employees and unemployed have the required competency levels	ID 29	By implementing and monitoring of the Work Place Skills Plan (WSP) annually	% of approved trainings in the WSP implemented	70% of WSP is implemented	80% of WSP implemented	90% of WSP implemented	100% of WSP implemented	80% of WSP implemented.	75% of trainings in the WSP to be implemented by 30 June 2017
			By Monitoring of the implementation of the WSP by the Skills Development & EE	Number of monitoring meetings of SDC and EE	Inadequate functioning of the	Conduct 4 meetings	Conduct 4 meetings	Conduct 4 meetings	Conduct 4 meetings	Convene 4 Skills Development & EE

			Committee to ensure human resource development for enhanced performance against plans	convened	committee					Committee meetings for monitoring human resource development of the Municipality for enhanced performance of the employees against plans 30 June 2017
Staff Provisioning	To attract and retain competent personnel	ID 34	Through development of Human Resource Strategy (Plan)	Approved Draft HR plan	Draft HR plan in place	25%	Approve Human Resource plan	Review HR plan	Review HR plan	Develop a Draft HR Plan by 30 May 2017
Compliance with Labour Legislation and Collective Agreements	To ensure compliance with Labour related Legislation and SALGBC Main	ID 35	By implementing the Employment Equity Plan	% of targets achieved in the EE Plan	48%	0.50%	1%	5%	2%	60% of the EE targets achieved by 30 June 2017
		ID 35	Through compliance with Department of Labour by submitting the Employment Equity Report (EER)	Acknowledgment of receipt letter from DoL	EE Report is submitted annually	By 15 January annually	By 15 January annually	By 15 January annually	Submit EER by 15 January 2017	Submission of the Annual EE Report to DoL by 15 January 2017

	Collective Agreement		and Return of Earnings to Department of Labour	Receipt of invoice confirming institutional assessment by DoL	Registered with DoL	100%	100%	100%	100%	Submission of ROE Report to the DoL by 31 May 2017
		ID 35	By conducting regular Health and Safety inspections (OHS) on municipal facilities as per OHS Act	Number of OHS inspections conducted	OHS Office has been employed	All facilities and sites to be inspected on a monthly basis	All facilities and sites to be inspected on a monthly basis	All facilities and sites to be inspected on a monthly basis	All facilities and sites to be inspected on a monthly basis	Conduct 4 OHS inspections on municipal facilities in compliance with OHS Act by 30 June 2017
Employee health and Wellness	To create an Environment that promotes employee health and wellbeing	ID 36	By developing and implementing Wellness Plan for the 2016/17	An approved Wellness Plan 2016/17 by MM	Employee health and wellness policy in place	Design Employee Wellness Program	Monitor and Evaluate Implementation	Host World Aids Day, Health Screening Days, Spring day, team building and sporting activities	World Aids Day, Health Screening Days, Spring day, team building and sporting activities	Develop and implement Wellness Plan by 30 June 2017

Information & Knowledge Management	By ensuring functional, reliable and Integrated network and applications that will be policy driven by 2017.	ID 37	Maintain the offsite backup server to eliminate the loss of information	Number of back-up reports generated	Backup software in place	Procure document management system	Implement network system connecting all municipal sites	-	-	To run offsite backups and generate 12 backup reports by 30 June 2017
			By establishing a functional ICT Steering Committee for ICT good governance	Approved TOR for ICT Steering Committee	ICT Governance framework in place	-	-	-	-	Establish ICT Steering Committee and its TOR by 30 September 2016
				Number of ICT Steering Committee meetings to provide advice on the ITC good governance		-	-	-	-	Convene 2 ICT Steering Committee Meetings for purposes of advising on ICT governance and framework in the Municipality by 30 June 2017

			By Implementation of maintenance plan 2016/17	Progress Report quarterly on Maintenance Plan 2016/17	-	-	Conduct preventative maintenance	Conduct preventative maintenance	Conduct facilities maintenance	Develop and implement Maintenance Plan by 30 June 2017
Customer Care	To ensure implementation of Batho Pele Principles	ID 38	By developing Service Standard Charter for 2016/17	Approved Service Standard Charter 2016/17 by MM	Customer care policy in place	Develop Service Standards charter	Monitor, review and evaluate	Develop Service Standard Charter and hold public service week	-	Develop and Approve Services Standards Charter by 31 January 2017

KPA- BASIC SERVICE DELIVERY

Strategic Focus Area	5 Year Objective	Objective Number	municipal Strategies	Output/Outcomes Indicator	Annual Targets					
					Baseline	2012/2013	2013/2014	2014/2015	2015/16	2016/2017
Environmental Management	To maintain a safe and healthy environment	BSD 55	By providing safety through improving Pound Management.	Number of sheltered kraals erected.	Two functional pounds	Renovation of accommodation for Pound Staff	Sub - division of pound through fencing bound wall grouping of animals according to species)	Building of animal sheds for all types of impounded animals	Boundary wall fencing for Ngqeleni and Libode pounds	Erection of two sheltered kraals in Libode (1) and Ngqeleni (1) by June 2017.
			By providing additional land for cemetery development	A rezoned and expanded cemetery by a number of hectares	There is a cemetery in Libode	Renovation of guard room, office block & Ablution facilities. Installation of 200 grave tags	Tagging of new grave sites & maintenance of grave paths . Beautification of cemetery yard	Maintenance of grave yard (fencing, gate, paving of sidewalks and parking bays, beautification	Customer satisfactory survey through rate payers	1. Rezoning of Libode cemetery by 30 June 2017 and 2. Expansion of Libode cemetery by one (1) hectare by 30 June 2017

			Constructe d landfill site at Libode as per business plan	Conditio nal licensed Landfill Site at Libode is in place	Provide infrastructure in line with permit conditions: Fencing, boom gate, guardroom, ablution facilities, way bridge, & water pond	Complianc e Audit of all landfill site	Complianc e with landfill site license permit conditions	Participate in the Project Steering Committee for the construction of the landfill site	Construction of Landfill Site as per business plan at Libode through MIG by 30 June 2017
			Erected waste transfer station at Ngqeleni as per business plan	There is a Waste Transfer Station Permit in place though there is no operatio nal transfer station	Prepare and submit application for the Waste Transfer Station permit	Constructi on of the Transfer Station at Ngqeleni	Secure permit license for a transfer station	Construction of the Transfer Station at Ngqeleni	Erect waste transfer station as per business plan at Ngqeleni by 30 June 2017

			By reviewing Integrated Waste Management Plan	Approved Integrated Waste Management Plan (IWMP) by council.	Approved IWMP is in place	Establish 2 recycling projects	Reviewing of Waste by –Law and Awareness Campaign and capacity building	Formalization of 2 waste recycling cooperatives	Implement priority projects as per IWMP (20 waste awareness campaigns and 2 capacity building trainings)	Review of the IWMP by 30 June 2017 to be approved by Council
	BSD 57	By creating green parks & open spaces	Developed Ngqeleni open space.	One Eco park is under construction in Libode, one mini park established at Libode, one open space identified at Ngqeleni and one	-		Construction of the Libode park and handover to youth co-operative By 2018	Establish 1 park and 1 open space	Establishment of one (1) open space at Ngqeleni and Application for funding of one park at Ngqeleni	Development of Ngqeleni open space by 30 June 2017

					open space identified at Libode					
HIV/AIDS & Health Matters	To contribute towards reduction & the spread of communicable diseases	BSD 58	By conducting awareness raising campaigns	Number of Awareness Campaigns conducted	Functional HIV / AIDS Unit and awareness campaigns are conducted	4 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases HIV/AIDS, TB, & Communicable Diseases.2 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases	2 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases .HIV/AIDS, TB, & Communicable Diseases.2 Outreach and awareness campaigns on	4 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases.2 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases	2 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases.2 Outreach and awareness campaigns on HIV/AIDS, TB, & Communicable Diseases	Conduct 4 awareness campaigns on Communicable Diseases (HIV/AIDS & TB) & (Breast and Cervical Cancer and Prostate allowance) by 30 June 2017

						awareness campaigns on HIV/AIDS, TB, & Communicable Diseases	able Diseases		
		By providing support to Ward based support groups and Local Aids Council	Number of Ward based groups supported and Number of Local Aids Council sittings convened.	Support groups supported and Local AIDS Council functional	Compile Data base for stakeholder management	Support to Ward AIDS council and Local AIDS Council	Support to Ward AIDS council and Local AIDS Council	Support to Ward AIDS council and Local AIDS Council	Support eighteen (18) Ward based support groups and four (4) Local AIDS Council sittings to by 30 June 2017

			By engaging with relevant departments, NGO's and Local Aids Council Sittings	Approved guidelines by Council by set date	14 support groups supported	-	-	Support to orphans and vulnerable children and 7 support groups	Review effectiveness of support groups	Development of guidelines for support groups to be approved by Council by 30 June 2017
Library & Information Services	To provide library infrastructure	BSD 59	By monitoring construction of Ngqeleni and Libode Libraries	Progress reports on the construction of Libode and Ngqeleni Libraries as provided by DSRAC	Two functional libraries with inadequate infrastructure	Construction of Ngqeleni Library	Construction of Ngqeleni Replace with Libode Library	Facilitate construction of Libode Library by DSRAC Handover of Ngqeleni Library	Monitoring the construction of Libode Library by DSRAC	Facilitate construction of Ngqeleni and Libode Library by DSRAC by 30 June 2017

			By increasing access to information and local libraries through provision of mobile libraries to remote rural areas; schools / community libraries	Number of modular container libraries provided by DSRAC	There is one functional modular library at Ntsundwane	Facilitate one modular library roll out from DSRAC	Facilitate one modular library roll out from DSRAC Facilitate 2	Facilitate One modular library roll out from DSRAC	Monitoring of One modular library roll out by DSRAC	Facilitate provision of one modular library roll out by DSRAC by 30 June 2017
				Number of community libraries assisted schools/	09 school /community libraries assisted	Assist 2 school/community libraries	Assist 2 school/community libraries	Assist 2 school/community libraries	Assist 2 school/community libraries	Assist 2 schools/community libraries with library material by 30 June 2017

Free Basic Services	To contribute to national programs on eradication of poverty	BSD 62	To contribute to national programs on eradication of poverty	Number of indigent households supported	Ward 20- 1692 households, Ward 25- 1567 household, Ward 26- 2296 households and ward 28 - 477 households has been provided with paraffin and 3333 household has provided with free basic electricity	Support 5 000 households annually	Support 5 000 households annually	Support 5 000 households annually	Roll - out of electricity and alternative energy	Provide support to indigent household alternative energy by 30 June 2017
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Free Basic Services	To contribute to national programs on eradication of poverty		By providing job creation through EPWP (Expanded Public Works Programmes)	Number of people employed through EPWP	66 casuals for NLM, 49 Cokisa, 124 Trenz hired on EPWP	Employ 124 people through EPWP	Employ 124 people through EPWP	Employ 64 people through EPWP	Employ 66 casuals through EPWP	Employ 66 casuals through EPWP by 30 June 2017
Tourism Development	To Promote and develop Nyandeni as a (Tourism Destination of choice) tourists place of choice	LED 41		1. Number of life guards placed on beaches to ensure safety	34 life guards are placed in our beaches	34 Life guards recruited and placed in 6 beaches.	34 Life guards recruited and placed in 6 beaches.	34 Life guards recruited and placed in 6 beaches	34 Life guards recruited, trained, equipped and placed in 6 beaches.	Providing safety on beaches through placement of 34 Life guards on 6 beaches.

Provision of Access roads and road maintenance	To construct and maintain roads to service centre's and economic development nodes (100km maintenance and 50 km Construction-annually)	BSD 48	Number of jobs created	269 Jobs created.	200 jobs created	200 jobs created	200 jobs created	200 jobs created	200 jobs created by 30 June 2017
			Number of jobs created	200 Jobs created,		170 jobs created through EPWP	170 jobs created through EPWP	190 jobs created through EPWP by June 2016	205 jobs created through EPWP by 30 June 2017

Education, Early Childhood Development and Literacy	To provide Early Childhood Development Infrastructure	BSD 68	By constructing Early Childhood Development Centres	Number of ECDC (Early Childhood Development Centres) constructed	15 early childhood development centre established	Construction of 2 Early Childhood Development Centres	Construction of 2 Early Childhood Development Centres	Construction of 2 Early Childhood Development Centres	Construction of 2 Early Childhood Development Centres	Construct 2 Early Childhood Development Centres by 30 June 2017
Public Safety & Security /Transport	To facilitate public safety programmes	BSD 64	By implementing National Road Traffic Act and K53 through Drivers' License Testing Centre and Motor Vehicle Registering Authority	Number of learners licenses, driving licenses, renewals and PrDP's issued	Registered and operational Grade B DLTC (What is current baseline?)	6600 learners for learners license and 2640 for drivers license	6600 learners for learners license and 2640 for drivers license	Learner licenses: 9600, New issued drivers license and renewals: 9600, PrDp's: 2400	4000 applications and issued learners licences, 2400 applications for drivers licenses and renewals issued: PrDp's: 600	Issue 4500 learners licences, Issue 2400 drivers licenses and Issue 600 PrDp's by 30 June 2017
				Number of registered and licensed vehicles	Registered and fully operational RA (must highlight figures)	-	Construction and gazetting of Registering Authority at Ngqeleni	1500 of registered and licensed vehicles; 50TRNC(Traffic register	Registration and licensing of 1000 motor vehicles	Register and license 500 motor vehicles by June 2017

			y				number certificate)		
			By ensuring road safety in the Jurisdiction of Nyandeni LM	1. Approved developed road safety plan 2. Progress report on implementation of road safety plan	Adhoc road safety planning	Support 2 Arrive Alive Campaign	Support 2 Arrive Alive Campaign	Support 2 Arrive Alive Campaign	Develop and implement road safety plan approved by MM by 30 June 2017
			By enforcing Municipal By - Laws and National Road Traffic	Report on the number of transgressions on by-laws enforced and National	18 By-laws are in place but were not enforced fully Out of 18 there are	Enforcement of 4 by-laws: Waste management, pound ,management, street trading and environmental health by-laws,Enforcement of 11 by-laws	Enforcement of 4 by-laws: Waste management, pound ,management, street trading and	Enforcement of by-laws:	Enforcement of ten (10) by-laws and National Road Traffic Act by June 2017

			Act	Road Traffic Act (Number of traffic fines issued)	11 by laws that are enforced		environme ntal health by-laws			
Provisio n of Access roads and road mainten ance	To construc t and maintain roads to service centre's and economi c develop ment nodes (100km mainten ance and 50 km Constru ction-	BSD 48	By providin g access roads	Number of Kilometer s constructe d	121 km construct ion.	50 km constructed	50 km constructe d	50 km constructe d	50 km constructed	65 km access road constructed by 30 June 2017
			By maintaini ng access roads conditio n	Number of Kilometer s maintaine d	119 km	100 km maintained	100 km maintained	100 km maintained	100 km maintained	100 km access road maintained by June 2017
			By involving communitie s in develop mental projects (Instituti	Annual ISD report produced	Annual Report Develop ed on ISD (Instituti onal Social		-	-	-	Develop annual report for ISD by June 2016	Develop ISD annual report by June 2017 for projects on IDP

	annually)		onal Social Facilitati on)		Develop ment)					
			By complyin g with OHS (Occupati onal Health and Safety) Act	Annual OHS report produced	Newly establish ed section for OHS (occupati onal Health and Safety)	-	-	-	Develop annual report for OHS by June 2016	Develop OHS Annual Report by June 2017 for projects on IDP
Urban centre Infrastru cture	To improve livelihoo ds in urban centre's through infrastru cture develop	BSD 49	By impleme nting Integrate d Transpo rt Plan (ITP) through non-	Number of Kilometer s paved	4 km paved	3 km paved	3 km paved in towns	3 km paved in towns	3 km pedestrian sidewalks or parking paved in Libode and Ngqeleni by June 2017	4 km pedestrian sidewalks or parking paved in Libode and Ngqeleni by June 2017

	ment	motorized transport projects							
		By planning and conceptualizing for Infrastructure development for Informal Traders	Approved Design Report	No designated areas for informal business	-	-	-	Planning and registration	Develop (1) design report by March 2017 for informal traders
		By upgrading internal road network to be accessible in all	Number of Kilometers surfaced	Un-surfaced roads used	-	-	-	10 km surfacing or resurfacing in each town per financial year	10 km surfaced in Libode (5km) and Ngqeleni (5km) by June 2017

			weather conditions							
Storm water control	To improve storm water system so as to achieve life span of road network	BSD 50	By implementation of Storm water master plan	Number of kilometers of storm water projects implemented in Libode and Ngqeleni	Implementation of storm water projects from storm water master plan	Develop Storm Water Master Plan.Approved master plan by council.	Implement budgeted projects	Implement budgeted projects	Implement budgeted projects (as per storm water master plan and maintenance plan for Libode and Ngqeleni)	Implement 1 km storm water projects on storm water master plan by December 2016
Bridges	To improve accessibility of communities through maintenance of	BSD 54	By implementing Roads Master Plan through improved road	Number of bridges constructed	5 Low Level crossings / bridges constructed	Business plans submission for funding	Implementation of funded projects	Construction of identified bridges	Construction of identified bridges	6 bridges/low level crossings constructed by 30 June 2017

	6 bridges		network with crossings and bridges developed							
Electrification	Provide and maintain electricity	BSD 51	By providing electricity infrastructure to Nyandeni households	Number of electricity infrastructure constructed for household	1243 constructed	4 Minutes for site meetings for ESKOM and DOE projects.	3 % Electrification	6 % Electrification	Electrification of extensions and continuous maintenance	Electrical infrastructure constructed for 391 households by 30 June 2017
			By reducing crime through safe environment	Number of streetlights maintained	100 street lights maintained	-	-	-	-	Maintenance of 40 street lights by 30 June 2017

Public Amenities	To provide and maintain local amenities and community facilities	BSD 54	By implementing Integrated Transport Plan (ITP) through Intermodal transport and formalization of informal business sector	Constructed Ngqeleni Transport Hub	Libode Transport Hub under Construction	Business plans for Libode transport hub and Libode sports ground	Construction of Libode sports field.	Construction of Libode Transport Hub	Construction of Ngqeleni Transport Hubs	Construct Ngqeleni Transport Hub by 30 November 2016
			By providing community multiple purpose centers	Number of multipurpose centers constructed	No area has a developed multipurpose and sport field	-	-	-	Upgrade access to parks, cemeteries, and pounds	Design and construct two multipurpose centers by 30 June 2017

Spatial Planning	To increase the number of middle income housing stock and business sites for the growth of both towns of Libode and Ngqeleni	SDF 48	By establishing a township for 102 units in Libode and facilitate EIA for 100 units in Ngqeleni	Approved township for 82 and 20 units at Libode and EIA permit for 100 units at Ngqeleni	Libode LSDF	Develop and Approve LSDF for Libode Corridor and Ntlaza junction	In-situ upgrade of remainder of commonage Erf. 80 Libode.	Lodge township establishment of 82 units on a portion of Rem erf 90 for approval by township board. Establishment of new township 20 units on Libode commonage	Facilitate approval of a township by MEC Establishment of new township	1. Coordinate approval of a township for 82 units in Libode by June 2017 2.Establishment of Township 20 units on Libode by 30 June 2017 3. Coordinate EIA for 100 units in Ngqeleni by 30 June 2017
			By Initiate subdivision and rezoning of FET site, Libode	Approved subdivision and rezoning plan	The site not subdivided	-	-	-	Prepare subdivision and rezoning application and submit for approval	Prepare subdivision and rezoning of Libode FET by 30 June 2017

Land administration	To facilitate registration and transfer of properties	SDF 49	Through identification and facilitation of registration of unregistered properties and finalization of pending property transfers	Number of registrations effected and transfers finalized	Deeds downloaded property valuation and municipal land audit 2005	-	Conduct search for properties under Libode Extension 1 and Ngqeleni Extension 4	Conduct Property Audit for Ngqeleni Extension 2, 3 and 4 and Libode Extension 1.	-	Coordination of registration for unregistered properties and finalize pending property transfers at Ngqeleni and Libode by 30 June 2017
Property Geomatics and Survey	To survey, develop general plans and relocate peg boundaries in order to shape	SDF-50	By minimizing encroachment of properties through relocating pegs on extension 4	No of pegs relocated.	Existing cadastral information.	Register beneficiaries	Register beneficiaries	Relocate pegs for 70 erven	-	Relocating 20 pegs in extension 4 Ngqeleni by 30 March 2017

	the built form	Ngqeleni							
	To coordinate the provision of sustainable rural and urban human settlements	By registering beneficiaries on the national Human Settlements database	The number of forms successfully captured on the system	-	Recruit 186 field workers and start with rollout of the programme. Recruit 10 data capturers for capturing of data from wards	Complete the data collection to remaining wards	Finalize Data Collection (31 000 questionnaires)	Update information. Recruitment and training of Data captures. Commence with capturing	Finalize capturing of forms of 31 000 housing needs forms by 30 June 2017
Building Plan Approval (New Focus Area)	To regulate Control and compliance with regulations on	By complying with the National Regulations and Building	Number of submitted and approved building plans and inspection	-	-	-	-	Administer submitted building plans and produce reports	Administer building plans and conduct routine inspections in compliance

	building standard		Standards Act NO.103, 1977	report						with Regulations and Building Standards Act NO.103 of 1977 by 30 June 2017
Disaster Management	To ensure effective disaster risk management	DM 53	By ensuring effective disaster management system	Progress report of disaster management against Disaster Management Plan 2016/17	Facilitate support and response to incidents of disaster	-	-	Assessment and provision of response material on disaster incidents	Assessment and provision of response material on disaster incidents	Compile and implement disaster management plan 2016/17 in partnership with OR Tambo DM by 30 June 2017

KPA- LOCAL ECONOMIC DEVELOPMENT

Strategic Focus Area	5 Year Objective	Objective Number	municipal Strategies	Output/Outcomes Indicator	Annual Targets					
					Baseline	2012/2013	2013/2014	2014/2015	2015/16	2016/2017
SMME Support and Development	To promote entrepreneurship and access to markets	LED 39	By implementing an SMMEs and Co-operatives Strategy through hosting of flea market	Number of hosted Flea Market and analyses report on market exposure	LED Strategy in place	Start developing the Data Base of SMME/Co-operatives SMME/Co-operative Strategy developed	Finalization of the SMME Strategy	Implementation of SMME and Co-operatives strategy (Flea market)	Implementation of SMME and Co-operatives strategy (Flea market)	Facilitate access to markets through hosting 2 Flea Markets by 30 June 2017
			By building Capacity and skills development for Coops and SMME's in order to	Number training and capacity building programs provided for SMME's and Co-operatives	426 SMME's and Coops have received training	Identify training needs	100 SMMEs and Co-operative s	60 SMME's to be capacitated	60 SMME's to be capacitated	Facilitate 4 training and capacity building programs for SMME's and coops

			manage and sustain their businesses	capacitated					on finance and business management by June 2017	
Tourism Development	To Promote and develop Nyandeni as a (Tourism Destination of choice)tourists place of choice		By implementing an SMMEs and Co-operatives Strategy through hosting of flea market	Analysis report on local product marketing to the tourism industry	Tourism products exposed at the Tourism INDABA and Grahamstown Arte Festival	-	-	-	-	Exposure of local ELEVEN (11) products to the tourism industry (Grahamstown Arts Festival and Tourism Indaba) by June 2017

			By conducting awareness and public debate on Tourism	Number of hosted learners debate and awareness campaign	One tourism learners debate and One awareness campaigns were done	-	-	1. To host one (1) learners debate in September 2016. 2. Conduct One (1) Tourism awareness campaign in December 2016	1. To host one (1) learners debate in September 2016. 2. Conduct One (1) Tourism awareness campaign in December 2016	1. To host one (1) learners debate in September 2016. 2. Conduct One (1) Tourism awareness campaign in December 2016
Mining	To explore the potential of clay mining for development		By implementing Malungeni Clay through lodging of a mining permit application to DMR by June 2017	Lodged application d to DMR for approval	Feasibility and business plan in place	-	Feasibility of Malungeni clay	Conduction of Geo-tech studies	Completion of Geo-tech studies.	Coordinate the process of application for a clay mining permit on behalf of Malungeni community by June 2017

Agricultural development	To support and promote development of agricultural initiatives	By assisting Farmers with agricultural inputs and equipment for crop production	Number of agricultural inputs provided and farmers supported	2143 ha planted during the previous years	300 ha planted and harvested	800 ha planted and harvested	300 ha planted and harvested	Purchase agricultural inputs to support farmers through DRDAR's planned 2500 hectors	<ol style="list-style-type: none"> 1. Provide agricultural inputs and farming equipment for Makhotyana farm by June 2017. 2. Provide support to local farmers on massive crop production (as per agreed input through DRDAR) 3. Support to 32 households supported (One household food garden) in
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									<p>32 wards by March 2017. 4..Provide support onessential oils production at Malungeni. 2016/ 2017</p>
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		By promoting food security through small scale farming	Number of small scale farming projects and number of households supported	10 projects were funded during the previous year	8 projects supported	8 projects supported	10 projects supported	10 projects supported (crop, poultry, piggery, SMME and Tourism projects)	1. Support 10 small scale projects (crop, poultry, piggery, SMME and Tourism) by June 2017
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INSTITUTIONAL & FINANCE CLUSTER – PRIORITY PROGRAMMES & PROJECTS

KPA	OBJ NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/17	2017/18	2018/19
Good governance & Admin oversight	01	N/A	communication strategy	OPEX	R77 761 60	R82 271. 77	R87 043 54
		N/A	Review of institutional policies	OPEX	R848 000	R897 184	R949 220 .67
		N/A	Design website and update	OPEX	R116 176	R122 914.21	R130 043.23
		N/A	Review of procedure manual	OPEX	R104 800	R110 983	R117 198
			Development of municipal by-laws	Opex	R111 088.00	R117 531.10	R124 347. 91
			Legal Fees	Opex	R777 616	R822 717.73	R870 435.36
			Media Liaison Programmes	Opex	R377 720	R399 627.76	R422 806.17
			Municipal Oversight	Opex	R318 000	R336 444	R355 957.75
			Management Oversight	Opex	R424 000	R448 592	R474 610.34

KPA	OBJ NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/17	2017/18	2018/19
Municipal Planning			Development of Nyandeni Master Plan (2030 VISION)		R530 000	R560 740	R503 262.92
			IDP		R888 704	R940 248.83	R994 783.26
			Back to Basics		R318 000	R336 444	R355 957.75
			Electricity Master Plan		R166 632	R176 296.66	R186 521.86
			Strategic Planning		R888 704	R940 248.83	R994 783.26
Intergovernmental relations	02	N/A	IGR Support	OPEX	R131 083.84	R138 686.70	R146 730.53
Public participation & support to political structures	04	N/A	Support to Traditional Leaders	OPEX	R166 632.	R176 296.66	R186 521.86
			Support for ward admin facilities	Opex	R3 745 887.36	R3 963 148.83	R 4 193 011.46
	05	N/A	Public participation	OPEX	R848 000	R897 184	R949 220.67
			Project launches	Opex	R233 264	R246 793.31	R261 107.32
			Sports and recreation	Opex	R222 176	R235 062.21	R248 695.82
SPU: Children			Opex	R388 808	R411 358.86	R435 217.68	

KPA	OBJ NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/17	2017/18	2018/19
			SPU: Physical challenged	Opex	R166 632	R176 296.66	R186 521.86
			SPU: Women	Opex	R333 264	R352 593.31	R373 043.72
			SPU: Youth	Opex	R338 352	R357 976.42	R378 739.05
			Outreach programmes/lmbizos	OPEX	R388 808	R411 358.86	R435 217.68
			Sectoral support programme	Opex	R666 528	R705 186.62	R746 087.45
			Poverty alleviation fund	Opex	R333 264	R352 593.31	R373 043.72
		All	Ward Committee Training	Opex	R116 176.	R122 914.21	R130 043.23
			SALGA Capacity Program		R1 000 000	R1 058 000	R1 119 364
			Council support		R212 000	R224 296.00	R237 305.17
Reporting & credit control		N/A	Compilation of valuation roll	OPEX	R277 720	R293 827.76	R310 869.77
		N/A	Grap implementation	OPEX	R1 237 232.	R1 308 991.46	R1 384 912.96
			Community Awareness campaign	OPEX	R27 772	R29 382.78	R31 086.98
			Audit fees	Opex	R4 240 000	4 485 920	R4 746 103.36

KPA	OBJ NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/17	2017/18	2018/19
Asset Management & Information Technology Management		N/A	Compilation of GRAP Asset Register	OPEX	R898 880	R951 015.04	R1 006 173.91
		N/A	Financial management system	OPEX	R 912 000	R964 896	R1 020 859.97
			Implementation of Credit Control Bylaw		R255 072.15	R269 866.33	R285 518.58
		N/A	APN Solution	OPEX	R222 176	R235 062.21	R248 695.82
			Computer installation		R111 088	R117 531.10	124 347.91
Risk Management		N/A	Develop Risk Management Plan and Risk assessment	Opex	R222 176	R235 062.21	R248 695.82
			Fraud and Prevention		R166 632	R176 296.66	R186 521.86
			Audit Committee Costs	Opex	230 740.80	R244 123.77	R258 228.94
Internal Audit		N/A	Internal Audit costs	OPEX	R314 400	R332 950	R351 595
			Review of procedure manual		R111 088	R117 531.10	R124 347.91
Workplace Skills Plan		N/A	Human resource development fund	OPEX	R2 000 000	R2 116 000	R2 238 728

KPA	OBJ NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/17	2017/18	2018/19
			Training of interns		R111 088	R117 531.10	R124 347.91
			Public service week		R133 305.60	R141 037.32	R149 217.49
			Science week		R166 632	R176 296.66	R186 521.86
Employee and Wellness		N/A	Employee assistance programme	Opex	R555 440	R587 655.52	R621 739.54
			Occupational health & safety	Opex	R555 440	R587 655.52	R621 739.54
PMS & SDBIP		N/A	Performance management system	OPEX	R55 544	R58 765.55	R62 173 95
			Monitoring and Evaluation		R166 632	R176 296.66	R186 521.86

Economic & Environment Cluster – Priority Programmes & Projects

KPA	OB J NO.	STRATE GY CODE	WAR D NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR			
						2016/17	2017/18	2018/19	
SDF, , Trading by-laws and Policies)	17			SDF Review	OPEX	R278 000	-	-	
				Urban Area Land Audit		R100 000	R105 800	R111 936.40	
				Electricity Master Plan	Opex	R157 200	R166 475	R175 797	
				Small scale Farming	Opex	R318 000	R336 444	R355 957.75	
				Hawker infrastructure		R559 202.99	R591 636.7 6	R625 951.70	
				Support to paving cooperative		R318 000	R336 444	355 957.75	
		21	E&EC 01		Tourism Sector Plan review	OPEX	R407 000	R430 606	R455 581.15
					Tourism		R388 808	R411 358.8 6	R435 217.68
					Tourism Indaba		R111 088	R117 531.1 0	R124 347.91

KPA	OB J NO.	STRATE GY CODE	WAR D NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
						2016/17	2017/18	2018/19
SMME				Tourism awareness campaign		R132 544	R140 231.5 5	R148 364.98
				EPWP		R1 261 000	R1 820 421	R1 422 364.58
				Public debate on tourism		R111 088	R117 531.1 0	R124 347.91
				Life Guards support	Opex	R600 000	R634 800	R671 618.40
				Arts, culture & heritage promotio	Opex	R200 720	R212 361.7 6	R224 678.74
				Essential oils	OPEX	R261 088	R276 231.1 0	R292 252.51
				Malungeni Clay Implementation	Opex	R166 632	R176 296.6 6	R186 521.86
				Mdumbi Hotel and Conference Centre	To source funding	-	-	-
			Crop production		1 590 000	1 682 220	1 779 788.76	
			Hemp production		R106 000	R112 148	R118 652.58	

KPA	OB J NO.	STRATE GY CODE	WAR D NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
						2016/17	2017/18	2018/19
				Development of informal trade sector	Opex	R55 544	R58 765.55	R62 173.95
				SMME & Cooperatives		R266 569.60	R282 030.64	R298 388.41
				Strategic partnership		R111 088	R117 531.10	R124 347.91
				Branding and signage	OPEX	R55 544	R58 765.55	R62 173.95
			07	Office Park Development	Opex	-	-	-
				Housing Consumer education	OPEX	R111 088	R117 531.10	R124 347.91
				Housing needs register	OPEX	R368 000	R389 344	R411 925.95
				Disaster risk management		R200 000	R211 600	R223 872.80
				Housing emergency programme		R279 544	R295 757.55	R312 911.49
				Housing Forum		R172 176	R182 162.21	R192 727.62

KPA	OB J NO.	STRATE GY CODE	WAR D NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
						2016/17	2017/18	2018/19
				Housing sector plan		R31 088	R32 891.10	R34 798.79
				Project Launches	OPEX	R212 000	R224 296	R237 305.17
Building Control & Town Planning				Township establishment	OPEX	R166 632	R176 296.6 6	R186 521.86
				Relocation of pegs		R77 761.60	R82 271.77	R87 043.54
				SPLUMA		R320 554	R339 135.5 5	R358 805.41
				Survey & general plan development		R744 352	R787 524.4 2	R833 200.83

Community Services Cluster – Priority Programmes & Projects

KPA	OB J NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/2017	2017/2018	2018/2019
Waste & Refuse Collection		3,14, 16, 23	Waste Management	CAPEX	R453 283.48	R479 573.92	R507 389.20
		21, 7	Construction of refuse removal Transfer Station in Ngqeleni	MIG/OPE X	R408 040	R432 114	R455 881
		All	Conduct awareness	OPEX	R55 810.61	R59 047.63	R62 354.29
			Tools and equipment		R111 088	R117 531.10	R124 347.91
Cleansing		1,7,16,19,21,24	Refuse bags	OPEX	R223 564.60	R236 531.35	R250 250.16
Pound Management		21&7	Pound services	OPEX SPCA	R291 174.98	R308 063.13	R325 930.79
Cemeteries		4,5,19,20	Cemeteries	OPEX	R104 800	R110 983	R117 198
			Upgrading of cemeteries		R111 088	R117 531.10	R124 347.91
Parks and Open Spaces		21,7	Parks & open spaces	OPEX	R134 435	R142 232.23	R150 481.70

KPA	OB J NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/2017	2017/2018	2018/2019
Electrification			Electrification		R9 000 000	R15 000 000	R20 000 000
Free Basic Services			Indigent subsidies	OPEX	R5 300 000	R 5 607 400	R5 932 629
Disaster Management – Fire Fighting		All					
		All	HIV/AIDS	OPEX/	R277 720	R293 827.76	R310 869.77
			Community Liaison programmes	OPEX	R55 544	R58 765.55	R62 056.42
Education, Early childhood, Adult learning programs			Ematholeni : Children First ECD	CAPEX	R1 696 000	R1 794 378	R1 894 852.61

KPA	OB J NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/2017	2017/2018	2018/2019
Public Safety			Community Safety Forum	OPEX	R59 432.08	R62 879.14	R66 400.37
Regulations (Environmental Health)			Environmental Sector Plan	OPEX	-	-	-
Traffic safety			Vehicle registration authority	OPEX	R111 088	R117 531.10	R124 347.91
			Policing equipment	CAPEX	R222 176	R235 062.21	R248 695.82
			Transport forum	OPEX	R77 761.60	R82 271.77	R87 043.54
			Support to arrive Alive campaign	OPEX	R88 870.40	R94 024.88	R99 478.33
			DLTC and ENATIS	OPEX	R388 808	R411 358.86	R435 217.68
			Pauper Burial	OPEX	R10 020	R10 580.21	R11 193.86
			Amenities and community facilities	OPEX	R237 728.32	R251 516.56	R266 104.52
			Uniform traffic section		R55 440	R587 655.52	R621 739.54

KPA	OB J NO.	WARD NO	PROJECT DESCRIPTION	FUND SOURCE	FUNDING YEAR		
					2016/2017	2017/2018	2018/2019
			Ematholeni Children First development forum	OPEX	R23 056	R24 416	R25 784
			Public security	OPEX	R144 414.40	R152 790.44	R162 652.28
Library services				DSRAC	R400 000	R400 000	R400 000
			Books and publication	Opex	R33 326.40	R35 259.33	37 233.85

CAPITAL PROJECTS

CAPITAL PROJECTS 2012/13 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT DESCRIPTION	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	9,6 km	19	Mvilo to Mnyameni Access Road (A/R)	MIG	R4.90m	Completed
	8,5 km	23	Phalo to Sizani A/R	MIG	R3.00m	Completed
	4,8 km	27	Mseleni to Ludeke A/R	MIG	R4.50m	Completed
	2 km	7	Libode internal roads	MIG	R2.00m	Completed
	2 km	21	Ngqeleni Street Surfacing	MIG	R 5.00m	Construction
	8 km	20	Mdzwina A/R	MIG	R3.00m	Advert for Construction
	16 km and Bridge	20	Nothintsila to Mvilo A/R	MIG	R3.00m	Completed
	6 km and Bridge	04	Dungu to Mbhobheleni A/R	MIG	R3.20m	Construction
	13 km	28	Sidanda A/R	MIG	R6.00m	Completed
	7 km	13	Ntsaka to Mantanjeni A/R	MIG	R3.90m	Completed
	7 km and Bridge	17	Mthonjana A/R	MIG	R3.10m	Completed
13 km	10	Zikhoveni to Ntilini A/R	MIG	R5.00m	Completed	

	4,8 km	24	Malungeni A/R	MIG	R2.80m	Completed
Access roads	11,6 km	18	Mlengana A/R	MIG	R3.70m	Completed
	5,4 km and Bridge	26	Mafusini to Zincukuthwini A/R	MIG	R2.00m	Complete 1 st Phase Advert for 2 nd Phase on advert for Engineers

CAPITAL PROJECTS 2013/14 FINANCIAL YEAR

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Public Transport	Public transport	7	Libode transport hub	MIG/Equitable Share	R11.80m	Construction
Special Programmes		7	Libode Sports and Recreational Centre	MIG	R9.00m	Construction
Access roads	3 km	21	Ngqeleni Street Surfacing	MIG	R3.00m	Construction
	7.8 km and Bridge	30	Dikela Springs to Mngamnye A/R	MIG	R2.00m	Completed
	17 km	12	Mdeni to Ngobozi A/R	MIG	R5.98m	Completed
	11.5 km and Bridge	22	Bomvana A/R	MIG	R4.00m	Completed
	10,2 km and Bridge	06	Nduna to Ngojini A/R	MIG	R5.40m	Completed
	2.6 km	05	Ndayini access road Phase 1	MIG	R3.15m	Construction

	9.3 km	14	Mqwangqweni to Siqikini A/R	MIG	R5.70m	Completed
	7 km	15	Didi to Ntlaza A/R	MIG	R3.50m	Completed
		05	Mpindweni Ward 04 Phase 2 A/R	MIG	R8.00m	Facilitation Stage
	8,8 km and Bridge	14	Ncambedlana to Manzamahle A/R	MIG	R7.47m	Design Stage
Access roads	9,6 km and Bridges	17	Magozeni to Guqa A/R	MIG	R2.75m	Construction
	13 km	16	Dalagubha A/R	MIG/OR Tambo DM	R	
	9.8 km	24	Buthongweni A/R	MIG	R4.00m	Completed
	13 km	02	Zibungu to Madwaleni A/R	MIG	R7.84m	Completed
	7.9 km	15	Dokodela A/R	MIG	R4.47m	Completed

CAPITAL PROJECTS 2014/15 FINANCIAL YEAR

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	5 km	07	Libode Extension Internal roads (Extension 1&2)	MIG	R2.0m	Advert for Engineers
	5 km	21	Ngqeleni Extension 2 Internal roads	MIG	R3.00m	Advert for Engineers
	6 km	21	Alternative Surfacing Pilot at Extension 4 Ngqeleni	MIG	R7.26m	Advert for Construction
	6 km	18	Maqanyeni to Mgungundlovu A/R	MIG	R3.69m	Design Stage

	6.5 km	27	Ntshela A/R	MIG	R3.90m	Completed
	9.6 km	03	Mhlanganisweni to Ngavungavu A/R	MIG	R4.73m	Completed
	6 km and Bridge	29	Sezela to Njezweni A/R	MIG	R5.29m	Design Stage
		02	Jojozi to Ncithwa A/R	MIG	To be costed	Design Stage
	10.1 km and Bridge	09	Gxulu A/R	MIG	R6.96m	Completed
	6 km and Bridge	05	Ndayini Phase 2 A/R	MIG	R5.00m	Advert for Engineers
	5 km	26	Mafusini to Zincukutwini A/R	MIG	R1.50m	Advert for Engineers
		27	Makwalweni to Mzimvubu A/R	MIG	To be costed	EIA advert
	6 km plus bridge,	06	Cibeni to Ngojini Bridge	MIG	R3.00m	Design Stage
	6 km and Bridge	23	Bukhwezeni A/R	MIG	To be costed	Design Stage
Access roads	6.5 km	25	Mzonyane A/R	MIG	R 3.20 m	Construction
	13 km and Bridge	01	Thembeni A/R	MIG	R 4.70 m	Construction
	Waste Management	7	Libode Landfill Site	MIG	R4.00m	Design Stage
	Public transport	21	Ngqeleni Transport Hub	MIG	R8.00m	Design Stage

	Roads span	life	7 & 21	Storm water Libode and Ngqeleni	MIG	R5.00m	Planning
	8 km		07	Church of God to Belmont	MIG	R 3.20 m	Construction
	6.5 km		21	Polini A/R	MIG	R3.25 m	Completed
	14 km		19	Zinduneni to Bandla A/R	MIG	R 6.70 m	Advert for Construction
	6,5 km		11	Moyeni to Ngqwangi (Lukhanyisweni A/R)	MIG	R 4.34 m	Advert for Construction
	6 km and Bridge		22	Lower Malahle to Mlatha Access Road (Mgonondi Access Road)	MIG	To be costed	Design Stage
	11 km		20	Mdzwina Internal Roads	MIG	R 4.20 m	Advert for Construction

CAPITAL PROJECTS 2015/16 FINANCIAL YEAR

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	5,7 km	8	Magcakini A/R	MIG	To be costed	Planning
	6 km	13	Dumase to Mangwaneni A/R	MIG	To be costed	Planning
	14,2 km	31	Renny A/R	MIG	To be costed	Planning
	6 km	26	Polar Park A/R	MIG	To be costed	EIA advert
	9,8 km	30	Zanokhanyo to Lutsheko A/R	MIG	To be costed	Planning
	13,5 km and Bridge	24	Mgojweni to Mabhetshe A/R	MIG	To be costed	Design Stage

	11,5 km and Bridge	28	Msuzwaneni to Thekwini A/R	MIG	To be costed	Design Stage
	km	27	Langakazi Low Volume A/R	MIG	To be costed	Planning
	km	22	Mabomvini to Nkunzimbini A/R	MIG	To be costed	Planning
	km	22	Manqabeni Alternative Surfacing	Equitable Share		Estimates completed
	km	07	Libode 500 units internal roads alternative surfacing	MIG	To be costed	Planning
	km	21	Ngqeleni Internal Roads	MIG	To be costed	Planning
		21	Municipal Workshop and Offices	Equitable Share	R 8.00 m	Planning
Electrification		07	Libode High Mast Lights	MIG	R 2.00 m	Designed
SMME Development		07 and 21	Informal Trading Infrastructure	MIG	To be costed	Planning
Safety		07 and 21	Fencing of Libode and Ngqeleni Pounds	MIG	To be Costed	Planning
Special Programmes (Youth Development)		03	Ward 03 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		17	Ward 17 Multipurpose Centre and Sports field	MIG	To be costed	Planning

CAPITAL PROJECTS 2016/17 FINANCIAL YEAR

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Special Programmes (Youth Development)		31	Ward 31 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		16	Ward 16 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		28	Ward 28 Multipurpose Centre and Sports field	MIG	To be costed	Planning
Access roads and Bridges	km	26	Tholeni A/R	MIG	To be costed	Planning
	km	25	Ludaka A/R with Bridge	MIG	To be costed	Planning
	km	19	Lusizini A/R	MIG	To be costed	Planning
	km	07	Thabo Mbeki Internal Streets	MIG	To be costed	Planning
	km	05	Nxukwebe to Mtombetsitsa A/R	MIG	To be costed	Planning
	km	08	Chizela to Moyeni A/R	MIG	To be costed	Planning
	km	27 and 05	Sompa to Ndzuluka A/R	MIG	To be costed	Planning
	km	21	Mngazana to Maqanyeni A/R	MIG	To be costed	Planning
	km	06 and 17	Ngqongweni Clinic Linkage A/R	MIG	To be costed	Planning
	km	07 & 30	Ndanya Clinic A/R	MIG	To be costed	Planning
		10	Lurhasini A/R	MIG	To be costed	Planning

		14	Mqwanqweni No. 1 to No. 2 with Magwaz'iphalitshi bridges	MIG	To be costed	Planning
CAPITAL PROJECTS 2017/18 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Special Programmes (Youth Development)		08	Ward 08 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		30	Ward 30 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		10	Ward 10 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		25	Ward 25 Multipurpose Centre and Sports field	MIG	To be costed	Planning
		22	Ward 22 Multipurpose Centre and Sports field	MIG	To be costed	Planning
Electrification		21	High Mast Street Lights	MIG	To be costed	Planning
Access Roads and Bridges	km	15	Ngxokweni to Mtyu A/R	MIG	To be costed	Planning
	km	23	Ntshazi Bridge to Canzibe Low volume Access road	MIG	To be costed	Planning
	km	14	No. 1 to No. 5 A/R and Bridge	MIG	To be costed	Planning
	km	18	Ngidini to Khangisa A/R	MIG	To be costed	Planning
	km	24	Godini A/R	MIG	To be costed	Planning

	km	21	Bantini to Godini Bridge and A/R	MIG	To be costed	Planning
MAINTENANCE PROJECTS 2012/13 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	3 km	29	Mpendle to Nkawukazi A/R	Equitable Share	R1.17m	Completed
	5 km	08	Mdlankomo to Mamfengwini A/R	Equitable Share	R1.70m	Completed
	3 km	31	Luthubeni A/R	Equitable Share	R615 631.50	Completed
	5 km	21	Bantini A/R	Equitable Share	R1.06m	Completed
	4 km	15	Mafini A/R	Equitable Share	R	Completed
	3 km	01	Daluxolo A/R	Equitable Share	R434 561.16	Completed
MAINTENANCE PROJECTS 2013-2014 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	3 km	02	Gqwarhu A/R	Equitable Share	R 905 000.00	Construction
	3,5 km	05	Ngolo to Dalibunga A/R	Equitable Share	R1.40m	Construction
	3,5 km	30	Lower Mngamnye A/R	Equitable Share	R 1.49m	Construction
	7 km	18	Bukwini A/R	Equitable Share	R 2.89m	Completed
	13 km	25	Mngcibe A/R	Equitable Share	R3.89m	Completed
	1,5 km	07	Callaway A/R	Equitable Share	R509 000.00	Completed
MAINTENANCE PROJECTS 2014-2015 FINANCIAL YEAR						

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	6 km	03	Makhotyana to Makaziwe A/R	Equitable Share	R 3.00 m	Advert for Construction
	5 km	04	Mdina A/R	Equitable Share	R 2.99 m	Planning
	6 km	09	Misty Mount A/R	Equitable Share	R 2.02 m	Advert for Construction
	11,2 km	13	Thakatha to Magozeni A/R	Equitable Share	R 3.10 m	Construction
	6 km	23	Thekwini A/R	Equitable Share	R 2.77 m	Preparing specification
	3 km	22	Mathayi A/R	Equitable Share	R 1.35 m	Preparing specification
MAINTENANCE PROJECTS 2015-2016 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	km	06	Mputshane A/R	Equitable Share	To be Costed	Inception
	km	28	Ntibane A/R	Equitable Share	To be Costed	Inception
	km	01	Kalandoda A/R	Equitable Share	To be Costed	Inception
	km	26	Luqolo A/R	Equitable Share	To be Costed	Inception
	km	27	Gqweza A/R	Equitable Share	To be Costed	Inception
	km	29	Egxeneni to Mangwaneni A/R	Equitable Share	To be Costed	Inception
MAINTENANCE PROJECTS 2016-2017 FINANCIAL YEAR						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access	km	01	Mjobeni A/R	Equitable Share	To be Costed	Inception

roads	km	16	Mkhankatho A/R	Equitable Share	To be Costed	Inception
	km	15	Mtyu A/R	Equitable Share	To be Costed	Inception
	km	10	Ntilini A/R	Equitable Share	To be Costed	Inception
	km	13	New Buntingville A/R	Equitable Share	To be Costed	Inception
	km	18	Ngidini to Khangisa JSS	Equitable Share	To be Costed	Inception
	km	20	Gangeni A/R	Equitable Share	To be Costed	Inception

MAINTENANCE PROJECTS 2017/2018 FINANCIAL YEAR

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Access roads	km	03	Chophetyeni to Luthubeni A/R	Equitable Share	To be Costed	Inception
	km	12	Mthebelezi to Ntapane A/R	Equitable Share	To be Costed	Inception
	km	20	Goli A/R	Equitable Share	To be Costed	Inception
	km	25	Lwandile A/R	Equitable Share	To be Costed	Inception
	km	27	Dungu to Bungu A/R	Equitable Share	To be Costed	Inception

Electricity 2013/14 Financial Year

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Electrification	Number of households electrified		Mtombe 239 Households (HH)	ESKOM	R6,51m	Construction
		11	Sun City 200 HH	ESKOM	R3,99m	Construction
		09	Gxulu 375 HH	ESKOM	R7,57m	Construction

		21	Ngqeleni Housing	ESKOM	R47,500.00	Pre-Eng.
			Nyandeni Extensions	ESKOM	R787,000.00	Pre-Eng.
		23	Mthatha Mouth 150 HH	ESKOM	R3,40m	Construction
		23	Mthatha Mouth L/Line Infrastructure	ESKOM	R600,000.00	Construction
		Ngqeleni Phase 3 Electrification (R 10 million)				
Electrification	14 HH	20	Gangeni (14HH)	INEP		Construction
	114 HH	20	KwaJange (114HH)	INEP		Construction
	222 HH	20	Lucingweni (222HH)	INEP		Construction
	09 HH	28	Ntibane (09HH)	INEP		Construction
	84 HH	20	Ntsundwane (84HH)	INEP		Construction
	88 HH	25	Ntengu (88HH)	INEP		Construction
	66 HH	25	Mthwebula (66HH)	INEP		Construction
Electricity 2014/15 Financial Year						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Electrification	400 HH	26	Mthatha Mouth 400 HH	ESKOM	R 7,20m	Construction
	241 HH		Ncitwa 241 HH	ESKOM	R 4, 58m	
	129 HH	21	Ngqeleni Housing Development 129 HH	ESKOM	R 2,06m	Completed
		Ngqeleni Phase 3 Electrification				
Electrification	77 HH	28	Mpoza 77 HH	INEP	R1.33m	Construction
	77 HH	25	Mpoza 77 HH	INEP	R1.33m	Construction

	77 HH	20	Lucingweni 77 HH	INEP	R1.33m	Construction
	158 HH	20	Vanisini 158 HH (Vinitshi)	INEP		
		20	Lucingweni	INEP		
		25	Mpoza	Equitable Share		
		28	Mpoza	Equitable Share		
Electricity 2015/16 Financial Year						
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Electrification	127 HH	25	MZONYANE 22028A3 (127 HH)	INEP	R 2.23 m	Designs Completed
	212 HH	28	MPOZA (B2) 21094 B2 Rem (212 HH)	INEP	R 3.72 m	Designs Completed
	63 HH	25	MPOZA (A1) (63 HH)	INEP	R 1.11 m	Designs Completed
	95 HH	25	MPOZA (A2) 22028A2 (95 HH)	INEP	R 1.67 m	Designs Completed
Electrification	170 HH	25	NGONJINI (170 HH)	INEP	R 2.98 m	Designs Completed
	233 HH	25	LWANDILE (B2) 22028B2 (233 HH)	INEP	R 4.09 m	Designs Completed
	138 HH	25	LWANDILE (B3)22028 B1 (138 HH)	INEP	R 2.42m	Designs Completed
	178 HH	25	MAMOLWENI (D2)2230D2 (178 HH)	INEP	R 3.12 m	Designs Completed
	208 HH	25	MAMOLWENI (D3)2230D3 (208 HH)	INEP	R 3.65 m	Designs Completed
FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT

Electrification	290		Bomvana Extensions (Sezela, Ngqinibeni, Bomvini)	ESKOM	R 4.81 m	
	600		MTHATHA MOUTH 15/16 (Nyandeni, Ezincukutwini, Meveni, Ntsimbini, Ngawuza)	ESKOM	R 10.00m	
	Link Line		MTHATHA MOUTH 15/16 Link Line	ESKOM	R 2.40 m	
	260		Ncithwa Extensions (Siza, Magqingeni, Mahahane, Ncitwa, Ziphondo, Cibeni, Mhlatyana, Tshakude)	ESKOM	R 4.40 m	
	Infrastructure		Ncithwa Link Line	ESKOM	R 2.10 m	
	Pre Engineering		Nyandeni Extensions	ESKOM	R 250 000	

Bridges

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
		04	Zinkumbini bridge			
		26	Zixambuzi bridge	DoRPW		
		04	Dalaguba to Mncwili bridge			Needs proper assessment
		14				Incorporated in Mabhetshe
		25	Mamolweni bridge	DoRPW		
		31	Mthomde			

FOCUS AREA	Indicator	WARD NO	PROJECT NAME	FUNDING SOURCE	ESTIMATED BUDGET	COMMENT
Municipal Public Works & EPWP	Jobs Created	07	Nomandela Drive to Libode Main Street Side Walks	EPWP	R 1,1 million	Planning
	Jobs Created	07	Municipal Parking	EPWP		Planning
	Jobs Created	21	Ngqeleni Armstrong Street Side Walks	EPWP		Planning
	Jobs Created	07	Libode Main Road Side Walks	Equitable Share	R 1,5 million	Planning
Municipal Public Works & EPWP	59		Implement all municipal own civil and maintenance works		OPEX	R1m
			Facilitate implementation of EPWP projects in our areas		OPEX	R0 000

Current capital projects (Funded by OR Tambo DM)

Project Name	Ward	Villages Served	Scope	Progress
Thekwini Regional Phase 2 Water Supply	Ward 23 & 26	Njivane, Madiba, Goso, Mpendle, Mgawuza,	Kwa Entsimbini, Bulk Distribution Mains, Break pressure Tanks, Reticulation Network and Refurbishment of the Nomadolo Pumpstation	88 % Complete

		Ezincukuthwini and Mpundweni.		
Rosedale Libode Bulk /1	- Ward 7	To Serve the Libode Town	Construction of Bulk Distribution Line from 3MI Reservoir to Booster Pump Station.	53 % Complete
Rosedale Libode Bulk /2	- Ward 7	To Serve the Libode Town	Construction of Bulk Distribution Line from Booster Pump Station to Command Reservoir.	34 % Complete
Rosedale Libode Bulk /3	- Ward 7	To Serve the Libode Town	Construction of Bulk Distribution Line from Command Reservoir to Libode Town.	15 % Complete
Buthongweni Water Supply	Ward 24 & 28	Kumandeni, Kwazaka, Mhlakotshane, Sigubudu, Mfundweni, Lutshini, Mayalweni, Ngonyameni, Sizindeni, KwaZulu, Sidanda, Lutatweni and Buthongweni	Construction of Reticulation Network and Completion of the Water Treatment Plant.	Project Complete, 100% of the Scope
Ntsonyini Ngqongweni Water Supply	- Ward 6	Ntsonyini, Nohokoza, Ngqongweni and Kulambeni	Construction of Storage Reservoirs, Bulk Distribution mains, and Reticulation lines	90 % Complete
Nqgeleni Dam	Ward 30	Nqgeleni 27 villages	Construction of an earthfill storage dam, gravity main and access road to dam - completion of outstanding work	Site establishment done (2% complete)

Project Name	Ward	Villages Served	Scope	Progress
Ward Sanitation	3 Ward 13	Buntingville, Mandlovini, Ntsaka and Dumasi	Construction of 1 640 VIP's	1 452 VIP's Complete
Ward 6 Sanitation	A Ward 6 & 27	Mngazi, Ngojini, Cibeni, Mevana, Nkanga, Lukhuni, Gqweza	Construction of 2 920 VIP's	2 603 VIP's Complete
Ward 6 Sanitation	B Ward 6 & 27	Mgwenyane, Ntsonyini, Nohokoza, Kulambeni, Maqanyeni, Nkonkoni, Ntshela, Bungu, Dikela and Lwandlana.	Construction of 2 920 VIP's	1 923 VIP's Complete
Ward Sanitation	10 Ward 10 & 11	Zikhoveni, Ntilini, Sofaya Villages, Nkanini, Suncity, Ngqwayi	Construction of 1 000 VIP's	986 VIP's Complete
Ward Sanitation	9A Ward 9,30	Norwood, Ngxanga, Mhlabeni, Diphini	Construction of 2350 VIP's	149 VIP's Complete

Ward Sanitation	9B Ward 9,18	Mchubakazi, Mabheleni, Vezamandla, Zithathele	Construction of 2350 VIP's	1296 VIP's Complete
Nyandeni Ward 20 Sanitation	A Ward 20	Mdzwini, Xhuth'udwele/H luleka, Lucingweni, Gangeni, Bhucula, Mvilo, Ngonqelweni, Mjanyana, Khephe/Vinish, Jange and Ntsundwana, Notitsila	Construction of 800 VIP Units / Toilets	218
Nyandeni Ward 20 Sanitation	B Ward 20	Mdzwini, Xhuth'udwele/H luleka, Lucingweni, Gangeni, Bhucula, Mvilo, Ngonqelweni, Mjanyana, Khephe/Vinish, Jange and Ntsundwana, Notitsila	Construction of 800 VIP Units / Toilets	100 Pit linings
Nyandeni Ward 24A	24, 28 & 29	Malungeni,Mba nge,Godini	Construction of 2200 VIP Units/ Toilets	1004

Sanitation		A/A, Ncedani and Buthongweni.		
Nyandeni Ward Sanitation	24B Ward 24 & 29	Buthongweni, Zaka and Mahlakotshane	Construction of 2200 VIP Units / Toilets	589
Nyandeni Ward Sanitation	26A Ward 26 & 25	Ntsimbini and Gazini	A/A Construction of 1635 VIP Units / Toilets	1438
Nyandeni Ward Sanitation	26B Ward 26	Gazini and Mankosi A/A	Construction of 1635 VIP Units / Toilets	156

LM	Project Name	Areas to be Served	Scope	Progress
Nyandeni	Libode sewer and treatment works	Libode Town and Thabo Mbeki township	Construction of sewer network, bulk mains and sewer treatment works	consultant appointed in January 2013

Water projects for 2013/14

LM	Project Name	Areas to be Served	Scope	Progress
Nyandeni	Ntsonyini/Ngqongweni Regional Water scheme	Ngqongweni, Nodushe, Ntlagwini, Nohokoza, Masameni, Ntsonyini, Makhuzeni, Mputshane, Mcothama	Cibeni, off-channel Dam, bulk clear water, bulklines, reticulation to villages, new treatment works	25% on Designs
Nyandeni	Dumasi Water Supply	Dumasi	Construction of Reservoir	50% on Design
Nyandeni	Libode Rosedale phase 2 water supply	Libode Town and Thabo Mbeki township	Construction of water reticulation and bulk lines to Libode Town	50% on Design
Nyandeni	Thekwini Water Supply Scheme Phase 3B	Thekwini, Ntibane, Sidanda, Lutatweni, Sigubudu, Lutshini, Mayalweni, Ngonyameni, Sizindeneni, Zulu	Construction of reservoirs, bulk lines and reticulation to villages	Tender stage

Nyandeni	Completion Nggeleni Water Supply Scheme	Of Ngqeleni town and surrounding Regional areas	Upgrading extension of supply	and DM to appoint the Professional Service Provider for the development of Business Plan
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LM	Project Name	Areas to be Served	Scope	Progress
Nyandeni	Extension Mhlanganisweni Regional Scheme (Tsitsa River Source)	of Mhlanganisweni, Marhubeni, Mlomo, Dokodela, Makhotyana, Phezukwamawa	Upgrading extension of supply	and DM to appoint the Professional Service Provider for the development of Business Plan

DEPARTMENT OF PUBLIC WORKS PROGRAMME

Road Number	Places	Length (km)	Comments	Budget

DR08174	N2 to DR08175 via Nyandeni Great place	24.67	Patch graveling	R4,000,000.00
DR08 301	Kopshop to Libode	15.41	Re-gravelling and repairs to hydraulic structures	R4,000,000.00
DR08310	DR18030 to Mamolweni	10	Patch gravelling and attend to hydraulic structures	R1,000,000.00
DR08175	DR08178 to Lukhuni	41.85	Re-gravelling and repairs to hydraulic structures	R4,000,000.00
DR08302	Ngqeleni To Ntlaza	12.88	Patch gravelling and attend to hydraulic structures	R3,000,000.00
DR08029/DR08308	Hluleka road	16	hydraulic structures	R42,000,000.00

Maintenance Programme

- Routine maintenance contract.....R1,000,000
- Routine Roads maintenance.....R3,500,000

ESKOM ELECTRIFICATION PROGRAMME FOR 2015/2016

Municipality	Project Name	Category	Planned CAPEX	Planned HH Connections
Nyandeni	Bomvana Ext.	Household	R 4,810,000.00	290
	Mthatha Mouth 15/16	Household	R 10,000,00.00	600
	Mthatha Mouth 15/16 Link Line	Infrastr	R 2,400,000.00	
	Ncithwa Ext.	Household	R 4,400,000.00	260
	Ncithwa Exts Link Line	Infrastr	R 2,100,667.00	
	Nyandeni Exts	Pre-Eng.	R 250,000.00	
Total Nyandeni			R 23,960,667.00	1150

SANRAL PROJECSTS

LIBODE UPGRADE	<ul style="list-style-type: none"> • Tender awarded to Triamic for R260 million • Contractor on site April 2014 • Contract period 22 months • Biggest issue at the moment is land for relocations
<u>Mthatha to Nggeleni intersection</u>	<ul style="list-style-type: none"> • Project awarded to Haw & Inglis for R340 million • Contractor on site in October 2013 • Contract period 30 months • Busy relocating houses • Constructing bypasses • Constructing the Mthatha and Corana bridges
<u>St Barnabas and Ntlaza</u>	<ul style="list-style-type: none"> • Contract to be completed in June 2014 • 10 SMME are being trained (they currently employ 50 local labour) • Construction of the temporary Hospital

	<p>entrance has been completed</p> <ul style="list-style-type: none"> • Biggest challenge is community strike action
<u>Community development projects</u>	<ul style="list-style-type: none"> • 3 currently under construction • Cover community roads across the Nyandeni Municipal area and are adjacent to the R61, the purpose is to provide all-weather roads to facilitate vehicle movement due to the closing of a number of informal access point and formalising of intersections

Department of Education School Building Programme

SCHOOL NAME	WARD NO
Dalibhunga SSS	26
Mfundweni JPS	28
Pondolwendlevu SSS	14
Zanokhanyo SSS	30
Waban SSS	17
Bhekizulu SSS	07
Langeni SPS	29
CHB SSS	15
Mangala SSS	01
Dokodela JSS	15
Victor Poto SS	04
Zibingu SSS	02
Smuts Ndamase SSS	02

Bungu JSS	05
Lower Godini JSS	24
Qithi JSS	18
Nomcamba JSS	19
Cibeni SSS	5
Poni JSS	13
Mzamo JSS	29
Phondolwendlovu SSS	14
Xhentse SSS	16
Nontswabu JSS	10
Ntaphane JSS	12
Dokodela SPS	
Mhlanganisweni	

**DEPARTMENT OF SOCIAL DEVELOPMENT PROGRAMMES FOR 2014/15
CHILD & YOUTH CARE AND PROTECTION**

PROJECT NAME	LOCALITY	WARD	BUDGET ALLOCATION
MZOMTSHA CHILD & YOUTH CARE CENTRE	NGQELENI - TOWN	-	R1 700.00 PER CHILD ON A MONTHLY BASIS
EARLY CHILDHOOD DEVELOPMENT CENTRES	48 ECDC's ARE OPERATIONAL IN LIBODE & NGQELENI	2, 3, 4, 5, 7, 9, 11, 12, 13, 14, 15, 17, 18, 19, 21, 22, 24,	R15.00 PER CHILD PER DAY PER ATTENDANCE

SUBSTANCE ABUSE PROGRAMME

NAME	LOCALITY	WARD	BUDGET ALLOCATION
NYANDENI TADA PROJECT	MDLANKOMO, TYARA A/A, MDENI, COZA A/A	7,4,8,29	R122 400.

OLDER PERSONS: CARE SUPPORT & PROTECTION OF OLDER PERSON, ACTIVE AGEING

NAME	LOCALITY	WARD	BUDGET ALLOCATION
SAKHISIZWE DEVELOPMENT CENTRE	MDLANKOMO A/A NQGELENI	7	R122 400.
UMZAMOMHLE DEVELOPMENT CENTRE	MCHONCO A/A NGQELENI	7	R50 400.00
MASIMANYANE DEVELOPMENT CENTRE	MBANGE A/A NGQELENI	24	R 144 000
SINOVUYO DEVELOPMENT CENTRE	NTIBANE A/A NGQELENI	25	R 38 850
NOBUBELE DEVELOPMENT CENTRE	RAINY A/A LIBODE	31	R180 000

NOMPILISO DEVELOPMENT CENTRE	DININKOSI A/A LIBODE	9	R96 000
SIBUSISIWE DEVELOPMENT CENTRE	MHLANGA A/A LIBODE	4	R72 000.00
SOPHUMELELA DEVELOPMENT CENTRE	MOYENI A/A LIBODE	8	R182.400.00
NKWALINI DEVELOPMENT CENTRE	MKHANKATHOA/A LIBODE	19	R36 000
SIYAZAMA DEVELOPMENT CENTRE	MBOBELENI	04	R72.000.00

3. VICTIM EMPOWERMENT PROGRAMME

PROJECT NAME	LOCATION	WARD	CATEGORY /ACTIVITY	ALLOCATED BUDGET
1.MASIKHULUME SURVIVOR SUPPORT CENTRE	NGQELENI POLICE STATION ,NGQELENI	21	SUVIVOR SUPPORT CENTRE	R250 000
2. MQWANGQWENI WHITE DOOR CENTRE OF HOPE	MQWANGQWENI A/A ,NGQELENI	14	WHITE DOOR CENTRE OF HOPE (RECEPTION ,ASSESSMENT AND REFERRAL OF VICTIMS)	R 250 000
3. NYANDENI SINGLE PARENTS ASSOCIATION	NDINDIMENI LOCATION ,BUNTINGVILLE ,NGQELENI	13	ASSOCIATION FOR SINGLE PARENTS	R100 000
4. SOUL WINNERS SUPPORT CENTRE FOR WOMEN AND CHILDREN	ZITHATHELE LOCATION ,GXULU	9	VICTIM SUPPORT CENTRE	R300 000

	A/A,LIBODE			
5. MZIWONCEDO WHITE DOOR CENTRE OF HOPE	MHLANGANISWENI A/A, LIBODE	3	WHITE DOOR CENTRE OF HOPE (RECEPTION ,ASSESSMENT AND REFERRAL OF VICTIMS)	R250 000

4. HIV /AIDS

PROJECT NAME	LOCATION	WARD	CATEGORY/ACTIVITY	ALLOCATED BUDGET
1. SIYAKHULA HCBC	LUJIZWENI NO. 3, MANZIMAHLE LOC NGQELENI	WARD 14	HIV AND AIDS HCBC PROJECT	R300 000.00
2. NOMPILO M.U. HCBC	NTLAZA A/A KHULEKA LOC LIBODE	WARD 16	HIV AND AIDS HCBC PROJECT	R300 000.00

5. COMMUNITY DEVELOPMENT

PROJECT NAME	LOCATION	WARD	CATEGORY	ALLOCATED BUDGET
LWANDILE COMMUNITY GARDEN	LWANDILE – NDUNGUNYENI NGQELENI	25	FOOD SECURITY - CROP PRODUCTION	R300 000.00
GLADYS NONZUZO NCOYINI HEALTH CLUB	EXTENSION 4 - NGQELENI	21	HEALTH CLUB	R300 000.00 R700 000.00 = R1000 000.00
SONDELANI FOOD SECURITY PROJECT	COZA - LIBODE	03	FOOD SECURITY – CROP PRODUCTION	R380 000.00
MAKUKHANYE WOMEN CO – OPERATIVE	NTIBANE - NGQELENI	28	WOMEN DEVELOPMENT	R250 000.00

DEPARTMENT OF HUMAN SETTLEMENT PROJECTS CURRENT 2014/2015

Project name	No of Units	Ward	Budget	Comments
Mqwanqweni Rural Housing	1000 units	14	R54 080 500	In progress
Ntsundwana Rural Housing Project	1000 Units	20	R66 289 125	In progress
Mbobheleni Rural Housing	1000 Units	04	R60 713 440	In progress
Nyandeni 800 (Mtombe & Buntingville Rural Housing)	800 units	05 & 13	R 89 600 000	In progress
Ngqeleni Rectification	259	21	Nil	Procurement phase
Nyandeni 233	233	Various wards	Nil	Planning at 60%
Nyandeni 669	669	Various wards	R 70 million	Planning phase
Nyandeni 100	100	Various wards	R 10 million	Procurement phase

PLANNED PROJECTS FOR 2015-2016

Project name	No of Units	Ward	No of units completed	Budget	Comments
Mampondomiseni phase 1	150	17	69	R 12 692 394.50	In progress
Mampondomiseni phase 2	150	17	89	R 11 348 020.50	In progress
Mhlanganisweni phase 1	175	3	175	R 15 367 161.36	Complete
Mhlanganisweni phase 2	175	3	175	R 15 366 452.50	Complete
Nyandeni 190	190	Various wards	181	R 20 900 000.00	In progress
Nyandeni 370	370	Various wards	10	R 33 006 109.00	In progress
Nyandeni 77	77	Various wards	0	R 7 174 780.69	On procurement phase
Nyandeni 98	98	Various wards	0	R 5 159 000.00	On procurement phase
Gxulu Desitutes	200	Ward 09, 08, 07, 12, 13 & 29	0	R-	On procurement phase

HOUSING PROJECTS ON PIPELINE

PROJECT NAME	NUMBER OF BENEFICIARIES	CURRENT PROJECT STAGE	PLANNED TOP STRUCTURES
Libode 833 Rectification	833	No Activity	2016-2017 FY
Mankosi 1000	1000	Feasibility Study	2016-2017 FY
Libode 1328	1328	Feasibility Study	2016-2017 FY
Ngcolorha 1000	1000	Feasibility Study	2016-2017 FY
Mgwenyana 1000	1000	Feasibility Study	2016-2017 FY
Qhokama 1000	1000	Feasibility Study	2016-2017 FY

PROJECTS PLANNED IN THE HOUSING SECTOR PLAN

PROJECT NAME	Ward	PROJECT UNITS	PROJECT TYPE
Thabo Mbeki	07	48	PHP
Msintsini	16	1000	Rural Housing

Lwandile	25	1000	Rural Housing
Zibungu	02	1000	Rural Housing
Mdepha	23	1000	Rural Housing

Bridges			Jange bridge				
			Ngonjini bridge				
			Zinkumbini bridge				
			Zixambuzi bridge				
		21	Maqanyeni bridge				
			Maqanyeni bridge				
			Dalaguba to Mncwili bridge				

			Ntsundwana to Mvilo bridge				
			Malungeni bridge				
		22	Magwaz'iphalitshi bridges			R00 000	R0 000
			Ndlovayiphathwa bridge				
			Mamolweni bridge				
			Magozeni				
			Mthomde				
			Mdlankomo to Mamfengwini (material)				
			Bantini to Godini				
			Ngqongweni to Bedla				
			Bolotwa to Dimanda SSS				
			Didi to CHB				
			Mafusini bridge				
			Luqolweni				
			Guqa to Ngqongwei				
			Mgojweni bridge				
			Mngamnye no 1 to Dikela Springs JSS				
			Polini to Bolotwa bridges				

Telecommunication	58		Promote partnerships for installation of signal networks & telecommunication infrastructure	OPEX	R0 000	R0 000	R0 000
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INTEGRATION & ALIGNMENT

STATUS OF SECTOR PLANS

Sector Plan	Detail	Date of approval
IDP and Budget Policy	This policy sets out the budgeting principles, which Nyandeni Local Municipality will follow in preparing each annual budget, as well as the Integrated Development Planning process through which the municipality will prepare a strategic development plan, for a five-year period.	29 May 2014 2014
PMS Policy and Procedure Manual	Provides mechanisms, procedures and guidelines in managing performance, reporting and evaluations	28 March 2012
Public Participation Plan	It guides how public participation is to be achieved, set structures, systems and mechanisms to for engagements. Critically, the plan has mechanisms to handle and to respond to management of petition and resolutions	June 2014 2014
Rates Policy	To ensure that property rating in Nyandeni Municipality is carried out in a fair, consistent, considerate and controlled manner, this rate policy is developed in accordance with the provisions of the Local Government: Municipal Property Rates	29 MAY 2014

	Act, (Act 6 of 2004).	
Spatial Development Framework	Is a decision –making tool, which ensures that land use management and land development is based on the principle of sustainable development decisions and practices	31 March 2011
LED Strategy		28 March 2012
LED Socio-economic Profile	<p>This document is a rapid strategic review of the local socio-economic environment, providing an overview of geo-political and demographic considerations together with a more detailed analysis and synopsis in respect of the Nyandeni Municipality’s local economy’s key indicators, structural characteristics, comparative and competitive advantages, opportunities and constraints.</p> <p>It is designed to present a more reliable statistical baseline to inform local stakeholder choices on local economic development options for the Nyandeni Municipality, leading to the review of the current strategic framework for local economic development (2007) of Nyandeni.</p>	March 2011
Fraud Prevention Sector Plan	In addition to promoting ethical conduct within Nyandeni, the plan is intended to assist in preventing, detecting, investigating and sanctioning fraud and corruption	27 March 2013
Risk Management Strategy and Framework		27 March 2013
HR Strategy Key focus areas of the strategy	The Human Resource Plan was developed and adopted by Council on 28 March 2012. The plan has been incorporated into the Integrated Development Plan	20 June 2012
<ul style="list-style-type: none"> • Workforce analysis • Employee wellness • Occupational health and safety • Individual performance 	Facilitate a culture of public service and accountability amongst staff	
	Align roles and responsibilities with priorities and objectives reflected in the Integrated Development Plan (IDP);	

<ul style="list-style-type: none"> • management • Education, training and development • Employment and management • Recruitment selection • Retention 		
	equity diversity	Organize structures and administration in a flexible way to respond to changing priorities and circumstances;
	and	Perform functions through operationally effective and appropriate administrative units;
Personnel Regulation Policy	To ensure compliance to the occupational Health & Safety legislation.	20 June 2012
	To ensure the effective induction and orientation of newly appointed employees	
	To provide guidelines with regard to staff benefits and allowances for employees.	
Human Resource Development Policy	To create a cultural of life and to provide employees and councilors with opportunities to acquire new skills	28 March 2012
	To improve the quality of workers and their prospects of mobility within and outside the municipality	
	To facilitate the development of a skilled and competent workforce and development	
Disciplinary Policy	To serve as a guide to management and ensures fair and equal treatment of all employees	28 March 2012
	To encourage timely corrective action in the event of an employees behavior providing to be unsatisfactory or unacceptable	
	To ensure that the principles of natural justice are applied before an employee is penalized for misconduct	
Induction Policy	To familiarize and introduce new employees and new councilors to the institutional culture, including IDP and budget and related policies	28 March 2012

Employment Equity	The purpose of this policy is to outline the broad principle of employment equity to which the municipality is committed and to describe in general how it seeks to realize equity principles	28 March 2012
Employment Retention Policy	The Municipality is one of the remote rural municipalities with a high rate of unemployment and a shortage of skills in particular	28 March 2012
Occupational Health and Safety	To ensure the compliance with all relevant statutory requirement including the Municipal Safety Regulations and Procedures.	28 March 2012
	To minimize loss through accident or incident.	
	To continually strive for the achievement of the highest level of safety, namely a 5 star rating on the NOSA rating system, and the maintenance thereof once this has been achieved.	
Employee Retention Policy	The Municipality strives to ensure attraction and retention of a cadre of personnel with the necessary competency to enable the Municipality, the retention will periodically reviewed to improve it on par with the dynamics of the labour market	28 March 2012
Housing Sector Plan	Was developed and adopted as a five year horizon plan and is due for review. Department of Human Settlement should provide technical support	August 2005
Youth Development Plan	Identifies key challenges affecting young people, macro strategy to address youth development and implementation plan. Furthermore, the place encapsulate structures, mechanism and processes for participation of young people in the main stream of the economy	30 May 2011
Tourism Sector Plan	Addresses economic potential of the Nyandeni Municipal Area	September 2010
OUTSTANDING PLANS		
Infrastructure Plan	Currently being developed and is expected to be finalized in before the end of 2012	
Storm Water Management Plan	Adopted	2013

Integrated Transport Plan	Not available, we requires financial and technical support	
Integrated Waste Management Plan	The objective of the IWMP is to manage waste management	May 2013
Forestry Plan	Department of Water Affairs should provide financial support	
Agricultural Development Plan	Situational Analysis completed	2013
By laws	<ul style="list-style-type: none"> • Refuse removal bylaw • Waste Management By-law • Public health • Street Trading By-law • Public Space By-law • Parking Ground By-law • Encroachment on property bylaw • Funeral undertakers by-law • Library and Information services by-law • Credit Control and debt collection • Advertising signs • Credit management • Cemetery bylaw • Bylaw relating to nuisances • Public road and misilelaneous • Pound Management Bylaw 	19 May 2010

APPROVAL

7 THE APPROVAL PROCESS

DECLARATION OF ADOPTION

SIGNATURES

..... DATE
Ms. N Nomandela
MUNICIPAL MANANGER

..... DATE
Hon. T. Sokanyile
MAYOR