



**O.R. TAMBO
DISTRICT MUNICIPALITY**

Draft Integrated Development Plan 2016/17



A VIBRANT AND PROSPEROUS DISTRICT

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LIST OF ABBREVIATIONS AND ACRONYMS

AFS	:	Annual Financial Statements	MDG	:	Millenniums Development Goals
AG	:	Auditor General	MEC	:	Member of Executive Council
BNG	:	Breaking New Ground	MFMA	:	Municipal Finance Management Act
BTO	:	Budget and Treasury Office	MIG	:	Municipal Infrastructure Grant
CFO	:	Chief Financial Officer	MM	:	Municipal Manager
COGTA	:	Cooperative Governance and Traditional Affairs	MMC	:	Members of Mayoral Committee
COO	:	Chief Operations Officer	MPAC	:	Municipal Public Accounts Committee
CPM	:	Corporate Performance Management	MSA	:	Municipal Systems Act
CRU	:	Community Residential Units	MTEF	:	Medium Term Expenditure Framework
DGDS	:	District /growth and Development Strategy	MTSF	:	Medium Term Strategic Framework
DIMAFO	:	District Mayors Forum	MTSF	:	Medium Term Strategy Framework
DLGTA	:	Department Local Government and Traditional Affairs	NDP	:	National Development Plan
DM	:	District Municipality	NGO	:	Non Governmental Organisation
DM	:	District Municipality	NMT	:	Non Mototised Transport
DTI	:	Department of Trade & Industry	NSDP	:	National Spatial Development Perspective
ECDC	:	Eastern Cape Development Council	NT	:	National Treasury
ECPTA	:	Eastern Cape Parks and Tourism Agency	ORTDM	:	O.R. Tambo District Municipality
ECSECC:	:	Eastern Cape Socio Economic Council	EMS	:	Executive Mayoral Services
EIA	:	Envirionmental Impact Assessment	PGDS	:	Provincial Growth and development Strategy
EMP	:	Environmental Management Plan	PMS	:	Performance Management System
HOD	:	Head of Department	PSF	:	Provincial Strategic Framework
ICTM	:	Information and Communication Technology Management	PSJ	:	Port St John's
IDP	:	Integrated Development Plan	PT	:	Provincial Treasury
IDP	:	Integrated Development Plan	SDBIP	:	Service Delivery Budget and Implementation Plan
IGR	:	inter-governmental	SDF	:	Spatial Development Framework
ITP	:	Integrated Transport plan	SDF	:	Spatial Development Framework
KFPM	:	Kei Fresh Produce Market	SMMEs	:	Small, Medium Enterprises
KPA	:	Key Performance Areas	SPLUMA:	:	Spatial Planning and Land Use Management Act
KSD	:	King Sabatha Dalindyebo	WPIS	:	Ward Based Planning Information System
LED	:	Local Economic Development	WSA	:	Water Services Authority
LM	:	Local Municipality	WSDP	:	Water Services Development Plan
LM	:	Local Municipality			
LUMS	:	Land use Management Systems			



CHAPTER 1: INTRODUCTION



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1.1 THE LEGISLATIVE FRAMEWORK

The Constitution of the Republic of South Africa (Act 108 of 1996) regulates and directs the operations and existence of local sphere of government. Section 152 of the Constitution specifies that a municipality must strive to:

- Provide democratic and accountable government for local communities;
- Ensure the 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 organisations in the matters of local government.

Section 153 of the Constitution stipulates that a municipality must:

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

In order to realise the above objects, the Local Government: Municipal Systems Act (Act 32 of 2000) was enacted. Section 25 of this Act stipulates that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality (i.e. the IDP) which:

- Links, integrates and coordinates plans and takes into account proposals for the development of the municipality;
- Aligns the resources and capacity of the municipality with the implementation of the plan;
- Forms the policy framework and general basis on which annual budgets must be based;
- Complies with the provisions of Chapter 5 of the Act; and

- Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

In addition to this, Section 26 of the Act specifies that an IDP must include:

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

The Municipal Planning and Performance Management Regulations published in terms of the Municipal Systems Act (Act 32 of 2000) in August 2001, set out the following additional requirements for an IDP:

- An institutional framework for the implementation of the IDP and to address the municipality's internal transformation needs;
- The clarification of investment initiatives;
- The specification of development initiatives including infrastructure, physical, social and institutional development; and
- All known projects, plans and programmes to be implemented within the municipality by any organ of state.



The Municipal Finance Management Act (Act 56 of 2003) sought to ensure closer alignment between the municipality's annual budget and its IDP. In order to do it put in place a range of measures to do so, including:

- Alignment in the processes of budget and IDP preparation;
- The pursuit of greater credibility in terms of the ability to afford/pay for development proposals put forward in the IDP;
- The preparation and approval of a Service Delivery and Budget Implementation Plan (SDBIP) shortly after approval of the budget and the IDP; and
- The introduction of link between the IDP, the budget and the performance management contracts of senior officials.

This IDP signifies the start of the O.R. Tambo District Municipality's 2016/17 IDP Review for the current term of council. It has been developed in accordance with the relevant legal requirements as a strategic development plan that seeks to *enable real development, sustainable livelihoods and affordable service delivery for all in sustainable human settlements* by:

- Energising and mobilising the municipality as a developmental actor;
- Guiding and directing all development in the municipal area;
- Focusing and shaping municipal budgeting and resource allocation; and
- Informing the strategic and sector planning and budgeting processes of the national and provincial spheres of government and State-Owned Enterprises.

1.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES

1.2.1 The National Spatial Development Perspective (2006)

The NSDP seeks to:

- Ensure that the country maximises on its development potentials through rationally informed prioritisation;

This section includes the following policy documents:

- The National Spatial Development Perspective
- The Medium Term Strategic Framework
- The New Economic Growth Path
- The Millennium Development Goals
- The National Development Plan (Vision 2030)
- The Provincial Growth and Development Strategy
- The Provincial Strategic Framework
- The Local Government Turn-around Strategy

Growing the country's economy in sectors where it has the greatest comparative advantage;

- Ensure the sustainable provision of basic services to all; and
- Encourage the 'crowding in' of private investment through the focused investment of public resources.

The NSDP argues that the spatial configuration of our country is not only the product of investment and growth, but also of apartheid spatial planning. The resulting spatial marginalisation from economic opportunities by large segments of the country's population is still a significant feature of our space economy. This needs to be addressed to reduce poverty and inequality, and ensure shared growth.

The NSDP seeks to guide the three spheres of government to plan and allocate resources to achieve the country's developmental objectives. To this effect it puts forward a set of principles, which recommend:

- Focusing fixed investment in areas with development potential. It is argued that these areas present the greatest possibility for both economic growth and poverty alleviation; and
- Ensuring that citizens in areas with limited potential are provided with a package of essential public services, and focusing on human resource development, labour market intelligence and social grants. It is argued that the prevalence of high poverty in an area does not mean that poverty can be more effectively addressed in that area.



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

- Defining of the space economy in terms of 'need' and 'development potential'; and
- Utilising the set of guiding principles by all actors in government when planning, deliberating and budgeting for investment and spending.

This requires a well coordinated and integrated system of planning in which the plans at a national, provincial and local level mutually inform each other, and in which there is agreement on the priorities for infrastructure investment and development spending. This in turn requires coordination and alignment in and between the spheres of government, notably through the alignment and harmonisation between:

- The national Medium Term Strategic Framework (MTSF);
- The national and provincial Medium Term Expenditure Frameworks (MTEFs);
- The Provincial Growth and Development Strategies (PGDSs);
- The annual budgets of national and provincial government departments, State-Owned Enterprises and municipalities, and
- The Municipal Growth and Development Strategies (GDSs), IDPs and Spatial Development Frameworks (SDFs).

Within this planning framework District and Metropolitan Municipal Areas are the points at which the planning of the three spheres of government can best intersect. To utilise this prospect requires that intergovernmental District-wide agreements are reached on the needs and development potentials of the district space economy. Once these have been reached, these agreements then provide the base for:

- Preparing and reviewing an IDP in a District; and
- Agreements on the roles and responsibilities regarding infrastructure investment and development spending in the development of the District.

1.2.2 The Medium Term Strategic Framework (MTSF)

The MTSF is meant to guide planning and resource allocation across all the spheres of government. National and provincial departments have to develop their five-year strategic plans and budget requirements taking into account the medium-term imperatives. Similarly, informed by the MTSF and their constitutional mandates, municipalities are expected to adapt their IDPs in accordance with the national medium-term priorities. The MTSF is reviewed annually during the mid-year Cabinet Makgotla in the light of new developments and experience in actual implementation. The yearly reviews then inform both the corresponding three-year rolling MTEF's and government's annual Programme of Action.

The MTSF itself is strongly informed by the governing party's political objectives. The 2009-Electoral Mandate of the ruling party specified the following objectives:

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

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

- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods;
- A massive programme to build economic and social infrastructure;
- A comprehensive rural development strategy linked to land and agrarian reform and food security;
- Strengthening the skills and human resource base - access to quality education;
- Improved health care for all South Africans;



- Intensifying the fight against crime and corruption;
- Building cohesive, caring and sustainable communities;
- Pursuing African advancement and international relations;
- Ensuring sustainable resource management and use; and
- Building a Developmental State including the improvement of public services.

The Manifesto and the MTSF were further translated into 12 outcomes through which government performance is to be monitored. These are:

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

During the 2014 election the manifesto was reviewed to include issues of land housing and electricity. Also MTSF 2014-2019 was developed centered around national outcomes and NDP chapters. Two further outcomes were endorsed and inculcated to make them 14 national outcomes. Although the outcome that relates specifically to Local Government is Outcome 9, the local government sphere has a role to play in all the 14 outcomes. The table below indicate the 14 outcomes which were endorsed as the 2014-2019 MTSF . it further illustartete the role of local government per each outcome.

Table 1: The 12 Outcomes of Government

Outcome 1: Improve the quality of basic education		
Outputs	Key Spending Programmes	Role of Local Government
1. Improve quality of teaching and learning.	▪ Increase the number of Funza Lushaka bursary recipients from 9300 to 18 100 over the 2011 MTEF.	▪ Facilitate the building of new schools by :
2. Regular Assessments to track progress.	▪ Assess every child in grades 3, 6 and 9 every year.	▪ Participating in needs assessments
3. Improve early childhood development.	▪ Improve learning and teaching materials to be distributed to primary schools in 2014.	▪ Identifying appropriate land
4. A credible outcomes-focused accountability system	▪ Improve maths and science teaching	▪ Facilitating zoning and planning processes
		▪ Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections
Outcome 2: Improve health and life expectancy		
Outputs	Key Spending Programmes	Role of Local Government
1. Increase life expectancy to 58 for males and 60 for females	▪ Revitalise primary health care	▪ Many municipalities perform health functions on behalf of provinces.
2. Reduce maternal and child mortality rates to 30-40 per 1000 births.	▪ Increase early antenatal visits to 50%.	▪ Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments.
3. Combat HIV/Aids and TB	▪ Increase vaccine coverage.	▪ Municipalities must continue to improve Community Health Services infrastructure by providing clean water, sanitation and waste removal services.
4. Strengthen health services effectiveness	▪ Improve hospital and clinic infrastructure	
	▪ Accredite health facilities	
	▪ Extend coverage of new child vaccines.	
	▪ Expand HIV prevention and treatment.	
	▪ Increase prevention of mother-to-child transmission.	
	▪ School health promotion increase school visits by nurses from 5 to 20%.	
	• Enhance TB treatment	
Outcome 3: All People in South Africa are Protected and Feel Safe		
Outputs	Key Spending Programmes	Role of Local Government



<ol style="list-style-type: none"> 1. Reduce overall level of crime. 2. An effective and integrated criminal justice system. 3. Improve investor perceptions and trust. 4. Effective and integrated border management. 5. Improve perception of crime among the population. 6. Integrity of identity of citizens and residents secures 7. Cyber-crime combated 	<ul style="list-style-type: none"> • Increase police personnel. • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities. • ICT renewal in justice cluster • Occupation-specific dispensation for legal professionals. • Deploy SANDF soldiers to South Africa's borders. 	<ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning & enforcement of municipal by-laws. • Direct the traffic control function towards policing high-risk violations – rather than revenue collection.
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Outcome 4: Decent Employment through Inclusive Economic Growth

Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth. 2. More labour-absorbing growth. 3. Strategy to reduce youth unemployment. 4. Increase competitiveness to raise net exports and gross trade. 5. Improve support to small business and cooperatives. 6. Implement expanded public works programme. 	<ul style="list-style-type: none"> ▪ Invest in industrial development zones. ▪ Industrial sector strategies: automotive industry; clothing and textiles. ▪ Youth employment incentive ▪ Development training and systems to improve procurement. ▪ Skills development and training. ▪ Reserve accumulation. ▪ Enterprise financing support. ▪ New phase of public works programme. 	<ul style="list-style-type: none"> ▪ Create an enabling environment for investment by streamlining planning application process. ▪ Ensure proper maintenance and rehabilitation of essential services infrastructure. ▪ Ensure proper implementation of the EPWP at municipal level. ▪ Design service delivery processes to be labour intensive. ▪ Improve procurement systems to eliminate corruption and ensure value for money. ▪ Utilise community structures to provide services.

Outcome 5: A Skilled and Capable Workforce to Support Inclusive Growth

Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism. 2. Increase access to intermediate and high-level learning programmes. 3. Increase access to occupational-specific programmes (especially artisan skills training). 4. Research, development and innovation in human capital. 	<ul style="list-style-type: none"> ▪ Increase enrolment in FET colleges and training of lectures. ▪ Invest in infrastructure and equipment in colleges and technical schools. ▪ Expand skills development learnerships funded through sector training authorities and National Skills Fund. ▪ Industry partnership projects for skills and technology development. ▪ National Research Foundation centres excellence, and bursaries and research funding. 	<ul style="list-style-type: none"> ▪ Development and extend intern and work experience programmes in municipalities. ▪ Link municipal procurement to skills development initiatives.

Outcome 6: An Efficient, Competitive and Responsive Economic Infrastructure Network

Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation. 2. Reliable generation, distribution and transmission of energy. 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports. 4. Maintain bulk water infrastructure and ensure water supply. 5. Information and communication technology. 6. Benchmark each sector. 	<ul style="list-style-type: none"> ▪ An integrated energy plan successful independent power producers. ▪ Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers. ▪ Increase infrastructure funding for provinces for the maintenance of provincial roads. ▪ Complete Gauteng Freeway Improvement Programme. ▪ Complete De Hoop Dam and bulk distribution. ▪ Nandoni pipeline. ▪ Invest in broadband network 	<ul style="list-style-type: none"> ▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services. ▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport. ▪ Maintain and expand water purification works and waste water treatment works in line with growing demand. ▪ Cities to prepare o receive the devolved public transport function.



	infrastructure.	<ul style="list-style-type: none"> Improve maintenance of municipal road network.
Outcome 7: Vibrant, Equitable and Sustainable Rural Communities and Food Security		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Sustainable agrarian reform and improved access to markets for small farmers. Improve access to affordable and diverse food. Improve rural services and access to information to support livelihoods. Improve rural employment opportunities. Enable institutional environment for sustainable and inclusive growth. 	<ul style="list-style-type: none"> Settle 7000 land restitution claims. Redistribute 283 592ha of land use by 2014. Support emerging farmers. Soil conservation measures and sustainable land use management. Nutrition education programmes. Improve rural access to services by 2014: <ul style="list-style-type: none"> Water: 92% to 100%. Sanitation: 69% to 100%. Refuse removal: 64% to 75%. Electricity: 81% to 92%. 	<ul style="list-style-type: none"> Facilitate the development of local markets for agricultural produce. Improve transport links with urban centres so as to ensure better economic integration. Promote home production to enhance food security. Ensure effective spending of grants for funding extension of access to basic services.
Outcome 8: Sustainable Human Settlements and Improved Quality of Household Life		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Accelerate housing delivery. Improve property market. More efficient land utilization and release of state-owned land. 	<ul style="list-style-type: none"> Increase housing units built from 220 000 to 600 000 a year. Increase construction of social housing units to 80 000 a year. Upgrade informal settlement: 400 000 units by 2014. Deliver 400 000 low-income houses on state-owned land. Improve urban access to basic services: <ul style="list-style-type: none"> Water: 92% to 100%. Sanitation: 69% to 100%. Refuse removal: 64% to 75%. Electricity: 81% to 92%. 	<ul style="list-style-type: none"> Cities must wait to be accredited for the housing function. Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements. Participate in the identification of suitable land for social housing. Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.

Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Differentiate approach to municipal financing, planning and support. Community work programme. Support for human settlements. Refine ward committee model to deepen democracy. Improve municipal financial administrative capability. Single coordination window. 	<ul style="list-style-type: none"> Municipal capacity-building grants. Systems improvement. Financial management (target: 100% unqualified audits). Municipal infrastructure grant. Electrification programme. Public transport & systems grant. Bulk infrastructure & water grants. Neighbourhood development partnership grant. Increase urban density. Informal settlements upgrades. 	<ul style="list-style-type: none"> Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality. Implement the community work programme. Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues. Improve municipal financial and administrative capacity by competency norms and standards and acting against incompetence and corruption,
Outcome 10: Protection and Enhancement of Environmental Assets and Natural Resources		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Enhance quality and quantity of water resources. Reduce greenhouse gas emissions, Mitigate climate change impacts and improve air quality. Sustainable environmental management. Protect biodiversity. 	<ul style="list-style-type: none"> National water resource infrastructure programme. Expanded public works environmental programmes. Biodiversity and conservation. 	<ul style="list-style-type: none"> Develop and implement water management plans to reduce water losses. Ensure effective maintenance and rehabilitation of infrastructure. Run water and energy saving awareness campaigns. Ensure development does not take place on wetlands.



Outcome 11: A Better South Africa, a Better and Safer Africa and World		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Enhance Africa agenda and sustainable development. Enhance regional integration Reform global governance institutions Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> Proposed establishment of South African Development Partnership Agency. Defence: peace support mechanisms Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> Ensuring basic infrastructure is in place and properly maintained. Creating an enabling environment for investment.
Outcome 12: A development orientated public service and inclusive citizenship		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Improve government performance Government wide performance and monitoring Conduct comprehensive expenditure review. Celebrate cultural diversity 	<ul style="list-style-type: none"> Performance monitoring and evaluation Stats SA, Census 2011: Reduce undercount. Sports and Recreation: Support mass participation and school sport programmes. 	<ul style="list-style-type: none"> Continue to develop performance monitoring and management system. Comply with legal financial reporting requirements. Review municipal expenditures to reduce wastage. Ensure Municipal Councils behave in ways that restore trust in local government.
Outcome 13: A comprehensive and responsive and sustainable social protection system		
Outputs	Key Spending Programmes	Role of Local Government

<ol style="list-style-type: none"> Reforming the social welfare sector Improving the provision of ECD Deepening social assistance Strengthening community development interventions Establishing social protection systems Developing a sustainable model of funding social development Increasing human resource capacity 	<ul style="list-style-type: none"> Social protection system Social assistance (including vulnerable children; Access to free basic services, Free education in 60% of schools in poor communities; School nutrition and transport programme; Free health services 	<ul style="list-style-type: none"> Provision of basic infrastructure and services Access to free basic services by indigents Development of policies that support social protection services Support to vulnerable groups/ women and children
Outcome 14: A diverse, social cohesive society and nation identity		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Fostering constitutional values Equal opportunities, inclusion and redress Promoting social cohesion Promoting active citizenry and leadership 	<ul style="list-style-type: none"> Employment Equity Act, Land restitution and redistribution, Cultural redress Facilitate healing, social cohesion, nation building, dialogue and trust. The utilisation of currently marginalised languages 	<ul style="list-style-type: none"> Address equity in the institution Facilitate dialogues Mobilise stakeholders in development Implement social cohesion programmes that include sport and recreation

1.2.3 Outcome 9 Unpacked

In line with the Programme of Action (POA) of the 2009-National Administration, an outcomes based approach was adopted by Cabinet. This resulted in twelve outcomes approved by the Cabinet to address the main strategic priorities of the government. Each outcome has a set of measurable outputs and clear targets. These outputs should be the strategic focus of all spheres of government between 2011 and 2014. Based on

the 12 outcomes, the President has signed Performance Agreements with each minister, which in return they have signed with their respective MECs and Mayors.

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

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

1.2.4 The New Economic Growth Path

This framework, aimed at enhancing growth, employment creation and equity, has as its principal target the creation of five million jobs over the next 10 years. Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy. This calls for all spheres of government to prioritise job creation by ensuring that all programmes have an element of job creation. The framework:

- Identifies five key areas for large-scale public investment and job creation, i.e. Energy, Transport, Communication, Water, and Housing;
- Regards the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme;

- Identifies specific measures, particularly changes to procurement policy and regulations, to ensure delivery on its targets; and
- Highlights as risks the fragile global recovery, competition and collaboration with the new fast-growing economies, and competing domestic interests.

Five other priority areas are identified as key contributors to job creation in partnerships between the State and the private sector, viz.:

- *Green Economy:* Expansions in construction and the production of technologies for solar, wind and bio-fuels are supported by the draft Energy and Integrated Resource Plan. Clean manufacturing and environmental services are projected to create 300 000 jobs over the next decade.
- *Agriculture:* Jobs will be created by addressing the high input costs and up-scaling processing and export marketing. Support for smallholders will include access to key inputs. Government will explore ways to improve working and living conditions for the country's 660 000 farm workers. The growth path also commits Government to unblocking stalled land transfers, which constrain new investment.
- *Mining:* This includes a call for increased mineral extraction, improvements in infrastructure and skills development and beneficiation, which can create large-scale employment. It foresees the establishment of a State-owned mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.
- *Manufacturing:* The focus is on re-industrialisation of the South African economy through innovation, skills development and reduced input costs in the economy. A target of doubling of South Africa's research and development investment to 2% of gross domestic product by 2018 is set.
- *Tourism and other High-Level Services:* The framework regards these areas as holding significant employment potential, and calls for South Africa to position itself as the higher education hub of the African continent.



1.2.5 Melinim Development Goals and the Sustainable Development Goals (SDGs)

Following the endorsement and implementation of the Melinim Development Goals 2005-2015, the United Nations Conference on Sustainable Development outcome 2015 produced the document titled "The future we want", which gave the mandate that the sustainable development goals should be coherent with and integrated into the United Nations development agenda beyond 2015. It reiterated commitment to freeing humanity from poverty and hunger as a matter of urgency and progresses from the work of the MDGs.

Its overarching objectives are poverty eradication, changing unsustainable and promoting sustainable patterns of consumption and production and protecting and managing the natural resource base of economic and social development. There are 17 set of goals that were endorsed to be implemented to 2030 and these are:-

- End poverty in all its forms everywhere
- End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- Ensure healthy lives and promote well-being for all at all ages
- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Achieve gender equality and empower all women and girls
- Ensure availability and sustainable management of water and sanitation for all
- Ensure access to affordable, reliable, sustainable and modern energy for all
- Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- Reduce inequality within and among countries
- Make cities and human settlements inclusive, safe, resilient and sustainable
- Ensure sustainable consumption and production patterns
- Take urgent action to combat climate change and its impacts
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development

- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Strengthen the means of implementation and revitalize the global partnership for sustainable development

While leaders throughout the world have undertaken unprecedented efforts to achieve these goals, much still needs to be done. This IDP, like all other development plans, presents an opportunity to do so.

1.2.6 The National Development Plan

In 2009 when the current leadership of the country took office, two shortcomings were identified two shortcomings in the administration that needed immediate correcting. One was the lack of performance monitoring mechanisms, to fill the monitoring gap, a Ministry and department responsible for performance monitoring and evaluation was established. The second was the need to introduce long term planning so that government could align its policies with a long-term development plan. The intention was to move away from silos and narrow-minded planning and look at our country as one holistic entity that should develop comprehensively, in every corner. The Ministry for the National Planning Commission in the Presidency was established to fulfil this task.

Experts in the areas: - economics, finance, social services, rural development, energy, public policy and governance, infrastructure development, urban and regional planning, education and training, health, agriculture and food security, climate change, local government and scenario planning were appointed to work with Minister Manuel as commissioners in the National Planning Commission. The team at National Planning Commission was asked to produce reports on a range of issues that impact on the country's long term development, such as water security, climate change, food security, energy security, infrastructure planning, human resource development, defence and security matters, the structure of the economy, spatial planning, demographic trends



and so forth. The National Planning Commission conducted its work guided by the Constitution of the Republic, and the end result was the National Development Plan (NDP) which outlines what type of society the country must build. The National Development Plan offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

As a long-term strategic plan, it serves four broad objectives:

1. *Providing overarching goals for what we want to achieve by 2030.*
2. *Building consensus on the key obstacles to us achieving these goals and what needs to be done to overcome those obstacles.*
3. *Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the NDP.*
4. *Creating a basis for making choices about how best to use limited resources.*

The Plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality.

The core elements of a decent standard of living identified in the plan are:

- *Housing, water, electricity and sanitation*
- *Safe and reliable public transport*
- *Quality education and skills development*
- *Safety and security*
- *Quality health care*
- *Social protection*
- *Employment*
- *Recreation and leisure*
- *Clean environment*
- *Adequate nutrition*

The year 2014 marked a radical policy shift in National Development with the vision of economic transformation 'Vision 2030'. The NDP sets out six interlinked priorities or strategic pillars with the objective of eliminating poverty and the reducing inequality through the following:

- Uniting South Africans of all races and classes around a common programme to eliminate poverty and reduce inequality
- Encourage citizens to be active in their own development, in strengthening democracy and in holding their government accountable
- Raising economic growth, promoting exports and making the economy more labour absorbing
- Focusing on key capabilities of both people and the state
 - Capabilities include skills, infrastructure, social security, strong institutions and partnerships both within the country and with key international partners
- Building a capable and developmental state

Summary of Key Targets by 2030 are listed below:-

1. Employment: 13 million in 2010 to 24 million in 2030.
2. Raise income from R50 000 a person to R120 000.
3. Increase the quality of education so that all children have at least 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 demography
7. Broaden ownership to historically disadvantaged groups.
8. Provide quality health care while promoting health and well-being.
9. Establish effective, 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.



12. Make high-speed broadband internet available to all at competitive prices.
13. Realise a food trade surplus, with one-third produced by small-scale farmers or households.
14. Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and disabled persons.
15. Realise a developmental, capable and ethical state that treats citizens with dignity.
16. Ensure that all people live safely, with an independent and fair criminal justice system.
17. Broaden social cohesion and unity by making use of the talents and resources of all South Africans, while taking firm steps to redress the inequities of the past.
18. Play a leading role in continental development, economic integration and human rights.

The plan highlights the need to strengthen the ability of local government to fulfill its developmental role. Municipal Integrated Development Plans (IDPs) need to be used more strategically to focus attention on critical priorities in the NDP that relate to the mandate of local government such as spatial planning, infrastructure and basic services. The municipal IDPs should therefore be used to focus on aspects of the NDP that fit within a municipality's core responsibilities. This way, the IDP process will become more manageable and the participation process more meaningful, thus helping to narrow the gap between the aspirations contained in these documents and what can actually be achieved.

1.2.7 The Provincial Growth and Development Plan and Provincial Development Plan (PDP)

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

2014. The strategic framework for action includes six strategic objectives, which are divided further into three *key objectives* and three *foundation objectives*.

The three *key objectives* are:

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

The three *foundation objectives* are:

- Infrastructure development;
- Human resource development; and
- Public sector and institutional transformation.

The PGDP was reviewed, it has already led to the introduction of a series of *Priority Programmes*:

- A sustainable homestead food production programme, complemented by promotion of commercial production through programmes such as the Massive Food Production Programme;
- A province-wide industrial strategy identifying new opportunities and key sub-sectors in the province, which includes provisions for the facilitation of structured finance for small manufacturing initiatives;
- An integrated infrastructure development programme with a particular emphasis on (1) rural infrastructure and job creation, (2) the promotion of input purchase and service provision from local small and medium enterprise suppliers and (3) the use of the Community-Based Public Works Programme in the process;
- A programme to build access to productive assets by the poor, including assets such as land, plant, machinery and agriculture;
- A programme of phased decentralization of service provision and facilitation of economic growth from provincial government departments to district and local



municipalities, paying attention to (1) the integration of the delegation of powers and functions, (2) the building the capacity of municipalities, and (3) the targeting and management of fiscal resources; and

- An integrated human resource development strategy that pays particular attention to skills-development initiatives that address the income and asset base of the poor, while addressing the longer term skills needs that will make the Eastern Cape more competitive.

In line with Vision 2030, the Eastern Cape Provincial Development Plan commits to ensuring a province:

- with a proliferation of innovation and industry, and citizens who can feed themselves.
- where the children and youth manifesting our shared belief that they are the cornerstone of the future.
- With a participatory local development action driven by committed capable citizens and conscientious institutional agents.

The Provincial Development Plan sets the following goals in ensuring this vision is sought through:-

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.

Objectives and actions

1. Improved economic infrastructure that promotes new economic activity across all regions of the Eastern Cape
2. Accelerated economic development of rural areas and all regions.
3. Stronger industry and enterprise support.
4. An accelerated and completed land-reform process.
5. Rapid development of high-potential economic sectors.

Goal 2: An educated, empowered and innovative citizenry

The PDP seeks to ensure that people define their identity, sustain their livelihoods, live healthy lives and raise healthy families, develop a just society and economy, and play an effective role in the development of their communities, as well as the politics and governance of the state at all levels.

Objectives and actions

1. Access to quality ECD: Improve access from current 7% towards NDP target; provide nutrition and health care; caregiver and ECD-educator training
2. Quality basic education: strong foundations of literacy and numeracy during primary schooling, the use of mother-tongue languages across the primary grade range (R to 7), as well as quality and relevant teaching and learning materials.
3. Teacher development.
4. Improved leadership, management and governance.
5. Adequate Public education infrastructure provision and utilisation
6. Quality and relevant post-schooling with expanded access

Goal 3: A healthy population

In 2030 the people of the Eastern Cape live long and healthy lives, with a life expectancy of 70 years and an AIDS-free under-20 generation. This will be achieved through a health system that provides quality healthcare to people in need, values patients, cares for communities, provides reliable service and values partnerships. The system should rest on a primary healthcare platform, integrated across primary, secondary and tertiary levels.

Objectives and actions

1. Ensure leadership and stewardship at all levels of the health system – governance, leadership stability and leadership development
2. Strengthen primary healthcare to ensure better access, equity and quality – reengineer delivery platform and ensure appropriate financing
3. Improve health workforce planning, management and leadership - health workforce planning, recruitment and retention of healthcare professionals, health professionals' education and training



4. Health system quality improvements - Strengthen clinical governance, improve health infrastructure, resourcing of support services
5. Prevent and reduce the disease burden and promote health through community and health-sector integration
6. Address the social determinants that affect health and disease

Goal 4: Vibrant, equitably enabled communities

The PDP seeks to ensure that by 2030, the Eastern Cape is characterised by vibrant communities in which people can responsibly exercise their growing freedoms. The plan aims to address spatial disparities across the province, and seeks to guide the development and use of instruments to achieve this.

Objectives and actions

1. **Spatial planning and land-use management** - An updated provincial spatial development should express a clear strategy for future spatial changes, while being responsive to a dynamic and moving population's needs and must be enabled by a functional and integrated land administration system.
2. **Integrated, quality human settlements** – Establish central physical planning authority and clearing house for the province. Substantive community participation in settlement planning and design is an important feature of development.
3. **Universal access to social infrastructure** - to achieve universal access to social infrastructure (water, sanitation, electricity and refuse) the province will improve infrastructure planning capability and review its infrastructure delivery mechanisms.
4. **Promote safer communities** - increase community participation in crime prevention and community safety initiatives by strengthening and expanding a variety of community safety platforms. The province will focus on combating crimes and violence against women and children through active civic campaigns.

Goal 5: Capable, conscientious and accountable institutions

The PDP seeks to build capable, conscientious and accountable institutions that engender and sustain development partnerships across the public, civic and private sectors. It aims to construct and mobilise multi-agency partnerships for development, encouraging the emergence of a strong, capable, independent and responsible civil society committed to the province's development.

Objectives and actions

1. **A leadership renewal across society.** Establish an inspirational leadership cadre in all domains of public action – the political, administrative and social.
2. **Institutional development.** Strengthening the capabilities of leaders and key functionaries and systematic development of key institutions and organisations.
3. **A capable provincial and local government.** Provincial and local government will build and sustain development partnerships, enhance internal efficiencies and implement coordinated programme-driven intergovernmental actions.
4. **Multi-agency partnerships.** Building organised, citizen-centric multi-agency partnerships for development action.
5. **Citizen-centred development.** Build and deepen an approach to development, enabling citizens to substantively participate in their communities' development, including detailed planning and implementation, critical evaluation and further planning

1.2.8 The Provincial Medium Strategic Framework (PSF)

Taking its cue from the National MTSF, the Provincial Medium Strategic Framework is a high level medium term strategic framework that seeks to respond to the challenges of translating the electoral mandate into an effective and targeted government delivery programme. As such, the framework seeks to put the province on a sustained higher growth trajectory by the end of the mandate period with (1) an expanded and more diversified economic base, (2) the unemployment and poverty figures halved, and (3) greater equity and social cohesion. In order to do so, the framework has identified seven Provincial Strategic Priorities:

- Strengthening education, skills and the provincial human resource base
- Improving the health profile of the province
- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods for all;
- Building social and economic infrastructure;
- Rural development, land and agrarian reform and food security;
- Intensifying the fight against crime and corruption;



- Building cohesive, caring and sustainable communities.
- Building a Developmental State and improving the public services, and strengthening democratic institutions; and

The following table (Table 2) provides an indication of the ways in which the Local Government Key Performance Areas (KPAs) and national and provincial development priorities are aligned:

Table 2: Local Government KPAs and National and Provincial Development Priorities

Local Government KPA: Basic Service Delivery and Infrastructure Development.		
National Priorities	Provincial Priorities	Outcomes
Improving health profile of the nation. Comprehensive rural development strategy linked to land and agrarian reform & food security. A massive programme to build economic & social infrastructure; Sustainable resource management and use.	Improving the health profile of the province. Rural development, land and agrarian transformation, and food security. A massive programme to build social and economic and infrastructure. Building a Developmental State.	An efficient, competitive and responsive economic infrastructure network. A long and healthy life for all South Africans. Sustainable human settlements and improved quality of household life. Protected and enhanced environmental assets and natural resources.
Local Government KPA: Local Economic Development		
National Priorities	Provincial Priorities	Outcomes
Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods. Comprehensive rural development strategy linked to land and agrarian reform & food security.	Speeding up growth & transforming the economy to create decent work & sustainable livelihoods. Rural development, land & agrarian reform and food security. A massive programme to build social & economic infrastructure. Building cohesive & sustainable	Decent employment through inclusive economic growth. An efficient competitive and responsive economic infrastructure network. Vibrant, equitable, sustainable rural communities contributing towards food security for all. Sustainable human settlements and improve quality of

	communities. Building a Developmental State.	household life. Protected and enhanced environmental assets and natural resources.
Local Government KPA: Good Governance and Public Participation		
National Priorities	Provincial Priorities	Outcomes
Intensifying the fight against crime and corruption. Building cohesive, caring and sustainable communities. Pursuing African advancement and enhanced international cooperation. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	Intensifying the fight against crime and corruption. Building cohesive and sustainable communities. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	Vibrant, equitable, sustainable rural communities contributing towards food security for all. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenry. A better South Africa, better Africa and a better world.
Local Government KPA: Municipal Transformation and Institutional Development		
National Priorities	Provincial Priorities	Outcome
Strengthening skills and the human resource base. Pursuing African advancement and enhanced international cooperation. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	A massive programme to build social and economic infrastructure. Strengthening skills and the human resource base. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions. Building cohesive, caring and sustainable communities.	Quality basic education. A skilled and capable workforce to support an inclusive growth path. All people in SA are and feel safe. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered fair and inclusive citizenry.
Local Government KPA: Municipal Financial Viability and Management		
National Priorities	Provincial Priorities	Outcome
Intensifying the fight against crime and corruption.	Intensifying the fight against crime & corruption.	A responsive, accountable, effective and efficient local government system.



1.2.10 Local Government Turn-around Strategy and Back Basic

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

Since beginning of 2009, the country has been marred by service delivery protests. These protests were characterised by violence, intimidation, destruction of property. In response to this, the then Minister of Cooperative Governance and Traditional Affairs commissioned a Task Team to undertake assessments in municipalities throughout the country. These assessments culminated in the State of Local Government Report. This report highlighted that, despite the valuable role that municipalities have played in establishing a new democratic State, key elements of the local government systems are not performing as well as they could. As a result of this, all municipalities in the country were directed to develop Turn-Around Strategies in order to:

- Restore the confidence of the majority of the people in our municipalities as the primary delivery service-delivery engines of the Developmental State; and
- To rebuild and improve the basic requirements for a functional, accountable, responsive, effective, efficient developmental local government system.
- Like all other municipalities in the country, the O.R. Tambo District Municipality developed and adopted its Turn-Around Strategy in May 2010. The contents of that strategy have also been taken into consideration when reviewing this IDP.

In 2014 the Cooperative Governance and Traditional Affairs re-emphasise its focus to municipalities in ensuring that service delivery to the people. It launched Back to Basic Approach focusing on 5 pillars of accelerating service delivery. The pillars are:-

- Putting people first
- Basic service delivery
- Governance
- Sound financial management
- Institutional Capacity Build

- The OR Tambo IDP review process realises and appreciates the back to basic approach and it is centred on ensuring that the pillars set in the model are embedded and reported.

1.2.11. Role / Implication for Local Government

ECSECC Presentation at the O.R. Tambo lekgotla highlighted some potential for O.R. Tambo within Provincial Development Plan priority sectors. These include the following:-

a. *HIGH Agriculture potential in this region:*

- Red meat
- Forestry and timber value add. 30,000 ha (mainly around Langeni and Ntabankulu), and a further 50,000 ha of suitable land
- Fisheries
- New irrigation: Mzimvubu: 2800 ha
- Mthatha river: 89 million cubic metres a year available for allocation downstream of the hydropower stations
- Magwa tea and Majola tea
- New Wild Coast Agro-industrial SEZ

b. *Moderate Mining and minerals potential*

- There are clays and aggregates available for the regional building materials industry. There is also travertine at Port St Johns
- Titanium sands exploitation is not recommended for environmental reasons.

c. *HIGH Construction industry potential*

- Mzimvubu Multi-purpose scheme
- Other irrigation and cold chains
- Wild Coast Meander
- New coastal towns: Port St Johns and Coffee Bay etc
- Mthatha upgrade and airport.
- Mandela cultural precinct



- New N2
- Small towns development
- Social infrastructure backlogs eradication

d. Moderate Manufacturing industry potential:

- Wild Coast SEZ
- New-generation products
- Medical supplies and clothing

e. HIGH Tourism potential:

- Wild Coast, Nature reserves, Port St Johns revival
- Improved access (Mthatha airport, new N2 and Wild Coast Meander)

f. Good Knowledge-based services potential:

- Mandela Academic Hospital and Walter Sisulu University
- ICT, business services (legal etc.) and logistics
- R&D around rural and agricultural development

1.3 OVERVIEW OF THE IDP PROCESS

As noted earlier, Section 25 of the Municipal Systems Act, 2000, requires of each Municipal Council to prepare and adopt an IDP. Section 35 of the Act defines this legally-mandated IDP as the principal strategic municipal planning document, which must guide all other plans, strategies and resource allocation, investment and management decisions in the municipality. Section 36 of the Act stipulates that a municipality must give effect to its IDP and conduct its affairs in a manner which is consistent with the plan. This document represents the 4th Review of the IDP of the term of Council which started in June 2011.

1.3.1 IDP Framework and Process Plan

Section 27 of the Municipal Systems Act, 2000, stipulates that the preparation of a District Municipality's IDP must begin with the formulation of a Framework Plan, which is meant to provide a guiding and coordinating framework for the Local Municipalities within its area of jurisdiction in the preparation of their IDPs. Once this has been done, municipalities are also required to prepare process plans outlining the way in which the preparation of their IDPs is to be undertaken. This process plan has to include:

- A program with timeframes, specifying the different steps to be followed;
- An outline of the mechanisms, processes and procedures for consultation and participation by communities, traditional leaders, government departments and other role-players in the IDP preparation process;
- The organisational arrangements that are and will be put in place to facilitate the preparation of the IDP;
- Any plans and planning requirements that are binding on the IDP preparation process and the IDP itself;
- Mechanisms and procedures for alignment between District and Local Municipal IDP preparation processes, as well as with plans, strategies, frameworks and programmes in the national and provincial spheres of government; and
- Financial requirements and commitments for the IDP preparation process.

On the 30th of September 2015, the O.R. Tambo DM Council, after due consultation with the local municipalities, approved the District Framework and the process plans to guide and inform the IDP and Budget preparation processes.

1.3.2 Organisational Arrangements

While the Executive Mayor and the Municipal Manager were responsible for managing and drafting the municipality's IDP, a range of other role-players were also involved in the process. Table 3 below sets out the roles and responsibilities of these role-players:

Table 3: Role players and their responsibilities in the IDP preparation process

ROLE PLAYER	ROLES AND RESPONSIBILITIES
COUNCIL	<ul style="list-style-type: none"> Approve and adopt the process and framework plans as well as the IDP. Monitor the implementation and approve any amendments of the plan when necessary.
EXECUTIVE MAYOR	<ul style="list-style-type: none"> Overall management, coordination and monitoring of the process and drafting of the IDP, which she assigns to the municipal manager. Presents draft framework and process plans to council for adoption. Political coordination and management of the resulting implementation programme. Presents draft reviewed IDP to the Municipal Council for approval and adoption.
IDP REPRESENTATIVE FORUM	<ul style="list-style-type: none"> Provides an organisational mechanism for discussion, negotiation and decision-making between stakeholders. Represents the interests of their constituencies in the IDP review process. Monitors the performance of the planning and implementation process.
MUNICIPAL MANAGER	<ul style="list-style-type: none"> Manages and coordinates the entire IDP process, as assigned by the Executive Mayor. Facilitates the horizontal and vertical alignment of the District IDP preparation and review process. Chairs the IDP steering committee. Coordinates the IDP with national and provincial government department initiatives to ensure proper alignment of programme.
IDP STEERING COMMITTEE	<ul style="list-style-type: none"> Provides technical and advisory support in the IDP development process. Monitors and evaluates effective management of IDP. Ensures strategic management of the implementation programme. Monitors programme expenditure against budget. Commissions research studies and business plans for projects.
IDP COORDINATORS FORUM	<ul style="list-style-type: none"> Ensures alignment between the IDPs of the District Municipality and between Local Municipalities in the district. Ensures alignment (through the Provincial Department of Local Government as official point of entry) between municipalities in the O R Tambo District and Provincial Government and National Government line departments as and where relevant.
PROVINCIAL GOVERNMENT DEPARTMENTS	<ul style="list-style-type: none"> Ensure that sector plans are aligned with and are part of the District IDP. Prepare their plans, strategies and budgets guided by and in support of the IDPs prepared by the District Municipality and the Local Municipalities in the district.
SECTOR FORUMS	<ul style="list-style-type: none"> Ensure that each sector's input is incorporated in the IDP. Develop sector strategies and programme for the next five years with all the relevant role-players.

1.3.3 Process Followed

The Table below (Table 4) provides a summary of the key activities that need to be carried out during the preparation of the IDP and Budget:

Table 4: Key activities in the preparation of this IDP and the Municipal Budget

DATE	EVENT	ACTIVITY
15 June to 31 July 2015	Preparation of the IDP Review process	<ul style="list-style-type: none"> Development of District IDP Framework and Process Plan. Place advertisement for community and stakeholder participation in the IDP Representative Forum.
3 September 2015	IDP Representative Forum Meeting	<ul style="list-style-type: none"> Discussion and input into the Draft Framework and Process Plan
30 September 2015	Council Meeting	<ul style="list-style-type: none"> Adoption of the Framework and Process plan.
September to November 2015	Analysis Phase	<ul style="list-style-type: none"> Collation of data and review of the situational analysis
18 November 2015	IDP Representative Forum	<ul style="list-style-type: none"> Situational Analysis Reports
January – February 2016	Sector Forums	<ul style="list-style-type: none"> Situational Analysis Reports – including Sector Departments and Local Municipalities
23 – 25 February 2016	O.R. Tambo District Mayoral Leggotla	<ul style="list-style-type: none"> To prepare for the IDP Strategic Session To guide management and leadership on prioritised strategic matters
8 – 10 March 2016	O.R. Tambo District IDP strategic Planning Session	<ul style="list-style-type: none"> To Review 5 year objectives, strategies and projects for 2016/2017
24 March 2015	IDP Representative Forum	<ul style="list-style-type: none"> Presentation of Draft IDP and Budget Review 2016/17
31 March 2015	Council Meeting	<ul style="list-style-type: none"> Tabling of Draft IDP and Budget Review 2016/17

1.3.4 Measures and Procedures for Public Participation

The IDP Representative Forum is the main organizational mechanism for discussion, negotiation and decision-making by stakeholders in the municipal area. The forum includes:

- Councillors, Mayors and Municipal Managers of all constituent municipalities;
- Representatives of organised role-playing groups and NGOs;
- Senior officials from national and provincial government departments; and
- Municipal Heads of Departments.

The forum held a number of meetings and conducted roadshows throughout the District. Radio announcements (via UNITRA Community Radio, Ikhwezi FM and Umhlobo Wenene Radio) and local newspaper publications (i.e. Daily dispatch, Pondo



News, Ikhwezi news and Mithatha Fever) were used to ensure that the public was informed and actively involved throughout the process.

1.3.5 Summary of issues raised from the IDP and Budget (15/16 Review) Roadshows

After the tabling of the Draft IDP and Budget Review 2016/2017, the O.R. Tambo District Municipality will take these documents for public comment and consultation through conduction IDP & Budget Roadshows. These are scheduled to take place in April 2016. The purpose of these roadshows is to ensure that the public is actively involved in commenting and raising concerns with regards to the district's plans for the upcoming financial year. Announcements of the roadshow programme will made in local and community radio stations, the use of local newspaper publications was also made as well as extensive community mobilization through the district's public participation office in partnership with the local municipalities.

A consolidated report emerging from various clusters will be developed and a number of concerning issues will be summarized into this report.

1.3.6 MEC Comments on 2015/16 IDP

The MEC for Local Government and Traditional Affairs received the municipality's Reviewed IDP for the 2015/16 financial year as adopted on the 30th June 2015. The Department of Cooperatove Governance and Traditional Affairs facilitated and conducted the IDP Assessment session wherein the O.R. Tambo IDP was assessed. Participants in this session included provincial and national sector departments, stated owned enterprises and municipal representatives in accordance with their respective expertise and constitutional mandates. The MEC then made comments with the intention of ensuring that priorities of government spheres were clearly articulated and aligned by all spheres thereby ensuring optimal utilization of resources to accelerate service delivery through the development of credible IDPs. The table below depicts the finding emanating from the analysis.

Table 5: O.R. Tambo DM IDP Assessment Ratings (2008 – 2016)

KPA	RATING 2010/11	RATING 2011/12	RATING 2012/13	RATING 2013/14	RATING 2014/15	RATING 2015/16
Spatial Development Framework	High	High	High	High	High	High
Service Delivery	Medium	Medium	Medium	High	High	High
Financial Viability	Low	Medium	High	Medium	Medium	Low
Local Economic Development	Medium	High	High	High	High	High
Good Governance & Public Participation	Medium	High	High	High	High	High
Institutional Arrangements	Low	Medium	Low	Medium	High	Low
Overall Rating	Medium	Medium	High	High	High	High

MEC COMMENTS ON THE ANALYSED ADOPTED REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP) – 2015/16 REVIEW

Observations/ Findings:

Additional to the detailed findings illustrated in the **individual IDP assessment Report**, the following however remain a challenge in municipalities and be given serious consideration;

1. Situational analysis information with ward referencing and recent performance report on the implementation of the active IDP provided by your internal departments for the developments for the development of integrated development plan be prioritised by Section 56 Managers by ensuring its quality and Portfolio Committees in their oversight responsibility to ensure that quality information is provided.
2. The importance of attaching IDP Manager or officer to the office of the Municipal Manager in local municipalities where there are no Strategic



Managers to enable the effective coordination of s56 Managers' participation in the IDP processes remains.

3. Our colleagues serving in portfolio committees MUST ensure that officials provide IDP Progress Reports in Phase 1(Situational Analysis) and that is carried through all phases to Projects Phase.
4. Whilst it is neither expected nor encouraged that IDPs be driven by an IDP Assessment Tool it is however important that the Comments made be taken into consideration because they are important.
5. IDP must be understood as the contract of the Government with communities in municipalities, the former represented by the Councils therefore the situational analysis calls for more than just the capacity of municipalities to improve/change lives of the people. It is in this context that municipalities must strengthen Intergovernmental Relations and indicate which sector departments and State Owned Enterprises assist them; how and at what cost.
6. Invitations to all stakeholders including sector departments and State Owned enterprises must clearly state what the requirements are from each sector department in order to enable them to prepare themselves for meaningful participation in IDP processes through the established fora.
7. Municipalities are urged to revive Clusterization and Steering Committees must be strengthened to prepare for IDP Representative Fora.
8. Projects life cycles, budget allocated and responsible institutions in the Projects Register remain very important for purposes of performance management, monitoring and evaluation.
9. All municipalities are urged to develop Ward Based Plans that take cognizance of ward demographics followed by agreed priorities reviewed annually as the foundation of the IDP. This is in accordance with the Constitution of South Africa, White Paper on Local Government, Municipal Systems Act, National Development Plan, Provincial Development Plan and supported by the Back to Basics Approach i.e. putting people at the centre of governance by allowing them through Ward Based Planning to define their destiny and advance their vision.
10. The planning protocol must follow and recognise the existence of the National Development Plan, State of the Nation Address, Medium Term Strategic

Framework and Provincial Priorities, the IDP must also make reference and reflect on national Development Outcomes and Service Delivery Agreements which as a matter of fact emanate from the foregoing planning tools.

11. Whenever the municipality is developing an IDP, powers and functions devolved to the municipality and those belonging to other spheres of government performed on agency basis through Service Level Agreements and Memoranda of Understanding must be clearly stated to assist in the monitoring, evaluation and reporting by your institution as well as any other institution assigned that responsibility including the public. This will assist every stakeholder to understand its responsibility to enable a proactive response to the needs of the people of your municipality as lifted in the Ward Based Plans.
12. Dear Colleague, we urge all municipalities to develop IDP Process Frameworks (DMs) and Process Plans that have dates and timelines to enable other stakeholders to diarise the dates and prepare in time to support the process. It has also been observed that frequent postponement of meetings discourage stakeholders and contribute to limited participation as such postponements are not communicated in time.
13. Let me now take the opportunity to congratulate you for developing a legally compliant IDP. It has been noted with delight that your municipality has retained an overall HIGH rating score. Given the commendable achievement, you are encouraged to improve on KPA 3 (Financial Viability) and KPA 6 (Institutional Arrangement) where a low rating has been obtained. During the next Assessment, responsiveness of the IDP to the Situational Analysis referenced with Ward Based Plans will be our primary focus adding to the legal compliance of the process and final document.



CHAPTER 2: SITUATIONAL ANALYSIS

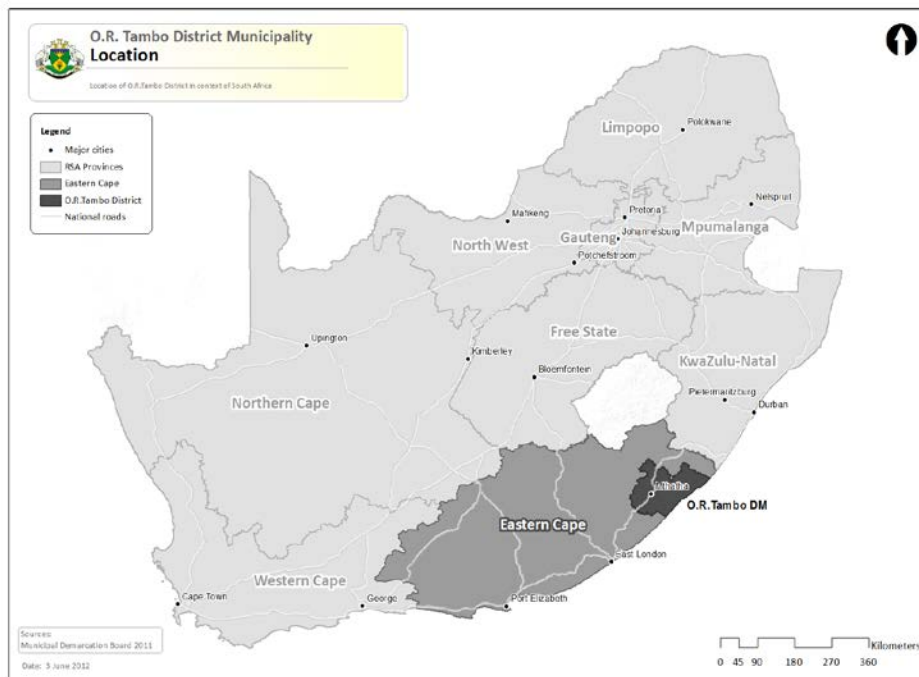


CHAPTER 2: O.R. TAMBO DISTRICT AT GLANCE

2.1 LOCALITY

The O.R. Tambo District Municipality (O.R. TAMBO DISTRICT MUNICIPALITY) is one of the six District Municipalities in the Eastern Cape Province. It is located in the eastern half of the Province, with its eastern border the Indian Ocean coastline of South Africa (see Maps 1 below). To the north, it is bordered by the Alfred Nzo District Municipality, to the northwest, by the Joe Gqabi District Municipality, to the west, by the Chris Hani District Municipality, and to the southwest, by the Amathole District Municipality.

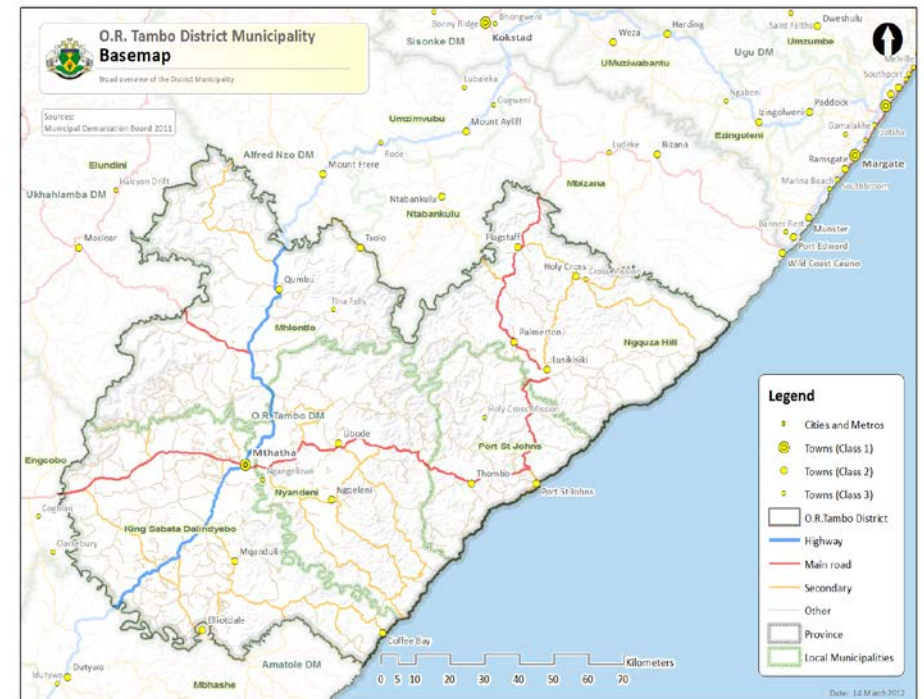
Map 1: The location of the OR Tambo DM in the Eastern Cape Province and South Africa



The District includes within its borders five Local Municipalities (see Map 2 below), namely:

- Ingquza Hill Local Municipality;
- Port St Johns Local Municipality;
- Nyandeni Local Municipality;
- Mhlontlo Local Municipality; and
- King Sabata Dalindyebo Local Municipality.

Map 2: The O.R. TAMBO DISTRICT MUNICIPALITY and its five Local Municipalities



Detail regarding the number of wards in these five municipalities is provided in Table 6 below:

Table 6: Situation regarding number of Wards pre and post-2011

Municipal Code	Name of the Municipality	Number of Wards pre-2011	No of Wards in 2011	Extent (km ²)
EC 153	Iingquza Hill	27	31	2 461
EC 154	Port St Johns	16	20	1 301
EC 155	Nyandeni	26	31	2 472
EC 156	Mhlontlo	21	26	2 825
EC 157	King Sabata Dalindyebo	32	35	3 028
Total		122	143	12 087

2.2 RURAL CHARACTER

The O.R. TAMBO DISTRICT MUNICIPALITY is classified as a Category C2-Municipality, which means an area with a largely rural character. At least, 80% of the district was part of the former Transkei, and approximately 93% of the population resides in widely dispersed homesteads and small villages. Organisationally speaking, the municipality has limited municipal staff and a small budget relative to its developmental challenges.

All of the LMs in the District, with the exception of King Sabata Dalindyebo Local Municipality (KSDLM), are classified as Category B4-Municipalities, signifying a rural, mainly subsistence economy. Settlements in these municipalities are generally small and the incomes of their inhabitants low, which mean very few opportunities for markets, SMME formation and LED initiatives. Organisationally speaking, the LMs have small own-income and property tax bases and limited technical, financial and managerial capacity. The KSDLM is classified as a Category B2-Municipality, i.e. a large core town with considerable market and business activities and opportunities, surrounded by a reasonably productive agricultural area. Organisationally speaking,

the municipality has a sizable budget and a staff contingent skilled in the areas of planning, budgeting, engineering services, finances and management.

2.3 OVERVIEW OF THE O.R. TAMBO DISTRICT LOCAL MUNICIPALITIES

2.3.1 Iingquza Hill Local Municipality

The Iingquza Hill LM had a population of 254 480 & 278 481 people in 2001 and 2011 respectively. The number of households has increased from 50206 households in 2001 to 56213 in 2011.¹ After King Sabata Dalindyebo Municipality and Nyandeni Municipality, the Iingquza Hill LM has the third largest population in the District with an average household size of 5.0 persons/household, a comparably high population density and high levels of unemployment. There are considerable poverty challenges in the area with high dependency ratio of approximately 91.6 people dependant on 100 people aged between 15 – 64 years. The 2011 Census also revealed that the people's level of education has slightly increased. The number of people with no schooling has decreased by approximately 20% from 2001, while Matric and Primary education enrolment has increased by 5.4% and 8.1% respectively. Additionally, the municipality is characterised by low levels of service, although some improvements in service delivery have been made since the year 2001, especially with regards to electricity provision.

The Iingquza Hill LM is characterized by limited coastal settlement and widely dispersed settlement in traditional rural villages at approximately 114 persons/km² in the LM of 2 461 km². The municipal area is furthermore characterised by large forest areas in close proximity to the coastline, with a total of ten rivers flowing through it. The Mkambati Nature Reserve is situated within the coastal zone. The urban and peri-urban nodes of Lusikisiki and Flagstaff, linked by the R61 running south from Durban to Mbizana, are the primary economic hubs of the municipal area. The LM is believed to hold significant Tourism, Forestry, and Marine Aquaculture potential. The conservation and protection of the many rivers systems in the LM and the coastline are, however, key to the sustainable utilisation of these potentials.

¹ StatsSA. (2011). *Statistics South Africa Census 2011 Data*



Approximately 9% of O.R. Tambo District Municipality's GDP-R was generated by Ingquza Hill in 2011. Total GVA for 2011 amounted to R1.4 billion; the mining sector contributed a very small amount toward this GVA. The number of employed individuals for 2011 was 10 600 which is approximately 11% of O.R. Tambo District Municipality.

2.3.2 Port St Johns Local Municipality

This municipality, in the heart of the former Transkei, is situated along the Indian Ocean coastline. Its most well-known settlement is the town of Port St Johns, which is located at the mouth of the Umzimvubu River, approximately 90km east of Mthatha. The municipality has a strong tourism industry, which well-supported by the variety of hills, dunes, rivers, and the mountainous terrain that meet its picturesque beaches. In terms of settlement pattern, the municipal area is characterized by a predominantly scattered rural settlement pattern with approximately 130 communities/villages distributed over the municipal area of 1 301 km² at an average density of 126 persons/ km². Nearly 90% of all the dwellings in the municipality are located in traditional tribal settlements. Port St. Johns is the only real urban area, and is also the regional economic centre and supply site for the nearby villages and communities. With the current population of approximately 156 136 persons and approximately 31 715 households as per 2011 census². The municipality has an average household size of 4.9 persons per household with 60.1% of these households headed by females. There are also high levels of unemployment, low education levels as well as low levels of basic services.

Topographically the area is characterised by a high-lying northern hinterland with undulating plains decreasing in a southern direction to a largely flat coastal belt. Eight prominent rivers traverse the hinterland from north-west to south-east creating prominent valleys, gorges and inaccessible ravines. Access to and from the various parts of the municipal area is made very difficult by this undulating topography.

² StatsSA. (2011). *Statistics South Africa Census 2011 Data*



Port St Johns had a GDP-R of R1 billion in 2011. GVA was R898 million, of which 59% was from the community services sector and 18% from the trade sector. The total number of people employed for 2011 was 7 500 which is approximately 8% of O.R. Tambo District Municipality.

2.3.3 Nyandeni Local Municipality

Nyandeni Local Municipality, like many of the other LMs within the District, is predominantly rural with widely dispersed traditional and village-type settlements. The main Municipal Office is located in one of these small settlements in the town of Libode, located approximately 30 km from Mthatha, along the route to the popular tourist destination of Port St. Johns. While a comparatively small proportion of the population reside in formal dwellings, most of the inhabitants of the municipality still rely on subsistence agriculture in areas marked by communal tenure. The LM is regarded as having considerable agricultural potential, although there has been limited exploitation of this potential.

In 2001, the LM had a population of 274 416 persons and 54 365 households³, with an average household size of 5.0 persons/household. Over the years the years the population has increased to 290 390 with 61647 households with a decrease in the average household size, to 4.7 per household. For every 100 males in the area, there are approximately 86 females, with approximately 57.6% female headed households in the municipality. The area has an average density of 127 persons/ km² spread over the municipal area of 2 472 km². Although unemployment and education levels have improved, considerable interventions still have to be made in order to fight poverty and unemployment.

In terms of topography, the municipal area ranges in altitude from 1 200m above sea level in the north-western part to the low-lying coastal area in the south east. The municipality is drained by 4 perennial rivers, the Mngazi, Mngazana, Mtata and Mnenu Rivers. As for vegetation, valley thicket occurs along the steep slopes of the

³ StatsSA. (2011). *Statistics South Africa Census 2011 Data*

periphery of the municipal area, while the coast is characterised by Coastal Bushveld and Grassland. The interior is marked mainly by Eastern Thorn Bushveld and Moist Upland Grassland.

The GVA of Nyandeni comprises 6.9% of total GVA for O.R. Tambo District Municipality while GDP-R was R1.2 billion in 2011.. The community sector and was the dominant sector with the greatest contribution to GVA in Nyandeni. The number of employed individuals amounted to almost 9 000 which is approximately 9.5% of O.R. Tambo District Municipality.

2.3.4 Mhlontlo Local Municipality

The Mhlontlo LM, which is predominantly rural, hosts Tsolo and Qumbu as local service centres located near the N2 that runs through the municipality from the southwest to the northeast. The majority of land is used for agricultural purposes and subsistence farming, notably for grazing, in areas marked by communal tenure. The municipality is therefore characterised by a high number of informal dwellings while formal dwellings only form 34.1% of the dwellings in the area. There are also limited basic services in the area although a considerable improvement in the delivery of electricity for lighting has increased from 29.1% to 72.6% of households.

Mhlontlo population is estimated at 188 226 with approximately 43 414 households. This has shown a declining population growth rate of -0.8% per annum from 202 933 people in 2001.⁴ The municipality has an average household size of 4.3 with 56.9 % female headed households. Although the working class (15 - 64) account for 54.5% of the municipal population, high levels of poverty and unemployment are still prevalent with an unemployment rate of approximately 48.9% - 59.5%.

Mhlontlo Local municipality contributed 10% or R1.7 billion of the total GDP-R in O.R. Tambo District Municipality. The GVA for 2011 was the second highest at R1.5 billion; the mining and electricity sectors contributed the least toward this GVA,

with both 0.3%. A total of 12 500 individuals were employed in 2011, which is approximately 13% of O.R. Tambo District Municipality.

2.3.5 King Sabata Dalindyebo Municipality

King Sabata Dalindyebo Local Municipality (KSDLM) is home to Mthatha, the economic centre of the District and the host to both the Local and District Municipality's Offices. Comprising four amalgamated entities, KSD includes both Mthatha and Mqanduli urban and rural magisterial areas. The municipality has both an urban and a rural character, including a prominent national urban settlement and regional economic hub, as well as dispersed village-type rural settlements. In 2001, the KSDLM had a population of approximately 416 348 people and 89 697 households⁵, translating into an average household size of 4.6 persons/household. This had increased dramatically to 451 710 people and 105 240 households in 2011. Census 2011 has also revealed that the unemployment rate has decreased and the education levels have increased thereby reducing dependency ratio by approximately 19.3%.

Situated at the heart of the KSD LM, Mthatha is a major transport and regional service centre, dissected by the N2 running southwest to northeast through the town. As a gateway to a wide range of tourism offerings, Mthatha is a popular stop-over point on the way to tourist attractions like Coffee Bay and Hole-in-the-Wall in the KSDLM and Port St Johns and Mbotyi in neighbouring LMs. Linked to East London by the Kei Rail, the municipality is also an economic home to two of the other economic activities in the District, viz. Forestry and Agriculture.

KSD municipality is largest contributor to the O.R. Tambo District Municipality. Where the other four local municipalities contributed 10% or less, this single municipality contributed the most by far. The GDP-R for King Sabata Dalindyebo Local Municipality was R12.1 billion in 2011. GVA for 2011 was R11.4 billion which was the highest at 70% of total GVA in O.R. Tambo District Municipality. The

⁴ StatsSA. (2011). *Statistics South Africa Census 2011 Data*



⁵ StatsSA. (2011). *Statistics South Africa Census 2011 Data*

community services, trade and finance sectors were the largest sectors in terms of their contribution toward GVA for this municipality at 48%, 18% and 21% respectively. The total number of employed individuals was 55 700.

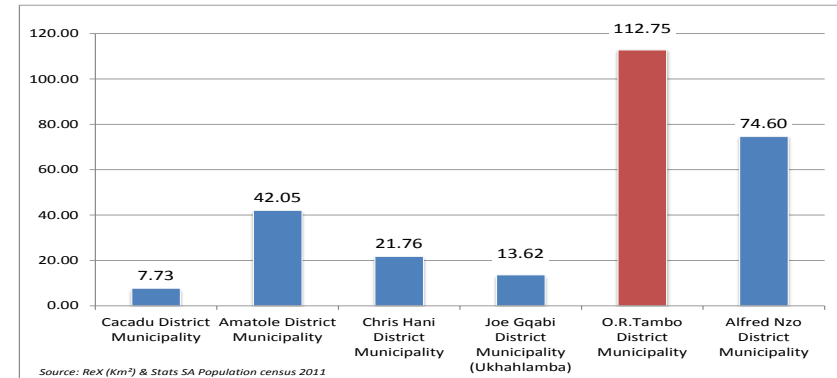
2.4 DEMOGRAPHICS AND SOCIO-ECONOMIC INDICATORS

2.4.1 Demographic Trends

Statistics South Africa released the census 2011 statistics on the 31st of October 2012. This census revealed that the population in the Eastern Cape is approximately 6 562 053, which is the third highest in the country following Gauteng and Kwazulu Natal. The O.R. Tambo District Municipality population accounts for 1 363 518 people and this is the highest in the entire Eastern Cape province.

Population Density

In 2011, there were 112.75 persons per square kilometer living in the O.R. Tambo District Municipality. Comparing to the other district municipalities (ignoring the metropolitan municipalities) it is clear that the O.R. Tambo District Municipality is much more densely populated than the other district municipalities.

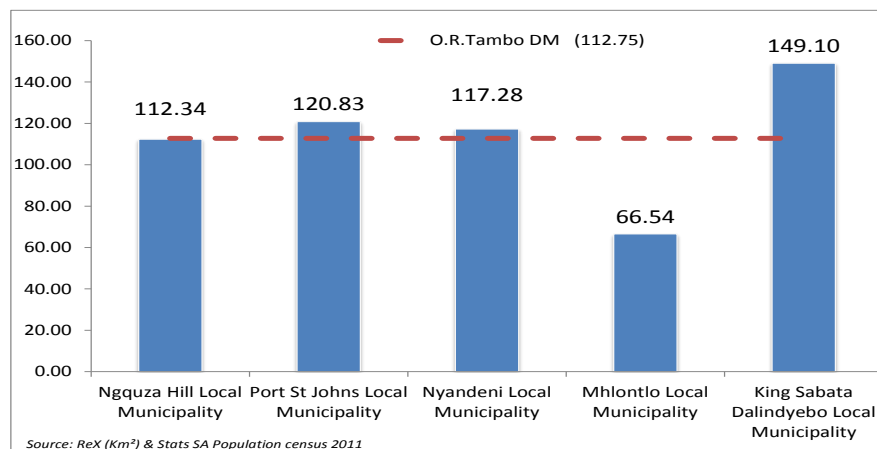


Using density instead of total number gives a basis for comparison between numbers in these different places (or economies). O.R. Tambo District Municipality is relative densely populated compared to most rural municipalities. The higher density influences household infrastructure provision, quality of services and access to resources (medical care, schools, sewage treatment, community centers, etc). When focusing on the various municipalities within the O.R. Tambo District Municipality, the population density is above the national level of 42.39 persons per square kilometer for all the local municipalities, with the King Sabata Dalindyebo Local Municipality being the most densely populated.

Figure 1: Population Density by District Municipality 2011 (Number of people per km²)

Figure 2: Population Density per Local Municipality 2011 (O.R. TAMBO DISTRICT MUNICIPALITY)





Gender Distribution

Approximately 54% of the district population is made up of females while only 46% is males. The relative dominance of female population is prevalent in all the local municipalities. The LM with the highest population is KSD, followed by Nyandeni and Ingquza Hill LM.

Table 7 below summarizes the headline demographic data in the District and the situation in the District relative to the Eastern Cape figures:

Table 7: Summary of Headline Demographic Data

	Ingquza Hill	PSJ	Nyandeni	Mhlontlo	KSD	O.R. Tambo District	EC
HOUSEHOLDS							
Census 2001	50206	28869	54365	43573	89697	266709	1481640
Census 2011	56213	31715	61647	43414	105240	298229	1687385
PERSONS							
Census 2001	254 483	146 965	274 420	202 849	416 347	1295145	6278651
Census 2011	278185	156063	290191	188070	451009	1363518	6 562

	Ingquza Hill	PSJ	Nyandeni	Mhlontlo	KSD	O.R. Tambo District	EC
							053
HOUSEHOLD SIZE							
Census 2001	4.98	5.0	5.0	5.0	4.6	4.8	4.2
Census 2011	5.0	4.9	4.7	4.3	4.3	4.6	3.9

The data in Table 7 indicates that between 2001 and 2011, the population of four of the five LMs in the O.R. TAMBO DISTRICT MUNICIPALITY, as well as the O.R. TAMBO DISTRICT MUNICIPALITY itself, grew at a faster rate than the national figure. All five the LMs grew at a much faster rate than the Eastern Cape Province. In addition to this, while household sizes declined in the Eastern Cape Province and South Africa as a whole during this period, household sizes in Ingquza LM has increased. Coupled with this, while the number of households had shown a marked growth nationally and to a lesser, but still a significant extent in the Eastern Cape Province, it is only Mhlontlo LM that underwent a decrease in the number of households. These figures suggest that the increase in population in the O.R. TAMBO DISTRICT MUNICIPALITY is less a result of in-migration from elsewhere, than of (1) new births in existing households in the district or (2) family members moving to the district and moving in households in the district, than of new migrants coming to the district.

O.R. Tambo District Municipality housed 2.6% of the total South African population in 2011. Between 2001 and 2011 population growth averaged 0.53% per annum which is 0.93 percentage points lower than that of South Africa as a whole, but higher as the total provincial growth which is 0.19%. The only local municipality that had a decrease in population is the Mhlontlo Local Municipality, where the population decreases at an average annual rate of 0.76%. Key reasons for this are (1) migration from the district for economic reasons; (2) ill health and an increase in the mortality rate largely due to poverty; and (3) the high incidence of HIV/AIDS and TB in the district. The municipality with the highest population increase is the Ingquza Local Municipality at 0.90% average annual growth. The King Sabata Dalinyebo Local



Municipality too has a relatively high average annual increase of 0.82% - probably due to the in-migration to a more developed economy.

Table 8: Number of persons per municipality

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

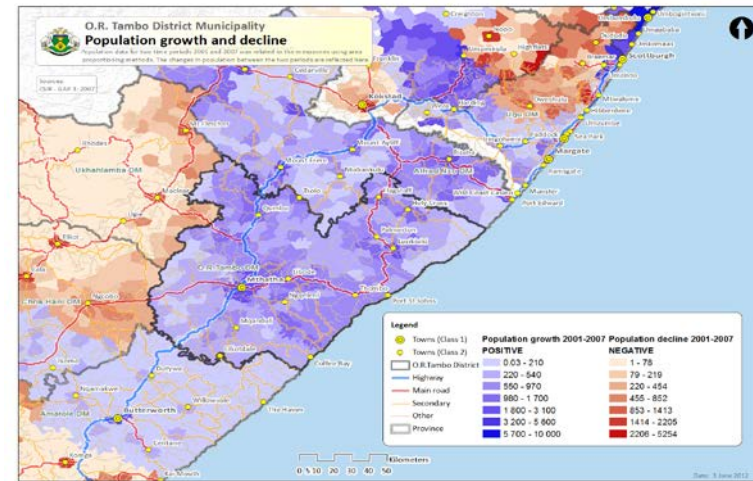
2.4.2 Population and Household Distribution

The largest portion of the district population is concentrated in the western part of the district around the main urban centre, Mthatha (see Map 3 below). The King Sabata Dalindyebo (KSD) Municipality has the largest population in the district with 451 009 people and accounts for nearly 31% of the total district population. It also has the highest population density of 147 persons/ km². The next largest town in the district is Port St Johns, set on the eastern coast about 100kilometres from Mthatha. In this municipality, the density is 126 persons/ km². In general, the last decade has witnessed sizeable migration from smaller to larger villages and towards villages located on the main roads in the district (see Map 3 & 4 below).

Map 3: O.R. TAMBO DISTRICT MUNICIPALITY Population density



Map 4: O.R. TAMBO DISTRICT MUNICIPALITY Population growth and decline



Within the population of O.R. Tambo District are members of the Coboqua people, a people of the Khoisan descent who have a rich cultural heritage and a connection to

land and an associated spirituality that has been deeply affected by colonial and apartheid oppression and dispossession.

Currently the statistics indicate that the Coloured Population (in which the Cobuqua people are currently classified under) represents about 0.47% of the population of the District which translates to about 6400 persons.

In his State of the Nation address on 9th February 2012, President Zuma uttered a promise that provisions would be made “for the recognition of the Khoi-San communities, their leadership and structures” He continued

It is important to remember that Khoi-San people were the most brutalized by colonialists who tried to make them extinct and undermined their language and identity. As a free and democratic South Africa today, we cannot ignore to correct the past”

As can be seen from the statement of the President, the redress of the suffering of persons of the Khoi-San descent has been given a high priority on the agenda of national government with processes that are being driven by the National Department of Rural Development. It is therefore imperative that this segment of the population of the O.R. Tambo District be part of the development initiatives of the the municipality and to ensure that they also contribute to the advancement of the lives of the people of O.R. Tambo. To this extent, the Cobuqua people are a registered member of the O.R. Tambo District IDP Representantive Forum.

There were 298 229 households in O.R. Tambo District Municipality in 2011 that equates to an average annual growth of 0.97% from 2001. The Eastern Cape Province has 1 687 284 households with an average annual growth of 0.94% between 2001 and 2011.

In the year 2011, the local municipality with the most households is the King Sabata Dalindyebo Local Municipality with a total of 105 241 also had the highest average annual growth rate of 1.51% from 2001. The only local municipality that did not report positive growth in the number of households from 2001 to 2011 is the Mhlontlo Local Municipality, where the number of households decreased from 44 295 to 43 414 or at an average annual rate of 0.2%.

The average household size in 2001 was approximately 4.8 individuals per household as compared to the 4.6 persons per household in 2011. This is as a result of a higher growth in the number of households as compared to the growth in the population.

Table 9: Number and % Growth - Households – 2001 and 2011

Region	2001	2011	Average annual growth
Ngquza Hill Local Municipality	51 161	56 212	0.95%
Port St Johns Local Municipality	29 560	31 715	0.71%
Nyandeni Local Municipality	55 110	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	270 723	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

Of the total number households in the O.R. Tambo District Municipality, 98.8% were African, 0.48% Coloured, 0.21% Asian, 0.26% White and 0.19% other population groups. The growth in the number of households for the African population is on average 0.94% per annum for the period 2001 – 2011, which translates to an increase of 26 265 households over the period. The average annual growth in the number of all the other population groups is 4.6% although it only amounts to 1 240 households according to the census figures.

Table 10: Annual Growth Rate (Households)

Year	African	Other	Total
Number of households:			
2001	268 567	2 157	270 724
2011	294 832	3 397	298 229
Average annual growth rate:			
2001 - 2011	0.94%	4.65%	0.97%

Source: Stats SA Population census 2001 & 2011



2.4.3 Population by Race, Gender and Age

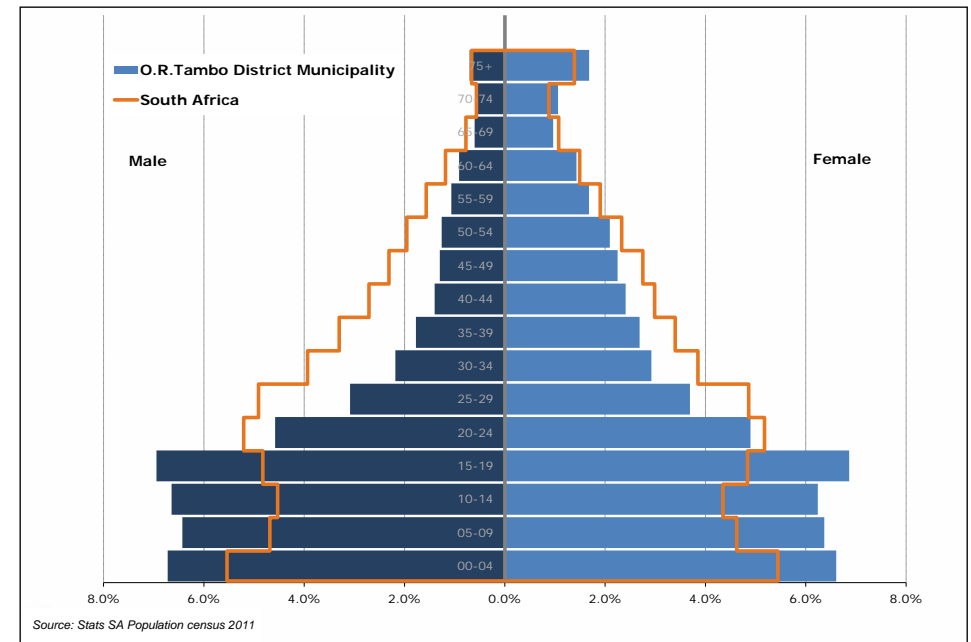
Of the 1.4 million people in the district, approximately 99.04% of the people living in the district are Africans, with the rest of the 0.49% divided between White, Coloured and Asian persons. Racial differences are therefore not very significant in the O.R. Tambo District.

The figure below compares the national population structure to that of O.R. Tambo District Municipality. 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

O.R. Tambo District 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.
- Distortions resulting from grants.
- Spatial policies that changed since 1994.

Figure 3: Population Pyramids (2011) – South Africa Vs O.R Tambo District Municipality

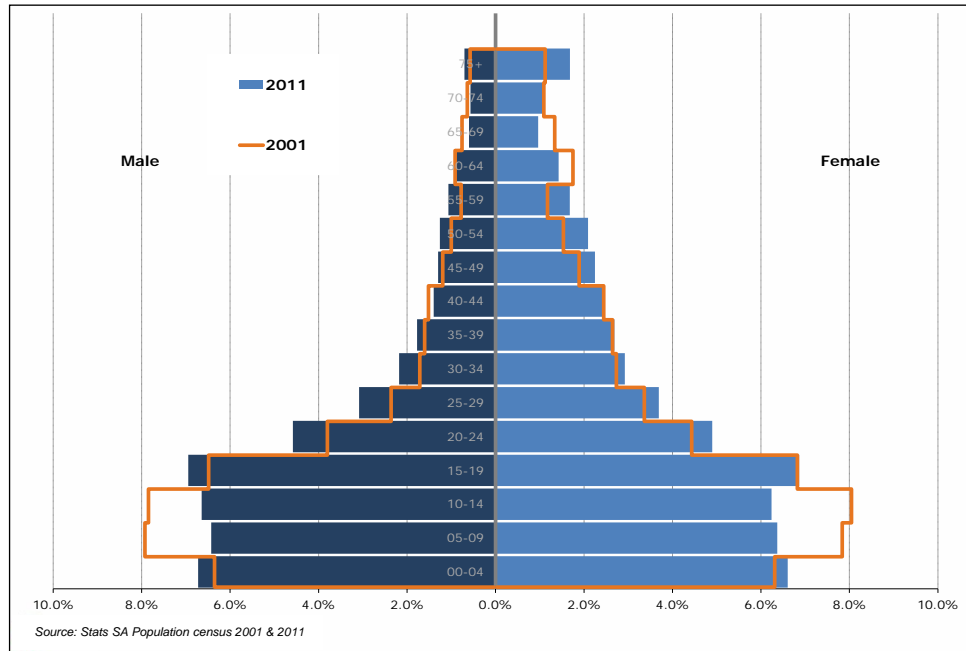


Comparing the 2001 and 2011 Population Census (Figure 2 below) results it is clear that there was a shift from the 05-09 to the 10-14 year old cohort. Possible explanations of the differences between the 2001 and the 2011 Population Census in O.R. Tambo District Municipality:

- 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
- There is also a possibility that there was less out migration of workers in 2011.
- Life expectancy increasing

Figure 4: Population Pyramids (2001 & 2011) – O.R Tambo District Municipality





2.4.4 Age Spread and Dependency Levels

The high numbers of young people in the district leads to high levels of dependency. In 2011, Census reports revealed that approximately 39% of the population in O.R. TAMBO DISTRICT MUNICIPALITY was 14 years of age and younger and 5.9% of the population was older than 65 years. The segment of the population in the O.R. Tambo region that could be economically active (15-64 years of age) was 55.40%, compared to 60.20% for the Eastern Cape Province as a whole. This is evident in all the local municipalities with the exception of KSD LM being the closest to the provincial figures.

Local Municipality	Population Numbers	% of population 15 – 64 years of age
King Sabata Dalindyebo	451, 710	59.90
Ingquza Hill	278,481	52.20
Mhlontlo	188,226	54.50
Nyandeni	290,390	54.00
Port St John's	156,136	51.80
OR Tambo District Municipality	1, 364,943	55.40
EC PROVINCE	6, 562, 053	60.20

Table 12: Dependency Levels in the neighboring district (Census 2011)

District Municipality	Dependency Ratio per 100 (15-64) 2001	Dependency Ratio per 100 (15-64) 2011
OR Tambo	99.6	80.5
Amathole	84.2	73.6
Chris Hani	85.5	73.8
Joe Gqabi	85.2	71.4
Alfred Nzo	103.1	88.9

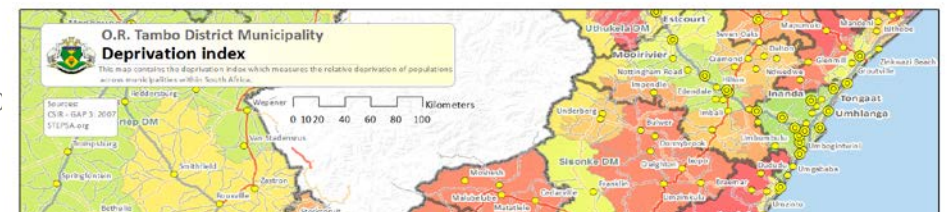
While the relatively large proportion of the District's population under the age of 15 pose a dependency challenge, this can result in a sizeable economic boom (the so-called 'demographic bonus' or 'dividend') in years to come, should these cohorts (1) stay in the District and be employed locally or (2) find employment elsewhere, but send back remittances to relatives in the District. In order to capitalise on this demographic bonus, the District needs to focus its development spending on the provision of social services, e.g. good schooling, primary healthcare, youth feeding schemes and job creation programmes.

Table 11: Dependency Levels in the District and the EC Province (Census 2011)

Map 5: O.R. TAMBO DISTRICT MUNICIPALITY Deprivation index



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2.4.5. Life Expectancy/Mortality

Life Expectancy at Birth

Although the distribution between male and female seems to be similar for the lower age groups, females tend to live longer and have a higher life expectancy, resulting in more females for the aggregate population.

Table 13: Life Expectancy by Gender and Population Group (EC)

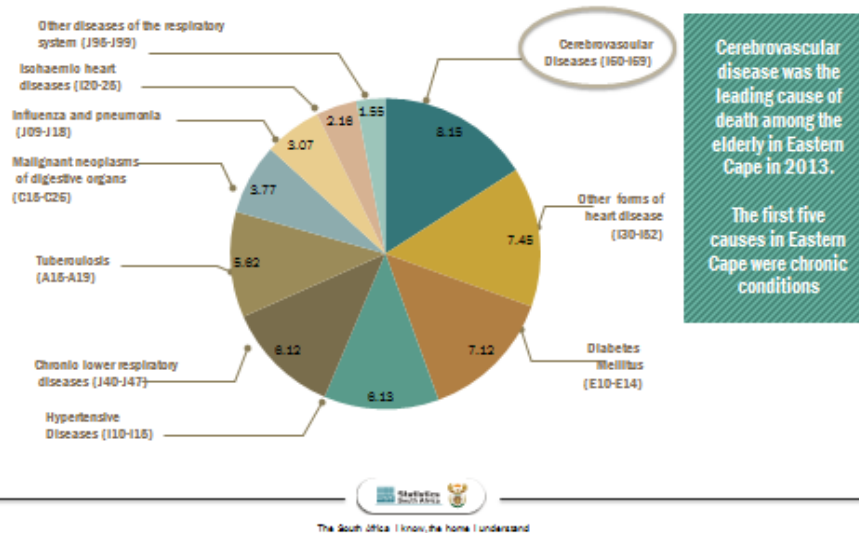
	2005	2006	2007	2008	2009	2010	2011
Male							
African	50.0	50.2	50.6	51.0	51.3	51.6	51.8
Coloured	57.3	57.2	57.2	57.3	57.3	57.3	57.2
Asian	63.4	63.5	63.7	63.8	64.0	64.1	64.2
White	68.8	68.8	68.8	68.9	69.0	69.0	69.0
Female							
African	53.5	53.4	53.9	54.6	55.2	55.6	56.0
Coloured	63.3	63.2	63.1	63.2	63.3	63.2	63.1
Asian	69.3	69.4	69.6	69.7	69.9	70.0	70.0
White	75.8	75.8	75.8	75.8	75.7	75.7	75.6

As seen in the table above, the life expectancy for African males is 51.8 years, while African females are expected to live to 56 years. The life expectancy of the African and Asian population increased while that of the White and Coloured population remained almost constant for both males and females.

Mortality and Causes of Death in SA (2013)

South Africa is one of the most rapidly ageing countries in Africa. Estimated increase in the elderly in South Africa by 2030. Direct and indirect implications on social security and health care systems. The National Development Plan (NDP) vision 2030 is to significantly reduce the prevalence of non-communicable chronic diseases. The first five causes of death in Eastern Cape in 2013 were chronic conditions with Cerebrovascular disease as the leading cause of death among the elderly.

Distribution of the ten leading causes of death among the elderly in Eastern Cape, 2013



2.4.6. HIV+ and AIDS Estimates

HIV and AIDS can have a large impact on the growth of a given population. However, there are many factors that affect the impact that the virus will have on population progression, namely; the adult HIV prevalence rates, speed at which the virus progresses, age distribution of the virus and the mother to child transmission and child treatment, adult treatment and finally the percentage by which having the virus will decrease total fertility.

In 2011, the total number of people infected with HIV in O.R. Tambo District Municipality was 144 930. The number of people infected increased at an average annual rate of 3.1% between 2005 and 2011, and in 2011 represented 11.2% of the total O.R. Tambo District Municipality population.

South Africa has a total of 4.8 million people who were HIV+ in 2011; this increased at an average annual growth rate of 1.8% and constitutes 10.8% of the total population. The Eastern Cape Province has a similar profile with 10.5% of the people



being HIV+, but it is growing at a much faster rate (3.1%). The average annual growth in the number of HIV+ people in O.R. Tambo District Municipality is similar to that of the province at 3.1% but has a higher percentage of people living with the disease at 11.2%. The local municipality that is affected the worse is the King Sabata Dalindyebo Local Municipality where the HIV+ number is growing at 3.2% average annually from 2005 to 2011.

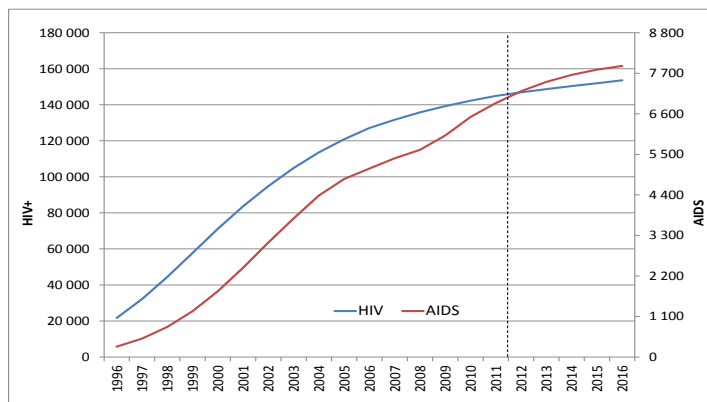
Table 14: Number of HIV+ people in O.R. TAMBO DISTRICT MUNICIPALITY (2005 – 2011)

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlo Local Municipality	King Sabata Dalindyebo Local Municipality
2005	4 347 562	563 849	120 928	22 929	12 496	25 814	17 788	41 901
2006	4 489 107	592 215	127 146	24 074	13 127	27 213	18 636	44 095
2007	4 588 712	613 499	131 710	24 921	13 587	28 245	19 237	45 721
2008	4 670 939	632 697	135 790	25 682	13 995	29 163	19 771	47 180
2009	4 739 444	649 219	139 248	26 332	14 339	29 938	20 219	48 420
2010	4 798 969	663 802	142 296	26 908	14 639	30 620	20 613	49 516
2011	4 849 858	676 587	144 930	27 408	14 895	31 206	20 950	50 470
Average annual growth rate								
2005-2011	1.8%	3.1%	3.1%	3.0%	3.0%	3.2%	2.8%	3.2%
% of population								
2011	10.8%	10.5%	11.2%	9.8%	9.5%	10.7%	11.1%	11.2%

Population source: Stats SA Population census 2011

In 2011, the total number of people in O.R. Tambo District Municipality living with AIDS (which is the next stage of the HIV disease) counted 6 900. When reaching the final stage of the disease, recovery is very unlikely and most of them will not live much longer. The number of people living with AIDS increased at an average annual rate of 6.1% between 2005 and 2011, and in 2011 represented 0.5% of the total O.R. Tambo District Municipality population.

Figure 5: AIDS Profile and Forecast (O.R. TAMBO DISTRICT MUNICIPALITY 1996 – 2016)



2.4.7. Migration Patterns

Historically, during colonial and apartheid times, but also since, the District has experienced high migration levels (1) from the District to other parts of the country, and (2) within the District, from rural to urban and peri-urban areas. This migration, for mainly economic and life style reasons, has had an important impact on the nature of the district economy and the trajectory for development (See Map 4)

Studies on migration in the Province provide important insights into this phenomenon in the district. While it is estimated that 5.6% of economically individuals in the Province migrate, it is 6.2% in the case of the O.R. TAMBO DISTRICT MUNICIPALITY. The studies also indicate that more than 80% of migrants from the Province are from rural areas. Since the early 1990s, the bulk of these migrants have headed for the bigger metropolitan areas, especially Cape Town and Johannesburg, rather than local and regional urban centres. Generally the pattern in the Province shows an increase in the flow from rural areas directly to major metropolitan areas. In this respect, Johannesburg is more of a destination for people from the District than the other major cities in the country.

The studies findings suggest that out-migration from rural areas is slowing down and that most of those who intended or are able to leave have already left. Perhaps it is not a lack of desire, just that the cost of migration has increased and the

opportunities to go have decreased since the 1990's making it more difficult to move. But is also a important local 'pull' factor that since basic services are much more widely available, people do not have to move to the heavily populated peri urban and urban areas to access these.

The studies also suggest that there is an increase in the number of women migrating, with the Provincial figures showing that two women for very three men migrate, compared to the early 1990s, when migration was predominantly male. While female migrants are generally slightly better educated than their male counterparts, most migrants have low levels of formal education. As women are generally paid less than their male counterparts, they are less likely to remit money. The studies furthermore indicate that:

- Rural areas contribute proportionately more to migration than urban areas, i.e. four rural families are affected for one family in an urban area;
- Almost 50% of those migrating are employed and another 25% are actively seeking work; and
- About 25% of migrants in all areas send home income monthly and 4% weekly and 30% send money home regularly, while a further 10% send less often.

An associated problem with migration is that of service delivery. Migrant households in receiving localities could often include only member living in a shack. This means far greater numbers of 'points points' than in cases where households consists of four to six members, as is the average in the District. Data of migration also suggests that migration is often more about getting access to services in an area where there is development than to get a job, which has huge implications for the financial viability of municipalities, especially so in urban areas like Mthatha.

2.5 DEVELOPMENT INDICATORS

All the human development and poverty indicators demonstrate that the District has some of the highest levels and concentration of poverty in the Eastern Cape and in the country as a whole. Although the Human Development Indicator (HDI) indicates a



slight improvement in the quality of life for people in the District over the last decade, other poverty indicators point to an increase in poverty. Not only does this pose challenges to the development trajectory for the District, but also pose critical challenges to understand why the large infrastructure and other investments over the last 15 years has had such little developmental impact.

With regards to the various LMs in the District, the indicators show that KSDLM has the lowest levels of poverty with Mhlontlo LM generally being better off than the other LMs (see Map 5). However, within both of these areas, there are areas with levels of poverty as high as in the other LMs. Iingquza Hill and Port St. Johns LMs have the highest levels of poverty (see Table below).

Table 15: Key Poverty Indicators (Global Insight 2011)

Local Municipality Name	GINI Coefficient	HDI	Literacy Rate	Poverty Levels
King Sabata Dalindyebo	0.62	0.47	61.9%	54.5%
Iingquza Hill	0.56	0.37	43.6%	68%
Mhlontlo	0.56	0.42	51.0%	54.0%
Nyandeni	0.56	0.39	48.3%	65.5%
Port St John's	0.57	0.36	37.9%	63.2%
ORTD - Total	0.59	0.51	51.6%	72.2%

2.5.1 Gini Coefficient

This indicator of inequality (see Figure 2 below) indicates that inequality is slightly lower in the District than in the EC Province and South Africa. In 2011, income inequality in O.R. Tambo District Municipality was lower at 0.57 than that of the provincial and national level which was is at 0.61 and 0.63 respectively. Over time an improvement is noted on all regional levels were the Gini Coefficient declined reflecting a more equal distribution of income.

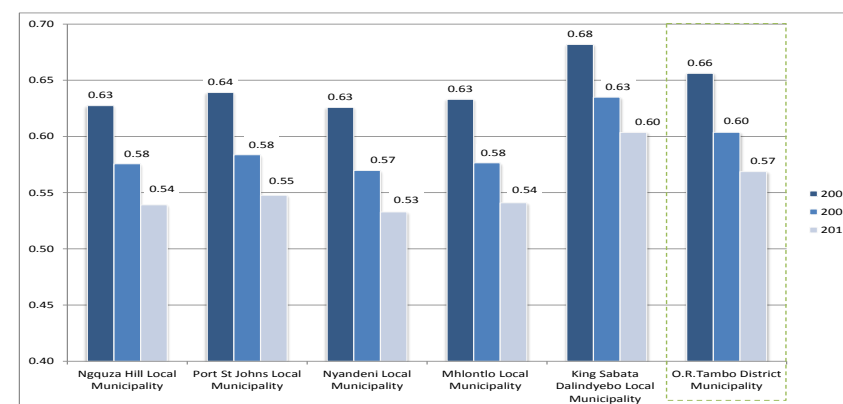
Table 16: Gini Coefficient O.R. Tambo relative to Province & National

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

Comparing the Local Municipalities' Gini coefficient, it is clear that the inequality in the distribution of income per municipality is improving.

King Sabata Dalindyebo Local Municipality with the highest GVA and GDP also has the highest Gini coefficient.

Figure 6: Gini Coefficient per LM 2005, 2008 & 2011



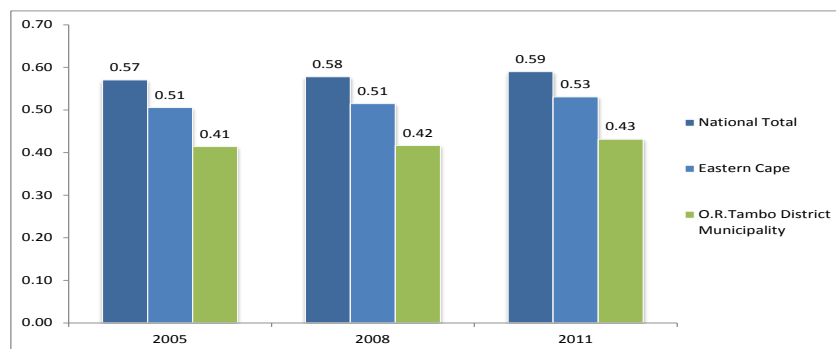
2.5.2 Human Development Index (HDI)

More significant as an indicator of poverty in the area than the Gini Coefficient is the HDI (see Figure 3 below). It is estimated that in 2011 O.R. Tambo District Municipality had an HDI of 0.43. This is significantly lower than the Eastern Cape



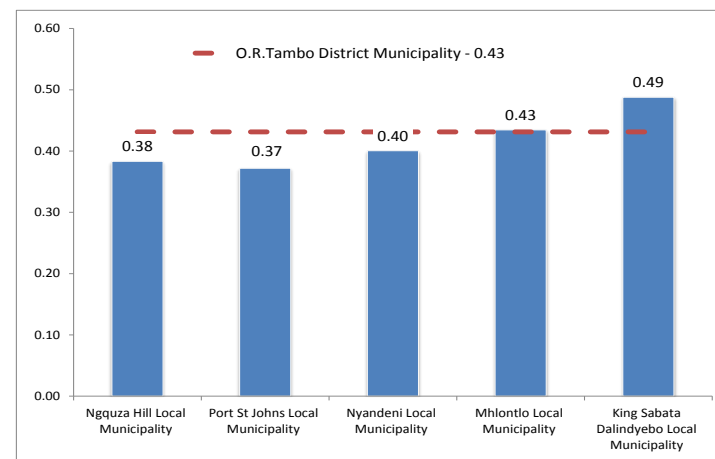
which has an HDI of 0.53 and South Africa with its 0.59. Clearly, the HDI of South Africa is higher than that of the Eastern Cape (and consequently that of O.R. Tambo District Municipality) for each year under observation. There is however an improvement in the HDI for all three regions with the increase in the HDI of O.R. Tambo District Municipality being higher than that of the Eastern Cape and the South Africa. There is however still considerable scope of improving the living standards of the people of O.R. Tambo District Municipality. This can most likely be attributed to improved conditions arising from the increase in basic infrastructure, social services and access to welfare grants. However, these improvements in the District do not match those in the province and nationally over the same period of time. So, while conditions have improved from a relatively low base level, they have improved at a lower rate than for many other parts of the country during the same period.

Figure 7: Human Development Index 2005, 2008 & 2011



Looking at the various LMs in the District, Port St Johns and Innguza Hill LMs have the lowest HDI scores while KSD has the highest. It is important to better understand this and to establish whether this is as a result of more severe basic infrastructure backlogs and/or levels of grant take-up in these municipalities.

Figure 8: Human Development Index - Local Municipalities



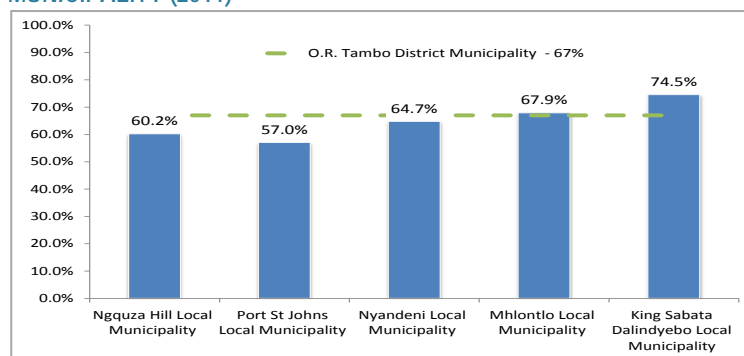
2.5.3 Functional Literacy

This is a measure of the ability to read, write and spell at a Grade 7-level, and thus for a higher chance to be employed and at a higher remuneration rate. The literacy rate in the District in 2007, of 47.3% is significantly lower than for the province (63.5%) and for South Africa as a whole (71.3%). While functional literacy rates did increase in the District by 3% over the ten-year period 1996-2007, the increase was significantly lower than for the EC Province and the country as a whole, both of which saw an increase of 6% in literacy levels during this period.

In 2011, there were 366 052 literate individuals in O.R. Tambo District Municipality as opposed to 303 095 who were considered to be functionally illiterate. Expressed as a rate, this amounts to 54.7% - up by 6.8 percentage points from 47.9% in 2005. Compared to the Province, O.R. Tambo District Municipality's literacy rate is still lower than that of Eastern Cape Province. King Sabata Dalindyebo Local Municipality, at 65.6%, does have the highest literacy rates within the O.R. Tambo District Municipality. The lowest literacy rate of 40.2% is in the Port St Johns Local Municipality.



Figure 9: Literacy Rates per Local Municipality in O.R. TAMBO DISTRICT MUNICIPALITY (2011)



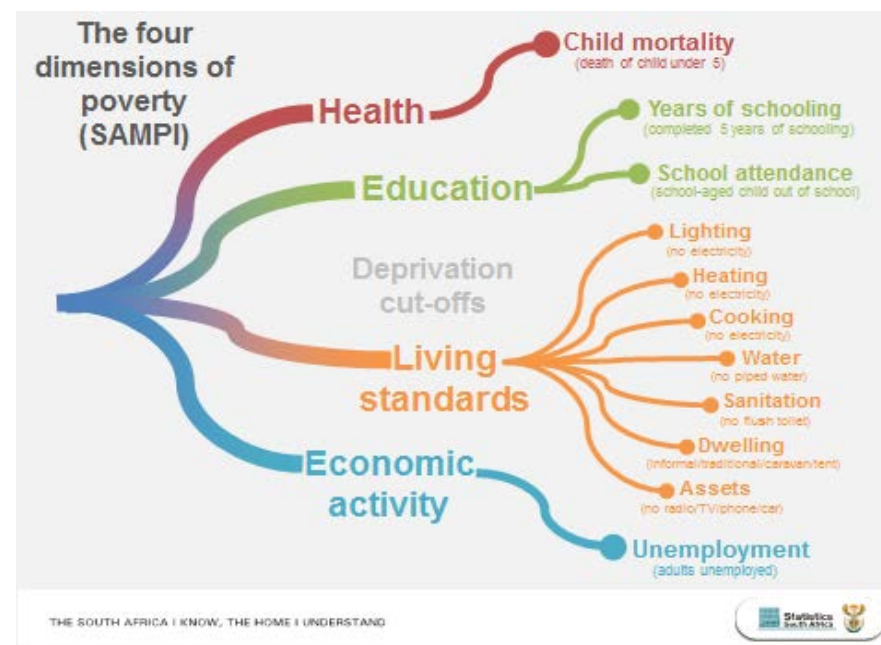
2.5.4 Poverty Levels

Poverty is multifaceted and can be defined through the following:-

- Lack of income
- Lack of employment
- Lack of basic services
- No ownership of assets
- Social exclusion
- Inability to take part in decision making as well as the
- Inability to afford basic needs

According to the South African Multidimensional Poverty Index (SAMPI), there are four broad dimensions of poverty. These are Health, Education, Living Standards and Economic Activity and are detailed in the figure below.

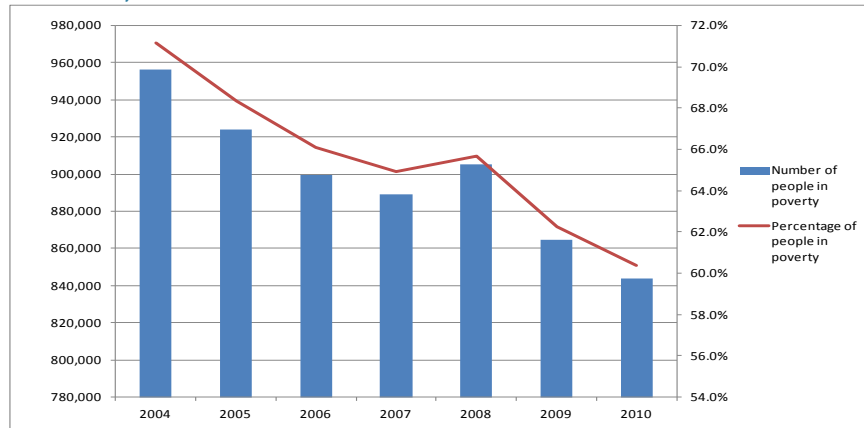
Figure 10: The Four Dimension of Poverty



Further to measuring poverty is determining the poverty line which varies from one country to another. These are divided into the Upper-bound ((R620), Lower bounds (R443) and food (R321) poverty lines. In the Eastern Cape, 4.8 million individuals were poor, living below the upper-bound poverty line (R431) and this number decreased to 4.1 million in 2011. In 2011 individuals in the Eastern Cape living under the poverty line, i.e. living on approximately R321 per month, were 29 out of every 100 individuals. This was a decrease from 35 in 2006.

According to Global Insights 2011 report, approximately 60.6% (843 839 persons) of the African population in the O.R. TAMBO DISTRICT MUNICIPALITY is impoverished. This is much higher than that of the other population groups. In 2011, there were 828 500 people living in poverty across O.R. Tambo District Municipality – down by 3.9% from 860 700 in 2010. In 2011, the number of O.R. Tambo District Municipality's inhabitants that were living in poverty accounted for 58.9% of the total population of the district. The number of people living in poverty in the O.R. Tambo District Municipality declined by an annual average of 1.8% from 2005 to 2011.

Figure 11: Number of People Living in Poverty (O.R. TAMBO DISTRICT MUNICIPALITY 2005 – 2011)



On a national basis 37.7% of the total population was living in poverty. More than half the population of all of the local municipalities is living in poverty. The local municipality with the highest number of people living in poverty is the Ingquza Hill Local Municipality 64.8%, while the more urban local municipalities tend to have a lower rate of people living in poverty.

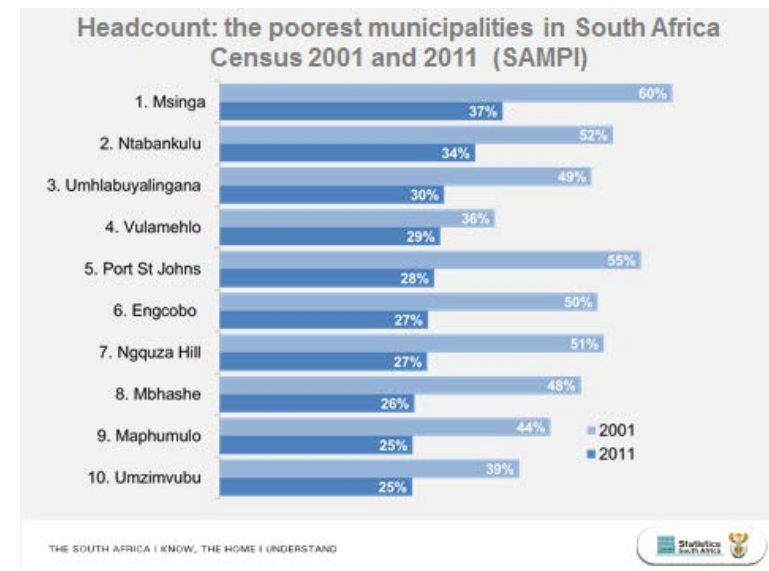
The poverty gap, which measures the difference between each poor household's income and the poverty line in the district, was previously estimated at R2 164 million. In 2011, the gap is estimated to be R2.3 billion. Although the poverty gap has increased in nominal terms from R1.8 billion in 2005, in real terms this has come down when we include the effects of inflation. In terms of the various local municipalities in O.R. Tambo District Municipality, the largest poverty gap exists in King Sabata Dalindyebo equaling R689 million. The smallest poverty gap exists in the Port St Johns Local Municipality with R284 Million. Take note that the population should be taken into account when looking at the total rand millions number of the total poverty gap in each local municipality.

Table 17: Total Poverty Gape (2005 – 2011)

	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto 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

Two municipalities in the O.R. Tambo district fall under the poorest municipalities in South Africa. These are namely, Port St Johns as the fifth poorest and Ingquza Hill as the seventh poorest municipality in the country. Unemployment, standard of living, economic activity and education remain as one of the biggest poverty drivers in the Eastern Cape.

Figure 12: Number of People Living in Poverty (O.R. TAMBO DISTRICT MUNICIPALITY 2005 – 2011)



2.5.5 Grant Dependency

Household dependency on Government grants is undisputed in the Eastern Cape. The O.R. TAMBO DISTRICT MUNICIPALITY at 75.1% has the highest percentage of households receiving grants in the Province. The large number of households in receipt of grants is in part a result of improved access to such grants for poor households. Overall welfare grants are a very important component of the household incomes and livelihood strategies of the majority of the families, with such payments representing approximately 20% of total income in the District. While the District must, on the one hand, seek to maximise the access to grants for eligible households, it must also, on the other hand, endeavour to reduce grant dependency for households by increasing their access to economic opportunities.

2.5.6 Personal Income

Table 10 below provides an overview of personal/household income in the District, which includes:

- Labour remuneration paid to employees;
- Profit from business activities for employers and the self-employed;
- Income from property (including dividend receipts, interest receipts less interest payments, rent receipts less maintenance cost, etc.);
- Net current transfers; and
- Net social benefits.

Total disposable income is calculated by subtracting taxes on income and wealth from total personal income.

Total annual personal/household income (Rand million) in the District

It was estimated that 82.0% of all households in O.R. Tambo District Municipality were classified as living on R38 200 or less per annum in 2011. In 2001, 93.0% of all households were classified as living below the R38 200 per annum line. The income brackets above 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. The total number of households without any income in O.R. Tambo District Municipality is at a concerning 17%. 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. This may result in an increased burden on state to provide health, education and safety.

Table 18 below provides an overview of households per income category in the District for the year 2011. It should be noted that this table does not take inflation into account. The result of this is that, while it would seem that households are moving ahead in terms of income earned, much of this cancelled out by inflation, which simply means that they are in many cases not earning more income in real terms.

Table 18: Total Number of Households per Income Category (2011)

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto Local Municipality	King Sabata Dalindyebo Local Municipality	O.R. Tambo District Municipality
No income	9 895	6 221	10 574	6 650	17 547	50 887
R 1 - R 4800	4 094	2 357	4 448	3 002	6 513	20 414
R 4801 - R 9600	7 986	4 680	9 515	5 817	12 246	40 244
R 9601 - R 19 600	13 845	8 107	15 783	11 691	22 466	71 892
R 19 601 - R 38 200	11 393	6 482	12 704	9 849	20 744	61 172
R 38 201 - R 76 400	4 005	2 008	4 292	3 113	9 432	22 850
R 76 401 - R 153 800	2 546	950	2 339	1 691	7 239	14 765
R 153 801 - R 307 600	1 683	588	1 296	1 054	5 378	9 999
R 307 601 - R 614 400	554	223	511	399	2 730	4 417
R 614 001 - R 1 228 800	90	39	66	68	572	835
R 1 228 801 - R 2 457 600	70	33	64	44	204	415
R 2 457 601 or more	50	26	56	34	170	336
Unspecified	-	-	1	3	1	5
Total	56 211	31 714	61 649	43 415	105 242	298 231

Source: Stats SA Population census 2011

In terms of the total personal income (Table 18) that accrued to individuals and households in the O.R. TAMBO DISTRICT MUNICIPALITY and various LMs in the District in 2011:

- Total personal income in the District amounted to R13 billion on 2011 compared to R20.5 billion (2010);
- Of this R6.3 billion was ascribed to the KSD local municipality
- The second highest amount (R1.98 billion) being Ingquza Hill Local Municipality

The Ingquza Hill Local Municipality and the King Sabata Dalindyebo Local Municipality both recorded an average annual growth rate in total personal income of about 10%. 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.

Total personal income had initially decreased with 19.1%, and we have seen that the total population decreased with 23.1% as a result of the boundary changes. Because the two Local Municipalities that O.R. Tambo District Municipality were relatively poorer than those that remained, the net effect has been a 5.1% increase in the per capita income for the new municipality.

2.5.7 Per Capita Income

Per capita income refers to the income per person and is calculated by dividing the total income per annum equally among the population. Per capita income is often used as a measure of wealth, particularly when comparing different economies or population groups. Rising per capita income usually alludes to possible increase in demand for consumption. In the O.R. TAMBO DISTRICT MUNICIPALITY, per capita income amounted to R14 679 across all population groups in 2010.

In comparing per capita income for the African population group on national, provincial and district municipal level, large differences are observed (see Figure 11 below). In 2010, per capita income for Africans in the O.R. Tambo District Municipality amounted to R14 337, which is 2% lower than the total per capita income for the O.R. Tambo District Municipality. For the EC Province, the difference is 31%, while nationally the gap is 44%. When considering change in income over time, the per capita income (in current prices) in the District increased from R8 335

per annum in 2004 to R14 679 in 2010. This is a nominal average increase of approximately 9.9% per annum. The per capita income amounted to R9 568 in O.R. Tambo District Municipality.

Figure 13: 2011 Annual total personal income in the District and the LMs

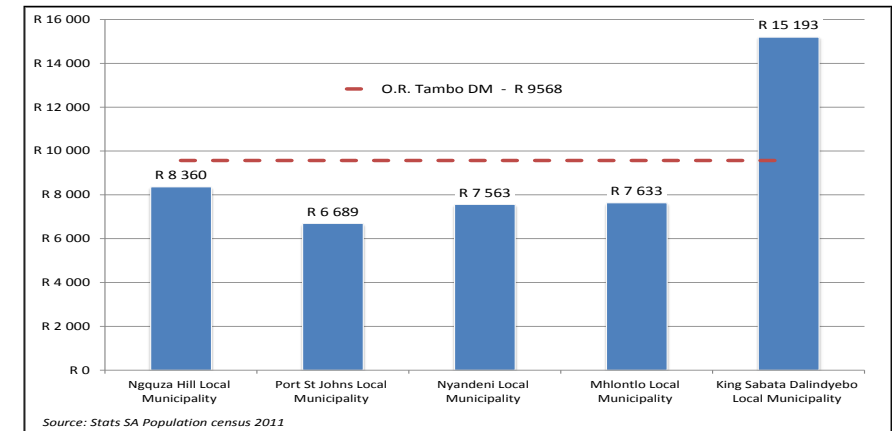
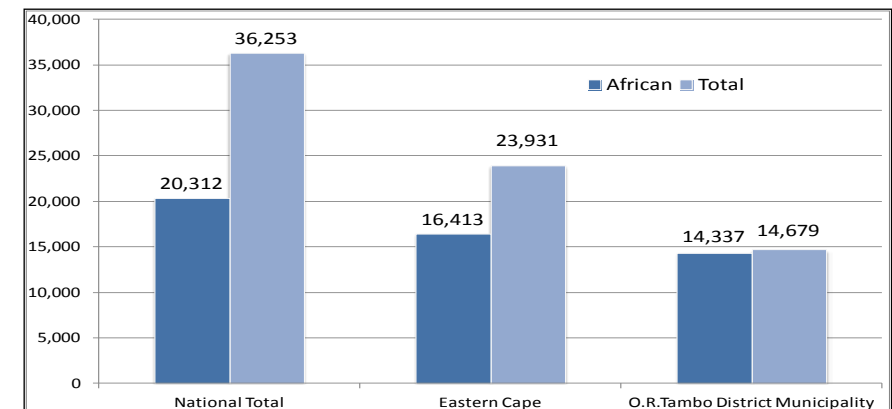


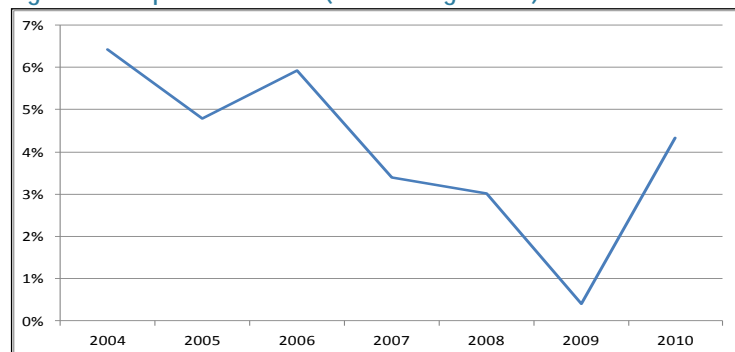
Figure 14: Per capita income: O.R. TAMBO DISTRICT MUNICIPALITY, EC Province and nationally



2.5.8 Total Disposable Income

Total disposable income (see Figure 13 below) is calculated by subtracting income tax from total personal income. Using the national deflator for disposable income, we can work out the growth in real disposable income. It is estimated that disposable income in 2010 amounted to roughly 90.6% of total personal income.

Figure 15: Disposable income (Global Insight 2011)



In 2005, the annual total disposable was R11.8 billion. Even in the effects of inflation are not considered, the District still experienced positive growth over the entire period from 2004 to 2010, increasing to almost R14 billion in 2010 (as measured in constant 2005 prices). The average real annual growth between 2004 and 2010 was 3.6%.

2.5.9 Household Expenditure

For purposes of this IDP, household expenditure for 2010 was investigated. The model used assumes average expenditure profiles for each of the different household income categories (and population groups), and balances this with the total consumption expenditure by product category as measured in the national accounts and published by the South African Reserve Bank.

In 2010, total household expenditure in O.R. Tambo District Municipality amounted to R20 billion – roughly equal to the total household income (see Table 19 below). The table below provides an indication of the expenditure on the top-20 products for O.R.

Tambo District Municipality. The top-20 products make up about 79% of total expenditure for 2010. The biggest amount spent (11.8% of total expenditure) is on accommodation which is classified as housing or sheltering. The second largest with 9% is paid to government as taxes on income and wealth.

Table 19 :Annual Expenditure by Product Type in 2010 (Global Insight 2011)

Item	Amount	Percentage
Accommodation	2,435	11.8%
Taxes	1,913	9.3%
Transport Public - day-to-day	1,289	6.3%
Food - Grain	1,257	6.1%
Food - Meat	1,164	5.7%
Transport Private - running	911	4.4%
Medical schemes	792	3.8%
Finance	722	3.5%
Personal care	693	3.4%
Alcoholic beverages - consumed elsewhere	661	3.2%
Transport Private - vehicles	657	3.2%
Food - Other food	561	2.7%
Education self	506	2.5%
Furniture	464	2.3%
Food - Vegetables	430	2.1%
Food - Dairy	422	2.0%
Smoking	374	1.8%
Clothing - Men	348	1.7%
Non-alcoholic beverages - consumed elsewhere	335	1.6%
Clothing - Women	332	1.6%
Total Top 20 products	16,264	79.1%
Total expenditure	20,574	100.0%

2.5.10 Employment

2.5.10.1 Economically Active Population

The economically active population (EAP) is defined as the number of persons between the ages of 15 and 65 that are able and willing to work. It therefore includes both employed and unemployed persons. Global Insight uses the official definition of the EAP in that persons who consider themselves unemployed, but did not take recent active steps to find employment, are considered as 'Not Economically Active'.



O.R. Tambo District Municipality's EAP amounted to 164 906 in 2011 - as opposed to 161 456 the year before. In 2011, the EAP in O.R. Tambo District Municipality constituted 12.1% of its total population of 1.36 million, and roughly 11.1% of the total EAP of the Eastern Cape. The average annual growth rate of the EAP in the O.R. Tambo District Municipality was 0.8% from 2005 to 2011, which is 0.2% points lower than that of the average annual growth rate of the EAP in the Eastern Cape Province.

Table 20: Economically Active Population in the District (2005-2011)

Year	Eastern Cape	O.R. Tambo DM	EAP as % of Eastern Cape
2005	1 401 878	157 350	11.22%
2006	1 420 098	158 764	11.18%
2007	1 433 008	159 660	11.14%
2008	1 472 333	162 081	11.01%
2009	1 455 921	160 656	11.03%
2010	1 458 152	161 456	11.07%
2011	1 489 462	164 906	11.07%
Average annual growth rate:			
2005 - 2011	1.0%	0.8%	-0.2%

Figure 16: Economically Active Population per LM (2011)

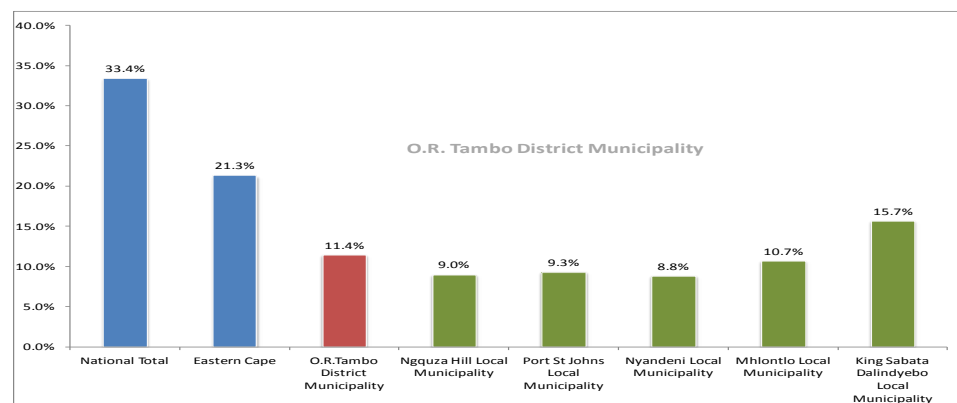
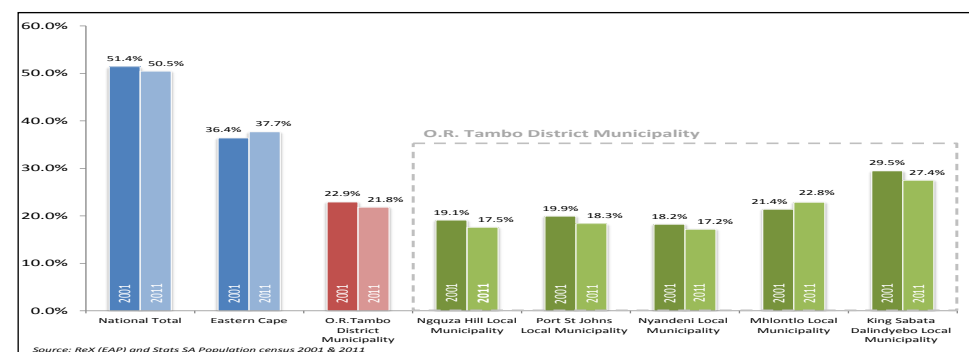


Figure 8 above indicates that the EAP as percentage of total population of the O.R. TAMBO DISTRICT MUNICIPALITY, at 11.4%, is only half that of the EC Province (21.3%) and about one third that of the national total (33.4%).

2.5.10.2 Labour Force Participation Rate

From 2001 to 2011 the national labour force participation rate decreased from 51.4% to 50.5%, 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%. The only local municipality that had an increase in the labour force participation is the Mhlontlo Local Municipality from 21.4% to 22.8%.

Figure 17: Labour Force Participation Rate (2011)

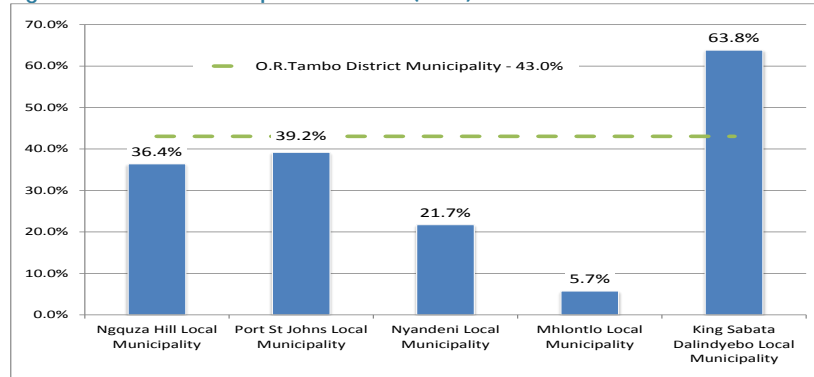


2.5.10.2 Labour Absorption Capacity

Labour absorption rate is the ratio or percentage of new entrants to the labour force that is able to find employment in the formal sector of the economy. In the year 2011 the labour absorption capacity is 43% in the O.R. Tambo District Municipality this means that 43% of the newly entered economically active people get employed. Breaking it down to the local municipalities, it is clear that the King Sabata Dalindyebo Local Municipality has the most capacity for labour absorption at a rate of 63.8% of the increase of all economically active people. On the other hand the Mhlontlo Local Municipality only has a absorption capacity of 5.7%.



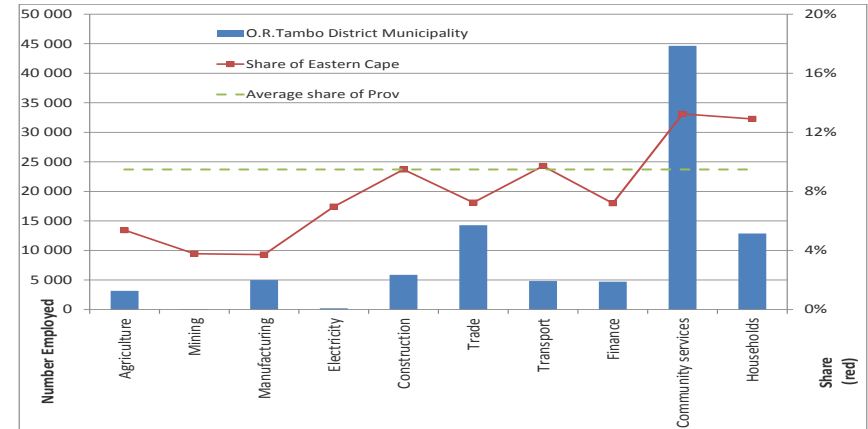
Figure 18: Labour Absorption Rate/LM (2011)



2.5.10.2 Total Employment

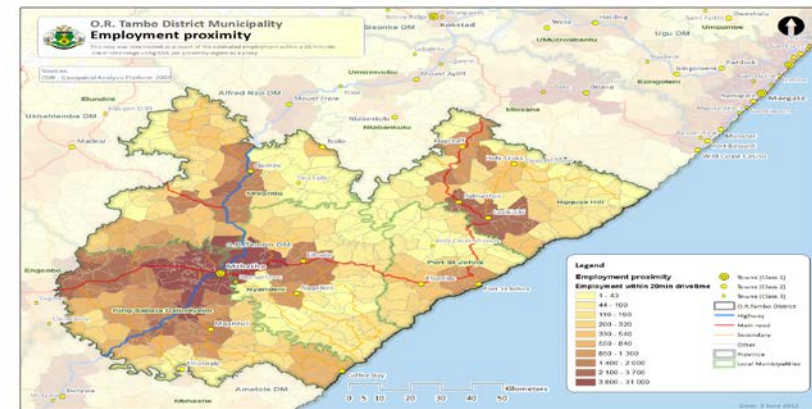
Total employment consists of two parts, i.e. (1) employment in the official economic sector, or the formal sector, and (2) employment in the unofficial economic sector or the informal sector. The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1) households (or domestic workers) down by almost 284 and (2) agriculture down by 218. For the rest of the sectors, the Manufacturing sector (60), the Construction sector (206), the Transport sector (79) and the Community services sector (1606) recorded growth from 2010 to 2011.

Figure 19: Total Employment per Sector (2005 – 2011)



The largest employer in the O.R. Tambo District Municipality is the Community services sector (that largely consists of government) which employed 44 645 in 2011. The second largest employer is the Trade sector, which employs 14 277 people. Relative to employment in the Eastern Cape, the O.R. Tambo District Municipality employs 9.5% of the total employment in the Eastern Cape, with 13.2% of total Eastern Cape employment in the Community sector being employed in O.R. Tambo District Municipality.

Map 6: O.R. TAMBO DISTRICT MUNICIPALITY Employment proximity

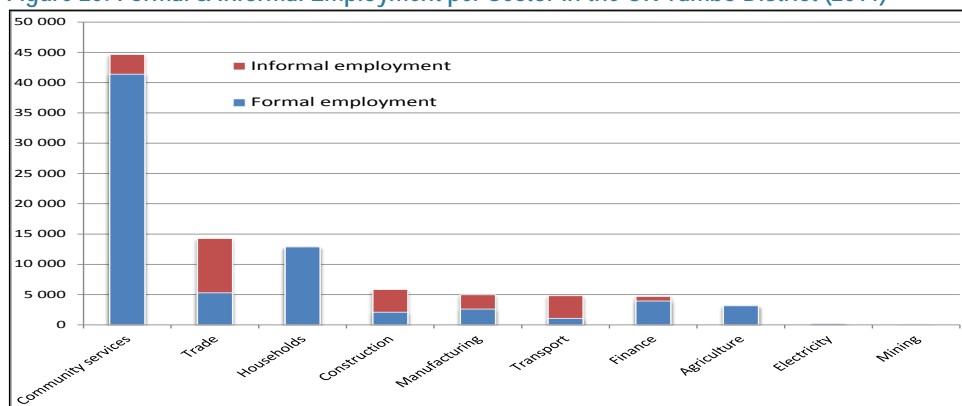


2.5.10.3 Formal and Informal Employment

Total employment can be broken down into formal and informal employment. Formal employment is measured from the formal business side, and informal employment is measured from the household side. 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.

The following chart is the composition of total employment in the O.R. Tambo District Municipality for 2011; the number of formally employed people in O.R. Tambo District Municipality counted 72 740, which is about 76% of total employment, while the number of people employed in the informal sector counted 22 870 which translates into 24% of the total employment.

Figure 20: Formal & Informal Employment per Sector in the OR Tambo District (2011)



Informal employment in O.R. Tambo District Municipality was estimated at 22 874 in 2011, increasing from 22 493 in 2005. In 2011 the economic sector which recorded the highest number of informally employed people is the Trade sector, with a total of 8 977 workers being informally employed. When looking at the relative contribution of

informal employment to the total sector employment, the transport sector is the least formal sector with 77% of the employment being informal. The informal taxi-industry is included in the bigger 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 21: Employment by Economic Sector in the District (2011)

Sector	Formal Employment	Informal Employment	Total Employment
Agriculture	3 158	-	3 158
Mining	68	-	68
Manufacturing	2 607	2 378	4 985
Electricity	211	-	211
Construction	2 098	3 769	5 867
Trade	5 300	8 977	14 277
Transport	1 089	3 728	4 817
Finance	3 934	776	4 710
Community services	41 399	3 246	44 645
Households	12 876	-	12 876
Total	72 741	22 874	95 615

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.

2.5.11 Unemployment

In 2011, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) amounted to 40.8%. This was somewhat lower than the 44.8% recorded in 2005. 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

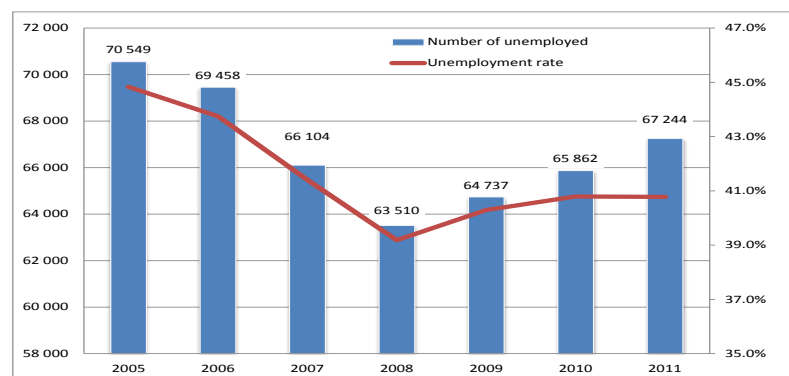


participation rates. The average annual growth rate between 2005 and 2011 is - 0.8%.

Table 22: Unemployment Figures for the District (2005-2011)

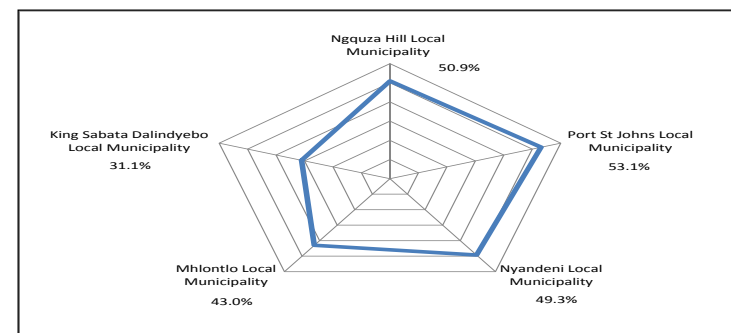
Year	Number of unemployed	Unemployment rate
2005	70 549	44.8%
2006	69 458	43.7%
2007	66 104	41.4%
2008	63 510	39.2%
2009	64 737	40.3%
2010	65 862	40.8%
2011	67 244	40.8%

Figure 21: Number of Unemployed and Unemployment Rate (O.R. TAMBO DISTRICT MUNICIPALITY)



In terms of the unemployment rate per local municipality, King Sabata Dalindyebo had the lowest rate of 31.1% in 2011, while Port St Johns topped the charts at 53.1%, which is slightly ahead of Ingquza Hill with 50.9%. Unemployment is certainly less pronounced in regions where the formal as well as the informal sector generates sufficient levels of GVA and employment opportunities.

Figure 22: Unemployment figures (LMs and the DM) (2010)



2.6 INDICATORS OF ECONOMIC PERFORMANCE

In order to put the economic state of O.R. TAMBO DISTRICT MUNICIPALITY in perspective, the municipality is compared on a spatial level with the national, provincial and the neighbouring districts' economies. Furthermore, the Local Municipalities within the District are compared and put in perspective of the O.R. TAMBO DISTRICT MUNICIPALITY as a whole. When comparing economies and economic states, a good indicator to use is the Gross Domestic Product (GDP). The Gross Domestic Product (GDP) is defined as the total value of all final goods and services produced within the geographic boundaries of a country in a particular period (usually one year). It is regarded as one of the most important indicators of economic performance⁶.

In terms of economic activity, the EC Province contributed 7.5% to the total GDP of South Africa in 2010 (see Figure 21 below). This is close to the contributions of the Mpumalanga and Limpopo Provinces of 7.1%. O.R. Tambo district contributed a GDP of R 17.7 billion in 2011, which accounts for 7.9% to the total GDP of the

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

Eastern Cape at R 224 billion and 0.6% to the GDP of South Africa as a whole at R 2964 billion. O.R. Tambo District Municipality has grown from R 9.5 billion to R 17.7 billion from 2005 to 2011 in current prices. The Eastern Cape Province increased from R 122 billion to R 224 billion, almost doubling, with South Africa increasing from R 1571 billion to R 2964 billion.

Figure 21 below indicates that the contribution of the O.R. Tambo DM to the GDP of the EC Province was 8% in the year 2010, while this decreased to 7.9% in 2011

Figure 23: GDP contribution per DM in the Eastern Cape (2010)

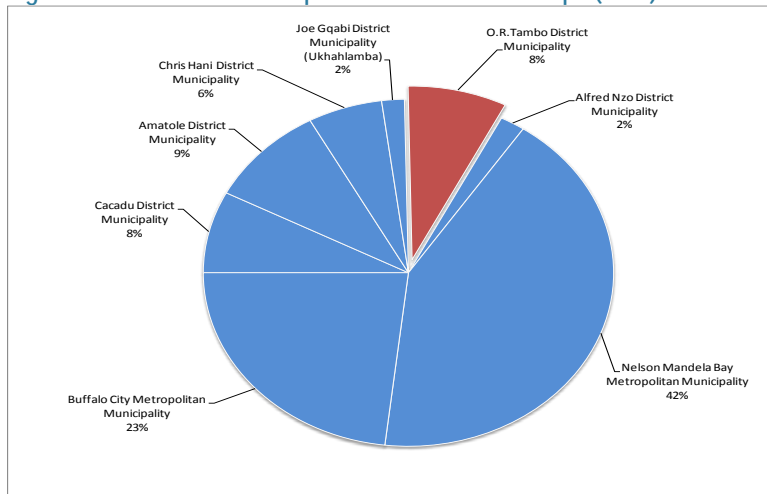
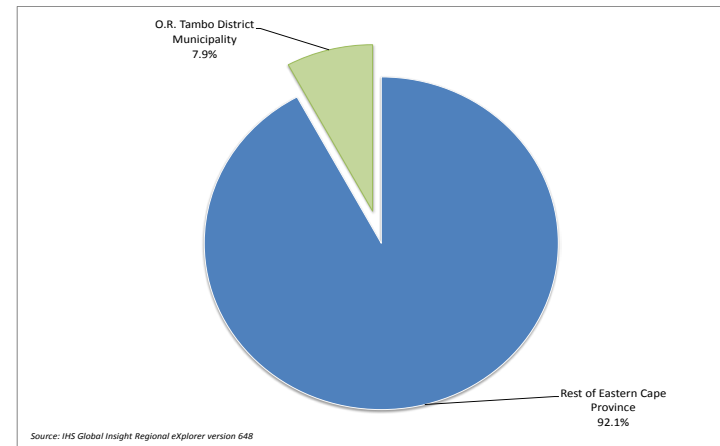


Figure 24: GDP contribution per DM in the Eastern Cape (2011)

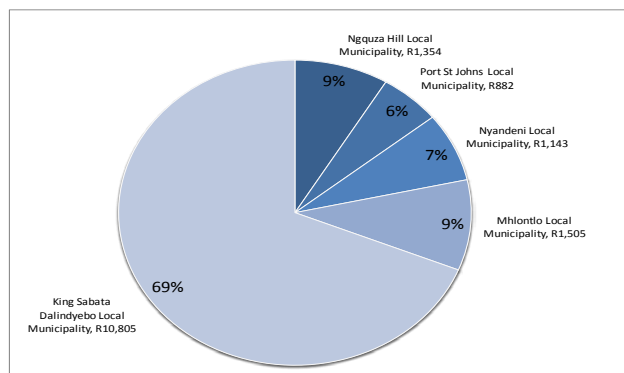


2.6.1 Local Municipality Comparison

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 while the lowest contribution is from the Port St Johns Local Municipality with R 1 billion. Figure 23 below presents a comparison of the contribution of the various LMs in the O.R. TAMBO DISTRICT MUNICIPALITY to the GDP of the District.

Figure 25: Contribution of the LMs in the District to the District GDP (2011)





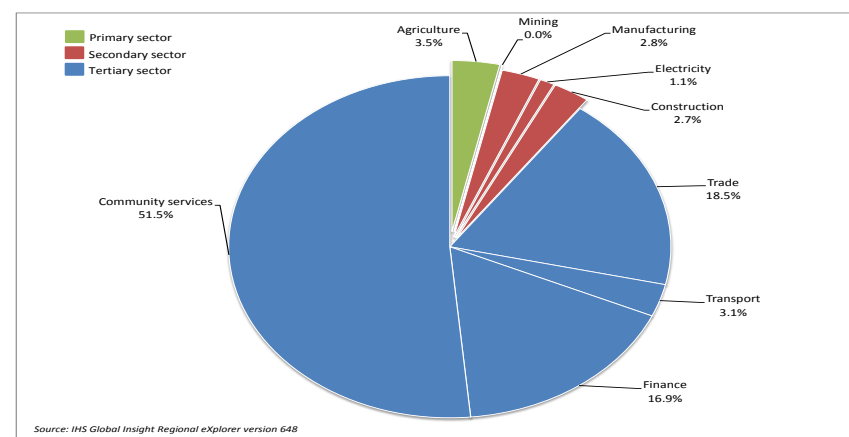
King Sabata Dalindyebo Local Municipality had among the lowest average annual economic growth rates when compared to its peers in O.R. Tambo District Municipality. King Sabata Dalindyebo Local Municipality did however deliver the best economic growth performance in 2011. Port St Johns LM and Nyandeni Local Municipality performed well in 2010, but growth tapered of in both the local municipalities in 2011. Inngquza Hill Local Municipality was the only local municipality in O.R. Tambo District Municipality that had negative economic growth in 2009. It seems to track the national and provincial economy more closely

2.6.2 O.R. Tambo District Municipality's Sectoral Composition

O.R. Tambo'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. The greatest contributor towards the GVA of the local municipalities is the community sector (ranging from 48% for the King Sabata Dalindyebo Local Municipality to 63% for Nyandeni Local Municipality), with the King Sabata Dalindyebo Local Municipality community services contributing 33% or R 5.4 billion to the total Gross value added of the O.R. Tambo District Municipality. Relative to the other local municipalities the King Sabata Dalindyebo Local Municipality also contributes more to the financial sector and the trade sector of the O.R. Tambo District Municipality – R 2.4 billion (15%) and R 2.1 billion (13%) respectively.

In 2011 O.R. Tambo District Municipality's economy was dominated by the tertiary sector as a whole, which is primarily focused on community services. Community services accounted for half of the GVA with a 51.5% contribution to the total economic activity in O.R. Tambo District Municipality in 2011, which is the largest sector contribution to economic activity. The community services consist of public administration (14.3 percentage points), education (23.4 percentage points), health and social work (9.2 percentage points) and other community services (4.6 percentage points). The trade sector at 18.5% is the second largest contributor to the economic activity.

Figure 26: Percentage Contribution of Gross Value Added (GVA) Composition by broad economic sector or O.R. Tambo (2011)

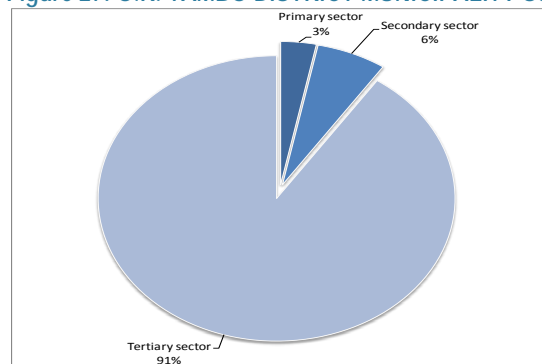


Community services dominate the O.R. Tambo District Municipality economy, as is visible in the numbers. With the recession of 2008 and 2009, and the renewed emphasis on government spending, the community services sector grew in importance. Zooming into the agriculture sector reveals that roughly three quarters of the sector is the forestry and logging sector and a quarter; agriculture and hunting. Figure 25 below indicates that in 2010, the economy of the O.R. TAMBO DISTRICT



MUNICIPALITY was dominated by the tertiary sector as a whole, which is primarily focused on community services.

Figure 27: O.R. TAMBO DISTRICT MUNICIPALITY Sectoral Composition (2010)



Community services, which consist of public administration (13.8%), education (22.5%), health and social work (9.0%) and other community services (4.6%), accounted for half of the GVA, with a 50% contribution to the total economic activity in the District in 2010. This was the largest sector contribution to the District economy. The trade sector at 19% was the second largest contributor to the economic activity. See Map 8 to 12 for a spatial mapping of the GVA according to the various sectors.

This is not a healthy picture, as the primary source of financing in the 'Community Services' is direct remittances from government in the following forms: (1) capital infrastructure; and (2) operational costs of government employees in the three spheres of government operating in the District. The District clearly needs to seriously consider ways of growing its economy, especially the primary and the secondary sectors.

2.6.3 Welfare Grants

The intention is that such investment, while contributing to poverty alleviation, economic development and employment creation, should stimulate the private sector, of which very little has so far materialised in the District. On the present trajectory it is likely to result in a growing long-term District dependence on such government transfers. A further problem with this dependence on government finance, without the necessary growth in the secondary and primary sector, is that this investment flows out of the district in the following forms:

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

2.7 SOCIAL INDICATORS

2.7.1 Education

The District is characterised by low levels of education. Table 23 below indicates that Port St Johns, Ingquza Hill and Nyandeni LMs have the highest number of people with no formal education. KSDLM has the highest number of people with secondary and tertiary education, probably because of the location of the Walter Sisulu University and the many secondary schools in Mithatha.

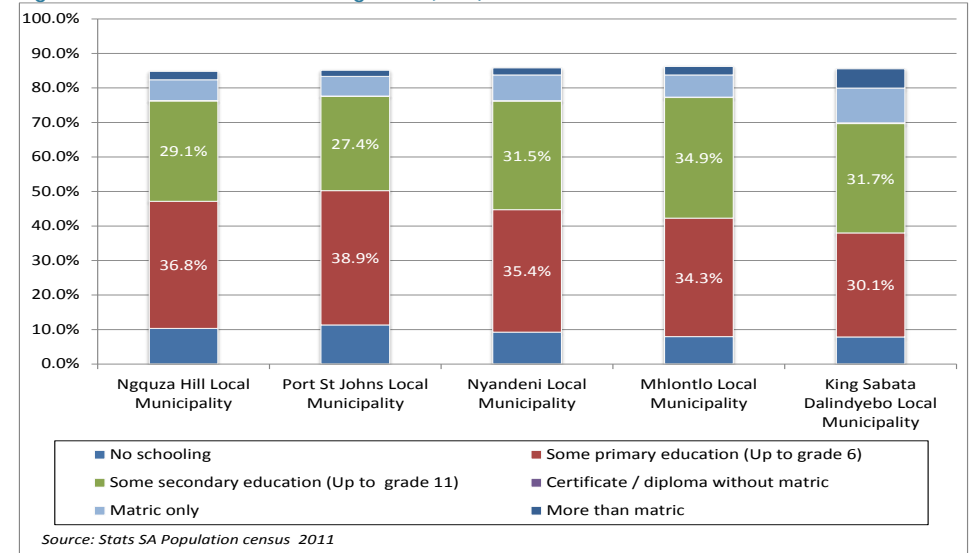
Table 25: Educational levels in the LMs in the District

Municipality	No Schooling (%)	Primary (%)	Secondary (%)	Tertiary (%)
Iingquza Hill	43.4	35.6	19.9	1.1
KSD	35.5	32.1	29.5	2.9
Mhlontlo	31.2	42.0	25.4	1.4
Nyandeni	41.6	35.1	22.5	0.8
Port St Johns	48.2	35.4	15.6	0.8

In 2001, the local municipality with the most people aged 15 years and up with no schooling is the Port St Johns Local Municipality with 26.2% or 38 600 persons. King Sabata Dalindyebo Local Municipality has the highest percentage of people with a tertiary education of some kind. In 2001 the O.R. Tambo District Municipality a total of 284 600 persons have no schooling this is 22.0% of the total population. The number of some primary education learners amounts to 474 900 or 36.7% of the total population in O.R. Tambo District Municipality.

From 2001 to 2011 the levels of education changed drastically, the local municipality with the most people aged 15 and up with no schooling is the Port St Johns Local Municipality at 11.3% this change from 26.2% in 2001. King Sabata Dalindyebo Local Municipality has the highest percentage of people with a tertiary education of some kind, this increased from 3.7% in 2001 to 6.6% in 2011. In O.R. Tambo District Municipality the number of person without any schooling in 2001 was 284 600 and changed to 123 650 in 2011, in percentage of population numbers it changes from 22.0% in 2001 to 9.1% in 2011 of the total population.

Figure 28: Educational Levels: Age 15+ (LMs)



2.7.2 Educational Facilities

According to the Education Management Information System (EMIS), there are a number of primary and secondary institutions in the District. The education levels in the five municipalities are indicated in Table 23 below. The District has a total of 1 337 primary and secondary schools. There is one University in the O.R. Tambo District Municipality - the Walter Sisulu University in Mthatha. There is also an FET college, also in the KSDLM.

Table 26: Number of schools per LM in the District



Municipality	Primary	Combined	Secondary	FET Colleges	University
Inggquza Hill	68	122	19	1 campus	-
KSD	71	219	39	1 (central admin. and campus)	1
Mhlontlo	72	156	25		-
Nyandeni	72	169	24		-
Port St Johns	58	74	14		-
TOTAL	461	929	153	2	1

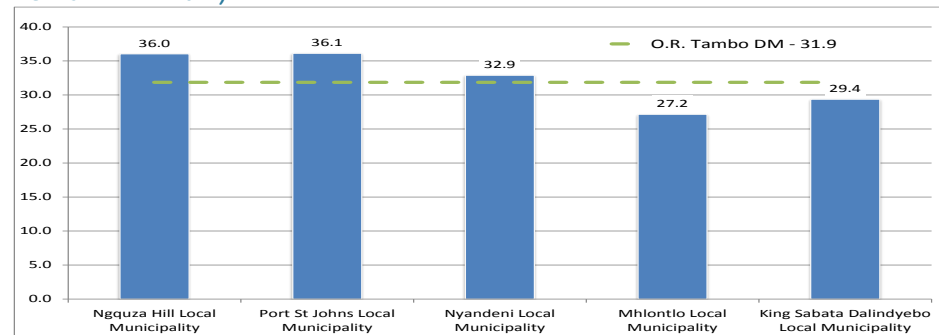
The following is an overview of the educational services and statistics of the O.R. Tambo District Municipality. The total learners, total educators or teachers and number of schools are summed up from over the last 3 years.

Table 27: Education Infrastructure per LM (O.R. TAMBO DISTRICT MUNICIPALITY)

		Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo 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

The number of learners in the O.R. Tambo District Municipality amounts to 500 750 in 2012 this decreased with an average annual rate of 1.7%. The Mhlontlo Local Municipality decreased the most with an average annual rate of 3.3% since 2010. Inggquza Hill Local Municipality was the only municipality that increased with only 0.1%. In order to sustain growth in the number of learners, educators are necessary. In O.R. Tambo District Municipality there is a total amount of 15 716 educators/teachers which is equal to 32 learners to one educator. The King Sabata Dalindyebo Local Municipality has the most educators, they also have the highest number of learners and schools, and the King Sabata Dalindyebo Local Municipality has a 29 learner to educator ratio, although it has the most in all categories, the Mhlontlo Local Municipality has the lowest ratio of 27 learners to one educator.

Figure 29: Number of Students for each educator by LM (O.R. TAMBO DISTRICT MUNICIPALITY 2012)



2.7.3 Health Facilities

Eastern Cape Province has 992 health facilities that are made up of 164 non-fixed, 721 fixed clinics and 41 Community Health Centres whilst the hospitals are 66 (ECDOH Annual Performance Plan 2015/16). OR Tambo District Municipality has 173 health facilities made up of 11 mobiles, 135 fixed clinics, 10 Community Health Centres, 9 district hospitals, 2 Regional hospitals and 1 tertiary hospital. There are 5 private health facilities made up of 2 private hospitals and 3 non-medical sites. This makes up 17.4% of the total facilities in the Eastern Cape.

The majority of the hospitals in the OR Tambo District Municipality are generally in the rural areas with only 3 out of 12 hospitals are in the urban area. Only 4 out of 145 Primary Health Care facilities are in the urban area whilst 141 are in the rural area. The National Department of Health is currently driving an active programme of refurbishing health facilities. Fifteen (15) PHC facilities have been provided with additional consulting rooms that are equipped with medical equipment. These structures have improved the space, especially in the previously small health facilities. The Provincial government is continuing with the programme of construction of health facilities. However the department is still beset with challenges with the recruitment and retention of qualified staff at the rural institutions. Sometimes, shortage of medicines and other medical supplies are experienced.



The sector has adopted a policy of prioritising the refurbishment of access roads to rural clinics, as well as reconstruction of roads to rural hospitals. The ORTDM is also prioritising the supply of water and sanitation to clinics and has a programme underway to address this issue.

Table 28: Number of Health Facilities (O.R. Tambo DM 2015)

HEALTH FACILITIES	NUMBER
Clinics	135
Community Health Centre	10
Correctional Centre	4
Crisis / Victim Empowerment Centre	3 (Sinawe, Thuthuzela & Thembelitsha)
District hospital	9
EMS	1 main base in Mthatha & satellite stations
Mobiles	11
Non-medical sites	3
Private hospital	2
Provincial Central hospital	1
Regional hospital	2
Psychiatric hospital	0
Specialised Orthopaedic hospital	1
Specialised TB hospital	0
TOTAL	184

2.7.4 Housing

The average size of a household in the O.R. TAMBO DISTRICT MUNICIPALITY is 5.15 people, which is relatively higher than the size of household in the other Districts of the EC Province. Housing is predominantly located in scattered rural settlements, with the majority of households in the district living in traditional dwellings. According to Stats-SA, 24% of households occupied formal dwellings in 2001, and by 2007, this had grown to 26.7%. At the same time, while 68.1% of households in the District were living in traditional dwellings in 2001, this had increased to 70.1% by 2007 (see Table 29 below).



Table 29: Type of dwelling: LMs and the O.R. TAMBO DISTRICT MUNICIPALITY (2007)

Municipality	Formal Dwellings	Informal Dwellings	Traditional dwellings
King Sabata Dalindyebo	30 633	3 945	44 467
IIngquza Hill (Qaukeni)	11 672	282	32 894
Mhlontlo	11 371	1 290	26 088
Nyandeni	8 432	309	41 251
Port St John's	48 710	170	21 387
O.R. TAMBO DISTRICT MUNICIPALITY (Total)	110 818	5 996	403 617

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

2.8 NATURAL ENVIRONMENT ANALYSIS

2.8.1 Hydrology

The O.R. Tambo area has one large river system (the Umzimvubu) two medium-sized rivers (the Mthatha and Umtamvuna), and a number of smaller coastal rivers with limited catchments that stretch no more than 60 km inland. It is these smaller coastal rivers and their estuaries that give the Wild Coast much of its unique character (See Map 13 to 16). The nature of the river systems has an impact on the environmental threats affecting different parts of the area.

2.8.2 Rainfall

Most of the O.R. TAMBO DISTRICT MUNICIPALITYA receives an annual rainfall of above 800 mm. Rainfall decreases steadily inland and is particularly low in major river valleys (see Map 17 to 19).. An appreciable amount of rain falls in the winter

months in the coastal areas but inland areas receive 80% or more of their precipitation in the 6 months from October to March (81% at Mthatha).

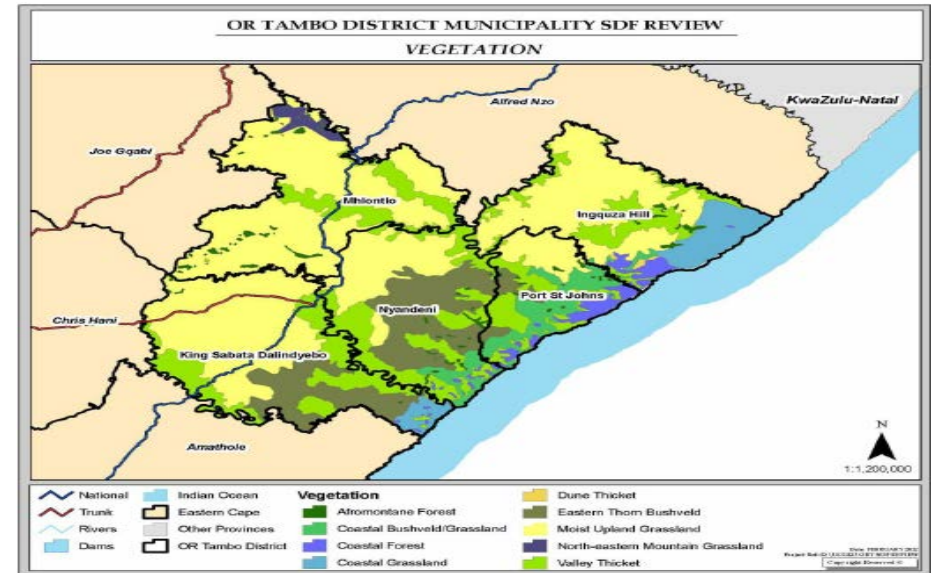
2.8.3 Temperature

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

2.8.4 Vegetation

The environment of the O.R. Tambo area has a wide range of habitats, including upland and coastal grassland, afro-montane and coastal forest, valley thicket, thorny bushveld, coastal and marine habitats. Two components are of particular interest. The coastal forests, bushveld and grassland of the Pondoland area north of Mbotyi has been identified as a “centre of plant endemism”, with more than 130 species of plants that occur nowhere else in the world, and including the well-known Pondoland coconut palm. This terrestrial biodiversity is matched by extremely rich marine biodiversity, also with a large number of endemic fish species. The Wild Coast has been identified as one of WWF International's Global 200 Ecoregions of Global Significance.

Map 7: Vegetation



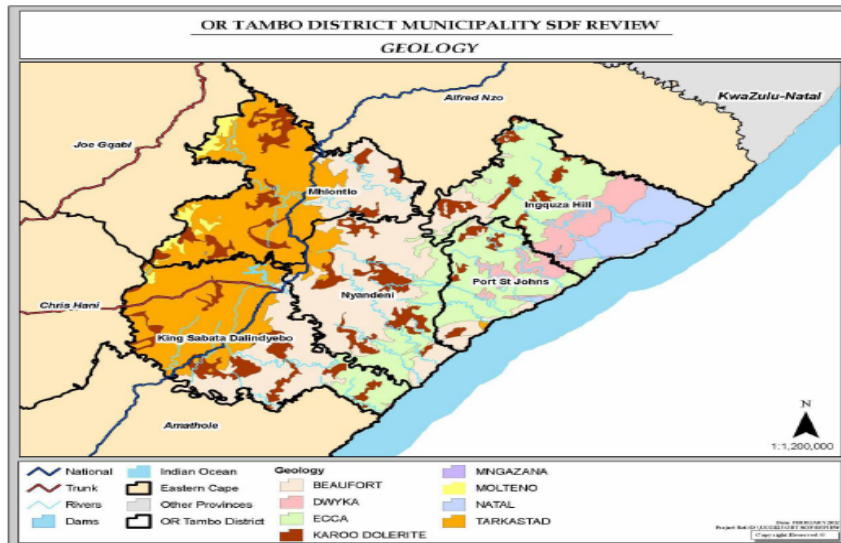
2.8.5 Geology

O.R. Tambo is underlain by a variety of lithologies (rock types) representing a considerable time span. As a broad generalization the area is underlain by sedimentary rocks (sandstones and shales), through which magmas have intruded to form dolerite dykes and sills. The dolerite dykes represent the conduits that fed the lavas that form the higher lying areas of the Drakensberg. Kimberlites, diatremes and other centers of volcanic activity also occur at a number of localities within O.R. Tambo.

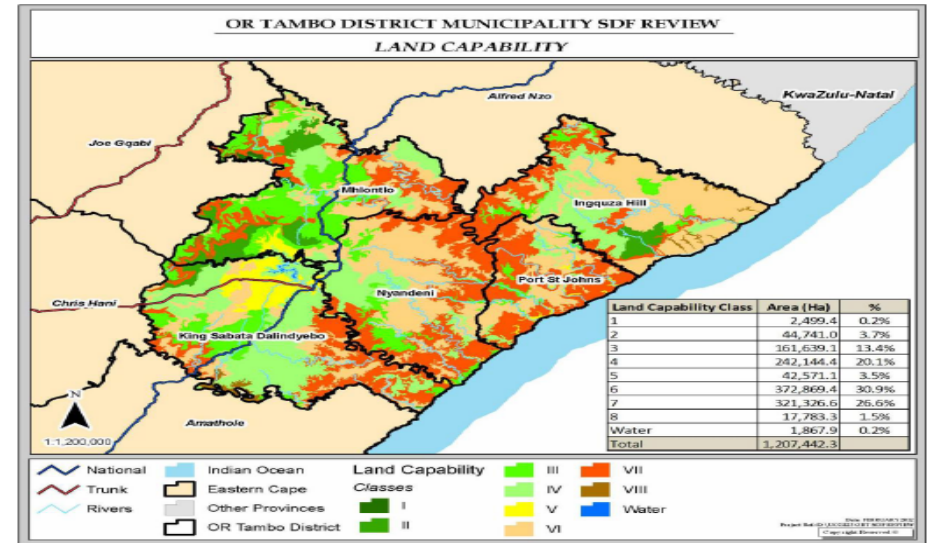
The underlying geology and geomorphology of the region are closely tied to the formation of soils. In general, soils are arable with much of the more productive soils currently under cultivation. The most productive soils according to ENPAT data are located in the eastern portion of the District near Flagstaff, the northeast corner of the DM, in the vicinity of Bizana and to the east of Lusikisiki.



Map 8: Geology



Map 9: Land Capability Map



2.8.6. Land Capability

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 for rain-fed agriculture and at the same time highlights the permanent limitations associated with the different land use classes. It is therefore a more general term and conservation oriented than land suitability. The table below gives an indication of the suitable land uses for the various Land Capability Classes (LCC)

According to the SEA WMA 12 there is potential for expansion of areas under forestry because of the ideal rainfall and climatic conditions, particularly in the Mzimvubu and the Pondoland. Key areas; where 60 000 – 80 000 ha is probably suitable for forestry and 40 000 ha is considered a reasonable target.

2.8.7. Environment

The Provincial Department of Economic Development; Environmental Affairs and Tourism is responsible for environmental management with a representative from the National residing in the District in order to provide support while the district responsible for air quality and waste management.

Biodiversity Conservation, Water & Terrestrial

The District has the International and well renowned Wild Coast identified as a biodiversity priority area in National Spatial Biodiversity Assessment for South Africa. In addition, there are 5 protected areas in the O.R. TAMBO DISTRICT MUNICIPALITY, namely Mkambati, Silaka, Hluleka, Nduli and Luchaba. Numerous indigenous coastal forests and mist belt and affromontane forests can be found as well as wetland areas particularly along the coast. The Region is also characterised by major rivers and supporting abundant aquatic life associated with these rivers are



pristine estuarine environment. Biodiversity provides goods and services particularly for the subsistence rural people in terms of fuel wood, grazing, as well as consumptive value such as grasses, reeds, forests produce, marine resources, estuarine.

Marine and Coastal

The Wild coast is considered one of the spectacular coastal areas. It runs along the coast and forms part of four local municipalities in O.R. Tambo. The Wild coast area has been widely studied and numerous interventions to boost its socio-economic potential have been identified. The wild coast is characterised by the abundant marine life with potential for mariculture, wild sea and energetic wave action which has caused numerous ship wrecks. There district needs to develop a Coastal Management Plan which will identify the potential for coastal development with regards to tourism and marine resources.

There are a number of programmes that need to be implemented in order to ensure the protection and sustainability of the Wild Coast Area;

- Integrated Wild Coast Development Program, co-ordinated by ECSECC
- Wild Coast Protected Area Expansion and development Program, under auspices of ECPTA
- Review of spatial planning instruments for the Wild Coast, which is the subject of this presentation
- DEDEAT intends to, in terms of its dual mandate of both economic development and environmental management, establish a spatial instrument to guide and facilitate development of the Wild Coast, in order to create a balance between the development of an under-developed region and the protection of an environment which is generally recognized as being of exceptional value and importance.

Waste, Air Quality and Pollution



The O.R. Tambo District Municipality is responsible for air quality management due to the fact that this function has been cascaded down to the District Municipality. The District municipality is in the process of developing its air quality management plan. The district has limited waster services especially in the rural areas. In addition, a number of waste disposal facilities managed by local municipalities are not licensed, 5 sites are licensed in O.R. Tambo District Municipality. The air quality in the municipality is relatively good as there are no major industries; however, rivers are threatened by pollution and the lack of waste management.

Land and Spatial Planning

The district recognizes that to unlock value in forestry, agriculture, housing, and ensure social cohesion requires that land and spatial planning is improved. Critical land related issues that require attention include the following:

- Resolution of land claims
- Improvement in land use planning
- Ensuring security of land tenure and availing land for development
- Management of land degradation through the management of alien invasive plants and soil erosion
- Combat illegal land use

To achieve this requires the commitment of all stakeholders (government, municipalities, traditional leaders and communities) in ensuring that any resolution of land related issues contributes to sustainable development. Coordinating and improving the quality of spatial planning in line with the national guidelines is one of the challenges that the district faces and commits to ensuring its resolution.

The O.R. Tambo District Municipality is tasked with the responsibility of coordinating and ensuring that the region achieves a spatially equitable and vibrant socio-economic growth.

The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA) was assented by the President of the Republic of South Africa of the 05 August 2013.

SPLUMA Applies to the entire area of the Republic as a supreme law on spatial planning and land use management. SPLUMA is meant to address racially based pre 1994 planning legislations, as well as to repeal most of them.

SPLUMA provides for:-

- a) A framework for a Planning System for the country (Sec2 [2])
- b) Development Principles (Sec 7)
- c) Policies and legislation (Sec 6)
- d) Spatial Development Frameworks (Chapter 4)
- e) Land Use Management through Schemes (Chapter 5)
- f) Land Development Management (Chapter 6)
- g) Other provisions (Chapter 7)

SPLUMA further provides clear roles and responsibilities for each sphere of government with regard to its implementation. O.R Tambo District Municipality has budgeted 2 million for the implementation of SPLUMA.

Environmental Degradation

The degradation of the environment in OR Tambo DM is of concern, especially the extent and severity of the soil erosion. This impacts on the economic viability and possible uses of the land. The Table below indicates the extent of the degradation per Local Municipality Area. Environmental degradation, soil erosion in particular, is a major concern in the O.R. TAMBO DISTRICT MUNICIPALITY. This imposes a number of limitations on the possible uses of land, and hence the economy of the area. Table 29 below and Map 21 to 23 depict the extent of degradation per LM in the District.

Table 30: Land degradation in the LMs and the O.R. TAMBO DISTRICT MUNICIPALITY

Local Municipality	Total Area (km ²)	Degraded Area (km ²)	% Degraded
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King Sabatha Dalindyebo	3027.43	815.50	26.9%
Mhlontlo	2826.19	795.39	28.1%
Iingquza Hill	2477.06	302.37	12.2%
Nyandeni	2474.02	378.11	15.3%
Port St Johns	1291.25	190.12	14.7%
O.R. Tambo District	12095.95	2481.49	20.5%

Climate Change

Climate Change is regarded by many as the most significant environmental challenge in our era. Climate Change is defined by the United Nations Framework Convention on Climate Change (UNFCCC) as *“a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability over comparable time periods”*. Global Warming has been blamed as that human activity which has had the most influential impact on climate change. Global warming is defined by the UNFCCC as *“the increase in the earth's temperature, in part due to emissions of greenhouse gases (GHG's) associated with human activities such as burning fossil fuels, biomass burning, cement manufacture, cow and sheep rearing, deforestation and other land-use changes.”*

There is now empirical evidence to suggest that climate change is a reality and there are many global examples or trends which all depict a change in climate. Anthropogenic climate change is already occurring and many natural systems are being affected. Globally there is evidence of increasing air and ocean temperatures, widespread melting of snow ice and rising sea levels (IPCC, 2007). Heat waves are becoming more frequent with fewer cold days, cold nights and frosts. Earlier spring events such as flowering, bird migrations and egg-laying have been observed as have changes in animal and plant distribution ranges. All these observations are examples of the natural system responses to a rapidly changing climate.

Apart from changes observed in natural systems, climate change is already having and will continue to have far reaching impacts on human livelihoods. As a result, policy and development plans must take cognizance of the implications of a changing climate and develop strategies for both mitigation and adaptation for a changing climate. Recent



studies within South Africa which involve climate change modelling and associated projections all show conclusively that the symptoms of climate change in South Africa are likely to include:

- Higher temperatures
- Altered rainfall patterns
- More frequent or intense extreme weather events including heat-waves, droughts, storms and floods
- Rising sea levels

The implications of the above predicted weather and climatic changes will impact on the physical environment which will ultimately impact on the sustainability of human livelihoods. It is imperative that future planning initiatives and programmes take into consideration risks and impacts and limitations imposed by climate change, such as increased temperatures; changes in precipitation levels; increased storm events; tidal surges and sea-level rise; and consider adaptation measures.

The Department of Economic Development and Environmental Affairs commissioned a strategic planning study on climate change for the Eastern Cape Province (DEDEA, 2011).

The study showed that the Eastern Cape is expected to experience highest temperature increases towards the northwest interior, while lowest increases are likely along the coast. Associated with the higher temperature will be increases in evaporation rates and increased intensity of droughts.

The above climate changes could imply that O.R. Tambo District Municipality is faced with: More frequent and severe flooding as a result of higher intensity storm events and possibly more frequent hail events. This will and will impact on human settlements, infrastructure, human health and place a greater burden on particularly impoverished communities

Higher rainfall may increase agricultural production but water availability could become a limiting factor, requiring increased irrigation. Ground and surface water systems are vulnerable. In this regard small scale farming is likely to be most

affected Heat waves may result in increased heat stress to plants, animals and humans and will increase associated fire risk placing livestock and grazing capacity under threat

Planning for Climate Change takes on two paradigms – climate change mitigation and climate change adaptation. Climate Change Mitigation involves those activities that assist in reducing the rate of change of the climate. This is a global responsibility and is aimed at limiting the generation of greenhouse gases. Climate Change Adaptation refers to those activities which we undertake in response to a changing climate. Further details on planning guidance to the O.R. Tambo District Municipality in relation to Climate Change Adaptation can be sourced from the O.R. TAMBO DISTRICT MUNICIPALITY SDF.

Environmental Management

The post-2004 period has seen the Department of Economic Development; Environmental Affairs and Tourism introducing ways and means of accelerating service delivery through initiatives such as MSGF (Municipal Support Grant Fund); IMVABA (Co-operative Development Fund) as well as Environmental; Coastal and Waste Management etc. aimed at assisting Municipalities and communities. Despite these funding opportunities and policy instruments meant to accelerated economic growth in the country, and in the Eastern Cape Province, the O.R. TAMBO Region has not benefited in terms of altering the structure of the economy as it is the second poorest Region in South Africa. The Department's existence is to facilitate economic growth and sound environmental management in partnership with public entities and other stakeholders. It also exists for Sustainable Environmental Management in terms of RSA Constitution Section 24 and schedules 4&5.

According to the Provincial Industrial Development Strategy (PIDS March 2012:2) in total, Amathole (37%) and NMBM (30.5%) account for more than half of formal employment in the Province. Employment in the manufacturing sector is also concentrated in the Metro (49.1%) and in Amathole district (40.9%). Employment in Agriculture is predominantly in Cacadu (40.9%) and Amathole (20.4%). Employment in services sectors is concentrated in Amathole (38.2%) and in the Metro (29.1%).



Though the Department has instruments and entities to address these disparities; access by rural Districts/communities such as O.R. TAMBO as reports from ECDC (2012:12) shows only three Co-operatives benefitted from the IMVABA fund compared to the two Metros; CACADU and Amathole Regions.

Of major concern for the Region is access and rendering of services to deep rural communities and Municipalities because of its vastness. Findings of a DEDEAT Report Research on Baseline Data on Job Creation (2012:213) states that continuing backlogs in economic opportunities; service delivery, particularly with regard to infrastructure, present a major bottleneck because of the absence as the foundation upon which many of the initiatives and interventions that are needed. Structural arrangement of the Department is not assisting either as it is not fully decentralized (operates at Provincial and Regional level only) making it therefore difficult for communities to access its opportunities to improve their lives in the Region in the Region.

The Research Report also cover an extensive range of topics that include funding strategies and mechanisms, how to ensure that co-operatives become effective vehicles for social and economic development among rural communities, and how to address issues of social pathology such as the erosion of work ethic among many rural communities.

Environmental Affairs has a programme that administers environmental policies that are cascaded from national level in line with the mandate of the Department. Importantly, it regulates environmental management through instruments such as the environmental impact assessments, compliance and enforcement and biodiversity management tools. The key strategic objectives include; carbon reduction and green economy initiatives, emission reduction and securing the provincial conservation status

Some of the major challenges experienced in the district are highlighted below:-

- Poor waste management and un licensed disposal facilities at municipalities

- Illegal coastal developments threatening coastal ecosystem & tourism development, municipalities have no coastal management plans
- Alien invasive plants in Port St Johns threaten biodiversity conservation
- Water pollution from point and non-point sources particularly sewerage threatening aquatic ecosystem
- Environmental awareness needs attention
- Integration of environmental principles (National Environmental Management Act 107 of 1998 section 2) into municipal planning. The promotion of the 3rd leg of sustainable development (social, economic and environment).

Table 31: LIST OF NATURE SERVICES/ENVIRONMENTALLY SENSITIVE AREAS/PROTECTED AREAS

DISTRICT AREA/MUNICIPALITY	LOCATION	CHALLENGES	COMMENTS
Mkambati Nature reserve	Iingquza Hill	Expansion	Managed by ECPTA
Silaka Nature reserve	Port St Johns	Land claim	Managed by ECPTA
Hluleka Nature reserve	Nyandeni	Land claim	Managed by ECPTA
Nduli/Luchaba Nature reserve	KSD	Threatened by surrounding community	Managed by ECPTA
Mhlonllo-Tsitsa nature reserve (not yet declared as a protected area)	Mhlonllo	Declaration by MEC and operations	Engagement with LM
Coastal public property 1000 m from high water mark of the sea & tidal river	Coastal areas from KSD to Iingquza Hill LM	Illegal land use	DEDEAT is developing a coastal management program
Eastern Cape Biodiversity Conservation Plan	OR Tambo DM	SDF must integrate this plan	Plan was presented to the DM

Table 32: DEDEAT has conducted a number of studies, listed in the table below:-

Study Conducted	Objectives of the Study	Comments
Research on Baseline data on Incomes and Job Creation (2012)	to identify and profile sources of income in rural areas; to profile best practices; to identify short, mid- and long-term interventions to ensure poverty eradication in rural areas, and to identify potential risks associated with rural incomes.	Report available



Study Conducted	Objectives of the Study	Comments
Co-operatives Verification Baseline Study (2012)	To assess Co-operatives viability and other challenges for possible Intervention	Report available
Eastern Cape Economic Outlook and Review (2012)	To provide a single point of reference for the economic profile of the Eastern Cape, as well as a sound foundation to base Interventions.	Report Available
Provincial Industrial Development Strategy (2012)	Industrial strategy, as referred to in this document, refers to deliberate government efforts to alter the structure and distribution of industrial activity to promote economic growth and Development.	Report available
Eastern Cape Climate Change Response Strategy	To integrate climate change mitigation and adaptation strategies	The municipalities have to integrate into IDP
Coastal Management Program	Guide coastal development	Coastal municipalities to develop coastal management plans
Eastern Cape State of the Environment Report (SoER)	To table situation or condition of the natural environment asset	Each municipality must cover the state of environment in its situational analysis (as Natural Environment).
Eastern Cape Biodiversity Conservation Plan	Conservation of critical biodiversity area	Development projects and spatial planning to factor protection of such area

2.9 Spatial Analysis and Rationale

2.9 Land Use and Human Settlement

2.9.1. Land Cover (Broad Land Use)

The land cover pattern is largely determined by topographical and climatic factors. However past political engineering; current tenure arrangements and population densities have impacted on the type of land cover. The Land Cover map illustrates a dominance of unimproved grassland (40,77%), cultivated: temporary - semi-

commercial/subsistence dryland (19,98%) and degraded unimproved grassland (18,84%).

2.9.2. Settlement Pattern

OR Tambo DM has a predominantly rural landscape with a large proportion of people residing in tribal villages and traditional homes (See Table 33 below). The towns, located along the main access roads, function as service centres to the surrounding rural settlements. Mthatha is the regional urban centre of the district and is experience in-urban migration creating greater pressures on it infrastructure and facilities. The smaller service centres of Lusikisiki and Port St Johns have also experienced urban migration.

Table 33: Settlement Patterns

Municipality Name	Urban		Rural	Total
	Formal	Informal		
Ingquza Hill	1,404	235	51,860	53,499
Port St Johns	1,919	410	36,580	38,909
Nyandeni	2,528	0	60,483	63,011
Mhontlo	1,946	140	47,675	49,761
King Sabatha Dalindyebo	17,720	5,339	62,338	85,397
OR Tambo DM	25,517	6,124	258,936	290,577

2.9.3. Land Restitution

The OR Tambo District has a number of land claims. Amongst others, these include the Nature Reserves (Mkhambathi, Silaka and Hluleka), forestry plantations (covering mainly parts of the King Sabatha Dalindyebo Municipality, Dwesa Chwebe, and Mhontlo). Some of the claims such as Mkhambathi and Dwesa Chwebe have



been resolved whilst others are in the process of being finalised. Unlike some parts of urban South Africa where claims have been made by individuals or group of families, in the OR Tambo District, the claims have tended to take the communal form. Challenges resulting from the present status of land claims are:

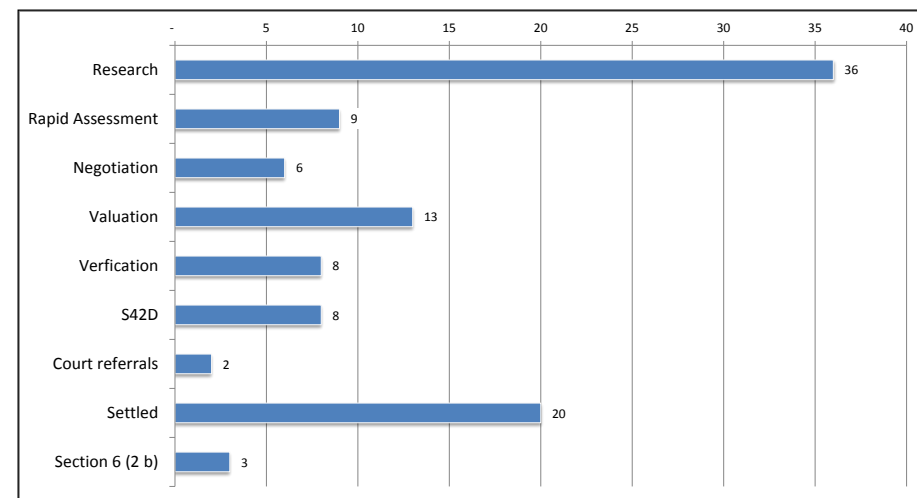
Claimants and the extent of the land being claimed are not clear in all instances, making it difficult to adjudicate and resolve/settle such claims. The degree of accuracy of the boundaries of claims that have been mapped are sometimes questionable. Where unresolved land claims exist on land of strategic importance or land with high potential for development, the Restitution of Land Rights Act prevent any land use development process to take place until such time as the claims are resolved.

Table 34: Overall land claims in O.R. Tambo District Municipality, 2011

	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlo Local Municipality	King Sabata Dalindyebo Local Municipality	Total
Research	13	-	2	3	18	36
Rapid Assessment	-	6	2	-	1	9
Negotiation	2	-	-	3	1	6
Valuation	2	6	2	1	2	13
Verification	1	-	2	2	3	8
S42D	7	1	-	1	-	8
Court referrals	-	-	-	-	2	2
Settled	6	5	5	3	1	20
6 2(b)	2	-	-	-	1	3
Total	33	14	16	20	35	118

The overall land claims in O.R. Tambo District Municipality amounts to a total of 118, but it is not necessarily all been approved. The land claims process is done by different approaches. Land claims under research amounts to 36 in 2011. The number of settled land claims amounts to 20 and the number of valuations under process amounts to 13. Court referrals is only 2 and the number of land claims still under rapid assessment is 9.

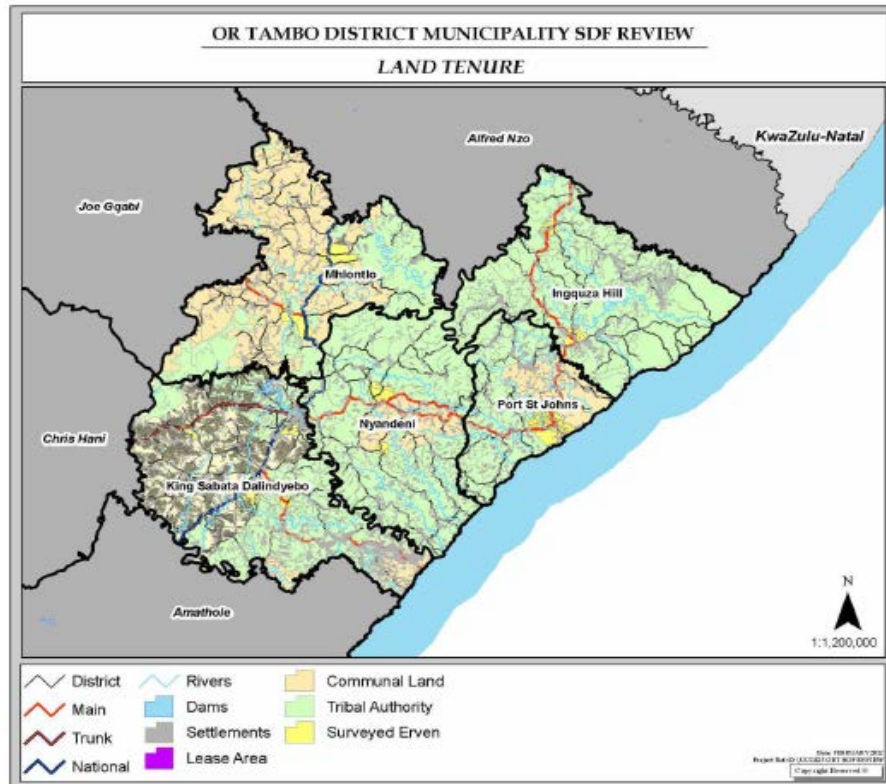
Figure 28: Overall land claims in O.R. Tambo District Municipality, 2011



2.9.4. Land Ownership/Tenure

Land ownership in the O.R. Tambo vests in the following main structures: government owned, tribal authorities, and local municipalities. Government through the Department of Land Affairs is the main custodian of communal land. Legal forms of land tenure in the district include: freehold (mainly concentrated in the urban centres or townships, certain shops in rural areas, providing security to the owner), Permission to Occupy (mainly in the rural owners where there is no right of ownership), leasehold and grazing rights on commonage.

Map 10: Land Tenure



The District is situated in the Eastern Cape Province and covers some 80% of the area previously designated as the Transkei. Although it straddles the National Route N2 linking Durban to East London, the Garden Route and Cape Town, the O.R. Tambo DM may, in general terms, be said to be peripheral to the main (central) communication and transport routes linking the economic heart of South Africa, Gauteng, and the major centres of Durban, and Cape Town. This peripheral location is mirrored in the peripheral nature of the economy of the District, which is largely land-based (subsistence) and has been impacted upon negatively by historic practices of discrimination and marginalisation in colonial and apartheid times prior to 1994.



In June 2012, the O.R. Tambo DM Council adopted a reviewed Spatial Development Framework (SDF). This document was directed and overseen by Consulting Group Pty (Ltd). The SDF seeks to (1) guide the spatial distribution of current and future desirable land uses/activities within the municipality and (2) give physical effect to the vision, goals and objectives of the municipal IDP. In effect, the SDF represents a “picture” of where the municipality wishes to direct its efforts in facilitating development. As such, the primary purpose of the SDF is to guide all decisions of the municipality relating to the use, development and planning of land and, at the District level, should guide and inform:

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

In so doing, it is hoped that the SDF will become a useful tool whereby other role-players in different spheres of government, non-governmental agencies and the private sector would be better informed as to how best to direct their investment and development programme activities in the District to ensure greater coordination and impact in investment and spending. As such, the SDF attempts to ensure that public and private sector investment and activities are located in areas that can best:

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

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

The SDF identifies a number of Nodes and Corridors in each of the LMs, which are listed in Table 35 below:

Table 35: Nodes and Corridors as identified in the SDF in the five LMs in the O.R. TAMBO DISTRICT MUNICIPALITY

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

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
		and national route
	Forestry Development	Langeni is the main forestry development area. Other small scale forestry development proposals should also be taken into consideration
	Tourism Development	Coffee Bay and Hole in the Wall serve as first order tourism nodes. Facilities and infrastructure needs to be improved. Mthatha Dam has also been identified for tourism development but needs improvement with accessibility.
	Commercial Node	A process of rationalisation involving planning and surveying will have to be undertaken in Viedgesville
	Business and Commercial Development Zones	It is proposed that the municipality should develop more business zones outside the CBD in Mthatha
	Settlement Upgrading	Areas along the R62 are currently being upgraded are Mthatha West, Mandela Park, Slovo Park, Chris Hani.
	Agri tourism	Mvezo – Development of irrigation scheme and upgrading of infrastructure to promote the area for tourism development
PRIORITY ISSUES	Unmanaged Urbanisation, Land Use and Zoning, Livestock Management	
NYANDENI LM		
NODES	Primary Nodes	Libode and Ngqeleni.
	Transport Nodes	Ntlaza Junction and Canzibe
ROUTES	Primary Route	The N2
	Secondary Route	Existing R61 (from Mthatha to Port St Johns)
	Transport Corridor	Ngqeleni to the R61 junction
PRIORITY AREAS	Tourism Development	Tourism should be promoted and facilitated at Mthatha Mouth, Hluleka where there is also a nature reserve and at Ntlangano. In these three coastal areas, construction of hotels and any other forms of accommodation such as camping sites as well as any other tourist attractions should be encouraged
	Industrial Development	An area for manufacturing be established west of the Municipality along the N2 road and in the Caranafi Fields
	Service Centres	Spatial development should be facilitated and approved in three service centres of Marubeni in the north, Ntlaza junction in the centre and Canzibe in the south
MHLONTLO LM		



SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
NODES	Urban Nodes	Tsolo and Qumbu
	Rural Nodes	Sulenkama; St Cuthberts; Caba; Shawbury; Langeni Forest;
	CRDP nodes	Gqunu, Ngxakoko, Goqwane, Mqobisi, Nombodledlana
	Tourism Nodes	Tina Falls; Tsitsa Falls, Mabheleni
ROUTES	Secondary Route	Upgrade access roads –Sulenkama, Tsitsa Falls, Mafusini, Bridge – Caba
PRIORITY AREAS	Tourism Development Areas	Mabheleni Dam, Tina Falls, Tsitsa Falls, Shawbury, Ntlangani Conservancy Area
	Agriculture Development Areas	Tsolo School of Agriculture will be revived and developed to provide training and skills development programmes for the identified agricultural cluster projects Conservation of prime agricultural land, involving the local Department of Agriculture to assist in the identification of land with potential for different types of agricultural production, for example, irrigation
	Forestry Development Areas	Nqadu, Langeni, Tsilitwa, Ngqukuqeni, Blackhill
PRIORITY ISSUES	Underutilised Land/Low Density development, Security of Tenure, Unmanaged Development, Urban and Rural Development Implementation of infrastructure and economic development projects Tourism Development, Forestry Development, Agriculture Development, Environmental Management	
PORT ST JOHNS LM		
NODES	Urban Node	The urban node comprises of the built up areas of the Port St Johns town
	Peri Urban Node	The Port St Johns Zoning Scheme Boundary forms the outer boundary of the Peri-Urban Node
	Administrative nodes	Ntombo Administrative Node, Ntafufu Administrative Node
	Service Nodes	Bambisani Services Node, Isilamela Services Node
	Coastal accommodation nodes	The Singwanana, Mngazan, Mngazi River Mouth, Mntafufu River Mouth and Mauteku
ROUTES	Primary Route	The main spine which connects Port St Johns to Mthatha and Lusikisiki is the R61 Trunk Road. This route also provides access to the Tombo and Ntafufu Administrative Nodes
	Secondary Route	The lower order spines District Roads, need to be upgraded in order to improve the accessibility to the Services, and coastal

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
		Accommodation Nodes. These roads areas: <input type="checkbox"/> DR 08307 R61 to Mngazi River Mouth <input type="checkbox"/> DR 08029 Tombo to Isilamela & Singwanana <input type="checkbox"/> DR 8029 – Tombo to Mngazana <input type="checkbox"/> DR 08151 R61 to Manteku River Mouth <input type="checkbox"/> DR 08152 R61 to Ntafufu River Mouth <input type="checkbox"/> DR 08158 Lusikisiki to Bambisana Mission
SPECIAL DEVELOPMENT ZONES	The Coastal Zone including the Special Development Area	A special development area zone or low impact eco-tourism zone should be maintained for the remaining strip of coastline not earmarked for nodal development. Spatial development areas are areas where only low intensity environmentally and culturally sensitive development aimed primarily at eco-tourism should occur.
	Urban Area	Port St Johns
	The River Valley Zone	This area is classified as the lower lying land portions adjacent to the six rivers traversing the study area. The most prominent of these river reed areas is the Umzimvubu loval flood plain traversing the entire study area
	The High-lying Hinterland	This area is classified as the higherlying areas to the north of the riverine valleys. The terrain is characterised by very steep valleys and undulating landscape with portions of flatter plateaux located in the northern portion of the study area
IINGQUZA HILL LM		
NODES	Primary Nodes (1 st Order)	Flagstaff and Lusikisiki.
	Tourism nodes	Iingquza Hill; Qaukeni Great Place; The Whole Coastal Area; Mkhambathi; Magwa Falls
	Coastal Nodes (2 nd Order)	Mbotyi; Msikaba
	Rural Service Centres	Holy Cross; Bukase
	ROUTES	Existing Mobility Route
		District Road connecting Flagstaff to Holy Cross to Mthontsasa to Msikaba; District Road from Lusikisiki to Qaukeni to Holy Cross to Mbizana; District Road from Mbotyi to Lusikisiki
Proposed Mobility		N2 Toll Road from Lusikisiki to Mbizana to KZN



SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
	Routes	
PRIORITY ISSUES	Coastal Area	The Coastal Area includes the land above the coast from Mtentu to the Mzintlava Rivers and includes the Coastal Area of Mbotyi and Msikaba
	Rural Settlement Area	Rural settlements are dominant in the area and in need of access to basic levels of services and development opportunities
	Urban Area	The urban areas of Flagstaff and Lusikisiki are earmarked for further urban growth where a vast amount of amenities and basic services will be clustered

2.10 Good Governance and Public Participation

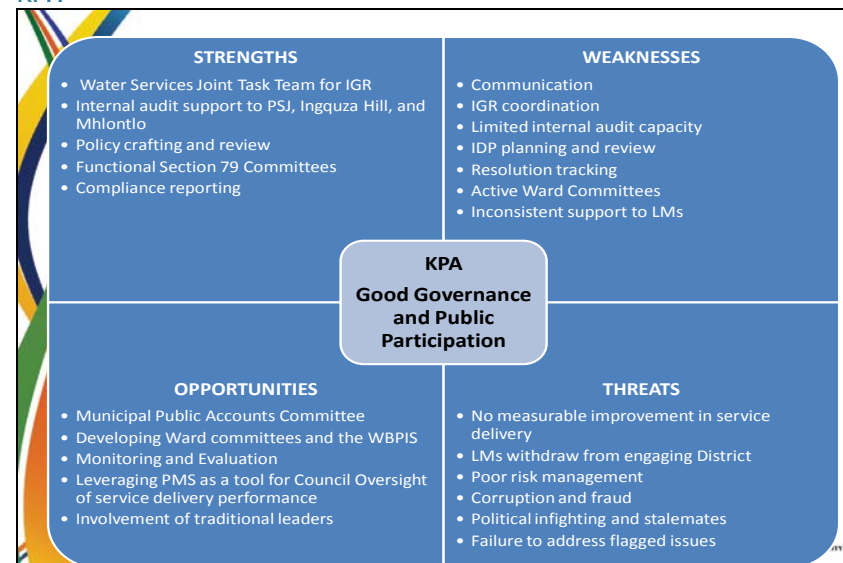
“Good Governance and Public Participation” is one of the five Local Government Key performance areas (KPA) and is mainly about ensuring that the Municipality is able to execute its constitutional mandate and is guided by accountability, fairness and transparency; and ensures public involvement in the affairs of the municipality. At least ten focal areas have been identified as crucial when planning and focusing on ensuring and improving good governance and public participation in O.R. Tambo DM. These are the following:

- Functioning of council and council structures/ committees;
- Traditional leadership/ Councils as institutions in Local Government;
- Public participation (focusing on Communities and community structures, ward committees, Community Development workers, various organs of civil society);
- Functioning of Intergovernmental Relations;
- Monitoring, reporting, and evaluation;
- Communication, branding and marketing;
- Auditing;
- Risk Management;
- Anti-fraud and anti-corruption; and
- Legal Services.



An analysis of Strengths, Weaknesses, Opportunities and Threats of the District was done with regards to this KPA, and to (1) better understand the stakeholders and (2) identify challenges and improvement areas going forward, whilst appreciating the strengths and opportunities in place (see Figure 29 below).

Figure 29: SWOT-Analysis regarding the Good Governance and Public Participation-KPA



2.10.1 Functioning of Council and Council Structures

In terms of Section 12 Notice, O.R. Tambo District Municipality is a category C municipality which consists of 60 Councillors. Councillors are composed as set out in Tables 36 to 38 below. Structurally, the O.R Tambo District Municipality is an Executive Mayoral type, constituted of political and administrative structures.

Table 36: Composition of O.R. TAMBO DISTRICT MUNICIPALITY Councillors

DESCRIPTION	NUMBER
Full time councillors	17
Part time councillors	43
Directly elected councillors	23
Indirectly elected councillors	37
Females	23
Males	37

Table 37: Existing Councillors in the O.R. TAMBO DISTRICT MUNICIPALITY

PARTY MEMBERS	TOTAL NO. OF CLLRS	PART-TIME CLLRS	FULL-TIME CLLRS
Total	60	43	17
ANC members	49	32	17
UDM members	6	5	1
DA	2	2	-
Cope	3	3	-

Table 38: Number of indirectly elected councillors per municipality

MUNICIPALITY	NO OF COUILLORS
King Sabatha Dalindyebo	12
Nyandeni	7
Port St Johns	4
IIngquza Hill	7
Mhlonlto	6

Following the 2011 local government elections the implementation of the principle of Separation of Powers was endorsed by the leadership of the District Municipality. This Governance Model separates the Legislature from the Executive and is used as a mechanism for oversight and scrutiny at a municipal level. The establishment of Council as a "Local Council", performing the function of a legislative assembly, has been critical for the successful implementation of this model, utilising its ability as the ultimate authority to hold the Executive and the Administration to account.

The Legislature



The core mandate of the Legislative Arm of Council is focused on five themes:

- Accountability, Oversight and Scrutiny;
- Strengthen capacity of the Legislative Arm of Council;
- Public Participation to safeguard local democratic processes;
- Monitoring and Evaluation; and
- Sound Financial Management.

Legislative functions also include the approval of by-laws, policies, budgets, the Integrated Development Plan, tariffs, rates and service charges. Council further considers reports received from the Executive Mayor, focuses on public participation related to Council matters through discussions, stimulates debate in multi-party portfolio committees, and ensures community and stakeholder participation as well as playing an oversight role on the Executive.

The Speaker is the Political Head of the Legislative Arm of Council and plays a coordination and management role in relation to the Section 79 Standing Committees. Other responsibilities of the Speaker, as legislated, include:

- Presiding at meetings of the Council;
- Performing the duties and exercising the powers delegated to the Speaker;
- Ensuring that the Council meets at least quarterly;
- Maintaining order during meetings;
- Ensuring compliance with the Code of Conduct by Councillors; and
- Ensuring that Council meetings are conducted in accordance with the rules and orders of the Council.

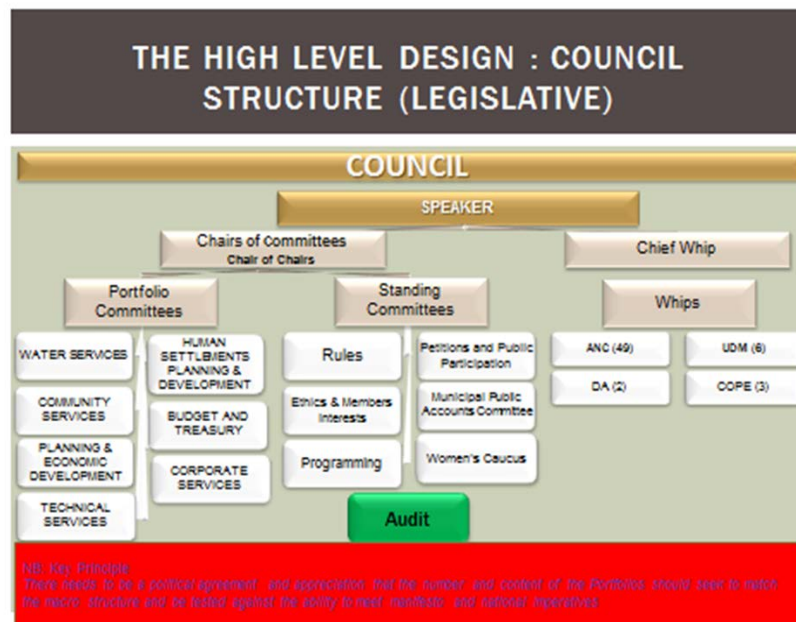
Chairpersons of Section 79 Portfolio Committees

Section 79 Portfolio Committees perform an oversight role by monitoring the delivery and outputs of the Executive. These committees do not have any delegated decision-making powers. Functions include:

- Reviewing, monitoring and evaluating departmental policies;
- Reviewing and monitoring of district city plans and budgets;
- Considering quarterly and annual departmental reports;
- Examining the links between the strategy, plans and budgets of the District City; and
- Holding the political Executive accountable for performance against policies and City priorities.

2.10.1.2 New Governance Model

Figure 30: New Governance Model



2.10.1.3 Political Management Committee



The municipality of O.R. Tambo District Municipality aims at ensuring that the political structures within Council operate in harmony in order to fast track and enhance the process of service delivery and making the local government work. This includes striving for the effective and efficient political management of the Council through Multi-party Whippery System that enhances cohesion and consensus among all political parties in the Council. The municipality also aims to provide adequate information to Councilors and political parties in Council to enhance their capacity to influence meaningful decision-making.

Council took a resolution to have a full time Chief Whip and thus institutionalized the Office of the Chief Whip. Council Chief Whip performs duties as stated in the Council's delegated authority and as such Council adopted a policy on the functioning of the Office of the Chief Whip.

The Office of the Council Chief Whip established a political committee called Troika constituted by the Executive Mayor, Speaker and Council Chief Whip. This committee is coordinated and chaired by the Council Chief Whip and can when deemed necessary the Municipal Manager is also invited to the meeting. This committee provides strategic leadership for the district municipality to be able to effectively utilize the limited resources to achieve its objectives. The main function of this committee is that of ensuring political stability in the institution.

2.10.1.4 Whippery Support

Council took a resolution to have a full time Chief Whip and institutionalization of the Office of the Chief Whip. Council Chief Whip performs duties as stated in the Council's delegated authority. The Council Chief Whip meets quarterly with Chief Whips from all five LMs to conduct an audit of service delivery. All whips are also expected to present written reports on service delivery challenges, programs and projects taking place, achievements and any other issue that may impede service delivery. A policy on the functionality of the Office of the Chief Whip has been developed and adopted by Council.

2.10.1.5 Challenges on the functioning of council and council structures

The following challenges on the functioning of council and council structures have been identified:

- Capacity gap on the new councillors into oversight responsibilities / particularly council committees
- Role definition between the executive and legislative committees of council
- Remuneration of political office bearers
- Poor administrative support provided for council structures to exercise oversight responsibilities
- No framework guiding location and provision of administrative support for traditional leadership in council
- Political instability may hamper proper functioning of councils
- Lack of clarity on the role of whippers in municipalities

2.10.2 Public Participation

Public participation is rooted in the Constitution of the Republic of South Africa, which grants all citizens a right to meaningful participation in the country's affairs, and as such a right to shape and determine their own destiny. Local government has been entrusted with the responsibility of ensuring involvement of communities, and community (civic) organisations in local government affairs. Outcome No.9 of 12 National Objectives refers to "A RESPONSIVE ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT SYSTEM". Emphasis will be on Output No. 5 whose aim is to "Deepen democracy through a refined Ward Committee Model". The municipality of O.R. Tambo District will therefore structure and co-ordinate participation of communities in all municipal programs. It will also support functionality of ward committees and CDWs in all local municipalities.

During 2012/13 financial year the O R Tambo District Municipality called upon all her citizens to exercise their right to actively participate in the municipality's affairs to the fullest of their abilities, endowments and human dignity. The objectives of this approach to public participation are as follows:

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

The White Paper on Local Government, 1998, puts forward the vision of "Developmental Local Government", which it defines as: *"Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve their quality of lives."*

The vehicle and system for involving the public is given more emphasis in Section 16 of the Municipal Systems Act, 2000, which requires of municipalities to (1) develop a culture of community participation and (2) create enabling and supporting mechanisms, processes and procedures. These mechanisms must involve communities in planning, performance management, budgeting, and service delivery. Municipalities are also required to build the capacity of the local community to participate, as well as the capacity of Councillors and staff to foster community participation. A Public Participation Policy and Public Participation Strategy have been developed and adopted by Council to ensure that communities that are within the area of jurisdiction of O.R. Tambo District Municipality do participate in the policy formulation and implementation processes. The O.R. Tambo District Municipality Strategy is also meant to support and translate into reality the vision, mission and objectives of the municipality.

2.10.2.1 Participation in IDP and Budget Processes



Before the IDP and Budget are approved by Council, Roadshows are conducted in each municipality to get inputs from the communities. When the IDP is developed, community members participate through the IDP Representative Forum.

2.10.2.2 Ward Committees

Ward Committees are committees established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998, and they are also referred to as Section 73 Committees. Currently, there are 143 wards throughout O.R. Tambo District Municipality:

KSD	: 35 wards (350 ward committees)
Mhlontlo	: 26 wards (256 ward committees)
Nyandeni	: 31 wards (307 ward committees)
Port St. Johns	: 20 wards (200 ward committees)
Iingquza Hill	: 31 wards (303 ward committees)

Those with fully established committees have been taken through some training in an attempt to orientate them to local government processes.

2.10.2.3 Community Development Workers

All five local municipalities under O.R. Tambo District Municipality have Community Development Workers who are working with other community structures in ensuring that services are delivered to the people. In total, there are 106 CDWs that are allocated as follows:

- Mhlontlo LM : 23CDWs
- Nyandeni LM : 25 CDWs
- Port St. Johns LM : 26 CDWs
- KSD LM 26 CDWs
- Iingquza Hill LM 24 CDWs

The intention was to ensure that each and every ward has a Community Development Worker but due to limited resources and other logistics there are wards

that still have no CDWs but are being serviced by other CDWs with the coordination of a local coordinator.

2.10.2.4 Support to Local Municipalities

All Local Municipalities were encouraged to establish oversight committees and were provided with Terms of Reference for such committees. This was discussed and agreed upon at the level of District Speakers Forum, which is the platform coordinated by the Speaker of the DM for all Speakers from the LMs in the District. The support given to the LMs also include (1) the CDW programmes; (2) establishment and capacitation of the Municipal Public Accounts Committee; (3) establishment and capacitation of Oversight Committee members; (4) Policy development; and (5) compilation of Council documents.

2.10.2.5 Council Meetings

There is a Council approved Council Calendar that regulates the sitting of Council meetings and Council Committee meetings. The Office of the Speaker has fully complied regarding the sitting of Council meetings. The Office of the Speaker has also provided laptops to its councillors as working tools. The intention with this step is to introduce paper-free, electronic council meetings, and to minimise transportation and printing costs. To assist the process, Councillors have received Computer literacy training.

2.10.2.6 District Speakers' Forum

The District Speaker's Forum is an IGR structure whose objectives include (1) the building of common understanding from shared experiences; (2) coordination of work in areas of common interest; and (3) the development and management of municipal programmes between the LMs and the DM. The O.R. TAMBO DISTRICT MUNICIPALITY has the responsibility of coordinating its LMs in a structured manner for information sharing purposes. The Office of the Speaker has thus far hosted one District Speaker's Forum in this financial year and more are being planned.

2.10.2.7 Commitment to Community Participation



The O.R. TAMBO DISTRICT MUNICIPALITY endeavours to ensure that communities are central to the development of IDPs and that they are aware of their role in local government. To this effect, a number of outreach programmes to the five LMs were held by both the Office of the Executive Mayor and the Office of the Speaker.

2.10.2 8 Challenges to Public Participation

Despite its benefits and successes, there are also challenges associated with public participation. These are as follows:

- Non-sitting of Ward General Meetings;
- Inconsistency in convening ward Committee Meetings and submission of reports to Offices of Municipal Speakers;
- Limited resources for building the capacity of Organs of Civil Society;
- Policy on Participation of Traditional Leaders Participating in Council not yet adopted by Council;
- Dysfunctional District Moral Regeneration Movement (MRM) Structures; and
- Lack of feedback to Petitions lodged by communities and community organizations to the municipality;
- Public Participation Policy and Strategy not fully implemented;

2.10.3 Petitions and Complaints Management

In the past, there was no system in place for the management of the complaints and petitions in the municipality. The Municipal Council has developed and adopted a policy which seeks to regulate (1) the manner in which community members and stakeholders lodge their complaints/petitions, and (2) how the municipality handles such complaints/petitions. This policy also seeks to encourage community members and stakeholders to exercise their constitutional right as per Section 17 of our Constitution. This policy was adopted by council in March 2013.

Over and above the Community Complaints and Petitions Handling Policy, the District also has dedicated personnel who deal with the complaints and related matters received from the Presidential Hotline. This function is currently facilitated through the Office of the Municipal Manager.

2.10.4 Traditional Leadership and Councils

The The O.R. Tambo District Municipality will endeavor to strengthen council structures responsible for oversight role. This will enable accountability and transparency of Council to the community by ensuring sitting of council structures as per legislation. The municipality will ensure provision of support to council role players for effective and qualitative participation in local government processes. The municipality also aims at developing a uniform approach on the participation and support of traditional leaders in council.

Traditional leadership and Traditional councils have been identified as an exclusively critical stakeholder in Local Government and as such, relations between these institutions and the municipalities present huge opportunities for fast-tracking service delivery. The key issue identified is that the relations with traditional leadership are currently unstructured/ adhoc, not formalised. Apart from meetings of Traditional Leaders with the Executive Mayor and the IDP Roadshows, the only platform where they could participate in the IDP processes was through the IDP Representative Forum. This hampered the planning and speed of service delivery and reduction of service delivery backlogs as the attendance to these meetings was not good. During this term of council, twelve (12) Traditional Leaders are participating in the Council O.R. Tambo District Municipality, with the view to accelerate service delivery.

2.10.5 Social Cohesion

The Office of the Executive Mayor, together with the Community Services Department, is implementing a number of programmes and activities aimed at promoting social cohesion in the communities of the District. These include moral



regeneration programmes, e.g. (1) participation in the *Inkciyo* initiative; (2) sports, arts and cultural activities; and (3) support to various community organisations and cooperatives.

2.10.6 Intergovernmental Relations (IGR)

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

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

The functioning of the Intergovernmental Relations Forum in the District is improving – particularly the various Sector forums, including those linked to the IDP. Some of the outcomes of this improved IGR-functioning in the District have been:

- The drafting of the Five Year Sector Strategies which form the basis of this document;
- Outlining what the district wide priorities as adopted by all the LMs should be;
- The preparation of the Local Government Turnaround Strategy; and

- The review of the District IGR policy framework
- The launch of the District IGR as well as IGR roadshows that were conducted district wide.

The Social Needs cluster has a huge number of IGR Structures that duplicate each other and as such it needs to align with the IGR Policy where IGR Structures are outlined and all other forums serve as substructures that feed to the Social Services Forum and Satey and Security Forum to avoid duplication of forums.

Whilst much good as been achieved and while there is now an IGR Framework in place, (1) it needs to be reviewed and (2) an IGR Policy developed. This review and framework development has been budgeted for in the next financial year. All the IGR structures that are in place in the O.R Tambo DM are provided in Table 39 below:

Table 39: IGR Structures in the District

IGR STRUCTURE	NATURE (POLITICAL/TECHNICAL)	REQUIRED FREQUENCY OF MEETINGS	FUNCTIONALITY
District Mayor's Forum	Political – chaired by the Executive Mayor	Once per semester	Functional, with consistent attendance by most Mayors from the LMs
IGR FORUM ALIGNED TO ALL LG KPA AND IGR POLICY	Political and Technical	Quarterly	They are functional
Municipal Manager's forum	Technical – chaired by the Municipal Manager of the DM	Quarterly	Functional and all lms are participating.
District Communicators forum	Technical – chaired by the DM manager for communications unit	Monthly	Functional and active
Local Communicator's forum	Technical – chaired by the LM heads of communications	Monthly	Functional in some LMs
District Speaker's Forum	Political – chaired by the Speaker	Once per quarter	Functional.
District Whippery Forum	Political – chaired by the Council Chief Whip	Once per quarter	Functional.



IGR STRUCTURE	NATURE (POLITICAL/TECHNICAL)	REQUIRED FREQUENCY OF MEETINGS	FUNCTIONALITY
KSD Presidential Intervention	Political – chaired by the Premier	Bi-Monthly	Functional and constitutes of all sector departments
District IDP Coordinators Forum	Technical	Monthly	Functional.

Table 40: Existing twinning arrangements and MOA/MOU

TWINNING ARRANGEMENT/ MOA/ MOU	AFFECTED INSTITUTIONS	PURPOSE	LEADING DEPARTMENT
Water Services Function	Amatola & Umgeni Water Boards	Improvement of Water Services function	Water Services
Development of Water master Plans	DWA & Water-Boards	Development of Sustainable and reliable water resource (development of water master plans)	Infrastructure Cluster
Study Assistance	Patrice Motsepe and OR TDM	Bursary Fund to need students	SPU
	Anglo-Ashante and O.R. TAMBO DISTRICT MUNICIPALITY	Study Assistance	
Health Services	City of Italy and O.R. TAMBO DISTRICT MUNICIPALITY	Supporting Clinics across the District.	EMS
Acceleration of sanitation backlogs	National Department of Human Settlements	Reduction of backlogs through Accelerate of the delivery of Sanitation	Technical Services

2.10.6.1 Support to Local Municipalities

The various departments in the O.R. TAMBO DISTRICT MUNICIPALITY are implementing a number of programmes in support to the five LMs. The major challenge is that there is no system in place to centrally coordinate the LM support programme, and as such these are not monitored. The DM also has limited capacity to ensure central coordination of LM support, mainly due to its small staff component.

Table 41 below indicates the various LM support programmes implemented by the various departments in the DM:

Table 41: LM Support Programmes

Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
Office of the Executive Mayor	Local AIDS Council	All LMs	Seven Local AIDS Councils have been established	Inconsistence in the attendance of meetings by the members
	Ward AIDS forums	All LMs	Thirty two Wards Forums have been established	Unavailability of stipend for the members is a hindering effect in the maximum participation of members
	NGOs/Faith Based and Community based Organisations	All LMs	Community based organisations doing home based care program were given home based care kits.(Faith based organisation : Mthatha)	Funds not enough to provide required support.
	Support groups	HIV positive people in all LMs	162 support groups were supported	Low socio economic status for people living with HIV virus is hindering effect to their maximum participation as most of them depend on conditional grant.
	Community health care centres	Terminal ill and neglected patients in Ntabankulu and KSD LMs	Ixabiso lomntu community care centre –Ntabankulu and Temba community based care –Mthatha were given financial support	R120 000, which was given to both centres proved not be enough to address their challenges.
	Non medical HIV Counselling & testing sites	All LMs	25 Non medical HIV counselling & testing sites were supported	Funds not enough to cater for the stipend of retired professional nurses and Lay Counsellors.
	High Transmission	KSD, Mhlontlo, Nyandeni and Port	Five High transmission area	NONE



Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
	Area sites	St. Johns	sites were supported(Mthatha Shell Ultra City, Tsolo junction ,Mbizana , Ngqeleni and Port St. Johns second beach.	
	Health facilities	All LMs	Professional nurses for communicable diseases were trained for different health facilities.	Mostly on completion of the training,professional nurses become marketable or promoted. Meaning that HIV/AIDS unit had to train new nurses.
	Nurses schools	Mhlontlo and Nyandeni LM	150 young people identified in needy homes were enrolled as in Enrolled nurses and enrolled assistance programs in an attempt to address the shortage of health care workers, unemployment and shortage of skills in the District. 75 young people completed Enrolled nurses assistance program and they are placed in different health facilities.	Lack of infrastructure in these nursing schools limits the annual intake of new student nurses.
	Places of safety	Palmerton –IIngquza Hill , Siyakhana ; IIngquza Hill & KSD LM	85 vulnerable children and 15 abducted girls were placed in Palmerton child care centre and in nearby Junior and High school to continue with their education.	Shortage of funds has a negative impact in the operations of the centre.
	Orphans and vulnerable	All LMs	All identified needy children were placed	Lack of integration of programs has serious

Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
	children		in different schools and tertiary institutions to continue with their education.	impact in expanding the program due to the fact that ,the District has to pay for the fees, stationery and uniform whereas they are supposed to be exempted.
	Cooperatives for the vulnerable groups	Zalu Hill: IIngquza Hill , Baziya, Mthatha: KSD, Gxulu: Nyandeni, Hormies furniture: KSD LM Xhwili A/A:KSD LM	Two women sewing projects in Zalu Hill and Gxulu are currently functioning. Baziya Poultry project for young women is functioning well, Hormies carpentry for young men is operational , Eastern cape magazine for a young woman in Xhwili A/A is operational, Project for carpentry Arts and craft for people with Disabilities in Flagstaff : IIngquza Hill is operational	NONE
	Students finance Program	All LMs	104 tertiary students are currently benefiting from the program; 26 have completed their degree	Funds are not enough to cover needy students.
Legislative Services	Support on the Establishment of MPAC and Oversight Committees; Development of Public participation Policy, Public Participation	All LMs	All LMs have been work-shopped on MPAC Terms of Reference; All local municipalities have been encouraged to participate in the Speakers and Traditional Leaders Summit	Inconsistence in attending meetings convened by the DM.



Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
	Strategy and Ward Committee Guidelines; Compilation of Council Documents, Council Minutes and Resolutions register			
Internal Audit	Provide internal audit support to local municipalities on a shared service arrangement.	Port St Johns and Mhlontlo LMs	There has been improvement in audit outcomes with Port St Johns LM obtaining an unqualified audit opinion in the 2009/2010 financial year.	The existing capacity in the district is inadequate to fully service the LMs. Past audit issues are not addressed on time resulting in recurring audit issues.
Office of the Municipal Manager	Coordination of development of IDP and PMS	All LMS	Development of Framework and process plans for both IDP and PMS	Limited capacity (staff complement), some LMs do not dedicated personnel for IDP and PMS
Legal Services	Legal , consultative and sharing of personnel for legal support	Mhlontlo, Nyandeni, Ingquba Hill KSD and Port St Johns LMs	Successfully defended cases for the municipalities' .Shared skills and legal manual.	Structures do not provide for adequate legal staff, too many litigations and less funding. Less opportunities for meetings
Human Resources	Support for job evaluation , Consultative	Mhlontlo, Nyandeni, Ingquba Hill, KSD and Port St Johns LMs	Job evaluation finalized and implemented in some LMs and in other still in process	Formulation of policies, No uniformity of systems, lack of skilled personnel.
ICTM	Consultation,	Mhlontlo, Nyandeni, Ingquba Hill, KSD and Port St Johns LMs	Three policies have been approved which are: ICT Steering Comm, ICT Policy and Security.	Formulation of policies, No uniformity of systems, lack of skilled personnel.
Rural Planning and Economic development	Planning	Mhlontlo LM Mhlontlo Ward 2 & 13 Port St Johns LM	Tsolo Junction SDF being developed. Community Based plans developed.	C

Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
		Ward 11		
Community and Social Services	Capacity building and training	All LMs	Training of community members on Tourism Arts & Craft, Business skills, Poultry management & disease management. Public transport operators trained on conflict management, Customer care & financial management.	
	Engineering Support	All LMs	Development of standard tender document that complies with CIDB regulations. Purchase of Design Soft Water for Nyandeni LM. Training on General Conditions of Contract in 2010.	Not Applicable

2.10.6.2 Challenges Identified in IGR

Despite the many successes, there are still many challenges, with the following having been noted:

- *Ad hoc* IGR coordination at local municipalities level;
- Need to improve on planning and coordination of events/ IGR activities between DM and LMs;



2.10.7 Integrated Service Delivery Planning, Implementation, Monitoring, Reporting and Evaluation

This focal area is mainly about ensuring credible processes for service delivery planning, implementation monitoring, reporting and evaluation. It is about ensuring alignment of service delivery plans and programmes between National, Provincial Government sector departments and municipalities. It also focuses on the involvement of communities in holding municipal councils accountable for service delivery in their local space. This focal area also looks at ensuring that municipalities have proper governance structures and systems in place to ensure accountability on delivery against set plans and programmes.

Challenges with regards to service delivery planning, implementation monitoring, reporting and evaluation are the following:

- There is improvement in alignment programmes and plans so it is no longer a challenge.;
- No proper feedback to communities after IDP Road-shows;
- Lack of community involvement in project implementation/ improper introduction of projects to communities;
- Ineffective of project steering committees;
- Poor planning;
- Performance monitoring and evaluation and reporting not leading to improved service delivery (Insufficient oversight)
- "Malicious compliance";
- Inadequate monitoring and evaluation on service delivery;

2.10.8 Communications

Municipalities must ensure that they have a Communications Unit that empowers and encourages citizens to participate in democracy and improve the lives of all. This helps in ensuring coherence of messages, open and extended channels of communication between municipality and the people, towards a shared vision. Although the DM does not have a fully fledged Communications Department, a District Communicators Forum (DCF) has been established and is partially functional. Most LMs do attend DCF meetings but a few municipalities are not

consistent in attending meetings. Issues pertaining to the communication cluster are attended to. Communicators have been inducted on the role that they need to play in their respective municipalities.

The process of adoption is in progress, after the draft communication strategy was presented at the District Municipality Policy Workshop, held at Mthatha Garden Court (Holiday Inn), from 05-07 March 2013. A subsequent meeting to check on the validity of the draft communication strategy was held on 13 March 2014 to ensure that all gaps are closed and that it is tabled for approval to Council in April 2014. The kind of challenges that the Communication Strategy and Plan will seek to address are the following:

- Non- Centralised communications;
- Communications units not sufficiently resourced in terms of Human Resources and finances (communications units only have one official in the LMs);
- Strategic placement of and use of communications, i.e. Heads of Communications and officials are placed on lower levels in the organogramme;
- Inconsistency in updating information in the municipal websites;
- Negative perceptions in the Media;
- Inconsistency in attendance of the DCF by some municipalities;
- Lack of Corporate Identity;
- Varying and inconsistent communication (internal and external);
- Internal communication is not done properly;
- Communication with external institutions that is poorly managed/channelled;
- Service delivery communication to LM and communities;
- No clear communication between DM and LM councils (especially DM & LM council decisions);
- No proper coordination of communication in the district;
- No fully fledged Communications Unit; and
- Non-responsive Communication Strategy.



2.10.9 Audit and Risk Management

The audit function entails an evaluation of a person, organization, system, process, enterprise, project or product. The situation in the district is as follows:

- All municipalities in the district have functional internal audit functions.
- Audit committees are in place.
- The district has established a shared internal audit services function.
- Internal audit services are shared with Mhlontlo municipality, Port St John's local municipality, Port St John's Development agency and Ntinga OR Tambo Development Agency.
- Ad-hoc support is provided to other municipalities upon request.
- All municipalities in the district have been audited by the Auditor General for the financial year 2012/2013.

The district municipality has an in-house internal audit function and is also extended to support some of the local municipalities that fall under its jurisdiction. Key challenges that have been identified in this area include the following:

- Audit issues identified are not attended to, audit action plans not fully implemented;
- Insufficient resources of internal Audit Units;
- Recommendations made by Internal Auditors not implemented;
- Lack of shared commitment between political leadership and administration (senior management);
- Internal Audit units working nature not proactive to give early warnings
- Lack of enforcement of all matters raised by the Internal Audit unit.
- The District still require support in order to improve their audit outcomes
- The existing internal audit unit is inadequate to fully provide the required support.
- Effectiveness of the audit committee is not continuously monitored;
- Risk management is not yet entrenched in operations of the institutions; and
- The existing systems and procedures are not fully effective in mitigating the risk of fraud and corruption.

2.10.9.1 Audit Outcomes for the 2014/2015 Financial Year

Remarkable improvement is reported for the Ntinga O.R. Tambo Development Agency, which maintained an unqualified audit opinion for 2013/2014 and 2014/2015 with no matters of emphasis. Ingquza Hill LM has excelled in this regard, by obtaining a clean audit opinion. The O.R. Tambo District has improved from disclaimer (in 2012/2013 and 2013/2014) and obtained a qualified audit opinion. This was an area of concern for the Council particularly since 2011/2012 financial year the district municipality had received similar audit opinion. The state of regression in Port St Johns Municipality was observed; moving from a qualified audit opinion in 2013/2014 to a disclaimer in the 2014/2015 financial year. The Port St Johns Development Agency has maintained a qualified audit opinion since 2012/2013 financial year.

Nyandeni LM has also maintained an unqualified audit opinion for 2013/2014 financial year. Mhlontlo LM has regressed from a qualified audit opinion for 2012/2013 financial year to an adverse opinion for 2013/2014. In King Sabata Dalindyebo LM, there was an improvement from a disclaimer of audit opinion to a qualified audit opinion. In general, the results imply that the District must intensify its efforts to ensure better audit opinion.

The table below (Table 42) illustrates the types of audit opinions received by municipalities over the last two financial years.

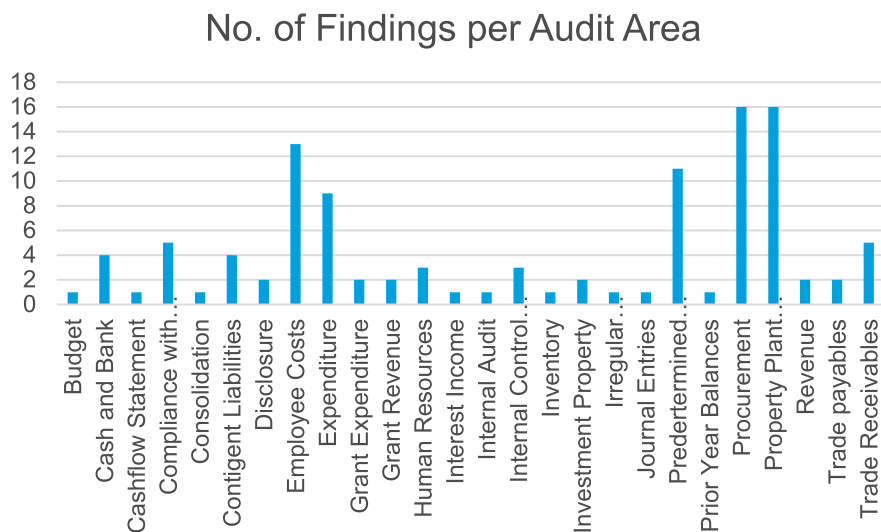
Table 42: Audit Outcomes in the District in the period 2013 to 2014

Name	2014/2015	2013/2014	2012/2013
OR Tambo DM	Qualified	Disclaimer	Disclaimer
Ntinga OR Tambo Development Agency	Unqualified	Unqualified	Unqualified
KSD municipality LM		Qualification	Disclaimer
Mhlontlo LM		Adverse	Adverse
Port St Johns LM	Disclaimer	Qualified	Qualified
Port St Johns Development Agency	Qualified	Qualified	Qualified



Inggquza Hill LM	Clean	Unqualified	Unqualified
Nyandeni LM		Unqualified	Unqualified

The O.R. Tambo District audit results are summarised in the figure below, looking at the number of audit findings per audit area. This is an analysis of findings in the management report per category reported in the audit report and financial statements. The top three areas of findings relate to internal control, compliance with procurement regulations and reporting of performance against predetermined objectives.



Audit Action Plan

A thorough analysis and understanding of the AGSA's audit report and the causes of the findings informed the development of the "Management Audit Action Plan" detailed in the attached document, which has been summarised into this "Strategic Audit Action Plan 2015/16" document. The document gives an overview of the critical management and oversight actions necessary for full implementation of the Management Audit Action Plan.

Management has identified the following result areas as deserving strategic focus in the implementation of the management audit action plan. The areas, as informed by the analysis of audit findings are:

- Performance of a Pre-Audit exercise by internal audit on all prior accounts and figures that were qualified by the AGSA for audit by 30 June 2016 in order to minimise the impact of qualification on the restated 2014/15 figures;
- Implementation of internal controls for identification, recording and reporting of irregular expenditure for the 2014/15 and 2015/16 financial years. Review and updating of the contracts register to enable accurate reporting of commitments;
- Advising Council by 31 January 2016 on the establishment of a committee of council to investigate irregular, unauthorised and, fruitless and wasteful expenditure for the purposes of recovery, or write-off.
- Review, updating and documentation of internal control processes (procedure manuals) for all key processes of the Municipality, followed by a change management process to ensure the attitude of council, management and staff on internal controls is transformed;
- Implementation of a compliance monitoring functioning within departments coordinated by the Municipal Manager's office and the review of the 2015/16 SDBIP and implementation of corrective measures immediately after the approval of the budget adjustment by Council; and
- Council adoption of a stringent process for monitoring the implementation of the management audit action plan and consequence management in the event of failure to implement. The MAAP will be a standing item of MANCO and MAYCO.
- Departments to exercise strict asset management controls and accountability of assets under their custody, and Head of Departments to lead this process for their respective departments.

2.10.9.2 Audit Committee

The district municipality is currently in the process of appointing the audit committee as the contract had expired. The appointment will be valid for a period of three years. The function of audit committee is performed within the parameters of the Audit committee Charter, which was approved in 2008. The Audit committee sits once a quarter and its reports are submitted to Council at the end of each quarter.



The table below (Table 43) summarises the status of audit committees in the DM and the five LMs in the District:

Table 43: Status of Audit Committees

NAME OF THE ORGANIZATION	AUDIT COMMITTEE STATUS
Ntinga OR Tambo Development Agency	Committee is in place
Port St Johns Local Municipality	Committee is in place
King Sabata Dalindyebo Local Municipality	Committee is in place
Iingquza Hill Local Municipality	Committee is in place
Nyandeni Local Municipality	Committee is in place
Mhlontlo Local Municipality	Committee is in place

Table 44 below summarises the status of the internal audit function in the DM and the five LMs in the District:

Table 44: Status of Internal Audit Function

NAME OF THE ORGANISATION	INTERNAL STATUS
Ntinga OR Tambo Development Agency	Shared with District Municipality
Port St Johns Local Municipality	Shared with the District Municipality
King Sabata Dalindyebo Local Municipality	In-house function
Iingquza Hill Local Municipality	In-house function
Nyandeni Local Municipality	In-house function
Mhlontlo Local Municipality	Shared with the District Municipality

2.10.10 Risk management

- Risk management policy is in place. However, they are not fully implemented;
- The risk management charter has been developed and not yet approved
- Risk management continues to be viewed as a compliance matter. It is not yet made to be part of municipal programmes and projects;
- This function is coordinated by internal audit function. There is no dedicated risk management capacity in municipalities; however the post of the district chief risk officer has been prioritised and is currently advertised.
- The internal audit continues to provide oversight over risk management strategies

2.10.10 Anti-Fraud and Anti Corruption

In the O.R. Tambo DM, risk management and anti-fraud and anti-corruption policies are in place. However, since the municipality has not yet entrenched risk management in its operations and as such these policies are not yet implemented. A policy on declaration of conflict of interest by staff has been developed and not approved yet. The audit committee will play a significant role in monitoring the implementations of risk management plans, however, oversight over risk management is not sufficient. The challenge the municipality is facing includes but not limited are:

- Non Implementation of policy;
- Reported incidents not followed up, no internal disciplinary measures; Policies of the municipality not inculcated to the operations of the institution;
- Control systems not updated;
- Lack of both political and administrative will to resolve fraudulent activities, resulting in potential whistle blowers getting discouraged to report matters that are not pursued;
- No protective measures for whistle blowers on fraud and corruption;
- Backlogs on prosecution of reported matters;
- No preventative and detective internal measures against fraud and corruption; and
- False alarms on fraud and corruption with a purpose to hide own corruption (camouflage).

Municipal Legal services

There is an in-house legal service department which is functional. It is supporting other local municipalities within the district. There are legal advisors in some of our local municipalities, like Nyandeni, Iingquza Hill and King Sabata Dalindyebo local municipalities whilst others do not have any such legal advisors and rely more on external legal service providers.

Challenges identified:-



- Non-consultation of legal advisors on legal matters
- Non-compliance with legal advices and opinions provided
- Contracts not brought to legal services for settling and comments
- Non-compliance with legislative provisions
- Binding the municipality without first soliciting legal opinion
- Seeking legal advices and opinions from external legal service providers, who are not specialists on local government, without first consulting internal legal advisors
- Relying on incorrect legal advice and opinions provided by external legal service providers.
- A need to enhance the Human Resource Capacity of the Department in line with the proposed staff structure.
- Work overload within the department owing to depleted staff personnel through resignation, contract reaching natural attrition and non – filling of such vacant positions.
- Less funds voted for operations and defence of litigation against the municipality.
- Exclusion of legal Advisors in critical decision making processes, resulting in legally unsound decisions susceptible to legal challenge.
- Poor corporate governance and due diligence by other departmental heads, resulting on wrong decision making and dumping of overripe and non-defendable litigation matters at legal services.

2.11 Institutional Transformation and Development

2.11.1 Administrative Structure

In September 2013, the O.R. TAMBO DISTRICT MUNICIPALITY adopted a new organisational structure in line with the new Separation of Powers model that the municipality has embarked on. The top structure is as follows:

Figure 31: O.R. Tambo DM Top Organisational Structure



2.11.2 Vacancy Rate and Gender

Table 45: Staff Complement in the O.R. TAMBO DISTRICT MUNICIPALITY

DESIGNATION LEVELS	TOTAL NUMBER OF POSTS	POSTS FILLED	NO OF FEMALES	POSTS FILLED AS A %
MUNICIPAL MANAGER	1	1	-	100
SECTION 56 POSITIONS	11	9	5	81%
HEADS OF SECTIONS	N/A	N/A	N/A	N/A
GENERAL STAFF Skilled , semi skilled and general assistants	N/A	N/A	N/A	N/A
TOTAL	N/A	N/A	N/A	N/A

In terms of the vacancies, it is worth noting that the DM has an approved Macro - structure. Nine out of the eleven Section 56 Positions in the Macro structure have been filled: Directors – Budget & Treasury (CFO), Community Services, Rural & Economic Development Planning, Technical Services, Internal Audit Office, Office of the Executive Mayor, Office of the Municipal Manager, Legislative services. The vacant posts are of the Director Corporate Services, Water and Sanitation and Human Settlement. However Coparte services director will be starting on the 1st April 2016 whilst Water and Sanitation and Human Settlement are still in advert.



2.11.3 Learning, Training and Development

The Workplace Skill Plan (WSP) for 2015/16 was developed and submitted to LGSETA for approval. A scarce skills and retention strategy must be developed and adopted by the DM. Recognition of Prior Learning must be implemented in terms of Employment Equity Act and Skilled Development Act and budgeted for accordingly. The same applies to Community capacity-building and Learnerships.

2.11.4 Labour Relations

Although there is remarkable improvement in the implementation of LLF resolutions which have been outstanding for a number of years, however sound labour relations between employer and employee is not yet at the desired level that will culminate into overall sound labour relations. There have been a number of areas of conflict between the employer and its employees during the financial year (2015/16) some of which are still outstanding. There is a need for prevention of conflicts especially those relating to population of the organogram (advertisements, recruitment, placement and selection processes, study assistance, payment of acting allowance, job evaluation, any other conditions of services applicable to employees as prescribed in the HR policy manual and collective agreement. It is advisable that there be a procedural way of rescinding existing Council resolutions and replacing them with new ones to avoid parallel and conflicting resolutions.

2.11.5 Employee Wellness

Employee Wellness has improved employee moral through employee wellness intervention e.g. Psychosocial Services, Sport day, Spiritual day. Medical surveillances examinations are now conducted bi-Annually and our employees were declared fit to perform their normal duties. Health and Safety issues still need to be improved by ensuring that Protective Clothing is provided to all employees. The municipality is still not complying with the legislation such as Occupational Health and Safety.

2.11.6 Staff Provisioning

The staff provisioning processes (employee placement, recruitment and selection) is currently in process and job evaluation processes. There is a need to fill vacant posts timeously to avoid unnecessary vacancy rates which impede service delivery and become subject of continued audit query. The DM should therefore ensure that the revised organogram is costed and budgeted for accordingly.

2.11.7 Challenges in Institutional Development – HR Policies and Plans

The DM had HR policies which were adopted in 2003; however this has been addressed as these policies have been reviewed and tabled to council. There is therefore an urgent need to rollout the implementation of these policies and these processes must be budgeted for accordingly.

2.11.18. Information and communication technology

The current Information & Knowledge management in the institution is relatively low and is impeding service delivery and has negative implications to the Audit report by the Auditor General. Information Systems (IS) and Information & Communication Technology (ICT) infrastructure of the DM needs to be developed and kept relevant to the needs of the municipality. We need to also acknowledge that the current use of IS and ICT in the municipality is more at an operational level rather than at a strategic level and this has also been noted by the Auditor General in their previous reports issued to the Municipality.

A number of projects have been done and continue to be done to improve the ICT systems and infrastructure in the municipality to enable it to improve its Institutional situation. Strategic documents, such as the ICT strategy, Master Systems Plan, ICT Charter, ICT governance framework and ICT policies still were adopted by Council. These strategic documents will culminate to proper establishment of ICT strategic structures such as the ICT Steering Committee in order to ensure that all IS and ICT spending is aligned to the IDP and therefore assist in service delivery.

The municipality should also consider re-engineering of its business process so as to allow proper specifications of systems need to enable and support such processes.



2.12 Local Economic Development

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

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

The processes for the conversion of Ntinga are under way and this was resolved in the Mayoral Lekgotla to accelerate the processes

Also Ntinga Subsidiaries due delinquency has been initiated for their financial viability

The economy of the District hinges on the following four key economic drivers: (1) Agriculture; (2) Tourism; (3) Forestry; and (4) Mariculture and Aquaculture.

2.12.1 Agricultural Development

The District's population is largely populated in rural settlements and is considered to have a rich natural resource that gives it a comparative advantage, whilst posing developmental opportunities in agriculture. At present, the structure of the District

economy does not promote high rates of economic growth and, as a result of largely historical factors, is hampered by several blockages, bottlenecks and constraints that limit the level of growth and development in the area.

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

It is also believed that through the right kinds of investments, the huge potential of the agricultural sector in the District can be better harnessed. These include plans for (1) new dams and (2) associated water-supply systems, which can open up opportunities for large-scale commercial irrigation projects. The communal tenure system also results in issues that require creative management approaches, and in this regard, fencing of arable land may bring about improvements. Land claims have affected agriculture production in some areas of the District and a remedy to these challenges will furthermore foster the agriculture-development goals of the district.

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

Adam Kok Farms

In April 2008 the District Municipality purchased Seven Farms in the juristic area of Kokstad, KwaZulu Natal, namely:

- Woodville 1



- Woodville 2,
- Shallom,
- Erin,
- The Lease,
- Fairfields
- Llewellyn .

The main purpose of the acquisition of the farms was revenue generation, investment and to be an incubator for the development and training of local emerging farmers.



The farms are currently operating with the farm equipment that was originally acquired when the farms were bought. A study has been conducted on the viability proposals for the full use of the farms. The farms reflect a huge potential for revenue generation, investment and incubation support to O.R Tambo emerging farming community.

The District Municipality plans to implement a turnaround strategy for effective and efficient use of the farms with the following recommendations classified to reflect the ones requiring immediate intervention and the ones that would form part of the medium term.

Agri-Park Development

O.R Tambo District Municipality in line with the National Department of Rural Development and Land Reform (DRDLR) is embarking on the process of facilitation and co-ordination of the development of Mega Agri-Parks. This is a response to the directive from the State of the Nation Address (SONA) of Honorable President Zuma that the Mega Agri-Parks shall be established in all 27 poorest districts in the country. In the Eastern Cape it has been resolved that all six Districts will be supported to establish Mega Agri-Parks as a vehicle for rural economic transformation. DRDLR has set aside a total of R20 billion for establishment of Mega Agri-Parks of which 1% (which is equal to R20 million) is budgeted for establishment of Institutional and Capacity Building. At this stage the DRDLR is making available an amount of R46 million for the 2015/2016 financial year for the establishment of these Mega Agri-Parks. It must be noted that government for a period of 10 years will support the Mega Agri-Parks. O.R. Tambo District Municipality is one of those Districts that have been identified for this initiative. The work done so far by both the DRDLR and DRDAR clearly indicates that the ideal site for the Mega Agri-Park in the O.R. Tambo region is in Mthatha. This is informed by the existing enabling infrastructure and research done to date in line with the 10 Guiding Principles for Agri-Park Establishment.

Establishment of the Special Economic Zones

The Department of Economic Development and Environmental Affairs and Tourism (DEDEAT) in the Eastern Cape in partnership with the Department of Trade and Industry have mandated the East London Industrial Development Zone SOC Ltd (ELIDZ), an operator for a purpose built industrial location for manufacturing industries to house the Project Management Office (PMO) for the planning and establishment of the Wild Coast Special Economic Zone (WCSEZ). Wild Coast incorporates Alfred Nzo, OR Tambo and Amatole District Municipalities. In O.R Tambo KSD has been chosen as the focal point or the center of the SEZ. A number of incentives will be available to ensure SEZs growth, revenue generation, creation of jobs, attraction of Foreign Direct Investment and international competitiveness. According to the Special Economic Zones Policy published in 2012, the main reason

for the establishment of the SEZ is to address some of the limitations faced by the Industrial Development Zones (IDZ) such as the ELIDZ, Coaga IDZ and the Richards Bay IDZ. The SEZ Policy states that, "Where the designated zone is only a small part of an area or region, support for the development of the zone should be comprehensive to include in-zone and out-of-zone measures." This provision is meant to address one of the limitations of the IDZs, where "There is too much focus on in-zone activities and enterprises, and little attention is paid to out-of-zone activities". In addition, the SEZs will expand "the range and quality of support measures beyond the provision of infrastructure, including both in-zone and out-of-zone support measures".

I. Recommendations for Urgent Intervention

- a) Purchase of a bakkie and truck to transport produce from harvest to the market
- b) Purchase of juice making machine to avoid wasted falling fruit from trees in the orchard.
- c) Renovate houses for farm workers.
- d) Purchase of FIVE grass cutters and diesel for the machines and other farm equipment and implements.
- e) Livestock handing over event to be conducted for the heifer exchange program combined with the launch of the KFPM farmer support program coupled with acknowledgement of potato washing and grading machine received through European Union funding.
- f) Facilitate the opening of a separate bank account for all Adam Kok Farm transactions.

II. Other recommendations to be prioritized for the short term

- g) Purchase of orchard nets to protect fruit trees and produce from strong winds and hail storms.
- h) Harmonization of staff salaries and improvement of their working conditions.
- i) Staff training and development coupled with recognition of prior learning.
- j) To comply with labour law, staff must have at least two sets of protecting clothing.
- k) Renovations of existing farm houses should be prioritized.

- l) While the greater part of the fencing needs replacement, in the meantime repair of the existing fence is necessary.
- m) A complete revamp of all farm equipment and implements.
- n) All movable assets to be transferred to Ntinga with the necessary budget to ensure proper management.
- o) Scooping of silted dams to be done with immediate effect to avoid death of livestock due to mud-trap.

2.12.2 Livestock Improvement

While agriculture makes up only 50% of the Eastern Cape GDP, it provides 12% of the Province's formal sector employment. Within the Eastern Cape agricultural economy, the livestock and livestock products group is the single biggest sub-sector with an estimated gross income value of R2.4 billion per annum. This represents 70% of the Eastern Cape's gross agricultural income. Livestock farming within the ORTDM is by far the biggest livestock farming practice in communal farming in the whole country, incorporating 631 674 cattle, 732 478 goats and 1 225 244 sheep. In recognition of this, the Municipality has a district-wide Livestock Improvement Programme, which is composed of the following sections:

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

The objective of the Livestock Improvement Programme is to increase the income of communal cattle farmers by assisting them to realize higher prices for their cattle through:

- Increasing their participation in the formal marketing channels;
- Improving the quality of the animals marketed, by increasing farmer's access to veterinary and feed input markets;
- Facilitating exchange of bulls, heifers and bucks within the local livestock farmers in order to improve their genetic make-up; and



- Appointing mentors from within communities to provide technical advice to ensure care, safety and access to information through community participation.

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

- Creation of awareness on potential economic value of livestock;
- Beef production to supply quality livestock to the abattoir;
- Promotion of appropriate veld management and land care practices;
- Setting up of institutional arrangements to ensure coordination between role-players;
- Providing training on animal health aspects and animal husbandry; and
- Farmer support and development.

There are, however a number of challenges that are frustrating the programme. These are the following:

- The prevailing land tenure system;
- Drawn-out and unresolved land claims;
- Lack of physical infrastructure in terms of irrigation systems, including the provision of water for LED initiatives, especially for agriculture;
- Limited access to "irrigation-water"; and
- Poor coordination and integration of stakeholder interventions.

The following have been put forward as possible interventions:

- Making improvements in physical infrastructure;
- Improved collaboration between all stakeholders; and
- Resolution of outstanding land claims.

2.12.3 Tourism



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

- Tourism Product, Visual arts and craft development facilitation
- Tourism Marketing and Promotion of the region
- Tourism Education and Awareness
- Tourism infrastructure development facilitation
- Tourism special focus are facilitation and coordination
- Facilitation of District tourism development and promotion plan

One of the focus areas is capacity building for 38 tourism product owners, 50 crafters and visual artists in order to improve standard, product innovation, quality and therefore marketability of these products. 145 performing artists were trained on arts administration and performing artistry, 12 craft projects supported with temporary production centres by means of steel office containers, sewing equipment, branding and road signage. 5xArts and craft projects benefitted from EPWP programme in 2012/13. 10 Visual artists trained in art work presentation and art administration. 45 Tourism product owners received training on product development. 15 school winners who participated in the Tourism Education and Awareness Competition benefitted from the programme as the winners were awarded (500) O.R. Tambo DM branded school bags per school and a trophy for the school. 1st, 2nd and 3rd place winners received a full paid educational weekend away with both parents to the District's holiday resorts during December as from 2011 to 2013. 1 x FET College and WSU participated in tourism outreach to community programmes. Tourism website and tourism exhibition stand officially launched during the annual Tourism Indaba 2013. Promotional material such as 10 000 copies of district marketing brochure, 1000 tourism safety leaflets, 5000 branded disc holders and District Marketing DVD was developed and distributed throughout the country. Supporting all LMs during the September month whilst hosting annual Tourism Awareness Campaigns and Heritage Celebrations District wide. Temporary Tourism Information Office in Mthatha Shell Ultra City is functioning with the assistance EPWP programme. The signing of visitor's information Register/Book by the visitor indicates the rate of domestic, national and international tourists visiting the region.

Nyandeni local Municipality six Schools were awarded with 6 laptops, 6 trophies and 30 certificates to those who participated in the tourism schools debate. Certificates were awarded to 10 incubatees who were recently trained by Furntech. Mithatha Heritage Jazz festival held September 2014 was also supported through print media. Promoted Summer Natives party held in December 2014 also lobbying for it to become an annual event. All local Municipality attended tourism indaba year 2013 to 2014 supported by the district municipality. Two Fashion Designers were taken to the annual Tourism Indaba show. Port St John's local Municipality was assisted during the shark awareness campaign held during September month 2014 and Ingquza Hill also assisted in while hosting Cultural and Heritage Celebration.

In terms of tourism development support, the ECPTA provides partnership on events support (Signature events and Regional Events) such as the Isingqisethu Wildcoast Cultural Festival. Organizers are usually requested to submit proposals. The agency also supports SMME in the following ways:-

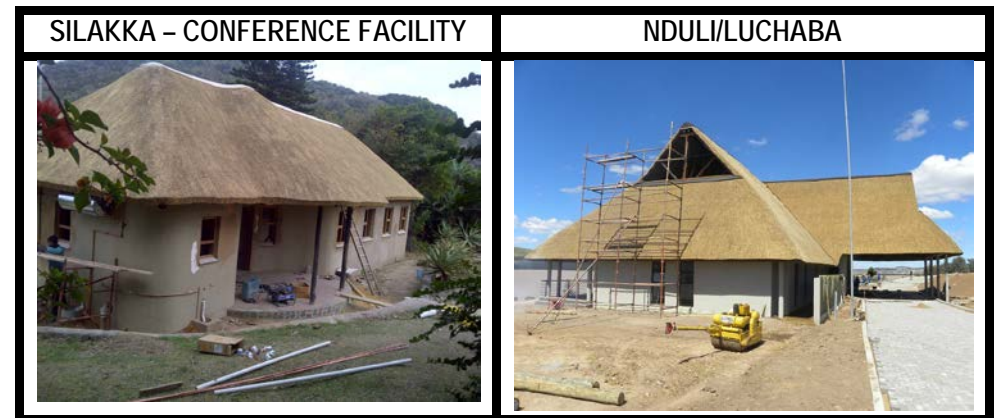
- facilitating customer care and hospitality trainings;
- create marketing platforms for SMME's during travel shows i.e.Tourism Indaba;
- facilitate quality assurance i.e grading for accommodation and camping sites
- increase tourism, environment and conservation awareness in schools and communities
- facilitating and hosting the National Tourism Career Expo which assist learners doing tourism as a subject with transport and accommodation
- community tourism support – institutional guidance and operations using viable models like Community Public Partnership,
- create partnerships with SMME's around nature reserve so that they can provide services
- provide necessary support to municipalities on tourism related activities

Some of the major challenges with regards to tourism in the district is the poor access roads to tourism destinations and nature reserves; inadequate bulk services; inadequate intergovernmental relations and the lack of co-operative marketing efforts for the region. Although there are some challenges, the district also poses a number of investment potential with the district unique selling position being the convergence



of the biodiversity and coast puts the Wild Coast in a clan of its own. The pristine environment favoured by the suitable climate contributes to the uniqueness of the offering. These investment opportunities include;

- **Mkhambathi** – 7700 ha (agreement signed to expand by 3500ha) and potential of 5 development nodes:-
Phase 1 concluded R65mil private sector investment
Phase 2 is currently underway to investment opportunity.
Game offerings and those to be introduced
- **Silaka Nature Reserve** - 400 ha located in Port St Johns has 18 chalets and is a 3 star graded accommodation and has conference facilities. Opportunity to provide



(food & meals).

- **Hluleka Nature Reserve** - 7 Chalets, 10 campsites, Hiking trail and 5 hikers huts and game: Redhartebeest, Zebra, Blesbuck, Reedbuck. The design of the new chalets for expansion is complete.
- **Nduli/Luchaba Nature Reserve** - 84 seat conference facility and restaurant (advert out for operator), 2 campsites and the next phase being the development of chalets.

The following infrastructure programs are currently being implemented by the ECPTA:-

Project Name	Job Created
Staff accommodation and conference facility at Silaka (R9.5m)	35
Internal road upgrade at Mkambathi (R14.2 m)	32
Boundary fence and staff accommodation at Dwesa (R14m)	183 at initial phase, lay offs were made later
Fencing at Silaka (R400 000)	9
Lodge upgrade at Mkambathi (R800 000)	16

Some community capacity building programmes in the ditrict include:-

- 234 community members were recruited (on contracts), trained and deployed as forest guards and alien vegetation teams
- 41 community bee keepers were trained

2.12.4 Forestry and Timber Production

Existing forestry plantations in the Eastern Cape cover 176 000hectares, a large proportion of which is located in the ORTDM. Of the 100 000hectares considered as having potential for new afforestation in the Province, around half is located in the ORTDM. With Department of Water Affairs and Forestry (DWAF) withdrawing from operational forestry, Municipalities have the opportunity and responsibility to support forestry development initiatives from which communities can benefit. This role would include:

- Creating awareness and acceptability of forestry as a legitimate land use;
- Facilitating and supporting downstream participation by local SMMEs; and
- Facilitating collaboration of key stakeholders for mutual benefit, for the benefit of the sector, and for the economy as a whole.

The private sector is already well-established in the sector in the District, and is seeking opportunities to grow. With support from government much can be achieved. In this regard, the ORTDM, together with the DTI, the EC Provincial Government, the ECSECC and the ECDC, is currently implementing the Furniture Incubator project in

Mthatha to take advantage of the abundant timber and forests in the area. As part of this initiative, more than 100 young people have been trained in woodwork and upholstery. The eLangeni Development Node Programme is also seriously engaged in processes that are aimed at exploiting the potential that afforestation has in the district. It is estimated that the Timber processing industry has a potential of providing more than 1 000 jobs during new afforestation and saw milling in the District.

There are, however, a number of challenges to exploiting the sector, notably:

- Limited skills within the sector;
- Poor co-ordination and integration between the sector stakeholders; and
- Lack of a unique District-sector strategy.

In order to counter/overcome these challenges, the following interventions are being recommended:

- Strengthening of the Forestry Sub Sector Forum;
- Improved support to Forestry SMMEs and Cooperatives;
- Development of the forestry cluster and value chain; and
- Improve skills and skilling-processes in the forestry sector.

2.12.5 Marine and Agriculture

The District possesses a wide coastline that gives it a tourism development opportunity, which includes the development of the marine and aquaculture sector. With the Wild Coast presenting extensive opportunities for people to participate in marine harvesting activities, it is a challenge for all spheres of government to ensure that:

- Local people are able to participate equitably; and
- Harvesting is carried out at levels that are sustainable.



In order to achieve these two objectives, improved data is required, as well as (1) greater awareness amongst stakeholders and role-players, and (2) improved regulations and enforcement of these controls. Again, these activities require collaboration of all spheres of government and a coordinated approach.

The sector also faces a number of challenges:

- Limited skills within the sector;
- Poor coordination and integration between the stakeholders in the sector;
- Lack of a distinct District-sector strategy; and
- Poor knowledge of the legislative requirements regulating the sector.

In order to counter these challenges, the following recommendations are proposed:

- Strengthening of the Marine and Aquaculture Sector Forum;
- Improved support to sector SMMEs and Cooperatives;
- Development of a Marine and Aquaculture industry; and
- Improve skilling within the sector.

One of the responsibilities of the ECPTA is the management of Marine Protected Areas (MPA). MPAs are important areas for biodiversity conservation as they protect representative samples of genetic diversity. They protect ecosystems and ecosystem processes and often they are important fish spawning areas. Protecting these waters therefore lead to increased fish growth, increased fish reproduction and survival. Adjacent areas benefit due to a spill over effect. This leads to high biodiversity value (species diversity) and economic value (tourism, sustainable use of resources). MPAs serve as benchmark areas against which any environmental change can be measured. It is important to balance conservation priorities with sustainable livelihoods of surrounding communities for effective management of MPAs.

2.12.6 Trade, Manufacturing and Investment Promotion

Trade is the second largest contributor to the District's Gross Value Added (GVA), and has over the past ten years experienced positive growth rates, which have been

accompanied by positive net job gains. Informal trade has also played a very significant role over the same period, growing by more than 100% in size during this time. Manufacturing on the other hand has experienced a significant decline and stagnation, and has contributed to the general decline in the ability of the District to create and absorb jobs. Both sectors are of strategic importance to the District, and need to be supported in a manner that ensures sustainable jobs are created. In order to achieve this, the District commits itself to facilitating efforts aimed at mobilising investments with a particular focus on value adding investment opportunities. To this end, the District will ensure that constraints to investments in these sectors, such as infrastructure, land availability and incentives are addressed, by amongst others, ensuring strong alignment and integration with the emerging Regional Industrial Development Strategy (RIDS).

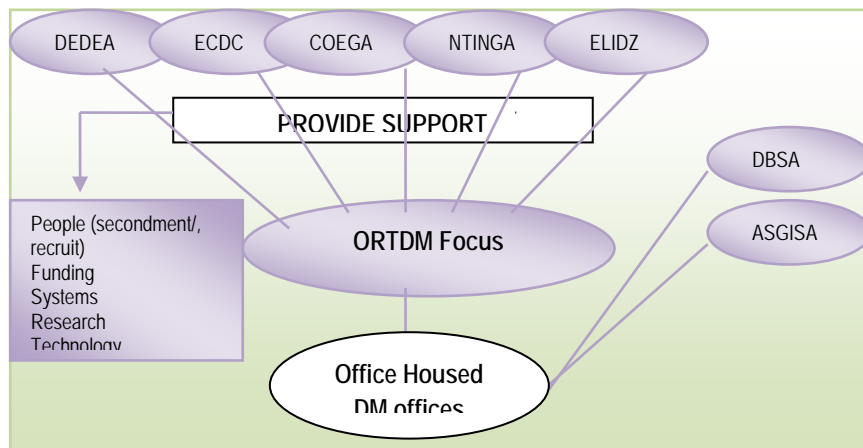
The ORTDM also focuses on Investment Promotion and Marketing of the District for Investment opportunities. In this regard, the DM conducted an investment conference as a means to:

- Market the investment opportunities of the District;
- Source partnerships for investment promotion; and
- Unlock the investment potential of the O.R Tambo Region.

The five LMs in the DM prioritized potential investment projects, which the DM packaged for presentation during the investment conference and also used as resource information for investors. The main purpose was to source strategic partners in developing viable Business Plans for the projects and source funding for unlocking bottlenecks, such as land and tenure issues, EIA's, bulk infrastructure and sanitation. In pursuit of its growth objectives in the sector, the DM also developed the concept of a "One Stop Shop" to be established as a centre responsible for the implementation of the investment conference outcomes (see Figure 30 below).

Figure 32: The One Stop Shop: Activities and Major Role-Players and Partners





Unfortunately the endeavours to secure partners’ commitments to the establishment of the One-Stop-Shop went in vain and currently the District Municipality is responsible for the coordination of investment initiative of the District working with only the five LMs.

There are also challenges to the investment promotion-ideals of the District, notably:

- Backlogs in appropriate physical bulk infrastructure necessary for investment;
- Communal land tenure; and
- Unresolved land claims.

In order to address these challenges, the following interventions have been put forward:

- Capitalize on the district’s local strengths and comparative advantage for investment promotion;
- Position and market the District as a viable region economically for investment;
- Attract additional investment from new local and international investors in key growth sectors; and
- Retain and boost existing investment.

TRADE AND INVESTMENT OPPORTUNITY – NTINGA REPORT



2.12.7 Cooperatives and SMME Support

In order to provide decent jobs and sustainable livelihoods, and ensure food security, the ORTDM has used its LED Programmes to provide short and long-term job opportunities, while ensuring massive food production for poverty alleviation (see Table 45 below). The implementation role for all cooperatives and SMME projects will be transferred fully to the implementing arm of the District. The Planning and Development Directorate will be responsible for coordinating role. The following will be the key focal areas for the Directorate, which will require proper funding to ensure avoidance of an unfunded and unfulfilled mandate: The preparation and implementation of an “Integrated District Cooperatives Development Strategy and Implementation Plan”.

The reason for the reparation of the plan is that cooperatives and SMMEs are seen as playing a critical role in developing the district economy, but normally face challenges regarding access to markets, finance, and information and quality support services. While there are many role players that are supporting cooperatives and SMMEs in the District, the provision of this support is highly disintegrated. The envisaged Integrated District Cooperatives Development Strategy and Implementation Plan will assist in the identification of key actions to be performed by each role-player in the District, and result in the integration of the actions of the various role players to ensure maximum impact.

Table 46: Cooperatives and SMMEs developed with the DM's support

Sector	Number of Cooperatives	Number of jobs created	LM where located
Food Production	9	151	Ingquza-1; KSD-5; Mhlonllo-2; and Nyandeni-1
Agriculture	114	1391	KSD-49; A/NZO-1; Ingquza-27; Mhlonllo-23; Nyandeni-4; and PSJ-10
ICT	1	5	KSD
Manufacturing	30	358	KSD-18; Ingquza-5; Mhlonllo-5; and PSJ-2
Wool	7	124	KSD-4; Mhlonllo-1; and Ingquza-1
Tourism & Hospitality	4	34	KSD-2 and Ingquza -2

Sector	Number of Cooperatives	Number of jobs created	LM where located
Multipurpose	4	80	KSD-3 and Mhlontlo-1
Recycling	1	9	KSD
Cleaning	1	5	KSD

2.12.8 District Skills Development Programme

SMMEs continuously face the challenge of access to markets, finance, information and quality support services. Creating awareness, capacity building and providing assistance to cooperatives is one of the institutional support mechanisms the District is committed to support and facilitate. Building viable and sustainable communities requires a holistic and integrated approach, which involves all aspects of community life, including, but not limited to, leadership development, social capital, poverty alleviation, and institutional development. The District is actively seeking to address these issues in a manner that ensures communities are able to engage in activities that create jobs and have access to basic services. A District-wide skills development programme has been identified as a foundation objective for the achievement and sustainability of the identified drivers. The success of the district in growing and sustaining the local economy depends on the extent to which it builds partnerships and collaboration with all relevant stakeholders. The district recognises the need to develop functional and effective collaborative efforts with business by amongst others ensuring that there is a united vision and drive to address challenges confronting business and the district in general.

Fourteen cooperatives have benefited from Ntinga O.R. Tambo Development Agency in the form of Business plans and Constitutions outsourced to service providers for development. The Baziya Sustainable Village was established and houses cooperatives that have a variety of core functions (Bakery, Sewing, Poultry and Agriculture). The total number of beneficiaries is 200 and all are community members. The following are also successful ventures in this regard:

- *The Kei Fresh Produce Market:* This market was built by the EC Provincial Department of Agriculture and transferred to the ORTDM, since markets and abattoirs are a function of district municipalities. Local farmers, the EC Provincial Department of Agriculture and the KSDLM are all active partners in this venture.

The market has gone from strength-to-strength, with an annual turnover of more than R30million. Seventeen permanent jobs have also been created, of which 42% are women. The main challenge is that the market is getting most of its produce from outside the District. To turn this around, a strategic plan has been developed in partnership with the ASGISA-EC. The Thina Sinako (EU programme) has already funded part of the strategy. The plan is to expand the market to have more banana ripening rooms and to introduce a meat market.

- *The Umzikantu Abattoir:* This red abattoir was purchased from an action sale to use it as a marketing outlet for our livestock programme. The project has created thirteen permanent jobs and has generated more than R1.5 million in revenue.
- *Adam Kok Farms:* As there are no commercial farms in the District, the ORTDM purchased the farms as a means for revenue enhancement with the main focus on utilising the farms as a skills development and training centre for the emerging farmers that the ORTDM wants to migrate to commercial farming. These farms have provided an environment conducive for training the emerging farmers, as several strides by the District proved beyond reasonable doubt that one cannot train farmers to be commercial in an environment that is not commercial. This is of particular importance as the District is predominantly rural and the majority of its inhabitants is illiterate and learns better with experiential training.

In addition to these ventures the following have been embarked upon:

- *Resource mobilization and business plan development for funding:* This stemmed from a need for capacity building and training for LMs in business plan development for taking advantage of funding opportunities from provincial and national government with specific reference to the Cooperatives Development Fund.
- *District Support Teams:* The District Support Team (DST) is a co-ordination and integration model that has resulted from the Thina Sinako Provincial LED Support Programme, and is meant to involve all government-led institutions that are supporting LED programmes and projects in the District. The team will ensure that all LED initiatives are integrated by all government-led institutions



and the DST will form part of the LED Forum, which is constituted of all LED role-players, including private business organization, labour and NGOs.

The initiatives and ventures are not without challenges, notably the following:

- Lack of a district co-operatives development strategy; and
- Integration of the actions of the various role players for efficiency in supporting the sector.

It is recommended that these challenges be addressed by integrating programme with the implementation of the District Cooperatives Development Strategy.

2.12.9 Implementation of Ward-Based Planning and Information System (WBPIS)

The WBPIS was initiated to ensure:

- A continual update of demographic and socio-economic status quo information on the DM and its five LMs;
- That the holistic planning function of the District is well informed and aligned; and
- Improved research capacity and planning for informed service delivery.

Currently the project has somehow been abandoned and the district is in discussions to resuscitate it within the War-Room approach. For the next financial year 75 wards (50%) have been targeted for the programme.

With the implementation of the WBPIS, the DM will be able to access current and accurate information on the following:

- Daily updates of changes in population size per ward for the entire District;
- The levels of indigence, in terms of the number of people living in poverty and that of the unemployed;
- Education levels and skills availability per ward;
- Access to Services; and



- Levels and Standards of service accessed.

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

Data verification is planned for the current phase of the project in which a team of Ward Administrators (one in each ward) will conduct the data-verification and data-cleaning process for all Wards in the O.R Tambo region. The process is envisaged to have the following steps:

- The process and the data are introduced at the relevant Wards to the relevant Ward Councillors;
- The Ward Administrators undertake field trips to specific areas within the District to fill any gaps identified during the data-verification process;
- Once all gaps have been filled, the data is accurate and all the required reports can be accessed, on-going day-to-day updates will be conducted at Ward level by each municipality.
- The hosting of the system is moved to the premises of the DM, where (1) a system development specialist will be appointed to properly manage the project and (2) the necessary hardware and software will be acquired to ensure sustainability of the project.

2.13 Basic Service Delivery and Infrastructure Development

2.13.1 Land Survey and Planning

The ORTDM straddles the N2 linking Durban to East London, the Garden Route and Cape Town. The economy of the District is largely land-based (subsistence) and has been impacted upon negatively by historic practices of discrimination and marginalization before 1994. The past political engineering, current tenure arrangements and population densities have impacted on the land cover of the District. At least 21% of the total land area is classified as degraded/eroded, which

indicates the imbalance between (1) the resident population and (2) the land resources and/or inefficient land use management, specifically with regard to agricultural activities.

O.R. Tambo District has a predominantly rural landscape with a rural population residing in traditional villages and traditional homes. The main towns are located along the main access roads serving as rural service centres to the surrounding rural population. Land ownership in the District vests mainly in the Department of Rural Development and Land Reform, as the main custodian of communal land. Legal forms of land tenure in the district include (1) freehold, (2) permission to occupy, (3) leasehold and (4) grazing rights on commonage.

The District has a number of land claims which are by and large communal in nature. This results in (1) the claimants and (2) the extents of the land being claimed, not being clear in all instances, which makes it difficult to adjudicate and resolve and settle land claims. The District sector forums such as the Environmental Management and Spatial Planning Forum and other platforms provide an opportunity to engage the stakeholders so as to unlock these challenges facing the district.

The key challenges in this area are:

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

The following interventions are recommended to address these challenges:

- A speedy resolution of land claims, and negotiations with land claimants in areas identified for development;
- Strengthening the District Environmental Management and Spatial Planning Forum; and
- Committing funds to catalytic projects that can unlock the development potential of the district.

Spatial Development Framework

The District Municipality is currently planning to review its FIVE year SDF in the next the year under review to ensure its alignment to the five year IDP. .

Spatial Planning And Land Use Management System



Pre 1994 Planning was designed to serve a different political ethos. Multiple laws, multiple institutions and parallel processes introduced by the pre 1994 pieces of legislation. Planning laws were fragmented across the old boundaries of the then four (4) provincial administrations, homelands, and Self-Governing Territories.

In 1994 South Africa inherited complex and disjointed planning systems which manifest in unequal, incoherent and inefficient settlement patterns. The Development facilitation Act No. 67 of 1995 (DFA) was promulgated as an interim measure to deal with this legacy.

SPLUMA emerged through the Green paper (1999) and White paper (2001) processes to replace DFA as the legislative instrument to regulate spatial planning and land use management in the country. In June 2010 the Constitutional Court found Chapter 5 and 6 of the DFA to be invalid on the grounds of unconstitutionality. The order of unconstitutionality was suspended for 2 years, i.e. until June 2012, to allow the defects of in the DFA to be remedied. Until the DFA judgment in 2010 there has been relative lack of clarity in the Constitution about the meaning of planning and which sphere of government responsible for land use planning and management.

With SPLUMA Government's intended remedy is to repeal the DFA in its entirety and replace it with SPLUMA. The Constitutional Court found that the municipal planning includes the powers and functions necessary to determine rezoning and township establishment applications, and concluded that municipal planning is the exclusive competence of municipal government.

Intensive public and stakeholder consultation was undertaken by the Department of Rural Development and Rural Development (DRDLR) in a number of ways including:

- Public advertisement through the notification of the draft SPLUMB in the Government Gazette as well as nationally circulated newspapers
- The period of submission of comments closed 6 June 2011
- The Bill was also made available for downloading on the DRDLR website for downloading
- The draft Bill was gazette for the second time on 26 April 2012, with the period of submission of comments closing on 25 May 2012.
- Bilateral meeting to deal with sector specific, provincial specific and municipality specific issues were also held

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Consequences of SPLUMA to District and Local municipalities

The introduction of the SPLUMA has implications and will affect the current organizational and personnel arrangements of the District and the Local Municipalities.

The Act places a lot of responsibilities with regard to spatial planning and land use management to the municipalities e.g. the establishment of Municipal Planning Tribunals, dealing with appeals as well as assist in developing Local Municipality Land Use Schemes on their request.

There are funding implications for the implementation of the Act, for example the receipt and processing applications, as well as advertising of the notices. The Act also requires that a Municipality must after public consultation, adopt and approve a single scheme for its entire area within five years from the commencement of this Act.

Responsibility of the O.R Tambo DM in implementing the Act:

- Conduct municipal readiness assessment in all LMs to implement SPLUMS
- Ensures that reporting systems are in place for monitoring and support by national and provincial spheres for the purposes of implementing the SPLUMA
- Ensuring that there is overall review of any other policies that trigger the [payment of fees/contributions/ levies/ tariffs in terms of the SPLUMA

- Conduct resources audit and identify training needs for officials to give effect to the SPLUMA.
- Develop/review policy on development contributions/ provisions of engineering services and the mechanism for the implementation thereof.
- Ensure municipal capacity assessment and where necessary, processes to consider proposals on establishment of Joint Municipal Tribunal
- Ensure processes of establishment of Municipal Planning Tribunal and Appeals Tribunal

The project is expected to take eighteen months from now, ending in June 2015.

Key outputs	Responsibility	Timeframes
Organize a workshop for councilors and officials on SPLUMA	O.R.Tambo DM- REDP Directorate	31 May 2014
Facilitate the inclusion of the necessary personnel within the DM and LM Staff establishment.	O.R Tambo DM – REDP and LMs	30 June 2014
Conduct awareness workshops to all communities of the DM	O.R Tambo DM – REDP, Dept of Rural Development and Land Reform, Local Municipalities.	31 January 2015

2.13.2 Environmental Management

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



reviewing its EMP and Integrated Waste Management Plan IWMP as well as developing the Air Quality Management Plan and Coastal Management Plan.

Based on the information obtained from the reviewed EMP, the District Environmental Management and Spatial Planning Technical Forum, working in partnership with DEDEA, has managed to prioritize programs and develop appropriate action plans to respond to the most pressing and threatening issues of environmental management. The ORTDM planned a number of training workshops focusing on environmental education so as to disseminate this environmental information together with practical programs on how to face these environmental challenges and ensure effective environmental management.

The challenges faced in this regard are:

- Staff shortages and budget constraints in the Environmental Management Unit;
- Funding for the implementation of priority projects is still an issue from the Municipality;
- Lack of capacity, knowledge and interest in LMs is posing a serious challenge and this is resulting in bad cooperative governance in the sector; and
- A lack of funding for crucial environmental education.

2.13.3 Waste Management

The O.R Tambo DM has an approved Integrated Waste Management Plan (IWMP), which is used as a critical tool in promoting sustainable development and service delivery within the District.. Waste Management has traditionally not been seen or perceived as a priority concern, and this has resulted in a number of ramifications which manifest in a complete system failure or lack thereof. Within the O.R. TAMBO DISTRICT MUNICIPALITY there are 11 operating landfill sites of which only four are licensed, viz.:

- Mhlontlo LM (Qumbu and Tsolo);
- Port St Johns LM; and
- King Sabatha Dalindyebo LM (Mqanduli).

The ones operating illegally are the following:

- Inguza Hill LM (Flagstaff and Lusikisiki);
- Nyandeni LM (Libode and Nqgeleni); and
- King Sabatha Dalindyebo LM (Mthatha).

Although there are landfill sites, illegal dumping in various areas within the District is still a challenge. Leachate from the landfill sites is addressed by the LMs themselves as the owners of the landfill sites. The only municipality that indicated to be managing and testing the leachate from its landfill site is Port St Johns LM. The DM has established an Environmental Management Forum that is serving as a mobilizing body on waste management programs. One of the Terms of Reference for this forum is the implementation of waste minimisation programs for poverty alleviation in the district. To this effect, the DM is implementing a waste minimisation project located in Mhlontlo LM, which has created nearly 80 job opportunities. Facilitation processes are underway for the development of a regional waste disposal site, as well as regional waste minimisation project, which can be linked to job-creation, skills development and poverty alleviation.

2.13.4 Provision of Water Services

The OR Tambo District Municipality assumed the status of being a Water Services Authority (WSA) in 2003 followed by the process of transferring water services assets by the then Department of Water Affairs and Forestry. In terms of the Water Services Strategic Framework, as a WSA, the district is responsible for ensuring provision of water services within its area of jurisdiction.

In terms of basic services provisioning, the Municipality has significantly reduced the rural VIP sanitation backlogs. According to the Water Services Development Plan, as reviewed and adopted by Council, the number of households still to be connected with VIP sanitation is 17 000 and is expected to be eradicated by the end of the 2015/2016 financial year. This target, does not take into consideration, the eradication of the old corrugated iron structures that were implemented prior the Municipality adopting a standard design for the VIP sanitation toilet. This target is considering only those households that were never provided with a VIP toilet.



Slow progress on the eradication of the water backlogs is attributed to the fact that most of the projects that are under implementation are still focusing on source development and bulk infrastructure. The household connection for water is expected to significantly rise in the 2016/2017 when it is anticipated that most of the bulk infrastructure will have been constructed and all projects will be focusing on reticulation and household connections. The household targets that have been set for this financial year, have been reduced from the ones planned in the IDP, as they were not taking into consideration the bulk requirements. The targets were therefore unrealistic and might have been informed by budget allocations not taking into consideration all the processes that need to be followed before the actual household water connection is done. As much as there is more than R400m allocated from the Municipal Infrastructure Grant for water projects, in the 2015/2016 financial year, the actual number of households to receive water is 11 937 households.

There are other schemes that are under planning where they will assist the District Municipality to eradicate the water backlog. These projects are planned over a 4 to 6 year plan. These schemes are:

- Kwa Nyathi Regional Water Supply Scheme. This scheme is under planning and the Municipality is applying for funding for the preparation of a Technical Feasibility study to preliminary designs. This scheme is focusing on eradicating backlogs into 6 wards in the Port St Johns Municipality and 4 wards in the Ingquza Hill Local Municipality. The Exploration of the Nxuzi River Off Chanel Storage Dam that will be supplemented by the Mzintlava River.
- Msikaba Regional Water Supply Scheme. This scheme is under planning and the Municipality is applying for funding for the preparation of a Technical Feasibility study to preliminary designs. This scheme is focusing on eradicating backlogs into 5 wards in the coastal side of the Ingquza Hill Municipality. This Project will explore the Off Chanel storage Dam at the Hlwahlweni River that will be supplemented by the Msikaba River.

4 projects are currently under implementation from the 2013/2014 financial year, for the upgrading of towns sewer into full water borne sewers. The 4 projects that are

under implementation are as follows; Mqanduli Sewer, Lusikisiki Sewer, Flagstaff Sewer and Tsolo town sewer. The scope of works was for the construction of waste water treatment plants and related works. In the 2015/2016 financial year, the focus will be on the construction of Outfall sewer networks and household sewer reticulation and connections. Mqanduli town is expected to be completed at the end of the 2014/2015 financial year connecting 1500 households to full water borne sewer. For the towns of Port St John's and Libode, the projects are at detail design stage and construction is expected to commence in the 2015/2016 financial year. For the remainder of the O.R. Tambo towns business plans will be prepared for funding applications in the 2015/2016 financial year.

In line with the resolution of the Water Summit of 2006, whereby a three stage approach to water services provisioning was adopted, the Municipality still continues to eradicate backlogs through the implementation of standalones and sub regional schemes. Some of the sub regional schemes planned are as follows:

- Ntsonyini Ngqongweni Water Supply. This is a multiyear project that started in the 2013/2014 financial year with a total MIG approved budget of R148m. Preliminary designs have been prepared and is expected to be implemented over 3 financial years. This is due to the source and bulk infrastructure requirements that need to be place before the actual households' connection.
- Phase 3 of the Flagstaff Regional Water Supply with a project value of R83 million. The first two phases of this project are nearing completion and were focused on source development, construction of a water treatment works and bulk infrastructure. The current phase will be for village reticulation and ensuring that the households do receive sustainable water services.
- Extension of Rosedale to Libode Water Supply. This project commenced in the 2012/2013 financial year and is expected to unlock the potential development in the town of Libode. Due to the water resource challenges affecting the Libode Town, water will be taken from Mthatha Dam, treated through the Rosedale Treatment Works (under design) and pumped to serve the town of Libode and surrounding villages. This project will later be merged into the Southern Scheme. The total approved budget for this project is R146m.



- Upgrade of the Mhlahlane Water Supply Scheme. The Upper Mhlahlane Scheme is an old project that entailed the supply of water to few villages in the KSD Municipality due to insufficient budget at the time. Due to the good yield of the source and the demand from nearby villages, this project was extended to cover additional villages in KSD ward 32. The scope of works includes the upgrading of the existing water treatment works to be able to meet the new demand from the source. This is also a multiyear project with an approved budget of R 147m and completion is expected in the 2014/2015 financial year.
- Coffee Bay Regional Water Supply. This project is an extension of the existing scheme to cover additional villages in KSD ward 24 and 25. The first phase of the project was funded by through the Regional Bulk Infrastructure Grant, which was for the bulk infrastructure. Phase 2 was funded through the Municipal Infrastructure Grant and it covered the first phase of the reticulation. The approved funding for this project is R113m and is implemented by the Amatola Water Board on behalf of the Municipality.

Through the KSD Presidential Intervention, the Municipality has been allocated an amount of R595m from the Regional Bulk Infrastructure Grant. This intervention is assisting the Municipality in its implementation of the Southern Scheme which seeks to optimally utilize the Mthatha Dam to serve the KSD, Mhlontlo and Nyandeni Local Municipalities. The scope of work identified under this intervention includes; the modifications to the Mthatha Dam abstraction, Upgrade of the Thornhill Water Treatment works, upgrade of the raw water pipe line from the Mthatha Dam to Thornhill, bulk water infrastructure, upgrade of the Mthatha waste water infrastructure and the upgrade of the Mthatha sewer network infrastructure. This intervention will be counter funded through the Municipal Infrastructure Grant. Amatola Water is the implementing agent as per the recommendation by the Department of Water Affairs. The following are the sub projects that compose the KSD presidential initiative project;

- Thornhill to Airport Corridor. This project will supply sustainable water to the Mthatha Airport and future development around the airport, Bedford Hospital, Military base and surrounding villages. With the upgrade of the Mthatha Airport, a lot of development is expected in and around the airport

and the Municipality will be ready for that in terms of water services provisioning. This project is now under Construction.

- Supply of water to the towns of Libode and Ngqeleni (Libode and Ngqeleni Corridors). This project will integrate the existing Rosedale to Libode Water Supply through provision of sustainable water supply to the town of Libode and surrounding villages. The current Mhlanga Dam is not coping with the demand, such that during drought periods the dam levels drop to zero.
- Rosedale to Nqadu Corridor. This project is intended to provide bulk infrastructure to supply water to Nqadu Dam, to augment the supply of water to the Sidwadweni regional scheme. This scheme is currently operating below RDP standards due to the reduction in supply from the Nqadu dam as it is also used for forestry activities.
- Thornhill to Mqanduli, via Viedgesville Corridor. The scope of works includes the provision of bulk infrastructure to supply water to the town of Mqanduli and surrounding villages
- Upgrade of the Mthatha Waste Water Treatment works and sewer reticulation. A number of housing projects are planned in the KSD Municipality, and have been delayed by the commitment from the District Municipality in terms of bulk sewer infrastructure. This project seeks to address that as well as eliminate the number of sewer spillages in the Mthatha River due to ageing and dilapidated infrastructure.

In the 2015/2016 financial year, a consolidated water master plan will be developed which will integrate all the existing sub regional schemes into one District Wide Water Master Plan as well as review and update the sanitation master plan. The water master plan will also seek to optimally utilize the Ntabelanga Dam, which will be implemented by the Department of Water Affairs, to serve people from the Mhlontlo Local Municipality and parts of the Nyandeni Local Municipality and thereby releasing demand from the Mthatha Dam.



In terms of rural sanitation, the profile of all the wards in the Local Municipality has been completed. The next step is to take it further to the household level, in order to quantify the actual backlogs. In some villages that have already been covered there are new households that have been constructed which need to be quantified and planned for. Budget has been allocated in the 2014/2015 financial year for this exercise.

There are a number of schemes which were transferred from the then Department of Water Affairs which most of them are operating below their design capacity due to various reasons and constraints. With the budget of refurbishment that has been allocated, those schemes will be refurbished to their design capacity and ensure that there is continuous and sustainable water supply to the communities.

In the execution of its function as a Water Services Authority, the Municipality faces the following challenges:

- Vacancies in the critical infrastructure posts. The municipality is operating with acting personnel as well as casual workers in critical infrastructure posts. This will affect the Municipality in a number of compliance issues, including the blue drop and green drop assessments. The Municipality does not meet the criteria set by the Department of Water Affairs in terms of human resource and skills required. Examples of critical posts include WSA Manager, Engineering Manager and process controllers. Furthermore, the diagnostic report compiled by the Department of Local Government, through its Municipal Infrastructure Agency (MISA), discovered that some of the challenges were exacerbated by the transfer of more than 400 unskilled employees from the Department of Water Affairs and Forestry as well as from the Local Municipalities during the MSA section 78 process. The district does not have the required skills to operate the water schemes and as such does not adhere to the drinking water quality regulations.
- A cycle of under expenditure on the Municipal Infrastructure Grant. Although there has been a significant improvement on MIG spending in the 2012/2013 financial year, the Municipality needs to work hard in ensuring that this cycle is broken.

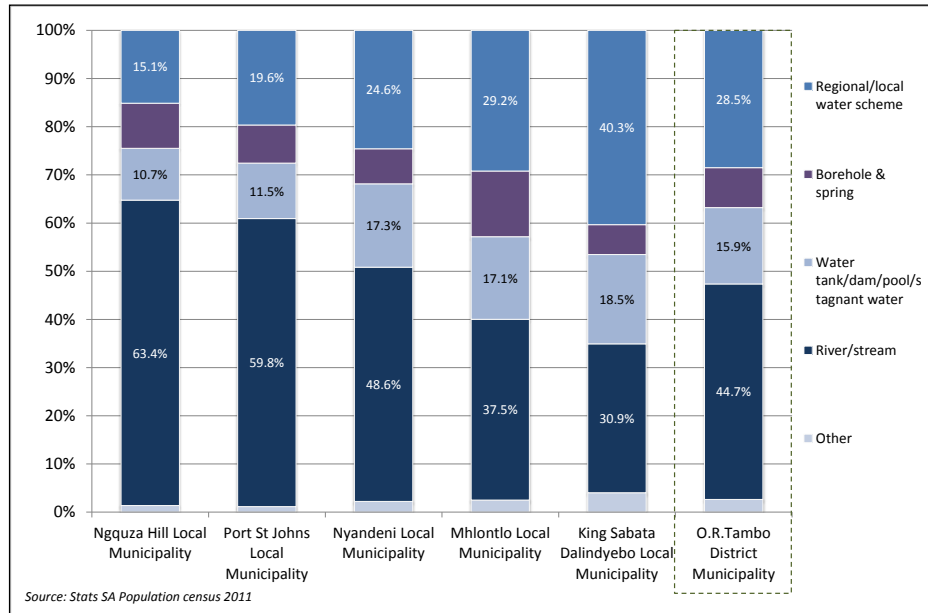
- Forward Planning – With the position of the WSA Manager being vacant for more than 5 years, there has been no one dedicated to the WSA planning. This resulted in the Project Management Unit doing both the planning and implementation function. This resulted in delays in the implementation of projects and also not making allowance for any unforeseen and unavoidable situations during project execution.
- Continuous water supply interruptions- There is no clear operation and maintenance plan developed for the municipality though it has since been budgeted for in the 2015/16 financial year. Repairs and maintenance are therefore on a reactive basis. This result in water supply interruptions that are not communicated in advance to consumers. Development of an operation and maintenance plan will ensure that the Municipality informs consumers of any planned interruptions and has a strategy of prompt response to unplanned interruptions.

2.13.5 Water Service Provision

The local municipality with the most access to a river/stream is the Iingquza Hill Local Municipality which has a total of 35 600 households which have access to a river or stream this consists of 63.4% of its total household that have access to water. The local municipality with the best developed regional/local water scheme is in the King Sabata Dalinyebo Local Municipality with a total of 42 453 households with this service this consist of 40.3% of all households that have access to water in that municipality.

Figure 33: Percentage of Households by type of Water Access (Census 2011)





CHALLENGE	CAUSE
Lack of energy supply	Has an effect on the capacity of the infrastructure to be provided as the dependency is on diesel which are limiting on type of infrastructure that should be provided.
High Level of Vandalism and theft	High unemployment.
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other area due to financial constraints.
Poor Maintenance of existing infrastructure	Low revenue-generation, as many of the District's inhabitants are unemployed, and as such there is dependence on grants, which are very small.
Lack of funds for infrastructure investment planning	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.

The DM faces a number of challenges in providing water and sanitation services to all its inhabitants. These are summarized in Table 47 below:

Table 47: Challenges in the provision of water and sanitation services in the O.R. TAMBO DISTRICT MUNICIPALITY

CHALLENGE	CAUSE
Huge Backlogs	Negligence of the area during the apartheid era. Topography of the area which makes it expensive for some areas to be services.
Old Infrastructure	Lack of refurbishment, and as result the infrastructure is being operated though it has far reached its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth and as such the infrastructure is over-strained which result in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change.
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure

Table 48: Existing Water Schemes

LOCAL MUNICIPALITY	FUNCTIONAL	NON FUNTIONAL	TOTAL
KSD	39	41	80
MHLONTLO	111	48	159
NYANDENI	141	57	198
PSJ	40	23	63



INGQUZA HILL	13	25	38
TOTAL	344	194	538

The following interventions have been recommended to address the challenges:

- Adoption of Regionalization as a best option to enhance storage and ensure local economic development: In the past year the District has been struck by a drought, which resulted in some of the majority of stand-alone schemes being non-functional. This has thus shown the extent of non-reliability of the standalone schemes;
- Upgrading of the town systems into full water-borne sewerage systems: This will ensure an environmentally-friendly situation;
- Acceleration of service delivery to reduce backlogs;
- Adoption of “Water Services’ 10 Key Focus Areas” in an effort to improve in delivery of water services;
- Engagement of Water Boards: To assist in water services provision and skills through transfer of knowledge; and
- Engaging the JOBS Fund at the DBSA: Given that most of the inhabitants of the District receive free basic services, minimal revenue is collected from selling the service. As a result the DM is largely dependent on grants to perform its water services functions.

2.13.6 Provision of Sanitation Services

The DM developed a Sanitation Strategy in an effort to address its sanitation backlogs and challenges. The purpose of the strategy is to ensure that the issue of backlogs eradication is dealt with and that an appropriate sanitation model is provided to the communities/consumers for both urban and rural areas. The DM is also intending to upgrade all town sewer systems into full waterborne systems. As part of the Sanitation Strategy the Council adopted a standard pre-cast VIP structure in an effort to address quality and the size of the structure.

Only 1 (Mthatha town) out of 9 towns has got a full waterborne sewer system, which has now reached its design lifespan and has already exceeded its capacity. The wastewater treatment works was designed to accommodate 12Ml/d and the current flows are estimated above 18Ml/d with exclusion of flows that do disappear within the sewer network. At the time of transfer only one out of 23 sewer pump stations was functional, with other areas not connected within the network system. Other towns are currently using either Septic tanks and or conservancy tanks.

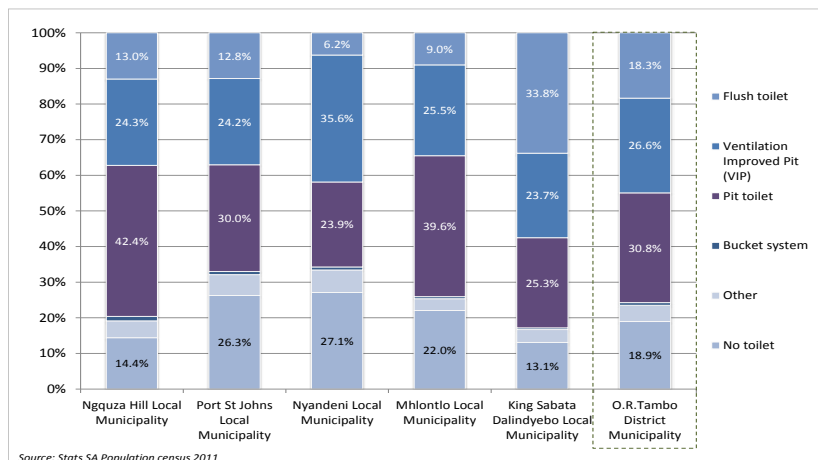
The DM has undertaken a number of projects regarding the sewerage system:

- Eighteen sewer pump stations have been refurbished and an additional four sewer pump stations are under refurbishment;
- In partnership with the DWA, the DM has refurbished the wastewater treatment works and is repairing/replacing sewer networks within Mthatha, increasing its capacity and ensuring that it is able to release effluent that meets the regulator’s standards; and
- Also in partnership with the DWA, the DM managed to replace steel manhole covers with concrete covers and replace old AC sewer pipes.

The figure below demonstrates that the local municipality with the most households with access to a flush toilet is the King Sabata Dalindyebo Local Municipality which has a total of 35 582 flush toilets which translates to 33.8% of total households. In the Ingquza Hill Local Municipality pit toilets are the most commonly used with a total of 23 831 pit toilets is used, this consist of 42.4% of the municipalities total access to sanitation.

Figure 34: Percentage of Households by type of Sanitation (Census 2011)





CHALLENGES

Challenges in terms of Sanitation can be summarized as follows:-

DRYING WATER SOURCES

South Africa is a semi-arid zone. The larger part of ORTDM rural villages' access water from standalone schemes. These schemes include boreholes, springs, weirs and other small schemes. During winter, these sources dry, leading to water shortages.

DILAPIDATED INFRASTRUCTURE

The ORTDM inherited old infrastructure from the Department of water Affairs. The infrastructure is aging. Pipe bursts more frequently, leading to water losses and sewage spillages. The budgets focus more on new capital infrastructure. There is limited budget for refurbishment, upgrading and operations and maintenance of the existing infrastructure.

SUPPLY VS DEMAND

The day to day expansion of communities causes high demand of water, whereas the supply from the water sources is limited. Rural Water Supply Schemes are designed to provide water at RDP standards (200m walking distance, 6KL/hh/month or 25L / c / d).

ILLEGAL OR PRIVATE CONNECTIONS

Communities connect in the municipality infrastructure, illegally. These connections increase water demand, due to the fact that the households use water in excess of what is allocated to them. Water leakages due to poor workmanship during illegal connections are a cause for more water losses. Infact, the water schemes in the rural villages were not designed for a higher level of service. This is the phase that will come after every citizen of this country has access to basic level of service, or when the municipality has identified a pilot scheme to provide HLOS and collect revenue on the services provided. The pilot community will be determined by adequate source of water, high population density, affordability and other aspects.

REPORTING AND NON- REPORTING OF INCIDENTS

The Call Center was established to respond to all customer queries and complaints. The Office is in the CBD of Mthatha. Whenever the communities experience water outages, they must report through the toll free number of ORTDM (0800204067/ 047 531 0320 / 047 501 9106). The complaint is attended immediately after being reported. Plumbers are always on standby to respond to pipe bursts and other matters leading to water outages and sewage spillages.

Suggestion boxes are provided in all magisterial towns of the Five LMs. The purpose is to get the feedback from the community on how we can improve on our services

WATER CARTING

The ORTDM is utilising its own water tankers to deliver water for funerals in the areas where there are no water schemes. Water is also delivered where the JOJO tanks have been installed by the municipality, but due to high demand, the District Municipality did not manage to fill all tanks as it is expected. It is also too expensive to hire private water carting tankers.

SPRINGS PROTECTION



Some funds have been set aside to construct springs in the entire ORTDM. This is a short-term arrangement, whilst the ORTDM is planning sustainable regional schemes. The springs were identified and the municipality is implementing them in various areas of ORTDM.

MTHATHA SEWAGE SPILLAGES

The upgrading of Mthatha Waste Water Treatment Works will reduce spillages in town. Sewer pump stations are upgraded so as to pump sewage to the treatment works. Bylaws are in place to curb and minimise the pollution. Outfall sewers are also being upgraded, e.g. Northern outfall Sewer in Northcrest. Sewer reticulation system is planned for upgrading. The new building structures and roads infrastructure construction also contribute to sewer pipe outbursts.

Other challenges include

- Land Claims
- Violation of bylaws by developers (Buildings in our servitudes)
- Leakages from households (unattended)
- Car Washes (no silt traps) leading to blockage of our pipes
- Restaurants and hair salons have no fat traps (Fats blocking our sewer pipes)
- Caravans on top of our infrastructure
- Vandalism of infrastructure
- Electricity cable theft (Mthatha Dam)

2.13.6.1. SUB REGIONAL SCHEMES (UNDER CONSTRUCTION)

The Municipality has implemented stand alone and sub regional schemes that will later be integrated to the regional schemes, in line with the strategic vision of the Municipality on water services. The following are some of the sub regional schemes that have been constructed:

- The Sidwadweni Water Supply Scheme supplies rural villages in Mhlontlo and Nyandeni and more than R200million has been spent to date. The scope of works includes the abstraction of water from the Nqadu Dam, construction of the water treatment works, reticulation to the rural villages as well as supply of water

to the Tsolo hospital. Another phase is currently under investigation to augment the Nqadu Dam which is drying out especially during winter season. This project is also planned to be incorporated in the Ntabelanga Dam in order to ensure a sustainable supply of water

- The Mvumelwano Water Supply Scheme under the Mhlontlo LM, serves more than 7000 households in Qumbu, including the town. More than R150m has been invested in this project and the last phase is currently under construction. The scope of works includes abstraction of water from the Tsitsa River, water treatment plant as well as reticulation to rural villages in Mhlontlo Municipality. The town of Qumbu will also be supplied through this project.
- The first 3 phases of the Port St John's Regional Water Supply have been completed to serve a total population of 8 428 in the PSJ Local Municipality. The construction of the dam and abstraction works is currently under way and on completion, the whole scheme will be functional. Infrastructure worth more than R100 million has been invested in this project (No water since 2004)
- The Ngqeleni 27 Villages Regional Water Supply, to the value of R100 million supplies a population of 33 000 in the villages of Libode and Ngqeleni. The construction of the dam to supplement the existing weir in the Mtyu River is currently under construction to urgent the nonfunctionality of the scheme.
- The Upper Culunca Water Supply under the Mhlontlo LM supplies 7500 households in rural villages under Qumbu. More than R100million has been spent in the development of the scheme since its inception. The scope of works includes the construction of the Dam, in Cengcane, which has recently been completed. This scheme also serves as a backup to the town of Qumbu.
- The Flagstaff Water Supply under Ingquza Hill LM is currently under construction to serve 30 407 households in the rural villages of Flagstaff and the Flagstaff town. R325 million is approved for this project. The scope of works includes, the construction of an off channel dam, water treatment plant as well as village reticulation. The first two phases of this project are nearing completion and were focused on source development, construction of a water treatment works and bulk infrastructure. Phase 3 of the project with a project value of R83 million is for village reticulation and ensuring that the households do receive sustainable water services. Two contracts on the phase 3 project are on hold



due to legal challenges, these projects will be going to tender soon, as the municipality has subsequently terminated these contracts. Costing of the components to tender is underway.

- The Coffee-Bay Water Supply under King Sabatha Dalindyebo supplies Coffee-Bay and the surrounding 38 villages. More than R110million has been invested in this project. The extension of this project is on construction to further supply 48 villages in the former ward 23 and 24 of the KSD Local Municipality. The scope of works includes abstraction of water from the Mthatha River, water treatment works and village reticulation.
- Ntsonyini Ngqongweni Water Supply. This is a multiyear project that started in the 2013/2014 financial year with a total MIG approved budget of R148m. The project is currently on design and is expected to be implemented over 3 financial years. This is due to the source and bulk infrastructure requirements that need to be in place before the actual households' connection. An off channel storage dam is planned to be constructed in the Umzimvubu river
- Extension of Rosedale to Libode Water Supply. This project commenced in the 2012/2013 financial year and is expected to unlock the potential development in the town of Libode. Due to the water resource challenges affecting the Libode Town, water will be taken from Mthatha Dam, treated through the Rosedale Treatment Works and pumped to serve the town of Libode and surrounding villages. This project will later be merged into the Mthatha Dam regional water supply. The total approved budget for this project is R146m.
- The Upper Mhlahlane Scheme is an old project that entails the supply of water to few villages in the KSD Municipality due to insufficient budget at the time. Due to the good yield of the source and the demand from nearby villages, this project was extended to cover additional villages in KSD ward 32. The scope of works includes the upgrading of the existing water treatment works to be able to meet the new demand from the source. This is also a multiyear project with an approved budget of R 147m and completion is expected in the 2015/2016 financial year.

2.13.6.2. KSD PRESIDENTIAL INTERVENTION



The KSD Presidential Intervention project is currently under construction. The scope of work identified under this intervention includes; the modifications to the Mthatha Dam abstraction, Upgrade of the Thornhill Water Treatment works, upgrade of the raw water pipe line from the Mthatha Dam to Thornhill, bulk water infrastructure, upgrade of the Mthatha waste water infrastructure and the upgrade of the Mthatha sewer network. In the 2012/2013 financial year the Municipality procured steel pipes to be used in the construction of this project. Some of the pipes were stored at Enkululekweni. In the 2014/2015 financial year the Municipality then appointed contractors to lay the steel pipes. Contractors are now on site and construction is in progress. The following are the sub projects that compose the KSD presidential initiative project;

- Thornhill to Airport Corridor. This project will supply sustainable water to the Mthatha Airport and future development around the airport, Bedford Hospital, Military base and surrounding villages. With the upgrade of the Mthatha Airport, a lot of development is expected in and around the airport and the Municipality will be ready for that in terms of water services provisioning.
- Supply of water to the towns of Libode and Ngqeleni. This project will integrate the existing Rosedale to Libode Water Supply through provision of sustainable water supply to the town of Libode and surrounding villages. The current Mhlanga Dam is not coping with the demand, such that during drought periods the dam levels drop to zero.
- Rosedale to Nqadu Corridor. This project is intended to provide bulk infrastructure to supply water to Nqadu Dam, to augment the supply of water to the Sidwadweni regional scheme. This scheme is currently operating below RDP standards due to the reduction in supply from the Nqadu dam as it is also used for forestry activities.
- Thornhill to Mqanduli, via Viedgesville Corridor. The scope of works includes the provision of bulk infrastructure to supply water to the town of Mqanduli and surrounding villages
- Upgrade of the Mthatha Waste Water Treatment works and sewer reticulation. A number of housing projects are planned in the KSD Municipality, and have been delayed by the commitment from the District

Municipality in terms of bulk sewer infrastructure. This project seeks to address that as well as eliminate the number of sewer spillages in Mthatha due to ageing infrastructure.

In the 2012/2013 financial year the O.R. Tambo purchased pipe material to be laid on the Mqanduli Corridor. This corridor will convey potable water from Thorn Hill Water Treatment Works at Fortgale to Mqanduli town and villages in between. The pipes are kept at Nkululekweni premises for safe keeping and Contractors are busy laying them on the ground. This was a good idea, because it takes time to manufacture such quantities of pipes, thus delaying project implementation. The contractors were only appointed to lay the pipes and not to purchase and lay.

The other stock of pipes is kept at Fortgale, next to the Water Treatment Works. These pipes are used on the Airport corridor, which conveys water from Thorn Hill Water Treatment Works to the western Part of Mthatha, including Mthatha Airport. All these corridors form part of the KSD Presidential Intervention Programme (KSD PI). Funding for KSD PI comes from Department of Water and Sanitation through the Regional Bulk Infrastructure Grant (RBIG) and ORT own Municipal Infrastructure Grant (MIG). The required total budget for KSD PI is R3,2 Billion.

2.13.6.3. PIPE REPLACEMENT

The pipe replacement project forms part of the KSD Presidential Intervention projects together with their catalyst projects have been earmarked for infrastructure development and socio economic development in the OR Tambo District. The main objective of the project is to implement the pipe replacement due to structural and hydraulic capacity constraints together with water fluctuation surveillance system. The following contracts are currently under construction:

- ***Mthatha Pipe Replacement: Lower Fortgale***

The scope of works includes the replacement of old asbestos pipes with new mPVC pipes at Fortgale to improve the level of service and reduce the number of pipe

bursts. Construction is complete (100% complete) and it has been completed by the end of September 2014.

- ***Mthatha Pipe Replacement: Ikwezi***

The scope of works is the same as the Lower Fortgale contract as it includes the replacement of the old asbestos pipeline with MPVC. This contract is also expected to be complete by the end of September 2015.

- ***Mthatha Pipe Replacement: CBD (York & Madeira)***

With this contract, progress has been slow as the CBD is always busy. Work on these streets is therefore still on hold, due to insufficient funds

- ***Mthatha Pipe Replacement: Nelson Mandela Drive***

Work in the Nelson Mandela Drive is 80% complete and has since been put on hold due to the work that is done at the Museum.

Pipelines that are still to be replaced under this programme include Upper Fortgale, kwaMpuku, and the Maydene Farm. The total budget approved for this project is R80 million.

2.13.6.4. RURAL SANITATION

In terms of rural sanitation, there is significant progress by the district municipality in eradicating the backlog. The recently completed ward profile by the Municipality revealed that there are only 11 wards in the entire district that do not have sanitation at all. All the other wards, in these Municipalities are either partially covered, fully covered or they have the old zinc structure which was implemented prior the approval of the pre cast structure as the standard design for the district. The Municipality has prepared business plans for the remainder of the wards and for the completion of those wards that are partially covered.



2.13.6.5. PROJECT PROGRESS - MWIG (MUNICIPAL WATER INFRASTRUCTURE GRANT)

The Municipal Water Infrastructure Grant (MWIG) is an infrastructure grant aimed at assisting Water Services Authorities (WSAs) to provide interim and / or intermediate and / or localised water supply to consumers currently without services, particularly those in rural areas. The main purpose of the funding is to facilitate the planning, acceleration and implementation of various projects that will ensure water supply to communities identified as not receiving water supply service.

As a Water Services Authority, O. R. Tambo is one of the recipients of the grant. In the 2013/2014 financial year the District Municipality entered into a tripartite agreement with the Department of Water Affairs and the Amatola Water, wherein Awatola Water became the implementing agent. Those projects that Amatola Water started implementing in the 2013/2014 financial year are still implemented by them even in this financial year. The Municipality is implementing those that started in the 2014/2015 financial year.

a. Debeza and Lwandlana and surrounds borehole development

Project Number	ZEC091
Total budget approved	18,000,000.00
2014/2015 allocation	10,000,000.00
Expenditure	191,720.00

- *Project Background*

The project is intended to provide water supply to the villages of Debeza, Lwandlana and surrounding areas in the Ingquza Local Municipality. The scope of work according to the Business Plan includes drilling, testing and equipping of boreholes with long term objectives of supplying more villages

- *Project Progress*

A tender was advertised in July 2014, for the appointment of geo-hydrologists for the siting, drilling and testing of boreholes. The tenders have been evaluated and are waiting for adjudication. The evaluation of tenders has delayed however on award



the progress will accelerate and expenditure will improve. Furthermore a consultant has been appointed for the preparation of a technical report with short term, medium term and long term options of supplying the community with sustainable water supply. The municipality is also undertaking household survey to determine the actual number of households and their current source of water.

b. Borehole Development in wards 6,14,15,17,19 and 28

Project Number	ZEC078
Total budget approved	19,500,000.00
2014/2015 allocation	4,500,000.00
Expenditure	982,500

- *Project Background*

The project is intended to provide water supply to ward 6, 14,15,17,19 and 28 in the Nyandeni Local Municipality. The scope of work according to the Business Plan includes drilling, testing and equipping of boreholes with long term objectives of supplying more boreholes.

- *Project Progress*

A tender was advertised in July 2014, for the appointment of geo-hydrologists for the siting, drilling and testing of boreholes. The tenders have been evaluated and are waiting for adjudication. The evaluation of tenders has delayed however on award the progress will accelerate and expenditure will improve. Furthermore, the Municipality has appointed a consultant for the preparation of a technical report. Baseline survey / household verification is completed.

c. Water Carting and spring protection in ward 1

Project Number	ZEC077
Total budget approved	15,000,000.00
2014/2015 allocation	5,000,000.00
Expenditure	763,456.00

- *Project Background*

The project is intended to provide water supply to ward 1 in the Port St John's Local Municipality. The scope of work according to the Business Plan includes spring protection as well as water carting. PSJ Ward 1 consists of 21 villages all situated on undulating topography with steep slope. It is accessible enroute R61 Mthatha to Port St John's, branching at Hluleka, right turn to Cwele Mission.

- *Project Progress*

Hydro census has already been conducted which was intended to give the yield of the springs. The springs have an average yield of 20 litres / 10 minutes. The Municipality has however appointed a consultant for a full technical report. Household survey has also been conducted to determine the actual number of households in the village. A consultant is busy with the technical report and quotations have been called for the protection of those springs with good yields.

d. Bhakaneni and surroundings within ward 1 & 3 in Mhlontlo

Project Number	ZEC101
Total budget approved	11,500,000.00
2014/2015 allocation	4,500,000.00
Expenditure	598,653.00

- *Project Background*

The project is intended to provide water supply to Bhakaneni and surrounding villages within ward 1 and ward 3 in the Mhlontlo Local Municipality. The scope of work according to the business plan includes drilling of boreholes and provision of mobile purifiers if the quality of water is not of acceptable standard.

- *Project Progress*

A tender was advertised in July 2014 for the appointment of geo-hydrologists for the siting, drilling and testing of boreholes. The tenders have been evaluated and are waiting for adjudication. The evaluation of tenders has delayed however on award the progress will accelerate and expenditure will improve significantly. A consultant

has prepared a technical report and Municipality is currently undertaking household count or baseline survey to determine the total number of households and the current source of water.

e. Tholeni Spring Protection

Project Number	ZEC095
Total budget approved	19,975,888.00
2014/2015 allocation	2,975,888.00
Expenditure	382,625

- *Project Background*

The project is intended to provide water supply to Tholeni and surrounding villages in the Mhlontlo Local Municipality. The scope of work according to the Business Plan includes spring protection as well as drilling and equipping of boreholes. The Tholeni village consists of 5 subvillages, which are; Mfundisweni, Ntyweka, Goxa, Qebeyi and Voutini.

- *Project Progress*

Hydro census has already been conducted which was intended to determine the yields of the existing springs in the villages. 3 springs were identified in the village with the following yield

Spring 1 - 20 litres / 3 minutes

Spring 2 - 20 litres / 6 minutes

Spring 3 - 20 litres / 3 minutes

A consultant has prepared a technical report and Municipality has completed household count or baseline survey to determine the total number of households and the current source of water. Furthermore quotations have been called for the protection of springs that have sufficient yield to be reticulated to the villages.

f. Mqhekezweni Water Supply



Project Number	ZEC076
Total budget approved	4,500,000.00
2014/2015 allocation	4,500,000.00
Expenditure	585,000.00

- *Project Background*

Mqhekezweni Water Supply is in Ward 18 of the King Sabata Dalindyebo Local Municipality within the jurisdiction of the OR Tambo District Municipality. The Mqhekezweni Water Supply Scheme has in total 4 sub-villages within the identified project area.

The project area has a total population of 2460 people residing in 410 households. The project area is approximately 40 km North West of Mthatha. The estimated water demand for the area is 209,941l/d based on a 10 year design horizon. These villages do not have access to piped water; they source water from springs, mostly unprotected springs.

The existing water supply infrastructure only covers the Mqhekezweni sub villages of Mission, Nkukwini and Moyeni, whilst the sub-villages of Lalini (Mrhotshozweni), Nyibibeni, Thafeni and Nyibeni have no existing water infrastructure and currently walk some 4km (max.) to the Mqhekezweni Mission village for all their water needs. Villages without water infrastructure are exposed to health risks as some of sources (springs) are contaminated as they are not protected. Most nearby springs for the Lalini (Mrhotshozweni), Pholela, Nyibeni, Nyibibeni and Thafeni have dried up. People walk long distances to fetch water from the standpipes at Mission and Julukuqu and at summer, when the local springs have recovered, prefer the un-purified water sources close by.

- *Progress to date*

Source verification through drilling and testing of boreholes has been completed. The designs have been finalised and the tender documents have been prepared. The



tenders were advertised for contractors in October 2014 and closed before the end of the 2014 calendar year. They have not been evaluated but the contractor is expected to be on site before the end of March 2015.

g. Borehole Development within wards 3 and 7

Project Number	ZEC079
Total budget approved	44,000,000.00
2014/2015 allocation	10,000,000.00
Expenditure	195,000.00

- *Project background*

The project is intended to provide water to ward 3 and 7 in the Port St John's Local Municipality. The scope of work as indicated in the business plan is to drill, test and equip boreholes and reticulate to the villages.

- *Project Progress*

A tender was advertised in July 2014, for the appointment of geo-hydrologists for the siting, drilling and testing of boreholes. The tenders have been evaluated and are waiting for adjudication. The evaluation of tenders has delayed however on award the progress will accelerate and expenditure will improve significantly. A consultant has been appointed for the preparation of a technical report and the municipality is currently undertaking household count or baseline survey to determine the total number of households and the current source of water.

h. Borehole development within ward 9 & 16

Project Number	ZEC080
Total budget approved	22,000,000.00
2014/2015 allocation	7,000,000.00
Expenditure	390,000.00

- *Project background*

The project is intended to provide water to ward 9 and 16 in the Nyandeni Local Municipality. The scope of work as indicated in the business plan is to drill, test and equip boreholes and reticulate to the villages.

- *Project Progress*

A tender was advertised in July 2014, for the appointment of geo-hydrologists for the siting, drilling and testing of boreholes. The tenders have been evaluated and are waiting for adjudication. The evaluation of tenders has delayed however on award the progress will accelerate and expenditure will improve significantly. A consultant has prepared a technical report and Municipality is currently undertaking household count or baseline survey to determine the total number of households and the current source of water.

i. Water Borne Sewer Projects

The District Municipality is currently implementing 4 water borne sewer projects which are Mqanduli Sewer, Lusikisiki Sewer, Flagstaff Sewer and Tsolo town sewer. The scope of works is for the construction of waste water treatment plants and related works. The Tsolo town sewer is currently on hold due to land claim by the communities in the Tsolo town (Amagcina Clan). For the towns of Port St John's and Libode, the projects are at design stage and construction is expected to commence in this financial year.

MIG ALLOCATIONS AND COMMITMENTS FOR THE MTEF PERIOD

Financial Year	Allocation
2013/2014	648,134,000
2014/2015	604,768,000
2015/2016	641,891,000

The MIG allocation for 2014/ 2015 is R604,768,000. Out of the allocation, R301,000,000 has been transferred to the municipality and has been fully spent. Service providers are being paid out of the Equitable Share, whilst waiting for the last

tranche expected in March. An application for advance payment has been sent to CoGTA.

2.13.6.6. REGIONAL SCHEMES PLANNED FOR O.R. TAMBO DM

There are three Regional Water Schemes planned for O.R. Tambo District Municipality. Once these schemes are funded and implemented, water shortages in O.R. Tambo will be history. The schemes are Mthatha Dam, which will provide 100% coverage to KSD and Nyandeni Local Municipalities, respectively. Mthatha Dam will also cover 5% of Mhlontlo Local Municipality. This project is under construction. Pipes to Ngqeleni and Libode towns have been laid and are under ground. On the Mqanduli corridor, pipe laying is in progress. Pipe laying towards the airport is also in progress.

The second Regional Water Supply Scheme is Ntabelanga Dam, which is in planning stage and has been prioritised by the Presidential office, as a Special Intervention Project. This dam will cover 95% of Mhlontlo Local Municipality.

The third and the last Regional Water Scheme is Mzintlava, which will cover 100% of both Ingquza Hill and Port St Johns Local Municipalities. This is also in planning phase. Once these schemes are completed, they will be connected to the existing standalone schemes, so as to ensure sustainable water provisioning.

The District Municipality is in the process of developing Wall to Wall Water Services Master Plans. These plans will give details on backlogs and will also highlight the water services demand. The advertised plans (Operations & Maintenance Plans, Water resources Master Plans, Water Services Development Plan etc.) which will feed into the Master Plan (CIP) that will be developed.

BUSINESS PLANS (WATER)

Project Number	Project Name and Description	Location	Progress
ORTDM	Upgrading of	Nyandeni Local	Technical report has been submitted to



Project Number	Project Name and Description	Location	Progress
SCMU 16-13/14	Cibeni - Ntlambela Water Supply Scheme	Municipality	DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.
ORTDM SCMU 18-13/14	Dumasi Regional Water Supply Scheme: Dumasi Village and Nggeleni Town	Nyandeni Local Municipality	Technical report has been submitted to DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.
ORTDM SCMU 09-13/14	Extension of Mhlanganisweni Regional Water Supply Scheme: Tsitsa River Source: Feasibility Study	Nyandeni Local Municipality	Technical report has been submitted to DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.
ORTDM SCMU 10-13/14	Kwa Nyathi Regional Water Supply Scheme: Kwa Nyathi Village And Surrounding areas: Feasibility Study	Ingquza Hill Local Municipality	Technical report has been submitted to DWS, and was returned with comments to revise costing. DWS has also visited this project. This project is expected to be appraised in the ECTAC in March 2015.
ORTDM SCMU 13-13/14	Lukhwethu Water Supply and Surrounding Villages	K. S. D. Municipality	Technical report has been submitted to DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.

Project Number	Project Name and Description	Location	Progress
ORTDM SCMU 17-13/14	Lwandile Regional Water Supply Scheme: Upgrading of Existing Water Supply Scheme	Nyandeni Local Municipality	This has been incorporated under the Dumasi Regional Water Supply.
ORTDM SCMU 11-13/14	Msikaba Regional Water Supply Scheme: Msikaba River Source: Feasibility Study	Ingquza Hill Local Municipality	Technical report has been submitted to DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.
ORTDM SCMU 12-13/14	Mithatha Regional Water Supply Scheme: Second Falls And Mdumbi River Options: Feasibility Study	Nyandeni Local Municipality	Technical report has been submitted to DWS, and was returned with comments to add the status of schemes that will be included in this regional scheme. This project is expected to be appraised in the ECTAC in March 2015.

BUSINESS PLANS (SANITATION)

Project Number	Project Name and Description	Location	Progress
ORTDM SCMU 7-13/14	WARD 1 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 8-13/14	COMPLETION OF WARD 2 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS



Project Number	Project Name and Description	Location	Progress
ORTDM SCMU 14-13/14	COMPLETION OF WARD 3 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 15-13/14	WARD 5 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS, and has been recommended. To be appraised in the next DAC.
ORTDM SCMU 19-13/14	WARD 7 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 21-13/14	WARD 8 SANITATION	Port St Johns Local Municipality	The Consultant is busy with the Business Plan
ORTDM SCMU 22-13/14	COMPLETION OF WARD 9 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 23-13/14	COMPLETION OF WARD 11 SANITATION	Port St Johns Local Municipality	The Consultant is busy with the Business Plan
ORTDM SCMU 24-13/14	COMPLETION OF WARD 17 SANITATION	Port St Johns Local Municipality	Technical Report and Business Plan has been submitted to DWS, and has been recommended. To be appraised in the next DAC.
ORTDM SCMU 25-13/14	COMPLETION OF WARD 19 SANITATION	Port St Johns Local Municipality	Not yet Awarded
ORTDM SCMU 26-13/14	WARD 3 SANITATION	Ingquza Hill Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 27-13/14	WARD 4 SANITATION	Ingquza Hill Local Municipality	The Consultant is busy with the Business Plan

Project Number	Project Name and Description	Location	Progress
ORTDM SCMU 28-13/14	WARD 5 SANITATION	Ingquza Hill Local Municipality	Not yet Awarded
ORTDM SCMU 29-13/14	COMPLETION OF WARD 11 SANITATION	Ingquza Hill Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 30-13/14	COMPLETION OF WARD 14 SANITATION	Ingquza Hill Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 31-13/14	WARD 22 SANITATION	Ingquza Hill Local Municipality	Technical Report and Business Plan has been submitted to DWS
ORTDM SCMU 32-13/14	WARD 23 SANITATION	Ingquza Hill Local Municipality	Awarded, but to be relocated to another ward. Ward fully covered.
ORTDM SCMU 33-13/14	WARD 30 SANITATION	Ingquza Hill Local Municipality	Technical Report and Business Plan has been submitted to DWS, and has been recommended. To be appraised in the next DAC.
ORTDM SCMU 34-13/14	WARD 25 SANITATION	Nyandeni Local Municipality	Awarded, but to be relocated to another ward. Ward fully covered.
ORTDM SCMU 35-13/14	WARD 2 SANITATION	Nyandeni Local Municipality	Awarded, but to be relocated to another ward. Ward fully covered.
ORTDM SCMU 36-13/14	WARD 19 SANITATION	Nyandeni Local Municipality	Not yet Awarded



2.13.7 Roads and Public Transport Infrastructure

The Department of Roads and Transport, together with the DM, have developed an Integrated Transport Plan for the District. This plan was approved in July 2011. In terms of the approved District ITP, 78 projects have been identified that should be implemented in the O.R. TAMBO DISTRICT MUNICIPALITY to address the transport-related needs of the area. The required budget over a period of five years, for the ITP is R522 846 000.00. Detail on the expenditure is provided in the District ITP. A number of the national, provincial and district roads are currently being upgraded or undergoing major refurbishment. Work continues on the main roads in the District, the N2 road from East London to Durban, and the R61 from Queenstown to Port St Johns.

The very low historical investment in the access road network in the District has resulted in very poor access to the major road routes (see Table 49 below). This not only isolates already impoverished communities from important livelihood socio-economic opportunities, but also inhibits economic development, making it expensive and difficult to move inputs and outputs from many of the parts of the District. This function has now been transferred to LMs. Although this is no longer a function of the DM, strong relations between the DM, Provincial Department of Roads and local municipalities need to be maintained in order to improve the state of the District's roads especially those that inhibit access to social facilities such as hospitals, clinics and school

Table 49: The Current Status of Roads In The O.R. Tambo District Municipality

Road Category	Number of kms in the District	Responsible Authority
National	136	National Roads Agency
Provincial	497	Provincial Dept of Roads and Public Woks
District	2, 792	Regional Dept of Roads and Public Works
Access Roads	2, 957	District and Local Municipality
Street and Internal	Unconfirmed	Local Municipalities

A specific priority in the District is the construction and maintenance of gravel access roads in rural areas. This category of roads is funded through the Municipal Infrastructure Grant (MIG) and Equitable Share funds. On average, 500 km of access

roads are constructed or maintained per year in the district. Table 49 provides an overview of the quality of roads in the District and an extent of what still needs to be done.

The department of transport focus area are; public transport, transport safety as well as maths and science. The maths & science project was initiated as a result of the shortage of engineers in all sectors but more importantly the transport sector. This maths and science project runs every year from February to October. Currently this project is focused around the KSD local municipality as a result of budget constraints. There is however a limited budget to engage school

The Department of Transport has the following projects:-

- *The scholar transport project:* from DoE in July 2011 without a budget for compensation of employees except the payment of service providers. Currently scholar transport project resides at the Head Office and the districts are responsible for monitoring of dropping and picking of learners to and from the schools. Currently 97 schools are benefiting in O.R. Tambo district area.
- *Shova –Kalula National Bicycle Project:* the donation of bicycles project aims to eliminate unacceptable long walk learners have to travel to and from schools. In an effort to improve learners results at the end of the year this project was introduced in schools and currently 80 learners in the district received bicycles.
- Improve *road safety awareness* of vulnerable road users such as pedestrians, passengers and drivers. This is road safety awareness is extended to communities through the roll out of Community Road Safety Council operations. The level of participation in these awareness campaigns is strengthened through stakeholder engagement.
- Impart safe driving and instill the culture of road safety to learners through the Learner Driver Education Programme.
- Improve road safety awareness and driving skills targeting public transport operators and other drivers.



LOCAL MUNICIPALITY	PROGRAMME	IMPACT	BENEFICIARIES
KSD	Maths & Science	Improved Maths & science results of learners	Grade 10, 11, 12 learners in KSD schools
Nyandeni	Scholar Transport	Better results for learners. Job creation for service providers	Learners at 34 schools
K.S.D	Scholar Transport		Learners at 28 schools
Mhlonlto	Scholar Transport		Learners at 20 schools
Ingquza Hill	Scholar Transport		Learners at 15 schools
King Sabata Dalindyebo, Mhlonlto, Nyandeni. Port St John's and Ingquza	Scholar patrol	Road safety knowledge and understanding; Assistance of learners to cross safely near their school by other learners under the supervision of an adult.	Learners from grade R to grade 9
King Sabata Dalindyebo, Mhlonlto, Nyandeni. Port St John's and Ingquza	Junior Traffic Training Centre	Learners are trained on how to use the road safely as safe and independent road users.	Foundation phase learners
King Sabata Dalindyebo, Mhlonlto, Nyandeni. Port St John's and Ingquza	Child in Traffic	Learners are trained on how to use the road safely as safe and independent road users.	Foundation phase learners
King Sabata Dalindyebo, Mhlonlto, Nyandeni	Community road safety council	To strengthen stakeholder involvement in road safety programmes	Broader community through organised community structures

LOCAL MUNICIPALITY	PROGRAMME	IMPACT	BENEFICIARIES
King Sabata Dalindyebo, Mhlonlto, Nyandeni. Port St John's and Ingquza	Stray animal management	To create awareness about stray animal accidents and educate stockowners and rangers about stray animal management.	Stockowners, communities, herd-boys, farmers and rangers.
King Sabata Dalindyebo, Mhlonlto, Nyandeni	Driver training and education	To promote road safety awareness to drivers through education.	Heavy vehicles, Taxi drivers and operators.
King Sabata Dalindyebo, Mhlonlto, Nyandeni. Port St John's and Ingquza	Pedestrian Safety	Educate pedestrians through mass media activities	Pedestrians and commuters
King Sabata Dalindyebo, Mhlonlto, Nyandeni, Port St John's	Driver training and education	To promote road safety awareness to drivers through education.	Heavy vehicles, Taxi drivers and operators.

Some of the challenges experienced in the implementation of these programmes include limited funding and resources, expired scholar transport contracts as well as the lack of infrastructure.

2.13.8 Non-motorised Transport

Non Motorised Transport is defined as any form of transport or mobility that does not rely on electrical and/or fuel combustion-driven propulsion mechanisms. It includes modes such as walking, cycling, wheelchairs, handcarts, rickshaws and animal-drawn vehicles (e.g. horse-drawn and donkey carts). In the O.R. TAMBO DISTRICT MUNICIPALITY there is generally very little provision for pedestrian and bicycle travel. Sidewalks are generally in a poor condition and full of potholes.



Table 50: Condition of paved and gravel roads in O.R. TAMBO DISTRICT MUNICIPALITY

Condition	Gravel Roads (%)	Paved Roads (%)
Very Good	1	5
Good	10	5
Fair	10	10
Poor	10	30
Very Poor	60	40
Total	100	100

In improving on this situation and providing effective NMT facilities, the following five guiding principles are observed:

- *Safety*: Maximise the safety of NMT users in relation to other road users, as NMT users have a high degree of vulnerability due to nature of the way they travel.
- *Coherence*: A coherent and continuous NMT network, linking all origin and destination points such as settlements and public transport routes with/or public amenities for the user and not just an *ad hoc* facility that ends abruptly in the middle of nowhere, must be created
- *Directness*: Create a direct route from origin to destination without significant detour to cause the user to ignore the facility. A good guide for these routes is what is referred to as “desire lines” in transport terms. A desire line is an informal track/walk or cycleway next to a road or over a vacant piece of land between a specific origin and destination – normally the shortest distance between the two and in most instances diagonal
- *Attractiveness*: Plan and execute NMT facilities in such a way that they make NMT travel attractive and safe from criminal elements or other road users during both day and night.
- *Comfort*: Ensure a smooth, quick and comfortable flow of NMT routes and traffic without excessive gradients or uneven surfacing and with adequate and appropriate amenities.

NMT Infrastructure elements consist of the following:

- *Ways*: Considerations include how to best locate these routes and the type of infrastructure that would be most appropriate. For example, bicycle lanes are demarcated routes on a road where space is allocated to cyclists. Bicycle roads, on the other hand, are routes set aside for cyclists, but the pathway provided is separate from the road, running either adjacent to the road or on a separate alignment away from a road. Sidewalks are an example of typical urban infrastructure on a pedestrian route.
- *Crossings*: When pedestrians or cyclists must cross a trafficked road, the safety of the crossing becomes very important. The vulnerability of NMT users in comparison to a vehicle makes the provision of safe crossing facilities vital.
- *Amenities*: Amenities for NMT users are often forgotten. These are any tangible or intangible benefits, especially those that increase attractiveness, or value, or that contribute to comfort or convenience. Amenities include bicycle lock-up facilities, lighting, benches, ablutions, and water (for people and for draught animals).

With a clear understanding of the principles, elements and a good grasp of what the ideal is for a NMT network and amenities, the N2 and very small sections of the R61 around Mthatha have been examined in terms of formal and informal NMT Infrastructure, as part of a desktop exercise. These findings will indicate how well the O.R. TAMBO DISTRICT MUNICIPALITY is performing in terms of providing NMT networks and amenities under their auspices. For this purpose, the register below indicates the NMT network and amenities along the indicated routes and streets within Mthatha, as the biggest town in the District, and O.R. TAMBO DISTRICT MUNICIPALITY as a whole. The O.R. TAMBO DISTRICT MUNICIPALITY includes NMT in its planning by identifying needs in the District ITP, but implementation does not fall within the ambit of the DM.



2.13.9 Railways

A major infrastructure project in the District is the Kei Rail initiative, aimed at revitalizing the rail line from Mthatha to East London. Substantial investment has been made in re-commissioning this rail line. It is envisaged that this rail line will be the central economic driver underpinning the Kei Development Corridor, i.e. a Developmental Zone running through the District.

2.13.10 Airports

Mthatha Airport is fully functional and compliant with Civil Aviation Authority (CAA) safety standards. Recently there has been a 23 % increase in its passenger flow. Utilisation of the airport has improved and there is now a proposed regular passenger service between Mthatha and Bisho Airports. Mthatha Airport has three scheduled flights a day between Mthatha and Johannesburg by Air Link. A second airline, known as Interlink, is in the process of conducting tests on the route between Mthatha and Johannesburg. Plans are currently underway for the upgrading of the Mthatha airport so that it becomes a more attractive destination for airlines, businessmen and tourists.

2.13.10.1 Future Airport Usage

Discussions and consultations are taking place to get more airlines for the Johannesburg-Mthatha and Mthatha-Durban routes. An important goal is to link Port Elizabeth to Mthatha via Bisho Airport with the service geared for faster movement between the three (3) areas. Further to the usage is a proposed linkage with the proposed development of Port St John's 1.2 kilometre landing strip.

2.13.10.2 Capacity

The airport currently has a 2 kilometer runway which accommodates Boeing 737 aircraft that can carry 150 passengers. In the current upgrading process of this airport, the first phase includes the construction of a much bigger fire station that will accommodate two big fire engines worth R2.5 million. This will assist in increasing the airport's emergency capacity and improve its grades from four to six. When

completed the airport will consist of, among others, an extended VIP lounge, new premises for five car hire companies, curio shops and restaurants. Another addition to the airport is a secondary tarred runway. This runway was not part of the initial plan but is due to the anticipation of high volume of movements of aircrafts and economic demand in the area. For these purposes an unused runway will be refurbished for this. The fact that most passengers travelling to Mthatha are for business purposes means that there is potential opportunity for restaurants and coffee shops at the airports.

2.13.10.3 Constraints

The runways at Mthatha Airport need reinforcement to accommodate the increased traffic flow that will result from increased commercial activity and tourism in the area.

Success Factors

The South African National Defence Force (SANDF) has taken up the project as its initiative to up-grade the airport runway to that of an international standard which will then make it possible for all kinds of aircraft being able to use the airport.

2.13.11 Refuse Disposal

According to the Community Survey (2007), most people in the District (173 347 households or 62% of the total) rely on their own methods of solid waste disposal, and 69 198 households (25% of the total) have no access to any means of solid waste removal system (see Table 49 below).

Table 51: Refuse disposal (Community Survey 2007)

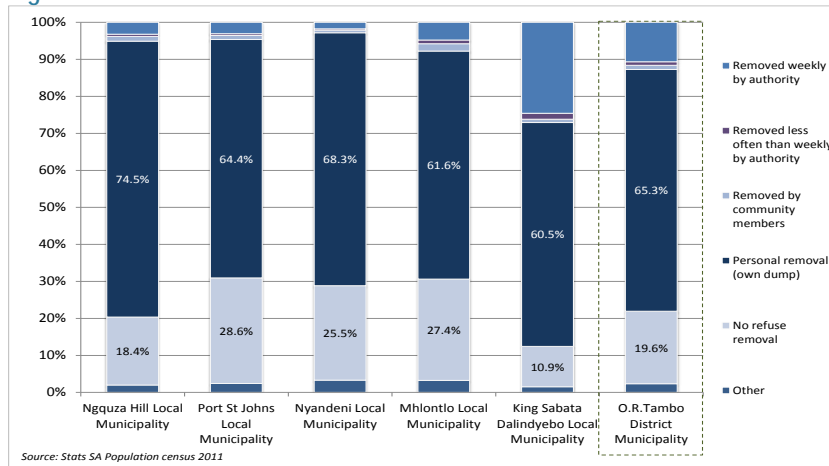
Activity	Inguza Hills	Port St Johns	Nyandeni	Mhlontlo	KSD	TOTAL
Removed by local authority on weekly basis	1 235	585	677	1 511	21 755	25 763
Removed by local authority less often	1 012	60	402	1 153	2 330	4 957
Communal refuse dump	329	190	363	1 694	643	3 219



Activity	Inguza Hills	Port St Johns	Nyandeni	Mhlontlo	KSD	TOTAL
Own refuse dump	2 508	22 580	35 677	36 243	49 429	173 437
No rubbish disposal	16 485	7 284	19 578	8 434	17 417	69 198
Other	132	251	156	826	1 808	3 173
Total	48 701	30 950	56 853	49 861	93 382	279 747

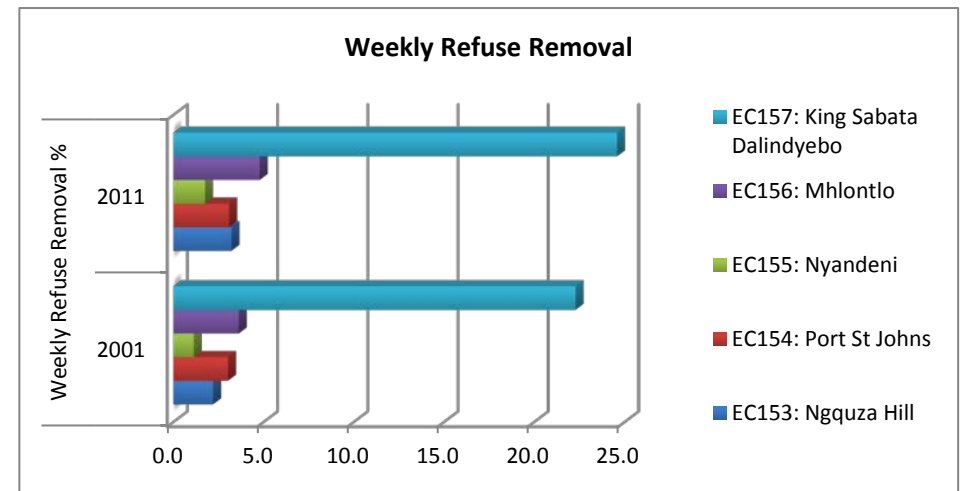
According to the Census 2011 report, Inguza Hill local municipality has the highest number of households who do personal removal of refuse at 74.5%. The local municipality with highest percentage of households with no refuse removal is the Port St Johns Local Municipality with 28.6% of its households that does not have refuse removal.

Figure 35: Households with no Refuse Removal



The figure below reflects the percentage of households in each municipality with access to weekly refuse removal services.

Figure 36: Weekly Refuse Removal (2011 CENSUS DATA)



2.13.12 Source of Energy for Lighting

The provision of electricity is the sole responsibility of Eskom. The District Municipality is only involved in the planning process. With the exception of the KSDLM, where 70% of the households have access to electricity for lighting, the other LMs in the District fell significantly below the Provincial average of 67% in 2007. Most of the households in these municipalities depended on candles and paraffin as their source of energy for lighting (see Table 52). This situation has now increased dramatically (see Table 53). It has been proposed that the possibility of exploiting the hydro-electric potential of the Mzimvubu Dam be studied. Other potential sources of renewable energy in the District also need to studies and exploited as and where possible.

Table 52: Source of energy for lighting (ECSECC 2007)

Municipality	Electricity		Gas		Paraffin		Candle		Solar & Others	
	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006	Census 2001	RSS 2006



	%	%	%	%	%	%	%	%	%	%
Eastern Cape	49.7	67.1	0.3	0.4	23.3	14.0	25.9	18.3	0.8	0.2
O. R. Tambo	28.1	49.6	0.3	0.2	12.1	8.0	58.4	41.6	1.2	0.5
Inggquza Hill	13.6	42.7	0.2	0.4	8.0	5.8	76.3	50.0	1.8	1.0
KSD	41.7	70.1	0.4	0.2	24.3	11.5	33.1	18.1	0.6	0.2
Mhlonlto	30.1	47.1	0.2	0.6	8.8	2.4	60.0	49.1	0.9	0.9
Nyandeni	32.2	58.4	0.2	0.2	11.5	19.7	55.0	21.7	1.0	0.0
Port St. John's	17.2	45.6	0.3	0.4	10.5	1.9	70.8	52.1	1.1	0.0

Table 53: Access to electricity

Local Municipality Name	Current Connection %	Issues/Challenges
King Sabata Dalindyebo	85	<ul style="list-style-type: none"> The line/grid to coastal areas is not coping with the demand. Unplanned settlements increasing the backlog. Power outages contribute to non-payment for services. Potential for alternative sources of energy.
Inggquza Hill	77	
Mhlonlto	85	
Nyandeni	80	
Port St John's	85	

The Census 2011 data revealed that local municipality with the most households with access to electricity for cooking is the Sabata Dalinyebo Local Municipality at a total of 60 464 households or 57.5% of the total households. In O.R. Tambo District Municipality a total of 209 288 households have access to electricity for lighting, which is 70.2% of the total households. The Port St Johns Local Municipality have the least access to lighting with a total of 21 504 households or 67.8% of the total households in that municipality having access.

Table 54: Access to electricity



2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto 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

2.13.13 Telecommunications

Telkom operates the establishment "landline" telecommunications network in the District. In addition to this, MTN, Cell C and Vodacom have installed transmitters that now provide coverage to over 70% of the area.

2.14 HOUSING DEVELOPMENT

The ORTDM views housing and related infrastructure delivery as catalysts for development and improved quality of life in previously disadvantaged communities, provide middle income housing, temporal and permanent assistance to people affected by disasters, rental housing and provision of social and economic facilities in the District. Under the Constitution of South Africa, 1996 and within the National Housing Act of 1997, the provincial and local government entities are compelled to provide adequate housing and infrastructure for their areas of jurisdiction. This is further postulated in the "Breaking New Ground" housing delivery approach to create sustainable human settlements. The predominant settlement pattern in OR Tambo District is based upon the rural village with grouped homesteads dispersed along ridge crests in the uplands or in the valleys on flatter land. Areas along the coastline are sparsely populated, as people tend to locate their homes inland. Migration has contributed to the growth of Mthatha and the service centres of Lusikisiki and Port St Johns. There has also been substantial growth along the N2 corridor from East London through Mthatha to Kokstad.

2.14.1 Land Needs

The Eastern Cape Multi-Year Housing Development Plan (2009/10-2014/15) states that gaining access to developable land in good localities for housing development has proven to be a major challenge in the province due to Land claims and invasions. Land values are highest where development is desirable and the available funding does not cover the acquisition of such prime land for housing development. The result has been that land has been acquired far away from economic opportunities and thus has resulted in the perpetuation of social segregation and the marginalisation, especially for low-income households in the District.

Beyond issues of location, many municipalities have no coherent strategies for land acquisition apart from the fact that public land is vested in the State. This situation, together with long land release and transfer-procedures in land acquisition are major concerns. Many municipalities complained that there is simply no land available for housing development in the areas where they wanted it. Issues related to land claim and tenure also present problems to housing development in some of the municipal areas. As indicated above, the availability of well-located and appropriate land for housing development is a priority issue in the district, as about 158 143 households currently live in inadequate housing that is either badly located or areas often without secure tenure. Land on the periphery is cheaper and therefore “affordable” for housing development and provisioning socio-economic facilities, but such areas are far removed from places of employment, and transport opportunities, and inhabitants are therefore subjected to high transport costs and unnecessarily long travelling times. In addition to this, authorities are subjected to high costs for the provision of bulk services and residential areas continue to follow the legacy of apartheid segregation on the basis of social class and status.

In terms of the BNG policy, housing nodes will be identified and the necessary procurement, land alienation and zoning issues undertaken well in advance of the actual housing delivery to avoid the delays that are currently being experienced. Land-release is further hampered by the various pieces of town planning legislations and the legal procedures related to the alienation of land, the difficulties in accessing

State-owned land and the constitutional imperatives impacting on the acquisition of private land and the number of disputes related to the release of land. It is anticipated that the various Housing Sector Plans for the Local Municipalities, District Human settlement Strategy which leads to formation of Provincial Human settlements Plan, which are reviewed yearly will identify the number of planned residential sites to address the current housing needs, as well as suitable public land for alienation by the Department of Rural Development and Land Reform (DRDLR), which should be donated free of charge to municipalities in the ORTDM.

2.14.2 District Housing Backlog

The number of households in the District that require decent houses located within conducive and sustainable environments that are provided with basic services, constitutes the housing backlog. These are the households living in inadequate housing, and include traditional dwellings, informal dwellings and others like caravan or tent, rooms and houses in backyards. The number of households living in inadequate housing amounts to 158 143 (see **Table Below**). In terms of category and location, traditional dwelling accounts for 92.5% of all the inadequate housing in the District and 20.8% of these houses are found in KSD, followed by Nyandeni at 16.6%, Inquba Hill at 15.2%, Mlonthlo at 14.2% and Port St. Johns at 9.9%.

Massive strides in the delivery of low cost housing to the poor and the vulnerable households have taken place over the past few years in the District, with a backlog of 206 815 in 2009/2010 financial year which has since decreased to 158 143 in 2013/14, as seen from the table below. In the process of dealing with the housing backlog the District managed to build 48 672 houses between 2009/10 and 2013/14 financial year.

Table 55: Housing Backlog

LOCAL MUNICIPALITY	BACKLOG
Inquba Hill	33 502
King Sabata Dalindyebo	22 000
Mlonthlo	38 749



Nyandeni	41 892
Port St Johns	22 000
GRAND TOTAL	158 143

Traditional dwellings dominate the inadequate housing in the District. However, there are some debates as to the extent to which traditional dwellings, which have been used in the District for centuries, can be classified as “inadequate housing”. In terms of policy directives and statements of policy intent by the MEC of the Department of Human Settlements, the Department does not view traditional dwellings as inadequate, and hence constituting to the backlog. The concretization of appropriate policy measures in this regard received attention when the Department adopted a two-pronged strategy aimed at (1) dealing with the housing issue in traditional areas, and (2) developing guidelines to address rural housing needs and inform the associated policy directives.

It must be noted that while many traditional dwellings provide good standards of shelter and comparable in quality with formal dwellings, around two-thirds of households in the rural traditional housing in the ORTDM are without access to basic household services, such as, piped water, sanitation, electricity and proper accessibility. There is therefore a backlog in the basic services required to make living in these physical structure sustainable and conducive for human habitation. Additionally, no formal housing development procedure is applied in the delivery of such houses, for example, approved building designs approvals, environmental issues and considerations and town planning regulations.

If the traditional houses are considered as being adequate housing, then inadequate housing within the District stands only at 8%. However, it is suggested that until such a time that a proper rural housing needs figure for the District has been determined which includes access to basic household services, these traditional dwellings should be included in the inadequate dwelling category, not for the reasons of quality but rather due to the drive towards modernization and equity, as more people within the communal and tribal areas decide to exercise their constitutional rights in order to access what is considered as a more contemporary lifestyle.



Table 56: Housing stock (2001 and 2007) (SSA, Census 2001 & CS 2007)

Municipality	Adequate Housing		Inadequate Housing		Total	
	2001	2007	2001	2007	2001	2007
Inggquza Hill	13 340	7 627	37 051	41 075	50 391	48 702
Port St Johns	3 896	4 348	24 818	26 603	28 711	30 951
Nyandeni	9 864	12 049	45 891	44 804	55 755	56 853
Mhlonlto	8 410	11 525	33 868	38 336	42 278	49 861
KSD	35 082	37 386	54 383	55 997	89 465	93 387
Total	70 592	72 935	196 011	206 815	266 603	279 750

2.14.3 Inadequate Dwellings: Backyard Shack and Informal Housing

Backyard shacks and informal dwellings provide a critical low-cost rental market, as well as offer migrants a shelter at their destination points. They are also favoured by many single women, because they offer more security than free-standing shacks. According to the Community Survey (2007), there are about 6 137 informal dwellings in the District. The KSDLM accounts for 49% of all the informal dwellings in the District, followed the Mhlonlto LM (30%). The two combined therefore account for 79% of all the informal dwellings and informal housing areas in the District. The figures below show some typical informal housing in the District.

According to the strategic objective of the Department, the DoHS intends to facilitate and coordinate the eradication of informal settlements through the development of sustainable human settlements in the District by 2014. To this end, the Department's medium term targets are to render support to municipalities in respect of upgrading informal settlement, facilitating the process of land acquisition, installation of internal services, land transfer and erection of top structures, as well as facilitating the provision of social and economic facility (e.g. Multi-Purpose-Community Centres) within the prioritized project areas (Annual Performance Plan, 2011/12-2013/14). Backyard shacks provide an opportunity for rental housing and generates

an income for site owners. However, it is essential to create a regulatory framework, which will ensure that minimum standards are secured, and that bulk infrastructure can accommodate the densities the backyard residents create



2.14.4 Past and Existing Housing Stock

As noted above, significant strides have been made in housing provision in the District. More than 72 000 households since 1994 have received access to housing opportunities through the various housing programmes in the District. Of the current approximate 279 750 houses in the OR Tambo District, as revealed by the Community Survey (2007), about 72 935 units are considered as adequate housing, whilst the remaining 158 143 units are classified as inadequate and this latter figure constitute the housing backlog in the District (see Table below).

Table 57: Past and current housing stock (SSA, Census 2007 & CS 2012)

Category	Housing Type	2007	2012
Inadequate housing	Traditional dwelling	190 042	249 465
	House / flat / room in backyard	6 924	8 872
	Informal dwelling / backyard shacks	1 873	2 421
	Informal dwelling in informal settlements	4 264	4 733
	Room or flat-let on shared property	1 129	1 645
	Caravan or tents	529	583

Category	Housing Type	2007	2012
	Others	2 054	962
	Total number of inadequate housing	206 815	268 681
Total Housing Stock		279 750	279 750

2.14.5 Adequate Housing

Progress in the provision of adequate housing has been marked in the District. A high proportion of households in these municipalities live in rural areas. Progress has been especially marked in municipalities under OR Tambo DM jurisdiction since 2001.

During the past decade, significant progress has been made in improving infrastructure delivery in the municipalities to boost housing delivery. In terms of house types, there has been a large increase in formal housing between 2001 and 2007 in the form of brick/block and mortar structures on separate stands. Currently, this house type accounts for 56 072 and the remainder is alternative technology and other building typologies of all the adequate housing in the District. This high number might be attributed to Government's housing programme.

Flats in block of flats and cluster homes account for 22% and 1.2% of housing types, and they are commonly found in the KSDLM. It is anticipated that the social and rental housing, according to the Annual Performance Plan (2011/12-2013/14) of the EC Provincial Department of Human Settlements (DoHS), will be promoted and integrated in the major towns/nodal centres in the District, to increase the number of the flats in block of flats to satisfy the needs of the low and middle class workers. According to the Annual Performance Plan (2011/12-2013/14), the Department of Human Settlements will facilitate and promote the integration of communities utilizing social and rental housing, and has planned to increase provision of well located and affordable priced rental accommodation in the province. In 2012/13 the DoHS targeted 1 150 approved beneficiaries, as well as rental units to be completed for

social housing, 400 units approved for CRU, 121 rental units to be upgraded for CRU, and 100 rental units to be completed for CRU in the entire Province.



2.14.6 Key Issues of Focus and Challenges

2.14.6.1 Rural Housing Development

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

2.14.6.2 Creating Integrated and Sustainable Settlements

There is a lack of collaborative planning between municipalities, the department of Human Settlements and provincial sector departments. There is a need to enhance spatial planning through greater coordination and alignment of various planning instruments and economic policies. In order to ensure that human settlements are sustainable there is a need to promote Intergovernmental relations, which is aimed at responding to a comprehensive range of human settlements related issues, such as tenure, livelihood strategies and broader socio-cultural issues.

2.14.6.3 Ensure that all LMs have credible Human Settlements Sector Plans that are consolidated to District Human Settlements Strategy which will contribute to Provincial Human Settlements Strategy.

The housing chapters of the LMs' IDPs must be considerably enhanced to include National housing needs register (NHNR), the identification, surveying and prioritization of informal settlements, the identification of well located land for housing, the identification of areas for densification, the linkages between housing and urban renewal and the integration of housing, planning and transportation frameworks, and will link these to a budgeted multi-year implementation plan.

2.14.6.4 Housing Consumer Education Program

There is still a huge information gap in relation to people's human settlement rights. There is also a need to intensify and accelerate the consumer education program to ensure that communities are empowered to constructively engage with municipalities in identifying and fulfilling their housing needs, roles and responsibilities and other human settlements related issues.

2.14.6.5 Eradication of Informal Settlements

Informal Settlement Eradication is a priority in the Human Settlements development policy. Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion.

2.14.6.6 Supporting the Urban Renewal Program/BNG

The layout plans for new settlements in urban areas in many cases promote urban sprawl. There is a need to promote densification and integration of previously excluded groups into the city and the benefits it offers, and to ensure the development of more integrated, functional and environmentally sustainable human settlements, towns and cities. One aspect of this process can be achieved through supporting urban renewal and inner city regeneration. The District has one urban renewal project – the Ngangelizwe project supported by Presidential intervention program.

2.14.7 Responding to Emergency Housing

The ORTDM is prone to disasters such as the storms, heavy rains, veld fires, floods etc. All these call for a clear strategy to respond to disaster related occurrences as there are delays in responding to emergency cases. In order to address the emergency outcry, there is a need for decentralisation of emergency housing responsibility to the district municipality such as provisioning of temporal shelters.



2.14.8 Release of land for Human Settlements

There is a need to fast-track the release of well-located public land to municipalities. The province has to set aside a budget for this process as municipalities do not have enough revenue to fund such acquisitions. Land ownership in the ORTDM vests in the government, tribal authorities, local municipalities and private individuals through the Department of Rural Development and Land Reform.

2.14.9 Budgeting for Human Settlements

There is a need for a clear MTEF budget informed by plans from local municipalities through their Human settlements sector plans.

2.14.10 Availability of Infrastructure

Most housing projects suffer because of lack of infrastructure. There is a need for alignment of MIG programs with sustainable human settlements development.



2.15 LAND ISSUES

The O.R. TAMBO DISTRICT MUNICIPALITY is characterised by freehold tenure in the towns and communal tenure in the rural areas. In general terms, the stability of

freehold title in the urban settlements makes it easier for formal, large-scale investments and settlement development to occur. The communal owned land areas, on the other hand, do not offer security of tenure, hence large scale investment, including housing development, by private sector is generally more difficult to undertake, and in these areas, informal development tend takes place without conventional security of tenure.

Communal land is held in trust by the Minister of Rural Development and Land Reform (DRDLR), but also regarded by government as co-owned by the local community. Although it is considered to belong legally to the State, it is held by individuals under PTOs, under customary tenure, by quitrent grants, and occasionally, but rarely, by lease. An individual's rights on land are protected by the Interim Protection of Informal Land Rights Act (IPILRA) (PSDP, 2010). The majority of the land in communal areas is un-surveyed and unregistered, and the basic spatial unit is the Administrative Area, which was previously known as 'locations' or 'ilali'. The procedures to be followed in securing land for housing development within these communal areas are very cumbersome and take a very long time to complete.

2.16 THE STATUS OF LAND CLAIMS IN THE DISTRICT

2.16.1 Lodges Claims in various Local Municipalities

Claims for the restitution of land rights that were lodged by various individuals, groups and communities who were dispossessed of their rights in respect of various portions of land in the District, are shown in Table 59 below. In all, 113 restitution claims (105 rural claims and 8 urban claims) were lodged in the various local municipalities in the District. Of this figure, 25 (22%) of the claims have been settled, 8 (7%) have been referred and 80 (71%) are still outstanding. This high outstanding figure has negative implications on the housing delivery system in the District.

Table 58: Land claims lodges in O.R. TAMBO DISTRICT MUNICIPALITY (RLCC Housing Forum 2011)

Local Municipality	Magisterial District	Claims Lodged		Claims Settled	Section 6 (2) b-referral	Outstanding	Total
		Rural	Urban				
KSD	Mqanduli	3	0	0	0	3	
	Mthatha	26	6	4	6	22	
	TOTAL	29	6	4	6	25	35
Nyandeni	Libode	17	0	10	2	5	
	TOTAL	17	0	10	2	5	17
Port St John's	Port St John's	7	0	2	0	5	
	TOTAL	7	0	2	0	5	7
Ingquza Hill	Lusikisiki, Flagstaff	30	2	7	0	25	
	TOTAL	30	2	7	0	25	32
Mhlontlo	Tsolo, Qumbu	22	0	2	0	20	
	TOTAL	22	0	2	0	20	22
TOTAL		105	8	25	8	80	113
		113		113			113

2.16.2 Categories of Claims

The nature of the claims in the O.R. TAMBO DISTRICT MUNICIPALITY varies from one claim to another and most of them affect communities with huge numbers of claimants and beneficiaries. Some of these claims fall within the Sustainable Rural Development Programme (ISRDP) nodal point, and be categorized as:

- Betterment claims;
- Commonage claims;
- Forestry claims; and
- Conservation claims.

2.16.3 Progress on Settlement of Claims

The claims in O.R. TAMBO DISTRICT MUNICIPALITY are at various stages of the settlement process, which include research, claimant verification, valuations, options assessment, negotiations, drafting settlement agreements and referrals for settlement through Section (42 D) of the Restitution Act.

2.16.4 Highlights on the Claims

The RLCC has managed to settle twenty one (21) land claims in the O.R. TAMBO DISTRICT MUNICIPALITY, which are reflected in Table 60 below:

Table 59: Settled Claims in the O.R. tambo district municipality (RLCC Housing Forum 2011)

No.	Settled Claim	No.	Settled Claim	No.	Settled Claim
1	Xhongorha Community	8	Mvumelwano Community	15	Sobambela Family
2	Mabandla Family	9	Luthengele/Majola Community	16	Guma Family
3	Nkondwane Family	10	Mkhamb	17	Tangana Family
4	Mazangwa Community	11	Mtshelkwana Family	18	Magwa Community



5	Van der Byl Family	12	Mdlankomo Community	19	Qolombana Community
6	Caguba Community	13	Moyeni Community	20	Qelana Community
7	Mvumelwano Community	14	Rhozani Family	21	Gqogqora Community

2.16.5 Critical Issues in Settling Claims in the O.R. TAMBO DISTRICT MUNICIPALITY

The following are a list of these critical issues:

- The role of the Municipality;
- Invasion of claimed land;
- Legal entities (functioning of legal entities);
- Claims by Traditional authorities;
- Long term leases;
- Socio-political dynamics;
- Economic development;
- Cooperative governance; and
- Poverty eradication.

2.16.6 Critical Challenges

According to the RLCC, rural claims have proven to take longer and the Commission has had to contend with various additional challenges, many of which are related to the processing of claims, and can be summarized as follows:

- Boundary disputes between communities;
- Claims on un-surveyed and un-registered parcels of land;
- Invasions on commonage/State land;
- Family disputes;
- Community dynamics;
- Competing needs/priorities between government departments;

- Incoherent policies on development;
- Untraceable claimants and claimants who do not bring documents;
- Unavailability of land for alternative relief; and
- Long-term leases entered into by the previous government and the current users of the land.

2.16.7 Strategic Interventions

The Commission has put in place various strategies and plans to settle all the outstanding rural claims including those in O.R Tambo District Municipality. These include:

- The batching together of similar claims;
- Bulk outsourcing of research and claimant verification to Service Providers;
- Increasing the existing capacity of the office in terms of staff complement; and
- Shortening the project cycle.

2.16.8 Priorities

The Commission has re-prioritised the processing and settlement of claims to be in line with various and national development priorities, which means that the following must now be taken into account in processing land claims:

- Municipal IDPs and alignment with these plans;
- The role of restitution in the implementation of the ISRDP and Urban Renewal Programmes;
- The Department of Local Government and Housing, Local and District Municipalities, Development Planners, etc. want land to be released for housing and other development purposes;
- The Spatial Planning Initiative (SDI), ISRDP and URP want all claims which are in their nodal points to be settled soonest, so that key developments can take place; and
- The Department of Rural Development and Land Reforms' commitment to the redistribution programme, which seeks to address the 87%:13% land



ownership problem. The PLRO wants to dispose of State land and therefore wants claims that are on State land to be settled soonest.

2.16.9 Available Opportunities

- The Commission is working closely with the Provincial Land Reform Office (PLRO) in trying to accelerate the settlement of these claims through the State Land Disposal Programme. The PLRO wants to dispose of state land and have committed itself in making some farms available for restitution purposes in areas where there is a need for alternative land;
- The DM has highlighted the need to ensure integration of restitution in the implementation of the Integrated Rural Development Programme (ISRDP) and Urban Renewal Programme (URP);
- Municipalities are starting to realize the need for the integration of restitution into their IDPs and other alignment of processes; and
- The enactment and implementation of Section 42 (E) of the Restitution Act that refers to the expropriation of land to facilitate and expedite the settlement of restitution claims.

2.17 EXPANDED PUBLIC WORKS PROGRAMME

The District designated a Political and a Technical champion for the programme. The programme has improved in reporting, even though there is still a huge room for improvement. All Departments have selected departmental representatives to coordinate the activities according to EPWP sectors. The Provincial and National Department of Public Works conducted an induction session for the District and data captures on electronic reporting system of Public Works have been allocated to the District. The Regional Steering Committee composed of Line function Departments of the region, Local Municipalities and the District Municipality is sitting and has the Terms of Reference. This is co-chaired by the DM and the Regional office of Public Works and Transport. As a requirement, the District is in the process of developing an EPWP policy that will guide everyone on the implementation of the programme.



All local municipalities in the District, including the district municipality have signed EPWP Protocol Agreements as well as the incentive grant with Public Works. The protocols are signed by Mayors, or Municipal Managers when delegated to do so by the Mayor. Only KSD municipality has not signed the incentive grant as yet and is expected to do so soon. These agreements seek to improve working relations between municipalities and the Department of Public Works. There are technical teams that are assigned by Public Works to give support to municipalities.

2.17.1 Challenges

The O.R. TAMBO DISTRICT MUNICIPALITY is known for under-reporting and underperforming in this programme. The reasons for this are as follows:

- There was no proper coordination and integration of the programme within the DM – the four different EPWP sectors were not sitting;
- Other than for infrastructure, EPWP sectors were not reporting to the Province and projects were not captured in the reporting system; and
- There is no specific EPWP Model for the District that could ensure large-scale job creation.

2.18 SPECIAL PROGRAMMES

The objective of this department is to improve access to empowerment opportunities and social welfare of all vulnerable groups and indigents.

2.18.1 The Special Programmes Unit

The Special Programmes Unit in the O.R. TAMBO DISTRICT MUNICIPALITY was established in 1999 as a result of Chapter 9 of the Constitution. The Unit assists in the formulation of policies, and in identifying gaps in policies and implementation of such policies in favour of women, people with disabilities, the aged and children.

2.18.1.1 Mainstreaming of Designated Groups

Mainstreaming is the main function of the Special Programmes Unit so as to ensure that the District Council complies with the Constitution, the Bill of Rights, policies and other pieces of legislation.

2.18.1.2 Coordination and Mobilization

The Special Programmes Unit (1) coordinates government departments and other stakeholders in the District in order to ensure that programmes for designated groups are developed and implemented and (2) mobilizes all vulnerable groups to be part of development plans and processes.

2.18.1.3 Monitoring and Evaluation

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

2.18.1.4 Capacity-building

This entails the strengthening of government's systems, processes and structures to ensure delivery sensitive to youth, women, people with disabilities, elderly and children and to ensure that vulnerable people are empowered and capacitated so that they able access socio-economic opportunities.

2.18.1.5 Advocacy and Lobbying

To spearhead public awareness and education for the promotion of mainstreaming youth, women, people with disabilities, elderly and children interests and programmes issues into Government programmes with extensive campaigns associated with national and international days. The Special Programmes Unit has to ensure that the development and needs of the designated are always a priority in

development agenda, as enforced by a number of Acts, policies, charters as well as the constitution of the Republic of South Africa.

2.18.1.6 Liaison and Networking

To establish sound relations and partnerships with national, international, provincial and local institutions and organizations to ensure resource mobilization and the realisation of other strategic objectives.

To address the above, the following were achieved in the financial year 2010/2011:

- 10 small business(cooperatives and business initiatives) for women and youth were supported.
- Youth Councils have been established in five LMs;
- Women's caucus was established;
- 82 computers were donated by Dell and Vodacom to Palmerton Child care centre;(to be deleted)
- 25 needy learners (5 from each local municipality) received uniform under Back to School and Childcare Programme.
- A contestant from Ilngquza Hill Local Municipality won a brand new car sponsored by Vodacom, received tertiary education financial assistance from O.R. Tambo D.M. and other big prizes. Other 14 young women/ contestants (3 from each local municipality) also received their big consolation from O.R. Tambo D.M. and from their respective municipalities. From 2007-2012, six (6) cars have been won (Ilngquza Hill 2 cars, Mhlontlo 1 car, K.S.D.2 cars and Nyandeni 1 car)
- Local Disabled People's Organisations were revived in all local municipalities.
- Tiger Brand company donated groceries worth R20 000;
- 107 instead of 104 students benefited from Students finance program and 26 students completed their studies;
- Cooperatives were established through the mainstreaming program;
- Service delivery was intensified in recognition of Mandela and O.R. Tambo months and



- A rural women's summit was held together with the Community Services Directorate.

The challenge faced by the Special Programs Unit is that there is no dedicated person to translate documents so as to be accessible to people with disabilities.

2.18.2 HIV/AIDS Programmes

The HIV/AIDS Unit was established in 2005, to coordinate and ensure the implementation of HIV/AIDS and STI programs, focusing more on prevention programs (HIV/AIDS and STI awareness, distribution of condoms, information, education and communication material, capacity building of professional nurses regarding communicable diseases and the community at large). The Unit further ensures that all HIV positive people are comprehensively managed. To promote disclosure, positive living among people living with HIV/AIDS and continuous Psychosocial supports, 162 support groups were established and supported throughout the District. The District has an approved HIV and AIDS strategy in place, which, amongst other things, looks at the mainstreaming of HIV and AIDS. The existing strategy was approved in 2008 and it will need to be reviewed to in line with the New National HIV and AIDS strategy released in December 2011.

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

Thirty eight EPWP temporal jobs (20 homebased carers, 5 professional nurses and 13 lay Counsellors) were created to ensure that HIV counselling and testing services are accessible in 8 non-medical HIV counselling and testing sites. To ensure that relevant people are capacitated in the program, retired nurses, currently employed

professional nurses, lay counsellors and traditional health practitioners were trained on (1) HIV/AIDS and STIs programs and (2) new HIV counselling and testing guidelines.

To promote referral and maximum participation of communities in HIV/AIDS and STI programs, Ward AIDS forums were established. Through the involvement of the communities in the program, 395 000 people were tested for HIV. On Nelson Mandela Day, four RDP houses were handed over for people living with HIV/AIDS in Port St Johns, Ward 2, 9, 11 and 13. The District is managing the spread of HIV/AIDS and STIs through the Abstinence Youth Programme and by supporting the already-established High transmission Area sites (Port St Johns 2nd beach, Tsolo junction, Ngqeleni-nyandeni LM premises , Flagstaff Taxi Rank and the Mthatha Shell Ultra City).

The challenges associated with dealing with HIV/AIDS are as follows:

- Irregular sitting of District AIDS Council members, as a result of the lack of functioning of the Local AIDS Council and the lack of dedicated personnel in the LMs
- Lack of budget and human resources to maintain the programmes and expand the Non Medical HIV/AIDS and High Transmission Area sites in the district

In order to deal with these challenges, it is recommended that all LMs budget for HIV/AIDS coordinators. There should be a dedicated Portfolio head for HIV/AIDS programs, as the program is too demanding to be dealt with as an "extra". In the case where Special Programs and HIV/AIDS are combined, Portfolio Heads might prioritise one over another.

2.18.3 Poverty Relief Programme

Poverty relief is meant to address all social ills. It is through this program that the District is able to achieve its EPWP objectives of job creation. Since its inception, the



District was able to create more than 5 000 jobs for cleaning and greening projects. It is also through this program that the District has been able to ensure the provisioning of food in families in distress through the one-household-one-food-garden program.

The latest achievement is the construction of 5 hydroponis nurseries that will each supply 160 000 seedlings for each LM and the partnership established with Walter Sisulu University : Zamukulungisa Campus on indigenous vegetables research programme.

2.18.4 Flagship Programmes

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

- 10 small businesses (cooperatives/ enterprises for youth and women) were financially assisted and yjeu are growing.
- O.R. Tambo District Women's Caucus was established.
- Out of 107 needy students who are under O.R. Tambo District Municipality Tertiary Education Financial Assistance Programme, 32 of them completed their tertiary studies.
- Youth Councils have been established in five LMs;
- 25 needy learners (5 from each local municipality) received uniform under the Back to School and Childcare programme
- Sinovuyo Ndabankulu from IIngquza Hill local municipality won a brand new car sponsored by Vodacom, received Tertiary Education Financial Assistance from O.R. Tambo District Municipality and other big prizes. Other 14 young women/ contestants (3 from each local municipality) also received their big consolation prizes from O.R. Tambo District Municipality

and from their respective local municipalities. From 2007 to 2012, six (6) cars had been won (IIngquza Hill 2 cars, K.S.D 2 cars, Mhlontlo 1 car and Nyandeni 1 car)

- Local Disable People's Organisations were revived in all 5 local municipalities
- 82 computers were donated by Dell and Vodacom to Palmerton Child care centre;
- Tiger Brand company donated groceries worth R20 000;
- Cooperatives were established through the mainstreaming program;
- Service delivery was intensified in recognition of Mandela and O.R. Tambo months and
- A rural women's summit was held together with the Community Services Directorate.

The challenge faced by the Special Programs Unit is that there is no dedicated person to translate documents so as to be accessible to people with disabilities. Vacancies in the disability and youth desks also strains the functionality of the unit.

2.19 FINANCIAL VIABILITY AND MANAGEMENT

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

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



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

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

2.19.1 Budget Preparation, Implementation and Reporting

This section is mainly responsible to co-ordinate MTEF and budget adjustment process in the district municipality, provide technical support to departments, ensure compliance with all applicable legislation and regulations evaluate and advice the Council on the budget impact of all new policy proposals, ensure that approved budget is captured accurately on the Venus system, oversee all monthly, quarterly and annual reporting as per the MFMA and regulatory bodies, establish systems, processes and financial policies and procedures and internal control, attend to the internal audit and the AG's recommendations relating to budgeting and maintain and communicate budget guidelines

Status Quo

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

Summarized challenges experienced

- Full compliance to chapter 4 of the MFMA in respect of municipal budgets and paragraph 75 of the MFMA with regards to information to be placed on the website of the municipality.

2.19.2 Revenue Management

This section is responsible for the billing, collection of municipal revenue for services rendered and the implementation of the credit control policy adopted by council.

Status Quo

- The implementation of the credit control policy and the installation of the water meters has resulted to the section being able to collect more on the current billing versus the projections.
- Reductions of the old debt still a major challenge due to difficulties in resolving issues emanating from opening balances.
- The district municipality continues to subsidize all consumers who reside at the peri-urban areas without.

Summarized challenges experienced:

- Full implementation of the approved credit control policy and indigent policy.
- Full compliance to provisions of paragraph 64 of the MFMA.

2.19.3 Supply Chain and Asset Management

This sections ensure efficient and effective logistics management and disposal management, build systems, processes, procedures and ensure internal and management controls.

Status quo

- All bid committees in place as required by the Municipal Finance Management Act.
- Bid committees sit regularly to consider tenders.
- There is no comprehensive procurement plan in place to ensure effective, efficient and economic use of municipal resources.
- Rotation of services to procure services still done on a manual basis.

Summarized challenges experienced:

- Full implementation of chapter 11 of the MFMA in respect of procurement of goods and services.



- Non compliance to requirements of paragraph 14 of the SCM policy.

ASSET MANAGEMENT

This section deals with the proper management of municipal assets, insurance and their maintenance.

Status quo

- Asset register of the municipality is GRAP compliant.
- All municipal assets are fully insured.

Summarized challenges experienced

- Non-implementation of the asset management policy.
- No regular update of the non-infrastructure asset register and infrastructure asset register.

Fleet Management

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

Summarized challenges experienced

- Full compliance to the provisions of the fleet management policy.

STORES SECTION

Status quo

- Stock taking done on a quarterly basis
- Stock cards updated on a regular basis

Summarized challenges experienced

- Non-adherence to the provisions and requirements of the stores management procedure manual.

2.19.4 Expenditure and Liability Management

This section mainly manages the accuracy and the integrity of general ledger and all subsidiary ledgers of the district municipality and oversees the accounts payable ledger and its integrity. Ensure that accounting records are retained in accordance with legal and regulatory requirements.

Status Quo

- Circular 49 of the MFMA complied in respect of payment of obligation.
- Statutory obligation paid over on time to SARS.
- Section 66 of the MFMA complied with.
- Creditor's reconciliations done on a regular basis.
- Proper document management in place.
- Journals entries processed regularly and updated to the general ledger.

Summarized challenges experienced

- Full compliance to the provisions of paragraph 65 of the MFMA.

2.19.5 Financial Management System Support

This section ensure that the Venus finance modules are configured to support accounting and financial system, provide continuous and effective training and support to users, operation of internal controls over all accounting processes, develop reports as required by management and implement appropriate application controls on all software used in accounting processing be the link between finance and ICT Department develop systems required for financial reporting and implement customization of software as when required.

Status Quo

Update of the general ledger not done as per the requirements of the financial procedures manual.



2.19.6 Financial Accounting Reporting and Treasury

This section focuses on the preparation of Annual financial statements and their submission to the auditor general as per the requirements of the legislation. It also focuses on the proper management of grant funding and reconciliation of the investments.

Status Quo

- Annual financial statements submitted to the Office of the Auditor General as required by section 126(1), (a) and (b) of the MFMA.
- All conditional grants invested as per the investment policy and conditions of the grant.
- Investments reconciliation performed on a regular basis.

Summarized challenges experienced during the preparation of annual financial statements. Annual financial statements submitted to the Auditor General not subjected to quality review by internal audit.

2.20 COMMUNITY SERVICES

The Department: Community Services seeks to ensure safe and secure community livelihoods. These livelihoods are diverse in nature and need a collective effort of various role players which include Government Departments, Community Structures, and Non-Governmental Organisations, hence a need for a Social Needs Cluster. The directorate Community Services is composed of five Sections:

- **Sport, Recreation, Arts, Culture and Heritage** ensures the development of Sport, Recreation, Arts, Culture and Heritage and capacity building to coordinate implementation of such activities and link to economic development. This includes preservation and conservation of heritage resources
- **Social Development, Facilities and Community Safety** seeks to protect and promote rights of vulnerable groups by mainstreaming their interests whilst improving livelihoods of indigent families under distress. It also

include support to Thusong Service Centres & library and information services by providing basic library furniture and Information & Communication Technology (ICT) infrastructure required for community library services to promote a culture of reading, library usage and lifelong learning. Prioritize community safety programmes focusing on crime prevention, school safety and coastal safety programmes.

- **Municipal Health Services** seeks to provide sustainable Municipal Health Services as defined in the *National Health Act* (No.61 of 2003). including monitoring of waste disposal, water quality monitoring, food safety control samples, prevention of communicable diseases, vector control, disposal of the dead and chemical safety.
- **Fire and Emergency Services** which deals with emergency rescue and response in an integrated manner including institutional capacity and preparedness to ensure the management and mitigating of response for fire and emergency risks.
- Disaster Risk Management involves implementation of measures through integration and streamlining in planning and project management processes by all municipal departments and entities including external stakeholders focusing on:
 - Prevention and Risk Reduction,
 - Mitigation,
 - Preparedness
 - Rapid and effective response,
 - Post disaster Recovery, Relief, Rehabilitation and Reconstruction.

2.20.1 Ensure effective disaster risk management

The O.R. Tambo Disaster Risk Management Centre has been established in terms Part 2 section 43 of the Disaster Management Act, 57 of 2002 and has a responsibility to ensure implementation of the Act and the National Disaster Management policy framework by the district, its local municipalities, the private and public entities, communities, Non-governmental organisation and society at large.



The disaster centre is temporary housed at the district municipality premises in Myezo, Mthatha and has established four satellite centres in Nyandeni (Libode), Mhlontlo (Qumbu), PSJ and Ingquza Hill (Lusikisiki). The main objective is to streamline and integrate disaster risk management in all planning processes within all municipalities and society in general. To ensure uniformity in the implementation of the Act and its policy framework, the district has developed its own framework in terms of law which was adopted by Council and is in the process of being gazetted.

The Disaster Management Centre concluded developing its disaster risk profile for the whole district in 2011 and further commissioned development of Disaster Risk Management Plan for the district and for each of the five local municipalities. Draft plans are available and will be put through public participation process towards adoption by Council during the 2014/15 financial year. The disaster risk management centre focuses its operations on four key performance areas as guided by the Act and the NDMF.

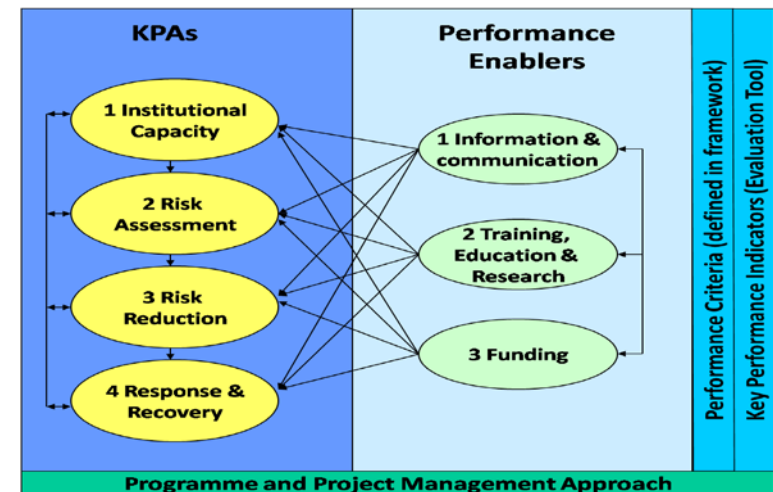
Furthermore in support of the core concepts of integration and uniformity the district municipality in consultation with its five local municipalities developed its DRMPF in consistency with the NDMF and the draft EC PDRMPF focusing on key components – namely into four key performance areas (KPAs) supported by three performance enablers (PEs) as follows:

- KPA 1: Integrated Institutional Capacity for DRM
- KPA 2: Disaster Risk Assessment (DRA)
- KPA 3: Disaster Risk Reduction
- KPA 4: Disaster Response and Recovery

there is total interdependence amongst all of the KPAs which are further supported by three performance enablers (PE) to facilitate and support the achievement of the objectives of each KPA and are detailed similarly as follows:

- PE 1: Information Management and Communication
- PE 2: Knowledge management
- PE 3: Funding

Clearly whilst each performance enabler is applicable to each KPA there are also inextricable interdependencies between the performance enablers themselves.



The supporting policies establish specific parameters for complying with the relevant imperatives of each KPA or PE. These parameters include a range of components and mechanisms such as terms of reference; organisational and administrative arrangements; the scope of responsibilities and/or activities; operating protocols; templates and good practice standards.

The Act defines disaster management as a continuous and integrated multi-sectoral, multi-disciplinary process of planning and implementation of measures aimed at-

- (a) preventing or reducing the risk of disasters;
- (b) mitigating the severity or consequences of disasters;
- (c) emergency preparedness;
- (d) a rapid and effective response to disasters; and
- (e) post-disaster recovery and rehabilitation;



The OR Tambo disaster risk management centre has experienced serious challenges in its quest to implement and streamline disaster risk management in all municipal departments, the five local municipalities, municipal entities and other disaster risk management role payers.

Challenges include:

- There is no properly built disaster risk management centre facility to meet national criteria and minimum standards;
- Disaster risk management is viewed and understood as a response function than a coordinating function and implications of placement of the function are a matter not fully understood;
- Unable to standardise implementation of the Act in the district since KSD local municipality operates a disaster unit not in consultation with the DM and with no signed MOU/SLA and no Council resolution to that effect as prescribed in section 43(2)(b) of the Act;
- Poor participation by municipal departments and entities on DRM structures;
- Lack of resources for the centre to carry out its legal mandate, powers and duties as detailed in section 44 of the act; and
- Non-involvement of Disaster Management Unit on municipal and departmental planning processes and structures to carry out provisions of section 44(1)(b); (d); (f) and (i) of the act..

2.20.2 Provide Fire and Emergency Services

The O.R. TAMBO DISTRICT MUNICIPALITY has a fully fledged Fire Services unit with satellite offices in Mhlontlo, Nyandeni, Port St Johns and Iingquza Hill Local Municipalities. However, Mhlontlo, Port St Johns, Nyandeni and Iingquza Hill are identified as high risk areas. While fire fighting should be a shared function between the DM and the Local Municipalities, currently only the DM budgets for this function. The DM has developed cooperative agreements with the relevant LMs.

An integrated fire and emergency risk management planning and monitoring include training of community base volunteers for fire and emergency response. The draft concept for ORT Fire By-law was approved by Council

The District, in general, was identified in recent studies by the CSIR / NDMC (National Disaster Management Centre) as a high risk area for veldt and forest fires, >90% (as per EC Umbrella FPA). Critical areas are in Mhlontlo, Nyandeni, Iingquza Hill and Port St Johns L M. Plans to address veldt fires in these areas were identified, developed and are implemented by the DM with stakeholders, EC Umbrella FPA, DWA, Working on Fire, Other District Municipalities and Local Municipalities e.g. KSD

Institutional capacity and preparedness has been ensured by the provisioning of fire fighting protective clothing, training of communities and fire staff. Programmes like Community Fire Protection that includes recruitment and awareness campaigns are implemented.

. Challenges include:

- Water resources shortages;
- Budget constraints for fire vehicles, equipment, and buildings for satellite offices;
- Lack of information flowing within the District with regards to programs to allow smooth participation;
- Control centres (Disaster & Fire Services) are fully operational but not yet integrated with other District key stakeholders e.g. traffic, Emergency Medical Services (EMS)
- No proclaimed / Gazzetted fire services bylaws.

2.20.3 Provision of sustainable district health services

Environmental Health comprises those aspects of Human Health, including the quality of life, that are determined by physical, chemical, biological, social and



psycho-social factors in the environment. It also refers to the theory and practice of ascertaining, correcting, controlling and preventing those factors in the environment that can potentially adversely affect the health of present and future generations.

Scope of Practice of MHS includes the following:

Monitoring water quality and availability, for instance, water samples are taken for both chemical and bacteriological analysis. Waste water treatment and water pollution control, including the disposal of sewage and other water borne waste.

Control food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption and optimal hygiene control throughout the food supply chain from the point of origin, all primary ground, or raw products production up to the point of consumption.

The District Municipal Health Services has been authorized to enforce Food Cosmetics and Disinfectant Act.

Management or monitoring of solid waste by ensuring that waste collection, treatment, storage and disposal in all local municipalities. Manage illegal waste by Identifying and clearing cropping up illegal waste (dumps).

Surveillance and prevention of communicable diseases through health and hygiene promotion aimed at prevention of environmentally induced diseases and related communicable diseases.

Vector control by identifying vectors, their habitats and breeding places.

Environmental pollution control by ensuring identification of polluting agents and their sources. Occupational health and safety

Disposal of the dead includes control, restriction and evaluation or inspection of business of undertaker other places or facilities for the storage of dead bodies.

Manage, control and monitor exhumations and reburial or disposal of human remains.

Chemical safety includes listing of all operators, fumigation firms formal and informal, retail premises, which deal with the (manufacturing, application, transport or all of) storage of chemicals.

Devolution processes are partially achieved. However, the DM still needs to receive 6 Environmental Health Practitioners from King Sabatha Dalindyebo Local Municipality.

2.20.4 Protection and promotion of rights for communities

Training and capacity building in Moral Regeneration is rendered as workshops on Life Skills awareness and Parenting skills for teenage mothers at schools and Organized Youth. In a quest to mainstream the interests of vulnerable groups, Early Childhood Development Centres (ECDCs) are equipped with educational equipment.

Support to families in distress

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

Ensure coordination of Community Facilities

This unit is responsible for the coordination of social sector departments' activities for community development through Thusong Centres.

Support to library and information services



Basic library furniture and equipment required for community library services are provided. The establishment of public community and school libraries in remote areas in LMs is coordinated, through the establishment of “school-community libraries”. Library furniture, equipment and stationery are also provided for public/community libraries in all 5 LMs. Library outreach programmes (*Library Awareness*) are co-ordinated and supported through the following library annual events, namely, international Literacy & Readathon Week, international Library Week, World Book Day, World Poetry Day and Career Exhibition. Connection to the Internet is coordinated and installed in some public library

Ensure safe and secure community livelihoods

In order to prioritize Crime prevention & law enforcement, District and Local Safety Forums have been strengthened in various areas with the Department of Safety and Liaison. Local Safety Forums have been established in the current financial year in KSD and Mhlontlo. Safer Schools Programmes are conducted in various schools across the District, at least two School Safety programmes have been established and supported. Sport Against Crime Programmes are also implemented by the District Municipality. Patrollers Programmes are implemented in all four coastal local municipalities. At least 25 patrollers have been targeted for training in the current year. A Draft Crime prevention strategy is available and awaits a policy workshop and after that Council approval.

2.20.5 Ensure development of sport, heritage, arts and culture

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

- Maintenance of Community facilities – little or no income generated;

- Coordination of services rendered; and
- Understaffing.

ROLES AND RESPONSIBILITIES FOR THE SPORT, RECREATION, ARTS, CULTURE AND HERITAGE (SRACH)

The Section for (SRACH) is responsible for the co ordination and facilitation of Sport Recreation Arts, Culture and Heritage activities within the District Municipality.

SPORT and RECREATION

- The unit is responsible for the co- ordination, facilitation and assistance to Federations, Codes, Clubs and individuals in pursuing their sporting activities
- The unit is also responsible for coordinating the activities of the federations, clubs, teams and individuals
- The unit also liaise with District, Provincial, National and International communities to pursue the sport activities
- Liaise with the District, Provincial and National DSRAC
- The unit also facilitates and co -ordinates the establishment of the sport infrastructure(Facilities) within the District
- The unit also assists the federations, teams , clubs and individual players and sport personnel with sporting equipment for the benefit of the Sport and Recreation activities
- The unit is responsible for the co-ordination of the establishment of the Sport and Recreation councils
- The unit also coordinates and facilitates sport activities for school sport.

ARTS and CULTURE

- The unit is responsible for the co ordination and support to the Arts and Cultural groups.
- The unit is responsible for the promotion and assistance to all forms of Art, viz:-
 - Language and Literature
 - Film Development



- Visual Art and Craft
- Heritage and Museums
- The unit is responsible to facilitate the establishment of Arts Centers , Art Galleries and Theatres within the District
- The unit coordinates and facilitates the implementation of the articles reflected in the White Paper for Arts, Culture and Heritage.
- To monitor and ensure the budget allocated is implemented accordingly
- To identify the film locations and development of bylaws thereafter.

HERITAGE AND MUSEUMS

- The unit is responsible for the co ordination and support of heritage activities and Museums
- To ensure the strengthening of the Heritage(Heritage Route, LHR, tangible and intangible) and Museums activities within the district

Chapter 3 Development Strategies



CHAPTER 3: STRATEGIC AGENDA

Strategic Planning is a critical component of the long term sustainable management of a municipality. . The development of the IDP remains the principal strategic planning instrument of the municipality. One of the key emerging issues in the institutions current review process is the investment of the organisation into long-term planning. This year's strategic planning session set a basis for planning for the District Vision 2030, Development Plan.

The Executive Mayor, in the IDP Strategic Planning Session highlighted some issues of focus with regards to Vision 2030. These include;

- **Economic Development:** Agriculture, Agro-industry, wild Coast SEZ, Agri-parks, forestry, Tourism (heritage, eco), Creative industries, Localization, Coastal economy and Light manufacturing
- **Human Development:** promotion of healthy nation through NHI, Mass Employment Programme, Poverty Eradication Programme (nutrition support etc), Access to basic services and (research innovation, education training and skills development). Driven by an knowledge based District Human Resources Development Council
- **Infrastructure Development:** Broadband roll-out, N2 Wild Coast, Mzimvubu dam, Mthatha Airport, Urban revitalization (bulk, human settlement etc), Water and sanitation, Irrigation and ago-logistics and Energy.



A VIBRANT AND PROSPEROUS

3.1 VISION, MISSION AND GOALS



VISION:

A prosperous and vibrant district



MISSION:

Provide services and support in fulfilling its mandate through a developmental local government approach. OR Tambo shall pursue a socio-economic development agenda that will provide an improved quality of life and affirm the dignity of its people.

6. Building of a coherent district that is responsive, accountable and promotes clean governance.

3.3 O.R. TAMBO MAYORAL LEKGOTLA

In compliance to the legislative framework noted above and to ensure that the district has a credible IDP, the O.R. Tambo Mayoral Committee convened its Lekgotla on the 23rd - 25th February 2016. The Lekgotla was centred around planning and it was facilitated to strengthen interface between the institution leadership and the key strategic sectors. It was a build-up for the review of the 2016/17 targets in line with resource availability. The session deliberated on the key government policy pronouncement and priorities that need consideration in the municipal planning. The Mayoral Committee Lekgotla set the district agenda by lifting the strategic issues that should be inculcated into the IDP review. This strategic plan serve to engage stakeholder in review of the IDP 2016/17, taking into account the set agenda from the Lekgotla.

The O.R. Tambo Mayoral Committee Lekgotla session that was held on the 23rd -25th March 2016. The purpose of this session was to identify strategic issues that will form a guide for planning for the district in the O.R. Tambo District Strategic Planning Session. The issues emanating from the Mayoral Committee Lekgotla were consolidated into a report and categorised into policy, strategic programmes and performance issues. The full report therefore formed a basis for discussion and input in the commission of the IDP Strategic Planning Session and each commission had to demonstrate how each of these emerging issues would be taken into account in the process of reviewing objectives and strategies.

Concluding the Mayoral Lekgotla session the Executive Mayor made some closing remarks setting the tone of what the institution should be prioritising and focussing on with its resources. In her remarks she emphasised the need for the district to craft its Long-Term plan that is centred on human development, infrastructure and economic development.



VALUES:

OLIVER TAMBO

Objective
Leadership
Industrious and Innovative
Virtuous
Ethical and Excellent
Respect, Responsible and Responsive
Tenacious and Transparent
Accountable
Meticulous
Bold and Brave
Openness

3.2 DEVELOPMENT GOALS/STRATEGIC FOCUS AREAS

1. Providing adequate and accessible infrastructure;
2. Promoting economic growth and creating sustainable economic activity through rationalized; programmes, within the limits of available natural resource base;
3. Promoting sustainable community livelihoods;
4. Improving the institutional systems and overall capacity;
5. Coordinate a system of delivering sustainable services to O.R. Tambo district communities for the achievement of shared developmental outcomes by the National, Provincial and Local Government; and



The strategic issues and priorities emerging from the Executive Leadership were consolidated and summarised into the table below. A copy of the full report is available in the Municipal Managers office.

a. Policy Issues

- Development of a Long Term Development Strategy for the District
- Enhance Performance Management and Reporting
- Address Skills shortages
- Resolve Land claims
- Spatial Planning and Land Use Management Act Implementation
- Research and Development
- Development of a District Logistic Strategy
- Local Economic Development

b. Strategic Programmes/Anchor Projects

- Umzimvubu Dam
- Alternative Energy Sources
- Natural Resource Management
- Ocean's Economy
- Agri Hub/ AgriPark
- Mono rail transport
- Langeni Forest Development
- N2 Wild Coast
- Small town revitalisation
- Integrated Wild Coast Development Programs
- Service Delivery (War rooms)
- Special Economic Zones
- National Liberation Route
- Operation Phakisa / Aqua culture
- National Health Insurance
- Waste Economy Project
- Disaster and Management Risk Centre
- Development of early childhood centres
- Ingquza Hill memorial site

- SS Mendi
- Wild Coast Meander
- Industrial Parks (Vulindlela)
- Investment Promotion – One Stop shop
- Enterprise Development through Agricultural Libraries
- REDP – Primary Agriculture / Irrigation
- Land Claims
- SPLUMA
- Knowledge Based Services
- PSJ Bulk Sewer
- Coffee Bay Regional Water supply
- KSD PI
- Mqanduli Sewer
- PSJ Regional Scheme
- Refurbishment of Non-functional Schemes
- Mining at PSJ
- Alternatives water sources for Mhlontlo Regional Schemes
- Enterprise Development through Agricultural - Kei Fresh Produce, Lambasi, Abbatoir, Adam Kok Farms,
- Ingquza Hill Proposed Regional Schemes
- Nyandeni Regional Schemes (27 Villages)
- Inkciyo
- Ntinga Conversion
- Ambassadors Program
- Rural stock dams
- EPWP and CWP
- WCDM

c. Performance Issues

- Lack of Operational systems and procedures (Proper management systems)
- Business processes (values, organisational culture, change management)
- Lack of financial management due to human capital
- Lack of project management and contract management
- Sound Leadership, Administration and Management
- Building social compact (community involvement in service delivery and operations)



- Lack of proper planning and sequencing
- Intervention vs interference (administration and politics)
- Consequence management
- Procurement management system
- Enhance the revenue management
- Change management
- Ensure 30 day payment of services

3.4 O.R. TAMBO DISTRICT IDP STRATEGIC PLANNING SESSION

The Local Government Municipal Systems Act (Act 32 of 2000), Section 25 stipulates that each municipal council must, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality (i.e. the IDP). The primary objective of the Strategic Planning session is to assess the performance of the institution in order to make the necessary adjustment in the planning instruments whilst also looking on the forward planning for the next financial year and the term.

In an effort to attain a district wide contribution, consent and commitment from the Intergovernmental Relations partners and role players various aspects were invited to the session. This included all Mayors, Speakers, Chief Whips, Executive and Mayoral committee members, Municipal Managers, Senior Managers and all IDP and IGR coordinators from the Local Municipalities, Senior Managers, Regional Directors of sector departments, representatives of community structures registered in IDP Representative Forum database (including Business community, Council of Churches, Traditional Leadership, Rate payers' association, etc.).

The session was structured such that various sectors broke off into various commissions to ensure maximum participation and input from all the relevant stakeholders taking into consideration:-

- The Mayoral Lekgotla report which outlines the strategic issues to be considered in planning.
- The presentations made in the session specifically the sector issues highlighted or recommended as requiring attention as well as
- The draft budget for the 2016/17

Subsequent to the planning and undertaking of the strategic planning session, sector forum meeting were required to sit. These meetings enabled and ensured that members of the forum (including local municipalities and sector departments) contributed to the development of an updated and reviewed situational analysis report. Further to this analysis, sectors identified and developed key priorities per sector that would inform planning and the setting of targets in the next term. These priorities are detailed below.

a. Social Sector

- ORTD Summit on ECDC
- Establishment of NHI District Consultative Forum and functioning thereof
- National Liberation Route
- Finalization of devolving of Municipal Health Services to ORTDM from KSD
- Establishment of community libraries



- Realisation of Ingquza Hill memorial site as an International Heritage Site
- Lobby for the SS Mendi 100 years commemoration at Nyandeni
- Disaster Risk Management Centre
- Expansion of early warning system
- Review of Disaster Management Risk Profile
- Integrated planning in library development
- Integrated Community Safety Programmes

b. Local Economic Development

- Support the Home of Legends programme that Nelson Mandela Trail include Nelson Mandela Museum Mvezo and Mqhekezweni
- Events or Sports Tourism to address geographic spread of visitors –traditional horse riding
- Technical support to community owned enterprises i.e. Cwebeni Cultural Village
- Provide access to SMMEs through marketing platforms i.e Tourism Indaba, Getaway Show
- Service excellence – tourism grading support -50% subsidy,
- SMME Mentorship programme with Tsogo Sun
- Capacity building with other stakeholders
- Provincial Tourism Career Expo
- District Tourism Career expo
- Tourism month activity
- Capacitate municipal officials
- Develop business plan in the Wild coast to improve it as a preferred tourism destination
- EC Hiking trail from PSJ to Coffee Bay

c. Good Governance and Public Participation

- Long term Vision of where we want to see the District in 20 - 30 years.
- Attaining Clean Administration

- Exit Strategy – support from SALGA in terms of the transitional management of the process
- Petition Management - adherence to policy.
- Approach in assisting with the Community Survey (Stats SA)
- Detailed Public Participation Programme (Annual and Mid year Feedback session to communities)
- Staffing of the Internal Audit unit
- Internal Governance Structures (such as Internal Audit Committee, MPAC etc.) – address capacity issues and provide support.
- Policy Development in terms of Training and Capacity Building of Councillors and Ward Committee (Support from SALGA)
- Governance Framework – clustering of committees to have a synergy of programmes

d. Financial Viability

- Preparation of GRAP Compliant Annual Financial Statements
- Update of the Moveable Asset Register
- Update of the Infrastructure Asset Register
- Ensure implementation of mSCOA project towards 1 July 2017
- Implementation of the revenue enhancement strategy
- Implementation of the Supply Chain Management Reforms
- Implementation of the electronic database system
-
- Compliance to reporting requirements as per the MFMA e.g. website postings
- Acquisition of property or Extension of Revenue offices

e. Corporate Affairs

Each commission discussed and reviewed strategic objectives and strategic objective indicators or outcomes and performance indicators in line with the strategic emerging issues from all the above mentioned reports and presentation (full reports available in the Office of the Municipal Manager). The commission further set targets for 2016/2017 financial year and made proposals on the better mechanisms for the delivery of those



targets. This was then consolidated into an Annual Performance Plan and forms Chapter 4 of this document. The Annual Performance Plan (Chapter 4) sets out clear strategies and implementation programmes which will give effect to each of the developed 5 years strategic objectives.

CHAPTER 4: PERFORMANCE MANAGEMENT



4: PERFORMANCE MANAGEMENT

This Chapter deals with the implementation and monitoring of the IDP projects and programmes aimed at achieving the vision and objectives as set out in the O.R. Tambo District municipality IDP.

4.1 PERFORMANCE MANAGEMENT SYSTEM

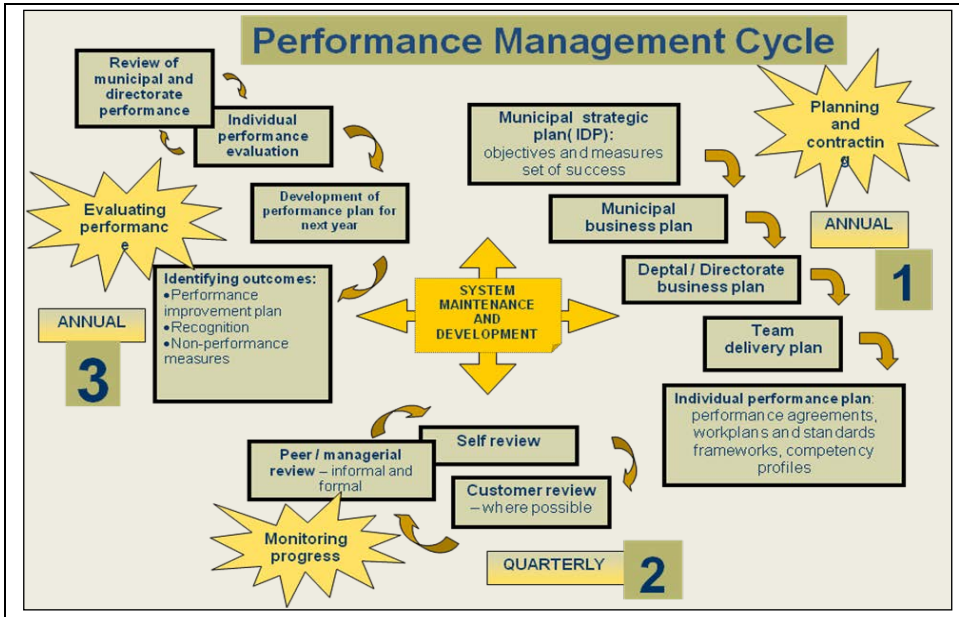
Performance Management System refers to a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organised and managed, while determining the roles of different role-players. The O.R. TAMBO DISTRICT MUNICIPALITY reviewed and adopted its performance management system framework and policy guidelines in September 2010 to guide the roll out of the policy to cover all employees. The policy was reviewed to make it applicable to all employees of the Municipality, the following categories of employees:

- Employees referred to in the Municipal Systems Act as Section 57 Employees i.e. the Municipal Manager and the managers reporting directly to the Municipal Manager;

- Employees who are permanent employees of the Municipality and fall within the ambit of the Local Government Collective Bargaining Council; and
- Employees who are employed by the Municipality on fixed term contracts and fall outside of the Local Government Collective Bargaining Council.

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



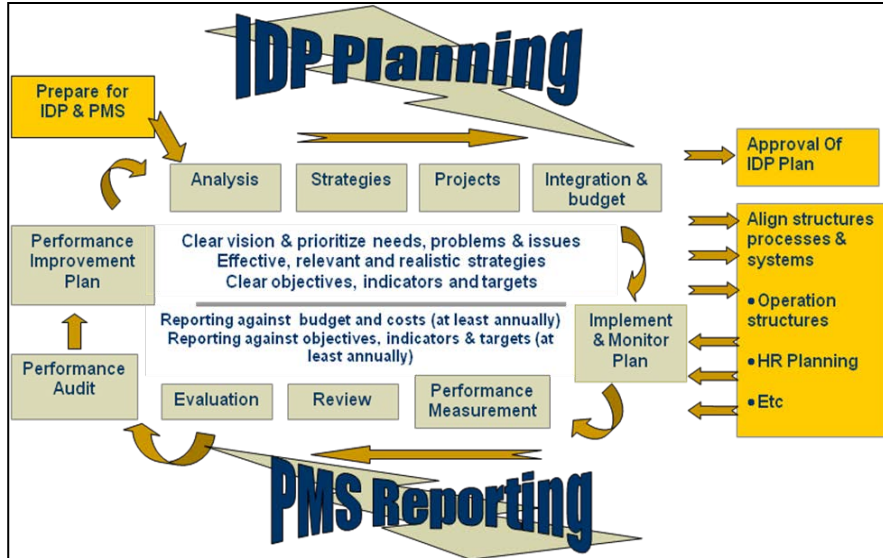


The IDP fulfils the planning stage of Performance Management, whereas Performance Management in turn fulfils implementation management monitoring and evaluation of the IDP.

In September 2010, the Council adopted a Performance Management Framework regulating the Performance Management System in the municipality. The Framework provides guidelines on the development and implementation of the organizational and individual performance management system.

The approved framework provides the following guidelines on organizational performance management:

- **Planning for performance management:** The development of the IDP fulfils the planning stage of Performance Management and Performance
- Management fulfils the implementation management, monitoring and evaluation of the IDP process;
- **Priority and objectives setting:** As set by the IDP;
- **Key performance indicators:** Priorities and objectives derived from the IDP will guide the identification of indicators;
- **Setting targets:** Each key performance indicator must have set targets for the current financial year;
- **Reviewing of key performance indicators:** As part of the performance review process, performance indicators should be reviewed annually in line with the annual review of the municipality's IDP;
- **Developing a monitoring framework;**
- **Performance measurement framework:** Balanced Scorecard Model has been adopted;
- **Conducting performance reviews:** Municipality measure its own performance and assess its progress either by benchmarking or conducting surveys;
- **Reporting on performance:** A template that takes the municipalities priorities, objectives, indicators and targets has been developed; and



- **Individual performance:** Performance of employees to be managed through the signing of performance contracts and performance agreements and the rollout of scorecards to management level.

4.2 PERFORMANCE MANAGEMENT MODEL: MUNICIPAL SCORECARD

In order to assess an organization's performance, a balanced view is required; incorporating a multi-perspective assessment of how the organization is performing as seen by differing categories of stakeholders. To ensure this balanced multi-perspective examination, the District has adopted a "Municipal Scorecard Model" to guide the performance management in the entire municipal organization. The Municipal Scorecard Model is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed. The model has proved useful in performance management for it provides balance, simplicity, mapping of interrelationships and alignment to the Integrated Development Planning processes of the municipalities.

The Municipal Scorecard Model will be tightly aligned to the strategic planning and IDP processes of the municipality and will provide a balanced view of performance based on municipal inputs, outputs, outcomes and process. In addition, this scorecard will be

based on the five Key Performance Areas for Local Government as determined in the Five Year Local Government Strategic Agenda, which are:

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

4.3 SCORECARD LEVELS

The O.R. Tambo District Municipality has **two** levels of scorecards, the institutional and departmental scorecard.

4.3.1 The Institutional Scorecard

The Institutional Scorecard will be used to measure performance of the District municipality in terms of implementation of the District's service delivery and budget implementation plan (SDBIP). Therefore at an institutional level, the five year IDP of the municipality forms a basis for performance management. This provides an overall picture of performance of Council as a whole, reflecting performance on the approved IDP and budgets identified strategic priorities, objectives, key performance indicators and targets.

4.3.2 Departmental Annual Performance Plans

The Departmental Annual Performance Plans (APPs) will measure and monitor performance of the line Departments and this will also constitute the scorecard of the Directors. Performance management at this level is at an operational level and the annual SDBIP forms a basis for measurement. Therefore the activities of each department, including their objectives, indicators and targets are derived from the institutional scorecard as reflected in the SDBIP. By cascading performance measure a strategic (IDP and hence SDBIP) to an operational level (Departmental APP), a link to

individual performance management is formed. This then ensures performance management at various levels relate to one another. Reporting at this level will be done on a quarterly basis.

4.4 PERFORMANCE AUDITING

The municipality received a Qualified Audit Opinion in the 2015 financial year on the audit of financial statements. However it received a disclaimer on the audit of performance management system/information. Based on this the municipality need to take deliberate steps to making sure that this audit opinion improves. During the 2015 external audit by the Auditor General(AG), the following were identified:

- Key Performance Indicators (KPIs) not well defined;
- Annual targets are not Specific, Measurable, Attainable, Realistic and Timebound;
- The submitted Portfolio of evidence (POE) were not in line with the set targets Further to that, the Means of Verification column in the SDBIP are not in line with the set targets.

In an effort to improve audit opinion of the performance information, each department in the organisation should focus on the above mentioned issues. Additionally, a few minor changes should be undertaken to simplify PMS reporting. These include; slipting the SDBIP inot Institutional and Departmental SDBIP and implementation of the DIMS system towards an electronic system of performance reporting. The reviewing of the PMS Framework and Policy remains a critical issue is the improvement of this audit opinion. Lastly, the performance of the MM ad Senior Managers need to be assess twice a year. The Office of the Municipal Manager will on an ongoing basis coordinate and ensure good quality of reporting and reviews; conformity to reporting formats; and submission of reliable information.

4.4.1 Challenges with the implementation of the Performance Management System:

The Auditor General identified the following shortcomings with regards to O.R. TAMBO DISTRICT MUNICIPALITY performance management system:

- Linkage between the organisational level of planning (Departmental Scorecards) and Individual performance management;
- Non-reporting on some objectives and targets;
- Misalignment in performance management processes and IDP process. Some indicators are not measurable; and
- Signing of performance contracts/cascading performance measures.

The O.R. Tambo DM strives to improve its ability to make a difference to local communities and therefore will continue to review and improve on the implementation of the PMS to ensure full legislative compliance and alignment of performance.

4.5 MONITORING AND EVALUATION

The Eastern Cape Office of the Premier has adopted a monitoring and evaluation framework. The purpose of this is to facilitate and coordinate the efforts of the Eastern Cape provincial government in monitoring and reporting of progress in the implementation of its strategic priorities.

Objectives of the Monitoring & Reporting Framework

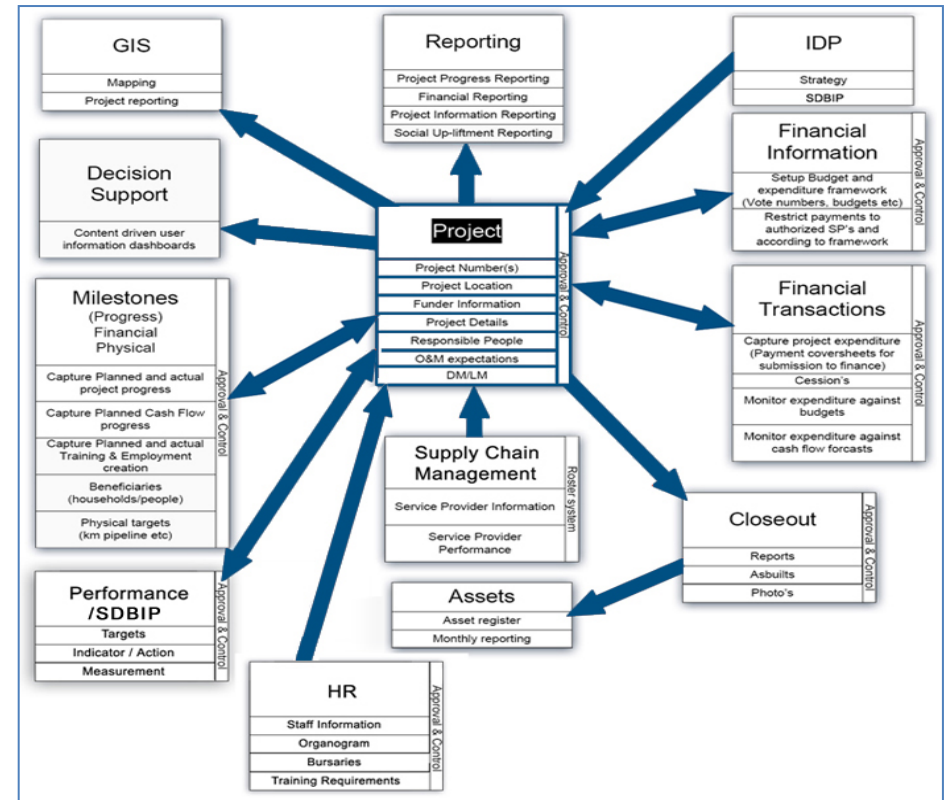
- To improve the quality of service delivery and governance in the Province.
- To enhance accountability on the implementation of the priorities and the Programme of the Province.
- To deepen the culture of monitoring and reporting within the Province; and
- To enhance governments' ability to communicate with citizens and key stakeholders; and to share information with them with regard to key service delivery and related matters.



These objectives will be achieved through:-

- Establishing mechanisms for monitoring the performance of service delivery and governance in the Province; and
- Improving the reporting capacity of the government by establishing a central repository of all summary monitoring and reporting information generated in the province.

The O.R. Tambo District Municipality is in the process of incorporating the Intermap's District Information Management System (DIMS™) as a monitoring tool. The system is the culmination of years of research and development to understand and address the enterprise management and reporting requirements of municipalities. It directly addresses the needs of local government, developed in consultation and with the support of all significant local government stakeholders.



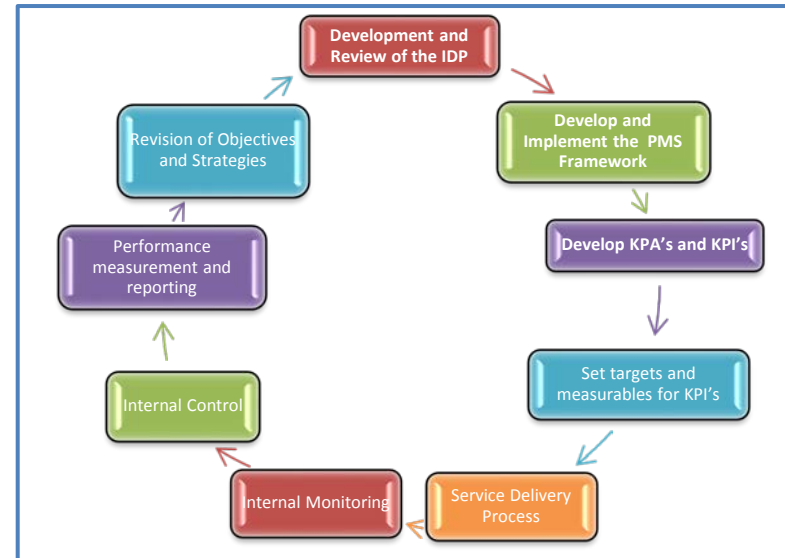
THE SYSTEM HAS THE FOLLOWNG MODULES:-

- The project management module encapsulates the core requirements of Municipalities, incorporating the following functionality:
 - Capture and edit project details for all current and planned projects, aligning the project planning with the predefined IDP/SDBIP hierarchy
 - Capture and edit progress of projects including milestones
 - Capture and monitor progress in relation to Social, Economic, Employment and Financial benefits
 - Alerts and triggers to notify managers at the relevant levels of tasks outstanding or items requiring attention. This acts as an escalation



mechanism allowing for the identification of persons responsible for not completing their respective tasks, and also serves to highlight weaknesses in the business project plans.

- Reporting at the required hierarchy levels, allowing users to drill down to increasing depths of detail
- b. Performance Module which includes the following:-
 - SDBIPs – Capture and Report on Service Delivery and Budget
 - Implement Plans. Alignment of SDBIP to IDP
 - Cascading of Performance to lower levels of Management
 - OPMS - Capture and Report on Organisational Performance Management
 - IPMS - Individual Performance Management – Section 57
 - Performance contracts capture and reports – Assessments/Reviews
 - Data Collection Sheets/MTAS – COTGA requirements.



The performance module looks at the various performance phases (see figure below) at the different stages of the IDP implementation process.

4.6 INSTITUTIONAL SCORECARD

For the 2016/17 financial year the O.R. Tambo District Municipality will be guided by the following score card as well as the related weightings per Key Performance Area:

Table: KPA Weighting

KEY PERFORMANCE AREA	WEIGHT 2016/17
Basic Service Delivery And Infrastructure Development	40
Local Economic Development	10
Financial Viability And Management	15
Good Governance And Public Participation	15
Institutional Transformation And Organisational Development	20

Table. Weighting of objectives and KPIs

KEY PERFORMANCE AREA	KPA Weighting	OBJECTIVES	Objectives Weighting	Responsible Department
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	40	1.1 Provide access to potable water	8	Water & Sanitation Services
		1.2 To provide access to sanitation services	8	Water & Sanitation Services
		1.3 To provide access to sustainable basic energy and electricity	3	Water & Sanitation Services
		1.4 To improve road infrastructure network in the district	5	Water & Sanitation Services
		1.5 Ensure access to a safe, secure, reliable, and affordable public transport system	0.5	Rural, Economic & Development Planning
		1.6 Improve Waste and environmental Management within O.R. Tambo District to comply with statutory requirements	2	Rural, Economic & Development Planning
		1.7 Coordination of planning and Development of Sustainable Human Settlements	5	Human settlements
		1.8 To increase community participation in Sports, recreation, arts, culture and heritage programmes	1	Community Services
		1.9 To increase community participation in educational governance and training	0.5	Community Services
		1.10 To contribute to the reduction of preventable health risks in the district	1	Community Services
		1.11 To contribute to the prevention, reduction and management of the spread of HIV/AIDS, STI and TB	1	Office of the Executive Mayor (OEM)
		1.12 To improve the well-being of all vulnerable groups and general welfare of indigents	0.5	Office of the Executive Mayor Community Services Water & Sanitation Services
		1.13 To reduce the risk and mitigate the impact of disasters, fires and emergencies to communities	4	Community Services
		1.14 Contribute to improved community safety and security	0.5	Community Services
LOCAL ECONOMIC DEVELOPMENT	10	2.1 To improve co-ordination & integration of LED programs for sustainable trade and investment within the District	2.5	Rural, Economic & Development Planning
		2.2 To enhance access to LED infrastructure, agro-processing and value add facilities	4.5	Rural, Economic & Development Planning NTINGA O.R. Tambo Development Agency

KEY PERFORMANCE AREA	KPA Weighting	OBJECTIVES	Objectives Weighting	Responsible Department
		2.3 To improve forestry & timber production for economic development	1	Rural, Economic & Development Planning
		2.4 To improve Aqua – culture industry production for economic development	0.5	Rural, Economic & Development Planning
		2.5 To ensure well co-ordinated Tourism development, Marketing for the district.1	1	Rural, Economic & Development Planning
		2.6 To strengthen economic research & development capacity within the district	0.25	Rural, Economic & Development Planning
		2.7 To achieve spatially equitable economic growth across O.R. Tambo District and region.	0.25	NTINGA O.R. Tambo Development Agency Rural, Economic & Development Planning
FINANCIAL VIABILITY AND MANAGMENT	15	3.1 To increase revenue generation	4	Budget and Treasury Office (BTO) Water Services
		3.2 To strengthen the governance and control environment over all financial matters to eliminate fruitless, wasteful, unauthorized, and irregular expenditure	8	All Departments (BTO leading)
		3.3 Stimulate and promote local economic development.	3	BTO & Rural, Economic & Development Planning Office of the Executive Mayor
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	15	4.1 To improve/ ensure council and community oversight for service delivery implementation	1.5	All Departments, Office to the Speaker to lead
		4.2 To strengthen and ensure structured participation by communities, organs of state power, traditional leaders and civil society in local governance	1.5	Office of the Speaker All departments
		4.3 To coordinate effective intergovernmental relations across the portfolio boundaries of governmental actors within the District	1	Office of the Municipal Manager to lead ALL Departments
		4.4 Ensure credible integrated service delivery planning (IDP), monitoring, reporting and evaluation	3.5	All Departments Office of the Municipal Manager to lead
		4.5 To ensure a well coordinated & integrated district wide communication	1	Office of the Executive Mayor
		4.6 To ensure effective Audit function for improved compliance, clean administration and clean governance	3.5	Internal Audit
		4.7 To reduce the threat of all identified risk.	2	ALL departments Internal Audit to lead.
		4.8 To ensure effective Legal services function for improved compliance, clean administration and clean governance	1	ALL departments
INSITUTIONAL TRANSFORMATION AND DEVELOPMENT	20	5.1 To improve the organisational capacity of O.R. Tambo District Municipality	5	Corporate Services
		5.2 To improve institutional performance through skills development and change management	6	Corporate Services and Office of the Speaker leading All Departments
		5.3 To increase access to information through better information and knowledge management systems	3	All Departments Corporate Services - ICTM to lead
		5.4 To improve employee safety, wellness and labour relations	3	Corporate Services
		5.5 To achieve excellent customer care and meet all institutional service standards in line with Batho Pele principles	3	Corporate Services All Departments (Office of the Executive Mayor to lead)



4.1 INSTITUTIONAL 5 YEAR IMPLEMENTATION PLAN

4.7.1 BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
1.1 Provide access to potable water	Long term water infrastructure planning	Finalization of the O. R. Tambo Water Master Plan, aligned to cater for tertiary distribution	1.1.1.	O.R. Tambo Water Master Plan Developed and approved	None	Long term Infrastructure plan approved		Water & Sanitation Services
		Provisioning of bulk water services infrastructure for the identified areas	1.1.2.	Number of Bulk Water Services Infrastructure implemented		Tsolo Junction, Ngangelizwe BNG and Langeni Housing Development		
	Implementation of Regional water schemes to cover greater areas with no access to sustainable water sources (includes the integration of previously non-viable water schemes)	Development of Mzimvubu water catchment Dam	1.1.3.	Project management Office and Governance structure established	None	Coordination structure and project office operational		Water & Sanitation Services
		Implementation of strategic regional water schemes	1.1.4.	Number of regional water schemes implemented		Coffee Bay, Mqanduli, Airport, Nqadu and Libode and Ngqeleni, PSJ, Ingquza Hill Msikaba KwaNyathi Fagstaff, Zalu Dam, KSD PI (Secondary) Alternatives water sources for Mhlontlo Regional Schemes (Sidwadweni,		

OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						Culunca and Mvumelwano		
		Development of an O&M Plan Inter MEC Commission	1.1.5.	Operation and maintenance plan approved	None	O&M infrastructure Plan approved		Water & Sanitation Services
		Refurbishment of existing non-functional schemes	1.1.6.	Number of identified non-functional schemes refurbished		Refurbishment of the WTW for the 27 Villages RWS Submission of business plans- Upper Culunca WTW Abstraction from Tsitsa River Implementation of the KSD PI Nqadu Corridor 5MI WTW at Tsitsa River		
	Achieve a blue drop status for all water treatment plants and provide mobile water treatment plants quality in all water schemes	Improvement of the water supply system to comply to the blue drop status.	1.1.7.	% improvement of blue drop status	46% compliance	75% compliance		Water & Sanitation Services



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
1.2 To provide access to sanitation services	Eradication of rural sanitation backlogs	Completion of outstanding wards with VIP Sanitation	1.2.1.	Number of VIP toilets provided				Water & Sanitation Services
		Operation and maintenance of VIP sanitation	1.2.2.	Number of VIP sanitation projects operated and maintained				
	Improve sewer systems in all 9 towns and nodal zones to full waterborne	Upgrade of existing public sewer facilities in all towns	1.2.3.	Number of public toilet facilities upgraded	3 public toilets were upgraded	4 public toilets		
			1.2.4.	Number of land pockets availed for construction of new ablution facilities	New indicator	2 pockets of land to be acquired		
		Implementation of bulk sewer projects in towns of the district	1.2.5.	Number of bulk sewer projects implemented	2 sewer were upgraded	Mqanduli Sewer, PSJ sewer		Water & Sanitation Services
	Operation and maintenance of sewerage treatment plants and sewerage pump stations	Refurbishment and maintenance of the sewage treatment plants	1.2.6.	Number of sewage treatment plants and pumps maintained	1	1		Water & Sanitation Services
	Achievement of a green drop status for all sewer treatment plants to improve quality of effluent	Improve quality standard of effluent discharged	1.2.7.	% improvement of green drop status	26%	70%		Water & Sanitation Services



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
1.3 To provide access to sustainable basic energy and electricity	Provision of electricity to all outstanding households and new settlements	Plan and implement alternative energy including biomass energy, Solar Energy, Wind energy, Hydro energy, Energy, Waste Energy	1.3.1.	Number of households provided with access to electricity and alternative energy	New Indicator	Alternative Energy piloted		Technical Services
1.4 To improve road infrastructure network in the district	Constructing and maintaining roads to service centres and economic nodes	N2 Wild Coast	1.4.1.	Project management Office established in the District	New Indicator	Establishment of the Project Management Office in the District		Technical Services
		Mono rail transport	1.4.2.	Projects business plan developed	New Indicator	Business plan and Lobby and advocate for the mono rail project		
		Procurement of plant and machinery for the maintenance of roads	1.4.3.	Number of plant and machinery procured	New Indicator	Plant and Machinery purchased		
		Industrial Parks (Vulindlela) Commit funding for the roads in the park	1.4.4.	Kilometres of roads rehabilitated in the Industrial Parks	1,5 Km road rehabilitated	2 km road rehabilitated		
1.5 Ensure access to a safe, secure, reliable, and affordable public transport system	Improve public transport infrastructure, Coordination of planning and regulation of public	Conduct pedestrian safety awareness campaigns	1.5.1.	Number of pedestrian safety awareness campaigns conducted	Arrive Alive Festive Season Campaign conducted	Arrive Alive Festive Season Campaign conducted		Technical services
			1.5.2.	Number of stray animal management campaigns	Stray animal management	Stray animal management		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
	transport system. Promote public transport transformation and diversification			conducted	campaign conducted	campaign conducted		
1.6 Improve Waste and environmental Management within O.R. Tambo District to comply with statutory requirements	Establish environmental compliant and sustainable development. (including ISO 14001)	Establishment of regional recycling facility	1.6.1.	Established regional recycling facility.	6 sustainable recycling co-operatives established. Two refuse trucks received through partnership with AGA, partnerships forged with LMs in terms of assistance in waste management through use of EPWP	Atleast three partnerships with the recycling agencies Establishment 10 recycling cooperatives.	Opex 210 800.00 Capex 3 000 000.00	Rural, Economic & Development Planning
		Development of Environmental policies and sector plans	1.6.2.	Environmental Management Framework and legislation in place.	Three environmental management sector plans integrated in the IDP	Develop Climate change strategy Develop Biodiversity sector plan Develop a policy on refuse removal to assist LMs on refuse collection	1 054 000.00	
		Environmental Screening and assessment of projects	1.6.3.	Number Of projects complying and approved for environmental regulations.	5 district major projects complying to the environmental regulations	Conduct EIA screening, monitoring and reporting for	No budget available need to avail budget for Environmental risk	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						compliance to environmental regulations on 10 development projects.	assessment vote 100 000.00	
		Greenest Municipal competition and Environmental awareness	1.6.4	Number of environmental awareness and educational programs		Conduct 5 environmental education programs targeting 5 schools (01 per LM) Conduct 01 Greenest Municipality competition awards ceremony in line with environmental awareness and education programs	527 000.00	
		Licensing of landfill sites	1.6.5.	Number of LMs disposing solid waste to licensed landfill sites.	5 Land fill sites licensed and complying with ISO standards and 1 transfer station site registered in terms of norms and standards	1 LM with at-least 1 licensed solid waste land fill / transfer site	No budget available need to avail budget for Environmental risk assessment vote 100 000.00	
1.7 Coordination of planning and Development of Sustainable	Accreditation of O.R Tambo DM as an implementing agent for housing	Development of District Wide Housing Plan	1.7.1.	District Wide Housing Plan developed		Integration of DWHP to the Infrastructure Master Plan		Human settlements



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
Human Settlements	development					Exploration of Nkululekweni Housing Development Strengthen coordination of local municipalities on housing planning		
	Provide housing in response to emergencies and special programmes including military veterans, disaster victims and other special cases	Langeni Low and middle income housing	1.7.2.	Number of Low and middle income housing developed in Langeni				Human settlements
	Provision of rural and urban housing with social amenities through the implementation of BNG program.		1.7.3.	Number of social houses built				
			1.7.4.	Number of social amenities				
	Acquiring land through purchase, long term lease and donations		1.7.5.	Pockets of land acquired for human settlement				



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT			
1.8 To increase community participation in Sports, recreation, arts, culture and heritage programmes	Expand and maximize the value and utility of community service centres and community facilities (including sports fields, libraries etc.)	Increase community participation in sport programmes	1.8.1	Number of community Sports field levelled	Approval of a turnaround plan for social service centres and facilities built by DM	Facilitation of levelling of 1 Sport facility in 1 LM	200 000	Community Services			
					New	Facilitate utilization of 15% of MIG for Sport and Recreation facilities in the 4 LMs					
					New	Coordinate 4 meetings towards improvement of Mthatha Stadium					
	Maintain, Preserve and Promote heritage sites including those within liberation route	Realisation of Ingquza Hill memorial site as an International Heritage Site	1.8.2.	Number of Heritage sites and facilities rehabilitated	1 heritage site revitalised	Commemoration of 3 Heritage sites coordinated	527 000	Executive Mayoral Services (EMS)			
						3 initiation schools supported	368 900				
					Promote the commercialization of cultural groups	1.8.3	Number of Heritage Festivals supported Number of Arts, Culture and	3 cultural group capacitated	1 district heritage festival supported	210,800	Community Services
								Heritage Council established and supported	Capacity Building of 3 Councils e.g the Arts, Culture and Heritage Councils		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						1 District Film Development Council supported through capacity building		
	Promote the commercialization of cultural groups		1.8	Number of Sport Federations revived)	Revival meetings conducted in 4 LMs 4 Special sports events & tournaments done	1 District Sport Confederation supported through Capacity Building Lobbying for the establishment of sport academy for all sport codes in the district	73 780	Community Services
	Promotion and integration of recreation and sporting activities		1.8	Number of District Mayoral cups held	4 LMs participated in the Provincial SALGA Games New New	1 O.R.Tambo District Cup Competition held 1 District Body building sport event held through 5LMs build ups 1 District boxing sport event held	527 000	Community Services
			1.8.7	Number of sports codes supported with sport equipment		6 sports codes supported with sports equipment Distribution Policy on sport and arts support material to		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT		
						communities developed				
			1.8.8	Number of Sport officials trained	15 sports officials trained	(15) sports officials trained		Community Services		
1.9 To increase community participation in educational governance and training	Capacitate schools governing bodies and integrate them to ward committees	Integration of school and community services	1.9.1	Number of LMs with access to library and literacy programmes		Coordinate 2 Annual literacy programmes (Library Awareness)			Community Services	
						Coordinate Library usage in one (1) LM				
						Capacitate six (6) library staff				
						New Target				Enhancing Library Information and Systems in 2 libraries
						1 Public Private Partnership for establishment of community Library developed				50% of the total cost.
Coordinate updating of outdated library material in 2 libraries.										
1.10 To contribute to the reduction of preventable health	Compliance with and enforcement of relevant	Compliance with and enforcement of relevant	1.10.1	Completion of devolution processes of Environmental Health	26 Environmental Health Practitioners devolved	6 Environmental Health Practitioners	7 150 000	Community Services		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
risks in the district	environmental health regulations and standards	environmental health regulations and standards		Services		devolved to DM		
						District Environmental Health policy developed		Community Services
						National Health Insurance Consultative Forum established		Community Services
			1.10.2	Number of food premises inspected , environmental swabs and certificates issued as per Regulation 962	250 food samples tested	300 food business premises to be inspected 250 Food samples and 1be issued	200 000	Community Services
					210 swabs	250 Food samples to be taken	500 000	
					30 Certificates	210 environmental swabs to be taken for bacteriological testing		
					30 Certificates	30 Certificates of Acceptability (COA) to be issued	100 000	
					1.10.3	No of water samples taken for bacteriological analysis as per SANS 241	250	300 water samples to be taken



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
			1.10.4	No of landfill and waste disposal sites inspected	36 inspections done on waste disposal sites	18 inspections to be done on landfill and waste disposal sites		
					25/25 Identified and cleared illegal dumps	100% compliance on waste management	100 000	
			1.10.5	No of adopted environmental health promoting schools	5 schools adopted and beautified	6 schools to be adopted for greening	500 000	
				No of reported chemical poisoning cases investigated	40/40 cases investigated	100% of chemical poisoning cases investigated	30 000	
				Number of funeral undertakers inspected	90 funeral undertakers inspected	90 inspection of funeral undertakers premises and workshop owners	50 000	Community Services
				Number of notifiable medical conditions investigated within 24hrs of reporting	14/14 cases done	100% investigation of notifiable medical conditions investigated within 24hrs of reporting		
				Number of water purification works and industries inspected	New	33 water works and industries to be inspected focusing on occupational health safety	20 000	Community Services
			1.10.6	Number of premises identified as breeding place for vectors	50/50 identified and inspected	100% Inspection of premises identified as breeding places for vectors	10 440	Community Services



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						District Vector Control Plan developed		
						20 Environmental Health Practitioners trained(to accumulate continuous profession development points)		
					34 Households in distress received material support	20 Households in distress receive material support	210 800	Community Services Community Services
					Social Relief of Distress Policy in place	Social Relief of Distress policy reviewed		
					3 Child protection programme supported	1 Child protection programme supported	210 800	
					4 Moral regeneration	Moral regeneration Life skills programme held in 5 LMs	210 800	
					8 Community based ECDC Programme	1 District Early Childhood Development (ECD) summit held	210 800	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
1.11 To contribute to the prevention, reduction and management of the spread of HIV/AIDS, STI and TB	Mainstreaming of HIV/AIDS management	Establish functional wards aids forums (28 wards with ward aids forum within 5Yr term)	1.11.1	Number of wards with Ward Aids Forum (B2B)	16 Ward AIDS 2013/2014	Revive DAC Support LAC Establish ward aids forums in 12 wards		Executive Mayoral Services (EMS):HIV/AIDS
		Review of District HIV/AIDS strategic Plan			District strategic plan was developed in 2009-2014	Review District HIV/AIDS Strategic Plan Review		
		Training of Health Care workers and care givers (4815 health care workers and care givers trained within 5Yr term)	1.11.2	Number of health care workers and care givers supported	retired professional health care workers and care givers trained (15/16)	21 retired professional health care workers and care givers trained Training of trainers done on social behaviour change done by National DSD partnering with PACT		
					21 retired professional health care workers and care workers trained (2015/16)	21 retired professional health care workers and care givers supported with monthly stipends		Executive Mayoral Services (EMS):HIV/AIDS
					390 health care workers and care givers trained in 2014/2015	05 HIV/AIDS awareness campaigns conducted.		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT	
						(incl. ABC campaign in schools working with DSD)			
	Expand access to voluntary counselling and testing	Support to the functioning of HCT sites (Conduct workshop and review policy)	1.11.3	Number of wards with HCT / HTA sites	2 727 people 2013/2014	200 people to attend VCT sessions monthly in the 7 supported sites (16800 people attend VCT sessions per year)			
		Conduct VCT in the HCT sites supported 25733 people within 5Yr term	1.11.4	Number of wards with HCT / HTA sites	2 727 people 2013/2014	5 wards with HCT/HTA Sites 200 people to attend VCT sessions monthly in the 7 supported sites		Executive Mayoral Services (EMS):HIV/AIDS	
				Number people that have undergone VCT		(16800 people attend VCT sessions per year)			
		Support PMTCT awareness campaign in the in all LMs			Newly planned intervention	Support 12 PMTCT awareness campaigns targeting 500 people in each campaign			
		Inkciyo programme			INKciyo campaigns conducted annually together with annual	Support 2x Inkciyo campaign Revive Inkciyo			



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
					world AIDS day	campaign focusing on amakomkhulu and schools Commemorate world AIDS day		
		Community awareness/ empowerment on safe male circumcision	1.11.5	5 community awareness campaigns on safe male circumcision supported in 2015/16	1 awareness/ empowerment campaign on safe male circumcision supported in 1st quarter 4 awareness/ empowerment campaigns on safe male circumcision supported in 2nd quarter	5 community awareness campaigns on safe male circumcision supported in 2015/16	300 000.00	
1.12 To improve the well-being of all vulnerable groups and general welfare of indigents	Coordinate the mainstreaming of special programmes targeting vulnerable groups	Financial Academic Assistance programme	1.12.1	Number of people from the vulnerable groups that completed an academic programme	110 students who benefited have graduated (2006-2015) 181 students benefited (2006-2015)	106 students currently supported with bursaries Facilitate the establishment of an appropriate vehicle to drive the Bathandwa Ndongdo bursary fund	3.1 million	Executive Mayoral Services (EMS)
		New venture creation programme	1.12.2	Number of people from the vulnerable groups that completed other	600 young people trained on vocational skills in 2015/16	400 young people trained on vocational skills		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
		<p>Young women seed training and capacity building programme</p> <p>Training and capacity program for the disability sector</p> <p>Training and capacity programme for the elderly</p> <p>Star schools</p> <p>Winter and springs schools</p>		scarce skills, training and capacity building programmes	<p>42 Young women trained on sewing.</p> <p>200 disabled people attended disability sector parliament</p> <p>Human rights awareness campaign conducted annually</p> <p>120 Children benefited from star schools</p> <p>children benefited from winter and springs schools</p>	<p>1000 young women benefit from training and capacity building</p> <p>200 disabled people to attend disability sector parliament</p> <p>50 disabled people attend sector prioritised training programme (Incl Braille etc.)</p> <p>200 elderly people benefit from training and capacity building</p> <p>Conduct awareness campaign on anti-violence against elderly, women and children</p> <p>120 Children benefit from star schools programmes</p> <p>children benefited from winter and springs schools</p>		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
		programs implemented (Training and capacity building and support programme prioritised by the youth sector, New venture creation programme, Young women seed training and capacity building programme, Training and capacity program for the disability sector, Training and capacity programme for the elderly, star schools, winter, springs schools, career expo, cooperatives and enterprise support	1.12.3	Number of implemented programmes to empower and create jobs for the youth, women, disabled, children and elderly	11 programmes implemented	Implement 11 programmes to empower and create jobs for the youth, women, disabled, children and elderly		
						4x Programmes prioritised by the youth sector: Support Annual youth month (Youth Summit, etc) Support SA Youth Council (Assembly, ICT benchmarking and Establishment of SEZ youth development forum)	1,25million	
						Implement 1x New venture creation in 2nd quarter	Private sector funded	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						<p>4 Young women seed training and capacity building programmes implemented</p> <p>Support young women's dialogue</p> <p>Support the women development centre in Palmerton</p> <p>1 Young women Development Pageant</p> <p>Support women's month (sector parliament, women related awareness campaign/ outreach)</p> <p>Provide assistive devices to the various forms of disability</p> <p>6 x Children's programmes: Career Expo Children's month Back to School campaign Winter school and Spring school</p> <p>4x Programmes for</p>	2million	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						<p>the elderly: Golden games</p> <p>10 Cooperatives/ enterprise supported for the elderly</p> <p>1x End of the year party 2x Awareness campaigns for the elderly</p>		
	Provide social safety nets	One Household One food Garden	1.12.4	Number of households receiving social safety support (distress support, child protection etc.)	Households benefited from One Household One Garden 480 HH – 2011/2012 270 HH _ 2012/2013 1200HH-2013/2014	1500 Households to be supported under One Household One Garden Programme		Executive Mayoral Services (EMS)
		One Tree one Child			12 Schools are participating in the One tree one child programme. 15000 trees have been distributed to approximately 15000 households benefiting from one Tree one Child	OTOC newly introduced to 18 schools. 18000 households supported through one tree one child		
					Since its implementation by the		2.1 million	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
					DM the OTOC programme has been adopted as a national programme by the National Department of Forestry			
		Number of towns/estates greened			9 towns benefit from sicoca sonke greening programme	9 towns benefit from sicoca sonke greening programmes Training of Sicoca Sonke staff on landscaping		
		Poverty war room			New intervention	Develop an appropriate strategy on implementation of Service Delivery/ Poverty War Room 75 wards to have functional Service Delivery/ Poverty war rooms Establish appropriate structures for the implementation		Executive Mayoral Services (EMS)
1.13 To reduce	Ensure proactive,		1.13.1	Number of Councillors	38 officers	Train 100	421 600	Community



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT		
the risk and mitigate the impact of disasters, fires and emergencies to communities	during and post disaster strategies and measures are in place.			trained, and Community engagements done on risk avoidance, preparedness and disaster risk management.	102 volunteers, and 2496 communities trained (awareness programs).	volunteers, All District Councillors and Traditional Leaders.		Services		
						Attend DMISA Conference	105 400			
						1500 community awareness programs	623 400			
			1.13.2	Create adequate Integrated institutional capacity and systems in the district for disaster risk management			2 District Disaster Risk Management Advisory Forums		Facilitate sitting of 4 District Disaster Risk Management Advisory Forums	
							13 Local Disaster Risk Management Advisory Forum		Facilitate sitting of 20 Local Disaster Risk Management Advisory Forum	
							1 Inter departmental committee		Facilitate sitting of 4 Inter departmental committee on Disaster Management in the district Municipality.	
							1 inter municipal committee		Facilitate sitting of 4 inter municipal committee on disaster risk management	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
					240 volunteers registered	Encourage 100 people to enlist as disaster volunteers through media.		
					New	Encourage 20 people to enlist as disaster professionals through media		
						District Satellite office centres in 3 LMs established	R4m	Community Services
						Public Private Partnership for the building of Mhlontlo Multi Service Centre established.		
					Designs and Plans in place	Complete Phase 3 of the Disaster Integrated Information Management And Communication System	1 054 000 R3,5m	
			1.13.3	Functioning early warning system equipment installed in PSJ	The system has already been installed in KSD.	Early warning system developed in Mhlontlo – Tsolo Junction		Community Services
			1.13.4	District Disaster Risk profile reviewed.	Risk Profile available	Disaster Risk Profile (DRP) reviewed.	210 800 R 2 m	Community Services



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
			1.13.5	Number of disaster fora and structures established.	Disaster Risk Management Policy adopted Campaigns held in Nyandeni and IHLM	Coordinate and facilitate development of DMPs by all Municipal Departments and Entities	N/A R200 000	
					New	International Strategy on Disaster Risk Reduction (ISDR) campaign held.	527 000	Community Services
						Disaster Risk Management Indaba held	R 2 m	
	Improve institutional capacity and preparedness for disaster management and mitigation		1.13.6	Number of households affected by disaster receiving services per post disaster recovery and rehabilitation programmes	172 families assisted New	Provide relief and facilitate response based on number of reported cases. District Disaster Relief Committee established	474 300	
	Reduce the occurrence of fires and emergencies		1.13.7	Number of business premises inspected	120	150 business premises fire inspections done	706 180	Community Services
			1.13.8	Fire by-laws promulgated	None	Operationalization of Bylaws through Justice System	N/A	
			1.13.9	Number of community based volunteers fire	20 Volunteers recruited and trained	50 volunteers to be utilized from	558 620 130,000 (OEM)	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
				response teams listed within the District	in the District	Disaster Management volunteer base for fire season (10 per LM)		
					10 awareness campaigns done	Conduct 60 Community Awareness in High Risk communities		
			1.13.10	Number of local municipalities equipped as satellite centre	1 Fire engine for Nyandeni	Delivery of x3 fire replacement unit		
	Improve institutional capacity to respond and mitigate the impact of fires and emergencies		1.13.11	Response time to fires and emergencies from urban and rural	30min within 50km radius +1h45min more than 50km	30mins within 50km radius ±1h45 minutes more than 50 km. (Back to Basics)	N/A	Community Services
			1.13.12	Developed Service Level Agreements (SLA's) with LM's, Department of Defense etc. on fire preventions and response to fire and emergencies.	SLA with WoF and Eastern Cape Umbrella FPA	SLA's with South African National Defence Force (SANDF) developed	527 000	Community Services
1.14 Contribute to improved community safety and security	Building stakeholder consensus for community safety		1.14.1	Number of functional district and community safety forums (in terms of fora TOR	3 safety forums supported	Safety Forums coordinated and supported in 5 LMs	210 000	Community Services
					3 conducted	3(SAPS Clusters)		



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/17	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
						Community crime prevention awareness campaigns conducted		
					Draft Crime prevention strategy in place	District Crime prevention strategy reviewed	N/A	
	Promote safe recreational activities and alternatives to crime		1.14.2	Number of coastal patrollers & Lifeguards registered/recruited in all coastal municipalities	160 coastal patrollers supported in all coastal municipalities	80 Coastal Patrollers recruited for all coastal municipalities	843 200	Community Services
				88 Life Guards supported	80Life Guards are appointed for all coastal local municipalities			
				New	20 Public Safety Patrollers are appointed for the falls.			
1.14.3			Number of schools participating in safety and crime prevention programmes	2 schools participated in safety and crime prevention programmes	Coordinate school safety and crime prevention programmes in 15 Schools			
			1.14.4	Number of sport against crime programmes coordinated	3 SAPS Clusters participated in sports against crime	1 District Sports against Crime coordinated		



4.7.2 LOCAL ECONOMIC DEVELOPMENT

OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
2.1 To improve co-ordination & integration of LED programs for sustainable trade and investment within the District	Strengthen IGR structures for integrated LED programmes.	LED Forum meetings. District Support Team meetings. Sub-sector forum	2.1.1	Number of LED Forums in 2016/2017.	4 Functional Structures	Sitting of 4 REDP Sector Forum meetings. Sitting of 4 Tourism Subsector Forum meetings. Sitting of 4 District Support Team Meetings	District Planning Strategy Vote 333 275.00	Rural, Economic & Development Planning
		Centralization of planning processes.	2.1.2	Number of planning meetings held in a year	New Indicator	Establish a district central planning team and sitting of 2 planning meetings for LED high impact projects. Conduct two Stakeholder engagement sessions on SPLUMA implementation, AgriParks and LED High Impact Projects		
	Promotion of district Trade and Investment	Trade and Investment Strategy (TIS) with implementation plan.	2.1.3	District Trade and Investment developed by 30 June 2017	Investment Summit Resolutions	Develop a Trade and Investment Strategy with Implementation Plan & Business Plan by 30 June 2017. Workshop TIS to all key stakeholders for buy in before and after council approval.	More budget required for LED Strategy vote R400 000.00	Rural, Economic & Development Planning



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
	Build capacity of SMME and cooperatives	One stop Enterprise Development Centre (EDC). Capacity building of co-operatives Co-operatives summit held Access to markets Link procurement processes to local SMME's and Co-operatives such that 50% of all tenders below R200 000 are given to local SMME's and Co-operatives.	2.1.4	Number of SMME's and Co-operatives capacitated at EDC.	20 Entrepreneurs trained in the EDC 10 co-operatives supported	10% Increase of the number of SMME's and Co-operatives supported and having access services in the EDC. One Co-operatives summit convened by 30 December 2016. 10 Co-operatives supported	Cooperatives Dev vote 1 791 800.00	Rural, Economic & Development Planning
	Mainstream economic activities through partnerships that benefit Communities	Partnership Programmes	2.1.5	Number of partnerships for economic development	1 CPPP	Establish partnership with institutions of learning		Rural, Economic & Development Planning
NTINGA 2.2 To enhance access to LED infrastructure, agro-processing and value add facilities	Enhance sustainability of LED infrastructure and mechanization	Conduct Infrastructure audit and status quo analysis of the available infrastructure in the district.	2.2.1	Analysis report on the status of agricultural infrastructure in the district.	NTINGA	NTINGA	NTINGA	NTINGA – Development Agency



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
	Improved service standards for the District Processing Plants	Commercialisation of all District value addition facilities and District processing plants	2.2.2	% increase in Return on Investment for the District value addition facilities in KFPM. Ikwezi Dairy Farm, Abattoir and Adam Kok Farms.	NTINGA	NTINGA		NTINGA – Development Agency
		Development and analysis of due diligence for Adam Kok, Umzikantu Abattoir, Ikwezi Dairy & KFPM. Transfer Economic Assets from ORTDM to Ntinga SOC.	2.2.3	Commercially Viable Economic Infrastructure for: <ul style="list-style-type: none"> ▪ Adam Kok Farms. ▪ KFPM. ▪ Umzikantu Abattoir. ▪ Ikwezi Dairy. 	Economic Assets partly managed by ORTDM and Ntinga.	All Assets in the Adam Kok Farms Transferred to Ntinga SOC.	No budget allocated. Need to budget for this as Part of Ntinga Conversion Budget R500 000.00	REDP
	Improve local farmers access to markets	Develop Farmer development strategy to increase food production in the district (Provision of means for water harvesting and irrigation)	2.2.4	Number of Strategies developed on farmer development and access to markets	New Indicator	Develop Farmer Development Strategy	LED Strategy Vote 421 000.00	REDP
	Identify specific agricultural development nodes within the district to ensure improvement of various breed.	2.2.5	Number of Strategies & Policies developed on LED and & Agricultural Development.	LED strategy in place and draft Agricultural Development Strategy	Review LED Strategy	REDP		
2.3 Develop forestry & timber production for economic development	Enhance Economic viability of the forestry &	Removal of alien tree species and promotion of indigenous tree species.	2.3.1	1 funding proposal developed by 30 June 2017		Develop a funding proposal for research and removal of alien trees.	Sector Development 700 000.00	Rural, Economic & Development Planning



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
	timber sector for the district.	Forestry Development Strategy and Plan.	2.3.2	Forestry Strategy developed by 30 December 2016		Finalise crafting of Forestry Development Plan and Strategy by 30 December 2016.		
		Conduct awareness program on forestry development	2.3.3	Number of Awareness Programs Conducted on Forestry Development		Convene 01 Forestry Symposium.		
2.4 Develop Mari culture and aquaculture industry production for economic development	Aqua-culture skills development.	Aquaculture skills development.	2.4.1	Number of enterprises trained on aquaculture skills	20 entrepreneurs trained	Provide skills training to 20 aquaculture enterprises	Skills Development 316 000.00	Rural, Economic & Development Planning
	Access to mariculture and aquaculture markets & storage facilities.	Aquaculture skills development. PSJ School of Marine Resources Land identified for the PSJ school of marine resources Funding proposal developed for the PSJ school of marine resources		Acquaculture business sector audit & funding proposals developed.	New indicator	Develop an audit of the businesses in the sector	Sector Development 300 000.00	
		Conduct research on the accessible markets for the district. Develop business plan for funding to ensure that markets are accessible to the poor (operation Phakisa & Oceans Economy).						
		PSJ Mini harbour	2.4.2	Development of Business Concept for the PSJ Mini Harbour	New indicator	Development of Business Concept for the PSJ Mini Harbour	Sector Development 54 000.00	REDP, PSJ LED & PSI Dev Agency to Lead
2.5 Coordinate Tourism Development and Marketing for the district.	Strengthen Tourism Research & Tourism Development	Support of the tourism projects, SMME'S and co-operative's Profiling of tourist attractions	2.5.1	Number of tourist attraction of profiled Number of tourism product owners,	35 product owners' trained from all local municipalities (accommodation establishments and	Identifying and profiling potential tourism resources and attractions with local municipality.	More budget required for Research & Development budget vote	Rural, Economic & Development Planning



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
		Audit & Installation of signage throughout the district		Visual artist & Crafters supported.	travel agencies). 15 Visual artists supported and 15 crafters capacitated and supported 12 craft products owners supported during the national Arts Festival 3 fashion designers, supported	10 visual artists supported to attend Mucufe festival 12 crafters supported to attended Grahamstown arts festival	R450 000.00	
		Tourism Infrastructure Audit	2.5.2	Number of tourism infrastructure Audit reports developed	Tourism infrastructure audit conducted and report submitted	01 Tourism infrastructure audit developed 01 Tourism Signage audit developed	No budget Need to top up budget for Research and development. 50 000.00	Rural, Economic & Development Planning
		District Tourism Master Plan	2.5.3	Tourism master plan developed	To develop a District tourism master plan	Develop District Tourism Master Plan by 30 June 2017. (Taking into consideration the SEZ feasibility study)	No budget Need to top up budget for Research and development. 500 000.00	REDP
		Collection of tourism intelligence (Occupancy Rate) in order to create good relationship with the business community and to assist in data collection	2.5.4	Tourism data information collected on tourist arrivals	Support to K.S.D two Tourism information offices by personnel (Ultra City VIC and Mqanduli VIC), mobile information offices at inqguza hill local municipality 12 officers employed on contract	Audit of tourism intelligence occupancy rate	EPWP	Rural, Economic & Development Planning

OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
					basis ,provided a visit book to assist on tourist data			
	District Tourism Marketing & Branding	Development, Distribution and Collection of promotional material.	2.5.5	Distribution points Report submitted	development of promotional material in form of brochure, DVD'S ,Safety leaflet increasing of distribution points working with brochure management	Distribution of tourism marketing material to at least 10 distribution points working with brochure management Development promotional material	No budget Need to top up budget for tourism marketing 500 000.00	Rural, Economic & Development Planning
		Marketing of the District through Tourism exhibitions shows.	2.5.6	Number of exhibition shows attended to market the region	Tourism exhibition stand at the Tourism Indaba for 3 years	Two exhibition shows attended gate away show and tourism indaba	tourism marketing vote 527 000.00	Rural, Economic & Development Planning
		Population and maintenance of the tourism website	2.5.7	Accessibility of the tourism website with updated information	Tourism website launched	Population of the tourism website with new information throughout the year link the institution website with atleast two local municipalities	No budget Need to top up budget for tourism marketing vote 500 000.00	Rural, Economic & Development Planning
	Tourism Education and Awareness Raising	Tourism awareness campaigns to local communities	2.5.8	Number of events and awareness campaigns held	3 Cultural festival Supported and natives summer party Tourism awareness campaigns supported in local municipalities	Two major tourism events supported, 10 tourism awareness campaigns held throughout the district	Tourism Awareness budget vote R832 660.00	Rural, Economic & Development Planning



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
	Strengthening the functionality of the Tourism organizations	Improved functionality of Tourism Organisations	2.5.9	Number of tourism associations established	Local tourism organization member supported (Tourism indaba)	Support 05 LTO members at the National Tourism Indaba	LTO vote 52 700.00	Rural, Economic & Development Planning
2.6 To strengthen economic research & development capacity within the district	Enhance economic research capacity of the District.	Improve capacity of District's economic research unit.	2.6.1	Critical posts filled in the District Economic Research Unit	01 Employee	2 critical posts filled in the economic research unit of the district	Personnel budget	Rural, Economic & Development Planning
Public employment	Maximize job/ employment creation particularly for youth and women in all Infrastructure, social and economic development programmes.	EPWP	2.6.2	Number of Jobs Created (long, medium & short Term) CWP & EPWP	8833 (2014/15) 1460 (2015/16)	1500 jobs created	EPWP	Department of Water and Sanitation Services
Public employment	Maximize job/ employment creation particularly for youth and women in all Infrastructures , social and economic development programmes.		2.6.3	Number of Jobs Created (long, medium & short Term) CWP & EPWP	8833 (2014/15) 1460 (2015/16)	1500 jobs created	EPWP	



OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
2.7 To achieve spatially equitable economic growth across the district	Develop plans for District Catalytic Projects	Framework plan for Umzimvubu Dam & Ntabelanga Dam areas	2.7.1	Draft LSDF for the Mzimvubu Dam and Ntabelanga Dam developed and submitted to Council	ORTDM SDF adopted in 2013	Develop LSDF for the Umzimvubu Dam & Ntabelanga Dam areas	No budget. Need to increase budget for Spatial Development Framework	Rural, Economic & Development Planning
		O. R. Tambo Region Rural Development Plan.	2.7.2	O. R. Tambo Region Rural Development Plan Developed	O. R. Tambo District Municipality SDF adopted in 2013	Develop district wide Rural Development Plan.		Rural, Economic & Development Planning
	Create Special Economic Zones	LSDF for the SEZ area as identified.	2.7.3	LSDFs for the SEZ Identified areas Developed	Draft application to DTI developed	2 x LSDFs for identified SEZ areas developed		
	Greater alignment of District Planning to SDFs to advance land development	Develop ORTDM SDF	2.7.4	Reviewed ORTDM SDF.	DRAFT Langeni LSDF, KSD LSDF, KEI MOUTH, NTLAZA, ORTDM SDF, DRAFT COFFEE BAY LSDF, MHLONTLO LSDF, URBAN TSOLO & QUMBU LSDF	Review ORTDM SDF	No budget. Need to increase budget for Spatial Development Framework Available 105 000.00	Rural, Economic & Development Planning
	Development of Precinct Plans for the Region	Port st Johns 2nd Beach Precinct Plan	2.7.5	Draft PSJ 2 nd Beach Precinct Plan submitted to council for approval	Nyandeni Precinct Plan adopted in 2014	PSJ Second Beach Precinct Plan Developed	No budget Allocated	Rural, Economic & Development Planning
	New town development and revitalization	Small Town Revitalisation Program	2.7.6	Draft Small Towns Revitalisation Strategy submitted to council for adoption	Small Towns Revitalisation plan is being piloted in Nyandeni, and PSJ LM	Draft STR Strategy developed	No Budget Allocated	

OBJECTIVES (5 year)	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
						2016/2017	2016/17	
	of existing towns.	Coffee Bay Coastal Town Development	2.7.7	Provide technical support to the Coffee Bay Coastal Town	Coffee Bay LSDF is awaiting KSD LM adoption	Engagement of stakeholders towards new town development	No Budget Allocated	
		Port St John's City	2.7.8	Provide technical support to the PSJ City	PSJ Master Plan adopted in 2009	Engagement of stakeholders towards establishing PSJ town as a city	No Budget Allocated	
		Mthatha Mouth / Mdumbi Nodal Development	2.7.9	Finalize draft LSDF for Mthatha Mouth/Mdumbi	Ntlaza LSDF adopted in 2014	Draft LSDF for Mthatha Mouth / Mdumbi Nodal development submitted to council for adoption	No Budget Allocated	
	Implementation of SPLUMA	Functioning of tribunals	2.7.10	ORTDM District Municipal Planning Tribunal, (ORTDM, Mhlontlo&Nyandeni) Joint MPT for Ingquza Hill LM and PSJ LM established.	Draft by-laws in place.	Finalisation of by – laws, tariffs and establishment of Tribunals.	1 475 600.00	Rural, Economic & Development Planning

4.7.3 FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
3.1 To increase	Effective billing	Implementation of the	3.1.1	100% consumers billed	R199 Million was billed	R223,7 Million of Water		BTO



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT			
revenue generation	and revenue collection	revenue enhancement strategy. Investment in properties or Extension of revenue offices for revenue generation		timorously	during 2014/15 financial year.	& Sanitation shall be billed					
				50% increase in the number of revenue offices.	New	Acquisition of new offices					
			3.1.2	100% future cash flows not yet committed be invested in high earning investments	R20,4 Million interest earned from external investments	R22,1 Million of Interest earned shall be realized		BTO			
			3.1.3	Reduction of historic debtors on a yearly basis(material R value)	Gross debtors less provision for doubtful debts. R467M-R 364,9M (R102,1 Million) per audited 2014/2015 annual financial statements.	60% of the net balance of debtors (namely R61,3Million arrear debt) must be collected		BTO			
			3.1.4	79% Improvement of Collection rate as a percentage of total billings by 30 June 2017		Total collections to date as a percentage of the annual bills to date per audited 2014/15 annual financial statement was 79%.(R157,2M/R199M)	79% of collections to date to annual bills of (R 223,7Million) to be collected (namely R176,7 Million overall total collections including arrear debt To collect		BTO		
										Complete and accurate debtors/consumers database	BTO
										Compile a complete and accurate indigent register	BTO
										Full implementation of credit controls as per the approved Debt and Credit Control Policy	
							Perform monthly (12) debtors reconciliation				



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
	improve the accuracy of financial planning for more credible budgeting		3.1.5	100% compliance to 2016/17 budget time table	The budget for 2015/2016 and its two outer years was approved in line with National Treasury advice.	Draft budget for 2016/2017 and its two outer years to be tabled in line with the MBRR.		
						Adjustment budget for 2016/17 to be approved in compliance to MBRR		
						2016/17 Annual budget to be approved in accordance with section 24 of the MFMA and MBRR		
						Monitoring of expenditure to be in line with approved SDBIP		BTO
						(100%)Full compliance with in year reporting requirements per MFMA and MBRR		
	Improve own revenue enhancement		3.1.6	% of own revenue against total revenue	20% of own revenue against total revenue	25% of own revenue against total revenue		
				100% submission of VAT 201 returns by 25th of each month	100% VAT 201 submitted	100% VAT 201 submitted		
3.2 To strengthen the governance and control environment over all financial matters to	Comply with the prescribed accounting standards, legislation as well as all related		3.2.1	100% reduction of official AG queries addressed relating to fruitless, wasteful, unauthorized, and irregular expenditure	2 qualification for irregular and wasteful expenditure per the audited report for 2014/2015	No (0%) AG Queries relating to fruitless, wasteful, unauthorized, and irregular expenditure.		BTO



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
eliminate fruitless, wasteful, unauthorized, and irregular expenditure	guidelines and circulars for financial management and reporting	Preparation of GRAP Compliant Annual Financial Statements	3.2.2	Auditor General's Annual Audit Outcome on the annual financial statements - Unqualified Opinion	Qualified Opinion	Submission of Annual Financial Statements by 31 August 2016		BTO
		Maintenance of the Moveable Asset Register		Submission of Consolidated Annual Financial Statements by 30 September 2016				
		Update of the Infrastructure Asset Register		Unqualified audit opinion with few matters of emphasis.				
		Ensure implementation of mSCOA project towards 1 July 2017		Implementation of mSCOA by 1 July 2017				
	Improve financial management capacity and efficiency		3.2.3	100% budgeted Financial Management Grant (FMG) actually spent	100% budgeted FMG actually spent	100% budgeted FMG actually spent		BTO
100% budgeted MIG actually paid	100% of MIG actually paid			100% of MIG grant received paid				
100% of budgeted CAPEX spent on project identified in the IDP	100% of budgeted CAPEX's related expenditure incurred shall be paid and accrued			100% of budgeted CAPEX's related expenditure incurred shall be paid and accrued.		BTO		
100% of the total municipal budget spent on Operations and Maintenance (O&M)	100% of budgeted Operations and Maintenance's related expenditure incurred shall be paid and accrued			100% of budgeted Operations and Maintenance's related expenditure incurred shall be paid and accrued.		BTO		
Tighten control environment on Supply Chain Management activities and management of	Implementation of the Supply Chain Management Reforms	Implementation of the electronic database	3.2.4	Rand value of paragraph 36 reports issued as a percentage of the value of all tenders awarded	Less than R35 million (5% of total budgeted value of planned tenders)	Less than R35 million (5% of total budgeted value of planned tenders)		BTO



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI OR NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
	contracts	system						
				100% reduction of official AG queries relating to SCM processes	A total of 22 queries were raised by the AG that relate to SCM processes.	Full Compliance with SCM regulations		BTO
	Reduce creditor payment cycle in line with relevant policies		3.2.5	% of creditors paid within 30 day period of receiving invoice as per circular 49 of the MFMA	80% of the creditors are paid within the requirements of circular 49 of the MFMA	100% of the invoice received paid within the legislated period.		BTO
	Implementation of Municipal Standard Charts of Accounts		3.2.6	Effective and vibrant Project steering committee	New Indicator	The Current Financial Management System updated to be fully compliant with mSCOA(Municipal Standard Chart of Accounts)		BTO
3.3 Stimulate and promote local economic development.	Promote competitiveness of local businesses and comply with Preferential Procurement Management policy as well as Broad Based Black Economic Empowerment in our SCM policy implementation	60% of Services sourced from within the District	3.3.1	60% of services procured through open tenders are from within the district. 90% of services procured through quotations are from within the district.	100% compliance to the provision of the PPPFMA and B-BBBEE score-cards	100% compliance to the provision of the PPPFMA and B-BBBEE score-cards		BTO & Rural, Economic Development & Planning
		% of services procurement from the PDIs and vulnerable groups (Indicator no longer applicable to the current legislation)	3.3.2	70% of services procured from PDI.	100% compliance to the provision of the PPPFMA and B-BBBEE score-cards	100% compliance to the provision of the PPPFMA and B-BBBEE score-cards		BTO
3.4 To provide a set of uniform key financial ratios and norms	Compliance with circular 71 of the MFMA for consistency in	Compliance to reporting requirements as per the MFMA e.g. website postings	3.4.1	The percentage of households earning less than R1100 per month with	New Indicator	100% of households earning less than R1 100 per month		BTO

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI OR NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
suitable and applicable to municipalities and municipal entities.	interpretation and application of certain financial information using standardised financial ratios.			access to free basic services;				
				Financial Viability expressed as number of times debt is covered by total operating revenue excluding operating grants (Debt coverage ratio)	New Indicator	45% of Financial Viability expressed as number of times debt is covered by total operating revenue excluding operating grants (Debt coverage ratio)		BTO
			3.4.2	Percentage of outstanding service debtors to service income revenue	New Indicator	95% of outstanding service debtors to service income revenue		BTO
				Financial Viability expressed as number of times cost is covered by cash and cash equivalents	New Indicator	1:3 times Financial Viability expressed as number of times cost is covered by cash and cash equivalents		BTO

4.7.4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
4.1. To improve/ ensure council and community oversight for service delivery implementation	Strengthen internal governance structures, systems and protocols to monitor and ensure compliance with the legislative framework	Institutionalize the structural arrangement as per the oversight model	4.1.1	Adherence to Municipal Oversight Model (MOM) imperatives based on the budget cycle model	Oversight Model Adopted	Adherence to MOM Oversight Report Template	Nil	Legislative Services
		Monthly sitting of CoC committee meetings Quarterly CoC Committee meetings to approve committee quarterly plans	4.1.2	Number of committee quarterly plans developed and adopted	Quarterly plans developed	4 x 14 Adoption of Committee Quarterly plans	R600,000	Legislative Services
		Sitting of Oversight Portfolio Committee meetings Development of quarterly oversight reports by each portfolio committee	4.1.3	Number of Oversight Portfolio Reports tabled to Council	Quarterly Oversight reports tabled to council	4 x 7 Oversight Portfolio Committee reports adopted by Council	R1,000,000	Legislative Services
		Sitting of Standing committee meetings Development of quarterly standing committee reports	4.1.4	Number of Standing Committee Reports tabled to Council for adoption	Quarterly standing committee reports tabled to council	4 x 7 Standing Committee reports adopted by Council	R1,000,000	Legislative Services
		Conduct project visits	4.1.5	Number of Focused Intervention Studies conducted	Focused intervention study reports	4 Committee Focused Intervention	R500,000	Legislative Services



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
					tabled to council	Study Reports		
		Development of annual report by MPAC	4.1.6	Number of Annual Reports tabled to Council	1 Annual Reports tabled to council	1 Annual Report Adopted by Council	R200,000	Legislative Services
		Committee meeting in one of the local communities	4.1.7	Taking Committees to communities	1 committee meeting taken to communities	2 Committee meetings in communities	R100,000	Legislative Services
		Sitting of Ordinary council meetings to adopt minutes Sitting of Special Council meetings for compliance reports	4.1.8	Number of council meetings held to consider council business	4 Ordinary Council Meetings held	4 Ordinary Council Meeting	R560, 000	Legislative Services
					10 Special Council Meetings	10 Special Council meetings		
		One open council outside council chambers	4.1.9	Number of Open Council meetings held	1 Open council held	2 Open Council meetings	R400,000	Legislative Services
	Monitor implementation of resolutions	Submission of Resolutions to MMs Office after every Council meeting Printing of Council Resolution Register	4.1.10	Updated Resolution Register	Resolution tracking register set as a clause in Council Standing Orders	Updated Resolutions Register	R150,000	Legislative Services
	Support to the functioning of O.R. Tambo DM Women's Caucus	Sitting of Women's Caucus meetings Participation of Women	4.1.11	Number of Women's Caucus meetings held	Functional women Caucus	4 Women's Caucus meetings	R300,000	Legislative Services



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
		cllrs in National, Provincial and District Womens events				held		
	Involvement of different sectors in Council Processes	Sitting of Sector Parliaments	4.1.12	Number of Sector Parliaments held	2 sector parliaments functional	2 Sector Parliaments held	R400,000	Legislative Services
	Inducting new councillors to O.R. Tambo District Municipality programmes	Members of the new Council inducted to MOM and other municipal programmes through workshops	4.1.13	Number of Induction Programmes for Cllrs	New indicator	2 Induction Workshop for councillors	R400,000	Legislative Services
	Capacitation of cllrs for effective oversight	Conduct skills audit; Enrol councilors to a Local Government capacity building programme	4.1.14	% of council and committees with members that have completed a relevant capacity building programme	Capacity building programme for councilors	2 Capacity Building Programmes for councilors	R600,000	Legislative Services
	Provide platform for LM representative councilors in DM council to present service delivery issues and challenges raised and prioritized by their LM councils	LM reps to report to DM Council on a quarterly basis	4.1.15	Number of LM reports presented to DM Council	None	4 LM reports to District Council	R200,000	Legislative Services
	Provide the necessary support to Whippery in facilitating accountability of councilors to constituencies	Institutionalization of the whippery functions and office . Development of policy Workshop and consultation processes	4.1.16	Policy on whippery delegation of powers and programme developed	None	Policy on whippery delegation of powers and programme developed	R300,000	Legislative Services

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
		Sitting of multiparty meetigs	4.1.17	Number of multi paty meetings held	Less Functional	4 multi party meetings held	R50,000	
		Sitting of Chief Whips For a	4.1.18	Number of Chief Whip's Forums held	Chief Whps for a held	4 Chief Whips District Fora	R250,000	
		Sitting of Caucus meetings prior to council meetings	4.1.19	Number of Council Caucus meetings held	Functional	8 Council Caucus Meetings	R250,000	
		Sitting of study groups prior to committee meetings	4.1.20	Number of Committee study groups held	Functional	12 Committee Study Group meetings	R200,000	
		DM constituency programme aligned to Provincial and National. Deployment of cllrs to their constituencies	4.1.21	Number of Constituency Programmes conducted	30 % functional	4 Constituency Work Programmes	R1,000,000	
		Sitting of Whippery meetings	4.1.22	Number of Whippery meetings held	Functional	8 Whippery Meetings	R200,000	
			4.1.23	Number of Whippery Project Visits	Functional	4 Whippery Project Visits	R300,000	
		Development and adoption of Constituency Work Model. Workshop of the model	4.1.24	Functional Constituency Work	Draft model is in place	Adoption of Constituency Work Model	R300,000	

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
		Establish Constituency Management committee in each LM including the District	4.1.25	Number of Constituency Management Committees established	New Indicator	6 Constituency Management Committee Established	R300,000	Legislative Services
	Improve functionality of ward committees, CDWs and state mandated public participation bodies in all LMs	Each municipality to submit quarterly reports on functionality of ward committees. Quarterly visits to ward committee	4.1.26	100% of ward committees assessed as fully functional using ward committee guidelines	Ward committee guidelines available	4 Ward Committee Reports on functionality	R100,000	Legislative Services
		Visit by the Speaker to an identified community	4.1.27	Number of Speaker's Outreach Programmes held	Speaker's Outreach Programmes were held	4 Speakers Outreach Programs	R800,000	Legislative Services
		Identification of community gap and outreach	4.1.28	Number of Speaker's Community Outreach programmes held	Speakers Community Outreach programmes were held	4 Speaker's Community Education Program	R800,000	Legislative Services
		Sitting of District Speakers Forums	4.1.29	Number of District Speaker's Forums held	District Speakers forums are sitting	4 District Speakers Forums	R420,000	Legislative Services
		Invitation of community members to attend all council meetings	4.1.30	% Alignment of Public Participation Programs to Oversight imperatives	Invitation of communities	100% Involvement of communities in IDP & Budget Processes	R200,000	Legislative Services



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
		Publication of the Annual Report; Inviting communities to make comments; Payment of stipend to community members Oversight roadshows	4.1.31	% involvement of communities in Annual Report Process	Community members are invited to comment	100% Involvement of communities in Annual Report process	R500,000	Legislative Services
		All stakeholders involved in municipal programmes to be registered in the stakeholder database	4.1.32	% involvement of stakeholders in municipal programmes	Stakeholder database is in place	Updated categorized stakeholder database	Nil	Legislative Services
		Skill audit conducted Conduct Capacity building workshop	4.1.33	Number of capacity building programmes implemented for ward committees	Training workshop for ward committees was held in each municipality	1 training programme for ward committees	R1,000,000	Legislative Services
	To strengthen working relations with traditional leadership and participation of civil society in local governance	Forge partnerships and working relations with traditional leaders and sectors of civil society	4.1.34	Mayoral Izimbizo's		2 Mayoral Izimbizos held per quarter	1 900 000	Executive Mayoral Services (EMS)
				Number of sector engagement with sectors of society		2 Sector engagements held per quarter	500 000	
				Number of service delivery Initiatives with the ambassador programme	new indicator	2 service delivery initiatives implemented through the ambassador programme	300 000	
4.2. To coordinate effective intergovernmental relations	Make service delivery central to the functioning	Improve working relations with stakeholder and Local	4.2.1	Intergovernmental Relations Framework implemented	The MM forum and forum and	Annual district		Office of the Municipal

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
across the portfolio boundaries of governmental actors within the District	of technical and political IGR structures both at LM and DM levels	Municipalities by strengthening IGR structures			DIMAFO were established and functional	IGR calendar Quarterly IGR forums IGR Project Management Office for SIPS projects established		Manager – IGR & MSS
			4.2.2	Number of service delivery agreements (service standards) signed with LMs and sector partners	REDP, Internal Audit and Disaster have signed the agreements	Consolidated Municipal Support Plan. Departmental SLAs signed with Local Municipalities		
	Centralise the coordination of International Relations Work within the district	Coordination of the International relations functions in the district	4.2.3	District International Relations framework developed	The indicator is not new but no work was done in this area	International relations policy framework. International and regional agreements monitored		Office of the Municipal Manager – IGR & MSS Manager
To ensure a responsive LG through prompt responses on Presidential Hotline complaints	Coordination of petition management and complains management	4.2.4	Petition management framework reviewed and implemented (inculcate the presidential hotline and war room)	New indicator	Reviewed framework and implemented		Legislative Services and Office of the Municipal Manager – IGR & MSS	
			% of complaints attended and resolved	95% of hotline complaints resolved for 2015/16	100% petitions resolved			



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
		Training of Public Liaison Officers(PLO) on the Presidential Hotline system	4.2.5	Number of PLOs trained on the hotline system	Four PLOs undergone training	All PLOs trained in petition management		
		Implement a coordinated programme for LM support and structure LM support systems accordingly	4.2.6	War room approach developed	New indicator	Concept for district war room model developed. War-room piloted to 75 wards (50%) of the district		Office of the Municipal Manager
4.3. Ensure credible integrated service delivery planning (IDP), monitoring, reporting and evaluation	Development of the district long term planning	Initiate the district long term vision 2030	4.3.1	Vision 2030 plan initiated	New indicator	District concept for Vision 2030 Vision 2030 Advisory Committee appointed Diagnostic study and strategic perspective developed		Office of the Municipal Manager-IDP& PMS
	Improve quality of IDP in line with prescribed processes and guidelines – with full participation and ownership by political champion, IGR partners and communities	Development of the credible IDP Development	4.3.2	5 year Integrated Development Plan developed and approved	IDP was developed in the beginning of the term	5 year IDP approved		
				Annual IDP reviewed	IDP has been reviewed annually over the term	Revised IDP approved		
	Implement a comprehensive Institutional service	Service delivery and Budget Improvement plan	4.3.3	Approved SDBIP approved and implemented	SDBIP were developed and approved	SDBIP approved and implemented		



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
	delivery performance reporting, monitoring and evaluation in line with the prescribed legislative framework and guidelines	development			annually			
		Improve institutional capacity on audit and quality assurance of service delivery performance	4.3.4	SDBIP performance management framework approved and implemented	The indicator is not new work has been done	Annual performance management framework approved Consolidated SDBIP quarterly performance reports Consolidated SDBIP annual performance report		
4.4. To ensure a well-coordinated & integrated district wide communication	Maintain a two way communication with communities and staff	Improvement of communication and the cooperate image of the institution n	4.4.1	Number of councilor trained in communication content.	New indicator	Quarterly report on the council training		Office of the Municipal Manager - Communication
				Implementation of the District Communication Strategy	The strategy was approved and action plan was developed and implemented. Newsletter were adhoc printed and media briefing convened	Quarterly forum meetings Quarterly media briefings Quarterly Newsletter print District		



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
						marketing sessions		
	Provide effective community liaison and maintain a good corporate image.	Build partnerships with communities	4.4.2	Number of communication sessions with communities and stakeholders	New indicator	3 Community face to face communication sessions		
				Number of airtime radio session bought	New indicator	Radio shows		
4.5. To ensure effective Audit function for improved compliance, clean administration and clean governance	Develop a risk based internal audit plan for the current year. The audit plan must include all critical risks as per risk register.		4.5.1	1X Approved risk based internal audit plan by 30 June 2016	1X Risk based plan approved by 30 June 2015	1X Risk based plan approved by 30 June 2017	Not applicable, using internal resources.	Office of the Municipal Manager - Internal Audit
	Report quarterly reports to the audit committee on the progress with the execution of the approved risk based audit plan		4.5.2	Director Internal Audit writes a report to the audit committee on the progress with the execution of the approved risk based audit plan on quarterly basis.	4X reports to the audit committee on the progress with the execution of the approved risk based audit plan in 2014/15	4X reports to the audit committee on the progress with the execution of the approved risk based audit plan in 2016/17	Not applicable, using internal resources.	Office of the Municipal Manager - Internal Audit
	Audit Committee sits at least four times a year as per the Terms of Reference.		4.5.3	Audit Committee sits at least 4 times during the year and the Chairperson writes a report highlighting key discussions	0	4X reports written to Council by Audit	R 250 000.00	Office of the Municipal Manager – facilitated by Internal Audit

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
				points and resolutions after each quarterly Audit Committee to Council.		Committee Chairperson after each quarterly meeting.		
	Addressing all issues raised by internal, AG and audit committee; by integrating action plans		4.5.4	Follow up on the MAAP on a quarterly basis. Addressing all issues raised by internal, AG and audit committee; by integrating action plans on a quarterly basis.	2x Reports to the Audit Committee in 2014/15	4x Reports to the Audit Committee in 2016/17	Not applicable, using internal resources.	Office of the Municipal Manager - Internal Audit and Audit Committee
	Assess effectiveness of Audit Committee		4.5.5	Audit Committee Chairperson writes a report highlighting key findings of the assessment to Council by 30 June 2017	0	1X Audit Committee Chairperson writes a report highlighting key findings of the assessment to Council by 30 June 2017	Not applicable.	Office of the Municipal Manager - Internal Audit
4.6. To reduce the threat of all identified risk.	Provide Internal Audit support to Port St Johns Local Municipality, Port St Johns Development Agency, Ntinga OR	Risk management	4.6.1	Compile Risk based plans by 30 June 2017	0	1X Risk based plan approved by 30 June 2017 for each	Not applicable, using internal resources.	Office of the Municipal Manager - Internal Audit Office of the

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
	Development Agency, Mhlontlo Local Municipality. Improve institutional capacity to avert, monitor and report on identified risks		4.6.2			supported LM/Agency		Municipal Manager - Internal Audit
Report to the Audit Committees of LMS on the execution of the plan quarterly				4X reports submitted to audit committees of respective organisations in 2015/16.	4X reports to the audit committees on the progress with the execution of the approved risk based audit plans in 2016/17	Not applicable, using internal resources.		
Establishment of risk management committee				0	Establishment of risk management committee by 31 October 2016	Not applicable, using internal resources.	All departments and Chief Risk Officer/Internal Audit to consolidate.	
				Functioning risk management unit	0	Appoint Risk Management Unit's staff, starting with Chief Risk Officer by 31 August 2016.	Not applicable.	Office of the Municipal Manager – Director Office of the MM.
4.7. To ensure effective functional and improved compliance, clean administration and clean governance	Promote good ethical environment and improve control systems to intensify fight against fraud and corruption (Zero tolerance)	Anticorruption and fraud management	4.7.1	Development of whistle blowing policy	New indicator	Policy developed		Corporate services
				Anti-corruption and fraud framework development	New indicator	Framework approved		
				Implement antifraud and corruption community engagement	New indicator	Quarterly community sessions convened		

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
				Develop policy for security clearance and vetting for strategic positions	Draft policy in place	Policy Approved and implemented		
		Ethical conduct and professionalisms	4.7.2	Develop and rollout ethical conduct and professionalisms framework		Framework developed and implemented		
	Improve capacity of internal legal services to minimise municipalities' exposure to avoidable litigation	Litigation monitoring and co-ordination	4.7.3	Litigation monitoring and co-ordination	Indicator not new work on litigations has been executed	Quarterly and annual report of the litigations received, attended, resolved or pending		Office of the Municipal Manager -Legal Services
	Develop systems to monitor and provide support to departments on compliance with key contractual obligations, key legislation and collective agreements	Implementation of capacity building on legal support	4.7.4	Departmental capacity building to provide legal support/advise	New indicator	Quarterly and annual reports on capacity building and legal advice to departments/s taffs		
		Ensure proper contract management and compliance	4.7.5	Contracts and Service Level Agreements reviewed for legal compliance	New indicator	Quarterly reports on the review of contract and SLAs		
4.8. To improve institutional performance through instilling culture of performance	Inculcate the performance management Staff training, capacity building, and skills development Monitor all employee performance within the	Develop and implement the district performance management policy	4.8.1	Approved policy and framework				Corporate Services
				Support functionality of performance management committee				

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
	institutional PMS							
4.9. To ensure that the institution has evidence and knowledge based information for decision making 4.9. To ensure that the institution has evidence and knowledge based information for decision making	Research Development and Research Development	Research support to council committees	4.9.1	Establish research component in council committees				Legislative Services & Corporate Services
		Establishment of the institution district policy and research	4.9.2	Development and implementation of district policy and research agenda	New indicator	Policy and research agenda Policy and research repository Forge partnerships with institutions		Office of the Municipal Manager, OEM and Corporate Services
4.10. To instill public participation model for to accelerate the service delivery and strengthen partnership with community structures	Strengthen interface with community structures, forge partnerships and build social compact	Implementation of the district war room model	4.10.1	Review the public participation policy framework (inculcate war room model)	New indicator	Revised framework		Legislative services & Office of the Municipal Manger
				Support ward committees and safety forums		50% supported through war room		Legislative Services
				Build partnerships with	New indicator	Number of		OEM/ Office of



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION	RESPONSIBLE DEPARTMENT
							2016/17	
				communities in service delivery projects (PSC).		partnerships developed		Municipal Manager -IGR

4.7.5 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
5.1 To improve the organisational capacity of O.R. Tambo District Municipality	Review organizational capacity status quo	Job evaluation process. Placement. Recruitment	5.1.1	100% evaluated posts. Finalized placement processes. Filling of prioritized budgeted posts.	Organogram is in place, job descriptions in place and job evaluation in process.	100% recruitment for prioritized and budgeted posts.		Corporate Services
	Attract and retain representative, skilled and competent human resources							Corporate Services
5.2 To improve institutional performance through skills development and change management	Conduct capacity building internally and externally.	Develop WSP.	5.2.1	Submission of WSP to the relevant Seta.	100% compliance with WSP requirements.	Submission, implementation and report on WSP.		Corporate Services
		Review of Policy on Skills Development.	5.2.2	Reviewed Policy.	2003 approved Policy.	Council approved Policy.		Corporate Services All Departments Corporate Services
		Facilitate the provision of learnerships, short skills programme, apprenticeship and Recognition of Prior Learning.	5.2.3	Submission of business proposals.	LGSeta, Services Seta, Mining Qualification Authority, SASSET	10 SETA 's		Office of the Municipal Manager (PMS Unit) Corporate Services
5.3 To improve inclusion of HDI in	Compliance with Employment Equity Act	Develop Employment Equity Policy.	5.3.1	Availability of Draft Employment Equity	New indicator	Approved Employment Equity Policy and		Corporate Services



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
the economy of the District.				Policy.		Reviewed Employment Equity Plan.		
		Review Employment Equity Plan.	5.3.2	Availability of reviewed Draft Employment Equity Plan.				
		Establish Employment Equity Committee.	5.3.3	Availability of Employment Equity Committee				
5.4 To District Skills Profile.	Develop of a District Skills Development Strategic document.	Skills Development Indaba.	5.4.1	Indaba outcomes document.		Draft Skills Development Strategic document.		Corporate Services
		Establish District HRD Council.	5.4.2	Established District HRD Council.				
		Develop draft Skills Development Strategic document	5.4.3	Adopted Skills Development Strategic document.				
5.5 To monitor and evaluate individual employee performance to ensure achievement of IDP and SDBIP objectives	Monitor all employee performance within the institutional PMS	1)Recruits staff for the Individual Performance Management Unit	5.5.1	Implementation of individual employee performance management system	Council approved Individual Performance management unit	Development of Individual Performance Management Systems		Corporate Services
5.6 To improve access to Information systems and information Communication and Technology.	Development of information systems and ICT's that assist service delivery objectives.	Develop ICT Governance Framework in line with the National Municipal Corporate Governance of ICT Governance Framework.	5.6.1	Existence of the ICT Governance Policy.	Availability of the National Policy.	100% connections of all municipal offices within the district and 60% implementation of systems within Microsoft Agreement		Corporate Services
		Establish a District Wide Area Network covering all Municipal Offices including all Local Municipalities.	5.6.2	Improved communication Between Local Municipalities and District Municipality.	Existence of DM virtual private network.			



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
		Review Microsoft enterprise agreement to include Local municipalities	5.6.3	Reduced licence fees/expense at local municipalities	Existence of Microsoft Enterprise Agreement			
5.7 To improve access to spatial information and data management for planning and service delivery.	Develop a comprehensive spatial database to support monitoring, analysis, and decision making in the municipality	Collection, capturing and maintenance of district wide GIS that will include all Local Municipalities and Government departments	5.7.1	Improved GIS database	Existing GIS database	25% of the district should be Spatially enabled.		
		Develop a web based GIS services to improve availability and use of existing GIS data	5.7.2	Improved access to spatial information				
5.8 To improve knowledge management within the district.	Improve documents and records management	1) Establish central archives for all municipalities.	5.8.1	Improved record keeping	Availability of strong room.	100% clearing of backlog In the three departments (Legislative Services, BTO and Corporate Services)		
		2) Improve records management through implementation of electronic records management.		Availability of electronic records	Draft records policy has been approved by Provincial Archives.			
5.9 To improve a hygienic conditions in the work places.	Continuous monitoring of hygienic conditions in the workplace	Develop monitoring tools	5.9.1	Availability of effective monitoring tools	Availability of cleaning materials	100% Cleanliness in all municipal buildings and the premises		
5.10 To ensure safety and security to the municipality.	To develop safety and security measures	Conduct threats and risks analysis	5.10.1	Availability of threats and risks profile.	Approved security policy	100% Compliance with relevant security management standards and policies		
		Conduct security audit and municipal key	5.10.2	Security profile of municipal key points	Approved security policy	Approved security policy		



OBJECTIVES	STRATEGIES	PROJECTS OR PROGRAMMES OR OUTCOME	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE (5 year: 2012 - 2016)	ANNUAL TARGET 2016/2017	BUDGET ALLOCATION 2016/17	RESPONSIBLE DEPARTMENT
		points and facilities						
		Conduct security awareness on security policy	5.10.3	Improved behavior				
		Establish security committee	5.10.4	Availability of committee		Security committee		
		Improve access control facilities	5.10.5	Effective access control				
5.11 To improve employee wellness and safety	Provide better employee health and safety	Conduct wellness events	5.11.1	Establish district wellness forum	New indicator	Three sittings of wellness forums		
		Conduct health and safety audits	5.11.2	Risk assessment for medical surveillances	Availability of Risk assessment and Medical surveillance report	Improved health and safety working environments for employees.		



CHAPTER 5: Financial Perspective

5 FINANCIAL PERSPECTIVE.



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

- External Economic factors;
- National and Provincial priorities;
- Policies on tariffs and service charges;
- Determination of prudent levels of cash reserves;
- Development of financial performance measures; and
- An analysis of performance trends in terms of operational and capital budget components.

5.1.1. Alignment with National and Provincial Priorities

The budget must be aligned with the National and Provincial Priorities. In the 2016 State of the Nation Address and Budget Speech 2016, government is primarily concerned about the continuing high levels of unemployment and poverty in the country. To address these concerns, it declared programmes for infrastructure development. Every sector and every business entity, regardless of size, is urged to focus on job creation. Every contribution counts in this national effort. All government departments will align their programmes with the job creation imperative. The provincial and local government spheres are requested to do the same.

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

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

In order to ensure integrated and focused service delivery between all spheres of government it was important for the District Municipality to align its budget priorities

with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the District Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The District Municipality as required by section 23, 24 and 25 of Municipal Systems act (act 32 of 2000) undertook a strategic planning session with a sole mandate of developmental oriented planning so as to have a Integrated Developmental Plan with implementable strategies and prioritisation of projects in compliance with section 29 of Municipal Systems act (34 of 2000). Alignment of strategic objectives, priorities and budget was undertaken. The draft IDP is to be tabled to the council and further consultations with community, IGR structures and other stakeholders will be undertaken.

The District Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Firstly there has to be development and implementation of by-laws, data cleansing project to ensure the accuracy of billing, full implementation of credit control and debt collection policy. National Treasury's MFMA Circular No. 51 and 54 and 58 and 59 were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads infrastructure;
- Water and Sanitation infrastructure backlogs;

- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;

The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:

- The 2015/16 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2016/17 annual budget;
- The government theme of “infrastructure development”
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors. As most of the indigents within the municipal area are unable to pay for municipal services because they are

unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities.

- The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.
- The collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the District Municipality's cash levels. In addition to this, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework

Table 61: Consolidated Overview of the budget

Description	Original Budget 2015/2016	Adjustment budget 2015/2016	Budget 2016/2017	Budget 2017/2018	Budget 2018/2019
Revenue by Source					
Service Charges	748 568 590	763 568 590	885 706 590	962 835 986	1 035 799 445
Rental of facilities and Equipment	50 000	50 000	50 000	52 700	55 546
Interest Earned – Investments and debtors	37 460 000	39 460 000	37 560 000	39 588 240	41 726 005
Transfers Recognised Operating	629 373 500	640 876 600	676 566 000	738 491 000	796 379 000
Transfers Recognised Capital	756 226 500	754 191 000	731 611 000	780 143 000	815 877 000
Other Revenue	228 766 868	289 250 743	260 382 618	237 547 429	238 268 923
Total Revenue	2 400 445 458	2 487 396 933	2 591 876 208	2 758 658 355	2 928 105 919

Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure



needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the District Municipality's revenue base. However due to limited resources and existing low revenue base, the district municipality is financially constrained in the operation and maintenance of infrastructure. With the approximate depreciation and impairment of assets at R160 million, the District Municipality requires this amount (R160 million) and more to adequately meet the need for maintenance of all assets in order to provide sustainable services to the communities. During the year under review, the District Municipality has allocated an funds for of R14 million for asset renewal. As the District Municipality is experiencing huge infrastructure backlog, there is a need for funding for operation and maintenance of the existing and future infrastructure investment.

Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition to this, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the District Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in December 2005. An amended policy was considered by Council and was extensively consulted in compliance with the newly revised SCM regulations.

Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the District Municipality's system of delegations. The Budget and Virement Policy will be approved by the council during the financial year.

Cash Management and Investment Policy

The aim of the policy is to ensure that the District Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash-equivalents required at any point in time and introduce timeframes to achieve certain benchmarks.

Tariff Policies

The District Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been review and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years. The proposed tariff increase is 6% for the 2016/17 financial.

5.1.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.



Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the District Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the District Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the District Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIS);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the District Municipality. The five-year programme responds to the development challenges and opportunities faced by the District Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the District Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the District Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It

provides direction to the District Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the District Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the District Municipality;

- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2016/17 MTREF has therefore been directly informed by the IDP process and the following tables provide reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

CHAPTER 6: SECTOR PLANS



FUNCTIONAL PERSPECTIVE

The ability of municipalities to coordinate and integrate programmes of other spheres and sectors operating in their space is of critical importance. This owing to the fact that all government programmes and services are delivered in municipal spaces and ensures that integration of programmes and maximum utilization of available resources. It is for this reason that the integrated development planning process becomes a vehicle to facilitate integrated development to ensure the attainment of local government outcomes. Legislation and policies required municipalities to develop sector specific plans to guide the rendering of certain services. These sector plans should be categorized into the following:-

(a) Sector plans that should form of the IDP as required by the MSA and provide an overall developmental vision of the municipality: Spatial Development Framework (SDF); Local Economic Development Plan (LED Plan); Disaster Management Plan; Institutional Plan; and Financial Plan.

(b) Sector plans provided for and regulated by sector specific legislation and policies, such as; Water Services Development Plan (WSDP), Integrated Waste Management Plan (IWMP), Integrated Transport Plan (ITP); Environmental Management Plan (EMP); Integrated Human Settlement Plan (IHS) / Housing Sector Plan (HSP); Integrated Energy Plan (IEP), Sports and Recreation Plan, etc.

The purpose of including these sector plans is to ensure that they are considered during planning and implementation of the IDP. They guide the institution and its departments on sector specific issues to ensure sustainable growth and development.

The following table highlights the status of the sector plans in the district followed by a more detailed discussed summary.

SECTOR PLAN	OBJECTIVE OF THE PLAN	STATUS OF THE PLAN	IMPLEMENTING DIRECTORATE
Spatial Development Framework			REDP
Local Economic Development Strategy			REDP
Integrated Waste Management Plan			REDP
Environmental Management Plan			REDP
Biodiversity Plan			REDP
Air Quality Management Plan			REDP
Integrated Coastal Management Plan			REDP
Disaster Management Plan	The integration of Disaster Risk Management into strategic and operational planning and project implementation of all line functions and role players within ORTDM	It was adopted by Council held on 27/02/2015 (Council Resolution No 05/15page 675 of 678 of Council resolutions register). It is due for review	CS

SECTOR PLAN	OBJECTIVE OF THE PLAN	STATUS OF THE PLAN	IMPLEMENTING DIRECTORATE
		after every two years which is 2017 in this case.	
Water Services Development Plan	The objective of this document is to indicate the current status, future requirements as well as projects relevant to address the future needs on a high level.	The plan is active and operational. It is reviewed on annual basis	Water and Sanitation Services
District Integrated Transport Plan (DITP)	The DITP is designed to provide a vision of transport for the district, a register summarizing the condition and issues for transport as well as listing priority projects with an implementation plan which duly emphasize the transport requirements of the public sector of the area. Status of the Plan.	It is currently under review	Technical Services
District Human Settlements Strategy	Develop a comprehensive plan for the development of human settlements within the District Municipality that conforms to the notion of Sustainable Human Settlements	Complete but not yet adopted by Council	Human Settlements
Ward Committee Strategy and Guidelines			Legislative Services
Integrated HIV/AIDS Strategy			EMS
Public Participation Policy			Legislative Services
Workplace Skills Plan			Corporate Services
Employment			Corporate

SECTOR PLAN	OBJECTIVE OF THE PLAN	STATUS OF THE PLAN	IMPLEMENTING DIRECTORATE
Equity Plan			Services
Asset Management Plan			Budget and Treasury
Financial Plan			Budget and Treasury
Performance Management Policy and Framework	This framework guides the manner in which the institutions operational performance is effectively measured, monitored and managed. This is to ensure accountability in the organization with regards to the delivery of services as well as budget spending.	Adopted by Council in September 2010	MM's Office - CPM
Communication Strategy			MM's Office - Communications
Risk Management Strategy			MM's Office - Internal Audit
IGR Policy			MM's Office - IGR

6.1 SPATIAL DEVELOPMENT FRAMEWORK

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



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

Legal Requirements

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

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

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

Situational Analysis

The O. R. Tambo District Municipality SDF was reviewed in 2010. There are key elements that the O. R. Tambo District Municipality seeks to address. The SDF as

laid down on the O.R.T.D.M IDP contains vital information on proposed existing development nodes, development corridors that will assist the development of the district.

Nodes and activity corridors

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

Nodes

The nodes are defined as follows:

- *Primary Nodes (PN)*: These are high order centres providing educational facilities, administrative functions and highest level of access to shopping and social services in the district. Mthatha is the only primary node in the district
- *Secondary Nodes (SN)*: These are towns identified as having important local and district level development functions relating to commerce and tourism. Bizana, Lusikisiki, and Port St. Johns are the secondary nodes of the district.
- *Tertiary Nodes (TN)*: These towns are seen as lower order service centers where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas. Libode, Mqanduli, Ngqeleni, Tsolo, Qumbu, Ntabankulu, Flagstaff and Mzamba fall within this category.
- *Higher order Rural Nodes (HoRN)*: These are rural villages where higher order rural-level services are prioritized. Nkoko, Mbozisa, Baziya, Kwaaiman, Langeni, Mpeko, Mqekezweni, Gengqe, Meje, Sulenkama,

Bomvini, Mfundisweni, isilindeni, Canzibe, Marubeni, Bambisana Mission and Isilimela are under this category.

- *Tourism Nodes*: these are settlements where the principal function has been identified as being related to the development of a viable and sustainable Coastal Tourism sector. Mzamba, Port St. Johns, Umtata Mouth, and Coffee Bay are primary tourism nodes. Mphalane, Mnyameni, Kwayimane, Sikombe, Mbotyi, Mngazana, Sihangwana, Lwandile, Presley Bay and Hole in the Wall are identified as the secondary tourism nodes.

Corridors

Corridors are defined as follows:

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

6.2 LOCAL ECONOMIC DEVELOPMENT STRATEGY

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

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

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

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

6.3 COMMUNICATION STRATEGY

The O.R. Tambo District Municipality is currently reviewing its communication strategy framework, which is a guiding framework for communication by various local municipalities and their agencies. An integrated and effective local programme will also serve as a backbone of an overall societal communication system that will be anchored by growing partnership among various sectors of civil society. The draft strategy is guided by legislation such as the Promotion of Access to information Act 2 of 2000, the Local Government Municipality Structures Act 117 of 1998, the Local

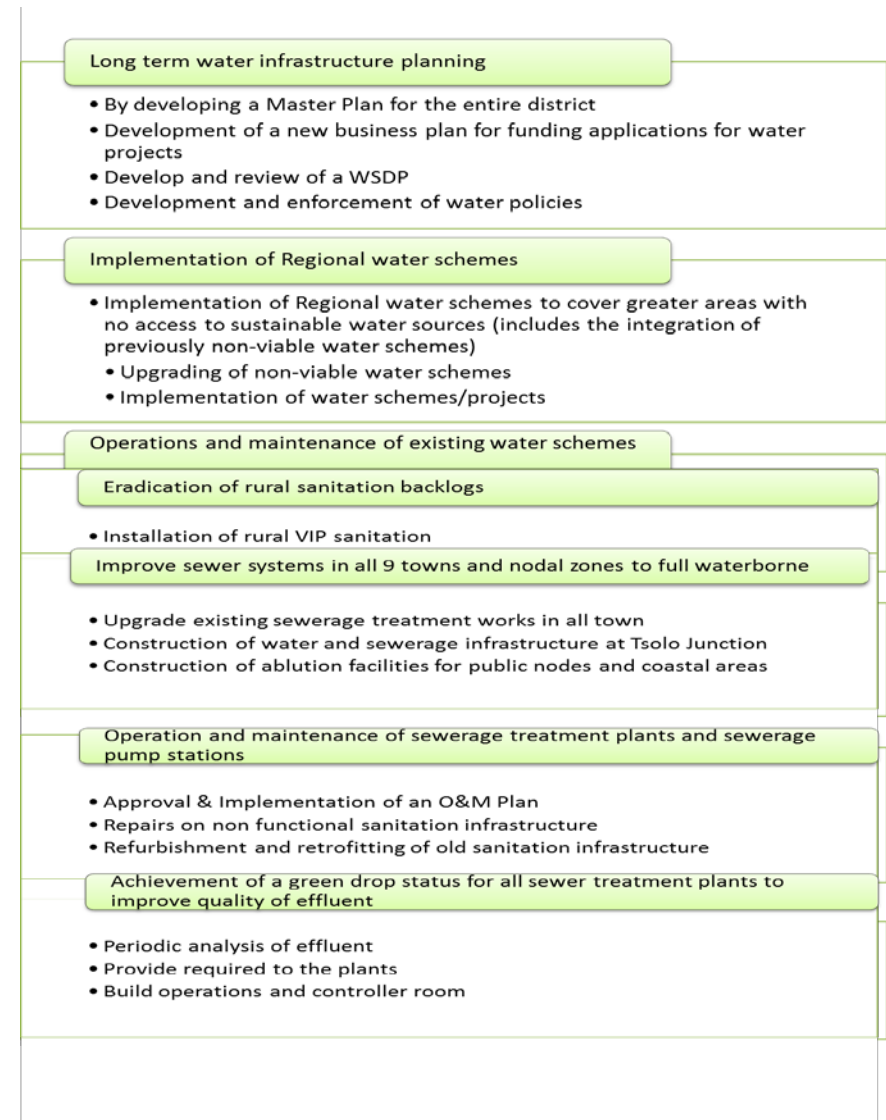
Government Municipality Systems Act 32 of 2000 and the Local Government Municipality Finance Management Act 56 of 2003. It is also informed by successful implementation of above all, the face-to-face communication programme with the Mayor's outreach, sector engagements as well as Izimbizo visits.

6.4 WATER SERVICES DEVELOPMENT PLAN (WSDP)

TOPIC 3: SERVICE LEVEL PROFILE—GENERAL

The O.R. Tambo DM approved a water services development plan on the 26th of June 2015. The main goal for the provision of water services according to the OR Tambo DM's IDP for the period 2012-2017 is to provide access to potable water. Some key areas have been identified and strategies implemented to help achieve this goal.

The districts goals in each area have been listed below



Water:

A basic water supply facility within 200m of dwelling delivering at least 25liters per person per day 6kl/HH/month in the case of yard or house connections.

Sanitation:

Easy access safe, reliable, private toilet facility which is protected from the weather, ventilated, low smell, hygienic, minimizing the risk of spreading diseases and enables safe treatment and/or removal of human waste and wastewater in an environmentally sound manner including communicating hygiene. (Strategic Framework for Water Services, September 2003)

OR Tambo DM's goals for the provision of sanitation services

The main goal for sanitation services according the OR Tambo DM IDP is to provide access to these services. The DM's goals are listed below:

The DM developed a Sanitation Strategy in an effort to address its current sanitation backlogs and challenges. The main focus of this strategy is to ensure that the issue of backlog eradication is dealt with and appropriate sanitation models are provided for rural and urban communities. The DM also intends to upgrade all town sewer systems into full waterborne systems. As part of the Sanitation Strategy the Council adopted a standard pre-cast VIP structure in an effort to address quality and the size of the structure. Only 1 (Mthatha town) out of 11 towns has got a full waterborne sewer system, which has now reached its design lifespan and has already exceeded its capacity. The wastewater treatment works was designed to accommodate 12MI/d and the current flows are estimated above 18MI/d with exclusion of flows that do disappear within the sewer network. Other towns are currently using either septic tanks and or conservancy tanks.

Challenges for the provision of water and sanitation services

The District municipality faces a variety of challenges to provide adequate levels of service to all households in the different settlements throughout the district. The IDP for the period 2012-17 places specific emphasis on the issues listed in the table below.

CHALLENGES	
Huge Backlogs	Topography of the area makes it expensive for some areas to be serviced.
Old Infrastructure	Lack of refurbishment, and as result the infrastructure has far outstripped its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth and as such the infrastructure is over-strained which results in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change.
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure
High Level of Vandalism and theft	Due to a high level of unemployment.
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other areas. The shortage of skilled personnel is also ever increasing due to only service trained employees being available.
Poor Maintenance of existing infrastructure	Low revenue-generation and funding largely dependant on grants.
Lack of funds for infrastructure investment planning	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.

These are some of the main challenges facing the District municipality. These challenges are not unique to OR Tambo DM. This is experienced by most municipalities within the country. These challenges can however be managed and dealt with over time. Understanding the problem is the first step towards addressing these issues. It is suggested that a task team be established to address the challenges and provide clear directives, tasks, and budgets to address these challenges. Clear measurable milestones also need to be developed in order to measure progress during this process.



TOPIC 3: SERVICE LEVEL PROFILE—GENERAL

FUTURE PLAN



In order to manage the provision of services effectively there are a number of critical elements that has to be in place. Apart from resources that will be dealt with in other topic in this document the basis for proper management is information. Without information no proper planning can be done and therefore no proper prioritisation can be done. The first step in infrastructure planning is to have a GRAP 17 compliant asset register. The OR Tambo DM does have an asset register but it needs to be highlighted that the asset register has to be updated on an annual basis to incorporate all newly created assets. By knowing the status of the current infrastructure an Asset Management Plan and Operation and Maintenance Plan can be developed. To understand what the future infrastructure requirement is it is necessary to know what the current level of services are. Although there is information available it is recommended that a detail level of service study be

conducted. This will enable the Municipality to access the relevant grant funding to address this issue. Together with this a Integrated Water and Sanitation Master plan must be conducted for the entire OR Tambo DM. The existing backlogs can only be eradicated with a focused approach and a clear goal in mind.

STRATEGY

1. Verification of Levels of Service, estimated cost: R 400 000
2. Develop backlog eradication strategy for ORDM, estimated cost: R 800 000

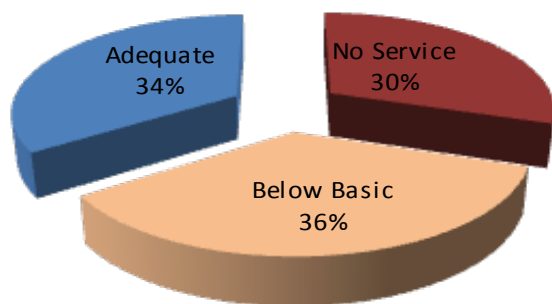
TOPIC 3: SERVICE LEVEL PROFILE—WATER

CURRENT STATUS: WATER

The information for the water levels of service, 2012 was obtained from the DWA Geo Database. The levels of service are summarised the table below and graphically represented. The way the data is presented from the above database indicates a huge number of households that are below basic level of service and without any formal service, this can be a result of many factors or a combination thereof such as: water services that need upgrading, extension, refurbishment, operation & maintenance, and/or water resources. There are 92,840 (32%) households without any service and therefore need urgent attention. 36% have a below basic level of service and 32% of households have an adequate level of service.

Water Level of Service	Households	Percentage
No Service	92,840	30%
Below Basic	109,541	35%
Adequate	106,246	34%

Water Level of Service



FUTURE STATUS: WATER

In order to fully understand the current situation it is of utmost importance to refer to the asset register to identify the location, condition, extent and remaining useful life of the services. A detailed assessment can be done to determine the actual need in terms of service levels from the GIS mapping. A detailed Water Master Plan is required to be conducted for the OR Tambo DM to understand the total water service level status and future services as well as resources needs with associated costs.

With the limited information available at the time of development of this report a high level cost requirement has been done to eradicate all water backlogs based on the figures indicated under the "Current Status" section. The National target for the eradication of all water backlogs is 2014. This means that all households with a service level of below basic level need to be provided with sufficient services. In many circumstances bulk services first need to be supplied to ensure sufficient capacity. The following assumptions have been made to determine the cost:

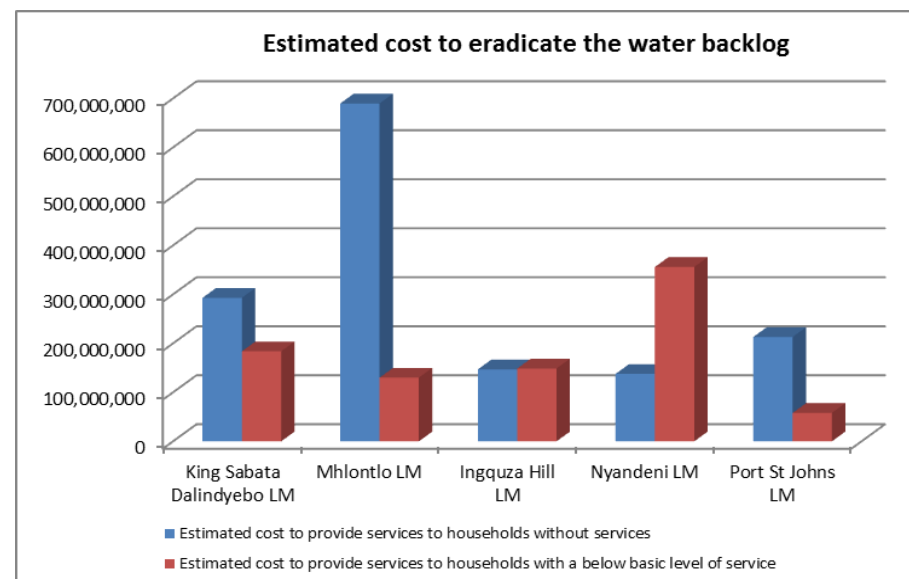
For "no services" an average cost of R 10,000 per household was allocated

For "below basic level of service" an average cost of R 8,000 per household was used

It must be mentioned that this is a high level cost estimate and a detailed Water Master Plan will be essential to make more accurate costing requirements. The table

below give a summary per Local Municipality on the total funding required to ensure that the target is met.

CLASIFICATION	King Sabata Dalindyebo LM	King Mhlonlto LM	Ingquza Hill LM	Nyandeni LM	Port St Johns LM	OR Tambo DM (Total)
Estimated cost to provide services to households without services	R 292,970,000	R 689,500,000	R 146,900,000	R 137,640,000	R 212,990,000	R 928,400,000
Estimated cost to provide services to households with a below basic level of service	R 183,768,000	R 129,960,000	R 148,688,000	R 355,936,000	R 57,976,000	R 876,328,000



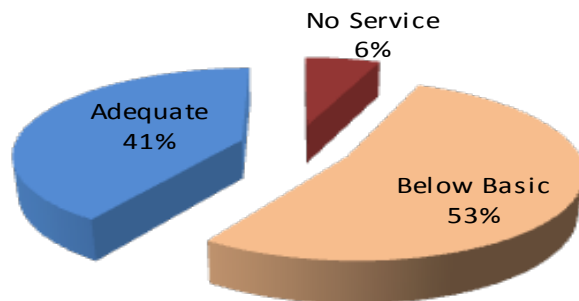
TOPIC 3: SERVICE LEVEL PROFILE—SANITATION

CURRENT STATUS: SANITATION

The sanitation level of service summary is given in the table below. From these figures it is clear that the sanitation provision in the District Municipality has a huge challenge to ensure that sanitation services are provided to at least a basic level of service. What is also of utmost importance is the technology that is used to ensure that a sustainable service is provided. If VIP's for instance are provided the service to empty these pits also needs to be in place to ensure that a "new" backlog is not created within the next 5 years. Alternative sanitation options should also be investigated. This should be done together with the communities to ensure buy in and acceptance of the specific chosen technology to be used for a specific area.

Sanitation Level of Service	Households	Percentage
No Service	18,182	6%
Below Basic	154,101	53%
Adequate	118,197	41%

Sanitation Level of Service



FUTURE STATUS: SANITATION

The eradication of the sanitation backlog is a little more complex to ensure sustainable services to the community. One specific solution as basic level of service is not necessarily the only option that should be considered. It is strongly recommended that alternative sanitation solutions together with the communities involved be investigated.

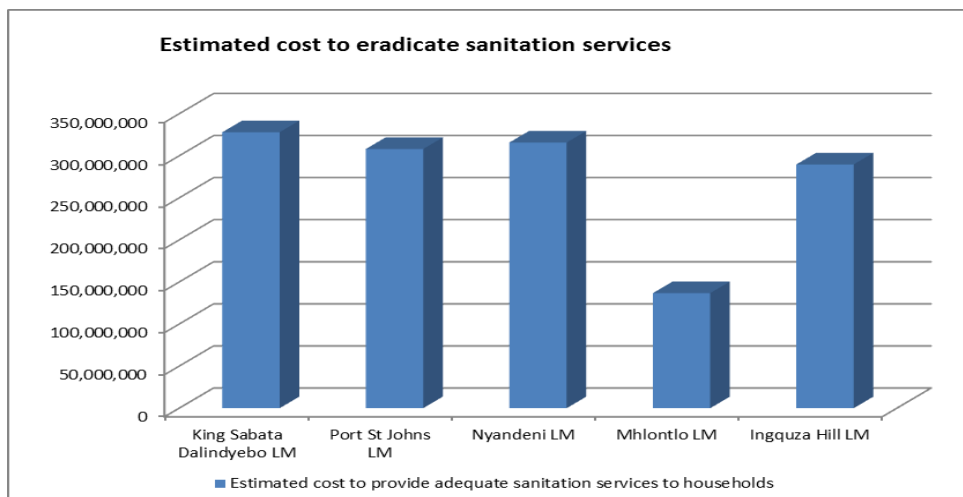
The following assumptions have been made to determine the cost:

An average cost of R 8,000 per household is allocated to determine the total estimated cost for the eradication of the sanitation backlog.

Due to the fact that there is a total of approximately 173,500 households with a below level of sanitation service the cost to eradicate the total sanitation backlog is huge and amounts to R1,378 billion. Together with the cost to eradicate the water backlog it is not foreseen that the target for 2014 will be reached.

It should however also be mentioned that there is limited information available and detail planning is required to establish what is the actual need and what the most appropriate solution would be. As for water services a detailed Sanitation Master Plan is required.

CLASIFICATION	King Sabata Dalindyebo LM	Port St Johns LM	Nyandeni LM	King Mhlonlolo LM	Iingquza Hill LM	OR Tambo DM DM
Estimated cost to provide adequate sanitation services to households	328,032,000	308,032,000	315,720,000	136,728,000	289,752,000	1,378,264,000



Due to the lack of detail information this is only an indication of service level requirement to supply all current households with at least a basic level of service.

TOPIC 4: SOCIO-ECONOMIC BACKGROUND

The current population for the OR Tambo DM is estimated at 1,458,875 people and a total number of households of 290,480. The gender profile is indicated in the graph below with 673,449 people are male and 785,426 people are female.

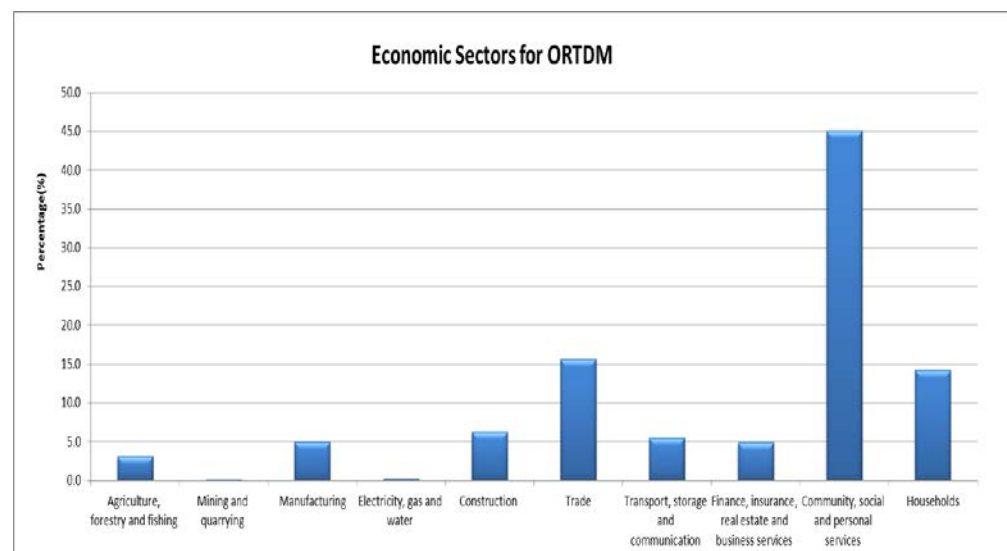
The age distribution for the OR Tambo DM is summarized in the pie chart. The highest percentages fall within the youth age group (below 15) which amounts to 39% of the population and the economically viable (between the ages of 15 and 65) which amounts to 53% of the total population.

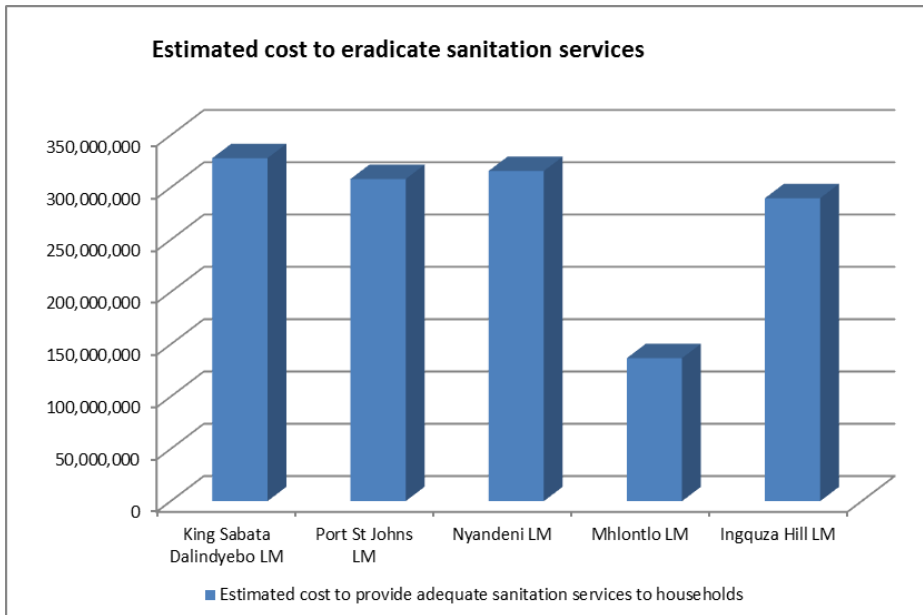
While the relatively large proportion of the District's population under the age of 15 pose a dependency challenge, this can result in a sizeable economic boom in years to come, should these youths stay in the District and be employed locally or find

employment elsewhere, but send back remittances to relatives in the District. In order to capitalise on this demographic bonus, the District needs to focus on the provision of social services in the form of good schooling, primary healthcare, youth feeding schemes and job creation programs.

Studies on migration in the Province provide important insights into this phenomenon in the district. While it is estimated that 5.6% of economically individuals in the Province migrate, it is 6.2% in the case of the OR Tambo DM. The studies also indicate that more than 80% of migrants from the Province are from rural areas. Data of migration also suggests that migration is often more about getting access to services in an area where there is development than to get a job, which has huge implications for the financial viability of municipalities, especially so in urban areas like Mthatha.

The largest employer in the OR Tambo DM is the Community services sector, which mainly consists of government, and consists of 45% of the employed population. The second largest employer is the Trade sector at 16%. (Source: Extracts form the OR TAMBO DM IDP 2012-17 and Global Insight statistics)





TOPIC 5: WATER SERVICES INFRASTRUCTURE PROFILE—GENERAL

INFRASTRUCTURE CHALLENGES

1. Tsolo WWTW

Tsolo's treatment works consists of oxidation ponds and has a capacity of 1.1 MI/d (0.402 million m³/a). The effluent is conveyed to the works through an interceptor sewer, which is currently in a poor condition and leaking. This leaking has resulted in untreated effluent flowing directly into the nearby river. The existing oxidation pond does not meet current DWA operational requirements. Sludge from septic tanks, conservancy tanks and the bucket system is dumped at an illegal disposal site.



2. Mthatha WWTW

Mthatha has a full water-borne sewerage system and effluent is treated at the Mthatha WWTW. The 2007 WSDP indicates that this plant is under severe stress and the effluent inflow frequently exceeds the capacity of the works. The WWTW has

a design capacity of 12 MI/d (4.38 million m³/a), but based on information from the WSDP, it is currently receiving up to 18 MI/d (6.57 million m³/a) of wastewater. The required capacity is therefore estimated to be around 24 MI/d (8.76 million m³/a). Treated effluent, which is noncompliant is released to the Mthatha River. This poses a major risk to downstream users along the river. The 2005 ISP indicates that the effluent showed a 60% compliance with the required standards. Dirty reservoirs have not been cleaned for extended periods of time.



3. Other WWTW

The other 6 water treatment plans, or oxidation ponds, have similar challenges to that of the Tsolo ponds. The first image on the left hand side of the Flagstaff second

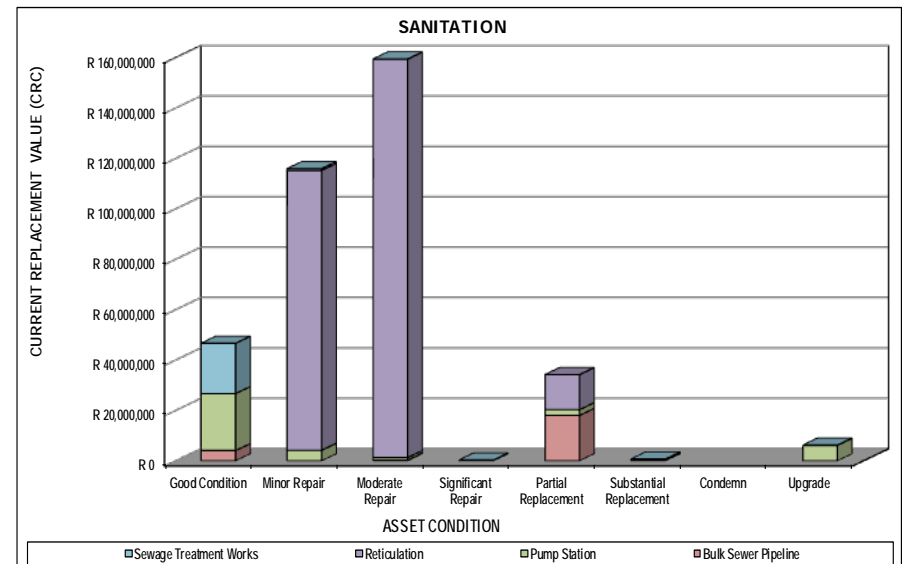
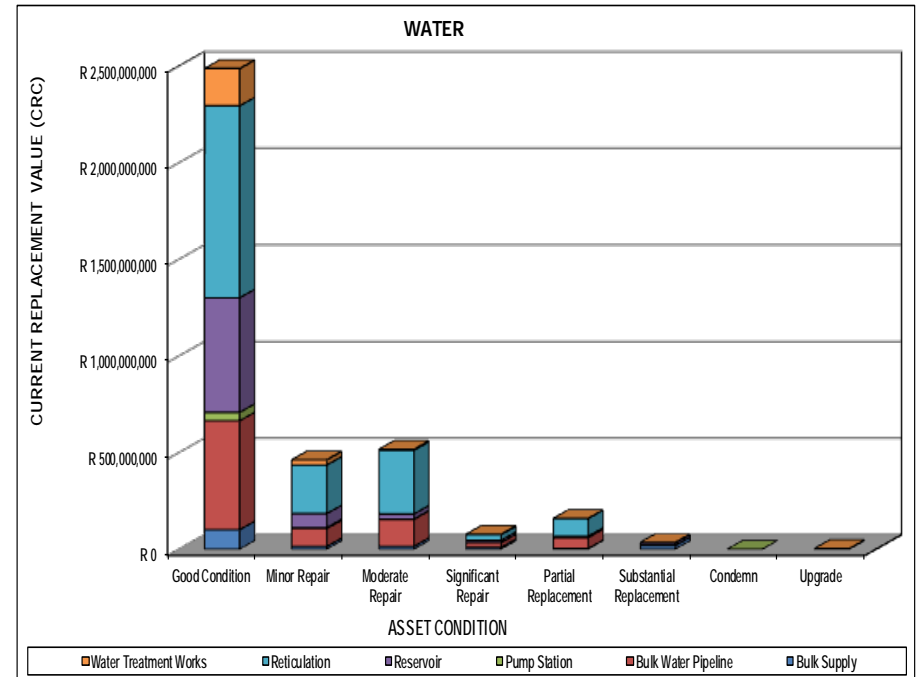
of Port St Johns and third of Ngqeleni oxidation ponds indicate a similar situation throughout the OR Tambo DM District Municipalities region.

TOPIC 5: WATER SERVICES INFRASTRUCTURE PROFILE

CURRENT STATUS

A summary of the total infrastructure components as well as the current replacement cost (CRC) is provided in the table below as per the current asset register.

Service Type	Infrastructure Type	Current Replacement Cost (CRC)	Extent	Measurement
WATER	Boreholes	R 170,280,419	330	Number
	Bulk Water Pipeline	R 876,747,679	1,920	Km
	Pump Station	R 52,792,394	115	Number
	Reservoir	R 722,578,735	603	Number
	Reticulation	R 1,694,874,152	4,927	Km
	Water Treatment Works	R 227,419,640	21	Number
Sub Total		R 3,744,693,018		
SANITATION	Bulk Sewer Pipeline	R 22,571,400	37	Km
	Pump Station	R 37,144,905	15	Number
	Reticulation	R 282,954,000	707	Km
	Sewage Treatment Works	R 20,970,007	10	Number
Sub Total		R 363,640,311		
Grand Total		R 4,108,333,330		



A summary of the existing waste water treatment works is given in the tables below. Some information is not available. In order to manage it is critical to understand what infrastructure is in the ground. It is suggested that more focused be places on the management of information regarding existing infrastructure.

WWTW	LOCAL MUNICIPALITY	TYPE	CAPACITY (ML/d)	SPARE CAPACITY (ML/d)	OWNER
Mthatha	KSD	WWTW	12		OR TAMBO DM
Mqanduli	KSD	WWTW under construction	0.2(New 1.5)		OR TAMBO DM
Qumbu	King Mhlonlo	Septic tanks Oxidation ponds	0.25		OR TAMBO DM
Tsolo	King Mhlonlo	Reticulation, WWTW under construction	0.5		OR TAMBO DM
Flagstaff	Iingquza Hill	Oxidation ponds	0.2(New 1.5)		OR TAMBO DM
Lusikisiki	Iingquza Hill	Oxidation ponds	1.0		OR TAMBO DM
Nqgeleni	Nyandeni	Oxidation ponds, Waterborne system	0.54		OR TAMBO DM
Port St Johns	Port St Johns	Oxidation ponds	1.0		OR TAMBO DM

TOPIC 6: OPERATION & MAINTENANCE

CURRENT STATUS

In July 2003, Cabinet declared and pronounced the OR TAMBO DM a Water Services Authority and Water Services Provider, which means that the DM is responsible for planning, implementation, operation and maintenance of water and sanitation services within its LMs. As such an authority, the DM is responsible for planning and governance functions.

The institutional component is addressed in more detail in Topic 11.

ues identified on the LM and DM levels are:

1. Only emergency issues are addressed
2. Limited O&M budget
3. Lack of proper systems and processes, especially regarding record keeping etc.
4. No O&M plans are in place

This results in:

1. High water loss
2. Delivery of sub-standard service
3. Water & Sanitation quality issues
4. Unreliable provision of water supply

To protect the districts assets, maintenance of each infrastructure component is necessary to ensure longevity. A proper O&M plan addressing, technical-, institutional and financial issues must be developed.

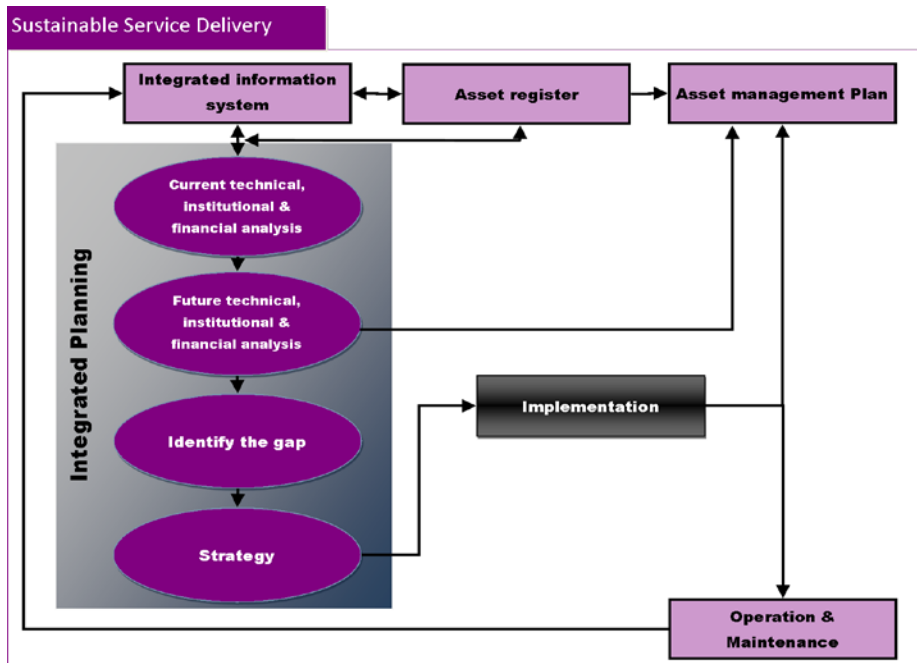
FUTURE PLAN

It is of utmost importance that current changes be addressed before proper future planning is possible. It is also important to note that without current water & sanitation master plans, future O&M requirements, based on future infrastructure needs, is not possible. The diagram below indicated the importance of information

management, future planning and the interaction between this and operation and maintenance.

Infrastructure	2010/11	2011/12	2012/13	2013/14	2014/15
Water	10,537,000	27,889,000	27,965,000	28,836,000	37,862,000
Sanitation	8,162,000	11,560,000	7,871,000	8,540,000	9,265,000

Water and sanitation repairs and maintenance cost is provided in the table above and associated graph. A detailed operation and maintenance plan is required to determine the actual operation and maintenance need for the District Municipality.

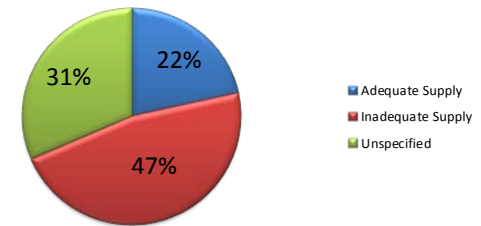


CURRENT STATUS

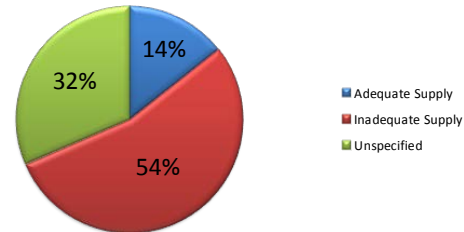
Associated services refer to schools, health, police stations and other similar services. It is the responsibility of the specific institution to apply for a water or sanitation connection from the municipality. However the required number of institutions that need services must be known in order for the municipality to budget for these services.

Note: The number of health facilities that do not have adequate supply is mainly clinics in rural areas. Communication has to take place with the Department of Health to address this issue.

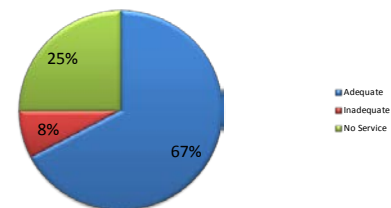
Health Facilities: Water Level of Service



Health Facilities: Sanitation Level of Service



Schools: Water Level of Service



TOPIC 8: WATER CONSERVATION & DEMAND MANGEMENT

Background

The O.R. Tambo District Municipality (the District Municipality) is a custodian to a total of 16 operational water schemes spread throughout the District and another 3 plants yet to be commissioned (excluding individual rural borehole schemes). The three yet to be commissioned plants are Rosedale, Lutsheko and Lwandile plants. In accordance with the Water Services Act, Act 108 of 1997 as a Water Services Authority, the District Municipality has an obligation to provide potable water to all or at least, to the majority of its residents, while simultaneously achieving the goal of being financially viable. The first obligation specifically means that the District Municipality shall provide free basic water to the qualifying sections of its community (the indigents), while seeking to bill and recover equitable service charges from those who are economically able to pay (the financial viability directive).

The water provisioning function entails a number of standard activities which are: The acquisition of raw water, its purification and distribution to a network of inter-linked reservoirs (these are bulk services) and ultimately the distribution of water to the end users (reticulation) who are either 'the paying customers' who are individually metered for their respective water consumption volumes and the indigents who are recipient of water through either communal stand pipes or household standpipes which are generally not individually metered given the cost versus benefit principle.

In the course of receiving raw water, purifying it into potable water and accordingly distributing water in the aforementioned manner; a measure of loss of water is inevitable. This is a standard occurrence at any water dispensing district, local or metro municipality in the country. This is due to standard water purification processes such as sludging, back-washing, purposeful release of water pressure in the under-ground water pipes, scouring and odd water leakage points. This relates to the water purification plant process. Further to this point, potable water is distributed initially through the bulk system and later through the reticulation network as it is distributed to the ultimate end users. In the course of this distribution, further

water losses will occur these would be real water losses (odd system leakages and from time to time burst water pipes); apparent water losses which are (system attrition, water evaporation, illegal water connections); and non-revenue water losses being a technical loss of water through non-billing for water volumes otherwise provided to metered or at least meterable consumers who are perfectly able to pay for such services. The combination of all the foregoing factors results in Total Water Losses.

This exercise therefore, seeks to calculate water losses following the logic of the water purification and distribution processes.

The single biggest control mechanism and practically the only realistic control available in intelligently (informatively) managing the water-flow is the use of meters. Meters are either bulk meters or reticulation meters as they occur in the bulk receiving of raw water, its purification and distribution to intermediate reservoirs and accordingly reticulation meters the being the final control point between the District Municipality and the individual water end user. The latter is the individual household, business or any other property meter physically located at the said property, read by the Municipality on a monthly basis to determine the extent of water consumption per month for billing purposes. In water processing plants, bulk meters are read and recorded on a daily basis (this is a combination of manual and electronic meter reading processes) and the end user reticulation water meters are read once a month as an input to individual customer monthly billing processes. The volumes of water-flows accounted for in this Water Loss Calculation are a direct derivative of this standard metering process.

Approach

For purposes of calculating water losses, the water-flow process have been divided or categorised into five stages. It has to be emphasised upfront that in respect of certain stages; they have been created for the ease of understanding the process-flow otherwise practically on the ground they do not exist. This notion is expanded upon under the explanation of the Water-flow Stages I - V below.

The water-flow have been categorised as follows:

Stage I: Procurement or 'drawing' of Raw Water from the either a dam or a river source to the plant.

Stage II: Purification of raw water into potable water done at the plant.

Stage III: Distribution of water to end users who are either the paying consumers or the indigents

Stage IV: Practically, Stage IV does not exist as it occurs in the course of distributing water from Stage II (the plant) to Stage III and in the course of executing Stage III itself i.e. distributing water to end users. However, for purposes of logic and simplified calculation we have identified it as a 'Identifiable Stage'.

Stage V: Once again, practically it is not a stage as such, however for purposes of these calculations it is a 'Stage' where we are confirming total losses by adding losses at Stages I and II to losses between Stages II and III and losses occurring during execution of Stage III, which for purposes of this exercise has been identified as Stage IV above.

Costing and valuation

Have a weighted average cost at this stage.

Other statistics

The Model also calculates and provides other statistics such as the percentage of water loss, the percentage of free basic water etc.

Discuss the combined template where all plants are in how it combines weighted avg calcs etc.

The billing office of the BTO provided billed volumes categorised into Local Municipalities. At the KSD Municipality, it is further categories into 'smaller billing cycles'. This billing information is presented per customer number per month with

grand totals at the bottom.

Costing

Information Obtained from Multi-finance Solutions, April 2013

The Mthatha Dam and the Rest of the Water Schemes are costed separately. The only and key differentiating aspect is the cost of purchasing / procuring water.

Observations and clarity points

These are observations on the preceding WSDP Input operational and financial information. The observations are as follows:

The following schemes which are Mhlahlane, Corhana, Mzimvubu and Mdlankala purely supply free basic water. That equally means that an element of water losses is included in the free basic water, this by virtue of the fact that such free basic water is not metered at reticulation given the cost that would be incurred to do such metering with nil revenue in return. Given this scenario, notwithstanding the weighted average water loss of the O.R. Tambo District Municipality for the 8 months ended February 2013 calculated at 22.6% our summation is that combined ORT water loss is at least 25.1%.

The water loss calculations are for the period 01 July 2012 to 28 February 2013.

High level overview of challenges

The reversing flow of water at the Thornhill plant between Signal Hill and Fortgate on line 1 resulting in water distributed to consumers being accounted for twice thus causing an apparent water surplus. This will be attended to relatively urgently. Extent of water leakage at Water Treatment Works generally higher than the norm. Needs attention, plant condition.

TOPIC 9: WATER RESOURCES

WATER RESOURCE DEMAND AND REQUIREMENTS

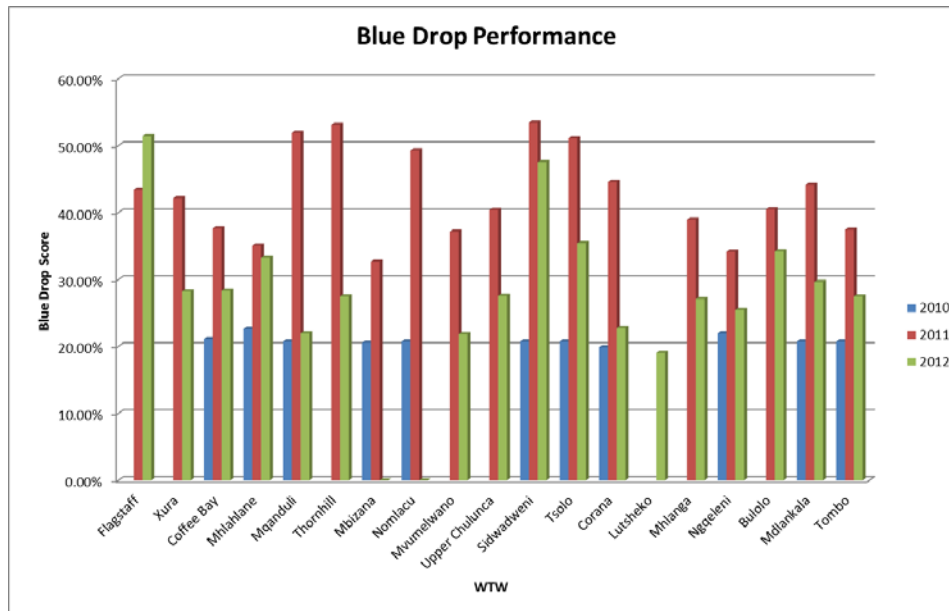
LM	WTW Name	Source	Population 2011	Households 2011	Population Growth factor	Future population	Future households	WTW Design capacity (MI/d)	Consumption rate (kl/HH/month)	Water loss factor	Calculated current demand (MI/d)	Actual demand (From ORTDM) (MI/d)	Water loss factor (20% future)	Future demand (MI/d)
Ingquza Hill	Flagstaff	Jadu River	28,022	5,577	0.12	3,351	670	6.5	6	1.35	1.5	0.4	1.2	0.2
Ingquza Hill	Lusikisiki	Xura Weir	36,511	7,266	0.12	4,367	873	2.8	9	1.35	2.9	2.9	1.2	0.3
Ingquza Hill	Magwa Tea Plantation	Dam in Mkozi River	1,155	230	0.12	138	28	0.5	36	1.35	0.4	0.0	1.2	0.0
Ingquza Hill	Taweni/Holy Cross	Mcwesane dam & Mketengeni dam	1,392	277	0.12	166	33	0.4	25	1.35	0.3	0.0	1.2	0.0
Ingquza Hill	Borehole Schemes	Springs/boreholes/streams	201,713	40,141	0.12	24,125	4,825		6	1.35	10.8	0.0	1.2	1.2
KSD	Mhlahlane	Mabaleni Dam/Mountain stream/Owen dam	40,103	7,981	0.17	6,950	1,390	2.6	6	1.35	2.2	2.4	1.2	0.3
KSD	Rosedale	Rosedale Dam	10,236	2,037	0.17	1,774	355	3.6	25	1.35	2.3	0.0	1.2	0.4
KSD	Mthatha	Mthatha Dam	139,688	27,949	0.00	0	20,000	80.0	36	1.35	45.3	57.5	1.2	28.8
KSD	Mqanduli	Manqondo River	5,985	1,196	0.17	1,037	207	1.2	9	1.35	0.5	0.5	1.2	0.1
KSD	Coffee Bay	Mthatha River	17,616	3,506	0.17	3,053	611	2.0	9	1.35	1.4	1.7	1.2	0.2
KSD	Cingolo	Cingolo River	1,042	207	0.17	181	36	0.5	6	1.35	0.1	0.0	1.2	0.0
KSD	Thungwane (Mahlungulu)	Unknown	417	83	0.17	72	14	0.7	6	1.35	0.0	0.0	1.2	0.0
KSD	Borehole Schemes	Springs/boreholes/streams	227,049	45,187	0.17	39,348	7,870		6	1.35	12.2	0.0	1.2	1.9
King Mhlonto	Mumelwano	Weir in Cengcane River and 9 boreholes	31,807	6,329	0.05	1,590	318	2.4	6	1.35	1.7	0.9	1.2	0.1
King Mhlonto	Tsolo	Weir in Nqadu River	6,508	1,295	0.05	325	65	1.4	15	1.35	0.9	0.8	1.2	0.0
King Mhlonto	Sidwadweni	Nqadu Dam	36,813	7,327	0.05	1,841	368	1.8	6	1.35	2.0	1.3	1.2	0.1
King Mhlonto	Upper Chulunca	Cengcane Dam	43,671	8,691	0.05	2,184	437	2.5	6	1.35	2.3	1.1	1.2	0.1
King Mhlonto	Mjika	Mr Lumasource Spring	6,553	1,304	0.05	328	66	0.5	6	1.35	0.4	0.0	1.2	0.0
King Mhlonto	Borehole Schemes	Springs/boreholes/streams	125,273	24,927	0.05	6,264	1,253		6	1.35	6.7	0.0	1.2	0.3
Nyandeni	Libode	Mhlanga Dam & 3 boreholes	1,754	349	0.13	235	47	0.7	36	1.35	0.6	0.0	1.2	0.1
Nyandeni	Corana	Corana Dam	25,251	5,025	0.13	3,381	676	3.5	6	1.35	1.4	1.0	1.2	0.2
Nyandeni	Mhlanga	Mhlanga Dam	54,292	10,804	0.13	7,270	1,454	2.3	6	1.35	2.9	0.2	1.2	0.3
Nyandeni	Nqgeleni Town	Mtyu River	2,231	444	0.13	299	60	0.4	15	1.35	0.3	0.4	1.2	0.0
Nyandeni	Lutsheko	Mtakatye River pumped to dam in Mtyu River	46,247	9,204	0.13	6,192	1,238	4.3	36	1.35	1.4	0.0	1.2	1.8
Nyandeni	Lwanile	Mdumbi River	9,488	1,888	0.13	1,270	254	1.6	15	1.35	1.3	0.0	1.2	0.2
Nyandeni	Mankosi	Unknown	8,653	1,722	0.13	1,159	232	0.5	6	1.35	0.5	0.0	1.2	0.1
Nyandeni	Borehole Schemes	Springs/boreholes/streams	150,621	29,975	0.13	20,168	4,034		6	1.35	8.1	0.0	1.2	1.0
Nyandeni	Ntsonyini/Ngqongweni	Mngazana River near Double Falls	3,226	642	0.13	432	86	2.3	36	1.35	1.0	0.0	1.2	0.1
PSJ	Port St Johns (Bulolo)	Bulolo dams/Mngazi river	27,411	5,455	0.10	2,703	541	4.0	9	1.35	2.2	2.0	1.2	0.2

TOPIC 9: WATER RESOURCES – WASTE WATER QUALITY



The Blue Drop performance of OR Tambo DM declined significantly mainly due to:

- Performance records not being readily available for auditing purposes.
- Officials not adhering to requests for additional information.
- Monitoring programs not implemented to verify compliance with the National Standard Limits.
- Monitoring of drinking water quality is a legislative requirement to ensure that the authority has information that will guide decision making with regards to safeguarding public health.
- And without monitoring processes the OR Tambo DM is not able to effectively manage the quality of tap water.
- Municipality Blue Drop score: 22.7%



The Water Safety Plan is not completed but appointment has been made for the development of the water safety plan. It is foreseen that the Water Safety Plan will be completed by December 2016. The process audit has been completed for all the water treatment works. This PSP will manage the uploading of water quality

information on behalves of the municipality.

Water quality compliance monitoring a service provider has been appointed to the compliance monitoring as part of the turn around plans. This PSP will manage the uploading of water quality information on behalves of the municipality.

The SANS 241 annual assessment has been conducted and finalised for 2012/13, this will result in a better scoring for blue drop.

The failure of the Water Treatment Works is still a concern due to operation an maintenance challenges. Operation and maintenance has to be addressed. A monitoring programme for the distribution reservoirs are being developed which will assist in quality monitoring. The purpose of this program is to determine if the quality water produced at the treatment works is what is contained in the reservoir. If not it can be assumed that the quality an issues at the reservoir and the required action can be taken such as cleaning of reservoir.

There is a challenge regarding the process controllers as the exciting staff do no comply to the regulations. The turn around strategy is to:

- Identify required skills
- Identify training needs
- Monitoring of staff
- Evaluating progress
- Appointment of new staff
- Relook at the excising organogram (current organogram not sufficient)

STRATEGY

1. Institutional process mapping in order to establish actual staffing requirements for the Water and Waste Water Quality Section: Estimated Cost R 300 000
2. Identify training needs and budget for training requirements: Estimated cost R 300 000 per annum
3. Upgrade laboratories facilities for water and waste water: estimated cost: R 3 500 000

TOPIC 9: WATER RESOURCES—WATER QUALITY



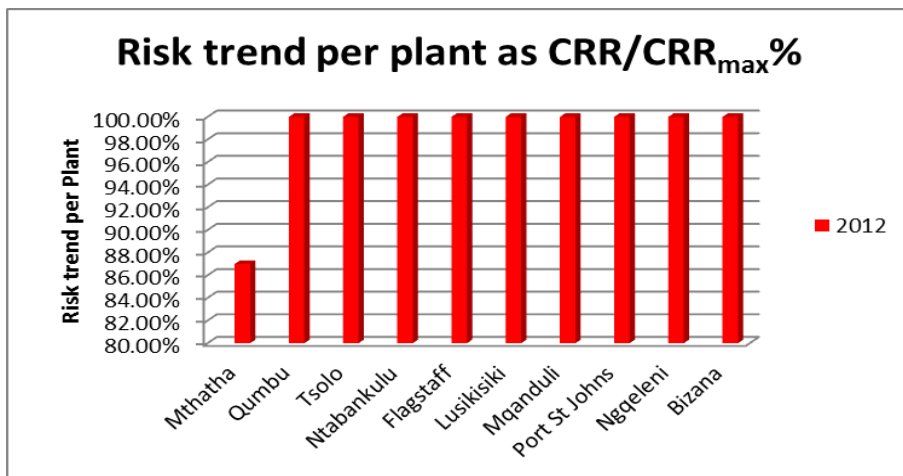
CURRENT STATUS

Green Drop Findings:

The most disconcerting fact would be that 9 out of the 10 wastewater systems are placed on record by the 2011 Green Drop Assessment to be in the critical risk category.

There is a general lack of information on the compliance and operational performance of all plants assessed which prevents the Water Services Authority to be effective in wastewater service management.

- Generally the staff employed as process controllers are not adequately trained to function as such and would be one of the causes for the poor compliance. The municipality is encouraged to do on-site training of process controllers in order to allow them to be fully conversant with the design operational specifications.
- Updated Operations and Maintenance manuals would be essential for the above-mentioned task (another crucial element not in place at all of the plants).
- The municipality must ensure that improvement of wastewater management at all municipal treatment facilities and not only Mthatha. However the performance of the Mthatha system (which is operating beyond its design capacity) is still far from acceptable.



drop process.

Operation and maintenance at the treatment works has to be addressed as this is a

critical issue. There is a challenge regarding the process controllers as the existing staff do not comply to the regulations. The turn around strategy is to:

- Identify required skills
- Identify training needs
- Monitoring of staff
- Evaluating progress
- Appointment of new staff
- Relook at the existing organogram (current organogram not sufficient)

Think about the water you drink, as well as the water you bathe, cook or clean with. What kind of quality does it have before you use it? What happens to the waste water afterwards? What is the quality after you used the water? Water and waste water quality has a huge impact on human and environmental health which should be managed and monitored in a responsible manner.

TOPIC 10: FINANCIAL PROFILE

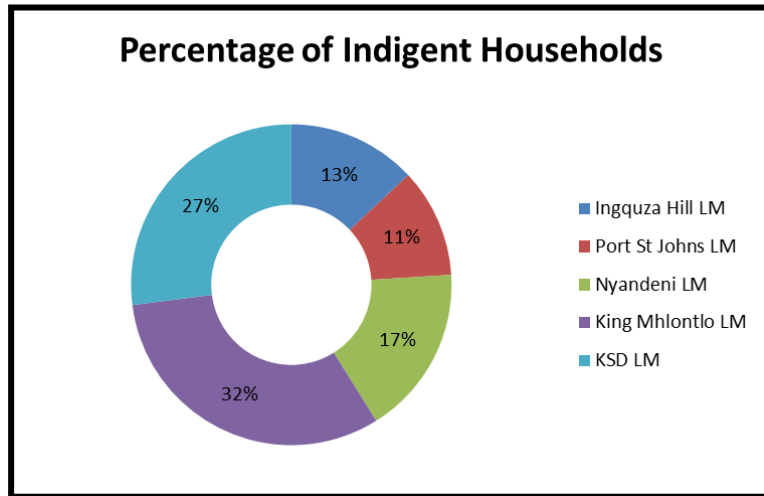
Free Basic Services: Basic Social Services Packages

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the districts indigent policy. Indigent households need to be registered, a process which is reviewed annually. Currently there are many issues regarding the registration process as people misuse the system and register fraudulently.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share



received in terms of the annual Division of Revenue Act. The challenge for the Municipality is to manage the Indigent Register and continuous updating of the register. This is a huge task and a proper management process and system to assist the Municipality is recommended. The figure below shows the percentage of indigent households per local municipality.



The water and sanitation tariffs for the OR Tambo DM for the 2012/2013 period are given in the tables below. The current 6kl free basic water and sanitation service provided to indigents will be upgraded to 10kl and the reviewed policy implemented by July 2015. This will allow for future water borne sanitation to be provided. It is proposed that the tariff model be developed to determine the most optimal tariff structure, for example sanitation tariffs can also be determined based on the water usage per stand.

Current Water Tariffs (2012/13)

Category	Consumption in kilolitres	Current	Proposed tariff increase	Percentage increase
		Tariff (R)	Tariff (R)	
Residential				
1	0 to 6kl	0 for indigent	0	

	0 to 6kl	3.93	4.4	12%
2	7 to 10kl	3.95	4.42	12%
3	11 to 20kl	4.47	5	12%
4	21 to 30kl	5.8	6.5	12%
5	30 to 40kl	7.13	8	12%
Business/Government				
6	0 to 30kl	7.13	7.99	12%
7	30 to 40kl	10.85	12.15	12%
8	40 to 50kl	11.35	12.75	12%
9	Over 50kl	12.8	14.34	12%

Current Sanitation Tariffs (2012/13)

Category	Current Tariff	Proposed Tariff	Percentage increase
Business/Government	R 109.76 per toilet p.m.	R 122.90 per toilet p.m.	12%
Household	R 67.00 per toilet p.m.	R 75.04 per toilet p.m.	12%

A summary of the 2013/14 proposed operational budget is provided in the table below.

ACCOUNT DISCRPTION	2013/14
PERSONNEL EXPENDITURE	51,774,649
GENERAL EXPENSES	114,421,969
REPAIRS AND MAINTENANCE	71,662,623
CAPITAL CHARGES (LOANS)	-
CAPITAL EXPENDITURE	750,305,000
REVENUE	155,314,999

STRATEGY

The indigent policy needs to be reviewed to address false registration issues in a more direct and clear way. There is a lack of people to manage the indigent

registration process as the current organogram is not sufficient and should be reviewed.

Water and sanitation policy needs to be reviewed to include tankers and tanks as a basic service.

TOPIC 11: WATER SERVICES INSTITUTIONAL PROFILE

A total of 271 Water Services posts appear in the Workforce Analysis received from OR Tambo DM, with 11 technical management posts; 72 technical posts; 96 labour posts and 92 support posts. Table 1 below refers.

Table 1: Current Establishment of Water Services within OR Tambo DM

Current Numbers					
Staff Level	Post Demand (Posts Required)	Post Supply (Filled)	Vacant	% Vacant	% Filled
Management*	11	2	9	82	18
Technical	72	14	58	81	19
Labour	96	41	55	57	43
Support	92	51	41	45	55
Total	271	108	163	60	40

Vacancies

A total of 60 percent of the Water Services posts which are indicated as needed in the Work Force Analysis are currently vacant. Figure 1 illustrates the distribution of the vacancies per post level, with the Technical and Management levels experiencing the highest vacancy levels at 82 and 81 percent respectively. This is followed by the Support level (60 percent) and Labour Level (57 percent). With only 40 percent of the total Water Services posts in the Municipality filled, it will be challenging for OR Tambo DM to fulfil its prescribed duties as the WSA and the WSP. Of particular concern are the substantial vacancies at Management and Technical levels.

Composition

The composition of the OR Tambo DM establishment is highlighted in Figure 2. Although there are significant vacancy levels, when comparing the composition of the current approved structure with ideal composition of management, technical, labour and support levels it is clear that the current.

Challenges

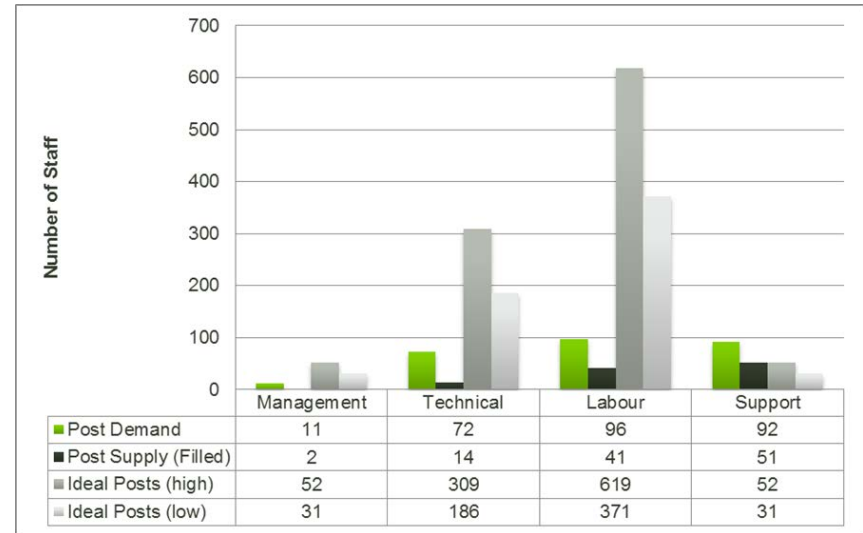
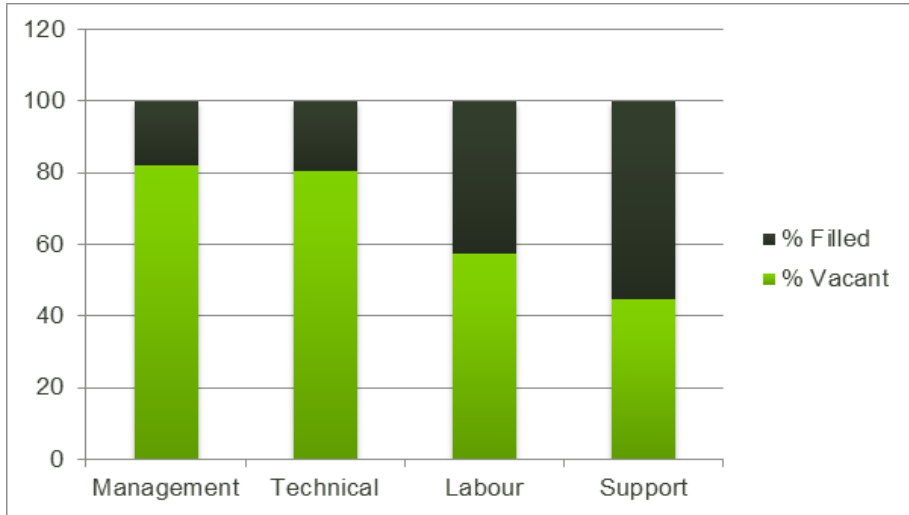
The current challenges experienced in water services delivery which have an impact on OT Tambo District Municipality's ability to effectively undertake their WSA and WSP functions a highlighted at the local municipality level are summarised below.

- Lack of Integrated Information Management System
- **Organisational Structure:**

OR Tambo DM indicated a lack of institutional capacity, with the following issues being highlighted:

- **Lack of Water Services skills, particularly from a technical perspective:** the level of experience and skill of staff members is not adequate to enable staff to carry out the Water Services tasks delegated to them. In addition, there is a serious shortage of technical staff;
- **Lack of Defined Water Services Business Processes** which clearly illustrate the way in which the water services business must function, and the interdependencies between various roles, teams, divisions and departments;
- **Job Descriptions:** tasks carried out in the day to day work of individuals varied considerably from approved job descriptions. This leads to a lack of clarity in terms of roles and responsibilities for Water and Sanitation tasks;
- **Lack of staff numbers:** the necessary staff compliment in the District Municipality is not currently sufficient to fulfil their WSA and WSP functions; and
- **Vacancies:** there are considerable vacancies, particularly in technical and management or supervisory positions, with a total of 46 percent of posts in the municipality vacant.
- Performance Management not in place for all other levels of Water Services Staff



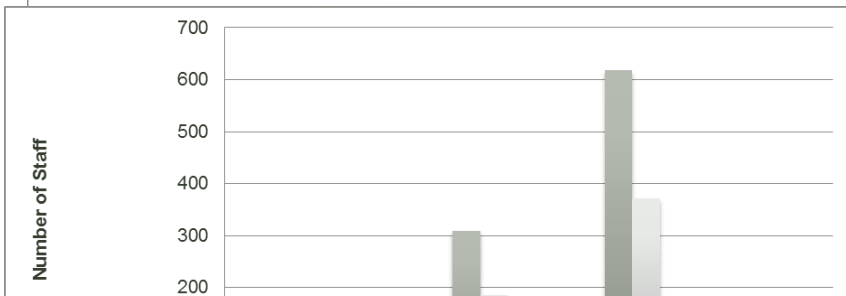
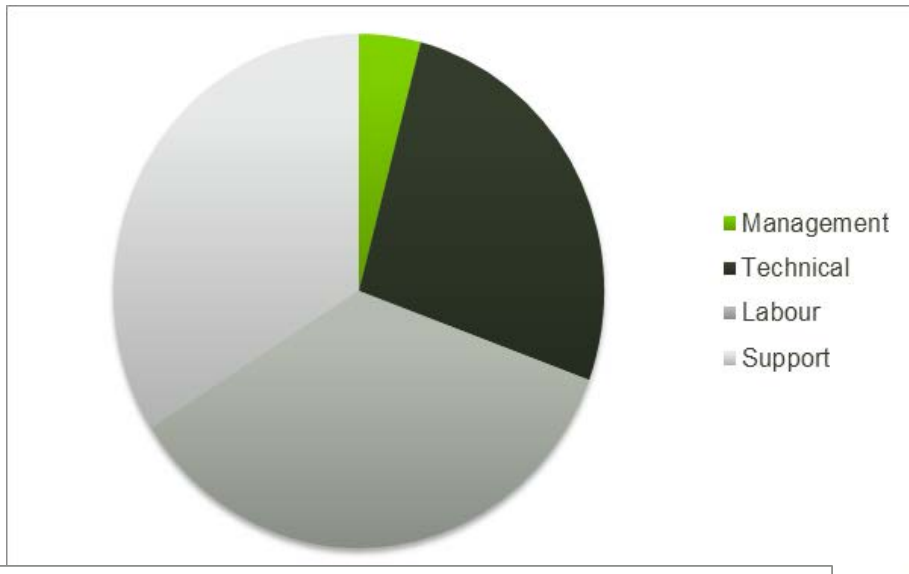


IDEAL ESTABLISHMENT

Using the number of household figures, the ideal number of Water Services Staff has been calculated. The current total number of households in the municipal area is 290 480 households. Table 3 refers.. Based on figures from the DWA National Benchmarking Initiative and the Department of Public Service and Administration, each Water Services Division should have between 3 and 5 staff members per thousand households in the municipality at an ideal composition percentage to ensure that the municipality is able to deliver on its water services mandate. Table 2 refers.

Table 2: Ideal Establishment for OR Tambo DM

Staff Level	Composition (%)	Staff Number High (5 per 1000 HH)	Staff Number Low (3 per 1000 HH)
Management	5	52	31
Technical	30	309	186
Labour	60	619	371



Support	5	52	31
Total	100	1031	619

The above staffing numbers can be considered the “ideal” or “to-be” state which is required to ensure that the Municipality has adequate staff numbers to be able to deliver on its Water Services mandate. As a WSA and WSP, OR Tambo District Municipality is responsible for rendering services to four Local Municipalities in its area of jurisdiction. Based on the number of households (contained within Table 4) in the areas which the District Municipality services, Table 8 below indicates the ideal number of staff for OR Tambo DM, and an approximate distribution of these staff over the five local municipalities.

Table 3: Total Staff Number based on Number of Households

Municipality	Households (2011)	Households size	Staff Number High (5 per 1000 HH)	Staff Number Low (3 per 1000 HH)
Iingquza Hill LM	53499	5	267	160
Port St Johns LM	38909	4	195	117
Nyandeni LM	64199	5	321	193
King Mhlonlto LM	49664	4	248	149
King Sabata Dalindyebo LM	84209	5	421	253
OR Tambo DM (Total)	290 480	4.58	1031	619

The current establishment does not indicate the exact number of posts allocated to each local municipality or combination of municipalities for the WSA and WSP functions. However, based on the distribution of households serviced by each local municipality, King Sabata Dalindyebo should be allocated 40 percent of staff (between 253 and 421); Nyandeni should be allocated 31 percent of staff (between 193 and 321 staff); and Iingquza Hill, King Mhlonlto and Port St Johans should be

allocated 25 percent, 24 percent and 19 percent of staff respectively.

GAP ANALYSIS

Figure 3 illustrates the total Water Services Posts Demand based on the Workforce Analysis and the number of filled position in this structure, and contrasts these with the ideal number of Water Services posts, based on the number of households serviced by OR Tambo DM. Based on the ratio of 3 – 5 posts per 1000 households, the ideal number of Water Services posts are shown in both the high (5 posts) and low (3 posts) range of the ratio.

A review of the information contained within Figure 3 revealed the following key areas of concern:

- The posts required as laid out in the workforce analysis provided by the municipality is considerably less than ideal number of staff calculated based on population figures;
- Of particular concern is the insufficient numbers of Management and Technical Posts;
- The vacancy rate of technical and management level posts is excessively high, with the support and labour level post vacancy rates also of concern; and
- The vacancy level of Water Services posts is a concerning 60 percent.

It is clear from the broad capacity gaps highlighted in that key recommendations and initiatives need to be addressed on an institutional level to ensure that OR Tambo District Municipality possesses the institutional capacity to address its Water Services mandate. At this stage it is important to integrate these recommendations and initiatives into an overarching immediate Water Services Capacitation Model for the Municipality.

FUTURE PLAN: KEY PROJECTS

STEERING COMMITTEE: Direction should be provided by a steering committee responsible for giving guidance on the overall strategic direction of the Municipality's



Water Services capacitation efforts. It is their responsibility to create an environment for the Municipality's Water Services Capacitation Initiatives to thrive and also to provide visible and continued commitment to and endorsement of the initiatives throughout their lifecycle

SECTION 78: To establish a detailed picture of the current capacity of OR Tambo DM with regards to Water Services, a comprehensive assessment of:

- Current skills, knowledge, experience and capability of all staff currently involved in water services deliver;
- The current services that are being provided by OR Tambo DM and the Local Municipalities, and what mechanisms are being used to do so; and
- What staff would be required to carry out OR Tambo DM's Water Services Mandate effectively.
- This will be accomplished by a Section 78 process.

CRITICAL POSTS: To ensure that the municipality is undertaking its water services functions effectively, efforts should be made to identify posts which are critical to effective water services functioning in the immediate term. The recruitment of such critical posts should be a priority process which runs concurrently to the section 78 (1) process.

BUSINESS PROCESS MAPPING: To ensure that the municipality is undertaking its water services functions effectively, it is important that Effective Water Services Business Processes are mapped to manage the flow of Water Services activities effectively. Such business processes will also aid in clarifying the roles and responsibilities of various roles players in Water Services provision.

SYSTEMS AUDIT: The limited resources of municipalities and the focus on day-to-day operational issues often results in long-term strategic planning and key operational issues being neglected. Effective decision-making requires the use of reliable information systems that address a wide range of technical, financial, economic and environmental issues. This can be facilitated by using an integrated

information management system.

CHANGE MANAGEMENT: It is suggested that Change Management, Communication and Stakeholder Engagement initiatives begin as soon as possible within the Municipality to ensure that buy-in and smooth implementation of Water Services Capacitation Initiatives can be achieved.

ADDITIONAL PROJECTS

PERFORMANCE MANAGEMENT: must be introduced to all levels of staff. Currently, Section 57 Managers have formal performance agreements that will be used to assess their performance. This principle must be cascaded downwards to all levels of staff, starting with management staff and then the rest of staff namely technical, operational, support and labour.

PROJECT MANAGEMENT: A project manager must be appointed to manage the institutional change within the municipality. Project management principles must at all times be adhered to such as the development of a project plan, regular progress reports, well defined milestones with deliverables and appropriate budget allocated.

HUMAN RESOURCES DIVISION: the Human Resources Division in the municipality must drive the process of institutional change in the municipality. If the HR Division doesn't have the necessary capacity to drive the change process, then service providers must be appointed to assist with the process

6.5 INTEGRATED WASTE MANAGEMENT PLAN

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

practical solutions to the “waste management problem” are developed, implemented and monitored.

Legislative Framework

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

Situational Analysis

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

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

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

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

6.6 ENVIRONMENTAL MANAGEMENT PLAN

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

Legal Requirements

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

Situational Analysis

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

- Destruction of indigenous forests;
- Uncontrolled settlement on valuable agricultural soils and sensitive coastal habitats;
- Spread of invasive alien plants;
- Poor solid waste management;
- Inadequate application of Integrated Environmental Management procedures; and



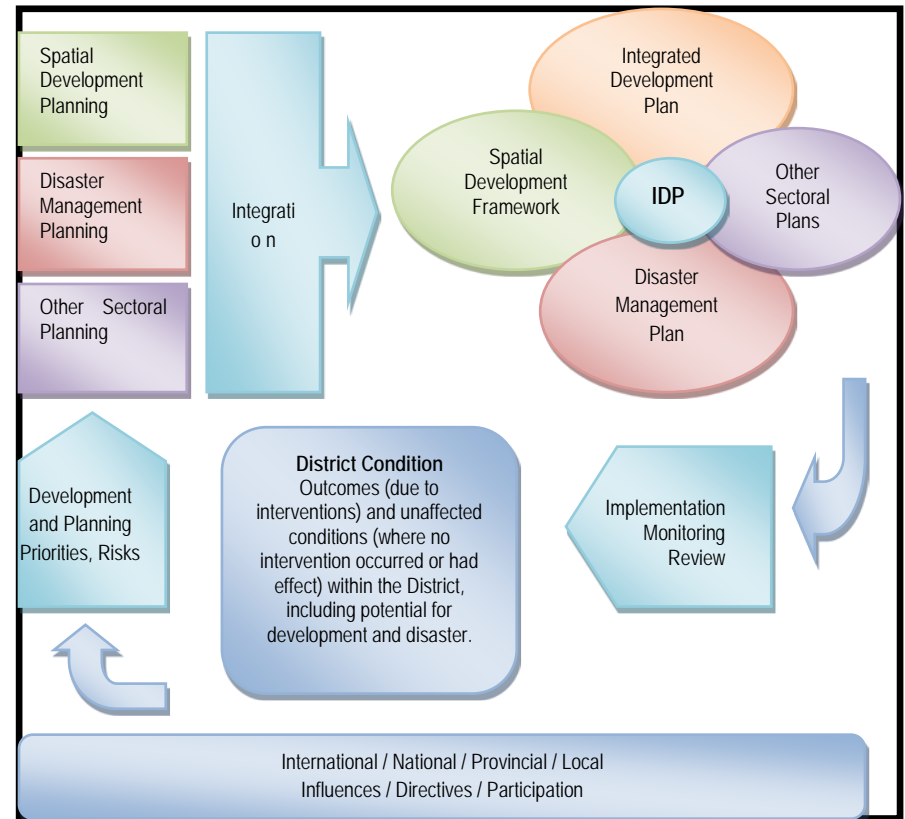
- Over-use of intertidal and marine resources.

O.R Tambo EMP proposes the following Action Plans:

THEME	RESPONSIBLE	TIME FRAMES
Water monitoring: rivers and wetlands	Water services, Environmental	Ongoing
Waste water effluent monitoring	Water services	Ongoing
Monitoring of terrestrial and aquatic biodiversity	Water services, Environmental	Ongoing
Urban edge delineation	Spatial planning	2011-2012
Identification, delineation and planning of key natural resources	Spatial planning, Environmental	2011-2012
Monitoring programme for reporting on compliance	Environmental	Ongoing
Conservation planning	Spatial planning, LED, Environmental	2011-2012

6.7 DISASTER RISK MANAGEMENT PLAN

This plan fulfills the legal requirement as set out in the Disaster Management Act and the Policy Framework for Disaster Management in South Africa and confirms the arrangements for managing disaster risk and for preparing for- and responding to disasters within the O.R. TAMBO DISTRICT MUNICIPALITY.



The development of the O.R. TAMBO DISTRICT MUNICIPALITY Disaster Management Plan has culminated into six main chapters which are arranged as follows:

Chapter 1

Deals with the introduction and provides a background to the plan development.

Chapter 2

Describes the legal requirements that inform the Disaster Risk Management responsibilities of various role-players and stakeholders and provides insight into current compliance with the relevant legislation, primarily the Disaster Management

Act. The structure of the Disaster Management Plan is also explained and linked to the Key Performance Areas and Enablers of the Policy Framework for Disaster Management in the District, also known as the OR Tambo Disaster Risk Management Policy Framework (ORT DRMPF).

Chapter 3

Addresses requirements for the establishment of integrated institutional capacity for Disaster Risk Management within the O.R. Tambo District. The plan outlines the institutional capacity required for effective Disaster Risk Management which includes the establishment of a District Disaster Risk Management Advisory Forum, Technical Committees and a Disaster Risk Management Centre which should incorporate a 24-hour emergency control and communications facility (CCC).

Chapter 4

The risk profile of the District is provided based on the disaster risk assessment conducted between October and December 2013 in all five local municipalities of O.R. TAMBO DISTRICT MUNICIPALITY, supplemented by the O.R. TAMBO DISTRICT MUNICIPALITY DRA conducted by SRK Consulting. The high risks identified within the District include: human disease, hydro meteorological hazards such as severe storms, drought and flooding, fire hazards, civil unrest (crime), road transportation hazards and infrastructure/service delivery failure.

Chapter 5

Deals with Disaster Risk Reduction Planning to reduce those risks identified in the previous chapter. Disaster Risk Reduction project proposals have been formulated for priority risks and a risk reduction process is described in the beginning of the chapter. These proposals will remain guidelines which will need to be adapted to the specific prevailing circumstances when they are put into use.

Chapter 6

Response and recovery issues are highlighted. Preparedness plans for priority risks are introduced and the preparedness capacity of the District is described which leads to the identification of certain gaps and recommendations. Subsequently, an Any-Hazard Response procedure is presented that form the basis of response to all major incidents and disasters. Additional hazard-specific contingency plans are listed after which the declaration of a state of disaster and disaster classification is discussed. The chapter concludes with the identification of additional gaps and recommendations. The remaining chapters contain arrangements for the review and maintenance of the plan, a summary of the plan, as well as several annexures including contact details and additional descriptions of corporate responsibilities for Disaster Management.

In summary, several sections of the plan contain implementation actions that are required to ensure the effective implementation of this Plan. The most important of these are summarized below:

- This plan must be implemented as a working guideline by all municipal departments and entities for Disaster Risk Management in the district.
- A 24-hour Communication Control Centre (Disaster Operations Centre/Central Communication Centre) must be established to monitor emergency and essential services' communications and early warning information systems and identify developing emergencies and disasters so that appropriate response can be activated during major incidents and disasters;
- The municipality must institute the compulsory consideration of Disaster Management in the planning and execution stages of all IDP projects. This will ensure the integration of Disaster Management into the IDP, and will ensure that all plans and projects are focused on contributing to Disaster Risk Reduction and Disaster Preparedness – thus reducing the impact of disasters on lives, property, community activities, the economy and the environment in the O.R. TAMBO DISTRICT MUNICIPALITY;

- The O.R. Tambo Municipality must maintain a Disaster Management Advisory structure, whether this is a separate formally constituted Advisory Forum as discussed in the OR Tambo Disaster Risk Management Policy Framework, or another suitable body that fulfills the role of Advisory Forum;

- O.R. Tambo Municipal Council must adopt a formal policy for the declaration of a local state of disaster. Such a policy will replace this section of the plan which provides a general description of issues surrounding the declaration of a state of disaster;

- The municipality must regularly review and update its Plan, as required by Section 48 of the Disaster Management Act, No. 57 of 2002. OR Tambo Disaster Risk Management Centre is responsible for the review of the municipal Disaster Risk Management Plan on an annual basis and must provide guidance to municipal departments, Ntinga OR Tambo and Local Municipalities in the area of the district..

6.8 INTEGRATED TRANSPORT PLAN

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

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

Therefore, the integrated transport plan, apart from describing the existing transport situation, should describe the mobility needs of the population of the transport

authority area for all trip purposes, and should include a detailed demand or market analysis for movement by either public or private modes of travel, in different corridors or along the routes which comprise the integrated transport plans public and private networks.

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

6.9 HOUSING SECTOR PLAN

Constitution

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



Housing Act

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

Municipal Systems Act

This act states that municipalities should have a Housing Chapter on their IDP's. The District Municipality has complied with this regulation as it had a District Housing Plan that was approved on 2004. In terms of the law Sector Plans are for a 5 year planning period, subject to annual review. The Department is now in the process of reviewing the plan and as such a Service Provider has been appointed. It is anticipated that the plan be completed within a period of four [4] months. The review of this plan is led by the Provincial Department of Human Settlements. In order to ensure that the process is inclusive of Local Municipalities, the LM's will be visited and consulted with regards to the formulation of the plan.

6.10 WARD COMMITTEE STRATEGY AND GUIDELINES

Ward Committees are committees established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998, and they are also referred to as Section 73 Committees. They consist of a Ward Councillor as the chairperson, and 10 other members elected by ward residents in a Ward General Meeting taking into cognisance the balance in terms of gender. Ward Committees are a link between the municipal council and communities within a ward. They are there to inform the municipality about the aspirations, potentials and challenges or problems of the people in a ward. They are the eyes, mouth and ears of the ward citizenry and represent citizens in core municipal processes such as Integrated Development Planning, Municipal Budgeting as well as Municipal Performance Management System processes. In other words, ward committees are established in order to ensure that people really govern as envisaged in the Freedom Charter adopted by the ANC in 1955.

The DM implements its projects and programmes in wards within local municipalities. Good working relations therefore between the DM and its local municipalities are critical for the smooth delivery of services to the people of O.R. Tambo District. Ward committees have been established in all the 162 wards within the O.R. Tambo District and it is crucial therefore that there is uniformity in the manner in which these committees across the district operate, hence this Strategy and Guidelines.

Regulatory Framework

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

What The Strategy And Guidelines Seek To Address

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

Aims And Objectives Of the Strategy and Guidelines

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

- Provide a framework and guiding principles on how ward committees should operate; Enhance participatory democracy in local government through the establishment of ward committees;
- Encourage uniformity in the manner in which ward committees within the District operate;
- Ensure functionality of ward committees as a link between municipal councils and communities; and
- Promote coordinated participation of members of the public in the municipal affairs through ward committee structures;



6.11 PUBLIC PARTICIPATION POLICY

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

The objects of both structural and institutionalized public participation are:

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

This policy was adopted by Council on 9 May 2011.

CHAPTER 7: PROJECTS



ROJECTS

MIG ALLOCATION – 2015/16 – 2017/18

	Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Source of funding	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)			
							2016/2017	2017/2018	2018/2019
1.	KSD	Extension of Coffee-Bay Regional Water Supply	136,384,743.60	Water	MIG	Construction	24,222,000.00	-	-
2.	KSD	Upgrading of Mhlahlane T/W & Extension to villages	149,008,412.00	Water	MIG	Construction	15,000,000.00	-	-
3.		Augmentation and Extension of Upper Mhlahlane RWSS to villages Phase 4	188,290,389.00	Water	MIG	Business Plan	-	38,901,000.00	54,711,000.00
4.	KSD	Upgrading of Mqanduli Sewer into full Waterborne sewer system (Mqanduli Town) Phase 2	20,033,402.40	Sewer	MIG	Construction	5,829,100.00	-	-
5.	KSD	Water Supply to Lukhwethu and surrounding villages	1,203,448,513.08	Water	MIG	Prelim Design	1,000,000.00	10,000,000.00	40,000,000.00
6.	KSD	KSD Presidential Initiative : Upgrade of the Mthatha Waste Water Treatment Works and Sewer reticulation	183,543,815.00	Sewer	MIG	Construction	20,000,000.00	15,000,000.00	-
7.	KSD	KSD Presidential Initiative: Mthatha Regional Water Supply – Thornhill to Airport, Bedford Hospital, Military base and surrounding areas	281,556,734.00	Water	MIG	Construction	30,000,000.00	30,000,000.00	-
8.	KSD	KSD Presidential Initiative : Mthatha Regional Water Supply – Thornhill to Mqanduli via Viedgesville	296,442,203.00	Water	MIG	Construction	18,000,000.00	8,000,000.00	-



9.	KSD	KSD Presidential Initiative: Nggeleni and Libode Corridors	197,621,738.00	Water	MIG	Tender	80,000,000.00	30,000,000.00	20,000,000.00
10.	KSD	KSD Presidential Initiative : Signall Hill Strategic Linkages: Mthatha Regional Water Supply – Rosedale to Nqadu corridor to supply the Mhlontlo LM villages	78,745,775.00	Water	MIG	Construction	10,000,000.00	28,000,000.00	40,000,000.00
11.	KSD	Completion of Ward 18 Sanitation		Sanitation	MIG	Business Plan	2,000,000.00	2,000,000.00	3,000,000.00
12.	KSD	Completion of Ward 31 Sanitation		Sanitation	MIG	Business Plan	2,000,000.00	2,000,000.00	3,000,000.00
13.	KSD	KSD Ward 27 Sanitation	13,874,937.00	Sanitation	MIG	Business Plan			5,000,000.00
14.									
15.	Mhlontlo	Extension to Mangxamfu Water Supply	32,971,470.00	Water	MIG	Construction	18,000,000.00	3,691,000.00	-
16.	Mhlontlo	Extension of Sidwadweni / Tsolo Junction Water Supply	203,961,738.00	Water	MIG	Design stage	8,000,000.00	25,000,000.00	38,000,000.00
17.	Mhlontlo	Ntabasigogo Water Supply	6,821,139.61	Water	MIG	Construction	3,821,000.00		-
18.	Mhlontlo	Upgrading Tsolo Town and Junction Sewer System into Waterborne - Phase 2	67,259,012.00	Sewer	MIG	Tender	48,000,000.00	20,000,000.00	-
19.	Mhlontlo	Mhlontlo Ward 7 Sanitation	13,514,400.00	Sanitation	MIG	Construction	2,000,000.00	-	-
20.	Mhlontlo	Upgrading of Qumbu Town Sewer System into waterborne	53,000,000.00	Sewer	MIG	Business Plan	-	15,000,000.00	28,000,000.00
21.	Mhlontlo	Ward 1 Sanitation		Sanitation	MIG	Business Plan	3,000,000.00	5,000,000.00	-
22.	Mhlontlo	Completion of Ward 16 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	7,000,000.00
23.	Mhlontlo	Completion of Ward 19 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	7,000,000.00
24.	Mhlontlo	Completion of Ward 21 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	10,000,000.00



25.	Mhlontlo	Ward 22 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	8,000,000.00
26.	Mhlontlo	Ward 23 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	8,000,000.00
27.	Mhlontlo	Ward 8 Sanitation	27,838,479.00	Sanitation	MIG	Construction	7,838,400.00		-
28.					MIG				-
29.	Nyandeni	Extension of Rosedale Water Supply to Libode	146,750,062.00	Water	MIG	Construction	18,000,000.00	-	-
30.	Nyandeni	Rosedale to Libode Water Supply Phase 2. Extension of Rosedale Water Supply to Libode (Now Thornhill pending finalisation of new site) Wards 7,8,15,16,17,30		Water	MIG	Business Plan	-	25,000,000.00	47,000,000.00
31.	Nyandeni	Ntsonyini Ngqongweni Regional Water Supply Scheme. Regional Water Scheme using the Mngazana River (Wards 6 & 18)	144,570,240.00	Water	MIG	Design stage	15,000,000.00	40,000,000.00	55,000,000.00
32.	Nyandeni	Dumasi Regional Water Supply Scheme. Dumasi Villages and Ngqeleni Town (Ward 21)	291,821,867.00	Water	MIG	Prelim Design	1,000,000.00	18,000,000.00	53,000,000.00
33.	Nyandeni	Mthatha regional Water Supply Scheme (Second Falls) to reticulate Nyandeni Wards 22,23,24,25,26 and 28	702,340,567.00	Water	MIG	Feasibility Study	-	5,000,000.00	6,000,000.00
34.	Nyandeni	Upgrading of Cibeni Ntlambela Water Supply (Ward 17 & 19)	1,246,242,992.58	Water	MIG	Business Plan	10,000,000.00	18,000,000.00	45,000,000.00
35.	Nyandeni	Lwandile Regional Water Supply Scheme. Upgrading of existing water supply scheme		Water	MIG	Business Plan	-	-	-
36.	Nyandeni	Completion of Ngqeleni Regional Water Supply Scheme (Ward 17 & 19)		Water	MIG	Feasibility Study	5,000,000.00	5,000,000.00	-



37.	Nyandeni	Extension of Mhlanganisweni Regional Water Supply Scheme (Tsitsa River Source) (Wards 1,3,5 & 27)	435,664,073.93	Water	MIG	Business Plan	5,000,000.00	20,000,000.00	45,000,000.00
38.	Nyandeni	Nyandeni Ward 19 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	3,000,000.00	-
39.	Nyandeni	Nyandeni Ward 2 Sanitation		Sanitation	MIG	Business Plan	7,000,000.00	4,000,000.00	-
40.	Nyandeni	Ward 25 Sanitation			MIG	Business Plan	4,000,000.00	9,000,000.00	2,000,000.00
41.	Nyandeni	Completion of Ward 20 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	8,000,000.00	1,800,000.00
42.	Nyandeni	Completion of ward 5 Sanitation		Sanitation	MIG	Business Plan	3,000,000.00	6,000,000.00	1,400,000.00
43.	Nyandeni	Completion of ward 15 Sanitation		Sanitation	MIG	Business Plan	3,000,000.00	4,000,000.00	1,200,000.00
44.	Nyandeni	Completion of ward 18 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	5,000,000.00	3,000,000.00
45.	Nyandeni	Upgrading of Ngqeleni Sewer System into full waterborne system	55,500,000.00	Sewer	MIG	Business Plan	2,000,000.00	30,000,000.00	20,000,000.00
46.	Nyandeni	Upgrading of Libode Sewer System into full water-borne system	51,273,712.00	Sewer	MIG	Design stage	20,000,000.00	25,000,000.00	15,000,000.00
47.									-
48.	Ingquza Hill	Upgrading of Flagstaff Sewer System into water-borne system (Phase 2)	65,467,237.00	Sewer	MIG	Construction & Design	27,000,000.00	38,000,000.00	16,890,000.00
49.	Ingquza Hill	Upgrading of Lusikisiki Sewer System into water-borne system (Phase 2)		Sewer	MIG	Construction & Design	8,000,000.00	33,000,000.00	44,000,000.00
50.	Ingquza Hill	Completion of wards not fully covered with sanitation (1,3,4,5,8,13,14,16,18,19,20, 21,22,28,30)		Sanitation	MIG	Business Plan	10,000,000.00	5,000,000.00	-
51.	Ingquza Hill	Ingquza Hill Ward 30 Sanitation	21,530,284.00	Sanitation	MIG	Tender	5,000,000.00	7,000,000.00	6,530,000.00



52.	Ingquza Hill	Ingquza Ward 11 Sanitation	12,788,520.00	Sanitation	MIG	Tender	-	-	-
53.	Ingquza Hill	Completion of ward 29 Sanitation		Sanitation	MIG	Business Plan	5,000,000.00	3,000,000.00	-
54.	Ingquza Hill	Kwa Nyathi Regional Water Supply Scheme: KwaNyathi Village and surrounding areas: Feasibility Study	1,050,379,026.46	Water	MIG	Business Plan	3,000,000.00	6,000,000.00	3,000,000.00
55.	Ingquza Hill	Msikaba Regional Water Supply Scheme: Msikaba River Source: Feasibility Study	606,329,803.00	Water	MIG	Business Plan	2,000,000.00	3,000,000.00	5,000,000.00
56.	Ingquza Hill	Flagstaff Regional Water Supply Phase 3	81,560,391,000.00	Water	MIG	Construction	24,000,000.00	11,000,000.00	-
57.	Port St Johns	PSJ Ward 1,2 3,7, 8,9,11,17,19 & 20 Sanitation		Sanitation	MIG	Business Plan	1,000,000.00	10,000,000.00	5,000,000.00
58.	Port St Johns	Port St Johns Ward 5	21,846,449.00	Sanitation	MIG	Tender	9,049,900.00	3,000,000.00	-
59.	Port St Johns	PSJ Ward 6 Sanitation	37,975,000.00	Sanitation	MIG	Tender	7,975,000.00	5,900,000.00	-
60.	Port St Johns	Completion of PSJ Ward 17 Sanitation	5,556,815.00	Sanitation	MIG	Tender	5,556,750.00	-	
61.	Port St Johns	PSJ Regional Water Supply Phase 5	41,686,583.00	Sanitation	MIG	Construction	10,966,000.00	-	-
62.	Port St Johns	PSJ Ward 14 Sanitation	7,515,752.00	Sanitation	MIG	Business Plan		-	-
63.	Port St Johns	PSJ Ward 15 Sanitation	21,353,078.00	Water	MIG	Construction	12,385,900.00	1,000,000.00	5,369,500.00
64.	Port St Johns	PSJ Ward 16 Sanitation	12,803,045.00	Sanitation	MIG	Tender	13,000,000.00	1,000,000.00	-
65.	Port St Johns	Upgrading of PSJ Sewer System		Sewer	MIG	Design stage	3,000,000.00	15,000,000.00	10,000,000.00
66.		PMU operational costs		N/A		N/A	30,454,950.00	32,868,000.00	34,889,500.00
TOTALS							609,099,000.00	657,360,000.00	697,790,000.00



O.R TAMBO DISTRICT MUNICIPALITY PROJECTS

IMPLEMENTING DEPARTMENT: RURAL AND ECONOMIC DEVELOPMENT PROGRAMMES

Project Name	Name of Partner/ Funder	Location/ Targeted Local Municipality and Ward	Total Number of Targeted Beneficiaries	Beneficiaries by gender		Number of Youth targeted to benefit from the project	Number of people living with disability	Budget Allocated
				Men	Women			
Regional recycling facility	Equitable share	Mhlontlo Local Municipality (landfill site)	+20 permanent +230 temporal	50%	50%	60%	3%	R3000 000.00
Enterprise Development Centre	Anglo Gold Ashanti	District wide & Main Centre in KSD LM. Wonkumntu	350 entrepreneurs 15 Jobs Created	N/A	N/A	N/A	N/A	R36 000 000.00
Expanded Public Works Program	Department of Public Works. And Equitable share.	All Local Municipalities	6500	50%	50%	60%	5%	R6500 000.00 from public works and R3000 000.00 from equitable share.
Support for the tourism product owners, visual Arts & Craft projects and Co-OPs	N/A	All Local Municipalities and ward identified by the LMs	10 visual artists supported to attend Macufe Festival	5	5	6	2	R200 000.00
			12 Craft producers supported to attend Grahamstown arts festival	2	10	3	9	
Tourism Infrastructure Audit	N/A	All Local Municipalities and ward identified by the LMs	1 x Tourism signage Audit conducted	N/A	N/A	N/A	N/A	R100 000.00
District Tourism Master Plan	N/A	All Local Municipalities	Identifying and profiling potential tourism resources and attractions with local municipality.	N/A	N/A	N/A	N/A	R200 000.00
Audit & Identification of signage throughout the district	N/A	All Local Municipalities and ward identified by the LMs	Identification of three tourism signage site per each local municipality	N/A	N/A	N/A	N/A	R100 000.00
Collection of tourism intelligence (Occupancy Rate)	N/A	All Local Municipalities and ward identified by the LMs	A visitor's book be placed in selected accommodation establishments in the district and local VIC offices	N/A	N/A	N/A	N/A	N/A
Distribution and Collection of promotional material through VICs.	N/A	All Local Municipalities and identified outside the region Visitor's information (VICs)	Working with brochure management to distribute promotional material all over the country	N/A	N/A	N/A	N/A	R100 000.00



Project Name	Name of Partner/ Funder	Location/ Targeted Local Municipality and Ward	Total Number of Targeted Beneficiaries	Beneficiaries by gender		Number of Youth targeted to benefit from the project	Number of people living with disability	Budget Allocated
				Men	Women			
Marketing of the District through Tourism exhibitions shows.	Local Municipalities and ECPTA	All Local Municipalities	Exhibition stand to host all local municipalities in the Tourism Indaba Exhibition show and Gateway Show	05	05	N/A	N/A	R500 000.00
Population and maintenance of the tourism website	N/A	All Local Municipalities	Updating of the Tourism website with the accurate information throughout the year	N/A	N/A	N/A	N/A	R100 000.00
Tourism awareness campaigns to local communities	N/A	All Local Municipalities and ward identified by the LMs	10 Tourism awareness campaigns held in all local municipalities and two major events supported	N/A	N/A	N/A	N/A	R790 000.00
Local Tourism Organisations (LTOs) and Tourism SMMEs Support	N/A	All Local Municipalities	10 Local Tourism Organisations (LTOs) and Tourism SMMEs Supported and 4 Tourism sector forum held	N/A	N/A	N/A	N/A	R57 000.00
Trade & Investment Strategy	N/A	All Local Municipalities	Development of Trade & Investment Strategy for the district	N/A	N/A	N/A	N/A	R200 000
Agriculture Strategy	N/A	All Local Municipalities	Development of a comprehensive agricultural strategy for the ORT district	N/A	N/A	N/A	N/A	R200 000
Furniture Incubation	Furntech	All Local Municipalities	20 Furniture incubates from the entire district trained and mentored	10	10	75%	5	R400 000
Forestry Strategy	N/A	All Local Municipalities	Development of a district wide forestry strategy and implementation plan	N/A	N/A	N/A	N/A	R200 000
Aquaculture Skills Development	Tsolo Agric College	All Local Municipalities	20 aquaculture farmers and prospective farmers trained	10	10	70%	10%	R316 000
SMME Capacity Development	EDC	All Local Municipalities	20 SMMEs & trained in business development	10	10	50%	10%	R200 000
Cooperatives Support	NA	All local municipalities	10 Cooperatives supported to sustain & grow their business	5	5	50%	10%	R1 000 000
Economic development partnerships	NA	All local municipalities	Establish and support one CPPP (Egg production)	N/A	N/A	N/A	N/A	R500 000
LED Strategy	NA	All local municipalities	Review and update the LED Strategy	N/A	N/A	N/A	N/A	R200 000



KEY PROJECTS FOR ECONOMIC DEVELOPMENT

PROJECTS REQUIRING ADDITIONAL FUNDING

Item Number	Name of Project	Project Description	Project Location	Sector	Original Year of Inception	Scope of Work	Basic Resources Required			Amount of Money Now Requested
							Land Availability	Financial Support	Technical Development Services	
1	O.R Tambo Young Women Seed	The O.R Tambo Young Women SEED aims to establish a textile & Fabrics factory to manufacture Sanitary Towels, linen for hospitals, school uniforms and other related products in and around the district. Consultations have been initiated with a number of partners such as SAPPI, Department of Forestry, Vodacom, Department of Education and Department of Trade and Industry who have shown an interest in the matter.	Ingquza Hill LM (Lusikisiki)	Industrial manufacturing and Social	2014	Manufacturing of sanitary towels and linen/bedding material for supply to hospitals & Schools in and around the O.R Tambo District Municipality.	Land buildings and premises in place and available	R 2 000 000,00	Skill Development	R 2 000 000,00
2	Kwam Rural Women Project	Sewing project with infrastructure and industrial machine, plus poultry project with well equipped structures	Mhlontlo LM (Qumbu)	Agriculture and Manufacturing	2010	Sites are fenced , structures are build with equipment	Available	R 1 500 000,00	Skill Development	R 1 500 000,00
3	O.R Tambo Regional Recycling Project	The project is a waste recycling program which aims to ensure sustained management of waste in the district with a view to generate income for participants and cleaner environment.	Mhlontlo LM (Qumbu)	Environmental (Waste Management)	2013	Collecting & sorting waste in various land fill sites of the district to the regional recycling facility. Recycling the waste in various forms and transporting to various partners	Available	R 6 000 000,00	Skill Development	R 6 000 000,00



KEY PROJECTS FOR ECONOMIC DEVELOPMENT

PROJECTS REQUIRING ADDITIONAL FUNDING

Item Number	Name of Project	Project Description	Project Location	Sector	Original Year of Inception	Scope of Work	Basic Resources Required			Amount of Money Now Requested
							Land Availability	Financial Support	Technical Development Services	
4	Vidgesville Sustainable Village Vegetable production Project.	10 hactares used to produce vegetable and have it processed into packaged vegetable.	Ward 32 KSD	Agriculture	2016	Fence land Install drip irrigation Cultivate land Apply chemicals Plant seedlings Irrigate with drip irrigation harvest	Available	R 1 300 000,00	Skills development	R 1 300 000,00
5	Tsilitwa Sustainable Village Vegetable project.	5 hactares fenced land to produce potatoes and market them.	Ward 19 Mhlontlo	Agriculture	2006	Cultivate land Apply inputs. Plant seeds.	Available and fenced	R 650 000,00	Skills development	R 650 000,00
6	Amele Worm Ferteliser Project	Recycling of food waste to produce organic fertelise for organic food production (environmental management project).	Ward KSD	Agriculture Organic Farming	2010	Upgrade infrastructure and establish satelite production centres in five LM's.	Land has been identified in 5 LMs and it is available in Mthatha	R 1 300 000,00	Skills development	R 1 300 000,00
7	Dizamehlo Pigery	Co-op has 80 pigs and want to expand production to 2000 pigs, has land and basic infrastructure.	Highbury Mthatha	Agriculture	2000	Expand piggery infrastructure and purchase new piglets and buy feed and medication.	Available	R 1 500 000,00	Skills development	R 1 500 000,00
8	Libode Informal Traders Market Place	Establish a market place for 250 informal traders in Nyandeni.	Libode CBD	Small Town Revitalisation	Start up	Appoint contractors to build the market place with stalls.	Available	R 1 900 000,00	Skills development	R 1 900 000,00



KEY PROJECTS FOR ECONOMIC DEVELOPMENT

PROJECTS REQUIRING ADDITIONAL FUNDING

Item Number	Name of Project	Project Description	Project Location	Sector	Original Year of Inception	Scope of Work	Basic Resources Required			Amount of Money Now Requested
							Land Availability	Financial Support	Technical Development Services	
9	Siv Vic Agric Products	Production of potatoes on 10 ha to be linked with Kei Fresh Produce Market	Ward KSD	Agriculture	2015	Fencing, Cultivation harvesting, packaging and planting of vegetables.	Available	R 1 500 000,00	Skills development	R 1 500 000,00
10	Tsolo City Agruculture Multipurpose	High value crops, vegetables, sunflower, soya beans, maize, specialists in broduction and supply of broilers and chicken	Ward Mhlontlo	Agriculture	2015	Fencing, Cultivation and planting of vegetables.	Available	R 1 500 000,00	Skills development	R 1 500 000,00
11	Ngqeleni Informal Traders Market Place	Establish a market place for 250 informal traders in Nyandeni.	Libode CBD	Small Town Revitalisation	Start up	Appoint contractors to build the market place with stalls.	Available	R 2 700 000,00	Skills development	R 2 700 000,00
12	Kei Fresh Produce Market	Cold rooms and Ripening rooms	Ward KSD	Agriculture	2015	Infrastructure upgrade.	Available	R 1 900 000,00	Skills development	R 1 900 000,00
13	Inyengane Masonery Products Co-Operative	Production of Masonery products for saniation projects	Ward KSD	Construction	2015	Fencing.	Available	R 1 500 000,00	Skills development	R 1 500 000,00
14	Baziya Sustainable Village Bakery	Bakery to pproduce bread and fatcakes and confectionery products	Ward KSD	SMME	2015	Purchase of inputs.	Available	R 500 000,00	Skills development	R 500 000,00



KEY PROJECTS FOR ECONOMIC DEVELOPMENT

PROJECTS REQUIRING ADDITIONAL FUNDING

Item Number	Name of Project	Project Description	Project Location	Sector	Original Year of Inception	Scope of Work	Basic Resources Required			Amount of Money Now Requested
							Land Availability	Financial Support	Technical Development Services	
15	Baziya Sustainable Village - Sewing Project	Create a sewing project	KSD	Textile Industries	2015	Purchase and repair sewing machines and materials plus accessories.	Available	R 400 000,00	Skills development	R 400 000,00
16	Shawburry Sustainable Village- Sewing Project	Create a sewing project	KSD	Textile Industries	2015	Purchase sewing machines and materials plus accessories.	Available	R 400 000,00	Skills development	R 400 000,00
17	Viedgisville Sustainable Village-Sewing Project	Create a sewing project	KSD	Textile Industries	2015	Purchase and repair sewing machines and materials plus accessories.	Available	R 400 000,00	Skills development	R 400 000,00
18	Shawburry Sustainable Villages Bakery	Bakery to produce bread and fatcakes and confectionery products	Ward Mhlontlo	SMME	2015	Purchase of inputs.	Available	R 500 000,00	Skills development	R 500 000,00
19	Nyathi Agric Co-Op	Maize production	PSJ	Agriculture	2015	Cultivate 8.1ha of land Apply inputs Plant seeds.	Available	R 48 600,00	Skills development	R 48 600,00
20	Mngazana Community Tourism Facility	Provide community owned budget tourism facility on the road to Mngazi Bangalows	PSJ	Cultural/Tourism	2015	Create Challets, paving and land scaping	Available	R 3 100 000,00	Skills development	R 3 100 000,00
21	One Household One Food Garden	Assisting poor household to cultivate and plant mainly vegetables in their household gardens as part of food security.			2014	Purchase of 5 tractors (1 per LM) with implements (plough, planter, disk, boom sprayer, fertiliser spreader, etc.).	Available	R 4 250 000,00	Skills development	R 4 250 000,00



KEY PROJECTS FOR ECONOMIC DEVELOPMENT

PROJECTS REQUIRING ADDITIONAL FUNDING

Item Number	Name of Project	Project Description	Project Location	Sector	Original Year of Inception	Scope of Work	Basic Resources Required			Amount of Money Now Requested
							Land Availability	Financial Support	Technical Development Services	
	Zamukulungisa Hydroponics Tunnels	Furbishment of hydroponics tunnel	KSD	Agriculture	2013	Repair infrastructure and purchase agricultural inputs to produce seedlings for other related projects.	Available.	R 1 000 000,00	Skills development	R 1 000 000,00
22	Community Food Security (staple food)	Maize Production	All 5 LM's	Agriculture	2002	Cultivation and planting of maize including agricultural inputs for 1 165ha.	Available	R11 651 400,00		R 11 651 400,00
23	Sithembene Women's Development Enterprise	Professional designers and training communities in sewing using industrial sewing machines with infrastructure.	Misty Mount, Libode, Nyandeni LM.	Clothing production	2008	Purchase means of production and access to markets.	Available	R 2 500 000,00	Skills development	R 2 500 000,00
TOTAL										R 50 000 000,00



NAME OF IMPLEMENTING DEPARTMENT: OFFICE OF THE EXECUTIVE MAYOR

Project Name	Name of Partner/ Funder	Location/ Targeted Local Municipality and Ward	Total Number of Targeted Beneficiaries	Beneficiaries by gender		Number of Youth targeted to benefit from the project	Number of people living with disability	Budget Allocated
				Men	Women			
1. Financial Academic Assistance	O.R. Tambo DM	All local municipalities	25- 5 per local municipality			All youth	5 beneficiaries	R2.8 million
2. One Home One Food Garden	O.R. Tambo DM	All local municipalities				Targeted to households	Not pre-determined	
3. One Tree One Child	Department of Agriculture and Forestry, SAPI, Fort Cox College & UN Food for Agriculture	All local municipalities	15000 children	N/A	N/A	School going children	Not pre-determined	
4. Star Schools	OR Tambo DM and Anglo Gold Ashanti	All local municipalities		N/A	N/A	School going children	Not pre-determined	
5. Greening and Cleaning	O.R. Tambo DM	All local municipalities						
6. Batandwa Nondo Foundation	O.R. Tambo DM	All local municipalities	Dependent on the funds available	N/A	N/A	All youth	Not pre-determined	Project based on Fund Raising Initiatives
7. Career Exhibition	Anglo Gold Ashanti	All local municipalities		N/A	N/A	School going children	Not pre-determined	
8. Training of Artisans and New Venture Creation	Mining Qualification Authority	All local municipalities				All youth	Not pre-determined	Budget allocated by the partner

SECTOR DEPARTMENT PROJECTS



DEPARTMENT OF ENVIRONMENTAL AFFAIRS, TOURISM AND ENVIRONMENTAL AFFAIRS

PROJECT NAME 2015/16	WARD NO.	AREA/S	BUDGET	STATUS
Waste Licensing	24	Qweqwe Coffee Bay Transfer station	Ops	Processing waste licence for Qweqwe new land fill site & Coffee Bay waste transfer station
Zone 4 Casino license	6	Mthatha	ECGBB	EC Gambling & Betting Board Processing the bid for the Casino license for Zone 4 which includes Mthatha
Coffee Bay Town Promulgation	24	Coffee Bay	R500 000	Appointed through National Treasury GTAC Integrated Wild Coast Program support
Marine Tourism Promotion	24	Coffee Bay & Hole in the Wall		Project at initial planning stages- consultation workshop held in January 2016
Wild Coast SEZ	11	KSD LM Mthatha Airport	Province & DTI	Implementer Coega PMO
Vulindlela Industrial Park	6	Mthatha	R20m	ECDC work on revitalizing Industrial Parks- partners KSD LM, DTI
Nelson Mandela Cultural Presinct	6	Mthatha		Concept discussion in partnership with KSD, ECPTA, Nelson MANDELA Museum
Enviro Awards Competition		Mthatha	R100 000	The annual recognition of environmental projects that are school based.
Greenest Municipality Competition		Mthatha	R1 000 000	The annual recognition of municipality efforts for waste management activities
Capacity Building activities		Mthatha	R50 000	Regional quarterly capacity building workshops for stakeholders that are conducted in a local municipality
Awareness sessions		Mthatha	R70 000	Regional quarterly awareness raising activities for communities that are conducted in a local municipality (ward based)
Ngqeleni Waste Transfer Station		Ngqeleni	R1 800 000	Business Plan Developed, Funds Transferred



Small Towns Revitalization		Nggeleni	R500 000	Business Plan to top up Nggeleni Transfer
Township Economy Revitalization Program				No project
Enviro Awards Competition		Nyandeni School	R100 000	The annual recognition of environmental projects that are school based.
Greenest Municipality Competition		OR Tambo DM	R1 000 000	The annual recognition of municipality efforts for waste management activities
Capacity Building activities & Awareness sessions		Nyandeni LM	R50 000	Regional quarterly capacity building & awareness workshops for stakeholders that are conducted in a local municipality
Mhlontlo Nature Reserve	9	Shawbury	500 000	Business Plan finalized & R500 000 Transferred to Mhlontlo LM
Mhlontlo Waste project	7	Tsolo Town	R1000 000	Business Plan finalized
Township Economy Revitalization Program		OR Tambo DM		No project
Enviro Awards Schools Competition		OR Tambo schools	R100 000	The annual recognition of environmental projects that are school based.
Greenest Municipality Competition		OR Tambo DM	R1 000 000	The annual recognition of municipality efforts for waste management activities
Capacity Building activities & ENVIRONMENTAL AWARENESS			R120 000	Regional quarterly capacity building workshops for stakeholders that are conducted in a local municipality
Port St Johns Small Town Revitalization: •Environment sector EPWP •Support Social Infrastructure with Provincial Treasury	6	Environment sector	Pilot project	DEDEAT, SALGA & National Treasury GTAC partnership on STR- linked to Integrated Wild Coast Development Program
Lambasi Wetlands Project	23	Environment sector EPWP	R3 500 000	Funds transferred to IH LM as the implementer

DEPARTMENT OF HEALTH

Infrastructure Projects: Implementation of Phase 3 (6 additional consulting rooms in the clinics)

PROJECT NAME	MUNICIPALITY	TOWN
▪ Cabaville clinic	Mhlontlo	Qumbu
▪ Mqanduli CHC	KSD	Mqanduli
▪ Bodweni clinic	Qaukeni	Lisikisiki
▪ Ngcoya clinic	Nyandeni	Port St Johns
▪ Shawbury clinic	Mhlontlo	Qumbu
▪ Civic Centre clinic	KSD	Mthatha
▪ Khanyayo clinic	Qaukeni	Lusikisiki
▪ Mzintlava clinic	Nyandeni	Port St Johns
▪ Mdeni clinic	Mhlontlo	Qumbu
▪ Ngcwanguba CHC	KSD	Mqanduli
▪ Mantlaneni clinic	Qaukeni	Lusikisiki
▪ Canzibe gateway clinic	Nyandeni	Ngqeleni
▪ Maphuzi clinic	KSD	Mqanduli
▪ KTC clinic	Qaukeni	Lusikisiki
▪ Ntibane clinic	Nyandeni	Ngqeleni
▪ Kalankomo clinic	Mhlontlo	Qumbu
▪ Ntlangaza clinic	KSD	Mqanduli
▪ Xopozo clinic	Qaukeni	Flagstaff
▪ Mbokothwana clinic	Mhlontlo	Tsolo



▪ Nolitha clinic	Nyandeni	Ngqeleni
▪ Ngwenya clinic	KSD	Mqanduli
▪ Langeni clinic	Mhlontlo	Tsolo
▪ Ngqwara clinic	KSD	Mqanduli
▪ Xurana clinic	Qaukeni	Lusikisiki
▪ Double Falls clinic	Nyandeni	Ngqeleni
▪ Ntaphane clinic	Nyandeni	Ngqeleni
▪ Mpoza clinic	Qaukeni	Flagstaff
▪ Ngqungqu clinic	KSD	Mqanduli
▪ Gqubeni clinic	Nyandeni	Port St Johns
▪ Palmerton clinic	Qaukeni	Lusikiski

DEPARTMENT OF SPORT, RECREATION, ARTS AND CULTURE

PROGRAMME & PROJECT DISCRPTION	PROPROJECT OBJECTIVE	KEY ACTIVITIES	TARGET PERIOD	LOCATION	BUDGET
<ul style="list-style-type: none"> ▪ Reading awareness programmes 	Promotion of literacy conscientization of the utilization of libraries	World book day, Literacy and National book week. Library week.	April 2016 up to February 2017	Ingquza Hill LM KSD LM Mhlontlo LM and Nyandeni LM	R80 000
<ul style="list-style-type: none"> ▪ Construction of Libraries. 	To increase access to information and to promote a reading culture	Consultation, PSC meetings	April 2016 up to March 2017	Ngqeleni and Libode in Nyandeni LM.	R20, 562 million
<ul style="list-style-type: none"> ▪ Commemoration of 1960 ▪ Ingquza Hill Massacre 	Promotion of our Heritage, Preservation and Conservation	LOC formation, advertising and preparing for 1960 Ingquza Hill commemoration	June 2016	R206 000	Ingquza Hill LM
<ul style="list-style-type: none"> ▪ Construction of phase three in Mthatha Stadium. 	To improve quality of life through sport and recreation.	Consultation, PSC formation, Monthly meetings	April 2016 to March 2017	KSD	R10 million
<ul style="list-style-type: none"> ▪ Isingqisethu Saba Mbixan ▪ Wild Coast Cultural Festival 	Promotion of cultural diversity	Preparing tender, advertising, awarding and organizing festival	September 2016	PSJ LM	R1.9 million
<ul style="list-style-type: none"> ▪ Festivals and Tournaments 	To improve quality of life through Sport and Recreation	Horse Racing, Indigenous Games, Golden Games, Top School Tournament, Boxing Championships, All codes championships, Mandela Games, Echo Challenge, Youth Camp, Jazz Festival, District Choral festival, Mini	April 2016 to December 2017	KSD LM Nyandeni LM Mhlontlo LM PSJ LM and Ingquza LM	R900 000



		Wordfest, National Arts Festival and Dance and drama festival.			
▪ Heroes Marathon	To improve quality of life	Prepare tender, advertising and awarding, LOC formation and organizing Heroes Marathon	December 2016	KSD	R2 million
▪ Sport against crime and ▪ children's day	To improve quality of life	Consultation, LOC formation, Organising event	July to September 2016	Mhlontlo LM	R60 000
▪ Mayors cup and Premier ▪ Games	To improve quality of life	Consultation, LOC formation, Organising event	April 2016 to December 2016	KSD LM Mhlontlo LM Ingquza Hill LM Nyandeni LM and PSJ LM	R60 000-00
▪ Capacity building	Empowerment of Sport & Recreation structures	Data collection, Consultation meeting, LOC meetings, Organising of Venue and facilitators	April to December 2016	Nyandeni, Ingquza Hill, Mhlontlo, Port St. Johns and KSD Local Municipalities.	R110 000-00



DEPARTMENT OF HOME AFFAIRS

IDP - KPI	2016/17 IDP TARGETS	PROJECTS TO BE IMPLEMENTED	BUDGET	WARDS TO BE COVERED	BUDGET SOURCE
Civic Services	Smart Cards - 67 200 applications collected	To realise the targets	Baseline Budget	All Wards in the O R Tambo District	DHA Baseline
	Birth Registration 23 559 Births registered	Continued awareness in Hospitals & clinics	Baseline	All clinics and Hospitals covered in the distribution	DHA Baseline
	Uncollected IDs in the offices throughout the District Green ID=2510 & ID Smart Cards= 6659	ID distribution	Baseline	All wards	DHA Baseline

ANNEXURES



ANNEXURE 1: IDP, PMS AND BUDGET SCHEDULE OF ACTIVITIES (PROCESS PLAN)

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
JULY 2015 (PREPARATION PHASE)			
IDP	<ul style="list-style-type: none"> Development of IDP Framework and Process Plan IDP Stakeholder Registration and Advertisement and Circulation of IDP Framework & Process Plan 	June – July 2015 1 - 17 July 2015	MM's Office: IDP MM's Office: IDP
BUDGET	<ul style="list-style-type: none"> Development of a budget time schedule Preparation and submission of s71 report to the Executive Mayor Senior officials of DM and Ntinga begin planning for the next three-year budget Submit section 52(d) report to council. Printing and Distribution of Final proved Budget 	July 2015 14 July 2015 31 July 2015 31 July 2015 31 August 2015	BTO All HODs and Ntinga BTO BTO BTO
PMS	<ul style="list-style-type: none"> Submission of Draft SDBIP 2015/16 and Draft Annual Performance Agreements to the MM Submission of Draft SDBIP 2015/16 and Draft Annual Performance Agreements to the Executive Mayor Submission of Draft 4th Quarter Performance Report 2014/15 to Council Structures Tabling of Draft 4th Quarter Performance Report 2014/15 Finalise 2015/16 performance agreements Executive Mayor tables 4th quarter report to Council 	10 July 2015 14 July 2015 10 July 2015 31 July 2015 31 July 2015 31 July 2015	All senior managers MM MM's Office: CPM Executive Mayor All Senior Managers Executive Mayor
AUGUST 201 (PREPARATION – ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Data Collection (Community Based – from ISD) IDP Representative Forum – consultation on the IDP Framework and Process Plan for 2015/16 	1 – 31 August 2015 21 August 2015	MM's Office: IDP MM's Office: IDP
BUDGET	<ul style="list-style-type: none"> Preparation and submission of s71 report to the Executive Mayor Preparation of Annual Financial Statements Annual Financial Statement submitted to AG 	17 August 2015 August 2015 31 August 2015	BTO BTO BTO
PMS	<ul style="list-style-type: none"> Post 2014/15 4TH quarter report on the website Make public Annual Performance Agreements and place on municipal website Submit Annual Performance Agreements to Council & MEC DLGTA Submission of Draft Annual Performance Report 2013/14 to AG 	11 August 2015 11 August 2015 11 August 2015 31 August 2015	All senior managers MM's Office: CPM, ICTM MM MM's Office: CPM
SEPTEMBER 2015 (ANALYSIS PHASE)			
IDP	<ul style="list-style-type: none"> Update of situational analysis with line departments including evaluation of sector plans. IGR Roadshows (IDP Roadshow Feedback) 	1 – 30 September 2015 16 – 30 September 2015	All departments MM's Office: IDP, IGR, OEM & Speakers Office
BUDGET	<ul style="list-style-type: none"> Establish/Review current institutional budget committee Circulate budget schedules to all departments. Preparation and submission of s71 report to the Executive Mayor Consultation of the Local municipalities Preparation of consolidated AFS – including (Ntinga's & KFPM) Submission of consolidated AFS to AG 	4 September 2015 11 September 2015 11 September 2015 18 September 2015 18 September 2015 30 September 2015	OEM BTO BTO BTO & Ntinga BTO
PMS	<ul style="list-style-type: none"> Circulation of first quarter report template to all departments 	18 September 2015	MM's Office: CPM
OCTOBER 2015 (ANALYSIS – STRATEGIES PHASE)			
IDP	<ul style="list-style-type: none"> Update of situational analysis continues (Local Municipality submissions) IDP Steering Committee sits to discuss issues identified during Analysis Phase 	1 – 14 October 2015 15 October 2015	MM's Office: IDP with all depts MM's Office: IDP MM & HODs MM's Office: IDP to arrange

PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
			Sector Technical Champions: to arrange
BUDGET	<ul style="list-style-type: none"> Preparation and submission of s71 report to the Executive Mayor Tariff review by departments Preparation of MFMA Implementation Plan Determination of budget limits for Ntinga and Kei Fresh Produce Market for 2015/16 – 2017/18 Submit section 52(d) report to council 	14 October 2015 16 October 2015 30 October 2015 30 October 2015 30 October 2015	BTO All departments BTO MAYCO OEM
PMS	<ul style="list-style-type: none"> Submission of 1st Quarter Performance Report 2015/16 by Departments Consolidation of 1st Quarter Performance Report 2015/16 by CPM Discussion of 1st Quarter Performance Report 2015/16 by management Submission of Draft 1st Quarter Performance Report 2015/16 to Council Structures Tabling of Draft 1st Quarter Performance Report 2015/16 to Council 	9 October 2015 12 – 14 October 2015 15 October 2015 19 October 2015 30 October 2015	All departments MM's Office: CPM All HOD's OEM
NOVEMBER 2015 (OBJECTIVES & STRATEGIES PHASE)			
IDP	<ul style="list-style-type: none"> IDP Representative Forum (Presentation of status Quo Reports by Local Municipalities & Sector Departments) 	5 November 2015	IDP Unit to arrange OEM & MM's Office to arrange All Departments
BUDGET	Preparation and submission of s71 reports to EM <ul style="list-style-type: none"> Departmental budget inputs for 2015/16 with projected cashflows for the 2015/16 Commence community and stakeholder consultation on the proposed tariffs 	13 November 2015 13 November 2015 16 – 20 November 2015	BTO All departments BTO & Infrastructure Cluster
PMS	<ul style="list-style-type: none"> Place 1st Quarter Report on the municipal website Submission of 1st Quarter Report to Provincial and National Treasury. 	9 November 2015 9 November 2015	MM's Office: CPM MM's Office: CPM
DECEMBER 2015 (STRATEGIES – PROJECT PHASE)			
IDP	<ul style="list-style-type: none"> Update of situational analysis continues 	1 – 11 December 2015	MM's Office: IDP to arrange All departments
BUDGET	<ul style="list-style-type: none"> Finalise Departmental budget inputs for 2015/16. Inputs on capital budget with cashflows Submission of budget inputs with projected cashflows Preparation and submission of s71 report to the Executive Mayor 	4 December 2015 4 December 2015 11 December 2015 11 December 2015	All departments All departments All departments BTO
PMS	<ul style="list-style-type: none"> Collation of the draft 2014/15 annual report incorporating financial and non financial on performance, audit reports and annual financial statements. Circulate 2nd Quarter and Midterm Performance Report template 	8 December 2015 10 December 2015	MM's Office: CPM, BTO & Internal Audit MM's Office: CPM
JANUARY 2016 (PROJECT – INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Sector Forums sittings in preparation for the IDP Lekgotla (continue) 	6 – 29 January 2016	MM's Office: IDP Technical Sector Champions to arrange
BUDGET	<ul style="list-style-type: none"> Preparation of mid year performance assessment Assess the performance of the DM as a whole & submit section 72 Report on the assessment to the Mayor, Provincial Treasury and National Treasury. Preparation and submission of s71 report to the Executive Mayor Submit section 72 report to council in terms of section 54 (1) (f). Submit section 52(d) report to council. Ntinga to submit their 2013/14 budget to the DM (section 87) with projected cashflows 	11 – 15 January 2016 11 – 15 January 2016 15 January 2016 29 January 2016 30 January 2016 30 January 2016	BTO and All HODs All HODs BTO Executive Mayor Accounting Officer All HODs



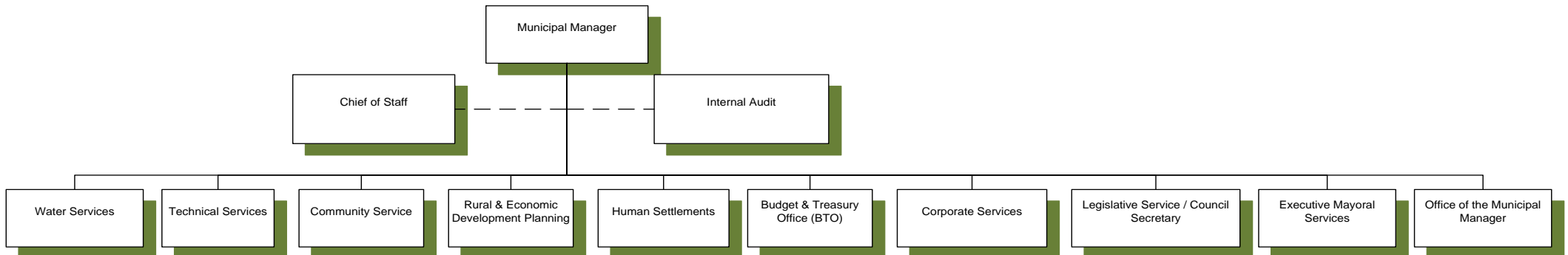
PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
	<ul style="list-style-type: none"> Final departmental/cluster's budget submission with the projected cashflows and all supporting documents Submission of inputs on adjustment budget Review proposed national and provincial allocations to the municipality for incorporation into the draft IDP 	30 January 2016 30 January 2016 30 January 2016	All HODs All HODs All HODs I
PMS	<ul style="list-style-type: none"> Submission of 2nd Quarter and Midterm Performance report by all departments Work session on Mid-term Assessment Consolidation of midterm assessment work session inputs into a report Present Draft Annual report & Mid-term report to Management Executive Mayor tables Annual Report (2015/16) & Mid Term assessment report for 2015/16 to Council 	15 January 2015 14 January 2015 18 - 20 January 2015 20 January 2015 29 January 2015	All HODs and Section Heads All departments MM's Office: CPM MM's Office: CPM Executive Mayor
FEBRUARY 2016 (INTEGRATION PHASE)			
IDP	<ul style="list-style-type: none"> Joint Sector Forum in preparation for O.R. Tambo District Lekgolla O.R. Tambo District Lekgolla (Presentation of Situational Analysis Report, Prioritisation of needs and draft strategic objectives) IDP Steering Committee – Draft Projects (Internal Departments) 	16 February 2016 23 - 26 February 2015 29 February 2016	All HODs MM's Office: IDP
BUDGET	<ul style="list-style-type: none"> Work Session on the Adjustment Budget and revised SDBIP Consider the proposed Ntinga's budget and assess whether it is in line with priorities and objectives and consider making recommendations if necessary (section 87) Adjustment Budget and revised SDBIP to Council Structures Preparation and submission of s71 report to the Executive Mayor Ntinga and KFPM submit a revised budget in line with the DM's recommendations (section 87) Finalise budget policies and tariff policy. The Executive Mayor presents the adjustment budget to council for approval Consolidation of the 2015/16-2016/17 detailed operational and capital budgets and budget schedules incorporating national and provincial allocations.(Draft Budget) 	1 – 5 February 2016 8 – 19 February 2016 8 – 19 February 2016 12 February 2016 19 February 2016 19 February 2016 26 February 2016 26 February 2016	All HODs and section heads Council structures BTO to lead Accounting Officer BTO Ntinga & KFPM BTO & Water Services Executive Mayor BTO & Water Services BTO
PMS	<ul style="list-style-type: none"> Publicise the 2014/15 Annual report and invite comments from communities. Work session on Adjustment Budget & Reviewed SDBIP 2015/2016 Submit tabled reports (Annual Report & Mid Term Performance) to AG, National & Provincial Treasury and DLGTA. Mid year performance reviews (top management) 	8 – 12 February 2016 8 – 12 February 2016 12 February 2016 23 – 25 February 2016	MM's Office: CPM All HODs & S/Heads MM's Office: CPM MM
MARCH 2015 (APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Finalisation of the O.R. Tambo District Lekgolla Report and dissemination to LMs and other relevant stakeholders. IDP Rep Forum – Presentation of Project to be implemented by Sector Department IDP Rep Forum – Presentation of Draft IDP & Budget 2016/2017 Draft IDP& Budget go to all Council Structures. State of the District Address Draft IDP& Budget tabled to Council 	1 – 10 March 2016 10 March 2016 22 March 2016 14 – 18 March 2016 27 March 2015 31 March 2015	MM's Office: IDP to arrange MM's Office: IDP OEM & Speaker's Office Executive Mayor
BUDGET	<ul style="list-style-type: none"> Finalise draft budget with related policies – budget, tariff, indigent etc Council Structures considers the draft budget for 2015/16 – 2016/17 Mayoral Committee considers the draft budget for 2015/16 – 2016/17 The Executive Mayor table in Council the annual budget for 2014/15 – 2016/17 and all supporting documents. 	1 March 2016 14 March 2016 21 March 2016 31 March 2016	BTO and Water Services Council Committees Mayoral Committee Executive Mayor
PMS	<ul style="list-style-type: none"> Oversight roadshows on the 2014/15 Annual Report Circulation of Third Term Report template to all departments Approval of 2013/14 Oversight report on the Annual Report 	1 – 3 March 2016 21 March 2016 31 March 2016	Speaker's Office MM's Office: CPM Council



PROCESS	ACTIVITY	TIME FRAME	RESPONSIBILITY
	<ul style="list-style-type: none"> Adopt the 2013/14 Annual report with the comments of the Oversight Committee. 	31 March 2016	Council
APRIL 2016 (APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Draft IDP advertised for comments (21 days) Submission of Draft IDP to AG, NT, PT, Legislature and DLGTA Publicise/Advertise the IDP & Budget Roadshow schedule IDP & Budget Roadshows Incorporation of community inputs into the IDP 	4 April – 2 May 2016 14 April 2016 8 April 2016 11 – 22 April 2016 25 – 29 April 2016	MM's Office: IDP MM's Office: IDP Communications OEM & Speaker's Office MM's Office: IDP
BUDGET	<ul style="list-style-type: none"> Prepare for and attend benchmarking exercise at National Treasury Submit to Provincial and National Treasury and other affected organs of state. Publicise the 2015/16 tabled budget for communities to submit representations. Preparation and submission of s71 report to the Executive Mayor Consultations on the tabled budget Submit section 52(d) report to council. 	April 2016 8 April 2016 11 April 2016 14 April 2016 14 – 25 April 2016 30 April 2016	MM's office with relevant depts BTO BTO OEM/ Speaker's Office
PMS	<ul style="list-style-type: none"> Submit Annual report to AG, National & Provincial Treasury, Legislature and DLGTA. Submission of Third Quarter Performance Report 2015/2016 by departments Consolidation of Third Quarter Performance Report 2015/2016 Discussion of the Third Quarter Performance Report 2015/2016 by Management Submission of Third Quarter Performance Report 2015/2016 to Council Structures Tabling of Third Quarter Performance Report 2015/2016 to Council 	14 April 2016 8 April 2016 11 – 14 April 2016 14 April 2016 22 April 2016 30 April 2016	MM's Office: CPM All departments MM's Office : IDP MM's Office: IDP OEM
MAY 2016 (APPROVAL PHASE – FINAL IDP & BUDGET)			
IDP	<ul style="list-style-type: none"> IDP Representative Forum Meeting (Community Inputs & Presentation of Draft IDP & Budget for input) Executive Mayor tables 2015/16 IDP and Budget to Council for final adoption. 	19 May 2016 31 May 2016	MM's Office: IDP to arrange Executive Mayor
BUDGET	<ul style="list-style-type: none"> Respond to submissions received and if necessary revise the budget for further consideration by relevant committees Submit section 71 report to the Executive Mayor Finalise budget for adoption incorporating all inputs received The Executive Mayor table in Council the annual budget for 2015/16 – 2016/17 and all supporting documents for approval 	2 – 6 May 2016 29 May 2016 29 May 2016 31 May 2016	BTO BTO Executive Mayor Council
PMS	<ul style="list-style-type: none"> Submission of 3rd Quarter Report to Provincial and National Treasury. Drafting of the 2015 - 16 SDBIP & Performance Agreements 	8 May 2015 19 – 29 May 2015	MM's Office: CPM All HODs
JUNE 2016 (POST APPROVAL PHASE)			
IDP	<ul style="list-style-type: none"> Public notice on adoption of IDP Submission of Final IDP & Budget to AG, National & Provincial Treasury, Legislature and DLGTA Summary of the IDP 	6 – 10 June 2016 10 June 2016 24 June 2016	MM's Office: IDP MM's Office: IDP MM's Office: IDP
BUDGET	<ul style="list-style-type: none"> Public notice on adoption of budget Submit approved Budget to National and Provincial Treasuries as well as COGTA. Submit section 71 report to the Executive Mayor Capture approved budget into the financial system (Venus) 	6 – 10 June 2016 14 June 2016 14 June 2016 15 -30 June 2016	BTO Accounting Officer BTO BTO
PMS	<ul style="list-style-type: none"> Draft SDBIP & Performance Agreements to the Mayor 14 days after adoption of IDP & Budget Submit approved SDBIP to MEC for Local Government, National and Provincial Treasury. Publicise SDBIP and Performance Agreements Executive Mayor approves Institutional SDBIP within 28 days of Budget approval Approved SDBIP placed on the website 	20 June 2016 27 June 2016 30 June 2016 30 June 2016 30 June 2016	All HODs MM's office: CPM MM's office: CPM Executive Mayor MM's office: CPM, ICTM



ANNEXURE 2: ADMINISTRATIVE STRUCTURE OF THE MUNICIPALITY



ANNEXURE 3: SUMMARY OF KEY AUDIT ACTION PLAN

STRATEGIC FINDINGS	RECOMMENDED ACTION
1. QUALIFICATIONS	
1.1 Areas of qualification	1.1.1 Chief Financial Officer to facilitate the preparation for the correction of qualified accounts on the 2014/15 AFS. 1.1.2 All accounts relating to 2014/15 financial year to be ready for pre-audit by 31 May 2016 [CFO]. 1.1.3 Appointment of a service provider for the verification of movable assets and compilation of a revised asset register. 1.1.4 Methodology to accurately measure material losses to be developed and implemented. 1.1.5 Finance to target to complete the 2015/16 audit by end of October 2016 through improving audit readiness and responsiveness with the support of all directorates
2. PROCUREMENT (SCM)	
2.1 Incomplete identification Unauthorised, Irregular, Fruitless & wasteful expenditure	2.1.1 MM to Advise Council by 31 January 2016 on the establishment of a committee of council to investigate irregular, unauthorised and, fruitless and wasteful expenditure for the purposes of recovery, or write-off per s32 of the MFMA. 2.1.2 SCM Manager to set-up a team, project manage and use a comprehensive checklist (AGSA) to review all payments made during the past 5 years for compliance with SCM regulations. (Complete by 30 May 2016). 2.1.3 SCM Manager to allocate a dedicated individual/team to implement the checklist on a daily basis going forward (By 1 March 2016).
2.3 No investigations and consequences	2.3.1 The Accounting Officer (Assisted by All Senior Managers) must compile a register of all known irregularities that have not been resolved. (Register compiled by 28 February 2016) 2.3.2 The Accounting Officer will prepare a report of items referred to Council that have not been resolved and referred to Council for Action (next Council after the 31 January 2016) 2.3.3 The Council led by MMC for Audit and Finance will develop a policy for the Municipality in line with the Circular 68 of the MFMA to define the process to followed when U,I,F&W expenditure is identified. (Policy to be tabled in Council by 31 March 2016) 2.3.4 Policy to be implemented from 1 April 2016
2.4 Ineffective controls for prevention of U,I,F&W expenditure	2.4.1 Implementation of the Policy per 2.3.3 above will act as a preventative measure for future offenses. 2.4.2 Council to demonstrate political will to improve the control environment through timeous pronouncement on investigations that must be conducted and ensuring its resolutions on investigations conducted are implemented [Executive Mayor] (Timeline dependent on 2.3.2)
2.5 Procurement outside SCM	2.5.1 Awareness campaign with the suppliers on the database and strict communication of the procurement process (Central through the official order form), formal communication to be sent through public means. (28 February 2016) 2.5.2 Accounting Officer - Internal communication and circular to be sent to all head of departments and managers. (31 January 2016) 2.5.3 The CFO to communicate the SCM Policy with regards to deviations and process that must be followed for the water services department. (28 February 2016) 2.5.4 Accounting Officer – to write to employees that have procured (committed the Municipality) outside the approved supply chain management policy by 7 February 2016.
3. LACK OF/ INADEQUATE INTERNAL CONTROLS	

STRATEGIC FINDINGS	RECOMMENDED ACTION
3.1 Procedure Manuals (Review and update incl. turnaround times) (Asset management, Supply Chain Management, payroll & HR, Expenditure and budget management, Revenue Management, etc.)	3.1.1 [ALL Directors] coordinated by the MM to review the existing procedure manuals to identify and close any gaps that may exist. (Review by 31 May 2016) 3.1.2 Review in 3.1.1 to incorporate Information Technology Controls (General Computer Controls and Applications controls) – [AGSA IT Audit report to be used as guide] 3.1.3 Reviewed procedure manuals to be fully implemented from 1 July 2016 in order to ensure a stable control environment 3.1.4 [All Directors] to submit a list of employees in their departments that are not paid through the payroll system to Director Corporate Services by 28 February 2016 for Director Corporate Services to verify and include those employees meet the ORT DM criteria to be in the payroll system 3.1.5 No employees to be engaged outside payroll going forward, and legislative considerations to be taken into account for temporary employees by Corporate Services. 3.1.5 All payments to be made through the centralised payroll function from 31 March 2016
3.2 Change Management Process	3.4.1 The Municipal Manager supported by the CFO to champion a change management process that will result in the implementation of Internal Controls, Laws and regulations (30 June 2016) 3.4.2 The CFO to develop a change management process plan for review and approval of the Accounting Officer and the Executive Mayor by 15 February 2016. The change management plan to ensure union and all stakeholders involvement. 3.4.3 Upon review and approval of the Change Management Process plan the Executive Mayor must confirm the correct champion for facilitating the change management process.
4. COMPLIANCE	
4.1 Compliance Universe (All applicable legislation)	4.1.1 The Accounting Officer must ensure the development of a compliance universe, risk assessment, development of Compliance Risk Management plan by 31 May 2016 4.2.2 Should external help be required, such shall be procured by 31 March 2016
4.2 Compliance Risk Assessment (AGSA focus)	4.2.1 Development of a compliance universe, risk assessment, development of Compliance Risk Management plan by 31 May 2016
4.3 Compliance Monitoring (tools and reporting)	4.3.1 Internal Audit to review compliance each quarter and report on the state of compliance with laws and regulations on a quarterly basis.
5. CONSOLIDATION OF KEI FRESH PRODUCE MARKET	
5.1 Accounting treatment	5.1.2 2014/15 AFS for KFP to be prepared per GRAP and audited by AG and consolidated to ORTDM up until the deregistration then transfer KFP to Ntinga. 5.1.2 Finalisation of deregistration of KFP and transfer to Ntinga
5.2 Going forward	5.2.1 The Accounting Officer must review the status of KFPM including capacity to implement systems of internal control and prepare financial reports and submit a report to Council with recommendations on how oversight and accountability for KFPM should be structure going forward and whether this is a viable entity on its own. (By 15 March 2016)
6. PERFORMANCE MANAGEMENT SYSTEM (AOPO)	
6.1 2015/16 SDBIP review (current issues)	6.1.1 Review of the 2015/16 SDBIP for relevant audit criteria and ensure adjustments are processed within 1 month of the approval of the Adjustment budget. (By 20 March 2016)

STRATEGIC FINDINGS	RECOMMENDED ACTION
6.2 Performance Management	6.1.1. Development of the performance management framework with clear process for review, 6.1.2. Develop Procedure Manuals and Reporting Systems for the Departmental Performance 6.1.3. Involve all departmental staff in planning of the IDP/SDBIP for easy implementation, monitoring and reporting. 6.1.4. Development of individual work plans by each employee- flowing from the set targets that are in the IDP/ SDBIP. 6.1.5. Capacity building on what performance review entails.(who reviews what, with whom and by when). 6.1.6. Signing of acknowledgement of the process between HoDs and HoS till the last level and consequences attached thereof 6.1.6. Institute the standard operating procedures as per the approved performance management framework, and legislations. 6.1.7. To establish PMS Unit by Prioritising the employment of the PMS Manager both at the Corporate Services(Individual) and MM office (Institutional) 6.1.8. Development of the Technical Indicator Descriptor/ clear means of verification for all the SDBIP targets. 6.1.9. Coordinate the submission and review of Annual Performance report against the Portfolio of Evidence by July. 6.1.10. Review and sign-off of departmental Performance Report and POEs 6.1.11. Code of Ethics to be communicated and signed by all employees 6.1.12. Targets reported as achieved/ partially achieved should be accompanied by PoE. Reports submitted without PoE should not be considered. Failure to do so must have consequences. 6.1.13. Effective use of Internal Audit i.e submitting quarterly reports with PoE in time and prompt feedback to HoDs. Failure to submit to IA must have consequences too.
7. OVERSIGHT AND ACCOUNTABILITY ACTION PLAN (REPORTING)	
7.2 Council	7.2.1 The Executive Mayor must report to council quarterly on the implementation of the Management Audit Action Plan
7.3 MPAC	7.3.1 The Heads of Department must report to MPAC quarterly on the implementation of the Management Audit Action Plan
7.4 MAYCO	7.4.1The Accounting Officer, CFO and ALL HODs report to MAYCO monthly on progress in the implementing the Management Audit Action Plan, AFS preparation process plan, process plan for the filling of the organogram and pre-audit outcome of internal audit
7.5 Audit Committee	7.5.1 Internal Audit must report to AC on the implementation of the Audit Action Plan and the AFS preparation process plan.
7.6 Municipal Manager	7.6.1 ALL HODs must report to the Municipal Manager at Management Meeting (Mondays) on the implementation of the Management Audit Action Plan
7.7 HOD Meetings	7.7 HODs must hold departmental meetings twice a week with delegated managers to monitor progress and early detect challenges in achieving the Management Action Plan, implement alternative measures to ensure outcomes per the Management audit Action Plan are achieved by set deadlines.
8. COMMUNICATION & CO-ORDINATION	
8.1 Effective date	8.1.1 To be tabled in the Council of 29 January 2016, from then the commitments made become binding to managers allocated responsibility.
8.2 AFS Process Plan	8.2.1 CFO to develop an AFS Process Plan for the 2015/16 Audit for adoption at the Management Meeting by 28 February 2016. No leave will be allowed during critical dates identified in the AFS process plan.



ANNEXURE 4:

ANNEXURE 5:



A VIBRANT AND PROSPEROUS DISTRICT