



**O.R. TAMBO  
DISTRICT MUNICIPALITY**

**DRAFT INTEGRATED DEVELOPMENT PLAN  
2019/20 REVIEW**

## FOREWORD BY THE EXECUTIVE MAYOR



### EXECUTIVE MAYORS COUNCILLOR R.Z. NOGUMLA

The laws that govern the affairs of the municipality dictate for the development of the five year Integrated Development Plan (IDP) which must be reviewed annually. Following the August 2016 local government elections, the OR Tambo district municipality was able to develop and adopt its 2017/ 2022 IDP that set the Council agenda over the term. Since the adoption of the 2017/2022 strategic plan the municipality complied with the Local Government Municipal Systems Act, section 34, in ensuring that the IDP document is reviewed annually and aligning it to the budget that serve to resource the programmes.

Once more over the 2018/2019 financial year the municipality had embarked upon a journey and processes for the 2019/2020 IDP review as well as budgeting for the Medium Term Expenditure

Framework (MTEF) guided by various policy imperatives. Amongst others the processes realises that during the beginning of 2018, the country experienced changes at national political and government level, and witnessed the election of a new President and appointment of a new Cabinet to complete the term of Government Office. It also celebrated the centenary anniversary for the birth of Nelson Mandela and Mama Albertina Sisulu. ***“The president declared the year as a year of change, renewal and hope, President Ramaphosa urged all South Africans to honour both Madiba and Mama Albertina Sisulu “not only in word, but, more importantly, in direct action towards the achievement of their shared vision of a better society.”***

Further to that President Ramaphosa presented his State of The National Address on the 07<sup>th</sup> February 2019, acknowledging that the country has been characterised by slow economic growth, recession, ratings downgrades (including the so-called junk status), and heightened concerns regarding the governance and sustainability of key state-owned companies.

The President noted that, with renewed optimism the growth projections have been revised positively. However, the country is still challenged significantly reduce unemployment, poverty and inequality, and relieve pressure on the fiscal framework. The State of the Nation Address identified few tasks to be undertaken by government, such as:-

- To accelerate inclusive economic growth and create jobs;
- Improve the education system and develop the skills;
- Improve the conditions of life for all south Africans, especially the poor;
- To step up the fight against corruption and state capture; and

- To strengthen the capacity of the state to address the needs of the people.

On the other hand the Minister of Finance presented the budget speech that has been built on six fundamental prescripts, which are:-

- Achieving a higher rate of economic growth;
- Increasing tax collection;
- Reasonable, affordable expenditure;
- Stabilising and reducing debt;
- Reconfiguring state-owned enterprises; and
- Managing the public sector wage bill.

In line with the national policy imperatives, the Council of OR Tambo district municipality adopted this Integrated Development Plan as the strategic document to guide the programmes over the year. The IDP principles serve to:-

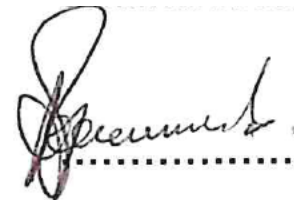
- Accelerate service delivery,
- Improve the local economic development,
- Strengthen systems for the sound financial management
- Build the institutional capacity and
- Instil good governance.

To realise these principles through this IDP the municipality had particular focus on the implementation of water and sanitation services projects as well as facilitating maintenance and refurbishment of the existing water schemes. It also focuses on improving the revenue, expenditure and forging partnership in resource mobilisation. The IDP realises that the municipality is rural and is the centre for some catalytic projects that include Special Economic Zone; Mzimvubu Dam Development; Primary Agriculture Product through Rural Agro-processing Financial Initiative and N2

Wild Coast Development. Moreover, it realises the District Development Plan priority of restructuring the entities in order to contribute to the district economy. As such there is a particular focus to reshape Ntinga Development Agent in order to optimise contribution to the regional economy.

It is against this that I present the reviewed Integrated Development Plan 2019/2020 as adopted by the Council. I wish to note that over the year we together with our stakeholders had agreed in the strategic planning session to rearrange our vision to be “**a people-centred, vibrant, innovative and a prosperous district**”.

As the Executive Mayor of the district municipality, I therefore commit that the entire political leadership and administration will implement this IDP 2019/2020 and will forge partnerships with the communities in this regard. As a caring government we will strengthen our accountability to the communities.



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**COUNCILLOR R.Z. NOGUMLA**  
**EXECUTIVE MAYOR**

## OVERVIEW BY THE MUNICIPAL MANAGER



### MUNICIPAL MANAGER: O.N. HLAZO

This Integrated Development Plan Review 2019/20 is the product of a process that took a period of not less than ten (10) months. It started from the adoption of the framework and process plan back in August 2018 as well as robust consultations with stakeholders. The drafting processes happened through stakeholders and communities' engagement at various platforms such as strategic planning, IDP representative forums and roadshows. Inputs from these sessions have shaped the municipal focus and its agenda over the financial year. The content of the document lift issues highlighted as requiring attention by both stakeholders and communities. These include: -

- Improvement of Quality of Water & Sanitation Services
- Improve the functionality of water schemes
- Expansion of Water Services to non-serviced areas

- Maintenance of VIP toilets t
- Creation of job opportunities
- Strengthening partnerships
- Agriculture and food production.

The above issues have been embraced and are at the centre of what the district municipality would be executing over the year. As much service delivery had remained the priority for the year under review, the leadership of the district further prioritized issues of governance such as promotion of accountability and sound financial management; instilling a culture of performance and forging relations with its communities. This IDP 2019/20 therefore balances the service delivery and elements of governance. It has the particular focus on clean administration and improving the image of the organization.

In this IDP 2019/20 review, the OR Tambo District Municipality continues to emphasise and focus on initiatives to unlock basic service delivery in areas of water and sanitation, facilitate primary production in agriculture, stimulate growth in manufacturing and tourism and support to cooperatives and small medium enterprise development. The municipality will implement strategies and commit resources to address the triple challenges of Poverty, Inequality and Unemployment in pursuit of its vision to be ***a people-centred, vibrant, innovative and a prosperous district.***

I wish to note that, the IDP as presented has been assessed by CoGTA and is confirmed that it is aligned to the budget and to other planning instrument such as Spatial Development Framework, Water Service Development Plan, and Integrated Transport Management Plan etcetera.

As the Accounting Officer of the municipality I therefore commit that I will steer the entire management and staff towards the execution of the strategies and priorities outlined in this Plan.

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal stroke and a short vertical stroke, ending in a small hook.

.....  
**O.N. HLAZO**  
**MUNICIPAL MANAGER**

## EXECUTIVE SUMMARY

The Integrated Development Plan (IDP) is the principal strategic instrument of a municipality that gives effect to its developmental mandate as enshrined in the Constitution of the Republic of South Africa (1996). The concept of integrated planning has cemented itself as the strategic process within modern day local government as an effective way of ensuring that limited resources of a municipality are being optimised to improve the livelihoods of communities. The external focus of an IDP is to identify and prioritize the most critical developmental challenges of the community whilst organizing internal governance and institutional structures in order to address those challenges.

The IDP is a five-year plan which clearly stipulates the vision, mission and strategic objectives of Council and is reviewed annually to adjust to the changing socio-economic, infrastructural and environmental dynamics and the needs of communities. The IDP guides and informs all planning and development initiatives whilst it forms the basis of the Medium Term Revenue & Expenditure Framework (MTREF) or the Budgeting. One of the key objectives of integrated development planning is to co-ordinate improved integration of programmes and projects across sectors and spheres of government in order to maximize the impact thereof on the livelihoods of the community.

The O.R. Tambo District municipality adopted its IDP for the term beginning 2017 - 2022 in May of 2017. The preparation of the IDP Review is annually preceded by the Council approved the process plan for the IDP and Budget preparation. The process plan serves to guide the developing or review of the IDP and to ensure integration between the development of the IDP and the Budget. It

needs to be noted that Budget enables achievement of the IDP objectives and targets as the strategic planning tool of the Municipality. The District IDP realizes the Local Government Key Performance Areas as outlines in the local government strategic agenda. It therefore clustered its priorities in line with the five (5) Key Performance Areas namely Basic Service Delivery, Financial Viability and Management, Local Economic Development, Good Governance and Public Participation and Municipal Institutional Transformation and Development.

The review of IDP and budget at O.R. Tambo District municipality included a number of community consultations through the IDP Representative Forum. The IDP representative forum provided a platform for capturing and consolidating the community and stakeholder inputs during the review of objectives, strategies and targets for the 2019/20 financial year. The Mayoral Lekgotla session held in March 2019, provided a platform for the participation of all local municipality Mayors, portfolio councillors responsible for planning and Municipal Managers, in the review of the District's IDP. Further to that a Strategic Planning Session was convened in March 2019, where Sector Departments and various stakeholders were invited to share their planned projects and programmes to be implemented in the District space for 2019/20.

The public participation and consultative process was concluded by undertaking district-wide IDP and Budget roadshows in April 2019, where the Executive Mayor, Deputy Executive Mayor, Speaker, Chief Whip and Mayoral Committee members and senior officials visited wards and villages throughout the District to outline the service delivery agenda of the Municipality. The roadshows also served as an opportunity to report back to the communities across the five local municipalities on the work that was done during the 2018/19 financial year. This IDP therefore has taken into account

the comments/ inputs from the public. These inputs as well as the commitments made by the District Municipality are central in informing the IDP priorities, objectives, targets and budgeting.

The reviewed IDP embraces the principles for strategic planning at local government. It does this within the auspices of the National Development Plan, the Provincial Development Plan and the District Development Plan. It realizes the Back 2 Basics framework for local government as well as the broader strategic, regulatory and policy framework applicable to local government. It also aligns with the Integrated Urban Development Framework (IUDF), a critical urban policy for the local government sector in South Africa. The long term development agenda and spatial vision of the District is

encapsulated in the Spatial Development Framework (SDF) which provides the guidelines for a land use management system to achieve the long term strategic intentions.

The MTREF budget is informed by the IDP and linked to specific Service Delivery & Budget Implementation Plan (SDBIP) targets to ensure that development is achieved in a coordinated manner which works towards a longer term developmental agenda. Lastly, the reviewed IDP appreciates the principles and the format expected in terms of the Municipal Standard Chart of Accounts Regulations (mSCOA) (2014), and therefore provides, seamless linkages with the MTREF Budget and SDBIP.

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**LIST OF ABBREVIATIONS AND ACRONYMS**

A/A: Administrative Area  
 AG: Auditor General  
 AGSA: Auditor General South Africa  
 B2B: Back to Basics  
 BCM: Budget Cycle Matrix  
 CAA: Civil Aviation Authority  
 CBD: Central Business District  
 CCMDD: Central Chronic Medicines Dispensing and Distribution  
 CDW: Community Development Worker  
 CFO: Chief Financial Officer  
 CIDB: Construction Industry Development Board  
 COGTA: Cooperative Governance and Traditional Affairs  
 CPMD: Certificate in Public Management and Development  
 CSIR: Council for Scientific and Industrial Research  
 DBSA: Development Bank of South Africa  
 DCF: District Communication Forum  
 DCoG: Department of Cooperative Governance  
 DEDEAT: Department of Economic Development Environmental  
 Affairs and Tourism  
 DFA: Development Facilitation Act  
 DM: District Municipality  
 DMP: Disaster Management Plan  
 DPSA: Department of Public Service and Administration  
 DRA: Disaster Risk Assessment  
 DRDAR: Provincial Department of Rural Development and  
 Agrarian Reform

DRDLR: National Department of Rural Development and Land  
 Reform  
 DRM: Disaster Risk Management  
 DTI: Department of Trade and Industry  
 DWA: Department of Water Affairs  
 DWAF: Department of Water Affairs and Forestry  
 EAP: Economically Active Population  
 ECD: Early Childhood Development  
 ECDC: Eastern Cape Development Corporation  
 ECDOT: Eastern Cape Department of Transport  
 ECPTA: Eastern Cape Parks and Tourism Agency  
 ECSECC: Eastern Cape Socio Economic Consultative Council  
 EIA: Environmental Impact Assessment  
 ELIDZ: East London Industrial Development Zone  
 EMP: Environmental Management Plan  
 EMS: Emergency Medical Services  
 EPWP: Expanded Public Works Programme  
 FDI: Foreign Direct Investment  
 FIS: Focused Intervention Study  
 FPA: Fire Protection Area  
 FY: Financial Year  
 GDP: Gross Domestic Product  
 GHGs: Greenhouse Gases  
 GRAP: Generally Recognised Accounting Practice  
 GVA: Gross Value Added  
 HDI: Human Development Index  
 HLOS: High Level Operating System  
 HPRS: Health Patient Registration System  
 HR: Human Resources  
 HSP: Housing Sector Plan  
 ICT: Information and Communications Technology  
 IDP: Integrated Development Plan  
 IGR: Inter-Governmental Relations

IPCC:	Intergovernmental Panel on Climate Change	MPA:	Marine Protected Area
IPTN:	Integrated Public Transport Network	MPAC:	Municipal Public Accounts Committee
IS:	Information Systems	MRM:	Moral Regeneration Movement
ITCC:	Integrated Transport Coordinating Committee	MSA:	Municipal Systems Act
ITP:	Integrated Transport Plan	mSCOA:	Municipal Standard Chart of Accounts
IWMP:	Integrated Waste Management Plan	MTEF:	Medium Term Expenditure Framework
KFPM:	Kei Fresh Produce Market	MTREF:	Medium Term Revenue and Expenditure Framework
KPA:	Key Performance Area	MuniMEC:	Intergovernmental body consisting of CoGTA MEC and all Mayors of the Province
KPI:	Key Performance Indicator		
KSDLM:	King Sabata Dalindyebo Local Municipality	MWIG:	Municipal Water Infrastructure Grant
LCC:	Land Capability Classes	NDP:	National Development Plan
LED:	Local Economic Development	NEMA:	National Environmental Management Act
LG:	Local Government	NEMWA:	National Environmental Management Waste Act
LGE:	Local Government Elections	NGO:	Non-Governmental Organisation
LGSETA:	Local Government Sector Education and Training Authority	NHI:	National Health Insurance
		NKPI:	National Key Performance Indicator
LLF:	Local Labour Forum	NLTA:	National Land Transport Act
LM:	Local Municipality	NMDC:	National Disaster Management Centre
MAAP:	Management Audit Action Plan	NMDF:	National Disaster Management Framework
MANCO:	Management Committee	NMT:	Non-motorised Transport
MAYCO:	Mayoral Committee	NQF:	National Qualifications Framework
MR:	Mobility Route	NSDP:	National Spatial Development Perspective
MDGs:	Millennium Development Goals	NSDS:	National Skills Development Strategy
MEC:	Member of the Executive Council	NTSS:	National Tourism Sector Strategy
MFMA:	Municipal Finance Management Act	OHS:	Occupational Health and Safety
MHS:	Municipal Health Services	ORTDM:	O.R. Tambo District municipality
MIG:	Municipal Infrastructure Grant	PC:	Primary Corridor
MISA:	Municipal Infrastructure Support Agency	PDP:	Provincial Development Plan
MM:	Municipal Manager	PE:	Performance Enabler
MMC:	Member of Mayoral Committee	PFMA:	Public Finance Management Act
MOM:	Municipal Oversight Model	PHC:	Primary Health Care
MOA:	Memorandum of Agreement	PIDS:	Provincial Industrial Development Strategy:
MOU:	Memorandum of Understanding		

PIPTNMP:	Provincial Integrated Public Transport Network Management Plan	VIP:	Ventilated Improvement Pit
PMO:	Project Management Office	WBOT:	Ward Based Outreach Team
PMS:	Performance Management System	WBPIIS:	Ward Based Planning and Information System
PMU:	Project Management Unit	WCSEZ:	Wild Coast Special Economic Zone
PN:	Primary Node	WMA:	Water Management Area
PT:	Public Transport	WSA:	Water Services Authority
PTA:	Provincial Tourism Authority	WSP:	Water Services Provider
RBIG:	Regional Bulk Infrastructure Grant	WSDP:	Water Services Development Plan
RRAMS:	Rural Roads Assessment Management Systems	WWF:	World Wildlife Fund
SAIMSA:	Southern Africa Inter-Municipal Sports Association		
SALGA:	South African Local Government Association		
SANDF:	South African National Defence Force		
SANRAL:	South African National Roads Agency		
SAPS:	South African Police Service		
SASSA:	South African Social Security Agency		
SCM:	Supply Chain Management		
SDBIP:	Service Delivery and Budget Implementation Plan		
SDF:	Spatial Development Framework		
SDGs:	Sustainable Development Goals		
SEA:	Strategic Environmental Assessment		
SMME:	Small, Medium and Micro Enterprises		
SOC:	State Owned Corporation		
SONA:	State of the Nation Address		
SOPA:	State of the Province Address		
SoP:	Separation of Powers		
SPLUMA:	Spatial Land Use Management Act		
SPU:	Special Programmes Unit		
SRACH:	Sports, Recreation, Arts, Culture and Heritage		
SR-TF:	Special Routes- Tourism Focus		
TN:	Tertiary Node		
UNFCCC:	United Nations Framework Convention on Climate Change		

**O.R. Tambo District Offices**

The O.R. Tambo District Offices are located in Mthatha, with disaster centres located throughout the District.

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# CHAPTER 1: INTRODUCTION

## 1.1 BACKGROUND

The O.R. Tambo District municipality approved its five (5) year Integrated Development Plan for the current term of Council (2017 – 2022) in May 2017. This year marks the third year of its implementation, which is also known as the mid-term. The IDP is the strategic plan of the municipality and it is developed and approved every five years at the beginning of a new term of Council. The IDP spells out the priorities, objectives, strategies and programmes of the Council. The Council determines the vision and mission of its elected term informed by its political mandate and response to the service delivery situation in its area of jurisdiction. The following vision and mission was adopted by the O.R. Tambo Council:

**Vision:**

***A people-centered, vibrant, innovative and a prosperous district***

**Mission:**

***To provide core sustainable services and support in fulfilling its mandate through a developmental local government approach. The O.R. Tambo District municipality shall pursue a socio-economic development agenda that will provide an improved quality of life and affirm the dignity of its people.***

The O.R. Tambo Council also adopted the following values to guide the ethos of public service in the municipality.

**Table 1: O.R. Tambo Values**

O	Objective
L	Leadership
I	Industrious and Innovative
V	Virtuous
E	Ethical and Excellence
R	Respect, Responsible and Responsive
T	Tenacious and Transparent
A	Accountable
M	Meticulous
B	Bold and Brave
O	Openness

This year’s IDP Review signifies the start of the third financial year (2019/2020) under 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:

- Energizing and mobilizing the municipality as a development 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 operating in the jurisdiction of the municipality.

The following sections outline the legislative framework for developing and reviewing IDPs as well as the alignment framework through which the O.R. Tambo District municipality relates to the Eastern Cape Province, the National Government and the Global environment.

## 1.2 LEGISLATIVE AND POLICY FRAMEWORK

The Constitution of the Republic of South Africa (1996 Section 152(1) (a)–(e) regulates and directs the operations and existence of local sphere of government. 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.

The Constitution of the Republic of South Africa (1996) herein after referred to as The Constitution mandates municipalities to structure and manage their administration, budgets and planning processes to prioritise the basic needs of the community, in order to promote social and economic development of the community. It further requires

municipalities to participate in national and provincial development programmes.

In order to realise the above objectives, 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 taking 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 for the annual budgets;
- Complies with the provisions of Chapter 5 of the Act; and
- Be compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

In addition, Section 26 of the MSA stipulates that an IDP must include:

- The municipal council's vision, inclusive of 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 to address the municipality's internal transformation needs;
- The clarification of investment initiatives;
- The specification for developmental 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 56 Of 2003 (MFMA) seeks to ensure closer alignment between the municipality's annual budget and its IDP. In order to achieve this, 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.

The Municipal Standard Chart of Accounts Regulations (2014) (mSCOA) prescribes the method and format that municipalities should apply to record and classify all expenditure (capital and operational), revenue, assets, liabilities, equity, policy outcomes and legislative reporting. Through this chart, transactions are expected to be recorded across seven (7) segments: project, funding, function, item, region, costing and standard classification. This IDP has been developed in line with the mSCOA compliance framework.

### **1.3 ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES**

This section covers the following policy documents which influence integrated development planning in the O.R. Tambo District municipality:

- The National Development Plan
- Back-to-Basics Local Government Strategy (B2B)
- The Integrated Urban Development Framework (IUDF)
- The Medium Term Strategic Framework (2014 – 2019)
- The New Economic Growth Path
- The Provincial Development Plan
- The Provincial Economic Development Strategy
- The Provincial Spatial Development Framework
- Sustainable Development Goals

### 1.3.1 The National Development Plan

The National Development Plan (NDP) aims to eliminate poverty and reduce inequality by 2030. According to the NDP, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The NDP diagnostic set out South Africa's achievements and shortcomings since 1994. It identified a failure to implement policies and an absence of broad partnerships as the main reasons for slow progress, and set out nine primary challenges:

- Too few people work
- The quality of school education for black people is poor
- Infrastructure is poorly located, inadequate and under-maintained
- Spatial divides hobble inclusive development
- The economy is unsustainably resource intensive
- The public health system cannot meet demand or sustain quality
- Public services are uneven and often of poor quality
- Corruption levels are high
- South Africa remains a divided society.

The NDP then sets out the following development objectives to be achieved by 2030:

- Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero; and

- Reduce inequality – The Gini coefficient should fall from 0.69 to 0.6.

The NDP identifies the following enabling milestones to be achieved by the country:

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.

- Realise a food trade surplus, with one-third produced by small-scale farmers or households. Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

In order to achieve the desired development by 2030, the following critical actions are required.

- A social compact to reduce poverty and inequality, and raise employment and investment.
- A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
- Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
- Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
- An education accountability chain, with lines of responsibility from state to classroom.

- Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
- Public infrastructure investment at 10 percent of gross domestic product (GDP), financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
- Interventions to ensure environmental sustainability and resilience to future shocks.
- New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
- Reduce crime by strengthening criminal justice and improving community environments.

The O.R. Tambo District municipality's long term strategic planning is inspired by the vision of the NDP and its development objectives and service delivery programmes are designed to give effect to the NDP.

### **1.3.2 Back-to-Basics (B2B) Local Government Strategy**

The National and Provincial government introduced a B2B policy imperative which has to be inculcated in government institutions' planning instruments. Municipalities also were required to inculcate 'B2B into their planning instruments and monitor their implementations. The B2B Local Government Strategy) was developed in 2014 by the DCoG and Traditional Affairs. According to the Strategy at the most basic level, municipalities are expected to:

- put people and their concerns first and ensure constant contact with communities through effective public participation platforms;
- create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore with urgency;
- be well governed and demonstrate good governance and administration - cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability;
- ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities;
- build and maintain sound institutional and administrative capabilities administered and managed by dedicated and skilled personnel at all levels.

The ORTDM council endorsed the B2B document. It further resolved that each municipal Key Performance Areas (KPAS) must be aligned to the B2B priorities and be reported on. In line with the B2B, heads of departments were assigned responsibilities to ensure the implementation of it. It is in that spirit that the ORDM district municipality's IDP of 2018/2019 in its Chapter One, ensures that it is aligned to the NDP, the National Outcomes and the B2B priorities. Reports on the implementation of the IDP through the SDBIP realises the B2B model as the policy imperative. The Department of Cooperative Governance (DCoG) assesses the IDP in terms of its alignment to the B2B strategy.

The building blocks for the B2B Strategy are as follows:

- Good Governance - Good governance is at the heart of the effective functioning of municipalities;
- Public Participation - Measures will be taken to ensure that municipalities engage with their communities;
- Financial Management - Sound financial management is integral to the success of local government;
- Infrastructure Services - The planning, implementation and maintenance of basic infrastructure is critical for sustaining basic standards of living and economic activity in our towns and cities; and
- Institutional Capacity - There has to be a focus will be on building strong municipal administrative systems and processes.

### **1.3.3 The Integrated Urban Development Framework**

The Integrated Urban Development Framework was approved by cabinet in April 2016. It is a policy initiative of the Government of South Africa, coordinated by the Department of Cooperative Governance and Traditional Affairs (CoGTA). The framework discusses how the South African urban system can be re-organised, so that our cities and towns become more inclusive, resource efficient and good places to live, shop, work and play as per the vision outlined in the NDP.

The IUDF seeks to foster a shared understanding across government and society and how best to manage urbanization and achieve the goals of economic development, job creation and improved living conditions for our people.

The IUDF responds to Sustainable Development Goals and in particular to Goal 11: making cities and human settlements inclusive, safe, resilient and sustainable. It also responds to various chapters in the NDP especially in Chapter 8, '**Transforming human settlements and the national space economy**'.

The IUDF's overall outcome is spatial transformation. It intends reversing the inefficient spatial patterns in a way that promotes both social and economic development while protecting the environment. It proposes an urban growth model of compact, connected and coordinated cities and towns as opposed to fragmented development. Land, transport, housing and jobs are key structuring elements critical for the attainment of the outcome.

The vision of the IUDF is to **achieve “liveable, safe, resource-efficient cities and towns that are socially integrated, economically inclusive and globally competitive where residents actively participate urban life”**.

Its strategic goals are:

- Inclusion and access;
- Inclusive growth;
- Effective governance; and
- Spatial integration

The overall objective of the IUDF is to create efficient urban spaces by:

- Reducing travel costs and distances;
- Aligning land use, transport planning and housing;
- Preventing development of housing in marginal areas;
- Increasing urban densities and reducing sprawl;
- Shifting jobs and investment towards dense peripheral townships; and

- Improving public transport and the coordination between transport modes.

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, which are indicated in **Table 1** below.

**Table 2: Fourteen Government Outcomes**

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

Outputs	Key Spending Programmes	Role of Local Government
		infrastructure and installing connections
<b>Outcome 2: Improve health and life expectancy</b>		
<b>1. Increase life expectancy to 58 for males and 60 for females</b> <b>2. Reduce maternal and child mortality rates to 30-40 per 1000 births.</b> <b>3. Combat HIV/Aids and TB</b> <b>4. Strengthen health services effectiveness</b>	<ul style="list-style-type: none"> <li>▪ Revitalise primary health care</li> <li>▪ Increase early antenatal visits to 50%.</li> <li>▪ Increase vaccine coverage.</li> <li>▪ Improve hospital and clinic infrastructure</li> <li>▪ Accredite health facilities</li> <li>▪ Extend coverage of new child vaccines.</li> <li>▪ Expand HIV prevention and treatment.</li> <li>▪ Increase prevention of mother-to-child transmission.</li> <li>▪ School health promotion increase school</li> </ul>	<ul style="list-style-type: none"> <li>▪ Many municipalities perform health functions on behalf of provinces.</li> <li>▪ Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments.</li> <li>▪ Municipalities must continue to improve Community Health Services infrastructure by providing clean water, sanitation and waste</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
	visits by nurses from 5 to 20%. <ul style="list-style-type: none"> <li>• Enhance TB treatment</li> </ul>	removal services.
<b>Outcome 3: All People in South Africa are Protected and Feel Safe</b>		
<b>1. Reduce overall level of crime.</b> <b>2. An effective and integrated criminal justice system.</b> <b>3. Improve investor perceptions and trust.</b> <b>4. Effective and integrated border management.</b> <b>5. Improve perception of crime among the population.</b> <b>6. Integrity of identity of citizens and residents secures</b>	<ul style="list-style-type: none"> <li>• Increase police personnel.</li> <li>• Establish tactical response teams in provinces</li> <li>• Upgrade IT infrastructure in correctional facilities.</li> <li>• ICT renewal in justice cluster</li> <li>• Occupation-specific dispensation for legal professionals.</li> <li>• Deploy SANDF soldiers to South Africa's borders.</li> </ul>	<ul style="list-style-type: none"> <li>• Facilitate the development of safer communities through better planning &amp; enforcement of municipal by-laws.</li> <li>• Direct the traffic control function towards policing high-risk violations – rather than revenue collection.</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<b>7. Cyber-crime combated</b>		
<b>Outcome 4: Decent Employment through Inclusive Economic Growth</b>		
<b>1. Faster and sustainable inclusive growth.</b> <b>2. More labour-absorbing growth.</b> <b>3. Strategy to reduce youth unemployment.</b> <b>4. Increase competitiveness to raise net exports and gross trade.</b> <b>5. Improve support to small business and cooperatives.</b> <b>6. Implement expanded public works programme.</b>	<ul style="list-style-type: none"> <li>▪ Invest in industrial development zones.</li> <li>▪ Industrial sector strategies: automotive industry; clothing and textiles.</li> <li>▪ Youth employment incentive</li> <li>▪ Development training and systems to improve procurement.</li> <li>▪ Skills development and training.</li> <li>▪ Reserve accumulation.</li> <li>▪ Enterprise financing support.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Create an enabling environment for investment by streamlining planning application process.</li> <li>▪ Ensure proper maintenance and rehabilitation of essential services infrastructure.</li> <li>▪ Ensure proper implementation of the EPWP at municipal level.</li> <li>▪ Design service delivery processes to be labour intensive.</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
	<ul style="list-style-type: none"> <li>▪ New phase of public works programme.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Improve procurement systems to eliminate corruption and ensure value for money.</li> <li>▪ Utilise community structures to provide services.</li> </ul>
<b>Outcome 5: A Skilled and Capable Workforce to Support Inclusive Growth</b>		
<b>1. A credible skills planning institutional mechanism.</b> <b>2. Increase access to intermediate and high-level learning programmes.</b> <b>3. Increase access to occupational-specific programmes (especially artisan skills training).</b>	<ul style="list-style-type: none"> <li>▪ Increase enrolment in FET colleges and training of lectures.</li> <li>▪ Invest in infrastructure and equipment in colleges and technical schools.</li> <li>▪ Expand skills development learnerships funded through sector training authorities and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Development and extend intern and work experience programmes in municipalities.</li> <li>▪ Link municipal procurement to skills development initiatives.</li> </ul>



Outputs	Key Spending Programmes	Role of Local Government
<b>4. Research, development and innovation in human capital.</b>	<ul style="list-style-type: none"> <li>National Skills Fund.</li> <li>Industry partnership projects for skills and technology development.</li> <li>National Research Foundation centres excellence, and bursaries and research funding.</li> </ul>	
<b>Outcome 6: An Efficient, Competitive and Responsive Economic Infrastructure Network</b>		
<b>1. Improve competition and regulation.</b> <b>2. Reliable generation, distribution and transmission of energy.</b> <b>3. Maintain and expand road and rail network, and efficiency, capacity and</b>	<ul style="list-style-type: none"> <li>An integrated energy plan successful independent power producers.</li> <li>Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers.</li> </ul>	<ul style="list-style-type: none"> <li>Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services.</li> <li>Ensure urban spatial plans provide for commuter rail corridors, as well as other modes</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<b>competitiveness of sea ports.</b> <b>4. Maintain bulk water infrastructure and ensure water supply.</b> <b>5. Information and communication technology.</b> <b>6. Benchmark each sector.</b>	<ul style="list-style-type: none"> <li>Increase infrastructure funding for provinces for the maintenance of provincial roads.</li> <li>Complete Gauteng Freeway Improvement Programme.</li> <li>Complete De Hoop Dam and bulk distribution.</li> <li>Nandoni pipeline.</li> <li>Invest in broadband network infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>of public transport.</li> <li>Maintain and expand water purification works and waste water treatment works in line with growing demand.</li> <li>Cities to prepare to receive the devolved public transport function.</li> <li>Improve maintenance of municipal road network.</li> </ul>
<b>Outcome 7: Vibrant, Equitable and Sustainable Rural Communities and Food Security</b>		
<b>1. Sustainable agrarian reform and improved access to markets for small farmers.</b> <b>2. Improve access to affordable</b>	<ul style="list-style-type: none"> <li>Settle 7000 land restitution claims.</li> <li>Redistribute 283 592ha of land use by 2014.</li> <li>Support emerging farmers.</li> <li>Soil conservation measures and</li> </ul>	<ul style="list-style-type: none"> <li>Facilitate the development of local markets for agricultural produce.</li> <li>Improve transport links with urban centres so as to</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<p>and diverse food.</p> <p><b>3. Improve rural services and access to information to support livelihoods.</b></p> <p><b>4. Improve rural employment opportunities.</b></p> <p><b>5. Enable institutional environment for sustainable and inclusive growth.</b></p>	<p>sustainable land use management.</p> <ul style="list-style-type: none"> <li>▪ Nutrition education programmes.</li> <li>▪ Improve rural access to services by 2014:                             <ul style="list-style-type: none"> <li>▪ Water: 92% to 100%.</li> <li>▪ Sanitation: 69% to 100%.</li> <li>▪ Refuse removal: 64% to 75%.</li> <li>▪ Electricity: 81% to 92%.</li> </ul> </li> </ul>	<p>ensure better economic integration.</p> <ul style="list-style-type: none"> <li>▪ Promote home production to enhance food security.</li> <li>▪ Ensure effective spending of grants for funding extension of access to basic services.</li> </ul>
<p><b>Outcome 8: Sustainable Human Settlements and Improved Quality of Household Life</b></p>		
<p><b>1. Accelerate housing delivery.</b></p> <p><b>2. Improve property market.</b></p> <p><b>3. More efficient land utilization and release of state-owned land.</b></p>	<ul style="list-style-type: none"> <li>▪ Increase housing units built from 220 000 to 600 000 a year.</li> <li>▪ Increase construction of social housing units to 80 000 a year.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Cities must wait to be accredited for the housing function.</li> <li>▪ Develop spatial plans to ensure new housing developments are in line with national policy on</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
	<ul style="list-style-type: none"> <li>▪ Upgrade informal settlement: 400 000 units by 2014.</li> <li>▪ Deliver 400 000 low-income houses on state-owned land.</li> <li>▪ Improve urban access to basic services:                             <ul style="list-style-type: none"> <li>• Water: 92% to 100%.</li> <li>• Sanitation: 69% to 100%.</li> <li>• Refuse removal: 64% to 75%.</li> <li>• Electricity: 81% to 92%.</li> </ul> </li> </ul>	<p>integrated human settlements.</p> <ul style="list-style-type: none"> <li>▪ Participate in the identification of suitable land for social housing.</li> <li>▪ Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.</li> </ul>
<p><b>Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System</b></p>		
<p><b>1. Differentiate approach to municipal financing, planning and support.</b></p>	<ul style="list-style-type: none"> <li>▪ Municipal capacity-building grants.</li> <li>▪ Systems improvement.</li> <li>▪ Financial management (target: 100%</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality.</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<p><b>2. Improve access to basic services</b></p> <p><b>3. Community work programme.</b></p> <p><b>4. Support for human settlements outcome.</b></p> <p><b>5. Refine ward committee model to deepen democracy.</b></p> <p><b>6. Improve municipal financial administrative capability.</b></p> <p><b>7. Single window of coordination.</b></p>	<p>unqualified audits).</p> <ul style="list-style-type: none"> <li>▪ Municipal infrastructure grant.</li> <li>▪ Electrification programme.</li> <li>▪ Public transport &amp; systems grant.</li> <li>▪ Bulk infrastructure &amp; water grants.</li> <li>▪ Neighbourhood development partnership grant.</li> <li>▪ Increase urban density.</li> <li>▪ Informal settlements upgrades.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Implement the community work programme.</li> <li>▪ Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues.</li> <li>▪ Improve municipal financial and administrative capacity by competency norms and standards and acting against incompetence and corruption,</li> </ul>
<p><b>Outcome 10: Protection and Enhancement of Environmental Assets and Natural Resources</b></p>		

Outputs	Key Spending Programmes	Role of Local Government
<p><b>1. Enhance quality and quantity of water resources.</b></p> <p><b>2. Reduce greenhouse gas emissions,</b></p> <p><b>3. Mitigate climate change impacts and improve air quality.</b></p> <p><b>4. Sustainable environmental management.</b></p> <p><b>5. Protect biodiversity.</b></p>	<ul style="list-style-type: none"> <li>▪ National water resource infrastructure programme.</li> <li>▪ Expanded public works environmental programmes.</li> <li>▪ Biodiversity and conservation.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Develop and implement water management plans to reduce water losses.</li> <li>▪ Ensure effective maintenance and rehabilitation of infrastructure.</li> <li>▪ Run water and energy saving awareness campaigns.</li> <li>▪ Ensure development does not take place on wetlands.</li> </ul>
<p><b>Outcome 11: A Better South Africa, a Better and Safer Africa and World</b></p>		
<p><b>1. Enhance Africa agenda and sustainable development.</b></p> <p><b>2. Enhance regional integration</b></p>	<ul style="list-style-type: none"> <li>▪ Proposed establishment of South African Development Partnership Agency.</li> <li>▪ Defence: peace support mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensuring basic infrastructure is in place and properly maintained.</li> <li>▪ Creating an enabling environment for investment.</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<p>3. Reform global governance institutions</p> <p>4. Enhance trade and investment between South Africa and partners</p>	<ul style="list-style-type: none"> <li>Border control: upgrade inland ports of entry.</li> </ul>	
<b>Outcome 12: A development orientated public service and inclusive citizenship</b>		
<p>1. Improve government performance</p> <p>2. Government wide performance and monitoring</p> <p>3. Conduct comprehensive expenditure review.</p> <p>4. Celebrate cultural diversity</p>	<ul style="list-style-type: none"> <li>Performance monitoring and evaluation</li> <li>Stats SA, Census 2011: Reduce undercount.</li> <li>Sports and Recreation: Support mass participation and school sport programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Continue to develop performance monitoring and management system.</li> <li>Comply with legal financial reporting requirements.</li> <li>Review municipal expenditures to reduce wastage.</li> <li>Ensure Municipal Councils behave in ways that restore trust in</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
		local government.
<b>Outcome 13: An inclusive and responsive social protection system</b>		
<p>1. Reforming the social welfare sector and services to deliver better results</p> <p>2. Improving the provision of Early Childhood Development</p> <p>3. Deepening social assistance and extending the scope for social security</p> <p>4. Strengthening community development interventions</p>	<ul style="list-style-type: none"> <li>Social Grants System (social welfare)</li> <li>Early Childhood Development Programme</li> <li>Community workers</li> <li>Thusong Programmes</li> </ul>	<ul style="list-style-type: none"> <li>Poor relieve to vulnerable groups through Equitable Share allocations (Indigent Management Programmes)</li> <li>Facilitation of social welfare interventions at ward level</li> </ul>
<b>Outcome 14: Nation building and social cohesion</b>		
<p>1. Fostering Constitutional values</p>	<ul style="list-style-type: none"> <li>Stakeholder forums</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening social cohesion awareness and</li> </ul>

Outputs	Key Spending Programmes	Role of Local Government
<p><b>2. Equal opportunities, inclusion and redress</b></p> <p><b>3. Promoting social cohesion across society</b></p>	<ul style="list-style-type: none"> <li>▪ Strategy to strengthen families</li> <li>▪ Campaigns to promote charter on good values</li> </ul>	<p>programmes at a local levels</p>

Outputs	Key Spending Programmes	Role of Local Government
<p><b>through increased interaction across race and class</b></p> <p><b>4. Active citizenry and leadership</b></p>		

### 1.3.4 The New Growth Path

The New Growth Path is a macro-economic policy aimed at enhancing growth, employment creation and equity. 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 New Growth Path:

- 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.

The 5 (five) other priority areas are identified as key contributors to job creation in partnerships between the State and the private sector. These are.

- **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; and
- **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.

### 1.3.5 The Eastern Cape Provincial Development Plan (2030)

The Eastern Cape Provincial Development Plan (2030) (PDP) is derived from the NDP (2030) and is intended to provide creative responses to the Eastern Cape's developmental challenges.

According to the PDP, a sustainable future for the Eastern Cape rests on people-centered development to achieve the following five related goals:

- an inclusive, equitable and growing economy for the province;
- an educated, innovative and empowered citizenry;
- a healthy population;
- vibrant, equitably enabled communities;

- capable agents across government and other institutional partners committed to the development of the province.

These goals will be pursued with a focus on rural development to address inherited structural deficiencies. The legacy of apartheid has left the rural regions of the Eastern Cape underdeveloped, with an urban economy that is unduly stressed and experiencing slow growth.

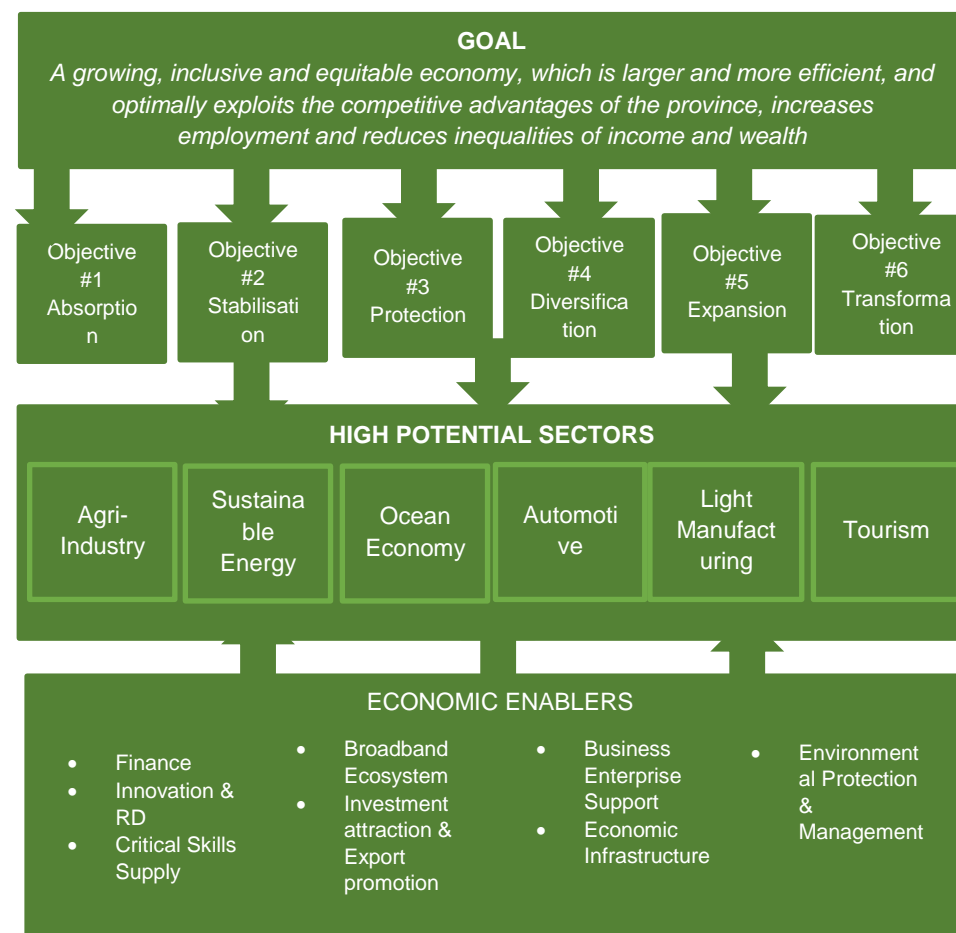
To realise the plan's developmental goals, the province has identified four catalytic flagships that will establish a sound foundation for other developments to flourish on. The following catalytic initiatives cut across various sectors and integrate the efforts of many role-players. These are:

- **Lima Labantu** – the first catalytic flagship initiative is an agricultural development initiative that aims to revive the rural economy and encourage other areas of development in the province;
- **Ematholeni** (children first) - the second catalytic flagship initiative aims to give all children a quality start to development and learning, providing a solid foundation for a future of equal opportunity. This foundation begins from the level of early childhood development (ECD);
- **Infrastructure** - the third catalytic flagship initiative focuses on the provision and maintenance of infrastructure for spatially equitable social and economic development. This includes social infrastructures (human settlements, public institutions) and economic infrastructures (irrigation systems, factories, production technology, equipment and systems), as well as information and communication technology;

- **Building human and institutional capabilities for local development action** -the fourth catalytic flagship initiative aims to build human and institutional capabilities for inclusive and meaningful local development action.

### 1.3.6 Eastern Cape Provincial Economic Development Strategy

The Eastern Cape Provincial Economic Development Plan (ECPEDP) was formulated in 2017 to provide a provincial wide economic development framework. The Strategic Framework for the PEDS is intended to deepen and enhance the economic development component of the Provincial Development Plan which is the overarching provincial integrative framework. The framework is summarized in the figure below:



**Figure 1: ECPEDP Framework**

A key element of the PEDS is the strategy’s strategic goal. This is the first step to implementing the strategy and thus solving the inherent problems prevalent in the provincial economy.

In alignment with the Provincial Development Plan, the strategic, long-term goal and vision of the PEDS is:

*“A growing, inclusive and equitable economy, which is larger and more efficient, and optimally exploits the competitive advantages of the province, increases employment, and reduces inequalities of income and wealth.”*

This strategic goal is in accordance with the original problem statement set out for PEDS namely that of **“poverty, inequality and unemployment”** as both a cause and effect of low economic development.

To give effect to the strategic goal, six strategic objectives have been identified and are designed in such a way as to capture the priority issues impacting on the Eastern Cape economic development. These overarching objectives in turn feed into specific targets, high potential sectors, programmes and projects.

**Objective #1:** Improve the absorption capability of the provincial economy by growing the number of jobs in the local economy, particularly from a low-skills base and amongst women, youth and people living with disabilities.

**Objective #2:** Stabilisation of vulnerable and declining sectors as a result of the economic crisis and deindustrialisation.

**Objective #3:** Protection and safeguarding productive capacity of existing industries and current jobs.

**Objective #4:** Diversification of the economy by deliberate efforts geared towards spreading employment and investment over a wide-range of economic activities.

**Objective #5:** Expansion through increasing the productive capacity of the province by investing in enabling infrastructure and innovation capabilities.

**Objective #6:** Transformation by broadening the ownership of capital and assets; income distribution; and spatial distribution of industrial activity based on regional competitive and comparative advantages.

In order to achieve the above-mentioned objectives, six critical economic sectors have been prioritized by the province, these are;

- Agri-industry
- Sustainable energy
- Ocean economy
- Automotive industry
- Light Manufacturing
- Tourism.

The O.R. Tambo District municipality is in a unique comparative advantage wherein the five of the above-mentioned sectors can be supported to grow (with the exception of automotive industry). The O.R. Tambo District municipality has since developed its District Development Plan which is aligned to the Eastern Cape Provincial Economic Development Strategy.



### 1.3.7 Eastern Cape Provincial Spatial Development Strategy

The Provincial Spatial Development Framework was developed by the Department of Cooperative Governance and Traditional Affairs (CoGTA). Its key objective is to set out a broad framework for investment in a spatially orientated approach to give effect to the successful implementation of the Provincial Development Plan Vision 2030.

At the national sphere, the policy provisions of the Green Paper on Development and Planning (1999), the White Paper on Spatial Planning and Land Use Management (2001) and the National Spatial Development Perspective are the key instruments framing and shaping current spatial planning and development in the Eastern Cape. These introduced a unitary planning system applicable in both urban and rural areas across South Africa and defined the content of spatial planning and land use management for the purposes of the Municipal Systems Act.

The Provincial Spatial Development Plan intends to achieve the following:

- Provision of a co-ordinating provincial spatial framework to direct public sector investment towards a common vision and set of objectives;
- Provision of a broad policy framework to give direction to all other development agencies in the Province regarding the priorities of government;
- Enable public investment programmes to be more efficient;
- Opportunities to create an environment within which communities and the private sector can operate more effectively to achieve sustainable economic growth in the Province;

- Protection of the natural environmental systems;
- Efficient use of resources at Provincial Level;
- Prevention of duplication of effort by different departments and spheres of government; and
- Enable District Municipalities and Local Authorities to work within a broad policy framework when preparing and updating Integrated Development Plans (IDPs) and Spatial Development Framework Plans (SDFs).

Underpinning the vision of the PSDF are a set of general and overarching core values additional to those contained in the NSDP; identified as the following:

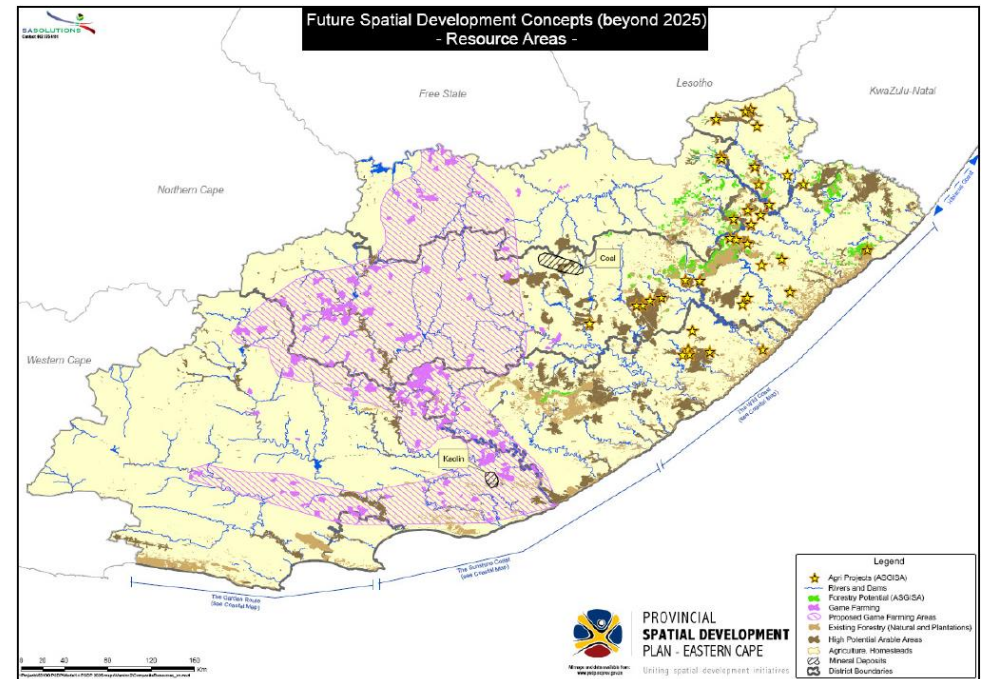
- Environmental integrity and sustainability;
- Safeguarding all natural resources;
- Densification;
- Integrated Land Use;
- Economy and efficiency of development;
- Achieving synergy and linkages between urban and rural areas;
- Participatory community based planning as a basis of going forward; and
- Emphasis being placed on “brownfield” development before adopting “greenfield” development.

The more detailed core values and principles in each spatial framework include:

- Active involvement in planning and development by all stakeholders, including communities and Traditional Leaders;
- Efficiency, sustainability of infrastructure with equal access to basic services for all;

- Infrastructure development to promote socio-economic development, achieve positive cost benefits and economic spin offs;
- Local beneficiation of produce and raw materials from agricultural production;
- Increased economic infrastructure to create an investment friendly environment and enhanced connectivity with the region, nation and global markets;
- Professionalism in human resources achieved through education and capacity building;
- Human resources sustainability through equal opportunities, fairness, support, mentorship and skills transfer;
- Compact integrated human settlements with access to basic services, amenities and social facilities; and
- Integrated spatial development plans (SDFs) which are the principal development management tool for all stakeholders, across the wall to wall municipalities.

In terms of Spatial Development Principles, the provincial spatial planning approach is guided by the District and Local Spatial Development Frameworks (SDFs) and the various Area Based Plans (ABPs) which are prepared and reviewed on a regular basis. It is of crucial importance (to attain integrated delivery) that these SDFs become the integrated spatial development plans of all municipalities, reflecting all projects within the municipal and government sector plans, providing strategic spatial proposals for the municipality on a 'wall to wall basis'.



Source: Eastern Cape Spatial Development Strategy (2017)

**Figure 2: EC Spatial Development Plan**

### 1.3.8 Sustainable Development Goals (SDGs)

The United Nations Conference on Sustainable Development in 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 reiterates commitment to freeing humanity from poverty and hunger as a matter of urgency, and progress from the work of the MDGs.

Its overarching objectives are poverty eradication and promoting sustainable patterns for the consumption, production, protection and management of the natural resource base of economic and social development. There are 17 set goals that were endorsed to be implemented by 2030. 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; and strengthen the means of implementation and revitalize the global partnership for sustainable development.

### **1.3.9 State of the Nation Address 2019**

The President of the Republic delivered the State of the Nation Address on the 7<sup>th</sup> February 2019. In the speech, the President addresses the issue of jobs, the economy in general and the question of land expropriation and free education.

The national priorities emanating with the SONA 2019 were considered by the O.R. Tambo District municipality in the process of reviewing the IDP for implementation in the 2018/2019 Financial Year.

### **1.3.10 State of the Province Address 2019**

Following the State of the Nation Address, the Eastern Cape Premier delivered the State of the Province Address (SOPA) on the xx February 2019.

The O.R. Tambo District municipality is directly impacted by some of the provincial priorities, programmes and projects identified in the SOPA. Chapter 6 of this review outlines some of the sector programmes and projects that will be implemented in the district.

## 1.4 OVERVIEW OF THE IDP PROCESS

As indicated under the section on legislative framework, 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.

### 1.4.1 IDP Framework and Process Plan

Section 27 of the MSA, 2000, stipulates that the preparation of a DM's IDP must commence with the formulation of a Framework Plan, which has to provide a guiding and coordinating framework for the LM's within its area of jurisdiction, in the preparation of their own IDPs. Once this has been done, municipalities are required to prepare process plans outlining the manner 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 28 of August 2018, the O.R. Tambo District municipality, after due consultation with the local municipalities, approved the District Framework and the process plan to guide and inform the IDP and Budget preparation processes.

### 1.4.2 Organisational Arrangements

While the 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 2** 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"> <li>▪ Approve and adopt the process and framework plans as well as the IDP.</li> </ul>

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

### 1.4.3 Process Followed

In order to develop a credible IDP document, the Council approved an IDP process plan. The diagram below depicts an annual high level process plan towards the development of the IDP. A detailed IDP, PMS and Budget schedule of activities illustrating the key activities that need to be carried out during the preparation of the IDP 2019/2020, is contained in **Annexure A**

Preparation	Situational Analysis	Strategic Planning	Public Participation	Approval
 Approval of IDP process plan IDP Representative Forum	 Institutional wide situational analysis IDP Representative Forum	 MayCo Lekgotla Mega Strategic Session IDP Representative Forum Draft IDP	 District wide IDP roadshows NT Benchmarking IDP Representative Forum	 Council approval of final IDP 2019/20 Review
Sep - Oct	Nov - Dec	Jan – Mar	Apr - May	May

**Figure 3: IDP Process Plan**

### 1.4.4 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 IDP Representative Forum was convened on the following dates:

- 29 August 2018;
- 5 December 2018;
- 28 March 2019; and
- 30 May 2019.

A Mayoral Lekgotla was held on 03 - 04 March 2019. A district-wide strategic planning session was convened on the 06 – 08 March 2019. This planning session included the participation of all municipalities in the district, provincial and national sector departments, traditional leaders, O.R. Tambo District Ambassadors, organised labour, business, Further Education and Training institutions, Universities, non-

governmental organisations, faith based organisations and other civic organisations.

All meetings where the IDP was discussed were public and appropriate public notices were issued by the municipality prior the meetings.

#### **1.4.5 Summary of issues raised from the IDP and Budget (2019/2020 Review) Roadshows**

The O.R Tambo District Municipality conducted its IDP and Budget road shows from the 16<sup>th</sup> to the 17<sup>th</sup> of April 2019 and from the 13<sup>th</sup> to the 15<sup>th</sup> of May 2019. The road shows were conducted in line with the legislative prescripts to ensure that communities have inputs in the municipal planning. It also serves as a mechanism for strengthening performance management and accountability that involves members of society and stakeholders. About 16 000 community members participated at the IDP road shows.

In its approach the municipality partnered with the five local municipalities in conducting these road shows. This process is intended to ensure that there is integrated and seamless service delivery in the district. Wards were clustered per municipality and various teams led by political leaders and administrative support were established per cluster. Moreover, various government departments were invited to participate as a way of addressing the sector based matters. It also serves as a mechanism to

understand the strategic issues that communities want to highlight for the attention of the political leaders.

All local municipalities were invited by the district municipality to develop an integrated approach to conduct the IDP road shows. The reason for integration was to share resources and to avail all the stakeholders involved in service delivery. However, the Local Municipalities did not integrate, as they conduct their roadshows at a ward based level. Although they did not integrate, they were however present when the district municipality conducted its roadshows. The political leadership, supported by the technical champions presented the projects planned for the current financial year. After the presentation communities were given an opportunity to raise issues of proposals, issues they needed to be considered and issues that require attention of the municipalities and government departments.

During the sessions in the various clusters, a number of concerns were raised on behalf of the communities. Amongst others, these concerns include:

- Non-functionality and constant breakdown of some water schemes;
- Access to sanitation services and addressing of sanitation backlogs;

- Non-maintenance of VIP toilets particularly with regard to emptying of toilet (sludge sucking);
- Limited access to water services;
- Non-Maintenance of dilapidated water infrastructure;
- Access to temporary shelters for those affected by disasters;
- Misallocation and improper beneficiation from RDP housing;
- Defective RDP houses.
- Access to adequate housing;
- Non-maintenance of existing roads and storm water infrastructure (especially in towns);
- Non-maintenance of access roads (particularly in rural areas);
- Lack of bridges and related infrastructure to allow safe movement of people and animals;
- Access to adequate health infrastructure and facilities;
- Access to electricity (especially in the peri-urban and rural areas);
- Access to education services and facilities; and
- Job creation initiatives to be address high levels of unemployment in the district.

#### 1.4.6 MEC Comments on the 2019/2020 IDP

The MEC for Local Government and Traditional Affairs in terms of the MSA 32 of 2000 as amended provided comments on the

credibility of the IDP 2018/2019 as adopted on the 31 May 2018. During the week of the 15 – 19 April 2019, the COGTA facilitated and conducted the IDP Assessment session wherein the O.R. Tambo IDP was assessed.

The participants in this session included provincial and national sector department, state 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 IDP's. The table below depicts the finding emanating from the analysis:



**Table 4: The IDP Assessment Ratings**

Municipality	KPA 1 Basic Service Delivery	KPA 2 Financial Viability	KPA 4 Local Economic Development	KPA 5 Good Governance	KPA 6 Institutional Arrangements	Spatial Planning, Land Human settlements and Env Mgt	Overall Ratings
O.R. Tambo District municipality	High	High	High	High	Medium	High	High

The following table contains some of the findings from the assessment, which requires corrective review by the municipality.

**Table 5: MEC Comments on 2018/19 IDP Review**

MEC COMMENTS	MUNICIPAL RESPONSE
Institutional Arrangements Compliance: There is no indication that relevant policies are promulgated into by-laws and gazette.	The Municipality has drafted the by-laws, However the by-laws are awaiting council approval.

**SERVICE DELIVERY THEME 2019**

The past three years have been significant for the O.R. Tambo District municipality as the country honoured and recognized its struggle icons and centennials, O.R. Tambo (2017) and Nelson Mandela and Albertina Sisulu (2018). Such recognition provided a launch pad for a variety of legacy projects attributed to these icons, which will be implemented over the next couple of years.

On the back of a firm commitment of making the future work better through understanding the teachings and learning from the great heroes and icons and as the District seek development, unity and jobs, the theme for 2019 is – **“Sustainable Partnerships and Collaborations to grow O.R. Tambo District together”**

## CHAPTER 2: SITUATIONAL ANALYSIS

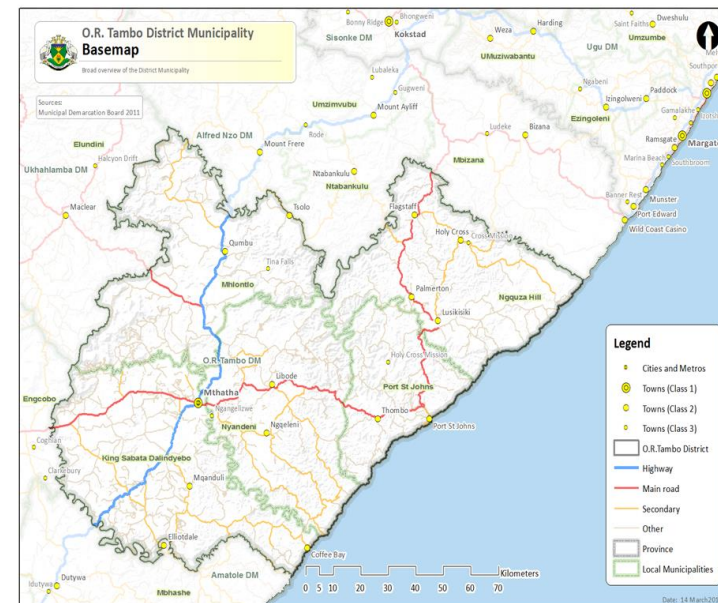
### 2.1 LOCALITY

O.R. Tambo District municipality is one of 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 as can be seen in Figure 4 & 5. It is bordered by Alfred Nzo District Municipality, Joe Gqabi District Municipality, and Chris Hani District Municipality and by Amathole District Municipality.

The District is classified as a Category C2 Municipality, which indicates 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. All of the Local Municipalities 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 Local Municipalities have small own-income and property tax bases and limited technical, financial and managerial capacity. 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 limited municipal staff and a small budget relative to its developmental challenges.

Mthatha is the main centre, and the OR Tambo DM covers most of the Wild Coast and Pondoland. The district has a sub-tropical coastal belt, especially from Port St Johns northwards. It has some game reserves that have indigenous forests. The hills beyond the coast rise to high levels of up to 1,500 meters beyond Mthatha. The district has many rivers, such as Umzimvubu, Mzintlaya, Mthatha and the Thina rivers, and is well-watered, with an average of 700mm of rainfall per year. Pondoland, being nearly the most fertile areas in South Africa, has warm temperatures and good soils with frost-free conditions.

The other major towns in the district are Mqanduli, Port St. Johns, Qumbu, Lusikisiki, Ngqeleni, Libode, Tsolo and Flagstaff.



**Figure 4: The O.R. TAMBO District Municipalities and its five Local Municipalities**



**Figure 5: The location of the OR Tambo DM in the Eastern Cape Province and South Africa**

The following table illustrates the 5 LMs under the ORTDM and the number of wards pre and post 2016.

**Table 6: number of wards per local municipality**

Municipal Code	Name of the Municipality	Number of Wards pre-2016	No of Wards in 2016	Extent (km <sup>2</sup> )
EC 153	Ingquza Hill	31	32	2 477
EC 154	Port St Johns	20	20	1 291
EC 155	Nyandeni	31	32	2 474
EC 156	Mhlontlo	26	26	2 826
EC 157	King Sabata Dalindyebo	35	36	3 027
<b>Total</b>		<b>143</b>	<b>146</b>	<b>12 095</b>

**Source:** Municipal Demarcation Board, 2016

## 2.2 OVERVIEW OF THE LOCAL MUNICIPALITIES

### 2.2.1 King Sabata Dalindyebo LM

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. 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.

KSDLM covers an area of 3 027 km<sup>2</sup>. Situated at the heart of the KSDLM, 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. The municipality is also a home to two of the other economic activities in the District, viz. Forestry and Agriculture.

### 2.2.2 Nyandeni LM

Nyandeni Local Municipality, like many of the other LMs within the District, is predominantly rural with widely dispersed traditional and village-type settlements. Nyandeni LM covers an area of approximately 2 474 km<sup>2</sup>. The main Municipal Office is located in the town of Libode, located approximately 30 km from Mthatha, along the route to the popular tourist destination of Port St. Johns. 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.

The municipality is drained by 4 perennial rivers, the Mngazi, Mngazana, Mthatha and Mnenu Rivers. As for vegetation, valley thicket occurs along the steep slopes of the 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.

### **2.2.3 Port St Johns LM**

This municipality 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. Port St Johns LM covers an area of approximately 1 291 km<sup>2</sup> the municipality has a strong tourism industry, which is well-supported by the variety of hills, dunes, rivers, and the mountainous terrain that meet its picturesque beaches.

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. 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 rivers traverse the hinterland from north-west to south-east creating prominent valleys, gorges and inaccessible ravines, with the most prominent rivers being the Umzimvubu River, Mzintlaya River and Mnenu River.

### **2.2.4 Ingquza Hill LM**

Formerly known as Qaukeni Local Municipality, Ingquza Hill LM has a high population density and high levels of unemployment, there are considerable poverty challenges in the area. The Ingquza Hill LM is

characterized by limited coastal settlement and widely dispersed settlement in traditional rural villages with a population density of approximately 126 persons/km<sup>2</sup> over a surface area of 2,477 km<sup>2</sup>. 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 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.

### **2.2.5 Mhlontlo LM**

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. Mhlontlo LM covers an area of approximately 2 826 km<sup>2</sup>. The closest urban centre is Mthatha, which is situated approximately 40 km west from Tsolo. The majority of land is used for agricultural purposes and subsistence farming, notably for grazing, in areas marked by communal tenure. There are approximately 425 villages in the Mhlontlo area ranging in size from 10 to 3600 people.

The area boasts a number of tourist attractions including the Tsitsa Falls and Tina Falls, the Tina River ribbon and the Mabeleni Dam, which is famous for its trout fishing.

## 2.3 DEMOGRAPHICS AND SOCIO-ECONOMIC PROFILE

This section is intended to present the demographics for the ORTDM, based on data which enables strategic planning, budgeting and the accompanied prioritisation with respect to policy options for the district. The areas included in this profile are information on demographics, education, health, crime, poverty, housing, basic services, labour force, economy and environment. The data used is primarily sourced from Statistics South Africa, Eastern Cape Socio Economic Consultative Council (ECSECC), Sector Plans, Independent data collection institutions, and documented research and administrative data from sector departments. Data sourced from sector departments is based on the most recent information available. The latest survey data available at municipal level, from Statistics South Africa, is from the 2016 Community Survey and the mid-year census for 2018. The latest official Census statistics for the country were released in 2011 and any comparisons and assumptions in this section are based on that baseline information.

### 2.3.1 Demographic Trends

Statistics South Africa released the census 2012 statistics on the 31 October 2012. This census revealed that the population of the Eastern Cape was approximately 6 562 053, which was then the third highest in the country following Gauteng and Kwa-Zulu Natal. The O.R. Tambo District municipality population accounted for 1 363 518 people and this was the highest in the entire Eastern Cape Province.

### 2.3.2 Population

Population statistics is important when analysing an economy, as the population growth directly and indirectly impacts employment and

unemployment, as well as other economic indicators such as economic growth and per capita income.

IHS Global in its 2018 population report estimates that the population of the Eastern Cape is approximately at 7,160,000 which according to Statistics South Africa's mid year population estimates is the fourth highest in the country, following Gauteng, Kwa-Zulu Natal, and the Western Cape. The O.R. Tambo DM accounts for 1,510,000 people according to IHS Global 2018 population report, the highest in the entire Eastern Cape Province. Local Municipalities with the largest populations, are King Sabata Dalindyebo (KSD), followed by Nyandeni and Ingquza Hill.

With 1.51 million people, the O.R.Tambo District Municipality housed 2.6% of South Africa's total population in 2018. Between 2008 and 2018 the population growth averaged 1.08% per annum which is close to the growth rate of South Africa as a whole of (1.57%). Compared to Eastern Cape's average annual growth rate (0.98%), the growth rate in O.R.Tambo's population at 1.08% was very similar to that of the province.

Ingquza Hill Local Municipality increased the most, in terms of population, with an average annual growth rate of 1.40%, King Sabata Dalindyebo Local Municipality had the second highest growth in terms of its population, with an average annual growth rate of 1.34%. Mhlontlo Local Municipality had the lowest average annual growth rate of -0.11% relative to the other Municipalities within the O.R.Tambo District Municipality.

### 2.3.3 Population density

In 2018, there were 125 persons per square kilometre living in the ORTDM. Compared (to the other District Municipalities), ignoring metropolitan municipalities, the ORTDM is more densely populated.

Using population density instead of the actual number, provides a basis of comparison between these different places (or economies). ORTDM is relatively densely populated compared to most rural municipalities. The higher density has an impact on household infrastructure provision, quality of services and access to resources (medical care, schools, sewage treatment, community centres, etc.).

The population density of the various municipalities in the ORTDM is higher than the provincial average of 42 people per square kilometre amongst all the LMs. King Sabata Dalindyebo is the most densely populated

**Table 7** demonstrates the number of people per square kilometre across the five local municipalities in the district.

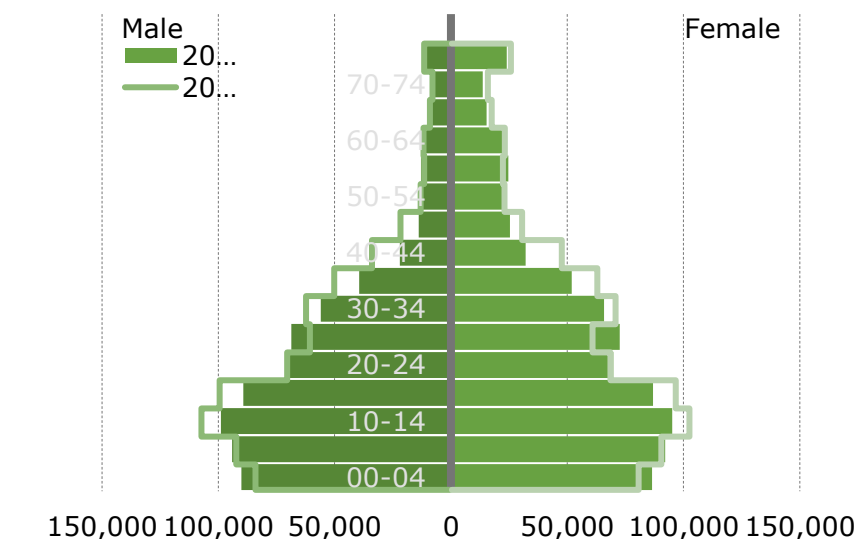
**Table 7: population, area size and population density per local municipality**

	2011			2018		
	Pop	Area (km <sup>2</sup> )	Pop Density (pp/km <sup>2</sup> )	Pop	Area (km <sup>2</sup> )	Pop Density (pp/km <sup>2</sup> )
Ingquza Hill	278 481	2 476.83	112	313 000	2 477	126
Nyandeni	290 390	2 474.01	117	321 000	2 474	130

	2011			2018		
	Pop	Area (km <sup>2</sup> )	Pop Density (pp/km <sup>2</sup> )	Pop	Area (km <sup>2</sup> )	Pop Density (pp/km <sup>2</sup> )
PSJ	156 136	1 291.20	121	172 000	1 291	133
Mhlontlo	190 751	2 826.09	67	195 000	2 826	69
<b>KSD</b>	<b>450 287</b>	<b>3 027.37</b>	<b>149</b>	<b>508 000</b>	<b>3 027</b>	<b>168</b>
<b>O.R. Tambo</b>	<b>1 366 045</b>	<b>12 095.1</b>	<b>113</b>	<b>1 509 356</b>	<b>12 095</b>	<b>125</b>
<b>Eastern Cape</b>	<b>6 562 053</b>	<b>168 966</b>	<b>39</b>	<b>7 160 000</b>	<b>168 966</b>	<b>42</b>

Source: IHS Markit Regional eXplorer version 1692

**Figure 6: Population structure O.R.Tambo District Municipality, 2018 vs. 2023**



Source: IHS Markit Regional eXplorer version 1692

### 2.3.4 Gender and age distribution

Statistics of the age distribution of a particular population group is useful in appropriating available resources. The age distribution of a population provides an important guide for differentiated policy options. Three different age cohorts can be considered: children (0-14 years), the economically active population, (15-64 years) and dependant people 65 years and older. The district population comprises of 53.11% females and 46.89% males. The dominance of the female population is prevalent in all LMs.

In 2011, the District’s population composition was: children 39%, working age 55.4% and the elderly 5.6%. The population composition has changed slightly from 2011 to 2018, The population composition of the elderly dropped to 5.4% while children dropped to 37.9% while the population composition for the working age increased to 56.7% in 2018.

**Table 8 and figure 6** illustrate the changes in gender and age distribution per Local Municipality from 2011 to 2018.

**Table 8: Gender and Age distribution per local municipality**

	2011					2018				
	Males (%)	Female (%)	0-14 (%)	15-64 (%)	65+ (%)	Male (%)	Female (%)	0-14 (%)	15-64 (%)	65+ (%)
Ingquza Hill	46.3	54.2	42.4	52.2	5.4	47.28	52.72	41	54	5
Nyandeni	46.2	53.8	40.6	54	5.4	46.73	53.27	39	56	5
Port St Johns	45.8	54.2	42.5	51.8	5.6	46.43	53.57	41	54	5
Mhlontlo	46.4	53.6	38.3	54.5	7.2	47.26	52.74	36.5	56.5	7
King Sabata Dalindyebo	46	54	35	60	5.1	46.85	53.15	32	63	5
<b>O.R. Tambo</b>	<b>46.2</b>	<b>53.8</b>	<b>39</b>	<b>55.4</b>	<b>5.6</b>	<b>46.89</b>	<b>53.11</b>	<b>37.9</b>	<b>56.7</b>	<b>5.4</b>
<b>Eastern Cape</b>	<b>47.1</b>	<b>52.90</b>	<b>33</b>	<b>60.2</b>	<b>6.7</b>	<b>47.90</b>	<b>52.10</b>	<b>35.15</b>	<b>56.8</b>	<b>8.05</b>

Source: IHS Markit Regional eXplorer version 1692

### 2.3.5 Households

**Table 9: Number and size of households per local municipality**

	2011		2018	
	Number of households	Average number of people per household	Number of households	Average number of people per household
Ingquza Hill	56 213	4.7	66 700	4.7
Nyandeni	61 647	4.6	73 300	4.4
Port St Johns	31 715	4.5	36 700	4.7
Mhlontlo	44 080	4.1	47 800	4.08
King Sabata Dalindyebo	104 878	4.0	126 000	4.03
<b>O.R. Tambo</b>	<b>298 229</b>	<b>4.3</b>	<b>350,000</b>	<b>4.31</b>
<b>E Cape</b>	<b>168 785</b>	<b>3.9</b>	<b>1 790 000</b>	<b>3.7</b>

Source: IHS Markit Regional eXplorer version

The table above indicates that between 2011 and 2018, the household size of the five (5) LMs in the O.R. Tambo District, Relative to the province, O.R.Tambo District Municipality had a higher average number of households at **4.31** against **3.7** for the Province. The average size of a household has almost remained stagnant for O.R Tambo at **4.3** while that of the province has decreased from **3.9** to **3.7**.

Nyandeni and Mhlontlo have shown a decrease in the number of people per household while all the other LMs have shown either a slight increase or have remained stagnant.

These figures could suggest that the fluctuations in households, could be due to one or more of the following:

- migration of people within the province;
- births; and
- Family members moving back to the District.

### 2.3.6 Migration Patterns

During colonial and apartheid times, the District experienced high levels of migration. Firstly from the District to other parts of the country, and secondly within the District, from rural to urban and peri-urban areas. This migration, mainly for economic life style reasons, has had a significant impact on the district's economy and the trajectory for development.

Studies on migration in the province provide important insights into this phenomenon in the district. While it is estimated that 5.6% of economically active individuals in the province migrate, it is 6.2% in the ORTDM. The studies also indicate that more than 80% of migrants from the province, are from rural areas. Since the early 1990s, the majority of these migrants headed for the bigger metropolitan areas, especially Cape Town and Johannesburg, rather than local or regional urban centres. Generally the pattern in the province indicates an increase in the flow from rural areas directly to major metropolitan areas. Johannesburg is the preferred destination from people from the district.



The studies indicate that migration from rural areas is slowing down and that most of those who had intended to and were able to leave, had already left. Possibly this decline is not due to a lack of desire, but the cost of migration, which had increased, or that opportunities have decreased since the 1990's. Another important local factor could be that since basic services are more readily available, people do not have to move to heavily populated peri -urban and urban areas to access basic services.

Indications are also that there was an increase in the number of women migrating. The figures for the province reflect two women for every three men, compared to the early 1990s when migration was predominantly male. While female are slightly better educated than males, most migrants have relatively 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 proportionately contribute more to migration than urban areas with four rural families to one from one in an area;
- Nearly 50% of those migrating are employed while 25% are actively still seeking work.

Monthly, approximately 25% of migrants from all areas send money to their homes, 4% send money weekly and 30% send money regularly, while 10% send money less frequently. The remittance of money is an important comment and relates to one of the basic reasons to migrate; to earn money which could be sent home to family members.

An associated problem with migration is that of service delivery in the area which attracts migrants. Data on migration also indicates that

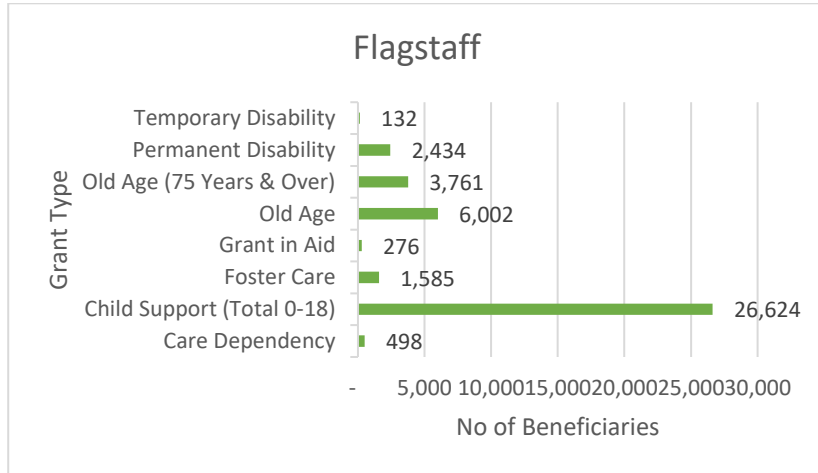
migration is often more about having access to services in an area where there is development, not necessarily to find employment. This impacts heavily on the financial viability of municipalities, especially so in urban areas like Mthatha.

### **2.3.7 Social Welfare Grant Dependency**

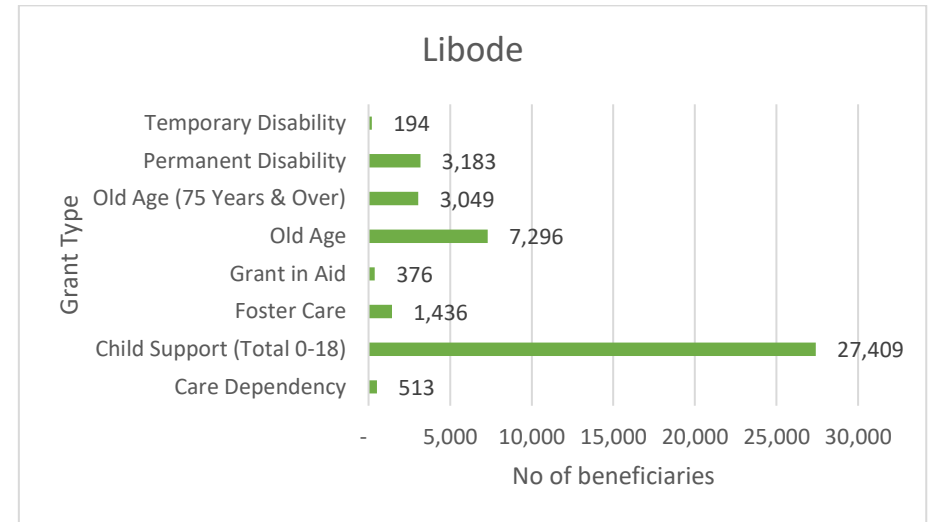
Household dependency of Government grants is a given in the Eastern Cape. The ORTDM with 75.1% has the highest percentage of households receiving grants in the province, receiving grants. Welfare grants are a very important component of the household incomes and livelihood strategies of the majority of families receiving grants. Grants represent around 20% of the total income in a district. While the District, on the one hand, seeks to maximize access to grants for eligible households, it must also, on the other hand, endeavour to reduce the grant dependency for households by increasing their access to economic opportunities. Figures 12-18 illustrates the number of beneficiaries of Social Welfare Grants per local office.

**Figures 7-15: Social welfare grants (sassa) per local office as at April 2019**

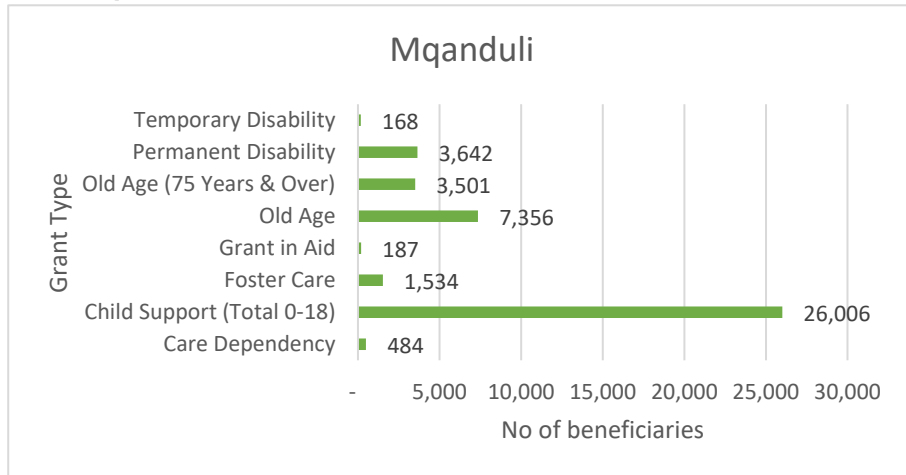
**DSD Flagstaff local office**



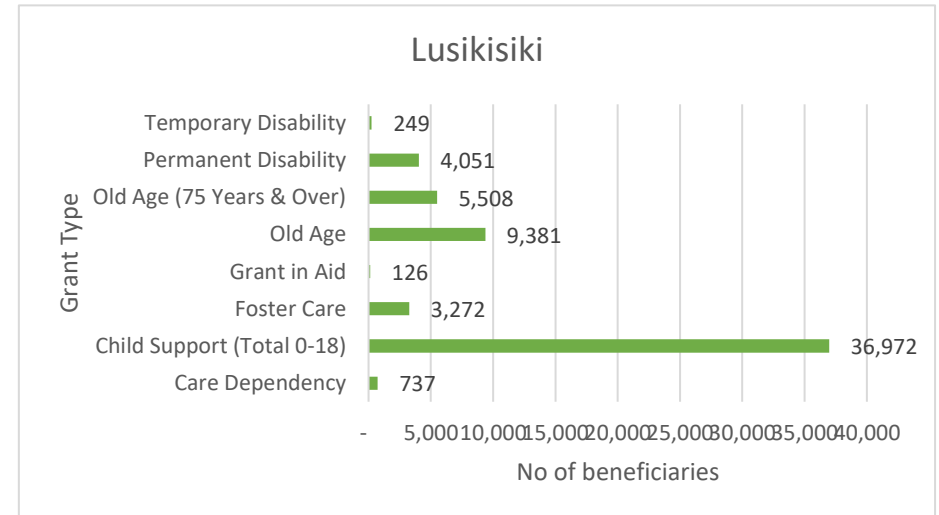
**DSD Libode local office**



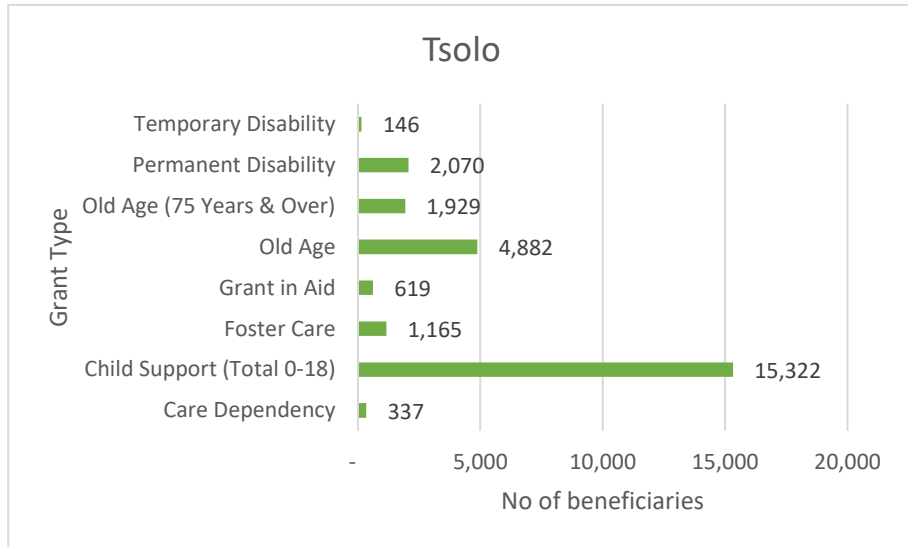
**DSD Mqanduli local office**



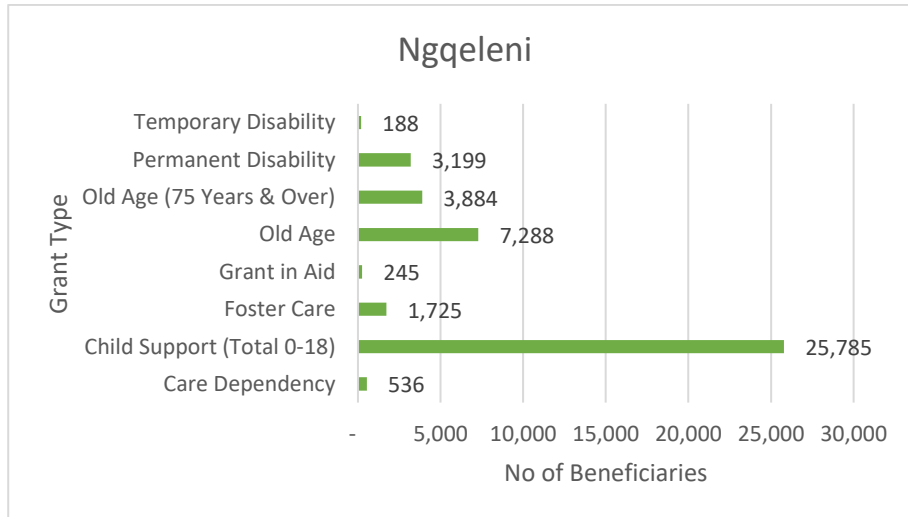
**DSD Lusikisiki local office**



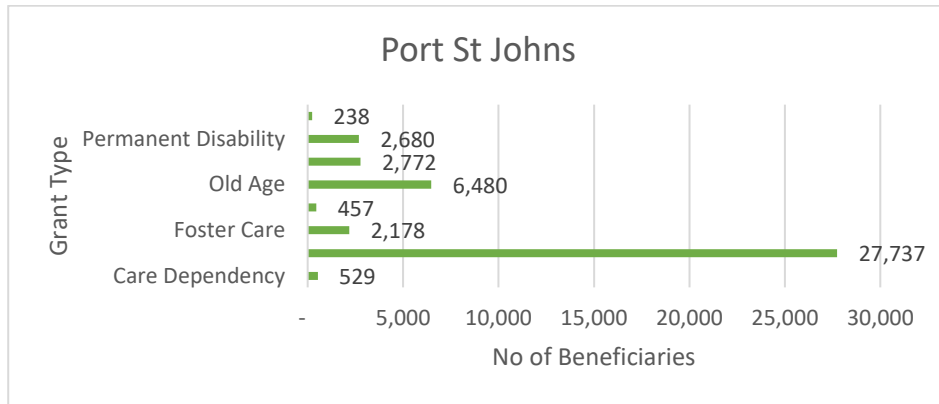
**DSD Tsolo local office**



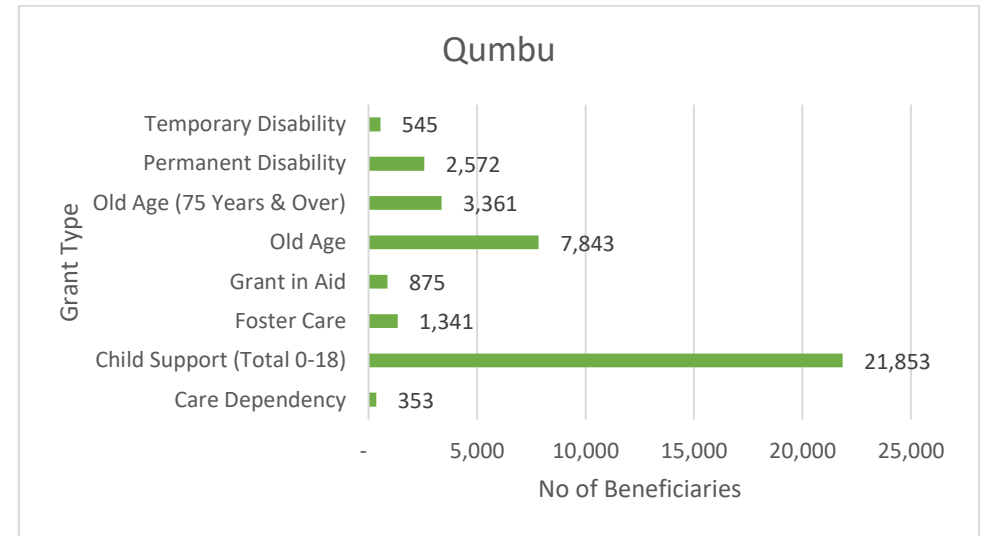
**DSD Ngqeleni local office**



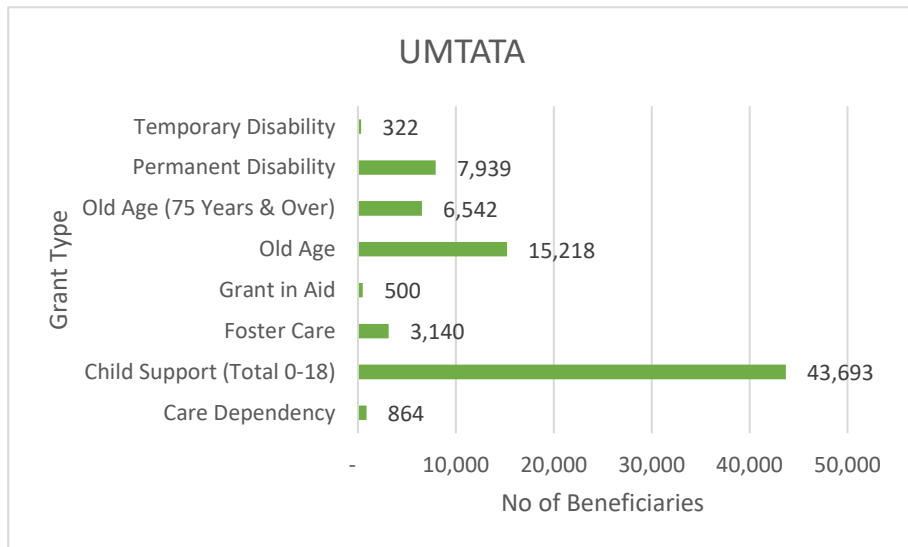
**DSD Port St Johns local office**



**DSD Qumbu local office**



**DSD Umtata local office**



## 2.4 BASIC SERVICE DELIVERY AND INFRASTRUCTURE

**Table 10: Powers and Functions**

	O.R. Tambo	KSD	Nyandeni	Ingquza Hill	Mhlontlo	PSJ
Water	Yes	No	No	No	No	No
Sanitation	Yes	No	No	No	No	No
Electricity Reticulation	No	Yes	Yes	Yes	Yes	Yes
Municipal Airports	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes
Public Transport	Yes	Yes	Yes	Yes	Yes	Yes
Storm water	-	Yes	Yes	Yes	Yes	Yes
Traffic packing	-	Yes	Yes	Yes	Yes	Yes
Street lighting	-	Yes	Yes	Yes	Yes	Yes

### 2.4.1 Water and Sanitation Services

O.R. Tambo District municipality is both a Water Services Authority and Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 117 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained in order that service may be provided in an equitable, sustainable and efficient manner. Thus the O.R. Tambo District municipality is mandated to deliver water services to a population of 1 510 000 within 350 000 households.

Table 101: ORTDM Water and Sanitation Backlogs

WSA	No of HH	No of People	Water			Sanitation		
			HH Backlog	Population Backlog	% Water Backlog	HH Backlog	Population Backlog	% Sanitation Backlog
King Sabata Dalindyebo	122 000	508 000	63 300	263 577	◆51.89%	23 866	99 376	● 37.70%
Mhlontlo	46 100	195 000	28 400	120 130	◆61.61%	15 686	66 350	◆55.23%
Ingquza Hill	63 200	313 000	56 700	280 809	◆ 89.72%	15 100	74 783	● 26.63%
Nyandeni	69 100	321 000	48 400	224 839	◆70.04%	11 413	53 018	● 23.58%
Port St Johns	34 900	172 000	28 500	140 458	◆ 81.66%	11 890	58 598	● 41.72%
<b>Total</b>	<b>350 500</b>	<b>1 509 000</b>	<b>225 300</b>	<b>1 029 814</b>	<b>◆ 64.27%</b>	<b>77 955</b>	<b>352 125</b>	<b>● 34.60%</b>

The Water and Sanitation Services Department consists of the following units:

- Water Services Provision;
- Water Services Authority;
- Project Management Unit;
- Engineering Services; and
- Emergency Response Unit

#### 2.4.1.1 Provision of Water Services

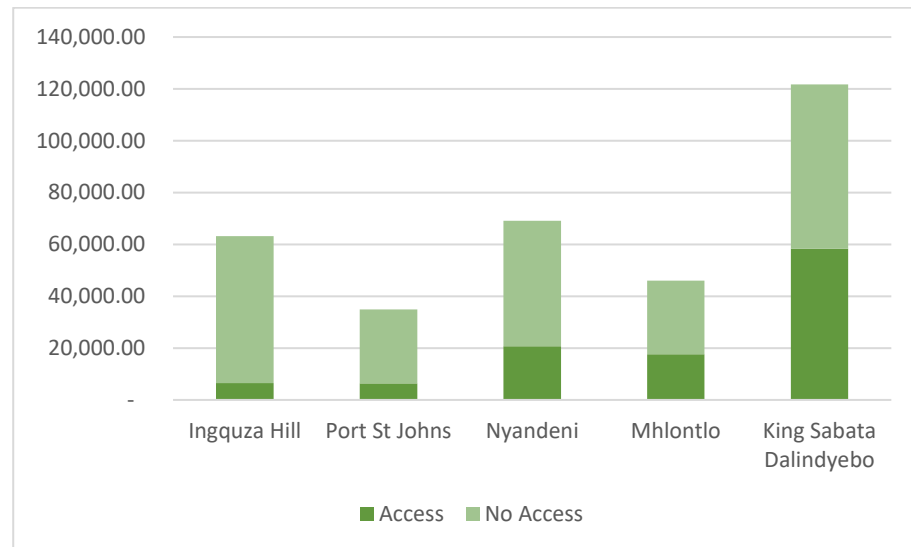
The District Municipality provides mixed forms of water services:

- Formal, high level of services (adequate);
- Informal, temporary level of service including water tankers (inadequate);
- Informal, below basic RDP level of service (inadequate);
- No service (inadequate)

Table 112: Households by type of Water Access Census Category	Description	Community Survey 2016		Census 2011		WSDP 2014/15 Base framework	
		No	%	No	%	No	%
<b>WATER (ABOVE MIN LEVEL)</b>							
Piped (tap) water inside dwelling/institution	House connections	20 181	6,4%	27 898	9,0%	32 211	9.61%
Piped (tap) water inside yard	Yard connections	39 480	12,6%	32 462	10,5%	33 813	10.09%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Standpipe connection < 200 m	64 720	20,6%	55 244	17,8%	35 383	10.56%
	Sub-Total: Minimum Service Level and Above	124 381	39,6%	115 604	37,3%	101 407	30.26
<b>WATER (BELOW MIN LEVEL)</b>							
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Standpipe connection: > 200 m < 500 m	10 966	3,5%	21 985	7,1%	8 287	2.47%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Standpipe connection: > 500 m < 1 000 m			9 168	3,0%		
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	Standpipe connection: > 1 000 m			6 015	1,9%		
No access to piped (tap) water	No services	178 733	56,9%	157 230	50,7%	225 396	67.26%
	Sub-Total: Below Minimum Service Level	189 699	60,4%	194 398	62,7%	233 683	69.73%
<b>Total number of households</b>		<b>314 080</b>	<b>100%</b>	<b>310 002</b>	<b>100%</b>	<b>335 090</b>	<b>100%</b>

O.R. Tambo District municipality has a total number of 32 211 (or 9.61%) households with piped water inside the dwelling, a total of 33 813 (10.09%) households had piped water inside the yard and a total number of 225 396 (67.26%) households have no formal piped water.

**Figure 16: Access vs No Access per Local Municipality 2018**



Source: IHS Markit Regional eXplorer version 1692

The regions within O.R. Tambo District Municipality with the highest number of households with piped water inside the dwelling is King Sabata Dalindyebo Local Municipality. The region with the lowest number of households with piped water inside the dwelling is Port St. Johns Municipality.

### Current Status Quo of Water Services Provision

- 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 ageing. Pipe bursts are more frequent, leading to water losses and sewage spillages. The budget focuses more on new capital infrastructure. There is limited budget for refurbishment, upgrading and operations and maintenance of the existing infrastructure.
- Supply versus demand:**  
 The day to day expansion of communities causes a high demand for water, whereas the supply from the water sources is limited. Rural Water Supply Schemes are designed to provide water at RDP standards which 200m walking distance and the supply of 6KL/hh/month or 25L / c/ d.
- Illegal or private connections:**  
 Communities illegally connect to the municipality’ water infrastructure. 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 when illegal connections are done, causes more water losses. The water schemes in the rural villages were not designed for a higher level of service. This is the phase that will only happen when all citizens of this country has access to the basic level of service, or when the municipality has



identified a pilot scheme to provide HLOS and collect revenue on the services provided. The criteria for pilot community will be determined by an adequate source of water, high population density, affordability and other aspects.

- **Reporting and non-reporting of incidents:**

The Call Centre 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 to immediately after being reported. Plumbers are always on stand-by to respond to pipe bursts and other matters that lead to the none supply of water and sewage spillages. The District Municipality has also recently a cell phone application called Thetha-Nathi, where residents can report incidents, and receive an immediate response. Suggestion boxes are provided in all magisterial towns of the five LMs. The purpose of suggestion boxes is to get feedback from the community on how the municipality can improve on its services.

- **Huge extent of current water service backlogs**

This is caused by negligence of the area during the apartheid era. Topography of the area, which makes it expensive for some areas to be serviced.

- **Ageing infrastructure**

Lack of refurbishment, and as a result, the infrastructure is being operated though it has far reached its design life span

- **Non-functional schemes especially stand-alone that require refurbishment and extension**

Water resource scarcity and availability

- **Infrastructure capacity does not meet demand**

Demand is in excess of available infrastructure due to rapid and unplanned growth and as such, the infrastructure is over-strained which results in the reduction of its lifespan

- **Pollution in the environment**

Waste water works exceeding the design capacity

- **High level of vandalism and theft**

Unemployment and complaints of poor and slow service delivery

- **Frequent disruptions of services**

Pipe bursts, electricity outages, breakdown of pumps, electrical faults

- **Slow turnaround time to respond to disruption of services**

Over-reliance on service providers for supply of materials and equipment

- **Shortage of skilled personnel**

Unable to attract skilled personnel due to financial constraints

## **Ingquza Hill Local Municipality – Existing Regional Water Supply Schemes**

Ngquza LM is made up of two urban nodes, namely Flagstaff and Lusikisiki. According to IHS Global 2018 the total population for Ngquza Hill LM is 313 000 with 63 200 households. The majority of the population about 98.42% reside in rural areas with only 1.58% residing in the two urban centres mentioned above. Therefore the greater part of the population is provided with water services to RDP standards.

### **a. Flagstaff Regional Water Supply**

The town of Flagstaff is supplied with ground water from four boreholes. The scheme is supplemented by raw water from the weir

which is purified at the Water Treatment Plant. Water from boreholes is blended with treated water in the reservoir then distributed into the reticulation network to serve the town and surrounding areas.

The drought has affected the scheme and resulted in rationing of water to four hours a day. Some new developments are outside the areas of supply due to topography of the area.

**b. Lusikisiki Regional Water Supply Scheme**

The Lusikisiki Regional Water Supply Scheme receives raw water from a weir in the Xura River via a pumping main to the Xura Water Treatment Works. The treated water is pumped to a 1400m<sup>3</sup> main reservoir. The combined design capacity of the pumping main is 32l/s. The above mentioned reservoir further feeds the 1000m<sup>3</sup> Lusikisiki Town Reservoir and 24 other reservoirs.

The scheme does not meet the current water demands as a result water is rationed to the communities. The most affected areas are Ngobozana, Unit Park, Mzintlava Clinic, Mcwabantsasa and Arthur Home in the town.

**c. Mkambati Weir Scheme**

Raw water from a weir in the Mkhambati River is pumped at a rate of 8l/s to a water treatment works. It is treated then pumped to two concrete reservoirs with a combined capacity of 450m<sup>3</sup>. Potable water is then distributed to the Nature Reserve with 44 beds and the clinic with 200 people. Water is carted from the main camp of the Nature to the cottages.

The Gwegwe resort receives water from a separate weir about 7km from main camp of Nature Reserve.

**d. Magwa Tea Estate Water Scheme**

The water supply to the Magwa Tea Estate is provided from a dam in the Mkhozi River. Raw water is treated in the Water Treatment Plant, then distributed to the estate which has a population of approximately 5000 people.

**e. Holy Cross Hospital Water Scheme**

In this scheme, water is sourced from two dams namely; Mcwesane Dam and Mketengeni Dam. The water is pumped from these dams to a water treatment works. Bulk storage of about 760m<sup>3</sup> is available for this scheme. The water from the scheme serves about 1500 people in the Holy Cross Hospital complex.

**f. Msikaba Water Supply Scheme**

Msikaba Water Supply 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

**Future water needs- Ingquza Hill**

The total water requirements for Ngquza Hill Regional Bulk Water Supply Scheme to meet 2035 projected water demands are 46.8Ml/day. The possible new dam site has been identified to be Mzintlavana Dam in Xura River about 2km upstream of meeting with the Mzintlavana River. The infrastructure investment will include new Water Treatment Plant, several reservoirs, pump station and bulk pipeline.

**Port St Johns Local Municipality- Existing Water Supply Schemes**

The total population for port St Johns LM is 172 000 with 34,900 households. The only town in the LM is Port St Johns, which is located at the mouth of the Umzimvubu River and is the well-known settlement in this LM.

**a. Port St Johns Spatial Development Initiative (SDI) Water Supply Scheme**

The water for this scheme is supplied from two sources namely: Bulolo Dam and Bulolo weir. These are situated on the Bulolo River. It is estimated that this scheme provides a yield of about 1000m<sup>3</sup>/day. Most of the bulk supply infrastructure in this scheme is recently built, however remedial works are needed on certain sections of the water mains and the Bulolo dam. The reticulation infrastructure is in a good condition but the overall scheme operations and supply efficiency can be improved.

The Water Treatment Plant has a capacity of 4ML/day. From the Water treatment plant water is pumped to a main reservoir, from which it is distributed to six villages, Port St Johns town and the Silaka Nature reserve via an old Water Treatment Works which has been converted to a storage facility.

**b. Umzimvubu 18 Villages Water Supply Scheme**

This scheme is located about 5km upstream of the Port St Johns SDI Water Supply Scheme. Water is abstracted from the Mngazi River to serve 18 villages. The scheme was commissioned in 2000.

Water is pumped from the Mngazi River to a 2ML/day Water treatment Plant. From the Water treatment Plant, the potable water is pumped to main 340kl reservoir, from where it is distributed to 23 other reservoirs.

**Nyandeni Local Municipality – Existing Regional Water Supply Schemes**

Nyandeni LM is made up of two urban nodes namely Ngqeleni and Libode. According to HIS Global 2018 the total population for Nyandeni LM is 321 000 with 69 100 households. The majority of the population reside in rural areas (96.35%) and with only 3.65% residing in the two

urban centres mentioned above. Therefore most of the population is provided with water services to RDP standards.

**a. Mhlanga Rural Water Supply Scheme**

Town of Libode and about 66 villages are served with potable water from the Mhlanga Rural Water Supply Scheme. The scheme covers a total distance of about 172 km. Raw water is pumped from the Mhlanga Dam to a concrete reservoir near the Mhlanga Water Treatment Works. The Mhlanga Water Treatment Works has capacity of 2.3Mℓ/day. Potable water gravitates to serve 66 villages. The scheme contains 68 reservoirs and 12 break pressure tanks.

Previous studies revealed that the Mhlanga Water Treatment Plant is over loaded. There are plans to link this WTW with the Thornhill Water Treatment Works in order to meet the required demands.

**b. Ngqeleni Town Water Supply Scheme**

This scheme is sourced from three sources namely two boreholes, a weir on Ngqeleni stream and on an Earth Dam on Ngqeleni stream. These three sources have a combined capacity of 449kℓ/day.

**c. Corana Water Supply Scheme**

Water is sourced from Corana Dam via gravity to the Corana WTW. Treated water is pumped to the Rainy Command Reservoir, thereafter it gravitates to seven reservoirs. In additions, water from the treatment works is pumped water to the Ngolo Reservoir to serve the peri-urban areas such as Ziphunzane and Ngolo.

**d. Ntsonyeni-Ngqongweni Water Supply Scheme**

The Ntsonyeni-Ngqongweni Water Supply Scheme sources its water from the Ntsonyeni River. It is pumped to the Ntsonyeni-Ngqongweni

WTW. The treated water is pumped to a reservoir and then serves the villages through gravity pipelines.

### **King Sabata Dalindyebo Local Municipality (KSDLM) – Existing water supply schemes**

KSDLM is made up of three urban centres namely Mthatha, Mqanduli, Coffee Bay and the rural areas. These urban centres are provided with high level of water services, while rural areas are provided at RDP standards. Mthatha is the biggest town in the ORTDM with a total population of 122 000.

#### **a. Mthatha Town Water Supply/ Thornhill Water Treatment Plant Scheme**

This scheme sources water from Mthatha Dam through gravity to the Thornhill Water Treatment Plant. The current water allocation to this scheme is 21.95million m<sup>3</sup>/a. Water Use License for the abstraction of water from the Mthatha Dam (Section 21(a) Water Use), is in place (License No. 12/T20E/A/931). This license authorises ORTDM to abstract a total of 55.1 million m<sup>3</sup> of water per year from the Mthatha Dam. The water use is allocated as follows:

- 21.9 million m<sup>3</sup> /year to the Thornhill WTW;
- 15.3 million m<sup>3</sup> /year to the Rosedale WTW; and
- The remainder of 17.9 million m<sup>3</sup> /year to Eskom for use in hydropower generation.

The water from the Thornhill treatment plant is pumped to Fort Gale and the Ncambedlana Command Reservoir. Water from the Fort Gale Reservoir is further pumped by two booster pumps to the two reservoirs at Signal Hill. The Fort Gale reservoirs supply Mthatha CBD and surroundings. The Signal Hill reservoirs supply some of Mthatha Peri-

Urban areas and surroundings. Ncambedlana reservoir supplies Maydene farm and surrounding peri-urban areas called Lower Corana. ORTDM is currently upgrading the Thornhill Water Treatment Plant from 60MI/day to 150MI/day to ensure current and future water demands are met.

Mthatha Town Water Supply Scheme supplies water to the following small water schemes as well:

- Zimbane Water Supply Scheme through Zamukulungisa Reservoir;
- Mpeko Water Supply Scheme through Signal Hill Reservoirs; and
- Lower Corana Water Supply Scheme through Maydene Farm Reservoir.

#### **b. Rosedale Water Supply Scheme**

The Rosedale Water Supply Scheme is a small stand-alone scheme serving the villages of Rosedale, Ntilini, Qelane, Ncambele and Highbury. This scheme also sources water from Mthatha Dam by pumping to a package Water Treatment Plant. Treated water is further pumped from the package plant to the 3MI, Rosedale Reservoir which then gravitate to above mentioned villages.

#### **c. Mqanduli Regional Water Supply Scheme**

The town of Mqanduli and surrounding areas are supplied from Manqondo River from a weir. The raw water is pumped to Mqanduli Water Treatment Plant at a flow rate of 6l/s. The scheme has reservoirs with total capacity of 1,22Ml and water is distributed via gravity mains.

#### **d. Mthatha Peri-Urban Water Supply Schemes**

The Mthatha town is surrounded by the rural areas that have high population growth. The ORTDM is currently sourcing water through a

number of water sources namely; Upper Corana, Mthatha & Corana Dams, Upper & Lower Mhlahlane and Mabeleni Water Supply Schemes.

**e. Mpheko Water Supply Scheme**

This scheme feeds from the Thornhill Water Treatment Plant (60Mℓ/day) that serves the Mthatha urban area, which is currently being upgraded to a 150Mℓ/day. There are about 16 villages that are served from this scheme through the Signal Hill Reservoir.

**f. Qunu Bulk Water Supply**

The scheme is made up of five standalone ground water schemes. These standalone schemes have a total storage capacity of 1,7Mℓ. All of them were designed to meet RDP standards.

**g. Upper and Lower Mhlahlane Water Regional Supply**

Raw water gravitates from a dam via the Mhlahlalan River and is extracted from weir via a 1.35km gravity pipeline to the Mhlahlane Water Treatment Works. The design capacity of the treatment works is approximately 1.5Mℓ/day, but due to the high water demands the treatment works double that volume. ORTDM has since upgraded the treatment works, provided additional storage and upgraded bulk infrastructure.

**h. Coffee Bay RWSS**

The source of water for the Coffee Bay regional water scheme is Mthatha River and the raw water is pumped to the Water Treatment Works. The treatment works treats 3ML/d. The final water is pumped to 1Mℓ Xonyeni Command Reservoir. Water is further pumped to a reservoir at Mabhehana. Water is further distributed through gravity

mains to 6 villages with 12 small reservoirs. The treatment works is operational even though it has got a few challenges,

**i. Xhugxwala Eyethu Water Supply Scheme**

The Xhugxwala Eyethu Water Supply Scheme is a small scheme with two standalone ground water systems. The Northern Scheme of the Xhugxwala water is pumped from the borehole to a 90kℓ reservoir. The Southern Scheme is also served from new borehole and water is pumped to a 40kℓ reservoir.

**j. Emtebe Village Water Supply Scheme**

Emtebe Village Water Supply Scheme is the standalone schemes within the peri-urban of Mthatha. Water is sourced from an existing borehole, windmill and a protected spring. Thereafter it is pumped to a 40kℓ reservoir.

- The raw sump at the river is silted, thus lowering the volume of raw water that is being pumped.
- Only 1 raw water pump out of 2 pumps is working.
- 1 x Sedimentation Tank is silted and needs to be disludged.
- Only 2 clear water pumps are working out of 3 pumps.

**Mhlontlo Local Municipality – Existing Water infrastructure**

Mhlontlo LM is made up of two urban nodes, Tsolo and Qumbu and six rural nodes namely; Sulenkama, St Cuthberts, Caba, Shawbury and Langeni Forest. According to HIS Global 2018 the total population for Mhlontlo LM is 195 000 with 46 100 households. The majority of the population reside in rural areas (91.14 %), 1.68% in farms and 7.17% reside in the two urban centres mentioned above. Therefore most of the population is provided with water services to RDP standards within a range of 200m apart. The Qumbu town and surroundings areas have

three key water supply schemes; namely Upper Chulunca Water Supply, Mvumelwano Water Supply and Qumbu Town Borehole Scheme.

**a. Upper Chulunca Water Supply**

This scheme receives raw water from the Cengcane Dam via a pumping main to a 100kℓ reservoir which gravitates to the Chulunca Water Treatment Works. The treated water is pumped through separate rising mains; one to the 400kℓ Mdeni Reservoir that serves the town and the other pumps to the 200kℓ Mthozela Reservoir which serves the surrounding rural areas. Due to the current water shortages, water is rationed. The constraint is due to the raw pipeline which has a limited capacity of 16l/s while the pumps could deliver up to 30l/s. Currently there are two villages, namely the Debeza and Mission that are part of the scheme. Water does not reach them due to the topography of the area where a booster pump is required.

**b. Mvumelwano Water Supply**

Water is sourced from the Tsitsa River abstraction works, which had a temporary gabion sump structure. The gabions were constructed to control silt but have been washed away by floods. Water is pumped to a holding dam that requires to be desilted every 5 days. Raw water gravitates to the Mvumelwano WTW. The treated water is stored in two command reservoirs in the treatment works that gravitate to the town and surrounding villages.

**c. Qumbu Town Boreholes**

There are three boreholes that serve the town of Qumbu as well. This was first the scheme to supply the Qumbu Town and is still being utilised.

**d. Sidwadweni Regional Scheme**

Water is sourced from Nqadu Dam and gravitates to the Sidwadweni Water Treatment Works. Treated water is pumped to the two East and West Command reservoirs each with a capacity of 1Mℓ. The East Command Reservoir supplies Dr. Malizo Mphehle Hospital, Mhlakulo Health Centre and surrounding rural areas. The West Command Reservoir supplies the rural in the western side of the scheme. The current challenge is that the Dam has dried up due to the drought and it was affected by 2010 drought as well. Three boreholes were drilled and equipped to augment the scheme under the MISA Programme, the villages which benefited are Bele-Zingcuka, Eluxolweni and Malepelepe. In addition under the MWIG programme six boreholes were drilled and equipped to augment this scheme as well. ORTDM is planning to implement phase 6 of the scheme to augment the current source. On the upcoming phase 5Mℓ/d of raw water will be abstracted from Tsitsa River (WUL has been approved by DWS).

**e. Tsolo Town Water Supply Scheme**

ORTDM has recently upgraded the weir and the Water Treatment Works for the Tsolo Water Supply to resolve water challenges which have plagued the community.

There are two water sources namely; the Xhokonxa Weir in the Xhokonxa River and the Tikitiki Weir also in the Xhokonxa River. Water is pumped from both weirs to a break pressure tank, which then gravitates to the Tsolo Water Treatment Plant. From the Tsolo WTW, treated water is pumped to command reservoir and then gravitates to the Tsolo town and surrounding villages.

**f. Mjika Water Supply Scheme**

Water is sourced from a weir in the Qolombana River, however the river yield has dried-up due to drought. The community is supplied from a nearby scheme through rationing.

There are three other schemes in the area of Mjika, namely Qolombana, Gungululu and Mahlubini Water Supply Schemes and they are not affected by the drought.

### **Mhlontlo Local Municipality – Existing Water infrastructure**

Mhlontlo LM is made up of two urban nodes, Tsolo and Qumbu and six rural nodes namely; Sulenkama, St Cuthberts, Caba, Shawbury and Langeni Forest. According to HIS Global 2018 the total population for Mhlontlo LM is 195 000 with 46 100 households. The majority of the population reside in rural areas (91.14 %), 1.68% in farms and 7.17% reside in the two urban centres mentioned above. Therefore most of the population is provided with water services to RDP standards within a range of 200m apart.

#### **a. Upper Chulunca Water Supply**

This scheme receives raw water from the Cengcane Dam via a pumping main to a 100kℓ reservoir which gravitates to the Chulunca Water Treatment Works. The treated water is pumped through separate rising mains; one to the 400kℓ Mdeni Reservoir that serves the town and the other pumps to the 200kℓ Mthozela Reservoir which serves the surrounding rural areas. Due to the current water shortages, water is rationed. The constraint is due to the raw pipeline which has a limited capacity of 16l/s while the pumps could deliver up to 30l/s. Currently there are two villages, namely the Debeza and Mission that are part of the scheme. Water does not reach them due to the topography of the area where a booster pump is required.

#### **b. Mvumelwano Water Supply**

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#### **c. Qumbu Town Boreholes**

There are three boreholes that serve the town of Qumbu as well. This was first the scheme to supply the Qumbu Town and is still being utilised.

#### **d. Sidwadweni Regional Scheme**

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#### **e. Tsolo Town Water Supply Scheme**

ORTDM has recently upgraded the weir and the Water Treatment Works for the Tsolo Water Supply to resolve water challenges which have plagued the community.

There are two water sources namely; the Xhokonxa Weir in the Xhokonxa River and the Tikitiki Weir also in the Xhokonxa River. Water is pumped from both weirs to break pressure tank, which then gravities to the Tsolo Water Treatment Plant. From the Tsolo WTW, treated water is pumped to command reservoir and then gravitates to the Tsolo town and surrounding villages.

**f. Mjika Water Supply Scheme**

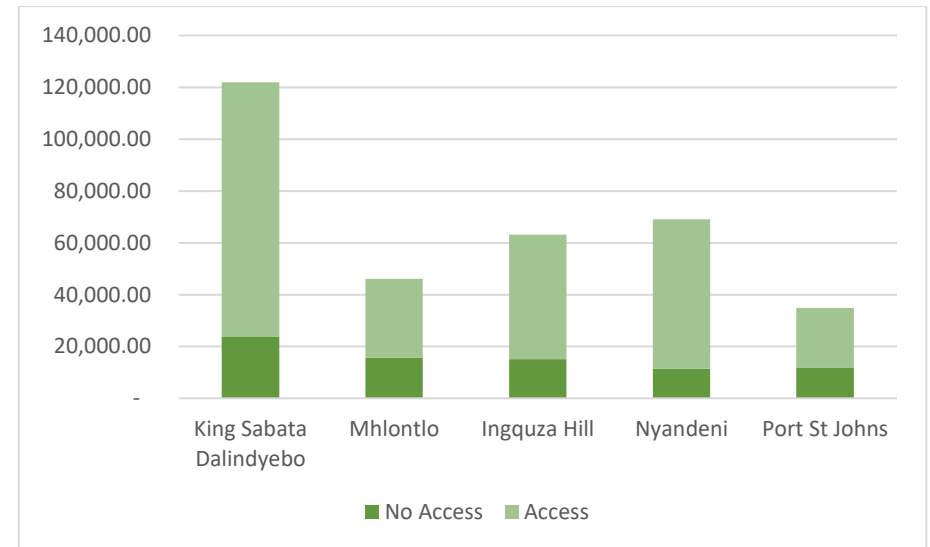
Water is sourced from a weir in the Qololombana River, however the river is yield has dried-up due to drought. The community is supplied from a nearby scheme through rationing. There are three other schemes in the area of Mjika, namely Qolombane, Gungululu and Mahlubini Water Supply Schemes and they are not affected by the drought.

**2.4.1.2 Provision of Sanitation Services**

In terms of basic services provisioning, the Municipality has significantly reduced the rural VIP sanitation backlogs. According to the Water Services Development Plan, the number of households still to be connected with VIP sanitation in 2018 was 77 955. This backlog, does not take into consideration, the eradication of the old corrugated iron structures that were implemented prior to the Municipality adopting a standard design for the VIP sanitation toilets. This target is considering only those households that were never provided with a VIP toilet.

**Figure 17 and Table 13** shows that there are more households with access to some form of sanitation than those without. KSDLM has the highest number of household with access to sanitation followed by Nyandeni and Ingquza Hill. KSDLM although with the highest access has a relatively larger backlog with over 200 000 without access.

**Figure 17: Sanitation Backlogs per Local Municipality**



Source: IHS Markit Regional eXplorer version 1692



**Table 13: Household by type of Sanitation Access**

	Flush sewerage system	VIP	Pit without ventilation	Bucket	None
Ngquza Hill	6 870	41 200	11 200	1 100	2 800
Port St Johns	8 530	14 500	6 100	590	5 200
Nyandeni	6 380	51 300	6 900	313	4 200
Mhlontlo	4 720	25 700	11 800	156	3 730
KSD	27 146	63 800	16 600	606	6 660
<b>Total</b>	<b>53 646</b>	<b>196 500</b>	<b>52 600</b>	<b>2 765</b>	<b>22 590</b>
	Sub-Total: Above and at Minimum Service Level	<b>250 146</b>	Sub-Total: Below Minimum Service Level		<b>77 955</b>

### 2.7.1.5 Water Security

The water requirements for the District Municipality are as follows:

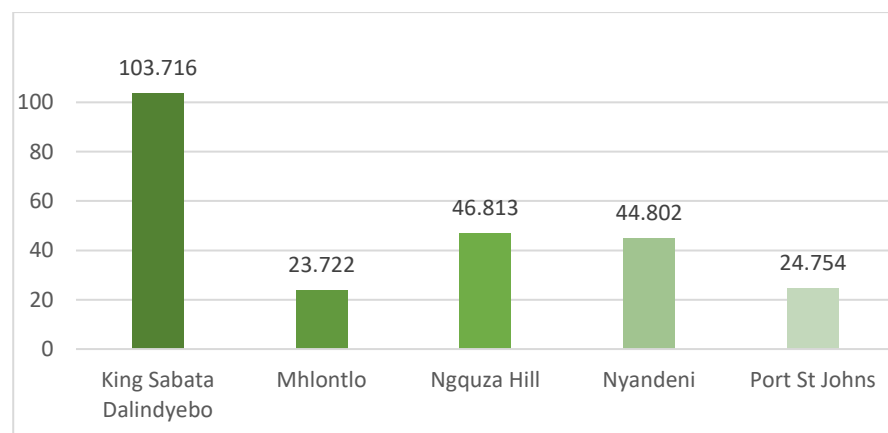
- 2015- 135 MI/day
- 2035- 244 MI/day

It is estimated that by 2035, KSD LM will be the largest water consumer in the ORTDM, requiring 40% of all water.

**Table 14: Water security and water requirements**

	O.R. Tambo	King Sabata Dalindyebo	Mhlontlo	Ingquza Hill	Nyandeni	Port St Johns
Groundwater (No. of BH with yield >5l/s)	27	10	11	4	1	1
Surface water (No. of dams)	6	1	1	0	3	1
Water Demand (Ml/day)						
2015	135.85	66.13	16.64	19.79	21.78	11.52
2020	174.35	78.51	19.86	29.39	30.21	16.38
2025	214.26	91.36	23.19	39.38	38.93	21.41
2030	229.32	97.55	23.54	43.14	41.96	23.13
2035	243.81	103.72	23.72	46.81	44.80	24.75

**Figure 18: O.R. TAMBO DM- 2035 water demand (Ml/d)**



Source: Department of Water Affairs, Universal Access Plan, September 2017

### 2.4.1.3 Functionality

There are approximately 55 water supply schemes and 9 sanitation schemes within ORTDM aimed at serving the people at and above RDP standard and comprises of 1 461 km of bulk pipelines, 612 reservoirs and 70 pump stations. There are 28 Water Treatment Works (WTW) and 15 Wastewater Treatment Works (WWTW) within the WSA. No works have been accredited with blue or green drop certification. None of the total number of water supply schemes and none of the sanitation schemes are fully operational and have not been refurbished or upgraded. Approximately 28% of the total number of infrastructure components have reached their useful life and 25% are in need of refurbishment. Based on the information provided above, the capital required to refurbish

dilapidated infrastructure is estimated at R1.57 billion. The annual O&M budget required to ensure the operation of existing infrastructure is R 142 million. It is therefore of utmost importance that WSAs have relevant and

#### **2.4.1.4 Communication and Customer Care Report & Waters Services Authority Report Customer Care And Communication Strategy**

The municipality has a function communication and customer care unit, the unit performs this function for all the local municipalities inclusive of Ingquza. The core functions of this unit are as follows:

- **Call centre management** – Capturing of complaints that leads to the compilation of complaints register. Issuing of job card to plumber complaints received.
- **By-Laws Awareness campaigns** – Conducting roadshows on illegal connections (making people aware of the implications as a result of illegal connections)
- **Water restrictions awareness** – community awareness on water conservation and water use management through engagement with community leaders.
- **Notices of water disruptions or outages** – through loud hailing and community radio announcements and interviews
- Attend to community delegations on water related issues.

The unit is not fully manned due to staff shortages and that makes it difficult for the unit to communicate effectively with the consumers especially in the entire O.R Tambo District the unit is in the process of advertising for the vacant posts where other personnel will be focusing on all the Local Municipalities.

recent asset registers in place as well as proper documented O&M procedures.

#### **2.4.1.5 Water Services Authority**

##### **Blue drop system / Green drop system program**

Water Services Institutions are thus compelled to provide the necessary information required to undertake a proper analysis on the quality of water services and performance and it remains illegal for Water Services Authorities and Water Services Providers to refuse, withhold or provide false information as specified in Section 82 of the Water Services Act (No 108 of 1997). It is therefore mandatory for O.R. Tambo District municipality to participate in the BDS/GDS assessment.

Currently the municipality is not performing well in this regard due to the following challenges:

- Inadequate system controls for monitoring of water quality
- Aging infrastructure
- Non-compliance of process controllers as required by the regulations
- Non-compliance of drinking water and waste water quality

##### **Free Basic Services**

- **Water Carting**

The municipality, guided by the constitution and internal policies, continuously carts water to communities that do not have water schemes. Water is also carted to areas with prolonged water outages. There is one water tankers in Ingquza Hill, one is responsible for Lusikisiki and the other for Flagstaff.

During the 2018/19 financial year mid-term, the municipality carted a total of 150.1 million litres of purified water at a cost of more than R28 million. The budget for this function is always insufficient due to high demand for water carting by the communities.

For the 2019/20 financial year, the budget allocation for water carting is R20 000 000 for the entire District and it is deemed insufficient due to the persistent drought that is experienced throughout the district.

Water is also delivered to bereaved households, community Imbizos and events and community tanks that are installed in Ingquza LM areas (Lusikisiki and Flagstaff) without water. It is also too expensive to hire private water carting tankers.

- **Basic Social Services Packages – Indigent Benefits**

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free water & sanitation 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. 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 table below shows the current status quo on the number of indigent households served in the O.R. Tambo DM.

**Table 15: Status Quo of Indigent Households in the District**

LOCAL MUNICIPALITY	NO OF H/H	INDIGENT H/H	INDIGENT H/H PROVIDED WITH WATER	INDIGENT H/H PROVIDED WITH SANITATION
MHLONTLO	49 861	19 884	13 891	16 291
PSJ	30 951	16 818	10 220	11 115
INGQUZA	48 701	26 119	12 356	15 585
NYANDENI	70 145	48 702	20 962	25 367
<b>KSD</b>	<b>105 240</b>	<b>41 290</b>	<b>20 385</b>	<b>23 415</b>

**Drought Relief Programme**

The Department of Water Affairs has pointed out that in their statistics the O.R Tambo District Municipality is one of the Municipalities that is severely affected by drought. Drought meetings were held in the department and the O.R Tambo DM has identified its hot spots areas where drought is very threatening such that the water restrictions are implemented in those areas. Ingquza Local Municipality is one of the Local Municipalities under O.R Tambo that was assessed by the National and Provincial Disaster Management Centres and it was identified as the most area affected by drought.

### **Water Conservation and Demand Management Program**

As a WSA, the municipality is required to comprehensively implement the water conservation and demand management programmes. The following WCDM programs are being implemented by the municipality

- **Water Balancing** – the municipality performs monthly audits on water balancing and water losses.
- **War on leaks** – the Department of Water and Sanitation Services through O R Tambo District Municipality has identified 120 volunteers to be trained in the war on leaks program, the trainees are working in Ingquza Hill and KSD LM's

**Table 16: Interventions**

CHALLENGES	INTERVENTIONS
<p><b>Illegal or private connections:</b> Communities illegally connect to the municipality' water infrastructure. 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 when illegal connections are done, causes more water losses.</p>	<ul style="list-style-type: none"> <li>• Removal of illegal connections through bylaw enforcement. The municipality has managed to remove a substantial number of illegal connections and also shut down a number of illegal carwashes throughout the district.</li> <li>• The water schemes in the rural villages were not designed for a higher level of service. This is the phase that will only happen when all citizens of this country has access to the basic level of service, or when the municipality has identified a pilot scheme to provide HLOS and collect revenue on the services provided. The criteria for pilot community will be determined by an adequate source of water, high population density, affordability and other aspects.</li> </ul>
<p><b>Drying water sources:</b> 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.</p>	<ul style="list-style-type: none"> <li>• Implement Water Conservation &amp; Demand Management programmes such as awarenesses on water harvesting methods.</li> </ul>
<p><b>Dilapidated infrastructure:</b> The ORTDM inherited old infrastructure from the Department of Water Affairs. The infrastructure is ageing. Pipe bursts are more frequent, leading to water losses and sewage spillages. The budget focuses more on new capital infrastructure. There is limited budget for refurbishment, upgrading and operations and maintenance of the existing infrastructure.</p>	<ul style="list-style-type: none"> <li>• Use the Master Plan as vehicle to lobby for more grant funding.</li> </ul>
<p><b>Supply versus demand:</b> The day to day expansion of communities causes a high demand for water, whereas the supply from the water sources is limited. Rural Water Supply Schemes are designed to provide water at RDP standards which 200m walking distance and the supply of 6KL/hh/month or 25L / c/ d.</p>	<ul style="list-style-type: none"> <li>• Improved designs of Rural Water Supply Schemes to provide 60l/c/d for rural households. Upgrading urban water supply and construction of new plants to meet the current demand whilst estimating future demands.</li> </ul>

CHALLENGES	INTERVENTIONS
<p><b>Reporting and non-reporting of incidents</b></p>	<ul style="list-style-type: none"> <li>The Call Centre 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 to immediately after being reported. Plumbers are always on stand-by to respond to pipe bursts and other matters that lead to the none supply of water and sewage spillages. The District Municipality has also recently a cell phone application called Thetha-Nathi, where residents can report incidents, and receive an immediate response. Suggestion boxes are provided in all magisterial towns of the five LMs. The purpose of suggestion boxes is to get feedback from the community on how the municipality can improve on its service.</li> </ul>
<p><b>Undetermined water losses for treated and raw water</b></p>	<ul style="list-style-type: none"> <li>Installation of bulk metres in water treatments plants and reservoirs .</li> </ul>

#### 2.4.2 Electricity

The provision of electricity is the responsibility of Eskom, a State Owned Company. The District Municipality is involved in the planning process, with the exception of the KSD LM, where 70% of the households have access to electricity.

Most of the households in these municipalities are dependent on candles and paraffin as their source of energy for lighting. The district has an opportunity of pursuing renewable energy, given its ideal physical and climatic conditions (wind, solar, hydro). Other sources of renewable energy in the District also need to be studied and exploited as and where possible.

#### 2.4.3 Roads and Public Transport Infrastructure

The Department of Roads and Transport, together with the DM, have developed an Integrated Transport Plan for the District. In terms of the approved District ITP, 78 projects have been identified that should be implemented in the ORTDM to address the transport-related needs of the area. The required budget over a period of five years, for the ITP is R 523 million. 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 DM has resulted in very

poor access to the major road routes. This not only isolates already impoverished communities from important livelihood socio-economic opportunities, but also inhibits economic development, making it expensive and difficult to move inputs and outputs from many parts of the District. In the 2019/2020 financial year the technical services department has set aside an amount in excess of R 5.1 Million for the rehabilitation, maintenance and construction of strategic roads within the district.

**Table 17: The current status of roads in the O.R. Tambo District Municipality**

Road Category	Number of Kms in the District	Responsible Authority
<b>National</b>	136	National Roads Agency
<b>Provincial</b>	497	Provincial Dept. of Roads and Public Works
<b>District</b>	2, 792	Regional Dept. of Roads and Public Works
<b>Access Roads</b>	2, 957	District and Local Municipality
<b>Street and Internal</b>	Unconfirmed	Local Municipalities

A specific priority of 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.

#### **2.4.3.1 Rural Roads Asset Management Systems**

Rural Roads Asset Management Systems (RRAMS) is the programme currently implemented by the department through grant that is received from National Department of Transport. The intention of the programme is to assist the local municipalities to better manage their roads through systematic intervention by understanding the extent of the road network, its condition, backlog, maintenance budget required etc.

#### **2.4.3.2 Arrive Alive Programs**

Due to an increase in road deaths, the department joined arms with the national government in raising awareness by launching the Arrive Alive Campaign. The campaign is premised on cautioning and training road users on road carnage high risk factors. The campaigns also involved the training of individuals in after-crash care, so as to reduce disabilities and deaths attributed to road accidents.

Improve road safety awareness of vulnerable road users such as pedestrians, passengers and drivers. This road safety awareness is extended to communities through the roll-out of the Community Road Safety Council operations. The level of participation in these awareness campaigns is strengthened through stakeholder engagement.

#### **2.4.3.3 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 ORTDM 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. The ORTDM includes NMT in its planning by identifying needs in the district ITP, but implementation does not fall within the ambit of the DM.

#### **2.4.3.4 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 within the district.

#### **2.4.3.5 Airports**

Mthatha Airport has fully functional and compliant with Civil Aviation Authority (CAA) safety standards. The airport currently has a 2 kilometer runway which accommodates Boeings 737's aircrafts that can carry 150 passengers. In the current upgrading process of this airport, the first phase includes the construction of a bigger fire station that will accommodate two big fire engines worth R2.5 million.

The inadequacy of the runways at Mthatha Airport requires attention and planning for to accommodate the increased traffic flow that will result from increased commercial activity and tourism in the area. The South African National Defence Force (SANDF) has assumed responsibility for the project as and, initiative to up-grade the airport runway to an international standard which will then make it possible for all kinds of aircraft being able to use the airport.

### **2.4.4 Human Settlements and Housing Development**

The O.R. Tambo DM 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.

The predominant settlement pattern in O.R. 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. There is also human settlements developments in urban areas at a smaller scale. Areas along the coastline are sparsely populated due to difficult terrain and the legislation prohibiting people building houses along the coast which result to people tending 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.

#### **2.4.4.1 Land Needs**

The region of the O.R. Tambo District Municipality with the highest number of very formal dwelling units is the King Sabata Dalindyebo Local Municipality with 17 500 or a share of 89.37% of the total very formal dwelling units within O.R. Tambo District Municipality. The region with the lowest number of very formal dwelling units is the Nyandeni Local Municipality with a total of 355 or a share of 1.82% of

the total very formal dwelling units within O.R. Tambo District Municipality.

Human Settlements is a provincial competence. The ORTDM submit business plans for the development of Human Settlements in the region. The District is experiencing a backlog of more than 158 000 houses. The DM has experienced a number of disasters in the recent past and the demand for temporary shelters and permanent housing has increased rapidly.

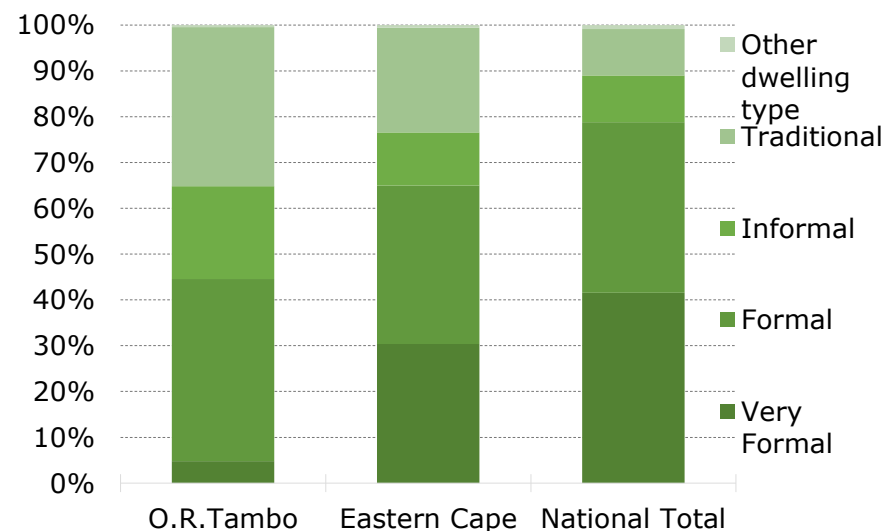
#### 2.4.4.2 Backlog Information and Housing Needs

ORTDM has a housing backlog of approximately 158 143 houses. Nyandeni LM has the highest number of backlogs at, 41 892, whilst PSJ and KSD are the lowest at 22 000 respectively. The table below outlines the backlogs per the Census results of 2011.

**Table 18: Housing backlogs per local municipality**

LOCAL MUNICIPALITY	BACKLOG
Ingquza Hill	33 502
King Sabata Dalindyebo	22 000
Mhlontlo	38 749
Nyandeni	41 892
Port St Johns	22 000
<b>GRAND TOTAL</b>	<b>158 143</b>

**Figure 19: Households by dwelling unit type O.R. Tambo, Eastern Cape and National Total, 2017.**



Source: IHS Markit Regional eXplorer version 1692

When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that O.R.Tambo District Municipality had a total number of 16 100 (4.79% of total households) very formal dwelling units, a total of 133 000 (39.79% of total households) formal dwelling units and a total number of 67 900 (20.25% of total households) informal dwelling units.

#### **2.5.4.3. Acquisition of Developer Status**

In view of the significant backlogs currently facing the municipality, the municipality has since been awarded a developer status after a series of engagements presenting a business case to the provincial Department of Human Settlements. Furthermore, the municipality is undergoing a process of obtaining accreditation as a Human Settlements Development Agent.

**Table 19: Basic Service Deliver and Infrastructure Interventions**

Challenges	Interventions
<p>Gaining access to developable land in good locations for housing development has proven to be a major challenge in the province due to land claims and invasions. Land values are the 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 marginalization, especially for low-income households in the District.</p>	<p>The district municipality is engaging Traditional Leaders, local municipalities and other relevant stakeholders to expedite the process of land acquisition and land transfer.</p>
<p>The rate of response to disasters (temporary shelters) has been slow putting enormous pressure on the District and the LMs</p>	<p>The newly acquired developer status will assist the municipality to have a quick turnaround time to disaster incidents.</p>
<p>There is slow up-take of other forms of Human Settlements in the District e.g. Social Housing, FLISP, Private residential clusters etc., as there is minimal serviced land in Local Municipalities which contributes negatively to human settlements development, as availability of services is a key requirement in urban development programmes</p>	<p>The municipality is in a process of hosting an investment summit in an attempt to attract and engage private and public investors to take up on property development such as mixed use developments.</p>
<p>Most of the available land in LMs is under land claim or land invasions</p>	<p>The district municipality is engaging Traditional Leaders to accelerate the implementation of SPLUMA thereby curbing land invasions and responding to land claims.</p>
<p>Shortage of SABS approved material suppliers within the OR Tambo Region</p>	<p>Forge good working relations with suppliers from other regions and preparing procurement plan to meet the set timeframes</p>
<p>Slow delivery of housing</p>	<p>Partnering well established contractors with emerging contractors to transfer skill and provide cash-flow management.</p>

Challenges	Interventions
Poor quality work by emerging contractors	The municipality has opted to advertise bulk delivery of houses. Increased quantities require expertise of more established contractors
Financial planning not in line with priorities	Develop procurement plans that are aligned provincial and municipal budget cycles
Difficult terrain is a major challenge and it results in double and sometimes triple handling of construction materials	Improve intergovernmental relations with the local municipalities in providing and maintaining access roads to improve access.

## 2.5 COMMUNITY SERVICES

### 2.5.1 Overview of the Community Services function

**Table 120: The Powers and Functions**

	O.R. Tambo	KS D	Nyandeni	Ingquba Hill	Mhlontlo	PS J
Fire fighting	Yes	Yes	Yes	Yes	Yes	Yes
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes
Disaster Management	Yes	No	No	No	No	No

ORTDM performs the functions tabled above in terms of the Municipal Structures Act 117 of 1998. However the ORTDM performs additional roles in the district these include Sport, Recreation, Arts, Culture, Heritage, Libraries, Information and Education Services, Arts, Culture and Heritage, Library, Information, and Education and Provision of Human Settlements.

The Department of 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 Organizations, hence a need for a Social Needs

Cluster. The directorate of Community Services is composed of five Sections:

### 2.5.2 Status Quo

#### 2.5.2.1 Sport, Recreation, Arts, Culture, Heritage, Libraries, Information and Education Services

To ensure the development of Sport, Recreation, Arts, Culture, Heritage, Libraries, Information and Education Services and capacity building to coordinate implementation of such activities and link to economic development. This includes preservation and conservation of heritage resources.

Ensure development of Sport, Heritage, Arts, Culture, Libraries, Information and Education Services

Capacity building and coordination of implementation of sports, heritage arts, culture, libraries, information and education 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

#### Initiatives in this regard are as follows:

- Hosting of O.R. Tambo Games.
- Support to O.R. Tambo Body Building Athletes.

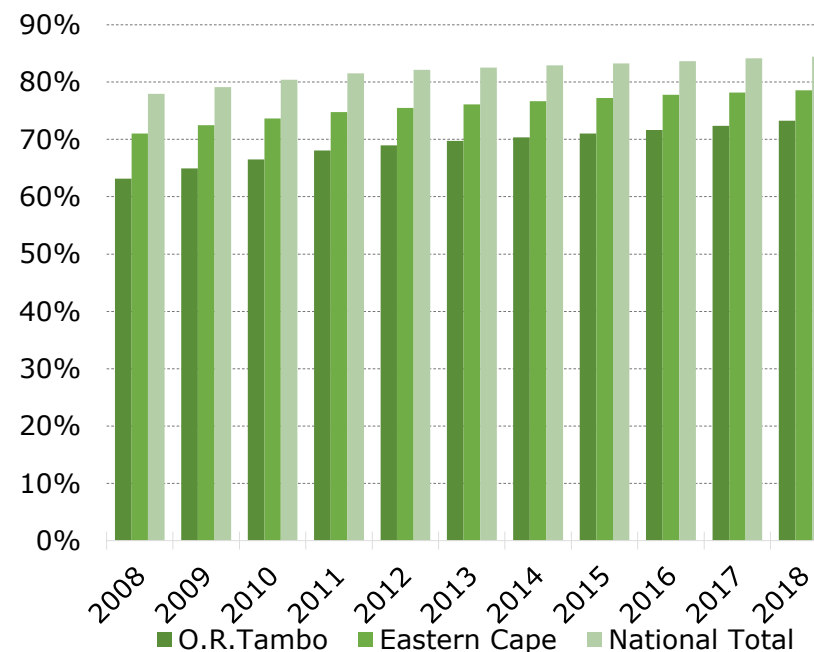
- Support to O.R. Tambo People with Disability Annual General Meeting.
- Support to O.R. Tambo Sports Confederation.
- Support to School Sports.
- Hosting of Ingquza Hill Ward 08 Tournament.

### 2.5.2.2 Functional Literacy

Functionally literacy is a measure of the ability to read, write and spell at a Grade 7 level. Such a qualification will stand the holder in good stead in society and the work place. **Figure 20** shows that O.R.Tambo District Municipality's functional literacy rate of 73.29% in 2018 is lower than that of Eastern Cape at 78.59%. When comparing to National Total as whole, which has a functional literacy rate of 84.42%, it can be seen that the functional literacy rate is higher than that of the O.R.Tambo District Municipality.

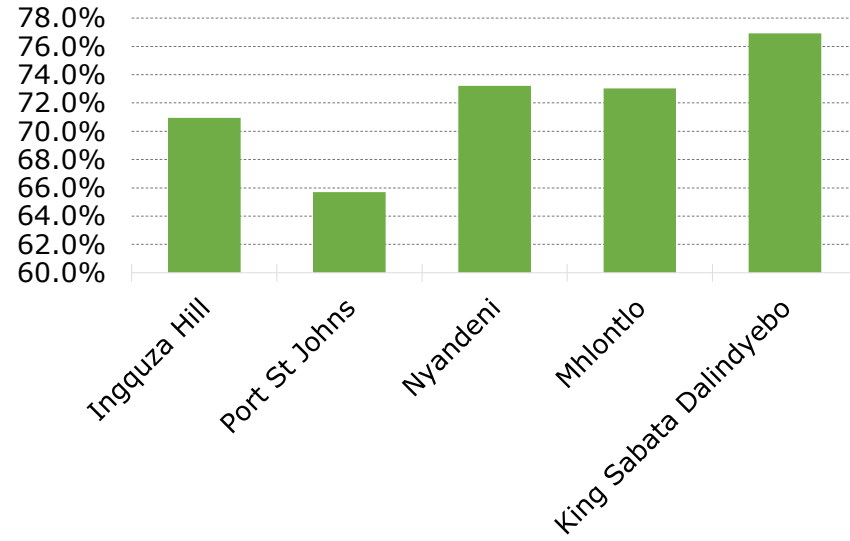
**Figure 12** shows that in 2018, In terms of the literacy rate for each of the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo Local Municipality had the highest literacy rate, with a total of 76.9%. The lowest literacy rate can be observed in the Port St Johns Local Municipality with a total of 65.7%.

**Figure 20 Functional literacy: age 20+, completed grade 7 or higher - O.R.Tambo, Eastern Cape and National Total, 2008-2018.**



Source: IHS Markit Regional eXplorer version 1692

**Figure 21: Literacy rate - local municipalities and the rest of O.R.Tambo District Municipality, 2018.**



Source: IHS Markit Regional eXplorer version 1692



**Table 131: Education levels per local municipality**

	Ingquza Hill	Nyandeni	Port St Johns	Mhlontlo	King Sabata Dalindyebo	O.R. Tambo	Eastern Cape	South Africa
<b>No schooling</b>	16 900	19 200	12 100	10 600	35 300	94 000	305 000	2 250 000
<b>Grade 0-2</b>	5 260	5 240	4 180	3 760	6 940	25 400	123 000	685 000
<b>Grade 3-6</b>	27 500	23 700	15 400	16 600	31 100	114 000	559 000	3 110 000
<b>Grade 7-9</b>	35 200	38 300	18 400	28 200	57 900	178 000	950 000	6 060 000
<b>Grade 10-11</b>	34 800	38 800	15 800	25 000	65 100	180 000	1 010 000	8 620 000
<b>Certificate/ diploma without matric</b>	304	368	89	377	1 070	2 210	13 400	178 000
<b>Matric only</b>	19 200	24 100	10 500	13 100	56 000	123 000	888 000	10 700 000
<b>Matric certificate and diploma</b>	5 300	5 100	1 890	3 030	16 800	32 100	221 000	2 200 000
<b>Matric and Bachelor's Degree</b>	2 510	2 600	1 030	1 240	12 100	19 500	125 000	1 600 000
<b>Matric and Post Grad Degree</b>	1 120	893	403	503	4 150	7 070	51 300	726 000

Source: IHS Markit Regional eXplorer version 1692

**Table 142: Number of Schools, FET Colleges and Universities per Local Municipality in the District**

Eastern Cape Department of Education, 2018

MUNICIPALITY	INTREMIATE	PRIMARY	COMBINED	SECONDARY	SPECIAL NEEDS	ORDINARY SCHOOL	ABET	FET COLLEGES	UNIVERSITY
Ingquza Hill	1	66	123	22	1	2	0	1	
KSD	2	80	220	58	1	1	0	1	1
Mhlontlo	0	75	152	28	1	0	1	0	
Nyandeni	0	71	162	29	0	2	0	0	
Port St Johns	1	60	73	13	0	3	0	0	
<b>Total</b>	<b>4</b>	<b>352</b>	<b>730</b>	<b>150</b>	<b>3</b>	<b>8</b>	<b>1</b>	<b>2</b>	<b>1</b>

### Lack of Education

Table 21 above shows that over 500 000 of ORTDM's residents do not have any formal education that is approximately 35% of the population.

Furthermore ORTDMs function literacy is lower than that of the Province and National. Lastly Table 22 shows that there are just over 150 secondary schools and 730 Combined schools against a population of over 550 000 people of school going age.

### Other Challenges

- Lack of facilities that improve livelihoods and social cohesion of communities such as Multi centres and adequate sports grounds.
- Lack of promotion of social cohesion activities that will promote and strengthen the community's heritage.
- Lack of investment in sports, culture and heritage.

### 2.5.2.3 Municipal 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.

### **HIV/AIDS Estimates**

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV

prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people that are HIV+. In the absence of any treatment, people diagnosed with HIV quickly reach the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

**Table 23 and Figure 13** illustrates the estimated HIV prevalence and AIDS death over the period 2011-2018.

**Table 23: Number of HIV+ people - O.R.Tambo, Eastern Cape and National Total, (2008-2018)**

<i>Period</i>	<i>O.R.Tambo</i>	<i>Eastern Cape</i>	<i>National Total</i>	<i>O.R.Tambo as % of province</i>	<i>O.R.Tambo as % of national</i>
2008	129,000	631,000	5,400,000	20.4%	2.4%
2009	132,000	643,000	5,480,000	20.5%	2.4%
2010	136,000	660,000	5,590,000	20.6%	2.4%
2011	140,000	676,000	5,680,000	20.6%	2.5%
2012	143,000	691,000	5,760,000	20.7%	2.5%
2013	148,000	712,000	5,880,000	20.7%	2.5%
2014	153,000	736,000	6,010,000	20.7%	2.5%
2015	158,000	760,000	6,130,000	20.7%	2.6%
2016	163,000	786,000	6,280,000	20.7%	2.6%
2017	168,000	812,000	6,430,000	20.7%	2.6%
2018	173,000	838,000	6,580,000	20.7%	2.6%
<b>Average Annual growth</b>					
2008-2018	<b>3.01%</b>	<b>2.88%</b>	<b>2.00%</b>		

Source: IHS Markit Regional eXplorer version 1692

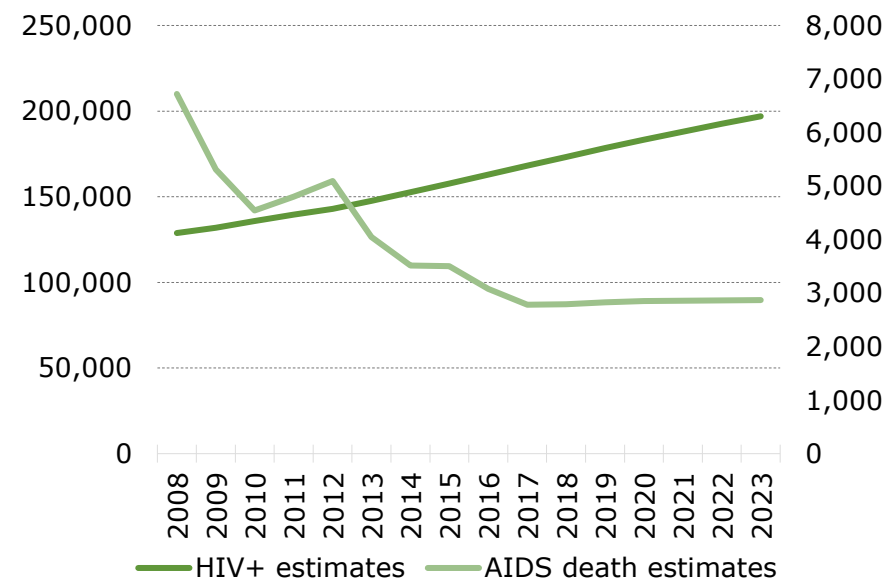
In 2018, 173 000 people in O.R. Tambo District municipality were infected with HIV. Between 2011 and 2018 the number of people infected, increased at an average rate of 3.01% per annum. By 2018, 11.46% of the O.R. Tambo District municipality population was infected with HIV.

In 2018, South Africa had a total of 6 580 000 people who were HIV+. Between 2011 and 2018 this increased at an average rate of 2.0 rate per annum. The Eastern Cape had a similar profile with 11.14% of the population being HIV+, but growing at a faster rate of 2.88% per annum.

The average per annum growth in the number of HIV+ people in O.R. Tambo District municipality, is slightly higher than that of the province, at 3.01%, and has a higher percentage (11.46%), of people living with the disease. The local municipality affected the worst is the King Sabata Dalindyebo Local Municipality, where the HIV+ incidence grew at a rate of 3.40% per annum from 2011 to 2018.

In 2018, 3 173 people lived with AIDS, the next stage of the HIV disease, lived in the ORTDM. On reaching the final stage(s) of the disease, recovery is highly unlikely for the majority of people. It is therefore, significant and worth mentioning when reaching the final stage of the disease, recovery is very unlikely and most of them will not live much longer.

**Figure 22: HIV+/AIDS Profile for O.R. Tambo District municipality, 2018**



Source: IHS Markit Regional eXplorer version 1692

### 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 2017/18). ORTDM has 182 health facilities tabulated in table 2.11 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 O.R. 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 24: Number of Health Facilities in the O.R. Tambo District**

HEALTH FACILITIES	NUMBER
Clinics	135
Community Health Centre	10
Correctional Centre	4
Crisis / Victim Empowerment Centre	3 (Sinawe, Thuthuzela and Thembelitsha)
District hospital	9
EMS	1 main base in Mthatha and satellite stations
Mobiles	11

HEALTH FACILITIES	NUMBER
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
<b>TOTAL</b>	<b>182</b>

*Eastern Cape Department of Health, 2018*

### Other Challenges

- High death rate of initiates.
- Illegal dumps, recurring dumping of miscellaneous (debris and general refuse) waste in vacant plots and open fields.
- Insufficient data regarding notifiable diseases received from the reporting institution or health facilities.
- Late reporting of notifiable diseases.

### 2.5.2.4 Fire and Disaster

The district is characterized by low levels of education. The following table indicates that KSDLM, Ingquza Hill and Nyandeni LMs have the highest number of people with schooling. KSDLM also has the highest number of people with secondary and tertiary education, probably due to the location of the Walter Sisulu University and many secondary schools in Mthatha.

- **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.

### **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 guide; coordinate and monitor the implementation of the Act; the National Disaster Management policy framework; the O.R. Tambo Disaster Management policy framework by the district municipality, its local municipalities, municipal departments; the private and public entities, communities, Non-governmental organisation and society at large. The disaster centre is physically located at the district municipality premises in Myezo, Mthatha. Five satellite centres have been established in Nyandeni (Libode), Mhlontlo (Qumbu), PSJ and Ingquza Hill (Lusikisiki). In compliance with the disaster management policy framework of the district.

The main objective of the function is;

- To advocate and facilitate the integration of disaster risk management in planning processes by all municipalities and society within the district.
- To ensure uniform application and implementation of the Act and policy frameworks of national; provincial and local government spheres.
- Water resources shortages;
- 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 fully integrated with other District key stakeholders e.g. traffic, Emergency Medical Services (EMS).

### **Challenges Include**

- High susceptibility to veld fires due to the geography and climate of ORTDM.
- Scattered settlements without access roads and the general surface area of the ORTDM make it difficult to respond to emergencies timeously.

### **2.5.2.5 Community Safety and security**

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. Circuit 6 under Bityi and Mthatha Northern as well as Sport against Crime Programmes have also been implemented by the District Municipality. Coastal Safety

Programmes have been implemented in four coastal local municipalities and 2 inland Municipality with water falls

The O.R. Tambo Region runs on a coastal plateau as thus has vastly utilised oceans. The oceans are used for recreational as well as other reasons which is why the municipality has made an effort to strengthen coastal safety. The initiative is the sole responsibility of the District Municipality and has in that regard employed 160 people (80 patrollers and 80 Life Guards) for five months (May to December 2019). The program was previously funded by the Extended Public Works Program. Council has approved funding for these programmes in the 2018/19 budget, as there were no funds available within EPWP grant, R 2,6 m for 2018-19 has been sourced from the Equitable share programme.

### Crime Index

The IHS Composite Crime Index makes use of the official SAPS data, which is reported in 27 crime categories (ranging from murder to crime injuries). These 27 categories are divided into two groups according to the nature of the crime: i.e. violent crimes and property crimes. IHS uses the (a) Length-of-sentence and the (b) Cost-of-crime in order to apply a weight to each category.

The crime index is a composite, weighted index which measures crime. The higher the index number, the higher the level of crime for that specific year in a particular region. The index is best used by looking at the change over time, or comparing the crime levels across regions.

**Table 25: Overall crime index – All Local Municipalities in O.R.Tambo District, 2007/2008-2017/2018**

Year	Ingquza Hill	Port St Johns	Nyandeni	Mhlonlo	King Sabata Dalindyebo
2007/2008	44.64	63.29	56.88	66.34	91.51
2008/2009	41.69	59.15	51.45	63.27	78.28
2009/2010	45.80	55.93	51.54	62.13	87.75
2010/2011	44.75	52.73	60.71	61.67	94.88
2011/2012	41.92	51.84	54.85	61.48	91.56
2012/2013	43.81	51.31	50.85	61.40	87.07
2013/2014	47.94	58.17	56.48	62.55	88.89
2014/2015	40.47	50.67	48.16	62.81	73.60
2015/2016	35.36	47.20	49.96	61.73	69.93
2016/2017	30.77	45.04	49.49	60.57	72.54
2017/2018	32.06	42.92	50.98	66.74	76.07
<b>Average Annual growth</b>					
2007/2008-2017/2018	<b>-3.26%</b>	<b>-3.81%</b>	<b>-1.09%</b>	<b>0.06%</b>	<b>-1.83%</b>

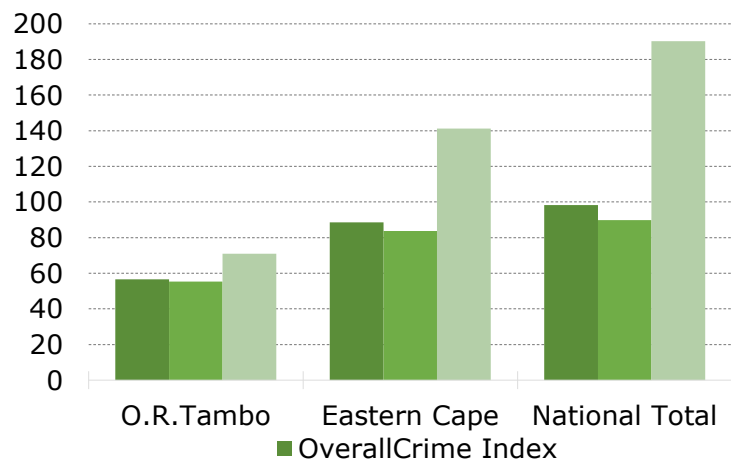
Source: IHS Markit Regional eXplorer version 1692

For the period 2007/2008 to 2017/2018 overall crime has decreased at an average annual rate of 3.26% within the Ingquza Hill Local Municipality. Violent crime decreased by 3.41% since 2007/2008, while property crimes decreased by 1.43% between the 2007/2008 and 2017/2018 financial years.



In 2017/2018, the King Sabata Dalindyebo Local Municipality has the highest overall crime rate of the sub-regions within the overall O.R.Tambo District Municipality with an index value of 76.1. Mhlontlo Local Municipality has the second highest overall crime index at 66.7, with Nyandeni Local Municipality having the third highest overall crime index of 51. Port St Johns Local Municipality has the second lowest overall crime index of 42.9 and the Ingquza Hill Local Municipality has the lowest overall crime rate of 32.1. The region that decreased the most in overall crime since 2007/2008 was Port St Johns Local Municipality with an average annual decrease of 3.8% followed by Ingquza Hill Local Municipality with an average annual decrease of 3.3%.

**Figure 23: O.R.Tambo, Eastern Cape and National Total, 2017/2018**



Source: IHS Markit Regional eXplorer version 1692

From the chart it can be seen that there is generally less crime in O.R. Tambo when compared to the Eastern Cape and Nationally. Furthermore it is evident that property crime is a major problem for all the regions relative to violent crime.

### High Crime Rate

- Table 32 shows that while crime at ORTDM is relatively lower than the Eastern Cape a crime index of 54.98 is still too high. Crime continues to affect the livelihoods of communities this generally causing social unrest and increased social ills.
- Increased violence at schools.
- High frequency of disasters which generally require urgent intervention.

**Table 25: Community Services Interventions**

Challenge	Intervention
Lack of Education	<ul style="list-style-type: none"> <li>• <b>Support to School Sports:</b> Two Senior Secondary Schools from (Toli SSS Ports St Johns Local Municipality and Ngubeszwe SSS from KSD) were supported with Sports equipment.</li> <li>• <b>Poor Performing Schools</b> – various schools were supported with learning materials in order to improve pass rate.</li> <li>• <b>Literacy Programs</b> – such as International Literacy and National Book Week.</li> <li>• <b>Capacity Building Program</b> – six (6) Public Librarians were supported with Conference Registration Fee in order to attend LIASA (Library and Information Association of South Africa) Annual Conference at Gauteng Province.</li> <li>• <b>Marketing and Promotion of Mobile Library</b> – the Unit co-ordinated and facilitated the removal of Modular Library Unit (PSJ LM, Mgazana A/A, Mqhakama J.S.S., Ward-3) to Tombo Art Centre (PSJ LM, Tombo A/A, Ward-4).</li> <li>• <b>Mobile Library Launch</b> – the Unit also co-ordinated and facilitated the launch of Mobile Library Truck at Gengqe S.S.S. (KSD LM, Gengqe A/A, Ward-21).</li> <li>• <b>Support</b> to schools through the star schools programme.</li> </ul>
Lack of facilities that improve livelihoods and social cohesion of communities such as Multi centres and adequate sports grounds.	<ul style="list-style-type: none"> <li>• Hosting of <b>O.R. Tambo Games</b></li> <li>• <b>Support to O.R. Tambo</b> Body Building Athletes</li> <li>• <b>Support to O.R. Tambo</b> People with Disability Annual General Meeting</li> <li>• <b>Support to O.R. Tambo</b> Sports Confederation</li> <li>• <b>Ingquza Hill</b> Ward 08 Tournament</li> <li>• <b>Support to Athletics</b> (Elliot Madeira Pharmacy): Sports, Arts and Libraries section offered to support with 1000 T-Shirts for 42 KMs.</li> </ul>
Lack of promotion of social cohesion activities that will promote and strengthen the community's heritage.	<ul style="list-style-type: none"> <li>• Hosting of O.R. Tambo <b>DM</b> Choral Festival</li> <li>• <b>O.R. Tambo DM</b> Cultural Carnival</li> <li>• Support to Visual Art and Craft: The municipality accommodated and transported 5 O.R. Tambo Visual Artists to attend MACUFE in Bloemfontein from 29 September-06 October 2017.</li> <li>• Capacity Building for O.R. Tambo film makers</li> <li>• Capacity Building for Dance and Drama practitioners</li> <li>• Heritage Development: Paving and landscaping of the battlefield site at the bottom of the hill at Ingquza Hill Heritage site.</li> </ul>
Lack of investment in sports, culture and heritage.	<ul style="list-style-type: none"> <li>• No initiatives being implemented currently.</li> </ul>

## 2.6 LOCAL ECONOMIC DEVELOPMENT

### 2.6.1 Powers and Functions of Rural Economic Development and Planning

**Table 26: Powers and Functions**

	O.R. Tambo	KSD	Nyandeni	Ingquza Hill	Mhlontlo	PSJ
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes

ORTDM performs the functions tabled above in terms of the Municipal Structures Act 117 of 1998. However the ORTDM performs additional roles in the district these include:

- Agricultural Development and Agro-processing;
- Blue Economy;
- Forestry Development, Afforestation and Processing;
- Enterprise and Co-operatives Development;
- Trade and Investment Promotion;
- Rural Development (Spatial Planning of the region);
- Green Economy; and
- Economic Infrastructure Development

### 2.6.2 Legislative Requirements

The department has to ensure compliance or adherence to the Constitution of the Republic of South Africa, National Spatial Development Perspective, Municipal Systems Act, LED White Paper, Industrial Policy Action Plan, National Development Plan, and Provincial Development Plan among other policies in its mandate to coordinate developmental initiatives of the district and monitor implementation of priority programmes.

### 2.6.3 Key Demographics and Trends

#### 2.6.3.1. Dependency Ratio

The dependency ratio is the ratio between the number of dependents, aged 0-14 years and those over the age of 65 years, to the total population aged 15-64, the high number of children in the District leads to high levels of dependency. In 2018 the dependency ratio for the district was 72.97% compared to 80.5% in 2011, this indicates an increase in the economically active population, however in spite of the decrease in the dependency ratio for the district it is still higher than that of the province. At LM level KSDLM is the only LM with a dependency ratio lower than that of the district and the province. In 2018, Port St Johns and Ingquza Hill recorded the highest dependency ratios.

**Table 10** illustrates the changes in dependency between 2011 and 2018.

**Table 27: Dependency ratios per local municipality**

	2011 (%)	2018 (%)
Ingquza Hill	91.6	84.78
Nyandeni	85.2	78
Port St Johns	92.9	85.48
Mhlontlo	83.7	77.15
King Sabata Dalindyebo	66.8	58.93
<b>O.R. Tambo</b>	<b>80.5</b>	<b>72.97</b>
<b>Eastern Cape</b>	<b>65.9</b>	<b>67.9</b>

Source: IHS Markit Regional eXplorer version 1692

### 2.6.3.2 Migration Patterns

During colonial and apartheid times, the District experienced high levels of migration. Firstly from the District to other parts of the country, and secondly within the District, from rural to urban and peri-urban areas. This migration, mainly for economic life style reasons, has had a significant impact on the district’s economy and the trajectory for development.

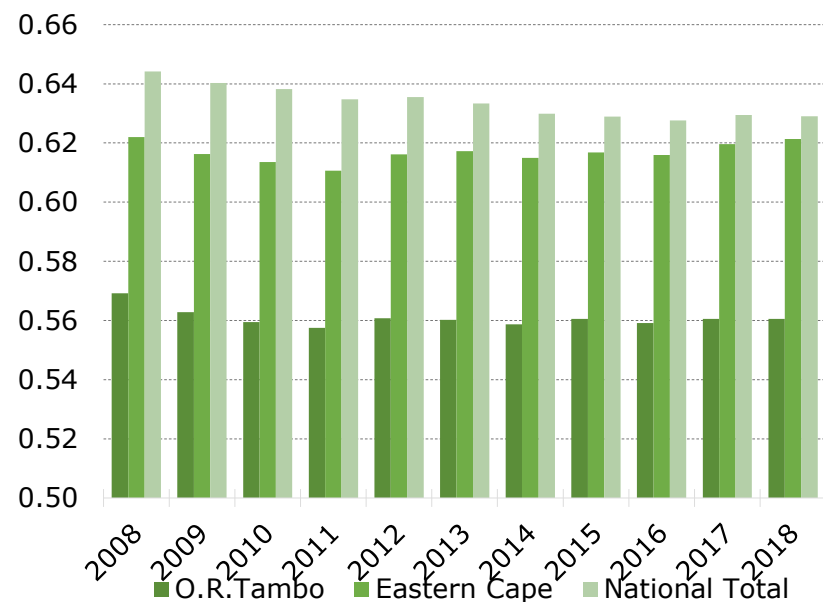
Studies on migration in the province provide important insights into this phenomenon in the district. While it is estimated that 5.6% of economically active individuals in the province migrate, it is 6.2% in the ORTDM. The studies also indicate that more than 80% of migrants from the province, are from rural areas. Since the early 1990s, the majority of these migrants headed for the bigger metropolitan areas, especially Cape Town and Johannesburg, rather than local or regional urban centres.

#### 2.6.3.2.3 Gini Co-efficient

The Gini coefficient measures the inequality among values of a frequency distribution (for example, levels of income). A Gini coefficient of zero expresses perfect equality, where all values are the same (for example, where everyone has the same income). A Gini coefficient of 1 (or 100%) expresses maximum inequality among values (e.g. for a large number of people, where only one person has all the income or consumption, and all others have none, the Gini coefficient will be very nearly one).

This indicator of inequality (see **Figure 15 below**) indicates that In 2018, the Gini coefficient in O.R.Tambo District Municipality was at 0.561, which reflects a marginal decrease in the number over the ten-year period from 2008 to 2018. The Eastern Cape Province and South Africa, both had a more unequal spread of income amongst their residents (at 0.621 and 0.629 respectively) when compared to O.R.Tambo District Municipality.

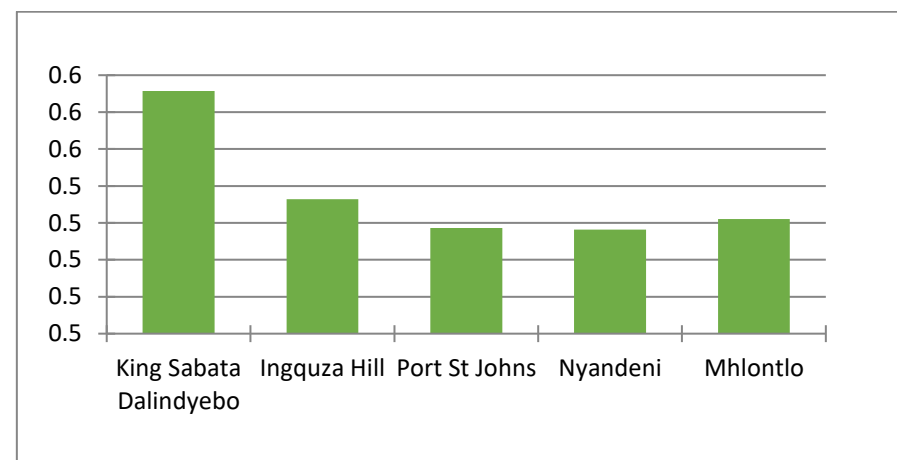
**Figure 24 :Gini coefficient O.R.Tambo, Eastern Cape and National Total, 2008-2018**



Source: IHS Markit Regional eXplorer version 1692

In terms of the Gini coefficient for each of the regions (**See figure 16 below**) within the O.R.Tambo District Municipality, King Sabata Dalindyebo Local Municipality has the highest Gini coefficient, with an index value of 0.591. The lowest Gini coefficient can be observed in the Nyandeni Local Municipality with an index value of 0.516.

**Figure:25:Gini coefficient O.R.Tambo District Municipality, 2018**



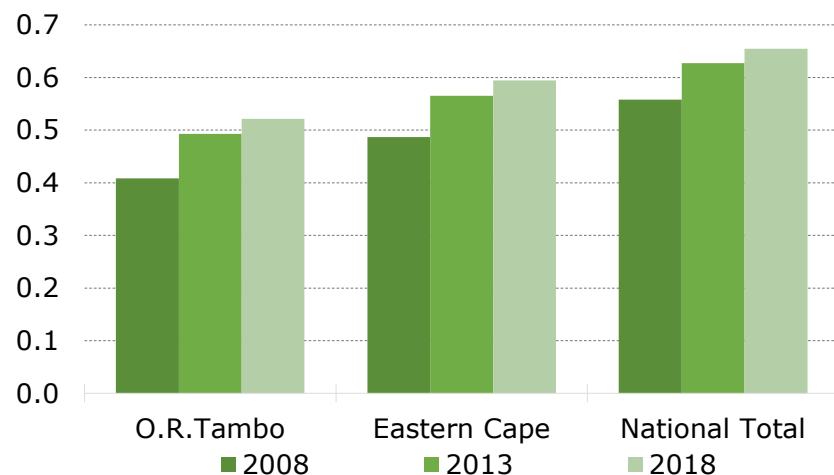
Source: IHS Markit Regional eXplorer version 1692

### 2.6.3.3 Human Development Index (HDI)

The Human Development Index (HDI) is a composite relative index used to compare human development across population groups or regions.

HDI is the combination of three basic dimensions of human development: A long and healthy life, knowledge and a decent standard of living. A long and healthy life is typically measured using life expectancy at birth. Knowledge is normally based on adult literacy and / or the combination of enrolment in primary, secondary and tertiary schools. In order to gauge a decent standard of living, we make use of GDP per capita. On a technical note, the HDI can have a maximum value of 1, indicating a very high level of human development, while the minimum value is 0, indicating no human development.

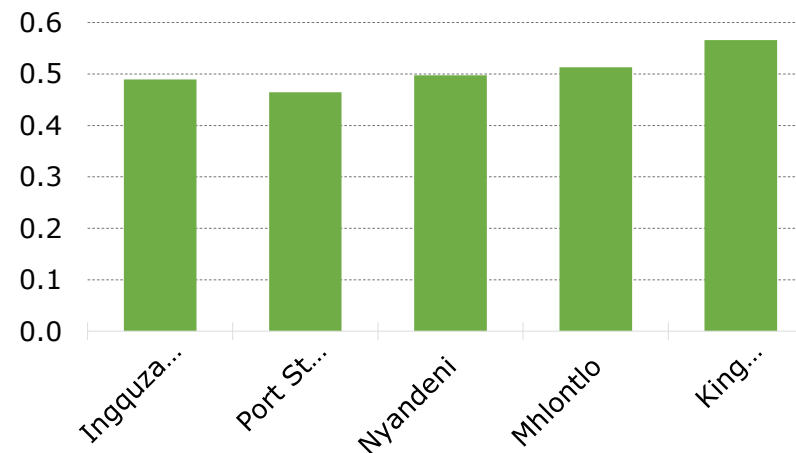
**Figure 26: Human Development Index (HDI) - O.R.Tambo, Eastern Cape and National Total, 2008, 2013, 2018**



Source: IHS Markit Regional eXplorer version 1692

Figure 17 above indicates that In 2018 O.R.Tambo District Municipality had an HDI of 0.521 compared to the Eastern Cape with a HDI of 0.595 and 0.654 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2018 when compared to O.R.Tambo District Municipality which translates to worse human development for O.R.Tambo District Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 1.61% and this increase is lower than that of O.R.Tambo District Municipality (2.47%).

**Figure 27: Human development Index (HDI) - Local municipalities of O.R.Tambo District Municipality, 2018**



Source: IHS Markit Regional eXplorer version 1692

In terms of the HDI for each the regions within the O.R.Tambo District Municipality, King Sabata Dalindyebo Local Municipality has the highest HDI, with an index value of 0.566. The lowest can be observed in the Port St Johns Local Municipality with an index value of 0.465.

### 2.6.3.4 Poverty levels

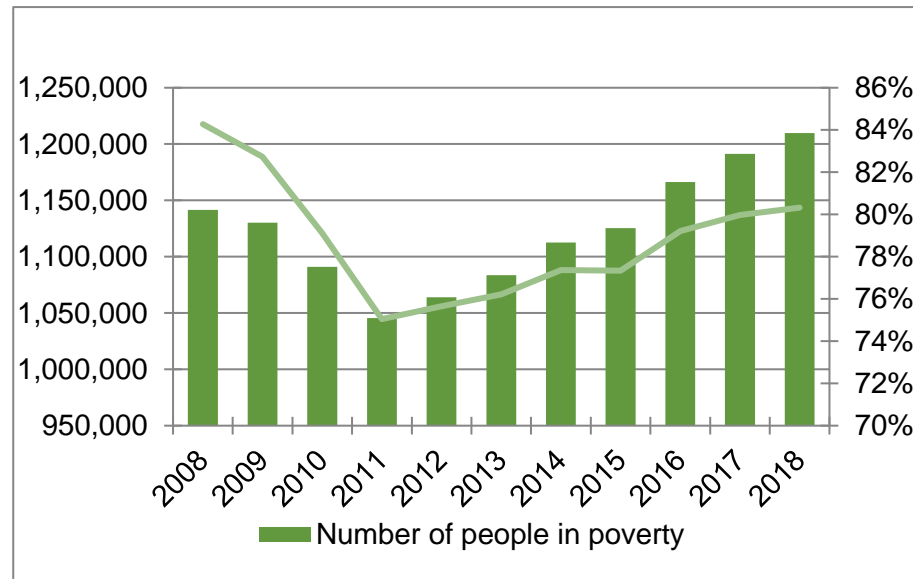
Poverty is multifaceted and can be defined through the following:

- lack of income;
- lack of employment;
- lack of basic services;
- no or limited ownership of assets;

- social exclusion;
- inability to take part in decision making and
- Inability to afford basic needs.

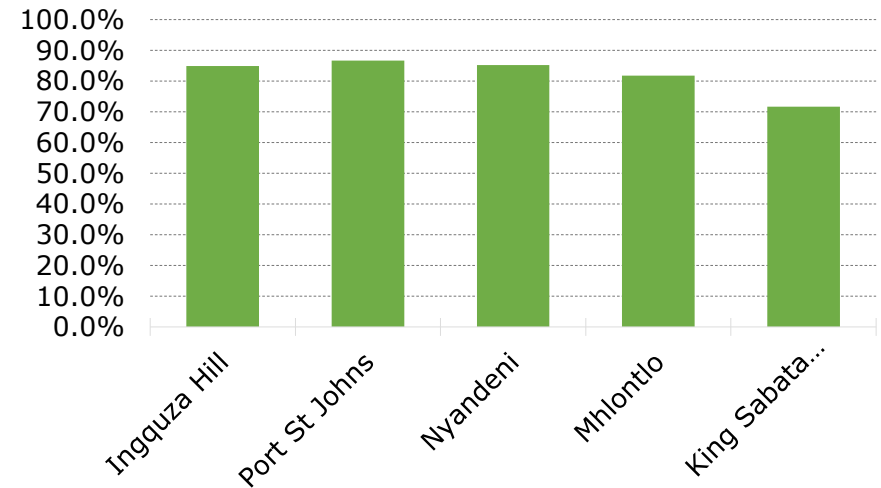
**Figure 19** illustrates that in 2018, there were 1.21 million people living in poverty, using the upper poverty line definition, across O.R.Tambo District Municipality - this is 5.97% higher than the 1.14 million in 2008. The percentage of people living in poverty has decreased from 84.28% in 2008 to 80.32% in 2018, which indicates a decrease of 3.96 percentage points.

**Figure 28: Number and percentage of people living in poverty - O.R.Tambo District Municipality, 2008-2018**



Source: IHS Markit Regional eXplorer version 1692

**Figure 29: Percentage of people living in poverty - local municipalities and the rest of O.R.Tambo District Municipality, 2018**



Source: IHS Markit Regional eXplorer version 1692

In terms of the percentage of people living in poverty for each of the regions within the O.R.Tambo District Municipality, **Figure 20** illustrates that Port St Johns Local Municipality has the highest percentage of people living in poverty, using the upper poverty line definition, with a total of 86.7%. The lowest percentage of people living in poverty can be observed in the King Sabata Dalindyebo Local Municipality with a total of 71.7% living in poverty, using the upper poverty line definition.

### 2.6.3.5 Social Welfare Grant Dependency

Household dependency of Government grants is a given in the Eastern Cape. The ORTDM with 75.1% has the highest percentage of households receiving grants in the province, receiving grants. Welfare grants are a very important component of the household incomes and livelihood strategies of the majority of families receiving grants. Grants represent around 20% of the total income in a district. While the District, on the one hand, seeks to maximize access to grants for eligible households, it must also, on the other hand, endeavour to reduce the grant dependency for households by increasing their access to economic opportunities

### 2.6.3.6 Economically Active Population

The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed. Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

O.R.Tambo District Municipality's EAP was 329 000 in 2018, which is 21.80% of its total population of 1.51 million, and roughly 14.72% of the total EAP of the Eastern Cape Province. From 2008 to 2018, the average annual increase in the EAP in the O.R.Tambo District Municipality was 2.60%, which is 0.61 percentage points higher than the growth in the EAP of Eastern Cape's for the same period.

**Table 28: Comparison of economically active population across municipalities in the ORTDM 2018**

Municipality	Economically active population (official definition)	% of total population	Number of unemployed people (official definition)	Unemployment rate (Official definition) (%)	Number of employed people
Ingquza Hill	59 400	18.98	29 200	49.0	24 700
Port St Johns	25 700	14.94	12 300	47.8	15 800
Nyandeni	58 200	18.13	25 200	43.3	20 400
Mhlontlo	42 600	21.85	20,200	47.5	23 500
King Sabata Dalindyebo	143 000	28.15	51 800	36.2	101 000
<b>O.R. Tambo</b>	<b>329 000</b>	<b>21.79</b>	<b>139 000</b>	<b>42.2</b>	<b>186 000</b>
<b>Eastern Cape</b>	<b>2 240 000</b>	<b>31.28</b>	<b>764 000</b>	<b>34.2</b>	<b>1 450 000</b>
<b>South Africa</b>	<b>22 100 000</b>	<b>38.50</b>	<b>6 010 000</b>	<b>27.2</b>	<b>16 100 000</b>

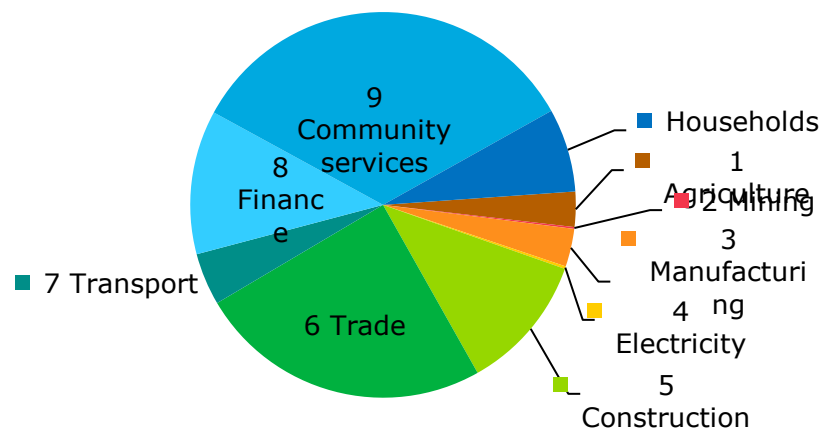
Source: IHS Markit Regional eXplorer version 1692



### 2.6.3.7 Total employment

**Table 28** above illustrates that in 2018, O.R.Tambo employed 186 000 people which is 12.77% of the total employment in Eastern Cape Province (1.45 million), 1.15% of total employment in South Africa (16.1 million). Employment within O.R.Tambo increased annually at an average rate of 0.52% from 2008 to 2018.

**Figure 30: Total Employment Composition O.R. Tambo 2018**



Source: IHS Markit Regional eXplorer version 1692

**Figure 21** above indicates that in O.R.Tambo District Municipality the economic sectors that recorded the largest number of employment in 2018 were the community services sector with a total of 63 000 employed people or 33.9% of total employment in the district

municipality. The trade sector with a total of 45 800 (24.7%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 282 (0.2%) is the sector that employs the least number of people in O.R.Tambo District Municipality, followed by the electricity sector with 401 (0.2%) people employed.

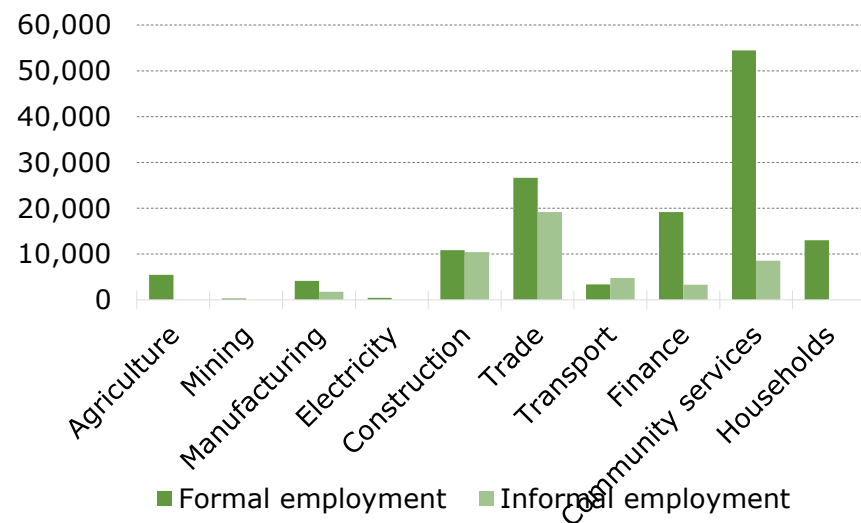
**Table 29: Formal and informal employment by broad economic sector - O.R.Tambo District Municipality, 2018**

	FORMAL EMPLOYMENT	INFORMAL EMPLOYMENT	TOTAL EMPLOYMENT
Agriculture	5 480	N/A	5 480
Mining	282	N/A	282
Manufacturing	4 140	1 760	5 900
Electricity	401	N/A	401
Construction	10 800	10 400	21 200
Trade	26 600	19 100	45 700
Transport	3 350	4 790	8 140
Finance	19 100	3 280	22 380
Community services	54 500	8 530	63 030
Households	13 000	N/A	13 000

Source: IHS Markit Regional eXplorer version 1692

The number of formally employed people in O.R.Tambo District Municipality counted 138 000 in 2018, which is about 74.19% of total employment, while the number of people employed in the informal sector counted 47 900 or 25.81% of the total employment. Informal employment in O.R.Tambo decreased from 50 300 in 2008 to an estimated 47 900 in 2018.

**Figure 31: Formal and informal employment by sector O.R.Tambo, 2018**



Source: IHS Markit Regional eXplorer version 1692

In 2018 the Trade sector recorded the highest number of informally employed, with a total of 19 100 employees or 39.92% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 1 760 and only contributes 3.68% to total informal employment.

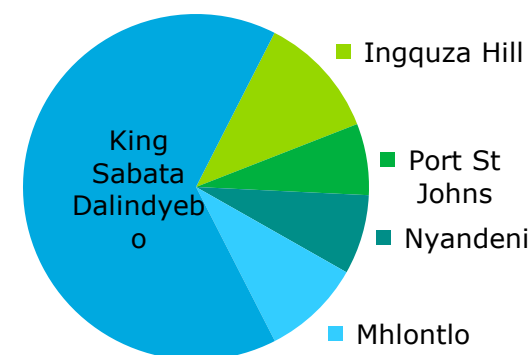
## 2.6.4 Indicators of Economic Performance

### 2.6.4.1 Gross Domestic Product

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, for a particular period, usually one year. It is regarded as one of the most important indicators of economic performance and may be applied to compare economies within a country as well as that of countries with each other.

The figures below indicate the percentage GDP contribution of each Local Municipality to the District Municipality.

**Figure 32: Gross Domestic Product (GDP) O.R . Tambo District Municipality,2018**



Source: IHS Markit Regional eXplorer version 1692

**Figure 22** above indicates that KSDLM has the highest contribution to the District's GDP at 65.03%, Ingquza Hill LM is the only other Municipality in the O.R. District to reach double digit figure contribution at 11.58%.The rest of Local Municipalities contribute less than 10% of the district'sGDP.

**Table 30: Gross Value Added (GVA) by broad economic sector - O.R.Tambo District Municipality, 2018**

SECTORS	O.R.Tambo	Eastern Cape	National Total
Agriculture	0.5	6.7	106.1
Mining	0.1	0.4	350.9
Manufacturing	1.8	43.6	572.9
Electricity	1.8	9.0	166.0
Construction	1.2	13.3	170.3
Trade	8.8	67.9	652.7
Transport	2.1	30.3	426.7
Finance	7.4	61.4	854.4
Community services	14.6	102.7	1,041.3

Source: IHS Markit Regional eXplorer version 1692

**Table 30** depicts GVA for the Top 10 Sectors. It paints an unhealthy picture as the primary sources of financing for community services, is direct remittance from government for capital infrastructure and for operational costs of government employees in the three spheres of government operating in the District. The District needs to consider ways of growing its economy, especially in the primary and the secondary sector.

- Enterprise and Co-operatives Development;

- Trade and Investment Promotion;
- Rural Development (Spatial Planning of the region);
- Green Economy; and
- Economic Infrastructure Development.

In their Tourism Satellite Account, StatsSA defines tourism spending as allexpenditure by visitors for their trip to the particular region. This excludes capital expenditure as well as the shopping expenditure of traders (called shuttle trade). The amounts are presented in current prices, meaning that inflation has not been taken into account.

**Table 31:Total tourism spending - O.R.Tambo, Eastern Cape and National Total, 2008-2018 [R billions, Current Prices]**

Year	O.R.Tambo	Eastern Cape	National Total
2008	1.1	11.1	152.5
2009	1.0	11.0	153.4
2010	1.0	11.6	167.2
2011	1.0	11.4	174.6
2012	1.1	12.1	199.9
2013	1.1	12.3	218.3
2014	1.2	12.9	240.7
2015	1.2	13.4	249.7
2016	1.3	13.9	265.8
2017	1.4	14.8	277.4
2018	1.4	15.8	295.6
<b>Average Annual growth</b>			
2008-2018	<b>2.93%</b>	<b>3.58%</b>	<b>6.84%</b>

Source: IHS Markit Regional eXplorer version 1692

O.R.Tambo District Municipality had a total tourism spending of R 1.45 billion in 2018 with an average annual growth rate of 2.9% since 2008 (R 1.08 billion). Eastern Cape Province had a total tourism spending of R 15.8 billion in 2018 and an average annual growth rate of 3.6% over the period. Total tourism spending in South Africa increased from R 153 billion in 2008 to R 296 billion in 2018 at an average annual rate of 6.8%.

#### 2.6.4.2 Tourism Spend per Resident Capita

Another interesting topic to look at is tourism spending per resident capita. To calculate this, the total amount of tourism spending in the region is divided by the number of residents living within that region. This gives a relative indication of how important tourism is for a particular area.

**Table 32: Merchandise exports and imports - O.R.Tambo, Eastern Cape and National Total, 2018**

Municipality	2008	2013	2018
O.R.Tambo	R 799	R 770	R 960
Nelson Mandela Bay	R 2,752	R 2,677	R 3,215
Buffalo City	R 1,865	R 2,358	R 3,129
Sarah Baartman	R 5,391	R 5,690	R 6,583
Amatole	R 1,115	R 1,241	R 1,633
Chris Hani	R 1,371	R 1,383	R 1,512
Joe Gqabi	R 913	R 1,053	R 1,410
Alfred Nzo	R 1,006	R 932	R 982

Source: IHS Markit Regional eXplorer version 1692

In 2018, O.R.Tambo District Municipality had a tourism spend per capita of R 960 and an average annual growth rate of 1.85%, O.R.Tambo District Municipality ranked lowest amongst all the regions within Eastern Cape in terms of tourism spend per capita. The region within Eastern Cape Province that ranked first in terms of tourism spend per capita is Sarah Baartman District Municipality with a total per capita spending of R 6,580 which reflects an average annual increase of 2.02% from 2008.

#### 2.6.4.3 Population structure uncondusive for economic growth.

While several initiatives are being undertaken to stimulate economic growth ORTDM still faces the challenge of a highly dependent population, The dependency ratios in the table above shows that ORTDM has a dependency ratio of 80%, This means that 80% of the population depends on 20%. This problem is further exacerbated by migration of the economically active population out of the district, while migration has declined over the years the number of people migrating from the district is too high. The reason for migration is generally sighted as better economic opportunities outside the district.

Taking all the above into consideration, ORTDM is faced with the challenge of creating enough economic opportunities so as to discourage migration and further more due to the high dependency ratio there is added pressure on ORTDM to create enough economic opportunities so that a majority of the Economically active population has a source of income to care for its dependants.

### 2.6.4.4. Relative Importance of international Trade

In the table below, the O.R.Tambo District Municipality is compared to Eastern Cape and South Africa, in terms of actual imports and exports, the Trade Balance, as well the contribution to GDP and the region's contribution to total national exports and imports.

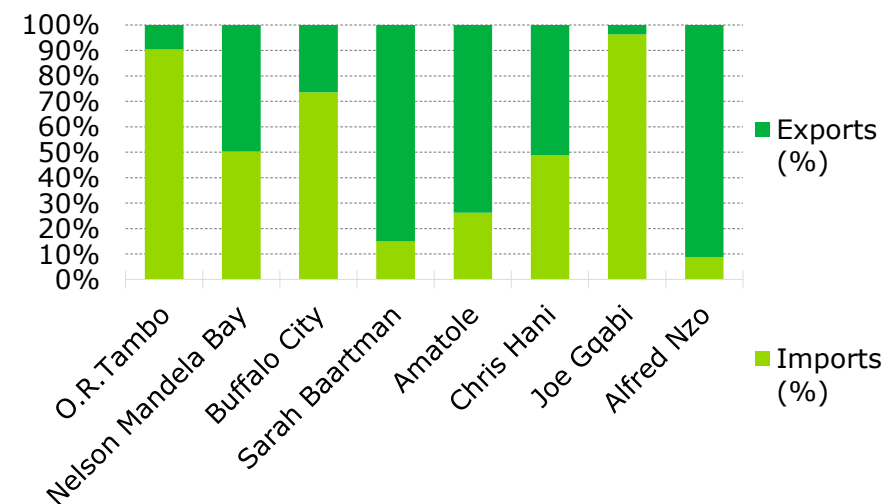
**Table 33: Merchandise exports and imports - O.R.Tambo, Eastern Cape and National Total, 2018**

	O.R.Tambo	Eastern Cape	National Total
Exports (R 1000)	1,005	54,459,939	1,247,225,999
Imports (R 1000)	9,504	54,734,847	1,222,943,998
Total Trade (R 1000)	10,508	109,194,786	2,470,169,997
Trade Balance (R 1000)	-8,499	-274,908	24,282,001
Exports as % of GDP	0.0%	14.5%	25.6%
Total trade as % of GDP	0.0%	29.0%	50.7%
Regional share - Exports	0.0%	4.4%	100.0%
Regional share - Imports	0.0%	4.5%	100.0%
<b>Regional share - Total Trade</b>	<b>0.0%</b>	<b>4.4%</b>	<b>100.0%</b>

Source: IHS Markit Regional eXplorer version 1692

The merchandise export from O.R.Tambo District Municipality amounts to R 1 million and as a percentage of total national exports constitutes about 0.00%. The exports from O.R.Tambo District Municipality constitute 0.00% of total O.R.Tambo District Municipality's GDP. Merchandise imports of R 9.5 million constitute about 0.00% of the national imports. Total trade within O.R.Tambo is about 0.00% of total national trade. O.R.Tambo District Municipality had a negative trade balance in 2018 to the value of R 8.5 million.

**Figure 33: Merchandise exports and imports - O.R.Tambo and the rest of Eastern Cape, 2018**



Source: IHS Markit Regional eXplorer version

When comparing the O.R.Tambo District Municipality with the other regions in the Eastern Cape Province, Nelson Mandela Bay has the biggest amount of international trade (when aggregating imports and exports, in absolute terms) with a total of R 98 billion. This is also true for exports - with a total of R 48.7 billion in 2018. O.R.Tambo had the lowest total trade figure at R 10.5 million. The O.R.Tambo also had the lowest exports in terms of currency value with a total of R 1 million exports.

## **2.6.5 Overview of Local Economic Development**

### **2.6.2.3 Agricultural Development and Agro-processing**

The department is currently undertaking several initiatives that seek to develop agriculture and to encourage communities to participate in agriculture. There are initiatives currently being undertaken for example the Wild Coast SEZ a multi-million Rand project that seeks to increase agricultural production and processing capacity in the District. Currently the agreement has been signed with the affected communities and Environmental Impact Assessment has been concluded. The project is at stage of starting earthworks which is funded mainly by government at this stage.

Other multi million Rand projects include RAFI and Amampondo Asemalangengi Agricultural Projects. Both these projects have currently planted more than 500ha of land on grain production. Both are currently at the harvesting stage. The RAFI project as a result of partnership between O.R Tambo and Argentina; and Amampondo Asemalangeni Agricultural are as a result of partnership between O.R Tambo DM and Anglo-Gold Ashanti (R30M).

Another multi million rand project is Agri-Parks Programme driven by Department of Rural Development and Land Reform which seeks to revive and create agricultural development centres called Famer Production Support Units (FPSUs) and Agri-Hubs. Currently, all FPSU sites have been identified as Tsolo Junction (Mhlontlo LM), Dumasi in (PSJ LM), Mqanduli Red Hub in (KSD), Mafini in (Nyandeni LM, and Zalu at (INGquzq Hill LM). The Business plans for Tsolo Junction, Dumasi in PSJ and business plan for Lambasi Hub have been concluded, and are waiting for implementation. These are major programs implemented on top support given to SMMEs and Co-operatives.

### **2.6.2.4 Forestry Development, Afforestation and Processing**

There are initiatives being implemented through collaboration between the District Municipality and Department Agriculture, Forests and Fisheries to rehabilitate existing forests and planting new ones in order to support small scale saw millers and rehabilitation of wood lots.

### **2.6.2.5 Enterprise and Co-operatives Development**

Part of the initiatives aimed at developing co-operatives and enterprises include formalising and regulating (quarry and sand) Mining Industry, support to informal traders, and development of incubation hubs.

### **2.6.2.6 Trade and Investment Promotion**

Engagement with various key stakeholders both in the public and private sector in an effort to encourage investment in the ORTDM. As part driving economic development in the District, an Investment

Promotion Strategy has been developed to process mobilising resources for the district. Currently, the District Municipality is organising an investment conference to attract investors to the district.

### **2.6.2.7 Green Economy**

Initiatives to promote the development of the green economy include the development of aqua-culture and marine-culture. Through partnership with DAFF and District Municipality, 34 co-operatives have assisted with registration of co-operatives on aquaculture and trained on co-operatives and fishing. The co-ops will be given fishing rights and licenses which formalises them and pave way for mainstream economy

### **2.6.2.8 Economic Infrastructure Development**

Engagement with various key stakeholders both in the public and private sector in an effort to encourage the development of key infrastructure such as roads, access roads that will facilitate increased economic activity in the ORTDM. There are catalytic projects underway which are being implemented to boost economic infrastructure such as N2 Wild Coast which is under construction, Mzimvubu Dam which is at initial stages, and Wild Coast SEZ which is the stage where earth work can start. These meger projects will change the economic outlook of the district once completed. There is a need to take the advantage of being surrounded by big rivers such Mbhashe, Tsitsa, Tina, and Mzimvubu rivers to create catchement arrears in order to create small and medium size dams mainly to support agricultural activities, including irrigations.

### **2.6.2.9 Tourism**

O.R. Tambo district is endowed with the most picturesque tourism destinations such as Port St Johns, Lusikisiki, Coffee Bay, Qunu, Mthatha and Mhlontlo. The District encapsulates a large portion of the Wild Coast belt and is home to some pristine nature reserves such as Luchaba Nature Reserve, next to Umtata Dam and a string of coastal nature reserves (including Mkambati, Silaka, and Hluleka). There are also indigenous forest reserves as well as a proclaimed marine reserve, adjacent to Mkambati. Furthermore the District is endowed with several significant cultural and heritage sites, It is also boosts with being home to South Africa's iconic legends such as the late Nelson R. Mandela and O.R Tambo, However despite such enormous tourism potential tourism still contributes under 10% to the district's GDP.

## **2.6.3 Challenges**

### **2.6.6.1 Poverty within the district**

O.R. Tambo is one of the poorest districts in the country's with over 500 000 people in O.R. Tambo living in poverty that is over 30% of the entire population, The survey poverty in the O.R. Tambo district is further highlighted by the fact that 75% of the population of O.R Tambo district are grant dependant. The statistics clearly show that there is a need to create more job and other employment opportunities within the district. While O.R.T.D.M is involved and has implemented several initiatives that are supposed to create employment and economic opportunities those efforts are insufficient as the efforts are yet to improve the livelihoods of the people of O.R. Tambo district.

### **2.6.6.2 Lack of investment in infrastructure**

To stimulate economic growth the infrastructure has to be developed, Currently O.R.T.DM is faced with the challenge of movement of produce, materials or goods to and from the markets because of the poor road infrastructure.

### **2.6.6.3 Sourcing of materials outside the district**

The table above shows that 3% of the O.R. Tambo district's GDP comes from manufacturing, this clearly shows the under development of the manufacturing industry in the district. While there are currently huge capital projects in the district, the people of the district are unable to benefit from those projects as most of the materials are sourced from outside the district.

### **2.6.6.4 Underutilised Agricultural potential**

O.R. Tambo is endowed with vast and fertile land for agriculture however according to the table above Agriculture only contributes a small portion to the district's GDP. Vast fertile land lays idle and is not being utilised to improve the economic situation and livelihoods of the people of O.R. Tambo.

### **2.6.6.5 Lack of an integrated value chain system**

Despite the underutilisation of agricultural land the **O.R. Tambo** district still produces a lot of raw material particularly from Agriculture these include maize, beef, mutton and timber. While there is relatively high production of raw materials the facilities to process these raw material are limited. As a result these raw materials are then moved to other places outside the district for processing. These then takes away from

the district opportunities to create employment and boost the economic from the processing of these materials. Further there is also the challenge of access to markets for these raw materials.

### **2.6.6.6 Underutilisation of Tourism Potential**

O.R. Tambo district is endowed with the most picturesque tourism destinations such as Port St Johns, Lusikisiki, Coffee Bay, Qunu, Mthatha and Mhlontlo. The District encapsulates a large portion of the Wild Coast belt and is home to some pristine nature reserves such as Luchaba Nature Reserve, next to Umtata Dam and a string of coastal nature reserves (including Mkambati, Silaka, and Hluleka). There are also indigenous forest reserves as well as a proclaimed marine reserve, adjacent to Mkambati. Furthermore the District is endowed with several significant cultural and heritage sites, It is also boosts with being home to South Africa's iconic legends such as the late Nelson R. Mandela and O.R Tambo, However despite such enormous tourism potential tourism still contributes under 10% to the district's GDP.

### **2.6.6.7 Underutilisation of the Blue Economy**

The O.R. Tambo District has a vast coastline covering approximately 160 KMs stretching from King Sabata Dalindyebo Municipality (Coffee Bay) passing through Nyandeni Local Municipality (Hluleka) to Port St John's and Ingquza Hill local municipality, However despite such enormous potential there have been very little efforts made to exploit this potential.



#### **2.6.6.8 Lack of Investment**

While the district's potential in tourism, agriculture and manufacturing has already been highlighted above, the capital requirements to undertake such programmes or initiatives are too enormous for ORTDM to undertake on its own. Capital from both national and international investors needs to be injected for the District's full potential to be realised.

#### **2.6.6.9 Skills shortage**

As already highlighted an enormous potential exists to grow the district's economy. However, in order for such developments to take place there needs to be a steady supply of skill labour. However the statistics on education show that over 70% of the District's population is unskilled or educated.

#### **2.6.6.10 Underutilisation of EPWP**

O.R. Tambo District municipality from the 2014/2015 provincial year up to the 3rd Quarter of 2018/2019 managed to create 8 879 work opportunities against a target of 36 032 work opportunities for EPWP

phase 3 thus only achieving only 25% of its target. The Municipality did not meet its targets in all the financial years in EPWP phase 3. Reporting of work opportunities for the 2018/19 financial year was poor with only 1 931 work opportunities were reported against a target of 9 478. These foregone opportunities could have provided much need employment to the people of O.R. Tambo.

**Table 34: Challenges and Proposed interventions**

Challenge	Intervention
Population structure uncondusive for economic growth.	<ul style="list-style-type: none"> <li>• Six Day Hiking Trail (from PSJ-Hole in the Wall)</li> <li>• Tsitsa Falls holiday resort development</li> <li>• Development of Coffee Bay camp site</li> </ul>
Poverty within the district	<ul style="list-style-type: none"> <li>• Maize Production Cooperatives</li> <li>• Marketing shed (Mtiza Cooperative)</li> </ul>
Lack of investment in infrastructure	<ul style="list-style-type: none"> <li>• Development of the Wild Coast Corridor</li> </ul> <p>WILD COAST SEZ</p> <ul style="list-style-type: none"> <li>• Business cases developed and feasibility studies.</li> <li>• Connectivity, infrastructure and EIAs were concluded. the next step is yet to be set</li> <li>• N2 Coastal Highway</li> <li>• Coastal Towns Development (new)</li> <li>• Tidal pools (PSJ</li> </ul>
Underutilised Agricultural potential	<p>Primary production                      Agri-Parks Program (livestock, grain, fruit and vegetables, potato production)                      Wild coast SEZ                      Primary Agriculture</p> <ul style="list-style-type: none"> <li>• Commodities of focus;</li> <li>• Skills and Innovation (Agri-Tech); and</li> <li>• Partnerships for Execution (HEI, Business and other governments/ State Owned Enterprises)</li> </ul> <p>Secondary level production</p> <ul style="list-style-type: none"> <li>• Commercial high impact commodities; and</li> </ul> <p>Industrialisation of cannabis (partner with FSU:</p>
Lack of an integrated value chain system	<ul style="list-style-type: none"> <li>• Assist the Majola and Magwa tea estates</li> </ul> <p>Agri-Park</p> <ul style="list-style-type: none"> <li>• PSJ Dumasi and Tsolo Junction Business Plans have been finalized by land reform</li> <li>• Zalu, Nyandeni LM Mafini and Mqanduli Red hub have been given to Ntinga SOC</li> </ul>
Underutilisation of Tourism Potential	<ul style="list-style-type: none"> <li>• O.R Tambo Tourism Beach Sport</li> <li>• Tourism Awareness programs</li> <li>• Tourism Indaba</li> </ul>

Challenge	Intervention
	<ul style="list-style-type: none"> <li>• Tourism Lilizela Awards</li> </ul>
Underutilisation of the Blue Economy	<ul style="list-style-type: none"> <li>• Fish Farming Cooperatives</li> <li>• Facilitate establishment of Aqua Culture farms</li> </ul> Aqua-culture and Marine-culture; <ul style="list-style-type: none"> <li>• Small Harbour Development;</li> <li>• Coordinate the establishment of a fish processing facility</li> </ul>
Lack of Investment	RAFI <ul style="list-style-type: none"> <li>• Ongoing land identification</li> <li>• Ncise project is ongoing</li> <li>• Cooperative centre established</li> </ul>
Manufacturing	Partner with external stakeholders to develop an Industrial Park and Fresh Produce Multi User Facilities
Environmental Management (Unclean towns)	Utilisation of EPWP for cleaning, greening and beautification of towns
Water sources for Agriculture	Develop a plan to recycle grey water
Skills shortage	No initiatives planned
Underutilisation of EPWP	No Initiatives planned

## **2.7 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT**

### **2.7.2 Overview of financial viability and management**

While there are no specific functions and powers entrusted to this function. The function plays a vital support role in ensuring that the ORTDM executes its mandate in terms of the powers and functions given to it in terms of the Municipal Finance Management Act 56 of 2003. Critical to some of its functions is compliance with the MFMA, its related circulars and regulations.

The Budget and Treasury Office focuses mainly on the following areas:

- 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.

### **2.7.3 Legislative Requirements**

The section in carrying out its functions is required to comply or adhere to the MFMA, its related circulars and regulations.

### **2.7.4 Status Quo**

#### **2.7.4.3 Budget preparation, implementation and reporting**

This section is responsible for:

1. Coordinating the MTEF and budget adjustment processes in the district municipality;

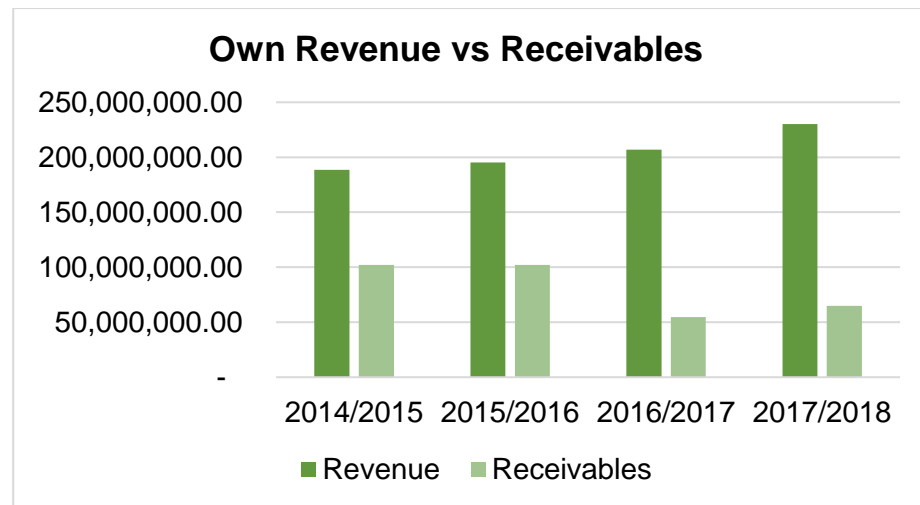
2. provides technical support to departments;
3. ensuring compliance with all applicable legislation and regulations;
4. evaluates and advises the Council on the budget impact of all new policy proposals;
5. ensure that the approved budget is captured accurately on the Solar system;
6. oversee all monthly, quarterly and annual reporting as per the MFMA and regulatory bodies; and
7. establish systems, processes and financial policies and procedures and internal controls; and
8. Attends to the internal audit and the AG's recommendations relating to budgeting and maintain and communicate budget guidelines.

- 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;
- annual budget in terms of section 16-19 of the MFMA are complied with; and
- Annual budget in terms of MSCOA circulars are complied with.

#### **2.7.4.4 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.

- The implementation of the credit control policy and the installation of the water meters has resulted in the section being able to collect more revenue on the current billing, versus projections; and.
- The district municipality continues to subsidise all consumers who reside in peri-urban areas this results in an increasing unaccounted for water losses.
- The district municipality is still struggling with recovery of old debt, its debtor's days for the Mid Term 2018/2019 are sitting at 2511 days.



**Figure 34: Own Revenue compared to Receivables**

The graph above shows that while Revenue has been increasing over the years, receivables still remaining high in proportion to the Revenue.

- **Inability to collect from Debtors**

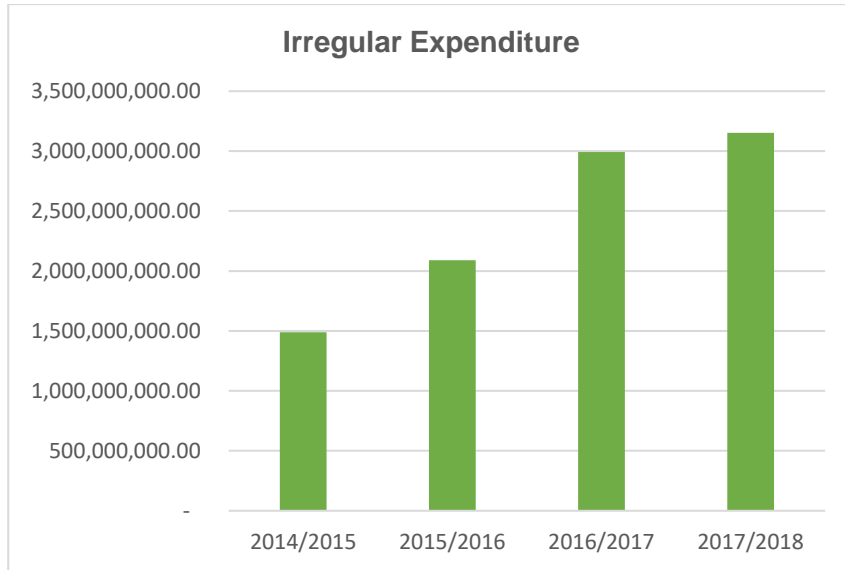
The ORTDM has been experiencing challenges in as far as recovery of debt owed to the Municipality is concerned. While the figure shows a decline in debt in proportion to Revenue the amount still owed to the Municipality is still high ranging between 25% to 30% of Revenue generated.

- **Excessive unaccounted Water losses and Distribution losses**

The ORTDM faces a challenge of excessive unaccounted water losses, this mainly due to the fact that the Municipality is unable to bill Peri-urban areas as a system or mechanism has not yet been put in place to bill those areas. Furthermore due to the dilapidating infrastructure leaks and water bursts occur frequently this then results in increased distribution losses.

#### 2.7.4.5 Supply Chain and Asset Management

These divisions within BTO ensure efficient and effective logistics management and disposal management, built systems, processes, procedures and implement internal, management controls.



**Figure 35: Irregular Expenditure from 2014 to 2018**

- **Escalating Irregular Expenditure**

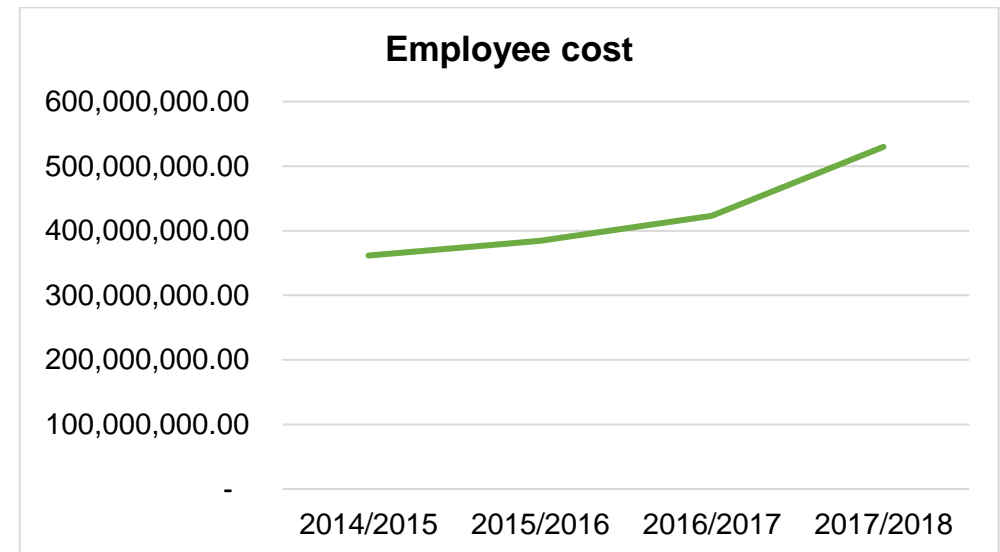
As depicted in figure above, irregular expenditure has continued to rise, reaching just over R 3bn in the 2017/2018 financial year. This indicates a very weak environment which is unable to detect, prevent and mitigate excessive irregular expenditure. Linked to the audit outcomes tabled above until the 2017/2018 financial year irregular expenditure has been constantly one of the qualification paragraphs. In 2018/2019 it however moved from a qualification issue to an “emphasis of matter issue”.

**Expenditure and Liability Management**

This division manages the accuracy and the integrity of the general ledger and all subsidiary ledgers of the District Municipality. It oversees the

accounts payable ledger and ensures its integrity. It ensures that accounting records are retained in accordance with legal and regulatory requirements.

- Circular 49 of the MFMA complied with 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.
- Journal entries processed regularly and updated to the general ledger.



**Figure 36: Cost of Employment from 2014 to 2017**

The graph above shows a rising cost of employment. While Cost of employment has been increasing the Municipality's sources of Revenue both own and Transfers and subsidies have not been increasing at a similar rate.

- **Rising cost of employment**

The ORTDM's Cost of employment has been rising in the past years. Since the financial year 2014/15 there has been general increase from 31% to close to 39% by 2017/2018 financial year. Though the COE is increasing over years it had not yet reached its standard norm ration of between 25%-40%.

- **Making of payments within 30 days**

The MFMA requires that payments to suppliers be made within 30 days of the receipt of a valid invoice. Due to inadequate controls around receipt, authorisation and processing of invoices the ORTDM has been unable to comply with MFMA requirement.

#### **2.7.4.6 Financial Management system support**

This division with BTO ensures that the Venus Finance Modules are configured to support the 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. It is also the link between the finance and ICT Departments and develops systems required for financial reporting and implementation and customisation of software as and when required.

There is a project to upgrade the Financial Management System in order to be compatible with the requirements of MSCOA. This project will be the update of Venus to SOLAR as well as the roll-out of the MSCOA compliant financial modules.

1. Slow process of filling of vacant posts within the Treasury Section.
2. Limited of understanding of mSCOA budgeting by managers / officials.
3. Limited understanding of SOLAR system resulting in over reliance to the service provider

- **Teething problems in uptake and Implementation of MSCOA**

The National Treasury has introduced reforms in the way municipalities' plan their IDP's, design their budgets and report on the implementation of the IDP and Budget. The Municipal Standard Chart of Accounts is one such major reform. To implement this new reform the Municipality had to move a new financial system (SOLAR) while training for employees has been provided it has proved insufficient as employees have struggled to adjust to the new system, Furthermore the Introduction of MSCOA in itself has pauses challenges as the Municipality has had to reconfigure how it operates.

- **System and data**

The quality and integrity of data generated through the financial management system and reports by line departments, impacts on the quality of financial reports generated by the division. Since the introduction of a new financial system SOLAR the quality of reports and data generated by the system has declined as employees are still getting to grips with the new system.

### 2.7.4.7 Financial Accounting Reporting and Treasury

This division within BTO focuses on the preparation of Annual Financial Statements and their submission to the Auditor General as per the requirements of the relevant legislation. It also focuses on the proper management of grant funding and reconciliation of investments.

- Annual Financial Statements are submitted to the Office of the Auditor General as required by section 126(1), (a) and (b) of the MFMA;
- all conditional grants are invested as per the Investment Policy and Conditions of the grant; and
- Investment reconciliation is performed on a regular basis.

#### Audit Outcomes

**Table 35: Audit outcomes in the district for the period 2014 to 2018 (5 Years)**

Name	2013/14	2014/2015	2015/2016	2016/17	2017/18
<b>ORTDM</b>	Disclaimer	Qualified	Qualified	Qualified	Qualified
<b>Ntinga ORTDM Development Agency</b>	Unqualified	Unqualified	Clean	Unqualified	Unqualified
<b>KSD municipality LM</b>	Qualified	Qualified	Qualified	Unqualified	Qualified
<b>Mhlontlo LM</b>	Adverse	Qualified	Unqualified	Unqualified	Unqualified
<b>Port St Johns LM</b>	Qualified	Qualified	Qualified	Qualified	Qualified
<b>Port St Johns</b>	Qualified	Unqualified	Unqualified	Unqualified	Qualified

Name	2013/14	2014/2015	2015/2016	2016/17	2017/18
<b>Development Agency</b>					
<b>Ingquza Hill LM</b>	Unqualified	Clean	Clean	Clean	Qualified
<b>Nyandeni LM</b>	Unqualified	Unqualified	Clean	Unqualified	Unqualified

The table above shows the audit outcomes of ORTDM and Local Municipalities under its jurisdiction. It indicates the state of Governance in the district and its Local Municipalities. The table clearly shows that ORTDM has remained stagnant for the previous 4 years at Qualified. The Local Municipalities show either a regression or stagnation.

- **Unimproved audit outcome**

The ORTDM has had an unimproved audit outcome for the past four financial years as highlighted in the table above. While there has been a drastic improvement in terms of reducing the number of qualification issues to 2 in the 2017/2018 financial year the audit outcome has remained stagnant at "Qualified".



**Table 36: Municipal Financial Viability and Management Interventions**

Challenge	Intervention
Stagnant Audit Outcome	<ul style="list-style-type: none"> <li>• Preparation of monthly account reconciliations</li> <li>• Preparation and review of bi-annual financial statements</li> <li>• Internal audit review of financial statements and monthly reconciliations</li> <li>• Capacitation of AFS preparation section</li> <li>• Skills transfer to BTO staff.</li> </ul>
Making of payments within 30 days	<ul style="list-style-type: none"> <li>• Revision and implementation of procedure manuals and policies</li> <li>• Making payments twice a month</li> <li>• Implementation of invoice box and register</li> <li>• Fast-tracking of the recruitment process for the filling of vacant posts</li> <li>• All salary related payments must be done through Human Resources and Salaries</li> <li>• Implement consequence management in terms of Section 32 of MFMA.</li> </ul>
Implementation of MSCOA	<ul style="list-style-type: none"> <li>• Conduct mSCOA workshop with employees and councillors</li> <li>• Service provider (BCX) to facilitate classroom and on-the-job training for all users</li> <li>• BCX official delegated to be on site full-time</li> <li>• Integration of OR Tambo and Ntinga</li> <li>• Updating of ICT infrastructure to support mSCOA system</li> <li>• Continuous training of officials on mSCOA</li> <li>• Considering alternatives connectivity options when Telkom line is down.</li> </ul>
Inability to collect from Debtors	<ul style="list-style-type: none"> <li>• A Revenue enhancement strategy has been introduced. The strategy adopts an adopted a Pareto Rule approach which means an 80:20 for specific focus on available resources, this has resulted in the debt owed to ORTDM reducing significantly in the past two financial years.</li> <li>• A debtor collector has been appointed to assist with the collection of old date.</li> <li>• Alignment of District and local Municipality's indigent registers.</li> </ul>
Excessive unaccounted Water losses & Distribution losses	<ul style="list-style-type: none"> <li>• Compiled report on water losses in order to assist with development of maintenance plan.</li> </ul>
Escalating Irregular Expenditure	<ul style="list-style-type: none"> <li>• Conduct workshops for SCM policy with municipal officials.</li> <li>• Implement consequence management in terms of Section 32 of MFMA.</li> </ul>

Challenge	Intervention
	<ul style="list-style-type: none"> <li>• Council to approve budget only when HOD's submit their procurement plans with realistic PIP's.</li> <li>• Workshopping of the policy to all stakeholders and implement thereafter.</li> </ul>
Rising cost of employment	<ul style="list-style-type: none"> <li>• No interventions, Interventions from this department, for interventions to this challenge refer to the section on Municipal Transformation.</li> </ul>

## **2.8 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

### **2.8.2 Overview of Municipal Transformation and Institutional Development**

While this section has no specific role in terms of the Powers and functions, the section however does play a significant role in terms of governance and administration of the Municipality.

These are the key focus areas for this section:

- Human Resource Management and Administration
- Learning, Training and Development
- Employees Relations
- Organizational Development
- Archives and Records Management
- Municipal Safety and Security
- Information and Communication Technology
- Functioning of Council and Council Structures
- District Inter-Governmental Relations (IGR) Forum
- Corporate Performance, Reporting, Monitoring and Evaluation
- Internal Audit
- Municipal Legal services
- Strategic Planning
- Executive Mayoral Services

### **2.8.3 Legislative Requirements**

The department has to ensure compliance or adherence to the Constitution of the Republic of South Africa, The MFMA, the Municipal Systems Act, The Municipal Structures Act, the Labour relations Act and internal policies.

### **2.8.4 Status Quo**

#### **2.8.4.1 Human Resource Management and Administration**

The Municipal Manager's position filled and all section 56 positions filled, with 6 positions filled by females and 5 filled by males.

A total of 1319 posts filled, however there remains a vacancy rate of 43%.

#### **2.8.4.2 Learning, Training and Development**

HRD Policies have been developed and workshopped to all key stakeholders and are just awaiting for the Council resolution.

Establishment of District HRD Council which has the following roles:

- To advise the District Municipality on HRD related matters,
- To endorse and coordinate the District Human Development Strategy.

### **2.8.4.3 Employees Relations**

The ER unit forms an integral part of the operations HR Management team, with the responsibility of ensuring the effectiveness of the Employee Relations in the Corporate Service Department. The role aim is to proactively optimize relationships within and around the Corporate Services to minimize conflict situations that lead to Industrial Relations action.

The following are among the section's achievements and or initiatives;

1. Implementation of LLF
2. Employee Relations Policy is in place and the standard of conduct has been revitalized, Grievance procedure currently exists and as such all OR Tambo District Municipality employees were work-shopped through various information sharing sessions.
3. Resolution of Grievances

### **2.8.4.4 Employee Wellness**

The department is currently prioritizing the wellness of all municipal employees. To this end, the department has lined up a number of programmes and projects aimed at giving relief to employees. These include the revitalisation and putting adequate equipment in the gymnasium of the municipality at Government Printers, wellness events, debt counselling, medical screenings and promotion of sporting activities.

### **2.8.4.5 Organizational Development**

The Job Evaluation process is progressing well, with all Local Municipalities receiving support from the District Organisational Development Section.

### **2.8.4.6 Archives and Records Management**

The ORTDM has established the Records Management Classification system which includes the Records Management File Plan, Registry Procedure Manual and Records Management Policy and have been sent to Provincial Archives for review and approval by the Eastern Cape Provincial Archivist. Provincial Archives approved Registry Procedure Manual on the 28th November 2017, File Plan and Policy are still waiting for approval.

### **2.8.4.7 Municipal Safety and Security**

The department's core function is to create a safe and secure working environment for the employees, Councillors, Visitors, VIPs, information and assets of O.R. Tambo District municipality.

### **2.8.4.8 Information and Communication Technology**

A number of projects have been done will be continued to improve the ICT systems and infrastructure in the Municipality to enable it to improve its situation. Strategic documents, such as the ICT strategy, Master Systems Plan, ICT Charter/ICT Plan, ICT Governance Framework and ICT policies, were adopted by Council. These strategic documents will guide the establishment office strategic structures, such as the ICT Steering Committee, in order to ensure that all IS and ICT spending is aligned to the IDP.

**Table 37: Municipal Transformation and Development Interventions**

Area	Issue/Priority
GIS and ICT	<ul style="list-style-type: none"> <li>• GIS/ICT Strategy</li> <li>• To develop the ICT strategy and GIS that will ensure shared services across the district. To utilize the GIS as the key information management tool for the decision making, this should take into account service delivery in the local municipalities.</li> <li>• Develop SLA/MOU to utilise GIS as a shared service between the District and its LM's</li> <li>• Broadband</li> </ul>
SCM & Contract Management	<ul style="list-style-type: none"> <li>• Capacity / Resource</li> <li>• Build capacity in the SCM and Contract Management.</li> <li>• The district has to develop a standard model for the contract management and building capacity of the supply chain.</li> </ul>

## 2.9 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

### 2.9.2 Status Quo

#### 2.9.2.1 Functioning of Council and Council Structures

In terms of Section 12 Notice, ORTDM is a category C municipality which has 59 Councillors following the 2016 Local Government elections. The composition of Council is set out in the tables below:

**Table 38: O.R. Tambo District municipality composition of council**

PARTY	TOTAL NO. OF CLLRS	PART-TIME CLLRS	FULL-TIME CLLRS	NUMBER OF FEMALE CLLRS	NUMBER OF MALE CLLRS
ANC	44	27	17	27	17
UDM	6	6	0	1	5
DA	4	4	0	0	4
EFF	2	2	0	1	1
AIC	1	2	0	1	0

<b>CI</b>	1	1	0	0	1
<b>MRRA</b>	1	1	0	0	1
<b>TOTAL</b>	<b>59</b>	<b>42</b>	<b>17</b>	<b>30</b>	<b>29</b>

The Council adopted the guiding instruments for the smooth implementation of the SoP Model in 2014; namely:

- Amended Council Standing Orders;
- Terms of Reference for S79 Standing and Portfolio Committees;
- Roles and Responsibilities Framework as per the SoP model
- Restructuring of Council Committees.

Critical milestones achieved since the adoption of the Separation of Powers Model

- Restructuring of Section 79 Committees;
- Reviewal of Council Standing Orders;
- Terms of Reference for S79 Standing & Portfolio Committees;
- Roles and Responsibilities Framework as per the Separation of Powers model;
- Development of Municipal Oversight Model (MOM);
- Development of Committee System;
- Development of Committees and Research Process Maps;

**Challenges**

- Poor understanding of Whippyery mandate remains a challenge.
- Constituency work programme unfolds with difficulty as team work of Councillors, MPLs and MPs has not come to existence yet.
- 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 and
- 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;
- lack of funding proper implementation of the Separation of Powers Model
- political instability hampering proper functioning of councils and
- Lack of clarity on the role of whippyery in municipalities.

**2.9.2.2 Legislature**

Tabled below are the Section 79 committees in place.

**Table 39: Section 79 Committees**

<b>SECTION 79 STANDING COMMITTEE</b>	<b>SECTION 79 OVERSIGHT PORTFOLIO COMMITTEES</b>
1. Rules Committee	1. Special Programmes and Social Services

2. Programming Committee	2. Planning, Research and IGR
3. Chairperson’s Committee	3. Human Settlements and Disaster Management Committee
4. Municipal Public Accounts Committee (MPAC)	4. Community Services Portfolio Committee
5. Ethics and Members Interest Committee	5. Corporate Services
6. Multiparty Women’s Caucus	6. Water and Sanitation
7. Petitions and Public Participation Committee	7. Budget, Treasury and Internal Audit
8. Oversight Committee on Mayor’s Office and Legislature (OCMOL)	8. Technical Services
	9. Rural and Economic Dev. Committee

### 2.9.2.3 Public Participation

Public participation is rooted in the Constitution of the Republic of South Africa. It grant all citizens a right to meaningful participation in South Africa’s affairs and as such a right to shape and determine their own destinies. 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 which is intended to “Deepen democracy through a refined Ward Committee Model”.

The municipality of ORTDM will therefore structure and co-ordinate participation of communities in all municipal programs. The municipality continues to interface with traditional leadership in coordinating social cohesion programmes and also play a critical role in the improvement of initiation schools.

The municipality supports functionality of all ward committees and CDWs in all Local Municipalities. To enhance public participation the following ward committees are in place.

### 2.9.2.3 Ward Committees

Ward Committees are established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998. They are also referred to as Section 73 Committees. Currently, there are 146 wards throughout ORTDM:

- KSD : 36 wards (360 ward committee members)
- Mhlontlo : 26 wards (260 ward committee members)
- Nyandeni : 32 wards (320 ward committee members)
- Port St. Johns : 20 wards (200 ward committee members)
- Ingquza Hill : 32 wards (320 ward committee members)

### Challenges



- 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;
- lack of feedback to Petitions lodged by communities and community organizations to the municipality and
- Public Participation Policy and Strategy not fully implemented.

#### 2.9.2.4 District Inter-Governmental Relations (IGR) Forum

The DM has established an IGR unit under the Office of the Municipal Manager. The role of the District Intergovernmental Forum is to serve as a Consultative Forum for the District Municipality, the five Local Municipalities, the Eastern Cape Provincial Government, National Government and State-Owned Enterprises to discuss and consult on matters of mutual interest. Tabled below are the Inter-Governmental structures in the district

**Table 40: IGR Structures**

IGR Structure	Nature (Political/Technical)
District Mayor’s Forum	Political – chaired by the Executive Mayor
Sector/Cluster Forums	Political and Technical

IGR Structure	Nature (Political/Technical)
Municipal Manager’s forum	Technical – chaired by the Municipal Manager of the DM
District Communicators forum	Technical – chaired by the DM manager for communications unit
Local Communicator’s forum	Technical – chaired by the LM heads of communications
District Speaker’s Forum	Political – chaired by the Speaker
District Whippy Forum	Political – chaired by the Council Chief Whip
KSD Presidential Intervention	Political – chaired by the Premier

#### Challenges

- *Ad hoc* IGR coordination at Local Municipalities level;
- the need to improve on planning and coordination of events/ IGR activities between DM and LMs

#### 2.9.2.5 Corporate Performance, Reporting, Monitoring and Evaluation

The performance management system in ORTDM is driven by a Performance Management Policy/Framework that was developed and adopted by the Council together with the Budget related policies in May 2017. This policy framework provides an overarching framework for managing performance in the ORTDM. The District is still in a process of fully implementing the policy framework. The Integrated Development Plan (IDP) is the start of the performance

management cycle and the successful implementation of such is driven through the Service Delivery and Budget Implementation Plan (SDBIP).

The ORTDM has made a concerted effort in strengthening the compliance culture within the institution. Various forms of reporting mechanism for information sharing within and across departments in the municipality were introduced. The ORTDM reports on performance formally every quarter through their Quarterly Performance Assessments Reports, Mid-year performance reports as well as an Annual Performance Report which forms part of the Annual Report. Reporting templates are given to departments to factor in information on programs as per SDBIP, so that service delivery targets are constantly monitored. Section heads sit with their subordinates on a weekly basis, so as to share information; while Directors sit with section heads on a monthly basis. The meetings with Directors are formal, and the completed reporting templates are to be sent to the PMS unit for monitoring and evaluation monthly.

### **Challenges**

The performance management culture is not yet inculcated in the day-to-day operations of the organisation;

- Actual performance reported not supported by adequate evidence, leading to AG and Internal Audit findings;
- Reasons for deviations and corrective measures for underperformance not provided;
- Underperformance not addressed through indicated corrective measures;

- The middle management and staff below do not view themselves as part of the organizational performance;
- Development plans of section 54 and 56 Managers are not incorporated in the institutional workplace skills plan;
- The organizational structure as against the functional area;
- Lack of personnel resources; and
- Linkage of reporting and performance as against monitoring and evaluation.

### **2.9.2.6 Communications**

Government Communication is a strategic and planned process aimed at ensuring effective dialogue between government and Communities. As Communication is a strategic function, strategizing for communication needs to be a frequent and ongoing exercise in municipalities.

### **Challenges**

The challenges that the Communication Strategy and Plan seeks to address are the following:

- Poor communication coordination for both internal and external communication.
- Local Municipality communications units are not sufficiently resourced in terms of Human Resources and finances (communications units only have one official in the LMs);
- Inconsistency in updating information in the municipal websites;
- Negative perceptions in the Media;

- Development of clear media engagement programmes
- Inconsistency in attendance of the DCF by some municipalities;
- Attend to branding and lack of Corporate Identity issues;
- Varying and inconsistent communication (internal and external);
- 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 and LM council decisions);

### 2.9.2.7 Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It assists an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The table shows the status of Audit committees.

**Table 41: Status of Audit Committees**

Name Of The Organization	Audit Committee Status
Ntinga O.R. Tambo Development Agency	Committee is in place
Port St Johns Local Municipality	Committee is in place

Name Of The Organization	Audit Committee Status
Port St Johns Development Agency	Utilises PSJ LM's Audit Committee
King Sabata Dalindyebo Local Municipality	Committee is in place
Ingquza Hill Local Municipality	Committee is in place
Nyandeni Local Municipality	Committee is in place
Mhlontlo Local Municipality	Committee is in place

**Table 42: Status of Internal Audit Function**

Name Of The Organisation	Internal Status
Ntinga O.R. Tambo Development Agency	Shared with District Municipality i.e. fully supported by the District Internal Audit unit
Port St Johns Local Municipality	Shared with the District Municipality i.e. fully supported by the District Internal Audit unit
Port St Johns Development Agency	Shared with the District Municipality i.e. fully supported by the District Internal Audit unit
King Sabata Dalindyebo Local Municipality	In-house function but supported by the District on an Ad-hoc basis and attendance of Audit Committee meetings
Ingquza Hill Local Municipality	In-house function but supported by the District on an Ad-hoc basis
Nyandeni Municipality	In-house function but supported by the District on an Ad-hoc basis and

Name Of The Organisation	Internal Status
	attendance of Audit Committee meetings
Mhlontlo Local Municipality	In-house function(supported with 1 student and attendance of Audit Committee meetings)

### 2.9.2.7 Risk management

The Municipal Finance Management Act Section 62 (i) (c) requires a Municipality to have and maintain an effective, efficient and transparent system of risk management. The Municipality implements risk management so that it is in a position to take corrective action on possible obstacles towards the attainment of set objectives. In compliance with the legislative framework, O.R. Tambo District municipality developed a Risk Management Policy and Strategy as it recognizes that risk management is a function of senior management of the Municipality. Also the Chief Risk Officer was appointed during the 2018/19 financial year to execute work pertaining to risk management.

### 2.9.2.8 Municipal Legal services

There is an in-house legal service department which is functional. It supports other Local Municipalities within the district. There are legal advisors in some of the Local Municipalities, like Nyandeni, Ingquza Hill and King Sabata Dalindyebo Local Municipalities, whilst others do not have legal advisors and rely on external legal service providers (consultants).

### 2.9.2.9 Executive Mayoral Services

The O.R Tambo District Municipality, Office of the Executive Mayor as a Department committed its self on implementing programmes that seek to contribute to the two institutional goals in order to promote integrated sustainable goals and further building a coherent district that is responsible, accountable and promote clean governance. The Department is mainly instrumental in identifying the needs of communities and developing criteria for the evaluation of strategies, programmes and services due to the community.

**Table 43: Good Governance and Administration Interventions**

Area	Issue/Priority
Financial Management	<p><b>Audit Outcomes:</b>                      To improve the audit outcomes of the municipalities by enhancing internal controls, compliance and addressing key vacancies</p>
Service delivery	<p><b>Audit and Monitoring :</b>                      To undertake an independent audit/investigation on all abandoned capital (infrastructure) projects and recommend appropriate consequent management</p>
Governance and Administration	<p><b>Risk Management &amp; Fraud Prevention:</b>                      To enhance the functions of risk management and fraud prevention through strengthened internal controls, awareness and reporting mechanisms</p> <p><b>Performance Management:</b>                      To cascade performance management to middle management in 2018/19                      To improve efficiencies in reporting by implementing an electronic performance management system</p> <p><b>Contingent Liabilities (Legal Services):</b>                      To implement a shared services for dealing with litigation in the district (DM &amp; LMs)</p>
Planning	<p><b>IDP Alignment</b>                      The district planning and its local municipality need to be aligned to realize the Long Term Vision.</p>
Intergovernmental Relations	<p>Traditional leadership                      Operation Masiphathisane</p>

## CHAPTER 3: DEVELOPMENTAL PLANS

### 3.1 INTRODUCTION

One of the critical components of an Integrated Development Plan is to develop strategies which must be aligned with the national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation.

This chapter therefore highlights some of the critical development strategies adopted by the OR Tambo Municipality. These strategies seek to address the developmental constraints highlighted in the situational analysis chapter. They guide the institution and its departments on sector specific issues to ensure long term sustainable growth and development.

### 3.2 DISTRICT DEVELOPMENT PLAN (DDP) – VISION 2030

The District developed its long-term vision called *the “District Development Plan (DDP) Vision 2030”*. The 2030 O.R. Tambo District Development Plan (DDP) is a living document/ plan that encapsulates the desires, hopes, Aspirations and dreams of our communities. The institution thus remains committed to full and successful implementation of the plan and consequently the realization of the vision. The DDP was adopted and launched in November 2017 and its aims to:

- Articulate the development priorities of the District between 2017-2030 & beyond

- Prioritise and fast-track the realisation of various National & Provincial Policies (NDP, PDP, Eastern Cape Infrastructure Plan, & Eastern Cape Provincial Economic Development Plan)
- Embrace a host of current and planned major developments/initiatives in the District
- Build on and complement the OR Tambo DM IDP (2017 – 2022)
- The District established a Project Steering Committee that is responsible for monitoring the implementation of the plan
- Terms of reference for the District Ambassador’s Realization utilised as Advisory Panel of the District Municipality
- The District ensures that its Integrated Development Plan (Plan) is aligned to the DDP 2030 pillars

On an annual basis this plan gives tune to the review of the District Integrated Development Plan.

#### 3.2.1 District Development Plan 5 Catalytic Programmes & Projects

- **DCP 1:** District entities repositioned to drive Inclusive Economic Development (including Ntinga OR Tambo Development Agency, PSJ Development Agency and Kei Fresh)
- **DCP 2:** Transformed Land Ownership, Development and Land Management
- **DCP 3:** Agricultural Revitalization in the District
- **DCP 4:** ICT enabled Socio Economic Development
- **DCP 5:** Optimized Management of Water Services (resources and services)

### 3.2.2 Progress to date Against the 5 Key Catalytic Programmes & Projects

#### DCP 1

- Ntinga Development Agency converted to a SOC to drive and accelerate LED
- Ntinga in partnership and in consultation with other National Government Departments to attract investment
- PSJDA in a process as well to be converted into a SOC to accelerate LED

#### DCP 2

- Pre-Investment Conference was convened with all the partners including local municipalities.
- Projects for investment have been identified and have been packaged for investment opportunities and a brochure will be developed.
- The District has initiated the Land and Investment Conference scheduled for the 28th-29th March 2019 (to be confirmed) in order to ensure transformation in land ownership, land management, land security, and to enable communities to benefit from land development and to secure long-term investments
- Sustainable Human Settlements & Spatial Divide

#### DCP3

- The District has forged partnership with the Argentinians for Agricultural Programs (RAFI). Initiatives are underway to upscale to the entire district.

- Partnerships have been forged with Anglo Gold and DAFF for agricultural programmes in Lusikisiki and Lambasi respectively
- Explore potentials of revitalisation of Magwa and Majola Tea Estates
- Oceans Economy
- Forestry Development, Afforestation and Processing
- Enterprise and Cooperatives Development
- ORTDM is a National Health Insurance Pilot Site and this is being accelerated through infrastructure delivery (social and economic)
- USASSA and Department of Communication have piloted eHealth in Mhlontlo and KSD Municipalities and currently the strategy is underway to roll-out to the entire district.

#### DCP 4

- Launched the Broadband programme in Mhlontlo and KSD in partnership with the department of communication and USASSA
- Through the term contracts, mobilise IT Specialist to conduct a full IT Assessment of the current ICT Systems and software of ORTDM
- Broad Band Pilot Program
- The District has to reposition itself for readiness of the Fourth Industrial Revolution
- Strategic Road Infrastructure Upgrade
- Vulindlela Industrial Park Development Initiative
- Roads Upgrade & Unused Warehouse
- Revitalisation of small towns and PSJ Development of a business case

## DCP5

- Acceleration of Secondary bulk in Mqanduli and Ngqeleni in order to ensure connectivity
- KSD PI – OR Tambo (water provision to KSD, Mhlontlo and Nyandeni)
- Mzivubu Water development in its initial stages (Ntabelanga, Mbokazi and Laleni Dams)
- Construction of Ngqongweni dam currently under way
- Particular focus on the refurbishment of schemes through term contracts
- Bulk Infrastructure Upgrade
- Port St Johns Waste Water Treatment Works
- Acceleration of Coffee Water Supply for the development of the town

### 3.3 SPATIAL DEVELOPMENT FRAMEWORK

The district Spatial Development Framework outlines the desired spatial development of the district area, as contemplated in Section 25(e) of the Municipal Systems Act (Act 32, 2000). It also highlights priority investment and development areas, and will therefore serve as a guide to decision-makers and investors. It should be emphasised that the SDF is an integral component of the IDP and translates this plan into its spatial implications to provide broad, overall development guidelines. This tool must therefore not be used in isolation, but must support decision-making within the context of the IDP and District-wide Development Strategy.

The SDF should furthermore not be interpreted as a blueprint aimed at managing physical development, but rather as a framework giving

strategic guidance in respect of the location and nature of anticipated future development in the O.R. Tambo District. Desired patterns of land use are indicated, although room still exists for interpretation and further refinement. The SDF is development orientated to allow for growth and changing circumstances and to promote investor confidence. The SDF is aligned with and does not conflict with other development strategies nationally, provincially and regionally. 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 non-existent.

The O.R. Tambo District municipality reviewed its Spatial Development Framework (SDF) in 2017 to align it with developments that have been introduced to local government at a macro and micro level since 2010, when the first generation SDF was adopted.

#### 3.3.1 Legislative Requirements

SDF is developed in terms of Section(e) of the Municipal Systems Act, 2000 (Act No. 32 of 2000). SDF is also developed in compliance of Chapter 4, Section 20 to 21 of the Spatial Planning and Land Use Management Act, No. 16 of 2013 (SPLUMA) The SDF must give effect to Development Principles as contained in Chapter 2 of SPLUMA. Those development principles are as follows:

- Principles of spatial justice;
- Principles of sustainability;
- Principles of efficiency;
- Principles of spatial resilience
- Principles of good administration.

#### 3.3.2 Situational Analysis



The O. R. Tambo District Municipality SDF was reviewed in 2017/18 financial year in line with term of council and 5 year IDP. There are key elements that the O. R. Tambo District Municipality seeks to address. The SDF as presented in the integrated development plan contains vital information on proposed existing development nodes, development corridors that will assist the development of the district.

### **Nodes and activity corridors**

Chapter 8 of the National Development Plan focuses on the country's spatial planning system, and therefore requires that all municipal and provincial SDFs are translated into "spatial contracts" that are binding across national, provincial and local governments. The current planning system should actively support the development of plans that cross the municipal and even provincial boundaries, and every municipality should have an explicit spatial restructuring strategy which must include the identification of priority precincts of spatial restructuring.

Therefore the District SDF proposes a number of Nodes and Corridors which are meant to address socio-economic issues of the District with a focus on sustainable economic growth and employment opportunities.

### **Nodes**

The nodes are defined as follows:

- *District Centre (DC)*: 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
- *Sub-District Centre (S-DC)*: These are towns identified as having important local and district level development functions relating to commerce and tourism. Lusikisiki and Port St. Johns are the secondary nodes of the district.

- *Local Centre (LC)*: These towns are seen as lower order service centres where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas. Qumbu, Tsolo, Libode, Ngqeleni, Mqanduli and Flagstaff fall within this category.
- *Sub-Local Centre (SLC)*: These are rural villages where higher order rural-level services are prioritized. Tabase, Majola, Zincuka, Gwadana, Bolotwa, Nqadu, Baziya, Kwaaiman, Mvezo, Qolokweni, Nkoso, Mthontsana, Mpeko, Mqhekezweni, Mbotyi, Msikaba are under this category.
- *First Order Coastal 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. Coffee Bay, Umtata Mouth, Port St Johns are identified as the first order coastal nodes.
- *Second Order Coastal Nodes*: these are settlements where it has been identified as being related to the development of a viable and sustainable Coastal Tourism sector. Msikaba, Mbotyi, Umngazi Mouth, Mngazana, Sinangwana, Presley Bay, Lwandile, Hole in the Wall are identified as the second order coastal 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 centres 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.

### 3.4 LOCAL ECONOMIC DEVELOPMENT STRATEGY

The ORTDM is classified as a Category C2 municipality, indicating a largely rural character with a low urbanisation rate, as well as limited municipal staff and budget capacity. All local municipalities falling under the ORTDM, with the exception of King Sabata Dalindyebo, are classified as Category B4 (rural, mainly subsistence) reflecting limited institutional capacity and areas characterised by small centres, limited SMMEs and market opportunities, as well as dependence on public support and LED activities that are principally at the level of the small project.

#### 3.4.1 Legislative Requirements

According to the Section 83 (3) of the Municipal Structures Act, a district municipality must seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by:

- Ensuring integrated development planning for the district as a whole;
- Promoting bulk infrastructural development and services for the district as a whole;
- Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and

- Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area.

#### 3.4.2 Level of Services for LED Development

The King Sabata Dalindyebo, which includes the district's administrative and economic centre of Mthatha, accounts for the greatest contribution to GDP (59.26%) and to formal employment opportunities (52.35%) within the ORTDM. The economy of the ORTDM is largely driven by the tertiary sector, a sector dominated by community services (National Census 2011). The community services consist of public administration (14.3%), education (23.4%), health and social work (9.2 %), and other community services (4.6 %). The trade sector at 18.5% is the second largest contributor to the economic activity. This is not an ideal economic reality, as for a strong economy to be achieved and sustained, a strong primary sector (comprising agriculture, manufacturing, and other production types) must dominate.

#### Transport

Road transport is the most used form of transport for commercial and passenger interests. It is thus a priority that this form of transport be optimized in this ability to foster LED benefits to the district. Ongoing maintenance of existing roads is crucial as this influences the future costs of rehabilitation. Similarly, provision of new roads is essential in its role of promoting and attracting investment within and into the region. Railways are an alternate means to transport people and goods that may have positive cost savings for participants in the O.R. Tambo. It is important that linkages to the Kei railway be fully explored and built upon. Air transport can serve the district positively by attracting tourist visitors to the area. A fully functional airport with several operational

routes also raises the business profile of the district, and improve perceptions of the region. An Integrated Transport Plan is in place for the district. Gaps that have been identified within the district must be addressed as a matter of urgency.

### **Water Services**

The district has a distinct advantage of being a region with substantial water resources. The district lies within the Umzimvubu, Keiskamma Water Management Area 12 and the Mvoti-Umzimvubu Water Management Area 11. These are catchment areas with excess runoff of water, which means development of these water resources is possible. Adequate and reliable provision of water is a key form of economic and social infrastructure. Predictability in the quantity and quality of water supplied assists business in planning and influences the overall business climate. Furthermore, provision of sanitation services has implications on the health and welfare of communities, which in turn affects worker productivity. Abstraction and reticulation of water resources in the district to advance economic and social objectives is thus a priority for the district's infrastructure provision functions.

### **Electricity and Communication**

Provision of electricity allows basic strides in the development arena such as the ability to operate businesses after the sun sets, reduced crime, and the ability to introduce automation into business processes. Similarly, the ability to effectively communicate allows wider market access, faster turn-around times for business transactions and an effectively lower cost of doing business in an area. The provision of electricity and communication services is thus imperative in improving the business environment of O.R. Tambo for not only residents of the area, but business operators as well. Such arguments must not be

neglected when justifying the high capital investments required for the provision of these services.

### **Climate**

Agricultural specialists advise that a minimum precipitation level of 500mm summer rainfall is required for dry-land cropping. The exceptionally high levels of rainfall in O.R. Tambo allow rain-fed crop production. This is a major advantage for the district, as it means that most of the areas do not require costly irrigation schemes. The temperature profile gives rise to frost-free conditions in the winter, which allow a broader range of plants to be farmed. The climatic conditions of the district thus give the region a distinct advantage in the areas of agriculture and forestry development. The even distribution of rainfall and good weather mean that agriculture and forestry are thus possible in a large part of the district. This allows agriculture to emerge as a rural-based livelihoods provider, when coupled with necessary institutional and infrastructural requirements.

### **Land Capability and Land Availability**

#### **3.4.3 Implementation of the Strategy**

The following programs have been achieved:

1. MEC signed off Local & Regional Economic Development (LRED Policy in 2018 to support business in the following 6 sector: agro-processing; tourism; manufacturing; automotive; oceans economy and renewable energy.
2. Two calls for proposals were issued to potential applicants
3. Focus on financial and non-financial business support;

4. Financial support through LRED funding R6. 067.816 million  
Sectors funded manufacturing; tourism; agro-processing and  
Consumer protection

**Table 15: District Development Opportunities**

OPPORTUNITY	DESCRIPTION
SMME development	The O.R. Tambo economy is characterised by a significant amount of informal activity that transcends sectoral classifications. If this informal activity may be regulated and formalised, the dichotomy between the first and second economies in the district may diminish. This can best be done through prioritized promotion of and support to SMMEs in the district. Examples of activities that could be undertaken by SMMEs include beekeeping, internet cafes and recycling initiatives. Remittances from migrant workers that have relocated to other regions may be used to drive investment in this regard.
Research driven development	Linkages with research institutions such as WSU, TRASLO and ECATU may be explored and utilised as an avenue for development. Research into the role of traditional medications, community based conservancy, alternate energy sources, sustainable villages and other such research topics may provide opportunities for significant economic development in the region. This will spur innovation in production methods and technologies used in the district.
Retail developments	A significant amount of income leakage occurs in the retail sector as a result of the low level of

OPPORTUNITY	DESCRIPTION
Residential development	development in this sector. Small shopping centres that target the needs of the district’s emerging middle class, whilst facilitating local enterprise growth will reduce the amount of retail-spend that is lost to areas such as Margate, Port Shepstone and Kokstad.  The residential property market in the district has a shortage of available capacity. Residential development that is targeted at municipal employees, with concomitant financing mechanisms will play a multi-faceted role of supporting the construction industry, reducing the housing backlog and allowing for a reduction in municipal vacancy rates linked to lack of suitable accommodation.
Institutional strengthening	Institutional training and local government capacitation is an opportunity that applies to the LED arena. This would involve strengthening of relations and working arrangements between different LED stakeholders.
Trade and Investment Promotion & Attraction	Trade & Investment promotion consists of image building and investment generation. The dynamics of each of these elements are often complex and require a focused, targeted, and innovative approach in order to effectively attract investment
Trade & Investment Development,	Create an environment conducive to business growth and investment promotion not hampered by many challenges including institutional, regulatory, managerial

**OPPORTUNITY DESCRIPTION**

Retention & Expansion

Skills Development Infrastructure Development, Access to land, & Spatial Development	Support the development of local skills and encourage the transfer of skills within the district. The provision of infrastructure (including bulk services) and access to land are also fundamental in creating an enabling environment for investment.
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**3.5 O.R. TAMBO DISTRICT MUNICIPALITY OCEANS ECONOMY**

The Republic of South Africa (South Africa) has made great strides in the last two decades-and-a-half towards the systematic introduction and establishment of key policy frameworks aimed at protecting coastal ecosystems while ensuring the realization of economic growth opportunities offered by its coastline. The ORTDM is located to the east of the Eastern Cape Province, along the Indian Ocean coastline. The ORTDM is one of six district municipalities in this province. 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. All five local municipalities of ORTDM, barring Mhlontlo, are bordered by the coast, endowing the entire district with a shoreline length of approximately 148km, and Port St Johns boasting the longest shoreline in the district – approximately 55km.

**3.5.1 Legislative Requirement**

**National Environmental Management: Integrated Coastal Management Act**

National Environmental Management: Integrated Coastal Management Act, No. 24 of 2008 (ICM Act), and as amended, which is a policy statement for the management of its coastal zone in an integrated manner. Part 3 of Chapter 6 of the ICM Act requires of municipalities to develop Municipal Coastal Management Programmes (MCMP). Sections 48 and 49 of the ICM Act provide clear instructions and guidance as to: (a) the process for the preparation, adoption and amendment of the MCMP; and (b) the content of each MCMP. A Coastal Management Programme (CMP) is a coherent policy directive for the management of the coastal zone.

**Integrated Coastal Management Act**

Section 49 of the ICM Act stipulates that a municipal CMP must: a) be a coherent municipal policy directive for the management of the coastal zone within the jurisdiction of the municipality; and b) Align with the national and provincial CMPs, as well as with the National Estuarine Management Protocol. Therefore, the purpose of the ORTDM CMP draws from the two ICM Act specifications listed above, and sets out to act as an overarching policy statement for the management of the coastal zone within the jurisdiction of the ORTDM, thereby empowering the municipality with an important and useful tool for coastal management, which will be sensitive to the specific needs of the district, and will be in tune with the broader planning processes of the district municipality.

### 3.5.2 Situational Analysis

The ORTDM falls within a section of the coast of the Eastern Cape Province known as the Wild Coast (as mentioned in previous section). The Wild Coast stretches 250km from the Kei River in the south, to the Mtamvuma River in the north. The name “Wild Coast” speaks to the ruggedness of the coastline, with a shoreline characterized by a diversity of shore types (sandy beaches, rocky shores), shoreline features (deep narrow gorges, waterfalls) and biomes (grasslands, coastal forests, dune thicket, mangroves, dune fynbos).

### 3.5.3 Implementation of the Strategy

It has been recently reported that up to 47% of marine and coastal habitat types are threatened, with 17%, 7% and 23% being critically endangered, endangered and vulnerable, respectively (Sink et al 2012). The Eastern Cape is globally recognised for its high biodiversity value and scenic beauty, especially its marine and coastal habitats. For instance, it has the highest biome diversity of any province, with no less than seven biomes: forest, fynbos, Nama Karoo, savanna, succulent Karoo and thicket (Berliner et al 2007). It is therefore critical that spatial planning interventions are implemented in order to ensure the protection of the natural environment in this region, while still promoting responsible coastal development. It follows that there are provincial level, overarching planning tools that have a direct impact on how local authorities conduct their spatial planning in relation to the coastal zone.

### 3.5.4 Strategic Projects

1. Small Crafts Harbour;
2. Small fishing, storage and processing (Aquaculture);

3. Property and Commercial development (Waterfront and/or Beachfront Development);
4. Tourism; and
5. Small town revitalisation

**Table 16: Planned Oceans Economic Projects**

SMALL HARBOURS DEVELOPMENT	
Project Name	Local Municipality
Port St Johns Harbour	Port St Johns Municipality
Coffee Bay small harbour craft	King Sabata Dalindyebo Municipality
Port Grovenor Small Craft Harbour	Ingquza Hill Municipality
SMALL FISHING, STORAGE AND PROCESSING (AQUACULTURE)	
Mdumbi Cray Fish Farm and Mthakatye Live Fish Tanks	Nyandeni Municipality
Coffee Bay Fishing Industry	King Sabata Municipality
Port St Johns Aquaculture Developments	Port St Johns Municipality
SMALL TOWN REVITALISATION	
Coffee Bay new town	King Sabata Dalindyebo Municipality
Mthatha Mouth small new town	Nyandeni Municipality
Port St Johns revitalisation	Port St Johns Municipality
TOURISM DEVELOPMENT	
Mdumbi Green Destination Tourism Facilities	Nyandeni Municipality- Mdumbi River Mouth

Visitor Information Office and Wild Coast Hiking Trail  
Port St Johns to Coffee Bay (PSJ, Nyandeni & KSD)

Mthatha River Mouth Boat Bay and recreational facilities  
Nyandeni Municipality

### PROPERTY AND COMMERCIAL DEVELOPMENT (WATER FRONT AND/OR BEACH FRONT DEVELOPMENT)

Port St Johns waterfront & 2nd Beach Tidal Pool  
Coffee Bay World class properties  
King Sabata Dalindyebo LM

## 3.6 HOUSING PLAN

The ORTDM has a total population size of approximately 1.4 million, of which 96.1% are isiXhosa speakers. Compared to other district municipalities within the Province of the Eastern Cape, and not including metropolitan municipalities, the ORTDM is the most densely populated district. ORTDM occupies only 9.52% of Provincial land, making it the most densely populated district, at around 108 people/km<sup>2</sup> – second only to the Buffalo City Metropolitan Municipality. Despite its great population size, it still contributes poorly to the Eastern Cape's GDP.

Akin to its neighbouring districts in this Eastern Cape region, most of the land is either government-owned (national and local), or falls under a tribal authority. 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.

### 3.6.1 Legislative Requirement

The Housing Act No. 107 of 1997, provides guidance on the general principles applicable to housing development in all spheres of government. It also defines the functions of national, provincial and local governments in respect of housing development and provides for financial arrangements for housing development. The Act also creates the provision for all spheres of government to give priority to the needs of the poor in respect of housing development. The Human Settlements programmes and functional areas are informed by the constitutional and legislative mandate as discussed in Chapter 2 of the Constitution. The National Development Plan: Vision 2030 (NDP) provides direction for meaningful change that leads to a national democratic society. The strategy focuses on integrated planning, prioritisation, and implementation.

The municipality has developed housing and settlement guidelines in order to assist Local Municipalities on making decisions on the optimal arrangement of settlements based on the concepts of the settlement hierarchy policy as described in the SDF. (The comprehensive Settlement Planning and Housing Development Guidelines document is available from the municipality upon request). In essence the housing and settlement guidelines give substance to the settlement hierarchy policy in terms of interventions required in the spatial management of settlements in order to address current development scenarios.

### 3.6.2 Situational Analysis

The average size of a household in the O.R. Tambo District municipality is 4.6 people. Housing is predominantly located in scattered rural settlements, with the majority of households in the district living in traditional dwellings. According to the Community Survey 2016, 43.4% of households occupied formal dwellings in 2011, and by 2016, this had grown to 43.6%. At the same time, while 54.3% of households in the district were living in traditional dwellings in 2011, this had decreased to 54.2% by 2016. The table below shows the housing situation in 2016.

**Table 17: Type of Dwellings in the five Local Municipalities**

MUNICIPALITIES	TRADITIONAL DWELLINGS %	FORMAL DWELLINGS %	INFORMAL DWELLINGS %	OTHER DWELLINGS %
Ingquza	57	40	1.2	1.8
Nyandeni	62.1	36.8	0.4	0.6
PSJ	62.2	36.9	0.7	0.1
Mhlontlo	54.7	41.5	2.9	0.8
KSD	45.9	51.8	1.3	1.0

Other dwellings include rental accommodation on privately owned and state-owned property like ECDC Flats. Other accommodation is provided by private institutions like WSU for its own staff and government flats that provide accommodation for persons working in the public sector. There are many individuals providing accommodation for persons working in private organisations in the ORT region.

WATER SERVICES DEVELOPMENT PLAN (WSDP) 2018

Water is absolutely critical to our economy, environment and our communities. A healthy environment and safe, affordable and reliable water services are essential for people, jobs and a thriving economy. The district is mandated by legislative prescripts to prepare water services development plans to ensure effective, efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.

### 3.6.3 Legal Requirements

Section 13 of the Water Services Act (Act 108 of 1997) makes it compulsory for every Water Services Authority (WSA) to compile a Water Services Development Plan (WSDP). The “Regulations relating to Compulsory National Standards and Measures to Conserve Water”, as published in terms of sections 9 (1) and 73 (1) (j), requires that a WSA must:

- include a water services audit in its annual report on the implementation of its WSDP as required in terms of section 18(1) of the Act
- include details for the previous financial year and if available, comparative figures for the preceding two financial years, of the quantity of water services provided the levels of services rendered
- cost recovery
- meter installation and meter testing
- water quality sampling programme
- water conservation and demand management

### 3.6.4 Situational Analysis

Under the Municipal Structures Act (No 117 of 1998), O.R. Tambo District municipality was appointed as the Water Services Authority



(WSA) and in this capacity inherited the powers and functions of both the Water Service Authority and the Water Service Provider (WSP). Under these expanded responsibilities, the Water Service Authority has a duty to all consumers, or potential consumers, in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water and sanitation services.

To achieve this, the Water Services Authority must take a leading role in planning:

- Service Level Objectives
- Water Resources
- Water Conservation and Demand Management
- Bulk Infrastructure
- Institutional Arrangements
- Organisational Support
- Financial Management & Tariff Policy

In general terms, as a WSA, the district municipality must focus on establishing services provider capacity and bringing basic services to consumers in their areas. The Water Services Development Plan (WSDP) is a key tool in achieving this objective. The WSDP also feeds

**Table 19: Water and Sanitation Policies applicable in 2019/2020**

Policy Description	Date of effective policy	Status
Free Basic Services Policy	June 2017	Approved
Indigent policy	June 2017	Approved
Water use policy	June 2017	Approved
Water Conservation and Demand Management Policy		Under review
Water & Sanitation By-laws	2003	Under review

information into the Integrated Development Plan (IDP), which is the annual multi-sectoral plan of the municipality.

The municipality has produced the following versions of its Water Services Development Plan since it was designated as a Water Services Authority in 2004:

**Table 18: Water Services Development Plan Document History**

Description	Date Approved:
Water Services Development Plan 2013	June 2013
Water Services Development Plan 2015	June 2015
Water Services Development Plan 2017-22	May 2018

As the Water Services Authority, OR Tambo District Municipality is responsible for complying with regulatory reporting and planning legislation in a number of areas. Further to the WSDP, the municipality has developed water services related policies listed below:

Policy Description	Date of effective policy	Status
Development Charge Policy	2016/2017	Approved
Customer Care Policy	2016/2017	Still in draft

### 3.7 WATER SERVICE LEVELS AND WATER REQUIREMENTS

ORTDM has only one major dam, namely Mthatha Dam with a 1 in 50year yield of 145,5million m<sup>3</sup>/a. There are also four small dams serving different parts of the district namely Corana, Mabeleni, Mhlanga and Magwa with a combined capacity of 6.84 million m<sup>3</sup>. The rest of the population is served from stand-alone schemes through boreholes, springs and rivers.

The district municipality has mixed forms of water services provided:

- Formal, high level of service (adequate)

- Informal, temporary level of service including water tankers (inadequate)
- Informal, below basic RDP level of service (inadequate)
- No services (inadequate)

The extent of the water supply backlog within the O R Tambo District Municipality is 28,2 % with the majority of the households that still have no access to any water supply infrastructure. The majority of the backlogs reside within Port St Johns LM (52%) and Ingquza Hill LM (62%) respectively.

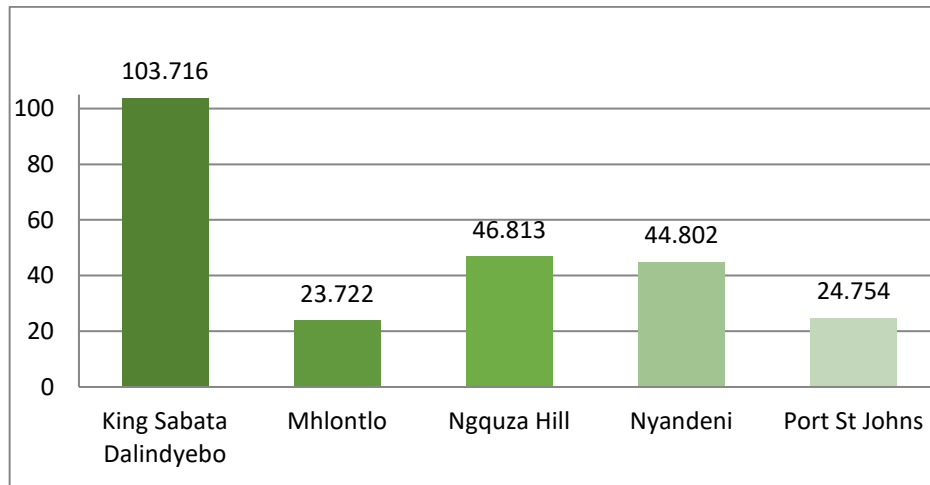
**Table 20: ORTDM Water Security**

	O.R. Tambo	King Sabata Dalindyebo	King Mhlonlo	Ngquza Hill	Nyandeni	Port St Johns
Groundwater (No. of BH with yield >5ℓ/s)	27	10	11	4	1	1
Surface water (No. of dams)	6	1	1	0	3	1
Water Demand (Mℓ/Day)						
2015	135.85	66.13	16.64	19.79	21.78	11.52
2020	174.35	78.51	19.86	29.39	30.21	16.38
2025	214.26	91.36	23.19	39.38	38.93	21.41
2030	229.32	97.55	23.54	43.14	41.96	23.13
2035	243.81	103.72	23.72	46.81	44.80	24.75

### 3.7.1. Water Conservation and Demand Management

The municipality currently does not have Water Conservation and Demand Management Strategy so to be able to have holistic approach in dealing with water losses and unaccounted water challenges. However, OR Tambo has initiated to processes to ensure that the water loss and uncounted water is monitored are:

- Determination of water loses
- Implementation of Water Meter Replacement Programme
- Status of Bulk Water Meters



**Figure 6: Water Demand for 2035 per Local Municipality**

For purposes of calculating water losses, the water-flow process of the municipality has 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 an '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.

### **Status of Bulk Water Meters**

The current status of bulk water meters has been recently verified by the Response Team with the intension to attend to the recommendations.

#### **3.7.2. Associated Services**

The water and sanitation levels of service for education and health facilities are indicated in this section. It is however the responsibility of the Department of Education to apply for services for educational facilities where there are no water or sanitation services present.

The Department of Basic Education (DBE), through its program Accelerated Schools Infrastructure Delivery Initiative (ASIDI) has the objective to eradicate the basic safety norms backlog in schools without water, sanitation and electricity and to replace those schools constructed from inappropriate material. Two such schools in OR Tambo who have received assistance from ASIDI in the last year were Mawonga Primary School and Dumba Junior Secondary School in Qumbu.

It is also the responsibility of the Department of Health to apply for services for health facilities where there are no services.

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). The associated services for OR Tambo District Municipality are as follows:

1. 182 health facilities made up of 11 mobiles,
2. 135 fixed clinics,
3. 10 Community Health Centres,
4. 9 district hospitals,
5. 2 Regional hospitals,
6. 1 tertiary hospital,
7. 1 Orthopaedic hospital and
8. 3 Victim Empowerment Centres,
9. 5 private health facilities made up of 2 private hospitals and 3 non-medical sites,
10. 1 EMS main base in Mthatha and 7 satellite stations that have been distributed throughout the District.

This makes up 18.3% of the total health facilities in the Eastern Cape. The majority of the hospitals in the District Municipality are generally in the rural areas with only 2 out of 12 hospitals that 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.

### **3.8 INTEGRATED WASTE MANAGEMENT PLAN**

The National Environmental Management: Waste Act (No 59 of 2008) asserts the roles of both national and provincial government in waste management. National governments competence to legislate is established in line with section 44 of the Constitution on the grounds of the need to maintain essential national standards, establish uniform norms and standards, and to promote and give effect to the right to an environment that is not harmful to health and well-being. The Act establishes a national framework for waste planning, regulation and management with roles for all spheres of government, specifically: National government is tasked with establishing a national waste management strategy, including norms, standards and targets. National norms and standards may cover all aspects of the waste value chain,

from planning to service delivery. Of particular importance from an intergovernmental perspective are the powers of national government with respect to norms and standards for:

The regionalization of waste management services;

Tariffs for waste services provided by municipalities, including providing for tariffs to be imposed to provide for waste management infrastructure or facilities and ensuring that funds obtained from the provision of waste services are used for the delivery of these services.

Provincial governments are tasked with the implementation of the national waste management strategy and national norms and standards, and may set additional, complementary provincial norms and standards. The Waste Act notes that these norms and standards —must amongst other things facilitate and advance regionalization of waste management services.

Local governments are required to ensure the universal and sustainable delivery of services, subject to national and provincial regulation. In particular, they are required to maintain separate financial statements, including a balance sheet of the services provided.

#### Waste Transfer Stations and Materials Recovery Facilities

The approach to waste transfer is one that combines both waste transfer and material recovery thereby reducing waste to landfill, while increasing potential for recycling, job creation and economic empowerment.

The following options for waste transfer and materials recovery may be explored:

Transfer Station can be defined as a facility at which solid waste is transferred from one solid waste vehicle to another solid waste vehicle for transportation to another waste handling facility either a recycling centre, waste treatment facility or a waste deposal site (landfill site). This definition does not allow for any recovery of materials from the

incoming waste stream, therefore a transfer station may not perform any material recovery operations.

Material Recovery Facility (MRF) is defined as a solid waste facility, such as a transfer station, which is designed and operated to process non-hazardous general waste by utilizing manual and/or mechanical methods to separate useful materials from the incoming waste stream for recycling i.e. return to the economic mainstream for use as raw materials or products. This facility allows for the non-recyclable materials to be transferred from this facility to other facilities either for recycling, treatment, or disposal.

The need and choice of waste transfer station or material recovery facility must be should be justified, for example by demonstrating that it will:

- Reduce costs for transportation of waste
- Increase resource recovery
- Reduce the amount of waste disposed to landfill
- Improve transport efficiencies of refuse and recovered resources
- Restrict access to operating landfill sites
- Reduce the number of landfills operating in the region
- Provide a safe environment that is supervised or controlled by suitably trained staff.
- Increased Service Delivery
- Job Creation and economic empowerment

Based on the Status Quo Analysis, and Goals and Objectives for waste management within OR Tambo DM, this IWMP proposes that Material Recovery Facilities (MRF), be established and developed to form an integral part of the Waste Management System within the District. Although this IWMP stops short of a detailed feasibility assessment that should be undertaken by a professional waste management expert in

consultation with the relevant Local Municipalities’ and other stakeholders in Waste Management. In the IWMP, a preliminary identification of potential suitable areas for Material Recovery Facilities has been done. This preliminary identification has considered existing and planned waste management facilities, the level of service expected by the local community, potential resource recovery increases, State and regional waste management programs and targets, and broad economic impacts.

The proposed alternatives are as follows:

**Rural Areas and Coastal Resorts**

Coastal Areas and Resorts like Coffee Bay, the logic behind this is to limit waste disposal by landfill within the sensitive coastal belt of the Wild Coast. Waste from these areas can be collected, compacted at the Waste Transfer Stations, and transported using larger compactor vehicles.

**Small Towns**

Waste from smaller towns and rural areas such as Libode, Qumbu and Lusikisiki could be handled by Small to Medium sized Material Recovery Facilities (MRF) depending on the size of waste stream and Waste from these areas can be collected, compacted and transported using larger compactor vehicles to a Large regional Transfer Station to be located in a more central location. The Local facilities can be run as manual stations with limited automation or mechanization in order to create employment and can also be run by local municipalities.

**Large Urban Centre (Mthatha)**

A Large Regional Materials Recovery Facilities (MRF) is proposed for Mthatha, which is the largest and most urban centre within the District and region. This facility can be fed by received waste from the Local MRFs, and recyclable materials from this facility can easily be sent off

to ready markets in the cities such as East London, Durban and Port Elizabeth. Mthatha is suitable for this primarily because of its central location, level of urbanization, readily available power supply, water supply and road access especially since it is located along the proposed N2 Toll Road. The Regional MRF should ideally be operated by a specialized waste recycling entity such as Buyisa-e-bag or waste contractor in order for the system to be run efficiently and profitably. The Regional MRF should be fairly mechanized and automated in order for it to handle large volumes of waste efficiently.

**Table 21: GIS Based Analysis**

ROUTE NAME	DISTANCE	PROPOSED SCENARIO
Coffee Bay to Mqanduli	60.8 km	Mini Materials Recycling Centre in Coffee Bay, that bulks and sends waste to a larger MRF Mqanduli.
Flagstaff to Lusikisiki	42.3 km	Mini Materials Recycling Centre in Flagstaff, that bulks and sends waste to a larger MRF Lusikisiki.
Lusikisiki to Port St Johns	59.2 km	Large Bulking Waste Transfer Station in PSJ
Port St Johns to Libode	63.7 km	Large Bulking Waste Transfer Station in PSJ
Mqanduli to Mthatha	34.6 km	Medium Size Waste Transfer Station in Mqanduli feeding the regional Maxi Regional MRF in Mthatha.
Libode to Mthatha	27.9 km	Medium Size Waste Transfer Station in Libode feeding the regional Maxi Regional MRF in Mthatha.
Qumbu to Tsolo	27.4 km	Small MRF in Qumbu to Waste Transfer Station In Tsolo
Tsolo to Mthatha	42.4 km	Medium Size Waste Transfer Station in Tsolo feeding the regional Maxi Regional MRF in Mthatha.

The table below provides a preliminary GIS based analysis showing potential location of MRFs and Waste Transfer Stations within O.R. Tambo DM. Alternatives for Location of MRFs and Waste Transfer Stations in OR Tambo DM

### **3.9 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. Philosophy that prescribes a code of practice for ensuring that environmental considerations are fully integrated into all stages of the development and decision making process. The IEM philosophy (and principles) is interpreted as applying to the planning, assessment, implementation and management of any proposal (project, plan, programme or policy) or activity – at local, national and international level – that has a potentially significant effect on the environment. Implementation of this philosophy relies on the selection and application of appropriate tools for a particular proposal or activity. These may include environmental assessment tools (such as strategic environmental assessment and risk assessment), environmental management tools (such as monitoring, auditing and reporting) and decision-making tools (such as multi-criteria decision support systems or advisory councils).

#### **3.9.1. Legal Requirements**

##### **The Constitution of South Africa (1996)**

Section 24 recognises not only that everyone has a right to an environment that is not harmful to our health or well-being, but it also recognises the notion of sustainable development and its supporting principles.

##### **National Environmental Management Act (Act no 107 of 1989)**

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. The Act further defines the concept of sustainability, to ensure that any social or economic development will take place in such a way as to preserve the Environment for present and future generations and it also takes into account the pollution principles.

#### **3.9.2. 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.

**Table 22: Environmental Management Plan Action Plan**

THEME	RESPONSIBLE
Water monitoring: rivers and wetlands	Water services, Environmental
Waste water effluent monitoring	Water services
Monitoring of terrestrial and aquatic biodiversity	Water services, Environmental
Urban edge delineation	Spatial planning
Identification, delineation and planning of key natural resources	Spatial planning, Environmental
Monitoring programme for reporting on compliance	Environmental
Conservation planning	Spatial planning, LED, Environmental

**3.10 CLIMATE CHANGE STRATEGY**

The Local Government: Municipal Systems Act 32 of 2000, together with the Municipal Structures Act, establishes local government as an autonomous sphere of government with specific powers and functions as defined by the Constitution. Section 155 of the Constitution provides for the establishment of Category A, B and C municipalities which each has different levels of municipal executive and legislative authorities.

Status of the Plan

The municipality has developed and adopted a Climate Change Strategy.

**3.11 AIR QUALITY MANAGEMENT PLAN**

Air quality management plan is the policy directive that seeks provide mechanism for management the status of air in a given locality. This Plan seeks to identify and reduce the negative impacts on human health and on the environment; through vigorous implementation, The Air Quality Management Plan should efficiently and effectively drive activities that bring air quality in the District Municipality into sustainable compliance with National, Provincial and Local air quality standards within agreed timeframes. Municipalities are required to include an AQMP as part of its Integrated Development Plan. The AQA makes provision for the setting of ambient air quality standards and emission limits on National level, which provides a means evaluating air quality.

**3.11.1 Legislative Requirements**

According to Section 156(1) of the Constitution, a municipality has the executive authority in respect of, and has the right to, administer the local government matters (listed in Part B of Schedule 4 and Part B of Schedule 5) that deal with air pollution. Section 156(2) makes provision for a municipality to make and administer by-laws for the effective administration of any matters which it has the right to administer as long as it does not conflict with national or provincial legislation. The Municipal Systems Act as read with the Municipal Financial Management Act requires municipalities to budget for and provide proper atmospheric environmental services.



The National Environmental Management: Air Quality Act 39 of 2004 (AQA) requires Municipalities to introduce Air Quality Management Plans (AQMP) that set out what will be done to achieve the prescribed air quality standards.

Air pollution management is the Constitutional responsibility of local government, and municipalities are the primary interface between the public and government around air pollution management. In terms of the Municipal Structures Act, the responsibility for integrated development planning, which includes the development of air quality management plans, lies with district municipalities. Municipalities influence air quality governance through the introduction of by-laws, which are legally enforceable within the municipality's jurisdiction. The main objective of the Air Quality Act is the protection of the environment and human health, in a sustainable (economic, social and ecological) development framework, through reasonable measures.

### **Key focuses in respect of air quality management**

Addressing climate change;  
The transfer of authority to and capacity development of district municipalities that have been identified as having poor or potentially poor air quality;  
Continuing and escalating compliance monitoring and enforcement activities by EMI's in the municipal sphere;  
Ensuring that all municipalities with poor or potentially poor air quality have prepared air quality management plans;  
Implementing priority area air quality management plans;  
Improving municipal air quality monitoring facilities and capacity; and  
The creation of sufficient municipal capacity through the training of municipal officials in atmospheric emission licensing and the designation of municipal air pollution control officers.

Municipality roles and responsibilities in relation to Air Quality Management

Designate a municipal AQO from its administration.  
Develop an AQMP for inclusion in its Integrated Development Plan (IDP) in accordance with Chapter 5 of the Municipal Systems Act.  
Prepare an annual report including progress regarding the implementation of the AQMP and compliance with the plan.  
Perform Atmospheric Emission licensing  
Develop implement emission reduction strategies  
Establish ambient emission standards and emission inventory  
Monitor adherence to the emission standards and record exceedance for reporting  
Report progress on implementation of AQMP to the provincial AQO.

### **3.12 DISASTER AND RISK MANAGEMENT FRAMEWORK PLAN**

This plan fulfils 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 Disaster Management Act, 2002, mandates each province as well as each district and metropolitan municipality, in terms of sections 28 and 42 to "establish and implement a framework for Disaster Risk Management (DRM) aimed at ensuring an integrated and uniform approach to DRM" in its jurisdiction by all provincial and municipal organs of state, etc.

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).

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).

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. 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.

The plan addresses Disaster Risk Reduction strategies 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.

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 district municipality;

The 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 fulfils the role of Advisory Forum;

The 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. O.R. 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 O.R. Tambo and Local Municipalities in the area of the district.

### **3.13 INTEGRATED TRANSPORT PLAN**

The Constitution of the Republic of South Africa Act, 1993 (Act 200 of 1993) replaced by the Act of 1996 (Act 108 of 1996), states that the Department of Transport (DOT) is responsible for maximizing the contribution of transport to the economic and social development goals of society by providing fully integrated transport operations and infrastructure.

The National Land Transport Act No. 5 of 2009 (NLTA) stipulate that all district municipalities must develop the District Integrated Transport Plans. Generally, a DITP is considered as the mechanism by which an authority can plan to, develop, manage, integrate and promote public transport. More specifically, section 26(1) of the NLTTA states that a DITP must be prepared with a view to determining and specifying the public transport services, provided in terms of the matters listed in sections 23(3)(a) and (b) of the Act. The latter refer to:

All the scheduled and unscheduled services that are operated in the area concerned, as well as the public transport services; operating across the boundaries of neighbouring authorities; and all the facilities and infrastructure currently being developed, or already utilized.

O. R. Tambo District Municipality (ORTDM) has two of the extensively used road networks in the Eastern Cape Province. These roads are used by formal and informal transport operators including mini bus taxis, buses, LDVs and animals drawn carts. Since the development of the last District Integrated Transport Plan (DITP), many aspects of public transport in the district have changed. The changes that occur are being attributed to fast growing population and economic opportunities presented by the district. These change therefore require a review of existing situation including public transport in order to align the demand to the offer.

The NDP acknowledges transport as an enabler of getting South Africa to work. It states that the ultimate goal to be achieved by 2030 is a situation whereby the transport system supports economic development, job creation and growth while providing equitable access to opportunities, services and reducing poverty. It further indicates that more emphasis should be placed on the total system and efficiency to maximize the strength of different modes. It suggests that public transport and non-motorised modes may foster a different culture i.e. social interaction, health practices and street-level movement resulting in a sense of place as well as social inclusion that the country needs. It further indicates that in areas such as Ingquza Hill, where people have settled in isolated rural settlement which are far away from economic opportunities the aim should be to focus on basic needs which include access roads and schedule public transport services to ensure access to public health care and other service points, however subsidized services should be limited to such places.

#### **Situational Analysis**

The review of Integrated Transport Plans prepared by local municipalities within the jurisdiction of the ORT District Municipality suggested the following:

Ingquza Hill: The majority of roads within the municipality are district roads and are poorly maintained. These roads are characterised by potholes, water pooling and cracks; lack of drainage system etc. Most of the access roads are made of gravel and lack basic road sign and road markings. Basic infrastructure such as loading and off-loading facilities for passengers and goods are lacking, hence creating congestion and threat to passengers' life.

King Sabata Dalindyebo: Although KSD is striving to ensure adequate public transport for the public, the main concerns remain the condition of the roads (despite some upgrade that have been observed), congestion, lack of adequate infrastructure and spurious maintenance. Some areas are still lacking proper access roads, and where these are available, they are not accommodating for certain types of vehicular.

Mhlontlo: The ITP highlights a number of challenges pertaining the public transport. These include the general poor condition and lack of maintenance of all roads, poor access to areas, facilities and services of the municipality and traffic safety.

Nyandeni: While some of improvements are being observed, the LITP highlight a number of challenges faced by commuters and transport operators. A number of proposals for improvement are being suggested and some of these are being implemented.

Port St Johns: Despite effort by local authorities to implement a number of strategies related to public transport, PSJ LM is facing a number of challenges including the upgrade and maintenance of roads, and the provision of adequate public transport infrastructure that respond commuters' needs.

## **Challenges of Transportation**

Although ORTDM is striving to provide better public transport services, many challenges are hampering this vision. Further to the transport

operators and commuters satisfaction, another survey was conducted to document the main transport problems and their related causes.

Infrastructure: these issues are those related to the provision, availability and condition of public transport infrastructure. In terms of provision, the investigation looked at whether the infrastructure required was provided where needed;

Public transport services: problems are mainly related to organisation and coordination of public transport activities including traveling time, schedule, crowd management etc.

Safety, security and law enforcement: relate to the way commuters and operators are feeling when using a public transport;

Awareness and promotion: relate to the issues of traffic education and promotion of alternative transport modes to alleviate congestion and overcrowding; and

Planning and administration: refer to the problems faced by transport operators to obtain license and way the transport portfolio (at LM and DM levels) manage public transport in general.

## **CHAPTER 4: DEVELOPMENT STRATEGIES AND PERFORMANCE MANAGEMENT FRAMEWORK – INSTITUTIONAL SCORECARD**

### **4.1 INTRODUCTION**

This Chapter provides a summary on how performance management is implemented within the ORTDM.

The Local Government: Municipal Systems Act No. 32 of 2000 as amended, requires municipalities to:

- establish and develop a performance management system;
- monitor and review the performance management system;
- set appropriate key performance indicators and measurable targets;
- establish a process of regular reporting;
- involve the community in the development, implementation and review of the performance management system;
- include general key performance indicators prescribed by the Minister;
- make performance indicators and targets known internally and to the general public;
- ensure that results are audited; and
- prepare an annual performance report.

As such, the ORTDM has implemented a performance management system in accordance with this Act.

### **4.2 THE STATUS OF PERFORMANCE MANAGEMENT AT ORTDM**

The performance management system is driven by a Performance Management Policy/ Framework that was developed and adopted by the Council together with the Budget related policies in May 2017. The Corporate Performance, Monitoring and Evaluation Unit resides within the Office of the Municipal Manager.... This policy/framework provides an overarching framework for managing performance in the ORTDM.

The Corporate Performance, Monitoring and Evaluation unit inculcated a culture of performance management and accountability, through various instruments such as trainings and workshops. The unit has developed performance management systems specific to departmental functions in order to assist departments to realize their mandates. The Unit accelerates the process of advising and guiding institutional departments in crafting Specific, Measurable, Accurate, Reliable and Timeous (S.M.A.R.T) indicators, achievable targets and strategic plans.

The unit monitors progress on the pursuit of targets set and advises departments on contingency plans and acceleration where the need arises. Performance Systems have matured enough to be able to flag mal performance and come up with remedial strategies in order to achieve prior set targets.

The unit, through the use of reporting templates, facilitates reporting on a quarterly, bi-annually and annual basis in order to validate institutional performance. Accountability within departments is instilled through encouraging the sitting of monthly departmental meetings to decipher on SDBIP indicators and targets. This, the unit, utilizes as an information sharing session to not only track departmental performance but to create a sense of validity on SDBIP indicators and targets.

The unit has firmly instilled performance within top management by enforcing accountability which is validated during performance reviews as conducted by the Municipal Manager. Performance reviews are the instrument by which the institution will introduce performance appraisals as performance gradually improves.

#### **4.3 PLANS FOR THE 2019/2020 FINANCIAL YEAR**

The Corporate Performance Unit is premised on the strategic objective *‘to ensure a district wide coordination of implementation, monitoring and evaluation of the IDP.’* Our primary goal is to ensure the optimal realization of legitimate performance management systems. The pinnacle of the unit’s goals is to achieve a clean performance audit in all performance areas.

For the 2019/2020 financial year the unit will focus on the following initiatives:

- Implement and migrate to an electronic performance management system;
- Training and capacity building for Councillors;

- Develop a process plan that legitimizes working channels with Internal Audit for the verification of performance information;
- Create working relations with municipal oversight committees;
- Create a conducive work environment for change management initiatives;
- Cascade performance management to middle management;
- Provide local municipalities and municipal entities support on performance management;
- Create evaluation systems through the physical verification of initiatives.

The following section provides an overview of the key performance areas, goals, priority areas and strategic objectives of the O.R.T.D.M. which were reaffirmed at the Mayoral Lekgotla and Strategic Planning Session which took place on 03-04 March 2019 and 06-08 March 2019 subsequently.

#### **4.4 KEY PERFORMANCE AREAS**

The five Municipal Key Performance Areas in accordance with legislation are as follows:

- Basic Service Delivery and Infrastructure Development;
- Local Economic Development;
- Financial Viability and Management;
- Good Governance and Public Participation; and

- Municipal Transformation and Institutional Development.

#### 4.5 GOALS

In terms of addressing priority issues identified across the five KPAs, seven Goals have been identified for the medium term. These Goals are aligned to each of the five KPAs, except where Basic Services and Infrastructure is separated into three distinct Goals, one addressing Community Livelihoods and the others addressing Water and Sanitation and Infrastructure respectively.

1. Basic Service Delivery and Infrastructure Development –
  - To provide conducive, adequate and accessible infrastructure
  - To promote integrated sustainable community livelihoods
  - our district should have provided water and sanitation to every village/community
2. Local Economic Development –
  - To promote rapid and sustainable economic growth within the limits of available natural resources
3. Financial Viability and Management –
  - To manage the financial viability of the ORTDM through sound management and good governance
4. Good Governance and Public Participation –
  - To build a coherent district that is responsive, accountable and promotes clean governance
5. Municipal Transformation and Institutional Development-

- To develop, transform and capacitate the ORTDM and its Local Municipalities to ensure effective and efficient resource utilization making it capable of delivering in its mandate

The service delivery programmes and projects at the municipality are informed by the macro and micro planning instruments including the District Development Plan, Spatial Development Framework and other sector specific Master Plans.

#### 4.6 PRIORITY AREAS AND STRATEGIC OBJECTIVES LINKED TO NATIONAL, PROVINCIAL AND DISTRICT OUTCOMES AND PRIORITY AREAS

The table overleaf provides further detail as to how the five KPA's and seven Goals, have been translated into key priority areas. Strategic Objectives have been developed to address all priority areas and explain what the ORTDM wants to achieve over the medium term. ORTDM has numerous strategies and plans which provide further detail as to how these objectives will be realised.

ORTDM presents in the same Chapter, details of how its organisational Goals and Strategic Objectives will address Priority Issues through the tracking of progress via Key Performance Indicators and Targets. Project Information aligned to this Chapter, can be found in Chapter 6. Section 25 (1) (e) of the Municipal Systems Act states that an IDP adopted by a Municipal Council must be aligned with national and provincial development plans in terms of the relevant legislation. The synergy, alignment and coordination between the various development plans and strategic imperatives of the

three spheres of government (i.e. IDP, PDP, NSDP, National Outcomes Approach, etc.) is imperative in order to achieve coordination and alignment of development initiatives within the district. Table 80 indicates the alignment of ORTDM Goals and Strategic Objectives to national, provincial and district priorities and outcomes.



**Table 23: Priority Areas and Strategic Objectives Linked to Provincial and National Outcomes**

Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Social Development	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Early Childhood Development Strategy	An educated, empowered, and innovative citizenry	Growth	3	Improving education, training and innovation	Inclusive and responsive social protection system	13	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Children and Education	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Human Development & Social Cohesion Strategy	An educated, empowered, and innovative citizenry	Growth	3	Improving education, training and innovation	Quality basic education	13	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Livelihood Improvement and Greater Household Transformation	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Human Development & Social Cohesion Strategy	An educated, empowered, and innovative citizenry	Growth	3	Improving education, training and innovation	Nation building and social cohesion	14	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Community Safety	2. To provide support in the reduction of crime in the District on an annual basis	Human Development	District Crime prevention Strategy	An educated, empowered, and innovative citizenry	Growth	3	Build safer communities	All people in South Africa are protected and feel safe	3	Put people and their concerns first

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
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Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Municipal Health Services	3. To provide the best possible municipal health and environmental services to the population of the District	Human Development	National environmental Health Strategy	A healthy population	Inclusion and Access	2	Health care for all	A long and healthy life for all South Africans	2	Create conditions for decent living by consistently delivering municipal services to the right quality and standard.
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Sports, Recreation, Arts, Cultural Affairs and Heritage	4. To provide support to sports, recreation, arts, cultural affairs and heritage development and practice	Human Development	Human Development & Social Cohesion Strategy	A vibrant and equitably enabled communities	Inclusion and access	2	Broaden social cohesion and unity, while redressing the inequities of the past	An efficient, effective development orientated public service	12	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Disaster Risk Management and Fire Services	5. To promote a sustainable and integrated approach to Disaster Risk Management across the District	Human Development	Disaster Risk Management Strategy	A vibrant and equitably enabled communities	Inclusion and access	2	Improve environmental sustainability and resilience	Protection and enhancement of environmental assets and natural resources	10	Put people and their concerns first

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
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Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Disaster Risk Management and Fire Services	6. To ensure that fire and emergency incidents are responded to within the required turnaround times	Human Development	Fire emergency Strategy	Capable, conscientious and accountable institutions	Effective governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient local government system	9	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	National and International Icons Celebrations	7. To instill a sense of community through the organisation of special events	Human Development	Human Development & Social Cohesion Strategy	Vibrant, equitably enabled communities	Inclusion and access	2	Broaden social cohesion and unity while redressing the inequities of the past	Nation building and social cohesion	14	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Social Relief Housing	8. To ensure the provision of Human Settlements Programs within the District	Human Development	District Human Settlements Strategy and Spatial Development Framework	Vibrant, equitably enabled communities	Inclusion and access	2	Broaden ownership of assets to historically disadvantaged groups	Sustainable human settlements and improved quality of household life	8	Create conditions for decent living
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Environmental and Waste Management	9. To recycle 70% of all waste	Inclusive Economic Development	Environmental Management Plan and Integrated Waste Management Plan	Vibrant, equitably enabled communities	Growth	3	Improve environmental sustainability and resilience	Protection and enhancement of environmental assets and natural resources	10	Create conditions for decent living

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Basic Service Delivery and Infrastructure	To provide conducive, adequate and accessible infrastructure	Accelerate Planning and Delivery of Municipal Infrastructure Programmes	10. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity	Infrastructure & Basic Services	District Integrated Transport Plan	Vibrant and equitably enabled communities	Inclusion and access	2	Economic infrastructure	An efficient, competitive and responsive economic infrastructure network	6	Create conditions for decent living
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Quality of Water & Sanitation Services	11. To provide reliable water and sanitation services	Infrastructure & Basic Services	Water Services Development Plan & Infrastructure Plan	Vibrant and equitably enabled communities	Inclusion and access	2	Ensure that all South Africans have access to clean, running water in their homes	Protection and enhancement of environmental assets and natural resources	10	Create conditions for decent living first
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Expansion of Water Services	12. To expedite the reduction of water and sanitation backlogs	Infrastructure & Basic Services	Water Services Development Plan	Vibrant and equitably enabled communities	Growth	3	Ensure that all South Africans have access to clean, running water in their homes	A responsive, accountable, effective and efficient developmental local government system	9	Put people and their concerns first
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Maintenance and Refurbishment of Non-functional Schemes (O&M)	12. To expedite the reduction of water and sanitation backlogs	Infrastructure & Basic Services	Water Services Development Plan	Vibrant and equitably enabled communities	Inclusion and access	2	Ensure that all South Africans have access to clean, running water in their homes	An efficient, competitive and responsive economic infrastructure network	6	Create conditions for decent living

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Reduction of Water Losses	13. To reduce water losses from 27% to 20%	Infrastructure & Basic Services	Water Conservation and Demand Management	Capable, conscientious and accountable institutions	Growth	3	Building a capable and developmental state	An efficient, competitive and responsive economic infrastructure network	6	Ensure sound financial management resources
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Data Management	14. To improve access to spatial information and data management for planning and service delivery	Infrastructure & Basic Services	Spatial Development Framework and Water Services Development Plan	Capable, conscientious and accountable institutions	Spatial integration	1	Building a capable and developmental state	A responsive, accountable, effective and efficient local government system.	9	Put people and their concerns first
Basic Service Delivery and Infrastructure	To provide water and sanitation to every village/community	Improve Effectiveness of Call Centre (customer care center)	15. To improve response time to complaints raised at the call center	IDP Objectives and Alignment to DDP	Communication Strategy	Capable, conscientious and accountable institutions	Inclusion and access	2	Building a capable and developmental state	A responsive, accountable, effective and efficient local government system.	9	Put people and their concerns first
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	District Human Settlements Strategy	16. To establish the necessary support structures to improve the provision of Human Settlements on a continuous basis	Human Development	District Human Settlements Strategy and Spatial Development Framework	Vibrant, equitably enabled communities	Inclusion and access	2	Broaden ownership of assets to historically disadvantaged groups	Sustainable human settlements and improved quality of household life	8	Create conditions for decent living

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Environmental and Waste Management	17. To ensure that at least 80% of projects comply with environmental regulations	Inclusive Economic Development	Environmental Management Plan	Capable, conscientious and accountable institutions	Growth	3	Improve environmental sustainability and resilience	Protection and enhancement of environmental assets and natural resources	10	Be well governed
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Capacitation of Communities, Youth and Emerging Contractors	1. To capacitate 400 emerging contractors	Human Development	Local Economic Development Strategy	An educated, innovative and empowered citizenry	Growth	3	Improving education, training and innovation	A skilled and capable workforce to support inclusive growth	5	Put people and their concerns first
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Rural Development (spatial planning of the region)	2. To assist all municipalities in the district to be SPLUMA compliant	Inclusive Economic Development	Spatial Development Framework	Capable, conscientious and accountable institutions	Spatial integration	1	Develop an inclusive rural economy	Sustainable human settlements and improved quality of household life	8	Create conditions for decent living

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Green Economy	3. To establish a fully functional value chain recycling programme	Inclusive Economic Development	Integrated Waste Management Plan	Vibrant, equitably enabled communities	Growth	3	Improve environmental sustainability and resilience	Protection and enhancement of environmental assets and natural resources	10	Capable, conscientious and accountable institutions
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Environmental and Waste Management	4. To improve air quality and environmental management in the district	Inclusive Economic Development	Air Quality Management Plan	Vibrant and equitably enabled communities	Growth	3	Improve environmental sustainability and resilience	Protection and enhancement of environmental assets and natural resources	10	Capable, conscientious and accountable institutions
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Tourism Development and Marketing	5. To promote tourism in the District	Inclusive Economic Development	Local Economic Development Strategy and Communication Strategy	A growing, inclusive, equitable economy	Growth	3	Promote improvement in the economy and increase employment	Decent employment through inclusive economic growth	4	Create conditions for decent living

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Economic Infrastructure Development	6. To boost agriculture contribution and improve food security in the District	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive, equitable economy	Growth	3	Develop an inclusive rural economy	Vibrant, equitable and sustainable rural communities and food security	7	Create conditions for decent living
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Blue Economy, Enterprise and Cooperatives Development, Forestry Development, Afforestation and Processing,	7. To provide support to entrepreneurs, create employment opportunities and boost investment to grow the district economy	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive, equitable economy	Growth	3	Improve environmental sustainability and resilience	Decent employment through inclusive economic growth	4	Create conditions for decent living
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Enterprise and Cooperatives Development	7. To provide support to entrepreneurs, create employment opportunities and boost investment to grow the district economy	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive, equitable economy	Growth	3	Improve environmental sustainability and resilience	Decent employment through inclusive economic growth	4	Put people and their concerns first



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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Revenue Management	1. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	Infrastructure & Basic Services	Tariff Policy, Investment Policy, Debt Collection Policy, Cash Management Policy & Credit Control and Debt Collection Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure management	Institutional Transformation - Governance and Capacity of Government	Expenditure Management Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Credible Annual Financial Statements	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis	Institutional Transformation - Governance and Capacity of Government	GRAP Accounting Policies	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management	Institutional Transformation - Governance and Capacity of Government	Supply Chain Management Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Budget management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	Infrastructure & Basic Services	Asset Management Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Public Participation	1. To instill good governance and strengthen public participation through effective communication between Municipalities and communities	IDP process alignment, consultation and stakeholder management	Public Participation Strategy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Put people and their concerns first
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Municipal Oversight	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Good Governance and Public Participation		Policy and research	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Compliance with Legislation	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model/Public Participation Strategy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Political Stability	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Risk Management and Fraud Prevention	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	Risk Management Strategy	Capable, conscientious and accountable institutions	Governance	4	Fighting corruption	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Inter-governmental Relations	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	IGR Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Communications	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	Integrated Communications Strategy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Performance Management, Monitoring and Evaluation	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Planning	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Legal Services	5. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	IDP Objectives and Alignment to DDP	Good Governance & Compliance	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Internal Auditing	6. To obtain a clean audit opinion	IDP Objectives and Alignment to DDP	GRAP Accounting Policies & Internal Audit Plan	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Ensure sound financial management

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Recruitment and Selection	1. To effectively and efficiently recruit and retain competent Human Capital	Institutional Transformation – Governance and capacity of government	Employment Equity Plan	Capable, conscientious and accountable institutions	Governance	4	Promote improvement in the economy and increase employment; Nation building and social cohesion	A skilled and capable workforce to support an inclusive growth path	5	Be well governed; Build and maintain sound institutional and administrative capabilities

Integrated Development Plan 2019/20 Review

Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Human Resource Development	2. To ensure a well-trained, motivated and professional workforce	Institutional Transformation – Governance and capacity of government	Workplace Skills Plan	An educated, innovative and empowered citizenry	Governance	4	Improving education, training and innovation	A skilled and capable workforce to support an inclusive growth path	5	Build and maintain sound institutional and administrative capabilities



Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Employment Equity	3. To increase the number of people from employment equity target groups in the three highest levels of management	Institutional Transformation – Governance and capacity of government	Employment Equity Plan	Capable, conscientious and accountable institutions	Governance	4	Promote improvement in the economy and increase employment	A skilled and capable workforce to support an inclusive growth path	5	Be well governed

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Employee Wellness (District Wide)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Employee Wellness Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A skilled and capable workforce to support an inclusive growth path	5	Build and maintain sound institutional and administrative capabilities

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	ICT Enhancement ( District Wide)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Information Communication and Technology Strategy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Employee Relations (Institutional)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Labour Relations Strategy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient local development government system	9	Be well governed; Build and maintain sound institutional and administrative capabilities

Integrated Development Plan 2019/20 Review

Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	IUDF Code	National Development Plan's Goal	National Outcomes	MTSF Codes	Back to Basics
										(MTSF)		
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Records Management (Institutional )	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Records Management Policy	Capable, conscientious and accountable institutions	Governance	4	Building a capable and developmental state	A responsive, accountable, effective and efficient developmental local government system	9	Be well governed

4.7 INSTITUTIONAL SCORECARD 2019/20 – 2021/22

Table 24: ORTDM Scorecard 2019 - 2022

KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
 Goal(s): To provide conducive, adequate and accessible infrastructure  
 Goal(s): To provided water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
COMMUNITY SERVICES	Social Development	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Early Childhood Development Strategy	1_1_1_P001	3	13	1. Number of early childhood development centres supported	P001 Early Childhood Development	R 1,111,970	New Indicator	10	10	10	Signed reports on ECDC's supported with Annexures	Director: Community Services
	Community Safety	2. To provide support in the reduction of crime in the District on an annual basis	Human Development	District Crime Prevention Strategy	1_2_1_P002	3	3	1. Number of life guards, coastal and water falls patrollers recruited	P002 Coastal and Falls Safety Programmes	R 2,372,849	180	90	90	90	Signed contracts Assumption of duty forms Reports	Director: Community Services
			Human Development		1_2_2_P003	2	3	2. Number of crime and safety programmes conducted	P003 School safety and crime prevention programme	R 244,492	New Indicator	8	4	4	Signed report on crime and safety programmes conducted with annexure	Director: Community Services
			Human Development		1_2_3_P090	3	3	3. Number of initiatives conducted towards the development of Community Safety Plans	P090 Community Safety Plans		New Indicator	3	2	1	Signed reports on initiatives conducted towards the development of Community Safety Plans with annexures	Director: Community Services

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
 Goal(s): To provide conducive, adequate and accessible infrastructure  
 Goal(s): To provide water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Municipal Health Services	3. To provide the best possible municipal health and environmental services to the population of the District	Human Development	National environmental Health Strategy	1_3_1_P004	2	2	1. Number of programmes implemented as per Environmental Health Scope of Practice and National Environmental Health Norms and Standards	P004 District Municipal Health and Environmental Plan	R 1,623,160	11	11	11	11	Signed report on District Municipal Health and Environmental Health Programmes Implemented with annexures	Director: Community Services
	Sports, Recreation, Arts, Culture, Heritage, Libraries Information and Education Services	4. To provide support to sports, recreation, arts, cultural affairs and heritage development and practice	Human Development	Human Development and Social Cohesion Strategy	1_4_1_P005	2	12	1. Number of sports, recreation, arts, cultural affairs and heritage initiatives implemented/supported	P005 Sports, Recreation, Arts, Cultural Affairs and Heritage Initiatives	R 6,641,253	10	21	21	21	Signed report on Sports, Recreation, Arts, Cultural Affairs and Heritage Initiatives with annexures	Director: Community Services
	Disaster Risk Management and Fire Services	5. To promote a sustainable and integrated approach to Disaster Risk Management across the District	Human Development	Disaster Risk Management Strategy	1_5_1_P006	2	9	1. Percentage of destitute households supported due to disaster	P006 Disaster Impact Assessment and Relief	R 1,783,960	100%	100%	100%	100%	Signed preliminary report and assessment report, Signed Relief Distribution Form/referral communication	Director: Community Services
Human Development			1_5_2_P007		3	10	2. Number of a localised severe weather early warning systems installed	P007 Localised Severe Weather Early Warning System	R 3,000,000	0	2	1	2	Signed project report with annexures	Director: Community Services	

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
 Goal(s): To provide conducive, adequate and accessible infrastructure  
 Goal(s): To provide water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			Human Development		1_5_4_P091	2	10	4. Number of monthly reports generated on functionality of the localised severe weather early warning system	P091 Localised Severe Weather Early Warning System Monitoring		New Indicator	12	12	12	Monthly reports on meteorological warnings issued to communities	Director: Community Services
		6. To ensure that fire and emergency incidents are responded to within the required turnaround times	Human Development	Fire Emergency Strategy	1_6_1_P008	4	9	1. Percentage compliance with the attendance time for fire fighting incidents	P008 Response time to fire incidents	R 2,554,139	100%	100%	100%	100%	Database of fire incidents reported Fire Incident Report	Director: Community Services
EXECUTIVE MAYORAL SERVICES	Children and Education	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Human Development and Social Cohesion Strategy	1_1_2_P009	3	13	2. Number of new learners financially supported to access tertiary education	P009 Financial Aid Assistance	R 3,114,500	0	50	50	50	Database of students supported and annual reports on financial academic programme Proof of payment	Director: Executive Mayoral Services
			Human Development		1_1_3_P010	3	13	3. Number of support initiatives provided for schools to improve matric results in the district	P010 Schools Support	R 1,054,000	5	15	5	5	Programme narrative quarterly and annual reports signed by the Dir: EMS	Director: Executive Mayoral Services
	Human Development		1_1_4_P011		3	14	4. Number of programmes implemented from coordinated multi-stakeholder/institutional interventions through the rollout of LIGHT programme	P011 Livelihood Improvement and Greater Household Transformation	R 10,026,862	9	20	5	5	Signed programme narrative quarterly report(s) with annexures	Director: Executive Mayoral Services	



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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
 Goal(s): To provide conducive, adequate and accessible infrastructure  
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Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	National and International Icons Celebrations	7. To instill a sense of community through the organisation of special events	Human Development		1_7_1_P012	3	14	1. Number of National and Internationally aligned programmes implemented in recognition of iconic figures	P012 National and International Icons celebration	R 3,997,000	12	13	13	13	O.R Tambo Month and Nelson Mandela month Reports signed by Director: EMS	Director: Executive Mayor's Office
HUMAN SETTLEMENTS	Social Relief Housing	8. To ensure the provision of Human Settlements programmes within the District	Human Development	District Human Settlements Strategy and Spatial Development Framework	1_8_1_P013	2	8	1. Number of houses built for emergency housing situations	P013 Emergency Housing	R 44,877,219	0	324	20	20	Emergency Housing Report with annexures	Director: Human Settlements
			Human Development	District Human Settlements Strategy and Spatial Development Framework	1_8_2_P014	2	8	2. Number of Housing Consumer Education Workshops conducted	P014 Housing Consumer Education	R 142,482	12	14	12	12	Signed Reports by Director (with annexures)	Director: Human Settlements
			Human Development	District Human Settlements Strategy and Spatial Development Framework	1_8_3_P015	2	8	3. Number of housing units for Adam Kok farm workers constructed	P015 Adam Kok Farm Housing	R 3,000,000	0	14	N/A	N/A	Adam Kok Farm Housing Project report with annexures	Director: Human Settlements
			Human Development	District Human Settlements Strategy and Spatial Development Framework	1_8_4_P016	2	8	4. Number of temporal structures distributed within ORTDM	P016 Temporal Structures	R 500,000	12	6	5	5	Signed Report on temporal shelters distributed with annexures	Director: Human Settlements
	District Human Settlements Strategy	16. To establish the necessary support structures to improve the provision of Human Settlements on a continuous basis	Human Development	District Human Settlements Strategy and Spatial Development Framework	1_16_1_P092	2	8	1. Number of District Human Settlements Strategies reviewed and adopted by Council	P092 District Housing Strategy	R 277,202	1	1	1	1	Copy of District Human Settlements Strategy Proof of Council Approval	Director: Human Settlements

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
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Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
RURAL ECONOMIC AND DEVELOPMENT PLANNING	Environmental and Waste Management	9. To recycle 70% of all waste	Inclusive Economic Development	Integrated Waste Management Strategy	1_9_1_P017	3	10	1. Tons of waste recycled	P017 Landfill Management	R 4,493,200	479 tons	800 tons	800 tons	800 tons	Signed Waste Information Report by Director (with annexures)	Director: REDP
	Environmental and Waste Management	17. To ensure that at least 80% of projects comply with environmental regulations	Inclusive Economic Development	Environmental Management Plan	1_17_1_P093	3	10	1. Number of MIG projects monitored and evaluated on Environmental Impact Assessment (EIA) implementation	P093 Environmental Impact Assessment Compliance		New Indicator	20	20	20	Signed Monitoring and Evaluation Reports by Director with annexures	Director: REDP
TECHNICAL SERVICES	Accelerate Planning and Delivery of Municipal Infrastructure Programmes	10. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity	Infrastructure & Basic Services	District Integrated Transport Plan	1_10_1_P018	2	6	1. Number of Local Municipalities with roads assessed	P018 Alignment and coordination of RAMS with SANRAL programmes	N/A	5	Completed assessment of surface roads in the 2017/18 financial year			Approved RAMS Plan	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_2_P019	2	6	2. Km of new sidewalks constructed	P019 Non-motorised transport	R 0	4km	2km	4km	4km	Progress Report with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_3_P020	2	6	3. Km's of roads upgraded (unsurfaced)	P020 Upgrade of Roads	R 5,112,000	0	13km	N/A	N/A	Close-out Report with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_4_P021	2	6	4. Meters of roads surfaced	P021 Road Surfacing		New Indicator	400 meters	N/A	N/A	Close-out Report with annexures	Director: Technical Services

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Goal(s): To promote integrated sustainable community livelihoods  
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 Goal(s): To provide water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_5_P086	2	6	5. Percentage Completion of Libode Community Hall	P086 Libode Community Hall	R 15,000,000	100%	To be completed in 2018/19 financial year			Progress Reports with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_6_P087	2	6	6. Number of milestones completed on renovating Prosperity Building	P087 Prosperity Building		New Indicator	5	N/A	N/A	Progress Reports with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_7_P088	2	6	7. Percentage Completion of Renovations for Wonkumntu Offices	P088 Wonkumntu Offices		New Indicator	To be completed in 2018/19 financial year			Progress Reports with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_9_P094	2	6	9. Number of milestones completed on renovating OR Tambo Offices	P094 OR Tambo Offices		New Indicator	7	N/A	N/A	Progress Reports with annexures	Director: Technical Services
			Infrastructure & Basic Services	District Integrated Transport Plan	1_10_8_P089	2	6	8. KM's of gravel access roads assessed	P089 Rural Road Asset Management System		R 3,112,000	New Indicator	300km	300km	300km	Progress reports with annexures
	Disaster risk management and fire services	5. To promote a sustainable and integrated approach to Disaster Risk Management across the District	Infrastructure & Basic Services	Disaster Management Plan	1_5_3_P022	3	10	3. Number of milestones completed for the construction of Disaster Management Centre	P022 District Disaster Management Centre	R 30,000,000	1	6	N/A	N/A	Site Progress/Close-out reports with annexures	Director: Technical Services

KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
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Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
WATER AND SANITATION	Quality of Water & Sanitation Services	11. To provide reliable water and sanitation services	Infrastructure & Basic Services	Water Services Development Plan & Infrastructure Plan	1_11_1_P023	2	10	1. Percentage compliance of Drinking water quality	P023 Water Quality (Blue Drop)	R 1,136,124	0%	93%	93%	93%	Blue drop system report	Director: Water and Sanitation
			Infrastructure & Basic Services		1_11_2_P024	2	10	2. Percentage compliance of waste water effluent quality	P024 Effluent Quality (Green Drop)	R 582,124	0%	90%	90%	50%	Green drop system report	Director: Water and Sanitation
	Expansion of Water Services	12. To expedite the reduction of water and sanitation backlogs	Infrastructure & Basic Services	Water Services Development Plan	1_12_1_P026	3	10	1. Number of water tanks provided to communities	P026 Rain water harvesting	R 1,164,248	0	125	250	250	Happy Letters signed by the ward councillor and beneficiaries	Director: Water and Sanitation
			Infrastructure & Basic Services		1_12_2_P027	3	10	2. Purified mega litres of water carted and delivered to communities.	P027 Water Carting	R 20,000,000	51	200	300	300	Tally sheets Job cards signed by beneficiaries	Director: Water and Sanitation
			Infrastructure & Basic Services		1_12_3_P028	3	9	3. Number of households with access to basic level of water services	P028 Access to Water Services	R 41,145,000	0	3193	N/A	N/A	Signed report with annexures (if necessary)	Director: Water and Sanitation
			Infrastructure & Basic Services		1_12_4_P029	3	9	4. Number of households with access to basic level of sanitation services	P029 Access to Sanitation Services	R 103,600,000	4026	7000	7000	7000	Signed report with annexures (if necessary)	Director: Water and Sanitation

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
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Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			Infrastructure & Basic Services		1_12_5_P030	3	9	5. Number of households earning less than R3200 per month with access to free basic services	P030 Free Basic Services	R 0	22000	22000	22000	22000	Indigent Report Indigent Register	Chief Financial Officer
			Infrastructure & Basic Services		1_12_6_P031	3	10	6. Number of water projects completed	P031 Water Projects	R 157,553,248	8	16	6	8	Signed Close-out Report Practical Completion Certificate	Director: Water and Sanitation
			Infrastructure & Basic Services	Water Services Development Plan	1_12_7_P032	2	6	7. Number of Water Treatment Works and Waste Water Treatment Works (WTW) refurbished/maintained	P032 Refurbishment of existing water treatment works	R 1,108,808	3	7	18	18	Signed Report on Refurbishment and maintenance of water treatment works with Annexures	Director: Water and Sanitation
	Maintenance and Refurbishment of Non-functional Schemes (O&M)		Infrastructure & Basic Services	Water Services Development Plan	1_12_8_P033	2	6	8. Number of stand-alone schemes refurbished/maintained	P033 Refurbishment of stand-alone schemes	R 10,000,000	11	30	N/A	N/A	Signed Report on Refurbishments and maintenance with Annexures	Director: Water and Sanitation
	Quality of Water & Sanitation Services		Infrastructure & Basic Services	Water Services Development Plan	1_12_9_P034	3	9	9. Number of Ventilated Improved Pit (VIP) toilets provided	P034 Eradication of sanitation backlog	R 103,600,000	4026	4500	7000	7000	Beneficiary List Happy Letters	Director: Water and Sanitation
			Infrastructure & Basic Services	Water Services Development Plan	1_12_10_P035	3	9	10. Number of public toilet facilities constructed/refurbished	P035 Construction/Refurbishment of ablution facilities	R 4,843,984	3	4	N/A	N/A	Pictorial Evidence Signed Completion Report	Director: Water and Sanitation

Integrated Development Plan 2019/20 Review

KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods  
 Goal(s): To provide conducive, adequate and accessible infrastructure  
 Goal(s): To provided water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			Infrastructure & Basic Services	Water Services Development Plan	1_12_11_P036	3	9	11. Number of households with sludge removed	P036 VIP Sludge Management	R 1,088,080	3996	2500	6000	6000	Signed report on the volumes of sludge removed Happy Letters	Director: Water and Sanitation
			Infrastructure & Basic Services	Water Services Development Plan	1_12_12_P037	3	10	12. Number of sanitation projects completed	P037 Sanitation Projects	R 1,989,460	0	1	1	N/A	signed close-out report Practical Completion Certificate	Director: Water and Sanitation
	Reduction of Water Losses	13. To reduce water losses from 27% to 20%	Infrastructure & Basic Services	Water Conservation and Demand Management	1_13_1_P038	3	6	1. Number of Water Treatment Works with bulk meters installed	P038 Water Conservation and Demand Management	R 3,162,000	6	6	0.21	0.2	Signed Reports	Director: Water and Sanitation
	Data Management	14. To improve access to spatial information and data management for planning and service delivery	Infrastructure & Basic Services	Spatial Development Framework and Water Services Development Plan	1_14_1_P039	3	9	1. Number of Local Municipalities spatial databases developed	P039 Development of spatial database in the District	R 80,262	0	2	1	N/A	Maps ARCGIS - attribute table (spreadsheet)	Director: Water and Sanitation
	Improve Effectiveness of Call Centre (customer care)	15. To improve response time to complaints raised at the call centre	IDP Objectives and Alignment to DDP	Communication Strategy	1_15_1_P095	2	9	1. Average response time to complaints raised at the call centre	P095 Call Centre Management	R 536,697	8 hours	8 hours	8 hours	8 hours	Signed Complaints register (with annexures)	Director: Water and Sanitation

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KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
HUMAN SETTLEMENTS	Capacitation of Communities, Youth and Emerging	1. To capacitate 400 emerging contractors	Human Development	Local Economic Development Strategy	2_1_1_P040	3	5	1. Number of individuals trained on building regulations	P040 NHBRC Community Capacity Building	R 142,482	138	50	25	25	Signed Training Reports by Director with annexures	Director: Human Settlements
RURAL ECONOMIC AND DEVELOPMENT PLANNING (REDP)	Rural Development (spatial planning of the region)	2. To assist all municipalities in the district to be SPLUMA compliant	Inclusive Economic Development	Spatial Development Framework	2_2_1_P041	1	8	1. Number of Local Spatial Development Frameworks developed	P041 Spatial Development Frameworks	R 666,550	0	4	N/A	N/A	Draft SDF/LSDF documents, Signed Report by Director with Annexures	Director: REDP
			Inclusive Economic Development		2_2_2_P042	1	8	2. Number of SPLUMA initiatives conducted	P042 SPLUMA Initiatives	R 672,069	2	5	5	5	Minutes of meetings Attendance Register	Director: REDP
	Green Economy	3. To establish a fully functional value chain recycling programme	Inclusive Economic Development	Integrated Waste Management Plan	2_3_1_P096	3	10	1. Number of programmes implemented on Regional Recycling	P096 Regional Recycling	R 4,493,200	New Indicator	9	9	9	Regional Recycling programme Reports with annexures	Director: REDP
	Environmental and Waste Management	4. To improve air quality and environmental management in the district	Inclusive Economic Development	Air Quality Management Plan	2_4_1_P043	3	10	1. Number of Environmental management projects implemented	P043 Environmental Management	R 2,803,900	5	12	12	12	Signed Environmental and Waste Management programmes report with annexures	Director: REDP
	Tourism Development and Marketing	5. To promote tourism in the District	Inclusive Economic Development	Local Economic Development Strategy and Communication Strategy	2_5_1_P044	3	4	1. Number of tourism development initiatives and events supported/conducted	P044 Tourism development	R 1,112,212	14	20	20	20	Signed Tourism Development Reports by Director (with Annexures)	Director: REDP

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KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets			Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021		
Economic Infrastructure Development	6. To boost agriculture contribution and improve food security in the District	Inclusive Economic Development	Local Economic Development Strategy	2_6_1_P045	3	7	1. Number of Agri-Park facilities and Value chain programmes supported through sector coordination.	P045 Agri-Parks & Agro-Processing	R 0	1	Programme has been transferred to Ntinga O.R. Tambo Development Agency				
		Inclusive Economic Development	Local Economic Development Strategy	2_6_2_P046	3	7	2. Number of Rural Agro-Industrial programmes developed & implemented	P046 RAFI (Rural Agro-industrialisation Finance Initiative) Implementation	R 8,013,000	2	5	1	1	Signed Social Compact Agreement; Nyandeni Pilot Quarterly Reports, Ncise Pilot Quarterly Report; Land mapping report and Quarterly Community Consultations Reports (Signed with Annexures)	Director: REDP
		Inclusive Economic Development	Local Economic Development Strategy	2_6_3_P097	3	7	3. Number of partnership programmes implemented for Agro-processing sector	P097 Agro-Processing Sector Partnership Programmes	R 7,750,800	New Indicator	3	3	3	Report on Agro-Processing Sector Partnership Programmes implemented with annexures	Director: REDP
		Inclusive Economic Development	Local Economic Development Strategy	2_6_4_P098	3	7	4. Number of programmes implemented on aquaculture and forestry	P098 Aquaculture and Forestry Development	R 632,400	New Indicator	7	7	7	Report on Aquaculture and Forestry Development programmes with annexures	Director: REDP
	Blue Economy, Enterprise and Cooperatives Development,	7. To provide support to entrepreneurs, create employment opportunities and boost investment to grow the district economy	Inclusive Economic Development	Local Economic Development Strategy	2_7_1_P047	3	4	1. Number of programmes/initiatives implemented to support Informal trade, Enterprises, Cooperatives and SMME's	P047 Informal trade, Enterprises, Cooperatives and SMME support	R 8,540,000	6	8	9	9	Signed Programme Reports by Director (with Annexures)



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KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Enterprise and Cooperatives Development		Inclusive Economic Development	Local Economic Development Strategy	2_7_2_P048	3	4	2. Number of jobs opportunities created through Expanded Public Works Programme	P048 Employment Creation	R 8,521,497	185	250	250	250	Signed Contracts with Identity Document copies, Signed Report by Director	Director: Technical Services

KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)

Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
BUDGET & TREASURY OFFICE (BTO)	Revenue Management	1. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	Infrastructure & Basic Services	Tariff Policy, Investment Policy and Debt Collection Policy	3_1_1_P049	4	9	1. Percentage Collection Rate	P049 Collection Rate	R 0	56%	78%	90%	95%	Debtors Age Analysis	Chief Financial Officer
			Infrastructure & Basic Services	Credit Control and Debt Collection Policy	3_1_2_P050	4	9	2. Cost coverage Rate	P050 Cost coverage	R 0	2-3 Months	1-3 Months	1-3 Months	1-3 Months	Bank Statements / Debtors Aged Analysis	Chief Financial Officer
			Infrastructure & Basic Services	Cash Management Policy and Procedure	3_1_3_P051	4	9	3. Revenue collected against projections	P051 Revenue Collection	R 0	R 97.6 Million	R285 Million	R237 Million	R237 Million	Section 52d Report	Chief Financial Officer
			Infrastructure & Basic Services	Rates/Tariff Policy	3_1_4_P052	4	9	4. Projected returns in high-earning future investments	P052 Cash Investment	R 0	R 16.1 Million	R26 Million	R24 Million	R24 Million	Bank statements / Investments reconciliations	Chief Financial Officer

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KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)

Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			Infrastructure & Basic Services	Credit Control and Debt Collection Policy	3_1_5_P099	4	9	5. Debt coverage	P099 Debt Coverage	R 0	R 0	R 0	R 0	Debtors Aged Analysis	Chief Financial Officer	
WATER AND SANITATION	Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure management	Institutional Transformation - Governance and Capacity of Government	Expenditure Management Policy	3_2_1_P053	4	9	1. The percentage of the capital budget spent on capital projects in the IDP	P053 Capital Budget	R 0	63%	100%	100%	100%	Processed Payment Recons / Section 52d Report	Director: Water and Sanitation
BUDGET & TREASURY OFFICE (BTO)			Institutional Transformation - Governance and Capacity of Government	Expenditure Management Policy	3_2_2_P054	4	9	2. Percentage of salaries paid on the prescribed date	P054 Salaries	R 0	100%	100%	100%	100%	HR Payroll list, Salaries Payroll list & Bank Proof of Payment	Chief Financial Officer
			Institutional Transformation - Governance and Capacity of Government	Expenditure Management Policy	3_2_3_P055	4	9	3. Percentage of payments processed within 30 days of receipt of valid invoice	P055 Payments	R 0	100%	100%	100%	100%	30 day formulae (circular 71), Signed Quarterly Report by Director & Audit Report	Chief Financial Officer
		mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	3_3_1_P056	4	9	1. Number of monthly mSCOA data strings submitted to National Treasury within 10 working days	P056 mSCOA	R 2,000,000	New Indicator	12	12	12	Proof of data strings submitted
	Credible Annual Financial Statements	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis	IDP process alignment, consultation and stakeholder management	GRAP Accounting Policies	3_4_1_P057	4	9	1. Number of credible Annual Financial Statements submitted to Auditor General by 31 August & 30 September	P057 Annual Financial Statements	R 9,612,200	2	2	2	2	Annual Financial Statements and correspondence; Proof of receipt by Auditor General	Chief Financial Officer

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KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)

Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management	Inclusive Economic Development	Supply Chain Management Policy	3_5_1_P058	4	9	1. Percentage of bids awarded within 90 days after closing date	P058 Supply Chain Management		100%	100%	100%	100%	Tracking Register & Contract Register	Municipal Manager
				Supply Chain Management Policy	3_5_2_P058	4	9	2. Percentage of bids adjudicated within 30 days upon receipt from BAC			New Indicator	100%	100%	100%	Proof of receipt of Bid Evaluation Committee (BEC) Minutes Minutes of Bid Adjudication Committee (BAC) Proof of receipt of BAC and appointment letters	Chief Financial Officer
	Budget management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	3_6_1_P059	4	9	1. Number of mSCOA compliant Budgets submitted to MAYCO	P059 mSCOA compliant Budget		0	2	2	2	Budget Proof of Receipt by Mayoral Committee	Chief Financial Officer
	Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	Infrastructure & Basic Services	Asset Management Policy	3_7_1_P060	4	9	1. Number of GRAP compliant Asset Registers compiled	P060 GRAP Compliant Asset Register		0	4	4	4	Approved GRAAP Compliant Asset Registers	Chief Financial Officer

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KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
EXECUTIVE MAYORAL SERVICES	Public Participation	1. To instill good governance and strengthen public participation through effective communication between Municipalities and communities	IDP process alignment, consultation and stakeholder management	Public Participation Strategy	4_1_1	4	9	1. Number of Mayoral committee meetings held	N/A	R 704,093	3	12	12	12	Minutes of meetings Attendance Register	Director: Executive Mayoral Office
			IDP process alignment, consultation and stakeholder management	Public Participation Strategy	4_1_2	4	9	2. Number of Sector focused engagements and Mayoral Imbizo's held	N/A	R 4,032,200	8	16	16	16	Sectoral engagement narrative quarterly and annual reports signed by the COS IDP Roadshows and SODA narrative quarterly and annual reports signed by the COS Mayoral Imbizo narrative quarterly and annual reports signed by the COS	Chief of Staff
			IDP process alignment, consultation and stakeholder management	Public Participation Strategy	4_1_3_P061	4	9	3. Number of District Growth and Development Initiatives/ programmes facilitated/ coordinated through District Ambassadors	P061 O.R Tambo Ambassador Development Initiatives	R 1,054,000	2	4	4	4	Concept Document, Programme Report with Annexures	Chief of Staff
LEGISLATIVE SERVICES	Municipal Oversight Policy and research	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	4_2_1_P062	4	9	1. Number of oversight research reports developed in line with Municipal Oversight Model (MOM)	P062 Municipal Oversight Model	R 1,009,015	28	32	32	32	Oversight Research Reports (in line with MOM)	Director: Legislative Services
	Compliance with Legislation		IDP process alignment, consultation and stakeholder management	Municipal Oversight Model/Public Participation Strategy	4_2_2	4	9	2. Number of Ordinary and Open Council meetings held	N/A	R 593,767	3	5	6	6	Minutes of meetings Attendance Register	Director: Legislative Services

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KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Public Participation		IDP process alignment, consultation and stakeholder management	Public Participation Strategy	4_2_3	4	9	3. Number of reports submitted to council on petitions raised	N/A	R 2,213,400	New Indicator	4	4	4	Petitions Reports Proof of submission to Council/resolutions register	Director: Legislative Services
			IDP process alignment, consultation and stakeholder management	Public Participation Strategy	4_2_4_P100	4	9	4. Number of Speaker's outreach programmess conducted	P100 Speakers Outreach	R 2,000,000	New Indicator	10	10	10	Speakers Outreach Programmes Report with annexures	Director: Legislative Services
	Political Stability		IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	4_2_5	4	9	5. Number of Whippery caucuses conducted	N/A	R 2,926,424	37	64	64	64	Notices and attendance registers	Director: Legislative Services
			IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	4_2_6_P101	4	9	6. Number of whippery constituency programmess conducted	P101 Whippery Constituency		New Indicator	10	10	10	Constituency Programmes Report with annexures	Director: Legislative Services
OFFICE OF THE MUNICIPAL MANAGER	Risk Management and Fraud Prevention	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	Risk Management Strategy	4_2_5_P063	4	9	5. Number of Risk Management Charters reviewed and submitted to Mayco	P063 Risk Management Charter	R 851,009	1	1	1	1	Risk Management Charter Proof of submission to Mayco	Director: Office of the MM
			IDP Objectives and Alignment to DDP	Risk Management Strategy	4_2_6_P064	4	9	6. Number of district risk assessment conducted	P064 Implementation of Risk Strategy		2	1	1	1	Risk Assessment Report Risk Register Attendance Register/s	Director: Office of the MM
			IDP Objectives and Alignment to DDP	Risk Management Strategy	4_2_7_P102	4	9	7. Number of quarterly risk assessment follow ups conducted	P102 Risk Management		3	3	3	3	Quarterly Risk Assessment Follow Up Reports	Director: Office of the MM

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KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
Inter-governmental Relations			IDP Objectives and Alignment to DDP	Risk Management Strategy	4_2_8_P065	4	9	8. Number of quarterly reports on number of cases reported through the District Fraud hotline	P065 District Fraud Hotline		New Indicator	3	4	4	Signed quarterly reports on cases reported	Director: Office of the MM
			IDP Objectives and Alignment to DDP	IGR Strategy	4_2_9	4	9	9. Number of quarterly reports on functionality of IGR	N/A		2	4	4	4	Signed Narrative Quarterly Report on IGR functionality	Director: Office of the MM
			IDP Objectives and Alignment to DDP	IGR Strategy	4_2_10_P103	4	9	10. Number of IGR Strategies developed for the Local Municipalities	P103 IGR Coordination		New Indicator	4	N/A	N/A	Draft copies of IGR Strategy Attendance register of Local Municipal Participants	Director: Office of the MM
			IDP Objectives and Alignment to DDP	IGR Strategy	4_2_11_P104	4	9	11. Number of reports on ISDM Implementation	P105 ISDM Implementation	R 1,402,331	New Indicator	4	4	4	Signed ISDM Implementation Report	Director: Office of the MM
			IDP Objectives and Alignment to DDP	IGR Strategy	4_2_12_P105	4	9	12. Number of Municipal Support Framework developed	P104 Municipal Support Framework		New Indicator	1	N/A	N/A	Approved Municipal Support Framework	Director: Office of the MM
			IDP Objectives and Alignment to DDP	IGR Strategy	4_2_13_P066	4	9	13. Number of reports on support provided to Municipalities	P066 Municipal Support	R 550,610	2	2	2	2	Singed Summative Reports on municipal support provided	Director: Office of the MM
	Communications	3. To ensure effective, well-coordinated and integrated district wide communication	IDP Objectives and Alignment to DDP	Integrated Communications Strategy	4_3_1_P106	4	9	1. Number of Integrated Communications Policy and Strategy developed	P106 Integrated Communications Policy and Strategy	R 5,213,183	New Indicator	1	N/A	N/A	Approved Integrated Communications Strategy	Director: Office of the MM

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KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
			IDP Objectives and Alignment to DDP	Integrated Communications Strategy	4_3_2_P067	4	9	2. Number of quarterly communication Initiatives implemented	P067 Communication Initiatives		8	16	16	16	Signed Summative quarterly performance reports with annexures	Director: Office of the MM
	Performance Management, Monitoring and Evaluation	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	4_4_1_P068	4	9	1. Number of municipal institutional performance reports submitted to Council	P068 Institutional Performance	R 1,397,098	3	7	7	7	Proof of submission to AG, Signed Performance Reports, Council Notice & Council Minutes/Council Tracking Register	Director: Office of the MM
			IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	4_4_2_P069	4	9	2. Number of formal Performance Evaluation(s) of Section 54 and 56 Managers conducted	P069 PMS Policy & Framework Implementation		1	2	2	2	Evaluation Sheets	Director: Office of the MM
	Planning	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Integrated Development Planning	4_4_3_P070	4	9	3. Number of mSCOA compliant IDP's adopted by council	P070 mSCOA compliant IDP	R 4,287,294	0	1	1	1	mSCOA Compliant IDP Council Resolution	Director: Office of the MM
			IDP Objectives and Alignment to DDP	District Development Plan	4_4_4_P071	4	9	4. Number of reports on implementation of District Development Plan (DDP) vision 2030	P071 District Development Plan Initiatives		0	2	N/A	N/A	Signed Reports on DDP initiatives	Director: Office of the MM
			IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	4_4_5_P072	4	9	5. Number of Service Delivery Budget and Implementation Plan(s) SDBIP approved by the Executive Mayor	P072 Service Delivery Budget and Implementation Plan		0	1	1	1	SDBIP endorsed by the Mayor	Director: Office of the MM

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KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Legal Services	5. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	IDP Objectives and Alignment to DDP	Good Governance & Compliance	4_5_1_P073	4	9	1. Annual percentage reduction in litigation cases	P073 Litigations	R 6,014,651	0	25%	N/A	N/A	Litigations Report	Director: Office of the MM
	Internal Auditing	6. To obtain a clean audit opinion	IDP Objectives and Alignment to DDP	GRAP Accounting Policies	4_6_1_P074	4	9	1. Audit Opinion	P074 Audit Opinion	R 0	Qualified	Unqualified	Clean Audit	Clean Audit	AG Report	Municipal Manager
IDP Objectives and Alignment to DDP			Internal Audit Plan	4_6_2_P075	4	9	2. Number of follow-up quarterly reports on Internal Audit and Auditor-General issues compiled	P075 Follow-up audit	R 0	2	4	4	4	Dated and signed quarterly follow-up quarterly report on Internal Audit and Auditor-General issues	Director: Internal Audit	
IDP Objectives and Alignment to DDP			Internal Audit Plan	4_6_3	4	9	3. Number of Audit Committee meetings held	N/A	R 351,378	3	4	4	4	Signed Minutes of meetings Attendance Registers	Director: Internal Audit	
IDP Objectives and Alignment to DDP			Internal Audit Plan	4_6_4_P076	4	9	4. Number of organisations provided with Internal Audit support	P076 Internal Audit Support	R 0	7	4	4	4	Signed Summative report per entity supported. Service Level Agreement Audit Committee Minutes Internal Audit Reports	Director: Internal Audit	
IDP Objectives and Alignment to DDP			Internal Audit Plan	4_6_5_P077	4	9	5. Number of risk-based internal audit plan, internal Audit charter and Audit Committee charter reviewed	P077 Risk Based Internal Audit Plan	R 0	1	3	1	1	Signed Audit Committee minutes. Approved Risk-Based Internal Audit Plan and internal audit Charter by Audit Committee. Signed Audit committee charter by Council.	Director: Internal Audit	



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KEY PERFORMANCE AREA (KPA) 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)

Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
CORPORATE SERVICES	Recruitment and Selection	1. To effectively and efficiently recruit and retain competent Human Capital	Institutional Transformation – Governance and capacity of government	Employment Equity Plan	5_1_1_P078	4	5	1. Average number of days taken to fill posts	P078 Recruitment and Selection	R 698,549	54 days	90 days	90 days	90 days	Copy of Adverts Confirmation of completed master lists Appointment Letters	Director Corporate Services
	Human Resource Development	2. To ensure a well-trained, motivated and professional workforce	Institutional Transformation – Governance and capacity of government	Workplace Skills Plan	5_2_1_P079	4	5	1. Percentage of a municipality's budget actually spent on implementing its workplace skills plan	P079 Workplace Skills Plan (WSP) Budget	R 6,735,619	0	0.4%	0.4%	0.4%	Municipal Budget Workplace Skills Plan Training Budget Report to Standing Committee	Director Corporate Services
	Human Resource Development		Institutional Transformation – Governance and capacity of government	Workplace Skills Plan	5_2_2_P080	4	5	2. Percentage of Training Budget Spent	P080 WSP Training Programmes		70%	100%	100%	100%	Expenditure Report from Finance Report on Training Programmes	Director Corporate Services
	Employment Equity	3. To increase the number of people from employment equity target groups in the three highest levels of management	Institutional Transformation – Governance and capacity of government	Employment Equity Plan	5_3_1_P081	4	5	1. Number of employment equity plans developed	P081 Employment Equity Plan	R0	0	N/A	Employment Equity Plan to be finalised in 2018/19 financial year			
Institutional Transformation – Governance and capacity of government			Employment Equity Plan	5_3_2_	4	5	2. Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	P107 Employment Equity Plan Implementation	R0	New Indicator	2	10	15	Reports on number of EE target groups employed with annexures	Director Corporate Services	

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KEY PERFORMANCE AREA (KPA) 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)

Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.

Department	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Indicator Code	IUDF Code	MTSF Code	Key Performance Indicator (KPI)	Project	Budget 19/20	Annual Targets				Means of Verification	Custodian
											Baseline 2018/2019	2019/2020	2020/2021	2021/2022		
	Employee Wellness (District Wide)	4. To provide effective and efficient human resources and corporate administration support	Institutional Transformation – Governance and capacity of government	Employee Wellness Policy	5_4_1_P082	4	9	1. Number of employee wellness and occupational health and safety programmes implemented	P082 EAP & OHS Programmes	R 1,091,969	3	4	4	4	Signed OHS and Wellness Programme Reports with annexures	Director Corporate Services
	ICT Enhancement ( District Wide)		Institutional Transformation – Governance and capacity of government	Information Communication and Technology Strategy	5_4_2_P083	4	9	2. Number of ICT Risk Assessments conducted	P083 ICT Risk Assessment	R 0	1	1	1	1	ICT Risk Assessment Document	Director Corporate Services
			Institutional Transformation – Governance and capacity of government	Information Communication and Technology Strategy	5_4_3_P108	4	9	3. Number reports on implementation of ICT Annual Plan	P108 ICT Annual Plan	R 1,131,750	New Indicator	4	4	4	Signed report on the implementation of ICT Annual Plan	Director Corporate Services
	Safety and Security		Institutional Transformation – Governance and capacity of government	Safety and Security monitoring	5_4_4_P084	4	9	4. Number of municipal buildings upgraded on security	P084 Safety & Security	R 23,570,060	4	4	4	4	Confirmation of visits to municipal sites and maintenance report	Director Corporate Services
	Labour Relations		Institutional Transformation – Governance and capacity of government	Labour Relations	5_4_5	4	9	5. Number of Local Labour Forum meetings held	N/A	R 174,637	4	4	4	4	Attendance Register Minutes of meetings	Director Corporate Services
	Records Management		Institutional Transformation – Governance and capacity of government	Updating and Centralizing municipal records	5_4_6_P085	4	9	6. Number of Departments with updated records at the registry	P085 Records Management	R 584,487	4	2	2	2	File Inventories	Director Corporate Services

## CHAPTER 5: FINANCIAL PLAN

### 5.1 INTRODUCTION

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure long-term financial sustainability for O.R Tambo District Municipality. The Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without eroding its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

A Medium-term Revenue and Expenditure Framework (MTREF) is prepared for a planning period of five years, paying particular attention to new and replacement infrastructure investment, which is an important developmental component of the IDP. O.R Tambo District Municipality's Long-term Financial Outlook is looking at a long term horizon into the future with the focus on greater financial health and sustainability making collaboration of capital investment projects with other levels of government and private sector investors much easier.

This Financial Plan will also focus on the expansion of O.R Tambo's revenue sources in relation to its costs to ensure that the Municipality stays a financial viable and sustainable going concern. The O.R Tambo District Municipality must utilise available financial resources in an effective, efficient and economical way to ensure that outputs have the desired outcomes as set out in Chapter 4 of the IDP. The financial strategies detailed in this plan must contribute to the achievement of these objectives.

Budgets in terms of National Treasury's Municipal Budget and Reporting Regulations only need to cover a planning period of the

next financial year and the two outer financial years thereafter. However, the MTREF and the multi-year sustainable financial plan will cover key budget focus areas over the next five years and even longer. It will also cover the current financial year's information as well as the previous three financial years' audited information.

A discussion will now follow on key focus areas consisting of a financial framework, financial strategies, financial policies, budget assumptions, operating revenue, operating expenditure, capital expenditure, capital expenditure funding, and long-term financial sustainability ratios.

### 5.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

The budget must be aligned with the National and Provincial Priorities. The following key policy parameters are considered in the development of the MTREF Budget for the Municipality.

- National Development Plan (overarching development vision for the country)
- State of the Nation Address
- National Budget Speech
- State of the Province Address
- Provincial Budget Speech
- Sector Departments (National and Provincial) Budget Speeches
- Division of Revenue Act
- National Treasury Budget Assumptions (MFMA Circular 93)

In order to ensure integrated and focused service delivery between all spheres of government it was therefore important for the District Municipality to align its budget priorities with those of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

The following budget principles and guidelines directly informed the compilation of the 2019/20 MTREF:

- The 2018/19 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 2019/20 annual budget;
- 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; and
- 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.

The 2019/20 MTREF has therefore been directly informed by the IDP process and the following tables provide the "reconciliation" of the IDP strategic objectives with operating revenue, operating expenditure and capital expenditure.

### **5.3 MEDIUM TERM EXPENDITURE AND REVENUE FRAMEWORK**

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

- 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.

**Table 25: O.R. Tambo DM Consolidated Budget Financial Performance (Expenditure and Revenue 2019/20)**

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	1										
<b>Revenue By Source</b>											
Property rates	2	-	-	-	-	-	-	-	-	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	156 597	164 031	182 034	199 289	205 589	205 589	205 589	214 245	233 527	254 545
Service charges - sanitation revenue	2	38 749	42 791	48 235	85 409	85 409	85 409	85 409	93 229	101 620	110 765
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment		872	822	90	58	58	58	58	61	64	68
Interest earned - external investments		35 170	39 504	52 465	26 000	29 300	29 300	29 300	39 382	40 116	41 500
Interest earned - outstanding debtors		42 029	46 914	36 952	5 300	5 300	5 300	5 300	30 000	31 800	33 708
Dividends received											
Fines, penalties and forfeits											
Licences and permits											
Agency services		714	407	77							
Transfers and subsidies		857 966	644 152	894 182	798 523	798 523	798 523	798 523	863 952	920 935	991 442
Other revenue	2	101 176	136 725	156 114	306 169	371 478	371 478	371 478	281 567	307 046	245 267
Gains on disposal of PPE		163	237	301					40	40	40
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 233 437</b>	<b>1 075 584</b>	<b>1 370 451</b>	<b>1 420 748</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 522 476</b>	<b>1 635 148</b>	<b>1 677 334</b>
<b>Expenditure By Type</b>											
Employee related costs	2	393 172	436 331	545 646	500 435	543 197	543 197	543 197	625 440	668 953	713 467
Remuneration of councillors		17 601	17 750	20 305	27 677	21 197	21 197	21 197	22 659	24 166	25 773
Debt impairment	3	107 782	147 042	89 118	87 671	87 671	87 671	87 671	92 405	97 395	82 655
Depreciation & asset impairment	2	156 134	164 456	163 241	162 000	162 000	162 000	162 000	170 472	179 422	188 856
Finance charges		579	12 770	9 152					39	42	47
Bulk purchases	2	43 845	42 407	44 257	70 500	67 500	67 500	67 500	41 145	43 367	45 709
Other materials	8	75 027	26 844	41 554	62 812	21 234	21 234	21 234	24 759	26 096	27 505
Contracted services		29 036	174 491	229 344	42 664	249 092	249 092	249 092	206 417	239 520	220 834
Transfers and subsidies		122 981	112 120	65 831	91 579	88 235	88 235	88 235	48 646	50 912	53 290
Other expenditure	4, 5	377 137	254 034	299 825	371 911	252 030	252 030	252 030	282 735	294 312	310 218
Loss on disposal of PPE		81	16 491	22 158							

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Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	1										
<b>Total Expenditure</b>		1 323 375	1 404 736	1 530 431	1 417 248	1 492 157	1 492 157	1 492 157	1 514 716	1 624 185	1 668 352
<b>Surplus/(Deficit)</b>		(89 938)	(329 152)	(159 980)	3 500	3 500	3 500	3 500	7 760	10 963	8 983
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		491 145	784 897	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies - capital (in-kind - all)											
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		401 206	455 745	659 442	1 025 830	1 216 249	1 216 249	1 216 249	990 665	806 076	949 640
Taxation				(1 866)							
<b>Surplus/(Deficit) after taxation</b>		401 206	455 745	661 308	1 025 830	1 216 249	1 216 249	1 216 249	990 665	806 076	949 640
Attributable to minorities											
<b>Surplus/(Deficit) attributable to municipality</b>		401 206	455 745	661 308	1 025 830	1 216 249	1 216 249	1 216 249	990 665	806 076	949 640
Share of surplus/ (deficit) of associate	7										
<b>Surplus/(Deficit) for the year</b>		401 206	455 745	661 308	1 025 830	1 216 249	1 216 249	1 216 249	990 665	806 076	949 640

**Table 26: O.R. Tambo DM Consolidated Budget Capital Expenditure by Vote, Functional Classification and Funding**

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	1										
<b>Capital expenditure - Vote</b>											
<b>Single-year expenditure to be appropriated</b>	2										
Vote 1 - COUNCIL AND COMMITTEES		-	-	157	3 600	3 400	3 400	3 400	2 000	2 000	-
Vote 2 - FINANCIAL AND ADMINISTRATION		18 727	15 562	38 711	36 912	37 412	37 412	37 412	21 836	10 154	8 612
Vote 3 - PLANNING AND DEVELOPMENT		336	1 776	9 834	600	600	600	600	6 745	5 780	4 459
Vote 4 - HEALTH		-	-	-	1 100	100	100	100	120	-	-

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Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Vote 5 - COMMUNITY AND SOCIAL SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 6 - HOUSING		-	-	-	4 250	9 544	9 544	9 544	3 545	45	45
Vote 7 - PUBLIC SAFETY		-	-	-	3 600	3 600	3 600	3 600	8 000	5 500	5 500
Vote 8 - SPORTS AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 9 - ENVIRONMENTAL		-	-	-	3 500	3 500	3 500	3 500	-	-	-
Vote 10 - ROADS		-	-	-	19 439	14 439	14 439	14 439	48 112	13 291	3 472
Vote 11 - WATER		491 145	784 897	808 054	1 111 390	1 271 947	1 271 947	1 271 947	1 039 614	880 367	1 021 867
Vote 12 - TOURISM		-	-	-	-	-	-	-	-	-	-
Vote 13 - [NAME OF VOTE 13]		-	-	-	-	-	-	-	-	-	-
Vote 14 - [NAME OF VOTE 14]		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
<b>Capital single-year expenditure sub-total</b>		<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Total Capital Expenditure - Vote</b>		<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>18 727</b>	<b>15 562</b>	<b>38 868</b>	<b>40 512</b>	<b>40 812</b>	<b>40 812</b>	<b>40 812</b>	<b>23 836</b>	<b>12 154</b>	<b>8 612</b>
Executive and council		-	-	157	3 600	3 400	3 400	3 400	2 000	2 000	-
Finance and administration		18 727	15 562	38 711	36 912	37 412	37 412	37 412	21 836	10 154	8 612
Internal audit		-	-	-	-	-	-	-	-	-	-
<b>Community and public safety</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>8 950</b>	<b>13 244</b>	<b>13 244</b>	<b>13 244</b>	<b>11 665</b>	<b>5 545</b>	<b>5 545</b>
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	3 600	3 600	3 600	3 600	8 000	5 500	5 500
Housing		-	-	-	4 250	9 544	9 544	9 544	3 545	45	45
Health		-	-	-	1 100	100	100	100	120	-	-
<b>Economic and environmental services</b>		<b>336</b>	<b>1 776</b>	<b>9 834</b>	<b>23 539</b>	<b>18 539</b>	<b>18 539</b>	<b>18 539</b>	<b>54 857</b>	<b>19 071</b>	<b>7 931</b>
Planning and development		336	1 776	9 834	600	600	600	600	6 745	5 780	4 459
Road transport		-	-	-	19 439	14 439	14 439	14 439	48 112	13 291	3 472
Environmental protection		-	-	-	3 500	3 500	3 500	3 500	-	-	-
<b>Trading services</b>		<b>491 145</b>	<b>784 897</b>	<b>808 054</b>	<b>1 111 390</b>	<b>1 271 947</b>	<b>1 271 947</b>	<b>1 271 947</b>	<b>1 039 614</b>	<b>880 367</b>	<b>1 021 867</b>
Energy sources		-	-	-	-	-	-	-	-	-	-
Water management		491 145	784 897	808 054	1 111 390	1 271 947	1 271 947	1 271 947	1 039 614	880 367	1 021 867
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
<b>Other</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	1										
<b>Funded by:</b>											
National Government		481 354	780 649	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Provincial Government											
District Municipality											
Other transfers and grants											
<b>Transfers recognised - capital</b>	4	481 354	780 649	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
<b>Borrowing</b>	6										
<b>Internally generated funds</b>		28 854	21 586	37 334	162 060	131 792	131 792	131 792	147 068	122 024	103 299
<b>Total Capital Funding</b>	7	510 208	802 234	856 756	1 184 390	1 344 542	1 344 542	1 344 542	1 129 973	917 137	1 043 956

#### 5.4 FUNDING OF THE BUDGET

In terms of Section 18 of Chapter 4 of the MFMA, an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in Section 17 (2).
  - Tender fees- R1.2 million
  - VAT refund- R140.3 million
  - Collection of old debt- R120 million

#### Funding is comprised of:

##### Own revenue constituting 30% of overall revenue being:

- Service charges of 16% comprised of:
  - Water and sanitation- R 307 million
- Interest received of 3% being:
  - Interest received from investments- R39 million
  - Interest received from debtors- R30 million
- Other revenue of 14% being:
  - Reserves- R76 million
  - Ntinga Revenue- R84 million

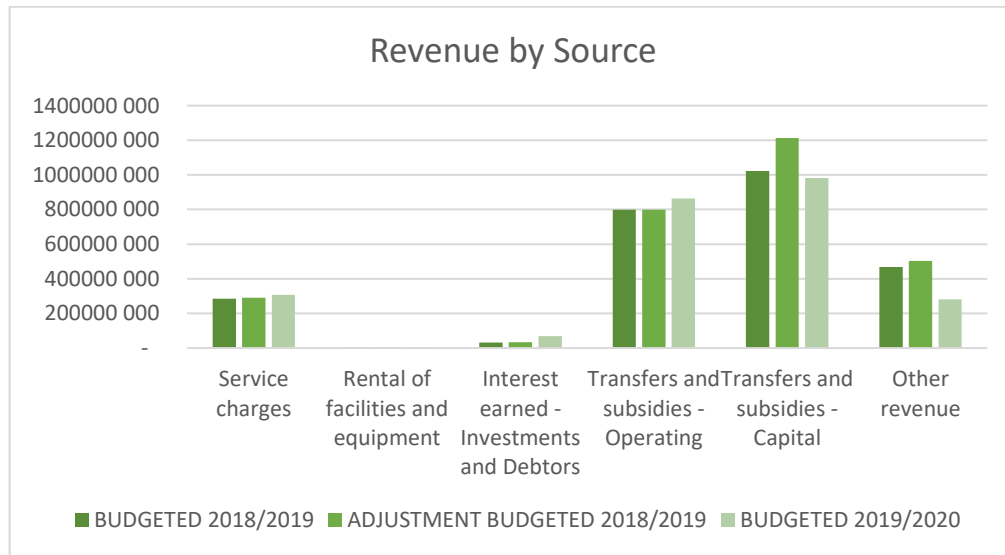


The table below show what the revenue of the district is composed of.

**Table 27: Sources of Revenue**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
Service charges	284 698 174	290 998 174	307 474 028	335 146 691	365 309 893
Rental of facilities and equipment	57 860	57 860	60 984	64 278	67 749
Interest earned - Investments and Debtors	31 300 000	34 600 000	69 382 200	69 315 576	72 607 639
Transfers and subsidies - Operating	798 523 000	798 522 999	863 952 000	920 935 000	991 442 000
Transfers and subsidies - Capital	1 022 330 000	1 212 749 162	982 905 000	795 113 000	940 657 000
Other revenue	468 229 506	503 270 117	428 674 336	429 109 993	348 605 491
	<b>2 605 138 540</b>	<b>2 840 198 312</b>	<b>2 652 448 549</b>	<b>2 549 684 538</b>	<b>2 718 689 772</b>

**Figure 7: Graphic Illustration of revenue**



Revenue comprises of 70 percent of government grants and transfers recognized being:

- Equitable share – R855.5 million
- Finance Management Grant – R2.1 million
- Extended Public Works Program – R6.3 million
- Municipal Infrastructure Grant – R633.4 million.
- Water Services Infrastructure Grant – R100 million
- Regional Bulk Infrastructure Grant – R246.4 million
- Rural Roads Asset Management – R3.1 million

Service Charges of 16 percent being:-

- Water and Sanitation - R307 million

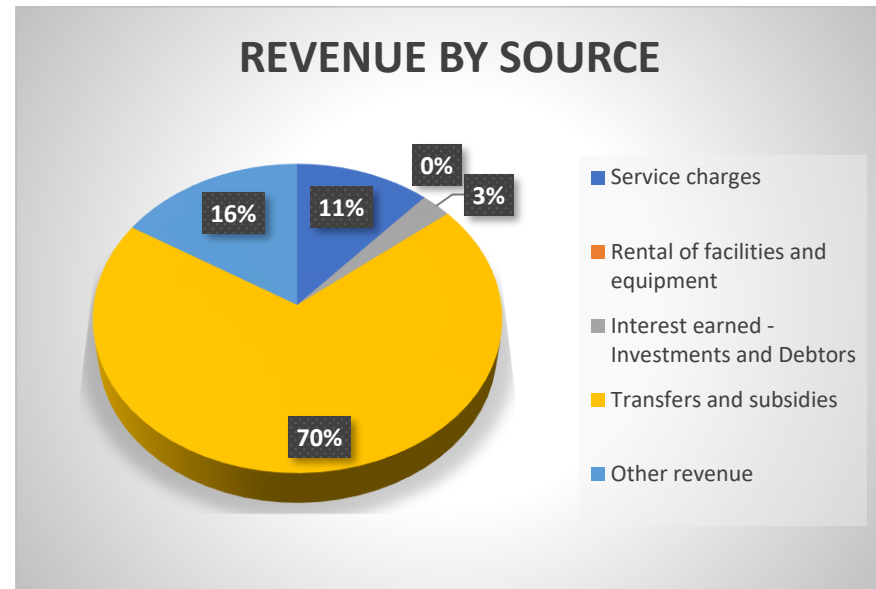
Interest received of 1 percent being:-

- Interest received from investments – R36.8 million
- Interest received from debtors – R30 million

Other own revenue of 11 percent being:-

- Reserves – R76 million
- Tender fees – R1.2 million
- VAT refund – R 127.8 million
- Proceeds on old debtors – R120 million
- VAT refunds – R140 million

**Figure 8: Total Revenue**



The municipality is reliant on government grants and subsidies being 70 percent of revenue as depicted above.

**Figure 9: Sources of funding**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
Own Revenue	784 285 540	828 926 151	805 591 549	833 636 537	786 590 771
Conditional Revenue	1 820 853 000	2 011 272 161	1 846 857 000	1 716 048 000	1 932 099 000
<b>Total Revenue</b>	<b>2 605 138 540</b>	<b>2 840 198 312</b>	<b>2 652 448 549</b>	<b>2 549 684 538</b>	<b>2 718 689 772</b>

**Figure 10: Service Charges Collection**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
Service charges	284,698,174	290,998,174	307,474,028	335,146,691	365,309,893
Interest earned - Debtors	5,300,000	5,300,000	30,000,000	31,800,000	33,708,000
Gross Service Charges	289,998,174	296,298,174	337,474,028	366,946,691	399,017,893
Less: Debt Impairment	- 87,671,211	- 87,671,211	- 92,405,456	- 97,395,351	- 82,654,700
	<b>202,326,963</b>	<b>208,626,963</b>	<b>245,068,572</b>	<b>269,551,340</b>	<b>316,363,193</b>

The gross revenue for service charges in original equals to R284.7 million and adjustment budget equals to R290.9 million relating to 2018/19 with interest on outstanding debtors of R5.3 million resulting in the gross service charges anticipated to be R89.9 million in original budget and R296.3 million in adjustment budget. For the 2019/20 MTREF, the gross revenue for services charges amounts to R337.5 million, R366.9 million and R399 million respectively. The anticipated debt impairment for 2019/20 MTREF amounts to R92 million, R97 million and R82 million respectively. Resulting in the anticipated collections being R245 million, R269 million and R316 million being 73 percent in 2019/20, and 2020/21 while 2021/22 is 79 percent collection rate. Furthermore, old debt of R120 million is included in the budget as part of

revenue and should be collected with assistance of debt collector to be contracted.

Cartegories	2019/20	2020/21	2021/22
Households	6%	6%	6%
Business	9%	9%	9%
Government	12%	12%	12%

The propose tariff increase is 6 percent for residential, 9 percent for business and 12 percent for government during 2019/20. The Tariff policy is attached.

Figure 11: Extract from Table A1 of Schedule A

Description	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousands</b>										
<b>Financial Performance</b>										
Property rates	–	–	–	–	–	–	–	–	–	–
Service charges	195 346	206 822	230 269	284 698	290 998	290 998	290 998	307 474	335 147	365 310
Investment revenue	35 170	39 504	52 465	26 000	29 300	29 300	29 300	39 382	40 116	41 500
Transfers recognised - operational	857 966	644 152	894 182	798 523	798 523	798 523	798 523	863 952	920 935	991 442
Other own revenue	144 954	185 106	193 534	311 527	376 836	376 836	376 836	311 668	338 950	279 083
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 233 437</b>	<b>1 075 584</b>	<b>1 370 451</b>	<b>1 420 748</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 522 476</b>	<b>1 635 148</b>	<b>1 677 334</b>
Employee costs	393 172	436 331	545 646	500 435	543 197	543 197	543 197	625 440	668 953	713 467
Remuneration of councillors	17 601	17 750	20 305	27 677	21 197	21 197	21 197	22 659	24 166	25 773
Depreciation & asset impairment	156 134	164 456	163 241	162 000	162 000	162 000	162 000	170 472	179 422	188 856
Finance charges	579	12 770	9 152	–	–	–	–	39	42	47
Materials and bulk purchases	43 845	42 407	44 257	133 312	88 734	88 734	88 734	65 904	69 463	73 214
Transfers and grants	122 981	112 120	65 831	91 579	88 235	88 235	88 235	48 646	50 912	53 290
Other expenditure	589 064	618 903	681 998	502 246	588 793	588 793	588 793	581 557	631 227	613 706
<b>Total Expenditure</b>	<b>1 323 375</b>	<b>1 404 736</b>	<b>1 530 431</b>	<b>1 417 248</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 514 716</b>	<b>1 624 185</b>	<b>1 668 352</b>
<b>Surplus/(Deficit)</b>	<b>(89 938)</b>	<b>(329 152)</b>	<b>(159 980)</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>7 760</b>	<b>10 963</b>	<b>8 983</b>
Transfers and subsidies - capital (monetary allocation)	491 145	784 897	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(89 938)</b>	<b>455 745</b>	<b>659 442</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>	<b>(89 938)</b>	<b>455 745</b>	<b>659 442</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>
<b>Capital expenditure &amp; funds sources</b>										
<b>Capital expenditure</b>	<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
Transfers recognised - capital	481 354	780 649	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	28 854	21 586	37 334	162 060	131 792	131 792	131 792	147 068	122 024	103 299
<b>Total sources of capital funds</b>	<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Financial position</b>										
Total current assets	576 192	455 665	453 688	569 449	637 785	637 785	637 785	662 789	670 780	712 949
Total non current assets	4 768 382	5 376 246	6 043 912	10 326 487	10 487 044	8 487 044	8 487 044	9 718 279	10 559 052	11 512 268
Total current liabilities	403 396	395 321	415 453	338 740	338 740	338 740	338 740	282 180	330 342	376 333
Total non current liabilities	54 837	102 837	87 087	100	100	100	100	40 675	35 199	34 954
Community wealth/Equity	4 886 340	5 333 752	5 995 060	10 557 096	10 785 990	8 785 990	8 785 990	10 058 214	10 864 290	11 813 930
<b>Cash flows</b>										
Net cash from (used) operating	616 172	684 008	815 135	1 349 890	1 573 094	1 573 094	1 573 094	1 167 880	991 280	1 142 961
Net cash from (used) investing	(586 211)	(800 861)	(853 000)	(1 184 390)	(1 339 257)	(1 339 257)	(1 339 257)	(1 129 973)	(917 137)	(1 043 956)
Net cash from (used) financing	(124)	38 775	(38 795)	–	–	–	–	–	–	–
<b>Cash/cash equivalents at the year end</b>	<b>369 437</b>	<b>291 315</b>	<b>214 655</b>	<b>380 155</b>	<b>448 491</b>	<b>448 491</b>	<b>448 491</b>	<b>455 518</b>	<b>529 662</b>	<b>628 668</b>
<b>Cash backing/surplus reconciliation</b>										
Cash and investments available	369 393	291 315	214 655	380 155	448 491	448 491	448 491	455 518	529 662	628 668
Application of cash and investments	197 522	216 071	118 020	(14 372)	60 370	60 370	60 370	(1 343)	(16 948)	(39 547)
<b>Balance - surplus (shortfall)</b>	<b>171 870</b>	<b>75 244</b>	<b>96 634</b>	<b>394 527</b>	<b>388 121</b>	<b>388 121</b>	<b>388 121</b>	<b>456 862</b>	<b>546 610</b>	<b>668 214</b>
<b>Asset management</b>										
Asset register summary (WDV)	510 208	802 234	856 756	1 184 390	1 344 542	1 344 542	1 344 542	1 129 973	917 047	1 043 956
Depreciation	263 916	164 456	163 241	162 000	162 000	162 000	162 000	170 472	179 422	188 856
Renewal and Upgrading of Existing Assets	–	–	–	102 212	79 512	79 512	79 512	51 039	62 949	58 149
Repairs and Maintenance	–	86 311	87 767	76 223	56 583	56 583	56 583	73 331	92 331	82 311
<b>Free services</b>										
Cost of Free Basic Services provided	–	–	–	690 500	690 500	690 500	769 989	769 989	826 938	890 394
Revenue cost of free services provided	1 948	–	–	–	–	–	–	–	–	–
<b>Households below minimum service level</b>										
Water:	213	212	169	173	173	173	177	177	182	185
Sanitation/sewerage:	37	29	76	65	65	65	63	63	61	60
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

**Figure 12: Operating expenditure comprises of the following:-**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
Employee related costs	500 434 790	547 735 842	625 439 701	668 952 700	713 466 666
Remuneration of councillors	27 676 679	21 196 538	22 659 099	24 165 929	25 772 964
Debt impairment	87 671 211	87 671 211	92 405 456	97 395 351	82 654 700
Depreciation & asset impairment	162 000 000	162 000 000	170 471 570	179 421 962	188 855 675
Bulk purchases	70 500 000	67 500 000	41 145 000	43 366 830	45 708 639
Other materials	62 811 718	21 234 138	24 758 781	26 095 756	27 504 926
Contracted services	42 663 616	249 092 330	206 416 702	239 520 028	220 833 657
Transfers and subsidies	91 578 940	88 235 405	48 646 141	50 911 642	53 290 088
Other expenditure	371 911 131	247 491 232	282 773 145	294 354 436	310 264 242
	<b>1 417 248 086</b>	<b>1 492 156 696</b>	<b>1 514 715 597</b>	<b>1 624 184 634</b>	<b>1 668 351 557</b>

Operating expenditure is projected to decrease by R78 million being 14 percent for the 2019/20 financial year when compare to adjustment budget. For the two outer years, operational expenditure will increase by 7 percent, in 2020/21 and 3 percent in 2022.

The analysis as per line items is explained as follows:

**Personnel Expenditure:**

Employee costs is projected to increase by R37 million which is 7 percent from adjustment budget. This is mainly due to the increment of 6.9 percent being projected and the provision for the job evaluation of R26.5 million. The budgeting for the filling of critical vacant posts was already included in the adjustment budget therefore the increase of 6.9 percent has also been effected in the budget for critical posts.

Then subsequently increase for the outer years is 6.9 percent respectively. Remuneration to Councilors increased by 7 percent as compared to adjustment budget. Then subsequently increase for the outer years is 7 percent respectively.

Remuneration to Councilors increased by 7 percent as compared to adjustment budget.

**Bulk Purchases**

Bulk purchases (water) decreased by R26 million from R67 million to R41 million which is 39 percent. This mainly due to the fact that the previous budgets were inclusive of the funds to repay old debt which will be settled in 2018/19 budget year.

### Repairs and Maintenance

Repairs and maintenance increased by R6.9 million as compared to adjustment budget for 2018/19. The main item in the Repairs and maintenance are:

	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
<b>3. REPAIRS AND MAINTENANCE</b>					
BUILDINGS & INSTALLATIONS	3 224 380	4 795 356	10 953 786	11 539 890	12 157 644
SURVEILLANCE EQUIPMENT MAINTENANCE	526 000	526 000	562 294	598 843	637 768
IT EQUIPMENT REPAIRS	552 300	552 300	582 124	613 559	646 691
LAND & FENCES	241 228	241 228	254 254	267 984	282 455
SEWERAGE RETICULATION	4 544 640	1 544 640	4 790 051	10 048 713	5 591 344
SEWERAGE TREATMENT WORKS	2 104 000	1 104 000	2 217 616	2 337 367	2 463 585
SEWERAGE PUMP STATIONS	1 578 000	578 000	1 663 212	1 753 025	1 847 689
WATER PUMP STATIONS	9 881 740	2 881 740	10 415 354	15 977 783	11 840 583
SUPPORT TO STRATEGIC ROADS	2 626 400	6 626 400	3 112 000	3 291 000	4 372 000
MATERIALS AND STORES	13 056 150	8 056 150	10 761 182	11 342 286	11 954 769
REPAIRS TO BULK WATER METERS	3 156 000	156 000	3 326 424	3 506 051	3 695 378
VIP SLUDGE SUCKING	10 520 000	18 520 000	11 088 080	16 709 023	11 709 023
SPRING PROTECTION	920 500	920 500	970 207	1 022 598	1 077 818
TOOLS & EQUIPMENT	1 000 000	1 000 000	1 054 000	1 110 916	1 170 905
MAINTENANCE OF PIPE LEAKS	3 197 480	197 480	3 370 144	3 552 132	3 743 947
REPAIR OF ELEMENTS ON TREATMENT WORKS	1 104 600	604 600	1 164 248	1 227 118	1 293 382
SEALING OF RESERVOIRS	1 078 300	1 078 300	1 136 528	1 197 901	1 262 587
MOTOR VEHICLES	3 500 000	7 200 000	3 689 000	3 888 206	4 098 169
<b>TOTAL REPAIRS &amp; MAINTENANCE</b>	<b>62 811 718</b>	<b>56 582 694</b>	<b>71 110 504</b>	<b>89 984 396</b>	<b>79 845 739</b>

The percentage of Repairs and maintenance in relation to Capital expenditure is 6 percent. The norm that National Treasury recommends is 8 percent of repairs and maintenance to capital expenditure. The operating and maintenance includes the items which are classified under the general expenditure and not in the repairs but they form part of the operating and maintenance. The items included in the general expenditure are:

- Water purification chemicals amounting to R12 million
- Electricity on water schemes – R35.6 million

When the above items which form part of operating and maintenance are included, the total amount of O&M amounts to R111 million which is 10 percent of capital expenditure which is above the recommended norm

moreover depreciation of R165 million is budgeted for which sets aside funds for planning for the future maintenance of the infrastructure.

### Contracted Services

This comprises of security fees paid to contracted security companies guarding the properties of the municipality together with the water schemes in various local municipalities and professional fees for consultants. Contracted services decreased by R43 million being 17 percent of the adjustment budget. This is mainly due decrease in items such Catering, Consultants and Water carting.

**Grants and Subsidies paid**

Comprises of Ntinga Development Agency projects, support to local municipalities and programs for the benefit of the local communities. Decrease of R40 million being 45 percent. The decrease is due to decrease in social and poverty relief and other social programs as compared to the adjustment budget.

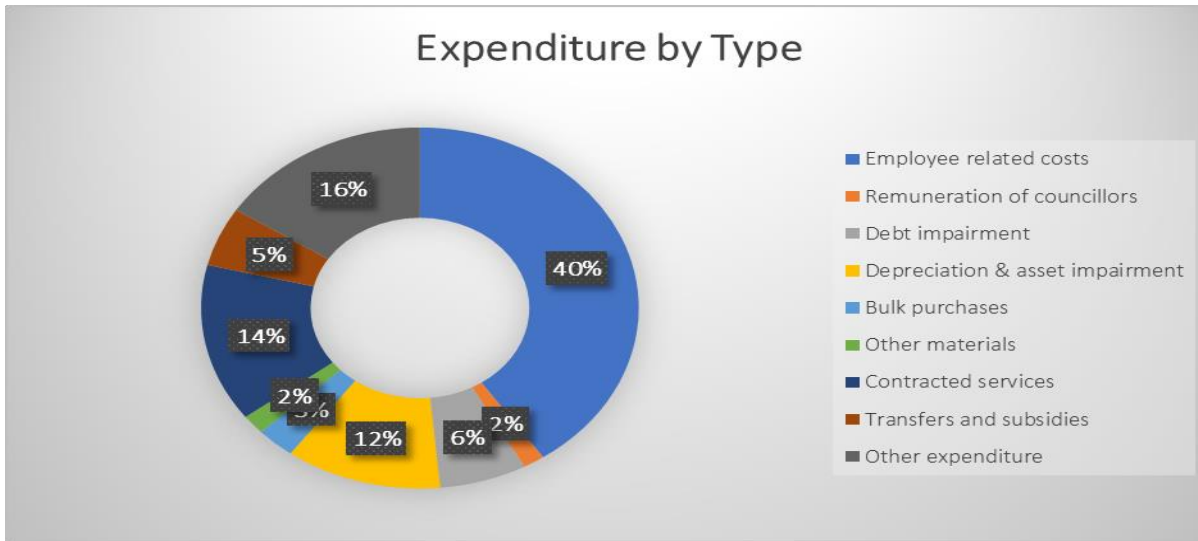
**Other Expenditure :-**

Other expenditure decreased by R58.9 million which resulted in 4 percent decrease as compared to adjustment budget. This is mainly due to decrease Hire charges, Depreciation etc. Main items comprising other expenditure are as follows:

**Figure 13: Other Expenditure**

	<b>BUDGETED 2018/2019</b>	<b>ADJUSTMENT BUDGETED 2018/2019</b>	<b>BUDGETED 2019/2020</b>	<b>BUDGETED 2020/2021</b>	<b>BUDGETED 2021/2022</b>
AUDIT FEES	9,500,000	9,500,000	10,013,000	10,553,702	11,123,602
DEPRECIATION	162,000,000	162,000,000	165,748,000	174,698,392	184,132,105
ELECTRICITY PURCHASES	36,870,200	33,870,200	35,699,191	37,626,947	39,658,802
VEHICLE FUEL & OIL	7,362,200	7,362,200	7,759,759	8,178,786	8,620,440
HIRE - EQUIPMENT & MACHINERY	6,021,500	13,021,500	6,346,661	6,689,381	7,050,607
WATER PURIFICATION CHEMICALS	13,464,400	11,464,400	12,191,478	12,849,817	13,543,708
TELEPHONE	5,523,000	17,523,000	18,469,242	19,466,581	20,517,776
SUBSISTENCE & TRAVELLING	33,336,227	50,911,508	35,121,411	36,996,368	38,972,572
COMMISSION PAID - DEBT COLLECTION	20,000,000	20,000,000	20,000,000	30,000,000	15,000,000
CO-OPERATIVE SUPPORT	12,000,000	10,000,000	8,540,000	9,001,160	9,487,223
AGRI-PACKS	15,000,000	10,200,000	7,750,800	8,169,343	8,610,488
RURAL AGRO INDUSTRIAL SUPPORT	9,500,000	9,500,000	8,013,000	8,445,702	8,901,770
REGIONAL INDUSTRIAL DEVELOPMENT PROGRAM	5,000,000	8,200,000	4,970,000	5,238,380	5,521,253
	<b>335,577,527</b>	<b>363,552,808</b>	<b>340,622,542</b>	<b>367,914,559</b>	<b>371,140,345</b>

**Figure 14: Expenditure by Type**





**Figure 15: Extract from Table A2 Budgeted Financial Performance(Functional Classification)**

Functional Classification Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	<b>1</b>									
<b>Revenue - Functional</b>										
<i>Governance and administration</i>		<b>1 039 536</b>	<b>1 098 634</b>	<b>800 097</b>	<b>474 578</b>	<b>535 857</b>	<b>535 857</b>	<b>526 534</b>	<b>521 357</b>	<b>552 624</b>
Executive and council		5 610	–	–	219 647	246 518	246 518	203 946	209 796	222 638
Finance and administration		1 033 926	1 098 634	800 097	254 931	289 339	289 339	314 029	302 457	320 303
Internal audit		–	–	–	–	–	–	8 559	9 103	9 682
<i>Community and public safety</i>		<b>3 240</b>	<b>–</b>	<b>425</b>	<b>88 660</b>	<b>129 578</b>	<b>129 578</b>	<b>124 239</b>	<b>136 158</b>	<b>144 740</b>
Community and social services		–	–	425	38 994	43 639	43 639	44 317	49 210	52 286
Sport and recreation		–	–	–	8 775	10 905	10 905	11 213	11 874	12 575
Public safety		–	–	–	23 733	31 203	31 203	30 760	34 853	37 080
Housing		–	–	–	13 647	23 380	23 380	16 118	16 965	18 026
Health		3 240	–	–	3 512	20 452	20 452	21 832	23 256	24 773
<i>Economic and environmental services</i>		<b>19 968</b>	<b>3 175</b>	<b>28 535</b>	<b>140 728</b>	<b>120 168</b>	<b>120 168</b>	<b>207 528</b>	<b>223 122</b>	<b>234 250</b>
Planning and development		17 630	3 175	25 947	91 884	85 532	85 532	167 873	182 223	190 148
Road transport		2 338	–	2 587	17 310	20 663	20 663	26 828	26 221	28 578
Environmental protection		–	–	–	31 534	13 973	13 973	14 828	14 678	15 524
<i>Trading services</i>		<b>661 837</b>	<b>758 672</b>	<b>1 362 682</b>	<b>1 733 223</b>	<b>1 916 187</b>	<b>1 916 187</b>	<b>1 640 260</b>	<b>1 542 182</b>	<b>1 678 490</b>
Energy sources		–	–	–	–	–	–	–	–	–
Water management		661 837	715 881	1 314 447	1 733 223	1 916 187	1 916 187	1 640 260	1 542 182	1 678 490
Waste water management		–	42 791	48 235	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	–	–	–	<b>5 888</b>	<b>6 615</b>	<b>6 615</b>	<b>6 819</b>	<b>7 441</b>	<b>7 888</b>
<b>Total Revenue - Functional</b>	<b>2</b>	<b>1 724 582</b>	<b>1 860 481</b>	<b>2 191 739</b>	<b>2 443 078</b>	<b>2 708 406</b>	<b>2 708 406</b>	<b>2 505 381</b>	<b>2 430 261</b>	<b>2 617 991</b>
<b>Expenditure - Functional</b>										
<i>Governance and administration</i>		<b>437 599</b>	<b>527 812</b>	<b>519 912</b>	<b>474 578</b>	<b>535 857</b>	<b>535 857</b>	<b>526 534</b>	<b>521 357</b>	<b>552 624</b>
Executive and council		131 395	127 198	185 780	219 647	246 518	246 518	203 946	209 796	222 638
Finance and administration		302 180	395 650	328 323	254 931	289 339	289 339	314 029	302 457	320 303
Internal audit		4 025	4 964	5 809	–	–	–	8 559	9 103	9 682
<i>Community and public safety</i>		<b>52 048</b>	<b>56 089</b>	<b>76 739</b>	<b>88 660</b>	<b>124 294</b>	<b>124 294</b>	<b>124 239</b>	<b>136 158</b>	<b>144 740</b>
Community and social services		23 814	25 374	34 871	38 994	43 639	43 639	44 317	49 210	52 286
Sport and recreation		4 109	4 895	5 251	8 775	10 905	10 905	11 213	11 874	12 575
Public safety		11 337	14 460	18 371	23 733	31 203	31 203	30 760	34 853	37 080
Housing		8 085	8 328	15 703	13 647	18 096	18 096	16 118	16 965	18 026
Health		4 704	3 033	2 570	3 512	20 452	20 452	21 832	23 256	24 773
<i>Economic and environmental services</i>		<b>121 552</b>	<b>119 761</b>	<b>172 419</b>	<b>137 789</b>	<b>117 229</b>	<b>117 229</b>	<b>199 113</b>	<b>212 626</b>	<b>225 751</b>
Planning and development		68 558	76 591	136 495	91 884	85 532	85 532	162 570	175 018	185 121
Road transport		30 926	18 226	9 781	14 371	17 724	17 724	21 716	22 930	25 106
Environmental protection		22 068	24 944	26 143	31 534	13 973	13 973	14 828	14 678	15 524
<i>Trading services</i>		<b>709 989</b>	<b>700 135</b>	<b>756 665</b>	<b>710 332</b>	<b>708 161</b>	<b>708 161</b>	<b>658 009</b>	<b>746 603</b>	<b>737 350</b>
Energy sources		–	–	–	–	–	–	–	–	–
Water management		709 989	700 135	756 665	710 332	708 161	708 161	658 009	746 603	737 350
Waste water management		–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–
<i>Other</i>	4	<b>2 187</b>	<b>938</b>	<b>4 697</b>	<b>5 888</b>	<b>6 615</b>	<b>6 615</b>	<b>6 819</b>	<b>7 441</b>	<b>7 888</b>
<b>Total Expenditure - Functional</b>	<b>3</b>	<b>1 323 375</b>	<b>1 404 736</b>	<b>1 530 431</b>	<b>1 417 248</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 514 716</b>	<b>1 624 185</b>	<b>1 668 352</b>
<b>Surplus/(Deficit) for the year</b>		<b>401 206</b>	<b>455 745</b>	<b>661 308</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>

**Figure 16: Extract from Table A3 Budgeted Financial Performance (Municipal Vote)**

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19			2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue by Vote</b>	1									
Vote 1 - COUNCIL AND COMMITTEES		5 610	–	–	219 647	246 518	246 518	221 893	228 834	242 833
Vote 2 - FINANCIAL AND ADMINISTRATION		1 033 926	1 098 634	800 097	254 931	289 339	289 339	306 554	294 558	311 956
Vote 3 - PLANNING AND DEVELOPMENT		17 630	3 175	25 947	91 884	85 532	85 532	165 960	180 188	187 983
Vote 4 - HEALTH		3 240	–	–	3 512	20 452	20 452	21 832	23 256	24 773
Vote 5 - COMMUNITY AND SOCIAL SERVICES		–	–	–	13 756	15 573	15 573	15 361	16 317	17 332
Vote 6 - HOUSING		–	–	–	13 647	23 380	23 380	16 118	16 965	18 026
Vote 7 - PUBLIC SAFETY		–	–	425	48 971	59 269	59 269	59 716	67 746	72 034
Vote 8 - SPORTS AND RECREATION		–	–	–	8 775	10 905	10 905	11 213	11 874	12 575
Vote 9 - ENVIRONMENTAL		–	–	–	31 534	13 973	13 973	14 828	14 678	15 524
Vote 10 - ROADS		2 338	–	2 587	17 310	20 663	20 663	24 828	26 221	28 578
Vote 11 - WATER		661 837	758 672	1 362 682	1 733 223	1 916 187	1 916 187	1 640 260	1 542 182	1 678 490
Vote 12 - TOURISM		–	–	–	5 888	6 615	6 615	6 819	7 441	7 888
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
<b>Total Revenue by Vote</b>	2	<b>1 724 582</b>	<b>1 860 481</b>	<b>2 191 739</b>	<b>2 443 078</b>	<b>2 708 406</b>	<b>2 708 406</b>	<b>2 505 381</b>	<b>2 430 261</b>	<b>2 617 991</b>
<b>Expenditure by Vote to be appropriated</b>	1									
Vote 1 - COUNCIL AND COMMITTEES		143 401	145 798	202 227	219 647	246 518	246 518	221 893	228 834	242 833
Vote 2 - FINANCIAL AND ADMINISTRATION		294 198	382 015	317 685	254 931	289 339	289 339	306 554	294 558	311 956
Vote 3 - PLANNING AND DEVELOPMENT		68 558	76 591	136 495	91 884	85 532	85 532	160 657	172 983	182 956
Vote 4 - HEALTH		4 704	3 033	2 570	3 512	20 452	20 452	21 832	23 256	24 773
Vote 5 - COMMUNITY AND SOCIAL SERVICES		11 434	11 890	11 549	13 756	15 573	15 573	15 361	16 317	17 332
Vote 6 - HOUSING		8 085	8 328	15 703	13 647	18 096	18 096	16 118	16 965	18 026
Vote 7 - PUBLIC SAFETY		23 716	27 943	41 666	48 971	59 269	59 269	59 716	67 746	72 034
Vote 8 - SPORTS AND RECREATION		4 109	4 895	5 251	8 775	10 905	10 905	11 213	11 874	12 575
Vote 9 - ENVIRONMENTAL		22 068	24 944	26 143	31 534	13 973	13 973	14 828	14 678	15 524
Vote 10 - ROADS		30 926	18 226	9 781	14 371	17 724	17 724	21 716	22 930	25 106
Vote 11 - WATER		709 989	700 135	756 665	710 332	708 161	708 161	658 009	746 603	737 350
Vote 12 - TOURISM		2 187	938	4 697	5 888	6 615	6 615	6 819	7 441	7 888
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–
<b>Total Expenditure by Vote</b>	2	<b>1 323 375</b>	<b>1 404 736</b>	<b>1 530 431</b>	<b>1 417 248</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 514 716</b>	<b>1 624 185</b>	<b>1 668 352</b>
<b>Surplus/(Deficit) for the year</b>	2	<b>401 206</b>	<b>455 745</b>	<b>661 308</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>

**Figure 17: Extract from Table A4 Budgeted Financial Performance**

Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>Revenue By Source</b>											
Property rates	2	–	–	–	–	–	–	–	–	–	–
Service charges - electricity revenue	2	–	–	–	–	–	–	–	–	–	–
Service charges - water revenue	2	156 597	164 031	182 034	199 289	205 589	205 589	205 589	214 245	233 527	254 545
Service charges - sanitation revenue	2	38 749	42 791	48 235	85 409	85 409	85 409	85 409	93 229	101 620	110 765
Service charges - refuse revenue	2	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		872	822	90	58	58	58	58	61	64	68
Interest earned - external investments		35 170	39 504	52 465	26 000	29 300	29 300	29 300	39 382	40 116	41 500
Interest earned - outstanding debtors		42 029	46 914	36 952	5 300	5 300	5 300	5 300	30 000	31 800	33 708
Dividends received		–	–	–	–	–	–	–	–	–	–
Fines, penalties and forfeits		–	–	–	–	–	–	–	–	–	–
Licences and permits		–	–	–	–	–	–	–	–	–	–
Agency services		714	407	77	–	–	–	–	–	–	–
Transfers and subsidies		857 966	644 152	894 182	798 523	798 523	798 523	798 523	863 952	920 935	991 442
Other revenue	2	101 176	136 725	156 114	306 169	371 478	371 478	371 478	281 567	307 046	245 267
Gains on disposal of PPE		163	237	301	–	–	–	–	40	40	40
<b>Total Revenue (excluding capital transfers and contributions)</b>		<b>1 233 437</b>	<b>1 075 584</b>	<b>1 370 451</b>	<b>1 420 748</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 495 657</b>	<b>1 522 476</b>	<b>1 635 148</b>	<b>1 677 334</b>
<b>Expenditure By Type</b>											
Employee related costs	2	393 172	436 331	545 646	500 435	543 197	543 197	543 197	625 440	668 953	713 467
Remuneration of councillors		17 601	17 750	20 305	27 677	21 197	21 197	21 197	22 659	24 166	25 773
Debt impairment	3	107 782	147 042	89 118	87 671	87 671	87 671	87 671	92 405	97 395	82 655
Depreciation & asset impairment	2	156 134	164 456	163 241	162 000	162 000	162 000	162 000	170 472	179 422	188 856
Finance charges		579	12 770	9 152	–	–	–	–	39	42	47
Bulk purchases	2	43 845	42 407	44 257	70 500	67 500	67 500	67 500	41 145	43 367	45 709
Other materials	8	75 027	26 844	41 554	62 812	21 234	21 234	21 234	24 759	26 096	27 505
Contracted services		29 036	174 491	229 344	42 664	249 092	249 092	249 092	206 417	239 520	220 834
Transfers and subsidies		122 981	112 120	65 831	91 579	88 235	88 235	88 235	48 646	50 912	53 290
Other expenditure	4, 5	377 137	254 034	299 825	371 911	252 030	252 030	252 030	282 735	294 312	310 218
Loss on disposal of PPE		81	16 491	22 158	–	–	–	–	–	–	–
<b>Total Expenditure</b>		<b>1 323 375</b>	<b>1 404 736</b>	<b>1 530 431</b>	<b>1 417 248</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 492 157</b>	<b>1 514 716</b>	<b>1 624 185</b>	<b>1 668 352</b>
<b>Surplus/(Deficit)</b>		<b>(89 938)</b>	<b>(329 152)</b>	<b>(159 980)</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>7 760</b>	<b>10 963</b>	<b>8 983</b>
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		491 145	784 897	819 422	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Transfers and subsidies - capital (in-kind - all)	6	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>		<b>401 206</b>	<b>455 745</b>	<b>659 442</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>
Taxation		–	–	(1 866)	–	–	–	–	–	–	–
<b>Surplus/(Deficit) after taxation</b>		<b>401 206</b>	<b>455 745</b>	<b>661 308</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) attributable to municipality</b>		<b>401 206</b>	<b>455 745</b>	<b>661 308</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
<b>Surplus/(Deficit) for the year</b>		<b>401 206</b>	<b>455 745</b>	<b>661 308</b>	<b>1 025 830</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>1 216 249</b>	<b>990 665</b>	<b>806 076</b>	<b>949 640</b>

**Figure 18: Capital Expenditure**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
Capital Expenditure	1 184 390 453	1 344 541 615	1 129 972 533	917 136 779	1 043 955 660

Capital expenditure decreased by R215 million as compared with adjustment budget resulting in 16 percent decrease. The main reasons for the decrease is the municipality received additional grant for drought relief during the adjustment budget and that caused the capital expenditure to increase during the adjustment. The main contributors to the decrease are WSIG from R275 million to R100 million while RBIG decreased from R309 million to R246 million.

**Capital expenditure is mainly comprised of :-**

**New Assets -**

- Municipal Infrastructure Grant - R633 million
- Regional Bulk Infrastructure Grant - R246 million
- Water Services Infrastructure Grant - R100 million

- Motor Vehicles - R11.5 million
- Buildings - R15 million
- Fire Fighting Equipment - R5 million
- Disaster facilities - R30 million
- Provision of public toilets - R4.8 million

**Asset Renewal (replacement) –**

- Refurbishment of Water Schemes – R22.5 million
- Water Meters - R10 million
- Sewerage Reticulation - R10 million
- Water Pump Stations - R5.2 million
- Maintenance of Pipe Leaks - R3.2 million
- Element of Treatment Works - R1 million

**Figure 19: Extract From Table A5 Budgeted Capital Expenditure**

Vote Description	Ref	2015/16	2016/17	2017/18	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
<b>R thousand</b>	1										
Vote 1 - COUNCIL AND COMMITTEES		–	–	157	3 600	3 400	3 400	3 400	2 000	2 000	–
Vote 2 - FINANCIAL AND ADMINISTRATION		18 727	15 562	41 791	36 912	37 412	37 412	37 412	21 836	10 154	8 612
Vote 3 - PLANNING AND DEVELOPMENT		336	–	–	600	600	600	600	6 745	5 780	4 459
Vote 4 - HEALTH		–	–	–	1 100	100	100	100	120	–	–
Vote 5 - COMMUNITY AND SOCIAL SERVICES		–	–	–	–	–	–	–	–	–	–
Vote 6 - HOUSING		–	–	–	4 250	9 544	9 544	9 544	3 545	45	45
Vote 7 - PUBLIC SAFETY		–	–	–	3 600	3 600	3 600	3 600	8 000	5 500	5 500
Vote 8 - SPORTS AND RECREATION		–	–	–	–	–	–	–	–	–	–
Vote 9 - ENVIRONMENTAL		–	–	–	3 500	3 500	3 500	3 500	–	–	–
Vote 10 - ROADS		–	–	–	19 439	14 439	14 439	14 439	48 112	13 291	3 472
Vote 11 - WATER		491 145	784 897	808 054	1 111 390	1 271 947	1 271 947	1 271 947	1 039 614	880 367	1 021 867
Vote 12 - TOURISM		–	–	–	–	–	–	–	–	–	–
Vote 13 - [NAME OF VOTE 13]		–	–	–	–	–	–	–	–	–	–
Vote 14 - [NAME OF VOTE 14]		–	–	–	–	–	–	–	–	–	–
Vote 15 - [NAME OF VOTE 15]		–	–	–	–	–	–	–	–	–	–
<b>Capital single-year expenditure sub-total</b>		<b>510 208</b>	<b>800 459</b>	<b>850 003</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Total Capital Expenditure - Vote</b>		<b>510 208</b>	<b>800 459</b>	<b>850 003</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Capital Expenditure - Functional</b>											
<b>Governance and administration</b>		<b>18 727</b>	<b>15 562</b>	<b>38 868</b>	<b>40 512</b>	<b>40 812</b>	<b>40 812</b>	<b>40 812</b>	<b>23 836</b>	<b>12 154</b>	<b>8 612</b>
Executive and council		–	–	157	3 600	3 400	3 400	3 400	2 000	2 000	–
Finance and administration		18 727	15 562	38 711	36 912	37 412	37 412	37 412	21 836	10 154	8 612
Internal audit		–	–	–	–	–	–	–	–	–	–
<b>Community and public safety</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>8 950</b>	<b>13 244</b>	<b>13 244</b>	<b>13 244</b>	<b>11 665</b>	<b>5 545</b>	<b>5 545</b>
Community and social services		–	–	–	–	–	–	–	–	–	–
Sport and recreation		–	–	–	–	–	–	–	–	–	–
Public safety		–	–	–	3 600	3 600	3 600	3 600	8 000	5 500	5 500
Housing		–	–	–	4 250	9 544	9 544	9 544	3 545	45	45
Health		–	–	–	1 100	100	100	100	120	–	–
<b>Economic and environmental services</b>		<b>336</b>	<b>1 776</b>	<b>9 834</b>	<b>23 539</b>	<b>18 539</b>	<b>18 539</b>	<b>18 539</b>	<b>54 857</b>	<b>19 071</b>	<b>7 931</b>
Planning and development		336	1 776	9 834	600	600	600	600	6 745	5 780	4 459
Road transport		–	–	–	19 439	14 439	14 439	14 439	48 112	13 291	3 472
Environmental protection		–	–	–	3 500	3 500	3 500	3 500	–	–	–
<b>Trading services</b>		<b>491 145</b>	<b>784 897</b>	<b>808 054</b>	<b>1 111 390</b>	<b>1 271 947</b>	<b>1 271 947</b>	<b>1 271 947</b>	<b>1 039 614</b>	<b>880 367</b>	<b>1 021 867</b>
Energy sources		–	–	–	–	–	–	–	–	–	–
Water management		491 145	784 897	808 054	1 111 390	1 271 947	1 271 947	1 271 947	1 039 614	880 367	1 021 867
Waste water management		–	–	–	–	–	–	–	–	–	–
Waste management		–	–	–	–	–	–	–	–	–	–
<b>Other</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total Capital Expenditure - Functional</b>	3	<b>510 208</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>
<b>Funded by:</b>											
National Government		–	–	–	1 022 330	1 212 749	1 212 749	1 212 749	982 905	795 113	940 657
Provincial Government		–	–	–	–	–	–	–	–	–	–
District Municipality		–	–	–	–	–	–	–	–	–	–
Other transfers and grants		–	–	–	–	–	–	–	–	–	–
<b>Transfers recognised - capital</b>	4	<b>–</b>	<b>–</b>	<b>–</b>	<b>1 022 330</b>	<b>1 212 749</b>	<b>1 212 749</b>	<b>1 212 749</b>	<b>982 905</b>	<b>795 113</b>	<b>940 657</b>
<b>Borrowing</b>	6	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Internally generated funds</b>		<b>28 854</b>	<b>802 234</b>	<b>856 756</b>	<b>162 060</b>	<b>131 792</b>	<b>131 792</b>	<b>131 792</b>	<b>147 068</b>	<b>122 024</b>	<b>103 299</b>
<b>Total Capital Funding</b>	7	<b>28 854</b>	<b>802 234</b>	<b>856 756</b>	<b>1 184 390</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 344 542</b>	<b>1 129 973</b>	<b>917 137</b>	<b>1 043 956</b>

**Figure 20: Grant Allocation over 2018/2019 MTREF**

DESCRIPTION	BUDGETED 2018/2019	ADJUSTMENT BUDGETED 2018/2019	BUDGETED 2019/2020	BUDGETED 2020/2021	BUDGETED 2021/2022
EQUITABLE SHARE	791 526 000.00	791 526 000.00	855 543 000.00	918 820 000.00	989 327 000.00
FMG	2 115 000.00	2 115 000.00	2 115 000.00	2 115 000.00	2 115 000.00
EPWP	4 882 000.00	4 882 000.00	6 294 000.00	-	-
MIG	619 684 000.00	619 684 000.00	633 395 000.00	671 322 000.00	725 882 000.00
RBIG	309 707 000.00	309 707 000.00	246 398 000.00	15 000 000.00	60 000 000.00
WSIG	90 000 000.00	275 135 000.00	100 000 000.00	105 500 000.00	151 303 000.00
RRAMS	2 939 000.00	2 939 000.00	3 112 000.00	3 291 000.00	3 472 000.00
	<b>1 820 853 000</b>	<b>2 005 988 000</b>	<b>1 846 857 000</b>	<b>1 716 048 000</b>	<b>1 932 099 000</b>

## 5.5 PAST FINANCIAL PERFORMANCE

### 2017/2018 Audited Results

The municipality obtained a qualified audit opinion in the 2017/18 financial year.

### 2018/19 Mid-Year Performance Results

The mid-year performance results are as follows:

**Table 28: Capital Expenditure**

DESCRIPTION	ORIGINAL BUDGET	MID-YEAR PROJECTION	MID-YEAR ACTUAL OUTCOME	MID-YEAR VARIANCE	MID-YEAR VARIANCE %
Capital expenditure					
Municipal Infrastructure Grants	R645 218 000	R433 187 366	R299 076 306	R134 111 060	30.96%
Other Capital Expenditure	R576 179 700	R314 671 993	R210 995 684	R103 686 309	32.95%
Total	R1 221 397 700	R747 859 359	R510 061 990	R237 797 369	31.80%

**Table 29: Operating Expenditure**

DESCRIPTION	ORIGINAL BUDGET	MID-YEAR PROJECTION	MID-YEAR OUTCOME	MID-YEAR VARIANCE	% VARIANCE
Expenditure by type					
Employee costs	R418 202 541	R299 101 271	R227 654 009	R18 553 738	-8.7%
Remuneration to Councillors	R17 589 496	R8 794 748	R8 923 439	R128 691	-1.46%
Bulk purchases	R73 550 000	R36 775 000	R13 434 607	R23 340 393	63.47%
Other materials (R&M)	R87 596 804	R44 285 000	R12 189 321	R32 095 679	72.48%
Contracted services	R20 750 000	R10 375 000	R8 390 922	R1 984 078	19.12%
Tendered grants	R33 404 203	R22 470 465	R17 762 950	R4 707 515	20.95%
Other expenses	R456 129 910	R252 034 655	R179 530 951	R72 503 704	28.77%
<b>Total Operating Expenses</b>	<b>R1 101 222 964</b>	<b>R583 836 138</b>	<b>R467 886 199</b>	<b>R115 949 939</b>	<b>19.86%</b>

## 5.6 OVERVIEW OF BUDGET RELATED POLICIES

### 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.

### 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 reviewed 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 2017/18 financial year. With the introduction of MSCOA costing methodology as prescribed by the National Treasury, the municipality is in a process of determining the cost of providing services which will be used as the basis of determining the new tariffs. Once this process is completed a tariff implementation plan will be developed and approved by the council.

### **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 R162 million, the District Municipality requires this amount (R162 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 a funds for of R68 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).



## CHAPTER 6: SERVICE DELIVERY PROGRAMMES AND PROJECTS

### 6.1 INTRODUCTION

This chapter contains details on all projects identified to give effect to the objectives and strategies in the Integrated Development Plan. Emerging from the Strategic Planning Session that was held by the leadership of the District and its broader stakeholders, there are key projects and programmes that were identified as strategic for the panning of 2019/2020 financial year. These programmes and projects were consolidated as per the Key Performance Areas of Local Government. In their broader context they serve to address the socio economic challenges that have been identified in the situational analysis (refer to chapter 2). The programmes and projects are futher articulated in the Municipal Scorecard whilst some have been captured by sector departments in their plans. These are holistic initiatives aimed at realising development in the District in an integrated manner. The projects are categorized as follows:

- Key Institutional Strategic Programmes
- National and Provincial Sector Departments and Entities – Projects

### 6.2 PROJECTS FOR 2019 – 2020 FINANCIAL YEAR

<b>KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)</b>			
<b>Goal(s): To promote integrated sustainable community livelihoods</b>			
<b>Goal(s): To provide conducive, adequate and accessible infrastructure</b>			
<b>Goal(s): To provide water and sanitation to every village/community</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
COMMUNITY SERVICES	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	P001 Early Childhood Development	R 1,111,970
	2. To provide support in the reduction of crime in the District on an annual basis	P002 Coastal and Falls Safety Programmes	R 2,372,849
		P003 School safety and crime prevention programme	R 244,492

<b>KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)</b>			
<b>Goal(s): To promote integrated sustainable community livelihoods</b>			
<b>Goal(s): To provide conducive, adequate and accessible infrastructure</b>			
<b>Goal(s): To provide water and sanitation to every village/community</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
		P090 Community Safety Plans	
	3. To provide the best possible municipal health and environmental services to the population of the District	P004 District Municipal Health and Environmental Plan	R 1,623,160
	4. To provide support to sports, recreation, arts, cultural affairs and heritage development and practice	P005 Sports, Recreation, Arts, Cultural Affairs and Heritage Initiatives	R 6,641,253
	5. To promote a sustainable and integrated approach to Disaster Risk Management across the District	P006 Disaster Impact Assessment and Relief	R 1,783,960
		P007 Localised Severe Weather Early Warning System	R 3,000,000
		P091 Localised Severe Weather Early Warning System Monitoring	
	6. To ensure that fire and emergency incidents are responded to within the required turnaround times	P008 Response time to fire incidents	R 2,554,139
EXECUTIVE MAYORAL SERVICES	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	P009 Financial Aid Assistance	R 3,114,500
		P010 Schools Support	R 1,054,000
		P011 Livelihood Improvement and Greater Household Transformation	R 10,026,862
	7. To instill a sense of community through the organisation of special events	P012 National and International Icons celebration	R 3,997,000
HUMAN SETTLEMENTS	8. To ensure the provision of Human Settlements programmes within the District	P013 Emergency Housing	R 44,877,219
		P014 Housing Consumer Education	R 142,482
		P015 Adam Kok Farm Housing	R 3,000,000

<b>KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)</b>			
<b>Goal(s): To promote integrated sustainable community livelihoods</b>			
<b>Goal(s): To provide conducive, adequate and accessible infrastructure</b>			
<b>Goal(s): To provide water and sanitation to every village/community</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
		P016 Temporal Structures	R 500,000
	16. To establish the necessary support structures to improve the provision of Human Settlements on a continuous basis	P092 District Housing Strategy	R 277,202
RURAL ECONOMIC AND DEVELOPMENT PLANNING	9. To recycle 70% of all waste	P017 Landfill Management	R 4,493,200
	17. To ensure that at least 80% of projects comply with environmental regulations	P093 Environmental Impact Assessment Compliance	
TECHNICAL SERVICES	10. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity	P019 Non-motorised transport	R 0
		P020 Upgrade of Roads	R 5,112,000
		P021 Road Surfacing	
		P087 Prosperity Building	R 15,000,000
	P094 OR Tambo Offices		
	P089 Rural Road Asset Management System	R 3,112,000	
	5. To promote a sustainable and integrated approach to Disaster Risk Management across the District	P022 District Disaster Management Centre	R 30,000,000
WATER AND SANITATION	11. To provide reliable water and sanitation services	P023 Water Quality (Blue Drop)	R 1,136,124
		P024 Effluent Quality (Green Drop)	R 582,124
	12. To expedite the reduction of water and sanitation backlogs	P026 Rain water harvesting	R 1,164,248
		P027 Water Carting	R 20,000,000
		P028 Access to Water Services	R 41,145,000
		P029 Access to Sanitation Services	R 103,600,000

<b>KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)</b>			
<b>Goal(s): To promote integrated sustainable community livelihoods</b>			
<b>Goal(s): To provide conducive, adequate and accessible infrastructure</b>			
<b>Goal(s): To provide water and sanitation to every village/community</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
		P030 Free Basic Services	R 0
		P031 Water Projects	R 157,553,248
		P032 Refurbishment of existing water treatment works	R 1,108,808
		P033 Refurbishment of stand-alone schemes	R 10,000,000
		P034 Eradication of sanitation backlog	R 103,600,000
		P035 Construction/Refurbishment of ablution facilities	R 4,843,984
		P036 VIP Sludge Management	R 11,088,080
		P037 Sanitation Projects	R 1,989,460
	13. To reduce water losses from 27% to 20%	P038 Water Conservation and Demand Management	R 3,162,000
	14. To improve access to spatial information and data management for planning and service delivery	P039 Development of spatial database in the District	R 80,262
	15. To improve response time to complaints raised at the call centre	P095 Call Centre Management	R 536,697

<b>KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)</b>			
<b>Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
HUMAN SETTLEMENTS	1. To capacitate 400 emerging contractors	P040 NHBRC Community Capacity Building	R 142,482
		P041 Spatial Development Frameworks	R 666,550

<b>KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)</b>			
<b>Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
RURAL, ECONOMIC AND DEVELOPMENT PLANNING (REDP)	2. To assist all municipalities in the district to be SPLUMA compliant	P042 SPLUMA Initiatives	R 872,069
	3. To establish a fully functional value chain recycling programme	P096 Regional Recycling	R 4,493,200
	4. To improve air quality and environmental management in the district	P043 Environmental Management	R 2,803,900
	5. To promote tourism in the District	P044 Tourism development	R 1,112,212
	6. To boost agriculture contribution and improve food security in the District	P046 RAFI (Rural Agro-industrialisation Finance Initiative) Implementation	R 8,013,000
		P097 Agro-Processing Sector Partnership Programmes	R 7,750,800
		P098 Aquaculture and Forestry Development	R 632,400
	7. To provide support to entrepreneurs, create employment opportunities and boost investment to grow the district economy	P047 Informal trade, Enterprises, Cooperatives and SMME support	R 8,540,000
		P048 Employment Creation	R 8,521,497

<b>KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)</b>			
<b>Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
BUDGET & TREASURY OFFICE (BTO)	1. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	P049 Collection Rate	R 0
		P050 Cost coverage	R 0
		P051 Revenue Collection	R 0
		P052 Cash Investment	R 0
		P099 Debt Coverage	R 0

<b>KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)</b>			
<b>Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
WATER AND SANITATION	2. To improve the internal control environment and enhance efficiencies in expenditure management	P053 Capital Budget	R 0
		P054 Salaries	R 0
		P055 Payments	R 0
BUDGET & TREASURY OFFICE (BTO)	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines	P056 mSCOA	R 2,000,000
	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis	P057 Annual Financial Statements	R 9,612,200
	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management	P058 Supply Chain Management	
	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant	P059 mSCOA compliant Budget	
	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	P060 GRAP Compliant Asset Register	

<b>KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)</b>				
<b>Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance</b>				
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>	
EXECUTIVE MAYORAL SERVICES	1. To instill good governance and strengthen public participation through effective communication between Municipalities and communities	P061 O.R Tambo Ambassador Development Initiatives	R 1,054,000	
LEGISLATIVE SERVICES	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	P062 Municipal Oversight Model	R 1,009,015	
		P100 Speakers Outreach	R 2,000,000	
		P101 Whippery Constituency		
OFFICE OF THE MUNICIPAL MANAGER	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	P063 Risk Management Charter	R 851,009	
		P064 Implementation of Risk Strategy		
		P102 Risk Management		
		P065 District Fraud Hotline		
		P103 IGR Coordination		
		P105 ISDM Implementation		
		P104 Municipal Support Framework		R 550,610
		P066 Municipal Support		
	3. To ensure effective, well-coordinated and integrated district wide communication	P106 Integrated Communications Policy and Strategy	R 5,213,183	
		P067 Communication Initiatives		
	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	P068 Institutional Performance	R 1,397,098	
		P069 PMS Policy & Framework Implementation		
		P070 mSCOA compliant IDP	R 4,287,294	
		P071 District Development Plan Initiatives		
	P072 Service Delivery Budget and Implementation Plan			
5. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	P073 Litigations	R 6,014,651		
6. To obtain a clean audit opinion	P074 Audit Opinion	R 0		

<b>KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)</b>			
<b>Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
		P075 Follow-up audit	R 0
		P076 Internal Audit Support	R 0
		P077 Risk Based Internal Audit Plan	R 0

<b>KEY PERFORMANCE AREA (KPA 5): MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)</b>			
<b>Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.</b>			
<b>Department</b>	<b>Strategic Objective</b>	<b>Project</b>	<b>Budget 19/20</b>
CORPORATE SERVICES	1. To effectively and efficiently recruit and retain competent Human Capital	P078 Recruitment and Selection	R 698,549
	2. To ensure a well-trained, motivated and professional workforce	P079 Workplace Skills Plan (WSP) Budget	R 6,735,619
		P080 WSP Training Programmes	
	3. To increase the number of people from employment equity target groups in the three highest levels of management	P107 Employment Equity Plan Implementation	R0
	4. To provide effective and efficient human resources and corporate administration support	P082 EAP & OHS Programmes	R 1,091,969
		P083 ICT Risk Assessment	R 0
		P108 ICT Annual Plan	R 1,131,750
		P084 Safety & Security	R 23,570,060
		P085 Records Management	R 584,487



### 6.3 KEY INSTITUTIONAL STRATEGIC PROGRAMMES

**Table 30: Basic Service Delivery & Infrastructure**

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
Disaster Risk Management and Fire Services	Construction of ORTDM Main Disaster Risk Management and Fire Services Centre	Nyandeni	R87 million	Equitable share	ORTDM
	Construction of satellite centres	1. Mhlontlo, Tsolo Junction 2. Ingquza Hill 3. PSJ			ORTDM,
	Construction of Disaster Risk Management and Fire Services main centre	KSD			KSD, ORTDM
“Coordination of IGR Structures and intervention in the implementation of Human settlements, transport, roads and electricity”	Roads and transport forum	All		Equitable Share	ORTDM
	District-wide Infrastructure Forum	All		Equitable Share	ORTDM, External Stakeholders
	Water Services				
Roads and Transport planning	Rural Roads Asset Management	All	R3,1m	RRAMS	ORTDM
	Review of District Integrated Transport Plan	All	R500,000	Equitable Share	ORTDM

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
Roads Maintenance and refurbishment	Refurbishment of Xabane AR	Mhlontlo LM	R8m	Equitable Share	ORTDM
	Refurbishment of Dumrana AR	KSD LM	R4m	Equitable Share	ORTDM
	Refurbishment of Gurha Store via Ngxotho - Mafusisni AR	Mhlontlo	R2,5m	Equitable Share	ORTDM
	Refurbishment of New Rest AR	Nyandeni	R3m	Equitable Share	ORTDM
	Refurbishment of R61 – Mngazi AR	PSJ	R2,5m	Equitable Share	ORTDM
	Rehabilitation of 2km dilapidated surfaced roads	KSD	R3m	Equitable Share	ORTDM
Maintenance of existing Building facilities	Renovation of Prosperity Building – phase 2	ORT	R1,5m	Equitable Share	ORTDM
	Renovation and fencing of Government Printers Offices	ORT	R4,5m	Equitable Share	ORTDM
	Renovations at Port St Johns Offices	PSJ	R1,5m	Equitable Share	ORTDM
	Renovations of Sutherland Offices	ORT	R2,5m	Equitable Share	ORTDM

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
Electricity and Energy Efficiency Planning	Develop District Wide Electricity Sector Plan	All	R500,000	Equitable Share	ORTDM
	Energy Conservation	ORTDM	R500,000	ES	ORTDM
Landscape Re-engineering	Beautification of Umtata	KSD	R3,5m	Equitable Share	ORTDM
Quality of Water & Sanitation Services  (Compliance to SANS 241: 2015 )	Blue Drop	All	R2m	Equitable share	ORTDM
Quality of Water & Sanitation Services  (compliance 241: 2015)	Green Drop	All	R1m	Equitable share	ORTDM
Blue and Green drop & No drop Compliance	Classification of WTW, WWTW, Process Controllers, Review of WSA, W2RAP, Lab equipment,	All	R3m	Equitable share	ORTDM
<b>Refurbishment of Non-functional Schemes (O&amp;M)</b>	Refurbishment of existing water treatment works	Chulunca, Mvumelwano and Rosedale	R50m	Equitable share	ORTDM
	Refurbishment of stand-alone schemes	All	R2m	Equitable share	ORTDM

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
	Construction/Refurbishment of ablution facilities:	Construction of public toilets at Lusikisiki, Coffee and Ntlaza	R4.5m	Equitable share	ORTDM
	Refurbishment of Sewer & water reticulation	All	R5m	Equitable share	ORTDM
Expansion of Water Services	Number of water projects to be completed ( list available)	All	R 435 698 291,66	MIG	ORTDM
	Number of water projects to be completed ( list available)	KSD Nyandeni	R246 398 000	RBIG	ORTDM
	Number of water projects to be completed ( list available)	All LMs	R100 000 000	WSIG	ORTDM
Expansion of Sanitation Services	A total of 11 268 Improved Pit (VIP) toilets to be provided	Ingquza Wards 8, 15 & 29, PSJ Wards 8 & 18, KSD ward 18, Mhlontlo wards 21 & 22	R 124 246 481,68	MIG	ORTDM
Expansion of Sanitation Services	Flagstaff Extension Ph2	Ingquza	R69,3m	MIG	ORTDM
	Tsolo WWTW & pump station	Mhlontlo	R82.3m	MIG	ORTDM
	Libode Sewage Treatment Works Phase 1	Nyandeni	51.2m	MIG	ORTDM
	Lusikisiki Sewers & WWTW phase 2	Ingquza	136.7m	MIG	ORTDM

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
	PSJ Sewer Reticulation & Upgrade	PSJ	R21.7m	MIG	ORTDM
Reduction in year to year water losses	Installation of bulk water meters	All WTW, Command reservoirs and supplying reservoirs	R6 200 000	Equitable share	ORTDM
Expansion of Sanitation Services	Lusikisiki Sewers & WWTW phase 2	Ingquza	136.7m	MIG	ORTDM
	PSJ Sewer Reticulation & Upgrade	PSJ	R21.7m	MIG	ORTDM
Reduction in year to year water losses	Installation of bulk water meters	All WTW, Command reservoirs and supplying reservoirs	R6 200 000	Equitable share	ORTDM
	Smart City: Utilization of Fourth Industrial Revolution systems to detect water leaks	All		Equitable Share	ORTDM
Improve Effectiveness of Call Centre (customer care centre)	Ensuring proper management and call centre systems (Thetha Nathi App)	All	R1 000 000	Equitable share	ORTDM
	Establishment of Satellite offices that will deal with water & Sanitation issues/problems	All	R3 000 000	Equitable share	ORTDM
	Review of Consumer Charter	ORTDM	R150 000	Equitable share	ORTDM
Data Management	Development of spatial database in the District	All	R1 500 000	Equitable share	ORTDM

Priority Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs	Source of funding	Responsible Institution (s)
Accelerate Delivery of Human Settlements Development	Social Relief Houses	All LM's	R12 M	Grant Funding / Equitable share	ORTDM/ PDHS/ LM's
	Mbokazi & Mabhulwini	PSJ	R47 M	Grant Funding	ORTDM/PDHS/ LM's
	Emergency Housing (temporal shelters)	All	R27 M	Grant Funding / Equitable share	ORTDM/ NDHS/ LM's
	Capturing of National Housing Needs Register Forms	Mhlontlo, Nyandeni, Ingquza	R 500 000	Equitable share	ORTDM/ LM's
	Informal Settlements Upgrading	PSJ, Ingquza, KSD	R133 M	Grant Funding	ORTDM/ NDHS/ LM's
	Consumer Education	All LM's	R1M	Equitable Share	ORTDM/ LM's
	Construction of Adam Kok Farm Workers Houses		R7M	Equitable share	ORTDM/ Ntinga

**Table 31: Financial Viability**

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Asset Management	1. Capital Investment for Revenue Expansion	To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	District	N/A	Equitable share

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Asset and Liability Management	2. Packaging of Investment for viable financial model	To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	District	N/A	Loans
Expenditure Management	3. Operations and Model over MTEF	To improve the internal control environment and enhance efficiencies in expenditure management	District	N/A	Equitable share and Own Revenue
Revenue Management	4. Improvement of billing through bulk SMS and emails.	. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	District	N/A	Equitable share
Revenue Management	5. Continuous interaction with Communities	To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	District	N/A	Equitable share

**Table 32: Municipal Transformation**

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Human Resource Development	Skills Development Centre	To ensure a well-trained, motivated and professional workforce	District Wide	R3m	Equitable Share

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
	Rollout of Internships			R1m	Equitable Share SETAs
ICT Enhancement(District Wide)	ICT Governance	To provide effective and efficient human resource and corporate administration support	District Wide	R3m	Equitable Share
Employment Equity Recruitment and Selection	Recruitment of people from designated groups	To increase the number of people from employment equity target groups in the three highest levels of management	District Wide	Employee Cost	Equitable Share

**Table 33: Local Economic Development**

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Development and implementation of SDFs, Precinct Plans and LUMS	Mthatha Future Metro Region UDP Mpande & Mngazana LSDFs	To develop SPLUMA compliant strategic plans	KSD, Nyandeni, and Mhlontlo	R632 400	ORTDM
SPLUMA Initiatives implemented	Consultation meetings/workshops held in collaboration with LMS and relevant sector departments		All 5 LMS	R827 390	ORTDM
SDF	Ingquza/ Mbizana Future Metro Region SDF		Ingquza Hill and Mbizana LM's	R1000 000	ORTDM
To promote tourism in the district	Six Day Hiking Trail (from PSJ-Hole in the Wall)	Coordinate Development of the Tourism Destination	KSD, Nyandeni and PSJ	R1 000 000	Department of Tourism & Eastern Cape and



Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
					Tourism agency
	Hole in the wall Development		KSD	R10 000 000	ORTDM
	Wild Coast Tourism corridor		Coast Municipalities	0.00	National Department of Tourism
	Development and Installation of Signage		All local Municipalities	R 200 000	ORTDM
To promote tourism in the district	Mthatha Dam Development installation of Ablution facilities, braai facilities, bins, cleaners and provision of lights	Coordinate Development of the Tourism Destination	KSD	R 1 000 000.00	ORTDM
	Ntafufu River Month Development		PSJ	R 200 000.00	ORTDM
	Capacity Building for Tourism Product Owners		All Local Municipalities	R 500 000.00	ORTDM
	Visual Arts and Craft Development		ORTDM	R 500 000.00	ORTDM
To promote tourism in the district	Wild Coast Meandor	Facilitation of Infrastructure Development	PSJ and KSD		Public Works /SANRAL
	Tourism Infrastructure Audit		All Local Municipalities	R 200 000.00	ORTDM
To promote tourism in the district	Development of promotional Material	Tourism Marketing	All Local Municipalities	R 300 000.00	ORTDM
	Digital Transformation: Website update, app development		All Local Municipalities	R 200 000.00	ORTDM
	Tourism Indaba		All Local Municipalities	R 700 000.00	ORTDM
	Tourism Lilizela Awards		Provincial	R 700 000.00	ORTDM

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding	
To promote tourism in the district	O.R Tambo Tourism Beach Sport	Tourism Education and Awareness	All Local Municipalities	R1 000 000.00	ORTDM	
	Tourism Awareness programs		All Local Municipalities	R 1000 000.00	ORTDM	
	Strengthening functionality of tourism organisations, encouraging private sector involvement	RTO/LTO	All Local Municipalities	R 600 000.00	ORTDM	
RAFI	3 Tractors per LM	Agriculture and Agro processing	All 5 LMs	R 15 000 000	ORTDM	
Develop Database to categorize waste volumes e.g. plastic, metal	Recyclable Waste volume weighing and recording in all LMs	To establish a fully functional value chain recycling programme	All LMs	R200 000	ORTDM	
Capacity building and mobilization of communities for recycling cooperatives	Conduct community outreach and awareness programs		All LMs	R500 000	ORTDM	
Industrialization of waste recycling through	Researching and fund mobilization for value chain production and bio-gas production		All LMs	R200 000	ORTDM	
Processing and production from waste			All LMs	R3M	ORTDM	
Job creation and Involvement of communities in waste management	Direct and indirect employment creation					
Collection of all types of recyclable waste	Vehicle sourcing for transportation of		To establish a fully functional value chain recycling programme	All LMs	R8M	ORTDM

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding	
including metal waste collected by communities along the national and regional roads.	recyclable material from the cooperatives					
Review and development of Environmental mandated Sector plans in the district (IWMP, EMP, AQMP, BSP, Climate change response and mitigation strategy, CMP, Waste Management by-laws in LMs)	Environmental Quality planning		To improve environmental management for sustainable development in the district	DM	R3M	ORTDM
Establishment of buy-back centres in all our LM to accommodate newly established cooperatives	Cooperative and buy back centre establishment		To recycle 70% of all waste	All LMs	R8M	ORTDM
Enhancing processing and packaging of recyclable products	Clustering and Establishment of satellite processing centres			DM	R3M	ORTDM
Sourcing assistance from stakeholders for basic infrastructure development to enable smooth recycling process	Partnership establishment with local municipalities			All LMs	R3M	LMs and DM
Intensify waste collection and sorting in communities	Establishment of waste drop-off centres for community member who are not interested in selling waste			All LMs	R4M	ORTDM

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)		Estimated Costs	Source of funding
Linking all land fill operation with the regional recycling program	Establishment of material recovery facilities and waste sorting centres in landfills		To recycle 70% of all waste	All LMs	R3M	ORTDM
Waste information system	Registering and recording recyclable volumes in (South African Waste Information System) SAWIS			All LMs	R3M	ORTDM
Assist in pursuing Environment Impact Assessment in project planning	Conducting project screening for EIA purposes		To ensure that at least 100% of projects comply with environmental regulations	All LMs	R00	ORTDM
	Developing Database for all projects requiring EIA and in cooperate them in the IDP				R00	ORTDM
	Conduct project visits and monitoring for EIA compliance					

**Table 34: Community & Social Services**

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Community Safety	Developed and support LM's with community safety plans	2. To provide support in the reduction of crime in the District on an annual basis	5 LM's	250,000	EQ
	Assist Locals in establishing fully functional community Safety Forums		3 LM's (PSJ, KSD, Ingquza Hill)	340,000	EQ
	Schools – Safety and Crime Awareness Programmes		5 LM's	560,000	EQ
	Awareness and training of communities on violence crime prevention programmes		5 LM's	250,000	EQ

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
	Coastal Safety(Life Guarding and Coastal Fall Patrollers)		5 LM's	3, 960,000	EQ

**Table 35: Good Governance & Public Participation**

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Public Participation	Sector Engagement Ward committee system Community Outreach Civil Education Research and data collection Petition Management ISDM	Strat No 1	Across District		Equitable Share
Municipal Oversight	Oversight Committees IGR ISDM	Strat No 2	Across District		Equitable Share
Compliance with Legislation	Resolution Management Litigation Register Consequence and Accountability Management Compliance with collective agreements Sound Financial Management Integrity Assessment By-Laws Governance Framework	Strat No 5	Across District		Equitable Share
Political Stability	Constituency work, Whippyery Services, Community Outreach, Civil Education/Awareness Campaigns, Petition Management, Industrial Relations Management	Strat No 2	Across District		Equitable Share

Priority Area	Proposed Programme/Project	Strategic Objective	Location (Municipality/Ward)	Estimated Costs	Source of funding
Risk Management and Fraud Prevention	Awareness Campaigns, Fraud Management Framework, Integrity assessment and declarations framework, Governance Framework	Strat No 5	Across District		Equitable Share
Inter-governmental Relations	ISDM, Ward Committee System, Municipal Support, IGR Framework, Governance Framework	Strat No 1	Across District		Equitable Share
Communications	Research and Data Collation  Communications strategy  Communications policy	Strat No 3	Across District		Equitable Share
Performance Management, Monitoring and Evaluation	Performance Management, Monitoring and Evaluation Framework	Strat No 4	Across District		Equitable Share
Planning	IDP, DDP, SDBIP, PDP, NDP	Strat 4	Across District		Equitable Share

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Legal Services	Litigations register, Compliance Register, Mediation and arbitration, Framework and register, Labour Matters Register, Contract Management, By-law and Policy Register, Legal Unit, LM Support	Strat 5	Across District		Equitable Share
Internal Auditing	MAAP, Audit Committee, Support Provided to LMS and Dev Agencies, Declaration Register and integrity assessment framework, Internal Controls, Risk Management, Resolution Management	Strat 6	Across District		Equitable Share
Municipal Support	Centralization of Municipal Support	Strat 2	Across District		Equitable Share
Policy And Research	Collaboration with institutions of higher learning, Community surveys, Establishment of Centralized, Research Unit (Flagged), Research Agenda and Framework, District Wide Research Strategy	Strat 2	Across District		Equitable Share

**6.4 NATIONAL AND PROVINCIAL SECTOR DEPARTMENTS AND ENTITIES – PROJECTS**

**Table 36: National and Provincial Sector Departments Projects aligned to ORTDM Strategic Objectives**

Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Early Childhood Development	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Early Childhood Development Strategy	An educated, empowered, and innovative citizenry	Growth	Care and support to older persons Disability management HIV/AIDS Care and support services to families Childhood protection services	Social Development
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Community Safety	2. To provide support in the reduction of crime in the District on an annual basis	Human Development	Human Development & Social Cohesion Strategy	An educated, empowered, and innovative citizenry	Growth	Reception assessment referral centre Child and Youth Care Centre	Social Development
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Municipal Health Services	3. To provide the best possible municipal health and environmental services to the population of the District	Human Development	Human Development & Social Cohesion Strategy	A healthy population	Inclusion and Access	Teenage against drug abuse VEP one-stop centre Primary health care facilities for modifications	Social Development  Health



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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
								and extension programme	
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Sports, Recreation, Arts, Culture and Heritage	4. To provide support to sports, recreation, arts, cultural affairs and heritage development and practice	Human Development	Human Development & Social Cohesion Strategy	A vibrant and equitably enabled communities	Inclusion and access	Isingqi Sethu District Dance and drama in partnership with Ihashe elimhlophe Support artists attending National Arts Festival Capacity building for OR Tambo Artists (iphulo and Shukuma Festivals) Support to OR Tambo Choral Music Sports initiatives Support Horse Racing Indigenous games Recreation community festival Museums and Heritage	DSRAC

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Children and Education	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Human Development & Social Cohesion Strategy	An educated, empowered, and innovative citizenry	Growth	World and National book week Literacy Day Library week Career Exhibition Renovation of the Library	DSRAC
Basic Service Delivery and Infrastructure	To promote integrated sustainable community livelihoods	Livelihood Improvement and Greater Household Transformation	1. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	Human Development	Human Development & Social Cohesion Strategy	An educated, empowered, and innovative citizenry	Growth	Women development, youth development	Social Development
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Capacitation of Communities, Youth and Emerging Contractors	1. To capacitate 400 emerging contractors	Human Development	Local Economic Development Strategy	An educated, innovative and empowered citizenry	Growth	2019/2020 plan for community awareness	Environmental Affairs and Tourism
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Rural Development (spatial planning of the region)	2. To assist all municipalities in the district to be SPLUMA compliant	Inclusive Economic Development	Spatial Development Framework	Capable, conscientious and accountable institutions	Spatial integration	Development of a Master plan for Wild Coast Tourism Corridor. Development of Master Plan	Environmental Affairs and Tourism

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
								for Vulindlela Industrial Park	
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Environmental and Waste Management	4. To improve air quality and environmental management in the district	Inclusive Economic Development	Air Quality Management Plan	Vibrant and equitably enabled communities	Growth	Removal of alien plants in Port St Johns Environmental awareness Environmental education and capacity building	Environmental Affairs and Tourism
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Tourism Development and Marketing	5. To promote tourism in the District	Inclusive Economic Development	Local Economic Development Strategy and Communication Strategy	A growing, inclusive, equitable economy	Growth	2019/2020 Call for business proposals in target areas. Implement two projects (tourism and chemicals) Implement associate projects through Coega	Environmental Affairs and Tourism
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Economic Infrastructure Development	6. To boost agriculture contribution and improve food security in the District	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive, equitable economy	Growth	Wild Coast SEZ Industrial Park Fresh produce multi-user facility feasibility	Environmental Affairs and Tourism ECRDA  ECRDA

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
								Establishment of farmer support portal Mqanduli RED Hub Mqanduli Feedlot Mkhambathi Forestry Enterprise Lusikisiki Forestry Grower Cooperative Gquku Forestry Enterprise Magwa-Majola Tea & Eco Tourism Valley Loan Finance	ECRDA ECRDA ECRDA ECRDA ECRDA ECRDA ECRDA
Local Economic Development	To promote rapid and sustainable economic growth within the limits of available natural resources	Blue Economy, Enterprise and Cooperatives Development, Forestry Development, Afforestation and Processing,	7. To provide support to entrepreneurs, create employment opportunities and boost investment to grow the district economy	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive, equitable economy	Growth	Annual EC Provincial socio-economic review outlook	Environmental Affairs and Tourism
Local Economic Development	To promote rapid and sustainable	Enterprise and Cooperatives Development	7. To provide support to entrepreneurs,	Inclusive Economic Development	Local Economic Development Strategy	A growing, inclusive,	Inclusion and access	Business support programmes,	Environmental Affairs and Tourism

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
	economic growth within the limits of available natural resources		create employment opportunities and boost investment to grow the district economy			equitable economy		awareness and workshop. Business registration support	
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Revenue Management	1. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	Infrastructure & Basic Services	Tariff Policy, Investment Policy, Debt Collection Policy, Cash Management Policy & Credit Control and Debt Collection Policy	Capable, conscientious and accountable institutions	Governance		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure management by 2019	Institutional Transformation - Governance and Capacity of Government	Expenditure Management Policy	Capable, conscientious and accountable institutions	Governance	Ongoing support to compliance with financial laws and regulations	National Treasury
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound	mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	Capable, conscientious and accountable institutions	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
	management and good governance		Regulations and Guidelines by 2018/2019						
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Credible Annual Financial Statements	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis	Institutional Transformation - Governance and Capacity of Government	GRAP Accounting Policies	Capable, conscientious and accountable institutions	Governance		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management	Institutional Transformation - Governance and Capacity of Government	Supply Chain Management Policy	Capable, conscientious and accountable institutions	Governance		
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound	Budget management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded	Institutional Transformation - Governance and Capacity of Government	mSCOA Implementation Plan	Capable, conscientious and accountable institutions	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
	management and good governance		and mSCOA compliant						
Financial Viability and Management	To manage the financial viability of the O.R Tambo District Municipality through sound management and good governance	Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	Institutional Transformation - Governance and Capacity of Government	Asset Management Policy	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Public Participation	1. To instill good governance and strengthen public participation through effective communication between Municipalities and communities	IDP process alignment, consultation and stakeholder management	Public Participation Strategy	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Municipal Oversight Policy and research	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive,	Compliance with Legislation	2. To instill good governance in all municipal operations and	IDP process alignment, consultation and	Municipal Oversight Model/Public Participation Strategy	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
	accountable and promotes clean governance		strengthen relations with stakeholders	stakeholder management		accountable institutions			
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Political Stability	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP process alignment, consultation and stakeholder management	Municipal Oversight Model	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Risk Management and Fraud Prevention	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	Risk Management Strategy	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Inter-governmental Relations	2. To instill good governance in all municipal operations and strengthen relations with stakeholders	IDP Objectives and Alignment to DDP	Intergovernmental Relations Framework	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Communications	3. To ensure effective, well-coordinated and integrated district wide communication	IDP Objectives and Alignment to DDP	Communication Policy	Capable, conscientious and accountable institutions	Inclusion and access		



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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Performance Management, Monitoring and Evaluation	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Planning	4. To ensure a district wide coordination of implementation, monitoring and evaluation of the IDP	IDP Objectives and Alignment to DDP	Performance Management Policy and Framework	Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Legal Services	5. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	IDP Objectives and Alignment to DDP		Capable, conscientious and accountable institutions	Governance		
Good Governance and Public Participation	To build a coherent district that is responsive, accountable and promotes clean governance	Internal Auditing	6. To obtain a clean audit opinion	IDP Objectives and Alignment to DDP	GRAP Accounting Policies	Capable, conscientious and accountable institutions	Governance		
Municipal Transformation	To develop, transform and capacitate the	Recruitment and Selection	1. To effectively and efficiently recruit and retain	Institutional Transformation – Governance and	Employment Equity Plan	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
and Institutional Development	O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.		competent Human Capital	capacity of government		accountable institutions			
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Human Resource Development	2. To ensure a well-trained, motivated and professional workforce	Institutional Transformation – Governance and capacity of government	Workplace Skills Plan	An educated, innovative and empowered citizenry	Governance		
Municipal Transformation	To develop, transform and capacitate the	Employment Equity	3. To increase the number of people from employment	Institutional Transformation – Governance and	Employment Equity Plan	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
and Institutional Development	O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.		equity target groups in the three highest levels of management	capacity of government		accountable institutions			
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Employee Relations (Institutional)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Labour Relations Strategy	Capable, conscientious and accountable institutions	Governance		
Municipal Transformation	To develop, transform and capacitate the	Records Management (Institutional )	4. To provide effective and efficient human	Institutional Transformation – Governance and	Records Management Policy	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
and Institutional Development	O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.		resource, corporate administration support and internal safety and security	capacity of government		accountable institutions			
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Employee Wellness (District Wide)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Employee Wellness Policy	Capable, conscientious and accountable institutions	Governance		
Municipal Transformation	To develop, transform and capacitate the	Organisational Development (District Wide)	4. To provide effective and efficient human	Institutional Transformation – Governance and	Labour Relations Strategy	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
and Institutional Development	O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.		resource, corporate administration support and internal safety and security	capacity of government		accountable institutions			
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	ICT Enhancement ( District Wide)	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Information Communication and Technology Strategy	Capable, conscientious and accountable institutions	Governance		
Municipal Transformation	To develop, transform and capacitate the	Occupational Health and Safety	4. To provide effective and efficient human	Institutional Transformation – Governance and	Occupational Health and Safety strategy	Capable, conscientious and	Governance		

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Key Performance Area (KPA)	Municipal Goal	Priority Area	Strategic Objective	DDP 2030 Strategic Pillars/Fundamental Planks	Strategy	Provincial Development Plans' Goal	Integrated Urban Development Framework	Sector Programs/ Projects	Responsible Department
and Institutional Development	O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.		resource, corporate administration support and internal safety and security	capacity of government		accountable institutions			
Municipal Transformation and Institutional Development	To develop, transform and capacitate the O.R Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.	Safety and Security	4. To provide effective and efficient human resource, corporate administration support and internal safety and security	Institutional Transformation – Governance and capacity of government	Safety and Security monitoring	Capable, conscientious and accountable institutions	Governance		

**ANNEXURES**

<b>Annexure</b>	<b>Document description</b>	<b>Hard copy</b>	<b>Electronic Copy</b>
<b>A</b>	Process Plan	Yes	Yes
<b>B</b>	Consolidated 2018 IDP roadshows report	Yes	Yes
<b>C</b>	O.R. Tambo District municipality Project Implementation Plan 2019/20	Yes	Yes
<b>D</b>	2018/19 Draft Service Delivery and Budget Implementation Plan	Yes	Yes
<b>E</b>	Organisational Structure	Yes	
<b>F</b>	Inputs from Sector Departments		Yes
<b>G</b>	Water Services Development Plan	Yes	
<b>H</b>	Spatial Development Framework	Yes	
<b>I</b>	District Development Plan	Yes	
<b>J</b>	Integrated Waste Management Plan	Yes	
<b>K</b>	Disaster Management Plan	Yes	
<b>L</b>	Environmental Management Plan	Yes	
<b>M</b>	Integrated Transport Plan	Yes	
<b>N</b>	Communications Strategy	Yes	
<b>O</b>	Climate Change Strategy	Yes	
<b>P</b>	Local Economic Development Strategy	Yes	
<b>Q</b>	Housing Plan	Yes	
<b>R</b>	Inter-Governmental Relations Framework	Yes	
<b>S</b>	Public Participation Policy	Yes	

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**ANNEXURE A: IDP PROCESS PLAN 2019/2020**



**ANNEXURE B: CONSOLIDATED IDP ROADSHOWS REPORT 2019**

**ANNEXURE C: O.R. TAMBO DISTRICT MUNICIPALITY INFRASTRUCTURE PROJECT IMPLEMENTATION PLAN 2019/20**

**ANNEXURE D: 2019/20 DRAFT SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)**

**ANNEXURE E: ORGANISATIONAL STRUCTURE**

**ANNEXURE F: INPUTS FROM SECTOR DEPARTMENTS (NATIONAL AND PROVINCIAL) AND ENTITIES - PROJECTS**

**Table 37: Provincial and National Treasury**

Focus Area	Proposed Programme/Project	Location (Municipality/Ward)	Estimated Costs
Compliance with financial laws and regulations.	Ongoing support	District Municipality	N/A

**Table 38: Department of Economic Development Environmental Affairs & Tourism (DEDEAT)**

Strategic Objective/Focus Area	Proposed project/programme	Proposed Budget	Local Municipality
Local & Regional Economic Development	2019/20 call for business proposal in target sectors Implement 2 projects (tourism & chemicals)	<ul style="list-style-type: none"> <li>LRED call Subject to business plan.</li> <li>R1.500 000</li> </ul>	O.R Tambo DM
Trade & Industry	Vulindlela Industrial Park master plan	R1.700 000 planning	KSD LM
Consumer rights	2019/20 plan for community awareness		OR Tambo DM
Environment EPWP	Port St Johns Alien Plant. Environmental Awareness	R4 000 000	Port St Johns OR Tambo DM
Economic planning; Research & Development	Annual EC Provincial Socio-economic Review Outlook		Provincial
Agro-processing	Wild Coast SEZ Industrial park		OR Tambo DM (Regional program)
Agro-processing	Fresh produce multi-user facility feasibility. Establishment of farmer support portal		OR Tambo DM (Regional program)

Strategic Objective/Focus Area	Proposed project/programme	Proposed Budget	Local Municipality
Wild Coast Tourism corridor	Master plan & associated projects with NDT through Coega	Port St Johns water front development feasibility	Port St Johns
Enterprise development	Business support programs, awareness & workshop Business registration support		OR Tambo DM (Regional program)
Environmental awareness	Environmental Education & capacity building		OR Tambo DM (Regional program)

**Table 39: Department of Social Development**

PROGRAMME	PURPOSE/ACTIVITY	LOCAL MUNICIPALITY	NO. OF PROJECTS	BENEFICIARIES	BUDGET	
2.2 Care and Support to Older Persons	Service Centres	Ingquza Hill	40	643	R2 046 552	
		KSD	22	548	R1 868 887	
		Mhlontlo	26	622	R 2 147 158	
		Nyandeni	19	651	R 1 824 584	
		PSJ	7	221	R706 573	
		TOTAL			2959	R8 593 754
	Empilweni Home			120	R3 055 187	
2.3 Disability Management	Protective Workshop	KSD	2	84	R201600	
		TOTALS	2	84	R201600	
		Residential Facility	KSD	3	225	R4 762 800
			Ingquza Hill	2	56	R1 185 408
			Mhlontlo	2	80	R1 693 440
TOTALS	7		R7 938 000			
2.3 Disability Management	CBR	Nyandeni	4		R320 000	
		Mhlontlo	1		R80 000	
		KSD	1		R80 000	
		Ingquza Hill	2		R149 340	
		TOTALS	8		R629 340	
		Welfare Organisations	KSD	2		R793 136

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PROGRAMME	PURPOSE/ACTIVITY	LOCAL MUNICIPALITY	NO. OF PROJECTS	BENEFICIARIES	BUDGET
		TOTALS	2		R793 136
2.4 HIVAIDS		Ingquza Hill	2	730	R581 106 .40
		KSD	2	1250	581 106 .40
		Mhlontlo	3	3000	R871 659.60
		Nyandeni	2	3600	R581 106.40
		Port St Johns	1		R290 553.20
		TOTALS		8 580	R2 905 532
Care and Support Services to Families	Family Resource Centre	Ingquza Hill	3	117	R487 414.50
		PSJ	1	66	R162 471.50
		Nyandeni	1	12	153 548.00
	Fatherhood Programme	KSD	1	20	R162 471. 50
		Mhlontlo	1	50	100 000.00
	Family Preservation	Mhlontlo		50	R162 471 50
		TOTALS		315	R1 381 925 50
Children	Child Protection Organizations	KSD		UCARC	R 1 002 043
				Child Welfare	R1 084 390
		Ingquza Hill		Cluster Foster Home	6 caregiver children 36 252 351
		PSJ		Child Welfare	R 1 078 367
		TOTAL			R3 417 151
	Prevention and Early Intervention Programmes	ALL			R82 445.50
	ECDC(Equitable share	KSD	64	1504	R5 955 840
		Ingquza Hill	64	1737	R6 878 520
		Mhlontlo	68	1801	R7 131 960
		Nyandeni	81	2060	R8 157 600
		PSJ	41	1094	R4 332 240
		TOTAL	318	8196	R32 456 160
Children	ECDC- Conditional Grant	KSD	41	1183	R4 803 480
		Ingquza Hill	61	1303	R5 254 920

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PROGRAMME	PURPOSE/ACTIVITY	LOCAL MUNICIPALITY	NO. OF PROJECTS	BENEFICIARIES	BUDGET
		Mhlontlo	80	1300	R5 140 000
		Nyandeni	51	1050	R 4 158 000
		PSJ	34	837	R 3 314 520
		TOTAL	268	5703	R22 583 880
	Child and Youth Care Centres	KSD	5	-240 Children -34 Child and youth Care Workers	R11 477 336
		Nyandeni	1	7 CYCW with 60 children	R 2 806 334
		TOTAL			R14 283 670
Children	Community Based Services (Isibindi)	KSD	1	31 CYCW	R1 514 214
		Ingquza Hill	1	31 CYCW	R1 529 442
		Nyandeni	2	62 CYCW	R 2 624 904
		Mhlontlo	1	21 CYCW	R 960 216
		TOTAL	5	145	R6 628 776
	Drop In Centres	Ingquza Hill	2	122	R899 820
		PSJ	1	55	409 056
		KSD	1	40	317 056
			4	217	R1 625 932
Crime Prevention	Reception Assessment Referral Centre	Ingquza Hill			R300 000
	Child and Youth Care Centre	Mhlontlo			R1 900 000
Substance abuse	Teenage Against Drug Abuse	KSD			R1 350 668
		Nyandeni			R170 000
		Ingquza			R170 000
		Mhlontlo			R160 000
		PSJ			R160 000
		TOTALS			R2 010 668

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PROGRAMME	PURPOSE/ACTIVITY	LOCAL MUNICIPALITY	NO. OF PROJECTS	BENEFICIARIES	BUDGET
VEP	One stop Centre	KSD	1		R722644,50
		TOTALS	1		R722644,50
	Shelters	KSD	1		R313 500
		PSJ	1		R240 000
		MHLONTLO	1		R240 000
		TOTALS	3		R793 500
WOMEN DEVELOPMENT	Household Food Gardening	Mhlontlo	1	16	R20 000
		Nyandeni	1	14	R20 000
		PSJ	1	8	R20 000
		TOTAL	3	38	R60 000
	Sewing	Mhlontlo	1	9	R45 475
	Cleaning Products	PSJ	1	14	R50 000
	Baking	Ingquza Hill	2	14	R150 000
	Crafting	Ingquza Hill	1	19	R45 476
	TOTAL		8	94	R760 764
PROGRAMME	PURPOSE	LOCAL MUNICIPALITY	NO. OF PROJECTS	NO. OF BENEFICIARIES	BUDGET
YOUTH DEVELOPMENT	Weaving	KSD	1	5	R220 000
	Crop Production	Nyandeni	1	5	R180 000
		TOTAL	2	10	R400 000
SUSTAINABLE LIVELIHOOD	Community Nutrition Development Centre	KSD	1	120	R 537 652
		Mhlontlo	1	99	R537 652
		TOTAL	2	219	R 1 075 304
	Crop Production	KSD	2	18	R27 000
PROGRAMME	PURPOSE	LOCAL MUNICIPALITY	NO OF PROJECTS	NO. OF BENEFICIARIES	BUDGET
SUSTAINABLE LIVELIHOOD	Household Food Garden	Mhlontlo	1	16	15 000
		Ingquza Hill	1	25	34 400

PROGRAMME	PURPOSE/ACTIVITY	LOCAL MUNICIPALITY	NO. OF PROJECTS	BENEFICIARIES	BUDGET
		Nyandeni	2	19	27 000
		PSJ	2	18	23 000
		TOTAL	6	78	R99 400

**Table 40: ECRDA**

Focus Area	Proposed 2019/2020	Programme/Project	Location (Municipality/Ward)	Estimated Costs
Grain Value Chain	Mqanduli RED Hub		KSD, Mqanduli	R1,000,000
Red Meat	Mqanduli Feedlot		KSD, Mqanduli	R100,000
Forestry Development	Mkhambati Forestry enterprise		Ingquza Hill, Flagstaff	R250,000
Forestry Development	Lusikisiki Forestry Grower Co-operative		Ingquza Hill, Lusikisiki	R250,000
Forestry Development	Gquku Forestry enterprise		Mhlontlo, Qumbu	R350,000
High Value Crops Value Chains & Tourism	Magwa-Majola Tea & Eco Tourism Valley		Ingquza Hill, Lusikisiki	R5,500,000
Rural Finance	Loan Finance		O.R. Tambo DM	

**Table 41: Department of Health**

Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
Infrastructure improvement	N Knight hospital Refurbishment Isilimela Hospital Doctors acc	105 303 83 million 24,781,153	Mhlontlo Port St Johns	All youth, women and people with disabilities residing within the 12

Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
				locations served by the hospital in ward 12. All youth, women and people with disabilities residing within the catchment areas of the
	St Barnabas Hospital Construction of new Mental Health Unit, refurbishment and alteration of existing staff accommodation units.	114 058,282	Nyandeni	452 people benefitted since the start of the project.
	Canzibe Phase 1: Renovation and refurbishment to all Ward buildings, TB Ward, OPD, administration block, fencing and guardhouse	103,550,000	Nyandeni	All youth, women and people with disabilities residing within the 14 locations served by the hospital in ward 15

**Table 42: Planned Primary health care facilities for modifications and extension Programme**

Phase	Sub-District Region/ local Municipality	Facility Name	No. of Clinics Per Sub-District Per Phase
	King Sabata Dalindyebo Local Municipality	Mqanduli CHC	3
		Ntshela	
		Ntshabeni	
	Mhlontlo Local Municipality	Mhlahlane	2
		Nxotwe	
	Ngquza Hill Local Municipality	Mantlaneni	2



Phase	Sub-District Region/ local Municipality	Facility Name	No. of Clinics Per Sub-District Per Phase
		St Elizabeth's Gateway	
	Nyandeni Local Municipality	Canzibe Gateway	3
		Lwandile	
		Nqanda A	
	Port St. Johns Local Municipality	Mthambalala	2

**Table 43: Primary health care facilities for modifications and extension Programme and extension**

Phase 2	Local Municipality	Name of clinic	No of planned clinics per Local Municipality
	King Sabata Dalindyebo Local Municipality	Mpunzana	3
		Qokolweni	
		Baziya CHC	
		Mpeko	
	Mhlontlo Local Municipality	Mbokotwana	2
		Mdeni	
		Qumbu CHC	
		Khalankomo	
	Nyandeni Local Municipality	Mampondomiseni	3
		Libode	
		Mtakatye	

		Double Falls	
	Port St. Johns Local Municipality	Majola	4
		Caguba	
		Ntafufu	
		Gqubeni	
	King Sabata Dalindyebo Local Municipality	Zwelichumile	4
		Bityi	
		Zidindi	
	Mhlontlo Local Municipality	Ezingcuka	
		Tsilitwa	
		Qanqu	
		Mahlungulu	4
		Mhlakulo CHC	
		Tina Falls	
		Gura	
	Nyandeni Local Municipality	Ntaphane	
		Buntingville	
		Nyandeni	
		Mangcwanguleni	
	Port St. Johns Local Municipality	Mevana	
		Kohl	

**Table 44: Human Settlements**

**Table 45: Department of Education**

Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
LAIS	Extra classes Modularized learner's classes in four centres per Sub District.		Nyandeni, PSJ and Ingquza Hill	All wards
District office establishment	Relocation of offices		PSJ	PSJ

**Table 46: DSRAC**

Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
Arts and Culture	<ul style="list-style-type: none"> <li>Isingqi Sethu</li> <li>District Dance and Drama in Partnership with Ihashe elimhlophe</li> <li>Support artists attending National Arts Festival</li> <li>Capacity building for O.R Tambo Artists( Iphulo and Shukuma Festivals)</li> <li>Support to O.R Tambo choral Music</li> </ul>	R1,9m( DSRAC-Provincial and National) R65 000 R000 000 R000 000 R20 000	Port St Johns LM Ingquza Hill LM Grahamstown Nelson Mandela Municipality- Oprah House Ingquza Hill	Various Wards O. Tambo Artists O.R Tambo Artists O.R Tambo choirs
Library and Information Services	<ul style="list-style-type: none"> <li>World and National Book Week</li> <li>Literacy Day</li> <li>Library Week and Career Exhibition</li> <li>Renovation of the Library</li> </ul>	R75 000 R64 000 R100 000 R4m	Ingquza Hill LM Mhlontlo LM PSJ PSJ	O.R Tambo Local Municipalities O.R Tambo LMs O.R Tambo LMs PSJ
Sport	<ul style="list-style-type: none"> <li>Winter and Summer Games</li> </ul>	R100 000 R20 000	Mhlontlo KSD LM	O.R Tambo LM KSD Wards

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Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
	<ul style="list-style-type: none"> <li>Mqanduli Schools Sport Festival</li> <li>Schools Multi coded Gams</li> <li>Ingquza Hill Massacre Road Race</li> <li>O.R Tambo Sport and recreation Awards</li> <li>O.R Tambo Building</li> <li>Capacity Building Workshops</li> <li>Hub Festivals</li> <li>Support to Athletics Federation</li> <li>O.R Tambo Women's in Sport</li> </ul>	<ul style="list-style-type: none"> <li>R30 000</li> <li>R20 000</li> <li>R12 000</li> <li>R15 000</li> <li>R0000</li> <li>R200 000</li> <li>R169 000</li> <li>R20 000</li> </ul>	<ul style="list-style-type: none"> <li>Ingquza Hill LM</li> <li>Ingquza Hill Lm</li> <li>PSJ LM</li> <li>KSD</li> <li>Nyandeni</li> <li>Nyandeni LM</li> <li>KSD LM</li> <li>Mhlontlo</li> </ul>	<ul style="list-style-type: none"> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo Athletes</li> <li>O.R Tambo Body Builders</li> <li>O.R Tambo Local Municipalities</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> </ul>
Archives	<ul style="list-style-type: none"> <li>Inspection of Government bodies</li> <li>Number of Disposal authorities issued</li> <li>Record Management Sessions conducted</li> <li>Records of classification system</li> </ul>	<ul style="list-style-type: none"> <li>R48 000</li> <li>R58 000</li> <li>O.R Tambo DM</li> <li>R58 000</li> </ul>	<ul style="list-style-type: none"> <li>OR Tambo LMs</li> <li>O.R Tambo LMs</li> <li>PSJ LM</li> <li>O.R Tambo LM</li> </ul>	<ul style="list-style-type: none"> <li>O.R Tambo LMs</li> <li>5 Local Municipalities</li> <li>R32 000</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> </ul>
Recreation	<ul style="list-style-type: none"> <li>Support Horse Racing</li> <li>Indigenous Games</li> <li>Recreation Community Festival</li> <li>Isingqi Sethu Fun Run</li> </ul>	<ul style="list-style-type: none"> <li>R50 000</li> <li>R160 000</li> <li>R50 000</li> </ul>	<ul style="list-style-type: none"> <li>Mhlontlo LM</li> <li>Nyandeni LM, KSD, Mhlontlo</li> <li>Mhlontlo</li> </ul>	<ul style="list-style-type: none"> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> </ul>
Museums and Heritage	<ul style="list-style-type: none"> <li>International Museum Day</li> <li>Community outreach Programmes</li> </ul>	<ul style="list-style-type: none"> <li>R0 000</li> <li>R10 000</li> <li>R223 000</li> <li>R72 000</li> <li>R20 000</li> </ul>	<ul style="list-style-type: none"> <li>PSJ</li> <li>One school / LM</li> <li>Ingquza Hill LM</li> <li>Mhlontlo LM</li> <li>KSD LM</li> </ul>	<ul style="list-style-type: none"> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> <li>O.R Tambo LMs</li> </ul>

Strategic Objective/Focus Area	Project/Programme	Proposed Budget	Local Municipality	Number of beneficiaries/Wards and Villages to benefit
	<ul style="list-style-type: none"> <li>• 1960 Mpondo revolt commemoration</li> <li>• Heritage day Celebrations</li> <li>• Nelson Mandela Day</li> <li>• Geographical Name Change</li> </ul>	R0 000	O.R Tambo	O.R Tambo LMs

**Table 47: ESKOM**

Municipality	Planned Capex Excl Vat	Planned Capex Incl Vat	Planned H/H
Ingquza Hill	R 49 360 869.57	R 56 765 000.00	2300
Port Saint Johns	R 19 628 695.65	R 22 573 000.00	1690
Nyandeni	R 21 754 782.61	R 25 018 000.00	1900
Mhlontlo	R 12 452 173.91	R 14 320 000.00	1400
King Sabata Dalindyebo	R 54 965 217.39	R 63 210 000.00-	3100
<b>Total OR Tambo</b>	<b>R 158 161 739.13</b>	<b>R 181 886 000.00</b>	<b>10390</b>