



**O.R. TAMBO
DISTRICT MUNICIPALITY**

DRAFT INTEGRATED DEVELOPMENT PLAN

4th REVIEW

2011/12

EXECUTIVE MAYOR'S FOREWORD

The Integrated Development Plan as reviewed for the 2011/12 financial year is hereby presented as a product of robust consultative engagements and interaction with the role-players and stakeholders, particularly the communities of O.R. Tambo District. This review consolidates the development plans to be implemented in the five (5) Local Municipalities of 1. King Sabatha Dalindyebo, 2. Mhlontlo, 3. Nyandeni, 4. Ingquza Hill and 5. Port St Johns after Ntabankulu and Mbizana have been incorporated into Alfred Ndzo District through municipal demarcation processes facilitated by the Demarcation Board.

The communities through the consultative processes conducted throughout the five (5) local municipalities made it clear that ensuring increased access to water and sanitation services is still the main priority that the current implementation plan should focus on. This is in full awareness of the need to reduce the backlog towards the national 2014 target, whilst ensuring both the operation and maintenance as well as the refurbishment of old and dilapidated water and sanitation infrastructure. Key to achieving the targets so presented for the current financial year is focusing on unblocking the ever notorious bottlenecks to service delivery including poor implementation and non-compliance with supply chain management processes, litigation/ lawsuit against awarded tenders, non approval of water abstraction applications, delays in approval of environmental impact assessments, etc. This will be achieved through among others, focused performance monitoring, project/ contracts management and project level community participation (social facilitation). The monitoring expenditure of the Municipal Infrastructure Grant as well as other service delivery grants allocated to this municipality is also of paramount importance.

The annual recurrence of disasters in the district in the form of drought, fire, hailstorms, thunderstorms etc, demand that the district municipality should beef up its preparedness to both mitigate and respond to disaster situations. A lot of effort will also need to be put to building capacity of the new councillors as they will be assuming responsibilities for the next term of council.

The 2011/12 IDP Review ushers a transitional era, with the Local Government elections on the 18 May 2011, the incoming municipal council will ensure its implementation. This IDP review is thus handed over as baton by the outgoing municipal council having run the race, to the incoming to carry on and attend to the social and economic aspirations of the communities in O.R. Tambo district.

To the outgoing council, allow me to say “MAZ’ENETHOLE”, and to the incoming “KUF’AYAYO”.

Yours truly,

Cllr. EN DIKO
EXECUTIVE MAYOR

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LIST OF ACRONYMS

ABET	:	Adult Based Education and Training
ASGI-SA	:	Accelerated and Shared Growth Initiative of South Africa
CBD	:	Central Business District
CDW	:	Community Development Worker
COGTA	:	Cooperative Governance and Traditional Affairs
CRDP	:	Comprehensive Rural Development Programme
DBSA	:	Development Bank of Southern Africa
DEA	:	Department of Environmental Affairs
DEDEA	:	Department of Economic Development and Environmental Affairs
DLGTA	:	Department of Local Government and Traditional Affairs
DME	:	Department of Minerals and Energy
DMP	:	Disaster Management Plan
DOE	:	Department of Education
DSRAC	:	Department of Sports, Recreation and Culture
DWA	:	Department of Water Affairs
ECDC	:	Eastern Cape Development Corporation
ECSECC	:	Eastern Cape Socio-Economic Consultative Council
EMP	:	Environmental Management Plan
EPWP	:	Expanded Public Works Programme
ESKOM	:	Electricity Supply Commission
FBS	:	Free Basic Services
FET	:	Further Education and Training
GDP	:	Gross Domestic Product
GIS	:	Geographic Information System
GDS	:	Growth and Development Summit
HDI	:	Historically Disadvantaged Individual
HRD	:	Human Resource Development
IDP	:	Integrated Development Plan
ISRDP	:	Integrated Sustainable Rural Development Program
IWMP	:	Integrated Waste Management Plan
KPA	:	Key Performance Area
KPI	:	Key Performance Indicator
LED	:	Local Economic Development
LRAD	:	Land Reform for Agricultural Development
MDG	:	Millennium Development Goals
M&E	:	Monitoring and Evaluation
MFMA	:	Municipal Finance Management Act
MIG	:	Municipal Infrastructure Grant
MSA	:	Local Government Structures Act
MSA	:	Local Government Municipal Systems Act
MSIG	:	Municipal Systems Improvement Grant
MTEF	:	Medium Terms Expenditure Framework
MTSF	:	Medium Term Strategic Framework
NDOT	:	National Department of Transport
NEMA	:	National Environmental Management Act no.
NEPAD	:	New Partnership for Africa's Development
NSDP	:	National Spatial Development Perspective
PDI	:	Previously Disadvantage Group
PGDP	:	Provincial Growth and Development Plan
PPP	:	Public Private Partnership
PMS	:	Performance Management System
RDP	:	Reconstruction Development Programme
RLCC	:	Regional Land Claims Commission
RSC	:	Regional Service Council levies
SASSA	:	South African Social Security Agency
SDBIP	:	Service Delivery Budget Implementation Plan
SDF	:	Spatial Development Framework
SDP	:	Skills Development Plan
SMME	:	Small Medium & Micro Enterprises
SOPA	:	State of the Province Address
SONA	:	State of the Nation Address
SWOT	:	Strength, Weaknesses, Opportunity and Threat
WSA	:	Water Services Authority
WSDP	:	Water Services Development Plan
WSP	:	Water Services Provider

EXECUTIVE SUMMARY

1. What is an IDP?

AN INTEGRATED DEVELOPMENT PLAN IS A STRATEGIC DEVELOPMENT PLAN WHICH SETS OUT THE STRATEGIC AND BUDGET PRIORITIES OF A MUNICIPALITY. THE MUNICIPAL SYSTEMS ACT (ACT 32 OF 2000) DEFINES IDP AS

*S35(1)(A) “THE PRINCIPAL STRATEGIC PLANNING INSTRUMENT WHICH GUIDES AND INFORMS ALL PLANNING AND DEVELOPMENT, AND ALL DECISIONS WITH REGARDS TO PLANNING, MANAGEMENT AND DEVELOPMENT IN THE MUNICIPALITY;
(B)IT BINDS THE MUNICIPALITY IN THE EXERCISE OF ITS EXECUTIVE AUTHORITY...”*

Section 34 of the MSA further requires that a municipality must review its IDP annually

The review and amendment of the IDP thus, further develops the IDP and ensures that it remains the principal management tool and strategic instrument for the Municipality.

This document sets out the results of the Municipality’s 2010/11 IDP Review Process, and details the following: -

- The process followed to review O.R.Tambo DM’s IDP;
- The key informants that have provided the basis for amending certain elements of the IDP;
- The amended Objectives, Strategies, Indicators and Targets, which have been revised on the basis of the informants identified herein.

2. The process followed:

In August 2010 Council adopted the Process Plan, which outlined the process to be followed in conducting a review towards the 2011/12 Integrated Development Plan. Below is a summary of some of the key activities that were carried out during the review and development of IDP and Budget:

DATE	EVENT	ACTIVITY
01 July to 31 August 2010	Preparation of the IDP Review process	Development of District IDP Framework and Process Plan Establishment of the IDP Coordinators Forum Advertise for community and stakeholder participation in the IDP Rep Forum. Establishment of the IDP Rep Forum
August 2010	IDP Steering Committee	Introduction of the Review Process. Presentation of the District Framework and Process Plan.
31 August 2010	Council Meeting	Adoption of the Framework and Process plan.

14 October 2010	IDP Coordinators Forum	
October 2010	IDP Steering Committee Extended Municipal Managers Forum	Lobbying for departmental inputs for IDP priorities and Budget
October 2010	District Planning Sector Forum	
3 November 2010	IDP Representative Forum	To review progress on the implementation of 2010/11 IDP. Sector Departments reporting on all projects implemented in the District since the beginning of the current cycle.
December 2010	IDP Coordinators Forum	
January 2010	IDP Steering Committee	Revision of the Process Plan in line with Circular 54 of the MFMA issued on 10 December 2010
19 to 20 January 2011	Extended Municipal Managers Forum and District Mayors Forum	Present the Amended IDP.PMS and Budget Process Plan. Discuss quick win projects from Government Departments to be used
2 – 3 February 2011	IDP Work Session	Compilation of the situational analysis for all LMs.
9 February 2011	IDP Steering Committee	Presentation of the DM situational analysis and confirmation of the status quo by departments
10 February 2011	IDP Representative Forum	Presentation of the District Wide situational analysis Presentation of projects to be implemented in 2011/12 by sector departments
2 - 4 March 2011	Joint Sector Forums	Identification and submission of Strategies and objectives for 2011/12
24 March – 7 April 2011	IDP and Budget Roadshows	Solicit community inputs before the finalization of 2011/12 IDP and Budget.

3. What informed our IDP

The IDP review process was undertaken within the framework of National, Provincial and District policies and legislation. Amendments contained in this revised IDP for 2011/12 were informed by the following:

- an assessment of IDP implementation;
- changing internal and external circumstances
- IDP/Budget Public hearings in May 2010

- Departments' situational analysis reports;
- Comments from the MEC;
- Millennium Development Goals;
- Provincial Growth & Development Plan;
- National Spatial Development Perspective;
- ORT DM Turn Around Strategy
- O.R. Tambo DM Programme of Action – emanating from the District Lekgotla held in May 2010

4 Our key development objectives

O.R. Tambo DM's key development objectives have been identified and distilled over a number of years. Due to the time it takes to achieve most of the goals, to this the O.R. Tambo District Municipality strives to:

- Provide adequate and accessible infrastructure
- Promote economic growth and creating sustainable economic activity through rationalized programmes within the limits of the available natural resource base.
- Promote sustainable community livelihoods and
- Improve the institutional systems' overall capacity

To ensure that these goals become a reality and to ensure appropriate management and implementation of the district priorities, five Priority Clusters have been established, namely:

1. Good governance and public participation

The demand for sound and accountable leadership, transparent governance as well as public participation has always been expressed more especially in the local sphere of government. This cluster mainly focuses on such issues across the municipality and ensure that the internal regulatory framework, by-laws and anti-corruption strategies are in place as required.

2. Institutional transformation and Organisational Development

This cluster mainly focuses on ensuring that the institution is not lagging behind in terms of transformation issues and compliance particularly with relevant legislation. It also focuses on social development issues throughout the district including the issue of HIV and AIDS, mainstreaming the needs of the vulnerable sectors. With regards to organizational development, the cluster ensures that the institution is properly positioned to carry out its mandate without fail.

3. Local Economic Development

The economy of the O.R. Tambo district hinges around the following key economic drivers:-

- **Agriculture** – the agricultural potential in the District remains largely untapped. Although subsistence farming, essentially maize and stock farming, is fairly general throughout the area, practices remain less than effective in relation to the potential.
- **Tourism** – the unspoilt natural resources along the Wild Coast, culture and historic heritage that puts the District in the international map are some of the strategic assets that the District possesses. Creating a competitive advantage in tourism remains a challenge that the District is faced with. Accordingly the district is committed to addressing bottlenecks to tourism development such as building infrastructure and institutional capacity.

- **Forestry** - existing forestry plantations in the Eastern Cape cover approximately 176 000 ha, a large portion of this is located within the O.R. Tambo District. Of the 100 000 ha considered for possible new Afforestation in the Province, about half of this is within our District. Our municipalities therefore have some responsibility to support certain forestry initiatives, this includes supporting downstream SMMs, facilitating collaboration of key stakeholders for mutual benefit and for the benefit of the sector and economy as a whole.
 - **Marine and Aquaculture** – with the Wild Coast presenting extensive opportunities for people to participate in marine harvesting activities, it is the challenge of all spheres of government to ensure that local people are able to participate equitably and to ensure that harvesting is carried out at levels that are sustainable. In this respect there is a need for improved data, greater awareness amongst stakeholders and roleplayers as well as improved controls. These activities call for a coordinated approach as well as collaboration of all spheres of government.
4. **Financial Viability** – About 70% of households in our District are indigent. The municipalities in the District therefore have a challenge in identifying other innovative strategies to enhance revenue additional to their normal services. This cluster therefore focuses on ensuring that the District is financially viable and sustainable by keeping revenue generation and enhancement key to their advances. Key to this is sound financial management systems and adherence to controls and also ensuring that the supply chain management enhances to development of local entrepreneurship and local economy.
5. **Basic Services and Infrastructure** - the O.R. Tambo DM has taken massive strides in advancing the delivery of basic services to its communities; however the challenge is still huge when considering the huge backlogs as against the targets that are set nationally. The focus of the District municipality as an authority of this function has been at extending services to those with no access – largely the poor. This meant that very little resources were available for refurbishing, maintaining and increasing the capacity of existing infrastructure especially in urban areas. This has led to a situation where the state and capacity of existing infrastructure have become a constraint to growth and development. The DM now faces a challenge of having to balance extending services to unserved communities with refurbishing, maintaining and increasing the capacity of existing infrastructure to support economic growth and development.

6. Demarcation Processes

In September 2010 the Municipal Demarcation Board underwent a delineation process where some wards boundaries were changed. Some of local municipalities have their ward boundaries changed and some have wards added to their jurisdiction. Two municipalities Mbizana and Ntabankulu have been moved to Alfred Nzo. This means that O.R. Tambo will now have 5 local municipalities under its jurisdiction.

7. Municipal Turn-around Strategy

The year 2009, is a year where the local government sphere was marred by political unrests and community protests. In trying to find the root causes, the Department of Cooperative Governance and Traditional Affairs commissioned an evaluation of local government in all the provinces. The results of that study then culminated into the State of Local Government in South Africa report which was released in November 2009. The report details challenges that currently face the sphere of government which is closest to communities. Such challenges hamper the functioning of local government and its ability to deliver services. Following the assessment of local government, a strategy to turn things around for the better was proposed – this is what we know as the municipal turn-around strategy. However, the strategy steers away from a ‘one size fits all approach’ advocating that each

municipality has to develop its own turn-around strategy which takes into account the unique conditions and circumstances of each municipality.

The O.R. Tambo District municipality developed and adopted its turn-around strategy in May 2010 and is attached hereto as annexure. The O. R. Tambo DM turnaround strategy identifies bottlenecks in each of the 5 Key Performance Areas of the 5 Year Local Government Strategic Agenda and seeks to address those.

8. IDP Review 2010/11 - Report Structure

Our reviewed IDP document for 2011/12 is structured as follows:

PART ONE	Introduction <i>This section gives a concise overview of the municipality and processes followed to develop this document.</i>
PART TWO	ORTDM Overview and Updated Situation Analysis <i>This section provides a brief overview of the situation in ORTDM and focuses on new developments.</i>
PART THREE	IDP Issues Objectives & Strategies <i>This section sets out the reviewed departmental objectives, strategies, indicators and targets.</i>
PART FOUR	Performance Management <i>This section includes Performance Management details.</i>
PART FIVE	Operational Strategies/Sector Plans <i>This section outlines sector plans currently available at the DM and their status.</i>
PART SIX	Projects <i>This section outlines programmes and projects to be implemented in the O.R. Tambo District by the DM itself as well as other government departments</i>
PART SEVEN	Three year Capital Plan

PART ONE
INTRODUCTION

1.1 LEGISLATIVE FRAMEWORK

The Constitution of Republic of South Africa Act 108 of 1996 regulates and directs the operations and existence of local sphere of government. Section 152 of the Constitution clearly sets out the objects of local government that a municipality must strive to achieve the following objects:-

- a) To provide democratic and accountable government for local communities;
- b) To ensure the provision of services to communities in a sustainable manner;
- c) To promote social and economic development;
- d) To promote a safe and healthy environment and;
- e) To encourage the involvement of communities and community organisations in the matters of local government.

Section 153 of the Constitution also stipulates that a municipality must:-

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

Section 25 of the Local Government Municipal System Act No 32 of 2000 (MSA) 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 which—

- (a) links, integrates and co-ordinates plans and takes into account proposals for the development of the municipality;
- (b) aligns the resources and capacity of the municipality with the implementation of the plan;
- (c) forms the policy framework and general basis on which annual budgets must be based;
- (d) complies with the provisions of this Chapter; and
- (e) is 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 prescribes the following peremptory components that an IDP must reflect on:

- ◆ The municipal council's vision including the municipal critical developmental and transformation needs;

- ◆ An assessment of 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 the provisions of 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 key performance indicators and performance targets determined in terms of section 41.

The Municipal Planning and Performance Management Regulations (2001) set out the following further requirements for an IDP:

- ◆ An institutional framework for implementation of the IDP and to address the municipality's internal transformation;
- ◆ Investment initiatives must be clarified;
- ◆ Development initiatives including infrastructure, physical, social and institutional development and;
- ◆ All known projects, plans and programmes to be implemented within the municipality by any organ of state.

The Municipal Finance Management Act No. 56 of 2003, (MFMA) provides for closer alignment between the Annual Budget and the compilation of the IDP. To give effect to the said mandates, the IDP has been legislated as a planning mechanism to be adopted by municipalities (Chapter 5 of the MSA No. 32 of 2000). The council of O.R Tambo district municipality is reviewing an Integrated Development Plan (IDP) to adopt it for implementation during (2011/2012) financial year. The IDP as a strategic development plan is reviewed annually to guide all development in a municipal area and inform municipal budgeting and resource allocation. It also plays a pivotal role in informing all planning processes of the other spheres of government (National and Provincial) as well as all state owned enterprises. The main purpose of an IDP is to foster more appropriate service delivery by providing the framework for economic and social development within the municipality. In doing so it:-

- i. Contributes towards eradicating the development legacy of the past.
- ii. Operationalizes the notion of developmental local government.
- iii. Foster a culture of co-operative governance.

1.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES

1.2.1 THE NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE

The fundamental aim of the NSDP is to guide the reconfiguration of apartheid spatial relations and the implementation of spatial priorities in ways that meet the Constitutional imperative to provide basic services to all; alleviate poverty and inequality; and to ensure that government investment is able to maximise its impact on growing the country's economy in sectors where there is greatest potential. Important in this is the targeting of government investment in ways that encourage the 'crowding in' of private investment.

The spatial configuration of our country is not only the product of investment and growth, but also of apartheid spatial planning – a disjuncture exists between where people live and where economic opportunities exist. This spatial marginalisation from economic opportunities is still a significant feature of our space economy that needs to be addressed in order to reduce poverty and inequality, and ensure shared growth.

The existing national policy allocates developmental responsibilities across all three spheres of government. The NSDP is intended to guide the three spheres of government to plan and allocate resources to achieve the country's developmental objectives. The NSDP document puts forward a set of principles, which recommend the focusing of government fixed investment in **areas with development potential**. It is argued that these areas present the greatest possibility for both economic growth and poverty alleviation.

In **areas of limited potential**, the NSDP proposes that government takes an approach that ensures that citizens are provided with a package of essential services. Moreover that government concentrates primarily on social investment, such as basic social infrastructure and human resource development, labour market intelligence and social grants. The fact that poverty may be dire in these areas does not mean that it is physically in such areas that poverty can be more effectively addressed.

Intergovernmental planning and resource allocation

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

- the defining of the space economy in terms of needs and development potential

- the set of guiding principles, to be utilised by all actors in government when planning, deliberating and budgeting for investment and spending.

This requires a **well co-ordinated and integrated system of planning** in which the plans at a national, provincial and local level inform and are informed by each other. Also that there is agreement on the priority financing targets for both basic needs and economic development, and that the financing streams in the various spheres are targeted at these priorities.

Achieving this requires a strongly co-ordinated interaction between the key planning instruments in each sphere:

- At a national level within The Medium Term Strategic Framework (MTSF) and linked MTEF
- At a provincial level through Provincial Growth and Development Strategies (PGDSs) and Provincial MTEF's
- At a local level through the District and local municipalities, Integrated Development Plans and the Municipal MTEF's District wide agreements

Within this planning framework it is important to differentiate regions and sub regions. From an administrative perspective Districts are important foci of sub regional planning and the point at which the planning of the three spheres can best intersect.

A particular focus of this project is **district wide agreements needed on the district space economy** in terms of need/poverty and development potential. This agreement should not will not only form the base for preparing and reviewing IDP's in the district, but also agreements or implementation protocols on the roles and responsibilities regarding infrastructure investment and development spending in the district.

- Each of these should inform and focus the other in reconciling four fundamental planning imperatives:
 - **Alleviating poverty**
 - **Growing the local, regional and national economies**
 - **In doing so increasing the amount of employment**
 - **Maximising the skills and resources available to contribute to economic development**

1.2.2 THE MEDIUM TERM STRATEGIC FRAMEWORK AND OUTCOMES BASED APPROACH

The MTSF is meant to guide planning and resource allocation across all the spheres of government. National and provincial departments had to develop their five-year strategic plans and budget requirements taking into account the medium-term imperatives.

Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their Integrated Development Plans in line with the national medium-term priorities. The MTSF is reviewed annually during the mid-year Cabinet makgotla in the light of new developments and experience in actual implementation.

The yearly reviews then inform both the corresponding three-year rolling MTEF's and government's annual Programme of Action.

The 2009 Electoral Mandate of the ruling party identifies the following objectives:

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

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

- 1) *Speeding up growth and transforming the economy to create decent work and sustainable livelihoods.*
- 2) *Massive programme to build economic and social infrastructure*
- 3) *Comprehensive rural development strategy linked to land and agrarian reform and food security*
- 4) *Strengthen the skills and human resource base - access to quality education*
- 5) *Improved health care for all South Africans*
- 6) *Intensify the fight against crime and corruption.*
- 7) *Build cohesive, caring and sustainable communities.*
- 8) *Pursuing African advancement and international relations.*

9) *Sustainable resource management and use.*

10) *Building a developmental state including improvement of public services.*

The Manifesto and the MTSF were further translated into 12 outcomes through which government performance will be monitored:-

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

Although the outcome that relates specifically to local government is Outcome 9, the local government sphere has a role to play in all the 12 outcomes as shown on the table below.

Table 1: 12 Outcomes of Government

Outcome 1: Improve the quality of basic education		
Outputs	Key spending programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve quality of teaching and learning. 2. Regular Assessments to track progress. 3. Improve early childhood development. 4. A credible outcomes-focused accountability system 	<ul style="list-style-type: none"> • Increase the number of Funza Lushaka bursary recipients from 9300 to 18 100 over the 2011 MTEF. • Assess every child in grades 3,6, and 9 every year. • Improve learning and teaching materials to be distributed to primary schools in 2014. • Improve maths and science teaching 	<ul style="list-style-type: none"> • Facilitate the building of new schools by : • Participating in needs assessment s • Identifying appropriate land • Facilitating zoning and planning processes • Facilitate the eradication of municipal service backlogs in schools by extending appropriatebulk infastructure and installing connections
Outcome 2: Improve health and life expectancy		
Outputs	Key spending programmes	Role of Local Government

<ol style="list-style-type: none"> 1. Increase life expectancy to 58 for males and 60 for females 2. Reduce maternal and child mortality rates to 30-40 per 1000 births. 3. Combat HIV/Aids and TB 4. Strengthen health services effectiveness 	<ul style="list-style-type: none"> • Revitalise primary health care • Increase early antenatal visits to 50%. • Increase vaccine coverage. • Improve hospital and clinic infrastructure • Accredited health facilities • Extend coverage of new child vaccines. • Expand HIV prevention and treatment. • Increase prevention of mother-to-child transmission. • School health promotion increase school visits by nurses from 5% to 20%. • Enhance TB treatment 	<ul style="list-style-type: none"> • Many municipalities perform health functions on behalf of provinces. • Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments. • Municipalities must continue to improve Community Health Services infrastructure by providing clean water, sanitation and waste removal services.
Outcome 3: All people in South Africa are protected and feel safe		
Outputs <ol style="list-style-type: none"> 1. Reduce overall level of crime. 2. An effective and integrated criminal justice system. 3. Improve investor perceptions and trust. 4. Effective and integrated border management. 5. Improve perception of crime among the population. 6. Integrity of identity of citizens and residents secured 7. Cyber-crime combated 	Key spending programmes <ul style="list-style-type: none"> • Increase police personnel. • Establish tactical response teams in provinces • Upgrade IT infrastructure in correctional facilities. • ICT renewal in justice cluster • Occupation – specific dispensation for legal professionals. • Deploy SANDF soldiers to South Africa's borders. 	Role of Local Government <ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning and enforcement of municipal by-laws. • Direct the traffic control function towards policing high risk violations – rather than revenue collection.
Outcome 4: Decent employment through inclusive economic growth		
Outputs <ol style="list-style-type: none"> 1. Faster and sustainable inclusive growth 2. More labour-absorbing growth 3. Strategy to reduce youth unemployment 4. Increase competitiveness to raise net exports and gross trade 5. Improve support to small business and cooperatives 6. Implement expanded public works programme 	Key spending programmes (National) <ul style="list-style-type: none"> • Invest in industrial development zones • Industrial sector strategies – automotive industry; clothing and textiles • Youth employment incentive • Development training and systems to improve procurement • Skills development and training • Reserve accumulation • Enterprise financing support • New phase of public works programme 	Roles of Local Government <ul style="list-style-type: none"> • Create an enabling environment for investment by streamlining planning application process • Ensure proper maintenance and rehabilitation of essential services infrastructure • Ensure proper implementation of the EPWP at municipal level • Design service delivery processes to be labour intensive • Improve procurement systems to eliminate corruption and ensure value for money • Utilise community structures to provide services
Outcome 5: A skilled and capable workforce to support inclusive growth		
Outputs <ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism 2. Increase access to intermediate and high-level learning programmes 3. Increase access to occupational – specific 	Key spending programmes (National) <ul style="list-style-type: none"> • Increase enrollment in FET colleges and training of lecturers • Invest in infrastructure and equipment in colleges and technical schools • Expand skills development 	Roles of Local Government <ul style="list-style-type: none"> • Development and extend intern and work experience programmes in municipalities • Link municipal procurement to skills development

programmes (especially artisan skills training) 4. Research, development and innovation in human capital	<p>learnerships funded through sector training authorities and National skills Fund</p> <ul style="list-style-type: none"> • Industry partnership projects for skills and technology development • National Research Foundation centres excellence, and bursaries and research funding 	initiatives
Outcome 6: An efficient, competitive and responsive economic infrastructure network		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation 2. Reliable generation, distribution and transmission of energy 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports 4. Maintain bulk water infrastructure and ensure water supply 5. Information and communication technology 6. Benchmark for each sector 	<ul style="list-style-type: none"> • An integrated energy plan successful independent power producers • Passenger Rail Agency acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers • Increase infrastructure funding for provinces for the maintenance of provincial roads • Complete Gauteng Freeway Improvement Programme • Complete De Hoop Dam and bulk distribution • Nandoni pipeline • Invest in broadband network infrastructure 	<ul style="list-style-type: none"> • Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services • Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport • Maintain and expand water purification works and waste water treatment works in line with growing demand • Cities to prepare to receive the devolved public transport function • Improve maintenance of municipal road network
Outcome 7: Vibrant, equitable and sustainable rural communities and food security		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Sustainable agrarian reform and improved access to markets for small farmers 2. Improve access to affordable and diverse food 3. Improve rural services and access to information to support livelihoods 4. Improve rural employment opportunities 5. Enable institutional environment for sustainable and inclusive growth 	<ul style="list-style-type: none"> • Settle 7000 land restitution claims. • Redistribute 283 592ha of land use by 2014 • Support emerging farmers • Soil conservation measures and sustainable land use management • Nutrition education programmes • Improve rural access to services by 2014: <ul style="list-style-type: none"> -Water – 92% to 100% -Sanitation – 69% to 100% -Refuse removal – 64% to 75% -Electricity – 81% to 92% 	<ul style="list-style-type: none"> • Facilitate the development of local markets for agricultural produce • Improve transport links with urban centers so as to ensure better economic integration • Promote home production to enhance food security • Ensure effective spending of grants for funding extension of access to basic services
Outcome 8: Sustainable human settlements and improved quality of household life		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Accelerate housing delivery 2. Improve property market 3. More efficient land utilization and release of state-owned land 	<ul style="list-style-type: none"> • Increase housing units built from 220 000 to 600 000 a year • Increase construction of social housing units to 80 000 a year • Upgrade informal settlement: 400 000 units by 2014 • Deliver 400 000 low-income houses on state-owned land • Improve urban access to basic services: <ul style="list-style-type: none"> -Water – 92% to 100% -Sanitation – 69% to 100% -Refuse removal – 64% to 75% -Electricity – 81% to 92% 	<ul style="list-style-type: none"> • Cities must wait to be accredited for the housing function • Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlement • Participate in the identification of suitable land for social housing • Ensure capital budgets are appropriately prioritized to maximum existing services and extend services
Outcome 9: A response and, accountable, effective and efficient local government system		

Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support 2. Community work programme 3. Support for human settlements 4. Refine ward committee model to deepen democracy 5. Improve municipal financial administrative capability 6. Single coordination window 	<ul style="list-style-type: none"> • Municipal capacity-building grants: • Systems improvement • Financial management (target: 100% unqualified audits) • Municipal infrastructure grant • Electrification programme • Public transport & systems grant • Bulk infrastructure & water grants • Neighbourhood development partnership grant • Increase urban density • Informal settlements upgrades 	<ul style="list-style-type: none"> • Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality • Implement the community work programme • Ensure ward committees are representative and fully involved in community consultation processes around the ID, budget and other strategic service delivery issues • Improve municipal financial and administrative capacity by competency norms and standards and acting against incompetence and corruption
Outcome 10: Protection and enhancement of environmental assets and natural resources		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources 2. Reduce greenhouse gas emissions; mitigate climate change impacts; improve air quality 3. Sustainable environmental management. 4. Protect biodiversity 	<ul style="list-style-type: none"> • National water resource infrastructure programme. • Expanded public works environmental programmes • Biodiversity and conservation 	<ul style="list-style-type: none"> • Develop and implement water management plans to reduce water losses • Ensure effective maintenance and rehabilitation of infrastructure. • Run water and energy saving awareness campaigns. • Ensure development does not take place on wetlands
Outcome 11: A better South Africa, a better and safer Africa and world		
Outputs	Key spending programmes (National)	Roles of Local Government
<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development. 2. Enhance regional integration 3. Reform global governance institutions 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> • Proposed establishment of South African Development Partnership Agency. • Defence: peace support mechanisms • Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> • Ensuring basic infrastructure is in place and properly maintained. • Creating an enabling environment for investment.
Outcome 12: A development orientated public service and inclusive citizenship		
Outputs	Key spending programmes (National)	Roles of Local Government
<ul style="list-style-type: none"> • Improve government performance • Government wide performance and monitoring • Conduct comprehensive expenditure review. • Celebrate cultural diversity 	<p>Performance monitoring and evaluation Stats SA: Census 2011- reduce undercount.</p> <p>Sports and Recreation: support mass participation and school sport programmes</p>	<ul style="list-style-type: none"> • Continue to develop performance monitoring and management system • Comply with legal financial reporting requirements. • Review municipal expenditures to reduce wastage. • Ensure councils behave in ways that restore trust in local government.

1.2.3 OUTCOME 9 UNPACKED

In line with the Programme of Action (POA) of this new administration, an outcomes based approach has been adopted. This resulted in twelve outcomes approved by the Cabinet to address the main strategic priorities of the government. Each outcome has a set of measurable outputs and clear targets. These outputs should be the strategic focus of all spheres of government between 2011-2014. Based on the 12 outcomes, the President has signed Performance Agreements with each minister, which in return they have signed with their respective MECs and Mayors.

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

Outcome 9 promotes a responsive, accountable , effective and efficient local government system.

This outcome arises from the ideals of the best performing municipality as envisaged in the Local Government Turn Around Strategy (LGTAS). This will therefore necessitate that the implementation LGTAS as intended is monitored..

7 Outputs of Outcome 9

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

The seven outputs as mentioned above can be further unpacked as follows:

OUTPUT 1: Differentiated Approach

- Detailed segmentation of municipalities
- Autonomy in respect of infrastructure and housing delivery
- Simplified IDPs planning for the delivery of 10 critical municipal services

- Simplified revenue enhancing plans
- Filling of top 6 critical posts by suitably qualified individuals
- Contracts of Municipal Managers are crisp and concise

OUTPUT 2: Improved access to Basic Services

- Improved access to water
- Improved access to sanitation
- Improved access to refuse removal
- Improved access to electricity
- Increased number of bulk infrastructure projects funded through Bulk Infrastructure Funding
- Special Purpose Vehicle for municipal infrastructure

OUTPUT 3: Community Work Programme

- Number of work opportunities identified that are useful by communities per ward (2 per ward)
- Number of wards per municipality where CWP has been implemented
- Number of job opportunities created
- % of job opportunities created that are associated with functional cooperatives

OUTPUT 4: Support the Human Settlement Activities

- Number of regulatory amendments for spatial planning reviewed and proposed
- Hectors of public land released for low income and affordable housing
- Number of municipalities where NUSP has been expanded
- National Grant Co ordination Framework developed and monitored by March 2011

OUTPUT 5: Deepening democracy

- Legislative Framework reviewed to strengthen ward committee capacity and functionality

- Adoption of new approach for funding mechanism of ward committees
- % of fully functional ward Committees

OUTPUT 6: Improved Municipal Financial and Administrative Capabilities

- Address immediate financial and administrative problems in municipalities
- Ensure the implementation of transparent municipal SCM
- Implement the Revenue Enhancement Strategy through public mobilization campaigns
- Improved municipalities with unqualified audit opinion
- Average monthly collection rate on billing to arise
- % of municipalities with debtors more than 50% of own revenue to be reduced
- % of municipalities under spending on Capex to be reduced
- % of municipalities spending less than 5% of Opex on repairs and maintenance to be reduced
- Anti –Corruption legislation reviewed and implemented
- Revised system of reporting by municipalities

OUTPUT 7: Single window of coordination

- Improved Intergovernmental relations between spheres of government through improved functionality of IGR structures
- Reviewed IGR Fiscal Framework before 2011 Local Government Election
- The implementation of a single cycle of election for national, provincial and local government to improve system of governance and service delivery

1.2.4 THE NEW ECONOMIC GROWTH PATH

Government, under the leadership of Minister Ebrahim Patel, on 23 November 2010 released the **Framework of the New Economic Growth Path** aimed at enhancing growth, employment creation and equity. The policy's principal target is to create five million jobs over the next 10 years. This framework reflects government's commitment to prioritising employment creation in all economic policies. It identifies strategies that will enable South Africa to grow in a more equitable and inclusive manner while attaining South Africa's developmental agenda.

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 and as such ensure that all programmes that they implement have an element of job creation.

- The framework for the New Economic Growth Path identifies investments in five key areas namely: energy, transport, communication, water and housing. Sustaining high levels of public investment in these areas will create jobs in construction, operation and maintenance of infrastructure.
- The new growth path sees the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme.
- Specific measures, particularly changes to procurement policy and regulations, are identified to ensure that this is achieved. Risks include the still fragile global recovery; competition and collaboration with the new fast-growing economies; and competing interests domestically.

The New Growth Path identifies five other priority areas as part of the programme to create jobs, through a series of partnerships between the State and the private sector:

- **Green economy:** expansions in construction and the production of technologies for solar, wind and biofuels is supported by the draft **Energy on 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 upscaling processing and export marketing. Support for small holders 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 the Government to unblocking stalled land transfers, which constrain new investment.
- **Mining:** calls for increased mineral extraction and improving infrastructure and skills development. It focuses support for beneficiation on the final manufacture of consumer and capital goods, which can create large-scale employment. It foresees the establishment of a state mining company concentrating on beneficiation and enhanced resource exploitation in competition with a strong private mining sector.
- **Manufacturing:** calls for re-industrialisation in the South African economy based on improving performance through innovation, skills development and reduced input costs in the economy. The document targets a doubling of South Africa's research and development investment to 2% of gross domestic product by 2018.

- **Tourism and other high-level services:** hold employment potential and the framework calls for South Africa to position itself as the higher education hub of the African continent.

1.2.5 THE PROVINCIAL GROWTH AND DEVELOPMENT PLAN

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

The strategy framework for growth and development is expressed in terms of six strategic objectives, which are divided further into **three key objectives** and **three foundation objectives**.

The three **key objectives**:

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

These key objectives are supported by the following three **foundation objectives**:

1. Infrastructure development.
2. Human resource development.
3. Public sector and institutional transformation.



It is understood that the PGDP is presently under review. Nevertheless, it has initiated **14 Priority Programmes**, as follows: -

1. *Sustainable homestead food production programme, complemented by promotion of commercial production through programmes such as the Massive Food Production Programme.*
2. *Provincial industrial strategy identifying new opportunities and key sub-sectors in all parts of the province, and including provisions for the facilitation of structured finance for small manufacturing initiatives.*
3. *Integrated infrastructure development programme with a particular emphasis on rural infrastructure and job creation, and on the promotion of input purchase and service provision from local small and medium enterprise suppliers (Community Based Public Works Programme to be part and parcel of this process).*
4. *Programme to build access to productive assets by the poor (including assets such as land, plant, machinery and agriculture).*
5. *A programme of phased decentralization of service provision and facilitation of economic growth from provincial government departments to district and local municipalities, paying attention to the integration of the delegation of powers and functions, the building the capacity of municipalities, and the targeting and management of fiscal resources.*
6. *Integrated human resource development strategy that pays particular attention to skills development initiatives that address the income and asset base of the poor (such as learnerships) while addressing the longer term skills needs that will make the Eastern Cape more competitive.*

1.2.6 ACCELERATED AND SHARED GROWTH INITIATIVE (ASGISA)

The primary national government development objective for areas such as the ORTDM is the commitment to reducing poverty and unemployment by 50% by the year 2014. This includes the eradication of all basic needs infrastructural backlogs and significant government investment in infrastructure for economic development. The latter investments to encourage the 'crowding-in' of private sector investment.

ASGI-SA is aimed at removing the binding constraints and blockages to South Africa's economic development in order to set the economy on high growth trajectory.

The policy instrument developed to realise this objective is the Accelerated and Shared Growth Initiative (Asgi-SA). In the Eastern Cape the establishment of the implementing agency Asgisa East Cape (Pty) Ltd. is intended to support these objectives particularly through driving agrarian reform in the OR Tambo and surrounding districts incorporating former Bantustans.

1.2.7 LOCAL GOVERNMENT TURN-AROUND STRATEGY

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

Since beginning of 2009 the country has been marred by service delivery protests. These protests were characterised by violence, intimidation, destruction of property (municipal, government as well as property owned by councillors). The Minister of Cooperative Governance and Traditional Affairs then commissioned a Task Team to undertake assessments in all municipalities in the country. These assessments then culminated into the State of Local Government Report.

Despite the valuable role that municipalities have played in the country's democracy, key elements of the local government have shown signs of distress.

All municipalities in the country were then directed to develop turn-around strategies in order to:

- Restore the confidence of the majority of the people in our municipalities as the primary delivery machine of the developmental state at a local level.
- To rebuild and improve the basic requirement for a functional, accountable, responsive, effective, efficient developmental local government.

Like all other municipalities in the country, the O.R. Tambo District municipality developed and adopted its Turn-around strategy in May 2010.

1.3 OVERVIEW OF PROCESSES

The Municipal Systems Act 32 of 2000, Chapter 5 - part 3 prescribes that Municipal Council must review its Integrated Development Plan (IDP) annually in accordance with its performance measurements to the extent that changing circumstances so demand. This involves an assessment of the Municipality's performance and achievement of its targets and strategic objectives. The Council must also amend its IDP in accordance with a prescribed process.

The IDP is annually reviewed to reflect the impact of successes, while corrective measures are applied to address development problems that may arise. This is done to ensure its relevance as the Municipality's Strategic Plan, informing other components of the municipal business processes including institutional development, financial planning, cyclical inter-governmental planning and budgeting.

1.3.1 IDP FRAMEWORK AND PROCESS PLAN

As stipulated in the Act, the review process begins with the formulation of the Framework Plan at the District Municipality level, which also provides an IDP framework for Local Municipalities within its area of jurisdiction. This is done to ensure alignment and coordination between the District and its Local Municipalities' processes. Following the Framework plan, Municipalities are also required to prepare process plans outlining the way in which the review is to be undertaken to include the following:-

- i. A program with time frames, specifying the different steps to be followed
- ii. Outline of mechanisms, processes and procedures for consultation and participation of communities, traditional leaders, government departments and other roleplayers in the IDP process.
- iii. Layout of organisational arrangements in place for the IDP process
- iv. Binding plans and planning requirements
- v. Mechanisms and procedures for alignment
- vi. Financial requirements for the IDP process

On the 31 August 2010, the O.R. Tambo DM council after due consultation with the local municipalities, approved the framework and the process plans, to guide and inform the processes to be followed in the 2011/12 IDP PMS and Budget review process as prescribed by law. Unique for the current review is the fact that, as all Local Government Municipal Councils are due to elect new Councils, the National Treasury published the MFMA circular No 54. The circular provided guidance on how Municipalities

should conduct the review processes to ensure that they are able to function at the beginning of the new financial year with approved IDP and Budgets where possible. The MFMA circular No. 54 provided two options for the Municipalities as follows:

Option 1: Outgoing council approves 2011/12 Budget

Option 2: Outgoing council prepares 2011/12 budget, new council

The council of O.R Tambo DM adopted a reviewed process plan in line with option 1, with the following detail:

- Current Mayor prepares a budget schedule leading to tabling of budget by late February or early March 2011.
- Community consultations on annual budget conducted between March and April 2011.
- Technical work on annual budget completed by mid-April 2011
- Current council approves the annual budget before the end of April
- New council implements annual budget from 1st July 2011.

This necessitated an amendment of the approved IDP, PMS and Budget Process Plan in order to align with Circular 54 . Such an amendment was approved by Council on 31 January 2011.

Table 2. Approved IDP, PMS and Budget schedule as per option 1, approved on 31 January 2011.

MILESTONE	ACTIVITIES	RESPONSIBILITY	TIMEFRAME
SITUATIONAL ANALYSIS	Consolidation of sector input on progress made	IDP Unit	End Jan 2010
	Preparation and distribution of budget guidelines.	Budget & Treasury Office	31 January 2011
	Evaluation of service delivery achievement and identification of gaps.	IDP Steering Committee IDP Rep Forum	04 February 2011 08 February 2011
	Mid –term performance assessments	MAYCO	February 2011
	Preparation of 2010/11 adjustment budget.	All Departments	4 February 2011
COUNCIL SITTING	Adoption of Revised/ Amended IDP, PMS & Budget Process Plan. Tabling of Annual Report	Council	31 January 2011
PROJECT PRIORITIZATION AND STRATEGIES	Identification of priority projects in 2010/11.	IDP Steering Committee IDP Rep Forum	4 February 2011 10 February 2011
	Capital budget preparation and submission to BTO.	All departments	15 February 2011
	Oversight Roadshows on the Annual Performance Report	Council	08 – 18 February 2011
COUNCIL SITTING	Tabling of Draft IDP and Budget for 2011/12.	Council	9 March 2011
PROJECT PHASE	Outline prioritized development projects and setting of targets and indicators	All Departments	7 – 11 February 2011
	Projects phase session to align projects and programmes of local municipalities, sector departments and parastals	IDP Steering Committee IDP Rep Forum	22 February 2011 March 2011
	IDP , PMS & Budget Roadshows	MAYCO	17 – 25 March 2011
INTEGRATION PHASE	Integrate - interdepartmental & sector projects	All Departments IDP Steering Committee	22 February 2011
	Draft IDP and advertise for comments	IDP Unit/ Public Participation	11 March 2011
	IDP Indaba – for further inputs into the draft IDP before final adoption.	IDP Unit	4 – 8 April 2011
COUNCIL SITTING	Approval of Annual Report, IDP and Budget 2011/12 review	Council	28 April 2011

1.3.2 Implications of the 2010 Demarcation process

In September 2010, the Municipal Demarcation Board announced a number of changes to the municipal boundaries, which also affected the O.R. Tambo district in that the Local Municipalities of Ntabankulu and Mbizana are moving to Alfred Nzo District. As such the facilitation of the transition processes is underway as per the section 12 notice issued by the MEC for the Eastern Cape Department of Local Government and Traditional Affairs.

1.3.3 Organisational Arrangements

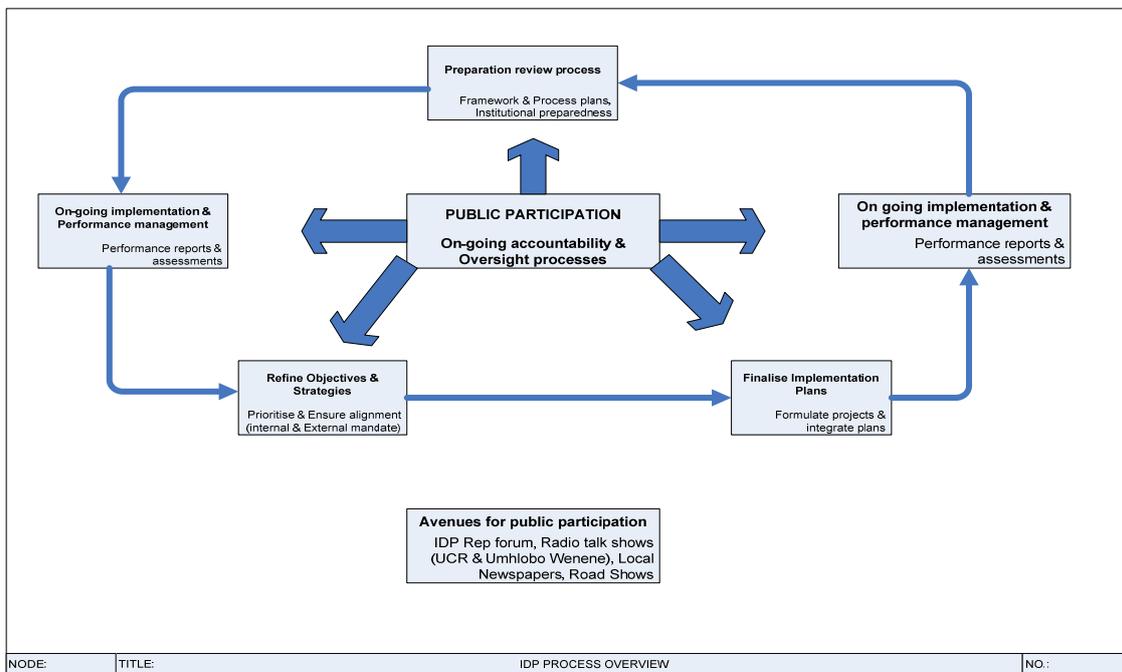
The Mayor and the Municipal Manager with the IDP Steering Committee were responsible for managing and drafting the Municipality's IDP. The following role players with the enlisted responsibilities were involved to ensure the success of the IDP Review process.

Table 3. IDP Role players and responsibilities

ROLE PLAYER	ROLES AND RESPONSIBILITIES
COUNCIL	<ul style="list-style-type: none"> <input type="checkbox"/> Approve and adopt the process and framework plans as well as the IDP <input type="checkbox"/> Monitor the implementation and approve any amendments of the plan when necessary
EXECUTIVE MAYOR	<ul style="list-style-type: none"> <input type="checkbox"/> Overall management, coordination and monitoring of the process and drafting of the IDP, which she assigns to the municipal manager. <input type="checkbox"/> Presents draft framework and process plans to council for adoption <input type="checkbox"/> Political coordination and management of the resulting implementation programme. <input type="checkbox"/> Presents draft reviewed IDP to the council for approval and adoption
IDP REPRESENTATIVE FORUM	<ul style="list-style-type: none"> <input type="checkbox"/> Provides an organisational mechanism for discussion, negotiation and decision making between stakeholders <input type="checkbox"/> Represents the interests of their constituencies in the IDP review process <input type="checkbox"/> Monitor the performance of the planning and implementation process
MUNICIPAL MANAGER	<ul style="list-style-type: none"> <input type="checkbox"/> Managing and coordination of the entire IDP process as assigned by the Executive Mayor <input type="checkbox"/> Facilitate the horizontal and vertical alignment of the District IDP review <input type="checkbox"/> Chair the IDP steering committee <input type="checkbox"/> Coordinate with various government departments to ensure proper alignment of programme
IDP STEERING COMMITTEE	<ul style="list-style-type: none"> <input type="checkbox"/> Provide technical and advisory support in the IDP review process <input type="checkbox"/> Monitor and evaluate effective management of IDP <input type="checkbox"/> Ensure strategic management of the implementation programme <input type="checkbox"/> Monitoring programme expenditure against budget <input type="checkbox"/> Commissions research studies and business plans for projects
IDP COORDINATORS FORUM	<ul style="list-style-type: none"> <input type="checkbox"/> ensure horizontal alignment between the District Municipality and between Local municipalities within the district; <input type="checkbox"/> ensure vertical alignment (through Department Local Government as official point of entry) between municipalities in the O R Tambo District and Provincial Government as well as National Government where relevant;
PROVINCIAL GOVERNMENT DEPARTMENTS	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure that sector plans are aligned with; and are part of the District IDP
SUPPORT PROVIDERS	<ul style="list-style-type: none"> <input type="checkbox"/> Ensure that the IDP is aligned with the budget and planning requirement of both Provincial and National Departments. <input type="checkbox"/> Facilitate linkages between local and district municipal IDP <input type="checkbox"/> Provide information of national and provincial planning frameworks <input type="checkbox"/> Provide facilitation secretariat support

1.3.4 Mechanisms and Procedures for Public Participation

The IDP Representative Forum is the main organizational mechanism in place for discussion, negotiation and decision-making between stakeholders with the municipal area. It is constituted of Councilors, Mayors and Municipal managers of all constituent municipalities, representative of organised role playing groups, NGO, Senior officials from Government departments and municipal heads of departments. A number of meetings and road shows were conducted; radio announcements (UNITRA Community Radio, Ikhwezi FM, Alfred Nzo Community Radio and Umhlobo Wenene) and local newspaper publications,(Daily dispatch, Pondo News, Ikhwezi news, Mthatha Herald) were made as an effort to ensure that the public is actively involved throughout the process. Below is a schedule of events that took place in relation to the above.



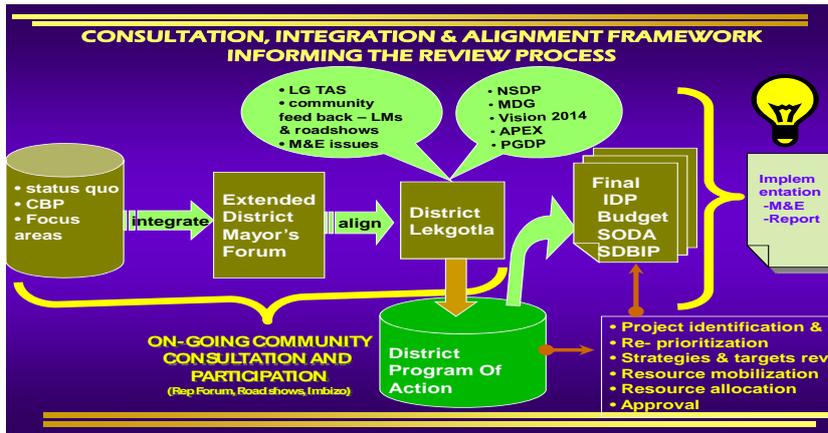
1.3.5 ALIGNMENT AND INTEGRATION

The Municipal Finance Management Act No 56 of 2003 prescribes a planning and budgeting cycle that municipalities must follow to ensure alignment. The critical phases, activities as well as the structures or role-players involved are listed in the table below.

Table 4 : Phases of IDP and Key Structures

Phase	Structures Involved	Activity
Analysis	District and Local Municipalities Relevant Government Departments	<ul style="list-style-type: none"> • Re-defining priority issues • Incorporating aspects of sector information (assessing plans from relevant sectors) • Agree on parallel processes
Strategies	District and Local Municipalities	<ul style="list-style-type: none"> • Vision, goals and objectives • Aligning strategies to the ISRDS, CMIP, Social Plan etc.
Projects	Relevant Government Departments, Sector Specialists, Project Task Teams – District and Local Municipalities, CBOs and NGOs, Traditional Communities	<ul style="list-style-type: none"> • Technical inputs by relevant sectors and governments • Relevant sector plans in order to align with project proposals accordingly • Business plans • Project proposals with budgets • Alignment of projects and plans with government department plans and budget
Integration	District and Local Municipalities and Government departments – Technical Specialists	<ul style="list-style-type: none"> • Screening of project proposals and making the necessary adjustments • Developing integrated programmes
Approval	District Municipality	Final comments and adjustments

To facilitate alignment with Government Sector Department, IDP engagements were conducted and this review cycle attendance by sector departments improved to more than 78%. Alignment between District IDP and Government Departments was facilitated through sector specific forums to allow in-depth engagement between sector role players and municipalities in the IDP development process. A critical gap was identified on the non-alignment of Provincial and National planning and budgeting cycles, which has always hampered smooth integration of priorities identified at Municipal level. The figure below summarises the process.



1.3.6 CONSIDERATION OF MEC COMMENTS ON 2009/10 IDP REVIEW

The O.R Tambo DM IDP for 2010/11 was submitted for comments to the MEC for the Department of Local Government and Traditional Affairs in terms of the section 32 of the Municipal Systems Act no.32 of 2000. The department conducted IDP assessments, the outcomes of which are tabulated below, together with an indication of how the O.R. Tambo DM has considered such in the current review process. The gaps identified were taken into consideration and addressed in this review.

Table 5 . Consideration of MEC comments

FUNCTIONAL AREA	GAPS IDENTIFIED	CORRECTIVE MEASURE/ ACTION UNDERTAKEN
WATER	The WSDP needs to be reviewed.	The DM has embarked on the process of reviewing the WSDP and the first will be available at the end of March 2011.
	Backlogs on water and sanitation have not been indicated in the IDP.	The current review clearly articulates the current backlogs and level of services provided until December 2010.
	The IDP clearly states that there are financial and human capacity constraints. Strategies need to be developed to recruit, retain staff, staff remuneration and skills development.	Process controllers have been trained and the placement process is almost finalised to address capacity constraints
	The IDP states that the WSA is the WSP. However, more details needs to be provided on the sustainability and efficiency of the WSP function	In the 2011/12 IDP review, under the Service Deliver KPA , the function of the WSP has been clearly outlined.
Environmental management	There is no Integrated Waste Management Plan or Strategy The IWMP does not capture some of the LM specific issues on Waste Management. DM needs t develop a Forestrt Plan as well as a greening strategy for the streets.	The IWMP was approved BY Council in September 2010. DM needs to budget for the development of the said sector plan or source funding from the relevant sector departments.
Forestry Plan		
Free Basic Services	There is no indication of existence of FBS or indigent policy	The indigent policy has been approved by council
	There is no indication of the budget on free basic services	100% of equitable share allocation for water and sanitation is allocated for FBS

Local Economic Development	There is no LED strategy for the DM	The DM LED strategy adopted in 2003 has been reviewed and adopted in September 2010.
Stakeholder and community Involvement/ participation	No there is no clear indication of community and stakeholders involvement. The municipality should state clearly involved communities and other stakeholders in the IDP.	Community and stakeholder involvement is undertaken as per the approved IDP framework and Process plans
	There is no indication of involvement of traditional leaders and the IDP processes. The DM needs to develop strategy to involve Traditional Leaders in the IDP Process	Traditional leaders are an integral part of IDP & DGDS stakeholder component for IDP processes
	The municipality has no clear strategy to inform communities of the priorities for current year.	This is provided for in the approved framework and process plans
Special Programmes (promotion of involvement of people with disabilities, youth and women)	There is no clear focus on special programmes. The DM should indicate special focus to promote people with disabilities, women and youth. The DM does not have a unit dedicated to promotion of programmes for youth.	The DM is implementing programmes that support youth, people with disabilities and women The Office of the Executive Mayor is responsible for performing this function and the unit looking at youth, gender and people with disabilities.
Promotion of Gender equity	There is no indication of status on promotion of gender equity for access to economic opportunity. The municipality should state clearly as to how they promoted access to economic opportunities for special groups.	The DM will introduce a monitoring and evaluation framework that allows reporting on issues of gender equity
Financial Management and Viability	The DM did not include the summary of the three year budget There is no mention of any financial policies that the municipality. Municipal Budget was not included in the IDP.	A three year financial plan will be included in the current IDP review. Summaries of the financial policies that the municipality has in place is found under the section on Financial Management and Viability. The municipal budget will be attached to the IDP as an annexure.

1.3.7 CONSIDERATION OF INPUT MADE BY COMMUNITY

IDP and Budget Roadshows were scheduled as follows for the period of 24 March – 7 April 2011, four areas in each Local Municipality where a minimum of 3 wards were clustered in each venue. A report on the findings is currently being compiled and will be incorporated before final adoption of the IDP.

PART TWO SITUATIONAL ANALYSIS

O.R. Tambo District Municipality (ORTDM) is one of the six district municipalities and one of the four ISRDP nodes of the Eastern Cape Province. It covers less than 80% of what used to be marginalised homeland of Transkei and is formed by five Local Municipalities, namely:-

- King Sabatha Dalindyebo LM (Mthatha & Mqanduli)
- Nyandeni LM (Libode & Ngqeleni)
- Mhlontlo LM (Qumbu & Tsolo)
- Port St. Johns LM
- Ngquza Hill LM (Flagstaff & Lusikisiki)

It must be noted that due municipal demarcation processes, two municipalities will no longer be part of the O.R. Tambo DM, viz:- Ntabankulu and Mbizana

2.1 LOCALITY

The O.R. Tambo District is located to the east of the Eastern Cape Province, on the Indian Ocean coastline of South Africa. It is bordered by the Alfred Nzo District Municipality to the north, the Ukhahlamba District Municipality to the northwest, the Chris Hani District Municipality to the west and the Amathole District Municipality to the southwest.

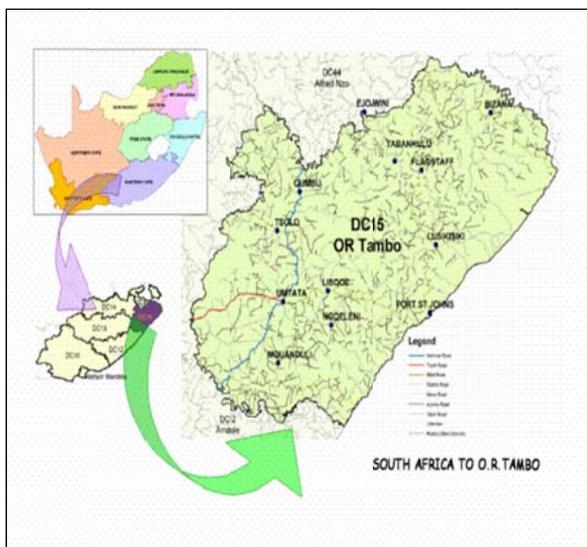


Figure 1: O.R. Tambo relative to South Africa

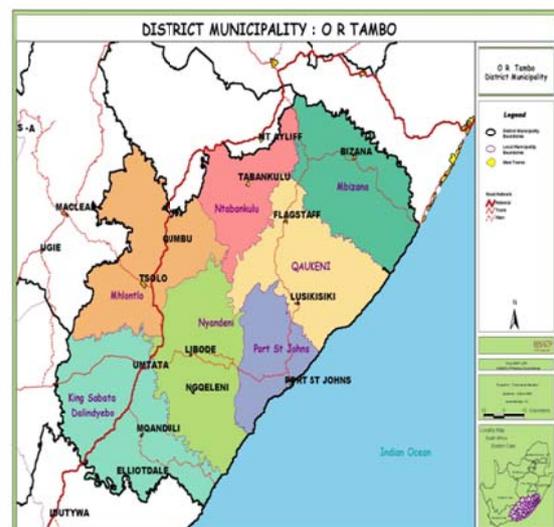


Figure 2: Locality Map

The O.R. Tambo DM is classified as a Category C2 municipality, indicating a largely rural character (it is estimated that some 93% of the district population resides in rural areas with a consequent dispersed settlement pattern) and low urbanisation rate, as well as limited municipal staff and budget capacity. All, but King Sabata Dalindyebo (KSD), local municipalities are classed as Category B4 (rural, mainly subsistence) reflecting limited institutional capacity and areas characterised by small centres, limited SMMEs and market opportunities, dependence on public support and LED activities that are principally at the level of the small project. KSD is classed as a Category B2 (large core town/s with surrounding agricultural areas) municipality reflecting reasonably adequate budgets and staff, urban centre(s) with associated resources where LED activities are emerging into strategies and programmes to take advantage of economic potential, as well as substantial numbers of SMMEs, considerable market opportunities, but limited private sector business development services.

2.2 DEMOGRAPHICS AND SOCIO-ECONOMIC INDICATORS

The total population of O.R. Tambo District amounted to 1,441 120 people in 2007. The population of the O.R. Tambo DM constitutes approximately 22.5% of the total population for Eastern Cape and about 25% of the total number of households. The average population density per sq.km for the administrative area in 2007 was 116. Generally, populations tend to be unevenly distributed within an area.

Chart 2 gives an indication of population spatial density patterns within O.R. Tambo. The District’s population grew by 96 413 people between 2001 and 2007 at an average annual growth rate of 0.89%. In comparison the annual average growth rate for the country stood at 1.21% over the same period. Chart 3 gives an indication of population growth rates for different time periods. The District has the largest population and the highest population density of all the districts in the Eastern Cape.

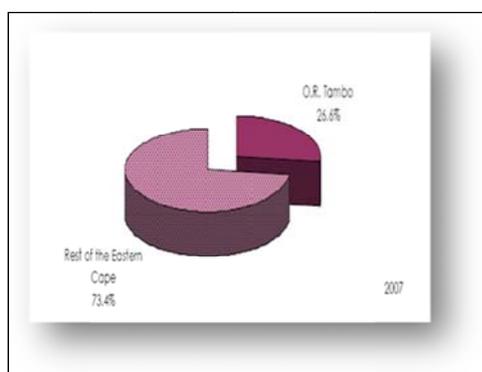


Figure 3: Total population in O.R. Tambo relative to the Eastern Cape (1997, Numbers)

Municipality	Persons		Households	
	Census 2001	CS 2007	Census 2001	CS 2007
Ngquza Hill	254 480	279 795	50 206	48 701
Port St Johns	146 967	165 084	28 869	30 951
Nyandeni	274 416	314 273	54 365	56 851
Mhlontlo	202 851	237 138	43 554	49 861
KSD	416 348	444 830	89 697	93 383
O.R. District Municipality	1 295 062	1 441 120	266 691	279 747

Table 6: O. R. Tambo Population – C.S. 2007

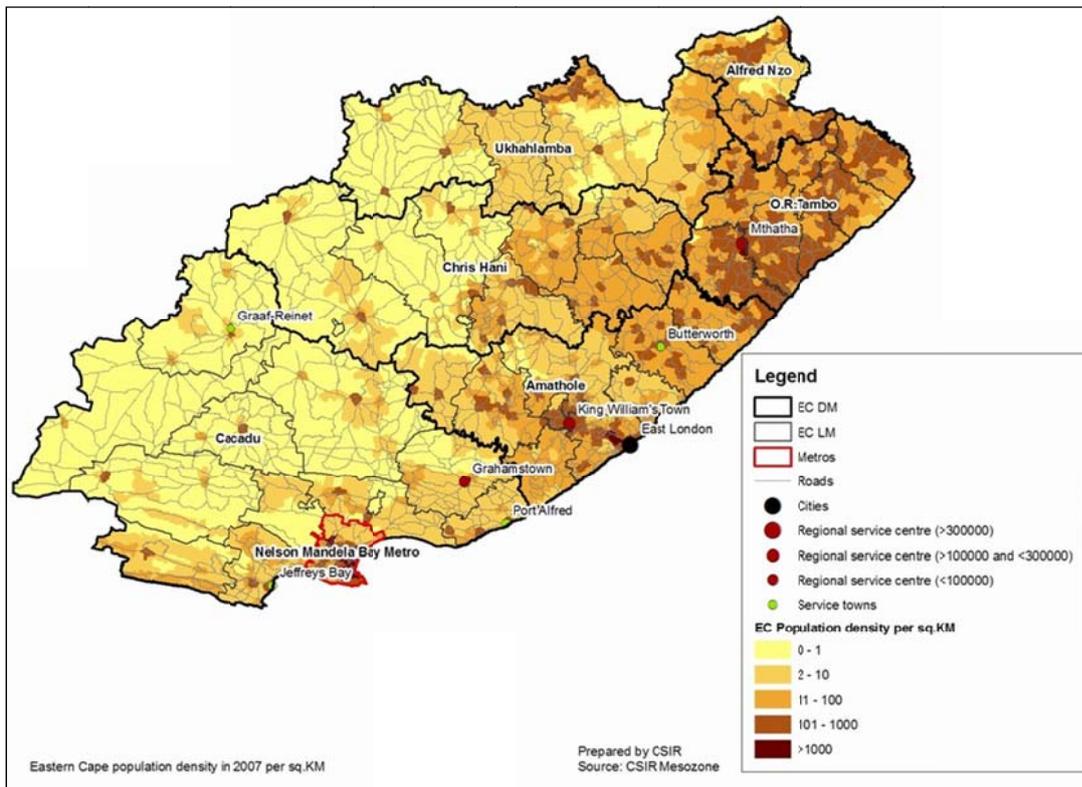


Figure 4: Population Spatial Density Patterns

2.2.1 DEMOGRAPHIC TRENDS

Much of the demographic and economic information in the following sections is taken from the Global Insights study commissioned by the District Municipality in 2008.

Population Distribution and density

The total population residing in the OR Tambo District Municipality (ORTDM) is estimated at 1,441 120 (2007) with a total of 279747 households (average household size of 4.2 people per household).