



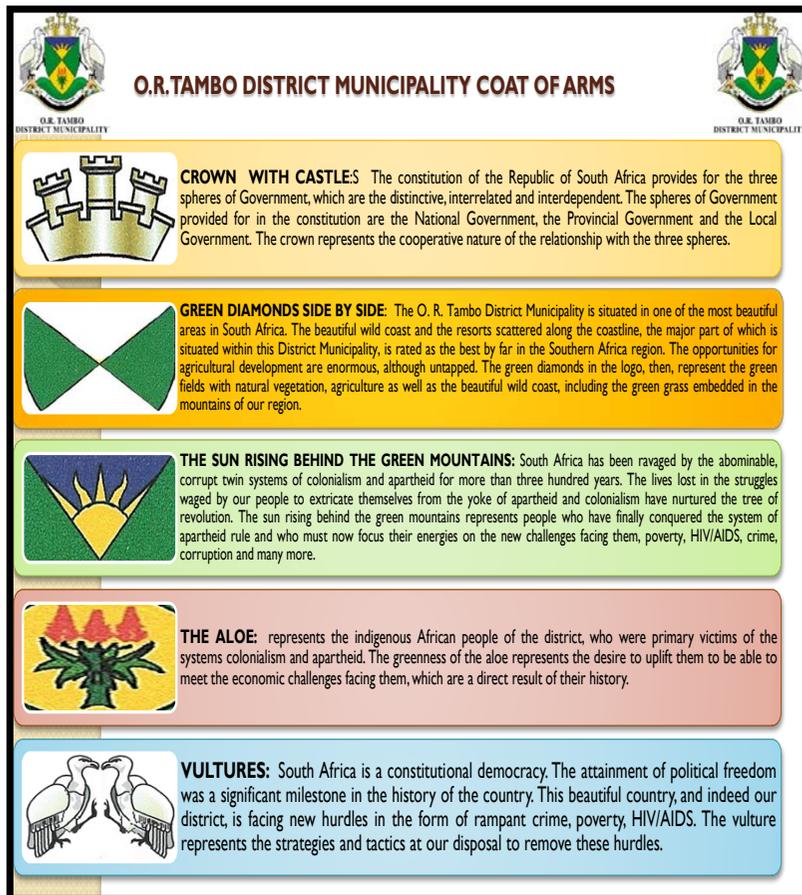
**O.R. TAMBO
DISTRICT MUNICIPALITY**

**Integrated Development Plan
2014-15 Review**

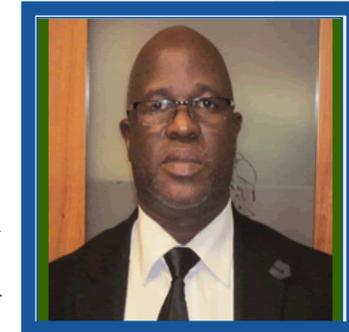
Executive Mayor's Foreword

The O.R. TAMBO District Municipality's Coat of Arms

The Coat of Arms presented below was adopted by the O.R. Tambo District Municipal Council of 2001. It was relevant then, and remains such to this day.



Leadership and Strategic Posture By Mr. H.T. Hlazo, Municipal Manager



The O.R. Tambo District Municipality's key development goals for the next five years are as follows:

- *Coordinate the endeavours of the three spheres of government;*
- *Construct enabling infrastructure and deliver quality services to all;*
- *Ensure responsive and accountable government and promote clean governance;*
- *Promote economic growth and develop sustainable community livelihoods; and*
- *Improve the capacity of the State as key development actor.*

The IDP preparation process was undertaken within the applicable national and provincial legal and policy framework, and was informed by the following:

- The O.R. Tambo Five Year Term Report (2006-2011): An assessment of IDP implementation;
- The introduction of a new Municipal Council after the 2011-Local Government Elections;
- The 2011 – Census update on the Socio Economic Profile of the District;
- The IDP/Budget Public hearings
- Comments from the MEC; as well as
- New national and provincial development strategies and plans.

The IDP that is presented here contains the reviewed district development objectives, strategies, indicators, targets and priority projects and programmes for implementation over period 2013-2014. It is the outcome of an extensive consultative involving numerous community structures and government sector department and State Owned

Enterprises that has the blessing and support of all the key stakeholders in the District. Once adopted, planning for the implementation of the IDP will begin in accordance with the systemic considerations as set out in the diagram below. Key to this endeavour are hard work, communciation, credibility, accountability, legal compliance, collabortion and performance management.

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DGDS	:	District /growth and Development Strategy
DIMAFO	:	District Mayors Forum
DLGTA	:	Department Local Government and Traditional Affairs
DM	:	District Municipality
HOD	:	Head of Department
ICTM	:	Information and Communication Technology Management
IDP	:	Integrated Development Plan
IGR	:	inter-governmental
ITP	:	Integrated Transport plan
KSD	:	King Sabatha Dalindyebo
LED	:	Local Economic Development
LM	:	Local Municipality
LUMS	:	Land use Management Systems
MEC	:	Member of Executive Council
MFMA	:	Municipal Finance Management Act
MIG	:	Municipal Infrastructure Grant
MM	:	Municipal Manager
MMC	:	Members of Mayoral Committee
MSA	:	Municipal Systems Act
MTSF	:	Medium Term Strategy Framework
NGO	:	Non Governmental Organisation
NT	:	National Treasury
OEM	:	Office of the Executive Mayor
PMS	:	Performance Management System
PSJ	:	Port St John's
PT	:	Provincial Treasury
SDBIP	:	Service Delivery Budget and Implementation Plan
SDF	:	Spatial Development Framework
WSDP	:	Water Services Development Plan

LIST OF ABBREVIATIONS AND ACRONYMS

DM	:	District Municipality
IDP	:	Integrated Development Plan
KPA	:	Key Performance Areas
LM	:	Local Municipality
MDG	:	Millenniums Development Goals
MTEF	:	Medium Term Expenditure Framework
MTSF	:	Medium Term Strategic Framework
NSDP	:	National Spatial Development Perspective
ORTDM	:	O.R. Tambo District Municipality
PGDS	:	Provincial Growth and development Strategy
PSF	:	Provincial Strategic Framework
SDF	:	Spatial Development Framework
AFS	:	Annual Financial Statements
AG	:	Auditor General
BTO	:	Budget and Treasury Office
COGTA	:	Cooperative Governance and Traditional Affairs
COO	:	Chief Operations Office
CPM	:	Corporate Performance Management



**O.R. TAMBO
DISTRICT MUNICIPALITY**

CHAPTER 1: INTRODUCTION

CHAPTER 1: INTRODUCTION

1.1 THE LEGISLATIVE FRAMEWORK

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

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

Section 153 of the Constitution stipulates that a municipality must:

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

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

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

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

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

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

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

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

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

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

This IDP signifies the start of the O.R. Tambo District Municipality's 2014/15 IDP Review for the current term of council. It has been developed in accordance with the relevant legal requirements as a strategic development plan that seeks to *enable real development, sustainable livelihoods and affordable service delivery for all in sustainable human settlements* by:

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

1.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES

1.2.1 The National Spatial Development Perspective (2006)

The NSDP seeks to:

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

This section includes the following policy documents:

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

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

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

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

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

- Focusing fixed investment in areas with development potential. It is argued that these areas present the greatest possibility for both economic growth and poverty alleviation; and
- Ensuring that citizens in areas with limited potential are provided with a package of essential public services, and focusing on human resource development, labour market intelligence and social grants. It is argued that the

prevalence of high poverty in an area does not mean that poverty can be more effectively addressed in that area.

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

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

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

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

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

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

1.2.2 The Medium Terms Strategic Framework

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

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

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

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

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

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

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

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

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, which are indicated in Table 1 below.

Table 1: The 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 : <ul style="list-style-type: none"> ▪ Participating in needs assessments ▪ Identifying appropriate land ▪ Facilitating zoning and planning processes ▪ Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections
Outcome 2: Improve health and life expectancy		
Outputs	Key Spending Programmes	Role of Local Government
<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 ▪ Accredite health facilities ▪ Extend coverage of new child vaccines. ▪ Expand HIV prevention and treatment. ▪ Increase prevention of mother-to-child transmission. ▪ School health promotion increase school visits by nurses from 5 to 20%. • Enhance TB treatment 	<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	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Reduce overall level of crime. 2. An effective and integrated criminal justice system. 3. Improve investor 	<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 	<ul style="list-style-type: none"> • Facilitate the development of safer communities through better planning & enforcement of municipal by-laws.

<p>perceptions and trust.</p> <p>4. Effective and integrated border management.</p> <p>5. Improve perception of crime among the population.</p> <p>6. Integrity of identity of citizens and residents secures</p> <p>7. Cyber-crime combated</p>	<ul style="list-style-type: none"> • Occupation-specific dispensation for legal professionals. • Deploy SANDF soldiers to South Africa's borders. 	<ul style="list-style-type: none"> • Direct the traffic control function towards policing high-risk violations – rather than revenue collection.
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Outcome 4: Decent Employment through Inclusive Economic Growth

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

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

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

<ol style="list-style-type: none"> 4. Research, development and innovation in human capital. 	<ul style="list-style-type: none"> ▪ Industry partnership projects for skills and technology development. ▪ National Research Foundation centres excellence, and bursaries and research funding. 	
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Outcome 6: An Efficient, Competitive and Responsive Economic Infrastructure Network

Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation. 2. Reliable generation, distribution and transmission of energy. 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports. 4. Maintain bulk water infrastructure and ensure water supply. 5. Information and communication technology. 6. Benchmark each sector. 	<ul style="list-style-type: none"> ▪ An integrated energy plan successful independent power producers. ▪ Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers. ▪ Increase infrastructure funding for provinces for the maintenance of provincial roads. ▪ Complete Gauteng Freeway Improvement Programme. ▪ Complete De Hoop Dam and bulk distribution. ▪ Nandoni pipeline. ▪ Invest in broadband network 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 o 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	Role 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 	<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%. 	<ul style="list-style-type: none"> ▪ Facilitate the development of local markets for agricultural produce. ▪ Improve transport links with urban centres so as to ensure better economic integration. ▪ Promote home production to enhance food security. ▪ Ensure effective spending of grants for funding extension of access to basic services.

growth.	▪ Electricity: 81% to 92%.	
Outcome 8: Sustainable Human Settlements and Improved Quality of Household Life		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Accelerate housing delivery. Improve property market. More efficient land utilization and release of state-owned land. 	<ul style="list-style-type: none"> Increase housing units built from 220 000 to 600 000 a year. Increase construction of social housing units to 80 000 a year. Upgrade informal settlement: 400 000 units by 2014. Deliver 400 000 low-income houses on state-owned land. Improve urban access to basic services: <ul style="list-style-type: none"> Water: 92% to 100%. Sanitation: 69% to 100%. Refuse removal: 64% to 75%. Electricity: 81% to 92%. 	<ul style="list-style-type: none"> Cities must wait to be accredited for the housing function. Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements. Participate in the identification of suitable land for social housing. Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.
Outcome 9: A Responsive, Accountable, Effective and Efficient Local Government System		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Differentiate approach to municipal financing, planning and support. Community work programme. Support for human settlements. Refine ward committee model to deepen democracy. Improve municipal financial administrative capability. Single coordination window. 	<ul style="list-style-type: none"> Municipal capacity-building grants. Systems improvement. Financial management (target: 100% unqualified audits). Municipal infrastructure grant. Electrification programme. Public transport & systems grant. Bulk infrastructure & water grants. Neighbourhood development partnership grant. Increase urban density. Informal settlements upgrades. 	<ul style="list-style-type: none"> Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality. Implement the community work programme. Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues. Improve municipal financial and administrative capacity by competency norms and standards and acting against incompetence and corruption,

Outcome 10: Protection and Enhancement of Environmental Assets and Natural Resources		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Enhance quality and quantity of water resources. Reduce greenhouse gas emissions, Mitigate climate change impacts and improve air quality. Sustainable environmental management. Protect biodiversity. 	<ul style="list-style-type: none"> National water resource infrastructure programme. Expanded public works environmental programmes. Biodiversity and conservation. 	<ul style="list-style-type: none"> Develop and implement water management plans to reduce water losses. Ensure effective maintenance and rehabilitation of infrastructure. Run water and energy saving awareness campaigns. Ensure development does not take place on wetlands.
Outcome 11: A Better South Africa, a Better and Safer Africa and World		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Enhance Africa agenda and sustainable development. Enhance regional integration Reform global governance institutions Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> Proposed establishment of South African Development Partnership Agency. Defence: peace support mechanisms Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> Ensuring basic infrastructure is in place and properly maintained. Creating an enabling environment for investment.
Outcome 12: A development orientated public service and inclusive citizenship		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> Improve government performance Government wide performance and monitoring Conduct comprehensive expenditure review. Celebrate cultural diversity 	<ul style="list-style-type: none"> Performance monitoring and evaluation Stats SA, Census 2011: Reduce undercount. Sports and Recreation: Support mass participation and school sport programmes. 	<ul style="list-style-type: none"> Continue to develop performance monitoring and management system. Comply with legal financial reporting requirements. Review municipal expenditures to reduce wastage. Ensure Municipal Councils behave in ways that restore trust in local government.

1.2.3 Outcome 9 Unpacked

In line with the Programme of Action (POA) of the 2009-National Administration, an outcomes based approach was adopted by Cabinet. This resulted in twelve outcomes approved by the Cabinet to address the main strategic priorities of the government. Each outcome has a set of measurable outputs and clear targets. These outputs should be the strategic focus of all spheres of government between 2011 and 2014. Based on the 12 outcomes, the President has signed Performance Agreements with each minister, which in return they have signed with their respective MECs and Mayors.

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

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

1.2.4 The New Economic Growth Path

This framework, aimed at enhancing growth, employment creation and equity, has as its principal target the creation of five million jobs over the next 10 years. Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs

across the economy. This calls for all spheres of government to prioritise job creation by ensuring that all programmes have an element of job creation. The framework:

- Identifies five key areas for large-scale public investment and job creation, i.e. Energy, Transport, Communication, Water, and Housing;
- Regards the infrastructure programme as a trigger to build a local supplier industry for the manufacture of the components for the build-programme;
- Identifies specific measures, particularly changes to procurement policy and regulations, to ensure delivery on its targets; and
- Highlights as risks the fragile global recovery, competition and collaboration with the new fast-growing economies, and competing domestic interests.

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

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

- *Tourism and other High-Level Services:* The framework regards these areas as holding significant employment potential, and calls for South Africa to position itself as the higher education hub of the African continent.

1.2.5 The Millennium Development Goals (MDGs)

The set of eight Millennium Development Goals were agreed to by all nations of the world and by global leaders of strategic development institutions, and aims at halving extreme poverty, halting the spread of HIV/AIDS, and providing universal primary education by 2015. The goals are as follows:

- Halving extreme poverty and hunger;
- Access to universal education;
- Gender equity;
- Child health;
- Maternal health;
- Combating HIV and AIDS;
- Environmental sustainability; and
- Promotion of global partnerships.

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

1.2.6 The National Development Plan (Vision 2030)

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

one holistic entity that should develop comprehensively, in every corner. The Ministry for the National Planning Commission in the Presidency was established to fulfil this task.

Experts in the areas :- economics, finance, social services, rural development, energy, public policy and governance, infrastructure development, urban and regional planning, education and training, health, agriculture and food security, climate change, local government and scenario planning were appointed to work with Minister Manuel as commissioners in the National Planning Commission. The team at National Planning Commission was asked to produce reports on a range of issues that impact on the country's long term development, such as water security, climate change, food security, energy security, infrastructure planning, human resource development, defence and security matters, the structure of the economy, spatial planning, demographic trends and so forth. The National Planning Commission conducted its work guided by the Constitution of the Republic, and the end result was the National Development Plan (NDP) which outlines what type of society the country must build. The National Development Plan offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

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

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

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

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

- *Housing, water, electricity and sanitation*
- *Safe and reliable public transport*
- *Quality education and skills development*

- *Safety and security*
- *Quality health care*
- *Social protection*
- *Employment*
- *Recreation and leisure*
- *Clean environment*
- *Adequate nutrition*

Role / Implication for Local Government

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

1.2.7 The Provincial Growth and Development Plan (PGDP)

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

The three *key objectives* are:

- Systematic eradication of poverty through a holistic, integrated and multi-dimensional approach to pro-poor programming;
- Agrarian transformation and strengthening of household food security; and

- Consolidation, development and diversification of the manufacturing base and tourism potential.

The three *foundation objectives* are:

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

While the PGDP is currently under review, it has already led to the introduction of a series of *Priority Programmes*:

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

1.2.8 The Provincial Strategic Framework (PSF)

Taking its cue from the National MTSF, the Provincial Strategic Framework is a high level medium term strategic framework that seeks to respond to the challenges of translating the electoral mandate into an effective and targeted government delivery programme. As such, the framework seeks to put the province on a sustained higher growth trajectory by the end of the mandate period with (1) an expanded and more diversified economic base, (2) the 2004-unemployment and poverty figures halved, and (3) greater equity and social cohesion. In order to do so, the framework has identified eight Provincial Strategic Priorities:

- Speeding up growth and transforming the economy to create decent work and sustainable livelihoods for all;
- Building social and economic infrastructure;
- Rural development, land and agrarian reform and food security;
- Strengthening education, skills and the provincial human resource base;
- Improving the health profile of the province;
- Intensifying the fight against crime and corruption;
- Building a Developmental State and improving the public services, and strengthening democratic institutions; and
- Building cohesive, caring and sustainable communities.

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

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

Local Government KPA: Basic Service Delivery and Infrastructure Development.		
National Priorities	Provincial Priorities	Outcomes
Improving health profile of the nation. Comprehensive rural development strategy linked to land and agrarian reform & food security.	Improving the health profile of the province. Rural development, land and agrarian transformation, and food security. A massive programme to build	An efficient, competitive and responsive economic infrastructure network. A long and healthy life for all South Africans. Sustainable human settlements

A massive programme to build economic & social infrastructure; Sustainable resource management and use.	social and economic and infrastructure. Building a Developmental State.	and improved quality of household life. Protected and enhanced environmental assets and natural resources.
Local Government KPA: Local Economic Development		
National Priorities	Provincial Priorities	Outcomes
Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods. Comprehensive rural development strategy linked to land and agrarian reform & food security.	Speeding up growth & transforming the economy to create decent work & sustainable livelihoods. Rural development, land & agrarian reform and food security. A massive programme to build social & economic infrastructure. Building cohesive & sustainable communities. Building a Developmental State.	Decent employment through inclusive economic growth. An efficient competitive and responsive economic infrastructure network. Vibrant, equitable, sustainable rural communities contributing towards food security for all. Sustainable human settlements and improve quality of household life. Protected and enhanced environmental assets and natural resources.
Local Government KPA: Good Governance and Public Participation		
National Priorities	Provincial Priorities	Outcomes
Intensifying the fight against crime and corruption. Building cohesive, caring and sustainable communities. Pursuing African advancement and enhanced international cooperation. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	Intensifying the fight against crime and corruption. Building cohesive and sustainable communities. Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	Vibrant, equitable, sustainable rural communities contributing towards food security for all. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenry. A better South Africa, better Africa and a better world.
Local Government KPA: Municipal Transformation and Institutional Development		
National Priorities	Provincial Priorities	Outcome
Strengthening skills and the human resource base. Pursuing African advancement and enhanced international cooperation.	A massive programme to build social and economic infrastructure. Strengthening skills and the human resource base.	Quality basic education. A skilled and capable workforce to support an inclusive growth path. All people in SA are and feel

Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions.	Building a Developmental State <i>inter alia</i> by improving public services and strengthening democratic institutions. Building cohesive, caring and sustainable communities.	safe. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered fair and inclusive citizenry.
Local Government KPA: Municipal Financial Viability and Management		
National Priorities	Provincial Priorities	Outcome
Intensifying the fight against crime and corruption.	Intensifying the fight against crime & corruption.	A responsive, accountable, effective and efficient local government system.

1.2.10 Local Government Turn-around Strategy

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

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

- Restore the confidence of the majority of the people in our municipalities as the primary delivery service-delivery engines of the Developmental State; and
- To rebuild and improve the basic requirements for a functional, accountable, responsive, effective, efficient developmental local government system.

- Like all other municipalities in the country, the O.R. Tambo District municipality developed and adopted its Turn-Around Strategy in May 2010. This strategy also informed the preparation and content of this IDP.

1.3 OVERVIEW OF THE IDP PROCESS

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

1.3.1 IDP Framework and Process Plan

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

- A program with timeframes, specifying the different steps to be followed;
- An outline of the mechanisms, processes and procedures for consultation and participation by communities, traditional leaders, government departments and other role-players in the IDP preparation process;
- The organisational arrangements that are and will be put in place to facilitate the preparation of the IDP;
- Any plans and planning requirements that are binding on the IDP preparation process and the IDP itself;

- Mechanisms and procedures for alignment between District and Local Municipal IDP preparation processes, as well as with plans, strategies, frameworks and programmes in the national and provincial spheres of government; and
- Financial requirements and commitments for the IDP preparation process.

On the 16th of August 2012, the O.R. Tambo DM Council, after due consultation with the local municipalities, approved the District Framework and the process plans to guide and inform the IDP and Budget preparation processes.

1.3.2 Organisational Arrangements

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

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

ROLE PLAYER	ROLES AND RESPONSIBILITIES
COUNCIL	<ul style="list-style-type: none"> ▪ Approve and adopt the process and framework plans as well as the IDP. ▪ Monitor the implementation and approve any amendments of the plan when necessary.
EXECUTIVE MAYOR	<ul style="list-style-type: none"> ▪ Overall management, coordination and monitoring of the process and drafting of the IDP, which she assigns to the municipal manager. ▪ Presents draft framework and process plans to council for adoption. ▪ Political coordination and management of the resulting implementation programme. ▪ Presents draft reviewed IDP to the Municipal Council for approval and adoption.
IDP REPRESENTATIVE FORUM	<ul style="list-style-type: none"> ▪ Provides an organisational mechanism for discussion, negotiation and decision-making between stakeholders. ▪ Represents the interests of their constituencies in the IDP review process. ▪ Monitors the performance of the planning and implementation process.
MUNICIPAL MANAGER	<ul style="list-style-type: none"> ▪ Manages and coordinates the entire IDP process, as assigned by the Executive Mayor. ▪ Facilitates the horizontal and vertical alignment of the District IDP preparation and review process. ▪ Chairs the IDP steering committee. ▪ Coordinates the IDP with national and provincial government department initiatives to ensure proper alignment of programme.
IDP STEERING COMMITTEE	<ul style="list-style-type: none"> ▪ Provides technical and advisory support in the IDP development process. ▪ Monitors and evaluates effective management of IDP. ▪ Ensures strategic management of the implementation programme. ▪ Monitors programme expenditure against budget. ▪ Commissions research studies and business plans for projects.
IDP	<ul style="list-style-type: none"> ▪ Ensures alignment between the IDPs of the District Municipality and between Local Municipalities in the district.

COORDINATORS FORUM	<ul style="list-style-type: none"> ▪ Ensures alignment (through the Provincial Department of Local Government as official point of entry) between municipalities in the O R Tambo District and Provincial Government and National Government line departments as and where relevant.
PROVINCIAL GOVERNMENT DEPARTMENTS	<ul style="list-style-type: none"> ▪ Ensure that sector plans are aligned with and are part of the District IDP. ▪ Prepare their plans, strategies and budgets guided by and in support of the IDPs prepared by the District Municipality and the Local Municipalities in the district.
SECTOR FORUMS	<ul style="list-style-type: none"> ▪ Ensure that each sector's input is incorporated in the IDP. ▪ Develop sector strategies and programme for the next five years with all the relevant role-players.

1.3.3 Process Followed

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

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

DATE	EVENT	ACTIVITY
15 June to 31 July 2013	Preparation of the IDP Review process	<ul style="list-style-type: none"> ▪ Development of District IDP Framework and Process Plan. ▪ Place advertisement for community and stakeholder participation in the IDP Representative Forum. ▪ Establishment and launch of the IDP Representative Forum.
23 July 2013	IDP Representative Forum Meeting	<ul style="list-style-type: none"> ▪ Discussion and input into the Draft Framework and Process Plan
31 July 2013	Council Meeting	<ul style="list-style-type: none"> ▪ Adoption of the Framework and Process plan.
September to November 2013	Analysis Phase	<ul style="list-style-type: none"> ▪ Collation of data and review of the situational analysis
October to December 2013	Sector Forums	<ul style="list-style-type: none"> ▪
26 November 2013	IDP Representative Forum	<ul style="list-style-type: none"> ▪ Presentation of the Draft Situational Analysis.
27 – 30 January 2014	Strategic Planning Session	<ul style="list-style-type: none"> ▪ To agree on strategies and objectives.
30 January 2014	IDP Representative Forum	<ul style="list-style-type: none"> ▪ To agree on strategies and objectives.
20 March 2014	IDP Representative Forum	<ul style="list-style-type: none"> ▪ Presentation of Draft IDP and Budget
31 March 2014	Council Meeting	<ul style="list-style-type: none"> ▪ Tabling of Draft IDP and Budget for 2014/15
14 April to 25 May 2014	IDP and Budget Roadshows	<ul style="list-style-type: none"> ▪ Solicit community inputs before the finalization of the IDP and 2014/15 Budget.
8 May 2014	IDP Rep Forum	<ul style="list-style-type: none"> ▪ Consideration of community inputs from the IDP Roadshows
30 May 2014	Council Meeting	<ul style="list-style-type: none"> ▪ Tabling of Draft IDP and Budget for final adoption by council

1.3.4 Measures and Procedures for Public Participation

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

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

The forum held a number of meetings and conducted roadshows throughout the District. Radio announcements (via UNITRA Community Radio, Ikhwezi FM and Umhlobo Wenene Radio) and local newspaper publications (i.e. Daily dispatch, Pondo News, Ikhwezi news and Mthatha Fever) were used to ensure that the public was informed and actively involved throughout the process.

1.3.5 Summary of issues raised from the IDP and Budget (14/15 Review) Road shows

1.3.6 Consideration of MEC Comments on 2013/14 IDP

FUNCTIONAL AREA	GAPS IDENTIFIED	CORRECTIVE MEASURE/ACTION TAKEN
SERVICE DELIVERY AND INFRASTRUCTURE PLANNING		
Water	Plan and budget for operation and Maintenance for water services infrastructure.	
	Water services programme that is financially viable; cost recovery, metering and billing.	
Sanitation	CAPEX Plan with three year allocation budget allocation	

	Plan to manage untreated effluent	
Roads and Storm water	Budget plan for integrated roads and transport system	
Waste Management Services	Budget for operations and maintenance being ring fenced	
Disaster Management and Fire Services	Establishment of a disaster management centre	
	Adopted disaster management plan	In process
Environmental Management: Air Quality Management	IDP not supported by an Air Quality Management Plan.	
	Environmental by-laws in place	
Safe and Secure environment	Integrated community safety forum	Draft in place
FINANCIAL PLANNING AND BUDGETS		
Compliance	Gazetted by laws	
	Alternative mechanisms being sought in funding for infrastructure investment, maintenance and acquiring new infrastructure.	
	GRAP compliant infrastructure register	
Valuation Roll	Implement an updated valuation roll	
	Conduct supplementary valuation	
Supply chain	Functional supply chain unit in compliance with the National standards in terms of the BID committee	
GOOD GOVERNANCE AND PUBLIC PARTICIPATION		
	Commitment to community participation in the IDP	
	Sectoral plans addressing population concerns	
	Tools to assess the social impact of development interventions at community level	
INSTITUTIONAL ARRANGEMENTS		

	HR plan/strategy	
	Reflection of which vacancies are funded and which ones are not.	
	Plans with deadlines to fill the vacancies	
	Employment equity plan	
	Evidence of a recruitment, training and retention strategy for scarce skills.	
	Evidence of a succession plan for key positions	

Table 5: Comments by the MEC for the Department of Local Government and Traditional Affairs and the Response by the OR Tambo DM (2008 – 2013)

KPA	RATING 2009/10	RATING 2010/11	RATING 2011/12	RATING 2012/13	RATING 2013/14
Spatial Development Framework	Medium	High	High	High	High
Service Delivery	Medium	Medium	Medium	Medium	Medium
Financial Viability	High	Low	Medium	High	High
Local Economic Development	Medium	Medium	High	High	High
Good Governance & Public Participation	Low	Medium	High	High	High
Institutional Arrangements	Low	Low	Medium	Low	Medium
Overall Rating	Medium	Medium	Medium	High	High



**O.R. TAMBO
DISTRICT MUNICIPALITY**

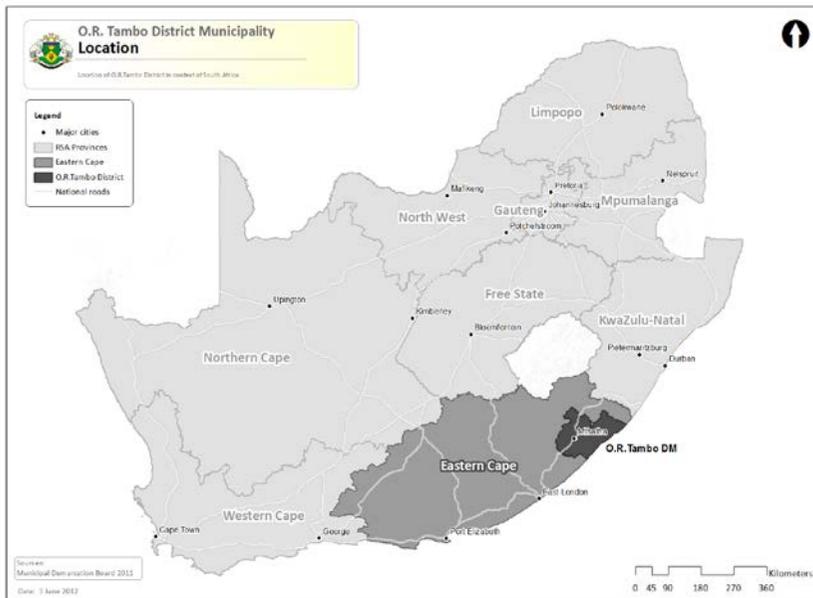
CHAPTER 2: SITUATION ANALYSIS

CHAPTER 2: SITUATIONAL ANALYSIS

2.1 LOCALITY

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

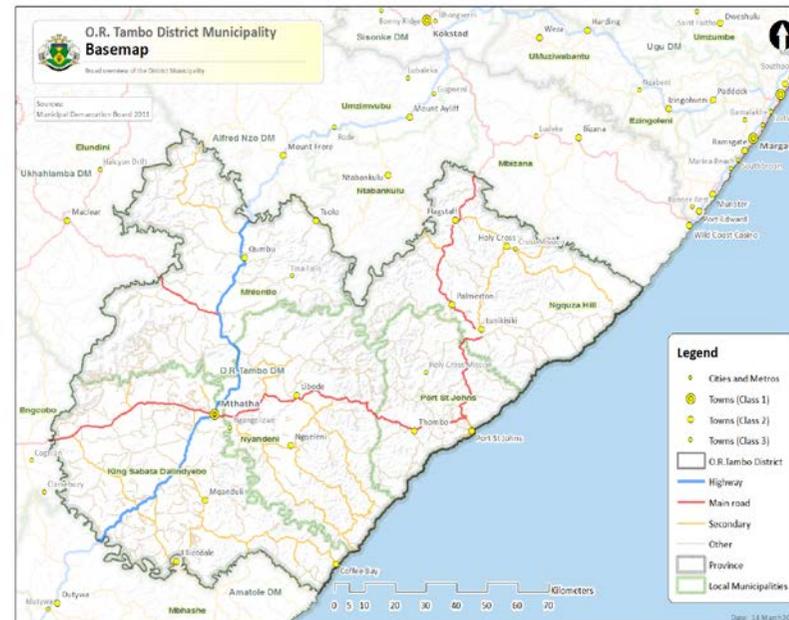
Map 1: The location of the OR Tambo DM in the Eastern Cape Province and South Africa



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

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

Map 2: The ORTDM and its five Local Municipalities



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

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

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

2.2 RURAL CHARACTER

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

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

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

2.3.1 Ingquza Hill Local Municipality

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

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

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

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

individuals for 2011 was 10 600 which is approximately 11% of O.R. Tambo District Municipality.

2.3.2 Port St Johns Local Municipality

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

Topographically the area is characterised by a high-lying northern hinterland with undulating plains decreasing in a southern direction to a largely flat coastal belt. Eight prominent rivers traverse the hinterland from north-west to south-east creating prominent valleys, gorges and inaccessible ravines. Access to and from the various parts of the municipal area is made very difficult by this undulating topography. Port St Johns had a GDP-R of R1 billion in 2011. GVA was R898 million, of which 59% was from the community services sector and 18% from the trade sector. The total number of people employed for 2011 was 7 500 which is approximately 8% of O.R. Tambo District Municipality.

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

2.3.3 Nyandeni Local Municipality

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

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

In terms of topography, the municipal area ranges in altitude from 1 200m above sea level in the north-western part to the low-lying coastal area in the south east. The municipality is drained by 4 perennial rivers, the Mngazi, Mngazana, Mtata and Mnenu Rivers. As for vegetation, valley thicket occurs along the steep slopes of the periphery of the municipal area, while the coast is characterised by Coastal Bushveld and Grassland. The interior is marked mainly by Eastern Thorn Bushveld and Moist Upland Grassland.

The GVA of Nyandeni comprises 6.9% of total GVA for O.R. Tambo District Municipality while GDP-R was R1.2 billion in 2011.. The

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

community sector and was the dominant sector with the greatest contribution to GVA in Nyandeni. The number of employed individuals amounted to almost 9 000 which is approximately 9.5% of O.R. Tambo District Municipality.

2.3.4 Mhlontlo Local Municipality

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

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

Mhlontlo Local municipality contributed 10% or R1.7 billion of the total GDP-R in O.R. Tambo District Municipality. The GVA for 2011 was the second highest at R1.5 billion; the mining and electricity sectors contributed the least toward this GVA, with both 0.3%. A total of 12 500 individuals were employed in 2011, which is approximately 13% of O.R. Tambo District Municipality.

2.3.5 King Sabata Dalindyebo Municipality

King Sabata Dalindyebo Local Municipality (KSDLM) is home to Mthatha, the economic centre of the District and the host to both the Local and District Municipality's Offices. Comprising four amalgamated entities, KSD includes both

Mthatha and Mqanduli urban and rural magisterial areas. The municipality has both an urban and a rural character, including a prominent national urban settlement and regional economic hub, as well as dispersed village-type rural settlements. In 2001, the KSDLM had a population of approximately 416 348 people and 89 697 households⁵, translating into an average household size of 4.6 persons/household. This had increased dramatically to 451 710 people and 105 240 households in 2011. Census 2011 has also revealed that the unemployment rate has decreased and the education levels have increased thereby reducing dependency ratio by approximately 19.3%.

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

KSD municipality is largest contributor to the O.R. Tambo District Municipality. Where the other four local municipalities contributed 10% or less, this single municipality contributed the most by far. The GDP-R for King Sabata Dalindyebo Local Municipality was R12.1 billion in 2011. GVA for 2011 was R11.4 billion which was the highest at 70% of total GVA in O.R. Tambo District Municipality. The community services, trade and finance sectors were the largest sectors in terms of their contribution toward GVA for this municipality at 48%, 18% and 21% respectively. The total number of employed individuals was 55 700.

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

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

2.4 DEMOGRAPHICS AND SOCIO-ECONOMIC INDICATORS

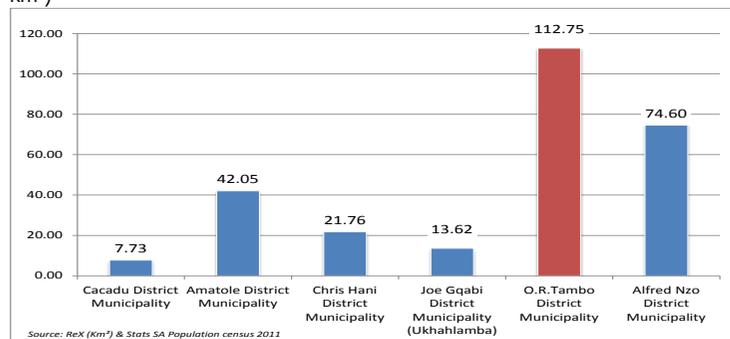
2.4.1 Demographic Trends

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

Population Density

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

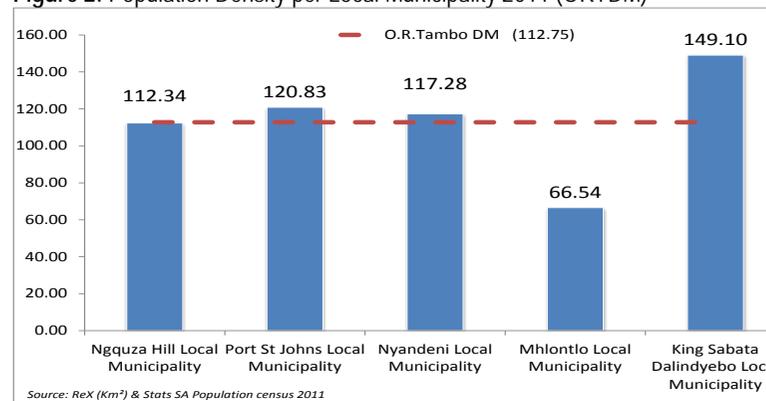
Figure 1: Population Density by District Municipality 2011 (Number of people per km²)



Using density instead of total number gives a basis for comparison between numbers in these different places (or economies). O.R. Tambo District Municipality is relative densely populated compared to most rural municipalities. The higher density

influences household infrastructure provision, quality of services and access to resources (medical care, schools, sewage treatment, community centers, etc). When focusing on the various municipalities within the O.R. Tambo District Municipality, the population density is above the national level of 42.39 persons per square kilometer for all the local municipalities, with the King Sabata Dalindyebo Local Municipality being the most densely populated.

Figure 2: Population Density per Local Municipality 2011 (ORTDM)



Gender Distribution

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

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

Table 7: Summary of Headline Demographic Data

	Ingquza Hill	PSJ	Nyandeni	Mhlonlto	KSD	O.R. Tambo District	EC
HOUSEHOLDS							
Census 2001	50206	28869	54365	43573	89697	266709	1481640
Census 2011	56213	31715	61647	43414	105240	298229	1687385
PERSONS							
Census 2001	254 483	146 965	274 420	202 849	416 347	1295145	6278651
Census 2011	278185	156063	290191	188070	451009	1363518	6 562 053
HOUSEHOLD SIZE							
Census 2001	4.98	5.0	5.0	5.0	4.6	4.8	4.2
Census 2011	5.0	4.9	4.7	4.3	4.3	4.6	3.9

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

O.R. Tambo District Municipality housed 2.6% of the total South African population in 2011. Between 2001 and 2011 population growth averaged 0.53% per annum which is 0.93 percentage points lower than that of South Africa as a whole, but higher as

the total provincial growth which is 0.19%. The only local municipality that had a decrease in population is the Mhlonlto Local Municipality, where the population decreases at an average annual rate of 0.76%. Key reasons for this are (1) migration from the district for economic reasons; (2) ill health and an increase in the mortality rate largely due to poverty; and (3) the high incidence of HIV/AIDS and TB in the district. The municipality with the highest population increase is the Ingquza Local Municipality at 0.90% average annual growth. The King Sabata Dalinyebo Local Municipality too has a relatively high average annual increase of 0.82% - probably due to the in-migration to a more developed economy.

Table 8: Number of Households per municipality

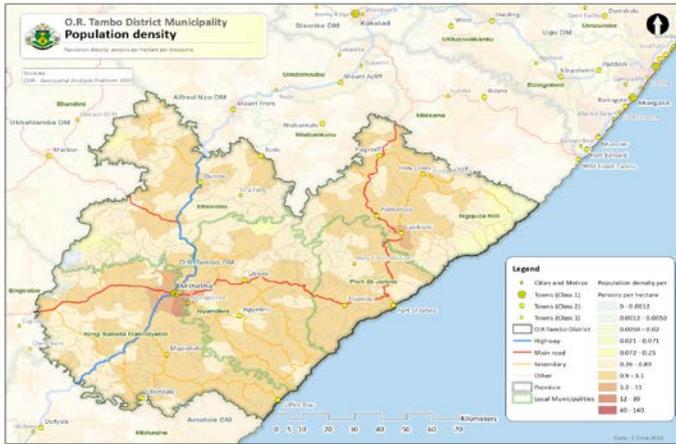
Region	2001	2011	AAGR 2001-2011
Ingquza Hill Local Municipality	254 590	278 481	0.90
Port St Johns Local Municipality	147 026	156 136	0.60%
Nyandeni Local Municipality	274 344	290 390	0.57%
Mhlonlto Local Municipality	203 219	188 226	-0.76%
King Sabata Dalinyebo Local Municipality	416 119	451 710	0.82%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

Source: Stats SA Population census 2001 & 2011

2.4.2 Population and Household Distribution

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

Map 3: ORTDM Population density



Map 4: ORTDM Population growth and decline

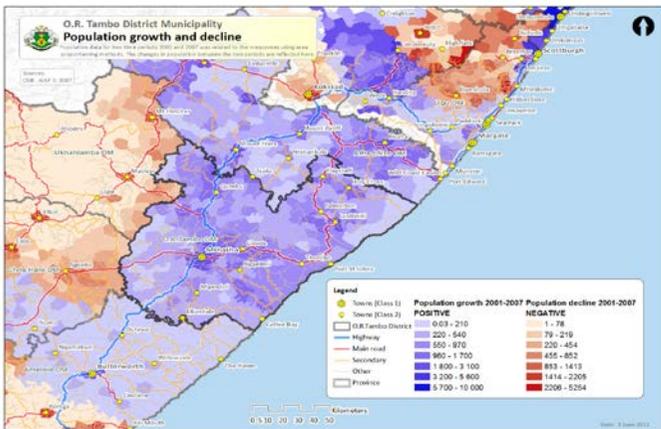


Table 10: Annual Growth Rate (Households)

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

Source: Stats SA Population census 2001 & 2011

2.4. 3 Population by Race, Gender and Age

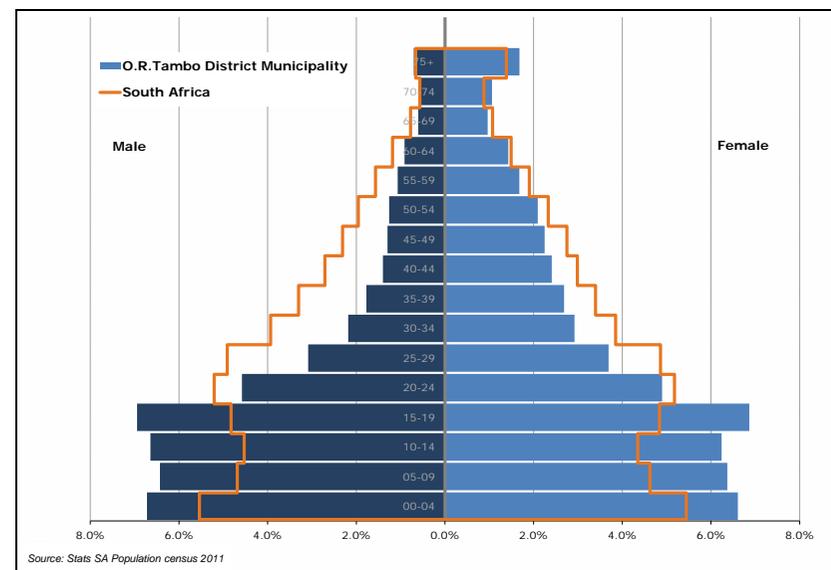
Of the 1.4 million people in the district, approximately 99.04% of the people living in the district are Africans, with the rest of the 0.49% divided between White, Coloured and Asian persons. Racial differences are therefore not very significant in the O.R. Tambo District.

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

O.R. Tambo District Municipality population pyramid:

- The effect of HIV/AIDS has an impact on the sexually active population.
- Employment conditions in urban areas force parents to send children to grandparents.
- Distortions resulting from grants.
- Spatial policies that changed since 1994.

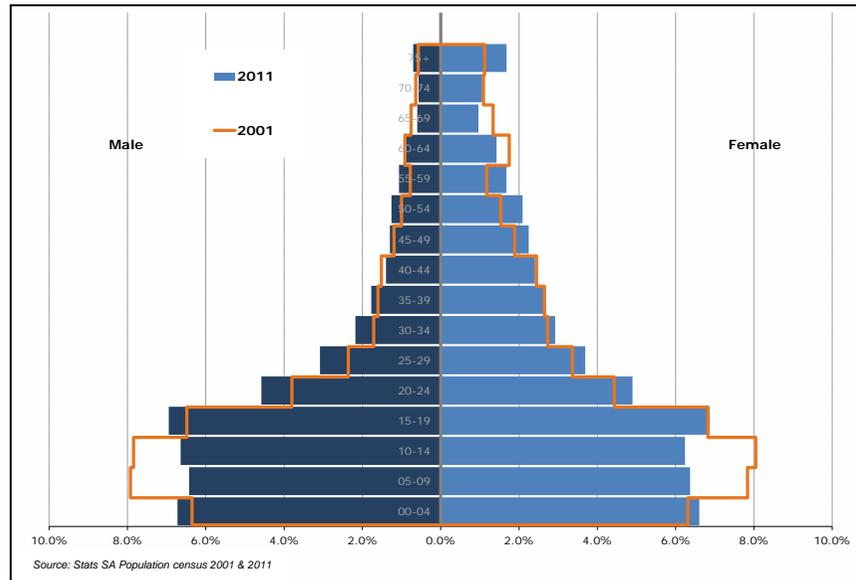
Figure 3: Population Pyramids (2011) – South Africa Vs O.R Tambo District Municipality



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

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

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



2.4.4 Age Spread and Dependency Levels

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

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

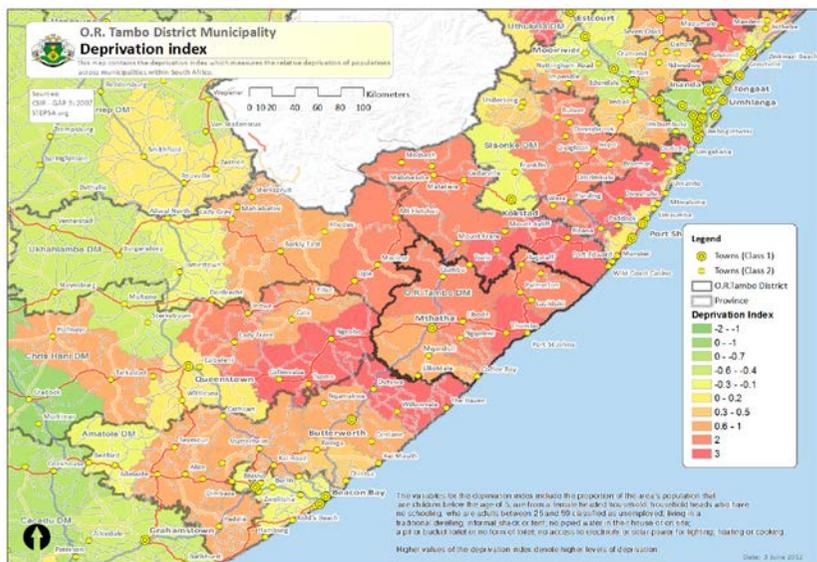
Local Municipality	Population Numbers	% of population 15 – 64 years of age
King Sabata Dalindyebo	451,710	59.90
Ingquza Hill	278,481	52.20
Mhlonlo	188,226	54.50
Nyandeni	290,390	54.00
Port St John's	156,136	51.80
OR Tambo District Municipality	1,364,943	55.40
EC PROVINCE	6,562,053	60.20

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

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

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

Map 5: ORTDM Deprivation index



2.4.5. Life Expectancy (At Birth)

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

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

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

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

2.4.6. HIV+ and AIDS Estimates

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

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

South Africa has a total of 4.8 million people who were HIV+ in 2011; this increased at an average annual growth rate of 1.8% and constitutes 10.8% of the total population. The Eastern Cape Province has a similar profile with 10.5% of the people being HIV+, but it is growing at a much faster rate (3.1%). The average annual growth in the number of HIV+ people in O.R. Tambo District Municipality is similar to that of the province at 3.1% but has a higher percentage of people living with the disease at 11.2%. The local municipality that is affected the worse is the King Sabata

Dalindyebo Local Municipality where the HIV+ number is growing at 3.2% average annually from 2005 to 2011.

Figure 5: AIDS Profile and Forecast (ORTDM 1996 – 2016)

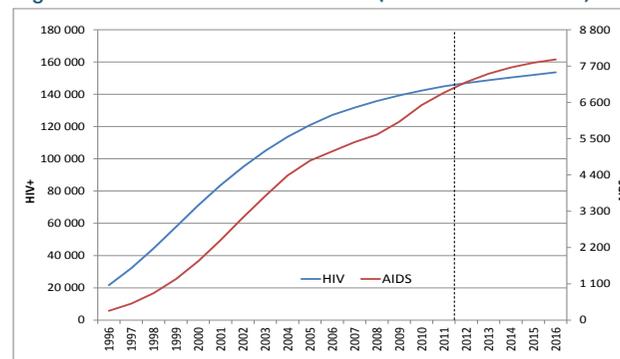


Table 14: Number of HIV+ people in ORTDM (2005 – 2011)

Year	South Africa	Eastern Cape	O.R. Tambo District Municipality	Ngquzu Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlontlo Local Municipality	King Sabata Dalindyebo Local Municipality
200	4 347 562	563 849	120 928	22 929	12 496	25 814	17 788	41 901
200	4 489 107	592 215	127 146	24 074	13 127	27 213	18 636	44 095
200	4 588 712	613 499	131 710	24 921	13 587	28 245	19 237	45 721
200	4 670 939	632 697	135 790	25 682	13 995	29 163	19 771	47 180
200	4 739 444	649 219	139 248	26 332	14 339	29 938	20 219	48 420
201	4 798 969	663 802	142 296	26 908	14 639	30 620	20 613	49 516
201	4 849 858	676 587	144 930	27 408	14 895	31 206	20 950	50 470
Average annual growth rate 2005-2011	1.8%	3.1%	3.1%	3.0%	3.0%	3.2%	2.8%	3.2%
% of population 201	10.8%	10.5%	11.2%	9.8%	9.5%	10.7%	11.1%	11.2%

Population source: Stats SA Population census 2011

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

2.4.7. Migration Patterns

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

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

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

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

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

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

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

2.5 DEVELOPMENT INDICATORS

All the human development and poverty indicators demonstrate that the District has some of the highest levels and concentration of poverty in the Eastern Cape and in the country as a whole. Although the Human Development Indicator (HDI) indicates a slight improvement in the quality of life for people in the District over the last decade,

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

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

Table 15: Key Poverty Indicators (Global Insight 2011)

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

2.5.1 Gini Coefficient

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

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

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

Comparing the Local Municipalities' Gini coefficient, it is clear that the inequality in the distribution of income per municipality is improving. King Sabata Dalindyebo Local Municipality with the highest GVA and GDP also has the highest Gini coefficient.

2.5.2 Human Development Index (HDI)

More significant as an indicator of poverty in the area than the Gini Coefficient is the HDI (see Figure 3 below). It is estimated that in 2011 O.R. Tambo District Municipality had an HDI of 0.43. This is significantly lower than the Eastern Cape which has an HDI of 0.53 and South Africa with its 0.59. Clearly, the HDI of South Africa is higher than that of the Eastern Cape (and consequently that of O.R. Tambo District Municipality) for each year under observation. There is however an improvement in the HDI for all three regions with the increase in the HDI of O.R. Tambo District Municipality being higher than that of the Eastern Cape and the South Africa. There is however still considerable scope of improving the living standards of the people of O.R. Tambo District Municipality. This can most likely be attributed to improved conditions arising from the increase in basic infrastructure, social services and access to welfare grants. However, these improvements in the District do not match those in the province and nationally over the same period of time. So, while conditions have improved from a relatively low base level, they have improved at a lower rate than for many other parts of the country during the same period.

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

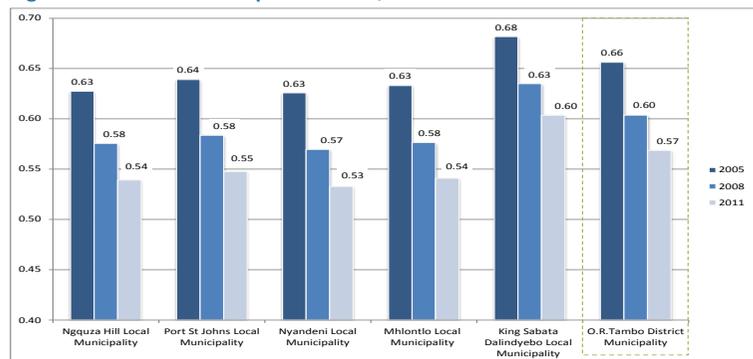
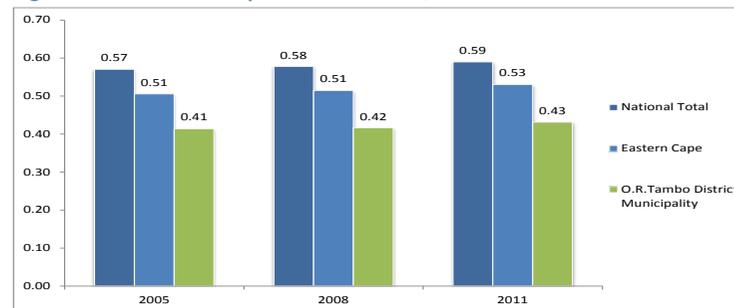
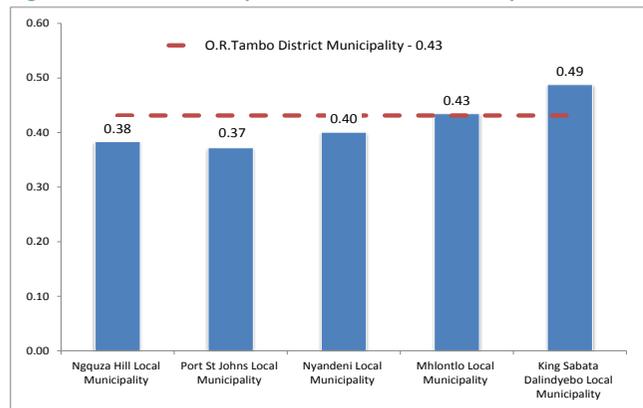


Figure 7: Human Development Index 2005, 2008 & 2011



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

Figure 8: Human Development Index - Local Municipalities



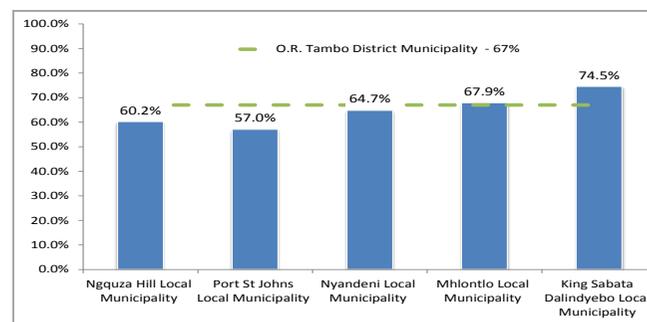
2.5.3 Functional Literacy

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

In 2011, there were 366 052 literate individuals in O.R. Tambo District Municipality as opposed to 303 095 who were considered to be functionally illiterate. Expressed as a

rate, this amounts to 54.7% - up by 6.8% percentage points from 47.9% in 2005. Compared to the Province, O.R. Tambo District Municipality's literacy rate is still lower than that of Eastern Cape Province. King Sabata Dalindyebo Local Municipality, at 65.6%, does have the highest literacy rates within the O.R. Tambo District Municipality. The lowest literacy rate of 40.2% is in the Port St Johns Local Municipality.

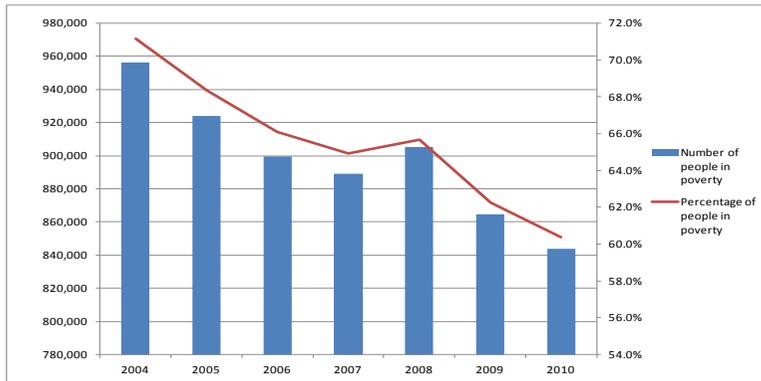
Figure 9: Literacy Rates per Local Municipality in ORTDM (2011)



2.5.4 Poverty Levels

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

Figure 10: Number of People Living in Poverty (ORTDM 2005 – 2011)



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

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

Table 17: Total Poverty Gape (2005 – 2011)

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

2.5.5 Grant Dependency

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

2.5.6 Personal Income

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

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

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

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

It was estimated that 82.0% of all households in O.R. Tambo District Municipality were classified as living on R38 200 or less per annum in 2011. In 2001, 93.0% of all households were classified as living below the R38 200 per annum line. The income brackets above do not take inflation into account and "inflation creep" occurs. This implies that - over time - movement of households "up" the brackets is natural, even if they are not earning any more in real terms. The total number of households without any income in O.R. Tambo District Municipality is at a concerning 17%. Dependency on subsistence farming could be a substitute for income as a means of survival as subsistence farming is not reported or understood as income by households and is therefore not reported. This may result in an increased burden on state to provide health, education and safety.

Table 11 below provides an overview of households per income category in the District for the year 2011. It should be noted that this table does not take inflation into account. The result of this is that, while it would seem that households are moving ahead in terms of income earned, much of this cancelled out by inflation, which simply means that they are in many cases not earning more income in real terms.

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

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

Source: Stats SA Population census 2011

In terms of the total personal income (Table 18) that accrued to individuals and households in the ORTDM and various LMs in the District in 2011:

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

The Ngquza Hill Local Municipality and the King Sabata Dalindyebo Local Municipality both recorded an average annual growth rate in total personal income of about 10%. The lowest average annual growth rate of all the local municipalities was the Port St John Local Municipality with an increase of only 6.1% annually over the period.

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

2.5.7 Per Capita Income

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

In comparing per capita income for the African population group on national, provincial and district municipal level, large differences are observed (see **Figure 6** below). In 2010, per capita income for Africans in the O.R. Tambo District Municipality amounted to R14 337, which is 2% lower than the total per capita income for the O.R. Tambo District Municipality. For the EC Province, the difference is 31%, while nationally the gap is 44%. When considering change in income over time, the per capita income (in current prices) in the District increased from R8 335 per annum in 2004 to R14 679 in 2010. This is a nominal average increase of approximately 9.9% per annum.

The per capita income amounted to R9 568 in O.R. Tambo District Municipality.

Table 11: 2011 Annual total personal income in the District and the LMs

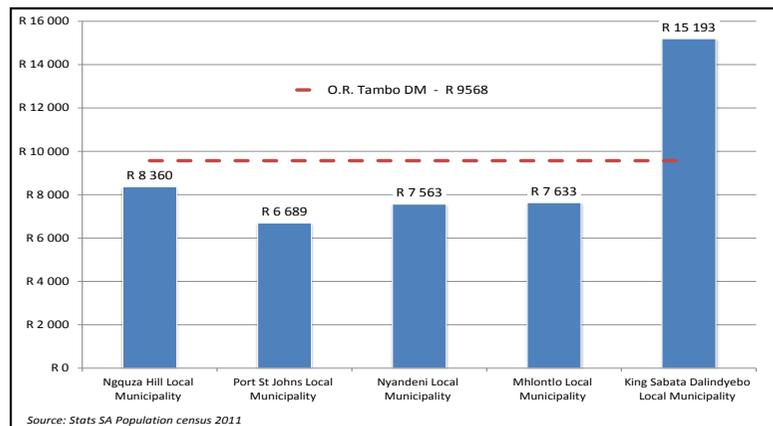
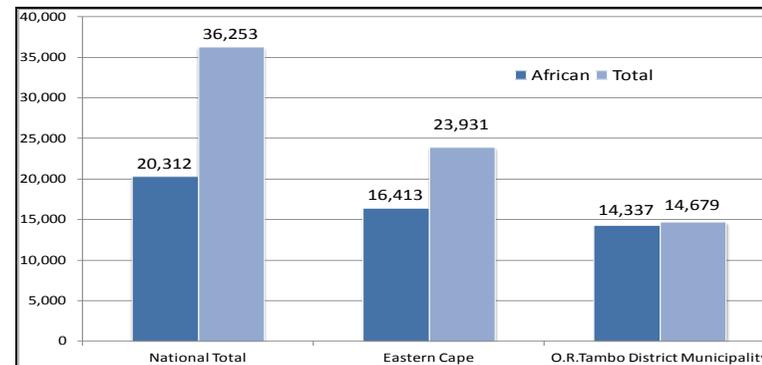


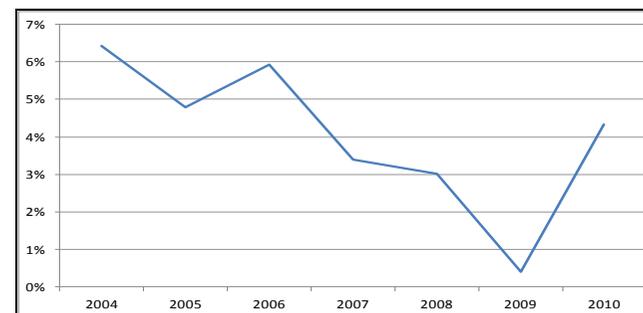
Figure 12: Per capita income: ORTDM, EC Province and nationally



2.5.8 Total Disposable Income

Total disposable income (see Figure 7 below) is calculated by subtracting income tax from total personal income. Using the national deflator for disposable income, we can work out the growth in real disposable income. It is estimated that disposable income in 2010 amounted to roughly 90.6% of total personal income.

Figure 13: Disposable income (Global Insight 2011)



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

2.5.9 Household Expenditure

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

In 2010, total household expenditure in O.R. Tambo District Municipality amounted to R20 billion – roughly equal to the total household income (see Table 13 below). The table below provides an indication of the expenditure on the top-20 products for O.R. Tambo District Municipality. The top-20 products make up about 79% of total expenditure for 2010. The biggest amount spent (11.8% of total expenditure) is on accommodation which is classified as housing or sheltering. The second largest with 9% is paid to government as taxes on income and wealth.

Table 17: Annual Expenditure by Product Type in 2010 (Global Insight 2011)

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

2.5.10 Employment

2.5.10.1 Economically Active Population

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

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

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

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

Figure 14: Economically Active Population per LM (2011)

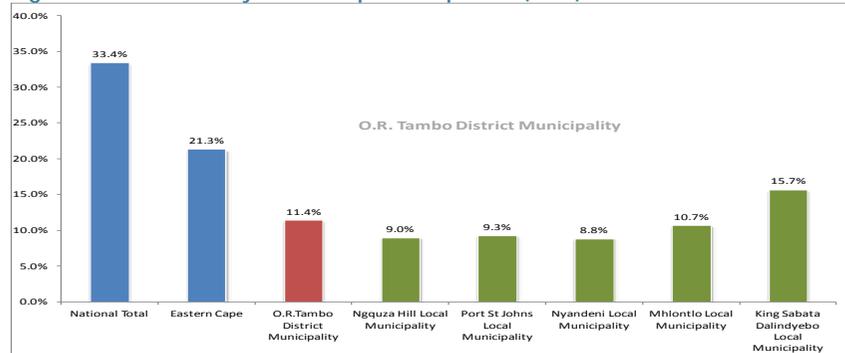


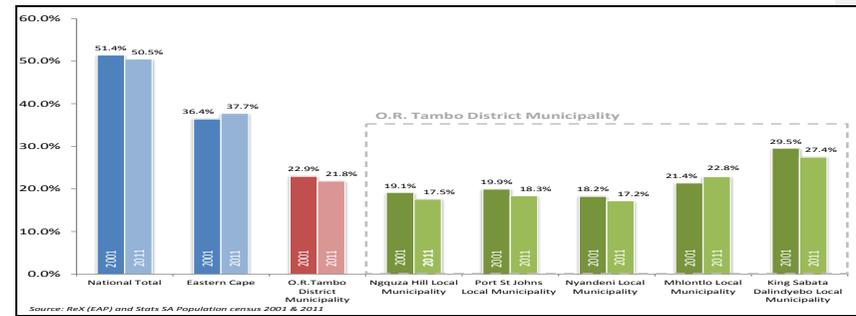
Figure 8 above indicates that the EAP as percentage of total population of the ORTDM, at 11.4%, is only half that of the EC Province (21.3%) and about one third that of the national total (33.4%).

2.5.10.2 Labour Force Participation Rate

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

22.9% to 21.8%. The only local municipality that had an increase in the labour force participation is the Mhlontlo Local Municipality from 21.4% to 22.8%.

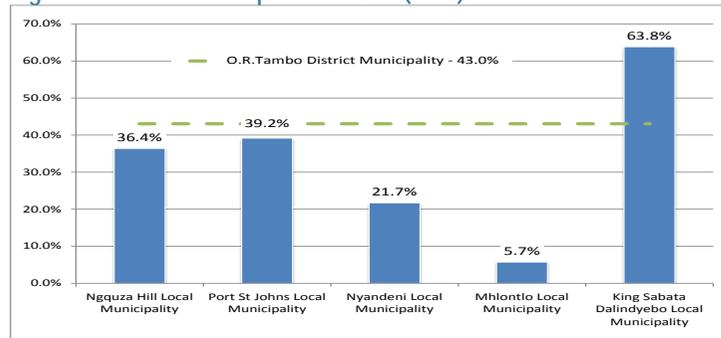
Figure 15: Labour Force Participation Rate (2011)



2.5.10.2 Labour Absorption Capacity

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

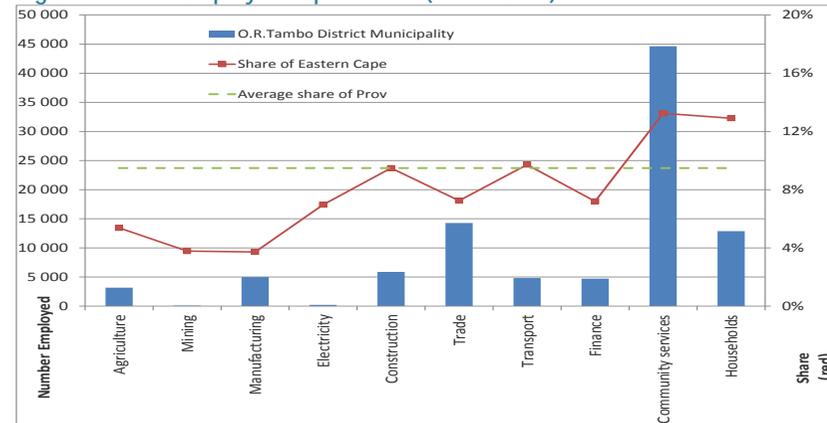
Figure 16: Labour Absorption Rate/LM (2011)



2.5.10.2 Total Employment

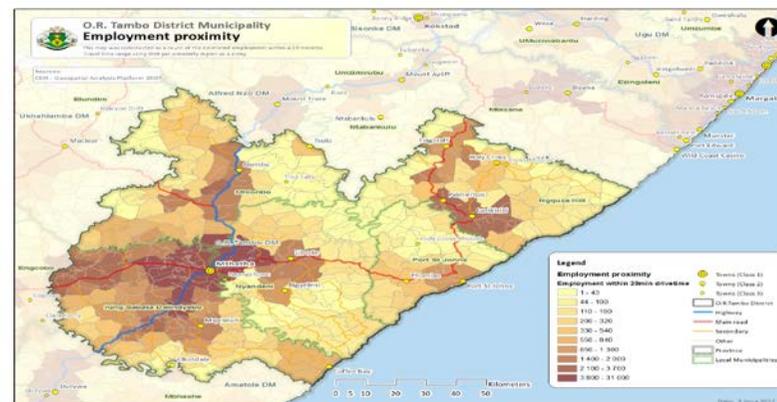
Total employment consists of two parts, i.e. (1) employment in the official economic sector, or the formal sector, and (2) employment in the unofficial economic sector or the informal sector. The economic sectors that recorded the largest declines in employment numbers between 2010 and 2011 were (1)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

Figure 17: Total Employment per Sector (2005 – 2011)



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

Map 6: ORTDM Employment proximity

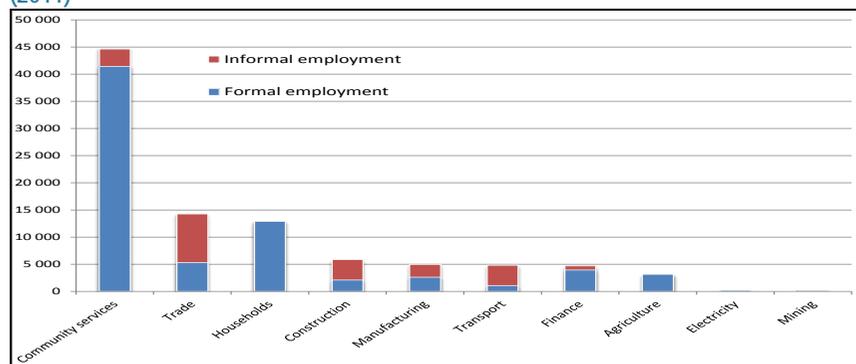


2.5.10.3 Formal and Informal Employment

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

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

Figure 18: Formal & Informal Employment per Sector in the OR Tambo District (2011)



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

informal employment to the total sector employment, the transport sector is the least formal sector with 77% of the employment being informal. The informal taxi-industry is included in the bigger transport sector. The spaza-shops and informal retailers make up a large percentage of the informal employment, and also a fairly large share percentage of the Trade sector.

Table 21: Employment by Economic Sector in the District (2011)

Sector	Formal Employment	Informal Employment	Total Employment
Agriculture	3 158	-	3 158
Mining	68	-	68
Manufacturing	2 607	2 378	4 985
Electricity	211	-	211
Construction	2 098	3 769	5 867
Trade	5 300	3 677	8 977
Transport	1 089	3 728	4 817
Finance	3 934	776	4 710
Community services	41 399	1 271	42 670
Households	12 876	-	12 876
Total	72 741	22 874	95 615

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

2.5.11 Unemployment

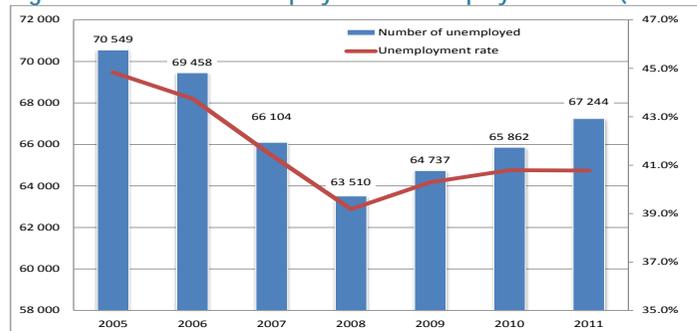
In 2011, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) amounted to 40.8%. This was somewhat lower than the 44.8% recorded in 2005. The number of unemployed decreased from 2005 to 2008, after which it started to increase again, due to the impact of the economic slowdown. The same trend is visible in the unemployment rate which also includes

the dynamics of the economic active population and which is driven by the labour participation rates. The average annual growth rate between 2005 and 2011 is - 0.8%.

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

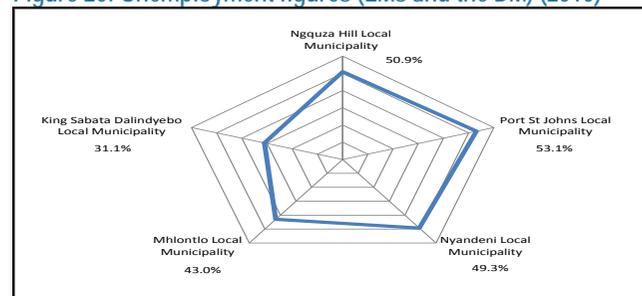
Year	Number of unemployed	Unemployment rate
2005	70 549	44.8%
2006	69 458	43.7%
2007	66 104	41.4%
2008	63 510	39.2%
2009	64 737	40.3%
2010	65 862	40.8%
2011	67 244	40.8%

Figure 19: Number of Unemployed and Unemployment Rate (ORTDM)



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

Figure 20: Unemployment figures (LMs and the DM) (2010)



4.6 INDICATORS OF ECONOMIC PERFORMANCE

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

In terms of economic activity, the EC Province contributed 7.5% to the total GDP of South Africa in 2010 (see Figure 21 below). This is close to the contributions of the Mpumalanga and Limpopo Provinces of 7.1%. O.R. Tambo district contributed a GDP of R 17.7 billion in 2011, which accounts for 7.9% to the total GDP of the Eastern Cape at R 224 billion and 0.6% to the GDP of South Africa as a whole at R 2964 billion. O.R. Tambo District Municipality has grown from R 9.5 billion to R 17.7 billion from 2005 to 2011 in current prices. The Eastern Cape Province increased

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

from R 122 billion to R 224 billion, almost doubling, with South Africa increasing from R 1571 billion to R 2964 billion.

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

Figure 21: GDP contribution per DM in the Eastern Cape (2010)

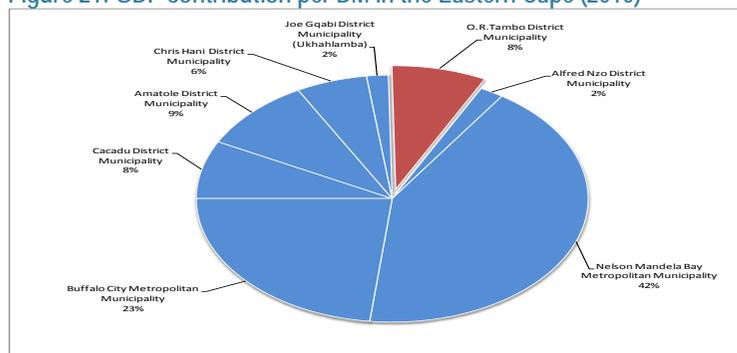
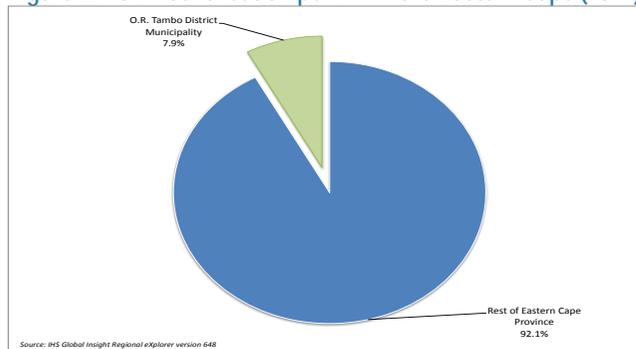


Figure 22: GDP contribution per DM in the Eastern Cape (2011)

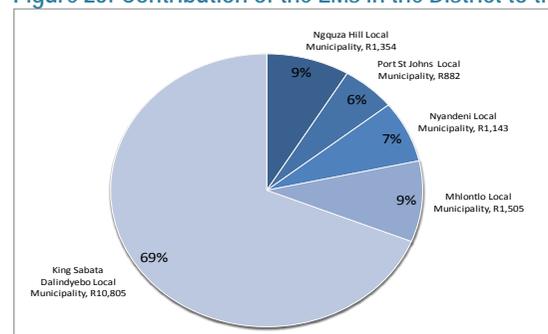


2.6.1 Local Municipality Comparison

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

Figure 23 below presents a comparison of the contribution of the various LMs in the ORTDM to the GDP of the District.

Figure 23: Contribution of the LMs in the District to the District GDP (2011)



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

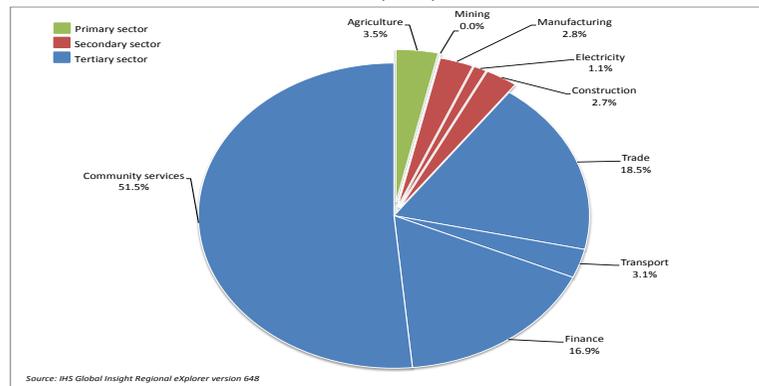
2.6.2 O.R. Tambo District Municipality's Sectoral Composition

O.R. Tambo's economy is made up of various industries. The GVA-R variable provides a sectoral breakdown, where each sector is measured in terms of its "value added" produced in the local economy. The greatest contributor towards the GVA of the local municipalities is the community sector (ranging from 48% for the King Sabata Dalinyebo Local Municipality to 63% for Nyandeni Local Municipality), with

the King Sabata Dalindyebo Local Municipality community services contributing 33% or R 5.4 billion to the total Gross value added of the O.R. Tambo District Municipality. Relative to the other local municipalities the King Sabata Dalindyebo Local Municipality also contributes more to the financial sector and the trade sector of the O.R. Tambo District Municipality – R 2.4 billion (15%) and R 2.1 billion (13%) respectively.

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

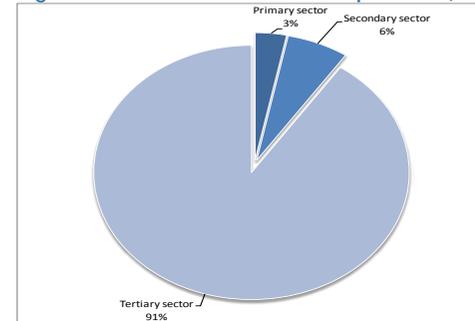
Figure 24: Percentage Contribution of Gross Value Added (GVA) Composition by broad economic sector or O.R. Tambo (2011)



Community services dominate the O.R. Tambo District Municipality economy, as is visible in the numbers. With the recession of 2008 and 2009, and the renewed emphasis on government spending, the community services sector grew in

importance. Zooming into the agriculture sector reveals that roughly three quarters of the sector is the forestry and logging sector and a quarter; agriculture and hunting. Figure 25 below indicates that in 2010, the economy of the ORTDM was dominated by the tertiary sector as a whole, which is primarily focused on community services.

Figure 251: ORTDM Sectoral Composition (2010)



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

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

2.6.3 Welfare Grants

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

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

2.7 SOCIAL INDICATORS

2.7.1 Education

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

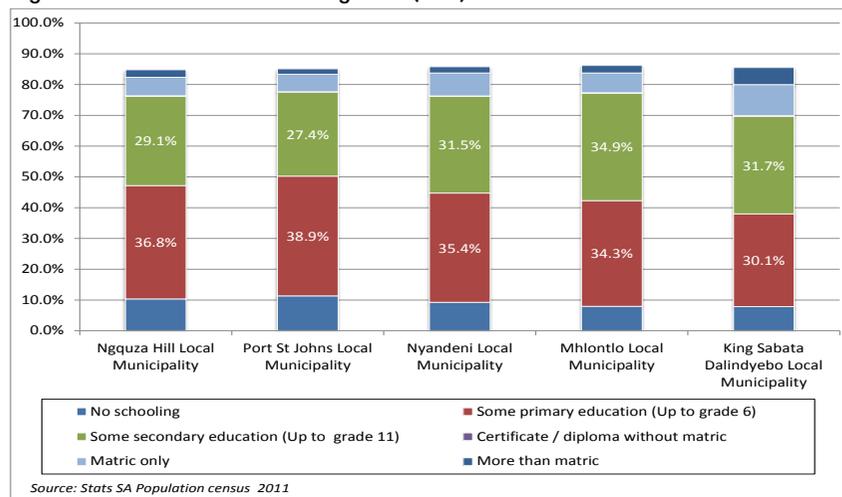
Table 83: Educational levels in the LMs in the District

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

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

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

Figure 26: Educational Levels: Age 15+ (LMs)



2.7.2 Educational Facilities

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

Table 24: Number of schools per LM in the District

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

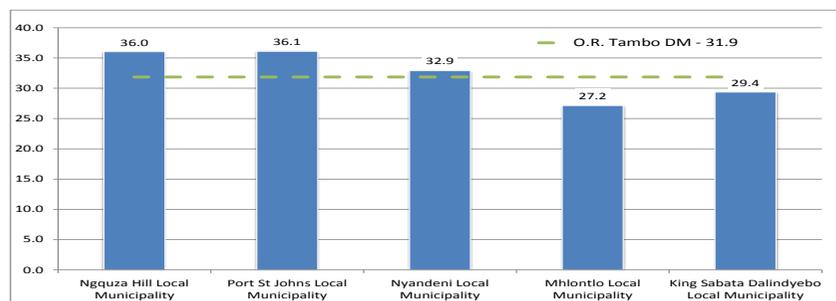
The following is an overview of the educational services and statistics of the O.R. Tambo District Municipality. The total learners, total educators or teachers and number of schools are summed up from over the last 3 years.

Table 25: Education Infrastructure per LM (ORTDM)

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

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

Figure 27: Number of Students for each educator by LM (ORTDM 2012)



2.7.3 Health Facilities

There is a total of 8252 healthcare facilities in South Africa, 6575 is in the hands of the government and 1677 in the private sector. The O.R. Tambo District Municipality has 15.2% of the total public facilities in the Eastern Cape Province and 2.9% of the South African total public facilities. In South Africa there is a total of 15.9 healthcare facilities for every 100,00 people, in the Eastern Cape a total of 20.7 healthcare facilities. In O.R. Tambo District Municipality a total of 14.5 healthcare facilities are available for every 100,000 people.

The above table is a breakdown of the type of healthcare facilities in the O.R. Tambo District Municipality. The number of private facilities in O.R. Tambo District Municipality amounts to only 5, where there is one clinic facility, a private hospital and three non-medical sites. The medical care in O.R. Tambo District Municipality is largely build on public facilities, this amount to 193 or 94.4% of the total. The clinical services are the most with 139 clinics of the 198 healthcare facilities all over the O.R. Tambo District Municipality.

The O.R. Tambo DM is currently served by 19 hospitals and 108 clinics. The hospitals are generally in urban centres and the clinics in the more remote locations. The provincial government is currently driving an active programme of clinic construction. In addition to this, it has adopted a policy of prioritising the

refurbishment of access roads to rural clinics, as well as reconstruction of roads to rural hospitals. The sector is, however, still beset with problems in retaining appropriate staff and medical supplies at the rural institutions. The ORTDM is also prioritising the supply of water and sanitation to clinics and has a programme underway to address this issue.

Table 9: Number of Health Facilities (O.R. Tambo DM 2011)

2011	Total
Clinic	139
Community Health Centre	10
Correctional Centre	4
Crisis Centre	1
District Hospital	9
EMS Station	9
Mobile Service	14
Non-medical Site	3
Private Hospital	1
Provincial Tertiary Hospital	2
Psychiatry Service	3
Regional Hospital	1
Specialised Orthopaedic Hospital	1
Specialised TB Hospital	1
Total	198

2.7.4 Housing

The average size of a household in the ORTDM is 5.15 people, which is relatively higher than the size of household in the other Districts of the EC Province. Housing is predominantly located in scattered rural settlements, with the majority of households in the district living in traditional dwellings. According to Stats-SA, 24% of households occupied formal dwellings in 2001, and by 2007, this had grown to 26.7%. At the same time, while 68.1% of households in the District were living in traditional dwellings in 2001, this had increased to 70.1% by 2007 (see Table 21 below).

Table 10: Type of dwelling: LMs and the ORTDM (2007)

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

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

2.8 NATURAL ENVIRONMENT ANALYSIS

2.8.1 Hydrology

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

2.8.2 Rainfall

Most of the ORTDMA receives an annual rainfall of above 800 mm. Rainfall decreases steadily inland and is particularly low in major river valleys (see Map 17 to 19).. An appreciable amount of rain falls in the winter months in the coastal areas but inland areas receive 80% or more of their precipitation in the 6 months from October to March (81% at Mthatha).

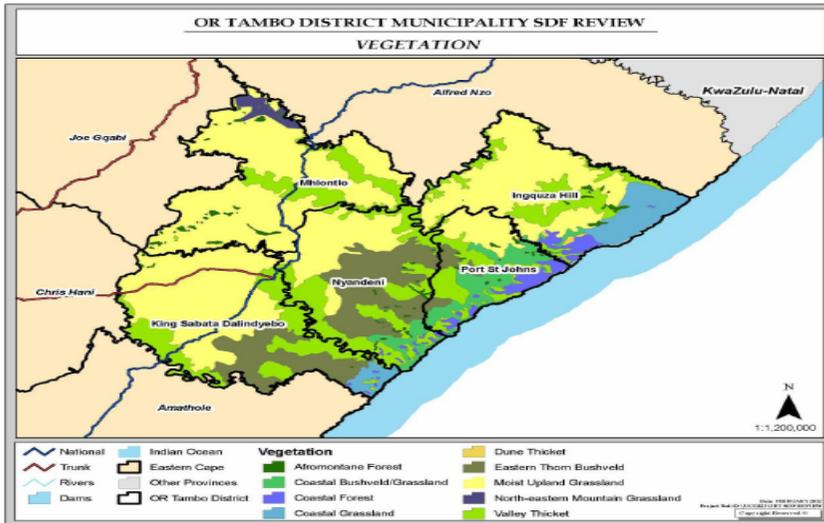
2.8.3 Temperature

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

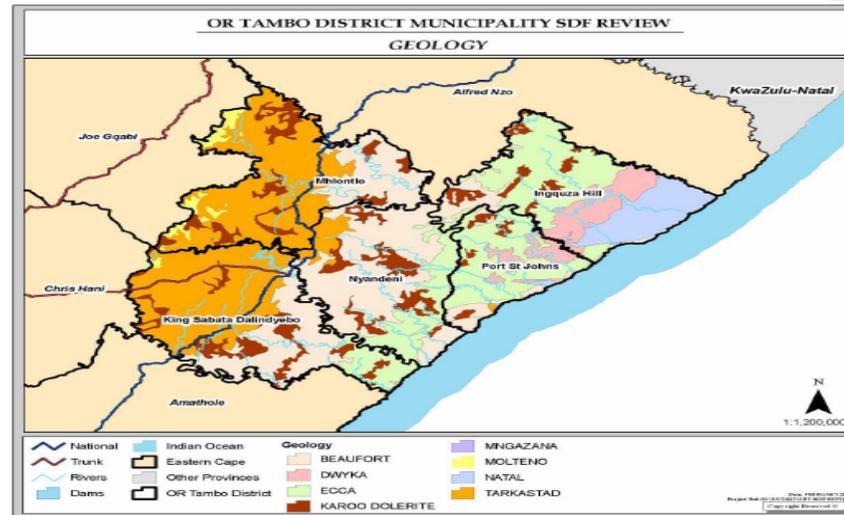
2.8.4 Vegetation

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

Map 7: Vegetation



Map 8: Geology



2.8.5 Geology

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

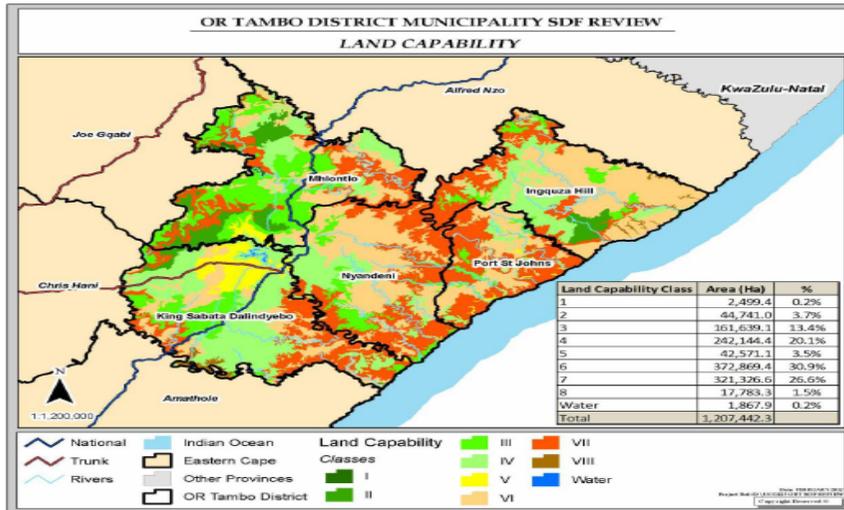
The underlying geology and geomorphology of the region are closely tied to the formation of soils. In general, soils are arable with much of the more productive soils currently under cultivation. The most productive soils according to ENPAT data are located in the eastern portion of the District near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

2.8.6. Land Capability

Land Capability is determined by the collective effects of soil, terrain and climate features. It indicates the most intensive long-term and sustainable use of land for rain-fed agriculture and at the same time highlights the permanent limitations associated with the different land use classes. It is therefore a more general term and conservation oriented than land suitability. The table below gives an indication of the suitable land uses for the various Land Capability Classes (LCC)

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

Map 9: Land Capability Map



2.8.7. Environment

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

Biodiversity Conservation, Water & Terrestrial

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

in terms of fuel wood, grazing, as well as consumptive value such as grasses, reeds, forests produce, marine resources, estuarine.

Marine and Coastal

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

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

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

Waste, Air Quality and Pollution

The O.R. Tambo District municipality is responsible for air quality management due to the fact that this function has been cascaded down to the District Municipality. The District municipality is in the process of developing its air quality management plan.

The district has limited waster services especially in the rural areas. In addition, a number of waste disposal facilities managed by local municipalities are not licensed, 5 sites are licensed in OR Tambo DM. The air quality in the municipality is relatively good as there are no major industries, however, rivers are threatened by pollution and the lack of waste management.

Land and Spatial Planning

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

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

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

Environmental Degradation

The degradation of the environment in OR Tambo DM is of concern, especially the extent and severity of the soil erosion. This impacts on the economic viability and possible uses of the land. The Table below indicates the extent of the degradation per Local Municipality Area. Environmental degradation, soil erosion in particular, is a major concern in the ORTDM. This imposes a number of limitations on the possible uses of land, and hence the economy of the area. Table 28 below and Map 21 to 23 depict the extent of degradation per LM in the District.

Table 11: Land degradation in the LMs and the ORTDM

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

Climate Change

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

There is now empirical evidence to suggest that climate change is a reality and there are many global examples or trends which all depict a change in climate. Anthropogenic climate change is already occurring and many natural systems are being affected.

Globally there is evidence of increasing air and ocean temperatures, widespread melting of snow ice and rising sea levels (IPCC, 2007). Heat waves are becoming more frequent with fewer cold days, cold nights and frosts. Earlier spring events such as flowering, bird migrations and egg-laying have been observed as have changes in

animal and plant distribution ranges. All these observations are examples of the natural system responses to a rapidly changing climate.

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

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

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

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

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

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

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

Higher rainfall may increase agricultural production but water availability could become a limiting factor, requiring increased irrigation. Ground and surface water systems are vulnerable. In this regard small scale farming is likely to be most affected Heat waves may result in increased heat stress to plants, animals and humans and will increase associated fire risk placing livestock and grazing capacity under threat

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

Environmental Management

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

other stakeholders. It also exists for Sustainable Environmental Management in terms of RSA Constitution Section 24 and schedules 4&5.

According to the Provincial Industrial Development Strategy (PIDS March 2012:2) in total, Amathole (37%) and NMBM (30.5%) account for more than half of formal employment in the Province. Employment in the manufacturing sector is also concentrated in the Metro (49.1%) and in Amathole district (40.9%). Employment in Agriculture is predominantly in Cacadu (40.9%) and Amathole (20.4%). Employment in services sectors is concentrated in Amathole (38.2%) and in the Metro (29.1%). Though the Department has instruments and entities to address these disparities; access by rural Districts/communities such as O.R. TAMBO as reports from ECDC (2012:12) shows only three Co-operatives benefitted from the IMVABA fund compared to the two Metros; CACADU and Amathole Regions.

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

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

Environmental Affairs has a programme that administers environmental policies that are cascaded from national level in line with the mandate of the Department. Importantly, it regulates environmental management through instruments such as the

environmental impact assessments, compliance and enforcement and biodiversity management tools. The key strategic objectives include; carbon reduction and green economy initiatives, emission reduction and securing the provincial conservation status

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

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

Table 29: LIST OF NATURE SERVICES/ENVIRONMENTALLY SENSITIVE AREAS/PROTECTED AREAS

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

Table 30: DEDEAT has conducted a number of studies, listed in the table below:-

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

2.9 Spatial Analysis and Rationale

2.9 Land Use and Human Settlement

2.9.1. Land Cover (Broad Land Use)

The land cover pattern is largely determined by topographical and climatic factors. However past political engineering; current tenure arrangements and population densities have impacted on the type of land cover. The Land Cover map illustrates a dominance of unimproved grassland (40,77%), cultivated: temporary - semi-commercial/subsistence dryland (19,98%) and degraded unimproved grassland (18,84%).

2.9.2. Settlement Pattern

OR Tambo DM has a predominantly rural landscape with a large proportion of people residing in tribal villages and traditional homes (See Table 1 below). The towns, located along the main access roads, function as service centres to the surrounding rural settlements. Mthatha is the regional urban centre of the district and is experience in-urban migration creating greater pressures on it infrastructure and facilities. The smaller service centres of Bizana, Lusikisiki and Port St Johns have also experienced urban migration.

Table 31: Settlement Patterns

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

2.9.3. Land Restitution

The OR Tambo District has a number of land claims. Amongst others, these include the Nature Reserves (Mkhambathi, Silaka and Hluleka), forestry plantations

(covering mainly parts of the King Sabatha Dalindyebo Municipality, Dwesa Chwebe, and Mhlontlo). Some of the claims such as Mkhambathi and Dwesa Chwebe have been resolved whilst others are in the process of being finalised. Unlike some parts of urban South Africa where claims have been made by individuals or group of families, in the OR Tambo District, the claims have tended to take the communal form. Challenges resulting from the present status of land claims are:

Claimants and the extent of the land being claimed are not clear in all instances, making it difficult to adjudicate and resolve/settle such claims.

The degree of accuracy of the boundaries of claims that have been mapped are sometimes questionable.

Where unresolved land claims exist on land of strategic importance or land with high potential for development, the Restitution of Land Rights Act prevent any land use development process to take place until such time as the claims are resolved.

Table 32: Land Claims

Magisterial District	Claims Lodged		Claims Settled	Section 6(2) b- Referral	Outstanding
	Rural	Urban			
Tsolo, Qumbu	22	0	0	0	22
Lusikiski, Flagstaff	30	2	3	0	29
Port St Johns	7	0	3	0	4
Nyandeni, Libode	17	0	5	2	10
Mqanduli	3	0	0	0	3
Mthatha	26	6	1	6	25
Total	105	8	12	8	93

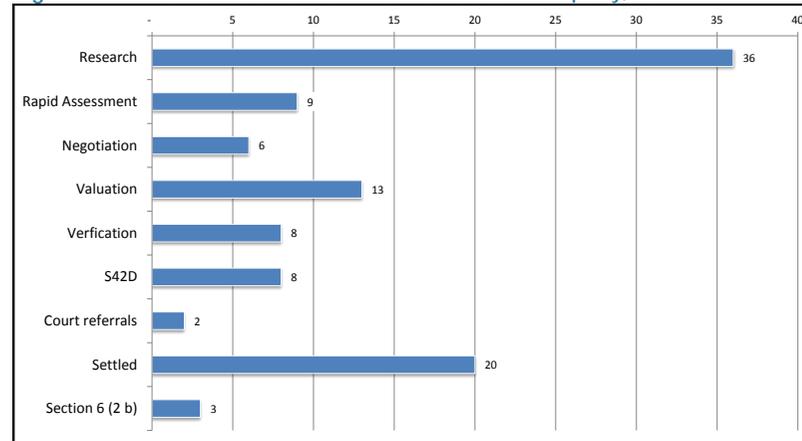
The following is the Land claims of the O.R. Tambo District Municipality

Table 33: TABLE?: Overall land claims in O.R. Tambo District Municipality, 2011

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

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

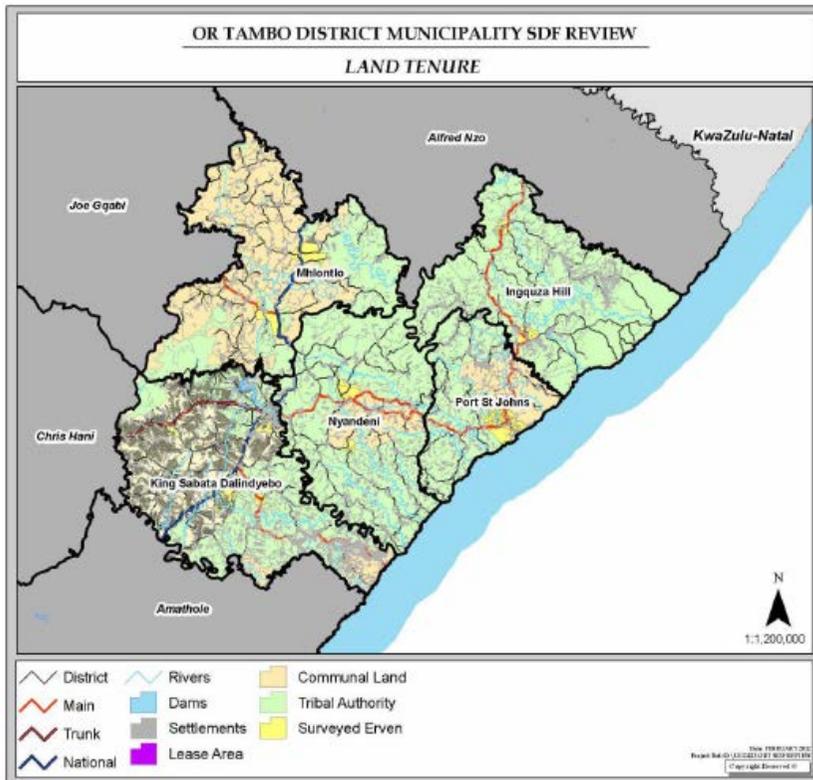
Figure 27: Overall land claims in O.R. Tambo District Municipality, 2011



9.4. Land Ownership/Tenure

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

Map 10: Land Tenure



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

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

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

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

impact in investment and spending. As such, the SDF attempts to ensure that public and private sector investment and activities are located in areas that can best:

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

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

The SDF identifies a number of Nodes and Corridors in each of the LMs, which are listed in Table 34 below:

Table 34: Nodes and Corridors as identified in the SDF in the five LMs in the ORTDM

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
KING SABATA DALINDYEBO LM		
NODES	Primary Nodes	Mthatha, Mqanduli
	Tourism nodes	Coffee Bay, Hole in the Wall
	Prioritised secondary nodes	Langeni Forest, Mvezo
	Other Secondary nodes	Viedgesville Qunu Gogozayo Kwaaiman Ookolwen Mthatha Dam Baziya Mpheko Mqhekezweni
ROUTES	Primary Route	The N2
	Secondary Route	Viedgesville/Coffee Bay corridor link Mthatha and Mqanduli

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
PRIORITY AREAS	Tourism Corridor	towns. Also serves as a tourism route linking with the node of Kwaaiman and Coffee Bay to the South East Langeni / Ugie Route
	Urban Edge	The development and definition of the urban edge is proposed in order to minimize the chances of settlement sprawl of low density developments
	Urban Renewal Areas –	Mqanduli Town and Ngangelizwe. The urban renewal areas are those with a dire need for upgrading of infrastructure and services
	Corridors/Mobility Routes	The municipality in conjunction with the SANRAL should devise strategies to manage developments along the main corridors and national route
	Forestry Development	Langeni is the main forestry development area. Other small scale forestry development proposals should also be taken into consideration
	Tourism Development	Coffee Bay and Hole in the Wall serve as first order tourism nodes. Facilities and infrastructure needs to be improved. Mthatha Dam has also been identified for tourism development but needs improvement with accessibility.
	Commercial Node	A process of rationalisation involving planning and surveying will have to be undertaken in Viedgesville
	Business and Commercial Development Zones	It is proposed that the municipality should develop more business zones outside the CBD in Mthatha
	Settlement Upgrading	Areas along the R62 are currently being upgraded are Mthatha West, Mandela Park, Slovo Park, Chris Hani.
	Agri tourism	Mvezo – Development of irrigation scheme and upgrading of infrastructure to promote the area for tourism development
PRIORITY ISSUES	Unmanaged Urbanisation, Land Use and Zoning, Livestock Management	
NYANDENI LM		
NODES	Primary Nodes	Libode and Nggeleni.
	Transport Nodes	Ntlaza Junction and Canzibe
	ROUTES	Primary Route
	Secondary Route	Existing R61 (from Mthatha to Port St Johns)
	Transport Corridor	Nggeleni to the R61 junction
PRIORITY AREAS	Tourism Development	Tourism should be promoted and facilitated at Mthatha Mouth, Hluleka where there is also a nature reserve and at Ntlangano. In these three coastal areas, construction of hotels and any other forms of accommodation such as camping sites as well as any other tourist attractions should be encouraged
	Industrial	An area for manufacturing be established west of the

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
	Development	Municipality along the N2 road and in the Caranafi Fields
	Service Centres	Spatial development should be facilitated and approved in three service centres of Marubeni in the north, Ntlaza junction in the centre and Canzibe in the south
MHLONTLO LM		
NODES	Urban Nodes	Tsolo and Qumbu
	Rural Nodes	Sulenkama; St Cuthberts; Caba; Shawbury; Langeni Forest;
	CRDP nodes	Gqunu, Ngxakoko, Goqwane, Mqobisi, Nombodledlana
	Tourism Nodes	Tina Falls; Tsitsa Falls, Mabheleni
ROUTES	Secondary Route	Upgrade access roads –Sulenkama, Tsitsa Falls, Mafusini, Bridge – Caba
PRIORITY AREAS	Tourism Development Areas	Mabheleni Dam, Tina Falls, Tsitsa Falls, Shawbury, Ntlangani Conservancy Area
	Agriculture Development Areas	Tsolo School of Agriculture will be revived and developed to provide training and skills development programmes for the identified agricultural cluster projects Conservation of prime agricultural land, involving the local Department of Agriculture to assist in the identification of land with potential for different types of agricultural production, for example, irrigation
	Forestry Development Areas	Nqadu, Langeni, Tsilitwa, Ngqukuqeni, Blackhill
PRIORITY ISSUES	Underutilised Land/Low Density development, Security of Tenure, Unmanaged Development, Urban and Rural Development Implementation of infrastructure and economic development projects Tourism Development, Forestry Development, Agriculture Development, Environmental Management	
PORT ST JOHNS LM		
NODES	Urban Node	The urban node comprises of the built up areas of the Port St Johns town
	Peri Urban Node	The Port St Johns Zoning Scheme Boundary forms the outer boundary of the Peri-Urban Node
	Administrative nodes	Ntombo Administrative Node, Ntafufu Administrative Node
	Service Nodes	Bambisani Services Node, Isilamela Services Node
	Coastal accommodation nodes	The Singwanana, Mngazan, Mngazi River Mouth, Mntafufu River Mouth and Mauteku
ROUTES	Primary Route	The main spine which connects Port St Johns to Mthatha and Lusikisiki is the R61 Trunk Road. This route also provides access to the Tombo and Ntafufu Administrative Nodes
	Secondary Route	The lower order spines District Roads, need to be upgraded in order to improve the accessibility to the Services, and coastal Accommodation Nodes. These roads areas: <input type="checkbox"/> DR 08307 R61 to Mngazi River Mouth

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

SPATIAL CONCEPT	TYPE	NAME/DESCRIPTION
		further urban growth where a vast amount of amenities and basic services will be clustered

An analysis of Strengths, Weaknesses, Opportunities and Threats of the District was done with regards to this KPA, and to (1) better understand the stakeholders and (2) identify challenges and improvement areas going forward, whilst appreciating the strengths and opportunities in place (see Figure 14 below).

2.10 Good Governance and Public Participation

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

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

Figure 28: SWOT-Analysis regarding the Good Governance and Public Participation-KPA



2.10.1 Functioning of Council and Council Structures

In terms of Section 12 Notice, O.R. Tambo is a category C municipality which consists of 60 Councillors. Currently the district municipality has 60 Councillors which are composed as set out in Tables 24 to 26 below. Structurally, the O.R Tambo District Municipality is an Executive Mayoral type, constituted of political and administrative structures.

Table 35: Composition of ORTDM Councillors

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

Table 36: Existing Councillors in the ORTDM

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

Table 3712: Number of indirectly elected councillors per municipality

MUNICIPALITY	NO OF COUCILLORS
King Sabatha Dalindyebo	12
Nyandeni	7
Port St Johns	4
Ingguzza Hill	7
Mhlonlo	6

2.10.1.1 Political Management Committee

The municipality of O.R. Tambo District Municipality aims at ensuring that the political structures within Council operate in harmony in order to fast track and enhance the process of service delivery and making the local government work. This

includes striving for the effective and efficient political management of the Council through Multi-party Whippery System that enhances cohesion and consensus among all political parties in the Council. The municipality also aims to provide adequate information to Councilors and political parties in Council to enhance their capacity to influence meaningful decision-making.

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

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

2.10.1.2 Whippery Support

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

2.10.1.3 Section 79 and Standing and Portfolio Committees

To advance and strengthen Council's oversight and accountability role, Section 79 Standing and Portfolio Committees were established to hold the Executive Mayor, Members of the Mayoral Committee (MMCs) and officials accountable for service

Comment [u1]: PENDING APPROVAL OF 17 FULLTIME COUNCILLOR

Comment [u2]: SUBJECT TO CHANGE THREE VACANCIES

Comment [u3]: SUBJECT TO CHANGE AS THERE ARE THREE VACANCIES

delivery undertakings against the financial resources allocated to them. Most of these committees are chaired by full-time councillors who are not part of the executive arm of Council. These are separated into Standing and Portfolio Committees. Section 79 Standing Committees are established to deal with the legislature's internally related matters of Council and have delegated responsibilities relating specifically to the legislative branch of Council and are required to submit reports directly to Council as prescribed in their respective terms of reference and the Standing Orders of Council.

Section 79 Standing Committees chaired by fulltime councillors are established as follows:-

1. Rules Committee
2. Ethics and Members Interest Committee (Ethics)
3. Municipal Public Accounts Committee (MPAC)
4. Petitions and Public Participation Committee
5. Women's Caucus
6. Programming Committee
7. Chairpersons Committee

Section 79 Portfolio Committees chaired by part time councillors are established as follows:-

1. Water Services
2. Technical Services
3. Corporate Services
4. Budget and Treasury Services
5. Planning and Economic Development
6. Community Services
7. Human Settlements

2.10.1.4 Oversight Role of Council and Section 79 Committees

Councillor Capacity Building Programs

The Office of the Speaker together with the Human Resources Department has in the past, working with different training institutions, trained Councillors (who were serving in the previous council) on the following courses:

- Executive Leadership
- Leadership Skills
- Presentation Skills
- Project Management
- Finance for Non Financial Managers
- Certificate in Local Government Law and Administration
- Advanced Certificate in Local Government law and Administration
- Diploma in Local Government Law and Administration
- Bachelor of Public Administration
- Honours in Local Government Law and Administration
- Masters in Public Administration

2.10.1.5 Challenges on the functioning of council and council structures

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

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

2.10.2 Public Participation

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

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

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

The White Paper on Local Government, 1998, puts forward the vision of "Developmental Local Government", which it defines as: *"Local government committed to working with citizens and groups within the community to find*

sustainable ways to meet their social, economic and material needs and improve their quality of lives."

The vehicle and system for involving the public is given more emphasis in Section 16 of the Municipal Systems Act, 2000, which requires of municipalities to (1) develop a culture of community participation and (2) create enabling and supporting mechanisms, processes and procedures. These mechanisms must involve communities in planning, performance management, budgeting, and service delivery. Municipalities are also required to build the capacity of the local community to participate, as well as the capacity of Councillors and staff to foster community participation.

A Public Participation Policy and Public Participation Strategy have been developed and adopted by Council to ensure that communities that are within the area of jurisdiction of O.R. Tambo District Municipality do participate in the policy formulation and implementation processes. The O.R. Tambo District Municipality Strategy is also meant to support and translate into reality the vision, mission and objectives of the municipality.

2.10.2.1 Participation in IDP and Budget Processes

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

2.10.2.2 Ward Committees

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

KSD	: 35 wards (308 ward committees)
Mhlontlo	: 26 wards (260 ward committees)
Nyandeni	: 31 wards (307 ward committees)

Port St. Johns : 20 wards (200 ward committees)
Ingquza Hill : 31 wards (303 ward committees)

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

2.10.2.3 Community Development Workers

All five local municipalities under O.R. Tambo district municipality have Community Development Workers who are working with other community structures in ensuring that services are delivered to the people. In total, there are 112 CDWs that are allocated as follows:

- Mhlontlo LM 23CDWs
- Nyandeni LM 25 CDWs
- Port St. Johns LM 26 CDWs
- KSD LM 26 CDWs
- Ingquza Hill LM 25 CDWs

The intention was to ensure that each and every ward has a Community Development Worker but due to limited resources and other logistics there are wards that still have no CDWs but are being serviced by other CDWs with the coordination of a local coordinator.

2.10.2.4 Support to Local Municipalities

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

establishment and capacitation of Oversight Committee members; (4) Policy development; and (5) compilation of Council documents.

2.10.2.5 Council Meetings

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

2.10.2.6 District Speakers' Forum

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

2.10.2.7 Commitment to Community Participation

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

2.10.2.8 Challenges to Public Participation

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

- No proper monitoring, reporting and evaluation on the functionality of organs of civil society;
- Limited support to the functioning of organs of civil society;
- Non-collaboration between Traditional leaders and Ward Councillors;
- Unstructured and poorly coordinated public participation approaches; and
- No processes for petitions and complaints management (principles: batho pele/customer care).

2.10.3 Petitions and Complaints Management

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

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

2.10.4 Traditional Leadership and Councils

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

municipality also aims at developing a uniform approach on the participation and support of traditional leaders in council.

Traditional leadership and Traditional councils have been identified as an exclusively critical stakeholder in Local Government and as such, relations between these institutions and the municipalities present huge opportunities for advancing an impactful service delivery. The key issue identified is that the relations with traditional leadership are currently unstructured/ adhoc, not formalised. Apart from meetings of Traditional Leaders with the Executive Mayor and the IDP Roadshows, the only platform where they could participate in the IDP processes was through the IDP Representative Forum. This hampered the planning and speed of service delivery and reduction of service delivery backlogs as the attendance to these meetings was not good. During this term of council, twelve (12) traditional leaders have become part of municipal councils and as such the O.R. Tambo District Municipality is developing a clear programme focusing on enhancing service delivery through formalised partnerships and programmes with Traditional leadership institutions.

2.10.5 Social Cohesion

The Office of the Executive Mayor, together with the Community Services Department, is implementing a number of programmes and activities aimed at promoting social cohesion in the communities of the District. These include moral regeneration programmes, e.g. (1) participation in the *Inkciyo* initiative; (2) sports, arts and cultural activities; and (3) support to various community organisations and cooperatives.

2.10.6 Intergovernmental Relations (IGR)

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

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

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

- The drafting of the Five Year Sector Strategies which form the basis of this document;
- Outlining what the district wide priorities as adopted by all the LMs should be;
- The preparation of the Local Government Turnaround Strategy; and
- The review of the District IGR policy framework
- The launch of the District IGR as well as IGR roadshows that were conducted district wide.

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

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

Table 38: IGR Structures in the District

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

Table 39: Existing twinning arrangements and MOA/MOU

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

2.10.6.1 Support to Local Municipalities

The various departments in the ORTDM are implementing a number of programmes in support to the five LMs. The major challenge is that there is no system in place to centrally coordinate the LM support programme, and as such these are not monitored. The DM also has limited capacity to ensure central coordination of LM support, mainly due to its small staff component. **Table 29** below indicates the various LM support programmes implemented by the various departments in the DM:

Table 4013: LM Support Programmes

Name of Department	Nature of Support	Beneficiary Municipalities	Key Milestones/Achievement to Date	Challenges
Office of the Executive Mayor	Local AIDS Council	All LMs	Seven Local AIDS Councils have been established	Inconsistence in the attendance of meetings by the

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

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

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

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

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

2.10.6.2 Challenges Identified in IGR

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

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

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

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

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

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

2.10.8 Communications

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

functional. Most LMs do attend DCF meetings but a few municipalities are not consistent in attending meetings. Issues pertaining to the communication cluster are attended to. Communicators have been inducted on the role that they need to play in their respective municipalities.

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

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

- Non-responsive Communication Strategy.

2.10.9 Audit and Risk Management

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

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

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

- Audit issues identified are not attended to, audit action plans not implemented;
- Insufficient capacity of internal Audit Units;
- Recommendations made by Internal Auditors not implemented;
- Lack of shared commitment between political leadership and administration (senior management);
- Internal Audit units not proactive to give early warnings;
- Lack of enforcement of all matters raised by the Internal Audit unit;
- Past audit issues are not addressed timeously, which may be due to inadequate monitoring and supervision and budgetary constraints;
- Some of the municipalities in the District still require support in order to improve their audit outcomes;

- The existing internal audit capacity is inadequate to fully provide the required support;
- Effectiveness of the committee is not continuously monitored;
- Risk management is not yet entrenched in operations of the institutions; and
- The existing systems and procedures are not fully effective in mitigating the risk of fraud and corruption.

2.10.9.1 Audit Outcomes for the 2012/2013 Financial Year

Remarkable improvement is reported for the Ntinga O.R. Tambo Development Agency, which maintained an unqualified audit opinion for 2012/2013 with only two matters of emphasis. Ingquza hill LM has also maintained the position of excellence in this regard, by obtaining an unqualified audit opinion for the two consecutive years. In the past two financial years i.e. 2011/2012 and 2012/2013 the DM received a disclaimer of audit opinion. This is an area of concern for the Council particularly that in 2010/2011 financial year the district municipality had received an adverse audit opinion. Issues that were raised in past audits were not fully addressed, and as a result they were raised again during the 2012/2013 financial year. This state of improvement is also observed in Port St Johns Development Agency from a disclaimer of audit opinion in 2011/2012 to a qualified for 2012/2013 financial year. Its parent municipality has maintained a qualified audit opinion for 2012/2013 financial year.

The improvement has also been observed at Nyandeni LM from a qualified audit opinion in 2011/2012 to an unqualified audit opinion for 2012/2013 financial year. Mhlontlo LM has regressed from a qualified audit opinion for 2011/2012 financial year to an adverse opinion for 2012/2013. In King Sabata Dalindyebo LM, no improvement has been observed in the last two years. It is still holding a disclaimer of audit opinion. In general, the results imply that the District must intensify its efforts to ensure better audit opinion.

The table below (Table 41) illustrates the types of audit opinions received by municipalities over the last two financial years.

- Non implementation of recommendations made by both internal and external auditors;
- Ineffective oversight over implementation of audit action plans;
- Failure to leverage on the work of oversight structures such as MPAC and audit committee.
- Poor compliance with governing legislation.

Table 41: Audit Outcomes in the District in the period 2012 to 2013

Name	2012/2013	2011/2012
OR Tambo DM	Disclaimer	Disclaimer
Ntinga OR Tambo Development Agency	Unqualified	Unqualified
KSD municipality LM	Disclaimer	Disclaimer
Mhlontlo LM	Adverse	Qualified
Port St Johns LM	Qualified	Qualified
Port St Johns Development Agency	Qualified	Disclaimer
Ingquza Hill LM	Unqualified	Unqualified
Nyandeni LM	Unqualified	Qualified

The table above illustrates some level of improvement in audit outcomes for Nyandeni LM and Port St Johns Development Agency.

Root Causes of bad audit outcomes can be summarised as follows:

- Inadequate systems of internal controls;
- Lack of financial discipline such as regular reconciliation of accounts;
- Poor record management;
- Heavy reliance on consultants particularly in the preparation of financial statements;
- Inadequate staffing in key positions such as financial reporting, asset management and supply chain management;

Audit Remedial Plan

- Executive Mayor working with the political head responsible for finance and audit to lead the audit turnaround plan;
- Political leadership started playing a bigger role during the 2011/2012 audit. Executive Mayor, Speaker, MPAC chairperson, Audit Committee chairperson and MMC for finance and auditing attended audit steering committee meetings;
- The above intervention came at a late stage. Political leadership will now play a more active role in monitoring the implementation of audit remedial plans continuously;
- Audit remedial plans have been prepared for all issues raised during the 2012/2013 audit;
- Management is preparing monthly reports on action taken to address past audit findings;
- These reports will be considered by MPAC and audit committee at-least once a quarter;
- BTO organogram has been tabled to Council and approved. Staffing of finance department will be addressed as per the approved organogram;
- The review of the organogram is currently in progress in order to attend to staffing challenges;

- In preparation for the 2013/2014 audit, CFO is preparing an audit readiness plan with clear targets and timeframes on what will be done in preparing quality financial statements;
- Internal audit will be working with management at least once a month in monitoring the audit readiness plan.
- COGTA, Provincial Treasury and Provincial Local Government has deployed specialists in the municipality to assist with capacity constraints and operation clean audit;
- Municipal management has continuous engagements with National Treasury to discuss finance technical issues;
- Executive Mayor, Speaker, MMC for finance and auditing and Municipal Manager, MPAC chairperson and Audit Committee chairperson will have regular meetings with the Auditor General to discuss implementation of audit remedial plans as well key control reviews;
- Senior management will be central in attending to auditors' requests instead of delegating this function to subordinates.

2.10.9.2 Audit Committee

The district municipality has appointed and has a functional audit committee. It was first appointed in 2003. It is appointed for a period of three years. This function is performed within the parameters of the Audit Charter, which was approved in 2008. The current committee was appointed in September 2012 and its term of office expired in year 2015. The Audit committee sits once a quarter and its reports are submitted to Council at the end of each quarter.

The table below (Table 42) summarises the status of audit committees in the DM and the five LMs in the District:

Table 4214: Status of Audit Committees

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

Mhlontlo Local Municipality	Committee is in place
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Table 43 below summarises the status of the internal audit function in the DM and the five LMs in the District:

Table 43: Status of Internal Audit Function

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

2.10.10 Risk management

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

2.10.11 Anti-Fraud and Anti Corruption

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

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

- A need to enhance the Human Resource Capacity of the Department in line with the proposed staff structure.
- Work overload within the department owing to depleted staff personnel through resignation, contract reaching natural attrition and non – filling of such vacant positions.
- Less funds voted for operations and defence of litigation against the municipality.
- Exclusion of legal Advisors in critical decision making processes, resulting in legally unsound decisions susceptible to legal challenge.
- Poor corporate governance and due diligence by other departmental heads, resulting on wrong decision making and dumping of overripe and non-defendable litigation matters at legal services.

Municipal Legal services

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

Challenges identified:-

- Non-consultation of legal advisors on legal matters
- Non-compliance with legal advices and opinions provided
- Contracts not brought to legal services for settling and comments
- Non-compliance with legislative provisions
- Binding the municipality without first soliciting legal opinion
- Seeking legal advices and opinions from external legal service providers, who are not specialists on local government, without first consulting internal legal advisors
- Relying on incorrect legal advice and opinions provided by external legal service providers.

2.11 Institutional Transformation and Development

2.11.1 Administrative Structure

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

Figure 292: O.R. Tambo DM Top Organisational Structure



TOTAL	N/A	N/A	N/A	N/A
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In terms of the vacancies, it is worth noting that the DM has an approved Macro structure. Four out of the eleven Section 56 Positions in the Macro structure have been filled. The Micro structure is currently being reviewed and the process of Employee placement will have to be undertaken to fill in the vacant positions, hence no numbers are filled in the table above at the Micro structure level.

2.11.3 Learning, Training and Development

The Workplace Skill Plan (WSP) for 2014/15 is being developed and will be submitted to LGSETA for approval. A scarce skills and retention strategy must be developed and adopted by the DM. Recognition of Prior Learning must be implemented in terms of Employment Equity Act and Skilled Development Act and budgeted for accordingly. The same applies to Community capacity-building and Learnerships.

2.11.4 Labour Relations

The current labour relations climate is not conducive for proper service delivery due to a number of unresolved issues between the employer and the labour components. There have been a number of areas of conflict between the employer and its employees during the financial year (2013/14) some of which are still outstanding. There is a need for prevention of conflicts especially those relating to population of the organogram (advertisements, recruitment, placement and selection processes, study assistance, etc.) job evaluation, and remuneration processes. It is advisable that there be a procedural way of rescinding existing Council resolutions and replacing them with new ones to avoid parallel and conflicting resolutions.

2.11.2 Vacancy Rate and Gender

Table 44: Staff Complement in the ORTDM

DESIGNATION LEVELS	TOTAL NUMBER OF POSTS	POSTS FILLED	NO OF FEMALES	POSTS FILLED AS A %
MUNICIPAL MANAGER	1	1	-	100
SECTION 56 POSITIONS	11	4	2	36
HEADS OF SECTIONS	N/A	N/A	N/A	N/A
GENERAL STAFF Skilled , semi skilled and general assistants	N/A	N/A	N/A	N/A

2.11.5 Employee Wellness

The current Employee Wellness climate is not conducive for proper service delivery due to a non compliance with Occupational Health and Safety legislation. Areas that need urgent attention include among others, medical surveillance examinations, Personal Protective Equipment (PPE), Hazard Identification and Risk Assessment (HIRA). The DM needs to budget accordingly for these and other related areas.

2.11.6 Staff Provisioning

The staff provisioning processes (employee placement, recruitment and selection) will be embarked upon on completion of micro structure review and job evaluation processes. There is a need to fill vacant posts timeously to avoid unnecessary vacancy rates which impede service delivery. The DM should therefore ensure that the revised organogram is costed and budgeted for accordingly.

2.11.7 Challenges in Institutional Development – HR Policies and Plans

The DM has HR policies which were adopted in 2003. Several attempts to review and align the said policies with the latest developments have not yet materialised. There is therefore an urgent need to expedite the approval of the current draft reviewed and new HR policies by Council. The same applies to HR Plans and Strategies. These processes must be budgeted for accordingly.

2.11.18. Information and communication technology

The current Information & Knowledge management in the institution is relatively low and is impeding service delivery and has negative implications to the Audit report by the Auditor General. Information Systems (IS) and Information & Communication Technology (ICT) infrastructure of the DM needs to be developed and kept relevant to the needs of the municipality.

Strategic documents, such as the ICT strategy, Master Systems Plan, ICT Charter, ICT governance framework and ICT policies must be developed. These strategic documents will culminate to proper establishment of ICT strategic structures such as the ICT Steering Committee in order to ensure that all IS and ICT spending is aligned to the IDP and therefore assist in service delivery.

Enough budget should be made available for the development and improvement of IS and ICT infrastructure.

2.12 Local Economic Development

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

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

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

2.12.1 Agricultural Development

The District's population is largely populated in rural settlements and is considered to have a rich natural resource that gives it a comparative advantage, whilst posing developmental opportunities in agriculture. At present, the structure of the District economy does not promote high rates of economic growth and, as a result of largely historical factors, is hampered by several blockages, bottlenecks and constraints that limit the level of growth and development in the area.

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

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

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

local farmers with the development of quality produce, and be able to market their products in the region.

Adam Kok Farms

In April 1998 the District Municipality purchased Seven Farms in the juristic area of Kokstad, KwaZulu Natal, namely:

- Woodville 1
- Woodville 2,
- Shallom,
- Erin,
- The Lease,
- Fairfields
- Llewellyn .

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



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

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

I. Recommendations for Urgent Intervention

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

II. Other recommendations to be prioritized for the short term

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

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

2.12.2 Livestock Improvement

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

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

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

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

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

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

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

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

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

The following have been put forward as possible interventions:

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

2.12.3 Tourism

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

- Tourism product development facilitation;
- Tourism promotion and marketing;
- Tourism infrastructure deployment facilitation;
- Special focus period local tourism facilitation and coordination; and
- Facilitation of a district tourism development and promotion plan.

One of the focus areas is the capacity building for Crafters throughout the district. More than 50 Arts and Crafters received training on Craft Development and Design. In order to improve product quality and therefore marketability of these products, 145 performing artists were trained on Art Business Administration and performing artistry. Tourism-marketing for the district has taken place in the form of tourism month held in September of each calendar year and tourism campaigns and brochure distribution within the entire province. Councillor-support has been supported through the training of 7 LED councillors on "Responsible Tourism Planning". The SA Host Program and Customer Care training was conducted for accommodation providers and/or owners, and funded by the ECTB. There is an urgent need to further improve tourism awareness in the District and the EC Province, and in national and international forums.

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

- facilitating customer care and hospitality trainings;
- create marketing platforms for SMME's during travel shows i.e. Tourism Indaba;
- facilitate quality assurance i.e grading for accommodation and camping sites
- increase tourism, environment and conservation awareness in schools and communities

- facilitating and hosting the National Tourism Career Expo which assist learners doing tourism as a subject with transport and accommodation
- community tourism support – institutional guidance and operations using viable models like Community Public Partnership,
- create partnerships with SMME's around nature reserve so that they can provide services
- provide necessary support to municipalities on tourism related activities

Some of the major challenges with regards to tourism in the district is the poor access roads to tourism destinations and nature reserves; inadequate bulk services; inadequate intergovernmental relations and the lack of co-operative marketing efforts for the region. Although there are some challenges, the district also poses a number of investment potential with the district unique selling position being the convergence of the biodiversity and coast puts the Wild Coast in a class of its own. The pristine environment favoured by the suitable climate contributes to the uniqueness of the offering. These investment opportunities include:

- **Mkhambathi** – 7700 ha (agreement signed to expand by 3500ha) and potential of 5 development nodes:-
Phase 1 concluded R65mil private sector investment
Phase 2 is currently underway to investment opportunity.
Game offerings and those to be introduced
- **Silaka Nature Reserve** - 400 ha located in Port St Johns has 18 chalets and is a 3 star graded accommodation and has conference facilities. Opportunity to provide (food & meals).
- **Hluleka Nature Reserve** - 7 Chalets, 10 campsites, Hiking trail and 5 hikers huts and game: Redhartebeest, Zebra, Blesbuck, Reedbuck. The design of the new chalets for expansion is complete.
- **Nduli/Luchaba Nature Reserve** - 84 seat conference facility and restaurant (advert out for operator), 2 campsites and the next phase being the development of chalets.



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

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

Some community capacity building programmes in the district include:-

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

SILAKKA – CONFERENCE FACILITY

NDULI/LUCHABA

2.12.4 Forestry and Timber Production

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

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

The private sector is already well-established in the sector in the District, and is seeking opportunities to grow. With support from government much can be achieved. In this regard, the ORTDM, together with the DTI, the EC Provincial Government, the ECSECC and the ECDC, is currently implementing the Furniture Incubator project in Mthatha to take advantage of the abundant timber and forests in the area. As part of this initiative, more than 100 young people have been trained in woodwork and upholstery. The eLangeni Development Node Programme is also seriously engaged in processes that are aimed at exploiting the potential that afforestation has in the district. It is estimated that the Timber processing industry has a potential of providing more than 1 000 jobs during new afforestation and saw milling in the District.

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

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

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

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

2.12.5 Marine and Agriculture

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

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

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

The sector also faces a number of challenges:

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

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

- Strengthening of the Marine and Aquaculture Sector Forum;

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

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

2.12.6 Trade, Manufacturing and Investment Promotion

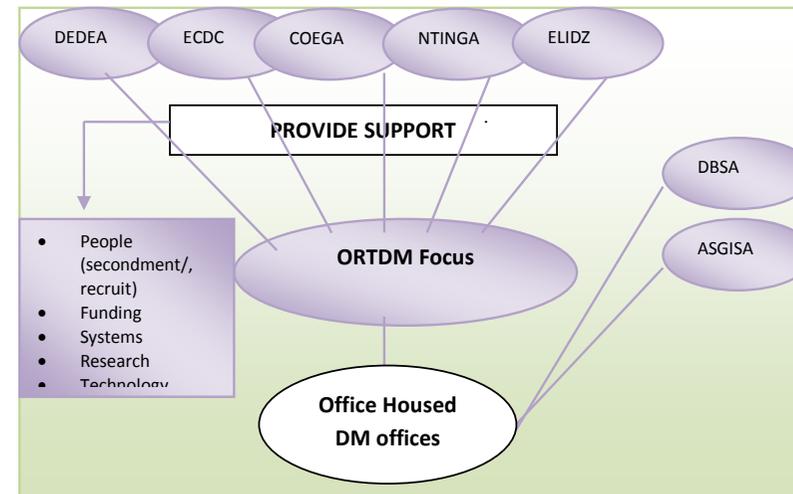
Trade is the second largest contributor to the District's Gross Value Added (GVA), and has over the past ten years experienced positive growth rates, which have been accompanied by positive net job gains. Informal trade has also played a very significant role over the same period, growing by more than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

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

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

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

Figure 30: The One Stop Shop: Activities and Major Role-Players and Partners



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

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

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

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

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

2.12.7 Cooperatives and SMME Support

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

implementation of an "Integrated District Cooperatives Development Strategy and Implementation Plan".

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

Table 45: Cooperatives and SMMEs developed with the DM's support

Sector	Number of Cooperatives	Number of jobs created	LM where located
Food Production	9	151	Ngquza-1; KSD-5; Mhlontlo-2; and Nyandeni-1
Agriculture	114	1391	KSD-49; A/NZO-1; Ngquza-27; Mhlontlo-23; Nyandeni-4; and PSJ-10
ICT	1	5	KSD
Manufacturing	30	358	KSD-18; Ngquza-5; Mhlontlo-5; and PSJ-2
Wool	7	124	KSD-4; Mhlontlo-1; and Ngquza-1
Tourism & Hospitality	4	34	KSD-2 and Ngquza -2
Multipurpose	4	80	KSD-3 and Mhlontlo-1
Recycling	1	9	KSD
Cleaning	1	5	KSD

2.12.8 District Skills Development Programme

SMMEs continuously face the challenge of access to markets, finance, information and quality support services. Creating awareness, capacity building and providing assistance to cooperatives is one of the institutional support mechanisms the District is committed to support and facilitate. Building viable and sustainable communities requires a holistic and integrated approach, which involves all aspects of community

life, including, but not limited to, leadership development, social capital, poverty alleviation, and institutional development. The District is actively seeking to address these issues in a manner that ensures communities are able to engage in activities that create jobs and have access to basic services. A District-wide skills development programme has been identified as a foundation objective for the achievement and sustainability of the identified drivers. The success of the district in growing and sustaining the local economy depends on the extent to which it builds partnerships and collaboration with all relevant stakeholders. The district recognises the need to develop functional and effective collaborative efforts with business by amongst others ensuring that there is a united vision and drive to address challenges confronting business and the district in general.

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

- *The Kei Fresh Produce Market:* This market was built by the EC Provincial Department of Agriculture and transferred to the ORTDM, since markets and abattoirs are a function of district municipalities. Local farmers, the EC Provincial Department of Agriculture and the KSDLM are all active partners in this venture. The market has gone from strength-to-strength, with an annual turnover of more than R30million. Seventeen permanent jobs have also been created, of which 42% are women. The main challenge is that the market is getting most of its produce from outside the District. To turn this around, a strategic plan has been developed in partnership with the ASGISA-EC. The Thina Sinako (EU programme) has already funded part of the strategy. The plan is to expand the market to have more banana ripening rooms and to introduce a meat market.
- *The Umzikantu Abattoir:* This red abattoir was purchased from an action sale to use it as a marketing outlet for our livestock programme. The project has created thirteen permanent jobs and has generated more than R1.5 million in revenue.

- *Adam Kok Farms:* As there are no commercial farms in the Distirct, the ORTDM purchased the farms as a means for revenue enhancement with the main focus on utilising the farms as a skills development and training centre for the emerging farmers that the ORTDM wants to migrate to commercial farming. These farms have provided an environment conducive for training the emerging farmers, as several strides by the District proved beyond reasonable doubt that one cannot train farmers to be commercial in an environment that is not commercial. This is of particular importance as the District is predominantly rural and the majority of its inhabitants are illiterate and learn better with experiential training.

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

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

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

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

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

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

The WBPIS was initiated to ensure:

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

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

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

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

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

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

2.13 Basic Service Delivery and Infrastructure Development

2.13.1 Land Survey and Planning

Background

The ORTDM straddles the N2 linking Durban to East London, the Garden Route and Cape Town. The economy of the District is largely land-based (subsistence) and has been impacted upon negatively by historic practices of discrimination and marginalization before 1994. The past political engineering, current tenure arrangements and population densities have impacted on the land cover of the District. At least 21% of the total land area is classified as degraded/eroded, which indicates the imbalance between (1) the resident population and (2) the land resources and/or inefficient land use management, specifically with regard to agricultural activities.

O.R. Tambo District has a predominantly rural landscape with a rural population residing in traditional villages and traditional homes. The main towns are located along the main access roads serving as rural service centres to the surrounding rural population. Land ownership in the District vests mainly in the Department of Rural Development and Land Reform, as the main custodian of communal land. Legal

forms of land tenure in the district include (1) freehold, (2) permission to occupy, (3) leasehold and (4) grazing rights on commonage.

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

The key challenges in this area are:

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

The following interventions are recommended to address these challenges:

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

Spatial Development Framework

The District Municipality is currently planning to review its FIVE year SDF which was originally developed in 2003 and reviewed in 2008.

Spatial Planning And Land Use Management System

Pre 1994 Planning was designed to serve a different political ethos. Multiple laws, multiple institutions and parallel processes introduced by the pre 1994 pieces of legislation. Planning laws were fragmented across the old boundaries

of the then four (4) provincial administrations, homelands, and Self-Governing Territories.

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

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

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

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

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

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Consequences of SPLUMA to District and Local municipalities

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

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

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

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

- Conduct municipal readiness assessment in all LMs to implement SPLUMS
- Ensures that reporting systems are in place for monitoring and support by national and provincial spheres for the purposes of implementing the SPLUMA
- Ensuring that there is overall review of any other policies that trigger the [payment of fees/contributions/ levies/ tariffs in terms of the SPLUMA
- Conduct resources audit and identify training needs for officials to give effect to the SPLUMA.
- Develop/review policy on development contributions/ provisions of engineering services and the mechanism for the implementation thereof.

- Ensure municipal capacity assessment and where necessary, processes to consider proposals on establishment of Joint Municipal Tribunal
- Ensure processes of establishment of Municipal Planning Tribunal and Appeals Tribunal

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

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

2.13.2 Environmental Management

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

Based on the information obtained from the reviewed EMP, the District Spatial Planning and Environmental Management Technical Forum, working in partnership with DEDEA, has managed to prioritize programs and develop appropriate action plans to respond to the most pressing and threatening issues of environmental management. The ORTDM planned a number of training workshops focusing on

environmental education so as to disseminate this environmental information together with practical programs on how to face these environmental challenges and ensure effective environmental management.

The challenges faced in this regard are:

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

2.13.3 Waste Management

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

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

The ones operating illegally are the following:

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

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

2.13.4 Provision of Water Services

In July 2003, Cabinet declared and pronounced the ORTDM a Water Services Authority and Water Services Provider, which means that the DM is responsible for planning, implementation, operation and maintenance of water and sanitation services within its LMs. As such an authority, the DM is responsible for planning and governance functions, which include:

- Development of Water services policies and by-laws;
- Local Regulatory function;
- Water Services Planning;
- Tariff Determination;
- Water Quality Monitoring and Environmental Safety;
- Revenue Management;
- Communication and Customer Relation;
- Free Basic Services; and
- Drought relief.

The following functions are included under water services planning:

- Water Conservation and Water Demand Management;
- Water Services Master Plans;
- Water Services Development Plan (WSDP);
- Asset Management Plan; and
- Water Safety Plans.

The current status of the Water Services Policies and By-Laws is as follows:

- Water Services By-Law: Approved by Council;
- Indigent Policy: Approved by Council;
- Tariff Policy: Approved by Council;
- Free Basic Policy: Approved by Council;
- Credit Control/Debt Collection Policy: Approved by Council;
- Occupational Health and Safety Specification: Approved by Council; and
- Procurement Policy: Approved by Council.

The DM developed Module 1 of the WSDP, which was approved by Council in July 2011. (A copy of the approved module of the WSDP with details is attached as an Annexure to this IDP). This module provides (1) an overview and (2) an assessment of:

- Existing information on backlogs;
- Current levels of service;
- Operations and maintenance of infrastructure assets;
- Water resource management;
- Water balances and losses; and
- Issues pertaining to contracting and licensing.

Plans to develop a detailed Water Services Development Plan are currently underway, with a call for proposals having been made.

In terms of Water Services Provisioning, the ORTDM is responsible for operation and maintenance which includes:

- Daily operations of water and wastewater works inclusive of the daily monitoring and management of plant performance and compliance with the required quality and performance management systems;
- Maintenance of urban and rural infrastructure;
- General management including administration, financial management, monitoring and reporting;
- Communication and customer relations;
- Operations and maintenance planning;
- Ensuring de-sludging of on-site latrines;
- Safe treatment and disposal of sewage waste;
- Ongoing and regular testing of water, effluent and sewerage disposal for conditions dangerous to human health and the environment; and
- Health and safety.

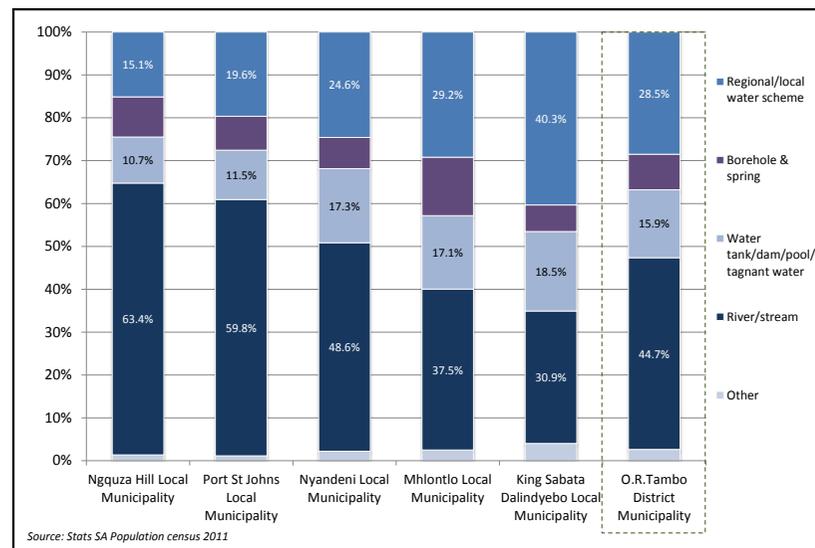
Other Functions of the Department include:

- Identification and implementation of Capital project; and
- Coordination of infrastructure-related sectors and actors (i.e. Eskom, Telecommunication, Public Works, LMs, Human Settlement, etc.)

2.13.5 Water Service Provision

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

Figure 31: Percentage of Households by type of Water Access (Census 2011)



In October 2006, the ORTDM held a Water Services Summit which was aimed at the development of strategic framework for the delivery of quantitative and sustainable water services and accelerate water service delivery as a vehicle for Local Economic Development in the District. This summit adopted a Conceptual Water Master Plan which was a framework with a three-stage approach, and the following was agreed upon:

- Continued Schemes to alleviate the immediate need through Stand-alone Schemes;
- Integrating existing Stand-alone Schemes into Sub-regional Schemes; and
- Integrate all the latter into Regional Schemes.

The ORTDM, in partnership with DWA, thereafter approached/appointed Umgeni Water Board and Amatola Water Board and entered into a collaborative arrangement to assist in identification of an improved bulk water supply system within its area of jurisdiction. Four Regional Schemes were then identified and feasibility studies were undertaken to investigate/explore on reliability of the identified schemes, viz.:

- The Central Scheme (Ingquza Hill and parts of Port St Johns) fed by the Mzintlavana River: Feasibility Study complete and preliminary design in progress; and
- The Southern Scheme (King Sabatha Dalindyebo, Nyandeni and parts of Mhlontlo): Optimal Utilization of Mthatha Dam for domestic consumption: Study complete but awaiting abstraction permit from DWA.

Other Sub-Regional Schemes to be integrated within the Regional Schemes have been proposed, viz.:

- *The Sidwadweni Regional Water Supply under the Mhlontlo LM, which also supplies parts of the Nyandeni LM and rural villages within Tsolo and Tsolo Hospital:* Approximately costs of R250million have been allocated for the development of the scheme since its inception and currently the last phase (phase 5) is on design.
- *The Mvumelwano Regional Water Supply under the Mhlontlo LM, which supplies Qumbu town and other Rural Villages within Qumbu:* Approximately R150million has been allocated for the development of the scheme since its inception and the first phase is being implemented.
- *The Upper Culunca Regional Water Supply under the Mhlontlo LM, which supplies rural villages within Qumbu:* Approximately R150million has been allocated for the development of the scheme since its inception and the last extension is under construction. Currently the possible construction of a Dam to sustain the scheme is under investigation and the submission of a business plan for additional funding may be put forward.
- *The Port St Johns LM Regional Water Supply under the Port St Johns LM, which supplies rural villages:* Approximately R90million has been allocated for the development of the scheme since its inception. Phase 2 of the bulk services is under construction and Phase 2b is on tender, with implementation scheduled for mid-2012. A business plan an approximate amount of R25million has been submitted to the DWA for Dam construction.
- *The Ngqeleni Regional Water Supply, which supplies 45 rural villages within the Ngqeleni LM:* Approximately R100million has been allocated for the

development of the scheme and the 2 phases which includes Ngqeleni Dam are at its completion stage.

- *The Coffee-Bay Regional Water Supply under King Sabatha Dalindyebo LM, which supplies Coffee-bay and Rural Villages:* Approximately R110million has been allocated for the development of the scheme, which is currently under construction.
- *The Flagstaff Regional Water Supply under Ingquza Hill LM, which supplies Flagstaff town and rural villages:* Approximately R94million has been allocated for the development of the scheme, which is currently in the design and tender stage.

Water has also been supplied through stand-alone schemes, boreholes, springs, streams and small rivers. Table 46 below tabulates the water-backlogs in each of the LMs in the District.

Table 4615: Water Backlog in the LMs in the ORTDM

Water Backlogs 2010/2011					
Name of Municipality	Total Household	Household access to water	Household access to water as a percentage	Households below basic level of service/backlog	Households without access to water as a percentage
King Sabatha Dalindyebo LM	93,384	49,150	52.6%	44,234	47.4%
Mhlontlo LM	49,862	19,596	39.3%	30,266	60.7%
Nyandeni LM	56,853	21,226	37.3%	35,627	62.7%
Port St Johns LM	30,950	7,620	24.6%	23,330	75.4%
Ingquza LM	48,703	17,344	35.6%	31,359	64.4%

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

Table 47: Challenges in the provision of water and sanitation services in the ORTDM

CHALLENGE	CAUSE
Huge Backlogs	Negligence of the area during the apartheid era. Topography of the area which makes it expensive for some areas to be services.
Old Infrastructure	Lack of refurbishment, and as result the infrastructure is being operated though it has far reached its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth and as such the infrastructure is over-strained which result in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change.
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure
Lack of energy supply	Has an effect on the capacity of the infrastructure to be provided as the dependency is on diesel which are limiting on type of infrastructure that should be provided.
High Level of Vandalism and theft	High unemployment.
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other area due to financial constraints.
Poor Maintenance of existing infrastructure	Low revenue-generation, as many of the District's inhabitants are unemployed, and as such there is dependence on grants, which are very small.
Lack of funds for infrastructure investment planning	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.

The following interventions have been recommended to address the challenges:

- Adoption of Regionalization as a best option to enhance storage and ensure local economic development: In the past year the District has been struck by a drought, which resulted in some of the majority of stand-alone schemes being non-functional. This has thus shown the extent of non-reliability of the standalone schemes;
- Upgrading of the town systems into full water-borne sewerage systems: This will ensure an environmentally-friendly situation;
- Acceleration of service delivery to reduce backlogs;

- Adoption of "Water Services' 10 Key Focus Areas" in an effort to improve in delivery of water services;
- Engagement of Water Boards: To assist in water services provision and skills through transfer of knowledge; and
- Engaging the JOBS Fund at the DBSA: Given that most of the inhabitants of the District receive free basic services, minimal revenue is collected from selling the service. As a result the DM is largely dependent on grants to perform its water services functions.

Despite the challenges, the DM has made significant strides in improving its delivery of basic services, and in the period 2012/13, R1.8billion worth of projects (a total of 26 big water and sanitation projects) have been approved. Some of these projects span between three to five years. Of the R1.8billion, R1.2billion has already been approved for implementation. Some of the projects are already at procurement stage, due to under-expenditure in previous years.

2.13.6 Provision of Sanitation Services

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

Only 1 (Mthatha town) out of 11 towns has got a full waterborne sewer system, which has now reached its design lifespan and has already exceeded its capacity. The wastewater treatment works was designed to accommodate 12MI/d and the current flows are estimated above 18MI/d with exclusion of flows that do disappear within the sewer network. At the time of transfer only one out of 23 sewer pump stations was functional, with other areas not connected within the network system. Other towns are currently using either Septic tanks and or conservancy tanks.

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

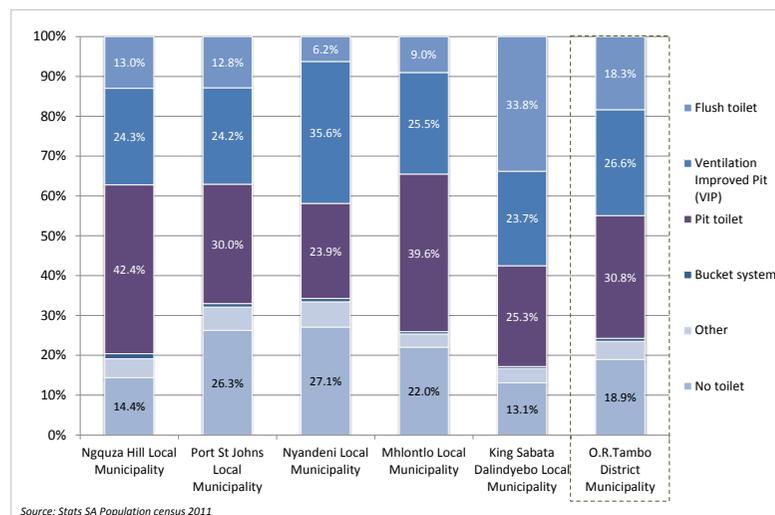
- Eighteen sewer pump stations have been refurbished and an additional four sewer pump stations are under refurbishment;
- In partnership with the DWA, the DM has refurbished the wastewater treatment works and is repairing/replacing sewer networks within Mthatha, increasing its capacity and ensuring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

In further work aimed at implementing the sanitation strategy, the DM is currently at design stage with the upgrading of sewer system into waterborne sewer in the following towns:

- Mqanduli: At detail design stage;
- Flagstaff: Under construction;
- Tsolo: At detail design stage;
- Lusikisiki: Under construction;
- Nyandeni and Port St Johns: Already funded at tender stages; and
- Ngqeleni and Qumbu: Business plan development stage.

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

Figure 32: Percentage of Households by type of Sanitation (Census 2011)



Source: Stats SA Population census 2011

Derived Census 2011 data

Table 48 below tabulates the number of households for each Local Municipality that are currently served with basic sanitation services:

Table 4816: Sanitation Backlog 2010/2011

Name of Municipality	Total No. of H/H	Households with access to sanitation	Household access to sanitation 2009/2010	Households provided with basic sanitation by 2010/2011	Households with access to sanitation 2010	Households without basic sanitation
King Sabatha Dalindyebo LM	93 384	41 016	43.9%	1 406	45.43%	54.57%
Mhlontlo LM	49 862	16 646	33.4%	0	33.4%	33.4%
Nyandeni LM	56 853	12 833	22.6%	4 241	30%	70%
Ingquza Hill LM	48 703	9 927	20.4%	1 809	24.10%	75.90%
Port St Johns LM	30 950	8 810	28.5%	1 021	31.76%	68.24%

2.13.7 Roads and Public Transport Infrastructure

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

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

Table 4917: The current status of roads in the ORTDM

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

A specific priority in the District is the construction and maintenance of gravel access roads in rural areas. This category of roads is funded through the Municipal Infrastructure Grant (MIG) and Equitable Share funds. On average, 500 km of access roads are constructed or maintained per year in the district. Table 49 provides an

overview of the quality of roads in the District and an extent of what still needs to be done.

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

The Department of Transport has the following projects:-

- *The scholar transport project:* from DoE in July 2011 without a budget for compensation of employees except the payment of service providers. Currently scholar transport project resides at the Head Office and the districts are responsible for monitoring of dropping and picking of learners to and from the schools. Currently 97 schools are benefiting in O.R. Tambo district area.
- *Shova –Kalula National Bicycle Project:* the donation of bicycles project aims to eliminate unacceptable long walk learners have to travel to and from schools. In an effort to improve learners results at the end of the year this project was introduced in schools and currently 80 learners in the district received bicycles.
- Improve *road safety awareness* of vulnerable road users such as pedestrians, passengers and drivers. This is road safety awareness is extended to communities through the roll out of Community Road Safety Council operations. The level of participation in these awareness campaigns is strengthened through stakeholder engagement.
- Impart safe driving and instill the culture of road safety to learners through the Learner Driver Education Programme.
- Improve road safety awareness and driving skills targeting public transport operators and other drivers.

LOCAL MUNICIPALITY	PROGRAMME	IMPACT	BENEFICIARIES
KSD	Maths & Science	Improved Maths & science results of learners	Grade 10, 11, 12 learners in KSD schools
Nyandeni	Scholar Transport	Better results for learners. Job creation for service providers	Learners at 34 schools
K.S.D	Scholar Transport		Learners at 28 schools
Mhlontlo	Scholar Transport		Learners at 20 schools
Ingquza Hill	Scholar Transport		Learners at 15 schools
King Sabata Dalindyebo, Mhlontlo, Nyandeni. Port St John's and Ngquza	Scholar patrol	Road safety knowledge and understanding; Assistance of learners to cross safely near their school by other learners under the supervision of an adult.	Learners from grade R to grade 9
King Sabata Dalindyebo, Mhlontlo, Nyandeni. Port St John's and Ngquza	Junior Traffic Training Centre	Learners are trained on how to use the road safely as safe and independent road users.	Foundation phase learners
	Child in Traffic		
King Sabata Dalindyebo, Mhlontlo, Nyandeni. Port St John's and Ngquza	Child in Traffic	Learners are trained on how to use the road safely as safe and independent road users.	Foundation phase learners
King Sabata Dalindyebo, Mhlontlo, Nyandeni	Community road safety council	To strengthen stakeholder involvement in road safety programmes	Broader community through organised community structures
King Sabata Dalindyebo, Mhlontlo, Nyandeni. Port St John's and Ngquza	Stray animal management	To create awareness about stray animal accidents and educate stockowners and rangers about stray animal management.	Stockowners, communities, herd-boys, farmers and rangers.

LOCAL MUNICIPALITY	PROGRAMME	IMPACT	BENEFICIARIES
King Sabata Dalindyebo, Mhlontlo, Nyandeni	Driver training and education	To promote road safety awareness to drivers through education.	Heavy vehicles, Taxi drivers and operators.
King Sabata Dalindyebo, Mhlontlo, Nyandeni. Port St John's and Ngquza	Pedestrian Safety	Educate pedestrians through mass media activities	Pedestrians and commuters
King Sabata Dalindyebo, Mhlontlo, Nyandeni, Port St John's	Driver training and education	To promote road safety awareness to drivers through education.	Heavy vehicles, Taxi drivers and operators.

Some of the challenges experienced in the implementation of these programmes include limited funding and resources, expired scholar transport contracts as well as the lack of infrastructure.

2.13.8 Non-motorised Transport

Non Motorised Transport is defined as any form of transport or mobility that does not rely on electrical and/or fuel combustion-driven propulsion mechanisms. It includes modes such as walking, cycling, wheelchairs, handcarts, rickshaws and animal-drawn vehicles (e.g. horse-drawn and donkey carts). In the ORTDM there is generally very little provision for pedestrian and bicycle travel. Sidewalks are generally in a poor condition and full of potholes.

Table 50: Condition of paved and gravel roads in ORTDM

Condition	Gravel Roads (%)	Paved Roads (%)
Very Good	1	5
Good	10	5
Fair	10	10

Poor	10	30
Very Poor	60	40
Total	100	100

In improving on this situation and providing effective NMT facilities, the following five guiding principles are observed:

- *Safety*: Maximise the safety of NMT users in relation to other road users, as NMT users have a high degree of vulnerability due to nature of the way they travel.
- *Coherence*: A coherent and continuous NMT network, linking all origin and destination points such as settlements and public transport routes with/or public amenities for the user and not just an *ad hoc* facility that ends abruptly in the middle of nowhere, must be created
- *Directness*: Create a direct route from origin to destination without significant detour to cause the user to ignore the facility. A good guide for these routes is what is referred to as “desire lines” in transport terms. A desire line is an informal track/walk or cycleway next to a road or over a vacant piece of land between a specific origin and destination – normally the shortest distance between the two and in most instances diagonal
- *Attractiveness*: Plan and execute NMT facilities in such a way that they make NMT travel attractive and safe from criminal elements or other road users during both day and night.
- *Comfort*: Ensure a smooth, quick and comfortable flow of NMT routes and traffic without excessive gradients or uneven surfacing and with adequate and appropriate amenities.

NMT Infrastructure elements consist of the following:

- *Ways*: Considerations include how to best locate these routes and the type of infrastructure that would be most appropriate. For example, bicycle lanes are demarcated routes on a road where space is allocated to cyclists. Bicycle roads, on the other hand, are routes set aside for cyclists, but the pathway provided is separate from the road, running either adjacent to the

road or on a separate alignment away from a road. Sidewalks are an example of typical urban infrastructure on a pedestrian route.

- *Crossings*: When pedestrians or cyclists must cross a trafficked road, the safety of the crossing becomes very important. The vulnerability of NMT users in comparison to a vehicle makes the provision of safe crossing facilities vital.
- *Amenities*: Amenities for NMT users are often forgotten. These are any tangible or intangible benefits, especially those that increase attractiveness, or value, or that contribute to comfort or convenience. Amenities include bicycle lock-up facilities, lighting, benches, ablutions, and water (for people and for draught animals).

With a clear understanding of the principles, elements and a good grasp of what the ideal is for a NMT network and amenities, the N2 and very small sections of the R61 around Mthatha have been examined in terms of formal and informal NMT Infrastructure, as part of a desktop exercise. These findings will indicate how well the ORTDM is performing in terms of providing NMT networks and amenities under their auspices. For this purpose, the register below indicates the NMT network and amenities along the indicated routes and streets within Mthatha, as the biggest town in the District, and ORTDM as a whole. 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.

2.13.9 Railways

A major infrastructure project in the District is the Kei Rail initiative, aimed at revitalizing the rail line from Mthatha to East London. Substantial investment has been made in re-commissioning this rail line. It is envisaged that this rail line will be the central economic driver underpinning the Kei Development Corridor, i.e. a Developmental Zone running through the District.

2.13.10 Airports

Mthatha Airport is fully functional and compliant with Civil Aviation Authority (CAA) safety standards. Recently there has been a 23 % increase in its passenger flow. Utilisation of the airport has improved and there is now a proposed regular passenger service between Mthatha and Bisho Airports. Mthatha Airport has three scheduled flights a day between Mthatha and Johannesburg by Air Link. A second airline, known as Interlink, is in the process of conducting tests on the route between Mthatha and Johannesburg. Plans are currently underway for the upgrading of the Mthatha airport so that it becomes a more attractive destination for airlines, businessmen and tourists.

2.13.10.1 Future Airport Usage

Discussions and consultations are taking place to get more airlines for the Johannesburg-Mthatha and Mthatha-Durban routes. An important goal is to link Port Elizabeth to Mthatha via Bisho Airport with the service geared for faster movement between the three (3) areas. Further to the usage is a proposed linkage with the proposed development of Port St John's 1.2 kilometre landing strip.

2.13.10.2 Capacity

The airport currently has a 2 kilometer runway which accommodates Boeing 737 aircraft that can carry 150 passengers. In the current upgrading process of this airport, the first phase includes the construction of a much bigger fire station that will accommodate two big fire engines worth R2.5 million. This will assist in increasing the airport's emergency capacity and improve its grades from four to six. When completed the airport will consist of, among others, an extended VIP lounge, new premises for five car hire companies, curio shops and restaurants. Another addition to the airport is a secondary tarred runway. This runway was not part of the initial plan but is due to the anticipation of high volume of movements of aircrafts and economic demand in the area. For these purposes an unused runway will be refurbished for this. The fact that most passengers travelling to Mthatha are for business purposes means that there is potential opportunity for restaurants and coffee shops at the airports.

2.13.10.3 Constraints

The runways at Mthatha Airport need reinforcement to accommodate the increased traffic flow that will result from increase commercial activity and tourism in the area.

Success Factors

The South African National Defence Force (SANDF) has taken up the project as its initiative to up-grade the airport runway to that of an international standard which will then make it possible for all kinds of aircraft being able to use the airport.

2.13.11 Refuse Disposal

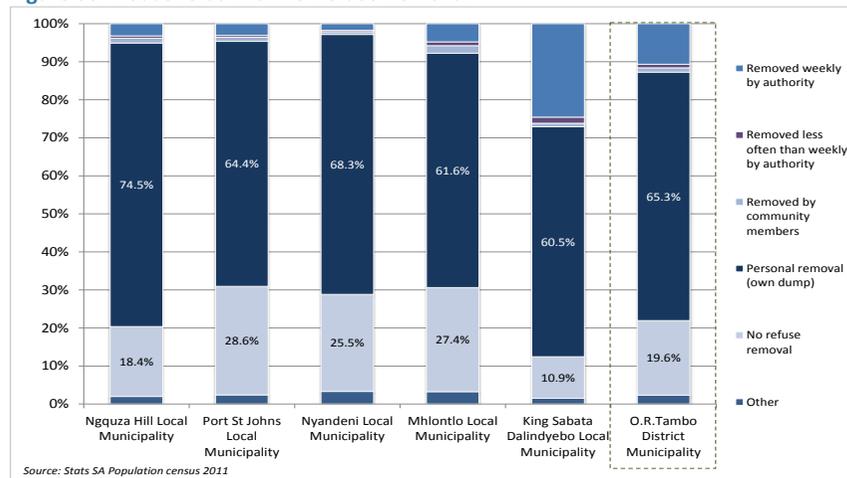
According to the Community Survey (2007), most people in the District (173 347 households or 62% of the total) rely on their own methods of solid waste disposal, and 69 198 households (25% of the total) have no access to any means of solid waste removal system (see Table 51 below).

Table 51: Refuse disposal (Community Survey 2007)

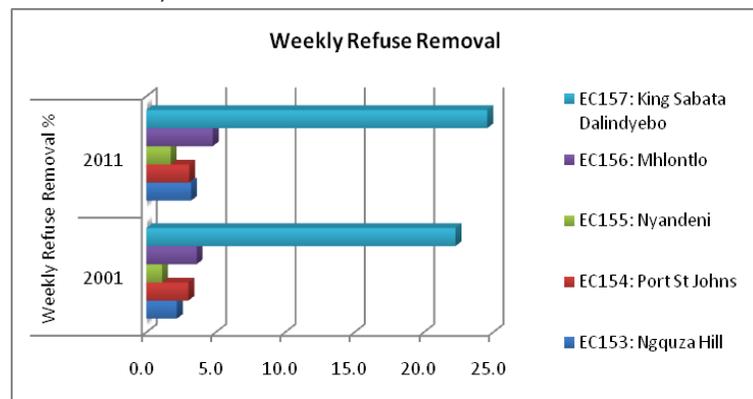
Activity	Ingquza Hills	Port St Johns	Nyandeni	Mhlonlto	KSD	TOTAL
Removed by local authority on weekly basis	1 235	585	677	1 511	21 755	25 763
Removed by local authority less often	1 012	60	402	1 153	2 330	4 957
Communal refuse dump	329	190	363	1 694	643	3 219
Own refuse dump	2 ,508	22 580	35 677	36 243	49 429	173 437
No rubbish disposal	16 485	7 284	19 578	8 434	17 417	69 198
Other	132	251	156	826	1 808	3 173
Total	48 701	30 950	56 853	49 861	93 382	279 747

According to the Census 2011 report, Ingquza Hill local municipality has the highest number of households who do personal removal of refuse at 74.5%. The local municipality with highest percentage of households with no refuse removal is the Port St Johns Local Municipality with 28.6% of its households that does not have refuse removal.

Figure 33: Households with no Refuse Removal



The figure below reflects the percentage of households in each municipality with access to weekly refuse removal services. Figure 34: Weekly Refuse Removal (2011 CENSUS DATA)



Derived from Census 2011 Data

2.13.12 Source of Energy for Lighting

The provision of electricity is the sole responsibility of Eskom. The District Municipality is only involved in the planning process. With the exception of the KSDLM, where 70% of the households have access to electricity for lighting, the other LMs in the District fell significantly below the Provincial average of 67% in 2007. Most of the households in these municipalities depended on candles and paraffin as their source of energy for lighting (see Table 52). This situation has now increased dramatically (see Table 53). It has been proposed that the possibility of exploiting the hydro-electric potential of the Mzimvubu Dam be studied. Other potential sources of renewable energy in the District also need to studies and exploited as and where possible.

Table 52: Source of energy for lighting (ECSECC 2007)

Municipality	Electricity		Gas		Paraffin		Candle		Solar & Others	
	Census 2001	RSS 2006	Census 2001	RSS 2006						
	%	%	%	%	%	%	%	%	%	%
Eastern Cape	49.7	67.1	0.3	0.4	23.3	14.0	25.9	18.3	0.8	0.2
O. R. Tambo	28.1	49.6	0.3	0.2	12.1	8.0	58.4	41.6	1.2	0.5
Ingquza Hill	13.6	42.7	0.2	0.4	8.0	5.8	76.3	50.0	1.8	1.0
KSD	41.7	70.1	0.4	0.2	24.3	11.5	33.1	18.1	0.6	0.2
Mhlontlo	30.1	47.1	0.2	0.6	8.8	2.4	60.0	49.1	0.9	0.9
Nyandeni	32.2	58.4	0.2	0.2	11.5	19.7	55.0	21.7	1.0	0.0
Port St. John's	17.2	45.6	0.3	0.4	10.5	1.9	70.8	52.1	1.1	0.0

Table 53: Access to electricity

Local Municipality Name	Current Connection %	Issues/Challenges
King Sabata Dalindyebo	85	<ul style="list-style-type: none"> The line/grid to coastal areas is not coping with the demand. Unplanned settlements increasing the backlog. Power outages contribute to non-payment for services. Potential for alternative sources of energy.
Ingquza Hill	77	
Mhlonlto	85	
Nyandeni	80	
Port St John's	85	

The Census 2011 data revealed that local municipality with the most households with access to electricity for cooking is the Sabata Dalinyebo Local Municipality at a total of 60 464 households or 57.5% of the total households. In O.R. Tambo District Municipality a total of 209 288 households have access to electricity for lighting, which is 70.2% of the total households. The Port St Johns Local Municipality have the least access to lighting with a total of 21 504 households or 67.8% of the total households in that municipality having access.

Table 54: Access to electricity

2011	Ngquza Hill Local Municipality	Port St Johns Local Municipality	Nyandeni Local Municipality	Mhlonlto Local Municipality	King Sabata Dalindyebo Local Municipality	O.R.Tambo District Municipality
Electricity for lighting	35 317	21 504	43 760	31 525	77 182	209 288
Electricity for cooking	20 323	9 885	24 669	19 444	60 464	134 785
Electricity heating	10 680	5 406	9 583	6 519	20 888	53 076
Percentage of total households:						
Electricity for lighting	62.8%	67.8%	71.0%	72.6%	73.3%	70.2%
Electricity for cooking	36.2%	31.2%	40.0%	44.8%	57.5%	45.2%
Electricity heating	19.0%	17.0%	15.5%	15.0%	19.8%	17.8%

Source: Stats SA Population census 2011

2.13.13 Telecommunications

Telkom operates the establishment "landline" telecommunications network in the District. In addition to this, MTN, Cell C and Vodacom have installed transmitters that now provide coverage to over 70% of the area.

2.14 HOUSING DEVELOPMENT

The ORTDM views housing and related infrastructure delivery as catalysts for development and improved quality of life in previously disadvantaged communities 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 shelter and infrastructure for their areas of jurisdiction. This is further postulated in the "Breaking New Ground" housing delivery approach to create sustainable human settlements. The predominant settlement pattern in OR Tambo District is based upon the rural village with grouped homesteads dispersed along ridge crests in the uplands or in the valleys on flatter land. Areas along the coastline are sparsely populated, as people tend to locate their homes inland. Migration has contributed to the growth of Mthatha and the service centres of Lusikisiki and Port St Johns. There has also been substantial growth along the N2 corridor from East London through Mthatha to Kokstad.

2.14.1 Land Needs

The Eastern Cape Multi-Year Housing Development Plan (2009/10-2014/15) states that gaining access to developable land in good localities for housing development, especially for low-cost housing, has proven to be a major challenge in the province. Land values are highest where development is desirable and the available funding does not cover the acquisition of such prime land for low cost housing. The result has been that land has been acquired far away from economic opportunities and thus has resulted in the perpetuation of social segregation and the marginalisation of low-income households in the District.

Beyond issues of location, many municipalities have no coherent strategies for land acquisition apart from the fact that public land is “vested” in the State. This situation, together with long land release and transfer-procedures in land acquisition are major concerns. Many municipalities complained that there is simply no land available for housing development in the areas where they wanted it. Issues related to land claim and tenure also present problems to housing development in some of the municipal areas. As indicated above, the availability of well-located and appropriate land for low-income housing development is a priority issue in the district, as about 206 815 households currently live in inadequate housing that is either badly located or areas often without secure tenure. Land on the periphery is cheaper and therefore “affordable” for low-income development, but such areas are far removed from places of employment, and economic, social and transport opportunities, and inhabitants are therefore subjected to high transport costs and unnecessarily long travelling times. In addition to this, authorities are subjected to high costs for the provision of bulk services and residential areas continue to follow the legacy of apartheid segregation on the basis of social class and status.

In terms of the new BNG policy, housing nodes will be identified and the necessary procurement, land alienation and zoning issues undertaken well in advance of the actual housing delivery to avoid the delays that are currently being experienced. Land-release is further hampered by the various pieces of legislation and the legal procedures related to the alienation of land, the difficulties in accessing State-owned land and the constitutional imperatives impacting on the acquisition of private land and the number of disputes related to the release of tribal land. It is anticipated that the various Housing Sector Plans for the Local Municipalities, currently under review will identify the number of planned residential sites to address the current housing needs, as well as suitable public land for alienation by the Department of Rural Development and Land Reform (DRDLR), which should be donated free of charge to municipalities in the ORTDM.

2.14.2 Housing Stock (Trends)

Massive strides in the delivery of low cost housing to the poor and the vulnerable households have taken place over the past few years in the District, as can be seen from Table 55 below. In all, there has been an increase of approximately 13 147 units between 2001 and 2007. In terms of adequate housing the increase was only 2 343, whilst a 10 801 increase in inadequate housing units was recorded.

Table 55: Housing stock (2001 and 2007) (SSA, Census 2001 & CS 2007)

Municipality	Adequate Housing		Inadequate Housing		Total	
	2001	2007	2001	2007	2001	2007
Ingquza Hill	13 340	7 627	37 051	41 075	50 391	48 702
Port St Johns	3 896	4 348	24 818	26 603	28 711	30 951
Nyandeni	9 864	12 049	45 891	44 804	55 755	56 853
Mhlonlo	8 410	11 525	33 868	38 336	42 278	49 861
KSD	35 082	37 386	54 383	55 997	89 465	93 387
Total	70 592	72 935	196 011	206 815	266 603	279 750

2.14.3 Past and Existing Housing Stock

As noted above, significant strides have been made in housing provision in the District. More than 72 000 households have received access to housing opportunities through the various housing programmes in the District. At the same time, the number of informal housing reduced considerably by 2 135 units between 2001 and 2007. Of the current approximate 279 750 houses in the OR Tambo District, as revealed by the Community Survey (2007), about 72 935 (26%) units are considered as adequate housing, whilst the remaining 206 815 units (74%) are classified as inadequate and this latter figure constitute the housing backlog in the District (see Table 56).

Table 18: Past and current housing stock (SSA, Census 2001 & CS 2007)

Category	Housing Type	2001	2007
Adequate	Formal (House or brick structure on a separate	51 525	56 072

Category	Housing Type	2001	2007
housing	stand)		
	Flat in block of flats	17 270	15 984
	Town/cluster/semi-detached house	1 797	879
	Total number of adequate housing	70 592	72 935
Inadequate housing	Traditional dwelling	175 249	190 042
	House / flat / room in backyard	8 332	6 924
	Informal dwelling / backyard shacks	2 221	1 873
	Informal dwelling in informal settlements	6 051	4 264
	Room or flat-let on shared property	3 544	1 129
	Caravan or tents	593	529
	Others	21	2 054
	Total number of inadequate housing	196 011	206 815
Total Housing Stock		266 603	279 750

2.14.4 Adequate Housing

Progress in the provision of adequate housing has been marked in the District, especially in the KSD Nyandeni and Mhlontlo LMs (see Table 57 below). A high proportion of households in these municipalities live in towns, especially the service centres, where housing improvement programmes have been concentrated. Progress has been especially marked in these towns since 2001.

During the past decade, significant progress has been made in improving infrastructure delivery in the municipalities to boost housing delivery. In terms of house types, there has been a large increase (about 4 547 units) in formal housing between 2001 and 2007 in the form of brick/block and mortar structures on separate stands. Currently, this house type accounts for 56 072 (77%) of all the adequate housing in the District. This high number might be attributed to Government's housing programme.

Flats in block of flats and cluster homes account for 22% and 1.2% of housing types, and they are commonly found in the KSDLM. According to the EC Provincial Department of Human Settlements, about 10 627 housing units had been completed by end of 2008/09, at an estimated cost R 388 819 526 in the ORTDM. The outstanding work and balance at the beginning of 2009/10 was 5 748 housing units at an estimated cost of R131 415 622. It is anticipated that the social and rental housing, according to the Annual Performance Plan (2011/12-2013/14) of the EC Provincial Department of Human Settlements (DoHS), will be promoted and integrated in the major towns/nodal centres in the District, to increase the number of the flats in block of flats to satisfy the needs of the low and middle class workers. According to the Annual Performance Plan (2011/12-2013/14), the Department of Human Settlements will facilitate and promote the integration of communities utilizing social and rental housing, and has planned to increase provision of well located and affordable priced rental accommodation in the province. In 2011/12 the DoHS targeted 1 150 approved beneficiaries, as well as rental units to be completed for social housing, 400 units approved for CRU, 121 rental units to be upgraded for CRU, and 100 rental units to be completed for CRU in the entire Province.

Table 57: Adequate housing

Dwelling Type	Ingquza Hill	Port St. Johns	Nyandeni	Mhlontlo	KSD	Total	%
Formal (House or brick structure on a separate stand)	6 114	2 771	10 235	10 799	26 153	53 301	76.0
Flat in block of flats	1 403	1 562	1 652	582	10 785	15 984	22.8
Town/cluster/semi-detached house	110	15	162	144	448	879	1.3
Total	7 627	4 348	12 049	11 525	37 386	86 248	100.0
Percentage (%)	8.8	5.0	14.0	13.4	43.3	100.0	

2.14.5 Housing Backlog

As indicated above, the number of households in the District that require decent houses located within conducive and sustainable environments that are provided with basic services, constitutes the housing backlog. These are the households living in inadequate housing, and include traditional dwellings, informal dwellings and others like caravan or tent, rooms and houses in backyards. The number of households living in inadequate housing amounts to 206 815 (see Table). In terms of category and location, traditional dwelling accounts for 92.5% of all the inadequate housing in the District and 20.8% of these houses are found in KSD, followed by Nyandeni at 16.6%, Inquba Hill at 15.2%, Mlontlo at 14.2% and Port St. Johns at 9.9% (see Table 58).

Table 58: Inadequate housing (CS 2007)

Dwelling Type	Inquba Hill	Port St Johns	Nyandeni	Mlontlo	KSD	TOTAL	%
Traditional dwelling/ hut/ structure	37 172	25 945	41 915	35 458	49 552	190 042	91.9
House/flat/room in backyard	1 450	127	2 417	270	2 660	6 924	3.4
Informal dwelling/backyard shacks	617	21	67	498	670	1 873	0.9
Informal dwellings in informal settlement	248	48	286	1 334	2 348	4 264	2.1
Room/flat-let on shared property	265	50	62	114	638	1 129	0.6
Caravan or tents	249	-	-	151	129	529	0.3
Others	1074	412	57	511	-	2054	1.0
Total	41 075	26 603	44 804	38 336	55 997	206 815	100.0
Percentage (%)	19.9	12.9	21.6	18.5	27.1	100.0	

As indicated in Table 58, traditional dwellings dominate the inadequate housing in the District. However, there are some debates as to the extent to which traditional dwellings, which have been used in the District for centuries, can be classified as “inadequate housing”. In terms of policy directives and statements of policy intent by the MEC of the Department of Human Settlements, the Department does not view

traditional dwellings as inadequate, and hence constituting to the backlog. The concretization of appropriate policy measures in this regard received attention during the last financial year when the Department adopted a two-pronged strategy aimed at (1) dealing with the housing issue in traditional areas, and (2) developing guidelines to address rural housing needs and inform the associated policy directives.

It must be noted that while many traditional dwellings provide good standards of shelter and comparable in quality with formal dwellings, around two-thirds of households in the rural traditional housing in the ORTDM are without access to basic household services, such as, piped water, sanitation, electricity and proper accessibility. There is therefore a backlog in the basic services required to make living in these physical structure sustainable and conducive for human habitation. Additionally, no formal housing development procedure is applied in the delivery of such houses, for example, approved building designs approvals, environmental issues and considerations and town planning regulations.

If the traditional houses are considered as being adequate housing, then inadequate housing within the District stands only at only 8%. However, it is suggested that until such a time that a proper rural housing needs figure for the District has been determined which includes access to basic household services, these traditional dwellings should be included in the inadequate dwelling category, not for the reasons of quality but rather due to the drive towards modernization and equity, as more people within the communal and tribal areas decide to exercise their constitutional rights in order to access what is considered as a more contemporary lifestyle.



Backyard shacks provide an opportunity for rental housing and generates an income for site owners. However, it is essential to create a regulatory framework, which will ensure that minimum standards are secured, and that bulk infrastructure can accommodate the densities the backyard residents create



2.14.6 Inadequate Dwellings: Backyard Shacks and Informal Housing

Backyard shacks and informal dwellings provide a critical low-cost rental market, as well as offer migrants a shelter at their destination points. They are also favoured by many single women, because they offer more security than free-standing shacks. According to the Community Survey (2007), there are about 6 137 (3%) informal dwellings in the District. The KSDLM accounts for 49% of all the informal dwellings in the District, followed the Mlonthlo LM (30%). The two combined therefore account for 79% of all the informal dwellings and informal housing areas in the District. The figures below show some typical informal housing in the District.

According to the strategic objective of the Department, the DoHS intends to facilitate and coordinate the eradication of informal settlements through the development of sustainable human settlements in the District by 2014. To this end, the Department's medium term targets are to render support to municipalities in respect of upgrading informal settlement, facilitating the process of land acquisition, installation of internal services, land transfer and erection of top structure, as well as facilitating the provision of social and economic facility (e.g. Multi-Purpose-Community Centres) within the prioritized project areas (Annual Performance Plan, 2011/12-2013/14).

2.14.7 Key Issues of Focus and Challenges

2.14.7.1 Rural Housing Development

In terms of the new BNG approach the Department of Housing is expected to play a central role in human settlement development process. Human settlement is being defined as more than just the construction of the house. The new human settlements

plan moves towards more holistic, integrated, flexible and responsive mechanisms which address the multi-dimensional needs of sustainable human settlements.

2.14.7.2 Creating Integrated and Sustainable Settlements

There is a lack of collaborative planning in and between municipalities in the District and with provincial sector departments. There is a need to enhance spatial planning through greater coordination and alignment of various planning instruments and economic policies. In order to ensure that human settlements are sustainable there is a need to accelerate the Comprehensive Rural Development Program, which is aimed at responding to a comprehensive range of rural housing related issues, such as tenure, livelihood strategies and broader socio-cultural issues.

2.14.7.3 Ensure that all LMs have credible Housing Sector Plans

The housing chapters of the LMs' IDPs must be considerably enhanced to include municipal housing needs assessment, the identification, surveying and prioritization of informal settlements, the identification of well located land for housing, the identification of areas for densification, the linkages between housing and urban renewal and the integration of housing, planning and transportation frameworks, and will link these to a multi-year implementation plan.

2.14.7.4 Housing Consumer Education Program

There is still a huge information gap in relation to people's human settlement rights.



There is also a need to intensify and accelerate the consumer education program to ensure that communities are empowered to constructively engage with municipalities in identifying and fulfilling their housing needs. So far, 943 people have been trained on Housing Consumer Education.

2.14.7.5 Eradication of Informal Settlements

Progressive Informal Settlement Eradication is a primary aim of the new housing policy. Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion.

2.14.7.6 Supporting the Urban Renewal Program/BNG

The layout plans for new settlements in urban areas in many cases promote urban sprawl. There is a need to promote densification and integration of previously excluded groups into the city and the benefits it offers, and to ensure the development of more integrated, functional and environmentally sustainable human settlements, towns and cities. One aspect of this process can be achieved through supporting urban renewal and inner city regeneration. The District has one urban renewal project – the Ngangelizwe project, which is driven by the KSDLM.

2.14.8 Responding to Emergency Housing

The ORTDM is prone to disasters, such as the storms that happened on the 4th and the 25th of November 2010 and on the 22nd, 27th and 30th of December 2010. All these call for a new way of doing things. Currently, the response time with the construction of temporal shelter is way too long. This is because of the administrative processes involved in the procurement of temporal structures is done by province. There process needs to be reviewed and some of the function be delegated to the District to allow for a quicker response.

The Eastern Cape provincial department of Housing approved the following permanent housing solutions to be implemented in the 2011/12 financial year:

- The construction of 385 housing units in various LMs in the District;
- The approval of 259 new housing units in Port St Johns;
- The construction of 77 housing units in Nyandeni;
- The construction of 76 housing units at Ingquza.

2.14.9 Release of land for Human Settlements

There is a need to fast-track the release of well-located public land to municipalities. The province has to set aside a budget for this process through the National Housing Development Agency, as municipalities do not have enough revenue to fund such acquisitions. Some of the well-located pieces of land are privately owned and thus are subjected to the general open market prices. Land ownership in the ORTDM vests in the government, tribal authorities, local municipalities and private individuals. Government through the Department of Land Affairs is the main custodian of communal land. Legal forms of land-tenure in the District include: freehold (mainly concentrated in the urban centres and certain shops in rural areas, providing security to the owner), Permission to Occupy (PTO) (mainly in the rural areas where there is no right of ownership), leasehold and grazing rights on commonage land.

2.14.10 Budgeting for Human Settlements

The provincial department of Housing only makes transfers of funds to the DM on the principle of value created. This means that the DM needs to first build the house and then submit the invoice to the Provincial Department of Human Settlements to claim the housing subsidy funds. This poses a number of challenges, notably around (1) internal financial management systems; (2) the inclusion of housing projects in the SDBIP; and (3) the payment of contractors within the 30-day time limit.

2.14.11 Availability of Infrastructure

Most housing projects suffer because of lack of bulk services, mainly water. Urban projects, like the Libode, have been blocked for years because there is no bulk water in Libode. Even the rural housing projects get to be delayed in winter when there is no rain because there is no water for construction. Most households then resort to traditional means of fetching water from the river that are sometimes far away. This causes a huge delay in the construction process.



2.14.12 Lack of Access Roads and Steep Slopes

Many housing projects suffer delays because the inaccessibility of villages makes the delivery of building material both difficult and costly. This challenge could be alleviated if the infrastructure department with the Local Municipalities priorities access roads to areas where there will be housing developments.

2.15 LAND ISSUES

The ORTDM is characterised by freehold tenure in the towns and communal tenure in the rural areas. In general terms, the stability of freehold title in the urban settlements makes it easier for formal, large-scale investments and settlement development to occur. The communal owned land areas, on the other hand, do not offer security of tenure, hence large scale investment, including housing development, by private sector is generally more difficult to undertake, and in these areas, informal development tend takes place without conventional security of tenure.

Communal land is held in trust by the Minister of Rural Development and Land Reform (DRDLR), but also regarded by government as co-owned by the local community. Although it is considered to belong legally to the State, it is held by individuals under PTOs, under customary tenure, by quitrent grants, and occasionally, but rarely, by lease. An individual's rights on land are protected by the Interim Protection of Informal Land Rights Act (IPILRA) (PSDP, 2010). The majority of the land in communal areas is un-surveyed and unregistered, and the basic spatial unit is the Administrative Area, which was previously known as 'locations' or 'ilali'. The procedures to be followed in securing land for housing development within these communal areas are very cumbersome and take a very long time to complete.

2.16 THE STATUS OF LAND CLAIMS IN THE DISTRICT

2.16.1 Lodges Claims in various Local Municipalities

Claims for the restitution of land rights that were lodged by various individuals, groups and communities who were dispossessed of their rights in respect of various portions of land in the District, are shown in Table 59 below. In all, 113 restitution claims (105 rural claims and 8 urban claims) were lodged in the various local municipalities in the District. Of this figure, 25 (22%) of the claims have been settled, 8 (7%) have been referred and 80 (71%) are still outstanding. This high outstanding figure has negative implications on the housing delivery system in the District.

Table 59: Land claims lodges in ORTDM (RLCC Housing Forum 2011)

Local Municipality	Magisterial District	Claims Lodged		Claims Settled	Section 6 (2) b-referral	Outstanding	Total
		Rural	Urban				
KSD	Mqanduli	3	0	0	0	3	
	Mthatha	26	6	4	6	22	
	TOTAL	29	6	4	6	25	35
Nyandeni	Libode	17	0	10	2	5	
	TOTAL	17	0	10	2	5	17
Port St John's	Port St John's	7	0	2	0	5	

	TOTAL	7	0	2	0	5	7
Ingquza Hill	Lusikisiki, Flagstaff	30	2	7	0	25	
	TOTAL	30	2	7	0	25	32
Mhlonlo	Tsolo, Qumbu	22	0	2	0	20	
	TOTAL	22	0	2	0	20	22
TOTAL	105	8	25	8	80	113	
	113		113			113	

2.16.2 Categories of Claims

The nature of the claims in the ORTDM varies from one claim to another and most of them affect communities with huge numbers of claimants and beneficiaries. Some of these claims fall within the Sustainable Rural Development Programme (ISRDP) nodal point, and be categorized as:

- Betterment claims;
- Commonage claims;
- Forestry claims; and
- Conservation claims.

2.16.3 Progress on Settlement of Claims

The claims in ORTDM are at various stages of the settlement process, which include research, claimant verification, valuations, options assessment, negotiations, drafting settlement agreements and referrals for settlement through Section (42 D) of the Restitution Act.

2.16.4 Highlights on the Claims

The RLCC has managed to settle twenty one (21) land claims in the ORTDM, which are reflected in Table 60 below:

Table 60: Settled claims in the ORTDM (RLCC Housing Forum 2011)

No.	Settled Claim	No.	Settled Claim	No.	Settled Claim
1	Xhongorha Community	8	Mvumelwano Community	15	Sobambela Family
2	Mabandla Family	9	Luthengele/Majola Community	16	Guma Family
3	Nkondlwane Family	10	Mkhamb	17	Tangana Family
4	Mazangwa Community	11	Mtshalekwana Family	18	Magwa Community
5	Van der Byl Family	12	Mdlankomo Community	19	Oolombana Community
6	Caguba Community	13	Moyeni Community	20	Qelana Community
7	Mvumelwano Community	14	Rhozani Family	21	Gqogqora Community

2.16.5 Critical Issues in Settling Claims in the ORTDM

The following are a list of these critical issues:

- The role of the Municipality;
- Invasion of claimed land;
- Legal entities (functioning of legal entities);
- Claims by Traditional authorities;
- Long term leases;
- Socio-political dynamics;
- Economic development;
- Cooperative governance; and
- Poverty eradication.

2.16.6 Critical Challenges

According to the RLCC, rural claims have proven to take longer and the Commission has had to contend with various additional challenges, many of which are related to the processing of claims, and can be summarized as follows:

- Boundary disputes between communities;
- Claims on un-surveyed and un-registered parcels of land;
- Invasions on commonage/State land;

- Family disputes;
- Community dynamics;
- Competing needs/priorities between government departments;
- Incoherent policies on development;
- Untraceable claimants and claimants who do not bring documents;
- Unavailability of land for alternative relief; and
- Long-term leases entered into by the previous government and the current users of the land.

2.16.7 Strategic Interventions

The Commission has put in place various strategies and plans to settle all the outstanding rural claims including those in O.R Tambo District Municipality. These include:

- The batching together of similar claims;
- Bulk outsourcing of research and claimant verification to Service Providers;
- Increasing the existing capacity of the office in terms of staff complement; and
- Shortening the project cycle.

2.16.8 Priorities

The Commission has re-prioritised the processing and settlement of claims to be in line with various and national development priorities, which means that the following must now be taken into account in processing land claims:

- Municipal IDPs and alignment with these plans;
- The role of restitution in the implementation of the ISRDP and Urban Renewal Programmes;
- The Department of Local Government and Housing, Local and District Municipalities, Development Planners, etc. want land to be released for housing and other development purposes;

- The Spatial Planning Initiative (SDI), ISRDP and URP want all claims which are in their nodal points to be settled soonest, so that key developments can take place; and
- The Department of Rural Development and Land Reforms' commitment to the redistribution programme, which seeks to address the 87%:13% land ownership problem. The PLRO wants to dispose of State land and therefore wants claims that are on State land to be settled soonest.

2.16.9 Available Opportunities

- The Commission is working closely with the Provincial Land Reform Office (PLRO) in trying to accelerate the settlement of these claims through the State Land Disposal Programme. The PLRO wants to dispose of state land and have committed itself in making some farms available for restitution purposes in areas where there is a need for alternative land;
- The DM has highlighted the need to ensure integration of restitution in the implementation of the Integrated Rural Development Programme (ISRDP) and Urban Renewal Programme (URP);
- Municipalities are starting to realize the need for the integration of restitution into their IDPs and other alignment of processes; and
- The enactment and implementation of Section 42 (E) of the Restitution Act that refers to the expropriation of land to facilitate and expedite the settlement of restitution claims.

2.17 EXPANDED PUBLIC WORKS PROGRAMME

The District designated a Political and a Technical champion for the programme. The programme has improved in reporting, even though there is still a huge room for improvement. All Departments have selected departmental representatives to coordinate the activities according to EPWP sectors. The Provincial and National Department of Public Works conducted an induction session for the District and data captures on electronic reporting system of Public Works have been allocated to the District. The Regional Steering Committee composed of Line function Departments

of the region, Local Municipalities and the District Municipality is sitting and has the Terms of Reference. This is co-chaired by the DM and the Regional office of Public Works and Transport. As a requirement, the District is in the process of developing an EPWP policy that will guide everyone on the implementation of the programme.

All local municipalities in the District, including the district municipality have signed EPWP Protocol Agreements as well as the incentive grant with Public Works. The protocols are signed by Mayors, or Municipal Managers when delegated to do so by the Mayor. Only KSD municipality has not signed the incentive grant as yet and is expected to do so soon. These agreements seek to improve working relations between municipalities and the Department of Public Works. There are technical teams that are assigned by Public Works to give support to municipalities.

2.17.1 Challenges

The ORTDM is known for under-reporting and underperforming in this programme. The reasons for this are as follows:

- There was no proper coordination and integration of the programme within the DM – the four different EPWP sectors were not sitting;
- Other than for infrastructure, EPWP sectors were not reporting to the Province and projects were not captured in the reporting system; and
- There is no specific EPWP Model for the District that could ensure large-scale job creation.

2.18 SPECIAL PROGRAMMES

The objective of this department is to improve access to empowerment opportunities and social welfare of all vulnerable groups and indigents.

2.18.1 The Special Programmes Unit

The Special Programmes Unit in the ORTDM was established in 1999 as a result of Chapter 9 of the Constitution. The Unit assists in the formulation of policies, and in

identifying gaps in policies and implementation of such policies in favour of women, people with disabilities, the aged and children.

2.18.1.1 Mainstreaming of Designated Groups

Mainstreaming is the main function of the Special Programmes Unit so as to ensure that the District Council complies with the Constitution, the Bill of Rights, policies and other pieces of legislation.

2.18.1.2 Coordination and Mobilization

The Special Programmes Unit (1) coordinates government departments and other stakeholders in the District in order to ensure that programmes for designated groups are developed and implemented and (2) mobilizes all vulnerable groups to be part of development plans and processes.

2.18.1.3 Monitoring and Evaluation

The Special Programmes Unit generates national, sub-regional, regional and international reports, which provide progress reports, assessed against benchmarks, and also monitors and evaluates the implementation of policies.

2.18.1.4 Capacity-building

This entails the strengthening of government's systems, processes and structures to ensure delivery sensitive to youth, women, people with disabilities, elderly and children and to ensure that vulnerable people are empowered and capacitated so that they able access socio-economic opportunities.

2.18.1.5 Advocacy and Lobbying

To spearhead public awareness and education for the promotion of mainstreaming youth, women, people with disabilities, elderly and children interests and programmes issues into Government programmes with extensive campaigns

associated with national and international days. The Special Programmes Unit has to ensure that the development and needs of the designated are always a priority in development agenda, as enforced by a number of Acts, policies, charters as well as the constitution of the Republic of South Africa.

2.18.1.6 Liaison and Networking

To establish sound relations and partnerships with national, international, provincial and local institutions and organizations to ensure resource mobilization and the realisation of other strategic objectives.

To address the above, the following were achieved in the financial year 2010/2011:

- 10 small business(cooperatives and business initiatives) for women and youth were supported.
- Youth Councils have been established in five LMs;
- Women's caucus was established;
- 82 computers were donated by Dell and Vodacom to Palmerton Child care centre;(to be deleted)
- 25 needy learners (5 from each local municipality) received uniform under Back to School and Childcare Programme.
- A contestant from Ingquza Hill Local Municipality won a brand new car sponsored by Vodacom, received tertiary education financial assistance from O.R. Tambo D.M. and other big prizes. Other 14 young women/ contestants (3 from each local municipality) also received their big consolation from O.R. Tambo D.M. and from their respective municipalities. From 2007-2012, six (6) cars have been won (Ingquza Hill 2 cars, Mhlontlo 1 car, K.S.D.2 cars and Nyandeni 1 car)
- Local Disabled People's Organisations were revived in all local municipalities.
- Tiger Brand company donated groceries worth R20 000;
- 107 instead of 104 students benefited from Students finance program and 26 students completed their studies;
- Cooperatives were established through the mainstreaming program;

- Service delivery was intensified in recognition of Mandela and O.R. Tambo months and
- A rural women's summit was held together with the Community Services Directorate.

The challenge faced by the Special Programs Unit is that there is no dedicated person to translate documents so as to be accessible to people with disabilities.

2.18.2 HIV/AIDS Programmes

The HIV/AIDS Unit was established in 2005, to coordinate and ensure the implementation of HIV/AIDS and STI programs, focusing more on prevention programs (HIV/AIDS and STI awareness, distribution of condoms, information, education and communication material, capacity building of professional nurses regarding communicable diseases and the community at large). The Unit further ensures that all HIV positive people are comprehensively managed. To promote disclosure, positive living among people living with HIV/AIDS and continuous Psychosocial supports, 162 support groups were established and supported throughout the District. The District has an approved HIV and AIDS strategy in place, which, amongst other things, looks at the mainstreaming of HIV and AIDS. The existing strategy was approved in 2008 and it will need to be reviewed to in line with the New National HIV and AIDS strategy released in December 2011.

The District is able to support terminal clients through home-based care programs undertaken by NGOs, FBOs and CBOs. Those who have no one to care of them are referred to the Community care centres for further management. The ORTDM was identified as the pilot site for the Presidential massive HIV counselling and testing initiative. To accelerate a HIV-counselling and testing uptake, the Council resolved that all municipal vehicles be branded with HIV/AIDS messages as a marketing strategy.

Thirty eight EPWP temporal jobs (20 homebased carers, 5 professional nurses and 13 lay Counsellors) were created to ensure that HIV counselling and testing services are accessible in 8 non-medical HIV counselling and testing sites. To ensure that relevant people are capacitated in the program, retired nurses, currently employed professional nurses, lay counsellors and traditional health practitioners were trained on (1) HIV/AIDS and STIs programs and (2) new HIV counselling and testing guidelines.

To promote referral and maximum participation of communities in HIV/AIDS and STI programs, Ward AIDS forums were established. Through the involvement of the communities in the program, 395 000 people were tested for HIV. On Nelson Mandela Day, four RDP houses were handed over for people living with HIV/AIDS in Port St Johns, Ward 2, 9, 11 and 13. The District is managing the spread of HIV/AIDS and STIs through the Abstinence Youth Programme and by supporting the already-established High transmission Area sites (Port St Johns 2nd beach, Tsolo junction, Ngqeleni-nyandeni LM premises, Flagstaff Taxi Rank and the Mthatha Shell Ultra City).

The challenges associated with dealing with HIV/AIDS are as follows:

- Irregular sitting of District AIDS Council members, as a result of the lack of functioning of the Local AIDS Council and the lack of dedicated personnel in the LMs
- Lack of budget and human resources to maintain the programmes and expand the Non Medical HIV/AIDS and High Transmission Area sites in the district

In order to deal with these challenges, it is recommended that all LMs budget for HIV/AIDS coordinators. There should be a dedicated Portfolio head for HIV/AIDS programs, as the program is too demanding to be dealt with as an "extra". In the case where Special Programs and HIV/AIDS are combined, Portfolio Heads might prioritise one over another.

2.18.3 Poverty Relief Programme

Poverty relief is meant to address all social ills. It is through this program that the District is able to achieve its EPWP objectives of job creation. Since its inception, the District was able to create more than 5 000 jobs for cleaning and greening projects. It is also through this program that the District has been able to ensure the provisioning of food in families in distress through the one-household-one-food-garden program.

The latest achievement is the construction of 5 hydroponis nurseries that will each supply 160 000 seedlings for each LM and the partnership established with Walter Sisulu University : Zamukulungisa Campus on indigenous vegetables research programme.

2.18.4 Flagship Programmes

Sectoral engagement programs are meant to address issues identified by the Council of Churches, Traditional leaders, Traditional health practitioners and Excombatants. The sectoral engagement program promotes Intergovernmental Relations. Through engagement with these sectors, the District is able to identify gaps and challenges faced by the communities and able to provide relevant support, as these people are the ones who are in touch with the communities on a daily basis. It is through this Sectoral engagement program that the District creates more partnerships.

- 10 small businesses (cooperatives/ enterprises for youth and women) were financially assisted and yjeu are growing.
- O.R. Tambo District Women's Caucus was established.
- Out of 107 needy students who are under O.R. Tambo District Municipality Tertiary Education Financial Assistance Programme, 32 of them completed their tertiary studies.
- Youth Councils have been established in five LMs;
- 25 needy learners (5 from each local municipality) received uniform under the Back to School and Childcare programme

- Sinovuyo Ndabankulu from Ingquza Hill local municipality won a brand new car sponsored by Vodacom, received Tertiary Education Financial Assistance from O.R. Tambo District Municipality and other big prizes. Other 14 young women/ contestants (3 from each local municipality) also received their big consolation prizes from O.R. Tambo District Municipality and from their respective local municipalities. From 2007 to 2012, six (6) cars had been won (Ingquza Hill 2 cars, K.S.D 2 cars, Mhlontlo 1 car and Nyandeni 1 car)
- Local Disable People's Organisations were revived in all 5 local municipalities
- 82 computers were donated by Dell and Vodacom to Palmerton Child care centre;
- Tiger Brand company donated groceries worth R20 000;
- Cooperatives were established through the mainstreaming program;
- Service delivery was intensified in recognition of Mandela and O.R. Tambo months and
- A rural women's summit was held together with the Community Services Directorate.

The challenge faced by the Special Programs Unit is that there is no dedicated person to translate documents so as to be accessible to people with disabilities. Vacancies in the disability and youth desks also strains the functionality of the unit.

2.19 FINANCIAL VIABILITY AND MANAGEMENT

ORTDM is classified as a high-capacity municipality. This requires of the municipality to be fully compliant with Generally Recognised Accounting Practice, MFMA compliance issues and all its related circulars and regulations. The Budget and Treasury Office is mainly responsible to ensure adherence to all these requirements. Due to the commitment and hard work of the team, with limited constraint, which work beyond the call of duty, the department has substantially ensured in all material effects that the duties were carried out to ensure compliance. The financial

management system is also a major limiting factor in terms of financial & management accounting procedures and information flow. It exerts a lot of pressure on the performance of the department.

The Budget and Treasury Office focuses mainly on the areas mainly identified as follows:

- Budget preparation, implementation and reporting;
- Revenue management;
- Supply Chain and asset Management;
- Expenditure and Liability management;
- Financial management system support; and
- Financial accounting reporting and Treasury.

Below is a summary of what each focus area is responsible for and what their challenges are:

2.19.1 Budget Preparation, Implementation and Reporting

This section is mainly responsible to co-ordinate MTEF and budget adjustment process in the district municipality, provide technical support to departments, ensure compliance with all applicable legislation and regulations evaluate and advice the Council on the budget impact of all new policy proposals, ensure that approved budget is captured accurately on the Venus system, oversee all monthly, quarterly and annual reporting as per the MFMA and regulatory bodies, establish systems, processes and financial policies and procedures and internal control, attend to the internal audit and the AG's recommendations relating to budgeting and maintain and communicate budget guidelines

Status Quo

- The monthly reports in the form of section 71 of the MFMA are complied with.
- Quarterly reports in the form of section 52(d) of the MFMA are complied with.
- Midyear reports in the form of section 72 of the MFMA are complied with.

Summarized challenges experienced

- Full compliance to chapter 4 of the MFMA in respect of municipal budgets and paragraph 75 of the MFMA with regards to information to be placed on the website of the municipality.

2.19.2 Revenue Management

This section is responsible for the billing, collection of municipal revenue for services rendered and the implementation of the credit control policy adopted by council.

Status Quo

- The implementation of the credit control policy and the installation of the water meters has resulted to the section being able to collect more on the current billing versus the projections.
- Reductions of the old debt still a major challenge due to difficulties in resolving issues emanating from opening balances.
- The district municipality continues to subsidize all consumers who reside at the peri-urban areas without.

Summarized challenges experienced:

- Full implementation of the approved credit control policy and indigent policy.
- Full compliance to provisions of paragraph 64 of the MFMA.

2.19.3 Supply Chain and Asset Management

This sections ensure efficient and effective logistics management and disposal management, build systems, processes, procedures and ensure internal and management controls.

Status quo

- All bid committees in place as required by the Municipal Finance Management Act.
- Bid committees sit regularly to consider tenders.
- There is no comprehensive procurement plan in place to ensure effective, efficient and economic use of municipal resources.
- Rotation of services to procure services still done on a manual basis.

Summarized challenges experienced:

- Full implementation of chapter 11 of the MFMA in respect of procurement of goods and services.
- Non compliance to requirements of paragraph 14 of the SCM policy.

ASSET MANAGEMENT

This section deals with the proper management of municipal assets, insurance and their maintenance.

Status quo

- Asset register of the municipality is GRAP compliant.
- All municipal assets are fully insured.

Summarized challenges experienced

- Non-implementation of the asset management policy.
- No regular update of the non-infrastructure asset register and infrastructure asset register.

Fleet Management

The unit is not fully functional due to under staffing. There are no proper control and management of municipal fleet assets. The implementation of Fleet Management Policy is not adhered to resulting in abuse and misuse of municipal fleet.

Summarized challenges experienced

- Full compliance to the provisions of the fleet management policy.

STORES SECTION

Status quo

- Stock taking done on a quarterly basis
- Stock cards updated on a regular basis

Summarized challenges experienced

- Non-adherence to the provisions and requirements of the stores management procedure manual.

2.19.4 Expenditure and Liability Management

This section mainly manages the accuracy and the integrity of general ledger and all subsidiary ledgers of the district municipality and oversees the accounts payable ledger and its integrity. Ensure that accounting records are retained in accordance with legal and regulatory requirements.

Status Quo

- Circular 49 of the MFMA complied in respect of payment of obligation.
- Statutory obligation paid over on time to SARS.
- Section 66 of the MFMA complied with.
- Creditor's reconciliations done on a regular basis.
- Proper document management in place.
- Journals entries processed regularly and updated to the general ledger.

Summarized challenges experienced

- Full compliance to the provisions of paragraph 65 of the MFMA.

2.19.5 Financial Management System Support

This section ensure that the Venus finance modules are configured to support accounting and financial system, provide continuous and effective training and support to users, operation of internal controls over all accounting processes, develop reports as required by management and implement appropriate application controls on all software used in accounting processing be the link between finance and ICT Department develop systems required for financial reporting and implement customization of software as when required.

Status Quo

Summarized challenges experienced

Update of the general ledger not done as per the requirements of the financial procedures manual.

2.19.6 Financial Accounting Reporting and Treasury

This section focuses on the preparation of Annual financial statements and their submission to the auditor general as per the requirements of the legislation. It also focuses on the proper management of grant funding and reconciliation of the investments.

Status Quo

- Annual financial statements submitted to the Office of the Auditor General as required by section 126(1), (a) and (b) of the MFMA.
- All conditional grants invested as per the investment policy and conditions of the grant.
- Investments reconciliation performed on a regular basis.

Summarized challenges experienced during the preparation of annual financial statements. Annual financial statements submitted to the Auditor General not subjected to quality review by internal audit.

2.20 COMMUNITY AND SOCIAL SERVICES

The Department: Community Services seeks to ensure safe and secure community livelihoods. These livelihoods are diverse in nature and need a collective effort of various role players which include Government Departments, Community Structures, and Non-Governmental Organisations, hence a need for a Social Needs Cluster. The directorate Community and Social Services is composed of five Sections:

- **Sport, Recreation, Heritage, Arts and Culture** ensure the development of Sport, Recreation, Heritage, Arts and Culture and capacity building to coordinate implementation of such activities and link to economic development. This includes preservation and conservation of heritage resources

- **Social Development, Facilities and Community Safety** seeks to protect and promote rights of vulnerable groups by mainstreaming their interests whilst improving livelihoods of indigent families under distress. It also include support to Thusong Service Centres & library and information services by providing basic library furniture and Information & Communication Technology (ICT) infrastructure required for community library services to promote a culture of reading, library usage and lifelong learning. Prioritize Crime prevention & law enforcement, District and Local Safety Forums have been strengthened in various areas with the Department of Safety and Liaison. Local Safety Forums have been established in the current financial year in KSD and Mhlontlo. Safer Schools Programmes are conducted in various schools across the District, at least two School Safety programmes have been established and supported. Sport Against Crime Programmes are also implemented by the District Municipality.
- **Municipal Health Services** seeks to provide sustainable Municipal Health Services as defined in the *National Health Act* (No.61 of 2003). including monitoring waste disposal, recycling and monitoring testing of water and food samples.
- **Fire and Emergency Services** which deals with emergency rescue and response in an integrated manner including institutional capacity and preparedness to ensure the management of response for fire and emergency risks.
- **Disaster Management** which involves integrated risk management planning and monitoring by building institutional capacity and preparedness for disaster intervention and response.

2.20.1 Ensure safe and secure community livelihoods

In order to prioritize Crime prevention & law enforcement, District and Local Safety Forums have been strengthened in various areas with the Department of Safety and Liaison. Local Safety Forums have been established in the current financial year in KSD and Mhlontlo. Safer Schools Programmes are conducted in various schools across the District, at least two School Safety programmes have been established and supported. Sport Against Crime Programmes are also implemented by the District Municipality. Patrollers Programmes are implemented in all four coastal local municipalities. At least 25 patrollers have been targeted for training in the current year. A Draft Crime prevention strategy is available and awaits a policy workshop and after that Council approval.

2.20.2 Ensure effective disaster management

The OR Tambo Disaster Risk Management Centre has been established in terms of the Disaster Management Act, 57 of 2002 and has a responsibility to ensure implementation of the Act and the National Disaster Management policy framework by the district, its local municipality, private and public entities, communities, Non governmental organisation and society at large. The disaster centre is temporary housed at the district municipality premises in Myezo, Mthatha and has established four satellite centres in Nyandeni (Libode), Mhlontlo (Qumbu), PSJ and Ingquza Hill (Lusikisiki). The main objective being to streamline and integrate disaster risk management in all planning processes within all municipalities and society in general. To ensure uniformity in the implementation of the Act and its policy framework, the district has developed its own framework which was adopted by Council and is ready for gazetting.

The Disaster Management Centre concluded developing its disaster risk profile for the whole district in 2011 and further commissioned development of Disaster Risk Management Plan for the district and for each of the five local municipalities. Draft plans are available and will be put through public participation process towards adoption by Council during the 2014/15 financial year. The disaster risk management centre focuses its operations on four key performance areas as guided by the Act and the NDMF.

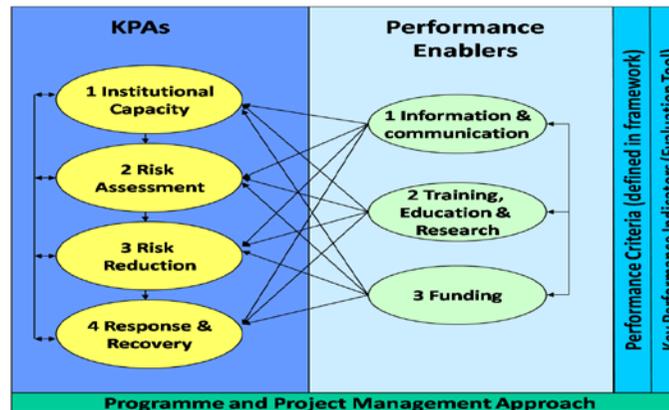
Furthermore in support of the core concepts of integration and uniformity the district municipality in consultation with its five local municipalities developed its DRMPF in consistency with the NDMF and the draft EC PDRMPF focusing on key components – namely into four key performance areas (KPAs) supported by three performance enablers (PEs) as follows:

- KPA 1: Integrated Institutional Capacity for DRM
- KPA 2: Disaster Risk Assessment (DRA)
- KPA 3: Disaster Risk Reduction
- KPA 4: Disaster Response and Recovery

there is total interdependence amongst all of the KPAs which are further supported by three performance enablers to facilitate and support the achievement of the objectives of each KPA and are detailed similarly as follows:

- PE 1: Information Management and Communication
- PE 2: Knowledge management
- PE 3: Funding

Clearly whilst each performance enabler is applicable to each KPA there are also inextricable interdependencies between the performance enablers themselves.



The supporting policies establish specific parameters for complying with the relevant imperatives of each KPA or PE. These parameters include a range of components and mechanisms such as terms of reference; organisational and administrative arrangements; the scope of responsibilities and/or activities; operating protocols; templates and good practice standards.

The Act defines disaster management as a continuous and integrated multi-sectoral, multi-disciplinary process of planning and implementation of measures aimed at-

- (a) preventing or reducing the risk of disasters;
- (b) mitigating the severity or consequences of disasters;
- (c) emergency preparedness;
- (d) a rapid and effective response to disasters; and
- (e) post-disaster recovery and rehabilitation;

The OR Tambo disaster risk management centre has experienced serious challenges in its quest to implement and streamline disaster risk management in all municipal departments, the five local municipalities, municipal entities and other disaster risk management role payers.

Challenges include:

- There is no properly built disaster risk management centre facility to meet national criteria and minimum standards;
- Disaster risk management is viewed and understood as a response function than a coordinating function and implications of misplacement of the function are a matter not fully understood;
- Unable to standardise implementation of the Act in the district since KSD local municipality operates a disaster unit not in consultation with the DM and with no signed MOU/SLA and no Council resolution to that effect as prescribed in section 43(2)(b) of the Act;
- Poor participation by municipal departments and entities on DRM structures;

- Lack of resources for the centre to carry out its legal mandate, powers and duties as detailed in section 44 of the act; and
- Non-involvement of Disaster Management Unit on municipal and departmental planning processes and structures to carry out provisions of section 44(1)(b); (d); (f) and (i) of the act..

2.20.3 Provide Fire and Emergency Services

The ORTDM has a fully fledged Fire Services unit and it operates a full-time fire service with a Manager, Chief Fire Officer. 32 full time staff, plus 18 reservist /volunteers. The District Municipality has purchased fire-fighting equipment and there is a fire engine placed in (Tsolo, Nyandeni, PSJ and Ingquza Hill), identified as high risk areas. While fire fighting should be a shared functions between the DM and the local municipalities, currently only the DM budgets for this function. The DM has developed cooperative agreements with the relevant LMs, and some have not yet been signed. Currently the DM does not implement any fire services tariffs. These were developed, but never adopted pending finalisation of the Indigent Policy.

An integrated fire and emergency risk management planning and monitoring include training of community base volunteers for fire and emergency response. The draft concept for ORT Fire By-law was approved by Council and awaiting new tariffs chargers approval and full Gazetting. High Risk areas included but are not limited to (Luwandile AA, Zinduneni AA, Mdumazulu AA towards Hluleka, Nyandeni Great Place - Marhubeni , Tyaraha , Moyeni, Area of Libode – Mbobobeleni, Lujizweni AA - Ngqeleni area, Mafini- Libode, Magozini AA – Tombo and Silaka). The District in general was identified in recent studies by the CSIR / NDMC (National Disaster Management Centre) as a high risk area for veldt and forest fires. >90% (as per EC Umbrella FPA), in Area of OR Tambo DM has been confirmed extreme High Risk. Critical areas are in Mhlontlo, Nyandeni, Ingquza Hill and Port St Johns L. A plan to address veldt fires in these areas was identified developed and is implemented by the DM with stakeholders, EC Umbrella FPA, DWA, Working on Fire, Other District Municipalities and Local Municipalities e.g. KSD

Institutional capacity and preparedness has been ensured by the provision of fire fighting protective clothing, training community and fire staff on Community Fire Protection and purchase and repairs fire-fighting equipment. Challenges include:

- Water resources shortages;
- Budget constraints , people, equipment, budget and buildings;
- Types of vehicles due to budget are not suitable for given terrain plus inaccessibility of some rural areas for fire vehicles;
- Lack of information flowing within the District with regards to programs to allow smooth participation;
- Insufficient communication tools within satellite centres- radios and telephones; hampered by terrain and lack of permanent office, buildings and working space.
- Control centre (Disaster & Fire Services) is fully operations but not yet centralised; with other District key stakeholders e.g. traffic, Metro
- No proclaimed fire services bylaws.
-

2.20.4 Provision of sustainable district health services

Environmental Health comprises those aspects of Human Health, including the quality of life, that are determined by physical, chemical, biological, social and psycho-social factors in the environment. It also refers to the theory and practice of ascertaining, correcting, controlling and preventing those factors in the environment that can potentially adversely affect the health of present and future generations.

Scope of Practice of MHS includes the following:

Monitoring water quality and availability, for instance, water samples are taken for both chemical and bacteriological analysis. Waste water treatment and water pollution control, including the disposal of sewage and other water borne waste.

Control food safety in respect of acceptable microbiological and chemical standards and quality of all food for human consumption and optimal hygiene control

throughout the food supply chain from the point of origin, all primary ground, or raw products production up to the point of consumption. Enforcement of food legislation, for example, Food Cosmetics and Disinfectant Act.

Management or monitoring of solid waste by ensuring that waste collection, treatment, storage and disposal in all local municipalities. Manage illegal waste by Identifying and clearing cropping up illegal waste (dumps).

Surveillance and prevention of communicable diseases through health and hygiene promotion aimed at prevention of environmentally induced diseases and related communicable diseases.

Vector control by identifying vectors, their habitats and breeding places.

Environmental pollution control by ensuring identification of polluting agents and their sources. Occupational health and safety

Disposal of the dead includes control, restriction and evaluation or inspection of business of undertaker other places or facilities for the storage of dead bodies. Manage, control and monitor exhumations and reburial or disposal of human remains.

Chemical safety includes listing of all operators, fumigation firms formal and informal, retail premises, which deal with the (manufacturing, application, transport or all of) storage of chemicals.

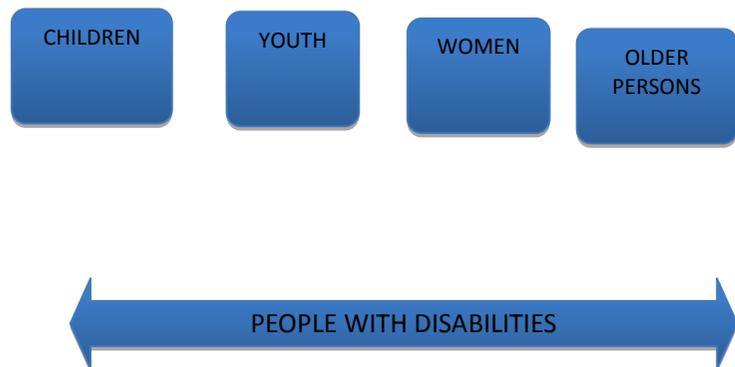
The Municipal Health Services section operates with 43 Environmental Health Practitioners plus a truck operator and most of them are placed in local municipalities.

2.20.5 Protection and promotion of rights for vulnerable groups

Training and capacity building in Moral Regeneration is rendered as workshops on Life Skills awareness and Parenting skills for teenage mothers at schools and

Organized Youth. In a quest to mainstream the interests of vulnerable groups, Early Childhood Development Centres (ECDCs) are equipped with educational equipment.

The Department of Social Development and Special programmes also has the following target group:-



The department has key pillars that are central in their service delivery; namely; protection, care and development.

PILLAR	DESCRIPTION
PROTECTION	Provision of safety nets such as food and shelter. This is about provision of basic needs
CARE	Provision of care to the vulnerable. Intervention includes therapy as well as rehabilitation
DEVELOPMENT	Empowerment and capacity building of individuals, groups and communities. Social facilitation for increased participation, access and control over resources and services

In order to realise these key pillars, various programmes are currently being implemented by the department. These are listed in the table below:-

PROGRAMME	STRATEGIC OBJECTIVE
Professional and Administrative Support	To provide strategic leadership for effective and efficient management in the delivery of developmental social welfare services.
Substance Abuse Prevention and Rehabilitation	To promote community based care programmes that facilitate the reduction of gender disparities, substance abuse, crime prevention and reduce incidence of violence
Care and Support To Older Persons	To provide developmental and integrated services to Older Persons and People With Disabilities
Crime Prevention and Support	Provision of community based programmes that facilitate the reduction of gender disparities, substance abuse, crime and reduce incidence of violence
Services To People with Disabilities	To provide developmental and integrated services to Older Persons and People With Disabilities
Child Care and Protection	To provide developmental services welfare services to children in need of care and protection, people infected and affected by HIV & AIDS as well family preservation programmes
Victim Empowerment Programme	To promote community based care programmes that facilitate the reduction of gender disparities, substance abuse, and crime prevention and reduce incidence of violence
HIV & AIDS	To provide developmental services welfare services to children in need of care and protection, people infected and affected by HIV & AIDS as well family preservation programmes
Social Relief	To provide developmental services welfare services to children in need of care and protection, people infected and affected by HIV & AIDS as well family preservation programmes
Care & Support to Families	To provide developmental services welfare services to children in need of care and protection, people infected and affected by HIV & AIDS as well family preservation programmes
Youth Development	To provide of out of school and unemployed youth with improved income and job opportunities through income generating initiatives.
Sustainable Livelihood	To improve access to fresh produce through development of food production initiatives
Women Development	Women cooperatives and other initiatives operational and generate income

2.20.6 Support to Distressed indigent families

To improve the livelihood of indigent families in distress and families in distress that are affected by disaster-related incidents, receive material support in the form of funeral costs, food parcels and psycho-social support. A draft Social Relief of Distress Policy is awaiting a workshop and relevant processes for Council approval.

2.20.7 Ensure development of sport, heritage, arts and culture

Capacity building and coordination of implementation of sports, heritage arts and culture development is done. This includes football clinics for talent identification, support to mayoral cups tournaments, support to various sport codes in all LMs in the form of kits and sport equipment, capacity building for coaches, Athletics Federation officials, District Sport Council, transfer of sport facilities, District heritage structure strengthened, and celebration of significant heritage days. Challenges include:

- Maintenance of Community facilities – little or no income generated;
- Coordination of services rendered; and
- Understaffing.

ROLES AND RESPONSIBILITIES FOR THE SPORT, RECREATION, ARTS, CULTURE AND HERITAGE (SRACH)

The Section for (SRACH) is responsible for the co ordination and facilitation of Sport Recreation Arts, Culture and Heritage activities within the District Municipality.

SPORT and RECREATION

- The unit is responsible for the co- ordination, facilitation and assistance to Federations, Codes, Clubs and individuals in pursuing their sporting activities
- The unit is also responsible for coordinating the activities of the federations, clubs, teams and individuals
- The unit also liaise with District, Provincial, National and International communities to pursue the sport activities
- Liaise with the District, Provincial and National DSRAC
- The unit also facilitates and co-ordinates the establishment of the sport infrastructure(Facilities) within the District
- The unit also assists the federations, teams , clubs and individual players and sport personnel with sporting equipment for the benefit of the Sport and Recreation activities
- The unit is responsible for the co-ordination of the establishment of the Sport and Recreation councils

ARTS CULTURE AND HERITAGE

- The unit is responsible for the co ordination and support to the Arts and Cultural groups.
- The unit is responsible for the promotion and assistance to all forms of Art, viz:-
 - Language and Literature
 - Film Development
 - Visual Art
 - Heritage and Museums
- The unit is responsible to facilitate the establishment of Arts Centers , Art Galleries and Theatres within the District
- The unit co- ordinates and facilitates the implementation of the articles reflected in the White Paper for Arts, Culture and Heritage.
- To ensure the strengthening of the Heritage(Heritage Route, LHR, tangible and intangible) and Museums activities within the district
- To monitor and ensure the budget allocated is implemented accordingly

2.20.8 Support to library and information services

Basic library furniture and equipment required for community library services are provided. The establishment of public community and school libraries in remote areas in LMs is coordinated, through the establishment of “school-community libraries”. Library furniture, equipment and stationery are also provided for public/community libraries in all 5 LMs. Library outreach programmes (*Library Awareness*) are co-ordinated and supported through the following library annual events, namely, international Literacy & Readathon Week, international Library Week, World Book Day, World Poetry Day and Career Exhibition. Connection to the Internet is coordinated and installed in some public library.



**O.R. TAMBO
DISTRICT MUNICIPALITY**

CHAPTER 3: DEVELOPMENT STRATEGIES

CHAPTER 3: DEVELOPMENT STRATEGIES

3.1 VISION, MISSION AND GOALS

VISION:

A prosperous and vibrant district

MISSION:

Provide services and support in fulfilling its mandate through a developmental local government approach. OR Tambo shall pursue a socio-economic development agenda that will provide an improved quality of life and affirm the dignity of its people

VALUES:

OLIVER TAMBO

Objective

Leadership

Industrious and Innovative

Virtuous

Ethical and Excellent

Respect, Responsible and Responsive

Tenacious and Transparent

Accountable

Meticulous

Bold and Brave

Openness

3.2 DEVELOPMENT GOALS

1. Providing adequate and accessible infrastructure;
2. Promoting economic growth and creating sustainable economic activity through rationalized; programmes, within the limits of available natural resource base;
3. Promoting sustainable community livelihoods;
4. Improving the institutional systems and overall capacity;
5. Coordinate a system of delivering sustainable services to O.R. Tambo district communities for the achievement of shared developmental outcomes by the National, Provincial and Local Government; and
6. Building of a coherent district that is responsive, accountable and promotes clean governance.

3.3 KEY PERFORMANCE AREA

The Five-Year Local Government Strategic Agenda, (5YLGSA), 2006 introduced five Key Performance Areas for Local Government namely:

- Basic Services and Infrastructure Development;
- Local Economic Development;
- Financial Viability and Management;
- Good Governance and Public Participation; and
- Institutional Transformation and Development.

Sector forums to cover each of the above Key Performance Areas were established comprising councillors and officials from the DM and the LMs, officials from government sector departments and other institutions. Each sector forum developed five-year sector strategies to be incorporated to the IDP. Key focus areas were identified for each sector, as well as objectives and strategies that

will be employed to realise the Sector strategies. The five-year programmes of the sector forums are summarised below:

The O.R. Tambo District Municipality conducted a Strategic Planning workshop in January 2014, where all stakeholders participated, including all Mayors, Speakers, Chief whips, Executive and Mayoral committee members, Municipal Managers, Senior Managers and all IDP and IGR coordinators from the Local Municipalities, Senior Managers and Regional Directors of sector departments, representatives of community structures registered in IDP Representative Forum database (including Business community, Council of Churches, Traditional Leadership, Rate payers' association, etc.).

This session was held in an effort to improve service delivery in the municipality. Commissions – looked INTENDED OUTCOMES - The strategic planning workshop was targeted to at least inform or emerge with the following:

- i. Review of targets for the 2014/15 financial year
- ii. Projection of resource requirements and availability for the year
- iii. A Service delivery improvement plan also focusing on prioritising measures/ interventions needed to speed up service delivery.

COMMISSIONS brief included the following:-

- Consider current plans as per IDP on each KPA
- Identify challenges affecting the implementation on each focus area
- consider current strategies and interventions
- Agree on improvement plans (to ensure that the set targets as per the 5year IDP are achieved and service delivery accelerated)

- Identify priority projects/ programmes to be implemented (to address need as per IDP)

Considering the current 5year IDP objectives, strategies, indicators and projects identified, an exercise was conducted to consider the challenges that still existed as well as recommended interventions. This was further discussed to identify the bottlenecks that have hindered or present potential hindrances to addressing the identified challenges and achieving the set targets. To these the required unblocking activities and interventions were identified, also stipulating the time frames and responsible departments to address such.

3.3.1 Good Governance and Public Participation

OFFICE OF THE SPEAKER

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
Council and Council Committees	Lack of administrative support to Council Committees (Portfolio and standing committees)	Provision of support staff to all Council Committees	31 March 2014 30 September 2014	Legislature, Corporate Services
	Lack of clarity on the provision of support to Traditional Leaders participating in Council	Standardization of support provided to Traditional leaders in all local municipalities -Centralisation of Trad leadership support – Office of the Speaker	30 June 2014	Legislature
	Non adherence of Committees to Council	Co-ordination of all committees in the Office of	28 February 2014	Legislature LOEB

	Calendar	the Speaker Facilitate functioning of the Programming Committee		
	Enhance full participation of LM reps in DM Council meetings	Development of mandating and reporting protocols	28 February 2014	Legislature
	Office space for Portfolio Committees & Whippery	Provision of Offices for Portfolio Committee's Chairpersons	31 March 2014	All
Councillor Support	Funding for capacity building programmes	Identification of funding sources for Councillor Capacity Building	30 September 2014	Corporate Services and Legislature
	Limited understanding on Portfolio Functional Areas for Council Committee Members	Portfolio Aligned Capacity Building Programmes	30 June 2014	
Public Participation	Lack of support to Ward committees	Provision of working tools to Ward Committees (communication tools, and pieces of legislation)	30 June 2015	Legislature
	Shortage of personnel for effective community participation in the affairs of the municipality	Provision of support staff for Public Participation Section	31 March 2014 30 July 2014	Legislature, Corporate Services
	Lack of vehicles for community mobilization	Procure 2 vehicles (Bakkies with loud hailers)	30 March 2015	Legislature

PUBLIC PARTICIPATION – OFFICE OF EXECUTIVE MAYOR	Support program to the various community sectors are not properly co-ordinated to maximise impact.	Establish systems and policies required for the functionality of the various sectors.	30 June 2014	Mayoral Office
	Co-ordination of events not centralised.	Organise workshop for various sectors to engage them in community development projects.	30 June 2015	
	Lack of support staff and expertise for policy and research component.	Provide the necessary expertise and support staff in the Policy and Research unit.		
		Provide vehicle for public participation with the necessary equipment.		

Whippery	Lack of a structured approach to ensuring that the functioning of the Whippery has an impact to service delivery and community priorities	All issues and challenges raised or prioritized by constituencies through Chief whips forum, multiparty meetings and TROIKA (targeted for Quarter 1 & 2) addressed	30 June 2014	Legislature- Chief Whip
	Shortage of personnel	Provision of support staff for Whippery Section	31 March 2014	Legislature, Corporate Services
	Lack of vehicle to facilitate office programmes	Provision of office vehicle	30 March 2015	Legislature

INTERGOVERNMENTAL RELATIONS

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
IGR	Adoption of IGR Policy Framework	Council to ensure adherence to adopted policy.	30 March 2014	MM's Office - IGR
IGR	Development of an annual IGR Calendar	Adoption of the IGR Policy Framework	31 March 2014	MM's Office - IGR
IGR	Non-cooperation by certain sector departments	Establish a central coordinating point for sector departments by the Premier's office in the Region. Ensure that Sector Depts delegate Senior Management in IGR Sector Forums. Political Intervention in strengthening of IGR Structures	From February 2014	MM's Office - IGR
Municipal Support	Decentralized	Centralize coordination	Quarterly	MM's Office -

	municipal support leads to poor coordination and accountability.	of municipal support and the municipal manager's forum ensures accountability on municipal support needs		IGR
IGR	Non-attendance/ poor sitting of DIMAFOs	Service delivery focused agenda and adherence to council calendar	Quarterly – as per Council Calendar	MM's Office – IGR
International Relations	Uncoordinated International Relations Work	ORTDM must coordinate all international relations work across the District Municipality and all trips to be in the Provincial Calendar Need to improve communication on international relations in place in all LMs Need to coordinate and share information on existing Provincial international relations	On-going	Office of the Municipal Manager
Presidential Hotline	Presidential Hotline complaints not attended to nor addressed	Ensure employment of full-time staff to work on the Presidential Hotline. Need to analyse the type and nature of complaints raised to the Presidency and ensure a pre-emptive approach to addressing them Ensure that the issues raised in the Presidential hotline be included as standing agenda items of the petitions committee	February 2014 Quarterly	Office of the Executive Mayor
Policy Development, Research Compliance and Community Liaison	- Limited capacity on Policy analysis and research - Limited capacity on Community Liaison	Staffing of the unit, clear mandate in terms of the IDP on the unit and budgeting for the programmes of the unit. - Need to work with and utilize	30 June 2014	

	<ul style="list-style-type: none"> - Shortage of Staff on the Policy Development, Research, Compliance and Community Liaison 	research capacity of the WSU.		
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INTEGRATED DEVELOPMENT PLANNING

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
IDP	Limited support capacity to the LMs	IDP Section to be beefed up with staff.	September 2014	MM's Office and HR
	Alignment of programmes and plans	Improved relations between the DM and LMs. Intervention required at political level.	From February onwards	Executive Mayor
	Poor attendance of IDP Rep Forums by Sector Depts.	Ensure attendance of Senior Management to IDP Rep forums of both DM and LMs		
		Develop a District Wide PMS.		

CORPORATE PERFORMANCE MANAGEMENT

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
Corporate performance management	Level of reporting not adequate. Non – submission of evidence of reported performance	All performance reports to be submitted with Portfolios of Evidence	30 June 2015	MM's Office – Corporate Performance Management
	Limited capacity for validating and quality control and assurance of reported performance	Implement performance evaluation Establish unit responsible for performance validation, quality control and assurance	30 June 2014	
	Cascading of PMS to lower levels due to limited capacity	Establishment of PMS unit in the HR department Performance assessments	By 30 June 2014	
	No monitoring and evaluation on service delivery	Oversight and scrutiny of performance information prior to tabling to Council should be conducted	From April 2014	

INTERNAL AUDIT

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
Auditing	<p>Inadequate systems of internal controls;</p> <p>Inability to perform routine financial management tasks such as regular reconciliation of accounts;</p> <p>Poor record management;</p> <p>Heavy reliance on consultants particularly in the preparation of financial statements;</p> <p>Inadequate staffing in key positions such as financial reporting, asset management and supply chain management;</p> <p>Delays in implementing recommendations made by both internal and external auditors;</p> <p>Ineffective oversight over implementation of audit action plans;</p> <p>Failure to leverage on the work of oversight structures such as MPAC and audit committee.</p>	<p>In 2013/2014 audit, Executive Mayor, Speaker, MPAC chairperson, Audit Committee chairperson and MMC for finance and auditing to be always invited to all audit steering committee meetings;</p> <p>Audit remedial plans have been prepared for all issues raised during the 2012/2013 audit;</p> <p>Management is to prepare monthly progress reports on action taken to address past audit findings;</p> <p>These monthly progress reports will be considered by MPAC and audit committee at-least once a quarter;</p> <p>The review of the organogram is currently in progress in order to attend to staffing challenges;</p> <p>Audit committee working with internal audit to meet with management once a month in monitoring the audit readiness plan.</p> <p>Annual financial statements to be completed by the end of the first week of August. Conduct all audits planned for both the DMs and LMs as approved by audit committee approved audit coverage plan.</p>	<p>On a monthly basis</p> <p>On a quarterly basis</p>	Internal Audit
Auditing	Disclaimer of audit opinion by Auditor General	O.R. Tambo 2014 Clean Audit, also focusing more on Clean administration towards clean audit.	For 2014/15 financial year	Office of the Executive Mayor to champion

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
		Implementation of management action addressing issues raised by AG must be included in the Performance agreements of MM and Senior management		
	Audit action plan not assisting in addressing audit issues raised by AG	Audit action plan needs to focus on addressing root causes of audit issues raised.		
	Weakness in internal controls and accountability	Need to strengthen internal systems and process flows. Compliance reporting requirements should be included in the business process and document management system		Office of the Mayor to champion
	Backlog in the implementation of internal audit coverage plan due to staff shortages within the unit.	Recruitment of staff for the unit.	30 September 2014	Internal Audit and Corporate Services
Risk Management	No risk management unit within the municipality	Facilitate the appointment of the Risk Chief Officer by the Municipality.	30 September 2014	Internal Audit/MM
Risk management	Poor coordination of an integrated risk management.	Facilitate approval of risk committee charters	By 30 June 2014	
Strategic Risk	Poor coordination of an integrated risk management.	Ensure development and coordination of risk management.		
	Risk management taken as an event	Need to focus on identification of risk more		

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
identification		than risk management		
Anti fraud and corruption	No Anti corruption and anti fraud management unit within the municipality	Facilitate appointment anti corruption and anti fraud committee Develop charters for the committee.	30 June 2014	Internal Audit/MM
Legal services	<p>Compliance matters not scheduled properly to ensure pre-emptive approach to address non-compliance</p> <p>Numerous litigation matters unresolved</p> <p>External legal advise sourced rendering internal capacity ineffective/ non-functional. (internal legal services rendered ineffective)</p> <p>Legal services not consulted on critical contractual matters and matters requiring their expertise</p> <p>Non-consultation of legal advisors on legal matters</p> <p>Non-compliance with legal advices and opinions provided</p> <p>Contracts not brought to legal services for settling and comments</p> <p>Non-compliance with legislative provisions</p> <p>Binding the municipality without first soliciting legal opinion</p>	<p>Legal services need to assert themselves as a unit and advise the institution on the specific roles they are supposed to play in addressing the various challenges faced by the institution.</p> <p>Need to limit/ eliminate reliance on external legal services.</p> <p>Need to reduce number of litigations against O.R Tambo</p>		

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
	<p>Seeking legal advices and opinions from external legal service providers, who are not specialists on local government, without first consulting internal legal advisors</p> <p>Relying on incorrect legal advice and opinions provided by external legal service providers.</p>			

COMMUNICATIONS

Focus areas	Challenges	Improvement plans/ interventions	Time Frames	Responsible department
Communications	<p>Varying and inconsistent communication (internal and external)</p> <p>Communications not fully resourced in terms of human and financial resources.</p>	<p>Appointment of a Head of Communications</p> <p>Budget of Communications department to be reviewed in line with all the activities that the department has to perform.</p> <p>DM to explore possibility of other sources of funding.</p>	<p>31 March 2014</p>	MM's Department Communications
	No communication strategy	Communication strategy to be reviewed and presented to Council Structures for adoption.	By 31 March 2014	

	No clear communication between DM and LM councils	An Integrated Communication Strategy to be developed with key programmes based on the communication plans of the DM and LMs. Embark on branding/ corporate identity and marketing of the institution	30 June 2014	
	Lack of corporate identity, branding and marketing of the municipality in general		September 2014	

Lack of funds for infrastructure investment planning	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.
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3.3.2 Basic Service Delivery and Infrastructure Development

Table: Challenges for the provision of water and sanitation services

CHALLENGE	CAUSES
Huge Backlogs	Negligence of the area during the apartheid era. Topography of the area, which makes it expensive for some areas to be serviced.
Old Infrastructure	Lack of refurbishment, and as result the infrastructure is being operated though it has far outstripped its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth and as such the infrastructure is over-strained which results in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change.
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure
Lack of energy supply	Has an effect on the capacity of the infrastructure to be provided as the dependency is on diesel which are limiting on type of infrastructure that should be provided.
High Level of Vandalism and theft	High unemployment.
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other area due to financial constraints.
Poor Maintenance of existing infrastructure	Low revenue-generation, as many of the District's inhabitants are unemployed, and as such there is dependence on grants, which are very small.

3.3.2.1 Water Supply Challenges

Operational challenges

Challenge	Intervention Required	Time Frame	Responsible
Inability of fire-trucks to access water source	Provision of fire hydrants and access point from reservoirs		ORTDM - Infrastructure
Water outages during emergencies such as fire	Installation of fire hydrants to all businesses.		ORTDM - Infrastructure
Routine maintenance: areas such as Mancam water scheme	Refurbishment of Mancam Water Scheme		ORTDM - Infrastructure
ISD Approach: Non Customized ISD Guidelines and Framework.	Host workshop to customize Provincial ISD guidelines and framework		Infrastructure / ISD
Non availability of community profiles/ Community Based Plans (CBP): Lack of Funding	Allocate funds for compilation and development of CBP, Train CBP Coordinators, Implement CBP across the District (All Wards)		Infrastructure / ISD
(WBPIS):Resistance of availing information and attending Imbizos where WBPIS is collected.	Host awareness campaigns. Ward Cllrs to assist in encouraging community members to attend the Imbizos and give information to data collectors		Infrastructure / ISD

CHALLENGES PER LOCAL MUNICIPALITY

WATER

Challenge	Intervention Required	Time Frame	Responsible
KSD Local Municipality			
Inability to provide alternative water supply during water interruptions	Procurement of water carts and regular maintenance		ORTDM - Infrastructure
Slow Implementation of Master plan for the water provisioning of surrounding areas of Mthatha	Fast-track the Finalization of Mthatha master plan		ORTDM - Infrastructure
Areas not covered under water schemes but have water sources	Protection of springs		ORTDM - Infrastructure
Non-Indigent people not benefiting in the supply of water	Review al of the Free Basic Water		ORTDM -

Challenge	Intervention Required	Time Frame	Responsible
tanks for water harvesting	Policy		Infrastructure
Mqanduli town has no reliable water supply and it will affect the water-borne sewer	Upgrade Mqanduli Water supply and extension of a bulk pipeline from Mthatha to Mqanduli		ORTDM - Infrastructure
Pipe burst not reported	Conduct awareness campaigns		ORTDM - Infrastructure
Mthatha East water supply not available on regular basis and interruptions not reported	Communication of water outages caused by the upgrade of the raw water pipeline and the water treatment plant		ORTDM - Infrastructure
Water leaks and sewer spillages in Town that are not attended on time	Improve on turn around time by establishing a dedicated response team		ORTDM - Infrastructure
Monitoring of pipe burst and sewer spillages	Partner with KSD on the CCTV Monitoring		ORTDM - Infrastructure / KSD
Contamination of ground water by VIP toilets	All VIP toilets are lined to prevent contamination		ORTDM - Infrastructure
Wards not covered with water under ward 15, 17, 18, 20 and 32	Upper Mhlahlane will cover ward 17 and 18. Investigate the feasibility of Mbashe water scheme. Ward 20 and ward 32 will be covered under Mthatha Water Master Plan.		ORTDM - Infrastructure
MHLONTLO LM			
Ngcengane Dam project affected by social issues	Strengthening of communication and ISD		ORTDM - Infrastructure
Certain areas still not covered with water supply	Finalization of the implementation of Sidwadweni water supply scheme including Mangxamfu and Ntabasgogo		ORTDM - Infrastructure
Water leaks and sewer in Town are not attended on time	Turn around time to be improved by the appointment of long term service providers		ORTDM - Infrastructure
Illegal connection	Consider the formalization of house connections and disconnect defaulters		ORTDM - Infrastructure
Areas close to Tina River and ANDM	ORTDM to enter into Service Level Agreement for the cross border scheme.		ORTDM - Infrastructure
Water carting to funeral and other functions or gatherings	Procurement of more water trucks		ORTDM - Infrastructure
Mvumelwano phase 2 not moving as expected	Termination and applying penalties for poor performing contractors		ORTDM - Infrastructure
There is no Uniformity in	Strengthening of DWIF and IGR		ORTDM -

Challenge	Intervention Required	Time Frame	Responsible
submitting of compliant reports between DM and LM's			Infrastructure
NYANDENI LM			
Water carting	Additional water carts to be provided to the LM towns and Provide a schedule for water carting		ORTDM - Infrastructure
Non existence of IGR structures	Full participation of all LM's and DM in IGR structures.		ORTDM - Infrastructure
Non availability of ablution facilities in tourism areas	Provision of ablution facilities for tourism areas		ORTDM - Infrastructure
Ownership of Mzimvubu catchment	Full participation of ORTDM in Umzimvubu PSC meetings.		ORTDM - Infrastructure
Some LMs are not providing information in the development of WSDP	LM's to Provide the required information regarding the development of WSDP		ORTDM - Infrastructure
Capacity of the Water source in Rosedale	Upgrade Rosedale WTW to 25MI per day to supply both KSD and Nyandeni		ORTDM - Infrastructure
PSJ			
Water provision to funerals and other functions	Add more water trucks to serve areas close to Ingquza Hill		ORTDM - Infrastructure
Incomplete water schemes	Short to medium term intervention to supply water to areas such as Mdlankala		ORTDM - Infrastructure
Low cost housing can not be completed due to unavailability of bulk water and sanitation	Fast track the implementation of water borne sewer in the ORT towns		ORTDM - Infrastructure
Majola village have no services : houses, water and sanitation	DM to intervene with a short to medium term		ORTDM - Infrastructure
Water infrastructure is available but water will not be available for weeks	Improvement of the turn around time to repair schemes.		ORTDM - Infrastructure
Water project not covering certain ward due to demarcation (Ward 12, 11, 10) , Part of ward 13	Development of a business plan that will cover the outstanding wards		ORTDM - Infrastructure
INGQUZA HILL			
Incomplete water projects	Completion of all incomplete projects including the village of kwa Cele (Upper Hlabathi WS)		ORTDM - Infrastructure
Water carting	Additional water carts to be provided to the LM towns and Provide a schedule for water carting		ORTDM - Infrastructure
Bulk services for low cost houses	Implementation of water Master plan LM's to be furnished with the copies of the master plans		ORTDM - Infrastructure
Master plan issues	Fastrack the implementation of the IH master plan LM's to be furnished with the copies of the master plans		ORTDM - Infrastructure

Challenge	Intervention Required	Time Frame	Responsible
Areas not covered	Investigate the feasibility of a water Scheme that will cover the Mkhambathi and Msikaba scheme		ORTDM - Infrastructure

3.3.2.2 Sanitation Challenges

- Waterborne sewer system for all towns
- Pit clearance and disludging
- Incomplete projects
- Poorly built structures
- Shortage of Honey Sucker Trucks
- Sewer spillages
- Vandalism and theft of cables and diesel engines
- Slow progress on sanitation projects
- Limited public toilets in towns
- Wards without sanitation facilities still exist

CHALLENGES PER LM

Challenge	Intervention Required	Time Frame	Responsible
KSD			
Poorly built VIP Toilets are collapsing	Sanitation strategy review		ORTDM - Infrastructure
Uncompleted projects Ward 22,26, 29 and 24 in Mqanduli	Use the EPWP programe to complete the projects		ORTDM - Infrastructure
VIP toilets in social amenities : churches, halls	Sanitation strategy review and integrate with the Human Settlement program		ORTDM - Infrastructure
MHLONTLO			
Collapsing VIP toilets in the low cost housing including ward 7 in Tsolo	Low cost house to be upgraded to water-borne sewerage system		ORTDM - Infrastructure
Installation of sanitation in the social amenities Policy review	Fastrack the review of the sanitation strategy (Policy matter) Facilitate and fastrack attainment of Council resolution on the inclusion of social amenities in the current running projects		ORTDM - Infrastructure
NYANDENI			

Old VIP toilets are full and need to be cleared.	Pit clearance using chemicals.		ORTDM - Infrastructure
Poorly built VIP structures	ORTDM is using an approved VIP structure for Sanitation Projects.		ORTDM - Infrastructure
Water scarcity that affects the upgrading of town sewers to water borne sewerage system.	Upgrading of water and sanitation bulk services to accommodate water borne sewerage system.		ORTDM - Infrastructure
Honey-sucking and disposal of sludge	Enforcing building regulations for the construction of Septic tanks. Purchasing of honey sucker for each town.		ORTDM - Infrastructure
Bulk services for Tourism nodes, e.g. Mlengane	Feasibility studies will be conducted for all tourism nodes and business plans will be developed for funding purposes.		ORTDM - Infrastructure
PORT ST JOHNS			
Areas not covered at all Ward 1, 2, 7, 9, 20, 17, 18,	Consultants for Business Plans have been appointed and others will be completed using EPWP programme.		ORTDM - Infrastructure
Ward 10 and 11 incomplete	The project will be completed under the rectification programme		ORTDM - Infrastructure
Ward 12 projects moving very slow	Contractors were invited by the MMC and were encouraged to report all the challenges so that they can be assisted in completing the projects.		ORTDM - Infrastructure
Ward 20: material left over(blocks)	To be considered for other project		ORTDM - Infrastructure
Honey-sucking not done on regular basis	Enforcing building regulations for the construction of Septic tanks. Purchasing of honey sucker for each town.		ORTDM - Infrastructure
Maintenance of water truck and honey-sucker			ORTDM - Infrastructure
INGQUZA HILL LM			
Non availability of public ablution facilities in the towns of Lusikisiki & Flagstaff	Provision of public ablution facilities in Ingquza Hill towns LMs to provide the Municipality with sites for the construction of these toilets		ORTDM - Infrastructure
Unfinished projects	Prioritize completion of unfinished projects including ward 25, ward 28 Fastrack the award of the tender for the PSP to complete the unfinished projects		ORTDM - Infrastructure
Change in demarcation affects implementation of projects, i.e. change in wards results in exclusion of some villages in the implementation of projects	Household verification in Ward 9 sanitation project to ensure all the villages are covered and in all other wards in the LM		ORTDM - Infrastructure

Reliance of the DM on casual workers affect the operation and maintenance of our schemes	108 Casual workers have been absorbed and the rest will be on contract for a specified period until the organogram is finalized.		ORTDM - Infrastructure
Poor workmanship in the implementation of sanitation projects resulting in the need for rectification of those projects	Strengthen monitoring of the implementation of sanitation projects		ORTDM - Infrastructure
Most of VIP structures do not accommodate disabled people	Reviewal of the approved standard design for the Municipality to accommodate disabled people		ORTDM - Infrastructure
	Prioritization of Ingquza Hill projects		ORTDM - Infrastructure

3.3.2.3 Challenges on Roads

- No official hand over of roads that were implemented by DM
- Proclamation of roads not yet completed
- Integration of Roads and transport forum
- General poor road condition
- Little funding goes towards roads construction and maintenance
- Alternative source of funding roads as the current allocation uses population
- Non availability of plans such stormwater managements plans, infrastructure investments plans
- Stormwater management plan available in Nyandeni and it could be used by other LM
- IGR coordination and roads managed by Roads and Public Work is in a bad state
- No Safety on existing roads
- Prevailing Climatic condition, terrain

3.3.2.4 Challenges on Human Settlements

Challenge	Interventions	Existing programme/project	Proposed programme/project
Approval of the District Human Settlements Plans	Finalization of housing sector plans by the Local municipalities. These serve as a guide for housing development	Coordination through the Housing Forum.	MMC to intensify engagements of the Chairperson's of Human Settlements in the LM
Slow accreditation process	Internal coordination	Presentation to management led by the Director Housing	MM to lead the engagement of internal departments
	Support from LMs	Presentation to the Housing Forum	MMC to intensify engagements of the Chairperson's of Housing in the LM
Non availability of bulk infrastructure	DM is in the process of implementing a Regional Bulk Water Schemes	DM is working with the Umngeni and Amathole Water boards	Fast-track the infrastructure development programs more especially to urban areas
Slow moving housing projects	BID committees meet weekly	Schedules of meetings of BID committees	Create a Data base of pre-approved contractors. We shall do this in conjunction with province
None attendance of portfolio heads for Human settlements from LMs	Housing Forum	Engagement through the Housing Forum	MMC to intimately engage the Chairperson's of Human Settlements in the LM
Irregular Subsidy quantum	Funding variance application	Application for funding from province	Political lobbying of an improved subsidy quantum

BOTTLENECK	UNBLOCKING ACTION	TIME FRAME	RESPONSIBILITY
Approval of the District Human Settlements Plans	MMC to intensify engagements of the Chairperson's of Housing in the LM		MMC/ Director
Slow accreditation process	MM to lead the engagement of internal departments		MM/Director

	MMC to intensify engagements of the Chairperson's of Housing in the LM		MMC/Director
Unresolved land claims in areas identified for development	Intimate political engagements with claimants and affected Lm's		MMC
Non availability of bulk infrastructure	Fast-track the infrastructure development programs more especially to urban areas		Director Housing/ Infrastructure
Slow moving housing projects	Create a Data Base of pre-approved contractors		Director
	All project managers to be trained on contract management		Director / HR
Irregular attendance of Portfolio heads: Human settlements from LMs in the Housing Forum meetings	MMC to intensify engagements of the Chairperson's of Human Settlements in the LM		MMC
Our response time to disaster	MMC to lobby the MEC for at least 10 pre-approved temporal shelters per LM and an implementation fund		MMC / Director
Irregular Subsidy quantum	Political lobbying of an improved subsidy quantum		MMC/Director

Challenge	Interventions	Existing programme/project	Proposed programme/project
Coastal development which is marine protected.	Engagement of relevant stakeholders (DM, LMs, Traditional leadership etc)	Coastal Management plan	
The wild coast meander road...	A need for a corridor development plan to link the meander with the wild coast,	Study is being done by ECSECC	Corridor development plan for the meander
Nodal status of the district and application for 1 st order nodal status	Engage DEA in order for the DM to be considered for 1st order node		
Land claims issues as the impediment to economic development	Political intervention with initiatives to identify claimed pieces of land for economic development.	118 land claims are being resolved by land claims commission	
Land claims	Political intervention		Planning and Dev.
Centralised planning desk for the district.	Routine round table with relevant stakeholders	Once a month	Planning and Dev.
Lack of forward planning	Development of Master plans for DM , Nyandeni, Mhlontlo, Ingquza Hill LM should be intensified.	End of financial year	

3.3.2.5 Public Transport and Road Network Planning

Challenge	Interventions	Existing programme/project	Proposed programme/project
Roads and transport network including bus, taxi, rail and sea.	Access Roads to crop production areas		Improve conditions of access roads and develop initiatives for other transport mechanisms
Freight network for the region.	Cycle by-pass being negotiated with DPW through Presidential Intervention.	SLA developed with the DPW	Identification of by-pass roads to limit traffic congestion in towns (esp. Mthatha).
Non-motorised transport mechanisms.	Infrastructure provisioning for the non-motorised transport system.	Distribution of bicycles for scholars	
Rail and Sea transport remains an untapped area	Involvement of National and Provincial Department.	None	Discussion meetings with relevant departments
Logistics management & Warehousing.	Identification of collection points.	None	Initiatives to be implemented with Ntinga

3.3.2.6 Spatial Planning and Land Development

3.3.2.7 ENVIRONMENTAL MANAGEMENT

Challenge	Interventions	Existing programme	Proposed programme/project
Environmental planning tools not prioritised and not recognised.	Development of Biodiversity plans, climate change response plan, air quality mgt, waste mgt by-laws and EMPs for LMs. Pre-screening of projects for EIA	IWMP & EMP for the district	Development of the other plans
	Environmental awareness and capacity building workshops on existing environmental analysis.		
	Review of systems within the DM to ensure that all projects be channelled through the Env Mgt Section for pre-screening.		
Lack of waste mgt and env mgt officers.	Strengthen Human Resource Capacity for District Env Mgt	Two employees	Review of organogram and filling of vacancies
Illegal sand mining within the wild coast. (IHLM, KSD, Nyandeni ,Mhlontlo & PSJ	Have permitted sites for sand mining (DMR)	None	By law development and guidelines for sand mining
Terrain in the wild coast affects waste collection	Identification of transfer sites and transport mechanism for	None	

	transportation of waste.		
Greenest Municipality Competition	Strengthen awareness and participation in the local municipalities.	Greenest town competition	Greenest town should also be the cleanest town.
Non co-ordinated waste management throughout the district	Ensure compliance and licensing of all landfill sites in the district.	Support to LMs in improving conditions of land fill sites.	Development of a Regional Recycling Facility

3.3.3 Local Economic Development

PILLAR 01 – RURAL DEVELOPMENT

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Agricultural Development & Livestock Improvement including food production.	Poor economic infrastructure base for primary production and agri-processing. Subsistence Farming	Development of Long Term Vision for economic development planning of the district. Benchmarking with neighbouring municipality on operations of their abattoirs and fresh produce markets.	June 2015	RLEDP UNIT

PILLAR 02 – ECONOMIC & BUSINESS DEVELOPMENT

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Trade, Manufacturing and Investment Promotion Co-operatives	Challenges to create a conducive environment for economic development due to limited financial	Resource mobilization through strategic partnerships. Cooperatives and	June 2015	RLEDP UNIT

development and SMME support Informal Trade Development	resources. High levels of unemployment. High rate of poverty. Lack of organised structures on Informal Trade.	entrepreneurial development programme. Establishment of organized structures for informal trade		
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PILLAR 03 – TOURISM, PERMACULTURE, MARICULTURE, ACQUACULTURE & FORESTRY DEVELOPMENT

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Marine and aquaculture Forestry and Timber production Enhance economic research capacity of the District Tourism Development	Low skills base and out-migration of the prime economically active cohort Lack of an organised forestry development program for the district. Economy skewed towards the tertiary sector Poor collaboration with private and public sector. Internal capacity constraints on economic research issues.	Fast track implementation of programs with key partners Develop a forestry development strategy to also identify programs in line with forestry for the community. Strengthen functioning of LTO'S Package Tourism nodes and develop tourism development plan.	January 2015 Ongoing	RLEDP UNIT RLEDP Unit

PILLAR 04 - DEVELOPMENT PLANNING & TRANSPORT NETWORKS

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Spatial Planning & Environmental Management	Spatial economic inequality high, with concentration of wealth skewed towards KSD.	Mobilization of communities and traditional authorities for unlocking land claims issues.	January 2015	RLEDP Unit
Transport Planning and Road Networks.	Poor Waste management systems for the district.	Establishment of a Regional Waste Recycling Facility	June 2014	
District Skills Development Programme	Disjointed Public Transport Planning.	Involvement of District on the N2 Road program.		

NTINGA O.R TAMBO DEVELOPMENT AGENCY

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS	TIME FRAMES	RESPONSIBLE DEPARTMENT
1. Sustainable, agile and innovative regional development agency.	Declining budgets.	Resource Mobilisation Plan.	30 June 2014	Office of the Executive Mayor, MM's Office & REDP.
	Going concern problem.	Resource Mobilisation Committee.		
	Lack of access to funding.	Ntinga Strategic Plan (repositioning & reengineering).	30 June 2014	Office of the Executive Mayor, MM's Office & REDP.
	High rate of staff turnover (loss of institutional memory).	New organisational structure.		

			30 June 2014	Office of the Executive Mayor, MM's Office & REDP.
2. Restructuring of ORTDM enterprises.	Enterprises running at a loss.	Business plans for enterprises.	Ongoing	Ntinga O.R. Tambo DA, Kei Fresh Produce Market.
	Undercapitalisation of enterprises.	Strategic Plan.	30 June 2014	Ntinga O.R. Tambo DA, Ntinga O.R. Tambo DA, Kei Fresh Produce Market.
	Dilapidated infrastructure.			
	Enterprise not able to sustain themselves			
	Fraud and corruption.			
3. Agricultural development, agro-processing and food security.	Subsistence farming. Quality of livestock security.	Rural Development Plan.		

3.3.3.2 UNFUNDED DISTRICTWIDE LED ANCHOR PROJECTS

The O.R Tambo region being predominantly rural is faced with a challenge of having projects identified as major projects that can unlock the economic development potential of the district but have not received the necessary funding for implementation.

LED ANCHOR PROJECT	LOCALITY
1) Mzimvubu River Basin.	PSJ, Mhlontlo, & Nyandeni
2) Integrated Langeni Timber Cluster.	Mhlontlo, KSD

LED ANCHOR PROJECT	LOCALITY
3) N2 Wild Coast Road	KSD, PSJ, Nyandeni, Ingquza, Mhlontlo
4) Mthatha Airport & PSJ Air Strip	KSD & PSJ
5) Wild Coast Meander	KSD, PSJ, Nyandeni
6) Regional Recycling Facility	Mhlontlo, (will have transfer sites in all LMs)
7) Quarry and Sand Mining Project for Urban Renewal	Mhlontlo
8) Business Development Park	KSD, (will have satellite offices in all Lms)
9) Tourism Arts, Culture and Heritage Festival	District Wide
10) All LED infrastructure (irrigation and agro-processing)	District wide

Furthermore a number of Sector plans for LED (such as the LED strategy, SDF, Tourism Planning Framework, Integrated waste Management Plan, Environmental Management Plan) have been developed with detailed implementation plans but funding for implementation of such plans is still a major challenge.

3.3.3.3 EXPANDED PUBLIC WORKS PROGRAMME

CATEGORY	EPWP TARGETS		FTEs
	AFFECTED DEPARTMENTS	WORK OPPORTUNITIES	
MUNICIPAL TARGETS		14454	5174
INFRASTRUCTURE SECTOR TARGET	Water Services Technical Services	11563	3622

ENVIRONMENTAL SECTOR TARGET	Planning & Dev - Environmental Management CSS - Disaster and Fire OEM - SPU	2168	1294
SOCIAL SECTOR TARGET	CSS - Social Development Municipal Health Services OEM – HIV/AIDS Planning and Dev- LED	723	259

3.3.4 Financial Viability and Management

3.3.5 Institutional Transformation and Development

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS / INTERVENTIONS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Organisational Development	Organogram not aligned to the IDP. Non – compliance with job evaluation processes. Non - compliance with SALGA job evaluation guidelines. Delay in finalisation of placement and appeals processes.	Review of the organisational structure . Municipalities must establish JE Units in their organograms and populate them accordingly. Submission of SALGA job evaluation guidelines to council for noting. Municipal Manager to expedite the placement of employees.	31 March 2014 30 June 2014 31 March 2014 15 March 2014	Director Corporate Services
HRM strategy / plan	No Employment Equity Plan and Policy . No Human Resource Plan. No Retention Policy / strategy. No Succession Policy / Plan outdated.	Develop and implement Employment Equity Plan Policy . Develop and implement Human Resource Plan . Develop and implement Retention Policy / Strategy . Review and implement Succession Plan / Policy through council policy workshop .	30 April 2014	Director Corporate Services

Organizational Development	Job evaluation processes are not complied with, due to lack of expertise at LM level. Maintenance phase not complied with after job evaluation results.	All local municipalities must establish job evaluation units and populate them accordingly. The DM should facilitate the training, amongst other forms of assistance.		Director Corporate Services
Human Resource Management	Placement of employees not done according to placement collective agreement and best practices.	Municipalities should develop and implement placement collective agreements with clear procedural requirements.		Director Corporate Services
Human Resource Development	Training committees at the DM and some LMs are not functional , and this results in unplanned and poor coordination of Human Resource Development.	Facilitate re - establishment of district wide corporate services forum for an integrated district wide corporate services Development and Management.		Director Corporate Services
HR Development	No filling of skills Audit Form. Non existence of Return on Investment on training .	Implementation of Gap Skills System (COGTA Web Based Skills System) Development and implementation of	28 February 2014 30 September 2014	Director Corporate Services

	Poor implementation of Workplace Skills Plan. Non existence of Training Committee. Defunct District Wide Skills Development Forum.	Return on Investment . Revival of Training Committee . Revival of District Wide Skills . Development Forum.	01 July 2014 31 August 2014 30 April 2014	
Performance Management System	PMS is not cascaded to lower level No performance management policy	Cascade PMS to all employees . Develop and implement PMS policy .	30 June 2015 30 June 2014	Director Corporate Services
Employee Wellness	Non compliance with the legislation. No Policy	Conduct labour legislation awareness sessions for managerial and supervisory staff . Development of policy .	30 April 2014 30 June 2014	Director Corporate Services
Labour Relations	Non availability of presiding officers and employer representative Misunderstanding of LLF powers and functions.	Develop and implement database of competent presiding officers . Training of broader stakeholders in powers and functions of the LLF	31 March 2014 31 March 2014	Director Corporate Services
Implementation Batho Pele Principles	Non availability of Customer Care Policy and Service Standards Charters .	Inclusion of Batho Pele and Service Standard Charters as key performance area for HOD 's	01 July 2014	Municipal Manager
Performance at optimal leveraging on the ICT excellence of the DM	Non availability of policies. Lack of proper integrated systems . Resourcing Poor Telecommunications infrastructure and geographic location .	Development and implementation of policies Development of Master System Plan. Centralization of procurement of ICT resources . Development and	30 April 2014 31 July 2014 30 December 2014	Director Corporate Services

		implementation of telecommunication architecture .		
Geographical Information System	Non availability of GIS database for the DM. Non availability of policies, standards and procedures.	Development and maintenance of District Wide GIS that will assist Local Municipalities and Government Departments . Developmental of GIS policy.	31 March 2015 30 September 2014	Director Corporate Services
Improvement of Records Management System and Security	Lack of record management system and procedures Non compliance with the Record Management Policy . Lack of electronic Records Management System.	Development of centralised management system . Development of records policy and implementation plan. Development of centralized electronic record management system .	30 June 2014 30 April 2014 30 June 2015	Director Corporate Services

SUPPORT NEEDS FOR LOCAL MUNICIPALITIES

FOCUS AREA	CHALLENGES	IMPROVEMENT PLANS / INTERVENTIONS	TIME FRAMES	RESPONSIBLE DEPARTMENT
Organizational Development	<p>Job evaluation processes are not complied with, due to lack of expertise at LM level.</p> <p>Maintenance phase not complied with after job evaluation results.</p>	<p>All local municipalities must establish job evaluation units and populate them accordingly.</p> <p>The DM should facilitate the training, amongst other forms of assistance.</p>		Director Corporate Services
Human Resource Management	Placement of employees not done according to placement collective agreement and best practices.	Municipalities should develop and implement placement collective agreements with clear procedural requirements.		Director Corporate Services
Human Resource Development	Training committees at the DM and some LMs are not functional, and this results in unplanned and poor coordination of Human Resource Development.	Facilitate re-establishment of district wide corporate services forum for an integrated district wide corporate services Development and Management.		Director Corporate Services

Employee Wellness, Health and Safety	Not all LMs have established Wellness and EAP units resulting in low employee morale and not upholding basic safety measures for employees.	Facilitate establishment and filling of wellness and EAP positions.		Director Corporate Services
Labour Relation	Disintegrated and silo approach to labour Relations issues which leading to different interpretation and compliance levels with collective agreements and condition of services.	Facilitate integrated approach to labour relations issues through district wide corporate services forums.		Director Corporate Services
Information & Communication Technology Management	<p>Inadequate staff, expertise and infrastructure at DM and LM level resulting in increased system failures and downtimes.</p> <p>Disintegrated IT systems at DM and LM level result into poor corporation, coordination and silo approach to resolving challenges.</p>	<p>Capacitate the DM to support the LMs on IT Security, infrastructure and other long term challenges that require specialized skill.</p> <p>Integration and sharing of resources with in the DM and LMs.</p> <p>Synchronize and align procurement plans from between DM and LMs.</p>		Director Corporate Services

Security Services	Disintegrated planning and silo approach in installation and construction of municipal properties across the DM leading to poor cooperation between DM and the LMs.	Strengthen stakeholder engagement in all functional areas of the district from planning phase up until delivery period. Re introduce district forums for better cooperation and accountability.		Director Corporate Services
Records Management	Decentralized records keeping and management resulting into loss of valuable information and institutional memory.	Develop and implement a centralised documents and records management system.		Director Corporate Services

	Non functioning of Disaster Management Fora	Proposed one-one sessions with key stakeholders	18 th February 2014 25 th February 2014	Community Services
	Lack of co-operation between KSD & DM on Disaster issues	Engagements between 2 Portfolio heads & HOD's (role clarification) Request alternative space	5 th February 2014 4 th February 2014	Community Service Community Services & OEM
	Flooding of DM office space during rains (PSJ LM)			
	Disaster backlogs	Data profiling of all recent disasters deserving cases for temporal shelters	30 March 2014	Community Services, Disaster Management & Human Settlements
		Civic Centre North crest (Disaster displaced families) KSD	30 April 2014	Community Services, OEM & Human Settlements

3.3.6 SOCIAL NEEDS SECTOR

Focus area	Challenges	Improvements/ interventions	Time frames	Responsible departments
1. Disaster Risk Management- Establishment of a Disaster Risk Management Centre (Long Term)	Land availability of main disaster centre (long terms goals main DRM centre)	Forge relationship with KSD LM on site availability Public Private Partnership to develop DRM Centre	31 st .January 2014 Ongoing	Community Services / Disaster Risk Management (DRM)
	Staff shortages	Submission of proposed Draft organogram to HR	March 2014	Community Services

2.Fire Emergency Services (Decentralization of service to all local municipalities as Long-term programme-specific to High Risk /fire prone areas)	Shortage of fire vehicles Huge capital layout of equipment Inadequate Office space for decentralization of services	Strategized fire services at a Macro level to improve investment opportunities, addressing fire risk Request space allocation by LM's	Budget review processes & 2014-15 Before June 2014	Community Services, DRM & Fire Services Community Services, Disaster Management, FES (Fire Emergency Services) & LM's
	Staff shortage Aging fleet and equipment	Submission of proposed revised organogram to HR Develop a turnaround strategy for fire vehicle replacement with BTO	End February 2014 3 rd -4 th quarter of current financial year 2014	Community Services / FES BTO & All departments
	Inaccessibility to rural roads lead to delays response (long term)	Influence diversion from gravelling to paving of access roads by LMs (using Special programmes sector)		Technical
	Insufficient budget		2014-2015 financial years	CS & BTO
3.Crime prevention and reduction Initiatives -Crime free coastal area as a tourism	CPF's(Community Policing Forums) are not incentivised	Influence flagging of incentives of CPF's by SAPS as EPWP	March 2014	

attraction habitable and areas (long term)	District/ Local Safety Forums not sitting District Crime Preventions Strategy not available Lack of resources to safeguard beaches	Strengthening Consultation with other stakeholders and Draft Strategies Forge relationships within Public Private	April 2014 March 2014	CS
	(life saving programmes)	Partnerships	February 2014	
4.Health Care Services Safe, sustainable, and improved quality of Health Care for all citizen within OR Tambo DM (long term)	Mhlontlo Centre (designs outstanding) & slow SCM processes Management of Medical Waste (financial injection) Non availability of Bylaws to implement Municipal Health Services Vector control (communicable diseases) NHI slow progress in rollout	Finalization of designs Forge Public Partnership for local job opportunities Workshop on National guidelines with LM's Increase awareness on vector control/ personal hygiene through community health workers. Community mobilization programmes creating awareness	2014/15 July 2015	CS OEM

	Devolutions of Municipal Health Services process-lack of participation from BTO (non adherence on SLA)	Budget allocation and finalization (as outlined in the SLA between DM & DoH)of the devolution process to OR Tambo	February 2014 Prioritized in budget adjustment	CS
5. Sport recreation Arts Culture Heritage and Amenities	Non availability of playable sporting facilities Shortage of infrastructure to introduce scare sporting codes, e.g. Cinderella codes Non integration of sporting, arts, culture and tourism activities Non availability of Art Galleries Arts & Culture Federations non existing Slow progress on Heritage Liberations Routes	Consultation with MEC & Minister Joint programs with Tourism, REDP (Rural Economic Dev. Planning) Promotions of Arts including regional events e.g. Wild Coast festival Establishment of Arts & Culture Federations and Forums Consultation with National Heritage Council Increase community awareness on Culture & Heritage	February 2014 March 2014 April 2014 2014/15	CS, OEM & REDP
6. Focus on education and	Non prioritization of MDG's	Prioritise MDGs	February	CS & OEM

training as a National Priority	ECDC – limited support provided Lack of qualified librarians Non performing schools Lack of ICT Infrastructure on libraries & outdated material Shortage of public /community libraries Shortage of modular Libraries	when planning Focus on ECDC Interactions with WVSU Accelerate support to boost performance Collaborate with DSRAC	2014 February 2014 2013/14-2014/15 March 2014 March 2014	
7. Improve access to empowerment opportunities & social welfare of previously excluded population groups	Non existence of functional community structures Stale policy on Social Relief of distress SCM policy does not encourage social/corporate responsibility (lack of mainstreaming of SPU Programmes) Lack of capacity High rate of poverty	Establishment and support of places of safety. Policy revision Influence review of SCM Policy in line with mainstreaming Inclusion of SP performance agreement of Hod's Empowerment of previously disadvantage communities	28 February 2014 March 2014 31 May 2014 28 February 2014 28 February 2014	Office of the Executive Mayor CS/BTO CS Municipal Managers Office OEM

<p>8.Prevention and reduction of spread of HIV, AIDS, TB and STI's Functional local HIV /AIDS structures & Systems (long term)</p>	<p>District / Local Aids Councils (DAC & LACs) non -functioning.</p> <p>Lack of mainstreaming of SPU Programmes</p> <p>Inaccessible health facilities</p>	<p>Establishment & revival of District and Local Structures.</p> <p>Inclusion of HIV /AIDS into performance agreement of Hod's</p> <p>-Establishment of ward based sites, support and accreditation of sites</p> <p>Empowerment of the effected and infected & support of the terminally ill</p>	<p>30 April 2014</p>	<p>Office of the Executive Mayor</p> <p>MM</p> <p>OEM</p>
<p>9.Implement EPWP initiatives A well coordinated social sector for EPWP (long term)</p>	<p>Lack of exit strategies for existing EPWP programmes</p> <p>Lack of dedicated programme coordinator within the department</p> <p>Insufficient funding</p>	<p>Designated person to be appointed for EPWP</p> <p>Forge partnerships</p>	<p>31 March 2014</p>	<p>CS</p> <p>Office of the Executive Mayor</p>



**O.R. TAMBO
DISTRICT MUNICIPALITY**

CHAPTER 4: PERFORMANCE MANAGEMENT

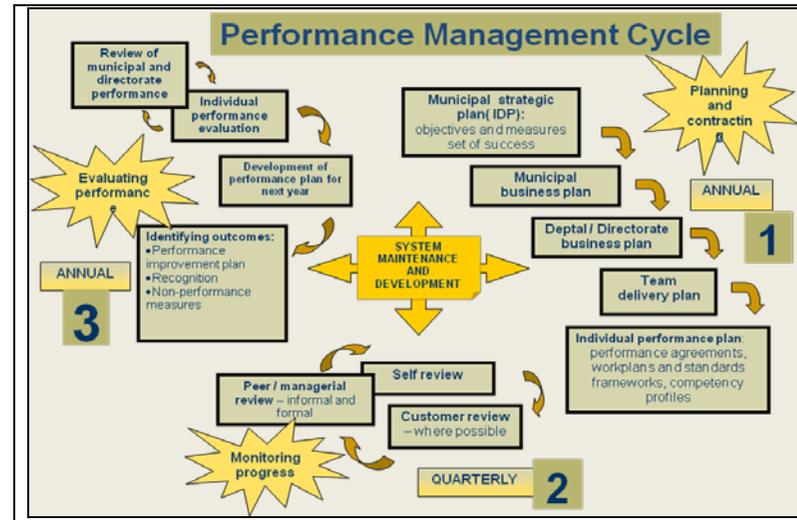
4: PERFORMANCE MANAGEMENT

4.1 PERFORMANCE MANAGEMENT SYSTEM

Performance Management System refers to a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review and reporting will happen and be organised and managed, while determining the roles of different role-players. The ORTDM reviewed and adopted its performance management system framework and policy guidelines in September 2010 to guide the roll out of the policy to cover all employees. The policy was reviewed to make it applicable to all employees of the Municipality, the following categories of employees:

- Employees referred to in the Municipal Systems Act as Section 57 Employees i.e. the Municipal Manager and the managers reporting directly to the Municipal Manager;
- Employees who are permanent employees of the Municipality and fall within the ambit of the Local Government Collective Bargaining Council; and
- Employees who are employed by the Municipality on fixed term contracts and fall outside of the Local Government Collective Bargaining Council.

The ORTDM Performance Management System is structured in such a way that it recognises the various stages involved in the performance management cycle, as depicted in the diagram below.

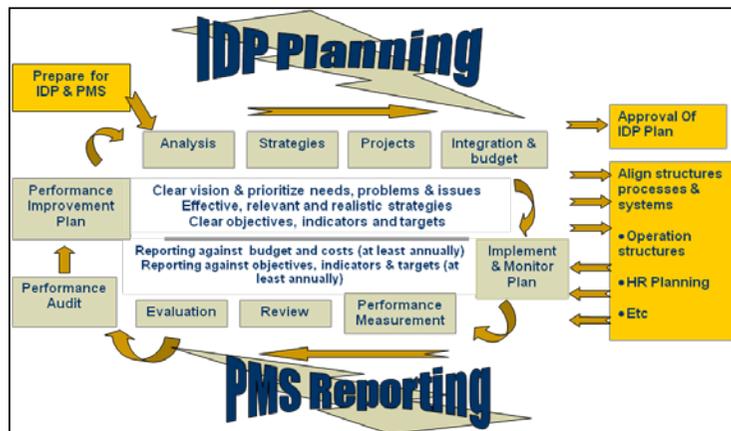


The IDP fulfils the planning stage of Performance Management, whereas Performance Management in turn fulfils implementation management monitoring and evaluation of the IDP.

In September 2010, the Council adopted a Performance Management Framework regulating the Performance Management System in the municipality. The Framework provides guidelines on the development and implementation of the organizational and individual performance management system.

The approved framework provides the following guidelines on organizational performance management:

- **Planning for performance management:** The development of the IDP fulfils the planning stage of Performance Management and Performance



- Management fulfils the implementation management, monitoring and evaluation of the IDP process;
- **Priority and objectives setting:** As set by the IDP;
- **Key performance indicators:** Priorities and objectives derived from the IDP will guide the identification of indicators;
- **Setting targets:** Each key performance indicator must have set targets for the current financial year;
- **Reviewing of key performance indicators:** As part of the performance review process, performance indicators should be reviewed annually in line with the annual review of the municipality's IDP;
- **Developing a monitoring framework;**
- **Performance measurement framework:** Balanced Scorecard Model has been adopted;
- **Conducting performance reviews:** Municipality measure its own performance and assess its progress either by benchmarking or conducting surveys;
- **Reporting on performance:** A template that takes the municipalities priorities, objectives, indicators and targets has been developed; and
- **Individual performance:** Performance of employees to be managed through the signing of performance contracts and performance agreements and the rollout of scorecards to management level.

4.2 PERFORMANCE MANAGEMENT MODEL: MUNICIPAL SCORECARD

In order to assess an organization's performance, a balanced view is required; incorporating a multi-perspective assessment of how the organization is performing as seen by differing categories of stakeholders. To ensure this balanced multi-perspective examination, the District has adopted a "Municipal Scorecard Model" to guide the performance management in the entire municipal organization. The Municipal Scorecard Model is a conceptual framework that provides guidance as to what aspects of the municipality's performance should be measured and managed. The model has proved useful in performance management for it provides balance, simplicity, mapping of interrelationships and alignment to the Integrated Development Planning processes of the municipalities.

The Municipal Scorecard Model will be tightly aligned to the strategic planning and IDP processes of the municipality and will provide a balanced view of performance based on municipal inputs, outputs, outcomes and process. In addition, this scorecard will be based on the five Key Performance Areas for Local Government as determined in the Five Year Local Government Strategic Agenda, which are:

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

4.3 SCORECARD LEVELS

The O.R. Tambo District Municipality has **two** levels of scorecards, the institutional and departmental scorecard.

4.3.1 The Institutional Scorecard

The Institutional Scorecard will be used to measure performance of the District municipality in terms of implementation of the District's service delivery and budget implementation plan (SDBIP). Therefore at an institutional level, the five year IDP of the municipality forms a basis for performance management. This provides an overall picture of performance of Council as a whole, reflecting performance on the approved IDP and budgets identified strategic priorities, objectives, key performance indicators and targets.

4.3.2 Departmental Annual Performance Plans

The Departmental Annual Performance Plans (APPs) will measure and monitor performance of the line Departments and this will also constitute the scorecard of the Directors. Performance management at this level is at an operational level and the annual SDBIP forms a basis for measurement. Therefore the activities of each department, including their objectives, indicators and targets are derived from the institutional scorecard as reflected in the SDBIP. By cascading performance measure a strategic (IDP and hence SDBIP) to an operational level (Departmental APP), a link to individual performance management is formed. This then ensures performance management at various levels relate to one another. Reporting at this level will be done on a quarterly basis.

4.4 PERFORMANCE AUDITING

The Office of the Chief Operations Officer will on an ongoing basis coordinate and ensure the following:

- Good quality of reporting and reviews;
- Conformity to reporting formats; and
- Submission of reliable information.

Performance auditing will focus on the reliability of reported information, the extent of performance gaps from targets as well as the reasons for performance gaps, i.e. explanation of the variance as well as corrective measures. Auditing the performance measurements of the municipality will be undertaken by the internal

audit unit and quarterly reports on the audits will be submitted to the Municipal Manager as well as Audit Committee.

4.4.1 Challenges with the implementation of the Performance Management System:

The Auditor General identified the following shortcomings with regards to ORTDM performance management system:

- Linkage between the organisational level of planning (Departmental Scorecards) and Individual performance management;
- Non-reporting on some objectives and targets;
- Misalignment in performance management processes and IDP process. Some indicators are not measurable; and
- Signing of performance contracts/cascading performance measures.

The O.R. Tambo DM strives to improve its ability to make a difference to local communities and therefore will continue to review and improve on the implementation of the PMS to ensure full legislative compliance and alignment of performance.

4.6. MONITORING AND EVALUATION

The Eastern Cape Office of the Premier has adopted a monitoring and evaluation framework. The purpose of this is to facilitate and coordinate the efforts of the Eastern Cape provincial government in monitoring and reporting of progress in the implementation of its strategic priorities.

Objectives of the Monitoring & Reporting Framework

- To improve the quality of service delivery and governance in the Province.
- To enhance accountability on the implementation of the priorities and the Programme of the Province.
- To deepen the culture of monitoring and reporting within the Province; and

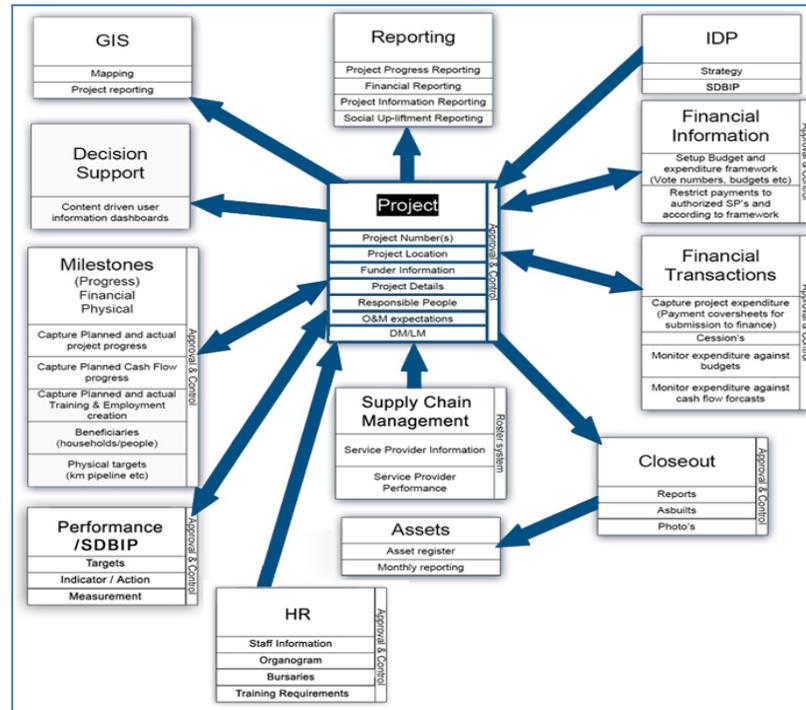
- To enhance governments' ability to communicate with citizens and key stakeholders; and to share information with them with regard to key service delivery and related matters.

These objectives will be achieved through:-

- Establishing mechanisms for monitoring the performance of service delivery and governance in the Province; and
- Improving the reporting capacity of the government by establishing a central repository of all summary monitoring and reporting information generated in the province.

The O.R. Tambo district Municipality is in the process of incorporating the Intermap's District Information Management System (DIMS™) as a monitoring tool. The system is the culmination of years of research and development to understand and address the enterprise management and reporting requirements of municipalities

It directly addresses the needs of local government, developed in consultation and with the support of all significant local government stakeholders.



THE SYSTEM HAS THE FOLLOWNG MODULES:-

- a. The project management module encapsulates the core requirements of Municipalities, incorporating the following functionality:
 - Capture and edit project details for all current and planned projects, aligning the project planning with the predefined IDP/SDBIP hierarchy
 - Capture and edit progress of projects including milestones
 - Capture and monitor progress in relation to Social, Economic, Employment and Financial benefits
 - Alerts and triggers to notify managers at the relevant levels of tasks outstanding or items requiring attention. This acts as an escalation

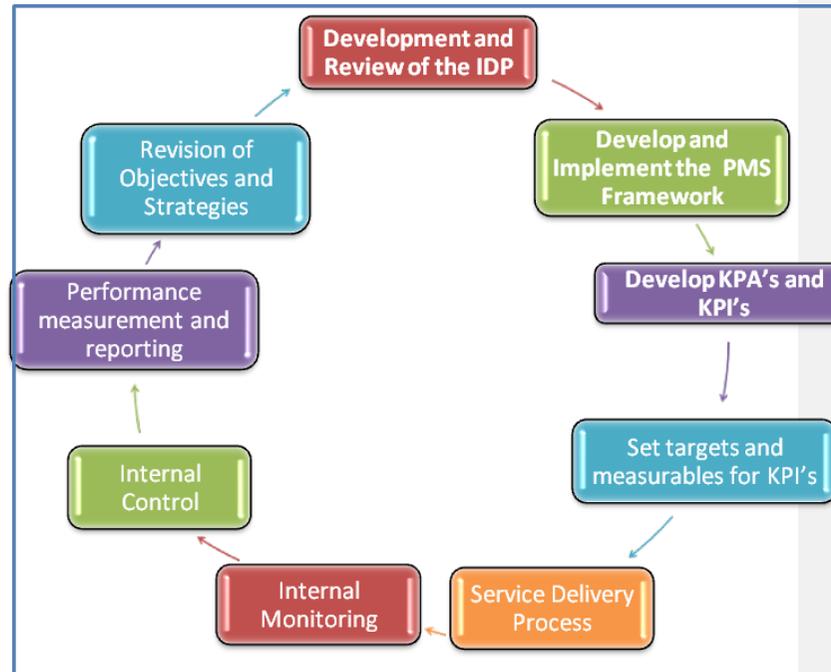
mechanism allowing for the identification of persons responsible for not completing their respective tasks, and also serves to highlight weaknesses in the business project plans.

- Reporting at the required hierarchy levels, allowing users to drill down to increasing depths of detail

b. Performance Module which includes the following:-

- SDBIPs – Capture and Report on Service Delivery and Budget
- Implement Plans. Alignment of SDBIP to IDP
- Cascading of Performance to lower levels of Management
- OPMS - Capture and Report on Organisational Performance Management
- IPMS - Individual Performance Management – Section 57
- Performance contracts capture and reports – Assessments/Reviews
- Data Collection Sheets/MTAS – COTGA requirements.

The performance module looks at the various performance phases (see figure below) at the different stages of the IDP implementation process.



4.5 INSTITUTIONAL SCORECARD

For the 2014/15 financial year the O.R. Tambo District Municipality will be guided by the following score card as well as the related weightings per Key Performance Area:

Table: KPA Weighting

KEY PERFORMANCE AREA	WEIGHT
	2014/15
Basic Service Delivery And Infrastructure Development	40
Local Economic Development	10
Financial Viability And Management	15
Good Governance And Public Participation	15
Institutional Transformation And Organisational Development	20

Table. Weighting of objectives and KPIs

KEY PERFORMANCE AREA	KPA Weighting	OBJECTIVES	Objectives Weighting	Responsible Department
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT	40	1.1 Provide access to potable water	8	Water Services
		1.2 To provide access to sanitation services	8	Water Services
		1.3 To provide access to sustainable basic energy and electricity	3	Water Services
		1.4 To improve road infrastructure network in the district	5	Water Services
		1.5 Ensure access to a safe, secure, reliable, and affordable public transport system	0.5	Planning & Development
		1.6 Improve Waste and environmental Management within O.R. Tambo District to comply with statutory requirements	2	Planning & Development
		1.7 Coordination of planning and Development of Sustainable Human Settlements	5	Human settlements
		1.8 To increase community participation in Sports, recreation, arts, culture and heritage programmes	1	Community and social Services (CSS)
		1.9 To increase community participation in educational governance and training	0.5	Community and social Services (CSS)
		1.10 To contribute to the reduction of preventable health risks in the district	1	Community and social Services (CSS)
		1.11 To contribute to the prevention, reduction and management of the spread of HIV/AIDS, STI and TB	1	Office of the Executive Mayor (OEM)
		1.12 To improve the well-being of all vulnerable groups and general welfare of indigents	0.5	OEM Community and social Services Water Services
		1.13 To reduce the risk and mitigate the impact of disasters, fires and emergencies to communities	4	Community and Social Services (CSS)

		1.14 Contribute to improved community safety and security	0.5	Community and Social Services (CSS)
LOCAL ECONOMIC DEVELOPMENT	10	2.1 To improve co-ordination & integration of LED programs for sustainable trade and investment within the District	2.5	Planning & Development
		2.2 To enhance access to LED infrastructure, agro-processing and value add facilities	4.5	Planning & Development NTINGA O.R. Tambo Development Agency
		2.3 To improve forestry & timber production for economic development	1	Planning & Development
		2.4 To improve Aqua – culture industry production for economic development	0.5	Planning & Development
		2.5 To ensure well co-ordinated Tourism development, Marketing for the district.1	1	Planning & Development
		2.6 To strengthen economic research & development capacity within the district	0.25	Planning & Development
		2.7 To achieve spatially equitable economic growth across O.R. Tambo District and region.	0.25	NTINGA Planning & Development
FINANCIAL VIABILITY AND MANAGMENT	15	3.1 To increase revenue generation	4	Budget and Treasury Office (BTO) Water Services
		3.2 To strengthen the governance and control environment over all financial matters to eliminate fruitless, wasteful, unauthorized, and irregular expenditure	8	All Departments (BTO leading)
		3.3 Stimulate and promote local economic development.	3	BTO & Planning and Economic Development OEM
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	15	4.1 To improve/ ensure council and community oversight for service delivery implementation	1.5	All Departments, Office to the Speaker to lead
		4.2 To strengthen and ensure structured participation by communities, organs of state power, traditional leaders and civil society in local governance	1.5	Office of the Speaker All departments
		4.3 To coordinate effective intergovernmental relations across the portfolio boundaries of governmental actors within the District	1	Office of the COO to lead ALL Departments
		4.4 Ensure credible integrated service delivery planning (IDP), monitoring, reporting and evaluation	3.5	All Departments Office of the COO to lead
		4.5 To ensure a well coordinated & integrated district wide communication	1	Office of the Executive Mayor
		4.6 To ensure effective Audit function for improved compliance, clean administration and clean governance	3.5	Internal Audit
		4.7 To reduce the threat of all identified risk.	2	ALL departments Internal Audit to lead.
INSITUTIONAL TRANSFORMATION AND DEVELOPMENT	20	5.1 To improve the organisational capacity of O.R. Tambo District Municipality	5	HR
		5.2 To improve institutional performance through skills development and change management	6	HR and Office of the Speaker leading All Departments
		5.3 To increase access to information through better information and knowledge management systems	3	All Departments (ICTM to lead)
		5.4 To improve employee safety, wellness and labour relations	3	HR
		5.5 To achieve excellent customer care and meet all institutional service standards in line with Batho Pele principles	3	HR All Departments (OEM to lead)

4.3 INSTITUTIONAL ANNUAL PERFORMANCE PLAN

5.3.1 BASIC SERVICES AND INFRASTRUCTURE DEVELOPMENT

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department	
							14/15	15/16	16/17		
1.1 Provide access to potable water	Long term water infrastructure planning	1.1.1	% Implementation of long term water and sanitation infrastructure master plan	Ingquza hill masterplan, Mthatha Masterplan	15% progress on Implementation of Ingquza Hill Master Plan 100% progress on Design of Southern Scheme	Implementation of a Master Plan for the entire district Develop new business plan for funding applications for water projects Development & review of WSDP, Develop and enforce water policies & By-laws				Water Services	
	Implementation of Regional water schemes to cover greater areas with no access to sustainable water sources (includes the integration of previously non-viable water schemes)	1.1.2	Number of existing non-viable schemes upgraded/ provided with sustainable regional water supply	12 regional schemes (mvumelwano, upper culunca, sidwadweni, coffeabay, upper mhlahlane, rosedale, thornhill, peri urban, Mhlanga, 27villages, thekwini, psj regional, flagstaff regional)	3 schemes to be upgraded (Upper Mhlahlane, Coffeabay, Port St Johns)	Upgrading of viable and integration non-viable water schemes into regional schemes					
		1.1.3	Number of new household connections provided	15 000	25 000 H/H	Implement water schemes / projects					
	Operations and maintenance of existing water schemes	1.1.4	% of operations & maintenance budget spent on water infrastructure	53%	52%	Approve & Implement an O&M Plan, Repairs on non functional water scheme for consistent water supply					
		1.1.5	% of Capex spent on retrofitting and refurbishment of water infrastructure	17%	22%	Refurbishment and retrofitting of old water infrastructure					
		1.1.6	Number of water treatment plants refurbished	4, Mqanduli, PSJ, Flagstaff and Thornhill	2	Thornhill WTW upgraded					
	Water conservation and demand management	1.1.7	% of water lost between bulk meters and points of billing (as per water balance audit)	3200 000 ML per annum (27% water lost)	1400 000 ML per annum (10% water lost)	Regular water balance audit, Leak detection and repair, Installation of bulk meters and meters Awareness campaigns					
		1.1.8	% completion of bulk meters and meters installation.	600 meters	51% (22000 meters)	40 bulk meters					
	Provide alternative water supply to households that have no access due to any	1.1.9	Number of indigent households supplied with tanks and gutter for rainwater harvesting	500 households	150	Supply indigent households with tanks and gutters					Water services

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
	other reason	1.1.10	Number of natural springs protected throughout the district	18	20	Implement spring protection on viable water springs to communities				Water services
		1.1.11	Number of litres of water purified and carted to communities.	87 ML	80 MEGA LITRES	Water carting Mobile water purifiers to reduce costs				Water services
	Achieve a blue drop status for all water treatment plants and provide mobile water treatment plants quality in all water schemes	1.1.12	Number of water treatment works meeting the blue drop status	None (nil out of 18 WTW)	12 (Thornhill, PSJ, Coffeabay, Sidwadweni & Rosedale, Flagstaff regional, Mvumelwano, Culunca), PSJ regional, Mzimvubu, Mdankala, mhlahlane	Building capacity and transfer of skills to employees (through the support of water boards) Develop & Implement a system to monitor functionality and Develop & Implement a system to water quality in DM water schemes,				Water Services
1.2 To provide access to sanitation services	Eradication of rural sanitation backlogs	1.2.1	Number of households provided with VIP toilets	30 000 h/h	42 000	Installation of rural VIP sanitation				DM WATER SERVICES
	Improve sewer systems in all 9 towns and nodal zones to full waterborne	1.2.2	Number of towns and nodal zones upgraded to full waterborne sewerage systems	5 WWTW upgraded to 30% construction ((Mlhalha, Mqanduli, Flagstaff, usikisiki & Tsolo) 1 Waste Water Treatment Works (WWTW)	2 (Libode & PSJ)	Upgrade existing sewerage treatment works in all town Construction of water sewerage in Tsolo Junction, Lusikisiki, flagstaff, Mqanduli and PSJ				
		1.2.3	Number of urban households connected to full waterborne sewerage systems	22 000 households	1500 H/H	Construction of a sewer treatment plant, rising main, pump station and gravity main				
		1.2.4	Number of public ablution facilities in the economic nodes and coastal areas constructed	4 towns of Qumbu, Port St Johns next to town hall, Ngqeleni town and Lusikisiki transido building, provided with functional public toilets	2 (PSJ & Libode)	Construction of ablution facilities for public nodes and coastal areas				
	Operation and maintenance of sewerage treatment plants and sewerage pump stations	1.2.5	% of Operations and Maintenance budget spent on sanitation infrastructure	35m	8%	Approval & Implementation of an O&M Plan Repairs on non functional sanitation infrastructure Pit clearance, sewerline jetting, Refurbishment and retrofitting of old sanitation infrastructure				
		1.2.6	% of Capex spent on retrofitting and refurbishment of sanitation infrastructure	13m	8%	replacing of sewer manhole covers Replacement of sewer lines and manhole covers. Construction of septic				

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
						tanks				
	Achievement of a green drop status for all sewer treatment plants to improve quality of effluent	1.2.7	Number of Sewer treatment plants achieving green drop status	None (out of 9 none has achieved green drop status, including oxidation ponds) -Mthatha WWTW is being upgraded from 12Ml/ day to 18 Ml/day (30%)	4 (Mthatha, Mqanduli, Flagstaff & Tsolo)	Advertising of posts Development of water safety plans Conducting Risk assessment				
		1.2.8	Number of sewer treatment works operated as per individual authorization/ classification	1 (Mthatha wastewater treatment works)	7 (Mqanduli, Flagstaff, Lusikisiki, Tsolo, Mthatha, Libode & PSJ)	Periodic analysis of effluent Provide required to the plants Build operations and controller rooms				
1.3 To provide access to sustainable basic energy and electricity	Provision of electricity to all outstanding households and new settlements	1.3.1	Number of households with authorized electrical connections							
		1.3.2	Number of households installed with alternative energy sources			Access Roads to water and sanitation schemes				
1.4 To improve road infrastructure network in the district	Constructing and maintaining roads to service centres and economic nodes	1.4.1	km of access roads constructed							
		1.4.2	% of Capex spent on roads infrastructure							
		1.4.3	% of O&M budget spent on road infrastructure maintenance							
1.5 Ensure access to a safe, secure, reliable, and affordable public transport system	Improve public transport infrastructure, Coordination of planning and regulation of public transport system. Promote public transport transformation and diversification	1.5.1	Approval of the Transport master plans	District integrated transport master plan (DITP) adopted by council. LITP in approved for KSD, Mhlontlo (draft, awaiting council approval) District Integrated Transport Plan developed. Provincial RAMS developed with all the DMs in the Province	Review of the DITP. Review of the LITPs. RAMS development finalized.	-DITP projects Business plans. -Development of LITP				Planning & Development
		1.5.2	Number of CIPRO registered public transport cooperatives that receive funding with the assistance of the DM	2 CIPRO registered taxi cooperatives have received funding from SEDA. (out of 17 that are supported by the DM)		-Capacity building of taxi operators. -Develop business plans for funding of cooperatives. -Roads and Transport forums -NMT infrastructure to be identified				

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
1.6 Improve Waste and environmental Management within O.R. Tambo District to comply with statutory requirements	Establishment of landfill sites that comply with the prescribed guidelines and standards for solid waste management, (including ISO 14001)	1.6.1	Establishment of a regional recycling facility.	12 sustainable recycling co-operatives established. (all 12 functional and registered with EPWP)	Resource mobilization and Construction of phase 1.	-EPWP				Planning & Development
						- Training on waste management, recycling and business skills				
			Greenest town competition							
		1.6.2	Number of LMs disposing solid waste to licensed landfill sites.	4 Land fill sites complying with ISO standard. 5 LMs have recognised land fill sites (KSD, Mhlontlo & Port St Johns)	1 LM with 2 licensed solid waste transfer site	Integrated waste management.				
1.7 Coordination of planning and Development of Sustainable Human Settlements	Accreditation of O.R Tambo DM as an implementing agent for housing development	1.7.1	Housing development Service level agreement	Capacity assessment report	Human settlement staff trained on skills required for accreditation, e.g. beneficiary administration etc.	Level two accreditation				Human settlement
	Development of housing strategy and implementation policy framework	1.7.2	Approved housing strategy and sector plans	Draft Housing Strategy	Approval of Human Settlement strategy	Annual review				Human settlement
		1.7.3	Number of emerging PDI contractors that have completed a contractor capacity development program	None	Signing of MOU with NHBRC, CEDA and CIDB. Identify 4 contractors Identify and train 8 new emerging contractors	Identify 10 new contractors				Human settlement
		1.7.4	Number of housing forum meeting convened	4 Human Settlements Forums	4 Meetings	Convene 4 meetings				Human settlement
	Provide housing in response to emergencies and special programmes including military veterans, disaster victims and other special cases	1.7.5	Number of emergency and special case houses completed	Mthonjana Destitute Project. 350 Units [KSD] Nyandeni 200 1380 forms filled	Submission of five applications for five special and emergency cases for implementation through destitute programme. [MEC's office] Audit the need 1450 subsidy forms	Special programme and emergency housing. Assessment of identified cases Sales Administration and beneficiary registration				
	Provision of rural and urban housing with social amenities through the implementation of BNG program.	1.7.6	Number of housing units completed	15507	3109	Construction of 3109 units				
		1.7.7	Number of people trained	1500	3200	Educate 3200 people				
		1.7.8	Number of informal settlements upgraded	Elangeni informal settlement	One settlement	One settlement				
1.7.9		Number of communities provided with social amenities through the implementation of BNG program	2 Multipurpose Centre completed(mqanduli and ngangelizwe)	1 Social amenity	One social amenity					

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
	Acquiring land through purchase, long term lease and donations	1.7.10	Hectares of land acquired or donated for housing development	New Indicator	20ha					
1.8 To increase community participation in Sports, recreation, arts, culture and heritage programmes	Expand and maximize the value and utility of community service centres and community facilities (including sports fields, libraries etc.)	1.8.1	Approval of a turnaround plan for social service centres and facilities built by DM	Draft policy on the utilization of Community Halls available	50 % implementation of the plan for the utilization of the Centers.	Policy developed for utilization of Community Service Centers approved				Community and social Services (CSS)
	Maintain, Preserve and Promote heritage sites including those within liberation route	1.8.2	Number of heritage sites and facilities rehabilitated	New Indicator	2 Heritage sites rehabilitated	Heritage sites rehabilitation				
	Promote the commercialization of cultural groups	1.8.3	Number of cultural groups who have completed a training and capacity building programme	21 cultural group members trained	6 Cultural groups capacitated	Cultural groups capacitating programs				
	Promotion and integration of recreation and sporting activities	1.8.4	Number of federations represented in the sports councils	Revival meetings conducted in 4 LMs 4 Special sports events & tournaments done	District sports council supported 3 sports events 3 sports codes supported with sports equipment Salga Games held	Revival of district sports council Sports events Salga Games				
		1.8.5	Number of Sport officials trained	35 sports officials trained	55 sports officials trained	Training of sports officials				
1.9 To increase community participation in educational governance and training	Capacitate schools governing bodies and integrate them to ward committees	1.9.1	Number of ward committees with representation on Schools Governing Boards.	New indicators	10 ward committees with representation on Education Forum	-				
	Integration of schools and community libraries	1.9.2	Number of LMs with access to library and literacy programmes	20	Conduct 4 library usage for all LMs Coordinate 4 annual literacy and capacity building programmes	Provision of modular libraries Literacy program Library services events				
1.10 To contribute to the reduction of preventable health risks in the district	Compliance with and enforcement of relevant environmental health regulations and standards	1.10.1	Completion of devolution processes of Environmental Health Services	SLA Agreement signed	Implement environmental Health plan	Development of Environmental health plan				
		1.10.2	No of food premises sampled that were suspected of not meeting the minimum health standard as per the National health Act & Regulation 918	20 food samples tested	25 food business premises inspected food business premises inspected	Food inspection				

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
		1.10.3	Number water samples tested that were suspected of not meeting the minimum health standard as per the National Health Act	100 water samples tested	140 water samples tested	Water testing				
					20 spring protection in all local municipalities.	Spring protection				
					Municipal Health Services establishment in Mhlontlo	Construction of Municipal Health Services Centre in Mhlontlo				
				Waste management	Greening and beautification of open spaces.	Greening and beautification of entrances and open spaces in 3 LMs	2 520 000	10 000 000	10 000 000	
				20 illegal waste dumps cleared	25 Identified and cleared illegal dumps	Clearing of illegal waste	-	-	-	
				23 landfill sites inspected	25 landfill sites inspected	Monitoring of landfills	-	-	-	
				New	1000 members of the community reached	Health and hygiene and communicable diseases awareness education	100 000	180 000	50 000	
				New	20 Funeral Undertakers inspected.	Inspection of Funeral Undertakers.	-	-	-	
				New	20 Chemical retail premises registered	Registration of chemical	-	-	-	
		New	20 Water works and industries inspected focusing on Occupational Health and Safety	Occupational Health and Safety	-	-	-			
New	10 Vector habitats and breeding places identified.	Identification of vector	-	-	-					
		1.10.4	Number of landfill sites meeting minimum standards for leachate							
1.11 To contribute to the prevention,	Mainstreaming of HIV/AIDS management	1.11.1	Number of wards with ward aids forum	22 wards with ward aids forum	05 wards with ward aids forum	Ward Aids Fora Programme				Office of the Executive

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
reduction and management of the spread of HIV/AIDS, STI and TB		1.11.2	Number of health care workers and care givers supported	3751 health care workers and care givers trained	25 professional health care workers and care givers trained	Training programme for Health Care workers				Mayor (OEM)
				10388 h/h benefited from home based care	300 Households benefiting from home based care programme	Home based care programme				
	Expand access to voluntary counselling and testing	1.11.3	Number of wards with HCT /HTA sites	6	12 wards with VCT sites supported	Establish and support HCT sites				
		1.11.4	Number of people that have undergone HCT	18 000	3600 people that have undergone VCT	HCT testing and establishment of support groups programme				OEM
1.12 To improve the well-being of all vulnerable groups and general welfare of indigents	Coordinate the mainstreaming of special programmes targeting vulnerable groups	1.12.1	Number of people from the vulnerable groups that completed an academic programme Reworded during adjustment budget	77 Continue to be supported from the past years. 32 Graduated and out of the system 40 New intake Total= 149	15 students	Tertiary financial academic assistance programme				OEM & CSS
				25 beneficiaries	200 (40 per local municipality)	Training and Capacity Programme				
	Provide social safety nets	1.12.3	Number of households receiving social safety support (distress support, child protection etc.)	Households benefited from One Household One Garden 480 HH – 2011/2012 270 HH _ 2012/2013	20 households in distress supported ??? Households to be supported under One Household One Garden Programme	-One Household One Garden Programme				
				1 Child protection programme supported	? Child protection programme supported	Child protection programme				CSS
Moral regeneration				? Moral regeneration programmes held	Moral regeneration programmes					
Provision of basic services to indigent households	1.12.4	Number of indigent households receiving free basic services in line with the FB Water & Sanitation policy and Indigent Policy	92 000 H/H (60%)	140 000H/H (90%)					Water Services	
			Ward based planning information updated in Mhlontlo, Nyandeni, Port St Johns & Ingquza hill (in line with new demarcation)	Collection and capturing of data in KSD (for realignment of wards due to new demarcation) and updating of existing data in the other 4 LMs	Implementation of ward based planning information system				Planning and Development	

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department				
							14/15	15/16	16/17					
1.13 To reduce the risk and mitigate the impact of disasters, fires and emergencies to communities	Proactive preventative measures against disasters	1.13.1	Number of municipal staff, councilors and community volunteers trained on disaster	Training of 32 vulnerable communities & staff in risks preparedness	200 municipal staff, councilors and community volunteers trained on disaster	Training of municipal staff, councilors and community volunteers on disaster				CSS				
		1.13.2	Number of community disaster response units registered with the DM	40 volunteers registered	70 community disaster response volunteers registered with the DM	Registration of community disaster response volunteers				CSS				
		1.13.3	Number of scientifically assessed disaster risks and key hazards listed in the DM risk register	Risk Profile available	Risk Profile reviewed Assessment and research on key hazards / risks done	Risk Profile reviewed								
		1.13.4	Number of disaster fora and structures established	2 LMs Disaster Risk Management Policy Framework approved	15 Ward level disaster structures	Establishment of ward level disaster structures								
	Improve institutional capacity and preparedness for disaster management and mitigation	1.13.5	Number of households affected by disaster receiving services per post disaster recovery and rehabilitation programmes		70 households affected by disaster receiving services per post disaster recovery and rehabilitation programmes	Post-disaster recovery and rehabilitation programmes				CSS				
					Establish disaster management centre???	Design and construction of DMS								
	Reduce the occurrence of fires and emergencies	1.13.6	Number of public and business buildings inspected for fire safety	120	120	Fire by-laws implemented 300 building fire inspections done	Development of Fire by-laws Fire inspections							
						1.13.7	Number of community based volunteer fire response teams listed with the district	15 teams established in Nyandeni LM	10 Flagstaff community fire teams	Establishment of community fire teams				
											1.13.8	Number of LMs fully equipped as fire satellites	3 LMs	1 LM
	Improve institutional capacity to respond and mitigate the impact of fires and emergencies	1.13.9	Response time to fire and emergency calls from the urban and rural areas	30min within 50km radius +1h45min more than 50km	30min within 50km radius +1h45min more than 50km	Response to fire and emergency calls								
		1.13.10	Develop SLA with LMs, Department of defense etc. on fire prevention and response to fire and emergency	SLA with SANDF / WoF / Eastern Cape Umbrella FPA / Neighboring Districts/ Locals in place	SLA with SANDF / WoF / E.Cape Umbrella FPA / Neighboring Districts/ Locals in place	Development and processing of SLA with SANDF / WoF / E.Cape Umbrella FPA / Neighboring Districts/ Locals								
1.14 Contribute to improved community safety and security	Building stakeholder consensus for community safety	1.14.1	Number of functional district and community safety forums (in terms of fora TOR)	3 safety forums supported	5 safety forums supported	Support to safety forums								
	Promote safe recreational activities and alternatives to crime	1.14.2	Number of coastal patrollers registered in all coastal municipalities.	80 coastal patrollers registered in all coastal municipalities	80 coastal patrollers registered in all coastal municipalities	Coastal Safety Programs								
		1.14.3	Number of schools participating in safety and crime prevention programmes	3 schools participated in safety and crime prevention programmes	5 schools participated in safety and crime prevention programmes	School Safety programs								

OBJECTIVES	STRATEGIES	KPI NO.	KEY PERFORMANCE INDICATORS	BASELINE Still to be updated	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
		1.14.4	Number of sports clubs registered as participating in sports against crime	2 sports codes registered as participating in sports against crime	3 sports codes registered as participating in sports against crime	Sports against crime Program				

4.3.2 LOCAL ECONOMIC DEVELOPMENT

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINES	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENTS	
							14/15	15/16	16/17		
2.1 To improve co-ordination & integration of LED programs for sustainable trade and investment within the District	Strengthen Structures for integrated programs	IGR for LED	2.1.1	Number of LED Structures deemed functional (as per TOR)	4 Structures currently functional.	Hold 4 x LED Forums ; 4 x DST & 4 x Sub Sector Forum meetings	Strengthen LED Forum; Sub-Sector Forums & DST Co-ordinate programmes implemented by various government departments on Small Town Revitalisation				Planning & Development
	Promote trade and investment		2.1.2	Number of businesses/enquiries accessing Trade and Investment One-Stop Shop	Investment projects packaged	Resources for trade & investment mobilized	Develop strategies for trade and investment promotion Establish Trade & Investment promotion One Stop Shop (Sector Development)				
	Build capacity of SMME and cooperatives		2.1.3	Number of coops receiving support and capacity building in the CDC and establishment of investment & SMME One-stop shop	Concept note and co-operatives development centre established.	One Investment promotion project implemented in each LM.	Develop SMME Strategy Establish SMME One –stop shop Establish Co-operatives Dev Centre (CDC) (co-operatives support)				
						Implementation of Hluleka bee keeping (Finalise building structures, Marketing and mentoring)	Implementation of Hluleka bee keeping				
	Mainstream economic activities through support for formation of Community Private Public Partnerships (CPPPs)		2.1.4	Number of CPPPs formed within the District	1 CPPP in place (Massive egg production)	Monitor implementation of 2 CPPPs)	Develop CPPPs within district key growth sectors (aquaculture, egg production, etc.) Support municipalities with fundraising for CPPPs Lusipark Development Business Dev Park. (LED Capacity)				
						Development of 01 Quarry and Sand Mining Project. (develop a business plan for the project in Mhlontlo)	Urban Renewal				
2.2 To enhance access to LED infrastructure, agro-processing	Enhance sustainability of LED infrastructure and mechanization		2.2.1	Full mechanization of Adam Kok Farms	Fencing of farms and installation of irrigation system in progress	Monitoring and Evaluation. Develop model for revenue enhancement	Fencing of Adam Kok Farms Refurbishment of farm building				

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINES	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENTS
							14/15	15/ 16	16/17	
and value add facilities	Improved service standards for the District Processing Plants	2.2.2	% Return on investment from LED enterprises funded by the DM	Kei fresh currently receiving 2.5% commission on distribution. Abattoir getting 2% gross profit margin.	Kei fresh forecasts receiving 4.5% commission (ROI) on distribution. Abattoir forecasts getting 5% gross profit margin.	-Review of management and reporting systems and related protocols for Kei Fresh Produce Market, Umzikantu Red Meat Abattoir and Ikhwezi Dairy -Strengthen processing and value add capacity of Milling Plants, Umzikantu Red Meat abattoir.				NTINGA
	Improve local farmers access to markets	2.2.3	Number of farmers receiving support through the DM funded enterprises	60 plus farmers trained in crop farming and animal husbandry. Ikwezi farm currently in developmental negotiations with local communities	120 plus farmers trained in crop farming and animal husbandry. 20 farmers introduced to dairy farming	Product quality improvement support				NTINGA
		2.2.4	Number of hectares ploughed on maize and crop production for food security.	1600 @ 5 Tons p/h	5000@ 5 Tons/ha	Massive Maize Production Program for food security.				NTINGA
	Enhance sustainability of Adam Kok form	2.2.5	% Return on investment to the Adam kok	2% on produce sales to fund further development.	5% ROI forecasted on produce sales to fund further development	Review of Adam kok farm management and reporting systems and related protocols (for each business unit)				NTINGA
2.3 To improve forestry & timber production for economic development	Forestry and timber industry Planning and skills development	2.3.1	Number of beneficiaries accessing Furntech training or skills development	Funding agreement ready for signing on the forestry program	10 incubatees benefiting from Furntech	Develop Forestry Development Strategy Facilitate access to skills at Furntech for forestry sector beneficiaries				Planning & Development
	Value-chain expansion and development	2.3.2	Number of downstream purchasers participating on the Langeni Timber Cluster	Concept document in place and partners identified. Work streams established to process various funding proposals	Monitor Cluster development initiatives with at least 2 purchasers	Integrated Langeni Timber Cluster (ILTC) Resource mobilization of ILTC (LED Strategy)				
							Resource mobilization of ILTC (this target was supposed to have been achieved in 2012/13)			
2.4 To improve Aqua – culture industry production for economic development	Aqua-culture skills development	2.4.1	Number of beneficiaries trained in aqua-culture skills.	All LM officials trained on aqua-culture skills	20 beneficiaries trained on aqua culture skills.	Develop Aqua culture Strategy Facilitate access to skills sector beneficiaries				Planning & Development
2.5 To ensure well co-ordinated	Train existing product owners in business skills and product	2.5.1	Number of product owners participated in business skills training	40 product owners trained	50 product owners trained	Training and capacity building programme Visual Arts and Craft Development				Planning & Development

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINES	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENTS
							14/15	15/ 16	16/17	
Tourism development, Marketing for the district.	development		and capacity building program			Tourism marketing and awareness program (incl signage)				
	Tourism Marketing and Awareness Raising	2.5.2	Number tourism outreach programmes conducted for the district.	10 schools and 1 FET College participated in tourism outreach programmes	5 schools and 1 FET College participate in tourism outreach programmes	Outreach programmes to schools and FETS Develop District Marketing Material Appointment of Tourism Marketing and Information Officers				Planning & Development
	Strengthening the functionality of the LTOs	2.5.3	Number of functional LTOs	2 LTO's functional	5 LTO's functional	Community awareness on DTOs and LTOs				Planning & Development
2.6 To strengthen economic research & development capacity within the district	Improve capacity of District's economic research unit	2.6.1	Number of staff undergoing capacity building for economic research	0 staff employed for economic research.	2 Research projects developed	Provide adequate staff compliment within the unit. Build capacity of staff in economic research unit				Planning & Development
	Maximize job/employment creation particularly for youth and women in all Infrastructure, social and economic development programmes.	2.6.2	Number of sustainable (medium to long term) and short term jobs created	8833 sustainable jobs	800 jobs created	Implement and report on EPWP programme All infrastructure projects be implemented using labour intensive method. Establishment of cooperatives				Planning & development (Social Sector)
2.7 To achieve spatially equitable economic growth across O.R. Tambo District and region.	Develop plans for District Catalytic Projects	2.7.1	Approval of SDFs for N2 Wild Coast Toll Road and Umzimvubu Dam	Kwa-Tshezi Development Plan exists	Implementation of the plans	Proposed N2 Wild Coast Road SDF Proposed Mzimvubu Dam framework plan Implementation of Coffee Bay and Hole in the wall Development Plan (Kwa-Tshezi Development Plan)				Planning & Development (Environmental Management)
					Four development Forums	Forum meetings				Planning & Development
	Create Special Economic Zones	2.7.2	Number of enterprises utilizing special economic zones within the District	0	Introduce atleast 1 SEZ for the district	PSJ-Tourism, Marine and industrial expansion. KSD- Industrialisation of the regional economic hub Mhlontlo- Crop production and hydro electric production and forestry. Nyandeni- Crop prodn, livestock and forestry. IhLM- Livestock Tourism-Heritage, Game Reserves, Forestry				NTINGA
	Greater alignment of District Planning to SDFs to advance land development	2.7.3	Number of SDFs, ward based plans (inclusive of LSDFs, LM SDFs, DM SDFs, CBP & WBPIs) completed &/ updated.	Libode, Ntlaza LSDF, District SDF review finalised KSD LM SDF Approved.	Development and Implementation of plans	Libode, Ntlaza and Langeni LSDF, District SDF review Development of the KSD LM SDF				Planning & Development
	Development of Precinct Plans for the	2.7.4	Number of LMs with at least one precinct plan	Libode Precinct Plan Developed	Council approved District vision 2030	Finalization of the District vision 2030				

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINES	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENTS
							14/15	15/ 16	16/17	
	Region			Service providers appointed, and projects are ongoing	Finalize the plans Ngqeleni Town Precinct Plan Mhlontlo Towns Precinct Plans Ingquza Hill Coastal Precinct and source funds for implementation	Ngqeleni Town Precinct Plan Mhlontlo Towns Precinct Plans Ingquza Hill Coastal Precinct				Planning & Development

4.3.3 FINANCIAL VIABILITY AND MANAGEMENT

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
3.1 To increase revenue generation	Complete, accurate billing and revenue collection	3.1.1	R-value of historic debtors (year on year reduction as a percentage)	R262 million owed	50%	Develop and review policies, tariffs and by-laws Enforcement of legislation and by-laws Customer relations				Water Services
		3.1.2	Collection rate as a percentage of total billings	80% of the billings is collected.	90%	Complete a credible valuation roll Install and maintain water meters Indigent register/ database cleaning Improve credit control systems capacity				Water Services
	improve the accuracy of financial planning for more credible budgeting	3.1.3	% variance between total approved budget and actual expenditure	40% variance of approved budget and actual expenditure	Variance reduced to 15%	Alignment of IDP, Budget & SDBIP, Cash-flow management Create separate call accounts for major grant funds				Office of the Municipal Manager
	Improve own revenue enhancement	3.1.4	% of own revenue against total revenue	12%	20%	Implement Fund raising programme, Develop Revenue enhancement strategy. Debt collection			R2 201 788.00	Water Services
3.2 To strengthen the governance and control environment over all financial matters to eliminate fruitless, wasteful, unauthorized, and irregular expenditure	Comply with the prescribed accounting standards, legislation as well as all related guidelines and circulars for financial management planning and reporting	3.2.1	% reduction of official AG queries addressed relating to recognition and measurement of assets	10 queries were raised by the AG (in 11/12)	No AG Queries on recognition and measurement of assets	Develop a Maintenance plan for all municipal assets (movable & infrastructure assets), Maintain a Credible assets register Develop assets and liability management related protocols, Assessment of ORTDM for GRAP 17 compliance, Construction of a Municipal Garage,				Water services HR &BTO
		3.2.2	Auditor General's Annual Audit Outcome on the annual financial statements	Adverse opinion	Clean Audit	Statutory reporting (Section 71, 52d, Paragraph 6, etc), Checklist for MFMA Compliance and DoRA Reports				BTO and Internal Audit
	Improve financial management capacity and efficiency	3.2.3	% of critical positions in the BTO department filled	80% of the critical positions at the BTO are vacant. Proposal on BTO organogram submitted	100%	Review BTO structure in line with the mandate. Fill all critical posts in the BTO department. Re-organization of accountants under BTO. Training of relevant Section 79 committees. Develop financial Procedure manuals				HR & BTO
		3.2.4	% budgeted MIG actually spent	95% of MIG actually spent (excluding rollover) 68 % excluding rollover	100% of MIG grant received spent	Implement MIG projects				BTO & Technical Services
		3.2.5	% of budgeted CAPEX spent on project identified in the IDP	68%	55%	Implement capital projects				Water Services Technical services
		3.2.6	% of the total municipal budget	4%	4%	Development and implementation of O &M plan				Water services (BTO leading)

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE	ANNUAL TARGET 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			Responsible Department
							14/15	15/16	16/17	
			spent on Operations and Maintenance (O&M)							
	Tighten control environment on Supply Chain Management activities and management of contracts	3.2.7	Rand value of paragraph 36 reports issued as a percentage of the value of all tenders awarded	New Indicator	<R35 million (5% of total budgeted value of planned tenders)	Develop a comprehensive procurement plan Automated SCM database Contracts register, contracts monitoring and document management system Develop contracts, SLA and MOU management protocols Review and update processes of delegation relating to SCM of all levels Register declarations and review of register for persons in service of the state and Register of related parties Signing of declaration by management and councilors Capacity building for bid committees Review of SCM policy				All Departments (BTO leading)
		3.2.8	% reduction of official AG queries relating to SCM processes	A total of 16 queries were raised by the AG that relate	No AG queries on SCM					Internal audit
	Reduce creditor payment cycle in line with relevant policies	3.2.9	% of creditors paid within 30 day period of receiving invoice as per circular 49 of the MFMA	80% of the creditors are paid within the requirements of circular 49 of the MFMA	95% of the invoice received paid within the legislated period.	Invoice register and processing system				Bto
3.3 Stimulate and promote local economic development.	Promote competitiveness of local businesses and comply with Preferential Procurement Management policy as well as Broad Based Black Economic Empowerment in our SCM policy implementation	3.3.1	% of services sourced from suppliers within the district	60% of services procured through open tenders are from within the district. 90% of services procured through quotations are from within the district.	85% of services procured through open tenders and quotations to be from within the district	Workshops and trainings for SMMEs and local entrepreneurs, Full implementation of the automated supplier data base system Review of SCM policy				BTO & Planning and Economic Development BTO
		3.3.2	% of services procurement from the PDIs and vulnerable groups	70% of services procured from PDI.	90%	KPI no longer legislatively applicable				BTO

4.3.4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE (Including 2012/13 Performance)	ANNUAL TARGET 2013/14	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENT
						14/15	15/16	16/17	
4.1 To improve/ensure council and community oversight for service delivery implementation	Strengthen internal governance structures, systems and protocols to monitor and ensure compliance with the legislative framework	4.1.1	% of council committees (section 79 &80, TROIKA) deemed functional using the Council Committee Assessment Tool.	100% All Section 79 and 80 committees are functional.	100% All 579 standing and portfolio committees functional				Office of the Speaker
					-Support to the functioning of O.R. Tambo DM Women's Caucus				Office of the Speaker
					-Review of structuring of section 80 committees				Office of the Executive Mayor
			Number of MAYCO meetings held as per the Council calendar		12 MAYCO meetings held				
		4.1.2	Number of council and open council meetings held as per the Council calendar	Minimum of 4 ordinary and 2 open council meetings	Minimum of 4 ordinary and 2 open council meetings				Office of the Speaker
		4.1.3	% of LM Reps memoranda on service delivery issues and challenges responded to.	Draft reporting and mandating protocol developed	100% (of quarterly LM rep memoranda submitted for each LM)				
	4.1.4	% of service delivery issues and challenges raised or prioritized by constituencies responded to.	None	100%				All Departments, Office to the Speaker to lead	
4.2 To strengthen and ensure structured participation by communities, organs of state power, traditional leaders and civil society in local governance	Improve functionality of ward committees, CDWs and state mandated public participation bodies in all LMs	4.2.1	% of ward committees assessed as fully functional using ward committee guidelines	Ward committee guidelines available	100%				Office of the Speaker
	To strengthen working relations with traditional leadership and participation of civil society in local governance	4.2.2	Number of agreements/ social compact agreements / MOUs signed on service delivery related matters (e.g. on spatial planning, communal land with Traditional leaders, etc.)	2 Mayoral imbizos conducted	Conduct 4 Mayoral Izimbizo (1 per quarter)				Office of the Executive Mayor (OEM)

4.3 To coordinate effective intergovernmental relations across the portfolio boundaries of governmental actors within the District	Make service delivery central to the functioning of technical and political IGR structures both at LM and DM levels	4.3.1	% of IGR structures deemed to be functional as per IGR policy and related protocols	DIMAFO functional but meetings adhoc	100% ALL IGR structures as per IGR policy -Coordinate IGR and - DIMAFO as per approved council calendar -Conduct IGR roadshows and feedback sessions				Office of the Municipal Manager
					District AIDS Council				
	Implement a coordinated programme for LM support and structure LM support systems accordingly	4.3.2	Number of LM support interventions implemented with signed MOU, SLA and implementation protocols	Ad hoc Support in Internal Audit, HR, Finance No signed SLAs	All Support interventions implemented with SLAs.				Office of the Municipal Manager
4.4 Ensure credible integrated service delivery planning (IDP), monitoring, reporting and evaluation	Improve quality of IDP in line with prescribed processes and guidelines – with full participation and ownership by political champion, IGR partners and communities	4.4.1	Level of compliance with relevant legislation with regards to timeframes for IDP development and approval processes	100% as per the approved IDP framework and process plans	100% as per the approved IDP framework and process plans				Office of the Municipal Manager
				9 CBPs (7psj & 2 KSD)	4 Community based plans developed in PSJ				Water & Sanitation Services (ISD)
	Implement a comprehensive Institutional service delivery performance reporting, monitoring and evaluation in line with the prescribed legislative framework and guidelines	4.4.2	% of institutional performance targets achieved against targets set	50% on average	75-100% achievement on set targets Quarterly performance reports developed and submitted to Council.				Office of the Municipal Manager
	Improve institutional capacity on audit and quality assurance of service delivery performance	4.4.3	Audit opinion from Auditor general on performance information	Annual report audited adopted annually	Annual report audited adopted annually				
4.5 To ensure a well coordinated & integrated district wide communication	Maintain a two way communication with communities and staff	4.5.1	Approval of an integrated communication strategy with clear communication plans for key programmes	Draft communication strategy available. DCF is in place and sits.	Review & implementation of the communication strategy				Office of the Municipal Manager
	Provide effective customer/community liaison and maintain a good corporate image	4.5.2	Frequency of institutional media statements/briefings	1Media breakfast held	Quarterly Media tours, media briefings.				OEM

		4.5.3	The rating achieved from a customer care survey	0	60%				Office of the Executive Mayor and Water Services and CSS, OEM leading
4.6 To ensure effective Audit function for improved compliance, clean administration and clean governance	Increase the capacity of internal audit function to provide district wide support (LMs)	4.6.1	Auditor Generals Annual audit opinion on municipalities supported	There are vacancies in the internal audit unit. A training programme is in place for the unit.	Develop and implement a training programme for internal audit staffs.				Internal Audit
	Address all issues raised by internal audit unit, audit committee and previous year's AG by integrating action plans to APPs and performance agreements of senior managers	4.6.2	% of audit issues raised assessed as resolved as per management action plan	?% Almost all Issues raised in previous audits are not addressed timeously.	(100%) All Issues raised in previous audits to be addressed timeously. Obtain unqualified audit opinion				Internal Audit
4.7 To reduce the threat of all identified risk.	Improve institutional capacity to avert, monitor and report on identified risks	4.7.1	% of identified risks assessed/ verified as addressed as per management action plan	Risk management function is coordinated by the internal audit function.	Establish risk management committee. Develop and approve risk committee charter.				Internal Audit
4.8 To ensure effective Legal services function for improved compliance, clean administration and clean governance	Promote good ethical environment and improve control systems to intensify fight against fraud and corruption (Zero tolerance)	4.8.1	% of reported fraud and corruption cases concluded in line with relevant policy and legislative framework	There is no dedicated internal fraud investigation capacity in the municipality. Database of fraud and corruption incidents not maintained.	70% of reported fraud and corruption incidents investigated.				Legal Services
	Improve capacity of internal legal services to minimise municipalities' exposure to avoidable litigation	4.8.2	% of court cases concluded in favor of the municipality (expressed against the total number of DM cases)	22 (as at 30 June 2011)					
	Develop systems to monitor and provide support to departments on compliance with key contractual obligations, key legislation and collective agreements	4.8.3	% of major contracts concluded within the stipulated time frame	New indicator	100%				

4.3.5 INSTITUTIONAL TRANSFORMATION AND DEVELOPMENT

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENT
							14/15	15/16	16/17	
5.1 To improve the organisational capacity of O.R. Tambo District Municipality	Review organizational capacity status quo	5.1.1	Organizational vacancy rate	25 % post vacant	Completely eliminate vacant posts 0%	Organisational structure audit and review Job analysis and descriptions HR Policy review and gap analysis Needs gap analysis and post adjustments Competency assessment for Managers				Corporate Services
		5.1.2	% of Managers meeting minimum standards of competency assessment. Organizational structure audit, job analysis and description		100%					Corporate Services
	Attract and retain representative, skilled and competent human resources	5.1.3	% of people from employment equity designated groups employed in the three highest levels of management, as per the EEA	35%	40%	Develop HR policies Develop and implement an HR Plan Review recruitment and selection policies Train all stakeholders involved in recruitment and selection Employment Equity Plan District skills Forecast				Corporate Services
		5.1.4	Turnover rate of existing staff	1% (12/13FY)	0.6%	Develop a retention strategy and succession plan				Corporate Services
5.2 To improve institutional performance through skills development and change management	Staff training, capacity building, and skills development	5.2.1	Percentage of municipality's budget spent on implementing workplace skills plan	R3m (?%)	R5.3m (?%)	Develop a credible Workplace Skills Plan District skills development Learnerships programme				Corporate Services
		5.2.2	Number of employees trained as per WSP	529	Will depend on the training needs of the revised organogram					Corporate Services
		5.2.3	Number of new learnerships enrolled with the DM	96 Learners enrolled in water services			Learnerships in infrastructure services based on future infrastructure development in the district. Integration of all learnerships to the HRD			
		5.2.4	% Of council committees with members that have completed a relevant capacity building programme	100%	100% (All council committees to implement the approved capacity building programme)	Capacity building programme for council committees approved and reviewed annually				Corporate Services and Office of the Speaker leading
		5.2.5	Number of capacity building programmes implemented for ward committees	New Indicator	1 training programme implemented for ward committees	Capacity building programme for ward committees				Corporate Services and Office of the Speaker leading
	Monitor all employee performance within the institutional	5.2.6	Percentage of staff meeting 100% of performance targets	0%	100% senior staff achieve all set targets	• Develop and implement change management and team-building strategy				Corporate Services All Departments

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENT
							14/15	15/16	16/17	
	PMS				Establishment of PMS unit in the HR department	<ul style="list-style-type: none"> Establishment of PMS unit in the HR department 				Corporate Services
					Conduct quarterly performance reviews for senior management	<ul style="list-style-type: none"> -Performance reviews/ assessments -signing of performance commitment plans by heads of sections and timesheets by all staff 				Corporate Services
					Develop individual PMS policy and review existing guidelines	<ul style="list-style-type: none"> - PMS policy reviewal - Training of all stakeholders on PMS 				COO Corporate Services
5.3 To increase access to information through better information and knowledge management systems	Ongoing research and benchmarking of best- practices for Local Government	5.3.1	% Implementation of a District Master Systems Plan (MSP)	Established working relation with SITA. Signed Agreement on Enterprise with Microsft, Business Connexion with the assistance of SITA 25%	70% Implementation	<ul style="list-style-type: none"> Development of a District Wide ICT Strategy Development of a Master Systems Plan 				Corporate Services
		5.3.2	% Compliance of O.R. Tambo DM ICT systems with the relevant policies and standards	ICT policies are at draft stages: ICT Charter, ICT Policy and Security policy 80%	100% Business processes compliant to approved policies	<ul style="list-style-type: none"> Development of ICT Procedures in line with ICT Policies 100 % implementation of ICT Procedures 				Corporate Services
		5.3.3	% of DM projects Spatially enabled for key service delivery planning and implementation monitoring decision	10% of the projects have been captured into the GIS System.	80% DM projects to be Captured	<ul style="list-style-type: none"> Upgrading of DIMS Server Hardware and Software Link to GIS 				All Departments (ICTM to lead)
	Acquisition, upgrade and integration of existing information management systems	5.3.4	Percentage implementation of DM records management policy	60% The policy is at draft stages	100% implementation	<ul style="list-style-type: none"> Develop policy for electronic documents and records management Acquisition of electronic and document management system Development of Disaster Recovery Plan 				All Departments (ICTM to lead)
		5.3.5	% compliance with relevant Security Management standards and policies	60% (Security policy in place, access control in place, VIP services in place)	Approval of Revised security policy (90 % implementation of the revised)	<ul style="list-style-type: none"> Revision of Security Management Policy Conduct Security audit in municipal key points and facilities Install Access Control System to all municipal premises 				ICTM
5.4 To improve employee safety, wellness and labour relations	Facilitate better employee health and safety	5.4.1	Individual Employee absenteeism rate	16%	6%	<ul style="list-style-type: none"> Implementation of EAP interventions, Conduct Health and Safety Audits 				Corporate Services
		5.4.2	% staff participating in Wellness programmes?	50%	60%	<ul style="list-style-type: none"> Sports and recreation Occupational Health and Safety Wellness Events 				Corporate Services

OBJECTIVES	STRATEGIES	KPI NO.	INDICATORS	BASELINE	ANNUAL TARGETS 2014/15	PROJECTS/ PROGRAMMES TO BE IMPLEMENTED	BUDGET ALLOCATED			RESPONSIBLE DEPARTMENT	
							14/15	15/16	16/17		
		5.4.3	% compliance of water and sewer treatment plants to applicable OH&S standards and guidelines	40%	60% compliance with OH&S standards, regulations and guidelines	Conduct OH&S audit Develop OH&S policies Conduct awareness campaigns				Corporate Services, Infrastructure, HR leading	
		5.4.4	% compliance of DM office buildings to applicable OH&S standards and guidelines	50%	60% compliance with OH&S standards, regulations and guidelines	Implement proper facilities management				Corporate Services	
		5.4.5	Employee perceptions rating on OH&S issues	0%	50% rating	Employee perceptions survey/ customer satisfaction				Corporate Services	
	Strengthen and maintain good labour relations	5.4.6	Turnaround on implementation of LLF Resolutions	0% to Collective agreements and Basic Conditions of Employment Act	2 months clearing backlog	Adherence to collective agreements on basic conditions of service and BCEA, Local labour forum Implementation of LLF Resolutions Strengthening of LLF (training and capacity building) Employer component to have a mandating mechanism to the LLF				Corporate Services	
		5.4.7	% of LLF issues addressed/resolved	85%	60%					Corporate Services	
	Fair and compliant disciplinary processes	5.4.8	Percentage of disciplinary cases finalized within 90 days	0	15%	Disciplinary hearings				All departments Corporate Services to lead	
	5.5 To achieve excellent customer care and meet all institutional service standards in line with Batho Pele principles	Raise institutional awareness and facilitate buy-in for customer care and service standards	5.5.1	Number of staff attended Batho Pele Principles Workshops	65	105 staff members to attend)	Establishment of District-wide Batho Pele Forum Workshops of Batho Pele principles Development and implementation of service level standard charters				Corporate Services
		Solicit customer feedback	5.5.2	Customer care municipal rating	0	25%	Suggestion box for feedback analysis Customer care survey				All Departments (OEM to lead)



**O.R. TAMBO
DISTRICT MUNICIPALITY**

CHAPTER 5: SECTOR PLANS

CHAPTER 5: SECTOR PLANS

5.1 FINANCIAL PLAN

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.

5.1.1. Alignment with National and Provincial Priorities

The budget must be aligned with the National and Provincial Priorities. In his 2012 State of the Nation Address, the President signalled that government is primarily concerned about the continuing high levels of unemployment and poverty in the country. To address these concerns, 2011 was declared a year of infrastructure development. Every sector and every business entity, regardless of size, is urged to focus on job creation. Every contribution counts in this national effort. All government departments will align their programmes with the job creation imperative. The provincial and local government spheres are requested to do the same.

The municipality ought to focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital project use labour intensive methods wherever appropriate;
- Ensuring that service providers use labour intensive approaches;
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programme; and

- Implementing interns programmes to provide young people with on-the-job training.

In order to ensure integrated and focused service delivery between all spheres of government it was important for the District Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the District Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The District Municipality as required by section 23, 24 and 25 of Municipal Systems act (act 32 of 2000) undertook a strategic planning session with a sole mandate of developmental oriented planning so as to have a Integrated Developmental plan with implementable strategies and prioritisation of projects in compliance with section 29 of Municipal Systems act (34 of 2000). Alignment of strategic objectives, priorities and budget was undertaken. The draft IDP has been tabled to the council and further consultations with community, IGR structures and other stakeholders will be undertaken.

The District Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Firstly there has to be development and implementation of by-laws, data cleansing project to ensure the accuracy of billing, full implementation of credit control and debt collection policy. National Treasury's MFMA Circular No. 51 and 54 and 58 and 59 were used to guide the compilation of the 2012/13 MTREF.

The main challenges experienced during the compilation of the 2012/13 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained water, roads infrastructure;
- Water and Sanitation infrastructure backlogs;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk water, which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;

The following budget principles and guidelines directly informed the compilation of the 2014/15 MTREF:

- The 2013/14 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 2013/14 annual budget;
- The government theme of “infrastructure development”
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/14 Medium-term Revenue and Expenditure Framework:

Table 61: Consolidated Overview of the budget

DESCRIPTION	ANNUAL BUDGET 2012/2013	ADJUSMT NET BUDGET 2012/2013	ANNUAL BUDGET 2013/2014	ANNUAL BUDGET 2014/2015	ANNUAL BUDGET 2015/2016
Total Operating Revenue	663,048	764,601	784,598	876,564	920,364
Total Operating Expenditure	823,048	954,601	836,222	950,419	997,468
Surplus/(Deficit)	-160,000	-190,000	-51,623	-73,855	-77,104
Total Capital Expenditure	763,385	1,101,779	815,564	832,647	936,277
Overall Total Budget	1,586,443	2,056,380	1,651,785	1,783,066	1,933,745

5.1.2 Overview of budget related-policies

The District Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council in October 2008 was reviewed during the current year under-review and the Council approved the revised Credit Control Policy as well as Tariff policy on the 09 May 2011. The newly revised adopted policy is now credible, sustainable, manageable and informed by affordability and value for money that has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions have been included to enhance the lowering of the credit periods for the down payment of debt. In addition emphasis has been placed on speeding up 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.

Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the District Municipality's revenue base. However due to limited

resources and existing low revenue base, the district municipality is financially constrained in the operation and maintenance of infrastructure. With the approximate depreciation and impairment of assets at R160 million, the District Municipality requires this amount (R160 million) and more to adequately meet the need for maintenance of all assets in order to provide sustainable services to the communities. During the year under review, the District Municipality has allocated an amount of R14 million for asset renewal. As the District Municipality is experiencing huge infrastructure backlog, there is a need for funding for operation and maintenance of the existing and future infrastructure investment.

Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition to this, the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the District Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council in December 2005. An amended policy will be considered by Council in due course of which the

amendments will be extensively consulted on and will be in compliance with the newly revised SCM regulations.

Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the District Municipality's system of delegations. The Budget and Virement Policy will be approved by the council during the financial year.

Cash Management and Investment Policy

The aim of the policy is to ensure that the District Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash-equivalents required at any point in time and introduce timeframes to achieve certain benchmarks.

Tariff Policies

The District Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

5.1.3. Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realized through a credible integrated developmental planning process.

Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to

achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery.

Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality.

It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the District Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the District Municipality strategically complies with the key national and provincial priorities.

The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the District Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPIs);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2014 Vision;
- National Spatial Development Perspective (NSDP) and
- The National Priority Outcomes.

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP.

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the District Municipality. The five-year programme responds to the development challenges and opportunities faced by the District Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the District Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years. This process is aimed at influencing the development path by proposing a substantial programme of public-led investment to restructure current patterns of settlement, activity and access to resources in the District Municipality so as to promote greater equity and enhanced opportunity. The strategy specifically targets future developmental opportunities in traditional dormitory settlements. It provides direction to the District Municipality's IDP, associated sectoral plans and strategies, and the allocation of resources of the District Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the fourth revised IDP, including:

- Strengthening the analysis and strategic planning processes of the District Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2013/14 MTREF has therefore been directly informed by the IDP process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.

Table 63: Reconciliation between the IDP strategic objectives and budget (revenue) (R Thousand)

Table 64: Reconciliation between the IDP strategic objectives and budget (operating expenditure) (R Thousand)

Table 65: Reconciliation between the IDP strategic objectives and budget (Capital expenditure) (R Thousand)

5.1.4. Operating Budget Summary

clear that the SDF is a key element in the integration of development processes applicable to different sectors. The aim of undertaking the Spatial Development Framework project is to serve to broaden and deepen the current Spatial Development Framework as stipulated in the IDP.

The O.R. Tambo District Municipality completed the review of its Spatial Development Framework (SDF), and it was adopted in September 2010. The O.R Tambo District Spatial Development Framework outlines the desired spatial development of the district as contemplated in Section 25(e) of the Municipal Systems Act (Act 32 of 2000). It highlights priority investment and development areas and will serve as a guide to decision-makers and investors. The SDF is development-orientated, to allow for growth and changing circumstances, and to promote investor confidence in the district. But most importantly, the SDF endeavours to attain the millennium development goals (MDGs) through public investment in public goods and facilities where there is underdevelopment or development is nonexistent, like in health and sanitation; the halving of poverty and joblessness by 2014; as well as the eradication of homelessness by 2014.

Legal Requirements

Section 26(e) and the subsequent regulations in terms of the Municipal Systems Act (Act No.32 of 2000) stipulates that amongst other things the SDF should give effect to the principles contained in Chapter 1 of the Development Facilitation Act, 1995 (Act No.67 of 1995), and determine spatial priorities.

The Land Use Management Bill requires that a Spatial Development Framework should:

- Give effect to the directive principles;
- Be consistent with the National Spatial Development Framework;
- Be consistent with Provincial Spatial Development Framework applicable in the area of the municipality;
- Be consistent with any applicable national or provincial legislation on environmental management; and
- Give effect to any national and provincial plans and planning legislation.

5.2 SPATIAL DEVELOPMENT FRAMEWORK

The Spatial Development Framework is an integral component of the IDP and translates this plan into its spatial implications and guidelines for development. It is therefore not a tool to be used in isolation, but should support decision-making within the context of the IDP. The guidepack for Integrated Development Planning makes it

Situational Analysis

The O. R. Tambo District Municipality SDF was reviewed in 2010. There are key elements that the O. R. Tambo District Municipality seeks to address. The SDF as laid down on the O.R.T.D.M IDP contains vital information on proposed existing development nodes, development corridors that will assist the development of the district.

Nodes and activity corridors

The National Spatial Development Perspective (NSDP) argues that settlement and economic development should be channelled into economic corridors and nodes. The NSDP also states that the focus on economic growth and employment creation should be in areas where it is most effective and sustainable. The Eastern Cape Provincial Growth and Development Plan (2004-2014) provides a strategic framework, and sectoral strategies and programmes aimed at achieving a rapid improvement in the quality of life for the poorest people in the province. The key investment nodes and activity corridors identified in the O. R. Tambo District Municipality are as follows:

Nodes

The nodes are defined as follows:

- *Primary Nodes (PN)*: These are high order centres providing educational facilities, administrative functions and highest level of access to shopping and social services in the district. Mthatha is the only primary node in the district
- *Secondary Nodes (SN)*: These are towns identified as having important local and district level development functions relating to commerce and tourism. Bizana, Lusikisiki, and Port St. Johns are the secondary nodes of the district.
- *Tertiary Nodes (TN)*: These towns are seen as lower order service centers where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas. Libode, Mqanduli, Ngqeleni, Tsolo, Qumbu, Ntabankulu, Flagstaff and Mzamba fall within this category.

- *Higher order Rural Nodes (HoRN)*: These are rural villages where higher order rural-level services are prioritized. Nkozo, Mbozisa, Baziya, Kwaaiman, Langeni, Mpeko, Mqekezweni, Gengqe, Meje, Sulenkama, Bomvini, Mfundisweni, isilindeni, Canzibe, Marubeni, Bambisana Mission and Isilimela are under this category.
- *Tourism Nodes*: these are settlements where the principal function has been identified as being related to the development of a viable and sustainable Coastal Tourism sector. Mzamba, Port St. Johns, Umtata Mouth, and Coffee Bay are primary tourism nodes. Mphalane, Mnyameni, Kwayimane, Sikombe, Mbotyi, Mngazana, Sihangwana, Lwandile, Presley Bay and Hole in the Wall are identified as the secondary tourism nodes.

Corridors

Corridors are defined as follows:

- *Primary corridor (PC)*: High-density development on sections of this corridor. The main mobility route of goods and people through the district. East London/Mthatha–Kokstad N2, Railway Corridor are the primary corridors identified in the District.
- *Mobility routes (MB)*: these routes carry passing traffic and provide access between local areas in the district and centers further afield. N2, R61, Ugie-Langeni Road, R394 and proposed N2 Toll Road are the mobility routes within the district.
- *Special Routes-Tourism Focus (SP-TF)*: these relate to tourism destinations and links between tourism nodes and main mobility routes. Wild Coast Meander, Thunga Thunga Route, Mandela Route, R394- Mthatha via Mqanduli towards the coast fall under this category.

5.3 LOCAL ECONOMIC DEVELOPMENT STRATEGY

The District LED Strategy was developed and formally adopted in 2003. The Reviewed LED Strategy has been developed and approved by council during 2010/2011 financial year. Due to the current demarcation process of the O.R Tambo

and Alfred Nzo, there are plans in place to review the recently approved LED Strategy to be in line with the post-demarcation process. The Reviewed LED Strategy outlines a set of choices and outcomes for implementation over a period coinciding with the following national & local government framework:

- *Vision 2014: Government Manifesto*, which is crucial and has to be reflected in our service delivery initiatives namely:
 - Reduce unemployment by half; and
 - Reduce poverty by half;
- *NSDP Rapid Economic Growth*, Address social inequalities and poverty;
- The National government's *Accelerated and Shared Growth Initiative for South Africa (ASGI-SA)*; and
- The DGDS resolutions focusing on delivery initiatives, namely:
 - Agricultural Development;
 - Marine and Terrestrial Resources;
 - Community Development, SMME support and Cooperatives support;
 - Tourism Development; and
 - Investment promotion.

The specific choices identified in the Strategy have been fleshed out in an Implementation Plan with quantifiable outcomes to ultimately achieve our overall vision of attaining a developmental Municipality, responsive to social aspirations for an economically vibrant, healthy and sustainable community. All of the focus areas in the Strategy encompass those in the current Integrated Development Plan and the Strategy will be reviewed in the next 5 years to ensure closer alignment with the District Integrated Development Plan.

5.4 COMMUNICATION STRATEGY

The O.R. Tambo District Municipality is currently reviewing its communication strategy framework, which is a guiding framework for communication by various local municipalities and their agencies. An integrated and effective local programme will also serve as a backbone of an overall societal communication system that will be anchored by growing partnership among various sectors of civil society. The draft

strategy is guided by legislation such as the Promotion of Access to information Act 2 of 2000, the Local Government Municipality Structures Act 117 of 1998, the Local Government Municipality Systems Act 32 of 2000 and the Local Government Municipality Finance Management Act 56 of 2003. It is also informed by successful implementation of above all, the face-to-face communication programme with the Mayor's outreach, sector engagements as well as Izimbizo visits.

5.5 WATER SERVICES DEVELOPMENT PLAN (WSDP)

TOPIC 3: SERVICE LEVEL PROFILE—GENERAL

The O.R. Tambo DM approved a water services development plan on the 25th of June 2013. The main goal for the provision of water services according to the OR Tambo DM's IDP for the period 2012-2017 is to provide access to potable water. Some key areas have been identified and strategies implemented to help achieve this goal.

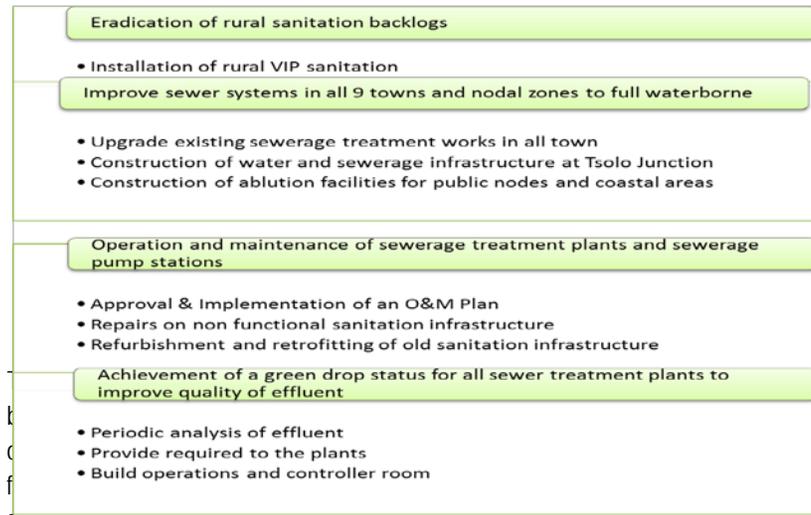
The districts goals in each area have been listed below:



environmentally sound manner including communicating hygiene. (Strategic Framework for Water Services, September 2003)

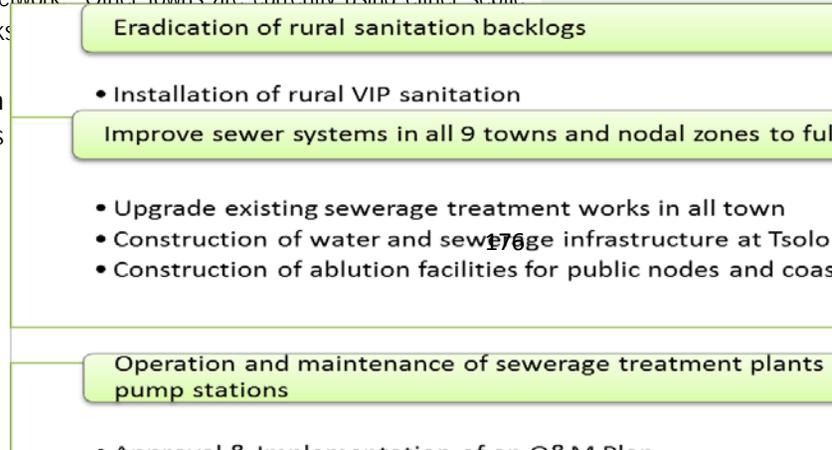
OR Tambo DM's goals for the provision of sanitation services

The main goal for sanitation services according the OR Tambo DM IDP is to provide access to these services. The DM's goals are listed below:



Of the structure. Only 1 (Mthatha town) out of 11 towns has got a full waterborne sewer system, which has now reached its design lifespan and has already exceeded its capacity. The wastewater treatment works was designed to accommodate 12ML/d and the current flows are estimated above 18ML/d with exclusion of flows that do disappear within the sewer network. Other towns are currently using either septic tanks and or conservancy tanks

Challenges for the provision
The District municipality faces



NATIONAL LEVEL OF SERVICE STANDARD

Water:

A basic water supply facility within 200m of dwelling delivering at least 25liters per person per day 6kl/HH/month in the case of yard or house connections.

Sanitation:

Easy access safe, reliable, private toilet facility which is protected from the weather, ventilated, low smell, hygienic, minimizing the risk of spreading diseases and enables safe treatment and/or removal of human waste and wastewater in an

service to all households in the different settlements throughout the district. The IDP for the period 2012-17 places specific emphasis on the issues listed in the table below.

CHALLENGES	
Huge Backlogs	Topography of the area makes it expensive for some areas to be serviced.
Old Infrastructure	Lack of refurbishment, and as result the infrastructure has far outstripped its design life span.
Infrastructure Capacity	Demand is in excess of available infrastructure due to rapid and unplanned growth and as such the infrastructure is over-strained which results in reduction of its lifespan
Non Functional on Schemes especially standalones	Water resource scarcity and reliability. Drought as a result of climate change.
Pollution in environment	Sewer effluent discharged is not of acceptable standard due to lack of resources to upgrade of infrastructure
High Level of Vandalism and theft	Due to a high level of unemployment.
Shortage of skilled personnel	High Level of illiteracy, and unable to attract skilled personnel from other areas. The shortage of skilled personnel is also ever increasing due to only service trained employees being available.
Poor Maintenance of existing infrastructure	Low revenue-generation and funding largely dependant on grants.

CHALLENGES	
Lack of funds for infrastructure investment planning	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.

These are some of the main challenges facing the District municipality. These challenges are not unique to OR Tambo DM. This is experienced by most municipalities within the country. These challenges can however be managed and dealt with over time. Understanding the problem is the first step towards addressing these issues. It is suggested that a task team be established to address the challenges and provide clear directives, tasks, and budgets to address these challenges. Clear measurable milestones also need to be developed in order to measure progress during this process.

TOPIC 3: SERVICE LEVEL PROFILE—GENERAL

FUTURE PLAN



In order to manage the provision of services effectively there are a number of critical elements that has to be in place. Apart from resources that will be dealt with in other topic in this document the basis for proper management is information. Without information no proper planning can be done and therefore no proper prioritisation can be done. The first step in infrastructure planning is to have a GRAP 17 compliant asset register. The OR Tambo DM does have an asset register but it needs to be highlighted that the asset register has to be updated on an annual basis to incorporate all newly created assets. By knowing the status of the current infrastructure an Asset Management Plan and Operation and Maintenance Plan can be developed. To understand what the future infrastructure requirement is it is necessary to know what the current level of services are. Although there is information available it is recommended that a detail level of service study be conducted. This will enable the Municipality to access the relevant grant funding to address this issue. Together with this a Integrated Water and Sanitation Master plan must be conducted for the entire OR Tambo DM. The existing backlogs can only be eradicated with a focused approach and a clear goal in mind.

STRATEGY

1. Verification of Levels of Service, estimated cost: R 400 000
2. Develop backlog eradication strategy for ORDM, estimated cost: R 800 000

TOPIC 3: SERVICE LEVEL PROFILE—WATER

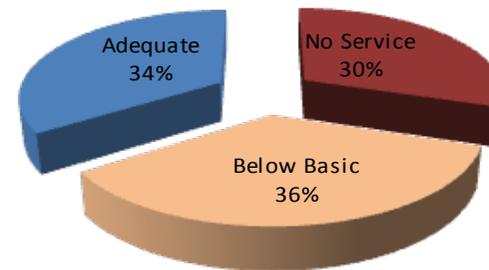
CURRENT STATUS: WATER

The information for the water levels of service, 2012 was obtained from the DWA Geo Database. The levels of service are summarised the table below and graphically represented. The way the data is presented from the above database indicates a huge number of households that are below basic level of service and without any

formal service, this can be a result of many factors or a combination thereof such as: water services that need upgrading, extension, refurbishment, operation & maintenance, and/or water resources. There are 92,840 (32%) households without any service and therefore need urgent attention. 36% have a below basic level of service and 32% of households have an adequate level of service.

Water Level of Service	Households	Percentage
No Service	92,840	30%
Below Basic	109,541	35%
Adequate	106,246	34%

Water Level of Service



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terms of service levels from the GIS mapping. A detailed Water Master Plan is required to be conducted for the OR Tambo DM to understand the total water service level status and future services as well as resources needs with associated costs. With the limited information available at the time of development of this report a high level cost requirement has been done to eradicate all water backlogs based on the figures indicated under the "Current Status" section. The National target for the eradication of all water backlogs is 2014. This means that all households with a service level of below basic level need to be provided with sufficient services. In many circumstances bulk services first need to be supplied to ensure sufficient

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capacity. The following assumptions have been made to determine the cost:

For “no services” an average cost of R 10,000 per household was allocated

For “below basic level of service” an average cost of R 8,000 per household was used

It must be mentioned that this is a high level cost estimate and a detailed Water Master Plan will be essential to make more accurate costing requirements. The table below give a summary per Local Municipality on the total funding required to ensure that the target is met.

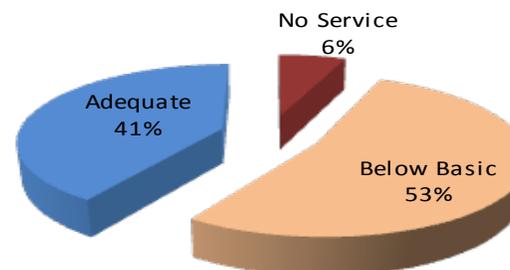
TOPIC 3: SERVICE LEVEL PROFILE—SANITATION

CURRENT STATUS: SANITATION

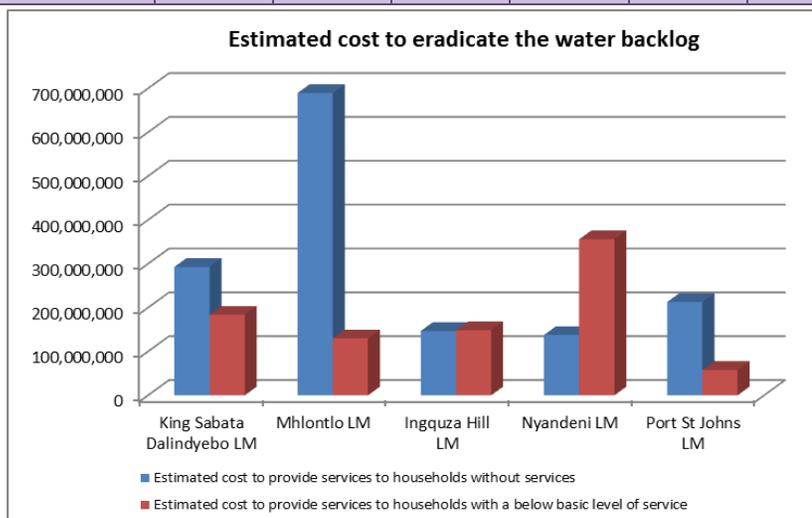
The sanitation level of service summary is given in the table below. From these figures it is clear that the sanitation provision in the District Municipality has a huge challenge to ensure that sanitation services are provided to at least a basic level of service. What is also of utmost importance is the technology that is used to ensure that a sustainable service is provided. If VIP’s for instance are provided the service to empty these pits also needs to be in place to ensure that a “new” backlog is not created within the next 5 years. Alternative sanitation options should also be investigated. This should be done together with the communities to ensure buy in and acceptance of the specific chosen technology to be used for a specific area.

Sanitation Level of Service	Households	Percentage
No Service	18,182	6%
Below Basic	154,101	53%
Adequate	118,197	41%

Sanitation Level of Service



CLASIFICACION	King Sabata Dalindyebo LM	King Mhlontlo LM	Ingquza Hill LM	Nyandeni LM	Port St Johns LM	OR Tambo DM (Total)
Estimated cost to provide services to households without services	R 292,970,000	R 689,500,000	R 146,900,000	R 137,640,000	R 212,990,000	R 928,400,000
Estimated cost to provide services to households with a below basic level of service	R 183,768,000	R 129,960,000	R 148,688,000	R 355,936,000	R 57,976,000	R 876,328,000



FUTURE STATUS: SANITATION

The eradication of the sanitation backlog is a little more complex to ensure sustainable services to the community. One specific solution as basic level of service is not necessarily the only option that should be considered. It is strongly recommended that alternative sanitation solutions together with the communities involved be investigated.

The following assumptions have been made to determine the cost:

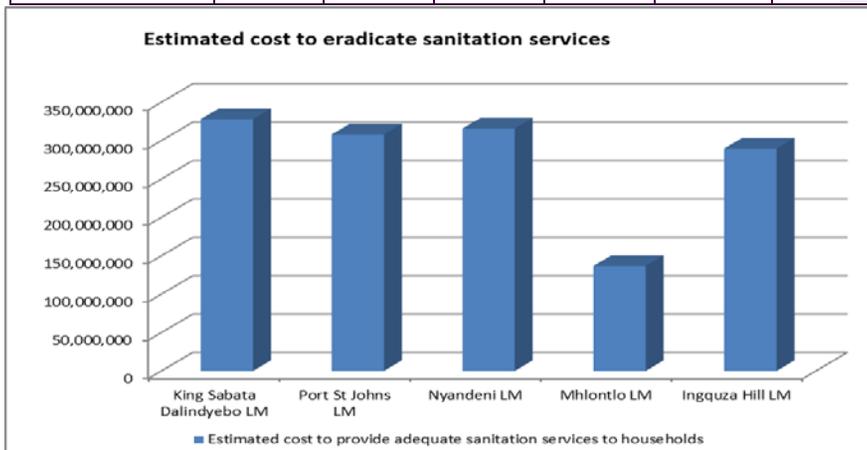
An average cost of R 8,000 per household is allocated to determine the total estimated cost for the eradication of the sanitation backlog.

Due to the fact that there is a total of approximately 173,500 households with a below level of sanitation service the cost to eradicate the total sanitation backlog is huge and amounts to R1,378 billion. Together with the cost to eradicate the water backlog it is not foreseen that the target for 2014 will be reached.

It should however also be mentioned that there is limited information available and detail planning is required to establish what is the actual need and what the most appropriate solution would be. As for water services a detailed Sanitation Master Plan is required.

CLASIFICATION	King Sabata Dalindyebo LM	Port St Johns LM	Nyandeni LM	King Mhlontlo LM	Ingquza Hill LM	OR Tambo DM DM
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Estimated cost to provide adequate sanitation services to households	328,032,000	308,032,000	315,720,000	136,728,000	289,752,000	1,378,264,000
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TOPIC 4: SOCIO-ECONOMIC BACKGROUND

The current population for the OR Tambo DM is estimated at 1,458,875 people and a total number of households of 290,480. The gender profile is indicated in the graph below with 673,449 people are male and 785,426 people are female.

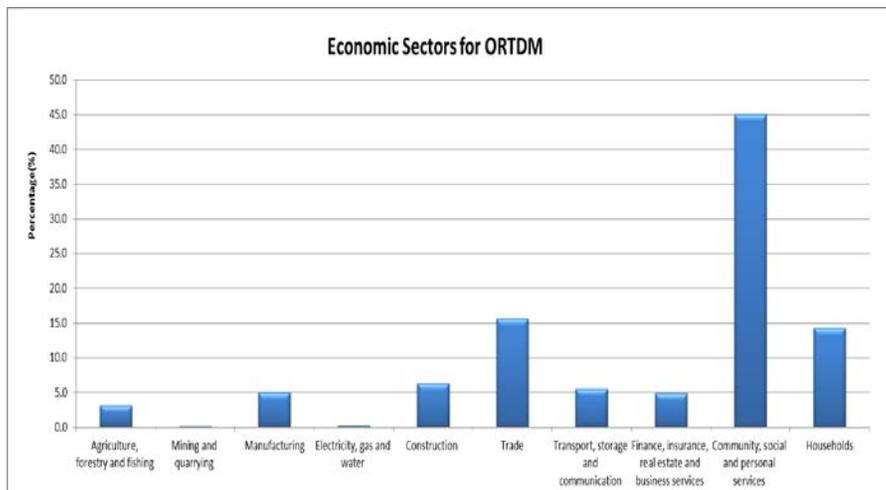
The age distribution for the OR Tambo DM is summarized in the pie chart. The highest percentages fall within the youth age group (below 15) which amounts to 39% of the population and the economically viable (between the ages of 15 and 65) which amounts to 53% of the total population.

While the relatively large proportion of the District's population under the age of 15 pose a dependency challenge, this can result in a sizeable economic boom in years to come, should these youths stay in the District and be employed locally or find employment elsewhere, but send back remittances to relatives in the District. In

order to capitalise on this demographic bonus, the District needs to focus on the provision of social services in the form of good schooling, primary healthcare, youth feeding schemes and job creation programs.

Studies on migration in the Province provide important insights into this phenomenon in the district. While it is estimated that 5.6% of economically individuals in the Province migrate, it is 6.2% in the case of the OR Tambo DM. The studies also indicate that more than 80% of migrants from the Province are from rural areas. Data of migration also suggests that migration is often more about getting access to services in an area where there is development than to get a job, which has huge implications for the financial viability of municipalities, especially so in urban areas like Mthatha.

The largest employer in the OR Tambo DM is the Community services sector, which mainly consists of government, and consists of 45% of the employed population. The second largest employer is the Trade sector at 16%. (Source: Extracts from the OR TAMBO DM IDP 2012-17 and Global Insight statistics)



TOPIC 5: WATER SERVICES INFRASTRUCTURE PROFILE—GENERAL

INFRASTRUCTURE CHALLENGES

1. Tsolo WWTW

Tsolo's treatment works consists of oxidation ponds and has a capacity of 1.1 MI/d (0.402 million m³/a). The effluent is conveyed to the works through an interceptor sewer, which is currently in a poor condition and leaking. This leaking has resulted in untreated effluent flowing directly into the nearby river. The existing oxidation pond does not meet current DWA operational requirements. Sludge from septic tanks, conservancy tanks and the bucket system is dumped at an illegal disposal site.



2. Mthatha WWTW

Mthatha has a full water-borne sewerage system and effluent is treated at the Mthatha WWTW. The 2007 WSDP indicates that this plant is under severe stress and the effluent inflow frequently exceeds the capacity of the works. The WWTW has a design capacity of 12 MI/d (4.38 million m³/a), but based on information from the WSDP, it is currently receiving up to 18 MI/d (6.57 million m³/a) of wastewater. The required capacity is therefore estimated to be around 24 MI/d (8.76 million m³/a). Treated effluent, which is noncompliant is released to the Mthatha River. This poses a major risk to downstream users along the river. The 2005 ISP indicates that the

effluent showed a 60% compliance with the required standards. Dirty reservoirs have not been cleaned for extended periods of time.



3. Other WWTW

The other 6 water treatment plants, or oxidation ponds, have similar challenges to that of the Tsolo ponds. The first image on the left hand side of the Flagstaff second of Port St Johns and third of Ngqeleni oxidation ponds indicate a similar situation throughout the OR Tambo DM District Municipalities region.

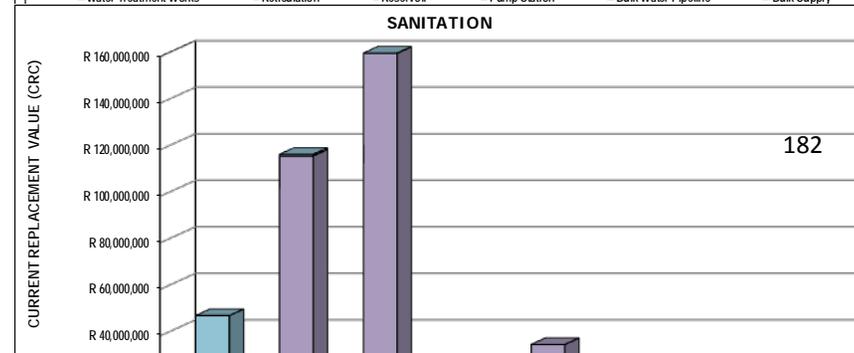
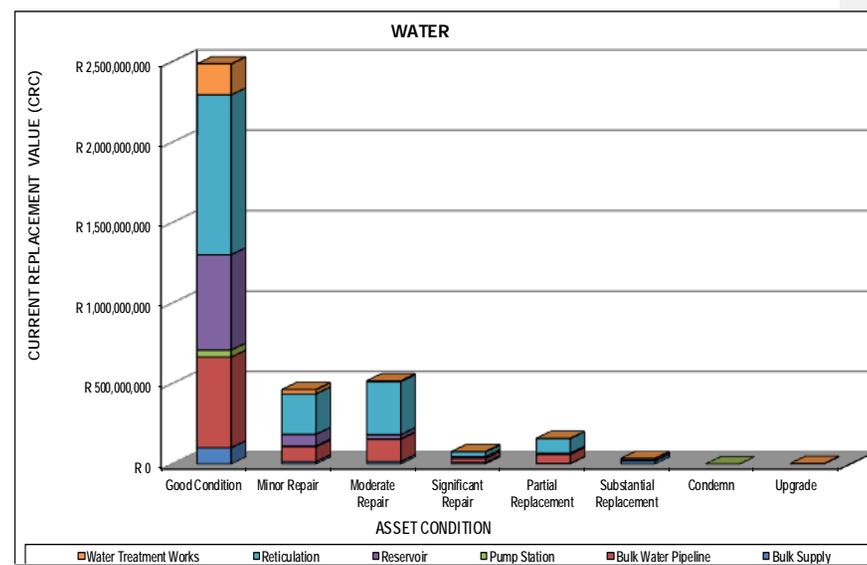
TOPIC 5: WATER SERVICES INFRASTRUCTURE PROFILE

CURRENT STATUS

A summary of the total infrastructure components as well as the current replacement cost (CRC) is provided in the table below as per the current asset register.

Service Type	Infrastructure Type	Current Replacement Cost (CRC)	Extent	Measurement
WATER	Boreholes	R 170,280,419	330	Number
	Bulk Water Pipeline	R 876,747,679	1,920	Km
	Pump Station	R 52,792,394	115	Number
	Reservoir	R 722,578,735	603	Number

	Reticulation	R 1,694,874,152	4,927	Km
	Water Treatment Works	R 227,419,640	21	Number
Sub Total		R 3,744,693,018		
SANITATION	Bulk Sewer Pipeline	R 22,571,400	37	Km
	Pump Station	R 37,144,905	15	Number
	Reticulation	R 282,954,000	707	Km
	Sewage Treatment Works	R 20,970,007	10	Number
Sub Total		R 363,640,311		
Grand Total		R 4,108,333,330		



A summary of the excising water treatment works is given in the tables below.

LM	WTW Name	Source	WTW Design capacity (MI/d)	Calculated current demand (MI/d)	Spare capacity (MI/d)
Ingquza Hill	Flagstaff	Jadu River	6.5	1.51	5.0
Ingquza Hill	Lusikisiki	Xura Weir	2.8	2.94	-0.1
Ingquza Hill	Magwa Tea Plantation *	Dam in Mkozi River	0.5	0.37	0.1
Ingquza Hill	Taweni/Holy Cross *	Mcwesane dam & Mketengeni dam	0.4	0.31	0.1
Ingquza Hill	Borehole Schemes	Springs/boreholes/streams		10.84	
KSD	Mhlahlane	Mabaleni Dam/Mountain stream/Owen dam	2.6	2.15	0.4
KSD	Rosedale	Rosedale Dam	3.6	2.28	1.3
KSD	Mthatha	Mthatha Dam	80.0	45.28	34.7
KSD	Mqanduli	Mangondo River	1.2	0.48	0.7
KSD	Coffee Bay	Mthatha River	2.0	1.42	0.6
KSD	Cingolo *	Cingolo River	0.5	0.06	0.4
KSD	Thungwane (Mahlungulu) *	Unknown	0.7	0.02	0.7
KSD	Borehole Schemes	Springs/boreholes/streams		12.20	
King Mhlontlo	Mumelwano	Weir in Cengcane River and 9 boreholes	2.4	1.71	0.7
King Mhlontlo	Tsolo	Weir in Nqadu River	1.4	0.87	0.5
King Mhlontlo	Sidwadweni	Nqadu Dam	1.8	1.98	-0.2
King Mhlontlo	Upper Chulunca	Cengcane Dam	2.5	2.35	0.2
King Mhlontlo	Mjika *	Mr Lumasource Spring	0.5	0.35	0.1
King Mhlontlo	Borehole Schemes	Springs/boreholes/streams		6.73	
Nyandeni	Libode	Mhlanga Dam & 3 boreholes	0.7	0.57	0.2
Nyandeni	Corana	Corana Dam	3.5	1.36	2.1
Nyandeni	Mhlanga	Mhlanga Dam	2.3	2.92	-0.6

A summary of the existing waste water treatment works is given in the tables below. Some information is not available. In order to manage it is critical to understand what infrastructure is in the ground. It is suggested that more focused be places on the management of information regarding existing infrastructure.

WWTW	LOCAL MUNICIPALITY	TYPE	CAPACITY (ML/d)	SPARE CAPACITY (MI/d)	OWNER
Mthatha	KSD	WWTW	12		OR TAMBO DM
Mqanduli	KSD	WWTW under construction	0.2(New 1.5)		OR TAMBO DM
Qumbu	King Mhlontlo	Septic tanks Oxidation ponds	0.25		OR TAMBO DM
Tsolo	King Mhlontlo	Reticulation, WWTW under construction	0.5		OR TAMBO DM

Flagstaff	Ingquza Hill	Oxidation ponds	0.2(New 1.5)		OR TAMBO DM
Lusikisiki	Ingquza Hill	Oxidation ponds	1.0		OR TAMBO DM
Nqgeleni	Nyandeni	Oxidation ponds, Waterborne system	0.54		OR TAMBO DM
Port St Johns	Port St Johns	Oxidation ponds	1.0		OR TAMBO DM

TOPIC 6: OPERATION & MAINTENANCE

CURRENT STATUS

In July 2003, Cabinet declared and pronounced the OR TAMBO DM a Water Services Authority and Water Services Provider, which means that the DM is responsible for planning, implementation, operation and maintenance of water and sanitation services within its LMs. As such an authority, the DM is responsible for planning and governance functions.

The institutional component is addressed in more detail in Topic 11.

Some of the issues identified on the LM and DM levels are:

1. Only emergency issues are addressed
2. Limited O&M budget
3. Lack of proper systems and processes, especially regarding record keeping etc.
4. No O&M plans are in place

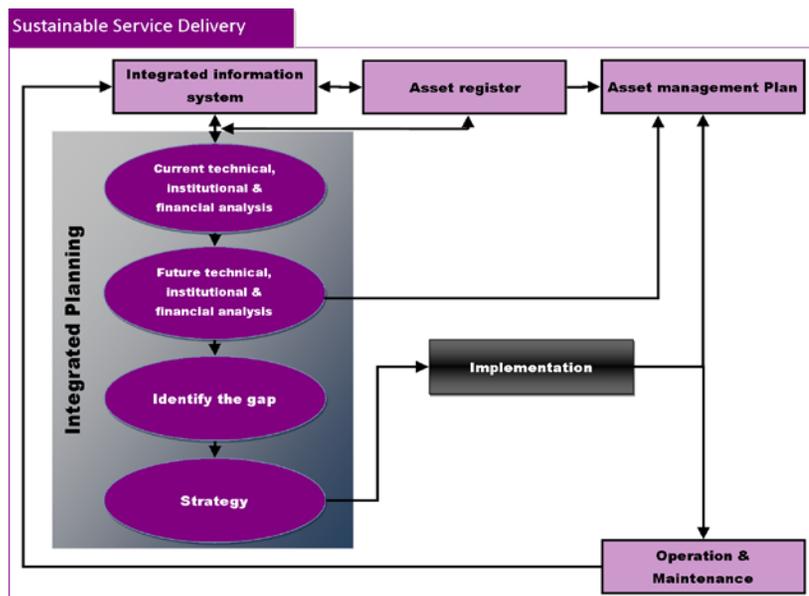
This results in:

1. High water loss
2. Delivery of sub-standard service
3. Water & Sanitation quality issues
4. Unreliable provision of water supply

To protect the districts assets, maintenance of each infrastructure component is necessary to ensure longevity. A proper O&M plan addressing, technical-, institutional and financial issues must be developed.

FUTURE PLAN

It is of utmost importance that current changes be addressed before proper future planning is possible. It is also important to note that without current water & sanitation master plans, future O&M requirements, based on future infrastructure needs, is not possible. The diagram below indicated the importance of information management, future planning and the interaction between this and operation and maintenance.



Infrastructure	2010/11	2011/12	2012/13	2013/14	2014/15
Water	10,537,000	27,889,000	27,965,000	28,836,000	37,862,000
Sanitation	8,162,000	11,560,000	7,871,000	8,540,000	9,265,000

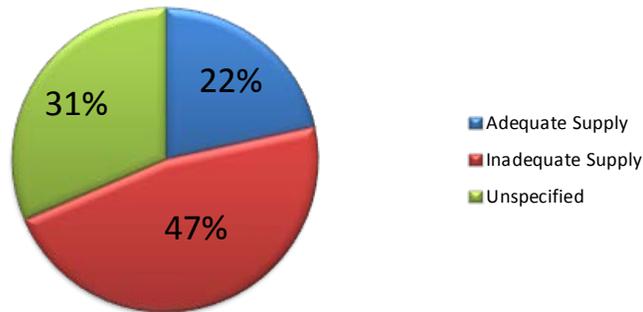
Water and sanitation repairs and maintenance cost is provided in the table above and associated graph. A detailed operation and maintenance plan is required to determine the actual operation and maintenance need for the District Municipality.

TOPIC 7: ASSOCIATED SERVICES

CURRENT STATUS

Associated services refer to schools, health, police stations and other similar services. It is the responsibility of the specific institution to apply for a water or sanitation connection from the municipality. However the required number of institutions that need services must be known in order for the municipality to budget for these services.

Health Facilities: Water Level of Service



TOPIC 8: WATER CONSERVATION & DEMAND MANGEMENT

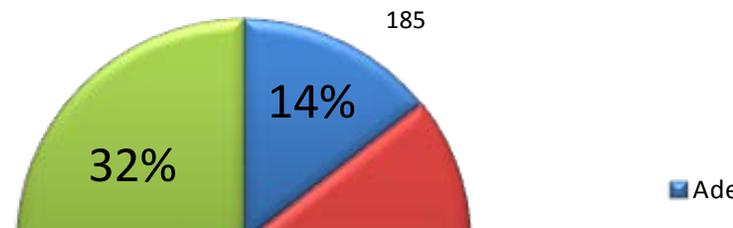
Background

The O.R. Tambo District Municipality (the District Municipality) is a custodian to a total of 16 operational water schemes spread throughout the District and another 3 plants yet to be commissioned (excluding individual rural borehole schemes). The three yet to be commissioned plants are Rosedale, Lutsheko and Lwandile plants. In accordance with the Water Services Act, Act 108 of 1997 as a Water Services Authority, the District Municipality has an obligation to provide potable water to all or at least, to the majority of its residents, while simultaneously achieving the goal of being financially viable. The first obligation specifically means that the District Municipality shall provide free basic water to the qualifying sections of its community (the indigents), while seeking to bill and recover equitable service charges from those who are economically able to pay (the financial viability directive).

The water provisioning function entails a number of standard activities which are: The acquisition of raw water, its purification and distribution to a network of inter-linked reservoirs (these are bulk services) and ultimately the distribution of water to the end users (reticulation) who are either 'the paying customers' who are individually metered for their respective water consumption volumes and the indigents who are recipient of water through either communal stand pipes or household standpipes which are generally not individually metered given the cost versus benefit principle.

In the course of receiving raw water, purifying it into potable water and accordingly distributing water in the aforementioned manner; a measure of loss of water is inevitable. This is a standard occurrence at any water dispensing district, local or metro municipality in the country. This is due to standard water purification processes such as slu... the under-ground wate

Health Facilities: Sanitation Level of Service



to the water purification plant process. Further to this point, potable water is distributed initially through the bulk system and later through the reticulation network as it is distributed to the ultimate end users. In the course of this distribution, further water losses will occur these would be real water losses (odd system leakages and from time to time burst water pipes); apparent water losses which are (system attrition, water evaporation, illegal water connections); and non-revenue water losses being a technical loss of water through non-billing for water volumes otherwise provided to metered or at least meterable consumers who are perfectly able to pay for such services. The combination of all the foregoing factors results in Total Water Losses.

This exercise therefore, seeks to calculate water losses following the logic of the water purification and distribution processes.

The single biggest control mechanism and practically the only realistic control available in intelligently (informatively) managing the water-flow is the use of meters. Meters are either bulk meters or reticulation meters as they occur in the bulk receiving of raw water, its purification and distribution to intermediate reservoirs and accordingly reticulation meters the being the final control point between the District Municipality and the individual water end user. The latter is the individual household, business or any other property meter physically located at the said property, read by the Municipality on a monthly basis to determine the extent of water consumption per month for billing purposes. In water processing plants, bulk meters are read and recorded on a daily basis (this is a combination of manual and electronic meter reading processes) and the end user reticulation water meters are read once a month as an input to individual customer monthly billing processes. The volumes of water-flows accounted for in this Water Loss Calculation are a direct derivative of this standard metering process.

Approach

For purposes of calculating water losses, the water-flow process have been divided or categorised into five stages. it has to be emphasise upfront that in respect of certain stages; they have been created for the ease of understanding the process-

flow otherwise practically on the ground they do not exist. This notion is expanded upon under the explanation of the Water-flow Stages I - V below.

The water-flow have been categorised as follows:

Stage I: Procurement or 'drawing' of Raw Water from the either a dam or a river source to the plant.

Stage II: Purification of raw water into potable water done at the plant.

Stage III: Distribution of water to end users who are either the paying consumers or the indigents

Stage IV: Practically, Stage IV does not exist as it occurs in the course of distributing water from Stage II (the plant) to Stage III and in the course of executing Stage III itself i.e. distributing water to end users. However, for purposes of logic and simplified calculation we have identified it as a 'Identifiable Stage'.

Stage V: Once again, practically it is not a stage as such, however for purposes of these calculations it is a 'Stage' where we are confirming total losses by adding losses at Stages I and II to losses between Stages II and III and losses occurring during execution of Stage III, which for purposes of this exercise has been identified as Stage IV above.

Costing and valuation

Have a weighted average cost at this stage.

Other statistics

The Model also calculates and provides other statistics such as the percentage of water loss, the percentage of free basic water etc.

Discuss the combined template where all plants are in how it combines weighted avg calcs etc.

The billing office of the BTO provided billed volumes categorised into Local Municipalities. At the KSD Municipality, it is further categories into 'smaller billing

cycles'. This billing information is presented per customer number per month with grand totals at the bottom.

Costing

Information Obtained from Multi-finance Solutions, April 2013

The Mthatha Dam and the Rest of the Water Schemes are costed separately. The only and key differentiating aspect is the cost of purchasing / procuring water.

Observations and clarity points

These are observations on the preceding WSDP Input operational and financial information. The observations are as follows:

The following schemes which are Mhlahlane, Corhana, Mzimvubu and Mdlankala purely supply free basic water. That equally means that an element of water losses is included in the free basic water, this by virtue of the fact that such free basic water is not metered at reticulation given the cost that would be incurred to do such metering with nil revenue in return. Given this scenario, notwithstanding the weighted average water loss of the O.R. Tambo District Municipality for the 8 months ended February 2013 calculated at 22.6% our summation is that combined ORT water loss is at least 25.1%.

The water loss calculations are for the period 01 July 2012 to 28 February 2013.

High level overview of challenges

The reversing flow of water at the Thornhill plant between Signal Hill and Fortgale on line 1 resulting in water distributed to consumers being accounted for twice thus causing an apparent water surplus. This will be attended to relatively urgently. Extent of water leakage at Water Treatment Works generally higher than the norm. Needs attention, plant condition.

Input Category	Thornhill plant Mthatha Supply	Mhlahlane	Corhana	Mhlanga Plant	Nggeleni Plant	Tsolo	Sdwadweni	Upper Chulunca	Mvumelwano	Fla
	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months	Kiloitres/6 months
Stages I & II										
Raw water input into the plant	13,816,212	531,049	220,455	40,320	85,996	199,127	310,164	269,386	233,596	
Potable water dispatched from the plant to reservoirs	12,083,917	495,468	204,803	37,534	77,611	172,548	276,621	237,510	187,347	
<i>Water lost between raw water inputs and processing plants plus water lost during water purification processes</i>	1,732,296	35,581	15,652	2,786	8,385	20,579	33,543	31,876	46,249	
<i>Water loss as a percentage of raw water input (Stages I & II)</i>	12.5%	6.7%	7.1%	6.9%	9.8%	10.7%	10.8%	11.8%	19.8%	3
Stage III										
Free basic water provided to deserving communities	4,270,493	495,468	204,803	N/A	N/A	N/A	N/A	N/A	N/A	
Water consumption billed to consumers	6,523,977	-	-	N/A	N/A	N/A	N/A	N/A	N/A	
Stage IV										
<i>Water lost between the initial reservoirs (Stage II) and the reticulation network (Stage III)</i>	1,289,446	-	-	N/A	N/A	N/A	N/A	N/A	N/A	
Check sub-total	12,083,916	495,468	204,803	N/A	N/A	N/A	N/A	N/A	N/A	
<i>Water loss as a percentage of raw water input (Stage III)</i>	9.3%	-	-							12
Stage V										
Total volume of water lost	3,021,742	35,581	15,652	N/A	N/A	N/A	N/A	N/A	N/A	
Total Water Loss as a percentage of raw water input	21.9%	6.7%	7.1%	N/A	N/A	N/A	N/A	N/A	N/A	15
Free Basic Water as a percentage of potable water	35.3%	100.0%	100.0%							

TOPIC 9: WATER RESOURCES

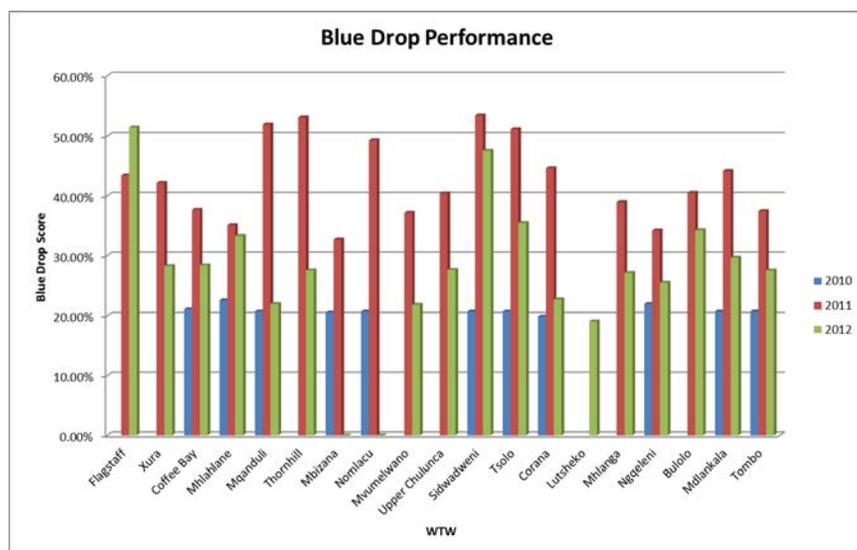
WATER RESOURCE DEMAND AND REQUIREMENTS

LM	WTW Name	Source	Population 2011	Households 2011	Population Growth factor	Future population	Future households	WTW Design capacity (MI/d)	Consumption rate (kl/HH/month)	Water loss factor	Calculated current demand (MI/d)	Actual demand (From ORTDM) (MI/d)	Water loss factor (20% future)	Future demand (MI/d)
Ingquza Hill	Flagstaff	Jadu River	28,022	5,577	0.12	3,351	670	6.5	6	1.35	1.5	0.4	1.2	0.2
Ingquza Hill	Lusikisiki	Xura Weir	36,511	7,266	0.12	4,367	873	2.8	9	1.35	2.9	2.9	1.2	0.3
Ingquza Hill	Magwa Tea Plantation	Dam in Mkozi River	1,155	230	0.12	138	28	0.5	36	1.35	0.4	0.0	1.2	0.0
Ingquza Hill	Taweni/Holy Cross	Mcwesane dam & Mkelengeni dam	1,392	277	0.12	166	33	0.4	25	1.35	0.3	0.0	1.2	0.0
Ingquza Hill	Borehole Schemes	Springs/boreholes/streams	201,713	40,141	0.12	24,125	4,825		6	1.35	10.8	0.0	1.2	1.2
KSD	Mhlahlane	Mabaleni Dam/Mountain stream/Owen dam	40,103	7,981	0.17	6,950	1,390	2.6	6	1.35	2.2	2.4	1.2	0.3
KSD	Rosedale	Rosedale Dam	10,236	2,037	0.17	1,774	355	3.6	25	1.35	2.3	0.0	1.2	0.4
KSD	Mthatha	Mthatha Dam	139,688	27,949	0.00	0	20,000	80.0	36	1.35	45.3	57.5	1.2	28.8
KSD	Mqanduli	Manqondo River	5,985	1,196	0.17	1,037	207	1.2	9	1.35	0.5	0.5	1.2	0.1
KSD	Coffee Bay	Mthatha River	17,616	3,506	0.17	3,053	611	2.0	9	1.35	1.4	1.7	1.2	0.2
KSD	Cingolo	Cingolo River	1,042	207	0.17	181	36	0.5	6	1.35	0.1	0.0	1.2	0.0
KSD	Thungwane (Mahlungulu)	Unknown	417	83	0.17	72	14	0.7	6	1.35	0.0	0.0	1.2	0.0
KSD	Borehole Schemes	Springs/boreholes/streams	227,049	45,187	0.17	39,348	7,870		6	1.35	12.2	0.0	1.2	1.9
King Mhlontlo	Mumelwano	Weir in Cengcane River and 9 boreholes	31,807	6,329	0.05	1,590	318	2.4	6	1.35	1.7	0.9	1.2	0.1
King Mhlontlo	Tsolo	Weir in Nqadu River	6,508	1,295	0.05	325	65	1.4	15	1.35	0.9	0.8	1.2	0.0
King Mhlontlo	Sidwadweni	Nqadu Dam	36,813	7,327	0.05	1,841	368	1.8	6	1.35	2.0	1.3	1.2	0.1
King Mhlontlo	Upper Chulunca	Cengcane Dam	43,671	8,691	0.05	2,184	437	2.5	6	1.35	2.3	1.1	1.2	0.1
King Mhlontlo	Mjika	Mr Lumasource Spring	6,553	1,304	0.05	328	66	0.5	6	1.35	0.4	0.0	1.2	0.0
King Mhlontlo	Borehole Schemes	Springs/boreholes/streams	125,273	24,927	0.05	6,264	1,253		6	1.35	6.7	0.0	1.2	0.3
Nyandeni	Libode	Mhlanga Dam & 3 boreholes	1,754	349	0.13	235	47	0.7	36	1.35	0.6	0.0	1.2	0.1
Nyandeni	Corana	Corana Dam	25,251	5,025	0.13	3,381	676	3.5	6	1.35	1.4	1.0	1.2	0.2
Nyandeni	Mhlanga	Mhlanga Dam	54,292	10,804	0.13	7,270	1,454	2.3	6	1.35	2.9	0.2	1.2	0.3
Nyandeni	Nqgeleni Town	Mtyu River	2,231	444	0.13	299	60	0.4	15	1.35	0.3	0.4	1.2	0.0
Nyandeni	Lutsheko	Mtakatye River pumped to dam in Mtyu River	46,247	9,204	0.13	6,192	1,238	4.3	36	1.35	1.4	0.0	1.2	1.8
Nyandeni	Lwanile	Mdumbi River	9,488	1,888	0.13	1,270	254	1.6	15	1.35	1.3	0.0	1.2	0.2
Nyandeni	Mankosi	Unknown	8,653	1,722	0.13	1,159	232	0.5	6	1.35	0.5	0.0	1.2	0.1
Nyandeni	Borehole Schemes	Springs/boreholes/streams	150,621	29,975	0.13	20,168	4,034		6	1.35	8.1	0.0	1.2	1.0
Nyandeni	Ntsonyini/Ngqongweni	Mngazana River near Double Falls	3,226	642	0.13	432	86	2.3	36	1.35	1.0	0.0	1.2	0.1
PSJ	Port St Johns (Bulolo)	Bulolo dams/Mngazi river	27,411	5,455	0.10	2,703	541	4.0	9	1.35	2.2	2.0	1.2	0.2

TOPIC 9: WATER RESOURCES—WASTE WATER QUALITY

The Blue Drop performance of OR Tambo DM declined significantly mainly due to:

- Performance records not being readily available for auditing purposes.
- Officials not adhering to requests for additional information.
- Monitoring programs not implemented to verify compliance with the National Standard Limits.
- Monitoring of drinking water quality is a legislative requirement to ensure that the authority has information that will guide decision making with regards to safeguarding public health.
- And without monitoring processes the OR Tambo DM is not able to effectively manage the quality of tap water.
- Municipality Blue Drop score: 22.7%



The Water Safety Plan is not completed but appointment has been made for the development of the water safety plan. It is foreseen that the Water Safety Plan will

be completed by end of April 2013. The process audit has been completed for all the water treatment works. Water quality compliance monitoring a service provider has been appointed to the compliance monitoring as part of the turn around plans. This PSP will manage the uploading of water quality information on behalfs of the municipality.

The SANS 241 annual assessment has been conducted and finalised for 2012/13, this will result in a better scoring for blue drop.

The failure of the Water Treatment Works is still a concern due to operation an maintenance challenges. Operation and maintenance has to be addressed. A monitoring programme for the distribution reservoirs are being developed which will assist in quality monitoring. The purpose of this program is to determine if the quality water produced at the treatment works is what is contained in the reservoir. If not it can be assumed that the quality an issues at the reservoir and the required action can be taken such as cleaning of reservoir.

There is a challenge regarding the process controllers as the existing staff do not comply to the regulations. The turn around strategy is to:

- Identify required skills
- Identify training needs
- Monitoring of staff
- Evaluating progress
- Appointment of new staff
- Relook at the existing organogram (current organogram not sufficient)

STRATEGY

1. Institutional process mapping in order to establish actual staffing requirements for the Water and Waste Water Quality Section: Estimated Cost R 300 000
2. Identify training needs and budget for training requirements: Estimated cost R 300 000 per annum
3. Upgrade laboratories facilities for water and waste water: estimated cost: R 3 500 000

TOPIC 9: WATER RESOURCES—WATER QUALITY

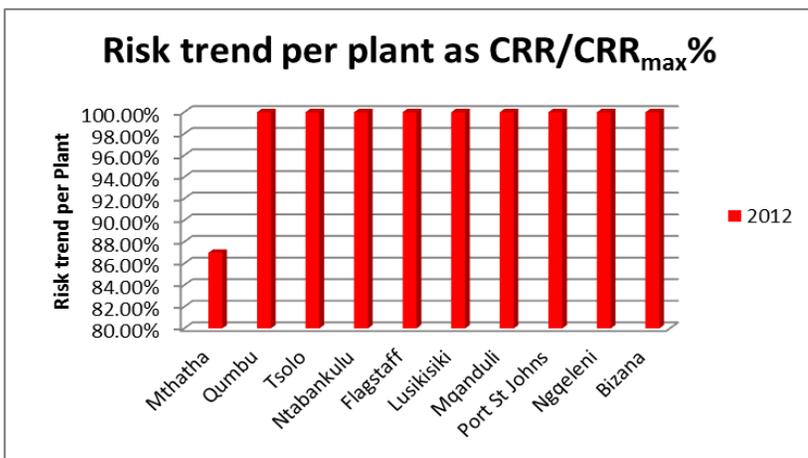
CURRENT STATUS

Green Drop Findings:

The most disconcerting fact would be that 9 out of the 10 wastewater systems are placed on record by the 2011 Green Drop Assessment to be in the critical risk category.

There is a general lack of information on the compliance and operational performance of all plants assessed which prevents the Water Services Authority to be effective in wastewater service management.

- Generally the staff employed as process controllers are not adequately trained to function as such and would be one of the causes for the poor compliance. The municipality is encouraged to do on-site training of process controllers in order to allow them to be fully conversant with the design operational specifications.
- Updated Operations and Maintenance manuals would be essential for the above-mentioned task (another crucial element not in place at all of the plants).
- The municipality must ensure that improvement of wastewater management at all municipal treatment facilities and not only Mthatha. However the performance of the Mthatha system (which is operating beyond its design capacity) is still far from acceptable.



FUTURE PLAN

The Risk Abatement Plan has been completed but not approved by the Council yet. The process audit has been completed for all the waste water treatment works but also not approved yet, and needs to be reviewed. Waste Water quality compliance monitoring a challenge. It is suggested that the monitoring be outsourced to address this issue. A service provider has been appointed to provide support for the green drop process.

Operation and maintenance at the treatment works has to be addressed as this is a critical issue. There is a challenge regarding the process controllers as the existing staff do not comply to the regulations. The turn around strategy is to:

- Identify required skills
- Identify training needs
- Monitoring of staff
- Evaluating progress
- Appointment of new staff
- Relook at the existing organogram (current organogram not sufficient)

Think about the water you drink, as well as the water you bathe, cook or clean with. What kind of quality does it have before you use it? What happens to the waste water afterwards? What is the quality after you used the water? Water and waste water quality has a huge impact on human and environmental health which should be managed and monitored in a responsible manner.

"A river is the report card for its watershed." - Alan Levere

TOPIC 10: FINANCIAL PROFILE

Free Basic Services: Basic Social Services Packages

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the districts indigent policy. Indigent households need to be registered, a process which is reviewed annually. Currently there are many issues regarding the registration process as people misuse the system and register fraudulently.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act. The challenge for the Municipality is to manage the Indigent Register and continuous updating of the register. This is a huge task and a proper management process and system to assist the Municipality is recommended. The table below shows the number of indigent households served per local municipality.

The water and sanitation tariffs for the OR Tambo DM for the 2012/2013 period are given in the tables below. The current 6kl free basic water and sanitation service provided to indigents will be upgraded to 10kl and the reviewed policy implemented by July 2015. This will allow for future water borne sanitation to be provided.

It is proposed that the tariff model be developed to determine the most optimal tariff structure, for example sanitation tariffs can also be determined based on the water usage per stand.

Current Water Tariffs (2012/13)

Category	Consumption in kilolitres	Current	Proposed tariff increase	Percentage increase
		Tariff (R)	Tariff (R)	
Residential				
1	0 to 6kl	0 for indigent	0	
	0 to 6kl	3.93	4.4	12%
2	7 to 10kl	3.95	4.42	12%
3	11 to 20kl	4.47	5	12%

4	21 to 30kl	5.8	6.5	12%
5	30 to 40kl	7.13	8	12%
Business/Government				
6	0 to 30kl	7.13	7.99	12%
7	30 to 40kl	10.85	12.15	12%
8	40 to 50kl	11.35	12.75	12%
9	Over 50kl	12.8	14.34	12%

Current Sanitation Tariffs (2012/13)

Category	Current Tariff	Proposed Tariff	Percentage increase
Business/Government	R 109.76 per toilet p.m.	R 122.90 per toilet p.m.	12%
Household	R 67.00 per toilet p.m.	R 75.04 per toilet p.m.	12%

A summary of the 2013/14 proposed operational budget is provided in the table below.

ACCOUNT DISCRIPTION	2013/14
PERSONNEL EXPENDITURE	51,774,649
GENERAL EXPENSES	114,421,969
REPAIRS AND MAINTENANCE	71,662,623
CAPITAL CHARGES (LOANS)	-
CAPITAL EXPENDITURE	750,305,000
REVENUE	155,314,999

STRATEGY

The indigent policy needs to be reviewed to address false registration issues in a more direct and clear way.

There is a lack of people to manage the indigent registration process as the current organogram is not sufficient and should be reviewed.

Water and sanitation policy needs to be reviewed to include tankers and tanks as a basic service.

TOPIC 11: WATER SERVICES INSTITUTIONAL PROFILE

A total of 271 Water Services posts appear in the Workforce Analysis received from OR Tambo DM, with 11 technical management posts; 72 technical posts; 96 labour posts and 92 support posts. Table 1 below refers.

Table 1: Current Establishment of Water Services within OR Tambo DM

Current Numbers					
Staff Level	Post Demand (Posts Required)	Post Supply (Filled)	Vacant	% Vacant	% Filled
Management*	11	2	9	82	18
Technical	72	14	58	81	19
Labour	96	41	55	57	43
Support	92	51	41	45	55
Total	271	108	163	60	40

Vacancies

A total of 60 percent of the Water Services posts which are indicated as needed in the Work Force Analysis are currently vacant. Figure 1 illustrates the distribution of the vacancies per post level, with the Technical and Management levels experiencing the highest vacancy levels at 82 and 81 percent respectively. This is followed by the Support level (60 percent) and Labour Level (57 percent). With only 40 percent of the total Water Services posts in the Municipality filled, it will be challenging for OR Tambo DM to fulfil its prescribed duties as the WSA and the WSP. Of particular concern are the substantial vacancies at Management and Technical levels.

Composition

The composition of the OR Tambo DM establishment is highlighted in Figure 2. Although there are significant vacancy levels, when comparing the composition of the current approved structure with ideal composition of management, technical, labour and support levels it is clear that the current.

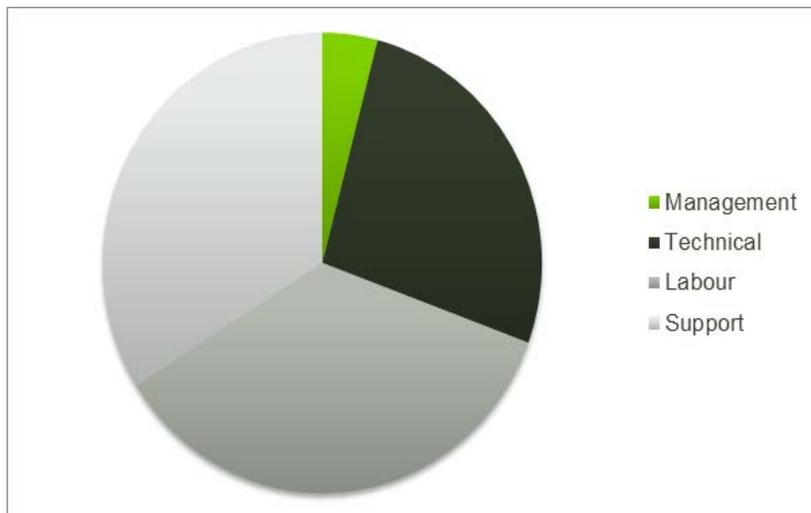
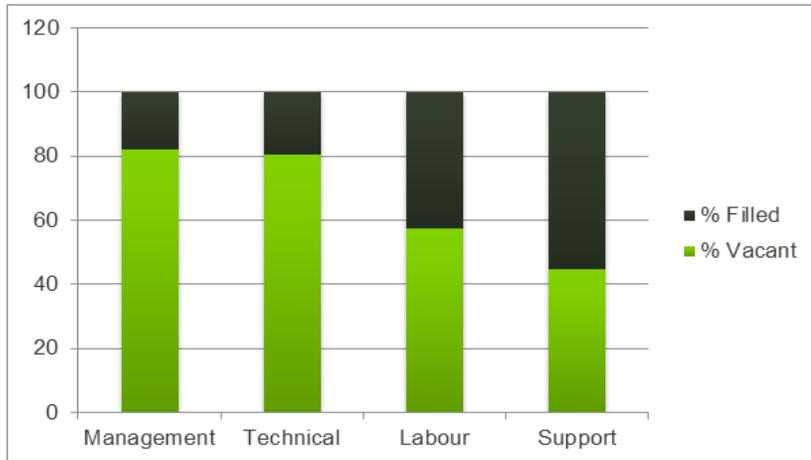
Challenges

The current challenges experienced in water services delivery which have an impact on OT Tambo District Municipality's ability to effectively undertake their WSA and WSP functions a highlighted at the local municipality level are summarised below.

- Lack of Integrated Information Management System
- **Organisational Structure:**

OR Tambo DM indicated a lack of institutional capacity, with the following issues being highlighted:

- **Lack of Water Services skills, particularly from a technical perspective:** the level of experience and skill of staff members is not adequate to enable staff to carry out the Water Services tasks delegated to them. In addition, there is a serious shortage of technical staff;
- **Lack of Defined Water Services Business Processes** which clearly illustrate the way in which the water services business must function, and the interdependencies between various roles, teams, divisions and departments;
- **Job Descriptions:** tasks carried out in the day to day work of individuals varied considerably from approved job descriptions. This leads to a lack of clarity in terms of roles and responsibilities for Water and Sanitation tasks;
- **Lack of staff numbers:** the necessary staff compliment in the District Municipality is not currently sufficient to fulfil their WSA and WSP functions; and
- **Vacancies:** there are considerable vacancies, particularly in technical and management or supervisory positions, with a total of 46 percent of posts in the municipality vacant.
- Performance Management not in place for all other levels of Water Services Staff



11: WATER SERVICES INSTITUTIONAL PROFILE

IDEAL ESTABLISHMENT

Using the number of household figures, the ideal number of Water Services Staff has been calculated. The current total number of households in the municipal area is 290 480 households. Table 3 refers. Based on figures from the DWA National Benchmarking Initiative and the Department of Public Service and Administration, each Water Services Division should have between 3 and 5 staff members per thousand households in the municipality at an ideal composition percentage to ensure that the municipality is able to deliver on its water services mandate. Table 2 refers.

Table 2: Ideal Establishment for OR Tambo DM

Staff Level	Composition (%)	Staff Number High (5 per 1000 HH)	Staff Number Low (3 per 1000 HH)
Management	5	52	31
Technical	30	309	186
Labour	60	619	317
Support	5	52	31
Total	100	1031	619

The above staffing numbers can be considered the "ideal" or "to-be" state which is required to ensure that the Municipality has adequate staff numbers to be able to deliver on its Water Services mandate. As a WSA and WSP, OR Tambo District Municipality is responsible for rendering services to four Local Municipalities in its area of jurisdiction. Based on the number of households (contained within Table 4) in the areas which the District Municipality services, Table 8 below indicates the ideal number of staff for OR Tambo DM, and an approximate distribution of these staff over the five local municipalities.

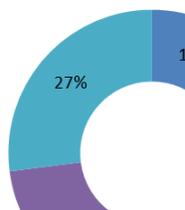


Table 3: Total Staff Number based on Number of Households

Municipality	Households (2011)	Households size	Staff Number High (5 per 1000 HH)	Staff Number Low (3 per 1000 HH)
Ingquza Hill LM	53499	5	267	160
Port St Johns LM	38909	4	195	117
Nyandeni LM	64199	5	321	193
King Mhlonlolo LM	49664	4	248	149
King Sabata Dalindyebo LM	84209	5	421	253
OR Tambo DM (Total)	290 480	4.58	1031	619

The current establishment does not indicate the exact number of posts allocated to each local municipality or combination of municipalities for the WSA and WSP functions. However, based on the distribution of households serviced by each local municipality, King Sabata Dalindyebo should be allocated 40 percent of staff (between 253 and 421); Nyandeni should be allocated 31 percent of staff (between 193 and 321 staff); and Ingquza Hill, King Mhlonlolo and Port St Johans should be allocated 25 percent, 24 percent and 19 percent of staff respectively.

GAP ANALYSIS

Figure 3 illustrates the total Water Services Posts Demand based on the Workforce Analysis and the number of filled position in this structure, and contrasts these with the ideal number of Water Services posts, based on the number of households serviced by OR Tambo DM. Based on the ratio of 3 – 5 posts per 1000 households, the ideal number of Water Services posts are shown in both the high (5 posts) and low (3 posts) range of the ratio.

Figure 3: Comparison of Current Structure and Ideal Structure by Level

A review of the information contained within Figure 3 revealed the following key areas of concern:

- The posts required as laid out in the workforce analysis provided by the municipality is considerably less than ideal number of staff calculated based on population figures;
- Of particular concern is the insufficient numbers of Management and Technical Posts;
- The vacancy rate of technical and management level posts is excessively high, with the support and labour level post vacancy rates also of concern; and
- The vacancy level of Water Services posts is a concerning 60 percent.

It is clear from the broad capacity gaps highlighted in that key recommendations and initiatives need to be addressed on an institutional level to ensure that OR Tambo District Municipality possesses the institutional capacity to address its Water Services mandate. At this stage it is important to integrate these recommendations and initiatives into an overarching immediate Water Services Capacitation Model for the Municipality.

FUTURE PLAN: KEY PROJECTS

STEERING COMMITTEE: Direction should be provided by a steering committee responsible for giving guidance on the overall strategic direction of the Municipality's Water Services capacitation efforts. It is their responsibility to create an environment for the Municipality's Water Services Capacitation Initiatives to thrive and also to provide visible and continued commitment to and endorsement of the initiatives throughout their lifecycle

SECTION 78: To establish a detailed picture of the current capacity of OR Tambo DM with regards to Water Services, a comprehensive assessment of:

- Current skills, knowledge, experience and capability of all staff currently involved in water services deliver;

- The current services that are being provided by OR Tambo DM and the Local Municipalities, and what mechanisms are being used to do so; and
- What staff would be required to carry out OR Tambo DM's Water Services Mandate effectively.
- This will be accomplished by a Section 78 process.

CRITICAL POSTS: To ensure that the municipality is undertaking its water services functions effectively, efforts should be made to identify posts which are critical to effective water services functioning in the immediate term. The recruitment of such critical posts should be a priority process which runs concurrently to the section 78 (1) process.

BUSINESS PROCESS MAPPING: To ensure that the municipality is undertaking its water services functions effectively, it is important that Effective Water Services Business Processes are mapped to manage the flow of Water Services activities effectively. Such business processes will also aid in clarifying the roles and responsibilities of various roles players in Water Services provision.

SYSTEMS AUDIT: The limited resources of municipalities and the focus on day-to-day operational issues often results in long-term strategic planning and key operational issues being neglected. Effective decision-making requires the use of reliable information systems that address a wide range of technical, financial, economic and environmental issues. This can be facilitated by using an integrated information management system.

CHANGE MANAGEMENT: It is suggested that Change Management, Communication and Stakeholder Engagement initiatives begin as soon as possible within the Municipality to ensure that buy-in and smooth implementation of Water Services Capacitation Initiatives can be achieved.

ADDITIONAL PROJECTS

PERFORMANCE MANAGEMENT: must be introduced to all levels of staff. Currently, Section 57 Managers have formal performance agreements that will be

used to assess their performance. This principle must be cascaded downwards to all levels of staff, starting with management staff and then the rest of staff namely technical, operational, support and labour.

PROJECT MANAGEMENT: A project manager must be appointed to manage the institutional change within the municipality. Project management principles must at all times be adhered to such as the development of a project plan, regular progress reports, well defined milestones with deliverables and appropriate budget allocated.

HUMAN RESOURCES DIVISION: the Human Resources Division in the municipality must drive the process of institutional change in the municipality. If the HR Division doesn't have the necessary capacity to drive the change process, then service providers must be appointed to assist with the process

5.6 INTEGRATED WASTE MANAGEMENT PLAN

The main objective of the IWMP for the OR Tambo DM is to give effect to the objectives of the NEMWA (*"Each municipality must submit its integrated waste management plan to the MEC for approval and must include the approved integrated waste management plan in its Integrated Development Plan contemplated in Chapter 5 of the Municipal Systems Act"*) and other relevant legislation; whilst also ensuring that sustainable, cost effective, environmentally/socially/economically feasible and practical solutions to the "waste management problem" are developed, implemented and monitored.

Legislative Framework

Municipalities are mandated by NEMWA, 2008 to develop the IWMP to be integrated in the IDP. O.R Tambo recognizes that an Integrated Waste Management Plan is a key tool with very specific and significant implications on the goal of promoting sustainable development and service delivery with regards to waste management with the District, and one that will inform the Integrated Development Plan (IDP) and

other strategic Plans for the District and the local Municipality within O.R Tambo District Municipality.

Situational Analysis

The following key issues were identified in the Status Quo reports. The key issues identified were the same in all of the seven local municipalities:

- Lack of institutional capacity (human resources, management, and budget);
- Absence of minimization and recycling programmes; and
- Poor disposal practices (landfill operations).

The IWMP proposed the following priority projects to address some of the key challenges.

Key Activities	Responsibility	Time Frames
Development of waste management bylaws and implementation.	District municipality and all local municipalities.	On-going program.
Development of waste information systems.	District municipality and all local municipalities.	On-going program.
Awareness training and capacity building.	District municipality.	2011/2012 financial year.
Establishment of buyback centers and recycling facilities.	District municipality and all local municipalities.	2011/2012 financial year.
Development of local integrated waste management plans for local municipalities.	Local municipalities.	2011/2012 financial year.

5.7 ENVIRONMENTAL MANAGEMENT PLAN

An Environmental Management Plan (EMP) is aimed at contributing to a healthy environment by ensuring that urgent environmental issues are adequately addressed and that proposed projects have no negative impact on the natural environment. The purpose of the EMP is to provide a Municipality with a decision support tool to evaluate its outcomes in terms of its environmental implications. An Environmental Management Plan (EMP) is defined as a plan which organizes and coordinates

mitigation, rehabilitation and monitor measures in order to guide the implementation of the proposal.

Legal Requirements

National Environmental Management Act, 1998 (NEMA) gives legislative effect to the principles of the Constitution and the White Paper on a National Environmental Policy. NEMA also creates the institutions and procedures needed for cooperative governance and integration between spheres of government for environmental management. The Act also imposes a number of duties on the various spheres of government in terms of environmental management, including local government. Municipalities are mandated by NEMA to develop and implement EMP.

Situational Analysis

Despite O.R Tambo being seen as having a potential in Agriculture and Tourism within the province, but a number of threats to the environment can be identified within the area of Jurisdiction, including:

- Destruction of indigenous forests;
- Uncontrolled settlement on valuable agricultural soils and sensitive coastal habitats;
- Spread of invasive alien plants;
- Poor solid waste management;
- Inadequate application of Integrated Environmental Management procedures; and
- Over-use of intertidal and marine resources.

O.R Tambo EMP proposes the following Action Plans:

THEME	RESPONSIBLE	TIME FRAMES
Water monitoring: rivers and wetlands	Water services, Environmental	Ongoing
Waste water effluent monitoring	Water services	Ongoing

Monitoring of terrestrial and aquatic biodiversity	Water services, Environmental	Ongoing
Urban edge delineation	Spatial planning	2011-2012
Identification, delineation and planning of key natural resources	Spatial planning, Environmental	2011-2012
Monitoring programme for reporting on compliance	Environmental	Ongoing
Conservation planning	Spatial planning, LED, Environmental	2011-2012

5.8 DISASTER AND RISK MANAGEMENT FRAMEWORK PLAN

In pursuance of the national objective each province as well as each district and metropolitan municipality is, in terms of sections 28 and 42 of the Disaster Management Act, 2002, respectively, mandated 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; statutory functionaries of provinces and municipalities; local municipalities; statutory functionaries of local municipalities in the area of the district municipality; all municipal entities operating in its area; non-governmental organisations involved in DRM; and by the private sector. Provincial and municipal policy frameworks must be consistent with the Act and with the National Disaster Management Framework (NDMF). The Disaster Risk Policy Framework of the O.R. Tambo District Municipality is thus the instrument which gives effect to these legislative imperatives. It is in the context of the disaster risk profile of the ORT DM that this policy framework pursues the core philosophy of risk reduction through vulnerability reduction and resilience building, by placing priority on developmental initiatives.

The purpose of this policy framework is to provide those with statutory DRM responsibilities (in terms of the Disaster Management Act, 2002; the National Disaster Management Framework, 2005 (NDMF); the Policy Framework of the

Province of the Eastern Cape (EC PDRMPF) and other applicable legislation) within the ORT DM with a written mandate which is coherent, transparent and inclusive; provides the criteria for the systematic management of administrative decisions; stakeholder participation; operational skills; and capacities and achieves uniformity in the development, implementation, maintenance, monitoring and assessing of all policies, plans, strategies, programmes, projects and practice which are aimed at achieving the vision and mission statement; goals; strategic objectives; and key performance indicators for DRM in the municipality.

This policy framework also serves to guide the development and implementation of uniform and integrated DRM policy and plans of the local municipalities in the district. The ORT District Municipality's vision is to achieve integrated disaster risk management and to ensure resilient communities within a safe environment in the ORT District Municipality. The ORT District Municipality's mission is to entrench effective and efficient management of multi-disciplinary and multi-sectoral disaster risk management in the ORT District Municipality, executed by committed and empowered people. This policy framework, which establishes the policy of the council of the ORT DM for the management of disaster risk in its jurisdiction, is constituted in terms of the Disaster Management Act, 2002; is consistent with the National Disaster Management Framework, 2005; with the Policy Framework of the Province of the Eastern Cape; and is compliant with all applicable legislation, regulations, standards, codes and practices for DRM in the ORT DM. There are supporting policies that establish specific parameters for complying with the relevant imperatives such as terms of reference; organisational and administrative arrangements; the scope of responsibilities and/or activities; operating protocols; templates and good practice standards. The supporting policy is thus the legal instrument aimed at ensuring that the national objective of uniformity and integration in the execution of DRM legislation and policy in the municipality is achieved, and therefore *carries equal statutory obligation and status* as does that of the body of the policy framework.

The Council of the ORT District Municipality is the custodian of the DRM Policy Framework and must ensure the regular review and updating of thereof. The Head of the OR Tambo District Municipality Disaster Management Centre must ensure that

the procedures for the establishment and implementation of the policy framework and any amendments thereto, as prescribed by section 42 of the Act are executed. A copy of the Disaster Management Policy Framework is available and will be posted in the ORT DM website.

5.9 INTEGRATED TRANSPORT PLAN

Current deficiencies in the transport system, and with regard to mobility, needs of the population must be identified and described based on the data collected and the status quo inventory as well as by taking into account feedback from stakeholders and role players through a program of public participation. The transport needs assessment will provide valuable input in the formulation of transport goals and objectives on the one hand, as well as the setting of transport infrastructure and services standards on the other hand. Guidelines for transport needs identification and assessment include:

- The identification of transport problems and needs;
- The grouping of related problems and needs; and
- The prioritization of problems and needs.

Therefore, the integrated transport plan, apart from describing the existing transport situation, should describe the mobility needs of the population of the transport authority area for all trip purposes, and should include a detailed demand or market analysis for movement by either public or private modes of travel, in different corridors or along the routes which comprise the integrated transport plans public and private networks.

ISSUES	STRATEGIC OBJECTIVES	KEY INITIATIVES	IMPLEMENTATION	RESPONSIBILITY
District Integrated transport plan	Develop plans for integration of transport modes, infrastructure and facilities	<ul style="list-style-type: none"> • Development of terms of reference. • Call for proposals from qualified service providers • Appointment of a suitable service provider 		NDoT, PDoT ORTDM, LMs

Taxi assistance program	Implementation of a diversification strategy	<ul style="list-style-type: none"> • Develop a constitution for the cooperative • Register a cooperative • Develop a business plan for the business that has been identified by the members of the cooperative 	ORTDM
Improvement of transport facilities	Implementation of priority project identified in the audit and needs analysis report of public transport facilities at Mhlontlo LM	<ul style="list-style-type: none"> • Develop a business plan • Solicit funds from the NDoT • Develop terms of reference 	NDoT ORTDM
Promotion of non-motorised transport	Conduct a schools audit on the bicycles that were issued by PDoT	<ul style="list-style-type: none"> • Introduce non-motorised transport and infrastructure (pedestrian walk-ways) 	PDoT ORTDM
Upgrading of airport infrastructure	Upgrading the Mthatha airport and PSJ airstrip	<ul style="list-style-type: none"> • Implement the Mthatha Airport and PSJ landing strip 	DoT, ORTDM, PSJ-LM

5.10. HOUSING SECTOR PLAN

Constitution

The Constitution of South Africa clearly states that every citizen has a right to housing.

Housing Act

This Act defines the role of local municipalities on housing related as that of developing Housing Sector Plans and Strategies. The housing function is the Provincial Departments responsibility. The municipality implements projects on an Agent basis.

Municipal Systems Act

This act states that municipalities should have a Housing Chapter on their IDP's. The District Municipality has complied with this regulation as it had a District Housing

Plan that was approved on 2004. In terms of the law Sector Plans are for a 5 year planning period, subject to annual review. The Department is now in the process of reviewing the plan and as such a Service Provider has been appointed. It is anticipated that the plan be completed within a period of four [4] months. The review of this plan is led by the Provincial Department of Human Settlements. In order to ensure that the process is inclusive of Local Municipalities, the LM's will be visited and consulted with regards to the formulation of the plan.

5.11 WARD COMMITTEE STRATEGY AND GUIDELINES

Ward Committees are committees established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998, and they are also referred to as Section 73 Committees. They consist of a Ward Councillor as the chairperson, and 10 other members elected by ward residents in a Ward General Meeting taking into cognisance the balance in terms of gender. Ward Committees are a link between the municipal council and communities within a ward. They are there to inform the municipality about the aspirations, potentials and challenges or problems of the people in a ward. They are the eyes, mouth and ears of the ward citizenry and represent citizens in core municipal processes such as Integrated Development Planning, Municipal Budgeting as well as Municipal Performance Management System processes. In other words, ward committees are established in order to ensure that people really govern as envisaged in the Freedom Charter adopted by the ANC in 1955.

The DM implements its projects and programmes in wards within local municipalities. Good working relations therefore between the DM and its local municipalities are critical for the smooth delivery of services to the people of O.R. Tambo District. Ward committees have been established in all the 162 wards within the O.R. Tambo District and it is crucial therefore that there is uniformity in the manner in which these committees across the district operate, hence this Strategy and Guidelines.

Regulatory Framework

In terms of Section 73 (1) of Local Government: Municipal Structures Act, Act No. 117 of 1998, if a metro or local council decides to have Ward Committees, it must establish a ward committee for each ward in the municipality.

What The Strategy And Guidelines Seek To Address

The Strategy and Guidelines for Ward Committees within the O.R. Tambo District seeks to ensure uniformity in the manner in which ward committees within the 7 local municipalities conduct their business or operate.

Aims And Objectives Of the Strategy and Guidelines

The aims and objectives of the Strategy and Guidelines for ward committees within the O.R. Tambo District are to:

- Provide a framework and guiding principles on how ward committees should operate; Enhance participatory democracy in local government through the establishment of ward committees;
- Encourage uniformity in the manner in which ward committees within the District operate;
- Ensure functionality of ward committees as a link between municipal councils and communities; and
- Promote coordinated participation of members of the public in the municipal affairs through ward committee structures;

5.12 PUBLIC PARTICIPATION POLICY

Public participation is a constitutional mandate that has to be complied with by all the three tiers of governance. Section 152(1)(e) of the Constitution of the Republic of South Africa Act 108 of 1996 provides for the involvement of communities and community Organizations in Local Government. The O.R. Tambo District Municipality public participation policy is currently being developed and is in the advanced stages towards approval through council committees to final adoption by council.

The objects of both structural and institutionalized public participation are:

- To ensure proper co-ordination, management, inclusive and meaningful participation of local communities in the affairs of the O.R. Tambo District Municipality. A structured public participation process makes provisions for the participation of all relevant stakeholders’.
- Provides an opportunity for the development of an integrated and cohesive service delivery strategy.
- Provides for an establishment of a public participation steering committee, with representation from all the Local Municipalities and stakeholders with specific terms of reference as defined and determined by the council.
- Provides the council with an opportunity to demand for integration of public participation by all administrative components of the District Councils. Thus, ensuring that individual departments integrate public participation in their plans and developmental initiatives.

This policy was adopted by Council on 9 May 2011.



**O.R. TAMBO
DISTRICT MUNICIPALITY**

CHAPTER 6: PROJECTS

CHAPTER 6: PROJECTS

a. GRANT ALLOCATIONS

b. O.R TAMBO DISTRICT MUNICIPALITY PROJECTS

i. PROJECT FUNDING

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ii. MIG ALLOCATION

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
KSD	Extension of Coffee-Bay Regional Water Supply	113 653 953.00	Water	On hold	30 000 000.00	24 222 008.39	20 000 000.00
KSD	Upgrading of Mhlahlane T/W & Extension to villages	149 008 412.00	Water	Construction	29 000 000.00	15 000 000.00	
KSD	Mthatha Water Supply Scheme Upgrades (Mthatha Regional Water Supply Scheme) Mthatha BNG and Peri Urban Schemes		Water	Feasibility Study	500 000.00	1 000 000.00	1 000 000.00
KSD	Mthatha Regional Water Supply Scheme Mthatha Dam Source. This will involve the supply of water to the identified wards and villages through the Mthatha Dam Source		Water	Feasibility Study	500 000.00	1 000 000.00	3 000 000.00
KSD	Mthatha regional Water Supply Scheme (Second Falls). Development of a Regional Scheme downstream of second falls		Water	Business Plan	500 000.00	1 000 000.00	3 000 000.00
KSD	Mqanduli Bulk Water Supply. Upgrade of existing scheme and dam construction / Mthatha Water Source		Water	Business Plan	500 000.00	1 000 000.00	10 000 000.00
KSD	Mthatha Regional Water Supply Scheme (Boreholes Schemes). The project involves the drilling of deep wells for underground water abstraction		Water	Business Plan	500 000.00	1 000 000.00	10 000 000.00
KSD	Completion of unfinished supply of adequate water at Mandleni		Water	Business Plan	500 000.00	1 000 000.00	10 000 000.00

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
KSD	Upgrading of Mqanduli Sewer into full Waterborne sewer system (Mqanduli Town) Phase 2	20 033 402.40	Sewer	Construction	10 033 402.40		
KSD	Water Supply to Lukhwethu and surrounding villages		Water	Business Plan	500 000.00	5 000 000.00	10 000 000.00
KSD	KSD Presidential Initiative : Upgrade of the Mthatha Waste Water Treatment Works and Sewer reticulation	183 543 815.00	Sewer	Business Plan	20 000 000.00	25 000 000.00	25 000 000.00
KSD	KSD Presidential Initiative: Mthatha Regional Water Supply – Thornhill to Airport, Bedford Hospital, Military base and surrounding areas	281 556 734.00	Water	Tender	40 000 000.00	10 000 000.00	50 000 000.00
KSD	KSD Presidential Initiative : Mthatha Regional Water Supply – Thornhill to Mqanduli via Viedgesville	296 442 203.00	Water	Tender	40 000 000.00	40 000 000.00	50 000 000.00
KSD	KSD Presidential Initiative: Ngqeleni and Libode Corridors	197 621 738.00	Water	Tender	40 000 000.00	40 000 000.00	50 000 000.00
KSD	KSD Presidential Initiative : Signall Hill Strategic Linkages: Mthatha Regional Water Supply – Rosedale to Nqadu corridor to supply the Mhlontlo LM villages	78 745 775.00	Water	Tender	40 000 000.00	40 000 000.00	45 000 000.00
KSD	Completion of Ward 18 Sanitation		Sewer	Business Plan	500 000.00	2 000 000.00	2 000 000.00
KSD	Completion of Ward 31 Sanitation		Sanitation	Business Plan	500 000.00	2 000 000.00	2 000 000.00
KSD	KSD Ward 27 Sanitation	13 874 937.00	Sanitation	Business Plan	3 874 937.00		
Mhlontlo	Extension to Mangxamfu Water Supply	32 971 470.00	Water	Design	10 000 000.00	10 000 000.00	12 971 470.00

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
Mhlontlo	Extension of Sidwadweni / Tsolo Junction Water Supply	203 961 738.00	Water	Construction and Tender	10 000 000.00	20 000 000.00	40 000 000.00
Mhlontlo	Ntabasigogo Water Supply	6 821 139.61	Water	Design	3 000 000.00	3 821 139.61	
Mhlontlo	Upgrading Tsolo Town and Junction Sewer System into Waterborne - Phase 2	67 259 012.00	Sewer	Construction	10 000 000.00	10 000 000.00	
Mhlontlo	Mhlontlo Ward 7 Sanitation	13 514 400.00	Sanitation	Construction	5 000 000.00		
Mhlontlo	Upgrading of Qumbu Town Sewer System into waterborne		Sewer	Business Plan	10 000 000.00	10 000 000.00	
Mhlontlo	Ward 1 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Completion of Ward 16 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Completion of Ward 19 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Completion of Ward 21 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Ward 22 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Ward 23 Sanitation		Sanitation	Business Plan	3 000 000.00	5 000 000.00	5 000 000.00
Mhlontlo	Ward 8 Sanitation	27 838 479.00	Sanitation	Tender	10 000 000.00	7 838 479.00	
Nyandeni	Extension of Rosedale Water Supply to Libode	146 750 062.00	Water	Construction	40 000 000.00	10 000 000.00	20 000 000.00
Nyandeni	Rosedale to Libode Water Supply Phase 2. Extension of Rosedale Water Supply to Libode (Now Thornhill pending finalisation of new site) Wards 7,8,15,16,17,30		Water	Business Plan	5 000 000.00	20 000 000.00	25 000 000.00

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
Nyandeni	Mthatha Regional Water Supply Scheme Second Falls Option. Project involves the full exploitation of Mthatha River to supply the whole region from Second Falls and Mdumbi river up to the sea (wards 14,21,22,23,24,25 & 26)		Water	Feasibility Study	2 000 000.00	2 000 000.00	5 000 000.00
Nyandeni	Ntsonyini Ngqongweni Regional Water Supply Scheme. Regional Water Scheme using the Mngazana River (Wards 6 & 18)	144 570 240.00	Water	Design stage	40 000 000.00	44 570 240.00	30 000 000.00
Nyandeni	Dumasi Regional Water Supply Scheme. Dumasi Villages and Ngqeleni Town (Ward 21)		Water	Business Plan	5 000 000.00	10 000 000.00	10 000 000.00
Nyandeni	Upgrading of Cibeni Ntlambela Water Supply (Ward 17 & 19)		Water	Business Plan	10 000 000.00	10 000 000.00	15 000 000.00
Nyandeni	Lwandile Regional Water Supply Scheme. Upgrading of existing water supply scheme		Water	Business Plan	200 000.00	10 000 000.00	20 000 000.00
Nyandeni	Completion of Ngqeleni Regional Water Supply Scheme (Ward 17 & 19)		Water	Feasibility Study	200 000.00	10 000 000.00	16 000 000.00
Nyandeni	Extension of Mhlanganisweni Regional Water Supply Scheme (Tsitsa River Source) (Wards 1,3,5 & 27)		Water	Feasibility Study	200 000.00	5 000 000.00	20 000 000.00
Nyandeni	Nyandeni Ward 19 Sanitation		Sanitation	Business Plan	2 000 000.00	5 000 000.00	5 000 000.00
Nyandeni	Nyandeni Ward 2 Sanitation		Sanitation	Business Plan	2 000 000.00	5 000 000.00	5 000 000.00
Nyandeni	Ward 25 Sanitation				2 000 000.00	5 000 000.00	5 000 000.00
Nyandeni	Nyandeni Ward 14 Sanitation	16 622 077.00	Sanitation	Tender	6 622 077.00		
Nyandeni	Completion of Ward 20 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
Nyandeni	Completion of ward 5 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00
Nyandeni	Completion of ward 14 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00
Nyandeni	Completion of ward 15 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00
Nyandeni	Completion of ward 17 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00
Nyandeni	Completion of ward 18 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	5 000 000.00
Nyandeni	Upgrading of Ngqeleni Sewer System into full waterborne system		Sewer	Business Plan	200 000.00	5 000 000.00	5 000 000.00
Nyandeni	Upgrading of Libode Sewer System into full water-borne system	51 273 712.00	Sewer	Design stage	8 273 712.00	10 000 000.00	5 000 000.00
Ingquza Hill	Ingquza Hill Regional Water Supply (master plan)		Water	Feasibility Study	1 500 000.00	2 000 000.00	
Ingquza Hill	Upgrading of Flagstaff Sewer System into water-borne system (Phase 2)	65 467 237.00	Sewer	Tender	10 000 000.00	15 000 000.00	-
Ingquza Hill	Upgrading of Lusikisiki Sewer System into water-borne system (Phase 2)		Sewer	Business Plan	7 000 000.00	5 000 000.00	
Ingquza Hill	Completion of wards not fully covered with sanitation (1,3,4,5,8,13,14,16,18,19,20,21,22,28,30)		Sanitation	Business Plan	10 000 000.00	10 000 000.00	5 000 000.00
Ingquza Hill	Ingquza Ward 11 Sanitation	12 788 520.00	Sanitation	Construction	2 788 866.00		
Ingquza Hill	Ingquza Ward 15 Sanitation	12 124 041.00	Sanitation	Construction	7 124 041.00		
Ingquza Hill	Completion of ward 29 Sanitation		Sanitation	Business Plan	500 000.00	5 000 000.00	3 000 000.00
Ingquza Hill	Kwa Nyathi Regional Water Supply Scheme: KwaNyathi Village and surrounding areas: Feasibility Study				500 000.00	3 000 000.00	3 000 000.00

Local Municipality	Project name	Approved MIG Funds / Required Funding	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation	2015/2016 Allocation	2016/2017 Allocation
Ingquza Hill	Msikaba Regional Water Supply Scheme: Msikaba River Source: Feasibility Study				500 000.00	2 000 000.00	3 000 000.00
Ingquza Hill	Flagstaff Regional Water Supply Phase 3	81 560 391 000.00	Water	Award and litigation	15 000 000.00	15 000 000.00	-
Port St Johns	PSJ Ward 1,2 3,5,7,8,9,11,17,19 & 20 Sanitation		Sanitation	Business Plan	10 000 000.00	10 000 000.00	9 394 780.00
Port St Johns	PSJ Ward 6 Sanitation	37 975 000.00	Sanitation	Tender	8 000 000.00	7 975 000.00	5 000 000.00
Port St Johns	PSJ Regional Water Supply Phase 5	41 686 583.00	Sanitation	Construction	10 000 000.00	11 686 583.00	
Port St Johns	PSJ Ward 14 Sanitation	7 515 752.00	Sanitation	Business Plan	4 084 634.00		
Port St Johns	PSJ Ward 15 Sanitation	21 353 078.00	Water	Tender	10 227 885.60	10 000 000.00	
Port St Johns	PSJ Ward 16 Sanitation	12 803 045.00	Sanitation	Tender	6 803 045.00		
Port St Johns	Upgrading of PSJ Sewer System		Sewer	Design stage	10 000 000.00	15 000 000.00	5 000 000.00
	PMU operational cpsts		N/A	N/A	30 238 400.00	32 094 550.00	32 808 750.00
TOTALS					604 371 000.00	626 208 000.00	656 175 000.00

6.2 O.R TAMBO THREE YEAR CAPITAL INFRASTRUCTURE PLAN

6.2.1 Port St Johns Local Municipality

WATER & SANITATION PROJECTS

Local Municipality	Project name	Approved MIG Funds	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation
Port St Johns	PSJ Ward 1,2 3,5,7,8,9,11,17,19 & 20Sanitation		Sanitation	Business Plan	10 000 000.00
Port St Johns	PSJ Ward 6 Sanitation	37 975 000.00	Sanitation	Tender	15 000 000.00
Port St Johns	PSJ Ward12 Sanitation	12 537 100.00	Sanitation	Construction	5 000 000.00
Port St Johns	PSJ Regional Water Supply Phase 5	41 686 583.00	Sanitation	Construction	10 000 000.00
Port St Johns	PSJ Ward 15 Sanitation	21 353 078.00	Water	Tender	10 227 885.60
Port St Johns	PSJ Ward 16 Sanitation	12 803 045.00	Sanitation	Tender	2 803 045.00
Port St Johns	Upgrading of PSJ Sewer System		Sewer	Design stage	15 000 000.00
TOTALS					68 030 930.60

6.2.2 Ingquza Hill Local Municipality

WATER PROJECTS & SANITATION PROJECTS

Local Municipality	Project name	Approved MIG Funds	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation
Inggquza Hill	Inggquza Hill Regional Water Supply (master plan)		Water	Feasibility Study	5 000 000.00
Inggquza Hill	Upgrading of Flagstaff Sewer System into water-borne system (Phase 2)	65 467 237.00	Sewer	Tender	15 000 000.00
Inggquza Hill	Upgrading of Lusikisiki Sewer System into water-borne system (Phase 2)		Sewer	Business Plan	15 000 000.00
Inggquza Hill	Completion of wards not fully covered with sanitation (1,3,4,5,8,13,14,16,18,19,20,21,22,28,30)		Sanitation	Business Plan	20 000 000.00
Inggquza Hill	Inggquza Ward 11 Sanitation	12 788 520.00	Sanitation	Construction	2 788 866.00
Inggquza Hill	Inggquza Ward 15 Sanitation	12 124 041.00	Sanitation	Construction	7 124 041.00
Inggquza Hill	Flagstaff Regional Water Supply Phase 3	81 560 391 000.00	Water	Award and litigation	30 000 000.00
TOTALS					94 912 907.00

6.2.3 Mhlontlo Local Municipality

WATER & SANITATION PROJECTS

Project name	Approved MIG Funds	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation
Extension to Mangxamfu Water Supply	32 971 470.00	Water	Design	15 000 000.00
Extension of Sidwadweni / Tsolo Junction Water Supply	203 961 738.00	Water	Construction and Tender	40 000 000.00
Ntabasigogo Water Supply	6 821 139.61	Water	Design	
Upgrading Tsolo Town and Junction Sewer System into Waterborne - Phase 2	67 259 012.00	Sewer	Construction	15 000 000.00
Mhlontlo Ward 7 Sanitation	13 514 400.00	Sanitation	Construction	5 000 000.00
Upgrading of Qumbu Town Sewer System into waterborne		Sewer	Business Plan	15 000 000.00
Ward 8 Sanitation	27 838 479.00	Sanitation	Tender	10 000 000.00
TOTAL				100 000 000.00

6.2.4 Nyandeni Local Municipality

WATER & SANITATION PROJECTS

Project name	Approved MIG Funds	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation
Extension of Rosedale Water Supply to Libode	146 750 062.00	Water	Construction	40 000 000.00
Rosedale to Libode Water Supply Phase 2. Extension of Rosedale Water Supply to Libode (Now Thornhill pending finalisation of new site) Wards 7,8,15,16,17,30		Water	Business Plan	20 000 000.00
Mthatha Regional Water Supply Scheme Second Falls Option. Project involves the full exploitation of Mthatha River to supply the whole region from Second Falls and Mdumbi river up to the sea (wards 14,21,22,23,24,25 & 26)		Water	Feasibility Study	2 000 000.00
Ntsonyini Ngqongweni Regional Water Supply Scheme. Regional Water Scheme using the Mngazana River (Wards 6 & 18)	144 570 240.00	Water	Design stage	40 000 000.00
Dumasi Regional Water Supply Scheme. Dumasi Villages and Ngqeleni Town (Ward 21)		Water	Business Plan	10 000 000.00
Upgrading of Cibeni Ntlambela Water Supply (Ward 17 & 19)		Water	Business Plan	10 000 000.00
Lwandile Regional Water Supply Scheme. Upgrading of existing water supply scheme		Water	Business Plan	10 000 000.00
Completion of Ngqeleni Regional Water Supply Scheme (Ward 17 & 19)		Water	Feasibility Study	10 000 000.00
Extension of Mhlanganisweni Regional Water Supply Scheme (Tsitsa River Source) (Wards 1,3,5 & 27)		Water	Feasibility Study	10 000 000.00
Wards not yet covered with VIPs 19 & 25		Sanitation	Business Plan	5 000 000.00
Nyandeni Ward 14 Sanitation	16 622 077.00	Sanitation	Tender	6 622 077.00
Upgrading of Ngqeleni Sewer System into full waterborne system		Sewer	Business Plan	5 000 000.00
Upgrading of Libode Sewer System into full water-borne system	51 273 712.00	Sewer	Design stage	20 000 000.00
			TOTAL	188 622 077.00

6.2.5 King Sabata Dalindyebo Local Municipality

WATER & SANITATION PROJECTS

Project name	Approved MIG Funds	Project Category (e.g. water/sanitation)	Status (Business Plan, Registration, design & tender, adjudication, construction etc.)	2014/2015 Allocation
Extension of Coffee-Bay Regional Water Supply	113 653 953.00	Water	On hold	40 000 000.00
Upgrading of Mhlahlane T/W & Extension to villages	149 008 412.00	Water	Construction	40 000 000.00
Mthatha Water Supply Scheme Upgrades (Mthatha Regional Water Supply Scheme) Mthatha BNG and Peri Urban Schemes		Water	Feasibility Study	2 000 000.00
Mthatha Regional Water Supply Scheme Mthatha Dam Source. This will involve the supply of water to the identified wards and villages through the Mthatha Dam Source		Water	Feasibility Study	2 000 000.00
Mthatha regional Water Supply Scheme (Second Falls). Development of a Regional Scheme downstream of second falls		Water	Feasibility Study	2 000 000.00
Mqanduli Bulk Water Supply. Upgrade of existing scheme and dam construction / Mthatha Water Source		Water	Feasibility Study	2 000 000.00
Mthatha Regional Water Supply Scheme (BoreholesSchemes). The project involves the drilling of deep wells for underground water abstraction		Water	Feasibility Study	2 000 000.00
Completion of unfinished supply of adequate water at Mandleni		Water	Feasibility Study	2 000 000.00
Upgrading of Mqanduli Sewer into full Waterborne sewer system (Mqanduli Town) Phase 2	20 033 402.40	Sewer	Construction	10 033 402.40
Upgrading of Mthatha Waste Water Treatment Works (Mthatha Town BNG areas 1-9,11,14)	27 055 346.00	Sewer	Construction	12 055 346.00
Water Supply to Lukhwethu and surrounding villages		Water	Tender	5 000 000.00
KSD Ward 27 Sanitation	13 874 937.00	Sanitation	Business Plan	3 874 937.00
TOTAL				122 963 685.40

6.2.6 Summary of Funding Required

<u>MUNICIPALITY</u>	AMOUNT REQUIRED	AMOUNT APPROVED	2011 / 2012 FY ALLOCATED	2012/ 2013 FY ALLOCATED	2013/ 2014 FY ALLOCATED	2014/2015 ALLOCATED	2015/2016 ALLOCATED	2016/2017 ALLOCATED
<i>KING SABATA DALINDYEBO</i>	<i>R 3,514,986,187.81</i>	<i>R 553,230,796.33</i>	<i>R 197,841,831.33</i>	<i>R 401,068,815.48</i>	<i>R 414,101,969.20</i>	<i>R 387,029,289.80</i>	<i>R 719,126,250.00</i>	<i>R 590,556,425.00</i>
<i>NYANDENI</i>	<i>R 2,054,421,120.01</i>	<i>R 469,552,883.00</i>	<i>R 191,163,987.01</i>	<i>R 453,650,123.00</i>	<i>R 482,273,372.00</i>	<i>R 422,423,678.00</i>	<i>R 307,856,660.00</i>	<i>R 114,950,000.00</i>
<i>MHLONTLO</i>	<i>R 1,041,048,016.00</i>	<i>R 466,559,724.00</i>	<i>R 94,900,000.00</i>	<i>R 231,638,409.00</i>	<i>R 282,059,562.00</i>	<i>R 211,961,738.00</i>	<i>R 252,245,123.00</i>	<i>R 110,904,877.00</i>
<i>INGQUZA HILL</i>	<i>R 3,270,750,000.00</i>	<i>R 382,813,645.74</i>	<i>R 120,654,983.56</i>	<i>R 181,615,248.18</i>	<i>R 386,338,000.00</i>	<i>R 380,000,000.00</i>	<i>R 383,000,000.00</i>	<i>R 390,000,000.00</i>
<i>PORT ST JOHNS</i>	<i>R 1,422,100,178.01</i>	<i>R 272,100,178.01</i>	<i>R 40,247,600.00</i>	<i>R 138,759,561.01</i>	<i>R 153,718,017.00</i>	<i>R 234,875,000.00</i>	<i>R 304,750,000.00</i>	<i>R 273,250,000.00</i>
GRAND TOTAL	R 11,303,305,501.83	R 2,144,257,227.08	R 644,808,401.90	R 1,406,732,156.67	R 1,718,490,920.20	R 1,636,289,705.80	R 1,966,978,033.00	R 1,479,661,302.00

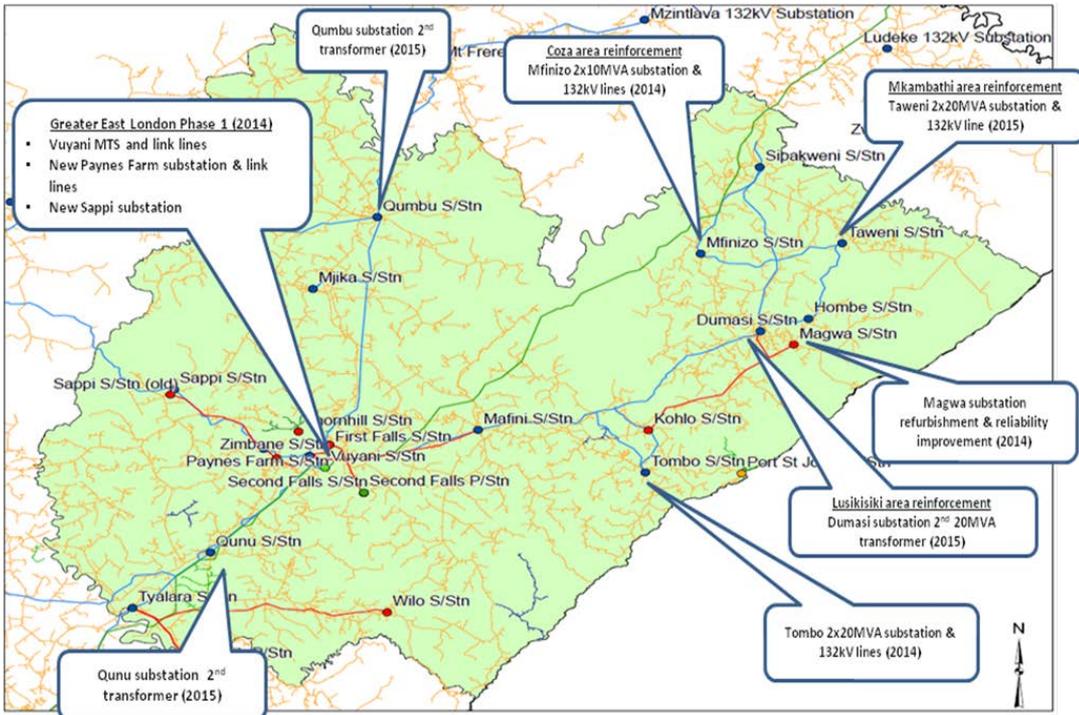
6.3 SECTOR DEPARTMENT PROJECTS

6.3.1. ESKOM

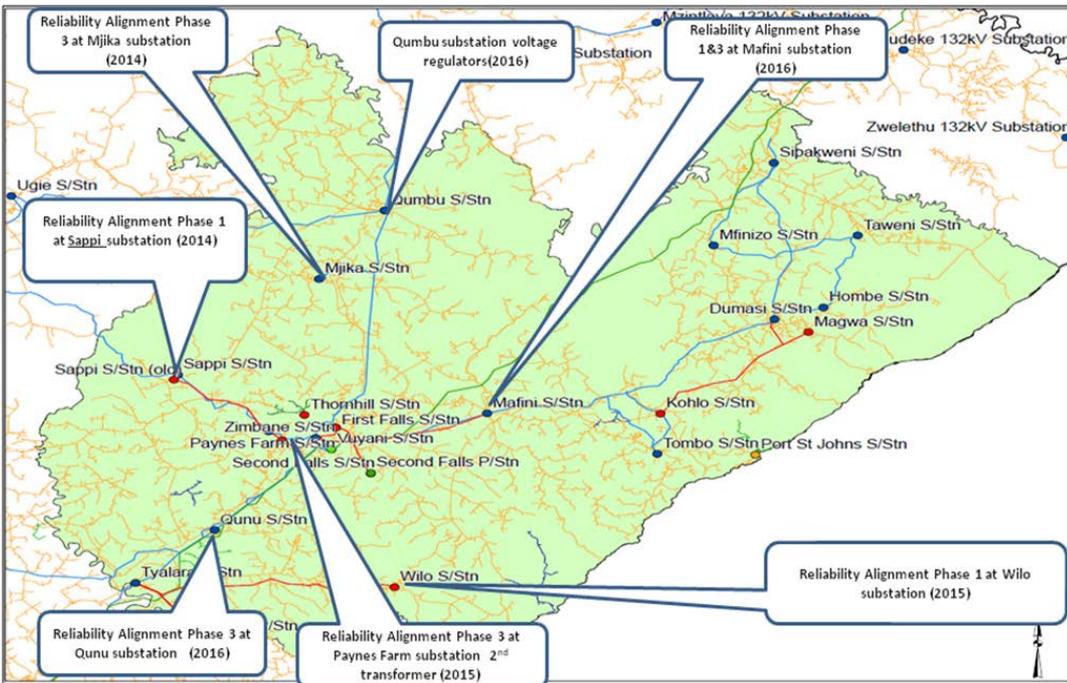
ELECTRIFICATION PLAN 2014/15

LOCAL MUNICIPALITY	PROJECT NAME	H/H	COSTS
KSD	Mqanduli Coffey Bay	700	R 12 600 000.00
	Mqanduli Ph 5	300	R 5 400 000.00
	Mqanduli Ph 2	300	R 5 400 000.00
	KSD Extensions	500	R 8 500 000.00
Total		1800	R 31 900 000.00
Ingquza Hill	Ngquza Electrification	255	R 4 590 000.00
	Khanyayo	700	R 12 600 000.00
	Lambasi B	300	R 5 400 000.00
	Mantlaneni	1700	R 28 000 000.00
	Mantlaneni Link line	Infrastr	R 4 000 000.00
	Ntontela	1800	R 20 000 000.00
	Ntontela Link line	Infrastr	R 5 800 000.00
	Mfinizo 132/22 2X10 MVA Substation	infrastr	R 7 089 841.00
	Mfinizo substation 132 kV turn in line		R 7 247 376.00
	Mfinizo Substation 22kV link line		R 1 589 381.00
	Siphakweni Substation – Dumasi 132kV		R 86 938.00
	Taweni 132/22kV 2X20 MVA Substation		R 29 071 246.00
	Taweni Substation 132 kV turn in line		R 13 704 076.00
	Taweni Substation 22kV link line		R 3 098 186.00
Total		4755	R 174 177 044.00
Nyandeni	Mtata Mouth	400	R 7 200 000.00
	Ncitwa Ext	241	R 4 579 000.00
	Ngqeleni H/D	129	R 2 064 000.00
Total		770	R 13 843 000.00
PSJ	Mtambalala	330	R 5 940 000.00
	Lutshaya	500	R 9 000 000.00
	Lutshaya link line	Infrastr	
	Kwa Nyathi	200	R 3 600 000.00
	Kwa Nyathi Link line	Infrastr	
	Tyeni	375	R 6 750 000.00
	Tyeni Link line	Infrastr	
Total		1405	R 25 290 000.00
Grand Total OR Tambo		8730	R 245 210 044.00

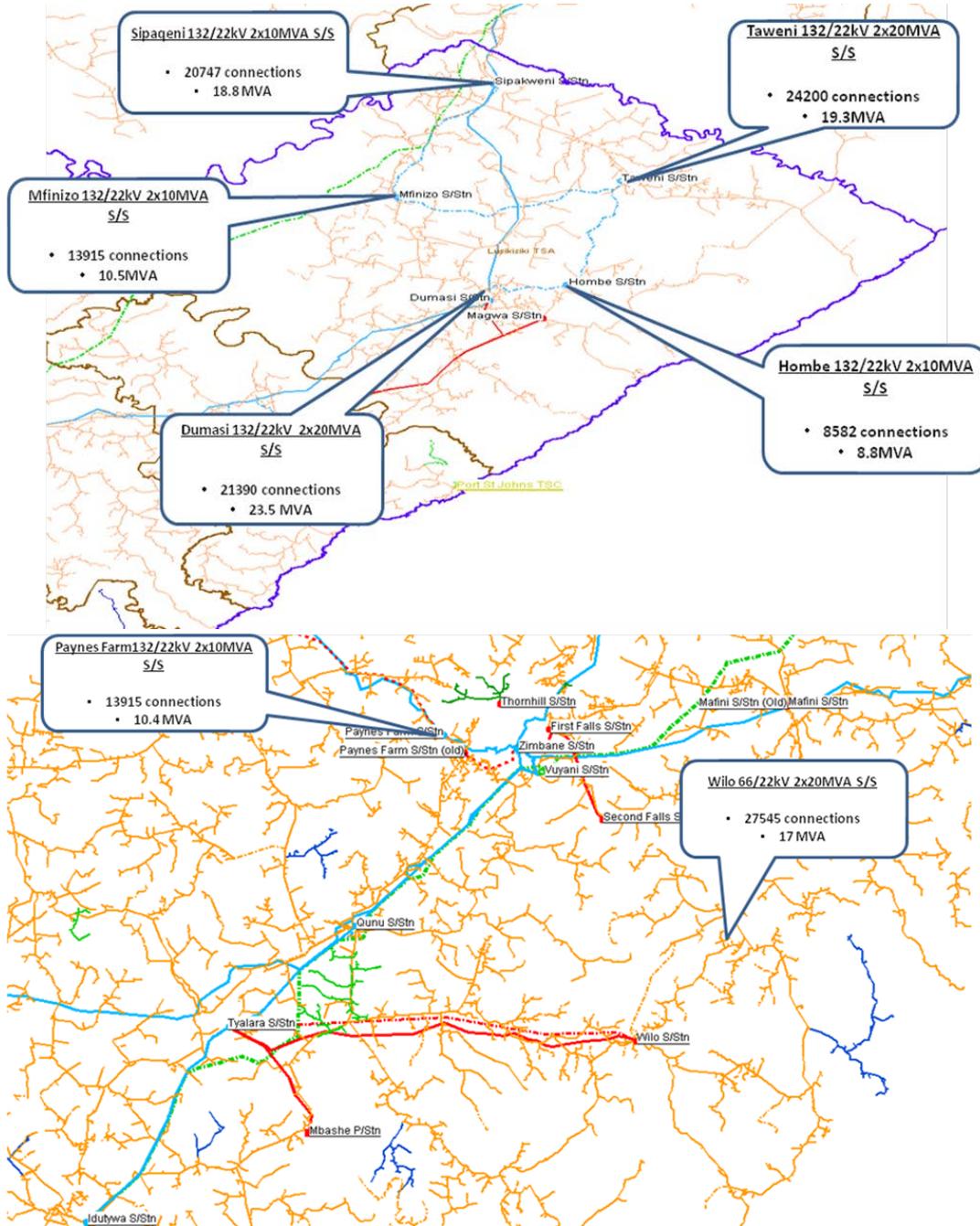
HV PROJECTS

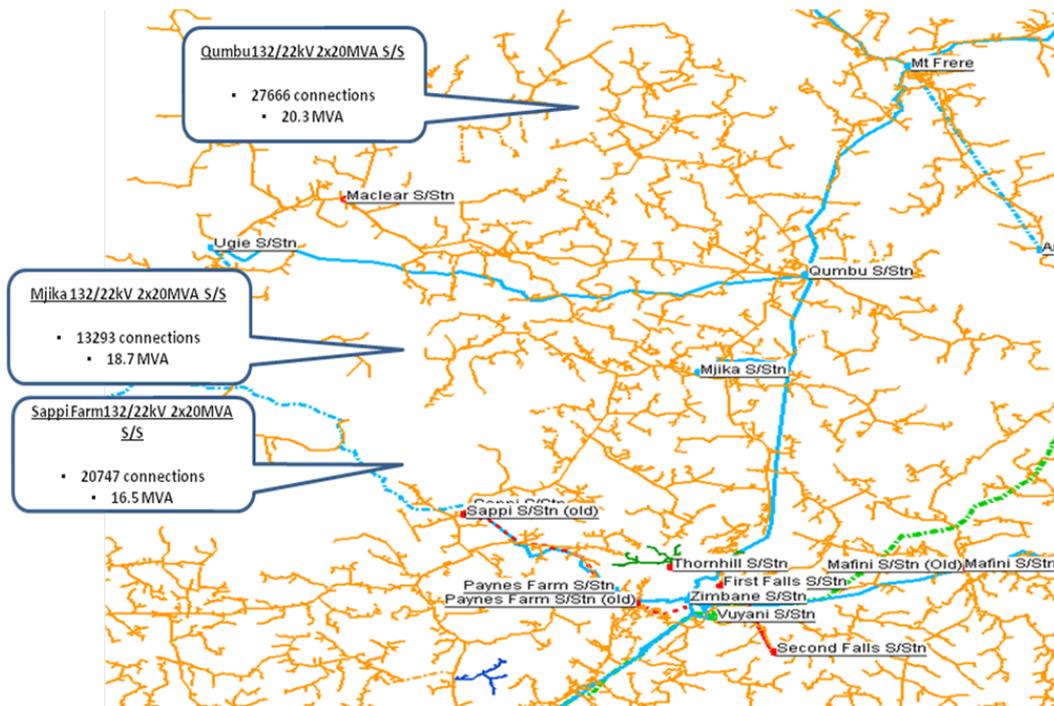
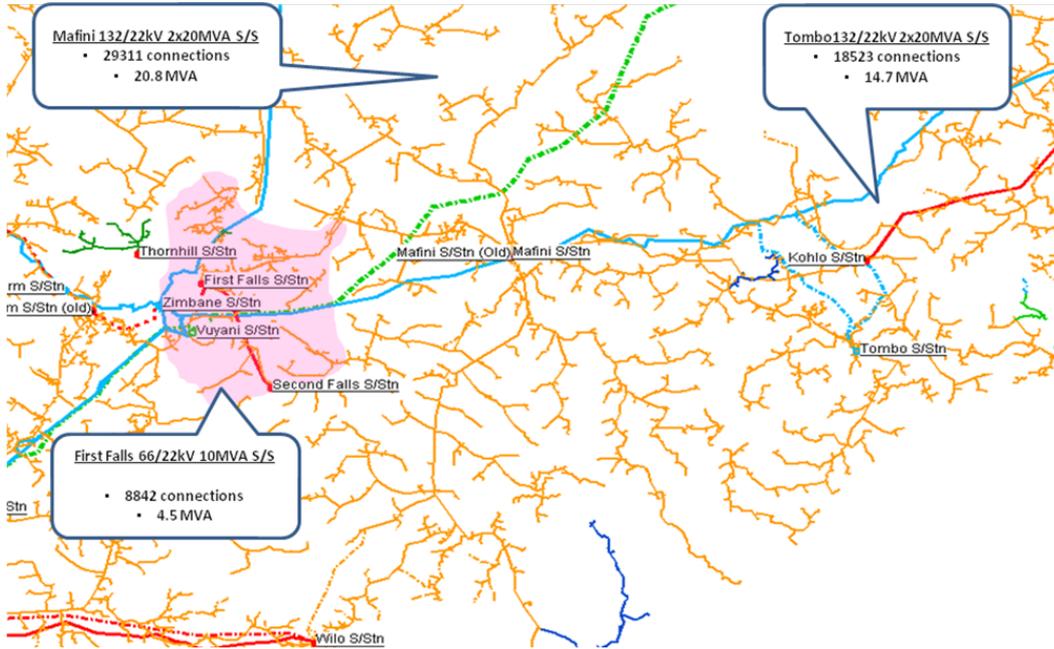


MV PROJECTS



NUMBER OF CONNECTIONS AND LOADING PER SUBSTATION BY 2031





6.3.2. SOUTH AFRICAN NATIONAL ROAD AGENCY

PROJECT DESCRIPTION	TYPE OF WORK	PROJECT STAGE	START/COMPLETION DATE	CONTRACT VALUE
KSD LOCAL MUNICIPALITY				
N2/Tetyana –Sitebe Komkhulu	Improvement	Design	2015 start	250 mil
N2/ Sitebe Komkhulu - Viedgesville	Improvement	Complete-Opening Today	May 2011- Feb 2014	341mil
N2/ New Bridge over Mthatha River	Improvement	Complete	March 2011-Jan 2014	110mil
R61/Baziya-Mthatha	Strengthening	Design	July 2014- Jan 2017	250mil
R61/Mthatha – Ngqeleni	Improvements	Construction	Sept 2013- March 2016	350mil
NYANDENI LOCAL MUNICIPALITY				
R61/ Mthatha- Corana River	Improvements	Design	2013	200mil
R61/ Misty Mount to Mafini	Improvements	Design	2013	120mil
R61/ Mafini to Umngazi	Improvements	Construction	2011-2014	139mil
R61/ Mafini to Umngazi Phase 1	Community Development	Construction	2013	60mil
R61/ Mafini to Umngazi Phase 2	Community Development	Construction	Aug 2012- May 2014	99mil
Package 9-Corana River to Misty Mount Access Roads	Community Development	Construction	2012- June 2014	56mil
Package 10-Misty Mount to Mafini Access Roads	Community Development	Construction	2012- March 2014	62mil
St Barnabas Modal I/C & Access Roads	Community Development	Construction	2013	33mil
R61/ Nqeleni to Libode	Upgrade	Construction	March 2014- July 2016	250mil
PORT ST JOHNS LOCAL MUNICIPALITY				
R61/ Tombo Intersection (Dual Carriageway)	Improvements	Construction	2013	110mil

PROJECT DESCRIPTION	TYPE OF WORK	PROJECT STAGE	START/COMPLETION DATE	CONTRACT VALUE
Tombo Modal I/C & Access Roads	Community Development	Construction	2011	54mil
Majola Tea to Tombo	Improvement & Community Development	Design	July 2014 to Jan 2017	285mil
INGQUZA HILL LOCAL MUNICIPALITY				
R61/ Ntafufu River to Lusikisiki	Special Maintenance	Completed	Feb 2014	26mil
Package 7 Ntafufu to Lusikisiki	Community Development	Design	2014 Tender date for construction still to be determined	50mil
MHLONTLO LOCAL MUNICIPALITY				
N2/ Nqadu Forest to Mzeke River (Qumbu)	Strengthening	Design	2015-	205mil
Qumbu/ Mzeke River to Mount Frere Reseal	Reseal	Design	Sept 2014-	60mil

Local Municipality	Project Description	Type of Work	Construction or Design	Construction / Completion	Value	ROUTE
Nyandeni Local Municipality	R61 - Misty Mount to Mafini	Improvements	Design	Feb 2013 Start	R 120,000,000	R61
King Sabata Dalindyebo Local Municipality	N2 – Tetyana to Sitebe Komkulu	Improvement	Design	Jan 2015 Start	R 250,000,000	N2
King Sabata Dalindyebo Local Municipality	N2 – Sitebe Komkulu to Viedgesville	Improvement	Construction	April 2014 Complete	R 341,000,000	N2
King Sabata Dalindyebo Local Municipality	N2 – New Bridge over Mthatha River (Mthatha)	Improvement	Construction	Jan 2014 Complete	R 107,000,000	N2
King Sabata Dalindyebo Local Municipality	R61 – Baziya to Mthatha	Strengthening	Design	October 2014	R 250,000,000	R61

				Start	0	
King Sabata Dalindyebo Local Municipality	R61 – Majola Tea to Big Mngazi Turn off	Strengthening	Design	Nov 2014 Start	R 130,000,000	R61
King Sabata Dalindyebo Local Municipality	R61 – Mthatha to Ngqeleni (Dualing)	Improvements	Construction	Nov 2013 Start	R 350,000,000	R61
Mhlontlo Local Municipality	N2 – Nqadu Forest to Mzeke River (Qumbu)	Strengthening	Design	2015 Start	R 205,000,000	N2
Ngquza Hill Local Municipality	R61 – Ntafufu River to Lusikisiki	Special Maintenance	Construction	April 2013 Complete	R 26,000,000	R61
Nyandeni Local Municipality	R61 - Mafini to Umgazi	Improvements	Construction	June 2014 Complete	R 139,000,000	R61
Port St Johns Local Municipality	R61 – TOMBO Intersection (Dual Carriageway)	Improvement	Construction	June 2013 Complete	R 110,000,000	R 61
Nyandeni Local Municipality	Mafini to Mngazi Phase 1	Community Development	Construction	Nov 2014 coomplete	R 60,000,000	R 61
Nyandeni Local Municipality	Mafini to Mngazi Phase 2	Community Development	Construction	Nov 2014 coomplete	R 55,000,000	R 61
Port St Johns Local Municipality	Package 7 Ntafufu to Lusikisiki	Community Development	Design	2015 Start	R 50,000,000	R 61
Nyandeni Local Municipality	Package 9 Corana River to Misty Mount Access Roads	Community Development	Construction	June 2014 Complete	R 29,000,000	R 61
Nyandeni Local Municipality	Package 10 Misty Mount to Mafini Access Roads	Community Development	Construction	June 2014 Complete	R 53,000,000	R 61
Port St Johns Local Municipality	Tombo Modal I/C & Access Roads	Community Development	Construction	June 2014 Complete	R 54,000,000	R 61
Mhlontlo Local Municipality	Qumbu/Mzeke River to Mount Frere Reseal	Reseal	Dresign	September 2014 Start	R 60,000,000	N2
Mhlontlo Local Municipality	Mzeke Access Road	Community Development	Design	2015 Start	R 30,000,000	N2
Nyandeni Local Municipality	St Barnabas Modal I/C & Access Road	Community Development	Construction	June 2014 Complete	R 33,000,000	R 61

COMMUNITY DEVELOPMENT PROJECTS

- **In Construction**

- Brooksnek Various Facilities Mar. 2013 to Mar. 2014 Est. R 34 mill
- Tombo Various Facilities Oct. 2011 to Feb. 2014 Est. R 54 mill
- St Barnabas Various Facilities Aug. 2013 to Apr. 2014 Est. R 27 mill
- Misty Mt. Various Facilities Jun. 2012 to Jun. 2014 Est. R 42 mill
- Mafini Various Facilities Jun. 2012 to Nov. 2013 Est. R 60 mill
- Umgazi Various Facilities Oct. 2012 to Oct. 2014 Est. R 99 mill
- Corana to Misty June 2014 Est. R 29mill
- Maqwathini CAR Nov. 2012 to Nov. 2014 Est. R 18 mill
- Nyhwarha CAR Oct. 2012 to Nov. 2014 Est. R 32 mill
- Magalakangqa CAR Aug. 2013 to Jun. 2015 Est. R 50 mill
- Engcobo Pedestrian Facilities Aug. 2013 to Jun. 2015 Est. R 36 mill

Total Est. R 405 m

- **In Planning**

- Ndabakazi Intersection Start April 2014 Est. R 25 mill
- Breidbach IC Pedestrian Fac. Start June 2015 Est. R 8 mill
- KWT Pedestrian Facilities Start June 2015 Est. R 8 mill
- Fort Beaufort Various Start January 2014 Est. R 10 mill
- Tsolomnqa Various Facilities Start January 2014 Est. R 12 mill
- Whittlesea Pedestrian Start January 2014 Est. R 16 mill
- Ngcweleni Various Facilities Start Oct. 2015 Est. R 36 mill
- Mzeke Various Facilities Start Jul 2015 Est. R 21 mill
- Ntafufu to Lusikisiki Start 2015 Est. R 50mill

AWARENESS CAMPAIGNS

ROAD SAFETY , BURSARIES AND SCHOLARSHIPS				
AREA VISITED	ROUTE	NUMBER OF SCHOOLS VISITED	NUMBER OF LEARNERS	MATERIAL DISTRIBUTED
ALFRED NZO	N2	22	10 000	Bursary and scholarship applications, Road safety brochures
OR TAMBO	R 61	13	5 000	Bursary and scholarship applications, Road safety brochures
	N2	15	7 000	Bursary and scholarship applications, Road safety brochures
SARAH BAARTMAN (GRAHAMSTOWN SCIENCE FESTIVAL)		48	5 000	Bursary and scholarship applications, Road safety brochures

6.3.3. DEPARTMENT OF ROADS AND PUBLIC WORKS

a. KSD

ROADS PROJECTS - to commence in April 2014

PROJECT	BUDGET	STATUS
DR08217 : N2 To Kambi via kwa Link	R 8,000,000.00	Finalization of appointments
DR08027 : N2 to Kambi via Ross	R 3,000,000.00	Finalization of appointments
DR08282 : Qweqwe to Tabase	R 8,000,000.00	Finalization of appointments
DR18033	R 18,000,000.00	Work In progress
DR08281	R 10,000,000.00	Work In progress
DR08288/DR08033A	R 9,000,000.00	Work In progress

ROAD MAINTENANCE PROJECTS

PROJECT	BUDGET	STATUS
RRM (Nyandeni/KSD)	R 3,175,142.00	Specifications in progress
RMC Tar: Nyandeni & KSD Rural	R 2,949,828.00	Advertised
DRE- Inhouse KSD	R795,000.00	Specifications in progress

BUILDING MAINTENANCE PROJECTS

PROJECT	BUDGET	STATUS
Botha Sigcau Building Open Plan	R 10,000,000.00	Work in progress to be completed December 2015
Botha Sigcau Building Replacement of 7 Lifts	R4,000,000.00	Work in progress to be completed March 2015
KD Matanzima Ablution & Open plan & Branding	R3,660,000.00	Work in progress to be completed March 2015
KD Matanzima Lift Upgrade	R4,000,000.00	Work in progress to be completed March 2015
KD Matanzima Building: Conversion of Offices at 4th and 5th into Open Plan	R4,000,000.00	July 2014 to December 2015
Mechanical Workshop Upgrade	R13,085,070.00	May 2014 to March 2016

ROADS – CONSTRUCTION PROJECTS

PROJECT	BUDGET	STATUS
Wild Coast Meander Coffee Bay to Zithulele(Ph 1)	R 20,000,000.00	In progress
Wild Coast Meander: Madwaleni Hospital Road (Ph 2) In-house	R 8,088,000.00	In progress
Mthatha Dam (Mthatha Bypass) Phase 1	R 500,000.00	Finalisation of Appointments
Mthatha Dam (Mthatha Bypass) Phase 2	R 19,000,000.00	Finalisation of Appointments

DRPW Houses	R10,000,000.00	Apr 2012 to March 2017
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b. NYANDENI

ROADS PROJECT TO COMMENCE IN APRIL 2014-03-24

PROJECT		BUDGET	STATUS
DR08301 :	Kopshop to Libode	R 4,000,000.00	Finalization of appointments
DR08175 :	DR08178 to Lukhuni	R 4,000,000.00	Finalization of appointments
DR08302 :	Ngqeleni to Ntlaza	R 3,000,000.00	Finalization of appointments
DR08174 :	N2 to DR08178 via Great place	R 4,000,000.00	Finalization of appointments
DR08310 :	DR08030 to Mamolweni	R 1,000,000.00	Finalization of appointments
Hluleka Road Project Phase 1		R15,000,000.00	Handed over

ROADS MAINTENANCE PROJECTS

PROJECT		BUDGET	STATUS
RRM (Nyandeni/KSD)		R 3,175,142.00	Specifications in progress
RMC Tar: Nyandeni & KSD Rural		R 2,949,828.00	Advertised

c. PSJ

ROADS PROJECTS - to commence in April 2014

PROJECT		BUDGET	STATUS
DR08159 :	DR08004 to Ntile	R 1,000,000.00	Finalization of appointments
DR08194 :	R61 to Mvume springs	R 1,000,000.00	Finalization of appointments
DR08193 :	DR08191 to Buje	R 5,000,000.00	Finalization of appointments
DR08151 :	DR08004 to Manteku	R 4,000,000.00	Finalization of appointments
DR08152 :	DR08004 to Mthambalala	R 3,000,000.00	Finalization of appointments
Port St Johns Entrance Road		R9,000,000.00	Handed over to contractor 19 March 2014

ROAD MAINTENANCE PROJECTS

PROJECT		BUDGET	STATUS
RRM: Ngquza & PSJ		R7,150,000.00	Specifications in progress
RMC Tar: Mbizana , Nguza Hill & Port St Johns		R5,406,929.00	Advertised

ROADS – CONSTRUCTION PROJECTS

PROJECT	BUDGET	STATUS
Wild Coast Meander: Tombo to Mpamba/ Isimela Hospital (Ph1) - Structures	R50,000,000.00	Handed Over March 2014

d. INGQUZA HILL

ROADS PROJECTS - to commence in April 2014

PROJECT	BUDGET	STATUS
DR08153 : DR08004 to Makhwaleni	R 6,000,000.00	Finalization of appointments
DR18023 : Mtontsasa to Mkhambati	R 6,000,000.00	Finalization of appointments
DR08024 : Mthathambo to Msikaba	R 6,000,000.00	Finalization of appointments
DR08025 : St Elizabeth to holy cross hosp.	R 8,000,000.00	Finalization of appointments
DR08019 : Dr08004 to Ntabankulu	R 3,000,000.00	Finalization of appointments

ROAD MAINTENANCE PROJECTS

PROJECT	BUDGET	STATUS
RRM: Ngquza & PSJ	R7,150,000.00	Work in Progress
RMC Tar: Mbizana , Ngquza Hill & Port St Johns	R5,406,929.00	Advertised

ROADS – CONSTRUCTION PROJECTS

PROJECT	BUDGET	STATUS
Lusikisiki Urban Renewal	R30,000,000.00	Handed over to the contractor 19 Mar 2014
Lusikisiki College	R9,963,000.00	Jul 2011 to Jul 2014
Lusikisiki Deport	R3,676,000.00	May 14 to Mar 15

a. MHLONTLO

ROADS – CONSTRUCTION PROJECTS

PROJECT	BUDGET	STATUS
DR08195 : Qumbu toCaba	R 12,000,000.00	Finalization of appointments
DR08086 : Sulenkama to kubusi	R 5,000,000.00	Finalization of appointments
DR08168 : DR08167 to Ngwemnyama	R 3,000,000.00	Finalization of appointments
DR08210 :	R 3,000,000.00	Finalization of appointments

ROAD MAINTENANCE PROJECTS

PROJECT	BUDGET	STATUS
IRM : Umzimvubu & Mhlontlo (Tar)	R7,238,586.00	Advertised
IRM: Umzimvubu & Mhlontlo (Gravel)	R3,184,880.00	Specifications in progress

6.3.4. DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM

CROPPING PLAN

Local Municipal Area	Service Centre	Ward	Location / Village / Farm	Project Name	Planned Area to be Cropped (ha)	Source of Finances	Development Programme Supported (Cropping, Irrigation, Siyazondla)	Inputs (Rands)	Mechanisation Services (Rands)	Infrastructure & Equipment - Capital Goods (Rands)	Other - All non-asset equipment (Rands)	Total (Rands)
Ingquza Hill	Lusikisiki	14	Ngoboza na	Ngobozana	50	CASP	Field Crop	R 263 000.00	R 127 500.00		R -	R 390 500.00
Ingquza Hill	Lusikisiki	16	Malange ni	Malangeni	82	LETSEMA	Field Crop	R 431 320.00	R 209 100.00		R -	R 640 420.00
Ingquza Hill	Lusikisiki	16	Nkunzimbini	Nkunzimbini	47	CASP	Field Crop	R 247 220.00	R 119 850.00		R -	R 367 070.00
Ingquza Hill	Lusikisiki	20	Hombe	Hombe	36	CASP	Field Crop	R 189 360.00	R 91 800.00		R -	R 281 160.00
Ingquza Hill	Lusikisiki	16	Nkunzimbini	Lukhahlabeni	18	CASP	Field Crop	R 94 680.00	R 45 900.00		R -	R 140 580.00
Ingquza Hill	Lusikisiki	16	Nkunzimbini	Ntanzani	8	LETSEMA	Field Crop	R 42 080.00	R 20 400.00		R -	R 62 480.00
Ingquza Hill	Lusikisiki	12	Amayalweni	Amayalweni	8	LETSEMA	Field Crop	R 42 080.00	R 20 400.00		R -	R 62 480.00
Nyandeni	Ngqeleni	18	Njiveni	Gadawula	8	LETSEMA	Field Crop	R 42 080.00	R 20 400.00		R -	R 62 480.00
Nyandeni	Ngqeleni	25	Ngojini	Ngojini	20	LETSEMA	Field Crop	R 105 200.00	R 51 000.00		R -	R 156 200.00
Nyandeni	Ngqeleni	30	Masamene	Masamene	58	LETSEMA	Field Crop	R 305 080.00	R 147 900.00		R -	R 452 980.00
Nyandeni	Ngqeleni	24	Malungeni	Malungeni	9	LETSEMA	Field Crop	R 47 340.00	R 22 950.00		R -	R 70 290.00
Nyandeni	Ngqeleni	24	Nkumandeni	Mtengwana /Makubalol	15	LETSEMA	Field Crop	R 78 900.00	R 38 250.00		R -	R 117 150.00
Nyandeni	Ngqeleni	24	Buthongweni	Mbangi	11	LETSEMA	Field Crop	R 57 860.00	R 28 050.00		R -	R 85 910.00
Nyandeni	Ngqeleni	12	Iujecweni	Isibane somzontsundu	85	CASP	Field Crop	R 447 100.00	R 216 750.00		R -	R 663 850.00
Nyandeni	Ngqeleni	18	Njiveni	Bhakaleni	16	CASP	Field Crop	R 84 160.00	R 40 800.00		R -	R 124 960.00
Nyandeni	Ngqeleni	21	Maqanyeni	Unyezi primary co-op	15	CASP	Field Crop	R 78 900.00	R 38 250.00		R -	R 117 150.00
Nyandeni	Ngqeleni	21	Maqanyeni	Hlwatika	6	CASP	Field Crop	R 31 560.00	R 15 300.00		R -	R 46 860.00
Nyandeni	Ngqeleni	14	Mqwagqweni	Thomalalisa indlala	6	CASP	Field Crop	R 31 560.00	R 15 300.00		R -	R 46 860.00
Nyandeni	Ngqeleni	13	Njezweni	Njezweni	29	CASP	Field Crop	R 152540.00	R 73950.00		R -	R 226490.00
Nyandeni	Ngqeleni	15	Mtyu A	Mtyu A	25	CASP	Field Crop	R 131500.00	R 63750.00		R -	R 195250.00

Nyandeni	Ngqeleni	20	Nkanunu great place	Nkanunu	14	CASP	Field Crop	R 73640.00	R 35700.00		R	R 109340.00
Nyandeni	Ngqeleni	26	Zizamele	Ntshilini	20	CASP	Field Crop	R 105200.00	R 51000.00		R	R 156200.00
Nyandeni	Ngqeleni	19	Nquba	Nquba	20	CASP	Field Crop	R 105200.00	R 51000.00		R	R 156200.00
Nyandeni	Ngqeleni	18	Njiveni	Bhakaleni	10	CASP	Field Crop	R 52600.00	R 25500.00		R	R78100.00
Nyandeni	Ngqeleni	17	Katulumla	Mampondo miseni	20	CASP	Field Crop	R 105200.00	R 51000.00		R	R 156200.00
Nyandeni	Ngqeleni	22	Masivele maize	Mgonondi	10	CASP	Field Crop	R 52600.00	R 25500.00		R	R78100.00
Nyandeni	Ngqeleni	14	Lujizweni no 2	Lujizweni	13	CASP	Field Crop	R 68380.00	R 33150.00		R	R 101530.00

CASP PROJECTS

Project Name	Local Municipality	Ward	Village/Location	Project type	New/Existing	Project Description	Land ownership/access (LRAD, SLAG, COMMUNAL, PRIVATE etc.)	COMMODITY i.e. fruit, wines, grain, etc.	Project Enterprise Description e.g. poultry, vegetables etc.	Project intervention Activities e.g. borehole, crush pen etc.	CASP Budget Allocation 2014/15 R'000	Categories of farmers (smallholder, subsistence, black commercial)
Ingqiza Hill Dipping Tanks	Ingqiza Hill		Lusikisiki and Flagstaff	Dipping facilities	Existing	Dipping tank Renovations (Tsweleni and Ngwane)	Communal	Livestock	Beef Goats /	Renovation of Dipping Tanks (2)	400	Subsistence
Amayalo Maize	Ingqiza Hill	18	Lusikisiki	Fencing (crops)	New	Fencing of arable lands	Communal	Maize	Field Crops	Fencing of arable lands	480	Subsistence
Mbashi-Mzinyana Irrigation	KSD	20	Mthatha	Irrigation: Small Irrigation systems	New	Engine pump	Communal	Horticulture	Vegetable production	Connection of engine pump	315	Subsistence
Masifuyisane Shearing	KSD	28	Mthatha	Shearing Shed	New	Renovation of Shearing Shed	Communal	Wool Production	wool	Shearing Shed	120	Smallholder
Gxwali bomvu Maize	KSD		Mthatha	Fencing(crops)	Existing	Fencing of arable lands	Communal	Maize	Field Crops	Fencing of arable lands	180	Subsistence
Ntsimbini Maize	KSD	29	Mqanduli	Fencing(crops)	Existing	Fencing of arable lands	Communal	Maize	Field Crops	Fencing of arable lands	185	Subsistence
Pendu Irrigation	KSD	26	Mqanduli	Irrigation: Small Irrigation systems	Existing	Mechanisation, Production inputs and fencing of 5 km of fence	Communal	Horticulture	Vegetable production	Mechanisation, Production inputs and fencing of 5 km of fence	350	Subsistence
Nyamezela Livestock	Mhlontlo	14	Qumbu	Shearing Shed	New	Shearing Shed	Communal	Livestock	Wool production	Construction of shearing shed and fence	850	Smallholder
Zodwa Agric Coop	Mhlontlo	15	Qumbu	Borehole	New	Construction of borehole	Communal	Piggery	Piggery Production	Construction of borehole	225	Smallholder

Project Name	Local Municipality	Ward	Village/Location	Project type	New/Existing	Project Description	Land ownership/access (LRAD, SLAG, COMMUNAL, PRIVATE etc.	COMMODITY i.e. fruit, wines, grain, etc.	Project Enterprise Description e.g. poultry, vegetables etc.	Project intervention Activities e.g. borehole, crush pen etc.	CASP Budget Allocation 2014/15 R'000	Categories of farmers (smallholder, subsistence, black commercial)
Libode Dipping tanks	Nyandeni	27 & 10	Libode	Dipping facilities	Existing	Renovation of 2 dipping tanks (Ginga and Lukhuni)	Communal	Livestock	Livestock production	Renovation of 2 dipping tanks	270	Subsistence
Ngqeleni Dipping Tanks	Nyandeni	20 & 29	Ngqeleni	Dipping facilities	Existing	Renovation of 2 dipping tanks (Lucingweni and Bolotwa)	Communal	Livestock	Livestock production	Renovation of 2 dipping tanks	270	Subsistence
Mafuseni Shearing Shed	Nyandeni	31	Libode	Shearing Shed	New	Shearing Shed	Communal	Livestock	Wool production	Construction of shearing shed	850	Smallholder
OR Tambo Integrated cropping	OR Tambo		O.R. Tambo district	Crop Prod. Inputs	Existing	Ploughing & Planting	Communal	Cropping Maize, Beans, Vegetables	Cropping Maize, Beans, Vegetables	Support for production inputs and mechanisation	9 100	All
Madikwa Farm	PSJ	10	Gunuza Farms	Hydroponics	Existing	Hydroponics tunnels	Communal	Horticulture	Vegetable	Landscaping and drainage	485	Subsistence
Nontlawu Dipping Tank	PSJ	11	Port St Johns	Dipping facilities	New	Construction of dipping tank	Communal	Livestock	Livestock production	Construction of new dipping tank	500	Subsistence
Highbury Irrigation	KSD	11	Mthatha	Small Irrigation scheme	New	Construction of storage shed and supply of production inputs	Communal	Vegetable	Vegetable	Construction of storage shed and supply of production inputs	500	Smallholder

VETERINARY SERVICE ACTIVITIES

Activity	Animal population	Period	Budget
Vaccination against controlled animal diseases, such as Anthrax Brucellosis Rabies	327 808 cattle	April	R 2 686 995
	3 565 Heifers	May	
	74 644 Dogs and cats	June to July	
Primary Animal Health care	All animal species	Call outs and clinics	R500 000
Cattle dipping	Cattle	All the year round	R2 750 000
Sheep scab treatment	2 155 375 sheep	October to	R1 434 558

		December	
Disease surveillance(TB &CA test: CSF test)	26 175 and pigs	cattle	January to March R619 852
Total budget including operations		R7 991 405	

HOMESTEAD GARDENS (VEGETABLE & POULTRY)

Municipality	No of Households	Support	Budget allocated
Mhlontlo	108	Provision of vegetable inputs and Broiler chicks	R 444 444.00
Nyandeni	98	Provision of vegetable inputs and Broiler chicks	R 444 444.00
Ingquza	43	Provision of vegetable inputs and Broiler chicks	R 444 444.00
KSD	72	Provision of vegetable inputs and Broiler chicks	R 444 444.00
PSJ	39	Provision of vegetable inputs and Broiler chicks	R222 222.00
Total	360		R 2million

6.3.5. DEPARTMENT OF SPORTS ARTS AND CULTURE

PROGRAMME & PROJECT DISCIPTION	PROJECT OBJECTIVE	KEY ACTIVITIES	TARGET PERIOD	LOCATION	BUDGET	RESPONSIBLE OFFICIAL
1. Reading awareness programmes	Promotion of literacy conscientization of the utilization of libraries	World book day and poetry day. Literacy and National book week. Library week.	April 2014 up to February 2015	Ingquza Hill LM KSD LM Mhlontlo LM and Nyandeni LM	340 000	Mr S.M. Sodo
2. Construction of Library	To increase access to information and to promote a reading culture	Consultation, PSC meetings	April 2014 up to December 2014	Mhlontlo LM and Nyandeni LM	R12 million R12 million	Mr S.M. Sodo
3. Wild Coast Cultural Festival	Promotion of cultural diversity	Preparing tender, advertising, awarding and organizing festival	August/September 2014	R1.3 million	PSJ LM	Mr S.M. Sodo
4. Commemoration of 1960 Ingquza Hill Massacre	Promotion of our Heritage, Preservation and Conservation	LOC formation, advertising and preparing for 1960 Ingquza Hill commemoration	June 2014	R256 000	Ingquza Hill LM	Mr S.M. Sodo
5. Construction of Ingquza Hill Heritage site	Promotion of our Heritage, Preservation and Conservation	Consultation, PSC formation, Monthly meetings	April 2014 to March 2015	R15 million	Ingquza Hill LM	Mr S.M. Sodo
6. Capacity building of Sport & Recreation structures	Empowerment of Sport & Recreation structures	Auditing, data collection, needs analysis, organizing coaching and administration courses	April 2014 to December 2014	R300 000	KSD LM Nyandeni LM Mhlontlo LM PSJ LM and Ingquza LM	Mr S.M. Sodo
7. Festivals and Tournaments	To improve quality of life through Sport and Recreation	Horse Racing, Indigenous Games, Golden Games, Top School Tournament, Boxing Championships, All codes championships	April 2014 to December 2014	R600 000	KSD LM Nyandeni LM Mhlontlo LM PSJ LM and Ingquza LM	Mr S.M. Sodo

8. Support to sport structures	Increased participation, development and excellence	Prepare district teams to participate and Provincial and National level	June 2014 to December 2014	KSD LM	R520 000	Mr S.M. Sodo
9. Heroes Marathon	To improve quality of life	Prepare tender, advertising and awarding, LOC formation and organizing Heroes Marathon	December 2014	KSD	R1 million	Mr S.M. Sodo
10. Sport against crime and children's day	To improve quality of life	Consultation, LOC formation, Organising event	July to September 2014	PSJ LM and Mhlontlo LM	R60 000	Mr S.M. Sodo
11. Mayors cup and Premier Games	To improve quality of life	Consultation, LOC formation, Organising event	April 2014 to December 2014	KSD LM Mhlontlo LM Ingquza Hill LM Nyandeni LM and PSJ LM		Mr S.M. Sodo

6.3.6. DEPARTMENT OF HEALTH

Sub district	Type of Project	Project work	Start date	Total budget
KSD	Kambi Clinic	Upgrades & additions (new structure)	April 2014	R12 000 000
	Tabase Clinic	Replacement	April 2014	R14 000 000
	Bumbane Clinic	New structure	Construction progress	in R12 000 000
	Sakhela Clinic	New structure	May 2014	R12 000 000
	Tyelebana Clinic	Replacement	Construction progress	in R12 000 000
	Ntshеле Clinic	Replacement	May 2014	R12 000 000
	Mvezo Clinic	New structure	Construction progress	in R12 000 000
	Maxhwele Clinic	Upgrades	April 2014	R12 000 000
	Centuli Clinic	New structure	May 2014	R12 000 000
	Gengqe Clinic	New structure	May 2014	R12 000 000
KSD	Kambi Clinic	Upgrades & additions (new structure)	April 2014	R12 000 000
	Tabase Clinic	Replacement	April 2014	R14 000 000
	Bumbane Clinic	New structure	Construction progress	in R12 000 000
	Sakhela Clinic	New structure	May 2014	R12 000 000
	Tyelebana Clinic	Replacement	Construction progress	in R12 000 000
	Ntshеле Clinic	Replacement	May 2014	R12 000 000
	Mvezo Clinic	New structure	Construction progress	in R12 000 000
	Maxhwele Clinic	Upgrades	April 2014	R12 000 000
	Centuli Clinic	New structure	May 2014	R12 000 000
	Gengqe Clinic	New structure	May 2014	R12 000 000
Mhlontlo	Lotana Clinic	Upgrades	April 2014	R12 000 000
	Tikitiki	New structure	Construction progress	in R12 000 000
Nyandeni	Nolitha Clinic	Replacement	May 2014	R12 000 000
	Pilani Clinic	Replacement	April 2014	R12 000 000
	Nkanga Clinic	Replacement	April 2014	R12 000 000

	Cwele Clinic	New structure	May 2014	R12 000 000
Ingquza Hill	Flagstaff CHC	New structure	June 2014	R75 000 000
KSD	Zitulele	Upgrades & additions	April 2014	R300 000 000
Mhlontlo	Nessie Knight	Upgrades & additions	Sept 2014	R300 000 000
Nyandeni	St Lucy's	New & replacements	Nov 2014	R90 000 000
	Bambisana	Upgrades & additions	Sept 2014	R300 000 000
	St Barnabas	Renovations, refurbishments	May 2014	R65 000 000
OR TAMBO TOTAL	5			R1 055 000 000

6.3.7. DEDEAT

Economic Development

1. Local and Regional Economic Development (LRED: the fund is being reviewed within the Department)

Project	Description	Stage	Location	Start	End	Impact	Budget
Ndanya Bricks & Blocks Manufacturers: ORTDM/NLM	Brick yard	Implementation	Libode	8-Feb-13	8-Feb-14	Manufacturing	3,000,000
PSJ Woodworks Coop: ORTDM/PSJLM	Wood processing	Implementation	Port St Johns	25-Jan-13	25-Jan-14	Manufacturing	1,000,000
Amele Worms Fertiliser: ORTDM/KSDLM	Agri-processing fertilizer	Closure	Mthatha	8-Jan-13	8-Jan-14	Manufacturing & Environment	1,000,000
Meat Wholesale & Banana Ripening: ORTDM/KSDLM	Agri-processing	Closure	Mthatha	25-Jan-13	25-Jan-14	Agro-processing	1,000,000
Malakhiwe Poultry & Bakery	Poultry & bakery	Implementation	Tsolo			Manufacturing & Environment	1,000,000
Mthatha Dam tourism facility	Tourism	Proposal	Mthatha dam			Tourism	1,000,000

2. Enterprize Development

- SMME & Cooperative establishment of 1 stop shop and Cooperative Development Agency. Include Review to Imvaba Cooperative Development Fund
- Small Enterprize Finance Agency partnership with DEDEAT R100 Million fund for Infrastructure & Green Economy projects
- Support to Small Scale Fisheries by facilitating land acquisition, permits, EIA and food safety

3. State Owned Enterprizes (ECDC, ECPTA, ECLB, ECGBB)

It is important to note that through the SOEs mentioned above the Socio-Economic development Program is facilitated.

It is also important to note that these SOEs have a footprint in OR Tambo DM I highlight some of the

- ECDC: Risk capital (support new industries), Jobs fund, Social Integrated Infrastructure Program 2014/15 R291.6M. Support the Mqanduli milling plant & trading post project
- EC Gambling Betting Board: Mthatha Zone 4 (casino) & Traditional Horse Racing study complete
- ECPTA: Tourism Master Plan Review & support the Home of Legends project in line with Liberation Heritage Route (Qunu, Mvezo, Bumbane)
- EC Liquor Board: licensing & regulation of liquor business

4. Economic Planning: this program informs economic strategies and development

- Socio-Economic Review and Outlook (SERO) by June 2015
- Eastern Cape Economic Review (bi-annual conference)
- EC Provincial Innovation Strategy linked to Agro-processing industries
- Value chain & localization study
- SMME baseline study & One Stop Shop Needs assessment
- Resource mobilization & management
- Snapshot survey on business compliance & practices
- Buy Eastern Cape campaign by influencing the SCM policies on procurement of goods & services

Integrated Wild Coast Development Program

Note this work is coordinated by the HOD Mr. B. Gxilishe with various Provincial and National Departments Political PSC established, Technical Task Team established and Work Streams Established as well as supporting Project Management Office.

The Pillars of the Program:

- 1. Mzimvubu multi-purpose dam**
 - Detailed designs done in 2013
 - To initiate advanced work (access roads, bridges, relocation) in Ntabelanga dam:
 - EIA Specialist appointed and started work
 - Project commencement in 2014
- 2. Wild Coast Environmental Management**
 - Mzimvubu Catchment Management Program launch March 2014
 - Implementation MOA between DEA & DEDEAT/ECPTA
- 3. Infrastructure development**
 - N2 Toll road construction on going and addressing legal issues for Greefields section: SANRAL
 - Mthatha airport, development of a plan and establishment of a reference group
 - Laleni Hydro scheme detailed investigation BY 2014
- 4. Urban node development and Small Town Revitalization**
 - Declaration of Coffee Bay town, social facilitation and strategic plan
- 5. Wild Coast Special Economic Zone**
 - KSD LM Mthatha WC SEZ Location for Agro-processing
 - ELIDZ hosting PMO
 - SEZ PMO staff to be appointed
 - DTI appointed service provider for the feasibility study
- 6. Sector Development & skills development**
 - Tourism sector development
 - Skills audit, skills data base and skills development to link to project opportunities
 - Resource mobilization

- SEFA DEDEAT partnership R100 m development fund launched at WC Summit November 2013
- Determine irrigated agriculture potential (about 3930 ha) in the Mzimvubu catchment near Tsolo link to the Mzimvubu dam through DRDAR

Environmental Management

Expanded Public Works Program: Environment & Culture Sector

Project	Description	Stage	Location	Start	End	Impact	Budget
Mhlontlo Nature Reserve	Establishment of a nature reserve	Construction of entrance gate.	Mhlontlo Shawbury	February 2014	Tourism & hunting	Tourism & hunting	500 000
Port St Johns Alien Invasive Plants Eradication	Clearing of alien invasive plants	Implementation	Port St Johns Ward 11, 12, 18,	October 2013	Formation of SMMEs	Formation of SMMEs	3M
Lambasi Wetlands Rehabilitation	Rehabilitation of wetlands	Implementation	Lusikisiki Ward 23	2013	Tourism	Tourism	1M
Port St Johns Coast Guard	Employment of coast guards	Implementation	Second Beach and all beaches	2013	Beach management & tourism	Beach management & tourism	1 M
Beach Management	Purchase of equipment	Initiation	Second Beach	2014	Tourism	Tourism	400 000

6.3.8. DEPARTMENT OF SOCIAL DEVELOPMENT AND SPECIAL PROGRAMMES

Locality	Area Office	No. of beneficiaries	ward	Activity	Old Project	New Project	Budget
Mthatha	KSD			Nutrition		new	R1 000 000
Ncise	KSD	12	10	Household gardens		new	R200 000
Qelana location	KSD	13	14	household gardens		new	R200 000
Gengge location	KSD	42	23	Household gardens		new	R200 000
Ngqungqu	KSD	42	22	Household gardens		new	R200 000
Corhana	KSD	10	22	poultry		new	R500 000
Lubala	Ngquza Hill	12	15	poultry	old		R250 000
Kimbili	Ngquza Hill	15	11	poultry	old		R250 000
Cele	Ngquza Hill	30	26	household gardens		new	R400 000
Ndwane loc	Qumbu	8	14	crop production		new	R100 000
Mampingeni	Qumbu	10	22	piggery		new	R500 000
Mbutho	Qumbu	22	8	cleaning services		new	R250 000
Caguba	PSJ	5	6	Crop production	old		R250 000
Thombo	PSJ	7	4	Poultry		new	R250 000
Coza location	Libode	18	3	Crop production	old		R380 000
Ntibane	Ngqeleni	18	28	Crop production	old		R250 000
Nodushe	Ngqeleni	8	6	poultry	old		250 000
Ngqeleni	Ngqeleni	10	21		old		700 000

6.3.9. DEPARTMENT OF TRANSPORT

PROJECT TITLE	PROJECT DESCRIPTION	BENEFICIARIES	TIME FRAME	RESOURCES / BUDGET	ASSISTANCE REQUIRED
Maths and Science Project.	To promote transport as a career, because we have shortage of engineers and transport professionals.	Targeted grades 10, 11 and 12 learners at KSD Municipality. This includes 21 schools.	Ongoing	Centralized at Head Office.	None
Learner Driver	Learners are trained on Learners License	Grade 10 &11 Learners	1st and 2nd Quarter	Budget ,Transport	Need assistance from the Municipality with the booking and Learners License writing
Scholar Patrol	Learners are trained on safe crossing and assisting others on how to cross safely	Grade R to Grade 9	1st to 4th Quarter	Budget ,Transport	Need assistance from the Municipality with the Identification of hazardous areas, implementation and monitoring of crossing scholar patrol points.
Road Safety Debate	Learners are trained on Road Safety debate and conduct a competition thereafter	Grade 10 &11 Learners	1st and 2nd Quarter	Budget ,Transport	Need assistance of accommodation for our local debate competition and transport for transporting learners
Junior Traffic Training Centre	Learners are trained on safe crossing and how to effectively used the road as independent road users.	Grade R to Grade 9	1st , 2nd & 4th Quarter	Budget ,Transport	Need assistance of transport for transporting learners to JTTC 's
Child in Traffic	Learners are trained on safe crossing and how to effectively used the road as independent road users.	Foundation Phase Learners	1st to 4th Quarter	Budget ,Transport	
Community Road Safety Council	To extend road safety awareness to communities.	Organised Community groups /structures	1st to 4th quarter	Budget ,Transport	Municipality to assist with transportation of CRSC's
Stray Animal Management	To create awareness about stray animal accidents and educate stock owners and rangers about stray animal management.	Stock owners, communities, herd boys and farmers.	1st to 4th quarter	Budget ,Transport	Municipality to assist with management of stray animal in hazadours areas
Driver Training and Education	To promote high levels of road safety awareness to drivers through education	All heavy vehicle drivers and taxi operators	2nd ,3rd and 4th qauters	Budget ,Transport	

Pedestrian Safety Management	Educate Pedestrians and Commuters through mass media activities	All road users, which are pedestrians and commuters.	1st to 4th quarter	Budget ,Transport	Municipality to assist with the identification of hazardous points and participate in the educational campaigns
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6.3.10. DEPARTMENT OF CORRECTIONAL SERVICES

Back to School Project

- At the start of 2014 Academic Year offender labour was utilized to clean identified surrounding schools

Following Task Performed

- Plumbing
- Painting
- Carpentry
- Grass Cutting

Offender Labour

- When the need arise for the utilization of offender labour do not hesitate to request
- Offender Labour is subject to Approval from our Principals but we always Strive to put the Communities Need First
- This will also show the community at large what offenders can do and that they can be reintegrated back in Society

Crime Prevention Strategies In The Correctional Centre

- Gang Management plan
- Disciplinary Committees addressing unacceptable behavior and conduct
- Reclassification for unacceptable behavior



**O.R. TAMBO
DISTRICT MUNICIPALITY**

ANNEXURES

