



**INTEGRATED DEVELOPMENT PLAN
REVIEW
2010-2011**

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EXECUTIVE MAYOR'S FOREWORD

The year 2009/10 has been marked by severe drought conditions and several dams drying up in various towns within the Amathole District Municipality (ADM). This required some ingenuity on the ADM's part to find alternative sources of water for residents in Adelaide, Bedford, Dutywa, Kei Mouth, Haga-Haga, and Chintsa. At one stage we also had to cart water for the community of Hogsback. At the time of writing, the dam at Cathcart is also at a very critically low level.

The Minister of Water Affairs and Environment declared the Amathole District Municipality (ADM) as a drought disaster area in July 2009, along with the other five district municipalities in the Eastern Cape. A Joint Operations Committee was set up to develop and draft a drought relief business plan. An application for drought relief in the amount of R165 million was submitted to the Department of Local Government and Traditional Affairs. The funding which has been confirmed for drought relief through the Division of Revenue Bill amounts to only R12,2 million. This, despite the fact that the ADM has had to cover the cost of emergency drought relief in the amount of R15,5 million over the current financial year to truck water to affected communities. The situation is serious and is of grave concern to the ADM.

The Department of Cooperative Governance and Traditional Affairs (CoGTA) recently completed a research study into the state of local government in South Africa and developed a Local Government Turnaround Strategy (LGTAS). This includes Operation Clean Audit 2014 which has been rolled out to all local government institutions around the country. In response to this initiative, the ADM decided to host a Good Governance Summit on 15-17 November 2009 where the common challenges facing our local municipalities were discussed and debated. A summit declaration was drafted and signed by almost all the local municipalities within the district, reflecting their commitment to the resolutions which included service level agreements with set targets and timeframes and multi-jurisdictional service centres. The ADM is committed to see this process through to a successful conclusion and to this end has also committed itself to a stronger partnership with the Auditor-General's office.

The Strategic Planning Workshop held in Chintsa on 14-16 February 2010 has assisted the ADM in becoming more focused in the direction which it intends to take. This has also resulted in a revised vision and mission for the municipality. The new vision is as follows:

AMATHOLE DISTRICT MUNICIPALITY

Service excellence to our communities, supporting integrated and sustainable development.

The new mission is as follows:

ADM is dedicated to:

- ***Contributing to the betterment of our communities;***
- ***Through a participatory development process;***
- ***Ensuring access to socio-economic opportunities;***
- ***Partnership building and cooperation with different stakeholders;***
- ***Building the capacity of our local municipalities.***

The ADM's operational clusters were also reviewed at the strategic planning workshop and it was resolved that the municipality should in future adopt the new local government key performance areas as its clusters, which are as follows:

- * Municipal Transformation & Institutional Development
- * Local Economic Development
- * Basic Service Delivery & Infrastructure Investment
- * Municipal Financial Viability & Management
- * Good Governance & Public Participation

These new clusters will assist in aligning the ADM's IDP and Budgeting processes and its Service Delivery Budget Implementation Plan (SDBIP).

The ADM remains committed to working in partnership with the communities it serves and to this end has established an Amathole Business Advisory Forum launched on 12 March 2010 with the captains of local industry, the Border Kei Chamber of Business, the Black Management Forum, NAFCO, University of Fort Hare and representatives from parastatals organisations. This partnership will assist in steering the course for greater co-operation and economic development within the district.

The ADM has increasingly worked in partnership with other local institutions in promoting activities in the build up to the 2010 Fifa World Cup; with the University of Fort Hare in acknowledging and promoting the works of Early African Intellectuals such as SEK Mqhayi in the SEK Mqhayi Language Conference held on 26-27 November 2009; and in hosting the Tourism Imbizo and Exhibition held in East London on 17-20 March 2010. To one and all of our co-sponsors, I would like to extend a word of gratitude and appreciation for their continued support of these and other forthcoming initiatives. ***Working together we can do much more.***

I have pleasure in presenting this Integrated Development Plan to our readers. We welcome your comments and feedback. Please write to the Strategic Manager, Amathole District Municipality, P O Box 320, East London, 5200. Sincerely



ALDERMAN SAKHUMZI SOMYO
EXECUTIVE MAYOR

THE EXECUTIVE SUMMARY

Background to this Document

This document represents the Integrated Development Plan (IDP) as prepared by the Amathole District Municipality (ADM) and adopted by Council on the 26th of March 2010. It is submitted and prepared in fulfilment of the Municipality's legal obligation in terms of Section 32 of the Local Government: Municipal Systems Act 32 of 2000.

In addition to the legal requirement for every Municipality to compile an Integrated Development Plan, the Municipal Systems Act 32 of 2000 also requires that:

- the IDP be implemented;
- the Municipality monitors and evaluates its performance with regards to the IDP's implementation;
- the IDP be reviewed annually to effect improvements.

Section 25 of the Municipal Systems Act deals with the adoption of the IDP and states that:

"Each municipal council must adopt a single, inclusive and strategic plan for the development of the municipality which –

- links, integrates and co-ordinates 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 budget must be based."

Amathole District Municipality (ADM) Cluster Approach

The need for establishing various clusters became increasingly important in order to ensure effective and efficient project planning, implementation, management and monitoring and evaluation. ADM adopted four (4) clusters, namely – Institution & Finance (I & F); Local Economic Development (LED) and Environment; Social Needs; and Infrastructure. Clusters are headed by a political and a technical Champion and consist of senior officials. The 4 cluster teams report to the IDP Steering Committee.

During the IDP review process an analysis was done on the effectiveness of these clusters and if they were in line with the 5 key performance areas of local government. This exercise led to the review of the IDP cluster teams for the following reasons:

- To facilitate proper alignment of programs with the 5 key performance areas of local government;
- to get interdependent departments within the institution linked to each other for better service delivery; and
- to enable better management of projects that transform the Municipality to achieve a set of strategic objectives.

The current status in relation to the functioning and institutional framework of the Amathole District Municipality is made up of 5 clusters, namely – Municipal Transformation and Institutional Development; Local Economic Development; Basic Service Delivery and Infrastructure Investment; Financial Viability and Management; and Good Governance and Community Participation.

These clusters have a responsibility to:

- oversee programmes emanating from the IDP;
- Coordinate cross-cutting issues;
- Identify gaps in the planning and implementation process and provide support and guidance to the lead departments;
- monitor the implementation of projects, the impact thereof and provide feedback to the departments;

- report on performance in terms of meeting the set objectives;
- collate, interpret and analyze information for the situational analysis
- review objectives and strategies with key performance indicators and setting of targets;
- propose projects linked to the situational analysis and revised objectives; and
- prioritise projects in line with the available budgets.

Report outline

The report is structured as follows:

Section A: The Planning Process

Section A of the IDP outlines the planning process with specific reference to the IDP process, and organisational arrangements. This chapter provides the reader with an understanding of the process followed by the Amathole District Municipality in compiling the Integrated Development Plan.

Section B: The Situational Analysis

Section B provides a detailed situational analysis of Amathole District Municipality together with a list of prioritized issues from local municipalities.

Section C: Cluster Objectives, Strategies and Projects

Section C provides a concise summary of the municipal vision, mission and values, and a detailed breakdown of objectives, strategies and project programmes for each development cluster. The tables for cluster objectives and strategies and priority areas include indicators, measurement source and frequency, baseline, targets and responsible officials. This is followed by a Project programmes tables for each of the clusters as well as another table reflecting a list of all projects that did not receive funding.

Section D: Sector Plans

Section D provides a list of all ADM sector plans and their status, with executive summaries of the newly developed sector plans.

Section E: Financial Plan

Section E provides the district municipality's financial strategies, the proposed budget for the 2010/11 and the following two outer years, as well as the 3 Year Financial Plan.

Section F: Monitoring and Evaluation

Section F provides the legal context of the municipality's performance management system, an overview of the monitoring and evaluation process, a background to the ADM Performance Management Framework as well as the Municipal Scorecard model adopted by the district municipality.

SECTION A: THE PLANNING PROCESS

1.0 The IDP Review Process

Prior to the commencement of the IDP, ADM prepared and adopted a District IDP Framework Plan that served as a guide to the overall process throughout the district, as well as the ADM IDP/Budget Process Plan. The Council resolution for the adoption of the District IDP Framework Plan and the IDP/Budget Process Plan is attached as Annexure 'A' and 'B' respectively.

❑ **District IDP Framework Plan**

A District Framework Plan was formulated and adopted on 28 August 2009 to serve as a guide to all of the local municipalities within the ADM area of jurisdiction, in the preparation of their respective Process Plans. In brief, the District Framework Plan outlines the time frames of scheduled events/activities, structures involved and their respective roles and responsibilities.

❑ **ADM IDP/Budget Process Plan**

The IDP/Budget Process Plan was also formulated and adopted on 28 August 2009. The IDP/Budget Process Plan outlines in detail, the way in which the ADM embarked on its IDP and Budget processes from its commencement in August 2009 to its completion in June 2010. In brief, the Process Plan outlines the time frames of scheduled events, structures involved and their respective roles and responsibilities.

On 28 August 2009, the Amathole District Municipality adopted a framework plan for the IDP throughout its area of jurisdiction, followed by a Process Plan. These plans were adopted in accordance with the relevant legal prescripts and have dictated the process to be followed for developing the IDP.

Organisational arrangements were put in place as per the Process Plan and all legislative prescripts were adhered to. Of particular note have been the effective and efficient operations of structures such as the Intergovernmental Relations Forum (IGR), District Mayors' Forum (DIMAFO), IDP Representative Forum and the IDP Steering Committee. These have executed their mandates in terms of the adopted Process Plan and ensured the achievement of key milestones and deliverables.

During this review, particular attention was paid to institutional issues, IDP-budget linkage, the cluster approach, ADMs vision and mission, and the impact of Buffalo City metro status in 2011. An analysis was conducted in respect of various sector plans attached to the ADM's IDP and some were found to be still relevant and required minor update, others required a reviewal, whilst new ones were developed.

Strict compliance with Regulation 3(5) has been ensured through an ongoing process of consultation between the ADM and all local municipalities through the operations of the said structures as well as through the activities of the Municipal Support Unit.

1.1 Organizational Arrangements

❑ **ADM IDP Structures**

Six structures guided the IDP Process within the ADM:

- IDP/PMS/Budget Representative Forum
- IDP Steering Committee
- IDP Budget Steering Committee
- IDP Cluster Teams
- Intergovernmental Relations Forum (IGR)
- District Mayors' Forum (DIMAFO)

❑ **Roles and Responsibilities**

A number of role-players participated in the IDP Review Process. The role-players together with their respective roles and responsibilities are outlined in the table below.

PERSON/STRUCTURE	ROLES AND RESPONSIBILITIES
Executive Mayor	<ul style="list-style-type: none"> ▪ Manage the drafting of the IDP; ▪ Assign responsibilities in this regard to the Municipal Manager; ▪ Submit the draft Framework Plan and Process Plan to the Council for adoption; ▪ Submit the draft IDP to the Council for adoption and approval; <p>The responsibility for managing the drafting of the IDP was assigned to the Municipal Manager, assisted by the Strategic Manager.</p>
Municipal Manager / Strategic Manager	<p>The Municipal Manager had the following responsibilities, assigned to the Strategic manager:</p> <ul style="list-style-type: none"> ▪ Preparation of Framework Plan; ▪ Preparation of the Process Plan; ▪ Day-to-day management and coordination of the IDP process in terms of time, resources and people, and ensuring: <ul style="list-style-type: none"> ➢ The involvement of all relevant role-players, especially officials; ➢ That the timeframes are being adhered to; ➢ That the planning process is horizontally and vertically aligned and complies with national and provincial requirements; ➢ That conditions for participation are provided; ➢ That the outcomes are documented; and ➢ Chairing the IDP Steering Committee;
DIMAFO (District Mayor's Forum)	<p>The DIMAFO is the institutional structure to monitor alignment and integration of the IDP process between ADM, its local municipalities, sector departments and parastatal bodies.</p> <p>Chairperson:</p> <p>The Executive Mayor of Amathole District Municipality</p> <p>Secretariat:</p> <p>The secretariat for this function is provided by the IGR Unit</p> <p>Members:</p> <p>Chairpersons of the IDP Representative Forums from the:</p> <ul style="list-style-type: none"> • Eight local Municipalities; • Chairpersons of the IDP Steering Committees, (Municipal/Strategic Managers) from the eight Local Municipalities. • Representatives from sector departments and parastatals. <p>The DIMAFO is responsible for co-ordinating roles regarding district municipality and local municipalities by:</p> <ul style="list-style-type: none"> • Ensuring horizontal alignment of the IDPs of the local municipalities in the district area of jurisdiction; • Ensuring vertical alignment between district and local planning; • Facilitation of vertical alignment of IDPs with other spheres of government; and • Preparation of joint strategy workshops with local municipalities, provincial and national role-players.

	DIMAFO meetings are always preceded by IGR technical committee meetings.
IDP Steering Committee	<p>The IDP Steering Committee comprised of a technical task team of dedicated officials who supported the Strategic Manager to ensure a smooth planning process. The Municipal Manager was responsible for the process but often delegated functions to the officials that formed part of the Steering Committee.</p> <p>Chairperson:</p> <p>Municipal Manager (or Strategic Manager)</p> <p>Secretariat:</p> <p>The secretariat for this function is provided by the IDP/PMS Unit</p> <p>Members:</p> <p>Heads of Departments (HODs) Spatial Co-ordination Unit (sector plan champs) Municipal Support Unit (MSU) Cluster technical champs Project Managers Chief HR Officer (Training) Budget Officer Internal audit Communication Budget pilot champ</p> <p>The IDP Steering Committee is responsible for the following:</p> <ul style="list-style-type: none"> ▪ Commission research studies; ▪ Consider and comment on: <ul style="list-style-type: none"> ▪ Inputs from subcommittee(s), cluster teams; ▪ Inputs from provincial sector departments and support providers. ▪ Process, summarise and draft outputs; ▪ Make recommendations to the Representative Forum; ▪ Prepare, facilitate and minute meetings ▪ Prepare and submit reports to the IDP Representative Forum
IDP/PMS/Budget Representative Forum	<p>District-wide participation took place through a number of related structures. The Rep Forum which was formed in the previous years was resuscitated. The Representative Forum comprised of ADM Councillors and staff and its local municipalities, representatives from sector departments, parastatal bodies, NGOs, business fraternity, traditional leaders, and other interested organized bodies.</p> <p>Chairperson:</p> <p>The Executive Mayor or a nominee</p> <p>Secretariat:</p> <p>The secretariat for this function is provided by the IDP/PMS Unit</p> <p>Membership:</p> <p>Invitations were submitted to the same members as the previous year, including the representatives of the consultative fora.</p>
Cluster Teams	Cluster teams were established in the Institutional Strategic Planning session to

	develop objectives and strategies and identify projects and a set of programmes based on the development priorities and the preferred district-wide strategies. Each team was headed by a political and a technical champion and consisted of senior officials. The 5 clusters are aligned to the 5 local government key priority areas.
Service Providers	Service providers were not utilised for this IDP, instead, the IDP/PMS unit provided support for the following: <ul style="list-style-type: none"> ▪ Methodological/technical support on the development of objectives, strategies, projects and programmes. ▪ Budget alignment and other ad hoc support as required; ▪ Coordination of planning workshops as required.

In addition to the structures reflected in the table above, the following structures were also involved:

- IDP/PMS/Budget Task Team
- Budget Steering Committee
- Project Task Team

1.2 Schedule of Meetings

The outline of the public participation process with specific reference to meetings and workshop dates of the various role players are reflected in the table below.

ADM ACTION PLAN	
PARTICIPATION STRUCTURES & MEETING DATES	
PRE-PLANNING (July – August)	
IDP Steering Committee (pre-planning and review implementation)	11 September 2009
IDP Steering Committee workshop	18 August 2009
Councillor workshop on IDP/Budget process	28 August 2009
IDP/PMS/Budget Representative Forum [district-wide launch]	30 September 2009
ANALYSIS (September – November)	
IDP Managers' workshop (Prioritization of local needs and issues)	15 October 2010
Councillor workshop on situational analysis and prioritization of needs	21 – 23 October 2009
IDP Steering Committee to discuss cluster analysis overview	13 November 2009
IDP/PMS/Budget Representative Forum [district-wide development priorities]	23 November 2009
OBJECTIVES; STRATEGIES and PROGRAMMES (December – March)	
Strategic Planning session (mid-year term review and strategic goals)	14 – 16 February 2010
IDP Steering Committee (refine objectives, strategies and draft projects)	22 February 2010
Intergovernmental Relations Forum (IGR)	08 March 2010
Budget Steering Committee	09 March 2010
IDP Representative Forum (present draft objectives and strategies)	10 March 2010
IDP Managers' workshop	11 March 2010
Council workshop on draft IDP & Budget	16 – 17 March 2010
District Mayors' Forum (DIMAFO)	19 March 2010
Council approval of the draft IDP & Budget	26 March 2010
APPROVAL (April – May)	

IDP/ Budget road shows (public presentation hearings at LMs)	12 April – 07 May 2010
IDP Steering Committee to check alignment and sector specific guidelines	16 April 2010
IDP Steering Committee to incorporate inputs into the IDP	11 May 2010
Council Open Day (present final draft)	14 May 2010
IGR Forum meeting	14 May 2010
IDP/PMS/Budget Representative Forum meeting (present final draft)	20 May 2010
District Mayors' Forum (DIMAFO)	27 May 2010
Council Meeting (Final Adoption)	28 May 2010

1.3 **Community Involvement**

The outline of the public participation process with specific reference to transparency and community involvement during the IDP review process.

EVENT	DATE	VENUE	MUNICIPALITY
Mandela Day	18 July 2009	Mlungisi Village	Amahlathi
Women Sports Day		Newlands Village	Buffalo City
Exco Outreach		Tsomo Village	Amahlathi
Mooiplas Combined Schools Substance Abuse Awareness		Mooiplas Village	Great Kei
Closure of Women's Month	27 August 2009	Dimbaza	Buffalo City
Launch of Door to door campaign	24 August 2009	Dimbaza	Buffalo City
Women of Faith gathering	25 August 2009	Dimbaza	Buffalo City
Dimbaza schools address by the speaker	25 August 2009	Dimbaza	Buffalo City
Exco Outreach to traditional leaders offices		Mphekweni Village	Ngqushwa
Water Forum Meeting	8 September 2009	Nxuba	Bedford Town Hall
Water Forum Meeting	14 September 2009	Amahlathi	Lutheran Church Hall
Water Forum Meeting	21 September 2009	Nkonkobe	Fort Beaufort Town Hall
Water Forum Meeting	22 September 2009	Great Kei	Komga Town Hall
Water Forum Meeting	28 September 2009	Mbhashe	Mbhashe town Hall
Water Forum Meeting	30 September 2009	Mnquma	Msobomvu Hall
Water Forum Meeting	2 October 2009	Ngqushwa	Town Hall
Disaster Reduction Competition	17 September 2009	Shornville	Buffalo City
Public Participation Week Event	19 November 2009	Mgababa	Ngqushwa
Marine Day	5 November 2009	Hamburg	Ngqushwa
Municipal Journalism and reporting seminar	3 September 2009	East London	Buffalo City
Roll out of annual report	02 March 2010	Msobomvu	Mnquma
Roll out of annual report	3 March 2010	King Williams Town	Buffalo City
Roll out of annual report	4 March 2010	Fort Beaufort	Nkonkobe
Mayor's Cup	6 March 2010	Dutywa	Mbhashe
By-Law Roadshow	09 March 2010	Msobomvu	Mnquma
By-Law Roadshow	10 March 2010	Good News	Buffalo City
By-Law Roadshow	11 March 2010	Town Hall	Fort Beaufort
Mayor's Cup	13 March 2010	Komga s	Great Kei
Mayor's Cup	20 March 2010	Stutterheim	Amahlathi
Mayor's Cup	27 March 2010	Kidds Beach	Buffalo City
IDP/Budget road-shows	06 March – 06 April 2010	Local Municipal Halls	All local municipalities

1.4 **Relevant Documents**

The following documentation should be read with the IDP:

- Municipal Systems Act and relevant regulations
- IDP Guide Pack, with specific reference to Guide 3 and Guide 6
- District IDP Framework Plan
- ADM IDP/Budget Process Plan
- ADM IDP (2007 - 2012) and 2008/2009, 2009/2010 Reviewed IDPs
- Various sector plans and programmes
- Category B IDP's (2007 - 2012) and 2008/2009, 2009/2010 Reviewed IDPs
- Performance Management Framework (2009)
- Provincial Growth and Development Plan (2004-2014)

1.5 **Alignment with National and Provincial Programs**

The following National programs informed the IDP review process:

- State of the Nation Address (SONA)
- Green Paper on National Planning Commission (revised).
- State of Local Government in South Africa
 - Municipal Demarcation Board Reports 2008/2009
- COGTA : Local Government Turnaround Strategy (LGTAS) 2009
- COGTA : Operation Clean Audit 2014
- Powers & Functions :
 - Municipal Demarcation Board
 - Local Government MEC
- ANC Manifesto (2006, 2009)
- ANC January 8th Statement (2010)
- KingIII Report & Code on Good Governance for South Africa-2009

During the IDP review process, ADM has noted that 2010 has been declared a “Seminal Year”, a year of action, and that we are called upon to work “smarter, harder and faster”. ADM acknowledged that though we work ‘Harder’, we don’t work ‘Smarter’. ADM thus concur with the observations depicted in the LGTAS about municipalities in general.

The following table depicts how ADMs 5 key performance areas are aligned with the national and provincial programs:

Key Performance Areas	Manifesto 2009	10 National Priorities	8 Provincial Priorities	12 Outcomes
Good Governance and Public Participation	5. Fight against crime and corruption	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all
		Build cohesive, caring and sustainable communities	Building cohesive and sustainable communities	9. Responsive, accountable, effective and efficient Local Government system
		Pursuing African advancement and enhanced international co-operation		12. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship
		Building a developmental state including improvement of public services and strengthening democratic institutions		11. Create a better South Africa, better Africa and a better world
Municipal Financial Viability and Management	5. Fight against crime and corruption	Intensifying the fight against crime and corruption	Intensify the fight against crime and corruption	9. Responsive, accountable, effective and efficient Local Government system
Municipal Transformation and Organisational Development	5. Fight against crime and corruption	Strengthen skills and human resource base	Strengthen education, skills and human resource base	1. Quality basic education
	2. Education	Pursuing African advancement and enhanced international co-operation		5. Skilled and capable workforce to support an inclusive growth path
		Building a developmental state including improvement of public services and strengthening democratic institutions		3. All people in SA are and feel safe
Basic Service Delivery and Infrastructure Investment	3. Health	Improve health profile of the nation	Improve the health profile of the province	6. An efficient, competitive and responsive economic infrastructure network
		Comprehensive rural development strategy linked to land and agrarian reform & food security	Rural development, land and agrarian transformation, and food security	2. A long and healthy life for all South Africans
		Massive programme to build economic and social infrastructure	Massive programme to build social and economic and infrastructure	8. Sustainable human settlements and improved quality of household life

		Sustainable resource management and use	Building a developmental state	10. Protect and enhance our environmental assets and natural resources
Local Economic Development	1. Creation of decent work and sustainable livelihoods	Speeding up economic growth & transforming economy to create decent work and sustainable livelihoods	Speeding up growth & transforming the economy to create decent work and sustainable livelihoods	4. Decent employment through inclusive economic growth
	4. Rural development, food security and land reform	Comprehensive rural development strategy linked to land and agrarian reform & food security	Rural development, land and agrarian transformation, and food security	6. An efficient, competitive and responsive economic infrastructure network
			Massive programme to build social and economic and infrastructure	7. Vibrant, equitable, sustainable rural communities contributing towards food security for all
			Building cohesive and sustainable communities	8. Sustainable human settlements and improved quality of household life
			Building a developmental state	10. Protect and enhance our environmental assets and natural resources

SECTION B: SITUATIONAL ANALYSIS

2.0 Introduction

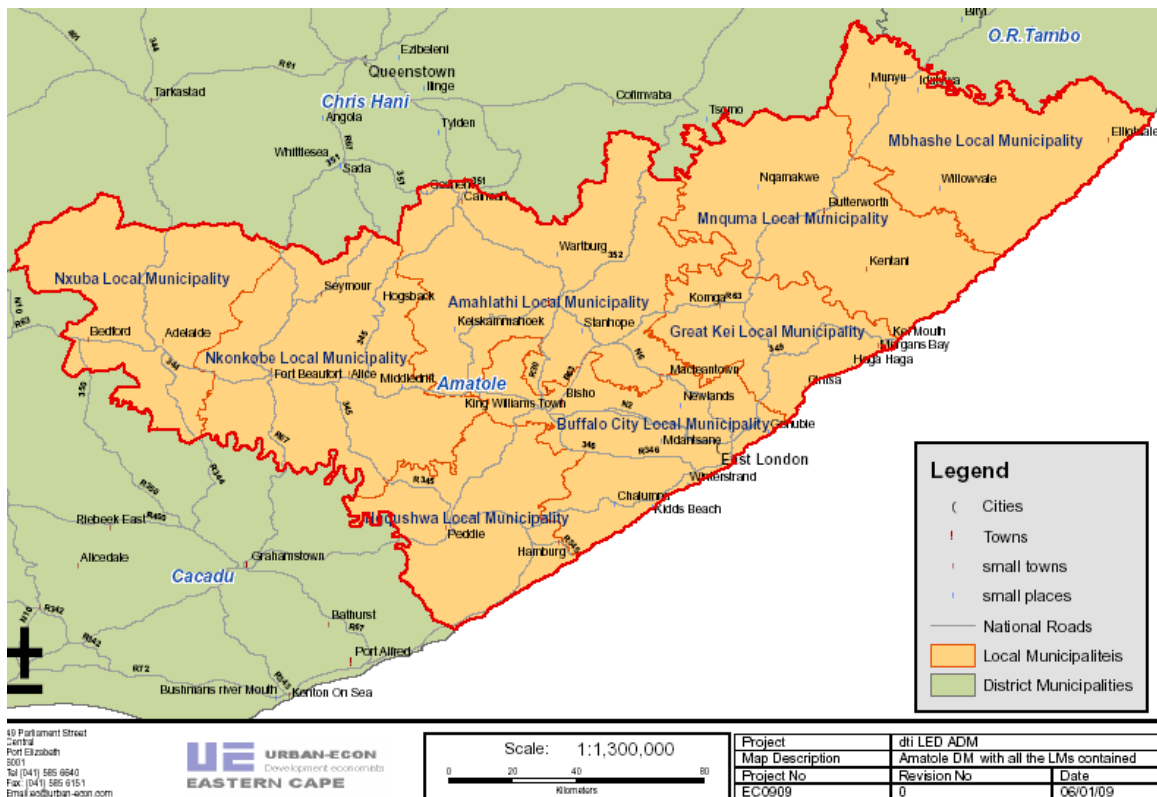
This Chapter provides a detailed summary of the District Municipality's situational analysis.

2.1 ANALYSIS OVERVIEW

2.1.1 Introduction

The Amathole District Municipality is situated within the Eastern Cape Province, between Port Alfred and Port St John's, and includes the city of East London. The district stretches from the Indian Ocean coastline in the south to the Amathole Mountains in the north. The District includes the large parts of the former Ciskei and Transkei homeland areas, which means the district has large disparities within its borders. It is bordered by the Cacadu, Chris Hani, and OR Tambo municipalities. The District covers a land area of roughly 23,577.11km².

Map of Amathole District Municipality



Source: Urban-Econ Eastern Cape, 2009

The Amathole District Municipality's area of jurisdiction is made up of eight local municipalities, as follows:

- **Buffalo City Municipality**, comprising the city of East London, the main town of King William's Town and surrounding urban centres (including the Provincial Capital, Bhisho, Dimbaza and Mdantsane), a number of coastal towns, numerous peri-urban and rural settlements;
- **Amahlathi Municipality**, comprising the towns of Stutterheim, Cathcart, Keiskammahoek and Kei Road, numerous peri-urban and rural settlements;
- **Nxuba Municipality**, comprising the towns of Bedford and Adelaide and surrounding rural areas;
- **Nkonkobe Municipality**, comprising the towns of Alice, Fort Beaufort and Middledrift, the smaller towns of Hogsback and Seymour, numerous peri-urban and rural settlements;

- **Ngqushwa Municipality**, comprising the town of Peddie, the coastal town of Hamburg, numerous peri-urban and rural settlements;
- **Great Kei Municipality**, comprising the town of Komga, the small coastal towns of Kei Mouth, Haga Haga, Morgan Bay and Cintsa, and a number of rural settlements;
- **Mnquma Municipality**, comprising the main town of Butterworth, the small towns of Ngqamakwe and Centani, numerous peri-urban and rural settlements; and
- **Mbhashe Municipality**, comprising the towns of Idutywa, Elliotdale and Willowvale, and numerous peri-urban and rural settlements. Demographic Overview

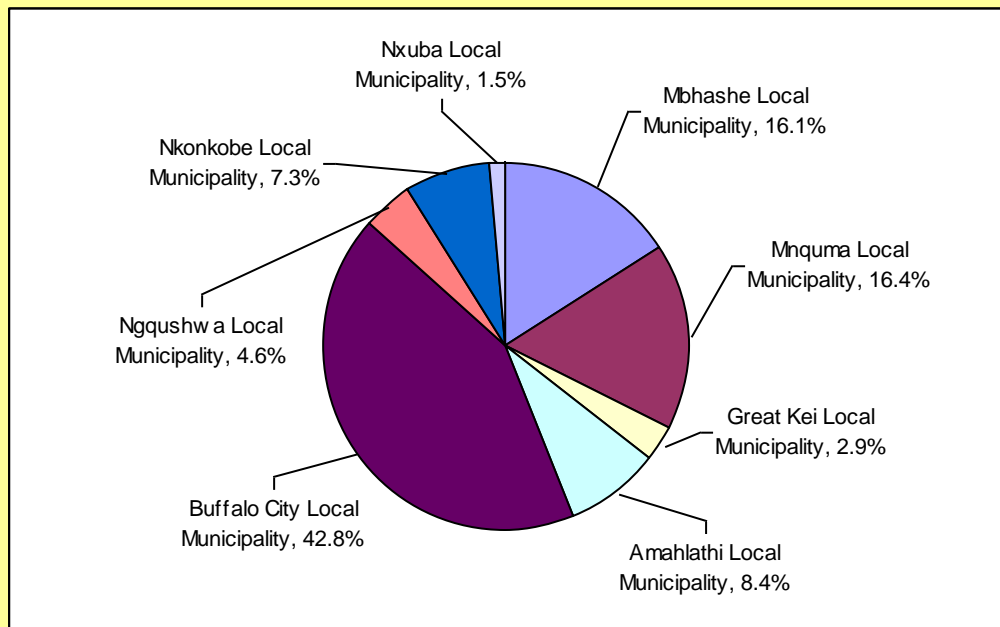
2.1.2 DEMOGRAPHIC OVERVIEW

Population

According to Statistics South Africa (*Community Survey, 2007*), the **population** of the Amathole District was about 1,635,433 in 2007. The population is unevenly distributed among the eight Local Municipalities. The number of households is 458,582.G159

The majority of the Amathole District population reside within the Buffalo City LM (42.8%), followed by Mnquma LM (16.4%) and Mbhashe LM (16.1%). The two Local Municipalities with the smallest percentages of the Amathole District population are Nxuba (1.5%) and Great Kei (2.9%).

Population distribution, ADM, 2007



Quantec Research and Urban -Econ Calculations 2008

Population Group

Population Group, ADM, 2007

	Black	Coloured	Indian or Asian	White
Amathole	91.89%	2.90%	0.26%	4.94%
Mbhashe LM	99.70%	0.15%	0.02%	0.13%
Mnquma LM	99.61%	0.17%	0.07%	0.15%
Great Kei LM	90.25%	1.62%	0.00%	8.14%
Amahlathi LM	95.22%	1.76%	0.12%	2.90%
Buffalo City LM	85.48%	4.59%	0.51%	9.42%
Ngqushwa LM	99.54%	0.33%	0.13%	-
Nkonkobe LM	94.43%	4.76%	-	0.82%
Nxuba LM	76.42%	15.41%	-	8.18%

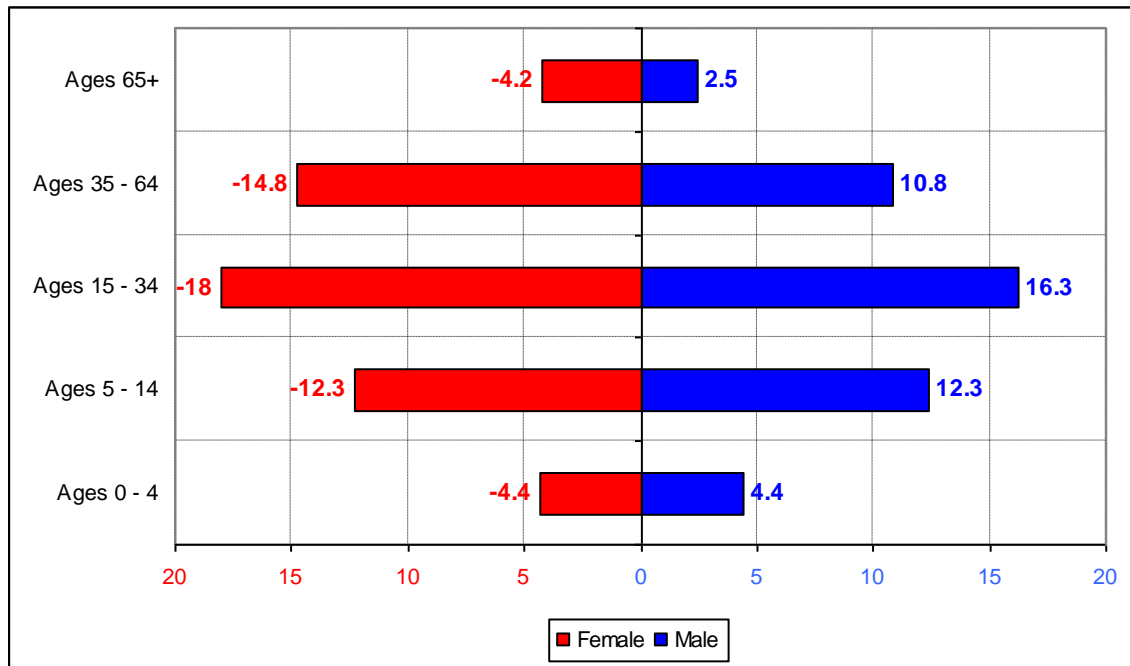
Source: Quatec, Community Survey 2007

The ADM is made up predominately by Black South Africans (91.9%), this is followed by White South Africans (4.9%) then Coloureds (2.9%) and finally Indian or Asians (0.3%).

Age and Gender

- a. In terms of **gender**, the Amathole District has a fairly equal distribution as measured in the 2007 Community Survey, at 46.3% male and 53.7% female.
- b. In terms of the **age structure**, 66.61% of the Amathole District population in 2007 fell within the economically active population (EAP) range. 33.39% of the population (such as children and the elderly) is dependent on the economically active population for their subsistence.

Age and gender structure, ADM, 2007



Source: Statistics SA (Community Survey 2007)

Population density

The **population density** within the Amathole District has steadily decreased since 2002. While the population density was 70.4 people per square kilometer in 2002, it decreased to 69.3 people per square kilometer in 2007.

Population density within the ADM, 2008

Area	People per KM ²
Amathole District municipality	69.3
Mbhashe Local Municipality	86.1
Mnquma Local Municipality	81.2
Great Kei Local Municipality	27.7
Amahlathi Local Municipality	32.2
Buffalo City Local Municipality	277.2
Ngqushwa Local Municipality	33.5
Nkonkobe Local Municipality	32.0
Nxuba Local Municipality	9.0

Source: Quantec Research and Urban -Econ Calculations 2008

Citizenship

- According to Community Survey 2007 data, 99.8% of people residing in the Amathole District were South African citizens.
- Of those that are not South African citizens a large percentage are from neighbouring Southern African countries who migrated to the area in search of economic opportunities.

Citizenship of ADM residents, 2008

	Amatole
South Africa	99.8%
SADC countries	0.1%
Rest of Africa	0.1%
Europe	0.1%
Asia	0.0%
North America	0.0%
Central and South America	0.0%
Australia and New Zealand	0.0%

Source: Statistics SA (Community Survey 2007)

Migration trends

- An average of 1.5% people residing in the ADM had moved there within the 1996 – 2001 period. This figure gives an indication of the migration rate into the District.
- The Local Municipality that experienced the highest in-migration rate according to this measure was Buffalo City, with 3.5% of residents who moved to the area in 2001.

Population density within the ADM, 2008

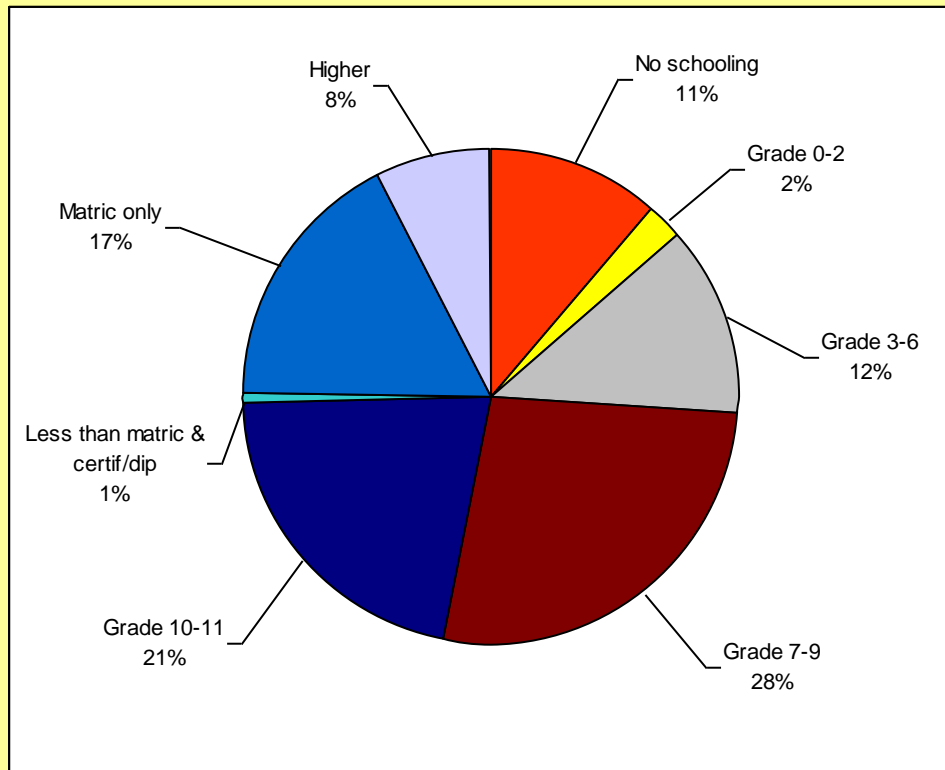
Percentage of migrants that moved to the area within each year, 1996 – 2001						
Area	1996	1997	1998	1999	2000	2001
Amathole	0.3%	1.4%	1.6%	1.7%	1.9%	2.3%
Mbhashe LM	0.2%	0.4%	0.4%	0.4%	0.6%	0.8%
Mnquma LM	0.2%	0.7%	0.8%	0.9%	1.2%	1.6%
Great Kei LM	0.3%	1.4%	1.3%	2.8%	2.4%	2.8%
Amahlathi LM	0.3%	1.0%	1.3%	1.5%	1.7%	1.5%
Buffalo City LM	0.5%	2.3%	2.7%	2.7%	3.0%	3.5%
Ngqushwa LM	0.1%	0.4%	0.4%	0.4%	0.5%	0.6%
Nkonkobe LM	0.3%	0.9%	1.0%	1.1%	1.4%	2.5%
Nxuba LM	0.2%	1.2%	1.6%	1.1%	1.7%	1.6%

Source: Statistics South Africa (Census 2001)

The above data seems to indicate a fairly low rate of migration in and out of the Amathole District, with people settling in the area for relatively long periods of time before moving on to a new locality.

Education

Education profile, ADM, 2008



Source: Global Insight

According to figures provided by Global Insight for 2008, only 17% of the adult population (20 years+) had completed Grade 12, while only 8% had a tertiary/higher education qualification. The majority of the adult population had some secondary level education, but had not completed their matric. 12% had completed primary level education up to Grade 7, while 14% had only some primary level education. 11% of the adult population, as measured in 2008, had no schooling whatsoever.

Tertiary institutions

Academic institutions in the district include the University of Fort Hare, Walter Sisulu University, Lovedale College, Fort Cox College, the FET college, and a number of good high schools (ADM GDS, 2007).

The primary challenges facing the tertiary institutions, many of which were previously "homeland" institutions, include the following:

- Institutional transformation and the integration of multiple institutions;
- Curriculum transformation through diversification and upgrading of course offerings;
- Question of access and equity;
- Improvement of standards.

Factors which fuel these challenges include income levels of poor households, bursary access and the transformation of secondary

education. Poor secondary education standards and language challenges also impact on the institutions.

The following points further sum up the ADMs Human Capital (*Amathole Regional Economic Development Strategy, 2008*):

- There are a number of good schools producing sports, academic, business and political leaders in the ADM
- Positive economic and cultural values in a diverse population
- Higher literacy rates and quality
- Basic grounding in science, maths and logical reasoning skills
- Increased secondary or tertiary level skills
- Increase in Skills suitable for participating in the economy
- Reduce risks from environmental and social disasters and crime
- Programmes such as “Seeds for the future” civil-society support programme, are actively addressing non-academic development for a quality future workforce and build “social” capital.

Human Development Index (HDI)

ADM HDI, 2008

	1996	1998	2000	2002	2004	2006	2008
Amathole	0.50	0.51	0.51	0.52	0.52	0.53	0.53
Mbashe LM	0.36	0.35	0.36	0.37	0.37	0.37	0.36
Mnquma LM	0.44	0.44	0.44	0.45	0.45	0.45	0.44
Great Kei LM	0.41	0.41	0.43	0.44	0.43	0.44	0.43
Amahlathi LM	0.43	0.44	0.45	0.47	0.46	0.47	0.46
Buffalo City LM	0.58	0.59	0.60	0.61	0.61	0.61	0.61
Ngqushwa LM	0.40	0.41	0.42	0.44	0.44	0.44	0.44
Nkonkobe LM	0.46	0.47	0.48	0.50	0.50	0.50	0.51
Nxuba LM	0.47	0.47	0.49	0.50	0.50	0.51	0.51

Source: Global Insight

The Human Development Index (HDI) is an indicator which measures development. It measures life expectancy, literacy and income of a particular district. It is measured on a scale of 0 to 1 and an HD should preferably be above 0.50 to represent an acceptable level of development. With an increase in all LMs from 1996 to 2008, it is a clear indication that the quality of life in the ADM has improved. Buffalo City has the highest HDI of all the LMs, 0.61. The Buffalo City’s increased HDI can be explained by the presence of good education facilities within the area, the areas good economic performance compared to the rest of the LMs and better health facilities. However these figures indicate that more interventions are needed to develop most of the LMs in the ADM.

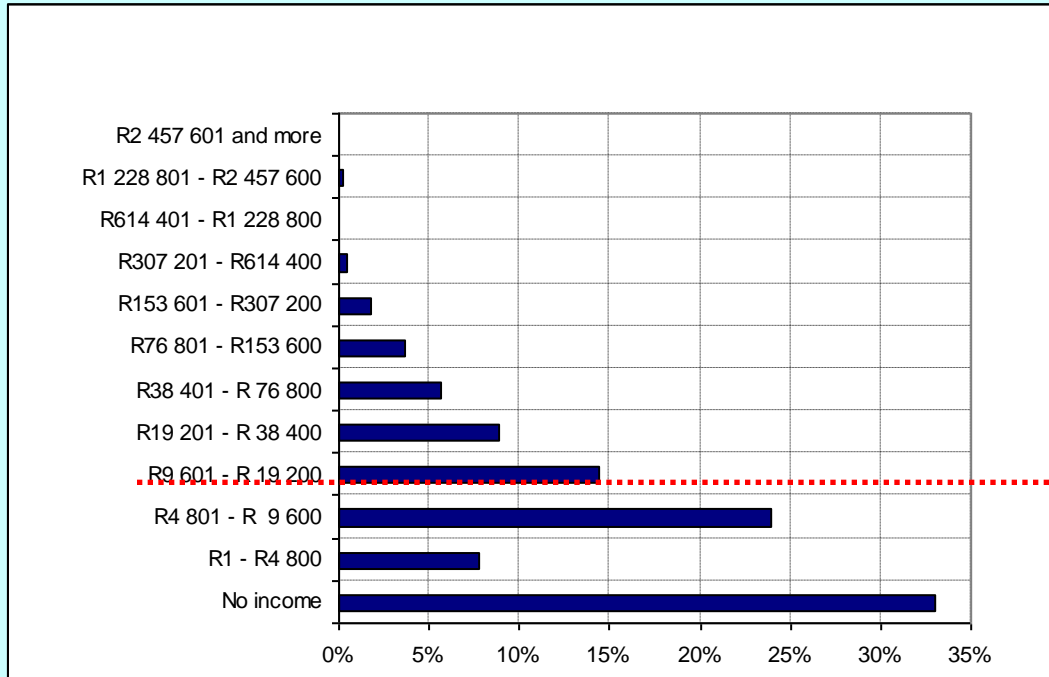
Main Demographic Challenges

- The region is challenged with a higher demand for basic services as well as housing.
- There has been a growth in informal settlements in Amathole which negatively influences the health and environmental status of the district.
- Services such as education, reproductive health, youth development and development projects to address poverty remain a challenge for local government and government departments.
- The District Municipality is made up of a few former homelands where limited or no development has taken place over a number of years. This has translated in Amathole experiencing high levels of poverty across the District.
- The public sector dominates the region’s economy, which indicates the challenge of a limited production base in the area, and limited private investment growth into the ADMs economy.
- Economic situation in terms of lack of income and unemployment of the population is increasing.

Poverty and Inequality

Household income

Annual Household Income, ADM, 2007



Source: Statistics South Africa (Census 2001)

The following graph depicts the distribution of annual household income among the different income groups in the Amathole District, as measured in the 2001 Census.

- a. According to the above graph, the majority of households in the ADM earn between no income and R19,201 per annum. This means that almost 79% of households earned a monthly income of R1,200 or less.
- b. The average weighted income (AWI*) as measured in 2001 was as follows:

	2001	2008
SA	R 4,265.03	R 7,122.11
EC	R 2,623.53	R 4,380.98
Amathole	R 2,535.22	R 4,233.52

Statistics SA (Census 2001) and Urban-Econ Calculations

*AWI is the average income of households, taking into account the distribution of households across income categories.

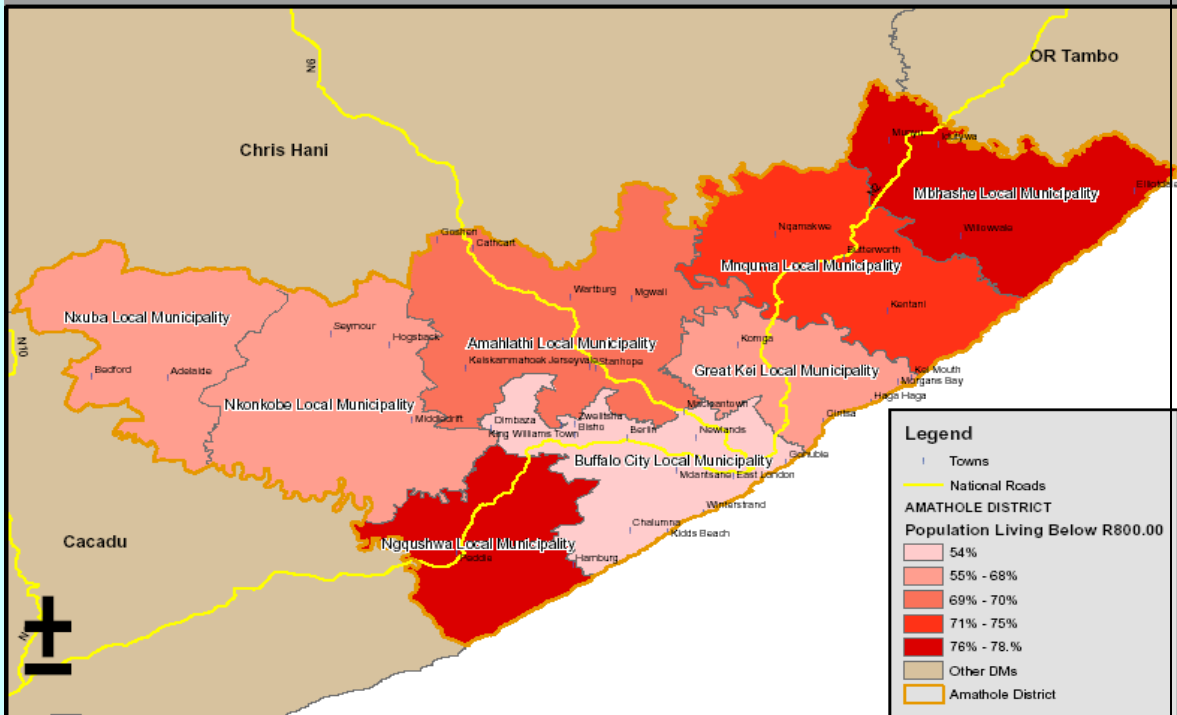
- c. The number of people in poverty is an indicator of household members who reside in households whose total income falls below a particular level. The level used here is based on Global Insight data which uses the Bureau for Market Research (BMR) Minimum Living Level (MLL) that ranges from R893 for a single person household to R3314 for an eight person household (ADM GDS, 2007).
- d. The Mbhashe LM and Ngqushwa LM experienced the highest poverty levels. Buffalo City, being the DMs primary node, has the

lowest poverty percentage, 54%.

e. Figure 1.2 is a map indicating poverty levels in the ADM.

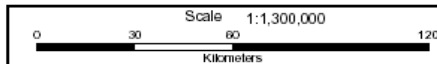
Map of ADM Poverty Levels

AMATHOLE DM POVERTY ANALYSIS



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EASTERN CAPE



Project	Dti LED ADM	
Map Description	% Population Living Below R800.00	
Project No	Revision No	Date
EC0909	0	04/02/09

Gini Coefficient

	Black	White	Coloured	Asian	Total
1996	0.45	0.46	0.5	0.49	0.60
1998	0.58	0.47	0.51	0.51	0.63
2000	0.59	0.45	0.51	0.51	0.64
2002	0.60	0.46	0.51	0.51	0.65
2004	0.61	0.46	0.52	0.52	0.66
2006	0.61	0.46	0.52	0.52	0.66
2008	0.61	0.46	0.53	0.53	0.65

The Gini coefficient is a summary statistic of income inequality, which varies from 0 (in the case of perfect equality where all households earn equal income) to 1 (in the case where one household earns all the income and other households earn nothing). In practice the coefficient is likely to vary from approximately 0,25 to 0,70. The figures for Amathole indicate that inequality has been increasing in Amathole in the period from 1996 even though it has started to level out since 2008. Inequality is even more pronounced in the black community. The total Gini Coefficient for the Eastern Cape and the rest of South Africa was 0.66 for 2008 indicating that inequality is a countrywide problem.

The following points about the poverty in the ADM have been summarized from the ADM IDP 09/10:

- A large number of ADM residents survive on pension or grant from the government. Furthermore, the percentage of

people living under the poverty line is slightly higher than that of the Eastern Cape as whole.

- Low affordability levels in the ADM and the increased levels of poverty within ADM have resulted in a further rise in inadequate basic services to households. The common diseases and health problems in the district are related to socio-economic factors such as overcrowding and poor resistance due to poverty and illiteracy.
- The implication of the increased levels of poverty is that the majority of schemes will require subsidization through the equitable share from National Government to remain sustainable and future prospects for cross subsidization are limited unless current economic patterns improves.

Social grants

Household grant dependence is higher in Amathole (66%) than the average for the Eastern Cape (64%) as a whole. Only Buffalo City (53%) and Nxuba (59%) fall below the district and provincial averages with the remaining local municipalities recording 2/3 and more of households which depend on at least one social grant. The number of people who receive social grants give an indication of the number of people who earn a household income below a certain level and therefore qualify for social grant support.

Social grant support, 2007

	Amatole
Old age pension	7.9%
Disability grant	3.1%
Child support grant	18.8%
Care dependency grant	0.5%
Foster care grant	0.1%
Grant in aid	0.1%
Social relief	0.1%
Multiple social grants	0.2%
NA	67.9%
Institutions	1.4%

Source: Statistics SA (Community Survey 2007)

Child support grants are by far the most common type of social grant support received by ADM residents (18.8%).

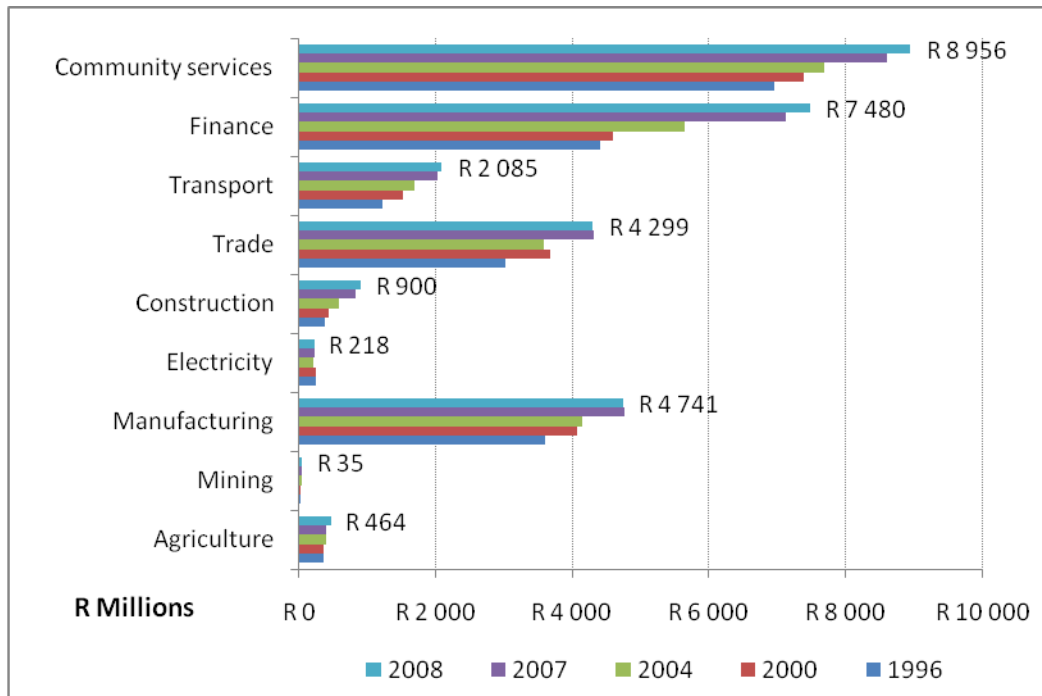
2.1.3 ECONOMIC OVERVIEW

ADM has 2nd largest economy in the province, contributing 32% to the provincial economy. East London, Bisho, Butterworth and King Williams Town are areas of significant economic activity in the Amathole district. Economic activity in the district is concentrated mainly within the Central Business Districts of these major towns. These towns also function as centres of economic activity for surrounding areas and smaller towns, with manufacturing, trade, finance and community services sectors dominating the district's economy. As a result of its central location in the province, the district has good economic links with neighbouring districts.

A growing modern economy linked to global production chains in East London is contrasted with an extremely poor rural economy in former homeland areas. An unemployment rate of 32% was recorded in the area in 2008 and 77% of the population in the district were estimated to be living below the minimum living level threshold.

High levels of poverty and inequality exist especially in the eastern part of the district. There is a substantial need for investment in social and economic infrastructure throughout the district, but especially in the former homeland areas. The district has diverse natural resources in terms of soils, vegetation, climate and topography.

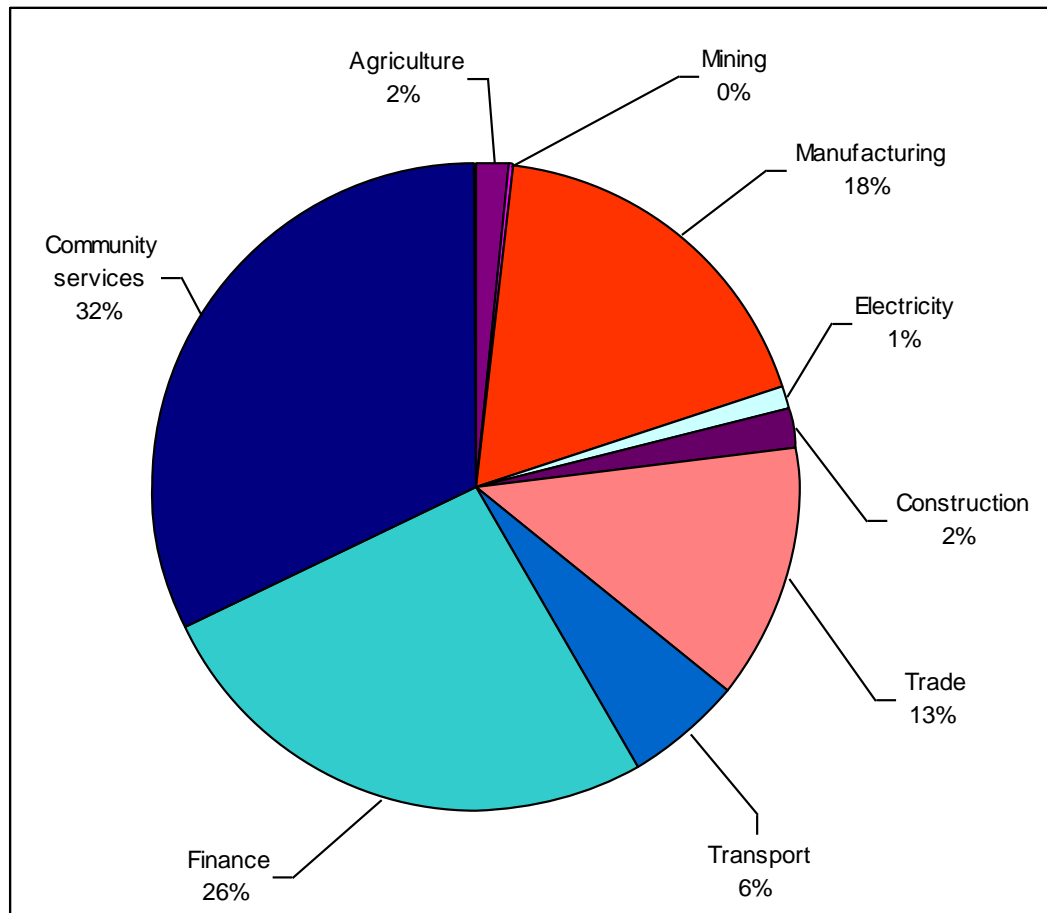
Sectoral production structure of the ADM economy, 2008



Source: Global Insight

- 1) The economy of ADM is dominated by the community services sector which contributed 32% to the GGP of ADM in 2008. The dominance of this sector which includes the government sector is partly attributed to the location of the Provincial Government Head Offices which are located in Bisho in the BCM Local Municipality. This sector also is the major employer in the District as it accounted for 38.3% of all formal jobs in 2008
- 2) The second most important sector is the finance and business services sector which contributed 26% to the GGP of in 2008. However this sector is not labour intensive as it contributed only 7.2% of the formal jobs in the District in 2008.
- 3) The third most important contributor to the GGP of the Amathole District is the manufacturing sector, which accounted for 18% of ADM's GGP in 2008. This sector is also a major employer as it contributed 23% of ADM formal jobs in 2008
- 4) The contribution of the agriculture as well as mining sectors has been very minimal in the period from 1996 to 2008.

Sectoral Contribution to GGP, ADM 2008



Source: Global Insight

ANALYSIS OF TRENDS IN THE VARIOUS SECTORS.

Agriculture

- 1) The land use patterns and land ownership in ADM are diverse. The latter varies from communal land ownership, particularly in the former homelands, to private commercial land ownership.
- 2) Agriculture in most parts of the ADM has not yet developed beyond subsistence because of constraints facing agriculture in rural areas.
- 3) The prospects of agriculture currently look dim because of the lack of inputs, resources and a lack of interest from the youth.
- 4) The sector has experienced a decreasing trend in employment over the period 1996-2008, from 7 percent in 1996 to 5 percent in 2008

Mining

- 1) The mining sector is the lowest performing sector in the ADM
- 2) Furthermore the sector has been struggling over the past 9 years, suffering a continuous downward trend.
- 3) As a result of its small share in the ADM economy, the mining sector has no meaningful impact on overall growth.
- 4) The mining sectors employment trend is consistent with its decreasing low performance output trend as it accounted for 0.1 percent of total employment in the district in 2008.

Manufacturing

- 1) From 1995 to 2008, production growth in manufacturing has been consistently been escalating, even though its started decreasing in 2007
- 2) Improvement in the sector mainly has to do with the shift to hi-tech sub sectors.
- 3) Manufacturing in Amathole is slightly more import dependent than export orientated
- 4) The sector contributes about 45 746 jobs (17 percent) of the district's employment

Utilities (Electricity and Water)

- 1) The utilities sector is the second smallest contributor to the ADM economy.
- 2) This sectors contribution to employment in ADM has averaged around 0.4 percent in the period from 1996 to 2008

Construction

- 1) The construction sector has shown positive growth over the past 10 years
- 2) Success is attributed by an increase in both public infrastructure investment and private property development.
- 3) Currently the sector contributes 2 percent to GGP output.
- 4) This sector currently accounts for 4 percent of the formal jobs at ADM.

Trade

- 1) This sector has produced a firm increase in production over the past decade.
- 2) It is however only the 4th largest contributor to ADM,s GGP
- 3) Employment in the sector has experienced a positive increase, contributing about 16 percent of formal employment in ADM in 2008

Transport and Communications

- 1) This sector currently contributes 6 percent of GGP of the ADM.
- 2) After declines in the period from 2000 to 2004, this sector has since been making positive contributions to the district's GGP.
- 3) This sector currently contributes about 2.6 percent to formal employment of the district.

Finance and Business Services

- 1) As the second largest contributor to GGP, the sector has shown increasingly positive growth in the period from 1996 to 2008
- 2) Currently this sector contributes 26% to the GGP of the ADM economy.
- 3) This sector however only contributes 7.2 percent of the formal jobs in the ADM. This can be attributed mainly to the intellectual as well as high tech nature of finance and business services

Community and government services

- 1) This sector has dominated the ADM economy between in the period under review from 1996 to 2008
- 2) Currently this sector contributes about 32% to the GGP of the ADM.
- 3) This sector is also the largest contributor to formal jobs in the ADM , contributing about 39 percent or 103 915 jobs in 2008

2.1.3 OVERVIEW OF KEY PRIORITY AREAS

2.1.4.1 Local Economic Development & Environment

(A) AGRICULTURE DEVELOPMENT

The District has diverse natural resources in terms of soils, vegetation, climate and topography. The land use patterns and land ownership in the District are also diverse. The latter varies from communal land ownership, particularly in the former homelands, to private commercial land ownership. These characteristic features of the District in relation to the agricultural sector have resulted in the situation as summarized below:

- The District accounts for 32 percent of the Provincial output in terms of the agricultural sector.
- However, the agricultural sector contributes only 2 percent of the GGP of the District.
- Livestock and its products account for more than 70 percent of the sector output and this stands to reason because the District is suited to extensive livestock production in terms of its climatic and soil resources.
- The agricultural sector also contributes only 5 percent of the employment opportunities in the District and this is continuous decline.
- Citrus production is important in the areas of Ngqushwa, Nxuba and Nkonkobe.
- Fishery continues to contribute very little to GGP of the District.
- Intensive crop production under irrigation is limited to the valleys of the District while Mbashe, Mnkuma and Amahlathi are suited to dryland crop production.

The agricultural sector of the district is also characterized by:

- Low productivity
- Higher farmer indebtedness
- Lack of access to finance by historically disadvantaged farmers
- Declining capital investment
- Aging farmer population

(B) TOURISM DEVELOPMENT

The history of our district contains a multitude of diverse stories and lessons and so also the journey of our tourism industry. Our industry has been enriched by the hard work and contributions of the tourism role-players ranging from government institutions and organized business to the informal trader or local guide interacting with a tourist. The diversity of our people, history and experiences have brought a treasure trove of variety to the tourism industry and no doubt contributed to our success.

Tourism Vision

To be “the most accessible, unique and pristine coastal and mountainous environment and the most authentic heritage and cultural experience in South Africa attracting eco-tourists, nature lovers, cultural tourists, adventure seekers, sport and business people”.

Growth and Achievements Overview

The tourism sector continues to contribute significantly to the South African economy and outperforms most economic sectors in terms of entrepreneurial opportunities and the creation of jobs. Foreign arrivals reached an all time high of 9.6 million in 2008, with 500 947 more foreign arrivals in South Africa than in 2007. The 5.5 percent increase exceeds the global growth rate of 1.3 percent and brings the compound average growth rate of arrivals to South Africa between 2002 and 2008 to 6.9 percent. The good performance of this sector should be further boosted by the various international sporting events in 2009 and South Africa’s hosting of the 2010 World Cup

The outstanding performance ADM in terms of attracting visitors to our shores is underscored by the fact that tourism continues to make a growing contribution to our economy. It has been reported that it contributes approximately about 8% of national GDP. The annual report of Tourism South Africa indicates the following tourism expenditure for 2005;

- Of the R53.4 billion spend by the 7.37 million foreign tourists in SA, 7.6 % (3.3 billion) was spent in the Eastern Cape, equating to R590 per day per spent in the province. Of the 21.2 billion of the 2.3 billion was spent by the domestic tourists in the Eastern Cape which closer to foreign visitors that are visiting the province. This shows the importance of investing on promoting domestic tourism within our district.

According to ADM’s tourism industry study report, the results thus far show that ADM is also benefiting through the tourism industry. Using a national multiplier of 2, 26 (source: Coningarth) for the wholesale and retail trade, catering and accommodation sectors and an estimated provincial multiplier for the same sector, the following economic impact on tourism industry was discovered. ADM

In terms of employment the industry has generated an amount of R657, 5 million in 2008 and 6 260 annual jobs or work opportunities were created by the industry. On average ADM receives 79% domestic visitors while 21% is foreign visitors. (ADM tourism survey report 2009)

Based on the indications of turnover provided by the surveyed respondents, it is estimated that the tourism industry of the Amatole District Municipality generates approximately R650 million towards the economy each year. The comparison was made out of the agriculture, transport and electricity sectors it is likely that the tourism sector provides a GVA of between 4% and 5% to the district economy. This means therefore, out of 3.3 billion spent in the Eastern Cape Province, an amount of R650 million was spent within the district equating to R299 per day per spent in the district.

STRENGTHS

- Heritage District
- Political Will
- Beautiful Coastal and Mountains with flora and fauna vegetation
- Geological location
- Existing product Mix
- Cultural Heritage- King Sandile heritage route
- Political heritage- Steve Biko Garden of Remembrance
- Frontier Heritage-War forts and battlegrounds
- Accessibility via air, motor vehicles,
- Education institutions
- Sporting facilities
- Tourism festivals
- Strong domestic market
- Product offering of beach, sun, wildlife and culture.

TOURISM INDUSTRY CHALLENGES

In order to be able to achieve ADM’s vision and excel on its strengths, ADM needs to recognize and acknowledge the challenges that the tourism industry is faced with. On a local scale, the challenges include limited transformation, constrained domestic air capacity and transport links, the limited involvement of local government in tourism planning, no defined Tourism Marketing Brand, poor tourism signage, poor roads conditions, skills shortage, lack of packaging of tourism product, there is no marketing material outside our district, whereas we have good marketing material, financial and economic difficulty, crime and security. Globally, the challenges

include the possibility of an economic recession in some of our key markets, the impacts of climate change on worldwide travel patterns, exchange rate fluctuations and restricted aviation capacity.

ADM is truly committed in developing the tourism industry, as it is one of the priority areas that it has identified in its Integrated Development Plan. In an attempt to address the above mentioned challenges, it is in the process of developing a tourism marketing strategy that will address the marketing related challenges. The issues shown above focus on the sector and are development needs.

The following are opportunities for 2010;

- Information and transactional fulfillment
- Accommodation
- Tour Operators
- Tour Guides
- Crafts products
- Transport and tourist safety
- Skills and service levels
- Sport tourism events

Tourism Routes

- The Eastern Cape has six tourism routes and four of these routes starts and/or end at Amathole District. The four routes which are part of Amathole District are the following:

Wild Coast

- A portion of the 280 kilometres stretch of the Wild Coast lies within Amathole District. Much, however, lies outside the area. The area north-east of Coffee Bay (just beyond the Amathole border) is better known and promoted than the area within Amathole. The Wild Coast Route includes the Great Kei, Mquma and Mbashe Municipalities and covers places of interest like Chintsa, Haga Haga, Morgan's Bay and Kei Mouth, Mazepa Bay, Centane and Willowvale. Untamed and untouched, the Wild Coast is just as its name describes! Vistas of lush green hills dotted with the tiny turquoise mud huts of Xhosa villages and a tempestuous coastline, the area is characteristically rural, offering an escape to the madness of the city life. The following are the programmes that ADM is currently involved in and have been identified as the urban & rural tourism development and they are as follows;
 - Bawa Falls
 - Ikhamanga Community Tourism Project
 - Mquma Arts and Culture Festival
 - Haven Beach Festival
 - Tourism Awareness Programmes
 - Wild Coast Jikeleza Festival
 - Heritage Tourism Celebrations
 - Visitors Information Centres
 - Mquma & Mbashe, Great Kei Crafters Association
 - Emerging tourism products/Local Tourism Organisation
 - Phalo Heritage Route

Friendly N6

- The Friendly N6 route traverses right through Amahlathi Municipality from Buffalo City Municipality and creates a route through many inland towns of the Eastern Cape Province, leading to Bloemfontein in the Free State. The Amathole District section of the friendly N6 starts on the outskirts of East London and ends in Cathcart, passing through Sutterheim along the way. Stop off the Python Park, the Lion Park to see the rare white lions, the Calgary Transport Museum and Mpongo Private Game Reserve. The following are the programmes that ADM is currently involved in and have been identified as urban & rural tourism development and they are as follows;
 - Mgwali Cultural Village
 - Craft Mania
 - Emerging tourism products/Local Tourism Organisation
 - Visitors Information Centres
 - King Sandile Heritage Route

Amathole Mountain Escape

- The Amathole Mountain Escape includes Nkonkobe, Amahlathi and Nxuba Municipalities and it towers over the lush landscape of this route, valleys and forests adding the rustic charm and mystique. Amathole is a Xhosa name and it means "the calves" referring to the larger mountain range to the North of East of the District. It also indicates how close

to nature the people of the district live, having for centuries brought their cattle to graze at the foothills of the Amathole. This route starts from King Williams Town to Bedford and into Hogsback village. It meanders onward to the historical town of Alice where South Africa's first black president Nelson Mandela and other notable African leaders, received their education at Fort Hare University. The following are the programmes that ADM is currently involved in and have been identified as urban & rural tourism development and they are as follows;

- Chatha Chalets
- Craft Mania
- Bed Ford Garden Festival
- Nxuba Dam Chalets Feasibility
- Amathole Mountain Escape hiking trail
- Visitors Information Centres
- Emerging tourism products/Local Tourism Organisation
- Maqoma Heritage Route

Sunshine Coast

- The Sunshine coast embraces the Nqgushwa Municipality and stretches from Port Elizabeth to East London. A large portion of the route falls within the Amathole District. The area has a subtropical climate, with temperatures in winter reaching an average of 21°C while summer temperatures climb to an average of 28°C. Leisure activities centre around the beaches, ocean and rivers as, even in winter, this region is lavished in a mild climate. The towns and villages of Hamburg, Kayser's Beach and Kidds Beach all offer and host watersports, adventure sports and boat trips. The route has sub-routes such as Makana Route which tells the historical, cultural, political heritage of the area. The following are the programmes that ADM is currently involved in and have been identified as urban & rural tourism development and they are as follows;
 - Emerging tourism products/Local Tourism Organisation
 - Hamburg Beach festival
 - Amahlathi Crafters Support
 - Visitors Information Centre
 - Keiskamma Trust Craft Project
 - Imbhodla Heritage Route
 - Makana Heritage Route

Gateway City

- The Gateway City represents the Buffalo City Municipality which incorporates the towns of East London, Gonubie, King Williamstown, Bhisho and Mdantsane. The East London is the economic heart of the Amathole District with the country's only river port and plays host to a thriving automotive industry. The location of the Industrial Development Zone here bodes well for the future of this thriving town.
 - Summer Season Festival
 - Port Festival
 - Crafters Support

(C) FILM INDUSTRY DEVELOPMENT

Amathole District Municipality has identified the development of the Film and Video Industry as one of the key economic sectors that have a potential to make significant contribution towards economic development. ADM has developed a framework that will support the long term sustainable growth of the film and video industry and to identify areas of focus and opportunity, highlight key catalytic projects that can stimulate growth, and recommend the appropriate institutional arrangements to ensure delivery. Through the eventual implementation of the Strategy, the goal is to create jobs, stimulate entrepreneurs, and give voice to the unique stories of the district through film.

The global film industry is a US\$60 billion business that is part of a \$1.2 trillion dollar international media and entertainment sector which is growing at an average of 4.5% a year. In South Africa, the industry is estimated to be worth R7.7 billion a year. The production process for Film and Television creates hundreds of jobs, utilizes the services of local businesses, contributes to tourism marketing and provides an expression for local culture. Little wonder that some 350 cities, provinces, states and countries around the world have opted to build programmes that will attract the film industry to their locations. The opportunities that drive forward-thinking municipalities to build supportive environments for the film sector are summarized as follows:

Film travels

Unlike other industries which are tied to a factory, every single production for every single film, television show, tv commercial and stills photography shoot is essentially "up-for-grabs." 68% of all US TV Commercial Producers have now shot internationally, and an estimated 25% of all US feature films, movies of the week, tv movies, television pilots and television series are now shot outside the United States. (And it's not just American films; last year South Africa also hosted feature film productions from India, the Netherlands, Italy, the United Kingdom, France, Switzerland, Spain and Saudi Arabia.)

Film spend

Feature films and even television commercials now spend as much as R600,000.00 a day when shooting on location. Even the smallest photographic shoot will spend the same amount over the course of a week. That money is not all spent on production.

Economic indicators estimate that for every Rand spent on the production, an additional R2.50 is spent in the wider economy, on hotels, restaurants, gasoline, car hire, even shopping.

Film creates jobs

The smallest feature film directly employs 50 people and indirectly about 500 people. Bigger productions provide freelance work for more than 1500 people. Each production results in jobs for camera operators, sound and lighting technicians, caterers, plumbers, carpenters, animal trainers, truck drivers, make-up artists, graphic artists, photographers, set designers, painters and actors.

Film creates opportunities for other professions

Production budgets are spent on a range of products from hardware to props, plants to steel, paint to timber, draperies to carpets, furniture to portable dressing rooms, generators to saddle makers. An active Film industry means that a whole range of sectors outside the mainstream film production sector also benefit.

Film “up-skills” Local people

As a highly technical, labour intensive industry, the film industry has a constant need for upgraded and improved levels of skills. Skills are gained through hands-on on-set workplace experience, or via local film and media training colleges. Durban has three film and media colleges already poised to fill any perceived skills gaps. Skills are also developed in the sectors that provide goods and services to film and television productions.

Film creates a climate of entrepreneurship and small business development

Film creates the opportunity for local entrepreneurs to develop dynamic business offerings.

Film pays permit fees

Many cities earn fees from granting film companies permission to use city locations. When a road is closed or parking bays are blocked off, the city is charging for that privilege. Parks and Bathing, Sports and Recreation, Roads, Traffic, Civic Buildings and other buildings, all benefit directly from Film Industry activities, ensuring that city infrastructure of roads, beaches and parks receive vital additional funds.

Film beautifies

Almost all productions require clean, beautiful backdrops; that means no rubbish, no graffiti, no loiterers, and a beautiful city for everyone to enjoy.

Film promotes Tourism

People increasingly travel to places that they have seen in the movies; *Out of Africa*, *Crocodile Dundee*, *Notting Hill*, and *Lord of the Rings*. A British Tourism Authority report estimated that locations featured in successful films can expect an increase in tourists of at least 54% in the following four years. In 1998, 19% of visitors to the UK said that visiting locations that had appeared in films was the main reason for their visit.

Film creates a Local Film Industry

With more money in the sector, and better trained, more experienced crew, there is more likelihood of local stories being told. With the telling of local stories, there is the opportunity for cultural expression, the social healing and the development of audiences with a specific interest in viewing local product.

CREATING A FILM OFFERING IN AMATHOLE DISTRICT MUNICIPALITY

There are a number of requirements that must be in place if any city or region wants to successfully engage the film industry. These include:

- High-calibre skilled professionals
- Filming facilities & equipment
- Filming locations
- Good communications and transport infrastructure
- Well-developed leisure industry close to the filming site
- Hospitable political and social environment
- Finance

Plus

- Great stories
- Audiences for local product

Amathole District Municipality, offers all of the above, but to differing degrees of depth and quality. However, the region is well-placed to develop a programme of co-ordinated Film Activity due to the following:

Unique Locations

Amathole District offers almost unlimited opportunities for shooting on location. There are diverse geographical settings - mountains and lakes, endless sandy beaches or rugged rocky coastlines, rolling fields and mysterious forests. Following centuries of global influences, the region's architectural styles are varied too; from quaint English cottages to German churches, industrial plants, farmhouses and city streets. This offers Filmmakers a huge choice of backdrops for their productions.

Diverse Population

Another result of the Amathole District's geographical location and the historical movement of peoples, is that the people of the Eastern Cape look like they come from just about everywhere. Filmmakers can find Masai and Chinese, Indians, Zulus, Somalis, Xhosas, English and Italians – or at the very least, people who look like they could be. The benefit of this is that Filmmakers do not need to fly talent in at additional expense.

Climate

The weather is another major factor in Amathole's potential success. The sun shines fourteen hours a day when it's the middle of winter in the Northern Hemisphere and Amathole's warm days, cool nights limited seasonal rainfall contribute to a delightful climate. Of specific interest to film makers, Durban's winters are mild and comfortable, compared to Gauteng's cold and the Western Cape's cold, wet weather. Snowfall in the Amathole Mountains add a completely unique and valuable offering for film makers.

Government Support

Forward-thinking government offerings of funding, co-production treaties and other proactive legislation, and supported by a subsequent burst in confidence in local film and television production, South Africa is already a world class destination.

Cost effectiveness

The exchange rate works to Amathole's advantage. According to the 2007 edition of the Filmmakers' Guide to South Africa ¹

“Costwise, Argentina (although it quotes in US dollars) is about on par with South Africa, New Zealand is considerably more expensive and Chile is about 20-% cheaper. Prague's changeover to the Euro has made it a costlier destination, while Romania is around 15% cheaper. However Chile and Romania lack resources, experienced crew and infrastructure, and only New Zealand boasts skilled English-speaking crew.”

However, it is true to say, these above-listed benefits are equally applicable to every coastal city in South Africa.

Eastern Cape Stories

Within Amathole, a notable issue stands out as a unique and currently unexploited selling point – the power of the Stories from the Eastern Cape. This includes the emergence of apartheid era stories (Dimbaza, Ngquza, Nompandolo, Egerton, Bisho etc.) as well as the histories of the frontier that built the unique character of the Eastern Cape.

(D) SMME DEVELOPMENT

Amathole District Municipality has a mandate of promoting enterprise development within the District with the aim of boosting local economic development. In 2008, District signed a Memorandum of Understanding between National Small Industries Corporation, a company based in India that is charged with SMME development that country. The rationale behind the signing of the Memorandum of Understanding was the development of an SMME strategy which will guide the SMME development programme for the District. The NSIC undertook the following activities as part of the MOU

- They analyzed various macro factors relevant to the development of SMMEs in the District
- They also undertook visits to industrial areas under the jurisdiction of ADM, where they assessed the degree of industrialization already existent and the types of industries present, their, scale of operations and levels of technology, their work force as well as their skills levels.
- Assessed whether any industry clusters exist in the District and profiled them.
- Assessed whether a need exists for establishing Training and Skill Up-gradation Centre's with appropriate technologies.
- They also produced a situation analysis report on the state of SMME's in ADM
- Finally based on these activities they formulated the SMME development strategy for the District and the suggested implementation plan.

SMME PROFILE

It has been identified that most businesses are informal and micro in nature and there are a few in the small and medium size category. Micro businesses are in the majority; they earn around R 5000 per month and are not registered for VAT/ income Tax. Retail and service businesses dominate the SMME sector followed by manufacturing related businesses. SMME development is confined to the urban areas and there is inadequate infrastructure for SMME development in rural areas. This means that the availability of appropriate programs for SMME development skewed and imbalanced. Despite the success of some micro sector businesses, it was identified that these businesses are not upgrading to small business class. It was also identified that there is no available data within the Municipality on SMME units.

CHALLENGES FACED BY SMME'S IN THE ADM

Marketing Support

- There is a lack of relevant, up to date and reliable information on what SMME's are producing and their targeted segment of the market.

- There are very few linkages between small suppliers and large buyers due to limited application of new technology by small suppliers,
- The products produced by small suppliers are of poor quality,
- Small suppliers charge high prices for their products
- There is a lack of production management concepts.

Financial Support

- There is a lack of commitment and support by the banks and financial institutions for the small and emerging businesses.
- SMME funding is often linked to collateral instead of business plan quality and strength. The criteria or requirements are too complex for SMME's to understand.
- The debt recovery mechanisms are ineffective in the case of defaulting SMME's resulting in the crowding of potential (start ups) SMME's at the expense of former and further scaring private banks who are risk averse.
- SMME's do not have financial resources to meet the requirements of their contracts (SMME's are not financial viable).

Technology Support

- There is generally a lack of product development capacity.
- There are a few or no technology service providers in some areas.
- SMMEs find it difficult to withstand global competition resulting in failures.
- Absence of common facility and testing centers for enabling SMMEs to manufacture quality products. Absence of latest technology impedes the SMMEs from meeting quality.

Policy /Regulatory and institutional environment

- Complex regulations prevent the entry of SMMEs into many industries.
- Regulatory compliance also another factor that impedes growth of businesses and compliance costs are too expensive.
- There is an uneven geographical distribution of services to SMMEs.
- A conducive environment needs to be created to procure from SMME's.

Human Resource development and capacity building

- There is a shortage of instructors to provide effective on the job training as many SMMEs are not providing such and this has resulted in most employees of SMMEs not receiving systematic training to acquire versatile skills.
- Poor alignment of training programmes with economic and social development strategies
- Skilled workers are scarce and there are inadequate efforts for improving education for acquiring new skills.

Timely payments to SMME's

- It has been identified that Government institutions delay in making payments to SMME's and that leaves much to be desired. This destroys many SMME's or hinders their growth.
These challenges are severe in entrepreneurs operating in rural areas and for women as they face their own unique set of deterrents such as cultural and behavioural norms and other problems that relate to access to land. Therefore a different approach is required for informal and rural businesses to survive and grow and consequently to produce sustainable jobs.
- In improving the quality of products for the SMMEs, the District product development sessions that were conducted by Small Enterprise Development Agency (National Office) where both SMMEs and Co-operatives were trained on the ISO 9001:2000 and Hazard Analysis and Critical Control Points (HACCP), the training on HACCP focused on food safety and these were attended by at least 20 accommodation businesses within the District. The training on ISO 9001: 2000 covered the quality awareness and it was attended mostly by co-operative businesses.
- As it has been identified that most of businesses operate informally, the District is in the process of engaging in a survey which will determine the causes. The survey will also determine the challenges faced by these informal traders so that it can be able to come up with a clear programme of support and possible solutions.
- ADM is in the process of establishing a Mayoral Business Advisory Forum, a structure that will involve both business and government with an aim of improving business environment.
- The District also has identified the reduction of red tape as one of the priority projects that will improve business climate hence an application has been made to donor funders for the implementation of the project.

(E) CO-OPERATIVES DEVELOPMENT

Co-operatives development is another area that can contribute to the economic development of the area. This has been identified through a number of studies that have been conducted by various institutions. A number of co-operatives, operating from different sectors have been supported within the District with financial and non- financial support.

ADM contracted Dora Tamana Co-operative Centre to develop a co-operative strategy, a document which will outline how the District intends to develop co-operatives. A baseline study on co-operatives has been completed which has identified that most of co-operatives are operating in the Agricultural sector, followed by manufacturing and bead work.

ADM has been working closely with primary co-operatives in assisting with the establishment of a co-operatives forum, a structure charged with all the networking and information sharing amongst co-operatives within the District. ADM's vision is not to control the movement but wanting it grow organically from below hence the forums operations will be independent from the Municipality but all the necessary support will be provided. A concept document has been adopted by the forum which will be reviewed annually by member co-operatives.

The Co-operatives Indaba, an event which has become an annual event for the District has been held. The event has attracted a number of co-operatives from within and outside the District. This event where all stakeholders involved in co-operatives development and co-operatives share information and network with an aim of creating a stronger co-operatives movement.

ADM has contracted the Co-operatives and Policy Alternative Center (COPAC) to do research and production of case study booklet for at least 20 successful co-operatives within the District. The booklet will cover the following aspects, a detailed background of the co-operative, detailed activities of the co-operative, success factors of the co-operative, wider impacts and challenges of the co-operative, financial management of the co-operative and lastly a detailed skills audit for each co-operative. This will enable the District to have a structured programme of support for these co-operatives and also be able to exactly their needs as a pilot.

Challenges faced by Co-operatives

The challenges faced by co-operatives are no difference to those faced by SMME's in the District that include marketing, financial support, lack of information, skills shortages, poor product quality, lack of commitment amongst co-operatives, most co-operatives depend on grant funding.

(F) HERITAGE RESOURCES MANAGEMENT

The Amathole District Municipality (ADM) area of jurisdiction has rich history and heritage that consist of various layers – pre-colonial, colonial and post-colonial. The available heritage resources in the district have socio-cultural, spiritual and non-spiritual, aesthetic, historical and political value and meaning that make them have intangible significance for different people at various levels. Though the ADM area of jurisdiction has rich history and heritage there are no locally based declared national heritage sites except Steve Biko Sites that were declared in 2007, and those that were declared during the time of the National Monument Council which have since been given provincial status and mirror the heritage of whites. This rich history manifested itself in multifaceted ways. Apart from producing and nurturing great people with political affluence, it gave birth to many early modern African intellectuals and writers. The history and heritage of this region is so diverse and complex and as such sensible measures are needed to unearth this knowledge of system.

The first fifteen (15) of the fully democratic society in South Africa has brought very little in the region with regard to heritage management and transformation in the sector. In this period we also experienced the proliferation of unearthed human remains through development and environmental degradation. This is of great concern that needs serious attention for various stakeholders involved in development and heritage resources management. In the district, there is uncoordinated socio-economic and cultural development. As such, a holistic approach, systematic Cultural Mapping, Heritage Impact Assessment and Environmental Impact Assessment must be central in social development, urban planning and renewal, rezoning, development in an open space, mining area, road construction, commercial and residential areas, and economic development. This approach enables a balanced development that takes into account a range of economic, social, cultural, historical and environmental aspects. Sustainable development that takes in cognizance the afore-mentioned issues should be of paramount importance in the district. However, there is improvement in terms of co-operation of heritage structures.

A locally based national project is needed to project the real situation of events as they unfolded throughout the years. This national project is to be in form of a museum with national government taking care of it. The proposition of Memorial Park to recognize and project the history of the wars of land dispossession, S.E.K. Mqhayi museum, Z.K. Mathews Heritage Precinct, and Armed Struggle History Museum can be a solution. External funding is needed to accelerate these mega projects. There is very little that has been done by the provincial museums that are found in the district with regard to transformation and depicting its history and heritage except creating separate galleries and displays that are "added on" to the existing old exhibitions. Politics and poetics of display, representation, presentation, identity and knowledge production continue to manifest themselves in these museums.

There is a lot of work that need to be done with regard to heritage sites rehabilitation and declaration of heritage sites. As such the Heritage Site Rehabilitation Framework complimented by audit of forts and commemorative sites should prioritize heritage sites for both rehabilitation and declaration. In undertaking the afore-mentioned activities and other heritage related activities, the possible changes that the National Heritage Resources Act No 25 of 1999 which is currently under review may come up with will need to be taken into account.

AMATHOLE HERITAGE INITIATIVE

The Amathole Heritage Initiative has been developed with the aim to unearth various layers of history and heritage, and to safeguard available heritage resources while simultaneously contributing to local economic development. The first phase of the initiative is complete. The initiative consists of four heritage routes (King Phalo, King Sandile, Chief Maqoma and Makana Route) with visitor facilities, information displays and route centres, heritage sites, access improvements, signage and anchor projects etc. All

four heritage routes have been officially launched and Visitors Information Centres in these routes have also been official opened. Visitor Information Centres (VIC's) management plan has been developed for their sustainability.

MAQOMA ROUTE (Nkonkobe and Nxuba)

This consists of Fort Beaufort, Alice, Hogsback, Seymour and Balfour areas in Nxuba and Nkonkobe Municipalities. The following are sites that have been identified as the core of the route and they are in clusters as follows:

- **Fort Beaufort**
 - Fort Beaufort Museum
 - Officers Quarters
 - Martello Tower
 - Fort Fordyce
 - Healdtown
- **Balfour**
 - Post Retief
 - Fort Armstrong
 - Dutch Reformed Church
 - Olive Schreiner's House
 - Hertzog Church
 - Ntsikana's Grave
 - Phillipton Mission
- **Seymour**
 - Eland's Post

2 Alice

- 2.1 Fort Hare University
- 2.2 Lovedale
- 2.3 Nkonkobe Garden of Remembrance
- 2.4 Fort Woburn
- 2.5 Christmas Day Massacre Memorial

MAKANA ROUTE (Ngqushwa municipality)

The route encompasses Peddie, Double Drift Game Reserve and Hamburg areas and the West Bank portion of Buffalo City. There following are sites that have been identified as the core of the route and they are in clusters as follows:

- ❖ Fort White
- ❖ Ann Shaw Mission
- ❖ Keiskamma Graves
- ❖ Milkwood Tree (Umqwashu)
- ❖ Fort Peddie Watch Tower and Barracks
- ❖ Battle of Gwangqa
- ❖ Fort Willshire
- ❖ Keiskamma Barracks

SANDILE ROUTE (BCM and Amahlathi)

The route includes King William's Town, Stutterheim, Dimbaza, and Keiskmmahoek in Amahlathi. There following are sites that have been identified as the core of the route and they are in clusters as follows:

- ❖ St. Matthews Mission
- ❖ Castle Eyre
- ❖ Boomah Pass Memorial
- ❖ Fort Mitchell
- ❖ Fort Cox
- ❖ Burnshill Wagon Disaster
- ❖ House of Professor JT Jabavu
- ❖ Chief Kama's Grave
- ❖ Ann Shaw Mission

PHALO ROUTE (Great Kei, Mnquma and Mbashe).

It entails Komga, Butterworth, Dutywa, Centane and Willowvale. The following are sites that have been identified as the core of the route and they are in clusters as follows:

- ❖ Bawa Falls
- ❖ Ngcayechibi's House
- ❖ King Phalo's Monument
- ❖ Battle of Umzintshane (Ngunduza)
- ❖ Rev. Tiyo Soga's Grave
- ❖ Fort Centane (Battle of Centane)
- ❖ Nongqawuse's Pools
- ❖ Nqadu Great Place

❖ King Hintsa's Grave (Mbashe)

The Amathole region has significant heritage linked to the various layers of history relating to San, Khoi, AmaXhosa, English, Afrikaans and Germans heritage, early modern African intellectuals, media heritage, sports heritage and the liberation struggle in more recent times. A significant part of this history relates to wars of land dispossession that lasted for almost a century which involved a number of historical incidents, confrontations and battles in the Amathole region. As a consequence of this, there are a large number of sites, forts, buildings and monuments that bear witness to the struggle engaged between the people of the region, resulting in a uniquely rich heritage tourism offering.

This project is intended to address poverty in the area and also seeks to establish community based tourism projects and improved cultural tourism infrastructure. It is hoped that this initiative will foster the establishment of viable tourism enterprises, tour operators and associated activities, in order to achieve sustainable tourism development in the medium to longer term.

Heritage Route Visitor Information Centre

Each route has an information centre that functions as the hub of the route from where visitors can be directed to the various attractions. Where existing facilities exist, they have been used or upgraded to meet the requirements of such a centre. Provision was made to build a new centre where no existing facilities are available.

These centres also function as the space where indigenous knowledge systems and story telling are performed, and where tour guiding operates from. They also provide space for promoting the heritage of the area to school groups and local business people.

Main visitor information centres have been established in Alice, King Williams Town (in partnership with the Buffalo City tourism project), Peddie, Dutywa and Keiskammhoek and Fort Beaufort.

Satellite visitor centres are established in Balfour, Hogsback, Hamburg, Stutterheim and Cintsa East. Links with the stronger tourist flows from Port Elizabeth and Grahamstown are contemplated through the provision of interpretive displays at the Makana Botanical Gardens in Grahamstown.

For 2009/10 financial year, ADM through Tourism Unit has managed to have personnel managing the VIPs. When there are self sustainable, ADM will slowly pull out.

District Heritage Resources Inventory

The development of the District Heritage Resources Inventory was one of the outcomes of the District Heritage Resources Strategy adopted in 2006. In the database that was collected when the Amathole Heritage Initiative was being developed, 220 sites were identified. The District Heritage Resources Inventory was initiated because the existing database was more on tangible heritage resources, and very few of sites that reflect the history and heritage of the majority of people in the district, and a number of other sites were not covered. Through community-based heritage initiatives that were undertaken and working with different stakeholders including various communities, 'new' sites have been identified.

For the execution of the project, Fort Hare Institute of Socio Economic Research was appointed to conduct research in the region involving site evaluation and description, oral history interviews, photographs and statements of significance. This research has been incorporated in a district heritage inventory.

The recently identified sites are an integral part of the district and national heritage resources inventories. District Heritage Resources Inventory Project intends to develop a comprehensive database of the available heritage resources. Through the first phase of the inventory development 150 new heritage sites were identified throughout the district and the target for the second phase was 50 sites. To date, 420 heritage sites have been covered on the inventory.

The inventory reflects available heritage resources in the district, brief background, description, geographical location, conditions, architectural description of built structures, statement of significance and status (graded and declared or not). The information on the database is available online as is linked to the Amathole District Municipality websites. It is important that these sites be plotted on the GIS individually or by themes. Heritage inventory is an integral part of heritage resources management. In executing the project, the South African National Heritage Resources Act No. 25 of 1999, related legislations and world heritage management standard are used as the guiding principles.

Heritage Sites Rehabilitation Programme

Heritage Sites Rehabilitation Project which started in 2005 is implemented based on Site Improvement Plan developed and adopted by Council in 2003/04 financial year with the Business Plan of the Amathole Heritage Initiative. The project entails one (1) Km road access; signage; erection of interpretation board and actual site rehabilitation.

Since the appointment of Tshani Consulting cc by the Department of Environmental Affairs and Tourism in 2004 as an implementer of Amathole Heritage Initiative, the above-mentioned priority project, Heritage Sites Rehabilitation Project, was complemented by site improvement that was done through the project they implemented. Through these two mentioned projects a number of heritage sites

have been rehabilitated. However, there is still a need of the programme to continue as there is a lot that need to be done in this regard.

Heritage Sites Rehabilitation Framework

The Heritage Sites Rehabilitation Framework was developed and adopted by Council in 2008. It strives to provide a new strategic direction for the Municipality with regard to Heritage Sites Rehabilitation Project and comprehensive mechanisms thereof. The new strategic direction has been impelled by challenges that have been encountered in undertaking the afore-mentioned project. This project is an integral part of heritage resources management

The paradigm shift cause by the new strategic direction will, among other things, enhance the approach and execution of the project for the betterment of heritage resources management in the district. The implementation of the Heritage Sites Rehabilitation Framework necessitates a rigorous effort and contribution by various stakeholders.

Key Framework issues

Since the inception of the project in 2005, it has been implemented based on Site Improvement Plan developed and adopted by Council in 2003/04 financial year with the Business Plan of the Amathole Heritage Initiative developed under the guidance of Prof. J. Peires. The afore-mentioned Site Improvement Plan provided a priority list of sites that have to be rehabilitated and a number of them are privately owned or are in private property. There have been a number of challenges that have been experienced and due to that the Heritage Sites Rehabilitation Framework has been developed to improve the situation and provide guidance for the implementation of the project.

Liberation Heritage Route

Overview

The Liberation Route is a path that would be followed tracing the process of human emancipation (liberation) over centuries but for the purpose of declaration it will focus on the post-world war two era. It will, among other sites, include areas of major conflicts. Thus, it will be a trail which indicates a process of self-determination.

The attachment, value and meanings associated with the identified sites give them an intangible significance for different people at various levels. It is this intangible heritage that makes these sites important for imagined communities and will be used to determine the Universal Outstanding Value of the route.

Liberation Heritage Route

The Nelson Mandela Museum in partnership with the National Heritage Council conceptualized the Liberation Heritage Route under what has become known to the Nelson Mandela Museum as 'The Mngqesha Resolution'. The Route aimed at identifying and inscribing sites that epitomize the South African struggle on world heritage list. The envisaged Liberation Heritage Route will cut-across various municipalities and link different heritage initiatives. The initiative, Liberation Heritage Route, has multi-dimensional and multi-fold results.

At the early stage of the initiative, the Nelson Mandela Museum was a major partner in the project and as such it housed the Project Manager and coordinated the activities linked thereto. However, from later 2008, the Nelson Mandela Council assessed the project in line with its mandate, the developments that had since took place at Mvezo and reviewed its involvement. Subsequent to that, in 2009 took a resolution to suspend its activities at Mvezo and reviewed its involvement in the afore-mentioned initiative, and thus is no longer a major partner in the project.

The National Heritage Council (NHC) continues to be the major stakeholder and champion of the project. Since April 2009, the Project Manager has been based at NHC and continues executing the project inline with his responsibility. A business plan for the project has been developed and a submission for tentative listing has been made. Provincial Chapters on the project have also been underway. For the Eastern Cape, the National Heritage Council has commissioned the Human Sciences Research Council to conduct the Research, and Dr. Ndletyana is the team leader of that undertaking. The team leader has since made a presentation about the research at Buffalo Municipality and Amathole District Municipality respectively.

DECLARATION OF THE ROUTE

The envisaged goals of the route are twofold, to contribute to local economic development and the declaration of the route by the United Nations Education, Science and Cultural Organization (UNESCO). At the recent convention of UNESCO (including 2005 Resolutions), Tanzania and other African countries advocated the creation of a new category for declaration which is 'Liberation Route' which was later adopted as the new category.

It is under this category and through criteria number six (6) that the envisaged liberation heritage route would be declared. The adopted Operational Guideline outlines aspects that are important for this kind of a route to be declared. It is imperative that the

route is not conceptualized around an individual as that reduce the chances of it being declared, rather should consider serial nomination, themes that epitomise certain epochs, cultural landscapes, multidimensional and layers of importance of the identified sites. In Operational Guideline it is categorically stated that the notion of liberation heritage route declaration will focus post 1945 (post world war two) era.

However, before the route is declared world heritage site it has to be declared or in a process of being declared national. It therefore, means that when submitted the route on the tentative list or final declaration it should already been declared or about to be.

Sites that will be part of the Liberation Heritage Route ought to have “Outstanding Universal Value”, which is a requirement of the Operational Guideline of World Heritage Centre. They should be in line with criteria VI to be directly or tangibly associated with the events or living tradition, with idea or with belief or with artistic and literary works of outstanding universal significance. Criteria VI is underpinned by authenticity and integrity of the identified sites. In implementing the World Heritage Convention, physical and spiritual settings of the sites should be conceded.

Liberation Heritage Route is a national project with provincial chapters. It is a national project, including all other nodal points in other provinces, for example (Soweto, Robben Island, Constitution Hill, the Mandela house (8115 in Soweto), Turfloop University, Regina Mundi, Hector Peterson Memorial, Sobukwe house, Biko house, Sharpeville and all sites related to the liberation activities inside and even outside South Africa where the activities and processes of South Africa’s liberation unfolded. At the moment there are two prime sites that have been included which are geographically located within the District and these sites are Steve Biko site and Fort Hare University.

CRITERIA FOR INCLUSION

The issue of criteria for inclusion of a site on the liberation heritage route seems to be recurring and continuously been unresolved matter as each and every gathering is held the matter is raised and discussed with no clear resolution. However, the pointers highlighted hereunder have been presented as part of the criteria. Sites will be included based on their Statement of Significance – (factors underpinning the importance of a site), Outstanding Universal Value (what distinguishes the site), and epoch it or they epitomise (important period or turning point it characterize), authenticity of the site and fabric (originality of the site), integrity and intactness of the site (unchanged features of the site). This will be done through a thorough assessment of sites.

AIMS AND OBJECTIVES

The objectives of the initiative are as follows:

- ❖ To conserve the liberation heritage legacy; and
- ❖ Declaration of the route as world heritage site under the new category of Liberation Route.

INSTITUTIONAL ARRANGEMENTS

Given the nature and scope of the project, there are many stakeholders that ought to be involved in the initiative. Different institutions with various mandates are or will be involved in this initiative and as such there has to be a clearly defined roles and responsibilities. There is a great possibility that there are other stakeholders that will join as the execution of the project unfolds, and their roles would need to be outlined from the beginning. Since the project saw the light, the issues of institutional arrangement has reminded an unclear and not structured affair. There is a lot of work that need to be done pertaining to the afore-mentioned matter if we want the successful achieve the aims and goals of the project.

RESEARCH

The research about the route is the core of the initiative and if it is not done properly it will affect the envisaged goal of declaration. The research aims at conducting an in-depth investigation about sites that will form part of the route and their meaning and value will have to be clearly defined. Prior to conducting research there are a number of issues that would need to be addressed like the period, existing data, criteria for inclusion, structural (steering committee) and institutional arrangements.

There will be a need to reach a consensus about the period that will be researched and sites that should be included as at the moment and in recently held gatherings these were vigorously discussed. The research methodology, however, ought to be based on documentary evidence, oral testimonies, and qualitative case study approach which would be appropriate for this kind of research. Social (and political) history, oral tradition, oral history, community and social values that shaped the individuals that epitomize a particular historical period will assist in contextualizing the initiative within the broader South African history, as they are a product of a particular historical period and the communities that made them.

In terms of research, there is work that has been done by ADM through Amathole Heritage Initiative, district heritage inventory, Early Modern African Intellectuals Heritage Trail Project, oral history collection programme etc. The research that ADM has done will compliment that which has been done through the Liberation Heritage Route. Areas of emphasis and gaps will then be identified and locals through the municipal consultative meetings and the district liberation heritage route summit and a follow up forums will be provided an opportunity to shape the process.

In a Summit that was held on 3-4 December 2009, it became clear that there is research that is done by various structure and need to be coordinated, centralized, take into account what emerged from the consultative meetings that were held throughout the district and give chance for people to partake in finalization of the list.

AMATHOLE DISTRICT MUNICIPALITY'S ROLE IN THE PROJECT

In June 2006, the Heritage Manager met the CEO Adv. S. Mancotywa and the then COO Dr. F. Fikeni of National Heritage Council in Pretoria with the aim of aligning, linking and co-ordinate heritage initiatives. One of the projects that were discussed was the Liberation Heritage Route and the process as it will unfold. The initiative will underpin national identity and heritage, conservation of intangible heritage resources and its presentation as part of public culture. The initiative is in line with the work of ADM Heritage Unit as mandated by Section 8, 28, 29, 31 and 54 of the South African National Heritage Resources Act No. 25 of 1999.

ADM has been part of the Liberation Heritage Route activities. In 2007, a presentation was made to the Council by the Liberation Heritage Route Project Manager, and as such a Council took a resolution to support the afore-mentioned initiative. The Resolutions of the recently held Liberation heritage Route: Amathole District Summit show that ADM will not just continue supporting the project but will play a major role with regard to that in the district.

The Amathole District Municipality's role in the initiative is multifold, as there is existing data for some heritage sites that are in the district, can play a role in technical aspect and execution of the project as has been involved. ADM will also mobilize local stakeholders and organised the District Liberation Heritage Route Summit; and in terms of research will avail its research which will be combined with that conducted for Liberation Route.

Amathole District Municipality and its local municipalities must include the Liberation Heritage Route Initiative in their Integrated Developments Plans (IDP's) for issues of alignment, co-ordination and integration. This can be done as local municipalities are in a process of reviewing IDP's for 2010 2011 financial year.

SOCIAL CONTEXT

Heritage resources play a major role in the production of the post-apartheid memorial landscapes, social cohesion, nation building, unity in diversity, reconciliation and in 'forging' a national heritage and identity that transcend colour line. The primary benefits for communities have intangible significance; value and meaning that underpin unity in diversity.

In commemorating our heritage, South Africans are provided with an opportunity to celebrate their heritage and history while simultaneously promoting cultural diversity, social cohesion, nation building, nationhood, sense of pride and identity.

ECONOMICAL CONTEXT

Heritage forms part of socio-economic and cultural development and has a potential to contribute to socio-economic, cultural development and skills transfer in support of the objectives of Accelerated and Shared Growth Initiative for South Africa (ASGISA) and Joint Initiative for Priority Skills Acquisition (JIPSA). The packaging of the initiative (Amathole Heritage Initiative), Liberation Heritage Route and other heritage programmes and projects could be positioned in such a way that they become an integral part of sport tourism, especially for 2010 FIFA soccer world cup.

Heritage contributes significantly to the GDP through tourism, particularly cultural tourism. The development, branding, marketing and packaging of heritage tourism routes will accelerate the contribution of tourism (cultural tourism) in the district. Heritage through tourism, particularly cultural tourism, cultural industry, hospitality industry, film industry and heritage orientated SMME's development contribute to local economic development, 2014 vision and Millennium goals. In realising this potential, unearthing and capacity building of the local talent and capacitating of beneficiaries in the above-mentioned areas ought to be central as that would make them active participants and contribute to sustainability of a particular initiative. Branding, promotion and marketing of the district as film destination and promotion of cultural industry will enhance the socio-economic benefits of various communities.

Most importantly, communities ought to take opportunities created by the afore-mentioned initiatives as, among other things, attempts to enhance the local economic development opportunities by creating job opportunities; joint business venture opportunities, community-based enterprise and facilitate regional tourism partnerships. Though heritage is an integral part of socio-economic and cultural development, economic spin-offs through heritage resources are by-products of heritage resources management. Although the core of heritage resources management is about safeguarding the available heritage resources, it also promotes social cohesion, nation building, play a major role in 'forging' national heritage and identity.

In attempting to contribute to local economic development and to the strategic aims of ASGISA and JIPSA, a challenge is to strike a balance between heritage resources management and commercialization and commoditization of heritage resources through tourism and hospitality industries, as tourism may impact negatively on heritage and has potential to reconstruct history, reinforce ethnicity/tribalism and heritage for tourist interest. Thus, it is imperative to develop strategies that are aimed at striking a balance between heritage management and the afore-mentioned sectors.

BUILD UP TO THE DISTRICT LIBERATION HERITAGE SUMMIT

All local municipalities under Amathole District Municipality were visited with the aim to present and discuss a range of matters relating to liberation heritage route within the district area of jurisdiction. Those local municipalities that are close to each other were grouped together, for instance, Nxuba and Nkonkobe, Mbashe and Mngquma. The consultative meetings were planned in a way that a visit per Local Municipality (LM) will be a day long. The morning session was between ADM and a particular LM where the initiative and related matters were presented and discussed. In the afternoon, there was a public session where local stakeholders and interested people and groups were invited to partake in the proceedings. This forum provided an opportunity to the local stakeholders to shape and frame the initiative in the district within the stipulated framework. These visits were finished before the end of November for administrative purposes and consolidation for presentation at the summit.

AMATHOLE DISTRICT LIBERATION HERITAGE ROUTE SUMMIT

ADM hosted the District Liberation Heritage Route Summit on 3 – 4 December 2009. The Summit is the outcomes of the engagement with the National Heritage Council (NHC) and Human Sciences Research Council (HSRC) about the project in the district. The theme of the summit was as follows: “Our past is the compass to a fully democratic South Africa”.

Unlike in other local municipalities including Chris Hani District Municipality, at the time Liberation Heritage Route was conceptualized ADM had already developed what become know as the Amathole Heritage Initiative and established a heritage resources management unit to undertake activities linked thereto. Through the afore-mentioned pointers, a lot of work has been done in relation to heritage resources management initiative in the district.

AIMS AND OBJECTIVES

The following are aims and objectives of the Summit:

- ❖ To provide forum for local stakeholders to shape the District Position Paper on Liberation Heritage Route;
- ❖ Develop a list/inventory of sites that would be included depending on their assessment.

PURPOSE

The purpose of the consultative meetings at LM’s and the Summit is to afford local stakeholders time to partake in the process of developing the District Position Paper on liberation heritage route.

Key Issues

The following are key pointers that have surfaced from the situation analysis:

- ❖ Heritage resources management (conservation);
- ❖ Lack of heritage conservation understanding ;
- ❖ Lack of capacity at local level, both the community stakeholders and LM’s;
- ❖ Absence of a national heritage facility;
- ❖ Human resources; and
- ❖ Internship programme.

CHALLENGES FOR HERITAGE RESOURCES MANAGEMENT

The following are the challenges that have been experienced in safeguarding heritage resources and executing heritage development initiatives:

- Lack of funds;
- Lack of capacity in LM’s with regards to Heritage Resources Management;
- Limited knowledge in community about certain heritage issues; and
- Processing of permits by mandated heritage structures.

(G) STATE OF THE ENVIRONMENT IN THE AMATHOLE DISTRICT

ADM is located in a scenic, cultural and floristically unique part of South Africa. With its ocean and mountain boundaries, ADM comprises of a valuable and rich mix of cultural and natural resources. These support the development industries of the region, which in turn stimulate the economy of the district and help to create jobs and alleviate poverty. There are, however, many environmental, social and economic challenges facing this area. These are largely the result of the growing population of people which is mostly under 65 and youthful and the need for bulk infrastructure, services, jobs, housing, transport, tourism and education. The district’s challenges are to halt environmental deterioration and simultaneously improve the state of the environment and quality of life for the inhabitants of the district. The SOER of ADM remains an important part of ADM’s Integrated Environmental Management Plan. Monitoring and review are two essential parts of the policy process and the environmental management strategy.

Climate and climate change

The climate of the Amathole District varies from mild temperate conditions (14-230C) along the coastal areas to slightly more extreme conditions (5-350C) among the inland areas. The mountains on the northern border of the district experience winter snows and summer rainfalls. However, data on various climatic elements such as radiation, moisture, precipitation, winds and pressure is difficult to ascertain and will have to be investigated.

Climate change, as related to human induced changes, is a consequence of multiple forcing factors, principal among which is that arising from changes in atmospheric greenhouse gas concentrations. This is a change in the global forcing factors with regionally dependent manifestation, modulated by other factors such as land use practice, urbanization, and complex feedback mechanisms. These modulating factors may readily give rise to regional change of comparable magnitude to that due to the globally forced changes. Within Africa vulnerability is high to a broad range of climate change manifestations. As noted by the African Development Bank, et al. (2003), “climate change poses a serious risk to poverty reduction and threatens to undo decades of development efforts.” This is an issue that is possibly the single largest long-term threat to development.

The regional manifestation of change is most often viewed in terms of the primary climate variables of temperature and precipitation; a perspective that often avoids issues of other important changes that might not be taking place. For example, changes in wind (with relevance to dust storms and land degradation), or sea level rise. Moreover, it is the temporal nature of changes that are often neglected, yet may be critical aspect of regional impacts. In this respect it is issues of seasonality, dry spell duration, intensity, recurrent heat waves, or reductions in diurnal ranges that may have as big or bigger impact as simple changes in the mean. For example, changes in diurnal (daily) range can be critical for certain crops which need “chill units” – days below a certain temperature – or reductions in frost which can have significant biological impacts on crop diseases and, importantly other human diseases such as the presence of malaria.

In light of the complexity of the system, and considering the current state of understanding of the future regional climate, it is a strong recommendation that before all else, an understanding of sensitivity be first undertaken with regard to any given impact sector. Following this, the historical change may be considered, although there is no guarantee that the future will follow the historical trend; feedbacks or threshold in the system may readily change the trend. Finally, the future projections may be considered as a basis for adaptation and response.

Freshwater Environment

There are four major drainage regions in the ADM. Priority rivers within each drainage are shown in brackets:

- Great Fish River catchment (Great Fish, Koonap & Kat Rivers)
- Amathole catchments (Keiskamma, Buffalo, Nahoon & Gqunube Rivers)
- Great Kei River basin (Great Kei, Kubusi, Klipplaat & Tsomo Rivers)
- Mbhashe River basin

The aspects or pressures facing ADM freshwater resources are spatially variable:

Western region	-Agriculture dominates -Irrigation return flows increase the naturally high sediment load & salt content of the Great Fish River.
Eastern region	-Former Ciskei & Transkei. -Largely undeveloped, with most of the population living in rural settlements -Major problems facing rivers include microbial contamination (inadequate access to sanitation), solid waste pollution (lack of disposal sites) and increased sediment load and nutrient concentrations (erosion from over-grazing & vegetation clearing).
Central region	- Dominated by the urban/industrial complexes of King Williams Town & East London. -Ever-increasing population & industrial development threaten the water quality of the major rivers (Buffalo & Nahoon). -Effluent discharge (both domestic & industrial) is a major problem.

The main impacts on fresh water system or environment resulting from the pressures include:

- Soil erosion:
- Solid waste pollution:
- Organic waste pollution:
- Industrial pollution (eutrophication):
- Changes in health status of aquatic systems:

Terrestrial Biodiversity

The Amathole District has a high diversity of plant species because of biogeographic complexity. Five biomes and 21 vegetation types are represented in the area. It is located almost completely within the Centre of Floristic Endemism and has a relatively high species richness level of endemism which is indicative to why there is such a high level of exploitation of medicinal plants by pharmaceutical companies and traditional medicine practitioners. The majority of larger animal species are extinct from the area. Invertebrates, herpetofauna and amphibians face many pressures, primarily resulting from habitat destruction from human related pressures.

The ADM comprises of 2.8% of South Africa's surface area yet supports 15% of its species diversity. Many species and ecosystems are threatened as a result of increased pressure on natural populations and their habitats. There are not many protected areas in the District and the vegetation is not protected to the extent that is generally recommended. The few protected areas occurring in the ADM are extremely important for the protection of some plants and animals.

The terrestrial resources of the Amathole District are subjected to various aspects or pressures, associated primarily with increased population pressure and continued reliance on natural resources to sustain human needs. Pressures result in major transformation of vegetation types and a threat to biodiversity.

The main aspects (causes) or pressures include:

- Increased rural urbanization.
- Unsustainable use of terrestrial resources for fuel, medicines and grazing.
- Utilization of land by the agricultural and forestry sectors.
- Overgrazing
- Indigenous species harvesting (e.g. Pelargonium and Aloe)
- Subsistence cultivation
- Spreading urbanization
- Commercial activities, especially plantation forestry

Within the ADM only Eastern Cape Coastal Thicket is conserved, with 16% of its surface area within a conservancy. Other vegetation types are, in general, poorly conserved in the ADM.

Main Impacts are:

- Water shortages due to alien vegetation infestation
- Habitat loss
- Habitat degradation
- Fragmentation
- Alien infestation (influenced also by the commercial forestry plantations)
- Soil erosion

Coastal and Marine Environment

The Amathole District Municipality's coastline stretches over 251km (26% of the provincial coast), which includes Buffalo City, Ngqushwa, Great Kei, Mquma and Mbashe Municipalities. The Amathole District Municipality is well renowned for its scenic coastline (Wild Coast and Sunshine Coast), beaches and wealth of marine biodiversity. The coastal environment of the ADM consists of beaches, rocky shores, estuaries, sand dunes and coastal vegetation and the offshore environment. Much of the area is in a pristine condition, but faces pressure, which threaten the ecological systems and biodiversity.

The key causes (aspects) or pressures include:

- Industrial activities and development.
- Subsistence and non-subsistence exploitation of marine invertebrates.
- Recreational, subsistence and commercial fishing.
- Residential, resort and tourism development.
- Pollution and waste management.
- Mining.
- Alien species infestation.
- Climate change

Impacts resulting from these pressures include:

- Over exploitation of invertebrate animals on certain areas of the coastline (e.g. abalone, limpets, mussels) in certain estuaries.
- Over exploitation of offshore, inshore and estuarine fish species. Some populations have collapsed, (e.g. Red stumpnose).
- Organic pollution of estuaries and beaches due to poor sanitation in certain resort and coastal developments, poor sanitation in townships and informal settlements and inadequate water treatment.
- Organic or inorganic chemical pollution of estuaries due to industrial and storm water run-off.
- Pollution of ocean from outfall pipes.

- Silting up of rivers and estuary mouths due to water flow restrictions.
- Destruction of coastal forests due to uncontrolled removal of wood by subsistence gatherers.
- Blow-outs in sand dunes due to uncontrolled beach access, poorly planned developments and sand mining activities.
- Alien vegetation infestation.
- Sea level rise

Air Quality

Air quality management as it is the case with environmental resource management in general has a lot of human development dynamics as it is dependent on socio-economic and political conditions or factors at the regional (e.g. SADEC or African Union) or international scale (e.g. overseas countries). For example the non-ratification of the Kyoto protocol by the United States of America is caused by America looking to protect its economic development which is mostly based on industrial activities. The challenge however, is that air pollution knows no boundaries as pollutants travel from one locality to another or influences climatic conditions not only of the area of the source but those of other localities as well.

Air quality management in South Africa has recently undergone a major revision, with a shift from the source based air quality management approach under the Atmospheric Pollution Prevention Act (No. 45 of 1965)(APPA) to an ambient based approach under the National Environmental Management: Air Quality Act (No. 39 of 2004)(AQA). This change in air quality management approach has also seen a change in the responsibility for air quality management being devolved down from the national level to the local authority level (district and metropolitan municipalities). The major roles and responsibilities for local authorities under the new Act are summarized below:

- **Standards** – under the new Act the local authority may set by-laws for ambient air quality and emission standards, with the provision that they must be stricter than any existing national or provincial standards.
- **Licensing** – under the new Act the local authority is responsible for the licensing of listed activities undertaken within the boundaries of the authority, with the exception if the local authority is the applicant or the local authority does not have the capacity to fulfill this obligation. In this case the province becomes the licensing authority.
- **Ambient Air Quality Monitoring** – under the new Act the local authority will be responsible for monitoring ambient air quality within its boundaries. This includes siting, commissioning and operation of the stations and the reporting of the data.
- **Enforcement and Compliance** – under the new Act the local authority will be responsible for the enforcement and compliance monitoring of the conditions contained within emission licenses issued by the local authority.
- **Municipal Air Quality Officer** – under the new Act each local authority will need to appoint a municipal air quality officer to act as a focal point for air quality related matters within the local authority.
- **Air Quality Management Plan** – under the new Act each local authority will be responsible for the development and implementation of an air quality management plan as part of their Integrated Development Plans (IDP).

The Amathole District municipality does not have serious air pollution challenges but the industrial sector, as it is throughout the country, is the primary producer or cause of air pollution in the district. However, the economy of the district area has very limited industrial development relative to its neighboring localities such as Nelson Mandela Metro Municipality and other provinces bordering the Eastern Cape such as the Western Cape and Kwa-Zulu Natal.

Pressures or aspects (causes)

- **Industrial Emissions** – Buffalo City contains a number of industrial clusters, such as the East London IDZ, the West Bank Industrial Complex, Berlin Industrial Area, Wilsonia Industrial Park, Fort Jackson Industrial Area, R102 Industrial Corridor and the Dimbaza Industrial Area. The types of industries vary from light commercial to heavy industrial.
- **Traffic** – Buffalo City has the highest traffic densities within ADM and vehicle emissions have been identified as a significant source of air pollution in the area.
- **Quarries, Borrow Pits and Mines** – the district has a number of these sources of dust emissions scattered throughout the municipality.
- **Unpaved Roads** – Dust emissions from unpaved roads was identified as a significant source especially outside of the main urban centres.
- **Wildfires and Biomass Burning** – Wildfires were identified as a source of air pollution within the municipality including scheduled burning of firebreaks and highway verge burning.
- **Indoor Air Pollution** – This issue was raised due to the use of wood and paraffin and a source of heating and lighting energy, however this issue falls outside of the scope of our audit.

Impacts

Pollutants	Main Contributing Sources	Key Impacted Areas
PM ₁₀	<ul style="list-style-type: none"> • Household fuel combustion • Traffic (primarily diesel vehicles) • Industrial (fossil fuel combustion) • Other sources (wildfires, unpaved roads, quarries) 	Localised and sub-regional areas affected. Significant health impacts in the informal and rural residential areas.
NO _x	<ul style="list-style-type: none"> • Traffic (petrol and diesel vehicles) • Industrial (process emissions) 	Localised effects especially in close proximity to roads

	<ul style="list-style-type: none"> • Other sources (wildfires, domestic fuel combustion) 	
SO ₂	<ul style="list-style-type: none"> • Industrial (fossil fuel combustion) • Traffic (petrol and diesel vehicles) • Other sources (wildfires, domestic fuel combustion) 	Localised effects especially around industrial complexes and informal residential areas
O ₃	<ul style="list-style-type: none"> • Secondary pollutant associated with NO_x and other precursors (i.e. VOCs) • Traffic (petrol vehicles) • Industrial (process emissions) • Other sources (wildfires, domestic fuel combustion) 	Sub-regional and regional areas affected
CO	<ul style="list-style-type: none"> • Traffic (petrol and diesel vehicles) • Industrial (process emissions) • Other sources (wildfires, domestic fuel combustion) 	Localised effects especially in close proximity to roads
VOC's	<ul style="list-style-type: none"> • Traffic (petrol and diesel vehicles) • Industrial (process and fugitive emissions) • Other sources (wildfires, domestic fuel combustion) 	Impacted areas to be determined following ambient monitoring

Environmental Governance

Environmental governance in the country focuses on resource conservation and utilization, as well as on waste management and pollution and is a competency of National, Provincial and Local Spheres of government. The National Environmental Management Act, act 107 of 1998 provides the framework for environmental governance and cooperation between various government agencies and provides various tools for environmental governance such as the Environmental Implementation Plans (EIP) and Environmental Management Plans (EMP).

In terms of NEMA the EIPs are meant to be developed by government agencies that have functions that have an impact on the environment such as the Defense force, Water Affairs and Forestry and the Department of Local government and Housing etc. and EMPs are meant to be developed by agencies that have a role in setting standards or regulations for environmental management such as the Departments of Health, Water affairs and Environmental Affairs and Agriculture etc.

NEMA enforces compliance by the state and the public at large with its environmental principles. Of importance is the principle of sustainable development which it defines as the integration of social, economic and environmental factors into planning, implementation and decision making. NEMA therefore enforces the integration of sustainability principles in other resource use legislations such as the Water Act, Minerals and Petroleum resources Act and the Local government: Municipal Systems Act, 32 of 2000. NEMA further requires that:

- All organs of state and the public must comply with NEMA principles
- S 16(1) (a) Every organ of State must exercise every function it may have, or that has been assigned or delegated to it, by or under any law, and that may significantly affect the protection of the environment, substantially in accordance with the environmental implementation plan or environmental management plan prepared, submitted and adopted by that organ of state.....Provided that any substantial deviation from an environmental management plan or environmental implementation plan must be reported forthwith to the Director General and the National Committee for Environmental Coordination.

What is of great concern though is the level of capacity for environmental governance, not only at the local government level but at provincial level as well. The status quo makes it very cumbersome to comply with the various environmental legislations and requirements such as integration of environmental issues in IDPs and alignment of government programs.

(H) AMATHOLE ECONOMIC DEVELOPMENT AGENCY - ASPIRE

As the registered economic development agency of the Amathole District Municipality, ASPIRE's mandate is to assist the ADM in growing the economy of the region. The agency was established in September 2005 as a Pty Ltd company and officially launched in December 2005. ADM commissioned the agency to undertake an economic analysis of the district in order to come up with a long-term, holistic vision of Amathole. The outcome was the Amathole Regional Economic Development Strategy (AREDS), a 20-year vision for the district that broke with old ways of thinking by introducing a spatial approach to development that transcended municipal boundaries.

ASPIRE focuses on the corridors that flow along the main transport routes (the N6, R63, R72 and N2) in the Amathole District. More than 27 small towns, directly linking to hundreds or rural villages, lie along these corridors. It is our conviction that locating anchor projects in small towns can facilitate economic regeneration and boost development in sectors and value chains aligned to these projects.

This section will provide performance highlights during this period, per corridor and in terms of overall management:

N2 Corridor:

The N2 corridor projects, include: town regeneration initiatives (Butterworth and Dutywa),

Butterworth Regeneration:

A consortium made up of Umhlaba, PDNA and Econogistics has been appointed to investigate a Butterworth regeneration strategy. The results of Phase One – the situational analysis were submitted for Aspire's approval. Phase two of the project started on the 29 January 2010. A study was conducted to provide an overview of the status quo traffic movement, sidewalks and street lights to create a suitable environment for Butterworth Town Regeneration Program and also to improve the economic development of the area. The final report with maps and photos showing the study area has been made available in hard and soft copies;

The assessment of existing land use, pedestrian and traffic movement and street lighting is complete. This also includes the assessment of concept for improvement of pedestrian and vehicle traffic safety in the CBD which is complete with municipal approval. Updating of zoning plan by the municipality is still in progress. This initiative has recently entered into partnership with a complimentary DEAT-driven initiative on greening and cleaning and boosts the Butterworth CBD upgrade to a total value of R54 million

Butterworth Street-lighting and paving:

The project aims to install street lights along the N2 in the CBD. The tender documents for the project will be completed in March 2010, the award of the tender is scheduled for no later than April 2010 and implementation to be complete by October 2010.

Dutywa Regeneration:

An appointment of a service provider to lead the Dutywa Regeneration strategy was appointed in October 2009. The phase one of the study was presented on the 22 January 2010. The project is now entering Phase Two, which seeks to identify and test the intervention areas that will stimulate the growth of the area. The regeneration projects in Dutywa and Butterworth are underway. A five- phased approach, guided by Aspire's Small Town Regeneration model will complete the process this financial year.

N6 Corridor:

The N6 projects include: town regeneration initiatives (Stutterheim, Cathcart and Keiskammahoek), economic intervention activities (Amabhele blueberries and village development) and empowerment development (Woodhouse).

Stutterheim Regeneration:

The Stutterheim regeneration strategy, including a local spatial development framework plan for the town is complete. Leaflets summarizing the content in English & Xhosa were widely distributed in town to allow for public comments before Council approval. Several comments were received from local businesses and were addressed where seen possible. It should be emphasized that for the first time Stutterheim's townships such as Mlungisi, Kubusie, Cenyu & Cenyulands fall within the urban edge of the town; meaning putting them on the service delivery agenda;

Additional money was granted by National Treasury to undertake an infrastructure assessment to underlay the development proposals of the Stutterheim LSDF. The entire regeneration initiative was handed over to Amahlathi Municipality, awaiting Council approval. The regeneration strategy & LSDF identified two complimentary development sites that would be linked by the new bridge & access road. The LSDF confirmed the initial idea of establishing a community commercial park at Mlungisi Township to assist Mlungisi with developing into a secondary node as suggested in the LSDF. Expression of Interest for the rental of business premises in the proposed Community Commercial Park was issued in all regional newspapers in March 2010;

In addition, a second development site was identified in town: a central transport / administration and business node. A final report motivating for the proposed developments was completed in August 2009 and the go ahead to undertake the high level feasibility on the two sites was approved by the Amahlathi Local Municipality and National Treasury. Various government departments & partners have been informed about the proposed development projects under the Stutterheim regeneration programme. These include: the SAPS, SAPO, DHA, DEDEA, DOS, DOH, DSRAC. Responses are still awaited and a delay is expected due to some non-responsive departments.

A draft high-level feasibility is complete, but final financial calculations are still awaited. A legal opinion on the most practical and legally permissible way of attracting private investment into the developments was obtained in October 2009. Outstanding responses from government departments & future private sector investments and Amahlathi's budgetary allocations for maintaining & operating the proposed developments will have an important impact on the financial feasibility.

On the other hand, on the 27 January 2010 the actual construction of the access road and bridge between Mlungisi and Stutterheim started. Work on the site is scheduled to complete in twelve months – and no less than fifty (50 jobs) are expected during construction;

The necessity for the establishment of a petro park at the entrance of Stutterheim town (coming from East London) was confirmed during the Stutterheim regeneration strategy investigations. An EIA approval for the establishment of the site was obtained in December 2009, which demands a two phased approach: phase 1 starting with the construction of the retail facilities and tourism office, phase 2 being the development of the petrol station on condition that the economic feasibility will be re-assessed to proof sufficient economic feasibility.

The town planning approval for the sub-division and re-zoning application was received from Amahlathi LM. The re-zoning application was advertised and no objections received. The PPP unit of National Treasury was informed about the project; although a response is still pending. The approval from SANRAL for access to the new site was obtained, subject to meeting certain conditions i.e. storm water management plan.

Keiskammahoek Regeneration:

A PSC was formed for the regeneration of Keiskammahoek in line with the concept finalized in 2008. Procurement of service provider for the feasibility & business plan development for the Keiskammahoek fresh produce market was done and contract to be finalized soon. The terms of reference for the development of a local spatial development framework for Keiskammahoek have been finalized and the content was approved by key stakeholders.

The Woodhouse:

A business plan funded by the IDC was completed in October 09 and approved by the project steering committee. The business plan includes a financial model that suggests that the Woodhouse is not financially feasible in the first 4 years. Nevertheless it was decided to continue with it as a developmental project

The concept was reviewed as such that the incubation and cluster component were left out. We still managed to maintain our partners such as WSU, Yonder Lea Timber, Industries Training and Education Institute and government departments; Aspire is currently registering an interim management structure for the Woodhouse

Blueberry farming:

For the realization of the berry corridor establishment the following funding applications were prepared and submitted:

- Keiskammahoek Large Blueberry Out growers Business Plan applying for financial assistance (loan funding) for the establishment of three times 20ha, asking for about R90 million in total. The business plan was submitted to Landbank in October 2009. A response is still pending;
- A berry Handling and Support Facility Business plan applying for loan funding for a processing facility to be located at the Amabele village, applying for about R36m. The business plan was submitted in November 2009 to the DBSA, Landbank and ECDC. A response is still awaited.

Tourism Support:

In partnership with GTZ a framework (business plan) for a tourism implementation vehicle was finalized. This was done in consultation with local tourism stakeholders. The vehicle is meant to implement the Amahlathi tourism strategy. Support and assistance was given to Amahlathi for organizing the annual craft mania event. A funding application to further support tourism development on the N6 was submitted to the IDC on the 2 November 2009. A response is awaited.

Amabele/Ndakana Rural Node:

The Amabele Spatial Development Framework was completed and handed over to Amahlathi Local Municipality for council approval in August 2009. Before finalization of the plan a leaflet summarizing the vision and plans for the area was distributed in the communities and meetings for public comments held. Inputs were considered in the final version of the document. The support from the Department of Water Affairs for the development of a Resource Management Plan for Wriggleswade dam was secured. Financial assistance was secured for the development of a business plan for an integrated zero waste agricultural business cluster at Ndakana. A service provider to undertake the study was appointed in December 2009.

Together with Stutt Poles and Hamish Scott a funding application for the production of biochar (charcoal) linked to the eradication of alien vegetation and rehabilitation of the local wetland in Stutterheim was submitted to the Thina Sinako LED fund in December 2009. Unfortunately this application has been unsuccessful – other relevant sources of funding will be identified during the course of the year

Private sector involvement in all activities mentioned need to be sought within the next 6 months i.e. following the PPP process as outlined by National Treasury. An important milestone to meet will be the finalization of the business plan for the Stutterheim proposed developments, including commitments from private and public sector. With additional funding from the ADM, it will be critical now to speed up the regeneration activities in Keiskammahoek and Cathcart (if possible) to keep the momentum in the entire corridor, and not only Stutterheim.

R63 Corridor

Alice Regeneration:

A status quo analysis for the regeneration of Alice is completed, approved by National Treasury and submitted to Nkonkobe Municipality. This includes a visioning process and identification of potential intervention areas, in addition to socio-economic profile and potential for further development initiatives. The Alice community and project partners concluded the vision of the town as an “economically and socially viable university town”. As a result of this more holistic development agenda, detailed regeneration programme is developed and the NDPG support is expanded into the preparation of business plan activities.

Recommendations from the status quo report are further synthesized into an anchor project, the “provision of accommodation for professional and students”. For this purpose value chain analyses were drafted and gaps for high level feasibility are identified. To

promote investment opportunities around the anchor project, Aspire has designed field surveys to assess gaps in the accommodation sector, retail business retention and improvement. UFH and NEDA are working with Aspire to conduct the studies.

In addition, Aspire has conceptualised a proposal for a Local Spatial Development Framework (LSDF) for Alice in cooperation with key stakeholders to provide a planning basis for the future development of the area. The LSDF will provide Nkonkobe Municipality with a forward planning tool to ensure effective and efficient use of land. It will also capture components of strategic release of land into a legally binding and guiding spatial planning document while providing a framework for economic development interventions under the Alice Regeneration programme. A Memorandum of Agreement for this purpose has been drafted and agreed upon by different parties. However, it is awaiting confirmation for financial contribution by the Department of Public Works;

Essential Amathole:

The overall of Aspire's involvement in Essential Amathole initiative is on the one hand: to establish a viable and sustainable essential oil production which could be a catalyst for a value up-and down streaming activity. On the other hand, through the Eastern Cape essential Oil Forum, the purpose is to promote essential oils and medicinal herbs as an alternative crop in the province. The main achievements to date are as follows:

- Movement from trials to pilot phase (cultivation increased from 5 hectares to 10 hectares).
- Completion of the commercialization business plan for the commercialization of Essential Amathole
- Completion and acceptance of the financial forecast for Essential Amathole
- Submission of funding application
- Positive feedback via the Eastern Cape Essential Oil Forum indicating that new producers are entering the market. There are currently 7 producers who are linked to the Forum, i.e. the objective of essential oils as an alternative crop with value adding once critical mass attained, in the Province (4 in the district) with 3 new ones planned in the short term

The project is now moving to the commercialization phase with DEDEA support to the amount of R2.2 million. Twenty-nine (29) people are employed full-time in the project.

This corridor is still without a dedicated Manager. The main activities in the corridor; essential oils production in Tyhume Valley and Alice Regeneration are under the supervision of the Chief Financial Officer.

- Town regeneration: the Alice Regeneration project, funded through the NDPG has seen a number of failed tenders. In addition to the failed tenders, the project has a growing number of (government) partners, who at this stage are pulling the project into different directions. This calls for an urgent need for Aspire to appoint a dedicated Manager to oversee the activities in the corridor. The Alice tender is now managed in partnership with the funder, National Treasury. Appointment for a suitable service provider is expected to be made by the end of January 2009.
- Aspire also assisted the Nxuba Municipality in its ongoing process to secure funding and technical support for the construction of a dam. A proposal and letter of request motivating for the economic benefit of the dam was submitted to the DBSA in October 2008. No response has been received yet. Another initiative is the development of the concept for the development of Bedford. A Bedford regeneration concept developed by Aspire, and supported by local stakeholders in Nxuba is complete and was submitted for funding support to National Treasury's Neighbourhood Development Program
- Economic intervention: essential oils production is doing well – pilot results (on cropping and suitability are positive on a number of sites. **The project has retained about twenty-six (26) workers in the last twelve months.** The project is now entering a trial phase with additional finance from the provincial government, Department of Economic Development and Environmental Affairs (DEDEA). This phase will form the basis for the business activity.

R72 Corridor:

The R72 Corridor is focused on town regeneration; sector development and strategy development.

- Town regeneration: the NDPG funded Hamburg is underway. Elements for the expansion to the surrounding villages have been identified. A tender was launched to carry out further investigation for the economic integration of the seven coastal villages in the area;
- Sector development: this refers to the initiatives around the development of the Artist Residence to stimulate a vibrant tourism industry in Hamburg. Architectural design and concept has been completed and an official appointment of Aspire as project managers by DEAT was made in August 2008. An implementer's meeting organized by DEAT was held on the 12 December 2008 in Johannesburg to work out a plan for phase to the end of March 2009;
- Strategy development: a DBSA-supported process for the development of an LED Strategy for the municipality was undertaken. The project was managed by the Ngqushwa Municipality with the aim of incorporating existing current plans for development – the plans include the Hamburg development and the Artist Residence- and strategic focus provided by the AREDS. This process will assist Aspire and Ngqushwa All Aspire projects have a PSC where all stakeholders are represented

All these achievements are made in close cooperation with municipal representatives and this should continue and in some cases be encouraged. Infrastructure needs should be addressed as it is imperative for proposed development plans. The provision of water is a serious challenge to many of the regeneration strategies, e.g. Nxuba. Many of the projects are in implementation phase and coordination and support are key in ensuring successful implementation and sustainability of the regeneration strategy

2.1.4.2 Infrastructure and Service Delivery

(A) WATER SERVICES

The Amathole District Municipality (ADM) was declared as a Water Services Authority (WSA) in terms of the powers and functions devolved by the Local Government Municipal Structures Act, 117 of 1998. The ADM became responsible for the planning and provision of water services in its area of jurisdiction as from 1st July 2003. The function includes the local municipalities of Mbhashe, Mnquma, Great Kei, Amahlathi, Ngqushwa, Nkonkobe and Nxuba. Buffalo City Municipality is also a WSA and therefore does not form part of ADM WSA jurisdiction.

In June 2006, ADM completed its Section 78 process and resolved to provide water services through an internal mechanism. The supporting role was reserved for other Government Parastatal/organ of state; The ADM has since entered into a Bulk Water Services Contract with Amatola Water for all Water and wastewater Treatment Works within its area of jurisdiction. The ADM WSA population has been estimated to be 961 370 people based on the data from Statistics South Africa.

Levels of Services

The 2009/2010 IDP highlights that as of June 2009, the following percentages of people had access to RDP water services:

- Water – RDP standard or above is 86.60% (25 litres per person per day within 200m walking distance)
- Sanitation – RDP standard or above is 32.21% (waterborne or VIP toilet)

As of September 2009, the ADM had improved water services to the extent of:

- Water – RDP standard or above is 87.39% (25 litres per person per day within 200m walking distance)
- Sanitation – RDP standard or above is 32.75% (waterborne or VIP toilet)

Providing a higher level of service to the resident within ADM is a huge challenge especially within peri-urban and rural areas due to the huge backlogs still to be eradicated and the increase in the water demand these higher level of services will result in. Residents want to move from access to communal stand tap water supply to individual erf or yard connection and from a VIP to smallborne system to waterborne sewage system. This same challenge applies where communities want to extend the water supply infrastructure into their area by connecting into nearby reticulation.

Climate Change and Drought Situation

Climate change is a global concern caused by emissions of greenhouse gases into the atmosphere. South Africa is one of the greatest per capita emitters of greenhouse gases. Emissions are accounted for at the national level but the effects of climate change may be apparent at local levels, such as changes in local patterns of temperature and rainfall. The ADM was declared a drought stricken area in July 2009 with Nxuba Local Municipality being the one worse affected. The Eastern Cape includes two of South Africa's Water Management Areas (WMA), namely the Fish to Tsitsikamma WMA and the Mzimvubu to Keiskamma WMA in which Amathole District Municipality falls into. There are three main rivers in the Mzimvubu to Keiskamma WMA, and the area is largely used for livestock farming and subsistence agriculture with commercial timber grown in the higher rainfall zones. The water of the Fish River has a naturally high salinity. Water quality is an important issue in the ADM, and issues such as eutrophication of water resources, non-compliance of sewage works and pollution into surface and groundwater are important and dealt with.

Due to the change in weather patterns and regular appearances of the El Nino phenomenon, certain areas in the District are experiencing regular periods of below-normal rainfall conditions and even serious drought conditions – in this regard special planning initiatives are required and alternative water resources need to be explored. In Nxuba [Bedford & Adelaide] ADM has started with a groundwater exploration study via funding obtained from the Department of Water Affairs.

The water provisioning conditions along the East Coast and surrounds are also such that it is classified as high risk areas which require special attention:

1. In Kei Mouth a special backup system had been provided by extracting water directly from the Kei River [a need exist to investigate means to improve water extraction from the Icwile river via bigger pipeline; residents have also suggested that a new dam be constructed and has identified a potential site]; Water connections and cisterns are also leaking badly in Icwili township and policy is needed on how to do repairs in this indigent community; ADM is considering to connect a borehole as a further backup system.
2. in Morgans Bay the rate payers have come forward to raise community funding to contribute towards raising the dam wall to allow more storage capacity – this is being investigated and may be explored via a special PPP arrangement;
3. in Haga-Haga ADM has just finalized the installation of a larger pipeline of 300 mm dia to fill the dam much quicker while the river is in flow after rains;

The Department of Water Affairs [DWA], are taking their role as regulator more seriously and a number of issues have been highlighted through their monitoring programmes. These relate primarily to the quality of treated water and waste water and the need to have qualified operators at water and waste water treatment works, but also include the need to carry out safety inspections on dams by approved professional engineers.

In order for the Operations and Maintenance Division to adequately fulfil its role to provide sustainable water and sanitation services, the division needs to be adequately resourced. This includes the skills development of staff as well as ensuring that they are adequately equipped with the necessary vehicles, tools, workshop facilities and materials stores.

Furthermore the ADM needs to look at improving the efficiency of services to certain areas, where for example current modes of service delivery are no longer efficient due to the increase in services required through increased development. Development and the expansion of services also requires the ADM to look more closely at the issue of water resource development.

Other issues affecting the quality of service delivery is the quality and state of water and sanitation services infrastructure handed over to the ADM from Local Municipalities and the Provincial Housing Department – especially Water Treatment Works [WTWs] and Wastewater Treatment Works [WWTWs] which generally are in dire need of repairs. Poor workmanship and inferior quality materials are sometimes used on low cost housing developments and is making it challenging for the Operations and Maintenance Division to provide a sustainable service due to failing water and sanitation services infrastructure particularly in low income housing developments.

The severe drought conditions that have prevailed in some parts of the District over the past two years have also placed a heavy burden on the ADM's resources. Although the ADM, along with a number of other municipalities in the province, was declared a 'Drought Disaster Area' in July 2009, no support has been forthcoming from National Treasury and the ADM has had to carry the full financial burden of providing alternative emergency water supply solutions to the affected areas. The drought situation will continue to place a strain on the ADM's financial resources until the weather patterns return to normal or National Treasury provides financial assistance. The drought conditions have also highlighted the need to fast track plans for further water resource development.

The ADM has entered into a contract with the Amatola Water Board to operate most of ADM's Water and Waste Water Treatment works until June 2011. This is in order to allow the ADM's Operations and Maintenance Division to develop and build sufficient capacity to carry out this function when the contract expires.

Free Basic Services

Affordability levels in the ADM are low, due to increased levels of poverty within ADM. An estimated 68.5% of households were classified as people living under the poverty line in 2004, against 52.6% in 1996 (Source: Global Insight 2005). The implication of this is that the majority of schemes will require subsidization through the equitable share from national government to remain sustainable and future prospects for cross subsidization are limited unless the economic pattern improves. ADM has completed the process of registering all indigents within ADM on a database but this remains a challenge because according to the register half of the indigents identified are not registered as compared to ADM RDP schemes. On 1st July 2006 ADM embarked on the rollout of free basic water to all its residents.

Eradicating Service Level Backlogs

The ADM's ability to eliminate the current water services backlogs are largely dependent on grant funding from national government (especially MIG and Bulk Infrastructure Grant (BIG). The ADM has adopted the universal targets [MDGs] of 2014 to eradicate the water and sanitation backlogs respectively. A study was undertaken to investigate the possibility of addressing the backlog by fast-tracking the infrastructure development, and it is now complete. The recommendation of the study was for ADM to procure the services of a Donor Manager who has been since appointed. Current funding trends have however dictated that achievable targets also be set. The following service levels are likely to be achieved by universal target dates if prevailing funding trends continue:

- Population with access to RDP levels of water: 98.50%
- Population with access to RDP levels of sanitation: 65 - 70%

A recommendation of implementing a lesser level of service as an interim measure has already begun in the areas of Mbhashe and Mnquma Local Municipalities but there is also a funding shortfall challenge in order to achieve this target. ADM has also established the Accelerated Sanitation Program (ASAP) which is earmarked to fast-track sanitation service delivery to ADM's rural areas.

(B) SOLID WASTE

Amathole District Municipality adopted the reviewed Integrated Waste Management Plan in June 2008. The IWMP identified major disparities in the provision of solid waste management services in the currently established urban/peri-urban areas. In the IWMP it is noted that more than 60% of residents in the district do not have access to solid waste services. The 60% comprises mainly rural and informal urban settlements. Attempts are made though to immediately

address the informal urban areas. A long term strategy will address the rural areas. The Waste Information System was affected operationally in order to monitor improvements in this baseline. Challenges are experienced with technological advancements in the district, in particular local municipalities.

Since July 2006, ADM is authorized as an authority for Regional Waste Sites serving more than one municipality, solid waste management strategies covering the district as a whole and regulation of waste management services, under the powers and functions devolved by the Municipal Structures Act, 117 of 1998.

The local municipalities remain responsible for the provision of cleansing services and local waste disposal sites.

NATIONAL WASTE MANAGEMENT STRATEGY (NWMS)

The District IWMP addresses waste management at the district level, focuses on those aspects of waste management that apply to ADM and will provide a framework within which Local Municipalities can develop local IWMPs. The waste hierarchy approach specified in the NWMS, that prioritises waste minimization with the objective of minimizing the quantity of waste produced and taken to disposal sites, is adopted as the basis for the ADM IWMP.

CHALLENGES

- **Cleansing assessment**

Generally the main towns in the district are provided with scheduled cleansing services that include most services normally provided by municipalities. Levels of cleanliness in many of the urban centers are not satisfactory, indicating that cleaning services in these municipalities are not meeting the need. This is due mainly to inadequate allocation, lack of planning, inappropriate methodologies and the tendency of many communities to litter and dump waste in streets and open areas. These need to be addressed through the implementation of properly structured operational plans and education/awareness programmes.

The rural villages in the district are not being provided with cleansing services and residents are disposing waste on site by either burying or burning. Per capita waste generation rates in these communities are very low and settlement densities are generally such that the environmental impacts associated with on site disposal are not considered significant. Waste management efforts in these communities should focus on education and awareness in respect of minimization and proper on site disposal practice.

- **Waste disposal**

Buffalo City has developed a regional site near Berlin to serve the general waste needs of the municipality and the hazardous waste disposal needs of the broader district.

Priority issues include:

- Upgrading and permitting of local sites which will remain operational until regional facilities become available.
- Improved operation at many of the local sites.
- Proper closure of those sites made redundant by the availability of regional or new sites.

- **Waste minimization and education**

Although there have been awareness campaigns and education during selected environmental calendar days at schools, there is a need to plan and implement coordinated and properly structured waste minimization and education/awareness programmes at both the local and district level.

- **By-laws**

By-laws in most of the local municipalities either do not exist or are outdated and inappropriate. Enforcement of by-laws was also found to be inadequate in most of the municipalities. ADM by-laws on solid waste was gazetted in October 2006.

- **Resources and capacity**

Resources allocated by municipalities for waste services were generally found to be insufficient to meet the need. Common problems are inadequate management and technical capacity, vehicles and plant, staffing levels and operational budgets.

- **Planning**

Local municipalities need to complete local IWMPs, following the completion of the District IWMP. Detailed operational management plans for cleansing services should also be completed at the local level.

Overview of Key Issues

Key waste management issues that were identified are summarized as follows:

- **Public and Environmental Health:**

The cleansing and waste disposal services within the district are inadequate though in some instances satisfactory. In terms of environmental law the general situation does not meet the requirements.

In many instances, residents have to deal with the waste themselves in a manner that is unsatisfactory. Cleansing services from municipalities is ineffective and mostly non-existent. Disposal sites are more often inadequately engineered and are not operated properly.

- **Institutional:**

The causal effects of poor service delivery are, in the main, insufficient resources, inadequate policy guidelines, inadequate planning, inadequate management and lack of technical expertise and capacity.

- **Waste minimization:**

National policy requires a 50% reduction of waste disposal by landfill by the year 2012.

Subsequent to the completion of the feasibility study on sustainable recycling and composting, one transfer station has been established with a focus on waste separation and recycling in Hamburg (Ngqushwa). A second transfer station is in the pipeline for Fort Beaufort. Construction of a recycling pilot project constructed for the Butterworth Regional Waste Site, covering Mbashe and Mquma, is complete. A composting pilot is being implemented in Stutterheim (Amahlathi).

Amathole District Municipality has under-taken an investigation on appropriate treatment technology on municipal solid waste for Ngqushwa Municipality. The investigation included the evaluation of feasibility, economical, viable and suitable options of treating municipal waste. The study also served to evaluate prospects of market opportunities for possible compost and recycling options to mention but a few. The recommendations of the study are as follows:

- Due to low waste quantities, alternative high technology or high cost waste treatment process will not be viable. For that reason Ngqushwa Municipality will enter into a contract with a private recycler but the municipality gains by at least doubling the lifespan of the site.

- **Infrastructure development:**

It is necessary that all options with regard to service delivery and infrastructure development be considered in order to ensure an efficient, effective and environmentally acceptable waste collection and disposal service. A model that considers regional waste disposal facilities has been investigated and has proved feasible in the eastern region. The construction on this project is complete and the operations are about to commence.

All municipalities in the district dispose of their waste in landfill sites. In terms of the Environmental Conservation Act, sites are required to be engineered and operated under license issued by DWAF/DEAT.

The number of licensed or permitted sites has increased from 13 (2005) to 16 (2009), currently out of 25 operational sites in the district, as presented in the table below:

TABLE 1: LICENSED WASTE MANAGEMENT FACILITIES

Waste Site	Size	Status	Comments
<u>BUFFALO CITY MUNICIPALITY</u>			
East London Regional	L	Permit Issued	GLB+

King Williams's Town	M	Permit Issued	GMB+
Ducats B/bay	S	Permit Issued	Closed and Rehabilitation in progress
Xmas Rock	C	Direction Issued	Private Land
Seavale	C	Direction Issued	Private Land
Dimbaza	S	Permit Issued	Closed
Riegerton Waste Site	S	Direction Issued	Garden Refuse Waste Site
<u>NKONKOB MUNICIPALITY</u>	C	Permit Issued	GCB-
Alice			
Middledrift	C	Permit Issued	GCB-
Fort Beaufort Transfer Station		Permit issued	Transfer Station
<u>AM AHLATHI MUNICIPALITY</u>			
Stutterheim	GSB+	Permit Issued	GSB+
Keiskammahoek	C	Permit Issued	GCB-
<u>NGQUSHWA MUNICIPALITY</u>	C	Direction Issued	Transfer Station
Hamburg			
Peddie	C	Direction Issued	GCB-
<u>MNQUMA MUNICIPALITY</u>			
Eastern Regional Waste Site	M	Permit Issued	GMB+
<u>MBASHE MUNICIPALITY</u>			
Elliotdale Waste Site	C	Permit Issued	GCB-
<u>NXUBA MUNICIPALITY</u>	C	Permit Issued	GCB-
Bedford			

Local Disposal Sites

Three more permit approvals are pending for the Eastern Regional Waste Site, Fort Beaufort Transfer Station and the Elliotdale Waste Site. This will increase compliance from 13 to 16 sites.

Although there are a number of waste sites that are not permitted, there are plans in place to eliminate their illegality. The table hereunder illustrates all the unauthorized sites in the district:

WASTE SITE	SIZE	ACTION
Cartcarth	C	Transfer station will be established.
Cintsa East Garden refuse	C	Need to be upgraded and licensed.
Kei Mouth Garden Refuse	C	Need to be upgraded and licensed.
Kei Mouth Refuse Site	C	To closed and rehabilitated. Waste will be transferred to Komga waste site.
Morgan's Bay Site	C	To be closed and rehabilitated. Waste will be transferred to Komga waste site.
Haga-Haga	C	To be closed and rehabilitated. Waste will be transferred to Komga waste site.
Dutywa	C	To be converted into a transfer station.
Willowvale	C	To be closed and a transfer station to be established.
Butterworth	S	To be closed and rehabilitated.
Ngqamakwe	C	Transfer station to be established.
Centane	C	Transfer station to be established.
Fort Beaufort	C	To be closed and rehabilitated once the transfer station is operational.
Seymour	C	Transfer station with recycling centre to be established.
Hogsback	C	Transfer station to be established.
Adelaide	C	Transfer station with the recycling component to be established.

(C) TRANSPORT

The National Land Transport Act 5 of 2009 assigns planning responsibilities for land transport to municipalities. This is to be executed in conjunction with other spheres of government.

In terms of the powers and functions devolved by the Local Government Municipal Structures Act, 117 of 1998 as from 1 July 2005, Amathole District Municipality (ADM) is responsible for municipal public transport, which is a shared function with local municipalities in terms of services and infrastructure provision. In addition, ADM is responsible for regulation of the passenger transport services in all areas within the district, as of 1st July 2006.

The ADM adopted its first Integrated Transport Plan (ITP) in June 2003. A comprehensive review was conducted in 2005 and subsequently in 2008. The ITP presents low levels of accessibility for communities in both rural and urban areas to acceptable road based public transport services in the district. This is related primarily to the condition of roads as well as the fragmented manner in which public transport services between urban and rural areas are provided.

It is recognised in the ITP that more than 60% of residents in the district do not have access to public transport services and or facilities within a 2km walking distance from their households. It is mainly the rural poor that are highly affected by the need for a better and more regular public transport service. Thus the ADM engaged in an initiative that seeks to close the urban-rural divide as far as public transport is concerned. These are evident in the infrastructure projects undertaken in the previous and current financial year.

The condition of roads has led to the use of illegitimate and highly fatal load delivery vehicles, whilst the urban communities enjoy better services on paved and usually maintained gravel roads. A challenge to intervene in this area is for an innovative approach to both the roads backlog and public transport regulation. The day-to-day transport for scholars and workers pose a serious challenge to the current situation. More than 60% of public transport users in the district fall into the two categories.

The ITP focuses on the road-based public transport infrastructure challenges and also includes a Public Transport Plan, comprising the Operating License Strategy and Rationalization Plan, as key components, in addressing the service-based challenges, through support from the Department of Transport.

The role of stakeholders and the effective utilization of the Current Public Transport Record (CPTR) in the planning and development of transport services and infrastructure within the district remain central to the successful interventions by government in transforming the broader public transport sector.

It is one of the district objectives to establish accountable, reliable and organized institutions to manage, the post-transformation processes, towards an integrated, effective, safe and efficient movement of people and goods in the district. Hence the theme "Linking places of opportunity" has been adopted by the stakeholders as a brand or identity for the district transport sector.

Overview of Public Transport Key Issues

It has been identified in the ADM Current Public Transport Record (CPTR, 2008) that public transport in the Amathole district is dominated by taxis (mini-bus taxis, sedans and bakkies). More than 90% of passengers are transported by means of taxis, with buses serving only a small sector of the population (less than 10% of the daily local public transport users). Passenger rail services are non-existent, except in Buffalo City Municipality, and existing rail lines are currently used mainly for freight transport and therefore infrastructure for passengers at stations is limited and in most cases non-existent. Stations are only situated in some of the main towns, with a number of unused sidings located along the main line.

The ADM ITP and CPTR 2008, reveals a number of key public transport issues within the district as listed below:

Poor road infrastructure

The Amathole District, because of its rural nature and settlement patterns, is characterized by general lack of good road infrastructure, which essentially forms the backbone of any good public transport system. Access to social services and general mobility (to employment and economic opportunities) is restricted due to poor transport infrastructure and lack of suitable public transport services, particularly in remote rural areas. In many instances, missing road links prevent access to rural areas.

The poor road infrastructure results in mini-bus taxi operators restricting their services to paved roads, whilst bakkies and sedans operate most of the local routes on these gravel roads.

Use of Bakkies and Un-roadworthy vehicles as public transport

More bakkies and sedans are operated as public transport than the conventional mini buses, mainly due to the poor road condition and inaccessibility of rural areas. None of these bakkies have been converted to ensure safe transport of passengers and many are un-roadworthy, hence virtually all these vehicles are operated illegally.

The modal split per local municipality is tabled below:

Local Municipal Area	Minibus	Sedan	Bakkie	Surveyed Vehicles
Amahlathi	60.9%	2.4%	36.7%	128
Great Kei	100.0%	0	0	16
Mbhashe	56.7%	0	43.3%	480
Mnquma	61.3%	0	38.7%	564
Ngqushwa	15.5%	13.1%	71.4%	84
Nkonkobe	42.5%	22.7%	34.8%	207
Nxuba	0%	100%	0%	34
Total (%)	53.7%	6.3%	40.0%	100.0%
Total (number)	813	95	605	1513

Lack of public transport facilities

Although the ADM has over the past two years embarked upon a process of upgrading public transport facilities, many taxi ranks are still operated informally on-street or from vacant off-street areas. Many facilities lack basic infrastructure such as toilets, shelters, paving or informal trading facilities.

The rank facilities are tabled below:

Municipality	Town	Rank Name	Rank Type	Rank Status	No of Routes	Surface Condition	Shelter	Ablution	Action
Amahlathi	Keiskammahoek	Keiskammahoek Taxi Rank	Rank	Formal	12	Good	Average	Good	Currently being upgraded
Amahlathi	Stutterheim	Stutterheim Taxi Rank	Rank	Formal	9	Good	Poor	Good	Feasibility study to upgrade completed
Great Kei	Komga	Komga Taxi Rank	Holding Area	Informal	4	Good	None	None	Feasibility study to upgrade currently being undertaken
Mbhashe	Dutywa	Dutywa Public Transport Facility	Rank	Formal	5	Good	Good	Good	Currently being upgraded for phase 3
Mbhashe	Dutywa	A number of miscellaneous and informal ranks operating in Dutywa due to operating limitations at current facility							
Mbhashe	Xhora/Elliotdale	Elliotdale Taxi Rank	Rank	Formal	18	Good	None	None	Phase 1 completed, phase 2 to be implemented depending on availability of funds
Mbhashe	Xhora/Elliotdale	There are two other informal ranks operating within the town of Xhora/Elliotdale							
Mnquma	Butterworth	Blyth Street Taxi Rank	Rank	Formal	5	Good	None	Poor	
Mnquma	Butterworth	Bus Rank	Rank	Formal	1	Good	None	Average	Currently at tender stage to be upgraded to increase capacity
Mnquma	Butterworth	A number of miscellaneous and informal ranks operating in Butterworth due to operating limitations at current facility							
Mnquma	Centane - A	Centane Taxi Rank	Rank	formal	5	Good	None	None	Phase 1, completed and phase 2 to implemented depending on availability of funds
Mnquma	Centane - A	There are three other informal ranks operating within the town of Centane							
Mnquma	Ngqamakwe	Ngqamakwe Taxi Association Rank	Rank	Formal	11	Good	Good	Good	
Mnquma	Ngqamakwe	There are four other informal ranks operating within the town of Ngqamakwe							

Ngqushwa	Peddie	Peddie Taxi Rank (PETA)	Rank	Formal	15	Good	None	Good	Currently being upgraded
Ngqushwa	Peddie	Peddie Taxi Rank (PETA)	Rank	Formal	4	Good	None	Good	

Nkonkobe	Middledrift	Xesi-Debe Taxi Rank	Rank	Formal	8	Good	Good	Good	
Nkonkobe	Seymour	Seymour Taxi Rank	Rank	Informal	1	None	None	Poor	
Nkonkobe	Alice - A	Victoria East Taxi Rank	Rank	Formal	6	Good	None	Good	
Nkonkobe	Alice - A	There is one other informal rank operating within the town of Alice							
Nkonkobe	Fort Beaufort	Fort Beaufort	Rank	Formal	9	Good	Good	Good	
Nxuba	Adelaide	Adelaide Taxi Rank 1	Rank	Formal	2	Good	Good	Good	
Nxuba	Adelaide	Adelaide Taxi Rank 2	There is one other informal rank operating within the town of Adelaide						
Nxuba	Bedford - A	Bedford Taxi Rank	Rank	Formal	2	Good	Good	Good	

Safety

The combination of poor road conditions, use of un-roadworthy or vehicles unsuitable for conveyance of passengers (bakkies), and reckless or negligent driving, are contributing factors to creating unsafe operating conditions that often result in fatal or serious accidents.

Lack of learner transport

Despite the fact that the majority of the population within the ADM is 19 years or younger, no formal learner transport system is in place either within the urban or rural areas. The South African Schools Act of 1996 makes it compulsory for children between the ages of 7 and 15 to attend school. Thus, in order to facilitate access to schools the Eastern Cape Department of Education has been administering transport subsidies for scholars who live further than 5km from their local school in response to petitions from parents and school staff. At the same time there has been an increasing call to shift institutional responsibility for scholar transport to the transport departments of local municipalities to allow the Departments of Education to focus on their core activity. Since education is a provincial function, it was also felt that the local government through its transport arm could better respond to local conditions, which vary greatly not only in the Eastern Cape Province, but also within the boundaries of each district. Moreover, existing scholar transport services often relied on unroadworthy vehicles not subject to any particular set of specifications. Thus, there was also a need to prescribe standards of service, which is one of the core fields of activity of transport departments. To this end the National DoT has been preparing a policy document on scholar transport to facilitate the transition of responsibility.

The draft version of this document was released in November 2007. The policy places the responsibility for planning and implementing scholar transport on provincial and local governments. This implies that ADM will have an obligation to plan and implement scholar transport in ADM on finalisation of the policy. However, the policy does not imply that dedicated motorised scholar transport services be supplied across the board. Rather, its focus is on managing and facilitating scholar access to schools with a mix of motorised and non-motorised services and infrastructure in accordance with local needs. The policy states that these services may include reliance on existing public transport services. Given the size and variation of travel conditions in ADM, the introduction of the policy will place a significant responsibility on the shoulders of ADM. This responsibility cannot be taken lightly since adequate access to primary and secondary education is recognised as a necessity to the development and growth of the country as a whole and of ADM, more specifically. Records received from the Department of Education in 2007 indicated that there were a total of 1806 primary, secondary or combined schools in ADM. The records also showed that only 34 of these schools had scholar transport services subsidised by the Department of Education. Schools with scholar transport services were located in Mquma and Mbhashe local municipalities.

Illegal operations

Many public transport operators do not have permits or operating licenses, thereby infringing on the rights of legal operators.

Most permits issued prior to 2001 were radius permits, allowing the permit holder to operate on any route within a specific radius of the origin. This results in duplication of services and contributes to violence on routes shared between taxi associations.

Guidance with regards to the formalization of the taxi industry through the proposed Permit Conversion Process and Taxi Recapitalisation Process is imperative within the public transport industry.

Cost of public transport services

Given the low levels of household income within the Amathole region, it is vital to keep fares to a minimum. However, only a few bus routes are subsidized, hence the bulk of the population within the region is paying a premium for making use of public transport.

% of household income spent on public transport in ADM

Household income spent on public transport	Number of households	% of households
0%	41,932	9%
1-5%	103,015	23%
6-10%	112,984	25%
11-20%	50,492	11%
>20%	121,439	27%
Unspecified	26,914	6%
Total	456,776	100%

Source: NHTS 2003

Service Coverage

Public transport coverage is relatively good, despite the poor condition of roads and public transport infrastructure. Many of the schools, clinics and other recreational areas in the rural areas of the district still remain inaccessible and public transport services are not provided to these facilities. It is confirmed that 78,3% of settlements within the district are within 2 Km of a public transport service, as presented in the table below. The lowest coverage is in Mphashe LM. A process is underway to develop a Public Transport Service Plan for the local municipality to be completed by the end of 2008/09. The priority is to address amongst others, coverage with the objective to have 100% coverage across the district in 2010.

Public Transport Coverage per municipal area and average for district

Municipality	Mbhashe	Mnquma	Great Kei	Amahlathi	Ngqushwa	Nkonkobe	Nxuba	BCM	Total
No of settlements	341	455	20	171	154	216	8	248	1,613
Settlements covered	165	318	17	152	142	214	8	247	1,263
Households	52,500	67,200	11,400	28,400	21,600	32,200	6,500	191,100	410,900
Population	256,395	286,707	44,400	140,213	84,627	128,858	25,003	708,213	1,675,013
Coverage (%)	44.8%	69.9%	85%	88.9%	92.2%	99.1%	100%	99.6%	78.3%

Local ADM routes and associations in ADM

Local municipality	Origin	Association(s)	Intra-town routes	Inter-town routes	Routes with LDVs/sedans in use
Mbhashe	Dutywa	Idutywa TA, Idutywa Uncedo Service TA	1	4	2
	Elliotdale	Elliotdale TA	-	3	1
	Willowvale	Willowvale Uncedo Service TA	1	3	2
Mnquma	Butterworth	Butterworth TA, Butterworth Uncedo Service TA	1	7	4
Centane		Kentani TA, Kentani Uncedo Service TA	-	3	1
	Ngqamakwe	Ngqamakwe TA	1	3	N/A
Great Kei	Komga	-	-	-	-
Buffalo City	East London	East London TA, East London Districts TA, Mdantsane Uncedo Service TA, Mdantsane East London and Districts TA	2	12	
	Gonubie	Mdantsane East London and Districts TA, Mdantsane East London TA	-	1	
	Mdantsane	Mdantsane East London and Districts TA, Mdantsane East London TA, Mdantsane East London TA	2	20	
	Berlin	Mdantsane East London and Districts TA, Mdantsane East London TA	-	1	
	Potsdam/Border Technikon	Mdantsane East London and Districts TA, Mdantsane East London TA	-	1	
	King William's Town	King Willam's Town Uncedo Service TA, Dimbaza and Districts TA, Bisho King TA	3	9	
	Dimbaza	Dimbaza and Districts TA	1	2	
	Bhisho	Dimbaza and Districts TA	-	3	
Ngqushwa	Peddie	Peddie TA, Peddie Uncedo Service TA	1	4	1
Amahlathi	Stutterheim	Stutterheim TA	1	2	2
Nkonkobe	Fort Beaufort	Fort Beaufort Uncedo Service TA	1	4	2
	Alice	Victoria East TA	1	2	-
	Middledrift	Xesi Debe TA	1	3	N/A
	Keiskammahoek	Keiskammahoek TA	-	3	2
	Seymour	Seymour Uncedo Service TA	-	5	N/A
Nxuba	Adelaide	Adelaide Uncedo Service TA	1	3	3
	Bedford	Bedford Uncedo Service TA	-	1	-
TOTAL			1	76	

Source: NLTIS, OLB 2007

Passengers, although being dependent upon public transport as their only means of mobility in rural areas, generally have a negative perception of the public transport industry, mainly due to the problems listed above.

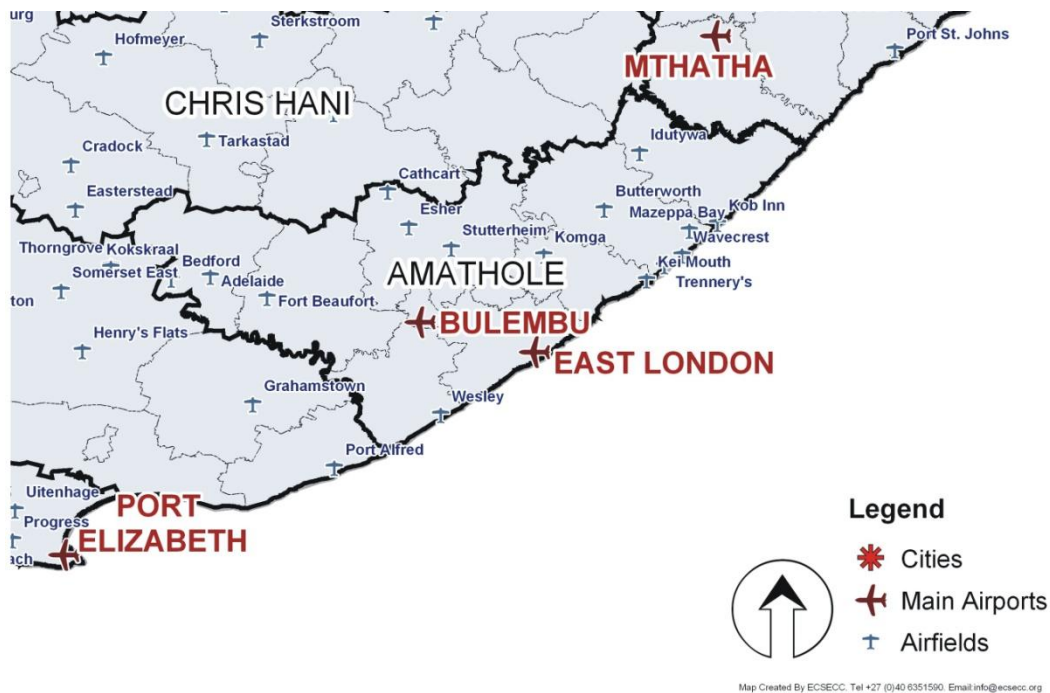
Municipal Airports

The municipal airport function is considered to be an integral component of the transport sector, hence it will not be presented in isolation in this document. It forms part of the Integrated Transport Plan, though there are no municipal airports recognized in the ITP.

Municipal Airport Strips within ADM

Unit No	Closest Town	X-Coordinate	Y-Coordinate
1	Adelaide	26 18 00 E	-32 40 59 S
2	Bedford	26 7 00 E	-32 41 48 S
3	Bhisho	27 17 6 E	-32 53 42 S
4	Butterworth	28 9 00 E	-32 21 59 S
5	Cathcart	27 7 59 E	-32 16 59 S
6	Coffee Bay		
7	Fort Beaufort	26 34 00 E	-32 46 59 S
8	Kei Mouth	28 21 00 E	-32 42 00 S
9	Kob Inn	28 40 59 E	-32 25 59 S
10	Komga	27 52 00 E	-32 34 59 S
11	Mazepa Bay	28 33 00 E	-32 28 00 S
12	Stutterheim	27 25 59 E	-32 32 59 S
13	Wavecrest	28 31 00 E	-32 34 59 S

14	Wesley	27 22 59 E	-33 19 59 S
15	Hanover	24 26 58 E	-31 4 42 S
16	Dutywa	28 19 00 E	-32 6 00 S



(D) LAND REFORM, SPATIAL PLANNING AND HUMAN SETTLEMENTS

The objectives of the components for these programmes include matters related to :

- Ensuring accessibility to land as enshrined in the Constitution (Chapter 2, Section 25 of the Constitution of the Republic of South Africa, 1996 Act 108 of 1996), driven through the Land Reform Programmes, as per the National Land Policy 1997 and relevant legislations;
- Strategic identification of key Spatial Development main nodes and zones of potential development, natural, systems and environmental areas where development had to be managed. This being performed through a guide to areas regarding their great need and priorities for investment in development and associated interventions and management principles for spatial planning decision making process (es) and direction of growth.
- Provision of adequate, viable and sustainable human settlements, including housing in line with the provision of both the National and Provincial policy and legislative prescripts as well as ensuring organized method of land development, including settlement planning and other land administration processes, through applicable and acceptable land development laws.

□ LAND REFORM

Amathole District Municipality developed a “*Land Reform and Settlement Plan*” in its IDP (revised and reviewed in 2008/9), which was prepared with specific reference to the key land issues relating to land reform and settlement development in the District.

The Land Reform & Settlement Sector Plan therefore forms part of the ADM IDP document, as a Chapter like all Sector Plans.

The **purpose** of the LR&SP is:

“To enable the ADM to undertake its core function to assist local municipalities within its area of jurisdiction to meet the need for land reform, land and settlement development and related land use management within the Amathole District and to achieve integrated and sustainable socio-spatial development.”

The complexity of the Land Reform environment has been acknowledged throughout the LR&SP, with specific reference to the identified challenges located within the areas of **land access, land tenure, and land administration**.

It is clear that land reform must be seen as a composite suite of issues and interlocking components, the precise make up of which differ from one Local Municipal Area to the other.

Some of these components include :

- land identification,
- land acquisition,
- in-situ upgrade and tenure upgrade,
- land planning for residential and productive uses,
- Land-legal issues (eg. land rights audits, title adjustments, land survey, registration of ownership, etc.),
- post implementation livelihoods support,
- post implementation land use management, and
- Infrastructure/asset maintenance and operation issues.”

Linked to the above, is the issue of Constitutional division of powers and functions to be performed by the three spheres of government, as well as the division of powers of functions between the Category Bs and Category C Municipalities, as per the recommendations of the Municipal Demarcation Board in terms of the Local Government: Municipal Demarcation Act 27 of 2000.

It is acknowledged that land reform is a specific functional competency of the National Department of Rural Development and Land Reform. However, it has been the policy of the National Department to ensure that the implementation of the delivery of land reform “products” is undertaken at the local level of government.

Within the ADM area of jurisdiction, the municipal assignment of powers and functions has resulted in the following division:

- Municipal Planning – assigned to the Category B municipalities;
- Settlement Planning, planning for land development and land use management – assigned to Category B municipalities;
- Capacity Building (in relation to abovementioned functions) – Category C municipality (ADM).

This effectively means, that within the context of the ADM LR&SP, the principle role in driving land reform processes and initiating land and settlement planning resorts with the local municipalities, whilst the ADM would only render support and assistance to these municipalities, in relation to the performance of these functions, when a specific need arises, or when called upon to do so by the relevant local municipality.

A visible manifestation of the implementation of the above will clearly be found in the Implementation Plan dealing with the areas of Support and Capacity Building for local municipalities.”

It is important to add that a legislative imperative exist in specifically the Local Government: Municipal Systems Act 117 of 1998, in terms of which the District Municipality is **charged with the duty** to build the capacity of local municipalities within its area of jurisdiction to ensure that such municipalities are capable of performing their duties and functions (Section 83).

In broad terms, the ADM Land Reform Plan has since had substantial changes as when it was approved since 2003. These changes were effected due to changes in the applicable policy and legislation, most notably, the promulgation of the Communal Land Rights Act 11 of 2004 as well as policy changes relating to the acceptance of the validity of land claims made in cases of loss due to betterment planning.

The key challenge for the District in Land Reform process is to deal effectively with the injustices of land dispossession, equitable distribution of ownership, reduction of poverty and economic growth, tenure security as well as system of land management which will support sustainable land use patterns. This is in line with the National Policy on Land Reform, 1997. These will be dealt with in terms of the required land related legislations.

A further area requiring some attention during this analysis phase of review is specifically the capacity building and support mechanisms in relation to project planning, management and implementation (linked to the ADM’s legislative duties and obligations in relation to Land Reform, as more fully explained here above).

Linkages and impact analysis

Apart from the ADM LR&SP, other Municipal Plans compiled by the ADM, have linkages and impact to a lesser or greater extent in the Land Reform Plan. These include :

- Integrated Local / Regional Economic Development Strategy;
 - Agricultural Development Plan;
 - Integrated Water Services Development Plan;
 - Integrated Housing Strategy;
 - District Spatial Development Framework.
- *Regional Economic Development Strategy*

In consultation with local communities, the “building blocks” or “strategic thrusts” identified, on which the “new economy” of the Amathole District will be based, are a clear indication of the alignment of the ADM Land Reform Programme which such Regional economy focus.

Therefore the spatial distribution of the envisaged interventions has been dealt with in the Plan with a view of ensuring aligned implementation.

- *Agricultural Development Plan*

The agricultural development strategy proposes various interventions in the sector:

All these are biased towards pro-poor sectors of the district population.

Therefore critical linkages are therefore clear between the overall objective/purpose of this sector plan and that of the ADM Land Reform.

- *Water Services Development Plan*

Priority areas, requiring intervention include are identified during the Analysis Phase on matters of Water and Sanitation, of which various related programmes have been identified to address backlogs and to maintain and upgrade existing infrastructure, on this matter these include

- ❖ **Basic Needs Programme –**
- ❖ **Urban Enhancement Programme –**
- ❖ **Strategic Intervention Programme –**

Therefore a clear linkages and impact to greater extent with the Land Reform Plan of ADM exist.

- *Integrated Housing Strategy*

In terms of the ADM IDP, several critical linkages are obviously in place between the deliverables of this Strategy and the proposed deliverables as per the LR&SP.

- *District Spatial Development Framework*

The purpose of the District Spatial Development Framework (DSDF) is to serve as a guide to the ADM and all local municipalities within the ADM's area of jurisdiction regarding the spatial areas of greatest needs and priority for investment in development and associated interventions. It is linked to the identified areas for land reform and settlement development as identified in the LR&SP.

This Plan is more than aligned to the ADM Land Reform Programme as it is made up of building blocks that are derived from the proposals in the LR&SP as well as proposals contained in the other sector plans completed by the ADM and forming part of the reviewed IDP.

These building blocks are:

- Hierarchy of Settlements

These are:

- **Primary Urban Node:**
- **Administrative Node:**
- **Secondary Urban Node:**
- **Urban Service Centres:**
- **Special Development Areas:**

It is envisaged that all implementation activities undertaken in line with the strategic objectives included in the LR&SP (and other ADM sector plans/strategies) should adhere to and be implemented in line with the DSDF.

Therefore the Amathole District Municipality Land Reform Programme outlines mechanism for settlement and Land Development. Further, typical spatial patterns of land use and settlement that apply in difficult parts of ADM are also outlined. As a result therefore a need to pursue land reform that would achieve to redress and bolster livelihood of communities with land needs for settlement and livelihood was apparent.

The strategic consideration of such is therefore linked to the fact that three types of settlement were identified and those could only be enhanced through proper and organized methods of planning and survey utilizing acceptable principles and laws.

- ***Broad Development Context***

Various developments have occurred Nationally and the analysis phase managed to touch base on such so as to ensure alignment and opportunities and these include :

- *National Development Frameworks; being ASGI-SA, JIPSA, Project Consolidate*
- Policy issues including; Land Summit Resolutions, New Strategic Vision for Land & Agrarian Reform
- *The National & Provincial Land Summit – 2005 & 2008*

The Resolutions of these summits are of utmost importance in heralding in a new era of a partnership to Fast Track Land Reform.

Part of the Resolutions includes convening of a National Land and Agrarian Forum to bring stakeholders on board and which would aim to:

- Secure agreement on a National Implementation Plan
- Identify legislative & Policy reforms required
- Review institutions tasked with implementing Land Reform
- Monitor implementation

In this approach key Districts will be identified where to implement initial accelerated redistribution programmes and where innovative solutions could be developed. Therefore the land reform in ADM is affected by such.

Areas of alignment of this initiative to the ADM Land Reform include matters as outlined hereunder:

- Building partnerships
- Ensuring linkages exist with National Land Audit
- Input into legislative review processes
- Participation of women, youth and disabled
- Enhancing capacity of State Machinery
-

❖ *Strategic Vision For Agrarian And Land Reform –*

❖ *Provincial Growth and Development Plan (PGDP)*

The four Strategic objectives of LR&SP were all found to be PGDP compliant in terms of public sector and institutional transformation as well as Human Resource Development. It integrated well in relation to agrarian transformation, household food security and systematic poverty eradication as well as infrastructure development.

❖ *The Provincial Spatial Development Plan*

This plan forms part of the PGDP to provide a framework for future development within the Eastern Cape.

Sustainable Development Context

A schematic outline was provided on the structure of sustainable development and it is clear that Land Reform & Settlement Planning formed part of the economic, social and environmental sustainable development, which is influenced by land tenure, land value, land use and land development, which also interacted with each other and which flows directly from the identification of land parcels, registers and mapping. The key issues identified and showed themselves as opportunities for consideration by the District during the Situation Analysis Phase included:

KEY ISSUES AS IDENTIFIED

The following KEY ISSUES were compiled during the review process as broad conclusions during the Analysis Phase:

- General acceptance of the spatial planning framework as set out in the LR&SP has been brokered;
- Although the pace of land reform within the municipal area still lags behind nationally set targets as well as the expectations of communities, there has been a substantial increase in the delivery pace over the last 5 years;
- Land reform initiatives largely remain geographically focused and limited to certain types of interventions, to the detriment of a preferred, holistic implementation of the complete land reform package;
- Land Redistribution Planning Needs have focused on certain areas where eg. commonage needs are extensive throughout the district;
- Implementation capacity is viewed as a serious challenge in land reform implementation throughout the area and specifically communication of the deliverables and the rate of implementation have been of concern;
- Breakdown of Land Administration Systems (in respect of both the legislative, regulatory and administrative aspects thereof) throughout the district has led to uncertainty and tensions;
- Tenure insecurity remains prevalent notwithstanding interim protection measures as well as newly promulgated legislation (still to be enacted however);
- Weak integration of existing land reform initiatives into the process of developing livelihoods and land productivity (It was specifically noted that projects appear to be addressing beneficiary needs in terms of housing *or* in terms of livelihoods, but often not in an integrated, sustainable manner);
- A need has been identified for a "clear and workable institutional framework for the delivery of land reform in its various components throughout the district.

Therefore Land reform is essential to permit economic progress and to ensure that the required redress did in fact take place, and that women and youth also receive the necessary support.

It was also imperative that the land be optimally utilised. Possession of land and/or housing provides the owner with a valuable asset. This could be defined as not merely fulfilling basic needs, but also the more concrete needs and also a right to live a meaningful life. It thus acknowledges that development should be more than the striving for material improvement, but that "Ubuntu" should form an integral part of such development strategy which will imply a striving for: Social Justice, comprehensive consultation and joint decision-making, the alleviation of all forms of suffering (or satisfaction of basic needs), respect for the local eco-system & local and cultural patterns, and the advancement of people through their own endeavours-freedom of expression

As such everybody had to remain committed to ensure that ultimately the IDP & LR&SP that will translate in "improved humanness" for all communities will succeed.

The land development initiatives on Land Reform for the District are clearly outlined in the Revised Land Reform and Settlement Plan.

❑ SPATIAL PLANNING

The **ADM SPATIAL DEVELOPMENT FRAMEWORK** is:

"A clear Strategic tool of identification of key Spatial Development main nodes and zones of potential development, natural, systems and environmental areas where development had to be managed properly.

In terms of Section 26 (e) of the Municipal Systems Act (Act no. 32 of 2000), a Spatial Development Framework (SDF) in respect of a Municipality's area of jurisdiction is a legally required component of a Municipality's Integrated Development Plan (IDP).

In terms of the Act, the SDF, once approved by the Municipal Council, has the status of a statutory plan that serves to guide and inform all decisions made by the Municipality with regard to spatial development and land use management in its area of jurisdiction.

At present, the 1st Generation Amathole District SDF was essentially a component of one of the District Municipality's key sector plans, the Land Reform & Settlement Plan (or LRSP), which was developed along with a number of other sector plans in a concerted planning process.

With the commencement of a new 5-year IDP cycle in 2007, the Amathole District Municipality resolved to undertake a concerted review of its SDF and to approve this as an alone-standing document in its own right.

BACKGROUND

In accordance with the Local Government Municipal Planning and Performance Management Regulations (R. 796 of 2001) made in terms of the Municipal Systems Act, the reviewed Amathole District SDF sets out to:

- *Identify the key spatial development features (trends and dynamics) currently applicable in the Amathole District Municipality;*
- *Establish the objectives of the Amathole District Municipality in relation to spatial development in its area of jurisdiction, with particular emphasis on clarifying the principles to be followed in the management of such spatial development in the area;*
- *Identify the Municipality's strategies and policies that are adopted to achieve its spatial development objectives. These focus on:*

The ADM SDF illustrates the above information on maps; and set out basic guidelines for a land use management system in Amathole District Municipality, with due acknowledgement of the fact that the District Municipality itself is not a land use regulator in the first instance.

FEATURES OF SDF

The Amathole District Municipality is not a land use regulator in the first instance. Therefore, given that the District Municipality has as one of its core functions the responsibility of supporting Local Municipalities within the Amathole district to carry out their assigned responsibilities and statutory functions, the District SDF is designed to: -

- Act as a ***spatial expression*** of the District Municipality's IDP in so far as it aims to illustrate:
 - The spatial dimensions
 - The key informants to spatial development
 -

It is important to note that, at this juncture, each of the Local Municipalities in the Amathole District has in place a Spatial Development Framework, either approved as an alone-standing document or as a component of their IDPs.

This means that the District SDF is not formulated to duplicate the information contained in the LM SDFs but rather to establish at a broader level key principles and guidelines that could be used by Local Municipalities to inform the prioritisation of development and related investment decisions on a spatial basis.

KEY ELEMENTS

The following is a brief description of the key elements making up the current ADM SDF

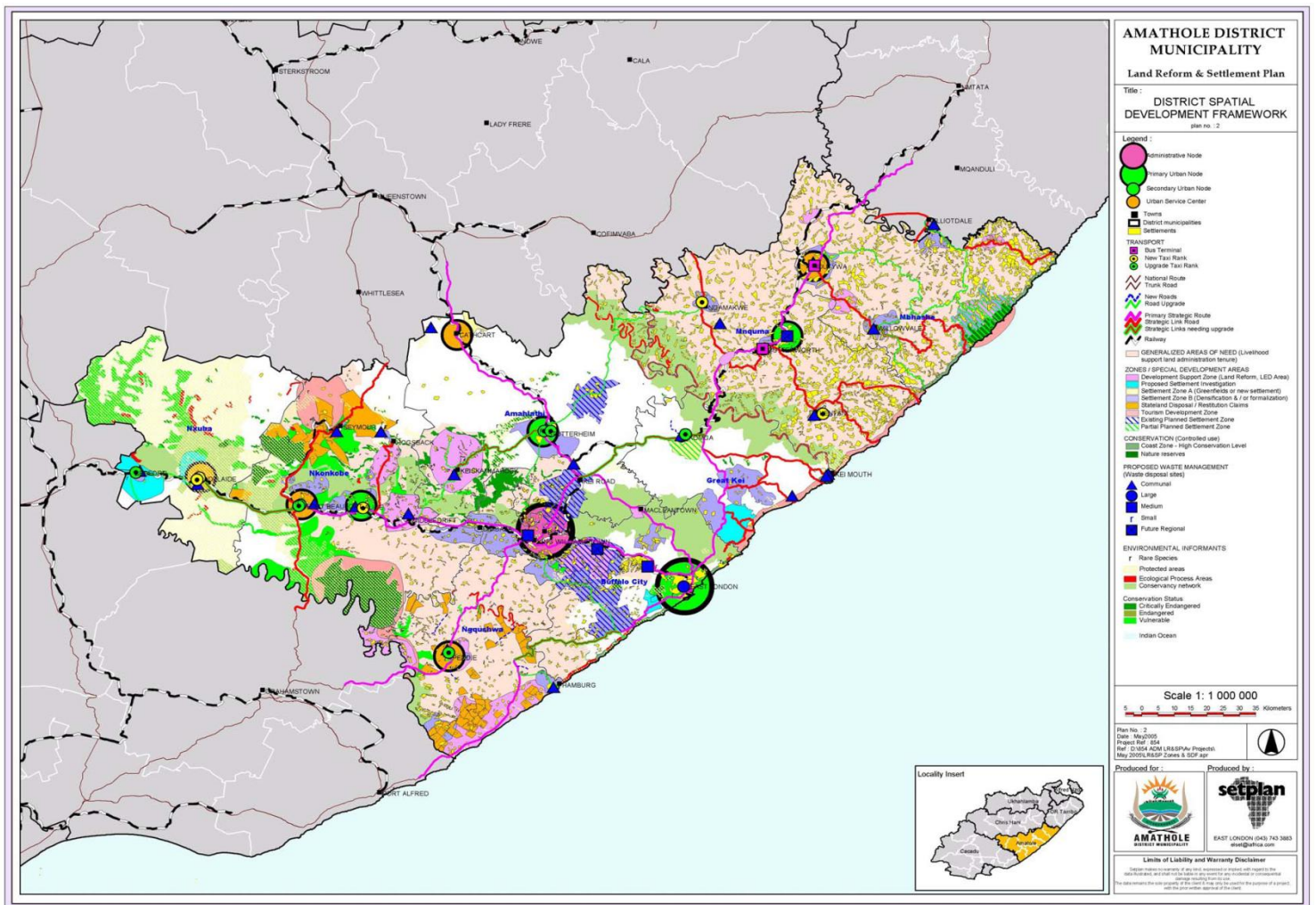
- A Hierarchy of Settlements
- The Identification of Special Development Areas

Comment on the Environmental Impact of the Proposed SDF

- ***Special Development Areas***

Finally, the ADM SDF includes a brief comment on the likely environmental impact and or consequences of the proposals contained in the SDF. These comments do not constitute a comprehensive assessment of the spatial proposals but merely highlight four areas where proposed key road developments or extended special development areas are located within or close to areas of known environmental sensitivity.

The District Spatial Development Framework is illustrated for reference purposes.



STRUCTURE OF SDF

In line with above, the review will set out the following: -

THE SPATIAL ANALYSIS AS PER MAPPING PROCESS

These are focussing on

- ❖ Locality
- ❖ Natural environment
- ❖ Bio-physical environment
- ❖ Demographics
- ❖ Land Use (Land Cover)
- ❖ Basic infrastructure
- ❖ Social infrastructure
- ❖ Socio-economics
- ❖ Land issues and
- ❖ Key environment informants

[SEE COMPREHENSIVE MAPS IN THE SDF PLAN BELOW]

KEY FOCUS AREAS OF DEVELOPMENT

Based on a consideration of the information set out in various Plans as well as a perusing documents listed in the IDP, the following are taken as key focus areas for spatial development in the Amathole district: -

- As a Water Services Authority in seven of the eight Local Municipalities, the focus of ADM's efforts in the provision of water and sanitation services

- Recognising the low level of socio-economic well-being of the majority of the communities residing in the district, ADM has placed a strong focus on the facilitation and support of economic development, especially through its Economic Development Agency, ASPIRE.
- Natural resource based enterprises (agriculture and forestry relating to enterprises such as bio-fuels, high-value crops, cotton, wool, leather, hemp, timber etc.).
- The spatial dimensions of the above focus on economic development are identified as “Locality-Based Spatial Development”, which includes district-wide initiatives as well as spatially specific initiatives aimed at identified development nodes (towns or centres) and transport Corridors. It seems clear that the emphasis is likely to fall in the first instance on the regeneration of the urban economies of towns located within the Corridors associated with the main transport routes of the N2, the N6, the R63 and the R72.
- Given the fragmented nature of the settlement pattern in the Amathole district, a clear emphasis is placed on the development over time of improved access linkages to areas where development investment and/or development potential has been identified.
- Land Reform and its correlative, Agrarian Reform remains a key area of focus in the district,.
- Finally, accepting its mandate to foster sustainable development, all spatial development in the Amathole district is to be mediated by a consideration of the environment,

KEY POLICY AND LEGAL INFORMANTS

The following are clear informants of the SDF analysis

- *The Municipal Systems Act (Act 32 of 2000)*
- *The Development Facilitation Act (Act 67 of 1995)*
- *The White Paper in Wise Land Use: Spatial Planning and Land Use Management (March 2001); and*
- *The Draft Land Use Management Bill (April, 2008)*

The above laws and policy documents provide the foundations for establishing the parameters of a Spatial Development Framework.

There are several other pieces of legislation that had to be considered in the drafting of a SDF. The most noteworthy are outlined in the table below: -

- The Environment Conservation Act (No. 73 of 1989)
- The National Environment Management Bio-Diversity Act (No. 10 of 2004)
- The National Heritage Resources Act (No. 25 of 1999)
- The National Environment Management Act (NEMA – No. 107 of 1998)
- The National Forests Act (No. 84 of 1998)
- The National Water Act (No. 36 of 1998)

The National Spatial Development Perspective

In essence, the NSDP proposes that an approach must be followed in spatial and development planning that takes into account (as a principle informant or guide to investment decisions), the realities of the economic development potential of different areas where the public sector wishes to (or needs to) invest. This imperative is balanced by the acknowledgement that the legacies of Apartheid spatial development have ensured a fragmented pattern of development so that it remains the case that the majority of people today live in areas removed from such economic development potential.

The NSDP suggests that economic development potential may be classified in terms of broad categories (i.e. Categories of Development Potential) and that, moreover, such potential will not be uniformly distributed but is likely to be associated with certain conditions that enhance development potential.

In this, the explicit notion is set out that a strategic approach to development would imply targeting investment and planning strategies in areas where economic development potential is identified, in order to realise a sustainable return on investments and generate a surplus (in the form of service charges, rates and taxes levied, and/or tax payments to the national fiscus).

The direct implication of the NSDP approach is that the Amathole District Municipality (and its constituent Local Municipalities) is:

- Prioritise investment in areas and sectors of productive potential
- Plan to integrate peripheral areas and improve the value and quality of social goods (education & training, health services etc.) and access to opportunities (Roads upgrade and maintenance etc.) in these areas

- Lobby government (National & Provincial) to acknowledge the District's status as a key element of the national economy that requires sustained support and intervention.

THE PROVINCIAL GROWTH AND DEVELOPMENT PLAN (PGDP)

The EC Provincial Growth and Development Plan (PGDP) provides a strategic framework, sectoral strategies and programmes aimed at achieving a rapid improvement in the quality of life for the poorest people of the Province.

The strategy framework for growth and development is expressed overall in terms of Six Strategic objectives, which are aligned to the ADM DSDF.

THE PROVINCIAL SPATIAL DEVELOPMENT PLAN

The following principles outline the fundamental strategy promoted by the Eastern Cape Province, in the draft *Eastern Cape Provincial Spatial Plan*.

- The optimal organisation of space, such that services and resources are balanced against the level of service and resource needs of the settlement and surrounding areas.
- The meeting of basic human needs and constitutional rights of individuals.
- The building of capacity.
- The attraction of investment.

These suggest that at a Provincial level the approach to development is one of ensuring that development occurs in those areas in which it will service the most people and allow for the most efficient maintenance of such resources.

The challenge for the Amathole District Municipality is therefore in creating the ability to use these principles in the development of the district.

THE FRAMEWORK

Core principles

The following principles for spatial development are adapted from the National Spatial Development Perspective, 2006: -

- ECONOMIC GROWTH;
- The ADM has to PROVIDE OR FACILITATE THE PROVISION OF BASIC SERVICES to all citizens in the district wherever they reside;
- ADM will FOCUS SPENDING ON FIXED INVESTMENT IN LOCALITIES OF ECONOMIC GROWTH AND/OR ECONOMIC GROWTH POTENTIAL
- REDRESSING SOCIAL INEQUALITIES SHOULD BE FOCUSED ON PEOPLE AND NOT ON PLACES
- INVESTMENT SHOULD BE DIRECTED AT LAND DEVELOPMENT AND ECONOMIC DEVELOPMENT IN IDENTIFIED ACTIVITY CORRIDORS AND DEVELOPMENT NODES that are adjacent to or link existing major centres of growth

SPATIAL OBJECTIVES & STRATEGIES

Integrating the above core principles for the SDF with the key focus areas for development of the ADM as set out and arranged relevant **"Themes" and CLEAR Objectives**

These Themes are as follows: -

- Basic Needs
- Spatial Fragmentation
- Linkages and Access
- Land Use Management
- Environmental Management

SPATIAL STRUCTURING ELEMENTS

The District Spatial Development Framework is comprised of a number of structuring elements (or "building blocks") that are derived from a variety of inputs, including: -

- The Corridor Programme of ASPIRE
- The proposals of the Land Reform & Settlement Plan
- A consideration of inputs provided by various Sector Plans compiled by the Amathole District Municipality, primarily the reviewed Water Services Development Plan

- Inputs provided by the Amathole District Integrated Environmental Management Plan and Integrated Coastal Management Plan as well as the spatial data in the Eastern Cape Biodiversity Conservation Plan

The following are structuring elements :-

- **District-Scale Development Corridors**
- **Key Development Nodes**
- **Special Development Areas**

IMPLEMENTATION

As part of the implementation of the District Spatial Development Framework the following is proposed in regard to devising an acceptable institutional arrangement in relation to the provision of the spatial planning and land use management function: -

- ❖ In the coming 3-year planning cycle, it is the priority for the Amathole District Municipality, together with the Department of Local Government & Traditional Affairs and the Local Municipalities in the District to investigate the feasibility of developing a “Shared Services” approach to providing the necessary capacity to undertake or manage proper spatial planning and land use management within each local municipal area.

❑ HOUSING / HUMAN SETTLEMENTS

Amathole District Municipality plays a role with regard to housing development or sustainable human settlements development in our area, as outlined in the ADM Housing Strategy, (REVIEWED 2008/9) (IDP Sector Plan),

Further, Amathole District Municipality made a clear commitment in the provision of sustainable human settlements through housing development in line with applicable legislative and policy provisions.

The Constitution of the Republic of South Africa, Act 108 of 1996 as amended defines the housing function as a concurrent competency of both National and Provincial spheres of Government..

Further outline of the ADM role in the Housing development is as enshrined in various legislative and policy framework as outlined hereunder :

These detailed are the following relevant laws and policies applicable to the housing service delivery arena:

- The Constitution, Act No. 108 of 1996 :
- The Housing Act, 1997 (Act No. 107 of 1997) :
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (1998) :
- The Housing Consumers Protection Measures Act of 1998
- The Rental Housing Act of 1999
- Home Loan and Mortgage Disclosure Act of 2000
- Act 26 of 2002: Disestablishment of South African Trust Limited Act, 2002
- National Environmental Management Act 1998 (Act no. 107 of 1998)
- Growth Employment and Redistribution Programme (GEAR)
- National Spatial Development Perspective
- Provincial Growth and Development Plan
- Provincial Spatial Development Plan
- Strategic Framework for Development of Sustainable Human Settlements in the Eastern Cape 2007 - 20014

Therefore the role and responsibility assigned to Amathole District Municipality is not defined between any tier of local government in the legislative and policy environment except for assignment of such responsibility to local government.

Based on the above legislative environmental analysis, Amathole District Municipality with its eight Local Municipality agreed then that it assumes the direct responsibility of addressing the housing needs of its inhabitants in the manner outlined hereunder.

This approach is as detailed in its revised Housing Strategy, 2007/8 (IDP Sector Plan). The outline of such a role identified through a clear participatory process, endorsed by all spheres of Government is as detailed hereunder:

ROLE	FUNCTION
Guide	Development of Municipal Housing Sector Plans Help set up appropriate designed municipal housing institutional arrangements Development of user friendly manuals/models/systems (PHP models, contracts for contractors, suppliers and consultants)
Support	The planning and implementation of subsidy projects (Land, house designs, and quality, town planning layout, etc.) towards integrated settlements
	Help in monitoring housing projects
	Development and implementation of housing capacity development programmes

Coordinate	Funding for housing related bulk infrastructure and social infrastructure
	Participation of housing institutions and other relevant support agencies in local municipalities
	Formulation and review of housing policy and legislation
	Implementation, monitoring and evaluation of local municipality housing sector plans
	Documentation and sharing of lessons learnt
Advocate	Provincially, nationally and internationally for local municipalities
Implement	Where there is need (determined by both local and district municipalities) the ADM will directly implement subsidy protects in a manner that capacitates the local municipality concerned so as to perform this function in the near future

In doing so Amathole District Municipality has not lost sight of its role as a District Municipality to give a supportive role to Local Municipalities in terms of Section 83 (3) of the Municipal Structure Act, Act 117 of 1998.

Therefore the clear role of Amathole District Municipality is as outlined in the Revised Housing Strategy. As mentioned above the Plan on human settlements serves as a guiding framework for the strategic engagement of the ADM in housing development including its role in supporting the 8 Category B municipalities within its area of jurisdiction

❖ **POLICY AND LEGISLATIVE FRAMEWORK**

- *Policy matter*

In the Budget speech for the Minister of Housing identified key strategic areas to be focussed on

- Prioritization of informal settlement eradication;
- Eradicating corrupt practices;
- Occupancy audits;
- Emergency Housing;
- Urbanization – ensuring rural development
- Subsidized rental stock;
- Forfeiture of provincial funds in cases of under spending;
- Housing Development Agency – availing land and inner city revitalization

- ***“Breaking New Ground Policy”.***

Of specific importance, is the policy change introduced by the National Department of Housing in 2004. Cabinet approved in September 2004, the Department of Housing’s new plan of action, i.e. *“Breaking New Ground”*. This policy outlines a comprehensive plan “for the development of sustainable human settlements in the next five years”. The main thrust of this policy was to engage with socio-economic issues around human settlements.

CONTENT OF "BREAKING NEW GROUND"

"*Breaking New Ground* is unequivocal about the housing programme's responsibility in the creation of viable human settlements. This notion of housing as a leverage for influencing and controlling the way human settlements develop, is significant. While encapsulating the aim of creating integrated settlements, the nature of the housing programme to date has in effect been biased towards meeting delivery targets. The new plan makes clear in its objectives that housing provision should address poverty alleviation, economic growth, improving the quality of life of the poor, creating an asset for the poor and ultimately developing sustainable human settlements (DoH 2004). In other words, housing delivery is more explicitly framed as a catalyst for achieving a set of broader socio-economic goals. The Minister of Housing's Budget vote speech to Parliament in June 2004 echoed this shift when she said that the programme aims at promoting good governance and attaining sustainable, integrated human settlements."

Democracy and Delivery: Urban Policy in South Africa – Edited by Udesb Pillay, Richard Tomlinson & Jacques du Toit, 2006

This Policy shift outlines for the development of sustainable human settlements for the next five years. It also contains few fundamental, radical policy shifts and outlines challenges in Housing.

This is a shift from housing to development of human settlements with all facets including Housing, Local Amenities, Business, Local Economic development etc. The Plan therefore focuses on improving the quality of living environments, new tenure options, integration, fast-tracking delivery, capacity building and anti-corruption measures.

However, these changes impact on an incremental basis during the review process of the Amathole District Municipality Housing Strategy, and are able to find their way in the Strategic document. Therefore ADM Housing Strategy had taken shape to such new policy shifts.

❖ **REVISED TECHNICAL NORMS AND STANDARDS FOR THE CONSTRUCTION OF STAND ALONE RESIDENTIAL DWELLINGS FINANCED THROUGH NATIONAL HOUSING PROGRAMMES**

Part 3 of the National Housing Code, 2007, (Version 1) introduced new minimum technical norms and standards in respect of serviced residential stands and houses to be constructed as part of the National Housing Programme. These standards are applicable in line with General Principles set out

The norms and standards are comprehensive and contained and outline inter alia:

Water	:	single standpipe
Sanitation	:	VIP
Roads	:	Graded / gravel road to each stand
Stormwater	:	line open channels

Street light : High mast security

House size : 40m2

– **The funding for the provision of municipal engineering services**

The use of the annual housing funding allocation from the Integrated Housing and Human Settlement Development Fund (IHDF) for the financing of such internal services may only be approved as an option of last resort.

❖ **POLICY PROGRAMMES**

The following policy programmes have also been analysed in line with the Municipal role as outlined above. This include their impact thereon :

- INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME
- PEOPLE'S HOUSING PROCESS (PHP) DELIVERY MECHANISM/ COMMUNITY DRIVEN HOUSING INITIATIVES (CoDHI) POLICY FRAMEWORK
- UPGRADING OF INFORMAL SETTLEMENTS
- INCREMENTAL INTERVENTIONS: EMERGENCY HOUSING PROGRAMME

❖ **HOUSING NEEDS**

The ADM revised Housing Strategy, clearly and comprehensively analyse the housing needs in ADM. The analysis of the housing needs in ADM as qualified and quantified in various documents by different government institutions has been analysed.

Housing Needs

MUNICIPALITY	IDEA 2000	Expressed Needs	IDEA 2000	Expressed Needs	IDEA 2000	Expressed Needs	Average Needs	Approved Houses	% Shortfall
	Urban Needs		Rural Needs		Total Needs				
Amahlathi	1 865	9 000	18 862	9 000	20 727	18 000	19 364	5 880	70%
Great Kei	679	7 000	4 833	10 000	5 512	17 000	11 256	1 509	87%
Mbashe	879	7 500	39 572	14 400	40 451	21 900	31 176	8 457	73%
Mnquma	4 613	8 500	34 379	16 200	38 992	24 700	31 846	6 554	79%
Ngqushwa	1 578	7 500	6 578	13 800	8 156	21 300	14 728	1 920	87%
Nkonkobe	2 023	9 500	10 184	14 200	12 207	23 700	17 954	10 636	41%
Nxuba	630	3 000	574	0	1 204	3 000	2 102	2 462	-17%
Total	12 267	52 000	114 982	77 600	127 249	129 600	128 425	37 418	70%

An analysis of the above figures indicates that a difference exists between the Expressed Needs and the Idea 2000 needs, with Idea 2000 figures placing more emphasis on rural needs. In contrast herewith, Municipalities generally placed more emphasis on the urban needs. A comparison of the total needs indicate that approximately 128 425 units need to be erected within the District area, excluding the area of jurisdiction of the BCM.

Further, All municipalities with the exception of Buffalo City expressed a much stronger need for urban housing than empirically determined through IDEA 2000. Generally, this is in line with observed migration from villages to small towns in many municipalities as mentioned above. In contrast to the other municipalities Buffalo City expressed a very low need for urban housing.

With regard to rural housing the expressed needs differ strongly. Amahlathi, Mbashe and Mnquma expressed a far lower need than IDEA 2000. All other municipalities expressed greater need for rural housing than the empirical method.

A clear detail of Housing Needs according to each Municipality and their IDPs is detailed comprehensively in the Strategy document.

The "Strategic Framework for Development of Sustainable Human Settlements in the Eastern Cape 2007 – 2014" stated that the housing need in ADM's area of operation is as follows:

Informal dwellings = 82 350;

Backyard Shacks = 20 067;

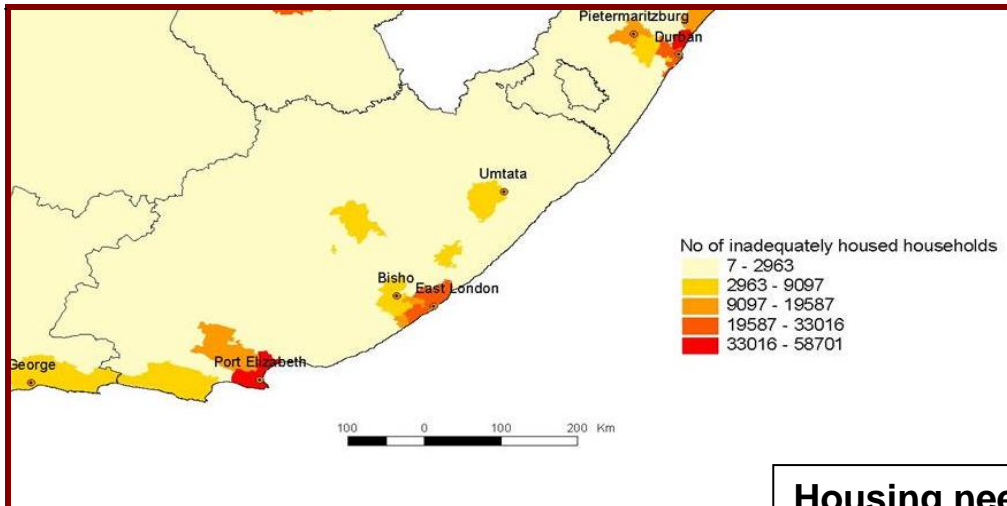
Traditional Dwellings = 128 861 and

Total Need = 231 278.

- **Needs according to National Department of Housing**

The National Department of Housing estimates the housing backlog for the Eastern Cape at 223 427 units out of a National backlog of 2 202 519 units. These figures are based on the Census, (Statistics SA). No detailed figures for ADM are available from the National Department of Housing.

The map published on the website of the National Department of Housing indicates areas of different need in the Eastern Cape Province. Although the map lacks detail, the largest needs in ADM occur in and north of Buffalo City as well as along the N2 around Butterworth.



Housing needs

– HOUSEHOLDS IN THE LOCAL MUNICIPALITIES

The trend towards growth in the number of households continues at a local municipal level, even within those municipalities showing a significant decrease in population.

Estimated Households Change

Municipality	Census 1996	Census 2001	% Change (1996 - 2001)	Community Survey 2007	% Change (2001 - 2007)	Total Change (1996 - 2007)
Amahlati	29 200	34 303	14.88%	36 389	5.73%	7 189
Buffalo City	160 300	191 234	16.18%	208 389	8.23%	48 089
Great Kei	8 400	11 365	26.09%	11 957	4.95%	3 557
Mbhashe	48 800	52 886	7.73%	59 705	11.42%	10 905
Mnquma	60 000	66 843	10.24%	75 410	11.36%	15 410
Ngqushwa	20 700	21 634	4.32%	25 564	15.37%	4 864
Nkonkobe	28 500	32 178	11.43%	34 890	7.77%	6 390
Nxuba	5 400	6 549	17.54%	6 277	-4.33%	877
Total ADM	361 300	416 992	13.36%	458 581	9.07%	97 281

– AVERAGE HOUSEHOLD SIZE

With the static population growth and the growth of the number of households within the ADM area, it is clear that households are becoming smaller and smaller.

Estimated Household Size Change

Municipality	Census 1996	Census 2001	% Change (1996 - 2001)	Community Survey 2007	% Change (2001 - 2007)	Total Change (1996 - 2007)	%
Amahlati	4.74	4.05	-16.97%	3.10	-30.80%	- 1.64	
Buffalo City	4.28	3.66	-17.01%	3.48	-5.25%	- 0.80	
Great Kei	4.81	3.91	-23.11%	2.79	-39.93%	- 2.02	
Mbhashe	5.05	4.79	-5.34%	4.39	-9.14%	- 0.66	
Mnquma	4.87	4.30	-13.15%	3.95	-9.04%	- 0.92	
Ngqushwa	4.58	3.89	-17.79%	3.25	-19.75%	- 1.33	
Nkonkobe	5.07	4.00	-26.68%	3.73	-7.26%	- 1.34	
Nxuba	4.59	3.79	-21.28%	3.42	-10.73%	- 1.17	
Total ADM	4.62	3.98	-15.82%	3.63	-9.77%	- 0.99	

All local municipalities saw the number of households increase and the average size of households shrink, even though there were significant declines in the population in many areas.

- HIV & AIDS

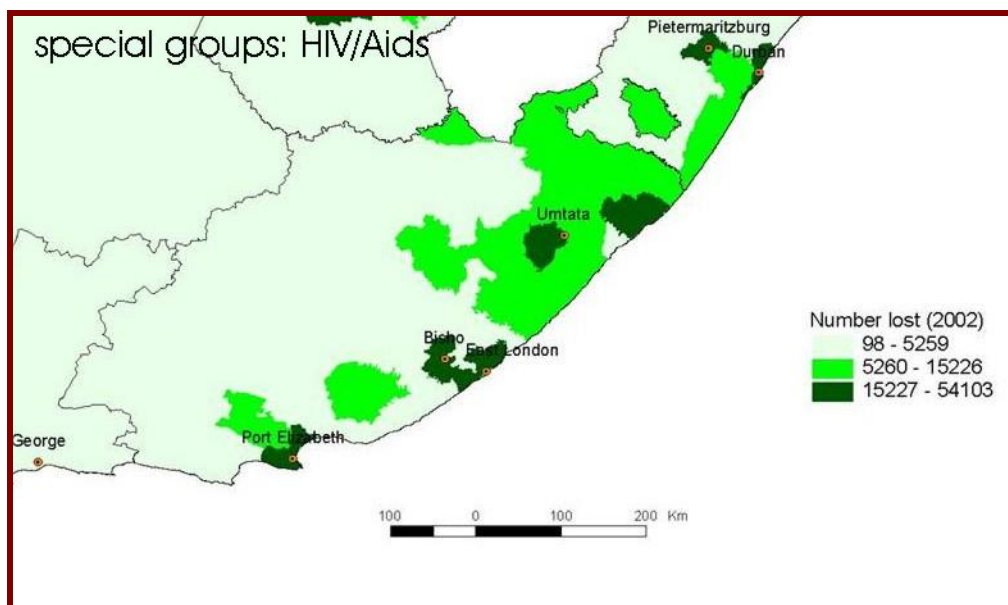
√ IMPACT OF HIV & AIDS ON POPULATION

HIV & AIDS is a significant contributing factor to the changes in demographic data.

The Provincial Housing Development Plan indicates that the death rate as a result of HIV & AIDS in the Eastern Cape is likely to increase over the next few years but is likely to level off at about 2013 as the gradual saturation of the "at-risk" population and the anticipated behavioural changes take effect over time.

A map indicating the prevalence of HIV and AIDS in the country is as outlined below.

In respect of the Amathole District Municipality area, the largest number of lives has been lost in Buffalo City, followed by Mnquma, Mbashe and Nkonkobe areas.



√ IMPACT OF HIV & AIDS ON HOUSEHOLDS

There is currently no quantitative data on the impact of HIV & AIDS on the numbers and sizes of households available. However, the Buffalo City Municipality Housing Policy notes that:

A further challenge related to HIV & AIDS in respect of housing is that households affected by HIV & AIDS, generally have less income, but increased expenses, which impacts directly on their ability to pay for housing related costs such as rates and services.

√ IMPACT OF HIV & AIDS ON MIGRATION

No quantitative data is available in respect to this issue either. It may however be assumed that access to better health facilities might motivate HIV infected people to migrate towards those areas with more adequate health care centres.

❖ DISABILITIES

The Housing Strategy document, shows that more than 5% of all ADM residents are disabled.

Disabled applicants may receive a full housing subsidy, and do not have to make own contributions.

❖ KEY ISSUES AS IDENTIFIED DURING THE ANALYSIS

The following issues of strategic nature have been identified as key issues for consideration and inform the proposed Housing Strategy Review of the ADM :

- In terms of the demographic profile the household sizes are **decreasing by approximately 27%** and this should be brought into consideration in all forward planning exercises;
- Currently, **no quantitative data on the impact of HIV/AIDS**
- The Housing Needs in respect of the ADM area of jurisdiction should be scientifically determined by means of comprehensive district wide needs being Changes in households size; Age and gender distribution; Impact of HIV and AIDS; Economic mainstreaming of potential beneficiaries; Completed and/or approved housing projects; and Migration patterns, etc.
- The **infrastructure related needs** be quantified;
- **Existing water and sanitation needs** as per the ADM WSDP should be evaluated **against the existing housing needs**
- **Alignment of new housing related bulk and connector**
- House construction relatively slow rate of delivery –
- Rectification Programme should be quantified as soon as possible,

Based on the above analysis a clear forward planning in terms of addressing housing development within the District will be enhanced.

□ **DEVELOPMENT PLANNING AND SURVEY**

The Amathole District Municipality LRSP outlines mechanism for settlement and Land Development. The said Plan further outlines typical spatial patterns of land use and settlement that apply in difficult parts of ADM. Therefore a need to pursue land reform that would achieve to redress and bolster livelihood of communities with land needs for settlement and livelihood was apparent.

The strategic consideration of such is therefore linked to the fact that three types of settlement were identified and those can only be enhanced through proper and organized methods of planning and survey utilizing acceptable principles and laws. Therefore in terms of this approach Amathole District Municipality guided by the IDP LRSP and other principles, provides for creation, implementation and management of sustainable planning process to regulate land uses in order to improve the quality of life of its citizens.

In this approach the Guiding Principles of land development as enshrined in Chapter 1 of the Development Facilitation Act, Act 67 of 1995 apply.

CONCLUSION

Therefore ADM in ensuring that this fundamental Constitutional dream is enhanced has swiftly agreed to the concept of **“We fast-track land development.”**

2.1.4.3 Corporate Services

(A) HUMAN RESOURCES

ORGANISATION AND ESTABLISHMENT PLAN

INTRODUCTION:

Section 66 of the Local Government: The Municipal Systems Act (Act No 32 of 2000) requires a Municipal Manager to, within a policy framework determined by the Municipal Council and subject to any applicable legislation, establish a mechanism to regularly evaluate the staff establishment of a Municipality and, if necessary, review the staff establishment.

Institutional Structure of ADM

The institutional structure of ADM is divided into two levels, namely, Political and Administrative structures. The Administrative structure is accountable to the Political structure.

Political Structure of ADM:

The principalship of ADM lies with Council under the Chairpersonship of The Speaker and it operates a number of committees that assist in the realization of the Council's mandates. Listed below are the committees that assist Council in carrying out its responsibilities:-

- Oversight Committee
- Rules Committee
- Audit Committee
- Performance Audit Committee
- District Speaker's Forum
- Committee on Public Participation
- Standing Committees:
 - a) Infrastructure
 - b) HR and Administration
 - c) Community Services
 - d) Planning & Development
- District Mayors Forum
- Intergovernmental Relations Committee
- Local Labour Forum
- Remunerations Committee

- Special Programmes Forum
- Skills Development and Employment Equity Committee

The Committees listed above are established in terms of Sections 79 and 80 of the Local Government Municipal Structures Act (Act no 117 of 1998).

Administrative Structure of ADM:

The principalship of the Administrative structure lies with the Executive Mayor who runs the institution with a number of Departments and various units reporting directly to the Municipal Manager who is accountable to the Executive Mayor..

The Existing Administrative Structure can be illustrated as follows:-

FUNCTIONS:

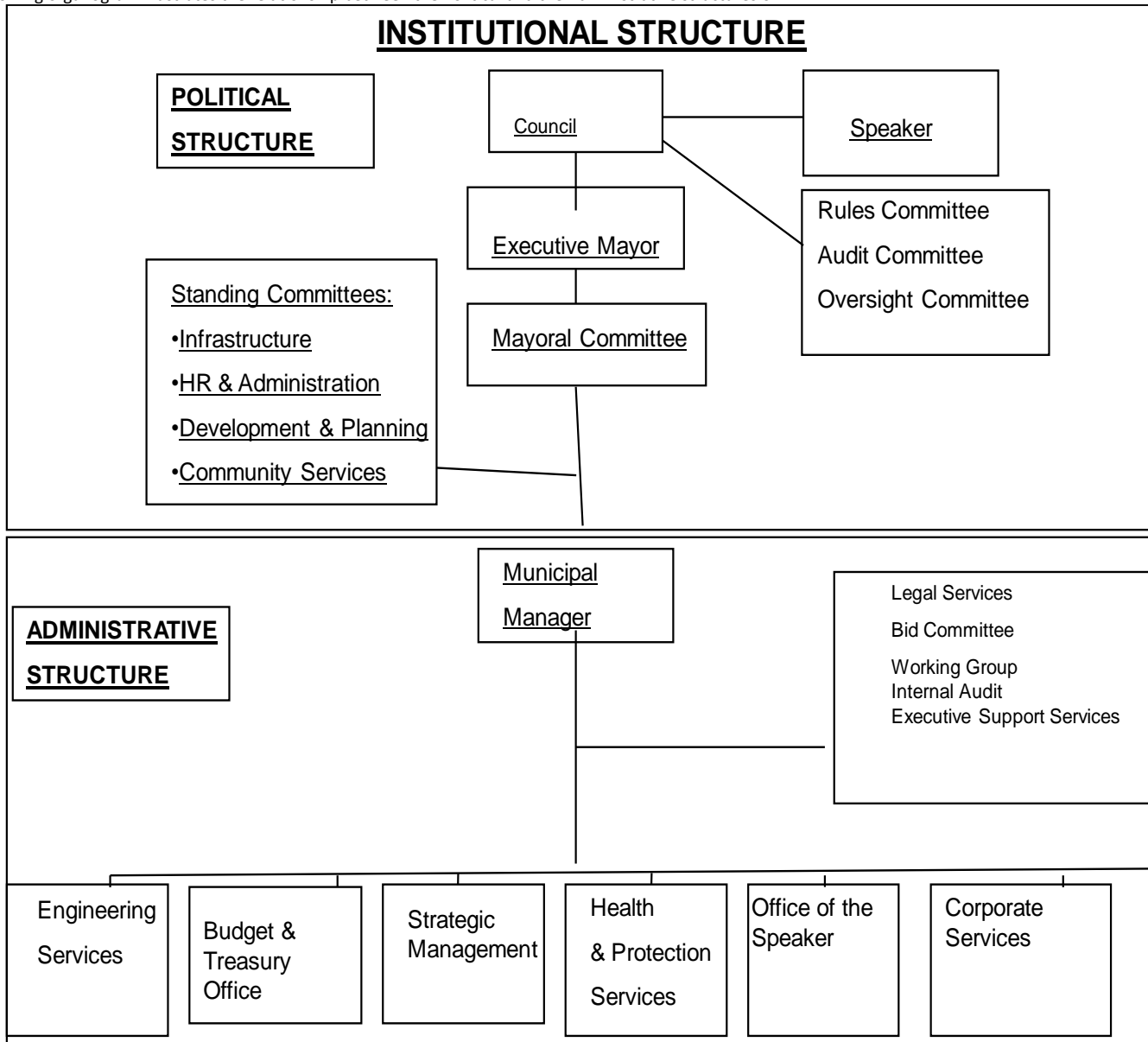
- The Management of the Municipality;
- The rendering of Executive Support Services;
- The rendering of Engineering Services;
- The rendering of Health and Protection Services;
- The rendering of Corporate Services;
- The rendering of Financial Management Services;
- The administration of Land, Human Settlements and Economic Development;
- The rendering of Support to the Office of the Speaker;

Out of the functions identified, Council approved the creation of the following eight departments:-

1. The Municipal Manager's Office.
2. The Executive Support Services
3. The Engineering Services

4. The Health and Protection Services
5. The Corporate Services
6. The Budget and Treasury Office
7. The Office of the Speaker
8. The Land, Human Settlement and Economic Development

The following organogram illustrates the relationship between the Political and the Administrative structures of ADM:-



SUMMARY OF ADM'S APPROVED ORGANOGRAM

NO	DEPARTMENT	BRANCH	DIVISION
1.	Municipal Manager's Office	Strategic Planning and Management	SDBIP,PMS and IDP
			Municipal Support
			Information Systems Management
2.	Executive Support Services	Personal Assistance	Internal Audit
			Communications Media Relations
			Special Programmes
			IGR and MIR

3.	Corporate Services	Organisational Development and Recruitment, HRD and Employee Wellness, LR and Occupational Safety Services	OD and Recruitment
			Human Resource Development and Employee Wellness
		Personnel Administration, Auxiliary and Council Support Services	Labour Relations and Occupational Safety
			Personnel Administration
4.	Engineering Services	Project Management Unit	Mbashe, Great Kei
			Mnquma , Amahlathi
			Nxuba, Nkonkobe , Ngqushwa
		Water Services Authority	
		Water Services Provision: Operations and Maintenance	East
			West
			Central
			Planning & Refurbishment
			Whelan
		Building and Services Planning	Water Care
			Solid waste
			Transport Planning
			Land Settlements
		5.	Health and Protection Services
Central			
Western			
Protection Services	Midlands		
	Eastern		
	Water Quality Monitoring		
6.	Budget and Treasury	Expenditure, Accounting & Reporting	Fire Fighting Services
			Disaster Management
			Community Safety Services
			Expenditure
		WSA: Financial Management	Budget and General
			Accounting and Reporting
			Supply Chain Management
7.	Office of the Speaker		Revenue Services
8.	Land, Human Settlements and Economic Development	Land, Human Settlements and Economic Development	Land Administration
			Housing Projects
		Local Economic Development	Agriculture
			Heritage Management
			Environmental Management

The following table illustrates the number of positions per department, per unit and whether the positions were filled or not as at 31 October 2009.

A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS / SECTIONS			
Department	Branch/ Division / Section / Post	Total	Filled
Municipal Manager's Office	Municipal Manager	1	1
	Office Administrator: Municipal Manager	1	1
	Senior Manager : Legal Services	1	0
	Personal Assistant to the Municipal Manager	1	0
	Division: Internal Audit	13	11
	Division:Strategic Manager	1	1

A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS / SECTIONS			
Department	Branch/ Division / Section / Post	Total	Filled
	Admin. Support Staff	2	2
	SDBIP,PMS and IDP	1	0
	Division: Municipal Support	12	11
	Division: Information Systems	15	14
TOTAL		48	41
Executive Support Services	Personal Assistance to Executive Members	14	10
	Division: IGR/MIR Programmes	6	5
	Division: Communications and Media Relations	18	15
TOTAL		38	30
Corporate Services	Director	1	1
	Secretary: Director	1	1
	General Manager	1	0
	Branch: Senior Manager : Recr & OD;HRD & EE Wellness; LR and Occupational Safety	1	1
	Admin Assistant	1	0
	Organisational Development & Recruitment	8	7
	HRD & Employee Wellness	10	10
	Labour Relations & Occupational Safety	4	4
	Branch: Senior Manager : Personnel Administration; Auxilliary Services & Council Support	1	1
	Office Administrator	1	1
	Personnel Administration	9	9
	Auxiliary Services	43	43
	Council Support	9	8
TOTAL		90	86
Engineering Services	Director	1	1
	Administration Support Staff	3	3
	Division: Project Management Unit	18	18
	Division: Water Services Authority	6	5
	Division: Water Services Provision: Operations & Maintenance [Transferred position from water services]	792	621
	Division: Building Management & Services Planning	19	13
TOTAL		839	661
Health & Protection Services	Director	1	1
	Secretary: Director	1	1
	Senior Manager	1	1
	Municipal Health Services	31	25
	Water Quality Monitoring	12	12
	Senior Manager: Protection Services	1	1
	Fire Fighting Services	52	50
	Disaster Management	8	6
	Community Safety Services	2	2
TOTAL		109	99
Budget & Treasury Office	Chief Financial Officer	1	1
	Admin. Support Staff	2	1
	Senior Manager: Reporting, Reconciliations and Verification	1	1
	Expenditure	13	10
	Division: Budget & General	8	7
	Senior Manager: WSA FINANCE	1	1
	Revenue Services	64	56
	Accounting & Reporting	5	5
	Supply Chain Management	15	15
	TOTAL	110	97
Office of the Speaker	Director	1	1
	Admin Support Staff	3	3
	Councillor Welfare & Operations	3	2
Total		7	6
Land Human Settlements & Economic Development	Director	1	1
	Land & Housing	2	1
	Land & Human Settlements	18	8

A BREAK DOWN OF POSTS PER DEPARTMENT AND DIVISIONS / SECTIONS			
Department	Branch/ Division / Section / Post	Total	Filled
	Local Economic Development	9	6
	Agriculture	7	5
	Environmental Management	4	4
	Heritage Management	3	3
Total		44	28
GRAND TOTAL		1285	1048

EMPLOYMENT EQUITY PLAN

Legislation : Employment Equity Act (Act 55 of 1998)

Purpose : The plan seeks to achieve reasonable progress towards Employment Equity in the workforce.

After the analysis of the existing employee profile of ADM it was discovered that at ADM *colour is no longer a problem* but the main challenges are the 1) *under-representation of females* and 2) *gross under representation of people with disabilities*.

The EE plan for the period 01 May 2009 to 30 June 2012 will concentrate on addressing the two identified problems.

The following table is an illustration of the status quo as at 30 September 2008. The table also shows national and provincial statistics of the economically active population (EAP).

ADM EMPLOYEE PROFILE- STATUS QUO VS STATS EAP: 30 September 2008

Black = African, Coloured & Indian

DESIGNATED GROUP	TOTAL	PERCENTAGE	PROV	NAT
BLACK	907/952	95%	94%	88%
WOMEN	301/952	32%	54%	46%
Pw Disabilities	2/952	0.2%	2%	2%

As a first step towards addressing the identified problems, it was necessary for ADM to set its targets as well as time frames attached to them.

ADM NUMERICAL GOALS & TARGETS

Black = African, Coloured & Indian

DESIGNATED GROUP	EXISTING	2009/10	2010/11	2011/12	PROV	NAT
BLACK	95%	95%	95%	95%	94%	88%
WOMEN	32%	35%	38%	42%	54%	46%
Pw Disabilities	0.2%	0.3%	0.5%	0.7%	2%	2%

PROGRESS REPORT AS AT 2009/10 FIRST QUARTER

DESIGNATED GROUP	EXISTING	2009/10	30/09/09	2010/11	2011/12
BLACK	95%	95%	96%	95%	95%
WOMEN	32%	35%	35%	38%	42%
Pw Disabilities	0.2%	0.3%	0.2%	0.5%	0.7%

EMPLOYMENT EQUITY REPORT: 1ST QUARTER 2009/10

Employee Profile: Including people with disabilities

Post Level	Male				Total	Female				Total	Grand Total
	African	Coloured	Indian	White		African	Coloured	Indian	White		
Actual	664	29	2	23	718	347	16	5	24	392	1110
%	60%	2.6%	0.2%	2%	65%	31%	1.4%	0.4%	2%	35%	100%
Target %	61.3%	1.3%	0.1%	2.1%	65%	30.3%	1.8%	0.5%	2.6%	35%	100%
Target Numerical	680	14	1	23	718	336	21	6	29	392	1110
Results	U Rep	O Rep	O Rep	O T	OT	O Rep	U Rep	U Rep	U Rep	OT	

Legend

U Rep = Under Representation

O Rep = Over Representation

OT = On Target

Employee Profile: People with disabilities

Post Level	Male				Total	Female				Total	Grand Total
	African	Coloured	Indian	White		African	Coloured	Indian	White		
Actual	1			1							2
%	0.08%			0.08%							1%
Target %	0.1%			0.1%		0.1%					0.3%
Target Numerical	1			1		1					3
Results	OT	N/A	N/A	OT		U Rep	N/A	N/A	N/A		

Legend

OT= On Target

N/A= Not Applicable

LIMITATIONS TOWARDS ACHIEVING GOALS

During the development of the EE plan a number of barriers that may hinder ADM achieving its goals were identified as including

- labour turnover,
- possible restructuring that may be necessary as a result of Buffalo City Municipality becoming a Metro,
- imminent devolution of the Municipal Health Services function
- imminent provincialisation of Primary Health care function
- good practice of placing adverts for General Assistants and Plant Operator positions in the areas where the plants are yields no female applicants. Suspicion that these jobs are taken as male jobs given the type of work these people are doing (digging trenches). As a result Engineering Services continues to increase its male staff
- ADM still do not see females applying for our top and senior management positions. A case in point is during the last 5 positions advertised in top management, of 146 applications received, only 36 were from females and out of those only 3 made it to the short list and only one managed to get the position.
- The breakdown of the applications received per position is as follows:-

No.	Position	Total Applicants	Female Applicants	Total Shortlisted	Shortlisted Females
1.	Director : Land, HS and ED	34	6	5	0
2.	Director : Corp. Services	43	15	5	1
3.	Municipal Manager	25	3	6	0
4.	Strategic Manager	20	5	3	1
5.	Chief Fin. Officer	24	7	5	1
Totals		146	36	24	3

- Numbers of white applicants are also going down by the day
- The suspension of Employee Study Assistance Scheme as a result of Belt Tightening measures.

OPPORTUNITIES/ ENABLERS

Opportunities that were identified include the following:

- embarking on eliminating the identified barriers,
- consideration of giving bursaries to women and people with disabilities,
- in service-training,
- bursaries for rare skills,
- establishing formal relations with the associations dealing with people with disabilities and just discovered that the Office of the Premier has a database for people with disabilities and their educational qualifications and experiences
- planned development of a Human Resource Retention Strategy.
- to integrate goals with the performance management system of all heads of department.
- The imminent development of Talent Retention Strategy
- To ensure that all managers and supervisors participating in ADM selection panels are sensitive to EE issues and always discuss it in their selection sessions in both short listing and interviewing meetings.

JOB EVALUATION UNIT

In terms of the collective agreement concluded by the Eastern Cape Local Government Bargaining Council, ADM and Buffalo City Municipality were commissioned to establish a job evaluation unit for the ADM Region as Demarcated by South African Local Government Bargaining Council, The Municipalities budget for funding of accommodation, employment and other logistical requirements. The process of developing job descriptions for each post has been completed. ADM and local Municipalities under its area of jurisdiction received their final results in 2007 and 2008 and are now waiting for the publication of pay curves attached to the jobs evaluated.

HUMAN RESOURCES DEVELOPMENT UNIT:

Background/Purpose:

The Purpose of the HRD Unit is to deliver accredited, quality training for both employed and unemployed candidates of ADM and Local Municipalities under its jurisdiction. This is in line with the Skills Development Act No. of 97 of 1998, Skills Development Levy Act No. 09 of 1999, South African Quality Assurance (SAQA) Act No 58 of 1995 and Employment Equity Act No 55 of 1998.

The main function of the Unit is to co-ordinate, monitor and evaluate all skills development initiatives to ensure that they enhance Service Delivery and Corporate Governance, improve financial viability of ADM and Local Municipalities within its jurisdiction, stimulate local economic development which would subsequently alleviate poverty.

The focus of the HRD Unit is to ensure that the targeted training is aligned to the following processes;

- National Skills Development Strategy (NSDS): 2005 -2010
- Integrated Development Plan (IDP)
- Sector Skills Plan of the Local Government Sector Education and Training Authority (LGSETA)
- District Growth and Development Strategies
- Eastern Cape Joint Initiative on Priority Skills Acquisition (EC - JIPSA), which was launched in 2008.

Municipal Finance and Administration Learnership Programme (NQF 4)

Re-assessments were conducted and Moderation results were sent to the LGSETA by the Service Provider. Verification and certification of candidates will be conducted by the LGSETA.

Challenges:

The delay in the verification and certification processes. It is anticipated that the Municipal Finance and Administration Learnership Programme will be rolled out on NQF 5 level and this will be a progression from the NQF 4 level.

The Learnership had to be suspended on occasions due to operational obligations by the Department of Finance and also due to the delay in the receipt of funds from the LGSETA.

Wastewater Process Operations Learnership and Water Purification Process Operator Learnership (NQF 2)

All Theory Modules have been completed.

Assessments on the theory programme

The candidates had to undergo coaching at the Water Plants continued to be a major challenge. Coaching has finally been completed and only one proposal was received for accredited assessors to assess and the Service Provider did not meet the required standards. Limited bidding has been requested and assessments will be conducted before the end of the year.

Challenges

Coaching the candidates became a major challenge with the coaches pleading a lack of available time to do so.

Training of Officials and Councillors

All the allocated budget of R1 100.00 was fully utilized for training and development by the end of the 2008/09 Financial Year for both Councillors and Officials.

A sum of R300 000.00 had been allocated for Councillor Training and an actual amount of R310 169.57 was actually utilized for their training and development.

DWAF "Once Off" Training

All planned training interventions were conducted for ex - DWAF employees. Funds were fully utilized.

Experiential Training

A total number of 11 candidates were exposed to the world of work in the last financial year. The learners were placed at the following Departments:

- 02 - Corporate Services
- 03 - Engineering
- 06 - Budget and Treasury Office

There are Departments who are not showing interest in implementing the policy despite the fact that they have been approached to engage candidates.

Bursary on Rare skills

Currently there are three learners on the programme. 1 Female and two Males.

All three are progressing well and the two males are currently undergoing experiential training at Engineering Consultancy Agencies that were approached by ADM with a view to exposing them to parts of the Curriculum that ADM does not offer.

Adult Basic Education

All Local Municipalities were encouraged to take part and a total number of 98 candidates was secured to enroll during 2009. This number also includes candidates who enrolled in 2008.

All sites are currently experiencing a high attendance rate and only when there are emergency operational challenges do some learners fail to attend. The rate of attendance is currently at 97%. Attendance of learners is monitored by the ADM Training Officer and attendance registers are supervised by the Service Provider on site, and a report thereof has been requested by ADM and will be submitted on a monthly basis.

Labour Relations

Secondment of staff to Amatola Water

An agreement was entered into between the ADM and Amatola Water on bulk water service provision in the local municipalities of Mbashe, Mnquma, Great Kei, Amahlathi, Ngqushwa, Nkonkobe and Nxuba. As part of an endeavour to obtain buy-in from labour, it was agreed that all disciplinary issues, save for decisions to dismiss, would be taken care of by the AW. A second phase of secondments took place in June to cover plants not initially catered for during the first instalment.

Challenges

- Confusion on applicable conditions of service such as subsistence and travel eligibility
- Issues of staff discipline

Support to local municipalities in the form of chairing of disciplinary hearings took place during the period under review. A MSU led training intervention on the entire disciplinary process is in was held at the Hogsback Hotel to build the capacity of managers and supervisors at LM level.

Human Resources Retention Strategy

The Corporate Services is in the process of developing a Talent/Human Resources Strategy to attract and retain staff in order to ensure skills and talent remain within the Amathole District Municipality, and to minimise staff turnover. The objective of the initiative is:

- To create a healthy environment in the Municipality
- To identify key/scarce skills needed in the Municipality
- To attract key/scarce skills to the Municipality
- To retain key/scarce skills within the Municipality

Health and Safety

Health and Safety audits continue to expose hazardous practices and situations within the Municipality, especially the water and sanitation sites. The situation is exacerbated by the absence of a clear plan to tackle this, and the lack of funds to deal with refurbishment backlogs.

Protective Clothing

As stated in the Act, the employer must ensure that the Risk Assessment is performed by a competent person before issuing any personal protective equipment.

Challenges

- owing to lack of funds, the situation remains where protective clothing issued to these employees is not aligned to any risk assessment and could in all probability be found unsuitable for the kind of operations that O&M staff are engaged in on a day to day basis. It is still appropriate, given the above, that the responsible department engage the services of a competent risk assessment service provider to appraise the entire situation as it relates to ADM water and sanitation employees.

(B) ADMINISTRATION

Council Support & Auxiliary

As part of the support functions for the success of the Amathole District Municipality in order to fulfil its statutory functions outlined in the Municipal Structures Act, 1998, it is key that the support mechanisms outlined in the Municipal Systems Act, 2000 be put in place.

Part of those support mechanisms include functions related to giving support to Council as well as other ancillary functions and giving support and aid to ADM Council.

Auxiliary Services

The goal of the Auxiliary Services Section is to provide an efficient auxiliary services function to both internal and external departments by providing the following services:

Mainly the objective of the division is to give support to all functionaries of the institutions and hence the majority of services rendered are ongoing

- Asset Management and fleet management;
- Office accommodation;
- Office automation;
- Security services;
- Registry / archives management;
- Switchboard operations;
- Tea serving and cleaning/housekeeping.

Asset Management

Part of the core responsibilities of this core function is to ensure that all Assets of ADM Council, both movable and immovable, are adequately maintained.

In ensuring that this is achieved a process to review the Asset Management Policy is underway and it will also be inclusive of an Asset Maintenance Plan and development of an Asset Maintenance Policy is underway. In this process the verification of such assets will be an exercise aimed at ensuring Council functions effectively and efficiently.

Assets

The ADM has about 226 immovable properties of which a total of more than 100 are in the process of being transferred to some local municipalities in the ADM's area. These include Great Kei and Buffalo City Municipality.

This transfer process is influenced by the assignment of powers and functions in terms of the Section 12 Notices. Various conveyancers are ensuring that this is realized in terms of the Deeds Registries Act, 1937.

Further-more, in managing such assets, provisions of Section 14 of the Municipal Finance Management Act always prevail.

In the process of analysing the current status quo on assets of Council, it became clear that these are not properly secured, including personnel and councillors hence the need to develop a security plan is identified as a key factor.

Challenges

- ✓ Properties were never registered under the name Amathole District Municipality when it succeeded the Amatola District Council, Amatola Regional Services Council and the Divisional Council of Kaffraria
- ✓ There is no Asset Maintenance policy and maintenance plan in place.

Possible intervention

- ✓ Appointment of a Conveyancer to register those properties.
- ✓ **Development** of the Asset Management policy which will be inclusive of the asset maintenance policy and a maintenance plan.

Fleet

In order for Council to function and execute its core responsibility, a requirement being a support aid in the form of fleet was identified. This is a support aid which requires both acquiring and then maintaining.

The ADM's fleet as at 31 January 2010 comprised a total of 205 vehicles which can be categorised as follows:

TYPE OF VEHICLE	TYPE OF VEHICLE
Sedans	26
Trucks	28
Microbuses	3
Fire Engines	4

Mobile Clinics	12
Bakkies	124
Mercedes Benz ML	1
Tractor	3
Panel Van	2
Trailers	2

In the process of ensuring the MFMA provisions are enhanced including property management process the ADM ensures that:

- Adequate control of allocated vehicles by some departments is always enhanced in a manner that designated officials within departments also prioritize the issuing of vehicle's trip authorities, return of keys to relevant Department, submission of accurate logbooks and petrol slips.

It became clearly evident that the appointment of a dedicated official was necessary to manage the fleet operations, as well as to implement the policy on maintenance and manage the software that monitors the local movement of the vehicles. This will assist in ensuring effective service delivery.

Key Challenges existed and are clearly identified and had to be addressed.

Challenges

- Inadequate control of permanently allocated vehicles by some departments;
- High maintenance and fuel costs on old fleet;
- Shortage of fleet
- Late reporting of accidents by staff

Possible interventions

- ✓ Conduct training on handling of disciplinary hearings/enquiries
- ✓ Develop a programme for sitting of the Accident Committee
- ✓ Capacitation of additional staff for prosecution

The process of reviewing the Asset Management Policy is in place and will also aim at addressing maintenance issues of both movable and immovable assets.

Office automation

This is also a key component of the auxiliary function of ADM Council. This is ensured by reviewing, upgrading outdated and expired contracts and facilitation of new ones.

Office accommodation

- Unavailability of office accommodation that will house all the ADM departments. Some departments are housed at 40 Cambridge, Caxton House & the BOE building.

The ADM compiled and adopted the Promotion of Access to Information Manual in August 2003. This was done in compliance to the Promotion of Access to Information Act, Act 20 of 2000.

The main purpose is to give effect to the constitutional right of access to any information that is held by the state and any information that is held by another person and that is required to exercise protection of any rights.

Records/Document Management

The File Plan of the ADM is an index of records held by the ADM. The File Plan was reviewed and approved by the Provincial Archives.

An electronic document management system was installed in 2003.

The purpose of installing the system was to augment the Council's paper based filing system. It was only used for electronic archiving. A process to review/revive DOCUMENTUM is underway.

The Corporate Services Department with Information Technology Unit is undertaking a process of reviewing and reviving the implementation of DOCUMENTUM.

Reviewed Records Management Policy and Records Procedure Manual are in place since 2007, as required by the National Archives Service Act, 43 of 1996.

Challenges

- ✓ Old records are still in possession of the Council
- ✓ Centralisation of records not fully implemented
- ✓ A Records Control Schedule is still in the process of being developed.

Possible intervention

- ✓ Apply for disposal authority and dispose of all files that belong to the old file plan.
- ✓ Management to encourage staff to forward records to the Registry office

Security Services

Security services are also provided to all ADM owned and rented properties. This provision is made in the form of armed responses and security guards. Properties referred to include Caxton House, BOE Building, 40 Cambridge Street, Calgary Conference Centre and Whelan Workshop, sewage treatment works, water works and satellite offices,

During the year of review this service had been extended to waterworks and sewerage works stations.

A risk and security assessment analysis is underway and it will assist the ADM to determine the status of the security and this will enable the municipality to be aware of the security challenges and the areas of improvement.

Council Support Services

The goal of Council Support Services is to provide an effective and efficient support service to the councillors, council committees and various other committees of council, as follows:

This form of support includes provision of Secretariat functions to both Sections 79 and 80 of the Systems Act, 2000 on Municipal Committees. This function also includes other non-statutory meetings, which include IDP Clusters.

- [a] Compilation of accurate agendas and minutes;
- [b] To provide secretariat services and support to Councillors, committees of Council, committees of the Executive Mayor and Speaker;
- [c] To timeously distribute same to all Councillors and Officials before, or within the agreed timeframes;
- [d] To compile accurate minutes of all Council's meetings, meetings of its committees and HOD/Working Group meetings or any other meetings when required to do so;
- [e] To ensure the safekeeping of all Council's records of decision;
- [f] To provide Secretarial Support to the Speaker.
- [g] To support the Speaker with his/her statutory delegated functions;
- [h] To provide welfare support to Councillors.

A further indicative success of this programme includes the development of council calendar linked to the adopted Municipal IDP Process Plan and Budget.

In this approach the uncoordinated delivery of Council documents (Administrative) is avoided. Therefore in board strategic terms Council Support Services include monitoring of legislative compliance.

(C) POWERS AND FUNCTIONS

Districts derive their powers and functions from section 84 (1) of the Structures Act, as amended in 2000 & 2003

The discretion to allocate water, sanitation, electricity and health lies with the Minister of Cooperative Governance & Traditional Affairs (COGTA). According to the latest Municipal Demarcation Board (MDB) report (2009), ADM has no authority on electricity and has not performed that function between 2002 and 2010.

It would appear from the national capacity report (2009) that the following functions are either NOT or are poorly performed by the district; namely: air pollution, child care facilities, municipal airports, municipal public transport, licensing of dogs, markets, abattoirs, pontoons and ferries, care and burial of animals, noise pollution & control of undertakings that sell food to the public. The problem here is two-fold; firstly: non execution of adjusted Powers & Functions: secondly: discretionary vs mandatory nature of Powers & Functions.

ADM (as an institution) is the water services authority and health authority. These being our core functions, mean that a lot of what we do and budget for must centre around them. The manner in which we allocate resources has to reflect this reality.

(D) BY-LAWS

STATUS QUO AND AUDIT OF EXISTING AND REQUIRED AMATHOLE BY-LAWS

In order to establish a municipal code as required by section 15 of the Municipal Systems Act, 32 of 2000, a functional analysis was undertaken and a list of by-laws to be promulgated was compiled. In order to do this, the relevant provisions of the Constitution and various Acts of parliament, as well as assigned functions were considered. The following by-laws were identified for the establishment of a municipal code for the ADM:

- Solid waste disposal
- Water and sanitation services
- Community fire safety
- Passenger and transport services
- Cemeteries and crematoria
- Air pollution
- Customer care and revenue management
- Disaster management
- Municipal health

The following by-laws have been adopted by Council:

- Solid waste disposal – 2004
- Water and sanitation services – 2004
- Community fire safety – 2004
- Passenger and transport services – 2005
- Cemeteries and crematoria – 2006

Since the adoption of the by-laws, national legislation and policies have changed which necessitates a revision of the by-laws to align them with the said changes. At the same time certain drafting matters should be aligned with the S.A. Manual for Legislative Drafting. The factors that are impacting on the existing by-laws and contribute towards the need for amendments are discussed under each heading in paragraph 2. The need for the by-laws not yet promulgated (new by-laws) is discussed under separate headings in paragraph 3.

Status quo of adopted by-laws

Solid Waste Disposal By-law

In giving effect to the guidelines provided in the White Paper on Integrated Pollution and Waste Management for South Africa, produced by the department of Environmental Affairs and Tourism in 2000, municipalities are increasingly adopting measures with the focus on waste minimisation and recycling.

The proposed new by-law not only provides for categorising of waste for recycling purposes, but also takes into consideration the realities of the Amathole District such as different customs, geographical areas and levels of development.

It also deals extensively with the safe transportation of waste and contains clear measures with regard to compliance with the by-law and the enforcement thereof.

Water and Sanitation Services By-law

Parts 1, 2 & 3 of the existing by-law mainly deals with matters relating to the determination of tariffs for water services, payment for services and the measures for collection of debt and restriction of water services because of non-payment, etc. These provisions could have a negative effect on present measures for the setting of tariffs, credit allowance and debt collection as the latter should be dealt with in separate by-laws in terms of sections 75 and 98 of the Municipal Systems Act, 2000, (Act 32 of 2000).

The proposed new by-law has been cleared from these provisions and further deals more clearly with non-compliance with the by-law and the issue of notices in this regard. It also provides for liaison forums in the communities with the purpose of involving communities in the implementation of the by-law.

Community Fire Safety

The public outcry against the use of fire works, especially in urban areas, necessitates the revision of the present by-law to deal with such issues, not only in the interest of public safety, but also in the interest of animal welfare.

The proposed new by-law includes a chapter dealing exclusively with the municipality's powers to designate specific areas for the setting off of fire works, the dealing in fire works as well as the seizure of fire works in certain circumstances.

The grey areas left in service delivery by the division of powers between the district and local municipalities also create frustration and uncertainty among residents. New provisions which provides for the establishment of a joint fire services committee for the district have been included.

The by-law also deals extensively with the possession, storage and handling of hazardous substances which was absent in the 2004 by-law. Measures for the declaration of fire control zones have also been introduced.

Passenger and transport services

The present by-law has been re-formatted to conform to the guidelines of the S.A. Manual for Legislative Drafting. In view of the changes in the public transport legislation over the past years, especially the inception of the National Land Transport Transition Act, Act 22 of 2000, and the Regulations in terms thereof, it is necessary to revisit the existing by-law as a whole.

The said legislation deals extensively with issues such as transport planning and prescribes certain minimum requirements for integrated transport planning at district level (See Regulations published under GN R1119 in GG 30506 dated 30 November 2007).

The issuing of operating licences and the determination of fees at provincial level as well as the functions of the municipality as a transport authority within the framework of the act, confirms the necessity for a revision of the by-law especially against the background of the 2010 Soccer World Cup and the demands it brings to public transport.

Cemeteries and Crematoria

Since the adoption of the 2006 by-law, the national Institute for Environmental and Recreational Management (IERM) commissioned the development of a by-law which not only regulates cemeteries and crematoria, but also allows for future technological developments, the shortage of land for cemeteries etc. This by-law was presented and adopted at the IERM's national conference in Durban in September 2007. At the conference it was resolved that it would be recommended to municipalities to adopt a national standard. It has since been adopted by a number of municipalities and its acceptance by ADM will ensure standardisation.

Issues in the latter by-law which are not dealt with in the 2006 by-law, are related to alternative methods of interment because of the increasing problem with land availability. It gives the municipality the authority to request alternative methods of interment when necessary.

In addition it deals with the burial of destitute persons and also covers the management of private cemeteries. Because of the sensitivity surrounding burials and interment, it provides for the establishment of liaison forums in communities when necessary.

New by-laws

Air pollution

This is a local function listed in Part B of Schedule 4 of the Constitution that has been assigned to ADM. In order to control air pollution a by-law is needed to:

- Establish air pollution control zones.
- Regulate smoke emissions from various sources.
- Regulate offensive odours, dust and fumes.

Council will not be able to enforce any provision without a by-law.

Customer care and revenue management

Various current policies and by-laws deal with financial matters. It is proposed that all financial matters be contained in a single by-law as this will assist with the legal and financial management of the matters contained therein. It will also ensure compliance with sections 75 and 98 of the Systems Act.

Disaster management

Section 55(2) of the Disaster Management Act, 57 of 2002, enables a municipality to make by-laws on a number of matters related to disaster management. The Act, however, contains an anomaly that is addressed by the by-law. The proposed by-law also assists with planning, execution and enforcement.

Municipal health

This is a district function in terms of section 84 of the Municipal Structure's Act, 117 of 1998. A by-law is needed to give effect to the proposed policy for recovery mechanisms for municipal health services. The by-law is far reaching as far as all municipal health matters are concerned and is indispensable if the ADM wishes to comply with section 152(1)(d) of the Constitution (promotion of a safe and healthy environment).

Proposed policy for recovery mechanisms for municipal health services

The proposed policy for the recovery of costs for rendering the municipal health service is a necessity and can be given effect to by adopting and implementing a municipal health services by-law. Such a by-law covers a vast range of activities for which tariffs and fees can be determined. In addition, fines for by-law transgressions will not only contribute to cost recovery, but can also play a major part in the reduction of expenditure if properly implemented and enforced.

Proposed tariff setting for Eastern Regional Solid Waste Site

The document is well prepared and is in line with the legislative requirements mentioned therein. However, it is recommended that these tariffs also be included or integrated with the proposed Customer Care and Revenue Management By-law.

The proposed Waste Management by-law provides for the levying of tariffs and charges determined by the municipality from time to time.

Implementation and enforcement process of by-laws

In terms of section 11(3)(e) of the Municipal Systems Act, 2000 Act 32 of 2000, the municipality exercises its legislative authority by implementing national and provincial legislation and its by-laws.

Section 55(1)(l) further makes the municipal manager responsible and accountable for the implementation of the municipality's by-laws and other legislation. In view of the above and the fact that Constitutional status has been granted to municipal by-laws, it proves that the implementation and enforcement of by-laws should be taken seriously.

The following steps are regarded as important in the process of implementation and enforcement of by-laws:

Capacity to implement

As a first step the municipality will have to determine its capacity to implement and enforce its by-laws. Capacity refers to financial capacity as well as institutional capacity in the form of officials and law enforcement officers to give effect to the by-laws.

It must be remembered that with the adoption of by-laws, certain responsibilities are imposed on the municipality such as the provision of facilities necessary for implementation, e.g. proper waste disposal facilities, proper fire fighting equipment and staff, provision of land for cemeteries, etc. All of these can have major financial implications.

In addition officials and law enforcers must be trained and capacitated to understand the by-laws applicable to their functions and co-ordinated action between the different role players such as the SAPS, National Prosecuting Authority and Dept. of Justice should be promoted.

At the same time a properly functioning legal administration system will be required to render support with legal actions and to monitor performance by keeping statistics and performance scorecards.

Eradication of interference

Experience in the field of law enforcement has shown that negative interference occurs in all spheres of government. Interference is sometimes politically inspired while at other times it is because of bureaucratic differences. Whatever the form of interference, it disrupts law enforcement and creates distrust and uncertainty amongst community members which eventually has a negative impact on service delivery in general. This can be overcome by the establishment of a law enforcement strategy.

Public awareness

It is imperative for successful law enforcement to make the public aware of the by-laws adopted and the reasons for such adoption. It not only promotes transparency and accountability, but also ensures a spirit of acceptance which is a major factor in the successful implementation of by-laws.

INVESTMENT IN THE DISTRICT

Investment from National Government has taken the form of Equitable Share, Municipal Infrastructure Grant and Conditional Grants. This investment is as per the following table:

Table 1: National Government Allocations

Eastern Cape: Amathole(DC12)

STATEMENT OF CAPITAL AND OPERATING EXPENDITURE FOR THE 2nd QUARTER ENDED 31 DECEMBER 2009**Part1: Operating Revenue and Expenditure**

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Operating Revenue	647,484	647,484	201,133	31.1%	173,242	26.8%	374,375	57.8%	128,478	48.9%	34.8%
Service charges	82,033	82,033	22,765	27.8%	20,868	25.4%	43,632	53.2%	18,568	43.5%	12.4%
Other own revenue	565,451	565,451	178,369	31.5%	152,375	26.9%	330,743	58.5%	109,911	49.8%	38.6%
Operating Expenditure	641,614	641,614	71,142	11.1%	112,122	17.5%	183,264	28.6%	222,119	61.8%	(49.5%)
Employee related costs	246,575	246,575	45,738	18.5%	48,669	19.7%	94,407	38.3%	39,823	38.2%	22.2%
Provision for working capital	40,553	40,553	0	-	-	-	0	-	-	-	-
Repairs and maintenance	19,067	19,067	2,215	11.6%	2,860	15.0%	5,075	26.6%	4,036	39.2%	(29.1%)
Other expenditure	335,419	335,419	23,189	6.9%	60,593	18.1%	83,782	25.0%	178,261	92.6%	(66.0%)
Surplus/(Deficit)	5,870	5,870	129,991		61,120		191,111		(93,640)		
Capital transfers and other adjustments	(6,605)	(6,605)	675	(10.2%)	770	(11.7%)	1,445	(21.9%)	8,041	(6.4%)	(90.4%)
Revised Surplus/(Deficit)	(735)	(735)	130,666		61,891		192,557		(85,599)		

In terms of the operating revenue and expenditure, revenue collection at the end of 6 months was at 57.8 % of budget, with expenditure at 28.6%. At the end of the second quarter, one would expect to be around the 50% mark.

Part 2: Capital Revenue and Expenditure

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Capital Revenue and Expenditure											
Source of Finance	248,603	248,603	34,721	14.0%	46,104	18.5%	80,825	32.5%	884	132.3%	5,116.4%
External loans	-	-	-	-	-	-	-	-	-	-	-
Internal contributions	6,605	6,605	46	.7%	407	6.2%	452	6.9%	-	-	(100.0%)
Grants and subsidies	241,998	241,998	34,675	14.3%	45,697	18.9%	80,372	33.2%	792	-	5,669.8%
Other	-	-	-	-	-	-	-	-	92	8.2%	(100.0%)
Capital Expenditure	248,603	248,603	34,721	14.0%	46,104	18.5%	80,825	32.5%	(27,306)	370.2%	(268.8%)
Water and Sanitation	220,898	220,898	34,549	15.6%	43,106	19.5%	77,655	35.2%	1,095	-	3,835.0%
Electricity	-	-	-	-	-	-	-	-	(2,747)	-	(100.0%)
Housing	13,100	13,100	-	-	1,042	8.0%	1,042	8.0%	-	-	(100.0%)
Roads, pavements, bridges and storm water	-	-	-	-	-	-	-	-	(10,119)	-	(100.0%)
Other	14,605	14,605	172	1.2%	1,956	13.4%	2,127	14.6%	(15,536)	139.1%	(112.6%)

Capital expenditure is financed mostly by MIG, which is allocated in tranches, depending on expenditure patterns. Key focus on capital expenditure being on Water & Sanitation, with level of 32.5% at the end of 6 months.

Total Capital and Operating Expenditure

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Capital and Operating Revenue											
Operating Revenue	647,484	647,484	201,133	31	173,242	27	374,375	57.8%	128,478	48.9%	34.8%
Capital Revenue	248,603	248,603	34,721	14	46,104	19	80,825	32.5%	884	132.3%	5,116.4%
Total Revenue	896,087	896,087	235,854	26	219,346	25	455,200	50.8%	129,362	49.4%	69.6%
Capital and Operating Expenditure											
Operating Expenditure	641,614	641,614	71,142	11.1%	112,122	17.5%	183,264	28.6%	222,119	61.8%	(49.5%)
Capital Expenditure	248,603	248,603	34,721	14.0%	46,104	18.5%	80,825	32.5%	(27,306)	370.2%	(268.8%)
Total Expenditure	890,217	890,217	105,863	11.9%	158,226	17.8%	264,089	29.7%	194,812	63.3%	(18.8%)

Part 3: Cash Receipts and Payments

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Cash Receipts and Payments											
Opening Cash Balance	-	-	798,803		753,314		798,803		231,071		
Receipts	890,218	890,218	291,025	32.7%	285,926	32.1%	576,951	64.8%	564,617	113.2%	(49.4%)
External loans	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies	676,562	676,562	246,471	36.4%	172,915	25.6%	419,386	62.0%	153,611	56.7%	12.6%
Investments redeemed	-	-	-	-	-	-	-	-	40,246	253.5%	(100.0%)
Statutory receipts (including VAT)	-	-	4	-	50,355	-	50,359	-	2,329	51.6%	2,061.6%
Other receipts	213,656	213,656	44,550	20.9%	62,656	29.3%	107,206	50.2%	368,431	628.3%	(83.0%)
Payments	879,613	879,613	336,514	38.3%	187,108	21.3%	523,622	59.5%	140,734	32.4%	33.0%
Salaries, wages and allowances	246,575	246,575	40,898	16.6%	43,053	17.5%	83,950	34.0%	33,889	37.7%	27.0%
Cash and creditor payments	-	-	130,967	-	89,398	-	220,365	-	85,085	44.9%	5.1%
Capital payments	237,998	237,998	-	-	-	-	-	-	-	11.1%	-
Investments made	-	-	-	-	-	-	-	-	-	100.0%	-
External loans repaid	-	-	-	-	-	-	-	-	-	-	-
Statutory payments (including VAT)	-	-	-	-	-	-	-	-	-	.3%	-
Other payments	395,040	395,040	164,649	41.7%	54,657	13.8%	219,306	55.5%	21,760	48.9%	151.2%
Closing Cash Balance	10,605	10,605	753,314		852,132		852,132		654,955		

Part 4a: Operating Revenue and Expenditure by Function (Water)

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Water											
Operating Revenue	318,067	318,067	125,186	39.4%	99,319	31.2%	224,505	70.6%	48,014	53.0%	106.9%
Service charges	49,415	49,415	12,569	25.4%	11,910	24.1%	24,479	49.5%	11,212	41.5%	6.2%
Grants and subsidies	261,531	261,531	108,899	41.6%	83,323	31.9%	192,222	73.5%	32,532	57.3%	156.1%
Other own revenue	7,120	7,120	3,718	52.2%	4,086	57.4%	7,805	109.6%	4,269	53.9%	(4.3%)
Operating Expenditure	316,101	316,101	31,951	10.1%	36,429	11.5%	68,380	21.6%	135,150	83.5%	(73.0%)
Employee related costs	97,020	97,020	15,169	15.6%	15,327	15.8%	30,496	31.4%	13,685	47.6%	12.0%
Provision for working capital	24,708	24,708	0	-	-	-	0	-	-	-	-
Repairs and maintenance	10,322	10,322	1,459	14.1%	1,799	17.4%	3,258	31.6%	2,908	51.9%	(38.1%)
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	184,051	184,051	15,323	8.3%	19,303	10.5%	34,626	18.8%	118,557	117.2%	(83.7%)
Surplus/(Deficit)	1,966	1,966	93,235		62,891		156,126		(87,136)		

In terms of water, 31.2% of budgeted revenue has been collected and 11.5% of budgeted expenditure utilised.

Part 4c: Operating Revenue and Expenditure by Function (Sanitation)

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Waste Water Management (Sanitation)											
Operating Revenue	36,443	36,443	11,606	31.8%	10,115	27.8%	21,721	59.6%	11,059	51.5%	(8.5%)
Service charges	31,691	31,691	9,718	30.7%	8,530	26.9%	18,248	57.6%	7,353	47.0%	16.0%
Grants and subsidies	4,194	4,194	1,747	41.7%	1,398	33.3%	3,145	75.0%	3,568	61.2%	(60.8%)
Other own revenue	559	559	141	25.3%	187	33.4%	328	58.7%	137	103.1%	36.0%
Operating Expenditure	62,075	62,075	3,489	5.6%	4,705	7.6%	8,194	13.2%	19,658	46.2%	(76.1%)
Employee related costs	7,030	7,030	2,714	38.6%	2,543	36.2%	5,257	74.8%	1,704	24.2%	49.3%
Provision for working capital	15,845	15,845	-	-	-	-	-	-	-	-	-
Repairs and maintenance	2,060	2,060	83	4.0%	107	5.2%	190	9.2%	174	17.0%	(38.5%)
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	37,139	37,139	692	1.9%	2,055	5.5%	2,747	7.4%	17,780	82.9%	(88.4%)
Surplus/(Deficit)	(25,632)	(25,632)	8,117		5,410		13,527		(8,599)		

Part 4d: Operating Revenue and Expenditure by Function (Refuse Removal)

	2009/10								2008/09		Q2 of 2008/09 to Q2 of 2009/10
	Budget		First Quarter		Second Quarter		Year to Date		Second Quarter		
	Main appropriation	Adjusted Budget	Actual Expenditure	1st Q as % of Main appropriation	Actual Expenditure	2nd Q as % of Main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	Actual Expenditure	Total Expenditure as % of main appropriation	
R thousands											
Waste Management (Refuse Removal)											
Operating Revenue	5,011	5,011	1,046	20.9%	837	16.7%	1,883	37.6%	-	-	(100.0%)
Service charges	-	-	-	-	-	-	-	-	-	-	-
Grants and subsidies	2,511	2,511	1,046	41.7%	837	33.3%	1,883	75.0%	-	-	(100.0%)
Other own revenue	2,500	2,500	-	-	-	-	-	-	-	-	-
Operating Expenditure	4,170	4,170	28	.7%	61	1.5%	89	2.1%	(106)	-	(157.7%)
Employee related costs	-	-	-	-	-	-	-	-	-	-	-
Provision for working capital	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	85	85	-	-	-	-	-	-	-	-	-
Bulk purchases	-	-	-	-	-	-	-	-	-	-	-
Other expenditure	4,085	4,085	28	.7%	61	1.5%	89	2.2%	(106)	-	(157.7%)
Surplus/(Deficit)	841	841	1,018		776		1,794		106		

This refers to the solid waste site at Ibeka, which is not yet operational, hence the low level of 2.1% expenditure, which relates solely to security issues. Revenue reflected here is the allocation from the Levy Replacement Grant.

Part 5: Debtor Age Analysis

R thousands	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total		Bad D	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	
Debtor Age Analysis By Income Source												
Water	-	-	-	-	-	-	-	-	-	-	-	-
Electricity	-	-	-	-	-	-	-	-	-	-	-	-
Property Rates	-	-	-	-	-	-	-	-	-	-	-	-
Sanitation	-	-	-	-	-	-	-	-	-	-	-	-
Refuse Removal	-	-	-	-	-	-	-	-	-	-	-	-
Other	12,683	5.8%	9,279	4.2%	8,084	3.7%	189,850	86.3%	219,895	100.0%	-	-
Total By Income Source	12,683	5.8%	9,279	4.2%	8,084	3.7%	189,850	86.3%	219,895	100.0%	-	-
Debtor Age Analysis By Customer Group												
Government	1,707	19.5%	1,762	20.2%	1,358	15.6%	3,907	44.7%	8,735	4.0%	-	-
Business	1,245	8.0%	1,335	8.6%	941	6.1%	11,963	77.3%	15,484	7.0%	-	-
Households	8,951	4.8%	5,386	2.9%	5,205	2.8%	166,527	89.5%	186,069	84.6%	-	-
Other	779	8.1%	796	8.3%	580	6.0%	7,452	77.6%	9,608	4.4%	-	-
Total By Customer Group	12,683	5.8%	9,279	4.2%	8,084	3.7%	189,850	86.3%	219,895	100.0%	-	-

Part 6: Creditor Age Analysis

R thousands	0 - 30 Days		30 - 60 Days		60 - 90 Days		Over 90 Days		Total	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Creditor Age Analysis										
Bulk Electricity	-	-	-	-	-	-	-	-	-	-
Bulk Water	-	-	-	-	-	-	-	-	-	-
PAYE deductions	-	-	-	-	-	-	-	-	-	-
VAT (output less input)	-	-	-	-	-	-	-	-	-	-
Pensions / Retirement	-	-	-	-	-	-	-	-	-	-
Loan repayments	-	-	-	-	-	-	-	-	-	-
Trade Creditors	-	-	-	-	-	-	-	-	-	-
Auditor-General	-	-	-	-	-	-	-	-	-	-
Other	163	100.0%	-	-	-	-	-	-	163	100.0%
Total	163	100.0%	-	-	-	-	-	-	163	100.0%

(i) PROJECTS

Spending on internally funded projects as at 31 December 2009

Department	Budget allocated	Cum Exp end Dec 09	Balance Available	Performance %
Budget and Treasury	10 302 806	2 216 663	8 086 143	21.52%
Corporate Services	9 854 096	21 563	9 832 533	0.22%
Health and Protection	4 750 742	2 258 232	2 492 510	47.53%
Land-Lousing & LED	19 298 418	4 403 110	14 895 308	22.82%
Office of the Speaker	764 760	159 401	605 359	20.84%
Strategic Management Unit	13 613 055	2 481 011	11 132 044	18.23%
Engineering	39 068 036	12 726 735	26 341 301	32.58%
Overall allocation	97 651 913	24 266 715	73 385 198	24.85%
<i>NB! THIS SCHEDULE IS EXCLUSIVE OF THE 8 MILLION ALLOCATED TO ASPIRE BUT REFLECTED UNDER BUDGET ALLOCATION OF LAND-HOUSING AND LED</i>				

The above table reflects ADM's expenditure on internally funded projects as at 31 December 2009.

Expenditure is reflected per department, with the "Budget allocated" reflecting the allocation for the entire year

Expenditure is cumulative up to the end of December 2009, with the R73 385 198 being the funding still available for the balance of the financial year.

At the end of the 6 month period, assuming even levels of expenditure in the absence of detailed cash flows, one would anticipate a spending level of 50%. Current level of spent being only 24.85%, which would appear to indicate that expenditure is not on target.

(ii) REVENUE COLLECTION

Service Charges are in respect to billed income for water and sanitation. During 2008/09 financial year, own revenue collection from water and sanitation customers was 30%. The overall collection rate as at the end of the 2nd Quarter for 2009 / 2010 financial year is 36%. This rate has been adversely affected by an amount of R19 304 875.00 in irrecoverable abeyance account debt for which a write – off submission has been prepared for council approval. ADM is aiming to improve the collection rate to 50% by the end of the 2009 / 2010 financial year.

ADM COLLECTIONS – 2nd Quarter 2009/10:

AREA	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	QUARTER 2 - 2009/10
Mbhashe	69.54%	54.52%	67.62%	37.89%	92.21%	99.25%	77%
Amahlathi	29.03%	23.80%	24.73%	39.75%	22.54%	22.30%	27%
Ngqushwa	16.02%	22.76%	83.49%	16.51%	33.37%	43.33%	36%
Mnquma	14.58%	20.64%	17.77%	37.13%	11.22%	30.54%	22%
Nxuba	26.48%	22.15%	18.85%	22.18%	26.66%	21.89%	23%
Nkonkobe	27.80%	71.63%	65.00%	65.64%	23.24%	58.21%	52%
Great Kei	14.20%	90.54%	59.73%	70.25%	79.86%	59.50%	62%
Total Collection Rate:	22.88%	37.19%	44.29%	44.47%	24.52%	40.04%	36%

Challenges and ADM interventions:

- **2009/ 2010 Water & Sanitation Tariffs:** Concerns have been raised by consumers across all the 7 local municipal areas with regard to the high 2009 / 2010 ADM water and sanitation tariffs and this has posed a challenge for Credit Controllers in the collection of outstanding amounts as consumers are sometimes unwilling / unable to pay for services. In response to these consumer concerns, the ADM Council has approved a 25% reduction in the 2009/10 consumptive sanitation tariffs which will be backdated to July 2009. Following the implementation of this 25 % consumptive sanitation tariff reduction, ADM is hoping to see an improvement in the revenue collection rate.

- **Consumptive Sanitation Tariffs:** In the 2009 / 2010 tariff structure, the consumptive sanitation tariffs are higher than the consumptive water tariffs in certain areas due to the scheme – based costing method used to calculate tariffs taking into consideration the direct as well as indirect scheme costs. In the draft 2010/11 ADM tariffs, a proposal has been made for the introduction of fixed uniform sanitation tariffs across all 7 municipal areas of Nxuba, Mnquma, Ngqushwa, Nkonkobe, Mbhashe, Great Kei & Amahlathi. Consumers will therefore be charged the uniform sanitation tariffs based on the combined overall production costs of the schemes in the various local municipal areas.
- **High levels of indigency in the Amathole District:** The ongoing indigent registration campaign is also assisting ADM, in ensuring that qualifying indigents within the district, who cannot afford to pay for services, are registered as such in order for them to gain access to the indigent subsidies. The indigent subsidy allocation provides for 6 kilolitres of water at no cost to indigent consumers. Consumption levels in excess of the provided free kilolitres are however billed at normal tariff rates.

DATA CLEANSING:

ADM has embarked on a data-cleansing audit of all water & sanitation consumers within the Amathole District. This is to ensure correct billing for services rendered as well as to improve revenue collection for the municipality.

Area	Valuation Roll Stands	Venus Stands	Venus Accounts
Mbhashe	3372	3793	4140
Nkonkobe	19035	13781	15659
Mnquma	8909	9867	10708
Ngqushwa	4349	3610	4014
Great-Kei	8050	5790	5914
Amahlathi	13296	13952	8518
Nxuba	7415	7664	8685

Challenges and ADM interventions:

- **Billing accuracy:** the ADM data cleansing efforts are aimed at improving the quality of the consumer data inherited by ADM from the various local municipalities when ADM took over as a Water Service Authority in 2006.
- **Valuation Rolls Information:** information on the Venus financial system is currently being matched with the valuation rolls received from the local municipalities, to ensure that the ADM consumer database corresponds with local municipality valuation rolls.
- **To fast - track the ADM data cleansing efforts,** the municipality has recruited unemployed youths in the local municipal areas to assist with a door – to – door campaign aimed at updating consumer details in order for this data to be updated on the ADM consumer database.

INDIGENT REGISTRATION CAMPAIGN

The indigent registration campaign is aimed at ensuring that all qualifying indigent consumers in the district are registered on the ADM indigent register in order for them to be granted indigent subsidies. As at 31st January 2010, the municipality had a total of 4383 indigents registered on its Venus indigent register.

Challenges and ADM interventions:

- **Indigent Qualification Threshold:** ADM is experiencing an ongoing challenge posed by the low indigent qualification threshold of R1100.00 per month. The municipality is reviewing the indigent policy with a qualification threshold equivalent to twice the state old age pension proposed for council approval. Once the new policy is adopted, the higher threshold will lead to a larger number of indigent consumers meeting the requirements for indigent subsidy approval.
- **To fast – track the indigent registration process** a total of 127 unemployed youths were recruited in the areas of Mnquma, Nxuba, Great Kei, Mbhashe, Ngqushwa, Amahlathi and Nkonkobe to assist with a door-to-door indigent registration campaign. Training for volunteers commenced on 1st October 2009.

POLICY GAPS:

- Policy provision for the backdating of billing (currently 24 months)
- Provision for arrangement conditions in relation to income earned
- Policy provision for consumers who install their own meters & who tamper with them to avoid billing by ADM
- Clarity on calculation of illegal connection & other penalties (how these are calculated)
- Policy provision for meters installed on vacant plots
- No provision for Health Inspections & Tariffs thereon (Food Quality, Environmental etc.)
-

REVENUE POLICIES, BY - LAWS & STRATEGIES

- Credit Control & Debt Management Policy
- Revenue By-laws
- Indigent Policy
- Donor Management Strategy (adopted – May 2009)
- Revenue Enhancement Strategy

- Tariff Policy

The above policies / by – laws/ strategies, have been reviewed and are awaiting council approval (with the exception of the Donor Management Strategy. Upon their adoption the policies will address the policy gaps highlighted above.

**(iii) Division of Revenue Bill - 2010/11-2012/13
Allocation**

GRANT	2010/11	2011/12	2012/13
Municipal Infrastructure Grant	267,167,000	321,323,000	390,699,000
Neighbourhood Development Partnership Grant (Capital Grant)	25,000,000	35,000,000	50,000,000
Municipal Drought Relief Grant	12,264,000	-	-
Water Services Operating Subsidy Grant	11,059,000	7,755,000	-
Municipal Systems Improvement Grant	750,000	790,000	1,000,000
Local Government Financial Management Grant	1,000,000	1,250,000	1,373,000

METERS:

- At the end of the 2nd quarter of 2009/10 installed meters totalled 21 880.
- During the 2008 / 2009 Auditor General (AG) audit, a further 35 000 unmetered ADM accounts were highlighted as requesting further investigation. The Data Cleansing and Engineering Department are involved in efforts to investigate these accounts in order to ensure the installation of water meters where applicable. Further to this 2900 faulty meters were also highlighted by AG and the Engineering department is currently addressing this issue through a meter repair and replacement programme.

FREE BASIC SERVICES:

- Consumers do not seem to differentiate **free basic services** from **access to basic services**.
- The Budget & Treasury Office is to embark on an exercise of developing a Free Basic Services strategy to address this challenge.

Equitable Share Formula	289,469,000	307,226,000	337,937,000
RSC Levies Replacement	191,571,000	208,824,000	227,618,000
Expanded Public Works Programme Incentive Grant for Municipalities	12,285,000	-	-
Neighbourhood Development Partnership Grant	9,800,000	730,000	4,028,000
Regional Bulk Infrastructure Grant	45,500,000	52,700,000	16,200,000
TOTALS:	865,865,000	935,598,000	1,028,855,000

Allocations in kind

Regional Bulk Infrastructure Grant Details

Mncwansa Bulk Water Supply	25,100,000	24,000,000	8,000,000
Xhora East Water Supply	9,400,000	8,700,000	
Ibika Water Supply	11,000,000	20,000,000	8,200,000
	45,500,000	52,700,000	16,200,000

The three year capital plan needs to be aligned to the level of funding as reflected above for MIG.

The above represents the overall funding allocation to ADM in terms of the DORB 2010

The Equitable Share allocation and Levy Replacement Grant is set to decrease from R560 509 000 during the 2009/10 to R549 869 000 during the 2010/11 financial year. This indicative decrease of R10 640 000 is anticipated to be funded through a corresponding increase of own revenue of R9 167 000. The feasibility of this actually tasking place is inconceivable as own revenue collection cannot achieve such an increase due to the high levels of irrecoverable debts.

Indicative figures for the 2010/11 and 2011/12 financial years show an increase of R23 461 000 and R25 907 000 respectively. These increases can be attributed to cost of living increases which give rise to corresponding increases of 9.5% for both the 2010/11 and 2011/12 financial years. There is an indication in the current dashboard reports of gross under spending in personnel expenditures in a number of water and waste water schemes. The increase from R78m to R133m may be as a result of inadequate information in personnel estimates for the individual schemes. The same could be attributed to increased amounts for the provision for working capital, which is mainly constituted by purchased chemicals used in the purification processes. ADM may have to relook at the Supply Chain Management and Inventory Management processes for chemicals and other stock items. Options may include outsourcing which involve supply on demand. The risk here is fluctuations in prices associated with market instabilities versus purchases on fixed prices during the contract periods of supplies when using own stores.

ADM needs to develop a policy on how capital expenditure is classified in its chart of accounts. The dashboard has little to show on capital expenditure while MIG projects are by nature supposed to be classified as capital projects.

There is a common trend of under spending on externally funded projects and priority projects every year. As a result of these, each financial year has rollovers of unspent and committed funds. There is no definite explanation whether this is due to allocations of multi-year projects funds in one financial year or there are weaknesses in project planning and management processes. There is an urgent need to eliminate these rollovers since our bargaining processes with Treasury are weakened by these unspent funds and rollovers.

(v) SUPPLY CHAIN MANAGEMENT

The Municipal SCM Regulations was promulgated on the 30 May 2005. The regulations have a substantial effect in the manner in which procurement of goods and services are dealt with in all municipalities. The system or regulations to procure goods and services have to be in line with what is contained in the IDP.

OVERALL PERFORMANCE OF COUNCIL

Council aims to allocate 65% of its combined tenders to HDI's

QUARTERLY ANALYSIS:

- Capital projects over R1m allocated to HDI owned companies is 84.20% which is well above the 55% target. There was an increase of 0.34% in the fourth quarter as compared to the previous quarter. This is due to the nature of the projects that was adjudicated in this quarter. The target achieved in the fourth quarter of the 2007/2008 financial year was 93.24%.
- Capital Projects less than R1 million allocated to HDI owned companies. The target is set at 75%. 88.94% was achieved. There was an increase of 3.52% in the fourth quarter in the target set for this category as compared to the previous quarter. The target achieved in the fourth quarter of the 2007/2008 financial year was 94.70%.
- Non-Capital Projects allocated to HDI owned companies. The target is set at 65%. Council achieved 95.36%. There was an increase of 6.67% in the fourth quarter in the target set for this category as compared to the previous quarter. The target achieved in the fourth quarter of the 2007/2008 financial year was 87.82%.
- Council's overall performance stands at 91.30% of projects allocated to HDI owned companies. The target has been set at 65%. There is a decrease of 3.17% in the fourth quarter as compared to the previous quarter. Council awarded projects to a total value of R229 433 704.30.

An amount of R209 471 555.42 was allocated to HDI owned companies. Of the remaining, R19 962 148.89 was allocated to non-HDI owned companies. R83 843 954.86 was for specialised service. The target achieved in the fourth quarter of the 2007/2008 financial year was 89.36%. During the same period last year, Council awarded projects to the total value of R320 222 040.18, this is a difference of R90 788 335.88.

- Of the R229 433 704.30 awarded projects, 14.30% was awarded to female owned companies. This amounts to R32 800 729.55. The target has been set at 35%.

SCM Challenges

- No meaningful empowerment through existing SCM processes. Development of programmes that will assist in allocating projects, i.e.:
 - Incubator Programme
 - Cooperatives Programme
 - Emerging Contractor Development Programme
 - Expanded Public Works Programme
 - Designated Groups Allocation (Youth, Women, Disabled, etc.)
- Policies and procedures non-responsive to government delivery goals, thus developing relevant SCM Strategies, Policies and Procedures.
- Poor workmanship on construction projects. Implementing SCM Performance and Contract Management Activities.
- Non-spending on projects. A project procurement plan has been developed to address the non-spending on projects. The project procurement plan will need to be monitored regularly.
- Lack of contract documentation, i.e. no contracts entered into and/or contracts not signed. Proper Contract Management System now in place.
- Non-utilisation of the ADM's supplier/service provider databases.
- Non rotation of suppliers/service providers.
- Fronting, fraud and corruption.

PROCUREMENT PLAN

The purpose of Procurement Plan is to define the activities, processes and procedures to be utilized for procuring goods, services and capital assets. The plans should address the following objectives:

- Meet the requirements of supply chain management;
- Provide ADM with clear information on upcoming procurement and the costs thereof; and
- Provide ways of securing that funding that is budgeted for is spend in the same financial year.

Procurement planning is an effective system of SCM Demand Management that requires an Accounting Officer to ensure that the resources required to support the strategic and operational commitments of an institution are properly budgeted for and procured at the correct time. Planning for the procurement of such resources must take into account the period required for competitive bidding processes. It must therefore be emphasized that a lack of proper planning does not constitute a reason for dispensing with the prescribed bidding processes and therefore the demand Management Section within SCM must ensure that Procurement Plans for the Municipality are in place before the begin of a new Financial year. (The procurement plans are in place and are being monitored on a monthly basis)

Scope of the Plan

The provisions of the Plan apply only to procurement that has been budgeted for in the current and/or MTEF period. The Plan covers all foreseeable procurement, and therefore includes clear description of same. The plan identifies all procurement that has an impact on the cash flow of a Municipality. The Procurement Plan is linked to the IDP and Budget. In other words, all procurement included on the procurement plan is budgeted for and is in support of the IDP.

Time frame

The specifications will have to be compiled and approved during the previous financial year following by inviting bids and finally evaluating in the same year. Evaluation will be done just before the beginning of the new financial year. Adjudication and finally awarding of the tenders must be done in the beginning of the financial year to allow adequate time for implementation. Multiyear projects will have to follow the same procedures.

(vi) Accounting and reporting

LEGISLATIVE REPORTING REQUIREMENTS

The municipality has to ensure full compliance with all legislative financial reporting requirements in terms of the Municipal Finance Management Act. The Generally Recognised Accounting Practice (GRAP) standards currently stipulate the accounting framework for annual financial statements prepared by municipalities.

Challenges

The section is posed with challenges emanating from both external and internal factors. The municipality portrays a year-end focused reporting culture, which is further aggravated by the dependence on other departments within the municipality for information to support the reporting.

New accounting standards and updates are issued annually causing processes to continually change. Requirements per the accounting standards and auditing standards place the municipal capacity under strain.

Interventions

In order to mitigate the challenges, tools available within the market are to be utilised to support the reporting function. In addition regular communication channels with all stakeholders are to be established.

A process to align systems within the municipality to ensure that the various information systems produce the same information when requested must be initiated.

ASSET MANAGEMENT STRATEGY

The municipality has an extensive and diverse asset base which necessitates the existence for strong controls and effective management to ensure maximum utilisation and service delivery.

Challenges

The challenges with the most material impact encompass the following asset categories;

Infrastructure assets and; Land and buildings.

The ownership of water works/dams and other water and sanitation related infrastructure still not registered in the name of the Amathole District Municipality. Further processes to ensure the correct accounting for water infrastructure completed projects as well as work in progress must be implemented.

The intended use of land which the municipality owns remains uncertain.

Interventions

To strengthen the management of the municipality's assets it is envisaged that the asset management function be delegated to various directorates using the asset category as a basis. The delegated asset managers are to develop asset management plans in line with the National Treasury Asset Management Guide.

2.1.4.5 Strategic Planning

(A) EXECUTIVE SUPPORT

Intergovernmental Relations

The ADM IGR technical structure was established in the 2005/2006 financial year and the terms of reference were developed and adopted before the launch. The function of the structure is to align the planning cycles of the different spheres of government to ensure that IDP is a reflection of national plans at a local level. The Intergovernmental Relations Forum makes recommendations to Council, the District Mayors' Forum (DIMAFO) and TSG, this forum is chaired by ADM Municipal Manager. The Intergovernmental Relations Policy Framework is currently under review to ensure alignment to the Intergovernmental Relations Act 13 of 2005. The draft document of the IGR Framework has been developed and circulated for comments. The finalisation of the review has been halted due to the possible amendment of the IGR Act. Once the Provincial IGR Strategy is finalised it will be utilized to align the ADM IGR Policy Framework that is currently under review.

The Establishment Plan requires that meetings of the Technical Intergovernmental Relations Forum be called quarterly to feed / inform the agenda of the DIMAFO. The latter is a political structure constituted by all the Executive Mayors of the local municipalities in Amathole District. It is chaired by ADM Executive Mayor. There has been an improvement in attendance and participation by sector departments in the IGR Fora and DIMAFO. The success of the Provincial EXCO Outreach Programme and the Public Participation Week could be attributed to the successful functioning of the IGR Fora and the DIMAFO. This has resulted in positive outcomes on implementation of resolutions / commitments and responses and reporting on issues raised by communities during these engagements.

All local municipalities in the jurisdiction of Amathole District Municipality are aware of the existence of the Intergovernmental Relations Framework Act and the responsibility of ADM in co-ordinating intergovernmental relations in the district. ADM local municipalities hold meetings periodically to address IGR related issues. Through practice of intergovernmental relations in the district, ADM has signed Memoranda of Understanding with various municipalities and stakeholders to improve its capacity of service delivery eg University of Fort Hare, Sedibeng and Ukhahlamba District Municipalities. Local municipalities are encouraged to enter into inter-municipal relations eg Nxuba and Nelson Mandela Bay Metropolitan Municipality. The Technical IGR Protocol was discussed and presented in the last Municipal Support Committee meeting held on 19th November 2007 and stakeholders have been asked to comment.

Challenges

- Failure by government structures to utilise Intergovernmental Relations as a planning tool;
- Lack of joint implementation of projects by government structures;
- Lack of clarity on what should be the standing items of an IGR Agenda;
- Lack of follow ups to some signed MoU;
- Local municipalities not having dedicated IGR practitioners;
- Due to political instability in some of the local municipalities in the district, only three local municipalities have functioning IGR fora;
- Policy is yet to be reviewed.

International Relations

Amathole District Municipality is facing some challenges with its International Relations commitments for the first time. Originally the municipality had twinning programmes with three municipalities outside the borders of the country namely Glasgow City Council, Oxfordshire County Council and Kampala Central Division. Since 2005/6 financial year there has been a smooth running of the partnerships between ADM and the partners.

The twinning programmes with the UK municipalities had come to the end of the stage of the terms of the agreements signed. Parties concerned agreed on the need to continue with the agreements to the next stage. New areas of focus were proposed and agreed upon. At the point of the finalization of the Concept Notes and submission to the funders, Oxfordshire County Council withdrew due to the dissolution of its Council. This means a lost opportunity for the municipality especially its officials who stood to gain from being capacitated by the more developed partners.

The twinning programme with Glasgow City Council has been refocused to deal with the Lighting Strategy, Mdantsane Urban Renewal Programme and the Joint Marketing Beaureax . As the programme for the partnership include Buffalo City Municipality as a partner, ADM facilitated an MOU with BCM to cement the partnership. Technical teams from BCM and ADM have been established to consolidate the Project Concept Note for submission to CLGF. ADM and BCM have been very slow in responding to the request hopefully they will finish in time for the presentation to the sponsors.

For more than a year to date there has not been an interactive session between ADM and Kampala Central Division. It is for the first time since the Kampala Central Division – ADM partnership started that there has been no activities on the programme for such a long period. The challenge has been finances on the side of the ADM's Ugandan counterparts. This programme has assisted ADM learn about the post test clubs that the district is so proud of today. It has seen ADM sending youth from Mnquma and Ngqushwa municipality for training in machine manufacturing, and welding skills in one of Kampala's schools of technology.

The challenges encountered by the programme have delayed the implementation of a women cooperative project that was identified in one of the session between the municipalities. The co-op. would produce mushrooms for supplying the chain stores in the Great Kei municipality. A women's group was identified for training in Kampala and the training would also include juice making. From the correspondence coming from Kampala it seems the third quarter of the 2009/10 financial year shall see the programme taking off again.

Special Programmes

The question of ensuring that the services rendered by government and partners impacts largely on the lives of the previously disadvantaged people is growing from strength to strength in Amathole District Municipality . It is no longer the question that the services be extended to the sector but what impact do government programmes have on the designated groups. There is also some growing confidence on the side of these sectors.

The unit has submitted a draft SPU policy and an SPU assessment toolkit for comments to the ADM IDP steering committee. The plan is to have both adopted and workshop it to internal and external stakeholders especially to the programme managers of the various departments to enable them to mainstream the designated groups when planning and implementing programmes. The institution does not have departmental champions to ensure responsibility to the cause of the designated groups.

The unit is also in the process of reviving the district forum for the designated groups. It has been established that the challenges with the structures is incapacity in most of its members to sustain their involvement in the structures. Trends show that once launched the forum they won't struggle to call meetings for themselves. As a result of this by the time a meeting is convened some of the members have fallen on the way or untraceable to continue with the activities of the forum. This means the forum have been unable to develop an agenda to influence the programmes of the municipality.

The unit has also identified some over dependency of the LMs and the forum on ADM. and government departments. The dependency manifests itself in the form of transportation to and from the meetings, office space, and even convening the meetings of the respective forum. ADM has to capacitate the structures to enable them to mobilize resources and to forge relations with others structures that are outside government.

In the current financial year, the unit experienced an addition of the sports portfolio in its ranks. This was done through the inclusion of the sports officer from the Human Resource department to the Executive Support Services. The inclusion of this portfolio means that ADM can now assist with some smaller sporting concerns that arise out of the communities. The 2010 world Cup event and related activities are in this way dealt with in the Municipal Managers department.

Through the Sports arm of SPU a number of coaches in ADM municipalities have been trained. The office shall also be responsible for organizing sports events that are aimed at creating hype towards 2010 Soccer World Cup eg Schools World Cup, Buffalo City Cooperate Challenge, Buffalo City Challenge Cup and Eyethu Games . Various Sporting federations including boxing, athletes, netball and wheelchair basketball have received one form of support or the other through this unit. ADM is coordinating 2010 District Forum and are part of the Provincial Coordinating Committee.

The challenges faced by the sports programme among others is the incapacity of the local municipalities to support programmes in their areas of jurisdiction. There are also some serious challenges of infrastructure in the local municipalities especially in the townships and rural areas. The local municipalities have no dedicated personnel to co-ordinate sports development . the district municipality will in future have to allocate funding for the capacity building of sports in the local municipalities. There is no alignment and cooperation between the Provincial and National departments of sports in terms of planning and implementation of programmes.

Delivery to the disabled people remain a serious challenge. Very little of governments programmes impact on the lives of the disabled people. The issue of disability remains very much stigmatized in our communities and the latter are not safe for the disabled people to live.

ADM continues to respond to issues of the disabled on request. ADM SPU unit plans to have a programme that seeks to reach out to all these people in the district and ensure that their plight is attended to.

Remedial Action

Revival of District SPU forum.

Encourage departments to appoint champions for SPU

Building capacity of the programme managers in mainstreaming the programmes.

Train SPUs in LMs and the forum members on partnerships and resource mobilization.

Encourage SPU officers to have database of the various SPU components in their respective areas.

Work together with relevant departments in the district.

Identify projects to be supported by SPU

Encourage and give support to LM forums in order to form district forums

Lobby support from office of the Premier and Social development in terms of identifying project that available in the district.

Capacitating volunteers who have a passion of making a difference to the district by giving them training and resources to perform different duties from different local municipalities

Communications Strategy

The ADM Communications Strategy for 2007-2012 was adopted by Council in February 2008 and was again reviewed at a stakeholder workshop on 31 July 2009. This document is reviewed annually and contains an annual communications cycle that serves as a guiding framework for communication activities and programmes in the municipality. The ADM Communications Unit has also embarked upon an exercise to assist local municipalities in the development of their communication strategies.

Interface between Council, Staff and the Community

The ADM publishes a community newsletter twice a year, viz in December and June, as a supplement to the Daily Dispatch. These newsletters contain articles of the ADM's achievements and reflect on projects from various ADM departments. The June community newsletter contains the Executive Mayor's State of the District Address (SODA) which serves as a public record of the ADM's achievements, performance and activities over the past financial year, and also summarises IDP projects and programmes for the new financial year.

An HIV and Aids community newsletter is also printed as a supplement to the Daily Dispatch. It is also distributed throughout the district and is used as a medium for discussion amongst the broader community of the district to report on new developments regarding Aids, conferences, research, and provides information about where people can obtain medical assistance etc. The feedback has been very positive and increasingly we are getting contributions from more and more community members for the newsletter.

The ADM is mindful of the main languages utilized within the district and both the community newsletter and the HIV/Aids newsletters are printed in English and isiXhosa.

Customer Care and Service Centres have been established at the ADM headquarters at 40 Cambridge Street in East London as well as all local municipalities. As the Water Services Authority for 7 local municipalities, the ADM has centralised billing services for water and sanitation since July 2006 and hence it thus makes sense to combine customer care services with the billing services. Community members are able to pay for their water and sanitation accounts, query their accounts, register as indigents, lodge any query or complaint and obtain any ADM and Government information from these centres. A customer reporting software system has been customised and tested for capturing all queries and complaints and which will inform the ADM on a monthly basis where calls originated, the nature of the calls, whether the queries were satisfactorily addressed, and will assist with research and development trends such as identifying information needs of communities.

Several training programmes are in the pipeline for the Customer Care Assistants who have already received training in frontline communications. It is intended to expand the training to include information on government services and their criteria and also on the customized customer care reporting system.

The communications unit has also fulfilled the mandate of the SALGA National Conference for Local Government Communicators in facilitating the establishment of Local Communicator Forums (LCF) at all local municipalities within the district, and has embarked on a second lobbying campaign so that these LCFs become sustainable at local municipal level. The LCFs serve as an interfacing platform between local government and communities (as members of ward councillors, ward committees, CDWs, and representatives of community structures and government departments are invited to attend) where programmes and projects are coordinated and any information or other needs of local communities are brought to the table for discussion and resolution. It is now proposed that these LCF meetings be held on a monthly basis, following the introduction of the new Masibonisane Forum.

The Masibonisane Forum will serve to strengthen communications at a local level and is driven by the community liaison officers from the ADM's Communications Unit, together with Customer Care Officials, Communication and public participation officials from local municipalities, and information liaison offices of the Office of the Premier and GCIS, which form the core team. It is proposed that the Masibonisane Forum meet on a monthly basis together with CDW Coordinators and members of ward committee members and community structures to exchange information on the needs of communities, the services of government and to assist in setting the agenda for the monthly LCF meetings. This forum will assist in responding quickly by local government to issues raised and to take certain matters to the LCF where decisions can be made/resolutions taken on how to address them. The Masibonisane Forum will also serve as an early alert system to problem areas or hot-spots in wards so that these can be quickly addressed before they become explosive issues. In this way, a dashboard can be compiled on the communications environment of each ward within the district, and will also assist in pinpointing the need for quarterly Mayoral community events for the future. Information from the Masibonisane Forum will flow to local municipalities, the district municipality and sector departments through appropriate intergovernmental structures. In this way, communities will be placed at

the centre of the decision-making process of council, thus facilitating the implementation of the Batho Pele principles in an open, transparent and accountable manner.

The head office staff of the ADM received training in Batho Pele principles in June 2007 as part of the first phase of the roll out plan. However, as a result of electing the internal option for the provision of water services within the district, the ADM absorbed over 500 Water Services Operations and Maintenance staff from DWAF as well as the local municipalities. These staff in general are low income earners with little staff morale and many have health and addiction problems. These staff have also little or no knowledge of the ADM's corporate identity, its vision, mission or values or its corporate culture of doing business. Thus service providers were appointed to develop a water services charter and a customer care policy. These documents are due to be tabled to council and after a public consultation process, training will be rolled out to all frontline, customer care and O&M field officials, including training in Batho Pele principles. This project has been implemented with funding that has been made available from the Department of Water Affairs.

Staff members are regularly briefed via email on upcoming events and happenings within the institution; and include details on promotions, new employees, deaths, marriages, births, sporting events, lifestyle and health issues etc. An intranet service is shortly due to be implemented as well as an electronic staff newsletter. An internal editorial committee with representatives from each department has been established to assist in gathering stories and information and to update website information.

Other Public Participation Activities

Public Participation Week events are held in April and October every year. The dates for the Public Participation Weeks are set by Cabinet and provide an opportunity for all spheres of government to go out and meet the local communities and to talk about government services that are available for the public. These meetings also provide the local communities with an opportunity to meet their political leaders and to voice their comments, needs, and issues in an unmediated fashion.

The ADM collaborates with local municipalities and the other spheres of government in hosting the National Public Participation events and the details are sent to and collated by the Office of the Premier and Government Information Management System for the deployment of Ministers and MECs. This past year, a public participation week event was held at Mgababa in Ward 12, Ngushwa Municipality on 10 November 2009.

In accordance with the Local Government Municipal Systems Act, the ADM holds regular Integrated Development Plan (IDP) Representative Forum meetings in drafting its IDP. At the beginning of the planning cycle, advertisements are placed in the local newspaper calling for interested parties to contact the ADM.

Once the IDP and budget have been drafted and tabled at Council, the ADM places another advertisement calling for public comments. Copies of the document is lodged at all the Customer Care Centres within the district, at Local Municipalities and at Municipal libraries. After this process, the ADM further embarks upon IDP and Budget Roadshows to the communities at all local municipalities. This is done in conjunction with the support and assistance of the local municipalities who assist the ADM's Community Liaison Officers, through their Ward Councillors, to mobilize the ward community members to attend the roadshow events. The Draft IDP is summarized and presented to communities in English and isiXhosa for comment and discussion.

Records of these meetings are kept and a Q&A document is drafted to keep track of the responses and to disseminate to other government departments for follow up and actioning, where necessary, through intergovernmental forum meetings. Once all the comments and discussions have been taken into consideration towards an amended IDP and Budget, the above process is followed up by a Council Open Day, where ward committees and members of the community are invited to a Council meeting. The amended/Draft IDP and Budget is again presented for the last time before they are submitted to Council for adoption. Council procedures are relaxed for the Council Open Day to allow the communities to speak and voice their comments after the presentations have been made. These comments are again collated into a Q&A document.

The IDP/Budget Road-show were scheduled as follows:

DATE	LOCAL MUNICIPALITY	VENUE	TIME
12 April 2010	Nxuba	Msobomvu Hall, Bedford	11H00
13 April 2010	Buffalo City	Mngqesha Great Place	09H00
20 April 2010	Mbhashe	Nqadu Great Place	10H30
22 April 2010	Nkonkobe	Alice Town Hall	10H00
23 April 2010	Business Breakfast	Wayside Hotel, Butterworth	07H30
23 April 2010	Mnquma	Msobomvu Hall, Butterworth	11H00
03 May 2010	Ngqushwa	Ncumisa Kondlo Hall, Peddie	10H00
04 May 2010	Business Breakfast	Regent Hotel, East London	07H30
04 May 2010	Great Kei	Ngxingxolo Hall	11H00
07 May 2010	Amahlathi	Springbok Town Hall	10H00

The ADM also regularly undertakes quarterly Water Forum Meetings with ward councillors and ward committee representatives, ratepayer association chairpersons, farmers associations, and representatives of traditional leadership at each Local Municipality in an endeavour to address concerns regarding water issues, billings, tariffs, the drought situation etc.

In addition to the above, a number of forum meetings are hosted whereby communities actively participate in the decision-making process of Council. These include Gender Forums, Youth Forums, the Disability Forum, the District Aids Council, the Disaster Management Forum, the Community Safety Forum, the Heritage Reference Group, LED Forum etc.

The ADM also assists the Government Communication Information System and the Office of the Premier in the live televising of the State of the Nation Address (SONA) and the State of the Province Address (SOPA) which are usually held at different locations within the district. The purpose of these televised events is to bring government to the local communities. The speeches are usually translated where necessary and the communities are presented with an opportunity to voice their concerns, needs and issues and to ask questions relating to the speech.

The Executive Mayor also presents the State of the District Address at the final Council meeting of the financial year (usually in May annually). The speech reflects upon the achievements and performance of the ADM over the past financial year and highlights programmes and projects of the IDP in the new financial year. Numerous stakeholders, including business, non-governmental organisations, civil based organisations, Faith-Based Organisations, IDP Representative Forum members, ward committees and members of the community are invited to attend the Council meeting.

The ADM also engages volunteers within the community in a wide range of activities, including community health care, disaster management, community water forums etc. Training is provided where necessary (eg first aid, fire fighting etc). Competitions have been held at schools eg on Disaster Management Reduction and the communities are also engaged in a number of other activities such as drama, choral singing, display of crafts at exhibitions etc. A range of promotional activities are held throughout the year, as per the communications cycle, including health awareness programmes, Water Week, Sanitation Week, Heritage and Tourism Month, 16 Days of Activism of no violence against women and children, Youth Month, Women's Month, etc, which also serve to promote the interests of special groups such as the youth, gender, disabled etc.

Involvement of Traditional Leaders

As indicated above, the ADM has also made it a point to consult with the traditional leaders at Nqadu Great Place and Mngqesha Great Place, the seat of the two Royal houses in the district during the IDP/Budget roadshows. The traditional leaders are also invited to attend the IDP Rep Forum meetings. Working together with the Department of Social Development and SASSA, the ADM also assisted in launching the Social Relief of Distress programme at both royal houses in January and February 2009.

Challenges

Only 5 of the 8 local municipalities within the district have appointed communications officials. Thus media often tend to set the agenda with negative reporting. Thus communication efforts are largely reactive instead of proactive. It is vital that communicators inform the communities about the achievements of local government and thus to promote a better understanding of the performance of Council, and its plans and programmes, thus enabling a conducive environment for service delivery to take place.

The ADM has two priority functions, namely as the water services authority and the municipal health authority. The ADM has high unaccounted for water losses and therefore there is an urgent need to promote awareness of water conservation, especially to educate communities on how to fix toilet and tap leaks in the home. Blocked sewerage pipes are also a regular phenomenon due to the fact that newspapers, nappies and other objects are thrown down the toilets and consequently an awareness campaign is also necessary to prevent this from happening. Other topics that need to be promoted are waste management, health messages, the prevention of abuse of public property, illegal water connections, and the promotion of new by-laws, which are currently being reviewed and due to undergo a public participation process in February/March 2010.

Public Place where Municipal Documents are available to the Public

In accordance with the Promotion of Access to Information Act No 2 of 2000, the ADM has published a manual in 3 official languages (isiXhosa, English and Afrikaans) which details how members of the public can access records of the ADM. The ADM has embarked upon an electronic document management system and files are scanned and archived in accordance with the standards set by the National Archives. Currently, members of the public can register an application for records and submit same to the Accounting Officer, which is also the Municipal Manager. Records are kept by the Corporate Services Department, 12th floor, Caxton House, Cnr Cambridge and Caxton Streets, East London.

(B) AUDIT FUNCTION

Audit Committee

The ADM Audit Committee is constituted in terms of Section 166 of the MFMA of 2003 which states that " The Audit Committee is to assist and advise Council in fulfilling its oversight responsibilities for

- The financial reporting process
- The system of internal control over financial reporting,
- The audit process
- The Council's process for process for monitoring compliance with laws regulations and
- The Audit Committee Charter sets out the specific responsibilities assigned to the Committee by the MFMA and details the manner in which the Committee will operate"

ADM has a functional Audit Committee which is an independent oversight advisory body of council. It was established in August 2005. The Audit Committee members are legislatively required to meet at least four (4) times during a financial year. Audit Committee is delegated an oversight role of Risk Management within the institution.

Performance Audit Committee

ADM has a functional and capacitated Performance Audit Committee, which is an independent advisory body of council, specifically advising on matters relating to performance management. The Performance Audit Committee members are legislatively required to meet at least twice (2) times during a financial year. The ADM has appointed Evaluation Panel as in accordance to the Government Gazette of August 2006 to evaluate performance of the Municipal Manager and Section 57 Managers.

Internal Audit

The Internal Audit Unit was established in terms of Section 165 (2b)iv of the Municipal Finance Management Act, 56 of 2003 in which, it is stated that, the accounting officer of a municipality is responsible for managing the financial administration of the municipality and must for this purpose take all reasonable steps to ensure that the municipality has and maintains, effective efficient and transparent systems of internal audit, operating in accordance with any prescribed norms and standards.

The ADM established a shared internal audit service for six (6) local municipalities in the district. The internal audit unit has not been effective to the desired level in providing assurance to management and council of the municipalities it serves on risk management, internal controls and corporate governance.

In order to have the municipalities carry out their responsibilities, the internal audit unit will be embarking on the following process

- Advise the Council on the effectiveness of Risk Management
- Conducting audits in the municipalities;
- Advise on development of Fraud Prevention Plan
- Conducting audits on performance information.

The Internal Audit Unit does not have adequate capacity to effectively carry out its responsibilities to Local Municipalities in terms of the MFMA and the Standards for the Professional Practice of Internal Audit. This has resulted in Audit Committees in the local municipalities not being able to execute their oversight responsibilities as these committees are dependent on internal audit reports to evaluate the internal controls and governance processes in the municipalities. The ADM enters into Service Level Agreement with all municipalities that require an Internal Audit service. The municipality has no agreement with the Local Municipalities in this regard.

Fraud Prevention Plans

The Fraud Prevention Plan is delegated to the Strategic Office; however the Internal Audit is conducting Fraud reviews.

Whistleblowing line

The service was previously centralized in ADM. It has been extended to local municipalities. Further marketing still needs to be done and there is inhouse capacity available to perform the service.

Performance Management Systems (Audits)

Local municipalities have in the past not been audited in respect of their performance depending on the Service Level Agreements signed.

Quality Assurance Reviews

It is a requirement of Standard 1312 of the Standards for Professional Practice of Internal Auditing that all internal audit services should have external quality assessments conducted. A high level review was conducted and presented to the Audit Committee.

IT Audits

It is one of the highest risks that have been identified with almost every municipality, including the ADM. Audits of this component are of such a specialized nature that the current internal audit staff component cannot perform them.

Risk assessment

The Internal audit is conducting risk assessment as part of its annual plan. It is a legal requirement and a requirement of the Standards for Professional Practice of Internal Auditing to have risk assessments performed at least once every year

(C) INFORMATION TECHNOLOGY

ADM (Amathole District Municipality) has established an Information Management Unit (IMU) with the main responsibility of providing and maintaining Information Systems (IS) that respond to the information needs and requirements of the municipality. The unit is also responsible for providing Information and Communications Technology (IT/ICT) systems and support thereof to improve and enhance efficiency of the organisation to function and most importantly to meet its strategic objectives and goals. It is crucial then for IMU to align its objectives to the strategic objectives of the organisation thus adding value of ICT/IS.

The organisation has very sound ICT infrastructure and systems that respond to the needs of the user departments thus have deployed them respectively according to functional areas. This enables the organisation to function according to its mandate and operations to run. The unit then supports the organisation to achieve service delivery imperatives.

The following IS have been installed :

- Financial Management System (Venus & e-Venus)
- District Information Management System (DIMS) {Project Management & Reporting, Performance Management, Mapping of Projects, Supply Chain Management, HR}
- Water Information Management System (EDAMS) {centralised and shared with LM's}
- Electronic Document Management System (Documentum)
- Disaster Management Information Management System {centralised and shared}
- Geographic Information System (ArcGIS)
- Land Use Management Information System (MapObject) {decentralised and implemented at all LM's}
- Payroll and Human Resource Management System (Payday)
- Asset Management System (BAUD)
- Risk Management Systems & Internal Audit Management System (BarnOwl)
- Fleet Management System
- Customer Care System (CRM) {CA Unicentre ServiceDesk}
- BulkSMS {AmiCell}

Challenges

The new focus areas that need prioritisation are Information Management (IM), Knowledge Management (KM) and Business Intelligence (BI). The gap herein is how ADM manages and uses its information. Also, critical is how information flows within the organisation and between IS.

This challenge affects the reporting that is legislatively required for municipalities undertake monthly, quarterly, mid-year and annually to various spheres of government. By acquiring the right tools to make this information presentable and usable then gives a high value to the information that ADM has and uses for decision making of service delivery and prioritisation thereof for projects.

Another gap is how does the organisation retain the information and curb the turnover with Intellectual Property (IP), which is information such as concept documents, business plans, reports, resolutions, discussion papers, presentations, strategies, policies etc. These need to be kept in an electronic format so they are accessible to the organisation and the communities. This then requires some information architecture to be developed and documented. Currently, the above are missing and are identified as challenges and gaps.

Furthermore, the other challenges and gaps are around synergies between the systems and functional areas, especially integration and compilation of reports from different systems. This affects mostly the Geographic Information System (GIS) where information resides in different systems such as Financial Management System, Water Information Management System and Project Management System.

Support to LM's

The unit is also required to support local municipalities but has staffing challenges in order to fulfil this at a technical level. Furthermore, the local municipalities lack sound network and server infrastructure to run IT services. Also, the lack of IT technical officers at local municipalities imposes a challenge in terms of capacity building initiatives in terms of support. But major is the financial status of the local municipalities this impedes ICT development and the fact that IT is not seen as a strategic tool resulting in the lack of value that IT offers in the organisation. By this not being part of the strategic agenda, in terms of budgeting, planning and decision making impacts on the proficiency and efficiency of the organisation in fulfilling its mandate and meeting its strategic goals and objectives.

The local municipalities require a lot of support so as to contribute to the district wide objectives such as developmental outcome based strategies inclusive of economic growth, unemployment rate, HIV/AIDS etc. From a governance perspective, cleaning audit reports require a stable environment with proper ICT systems and infrastructure that meet a certain level of security.

Currently the ADM has implemented a uniform financial management system to 5 local municipalities, thus leaving 2 local municipalities on different systems. BCM is on the same financial system but a consideration is made on premise of the Metro status ward proclamation for the BCM.

Governance

The unit has established an IT Governance Steering Committee and developed the following :

- IT MSP {IT Master Strategic Plan}
- IT BCP/DRP {Business Continuity Plan/Disaster recovery Plan}
- GIS Strategy {Geographic Information Systems Strategy}
- ICT Policy Charter
- Acceptable Usage Policy
- Email Usage Policy
- Internet & Intranet Policy
- Backup Policy
- Information Storage Policy
- Network Access Policy
- 3G Cards Policy

- GIS Policy
- IT Privacy & Confidentiality Policy
- IT Provisioning Policy

(D) MUNICIPAL SUPPORT

The Amathole District Municipality (ADM) is required, in terms of the Local Government Municipal Structures Act [Act 117 of 1998, as amended, Section 83(3)©, and Section 88(2)(a)] to assist local municipalities (LMs) within its demarcated area to build capacity so that they may perform their functions and exercise their powers.

Local government by its design is the sphere closest to the people; hence it is the most accessible of the three spheres. It is therefore expected that when people are not satisfied with service delivery, the first point of reference is the local municipality.

Other challenges facing local municipalities are skills shortages, especially rare skills like finance, engineering and planning. Political instability in our councils has also hindered municipalities' ability to effectively discharge their responsibilities.

Lack of financial resources is also a serious problem, our municipalities are mostly dependent on grants, debt collection strategies that are ineffective and we also have a situation where salaries have exceeded the national threshold of 35%.

The Amathole District Municipality has established a Municipal Support Unit (MSU) in order to fulfil its legislative mandate of supporting Local Municipalities. The Key Focus Areas are Financial Management, Corporate Services, Technical/Engineering Services, Land and Human Settlements, Development Planning and Performance Management.

The goal of the MSU is to transform local municipalities within the district to such an extent that they will in future be self-sufficient, responsive, developmental in nature and, above all, financially sustainable.

The following provides an overview of the support provided to local municipalities, as well as performance highlights of the MSU:

COPORATE SERVICES:

Administration

The key focus under administration is the assistance provided to the Amahlathi, Great Kei, Mbhashe, Mquma, Ngqushwa, Nkonkobe and Nxuba, Municipalities on developing SCM Reports to be submitted to their Council's for reporting as per the requirements of the Municipal Finance Management Act.

Nxuba Municipality assisted to customize some of the policies of Amathole District Municipality, with particular reference to Policy on Public Participation & Petitions and Policy on Civic Funerals for Councilors by laws:

Human Resources

Skills assessment has been completed and the next phase of the project is the direct assistance of LMs in reviewing their establishment plans in line with their IDP processes 09/10, there were already some discussions had taken place with Great Kei, Nxuba and Mbhashe LMs.

That the project desktop study exercise in assessing LM organograms in accordance to their Municipal powers and functions should be extended to all LMs that ADM would be concluding a Service Level Agreement including Great Kei Municipality.

That the project District Wide Skills assessment on rare skills and scarce skills within the District should as well consider the level of skills deficiency within the District and LMs, and the top up funding should as well address that.

ENGINEERING

On the assessment done by the Engineering section within MSU, it has been established that the conditions of access roads within Local Municipalities are on a bad state and need attention. It has also been established that the capacity of the technical services and skills of officials within the department needed assistance.

Therefore municipalities have been and continue to be assisted with the development of engineering manuals and have conducted workshops.

Additional in response to Roads challenges the Department of Transport has been brought on board to assist with its plants and bilateral agreements will be concluded with Municipalities.

The Roads function is the Responsibility of the Local Municipalities hence the District Municipality through MSU is only providing technical and strategic support.

LAND AND HOUSING

The key focus is to ensure that in partnership with the department of Rural Development the newly initiated Area Based Plan developed for all Municipalities within the District to respond to land reform issues.

All the local Municipalities have been assisted with the funding from province to develop Housing Development Plans and are being reviewed as per the IDP process plan for 2009/2010. However the department has prioritised funding of backlogs and new projects will be considered in the coming years.

Municipalities are realizing the importance of Spatial Plans and as it is also a requirement by the Province that all sector plans are to be submitted when the IDP is being submitted for assessment.

Therefore the Municipal Support Unit is providing technical support to develop and implement the Spatial Development Framework plans.

INTEGRATED DEVELOPMENT PLANNING AND PERFORMANCE MANAGEMENT

The IDP/PMS unit provides technical support to Local Municipalities in the reviewal of the IDPs and monitoring thereof and ensuring that all municipalities falling within Amathole District do comply with relevant legislation. It is very crucial that all spheres of government plan together so as to arrive at integrated development plans that reflect district-wide planning.

The IDP/PMS sessions are held at the beginning of each IDP phase. These sessions serve as a platform to build capacity of managers as they embark on the activities of each phase, give feedback, identify challenges, and learn and share best practices.

As municipalities are approaching the end of the second term of local government, the focus of the 2010/2011 IDPs is on taking stock of what has been done thus far, identify gaps, analyse trends and lessons drawn from the process. This is in preparation of the municipalities exit report of the 2nd round of IDPs.

FINANCE

The key focus is gearing the Local Municipalities to obtain clean audits by 2014, therefore the District through the MSU is providing technical support.

ADM have rolled out the Venus Financial Management system to five LMs, being Nkonkobe, Ngqushwa, Amahlathi, Mbhashe and Nxuba. The implementation of the project is almost complete, the only module outstanding is the asset module which could not be implemented as all 5 of the LM's had to appoint service providers to update their asset registers in accordance with GRAP standards and this is currently being performed, the project is currently in the post-implementation phase. ADM have co-ordinated Venus training to train new and existing staff of the LM's to broaden their knowledge on the system during the 09/10 financial year.

ADM assisted Ngqushwa Municipality with the financial matters in preparation for financial year end processes, compilation of monthly debtor and vat reconciliations and the compilation of various finance related registers.

ADM assisted Nkonkobe with the 09/10 budget process and filing of all the 08/09 expenditure payment vouchers.

PROPOSALS FOR STRUCTURED APPROACH

For the 2009/2010 financial year the Municipal Support has proposed a more formal and structured approach to support Municipalities. In this regard service level agreements are being developed. The intended objective is to clear define roles and responsibilities of all parties. Further the approach will allow the Unit to be able to develop action plans and report to Council on the activities of the Unit.

Government has launched a project to make sure that by 2014 all municipalities should have clean audits and that be maintained. In response to the program, the Amathole District Municipalities and its Municipalities identified a need to embark on the "Clean Audit by 2014" campaign. Good governance is pivotal in the achievement of noble goals, and therefore the Good Governance Summit was held on 15 to 17 November 2009.

2.1.4.6 Health & Protection Services

(A) MUNICIPAL HEALTH SERVICES

The Municipal Health Services Unit is entrusted in terms of the National Health Act, 2003 (Act No. 61 of 2003), with the following functions:

- Water quality monitoring;
- Food control;
- Waste management
- Health surveillance of premises;
- Surveillance and prevention of communicable diseases, excluding immunization;
- Vector Control;
- Environmental Pollution control;
- Disposal of the dead.

This is one of the core functions of the Amathole District Municipality (ADM) in terms of Section 32 of the Act. At present the function is undergoing a devolution process.

Water Quality Monitoring

A drinking water quality monitoring programme is in place to ensure compliance with the South African National Standards (SANS241:2006) and ensure that water is safe for human consumption. To achieve this, the unit takes samples for analysis from 72 sampling sites, covering the whole ADM area. A waste water sampling programme is also in place to ensure that waste water discharge complies with legislation and set standards.

A water quality monitoring sub-unit comprising of 10 officials has been established. The sub-unit deals with water quality related issues including the sampling and testing of drinking water, waste water and water from boreholes

A total of 711 drinking water samples were taken from drinking water sources for testing. Six hundred and forty seven of the samples tested complied. Sixty four (64) drinking water sources that did not comply were re-sampled and re-tested.

A total of 128 samples were taken from waste water sources for testing. Sixty two waste water samples tested and complied. Waste water samples that did not comply were re-sampled and the reasons for non-compliance investigated. The most common reasons for non-compliance were the ageing infra-structure and waste water treatment plants operations related.

A total of 106 drinking water samples were taken from boreholes for testing. One hundred and fifty two water samples tested complied

A ground water monitoring programme is ongoing.

A total number of 15 officials were trained in Water Quality Monitoring and Water Quality Safety Planning.

The results of the analyses from both programmes are captured on a national internet based water quality monitoring system [E-WQMS]. The level of compliance has improved since the programme started.

A Water Safety Committee comprising of all water stakeholders holds its meetings bi-monthly to deal with water related issues.

Amathole District Municipality is an affiliate of the Department of Water Affairs and Environment's [DWAE]. Drinking Water Quality Management and Regulation Programme. The programme seeks to restore trust in South African drinking and waste water quality. Water Services Authorities are awarded with Blue Drop Status (Drinking Water) or Green Drop Status (Waste Water) if they comply with set legislative and best practice requirements.

The Amathole District Municipality was awarded the Blue drop status on two of its water treatments plants in May 2009; viz, Sandile in Amahlathi and Kingslynn in Ngqushwa Municipality.

Food Control

A database of food handing premises is in place and is updated periodically. This database includes big businesses such as supermarkets, the general dealers and butcheries. It also includes food caterers and some informal food-handlers. Monitoring of informal street trading still poses a challenge.

A food inspection, sampling and analysis programme is on-going to ensure that food sold to the public is fit for human consumption and complies with relevant legislation.

Dairy farms and milking parlours are inspected and milk samples taken. Results of milk samples show a gradual improvement in compliance with legislation.

A Food Safety Committee is in place to deal with all food related issues.

A total number of 38 officials from Amathole District Municipality, Eastern Cape Department of Health and Buffalo City Municipality were trained in Five Keys to Safer Food. The trained officials impart the knowledge to food-handlers.

The core messages of the Five Keys to Safer Food are:

- Keep clean;
- Separate raw and cooked;
- Cook thoroughly;
- Keep food at safe temperatures and
- Use safe water and raw materials

Sampling runs on salt, sweets and maize products were undertaken as directed by the National Department of Health to assess the state of readiness for the 2010, in terms of food safety. A 2010 FIFA World Cup action plan is in place, covering food safety and all the MHS functions. A recall on infant formula containing melamine was invoked and the product was removed from the shelves.

Planned sample runs for the year include peanut butter, due to its widespread use in other products, and any other products identified by the Nationals Health Department for inspection. The food sampling and analysis campaign is on-going.

Waste Management

Management of waste is monitored, although collection and disposal thereof is still a challenge in some areas. Waste generators have been slow in familiarising themselves with the sorting and recycling of waste. Health and hygiene awareness campaigns are conducted, including possible waste recycling projects.

Eleven legal and illegal waste dumping sites were visited for assessment. More attention is needed in both design and management of waste sites.

An audit of health care waste generators, covering the whole Amathole District Municipality area was carried out. The audit revealed that 45 percent of health care waste generated cannot be accounted for, therefore, suggesting the likelihood of illegal dumping, being buried or burnt. An integrated approach to health care waste management has been adapted and this will involve big and small scale generators. The audit included the following:

Hospitals	Animal Research	Blood Bank
Physicians office	Veterinary	Funeral Parlours
Clinics	Old Age Homes	Mortuaries
Dental Clinics	Research Centres	Tattoo Parlours
Laboratories	Pharmacies	Home Health Care
Acupuncturists	S.P.C.A	Institutions for Disabled Persons
Nursing Homes	Psychiatric Clinics	
	Autopsy Centres	

A Health Care Waste Management Plan is in the process of being developed.

Health Surveillance of Premises

Regular inspections of premises are carried out to prevent and abate conditions which are likely to constitute a danger to health.

Surveillance and Prevention of Communicable Diseases

During 2009/2010 activities the unit embarked on health and hygiene promotion campaigns aimed at the prevention of environmentally induced diseases and related communicable diseases.

The Participatory Hygiene and Sanitation Training (PHAST) approach is used for the effective control of communicable diseases at community level. The existing Communicable Diseases Prevention and Control Strategy is being reviewed to ensure that it addresses all the aspects of communicable diseases. The following new issues have been taken into consideration:

- **Swine flu**
 - Control of pigs: to prevent transmission of diseases.
 - Socio-economic impact: After the swine flu outbreak in 2006, when almost all pigs in one region were culled to control the outbreak, communities were encouraged to find alternative sources of income and protein as the pigs provided them with both.
- **H1N1**
 - Preventative mechanisms: Information dealing with how to prevent the spread of H1N1 was distributed as a way of awareness.
- **Measles**
 - Identification of high risk and vulnerable communities: has been carried out.
 - Measles is preventable and one of the ways of prevention is immunisation
- **The 10 Point Plan (2009\10 – 2011\12)**
 - The implementation of the communicable diseases prevention and control strategy is in line with the National key strategic issues also called the 10 Point Plan.
- **One [1] Cholera incident was reported in Buffalo City Municipality – it turned out to be an imported case.**

Two [2] Cases of Organo-phosphosphate poisoning were reported in Buffalo City Municipality. Most affected were farm workers. An awareness campaign was carried out, focusing on the importance of wearing protective clothing and proper handling of chemicals. Training is underway to capacitate staff in communicable diseases surveillance and information system management.

Communicable diseases outbreak response protocols are in place to deal with emergencies in the ADM area.

Vector Control

A fully fledged vector control section is yet to be established. It will deal with vector control of public health interest including the control of arthropods, molluscs, rodents and other alternative hosts of diseases.

At present, the unit only deals with the removal or remedying of conditions resulting or favouring the prevalence or increase of rodents, insects and disease-carriers or pests.

Environmental Pollution Control

This deals with the identification of polluting agents and their sources i.e. air, land and water.

Preventive measures are taken to ensure that the general environment is free from health risks. Most of the activities overlap with the water quality monitoring and waste management activities.

In January 2010 ADM will be an Atmospheric Emission Licensing Authority in terms of the Air Quality Act, 2004 (Act No. 36 of 2004). Staff will be trained in atmospheric emission licensing processes.

Two officials have been trained in air quality management related issues, in-line with an on-going capacitation programme.

The Tobacco Products Control Act, No. 12 of 1993 as amended, has been promulgated and education of facilities such as restaurants is currently being undertaken to ensure compliance.

Disposal of the Dead

A total of 84 funeral parlours are on the database and inspections are carried out periodically to ensure that premises comply with the requirements regarding handling of corpses.

Other Programs

A municipal health services action plan for 2010 FIFA World Cup has been developed based on the aforementioned functions. The plan is in line with the provincial and national plans and feeds into the provincial master plan. It will assist in uplifting and sustaining the standard of municipal health services in the area. The implementation of the plan is progressing well.

(B) PRIMARY HEALTH CARE

The National Health Act 61 of 2003 defines the primary health care function as the competence of the provincial department of health. Amathole District Municipality currently renders primary health care services on an agency basis on behalf of the Provincial Department of Health through a service level agreement.

Coordination of health services is being undertaken at a district level where different health rendering authorities jointly formulate the District Health Plan which links to both the district and local municipalities' Integrated Development Plans. The plan sets out the goals and strategies and details of the funding allocated for its implementation, in order to enable the health district to best meet the health needs of its population. The District Health Council, a political forum, has an oversight role in insuring community access to quality health care.

The Amathole health district priorities are aligned to the provincial priorities and prescripts of the Provincial Growth and Development Plan and these include improving access to health services, improving service delivery systems in hospital, improving the quality of care in all institutions and facilities, strengthening of primary health Care (PHC), improving governance structures and management (health committees), promoting healthy lifestyles, strengthening down referral on anti-retroviral treatment and strengthening financial management in all cost centres.

It is however important to note that provincialisation of the function is currently being implemented and this has led to instability of staff retention by the Amathole District Municipality.

Although HIV and Aids is a national priority, its management and control, together with other communicable diseases such as sexually transmitted infections and tuberculosis (HAST) remains attached to Primary Health Care. However, HIV and Aids is a developmental issue which makes it the role of the district to have processes in place to address the scourge, integrating it into all aspects of ADM's functions is being achieved by placing HIV and AIDS in the special programs unit.

ADM HEALTH STATUS

CHILD HEALTH

The Child Health Care is one of the priority Millennium Development Goals (MDGs) programmes aimed at improving the life of children as future citizens. The objectives of the program included:

- Reduction of Child and Infants morbidity and mortality.
- Improving access of children to comprehensive Primary Health Care services.
- Identifying causes of deaths in children under 5 years of age through the implementation of Child Health Problem Identification Programme (CHIPP).
- Increasing the routine immunization coverage, targeting poor performing Districts through adopting the Reach Every District strategy (RED), as well as periodic mop-up campaigns.

IMMUNIZATION COVERAGE

The Provincial target for immunization coverage is 85% and the ADM is currently at 63.5% , broken down per Sub-District as follows:

Month	Amahlathi	BCM	Mbhashe	Mnquma	Nkonkobe	District
Oct.08	49%	59.7%	61,9%	46,4%	104%	64.2
Nov.08	52,1%	72,3%	75,7%	50,4%	79,2%	65,9%

Dec.08	51%	72,2%	57,4%	50,1%	71,5%	60,4%
Total	50.7%	68,1%	65%	48,9%	84,9%	63,5%

NB Nkonkobe Sub-District's immunization coverage exceeded 100% in October due to immunization "catch-up" undertaken.

All Districts, with the exception of Alfred Nzo and Cacadu, are implementing the provincial Reach Every District Strategy, aimed at supporting the poorly performing areas

In Amathole the strategy is only implemented at Mbashe, which is one of the 18 districts within the Country that were chosen by the National Department of Health for the strengthening of the Mother, Child and Women Health (MCWH) indicators due to poor performance, especially in the Prevention of Mother To Child Transmission (PMTCT) programme.

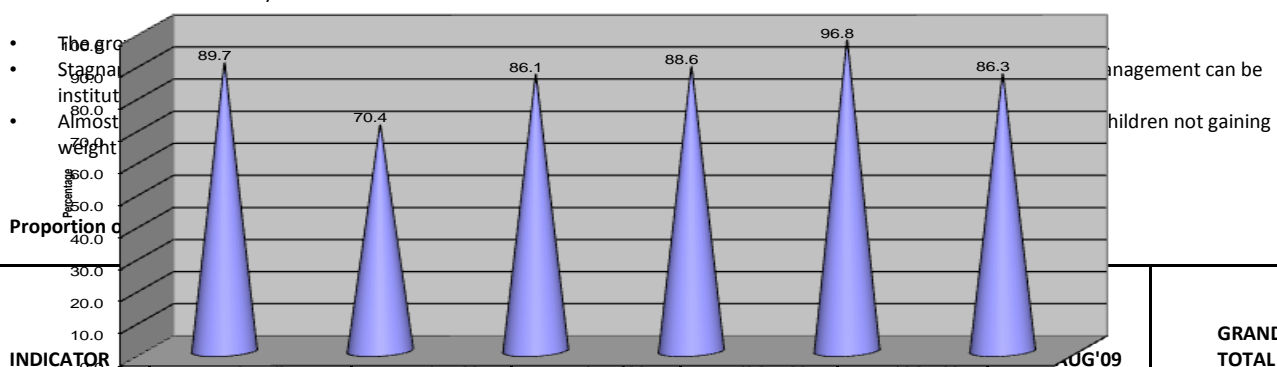
DIARRHOEA UNDER 5 YEARS OF AGE

Data Element	Sub District	Apr'09	May,09	Jun'09	Jul'09	Aug'09	Grand Total
Diarrhoea with dehydration under 5 years - admitted	Amahlathi SD	14	2	9	8	6	39
	Buffalo City SD	50	88	40	18	27	223
	Mbashe SD	16	18	19	14	8	75
	Mnquma SD	41	51	41	15	0	148
	Nkonkobe SD	12	8	23	21	19	83
	District	133	167	132	76	60	568
Diarrhoea with dehydration under 5 years - death	Amahlathi SD	2	2	2	1	1	8
	Buffalo City SD	0	4	2	2	1	9
	Mbashe SD	1	2	5	2	1	11
	Mnquma SD	8	6	5	5	0	24
	Nkonkobe SD	0	2	1	0	0	3
	District	11	16	15	10	3	55

- Diarrheal diseases are one of the key contributors to morbidity and mortality in young children. The incidence and severity of these diseases are closely related to environmental health factors such as access to adequate amounts of clean water, suitable sanitation and washing facilities, nutritional status, and access to health services.
- Other factors such as hygiene education, maternal education, and household income also affect the incidence and impact of these diseases. However, many of these social determinants including access to water are largely out of the control of the health department, but are important components of the Integrated Development Planning (IDP).
- Diarrheal incidence under 5 measures the number of new cases of children with diarrhoea per 1 000 children under 5 years in the catchment population
- Out of all sub districts Buffalo City reflects high number of admissions 223 in a five months period, on the contrary it has less number of death for that period (9) compared to other sub districts except for Amahlathi and Nkonkobe respectively which reflect the lowest number of deaths 8 & 3

Children weighed & Children not gaining weight - Apr 09 – Aug 09
Target 90%

This graph measures the proportion of children that are not gaining weight relative to the number of children weighed for the first time in a month in a health facility.



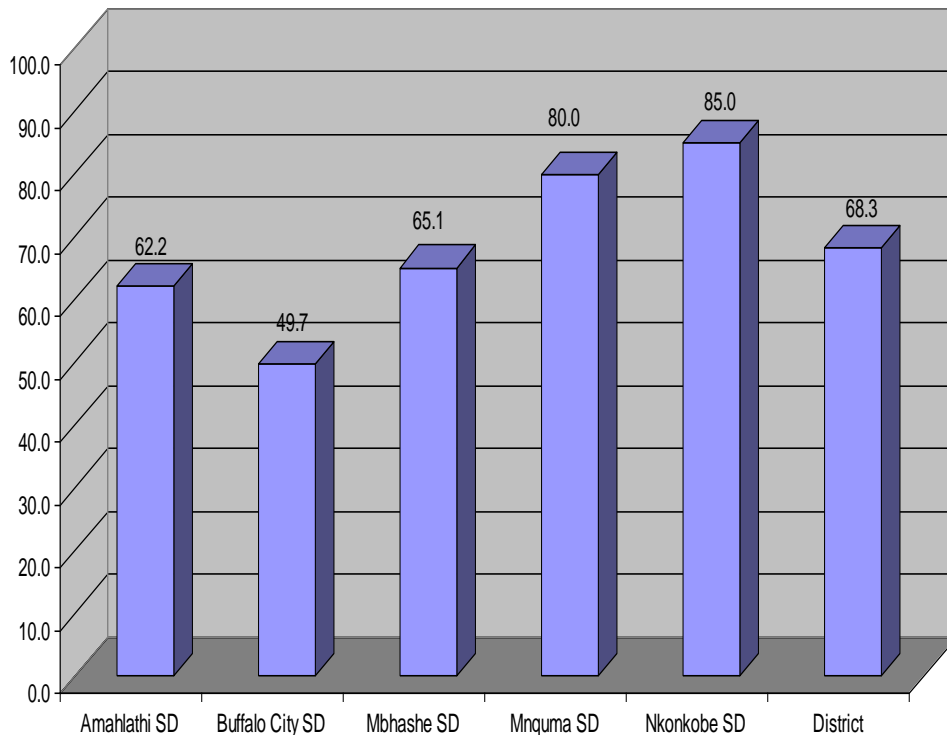
INDICATOR	Amahlathi SD	Buffalo City SD	Mbashe SD	Mquma SD	Nkonkobe SD	District	GRAND TOTAL
Proportion of antenatal clients tested for HIV	Amahlathi SD	77.3			87.0	60.6	75.9
	Buffalo City SD	84.2	97.4		91.8	92.2	93.1
	Mbashe SD	100.6	106.0		100.6	84.0	97.5
	Mquma SD	101.5	94.3		84.0	98.6	95.2
	Nkonkobe SD	65.0	98.4		79.2	88.1	88.1
	District	85.7	97.7		88.5	84.7	94.2
Proportion of antenatal clients tested positive for HIV	Amahlathi SD	28.6	22.8		29.8	93.3	45.0
	Buffalo City SD	18.5	21.7		22.9	20.8	20.6
	Mbashe SD	20.4	24.2		14.7	28.9	20.5
	Mquma SD	18.7	20.7		21.3	4.1	13.0

Nkonkobe SD	30.8	13.4	15.2	21.4	20.5	19.0
District	23.3	20.5	20.8	33.7	24.1	23.6

This table measures the proportion of women who attend antenatal care that are tested for HIV.

- The target for antenatal HIV testing within the National Strategic Plan 2007-2011 is to reach a coverage of 95% by 2011
- Mbashe has a highest percentage 97.5 followed by Mquma 95.2 and Buffalo City 93.1 and that puts the district at 89.9

Nevirapine uptake rate among pregnant HIV positive women



This graph measures the proportion of HIV positive pregnant women who receive a nevirapine 28 dose during either antenatal care or in labour. This is an extremely important component of the ART package since antiretroviral prophylaxis has a large impact on reducing early mother to child transmission of HIV

A total number of 12590 clients have been registered on Anti -Retroviral Treatment [ART].

TUBERCULOSIS [TB]

Tuberculosis (TB) is a major health problem of poor socio-economic origin which is also influenced by spatial and infrastructural development. 360 MDR and 45 XDR have been diagnosed in the ADM area since 2007.

The number of patients discharged from The Fort Grey Hospital to get treatment at the Primary Health Care facilities within the ADM area was:

- Buffalo City: = 25
- Amahlathi: = 08
- Nkonkobe: = 10
- Mbashe: = 12
- Mquma: = 15

TB Responding to Treatment

- Reducing the incidence of TB is an important Millennium Development Goal (MDG and PGDP), but meeting this goal is proving difficult and appears unlikely to be achieved

- Mbhashe sub district has at least moved up the range to 3.1% on suspicion index while Mngoma is dropping off the range 1.9% that puts the district to the average of 2.6% which is within the range but at a very low level

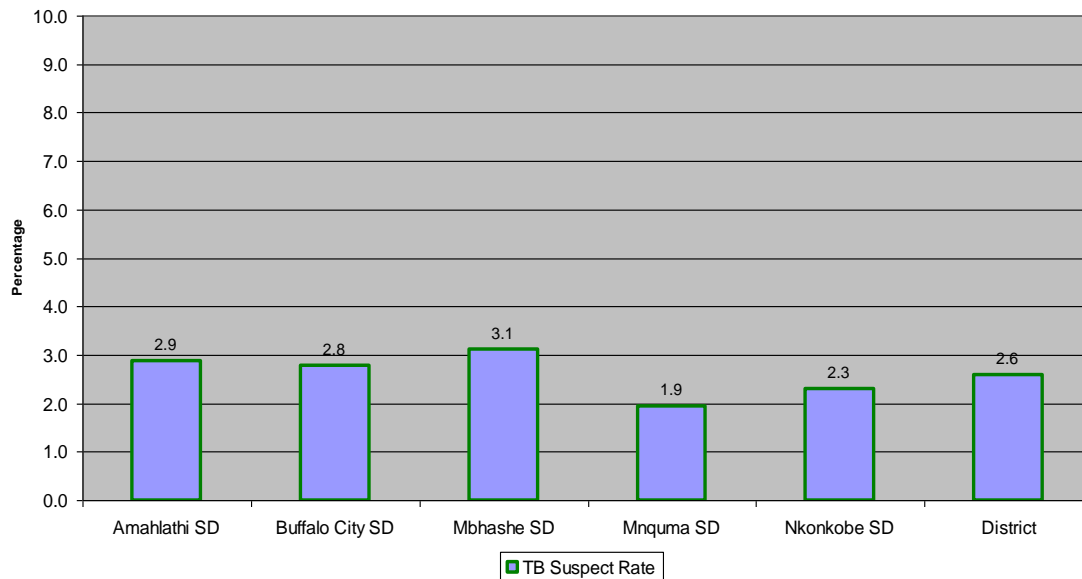
TB Cure Rate

- The TB cure rate is the proportion of TB cases that have taken TB treatment for a full six months, and as a result no longer have TB bacilli in their sputum.
- A more technical definition of cure rate is the proportion of smear positive TB cases that are shown to be smear negative at the end of six months treatment and who have also had a negative smear on one previous occasion during the TB treatment.
- The WHO target for cure rate is 85%. The interim South African target is an increase of 10% each year. Mbhashe & Mngoma are leading with 78.6% & 78.3% respectively. Buffalo City is the least performing sub district 41% and the district is at 49.1%

TB Cure Rate – new smear positive

Units	Completed						Not Completed						Not Evaluated		Total	
	Cured		Completed		Failure*		Died		Transferred		Defaulted					
	N	%	N	%	N	%	N	%	N	%	N	%	N	%	N	%
AM AHLATI	49	50	19	19.4	-	0	14	14.3	12	12.2	4	4.1	-	0.	98	100
B. CITY	336	41	228	27.8	25	3.1	94	11.5	46	5.6	90	11	-	0	819	100
MBASHE	110	78.6	3	2.1	1	0.7	11	7.9	4	2.9	3	2.1	8	5.7	140	100
MNQUMA	101	78.3	2	1.6	-	0	9	7	10	7.8	6	4.7	1	0.8	129	100
NKONKOB E	168	45.3	85	22.9	8	2.2	18	4.9	13	3.5	32	8.6	47	12.7	371	100
District	764	49.1	337	21.6	34	2.2	146	9.4	85	5.5	135	8.7	56	3.6	1557	100

TB Suspect Rate



Smear Conversion Rate – New Cases

- The smear conversion rate (SCR) is the proportion of smear positive clients who no longer have the TB bacillus in their sputum after two months of treatment and are referred to as “smear negative”.
- As TB treatment is at least six months duration, this is an important process indicator of the effectiveness of TB treatment. It is the first indicator which will alert health workers to the failure of clients to respond to treatment and the possibility
- of drug-resistant
- TB. SCR is also a measure of the effectiveness of the health service.
- Mmquma is leading by 99% in SCR followed by Mbhashe with 86%. Buffalo City has the lowest performance of 44.8% that has put the district at an average of 55.4%

The partnership formed with Humana People to People in 2008 has continued into 2009 and the program has included the training of Directly Observed Treatment and Support [DOTS] volunteers.

COMMUNITY ACCESS TO HEALTH SERVICES

Type detail	Total by type detail	Sub Health District	Local Municipality
District Hospital	10	Amahlathi, Buffalo City, Mmquma, Nkonkobe	Amahlathi, Buffalo City, Great Kei, Ngqushwa, Mmquma, Nkonkobe and Nxuba
District Surgeon	1		
Emergency Medical Service	5	Amahlathi, Buffalo City, Mmquma, Nkonkobe	Amahlathi, Buffalo City, Great Kei, Ngqushwa, Mmquma, Mbhashe, Nkonkobe and Nxuba
Fixed Clinics	220	Amahlathi	
HIV and Aids Programme	5	Amahlathi, Buffalo City, Mbhashe, Mmquma, Nkonkobe	Amahlathi, Buffalo City, Great Kei, Ngqushwa, Mbhashe, Mmquma, Nkonkobe and Nxuba
Mobile Clinic	40	Amahlathi, Buffalo City, Mbhashe, Mmquma, Nkonkobe	Amahlathi, Buffalo City, Great Kei, Ngqushwa, Mbhashe, Mmquma, Nkonkobe and Nxuba
Nutrition Programme	228	Amahlathi, Buffalo City, Mbhashe, Mmquma, Nkonkobe	Amahlathi, Buffalo City, Great Kei, Ngqushwa, Mbhashe, Mmquma, Nkonkobe and Nxuba
Psychiatric Hospital	1	Nkonkobe	Nkonkobe and Nxuba
TB Hospital	2	Buffalo City and Nkonkobe	Buffalo City, Great Kei, Ngqushwa, Nkonkobe and Nxuba

Information source: District Health Information System: Amathole Health District

Amathole District Municipality's access to health services meet the minimum norms set by the World Health Organization (WHO) of 1 clinic per 10,000 population. This has been realized through outreach services as indicated by the number of non-fixed [mobile] clinics, which are a support to fixed clinics and the hospitals.

District Health Priorities and Primary Health Care Priority Conditions

The common diseases and health problems in the district are related to socio-economic factors such as overcrowding and poor resistance due to poverty and illiteracy. Chronic illnesses affecting middle class and affluent society are often related to poor lifestyles.

HIV and AIDS

Accredited Sites for the Comprehensive Plan for HIV and AIDS Care, Management and Treatment:

LOCAL SERVICE AREA (LSA)	SITES
Buffalo City LSA	<ul style="list-style-type: none"> • East London Hospital Complex [Cecilia Makiwane and Frere hospitals] • Bisho Hospital • Grey Hospital • Nompumelelo Hospital
Amahlathi LSA	<ul style="list-style-type: none"> • Stutterheim State Aided Hospital • S S Gida Hospital

Mnquma LSA	<ul style="list-style-type: none"> • Butterworth Hospital • Ngqamakhwe Community Health Centre • Tafalofefe Hospital
Nkonkobe LSA	<ul style="list-style-type: none"> • Victoria Hospital • Middledrift Community Health centre • Fort Beaufort Hospital
Mbhashe LSA	<ul style="list-style-type: none"> • Elliotdale Health Centre • Dutywa Health Centre • Willowvale Health Centre
NGO (PEPFAR)	<ul style="list-style-type: none"> • Qumra Hospital in Great Kei • Hamburg (Ngqushwa) • Masibambane (Amahlathi) • Sophumelela and Ikhwezi Lokusa in Buffalo City
FEEDER CLINICS SERVING THE ABOVE HOSPITALS	Duncan Village Day, Empilweni / Gompo Health Centre, N U 13 Clinic, N U 8 Clinic, N U 2 Clinic, Dimbaza Clinic, Zwelitsha Clinic, Ndevana Clinic, Bhisho Clinic, Daliwe Clinic, Kati Kati Clinic, St Mathews Clinic, St Mathews Gateway, Ntabakandoda Clinic, Kubusie Clinic, Gateway Clinic, Macibe Clinic, Thuthura Clinic, Gateway Clinic, Gcaleka Clinic and Gungqe Clinic

The accreditation of Cathcart Hospital, Bedford Hospital, Fort Grey Hospital and Qumra Clinic is progress.

The above sites are well capacitated in terms of human resources and operate 5 days a week.

ADM has taken strides to support all efforts related to combating the spread of HIV and Aids as indicated in the Provincial Growth and Development Plan through the following projects:

- Development and distribution of HIV and Aids Magazine which is an information sharing tool on all matters around HIV and Aids;
- Coordination of HIV and Aids activities through the District Aids Council;
- Strengthening HIV and Aids community initiatives, aimed at strengthening HIV and Aids support groups, establishment of post test clubs and integration of HIV and Aids and mental health.

SEXUALLY TRANSMITTED INFECTIONS (STIS)

The major cause of the spread of STI's is unprotected sex. The promotion of abstinence and the use of condoms are emphasized during all health programmes targeting youth in and out of school.

The partner treatment rate remains a challenge as reflected in the Eastern Cape Department of Health strategic document 2005/2006 due to the nomadic nature of clients who prefer not to be treated at local health facilities.

SWINE FLU [H1N1 FLU VIRUS]

There were 555 laboratory confirmed cases and 5 deaths in the Eastern Cape Province. The first confirmed case of influenza A/H1N1 in Amathole District Municipality was in East London was on the first week of in July 2009 affecting 13 students from the Water Sisulu, Fort Hare and Rhodes Universities.

Service Delivery Challenges

General challenges in the provision of effective and equitable PHC services include:

- Transport issues; such as shortage of mobile clinic vehicles and vehicles for supervision and support;
- Medication shortages;
- Inadequate security at all clinics;
- Staff retention is poor due to impending provincialisation
- Involvement of "men as partners "in health care.

(C) COMMUNITY SAFETY

The Amathole District Municipality's approach to the safety and health of its communities is an integrated one with the Community Safety Services Unit playing a leading role. In its efforts to play a meaningful role in the reduction of social crime, the ADM supports District and Local Community Safety Fora. It supports crime prevention initiatives in conjunction with other stakeholders, e.g South African Police Services [SAPS]. Integration of community safety through planning and design is also practiced by the various departments in the ADM and the special programmes unit support the reduction of crime through some of their programmes.

Risks

Since the implementation of the Safe and Healthy Environment Strategy that was developed in 2003, the resultant Community Safety Plan, first developed in 2004 and reviewed annually has kept track of crime trends through the use of statistics and community surveys when statistics were not available. The Plan underwent a major review in 2008/2009 indicating an increase in the following categories of crime: murder, rape, house-breaking and assault with intent to do grievous bodily harm [GBH].

COMMUNITY SAFETY SECTOR PLAN REVIEW

The crime prevention plan is reviewed annually. The 2009/2010 situational analysis review revealed:

- The projects identified need to accommodate scope for AD-HOC crime prevention programs at crime HOT SPOTS as they occur.
- During July 2009 an increase in social crimes in Dimbaza was experienced and all stakeholders cooperated in dealing with this situation so as to avoid a situation where it becomes irreversible. Interventions have had an effect in reducing the incidents of these crimes.
- The projects identified for the following period will include follow-up events in the HOT SPOT areas to ensure continued awareness.

The identification of new projects for the 2010/2011 period will be within the parameters of the objectives of the plan and will be identified by the District and Local Community Safety Forums.

2010 PLANNING

The Community Safety Unit coordinates the District Safety and Security work stream for 2010. The District committee facilitated submission and collection of Amathole District Municipality and other stakeholders' readiness plans for 2010 and provided them to the Provincial Safety and Security Committee.

CHALLENGES

- Poor sustainability of Community Safety Forums at local municipalities due to a lack of resources and institutional capacity to coordinate community safety programmes;
- Lack of defined legislation on the role of local government in crime prevention and thus core functions are given precedence for funding.
- Fitting AD – HOC programs, in response to crime hotspots that occur, into the annual projects plan [financial implications]

(D) FIRE SERVICES

The ADM provides the Fire Services function at Great Kei, Mnquma, Mbashe and Ngqushwa municipalities. Since improvement of fire service delivery to vulnerable communities is an ongoing objective for the district, the IDP process ensures that through the provision of effective fire services, fire risks and losses are being reduced.

COMMUNITY AWARENESS

Community awareness programmes are held in conjunction with Disaster Management and the Department of Water Affairs and DWA. Businesses are also visited to sensitize them of their role in fire prevention.

Schools have been visited with the fire safety message in the four local municipalities

COMMUNITY VULNERABILITIES

Urban: communities are faced with fire risks, which include formal and informal structures as well as hazardous material fires. Poor building materials and poverty exposes the informal structure dwellers to high fire risk.

Rural: The nature of housing and heat sources to sustain livelihood by rural communities places people at risk. The examples of these risks are veld fires, thatched roofs, cooking fires and lightning.

Both urban and rural communities are subject to motor vehicle accidents.

IMPROVEMENT OF FIRE SERVICES COVERAGE.

During the 2009/ 2010 period the staff complement of the four local municipalities that ADM is responsible for has increased from 47 to 51 permanent staff making it possible for ADM to have 24 hour services at each fire station. Two additional satellite fire stations are being established at Chintsa and Kei Mouth.

CURRENT RESOURCES FOR FIRE SERVICES PROVISION

	Fire Engine	4 x4 Skid unit	Fire fighting staff
Municipality			
Mbashe	1 x Medium	1	13 x permanent
Mnquma	2 x Major	1	14 x permanent
Great Kei	2 x Medium	0	14 x permanent
Ngqushwa	1 x Medium	1	10 x permanent
Amahlathi	1 x Major	1	0 x permanent, 5 x standby staff

Nkonkobe	1 x Major, 1 x Medium	1	0 x permanent, 5 x standby staff
Nxuba	1 x skid Unit	1	0 x permanent, 4 x standby staff

The number of vehicles remained the same for the period 2009-2010

FIRE SERVICES LEVIES

Fire Services levies [R10.00] and availability levies [R5.00] were introduced as from July 2009.

AMATHOLE DISTRICT MUNICIPALITY FIRE STATISTICS 2005 onwards....

	Mbhashe			Mnquma			Great Kei			Ngqushwa			TOTAL
	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	
March 05	5	8	1	10	6	0	1	1	0	0	0	0	32
April 05	3	5	0	2	2	0	3	0	0	2	2	0	19
May 05	9	6	2	16	3	0	3	1	0	0	0	0	40
June 05	19	6	2	34	1	0	6	1	0	6	0	0	75
July 05	26	7	2	18	2	0	16	3	0	19	1	0	94
August 05	21	10	5	18	7	1	19	3	1	16	1	0	102
Sept 05	3	4	15	7	2	0	3	0	0	2	0	0	36
October 05	7	6	12	7	4	0	8	0	10	7	0	0	61
November 05	5	2	9	8	5	0	1	2	6	3	4	0	45
December 05	1	3	5	3	7	0	6	2	0	0	2	0	29
TOTAL 2005	99	57	53	123	39	1	66	13	17	55	10	0	533
	MBHASHE			MNQUMA			GREAT KEI			NGQUSHWA			
	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	
January 06	0	7	8	8	3	0	0	0	3	4	0	0	33
February 06	1	6	2	6	7	0	2	0	1	4	1	0	30
March 06	3	4	2	4	3	2	0	0	0	15	1	0	34
April 06	5	4	2	6	8	0	3	1	0	6	2	0	37
May 06	4	5	5	4	2	1	1	2	5	4	1	0	34
June 06	3	2	4	4	2	4	9	1	1	8	2	0	40
July 06	5	4	5	8	5	5	11	0	1	4	2	0	50
August 06	3	2	0	8	3	3	8	2	1	3	1	0	34
Sept 06	6	3	2	7	6	9	3	3	1	6	2	0	48
October 06	4	1	1	8	3	7	5	2	2	7	2	0	42
November 06	9	3	0	12	5	1	6	3	0	8	3	0	50
December 06	6	4	0	9	6	0	7	4	0	9	2	0	47
TOTAL 2006	49	45	31	84	53	32	55	18	15	78	19	0	480
	MBHASHE			MNQUMA			GREAT KEI			NGQUSHWA			
	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	
January 07	12	6	0	14	4	0	8	2	0	7	3	0	56
February 07	7	2	0	11	5	0	6	1	0	5	2	2	41
March 07	12	4	1	17	3	0	11	2	0	8	3	0	61
April 07	10	2	0	14	4	0	10	2	1	9	2	0	54
May 07	10	5	1	21	7	0	9	4	0	11	1	0	69
June 07	12	4	1	20	4	0	11	5	0	10	2	0	69
July 07	27	5	2	50	5	2	46	5	2	17	4	2	167
August 07	22	8	3	18	3	0	34	5	0	30	4	0	127
Sept 07	16	4	1	26	11	1	8	4	0	26	3	2	102
October 07	5	16	3	6	2	1	4	5	0	8	0	1	51
November 07	1	18	7	4	11	2	7	7	0	30	1	0	88
December 07	3	19	12	5	5	0	3	5	2	2	3	3	62
TOTAL 2007	137	93	31	206	64	6	157	47	5	163	28	10	947

	MBHASHE			MNQUMA			GREAT KEI			NGQUSHWA			
	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	
January 08	5	10	2	4	5	2	6	6	4	3	0	2	49
February 08	2	8	2	4	4	0	1	5	2	3	1	0	32
March 08	3	7	4	6	22	2	1	6	2	4	2	0	59
April 08	2	3	0	9	5	0	1	5	1	8	0	2	36
May 08	10	5	1	21	7	0	9	4	0	11	1	0	69
June 08	15	9	0	7	6	2	4	3	0	11	5	0	62
July 08	22	4	3	21	2	2	11	3	0	15	5	0	88
August 08	10	4	4	4	0	0	20	0	1	21	2	0	66
Sept 08	8	4	1	19	3	0	23	2	1	15	1	1	78
October 08	2	3	0	9	3	0	5	7	1	3	0	0	33
November 08	1	1	4	9	4	1	3	8	1	4	6	1	43
December 08	1	1	1	4	2	0	2	2	1	2	2	0	18
TOTAL 2008	81	59	22	117	63	9	86	51	14	100	25	6	633
	MBHASHE			MNQUMA			GREAT KEI			NGQUSHWA			
	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	Fires	MVA	SS	
January 09	1	1	1	7	4	2	3	4	2	2	1	0	28
February 09	1	1	0	6	2	1	4	3	0	4	3	0	25
March 09	4	7	0	6	4	1	7	2	0	6	0	0	37
April 09	7	5	2	4	7	0	9	4	1	11	0	0	50
May 09	9	2	1	10	2	1	14	4	0	5	2	0	50
June 09	32	2	1	25	4	1	19	3	0	10	2	1	100
July 09	41	0	0	35	2	2	29	5	0	12	5	0	131
August 09	14	1	1	21	6	3	13	0	2	4	1	0	66
Sept 09	18	7	0	24	0	2	14	1	0	7	1	0	74
October 09	4	2	1	4	8	4	9	4	1	4	3	0	44
November 09													
December 09													
TOTAL 2009	131	28	7	142	39	17	121	30	6	65	18	1	605
TOTAL INCIDENTS ATTENDED TO DATE	487	278	22	658	254	66	469	153	56	454	96	18	3011

Fires – all fire incidents attended

MVA – Motor Vehicle Accidents attended

SS – Special Services (Emergency Water Deliveries[hospitals], Building rescues, chemical incidents etc.)

TOTAL CALLS - March 2005 – December 2005	533
TOTAL CALLS - January 2006 – December 2006	480
TOTAL CALLS - January 2007 – December 2007	947
TOTAL CALLS – January 2008 – December 2008	633
TOTAL CALLS – January 2009 – October 2009	605

The fire season in South Africa runs from July to September and the statistics indicate these months to have the greater number of fires. The long dry period being experienced since the severe fire season of 2007, better collection of statistics and availability of the service becoming known to a broader sector of the ADM, has led to a rise in the number of calls attended to in the latter of the 5 years' statistics.

Priority Issues

Implementation of by-laws and safety standards: Building plans at local municipalities must comply with the SABS Building Regulations, code 0400, in regard to fire safety. The continuous policing and carrying out of inspections to ensure compliance to required standards will strengthen this.

Priority Programmes

- Strengthen the volunteer system;
- Build capacity through training;
- Conclude cross-border assistance agreements between local municipalities;
- Service level agreements between local municipalities and Amathole District Municipality;
- The implementation of fire levies for fire services started on the 1st July 2009.

DISTRICT FIRE PREVENTION PLAN

The District Fire Prevention plan is being implemented and is undergoing review on an annual basis to ensure it remains current. During the review, it was determined that a Fire Risk Management Plan is required and thus one is being developed.

DISTRICT FIRE RISK MANAGEMENT PLAN

Objectives

The objectives of the ADM Fire Services fire protection activities are:

- to protect human life, property, public land assets and values, as far as practicable, from the damaging consequences of wildfire;
- to control all wildfires, on or threatening public land, in the shortest possible time in a manner which is fast, determined, safe and thorough, giving due regard to management objectives, environmental values and economy;
- to minimize the incidence of preventable wildfires (wildfires of human origin);
- to ensure that environmental values, including the vigour and diversity of the State's indigenous flora and fauna, are protected, as far as practicable, from the damaging effects of wildfire and inappropriate fire regimes.
- to ensure water catchments, airshed and landscape values are conserved;
- to ensure archaeological, historical, and other cultural sites are conserved;
- to achieve other specified land management objectives by the planned use of fire;
- where appropriate, to compliment works carried out on adjacent lands (those not managed by the ADM Fire Services) minimizing the risk and spread of wildfire; and
- where practicable and appropriate, to take measures to assist the recovery of fire fighters and the restoration of the ecosystem from the adverse impacts of wildfire and fire suppression on public land.

These fire protection objectives will be achieved by implementing the fire protection strategies detailed in the following section. Fire management strategies and activities will be planned and conducted in an environmentally sensitive manner in accordance with the environmental care principles.

Strategy

There are four components to the fire protection strategy: wildfire prevention, wildfire preparedness (referred to as 'fire pre-suppression' in previous plans), wildfire suppression and wildfire recovery. Each component is addressed in the Fire Protection Plan.

The fire protection strategy is based on:

- the sources and location of fires, fire risk and the distribution of fire hazard throughout the area;
- the range of wildfire suppression options required in designated zones to protect human life, property, public land assets and values; and
- consideration of the relevant policy statements, existing area management plans, environmental prescriptions, known ecological requirements for the maintenance of ecosystems, relevant scientific research and advice from specialists both within and outside the ADM.

[E] DISASTER MANAGEMENT

Disaster risk reduction in South Africa is enabled by the Disaster Management Act Number 57 of 2002. The Act provides for the prevention of disasters, mitigation of the severity of disasters, emergency preparedness, rapid and effective response to disasters and post disaster recovery.

Status of Disaster Management Centres in the District

Disaster management centres are structures that must be established for the effective coordination of disaster management at Local Municipal level. The ADM Disaster Management Centre structure for the year 2008/2009 is as follows.

District Disaster Management Centre

The District Disaster Management Centre is based at the Ambulance Department in Vincent, East London. A new Disaster Management Centre is in the process of being built at Whelan Depot next to the Buffalo Pass Road.

The project for the building of the centre has been funded by the Department of Local Government and Traditional Affairs. The new centre is expected to be completed before the end of the 2009/2010 financial year.

Four staff members are based at the District Disaster Management Satellite Centre

Disaster Management Satellite Centres

In order to service Local Municipal areas Disaster Management satellite centres have been established with the following resources:

Mnquma	Mbhashe	Great Kei	Ngqushwa	Nkonkobe	Nxuba
1 x Disaster Management Officer 1 x Vehicle	1 x Disaster Management Officer 1 x Vehicle	1 x Disaster Management Officer 1 x Vehicle	1 x Disaster Management Officer 1 x Vehicle	1 x Disaster Management Officer 1 x Vehicle	Human Resources are being provided by Nxuba LM

Hazards that are Frequently Experienced

- Building and mountain and veldt fires
- Floods
- Storms
- Motor vehicle accidents
- Drought

Disasters are experienced frequently in the district during the months of November through to April each year and are mainly weather-related. The ADM was declared a drought disaster area in 2009 and the effects of the drought, despite interventions for the provision of drinking water for humans and animals, continues to bring suffering to our communities.

The seasonal high risk seasons are no longer the only times that severe storms occur and this is an indication of the climate changes being experienced globally. The months of June and August 2009 experienced severe weather that resulted in families' homes being damaged by severe storms. The fire season in July and August also resulted in numerous homes being destroyed by runaway veld fires for the second consecutive year.

Projects to address Disaster Mitigation, Response and Recovery include:

- Disaster Awareness campaigns at schools
- Involvement of schools from Great Kei, Amahlathi, Nkonkobe and Mbhashe, since 2009, Municipalities in an International Strategy for Disaster Reduction Campaign
- Training of DM staff on an Events Management
- Provision of building material to repair disaster damaged houses
- Rebuilding of disaster damaged houses as the need arises and within the parameters of available funding
- Building of a District Disaster Management Centre
- Coordination of drought relief requirements and appeals for funding
- Identification of homeless families affected by disasters for submission to the Provincial Emergency Housing Unit who has implemented a program of providing temporary shelters to families that are left homeless.
- Establishment of technical tasks teams to work out solutions regarding disaster risk management. These teams are prescripts of the disaster management framework for the district.
- Co-ordination of local and district disaster management forums
- Reviewal of the:
 - Risk and Vulnerability Assessment
 - District Disaster Management Framework
 - Review of 3 Disaster Management Plans for Local Municipalities
 - Compilation of Disaster Management Plans for LMS

Challenges

- Funding for Disaster Management by the responsible organs of state, continues to be a major challenge as only a few departments, i.e. Water Affairs and Agriculture, have given this attention since the promulgation of the Disaster Management Act, No 57 of 2002. This results in backlogs in addressing damages caused by disasters. Section 56 provides for the organs of state to budget for activities of disaster management relevant to such organs of state, e.g. housing to provide for funds for disaster damaged homes.
- The establishment of an Inter Departmental Disaster Management Committee within the ADM needs to be formalized.
- Full participation of stakeholders in Disaster Management

- Insufficient funding for response, rehabilitation and recovery projects

2.1.5 Overview of Local Municipalities Developmental Priorities

The table below denotes the summary of developmental priorities that were identified by communities during the analysis phase:

NGQUSHWA LOCAL MUNICIPALITY

Priority Issue	Specification/Wards	Causal Factor	Effects	Related Potential
1.WATER & SANITATION	Ward 1,2,3,4,5,6,7,8,9,10,11, 12,13 At these wards it some villages	Boreholes run out of water	Communities drink with animals that causes diseases	Communities willing to dig up their own pits if supported on top structure. On water community labour is available if needed.
2.ROADS	All wards(some need to be maintained)	Limited funding from MIG. Municipality has minimum equipment to serve the area.	Difficulty to travel within localities and challenge to tourists. Roads also hamper with services.	Community work force / labour available to assist.
3.COMMUNITY HALLS	Most wards	Community halls are in place in other wards which makes it difficult to explain.	Old age people are exposed to rain and colds when receiving their pensions and when attending Imbizos. That leads to deaths.	Community work force / labour available to assist
4.(a)AGRICULTURAL PROJECTS & (b)CONSTRUCTION OF NEW DAMS	All wards	Leads to people leaving rural areas to towns.	This leads to poverty and famine as rural development needs to be encouraged.	Villages are willing to support and sustain programmes eradicating/alleviating poverty.
5. CRECHES	All wards	Delayed schooling on the side of kids	This will lead to delayed schooling.	Communities labour is available to build crèches.

NKONKOBÉ LOCAL MUNICIPALITY

Priority Issue	Specification/Wards	Causal Factor	Effects	Related Potential
1.Water	2,3,4,5,8,9,10,12,13,1 6,17, 20 ,21	No water, infrastructure problems, extension of water to other villages, poor workmanship, needs repairs	Diseases People drink dam water	
2.Roads	All wards	Not properly maintained, others need regraveling, potholes and furrows	Cannot access clinic schools and offices. Taxis and ambulances cant assist communities	
3.Toilets & R D P Houses	1,2,3,4,7,8,,910,11,16, 17,18,19,20	Water & Sanitation	Health hazard, use any space as toilets.	
4.Electricity	2,3,4,5,6,8,10,16,21.	Not properly maintained,not installed.	High rate of crime	
5.FENCING &DAM SCOOPING	1,4,7,12,13,14,18,19.	Fencing and dam scooping not done	Stock roam around and causing accidents.	

NXUBA LOCAL MUNICIPALITY

Priority Issue	Specification	Causal Factor	Effects	Related Potential
1.Water	All wards	❖ Old dilapidated infrastructure which result to hard drinking water	❖ Drought	Extension of dam to curb scarcity of water
2.Sewerage Dam	Rural nodes	❖ Health services conditions	❖ Lack of proper sanitation	Extension of a sewerage dam
3.Housing	Pending 172 Housing Project, 4bedroom houses, Worteldrift, Kroemie	❖ Health conditions	❖ Lack of proper town planning ❖ Lack of skills	Building of quality houses

			❖ Limited funding	
4.Electricity	Rural nodes	Old infrastructure		Installation of high mast lights not street lights, increasing of units
5.Roads	<ul style="list-style-type: none"> ❖ Adelaide Town (tarred roads are in very poor conditions especially around petrol station) ❖ Access roads in Bez'ville are in a bad state and gravel roads are in poor condition ❖ No storm water drainage in Lingelethu Location with gravel roads in bad condition ❖ Bedford Town tarred are in good condition, gravel road in bad condition ❖ Goodwin Park access roads in bad condition 	<ul style="list-style-type: none"> ❖ Lack of sector plan ❖ Service backlog on re-gravelling is 45km in Adelaide & 32km in Bedford 	<ul style="list-style-type: none"> ❖ Non-maintenance of roads & storm water ❖ Minimal funds from MIG 	<ul style="list-style-type: none"> ❖ Upgrading of storm water drainage system for the municipal area of jurisdiction

MBHASHE LOCAL MUNICIPALITY

Priority Issue	Specification/Wards	Causal Factor	Effects	Related Potential
1.WATER	All wards of Mbhashe are not having clean water but water is available in some areas of the wards	The shortage of the sources of especially at Dutywa town.	communities drink undrinkable water and the effect of that are diseases	Rivers which can supply water to Mbhashe areas
2.SEWERAGE	01,13,25	Increase on the population and the interest of developers to develop Dutywa are	Delay the developments of the municipality	The space of the system to operate
3.SANITATION	All wards	The toilets are available in some wards but not covering the whole ward	Unavailability of toilets cause some diseases	Our communities willing to dig their own pits if supported by the top structure
4.ELECTRICITY	11,14,21,22,23, 24,15,16,17,18, 19,20,26	Diversity of households at Elliotdale.	Unavailability of electricity contributes to the ever increasing costs of production making. The usage of gases and stoves caused fire in households	The tourists attraction sites and Heritage route within Mbhashe
5.ROADS CONSTRUCTION + MAINTENANCE	All wards of Mbhashe. Some access roads were constructed but there is no maintenance.	Limited funding from MIG and No maintenance plan for the municipality	No access to the tourist sites, Poor roads conditions make it difficult to access the market for the produce.	Some In house machinery for maintenance of roads

BUFFALO CITY LOCAL MUNICIPALITY

PRIORITY ISSUE	SPECIFICATION/ WARDS	CAUSAL FACTOR	EFFECTS	RELATED POTENTIAL
<p>Roads and transport: inadequate, efficient and unsafe transport system, especially public transport & non motorised transport</p> <p>Poor quality of roads and inadequate storm water drainage</p>	Wards: 1,2,6,7,11,12,13,14,15,16,17, 18, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 37, 38, 41, 43, 44 & 45	<ul style="list-style-type: none"> • Limited taxi or bus stops • No traffic culming measures in place in busy areas • Some roads are not tarred and others are not maintained 	<ul style="list-style-type: none"> • High rate of motor vehicle accidents • Lack of accessibility to socio-economic activities such as cemeteries and markets • Overflow during flooding • Roads easily eroded due to over flooding and poor quality of roads 	<ul style="list-style-type: none"> • Installation of traffic culming measures to reduce motor vehicle accidents • Construction of pedestrian crossings • Marking of taxi or bus stops • Road maintenance programme • Construction of roads network

PRIORITY ISSUE	SPECIFICATION/ WARDS	CAUSAL FACTOR	EFFECTS	RELATED POTENTIAL
Electricity infrastructure is in a deteriorated state and there is backlog in electrical connections for low-income households and street lights for low income settlements	Wards: 1, 6, 7, 11, 12, 14, 15, 17, 18, 21, 23, 24, 26, 27, 29, 30, 31, 33, 35, 36, 38, 41, 44 & 45	<ul style="list-style-type: none"> • Non maintenance of street lights • Illegal connections • New connections taking longer • No high mast lights installed in other areas 	<ul style="list-style-type: none"> • High rate of deaths due to illegal connections • High rate of crime in dark areas 	<ul style="list-style-type: none"> • Electricity maintenance programme • Fast track new connections • Replacement of high mast lights with hydro masts • Awareness campaigns on dangers of illegal connections • Develop mechanisms to curb illegal connections
Water and Sanitation Services	Wards: 1, 2, 3, 11, 12, 14, 15, 16, 18, 19, 21, 22, 23, 25, 28, 32, 33, 35, 37, 38, 41, 44 & 45	<ul style="list-style-type: none"> • Lack of toilets • Leaking water pipes • Old sewerage pipes • No toilets in some squatter camps 	<ul style="list-style-type: none"> • Spread of communicable diseases 	<ul style="list-style-type: none"> • Installation of public toilets • Implement water and sanitation maintenance plan • Purchasing of water tanks where there is not access to water
Insufficient and inappropriate Housing provision	Wards: 1, 6, 11, 12, 15, 17, 18, 21, 24, 25, 27, 29, 30, 31, 33, 41, 43 & 45	<ul style="list-style-type: none"> • No progress in terms of provision of houses for people in informal settlements • Very poor quality of houses • Houses are not user friendly for physically challenged • No provision of land to relocate people 	<ul style="list-style-type: none"> • Mushrooming of squatter camps which can result to uncontrolled fires and huge loss of human life • Health risk due to poorly constructed houses • Non adherence to regulations that cater for physically challenged 	<ul style="list-style-type: none"> • Fast track provision of houses • Reduce red tape in acquiring land
Solid Waste Management: Negative environmental and Health i mpact due to unsustainable Solid Waste removal	Wards: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12,13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27, 28, 29,30, 34, 36, 38, 39 & 42	<ul style="list-style-type: none"> • Non removal of refuse in urban centres • There is too much illegal dumping • Bush clearing and grass cutting not done in some areas 	<ul style="list-style-type: none"> • Exposure to diseases • Negative impact on tourism • Increase in crime 	<ul style="list-style-type: none"> • Review of Waste Management Plan • Implementation of Refuse Removal Turnaround strategy • Monitoring of personnel

SECTION C: CLUSTER OBJECTIVES, STRATEGIES AND PROJECTS

Section C outlines the detailed objectives, strategies and project programmes for each of the 5 key performance areas, i.e. Municipal Transformation and Institutional Development, Local Economic Development, Basic Service Delivery and Infrastructure Investment, Municipal Finance Viability and Management and Good Governance and Community Participation. Objectives, strategies and project programmes are provided for each of the priority areas within the relevant key performance areas.

This chapter also constitutes the following:

- The municipal vision;
- Analysis overview;
- Strategic cluster approach;

3.0 The Municipal Vision; Mission, Values and Summary of Objectives and Strategies

Vision

***Amathole District Municipality:
Service Excellence to our communities supporting integrated and sustainable development***

Mission

The Amathole District Municipality is dedicated in contributing to

- ***Ensuring access to socio-economic opportunities;***
- ***Partnership building and co-operation with different stakeholders; and***
- ***Building the capacity of our local municipalities.***
- ***Contributing to the betterment of our communities;***
- ***Through utilising a participatory development process.***

Values

In implementing the above, the Amathole District Municipality subscribes to the following values:

- The Amathole District Municipality is a loyal servant of the citizens of our district and the people of South Africa, and is biased towards the poorest of the poor;
- We are committed to clean, responsible and cooperative governance;
- Our responsibility is to provide high quality transformational leadership and a disciplined work ethic and to promote a working culture for motivated, accountable and committed teamwork;
- Our skills will, at all times, be used for the benefit of the people and for the reconstruction and development of our country in the spirit of Batho Pele (People First);
- Our working environment is governed by the principles of representivity, equality, mutual respect and human development;
- We recognize that people contribute to the success of ADM. We strive to seek an environment in which to nurture and encourage individual growth;
- We have the courage to change and are willing to learn and share with other municipalities;
- As part of the African continent, we are dedicated to long-term integrated regional security and cooperation, and to the spirit of the African Renaissance.

Summary of Objectives and Strategies

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT:

- Ensuring **compliance** with applicable legislation, regulations, policies and procedures through contract management with all service agreements, and Performance Management being extended to the institution as a whole; ensuring that the Spatial Development Framework would become an effective spatial integration tool; the enforcement of by-laws; centralising of records and developing institutional risk management systems.
- Creating a **stable institutional environment** through an effective staff retention strategy; introducing an institution wide business continuity plan and recovery site arrangements; attaining an in depth understanding of the implications of BCM becoming a metro and enhancement of opportunities for HDIs and SMME development.
- Full **accountability** for all powers and functions would be attained by institutionalised authority functions, readiness and resourcing, updating the powers and functions plan and implementation thereof.
- Creation of an **enabling environment and service orientated institution** is regarded as essential and would be achieved through creating a multijurisdictional shared service offering with local municipalities; achieving optimum functioning of satellite offices; optimising institutional decision making and reconfigured committee systems to align with KPAs; implementation of effective accountability and performance management and, enhanced support between the ADM and Aspire to achieve formal funding arrangements, strategic alignment and IDP support for projects.

LOCAL ECONOMIC DEVELOPMENT:

- In addressing the **Regional Economic Environment** the district needs enhanced recovery through food security and, EPWP programmes, labour intensive construction, lobbying for funding, alternative technologies and strategic partnerships.
- Local Economic development is dependent on effective **co-ordination** of LED programmes which need **interdepartmental service level agreements**, joint planning, an effective LED Forum, change management and team building.
- **Integrated rural development** will be initiated through effective spatial planning and land use management, the identification of key development zones, the promotion of rural industry and enterprise development.
- The district recognises the need to maximise economic potential through aligning with corridors, city region approaches and facilitating access to markets.
- For effective **food handling and site inspection**, will conduct regular inspections according to clear guidelines, and enhance the training of caterers on hygiene and health issues. This focus will require introduction of necessary **by-laws to enforce compliance**.

BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT:

- **Provision of Water Services** through implementing a Service Level Agreement with water service providers, implementing a communication campaign, water harvesting and conservation measures, desalination, recycling waste water, drought framework and monitoring and evaluation.
- **Fast track accelerated sanitation** project phases, investigating innovative interventions and develop a seasonal contingency plan; verification of backlogs in water infrastructure, Asset Management strategy, refurbishment of existing infrastructure and provision of new infrastructure.
- Revisit the Municipal Health Services business plan, and implement it according to the change resulting from the BCM Metro status and to establish and capacitate the air quality unit.
- **Climate Change, drought and disaster management** will require an action plan to respond the climate change and it will be necessary to conduct a vulnerability assessment, enhance environmental management unit responsibilities; ensure communication of drought implications to Communities; develop disaster recovery plans and ensure adherence to spatial planning guidelines.
- **Waste management** would involve enhanced recycling in LMs, promotion of partnerships, enhanced institutional capacity, plans and procedures and a need to operationalise the Eastern Regional Waste Site.
- **Urbanisation and Housing** would require monitoring of township establishment in relation to sustainability of water resources and other services, leveraging of resources to top up stalled projects; transfer all completed projects to LMs and complete all outstanding approved projects as by 2011. In achieving improved.
- **Transport systems** to implement the integrated transport plan; galvanise funding for road infrastructure and improve road infrastructure.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT:

- **Improvement of Billing Systems**; arranging the transfer of meter reading to Budget and Treasury Office; bulk zone meters, fire tariffs and implementation of appropriate by-laws.
- **Revenue enhancement** would be achieved through indigent policy implementation; water meter interventions; quantification of water losses; introduction of policy on PPPs; and clearer tariff guidelines for drought periods.
- **Enhanced Procurement procedures** would involve a review of Supply Chain Management procedures; an overhaul of SCM policy re SMMEs and Co-ops; monthly monitoring reports of service provider performance and delisting/black listing underperforming service providers.
- **Asset management Integration** would involve consideration of full asset value for insurance purposes, categorisation of control or management functions per department; development of asset replacement and maintenance policy and departmental collaboration in asset management.
- **Misalignment** of the Budget with IDP/PMS would be countered to ensure there is alignment and also an alignment of multi year projects with MTEF budget period; the budget steering committee would be revived and would be merged with the project steering committee and, finally, there would be maximum use of the District Information Management System (DIMS).

GOOD GOVERNANCE AND PUBLIC PARTICIPATION

- This would involve measures to ensure improved **Intergovernmental Relations**, enhanced participation through IGR Core teams for each forum, **lobbying** the Office of the Premier and **alignment and integration of calendars**.
- Achieving **Good Governance** would involve development of a compliance register, conducting a legal audit review and training. Considerable emphasis will be placed on **Audit** strategies through the implementation of audit action plans and conducting an internal audit to review progress on a regular basis as part of monitoring and evaluation.
- Strategies also include interventions to streamline Council structures, appointing members and training of those oversight committee members. Recognising the existence of **political instability**, the strategic intervention will involve strengthening relations with Community Development Workers, Ward committees, Traditional Authorities and the Local Communicators Forum. Political party intervention will also be sought to counter the current instability in certain areas in the district.
- Successful delivery is dependent on effective **public participation** and to enhance this aspect, the Amathole District will strengthen Project Steering Committees, implement the Masibonisane Campaign, introduce **Internal Communication** templates for projects and distribute quarterly mayoral Imbizos and newsletters.
- **Risk Management** will be enhanced through appointing a **risk officer**, reviewing and implementing a **Fraud Prevention Plan**.
- Service Level Agreements are to be implemented and it will be necessary to investigate the non-signing of Service Level Agreements.

3.1 KPA: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Legislative compliance	To ensure compliance with applicable legislation, regulations, policies and procedures on an ongoing basis	MTI OBJ 1	Monitoring and review of current service level agreements	Approved Service Level Agreements Register	MTI OBJ 1 IND 1	Quarterly reports	nil	SLA register	Maintain and review	Maintain and review	Municipal Manager
			Facilitate and coordinate development of municipal by-laws	Approved by-laws register	MTI OBJ 1 IND 2	Quarterly reports	nil	By-laws register	Maintain and review	Maintain and review	Municipal Manager
			Implementation and enforcement of all by-laws	Reduction of by-law infringements	MTI OBJ 1 IND 3	Quarterly reports	nil	Fraud prevention report	4 Assessment reports	4 Assessment reports	All Directors
			Development and review of integrated development plan	Adopted Integrated Development Plan	MTI OBJ 1 IND 4	Council resolution - annually	Integrated Development Plan (IDP)	10/11 IDP review	11/12 IDP review	12/13 IDP	Strategic Manager
			Development of the Budget	Adopted Budget	MTI OBJ 1 IND 5	Council Resolutions - annually	09/10 Budget	10/11 Budget	11/12 Budget	12/13 Budget	Chief Financial Officer
			Operationalise Performance Msnagement System	Performance assessment reports	MTI OBJ 1 IND 6	Quarterly reports	Performance Management Framework	4 per quarter	4 per quarter	4 per quarter	Strategic Manager
			Cascading of PMS to levels below Section 57 Managers through accountability agreements (AAs) and performance promises (PPs)	Consolidated Departmental AAs and PPs reports	MTI OBJ 1 IND 7	Quarterly reports	nil	Policy development and implementation (4 reports per annum)	Monitoring & evaluation (4 reports per annum)	Monitoring & evaluation (4 reports per annum)	Director: Corporate Services
			Coordinate performance reporting, monitoring and review	Audited performance reports	MTI OBJ 1 IND 8	Quarterly reports	4 reports per annum	4 reports per annum	4 reports per annum	4 reports per annum	Municipal Manager
				Performance panel review	MTI OBJ 1 IND 9	Bi-annual reports	2 reports per annum	2 reports per annum	2 reports per annum	2 reports per annum	Municipal Manager
			Drafting of Annual Financial Statements	Adopted consolidated Financial Statements	MTI OBJ 1 IND 10	Council resolution - annually	1	1	1	1	Chief Financial Officer

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
			Development of the annual report	Adopted annual report	MTI OBJ 1 IND 11	Council resolution - annually	08/09 annual report	09/10 annual report	10/11 annual report	11/12 annual report	Strategic Manager
			Compliance with code of conduct for councillors	Reports to council	MTI OBJ 1 IND 12	Quarterly reports	09/10 report	4 per annum	4 per annum	4 per annum	Strategic Manager
Strategic Planning	To ensure that the spatial development framework serves as an effective spatial management tool to integrate and inform all department programs by 2014	MTI OBJ 2	Alignment of the National, Provincial, District and local spatial development frameworks (SDF)	SDF compliance report	MTI OBJ 2 IND 1	Bi-annual reports	09/10 SDF	2 compliance report per annum	2 compliance report per annum	2 compliance report per annum	Strategic Manager
			Coordinate development of all sector plans, strategies and policies	Status quo sector plan report	MTI OBJ 2 IND 2	Sector plan report - Quarterly	09/10 IDP sector plan chapter	4 sector plan reports per annum	4 sector plan reports per annum	4 sector plan reports per annum	Strategic Manager
			Coordinate inter district planning partnerships including the city region approach with BCM becoming a Metro	No of partnerships formed	MTI OBJ 2 IND 3	Quarterly reports	nil	1	2	3	Strategic Manager
Record management	To achieve centralisation of records keeping and improved record management processes and procedures by 2012	MTI OBJ 3	Reviewing of the File Plan	Approved File Plan	MTI OBJ 3 IND 1	Quarterly Report	File Plan	Approved reviewed File Plan	Implementation, monitoring & evaluation	Implementation, monitoring & evaluation	Director: Corporate Services
			Operationalise Documentum and align it to other systems according to prioritised phase approach	Report on status of usage by departments	MTI OBJ 3 IND 2	Quarterly Reports	Dormant Documentum	Procurement (Status quo report)	Monitoring and evaluation	Monitoring and evaluation	Director: Corporate Services
Risk management	To have an enterprise wide risk management by 2011	MTI OBJ 4	Develop a fraud prevention plan	Adopted fraud prevention plan	MTI OBJ 4 IND 1	Council resolution-Annually	Draft fraud prevention plan	Adopted fraud prevention plan	Review	Review	Strategic Manager
			Reduction of risk impact	Implemented risk management strategy	MTI OBJ 4 IND 2	Quarterly reports	Risk management strategy	100 % implementation	Review	Review	Strategic Manager
Staff development	To ensure a stable institutional environment		Implementation of staff retention strategy	Implementation Plan	MTI OBJ 5 IND 1	Annual report	Bid report complete	Implementation	Implement, monitor and evaluate	Implement, monitor and evaluate	Director: Corporate Services

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
		MTI OBJ 5	Develop Skills Development Plan	An Implementation Plan that is in line with LGSETA specifications.	MTI OBJ 5 IND 2	Quarterly reports	WSP	Submission of WSP, Implementation and monitoring	Submission of WSP Implementation and monitoring	Submission of WSP Implementation and monitoring	Director: Corporate Services
			Implement District HRD Strategy	Training in line with the District HRD Strategy	MTI OBJ 5 IND 3	Quarterly reports	0%	10%	40%	100%	Director: Corporate Services
			Evaluation of employee jobs	% Graded positions with TASK grades allocated to them	MTI OBJ 5 IND 4	Quarterly reports	20%	100%	-	-	Director: Corporate Services
			Implementation of Capacity building programmes and conducting training & development	Training done in line with the WSP	MTI OBJ 5 IND 5	Quarterly Report	100% (WSP submitted to LGSETA)	Training in line with WSP	-	-	Director: Corporate Services
Institutional readiness	To ensure ADM fully exercises its assigned powers and functions	MTI OBJ 6	Conduct assessment of performance of district powers and functions	Assessment report	MTI OBJ 6 IND 1	Annual report	Devolved powers and functions	Assessment report	-	-	Municipal Manager
			Conduct an in-depth assessment of the impact of Buffalo City Metro status	Assessment report	MTI OBJ 6 IND 2	Bi-annual report	Established facilitation committee	Assessment report	-	-	Municipal Manager
Enterprise wide business continuity	To ensure ADM security in the event of disaster by having an enterprise wide business continuity and disaster recovery plan by 2012	MTI OBJ 7	Develop an enterprise wide business continuity plan (disaster recovery plan)	Adopted enterprise wide business continuity plan	MTI OBJ 7 IND 1	Council adoption - annually	nil	Adopted plan	Implementation	-	Strategic Manager
			Establish an appropriate site for recovery	Identified site	MTI OBJ 7 IND 2	Quarterly reports	nil	Identified site	Evaluate appropriateness of site	-	Director: Corporate Services
Supply Chain Management (SCM)	To ensure creation of enhanced opportunities for Historically Disadvantaged Individuals (HDIs) through joint ventures and sub-contracts by 2011	MTI OBJ 8	Review SCM policy	Adopted reviewed SCM policy	MTI OBJ 8 IND 1	Council Adoption	SCM Policy	Adopted reviewed policy	Adopted reviewed policy	Adopted reviewed policy	Chief Financial Officer
			Empowerment of HDIs	% HDI Appointments	MTI OBJ 8 IND 2	Quarterly SCM Reports	80%	80%	90%	100%	Chief Financial Officer
Support to local municipalities	To achieve an enabling environment for rendering support to local municipalities		Establish a multi-jurisdictional service to local municipalities	Developed concept document	MTI OBJ 9 IND 1	Quarterly reports	nil	Approved Concept document	-	-	Strategic Manager

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
	within the district and become a service orientated institution	MTI OBJ 9	Establishment of the shared service offering to local municipalities (LMS)	Signed LMs service level agreements	MTI OBJ 9 IND 2	MSU quarterly reports	nil	8 LMs	8 LMs	8 LMs	Strategic Manager
			Review satellite model to encompass shared services through service level agreements	Reviewed satellite model	MTI OBJ 9 IND 3	Quarterly reports	Established satellite offices	Approved satellite model	-	-	Strategic Manager
			Facilitate development and support of LUMS in local municipalities	Approved Land Use Management Plans for Local Municipalities	MTI OBJ 9 IND 4	Quarterly reports		3 Approved Land Use Management plans	2 Approved Land Use Management plans	2 Approved Land Use Management plans	Strategic Manager
Procurement	To meet the HDI targets set for capital and non-capital projects as per SCM policy	MTI OBJ 10	Focus on capital projects exceeding R1 million	% Capital projects exceeding R1m	MTI OBJ 10 IND 1	Quarterly report	50%	50%	50%	-	All HoDs
			Focus on capital projects less than R1 million	% Capital projects less than R1m	MTI OBJ 10 IND 2	Quarterly report	65%	65%	65%	-	All HoDs
			Focus on non-capital projects	% Non-capital projects	MTI OBJ 10 IND 3	Quarterly report	55%	55%	55%		All HoDs

3.1.1 KPA: MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT PROJECTS

IND CODE	PROJECT TITLE	PROJECT DESCRIPTION	2010/2011					2011/2012					2012/2013						
			Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects		
MTI OBJ 9 IND 1	ADM SCM Strategy	ADM SCM Policy					300 000					300 000							
MTI OBJ 1 IND 5	Budget Reforms	Assessment of Information Systems towards Integration					600 000							600 000					600 000
MTI OBJ 1 IND 11	Annual Financial Statements	Consulting Services on Year-end procedures (AFS)											750 000						900 000
MTI OBJ 1 IND 11	Annual Financial Statements	Actuary Valuation	110 000									130 000						160 000	
MTI OBJ 1 IND 5	Integrated Development Planning	Support IDP review process activities of ADM and its LMs				1 342 000												1 400 000	
MTI OBJ 1	Performance Management	Support PMS activities of ADM and its LMs				750 000												750 000	

IND 6	System					LGTA					LGTA				LGTA	
MTI OBJ 9 IND 2	By-law enforcement plan for LMs	Training peace officers at LMs on by-laws				200 000										
MTI OBJ 9 IND 2	Pavement management and maintenance system	Pavement Management system for all LMs				200 000										
MTI OBJ 9 IND 2	Cleansing policy development	Solid Waste cleansing policy for LMs				100 000										
MTI OBJ 9 IND 2	Venus Roll-out	Roll-out venus at Great Kei				2 500 000										
MTI OBJ 9 IND 2	Project Management training	Project Management training at LM level				150 000										
	GIS base data verification	Verification of the GIS database for ADM				750 000										
	ADM website & Intranet revamping	Revamping of ADM website and development of the intranet	500 000													
	Backup generators	Backup generators in case of failure for Caxton & BTO	1 000 000													
	Backup tape device and tapes	Backup device for Whelan & BoE server rooms	300 000													
MTI OBJ 5 IND. 1	Staff Retention Strategy	Implementation of Retention Strategy				100 000										
MTI OBJ. 8	Recovery Site	Identify and Management of recovery site				140 000										
	District HRD Strategy	Implementation of HRD Strategy									500 000					1 000 000
MTI OBJ. 1 IND. 7	AAs and PPs capacity building initiatives	Capacity development workshops and mass popularization of the AAs and PPs				120 000										
MTI (OBJ. 3)	Documentum	Rollout of Documentum to additional users				1 500 000										
MTI OBJ. 5 IND. 5	Records Management capacity building initiatives	Capacity Development Workshops on Records Management				120 000										
MTI OBJ. 5 IND. 4	Job Description training initiatives	Training on Job Description writing				30 000										
	Fraud Prevention Strategy					300 000					30 000					30 000
	Risk management strategy review					50 000										30 000
	Shared service					100 000					100 000					100 000

3.2 KPA: LOCAL ECONOMIC DEVELOPMENT OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Human Settlements	To facilitate the development of sustainable and viable settlements within the district by 2014	LED OBJ 1	Implementation of LR & SP projects according to the agreed programme	No of projects accumulatively implemented	LED OBJ 1 IND 1	Quarterly Reports	5	10	15	22	Director: Land, Human Settlements and Economic Development
			Implementation of housing strategy projects	No of housing strategy projects implemented	LED OBJ1 IND 2	Quarterly Reports	4	12	18	20	Director: Land, Human Settlements and Economic Development
			Co-ordinate the implementation of land restitution programmes according to development plans	No of projects accumulatively implemented	LED OBJ1 IND 3	Quarterly Reports	3	10	10	10	Director: Land, Human Settlements and Economic Development
			Co-ordinate the implementation of land restitution programmes according to development plans	No of projects accumulatively implemented	LED OBJ1 IND 4	Quarterly Reports	3	10	10	10	Director: Land, Human Settlements and Economic Development
Economic Development	To enhance the regional economic recovery from recession by 3% in 2015	LED OBJ 2	Implement learner-ship and apprenticeship programs	No of learners assisted	LED OBJ 2 IND 1	Reports on submission of documents to LGSETA	100% (Declaration of Intent forms & application forms submitted to LGSETA)	20 learners	30 learners	40 learners	Director: Corporate Services
			Implementation of AREDS	Corridor development and small towns renewal	LED OBJ 2 IND 2	Quarterly Reports	7	8	9	10	Director: Land, Human Settlements and Economic Development
				No. of Implemented labour intensive construction programs as per the extended public works program guidelines	LED OBJ 2 IND 3	Annual Report	0	1	1	1	Director: Land, Human Settlements and Economic Development
			Implement labour intensive construction programs as per the	Report on available	LED OBJ 2 IND 4	Quarterly reports	45	50	60		Director: Engineering

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
			extended public works program guidelines	No of employment opportunities created through project implementation	LED OBJ 2 IND 5	Quarterly reports	4332	6000	8000	-	Director: Engineering
			Implement alternative technologies for catchment and storage of water	Completed report on research	LED OBJ 2 IND 6	Quarterly reports	nil	Research studies	Implement pilot project		Director: Engineering
			Establish SMME incubation centres for instilling the culture of entrepreneurship	No of incubation centres established	LED OBJ 2 IND 7	Annual report	1	1	2	3	Director: Land, Human Settlements and Economic Development
			Promote and coordinate integration of local economic development interdepartmental programs	Report on tourism stakeholders forum	LED OBJ 2 IND 8	Quarterly Report	1	1	1	1	Director: Land, Human Settlements and Economic Development
				Report on Crafters Stakeholders forum	LED OBJ 2 IND 9	Quarterly Report	1	1	1	1	Director: Land, Human Settlements and Economic Development
			Facilitate change management and team building	Team co-operation and interdepartmental cooperation	LED OBJ 2 IND 10	Half yearly report	0	Implement Change management program	Implement and monitor	Implement and monitor	Director: Corporate Services
Rural development	To ensure integrated spatial planning and effective land use management by 2014	LED OBJ 3	Promote land reform programs within rural areas and integrate them with livelihood support	No of zone Plans developed as per SDFs	LED OBJ 3 IND 1	Quarterly Reports	5	3	3	3	Director: Land, Human Settlements and Economic Development
			Promote rural industry and enterprise development	Number of industries, enterprises developed within rural areas	LED OBJ 3 IND 2	Annual Report	50	100	150	200	Director: Land, Human Settlements and Economic Development
			Identify potential land for economic development	No of land parcels identified	LED OBJ 3 IND 3	Quarterly Reports	0	1	1	1	Director: Land, Human Settlements and Economic Development

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Enterprise Development	To create an enabling environment for business to thrive in the district by 2014	LED OBJ 4	Maximise the potential of informal economy through creation of opportunities	No of programmes created for the informal economy	LED OBJ 4 IND 1	Annual Report	0	Clear definitions and explanations of regulations	100 informal traders trading formal	200 informal traders trading formal	Director: Land, Human Settlements and Economic Development
			Facilitate access to markets , schools, health facilities	Number of enterprises having access to markets across LED sectors	LED OBJ 4 IND 2	Annual Report	100	50	100	150	Director: Land, Human Settlements and Economic Development
			Facilitate training provision to enterprises within the District	Number of training sessions provided to enterprises	LED OBJ 4 IND 3	Quarterly Report	50	60	70	80	Director: Land, Human Settlements and Economic Development
			Facilitate provision of business development services to emerging entrepreneurs	Assisted businesses with marketing opportunities and procurement	LED OBJ 4 IND 4	Annual Report	5	10	15	20	Director: Land, Human Settlements and Economic Development
			Facilitate fashion shows for all designers and crafters for improved products	Improved designer and craft products	LED OBJ 4 IND 5	Annual Report	-	1	2	4	Director: Land, Human Settlements and Economic Development
			Facilitate information sharing with funding agencies	No. of information days held with funding agencies including banks	LED OBJ 4 IND 6	Annual Report	4	5	10	15	Director: Land, Human Settlements and Economic Development
			Facilitate provision of business development services to emerging entrepreneurs	Number of referrals made for co-operative registration	LED OBJ 4 IND 7	Annual Report	20	30	40	50	Director: Land, Human Settlements and Economic Development

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
			Facilitate the establishment of partnerships with institutions of higher learning to improve entrepreneurial development skills	Number of partnerships established	LED OBJ 4 IND 8	Annual Report	-	1	2	3	Director: Land, Human Settlements and Economic Development
			Implement effective [national] food control program	No of foodhandlers capacitated	LED OBJ 4 IND 9	Quarterly reports	254	85	85	85	Director: Health and Protection
				No of certificates of acceptability issues	LED OBJ 4 IND 10	Quarterly reports	21	10	15	20	Director: Health and Protection
			Promote and facilitate recycling and composting	% Waste recycled and composted	LED OBJ 4 IND 11	Quarterly reports	[24 938 851] 7%	[27 432 736] 10%	[32 919 28 3] 20%		Director: Engineering
			Assist all the Suppliers by providing training on the Supply chain management policy	% Of suppliers trained	LED OBJ 4 IND 12	Existing Supplier database		50%	75%	100%	Chief Financial Officer
			Perform on-the-job training for unemployed finance graduates and matrics	Number of employed graduates and matrics	LED OBJ 4 IND 13	Monthly EPWP Reports	130	200	250	300	Chief Financial Officer
			Facilitate learning and sharing and identify best practices	Conduct sessions with sister organizations	LED OBJ 4 IND 14	Bi-annual report	Signed Memorandum of Understanding	2 sessions	2 sessions	2 sessions	Strategic Manager
Agricultural Development	To increase ADMs contribution towards agriculture and agrarian reform		Implementation of the Integrated Agricultural Plan	Improve livestock programme	LED OBJ 5 IND 1	Quarterly Reports	0	1	1	1	Director: Land, Human Settlements and Economic Development
				Improved dairy production scheme	LED OBJ 5 IND 2	Quarterly Report	1	1	1	1	Director: Land, Human Settlements and Economic Development

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
		LED OBJ 5		No. of irrigation schemes supported	LED OBJ 5 IND 3	Quarterly Report	10	10	10	10	Director: Land, Human Settlements and Economic Development
				No. of food security programmes implemented	LED OBJ 5 IND 4	Annual Report	0	1	1	1	Director: Land, Human Settlements and Economic Development
				No of drought relief programmes developed	LED OBJ 5 IND 5	Annual Report	0	1	1	1	Director: Land, Human Settlements and Economic Development
Tourism promotion and development	To develop and promote tourism within the district	LED OBJ 6	Implementation of Tourism Master Plan	Report on the visitors profile and economic trends	LED OBJ 6 INBD 1	Annual Report	8	8	9	10	Director: Land, Human Settlements and Economic Development
				No of tourism festivities accumulatively supported	LED OBJ 6 IND 2	Quarterly Report	2	2	2	2	Director: Land, Human Settlements and Economic Development
				No of sport tourism events supported	LED OBJ 6 IND 3	Annual Report	6	7	7	7	Director: Land, Human Settlements and Economic Development
				No. of trade/ Exhibitions show attended	LED OBJ 6 IND 4	Annual Report	2	3	3	3	Director: Land, Human Settlements and Economic Development
				No. of support programmes to the tourism product owners	LED OBJ 6 IND 5	Annual Report	2	3	3	3	Director: Land, Human Settlements and Economic Development
Film industry development	To promote film industry development		Implementation of Film Industry Development Strategy	No. of film marketing platforms attended	LED OBJ 7 IND 1	Quarterly Report	5	6	7	8	Director: Land, Human Settlements and Economic Development

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
		LED OBJ 7		No. of film capacity building programmes provided to film markers	LED OBJ 7 IND 1	Quarterly Report	2	2	2	2	Director: Land, Human Settlement and Economic Development
Heritage resources management	Comprehensive heritage resources management	LED OBJ 8	Implementation of Heritage Resources Strategy	Unearth, develop, conserve and promote heritage resources	LED OBJ 8 IND 1	Quarterly Reports	5	3	5	7	Director: Land, Human Settlement and Economic Development
				Rehabilitation of the identified heritage sites	LED OBJ 8 IND 2	Quarterly Reports	5	5	5	5	Director: Land, Human Settlement and Economic Development
				Improve heritage infrastructure for economic activity	LED OBJ 8 IND 3	Quarterly Reports	1	1	1	1	Director: Land, Human Settlement and Economic Development
				Awareness campaigns and public engagement	LED OBJ 8 IND 4	Quarterly Reports	4	4	4	4	Director: Land, Human Settlement and Economic Development
				Indigenous language promotion	LED OBJ 8 IND 5	Annual Reports	2	2	2	2	Director: Land, Human Settlement and Economic Development
Environment	Mainstream environmental management into all Council operations	LED OBJ 9	Coordinate environmental management events within district	Four events per year	LED OBJ 9 IND 1	Quarterly reports	7	4	4	4	Director: Land, Human Settlement and Economic Development
			Review Environmental Management Strategy	Adopt EMS	LED OBJ 9 IND 2	Annual Report	1	1	1	1	Director: Land, Human Settlement and Economic Development
			Promote sustainable utilisation of renewable and non-renewable resources	Number of projects implemented	LED OBJ 9 IND 3	Quarterly reports	4	4	2	2	Director: Land, Human Settlement and Economic Development

3.2.1 KPA: LOCAL ECONOMIC DEVELOPMENT PROJECTS

IND CODE	PROJECT TITLE	PROJECT DESCRIPTION	2010/2011					2011/2012					2012/2013				
			Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects
LED OBJ 1 IND 5	Feasibility Study	Alternative catchment & storage of water					300 000					1 000 000					1 500 000
LED OBJ. 1 IND. 7	Change Management and Team Building Intervention	To facilitate organizational development and culture change					250 000										
LED OBJ 3 IND 5	Food control program	Conduct workshops and information sharing session with food handlers	120 000					300 000						400 000			
	Amathole Craft Market	Construction of a Craft Market				DEDEA 3 million		5 million						5 million			
	Bawa Falls	Construction of additional rooms and the development of a trail				DEDEA 1 million		2 million						3 million			
	Tourism Marketing	Marketing of ADM as a tourist destination					200 000					500 000					500 000
LED OBJ 6 IND 5	District Tourism organization	Provision of support to tourism product owners and Operationalisation of the information centres					50 000					250 000					250 000
LED OBJ 6 IND 2	Amathole Tourism events	ADM Tourism events					4 000 000					6 000 000					7 000 000
LED OBJ 6 IND 1	Tourism Survey	Profiling the visitors trends that are visiting the District and the economic impact of the Tourism industry										500 000					500 000
	Highlands Resort	Development of the business plan for the accommodation establishment				DEDEA 200 000											
LED OBJ 6 IND 5	Ikhamanga Community Tourism Project	Resuscitation and support for a tourism product in Centane										500 000					500 000
	Mthontsi Game Lodge	Development of the accommodation and conference facility					400 000										
	Skills Development Centre	Development of a skills development centre at Mquma local Municipality				Youth Commission 2,925,568						2 million					3 million
	Mpofu Charcoal Production	Establishment of a charcoal manufacturing				DEDEA 300 000											
	Peddie Brick Making	Establishment of blockyard				DEDEA 200 000											
	Mooiplaas Brickyard	Establishment of a blockyard				DEDEA 200 000											
LED OBHJ 4 IND 1	Informal Traders Survey	Development of an informal traders strategy and implementation					50 000					500 000					500 000
	Inxuba Blockyard	Establishment of a blockyard					150 000										
	Business Expo	Support hosting of the business expo and SMME's					200,000					300 000					300 000
	Business Advisory Forum	Operations of the Amathole Business Advisory Forum					150 000					200 000					200 000
	Co-operatives Forum	Establishment of a co-operatives forum					50,000					50,000					50,000

		and organization of information days in support of co-operatives within the District																	
	Co-operative Support	Strengthen the existing co-operatives within the district				200 000													4 000 000
	SMME Programme	SMME Road shows within the District, hosting of SMME Fair and Summit and Business information days				150 000													500 000
	SMME Incubation Programme	Support the existing Information Technology and Film Makers emerging entrepreneurs				2 000 000													2 000 000
	Co-operative Strategy	Formulation of a Co-operative Development Strategy				DLG&TA 735 000													
LED OBJ 4 IND 8	SMME Skills Development Programme	Partnership with the University of Fort Hare				150 000													2 000 000
LED OBJ 7 UIND 1	Capacity Building Programme for Film makers	Support program for film development within the District Municipality				100 000													500 000
LED OBJ 5 IND 1	Livestock improvement programme	involve purchasing diary cows and donate them to the Diary scheme				300 000													1 000 000
LED OBJ 5 IND 2	Zibhityolo Irrigation Scheme	Provision of irrigation infrastructure and institutional development				600 000													2 500 000
LED OBJ 5 IND 4	Food Security Programs	Food Security				3 000 000													7 000 000
	Agriculture and rural development Indaba	Hosting Agricultural and rural Indaba				100 000													200 000
	Agricultural Forum	Hosting and remuneration of the forum				10 000													10 000
	Agricultural Development Plan	Development of the Agricultural plan				200 000													
LED OBJ 8 UNBD 2	Heritage Site Rehabilitation	Rehabilitate the identified heritage sites				250 000													600 000
LED OBJ 8 IND 4	Heritage awareness programme	Raise awareness about heritage resources management				50 000													200 000
	Heritage month celebration	Celebrate and commemorate the available heritage resources				150 000													300 000
LED OBJ 8 IND 1	Early African Intellectual Heritage Trail Project	Unearth other layers of district's rich history and heritage that relates to African intellectual heritage and to celebrate their life histories and communal achievements				500 000													700 000
	S.E.K. Mqhayi Legacy Project	Identify, conserve and package his legacy				200 000													600 000
	Wars of Land Dispossession Memorial Park	Create a central space that symbolise (conserve and present) the wars of land dispossession that took place in the district				200 000													600 000
	Oral history collection	Record, document and collect personal testimonies				100 000													300 000
	Liberation route	Development of liberation route				150 000													600 000
	Renewable resource	Rehabilitation of degraded areas and encouragement of behavioural changes in terms of renewable resource use within communities in the district.																	1 000 000

LED OBJ 9 IND 1	Capacity building and awareness on environmental issues	To increase environmental awareness within the communities of ADM.																	300 000									300 000
	Climate Change	Vulnerability and response study																	500 000									500 000
LED OBJ 9 IND 3	Renewable resource	Rehabilitation of degraded areas and encouragement of behavioural changes in terms of renewable resource use within communities in the district.																	1 000 000									1 000 000
	Capacity building and awareness on environmental issues	To increase environmental awareness within the communities of ADM.																	300 000									300 000
LED OBJ 1 IND 1	LRSP Review	To review and update LRSP implementation																	400 000									400 000
	Housing Strategy Review	To review and update Housing strategy																	400 000									400 000
	SDF Review	To review and update SDF																	250 000									250 000
LED OBJ 1 IND 2	Housing Strategy	Implementation viable sustainable social housing in ADM area																	200 000									200 000
	Housing Strategy	Accreditation of ADM in Terms Housing Act					50 000												200 000									200 000
	Housing Strategy	Training Sessions for Housing Practitioners																	400 000									400 000
	Development of skills development centre at Mnquma																		2 000 000									3 000 000

3.3 KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJ CODE	STRATEGY	INDICATOR	IND CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Water Provision	To provide quality and sustainable drinking water, in an integrated manner, to all consumers in the district by 2014.	SDI OBJ 1	Develop service level agreements between WSA and WSP and with other business units	No of SLAs signed	SDI OBJ 1 IND 1	Progress reports - Quarterly	3 Drafts	2	2	2	Director: Engineering
			Vigorous communication to communities	No of water forum meetings held	SDI OBJ 1 IND 2	Quarterly reports	16	16 per annum	16 per annum	16 per annum	Strategic Manager
			Provision of safe and portable water	No of people with access to water	SDI OBJ 1 IND 3	Quarterly reports	867 682	921 384	975 086	-	Director: Engineering

PRIORITY AREA	OBJECTIVE	OBJ CODE	STRATEGY	INDICATOR	IND CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
				No of indigents with access to RDP standards (200m walking distance)	SDI OBJ 1 IND 4	Quarterly reports	161 106	54 583	-	-	<i>Director: Engineering</i>
			Prioritize rainwater harvesting in communities	No of housing having access to rainwater tanks	SDI OBJ 1 IND 5	Progress reports - Quarterly	250	700	500	500	<i>Director: Engineering</i>
			Investigate desalination of sea water and recycling of waste water	No of completed studies	SDI OBJ 1 IND 6	Progress reports - Quarterly	0	Research	1	1	<i>Director: Engineering</i>
			Implement continuous drinking water and waste water quality monitoring program	% drinking water samples taken that comply with prescribed standards	SDI OBJ 1 IND 7	Quarterly reports	97%	98%	99%	100%	<i>Director: Health & Protection</i>
				% waste water samples taken that comply with prescribed standards	SDI OBJ 1 IND 8	Quarterly reports	50%	55%	60%	65%	<i>Director: Health & Protection</i>
			Investigate recycling of waste water	No of recycling plants installed	SDI OBJ 1 IND 9	Quarterly reports	Nil	1 feasibility study	1 recycling plant	2 recycling plants	<i>Director: Engineering</i>
			Manage ground water resources	Adopted ground water plan	SDI OBJ 1 IND 10	Quarterly reports	Adopted framework	Adopted ground water management plan	100 boreholes	200 boreholes	<i>Director: Engineering</i>
			Ensure all dams comply with the necessary legislation	No of dams that comply with legislation	SDI OBJ 1 IND 11	Quarterly reports	Nil	Safety inspections on all dams	60% compliant	100% compliant	<i>Director: Engineering</i>
Sanitation Provision	To ensure reduction of sanitation backlog by 20% in 2012	SDI OBJ 2	Fast-track completion of accelerated sanitation project (ASAP) phases	% households with adequate sanitation	SDI OBJ 2 IND 1	Quarterly reports	33%	40%	53%	58%	<i>Director: Engineering</i>
				No of people with access to RDP Toilets	SDI OBJ 2 IND 2	Quarterly reports	504 477	608 000	712 000	-	<i>Director: Engineering</i>

PRIORITY AREA	OBJECTIVE	OBJ CODE	STRATEGY	INDICATOR	IND CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
			Investigate and implement innovative technological interventions	No of innovative plant/system implemented	SDI OBJ 2 IND 3	Progress reports - Quarterly	Nil	1	2	2	Director: Engineering
			Develop seasonal contingency plan for water and sanitation	Operating rules in place	SDI OBJ 2 IND 4	Progress reports - Quarterly	Weekly dam level report	Survey dams & develop operating rules	Implement dam operating rules	Implement dam operating rules	Director: Engineering
Municipal Health	To provide a comprehensive municipal health services (MHS) throughout the district on a continuous basis	SDI OBJ 3	Revisit the MHS business plan in view of BCM becoming a Metro	Revised MHS business plan in place	SDI OBJ 3 IND 1	Quarterly report	MHS business plan	Revised MHS business plan	-	-	Director: Health & Protection
			Review placement policy taking into account BCM Metro status	Reviewed Placement Policy	SDI OBJ 3 IND 2	Council adoption	Placement Policy in place	1	-	-	Director: Corporate Services
			Build environmental pollution control capacity within MHS	Capacitated MHS	SDI OBJ 3 IND 3	Quarterly report	Nil	Enhanced capacitation	-	-	Director: Health & Protection
Water Infrastructure development	To develop mechanisms to ensure effective management of water infrastructure by 2012	SDI OBJ 4	Verification of infrastructure backlog	Completed detailed backlog verification study	SDI OBJ 4 IND 1	Progress report - Quarterly	nil	1	1	1	Director: Engineering
			Develop implementation plan to eradicate backlog for water and sanitation	Approved 3 year capital plan	SDI OBJ 4 IND 2	Approved plan - Annually	09/10 Capital Plan	1	1	1	Director: Engineering
			Develop asset management strategy	Approved Asset Management Strategy	SDI OBJ 4 IND 3	Council Resolution	Nil	Council Approval	Annual Review	Annual Review	Chief Financial Officer
			Develop and implement refurbishment program	Approved refurbishment plan and implementation program	SDI OBJ 4 IND 4	Quarterly reports	90%	92%	94%	95%	Director: Engineering
Municipal Infrastructure Grant	To ensure funding allocated to the district is spent within stipulated time [National		Beef up capacity of planning unit	Completed WSA HR structure study	SDI OBJ 5 IND 1	Progress report - Quarterly	Nil	1	1	1	Director: Engineering

PRIORITY AREA	OBJECTIVE	OBJ CODE	STRATEGY	INDICATOR	IND CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL	
	guidelines]	SDI OBJ 5	Approach national government with a view to persuade it to de-bureaucratize the MIG registration and approval process	Developed proposal	SDI OBJ 5 IND 2	Quarterly reports	nil	Submission of proposal to National	-	-	Strategic Manager	
Drought and Disaster Management	To ensure institutionalisation of disaster risk management	SDI OBJ 6	Communication of drought to communities	No of account fliers and posters	SDI OBJ 6 IND 1	Quarterly reports	3	3 per annum	3 per annum	3 per annum	Strategic Manager	
				No of school visits to promote water conservation	SDI OBJ 6 IND 2	Quarterly reports	nil	15	20	20	Strategic Manager	
Waste Management	To facilitate provision of compliant waste management by local municipalities in the district by 2012	SDI OBJ 7	Enhance recycling of waste in local municipalities	No of recycling initiatives undertaken	SDI OBJ 7 IND 1	Quarterly reports	Recycling program at Ngqushwa	Mbhashe and Mnquma	Amahlathi	Great Kei	Strategic Manager	
			Promote partnerships in waste management	No of partnerships entered into	SDI OBJ 7 IND 2	Quarterly reports	Recycling program in Ngqushwa	2	3	4	Director: Engineering	
			Enhance institutional capacity for monitoring non compliance	% Landfill sites complying with DEAT permit conditions	SDI OBJ 7 IND 3	Quarterly reports		19 [76%]	21 [84%]	23 [92%]	25 [100%]	Director: Engineering
			Maintenance of regional waste sites	No of regional waste sites maintained	SDI OBJ 7 IND 4	Quarterly reports		2	2	2	2	Director: Engineering
			Facilitate development of context responsive waste management plans at local municipalities	No of waste management plans developed	SDI OBJ 7 IND 5	Quarterly reports		0	2	5	7	Strategic Manager
				No of funded projects	SDI OBJ 7 IND 6	Quarterly reports	Donor funding strategy		R15 million	R20 million	R20 million	Director: Engineering
			Creating learning and sharing platform for waste management	Established solid waste stakeholder forum	SDI OBJ 7 IND 7	Quarterly reports	District engineering forum		Established stakeholder forum	3 Forum meetings per year	3 Forum meetings per year	Director: Engineering

PRIORITY AREA	OBJECTIVE	OBJ CODE	STRATEGY	INDICATOR	IND CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Housing backlog	To fast-track the completion of outstanding housing projects by June 2011	SDI OBJ 8	Leverage necessary resources to top up required resources to complete the stalled projects	Approved ADM functions for Housing Delivery	SDI OBJ 8 IND 1	MEC Gazette on amended functions	Agency function	Section 78 Assessment	Budget Submission	Implement	<i>Chief Financial Officer</i>
Transport	To ensure provision of integrated public transport infrastructure by 2014	SDI OBJ 9	Implement integrated transport plan	No of projects implemented	SDI OBJ 9 IND 1	Quarterly reports	11	13	15	17	<i>Director: Engineering</i>
			Galvanise funding for road infrastructure	Amount received	SDI OBJ 9 IND 2	Quarterly reports	Donor Management strategy	[R20 million]	[R30 million]	[R50 million]	<i>Chief Financial Officer / Director Engineering</i>
			Improvement of road infrastructure	No of stakeholders attended	SDI OBJ 9 IND 3	Quarterly reports	Stakeholders forum in place	12	20	28	<i>Director: Engineering</i>
Fire Services	Provide effective and efficient fire fighting services	SDI OBJ 10	Provide operational infrastructure for Fire Services	Build a Fire Station in Dutywa	SDI OBJ 10 IND 1	Quarterly Reports	0	Built Station	-	-	<i>Director: Health and Protection Services</i>
			Provide specialized operational vehicle including equipment for fire services	Procurement of specialized vehicle including equipment	SDI OBJ 10 IND 2	Quarterly Reports	0	Vehicle and Equipment procured	-	-	<i>Director: Health and Protection Services</i>
Primary Health Care Services	Provide a Comprehensive Health Care Service	SDI OBJ 11	Provide accessible health care services through mobile clinics.	Procurement of mobile clinic vehicles.	SDI OBJ 11 IND 1	Quarterly reports	0	Procure 7 Mobile Clinic Vehicles	-	-	<i>Director: Health and Protection Services</i>
Community Safety Services	Strengthen the co-ordination of crime prevention programmes	SDI OBJ 12	Support social crime prevention initiatives at District and Local Municipalities	Social Crime prevention initiatives conducted	SDI OBJ 12 IND 1	Quarterly reports	8	8	8	8	<i>Director: Health and Protection Services</i>
Disaster Management	Facilitate Disaster Risk Management in the District	SDI OBJ 13	Provide disaster risk prevention, management, response and rehabilitation services to the ADM community.	No of disaster prevention response and rehabilitation initiatives undertaken	SDI OBJ 13 IND 1	Quarterly Reports	Needs Driven	Needs Driven	Needs Driven	Needs Driven	<i>Director: Health and Protection Services</i>

3.3.1 KPA: BASIC SERVICE DELIVERY AND INFRASTRUCTURE INVESTMENT PROJECTS

IND CODE	PROJECT TITLE	PROJECT DESCRIPTION	2010/2011					2011/2012					2012/2013				
			Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects
SDI OBJ 4 IND 3	Asset Management Strategy Development	Development of Asset Management Strategy					100 000	200 000									
SDI OBJ 9 IND 1	Section 78 Assessment – Housing function	Assessment of ADM on impact of addition of Housing function					100 000										
	Drinking water and waste water quality monitoring program	Water and waste water samples	410 000					500 000					600 000				
	MHS business plan	Conduct in-depth study and revise MHS business plan					300 000										
	Environmental pollution control capacity	Capacitate MHS staff in environmental pollution control										300 000					300 000
	Social crime prevention	Support social crime prevention					140 000					150 000					160 000
	WSDP Review 2011-12	Annual review of Water Services Development Plan					500 000					1 500 000					800 000
	Detailed Backlog Verification Study	Investigation and confirmation of Water Services Backlog within ADM					500 000					250 000					300 000
	Elliotdale Sewerage Feasibility Study	Investigation of appropriate wastewater management for Elliotdale Town					500 000	5 200 000					4 600 000				
	Ngamakwe Sewerage Feasibility Study	Investigation of appropriate wastewater management for Ngamakwe Town					500 000.00	5 800 000					4 000 000				
	Desalination Plant Feasibility Study	Investigating the possible of seawater treatment to potable water for human consumption					400 000	8 000 000					12 000 000				
	Tsomo Villages Water Supply Project	Provision of Bulk and Reticulation Water Infrastructure for Tsomo Villages					7 900 000	18 000 000					22 000 000				
	Rainwater Harvesting	Provision of Rainwater Tanks and guttering					2 000 000					1 500 000					1 500 000
	Nxuba Waste Water Recycling	Feasibility study and prelim design for recycling waste water in Bedford and Adelaide					500 000										
	ADM Dam Operating Rules	Create Operating Rules for ADM's dams					500 000										
	Refurbishment	Refurbish ADM's Water and Sanitation Infrastructure	28 499256														
	Ground Water Management Plan	Develop a Ground Water Management Plan					500 000										
	Water Safety Plans	Develop Water Safety Plans					1 000 000										
	Dam Safety Inspections	Appoint an Approved Qualified Dam Engineer to carry out Dam Safety Inspections on all 19 ADM's dams	1 115 000														

3.4 KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Revenue enhancement	To ensure that the district municipality remains financially viable	MFV OBJ 1	Improvement of the billing collection rate	Revenue Collection Rate (% Collection to Billing)	MFV OBJ 1 IND 1	Monthly Reporting Financial Dashboard	30%	50%	60%	70%	Chief Financial Officer
				No of cleansed LMs debtor databases	MFV OBJ 1 IND 2	Quarterly Report	0	2	3	2	Chief Financial Officer
			Installation of bulk zone meters	No of towns with bulk zone meters	MFV OBJ 1 IND 3	Quarterly reports	5 towns	10 towns	20 towns	25 towns	Director: Engineering
			Adopt and Implement Revenue Enhancement Strategy	Adopted Revenue Enhancement Strategy	MFV OBJ 1 IND 4	Quarterly Report	nil	Adopted Revenue Enhancement Strategy	Review	Review	Chief Financial Officer
			Review Revenue policies	Adopted Reviewed Credit Control and Debt Management Policy	MFV OBJ 1 IND 5	Quarterly Report	Credit Control Policy	Adopted Reviewed Credit Control and Debt Management Policy	Review	Review	Chief Financial Officer
			Develop policy on private public partnerships	Approved Policy	MFV OBJ 1 IND 6	Council Resolution - Annually	nil	Adopted policy	Review	Review	Chief Financial Officer
			Review Tariff Policy	Reviewed Tariff Policy	MFV OBJ 1 IND 7	Quarterly Report	Tariffs Policy	Reviewed Tariffs Policy	Review	Review	Chief Financial Officer
Procurement	To ensure a streamlined efficient supply chain management	MFV OBJ 2	Review and implement supply chain management policy	Reviewed SCM Policy	MFV OBJ 2 IND 1	Council Resolution - annually	SCM Policy	Adopted Policy	Review	Review	Chief Financial Officer
			Monitoring of service providers' performance	Monthly Reports on Supplier Performance	MFV OBJ 2 IND 2	HOD Items - monthly	Database of service providers	12	12	12	Chief Financial Officer
			Facilitate development of procurement plans	Approved Annual Procurement Plans	MFV OBJ 2 IND 3	HOD Items - Monthly	nil	12	12	12	Chief Financial Officer

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Asset Management	To ensure that all assets are adequately managed and monitored	MFV OBJ 3	Review asset management policy	Adopted asset management policy	MFV OBJ 3 IND 1	Council resolution - Annually	Asset management policy	Adopted reviewed asset management policy	Implement and Review	Implement and Review	Director" Corporate Services
			Develop property management and maintenance policy	Adopted property management and maintenance policy	MFV OBJ 3 IND 2	Council resolution - Annually	nil	Adopted property management and maintenance policy	Review	Review	Director: Corporate Services
			Review Fleet Management Policy	Adopted Fleet Management Policy	MFV OBJ 3 IND 3	Council resolution - Annually	Fleet Management Policy	Adopted Fleet Management Policy	Review	Review	Director: Corporate Services
Indigent Support	To ensure 60 000 qualifying indigent consumers are registered on ADM indigent register by 2012	MFV OBJ 4	Utilise communities in the indigent campaign	Number of approved & registered indigents	MFV OBJ 4 IND 1	Quarterly reports	4000	12000	34000	60000	Chief Financial Officer

3.4.1 KPA: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT PROJECTS

IND CODE	PROJECT TITLE	PROJECT DESCRIPTION	2010/2011					2011/2012					2012/2013				
			Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects
MFV OBJ 4 IND 1	Indigent Registration	Indigent policy implementation					2 584 215					2 744 436					2 906 358
MFV OBJ 1 IND 2	Database cleansing – consumers	Data cleansing – revenue billing information					8 404 611					8 925 697					9 452 313
MFV OBJ. 3 IND. 2	Asset Management and Maintenance Policy	Management and Maintenance of Assets					400 000										
MFV OBJ. 3 IND. 2	Property Management and Maintenance Policy	Adopted Property Management and maintenance policy					400 000										
MFV OBJ. 3 IND. 3	Review Fleet Management Policy	Review Fleet Management Policy					100 000										

3.5 KPA: GOOD GOVERNANCE AND COMMUNITY PARTICIPATION OBJECTIVES AND STRATEGIES

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Intergovernmental Relations	To enhance participation and contribution of sector departments, local municipalities and other stakeholders	GGP OBJ 1	Review Intergovernmental relations(IGR) policy framework	Adopted reviewed IGR policy framework	GGP OBJ 1 IND 1	Council resolution - annually	IGR policy	Adopted IGR policy	Review	Review	Strategic Manager
			Establish and set up Intergovernmental relations core teams	Established IGR planning core team	GGP OBJ 1 IND 2	Quarterly reports	nil	Functioning core team	Functioning core team	Functioning core team	Strategic Manager
			Facilitation of IGR and District Mayors Forums	Minutes of the Forums	GGP OBJ 1 IND 3	Quarterly minutes of meetings	6	8	8	8	Strategic Manager
Sports development	To promote and capacitate different sporting codes throughout the district	GGP OBJ 2	Empowerment and development of communities through participation in sports	No of annual sports activities undertaken	GGP OBJ 2 IND 1	Quarterly reports	4	6 per annum	8 per annum	8 per annum	Strategic Manager
			Conduct capacity building programmes for federations in the district	No of capacity building programmes undertaken	GGP OBJ 2 IND 2	Quarterly reports	8	8	12	12	Strategic Manager
Audit	To achieve an unqualified audit opinion by 2014	GGP OBJ 3	Implementation of audit action plans in relation to the audit reports and management letters	Developed action plan	GGP OBJ 3 IND 1	Quarterly reports	Audit report	Action Plan	Action Plan	Action Plan	All HoDs
Council Support	To ensure councillors are fully capacitated to deliver on their mandate	GGP OBJ 4	Coordinate effective functioning of the council committees	Minutes of meetings of Section 79 committees	GGP OBJ 4 IND 1	Quarterly reports	2 committees met quarterly	4 committees quarterly	4 committees quarterly	4 committees quarterly	Strategic Manager
				Minutes of meetings of Section 80 committees	GGP OBJ 4 IND 2	Quarterly reports	30 Standing 16 Mayoral	30 Standing 16 Mayoral	30 Standing 16 Mayoral	30 Standing 16 Mayoral	Strategic Manager
			Facilitate training of Section 79 committees and councillor workshops	No of training initiatives conducted	GGP OBJ 4 IND 3	Quarterly reports	nil	5	5	5	Strategic Manager

PRIORITY AREA	OBJECTIVE	OBJECTIVE CODE	STRATEGY	INDICATOR	INDICATOR CODE	MEASUREMENT SOURCE AND FREQUENCY	BASE-LINE	TARGET: 10/11	TARGET: 11/12	TARGET 12/13	ACCOUNTABLE OFFICIAL
Delegation to council	To ensure adequate instruments to guide cooperation between legislative and executive arms of council	GGP OBJ 5	Development of policy of delegations to political office bearers	Adopted delegation policy	GGP OBJ 5 IND 1	Council resolution - annually	nil	Adopted delegation policy	Review	Review	Strategic Manager
Public Participation	To ensure accountable and democratic governance by involving communities in the affairs of the district	GGP OBJ 6	Strengthen relations with community development workers, ward committees, traditional leaders and communicators forum	No of District Communication Forum meetings	GGP OBJ 6 IND 1	Quarterly reports	4 per annum	4 per annum	4 per annum	4 per annum	Strategic Manager
			Strengthening of community based project steering committees	Developed projects register	GGP OBJ 6 IND 2	Quarterly reports	nil	6 registers	6 registers	registers	All HoDs
			Coordinate stakeholder consultation	No of consultative forums held	GGP OBJ 6 IND 3	Quarterly reports	nil	4 per year	4 per year	4 per year	Strategic Manager
			Enhance internal and external communication	Adopted reviewed communication strategy	GGP OBJ 6 IND 4	Council resolution - annually	Communication strategy	Adopted reviewed Communication strategy	Review	Review	Strategic Manager

3.5.1 KPA: GOOD GOVERNANCE AND COMMUNITY PARTICIPATION PROJECTS

IND CODE	PROJECT TITLE	PROJECT DESCRIPTION	2010/2011					2011/2012					2012/2013				
			Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects	Operating Budget	MIG	MSIG/ FMG	Other	Internally Funded Projects
	<i>Financial Management Support – Implementation of Operation Clean Audit</i>	Consulting Services – Support of Local Municipalities to resolve audit issues and capacity building					1 000 000										
GGP OBJ 2 IND 1	<i>Sports tourism</i>		200 000														
GGP OBJ 2 IND 1	<i>Mayors Cup</i>		500 000														
GGP OBJ 2 IND 1	<i>Mayors sports award</i>		100 000														
GGP OBJ 2 IND 2	<i>District sports forum</i>		25 000														
GGP OBJ 2 IND 2	<i>ADM staff sport</i>						250 000										
GGP OBJ 1 IND 3	<i>IQR Learning and Sharing</i>		520 000														
	<i>Special programs</i>		800 000														
GGP OBJ 6 IND 4	<i>Communication programmes</i>		1 110 000														
	<i>Marketing</i>		1 000 000														
	<i>Public Participation & Liaison</i>		1 200 000														

SECTION D: SECTOR PLANS

4.0 Introduction

An analysis was conducted in respect of various sector plans developed for the district. Some of these sector plans were found to be still relevant and required minor update. Others required a review, whilst new ones were developed.

4.1 List of Adopted Sector Plans

- Land Reform and Settlement Plan
- Housing Strategy
- Integrated Transport Plan
- Integrated Waste Management Plan
- Integrated Environment Plan
- Amathole Regional Economic Development Strategy
- Integrated Agricultural Plan
- Disaster Management Plan
- Water Services Development Plan
- Community Safety Plan
- Communicable Diseases Programme
- District Spatial Development Framework
- Tourism Master Plan
- Heritage Resources Management Strategy
- Film Development Strategy

4.2 List of New and Reviewed Sector Plans

- Water Services Development Plan
- Integrated Solid Waste Management Plan
- Integrated Transport Plan
- SMME Strategy
- Housing Strategy
- Disaster Management Plan
- Community Safety Plan
- Communicable diseases strategy
- Donor Management Strategy
- Employment Equity Plan
- Fire Prevention Strategy
- Fisk Management Strategy
- Fraud Prevention Strategy

NB: All these sector plans a together with a number of policies are accessible at ADM, and can be made available on request.

4.4 STATUS OF SECTOR PLANS

DEPARTMENT	FOCUS	STATUS		KEY ISSUES
		Adoption YEAR	Review YEAR	
ENGINEERING SERVICES	WATER SERVICES DEVELOPMENT PLAN	2006/07	2007/08 2008/09	<ul style="list-style-type: none"> • An estimated 31% of the population still need access to basic water supply service; • Estimated 90% of the population need access to a basic sanitation service; • An estimated 10 000 sanitation buckets still need to be eradicated; • A growing demand for housing and higher levels of services in specifically, urban areas; • Urgent need for upgrading of existing infrastructure in urban areas to meet increased development pressures; • Real threat of pollution of “receiving” rivers due to capacity of aging infrastructure in urban areas; • Limited access to raw water supply which is limiting development; • Inadequate/inappropriate operation and maintenance of existing infrastructure; • Housing demands exceed the rate of bulk infrastructure provision/upgrading; • Assessment, verification and transfer of DWAF- owned water

				infrastructure to ADM to be finalized.
ENGINEERING SERVICES	INTEGRATED WASTE MANAGEMENT PLAN	2003/04	2006/07 2009/10	<ul style="list-style-type: none"> • Public and Environmental Health; • Waste Minimisation and Education; • Integrated Waste Management Planning; • Capacity issues; • Institutional and Organisational Issues.
ENGINEERING SERVICES	INTEGRATED TRANSPORT PLAN	2003/04	2006/07 2008/09	<ul style="list-style-type: none"> • Poor Road conditions; • Hitch-hiking; • Law enforcement; • Public Transport Facilities upgrade ; • Non- motorized transport facilities; • Rail transport resuscitation.
ENGINEERING SERVICES	LAND REFORM & SETTLEMENT PLAN	2003/04	2006/07 2008/09	<ul style="list-style-type: none"> • General acceptance of the spatial planning framework; • Pace of land reform within the municipal area still lags behind; • Land reform initiatives largely remain geographically focused; • Land redistribution planning needs; • Implementation capacity is viewed as a serious challenge in land reform; • Breakdown of land administration systems; • Tenure insecurity remains prevalent; • Weak integration of existing land reform initiatives into the process of developing livelihoods; • Clear and workable institutional framework for the delivery of land

				reform.
ENGINEERING SERVICE	SPATIAL DEVELOPMENT FRAMEWORK	2003/04	2006/07 2008/09	<ul style="list-style-type: none"> • Hierarchy of Settlements <p>classification of the hierarchy of settlements, providing guidelines being:</p> <ul style="list-style-type: none"> ➤ Primary Urban Node: where most urban-economic opportunities are situated. It represents the greatest formal economic opportunity within the district and as such, investment should be prioritized accordingly. ➤ Administrative Node: they serve as the seat of the provincial government. ➤ Secondary Urban Node: have been identified as nodes with growth potential in the District. ➤ Urban Service Centres: have been identified as providing a higher order level of service to their surrounding hinterland areas. It has been recognized that these exhibit trends of population influx and as a result, require investment to accommodate these pressures. ➤ Special Development Areas: These have been identified through various sectoral inputs and are areas where ADM and/or local municipalities would prioritise funding for spatial and development planning and; <p>Associated implementation activities being :</p> <ul style="list-style-type: none"> • Land Reform and Settlement Zones <p>These were identified in the LR&SP and are proposed areas of priority for land reform, spatial planning and livelihoods planning initiatives:</p> <p>Linkages to LED- and Environmental Management Strategy; Preliminary proposals regarding Mthatha – East London Rail Link</p>

				<p>Upgrade have been included.</p> <ul style="list-style-type: none"> • Tourism Development Zones <p>These were identified based on proposals included in the LED Strategy.</p> <ul style="list-style-type: none"> ✓ Mpofu-Katberg Area; ✓ Doubledrift Game Reserve; ✓ Wild Coast Meander Trail <ul style="list-style-type: none"> • Transport Routes <ul style="list-style-type: none"> ✓ These are rail and road routes identified in terms of the Transport Strategy. ✓ Roads requiring upgrading have been identified; proposed new roads have been identified. <ul style="list-style-type: none"> • Cross-Boundary Infrastructure/Facilities <ul style="list-style-type: none"> ✓ These were identified in terms of the Integrated Waste Management Plan; ✓ Communal existing waste disposal sites; small, medium and large existing waste disposal sites; <p>Existing/proposed regional waste disposal sites:</p> <ul style="list-style-type: none"> • General Areas of Need <ul style="list-style-type: none"> ✓ These have been identified as broad areas where special
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				<p>circumstances of need prevail</p> <ul style="list-style-type: none"> ✓ Former Transkei and Ciskei where issues related to land administration, land use management, tenure reform and livelihoods support and development need to be prioritized <ul style="list-style-type: none"> • Environmental Informants/Conservation <ul style="list-style-type: none"> ✓ These were spatially defined in terms of the Amathole District State of the Environment Report and/or the Sub-Tropical Thicket Ecosystem Planning (STEP) Programme ✓ Categories identified are: <ul style="list-style-type: none"> ◆ Vulnerable, critically endangered, conservancy network, ecological process areas and protected areas.
ENGINEERING SERVICES	HOUSING STRATEGY	2006/07	2008/9	<ul style="list-style-type: none"> • Household sizes are decreasing by approximately 27% and this should be brought into consideration in all forward planning exercises; • No quantitative data on the impact of HIV/Aids & therefore housing needs should be scientifically determined by means of a comprehensive needs analysis, being inter alia: • Changes in households size;

				<ul style="list-style-type: none"> • Age and gender distribution; • Impact of HIV and Aids; • Economic mainstreaming of potential beneficiaries; • Completed and/or approved housing projects; and • Migration patterns, etc. • The infrastructure related needs, in relation to an integrated, sustainable human settlement; • Existing water and sanitation needs as per the WSDP be evaluated against the existing housing needs; • Alignment of new housing related bulk and connector infrastructure be ensured with existing and proposed bulk and connector infrastructure provisioning; • Several new policy directives have emerged since the last ADM Housing Strategy Review which included breaking new ground and more particularly community driven housing Initiatives; • Certain national policy imperatives in terms of the national strategic thrusts and strategic objectives need to be incorporated in the ADM strategy review currently undertaken; • No new housing projects were approved within the ADM area
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				<ul style="list-style-type: none"> • Houses completed and under construction indicates a relatively slow rate of delivery; • The extent of houses to be included as part of the rectification programme should be quantified as soon as possible.
HEALTH & PROTECTION SERVICES	COMMUNICABLE DISEASE STRATEGY	2003/04	2008/09	<p>The development of an integrated response that will reduce impact of communicable diseases</p> <p>Re-viewal of the Communicable Diseases Strategy will focus on the following priority areas:</p> <ul style="list-style-type: none"> ✓ Drinking water quality and proper sanitation ✓ Waste management ✓ Environmental pollution ✓ Surveillance of premises ✓ Food safety/control ✓ Proper disposal of the dead <p>The situational analysis revealed the following:</p> <p><u>1) Water Quality Monitoring</u></p> <ul style="list-style-type: none"> - Drinking water testing not adequately implemented, due to the slow devolution process, fragmentation of services and lack of coordination among the different implementing authorities. <p><u>2) Waste Management.</u></p> <ul style="list-style-type: none"> ◆ Unlicensed disposal sites, ◆ Inadequate management of waste disposal sites- - <i>waste segregation not done</i> - <i>No reclaiming and recycling procedure in place</i> ◆ No controlled access at sites.

				<p><u>3) Sanitation</u></p> <ul style="list-style-type: none"> - Sewerage Treatment Plants not managed adequately. - Ageing infrastructure and occasional power outages, therefore require more regular testing of the final effluent. <p><u>4) Food</u></p> <ul style="list-style-type: none"> - Food safety programme not adequately implemented due to the slow devolution process, fragmentation of services and lack of coordination among the different implementing authorities; Erratic sampling done due to a number administrative challenges including staff shortages. <p><u>5) TB</u></p> <ul style="list-style-type: none"> - TB is still the major health challenge in the district with 100 000 people on treatment.(JAN-DEC 2008) ◆ 5000 Started treatment in December 2008 ◆ 8000 HIV positive people tested for TB <p><u>6) HIV SNAP SHOT</u></p> <ul style="list-style-type: none"> ◆ 81 000 tested at clinics in ADM including BCM ◆ A total of 17 000 people tested positive in 2008. <p><u>7) Swine Fever</u></p> <p>No longer considered a threat and no cases reported within last year (Reporting Period)- Dept Agriculture</p>
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				<p><u>8) Rabies</u></p> <p>About 2 isolated incidences that were managed by Dept Agriculture- (Vaccination programmed in place)</p> <p><u>9) Bird Flu</u></p> <p>Control Guidelines- to be included in report(2010 readiness)</p> <p><u>10) Diarrhoea</u></p> <p>Stats- 2008</p> <ul style="list-style-type: none"> ◆ Total of 16153 admitted for treatment. <p>The following interventions need to be put in place:</p> <ul style="list-style-type: none"> ➤ Develop a school health promotion programme; ➤ Conduct serological survey to determine level of HIV infection in TB clients; ➤ Conduct training of community health workers and traditional Healers on DOTS strategy; ➤ Develop a downward referral programme for MDR treatment; ➤ Conduct awareness campaigns and health education to communities on communicable diseases including ARVs; ➤ Training of staff on management of patients on ARV; ➤ Develop a plan for the District Aids Council; ➤ Develop and implement an effective food handler's education programme; ➤ Conduct communication strategy on water services provision; ➤ Workshop EHP's on solar water disinfections; ➤ Develop and implement a disease surveillance plan. ➤
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HEALTH PROTECTION SERVICES	COMMUNITY SAFETY PLAN	2003/04	2008/09	<p>To review the Community Safety Plan in order to be aligned with new legislation and other supporting council strategies. Analyze the crime statistics with a view to develop programmes that address social crime in the ADM.</p> <p>The reviewed Community Safety Plan includes:</p> <ul style="list-style-type: none"> • Demographic and socio-economic overview; • Legislative and policy framework; • Crime and Safety Legislation. <ul style="list-style-type: none"> ✓ South African Police Services Act , Act 68 of 1995 as amended; ✓ National Prosecuting Authority Act, Act 32 of 1998; ✓ National Crime Prevention Strategy 1996; ✓ White Paper on Local Government; ✓ The White Paper on Safety and Security; ✓ Provincial Growth and Development Strategy, 2004-2015; ✓ The Provincial Crime Prevention Strategy 2005. • Statistical Crime Profile of the Amathole District; • Comparative analysis of the various crime categories per municipality; • The situational analysis includes the following: <ul style="list-style-type: none"> ✓ Research Methodology ✓ Findings and comparative analysis ✓ Crime and Causal Factors
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				<ul style="list-style-type: none"> ✓ Environmental profile ✓ Victim and offender profiles ✓ Intervention programmes and initiatives ✓ Partnerships and collaboration • Strategic Development and planning includes the following: <ul style="list-style-type: none"> ✓ Strategic overview; ✓ Goals, objectives, strategies and projects; ✓ Project overview; ✓ Implementation plan. • The implementation plan for programmes focuses on the following 5 priority areas. <ul style="list-style-type: none"> ✓ Control and prevention of crime through proactive planning and effective regulation of activities; ✓ Facilitation and coordination of a multi-sectoral , collaborative approach to crime prevention; ✓ Empowerment of r communities to take responsibility for communal and personal safety and enforce their rights; ✓ Creation of a physical environment that deters criminality and facilitate effective crime control; ✓ Creation of a socio-economic environment that deters criminality through social crime prevention.
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STRATEGIC PLANNING	AMATHOLE REGIONAL ECONOMIC DEVELOPMENT STRATEGY	2007/08		<ul style="list-style-type: none"> • To re-align the efforts of the non-government entities active in LED into a shared direction of the LED drive; • To facilitate an improvement of the range of employment as well as labour-force and income growth; • To strengthen local government in order to mobilize and unlock the latent, but important, leadership component in the LED process; • Provide adequate and appropriate development support in order to address, not only economic concerns, but also the allied social considerations such as: reducing poverty and unemployment, generate income equity, environmental enhancement and improve overall “quality of life”; • Promotion of sustainable economic development in parallel with the maximization of the comparative advantages of the local area. <p>The following “building blocks” or “strategic thrusts” have been identified, on which the “new economy” of the Amathole District will be based:</p> <ul style="list-style-type: none"> • SMME development and support; • Institutional demarcation, re-alignment and capacity building; • Emerging agricultural development; • Tourism development; • Human resource development; and • Business development.
STRATEGIC MANAGEMENT	INTEGRATED ENVIRONMENTAL PLAN	2004/2005	2008/09	<p>Biodiversity</p> <ul style="list-style-type: none"> • 15.9% of ADM comprises of conserved areas; • Up to 57% of ADM’s vegetation types have been transformed; • 51 000 hectares of indigenous forest in ADM – representing 2% of the total area of ADM; • Approximately 71% of ADM is under herbland, grassland, shrubland/fynbos, thicket and bushland;

				<ul style="list-style-type: none"> • Sand mining along the coast is a concern; • Key threats or pressures are overgrazing or agriculture, forestry, bush clearing and invasive alien species. <p>Freshwater system</p> <ul style="list-style-type: none"> • Four drainage areas in ADM (Great Fish, Keiskamma, Great Kei and Mbhashe catchments); • About 17 alien fish species in existence; • Endangered fish species are present; • Water supply schemes are fairly well developed in the central and western parts of ADM, with inadequate water service provision for the eastern parts of ADM; • Main threats or pressures on ADM freshwater system include sediment loading from irrigation systems and various pollution sources linked to urbanization, industrialization, poor sanitation and poor management practices (e.g. waste sites) <p>Air quality</p> <ul style="list-style-type: none"> • Atmosphere and climate issues in the district are not a major concern; • Average max temperatures range from 21 to 29 degrees Celsius; • Average min temperatures range from 6 to 13 degrees Celsius; • Pressures are road traffic pollution, industrial and urban air pollution.
STRATEGIC MANAGEMENT	AGRICULTURAL DEVELOPMENT PLAN	2005\06		<ul style="list-style-type: none"> • Revitalization and establishment of irrigation schemes; • Creation of employment opportunities and poverty alleviation; • Livestock development; • Provision of agricultural machinery for crop production to meet food security needs of the poor communities; • Citrus development in terms of farm infrastructure.
STRATEGIC MANAGEMENT	TOURISM MASTER PLAN	2007/08		<ul style="list-style-type: none"> • Development of aggressive marketing programmes to market the district; • Strengthening of the existing information distribution points;

				<ul style="list-style-type: none"> • Tourism product development and packaging; • Development of infrastructure for crafting businesses; • Tourism capacity, awareness and tourism planning principles in local municipalities; • Co-ordination between ADM tourism stakeholders through District Tourism Organization; • Increase visitors, their spend and the length of their stay within the district; • Provision of support to tourism and sports events that are taking place within the district.
STRATEGIC MANAGEMENT	FILM STRATEGY	2007/2008		<ul style="list-style-type: none"> • Branding and marketing the Amathole film sector and promote the ADM film and video industry, locally, nationally and internationally; • Capacity building programmes for film makers within the district; • Limited funding to support the operations of the film resource centre; • Access to finance; • Educational tours to national and international established film offices; • Creation of partnership programme with the City of Glasgow to include film development; • Promotion of the work that is done by the film makers within the district.
STRATEGIC MANAGEMENT	CO-OPERATIVE STRATEGY	08/09		
STRATEGIC MANAGEMENT	HERITAGE RESOURCE MANAGEMENT	07/08	09/10	<ul style="list-style-type: none"> • Comprehensive heritage conservation;

	STRATEGY			<ul style="list-style-type: none"> • Promotion and protection of different heritage resources; and • Regularization of heritage resources management through development of legal instruments to safeguard heritage resources in the district.
BUDGET TREASURY OFFICE	Donor Management Strategy	08/09	09/10	<ul style="list-style-type: none"> • To assist in establishing and maintaining sustained financial viability; • To secure additional resources from donors/funders to meet the development, funding and capacity needs; • Intends to meet the short- to medium-term development needs of ADM; • Location within the macro policy context of the SA government; • Integrated development planning across all three spheres of government; • Supports existing and future interventions contained in the IDP; • To be achieved in accordance with the principles of cooperative governance and integrated development planning across all three spheres of government.
CORPORATE SERVICES	Employment Equity Plan	08/09	09/10	

SECTION E: FINANCIAL PLAN

5.0 3 YEAR BUDGET STATEMENT

EXPENDITURE	2010/2011	2011/2012	2012/13
SALARIES AND WAGES	237 906 323	247 914 008	268 256 338
SOCIAL CONTRIBUTIONS	100 387 222	114 378 535	122 270 142
REMUNERATION OF COUNCILLORS	14 479 004	16 648 546	17 963 783
PROVISION FOR BAD DEBTS	65 604 286	69 671 752	73 652 111
COLLECTION COSTS	1 950 000	2 074 192	2 196 569
DEPRECIATION	78 770 564	83 649 753	88 766 414
REPAIRS AND MAINTENANCE	34 084 530	37 493 413	39 862 357
GENERAL EXPENSES - OTHER	323 907 580	302 244 479	322 972 435
TOTAL NEW CAPITAL	57 931 356	47 520 561	50 214 802
TOTAL CAPITAL REPLACEMENT	6 848 000	5 089 244	5 187 068
EXTERNAL FUNDS EXPENDITURE	284 656 018	357 113 000	441 699 000
TOTAL EXPENDITURE	1 206 524 883	1 283 797 484	1 433 041 019

INCOME	2010/2011	2011/2012	2012/13
SERVICES CHARGES	-111 165 464	-118 057 720	-124 806 018
RENT OF FACILITIES AND EQ	-202 000	-214 524	-227 181
INTEREST EARNED - EXT. INVESTMENTS	-20 141 143	-21 389 894	-22 651 898
EQUITABLE SHARE	-289 469 000	-307 226 000	-337 937 000
LEVY REPLACEMENT GRANT	-191 571 000	-208 824 000	-227 618 000
FMG FUNDING	-1 000 000	-1 250 000	-1 373 000
PMU OPERATING SUBSIDY	-3 500 000	-3 500 000	-3 500 000
WATER SERVICES OPERATING SUBSIDY	-11 059 000	-7 755 000	-
PRIMARY HEALTH CARE	-18 847 284	-17 411 192	-18 438 452
EXPANDED PUBLIC WORKS PROGRAMME	-12 285 000	-	-
DROUGHT RELIEF GRANT	-12 264 000	-	-
NATIONAL DEVELOPMENT PROGRAMME GRANT	-25 000 000	-35 000 000	-50 000 000
MUNICIPAL SYSTEMS IMPROVEMENT GRANT	-750 000	-790 000	-1 000 000
MIG	-234 357 018	-321 323 000	-390 699 000
OTHER INCOME	-274 913 974	-241 056 154	-254 790 470
TOTAL INCOME	-1 206 524 883	-1 283 797 484	-1 433 041 019

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5.1 3 YEAR FINANCIAL PLAN

ADM'S THREE (3) YEAR CAPITAL PLAN

Project Name	2010/11 MIG	2011/12 MIG	2012/13 MIG
PROJECT SCHEDULE :WATER, SANITATION AND HOUSING			
PMU Operating Budget	3 500 000	3 500 000	3 500 000
Sub Total for All	3 500 000	3 500 000	3 500 000
Fish River Pumping Scheme	2 700 000	350 000	-
Water Service Works Refurbishment	610 000	-	-
Demand Management System	650 000	-	-
Bedford & Adelaide BEP- Phase 3 (Adelaide WWTW)	5 000 000	2 000 000	500 000
Bedford & Adelaide BEP - Phase 4 (Bedford WWTW)	5 000 000	2 000 000	500 000
Nxuba Towns WTW and BS Upgrade (New WTW for Lingelethu and Adelaide Reservoir)	2 000 000	5 000 000	5 000 000
Adelaide Water Resource Development (Foxwood Dam)	-	1 000 000	-
Wortel Drift Farm Settlement	-	1 000 000	500 000
Sub Total for Nxuba	15 960 000	11 350 000	6 500 000
Gaga -Tyume Valley Region Water Supply (Phase 6)	2 000 000	7 000 000	6 000 000
West Victoria East (Roxeni) Water Supply (Phase 3)	14 000 000	10 000 000	5 000 000
Middeldrift Bulk Water Supply Ward 12 : Phase 2	200 000	-	-
Kolomane Bulk Water Supply : Phase 2	1 000 000	-	-
Ekuphumleni & 9 Villages Water Supply (Phase 3)	3 800 000	500 000	-
Demand Management System	1 500 000	100 000	-

Water Service Reticulation Refurbishment	200 000	-	-
Seymor Water Treatment works	3 000 000	300 000	-
Lushington Sanitation Extension	100 000	-	-
Nkonkobe: Area Wide Sanitation Programme	1 000 000	5 000 000	5 000 000
Mxumbu Sanitation	2 600 000	50 000	-
Fort Beafort Newtown Sewerage Line	2 700 000	250 000	-
Upgrade Alice Waste Water Treatment Works	-	1 000 000	5 000 000
Upgrade Bulkwater Supply Newtown	-	1 000 000	5 000 000
Hogsback Water Treatment Works and New Reservoir	-	1 000 000	5 000 000
Fort Beaufort Bulk Water Services Upgrading	-	1 000 000	5 000 000
Sub Total for Nkonkobe	32 100 000	27 200 000	36 000 000
Tyefu, Hlosini, Bhongweni & Maqhosha Water Supply Phase 3	2 500 000	500 000	-
Runlettes Water Supply : Phase 2	1 500 000	100 000	-
Water Service Reticulation Refurbishment	1 000 000	100 000	-
Ngqushwa Ward 3 Sanitation Project	440 000	-	-
Ngqushwa Ward 10 Sanitation Project (New: Ward 9)	200 000	-	-
Ngqushwa Ward 12 Sanitation Project (New:Ward 14)	200 000	-	-
Ngqushwa Ward 5 Sanitation Project (New :Ward 7)	2 000 000	100 000	-
Hamburg Sewerage Treatment Plant	-	10 000 000	13 000 000
Ngqushwa: Area Wide Sanitation Programme(Phase 1A)	6 000 000	10 000 000	10 000 000
Peddie South Villages Sanitation Wards 6,7,13	300 000	-	-
Peddie Waste Water Treatment Works Upgrade	7 600 000	3 500 000	-

Sub Total for Ngqushwa	21 740 000	24 300 000	23 000 000
Hokwana & Frankfort Final Phase (including Motel Park)	450 000	-	-
Stutterheim Sewerage Treatment Work	140 000	-	-
Stutterheim upgrade of Bulk WS Phase 2 (Kubusie Weir)	5 000 000	-	-
Kei Road WTW Phase 2	4 900 000	4 200 000	-
Gubevu Sanitation	1 000 000	-	-
Demand Management System	900 000	-	-
Area wide Sanitation Projects (Amahlathi Phase 1A)	1 000 000	10 000 000	5 000 000
Upgrading of Keiskammahoek Waste Water Treatment Works	-	500 000	
Tsomo Water Supply : Feasibility	-	500 000	1 000 000
Upgrade Daliwe (Cathcart) Sewage net work	-	500 000	
Upgrade Stutterheim Outfall Sewer	-	500 000	1 699 000
Zingcuka Water Supply	-	500 000	5 000 000
Sub Total for Amahlathi	13 390 000	16 700 000	12 699 000
Komga Commonage Settlement Services	7 500 000	5 000 000	5 000 000
Great Kei River Basin Regional Water Supply Scheme	-	5 000 000	24 301 000
Area Wide Sanitation Projects (Great Kei Phase 1A)	2 000 000	1 000 000	1 000 000
Kei Mouth WTW	1 600 000	-	-
Kwelera Water Supply	200 000	-	-
Icwili Water Services Refurbishment	150 000	-	-
New Waste Water Treatment Works Morgans Bay	500 000	1 000 000	-
Morgan's Bay WTW upgrade	1 000 000	2 000 000	-

Sub Total for Great Kei	12 950 000	14 000 000	30 301 000
Ehlobo Phase 3 Water Supply	19 841 000	2 700 000	-
Crouch's Bush Water Supply Project	11 010 000	12 000 000	5 000 000
Ibika - Centane Regional Water Supply	-	5 000 000	5 000 000
Myoyo Water Supply Project	18 000 000	2 000 000	-
Demand Management System	700 000	-	-
Ngcizele Water Supply Project	3 000 000	500 000	-
Ngqusi Water Supply Project	1 920 000	1 000 000	-
Teko Housing Engineering Services	2 800 000	2 500 000	-
Gcuwa West Regional Water Supply	-	2 000 000	10 000 000
Centane Water Supply	85 000	-	-
Area Wide Sanitation Projects(Mnquma Phase 1A and Kotana Phase 2)	4 000 000	10 000 000	10 000 000
Centane Sanitation Project	1 000 000	5 000 000	45 000 000
Zizamele Sewer	-	573 000	-
Ngqamakwe Regional Water Supply	-	3 000 000	10 000 000
Gcuwa West Regional Water Supply	-	-	5 000 000
Bawa Falls Water Supply Project	-	-	1 000 000
Nxaxo and Cebe Water Supply	-	-	1 699 000
Sub Total for Mnquma	62 356 000	46 273 000	92 699 000
Willowvale Sewerage Reticulation	2 000 000	11 000 000	3 000 000
Mbhashe North Regional Water Scheme	18 000 000	30 000 000	25 000 000
Nqadu Water Supply	500 000	1 000 000	1 000 000

Qwaninga EC1158 Water Supply (Phases 2&3)	8 000 000	2 000 000	2 000 000
Qwaninga Water Supply (Phases 4&5)	2 000 000	5 000 000	2 000 000
Kumbanga & Cwebe Sanitation	1 000 000	1 000 000	-
Sundwane Water Supply Scheme	3 700 000	20 000 000	20 000 000
Xora Water Supply Project	9 000 000	10 000 000	10 000 000
Mncwansa Water Supply Scheme	30 000 000	20 000 000	10 000 000
Mgwali North Water Supply Project	1 000 000	9 000 000	15 000 000
Mgwali South Water Supply Project	5 000 000	20 000 000	18 000 000
Idutywa East Water Supply Project	15 000 000	10 000 000	10 000 000
Area Wide Sanitation Projects(ASAP)(Mbhashe Phase 1A, Mhlohlozi Phase 2 and Gatyane Phase 2)	6 000 000	10 000 000	15 000 000
Dwesa Water Supply Scheme Extension	-	5 000 000	10 000 000
Cwebe Water Supply Scheme Phase 2	-	5 000 000	10 000 000
Mangeyela Water Supply Scheme	-	2 000 000	5 000 000
Cafutweni Water Supply Scheme	-	10 000 000	10 000 000
Bende Water Supply Scheme	-	5 000 000	10 000 000
Shixini Water Supply Scheme	-	2 000 000	10 000 000
Sub Total for Mbhashe	101 200 000	178 000 000	186 000 000
ANNUAL TOTAL - WATER, SANITATION & HOUSING	263 196 000	321 323 000	390 699 000
REGIONAL SOLID WASTE MANAGEMENT SERVICE			
Eastern Regional Solid Waste Landfill site Phase 1b	1 000 000	-	-
Sub Total for Mnquma	1 000 000	-	-
ANNUAL TOTAL - SOLID WASTE MANAGEMENT SERVICE	1 000 000	-	-

LOCAL AMENITIES			
Nxuba Municipal Offices	2 971 000	-	-
Sub Total for Nxuba	2 971 000	-	-
ANNUAL TOTAL - LOCAL AMENITIES	2 971 000	-	-
TOTAL ALLOCATIONS	267 167 000	321 323 000	390 699 000

LEGEND:

NEW PROJECTS STILL TO BE REGISTERED WITH MIG

DETAILED ALLOCATIONS:

267 167 000	321 323 000	390 699 000
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DIFFERENCE:

-	-	0
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1. It must be noted that projects that are in brackets on Area Wide Sanitation, their applications have already been sent for funding
2. All Phases 1A under Area Wide Sanitation are for base line survey, ISD work and Geo-hydrological reports.
3. All Phases 2 under Area wide Maintenance are for the actual implementation.

5.2 FINANCIAL STRATEGIES

Council's overall Financial Strategy is broken into the following segments to allow for a clearer understanding of the overall task.

- 1) Revenue enhancement and maximisation strategy;
- 2) Asset management strategy;
- 3) Financial management strategy;
- 4) Capital financing strategy;
- 5) Operational financing strategy;
- 6) Strategies to enhance cost-effectiveness;
- 7) Free basic services and indigent support

These segments are intended to provide operational guidance to staff to assist them in achieving identified objectives and goals. The strategy conforms to council's financial policies in place and recognises the requirements of current and future legislation.

The multiyear budget process being implemented currently has changed council's financial focus. Instead of only reflecting on what council is to receive in revenue in a year and how much council intends procuring in a year, the focus has changed in that council requires a total financial plan over a three year period. In order for council to achieve this, council must align all its financial policies and plans into a single document.

Council also has further challenges during the course of this year, which includes the registration of the indigent and the application of the free basic services policies.

The Financial Strategy has been formulated to ensure that the Amathole District Municipality maximises on opportunities that would enhance council's financial strength, especially considering the cost-shift environment that has been created with the implementation of assigned powers and functions.

5.2.1 REVENUE ENHANCEMENT AND MAXIMISING STRATEGIES

The purpose of this strategy is to ensure that all possible avenues are explored to maximise the receipt of any monies available to council by way of intergovernmental transfers and grants or donations, including expanding the billing database and controlling completeness thereof to ensure that monies owed to the municipality are duly collected.

This strategy has been instrumental in the development of the campaign "Water is Life", which is aimed at verifying the accuracy of the commercial data base used as a base to resource the district in the provision of water and sanitation services, which will culminate in the verification of ownership, occupancy, level of service and indebtedness of some 46 000 registered stands, with a combined debt book value of R 223 million; concurrently providing significant impetus in various concomitant policy frameworks

ALTERNATE FUNDING

Amathole District Municipality [ADM] has been assigned authority status for water and health services. Various functions are also being assigned to the municipality by the MEC for Local Government, Housing and Traditional Affairs. This poses some acute institutional challenges for ADM.

An institutional study was commissioned during the financial year ended 30 June 2007, aimed at assessing the financial backlog associated with the new powers and functions, encompassing the core mandate of the district, being water and sanitation, for purposes of quantifying the direct investment needed to fund national targets, and the associated impact on operating

activities, signifying the importance of alternate funding as part of the core service delivery challenges.

SUBSIDIES AND GRANTS

In order for ADM to obtain maximum benefit from external monies available, a policy laying out the relevant procedures has been put in place with the Strategic Manager's Office to ensure that all grants, donations and subsidies are investigated, applied for and received at the appropriate times. The policy will ensure that council receives maximum benefit from external funding available.

ADMINISTRATION FEE POLICY

The Administration Fee Policy has been updated to address the needs of council with regards to administration of contracts on behalf of third parties.

LEVIES POLICY

Effective 1 July 2006 the ADM has been actively pursuing a close-out strategy, aimed at decommissioning the entire administrative processes associated with levies, effective 1 July 2007 all remaining functionally associated with declared debtors, will be pursued and managed in accordance with the debt collection and credit control policy framework.

This is pursuant of the ministerial authorisation, and subsequent regulation, regulating the basis under which levies may be recovered, with significant limitations imposed.

CREDIT CONTROL AND DEBT COLLECTION POLICY

The policy sets out to control and manage the recovery of outstanding debt due to council. This policy is in place and is subject to regular updates.

The policy lays down the basis for distribution of accounts, collection procedures, interest and penalties to be charged in the event of non-payment, with strong focus on management reporting requirements pursuant of key legislative requirements and performance management.

TARIFF POLICY

Council includes as part of its package, "Consolidated Financial Policy", guidelines on what should be considered when pricing services and guiding principles for the compilation of water and sanitation tariffs.

5.2.2 ASSET MANAGEMENT STRATEGIES

The purpose of the strategy is to optimise the use of all assets under the control of Amathole District Municipality.

ASSET MANAGEMENT POLICY

This policy was deemed necessary in order to facilitate the effective management, control and maintenance of the assets. The policy is in place and is subject to regular review.

The prime objectives of the policy are to ensure that the assets of ADM are properly managed and accounted for by:

- Ensuring the accurate recording of asset information;
- The accurate recording of asset movements;
- Exercising strict control over all assets;
- Providing correct and meaningful management information;

- Compliance with council's insurance policy and payment procedure;
- Effecting adequate insurance of all assets;
- Maintenance of Council's Assets.

ASSET MOVEMENT SYSTEM

At the same time as commissioning a new Asset Register, an asset tracking system using bar-coded discs and scanners was put in place. With the completion of the Asset Register, the asset tracking system is fully operational.

The system will allow for regular audits of all assets to be completed in a shorter time frame and therefore allowing for more regular updates of the register.

5.2.3 FINANCIAL MANAGEMENT STRATEGIES

The purpose of this strategy is to ensure that the Financial Systems in place at Amathole District Municipality are of such quality to allow for the generation of accurate and timely reporting at all times.

BUDGET AND FINANCE REFORM

A considerable amount of time and effort has been expended on ensuring that Amathole District Municipality has the capacity to deliver the finance and budget reporting requirements as prescribed by National Treasury.

Amathole District Municipality is one of the pilot sites for the Budget and Finance Reform process sponsored by National Treasury. Due to this status, money has been channelled from National Treasury to council.

The process is being overseen by a budget and finance reform steering committee and significant progress has been made in some areas. Specific tasks being performed are:

- Employment of interns and short term contract workers;
- Reconciliation of assets;
- Training;
- Centralisation of water service financial administration

LOCAL MUNICIPALITY SUPPORT

It is a requirement of the Local Government Municipal Structures Act 1998 that the district municipality should build the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking.

In order to ensure that council meets its obligations, council embarks on a two-tiered support programme:

- **Sharing of information and experiences.**

A District Finance Forum meets once a quarter to discuss common areas of concern and to make available an information-sharing platform for all to gain insight into the requirements of the finance directorates within the district. The forum consists of both the politicians responsible for finance and Chief Financial Officers.

- **Direct support.**

A municipal support unit has been established in the Strategic Manager's Office to provide proficiency in the areas of HR, finance, administration, engineering and IDP/PMS.

POLICY FOR ACCESSING DONOR FUNDS

Due to the large number of projects that are being requested from the community, a policy has been developed and implemented which creates a framework for accessing funds both locally and internationally.

The policy outlines the type of donors available and the conditions related to the donations. All procedures and special conditions attributable to the different donors will be catalogued in the policy to ensure the smoothest approach to these donors when the occasion arises.

This policy implementation lies with the Strategic Manager's Office as an extension of the Subsidies and Grants Policy.

5.2.4 OPERATIONAL FINANCING STRATEGIES

The purpose of this strategy is to assess the viability of any association or alliance or partnership that may arise from time to time.

Amathole District Municipality has been assigned various functions and authorities by the MEC for Local Government, Housing and Traditional Affairs or Structures Act of which the water service and municipal health have already been awarded. Council is at present looking for support from service providers, in the related areas of staffing, resource allocation, finance and assets and liabilities, to assess all the implications of the other opportunities available to ADM.

WATER SERVICE AUTHORITY

The ADM assessed the water services provision element using the Systems Act, section 78. Based on recommendations made, council agreed to provide water using the internal mechanisms. The financial services were ring-fenced and centralised together with the billing systems to support the function.

This forms part of council's strategy to sustain the water service. Council will explore other options of service provision once it is confident with the level of service it is providing.

By centralising the service and under the umbrella of sustainability, council has become responsible for the implementation of the various policies attached to the service [tariff policy, credit control policy, free basic services, etc] and for the direct sustainability for the infrastructure. To support the last point council, during the budget process has set aside a 38% growth in maintenance for the networks and has further provided for asset refurbishment which is viewed as being prudent.

The water service consists of in excess of R3 billion worth of assets transferred from local municipalities and from the Department of Water Affairs. The assets were not maintained and the majority of the schemes are not able to generate sufficient resources to ensure self generated maintenance.

This places significant pressure on grant funding, for example equitable share.

The centralisation of the water service financial and billing systems have allowed council to provide for scheme based costing and contribute to uniformity of tariffs. Tariffs are currently uniform per local municipality. Council will further evaluate uniformity of tariffs across the district during the facilitation and compilation of the 08/09 financial year operating budget.

5.2.5 STRATEGIES TO ENHANCE COST-EFFECTIVENESS

The purpose of this strategy is to ensure that Amathole District Municipality employs the most cost effective operating practices.

Importantly, this strategy is driven on the principles enshrined within the Costing Policy as contained within the “Consolidated Financial Policy Framework”.

The ADM has in accordance with the 2007/2008 financial year placed heavy reliance on the strategy to introduce scheme-based costing, clearly isolating cost drivers and identifying risk areas informing strategic objectives of ADM.

BENCHMARKING AND PERFORMANCE INDICATORS

A set of performance indicators will be developed and implemented to test the effectiveness and efficiency of the municipality. Benchmarking these against similar organisations will allow for regular internal assessment and upgrading.

TRAINING AND DEVELOPMENT OF STAFF

Training sessions and courses are continually being planned to ensure that all financial as well as non-financial officials, senior staff and councillors will be in a better position to evaluate the financial position of the municipality. The Council also has an approved Skills Development Plan, which is being implemented and is used to guide training of both councillors and officials.

COST-EFFECTIVENESS

All departments of the Amathole District Municipality are challenged continually with identifying the most cost effective means of operating by employing the methods commonly associated with BOP (best operating practices).

POST RETIREMENT BENEFITS

There is reason to be concerned about the possibility of an undisclosed liability that council may be facing with regard to post retirement benefits due to staff.

An actuary will be appointed to evaluate the full extent of council’s liability in this regard. Funding for such an exercise will be made available from the finance and budget reform grant.

Importantly, staff transferred from erstwhile Water Service Authorities and employees to be transferred from the Department of Water Affairs and Forestry are to be included in this analysis to be undertaken.

5.3 FREE BASIC SERVICES

5.3.1 The Indigence Support Policy:

The basic principles of this policy are captured by indicating that the policy is to ensure that poor households are not denied their constitutional right of access to services. The Water Services Authority is required to implement an indigent support policy that makes adequate financial provision to ensure the provision of efficient and sustainable services to all residents within the area of jurisdiction.

The Indigent Support Policy should complement and be an integral part of the WSA’s tariff policy that is developed and implemented in a transparent manner to ensure the sustainability of local public services to all of its citizens at an affordable cost.

The indigent policy is intended to provide poor households ongoing access to a specified level of service. The subsidies contained in the policy should not compromise the quality or efficiency of service delivery.

5.3.2 Free Basic Water and Sanitation Services

- i) While national government has strongly promoted a “free basic services” initiative, with a view to alleviating poverty, it is local government that is constitutionally mandated to deliver water services. A Free Basic Services Policy must therefore be implemented at the level of local government where decision making in this regard rests. In terms of the Constitution of the Republic of South Africa, Act 108 of 1996, national and provincial government, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and manage their functions (Section 154(1)).

- ii) The Free Basic Services Policy is not a new concept to the water sector in South Africa. In terms of the Water Services Act, Act 108 of 1997, provision was made for those people who cannot afford to pay for a basic water supply. This policy, which clearly targets the poor, is built on that legal provision. Nevertheless, it was evident that, though the provision in the Water Services Act existed, many poor people still did not have access to a basic supply of clean water because they could not afford to pay. The announcement of the implementation of free basic water as a policy prescription was made by President Mbeki during the 2000 calendar year for implementation with effect from 1 July 2001.

SECTION F: PERFORMANCE MANAGEMENT SYSTEM

6.0 **Introduction**

For purposes of monitoring and evaluation, Amathole District Municipality adopted a Performance Management Framework in 2002. This has since been reviewed in 2008 and 2009 to be in line with the 2006 Regulations and the IDP. This document will form part of the IDP submission inclusive of all ADM sector plans.

6.1 **The Performance Management Framework**

The PMS framework is a municipal policy document that defines and describes the municipal performance management system, including how it operates. The framework constitutes council policy with regards to:

- The requirements that a PMS for Amathole will need to fulfil;
- The principles that will inform its development and application;
- A model that describes what areas of performance will be managed, in Amathole District Municipality;
- What processes will be followed in managing performance;
- What institutional arrangements are necessary for this;
- Who will take responsibility for parts of the system;
- How this links to personnel performance management, especially S57 managers.

In other words the ADM framework is a documented record of the municipality's performance management system as it will be implemented. The PMS is in compliance with relevant policy and legislation.

The Municipal Systems Act (2000) enforces the idea of a local government PMS and requires all municipalities to:

Develop a performance management system;

Set *targets*, monitor and *review performance* based on indicators linked to their IDP;

Publish an *annual report* on performance for the councilors, staff, the public and other spheres of government;

Incorporate and report on a set of *general indicators* prescribed nationally by the minister responsible for local government;

Conduct an *internal audit* on performance before tabling the report;

Have their annual performance report audited by the Auditor-General;

Involve the community in setting indicators and targets and reviewing municipal performance.

A good performance management model for a municipality in South Africa will align the processes of performance management to the IDP processes of the municipality. It will ensure that the IDP is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided by a model should relate directly to the identified priority areas of the IDP.

6.2 **The Municipal Scorecard Model**

Amathole DM will make use of the Municipal Scorecard Model (as revised in 2006) as its model for performance management. The Municipal Scorecard Model is based on two levels of scorecards and embodies five key performance areas. The two scorecard levels are: the Organizational Scorecard and the Service Delivery and Budget Implementation Plan (SDBIP) Scorecard. Performance is measured at each level and according to the 5 Key Performance Areas.

The basis of the municipal scorecard model

The Municipal Scorecard Model is:

- tightly aligned to the strategic planning and IDP processes of the municipality;
- directly relevant to the notion of developmental local government;

- a balanced view of performance based on municipal inputs, outputs, outcomes and process;
- a simple portrayal of municipal performance, where inter-relationships can be mapped (municipal-wide, sectoral/departmental and unit/programme levels);
- compliant with the requirements of the Municipal Systems Act (2002) and its subsequent Regulations (2001 and 2006);
- based on the 5 key performance areas for local government as determined in the Five Year Local Government Strategic Agenda and used in the regulations and Vuna Awards for performance excellence.

The 5 key performance areas for local government are:

1. Municipal Transformation and Institutional Development;
2. Local Economic Development;
3. Service Delivery and Infrastructure Investment;
4. Municipal Financial Viability and Management;
5. Good Governance & Community Participation.

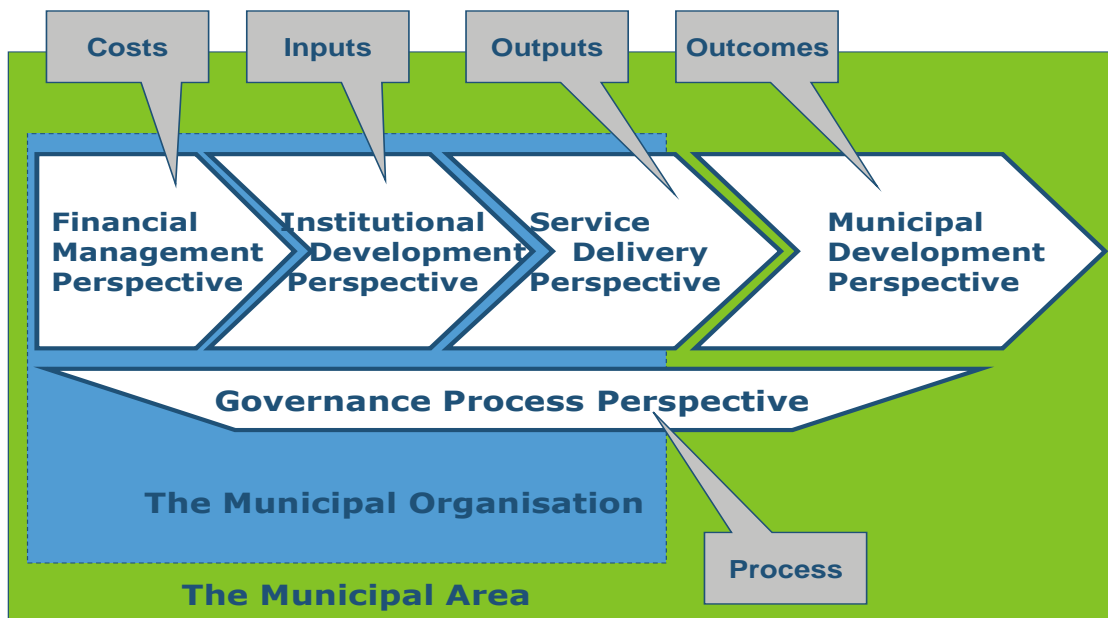
The key characteristics of the Municipal Scorecard Model

The model has two main features. The first feature is that the model uses the 5 key performance areas for local government as areas against which municipal performance must be measured and managed. The second one is that in a context of a district municipality, it considers performance at three levels whereas in the context of a local municipality it considers performance at two levels. These main features of the model are discussed in detail below.

The 5 key performance areas (KPA) of the model

The framework for a Municipal Scorecard Model is shown in figure 1 below.

Figure 1: Structure of the Municipal Scorecard



Source : Palmer Development Group (2006)



The Municipal Development Perspective

In this perspective, the municipality will assess whether the desired development impact in the municipal area is being achieved. It incorporates social, environmental and economic development aspects. This perspective will constitute the development of priorities for the municipal area and indicators that tell us whether the desired

development outcomes are being achieved. It is expected that the development priorities and indicators will often lie within the shared accountability of the municipality, other spheres of government and civil society. The measurement of developmental outcomes in the municipal area will be useful in informing whether policies and strategies are attaining the desired development impact.

The Service Delivery Perspective

This perspective will assess performance with respect to the delivery of services and products. This relates to the output of the municipality or municipalities.

The Institutional Development Perspective

This perspective will assess performance with respect to the management of municipal resources:

- Human resources;
- Information;
- Organizational infrastructure;
- Asset management.

This relates to the inputs of the municipality or municipalities.

The Financial Management Perspective

This perspective will assess performance with respect to financial management and viability, including:

- Financial viability indicators;
- Operating income vs. operating expenditure performance;
- Financing infrastructure investment vs. capital expenditure performance;
- Financial management performance.

Governance Process Perspective

This perspective will assess performance with respect to engagements and relationships with its stakeholders in the process of governance. This perspective will include, amongst others:

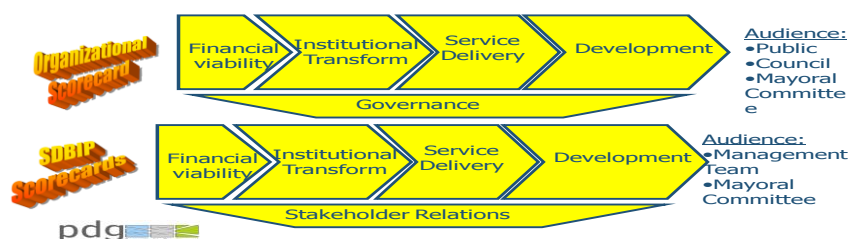
- Public participation, including the functionality and impact of ward committees;
- Functionality and impact of municipal governance structures (council structures including the offices of the speaker, and portfolio committees/clusters and executive);
- Access to information;
- Intergovernmental relations.

This relates to the governance processes of the municipality or municipalities.

The different levels of the scorecard

There will be two levels of scorecards for Amathole DM as depicted in figure 2 below.

Figure 2: Two levels of scorecards



6.2.1 The Organizaional Scorecard

The Organizational Scorecard will provide an account of performance for the district municipality towards development in the district.

It will be a scorecard that will reflect corporate level performance of the district municipality as an organisation.

The development perspective of this scorecard will therefore be about providing a basis for the municipality to assess the extent of the impact of its strategies as an organisation.

In general, the orientation of the organizational scorecard indicators will, whenever possible, be corporate output focused for each of the role-players, for example, in the case of ADM as the Water Services Authority in the district area an indicator may be about the percentage of poor households receiving free basic water in a financial year.

The Municipal Manager and Heads of Department will use it, after reviewing it, as a basis for reporting to the Mayoral committee, council and the public. It is proposed that it be reported to the mayoral committee and to council bi-annually and the public annually.

The targets will be set based on a three year time frame.

The Municipal Manager is primarily responsible for performance on the Organizational Scorecard. As such, the Organizational Scorecard is closely linked and forms the largest component of how the Municipal Manager's performance will be appraised.

The organizational scorecard is attached as Annexure 'C'.

6.2.2 SDBIP Scorecards

The SDBIP Scorecards will capture the performance of each municipal department. Unlike the Organizational Scorecard, which reflects on the strategic priorities of the municipality, a service scorecard will provide a comprehensive picture of the performance of that department. It will consist of objectives, indicators and targets derived from the service plan and service strategies.

It is crucial to ensure that the SDBIP Scorecards do not duplicate current reporting, but rather be integrated as a core component of the municipality's vertical reporting system. It should simplify all regular reporting from departments to the municipal manager and portfolio committees/clusters.

SDBIP Scorecards will be comprised of the following components:

- A development perspective for departmental outcomes, which set out the developmental outcomes that the service is to impact on - the development perspective of this scorecard, will seek to assess the extent to which the strategies that are driven by the departments are contributing towards ensuring that the district municipality makes its expected contribution;
- Service deliverables, which set out the products and services that the department will deliver. This perspective will include service delivery targets and performance indicators for each quarter;
- Institutional transformation perspective, which sets out how the department will manage and develop its human resources, information and organisational infrastructure;
- Financial Management Perspective will include:
 - projections of revenue to be collected by source;
 - projections of operational and capital expenditure by vote;

Performance reporting on this section of the scorecard will be in terms of the actual against projections;

- Stakeholder relations, which sets out how the department will improve its relationship with its key stakeholders.

Therefore, in addition to the requirements of the MFMA and the National Treasury Guidelines for SDBIPs, the SDBIP Scorecard approach thus provides an additional opportunity to set objectives, indicators, and targets for, as well as report against:

- Service outcomes;
- Institutional transformation issues;
- Stakeholder Relations.

Performance in the form of a SDBIP Scorecard will be reported to the management team and relevant portfolio committee/cluster on a quarterly and monthly basis respectively.

The Heads of Department will be primarily responsible for performance on the SDBIP Scorecard. As such, the SDBIP Scorecard is closely linked and forms the largest component of how a Head of Department's performance will be appraised.

Furthermore, the SDBIP Scorecard will be cascaded down too the departments where it will be monitored.

Departments in the municipality are constituted by sections and the head of each section is responsible for reporting to the Head of Department, SDBIP Scorecards and performance reports must be formulated at departmental meetings constituted at least by the Head of Department and section heads. Sectional planning must be informed by the SDBIP Scorecard and performance reporting must feed into the SDBIP Scorecard report. Therefore each section must have its own implementation plan that contributes to the overall implementation of the SDBIP Scorecard.

The implications of the adoption of the model

The adoption of the model suggests the need for the municipality to reorganize its systems and internal structures in order to make optimal use of the scorecards and the KPAs in all aspects of the PMS cycle, which includes performance planning, implementation, performance measurement and analysis, performance reviews and reporting.

6.3 Performance Reporting & Reviews

The diagram below provides a picture of the annual process of reporting and reviews.

