



**O.R. TAMBO  
DISTRICT MUNICIPALITY**

**INTEGRATED DEVELOPMENT PLAN (IDP)  
2025/2026**

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## LIST OF ABBREVIATIONS AND ACRONYMS

A/A:	Administrative Area
AG:	Auditor General
AGSA:	Auditor General South Africa
B2B:	Back to Basics
BCM:	Budget Cycle Matrix
CAA:	Civil Aviation Authority
CBD:	Central Business District
CCMDD:	Central Chronic Medicines Dispensing and Distribution
CDW:	Community Development Worker
CFO:	Chief Financial Officer
CIDB:	Construction Industry Development Board
COGTA:	Cooperative Governance and Traditional Affairs
CPMD:	Certificate in Public Management and Development
CSIR:	Council for Scientific and Industrial Research
DBSA:	Development Bank of South Africa
DCF:	District Communication Forum
DCoG:	Department of Cooperative Governance
DEDEAT:	Department of Economic Development Environmental Affairs and Tourism
DFA:	Development Facilitation Act
DM:	District Municipality
DMP:	Disaster Management Plan
DPSA:	Department of Public Service and Administration
DRA:	Disaster Risk Assessment
DRDAR:	Provincial Department of Rural Development and Agrarian Reform
DRDLR:	National Department of Rural Development and Land Reform
DRM:	Disaster Risk Management
DTI:	Department of Trade and Industry
DWA:	Department of Water Affairs
DWAF:	Department of Water Affairs and Forestry
EAP:	Economically Active Population
ECD:	Early Childhood Development
ECDC:	Eastern Cape Development Corporation
ECDOT:	Eastern Cape Department of Transport
ECPTA:	Eastern Cape Parks and Tourism Agency
ECSECC:	Eastern Cape Socio Economic Consultative Council
EIA:	Environmental Impact Assessment
ELIDZ:	East London Industrial Development Zone
EMP:	Environmental Management Plan
EMS:	Emergency Medical Services
EPWP:	Expanded Public Works Programme
FDI:	Foreign Direct Investment
FIS:	Focused Intervention Study
FPA:	Fire Protection Area
FY:	Financial Year
GDP:	Gross Domestic Product
GHGs:	Greenhouse Gases
GRAP:	Generally Recognised Accounting Practice
GVA:	Gross Value Added
HDI:	Human Development Index
HLOS:	High Level Operating System
HPRS:	Health Patient Registration System
HR:	Human Resources
HSP:	Housing Sector Plan
ICT:	Information and Communication Technology
IDP:	Integrated Development Plan
IGR:	Inter-Governmental Relations
IPCC:	Intergovernmental Panel on Climate Change
IPTN:	Integrated Public Transport Network
IS:	Information Systems

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## Integrated Development Plan 2025-2026

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

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## Integrated Development Plan 2025-2026

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

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## FOREWORD BY THE EXECUTIVE MAYOR

In August 2024 we embarked on the review of the Integrated Development Plan (IDP) 2025/2026 as required by Section 34 of the Local Government: Municipal Systems Act 32 of 2000. The process has been guided by the IDP, Budget and Performance Management Framework which was adopted by Council in August 2024. Having undertaken the process, it is my pleasure to present the municipality's reviewed Integrated Development Plan (IDP) 2025/2026.

The reviewed IDP 2025/2026 sets clear targets to be achieved over the year, building up on the five years of the term. The document is the product of the intense engagement with the population of the district and the stakeholders. The era of planning for the period happened whilst the municipality has been still under the Financial Recovery Plan (FRP), as a results of the intervention and invocation of Section 139 (5) of the Constitution of the Republic of South Africa. Our IDP then appreciates and acknowledges the recovery plan with its mandatory actions undertaken by the municipality.

The planning for the year note and understand the triple challenges facing the district which are poverty, inequality and unemployment. The IDP then embraces the commitment to address these challenges and to strengthen relations with the state organs in addressing the matters. At the center of addressing these, the municipality remain committed in instill good governance and compliance. These are already yielding positive results as the district municipality over the past two financial years have attained Unqualified Audit Opinion from the Auditor General South Africa. Also, in the previous year the municipality has improved its performance and able to spend all it grants allocated for service delivery.

I wish to bring to the attention of everyone that while there are these noted improvements, there is enormous work that still has to be done over the year. The municipality still have **to fast-track the delivery of water and sanitation to the areas that do not have access, improve connectivity through the existing bulk infrastructure and to improve the local economic development of the district. We still have to work towards establishing the local production especially for the delivery of sanitation. The district further commits through this IDP to improve the operation and maintenance of its infrastructure as well as protect it from the vandalisms.**

It is against the background that the Council adopted the IDP review 2025/2026 with strategies, which serve to address the matters at hand. It has a particular focus on service delivery, embracing the decisions of the strategic planning, wherein the leadership and stakeholders agreed on the priorities as outlined above. Our ultimate goal is to address the triple challenges such as unemployment, poverty, and inequality, which continue to undermine democracy. It also addresses the current realities that include lack of access to services and vandalisms of water infrastructure.

With strides towards ensuring **"A prosperous, vibrant, innovative and people-centered district"**, embraces the District Development Model (DDM) approach realizing policy principles, commitments, and people's aspirations in driving the district development. To achieve all these we require improved performance, both

politically and administratively, strict adherence to government policies, effective implementation of council resolutions from the administration, and unwavering support from communities.

**HON. CLLR M.D. NGQONDWANA**

**EXECUTIVE MAYOR**

## **FOREWORD BY THE MUNICIPAL MANAGER**

It is with great pleasure that I present to you our municipality's Integrated Development Plan (IDP) for the penultimate year, 2025/26 of Council. This plan has been developed through extensive consultation with our community and stakeholders to ensure that it reflects the aspirations and needs of our community. The IDP outlines our municipality's vision for a prosperous, inclusive, and sustainable future.

It sets out our strategic priorities and actions that will guide our work over the next Financial Year (2025/26); including improving service delivery, promoting economic growth, addressing poverty, and improving the quality of life for all our residents. We are committed to working with our community, partners, and stakeholders to ensure that we achieve these goals and build a municipality that we can all be proud of.

Our Council identified the challenges of the district and set the following priorities:

- Ensure that water infrastructure projects are prioritized to address unserved areas, thereby improving water access and quality for residents.
- Invest into ICT infrastructure development.
- Gazette by-laws.
- Refurbishment of municipal offices.
- Implementation of the controls on the UIF&W Expenditure.
- Put more focus on operations and maintenance.
- Automation of infrastructure project management system.
- Complete the construction of the Disaster Management Centre.
- Protect Water Infrastructure against vandalism.
- Continue with the billing of peri-urban areas and implement credit control policy.
- Refocus and re-purpose Ntinga and enhance monitoring of performance.
- Work hard to move out of the rescue phase of the FRP, to stabilization phase.

This IDP reflects our commitment to transparency, accountability, and good governance.

We will continue to consult with our community and stakeholders, monitor progress to ensure that we are meeting our objectives.

I am confident that with the collective effort of all stakeholders, we can achieve our vision for a better, brighter future for our municipality.

Thank you for your support, and I look forward to working with you to implement this plan.

**MR. B.P. MASE**  
**MUNICIPAL MANAGER**

## CHAPTER 1 - INTRODUCTION

### 1.1. BACKGROUND

Local government is that sphere of government closest to the people. Many of the basic services such as water, sanitation, refuse removal; municipal roads and storm water are delivered to the communities directly by municipalities.

The following Legislative and Policy framework is fundamental to good governance within the Local Government Sphere, and therefore provides systems and mechanisms within which Local Government should deliver basic services to its communities.

**The Constitution of the Republic of South Africa (1996)** Section 152(1) (a)–(e) established local government as a sphere of government comprised of municipalities to achieve the following objectives-

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

The Constitution of the Republic of South Africa (1996) herein after referred to as The Constitution mandates municipalities to structure and manage their administration, budgets and planning processes to prioritize the basic needs of the community, in order to promote social and economic development of the community. It further requires municipalities to participate in national and provincial development programmes. To realize the above objectives and mandate, municipalities are required to develop long-term development strategies that would guide the developmental agenda for their respective jurisdictions.

**The Local Government: Municipal Systems Act (Act 32 of 2000) (MSA)**, as amended, established the framework through which a municipality should conduct strategic developmental planning. Section 25 of the Municipal Systems Act stipulates that each Municipal Council must, within a prescribed period after the commencement of its elected term of office, adopt a single, inclusive strategic plan for the development of the municipality this strategic plan should:

- link, integrate and coordinate plans taking into account, proposals for the development of the municipality;
- align the resources and capacity of the municipality with the implementation of the plan;
- forms the policy framework and general basis for the annual budgets;
- comply with the provisions of Chapter 5 of the Act; and
- be compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.

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

- the municipal council's vision, inclusive of critical developmental and transformation need;
- an assessment of the existing level of development in the municipality;
- the council's developmental priorities and objectives, including its local economic development aims;
- the councils' development strategies which must be aligned to national and provincial sector plans;

- a spatial development framework which must include basic guidelines for a land use management system;
- the council's operational strategies;
- applicable disaster management plans;
- a financial plan, which must include a budget projection for the next three years; and
- the municipality's key performance indicators and performance targets.

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

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

**The Municipal Finance Management Act 56 of 2003 (MFMA)** facilitates a municipality to comply with its Constitutional responsibility, ensuring that priorities, plans, budgets, implementation actions and reports are properly aligned. The IDP sets out the municipality's goals and development plans, which need to be aligned with the municipality's available resources. In order to achieve alignment between the IDP and Budget, a range of measures are in place. These include the following:

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

**The Municipal Standard Chart of Accounts Regulations (2014) (MSCOA)** prescribes the method and format that municipalities should apply to record and classify all expenditure (capital and operating), revenue, assets, liabilities, equity, policy outcomes and legislative reporting. Through this chart, transactions are expected to be recorded across seven (7) segments: project; funding; function; item; region; costing; and standard classification.

## **1.2. ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS AND PRIORITIES**

### **1.2.1 The National Development Plan (2030)**

The National Development Plan offers a long-term developmental perspective for South Africa. It defines the desired destination and identifies the roles these different sectors of society need to play to reach that goal.

As a long-term strategic plan, it addresses the following four broad objectives:

- provide overarching goals for what is to be achieved by 2030;

- reach consensus regarding key obstacles prohibiting achieving these goals and determine what needs to be done to overcome these obstacles;
- provide a shared long-term strategic framework within which more detailed planning can be done in order to advance the long-term goals set out in the NDP; and
- create a matrix for making choices as to how limited resources can be utilized optimally.

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

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

- housing, water, electricity and sanitation;
- safe and reliable public transport;
- quality education and skills development;
- safety and security;
- quality health care;
- social protection;
- employment;
- recreation and leisure;
- clean environment; and
- Adequate nutrition.

The NDP provides six inter-linked priorities or strategic pillars, with the objective of eliminating poverty and reducing inequality, through the following:

- uniting all South Africans irrespective of race and class to participate in a common programme, focused on eliminating poverty and reducing inequalities;
- encouraging citizens to become active in their own development, in strengthening democracy and holding the government accountable;
- raising economic growth and promoting exports thereby absorbing labour;
- focusing on key capabilities of both people and the state
- these capabilities include skills, infrastructure, social security, strong institutions and partnerships both within the country and with key international partners; and
- Building a capable and developmental state.

A summary of NDP key targets to be reached by 2030 are listed below:

- employment: 13 million people in 2010 to 24 million in 2030;
- raise income from R50 000 a person to R120 000;
- improve the quality of education so that all children receive at least two years of preschool education and can read, write and count in grade 6;
- establish a competitive base of infrastructure, human resources and regulatory frameworks;
- reduce poverty and inequality by raising employment, bolstering productivity and incomes, and broadening the social wage scope;
- ensure that professional and managerial posts reflect the country's demography;
- increase ownership to historically disadvantaged groups;
- provide quality health care while promoting health and well-being;
- establish effective, affordable public transport;



- produce sufficient energy at competitive prices, ensuring access for the poor;
- ensure that all people have access to clean running water in their homes;
- avail high-speed broadband internet available to all at competitive prices;
- realize food trade surplus, with one-third produced by small-scale farmers or households;
- expand the social security system to cover all working people and provide social protection for the poor and other groups in need, such as children and disabled persons;
- play a role towards a developmental, capable and ethical state that treats citizens with dignity;
- ensure that all people live safely, with an independent and fair criminal justice system;
- broaden social cohesion and unity by making use of the talents and resources of all South Africans, while taking firm steps to redress the inequalities of the past;
- play a leading role in continental development, economic integration and human rights.

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

### **1.2.2 The Eastern Cape Provincial Development Plan (2030)**

The Eastern Cape Provincial Development Plan (2030) (PDP) is derived from the NDP (2030) and is intended to provide creative responses to the Eastern Cape's developmental challenges. In 2019, the 6<sup>th</sup> Administration that took over following the May 2019 Elections, reviewed the Eastern Cape Provincial Development Plan which was initially developed in 2014. The 6<sup>th</sup> administration formulated a new vision for the province as follows:

***“An enterprising and connected province where its people reach their potential”***

In pursuance of this vision, the reviewed PDP identifies the following goals for the province.



Figure 1: Provincial Development Plan (2019)

### **GOAL 1: Innovative and inclusive growing economy**

By 2030, we envisage that the Eastern Cape has an innovative, inclusive, growing and more efficient economy, which optimally exploits the competitive advantages of the province, increases employment and reduces income and wealth inequalities.

### **GOAL 2: An enabling infrastructure network**

By 2030, we envisage that the province has a well-developed and enabling infrastructure network, with our infrastructure investment responding to spatial aspects of future infrastructure demand in order to progressively undo apartheid geography.

### **GOAL 3: Rural development and an innovative and high-value agriculture sector**

By 2030, we envisage accelerated agricultural development and opportunities for producers across all scales in local, provincial, national and global value chains. The goal is to create more and better jobs, as well as economic self-sufficiency in rural areas through stimulating the growth of rural towns and strengthening the links between them and their rural surroundings.

### **GOAL 4: Human development**

By 2030, we envisage a society with little or no abject poverty, low levels of hunger, improved standards of living, and safer communities that enable all citizens to fulfil their human potential and longer life expectancy. Collaborative and innovative investments remain critical towards the transformation of children and

designated groups. Ensuring social value for public expenditure is critical, as the social sector count for more than 70% of the provincial fiscus.

### **GOAL 5: Environmental sustainability**

By 2030, we envisage to have addressed developmental challenges in a manner that ensures environmental sustainability and reduces the effects of climate change, particularly in poorer communities. Investment in skills, technology and institutional capacity is critical to support the development of a more sustainable society and the transition to a low-carbon economy.

### **GOAL 6: Capable democratic institutions**

The vision for 2030 is a much more effective and efficient province in utilizing its financial resources, with accountable and capable leadership and institutions that are engaged in sustainable partnerships for provincial development with social actors and the broader citizenry.

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

The National and Provincial government introduced a B2B policy imperative, which has to be inculcated in government institutions' planning instruments. Municipalities also were required to inculcate 'B2B into their planning instruments and monitor their implementations. The ORTDM council endorsed the B2B document and aligned its IDP five years ago. It further resolved that each municipal Key Performance Areas (KPAS) must be aligned to the B2B priorities and be reported on.

In line with the B2B, heads of departments were assigned responsibilities to ensure the implementation of it. It is in that spirit that the ORDM district municipality's IDP of 2024-2025 in its Chapter 1 ensures that it is aligned to the NDP, the National Outcomes and the B2B priorities. Reports on the implementation of the IDP through the SDBIP realizes the B2B model as the policy imperative. The Department of Cooperative Governance (DCoG) assesses the IDP in terms of its alignment to the B2B strategy.

According to the B2B Local Government Strategy) at the most basic level, municipalities are expected to:

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

The building blocks for the B2B Strategy are as follows:

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

#### **1.2.4 The Integrated Urban Development Framework**

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

The IUDF seeks to foster a shared understanding across government and society and how best to manage urbanization and achieve the goals of economic development, job creation and improved living conditions for our people. It responds to Sustainable Development Goals and in particular to Goal 11: making cities and human settlements inclusive, safe, resilient and sustainable. It also responds to various chapters in the NDP especially in Chapter 8, 'Transforming human settlements and the national space economy'.

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

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

Its strategic goals are:

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

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

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

### 1.2.5 Performance Outcomes of Government

The South African Government has fourteen (14) outcomes embedded in its programmes. These outcomes are derived from the policies of the ruling political party and translated into the medium term plans of government (Medium Term Strategic Framework).

The Presidency monitors and evaluates the progress achieved by the government and its sectors through various instruments including reporting on the Performance Agreements signed between the President of the Republic of South Africa and the various Ministers in Cabinet. The 14 outcomes of government are outlined below.

*Table 1 : The 14 Outcomes of Government*

Outcomes	Description
<b>Outcome 1:</b>	Improved the quality of basic education;
<b>Outcome 2:</b>	Improved health and life expectancy;
<b>Outcome 3:</b>	All People in South Africa are Protected and Feel Safe;
<b>Outcome 4:</b>	Decent Employment through Inclusive Economic Growth;
<b>Outcome 5:</b>	A Skilled and Capable Workforce to Support Inclusive Growth;
<b>Outcome 6:</b>	An Efficient, Competitive and Responsive Economic Infrastructure Network;
<b>Outcome 7:</b>	Vibrant, Equitable and Sustainable Rural Communities and Food Security;
<b>Outcome 8:</b>	Sustainable Human Settlements and Improved Quality of Household Life;
<b>Outcome 9:</b>	<b>A Responsive, Accountable, Effective and Efficient Local Government System;</b>
<b>Outcome 10:</b>	Protection and Enhancement of Environmental Assets and Natural Resources;
<b>Outcome 11:</b>	A Better South Africa, a Better and Safer Africa and World
<b>Outcome 12:</b>	A development orientated public service and inclusive citizenship
<b>Outcome 13:</b>	<b>An inclusive and responsive social protection system</b>
<b>Outcome 14:</b>	<b>Nation building and social cohesion</b>

Provincial Departments of Local Government (LG) and Municipalities are guided by **Outcome 9** and will be monitored on the performance of the 7 outputs of outcome 9, which are as follows:

*Table 2 : The 7 Outputs for Local Government*

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

### 1.2.6 The New Growth Path

The New Growth Path is a macro-economic policy aimed at enhancing growth, employment creation and equity. Central to the New Growth Path is a massive investment in infrastructure as a critical driver of jobs across the economy. This calls for all spheres of government to prioritize job creation by ensuring that all programmes have an element of job creation.

The New Growth Path:

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

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

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

### 1.2.7 Sustainable Development Goals (SDGs)

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

Its overarching objectives are poverty eradication and promoting sustainable patterns for the consumption, production, protection and management of the natural resource base of economic and social development. There are 17 goals set and endorsed to be implemented by 2030 and they are as follows:

- end poverty in all its forms everywhere.
- end hunger, achieve food security and improved nutrition and promote sustainable agriculture;
- ensure healthy lives and promote well-being for all at all ages;
- ensure inclusive and equitable quality education and promote lifelong learning;
- opportunities for all;
- achieve gender equality and empower all women and girls;
- ensure availability and sustainable management of water and sanitation for all;
- ensure access to affordable, reliable, sustainable and modern energy for all;
- promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;
- build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation;
- reduce inequality within and among countries;
- make cities and human settlements inclusive, safe, resilient and sustainable;
- ensure sustainable consumption and production patterns;
- take urgent action to combat climate change and its impacts;
- conserve and sustainably use the oceans, seas and marine resources for sustainable development;
- protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss;
- promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels; and
- Strengthen the means of implementation and revitalize the global partnership for sustainable development.

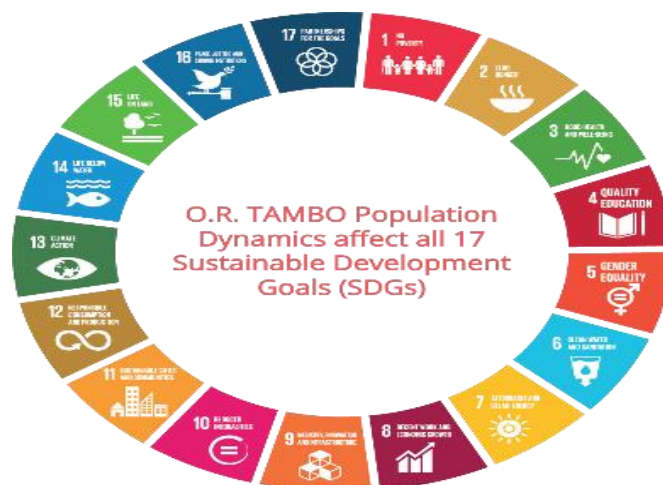


Figure 2: Sustainable Development Goals (SDGs)

### 1.2.8 Eastern Cape Provincial Economic Development Strategy

The Eastern Cape Provincial Economic Development Plan (ECPEDP) was formulated in 2017 to provide a provincial wide economic development framework. The Strategic Framework for the PEDS is intended to

deepen and enhance the economic development component of the Provincial Development Plan, which is the overarching provincial integrative framework.

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

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

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

This strategic goal is in accordance with the original problem statement set out for PEDS namely that of **“poverty, inequality and unemployment”** as these are the causes and effects of low economic development.

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

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

**Objective #2:** Stabilization of vulnerable and declining sectors because of the economic crisis and deindustrialization.

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

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

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

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

In order to achieve the above-mentioned objectives, the province has prioritized six critical economic sectors and these are;

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

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

### **1.2.9 Eastern Cape Provincial Spatial Development Strategy**



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

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

The Provincial Spatial Development Plan intends to achieve the following:

- Provision of a coordinating provincial spatial framework to direct public sector investment towards a common vision and set of objectives;
- Provision of a broad policy framework to give direction to all other development agencies in the Province regarding the priorities of government;
- Enable public investment programmes to be more efficient;
- Opportunities to create an environment within which communities and the private sector can operate more effectively to achieve sustainable economic growth in the Province;
- Protection of the natural environmental systems;
- Efficient use of resources at Provincial Level;
- Prevention of duplication of effort by different departments and spheres of government; and
- Enable District Municipalities and Local Authorities to work within a broad policy framework when preparing and updating Integrated Development Plans (IDPs) and Spatial Development Framework Plans (SDFs).

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

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

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

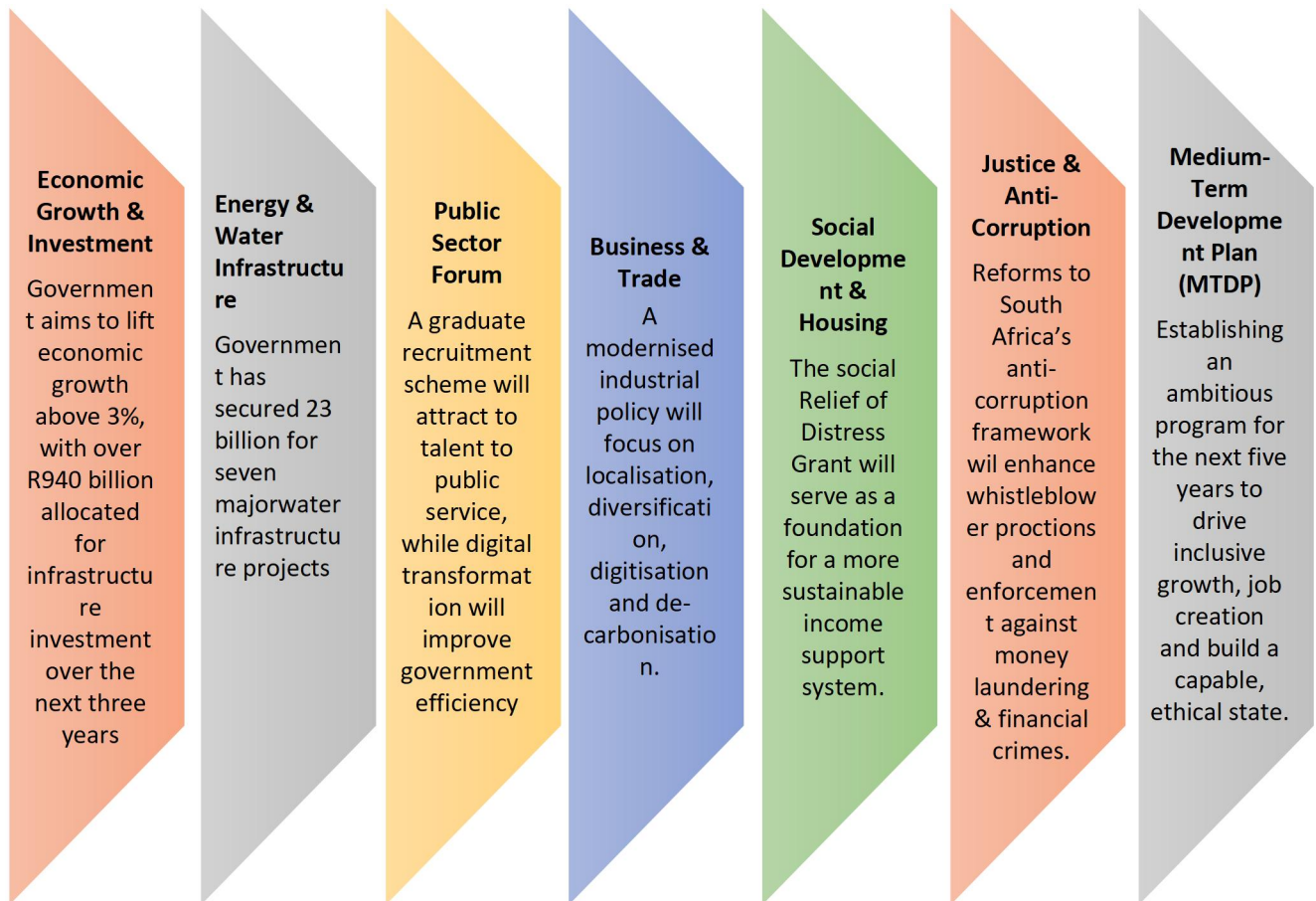
- Active involvement in planning and development by all stakeholders, including communities and Traditional Leaders;
- Efficiency, sustainability of infrastructure with equal access to basic services for all;
- Infrastructure development to promote socio-economic development, achieve positive cost benefits and economic spin offs;
- Local beneficiation of produce and raw materials from agricultural production;

- Increased economic infrastructure to create an investment friendly environment and enhanced connectivity with the region, nation and global markets;
- Professionalism in human resources achieved through education and capacity building;
- Human resources sustainability through equal opportunities, fairness, support, mentorship and skills transfer;
- Compact integrated human settlements with access to basic services, amenities and social facilities; and
- Integrated spatial development plans (SDFs) which are the principal development management tool for all stakeholders, across the wall-to-wall municipalities.

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

#### **1.2.10 State of the Nation Address**

The State of the Nation Address took place at the time when the country celebrates 70 years since the adoption of the Freedom Charter at the Congress of the People in Kliptown. The Freedom Charter is the cornerstone of our democratic Constitution. It sets out a vision of a united, non-racial, non-sexist, democratic and prosperous South Africa. In his address the following aspects were considered:



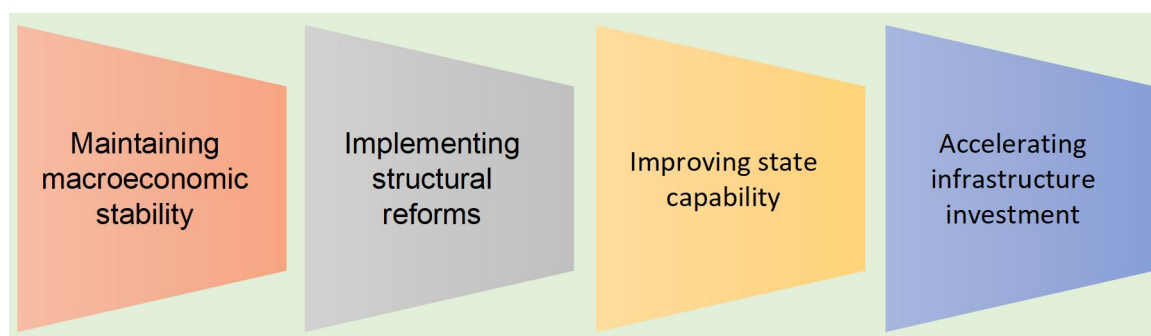
### 1.2.11 State of the Province Address

The Premier of the Eastern Cape Province, honourable Mabuyane delivered the, State of the Province Address, marking 30 years of our democratic dispensation, and momentum which is on our side to continue moving the needle to improve the socio-economic fortunes of our province. Thus, we reaffirm that the Eastern Cape's time to thrive is now. The speech focused on the following aspects:

Inclusive growth and job creation	Electricity
Micro Small Medium Enterprise Development	Water
Manufacturing	Reduce poverty and tackle high cost of living
Ocean Economy	Education
Digital Economy	Health
Tourism	Social protection
Creative Arts and Film Production	A capable, ethical and developmental state
Ports and Rail	Municipal Support
Energy	Traditional Leadership
Road Network	Community Safety
Social Infrastructure	

### 1.2.12 The Budget Speech

The Budget Speech delivered on the 12th of March 2025 outlined strategy to achieve faster growth which remained anchored on the following four pillars:



### 1.2.13 The District Development Model (DDM)

O.R Tambo District Municipality (ORTDM) was identified as one of the pilot sites for the implementation of the District Development Model (DDM). The President in Lusikisiki, Ingquza Hill Local Municipality launched the DDM on the 17th of September 2019.

The DDM is based on establishing District/Metro Hubs that embody One Plan of government to express the short term, medium term and long-term development objectives of national, provincial and local government in the geographic boundaries of the District/Metro. The One Plan is strategic in nature expressing the commonly agreed diagnostics, strategies and commitments that are broken down to annual operational plans and a

multi-year implementation plan to enhance service delivery and development in the district space beyond the 5-year IDP period.

Each sphere and sector department will have to elaborate in more detail their own plans and actions within the scope of their mandated powers and functions to give effect to the One Plan as well as execution of their functions. Budgets, including conditional grants and equitable share, will need to be allocated to the extent that spheres and departments execute the One Plan commitments. The OR Tambo DDM Hub established by the Minister of Co-operative Governance will ensure that integrated planning and implementation by all three sphere of government takes place, as well as report on the catalytic projects “through the single line of sight dashboard” that the President alluded to on the launch of the DDM Pilot District of OR Tambo in 2019.

The key objective of the Model is that of all three spheres and facets of government operate in unison on One Plan, thus enabling coherent, seamless and sustainable service delivery and development with integrated impact on the quality of life and quality of living spaces at local and municipal levels. The plan further incorporates the private sector as well as civil society interests.

In giving effect to the vision of One Plan positively affecting lives at a local level, the DDM is premised on institutionalizing a programmatic approach to Intergovernmental Relations. Integrated Service Delivery Model (ISDM) is partly implemented through DDM approach. The provincial department proposed the review of the ISDM and the District Municipality is in a process to do the review. The DDM enables in:

- Improving integrated planning across government through the formulation and implementation of One Plan.
- Streamlined and effective Local Government and/or authority's capacity building by consolidating and strategically coordinating capacity building initiatives and programmes at district level.
- Municipalities and authorities to perform their mandated functions and duties effectively and efficiently by mobilizing and making available expertise, key skilled personnel and systems that can be shared between district as well as local municipalities and authorities as needed.
- Monitoring of the effectiveness of government and the spatial and developmental impact on communities.

The more specific spatial scale objectives are:

- To focus on the District/Metropolitan spaces as the appropriate scale and arena for intergovernmental planning and coordination.
- To provide both an institutional approach by focusing on local and district municipalities, whilst emphasizing the territorial or geographic space as an appropriate 'landing strip' to further channel development.
- To focus on the OR Tambo District as a developmental space (IGR Impact Zone) that is a strategic alignment platform for all three spheres of government, in order to guide and direct all strategic investments and projects to also enable transparent accountability.
- To produce a Spatially Integrated Single Government Plan (as an Intergovernmental Compact) for each of these spaces that guides and directs all strategic investment spending and project delivery across government and forms the basis for accountability.
- To facilitate for harmonized Integrated Development Plans, which are interrelated and interdependent with elements of independent development hubs supported by comprehensive plans and anchor projects.

The Plan intends to take development to the communities whilst implementing an inter and intra governmental as well as a society wide and localized social compact based on commonly agreed diagnostics, strategies and actions, which are implementable in the short, medium and longer terms. The Eastern Seaboard assist in coordinating inter-municipal planning development of Smart city. This is anticipated to bring about enhanced cooperative governance through improving coherence and spatial targeting impact of all three spheres of governance. By acting in unison, there will be a common appreciation and understanding by all three spheres of governance of the service delivery and development dynamics, challenges and opportunities in various communities calibrated for practical purposes at a district/metropolitan spatial scale.

The district/metropolitan scale enables national and provincial government to have sufficient consideration of local conditions and contexts so that policies, plans, programmes and projects can be made more responsive to the needs of localities and communities. It also enables municipalities to articulate the strategic support and unlocking required by national and provincial government to improve prioritization, spatial alignment of investment, and implementation.

The OR Tambo District is endowed with a vast ocean line which create a good climate for a thriving agriculture economy as well as potential to unlock the oceans economy. The One Plan of the OR Tambo District expresses the aspirations of the three spheres of government to create a coastal smart city that is anchored in agriculture and the oceans economy, with multiple spin-offs to sectors such as tourism, ICT, energy and manufacturing.

*Table 3: DDM Focal Areas*

Focal Areas/Strategies	Number of Programmes listed	Total budgets
People Development		
1. Increase employment opportunities per economic sector development opportunities	18	R 4,183 Bn
2. Increase household income	5	
3. Lower Unemployment and Poverty	6	
Economic Positioning		
4. Establishment of a coastal smart city as the economic hub of the region	6	R 2,287 Bn
5. Development of an oceans economy as one of the two primary economic legs of the district area	4	
6. Target primary economic sectors that have been identified as having development opportunity	3	
7. Identify scale, nature and extent of sector development	2	
8. Establish SMMEs in line with employment and business opportunities available to create self-sustaining communities	1	
9. Continuous monetary circulation through economic sector development and resultant stimulation of economic activity	3	
10. Determine informal economy business requirements and provide and incorporate the necessary support accordingly	2	
Spatial Restructuring & Environmental Protection		
11. Map existing bulk infrastructure capacity for economic businesses	1	R 22,675 Bn
12. Determine bulk infrastructure requirements to support sustainable economic business creation and production	2	
13. Obtain the required environmental approval for development of	1	

the coastal smart city		
14. Map potential oceans economy sites for development	1	
15. Map existing bulk infrastructure capacity for human settlements	2	
16. Determine bulk infrastructure requirements to support integrated human settlements	3	
17. Identify potential development options	3	
18. Create a sustainable development base	1	

### District Development Model One Plan Catalytic Projects

Catalytic projects refer to programmes and projects required to address the development objectives of the area, that have potentially high catalytic impact to achieve the transformation of the area from the current state to the future desired state, lead to sustainable long-term economic and socio-economic development and that will ultimately compliment that area. Catalytic projects were identified to serve as drivers for development in the district area. The projects are integrated with the One Plan to ensure maximum impact on the growth potential within the regional. The catalytic projects are as follows:

Table 4: DDM Catalytic Projects

Item	Project name	Municipal Area	Source	Sector type	Status	Value
1	N2 Wild Coast Highway (transport infrastructure) – all LM and DM	ORTDM	IDP, strategic documentation	Roads	Design	R 13,484,000,000.00
2	Mthata Airport Upgrade (transport infrastructure) (KSD LM)	ORTDM	IDP, strategic documentation	Roads	Design	R 4,506,000
3	Mzimvubu Multi-Purpose Project (Mhlontlo LM)	ORTDM	IDP, strategic documentation	Economic	Design	R 6,012,003
4	Wild Coast Meander Road (transport infrastructure)	ORTDM	IDP, strategic documentation	Roads	Design	R 210,018,009
5	Wild Coast SEZ (logistics)	ORTDM	IDP, strategic documentation	Economic	Design	R 8,024,018
6	Special Economic Zone (SEZ)	KSDL	IDP, strategic documentation	Economic	Design	R 12,036,045
7	Mzimvubu Multi-Purpose Project	MLM	IDP, strategic documentation	Economic	Identified	R 2,042,063
8	Tyalarha – Qunu – Vuyani 132kV line refurbishment	KSDL	IDP, strategic documentation	Energy	Identified	R 21,181,250
9	Qunu substation extensions	KSDL	IDP, strategic documentation	Energy	Design	R 74,663,882
10	Qumbu Substation Extensions	KSDL	IDP, strategic documentation	Energy	Design	R 35,802,694
11	New Taweni Substation	KSDL	IDP, strategic documentation	Energy	Design	R 119,325,394
12	New Hombe Substation	KSDL	IDP, strategic documentation	Energy	Design	R 119,219,395
					<b>Total</b>	<b>R 14,096,830,753.00</b>

- The establishment of the OR Tambo DDM Hub with specialists – women majority

- Finalization of the OR Tambo District Profile and uploading to the COGTA Website.
- Successful consultations in the development of the OR Tambo One Plan despite Covid-19 constraints
- Endorsement of the One Plan by all 5 LMs, the DM, Prov. G&A Working Group, Provincial Cabinet and the Provincial Exco.
- Investment Fair – Waste Economy
- Advanced stages of the IMS w DPME – single line of sight

#### **Established Partnerships**

- UN – Thusong, Thuthuzela & BSC (\$5m)
- Hollard Foundation – ECDs
- NBI – Private sector coordinated participation in government initiatives
- WRC – water demand management, conservation and appropriate research
- DSI & WSU – Innovation towards LED
- ECSA Accreditation of the OR Tambo DDM Hub for mentoring engineers
- GBV Advocacy with the UN, NGOs & CBOs
- ORT DDM Hub welfare programme – adhoc

### **1.3. THE O.R TAMBO DISTRICT MUNICIPALITY: IDP FRAMEWORK AND PROCESS PLAN**

Section 27 of the MSA, 2000, stipulates that the preparation of a DM's IDP must commence with the formulation of a Framework Plan, which has to provide a guiding and coordinating framework for the LM's within its area of jurisdiction, in the preparation of their own IDPs. Once this has been done, municipalities are required to prepare process plans outlining the manner in which the preparation of their IDPs is to be undertaken. This process plan has to include:

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

#### **1.3.1 Organizational Arrangements**

The Executive Mayor and the Municipal Manager are responsible for managing and drafting the municipality's IDP. In order to ensure the coordination of various inputs into the IDP process, other role-players are also involved.



### 1.3.2 Process Followed

In order to review a credible IDP, the Council approved an IDP, PMS and Budget Process Plan and Framework which was adopted by Council on 31 August 2024. The diagram below depicts an annual high-level process plan towards the development of the IDP. A detailed IDP, PMS and Budget schedule of activities illustrating the key activities that need to be carried out during the preparation of the IDP 2025 -2026.

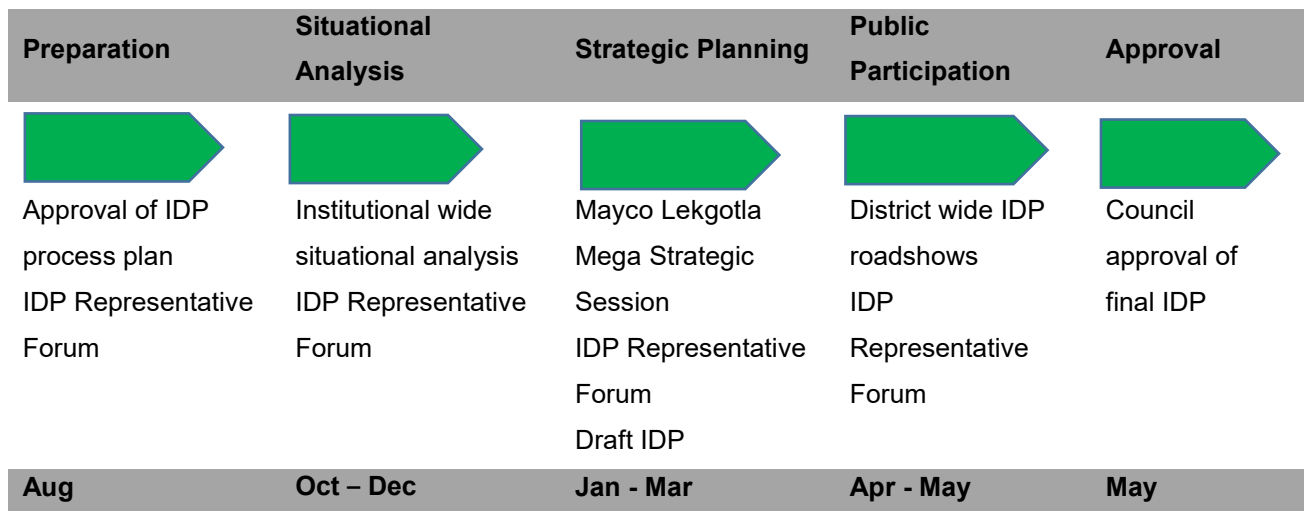


Figure 3: IDP Process Plan

### 1.3.3 Measures and Procedures for Public Participation

IDP and Budget roadshows were conducted physically in all five local municipalities. The community members were also given an opportunity to comment on the Draft IDP and Budget through local radio stations broadcast and with interactions on district municipality Facebook page.

In the O R Tambo district there is a LGBTQ+ Community Regional Structure which work closely with organisations that deal with women especially those focusing on GBVF as well as Gender Discrimination. The structure actively played a critical role in the womens event themed “*in my own words*” which was held during the 16 Days of Activism in December 2024. The Special Programs unit also support special groups in its implementation of Human Development and Social Cohesion Strategy and an amount of R .....has been allocated for 2025 – 2026 financial year.

Table 5:Top -Development Priorities from the Local Municipalities

LOCAL MUNICIPALITY	DEVELOPMENT PRIORITIES
	<ul style="list-style-type: none"> <li>• Roads</li> <li>• Water</li> <li>• Sanitation</li> <li>• Connections on electricity</li> <li>• Health facilities</li> </ul>

LOCAL MUNICIPALITY	DEVELOPMENT PRIORITIES
 <p><b>NYANDENI</b> LOCAL MUNICIPALITY <i>Building a better future with the people</i></p>	<ul style="list-style-type: none"> <li>• Roads and bridges</li> <li>• Support to SMMEs,</li> <li>• Water</li> <li>• Electrification of new extensions</li> <li>• Crime</li> <li>• Job Creation</li> </ul>
 <p><b>PORT ST JOHNS</b> MUNICIPALITY <i>OUR HERITAGE. OUR PEOPLE</i></p>	<ul style="list-style-type: none"> <li>• Maintenance of Access Roads</li> <li>• Construction of Concrete Slabs &amp; Bridges</li> <li>• RDP Houses</li> <li>• Electrification</li> <li>• Water Services</li> </ul>
 <p><b>INGQUZA HILL</b> LOCAL MUNICIPALITY</p>	<ul style="list-style-type: none"> <li>• Water and Sanitation</li> <li>• Roads (Construction and Maintenance)</li> <li>• Human Settlement</li> <li>• Job Creation</li> <li>• Electricity</li> </ul>
 <p><b>KING SABATA DALINDYEBO</b> MUNICIPALITY</p>	<ul style="list-style-type: none"> <li>• Roads Infrastructure</li> <li>• Water</li> <li>• RDP Houses</li> <li>• Unstable electricity</li> <li>• Crime</li> <li>• Unemployment</li> </ul>

#### 1.3.4 Comments from the MEC responsible for Cooperative Governance and Traditional Affairs

The MEC for COGTA in terms of the MSA 32 of 2000 as amended provides comments on the credibility of municipal IDP's every financial year. The table below reflects ratings of the district IDP's for a five-year period. The district municipality was rated HIGH on 2024/2025 IDP by the MEC responsible for Cooperative Governance and Traditional Affairs with comments that result to a credible IDP. An action plan has been developed to address the comments raised.

*Table 6 The table below analyses comparative ratings of ORTDM over a three-year period:*

Integrated Development Plan 2025-2026

Ratings For IDP Review / Development	KPA 1 Spatial Planning, Land, Human Settlement & Environmental Management	KPA 2 Service Delivery & Infrastructure Planning	KPA 3 Financial Planning & Budgets	KPA 4 Local Economic Development	KPA 5 Good Governance & Public Participation	KPA 6 Institutional Arrangements	Overall Ratings
2019/20	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH
2020/21	HIGH	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
2021/22	Not assessed due to Section 139 Intervention						
2022/27	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
2023/24	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH	HIGH
2024/25	HIGH	MEDIUM	HIGH	HIGH	HIGH	HIGH	HIGH

Table 7: Action Plan on MEC Comments

MEC COMMENT	CORRECTIVE MEASURE
<b>KPA1: Spatial Planning, Land, Human Settlement and Environmental Management - Overall Rating HIGH</b>	
No comment	
<b>KPA 2: Service Delivery and Infrastructure Planning - Overall Rating MEDIUM</b>	
<ul style="list-style-type: none"> <li>The municipality must appoint a Head of the Centre (DMC) as stated in Section 51 of the Disaster Management Act and reflect in the IDP</li> </ul>	Page 113
<ul style="list-style-type: none"> <li>The municipality must appoint qualified disaster management staff (sect.45A of the Disaster Management Act) as guided by the Municipal Staff Regulations and reflect in the IDP</li> </ul>	Page 113
<ul style="list-style-type: none"> <li>The municipality must budget for the implementation of disaster public awareness and advocacy campaigns and reflect on the IDP</li> </ul>	Page 110
<ul style="list-style-type: none"> <li>The municipality must have adopted and gazetted disaster management by-laws and reflected in the IDP</li> </ul>	Page 114
<ul style="list-style-type: none"> <li>The municipality must have a constructed fire station and satellite fire stations and reflect in the IDP</li> </ul>	Page 197
<ul style="list-style-type: none"> <li>The municipality must have a Fire Service Tarrif policy in place to and report on the IDP</li> </ul>	Page 115
<ul style="list-style-type: none"> <li>The municipality must have a Fire Hydrant Maintenance Plan in place and reflect in the IDP</li> </ul>	Page 115
<ul style="list-style-type: none"> <li>The municipality must have a functional Chief fires Officer Forum and reflect in the IDP</li> </ul>	Page 197
<ul style="list-style-type: none"> <li>The municipality must have a drought response to mitigate water security and reflect in the IDP</li> </ul>	Page 208
<ul style="list-style-type: none"> <li>The Municipality must ensure RRAMS information is updated, according to the status and classification of roads within their respective municipalities and reflect in the IDP</li> </ul>	Page 100 link

<b>KPA 3: Financial Planning and Budgets - Overall Rating HIGH</b>	
<ul style="list-style-type: none"> <li>The municipality must develop Revenue Enhancement Strategy and reflect in the IDP</li> <li>The municipality must have a Repairs and Maintenance Plan in place and budget for them as per Municipal Finance management Act (MFMA), No. 56 of 2003 Circular 51 and reflect in the IDP</li> <li>The municipality must develop a financial plan and budget to make provision for the costs of providing Basic Services (FBS) to registered indigents</li> <li>The municipality to reflect on the cost of Free Basic Services (indigents) for the last two years</li> <li>The municipality is encouraged to fast track the process of developing integration plan between District and LMs</li> </ul>	Page 172  Chapter 5  Chapter 5  Page 172 & Chapter 5  Page
<b>KPA 4: Local Economic Development (LED) - Overall Rating HIGH</b>	
No comment	
<b>KPA 5: Good Governance and Public Participation - Overall Rating HIGH</b>	
<ul style="list-style-type: none"> <li>Municipality must reflect on the functionality of War Rooms</li> <li>Municipality must be demonstrated on how it supports its local municipality during development and reviews of ward-based plans</li> <li>Municipality must reflect on a resolution tracking mechanism that gives an indication on the status of the implementation of such resolutions</li> <li>Municipality must indicate LGBTQ+ programmes</li> </ul>	Page 141  Page 138  Page 143 Page 24
<b>KPA 6: Institutional Arrangements - Overall Rating HIGH</b>	
<ul style="list-style-type: none"> <li>Municipality must develop action plan and indicate on how it will address ICT challenges</li> <li>Municipality is to reflect on Disaster Recovery Plan and its implementation</li> </ul>	Page  Page 158

#### 1.4 POWERS AND FUNCTIONS

The following table outlines the current distribution of powers and functions between the O.R Tambo District Municipality and its five local municipalities.

*Table 8 : Allocation of powers and functions in the O.R. Tambo District*

	O.R. Tambo	KSD	Nyandeni	Ingquza Hill	Mhlontlo	PSJ
Water	Yes	No	No	No	No	No
Sanitation	Yes	No	No	No	No	No
Municipal Health	Yes	No	No	No	No	No
Electricity Reticulation	No	Yes	Yes	Yes	Yes	Yes
Air pollution	-	Yes	Yes	Yes	Yes	Yes
Building regulation	-	Yes	Yes	Yes	Yes	Yes
Childcare facilities	-	Yes	Yes	Yes	Yes	Yes
Fire fighting	Yes	Yes	Yes	Yes	Yes	Yes

	O.R. Tambo	KSD	Nyandeni	Ingguzu Hill	Mhlontlo	PSJ
Local Tourism	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Airports	Yes	Yes	Yes	Yes	Yes	Yes
Municipal Planning	Yes	Yes	Yes	Yes	Yes	Yes
Public Transport	Yes	Yes	Yes	Yes	Yes	Yes
Pontoons and ferries	-	Yes	Yes	Yes	Yes	Yes
Disaster Management	Yes	No	No	No	No	No
Storm water	-	Yes	Yes	Yes	Yes	Yes
Trading regulation	-	Yes	Yes	Yes	Yes	Yes
Beaches and amusement facilities	-	Yes	Yes	Yes	Yes	Yes
Billboards and advertisements	-	Yes	Yes	Yes	Yes	Yes
Cemetries, parlours and crematoria	-	Yes	Yes	Yes	Yes	Yes
Cleansing	-	Yes	Yes	Yes	Yes	Yes
Traffic packing	-	Yes	Yes	Yes	Yes	Yes
Street lighting	-	Yes	Yes	Yes	Yes	Yes
Street trading	-	Yes	Yes	Yes	Yes	Yes
Refuse removal dumps and solid waste disposal	-	Yes	Yes	Yes	Yes	Yes
Public places	-	Yes	Yes	Yes	Yes	Yes

## CHAPTER 2: SITUATIONAL ANALYSIS

### 2.1 LOCALITY

The Oliver Reginald needs reTambo District is one of the six District Municipalities of the Eastern Cape Province. The other districts are Alfred Nzo, Chris Hani, Amathole, Joe Gqabi, and Sarah Baartman. The O R Tambo District Municipality incorporates large portions of the former Transkei homeland area of the Eastern Cape Province and is one of the poorest district of the Eastern Cape Province. It is located along the Wild Coast, bordered to the West by Amatole District Municipality while sharing a common border with the KwaZulu Natal Province to the North East. The District measures 15 947 km<sup>2</sup> in extent with a varied terrain ranging from rolling valleys to broken mountainous ranges and a varied climate that responds to the elevation and distance from the sea.

The O.R. Tambo District Municipality is classified as a Category C2-Municipality, which means an area with a largely rural character. All of the LM's in the district are category B4 except for KSD LM, which is a category B2 municipality. Each municipality has at least one urban service centre.

*Table 9 : Local Municipalities in the jurisdiction of OR Tambo District Municipality*

Local Municipalities in the OR Tambo District			
Local Municipality	Code	No. of Wards	Urban Service Centre
King Sabata Dalindyebo	EC 157	37 Wards	Mthatha and Mqanduli
Nyandeni	EC 155	31 Wards	Libode and Ngqeleni
Mhlontlo	EC 156	29 Wards	Tsolo and Qumbu
Port St Johns	EC154	22 Wards	Port St Johns
Ingquza Hill	EC 153	31 Wards	Flagstaff and Lusikisiki

#### 2.1.1 Overview of the Local Municipalities

##### King Sabata Dalindyebo LM

The KSDLM) is home to Mthatha, the economic centre of the District and the host to both the Local and District Municipality's Offices. Mthatha is a popular stopover point on the way to tourist attractions like Coffee Bay and Hole-in-the-Wall in the KSDLM and Port St Johns and Mbotyi in neighboring LMs. The municipality is also home to two of the other economic activities in the District, viz. Forestry and Agriculture.

The population of KSDLM is 476 558 and is by far the most populous district of O. R. Tambo. The population is distributed amongst 37 Wards with 114 580 households. KSD is distinguished to other districts by having benefiting from a much higher service than any other municipality in O. R. Tambo. In spite of KSD being a beneficiary of a disproportionally higher level of service delivery, it is experiencing a high unemployment. This is attributable to high in-migration in the area.



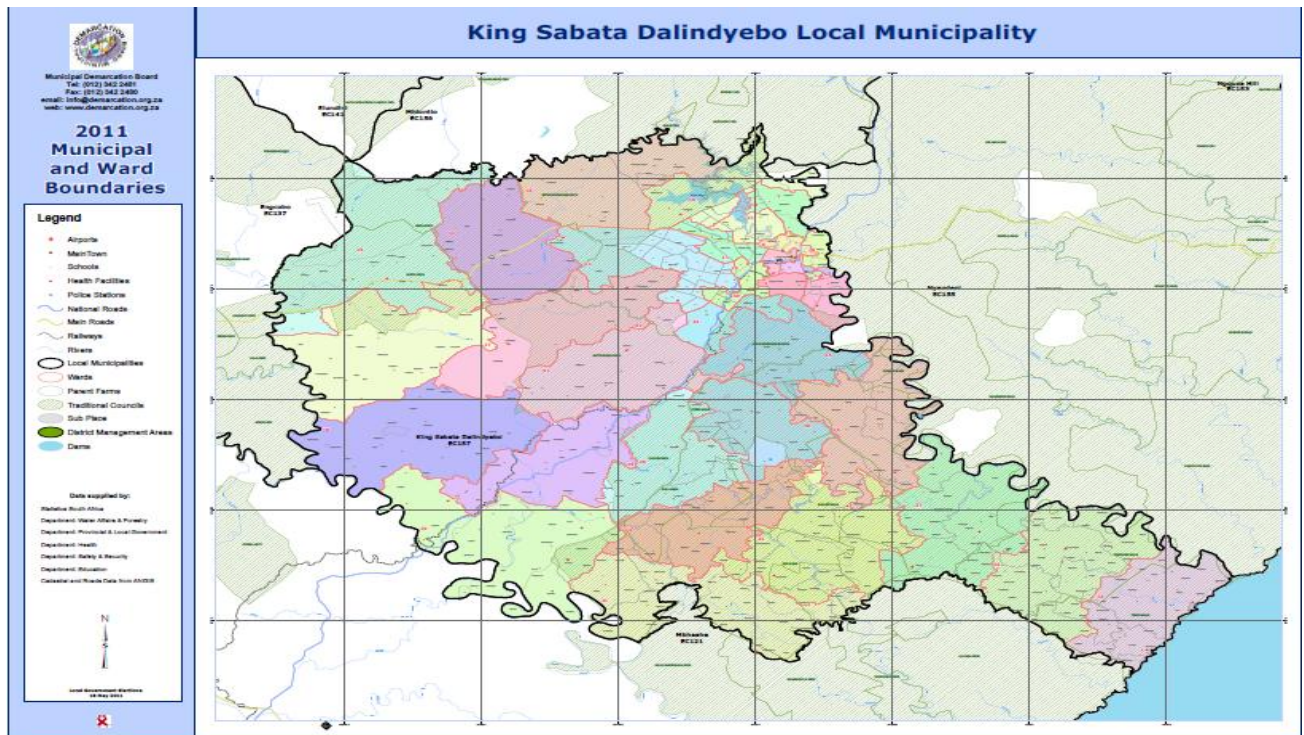


Figure 4 : Map of KSD Local Municipality

Source: Municipal Demarcation Board (2020)

## Integrated Development Plan 2025-2026

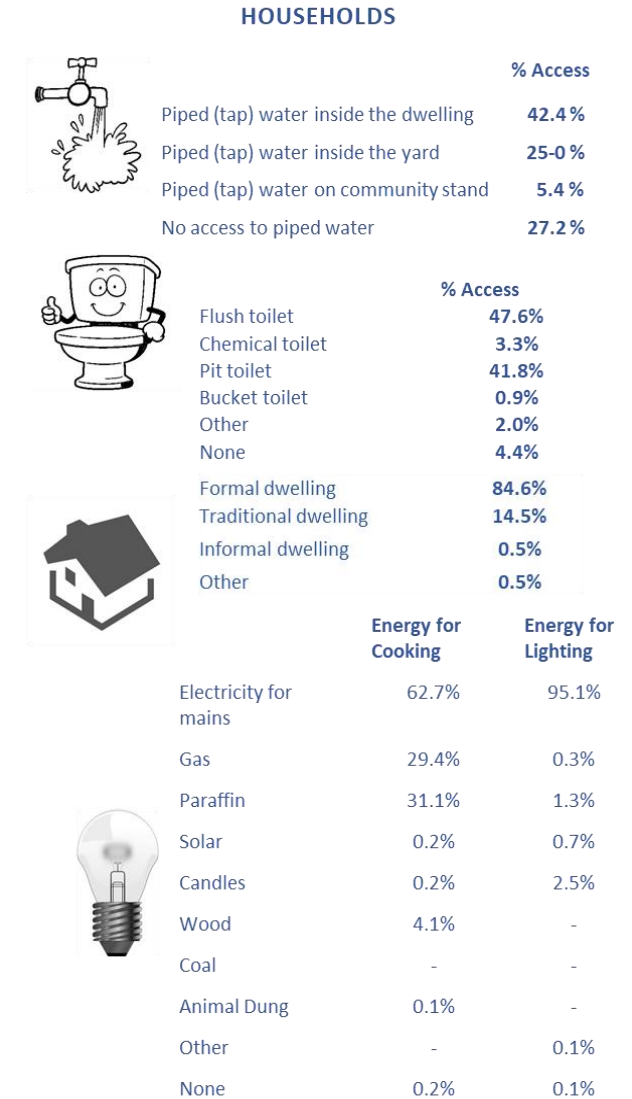
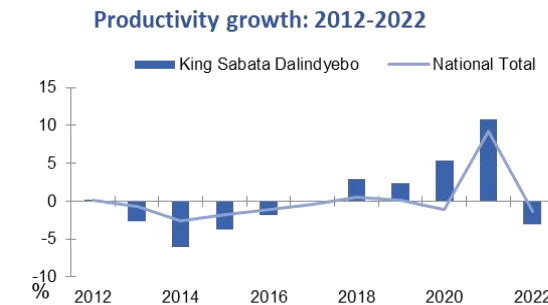
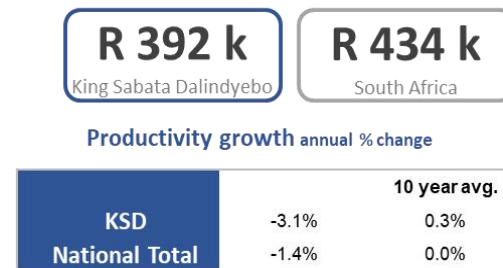
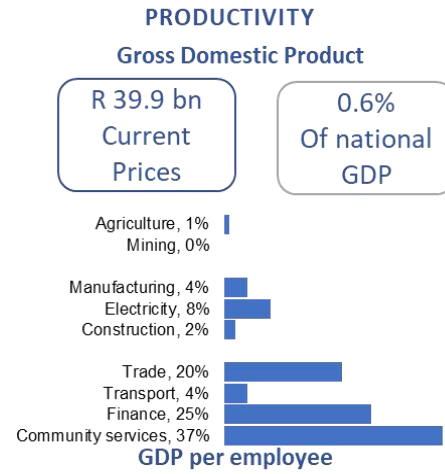
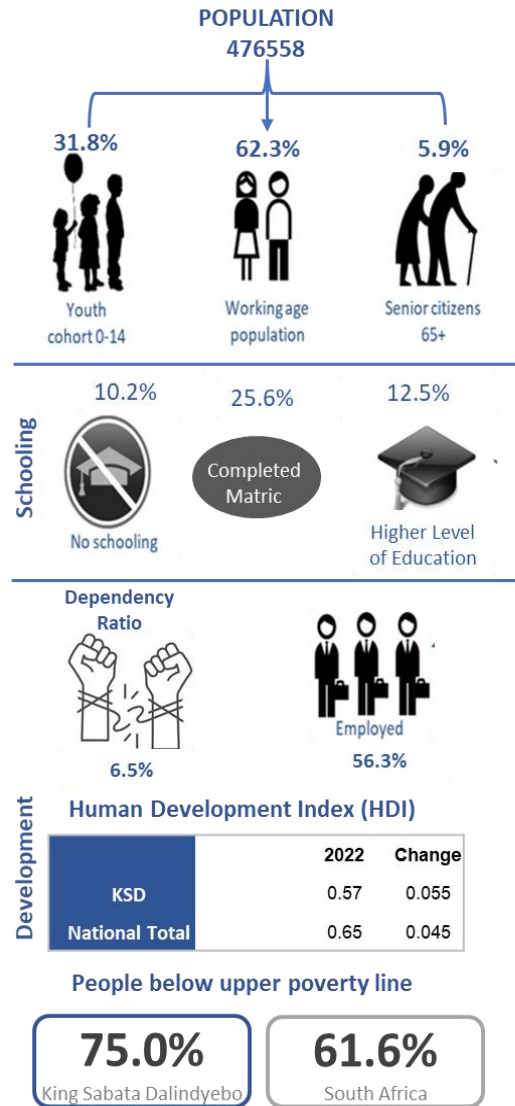


Figure 5: King Sabata Dalindyebo Local Municipality Socio Economic Analysis



## Nyandeni LM

Nyandeni Local Municipality, like many of the other LMs within the District, is predominantly rural with widely dispersed traditional and village-type settlements. Nyandeni LM is made up of two urban nodes namely Ngqeleni and Libode. According to Information Handling Services (IHS) Markit 2020, the total population for Nyandeni LM is 304 856 with 60,281 households. The majority of the population reside in rural areas (96.35%) and with only 3.65% residing in the two urban centres mentioned above. Nyandeni LM covers an area of approximately 2 474 km<sup>2</sup>. The main Municipal Office is located in the town of Libode, located approximately 30 km from Mthatha, along the route to the popular tourist destination of Port St. Johns. Most of the inhabitants of the municipality still rely on subsistence agriculture in areas marked by communal tenure. The LM is regarded as having considerable agricultural potential, although there has been limited exploitation of this potential.

The municipality is drained by four perennial rivers, the Mngazi, Mngazana, Mthatha and Mnenu Rivers. As for vegetation, valley thicket occurs along the steep slopes of the periphery of the municipal area, while Coastal Bushveld and Grassland characterize the coast. Eastern Thorn Bushveld and Moist Upland Grassland are the common vegetation types found in the interior.

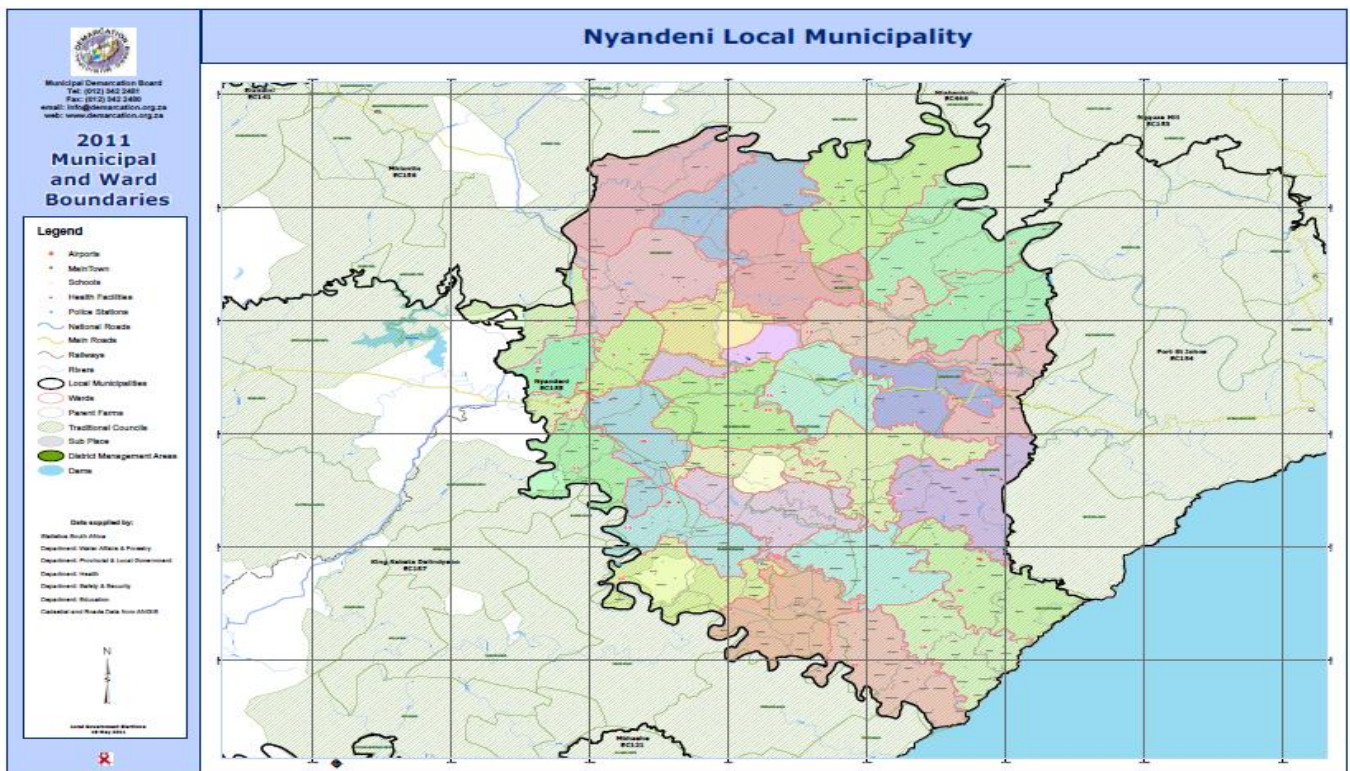


Figure 6 Map of Nyandeni Local Municipality

Source: Municipal Demarcation Board (2020)

## Integrated Development Plan 2025-2026

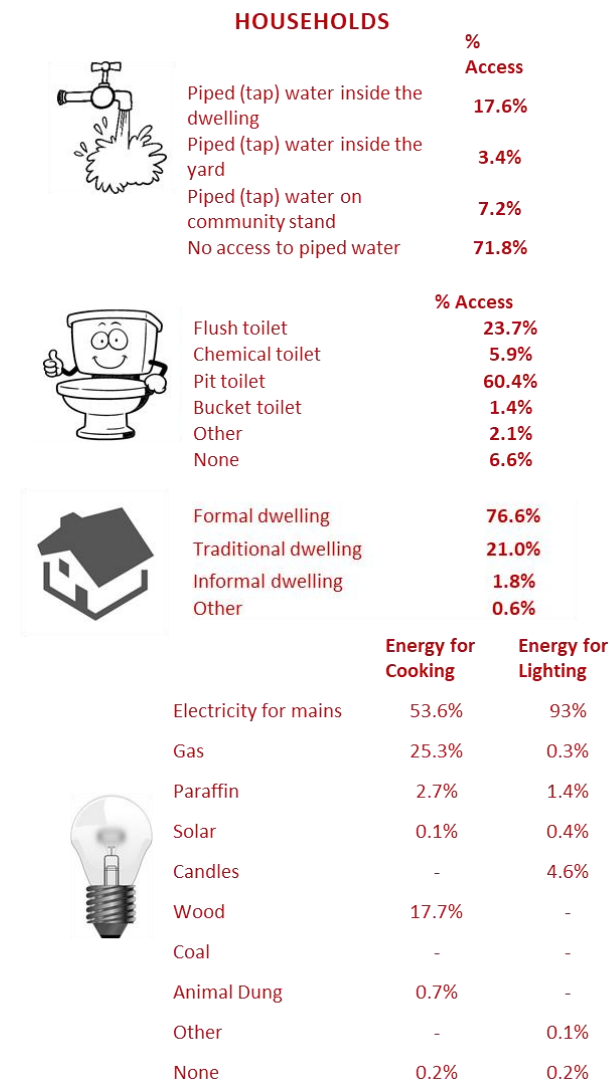
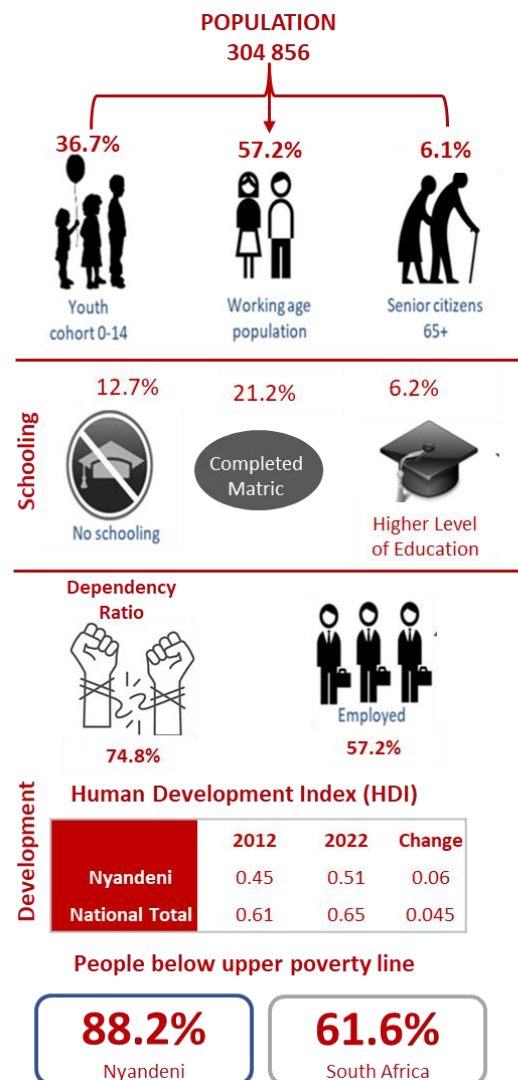


Figure 7: Nyandeni Local Municipality Figure 6 Map of Nyandeni Local Municipality Socio Economic Analysis

## Port St Johns LM

This municipality is situated along the Indian Ocean coastline. The municipality has a strong tourism industry, which is well supported by the variety of hills, dunes, rivers, and the mountainous terrain that meet its picturesque beaches. The population of Port St Johns Local Municipality is 179 325 and is distributed amongst 22 wards which are fewer compared to other larger local municipalities with 30 613 households.

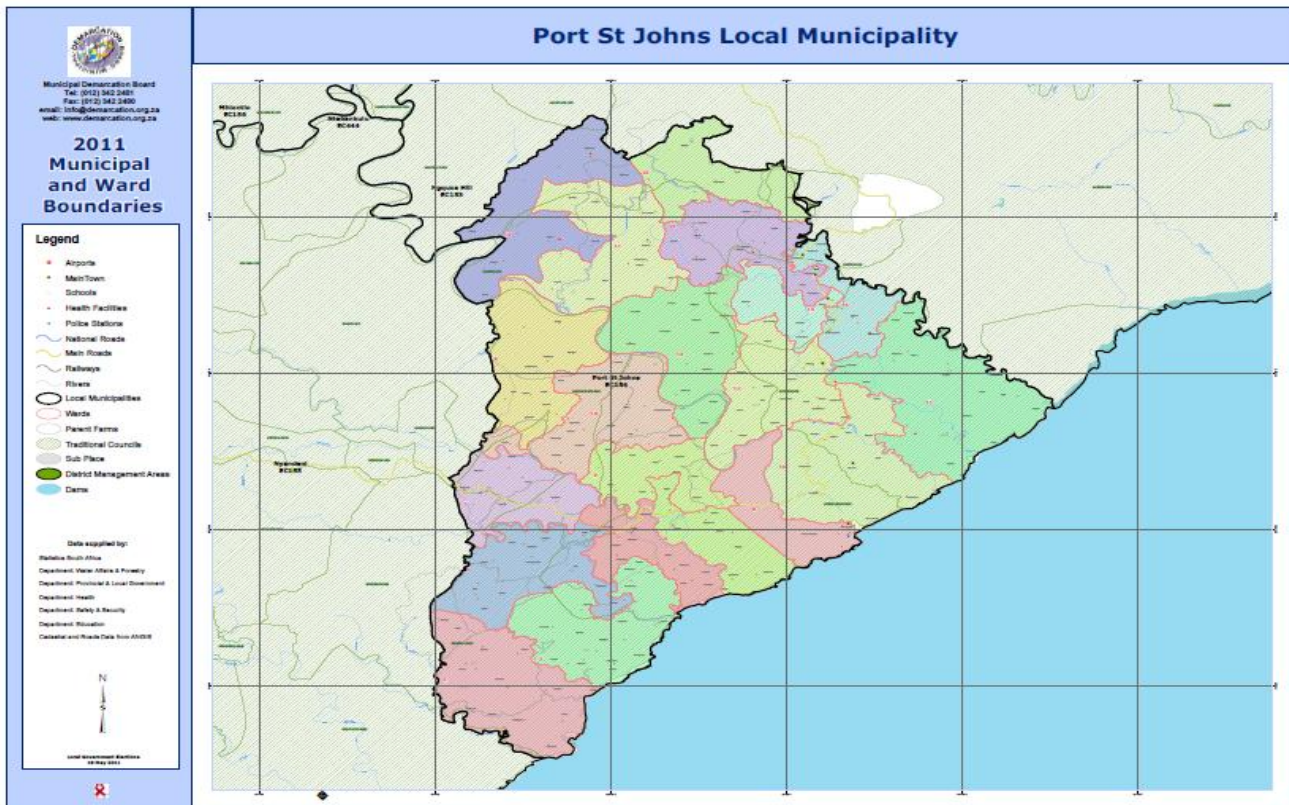


Figure 8 : Map of PSJ Local Municipality

Source: Municipal Demarcation Board (2020)



## Integrated Development Plan 2025-2026

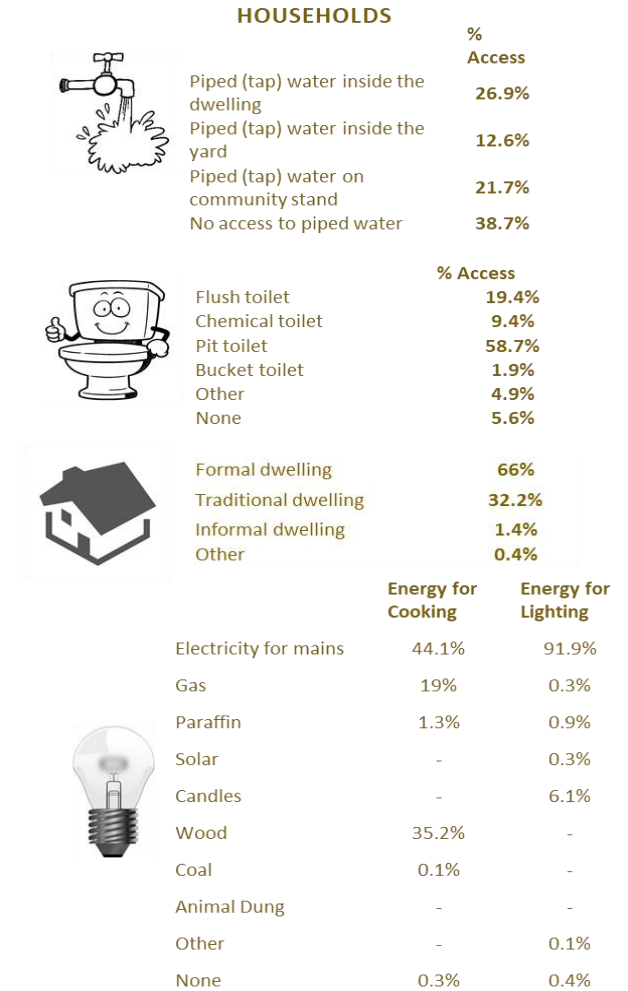
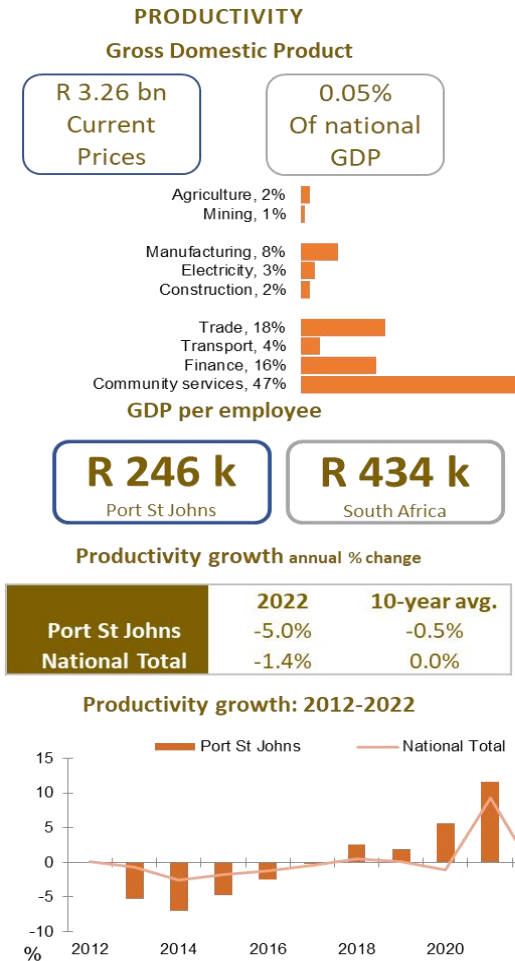
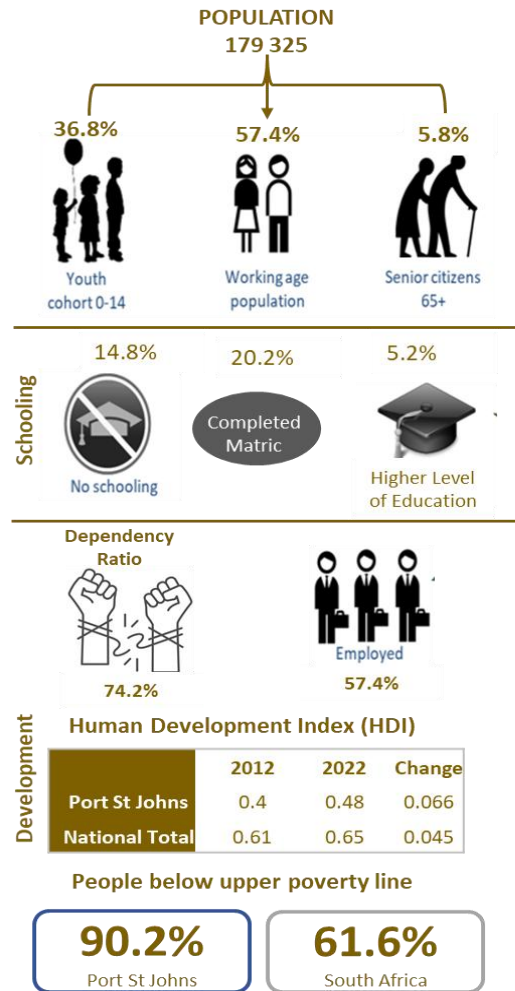


Figure 9: Port St Johns Local Municipality Socio Economic Analysis

## Ingquza Hill LM

The IHLM is made up of two urban nodes, namely Flagstaff and Lusikisiki. It is characterized by limited coastal settlement and widely dispersed settlement in traditional rural villages. The municipal area is furthermore characterized by large forest areas in close proximity to the coastline, with ten rivers flowing through it. The population of Ingquza Hill Local Municipality is 354 573 and is the second largest in the district following KSD LM with 64 051 households. The population is distributed amongst 31 wards.

The rate of unemployment is high, as it is in other districts of O. R. Tambo Municipality. This is despite areas, which enjoy services. Such areas usually attract people who are unemployed, thus pushing down the unemployment rate of the area.

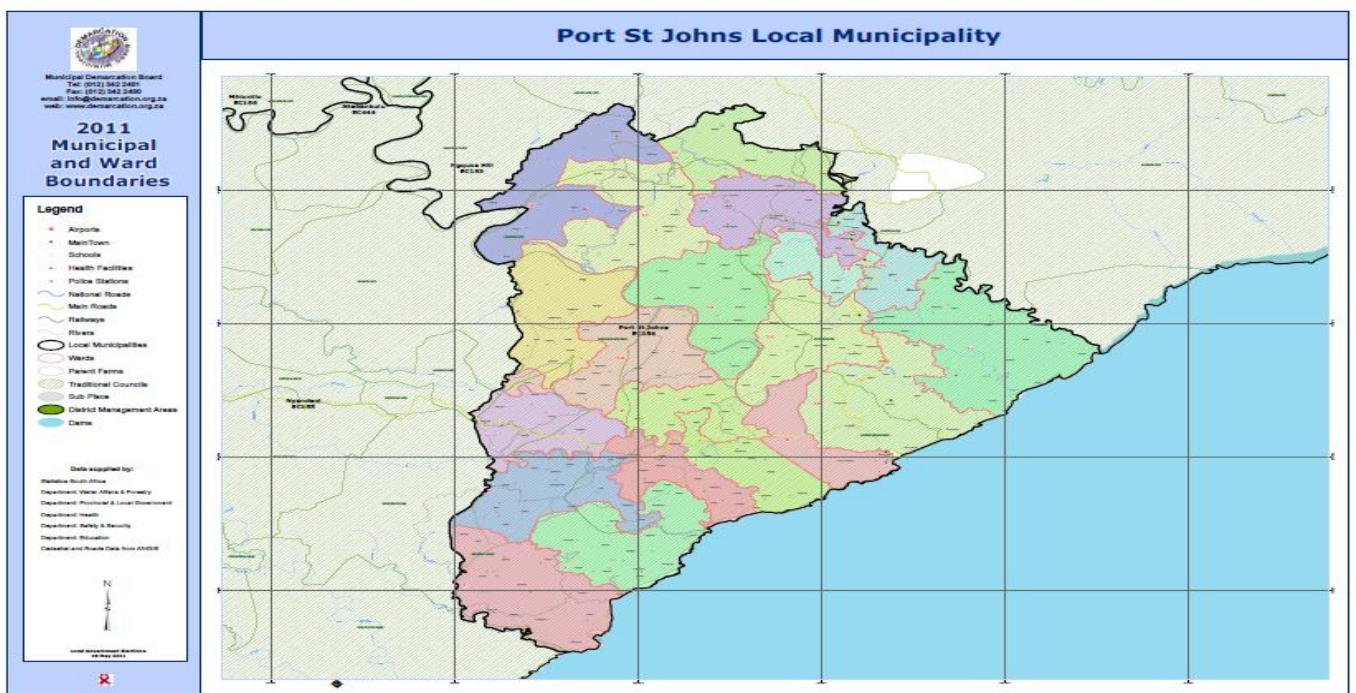


Figure 10 : Map of Ingquza Hill Local Municipality

Source: Municipal Demarcation Board (2020)

## Integrated Development Plan 2025-2026

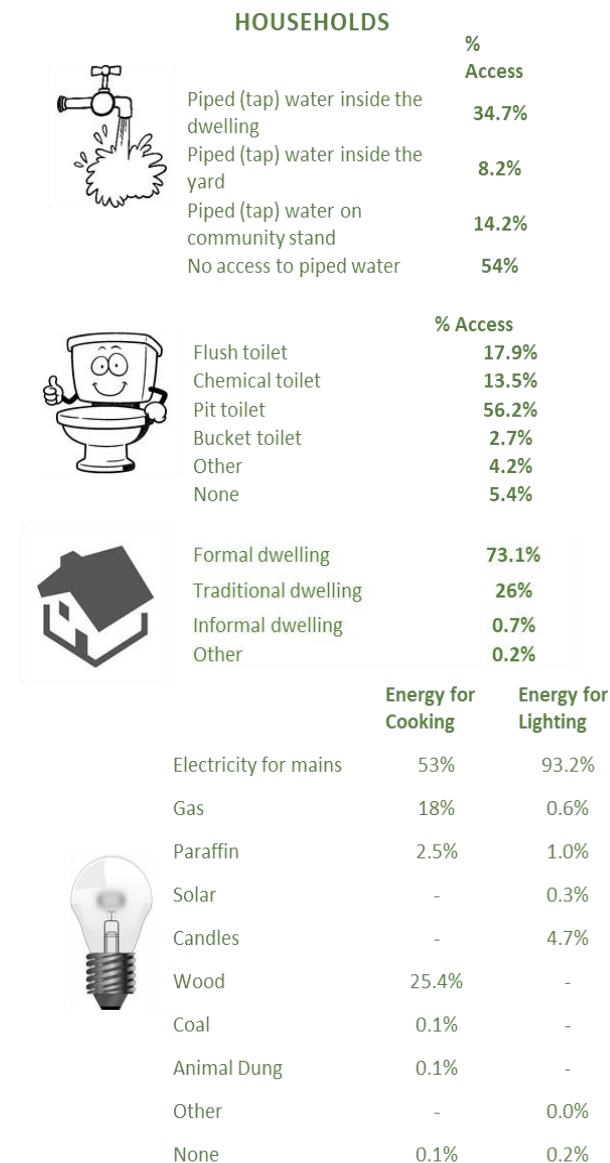
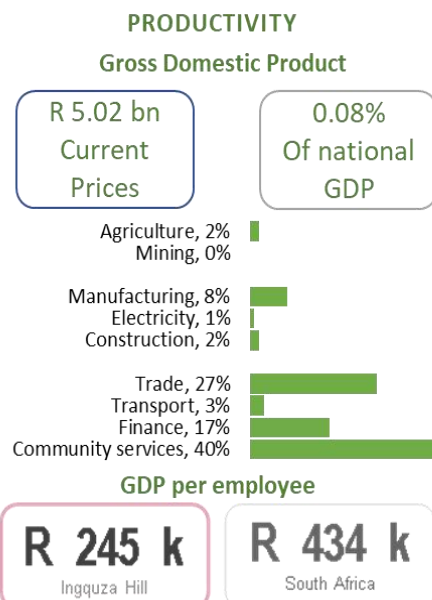
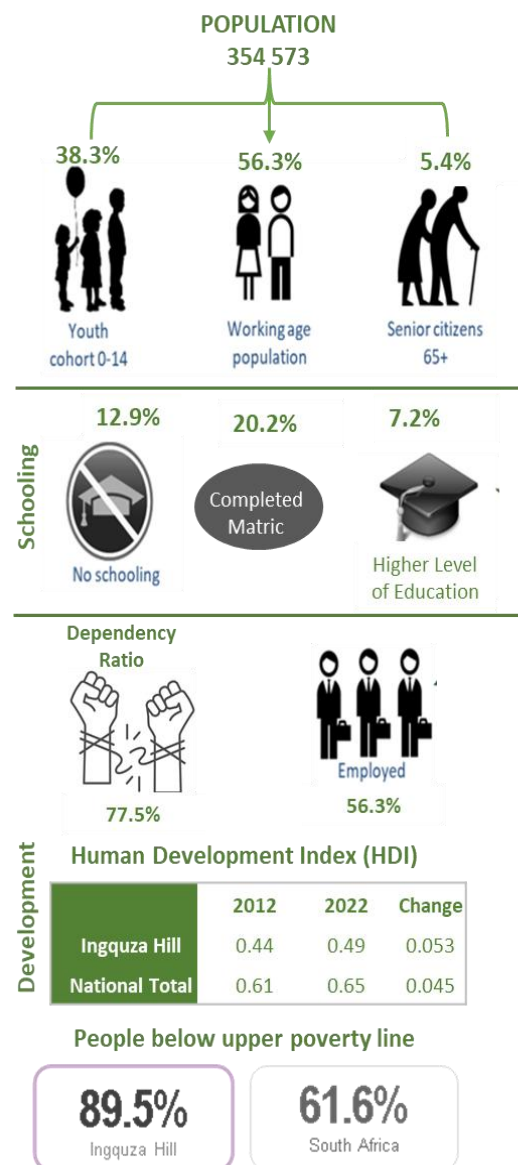


Figure 11: Ingquza Hill Local Municipality Socio Economic Analysis



## Mhlontlo LM

The Mhlontlo Local Municipality is predominantly rural, hosts Tsolo and Qumbu as local service centres, and six rural nodes namely, Sulenkama, St Curthberts, Caba, Shawbury and Langeni Forest. The majority of the land is used for agricultural purposes and subsistence farming, notably for grazing, in areas marked by communal tenure. The population of Mhlontlo Local Municipality is 186391 distributed amongst 29 wards with 43 980 households.

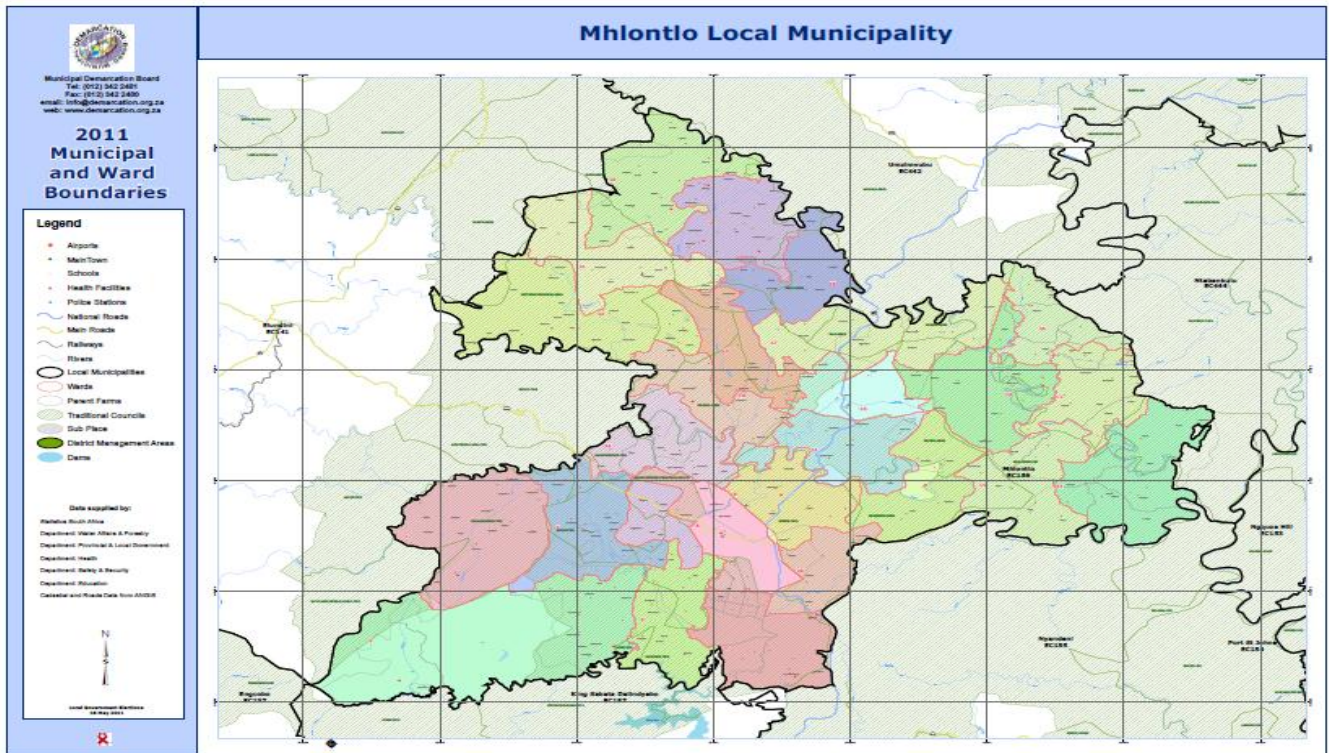


Figure 12 : Map of Mhlontlo Local Municipality

Source: Municipal Demarcation Board (2020)

## Integrated Development Plan 2025-2026

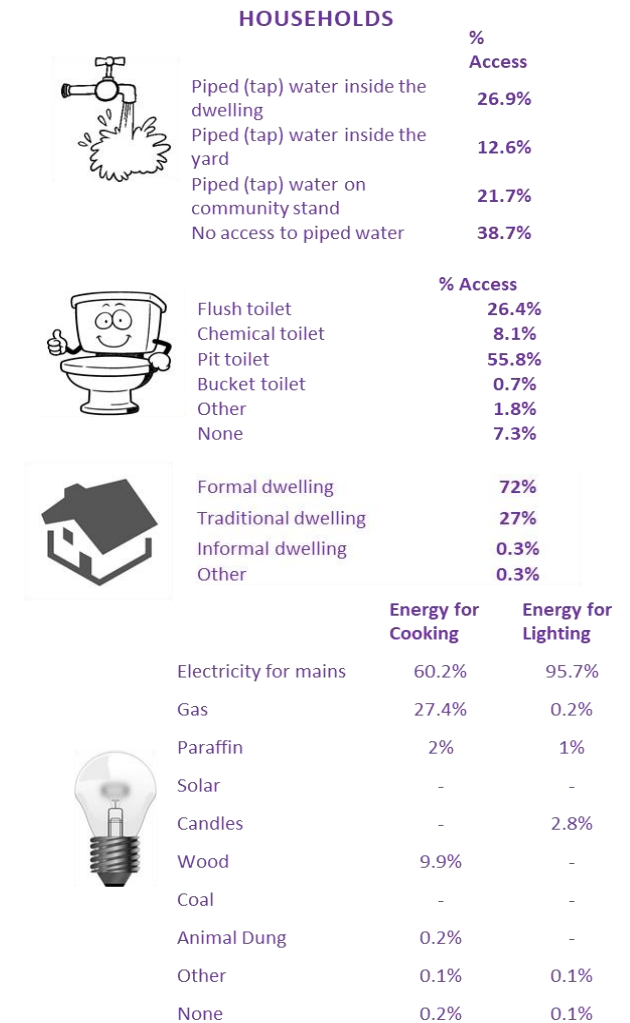
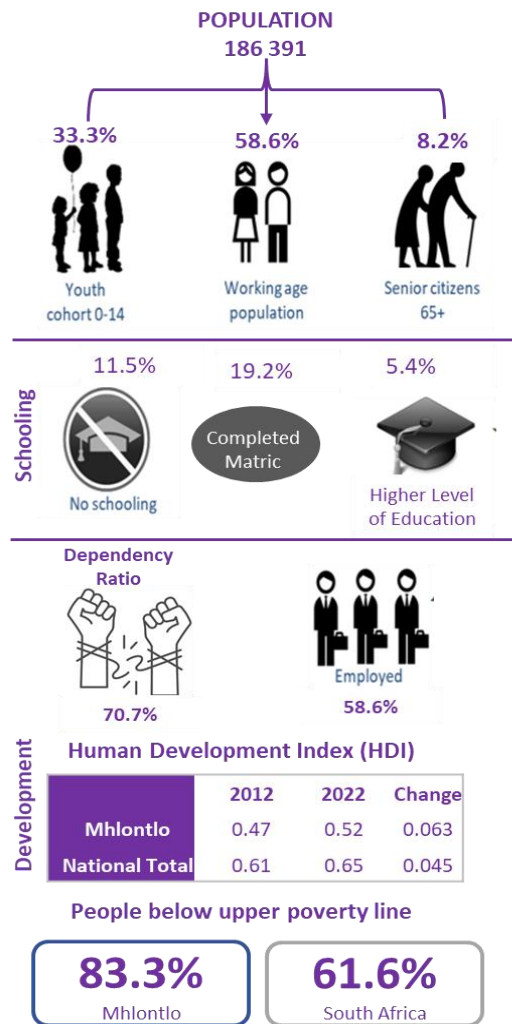


Figure 13: Mhlontlo Local Municipality Socio Economic Analysis



## **2.2 DEMOGRAPHIC PROFILE**

Section 26 of the MSA (Act No 32. of 2000) prescribes that the Integrated Development Plan (IDP) of a municipality must include an assessment of the existing level of development; the development priorities of the municipality, knowledge of available and accessible resources; as well as proper information and the understanding of the dynamics influencing growth and development in the district.

However, the greatest challenge is regarding the availability of up-to-date information for analysis purposes. To compile this situation, the municipality relied on StatsSA (Census 2011 and 2022). Statistics South Africa (StatsSA) has the statutory obligation in terms of the Statistics Act for the collection, production, and dissemination of official and other statistics, including the conducting of a census of the population, and for co-ordination among producers of statistics, therefore Stats SA is acknowledged as the source of the data. Other data sources such as global insight, Municipal Demarcation Board, administrative records sourced within the municipality, local municipalities, government departments, and development agencies were also explored and utilized.

### **2.2.1 Demographic analysis**

Demography refers to the scientific study of human populations, inclusive of the size of the population, its distribution, processes, structure, or characteristics. It is widely recognized that demographic information constitutes the foundation of all socio-economic planning and as such the district's development priorities can only be realized with an understanding of demographic profile. Understanding the demographic profile is important because it provides a powerful lens for viewing future trends, explaining changes the society is likely to face, and providing an opportunity to create a policy environment that takes maximum advantage of the demographic potential in the society.

This section provides the demographic overview of the O.R. Tambo District Municipality. It is worth noting that the O.R Tambo District Municipality forms part of the broader architecture of government, it does not function in isolation from the national and provincial government as well as the local municipalities within the district. The demographic profile of the district is put into perspective by comparing it with that of the local municipalities, Eastern Cape province, and South Africa as a whole.

### **2.2.2 Population Overview**

According to StatsSA (census 2022), the O.R Tambo District remains the most populous district in the Eastern Cape Province and is ranked as the fourth most populous district in South Africa with 1501 702 people. Table 8 below provides the population estimates of the O.R Tambo District in comparison with the Eastern Cape Province and South Africa between 2011, 2016, and 2022.

**Table 10: O.R. Tambo, Eastern Cape, and South Africa**

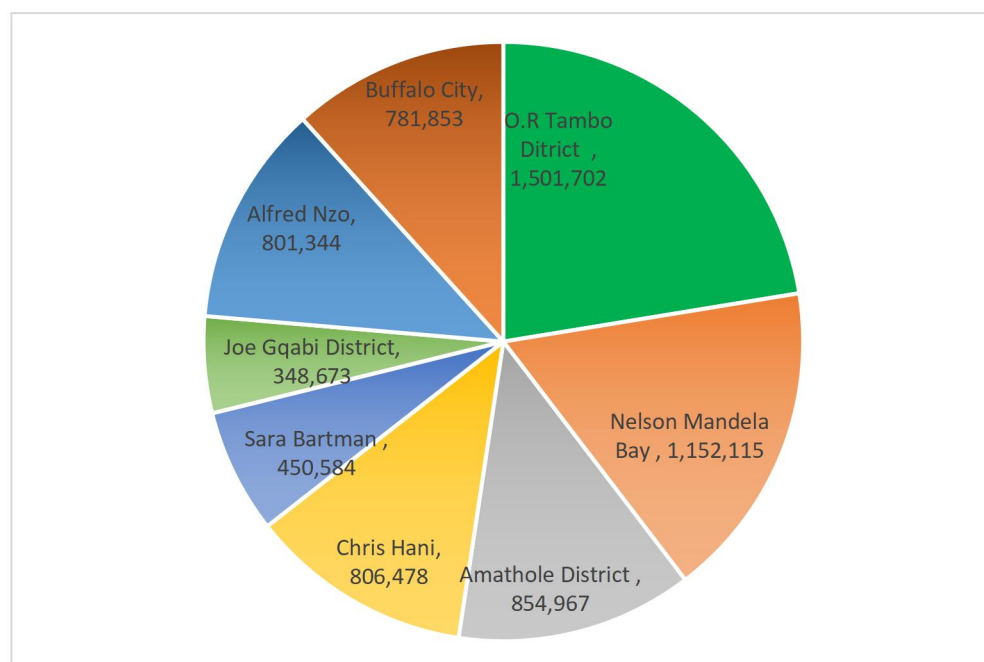
Year	O.R Tambo District	Eastern Cape	South Africa
2011	1 366 039	6 562 053	51 770 560
2016	1 457 382	6 996 976	55 653 654
2022	1 501 702	7 230 204	62 027 503

Source: StatsSA (Census,2022)

According to Census 2022, the population size of the district has been increasing. The population increased from 366 039 in 2011 to 1 501 702 in 2022. In terms of the 2022 census results, the O.R. Tambo district accounts for 21% of the province's population and 2,4% of South Africa's population. The population size within the district grew by 9,93% between 2011 and 2022, with an average annual growth rate of 1,03% which is close to half the growth rate of 1.50% for South Africa as a whole. When compared with the provincial growth rate of 1.01%, the growth rate in O.R. Tambo's population was very similar to that of the province.

### 2.2.3 Population per region in the Eastern Cape Province

This section provides a comparison of the O.R. Tambo District against other regions in the Eastern Cape.

**Figure 14: Total Population- O.R. Tambo and the Rest of the Eastern Cape**

Source: StatsSA (Census,2022)

When comparing to other regions in the province, the O.R Tambo District with an estimation of 1 501 702 people remained the most populous region in the province, followed by Nelson Mandela Bay Metro (1 190 496) and Amathole District (871 601). The O.R. Tambo District population is distributed across the five local municipalities. The following provides the population size and the contribution of each local municipality to the district.

### 2.2.4 Population size per local municipality

The following table provides the results of the population and the percentage contribution of each municipality to the overall population of the district according to Census 2022.

**Table 11: Total population – Local Municipalities,2022**

Local Municipality	Total Population (Census 2022)	Percentage (%) of District Population (2022)	Total Population (Census 2011)
King SabataDalindyebo Local Municipality	476 558	31,73%	450 287
Ingquza Hill Local Municipality	354 573	23,61%	278 481
Nyandeni Local Municipality	304 856	20,3%	290 390
Kumkani Mhlontlo local municipality	186 391	12,4%	190 745
Port St Johns Local Municipality	179 325	11,9%	156 136

StatsSA (Census 2011 & 2022)

The O.R. Tambo district comprises five local municipalities namely, King Sabata Dalindyebo, Ingquza Hill, Nyandeni, Kumkani Mhlontlo, and Port St Johns Local Municipalities. King Sabata Dalindyebo Local Municipality accounts for the largest population estimate of 476 558 people or a share of 31,73%, followed by Ingquza Hill Local Municipality with an estimation of 354 573 people or 23,61%. Port st Johns Local Municipality remained the least populous region in the district with population size of 179 325 or a share of 11,94%. Notably, all the local municipalities recorded an increase in their population size except for Kumkani Mhlontlo Local Municipality which recorded a population decrease of -2,28%. Table 12 below provides the population projections of the O.R. Tambo District between 2022 and 2027 as per South Africa Regional eXplorer 2024.

**Table 12: Population projections - O.R. Tambo, Eastern Cape and National Total, 2022-2027 [Numbers percentage]**

	O.R. Tambo			O.R. Tambo as % of province	O.R. Tambo as % of national
		Eastern Cape	National Total		
2022	1,570,000	7,470,000	61,100,000	21.0%	2.6%
2023	1,580,000	7,550,000	61,900,000	21.0%	2.6%
2024	1,600,000	7,630,000	62,700,000	21.0%	2.6%
2025	1,620,000	7,710,000	63,500,000	21.0%	2.5%
2026	1,630,000	7,780,000	64,300,000	20.9%	2.5%
2027					
Average Annual growth	1,640,000	7,860,000	65,100,000	20.9%	2.5%
2022-2027	0.96%	1.02%	1.27%		

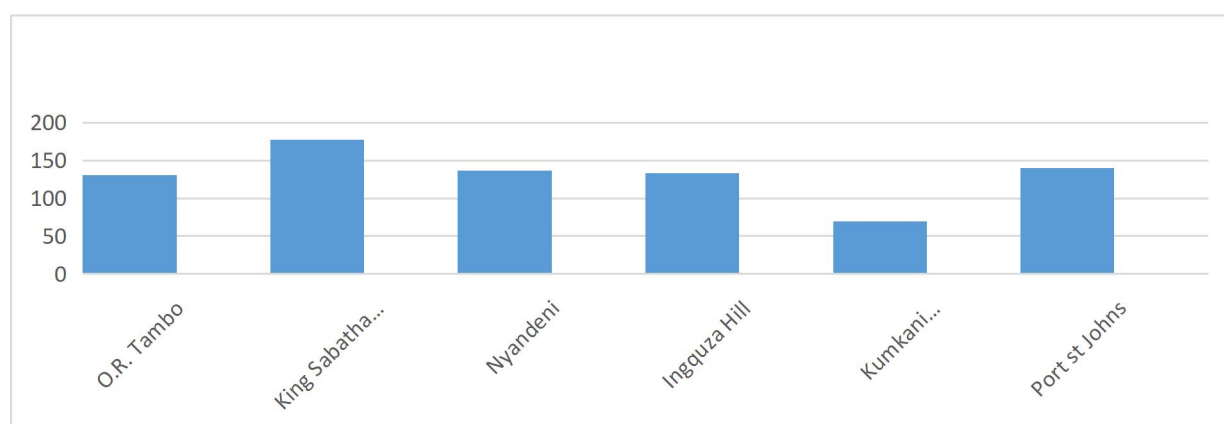
Source: South Africa Regional eXplorer v2443.

The population projection of O.R. Tambo District Municipality shows an estimated average annual growth rate of 1.0% between 2022 and 2027. The average annual growth rate in the population over the forecasted period for Eastern Cape Province and South Africa is 1.0% and 1.3% respectively. The Eastern Cape Province is estimated to have an average growth rate of 1.0% which is higher than the O.R. Tambo District Municipality. South Africa as a whole is estimated to have an average annual growth rate of 1.3% which is higher than that of O.R. Tambo's growth rate. Table 13 below presents population distribution by gender in O.R. Tambo District Municipality against the Eastern Cape and South Africa.

## Population Density

Population density measures the concentration of people in the region. Figure 15 below depicts the population density for the O.R. Tambo District municipality and each of the five local, municipalities in the district.

**Figure 15: Population Density**



According to the 2022 statistics, the population density in O.R. Tambo District is 130 people per square kilometre. In terms of the population density for each of the local muni within the O.R. Tambo District Municipality, King Sabata Dalindyebo Local Municipality had the highest density, with 178 people per square kilometre. Kumkani Mhlontlo local municipality had the lowest population density of about 69.6 people per square kilometre. The table below presents the O.R. Tambo district population based on gender distribution.

**Table 13: Population by Gender, O.R Tambo, Eastern Cape, and National**

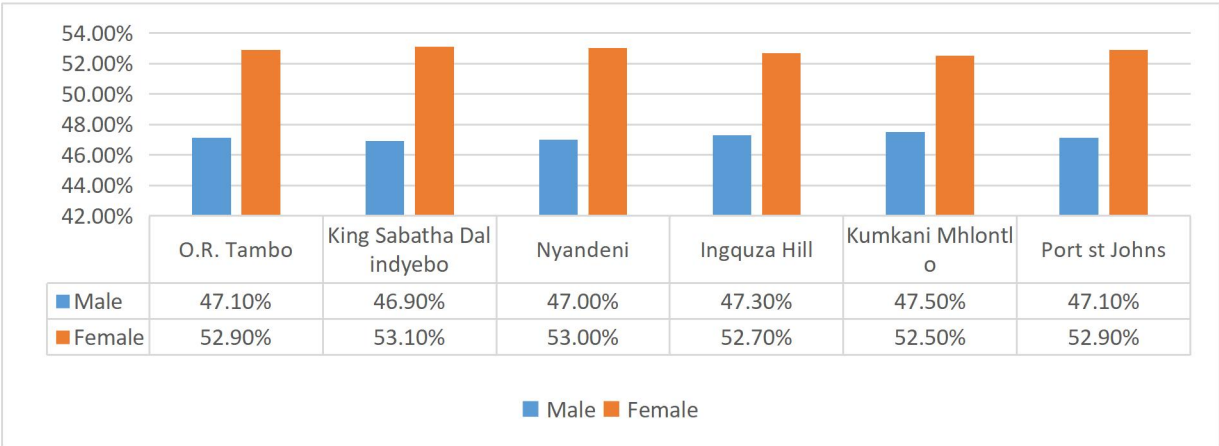
	Male	Female	% Male	% Female	Ratio
O.R Tambo District	707 798	793 904	47,1%	52,9%	89,2
Eastern Cape	3 424 042	3 806 162	47,4%	52,6%	90,0
South Africa	30 078 757	31 948 746	48,5%	51,5%	94,1

Source: StatsSA (Census 2022)

Table 13 illustrates a female-dominated district, with a gender split of 89.2 males per 100 females. With 52,9%, women constitute a large proportion of the district's population when compared to males 47,1%.

The proportion of females (52.9%) in the district is slightly above that of the Eastern Cape province (52,6%) and South Africa (51, 5%). The male deficit is probably a good proxy of out-labor migration as more males are likely to leave the district and search for work in other areas. Figure 15 below provides the population distribution by local municipality and gender within the district.

**Figure 16: Gender Distribution by Local Municipality**



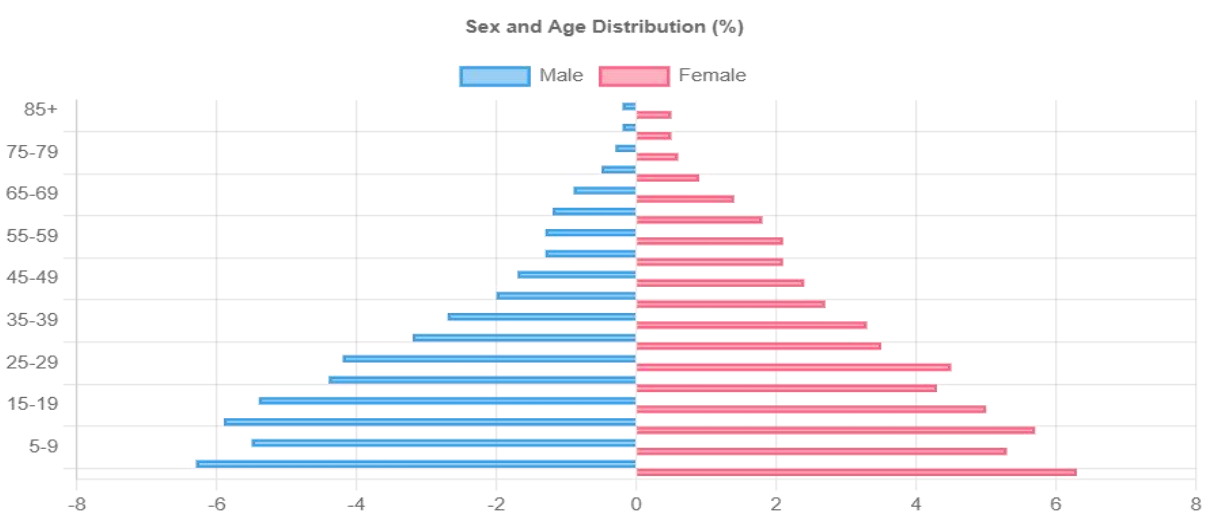
Source: StatsSA (Census 2022)

In 2022, King Sabata Dalindyebo Local Municipality recorded the highest proportion of females 53,10%, followed by Nyandeni Local Municipality with a proportion of 53,00%. The female population size of the two local municipalities was slightly higher than that of the district (52,90%). Kumkani Mhlontlo Local Municipality accounted for the highest proportion of males in the district with a share of 47,50% which is slightly higher than that of the district (47,10%). Figure 16 below provides the population size by age and gender in the district based on the 2022 Census.

### Population Distribution by Age and Gender

Age and gender composition is a key determinant of any region population’s demographic dynamics. Such information is crucial for policy formulation and program planning. The population pyramid below presents the age and gender distribution in the O.R. Tambo District Municipality.

**Figure 17: Population Distribution by Age and Gender**



The population pyramid above depicts a relatively young and economically active population. The largest share of the population is within the age group of children (0-14 years). This indicates a much higher fertility rate and huge dependency in the district. The second largest category is the youth between 15-34 years of age, followed by the age category of 35-64 years. The relatively young and economically active population presents the district with greater and long-term socioeconomic prospects. This requires more investment in early childhood development, skills development, economic growth, and quality education programs for young people so that young people in turn positively contribute to the socioeconomic growth and development of the district.

A slightly higher number of males were observed at ages 0-24 years while the number of females was higher than males at advanced ages, showing a typical declining proportion of males with advancing age compared to that of females. An increased life expectancy was also observed having the proportion of the elderly population (65+) increasing from 5,6% in 2011 to 6,1% in 2022. However, a slightly higher mortality rate of elderly males was observed as the 2022 Census revealed that there were more elderly females than males. Table 14 below presents the population size of the district based on groups.

**Table 14: Distribution by Population Group**

Race	Total Population	Average %
Black African	1 480 399	98,6%
Colored	7 547	0,5%
Other	6 372	0,4%
White	3 556	0,2%

Source: StatsSA (Census 2022)

In 2022, the predominant race group in the district were black Africans at 1480 399 or a share of 98.6% contribution, followed by the colored population with 7 547 or 0.5%. The white population with 3 556 or a share of 0,2% had the least number of people in the district.

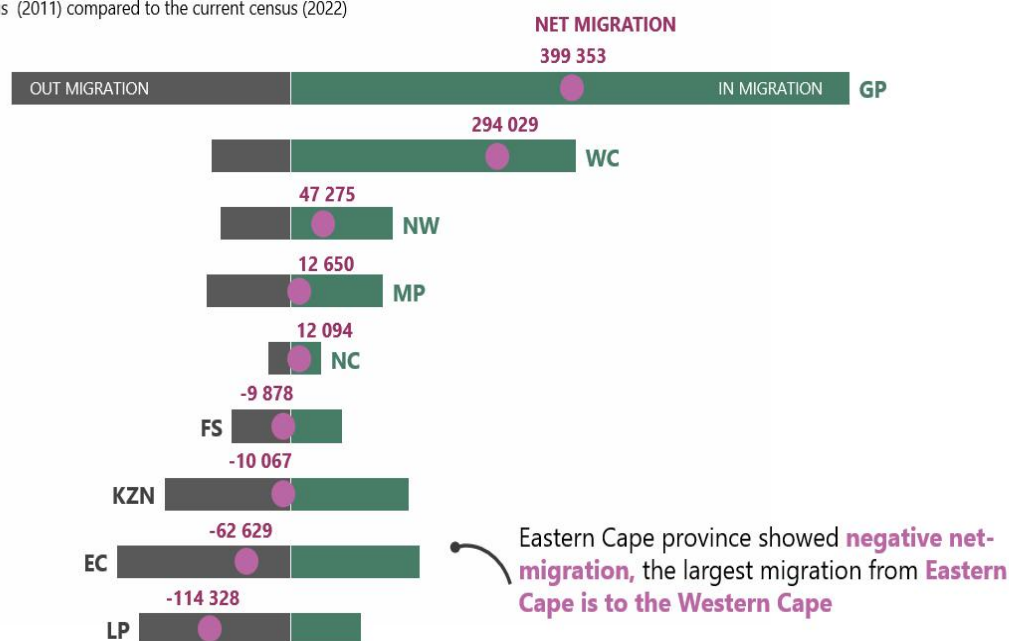
## 2.2.5 Migration

One of the greatest challenges faced by the district is to monitor the movement of people within the district, coupled with a lack of specifics around such movement. However, there are evidence-based indicators that there is a lot of movement within the district when we look at the distribution of our population over the years. The O.R. Tambo District municipality recorded a 9.9% average population growth between 2011 and 2022. The population growth rate is attributed to the interaction of births, deaths, and migration in a population in a given time, and the increased population size might be due to an inward migration as more people particularly young people may be flocking in for better education, entrepreneurial and employment opportunities. Notably, the district is home to four institutions of higher learning namely; Walter Sisulu University with two campuses, UNISA, King Sabata Dalindyebo TVET College comprising five campuses, and Ingwe TVET College as well as other private colleges.

The rural nature of the district, with less job opportunities necessitate a proportion of the district's population particularly the young and economic active population and males to migrate to big cities in search for better opportunities. Figure below provides an insight of the net migration within the Eastern Cape province.

**Figure 18: Net Migration –Eastern Cape Province**

Residence in the previous census (2011) compared to the current census (2022)



Source: StatSA (Census 2022)

In 2022, the number of people who moved from the Eastern Cape to the Western Cape was 124 225, whilst those who moved from the Eastern Cape to Kwazulu Natal were 38 941. Also, the number of international migrants that moved to the Eastern Cape was 33 698.

## 2.2.6 Dependency Ratio

Dependency ratios provide insights into the burden borne by those who are in the working age group (15–64) to support those aged 0–14 and 65+ years. The dependency ratio in the district has been historically high. An increased number of children aged 0-14 signifies a high dependency and a high dependency ratio means few breadwinners, a small number of taxpayers, and a small proportion of the population who are productive – but a high reliance on the fiscus. Table 19 below provides an insight into the dependency ratio between the 2011 and 2022 censuses within the district.

**Table 15: Dependency Ratio- O.R. Tambo District Municipality**

Municipality	Dependency Ratio	
	2011	2022
O.R. Tambo District Municipality	80,5	70,0
King SabataDalindyebo	66,8	60,5
Nyandeni	85,2	74,8
Ingquza Hill	91,6	77,5
Kumkani Mhlontlo	83,7	70,7
Port st Johns	92,9	74,2

Source 1StatsSA (Census 2011 &2022)

As indicated in the table above, there has been a considerable decline in dependency across the district. The O.R. Tambo District Municipality dependency ratio decreased from 80,5% in 2011 to 70,0% in 2022. In terms of local municipalities in the district, King Sabata Dalindyebo recorded the lowest dependency ration in the district (60,5%) in 2022 and this is much lower to that of the district 70,0%.

### 2.2.7 HIV+ and AIDS estimates

HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of HIV on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child transmission; child treatment; adult treatment; and the percentage by which the virus decreases total fertility. ARV treatment can also prolong the lifespan of people who are HIV+. In the absence of any treatment, people diagnosed with HIV live for approximately 10 years before reaching the final stage of the disease (called AIDS). When patients reach this stage, recovery is highly unlikely.

*HIV+ and AIDS estimates are defined as follows:*

The HIV+ estimates are calculated by using the prevalence rates from the HIV/AIDS model built by the Actuarial Society of Southern Africa (ASSA-2008). These rates are used as base rates on a provincial level. S&P Global slightly adjusted the provincial ASSA-2008 data to more accurately reflect the national HIV Prevalence rate per population group as used in the national demographic models. The ASSA model in turn uses the prevalence rates from various primary data sets, in particular the HIV/AIDS surveys conducted by the Department of Health and the Antenatal clinic surveys. Their rates are further adjusted for over-reporting and then smoothed.

TABLE 16: NUMBER OF HIV+ PEOPLE - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2013-2023  
[NUMBER AND PERCENTAGE]

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2013	158,000	759,000	6,770,000	20.8%	2.3%
2014	160,000	772,000	6,910,000	20.7%	2.3%
2015	163,000	786,000	7,050,000	20.7%	2.3%
2016	165,000	799,000	7,200,000	20.7%	2.3%
2017	168,000	815,000	7,360,000	20.6%	2.3%
2018	171,000	830,000	7,530,000	20.6%	2.3%
2019	174,000	847,000	7,710,000	20.5%	2.3%
2020	177,000	863,000	7,900,000	20.5%	2.2%
2021	179,000	879,000	8,090,000	20.4%	2.2%
2022	183,000	899,000	8,300,000	20.3%	2.2%
2023	187,000	922,000	8,530,000	20.3%	2.2%
<b>Average Annual growth</b>					
	1.73%	1.96%	2.34%		

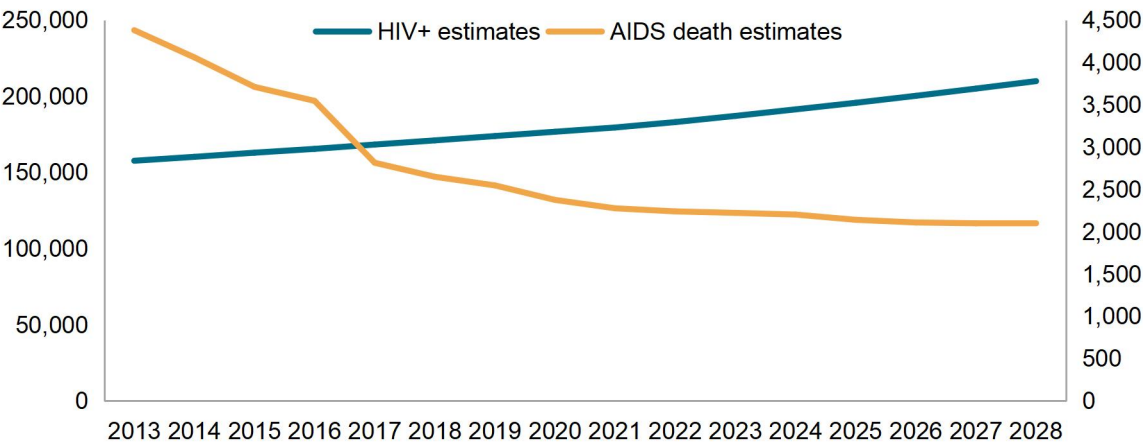
Source: South African Regional eXplorer v2473 (2024)



In 2023, 187 000 people in the O.R. Tambo District Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.73% since 2013, and in 2023 represented 11.80% of the district municipality's total population. The Eastern Cape Province had an average annual growth rate of 1.96% from 2013 to 2023 in the number of people infected with HIV, which is higher than that of the O.R. Tambo District Municipality. When looking at South Africa as a whole it can be seen that the number of people that are infected increased from 2013 to 2023 with an average annual growth rate of 2.34%. Figure 30: below illustrates the AIDS profile and forecast in O.R.Tambo District Municipality between 2013 and 2028

*The lifespan of people who are HIV+ could be prolonged with modern ARV treatments. In the absence of any treatment, people diagnosed with HIV can live for 10 years or longer before they reach the final AIDS stage of the disease.*

**Figure 19: AIDS profile and forecast in O.R. Tambo District Municipality between 2013 and 2028**



Source: South Africa Regional eXplorer v2473 (2024)

Presenting the number of HIV+ people against the number of people living with AIDS, the number of people with AIDS added up to 4380 in 2013 and 2220 in 2023. This number denotes a decrease from 2013 to 2023 with a high average annual rate of -6.57% (or -2160 people). For the year 2023, they represented 0.14% of the total population of the entire district municipality.

### 2.3 HOUSEHOLD CHARACTERISTICS

Using the general definition by StatsSA, a household is defined as a group of people who live together or a single person who lives alone at least four nights a week. A growing population resulted in a significant increase in the number of households and the household size in the district. The table below presents the number of households and the average household size in O.R. Tambo District Municipality.

**Table 17: Distribution of Households and Average Household Size**

Municipality	Number of Households		Average Household Size	
	2011	2022	2011	2022
<b>King SabataDalindyebo</b>	104 878	114 580	4,3	4,2
<b>Ingquza Hill</b>	56 212	64 051	5,0	5,5
<b>Nyandeni</b>	61 647	60 281	5,1	4,7
<b>Kumkani Mhlontlo</b>	44 079	43 980	4,3	4,2
<b>Port St Johns</b>	31 713	30 643	4,9	5,9
<b>O.R Tambo District</b>	298 530	313 536	4,6	4,8

Source: StatsSA (Census 2022)

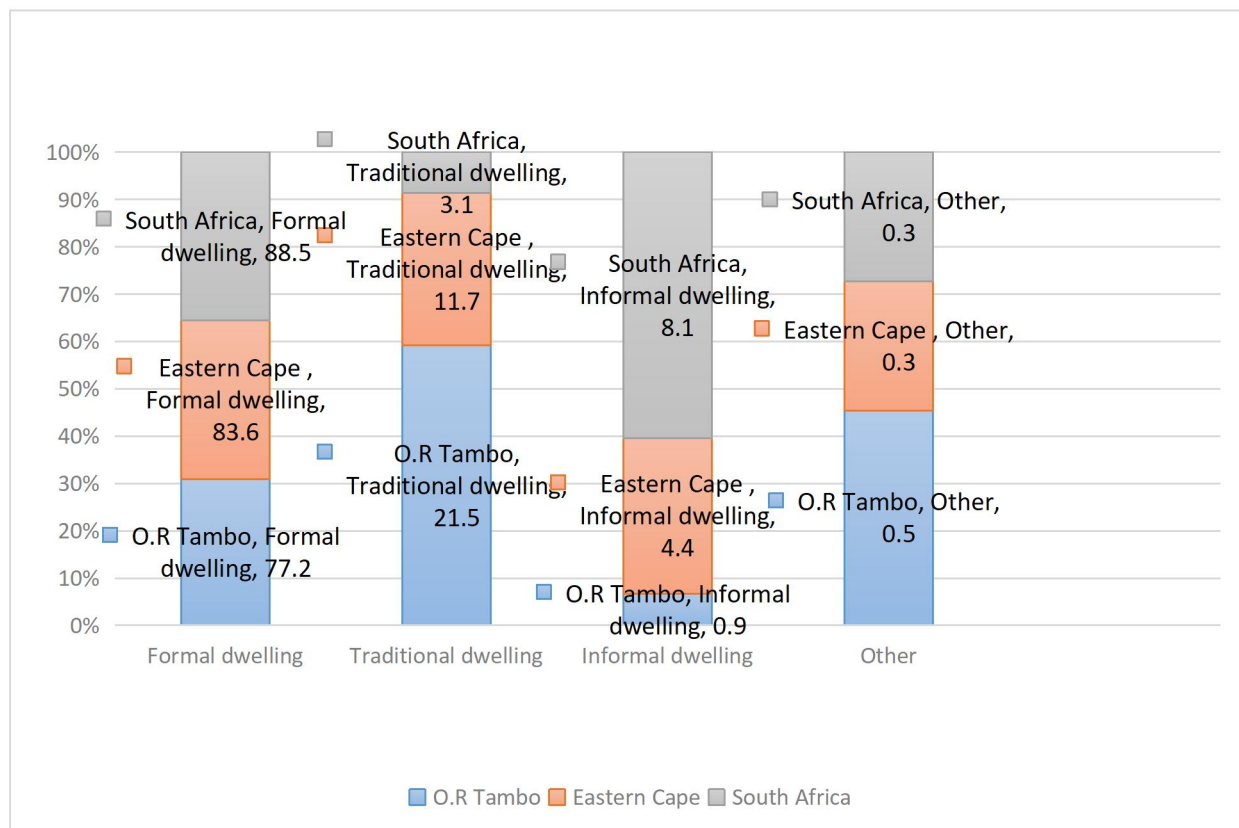
In 2022, the number of households in the district had increased by 15 006, from 298 530 households in 2011 to 313 536 households. The average household size also increased from 4.6 in 2011 to 4.8 in 2022.

The local municipality with the highest number of households was King SabataDalindyebo with 114 580. The increased number of households in King SabataDalindyebo local municipality can be attributed to a decline in the average household size from 4,3 in 2011 to 4,2 in 2022. The municipality with lowest number of households (30 643), is Port St Johns with an average household size of 5,9 from an average household size of 4,9 in 2011.

### 2.3.1 Household Dwelling Type

Using the StatsSA definition of a household and a dwelling unit, households can be categorized according to type of dwelling. According to StatsSA, a dwelling unit can be categorized according to type of dwelling namely; formal dwelling, traditional dwelling, informal dwelling and other. Figure 18 below provides a comparison of households by dwelling within the district between 2011 and 2022.

**Figure 20: Households by Dwelling Type**



Source: StatsSA 2022

In 2022, the O.R Tambo District had a proportion of 77,2% of total households living in formal dwelling units, a proportion of 21,5% of the total households living in traditional dwelling units, and a proportion of 0,9% living in informal dwelling units. Table 16 below provides the status of households according to the type of dwelling unit per local municipality.

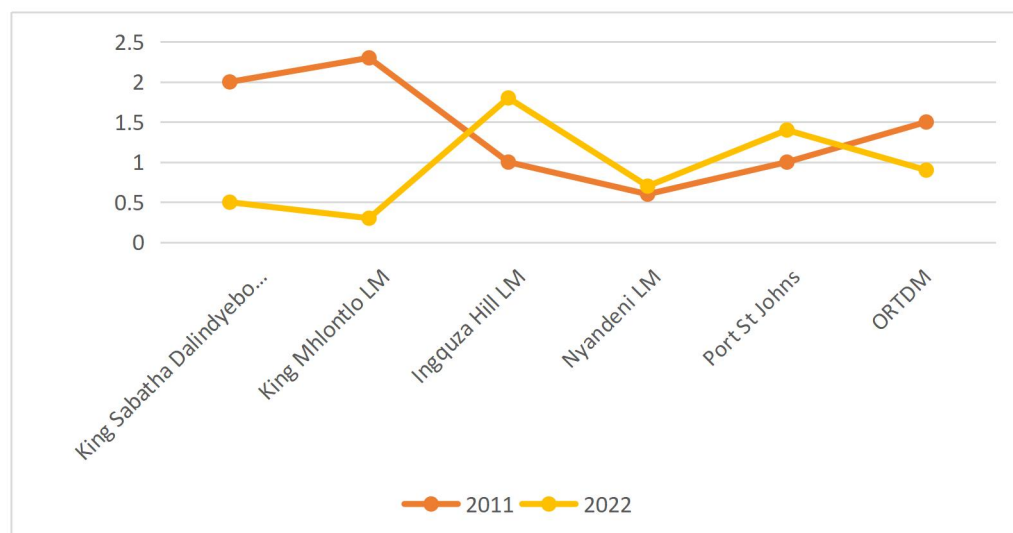
**Table 18: Household by Dwelling -Local Municipalities**

	Formal Dwelling	Traditional Dwelling	Informal Dwelling	Other
King SabataDalindyebo	96 929	16 559	535	557
Nyandeni	44 041	15 664	431	144
Ingquza Hill	49 044	13 462	1 136	410
Kumkani Mhlontlo	31 721	11 873	152	235
Port st Johns	20 225	9 876	422	120

Source: StatsSA (Census 2022)

In 2022, the region within the O.R Tambo district with the highest number of households living in formal dwelling units was the King Sabata Dalindyebo local municipality with 96 929 or a share of 84,6%% of the district's total number of households. Port St Johns local municipality with 20 255 or a proportion of 66,0% had the lowest number of households living in formal dwelling units, and the Ingquza Hill local municipality with 1 136 or a proportion of 1,8% of the total households had the highest number of households living in informal dwellings.

**Figure 21: Formal dwelling backlog**



Source: StatsSA (Census 2022 & 2011)

When looking at the formal dwelling unit backlog (number of households not living in a formal dwelling) over time, it can be seen that in 2011 the proportion of households living in informal dwellings was 1,5%, and this percentage has since declined to 0,9% in 2022. The largest improvement was seen in King SabataDalindyebo local municipality with (0,5%) in 2022 compared to 2,0% in 2011 and Kumkani Mhlontlo local municipality where only 0,3% of the total households were living in informal dwellings in 2022 compared to 2,3% in 2011. In contrast, there has been a notable increase in the proportion of households living in informal dwellings in Nyandeni local municipality from 0,6% in 2011 to 0,7% in 2022, and this increase was also noted in Ingquza Hill from 1,0% in 2011 to 1,8% in 2022. The proportion of households living in informal dwellings has also increased in Port St Johns Local municipality from 1,0% in 2011 to 1,4% in 2022.

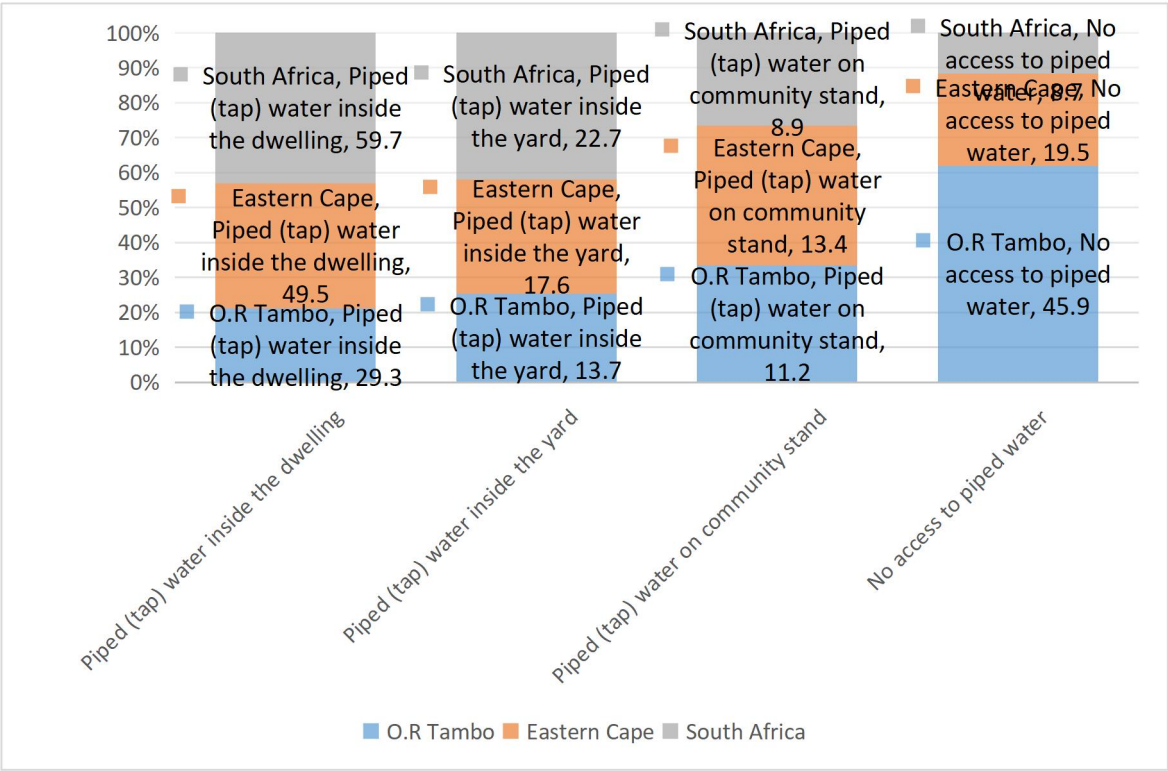
## 2.4 ACCESS TO BASIC SERVICES

Household access to basic services such as clean water, electricity, sanitation, and refuse removal is a basic human right. Information about household access to basic services is critical for measuring progress and planning regarding basic service delivery. Access to these services also affects households' health, the environment, and the level of poverty in the country.

### 2.4.1 Access to Water

Access to safe drinking water is fundamental right that also links to the health, well-being and safety of the population of the country. The quality and availability of the water services are of extreme importance for the quality of human life and living standards. Figure 20 below details the status of households by access to piped water in the district.

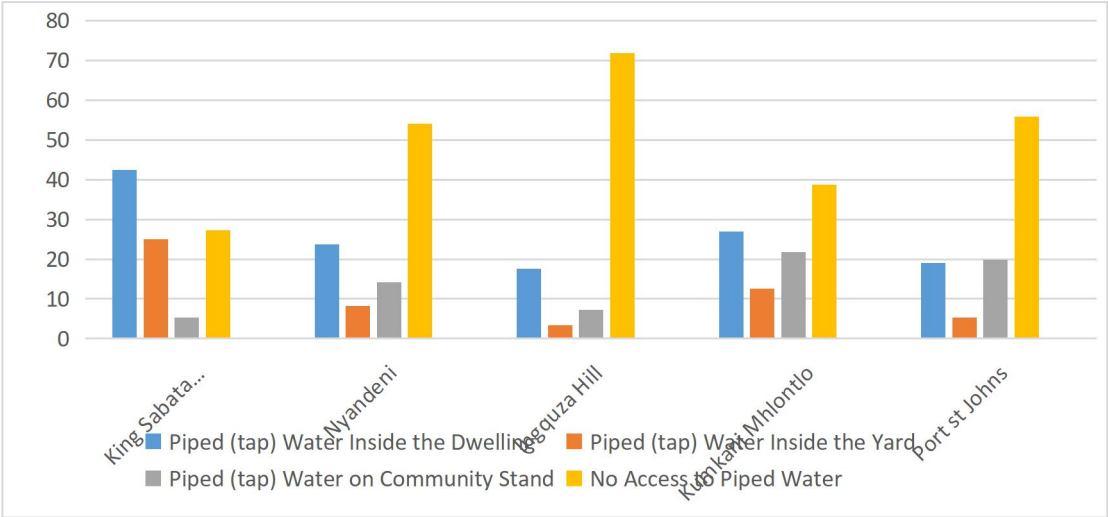
Figure 22: Distribution of Households by Access to Piped Water- 2011 and 2022



Source: StatsSA (Census 2022)

Figure 20 above illustrates an increase in the proportion of households with access to piped water (tap) inside their dwelling within the O.R. Tambo District from 8,9% in 2011 to 29,3% in 2022. The proportion of households that had access to piped water inside the yard increased from 10,3% in 2011 to 13,7% in 2022, while those who had access to piped water offsite (access to piped water on a community stand) declined from 30,0% in 2011 to 11,2% in 2022. Figure 21 below presents the distribution of households by access to piped water in each local municipality.

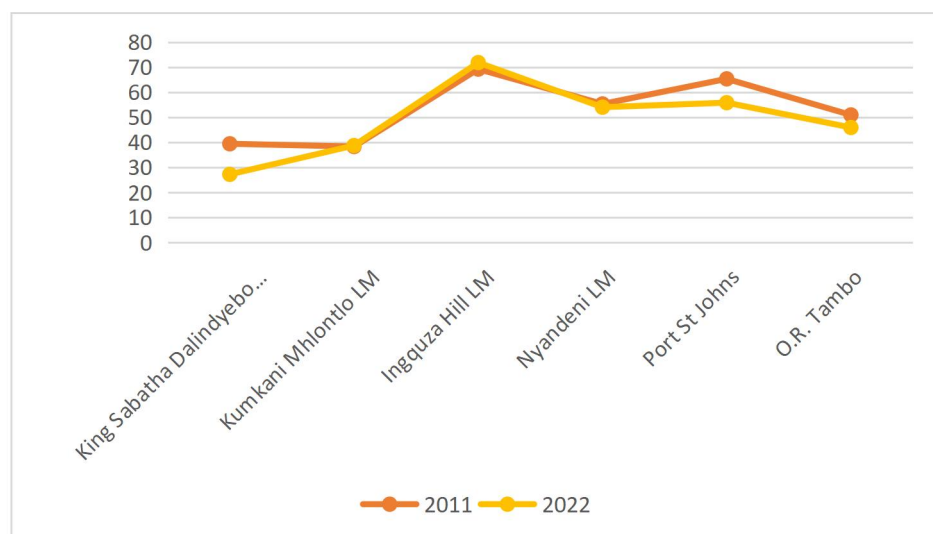
Figure 23: Households by Type of Water Access per local municipality



Source: Census (2022)

Figure 21 shows that households with access to piped water inside the dwelling were more common in King Sabata Dalindyebo local municipality (42, 4%). Kumkani Mhlontlo local municipality had the highest proportion of households with access to piped water on a community stand (21,7%) compared to other local municipalities in the district. Although the district picture regarding access to piped water in the district shows a significant improvement between 2011 and 2022, there is a significant proportion of households with no access to piped water. Figure 22 below provides a detail of the water backlog in the district.

**Figure 24: Water Backlog**



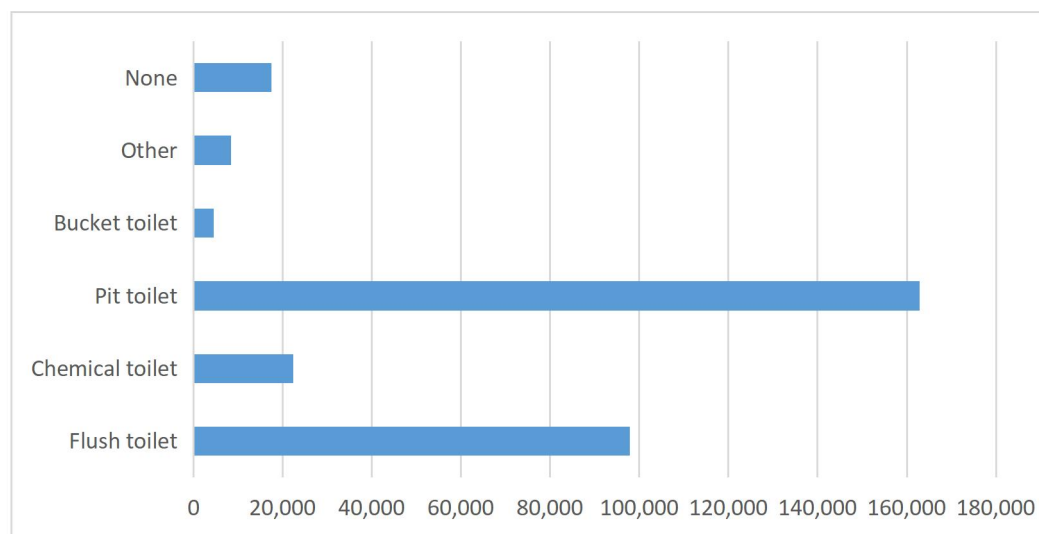
Source: StatsSA (Census 2022 & 2011)

Overall, the district's water backlog as per the 2022 census is 45,9%, a significant decline from 50,9% in 2011. The highest water backlog was in Ingquza Hill local municipality (71,8%), and the lowest backlog was in King SabataDalindyebo local municipality (27,2%).

#### 2.4.2 Sanitation

O.R. Tambo uses various types of sanitation facilities including flush toilets, chemical toilets, pit toilets, bucket toilets, and other forms. Figure 23 provides the status of households by access to the type of sanitation services within the district based on 2022 census results.

**Figure 25: Household by access to type of toilet facility**



Source: StatSA (Census 2022)

In 2022, 31,2% of households had access to flush toilets, while 5,6% had no access to any form of sanitation. The increased number of households with flushing toilets can be attributed to the increased access to piped water as many households, particularly in peri-urban and few in rural areas are migrating from pit toilets due to access to piped water inside the dwelling or the yard. The majority of households (51,9%) in the district were using pit toilets, and this percentage has since been reduced from 57,4% in 2011. Pit toilets are mostly used in rural areas where there is no proper piped water system. A proportion of 7.2% of households were still using chemical toilets, while a further 1.4% of the total households were using bucket toilets. Table 17 below provides the distribution of households by sanitation in each local municipality.

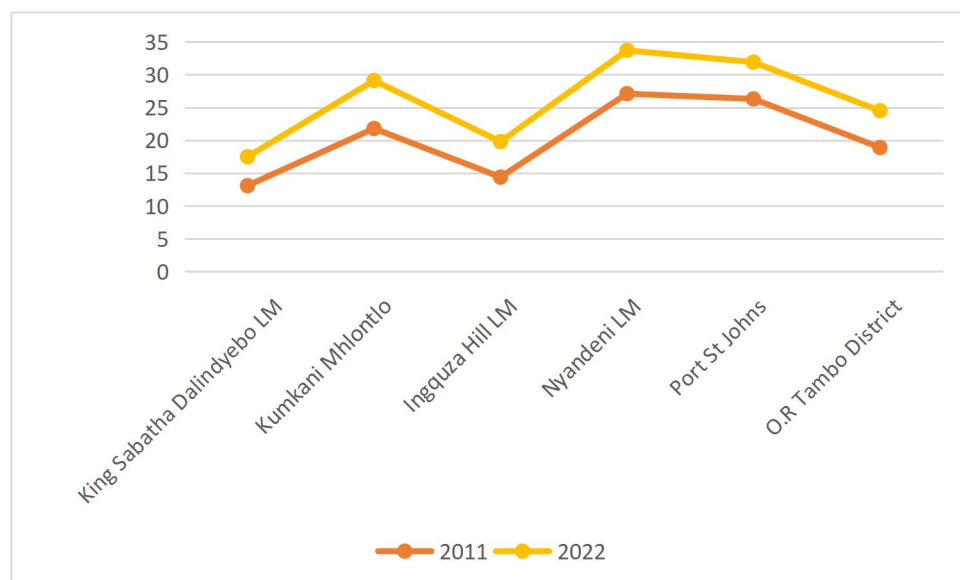
**Table 19: Household by Type of Sanitation - municipalities in the District (Numbers)**

	O.R Tambo District	King Sabata Dalindyebo	Kumkani Mhlontlo	Ingquza Hill	Nyandeni	Port St Johns
Flush toilet	97 846	54 534	11 620	11 458	14 287	5 947
Chemical toilet	22 418	3 753	3 557	8 665	3 550	2 892
Pit toilet	162 830	47 877	24 540	36 023	36 407	17 983
Bucket toilet	4 512	1 054	288	1 740	832	597
Other	8 482	2 271	778	2 695	1 241	1 497
None	17 448	5 091	3 198	3 470	3 964	1 727

Source: StatsSA, 2022 (Census)

With 54 534 (47,7%), King SabataDalindyebo Local Municipality is the highest region with flushing toilets, followed by Nyandeni with 14 287 (23,7%). Port st Johns accounts for the lowest number of flushing toilets in the district with a share of 5 947 (19,4%). Most households with no access to any type of toilet facility are also found in King Sabata Dalindyebo with a total estimation of 5091 (4,4%).

**Figure 26: Sanitation Backlog**



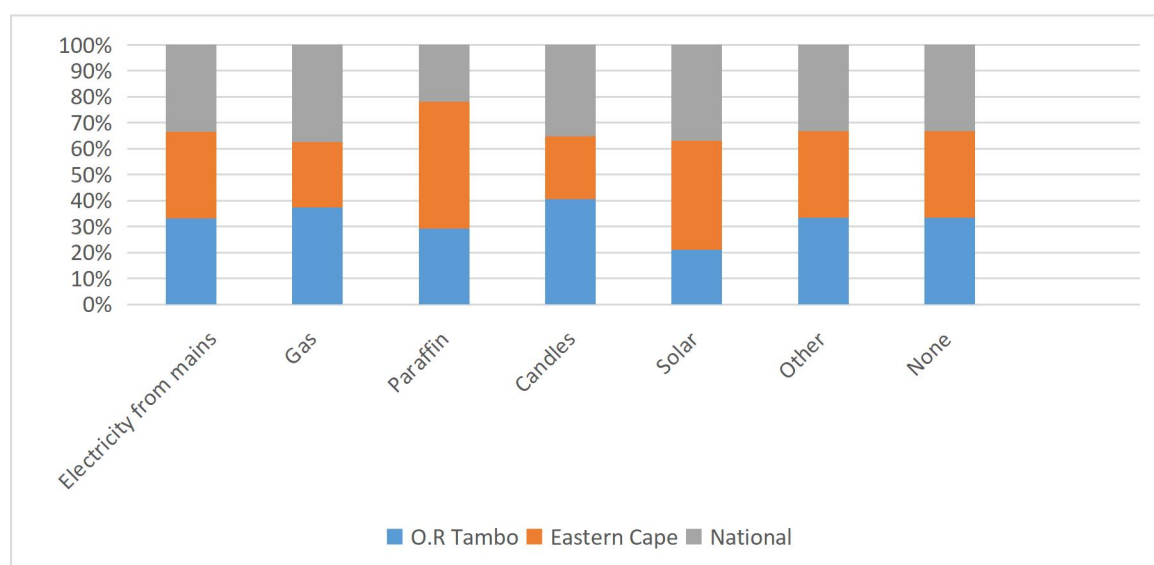
Source: StatsSA (Census 2022 & 2011)

When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2011 the proportion of Households without any hygienic toilets in O.R. Tambo District Municipality was 18,9%, this decreased to 5,6% in 2022. The largest improvement was noted in Nyandeni local municipality (6,6%) from 27,1% in 2011 and Port St Johns (5,6%) in 2022 compared to 18,9% in 2011.

### 2.4.3 Access to Electricity

Households are distributed into three (3) electricity usage categories: Households using electricity for cooking, households using electricity for heating, households using electricity for lighting. Figure 25 details the state of electricity usage in the district for lighting.

**Figure 27: Households by access to electricity - O.R. Tambo, Eastern Cape and National Total**

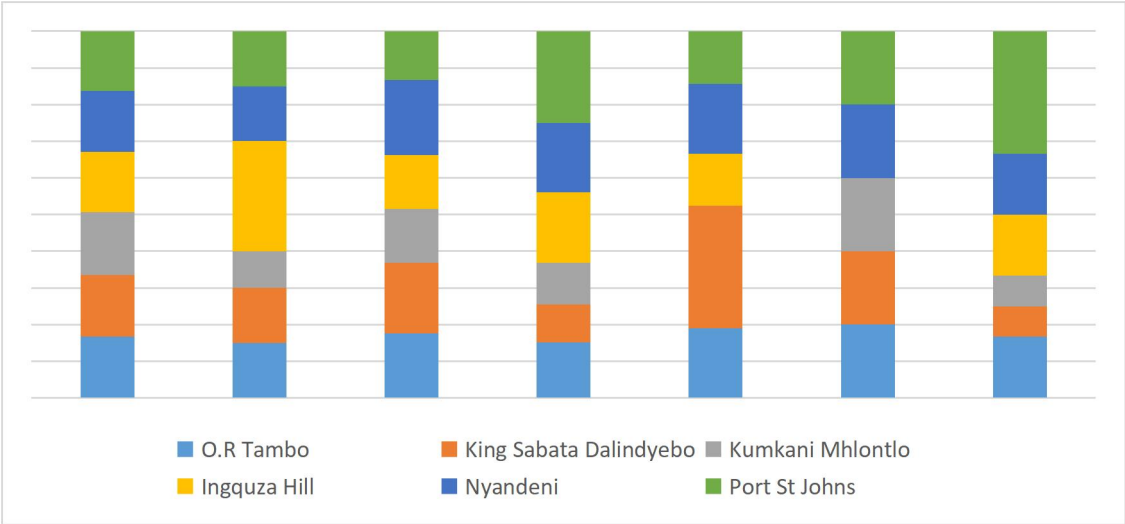


Source: StatsSA 2022 (Census)



In 2022, the proportion of households with access to electricity in the district, as measured through the percentage of households that used electricity for lighting was 94,1% and which is an increase from 70,1% in 2011.

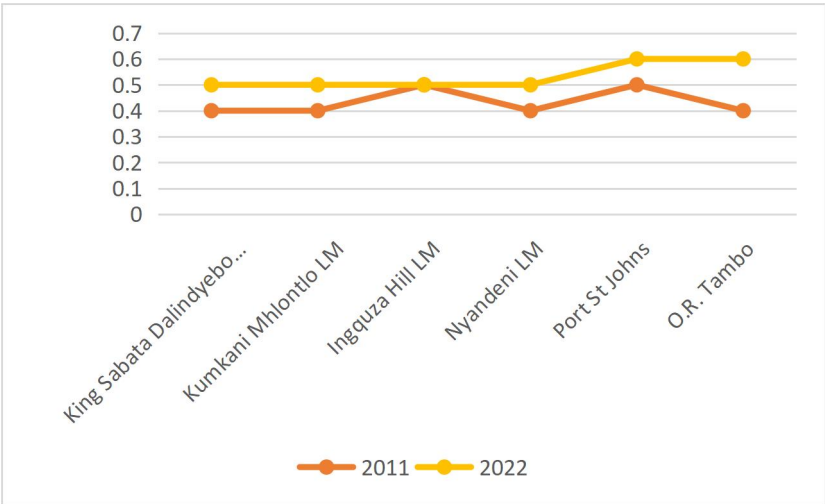
**Figure 28: Household access to electricity by Local Municipality**



**Source: StatsSA 2022 (Census)**

According to StatsSA (Census 2022), the highest number of households with access to electricity for lighting and other purposes is Mhlontlo Local Municipality with 42 105 or a share of 95,7% of the total number of households. The region with the lowest number of households with access to electricity with access to electricity for lighting and other purposes is Port St Johns with 28 172 or a share of 91,9% of the total number of households.

**Figure 29: Electricity Backlog**

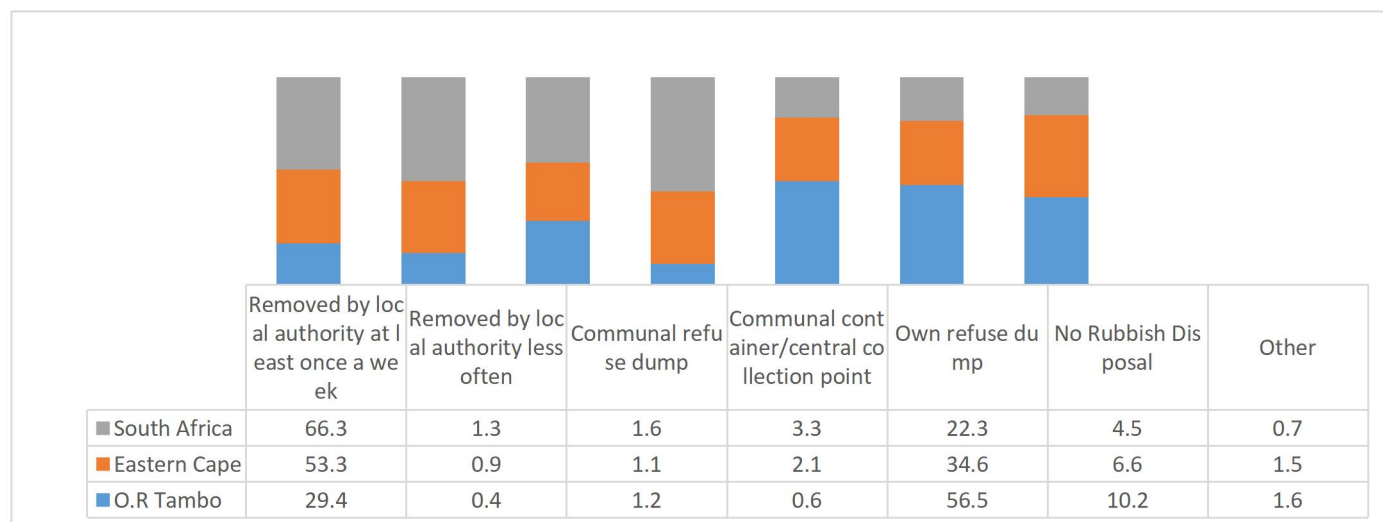


In 2022, there was a decline in the number of households without access to electricity from 0,4% in 2011 to 0,2% d in 2022. The largest decline was observed in Ingquza Hill (0,0%) from 0,5% in 2011.

#### 2.4.4 Access to refuse removal

Refuse removal remains one of the important aspects of municipalities in dealing with dirty and unhealthy environments across communities. Figure 28 below details the refuse removal trends over time as per the 2022 census results.

**Figure 30: Household access to refuse removal – O.R. Tambo District**



**Source: StatsSA 2022 (Census)**

The proportion of households whose refuse is removed by local authorities weekly increased from 10,7% in 2011 to 29,4% in 2022. A limited number of 0,6% used communal containers or central collection points. The majority of households (56,5%) in the district used their refuse dump in 2022, and this can be attributed rural nature of the district as many of these households are found in rural areas. A further 10,2% of the total households had no access to any form of rubbish disposal, and this represents a multitude of health and environmental risks that require government intervention to promote more sustainable practices regarding their use and disposal.

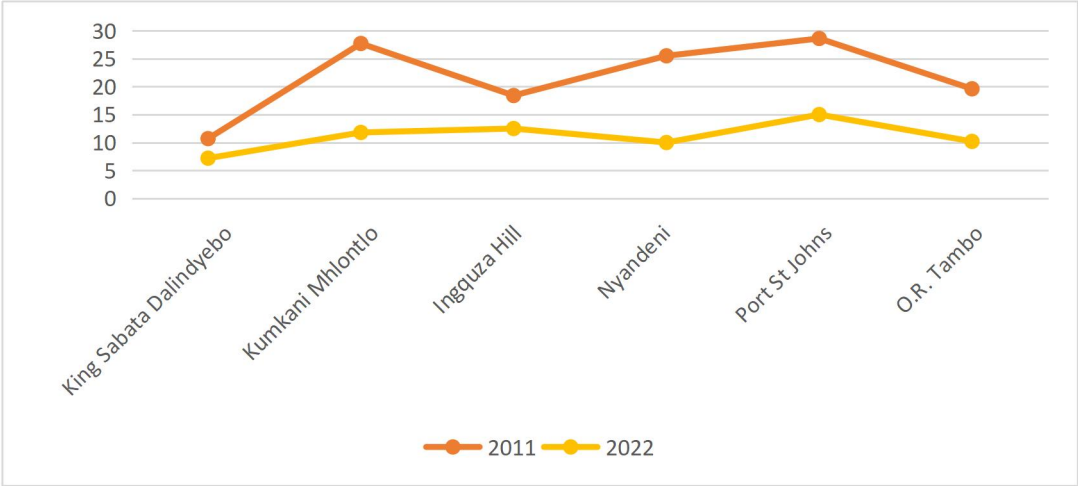
**Table 20: Households by refuse collection - by local municipality in O.R. Tambo District.**

	O.R Tambo	King Sabata Dalindyebo	Kumkani Mhlontlo	Ingquza Hill	Nyandeni	Port St Johns
Removed by local authority at least once a week	29,4	43,3	25,9	18,0	23,1	18,7
Removed by local authority less often	0,4	0,6	0,1	0,5	0,1	0,0
Communal refuse dump	1,2	1,0	1,9	1,6	0,9	1,2
Communal container/central collection point	0,6	1,0	0,3	0,3	0,5	0,7
Own refuse dump	56,5	45,9	57,4	65,0	63,9	62,8
No Rubbish Disposal	10,2	7,2	11,8	12,5	10,0	15,0
Other	1,6	1,0	2,6	2,1	1,5	1,6

Table 18 provides that weekly refuse removal is more common in King SabataDalindyebo Local Municipality with 43,3%, and this is above the district average of 29,4% weekly refuse removal. Ingquza

Hill local municipality had the lowest proportion (18,0%) of households whose refuse is removed at least once a week.

**Figure 31: Refuse Removal Backlog- O.R. Tambo District Municipality**



**Source: StatsSA (Census 2022 & 2011)**

With regard to household without access to refuse removal, it can be seen that the backlog in the district has decreased from 19,6% in 2011 to 10,2% in 2022. The largest improvement was recorded across the five local municipalities.

## 2.5 SOCIO-ECONOMIC PROFILE

### 2.5.1 Economic Overview

The economic state of O.R. Tambo District Municipality is put in perspective by comparing it on a spatial level with its neighboring district municipalities, Eastern Cape Province, and South Africa. The section will also allude to the economic composition and contribution of the regions within O.R. Tambo District Municipality.

The O.R. Tambo District Municipality does not function in isolation from Eastern Cape, South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality respectively.

### 2.5.2 Gross domestic product by region (GDP-R)

The gross domestic product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Gross domestic product by region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measures the economy in actual Rand, and constant prices measures the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

**Table 21: Gross domestic product (GDP) - O.R. Tambo, Eastern Cape and National Total, 2013-2023**

[R billions, Current prices]

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2013	31.3	309.6	3,868.6	10.1%	0.81%
2014	33.7	330.8	4,133.9	10.2%	0.82%
2015	36.4	354.1	4,420.8	10.3%	0.82%
2016	39.5	379.0	4,759.6	10.4%	0.83%
2017	42.6	403.4	5,078.2	10.6%	0.84%
2018	45.0	420.9	5,363.2	10.7%	0.84%
2019	47.8	437.2	5,625.2	10.9%	0.85%
2020	48.2	430.3	5,568.0	11.2%	0.87%
2021	54.1	472.9	6,208.8	11.4%	0.87%
2022	58.2	501.0	6,628.6	11.6%	0.88%
2023	62.4	531.9	6,970.2	11.7%	0.89%

Source: South Africa Regional eXplorer v2473.

With a GDP of R 62.4 billion in 2023 (up from R 31.3 billion in 2013), the O.R. Tambo District Municipality contributed 11.72% to the Eastern Cape Province GDP of R 532 billion in 2023 increasing the share of the Eastern Cape from 10.12% in 2013. The O.R. Tambo District Municipality contributes 0.89% to the GDP of South Africa which had a total GDP of R 6.97 trillion in 2023 (as measured in nominal or current prices). Its contribution to the national economy stayed similar in importance from 2013 when it contributed 0.81% to South Africa.

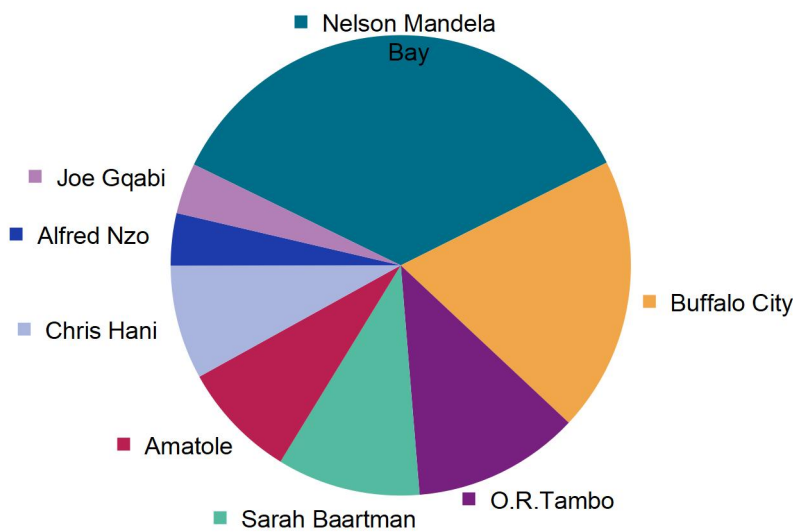
**Table 22: Gross domestic product (GDP) - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [Annual percentage change, Constant 2010 prices]**

	O.R.T ambo	Eastern Cape	National Total
2012	0.7%	1.9%	2.4%
2013	0.6%	1.4%	2.5%
2014	1.8%	0.8%	1.4%
2015	2.0%	0.9%	1.3%
2016	2.3%	0.8%	0.7%
2017	1.8%	0.5%	1.2%
2018	2.7%	1.1%	1.6%
2019	1.6%	0.1%	0.3%
2020	-3.4%	-5.8%	-6.0%
2021	6.5%	4.9%	4.7%
2022	3.6%	2.1%	1.9%
<b>Average Annual growth 2013-2023</b>	<b>2.00%</b>	<b>0.56%</b>	<b>0.73%</b>

Source: South Africa Regional eXplorer v2473.

In 2023, the O.R. Tambo District Municipality achieved an annual growth rate of 3.59% which is a significantly higher GDP growth than the Eastern Cape Province's 2.08% and is higher than that of South Africa, where the 2023 GDP growth rate was 1.91%. Similar to the short-term growth rate of 2023, the longer-term average growth rate for O.R. Tambo (2.00%) is also significantly higher than that of South Africa (0.73%). The economic growth in O.R. Tambo peaked in 2021 at 6.47%.

**Figure 32: Gross domestic product (GDP) - O.R. Tambo District Municipality and the rest of Eastern Cape, 2023 [Percentage]**



Source: South Africa Regional eXplorer v2473.

The O.R. Tambo District Municipality had a total GDP of R 62.4 billion and in terms of total contribution towards Eastern Cape Province the O.R. Tambo District Municipality ranked third relative to all the regional economies to total Eastern Cape Province GDP. O.R. Tambo increased in importance from ranking fourth in 2013 to third in 2023. In terms of its share, it was in 2023 (11.7%) significantly larger compared to what it was in 2013 (10.1%). For the period 2013 to 2023, the average annual growth rate of 2.0% of O.R. Tambo was the highest relative to its peers in terms of growth in constant 2010 prices.

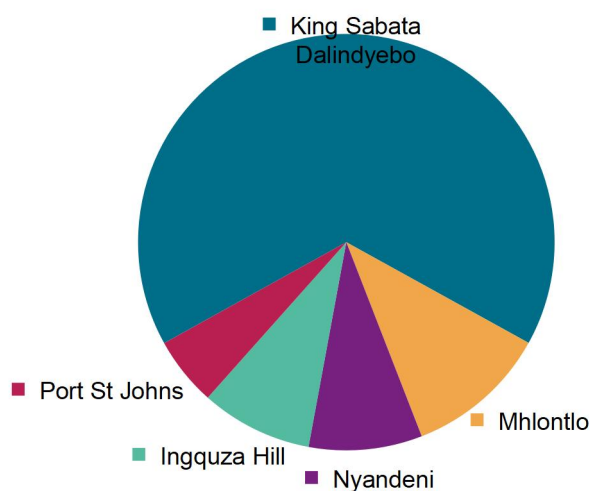
**Table 23: Gross domestic product (GDP) - local municipalities of O.R. Tambo District Municipality, 2013 to 2023, share and growth**

	2023 (Current prices)	Share of district municipality	2013 (Constant prices)	2023 (Constant prices)	Average Annual growth
Ingquza Hill	5.42	8.69%	3.71	3.63	<b>0.23%</b>
Port St Johns	3.34	5.36%	2.21	2.31	0.43%
Nyandeni	5.49	8.80%	3.46	3.83	1.01%
Mhlontlo	6.90	11.07%	4.63	4.72	0.20%
King Sabata Dalindyebo	41.21	66.09%	20.92	28.08	2.99%
<b>O.R. Tambo</b>	<b>62.36</b>		<b>34.93</b>	<b>42.57</b>	

Source: South Africa Regional eXplorer v2473.

King Sabata Dalindyebo had the highest average annual economic growth, averaging 2.99% between 2013 and 2023, when compared to the rest of the regions within the O.R. Tambo District Municipality. The Nyandeni Local Municipality had the second highest average annual growth rate of 1.01%. Ingquza Hill Local Municipality had the lowest average annual growth rate of -0.23% between 2013 and 2023.

**Figure 33: GDP contribution - local municipalities of O.R. Tambo District Municipality, 2023**  
[Current prices, Percentage]



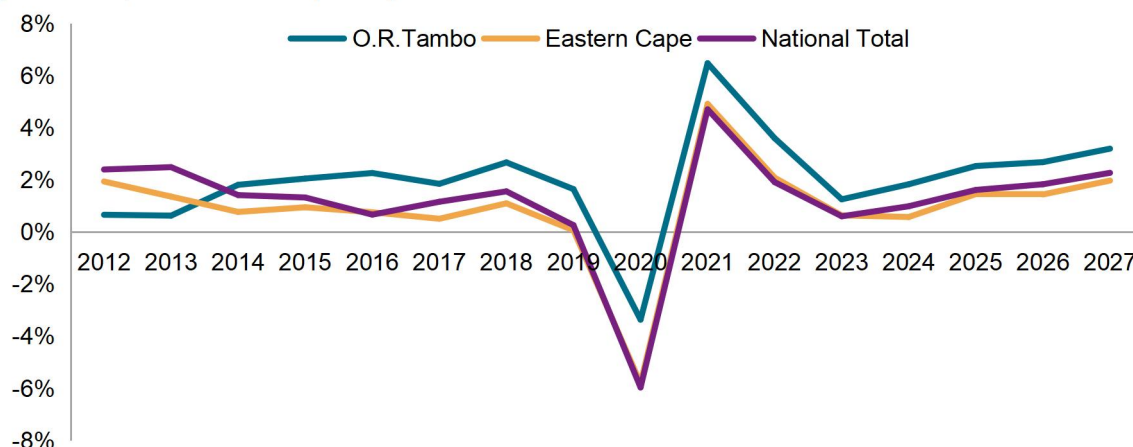
Source: South Africa Regional eXplorer v2473.

The greatest contributor to the O.R. Tambo District Municipality economy is the King Sabata Dalindyebo Local Municipality with a share of 66.09% or R 41.2 billion, increasing from R 18.7 billion in 2013. The economy with the lowest contribution is the Port St Johns Local Municipality with R 3.34 billion growing from R 1.98 billion in 2013.

### 2.5.3 Economic growth forecast

It is expected that O.R. Tambo District Municipality will grow at an average annual rate of 2.70% from 2023 to 2028. The average annual growth rate of Eastern Cape Province and South Africa is expected to grow at 1.49% and 1.80% respectively.

Figure 34: Gross domestic product (GDP) - O.R. Tambo, Eastern Cape and National Total, 2013-2028 [Average annual growth rate, constant 2010 prices]



Source: South Africa Regional eXplorer v2473.

In 2028, O.R. Tambo's forecasted GDP will be an estimated R 48.6 billion (constant 2010 prices) or 12.3% of the total GDP of Eastern Cape Province. The ranking in terms of size of the O.R. Tambo District Municipality will remain the same between 2023 and 2028, with a contribution to the Eastern Cape Province GDP of 12.3% in 2028 compared to 11.6% in 2023. At a 2.70% average annual GDP growth rate between 2023 and 2028, O.R. Tambo ranked the highest compared to the other regional economies.

**Table 24: Gross domestic product (GDP) - local municipalities of O.R. Tambo District Municipality, 2023 to 2028, share and growth**

	2028 (Current prices)	Share of district municipality	2023 (Constant prices)	2028 (Constant prices)	Average Annual growth
Ingquza Hill	7.51	8.05%	3.63	3.83	<b>1.06%</b>
Port St Johns	4.77	5.11%	2.31	2.48	1.43%
Nyandeni	7.89	8.45%	3.83	4.16	1.70%
Mhlontlo	9.71	10.40%	4.72	4.98	1.08%
King Sabata Dalindyebo	63.49	67.99%	28.08	33.19	3.40%
O.R. Tambo	93.38		42.57	48.63	

Source: South Africa Regional eXplorer v2473.

When looking at the regions within the O.R. Tambo District Municipality it is expected that from 2023 to 2028 the King Sabata Dalindyebo Local Municipality will achieve the highest average annual growth rate of 3.40%. The region that is expected to achieve the second-highest average annual growth rate is

Nyandeni Local Municipality, averaging 1.70% between 2023 and 2028. On the other hand, the region that performed the poorest relative to the other regions within O.R. Tambo District Municipality was the Ingquza Hill Local Municipality with an average annual growth rate of 1.06%.

#### 2.5.4 Gross value added by region (GVA-R)

The O.R. Tambo District Municipality's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value-added* produced in the local economy.

Gross value added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the O.R. Tambo District Municipality.

**Table 25: Gross value added (GVA) by broad economic sector - O.R. Tambo District Municipality, 2023 [R billions, current prices]**

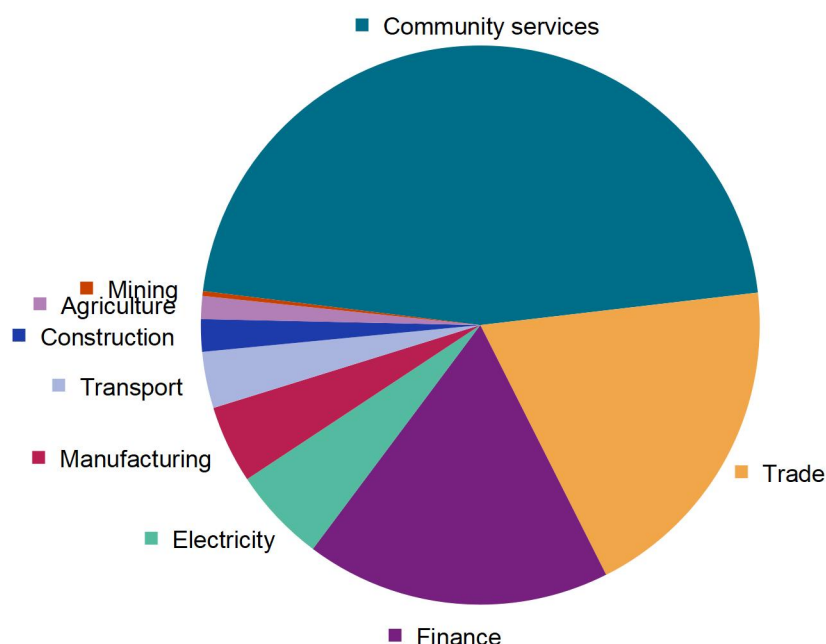
	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
Agriculture	0.8	10.6	176.1	7.3%	0.44%
Mining	0.2	1.3	440.8	12.1%	0.04%
Manufacturing	2.6	71.9	900.6	3.6%	0.29%
Electricity	3.2	10.3	216.2	31.0%	1.47%
Construction	1.1	12.3	155.0	8.8%	0.70%
Trade	11.3	81.8	877.4	13.8%	1.28%
Transport	1.9	25.7	487.2	7.4%	0.39%
Finance	10.2	85.1	1,462.0	12.0%	0.70%
Community services	26.8	183.6	1,563.1	14.6%	1.71%
Total Industries	58.0	482.6	6,278.4	12.0%	0.92%

Source: South Africa Regional eXplorer v2473.

In 2023, the community services sector is the largest within O.R. Tambo District Municipality accounting for R 26.8 billion or 46.2% of the total GVA in the district municipality's economy. The sector that contributes the second most to the GVA of the O.R. Tambo District Municipality is the trade sector at 19.4%, followed by the finance sector at 17.7%. The sector that contributes the least to the economy of O.R. Tambo District Municipality is the mining sector with a contribution of R 162 million or 0.28% of the total GVA.

Figure 35: Gross value added (GVA) by broad economic sector - O.R. Tambo District Municipality, 2023 [percentage composition]

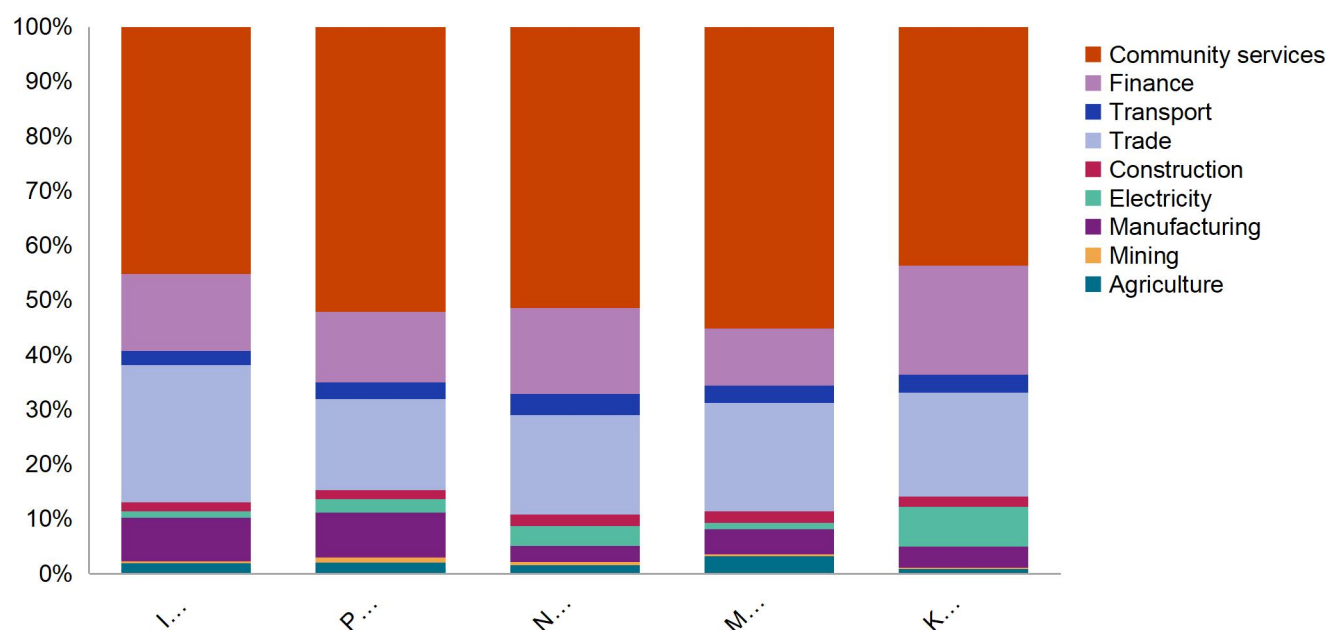




Source: South Africa Regional eXplorer v2473.

The community sector, which includes government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within the district municipality, the King Sabata Dalindyebo Local Municipality made the largest contribution to the community services sector at 62.97% of the district municipality. As a whole, the King Sabata Dalindyebo Local Municipality contributed R 38.6 billion or 66.58% to the GVA of the O.R. Tambo District Municipality, making it the largest contributor to the overall GVA of the O.R. Tambo District Municipality.

**Figure 36: Gross Value Added (GVA) by broad economic sector - local municipalities of O.R. Tambo District Municipality, 2023 [percentage composition]**



Source: South Africa Regional eXplorer v2473.

### 2.5.5 Historical economic growth

For the period 2023 and 2013, the GVA in the finance sector had the highest average annual growth rate in O.R. Tambo at 3.77%. The industry with the second highest average annual growth rate is the transport sector averaging 2.85% per year. The construction sector had an average annual growth rate of -1.83%, while the mining sector had the lowest average annual growth of -3.73%. Overall positive growth existed for all the industries in 2023 with an annual growth rate of 3.77% since 2022.

**Table 26: Gross value added (GVA) by broad economic sector - O.R. Tambo District Municipality, 2013, 2018, and 2023 [R billions, 2010 constant prices]**

	2013	2018	2023	Average Annual growth
Agriculture	0.39	0.38	0.42	<b>0.73%</b>
Mining	0.10	0.11	0.07	<b>-3.73%</b>
Manufacturing	1.41	1.50	1.56	<b>1.07%</b>
Electricity	1.65	1.56	1.39	<b>-1.74%</b>
Construction	0.93	0.94	0.77	<b>-1.83%</b>
Trade	6.13	6.65	6.83	<b>1.09%</b>
Transport	1.19	1.39	1.58	<b>2.85%</b>
Finance	5.35	6.48	7.75	<b>3.77%</b>
Community services	15.24	16.89	19.11	<b>2.29%</b>
Total Industries	32.39	35.91	39.48	<b>2.00%</b>

Source: South Africa Regional eXplorer v2473.

The tertiary sector contributes the most to the Gross Value Added within the O.R. Tambo District Municipality at 86.5%.

This is significantly higher than the national economy (69.9%). The secondary sector contributed a total of 11.9% (ranking second), while the primary sector contributed the least at 1.6%.

Figure 36: Gross value added (GVA) by aggregate economic sector - O.R. Tambo District Municipality, 2023 [percentage]



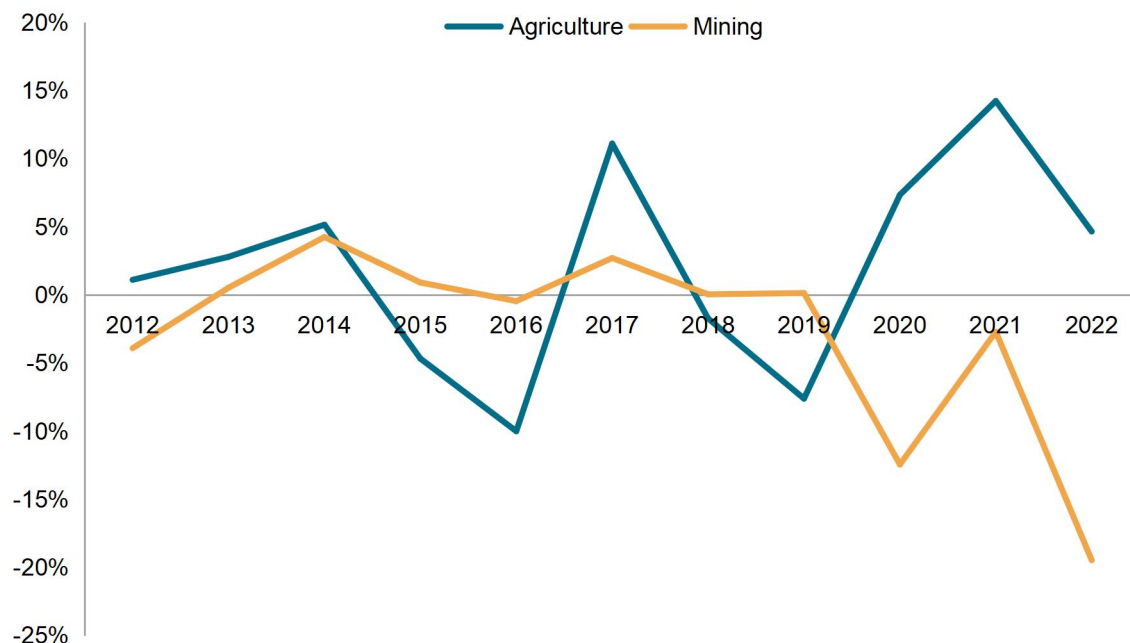
Source: South Africa Regional eXplorer v2473.

The following is a breakdown of the Gross Value Added (GVA) by aggregated sector:

#### 2.5.5.1 Primary Sector

The primary sector consists of two broad economic sectors namely the mining and the agricultural sector. The following chart represents the average growth rate in the GVA for both of these sectors in O.R. Tambo District Municipality from 2013 to 2023.

Figure 37: Gross value added (GVA) by primary sector - O.R. Tambo, 2013-2023 [Annual percentage change]



Source: South Africa Regional eXplorer v2473.

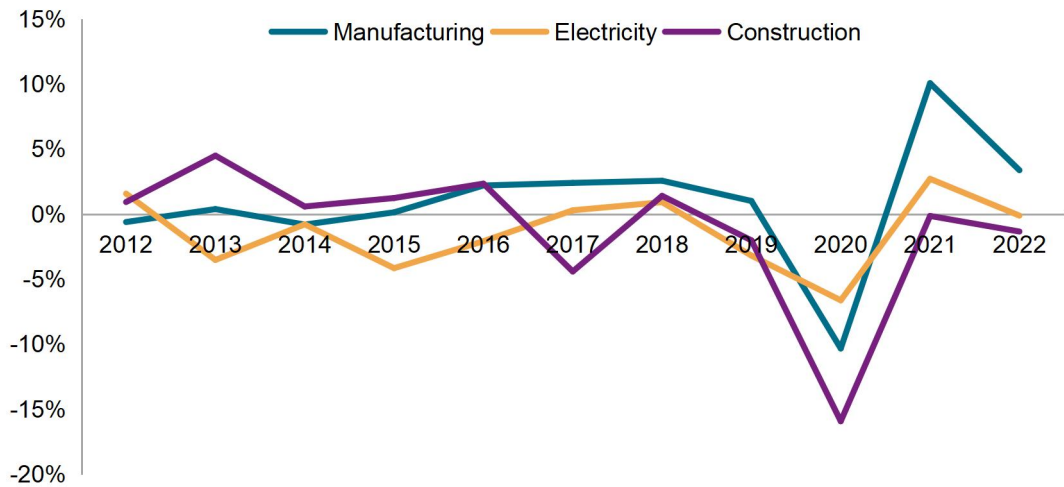
Between 2013 and 2023, the agriculture sector experienced the highest positive growth in 2021 with an average growth rate of 14.2%. The mining sector reached its highest point of growth of 4.2% in 2014.

The agricultural sector experienced the lowest growth for the period during 2016 at -10.0%, while the mining sector reached its lowest point of growth in 2022 at -19.5%. Both the agriculture and mining sectors are generally characterized by volatility in growth over the period.

### 2.5.5.2 Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. The following chart represents the average growth rates in the GVA for these sectors in O.R. Tambo District Municipality from 2013 to 2023.

Figure 38: Gross value added (GVA) by secondary sector - O.R. Tambo, 2013-2023 [Annual percentage change]



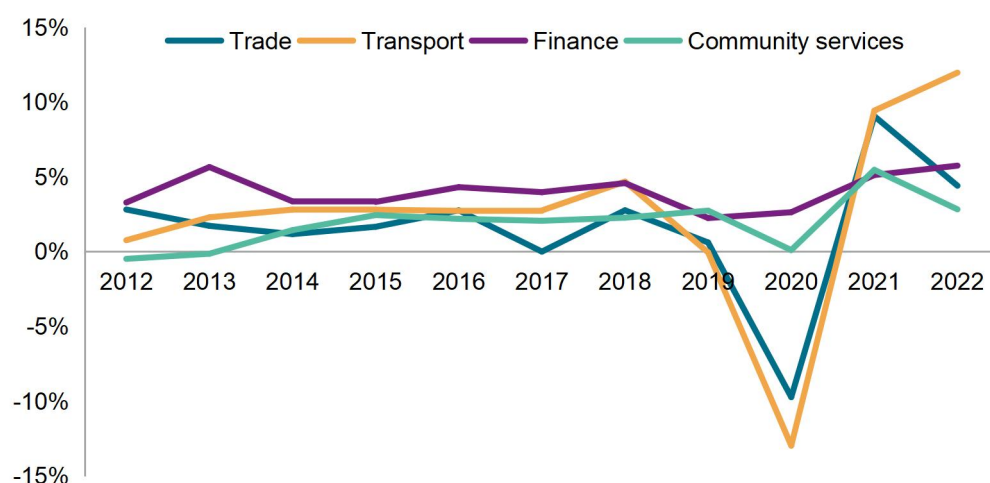
Source: South Africa Regional eXplorer v2473.

Between 2013 and 2023, the manufacturing sector experienced the highest positive growth in 2021 with a growth rate of 10.0%. The construction sector reached its highest growth in 2013 at 4.5%. The manufacturing sector experienced its lowest growth in 2020 of -10.3%, while the construction sector also had the lowest growth rate in 2020 and it experienced a negative growth rate of -15.9% which is a higher growth rate than that of the manufacturing sector. The electricity sector experienced the highest growth in 2021 at 2.7%, while it recorded the lowest growth of -6.6% in 2020.

### 2.5.5.3 Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The following chart represents the average growth rates in the GVA for these sectors in O.R. Tambo District Municipality from 2013 to 2023.

**Figure 39: Gross value added (GVA) by tertiary sector - O.R. Tambo, 2013-2023 [Annual percentage change]**



Source: South Africa Regional eXplorer v2473.

The trade sector experienced the highest positive growth in 2021 with a growth rate of 9.1%. The transport sector reached its highest point of growth in 2022 at 12.0%. The finance sector experienced the highest growth rate in 2022 when it grew by 5.7% and recorded the lowest growth rate in 2019 at 2.2%. The Trade sector had the lowest growth rate in 2020 at -9.7%. The community services sector, which largely consists of government, experienced its highest positive growth in 2021 with 5.5% and the lowest growth rate in 2012 with -0.5%.

#### 2.5.5.4 Sector growth forecast

The GVA forecasts are based on forecasted growth rates derived from two sources: historical growth rate estimates and national-level industry forecasts. The projections are therefore partly based on the notion that regions that have performed well in the recent past are likely to continue performing well (and vice versa) and partly on the notion that those regions that have prominent sectors that are forecast to grow rapidly in the national economy (e.g. finance and telecommunications) are likely to perform well (and vice versa). As the target year moves further from the base year (2010) the emphasis moves from historical growth rates to national-level industry growth rates.

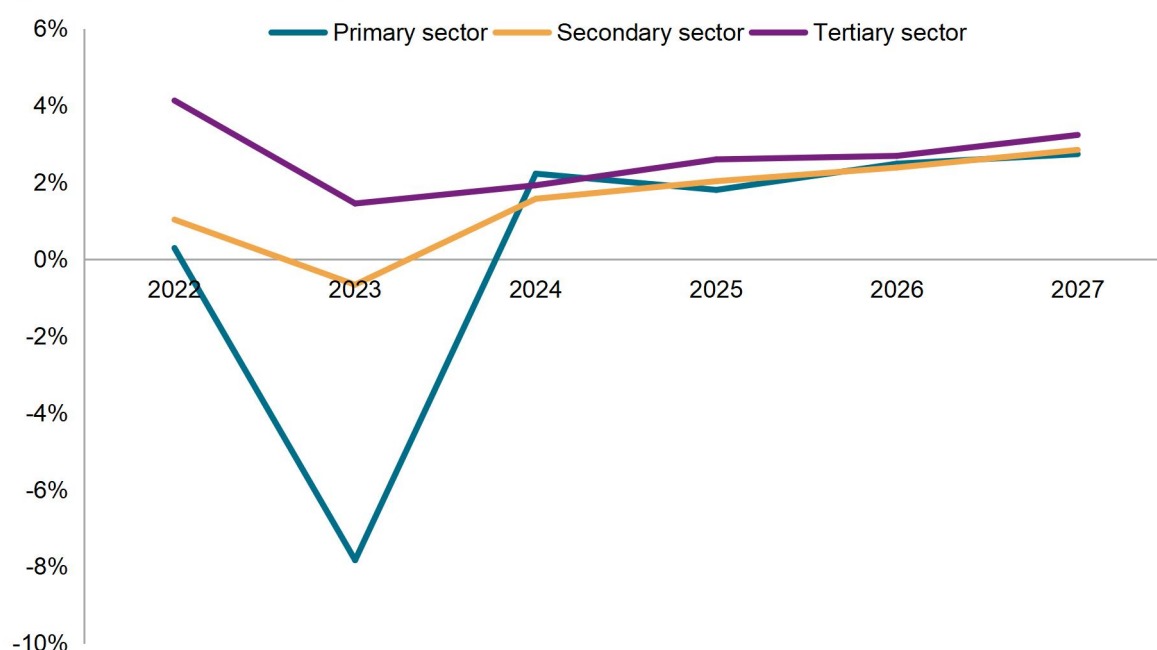
**Table 27: Gross value added (GVA) by broad economic sector - O.R. Tambo District Municipality, 2023-2028 [R billions, constant 2010 prices]**

	2023	2024	2025	2026	2027	2028	Average Annual growth
Agriculture	0.42	0.43	0.44	0.45	0.46	0.47	<b>2.48%</b>
Mining	0.07	0.07	0.07	0.07	0.08	0.08	<b>1.44%</b>
Manufacturing	1.56	1.59	1.62	1.66	1.70	1.75	<b>2.23%</b>
Electricity	1.39	1.38	1.40	1.42	1.45	1.49	<b>1.39%</b>
Construction	0.77	0.81	0.84	0.87	0.91	0.95	<b>4.16%</b>
Trade	6.83	6.91	7.16	7.25	7.41	7.56	<b>2.06%</b>
Transport	1.58	1.63	1.68	1.75	1.82	1.90	<b>3.76%</b>
Finance	7.75	8.00	8.29	8.64	9.02	9.42	<b>3.99%</b>
Community services	19.11	19.41	19.75	20.23	20.83	21.51	<b>2.39%</b>
<b>Total Industries</b>	<b>39.48</b>	<b>40.23</b>	<b>41.25</b>	<b>42.34</b>	<b>43.69</b>	<b>45.12</b>	<b>2.71%</b>

Source: South Africa Regional eXplorer v2473.

The construction sector is expected to grow fastest at an average of 4.16% annually from R 771 million in O.R. Tambo District Municipality to R 945 million in 2028. The community services sector is estimated to be the largest sector within the O.R. Tambo District Municipality in 2028, with a total share of 47.7% of the total GVA (as measured in current prices), growing at an average annual rate of 2.4%. The sector that is estimated to grow the slowest is the electricity sector with an average annual growth rate of 1.39%.

**Figure 40: Gross value added (GVA) by aggregate economic sector - O.R. Tambo District Municipality, 2023-2028 [Annual growth rate, constant 2010 prices]**



Source: South Africa Regional eXplorer v2473.

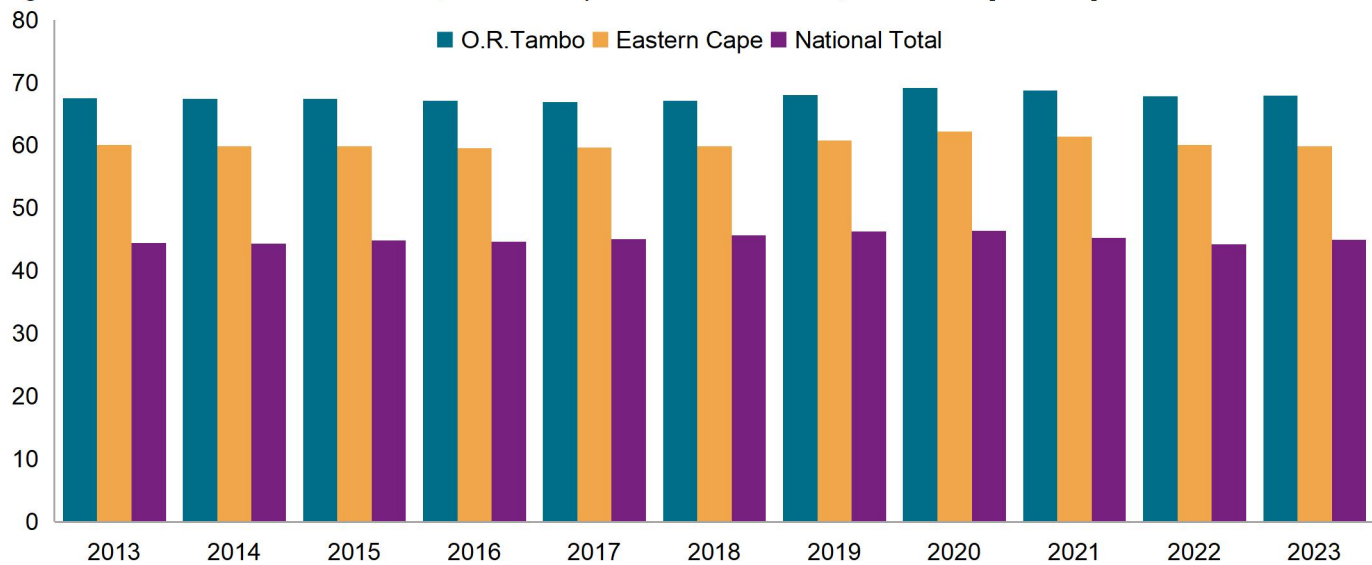
The Primary sector is expected to grow at an average annual rate of 2.33% between 2023 and 2028, with the Secondary sector growing at 2.34% on average annually. The Tertiary sector is expected to grow at an average annual rate of 2.75% for the same period.

*Based on the typical profile of a developing country, we can expect faster growth in the secondary and tertiary sectors when compared to the primary sector. Also remember that the agricultural sector is prone to very high volatility as a result of uncertain weather conditions, pests and other natural causes - and the forecasts presented here is merely a long-term trend rather than trying to forecast the unpredictable weather conditions.*

### 2.5.5.5 Tress index

The Tress index measures the degree of concentration of an area's economy on a sector basis. A Tress index value of 0 means that all economic sectors in the region contribute equally to GVA, whereas a Tress index of 100 means that only one economic sector makes up the whole GVA of the region.

Figure 41: Tress index - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [Number]



Source: South Africa Regional eXplorer v2473 (2024)

In 2023, O.R. Tambo's Tress Index was estimated at 67.9 which are higher than the 59.9 of the province and higher than the 59.9 of the South Africa as a whole. This implies that - on average - O.R. Tambo District Municipality is less diversified in terms of its economic activity spread than the national's economy.

The O.R. Tambo District Municipality has a concentrated community services sector.

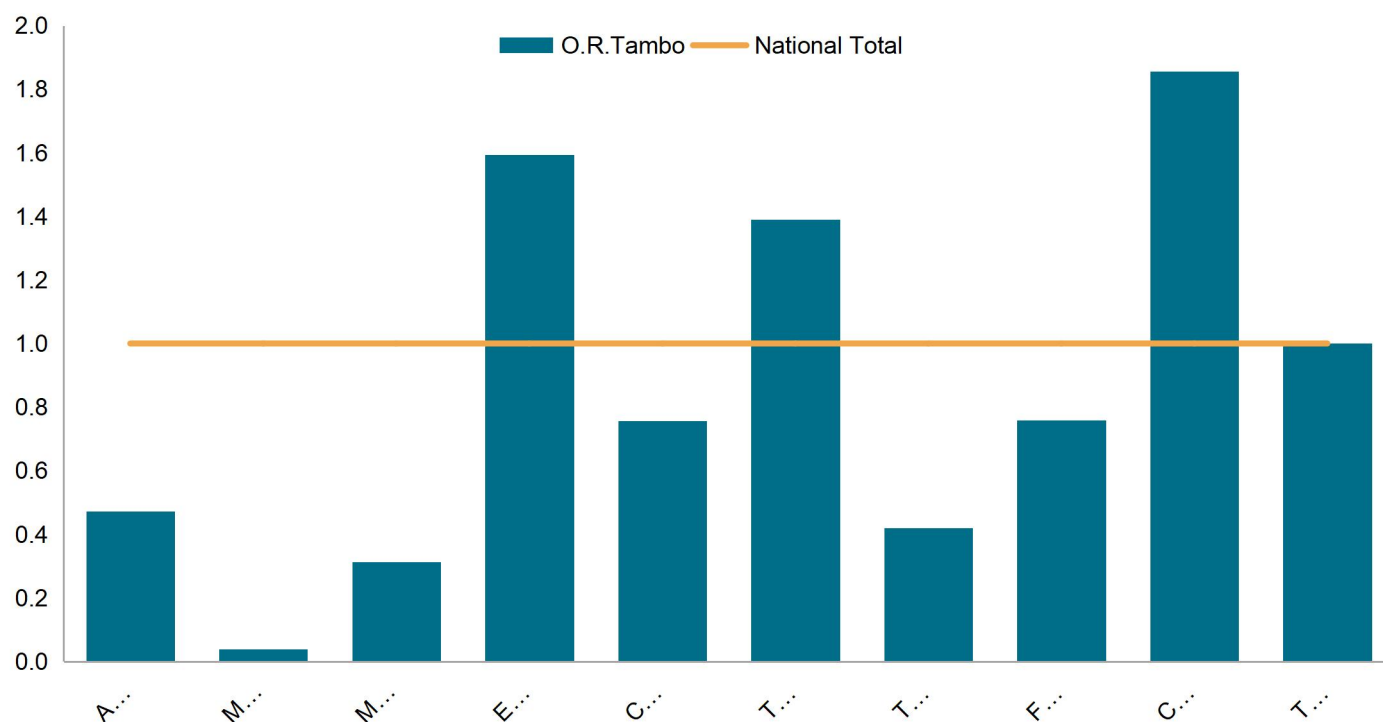
*The more diverse an economy is, the more likely it is to create employment opportunities across all skill levels (and not only - for instance - employment opportunities that cater for highly skilled laborers), and maintain a healthy balance between labor-intensive and capital-intensive industries. If both economic growth and the alleviation of unemployment are of concern, clearly there need to be industries that are growing fast and also creating jobs in particular the lower-skilled categories. Unfortunately, in practice, many industries that are growing fast are not those that create many employment opportunities for unskilled laborers (and alleviate unemployment).*

### 2.5.5.6 Location quotient

A specific regional economy has a comparative advantage over other regional economies if it can more efficiently produce the same good. The location quotient is one way of measuring this comparative advantage.

If the location quotient is larger than one for a specified sector within a region, then that region has a comparative advantage in that sector. This is because the share of that sector of the specified regional economy is greater than the same sector in the national economy. The location quotient is usually computed by taking the percentage share of the sector in the regional economy divided by the percentage share of that same sector in the national economy.

**Figure 42: Location quotient by broad economic sectors - O.R. Tambo District Municipality and South Africa, 2023 [Number]**



Source: South Africa Regional eXplorer v2473.

For 2023 O.R. Tambo District Municipality has a very large comparative advantage in the community services sector. The electricity sector also has a very large comparative advantage. The trade also has a comparative advantage when comparing it to the South African economy as a whole, although less prominent. The O.R. Tambo District Municipality has a comparative disadvantage when it comes to the mining and manufacturing sector which has a very large comparative disadvantage. In general, mining is a very concentrated economic sector. Unfortunately, the O.R. Tambo District Municipality area currently does not have a lot of mining activity, with an LQ of only 0.0397.

### 2.5.6 Labor

The labor force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking



employment. This is also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

**Table 28: Working age population in O.R. Tambo, Eastern Cape and National Total, 2013 and 2023 [Number]**

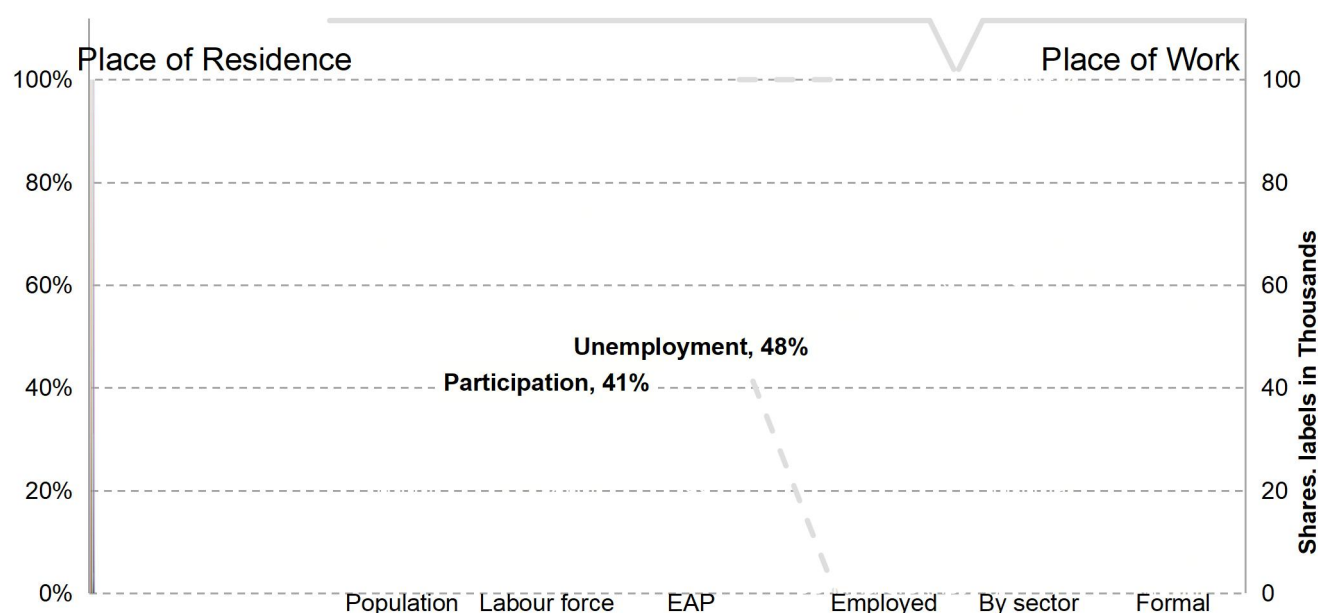
	O.R. Tambo		Eastern Cape		National Total	
	2013	2023	2013	2023	2013	2023
15- 19	184,000	199,000	702,000	718,000	4,870,000	5,300,000
20- 24	170,000	134,000	769,000	596,000	5,390,000	4,590,000
25- 29	129,000	128,000	655,000	635,000	5,370,000	5,060,000
30- 34	86,900	139,000	471,000	701,000	4,400,000	5,590,000
35- 39	54,600	112,000	325,000	602,000	3,550,000	5,380,000
40- 44	43,000	72,100	277,000	435,000	3,030,000	4,260,000
45- 49	40,900	47,700	264,000	299,000	2,630,000	3,330,000
50- 54	41,500	38,100	267,000	254,000	2,290,000	2,800,000
55- 59	37,000	35,700	240,000	240,000	1,910,000	2,380,000
60- 64	31,400	35,800	198,000	236,000	1,530,000	2,020,000
<b>Total</b>	<b>817,000</b>	<b>941,000</b>	<b>4,170,000</b>	<b>4,720,000</b>	<b>35,000,000</b>	<b>40,700,000</b>

Source: South Africa Regional eXplorer v2473.

The working age population in O.R. Tambo in 2023 was 941 000, increasing at an average annual rate of 1.42% since 2013. For the same period, the working-age population for Eastern Cape Province increased by 1.24% annually, while that of South Africa increased by 1.53% annually.

The graph below combines all the facets of the labour force in the O.R. Tambo District Municipality into one compact view. The chart is divided into "place of residence" on the left, which is measured from the population side, and "place of work" on the right, which is measured from the business side.

**Figure 43: Labour glimpse - O.R. Tambo District Municipality, 2023**



Source: South Africa Regional eXplorer v2473.

Reading the chart from the left-most bar, breaking down the total population of the O.R. Tambo District Municipality (1.58 million) into working age and non-working age, the number of people that are of working age is about 941 000. As per definition, those that are of age 0 - 19 (youth) or age 65 and up (pensioners) are part of the non-working age population. Out of the working age group, 41.2% are participating in the labour force, meaning 388 000 residents of the district municipality are currently part of the economically active population (EAP). Comparing this with the non-economically active population (NEAP) of the district municipality: full-time students at tertiary institutions, disabled people, and those choosing not to work, sum to 553 000 people. Out of the economically active population, there are 186 000 that are unemployed, or when expressed as a percentage, an unemployment rate of 48.0%. Up to here, all the statistics are measured at the place of residence.

On the far right, we have the formal non-agriculture jobs in O.R. Tambo, broken down by the primary (mining), secondary and tertiary industries. The majority of the formal employment lies in the Tertiary industry, with 107 000 jobs. When including the informal, agricultural, and domestic workers, we have a total number of 196 000 jobs in the area. Formal jobs make up 62.8% of all jobs in the O.R. Tambo District Municipality. The difference between the employment measured at the place of work, and the people employed living in the area can be explained by the net commuters that work outside of the district municipality.

*In theory, a higher or increasing population dividend is supposed to provide additional stimulus to economic growth. People of working age tend to uphold higher consumption patterns (Final Consumption Expenditure, FCE), and a denser concentration of working age people is supposed to decrease dependency ratios - given that the additional labour which is offered to the market, is absorbed.*

#### 2.5.6.1 Economically active population (EAP)

The economically active population (EAP) is a good indicator of how many of the total working-age population are in reality participating in the labour market of a region. If a person is economically active, he or she forms part of the labor force.

The economically active population (EAP) is defined as the number of people (between the ages of 15 and 65) who

are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people. People, who recently have not taken any active steps to find employment, are not included in the measure. These people may (or may not) consider themselves unemployed.

Regardless, they are counted as discouraged work seekers, and thus form part of the non-economically active population.

**Table 29: Economically active population (EAP) - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [number, percentage]**

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2013	243,000	1,830,000	19,300,000	13.3%	1.26%
2014	262,000	1,920,000	20,100,000	13.7%	1.31%
2015	278,000	2,000,000	20,800,000	13.9%	1.33%
2016	297,000	2,090,000	21,500,000	14.2%	1.38%
2017	318,000	2,180,000	22,000,000	14.6%	1.44%
2018	330,000	2,240,000	22,300,000	14.8%	1.48%
2019	351,000	2,330,000	22,700,000	15.1%	1.55%
2020	349,000	2,330,000	22,100,000	15.0%	1.58%
2021	363,000	2,390,000	22,200,000	15.2%	1.63%
2022	379,000	2,470,000	23,100,000	15.4%	1.64%
2023	388,000	2,520,000	24,100,000	15.4%	1.61%
<b>Average Annual growth</b>					
2013-2023	<b>4.77%</b>	<b>3.25%</b>	<b>2.26%</b>		

Source: South Africa Regional eXplorer v2473 (2024)

O.R. Tambo District Municipality's EAP was 388 000 in 2023, which is 24.46% of its total population of 1.58 million, and roughly 15.41% of the total EAP of the Eastern Cape Province. From 2013 to 2023, the average annual increase in the EAP in the O.R. Tambo District Municipality was 4.77%, which is 1.52 percentage points higher than the growth in the EAP of Eastern Cape's for the same period.

**Table 30: EAP as % of the total population - O.R. Tambo and the rest of Eastern Cape, 2013, 2018, 2023 [percentage]**

	2013	2018	2023
O.R. Tambo	17.0%	21.9%	24.5%

	2013	2018	2023
Nelson Mandela Bay	43.7%	44.4%	45.1%
Buffalo City	38.0%	43.3%	46.0%
Sarah Baartman	37.9%	42.3%	43.6%
Amatole	19.1%	24.5%	27.4%
Chris Hani	21.7%	26.9%	29.4%
Joe Gqabi	24.0%	29.2%	31.3%
Alfred Nzo	16.1%	20.4%	22.7%

Source: South Africa Regional eXplorer v2473 (2024)

In 2013, 17.0% of the total population in O.R. Tambo District Municipality was classified as economically active which increased to 24.5% in 2023. Compared to the other regions in Eastern Cape Province, Buffalo City Metropolitan Municipality had the highest EAP as a percentage of the total population within its region relative to the other regions. On the other hand, Alfred Nzo District Municipality had the lowest EAP with 22.7% of people classified as economically active population in 2023.

#### 2.5.6.2 Labor force participation rate

The labor force participation rate (LFPR) is the Economically Active Population (EAP) expressed as a percentage of the total working-age population.

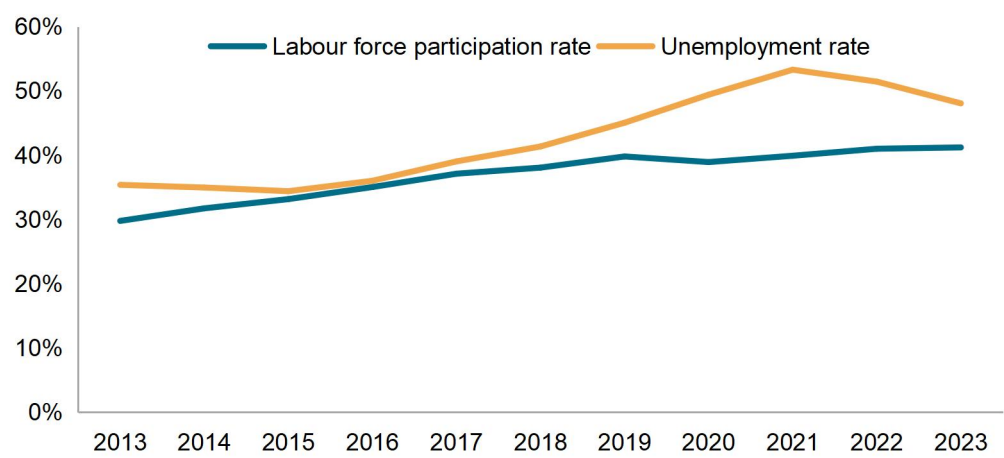
The following is the labour participation rate of the O.R. Tambo, Eastern Cape, and National Total as a whole.

**Table 31: The labor force participation rate - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [percentage]**

	O.R. Tambo	Eastern Cape	National Total
2013	29.8%	43.8%	55.2%
2014	31.7%	45.6%	56.6%
2015	33.1%	47.0%	57.7%
2016	35.0%	48.5%	58.8%
2017	37.1%	50.2%	59.5%
2018	38.0%	50.9%	59.4%
2019	39.8%	52.3%	59.4%
2020	38.9%	51.5%	57.0%
2021	39.9%	52.2%	56.5%
2022	41.0%	53.1%	57.8%
2023	41.2%	53.3%	59.3%

The O.R. Tambo District Municipality's labour force participation rate increased from 29.76% to 41.19% which is an increase of 11 percentage points. The Eastern Cape Province increased from 43.84% to 53.35%, South Africa increased from 55.20% to 59.31% from 2013 to 2023. The O.R. Tambo District Municipality labour force participation rate exhibited a higher percentage point change compared to the Eastern Cape Province from 2013 to 2023. The O.R. Tambo District Municipality had a lower labour force participation rate when compared to South Africa in 2023.

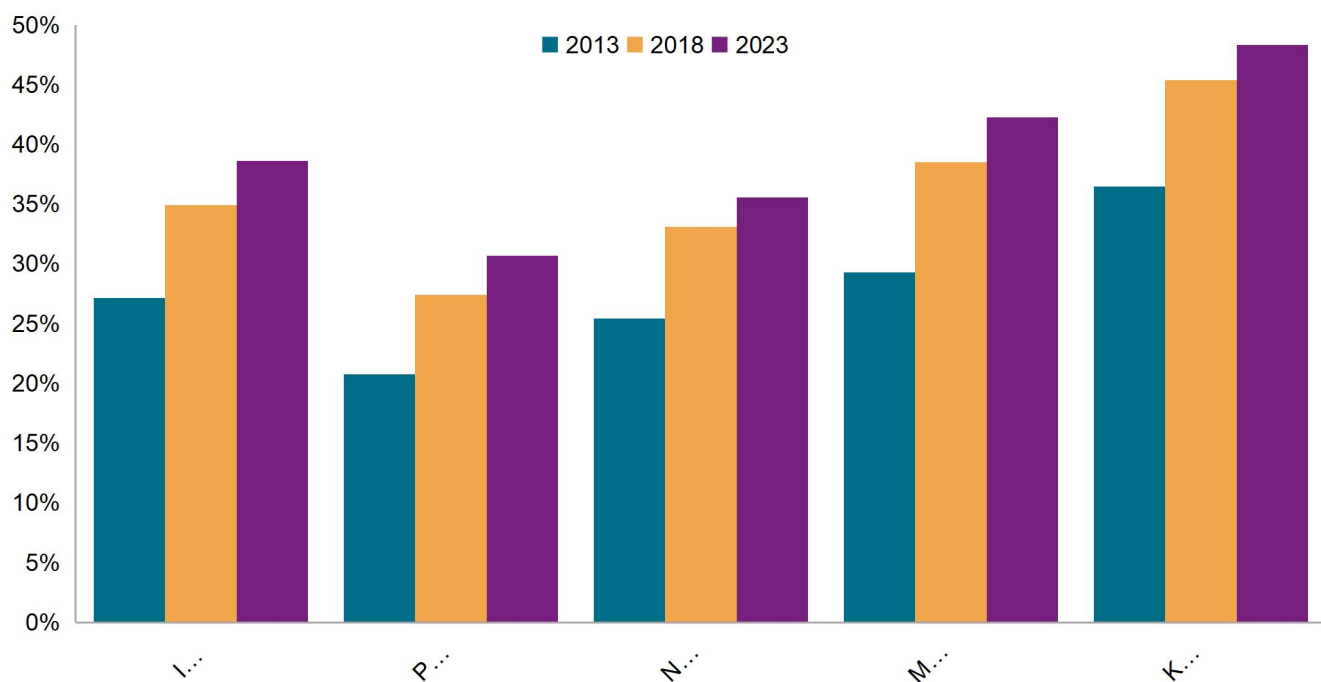
**Figure 44: The labour force participation and unemployment rates - O.R. Tambo District Municipality, 2013-2023 [percentage]**



Source: South Africa Regional eXplorer v2473 (2024).

In 2023 the labour force participation rate for O.R. Tambo was 41.2% which is significantly higher when compared to 29.8% in 2013. The unemployment rate is an efficient indicator that measures the success rate of the labour force relative to employment. In 2013, the unemployment rate for O.R. Tambo was 35.4% and increased overtime to 48.0% in 2023. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for employment within O.R. Tambo District Municipality.

**Figure 45: The labour force participation rate - local municipalities and the rest of O.R. Tambo District Municipality, 2018 and 2023 [percentage]**



Source: South Africa Regional eXplorer v2473 (2024)

King Sabata Dalindyebo Local Municipality had the highest labour force participation rate with 48.3% in 2023 increasing from 36.5% in 2013. Port St Johns Local Municipality had the lowest labour force participation rate of 30.7% in 2023, this increased from 20.8% in 2013.

### 2.5.6.3 Total employment

Employment data is a key element in the estimation of unemployment. In addition, trends in employment within different sectors and industries normally indicate significant structural changes in the economy. Employment data is also used in the calculation of productivity, earnings per worker, and other economic indicators. Total employment consists of two parts: employment in the formal sector, and employment in the informal sector.

**Table 32: Total employment - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [numbers]**

	O.R. Tambo	Eastern Cape	National Total
2013	153,000	1,270,000	14,400,000
2014	166,000	1,340,000	15,000,000
2015	177,000	1,400,000	15,500,000
2016	185,000	1,430,000	15,800,000
2017	188,000	1,440,000	16,000,000
2018	188,000	1,440,000	16,200,000
2019	187,000	1,430,000	16,200,000

	O.R. Tambo	Eastern Cape	National Total
2020	172,000	1,350,000	15,400,000
2021	165,000	1,300,000	14,800,000
2022	179,000	1,370,000	15,300,000
2023	195,000	1,460,000	16,300,000
<b>Average Annual growth</b>			
2013- 2023	<b>2.47%</b>	<b>1.36%</b>	<b>1.19%</b>

Source: South Africa Regional eXplorer v2473 (2024)

In 2023, O.R. Tambo employed 196 000 people which is 13.41% of the total employment in Eastern Cape Province (1.46 million), 1.20% of total employment in South Africa (16.3 million). Employment within O.R. Tambo increased annually at an average rate of 2.47% from 2013 to 2023.

**Table 33: Total employment per broad economic sector - O.R. Tambo and the rest of Eastern Cape, 2023 [Numbers]**

	O.R. Tambo	Nelson Mandela Bay	Buffalo City	Sarah Baartman	Amatole	Chris Hani	Joe Gqabi	Alfred Nzo	Total Eastern Cape
Agriculture	7,720	12,300	22,500	35,500	11,000	13,000	9,390	4,860	116,268
Mining	254	416	353	31	96	119	78	76	1,423
Manufacturing	6,640	77,100	19,800	16,400	7,320	6,680	3,610	3,450	141,042
Electricity	465	650	559	305	351	400	203	220	3,152
Construction	18,700	29,300	18,300	13,700	11,900	13,900	7,980	12,200	125,950
Trade	44,900	90,500	51,200	33,400	31,100	26,400	14,600	18,700	310,819
Transport	9,540	28,800	10,200	8,310	6,320	5,500	3,040	4,190	75,902
Finance	24,000	65,500	30,400	16,100	14,800	13,500	6,720	9,290	180,140
Community services	71,200	94,700	63,200	29,100	45,500	45,900	21,200	30,600	401,381
Households	12,100	28,400	16,800	12,800	9,440	9,820	6,560	5,560	101,462
Total	195,000	428,000	233,000	166,000	138,000	135,000	73,400	89,100	1,457,539

Source: South Africa Regional eXplorer v2473 (2024)

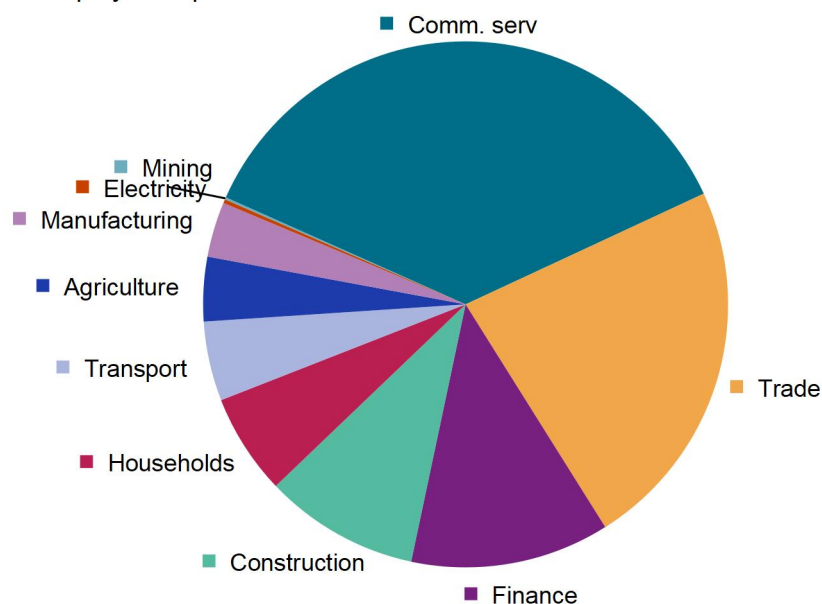
O.R. Tambo District Municipality employs a total number of 196 000 people within its district municipality. The district municipality that employs the highest number of people relative to the other



regions within Eastern Cape Province is Nelson Mandela Bay district municipality with a total number of 428 000. The district municipality that employs the lowest number of people relative to the other regions within Eastern Cape Province is Joe Gqabi district municipality with a total number of 73 400 employed people.

In O.R. Tambo District Municipality the economic sectors that recorded the largest number of employment in 2023 were the community services sector with a total of 71 200 employed people or 36.4% of total employment in the district municipality. The trade sector with a total of 44 900 (23.0%) employs the second highest number of people relative to the rest of the sectors. The mining sector with 254 (0.1%) is the sector that employs the least number of people in O.R. Tambo District Municipality, followed by the electricity sector with 465 (0.2%) people employed.

Figure 46: Total employment per broad economic sector - O.R. Tambo District Municipality, 2023 [percentage]



Source: South Africa Regional eXplorer v2473 (2024)

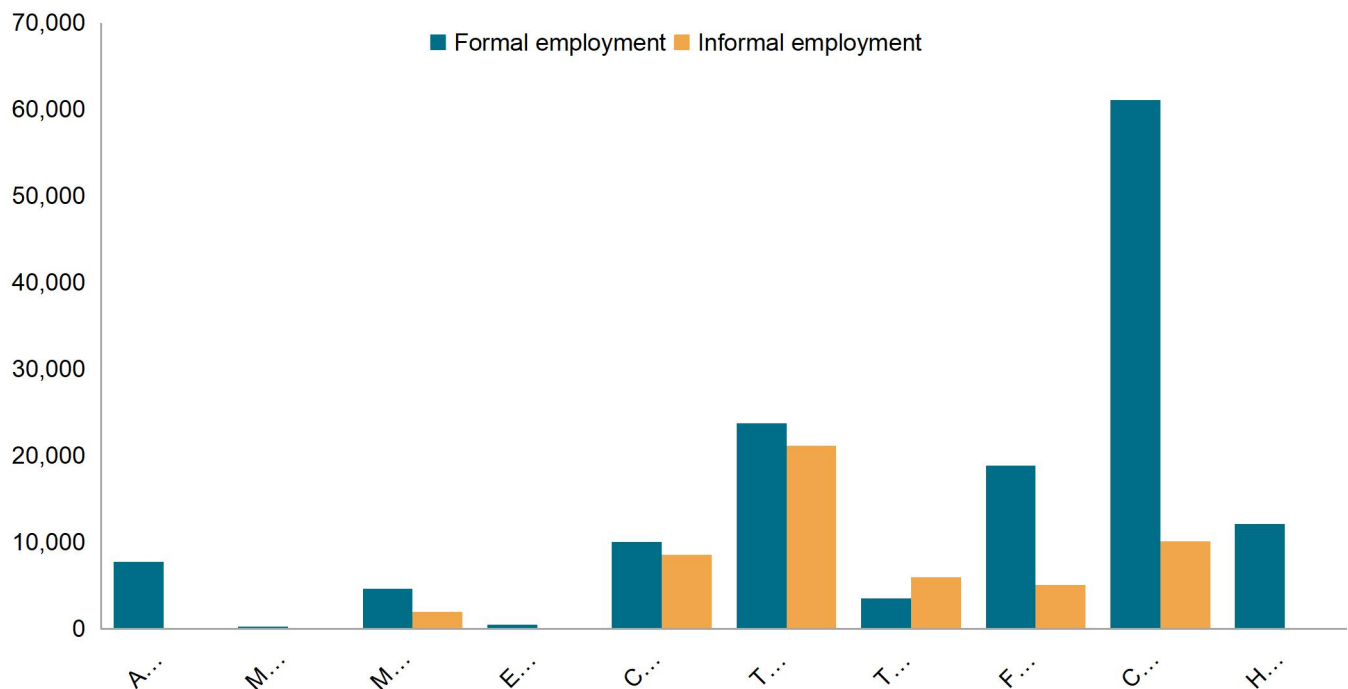
#### 2.5.6.4 Formal and Informal employment

Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established.

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

The number of formally employed people in O.R. Tambo District Municipality counted 143 000 in 2023, which is about 72.93% of total employment, while the number of people employed in the informal sector counted 52 900 or 27.07% of the total employment. Informal employment in O.R. Tambo increased from 38 800 in 2013 to an estimated 52 900 in 2023.

Figure 47: Formal and informal employment by broad economic sector - O.R. Tambo District Municipality, 2023 [numbers]



Source: South Africa Regional eXplorer v2473 (2024)

*Some of the economic sectors have little or no informal employment:*

*The mining industry, due to well-regulated mining safety policies, and the strict registration of a mine, has little or no informal employment. The Electricity sector is also well-regulated, making it difficult to get information on informal employment. Domestic Workers and employment in the Agriculture sector are typically counted under a separate heading.*

In 2023 the Trade sector recorded the highest number of informally employed, with a total of 21 200 employees or 40.01% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 1 970 and only contributes 3.72% to total informal employment.

**Table 34: Formal and informal employment by broad economic sector - O.R. Tambo District Municipality,**

**2023 [numbers]**

	Formal employment	Informal employment
Agriculture	7,720	N/A
Mining	254	N/A
Manufacturing	4,670	1,970
Electricity	465	N/A
Construction	10,100	8,580
Trade	23,800	21,200

	Formal employment	Informal employment
Transport	3,540	6,000
Finance	18,900	5,080
Community services	61,100	10,100
Households	12,100	N/A

Source: South Africa Regional eXplorer v2473 (2024)

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

#### 2.5.6.5 Unemployment

The unemployed includes all persons between 15 and 65 who are currently not working, but who are actively looking for work. It therefore excludes people who are not actively seeking work (referred to as discouraged work seekers).

The choice of definition for what constitutes being unemployed has a large impact on the final estimates for all measured labor force variables. The following definition was adopted by the Thirteenth International Conference of Labour Statisticians (Geneva, 1982): The "unemployed" comprise all persons above a specified age who during the reference period were:

**"Without work"**, i.e. not in paid employment or self-employment;

**"Currently available for work"**, i.e. were available for paid employment or self-employment during the reference period; and

**"Seeking work"**, i.e. had taken specific steps in a specified reference period to seek paid employment or self-employment. The specific steps may include registration at a public or private employment exchange; application to employers; checking at worksites, farms, factory gates, markets, or other assembly places; placing or answering newspaper advertisements; seeking assistance from friends or relatives; and looking for land.

**Table 35: Unemployment (official definition) - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [Number percentage]**

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2013	86,000	540,000	4,850,000	15.9%	1.77%
2014	91,700	565,000	5,060,000	16.2%	1.81%
2015	95,400	583,000	5,300,000	16.4%	1.80%
2016	107,000	636,000	5,670,000	16.8%	1.88%
2017	124,000	718,000	5,990,000	17.3%	2.07%
2018	136,000	782,000	6,100,000	17.5%	2.24%
2019	158,000	885,000	6,450,000	17.8%	2.45%

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2020	172,000	964,000	6,710,000	17.9%	2.57%
2021	193,000	1,070,000	7,470,000	18.0%	2.59%
2022	195,000	1,080,000	7,810,000	18.1%	2.50%
2023	186,000	1,040,000	7,880,000	17.9%	2.36%
<b>Average Annual growth</b>					
2013- 2023	<b>8.03%</b>	<b>6.77%</b>	<b>4.96%</b>		

Source: South Africa Regional eXplorer v2473 (2024)

In 2023, there was a total number of 186 000 people unemployed in O.R. Tambo, which is an increase of 100,000 from 86 000 in 2013. The total number of unemployed people within O.R. Tambo constitutes 17.92% of the total number of unemployed people in Eastern Cape Province. The O.R. Tambo District Municipality experienced an average annual increase of 8.03% in the number of unemployed people, which is worse than that of the Eastern Cape Province which had an average annual increase in unemployment of 6.77%.

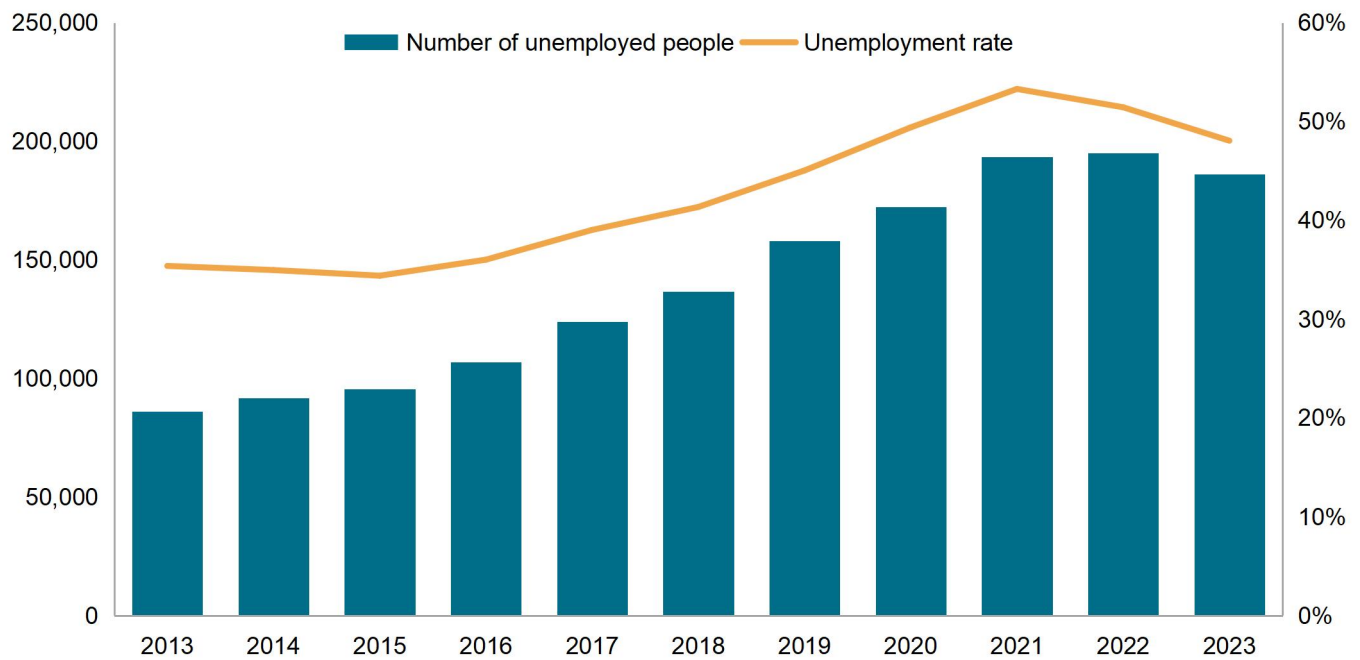
**Table 36: Unemployment rate (official definition) - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [Percentage]**

	O.R. Tambo	Eastern Cape	National Total
2013	35.4%	29.6%	25.2%
2014	35.0%	29.4%	25.2%
2015	34.4%	29.2%	25.5%
2016	36.0%	30.5%	26.4%
2017	39.0%	32.9%	27.2%
2018	41.3%	35.0%	27.4%
2019	45.0%	38.0%	28.4%
2020	49.4%	41.5%	30.3%
2021	53.3%	44.9%	33.6%
2022	51.4%	43.8%	33.7%
2023	48.0%	41.3%	32.6%

Source: South Africa Regional eXplorer v2473 (2024)

In 2023, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) was 48.04%, which is an increase of 12.7 percentage points. The unemployment rate in O.R. Tambo District Municipality is higher than that of Eastern Cape. The unemployment rate for South Africa was 32.64% in 2023, which is an increase of -7.49 percentage points from 25.15% in 2013.

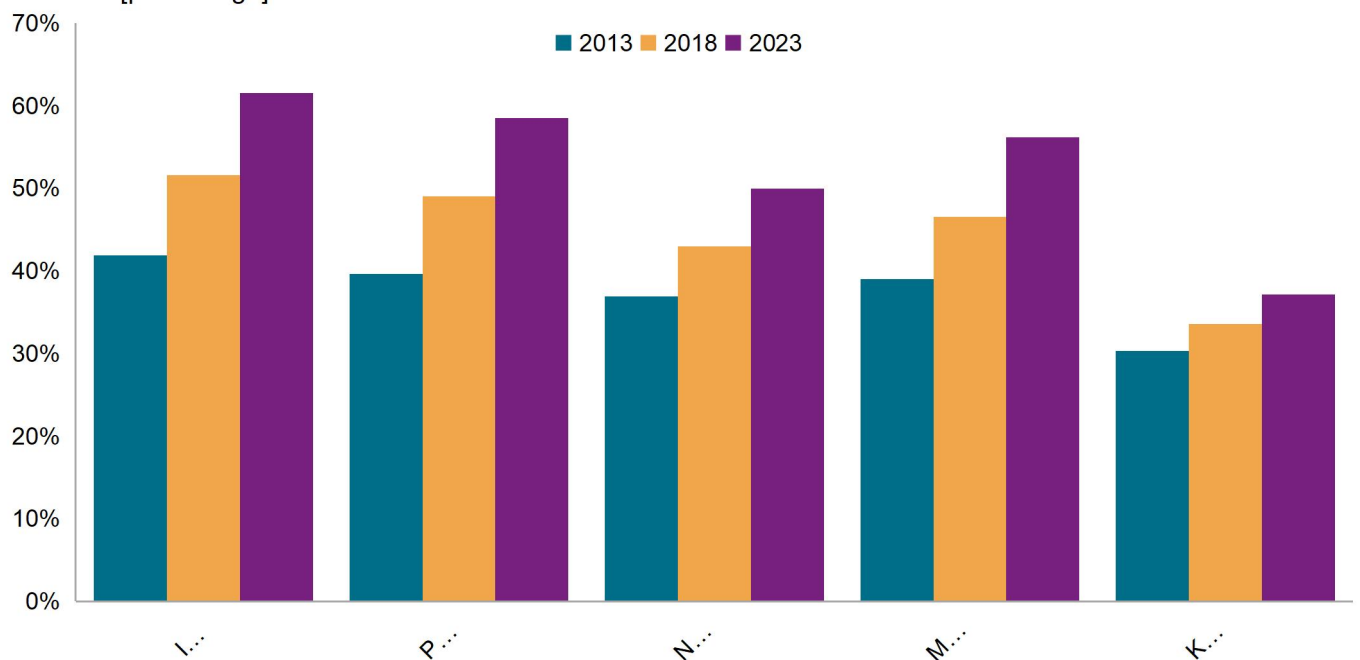
Figure 48: Unemployment and unemployment rate (official definition) - O.R. Tambo District Municipality, 2013-2023 [number percentage]



Source: South Africa Regional eXplorer v2473 (2024)

When comparing unemployment rates among regions within O.R. Tambo District Municipality, Ingquza Hill Local Municipality has indicated the highest unemployment rate of 61.6%, which has increased from 41.9% in 2013. It can be seen that the King Sabata Dalindyebo Local Municipality had the lowest unemployment rate of 37.2% in 2023, which increased from 30.3% in 2013.

Figure 49: Unemployment rate - local municipalities and the rest of O.R. Tambo District Municipality, 2013, 2018 and 2023 [percentage]



Source: South Africa Regional eXplorer v2473 (2024)

### 2.5.6.6 Income and expenditure

In a growing economy among which production factors are increasing, most of the household incomes are spent on purchasing goods and services. Therefore, the measuring of the income and expenditure of households is a major indicator of a number of economic trends. It is also a good marker of growth as well as consumer tendencies.

### 2.5.6.7 Number of households by income category

The number of households is grouped according to predefined income categories or brackets, where income is calculated as the sum of all household gross disposable income: payments in kind, gifts, homemade goods sold, old age pensions, income from informal sector activities, subsistence income, etc.). Note that income tax is included in the income distribution.

Income categories start at R0 - R2,400 per annum and go up to R2,400,000+ per annum. A household is either a group of people who live together and provide themselves jointly with food and/or other essentials for living, or it is a single person living on his/her own. These income brackets do not take into account inflation creep: over time, movement of households "up" the brackets is natural, even if they are not earning any more in real terms.

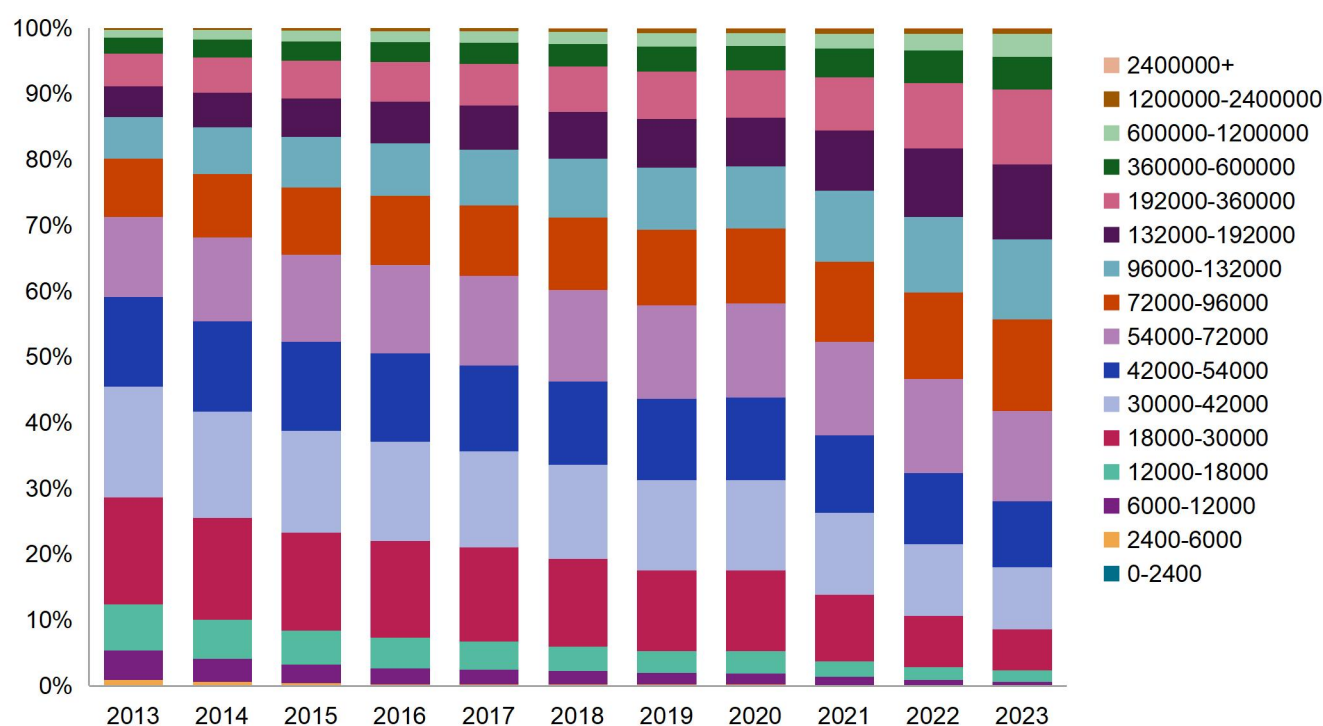
**Table 37: Households by income category - O.R. Tambo, Eastern Cape and National Total, 2023 [Number Percentage]**

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
0- 2400	30	139	1,240	21.5%	2.4%
2400-6000	286	1,390	11,400	20.6%	2.5%
6000- 12000	1,910	9,100	71,000	21.0%	2.7%
12000- 18000	6,220	29,000	222,000	21.4%	2.8%
18000- 30000	22,800	104,000	761,000	21.9%	3.0%
30000-42000	34,100	160,000	1,140,000	21.4%	3.0%
42000- 54000	36,200	169,000	1,210,000	21.4%	3.0%
54000- 72000	49,800	242,000	1,740,000	20.5%	2.9%
72000- 96000	50,500	257,000	1,950,000	19.6%	2.6%
96000- 132000	44,200	238,000	1,960,000	18.5%	2.3%
132000- 192000	41,400	232,000	2,060,000	17.9%	2.0%
192000- 360000	41,000	261,000	2,630,000	15.7%	1.6%
360000- 600000	18,000	138,000	1,580,000	13.1%	1.1%
600000- 1200000	12,600	122,000	1,560,000	10.4%	0.8%
1200000- 2400000	3,020	40,200	558,000	7.5%	0.5%
2400000+	246	7,390	112,000	3.3%	0.2%
Total	362,000	2,010,000	17,600,000	18.0%	2.1%

Source: South Africa Regional eXplorer v2473 (2024)

It was estimated that in 2023 8.63% of all the households in the O.R. Tambo District Municipality, were living on R30,000 or less per annum. In comparison with 2013's 28.68%, the number is more than half. The 72000-96000 income category has the highest number of households with a total number of 50 400, followed by the 54000-72000 income category with 49 800 households. Only 30 households fall within the 0-2400 income category. Figure 50 below provides an illustration of households by income bracket within the O.R. Tambo District Municipality between 2013 and 2023.

**Figure 50: Households by income bracket - O.R. Tambo District Municipality, 2013-2023**  
[Percentage]



Source: South Africa Regional eXplorer v2473.

For the period 2013 to 2023 the number of households earning more than R30,000 per annum has increased from 71.32% to 91.37%.

## 2.5.7 Development

Indicators of development, like the Human Development Index (HDI), Gini Coefficient (income inequality), poverty and the poverty gap, and education, are used to estimate the level of development of a given region in South Africa relative to the rest of the country.

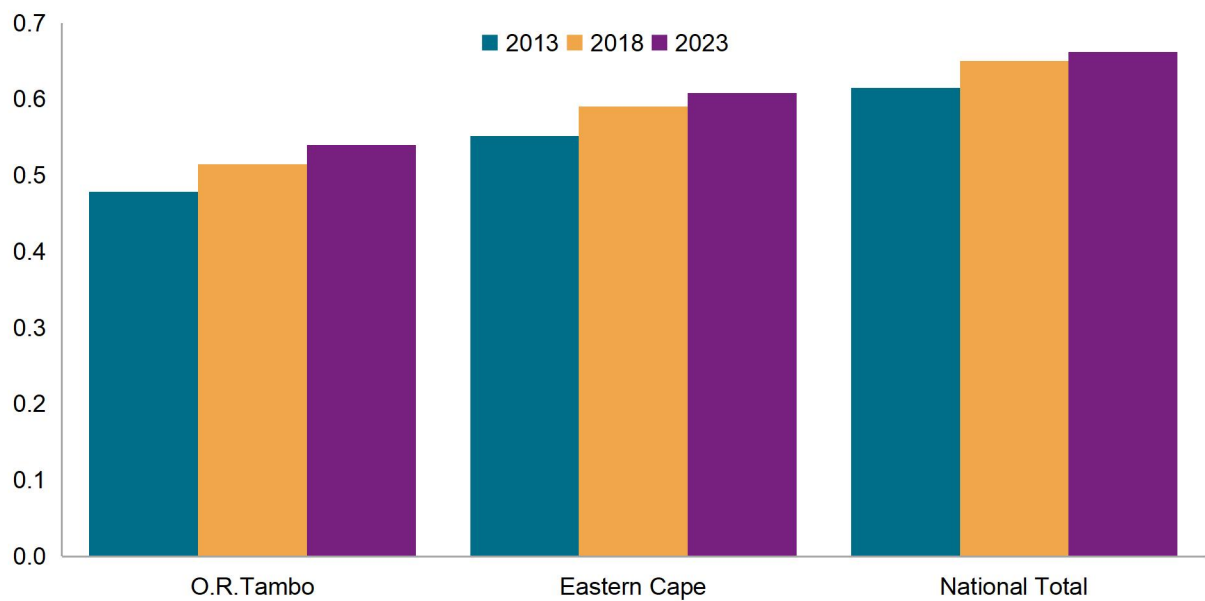
Another indicator that is widely used is the number (or percentage) of people living in poverty. Poverty is defined as the deprivation of those things that determine the quality of life, including food, clothing, shelter, and safe drinking water. More than that, other "intangibles" are also included such as the opportunity to learn, and the privilege to enjoy the respect of fellow citizens. Curbing poverty and alleviating the effects thereof should be a premise in the compilation of all policies that aspire towards a better life for all.

### 2.5.7.1 Human Development Index (HDI)

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

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

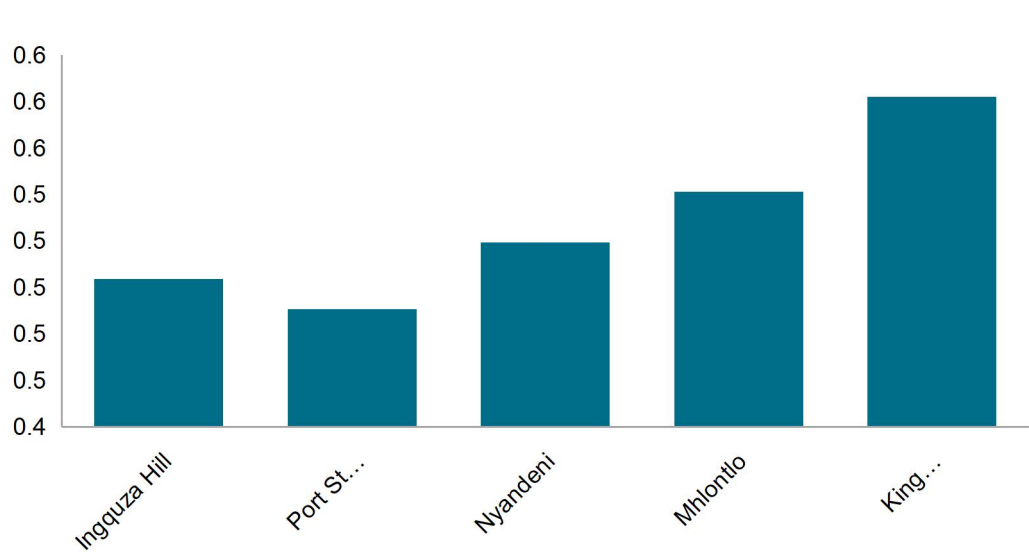
**Figure 51: Human development index (HDI) - O.R. Tambo, Eastern Cape and National Total, 2013, 2018, 2023 [Number]**



Source: South Africa Regional eXplorer v2473.

In 2023, the O.R. Tambo District Municipality had an HDI of 0.54 compared to the Eastern Cape with an HDI of 0.608 and 0.662 of National Total as a whole. Seeing that South Africa recorded a higher HDI in 2023 when compared to O.R. Tambo District Municipality which translates to worse human development for O.R. Tambo District Municipality compared to South Africa. South Africa's HDI increased at an average annual growth rate of 0.75% and this increase is lower than that of O.R. Tambo District Municipality (1.23%). The figure below provides the rate of the Human Development Index per local municipality within the O.R. Tambo District Municipality.

**Figure 52: Human Development Index (HDI) - local municipalities and the rest of O.R. Tambo District Municipality, 2023 [Number]**



Source: South Africa Regional eXplorer v2473. (2024)



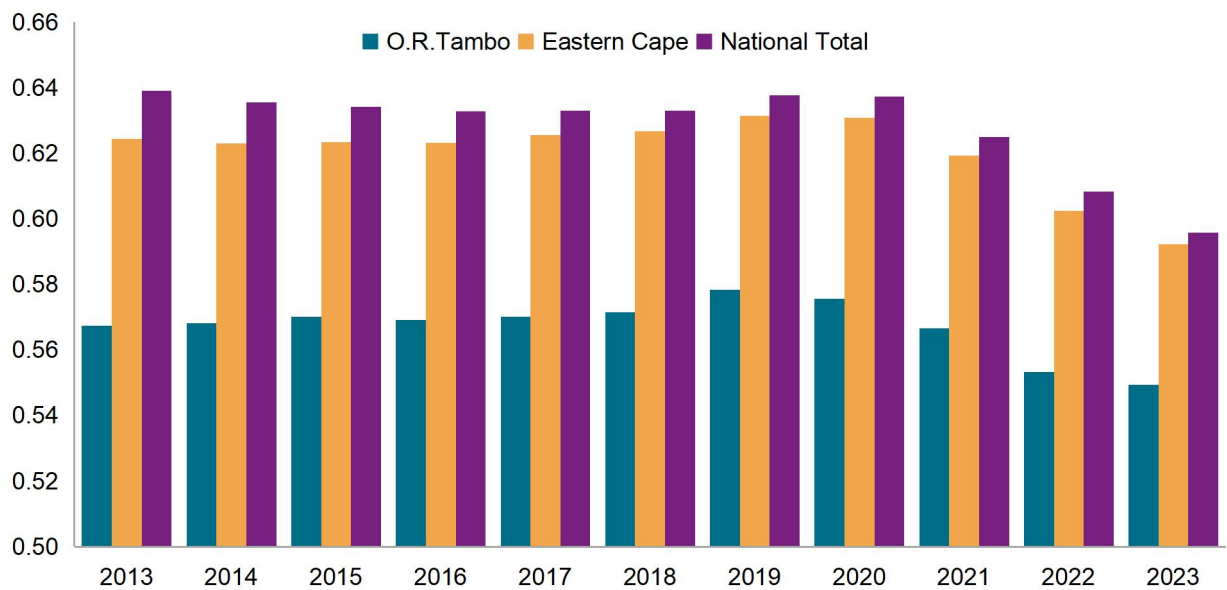
When comparing the HDI based on local municipalities in the district, King Sabata Dalindyebo Local Municipality has the highest HDI, with an index value of 0.582. The lowest can be observed in the Port St Johns Local Municipality with an index value of 0.491.

### 2.5.7.2 Gini coefficient

The Gini coefficient is a summary statistic of income inequality. It varies from 0 to 1.

If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words, there is no variance between the high and low income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population earns all the income and the rest has no income. Generally, this coefficient lies in the range between 0.25 and 0.70. Below is a depiction of the Gini coefficient in O.R. Tambo District Municipality, Eastern Cape province, and South Africa in Figure 53.

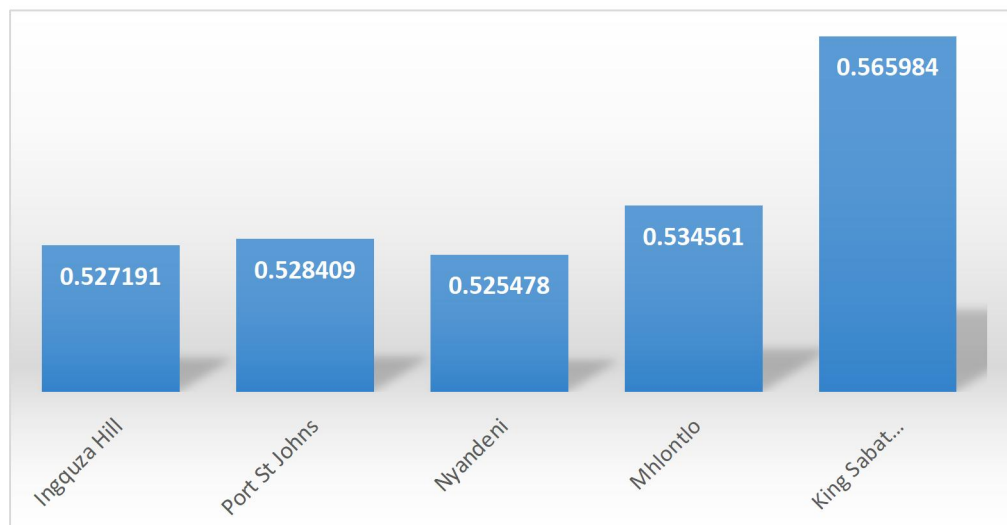
**Figure 53: Gini coefficient - O.R. Tambo, Eastern Cape and National Total, 2013-2023 [Number]**



Source: South Africa Regional eXplorer v2473. (2024)

In 2023, the Gini coefficient in O.R. Tambo District Municipality was at 0.549, which reflects a decrease in the number over the ten years from 2013 to 2023. The Eastern Cape Province and South Africa, both had a more unequal spread of income amongst their residents (at 0.592 and 0.596 respectively) when compared to O.R. Tambo District Municipality. Figure 54 below provides the Gini coefficient for each of the local municipalities within the O.R. Tambo District Municipality.

**Figure 54: Gini coefficient - local municipalities and the rest of O.R. Tambo District Municipality, 2023 [Number]**



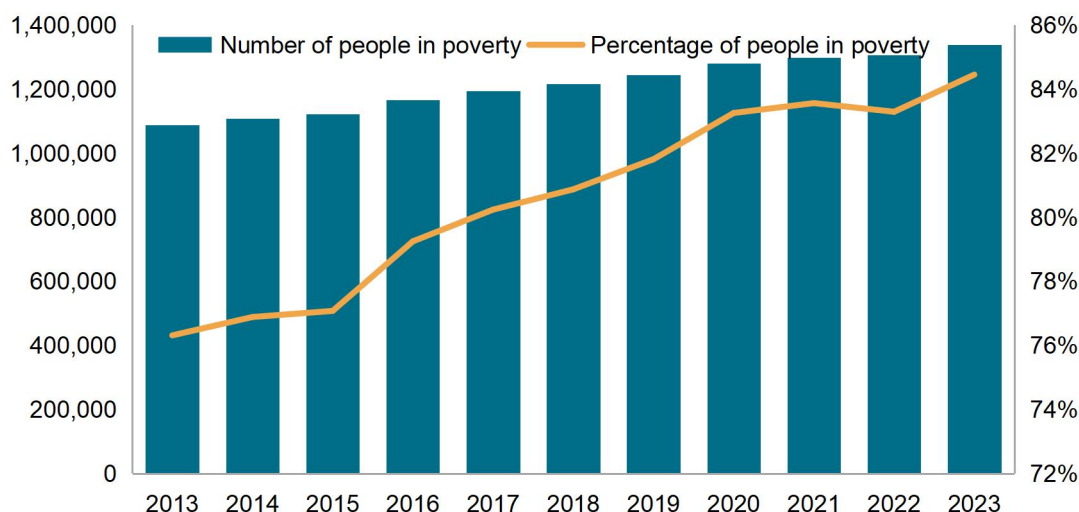
Source: South Africa Regional eXplorer v2473. (2024)

In terms of the Gini coefficient for each of the local municipalities within the O.R. Tambo District Municipality, King Sabata Dalindyebo Local Municipality has the highest Gini coefficient, with an index value of 0.566. The lowest Gini coefficient can be observed in the Nyandeni Local Municipality with an index value of 0.525.

### 2.5.7.3 Poverty

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. This variable measures the number of individuals living below that particular level of consumption for the given area and is balanced directly to the official upper poverty rate as measured by StatsSA. Figure.... provides the rate of people living in poverty within the O.R. Tambo District Municipality.

**Figure 55: Number and percentage of people living in poverty - O.R. Tambo District Municipality, 2013-2023 [Number percentage]**

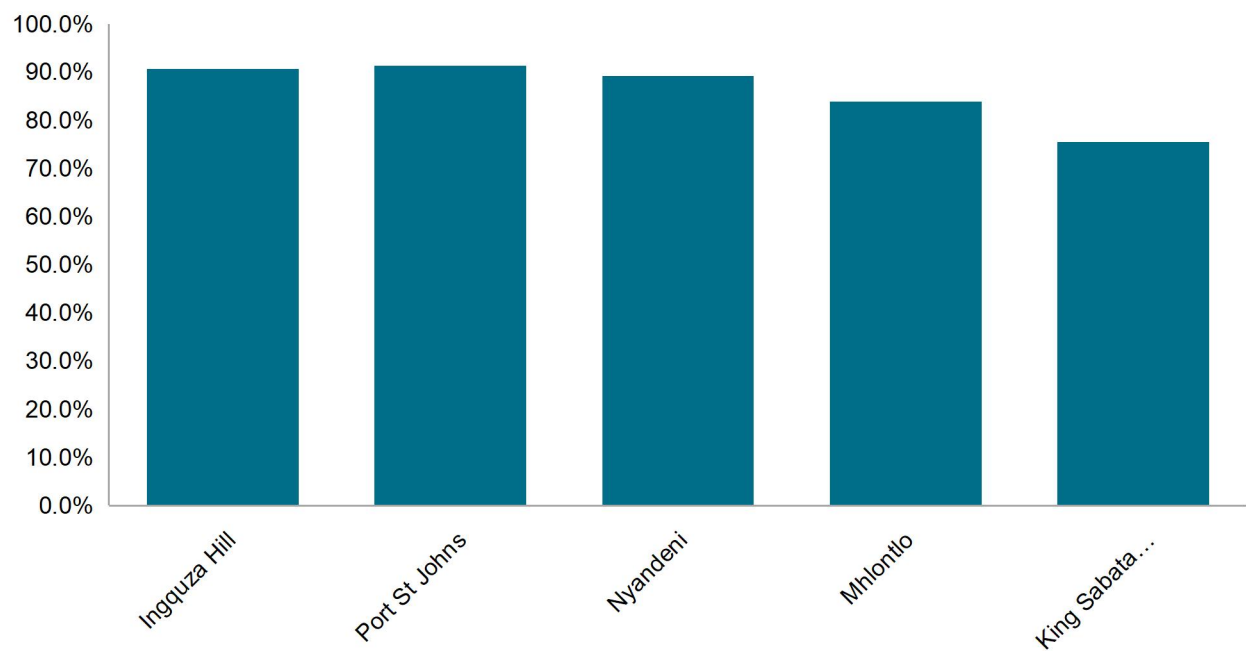


Source: South Africa Regional eXplorer v2473. (2024)

In 2023, 1.34 million people were living in poverty, using the upper poverty line definition, across O.R. Tambo District Municipality - this is 22.91% higher than the 1.09 million in 2013. The percentage of

people living in poverty has increased from 76.31% in 2013 to 84.45% in 2023, which indicates an increase of -8.14 percentage points. Figure 56 below provides an insight into the rate of people living in poverty in each of the local municipalities within the O.R. Tambo District Municipality.

**Figure 56: Percentage of people living in poverty - local municipalities and the rest of O.R. Tambo District Municipality,2023 [percentage]**



Source: South Africa Regional eXplorer v2473 (2024)

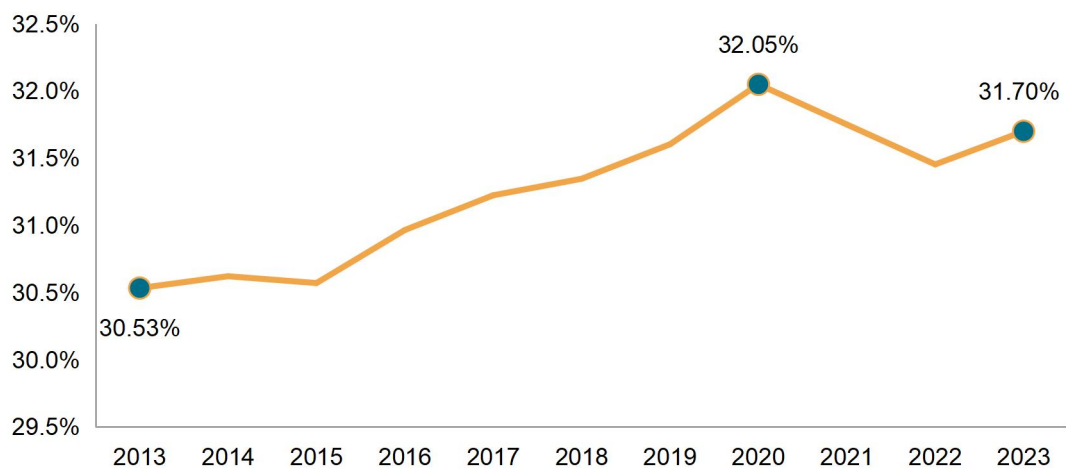
In terms of the percentage of people living in poverty for each of the regions within the O.R. Tambo District Municipality, Port St Johns Local Municipality has the highest percentage of people living in poverty, using the upper poverty line definition, with a total of 91.3%. The lowest percentage of people living in poverty can be observed in the King Sabata Dalindyebo Local Municipality with a total of 75.5% living in poverty, using the upper poverty line definition.

### 2.5.7.4 Poverty gap rate

The poverty gap is used as an indicator to measure the depth of poverty. The gap measures the average distance of the population from the poverty line and is expressed as a percentage of the upper-bound poverty line, as defined by StatsSA. The Poverty Gap deals with a major shortcoming of the poverty rate, which does not give any indication of the depth, of poverty. The upper poverty line is defined by StatsSA as the level of consumption at which individuals can purchase both sufficient food and non-food items without sacrificing one for the other.

It is estimated that the poverty gap rate in O.R. Tambo District Municipality amounted to 31.7% in 2023 - the rate needed to bring all poor households up to the poverty line and out of poverty. Below is an illustration of the poverty gap rate in O.R. Tambo District Municipality.

**Figure 57: Poverty gap rate in O.R. Tambo District**



Source: South Africa Regional eXplorer v2473 (2024).

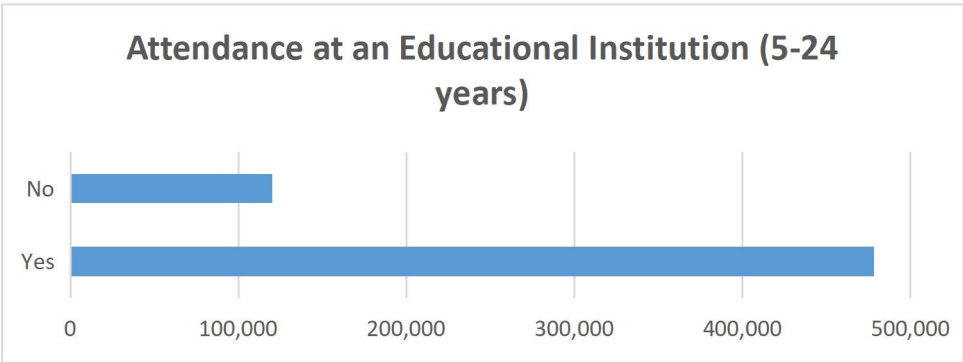
In 2023, the poverty gap rate was 31,7% and in 2013 the poverty gap rate was 30,5%, it can be seen that the poverty gap rate increased from 2013 to 2023, which means that there were no improvements in terms of the depth of the poverty within O.R. Tambo District Municipality. Contrary to that, O.R. Tambo District Municipality is making enomours efforts to address past ad current social inequalities in localities through:

- Agricultural Development,
- Rural Development through investment and marketing,
- Enterprise and cooperatives development,
- Job creation through trainings, EPWP and CWP programs and
- Special programs mainly fovusing on youth, women, people living with disasbilites and those affected by GBVF.

**2.5.7.5 Education**

Education is one of the basic human rights in South Africa, and among the fundamental socio-economic indicators for development. Moreover, education is one of the three priorities of the national development Plan 2030. This section provides educational attendance and levels in using Census 2022 results.

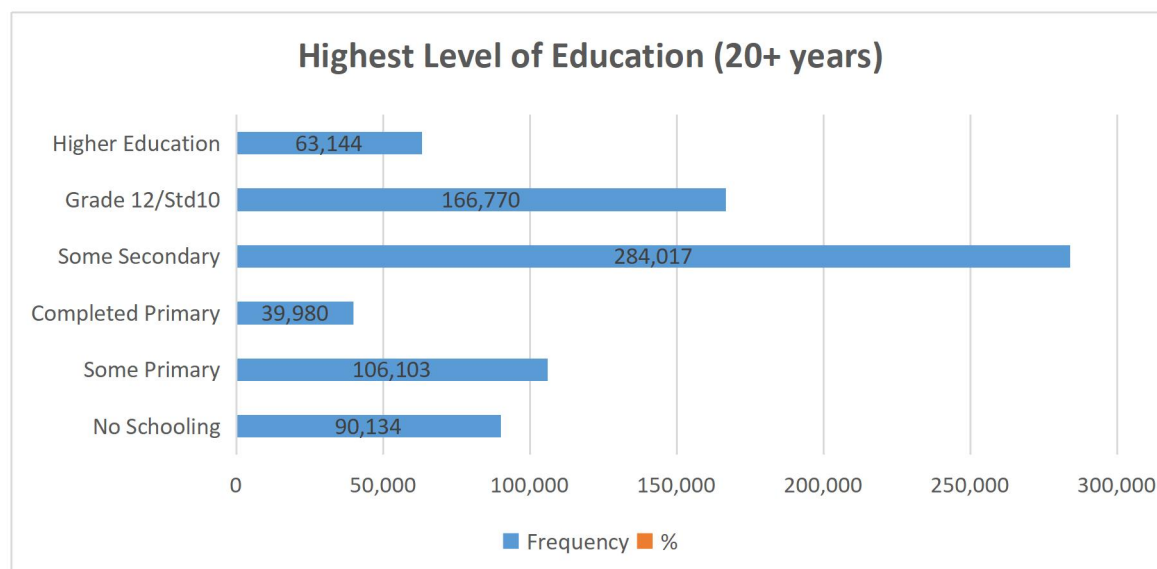
**Figure 58: Attendance at an educational Institution (5-24 years)**



Source: StatsSA 2022

Figure 58 above indicates that in 2022, 80.0% of learners aged 5-24 years in the district attended educational institutions, while 20,0% of the same category were not attending any educational institution. Figure 59 presents the highest level of education attained amongst people aged 20 years and older.

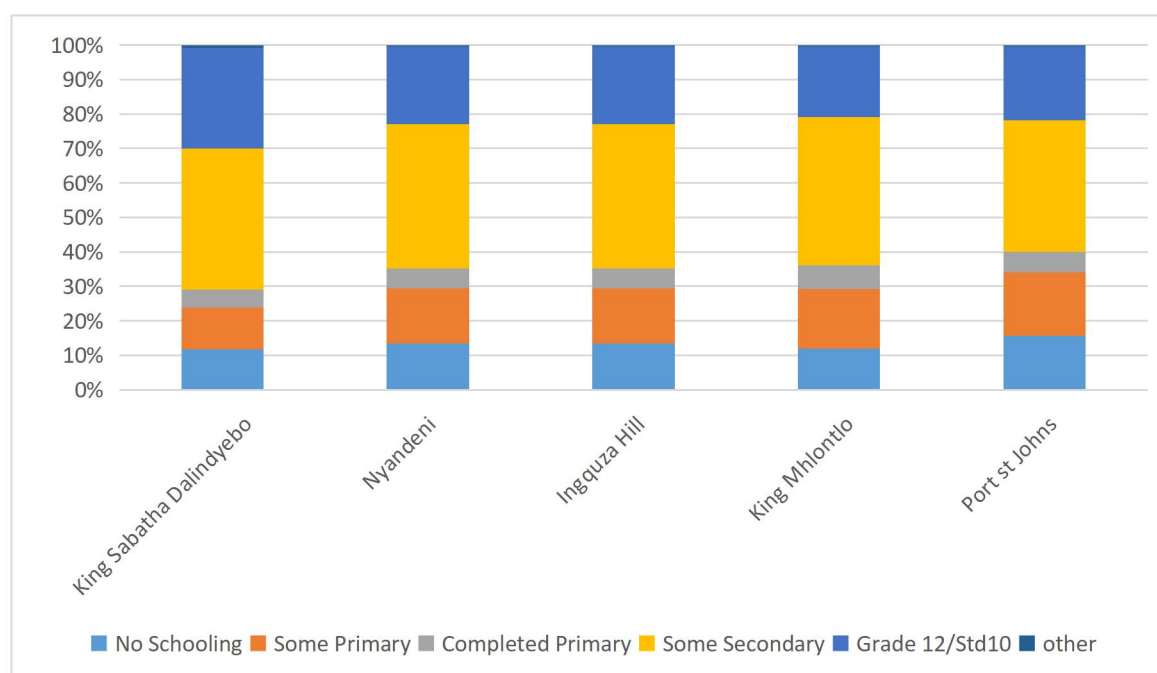
**Figure 59: Highest level of education**



Source: StatsSA (2022 Census)

In 2022, 37,7% of the district population had secondary education, 22,1% had completed grade 12 or standard 10, whilst persons with higher education make up only 8,4% of the district population. The proportion of persons with no schooling in the district was 12,0% in 2022.

**Figure 60: Highest level of education- Local Municipalities (20+)**



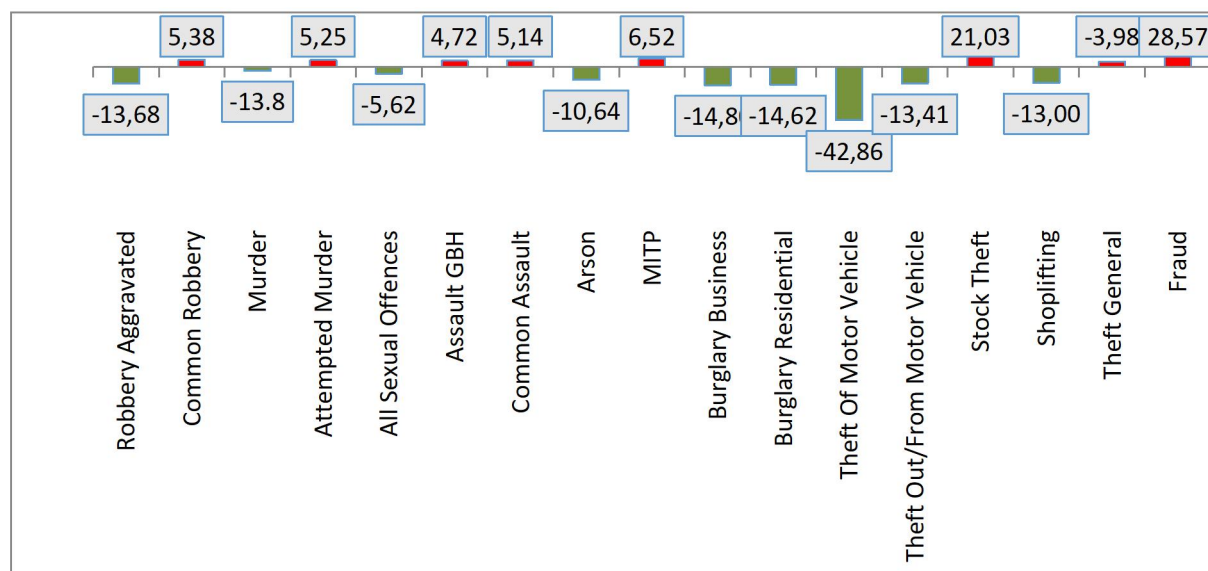
Source: StatsSA (Census 2022)

Variations at the local level depict that Kumkani Mhlontlo Local Municipality had the highest proportion (40.7%) of people who had attained secondary education, followed by Nyandeni Local Municipality with 39.9%. Ingquza Hill local municipality had the highest proportion of people with higher education (7.2%). Notably, King Sabata Dalindyebo Local Municipality and Port St Johns Local Municipality both at 14.8% recorded the highest proportion of people with no schooling.

## 2.5.8 Crime

The NDP acknowledges that safety and security has significant social and economic implications. Our district has been a subject of various incidents of crime and violence which ultimately hinders the overall economic and social wellbeing of the district. Figure 61 below provide the trends of crime within the district between 2023/2024 and 2024/2025.

**Figure 61: Crime trends in the district**



Source: SAPS 2024

The most prevalent crime in the District during the defined period was fraud (28,57%), stock theft (21,3%), MITP (6,52%), common robbery (5,38%), and common assault (5,14%). However, the district witnessed a decline in crimes such as theft of motor vehicle, burglary in business, burglary in residential areas, robbery aggravated, and murder. Combating crime goes beyond the provision of police stations and police services. It requires a specialized response and strategies to turn the situation around, and maximum collaboration between the broader community and all spheres of government. Therefore, O.R Tambo District Municipality will continue to collaborate with stakeholders including government institutions, Traditional institutions, Business fraternities, Faith-based institutions, and Non-Governmental Organizations to implement programs aimed at promoting safety and security in the district.

## 2.6 BASIC SERVICE DELIVERY & INFRASTRUCTURE

### 2.6.1 Water Services Composition

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

The district municipality has twenty-five (25) water treatments plants (WTP) and nine wastewater treatments works (WWTW). In addition to this, the municipality attends to water quality aspects under five very largely defined borehole schemes, one per LM. However, the municipality operates several stand-alone borehole/spring schemes. Below is a distribution of water schemes in the district:

**Table 38 : A distribution of water schemes in the district**

Local Municipality	No. of Wards	No. of Villages	No. of HHs	No. of Schemes	No. of Villages - Unserved
<b>King Sabata Dalindyebo (KSD)</b>	37	528	122 000	98	216
<b>Nyandeni</b>	32	304	69 100	67	169
<b>Post St. Johns</b>	20	201	34 900	49	96
<b>Ingquza Hill</b>	32	278	63 200	64	109
<b>King Mhlontlo</b>	26	410	46 100	66	142
<b>Total</b>	<b>147</b>	<b>1 721</b>	<b>355 300</b>	<b>344</b>	<b>732</b>

**Table 39 :Distribution of water supply sources per local municipality**

Local Municipality	No. of WTW	No. of BH	No. of Springs	No. of Weirs
<b>King Sabata Dalindyebo (KSD)</b>	5	93	9	2
<b>Nyandeni</b>	7	39	13	2
<b>Post St. Johns</b>	3	17	33	-
<b>Ingquza Hill</b>	3	50	12	-
<b>King Mhlontlo</b>	7	46	30	-
<b>Total</b>	<b>25</b>	<b>245</b>	<b>97</b>	<b>4</b>

ORTDM of Schemes: Sanitation

WWTW = Wastewater Treatment Works, Ponds, Pump Stations, VIP = Ventilated Improved Pit

**Table 40: The distribution of Sanitation Schemes per Local Municipality**

Local Municipality	No. of WWTW	No. of Ponds	No. of Pump Stations	No. of Wards Served with VIP	No. of Wards Un-Served with VIP
<b>King Sabata Dalindyebo (KSD)</b>	2	0	18	14	23 (Planned)



<b>Nyandeni</b>	0	1	0	11	12 (Planned) 9 (Construction)
<b>Post St. Johns</b>	0	1	0	13	4 (Planned) 3 (Construction)
<b>Ingquza Hill</b>	1	0	0	16	7 (Planned) 9 (Construction)
<b>King Mhlontlo</b>	1	2	1	7	10 (Planned) 9 (Construction)
<b>Total</b>	<b>4</b>	<b>4</b>	<b>19</b>	<b>20</b>	<b>0</b>

### Functionality of OR Tambo Schemes

The distribution of dysfunctional water schemes per local municipality is outlined below:

Table 41: The distribution of Dysfunctional Water Schemes per Local Municipality:

Local Municipality	No. of Schemes	No. of Dysfunctional Schemes	% - Dysfunctional Schemes	No. of villages affected
<b>King Sabata Dalindyebo (KSD)</b>	98	55	57%	99
<b>Nyandeni</b>	67	30	44%	96
<b>Post St. Johns</b>	49	7	14%	18
<b>Ingquza Hill</b>	64	19	30%	58
<b>King Mhlontlo</b>	66	29	43%	93
<b>Total</b>	<b>344</b>	<b>140</b>	<b>41%</b>	<b>364</b>

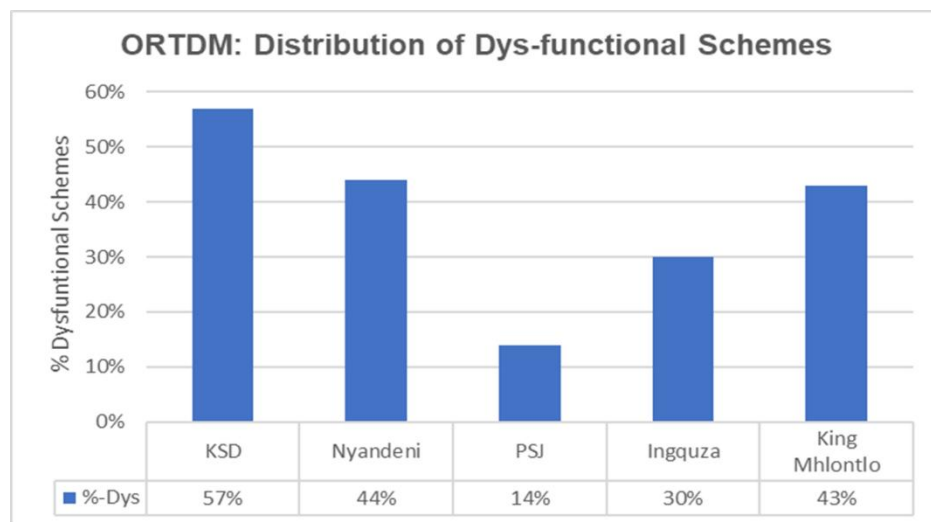


Figure 62: Distribution of Dysfunctional Schemes

41% of the ORTDM Water Services Schemes are dysfunctional with greater proportion of dysfunctional schemes being in the KSD followed by Nyandeni LM, then Mhlontlo, Ingquza and lastly The PSJ Measures to address the dysfunctional water schemes:

The department had developed a systematic approach for ensuring that all the dysfunctional schemes are brought to use by:

- Setting 15% targets of schemes to be repaired or brought to functionality within a 3-month period and reporting such performance to the senior management
- Zoning of regions with numerous dys-functional regional schemes
- - Prioritisation of refurbishment of regional schemes served by Water Treatment Works (WTW) and borehole sources tapping from the MIG 10% slice in some instances
- Optimisation of supply including water rationing in huge systems such as Mthatha / Thornhill Water System, Upper Chulunca etc
- Planned development of boreholes and spring sources to augment the regional schemes that sources water from streams and rivers
- Sufficient budgeting to cater for standby generators in order to circumvent the impact of loadshedding

### Water Service backlogs

The Water Services Backlog is the primary factor that must be taken into account when the concept of connectivity to the water system is considered. Households that require connectivity are logically unserved and can only be connected upon completion of water services projects or programmes. The table below illustrates the ORTDM Water Services Backlog, based on figures that were inferred from the WSDP (22/23FY).

Table 42 : **Water & sanitation Service backlogs**

Local Municipality	Water		Sanitation		Total Households
	Households (Unserved)	Percentage (Unserved)	Households (Unserved)	Percentage (Unserved)	
King Sabata Dalindyebo	50 844	41.7%	30 344	24.9%	122 000
Mhlontlo	28 894	62.7%			46 100
Ingquza	53 066	13 796	2.9%		63 200
Nyandeni	45 530	11 549	18.3%	16.9%	69 100
Port St Johns	26 534	76.0%	12 948	37.1%	34 900
ORTDM	<b>204 868</b>	<b>61%</b>	<b>80 293</b>	<b>24%</b>	<b>335 300</b>

### Bulk and reticulation Alignment

The District Municipality is currently implementing water and sanitation projects within the five local municipalities. The major infrastructure projects are mainly concentrated within the KSD Municipality where the DM is deliberately addressing the MIG / RBIG alignment challenge as relates to the KSD PI. The ORT DM has started with the roll-out of the secondary bulk and reticulation infrastructure projects in anticipation that the KSD PI Programme is completed.

### Planned Water Service programmes fro 2025-2026

### Integrated and Long-term Infrastructure Planning

There is a need for a holistic plan that includes all potential developmental aspirations within a geographical space of the district that will unlock the full potential of the regional economic growth.

### **Economic Infrastructure**

The district would require profiling of projects that are catalytic and can unlock economic development within the region while addressing basic service delivery infrastructure. Development and enhancement of economic infrastructure have the added advantage of creating potential revenue base to the district.

### **Land Claims**

Many of the District's projects (water and waterborne) are delayed or bottlenecked by Land Claims. The PSJ WWTW, Upper Mhlahlane WSS and Ncambedlana Outfall Sewers (Mthatha Town Sanitation) are examples of projects being delayed by land issues.

### **Operation and Maintenance**

The District Municipality needs to develop an Operation and Maintenance Master Plan that would address capacity issues, skills and necessary support equipment and tools to deal with its infrastructure asset base.

### **Alternative Technologies for infrastructure provision**

A differentiated approach needs to be explored on the various service infrastructure technologies that will consider the topography and the vastness of the area. The current conventional infrastructure delivery is expensive, and it requires high levels of capacity for the Municipality to operate and maintain overtime. Priority needs to be provided to all projects that are currently implemented to get such projects to completion.

#### **2.6.2 Electricity**

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

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

The district municipality has done the energy plan responding to energy challenges, to check the demand on the ground and response to that regard by Eskom. The report also looks at other means of energy in a form of renewable energy that will assist in the electricity demand.

#### **2.6.3 Roads and Public Transport Infrastructure**

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

A number of the national, provincial and district roads are currently being upgraded or undergoing major refurbishment. Work continues on the main roads in the District, the N2 road from East London to

Durban, and the R61 from Queenstown to Port St Johns. The very low historical investment in the access road network in the DM has resulted in very poor access to the major road routes. This not only isolates already impoverished communities from important livelihood socio-economic opportunities, but also inhibits economic development, making it expensive and difficult to move inputs and outputs from many parts of the District. In the 2020/2021 financial year the district has set aside an amount in excess of R 1,5 Million for the rehabilitation, maintenance and construction of strategic roads within the district. The road that is at practical completion stage is Dumrhana access road with a new bridge.

**Table 43 : The status of roads in the O.R. Tambo District Municipality**

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

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

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

Rural Roads Asset Management Systems (RRAMS) is the programme currently implemented by the department through a grant that is received from National Department of Transport. The intention of the programme is to assist the local municipalities to better manage their roads through systematic intervention by understanding the extent of the road network, its condition, backlog, maintenance budget required etc. The department is in the process of getting new service providers for the implementation of RAMMS for the period of 3 years.

### **Non-motorized Transport**

Non-motorized Transport is defined as any form of transport or mobility that does not rely on electrical and/or fuel combustion-driven propulsion mechanisms. It includes modes such as walking, cycling, wheelchairs, handcarts, rickshaws and animal-drawn vehicles (e.g. horse-drawn and donkey carts). In the ORTDM Tambo District Municipality there is generally very little provision for pedestrian and bicycle travel. Sidewalks are generally in poor condition and full of potholes. The ORTDM includes NMT in its planning by identifying needs in the district ITP, but implementation does not fall within the ambit of the DM.

### **Railways**

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

### **Airports**

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

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

#### **2.6.4 Human Settlements**

The municipality envisage Human settlements as more complex than housing provision, rather the way a settlement functions, this includes the socio, economic and infrastructure aspects of settlements. The municipality is currently focusing more on coordinating housing deliver however shifted focus and taking strides towards coordination of sustainable have intergraded human settlements.

The predominant settlement pattern in O.R. Tambo District is based upon the rural village with grouped homesteads dispersed along ridge crests in the uplands or in the valleys on flatter land. There are also human settlements developments in urban areas at a smaller scale. Areas along the coastline are sparsely populated due to difficult terrain and the legislation prohibiting people building houses along the coast which result to people tending to locate their homes inland. Migration has contributed to the growth of Mthatha and the service centres of Lusikisiki and Port St Johns. There has also been substantial growth along the N2 corridor from East London through Mthatha to Kokstad.

The district municipality is obligated in terms of section 83 (3) to seek to achieve the integrated, sustainable and equitable social and economic development of its area as a whole by:

- Ensuring integrated development planning for the district as a whole;
- Promoting bulk infrastructure development and services for the district as a whole;
- Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
- Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area.

As previously indicated, the district municipality has Five (5) local municipalities with seven (7) towns, of which six (6) are service centres, which are rural in nature. Mthatha Town is the former capital city of the then Transkei Government, thus it inherited better infrastructure and a higher order of services. All these towns are rural with spatial injustices and leapfrog human settlements. There is minimal implementation of integrated sustainable human settlements. The towns are challenged by land invasions resulting into the formation of informal settlements, infrastructure problems, extended transit time, land tenure, land availability problems, and land claims.

The municipality is currently implementing the rural subsidy and emergency housing programmes. Other programmes contained in the human settlements policy are less tested; as a result, the local

municipalities within the district are still having challenges in relation to rental accommodation, Community Residential Units, Social Housing and Upgrading of Informal Settlements.

## Land Needs

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

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

## Informal settlements within the District

Majority of the informal settlements are clustered in KSD Municipality, with Chris Hani, Mandela Park, Joe Slovo and Zone 14 being the largest informal settlements in the district. Mthatha is the economic hub of OR Tambo therefore a large number of the informal settlements cluster around the area.

Lusikisiki in Ingquza Hill municipality has also experienced a significant growth in the number of informal settlements, with three informal settlements clustering around the town and one informal settlement at Flagstaff town.

Port St Johns LM also has four informal settlements around Port St Johns town with the majority of the houses located on steep slopes.

Nyandeni Municipality has the lowest number of informal settlement with Ziteneni located to the east of Libode and Nomzamo located to the west of town.

The O.R. Tambo District municipality has been coordinating the Implementation of the National Upgrading Support Program (NUSP), that deals with upgrading informal settlements. Currently phase one (1) is underway, dealing with the verification, surveying and registration of households within the settlement, and developing a socio-economic and demographic profile, undertake facilitating community participation, land matters, planning and design of interim layout of the settlement to create compliant access for emergency services, in-situ upgrading layout plans.

Project Name	Scope of Work	Budget & Expenditure	Progress to Date
<b>MHLONTLO LOCAL MUNICIPALITY</b>			
<b>Maladini 104</b>	Construction & Enrolment of 104 units	Budget: R 8 348 203,24 Expenditure: R 8 348 203,24	Project Completed
<b>Mhlontlo 619 (350) PH 2</b>	Construction & Enrolment of 350 units	Budget: R 64750 000,00 Expenditure: Nil	Enrolment Approved end February 2024
<b>Mhlontlo 619</b>	Construction &	Budget: R 64750 000,00	Beneficiary Admin: Completed

<b>(350) PH III</b>	Enrolment of 350 units	Expenditure: R 39 678 000,00	GPS & Mapping: Completed Geotechnical Investigation: In progress Foundation & House Plan Design: Not Started NHBRC Enrollment: Not Submitted
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Project Name	Scope of Work	Budget & Expenditure	Progress to Date
<b>KSD LOCAL MUNICIPALITY</b>			

<b>MATHEKO 65</b>	Construction & Enrolment of 65 units	Budget: R 10 260 000,00 Expenditure: Nil	Beneficiary Admin: Complete GPS & Mapping: Complete Geotechnical Investigation : Completed Foundation & House Plan Design :completed Conditional Assessment: Completed NHBRC Enrollment: Approved
<b>QWEQWE 1000 (300)</b>	Construction & Enrolment of 300 units	Budget: R 57 000 000,00 Expenditure: R 3 200 569,00	Foundations: 20 Wallplates: 10 Roofs: 0 Completions: 0
<b>MANDELA 400 (200)</b>	Construction & Enrolment of 390 units	Budget: R 38 000 000,00 Expenditure: R 2 800 000,00	Foundations: 8 Wallplates: 0 Roofs: 0 Completions: 0
<b>MTHONJANE 350 (62)</b>	Construction & Enrolment of 500 units	Budget: R 11 780 000,00 Expenditure: R 7 800 000,00	Beneficiary Admin: Complete GPS & Maping: Complete Geotechnical Investigation: Complete Founation & House Plan Design: Complete NHBRC Enrollment: Approved
<b>/OR TAMBO 850 (KSD 261)</b>	Construction & Enrolment of 261 units	Budget: R49 590 000,00 Expenditure: R1 800 000	Foundations: 10 Wallplates: 0 Roofs: 0 Completions: 0

#### Other OR Tambo projects

Project Name	Scope of Work	Budget & Expenditure	Progress to Date
<b>OR TAMBO 500</b>	Construction & Enrolment of 500 units	Budget: R 57 000 000,00 Expenditure: Nil	The enrollment submission for Phase 5 of the project has been submitted to the NHBRC. The contractor was recently introduced for Phase III of the project;

however, the beneficiary administration processes continue to impact on the remaining three phases.  
Waits NHBRC approval

<b>OR TAMBO 385</b>	Construction & Enrolment of 385 units	Budget: R 77 911 005,33 Expenditure: R 2 200 569,00	Foundations: 6 Wallplates: 0 Roofs: 0 Completions: 0
<b>Military Veterans 84</b>	Construction & Enrolment of 390 units	Budget: R23 582 373,36 Expenditure: R 904 000,00	Foundations: 11 Wallplates: 0 Roofs: 0 Completions: 0
<b>OR Tambo 132</b>	Construction & Enrolment of 500 units	Budget: R 26 450 220,72 Expenditure: Nil	Beneficiary Admin: Complete GPS & Mapping : Complete Geotechnical Investigation : Complete Foundation & House Plan Design :Complete NHBRC Enrollment: Complete

## 2.6.5 Community Services

### 2.6.5.1 Libraries, Information and Education Services

O.R Tambo District municipality draws its mandate from various legislative prescripts among which is the Constitution of the Republic of South Africa (108 of 1996) describes the legislative framework for the governance of the Libraries, Information and Education Services (LIES) in South Africa. It clearly states that libraries, other than national libraries, are a provincial responsibility. Each of the nine provinces is therefore obliged to develop a legislative framework within which public libraries and information services can be provided. Constitution of the Republic of South Africa and the Bill of Rights recognises access to information as a Human Right.

The Libraries, Information and Education Services (LIES) Unit is the sub-section of Sport, Heritage, Arts, Culture, Libraries, Information and Education. The focus of the unit is to coordinate and facilitate the development of public/community libraries and monitor functionality on regular basis. The municipality started the unit with 6 libraries and managed to establish more than 33 though others are now falling under the Alfred Nzo District Municipality. There are currently 33 libraries and out of that there 29 functional, the department of Sports, Recreation Arts and Culture is in a process to recruit staff that will assist in ensuring operations in all libraries. The municipality visits all libraries to provide support on the learning material and ensure that infrastructure is conducive as well as support to literacy programmes (International literacy day, SA library week and poetry day). There is



promotion and marketing of public libraries, and the municipality ensures that the attendees are recorded both manual and electronically. There is a Library and selection Forum in place, which sits on quarterly bases.

#### **2.6.5.2 Community Safety**

The core mandate of the unit is to ensure and works well within the confinements of the relevant legislative frameworks that governs community safety and security. The mandate is drawn from the South African Constitution Act. 108 of 1996 Section 151 and 152 – safer and sustainable community, through local government involvement. These strategies are implemented in line with other existing National and Provincial measures aimed both at tackling crime and addressing the underlying root causes of crime and violence, such as victim empowerment, substance abuse, child protection and community developmental programmes with other role players. The aim as well is supporting and advising on implementation of developmental and preventative diversion programmes, improving community safety, strengthening families, promoting safety at schools with DoE.

- Promote and support Crime prevention, crime risk reductions across various spheres of governance and advice Council accordingly.
- A supportive role in Anti- GBVF (gender base violence and femicide), VCP (violent crime prevention), through awareness programmes, strategic planning and interventions with relevant role-players.
- Monthly participate as a District in the Local SAPS clusters level (Mthatha & PSJ), in planning, meetings, programmes, to address rampant crime, find common solutions and intervention with other role players.
- Enhance the participation in crime reduction programmes and initiatives, identifying with relevant role players' social crime issues at scholar or community level, and designing/ supportive programmes of intervention through multi- stakeholder collaboration.
- Capacity building through workshop, support and training for LM's on safety initiatives (safety plans / safety audits), with multi stakeholder collaborations partners in community safety; GIZ (Deutsche Gesellschaft fur Internationale Zusammenarbeit), South African Local Government Association, Dep. of Community Safety, South African Police Services, LM's, Dep. of Social Development, to name a few.
- Promote the building of community social cohesion and improving the quality of life of all people which includes infrastructural development recommendations for safer spaces through influencing, SPLUMA (Spatial Planning and Land Use Management Act), local economic development, or infrastructure departments towards "safer spaces" for communities, e.g. adequate street lighting, safe parks and recreational facilities, the built of high mast lighting in crime prone areas etc.
- This is further underpinned by supporting government's ongoing efforts to build better and safer communities that respect human rights and contribute to the government outcome "All People are and feel safe", *NDP Outcome 12*.

#### **Community Safety and Awareness**

O.R Tambo District municipality conduct Community safety and awareness programs together with its partners, which are Departments of Social Development (DSD), South African Police Services, Department of Correctional Services, Department of Education and Civil Society organizations. This does not exclude any other partnership or working arrangement with other partners, e.g. local municipalities in the region, Community Safety (Provincial) and Home Affairs. The municipality responded to the invitation by Chief Bovulengwe Mtirara in an Imbizo at Ward 31 that aimed at addressing issues of GBV, and Crime and Safety at Schools.

The God's Ministry (eMatyeni, Slovo Park); Ward 08 in KSD also embarked on an awareness of church members Women's month aligning themselves to the 09th of August National Women's month march. The church seeks to focus on early awareness and intervention programmes, addressing the escalation of the above-mentioned / crimes and social ills, as a civil society organization.

### **Gender Based Violence (GBVF)**

An event was organised in the O R Tambo region by the National Department of Correctional Services where the National Commissioner was responding to the risks posed by ex-offenders and concerns of the community in the Ingquza Municipal Area. In the event there was a Lusikisiki-Men's GBVF Dialogue where the target audience was male ex-offenders. Further engagements were done with the Department of Community Services to participate in this GBVF dialogue, with partners and stakeholders. Emanating from the dialogue are planned future programs / interventions focusing on youth.

### **School Safety and Awareness**

There are interventions in place to address drug abuse and safety awareness. A School Safety & Awareness programme in Ndamase S.S. S (Ward13, Ngqeleni, which is under Nyandeni municipal area on the 27th.July 2023), E.N. Seko (Bityi Ward 15, KSD 19th. Sep.2023). in addition to the programme was focus on drug abuse, mental health, trafficking of person/s, reproductive health, GBVF. There are safety interventions conducted and among the schools that benefited are Tsolo Community Schools: Celebrating World Environmental Health Day, Jongilizwe J.S.S, Tsolo High School, Victory Christian School, and Resident J.S.S. Arbor Day convened on issues of environmental awareness and climate change in ward 15 &17 at the KSD municipal area together with the Disaster International Strategy for Disaster Reduction (ISDR) on 28th. Sep.2023 in Ntabelize S.S.S. The session was held at Hlamvana J.S.S, Ward 04, 27th. Sep. 2023 in Port St. Johns.

#### **2.6.5.3 Social Development**

The *Constitution of the Republic of South Africa, Chapter 7*, and Section 153 stipulates that, the developmental duties of the municipality must structure and manage its administration and budgeting and planning processes to give priority to basic needs of the community, promote the social and economic development of the community and participate in national and provincial development programs. In realising this preamble, O R Tambo District Municipality seeks to protect and promote the rights of vulnerable groups by coordinating the mainstreaming of their basic needs & interests whilst improving livelihoods of indigent families under distress.

Social Development relates to implementing socio-economic development programs focusing on capacity building and institutional arrangement in support of vulnerable groups. Social Development is a section that seeks to address social ills through planning, empowerment, implementation & coordination. The exercise is focusing on all vulnerable groups, namely, Women, Children, Youth and Disabled people for their betterment. In facilitating Early Childhood Development (ECD), a functional forum sits on a quarterly basis. Following are the interventions for 2023 – 2024:

- Child protection, 75 foster parents were trained in the five local municipalities. The trainings took place from 23 October 2023 to 27 October 2023 where 15 members benefited from five local municipalities.
- Youth from Mhlontlo municipal area is capacitated on Moral regeneration life skills program. There were 20 youth members that were identified and the municipality is in the procurement stage to source a service provider that will conduct training.
- Social Relief of Distress (SRD) Response program to disastrous incidents
- There is an ECD Forum coordination on quarterly basis and over and above these interventions are support programs on 15 Early Childhood Development Centres (ECD) that were supported with a Greening program (vegetables and fruit inputs) as follows:

MUNICIPAL AREA	IDENTIFIED CENTRE FOR SUPPORT
Ingquza Hill	Nokulunga preschool Thamsanqa preschool Little Stars preschool
Port St Johns	Mahayoyo preschool Newstar preschool Luncedolwethu preschool
Nyandeni	Siseko preschool Thulasizwe preschool Masakhane preschool
Mhlontlo	Siyakhula preschool Khungeka preschool Mbutho DCC
King Sabatha Dalindyebo	Qawukeni preschool Masivuke preschool Jojweni preschool

#### 2.6.5.4 Municipal Health Services

Environmental Health/Municipal Health Services is about creating and maintaining sustainable environments, which promote good public health. Environmental Health Services include a package of Municipal Health Services as defined in the National Health Act 2003, (Act No 61 of 2003). It further draws its mandate from The Constitution of the Republic of South Africa 108 Of 1996, Food Cosmetics and Disinfectants Act No (54 of 1972, creating and maintaining sustainable environments, which promote good public health and adherence to Environmental Health Norms & Standard. It also

refers to the theory and practice of ascertaining, correcting, controlling and preventing those factors in the environment that can potentially adversely affect the health of present and future generations.

Municipal Health Services (MHS) Bylaw is under review and gazetting by a contracted service provider and to be gazetted before end June 2024. In an effort to achieve optimal service delivery, the municipality may enter into agreements with the local municipalities within its area of jurisdiction. Right now, Memorandum of Understanding (MoU) has been lawfully scrutinized by the legal office and is ready for signing by the sector department and municipalities. The municipality managed the Authorization of Environmental Health Practitioners (EHP) on food control, Devolution of Municipal Health Services at (KSD) which is at an advanced stage, appointment of a service provider for establishment and gazetting of Municipal Health bylaws, Carrying out of BLITZ on food premises (spaza shops) and the MoU's with Sector departments & Local Municipalities have been developed.

### **Illegal dumps**

Environmental Health Practitioner (EHP) encourages the waste generators to dispose their waste to the landfill site or disposal site, in accordance to the Norms and Standards and prescripts e.g. National Environmental Management Act Waste Act 59 of 2008. Any indiscriminately, disposal of waste is discouraged as it results to the degradation of the land and environment and/or vermin that cause contagious and infectious diseases.

The annual target set was 100% of identified and reported illegal dumps to local municipalities. Illegal dumping, Illegal dumping was identified in Ingquza at the entrance of the KSD LM on the N2 Bypass on the excavated land by Mpindweni/Highbury junction/off ramp and R61 Mandela Park route.

### **Surveillance and prevention of Communicable Diseases (Notifiable Medical Conditions)**

Surveillance and prevention of communicable diseases is the identification, monitoring and prevention of any disease, which can be communicated directly, or indirectly from any animal or through any agent to any person or from any person, suffering therefrom or who is a carrier to any other person. Prevention is done by:

- Doing health education to the communities on food borne and water borne diseases.
- Conducting epidemiological surveillance of diseases.
- Collecting, analyzing and disseminating epidemiological data and information.
- Establishing an effective environmental health surveillance and information system within the different spheres of governance.

In the prevention process, the institution ensures:

- Health and hygiene promotion in prevention of communicable diseases.
- Complaint investigation and follow-ups of bacterial, viral and parasitic infections.
- Case investigations and reporting
- Determination of sources of infection, contacts and carriers of diseases.
- Provision of consultation on prevention and control of diseases.
- Collection of appropriate epidemiological information on communicable diseases.
- Collaboration with other stakeholders and Departments regarding outbreaks.

- Taking of samples and specimens for analysis and further action if deemed necessary.
- Instituting remedial and preventative measures including health education.

### **Business Inspections and food control**

The municipality perform inspections of formal and informal food premises and taking of food samples for bacteriological and chemical analysis. There is monitoring of poor food hygiene practices to prevent infections and poisoning due to microbiological contamination of food by deficient practices and technologies in food production, processing, transportation and storage. The target for this work is food handlers, food outlets, industry and vendors.

The World Health Organization (WHO) defines food control as a mandatory regulatory activity of enforcement by National or Local authorities to provide consumer protection. It ensures that all foods during production, handling, storage, processing and distribution are safe. Functional areas on formal premises include:

- Food retailers (restaurants, cafes, franchises, fast-food outlets, bakeries,
- Supermarkets, butcheries, cafeterias, etc.).
- Food wholesalers/distributors.
- Food factories/industries (including homes).
- Food warehouses.
- Catering organizations/companies.
- Food transportation.
- Food preparation areas in accommodation establishments and places of care.
- Temporary carnivals, fetes, charity and sporting/special events.
- Open air markets.
- Food tenders.

While informal premises include inspection of vendors and hawkers

Inspections were conducted in low and high health risk business premises as part of inspections exercise. Focus was on food preparation premises (formal and informal), funeral Undertakers, and industries. Inspections report, results of water and food samples were communicated to the respective business owners with clear recommendations. O.R. Tambo District Municipality has been authorized to enforce the Food, Cosmetic and Disinfectant Act (FCD Act). That led to it achieving 100% on the set targets and inclusive of food premises, and food samples. Environmental Health Practitioners have been authorised to execute food safety control programmes with fear of favour.

### **Certificate of Acceptability**

Certificate of Acceptability - is issued to a business that meets the acceptable health standards or such premise that complies with the conditions stipulated in the regulation. The DM is expected to issue Certificates of Acceptability in all existing food preparation premises that do in all respects comply with the provisions of Regulation 638. For the financial year in question the Municipal Health Services section has issued Certificates of Acceptability only to food handling premises that are in compliance with the provision of the prescripts laid down.

### **Water Quality Monitoring**

The 1996 Constitution of the Republic of South Africa states that “everyone has the right of access to an environment that is not harmful to their health or wellbeing”. The primary responsibility of providing clean water rests with the municipalities. To ensure that the quality of water supplied on the communities complies with the specifications of the SANS 241 for drinking water, with regards to microbiological, chemical and physical quality. The following matter must have been observed a constant supply of clean, safe potable water and should ideally have a pleasant appearance, taste, and odour. Environmental Health Practitioners regularly take water samples for bacteriological and at times of chemical testing.

The annual target set is 300 water samples taken for analysis by the National Health Laboratory Services and set to achieved 100% as planned. The water samples taken in the Municipal water taps is found to be free of Ecoli. that is causal agent for diarrhea diseases.

### **Waste Monitoring (Waste Disposal sites)**

Section 24 of the Constitution of RSA, which provides that “everyone has a right to an environment that is not harmful to their health or well-being; and to have the environment protected, for the benefit of present and future generations. National Norms and Standards for the environmental Health asset that the “health establishment (municipality) must ensure that waste is handled, stored, and disposed of safely in accordance with the law.” Environmental Health Practitioners in their day-to-day operations conduct inspection in all waste disposal sites and ensure that appropriate trash receptacles are located at the point of waste generation; and also ensure that better environment outcome is maintained; promote and protect human life, property and entire environment.

Environmental Health Practitioners further ensure that waste generators assess their waste in accordance with the Norms and Standards, prior disposal to the waste disposal site, however, this is not the case in our disposal sites as they do not meet the laid down health standards. Environmental Health Practitioner (EHP) encourages the waste generator to dispose their waste to the waste disposal site. Any indiscriminately, disposal of waste is discouraged as it results to the degradation of the land and environment and/or spread of vector-borne diseases.

The annual performance target was set at 10 inspections of waste disposal sites and MHS section worked beyond its capacity and managed to achieve 100%.

### **National Health Insurance (NHI)**

National Health Insurance (NHI) - is a way of providing good health care services for all the citizens of the country (South Africans) through sharing of available financial resources for health care for all. It's being introduced to bring about reform that will improve service provision, and entails major changes in the service delivery structures, administration and management systems. In the process, O.R. Tambo District Municipality (ORTDM) was identified to pilot National Health Insurance (NHI). ORTDM established its National Health Insurance Forum (NHIF) in 2017. ORTDM in conjunction with the Department of Health are working tirelessly to ensure that NHICF convenes. The sitting of National Insurance Consultative Forum discusses all health care services of the citizens and infrastructure matters.

### **Commemoration of World Environmental Health Day**

The O.R. Tambo District Municipality, Municipal Health Services under the Department of Community Services hosted World Environmental Health Day Build up in Mhlontlo Local Municipality at Tsolo sub-district Town Hall. With the theme “GLOBAL ENVIRONMENTAL PUBLIC HEALTH STANDING UP TO PROTECT EVERYONE’S HEALTH EACH AND EVERY DAY”. this event was well attended by community members of the nearby villages and students from 4 schools that were within one kilometer away from the venue.

### **Vector Control**

Monitoring, identification, evaluation and prevention of vectors, identifying vectors, their habitats and breeding places, investigation of zoonotic and vector borne diseases in the working, businesses and living environment. The functional activities complaint investigations relating to environmental health conditions. Including the following functions:

- Identification of vectors, their habitats and breeding places and instituting remedial and preventative measures.
- Carrying out of routine surveillance actions and surveys to determine the prevalence of vectors.
- Applications/instituting of eradication/control measures such as spraying of premises, baiting, fumigation, application of pesticides and placing of traps at properties/premises.
- Removal or remedying of conditions permitting or favoring the prevalence or increase of rodents, insects and vectors.
- Monitoring of high-risk areas.
- Law enforcement by issuing notices/summons.
- Community awareness campaigns on zoonotic diseases and control thereof by education and training.
- Collection and analysis of specimens.
- The functional areas involved are:
  - Rodents.
  - Insects.
  - Pests

### **Disposal of the dead**

Disposal of the dead covers the areas of compliance, monitoring of funeral undertakers, mortuaries, embalmers, crematoria, graves and cemeteries. It manages, control and monitor exhumations and reburial or disposal of human remains. The institution perform environmental health inspections of funeral undertaker’s premises, mortuaries or crematorium premises which are conducted at least twice (2) in a year. Environmental Health implement an integrated management system utilizing hazard identification and risk-based approach for all mortuaries and funeral undertaker’s premises and the system must include the following components. A risk categorization process, which uses a site-specific risk assessment to determine the risk level, inspection frequency and any other safety strategies for the safe operation of the mortuary and funeral undertaker’s premises. Inspection process to assess risk of mortuary and funeral undertaker’s operational practices and determine compliance with relevant legislation are done and risk assessment conducted by an EHP to assess conditions on the premises that may pose a threat to human health by:

- Identifying potential health hazards from the preparation, storage and preservation of human remains practices;
- Assessing the likelihood of the hazard posing a risk;
- Estimating the severity of the consequences, if harm is caused; and
- Recommending action plans in management to eliminate the hazard or minimize its effect through laid down control measures.

The following activities are coordinated:

- Control, restrict or prohibit.
- The business of a funeral undertaker or embalmer.
- Mortuaries and other places or facilities for the storage of dead bodies.
- Treatment, removal or transport of dead bodies.
- Regulating, control and prohibition of graves, cemeteries, crematoria and other facilities for the disposal of dead bodies.
- Manage and control exhumation and reburial or disposal of human remains.
- Ensure compliance with health, hygiene and structural requirements and standards on such premises. Enforcement of laws and regulations relating to these premises via. Notices/summons.

The functional areas are as following:

- Funeral undertakers.
- Mortuaries.
- Embalmers.
- Crematoria.
- Graves.
- Cemeteries.

### **Chemical safety**

Chemical Safety refers to monitoring, identification, evaluation and prevention of the risks of chemicals that are harmful to human health and facilitating advice and education on the use of pesticides and chemical. The activities conducted include complaint investigation relating to environmental health conditions and monitoring of safe disposal of chemical wastes and identification and controlling of premises/operators dealing with the application, manufacturing, transport, storage or selling of chemicals. Health education and training on chemical safety and law enforcement by issuing notices/summons. The following functional areas are:

- Fumigation firms.
- Formal and informal premises.

#### **2.6.5.5 Disaster Risk Management**

### **Legislative background**

In line with international trends and our national objectives of efficient and effective management of local resources, O.R. Tambo disaster management policy underscores the importance of disaster risk reduction, integrated prevention of human fatalities, lifeline



infrastructure, personal property, and the environment efficiently and effectively by tapping and improving in the following risk reduction capitals:

- Human,
- Economic,
- Political,
- Organizational,
- Financial,
- Natural, and
- Technological.

This is intended to ensure that the municipality using the District Development Model can contribute towards the realization of the Sustainable Development Goals, the National Development Plan and a disaster risk reduction based sustainable development. The district municipality through its disaster management policy framework is using the human and political resource within its disaster management Centre, advances an integrated disaster risk reduction and mitigation approach to its development initiatives, the development and application of integrated disaster preparedness measures aimed at ensuring efficient and effective disaster response, recovery, reconstruction and rehabilitation operations. The municipality seeks to realign itself towards implantation of programs, initiatives and projects that not only integrate disaster risk reduction but also mitigation and prevention measures.

The following pieces of legislation and policies have a bearing on the disaster management function:

- South African Constitution Act.108 of 1996
- Disaster Management Act, 57 2002
- White Paper on Disaster Management
- National Disaster Management Framework
- National Disaster Management Guidelines
- National Disaster Management Regulations
- National Disaster Management Handbook
- Provincial Disaster Management Policy Framework
- O.R. Tambo Disaster Management Policy Framework
- DORA
- Municipal Systems Act
- Access to Information Act
- POPI Act
- Health Act

- Social Assistance Act, etc.

The primary responsibility for disaster management in South Africa rests with the government. In terms of section 41(l) (b) of the Constitution of the Republic of South Africa, all spheres of government are required to “secure the well-being of the people of the Republic”. Disaster management is listed as a functional area in Part A of Schedule 4 of the Constitution, meaning that both the national and provincial spheres of government are competent to develop and execute laws within this area and have powers and responsibilities in relation to disaster management. Disaster management has also been ‘assigned’ to local government through the promulgation of the Disaster Management Act, 2002 (Act no 57 of 2002).

The Act 57 of 2002 (as amended) is the primary legislation dealing with DM in the country. This Act provides for an integrated & coordinated disaster management policy that focuses on:

- Preventing or reducing the risk of disasters (Prevention);
- Mitigating the severity of disasters (Mitigation);
- Emergency preparedness.
- Rapid & effective response to disasters; and
- Post-disaster recovery and rehabilitation.

The Act also makes provision for the establishment and functioning of DM across all focal point spheres of government and access to disaster management volunteers; and matters incidental thereto.

## **Disaster Management Function**

Head of the Disaster Management Centre was appointed in the 2024-2025 financial year. There is qualified disaster management staff and training was conducted for unqualified staff. Other staff members were referred to Corporate Services for inclusion in Skills Development programmes. In support of the core concepts of integration and uniformity the disaster management centre performs, its duties in realization of the four key performance areas (KPA's) supported by three performance enablers (PEs) as follows:

KPA 1: Integrated Institutional Capacity for DRM

KPA 2: Disaster Risk Assessment (DRA)

KPA 3: Disaster Risk Reduction

KPA 4: Disaster Response and Recovery

PE 1: Information Management and Communication

PE 2: Knowledge management

PE 3: Funding

These KPAs and PEs are interrelated and should be implemented following cooperative governance and project management principles. The municipality aims at developing a Disaster Operating procedure Contingency Plan that will also assist during the 2024 national elections. The disaster management centre is at 93% completion. In 2024-2025 training / on Disaster Management was conducted in all LMs mainly focusing on Councillors, relevant staff members from Community Services, Human Settlements and Infrastructure aiming at ensuring equal footing should a disaster come. An amount of R 300 000 has been put aside for 2025-2026 FY for capacity building / trainings. The DM also conduct International Strategy for Disaster Reduction yearly around the 2<sup>nd</sup> quarter in communities zooming into international determined themes. Monthly awarenesses are conducted in communities depending on trainings applicable to the season at hand on issues of floods, fire, strong winds and droughts

The process of the gazetting of all municipal bylaws are centralised covering disaster (including fire bylaws), water and municipal health services. Earth Free Consulting was appointed in 2024-2025 FY and anticipated to be completed at the end on the financial year.

### **Disaster Management Challenges**

Funding the disaster management function and Fire and Rescue Services is a general problem across municipalities. There is not adequate funding to implement the disaster management policy framework and Fire brigade policies of the municipality. This has a negative effect on compliance with the implementation of the four key performance areas and three enablers. This also has influence on compliance with national and provincial guidelines. The budget for disaster management has always been fluctuating with a declining trend over the past three years. Even though the NMDC has a responsibility to assist the PDMC and District, when it comes to DORA funding for disaster relief and reconstruction, the NDMC has no role to play. This results in the MDMC being unable to record the actual costs of response vs risk reduction.

#### **2.6.5.6 Fire and Emergency Services**

O.R Tambo District Municipality has a Fire and rescue services unit, which draws its mandate from Section 2 of the Constitution of SA, Act 108 of 1996, which make emphasis on equality and safety of society. According to the Fire Brigade Services Act 99 of 1987, the district municipality has a mandate to establish and manage of fire and rescue sub directorate at large. In addition to this, the institution aligns itself with the following guided documents to deal with specific hazards and risks in the society:

- SANS 10090 - Community Protection against Fire,

- SANS 10400 - Building Regulations
- SANS 10087- LPG Installation
- SANS 10089- Flammable Liquids Installation
- National Veld Forest Fire Act 101 of 1998

Fire and rescue services has a social mandate to save lives, property and preserve environment. Throughout history, fires have inflicted a heavy cost in human infrastructure, and damages to the environment in a manner capable of undermining socio economic development. The risk of fire in South Africa is influenced by a variety of socio-economic factors notably the rising levels of urbanization that often result in the informal settlement comprised of shacks built by highly combustible material and in close proximity to each other in peri-urban which heighten the risk of fire in these areas. Some of the major fire that humanity has experienced over the years have demonstrated the danger posed by fire to human lives, infrastructure and the environment. The service operates under four key performance areas, which narrated as follows:

- **Fire Operations** involve rendering of rescue, administration and emergency functions. This includes all day-to-day operations of the unit and all its four satellite fire stations.
- **Fire wild coast Prevention** that focuses on the application of legislation on prevention, mitigation and reduction of fire risks. It includes evaluation and analysis of building plans, advisory services, and risk analysis and compliance inspections to buildings.
- **Training** subunit involves undertaking in house trainings, simulations, drills and exercises. It also encourages readiness of equipment and personnel to deal with and respond to reported fire or other incidents requiring role of the service.
- **Fire Public Information, public education & public relations (PIER)** focus on fire prevention through the engagement of communities, the private sector and other key role players. The subunit also actively participates and facilitate operation and establishment of FPAs (Fire Protection Association).

## Fire and Safety

The municipality appointed a Service provider to develop the District Fire Safety Master Plan in 2023, where a scientific fire risk assessment was developed and the final Draft District Master Plan was presented to the unit to guide the municipal operations at large. Fire Safety inspections are conducted twice monthly per each satellite office which amounts to 24 inspections per quarter. A Service Provider was appointed in August 2023 to develop Fire Safety By-Laws where the process is anticipated to be complete by the end of the financial

year. The availability of the adopted By-Laws will assist in enforcing SANS 10400 - Building Regulations, SANS 10087- LPG Installation and SANS 10089- Flammable Liquids Installation.

The municipality has a 24/7 Fire Service with its headquarters and control room situated at Myezo in Umtata. The four satellite centers are operating in temporal structures at Port St Johns, Ingquza Hill, Nyandeni and Mhlontlo. King Sabatha Dalindyebo municipality has its own Occupational Fire Brigade to service its boundary. The Chief Fire Officer was appointed is responsible for the entire district and there are Station Commanders managing satellite centers. A Disaster Risk Management Centre is currently at 93 % construction in Nyandeni, which is anticipated to be complete by 2023 -2024 financial year. As soon as the Disaster Risk Management Centre is complete, the headquarters will move there to upgrade the level of service standards. The municipality has fire hydrants in the PSJ area which are being cleaned and maintained timeously. The district is in the process of partnering with WSA for the installation of mfire Hydrants in other 3LM's. Tariffs will be reflected on the Fire gazetted bylaws.

With the help of Geographic Information Systems (GIS), the institution managed to develop the District Fire Hydrant Layout Plan. There are Service Level agreements developed to deal with the Occupation Fire Brigades within the O.R Tambo District. There are Standard Operating Procedures (SOP) in place which were approved in 2018 and will be reviewed in 2024-2025 FY. To coordinate functions of district emergency services, there is a District Emergency Response Task Team, which sits on a quarterly basis.

#### **2.6.5.7 Sports and Recreation**

The unit is responsible for the co-ordination and facilitation of the development of sport and recreation initiative and activities within the O.R Tambo district municipality. This is executed having cognizance of sport and recreation activities as an instrument for social cohesion, nation building, mass participation, recognition of the marginalized group( people living with disability, women, disadvantaged communities).The aim of the unit is to liaise with the relevant stake holders and various spheres of government. The district municipality works in partnership with other stakeholders and spheres of government (DISRAC, Sports confederation and other structures}. The municipality provide support and coordination in the local municipalities.

There is a forum in place coordinated by the DM and DISRAC, which sits on a quarterly basis with stakeholders. The DM prides itself on the support of local athletes that participated provincial, national and international level with transportation, accommodation and equipment. While other sorts codes were supported by sports apparel. O R Tambo District was a champion of Steve Tshwethe games since its existence.

## **Legislative Framework**

- The Constitution of South Africa, 1996
- National Sports Plan
- White Paper on Sport and Recreation
- National Framework on Sport and Recreation

## **Sports and Recreation Programmes**

- Support to Sport Development, facilitation, and coordination of programmes ranging from Local, District, Provincial, National and International arenas.
- Staging capacity building initiatives for sport and recreation administrators within the District Municipality
- Rendering support to sport for the vulnerable groups ,people with disabilities, women and disadvantaged
- Rendering support to elite sport initiatives for the provincial national and international arena
- Assist in the provision of sport and recreation equipment to various schools, clubs, Individuals, federations, and sport confederation.
- Supported and coordinated the community social initiatives through sport e.g. Human Right Day in partnership with Ngqeleni Athletics Club.
- Rendering support to Sport and Recreation initiatives with Sport Equipment in various federation
- Supported the promotion and the staging of the amateur boxing federations
- Facilitating the capacity building coaching workshop for the technical officials of the table tennis federation
- Facilitated and supported the hosting of the National under 20 women's' rugby tournament. This was preceded by being the base camp for the SA national women's rugby team in preparation for the world Cup tournament
- In the 2024-2025 financial year the district municipality supported the Human Rights Athletics event with sports apparel in partnership with Nyandeni Local Municipality.
- Facilitated the hosting of the Public Viewing Area for the 2023 Rugby World Cup Final in partnership with the OEM

### **2.6.5.8 Arts, Culture and Heritage**

Arts, Culture & Heritage is being recognized as fundamental to the social-cohesion and economic development of the country. The government's policy for local arts, culture and heritage need to be seen overarching context of building a just and equitable society where citizens are enabled to enjoy the social-cohesion and economic benefits that flow from access to and participation in culture.

The aim of the unit is to develop and preserve ORTDM arts, culture, and heritage to ensure social cohesion and nation building. It strives to promote and sustain economic development through influencing partnerships (Public Private Partnership). Focus is also aiming to the strengthening of the liberation Heritage Route. The institution also coordinates and facilitates the arts and culture heritage

in collaboration with the relevant stakeholders i.e. Dept. of Sports, arts and culture, Eastern Cape Arts and Culture Council, Cultural and Creative Industries Federation of SA, National Arts Council, Heritage Council and Provincial Arts and Cultures as well as Institutions of Higher learning etc.

The institution coordinates cultural initiatives like cultural music festivals, provision of equipment to individual artists for economic benefit furthermore more encourage participation in the provincial and national activities. Capacity building for developing artists is facilitated district wide. There is coordination of structures and association where they sit and discuss issues of attention. The municipality successfully reserved the heritage sites e.g Ingquza hill Garden of Remembrance, reserved S.S. Mendi Heritage site in Nyandeni, constructed a monument for footprints of the liberation at Yako homestead in Qokolweni where Honorable Nelson Mandela grew up which is under King Sabatha Dalindyebo. Among the support programs were, capacity building and provision of film equipment to the film structures of O R Tambo. Gospel music instruments were provided to O R Tambo gospel structure.

### **Legislative Framework**

- The Constitution of South Africa, 1996
- National Heritage Council Act (No. 11 of 1999)
- National Art Council Act 1997, (No. 56 of 1997)
- National Resources Act (No. 25 of 1999)
- Culture Promotion Act (No. 35 of 1983)
- National Library of South Africa Act (No. 92 of 1998)
- White Paper on Arts, Culture and Heritage, 1996
- National Film Strategy, 2014

## **2.7 LOCAL ECONOMIC DEVELOPMENT**

The ORTDM has a department responsible for rural and economic development in the district called Rural Economic Development and Planning (REDP) and has its state-owned entity, the Ntinga Development Agency. The district had recently re-aligned Kei Fresh Produce market, Adam Kok Farms, Ikwezi Dairy Farm and Umzikantu Red Meat Abattoir with the new Ntinga Development Agency strategy and in line with the requirements of both the MFMA and Municipal Systems Act.

The mandate of REDP department is derived from the following:

- Constitution S152 (1) (c) (d) (e):
  - To promote social and economic development;
  - To promote a safe and healthy environment; and
  - To encourage the involvement of communities and community organizations in the matters of local government.
- Section B of the white paper on Local Government, of 1998:
- To maximize social and economic growth
  - Reviewing the existing policies and procedures to enhance employment and investment opportunities
  - Provision of special economic services

- ❑ Municipal Systems Act, of 2000, S26©
- Council's development priorities and objectives should include local economic development aims
  - ❑ Section 26© of the Municipal Systems Act of 2000
  - ❑ Tourism White Paper of 1996; and Art Culture and Heritage white paper of 1996
  - ❑ Tourism Act, of 1993

### **2.7.1 Local Economic Development**

Local Economic Development (LED) is defined as an approach towards economic development which allows and encourages local people to work together to achieve sustainable economic growth and development thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. As a programme, LED is intended to maximize the economic potential of all municipal localities throughout the O R Tambo District Municipality and, to enhance the resilience of macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development. The “local” in economic development points to the fact that the political jurisdiction at a local level is often the most appropriate place for economic intervention as it carries alongside it the accountability and legitimacy of a democratically elected body.

The ORTDM has a department responsible for rural and economic development in the district called Rural Economic Development and Planning (REDP) and has its state-owned entity called Ntinga Development Agency. The district had recently re-aligned Kei Fresh Produce market, Adam Kok Farms, Ikwezi Dairy Farm and Umzikantu Red Meat Abattoir with the new Ntinga Development Agency strategy and in line with the requirements of both the Municipal Finance Management Act (MFMA) and Municipal Systems Act. Finalization of the review of the LED Strategy is underway with assistance from the Department of Science and Innovation (DSI), Walter Sisulu University (WSU) and Human Sciences Research Council (HSRC). The district intends to strengthen partnerships with all departments, public entities and development finance institutions that have LED mandate while in the process of developing an ecosystem for LED.



### **2.7.1.1 Economic Programs and Infrastructure**

The LED Unit is responsible for the oversight, planning, and development of all the sectors in the district. The O. R Tambo District Municipality has several formal IGR structures that are fully functional and talks to issues and opportunities in the district. The ORTDM has a fully functioning and vibrant LED Forum that sits quarterly to discuss developmental issues in the district. The district also has other IGR structures that sit regularly like the Economic Development, agri-sector; and trade and investment work streams which look at the district major projects and programs, the District SMME s Co-ordinating Committee (DSCC) which investigates informal trade, co-operatives, SMMEs related issues across the district. These structures ultimately feed into the LED Forum. The district using the forum and stakeholder engagement seeks to facilitate business retention and ultimately business growth and expansion in the region. The ORTDM together with Small Enterprise Development Agency (SEDA) established Interim District SMME Coordinating Committee (DSCC). The Committee includes the Stakeholders from the Business Community, Business Formations (NAFCOC and Business Chamber). There are future initiatives to strengthen the IGR Forums such as the Joint LED, Spatial Planning and Tourism Forum as well as Planners Forum to unlock bottlenecks on planning.

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

The district is investing heavily in the development of key catalytic infrastructure that will act as enablers for the economic development in the region. The problem of inadequate infrastructure due to the colonial planning process cannot be ignored if the district is to grow to its potential. Some of the key catalytic infrastructure projects include the Mthatha Airport upgrade, N2 Wild Coast Road, Wild Coast Meander, Wild Coast Special Economic Zone (SEZ), Umzimvubu Dam, Proposed PSJ Small Fish Harbour, R61 Corridor, Vulindlela Industrial Park amongst other strategic projects will position the district at an advantage to grow the economy.

The district municipality contributes by assisting informal traders with folding galvanized tables and heavy-duty chairs as well as assisting informal traders to access water and ablution facilities while also monitoring and evaluation of support provided. The district collaborated with the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) to host the Micro, Small and Medium Term (MSME) summit which served as a platform of engagement on topical MSME developmental challenges while formulating responsive and lasting interventions. ORTDM is currently implementing Small town revitalization program to uplift the face of our small towns, and the program is implemented at Mhlontlo and Ingquza Hill LMs by COGTA.

### **2.7.1.2 WildCoast SEZ**

The land for the proposed Wild Coast SEZ is located around the Mthatha Airport and it is approximately 226 hectares. The site is adjacent to the Mthatha Airport, thus potential for future trans-shipment hub for high value or short shelf-life produce. It is in proximity to high accessibility transport

route, R61 connecting to Queenstown and N2 with bulk infrastructure planned and thus the Wild Coast SEZ's requirements for industri

incorporated. The land is almost central point (distance) of the three District Municipalities; and identified land is within the most populated local Municipality in the region compared to others.

The Wild Coast region incorporates three Districts, i.e., Alfred Nzo District Municipality (ANDM), OR Tambo District Municipality (ORTDM) and Amathole District Municipality (ADM) (excluding the Buffalo City Metropolitan Municipality). The development of the proposed Wild Coast SEZ will require funds for upgrading existing and providing new enabling bulk infrastructure. The three primary objectives of the proposed Wild Coast SEZ are:

- Grow the agro-processing sector in the eastern region of the Eastern Cape;
- Promote beneficiation and further value addition of the region's agricultural resources and the development of solid manufacturing capability to enhance its economic competitiveness; and
- Revitalize Mthatha and surroundings as a key industrial node.

In achieving these objectives, the Eastern Cape Provincial Government through the Department of Trade and Industry's SEZ policy seeks to create employment, develop a sustainable manufacturing capability to promote economic growth, uplift the Wild Coast region, and attract foreign direct investment and domestic investment. The Eastern Cape Provincial Government in partnership with the Department of Trade and Industry (DTI) has sought to plan and develop the Wild Coast SEZ as one of the key economic development instruments of the Integrated Wild Coast Development Programme (IWCDP).

The primary focus for the IWCDP is to achieve the following objectives:

- identify industrial linkages for the proposed Wild Coast SEZ to be promulgated in the Wild Coast region for creating sustainable and decent jobs;
- support the proclamation of new towns and infrastructure projects as a means of reviving the local economy in the identified sectors to achieve industrial development under an Environmental Management Framework;
- support the Presidential Infrastructure Coordinating Commission (PICC) driven projects under SIP 3 with the identified catalytic projects, namely the Umzimvubu Water Basin Project and the Wild Coast N2 Highway; and
- Designate programmes geared towards the improvement of the quality of life of the poorest and most deprived people in the Wild Coast Region.

Increasing investment and boosting competitiveness are two of the pillars on which the IWCDP is based on. The Investment Promotion Programme (IPP) of the Wild Coast SEZ is underpinned by the Provincial Economic Development Strategy (PEDS) goals of poverty reduction through growth stimulation and job creation, primarily focused on recruitment of agro processing investors and provision of fast and efficient logistics solutions to deliver value added to goods to markets. The proposed Wild Coast SEZ seeks to take advantage of existing industrial capacity to promote further integration with local industry and increase value-added production with direct linkages and/or synergies to the primary industries already established in the Eastern Cape. It is against this background that the types of investments being targeted by the proposed Wild Coast SEZ are Greenfield (new projects on sites being developed for the first time ever), with new operations to be co-located with existing activities for synergy

The types of opportunities being sought fall into the following categories:

- Large or medium-sized international companies (expansions and new ventures).
- Established South African companies and new ventures seeking to expand (excluding relocations); and
- Multinationals seeking opportunities for clustering to achieve synergy.

The proposed Wild Coast SEZ will contribute immensely to job creation and the development of economic infrastructure in the Eastern Cape Province. The latter will be a strategic driver of industrial development with the potential to contribute boosting manufacturing and employment generation. The relevance of the other Eastern Cape SEZ's and their programmes lies in the extent to which they contribute to regional and provincial objectives.

The proposed Wild Coast SEZ provides the Wild Coast region, in which it operates, with an industrial set-up and manufacturing capability to:

- Leverage existing industrial capacity to stimulate economic development;
- Increase the volume of private sector investments directly;
- Improve the quality and sustainability of investments by targeting specific sectors; and
- Increase the level of overall competitiveness of the Eastern Cape Province and South Africa.

The job creation potential of the selected projects was benchmarked against actual, similar operations elsewhere which gave about 1 840 direct jobs during operations. The operational jobs will be complemented by 3 313 construction jobs, totaling 12 626 for economy wide new jobs. The Wild Coast SEZ Project Management Office (PMO) has engaged extensively with local stakeholders and is already working with them to ensure that the proposed SEZ benefits the local community and existing industry. An Environment Authorization has been granted by the Department of Environmental Affairs to develop the land as a Special Economic Zone. Master Planning has been concluded and a Land Use application has been submitted to the King Sabata Dalidyebo (KSD) Local Municipality for consideration and approval. The PMO has worked with the owners of the land (who have provided a binding resolution in terms of the Restitution of Land Act, No. 22 of 1994) who have provided the land for development, traditional leadership, local government (both local and district), local business, provincial government departments and entities and other interested parties.

The Wild Coast SEZ is set to address the existing socioeconomic challenges the region faces in terms of 41.3% unemployment rate, acute poverty levels, a declining dependency on the primary sector (agriculture in particular) and a shift towards community services led by government services. The two proposed sectors, namely agro-processing and logistics from the input side, would have adequate support and continue to thrive and contribute positively to economic development, Gross Regional Domestic Product (GRDP) of the province, and specifically job creation in the Wild Coast region and beyond.

#### **2.7.1.3 Agricultural Development and Agro-Processing:**

The O. R Tambo District Municipality has developed Agricultural Development Strategy that guides the implementation of agricultural and agro-processing programs in the region. The District Municipality has supported more than 50 cooperatives in the short and medium term on various commodities such as livestock,

wool, fruit and vegetable, grain which some of them have started processing. These small-holder farmers are likely to create an average of five jobs, each that will contribute in reducing unemployment and poverty.

#### **2.7.1.4 Crop Production**

The district municipality in 2022-2027 targeted 5000ha i.e. 1000 ha per year of maize production to boost agricultural development and food security in the district through the value chain. In the current year 2024/25, the district has partnered with Department of Rural Development and, Agrarian Reform (DRDAR) to support farmers in all local municipalities on grain (maize) production of about 4102ha. In terms of vegetable production, the district has targeted to support farmers across the district more than 100 ha.

#### **2.7.1.5 Livestock Improvement**

The municipality in 2022-2027 IDP targeted wool improvement program in all LMs and establishment of wool processing facility in KSD LM. The DM has very limited budget for this program and relied more on partnerships. In 2024/25 financial year, the DM relied on partners to support livestock farmers due to budgetary constraints and has only supported 5 co-operatives. Awareness on livestock management and treatment of diseases was held on 26/09/2024 and farmers were provided with an awareness on crop production and market access where information on the establishment of Eyoluntu Market Agent and its purpose was shared on 26/09/2024.

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

The 2022-2027 IDP identified forestry development, afforestation, and processing as a target. The DM coordinated resuscitation of the forestry sector stream which include private sector, which is now sitting quarterly to identify priorities and forge partnership with stakeholders, and work towards one plan. One of the key risks identified by the sector is veld and forestry fires. The DM in collaboration with its stakeholders initiated a program to develop veld, and forestry prevention plan in 2024/25 year. SAPPI, and MERISKY companies are expanding afforestation program in the O.R Tambo district. The DM has supported one SMME on forestry in PSJ.

In terms of Small town revitalization program is implemented to uplift the face of our small towns, and currently, the program is implemented at Mhlontlo LMs by COGTA partnering with District municipality, and is also extended to Ingquza Hill Municipality. The municipality successfully conducted Forestry development IGR and LED forum as part of capacitating stakeholders on coastal development legislation and regulations to promote economic activities and protect the environment.

#### **2.7.1.7 Blue Economy**

The O R Tambo District is endowed with a pristine coastline spanning about 164kms. The sector is relatively new and undeveloped characterized by low levels of HDI operating in the sector. The district has developed an Aquaculture Development Strategy and is under implementation. A forum was established to investigate the need of the sector moving forward and development of feasibility study towards establishment of fish farms across the district to enhance fish production. The municipality assisted fisheries with

infrastructure support and facilitating partnerships with stakeholders. The implementation of the Aquaculture Development Strategy works closely with the Coastal Management committee. Currently, the District Municipality is supporting partnership between REKASEED Company and Port St Johns Co-operatives on fishing and selling of Lobster to well established companies, and co-ops are able to generate income. The District Municipality in collaboration with DFFE held public consultations on draft policies concerning the allocation and management of rights to operate a Fishing Processing Establishment (FPE) and transfer commercial Fishing Rights.

#### **2.7.1.8 Enterprise and Informal Trade Development**

The LED unit has over the years developed a funding policy which was adopted in 2018 by the council to support development of enterprises; however, the policy needs to be reviewed. The department is currently using the policy as a framework to support SMME's and Co-operatives. The policy puts an emphasis on 30% of the procurement to be allocated on SMME Development. On top of that, the district has developed an SMME Strategy to guide the district in the implementation of SMME related programs. In Terms of the policy, the SMME and co-operatives supported for an average of three years to ensure sustainability.

The 2022-2027 IDP of the DM focus among other things on supporting the piggery and poultry SMMEs/Co-ops in order to feed and supply local market and WCSEZ value chain program. The DM in 2024/25 year supported more than 10 SMMEs/Co-ops with an amount of R 7m. However, department was constrained by limited budget. The DM is engaging ECDC for facilitation of market and support for the SMMEs/Co-ops through the partnership program.

#### **2.7.1.9 Retail and Trade**

There has been a minimal contribution from the District Municipality to support retails, but the district municipality has seen how the sector has grown and as such, it plans to coordinate other sector departments that are participating in developing the retail sector.

#### **2.7.1.10 Mining and manufacturing**

The District does not have much of mining, few of mining centered on quarry, sand and clay mining. In addition, the District Municipality has plans to assist enterprises in this sector to explore and develop deposits available in the district. The sector has previously not developed to its maximum due to a number of reasons including quality assurance. To develop the sector, the district has collaborated with quality assurance testing institutions in TUT University to facilitate product quality testing. The District will focus on product quality enhancement in the sector.

#### **2.7.1.11 Green Economy**

It is a relatively new sector which the District has not invested much but has potential to create employment and contribute towards GDP of the District.

The District has not developed the sector to its maximum but they are effects to give the sector by supporting enterprises in the sector. The DM should plan for the engagements with CIBD and allocation of 30% procurements projects in the form of sub construction.

#### **2.7.1.12 Tourism**

O R Tambo District is endowed with several significant cultural and heritage sites, it is also boosts with being home to South Africa's iconic legends such as the late Nelson R. Mandela and O. R Tambo, however despite such enormous tourism potential tourism still contributes under 10% to the district's GDP. The purpose of the Tourism Section in the O.R Tambo District is to facilitate, and coordinates activities associated with tourism support factors like: Infrastructure development to improve the O.R. Tambo tourism mix, Signage development, Attractions, parks, museums, Investment promotions, Package community-based projects, Route development, identify poverty alleviation projects, Assist in development of tourism transport, tour operators, training and registration of tourist establishments and tourist guides with the following programs:

Tourism Research and Development, Tourism Marketing, Tourism Education and Awareness, Regional Tourism Organization and Visual Arts and Craft development. Tourism Experiences are intangible, but tourism products are tangible. The Tourism industry of the O.R Tambo region is dominated in many ways by tangible products such as Tourism Attractions (Natural products), Nature Reserves, Museums, Beautiful untouched coastal belt, Cultural Activities and adventure activities that many attract more tourists, the region is safer and more accessible to a tourist flows. Tourism products are perishable hence the local Government must prioritize tourism development to meet tourist's satisfaction example, products such as concerts, festivals and operas and are hard to reproduce. In addition, the hotel beds are also perishable hence, it is important that accessibility is emphasized to attract more tourists.

#### **2.7.1.13 Tourism Marketing & Promotion**

The program is aimed at marketing O.R Tambo as a tourist's destination and local, national and international level. In terms of marketing, the section uses international trade shows such as the Tourism Indaba as platform to assist the DM tourism product owners and Local Tourism Organizations from five different LMs to market the district and their product offerings and establishments in the national and international annual event. Traditional tourism marketing material by means of a tourism marketing brochure which is being distributed in trade shows, the use of strategic Visitors Information Centers (VICs), and tourism website is also used as a marketing and promotional tool. The information center and curio shop were launched at Bt Ngebs Casino to assist the travelers to access regional information while visiting the casino, it is situated in the mall and easy to tap in that market. Development of a new tourism Brochure and Tourism DVD completed. Tourism Maps were developed and printed with the re-print of the existing tourism brochure.

#### **2.7.1.14 Tourism Education and Awareness**

Campaigns to create awareness focusing on host communities (where there are tourist's activities), use of media (print and electronic) to engage learners and public to debate and support the cause for tourism. The Tourism Beach Sport tournament is meant to educate the communities about the importance of taking part in tourism development as the domestic tourists in their own areas and how to treat tourists from outside. It also

creates the awareness on the importance of keeping our own natural resources like the untapped vegetation for filming industry and unspoiled beaches for tourism sport activities. The region has hosted Ministerial Tourism stakeholder engagement/Tourism Imbizo at K.S.D Local municipality the main aim of the imbizo was to address tourism related issues with the Deputy Minister and MEC, SMME showcased their products, there was also a project site visit in the following LED projects: Mthatha Resort, Red Hub Maize Meal Project, Nomabali Arts and Craft Co-operative. Tourism Awareness is schools held in Ingquza Hill Local Municipality: Mqikela SSS, Siwali SSS and Mxhume SSS in Ingquza Hill Local Municipality and 1 tourism awareness campaign held at PSJ Local Municipality for Port St Johns High.

#### **2.7.1.15 Tourism Research & Development**

The programme seeks to audit and facilitate the provision infrastructure to and at tourist sites, e.g. roads, signage, water and sanitation, electricity, ablution facilities, viewing sites and amenities, and the overall destination management. Facilitate and coordinates activities and key deliverables associated with tourism support factors. The district has recently trained tourist guides in the Culture and Nature site guide and Customer care in NQF level 4 qualification, first Aid Workshop and trained home stays in customer care, second phase is to assist them with needs and alignment of agreement between the homes and tourist's guides that are operating in the Wild Coast that starts from Ingquza Hill pass PSJ and Nyandeni Local Municipality. The Tourism Master Plan developed in 2017 and it's due for review. The Municipality supports small tourism and small business such as Tour Operators, Tourists Guides, creative industry, Accommodation establishment, tourism related association, assistance is in form of capacity building & equipment and material.

Development and installation of signage is a district priority, and 30 signage has been installed in the last financial year. Six female youth were support with Massage Therapist Training workshop and massage equipment such towels, Massage oils, oil containers, company registration, sheets, massage beds, cushions and matts. Training workshops have been done for six-day hiking trail community trust and selected community member on how to run the train using the identified business model and they were also assisted with registration of a co-operative. The district has identified adventure route through activities such as kayaking, Biking and quad bikes.

#### **2.7.1.16 Arts & Craft Development**

The program enables members of the visual arts and craft community to promote their work and showcase their product to national and international markets and it also stimulates and strengthens the local economy. The program also aims at promoting and providing opportunities for visual artists and crafters in all disciplines to develop their art and talent to improve economic and other development opportunities. Access to markets is facilitated through the exhibitions, craft hubs, flea market events, cultural events as well as a business linkages program.



Launch of Curio center at BT Ngebs Casino in partnership with the BT Ngebs Casino and ECPACC. The purpose of the center is to serve as an information gateway to Tourists and assist with sales of the local craft. This program caters for all the local municipalities. Handover of Visual artists and crafted have done those in several project in all Local Municipalities in form of Painting equipment, industrial machines, Industrial irons, beads, fabrics and promotional material.

### Key Tourism Projects Proposed

#	Project Name	Description
1.	Nelson Mandela Cultural Precinct	Investment in the cultural precinct around the Nelson Mandela Museum on Owen Street, Linking to Civic Centre and other government offices
2.	Kwa-Tshezi/ Coffee Bay & Hole in the Wall Coastal Nodes Land Release	This project is aimed at facilitating development within these nodes of primary tourism potential through an engagement process with all relevant stakeholders. The proposed facilitation and engagement project will ensure that the community and all stakeholders share the development vision and development is appropriation, taking into consideration the social-cultural, economic, agricultural and conservation value of the area.
3.	Kwa-Tshezi/Coffee Bay & Hole in the Wall Coastal Nodes	Optimize tourism development potential on Wild Coast, community development project, commercial resort development projects, social capital development and a sustainable social facilitation process to empower local communities and building stability to support development projects.
4.	Port St. John Development	Redevelopment of 2nd beach and Bulolo Caravans Parks, 2 Golf Course Development, sporty facilities, shopping malls, Adventure Centre, Upgrading of current resort, Conference center, Regional Patrols and Service Centers.
5.	Mdumbi Hotel & Conference	Development of 43 Log Lodges, 30 bed Hotel and Conference Centers
6.	Lambasi Holiday Resort and Conference Facilities	Development of an up-market resort and conferencing
7.	Ntlangano Nature Conservancy	To establish a nature reserve with tourism facilities including a lodge. Main attraction Tsitsa Falls
8.	Nduli and Lutshaba Nature Reserve	Multi-purpose development to enhance economic & tourism potential of the nature reserve without losing their environmental and ecological value and to address funding constraints with Eastern Cape Parks to manage and facilities. Including the development of Accommodation, Conference center, Environmental Education.

The O.R Tambo DM highlights several strategic developments slated for the district, which will affect major structural changes to the region's economic and spatial configuration. These major projects arise from the national strategic integrated project (SIP 3) interlinked with the provincial integrated Wild Coast Development Program (IWCDP). The highlighted projects include:

- N2 Wild Coast Toll Road- specifically the new routing between Mthatha and Port Edward.
- Wild Coast Meander- a low-volume road along the Wild Coast linking Port St Johns, Mthatha Mouth and Coffee Bay

Wild Coast Special Economic zone (SEZ) - the SEZ includes the development of an agro-processing hub/ zone near the Mthatha airport, and a tourism corridor linking Mvezo, Coffee Bay and Mthatha Mouth.

- Formal establishment of Coffee Bay/ Hole in the Wall as a town.

Although the tourism potential of the district is recognized, specifically in the variety of actual and potential tourism assets based on the natural and cultural heritage, the challenge is identified in converting the potential into actual tourism assets with sustainable revenue streams.

Three substantial tourism-based LED projects are included in the LED Strategy:

- **Port St Johns tourism-oriented infrastructure upgrades:** The project involves several activities aimed at improving the quality of the urban environment of Port St Johns town has a beach node and for tourism, including improving the tourism-positive basic infrastructure and services in town.
- **Marketing and promotion of the regional tourism assets:** The project includes strengthening the RTO/ LTO network, supporting tourism product development, tourism marketing and promotion, improving tourism-tourism basic infrastructure and services and supporting infrastructure.
- **Coffee Bay node upgrade:** The project includes upgrading the basic infrastructure of Coffee Bay/ Hole in the Wall (access roads, internal road, water supply, electricity, sanitation), managed released of land for development, tourism marketing in development, and attracting investors.

#### **2.7.1.17 Mthatha Airport Upgrade**

The Mthatha Airport is operated by the provincial department of transport and has over the past several years completed several upgrade projects, including re-construction of the runway, installation of runway lighting, and completion of a new/ upgraded terminal building with car hire facilities. The airport is thus effectively positioned and equipped to handle domestic commercial passenger and freight traffic at a similar scale has East London and Port Elizabeth airports. Although an increase in the schedule flights (capacity and linkage to other destinations, will be driven by the demand perceived by the airline operators, opportunities which may arise includes:

- Stimulating demand for airlift through destination marketing in the domestic markets.
- Promoting access by charter flights by tour operators and groups

#### **2.7.1.18 N2 Wild Coast Road Project**

SANRAL and the implementing agent lead the N2 Wild Coast Road project. The overall project entails the re-construction of the 410km stretch of the N2 between East London and the Mtamvuna River on the Eastern Cape

/ Kwazulu-Natal border, including a 112km Greenfields section between Port St Johns and the Mtamvuna River.  
It will give easy access to incoming tourists.

### 2.7.1.19 Wild Coast Meander

The development of the wild coast meander involves extensive upgrade and improvement to the existing provincial road network from Port St Johns to Kei-Mouth. Once completed, it is intended that the route will be completed surfaced and will provide improved linkages between the coastal nodes east of Kei Mouth. The development by the Eastern Cape Government as a strategic transport corridor project is being led by the Eastern Cape department of roads and Public Works. Construction/ rehabilitation work on the road infrastructure has been ongoing in sections since 2014.

Further development actions which are planned to improve the tourism impact of the meander include joint branding the wild coast meander in the same manner as the wild route, and erecting route signage (including brand signage, distance indicators, directional signage) to facilitate ease visitor traffic along the route. The district has introduced kayaking /Canoeing route this comes as an adoption of Provincial strategy, Eastern Adventure province, Eastern Cape yours to explore.

Name of the project and Local Municipality benefited	Status core and Funder
N2 highway develop	There is a tourism plan that was developed by SANRAL and ECPTA
Mthambalala Resort Development at the bank of Ntafufu River Mouth-PSJ.	Project concept is already done, there are already developed chalets, the area is current working as a camp site, National Department of Tourism
Hole in the Wall and coffee bay Development –KSD.	Development of beach amenities in the form of boardwalk, boom Gate and Mini Visitor Information Centre. Department of Environmental Affairs.
PSJ Caple Car Development.	Feasibility study done, funded by ECPTA. National Treasury is assisting the Municipality with the funding model.
Mhlontlo Nature Reserve.	The reserve is functional at the minimal because there is water and there still a need to advertise the attraction for a private operator.
Six Day Hiking trail-PSJ to Hole in the Wall. PSJ, Nyandeni and Local Municipality	Phase 1: construction of the hikers huts (Mnngaza, Mpande, Hluleka) and VIC are in progress.
Pondoland Nodal Development	The program is meant for the design branding of Pondoland Node for all the tourism products, program is funded by NDT.

Name of the project and Local Municipality benefited	Status core and Funder
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Mthatha Dam Development	KSD has a concept note for the project, ORTDM has already assisted Mthatha boat Cruze
Development of Thina to Tsitsa Hiking trail	Identification of the Visitor based accommodation
King Mhlontlo Hiking trail	DSRAC developing monuments along the route, ORTDM and Mhlontlo to identify tourism route
Mabheleni Dam Development	Kayaking route established and ORTDM developed Langeni Spatial Development Framework
PSJ Tourism precinct plan	Department of tourism busy developing the plan, with PSJ LM and other relevant stakeholders

### 2.7.1.20 Wild Coast Special Economic Zone (WCSEZ)

The district municipality is strengthening its co-ordinating role to maximize benefits and impact brought about by SEZ program for benefit of Small, Medium, and Micro Enterprises (SMMEs).

#### • Integrated Coastal Management

National Environmental Management: Integrated Coastal Management Act, No. 24 of 2008 (ICM Act), and as amended, which is a policy statement for the management of its coastal zone in an integrated manner. Part 3 of Chapter 6 of the ICM Act requires of municipalities to develop Municipal Coastal Management Programmes (MCMP). Sections 48 and 49 of the ICM Act provide clear instructions and guidance as to: (a) the process for the preparation, adoption and amendment of the MCMP; and (b) the content of each MCMP. A Coastal Management Programme (CMP) is a coherent policy directive for the management of the coastal zone. O.R Tambo district municipality as mandated by the Coastal Management Act has managed to initiate and conduct a quarterly Municipal Coastal Committee to discuss issues of coastal importance. The committee has been sitting and has managed to resolve among other things the issue of sand mining and coastal erosion in Port St Johns. O.R Tambo celebrates annually the Marine day in the coastal municipalities and also get involved in the annual coastal clean-up campaign that is held in Port St Johns

#### • Air Quality Management

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

So far, the O.R Tambo district is taking the Air quality management plan for external review. The district has yet done the internal review of the plan. The projects done under Air Quality involve the awareness campaign

through the environmental clubs, and also involvement in the provincial Air Quality Forum conducted by the department of Environmental Affairs. The district is also involved in the attending complaints for air quality such as the Ngolo dust storms affecting the community. The district participates in all air quality structures such as Air Quality Lekgotla and working groups on Air Quality. The district has also resolved to review the Air Quality Management Plan in this financial year to ensure the district information on emissions is up to date. It has also extended the effort of reporting on air quality related issues so as to ensure that we get maximum control of the function of Air quality within our region. currently having a first draft and the exercise will be concluded in April 2022. It has turned out that this is a very critical need for the district to give guidance on areas of opportunity and no go zones of the district.

- **Biodiversity Management**

O. R Tambo District Municipality has jurisdiction over a diverse range of ecosystems, ranging from coastal dunes, Grassland, Valley thickets, Constitutes the Maputoland-Pondoland Albany hotspot that houses the Pondoland centre of endemism. There are many sensitive and conservation worthy areas within O.R Tambo DM, such as coastal dunes, valley thicket, wetlands, river systems, cultural sites, and medicinal species. Of particular importance, both economically and biophysically, is the 148 km of coastline of which PSJLM boast the longest part of 55 km. While rich in natural, cultural and historical resources, O.R Tambo DM is also faced with a number of challenges, such as redressing past inequities and apartheid legacies, the need for housing especial along the wild coast, unemployment and poor service delivery. The growing needs of the increasing population in O.R Tambo have also resulted in a growing demand for development. Address O.R Tambo recognizes that, although development must be economically and socially acceptable, it is imperative that the development challenges O.R Tambo DM in an environmentally sustainable manner.

As mandated by the Biodiversity Act O.R Tambo District Municipality has advertised for the development of the Biodiversity Sector Plan that will detail threats, opportunities and advantages of having our biodiversity protected. As much as the district have not done much on the function most of the biodiversity assets are protected through the EIA process and taken care of by the process. However, the district has conducted the awareness campaigns on biodiversity ranging from Cycad plant conservation in Tsolo, Medical plants awareness in Lusikisiki and protection of indigenous forests awareness campaign with DAFF. The O.R Tambo through working for fire is involved in Alien Species removal projects to ensure that the indigenous plants are protected within the region.

The district has also appointed a service provider to develop a first generation Biodiversity Sector Plan this financial year so as to ensure the mapping of all O.R Tambo District biodiversity assets. This plan is important for tourism marketing of environmental assets in the region and to guide developments too. The district has also appointed a service provider to develop a first generation Biodiversity Sector Plan this financial year so a

ensure the mapping of all O.R Tambo District biodiversity assets. This plan is important for tourism marketing of environmental assets in the region and to guide developments too. The district is currently having a first draft and the exercise will be concluded in April 2022. It has turned out that this is a very critical need for the district to give guidance on areas of opportunity and no go zones of the district.

- **Environmental Impact Management**

Since the early years of the implementation of Integrated Environmental Management (IEM) in South Africa, post-Environmental Impact Assessment follow-up and project monitoring has not been done. However, the emphasis of environmental policy is moving towards compliance monitoring. Government departments are also being restructured to focus on compliance, enforcement and the monitoring of project implementation. O.R Tambo EIA monitoring team play an important role in the framework for the monitoring of conditions set in the ROD (Records of Decision) and Environmental Management Plan (EMP) during project implementation and operation.

OR Tambo has a KPA to monitor at least 20 MIG projects implemented within the district per quarter. So far the district has managed to monitor and assess at least 40 MIG projects implemented. Monitoring is a continuous process and so far, the district has not picked the serious environmental implications caused by the construction in projects. All the projects are still compliant, and no project had serious non-compliance to the license conditions. All of the projects are still compliant, and no project had serious non-compliance to the license conditions. The section has picked up that rehabilitation remains the most problematic area with the reticulation water projects, the service providers barely leave the areas intact. This is among the causes of soil erosion in areas like Mjikwa and Mhlahlane. The section wishes that the Monitoring reports could have legally binding impact on the oncoming projects as a tool to ensure compliance in MIG projects of the district.

- **Environmental awareness and education**

The municipality is also implementing environmental education and awareness in schools and in our communities on all environmental issues. School learners are also assisted to establish their environmental clubs at school and to ensure that their schools are always clean and green and ultimately enter environmental competitions

Currently the district is conducting Environmental Awareness in 12 school across the district, and conducting awareness activities in observation of environmental calendar day in a form of workshops and campaigns. The district has also collaborated with all local municipalities and sector departments in conducting cleaning campaigns and other awareness programs. The district has also made several awareness campaigns to the new recyclers to ensure that they form part of the regional recycling. This has also involved community engagements to educate people about the importance of recycling, which products the project taking and how they can embark on micro are recycling. The capacity building programs are done to capacitate waste recyclers to embark on micro recycling projects. The district has also made several awareness campaigns to the new recyclers to ensure that they form part of the regional recycling. This has also involved community engagementto educate people about the importance of recycling, which products the project taking and how they can embark on micro are recycling. The capacity building programs are done to capacitate waste recyclers to embark on micro recycling projects

The district is conducting awareness campaigns in schools and seeks to establish school environmental clubs in each and every school within the district. We are also considering bringing schools once again to perform their work on Greenest Municipality Competition for them to showcase their environmental activities.

### Protection of natural resources

The municipality is in a process to develop a comprehensive natural resource management plan and strategy for water resource, forestry, agriculture, coastal marine resource and bio diversity. This plan is aiming at prioritising protection of natural resources, promote sustainable practices and involve collaboration with relevant stakeholders. Over and above, the municipality intends soon to develop policies and by-laws that would deal with issues of compliance with National legislations e.g. Biodiversity Act, Air Quality Act, National Environmental Management Act, Mineral and Petroleum Resources Development Act, Climate Change Act etc. and to 5 Spluma principles

### Competitive and Comparative advantages

The district municipality uses and protects the natural resources and protected areas including heritage sites by:

Competitive Advantage	Comparative Advantage
<ul style="list-style-type: none"> <li>• High Growth Pressure and Urban National Node</li> <li>• Proposed Wild Coast Special Economic Zone</li> <li>• Major Connectivity Routes (National and Inter-regional linkages between nodes and other regions)</li> <li>• King Sabata Dalindyebo as a highest contributor to GVA (following Kokstad with its extreme contributor)</li> </ul>	<ul style="list-style-type: none"> <li>• Agri-Industry</li> <li>• Sustainable Energy</li> <li>• Ocean Economy</li> <li>• Automotive Industry</li> <li>• Light Manufacturing</li> <li>• Tourism</li> </ul>

## 2.7.2 Spatial Planning and Land Use Management

### 2.7.2.1 Spatial Planning

Spatial planning deals with forward planning for the municipality and that is done through the development of the Spatial Development Frameworks (SDFs) which are strategic planning documents developed as components of the Municipality's Integrated Plan (IDP). Spatial development Frameworks are developed in line with the Municipal Systems Act No. 32 of 2000 (MSA) and the Spatial Planning and Land Use Management Act No. 16 of 2013 (SPLUMA). Section 26 (e) of the MSA states that an IDP must reflect an SDF which must include the provision of basic guidelines for Land Use Management System (LUMS) for the Municipality.

The O.R. Tambo District Municipality has over the years assisted Local Municipalities under its jurisdiction with the development of various spatial planning projects. That has been very helpful to the municipalities assisted as the absence of Land Use Management Systems in communal areas meant that their Councils would find it difficult to make informed land use and development decisions. The District Municipality has been assisting LMs by funding the development of Local Spatial Development Frameworks (LSDFs) and Precinct Plans for various strategic nodes and corridors identified in the LMs, DM and Provincial SDFs. Of all five (5) LMs of the District, Kumkani Mhlontlo LM SDF is the only municipality with a n SDF that is not SPLUMA compliant, and its



being reviewed in 2024/25 financial year. The development of the Viedgiesville (KSD LM) and Lusi Park Precinct Plans (Ingquza Hill LM) has been finalised.

The O.R. Tambo District Municipality is also currently reviewing its SDF for the 2024/25 financial year. The review was mainly triggered by the new Statistics South Africa 2022 national census, as well as the newly developed Eastern Seaboard Regional

Spatial Development Framework. In the same financial year (2024/25) the District Municipality also provided support to the Ingquza Hill LM and KSD LM through the development of Precinct Plans for their nodal areas of Lusi Park (Lusikisiki) mixed use development and Viedgiesville (Mthatha) Logistics Hub and mixed-use development. These two projects started in the 3rd Quarter 2023/24 and were finalized in the 1st Quarter 2024/25 financial year.

The Planners Forum was resurrected and currently functional comprising of Town Planners, Environmentalists, Land Surveyors, Human Settlements Practitioners, land development experts, and GIS Practitioners from ORTDM, LMs, DEDEAT, SALGA, EC-COGTA & DARDLR. The DMPT establishment was facilitated by calling for nominations for members to serve on the O.R. Tambo DMPT & Technical and other Advisors (on Newspaper, and direct approach to Departments internally and externally). A Joint Evaluation Panel was conducted between ORTDM, Mhlontlo LM and Nyandeni LM with the aim of evaluating nominations received, then recommended names to be appointed by the Council.

#### **2.7.2.2 Land Use Management**

Land use management is part of town planning process that is concerned with the regulation and management of changes to land use and development. Land use management is a serious challenge for our Local Municipalities, and this is due to the legacy of apartheid which applied it in accordance to geographic location, and to reinforce racial segregation. As a result, under the O.R. Tambo District Municipality the now repealed legislation (Ordinance 33 of 1934) was only applicable in urban areas which only constitute 7% of the total land area of the District. The absence of proper land use management systems also meant that there were parallel and complex land administration processes. This situation has resulted into uncontrolled urban expansion, loss of arable land, destruction of sensitive environment, overburdening of infrastructure etc.

From 1 July 2015 municipalities were obliged to conduct all municipal planning responsibilities in terms of the provisions of the Spatial Planning and Land Use Management Act No 16 of 2013 (SPLUMA). As a result, the District is coordinating for the development of SPLUMA compliant Municipal Planning By-Laws, Spatial Development Frameworks (SDFS), and Land Use Management Systems (LUMS) across the District. Chapter 5 and 6 of the SPLUMA seeks to address the issue of land use management for the municipalities mainly through the development of a single land use scheme for each Local Municipality to cover even areas, which previously did not have them including informal settlements, and rural areas.

The introduction of SPLUMA and its subsequent implementation brought about hope in trying to ensure that Municipalities are able to plan and implement land use management for their entire jurisdictions. This process included the need for Local Municipalities to develop and adopt SPLUMA by-laws, which would help them amongst other things on how to process with land, use applications and appeal processes. To date all LMs under the ORTDM have SPLUMA compliant by-laws.

Table 44 below depicts the status of Land Use Management Systems the Local Municipalities under the District.

Municipality	KSD LM	Mhlontlo LM	Nyandeni	Ingquza Hill	PSJ LM
1. Mandate from Council	Completed	Completed	Completed	Completed	Completed
2. Compile draft register of current zonings and land uses	Completed	Completed	Completed	Completed	Completed
3. Determine new zonings and finalise draft zoning register and map	Completed	Completed	Completed	Completed	Completed
4. Finalise and submit report for public participation	Completed	No	Completed	Completed	Completed
5. Report approved by Council	Completed	No	Completed	Completed	Completed
6. Undertake Public participation	Completed	No	Completed	Completed	Completed
7. Evaluate any inputs and finalise draft LUS	Completed	No	Completed	Completed	Completed
8. Finalise and submit report to Council for Adoption of final draft LUS	Completed	No	Completed	Completed	Completed
9. Report to be decided by Council	Completed	No	Completed	Completed	Completed
10. Publish adoption of LUS with Register and Maps		No	Completed	Completed	NO

Under the O.R. Tambo District Municipality only the Municipalities that have not completed their LUMS are King Mhlontlo LM and Port St Johns LM. King Mhlontlo LM is lagging behind in the process due to the challenges they experienced such as not having a qualified Town Planner and a service provider who abandoned the project before it's completion. The King Mhlontlo municipality has since received funding from DARDLR in support for the development of its LUMS. The project is expected to be finalized by the end of the 2024/25 financial year. The only outstanding thing about the Port St Johns LUMS is the publication process which involves gazetting of the LUMS.

The challenge with SPLUMA implementation, especially on the LUMS is twofold. Firstly, Traditional Leaders are unanimously challenging the implementation of SPLUMA as they contest that they were never properly consulted in its development processes. This therefore makes it difficult to implement the Act in area under Traditional Leadership (93% of land in the District). The second issue is noncompliance to the Act by LMs which is a serious matter when considering what the Act aims to address. This therefore means, even if LMs develop their LUMS to comply with the Act, Traditional Leaders are likely to disown such plans which will render the whole exercise useless and a waste of limited resources as it won't be implementable under their areas.

In trying to address the issue of Traditional Leaders the District in 2018/19 and 2019/20 conducted consultations in four Kingdoms of the District Municipality (Nyandeni, Bumbane, Ndimakude & Mhlontlo). The outcome of those consultations was that, Government needed to seriously engage Traditional Leaders and possibly look at amending the Act in order to address their concerns. The District is aware that the SPLUMA is currently being amended by the Department of Agriculture, Rural Development and Land Reform (DARDLR) to take into account concerns raised by Traditional Leaders and other stakeholders. The District hopes that the Department will ensure maximum participation of all critical stakeholders on the amendment process, so as to get a broader buy-in on the Act.

The SPLUMA requires that municipalities must establish Municipal Planning Tribunals (MPTs) in order to assess and process land development applications in their jurisdictions. There were three (3) MPT types that were established under the O.R. Tambo District Municipality, and they were all functional. The first 5-year term of office for MPTs was between 2018-2023. The table below depicts the MPTs that were established under the O.R. Tambo District Municipality:

MUNICIPALITY	MPT TYPE
KSD LM	SINGLE MPT
NYANDENI LM	DISTRICT MPT
KING MHLONTLO LM	
O.R. TAMBO DM	
PSJ LM	JOINT MPT
INGQUZA HILL LM	

Currently all municipalities under the District have started their MPT re-establishment process, and the status depicted below:

MUNICIPALITY	MPT TYPE	STATUS
KSD LM	SINGLE	FUNCTIONAL
PSJ LM	JOINT MPT	BEING RE-ESTABLISHED
INGQUZA LM		
KUMKANI MHLONTLO LM	DISTRICT MPT	BEING RE-ESTABLISHED
NYANDENI LM		
O.R. TAMBO DM		

Only KSD LM has fully re-established it's MPT, and it is functional. It is expected that all MPTs will be re-established and be functional by the end of the 2024/25 financial year.

The Spatial reality of O R Tambo District's towns remain underdeveloped, with no diverse economic activities, poor infrastructure, and lack of proper land use management and environmental management practices/enforcement. There is continual uncontrolled settlement expansions and decay of the towns, which threatens arable land and food security, whilst also increasing the cost of providing services. Mthatha town is a primary node, however it lacks investment from both the private and public sector to alleviate socio-economic issues (high crime rate, unemployment, access to urban opportunities/amenities, social services etc.).

The District has over the years experienced an unsatisfactory socio-economic situation with deterioration of the existing social and bulk infrastructure and the natural economic and biophysical environment. Informal land trading and unresolved land claims are affecting negatively on investor confidence. For improvement, O R Tambo District Municipality aims at continual development/review of SDFs, Precinct Plans, LUMS and By-Laws and align them with Regional, Provincial and National plans/strategies. COGTA presented

precinct master plans for Qumbu and Tsolo under Small Town Revitalisation program. There were engagements on Qumbu and Tsolo revitalisation master plans

The District Municipality in trying to assist the LMs on the issue of poor land use management, we developed the Prevention of Land Invasion Model Policy and a Telecommunication Mast Model Policy in the 2021/22 financial year. The aims of those policies was to assist to provide pro-active measures to prevent land invasion, control or mitigate negative effects of land invasion and assists Municipalities and planning practitioners in regulating the development and establishment of telecommunication infrastructure at a local level by providing a framework for the assessment of land development applications within the context of the planning system (Land Use Management Scheme, By-laws, Spatial Development Frameworks).

## 2.8 GOOD GOVERNANCE & PUBLIC PARTICIPATION

### 2.8.1 Functioning of Council and Council Structures

In terms of Section 12 Notice, O.R. Tambo District Municipality (ORTDM) is a category C municipality which having of 59 Councilors following the 2021 LG elections. The council for the term of 2021/2026 was inaugurated on the 01 December 2021 composing of 59 council members and 3 Traditional leaders, with 24 directly elected council members and 35 local representatives. ORTDM implements the Separation of Powers model, adopted in September 2013 and the Municipal Oversight Model, adopted in September 2015.

Councilors are composed as set out in the tables below.

*Table 45: TOTAL NUMBER OF COUNCILLORS AT ORTDM*

Description	No. Of Councilors
Full time Councilors	17
Part time Councilors	42
Directly elected Councilors	24
Indirectly elected Councilors	35
Females	29
Males	30

*Table 46 : COUNCILORS PER LOCAL MUNICIPALITY POST 2016 LOCAL GOVERNMENT ELECTIONS*

Municipality	No. of Councilors
King Sabata Dalindyebo	11
Nyandeni	06
Port St Johns	04
Ingquza Hill	07
Mhlontlo	05

The ORTDM implements a Separation of Powers Model. This Governance Model separates the Legislature from the Executive and is used as a mechanism for oversight and scrutiny at municipal level. The establishment of Council as a “Local Council”, performing the function of a legislative assembly, was critical for the successful implementation of this model, applying its ability as the ultimate authority to hold the Executive and the Administration to account.

#### **The Legislature**

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

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

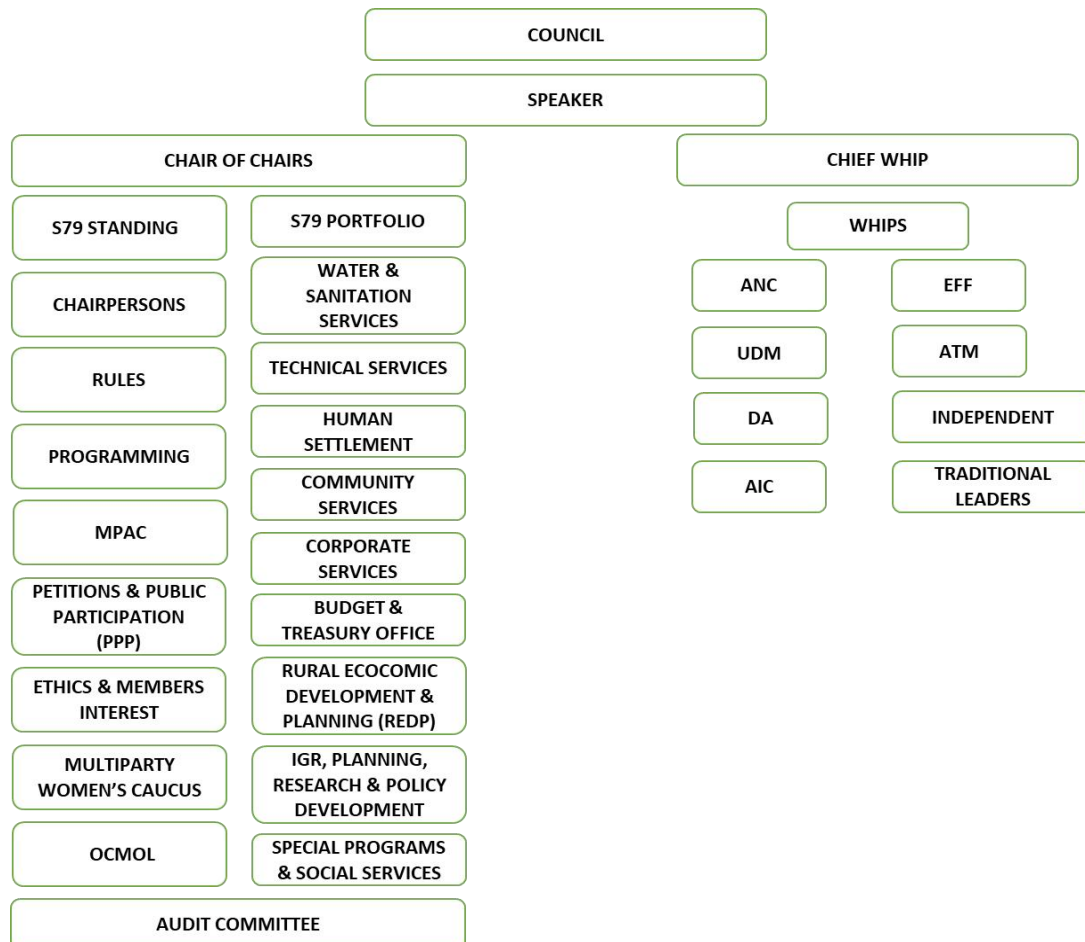
Legislative functions also include the approval of by-laws, policies, budgets, the Integrated Development Plan, tariffs, rates and service charges. Council further considers reports received from the Executive Mayor. It focuses on public participation related to council matters through discussions, stimulates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

The Speaker is the Political Head of the Legislative Arm of Council and has a role to coordinate and manage the Section 79 Standing Committees. Other responsibilities of the Speaker, as legislated, include:

- presiding at meetings of the Council;
- performing the duties and exercising the powers delegated to the Speaker;
- ensuring that the Council meets at least quarterly;
- maintaining order during meetings;
- ensuring compliance with the Code of Conduct by Councilors; and
- ensuring that Council meetings are conducted in accordance with the rules and orders of the Council

## Governance Model

### GOVERNANCE MODEL: COUNCIL STRUCTURE (LEGISLATIVE)



### 2.8.2 Separation of Powers and Municipal Oversight Model

In 2013, the Council of ORTDM took a decision that the municipality should implement Separation of Powers model. The decision was made after the municipality had been identified by the Province to pilot the Separation of Powers Model. The driving force behind this decision was to enhance accountability and eventually improve service delivery. The Council adopted the guiding instruments for the smooth implementation of the SoP Model in 2014; namely:

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

## Chairpersons of Section 79 Portfolio Committees

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

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

The Council of ORTDM restructured the Section 79 Committees as set out below:

*Table 47: Section 79 Committees*

Section 79 Standing Committee that are functional	Section 79 Oversight Portfolio Committees
1. Rules Committee	1. Special Programmes and Social Services
2. Programming Committee	2. IGR, Planning, Research and Policy Development
3. Chairperson's Committee	3. Human Settlements
4. Municipal Public Accounts Committee (MPAC)	4. Community Services
5. Ethics and Members Interest Committee	5. Corporate Services
6. Multiparty Women's Caucus	6. Infrastructure: Water and Sanitation Services
7. Petitions and Public Participation Committee	7. Technical Services
8. Oversight Committee on Mayor's Office and Legislature (OCMOL)	8. Budget, Treasury
	9. Rural and Economic Development & Planning

## Municipal Oversight Model (MOM)

Council adopted the Municipal Oversight Model (MOM) on 30 September 2015 to strengthen the oversight role played by Section 79 Portfolio Committees. This was introduced as an Oversight Model to be used in support of Separation of Powers. The MOM consists of the Oversight Cycle and Oversight Tool used by committees to conduct oversight on the compliance reports tabled to the council, in line with each department's SDBIP and Budget expenditure. Section 79 Portfolio Committees invite the MMC's to account on reported performance and budget expenditure and conduct project verification on the reported performance, reporting to Council as per the MOM cycle. The MMC's are to account for any deviations discovered between the reported performance, actual expenditure and actual work executed.

Furthermore, Section 79 Portfolio Committees conduct Focused Intervention Studies on areas that have direct impact on the service delivery issues and accountability. The MOM is designed to scrutinize the following reports:

- Annual Reports;
- Quarterly Reports;
- Budget and
- Focused Intervention Studies (FIS) as per the following tool:

## BUDGET CYCLE MATRIX FOR MUNICIPALITIES

IDP	Priorities	Budget
Annual Report	Inputs	SDBIP
Auditors Report based on AFS	Outputs	Focused Intervention Study #1
4 <sup>th</sup> Quarterly Report of last year	Outcomes	1 <sup>st</sup> Quarterly Report
3 <sup>rd</sup> Quarterly Report	Focused Intervention # 2	2 <sup>nd</sup> Quarterly Report

### Political Management Committee

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

Council took a resolution to have a full time Chief Whip and thus institutionalized the Office of the Chief Whip. The Amended Structures Act (2021) recognizes the Council Chief Whip as an Office Bearer. The Council Chief Whip performs duties as stated in the Council's delegated authority and as such Council adopted a policy on the functioning of the Office of the Chief Whip.

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

### Whippery Support

Council Chief Whip performs duties as stated in the Council's delegated authority. The Council Chief Whip meets quarterly with Chief Whips from all five LMs to conduct an audit of service delivery. All whips are also expected to present written reports on service delivery challenges, programs and projects not being executed, achievements and any other issue that may impede service delivery. A policy on the functionality of the Office of the Chief Whip has been developed and adopted by Council. There are key achievements in the unit among which is:

- Political Caucus Workshop held on 15 October 2024.
- Extended District Whips of Committee Workshop held on 16 October 2024.
- Troika Meetings held in preparation for the Council Meetings.
- Multiparty Committee Meetings held before every Council Meeting.
- Quarterly Whippery Committee Meetings .



- Whip of Council Policy reviewed and adopted.

### **2.8.3 Public Participation**

Public participation is rooted in the Constitution of the Republic of South Africa. It grants all citizens a right to meaningful participation in South Africa's affairs and as such a right to shape and determine their own destinies. Local government has been entrusted with the responsibility of ensuring involvement of communities, and community (civic) organizations in local government affairs. Outcome No.9 of 12 National Objectives refers to "A responsive, accountable, effective and efficient local government system". Emphasis will be on Output No. 5, which is intended to "Deepen democracy through a refined Ward Committee Model". The municipality of ORTDM will therefore structure and co-ordinate participation of communities in all municipal programs. It also ensure and support functionality of all ward committees and CDWs in all Local Municipalities. Functionality of war rooms is a challenge district wide.

In 2021 ORTDM called upon all citizens to exercise their right to actively participate in the municipality's affairs to the fullest of their abilities, endowments and human dignity. The objectives of this approach to public participation were to:

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

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

A vehicle provided to involve the public with emphasis on Section 16 of the Municipal Systems Act, 2000, which requires municipalities to develop a culture of community participation and create enabling and supporting mechanisms, processes and procedures. These mechanisms must involve communities in planning, performance management, budgeting, and service delivery. Municipalities are also required to build the capacity of the local community to participate, as well as the capacity of councilors and staff to foster community participation. A Public Participation Policy and Public Participation Strategy have been developed and adopted by council on 06 December 2024 to ensure that communities within the area of jurisdiction of ORTDM participate in the policy formulation and implementation processes. The ORTDM Strategy is also meant to support and translate the vision, mission and objectives into reality of the municipality.

O R Tambo District Municipality is not in the right financial state to support Ward Based Planning, and that function was escalated to CoGTA. Due to limited financial support CoGTA only managed to pilot Ingquza

Hill Local Municipality in the ORT region and the adopted approach is capacity building, and the municipality is given an opportunity to recommend 2 wards for 2025-2026 financial year.

- **Participation in IDP and Budget Processes**

Before the IDP and Budget are approved by Council, roadshows are conducted in each municipality to obtain inputs from the communities. When the IDP is developed, community members mobilized through the IDP Representative Forum, Mayoral Outreach engagements and IGR meetings.

- **Ward Committees**

Ward Committees are established in terms of Section 73 of Local Government: Municipal Structures Act, Act No. 117 of 1998. They are also referred to as Section 73 Committees. Currently, there are 147 wards throughout ORTDM which fully assist in the affairs of government:

KSD	:	37 wards
Mhlontlo	:	26 wards
Nyandeni	:	32 wards
Port St. Johns	:	20 wards
Ingquza Hill	:	32 wards

- **Community Development Workers**

All five Local Municipalities in the ORTDM have Community Development Workers, working with other community structures to ensure that services are delivered to the people. The Community Development Workers (CDWs) are allocated as follows:

Municipality	No. of CDWs	Functionality	Reporting
<b>Ingquza Hill LM</b>	2 8	Functional and participate in all Municipal Programmes except in Ward 01 and 14.	Reports are not submitted to the Speaker's office
<b>KSD LM</b>	3 5	Functional and Participate in all Municipal Programmes.	The Coordinator is housed in the Speaker's office and participate in the office meetings and report back to CDWs
<b>Mhlontlo LM</b>	2 3	Functional and Participate in all Municipal Programmes	Round table meetings sit every 20 <sup>th</sup> of the month
<b>Nyandeni LM</b>	2 8	Functional and Participate in all Municipal Programmes	Round table meetings sit every 20 <sup>th</sup> of the month

Municipality	No. of CDWs	Functionality	Reporting
Port St Johns LM	2	Functional and Participate in all Municipal Programmes	20 CDWS and sit at round tables on 20 <sup>th</sup> of every month,

The intention was to ensure that every ward has a Community Development Worker but due to limited resources and other logistics there are wards that still have no CDWs.

### Support to Local Municipalities

All Local Municipalities were encouraged to establish oversight committees and were provided with Terms of Reference for such committees. This was agreed upon at the level of the District Speakers Forum, which is the platform coordinated by the Speaker of the DM for all Speakers from the LMs in the District. The support given to the LMs include ‘:

- CDW programmes;
- establishment of a Municipal Public Accounts Committee with sufficient capacity building;
- establishment of an Oversight Committee members;
- policy development; and
- Compilation of Council documents.

In addition to the above, a Public Participation Officer has been attached to each local municipality to provide support to Ward Committees and Public Participation related activities.

### Council Meetings

An approved Council Calendar regulates the sitting of Council meetings and Council Committee meetings. The Office of the Speaker has fully complied regarding the sitting of Council meetings. Since the Council of ORTDM adopted the Separation of Powers Model and Municipal Oversight Model, the sittings of Council meetings are in line with the Municipal Oversight Model. In addition to the compliance report, the Council sits quarterly for the tabling and adoption of Oversight Reports from Section 79 Committees for each department.

The Executive Mayor tables progress report on implementation of council resolutions at the end of each quarter as resolution tracking mechanism.

#### • District Speakers’ Forum

The District Speaker’s Forum is an IGR structure whose objectives include the:

- building of common understanding from shared experiences;
- coordination of work in areas of common interest; and
- the development and management of municipal programmes between the LMs and the DM.

The ORTDM has the responsibility of coordinating its LMs in a structured manner for information sharing purposes. The Office of the Speaker has a responsibility of hosting one District Speaker’s Forum per quarter.

- **Commitment to Community Participation**

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

#### **2.8.4 Petitions and Complaints Management**

The Community Complaints and Petitions Handling Policy is the policy that also seeks to encourage community members and stakeholders to exercise their constitutional right to assembly, demonstration, picket and petition in accordance with Section 17 of the Constitution (1996). The District also has dedicated personnel dealing with channeling petitions, complaints and related matters received from the Presidential Hotline. This function is currently facilitated through the Office of the Executive Mayor. The municipality has a community complaints and petitions handling policy which guides the petition management process. There is a Section 79 committee of council which considers petitions received through the office of the Speaker. The petitions committee reports to council on a quarterly basis on petitions received, considered and petitions closure thereof.

#### **2.8.5 Traditional Leadership and Councils**

Traditional leadership and Traditional councils have been identified as a critical stakeholder in Local Government and as such, relations between these institutions and the municipalities present opportunities for fast-tracking service delivery. The key issue identified is, that the relations with traditional leadership are currently unstructured/ adhoc, and not formalized. Apart from meetings of Traditional Leaders with the Executive Mayor and the IDP Roadshows, the only platform where they could participate in the IDP processes was through the IDP Representative Forum. This hampered the planning and speed of service delivery and reduction of service delivery backlogs as the attendance to these meetings was poor. During this term of council, three Traditional Leaders are participating in the Council ORTDM as per Section 82 of the Local Government Municipal Structures Act 117 of 1998, with the view to accelerate service delivery.

#### **2.8.6 Integrated Development Planning**

In line with the requirements of Section 25 of Local Government: Municipal Systems Act, 32 of 2000, municipalities are required to develop a strategic plan to be implemented over a period of five years, in line with each term of Council. That strategic plan is referred to as the Integrated Development Plan (IDP). As per the requirements mentioned above; the municipality developed and approved an IDP for the 2022-2027, which was approved in May 2022 for the current term of Council. According to Section 34 of the MSA, the municipal council is required to review IDP annually to ensure that the plan remains relevant to the needs of the municipal community.

The municipality developed and adopted a framework for the review of 2025- 2026 IDP, containing information and guidance on how the processes would be conducted as well as an identification of stakeholders and their role in the review process.

The District Municipality coordinates meetings with Development Planners in the district to facilitate issues of compliance, mitigation measures in case of challenged municipalities, improve participation by stakeholders in the IDP affairs and to jointly ensure credibility of IDP(s). Department of Cooperative Governance and Traditional Affairs (CoGTA) partake in these meetings to facilitate joint planning.

As guided by Chapter 4 of the MSA, a series of meetings are held in the form of Representative Forums, Mayoral Outreach and sector engagements. In these meetings, stakeholders are afforded an opportunity to participate in the review phases of the IDP. Participation of stakeholders including sector departments has improved.

### **2.8.7 Performance Management System**

The Performance Management System (PMS) resides in the Strategic Management and Good Governance directorate. The Performance Management Policy/Framework that was developed and adopted by Council in May 2024 drives PMS in ORTDM. The policy framework provides an overarching framework for managing performance in the district and provides for inculcation of performance in the day-to-day operations. Training on Performance Management System was conducted in 2024/2025 financial year with the assistance from CoGTA. The municipality does not have a separate committee to deal with Performance Management, as resolved by Council there is a PMS specialist in the Audit Committee to perform oversight function. This structure and its work is further supplemented by the Municipal Oversight Model, wherein there are Council committees per department that provide oversight of the performance on a quarterly basis. All these play a significant role in improving reporting systems and in strengthening accountability and as such, there is an improvement in the culture of performance within the institution.

The district consistently developed its Service Delivery and Budget Implementation Plan (SDBIP) as legislated. SDBIP was reviewed as per Section 54 of the MSA provisions and approved by Council. The performance of the municipality is monitored quarterly, midyear and annually as legislated. Auditor General conducted an external audit for the 2023 -2024 financial year and significant improvement was once more noted. The municipality obtained an unqualified audit opinion. Section 54 and 56 managers signed Performance Agreements for the year 2024/25 and their performance is assessed.

### **2023 – 2024 Audit of predetermined Objectives**

The Auditor General of South Africa tested whether the information provided by the municipality for performance against predetermined objectives of the selected Key Performance Areas as presented in the annual report is useful and reliable. The municipality obtained an unqualified audit opinion with no material findings. Overall, the municipality obtained an unqualified opinion on the audit of pre-determined objectives.

### **2.8.8 Risk management**

The Municipal Finance Management Act Section 62 (i) (c) requires a Municipality to have and maintain an effective, efficient and transparent system of risk management. The Municipality implements risk

management so that it is in a position to take corrective action on possible obstacles towards the attainment of set objectives. In compliance with the legislative framework, O.R. Tambo District Municipality developed. The Municipality conducts its Annual Strategic Risk Assessment every fourth quarter of the financial year. Current controls and systems are reviewed and measured for effectiveness and recommendations are made for possible improvement to beef up existing control systems for implementation. Reports are prepared quarterly and presented to internal audit and to Risk Management Committee for oversight. There is a functional Risk Management Committee which sits quarterly chaired by an independent candidate and stakeholders like Provincial and National Treasury, CoGTA and SALGA participate. In discharging its governance responsibilities, the Risk Management Committee has a role to review and recommend for the approval of the Accounting Office, Risk Management Policy, Strategy, and the Annual Risk Implementation Plan.

The culture of risk management is gaining momentum within the institution and is attributed to the functionality of the Risk Management Committee. The table below illustrates the residual risk exposure that the municipality was faced with in all the five (5) Key Performance Areas during the 2024/2025 financial year Strategic Risk assessment as well as their classification or categorization in terms of their severity to impact on business process.

KPA/Department	Residual Risk Exposure			Total# of Risks
	High	Medium	Low	
KPA 1-Basic Service Delivery	2	0	0	2
KPA 2-Local Economic Development	0	1	0	1
KPA 3-Financial Viability	1	0	0	1
KPA 4-Good Governance	1	1	0	2
KPA 5-Municipal Transformation	2	0	0	2
<b>Total Institutional</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>8</b>

#### **Anti-Fraud and Anti- Corruption**

Anti-Fraud and Anti-Corruption Policies and Fraud Implementation Plan are in place. Workshops on fraud prevention policy and strategy are conducted on staff on these policies followed by fraud awareness campaigns. These policies are yielding positive results because they include whistleblowing policy wherein they include reporting channels of misconduct & fraud incidents. This is done through the newly established District ethics & fraud hotline. Calls from whistleblowers are registered in the developed fraud case management register. Fraud Risk Assessments are also conducted to identify any fraud risks, assessing their likelihood & impact and also how to manage the identified risks.

#### **Ethics Management**

The District Ethics and Fraud Hotline has been established and is active with effect from August 2024. Advanced Call was appointed as an independent third-party company to host the Municipality Ethics and Fraud Hotline. Ethics Policy and Ethics Management Implementation Plan is in place. The Ethics Committee has been established and is chaired by Director Corporate Services with the role to review and recommend for the approval by the Accounting Officer. The committee deals with highlighted in Ethics Policies and Plans, Ethical misconduct, compliance management, legal related matters, Incidents and accidents as well as implementation of the anti-fraud and anti corruption policy.

## **Internal Audit**

Internal auditing is an independent, objective assurance and advisory activity designed to add value and improve an organization's operations to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes (Internal Auditing Standards). Section 165 of the MFMA determines that each Municipality must have an Independent Internal Audit unit that must:

- Prepare a risk-based audit plan and an Internal Audit program for each financial year
- Advise the Accounting Officer and report to the Audit Committee on the implementation of the Internal Audit plan and matters relating to:
  - i) Internal Audit;
  - ii) Internal control;
  - iii) Accounting procedures and practices;
  - iv) Risk and risk management;
  - v) Performance management; and
  - vi) Compliance with MFMA, DORA and any other applicable legislation.

**This is achieved through Internal Auditing adding value by continuously evaluating the effectiveness of controls and making proactive recommendations for:**

- Operational and quality effectiveness.
- Business risks.
- Business and/or process controls.
- Process and business efficiencies.
- Cost reduction.
- Effective Corporate Governance.

Internal Audit in the 21<sup>st</sup> century has meant that the Internal Audit has to be innovative and improve on the general efficiency of the staff members and also increasing audit coverage. Therefore, the Internal Audit Unit will look at the following key areas around professionalization of the Unit to meet with the current demands and also to deal with the impact of Covid 19:

- Ensuring that it acquires a Computer Assisted Audit Techniques (CAATS) to assist with data analysis and interrogation thereby increasing audit coverage and efficiency to almost whole population through the click of a button.

- Ensure implementation of automated Audit working papers, which will improve storage, accessibility and allow Internal Auditors to easily exchange working papers with other assurance providers, which may lead to a reduced audit fee.

Performance Auditing in order to increase capacity of the District Municipality and benefit all Local Municipalities.

The Internal Audit Unit will be vigorously implementing a Quality Assurance and Improvement Plan as required by the Standards for the Professional Practice of Internal Auditing where results will be shared with all the key internal and external stakeholders.

- This requires support from Council and Management to assist the Internal Audit Unit reach its true potential and be the center of excellence.
- The Internal Audit Unit has over the past years been augmenting the capacity of the Internal Audit Units within the Local Municipalities under the District. It will continue doing so as when required.
- The District led Internal Audit and Risk Management Forum will continue on an annual basis, which ensures that areas of common interest are discussed and shared among colleagues including inviting specialist.

OR Tambo district Municipality has developed an Internal Audit Charter which guides the Internal Audit Unit and has also developed a Risk Based Internal Audit plan with all the reviews to be conducted in a particular year. These documents are reviewed on a yearly basis and are approved by the Audit Committee. The Municipality has a fully flagged in house Internal Audit unit, which also give support to the district local Municipalities. The Chief Audit Executive who reports to the Municipal Manager administratively and functionally to the Audit Committee heads the unit

Table 48 : Status of Internal Audit Function in the District

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



## Audit Committee

The Council appoints the members of the Committee in terms of Section 166(5) of the MFMA. An audit committee is an independent advisory body, which must advise Municipal Council, Political Office Bearers, Accounting Officer and the Management of the Municipality with matters relating to:

- a) Internal financial control and internal audit;
- b) Risk management;
- c) Accounting policies;
- d) Adequacy, reliability and accuracy of financial reporting information;
- e) Performance Management;
- f) Effective governance;
- g) Compliance with MFMA, Division of Revenue Act (DORA) and other applicable legislation;
- h) Performance evaluation; and
- i) Any other issues referred to it by the municipality

Review the annual financial statements to provide Council with an authoritative and credible view of the financial position;

Advise the Council on any issues raised by the Auditor General and Internal Audit in their reports;

Carry out such investigations into the financial and non-financial performance of the Municipality that Council may request; and Any other issues referred to it by Municipal Manager.

OR Tambo District Municipality has appointed an Audit Committee which consists of five members in 2023 for a period of three years. The Audit Committee Charter in conducting its activities guides the Audit Committee. The Audit committee charter is reviewed on a yearly basis and approved by Council. It is the role of the audit committee to review annual performance information as well as annual report. The committee sits on a quarterly basis as regulated by MFMA.

The table shows the status of Audit committees in the District

*Table 49 : Status of Audit Committees*

Name Of the Organization	Audit Committee Status
Ntinga O.R. Tambo Development Agency	Committee is in place
Port St Johns Local Municipality	Committee is in place
Port St Johns Development Agency	Utilizes PSJ LM's Audit Committee
King Sabata Dalindyebo Local Municipality	Committee is in place
Ingquza Hill Local Municipality	Committee is in place
Nyandeni Local Municipality	Committee is in place
Mhlontlo Local Municipality	Committee is in place

## Audit Outcomes

On a yearly basis immediately after receiving the Audit outcomes, management compiles a Management Audit Action Plan, which is a guiding document for management in addressing all the findings raised by the Auditor General. This is done to prevent repeat findings thus improve audit outcomes. The progress on the Management Audit Action Plan is presented to MayCo and to the council. The district municipality adopted an audit action plan in January 2025 to deal with issues raised by the Auditor General (AG). There was only one emphasis of matter for 2023/24 Audit which was an Impairment of Receivables from exchange transactions.

The table below shows the audit outcomes of ORTDM and Local Municipalities under its jurisdiction.

It indicates the state of Governance in the district and its Local Municipalities.

**Table 50 : Audit outcomes in the district for the period 2020/21 to 2023/24**

Municipality	2020/21	2021/22	2022/23	2023/24
OR Tambo DM	Qualified	unqualified	Unqualified	Unqualified
Nyandeni LM	Unqualified	Unqualified	unqualified	Qualified
KSD Mun	Qualification	Unqualified	Unqualified	Unqualified
PSJ LM	Qualification	Qualified	Qualified	Qualified
IHLM	Disclaimer	Qualified	Qualified	Qualified
Ntinga Dev Agency	Unqualified	Unqualified	Unqualified	Unqualified
PSJ LM Dev Agency	Unqualified	Unqualified	Unqualified	Unqualified
Mhlontlo	Unqualified	Qualified	Qualified	Qualified

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### 2.8.9 Legal Services

The provision of services by any organ of State is regulated by the legislation. Inherent in the provision of services is a contractual relationship between an organ of State and an independent contractor and section 217 of the Constitution prescribes how these services must be procured.

Litigation is also inherent in the provision of services by local government. Dissatisfied members of the community enjoy a constitutional right to any dispute resolved by application of law decided in a fair public hearing before a court. Decisions of a municipality are therefore subject to a judicial review.

Schedule 4B and schedule 5B of the Constitution provide functional areas and legislative competence for local government. Services must be provided on those functional areas by local government. To ensure effective provision of services, a municipality may be required to develop by-laws. The principle of legality that is entrenched in the Constitution effectively means that a municipality can only provide a service if it is authorized by law to do so. The same goes with utilization of municipal funds, there must be law-authorizing utilization thereof.

In terms of section 2 of the Constitution, the Constitution is the supreme law of the Republic; law or conduct inconsistent with it is invalid, and the obligations imposed by it must be fulfilled. Compliance with laws and Constitution is critical in the provision of services by local government. These factors make the State the biggest consumer of legal services in the Republic. It is therefore imperative for municipalities to have in-house legal personnel to handle provision of legal services in municipalities in order to mitigate risk of non-compliance with laws, manage litigation, development of legally compliant instruments like contracts and development of by laws. There is a Legal service unit in place, and it is functional. The Litigations Framework was developed and signed (when?) Litigations Register is developed and updated annually.

Statistics will and does show meaning reduction on cases, new and old. This stands at 25 % year on year. The cases that were constantly on the pipe line are now having dates allocation in Courts and some are likely to be finalised within the 2024 / 2025 financial year. There is an enhanced knowledge capacity with the constant interaction with other legal minds through the District and Provincial Legal Advisor's Forum. By-Laws are at the public comments stage, comments to close on January 17, 2025 after which a final draft will be submitted to the council for approval and published in the Government Gazette as required by law.

#### **2.8.10 Communications**

Government Communication is a strategic and planned process aimed at ensuring an effective dialogue between government and communities. As communication is a strategic function, strategizing for communication needs to be a frequent and ongoing exercise in municipalities. Local government is the sphere of government closest to communities. This places a particular onus on municipalities to fulfil a wide range of communication functions, such as media liaison, marketing, advertising and branding, and direct and intensive unmediated communication. O. R. Tambo District Municipality, as a government organ, has an obligation to provide the public with open access to information about its policies, programmes, services and initiatives. The District Information for public use is disseminated and readily available in municipality offices at all times. The Communications Unit also has a mandate to build a community centered and client focused communication system to ensure that communication caters for all dominant official languages used in the district to ensure that communication right across the district is well integrated, coherent, coordinated and consistent. The Communication Unit ensures that there is meaningful public participation in the affairs of the O.R. Tambo District Municipality for the following reasons:

- To provide feedback to the people about the implementation of District adopted IDP, programmes and policy implementation.
- To promote a consistent corporate identity and marketing of the District to be a preferred tourist destination of choice.
- To ensure consistency and continuous two-way communication between the District Municipality, its communities and stakeholders.
- To ensure that the district operates from a developmental communication paradigm.

The Communication Policy was tabled in Council and approved with the aim of giving guidance on how the municipality should communicate. During the 2020-2021 financial year instability, various gaps were identified which needed the policy to be strengthened. The policy did not have an in depth social media policy – something that threatened the communication space. At the district level the District Communicators Forum exist and is having a schedule of quarterly planned meetings with special meetings arranged whenever there is a need. The District Communicators Forum where communication is actively participating is a platform established to support the communication activities at the district and local level by giving guidance on the development of the Communication Strategies. Over the past year, there has been maximum participation of local municipalities, sector department and government entities in the quarterly DCF meetings. Various media platforms are utilised to communicate the successes of the district as well as to clear any negative publicity or misinformation about the district.

The Communication Strategy was developed for the 2017-2022 term Council and was ought to be review annually after its approval. It aimed at guiding municipal communication both internally and externally. This strategy enables the municipality to give effect to the legislative requirements as set out in the Constitution of the Republic of South Africa, Act 108 of 1996, Promotion of Access to Information Act 2 of 2000, the Municipal Systems Act 32 of 2000 as amended, Intergovernmental Relations Framework Act of 2005 and the National Framework for Government, 2009 issued by Government Communication Systems (GCIS). National Communication Policy as adopted by the National Assembly in 2018. However, during the term the strategy remained a draft and no reviews were done since it was not approved by Council.

The municipality publicizes all the legislated meetings with the communities i.e., Mayoral Imbizo, IDP Roadshows, Stakeholder engagements, IDP Representative Forum, Intergovernmental Relations, Council meetings. The municipality has a website that is uploaded and updated with all the prescribed elements. however due the political and administrative instability in the district in the last two years of the term of council, affected the implementation of certain communication programs e.g. Talk to Your Mayor Radio program, Newsletter and Media walkabout. The newsletter and Media walkabout were affected by the poor performance of the district, as these two initiatives mainly focus on service delivery milestones.

### **2.8.11 Intergovernmental Relations**

The DM has established an Intergovernmental Relations Unit in the Department of Strategic Planning and Governance, its existence being guided by the policy framework approved by council. In terms of Intergovernmental Relations Framework Act No. 13 of 2005 under Section 24 there is a district Intergovernmental Forum to promote and facilitate intergovernmental relations between a district municipality and the local municipalities. Intergovernmental Relations Framework Act No. 13 of 2005 under section 26 (1) (g) indicates that the role of the district IGR Forum is the coordination and alignment of the strategic and performance plans and priorities, objectives, and strategies of the municipalities in the district.

Key anchors of driving the coordination included the District Development Model (DDM) and IDP Representative Forum to ensure the interface between the District, the Province and National (PFC, MUNIMEC etc.) In 2015/16 financial year the ORTDM took a bold decision of implementing the Integrated

Service Delivery Model (ISDM) to accelerate delivery of services (Operation Masiphathisane). The Premier of the Eastern Cape Province launched Operation Masiphathisane in an event that was held in Mhlontlo local area, wherein 141 ward war rooms were established out of 142 wards. The war rooms were functioning well until the end of term of Council, the new Council did not reestablish war rooms due to lack of political buy-in. There is a tremendous improvement in IGR witnessed by the quarterly sitting of Municipal Managers and District Mayors Forum. Among the contributions to the joint involvement in the functioning of workstreams under the clusters such as Economic Development and Planning, Financial Viability, Community Services and Disaster Management, Corporate Services, Strategic Planning and Governance and Infrastructure and Basic Services. Participation in the other forums such as Premiers Coordinating Forum (PCF), Premiers Coordinating Forum Technical Support Group (TSG), MUNIMEC and Technical MUNIMEC.

#### **2.8.12 HIV and Aids**

When looking at the South Africa as a whole it can be seen that the number of people that are infected increased from 2011 to 2021 with an average annual growth rate of 2.24%. O R Tambo District Municipality has a HIV/ Aids, STI and TB District Strategic Plan that was adopted by Council in 2012 and it will be reviewed in 2023/2024 financial year. A District Aids Council coordinates the integration and mainstreaming in all local municipalities. Local Aids Councils, which sit quarterly. Some of the programs are as follows:

- Awareness on prevention,
- Protection of affected and infected against stigmatisation (human rights is
- Promote adherence to treatment,
- Ensuring effectiveness of the programs,
- Monitoring and supporting,
- Capacity Building.

The municipality sit in a Provincial Aids Council, which is chaired by the Premier on quarterly bases, as well as in the strategic planning. The challenge that are encountered are:

- Stigmatization,
- Access to treatment and
- Discrimination and
- Lack of insurances alternatively with high premiums

The suggested and planned solutions to the above is continuous education and awareness on management of HIV/AIDS. The municipality is having a gap in the issue of HIV / Aids mainstreaming.

#### **2.8.13 Initiation**

Initiation is a customary program practiced in the region which is cultural diverse in nature. Support is provided in the 5 local municipalities mainly during initiation season through awarenesses, monitoring initiation sites as to whether they comply with the requirements of the Initiation Act No. 2 of 2021. The traditional leaders, traditional councils and communities play a crucial role and there is a functional District Initiation Forum which on seasonal basis. The district municipality get support from sector departments and

non-governmental organisations in doing monitoring and awareness initiatives. For the support of the program by-laws have been developed and a workshop will be conducted before the end of the financial year.

## **2.9 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT**

### **2.9.1 Administrative Governance**

The Municipal Manager of O.R. Tambo District Municipality is the head of administration and provides the link between the political and administrative arms of municipality government.

### **2.9.2 Institutional Arrangements (Per Directorate)**

The District Municipality has the following directorates that form part of the Organizational Structure are as follows:

- Strategic Planning and Governance
- Corporate Services
- Budget and Treasury Office
- Community Services
- Rural and Economic Development and Planning
- Water Services and Infrastructure
- Internal Audit

### **2.9.3 Records, Archives & Auxiliary Services**

Records and Archives section is responsible for ensuring that records are properly created, utilized, maintained, and disposed in a correct and efficient way to promote transparent and accountable governance and it is a compliance issue. Records created or received are evidence of business transactions of an organization.

There are three classification systems in records management, which are:

Records Management Policy, which was approved by the Eastern Cape provincial archivist, File Plan, which was also approved by the Eastern Cape provincial archivist in 2015, and Registry Procedure Manual which was also approved in 2019. All these systems are awaiting implementation after conducting training by Provincial Archives, however we have since realized that the file plan is old hence it was approved in 2015 and I must emphasize that we are busy negotiating with the Provincial Archivist to reconsider the file plan. File plan was submitted to council on 30 June 2023, submitted to the provincial archives for quality assurance and compliance and approved on the 28 November 2023.

#### **Disposal of records**

36 Boxes have been arranged for disposal and the provincial archivist has issued disposal authority.

### **2.9.4 Human Resources Management**

Recruitment & Selection coordinates the best human capital for the municipality at the right time at the right place and help to fast track the municipal service delivery with support staff. The mandate is to coordinate the population of the organizational structure and compliance with recruitment and selection policy of the District Municipality. The Recruitment and Selection activities add value to the Municipal objectives by supporting strategic objectives through recruitment and selection. The main aim of the section is to attract and retain the interest of suitably qualified applicants and project positive image of the Municipality.

### Administration of Conditions of Service

The institution administers all Conditions of Service including leave regulations, personnel files and employee benefits, administers in such a way as to protect the interest of both the municipality and its employees. The municipality ensures that there is support staff for all respective departments in respect to the areas of specialization considering compliance with the Collective agreement of SALGBC i.e. divisional condition of services. Among the legislation applicable to Human Resource Management section are -

- Republic of South Africa Constitution Act 108
- Labour Relations Act 66 of 1995 as amended,
- Basic Conditions of Employment Act 75 of 1997,
- Skills Development Act 97 of 1998,
- Employment Equity Act 55 of 1998
- Occupational Health & Safety Act 85 of 1993
- Promotion of Administrative Justice Act 3 of 2000
- SALGBC Main Collective Agreement

The position of the Municipal Manager and Section 56 Managers are all filled. Below shows filled, vacant posts and vacancy rate per department:

Description	2024/25					
	Approved Posts	Employees	Vacancies	Vacancies		
	No.	No.	No.	Males	Female	%
Water and Sanitation	770	528	342	374	154	44.42
Community Services	175	89	86	38	51	49.14
Rural, Economic and Development Planning	107	24	83	12	12	77.57
Budget & Treasury Office	187	159	28	58	101	14.97
Corporate Services	431	103	328	46	57	76.10
Internal Audit	14	12	2	4	8	14.29
Legislative Services	270	129	141	59	70	52.22
<b>TOTAL</b>	<b>2054</b>	<b>1044</b>	<b>1010</b>	<b>591</b>	<b>453</b>	<b>49.17</b>

### Corporate Services Policies

Name of Policy	Status	Date Approved
Danger allowance policy	Approved	30/10/2020

Name of Policy	Status	Date Approved
Recruitment & Selection Policy	Approved	30/06/2023
Cellphone Allowance Policy	Approved	07/12/2023
Car Allowance Policy	Approved	27/12/2023
Retention Policy	Approved	28/06/2019
Sexual Harassment Policy	Approved	30/06/2023
Training & Development Policy	Approved	30/06/2023
Experiential Training for Interns & Student Trainees	Approved	30/06/2023
Study Assistance/Bursary Policy	Approved	30/06/2023
Orientation And Induction Policy	Approved	27/06/2019
Employment Equity and Affirmative Action Policy	Approved	27/06/2019
Information Security Policy	Approved	27/06/2019
Overtime Policy	Approved	27/02/2019
Attendance & Punctuality Policy	Approved	12/10/2015
Acting Allowance Policy	Approved	12/10/2015
Code of Conduct Policy	Approved	12/10/2015
Termination of Service Policy	Approved	12/10/2015
Subsistence and Travelling Policy	Approved	07/12/2023
Integrated Employee/Employer Wellness Policy	Approved	28/06/2019
Whistle Blowing Policy	Approved	30/06/2023
Information And Communication Policy	Approved	07/12/2023
Job Evaluation Policy	Approved	30/06/2023
Incapacity: Due to Ill Health/Injury Policy	Approved	30/06/2023

### 2.9.5 Information & Communication Technology

The Information and Communication Technology (“ICT”) section at OR Tambo District manages the planning, development, evaluation, coordination, implementation and maintenance of enterprise-wide Information Technology (IT) system initiatives that enhance and support the Municipality in meeting its strategic objectives and goals with emphasis on accelerated service delivery. To achieve this, the Municipality is doing a major paradigm shift in its operations on ICT accompanied by a sizable investment to participate and exist in an revolving global IT environment. It is essential that ICT is not placed as a peripheral function but rather at the center of the municipalities service delivery trajectory.

#### ICT Legislative Guide

An important requirement of Corporate Governance of ICT Governance Framework is compliance with applicable legislation. The District Municipality has an ICT Policy Framework, which was approved in 2023; the reviewed policy was tabled at Council in December 2023. In terms of ICT Implementation, the institution has developed key legislative sources that will influence the implementation of the Corporate Governance of ICT Policy Framework include:

- State IT Agency Act and Regulations (as amended).



- Electronic Communications Act, no 36 of 2005 (“the EC Act” or “the ECA”) and the Electronic Communications Transactions Act, no 25 of 2002 (“the ECT Act” or “ECTA”)
- The Promotion of Access to Information Act (PAIA)

### **ICT Governance and Compliance Framework**

ICT Governance has emphasis on five strands which are Risk Management, Value delivery, Resource management, Strategy alignment and Performance measurement.

### **Information and Communication Technology Policies**

All existing Information and Communication Technology Policies need to be reviewed. The implementation is ongoing.

### **Disaster Recovery Plan**

The Disaster Recovery Plan (DRP) was developed and approved on 07 December 2023. The implementation of the Disaster Recovery Plan is underway as the service provider was appointed to supply the district municipality with new server infrastructure. Servers were delivered and currently the DM is busy with installation of servers and that will be completed by 30 June 2025. Another Service Provider was appointed to provide the District Municipality with data backup and disaster recovery solution for a period of 3 years, the project is awaiting completion of servers under installation. The completion will be in 2025-2026 and the Service provider will proceed with support and maintenance.

### **Annual Action Plan**

Information and Communication Technology section has developed an ICT Annual Plan for 2024/25 Financial year with emphasis on re cabling upgrade to FROM cat5 to cat6 and other infrastructure maintenance activities. Illustration below shows the ICT challenges and actions to be undertaken:

<b>Activity / Action</b>	<b>ACTION TO BE TAKEN</b>	<b>RESPONSIBILITY</b>	<b>TIME FRAME</b>
Awareness and disposal of Records	Referencing, Listing and arranging of Municipal Records (BTO/ payments)	Mr. Mgwili	September - Nov 2024
Procedure's Manual	Development of Record's procedure manual	Mr. Mgwili and Ms. Madikizela	31 <sup>st</sup> Aug 2024
EDMS Project Steering Committee	Convening of monthly project steering committee. Issuing of notices to the committee members. Minutes of the previous meeting	Mr. Mdutshane	30 <sup>th</sup> Aug 2024
Development of records management policy Centralization of	To make a follow with Provincial Archives in respect of the submission of the draft	Mr. Qoyo	15 Aug 2024

Activity / Action	ACTION TO BE TAKEN	RESPONSIBILITY	TIME FRAME
Records	policy, Drafting of appointment letters for the champions Listing of all the documents for the purposes of collecting them and keep them in the strong room. <b>(IWS)</b>		
Allocation of a Pool vehicle	Follow up on the memorandum requesting the pool vehicle	Mr. Qoyo	12 August 2024
Distribution of mail or Correspondence	Collection of correspondences from various sites including post office	Mr. Mayeza and Mr. Mdoda	Weekly/ ongoing
Records storage room	Revamp the space in the Prosperity building to be as per the standard of filing the records. The procurement of the filing cabinets will be done.	Mr. Ntyatywa	30 December 2024
Records management	Ensure that records staff have tools of trade and implementation of ECRMS	Ms. B.B. Nodada	December 2024 & March 2025
Service Desk	Acknowledge user request, assign calls to technicians, consolidation of incident register for Solar and Payday and do monitoring	Ms Ngeva & Mr Maseti	Ongoing
Payment facilitation	Receive invoices from Service providers, process payments for all invoices	Ms. N. Ngeva	Monthly
Cellphone contracts administration	Prepare SIM swaps, name change, upgrades, new lines, transfers and cancellations, Reconciliation of invoices vs requests and explore participation in National Treasury RT15 Mobile Contract	Ms. N. Ngeva ICT Manager	Ongoing
ICT Steering Committee administration	Prepare meeting invitations, minutes and sitting payments for the chairperson	Ms. N. Ngeva	Quarterly
Contracts management	Update contracts register (facilitate signing-off of SLAs, keep records of contracts and SLAs; issue notice of termination, prepare performance reports for all service providers	Mr. S. Maseti	Quarterly
Security management	Attend security review sessions with service provider, download security reports (Firewall, antivirus and DLP),	Ms. S. Sodinga	Weekly, Monthly, Quarterly

Activity / Action	ACTION TO BE TAKEN	RESPONSIBILITY	TIME FRAME
	ensure that the firewall ruleset is defined, formally documented and approve, facilitate change management on security systems		
Server administration	Monitoring of server infrastructure and installation of server software. Research migration of email from Telkom to Microsoft or downgrade of Microsoft EA and utilization of email from Telkom	Mr. L. Mgozeli	Monthly & daily
Server infrastructure	Determine server hosting requirements and determine cloud vs on Premises v Hybrid Solution (Cloud Migration Cost-Benefit Analysis)	Mr. L. Mgozeli	Sept. & April
Network admin	LAN & WAN admin and monitoring, connectivity , network and network diagram update	Mr. L. Mgozeli	Daily
Server room monitoring	Increase UPS from 45 minutes to 6 hours and server room upgrade and monitor	Mr. L. Mgozeli	Monthly
Project management	Coordinate network infra upgrade project, Prepare project report 1. Coordinate website revamp project	Mr. L. Tshefu Ms. A. Mzaku	Weekly
Desktop support	Log Telkom faults (VPN/ voice), reports	Mr. L. Tshefu	Monthly
Desktop support	Attend to all assigned calls as per ICT help desk and report to help desk on assigned calls	Mr. Sokanyile	Daily
Printing solution	Develop a plan for the secure disposal of municipal information stored on leased photocopying machines upon their return	Mr. L. Tshefu	August & September
Financial System Admin	User account management	Ms. Z. Mangaliso Mr. L. Mdludla	Daily, Quarterly
ICT System admin	User accounts, maintain inventory, awareness, POPIA,	Ms. A. Mzaku	Monthly
Asset management	Update ICT asset register/ inventory, allocate tools and equipment, provision of ICT working tools	Mr. P. Sokanyile	Quarterly
Data backup	Setup and monitoring of data backup in	Ms. A. Mzaku	Monthly

Activity / Action	ACTION TO BE TAKEN	RESPONSIBILITY	TIME FRAME
	computers, backup redundancy to all servers, solar system and payday		
ICT Disaster recovery and continuity plan	Review ICT disaster and continuity plan, Establish offsite data backup and continuity, formal implementation of a Disaster Recovery Site and implementation of DRP	ICT Manager	End March 2025 & end June 2025
Training and skills transfer	Draft training plans and submit to HRD and facilitate trainings for ICT staff on skills development	Ms. B.B. Nodada	Quarterly
ICT Governance	Reviewal of ICT legislative prescripts, implement programs and prepare ICT governance report and submit to the ICT Steering Committee.	ICT Manager	Quarterly
Risk Management	Risk Mitigation and assessment and report to the ICT Steering Committee	ICT Manager	Quarterly

## Application Architecture

Application Architecture is a structure map of how the systems of the Municipality are structured, designed as a solution to improve the environment for efficiency and effective running of the operations in the OR Tambo District Municipality (ORTDM). OR Tambo District Municipality has the following systems below that support strategic objective of the municipality: Solar Financial System, PAYDAY (payroll for salaries and Human Resources Management), CASHDRAWER (cash payment receipt), Office 365, MS PROJECT, MS VISIO, System Centre Endpoint Protection (antivirus), ACTIVE DIRECTORY (computer user's database), FNB ONLINE (payments) and Telephone system network (PABX). However there is a need of a Topology to see how the various applications are interlinked

## IT Infrastructure Management

The network infrastructure internally is in a dilapidated state with most of the key components out of commission, it is way passed its life-span and very unreliable. It connects from head office main office Myezo to seven (7) satellite offices via secured Virtual Private Network (VPN) which is upgraded to meet the requirements as to operate and run the business systems/applications. There is an immediate need for an IT Infrastructural overhaul and or upgrade as it has been running on the same infrastructure for the past 10 years.

## ICT Service Management

The Information and Communication Technology manages end to end of the services like Contract Management, Incident Management and ICT Support services, however Contract management is displaced in ICT as an operational function which will operate well after the approval of the organizational structure. With the new ICT Service desk ICT has managed to ticket and resolve daily operational calls from its users. Ticketing through the service desk is the most critical tool ICT uses to assess problems and identify bottlenecks in the environment. Furthermore, this information assists in police formulation.

## **Information Security**

Information security is directly linked to cyber security, which is one of the technologies in the 4<sup>th</sup> Industrial Revolution. As data increasingly becomes the currency of our digital lives, the O.R. Tambo district Municipality must ensure the privacy and security of our data and furthermore protect our ICT environment from malicious cyber threats. With an increasing number of users, devices and programs in the O.R. Tambo district Municipality, combined with the increased deluge of data -- much of which is sensitive or confidential -- the importance of cyber security continues to grow. The growing volume and sophistication of cyber attackers and attack techniques compound the problem even further. The O.R. Tambo District Municipalities Firewall has managed to successfully counter any cyber-attacks however; there is a need for a backup firewall in an event of the main firewall collapsing.

## **Planning and Maintenance**

There must be continual benchmarking of local and metropolitan municipalities on innovations and best practices – as well as maximization on twinning agreements for knowledge exchange via ICT and services.

### **2.9.6 Security Services**

The Institution developed and approved the Safety and Security Policy in 2015 reviewed in 2023/2024 financial year and awaiting Council approval. The Safety and Security Unit is committed to implement an effective security program. That is an integral part of the overall institutional goals and objectives and that meet the requirements of applicable national legislations and national security policies. The Security Manager is appointed to be in charge of overall institution's security programs and monitoring compliance with institution's security policy and security procedures that are developed in response to this commitment. To ensure that the importance of this mandate is communicated uniformly throughout the institution. Security Manager conducts security training and awareness programs to train employees about security policy and countermeasures of the institution that must protect assets, people and information of the institution. In addition, this mandate authorizes the development of security policy and security procedures for security personnel activities such as incident prevention, investigation, incident reporting and ensuring compliance with national legislations and security directives.

The Safety and Security Unit is responsible for executing the institution's security programs, including information security, physical security, personnel security, information and communication technology security, business continuity planning, which meet the needs of the institution. Out of these security programs, physical

security is only program that is currently implemented. Security training and awareness programs were implemented in the institution to train employees about need to protect sensitive information against disclosure. A security threat and risk assessment and security audit of the institution was conducted and identified threats and vulnerabilities were addressed. Physical security measures for the protection of assets, employees, and information have been implemented in accordance with the prescriptions of the Minimum Information Security Standards (MISS), applicable legislation and additional guidance provided by the Agency. A business continuity plan (BCP) developed for critical services and assets if a threat materializes and to provide for appropriate steps and procedures to respond to an emergency to ensure the protection of assets. Every breach of security or suspected breach within the institution is reported to the Security Manager for investigation.

## **Legislated Powers**

Security is legislated and regulated by the following piece of legislations:

- Minimum Information Security Standards (MISS Documents)
- Minimum Physical Security Standards (MPSS) and,
- The Sport and Event Management Act of 2010
- The control of access to Public Premises and Vehicles Acts 53 of 1985
- The Criminal Procedure Act 51 of 1977
- The Occupational Health and Safety Act 88 of 1993
- Fire arms control Act 60 of 2000
- Protection of information Act 88 of 1982
- PSIRA Act of 2001
- Labour Relations Act 66 OF 1995
- Labour Law

### **2.9.6.1 Status Quo, Personnel and assets Protection**

The institution has 2 components on security services which are in-house and outsource security service. There are installed Closed Circuit Television (CCTV) cameras; there are plans in place to replace the current system with a high security standard to mitigate the challenges and current risks.

The organization have 4 Security Service Providers that are contracted to guard the assets and Personnel of ORTDM from 5 June 2023 up to June 2026 respectively. The appointed Security Service Providers are servicing KSD, Nyandeni, Mhlontlo, PSJ and Ingquza Hill municipal areas.

### **2.9.7 Learning, Training & Development**

Learning, Training and Development is premised on the Skills Development Act of 1998 and its regulations which provides for a new approach to training and development, this new approach assist to benefit both employers and employees in terms of the return on investment. In the context of Local government, there are

Sector Education and Training Authority (SETA) which determined guidelines to priority training through Sector Skills Planning.

- Workplace skills planning.
- Funding of skills development;
- Involvement of trade unions and employee representatives in the skills development process;
- Learnerships & Skills programmes; and
- Reporting on skills development implementation.

The Skills Development Levies Act provides funding of skills development and increase employer investment in skills development through contribution of 1% or more of its annual payroll. Organizations/ Institutions are required to observe the South African Qualifications Authority Act when considering training programmes as it provides a National system for recognition of learning against set standards and the assurance of the quality of training against these standards.

This accrediting body impacts on skills development in municipalities in that it creates the mechanisms for municipalities to:

- Identify the standards of learning required in municipalities;
- Participate in the standards-generation process;
- Identify the standards against which employee competence should be measured;
- Ensure that training providers are accredited; and
- that assessors and moderators of training are registered.

## **The Municipal Context**

O. R. Tambo District Municipality is compliant with the processes and regulations indicated above as it is working and regulated by Local Government SETA amongst 21 accredited SETAs across the country. The Municipality is a member of the Provincial SDF Forum that is convened on a quarterly basis which consist of 7 Districts across the Eastern Cape Province.

Municipal personnel participate in a number of Professional Body Cooperates, which ensures that they maintain quality standards and professional ethics in the workplace. The Municipality pays 100% of the annual subscriptions for all registered employees to promote adherence to professional sector standards and norms. The Municipality has reviewed and adopted Human Resources Development Policies in order strengthen the systems to ensure that Education & Training is implemented in a coordinated manner as well as to ensure that there is integration with other key policies of the Municipality. The adopted policies are the following:

- Training and Development Policy,
- Study Assistance/ Bursary Policy,
- Experiential Training Policy,
- Orientation & Induction Policy and
- Employment Equity Policy dated 27 June 2019.

Through this policy framework, a Skills Development & Employment Equity Committee was established and its fully functional to implement and monitor the implementation of policies. The Employment Equity Act of 1998 also guides the Employment Equity Programme and the Municipality has developed and approved a five- year Employment Equity Plan for 2018-2023 to drive a transformation agenda towards recognition of gender equity, racial diversity and well as reasonable accommodation of persons with disability in the workplace. To this point, the Municipality has maintained a good record of successfully submitting both the Workplace Skills Plan by 30 April each year as well as Employment Equity report by 15 January each year. The Municipality is progressing well and the tide has significantly turn in terms of awareness of the whole function and the implementation of various training interventions for both Employed and un-employed learners, however there are noticeable challenges that need urgent consideration such as shortage of personnel to run specific programmes impacting on skills development unit.

The Municipality has launched a multi-stakeholder forum in 2017 with an intention to mobilize resources from various stakeholder and to strengthen partnership towards rendering a coordinated HRD programme for the District to contribute to DDP for economic growth through skills development. Required programs included the refurbishment and establishment of Skills Development Centers in the district. The Employment Equity is a specialized field that requires implementation of vast programmes in order to drive change and promote diversity management programmes in the workplace. The Municipality is still far below in terms of recruitment of a diverse workforce and consideration of persons with disability.

Monitoring and Evaluation is a critical component of performance management, training programmes are implemented in order to enhance an improve on the capacity to deliver services better using smart systems in the workplace in line with the technology trends. It has been identified that training programs are done on an annual basis and are never able to be assessed and evaluated so that the value for money as well as impact of learning and measure of return of investment as we have a huge spend of training amounting to 4-6 million per year. So this function is required as urgent as possible to assist in the production of measures that will reflect skills development as a strategic tool of the Municipality to drive change and innovation.

The size of the Municipality is above 1240 staff personnel, this tells that there is a lot of data capturing, filling and management, which requires services of clerical level, which is a standard task in an administrative scope of work. There has never been such a provision in the HRD Unit and that has resulted in a state where there is a very slow migration to the HR systems hence most of the work is done manual exerting more pressure on the Junior and middle management staff personnel who is currently working under HRD.

- Non- adherence to policy document by personnel contributing to a corporate culture that does not promote good ethical standards and professionalization of work by personnel within various fields of work. Through Employment Equity Plan, this aspect was identified as one of the barriers to drive transformation and it need serious attention by Management.
- Non-Communication and advocacy of HRD programme and EE matters at Senior Management in order to solicit commitment management commitment as well as political by-in. for example the LGSETA is recommending that the Training Committee must be composed of Senior Managers in order to ensure that the agenda is considered as a strategic programme of the institution. However, this recommendation has not been taken into account since its inception from 2017.



### **2.9.8 Employee Wellness**

The employee wellness section is divided into 2 functions, which consists of Employee Wellness Program and Occupational Health and Safety. The Employee Wellness program is designed to assist employees with their overall wellness in order to reduce absenteeism, increase productivity by ensuring that we implement programs, which raise awareness and education to the employees of O.R Tambo District Municipality. As employees are the lifeblood of the organization, it is vital to help them produce at their optimum level.

Wellness programs aim to:

- Promote physical well-being of individual employees
- Promote psycho-social well-being of individual employees
- Promote work-life balance

Employee Wellness Programs implemented include but not limited to the following:

- Financial education
- Wellness days
- Cancer awareness
- HIV/AIDS programs
- Chronic disease management
- Mental health programs
- Confidential counselling
- Coaching / mentorship
- Substance abuse awareness
- Conflict management
- Personal development and Spiritual upliftment programs

The main goal of implementing these programs is to encourage employees down the path to a healthier life's.

### **Occupational Health and Safety Program**

The OHS program is designed to foster a safe and healthy occupational environment for the employees of O.R Tambo; this is done to prevent injuries, illnesses in the workplace. The municipality comply with the Occupational Health and Safety Act. The committees meet quarterly, there are representatives that were appointed and to mitigate and manage hazards and risks in the workplace the Occupational Health and safety conducts:

- Medical surveillance
- Work site Inspections
- Hazard identification and Risk assessment
- Regulatory Compliance
- Report and investigate incidents
- COVID-19 management in the workplace

Involvement of senior management in EAP and Occupational Health and Safety Programs is suggested and recognition of EAP program by managers and supervisors.

### **2.9.8 Employee Relations**

The Employee Relations Unit has its existence from Section 23 of the Republic of South Africa Constitution, 1996 as amended.

The purpose of the Labour Relations Unit is to create a work place environment that is conducive to good working relations between the Employer and the employees. To do this by ensuring that in the work place there is social justice, labour peace and democratization of the work place by fulfilling the primary objects of the Act, which are to give effect to and regulate the fundamental rights conferred by section 23 of the Constitution of the Republic of South Africa.

South Africa is a member state of the International Labour Organization (ILO) and by virtue of that as a Country and all its organs is obliged to honour the conventions, agreements and recommendation of the ILO. These recommendations by the ILO include;

The right to freedom of association, and the right to Collective Bargaining,

- The right to a minimum wage,
- Abolition of forced labour,
- Abolition of child labour,
- The right to equal remuneration,
- Abolition of discrimination in employment,

The Republic of South Africa ratified these conventions, agreements and recommendations and on ratification, they became law to be incorporated into the legislation governing labour relations in all work places. The following legislations were enacted to ensure compliance with the ILO conventions by all organs of the state and in all work places:

- The Republic of South Africa Constitution, 1996
- Labour Relations Act 66 of 1995 as amended,
- Basic Conditions of Employment Act 75 of 1997,
- Skills Development Act 97 of 1998,
- Employment Equity Act 55 of 1998
- Occupational Health & Safety Act 85 of 1993
- Promotion of Administrative Justice Act 3 of 2000
- SALGBC Main Collective Agreement
- SALGBC Collective Agreement on Disciplinary Procedures
- SALGBC Collective Agreement on Grievance Procedure

The municipality in applying and interpreting these legislations must ensure that it gives effect to their primary objective, in compliance with the constitution and in compliance with the public International Law obligations of the Republic of South Africa.

## **The Municipal Context**

The Employee Relations Unit is striving to ensure that all legislations that relate to Labour Relations are consistently and fairly observed throughout the municipality. This is viewed in the context that it is a means to achieve fairness in workplaces, the creation of working conditions that enable the employees to operate freely and feel that their dignity as human beings is being recognized and their labour is also appreciated as having a major contribution to economic development.

The Municipality is advocating the right to freedom of association, collective bargaining to determine wages, terms and conditions of employment, formulation of industrial policy, employee participation in decision making in the work place and the effective resolution of labour disputes. This notion if effectively implemented will result into better management consultation; reducing the number of costly labour conflicts and ensuring a stable environment free from labour disputes strikes. The key principle to this is that employers and employees should treat one another with mutual respect. Whilst employees should be protected from arbitrary action, employers are also entitled to a satisfactory conduct and work performance from their employees.

## **Policies**

The Employee Relations Unit has a policy on the Standard Code of Conduct for municipal employees as promulgated in the Municipal Systems Act 32 of 2000 and which was revised and reviewed in 2017. It sets out minimum behavior and standards which shall be observed and adhered to by the municipal employees. There is sexual harassment policy which its purpose is to set out a framework and broad principles for dealing with sexual harassment in all municipal workplaces. Sexual harassment is an unacceptable behavior and a serious issue which undermines the morale and can adversely affect the ability of the Council, Management and staff to achieve their full potential within the municipality. The municipality is committed to taking action to root out sexual harassment by ensuring that sexual harassment complaints are urgently and fairly resolved.

The Unit has a responsibility to facilitate and monitor the implementation of the Collective Agreements of the South African Local Government Bargaining Council (SALGBC) such as the Disciplinary Procedure Collective Agreement for the effective management of discipline in the work place and the Grievance Procedure for the uniform procedure of dealing with employee grievances, the resolution of grievances as quickly as possible and the protection of employees against victimization for exercising their right as provided in the Labour Relations Act. Any breach to the Code of Conduct policy shall be reported to Municipal Manager and disciplinary action in terms of the Disciplinary Procedure Collective Agreement may be taken.

## **Discipline**

The Municipality is subscribing to the notion that disciplinary action is not a punitive measure but corrective in nature, it shall be implemented fairly, consistently, progressively and promptly. The principles of natural justice and fair procedures shall be adhere to all the time. The maintenance of discipline is the responsibility of Management and any person in a Supervisory position. Any act of misconduct, depending on the serious and nature of the misconduct, shall be reported to the Municipal Manager who may authorize disciplinary action to be taken.

An act of misconduct that is by its nature appears less serious than final written warning, a formal Disciplinary Hearing may not be required. The employee shall be given an opportunity to make either verbal or written representations either personal or through the representative before a decision (determination) could be taken. An employee has a right to appeal against any disciplinary finding and /or sanction which has been given at a Disciplinary Hearing. The employee may appeal directly as provided for in the Labour Relations Act. There were about thirty-nine (39) cases reported to the unit since year 2017 and out of this 39 cases, twenty -two (22) employees were found guilty of various offences and ten (10) employees were given final written warnings by the appointed presiding officers and twelve (12) employees were dismissed as a result of their actions.

However, some employees successful challenged these dismissals and as such were overturn by the Bargaining Council (**SALGBC**) but there are only three employees that won arbitration case out of 12 cases, which were all reviewed at the Labour Court (LC). One judgment from LC in favor of the employer or municipality has been issued.

### **Labour Disputes**

Since year 2017, we have registered twenty- one (21) labour disputes, which ranges from unfair dismissals, unfair labour practice, unfair discrimination and interpretation/ application of collective agreement, and out of this cases we have lost only one case and the rest were confirmed by the SALGBC. But others were withdrawn by the applicants because they lacked substance.

### **Grievance Procedure**

The municipality has the South African Local Government Bargaining (SALGBC) Collective Agreement for a procedure on how to lodge a grievance. The purpose of the grievance is to establish a common and a uniform procedure for the management of grievances. It assists in dealing with conflict through procedural means and as quickly as possible. The grievance procedure ensures that there is fairness during the process of attempting to resolve the grievance. It ensures that no employee may suffer victimization or occupation prejudice because of lodging a grievance. It is a product of a collective agreement and is a Condition of Service. Because it is a product of a Collect Agreement, therefore its provisions are peremptory, they have to be complied with. The unit handled many grievances from step one up to the level of Municipal Manager, however those were not handled to the satisfaction of employees were taken out of the Institution and disputes were declared by employees.

### **The Local Labour Forum**

The Employee Relations Unit as mandated by the Labour Relations Act 66 of 1995 as amended and the South African Local Government Bargaining Council Main Collect Agreement has established a Local Labour Forum (LLF) Structure/ Committee, which operates with the assistance of its sub-structures. The Local Labour

Forum is a consultative/bargaining forum, which deals with matters at a local (workplace) level with the purpose of acquiring speedy and amicable resolutions to optimize service delivery.

Both the Employer and the Trade Unions to negotiate or consult on matters of mutual concern pertaining to the work place constitute the LLF Committee. The LLF meetings sit once a month unless by mutual agreement of the parties they decide not to meet. Any party to the LLF, for reasons of urgency, may call a special meeting of the LLF at 48 hours' notice. Despite this mammoth task, the Employee Relations Unit is operating on a small/limited personnel structure.

### **Minimum Service Level Agreement**

The Municipality has concluded a Minimum Service Level Collective Agreement in the Local Labour Forum on which municipal services shall be designated as the essential services. The Essential Services are those services that if interrupted may endanger the life, personal safety or health of the whole population. In terms of this agreement, any party who disputes or intending to dispute: -

- Whether or not a service is an essential service,
- Whether or not an employee or Employer is engaged in a service designated as an essential service,
- Whether or not the employer and a registered trade union or trade unions representing employees in the essential should conclude a collective agreement that provides for the maintenance of minimum services in that service, shall refer their dispute in writing to the Essential Services Committee in terms of Section 72 of the Labour Relations Act.

Any party to a dispute that is precluded from participating in a strike or a lockout because that party is engaged in an essential service may refer the dispute in writing to the South African Local Government Bargaining Council (SALGBC) for conciliation and arbitration in terms of Section 74 (1) of the Labour Relations Act.

### **SALGA: Eastern Cape Labour Relations Forum**

The O.R. Tambo District Municipality is represented and participating in the Provincial Labour Relations Forum which functions within the framework of the Labour Relations Act. It is a consultative forum aimed at knowledge sharing and members of the forum report on the status pertaining to labour relations in their municipalities. Its objectives are:

- To augment a productive and stable labour environment in the local government sector.
- To share best practices.
- To support municipalities labour related matters.
- To capacitate labour relations practitioners.
- To keep abreast with current trends and development of legislation.
- To be an anchor between Metros, Districts and Local Municipalities.
- Professionalization of Local Government (SOP, Policies, Templates, etc.)
- Human resource development and Councilor training.

## **OR. Tambo District Labour Relations Forum**

The O.R. Tambo District Labour Relations Forum has been established and launched. It is a consultative Forum aimed at strengthening the capacity of municipalities in O.R. Tambo District focusing on research and information dissemination, Human resource development and knowledge sharing.

### **Workshops and Training**

The Employee Relations Unit conducts workshops to all employees of the municipality and are clustered according to their proximity as a Department. Workshops are conducted on the Standard Code of Conduct policy, Sexual Harassment Policy, Disciplinary and Grievance Procedure. The Local Labour Forum (LLF) Committee Members, constituted by Employer Component (Councilors and Management) and trade unions are trained on the powers and functions of the LLF. Managers, Supervisors, employees in strategic positions are trained on how to manage discipline effectively in the workplace (law of evidence and the procedure to handle grievances (conflict resolution).

#### **2.9.10 Organizational Development (OD)**

The founding piece of legislation for the establishment of the Organization Development Section is the Municipal Systems Act. The promulgation of the MSA Was to give effect to the wide range of labour legislation which include but not limited to:

- International Labour organization Conventions
- Labour Relations Act
- Basic Conditions of Employment Act
- Skills Development Act
- Employment Equity Act
- Health and Safety Act
- SALGBC Main Collective Agreement and SALGA policy on Job Evaluation.

### **Municipal Context**

There is no one size fits all organization Development Unit in municipalities where it exists. From the OR Tambo District Municipality perspective, the OD Section was established around 2008 to perform the following organizational functions:

- Organization Development and change Management
- Team Building for smooth change interventions
- Organizational Structure Design/ Redesign/ Renewal
- Job Description Writing and Job Evaluation
- Equal Pay for Work of Equal Value
- Diversity Management
- Job Description Based Skills Development and Performance Management
- Job Description Based Hazardous Working Conditions

- Policy Development and Formulation, the list is not exhaustive.

## **Change Management**

There is no Institutional Change Management Framework or model and as a result thereof, change Interventions are fragmented, protracted and adversarial.

The development of a change management framework/model was abandoned in 2019, when the contract between ORTDM and MISA expired. There is a dire need to revive the process.

Team building should take place before, during and after change management interventions to reduce resistance to change and ensure sufficient consultation and organizational consensus.

## **Organizational Structure**

Section 66 of the Municipal Systems Act 32 of 2000, prescribes for the municipal manager to develop a staff establishment of the municipality and submit that to the council for approval. Complimented by other policy frameworks determined by the municipal council and subject to any applicable legislation, the Act further outlines that the municipal manager should establish a process to regularly evaluate such staff establishment and if necessary, review it together with its remuneration and conditions of service.

On the other hand, the Local Government: Municipal Staff Regulations, states that the municipality can review its organizational structure after the elections of a new council of a municipality; adoption of a new five-year integrated development plan of a municipality; and or if there are any material changes to the powers and functions of a municipality.

In appreciating and realizing the legislative prescripts, it needs to be reflected that O.R. Tambo District Municipality has initiated the process of reviewing its organizational structure in 2022 (after the local government elections of November 2021) where a task for the organizational review was delegated to Corporate Services and subsequently, a multi-disciplinary work stream was established. It comprised of officials from Corporate Services, the Budget and Treasury Office, and the office of the Municipal Manager. The work stream commenced with its work in February 2022 and aligned itself to the Municipal Staff Regulations approved by the COGTA Minister dated September 2021, which came into effect on 01 July 2022. The consultation process on the organizational structure received inputs that reshaped the structure.

The organization structure implementation will also bear financial implications for the purpose of remuneration and other related operational costs. On instances where new positions will be recommended, all budgetary implications will be managed within the limitations of the approved MTREF, to ensure that the district does not overspend on its employee-related costs.

The organizational structure review process has been a consultative process where various stakeholders had been engaged. The following stakeholders have been consulted in the process and will continue to be consulted until the final tabling of the organization structure.

- The Mayoral Committee
- The Council
- The Management
- Organized Labour

- Employees
- CoGTA
- SALGA

The macro organizational structure was tabled in a council meeting held on December 2023 and approved. Subsequent to that is the implementation phase which will further require its road-map as it will also have human resource implications. All relevant and applicable human resources legislation, regulations, and policies will be adhered to in the implementation of the approved organizational structure.

### **The Municipal Offices and Council Chamber**

The Municipal Council Chamber is in Southernwood Umtata. In its endeavors to ensure that the services reach communities, the municipality has the Head Office in Nelson Mandela Drive in Myezo Umtata where there is an administrative sitting with satellite offices in Mqanduli for King Sabatha Dalindyebo, Mhlontlo local Municipality, Port St Johns, Ingquza Hill Local Municipality and Nyandeni Local Municipality.

The services rendered at the head office are also rendered in some of the satellite offices especially on the municipal competency, which is Water and Sanitation where there is an area manager for each local municipal area responsible for the satellite office.

### **Equal Pay for Work of Equal Value**

Due to absence or lack of an institutional change management framework referred above, processes like organizational structure design or redesign are not performed effectively as a result of perpetual salary and conditions of service disparities in both DM and LM levels. This situation renders our municipalities non-compliant to the principle of Equal pay for work of Equal Value enshrined in the Employment Equity Act referred to above.

### **Diversity Management and Stakeholder Engagement**

OD functions are a shared institutional responsibility and this principle needs to be inculcated at all levels of the District Municipality and Local Municipality. Should this principle find traction at the level of management, middle management, organized and unorganized labour, it would create sufficient consensus among diverse individuals and groups with regards to a wide range of organizational and workplace issues. This is a critical element for diversity Management and Stakeholder engagement.

### **Critical and Scarce Skills**

The Local Government Sector Education and Training Authority's (LGSETA) Skills Shortages & Skills Gaps Guide 2020 & 2021 refers to hard-to-fill vacancies as those vacancies in the organisation that takes longer than six (6) months to find a suitably experienced and qualified candidate. These skills shortages occur when the employer is unable to fill vacancies, or experience considerable difficulties in filling vacancies, due to the demand for workers in certain occupations being greater than the supply of workers who are available and willing to work under existing work and employment conditions.



The vacancy that is regarded as scarce skill are all filled, meaning that the municipality has no challenge in filling posts.

## **2.10 FINANCIAL VIABILITY AND MANAGEMENT**

ORTDM is classified as a high-capacity municipality. This requires the municipality to be fully compliant with Generally Recognized Accounting Practice, MFMA compliance issues and all its related circulars and regulations. Annually, after submission of the budget the National Treasury (NT) invites the municipality for a benchmarking exercise as one of the non-delegated municipalities, where NT analyses the funding and credibility of the budget.

The Budget and Treasury Office is mainly responsible for ensuring adherence to all these requirements. Due to the commitment and hard work of the team, the department has substantially ensured in all material effects, that the duties were carried out to ensure compliance with the relevant legislative framework. The financial management system is also a major limiting factor in terms of financial and management accounting procedures as well as information flow.

The mandate for the Budget and Treasury Office is to ensure proper administration of financial management as delegated by Accounting Officer in the following area

- Asset and Liability Management
- Revenue Management
- Expenditure Management and Expenditure on staff Benefits
- Budget Preparation, Implementation and Reporting
- Financial Statements Preparation and Investments
- Supply Chain Management
- Contracts Management

### **2.10.1 Asset and Liability Management**

Established through MFMA section 63, GRAP standards with a GRAP compliant asset register. The section has Infrastructure and Movable/Immovable components with manager responsible for the section who ensures the management development, updating and maintenance of the asset register, reporting on the assets base/status of the municipality through preparation of Fixed Asset register for both infrastructure and movable assets. The unit is also responsible for safeguarding of municipal assets and ensuring that the risk associated with ownership is transferred or minimized through the insurance.

There are conditional assessments conducted to assess useful life for movable, immovable assets and recommend disposal, write-off and impairment, which is done in line with the Municipal Finance Management. The municipality developed a GRAP compliant Infrastructure, Non-Infrastructure Asset registers, and at 100% in terms of the Verification of Assets that are still in the Work in Progress (WIP) register. In terms of achievements, the institution has a GRAP Compliant Infrastructure and Non-Infrastructure Asset registers. There is 100% verification of the Asset that still in the Work In Progress (WIP) register and

monthly updating of depreciation on both register. There are updates on additions for the Moveable asset register adhering to asset management policy in terms of their recognition criteria with monthly reconciliations and approved Policy on reviewal of what constitute a delayed project.

### **2.10.2 Supply Chain Management**

Supply Chain Management established in line with S110 of the MFMA responsible for all procurement processes led by the General Manager SCM. To enhance internal controls a checklist introduced and centralised both stores and invoices to logistics. The unit has improved on irregular expenditure drastically due to strict internal controls and the SCM reports is tabled regularly to council inclusive of progress on procurement plan implementation.

The municipality has a reviewed SCM policy as per PPPFA of 2022 which is approved by council. A price index to ensure value for money was introduced and the SoP's will be finalised for implementation. The Bid committee is fully functional while the panel of suppliers for frequently requested services is appointed. Contract management and supplier performance partially applied and the contracts register is not completely updated per specific fields and there are no material findings by the AG for SCM including inventory. There is an improvement on management of inventory levels at the stores and avoiding shortage of materials at the stores. The SCM Standard Operating Procedures (SOP) were developed and workshop conducted for the senior management as well as the SCM SOP on supplier selection was developed and commented to by AG for further improvement.

### **2.10.3 Revenue Management**

Revenue Management is established through the provisions of the Municipal Finance Management Act 56 of 2003 section 64, Municipal Systems Act 32 of 2000 Chapter 8 sections 74 (Tariffs), 75 read with 98 (Bylaws and policy) and 75A (recovery of fees and service charges). Chapter 9 provides for Customer Care services (section 95) and Debt Collection & Credit Control services (section 96). The Revenue Management unit has three (3) composite sub-sections, namely; Data Management & Indigent Support, Billing & Meter Reading and Credit Control & Receipting. Revenue Manager is managing the section The section operates across five local municipalities comprising of nine towns structured as follows: King Sabatha Dalindyebo LM (Mthatha & Mqanduli), Nyandeni LM (Ngqeleni & Libode), Mhlontlo LM (Qumbu & Tsolo), Ingquza Hill LM (Lusikisiki & Flagstaff) and Port St Johns LM. The municipality has approximately 22 000 active accounts, the bulk of which is in the KSD region (17 480 households). For accurate billing, the data cleansing is constantly done as well checkup with the Deeds office to ensure alignment of data.

There is consumer monthly billing system in place though statements are not sent to all consumers due to ICT infrastructure challenges. A budget has been made available for upgrading of the ICT Infrastructure as well as sourcing of service provider for the distribution of bills through mail, emails and sms as a mitigation factor while the ICT infrastructure is being upgraded. The section implements its Standard Operating Procedures

through the Tariff Policy, Credit Control & Debt Collection Policy and the Indigent Policy, which i reviewed annually.

The department is in the developed a strategy for revenue enhancement called Revenue Improvement Plan. Workshops have been conducted internally on the plan and it will be tabled at council in 2025-2026 financial year while the Financial Recovery Plan is ongoing. Part of Revenue Enhancement will be covered in the Financial Recovery Plan, which is driven by National Treasury through Section 139 intervention. There is an implementation of Easypay services for customers to make payments at the supermarkets (Pick n Pay, Shoprite, Boxer Superstores, Ok Furnisher shop. To sensitise customers about billing, Peri Urban Community Engagements were conducted, and RDP billing awareness is in progress as well as campaigns on water losses management and illegal connections.

In its endvous for revenue management, the municipality implemented an Easy-pay services for customers to make payments at the supermarkets (Pick n Pay , Shoprite, Boxer Superstores, Ok Furnisher shop etc. There were awarenesses conducted on use of customer portal to access invoices and utilisation of customer portal to access invoices. There are attempts for the billing of properties in peri urban. A debt collector was appointed, and an indigent register was reviewed and updated.

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

The unit deals with the indigent households located in urban areas for billing purposes. The municipality has developed an urban-based free basic services indigent register. It has not been integrated with the local municipalities registers. With the assistance of Department of Cooperative Governance and Traditional Affairs (CoGTA), a workshop was conducted to resuscitate the functionality of Free Basic Service (FBS) in the District. The Free Basic District forum is functional and a the Indigent Registers for the district as well as the local municipalities was developed. Indigents for water and sanitation will be quantified, prioritized for provision of the service. There is dedicated staff for FBS who will be facilitating the function and the budget for indigents for the past 3 years is listed ibelow:

Financial Year	Cost of Indigents
2022 - 2023	R 513 326. 63
2023 - 2024	R 2 146 777.43
2024 - 2025	R 2 655 946.70

#### **2.10.5 Asset Management**

Established through MFMA section 63, GRAP standards. The section has Infrastructure and Movable/Immovable components with manager responsible for the section. The section is responsible for management, development, updating and maintenance of the asset register, reporting on the assets base/status of the municipality through preparation of Fixed Asset register for both infrastructure and movable assets. Assest Management unit is responsible for safeguarding of municipal assets and ensuring that the risk

associated with ownership is transferred or minimized through insurance. Conditional assessment is conducted to assess useful life for movable, immovable assets and recommend disposal, write-off and impairment and that is done in line with the Municipal Finance Management.

#### **2.10.6 Financial Reporting and Financial Management System Support**

Established through provision of MFMA chapter 4 (budgeting), chapter 8 section 71 and 72, Municipal Budget Reporting Regulations (MBRR), MFMA circulars.

The section has Budgeting component and Reporting component. Budget and Reporting Manager manages the section ensuring that the budget is prepared in accordance to MFMA, MBRR, NT circulars, MSCOA. The section is responsible for ensuring that deadlines for preparation and approval are adhered to, timely submission of budget to relevant stakeholders, timely reporting on the performance of the budget on monthly (s71 report), quarterly (s52d report), half yearly (s72 report) and annual basis (s122 – s 126) and maintain sound relations with National Treasury.

The District Municipality has concerns on the implementation of mSCOA, there is a need to update road map toward full implementation. There mSCOA steering committee is functional, chaired by the Municipal Manager, which sits quarterly.

mSCOA project implementation plan and mSCOA quarterly report were tabled in the Council meeting of the 31 January 2024 and there was a live demonstration with National Treasury on the 06 February 2024. The municipality has successfully submitted the following mSCOA data strings:

- Monthly Actuals M01, and M04 to M07
- Monthly Aged Creditors and Debtors M01 and M04 to M07
- Quarterly Borrowings and Investments Q1 and Q2
- Pre-Audited Data Strings 2022-2023
- Restated Audited Data Strings 2022-2023
- Audited Data Strings 2022-2023

#### **2.10.7 Expenditure Management**

Established through provision of Municipal Finance Management Act 56 of 2003 section 65 responsible for administration of payments to creditors, service providers,

personnel (payroll), third parties (pensions, medical aid, SARS etc.). The section also maintains a proper documents management system and preparation of reconciliations (creditors, payroll, VAT) for purposes of AFS and VAT refunds. Expenditure manager is managing the section with two components being; Expenditure and Payroll sections. In terms of servicing creditors, the municipality is striving to meet the norms and standards as it is still recovering from financial constraints.

#### **2.10.8 Annual Financial Statements and Treasury**

Established through MFMA chapter 12 sections 122 to 126.

The section has AFS preparation and Bank/Treasury components. The municipality has a separate bank account opened and reported to the transferring departments. As at the end of June 2023 the municipality envisage to transfer all balances into the primary bank account and a reconciliation gets done per grant to ensure that each unspent grant is cash backed proper reporting ensured There is a manager responsible for the section who ensures that;

- Bank reconciliations are prepared monthly,
- Financial statements are prepared in accordance with latest GRAP standards, MFMA and any NT circulars.
- Line items, disclosures and balances have adequate supporting documentation
- Timely submission to relevant stakeholders.
- Co-operate with Office of AG during audit and adjust the AFS where necessary.

The municipality budget for salaries for the remuneration of Councilors and employees though it budgets above the 40 % of the operating budget as per Circular 71. The current budget is 43%, which is above the norm.

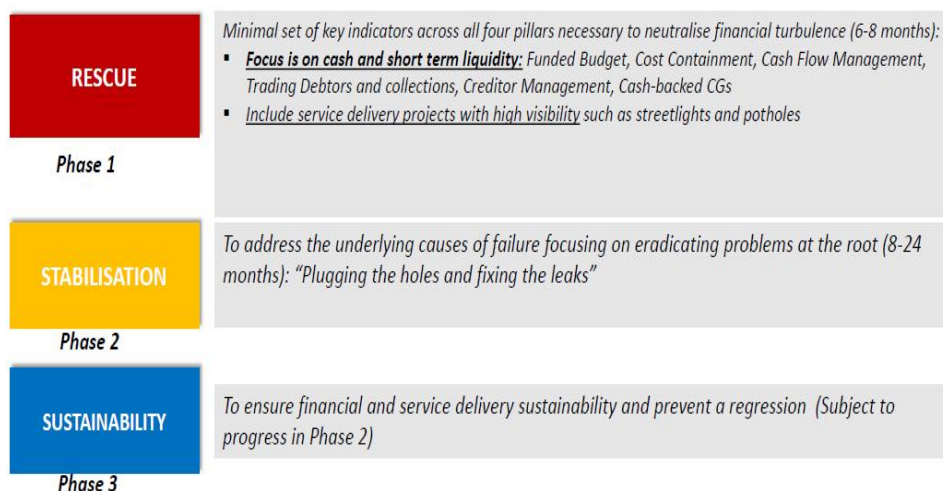
## **2.11 Financial Recovery Plan (FRP)**

### **Overview of the Financial Recovery Plan**

The Eastern Cape Provincial Treasury conducted an assessment in terms of Section 140 of the Municipal Finance Management Act (MFMA) and O R Tambo District Municipality met the criteria of a municipality in financial crisis. The Provincial Executive Committee intervened in the municipality in terms of Section 139 (5) (a) and (c) of the Constitution of the Republic of South Africa read together with Section 139 of the MFMA.

A Status Quo Assessment in terms of section 142 of the MFMA was done to identify the root causes of the financial challenges that the municipality is facing. The status quo assessment focused on the four pillars which are, Financial Management, Governance, Institutional and Service delivery. For each pillar, a diagnostic analysis was performed, followed by the identifications of failures, root causes and the strategy to remedy the situation.

The financial recovery plan developed from this status quo assessment report present a phased approach to recovery, differentiating between issues to be addressed in the short, medium, and long term. The recovery plan has three distinct but interdependent phases. The phases are as follows:



The approach was designed to ensure that financial recovery is not only achieved, but more importantly, that progress is institutionalized and sustained within the municipality.

## Implementation and Monitoring

Since the implementation of Phase 1 of the approved FRP in November 2023, the municipality has implemented successfully 218 (92%) out of 238 activities. Eighteen (18) activities are in progress, while 2 (1%) have not commenced.

The municipality is progressing well on implementing FRP activities. Most of the triggers for the mandatory intervention are being addressed. The municipality is ready to progress to stabilization phase. Below is the summary of the impact of recovery plans on the triggers of intervention.

### 1. Governance

- On the governance pillar, 82% of activities are fully implemented and 16% are partially implemented, while 2% are outstanding.
- The Governance structures are functional and stable and are dealing with all compliance matters as legislated.
- This pillar has been assessed as sound by NT.

### 2. Institutional Support

- In the Institutional pillar, considerable progress has been achieved as 87% of activities have been achieved, 11% partially achieved and only 2% not commenced.
- This pillar has been graded as sound by NT and its governance structures are functional and the administration as well as the political principals have built a resilient organisation

### 3. Financial Management

- The Financial Management Pillar remains the most progressed of all the pillars, with 100% of activities fully implemented.
- This pillar has been graded as fragile by NT. According to NT report on budget engagement, the municipality has considered the driving elements in drafting the 2025/26 MTREF budget such as the funded budget, optimize revenue, manage expenditure, better management of assets, adherence to SCM prescripts, mSCOA compliance, and addressing the issues raised by the AGSA.
- The following positive financial impact is noted:

- Positive audit outcomes
- Funded budget
- Reduction on creditors' balance and creditors payment period
- Payment commitments are honored
- Progress in reduction of employee cost
- Progress in reduction of UIFWE (no irregular expenditure incurred in current year)
- Improved cost coverage

#### **4. Service Delivery**

- Considerable progress has been achieved as 93% of activities have been achieved, 7% partially achieved.
- This pillar has been graded as fragile by NT. According to NT budget assessment report, the municipality has aligned the projects priority list with the basic needs raised by the communities during the public participation process.
- The municipality developed a Master Plan to address all the unserved areas as part of a process to clear backlogs and ensure access to water and under basic needs provided by the municipality.
- The municipality remains grant dependent (94%) due to its powers and function, internally generated funds.

SWOT ANALYSIS PER KEY PERFORMANCE AREA (KPA)				
KPA	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<b>Basic Service Delivery and Infrastructure</b>	<ul style="list-style-type: none"> <li>The DM has an active technical team</li> <li>Central Communication Centre operating 24 hours</li> <li>Inter relations with other role layers such as Airport, SANDF, WSU, KSD Fire and Works on Fire</li> <li>The appointment of the district as Implementing agent for emergency housing projects</li> <li>District coordination of human settlements program.</li> <li>Availability of rural land both inland and along the coast</li> <li>Availability of urban land for integrated human settlements development amounts</li> <li>Existence of emerging (unaccredited) material manufactures, SMMEs</li> </ul>	<ul style="list-style-type: none"> <li>High water backlogs</li> <li>Frequent sewerage spillages in urban areas</li> <li>Dysfunctional water schemes</li> <li>Water Losses</li> <li>Insufficient Budget for O&amp;M function</li> <li>Non-existence of Fire prevention Unit</li> <li>Unskilled Fire personnel</li> <li>Non-alignment of programs.</li> <li>Non-availability of Bulk Infrastructure along the coast</li> <li>Poor management of land (land invasion)</li> <li>Unavailability of SANS (SABS) approved building material</li> <li>Shortage of SANAS accredited material testing laboratories.</li> <li>Lack of local regulatory bodies i.e. NRCS, SABS etc.</li> <li>Lack of monitoring of municipal building regulation by laws.</li> <li>Limited equitable budget for social relief program &amp; intervention</li> </ul>	<ul style="list-style-type: none"> <li>Numerous schemes identified for refurbishment</li> <li>Development of District Safety Master Plan</li> <li>Dev. Of District Fire Hydrant Layout Plan</li> <li>PDMC support from EC Province</li> <li>Potential accreditation of the municipality by MEC: Human Settlements in terms of sec 10 of Housing Act.</li> <li>Efficient monitoring implementation of projects aids the potential to attain more grant funding.</li> <li>Integrated Human Settlements Development and a credible service delivery model in all areas of infrastructure.</li> <li>Integrated human settlements developments, Mixed Human Settlements along the coast (Lodges etc.)</li> <li>Development of township establishment and title deeds</li> <li>Coordinate support and capacitation to SMMEs and Building manufactures</li> </ul>	<ul style="list-style-type: none"> <li>Aged &amp; dilapidated water services infrastructure</li> <li>Vandalism &amp; theft</li> <li>Illegal connections</li> <li>Over stressed system</li> <li>Disasters caused by Climate Change</li> <li>Veld Fires</li> <li>Non-existence of Fire Safety By-Laws</li> <li>Old Fleet and Firefighting equipment</li> <li>The infusion of the department with Infrastructure Services.</li> <li>Delay to service delivery due to duplication of services.</li> <li>Land tenure issues (land ownership)</li> </ul>



SWOT ANALYSIS PER KEY PERFORMANCE AREA (KPA)				
KPA	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<b>Local Economic Development</b>	<ul style="list-style-type: none"> <li>Actively involved in investment promotion &amp; support across the district</li> <li>Invested vastly in economic infrastructure</li> <li>Support provided to Cooperatives &amp; SMMEs</li> <li>Historical sites within the district</li> <li>Underperformance of economic drivers</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Non implementation of policies</li> <li>Lack of public infrastructure services</li> <li>Lack of access to profitable markets &amp; finance</li> <li>Lack of integration between local authorities, communities and other business communities</li> <li>Inadequate promotion of historical sites &amp; tourism products</li> </ul>	<ul style="list-style-type: none"> <li>Tourism, agriculture &amp; forestry potential</li> <li>Underutilized arable lands</li> <li>Large population</li> <li>Land for pasteurization</li> <li>Vast underutilized coastal line</li> <li>Legalization of cannabis</li> <li>Availability of underutilized forestry</li> <li>Catalytic projects e.g., SEZ, R61 &amp; N1</li> </ul>	<ul style="list-style-type: none"> <li>Recession &amp; Covid-19 pandemic that hit hard on the economy</li> <li>Frequent Amalgamation of municipalities</li> <li>Poor coordination of networks</li> <li>Ineffective implementation of policies</li> <li>Uncertain weather conditions &amp; other natural causes</li> <li>Migration of economically active population</li> <li>High unemployment rate</li> <li>Land tenure system</li> <li>Land claims &amp; invasions</li> <li>Veld fires &amp; soil conservation</li> <li>Crime</li> </ul>
<b>Financial Viability Management</b>	<ul style="list-style-type: none"> <li>AFS are prepared in-house</li> <li>Adherence to the submission deadlines.</li> <li>Timely preparation of bank reconciliations</li> <li>Effective document Management</li> <li>VAT returns for refunds prepared in-house</li> <li>Policies are reviewed</li> </ul>	<ul style="list-style-type: none"> <li>Submission of AFS with material errors or misstatements due credibility of information submitted to the AFS section</li> <li>Nonadherence to AFS preparation plan due late submission of supporting documentation</li> <li>Inadequate or insufficient supporting documentation for AFS</li> </ul>	<ul style="list-style-type: none"> <li>improved audit opinion (unqualified)</li> <li>Non-availability or outdated cyber security which resulting in intrusion in consumer data.</li> <li>Loss of data due to insufficient backup system.</li> <li>Litigations</li> <li>No-go areas for meter</li> </ul>	<ul style="list-style-type: none"> <li>Security threats and high vacancy rate</li> <li>Litigation (accidents) due to non-monitoring of fleet assets.</li> <li>Lack of automated asset management system.</li> <li>Inadequate security controls resulting in theft of Municipal assets</li> </ul>

SWOT ANALYSIS PER KEY PERFORMANCE AREA (KPA)				
KPA	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
	<p>annually</p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p>balances and disclosures.</p> <ul style="list-style-type: none"> <li>• Nonadherence to MAAP</li> <li>• Lack of proper support by vendor (BCX) on latest updates and reforms of budget module.</li> <li>• Non-distribution of consumer statements due to incapable IT infrastructure.</li> <li>• Under collection due to non-billing of RDPs, peri urban.</li> <li>• Lack of fuel monitoring system resulting in misuse of fuel and then financial loss.</li> <li>• Lack of an automated asset management system</li> </ul>	<p>readers.</p> <ul style="list-style-type: none"> <li>• Tempering with the infrastructure (illegal connections, covering meters with concrete, etc.)</li> <li>• Non-disclosure of change of debtors ' status from Domestic to Business, leading to incorrect tariff billed and subsequently loss of potential revenue.</li> <li>• Non-cooperation of local municipalities with regards the provision of updated Valuation Rolls, Building Plans and maps.</li> <li>• Under collection due to economic distress.</li> </ul>	<ul style="list-style-type: none"> <li>• Stagnation and possible regression of audit opinion due any possible instability.</li> </ul>

SWOT ANALYSIS PER KEY PERFORMANCE AREA (KPA)				
KPA	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
<b>Good Governance and Public Participation</b>	<ul style="list-style-type: none"> <li>• One Plan (DDM)</li> <li>• Risk Management Strategy and Policy are in place</li> <li>• RMC established and functional</li> <li>• Functionality of Mayor ' s and MM's forum</li> <li>• Presidential Hotline functional and responsive</li> <li>• Mayor's and MM's forums functional</li> <li>• Technical forums functional (District &amp; Local Communicators)</li> <li>• District One Plan in place</li> </ul>	<ul style="list-style-type: none"> <li>• Outdated policies</li> <li>• Lack of electronic data management system</li> <li>• Lack of co-operation from departments</li> <li>• No District Fraud Hotline</li> <li>• Non-compliance with MSCOA</li> <li>• Lack of electronic data management system</li> <li>• Integrated service delivery model not functional</li> <li>• Delays in SCM processes</li> </ul>	<ul style="list-style-type: none"> <li>• Existing SOP &amp; MoM model of governance</li> <li>• District Development Model</li> </ul>	<ul style="list-style-type: none"> <li>• Climate Change</li> <li>• Increase in crime rate</li> <li>• National load shedding</li> <li>• Lack of understanding of Municipal Oversight Model</li> </ul>
<b>Municipal Transformation and Institutional Development</b>	<ul style="list-style-type: none"> <li>• Implementation of Safety and Security Policy</li> <li>• Building Maintenance *of electronic security system</li> <li>• Existing ICT environment</li> <li>• Robust Financial Management System</li> </ul>	<ul style="list-style-type: none"> <li>• Fragmented ICT systems and weak ICT governance and data recovery impact on performance.</li> <li>• Outdated network infrastructure</li> <li>• Information systems is not centralized in ICT</li> <li>• Insufficient integration of IT systems and workflow processes, to ensure smoother service delivery and reduce time lost through manual processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Support from State Security Agency</li> <li>• Physical Minimum Security Standard (PMSS) from SAPS</li> </ul>	<ul style="list-style-type: none"> <li>• Non-adherence to Safety and Security Policy</li> <li>• Litigations</li> <li>• Obsolete and unreliable Network Infrastructure</li> <li>• Lack of archiving and digitalization of documents</li> <li>• Theft</li> </ul>

SWOT ANALYSIS PER KEY PERFORMANCE AREA (KPA)				
KPA	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
		<ul style="list-style-type: none"> <li>Deficiencies in the internal security controls</li> <li>Poor maintenance of electronic security system</li> </ul>		

## CHAPTER 3 - DEVELOPMENTAL PLANS

### 3.1 INTRODUCTION

One of the critical components of an Integrated Development Plan is to develop strategies which must be aligned with the national and provincial sectoral plans and planning requirements binding on the municipality in terms of legislation. The council developed the vision and mission for the term of 5 years, which is from 2022-, 2027 as follows:

#### 3.1.1 Vision

A prosperous, vibrant, innovative and people-centred district

#### 3.1.2 Mission

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

#### 3.1.3 Core Values

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

This chapter therefore highlights some of the critical development strategies adopted by the OR Tambo Municipality. These strategies seek to address the developmental constraints highlighted in the situational

analysis chapter. They guide the institution and its departments on sector specific issues to ensure long term sustainable growth and development.

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

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

- Articulate the development priorities of the district between 2017-2030 & beyond
- Prioritize and fast-track the realization of various National & Provincial Policies (NDP, PDP, Eastern Cape Infrastructure Plan, & Eastern Cape Provincial Economic Development Plan)
- Embrace a host of current and planned major developments/initiatives in the district
- Build on and complement the OR Tambo DM IDP (2017 – 2022)

The district established a Project Steering Committee that is responsible for monitoring the implementation of the plan. The district ensures that its Integrated Development Plan is aligned to the DDP 2030 pillars. On an annual basis this plan gives tune to the review of the District Integrated Development Plan.

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

**DCP 1:** District entities repositioned to drive Inclusive Economic Development (including Ntinga OR Tambo Development Agency, PSJ Development Agency and Kei Fresh)

**DCP 2:** Transformed Land Ownership, Development and Land Management

**DCP 3:** Agricultural Revitalization in the District

**DCP 4:** ICT enabled Socio Economic Development

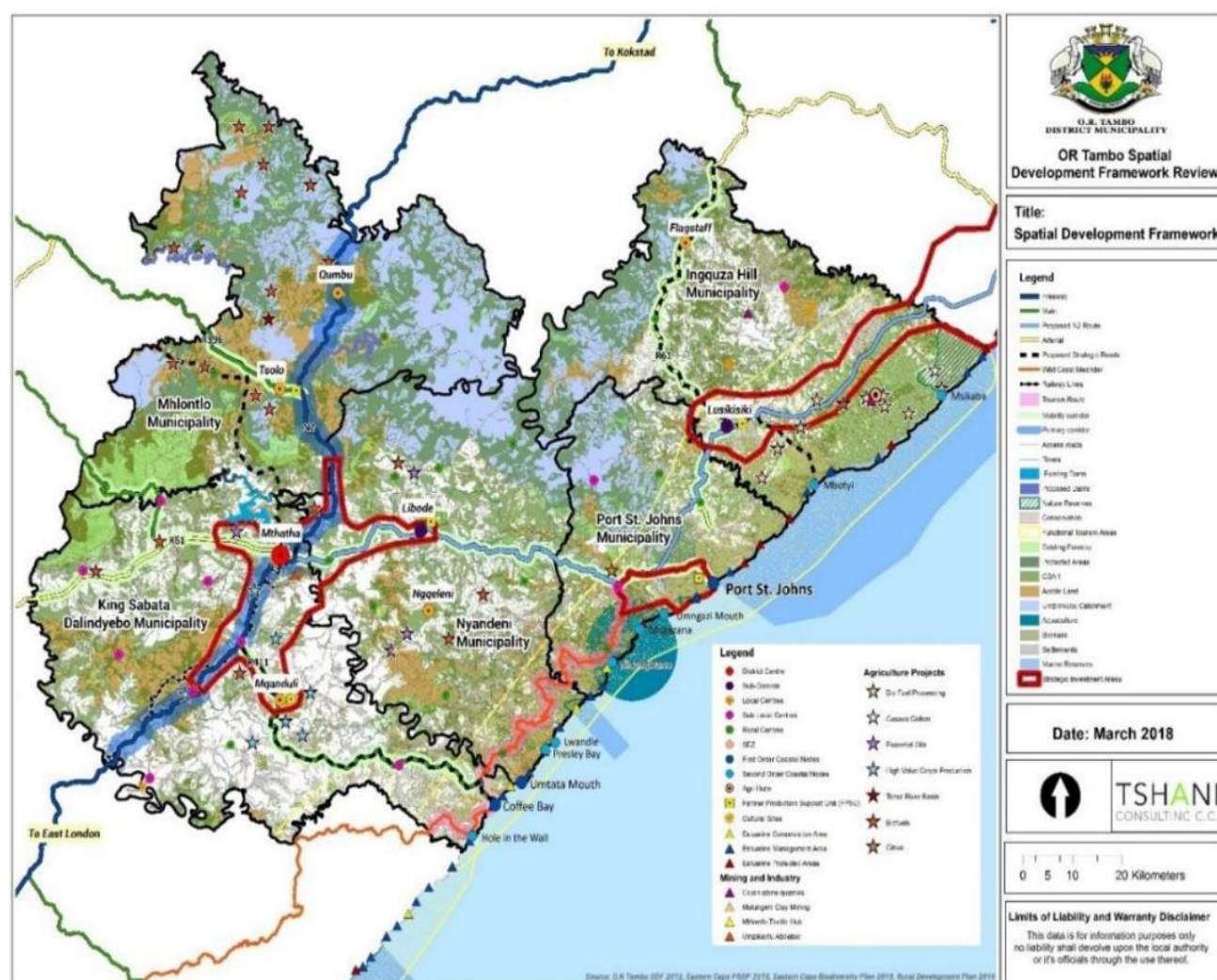
**DCP 5:** Optimized Management of Water Services (resources and services)

### **3.3 SPATIAL DEVELOPMENT FRAMEWORK**

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

and District-wide Development Strategy. O R Tambo adopted the Draft SDF in May 2021 and consider reviewing it in 2024- 2025 financial year taking into consideration the new SDF that Eastern Seaboard will adopt as well as the recently released 2022 Statistics South Africa data.

The SDF should furthermore not be interpreted as a blueprint aimed at managing physical development, but rather as a framework giving strategic guidance in respect of the location and nature of anticipated future



SDF is developed in terms of Section(e) of the Municipal Systems Act, 2000 (Act No. 32 of 2000). SDF is also developed in compliance of Chapter 4, Section 20 to 21 of the Spatial Planning and Land Use Management



Act, No. 16 of 2013 (SPLUMA) The SDF must give effect to Development Principles as contained in Chapter 2 of SPLUMA. Those development principles are as follows:

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

### **3.3.2 Nodes and activity corridors**

Chapter 8 of the National Development Plan focuses on the country's spatial planning system, and therefore requires that all municipal and provincial SDFs are translated into "spatial contracts" that are binding across national, provincial and local governments. The current planning system should actively support the development of plans that cross the municipal and even provincial boundaries, and every municipality should have an explicit spatial restructuring strategy which must include the identification of priority precincts of spatial restructuring. Therefore, the District SDF proposes a number of Nodes and Corridors which are meant to address socio-economic issues of the District with a focus on sustainable economic growth and employment opportunities.

#### **3.3.2.1 Nodes**

The nodes are defined as follows:

- District Centre (DC): These are high order centres providing educational facilities, administrative functions and highest level of access to shopping and social services in the district. Mthatha is the only primary node in the district
- Sub-District Centre (S-DC): These are towns identified as having important local and district level development functions relating to commerce and tourism. Lusikisiki and Port St. Johns are the secondary nodes of the district.
- Local Centre (LC): These towns are seen as lower order service centres where goods and services can be accessed by the local residents and residents of surrounding rural settlement areas. Qumbu, Tsolo, Libode, Ngqeleni, Mqanduli and Flagstaff fall within this category.
- Sub-Local Centre (SLC): These are rural villages where higher order rural-level services are prioritized. Tabase, Majola, Zincuka, Gwadana, Bolotwa, Nqadu, Baziya, Kwaaiman, Mvezo, Qolokweni, Nkoso, Mthontsana, Mpeko, Mqhekezweni, Mbotyi, Msikaba are under this category.
- First Order Coastal Nodes: these are settlements where the principal function has been identified as being related to the development of a viable and sustainable Coastal Tourism sector. Coffee Bay, Umtata Mouth, Port St Johns are identified as the first order coastal nodes.
- Second Order Coastal Nodes: these are settlements where it has been identified as being related to the development of a viable and sustainable Coastal Tourism sector. Msikaba, Mbotyi, Umngazi Mouth, Mngazana, Sinangwana, Presley Bay, Lwandile, Hole in the Wall are identified as the second order coastal nodes.

### **3.3.2.2 Corridors**

Corridors are defined as follows:

- Primary corridor (PC): High-density development on sections of this corridor. The main mobility route of goods and people through the district. East London/Mthatha–Kokstad N2, Railway Corridor are the primary corridors identified in the District.
- Mobility routes (MB): these routes carry passing traffic and provide access between local areas in the district and centres further afield. N2, R61, Ugie-Langeni Road, R394 and proposed N2 Toll Road are the mobility routes within the district.
- Special Routes-Tourism Focus (SP-TF): these relate to tourism destinations and links between tourism nodes and main mobility routes. Wild Coast Meander, Thunga Thunga Route, Mandela Route, R394-Mthatha via Mqanduli towards the coast fall under this category.

## **3.4 LOCAL ECONOMIC DEVELOPMENT STRATEGY**

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

National Framework also guides LED for LED, NSDP, LED White Paper, NDP, PGDP among other policies in its mandate to coordinate developmental initiatives of the district and monitor implementation of priority programmes. The LED thus is responsible for the proper functioning of its respective IGR structures to ensure aligned integrated development planning, coordinating capacity building initiatives in all the LED sectors for the district, implementation of REDP programmes as per the approved budget, and support LMs on economic development initiatives.

### **3.4.1 Legislative Requirements**

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

- Ensuring integrated development planning for the district as a whole;
- Promoting bulk infrastructural development and services for the district as a whole;
- Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking; and
- Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area.

### **3.4.2 Level of Services for LED Development**

The King Sabata Dalindyebo, which includes the district's administrative and economic centre of Mthatha, accounts for the greatest contribution to GDP (59.26%) and to formal employment opportunities (52.35%) within the ORTDM. The economy of the ORTDM is largely driven by the tertiary sector, a sector dominated by community services (National Census 2022). The community services consist of public administration (5.9%), educational institution attendance (80%), working age population (58.8 %), and other community services (40 %). The trade sector at 21% is the third largest contributor to the economic activity following finance at 22%. This is not an ideal economic reality, as for a strong economy to be achieved and sustained, a strong primary sector (comprising agriculture, manufacturing, and other production types) must dominate.

#### **3.4.3 Transport**

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

#### **3.4.4 Water Services**

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

#### **3.4.5 Electricity and Communication**

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

### 3.4.6 Climate

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

### 3.4.7 Implementation of the Strategy

The following programs have been achieved:

- MEC signed off Local & Regional Economic Development (LRED Policy in 2018 to support business in the following six sector: agro-processing; tourism; manufacturing; automotive; oceans economy and renewable energy.
- Two calls for proposals were issued to potential applicants
- Focus on financial and non-financial business support;
- Financial support through LRED funding R6,067,816 million Sectors funded manufacturing; tourism; agro-processing and Consumer protection

Table 51: District Development Opportunities

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

Opportunity	Description
	facilitating local enterprise growth will reduce the amount of retail-spend that is lost to areas such as Margate, Port Shepstone and Kokstad.
Residential development	The residential property market in the district has a shortage of available capacity. Residential development that is targeted at municipal employees, with concomitant financing mechanisms will play a multi-faceted role of supporting the construction industry, reducing the housing backlog and allowing for a reduction in municipal vacancy rates linked to lack of suitable accommodation.
Institutional strengthening	Institutional training and local government capacitation is an opportunity that applies to the LED arena. This would involve strengthening of relations and working arrangements between different LED stakeholders.
Trade and Investment Promotion & Attraction	Trade & Investment promotion consists of image building and investment generation. The dynamics of each of these elements are often complex and require a focused, targeted, and innovative approach in order to effectively attract investment
Trade & Investment Development, Retention & Expansion	Create an environment conducive to business growth and investment promotion not hampered by many challenges including institutional, regulatory, managerial
Skills Development	Support the development of local skills and encourage the transfer of skills within the district
Infrastructure Development, Access to land, & Spatial Development	The provision of infrastructure (including bulk services) and access to land are also fundamental in creating an enabling environment for investment.

### 3.5 OCEANS ECONOMY

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

#### 3.5.1 Legislative Requirement

**National Environmental Management:** Integrated Coastal Management Act, No. 24 of 2008 (ICM Act), and as amended, which is a policy statement for the management of its coastal zone in an integrated manner. Part 3 of Chapter 6 of the ICM Act requires of municipalities to develop Municipal Coastal Management

Programmes (MCMP). Sections 48 and 49 of the ICM Act provide clear instructions and guidance as to: (a) the process for the preparation, adoption and amendment of the MCMP; and (b) the content of each MCMP. A Coastal Management Programme (CMP) is a coherent policy directive for the management of the coastal zone.

- 1) **Integrated Coastal Management Act:** Section 49 of the ICM Act stipulates that a municipal CMP must: a) be a coherent municipal policy directive for the management of the coastal zone within the jurisdiction of the municipality; and b) Align with the national and provincial CMPs, as well as with the National Estuarine Management Protocol.

Therefore, the purpose of the ORTDM CMP draws from the two ICM Act specifications listed above, and sets out to act as an overarching policy statement for the management of the coastal zone within the jurisdiction of the ORTDM, thereby empowering the municipality with an important and useful tool for coastal management, which will be sensitive to the specific needs of the district, and will be in tune with the broader planning processes of the district municipality.

### **3.5.2 Situational Analysis**

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

### **3.5.3 Implementation of the Strategy**

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

## **3.6 HOUSING SECTOR PLAN**

The ORTDM has a total population size of approximately 1.5 million-population density of which 96.1% are isiXhosa speakers. Compared to other district municipalities within the Province of the Eastern Cape, and not including metropolitan municipalities, the ORTDM is the most densely populated district. ORTDM occupies only 9.52% of Provincial land, making it the most densely populated district, at around 108 people/km<sup>2</sup>—second only to the Buffalo City Metropolitan Municipality. Despite its great population size, it still contributes poorly to the Eastern Cape's GDP.

Akin to its neighboring districts in this Eastern Cape region, most of the land is either government-owned (national and local), or falls under a tribal authority. Legal forms of land tenure in the district include: freehold (mainly concentrated in the urban centers or townships, certain shops in rural areas, providing security to the owner), Permission-To-Occupy (mainly in the rural owners where there is no right of ownership), leasehold and grazing rights on commonage.

### 3.6.1 Legislative Requirement

The Housing Act No. 107 of 1997 provides guidance on the general principles applicable to housing development in all spheres of government. It also defines the functions of national, provincial and local governments in respect of housing development and provides for financial arrangements for housing development. The Act also creates the provision for all spheres of government to give priority to the needs of the poor in respect of housing development. The Human Settlements programmes and functional areas are informed by the constitutional and legislative mandate as discussed in Chapter 2 of the Constitution. The National Development Plan: Vision 2030 (NDP) provides direction for meaningful change that leads to a national democratic society. The strategy focuses on integrated planning, prioritization, and implementation. The municipality has developed housing and settlement guidelines in order to assist Local Municipalities on making decisions on the optimal arrangement of settlements based on the concepts of the settlement hierarchy policy as described in the SDF. (The comprehensive Settlement Planning and Housing Development Guidelines document is available from the municipality upon request). In essence, the housing and settlement guidelines give substance to the settlement hierarchy policy in terms of interventions required in the spatial management of settlements in order to address current development scenarios.

### 3.6.2 Situational Analysis

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

The table below shows the housing situation in 2016.

Table 52: Type of Dwellings in the five Local Municipalities

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

Other dwellings include rental accommodation on privately owned and state-owned property like ECDC Flats. Other accommodation is provided by private institutions like Walter Sisulu University for its own staff and

government flats that provide accommodation for persons working in the public sector. There are many individuals providing accommodation for persons working in private organizations in the ORT region.

### **3.7 WATER SERVICES DEVELOPMENT PLAN (WSDP)**

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

#### **3.7.1 Legal Requirements**

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

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

#### **3.7.2 Situational Analysis**

Under the Municipal Structures Act (No 117 of 1998), O.R. Tambo District municipality was appointed as the Water Services Authority (WSA) and in this capacity inherited the powers and functions of both the Water Service Authority and the Water Service Provider (WSP). Under these expanded responsibilities, the Water Service Authority has a duty to all consumers, or potential consumers, in its area of jurisdiction to progressively ensure efficient, affordable, economical and sustainable access to water and sanitation services. To achieve this, the Water Services Authority must take a leading role in planning:

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

In general terms, as a WSA, the district municipality must focus on establishing services provider capacity and bringing basic services to consumers in their areas. The Water Services Development Plan (WSDP) is a key tool in achieving this objective. The WSDP also feeds information into the Integrated Development Plan (IDP), which is the annual multi-sectoral plan of the municipality.



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

Table 53: Water Services Development Plan Document History

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

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

Table 54: Water and Sanitation Policies

Policy Description	Date of effective policy	Status
Free Basic Services Policy	June 2017	Approved
Indigent policy	June 2023	Approved
Water use policy	June 2017	Approved
Water Conservation and Demand Management Policy		Under review
Water & Sanitation By-laws	2003	Under review
Development Charge Policy	2016/2017	Approved
Customer Care Policy	2016/2017	Still in draft

### 3.7.3 Water Service Levels and Water Requirements

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

- The district municipality has mixed forms of water services provided:
- Formal, high level of service (adequate)
- Informal, temporary level of service including water tankers (inadequate)
- Informal, below basic RDP level of service (inadequate)
- No services (inadequate)
- The extent of the water supply backlog within the O R Tambo District Municipality is 28,2 % with the majority of the households that still have no access to any water supply infrastructure. The majority of the backlogs reside within Port St Johns LM (52%) and Ingquza Hill LM (62%) respectively.

Table 55: ORTDM Water Security

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

### 3.7.4 Water Conservation and Demand Management

The municipality currently does not have Water Conservation and Demand Management Strategy. However, OR Tambo has initiated processes to curb water loss and ensuring that uncouncted water is monitored by:

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

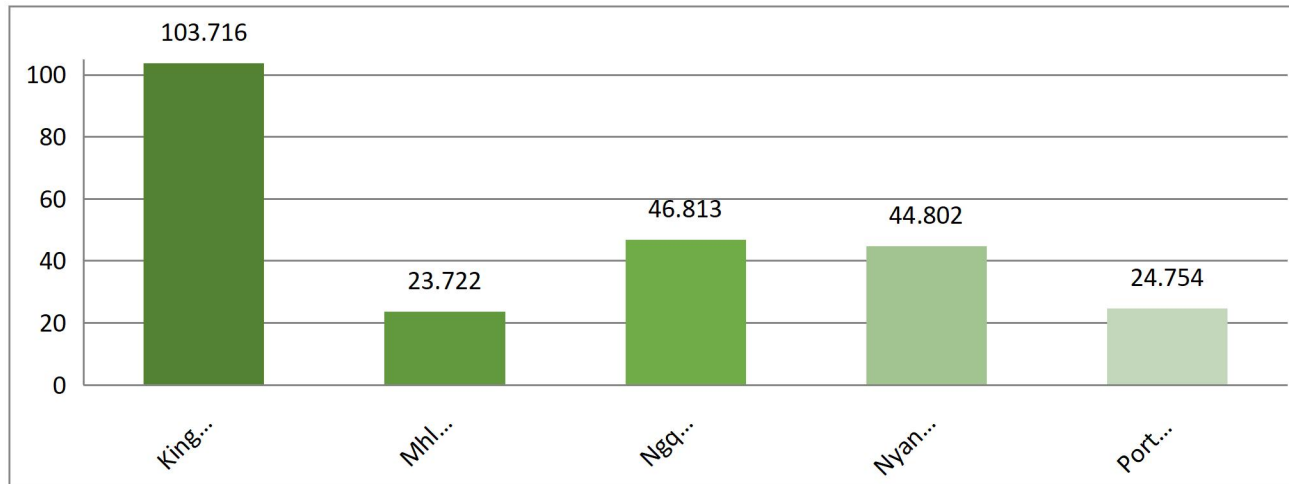


Figure 64: Water Demand for 2035 per Local Municipality

#### 3.7.4.1 Status of Bulk Water Meters

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

#### 3.7.4.2 Associated Services

The water and sanitation levels of service for education and health facilities are indicated in this section. It is however, the responsibility of the Department of Education to apply for services for educational facilities where there are no water or sanitation services present. The Department of Basic Education (DBE), through its program Accelerated Schools Infrastructure Delivery Initiative (ASIDI) has the objective to eradicate the basic safety norms backlog in schools without water, sanitation and electricity and to replace those schools constructed from inappropriate material.

It is also the responsibility of the Department of Health to apply for services for health facilities where there are no services. Eastern Cape Province has 992 health facilities that are made up of 164 non-fixed, 721 fixed clinics and 41 Community Health Centres whilst the hospitals are 66 (ECDOH Annual Performance Plan 2015/16). The associated services for OR Tambo District Municipality are as follows:

- 182 health facilities made up of 11 mobiles,
  - 135 fixed clinics,
  - 10 Community Health Centers,
  - 9 district hospitals,
  - Regional hospitals,
  - 1 tertiary hospital,
  - 1 Orthopedic hospital and
  - Victim Empowerment Centres,
  - private health facilities made up of 2 private hospitals and 3 non-medical sites,
  - 1 EMS main base in Mthatha and 7 satellite stations that have been distributed throughout the District.
- This makes up 18.3% of the total health facilities in the Eastern Cape. The majority of the hospitals in the District Municipality are generally in the rural areas with only 2 out of 12 hospitals that are in the urban area. Only 4 out of 145 Primary Health Care facilities are in the urban area whilst 141 are in the rural area.

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

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

National government is tasked with establishing a national waste management strategy, including norms, standards and targets. National norms and standards may cover all aspects of the waste value chain, from planning to service delivery. Of particular importance from an intergovernmental perspective are the powers of national government with respect to norms and standards for:

#### **3.8.1 Regionalization of Waste Management Services**

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

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

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

### **3.8.2 Waste Transfer Stations and Materials Recovery Facilities**

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

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

- 1) Transfer Station can be defined as a facility at which solid waste is transferred from one solid waste vehicle to another solid waste vehicle for transportation to another waste handling facility either a recycling centre, waste treatment facility or a waste disposal site (landfill site). This definition does not allow for any recovery of materials from the incoming waste stream, therefore a transfer station may not perform any material recovery operations.
- 2) Material Recovery Facility (MRF) is defined as a solid waste facility, such as a transfer station, which is designed and operated to process non-hazardous general waste by utilizing manual and/or mechanical methods to separate useful materials from the incoming waste stream for recycling i.e. return to the economic mainstream for use as raw materials or products. This facility allows for the non-recyclable materials to be transferred from this facility to other facilities either for recycling, treatment, or disposal.

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

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

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

IWMP, a preliminary identification of potential suitable areas for Material Recovery Facilities has been done. This preliminary identification has considered existing and planned waste management facilities, the level of service expected by the local community, potential resource recovery increases, State and regional waste management programs and targets, and broad economic impacts.

The proposed alternatives are as follows:

- **Rural Areas and Coastal Resorts:** Coastal Areas and Resorts like Coffee Bay, the logic behind this is to limit waste disposal by landfill within the sensitive coastal belt of the Wild Coast. Waste from these areas can be collected, compacted at the Waste Transfer Stations, and transported using larger compactor vehicles.
- **Small Towns:** Waste from smaller towns and rural areas such as Libode, Qumbu and Lusikisiki could be handled by Small to Medium sized Material Recovery Facilities (MRF) depending on the size of waste stream and Waste from these areas can be collected, compacted and transported using larger compactor vehicles to a Large Regional Transfer Station to be located in a more central location. The Local facilities can be run as manual stations with limited automation or mechanization in order to create employment and can also be run by local municipalities.
- **Large Urban Centre (Mthatha):** A Large Regional Materials Recovery Facilities (MRF) is proposed for Mthatha, which is the largest and most urban centre within the District and region. This facility can be fed by received waste from the Local MRFs, and recyclable materials from this facility can easily be sent off to ready markets in the cities such as East London, Durban and Port Elizabeth. Mthatha is suitable for this primarily because of its central location, level of urbanization, readily available power supply, water supply and road access especially since it is located along the proposed N2 Toll Road. The Regional MRF should ideally be operated by a specialized waste recycling entity such as Buyisa-e-bag or waste contractor in order for the system to be run efficiently and profitably. The Regional MRF should be fairly mechanized and automated in order for it to handle large volumes of waste efficiently.

### **3.9 ENVIRONMENTAL MANAGEMENT PLAN**

An Environmental Management Plan (EMP) is aimed at contributing to a healthy environment by ensuring that urgent environmental issues are adequately addressed and that proposed projects have no negative impact on the natural environment. The purpose of the EMP is to provide a Municipality with a decision support tool to evaluate its outcomes in terms of its environmental implications. An Environmental Management Plan (EMP) is defined as a plan which organizes and coordinates mitigation, rehabilitation and monitor measures in order to guide the implementation of the proposal. Philosophy that prescribes a code of practice for ensuring that environmental considerations are fully integrated into all stages of the development and decision making process.

The IEM philosophy (and principles) is interpreted as applying to the planning, assessment, implementation and management of any proposal (project, plan, programme or policy) or activity – at

local, national and international level – that has a potentially significant effect on the environment. Implementation of this philosophy relies on the selection and application of appropriate tools for a particular proposal or activity. These may include environmental assessment tools (such as strategic environmental assessment and risk assessment), environmental management tools (such as monitoring, auditing and reporting) and decision-making tools (such as multi-criteria decision support systems or advisory councils).

### 3.9.1 Legal Requirements

- 1) The Constitution of South Africa (1996): Section 24 recognizes not only that everyone has a right to an environment that is not harmful to our health or well-being, but it also recognizes the notion of sustainable development and its supporting principles.
- 2) National Environmental Management Act (Act no 107 of 1989): National Environmental Management Act, 1998 (NEMA) gives legislative effect to the principles of the Constitution and the White Paper on a National Environmental Policy. NEMA also creates the institutions and procedures needed for cooperative governance and integration between spheres of government for environmental management. The Act also imposes a number of duties on the various spheres of government in terms of environmental management, including local government. Municipalities are mandated by NEMA to develop and implement EMP. The Act further defines the concept of sustainability, to ensure that any social or economic development will take place in such a way as to preserve the Environment for present and future generations and it also takes into account the pollution principles.

### 3.9.2 Situational Analysis

Despite O.R Tambo being seen as having a potential in Agriculture and Tourism within the province, but a number of threats to the environment can be identified within the area of Jurisdiction, including:

- Destruction of indigenous forests;
- Uncontrolled settlement on valuable agricultural soils and sensitive coastal habitats;
- Spread of invasive alien plants;
- Poor solid waste management;
- Inadequate application of Integrated Environmental Management procedures; and
- Over-use of intertidal and marine resources.

**Table 56: Environmental Management Plan Action Plan**

THEME	RESPONSIBLE
Water monitoring: rivers and wetlands	Water services, Environmental
Waste water monitoring	Water services

Monitoring of terrestrial and aquatic biodiversity	Water services, Environmental
Urban edge delineation	Spatial planning
Identification, delineation and planning of key natural resources	Spatial planning, Environmental
Monitoring programme for reporting on compliance	Environmental
Conservation planning	Spatial planning, LED, Environmental

There has been a noted improvement in the Effluent Quality.

### **3.10 AIR QUALITY MANAGEMENT PLAN**

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

#### **3.10.1 Legislative Requirements**

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

The National Environmental Management: Air Quality Act 39 of 2004 (AQA) requires Municipalities to introduce Air Quality Management Plans (AQMP) that set out what will be done to achieve the prescribed air quality standards. Air pollution management is the Constitutional responsibility of local government, and municipalities are the primary interface between the public and government around air pollution management. In terms of the Municipal Structures Act, the responsibility for integrated development



planning, which includes the development of air quality management plans, lies with district municipalities. Municipalities influence air quality governance through the introduction of by-laws, which are legally enforceable within the municipality's jurisdiction. The main objective of the Air Quality Act is the protection of the environment and human health, in a sustainable (economic, social and ecological) development framework, through reasonable measures.

Key focuses in respect of air quality management:

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

Municipality roles and responsibilities in relation to Air Quality Management;

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

### **3.11 DISASTER MANAGEMENT PLAN**

The Disaster Management Plan draws its mandate from the Constitution of the Republic of South Africa of 1996, schedule 4 Part A as well as Disaster Management Act 57, 2002 as amended. Its aim is to reduce, mitigate and to avoid potential losses from hazards, assure prompt and appropriate assistance to victims of disaster, and achieve rapid and effective recovery. The National Disaster management Framework caters for four Key Performance Areas, which are Integrated Institutional Capacity, Disaster

Risk Assessment, Disaster Risk Reduction & Response and Recover, and three Enablers, which are Information and Communication, Education, Training, Public Awareness and Research as well as Funding.

The district municipality in its devours for prompt responses finalised the Disaster Risk Assessment and Disaster Management Plan and appointed a service provider to facilitate development of Disaster Risk Management Framework (Earth Free Environment Consultant). The Public Private Partnerships are sstrengthened through Disaster Advisory Forum and conducts awareness's and dissemination of early warning information.

### **3.11.1 Disaster and Risk Management**

This plan fulfils the legal requirement as set out in the Disaster Management Act and the Policy Framework for Disaster Management in South Africa and confirms the arrangements for managing disaster risk and for preparing for and responding to disasters within the O.R. Tambo District municipality. The Disaster Management Act, 2002, mandates each province as well as each district and metropolitan municipality, in terms of sections 28 and 42 to “establish and implement a framework for Disaster Risk Management (DRM) aimed at ensuring an integrated and uniform approach to DRM” in its jurisdiction by all provincial and municipal organs of state, etc. The ORTDM is in a process of developing a new Disaster Management Plan, an external service provider has been appointed to compile the plan, because of the extensive research that needs to be conducted the plan will unfortunately not be adopted in May 2020 with the IDP.

### **3.11.2 Disaster Management Centre**

The O.R. Tambo District Municipality shall entirely execute, facilitate and promote an integrated, coordinated and uniform approach to the disaster management continuum (prevention, mitigation and recovery) in its area of jurisdiction. This disaster management approach involves and will take into cognizance of national, provincial and municipal organs of state, statutory functionaries, private sector, communities and other role players involved in disaster management.

The focal point of all efforts in disaster risk management lies in the Disaster Management Centre. The center is required to fulfil numerous important disaster risk management functions.

A Disaster Management Centre (DMC) is under construction at Nyandeni LM and the fire station is incorporated in the DMC building. The completion is currently at 93 %. Among completed innitiatives that

are fire services related include fire tower, fire engine bay, fire storeroom etc. There are no satellite fire stations constructed but the function operates in parkhomes in all LMs except KSD.

### **3.11.3 Disaster Management Advisory Forum**

The O.R. Tambo District Municipality has established and has a fully functional Disaster Advisory Forum as per the requirements of the Act, covering issues of disaster, fire and rescue services etc. In response to the requirements of the Provincial Fire Services Advisory Committee request, where each district is required to have its fire committee, the DM intends to establish a standalone Fire Services Advisory Committee (FSAC) which will be in the 2025-2026 FY.

The municipality and other disaster management role-players consult one another and coordinate their actions on matters relating to disaster management within the area of jurisdiction of the municipality in this body. At least the following persons/organizations serve on the above forum:

- Head of District Disaster Management Centre;
- Representatives of line function departments in the municipality;
- Traditional leaders;
- Councilors responsible for disaster management;
- Non-Governmental Organizations (NGOs);
- Community Based Organizations (CBOs);
- Private Sector E.g. Chamber of Business; and
- Institutions that can provide scientific and technological advice

The roles and functions of the Disaster Management Advisory Forum can be summarized as follow:

- To be the point of coordination for all the role players;
- To facilitate cooperation amongst disaster management role-players;
- To develop the capacity and understating about disaster management amongst the key role-players;
- To develop resources sharing arrangements around financing including the delivery of emergency services and responding to emergencies or disasters;
- To report to key-stakeholders including the municipal council, district municipality, provincial and national government of matters of disaster management.

The structure of the Disaster Management Plan is also explained and linked to the Key Performance Areas and Enablers of the Policy Framework for Disaster Management in the District, also known as the OR Tambo Disaster Risk Management Policy Framework (ORT DRMPF).

Addresses requirements for the establishment of integrated institutional capacity for Disaster Risk Management within the O.R. Tambo District. The plan outlines the institutional capacity required for

effective Disaster Risk Management, which includes the establishment of a District Disaster Risk Management Advisory Forum, Technical Committees and a Disaster Risk Management Centre, which should incorporate a 24-hour emergency control and communications facility (CCC).

The risk profile of the District is provided based on the disaster risk assessment conducted between October and December 2013 in all five local municipalities of O.R. Tambo District Municipality. The high risks identified within the District include: human disease, hydro meteorological hazards such as severe storms, drought and flooding, fire hazards, civil unrest (crime), road transportation hazards and infrastructure/service delivery failure.

The plan addresses Disaster Risk Reduction strategies to reduce those risks identified in the previous chapter. Disaster Risk Reduction project proposals have been formulated for priority risks and a risk reduction process is described in the beginning of the chapter. These proposals will provide guidelines which will need to be adapted to the specific prevailing circumstances when they are put into use.

Response and recovery issues are highlighted. Preparedness plans for priority risks are introduced and the preparedness capacity of the district is described which leads to the identification of certain gaps and recommendations. Subsequently, an Any-Hazard Response procedure is presented that form the basis of response to all major incidents and disasters. Additional hazard-specific contingency plans are listed after which the declaration of a state of disaster and disaster classification is discussed. The chapter concludes with the identification of additional gaps and recommendations. The remaining chapters contain arrangements for the review and maintenance of the plan, a summary of the plan, as well as several annexures including contact details and additional descriptions of corporate responsibilities for Disaster Management.

This plan must be implemented as a working guideline by all municipal departments and entities for Disaster Risk Management in the district. In summary, several sections of the plan contain implementation actions that are required to ensure the effective implementation of this Plan. The most important of these are summarized below:

- A 24-hour Communication Control Centre (Disaster Operations Centre/Central Communication Centre) must be established to monitor emergency and essential services' communications and early warning information systems and identify developing emergencies and disasters so that appropriate response can be activated during major incidents and disasters;
- The municipality must institute the compulsory consideration of Disaster Management in the planning and execution stages of all IDP projects. This will ensure the integration of Disaster Management into the IDP, and will ensure that all plans and projects are focused on contributing to Disaster Risk Reduction and Disaster Preparedness – thus reducing the impact of disasters on lives, property, community activities, the economy and the environment in the district municipality;

- The municipality must maintain a Disaster Management Advisory structure, whether this is a separate formally constituted Advisory Forum as discussed in the OR Tambo Disaster Risk Management Policy Framework, or another suitable body that fulfils the role of Advisory Forum;
- The O.R. Tambo Municipal Council must adopt a formal policy for the declaration of a local state of disaster. Such a policy will replace this section of the plan, which provides a general description of issues surrounding the declaration of a state of disaster.
- The municipality must regularly review and update its Plan, as required by Section 48 of the Disaster Management Act, No. 57 of 2002. O.R. Tambo Disaster Risk Management Centre is responsible for the review of the municipal Disaster Risk Management Plan on an annual basis and must provide guidance to municipal departments, Ntinga O.R. Tambo and Local Municipalities in the area of the district.

### **3.12 INTEGRATED TRANSPORT PLAN**

The Constitution of the Republic of South Africa Act, 1993 (Act 200 of 1993) replaced by the Act of 1996 (Act 108 of 1996), states that the Department of Transport (DOT) is responsible for maximizing the contribution of transport to the economic and social development goals of society by providing fully integrated transport operations and infrastructure.

The National Land Transport Act No. 5 of 2009 (NLTA) stipulate that all district municipalities must develop the District Integrated Transport Plans. Generally, a DITP is considered as the mechanism by which an authority can plan to, develop, manage, integrate and promote public transport. More specifically, section 26(1) of the NLTTA states that a DITP must be prepared with a view to determining and specifying the public transport services, provided in terms of the matters listed in sections 23(3)(a) and (b) of the Act. The latter refer to:

- All the scheduled and unscheduled services that are operated in the area concerned, as well as the public transport services; operating across the boundaries of neighbouring authorities; and all the facilities and infrastructure currently being developed, or already utilized.

O. R. Tambo District Municipality (ORTDM) has two of the extensively used road networks in the Eastern Cape Province. These roads are used by formal and informal transport operators including mini bus taxis, buses, LDVs and animals drawn carts. Since the development of the last District Integrated Transport Plan (DITP), many aspects of public transport in the district have changed. The changes that occur are being attributed to fast growing population and economic opportunities presented by the district. These changes therefore require a review of existing situation including public transport in order to align the demand to the offer.

The NDP acknowledges transport as an enabler of getting South Africa to work. It states that the ultimate goal to be achieved by 2030 is a situation whereby the transport system supports economic development,

job creation and growth while providing equitable access to opportunities, services and reducing poverty. It further indicates that more emphasis should be placed on the total system and efficiency to maximize the strength of different modes. It suggests that public transport and non-motorised modes may foster a different culture i.e., social interaction, health practices and street-level movement resulting in a sense of place as well as social inclusion that the country needs. It further indicates that in areas such as Ingquza Hill, where people have settled in isolated rural settlement which are far away from economic opportunities the aim should be to focus on basic needs which include access roads and schedule public transport services to ensure access to public health care and other service points, however subsidized services should be limited to such places.

### **3.12.1 Situational Analysis**

The review of Integrated Transport Plans prepared by local municipalities within the jurisdiction of the ORT District Municipality suggested the following:

- Ingquza Hill: The majority of roads within the municipality are district roads and are poorly maintained. Potholes, water pooling and cracks characterize these roads; lack of drainage system etc. Most of the access roads are made of gravel and lack basic road sign and road markings. Basic infrastructure such as loading and off-loading facilities for passengers and goods are lacking, hence creating congestion and threat to passengers' life.
- King Sabata Dalindyebo: Although KSD is striving to ensure adequate public transport for the public, the main concerns remain the condition of the roads (despite some upgrade that have been observed), congestion, lack of adequate infrastructure and spurious maintenance. Some areas are still lacking proper access roads, and where these are available, they are not accommodating for certain types of vehicular.
- Mhlontlo: The ITP highlights a number of challenges pertaining the public transport. These include the general poor condition and lack of maintenance of all roads, poor access to areas, facilities and services of the municipality and traffic safety.
- Nyandeni: While some of improvements are being observed, the LITP highlight a number of challenges faced by commuters and transport operators. A number of proposals for improvement are being suggested and some of these are being implemented.
- Port St Johns: Despite effort by local authorities to implement a number of strategies related to public transport, PSJ LM is facing a number of challenges including the upgrade and maintenance of roads, and the provision of adequate public transport infrastructure that respond commuters' needs.

### **3.12.2 Challenges of Transportation**

Although ORTDM is striving to provide better public transport services, many challenges are hampering this vision. Further to the transport operators and commuters' satisfaction, another survey was conducted to document the main transport problems and their related causes.

Infrastructure: these issues are those related to the provision, availability and condition of public transport infrastructure. In terms of provision, the investigation looked at whether the infrastructure required was provided where needed;

Public transport services: problems are mainly related to organization and coordination of public transport activities including traveling time, schedule, crowd management etc.

Safety, security and law enforcement: relate to the way commuters and operators are feeling when using a public transport;

Awareness and promotion: relate to the issues of traffic education and promotion of alternative transport modes to alleviate congestion and overcrowding; and

Planning and administration: refer to the problems faced by transport operators to obtain license and way the transport portfolio (at LM and DM levels) manage public transport in general.

### **3.13 DISTRICT ONE PLAN**

Hon. Minister of Cooperative Governance and Traditional Affairs Nkosazana Dlamini-Zuma paid a ministerial visit to the OR Tambo region in October 2020. The DDM Hub was launched during the visit, which marked the start of the One Plan development project. Hon. Minister Dlamini-Zuma also hosted a round-table discussion that sought to envision the OR Tambo district launch, that included several stakeholders in the region of which politicians, administrative leadership, local businesses joined in the discussion. The DDM process called for an integrated approach where all spheres of government, state-owned entities, civil society, traditional leaders and the business sector must work together to find solutions to the challenges the area faces. At this time in our democracy, all role players agree that the solution lies in working together.

The One Plan is supported by plans developed before its inception, such as the municipal IDPs, SDF, provincial sector plans, and national development plans such as the NDP and NSDF. Joint planning is required to link all the elements of these plans together to find a solution to the regional challenges. The area also has great potential for development that needs to be harnessed. The basis of the One Plan is to work from the challenges to the opportunities that provide, an approach that provides a strong basis for the successful development of the area.

Since its launch, the One Plan has been widely consulted and discussed during a number of stakeholder engagements driven by the DDM Hub located in the OR Tambo district, including the following:

- Hon. Minister of Co-Operative Governance Dr Nkosazana Dlamini-Zuma launched the DDM Hub • in October 2020. She also hosted multiple stakeholders on a round-table discussion that sought to envision the future of the district and the broader region in relation to its location and its endowment characteristics. This laid a foundation for an all-inclusive process of the development for the One Plan.
- The District Mayors' Forum where the Mayors of the local municipalities meet with the Mayor of the District Municipality supported by the Municipal Managers.
- O.R Tambo Mayoral Lekgotla and Strategic planning week.
- Provincial ExCo Planning Committee (hub adopted as member)
- Provincial DDM Technical Committee (hub adopted as member)
- IDP sessions of the district and all local municipalities of the OR Tambo District.
- The District Directors Forum where all employees of sector departments such as basic education, health, SAPS, Agriculture, Economic Development, etc.; meet to share and integrate development plans (hub adopted as member).
- The Local House of Traditional Leaders.
- Eastern Cape Economic Cluster Departments, Provincial SOEs and Development Agencies.
- The Business Chamber as well as NAFCOC chapter of the district.
- National Civic Association – OR Tambo Branch

The purpose of the OR Tambo One Plan is:

- To give effect to the District Development Model (DDM) approved by cabinet as a practical method to improve service delivery and development impact in the OR Tambo district area space through integrated planning, budgeting and delivery by all three spheres of government working together with stakeholders and communities
- To integrate the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), National Spatial Development Framework (NSDF), Integrated Urban Development Framework (IUDF) and key national and provincial sector policies/strategies/plans with economic, spatial strategies and socio-economic features in the IDPs of the OR Tambo district into the ONE JOINED UP PLAN.
- To develop a common approach and vision with all spheres of government, stakeholders (public and private) addressing the current and future development requirements, challenges as well as identifying the development priorities of the district space.
- To direct the OR Tambo developmental environment from subsistence agriculture and mainly government-focused activities to primary economic activities, including an oceans economy, commercial farming, tourism, mining, forestry and secondary and tertiary activities and the building of a smart city.



- To fight against social ills such as gender-based violence and to create a human-friendly environment that is conducive for investment.
- To build on the rich history and culture of the local people through job creation enabling and training schemes.
- To improve the governance, institutional and capacity state of the local and district municipalities.

### **3.14 CLIMATE CHANGE**

O R Tambo District municipality is aligned with National initiatives to respond to climate change. There is a partnership with Department of Environmental Affairs (DEDEAT) and Department of Forestry Fisheries and Environment (DFFE). DEDEAT will be doing an environmental analysis in the 2025-2026 financial year and there are projects planned in that regard while DFFE has made commitments to fund the District Climate Change Strategy in 2025-2026 financial year.

#### **Legislative Background**

National legislations and policies provides a framework on how the country should respond to climate change. Its main objective is to allow the country to effectively adapt to all negative impacts of climate change while placing mitigation action that will sustain South Africa's social, economic and environmental resilience and emergency response capacity. The strategy allows the country to adapt to negative impacts of climate change, this will help this report when it comes to adaptation and mitigation measures.

The National Environmental Management Act 107 of 1998 in chapter 1, Section 2 provides the guiding principles to issues of environmental rights, consequences of resource depletion and waste avoidance through the promotion of re-use and recycling, Furthermore it deliberates on the importance of sustainable development and use of resources, public participation, policy and legislation framework that is considerate to the environment to the environment, global and international standards consideration as well as responsibility. This Act requires the Municipality to control issues that can lead to climate change through this document and other environmental Plans. This is the core legislation in Environmental Management, all environmental plans and strategies must give effect to this Act in order to give effect to the South African Constitution. O R Tambo District Municipality is affected by climate change while this Act provides measures to combat pollution and greenhouse gas emission. It requires the Municipality to put measures to minimise greenhouse gas emissions and pollution.

Climate change is defined as the long-term alteration of Earth's climate patterns, which encompasses changes in temperature, precipitation, and weather extremes. These alterations are largely attributed to

human activities that have led to increased concentrations of greenhouse gases (GHGs) in the atmosphere. The district over the past years has experienced different types of extreme weather events associated with climate change and these include: **Flooding, droughts, extreme rainfall, veld fires tornadoes and storms.**

Climate change increases the probability of weather such as heavy rains. This happens because warmer air holds more moisture. The floods inflicted a lot of damage resulting in high relief costs for the district municipality.

#### **3.14.1 Flooding**

Frequent and unusual flooding was initially recognized in 2013, when O.R. Tambo District Municipality people lost their lives and homes in areas like Tsolo, Chris Hani, Norwood, Mandela Park, Mthatha, Lusikisiki and Port St Johns. Port St Johns has been the most affected local municipality due to its location.

These extreme weather events associated with climate change continue to occur within the district. Recently, the coastal belt of O.R. Tambo district municipality has been experiencing frequent and recurring floods. Severe infrastructure damage was experienced in the coffee Bay, evident through the collapse of bridges, destruction of local schools, households and even loss of lives. This resulted from the February 2023 floods that washed away three small local access bridges which are Nzulwini, Zinkawini and Hole in the Wall to Sea view hotel bridges. The floods also resulted in the collapse of the Nenga bridge on R411 road at the entrance of Coffee Bay precinct from Mqanduli town. In the Maphuzi area, another coastal village a few kilometers from Coffee Bay, a local school and households were washed away and five people died while some people were displaced. This was followed by another flooding event in the same locality on the first of January 2024 resulting in many areas being inaccessible including the beach.

Another coastal town of O.R. Tambo District municipality, Port St Johns experienced two events of flooding in 2023. Heavy rainfall resulted in flooding in March and October of 2023. These floods resulted in the destruction of households, displacement of people, closure of government offices, and shops, and inaccessibility of many areas within Port St Johns. Events of coastal erosion were also reported in Ingquza hill beaches in Mkhambathi. These floods have been experienced in a more frequent and severe intensity since 2013 and the most affected areas are the ones located along the coast with few inland areas being affected.

#### **3.14.2 Drought**

The Eastern Cape Province has overall experienced severe drought in the year 2016. OR Tambo District was one of the most affected areas during this drought period. The drought was a result of a combination of dry spells with extreme heat conditions that were a result of the 2015/16 El Nino occurrences. Before this drought event, there had been other incidents of severe drought within the province during which O.R. Tambo District was one of the most affected districts.

Areas that were hardest hit were Libode, Ngqeleni, Tsolo, Qumbu, Flagstaff, Lusikisiki and Port St Johns. The focus at the time was on monitoring the following dams in particular:

- Corhana Dam and Mhlanga (supplying villages in Libode)
- Lutsheko Dam (supplying parts of Ngqeleni)
- Sidwadweni Dam (supplying villages in Tsolo and the Dr Malizo Mpehle Memorial Hospital) had also dropped to a worrying level
- Cengcani Dam (supplying water to parts of Qumbu)

Scientific predictions at the time showed a likelihood of dry periods becoming more frequent because of climate change. It was predicted that there would be a warming trend with less rainfall in winter and more late summer rain. The decrease in rainfall that occurred led to dire water shortages and prompted the government to put in place relief plans to counter this impact. This should be interpreted as a worrying factor in O.R. Tambo District Municipality which is a water services.

### **3.14.3 Storms and Tornados**

O.R Tambo District Municipality in January 2017 was affected by a storm in which 859 families were left homeless and 2 351 households damaged, 15 schools sustained damage to buildings and two pre-schools were also damaged. Electricity supply was also affected in areas like Qumbu, Mthatha, Mqanduli, Libode and the s areas around Mthatha CBD. The agricultural sector was also affected by the storm with damage to facilities and livestock dying in upper Tabasa, Viedgesville, Payne and Qweqwe.

Windstorms and hailstorms also affect O.R. Tambo District Municipality, especially in King Sabata Dalindyebo Municipality many homes and schools were damaged in 2013 in areas like Lwalweni, Mbozisa, Ngcanasini and Kugengqe. Recently, in December 2021 heavy storms destroyed homes, and infrastructure and uprooted trees at Xhongorha village, Bhaziya Just outside Mthatha under the KSD local municipality. The storm left road infrastructure damaged and blocked with trees, timber, and zinc sheets. Hundreds of people were left homeless as their house's roofs were blown off and walls collapsed while others were admitted to the nearby hospital for injuries. More than five people lost their lives as a result of injuries sustained during the storm. There was also no access to services as electricity poles and wires were severely damaged.

This was not the first storm in the area, as a similar storm had hit the neighboring village, Ross Mission few years before this storm. The Ross storm also resulted in the destruction of homes and damage to electricity infrastructure.

#### **3.14.4 Veld fires**

Dryness that may be associated with heat and low rainfall, especially in the winter season may also be associated with climate change extreme events. Hectares of veld have been lost due to veld fires in the O.R. Tambo region. In the recent veld fire event of July 2024, Subsistence farmers in Izilandana village of Qumbu under King Mhlontlo local municipality lost hundreds of sheep and goats. The stock killed by fire includes 171 sheep and 29 goats while 38 livestock was injured.

In response to the extreme weather events associated with climate change, The President of the republic for the very first time signed the climate change bill into law in July 2024. Chapter 3, Section 17 of the Climate Change Act (Act No 22 of 2024) mandates Mayors of the District Municipalities to Develop climate change response strategies and implementation plans in line with the requirements of the act.

Although O.R. Tambo had voluntarily developed its first generation of the climate change response strategy and action in 2017. These need to be reviewed and aligned with the new act.

Among the interventions to build resistance and adaptive capacity against climate change impacts, Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) introduced a 5-year climate change support program which will culminate to a costed business plan for climate proof projects. This was preceded by the Climate change Dialogue that was held in Dan's country lodge in March 2024.

## **CHAPTER 4: DEVELOPMENT STRATEGIES AND PERFORMANCE MANAGEMENT FRAMEWORK – INSTITUTIONAL SCORECARD**

### **4.1 INTRODUCTION**

The Constitution of the Republic of South Africa, Act 108 of 1996 in Chapter 3 Section 40 compels the national, provincial and local spheres of government to adhere to the principles of co-operative government and intergovernmental relations as outline in Section 41. Section 4 of the Intergovernmental Relations Framework Act, 13 of 2005 provides a framework for the three spheres of government and all organs of state to facilitate coordination in the implementation of policy and legislation, including:

- a) coherent government;
- b) effective provision of services;
- c) monitoring implementation of policy and legislation; and
- d) realisation of national priorities.

The Local Government Municipal Systems Act, 32 of 2000 in Section 3 requires of municipalities to exercise their executive and legislative authority within the constitutional system of cooperative government envisaged in Section 41 of the constitution and further that for the purpose of effective co-operative government, organised local government must seek to:

- a) develop common approaches for local government as a distinct sphere of government.
- b) enhance co-operation, mutual assistance and sharing of resources among municipalities;
- c) find solutions for problems relating to local government generally; and
- d) facilitate compliance with principles of co-operative government and intergovernmental relations.

To adhere to the above legislation, the plans of national, provincial and local government must align to address amongst others; social, economic, and environmental challenges towards improving the people's living conditions for a better life for all. The Integrated Development Plans (IDPs) of municipalities when developed must align to and be guided by national and provincial strategies and plans.

This chapter discusses the national as well provincial plans and or strategies that guide Integrated Development Planning (IDP) in OR Tambo District Municipality.

### **4.2 NATIONAL & PROVINCIAL PLANS**

The Vision, Objectives, Strategies, and Projects of the district are underpinned by Strategic Planning and Policies at a National and Provincial level, as well as current state of the district which was summarised in Chapter 2 above. The objectives and components of these documents and policies have helped determine the direction in which the district is moving, as reflected in this IDP. The intension of the district is to lead the programme to improve service delivery, transform the society and the growth of O.R. Tambo District municipality as a sustainable district. Below are definitions of Goals, Priorities and Strategic Objectives.

### 4.3 PRIORITIES & STRATEGIC OBJECTIVES

*Table 57 :KPA 1: Basic Service Delivery & Infrastructure Goals, Priorities & Strategic Objectives*

**Goal(s): To promote integrated sustainable community livelihoods**

**: To provide conducive, adequate and accessible infrastructure**

**: To provide water and sanitation to every village/community**

Priority Area	Strategic Objective
Water & Sanitation Services	1. To deliver reliable, affordable, and sustainable services and ensure improvement in infrastructure development and maintenance.
Operations & Maintenance	
Water Losses	
Call Centre Management	
Roads & Transport	
Facilities Management	
Integrated Human Settlements	
Community Safety	2. To support and improve the well-being and general welfare of O.R Tambo communities
Municipal Health Services	
Disaster Risk Management & Fire Services	
Environmental and Waste Management	
Special Programmes	
National and International Icons Celebrations	

*Table 58 : KPA 2: Local Economic Development (LED) Goals, Priorities & Strategic Objectives*

**Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources**

Priority Area	Strategic Objective
Rural Development (spatial planning of the region)	1. To create an enabling environment for social development and sustainable economic growth
Agricultural Development, Agro-Processing and Food Security	
Investment Promotion, Economic Infrastructure Development, and Economic Planning & Research	
Enterprise and Co-operatives Development	
Environmental and Waste Management	
Rural Development (Tourism development and marketing)	
Job Creation	

*Table 59 : KPA 3: Financial Viability & Management (FVM) Goals, Priorities & Strategic Objectives*

**Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance**

Priority Area	Strategic Objective
Revenue Management	1. To ensure sound financial management and compliance with legislation
Expenditure Management	
mSCOA Implementation	
Financial Statements	
Supply Chain Management	
Budget Management	
Asset Management	

*Table 60 : KPA 4: Good Governance & Public Participation (GGPP) Goals, Priorities & Strategic Objectives*

**Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance**

Priority Area	Strategic Objective
Strategic Planning	1. To enhance, coordinate and implement systems and procedures towards a clean and accountable governance
Intergovernmental Relations	
Risk Management & Fraud Prevention	
Performance Management	
Policy, Research & Development	
Communications	
Legal Services	
Public Participation	
Compliance with Legislation	
Municipal Oversight	
Political Stability	
Improved municipal administration	

*Table 61 :KPA 5: Municipal Transformation & Institutional Development Goals, Priorities & Strategic Objectives*

**Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.**

Priority Area	Strategic Objective
Human Resources Development	1. To improve institutional development and the provision of effective, efficient human resources and integrated administrative support.
Employee Wellness	
ICT Enhancement (District Wide)	
Labour Relations	
Records & Archives Management	
Safety & Security	
Labour Relations	
Records Management	
Individual Performance Management	
Organisational Development	

#### **4.4 PRIORITY AREAS AND STRATEGIC OBJECTIVES LINKED TO NATIONAL, PROVINCIAL AND DISTRICT OUTCOMES AND PRIORITY AREAS**

The table below shows the alignment between ORDTM Strategic Objectives with National and Provincial Developmental Imperatives



Table 6: *ORDTM Strategic Objectives with National and Provincial Developmental Imperatives*

District Strategic Objective	DDM Transformation Focal Areas	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
<b>BASIC SERVICE DELIVERY &amp; INFRASTRUCTURE</b>								
1.To deliver reliable, affordable and sustainable services and ensure improvement in infrastructure development and maintenance	Integrated Services Provisioning	Inclusion and access	2	An efficient, competitive and responsive economic infrastructure network	6	A vibrant and equitably enabled communities	Ensure that all South Africans have access to clean, running water in their homes	Put people and their concerns first
	Infrastructure Engineering	Inclusion and access	2	An efficient, competitive and responsive economic infrastructure network	6	Capable, conscientious and accountable institutions	Economic infrastructure	Put people and their concerns first
	Integrated Services Provisioning	Inclusion and access	2	Sustainable human settlements and improved quality of household life	8	A vibrant and equitably enabled communities	Broaden ownership of assets to historically disadvantaged groups	Create conditions for decent living
3. To support and improve the well-being and general welfare of O.R Tambo communities	People Development and Demographics	Inclusion and access	2	All people in South Africa are protected and feel safe	3	A vibrant and equitably enabled communities	Build safer communities	Put people and their concerns first
	People Development and Demographics	Inclusion and access	2	A long and healthy life for all South Africans	2	A healthy population	Health care for all	Create conditions for decent living by consistently delivering municipal services to the right quality and standard.
	People Development and	Inclusion and access	2	A responsive, accountable, effective and efficient	9	A vibrant and equitably	Improve environmental	Put people and their

District Strategic Objective	DDM Transformation Focal Areas	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
	Demographics			developmental local government system		enabled communities	sustainability and resilience	concerns first
	Spatial Restructuring and Environmental Sustainability	Growth	3	Protection and enhancement of environmental assets and natural resources	10	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living
	People Development and Demographics	Inclusion and access	2	Nation building and social cohesion	14	An educated, empowered, and innovative citizenry	Improving education, training and innovation	Put people and their concerns first
<b>LOCAL ECONOMIC DEVELOPMENT (LED)</b>								
To create an enabling environment for social development and sustainable economic growth	Spatial Restructuring and Environmental Sustainability	Spatial integration	1	Protection and enhancement of environmental assets and natural resources	10	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living
	Spatial Restructuring and Environmental Sustainability	Growth	3	An efficient, competitive and responsive economic infrastructure network	6	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living
	Spatial Restructuring and Environmental Sustainability	Growth	3	Vibrant, equitable and sustainable rural communities and food security	7	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living
	Spatial Restructuring and Environmental Sustainability	Growth	3	Decent employment through inclusive economic growth	4	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living
<b>FINANCIAL VIABILITY &amp; MANAGEMENT (FVM)</b>								
To ensure sound financial management and compliance with legislation	Governance & Management	Governance	4	A responsive, accountable, effective and efficient developmental local government system	9	Capable, conscientious and accountable institutions	Building a capable and developmental state	Ensure sound financial management
<b>GOOD GOVERNANCE &amp; PUBLIC PARTICIPATION (GGPP)</b>								
To enhance, coordinate and	Governance & Management	Governance	4	A responsive, accountable, effective and efficient developmental local	9	Capable, conscientious and	Building a capable and developmental	Be well governed

District Strategic Objective	DDM Transformation Focal Areas	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
implement systems and procedures towards a clean and accountable governance				government system		accountable institutions	state	
	Governance & Management	Governance	4	A responsive, accountable, effective and efficient developmental local government system	9	Capable, conscientious and accountable institutions	Building a capable and developmental state	Be well governed
	Governance & Management	Governance	4	A responsive, accountable, effective and efficient developmental local government system	9	Capable, conscientious and accountable institutions	Building a capable and developmental state	Be well governed
<b>MUNICIPAL TRANSFORMATION &amp; INSTITUTIONAL DEVELOPMENT (MTID)</b>								
To improve institutional development and the provision of effective, efficient human resources and integrated administrative support	Governance & Management	Governance	4	A skilled and capable workforce to support inclusive growth	5	An educated, innovative and empowered citizenry	Improving education, training and innovation	Be well governed; Build and maintain sound institutional and administrative capabilities
	Governance & Management	Governance	4	A responsive, accountable, effective and efficient developmental local government system	9	Capable, conscientious and accountable institutions	Promote improvement in the economy and increase employment; Nation building and social cohesion	Be well governed; Build and maintain sound institutional and administrative capabilities

## **4.5 PERFORMNACE MANAGEMENT SYSTEM**

The Performance Management System implemented at the municipality is intended to provide a comprehensive, systematic planning system that helps the municipality to manage the process of performance planning and measurement effectively. The PM System serves as primary mechanism to monitor, review and improve the implementation of the municipality IDP and eventually the budget. The municipality reviewed the performance management policy framework, and it was adopted by Council on 30 May 2025. The policy framework provides for performance implementation, monitoring and evaluation at organisational as well as individual levels.

### **4.5.1 Legislative Framework**

The Performance Management system of O.R. Tambo district Municipality is aligned with and adapted to the provisions and requirements of various legislation, regulations, frameworks, reforms and related circulars.

These include:

- Constitution of the Republic of South Africa (1996)
- White Paper on Local Government (1998) and Batho Pele (1998)
- The Local Government: Municipal Structures Act No. 117 of 1998 and its amendments
- The Local Government: Municipal Systems Act, No. 32 and its amendments (MSA)
- The Local Government: Financial Management Act, No. 56 of 2003 and its amendments (MFMA)
- The Local Government: Municipal Planning and Performance Regulations, 2001 revised
- The Local Government: Municipal Performance Regulation for Municipal Managers and Managers directly accountable to Municipal Managers, 2006
- Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers, 2014
- Public Administration Management Act 2014 / Gazette No.38374. Government Notice No.1054
- Notice 464: Directive: Performance information public audit act (2007)
- MFMA Circulars: (11: Annual Report / 13: SDBIP / 32: Oversight Report / 88: Rationalisation of Planning & Reporting Requirements)
- MFMA Circulars: (42: Funding budget / 54: Municipal budget / 63: Annual Report Update)
- National Treasury: 2007 Framework for managing performance information
- The King III & IV Reports
- Public Audit Act, 2004 (Act 25 of 2004)

### **4.5.2 Performance Management Model**

A performance management model can be defined as the grouping together of performance indicators into logical categories or groups (often called perspectives), as a means to enhance the ability of an organisation (municipality) to manage and analyse its performance. The model provides a common framework for measuring and managing performance using a balanced set of measures that represent an all-inclusive and integrated assessment of the municipality. ORTDM makes use of the Key Performance area (KPA) model

(see diagram below) as it is easily understood and the aligned to district, provincial and national objectives are made possible.

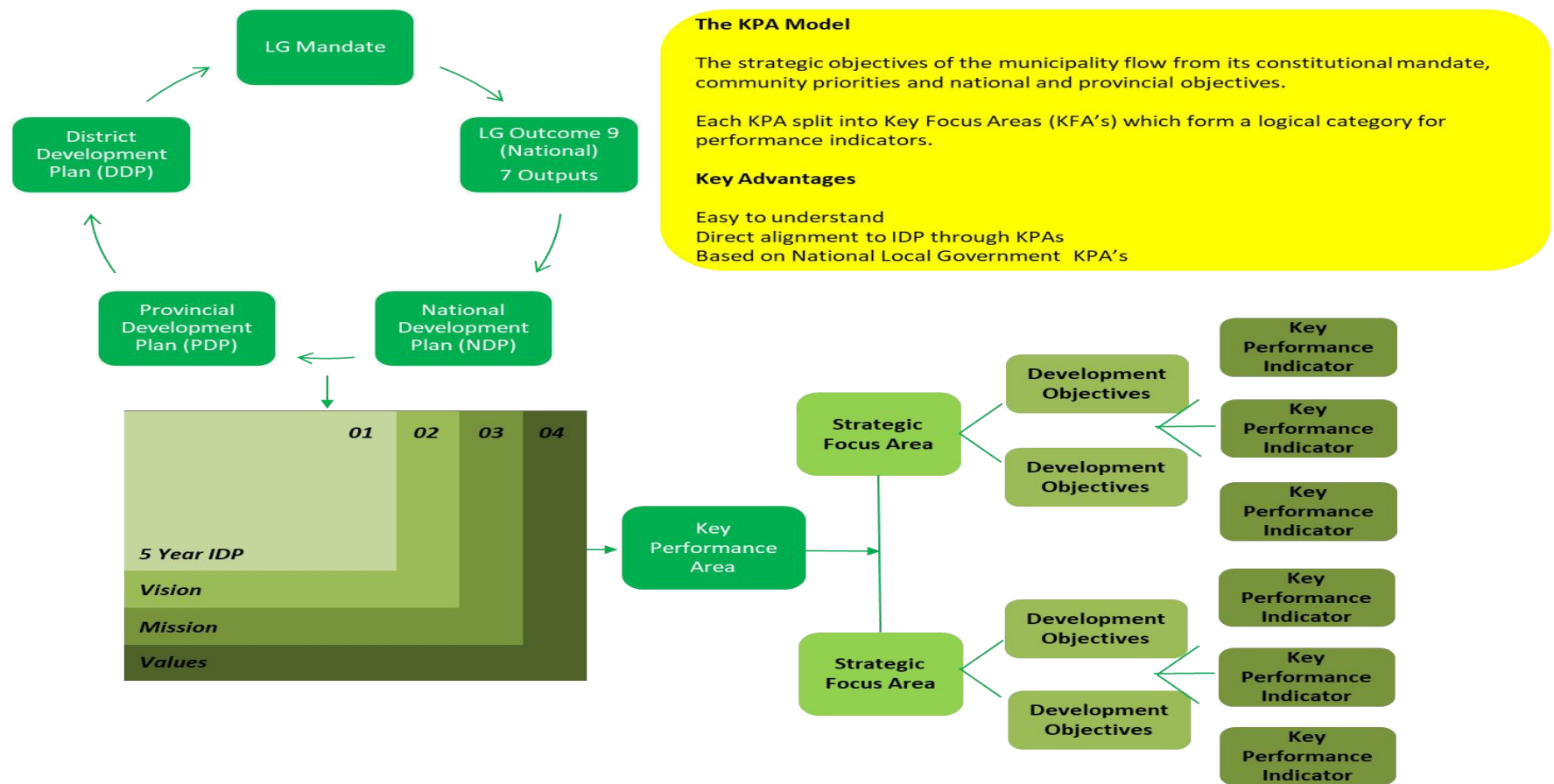


Figure 64: Key Performance Area Model

### **4.5.3 Components of the Performance Management System**

#### **Strategic Implementation**

A Municipality must measure its success in achieving the strategic objectives of the municipality through the implementation of the IDP. This is known as the implementation of strategy and therefore it measures municipal performance at the strategic level. It informs the municipality of what it is doing, the right things to produce, the desired outcome or impact through its operational actions to achieve its vision. It focuses on measuring the on-going and long-term operations of the municipality, linked with its annual operational plan i.e. the Service Delivery Budget Implementation Plan (SDBIP).

The SDBIP is a management, implementation and monitoring tool which guides the Administration on the commitments made in the IDP. In addition, the SDBIP details activities relating to programmes within the municipality regarding the what, where, by whom and when activities will be performed.

#### **Monitoring & Evaluation**

Monitoring and Evaluation is a continuous process of measuring, assessing, analysing and evaluating performance information. Monitoring and evaluations aims to achieve the following:

- Tracks the progress of a project in terms of inputs, activities and outputs against the pre-determined plans.
- To demonstrate that the programmes efforts have had a measurable impact on the expected outcomes and have been implemented effectively.
- Assists managers, planners, implementers, policy makers and donors to acquire the information and understanding they need to make informed decisions about programme operations.
- It also helps with identifying the most valuable and efficient use of resources.
- It is essential for developing objective conclusions regarding the extent to which programmes can be judged as a success or failure.

#### **Institutional Performance**

Institutional performance reporting serves as a mechanism to ensure that the ORTDM adheres to the statutory and compliance requirements that promote corporate governance. In this regard, the ORTDM engages on the compliance reporting process by following the quarterly, in-year and annual reporting process in line with the legislative framework. Key to this process is the compliance with the regulated timelines and observing the performance information standards and requirements. In the main, this component of the performance management system responds to and expresses the accountability and transparency obligations of the municipality to all its stakeholders, which amongst others include the general public, provincial, and national government and external oversight bodies (Office of the Auditor General, National Treasury etc.). The main operations in this regard include:

- Continuous implementation of clear guidelines and standards, customised controls and protocols for managing performance information;

- Implementation of change management activities in the form of sensitisation workshops or information sessions and tailored training interventions to influence the right discipline and culture as key success factors for the maturity of the performance management system; and
- Report writing and distribution.

## **Operational Service Delivery**

It is important that the council and management have access to the appropriate information for considering and making timeous interventions to uphold or improve the capacity of its delivery systems relating to the functional services they are rendering.

The performance of the ***municipality as a service delivery mechanism*** is fundamentally determined by factors enabling it to perform its Constitutional and functional statutory mandates. It is important that causal and contributory factors for performance excellence at the municipality be measured to determine performance gaps timeously with the objective to respond with appropriate remedial interventions. Since the start of the pandemic in the country, the municipality's level of service delivery decreased. This affected mostly the completion of infrastructure projects, which would have resulted in the provision of basic level of water to the community, as well as all the social programmes that are implemented through face to face interactions. The new municipal leadership however is committed to go against all odds and ensure that services are delivered to the communities at the right time.

## **Status of Performance Management Committee**

The ORTDM Council took a decision to dissolve the Performance Audit Committee and to include in the Audit Committee a specialist on performance management appointed through a council resolution. On a quarterly basis, the Audit Committee reviews the municipal performance and provide advice where necessary.

## **Individual Performance**

Individual Performance Management deals with performance on the level of the individual employee. Individual performance targets are also formulated during the strategic planning process. Employee performance provides council and management with appropriate information on the behaviour of staff and outcomes in the workplace. Reviewing staff performance at regular intervals will provide the council and management with appropriate information and performance gaps or excellence.

The ORTDM has started to implement fully its PMS Policy/Framework and included implementation of individual performance management at the level of section 54 and 56 managers. The municipality has established the Individual Performance Management unit to perform the function and the unit is cascading performance to levels below section 56 managers. Midyear individual performance evaluations were conducted.



#### **4.5.4 Circular 88: Municipal Circular on Rationalization of Planning and Reporting Requirements**

The National Treasury initiated a process to review, rationalise and streamline the reporting arrangements of metropolitan municipalities in 2017. The circular provided guidance and assistance to metropolitan municipalities on the preparation of statutory planning and reporting documents. The circular aims to support the alignment of planning and reporting instruments for a prescribed set of municipal performance indicators. The municipality started to implement the circular, however there has been some confusion in the way the indicators are drafted and the municipality struggled to set some targets. The plans have been attached to this document as annexure B.

As the Municipal Systems Act, 2000 and the MFMA, 2003 require alignment between planning and reporting instruments such as the IDP, the SDBIP and the annual report. This circular aims to clarify this matter by prescribing municipal performance indicators for all categories of municipalities.

#### 4.6 INSTITUTIONAL SCORE CARD FOR 2025-2026 to 2026-2027

Table 63 : *Institutional Scorecard 2025/26 - 2026/27*

KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)													
Goal(s): To promote integrated sustainable community livelihoods Goal(s): To provide conducive, adequate and accessible infrastructure Goal(s): To provide water and sanitation to every village/community													
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Infrastructure, Water & Sanitation (IWS)	Water & Sanitation Services	1. To deliver reliable, affordable and sustainable services and ensure improvement in infrastructure development and maintenance	Integrated Services Provisioning	Water Services Development Plan	2	6	1_1_1_P001	1. Percentage of tested Water Treatment Works (WTW) compliant with water quality standards as required by SANS 241	P001 Water Quality	R8,500,000	New Indicator	80%	80%
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	2	6	1_1_2_P002	2. Percentage of tested Wastewater Treatment Works (WWTW) compliant with wastewater quality standards as per SANS 241	P002 Effluent Quality		New Indicator	60%	60%
Budget & Treasury Office (BTO)			Integrated Services Provisioning	Water Services Development Plan	3	9	1_1_3_P003	3. Number of indigent registers reviewed and updated	P003 Free Basic Services	R0	1	1	1
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	3	9	1_1_4_P004	4. Number of households with access to basic level of water services	P004 Access to water services	R46,319,928	697	600	1500
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	3	9	1_1_5_P005	5. Number of households with access to basic level of sanitation	P005 Access to sanitation services	R77,580,551	2262	3900	10000

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
								services					
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	2	9	1_1_6_P006	6. Percentage decrease in the volume of water delivered by water trucks	P006 Water Carting	R5,825,943	New Indicator	1%	1%
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	2	9	1_1_7_P007	7. Number of planning projects completed	P007 Planning Projects	R6,000,000	New Indicator	1	2
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	2	9	1_1_8_P008	8. Number of water and water borne sanitation contracts completed	P008 Water & Sanitation Contracts	R667,168,481	10	27	11
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Water Services Development Plan	2	9	1_1_9_P009	9. Number of water and sanitation contracts in progress	P09 Water & Sanitation Contracts in progress	R315,016,700	37	37	40
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Operations & Maintenance	2	9	1_1_10_P010	10. Number of households with sludge removed	P010 VIP Sludge Management	R2,088,000	0	1500	2500
Infrastructure, Water & Sanitation (IWS)	Operations & Maintenance		Infrastructure Engineering	Operations & Maintenance	2	6	1_1_11_P011	11. Number of Water Treatment Works/Waste Water Treatment Works (WTW) maintained/refurbished	P011 Maintenance of existing water treatment works	R10,000,000	12	20	20
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	Operations & Maintenance	2	9	1_1_12_P012	12. Number of stand-alone schemes maintained/refurbished	P012 Maintenance/Refurbishment of stand-alone schemes		60	40	40

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Infrastructure, Water & Sanitation (IWS)	Water Losses		Infrastructure Engineering	Water Conservation & Demand Management	2	6	1_1_13_P013	13. Number of bulk/zone meters installed/replaced	P013 Water Conservation and Demand Management	R2,401,200	4	4	10
Infrastructure, Water & Sanitation (IWS)	Call Centre Management		Integrated Services Provisioning	Customer Care Strategy	2	11	1_1_14_P014	14. Percentage of callouts responded to within 24 hours (water & sanitation)	P014 Customer Care	R343,476	100%	100%	100%
Infrastructure, Water & Sanitation (IWS)	Roads and Transport		Infrastructure Engineering	Integrated Transport Plan	2	9	1_1_15_P015	15. Number of milestones conducted on implementation of RAMMS	P015 Roads Asset Management Program	R3,444,000	9	6	N/A
Infrastructure, Water & Sanitation (IWS)	Facilities Management		Infrastructure Engineering	Building Maintenance Plan	2	6	1_1_16_P016	16. Number of local municipalities assessed for office space demand	P016 Office Space	R11,000,000	5	N/A	N/A
Infrastructure, Water & Sanitation (IWS)			Infrastructure Engineering	Building Maintenance Plan	2	6	1_1_17_P017	17. Number of WTW/ WWTW facilities assessed	P017 Water & Sanitation Facilities		New Indicator	8	10
Infrastructure, Water & Sanitation (IWS)			Infrastructure Engineering	Building Maintenance Plan	2	6	1_1_18_P018	18. Number Approved Facility Management Plans	P018 Facility Management plan		N/A	N/A	N/A
Infrastructure, Water & Sanitation (IWS)			Infrastructure Engineering	Building Maintenance Plan	2	6	1_1_19_P019	19. Number of Milestones completed in maintenance of municipal facilities	P019 Building Maintenance		5	5	5
Infrastructure,			Infrastructure	Building	2	6	1_1_20_P020	20. Number of	P020 Office		New	3	5

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Water & Sanitation (IWS)			Engineering	Maintenance Plan				satellite office space constructed	Space Development		Indicator		
Infrastructure, Water & Sanitation (IWS)			Infrastructure Engineering	Disaster Management Plan	2	10	1_1_21_P021	21. Number of milestones completed towards the construction of Disaster Centre	P021 District Disaster Management Centre	R18,000,000	9	4	N/A
Infrastructure, Water & Sanitation (IWS)	Integrated Human Settlements		Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_1_22_P022	22. Number of Human Settlements Development Grant houses built	P022 Human Settlements Development Grant Houses	R130,000,000	372	300	350
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_1_23_P023	23. Number of houses built for Social relief	P023 Social Relief	R3,510,000	7	12	12
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_1_24_P024	24. Number of housing consumer education workshops conducted	P024 Housing Consumer Education	R185,000	9	12	12
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	District Human Settlements Strategy and Spatial Development Framework	2	8	1_1_25_P025	25. Number of Human Settlements Plans developed	P025 Human Settlements Plans	R678,600	0	1	N/A

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_1_26_P026	26. Number of District Informal Settlements Upgrading Plans reviewed	P026 District Informal Settlements Upgrading Plans		0	1	1
Infrastructure, Water & Sanitation (IWS)			Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_1_27_P027	27. Number of Human Settlements Profiled	P027 Human Settlements Profiles		0	1	1
Community Services	Community Safety	2. To support and improve the well-being and general welfare of O.R Tambo communities	People Development and Demographics	District Crime Prevention Strategy	2	3	1_2_1_P028	1. Number of safety & crime prevention initiatives conducted or supported	P028 Safety & Crime Prevention Initiatives	R862,517	18	24	24
Community Services			People Development and Demographics	District Crime Prevention Strategy	2	3	1_2_2_P029	2. Number of District Commissioners Crime Prevention Safety Master Plans developed	P029 District Commissioners Crime Prevention Safety Master Plan		1	N/A	N/A
Community Services			People Development and Demographics	District Crime Prevention Strategy	2	3	1_2_3_P030	3. Number of safety and security equipments purchased and or installed	P030 Safety & Security Equipment		0	4	4
Community Services	Municipal Health Services		People Development and Demographics	National Health Strategy	2	2	1_2_4_P031	4. Number of programmes implemented as per National Environmental	P031 District Municipal Health & Environmental Plan	R762,935	11	11	11

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
								Health Scope of Practice and National Environmental Health Norms and Standards					
Community Services	Disaster Risk Management & Fire Services		People Development and Demographics	Disaster Risk Management Strategy	2	9	1_2_5_P032	5. Percentage of destitute and homeless households supported due to disaster	P032 Disaster Impact Assessment and Relief	R7,305,500	100%	100%	100%
Community Services			Spatial Restructuring and Environmental Sustainability	Fire & Emergency Strategy	2	9	1_2_6_P033	6. Percentage compliance with the required attendance time for firefighting incidents	P033 Compliance with required attendance time	R0	100%	100%	100%
Community Services			Spatial Restructuring and Environmental Sustainability	Disaster Risk Management Strategy	2	9	1_2_7_P034	7. Number of disaster management and fire & rescue service awareness sessions conducted	P034 Disaster Management & Fire Services Awareness	R0	New Indicator	134	134
Community Services			Spatial Restructuring and Environmental Sustainability	Disaster Risk Management Strategy	2	9	1_2_8_P035	8. Number of Disaster Advisory Forum meetings held	P035 Disaster Advisory Forum	R180,000	New Indicator	4	4
Community Services	Environmental and Waste Management		Spatial Restructuring and Environmental Sustainability	Integrated Waste Management Strategy	2	10	1_2_9_P036	9. Number of support initiatives conducted to recycling cooperatives for	P036 Regional Recycling	R4,736,500	5	10	10

**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
			Sustainability					waste diversion from landfilling to recycling programme					
Community Services			Spatial Restructuring and Environmental Sustainability		3	10	1_2_10_P037	10. Number of Environmental management programmes implemented	P037 Environmental Management		15	20	20
Community Services			Spatial Restructuring and Environmental Sustainability	Environmental Management Plan	2	10	1_2_11_P038	11. Number of monitoring and evaluations conducted on MIG projects in compliance with Environmental Impact Assessment (EIA) implementation	P038 Environmental Impact Assessment Screening		60	80	80
Strategic Planning & Governance	Special Programmes		People Development and Demographics	Human Development and Social Cohesion Strategy	2	14	1_2_12_P039	12. Number of Special Programmes initiatives implemented for children, young people, gender (women & men), elderly, persons with disabilities, HIV/Aids and other communicable diseases	P039 Social Cohesion Programmes	R2,950,000	24	24	30
Strategic Planning & Governance	National & International		People Development	Human Development	2	14	1_2_13_P040	13. Number of National and	P040 Recognition	R246,565	6	8	8



**KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)**

**Goal(s): To promote integrated sustainable community livelihoods**  
**Goal(s): To provide conducive, adequate and accessible infrastructure**  
**Goal(s): To provide water and sanitation to every village/community**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Governance	al Icons Celebratio ns		and Demographic s	t and Social Cohesion Strategy				Internationally aligned programmes implemented in recognition of South African iconic figures	of iconic figures				

**KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)**

**Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Economic Planning & Development	Rural Development (spatial planning of the region)	1. To create an enabling environment for social development and sustainable economic growth	Spatial Restructuring and Environmental Sustainability	Spatial Development Framework	1	10	2_1_1_P041	1. Number of Local Spatial Development Frameworks developed/reviewed	P041 Spatial Development Framework	R1,855,000	2	5	3
Economic Planning & Development			Spatial Restructuring and Environmental Sustainability	Spatial Development Framework	1	10	2_1_2_P042	2. Number of SPLUMA initiatives conducted	P042 SPLUMA		3	10	10

**KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)**
**Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources**

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources										Planned Annual Targets			
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Economic Planning & Development	Agricultural Development, Agro-Processing and Food Security		Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	10	2_1_3_P043	3. Number of partnerships programmes implemented to boost agriculture and food security	P043 Agriculture and Agro-Processing Partnerships Programs	R8,400,000	12	15	18
Economic Planning & Development	Investment Promotion, Economic Infrastructure Development, and Economic Planning & Research		Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	6	2_1_4_P044	4. Number of programs implemented to grow district economy	P044 District Economy Growth Programmes	R215,000	4	4	4
Economic Planning & Development	Enterprise and Co-operatives Development		Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	7	2_1_5_P045	5. Number of Programmes/Initiatives implemented to support Informal Trade, Enterprise /Co-operatives/SMMEs	P045 Informal Trade, Enterprises, Cooperatives and SMME's Support	R10,062,592	13	16	15
Infrastructure, Water & Sanitation			Human Development	Local Economic Development Strategy	3	5	2_1_6_P046	6. Number of trainings conducted to capacitate SMME's and Youth on building regulations	P046 Building Regulations Training	R185,000	3	2	4
Economic Planning & Development	Rural Development (Tourism development and marketing)		Spatial Restructuring and Environmental Sustainability	Tourism Development and Marketing	3	6	2_1_7_P047	7. Number of tourism development initiatives supported and conducted	P047 Tourism Development	R3,134,082	18	35	35

**KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)**
**Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 2024/2025 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Infrastructure, Water & Sanitation	Job Creation		People Development and Demographics	Local Economic Development	3	4	2_1_8_P048	8. Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	P048 Public Employment Programmes	R3,628,000	1250	4774	5500

**KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)**
**Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Planned Annual Targets			
										Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Budget & Treasury Office (BTO)	Revenue Management	1. To ensure sound financial management and	Governance & Management	Tariff Policy, Investment Policy and Debt Collection Policy	4	9	3_1_1_P049	1. Percentage collection rate achieved	P049 Collection Rate	R0	41%	72.8%	73%

**KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)**
**Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance**

Goal 5: To manage the financial viability of the OR Tambo District Municipality through sound management and good governance													
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Budget & Treasury Office (BTO)		compliance with legislation	Governance & Management	Credit Control and Debt Collection Policy	4	9	3_1_2_P050	2. Cost coverage rate achieved	P050 Cost coverage	R0	16 Months	1-3 months	1-3 Months
Budget & Treasury Office (BTO)			Governance & Management	Rates/Tariff Policy	4	9	3_1_3_P051	3. Projected returns in high-earning future investments	P051 Cash Investment	R55,500,000	R63,1 Million	R55.5 Million	R55.5 Million
Budget & Treasury Office (BTO)			Governance & Management	Credit Control and Debt Collection Policy	4	9	3_1_4_P052	4. Debt coverage achieved	P052 Debt Coverage	R0	R 0	R 0	R 0
Infrastructure , Water & Sanitation (IWS)	Expenditure Management		Governance & Management	Expenditure Management Policy	4	9	3_1_5_P053	5. Percentage of the conditional grant spent on capital projects in the IDP	P053 Capital Budget	R1,099,481,000	69%	100%	100%
Budget & Treasury Office (BTO)			Governance & Management	Expenditure Management Policy	4	9	3_1_6_P054	6. Percentage of payments processed within 30 days of receipt of valid invoice	P054 Payments	R0	82%	100%	100%
Budget & Treasury Office (BTO)	mSCOA Implementation		Governance & Management	mSCOA Implementation Plan	4	9	3_1_7_P055	7. Number of monthly mSCOA data strings submitted to National Treasury within 10 working days	P055 mSCOA	R0	9	12	12
Budget & Treasury Office (BTO)	Credible Annual Financial Statements		Governance & Management	GRAP Accounting Policies	4	9	3_1_8_P056	8. Number of credible Annual Financial Statements submitted to Auditor General	P056 Annual Financial Statements	R0	2	2	2

**KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)**
**Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
								by 31 August & 30 September					
Budget & Treasury Office (BTO)	Supply Chain Management		Governance & Management	Supply Chain Management Policy	4	9	3_1_9_P057	9. Percentage of bids awarded within 90 days after closing date	P057 Supply Chain Management	R0	33%	100%	100%
Budget & Treasury Office (BTO)	Budget management		Governance & Management	mSCOA Implementation Plan	4	9	3_1_10_P058	10. Number of mSCOA compliant Budgets submitted to MAYCO	P058 mSCOA compliant Budget	R0	2	3	3
Budget & Treasury Office (BTO)	Asset Management		Governance & Management	Asset Management Policy	4	9	3_1_11_P059	11. Number of GRAP compliant Asset Registers compiled/updat ed	P059 GRAP Compliant Asset Registers	R0	4	4	4

**KEY PERFORMANCE AREA (KPA) 4: GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)**
**Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance**

Department	Priority Area	Strategic	DDM	Strategy	IUDF	MTSF	Indicator Code	Key	Project
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										Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Strategic Planning & Governance	Strategic Planning	1. To enhance, coordinate and implement systems and procedures towards a clean and accountable governance	Governance & Management	Municipal System Act	4	9	4_1_1_P060	1. Number of Integrated Development Plans (IDP) approved by Council	P060 Integrated Developm ent Plan	R1,668,3 56	1	1	1
Strategic Planning & Governance	Inter- governmental Relations		Governance & Management	Intergovernmen tal Relations Strategy	4	9	4_1_2_P061	2. Number of IGR forum meetings convened	P061 Intergover nmental Relations	R483,76 5	20	32	32
Strategic Planning & Governance	Risk Management & Fraud Prevention		Governance & Management	District Fraud & Corruption Strategy	4	9	4_1_3_P062	3. Number of Fraud & Corruption hotlines established	P062 District Fraud & Corruption Hotline	R294,26 0	1	N/A	N/A
Strategic Planning & Governance			Governance & Management	District Fraud & Corruption Strategy	4	9	4_1_4_P063	4. Number of awareness conducted on Fraud & Corruption	P063 District Fraud & Corruption Awarenes ses		3	4	4
Strategic Planning & Governance			Governance & Management	District Fraud & Corruption Strategy	4	9	4_1_5_P064	5. Number of reports on cases reported on the District Ethics & Fraud Hotline submitted to Accounting Officer	P064 Ethics & Fraud Hotline Case Managem ent		New Indicato r	4	4
Strategic Planning & Governance			Governance & Management	Risk Management Strategy	4	9	4_1_6_P065	6. Number of Annual Risk, Ethics and Fraud & Corruption Plans developed	P065 Annual Risk & Fraud Implement ation Plan		3	3	3
Strategic Planning & Governance			Governance & Management	Risk Management Strategy	4	9	4_1_7_P066	7. Number of quarterly risk assessment follow ups conducted	P066 Risk Follow Ups		3	4	4

**KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)**
**Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance**

Goal (5): To build a coherent district that is responsive, accountable and promotes clean governance													
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Strategic Planning & Governance	Performance Management		Governance & Management	Performance Management System Policy/Framework	4	9	4_1_8_P067	8. Number of institutional performance reports submitted to council	P067 Institutional Performance Reports	R510,589	6	7	7
Strategic Planning & Governance	Performance Management		Governance & Management	Performance Management System Policy/Framework	4	9	4_1_9_P068	9. Number of formal performance evaluations of section 54 and 56 managers conducted	P068 Performance Evaluations		0	2	2
Strategic Planning & Governance	Policy, Research & Development		Governance & Management	Policy, Research & Development	4	9	4_1_10_P069	10. Number of reports on research initiatives conducted	P069 Municipal Research	R379,960	1	2	2
Strategic Planning & Governance			Governance & Management	Policy, Research & Development	4	9	4_1_11_P070	11. Number of institutional policy workshops convened on the developed/reviewed policies	P070 Policy Development		1	2	2
Strategic Planning & Governance	Communications		Governance & Management	Intergovernmental Relations Strategy	4	9	4_1_12_P071	12. Number of quarterly communication programmes implemented	P071 Communication Initiatives	R4,615,000	15	20	20
Corporate Services	Legal Services		Governance & Management	Good Governance & Compliance	4	9	4_1_13_P072	13. Percentage reduction in litigation cases	P072 Litigations	R7,000,000	25%	25%	25%
Strategic Planning & Governance	Public Participation		Governance & Management	Public Participation Strategy	4	9	4_1_14_P073	14. Number of Mayoral committee meetings held	P073 Mayoral Committee Operation	R480,000	8	11	11

**KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)**
**Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
									s				
Strategic Planning & Governance	Municipal Oversight		Governance & Management	Municipal Oversight			4_1_15_P074	15. Number of male initiation programmes conducted	P074 Male Initiation Programmes	R1,097,609	New Indicator	10	10
Strategic Planning & Governance	Compliance with Legislation		Governance & Management	Public Participation Strategy	4	9	4_1_16_P075	16. Number of Ordinary, Open Council and Committee meetings held	P075 Council Operations	R614,000	84	94	94
Strategic Planning & Governance	Municipal Oversight		Governance & Management	Municipal Oversight Model	4	9	4_1_17_P076	17. Number of committee oversight reports developed in line with Municipal Oversight Model (MOM)	P076 Municipal Oversight Model	R 438,800	30	40	40
Strategic Planning & Governance	Public Participation		Governance & Management	Public Participation Strategy	4	9	4_1_18_P077	18. Number of public participation programmes conducted	P077 Public Participation	R1,907,368	20	25	25
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_19_P078	19. Number of District Speakers Forum Meetings held	P078 Speakers Operations	R307,632	4	4	4
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_20_P079	20. Number of District Whips of Councils Forum Meetings held	P079 District Whip of Councils	R1,512,500	3	4	4
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_21_P080	21. Number of whipper programmes/initiatives	P080 Whipper Programmes		66	90	83



**KEY PERFORMANCE AREA (KPA 4): GOOD GOVERNANCE AND PUBLIC PARTICIPATION (15%)**
**Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
								conducted					
Strategic Planning & Governance	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_22_P081	22. Audit Opinion	P081 Audit Opinion	R0	Unqualified Audit Opinion	Unqualified Audit Opinion	Clean Audit Opinion
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_23_P082	23. Number of follow-up quarterly reports on Internal Audit and Auditor-General issues compiled	P082 Audit Findings Follow-ups	R0	3	4	4
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_24_P083	24. Number of Audit Committee meetings held	P083 Audit Committee Operations	R75,000	5	6	6
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_25_P084	25. Number of organisations/committees provided with Internal Audit support	P084 Internal Audit Support	R0	3	3	3
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_26_P085	26. Number of risk-based internal audit plan, internal Audit charter and Audit Committee charter reviewed	P085 Internal Audit Plans	R0	3	3	3
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_1_27_P086	27. Number of audits conducted	P086 Institutional Audits	R0	15	20	20

**KEY PERFORMANCE AREA (KPA) 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)**

**Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.**

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Budget 2025/26	Baseline 24/25 (3rd Quarter)	Annual Targets 25/26	Annual Targets 26/27
Corporate Services	Human Resource Development	1. To improve institutional development and the provision of effective, efficient human resources and integrated administrative support	Governance & Management	Employment Equity Plan	4	4	5_1_1_P087	1. Number of Employment Equity reports submitted to Department of Labour	P087 Employment Equity Plan Reporting	R0	1	1	1
Corporate Services	Human Resource Management		Governance & Management	Recruitment and Selection Policy	4	4	5_1_2_P088	2. Number of people from employment equity target groups employed in compliance with a municipality's approved employment equity plan	P088 Recruitment and Selection	R220,000	13	13	25
Corporate Services	Human Resource Development		Governance & Management	Workplace Skills Plan	4	5	5_1_3_P089	3. Number of skills development interventions implemented	P089 Skills Development	R7,095,000	3	4	4
Corporate Services	Human Resource Management		Governance & Management	Leave Management Policy	4	9	5_1_4_P090	4. Number of initiatives conducted towards the reduction of sick leaves taken	P090 Leave Management	R0	6	9	8
Corporate Services	Human Resource Management		Governance & Management	Human Resources Management	4	9	5_1_5_P091	5. Number of initiatives implemented towards reduction of	P091 Employee Costs Reduction	R0	3	8	8

**KEY PERFORMANCE AREA (KPA) 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)**

**Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.**

								employee related costs					
Corporate Services	Employee Health & Wellness		Governance & Management	Wellness Management	4	2	5_1_6_P092	6. Number of employee wellness and occupational health and safety programmes implemented	P092 EAP & OHS Programmes	R2,091,000	6	16	16
Corporate Services	Information Communication & Technology		Governance & Management	Information Communication and Technology Strategy	4	9	5_1_7_P093	7. Number of ICT projects implemented	P093 ICT Plan Implementation	R16,758,575	2	4	4
Corporate Services	Labour Relations		Governance & Management	Labour/ Employees Relations	4	9	5_1_8_P094	8. Number of industrial relations initiatives conducted	P094 Industrial Relations	R450,000	3	4	4
Corporate Services	Labour Relations		Governance & Management	Main collective Agreement	4	9	5_1_9_P095	9. Number of Local Labour Forum meetings conducted	P095 Collective Bargaining		7	6	6
Corporate Services	Labour Relations		Governance & Management	Main collective Agreement	4	9	5_1_10_P096	10. Number of finalised disciplinary cases/disputes	P096 Disciplinary cases		2	3	2
Corporate Services	Records & Archives Management		Governance & Management	Records Management Policy	4	9	5_1_11_P097	11. Number of quarterly reports on implementation of records management	P097 Records Management	R1,051,500	3	4	4
Corporate Services	Organisational Development		Governance & Management	Municipal Systems Act	4	9	5_1_12_P098	12. Number of Organisational Structure reviewed	P098 Organisational Structure Review	R320,000	N/A	N/A	N/A
Corporate Services	Organisational		Governance & Management	Organisational Development	4	9	5_1_13_P099	13. Number of organisational	P099 Organisatio		3	4	4

**KEY PERFORMANCE AREA (KPA) 5: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT (10%)**

**Goal(s): To develop, transform and capacitate the OR Tambo District Municipality and its local municipalities to ensure effective and efficient resource utilisation making it capable of delivering its mandate.**

	Development			Strategy				development initiatives conducted	nal Development				
Corporate Services	Individual Performance Management		Governance & Management	Individual Performance Management Policy	4	9	5_1_14_P100	14. Number of individual performance management initiatives implemented	P100 Individual Performance Management	R0	4	5	5
Corporate Services	Fleet Management		Governance & Management	Fleet Management Policy	4	9	5_1_15_P101	15. Number of fleet management initiatives implemented	P101 Fleet Management		4	8	8

## **CHAPTER 5 - FINANCIAL PLAN**

### **5.1 INTRODUCTION**

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure long-term financial sustainability for O.R Tambo District Municipality. The Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without eroding its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

A Medium-term Revenue and Expenditure Framework (MTREF) is prepared for a planning period of five years, paying particular attention to new and replacement infrastructure investment, which is an important developmental component of the IDP. O.R Tambo District Municipality's Long-term Financial Outlook is looking at a long-term horizon into the future with the focus on greater financial health and sustainability making the collaboration of capital investment projects with other levels of government and private sector investors much easier.

This Financial Plan will also focus on the expansion of O.R Tambo's revenue sources in relation to its costs to ensure that the Municipality stays a financially viable and sustainable going concern. The O.R Tambo District Municipality must utilise available financial resources in an effective, efficient and economical way to ensure that outputs have the desired outcomes as set out in Chapter 4 of the IDP. The financial strategies detailed in this plan must contribute to the achievement of these objectives.

Budgets in terms of National Treasury's Municipal Budget and Reporting Regulations only need to cover a planning period of the next financial year and the two outer financial years thereafter. However, the MTREF and the multi-year sustainable financial plan will cover key budget focus areas over the next five years and even longer. It will also cover the current financial year's information as well as the previous three financial years' audited information.

The municipality has significantly reduced the creditors which largely emanated from the financial crisis that the municipality find itself into. As a result, National Treasury invoked Section 216 of the Constitution intervention which led to withholding of grants. The municipality has payment arrangements with Department of Water and Sanitation and King Sabata Dalindyebo Municipality.

## 5.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

The budget must be aligned with the National and Provincial Priorities. The following key policy parameters are considered in the development of the MTREF Budget for the Municipality.

- National Development Plan (overarching development vision for the country)
- State of the Nation Address
- National Budget Speech
- State of the Province Address
- Provincial Budget Speech
- Sector Departments (National and Provincial) Budget Speeches
- Division of Revenue Act
- National Treasury Budget Assumptions (MFMA Circular 129 and 130)

In order to ensure integrated and focused service delivery between all spheres of government it was therefore important for the District Municipality to align its budget priorities with those of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

The following budget principles and guidelines directly informed the compilation of the 2025/26 MTREF:

- The 2024/25 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2024/2025 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs; and
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- The indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors. As most of the indigents within the municipal area are unable to

pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities.

- The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.
- The collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the District Municipality's cash levels. In addition to this, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.
- The 2025/26 MTREF BUDGET has therefore been directly informed by the IDP process and the following tables provide the "reconciliation" of the IDP strategic objectives with operating revenue, operating expenditure and capital expenditure.

### **5.3 MEDIUM TERM EXPENDITURE AND REVENUE FRAMEWORK**

The planning of the budget preparation process involved consideration of all factors, which had far-reaching implications on the annual budget of the municipality. These were:

- External Economic factors;
- National and Provincial priorities;
- Policies on tariffs and service charges;
- Determination of prudent levels of cash reserves;
- Development of financial performance measures; and
- An analysis of performance trends in terms of operational and capital budget components.

### **5.4 FUNDING OF THE BUDGET**

In terms of Section 18 of Chapter 4 of the MFMA, an annual budget may only be funded from:

- Realistically anticipated revenues to be collected;
- Cash-backed accumulated funds from previous years' surpluses not committed for other purposes; and
- Borrowed funds, but only for the capital budget referred to in Section 17 (2).

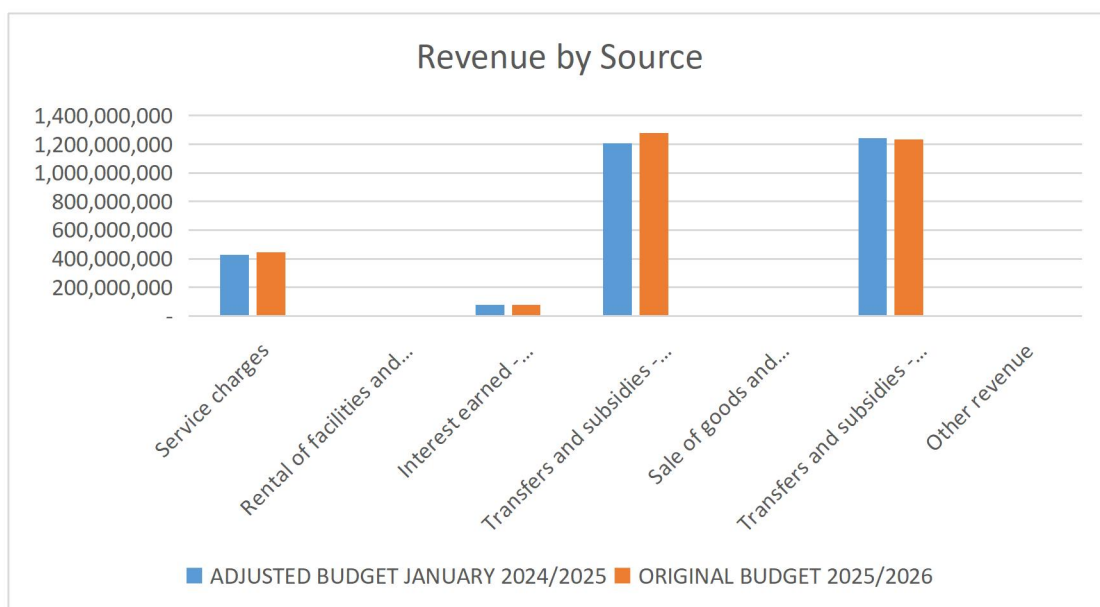
Regulation 10 of the Municipal Budget Reporting Regulations states that:

- 1) The funding of the annual budget must :-
  - (a) Be estimated in accordance with the assumptions and methodologies set out in the funding and reserves policy.
  - (b) Be consistent with the trends, current and past of actual funding collected or received

Table 64: Sources of Revenue

ACCOUNT DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANUARY 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
Service charges	423 336 179	423 336 179	441 539 635	461 850 458	482 171 878
Service charges Peri Urban	3 975 710	3 975 710	4 146 666	4 337 412	4 528 258
Interest earned - Investments and Debtors	63 294 770	78 294 770	79 274 945	82 817 019	85 359 948
Transfers and subsidies - Operating	1 200 364 500	1 206 946 567	1 280 084 097	1 348 802 218	1 409 817 396
Transfers and subsidies - Capital	1 326 964 000	1 244 734 000	1 232 925 000	1 241 238 000	1 101 038 313
Other revenue	230 555	230 555	2 042 429	1 778 156	1 314 564
<b>TOTAL REVENUE</b>	<b>3 018 165 714</b>	<b>2 957 517 781</b>	<b>3 040 012 771</b>	<b>3 140 823 263</b>	<b>3 084 230 356</b>

Figure 65: Graphic Illustration of revenue



Revenue comprises of 83 percent of government grants and transfers recognized being:

- Equitable share – R1.2 billion
- Finance Management Grant – R2 million
- Extended Public Works Program – R3.6 million
- Municipal Infrastructure Grant – R754.4 million.
- Water Services Infrastructure Grant – R95 million
- Regional Bulk Infrastructure Grant – R250 million
- Emergency Housing Grant – R130 million



- LGSETA Grant – R547 053.50
- MSIG R6.9 million
- Rural Roads Asset Management – R3.4 million

Service Charges of 14 percent being: -

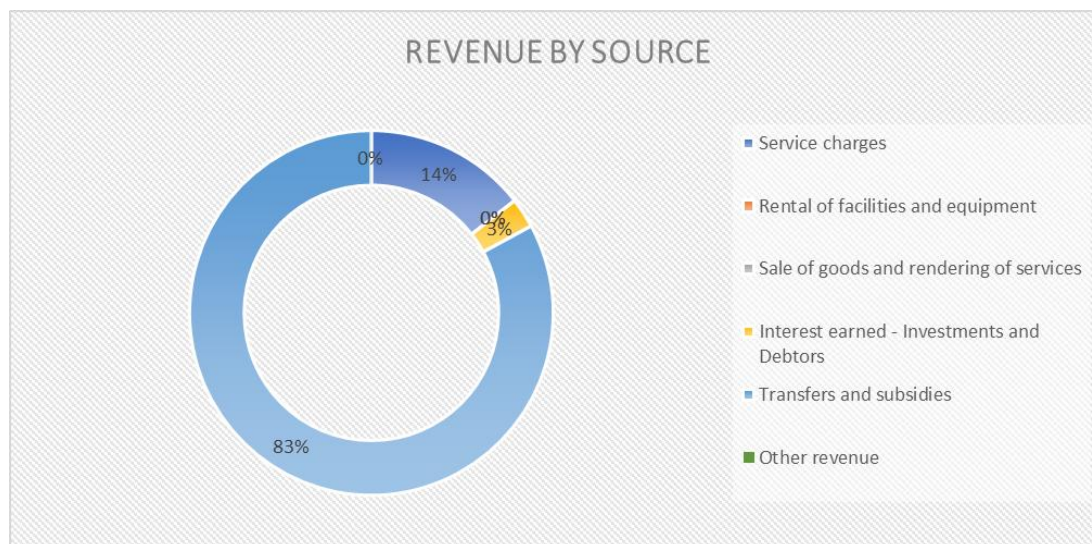
- Water and Sanitation - R441.5 million
- Water Services Charges Peri Urban R4.1 million

Interest received of 3 percent being: -

- Interest received from investments – R55.5 million
- Interest received from debtors – R23.7 million

Other own revenue: -

- Agency fees- R242 428,58
- Gains on sale of assets R1.3 million
- Municipal health certificates R500 000.00



*Figure 66: Total Revenue*

The municipality is reliant on government grants and subsidies being 83 percent of revenue as depicted above.

Table 65: Sources of funding

DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANUARY 2025	DRAFT BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
OWN REVENUE	490 837 214,24	505 837 214,24	527 003 674,17	550 783 045,47	573 374 648,20
GRANT REVENUE	2 527 328 500	2 451 680 567	2 513 009 097	2 590 040 218	2 510 855 708
<b>TOTAL REVENUE</b>	<b>3 018 165 714</b>	<b>2 957 517 781</b>	<b>3 040 012 771</b>	<b>3 140 823 263</b>	<b>3 084 230 356</b>

Table 66: Service Charges Collection

ACCOUNT DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANUARY 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
Service charges	427 311 889	427 311 889	445 686 300	466 187 870	486 700 137
Interest earned Debtors	22 794 770	22 794 770	23 774 945	24 868 593	25 962 811
Gross Service Charges	450 106 659	450 106 659	469 461 246	491 056 463	512 662 947
Less: Debt Impairment	- 107 507 624	- 107 507 624	- 107 507 624	- 112 452 975	- 117 400 905
	<b>342 599 035</b>	<b>342 599 035</b>	<b>361 953 622</b>	<b>378 603 488</b>	<b>395 262 042</b>

For the 2025/26 MTREF, the gross revenue for services charges amount to R469.4 million, R491 million and R512.6 million respectively. The anticipated debt impairment for 2025/26 MTREF amounts to R107.5 million, R112.4 million and R117.4 million respectively. Resulting in the anticipated collections being R361.9 million, R378.6 million and R395.2 million. MTREF. This is informed by collection levels of the district municipality. The proposed tariff increase is 4.3% for residential, 4.3% for business and 4.3% for government during 2025/26. The 2025/26 tariffs are attached.

#### 5.4.1 Peri Urban Billing

In order to expand revenue base, the municipality introduced a peri-urban billing using flat rate. Billing is already taking place in 2024/25. The projected budget is R4.1 million for 2025/26, R4.3 million and R4.5 million respectively. This initiative is aimed at businesses. The tariffs are categorized as follows:

- Student accommodation
  - 20 rooms and above - R3 650
  - 10 rooms and more - R2 800
  - Less than 10 rooms – R2 200
- Hotels/B&B
  - 20 rooms above - R3 000

- 10 rooms and more - R2 500
- Less than 10 rooms – R2 000
- Brickmaking - R2 607.50
- Warehouses - R1 564.50
- Car washes and others – R806.47

#### 5.4.2 Tariffs

*Table 67: Proposed Tariff Increases*

Cartegories	2025/26	2026/27	2027/28
Households	4.3%	4.6%	4.4%
Business	4.3%	4.6%	4.4%
Government	4.3%	4.6%	4.4%

The proposed tariff increase is 4.3 percent for residential, 4.3 percent for business and 4.3 percent for government during 2025/26. The Tariff policy is attached.

The municipality budgeted for the cost of indigents for 2025-2026 and the 2 outer years as depicted below:

Budget year	Amount budgeted
2025 - 2026	R 2 770 152,41
2026 - 2027	R 2 897 579,42
2027 - 2028	R 3 025 072,91

#### 5.5 OPERATING EXPENDITURE

*Table 68: Operating expenditure comprises of the following*

ACCOUNT DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANAUARY 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
Employee related costs	770 299 395	767 499 395	808 891 394	852 167 084	896 053 689
Remuneration of councillors	26 763 683	26 763 683	28 104 544	29 608 137	31 132 956
Debt impairment	107 507 624	107 507 624	107 507 624	112 452 975	117 400 905
Depreciation & asset impairment	171 000 000	171 000 000	171 000 000	178 866 000	186 736 104
Finance Charges	550 000	550 000	550 000	575 300	600 613
Bulk purchases/Inventory	50 000 000	50 000 000	60 000 000	62 760 000	65 521 440

consumed					
Contracted services	131 591 348	140 996 544	169 932 280	177 749 165	185 570 128
Transfers and subsidies	77 814 593	72 489 578	82 151 447	86 264 210	90 519 254
Other Material	36 628 746	42 420 031	49 300 000	51 567 800	53 836 783
Other expenditure	255 916 275	294 095 877	251 047 080	251 668 949	262 745 579
<b>TOTAL EXPENDITURE</b>	<b>1 628 071 664</b>	<b>1 673 322 732</b>	<b>1 728 484 369</b>	<b>1 803 679 619</b>	<b>1 890 117 451</b>

Operating expenditure is projected to increase by R55.1 million which is 3% compared to the 2024/25 adjustment budget. For the two outer years, operational expenditure will increase by 4%, in 2026/27 and increase by 5% in 2027/28.

#### **5.5.1 Personnel Expenditure**

Employee costs is projected to increase by R41.3million which is 5% more from the adjustment budget and 5% for both outer years. This is mainly due to the increment of 5.1% being projected. The budgeting for the filling of critical vacant posts was already included in the adjustment budget therefore the increase of 5% has also been effected in the budget for critical posts.

Remuneration for Councilors has been increased by R1.2 million which is 5% more from the adjustment budget. Employee related costs are 48% of the total operating expenditure. This is above the norm of 25% to 40% of total operation expenditure.

The two task grades up which was implemented to all employees has been treated as non-pensionable allowance while waiting for the results of the job evaluation. In doing so it saves the municipality from an increase of pension and 13th cheque. Travelling and cellphone allowances have been reviewed as per eligibility of employees. Management is also reviewing the group scheme benefit for employees and councilors.

#### **5.5.2 Bulk Purchases**

Bulk purchases (water) increased by R10 million to R60 million as compared to the adjustment budget for 2024/2025. This is informed by the current expenditure trends.

#### **5.5.3 Repairs and Maintenance**

Repairs and maintenance has decreased by R15.2 million as compared to adjustment budget for 2024/25.

**Table 69: Main item in Repairs and Maintenance**

ACCOUNT DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTMENT BUDGET 2024- 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
BUILDINGS & INSTALLATIONS	3 110 000,00	6 080 000,00	11 000 000,00	11 506 000,00	12 012 264,00
SURVEILLANCE EQUIPMENT MAINTENANCE	150 000,00	150 000,00	150 000,00	156 900,00	163 803,60
IT EQUIPMENT REPAIRS	50 000,00	50 000,00	50 000,00	52 300,00	54 601,20
SEWERAGE PUMP STATIONS	174 057,50	174 057,50	500 000,00	523 000,00	546 012,00
WATER PUMP STATIONS	669 596,60	-	-	-	-
SUPPORT TO STRATEGIC ROADS	1 500 000,00	-	-	-	-
MATERIALS AND STORES	15 630 403,40	21 821 687,84	25 000 000,00	26 150 000,00	27 300 600,00
VIP SLUDGE SUCKING	5 000 000,00	2 000 000,00	2 088 000,00	2 184 048,00	2 280 146,11
SPRING PROTECTION	2 000 000,00	978 312,16	4 000 000,00	4 184 000,00	4 368 096,00
REPAIR OF ELEMENTS ON TREATMENT WORKS	6 342 000,00	6 342 000,00	10 000 000,00	10 460 000,00	10 920 240,00
SEALING OF RESERVOIRS	1 000 000,00	-	-	-	-
MOTOR VEHICLES	4 400 000,00	6 665 000,00	6 665 000,00	6 971 590,00	7 278 339,96
TOTAL REPAIRS & MAINTENANCE	40 026 057,50	44 261 057,50	59 453 000,00	62 187 838,00	64 924 102,87

The percentage of repairs and maintenance in relation to total operating expenditure is 3%. The norm that National Treasury recommends is 8% of repairs and maintenance to total operating expenditure. The operating and maintenance includes the items which are classified under the general expenditure and not in the repairs but they form part of the operating and maintenance. The items included in the general expenditure are:

- Water purification chemicals amounting to R23 million
- Electricity on water schemes – R60 million

When the above items which form part of operating and maintenance are included, the total amount of O&M amounts to R142.4 million which is 8 per cent of the total operating expenditure which is within the recommended norm.

#### **5.5.4 Contracted Services**

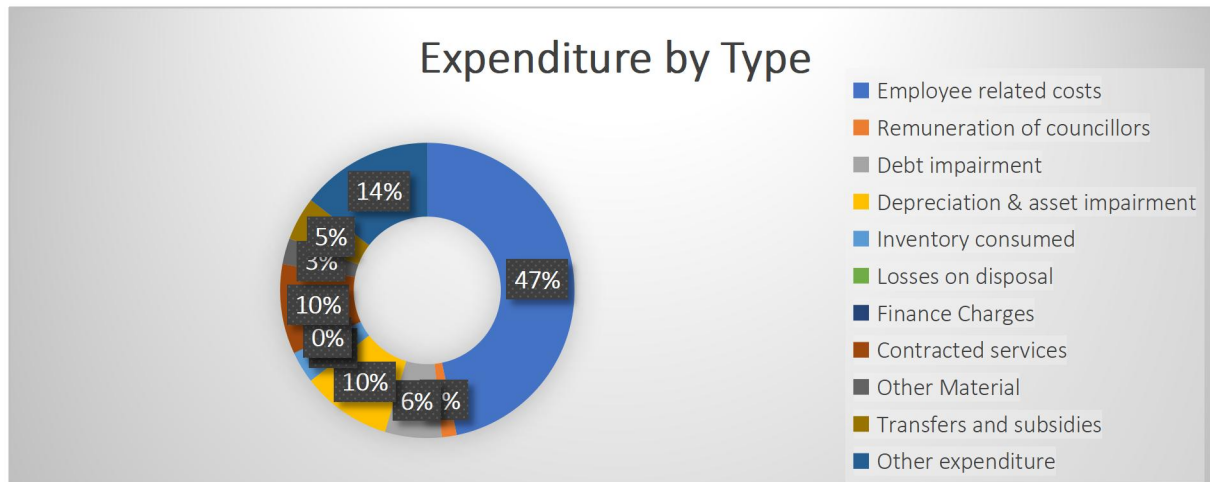
This comprises mainly of security fees paid to contracted security companies guarding the properties of the municipality together with the water schemes in various local municipalities and professional fees for consultants, WSA plans, Sector plans. Contracted services increased by R28.9 million being 21% of the adjustment.

#### **5.5.5 Grants and Subsidies paid**

Comprises of transfers to Ntinga Development Agency, support to local municipalities and programs for the benefit of the local communities. Increase of R9.6 million being 13%. The increase is due to an increase in co-operative support and Agri parks budget as compared to the adjustment budget.

### 5.5.6 Other Expenditure

Other expenditure decreased by R43 million which resulted in a 15% decrease as compared to adjustment budget. This is mainly due to prioritizing core function



**Figure 66: Expenditure by Type**

Capital expenditure increased by R5 million as compared with adjustment budget. This increase is informed by the 2026 DoRA allocations.

## 5.6 CAPITAL EXPENDITURE

**Capital expenditure is mainly comprised of: -**

### **New Assets -**

- Municipal Infrastructure Grant - R754.4 million
- Regional Bulk Infrastructure Grant - R250 million
- Water Services Infrastructure Grant - R95 million
- Motor Vehicles - R9.5 million
- TLB's - R5 million
- Network Infrastructure upgrade - R6 million
- Disaster facilities - R18 million
- Computer Equipment - R4.2 million
- Furniture & Office Equipment - R5 million
- Smart Meters - R2.4 million

### Asset Renewal (replacement) –

- Borehole Exploration and development - R8 million

*Table 70: Capital Expenditure*

DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANAURY 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
CAPITAL EXPENDITURE	1 385 311 461	1 310 801 461	1 315 886 275	1 314 187 494	1 175 477 584

*Table 71: Grant Allocation over 2025/2026 MTREF*

DESCRIPTION	ORIGINAL BUDGET 2024/2025	ADJUSTED BUDGET JANAURY 2025	ORIGINAL BUDGET 2025/2026	BUDGETED 2026/2027	BUDGETED 2027/2028
EQUITABLE SHARE	1 193 994 000,00	1 193 994 000	1 266 988 000	1 346 030 000	1 406 920 000
FMG	2 000 000,00	2 000 000	2 000 000	2 200 000	2 300 000
LGSETA	524 500,00	524 500	547 054	572 218	597 396
EPWP	3 846 000,00	3 846 000	3 628 000	-	-
MSIG	-	6 582 067	6 921 043	-	-
MIG	727 555 000,00	720 325 000	754 481 000	823 811 000	864 017 000
RBIG	291 113 000,00	291 113 000	250 000 000	192 000 000	-
WSIG	100 000 000,00	100 000 000	95 000 000	85 000 000	89 250 000
EMERGENCY HOUSING GRANT	205 000 000,00	130 000 000	130 000 000	136 825 000	144 008 313
RRAMS	3 296 000,00	3 296 000	3 444 000	3 602 000	3 763 000
	2 527 328 500	2 451 680 567	2 513 009 097	2 590 040 218	2 510 855 708

## 5.7 PAST FINANCIAL PERFORMANCE

### 5.7.1 2023/2024 Audited Results

The municipality obtained an **Unqualified Audit Opinion in 2023/2024 financial year**. The audit for 2024/2025 is currently at the planning stage.

## 5.8 OVERVIEW OF BUDGET RELATED POLICIES

The district review its statutory policies annually and the last adoption by Council was at the end of May 2025. The adopted policies are:

- Budget Policy
- Adjustment budget management policy
- Cash Management and Investment Policy

- Credit Control and Debt Collection Policy
- Funding and Reserves Policy
- Indigent Policy
- Tariff Policy
- Unallocated Deposits Policy
- Costing policy
- Virement Policy
- Supply Chain Management Policy
- Asset Management Policy
- Expenditure Management Policy
- Loss Control Policy

Portion of the Credit control policy which is gazetted with Water Services policies and a submission was made. Water Services directorate has started the Gazette process, which will be finalized in 2025/26 financial year.

#### **5.8.1 Budget Adjustment Policy**

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the District Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilized to ensure that underperforming functions are identified and funds redirected to performing functions.

#### **5.8.2 Budget and Virement Policy**

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the District Municipality's system of delegations. The council has approved the Budget and Virement Policy.

#### **5.8.3 Cash Management and Investment Policy**

The aim of the policy is to ensure that the District Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash-equivalents required at any point in time and introduce timeframes to achieve certain benchmarks.

#### **5.8.4 Tariff Policies**



The District Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been reviewed and approved by council. The proposed tariff increase is 4,3% for households, business and government respectively for the 2025/26 financial year. With the introduction of MSCOA costing methodology as prescribe by the National Treasury, the municipality is in a process of determining the cost of providing services which will used as the basis of determining the new tariffs.

#### **5.8.5 Asset Management, Infrastructure Investment and Funding Policy**

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the District Municipality's revenue base. However due to limited resources and existing low revenue base, the district municipality is financially constrained in the operation and maintenance of infrastructure. With the approximate depreciation and impairment of assets at R171 million, the District Municipality requires this amount (R171 million) and more to adequately meet the need for maintenance of all assets in order to provide sustainable services to the communities. During the year under review, the District Municipality has allocated a funds for of R59.4 million for asset renewal. As the District Municipality is experiencing huge infrastructure backlog, there is a need for funding for operation and maintenance of the existing and future infrastructure investment. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation.

#### **5.8.6 National Treasury Draft Budget Engagement 2025-2026**

The municipality attended a budget assessment benchmark engagement in Pretoria on the 24 April 2025. The purpose of the budget engagement was to review the municipality's tabled 2025/26 Medium-term Revenue and Expenditure Framework as informed by the broader municipal planning and development framework.

The engagement also provides the municipality a platform to obtain guidance from various units within the National Treasury (NT) and relevant Sector Departments to provide comments on the proposed priority plans and how they are resourced. The overall assessment indicates that the budget is funded over the MTREF.

The National Treasury assessment under Financial Health raised the following observations. The Financial Health pillar was assessed as Fragile due to the following reasons:

- The municipality's 2025/2026 MTREF budget was assessed to be funded with a surplus of R481.7 million.
- 1) There is progress on key issues raised (expand billing, cut costs, and enter payment arrangements with creditors) in the 2024/25 benchmark meeting. There are revenue optimization measures undertaken by the municipality including measures to apply the Council approved cost containment policy.

**The municipality is working hard to improve further when implementing the final budget for 2025/2026.**

- 2) The municipality is faced with an old infrastructure which affects constant supply of water and consequently affect collection and payment patterns. The debtors have increased substantially because of billing in the peri-urban and revenue collection enforcement is still a work in progress given the appointed service provider to collect billed revenues.

**The municipality has started billing peri-urban businesses in February 2024. A debt collector was appointed in November 2024 to assist with collecting old debt owed to the municipality. It is anticipated that the collection of old debt will improve in 2025-26.**

- 3) The municipality tabled a surplus budget of R79.4 million in the 2025/26 financial year. The surplus appears realistic given the surplus performance obtained in the previous audited three financial years. There is low growth from 2024/25 to 2025/26 financial year.

**The municipality has not budgeted for income received from VAT hence there is low growth on own revenue. From 2024-2025 to 2025/2026 and two outer years the municipality has continued with balance sheet budgeting.**

- 4) The municipality has projected increase of 4.4 per cent from the adjustments budget from the revenue and an increase of 4 per cent of expenditure.

**This was informed by MFMA circular 129 and current expenditure needs, the municipality has taken into account MFMA circular 130 issued on the 20th March 2025 when preparing the final budget for 2025/26.**

- 5) The municipality considered the driving elements in drafting the 2025/26 MTREF budget such as the funded budget, optimize revenue, manage expenditure, better management of assets, adherence to SCM prescripts, mSCOA compliance, and addressing the issues raised by the AGSA.

**The municipality had to take all the above into consideration so as to achieve a funded budget and also address the issues raised by the AGSA so as to improve.**

- 6) The municipality tabled a surplus budget for the first two years and a deficit in the last year of the 2025/26 MTREF budget. The surplus appears realistic given the surplus performance obtained in the previous audited financial years.

**The deficit in the 2027/28 has been addressed in the final budget and have a surplus.**

- 7) The municipality has a high ERC at 47 per cent which factored the SALGBC collective agreement. The municipality budgeted 6 per cent to the CAPEX budget and 94 per cent is funded by the conditional grants. On the other expenditure has used zero-based budgeting, activity-based budgeting, considered the market, and factored the CPI to arrive at the projected expenditure items.

**Employee remains to be a challenge and the new structure was reviewed and approved by council in December 2023. The job evaluation process and placement needs to be finalized urgently. The municipality is looking at improving the collection of own revenue so as to increase funding of own capital expenditure including repairs and maintenance.**

- 8) The municipality is starting to see improvement on the phase-in billing in the Peri-Urban areas which were not billed before. The municipality is using the valuation rolls from the locals and the deeds search to bill consumers of which is performed in-house.

**The municipality is intensifying the collection from Peri-Urban so that it can yield the projected revenue. The valuation rolls from the local municipalities are reconciled with our data base.**

- 9) The municipality appointed a debtor collector to assist with revenue collection. Public Works has started to pay for old debt and the current of which contribute a lot to the revenue of the municipality. The municipality plans to inject more money into repairs and maintenance and on the capital infrastructure which will increase the expenditure in the outer years and result into a deficit in the second year.

**The debt collector has done their desktop analysis of our data and identified gaps on contact details including deceased customers and other doubtful debtors due to affordability. They started with debt collection from March 2025 and accounts are being handed over that are 90 days and older.**

- 10) The municipality has noted the risk of conservative budgeting on the non-cash items following the derecognition of certain assets and improving measures to collect more revenues.

**The municipality will be having an auction on the 22nd May 2025 where certain assets will be sold and that will reduce depreciation. The municipality is striving to collect even more on own revenue, with the full implementation of the credit control and appointment of a debt collector, we believe that will yield very positive results. The funds that will be yielded will gradually put the municipality to be in a better position when it comes to budgeting for non-cash items.**

## CHAPTER 6 – SERVICE DELIVERY PROGRAMMES AND PROJECTS 2025-2026

### 6.1 INTRODUCTION

This chapter contains details on all projects identified to give effect to the objectives and strategies in the Integrated Development Plan. Emerging from the Strategic Planning Session held by the leadership of the district and its broader stakeholders, there are key projects and programmes that were identified as strategic for the planning of 2022/2027 financial year. These programmes and projects were consolidated as per the Key Performance Areas of Local Government. In their broader context they serve to address the socio-economic challenges that have been identified in the situational analysis (refer to chapter 2). The programmes and projects are further articulated in the Municipal Scorecard whilst sector departments have captured some in their plans. These are holistic initiatives aimed at realizing development in the district in an integrated manner. The projects are categorized as follows:

- ORTDM Draft Project Implementation Plans
- Ntinga O.R. Tambo Development Agency Projects
- KSD Local Municipality
- Mhlontlo Local Municipality
- Ingquza Hill Local Municipality
- Nyandeni Local Municipality
- Port St Johns Local Municipality

### 6.2 OR TAMBO DM PROJECT IMPLEMENTATION PLAN

#### 6.2.1 Municipal Infrastructure Grant (MIG)

Local Municipality	Project Title	Ward and Villages	2025-2026 Allocation
Ingquza Hill LM	Lusikisiki Water Supply Planning	Lusikisiki Town	R1.500.000
Ingquza Hill LM	Refurbishment of Flagstaff Regional Water Supply	Flagstaff Town , Ludiwana	R-
KSD	Coffee Bay Regional Water Supply scheme 3B	Ward 23 Villages (Now 24 &25)	R-

Local Municipality	Project Title	Ward and Villages	2025-2026 Allocation
KSD	Coffee Bay Regional Water Supply - scheme 3C	Ward 23 Villages (Now 24 & 25)	R14.600.000
KSD	Upper Mhlahlane Extension Water Supply	Ward 15,31 & 34 to supplement the Upper Mhlahlane Villages	R-
KSD	Lukhwethu Regional Water Supply - Phase 1	Ward 19,35,28	R-
Mhlontlo LM	Sidwadweni Regional Water Supply Scheme, Investigation of an Alternative Water Source to Supply water	Bulembu ,Bhongweni, Balasi	R-
Mhlontlo LM	Sidwadweni Regional Water Supply Scheme Phase 5B	Malepelepe, Ntshiqo	R75.000.000
Mhlontlo LM	Mvumelwano Regional Water Supply Planning Phase	Mvumelwano	R-
Nyandeni LM	Rosedale Extension to East of Libode Water Supply: reticulation	Bhukwini, Dalaguba, Didi	R-
Nyandeni LM	Ntsonyeni Ngqongweni Regional Water Supply Scheme Phase 2A: Source Development at Mzimvubu River	Darhana, bakaleni, Bholani	R61.751.325
Nyandeni LM	Dumasi Regional Water Supply - Phase 1	Bantingville, mandlovini, Maqanyeni	R-
Port St Johns LM	Port St Johns Regional Water Supply Scheme:Phase 6	PSJ Ward 12	R-
KSD	Mqanduli Secondary Water Supply Bulk Phase 2	KSD 33, 31, 32	R24.000.000
KSD	Mthatha Central Corridor Regional Water Supply Phase 1	Mpheko, Lindile & Springvalle	R19.334.000
KSD	Lukhwethu Regional Water Supply and Surrounds - Phase 2	KSD 35, 26,22	R35.000.000
KSD	KSD Ward 17 Sanitation	KSD Ward 17	R-
Mhlontlo LM	Mhlontlo Ward 13 Sanitation	Mhlontlo Ward 13	R-
Nyandeni LM	Nyandeni Ward 30 Sanitation	Nyandeni Ward 30	R-
Nyandeni LM	Nyandeni Ward 27 Sanitation Phase2	Nyandeni Ward 27	R-
Mhlontlo LM	Mhlontlo Ward 17 Sanitation	Mhlontlo Ward 17	R-
Nyandeni LM	Nyandeni Ward 12 Sanitation	Nyandeni Ward 12	R-
Nyandeni LM	Nyandeni Ward 5 Sanitation	Nyandeni Ward 5	R-
Port St Johns LM	Port St Johns Ward 4 Sanitation	Port St Johns Ward 4	R-
Ingquza Hill LM	Ingquza Ward 6 Sanitation Phase 2	Ingquza Ward 6	R-
KSD LM	KSD Ward 16 Sanitation Phase 2	KSD Ward 16	R-
KSD LM	KSD Ward 20 Sanitation Phase 2	KSD Ward 20	R-
Mhlontlo LM	Mhlontlo Ward 11 Sanitation Phase 2	Mhlontlo Ward 11	R-
Mhlontlo LM	Mhlontlo Ward 14 Sanitation Phase 2	Mhlontlo Ward 14	R-
Nyandeni LM	Nyandeni Ward 28 Sanitation	Nyandeni Ward 28	R-
Nyandeni LM	Nyandeni Ward 31 Sanitation	Nyandeni Ward 31	R-

Local Municipality	Project Title	Ward and Villages	2025-2026 Allocation
Nyandeni LM	Nyandeni Ward 32 Sanitation	Nyandeni Ward 32	R-
PSJ LM	PSJ Ward 12 Sanitation Phase 2	PSJ Ward 12	R-
Ingquza Hill LM	Extension of Flagstaff Eradication of Bucket System Phase 2	Greater Flagstaff	R5.000.000
KSD	Ngangelizwe and Waterfall Sewer and Sewerage Infrastructure Upgrade	Ngangelizwe and Waterfall	R13.600.000
Ingquza Hill LM	Lusikisiki Sewer Network & Waste Water Treatment Plant Phase 2	ward 15	R-
KSD	Ncambedlana & Maydene Farm Sewer: Upgrading of Pump Stations and Sewers	Ncambedlana	R7.800.000
Nyandeni LM	Libode WWTW Phase 2 & Sewer Reticulation	Libode Town	R7.850.000
Port St Johns LM	Port St Johns Sewer & Waste Water Treatment Works Implementation Phase	PSJ Town	R6.900.000
Ingquza Hill LM	Flagstaff Sewers and Sewage Facility - Phase 3	Flagstaff Town	R-
Mhlontlo LM	Upgrading of of the Tsolo Town Sewer Reticulation	Tslo Town	R-
Mhlontlo LM	Qumbu Waste Water Treatment Plant and reticulation	Qumbu Town	R1.848.675
Nyandenini LM	Ngqeleni Waste Water Treatment Plant and Conveyences -Planning	Ngqeleni Town	R250.000
O.R TAMBO DM	Infrastructure Asset Management Plan	ORTDM	R-
			R20.287.476
			R294.721.475

## 6.2.2 Water Services Infrastructure Grant - Project Implementation Plan 2025/2026 Financial Year

PROJECT NAME	TOTAL PROJECT COST	AMOUNT IN THE BUSINESS PLAN	2025/26 FY Allocation
Hlwahlwazi Water Supply	R7.062.772,24	R7.062.772,24	R7.062.772,24
Mbentsa Water Supply	R8.432.909,04	R8.432.909,04	R8.432.909,04
Mbono Water Supply	R16.695.794,56	R16.695.794,56	R6.695.794,56
Mncwase Water Supply	R6.103.846,06	R6.103.846,06	R6.103.846,06
Mnqezu Water Supply	R9.450.779,92	R9.450.779,92	R5.450.779,92
Ndimakude Water Supply	R9.749.890,90	R9.749.890,90	R5.173.784,24
Gabajana Water Supply	R17.696.763,28	R17.696.763,28	R7.969.763,28

PROJECT NAME	TOTAL PROJECT COST	AMOUNT IN THE BUSINESS PLAN	2025/26 FY Allocation
Ngxangxasini Water Supply	R27.733.485,94	R27.733.485,94	R13.456.884,79
Nyandeni Village Water Supply	R19.345.664,61	R19.345.664,61	R6.934.034,61
Ngxongweni Water Supply	R9.069.811,95	R9.069.811,95	R5.069.811,95
Sihlitho Water Supply	R23.812.687,17	R23.812.687,17	R6.812.687,17
Toleni Water Supply	R19.568.967,10	R19.568.967,10	R5.568.967,10
WCDM - Thornhill WTW System	R20.267.965,04	R20.267.965,04	R10.267.965,04
<b>TOTAL PROJECT COST</b>	<b>R194.991.337,81</b>	<b>R194.991.337,81</b>	<b>R95.000.000,00</b>

### 6.2.3 Regional Bulk Infrastructure Grant (RBIG) - 2025/2026 Project Implementation Plan

PROJECT NAME	TOTAL PROJECT COST	Project Status	2025/26 FY Allocation
Construction of Mthatha Dam Raw Water Pump Station: CIVIL	R49.817.609,56	59% Construction progress,	R14.173.565,72
Construction of 50ML/day Highbury WTW Stage 2: Civil	R168.731.790,03	68% Construction progress	R28.539.761,56
HIGHBURY WTW M & E	R111.686.672,72	Design & Tender	R111.686.672,72
Mthatha Dam Raw Water Pumpstation: M&E	R3.000.000,00	Design	R3.000.000,00
Construction of 9.4km DN300 mPVC Nqandu Rising Main.(1 of 2 Gingordin)	R28.535.768,80	15% Construction progress	R17.400.000,00
Construction of 2.4km DN300 mPVC Nqandu R/Main + 9.9Km DN 200 mPVC Nqandu Gravity Main.(2 of 2 Rhweba)	R35.494.755,20	26% Construction progress	R26.000.000,00
Construction of 3.5ML Nqandu, 2ML Soyini and 1ML Ngungululu Reservoir.	R39.973.605,00	5% Construction progress, completion is Oct 2026	R21.200.000,00
Upgrade of Thorrrnhill WTW to 115ML/day Civil	R96.806.998,77	49 % Construction progress, completion date is Nov 2025	R26.000.000,00
Upgrade of Thorrrnhill WTW: M & E	TBC	Design	R2.000.000,00
<b>TOTAL PROJECT COST</b>			<b>R250.000.000,00</b>

### 6.3 SECTOR DEPARTMENTS PROJECTS

#### 6.3.1 ESKOM

##### KING SABATA DALINYEBO LOCAL MUNICIPALITY

Name of the project	Location	Budget
Mqanduli Ward Ext Pre engineering		R590 000.00
KSD Municipal Pre engineering 26/27		R590 000.00
KSD Pre engineering		R400 000.00
Mqanduli Schedule 5B pre-engineering	Upper Ntlangaza, Hlabatshane, Ngiza, Magombe, Dobe, Mavundleni, Mcobothini, Zanci, Ntlangaza, Corhana, Jolweni, Mxambulio Mncwasa, Haji, Kwaaiman, Ntshitshana	R17 700 000 000.00
Mqanduli Wards Ext Link Line		R5 200 000.00S
Sappi Highbury 22v feeder	Highbury	R3 400 000.00
Sappi highbury 18km 3 phase mink conductor 22 kv line from Highbury	Highbury	R3 000 000.00
Total Household Electrified	<b>91621</b>	

##### NYANDENI LOCAL MUNICIPALITY

Name of the project	Location	Budget
Nyandeni Schedule 5B Pre-Eng		R425 000.00
Nyandeni Ward Ext Ph1 Pre-eng		R400 000.00
Nyandeni Ward Ext Ph 2	Households	R10 465 000.00
Nyandeni Ward Ext Ph2 pre-eng		R400 000.00
Total Household Electrified	70365	



Name of the project	Location	Budget
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#### **KUMKANI MHLONTLO LOCAL MUNICIPALITY**

Name of the project	Location	Budget
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Mhlontlo Wards extensions		R590 000.00
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Mhlontlo Schedule 5B Pre-eng		R382 500.00
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Mhlontlo Wards Extensions	Zibungu, Umnga, Malepe, Ncetyane, Kuhleke/Magutywa, Nyembezi/Khanmbi. Lower Mjika, Mngobiso/Nombodlana, Zibungu/Ncitshana	
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.00

R20 795 000

Mhlontlo Wards Extensions		R500 000.00
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Link Lines

Total Household Electrified 51187

#### **PORT ST JOHNS LOCAL MUNICIPALITY**

Name of the project	Location	Budget
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PSJ Ext.		R5 879 897.10
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PSJ Pre-engineering Schedule 5B		
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R198 849.38

Total Electrified Household **51471**

#### **Ingquza Local Municipality**

Ingquza Hill Area Extension	Malizole and Madikane	R10 203 616.37
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Ingquza Hill Area 3B Extensions		R549 993.64
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Pre-engineering

Ingquza Hill Area 3A Extensions		R672 750.00
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Pre-Eng 25/26 plan

Ingquza Hill Pre-eng Schedule 5B

R198 849.38

Ingquza Hill Type 1 infills	Infills	R710 458.63
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Electrified Household	<b>61885</b>	
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#### **6.3.2 SAPS PROGRAMME**

1. Back to school Awareness campaign
2. Community Policing
3. Sector Policing
4. Traditional Policing
5. Sport against crime

6. Imbizos
7. Crime awareness Campaigns
8. Junior Commissioners projects
9. Youth Crime prevention
10. Community in blue project (community Patrollers)
11. Neighbourhood watch project
12. Youth against crime
13. Child Protection Week
14. 16 days of activism against women and children

### 6.3.3 DEPARTMENT OF EDUCATION

Name of the Project	Location	Budget
<b>Fencing</b>	Mbuqe PS, Bazindlovu SS, Zwelixolile PS, Wilo PS Mpako PS, Bambilanga SS	
<b>Capital Works</b>	<b>Tyelinzima SS</b>	
<b>Capital Works</b>	<b>Holomisa</b>	
	<b>Dumrana</b>	
<b>Disaster intervention</b>	<b>Rafuzana PS, Qokolweni PS</b> <b>Tyelinzima SS</b>	

### 6.3.4 DEPARTMENT OF HEALTH

#### KING SABATA DALINDYEBO LM

Name of the project	Location	Budget
Bedford Orthopaedic Hospital – Sanitation upgrade	Bedford	
Bedford Orthopaedic Hospital – Renovations and Renovation	Bedford	
Construction of Mahlamvu Clinic	Mahlamvu	
Covid 19 DPW Sir Henry Elliot Hospital Block A and B	Sir Henry Elliot	<b>R29 000.00</b>
Ntshela Clinic Modification Extension and Additions	Ntshela	<b>TBA</b>
Sir henry Elliot Hospital Renovations		<b>R30 000.000.00</b>

#### NYANDENI LOCAL MUNICIPALITY

Name of the project	Location	Amount
Canzibe Hospital Upgrade	Canzibe	
Cwele Clinic New Replacement Clinic and Staff Accommodation	Cwele	

St Barnabas Hospital - Mental Health Unit - Commissioning and Recommissioning	St Barnabas	R3 200 000
St Barnabas Hospital - Completion of New Psychiatric Unit, Refurbishment and Renovation of Existing Staff Houses	St Barnabas	
St Barnabas Hospital Water and Sanitation Plant Upgrade	St Barnabas	

#### INGQUZA HILL LOCAL MUNICIPALITY

Name of the project	Location	Amount
Flagstaff CHC Phase 2 Commissioning	Flagstaff	
Bambisana Hospital Upgrades Phase 1		R620 000 000

#### Kumkani Mhlontlo Local Municipality

Name of Project	Location	Amount
Nessie Knight Hospital Upgrade Phase 4 Refurbishment and Renovation of Hospital building	Sulenkama	R105 000 000
Nessie Knight Hospital Upgrade Phase 4 Refurbishment and Renovation of Hospital building	Sulenkama	R160 000 000
New Kubusi Clinic		TBA
St Lucys - Revitalization of Existing Hospital (Phase 2A)		

#### 6.3.5 EASTERN CAPE PARKS AND TOURISM AGENCY

##### Ecosystem Rehabilitation

##### Municipality: Port St Johns

Name of the Project	Location	Amount
	Caguba	R14 658 600

##### Ingquza Hill Local Municipality

Name of the Project	Location	Amount
Ecosystem Rehabilitation	Mbotyi	R9 048 600
Ecosystem Rehabilitation	Thahle	
Ecosystem Rehabilitation	Ntentule	
Ecosystem Rehabilitation	Mkhambathi	

**Ecosystem Rehabilitation****Lambasi**

AMATOLA WATER

Name of the Project	Location	Amount
Construction of 50ML/Day Highbury WTWAW2023/24/5	Highbury	
KSD Bulk Electrification Projec		
Completion of 10ML Misty Mount ReservoirAW2022/23	Misty Mount	
Completion of 10ML Megacom & Mayden Farm Reservoirs-AW2023/24/02	Maydene Farm	
Coffee Bay Regional Water Supply Scheme: Phase 3B Part A – AW2023/24/10	Coffee Bay	

**6.3.6 HUMAN SETTLEMENTS****King Sabata Dalindyebo**

Name of the Project	Location	Amount
<b>OR TAMB0 684 (KSD 362 DESTITUTE)</b>	<b>Various Wards</b>	Slabs – 312
		Walls – 309
<b>(Jodan Construction)</b>		Roofs - 309
<b>Ward: Various</b>		Completions - 309
<b>Start Date: March 2017</b>		Budget =R56 375 782.80
<b>End Date: March 2024</b>		Expenditure= R47 244 095.08
<b>KSD 315 (309 units)</b>	<b>Various wards</b>	Slabs – 11
<b>Ward: Various</b>		Walls - 6
		Roofs – 6
		Completions – 6
		Budget = R 13,192 839.00
<b>Ngangelizwe 200 (143 units)</b>	<b>Ngangelizwe</b>	Slabs – 143
<b>(Hydraform SA)</b>		Walls – 143

**Ward: 1,2&3**

**OR TAMBO DISASTER 850 (260 UNITS)**  
**(10,11,12,13,14,15,16,17,34)**

**Zimbane Valley 1482 Rect. (702 units)**

**Maydene Farm 969 (482) Rect.**

**(NATA Construction)**

**Ward: 9**

**Start Date: July 2014**

**End Date: 30 April 2026**

**Waterfall 1183 Rectification of Top-Structures**

**(IQEGU Construction)**

**10,11,12,13,14,15,  
16,17,34)**

**Zimbane Valley**

**Maydene Farms**

**Ward 9**

**Waterfall**

**Ward 3**

Roofs – 143

Completions - 143

Budget =R19 673 293.75

Expenditure= R 19 673 293,75

Foundations – 0

Wall-plates – 0

Roofs – 0

Completions. - 0

Budget =R 48 932 777.80

Expenditure= R 0.00

Demolitions – 702

Slabs - 702

Walls – 702

Roofs – 702

Completions – 702

Budget =R107 507 334.33

Expenditure R104 147 399.96

Slabs - 62

Walls – 38

Roofs – 26

Completions - 0

Budget =R 86 760 000.00

Expenditure= R 5 639 400.00

Slabs – 692

Walls – 689

<b>Ward: 3</b>		Roofs - 682
<b>Start Date: 01 February 2015</b>		Completions – 682
<b>End Date: 31 March 2025</b>		(233 units has 181 Completions)
		Budget =R142,384,055.49
<b>Mqanduli 500 Rect.</b>	<b>Ward 29</b>	Expenditure= R 90 115 852.00
		Slabs – 490
		Walls - 490
<b>(JL Goliath Construction)</b>		Roofs – 490
		Electricity - 490
<b>Ward: 29</b>		Completions – 490
		Budget =R52 732 642.30
<b>Ntshabeni 200 (27UNITS)</b>	<b>Ntshabeni Ward 10</b>	Expenditure= R47 468 432.95
		Slabs – 26
<b>(Bontinite)</b>		Walls – 26
<b>Ward: 10</b>		Roofs – 21
		Completion - 16
		Budget =R4 860 000.00
<b>New Payne 200 (51 UNITS)</b>	<b>New Payne</b>	Expenditure = R 2,341,800.00
		Slabs – 37
<b>(Bontinite 30) &amp; (Temavi 21)</b>		Walls – 37
		Roofs – 37
		Completions - 35
		Budget =R9,180,000.00
<b>New Payne 300 (72 units)</b>	<b>New Payne</b>	Expenditure = R5,371,200.00
		Slabs – 69

		Walls – 69
		Roofs – 69
		Completions - 65
		Budget =R11 946 432.29
		Expenditure= R 9 618 536.58
<b>Mahlungulu 350 (260 UNITS)</b>	<b>Mahlungulu</b>	Slabs – 10
		Walls – 10
		Roofs – 10
		Completion - 1
		Budget =R47 649 626.42
		Expenditure = R3,078,898.00
<b>Zidindi 300 (105)</b>	<b>Zidindi</b>	Slabs – 10
<b>(Abenguni)</b>		Walls – 10
		Roofs – 10
		Completion - 1
		Budget =R47 649 626.42
		Expenditure = R3,078,898.00
<b>KSD Project A 1317</b>		
<b>(KSD L.M-Stedone)</b>		
<b>KSD Project A 1317</b>	<b>Ward 9</b>	Slabs – 812
<b>(KSD L.M-Stedone)</b>		Walls – 795
		Roofs – 780
<b>Ward: 9</b>		Completions – 733
		Budget =R 196,082,775.00
<b>Start Date: Feb 2016</b>		Expenditure=R171 766 025.00
<b>End Date: Dec 2025</b>		

<b>New Brighton 131 Services</b>	<b>Ward 3</b>	Internal Engineering Services (Water, Sewer) completed.
<b>(KSD-Stedone)</b>		
<b>Ward: 03</b>		Budget: R18 420 778.19
<b>Start Date: March21</b>		Expenditure: R 0
<b>End Date: Sept 2024</b>		
<b>Kei Rail 537 Services</b>	<b>Ward 04</b>	Internal Engineering Services (Water, Sewer) completed.
<b>(KSD-Stedone)</b>		
<b>Ward: 04</b>		Budget: R 27 853 319.67
<b>Start Date: March 2021</b>		Expenditure: R 864 166.19
<b>End Date: Sept 2025</b>		
<b>Matheko 65</b>		Inception Done
<b>Ward 28</b>		
<b>Bontinite</b>		Budget = R10 260 000.00
<b>Start Date: September 2022</b>		Expenditure = R1 515 323.16
<b>Date: September 2026</b>		
<b>Military Veterans 84</b>	<b>Various Wards</b>	Budget = R 3 351 645.00
<b>(Various Wards)</b>		Expenditure = R 2 706 357.90
<b>JKN Developments</b>		
<b>Start Date: September 2022</b>		
<b>Date: September 2026</b>		
<b>Mandela 400 (200)</b>	<b>Ward 18, 19, 20</b>	Budget = R34 300 000.00
<b>(Ward 18,19,20)</b>		Expenditure = R1 862 000.00
<b>Zama-Zondo</b>		
<b>Start Date: September 2022</b>		
<b>Date: September 2026</b>		
<b>Qweqwe 1000 (300)</b>	<b>(Ward 33)</b>	Budget = R57 000 000.00
		Expenditure = R21 147 000.00
<b>KSD Mthonjana 350 (62)</b>	<b>(Ward 24)</b>	Budget = R11 780 000.00
		Expenditure = R1 520 000.00
<b>Konstruk</b>		



**Start Date: September 2022**

**Date: September 2026**

**OR Tambo (850) KSD 261**      **10, 13, 15, 16, 18, 22, 26, 27, 31, 32**      Budget = R44 224 385.50  
**(10,13,15,16,18,22,26,27,31,32)**      Expenditure = R11 789 500.00

**OR Tambo 500 (50 units)**      Budget = R9 500 000.00  
**(20,22,24,26,28,29,35,36)**      **20,22,24,26,28,29,35,36)**      Expenditure = R1 985 500.00

**OR Tambo 385 (KSD 96 Units)**      **(13,15,17,20,23)**      Budget = R17 582 400.00

**(13,15,17,20,23)**  
**(64 units KSD)**      **12,13,15,16,18,20,30,**      Budget = R11 840 000.00

**(12,13,15,16,18,20,30,32,33,35 32,33,35**      Expenditure = R991 882.98

**Bontinite**

**Start Date: September 2022**

**Date: September 2026**

**KSD 358**      Project at Procurement Stage

**2017 Disaster**

**(Phase 2)**

**OR Tambo (132)**      **12,13,15,16,18,20,30, 32,33,35**      Slabs – 12

**(64 units KSD)**      Walls – 10

**(12,13,15,16,18,20,30,32,33,35**      Roofs – 1

Finishes – 0

Budget = R11 840 000.00

Expenditure = R991 882.98

**Ilitha 463 Rectification**      **Ilitha**      Phase 1 – 179 units completed.

**(Phase 2 – 204 units)**

Phase 2 – 204 units at Procurement Stage

**Qweqwe 1000 (550)**      **Qweqwe**      balance of 550 units will be implemented in phases once funds are available.

Ngangelizwe 500 Units      Ward 2  
 Viedgiesville 500 Units      Ward 32  
 Silverton 500 Units      Ward 1  
 Kambi 500 Units      Ward 10  
 Ndungwana & Sigubudwini 500 Units      Ward 15  
 Gogozayo 500 Units Ward 23 Gogozayo

#### INGQUZA HILL LM

PROJECT DETAILS	LOCATION	BUDGET
<b>HOLY CROSS 500 (Ward 27)</b>  <b>MAHIRI CONSTRUCTION</b>  <b>Start Date: June 2014</b> <b>Revised Date: August 2025</b>		Not Started =129  Slabs = 371  Walls = 371  Roofs = 355  Comp = 355  Budget = R 78 393 870.00  Expenditure= R 51 280 551.00
<b>INGQUZA 347</b>  <b>(Ward 26)</b>  <b>MAHIRI CONSTRUCTION</b>  <b>Start Date: June 2014</b> <b>Revised Date: August 2025</b>	<b>(Ward 26)</b>	Not Started = 72  Slabs = 275  Walls =270  Roofs =265  Comp =260  Budget = R 48 203 516.12  Expenditure = R 33 823 205
<b>OR TAMBO 850 (192)-INGQUZA 111</b>  <b>MWENDANE SKILLS PROVIDER CC</b>  <b>Start: Jul'21</b> <b>Revised: Oct'25</b>		Not Started = 45  Slabs = 66  Walls = 61  Roofs = 61

PROJECT DETAILS	LOCATION	BUDGET
		Comp = 61  Budget = R 33 600 000.00  Expenditure = R 11 530 980.00
<b>XOPOZO 500 (350)</b>  <b>(Ward 8 and 31)</b>  <b>Start: 30Nov'23</b>  <b>End: Nov'26</b>		Not Started = 135  Slabs =215  Walls = 198  Roofs = 181  Comp =169  Budget = R 129 769 465.00  Expenditure = R 83 665 689.75
<b>Mpoza 500 (238 Units)</b>  <b>Builders Express CC.</b>  <b>End Date: August 2023</b>		Comp = 238  Expenditure = R 83 029 486.00
<b>Ingquza 76 (40 Units)</b>  <b>Wards 8,10,27&amp;31</b>  <b>Docraine</b>  <b>Start Date: 25 July 2022</b>  <b>End Date:31Jul'25</b>		Not Started = 1  Slabs =75  Walls = 75  Roofs = 75  Comp = 75  Budget = R13 599 177.00  Expenditure = R 12 099 271.00
<b>Ingquza 158</b>  <b>(Various Wards)</b>		Budget = R 29 250 266,00  Expenditure = R0.00
<b>Ingquza 500 Destitute (Various Wards)</b>  <b>Docraine</b>		Not Started = 316  Slabs =184  Walls = 169

PROJECT DETAILS	LOCATION	BUDGET
Start:30Nov'23  End: Nov'26		Roofs = 124  Comp =81  Budget = R135 556 070.00  Expenditure = R 29 619 878.00
INGQUZA 500 (390 Units)  (Ward 29)  Docrairie  Start: Jun'24  End: Jun'26		Not Started = 95  Slab = 295  Walls = 285  Roofs = 270  Comp =261  Budget = R 120 088834.10  Expenditure = R 71 535 000.00
Lubala 91 (58 Units) Destitute  Sdumo Trust		Not started = 58
LUSIKISIKI 1117 RECTIFICATION  (WARD 15)		The project was completed but is due for rectification (Demolish and rebuild)
UNITY PARK 1000 URBAN  (WARD 19) (ISUP PROJECT)		Not yet started
BABINI LANGA 1000  (WARD 7,9 &10) RURAL		Not yet started
SIMPHIWE MNGUNI 1000  (WARD 4,17 &13) RURAL	Not yet started	
ENKULULEKWENI 800 URBAN  (WARD 6)	Not yet started	
ZWELITSHA 800 URBAN  (WARD 19)	Not yet started	
LUSI PARK 800 URBAN  (WARD 19)	Not yet started	

## MHLONTLO LM

Name of the Project	Location	Budget
<b>Qumbu 500</b>	<b>Ward:15</b>	Slabs – 497
(L&R Construction)		Wall Plate - 468
<b>Ward:15</b>		Roof - 468
<b>Green Field Project</b>		Completions - 461
		Budget = R 74 141 300.00
		Expenditure= R 64 833 594.00
<b>Mhlontlo Tsolo 619 (282) (Mologadi A Nape)</b>	<b>Ward 1,3,4,5,6,7,26,</b>	Slab – 565
<b>Cluster 1</b>		Wall Plate - 557
<b>Ward 1,3,4,5,6,7,26,</b>		Roof – 537
		Completions - 537
		Budget = R 85,873,870.00
		Expenditure= R 49 814 622.44
<b>Maladini 104</b>	<b>Maladini</b>	Slabs – 104
(Docrairie Development, Governor Group)		Walls –104
<b>Start Date: 17 May 2021</b>		Roofs – 104
<b>End Date: 30 June 2023</b>		Completions - 104
<b>Ward 21</b>		
<b>Tsolo 500</b>	<b>Ward: 9 -</b>	Slab –500
(Mologadi/Dianah & Joyce)		Wall Plate - 500
<b>Ward: 9 -</b>		Roof – 500
<b>Green field Project</b>		Completions – 500
<b>Start Date: June 2014</b>		
<b>End Date: Dec 2020</b>		Budget = R 69,365,000.00

Name of the Project	Location	Budget
Mhlontlo Qumbu 619 (Brainwave):	Ward: 14, 8, & 13	Expenditure= R 69 365 000.00 Slab – 131
Cluster 2		Wall Plate -90
Mhlontlo 350 – Zama Zondo		Roof - 85
Ward: 14, 8, & 13		Completions -19
Start Date: March 2024		Budget = R 63,757,000.00
		Expenditure= R 2 849 000.00
Mhlontlo 241	Ward: 1, 2, 3, 4, 5, 6, 7, 8, 9,10,12, 13	Slab= 241
(Simply Do) &		Wall Plate=240
Sdumo Trust		Roof=240
Ward: 1, 2, 3, 4, 5, 6, 7, 8, 9,10,12, 13		Completions=240
Start Date: April 2014		
End Date: November 2022		
Mhlontlo Voucher 160	Ward: 1,11	Slab= 51
(L&R Construction)		Wall Plate=49
Ward: 1,11		Roof=47
Start Date: June 2019		Completions=46
End Date: March 2021		Budget =R16,169,917.00
		Expenditure= R 7,169,917.00
Qumbu 504 Rectification	Ward: 15	Slab – 447
(L & R Construction)		Wall Plate - 447
Ward: 15		Roof - 447
Start Date: June 2014		Completions - 447
End Date: March 2021		Budget - R 64,021,971.00
		Expenditure - R 44,970,896.00

Name of the Project	Location	Budget
Lotana 300 (144)	Ward 9,26	Slab – 142
Ward 9,26		Wall Plate – 142
TDG Construction		Roof - 142
		Completions – 142
		Budget - R 21 312 000.00
		Expenditure – R 15 816 200.00.
Chulunca 300 (231)	Ward 16 & 26	Slab – 231
Ward 16 & 26		Wall Plate – 231
TDG Construction		Roof – 231
		Completions – 231
		Budget – R 34 188 000.00
		Expenditure – R 27 5883 200.00
Mhlontlo 619 (350 units)		Not Yet Started
<i>Cluster 3</i>		
Ward: 12,17,19,20,22,25		
Mhlontlo 260	Wards: 1,2,3,4,5,6,7,8,9,10,11,12,13, 14,15,16,17,18,19,20,21,22,2 3,24,25,26	Construction started
Mhlontlo 76		
Various wards		
OR Tambo 385 (151) various wards		Started with slabs
Tsolo 424 rectification	Not Yet Started	
Name of the Project	Location	Budget
PORT ST JOHNS		
NAME OF THE PROJECT	LOCATION	BUDGET
PORT ST JOHNS 256 DESTITUTE		Slabs - 186

NAME OF THE PROJECT	LOCATION	BUDGET
(VARIOUS WARDS		Walls - 112
Ward 7,12, 10,11,14;15)		Roofs - 112
(O.R TAMBO 730)		Comp – 107
SIMPLY DO CONSTRUCTION		
(Various Wards)		Budget = R 41 321 134.00
Start Date: April 2014		Expenditure= R 19 652 292.00
End Date: January 2026		
PORT ST JOHNS 362 DESTITUTE		Slabs - 292
(VARIOUS WARDS		Walls - 243
Ward 7,12,10,11,14,15,33,35)		Roofs - 240
(O.R TAMBO 2016)		Comp – 230
SIMPLY DO CONSTRUCTION		Budget = R 58 143 962.00
Start Date: April 2014		Expenditure= R 35 830 949.00
End Date: January 2026		
PORT ST JOHNS 321	(WARD 6)	Slabs – 275
(RECTIFICATION)		Walls – 275
EVERITE PTY LTD		Roofs –275
Start Date: March 2017		Comp. - 270
End Date: March 2025		Budget = R 60 900 000.00
		Expenditure= R 44 911 088.00
OR TAMBO 850 (192) -Port St Johns	(Various Wards under	Slabs - 49
81 & Ingquza Hill 111	PSJ for 81 units)	Walls - 43
Ward 14,15,20,4,5,8,9,16		Roofs - 39
Mwendane Skill Provider CC		Comp - 39
Start Date: June 2021		



NAME OF THE PROJECT	LOCATION	BUDGET
End Date: June 2025		Budget = R 29 335 680,00
Ntafufu 350 (102 units)		Expenditure = R 14 473 720.00 Slabs – 10
Ward 12		Walls – 10
Zipsipro (Pty) Ltd		Roofs -10
Start Date: July 2023		Comp- 10
End Date: September 2025		Budget = R 17 400 078.00
Port St Johns 806		Expenditure= R 3 221 300.00 Slabs – 172
(Ward 09; 10; 17; 18)		Walls – 165
Nata Construction– 295 units		Roofs – 155
UmpHEME Dev- 102 units		Comp – 104
Sdumo Trust -350 units		Budget – R147 387 184.93
Start Date: April 2023		Expenditure – R 21 467 771.00
End Date: October 2026		
Lutshaya 1200 (350)		Slabs –20
Express Builders CC.		Walls – 10
Start Date: 15 April 2024		Roofs – 10
End Date: 31 April 2027		Comp – 0
		Budget – R65 257 500.00
		Expenditure – R 752 819.00
Mkhanzini 350	Ward 9	Slabs – 239
Ward 09		Walls – 226
GC Housing		Roofs - 193
Start Date: 15 April 2024		Comp – 141

NAME OF THE PROJECT	LOCATION	BUDGET
End Date: 31 April 2027		Budget – R 87 445 483.88
PSJ 50 (22) DESTITUTE	Ward 2	Expenditure – R 33 373 154.00
(WARD 2)		Slabs - 0
Ziphozethu (Pty) Ltd		Walls - 0
Start Date: April 2023		Roofs - 0
End Date: October 2026		Comp- 0
Lutshaya 300	Ward 10 & 17, 18)	Budget = R 3 530 296.00
(Ward 10 & 17, 18)		Slabs - 270
Sdumo Trust		Walls - 259
Top-Lee		Roofs - 252
Vitsha Civils		Comp – 211
Start Date: April 2023		Budget = R 56 989 200.00
End Date: December 2025		Expenditure = R 28 956 470.00
Bolani 97		Slabs - 2
Nebavest (Pty) Ltd	(Ward 10)	Walls - 1
Start Date: April 2023		Roofs - 1
End Date: October 2026		Comp – 1
		Budget = R 19 818 796.83
Port St Johns 806	(Ward 09; 10; 17; 18)	Expenditure – R 990 939.39
		Slabs – 172
		Walls – 165
		Roofs – 155
		Comp – 104
		Budget – R147 387 184.93

NAME OF THE PROJECT	LOCATION	BUDGET
<b>SOCIAL RELIEF 50</b>		Expenditure – R 21 467 771.00 Slabs - 0
<b>(10 UNITS UNDER EACH LM)</b>		Walls - 0
<b>OR TAMBO DISTRICT MUNICIPALITY</b>		Roofs - 0
		Comp- 0
<b>PORT ST JOHNS 200 Units</b>	<b>VARIOUS WARDS</b>	Budget = R 9 065 839.00 Not Yet Started
<b>(ALL WARDS)</b>		

#### NYANDENI LOCAL MUNICIPALITY

NAME OF THE PROJECT	LOCATION	BUDGET
<b>Mbhobheleni 1000</b>	<b>Mbhobeleni</b>	Slabs - 889
<b>(Mmaeshibe Construction)/ (WE Construction)</b>		Walls – 879
<b>Mbhobeleni</b>		Roofs - 842
<b>Start Date: July 2014</b>		Completions – 795
<b>End Date: 31 March 2025</b>		Budget =R 167 678 179.00
		Expenditure=
		R130 657 598.00
<b>Ngcolorha 350</b>	<b>Ngcolorha 350</b>	Slabs - 245
<b>(Ezulwini Construction)</b>		Walls – 243
<b>Start Date: 19 February 2024</b>		Roofs – 243
<b>End Date: 19 February</b>		Completions - 212
		Budget = R 87 741 062.00
		Expenditure=R 42 036 197.00
<b>MQWANGQWENI 1000(500 Units)</b>	<b>Mqwanqeni</b>	Slabs - 374

NAME OF THE PROJECT	LOCATION	BUDGET
(Mosegedi & Associates)		Walls – 294
Start Date: July 2014		Roofs – 241
End Date: 31 October 2025		Completions – 222
		Budget = R 75 844 252.00
		Expenditure=
		R 44 303 498.00
<b>Mampondomiseni 45</b>	Mampondomiseni	Slabs – 0
<b>(Real Deal Investors)</b>		Walls – 0
Start date: 18 Aug 2020		Roofs – 0
End date: 30 <sup>th</sup> September 2025		Finishes - 0
		Completions- 0
		Budget- R 8 930 912.40
		Expenditure – R0.00
<b>NYANDENI 669 Destitute &amp; Disaster Project</b>		Slabs – 520
<b>(Summerlane Trading)</b>		Walls- 515
Start Date: 28 October 2015		Roofs- 508
End Date: 23 May 2025		Completions- 495
		Budget =R122 339 094.00
		Expenditure=R 87 300 489.00
<b>NYANDENI 33 destitute</b>		Slabs= 32
<b>Summerlane Trading</b>		Walls = 32
The Project is an extension of scope to Nyandeni 669		Roofs = 32
Start October 2019		Completions= 32
End Date: May 2025		Budget = R 5 661 150.00
		Expenditure= R 5 460 570,000

NAME OF THE PROJECT	LOCATION	BUDGET
<b>Mgwenyane 350</b>	Mgwenyane	Slabs= 93
<b>(Motheo Construction)</b>		Walls = 92
<b>Start Date: 11 March 2024</b>		Roofs = 86
<b>End Date: 11 March 2027</b>		Completions= 50
		Budget = R 89 402 733.00
		Expenditure =
		R 14 895 387.00
<b>Ntsundwana Phase 1 (350units)</b>	Ntsundwana	Slabs= 0
<b>(Takela Group)</b>		Walls = 0
<b>Start Date: 21 February 2023</b>		Roofs = 0
<b>End Date: 21 February 2026</b>		Completions= 0
		Budget = R 54 668 400.00
		Expenditure= R 0.00
<b>Libode 1328 (350units)</b>		Slabs – 31
<b>(Reabusa Construction)</b>		Walls – 7
<b>Start Date: 29 February 2024</b>		Roofs - 5
<b>End Date: 29 February 2027</b>		Completions – 0
		Budget =R 61 950 000.00
		Expenditure= R 1 024 550.00
<b>NYANDENI 233 Disaster Project</b>		Slabs – 126
<b>(OR Tambo 730)</b>		Walls – 105
<b>(S'Dumo Trust)</b>		Roofs - 84
<b>Start Date: April 2014</b>		Completions – 98
<b>End Date: 31 March 2026</b>		Budget =R 46 151 712.00
		Expenditure= R 17 231 563.00

NAME OF THE PROJECT	LOCATION	BUDGET
<b>OR Tambo 850 (Nyandeni 137)</b> <b>Dignify Construction</b>  <b>Start Date: 9 June 2021</b> <b>End Date: 31 May 2025</b>		Slabs – 125  Walls – 119  Roofs – 110  Completions – 112  Budget =R 26 549 280.00  Expenditure= R 19 264 712.00
<b>Qhokama 1000 (350 Units)</b> <b>CHS Developments</b> <b>Ward 24</b> <b>Start Date: 14<sup>th</sup> January 2025</b> <b>End Date: 14<sup>th</sup> January 2028</b>	<b>Ward 26</b>	Slabs – 0  Walls – 0  Roofs – 0  Completions – 0  Budget =R 88 958 100.00  Expenditure= R 0.00
<b>Mankosi 1000 (350 Units)</b> <b>Phumelela-Dlomo Construction</b> <b>Start Date: 28<sup>th</sup> October 2024</b> <b>End Date: 28<sup>th</sup> October 2027</b>		Slabs – 0  Walls – 0  Roofs – 0  Completions – 0  Budget =R 89 402 733.00  Expenditure= R 0.00
<b>Military Veterans 84(Nyandeni 55 Various Wards Units)</b>  <b>Nebavest Pty LTD</b> <b>Start Date: September 2022</b> <b>End Date: September 2026</b>		Slabs – 15  Walls – 8  Roofs – 2  Completions – 0  Budget =R 15 440 840.00  Expenditure= R 2 706 358.00
<b>OR Tambo 385(Nyandeni 124 Units)</b>	<b>Various Wards</b>	Slabs – 0

NAME OF THE PROJECT	LOCATION	BUDGET
Start Date: September 2022 End Date: September 2026		Walls – 0  Roofs – 0  Completions – 0  Budget =R 25 093 415.00  Expenditure= R 0.00 Slabs – 0
OR Tambo 500 (Nyandeni 100) Various Wards Start Date: September 2022 End Date: September 2026		Walls – 0  Roofs – 0  Completions – 0  Budget =R 19 000 000.00  Expenditure= R 0.00 Slabs – 0
OR Tambo 132 (Nyandeni 44) Start Date: September 2022 End Date: September 2026	Various Wards	Walls – 0  Roofs – 0  Completions – 0  Budget =R 8 816 740.00  Expenditure= R 0.00 Slabs – 188
Nyandeni 370 Natha Construction Start Date: 26 <sup>th</sup> September 2022 End Date: 26 <sup>th</sup> August 2025	Various Wards	Walls – 149  Roofs – 122  Completions – 74  Budget =R 102 661 696.00  Expenditure= R 10 466 025.00 Slabs – 44
Gxulu 200 Mzomhle Construction & Nkwali Trading Start Date: 26 <sup>th</sup> September 2022	Wards 12,15, 8	Walls – 34

NAME OF THE PROJECT	LOCATION	BUDGET
End Date: 26 <sup>th</sup> August 2025		Roofs – 28
		Completions – 5
		Budget =R 52 954 800.00
		Expenditure= R 8 495 260.00
Nqeleni 420(120 Units)	Ward 21	Slabs – 30
Rectification		Walls – 20
Mzomhle Construction Start		Roofs – 20
Date: 26 <sup>th</sup> September 2022		Completions – 10
End Date: 26 <sup>th</sup> August 2025		Budget =R 31 958 404.00
		Expenditure= R 3 690 796.00

### 6.3.7 DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT

MUNICIPALITY	PROJECT NAME	DESCRPTION	BUDGET	Progress to date
KSD, PSJ & Nya ndeni LM	Working for the Coast	Strengthening of waste management through litter picking and coastal cleanup	3 M	Project is currently under planning will commence in June 2025 and end in November 2025
	PSJ- 91 participants			
	KSD- 60 participants			
	NLM- 60 participants			
Ingquza Hill LM	WORKING FOR THE COAST	Strengthening of waste management through litter picking and coastal cleanup	2M	Project is currently under planning will commence in June 2025 and end in November 2025
	IHLM- 100			



OR TAMBO DM	Alien Invasive plants project	Clearing of alien invasive in Strategic Water Source Area F		Project is still under supply chain processes.

## OTHER DFFE PROJECTS

Project Name	Status
KSD Climate Change Response Strategy	Series of workshop Draft Climate Change Response plan
Wild Coast Biodiversity Conservation and Development Initiative	Appointed service provider to develop the feasibility study
Development of Climate Change Response Strategy for the ORTDM	Commitment letter has been sent to the Accounting Officer

## 6.3.8 DEPARTMENT OF ENVIRONMENTAL AFFAIRS AND TOURISM 2025/2026

### Economic Development

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
Industrialization	Industrial development and manufacturing	Establish a special economic zone	Phase 1 of the 195 ha of land at Mthatha Airport approved for development on wild coast industrial park	Wild coast industrial, development and agro-processing hub in Mthatha	R21 million	Bulk infrastructure	DEDEAT/DTIC implemented by Coega Development Corporation
Informal business support	Survival and sustainability of small business-facilitate access to finance and non financial business support	Micro Small Medium Enterprise strategy:  Informal Business Support Strategy	2024-2025 OR Tambo DM summit hosted	Informal Business Support fund	R3 million	EC Province 6 Districts	DEDEAT
Enterprise development	Micro Small Medium	EC Provincial	pilot	Awareness and training workshop		2025/26	DEDEAT Economic

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
t	Enterprise support (MSME)	MSME strategy 2022-financial and non-financial support		<p>for formal and informal business (in collaboration with OR Tambo DM, LMs and financial institutions/ECDC)</p> <ul style="list-style-type: none"> <li>• Business registration support</li> <li>• Financial management</li> <li>• Hazardous analysis critical control point training for food processors &amp; handlers</li> </ul> <p>Facilitate packaging of industry priority sector applications to access finance in Local &amp; Regional Economic Development fund; Imvaba cooperative fund; Jobs fund and other funding instruments</p> <p>Support informal business</p> <ul style="list-style-type: none"> <li>• Informal business support program facilitate micro enterprise funding</li> </ul>	R82 000		Development
Consumer protection		Consumer awareness campaigns	Consumer complaints on retail stores	Workshop on the Right to fair value, good quality and safety and Food Safety Tips.	R53 000	June 2025 September 2025 January/F	DEDEAT office of the consumer protector

FOCUS AREA	KEY ISSUES/CHALLENGES	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
				<p>Exhibition on the Right to fair value, good quality and safety and Food Safety Tips.</p> <p>Workshop on Consumer Rights and Food Safety Tips.</p> <p>Conduct joint business compliance inspections with municipality</p>		February 2026	

### Environmental Management

FOCUS AREA	KEY ISSUES/CHALLENGE	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
Environmental Empowerment Services	Waste management	EPWP Environment & culture sector-support to local government	2024-2025, water use license and EIA approved	KSD LM waste management project	R1000 000	50	DEDEAT transfer to KSD LM
Environmental Empowerment Services (EES)	<p>Environmental degradation</p> <p>Loss of biodiversity</p> <p>Climate change resilience</p>	Environmental Awareness with municipality through EMF	Illegal sand mining in ecological sensitive areas on the wild coast threatening water resources and wetland ecosystems	<p>Awareness programs based on thematic area:</p> <ul style="list-style-type: none"> <li>Impact of climate change on biodiversity and natural species</li> <li>The significant challenges of freshwater resources</li> </ul>	R50 000	<p>Quarter 1</p> <p>Quarter 2</p>	DEDEAT (EES)

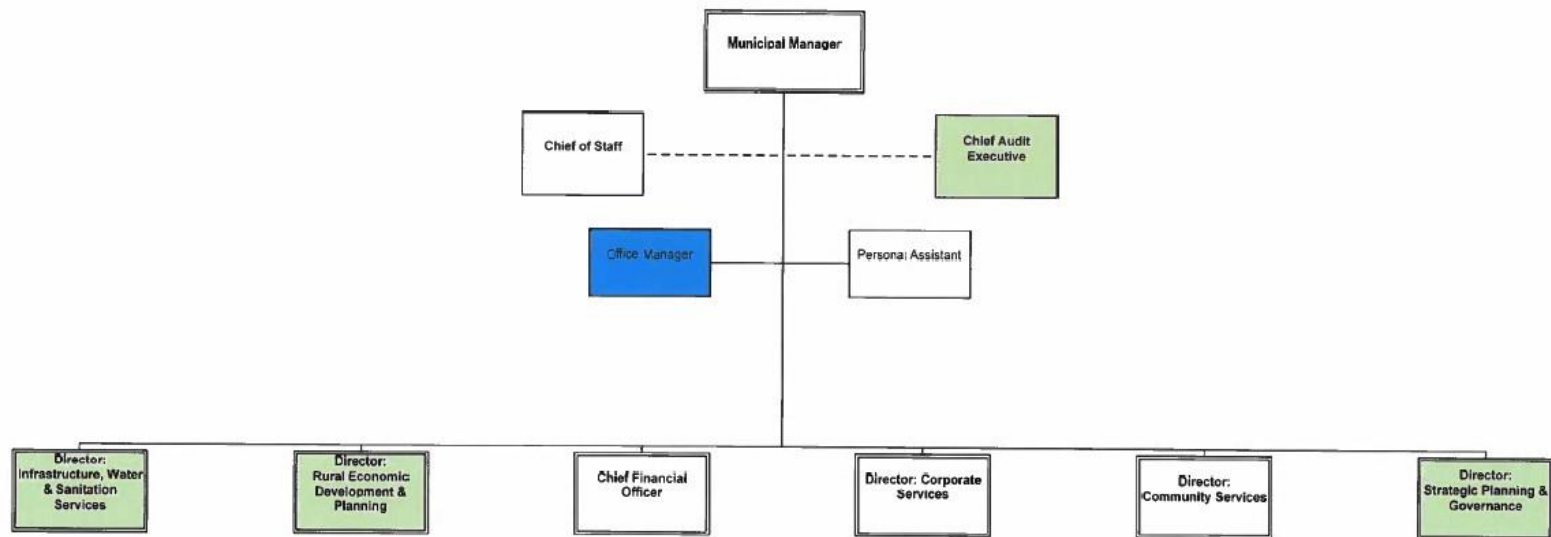
FOCUS AREA	KEY ISSUES/ CHALLENGE	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
		Environmental education and capacity building	Annual school environmental awards	Environmental Awards 2025/26 competition:  Primary schools <ul style="list-style-type: none"> <li>Waste management</li> </ul> High schools <ul style="list-style-type: none"> <li>Recycling as a practical tool</li> <li>Waste management innovation</li> </ul>	R100 000	Quarter 2 and 3	DEDEAT (EES)
Environmental quality and biodiversity management	Compliance with environmental legislation	Administration of environmental legislation and law enforcement	Illegal activities on the increase on the wild coast	Processing EIA applications etc  Greenest municipality award competition  Gazetting of public boat launch site- 4 coastal LMs  Review of Coastal Management Program  Gazetting of wild coast coastal development plan	Operational	2025/26	DEDEAT
Environmental Management	Climate change	Climate change program	Climate change assessment conducted	District nodal recycling and waste management <ul style="list-style-type: none"> <li>Waste</li> </ul>	R2 400 000	2025/26	DEDEAT

FOCUS AREA	KEY ISSUES/ CHALLENGE	STRATEGY	BASELINE	PROJECT IDENTIFIED	BUDGET	TARGET 2025/26	CUSTODIAN
				processin g facilities			

## ANNEXURE A: ORGANISATIONAL STRUCTURE



### O.R. TAMBO DISTRICT MUNICIPALITY APPROVED MACRO STRUCTURE



## **ANNEXURE B: IDP, PMS & BUDGET PROCESS PLAN**

# ANNEXURE C: SUMMARY ISSUES FROM COMMUNITY ENGAGEMENTS

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
MHLONTLO CLUSTER 1 – TSOLO TOWN HALL				
Name of Community member	Area/Village	Department Affected	Issue raised	Response
Councillor Vunguvungu	Ward 6	OR. TAMBO DM	<ul style="list-style-type: none"> <li>Concern regarding villages incorrectly mentioned</li> <li>Ward 7 Ncambedlana and Villages under Libode appear in Tsolo</li> <li>Libode Town Sewerage Upgrade</li> <li>The infrastructure must be upgraded</li> <li>No Water in Goqwana and in Tsolo Town</li> <li>Procurement system is very slow</li> <li>Delays in making payment to ESKOM by the District Municipality</li> <li>No water carting for the Funerals</li> </ul>	<ul style="list-style-type: none"> <li>The Office of the Director Strategic Planning will make amendments on the Documents</li> <li>The Sidwadweni Water Scheme will supply water.</li> <li>The issue will be discussed with the BTO office</li> <li>The error will be rectified</li> <li>This matter will be referred to ESKOM</li> <li>The Water scheme for Sidwadweni will be upgrade</li> <li>The Director for Water and Sanitation will make a follow up</li> </ul>
Councillor Khahla	Ward 4	O.R Tambo DM	<ul style="list-style-type: none"> <li>On page 42 Ward 2 and Ward 4 not included</li> <li>Mngqandanto water scheme no electricity</li> <li>Zibungu water scheme must be upgraded</li> <li>No water in Mthonyameni and Ncitshane</li> <li>Change the route in Cheka</li> <li>Shortage of operators in water schemes</li> </ul>	<ul style="list-style-type: none"> <li>The Error was noticed</li> <li>The District Municipality will attend to the concerns</li> <li>The area depends of Water from Sidwadweni Water Scheme</li> <li>To be supplied by Sidwadweni Water Scheme</li> <li>The village will also be supplied by Sidwadweni</li> </ul>
Cllr. Sophangisa		OR TAMBO	<ul style="list-style-type: none"> <li>Changes must be made in page 19</li> <li>The Sanitation project in ward 4 villages listed do not belong to this ward</li> <li>In page 20 also the villages do not belong to ward 4</li> <li>Mngceleni village does not have water</li> </ul>	<ul style="list-style-type: none"> <li>The matter will be referred to DOE</li> <li>This matter will be referred to Nkosi Mhlontlo LM</li> <li>Error is noted</li> </ul>



**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR**
**MHLONTLO CLUSTER 1 – TSOLO TOWN HALL**

Name of Community member	Area/Village	Department Affected	Issue raised	Response
			<ul style="list-style-type: none"> <li>No water in Ntibane Farms – ward 7</li> <li>Request construction of a borehole</li> <li>No Water in Manka village ward 3 and 7</li> <li>No water for flushing in Mdibanisweni Hall</li> </ul>	
Mr. Guqa Yongama	Lotana village	OR TAMBO	<ul style="list-style-type: none"> <li>No water in Lotana and was supposed to get water from Sidwadweni Water scheme</li> <li>Thandanani SSS was supposed to be constructed and Mchasa SSS</li> <li>The Community Hall in Ntsikhwe not completed</li> <li>In the document an error ward 14 in Ward 15</li> <li>In page 16 13A the villages belong to WARD 17</li> <li>Villages for 15 listed under ward 4</li> <li>Bajodini is under ward 15</li> </ul>	
Simphiwe	Ward 1	O.R. TAMBO	<ul style="list-style-type: none"> <li>In ward 1 rural Vouchers</li> <li>In Mdeni village Water Tank not functioning</li> <li>Intervention must be made in Gabazi</li> <li>No quality assurance done by the DM</li> <li>In Zibungu no water source</li> <li>Request for Protection of the Spring</li> </ul>	<ul style="list-style-type: none"> <li>The District Municipality is noting the issue</li> <li>The Ward Councillors must identify villages with no water that require Spring Protection</li> </ul>

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR****MHLONTLO CLUSTER 1 – TSOLO TOWN HALL**

Name of Community member	Area/Village	Department Affected	Issue raised	Response
Ms. Celiwe Phoswa	Ward 7	ESKOM	<ul style="list-style-type: none"> <li>No electricity in Ntshiqo</li> <li>The Electricity is not registered.</li> <li>No Toilets</li> <li>No Taps</li> </ul>	<ul style="list-style-type: none"> <li>This issue will be referred to Eskom</li> <li>The District Municipality is noting the issues</li> </ul>
Cllr Ranga	Ward 2	Water services	<ul style="list-style-type: none"> <li>The water scheme has not been working since 2016 in ward 2 and requested the scheme to be opened and increase the number of operators.</li> </ul>	
Wezile Mhlobo		Human Settlements & SPG	<ul style="list-style-type: none"> <li>Correcting pages 15,16 and 17 in the document, Disaster project service provider promised that within six 6 months it will be done.</li> </ul>	<ul style="list-style-type: none"> <li>The 3months in the 6months is for planning phase and there's a challenge on beneficiaries' duplication. And the project stopped because of funds.</li> </ul>

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR****KING MHLONTLO LOCAL MUNICIPALITY CLUSTER 2 – QUMBU TOWN HALL**

NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Mr Jabavu	13	ORTDM	<ul style="list-style-type: none"> <li>Unemployment</li> <li>Roads/ Maintenance Plan and water</li> <li>Monitoring of water trucks</li> <li>Pipe water burst in</li> <li>RDP houses</li> </ul>	

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR**
**KING MHLONTLO LOCAL MUNICIPALITY CLUSTER 2 – QUMBU TOWN HALL**

NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Mr Jabavu	13	ORTDM	<ul style="list-style-type: none"> <li>• Unemployment</li> <li>• Roads/ Maintenance Plan and water</li> <li>• Monitoring of water trucks</li> <li>• Pipe water burst in</li> <li>• RDP houses</li> </ul>	
		Mhlontlo ORTDM	<ul style="list-style-type: none"> <li>• 619 projects in Zamazondo</li> <li>• House from ward 14 that is showing in Mtata area</li> <li>• Mvumelwano water scheme – no water since 2019</li> <li>• Water tanks in the 9 villages and water provision in those tanks</li> </ul>	
Mthobeleni	Nkunzi		<ul style="list-style-type: none"> <li>• Monitoring and reporting of employment in projects</li> <li>• Bridge in</li> <li>• CWP people be supported financially bazokhuthala</li> </ul>	
Mr Ntlokwana	Ward 17 Ntsheleni		<ul style="list-style-type: none"> <li>• Water in Ntsheleni is a problem and currently granted from ward 15</li> <li>• In Mpumaze there dis a borehole where a pump was vandalised request for fixing</li> <li>• Ritas Yawa house (Project 260) was started in October no roofing as it was promised in December</li> </ul>	

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR**

**KING MHLONTLO LOCAL MUNICIPALITY CLUSTER 2 – QUMBU TOWN HALL**

NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
	Ward 13 Nyandeni village		<ul style="list-style-type: none"> <li>Housing contractor was introduced in 2023...soil samples were taken and steering committee appointed and nothing after and no reporting (Project 6119)</li> </ul>	
Bubekele Nyoka	Ward 19	King Mhlontlo  O.R. TAMBO	<ul style="list-style-type: none"> <li>Electricity extensions 30 people in ..... village</li> <li>Water in .....village, pipes underground but no water</li> <li>Toilets in all villages of ward 19</li> </ul>	
Portia Mbeceni	Ward 20	<ul style="list-style-type: none"> <li>Eskom</li> <li>ORTDM</li> <li>Mhlontlo LM</li> </ul>	<ul style="list-style-type: none"> <li>No electric at Ithwa</li> <li>RDP houses for those that were identified and nothing</li> <li>Roads in ward 20 no roads and the bridge that was recently built iwile</li> <li>Ntibane Malamlela no toilets</li> <li>Youth at Ethwa – support for Agric project</li> </ul>	
Ms Nongcawula	WARD 21		<ul style="list-style-type: none"> <li>Water in Esitishini the dam needs to be fenced and distilled</li> <li>Community water tank is leaking</li> <li>House was approved but the building was delayed</li> </ul>	
Mrs Ntabebhongo	Tholeni		<ul style="list-style-type: none"> <li>Tholeni Borehole needs attention</li> <li>Toilets are still a challenge</li> </ul>	

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR****KING MHLONTLO LOCAL MUNICIPALITY CLUSTER 2 – QUMBU TOWN HALL**

NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
			<ul style="list-style-type: none"><li>Roads in a very bad condition</li><li>619 project is a challenge</li></ul>	
			<ul style="list-style-type: none"><li>Ward 25 – Boreholes water scheme pipes were damaged – fixing requested</li></ul>	

**KSD LOCAL MUNICIPALITY****CLUSTER NO 1 – MQANDULI – TOWN HALL**

NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Luxolo Tayi	Makhenkesi	O.R Tambo	<ul style="list-style-type: none"><li>Sewerage Spillage – flowing to houses</li><li>running water in Town</li><li>Sewerage Plant – Fuzile and Zozo Family</li><li>The community request to meet the two families – Zozo and Fuzile</li><li>Sewerage Spillages – flow in the House and letter written to lawyers.</li><li>Tar Road will be affected by the Sewerage Spillage.</li><li>Waste water treatment plant not being completed.</li><li>No water from Lukhwethu Regional</li></ul>	<ul style="list-style-type: none"><li>The KSDLM and OR Tambo, and the affected family must meet and discuss the issue of land.</li><li>The Forestry must be removed to complete the Wastewater Treatment Plant</li><li>The families refused to use the servitude line in Mqanduli</li></ul>

KSD LOCAL MUNICIPALITY				
CLUSTER NO 1 – MQANDULI – TOWN HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
			Water Scheme <ul style="list-style-type: none"> <li>Concern that officials are not accountable.</li> <li>No portable water in Ngqwarha.</li> </ul>	
Andiswa Zalu	Ward 29 – Town	O.R. TAMBO	<ul style="list-style-type: none"> <li>Manholes are open and people get trapped in the Manhole</li> <li>Challenge about Disaster incidents</li> <li>5 people wiped away with water</li> <li>No access roads and bridges.</li> <li>Access roads not in good conditions</li> <li>Roads in the main road.</li> </ul>	<ul style="list-style-type: none"> <li>The mahole was constructed by Shoprite not the Municipality and they were</li> <li>The matter will be referred to KSDK LM</li> <li>This matter wil be also referred to KSDLM</li> <li>Department of environmental Health must intervene on the issue of sewerage spillage</li> <li>A session must be arranged with Mr. Zozo and Mr. Fuzile including the - Executive Mayor and O.R Tambo DM to discuss the issue of land in Mqanduli</li> </ul>
Vukile Xingwane	Ward 29	O.R. TAMBO	<ul style="list-style-type: none"> <li>Spillage sewer causes diseases</li> <li>Water not consumable</li> <li>No medication from the Clinics</li> </ul>	
Cllr Mtshakazana	Macoza Ward 28	O.R. TAMBO	<ul style="list-style-type: none"> <li>Lukhwethu Bulk Water – Speed the process of procuring equipment</li> <li>The Department does not have maintenance and monitoring plan.</li> <li>Commended the District in Macoza Ward 28 – for the swift response.</li> <li>Request for the temporal structure</li> </ul>	<ul style="list-style-type: none"> <li>Challenges was vandalism</li> <li>The scheme does not have electricity</li> <li>The Source was not enough</li> <li>Honey suckers were hired by the District Municipality</li> </ul>

KSD LOCAL MUNICIPALITY				
CLUSTER NO 1 – MQANDULI – TOWN HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
			<ul style="list-style-type: none"> <li>Sanitation – Distribution of Sanitation – Servicing of the Toilets or Sludge Sucking</li> <li>Matheko RDP Housing not completed request ORTDM to make follow up – more than 15 years RDP Housing</li> </ul>	
Cllr Marasha	Ward 29	O.R. TAMBO	<ul style="list-style-type: none"> <li>Taps without water –</li> <li>Disaster emergency houses – Temporal Houses not removed to assist other communities</li> <li>Makhenkesi – No Sanitation, Access Roads</li> <li>Access Roads – maintenance</li> <li>Maintenance of the Toilets – Sludge sucking</li> <li>Water carting to the Funerals</li> <li>Selling of water by the drivers.</li> </ul>	<ul style="list-style-type: none"> <li>The removal of temporal structures after a stricture was build – the communities refused to remove these structure</li> <li>The capacity of providing sanitation was more than the households</li> <li>Communities must report fraudulent activities</li> </ul>
	Ward 24	KSD LM	<ul style="list-style-type: none"> <li>Tourism initiatives</li> <li>Assistance with programme Coastal patrollers</li> <li>Commend the projects for water</li> </ul>	<ul style="list-style-type: none"> <li>The REDP Office will attend to the issue</li> <li>The function is no longer in the district municipality</li> </ul>

KSD LOCAL MUNICIPALITY				
CLUSTER NO 1 – MQANDULI – TOWN HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Mr. Makeleni	Gogozayo	Human Settlements  KSD LM  OR TAMBO DM	<ul style="list-style-type: none"> <li>• 350 unit in Mahlangu – not completed</li> <li>• The terrain is very bad</li> <li>• Construction of access road</li> <li>• Water scheme in Chungwana and Mahlangu need refurbishment</li> </ul>	<ul style="list-style-type: none"> <li>• Matter will be referred to Human Settlements</li> <li>• Access Road will be referred to KSD LM</li> <li>• There is programme to refurbish the water schemes</li> <li>• Director Infrastructure water and sanitation to attend to matter of monitoring and Water carting</li> <li>• Matter be referred to KSDLM</li> </ul>
	Ward 26 – Qhingqolo	O.R. TAMBO	<ul style="list-style-type: none"> <li>• White Elephant schemes not functional</li> <li>• No water in the Boreholes</li> <li>• Monitoring and evaluation of the projects</li> <li>• Project steering committee – no plough back</li> <li>• In complete projects by contractors – no monitoring</li> <li>• The trucks not being monitored and supervised thoroughly</li> <li>• Water carting to the funerals not operating well</li> </ul>	
Ms. Dambuza	Ndakana	KSDLM	<ul style="list-style-type: none"> <li>• Bridge washed away</li> <li>• No access Road</li> </ul>	



CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR					
KING SABATA DALINDYEBO CLUSTER 1 – MTHATHA TOWN HALL					
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE	
Xozie		KSD LM	<ul style="list-style-type: none"> <li>Concern regarding the rates – how are they calculated</li> <li>Installation of Meters to Peri Urban</li> <li>The Block yard how will they be measured</li> <li>When will the program for billing peri urban start date</li> </ul>	<ul style="list-style-type: none"> <li>The BTO section must attend to the issue</li> <li>Consultation was made with community members</li> <li>Programme will start with the business sector</li> <li>The project is Multi year programme and budget is R10m</li> <li>Application status will be made</li> <li>An assessment was made</li> <li>The Ward Councillors must meet the MMC for Human settlements with the list of Household with no sanitation</li> <li>A team from the ORTDM will be sent to check temporary interventions in ward 12</li> </ul>	
			<ul style="list-style-type: none"> <li>- p.g. 41 – Mhlahlane Water Scheme</li> </ul>		
	Bolompo (Ward 24)	O.R. TAMBO	<ul style="list-style-type: none"> <li>Concern that the IDP does not accommodate the community from the Rural Areas.</li> <li>Ward 24 Disaster no structure has been constructed</li> <li>Sanitation – not yet constructed</li> </ul>		
	Ward 12 Mthatha West (Mt Pleasant)	O.R. TAMBO	<ul style="list-style-type: none"> <li>Filling of tanks</li> <li>Wastewater Treatment is available but there is no water</li> <li>Sanitation not installed</li> </ul>		
Schwebu	Ward 04		<ul style="list-style-type: none"> <li>MIG Project prioritization – Ward 04 and 19 not included</li> </ul>	<ul style="list-style-type: none"> <li>The concern will be attended by the IWS</li> <li>The issue will be attended by the ORTDM</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
KING SABATA DALINDYEBO CLUSTER 1 – MTHATHA TOWN HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			<ul style="list-style-type: none"> <li>Pipe upgrading</li> </ul>	<ul style="list-style-type: none"> <li>Billing will be implemented</li> <li>The issue will be referred to the KSDLM</li> <li>The matter will be referred to Human Settlement department</li> <li>The matter will be escalated to Cogta</li> </ul>
Business Sector	Ward 4 – Bongweni	O.R. TAMBO KSDLM	<ul style="list-style-type: none"> <li>Concern regarding the issue of shortage of Water caused by Business Sector</li> <li>The Residential Place for students causes shortage of Water</li> <li>Access road very bad.</li> <li>RDP Houses not completed since 2015</li> <li>Bongweni Phases not included</li> <li>Concern re issue of Demarcation</li> <li>Concern that they will register in Mqanduli</li> <li>O.R. Tambo and KSDLM took all the concerns, but nothing has been done</li> </ul>	
Notho (Rate Payer and Residents)	Ward 08	O.R. TAMBO DSRAC	<ul style="list-style-type: none"> <li>Statements – Bills for Water</li> <li>Reading of meters – Concern the bill was the same every month</li> <li>The bill will be the same whilst not around</li> <li>Request from the ORTDM – Physical Training – (Desk for Counselling for those emotionally affected)</li> </ul>	<ul style="list-style-type: none"> <li>The ORTDM BTO to consider both issues</li> <li>The matter will be escalated to the office of the Executive Mayor</li> <li>DRDAR to consider the matter</li> <li>The KSDLM to consider the matter</li> <li>By Laws will be implemented by the ORTDM</li> <li>The ORTDM must attend to the issue</li> </ul>
		DRDAR AGAPE CARING CENTRE	<ul style="list-style-type: none"> <li>Fencing of the Garden and Supply of water</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCILA YEAR				
KING SABATA DALINDYEBO CLUSTER 1 – MTHATHA TOWN HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
Ward 06	Ward 06	O.R. TAMBO	<ul style="list-style-type: none"> <li>No projects or programme for Ward 6</li> <li>Thorn Hill – Raw Water Treatment Plant to be fixed</li> <li>Sewer Spillage on top of Savoy</li> <li>Sewer Spillage in Sidwadwa</li> <li>Pipe Burst next to ECDC</li> <li>Concern regarding the dilapidating infrastructure</li> </ul>	
Ward 08	Ward 08	O.R. TAMBO DM	<ul style="list-style-type: none"> <li>The Rate Payers do not feature in the Documents – Ward 08 is excluded</li> <li>The Dilapidating infrastructure causing pipe burst and What is the plan to maintain the pipe</li> <li>The Manhole not fixed</li> <li>Incentives for those rate payers who are up to date with rates.</li> <li>Installation of Water Tanks</li> </ul>	<ul style="list-style-type: none"> <li>Error will be rectified</li> <li>The Fat trap was no installed by the business owns and causing pipe burst and sewerage spillages</li> <li>Incentive scheme was issued to those rate payers who were up to date</li> <li>The ORTDM will attend to the issue</li> </ul>

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
Xolisa	Ward 12	O.R. Tambo DM	<ul style="list-style-type: none"> <li>Ntshingo at Ward 13, request for</li> </ul>	<ul style="list-style-type: none"> <li>The O.R Tambo DM will attend to the</li> </ul>

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			security in the borehole	matter <ul style="list-style-type: none"> <li>The matter be referred to DOE</li> <li>Provision of the water tank as temporary measure</li> </ul>
Xolisa	Ward 14	DOE / O.R TAMBO	<ul style="list-style-type: none"> <li>No water supply especially around the high school at Goqolo. Taps have been installed.</li> </ul>	
Mr Ngalo	Ward 15	O. R TAMBO DM	<ul style="list-style-type: none"> <li>No water supply. They access water occasionally. The community is dependent on one tap. They request provision of water tanks</li> <li>All houses at Slovo are leaking they request for major renovations</li> </ul>	
Nomamponomise Hanise	Manzamnyama Ward 17	INGQUZA HILL LM	<ul style="list-style-type: none"> <li>They have been requesting for Bridge at Manzamnyama. It takes away people during floods.</li> <li>Human Settlements left foundations long time ago there has been no progress.</li> </ul>	
Bulelwa Nozaza	Ward 20 at Mcobothini	O.R. TAMBO	<ul style="list-style-type: none"> <li>The presentation did not involve ward 20 and there has been no service delivery including water and houses. They could only access water only for 10 days.</li> <li>Toilets that were provided 10 years ago are full.</li> <li>No Access roads, Crime and GBVF.</li> </ul>	<ul style="list-style-type: none"> <li>The Municipality is noting the matter</li> <li>Matter be referred to IHLM</li> <li>There is progress for construction of Boreholes</li> </ul>

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			Ward Cllr is not visible to the ward.	
Nokuthula Sokuthu	Slovo	INGQUZA HILL LM	<ul style="list-style-type: none"> <li>Access Rods and community hall is leaking.</li> <li>Houses are leaking.</li> </ul>	
Sibulali	Ward 22	O.R. TAMBO DM	<ul style="list-style-type: none"> <li>Budget is not sufficient. There is a work in progress for bore holes however they are interested in the functionality and time frames.</li> <li>Vandalism in bore holes.</li> <li>Contractor at Gwexintaba has finished the project but there is no water supply.</li> </ul>	
Mr. Kwaza	Ward 04	O.R TAMBO DM	<ul style="list-style-type: none"> <li>In 2023 Roadshows non-availability of water has been reported and the water has not been provided</li> <li>Mfinizweni only mention Mhlophekazi and the scheme has not been functioning. The question is around maintenance at ward 04 because the infrastructure is in place</li> <li>Request for the additional of water tanks</li> <li>Ludiwane water scheme does not involve ward 04 and there are taps</li> </ul>	<ul style="list-style-type: none"> <li>There is programmes in place to refurbish the water scheme</li> <li>Provision of water tanks</li> <li>The O.R. Tambo DM has noted the concern of Mbhayi Makhela</li> <li>There must be awareness campaigns</li> <li>The matter will be referred to IHLM</li> <li>Community awareness campaigns on the issue of vandalism</li> <li>Issue of Bridges must be attended by the Local Municipality</li> </ul>

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			<ul style="list-style-type: none"> <li>that are connected to the scheme.</li> <li>Mbhayi,makhela and nozulu village must be included in the planning for the next financial year.</li> <li>No VIP toilets at ward for especially for extensions.</li> </ul>	<ul style="list-style-type: none"> <li>In Goqolo the problem was a pump and it's been ordered</li> <li>The Municipalities will get the details for Joe Slovo and make a follow up</li> </ul>
		IHLM	<ul style="list-style-type: none"> <li>Vandalism of schemes.</li> <li>The community request EPWP personnel to take responsibility of security.</li> <li>Bridged destroyed because of floods. Learners are unable to go to school especially at Ngobozane and New</li> </ul>	
Phangindawo	Ward 14	IWS	<ul style="list-style-type: none"> <li>There are taps in Goqola Village the taps are dry no water.</li> </ul>	
Vusumzi	Ward 15	IWS	<ul style="list-style-type: none"> <li>There is no water, the village is using only 1 tap maybe OR. Tambo can help by putting tanks, RDP houses are lacking in Slovo.</li> </ul>	
Sbonisile	Ward 22	IHLM/ O.R TAMBO DM	<ul style="list-style-type: none"> <li>At ward 19 there is no water supply.</li> <li>Learners at Mzintlava and Nkqubela there are crossing dangerous rivers,</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			they request any kind of intervention	
Mzingaye	Ward 16	IHLM / O.R. TAMBO DM	<ul style="list-style-type: none"> <li>Request for more budget for Access to water.</li> <li>Request for borehole at ward 16 to service Malangeni and Nkunzimbini</li> <li>offices that service Ingquza hill does not assist communities on their requests.</li> </ul>	
Mbata	Ward 14	O.R. TAMBO DM	<ul style="list-style-type: none"> <li>Unemployment, EPWP employees that are at Ingquza are form PSJ except one person who is from the family of their Cllr.</li> <li>Request for Sludge removal</li> </ul>	
Cllr Mqobo	Ward 02	O.R TAMBO DM	<ul style="list-style-type: none"> <li>Request assistance from ORTDM as Cllrs especially on matters regarding water and sanitation.</li> <li>Kuqhasha, Ntontela ,Luthuthu,Gcuda and Luvaleleni there has been Tanks that were installed to be supplied by nearest dams in the area . There are with no water because no infrastructure that was made.</li> <li>Norhasaza Borehole has no water supply.</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
		O.R. TAMBO DM	<ul style="list-style-type: none"> <li>The document does not reflect inputs from the last IDP.</li> </ul>	
Bulelwa Nozaza	Ward 20 Mcobothini Village	IWS & H/Settlements	<ul style="list-style-type: none"> <li>No water, No RDP houses and toilets, they submitted petition, and they don't even see their ward councillor, the Hall is not in good condition, the Municipality doesn't maintain the hall and no access road in ward 22. The budget for 2025/26 is not enough boreholes are not functional; others were vandalized, they need security in the schemes and there's EPWP to be used for security</li> </ul>	<ul style="list-style-type: none"> <li>OR Tambo has no authority its Human Settlement, the Municipality is only coordinating and implementing</li> <li>Ward 16 the borehole needs to be checked first and get tested.</li> <li>Uther Homes, Ludumo Contractors left because they were not doing their job, but the new contractor is appointed, and the municipality is aware of the water crisis in Uther homes and we its working with WSIG and maybe by June they will get water.</li> </ul>
Mhlawuli	Ward 22	IWS	<ul style="list-style-type: none"> <li>The borehole was installed but never had water, no access road, school kids in Mzintlava and other schools cross the bridge when going to school and it's not safe, ward 16 is not mentioned in the document, and the borehole is needed in Nkunzimbini &amp; Mlangeni village.</li> </ul>	
	Ward 19	O.R. TAMBO DM	<ul style="list-style-type: none"> <li>There is a Sewer project at Uther and the contractor left and the project is not done, no water in new</li> </ul>	



CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL – CLUSTER 1 – SLOVO HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			town and Uther, road surfacing the contractor was introduced but it was not started.	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL LOCAL MUNICIPALITY – CLUSTER TWO – BISI COMMUNITY HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
Zolile Sukanika	05	ORTDM	<ul style="list-style-type: none"> <li>Water</li> <li>One household left out during the construction of toilets citing distance</li> </ul>	
Zolile Camagwini	05		<ul style="list-style-type: none"> <li>Progress on construction of springs as per request in 2021</li> <li>Bisani and Gxelesha access roads require maintenance, children do not go to school on rainy days.</li> <li>Clinic and streetlights at Dikidikini</li> <li>Assistance on Cannabis Production in Ingquza Hill, particularly youth empowerment.</li> </ul>	
			<ul style="list-style-type: none"> <li></li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL LOCAL MUNICIPALITY – CLUSTER TWO – BISI COMMUNITY HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
Mbazana Xolile	Ward 07	ESKOM  IHLM	<ul style="list-style-type: none"> <li>No fire rescue in due to</li> <li>Streetlight at Bhekabantu School.</li> <li>Electrification and water connection in new extensions</li> <li>Poor road conditions and connecting bridges</li> </ul>	
Simlindile Bhomela	Ward 07	Dept of Transport	<ul style="list-style-type: none"> <li>Request for RDP Houses</li> <li>Scholar Transport for children to Bhukazi High School</li> <li>Youth Unemployment</li> </ul>	
	Ward 09		<ul style="list-style-type: none"> <li>Water connected in 2014 but never flow</li> <li>Infrastructure Vandalism</li> <li>Broken bridge</li> <li>Sanitation- No access to toilet facility</li> <li>Destitute families without proper housing, other houses are vandalized by disaster</li> </ul>	
	Ward 09		<ul style="list-style-type: none"> <li>Water connected in 2014 but never flow</li> <li>Infrastructure Vandalism</li> <li>Broken bridge</li> <li>Sanitation- No access to toilet facility</li> <li>Destitute families without proper housing, other houses are vandalized by disaster</li> </ul>	
Lunga Maqikiqa	- Ward 11	IHLM/	<ul style="list-style-type: none"> <li>Construction of Nzaba Bridge</li> <li>Toilets</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL LOCAL MUNICIPALITY – CLUSTER TWO – BISI COMMUNITY HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
			<ul style="list-style-type: none"> <li>• RDP Houses, others are left incomplete</li> <li>• Monitoring of municipal projects</li> </ul>	
Luthando Caleka	05	O.R. TAMBO	<ul style="list-style-type: none"> <li>• Housing</li> <li>• Toilets for new extensions, those who got them in 2010 are full</li> <li>• Water across the ward</li> <li>• No visibility of disaster personnel and assistance during disastrous incidents.</li> <li>• Ngcuzana Bridge never constructed despite continuous promises.</li> <li>• Bisani Access Road</li> </ul>	
- N	27	O.R. TAMBO  O.R. TAMBO	<ul style="list-style-type: none"> <li>• Toilets for eight new extensions</li> <li>• Sludge removal for existing toilets</li> <li>• Streetlight crossing next to holy cross hospital is not working</li> <li>• Mqhume Borehole not working</li> <li>• Vulindaba Borehole does not supply all communities</li> <li>• Izindlu zomxhaso (RDP Houses) claimed to be built but never build</li> <li>• Eighty five year old women living in a shack, despite appearing in the list for Holy Cross</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
INGQUZA HILL LOCAL MUNICIPALITY – CLUSTER TWO – BISI COMMUNITY HALL				
NAME OF COMMUNITY MEMBER	AREA/VILLAGE	DEPARTMENT AFFECTED	ISSUE RAISED	RESPONSE
Ntombikhona	27	O.R. TAMBO	<ul style="list-style-type: none"> <li>• Bad roads leading to Ndaliso SSS</li> <li>• Electrification of new extensions</li> </ul>	
Lithakazi Sobantu		O.R. TAMBO	<ul style="list-style-type: none"> <li>• Tawuka and Lower Qoqa- No water</li> <li>• Fixing of Borehole</li> <li>• Toilets</li> </ul>	
Melikhaya Mankoboshe		O.R. TAMBO	<ul style="list-style-type: none"> <li>• Temporal Houses at Mphumazi</li> <li>• RDP houses left incomplete at Mphumazi</li> <li>• Transportation of Community Members</li> </ul>	
Siphiwo Mdutshane	Ward 31	O.R TAMBO	<ul style="list-style-type: none"> <li>• </li> <li>• Transportation of community members to Roadshows</li> <li>• Request for toilets made and lists submitted</li> <li>• Borehole at Xhophozo not supplying water to the communities</li> <li>• Water supply at Bhungeni Village</li> <li>• Xhophozo 500 housing project ongoing</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR
NYANDENI CLUSTER 1– NGQELENI TOWN HALL

NAME COMMUNITY MEMBER	OF	Area/Village	Department Affected	Issue raised	Response
Ngozi		Ward 21	Human Settlements	<ul style="list-style-type: none"> <li>Monitoring of projects and disaster to have enough budget</li> </ul>	
Sigqibo			IWS	<ul style="list-style-type: none"> <li>There is no water in Maqanyeni Village, they need a bridge that goes to town.</li> </ul>	
Noluvo Mdadla		Ward 22	IWS	<ul style="list-style-type: none"> <li>Water crisis, Mdokozi, Mthokwana no operators, 400 toilets in Mthokwana were promised.</li> </ul>	
Dluthu		Ward 21	IWS	<ul style="list-style-type: none"> <li>Unemployment, Water and sanitation challenge in the village.</li> </ul>	
Nonathi Mfengu		Ward 26	IWS	<ul style="list-style-type: none"> <li>Water and sanitation challenge.</li> </ul>	
Klass			Human Settlements	<ul style="list-style-type: none"> <li>Is there any emergency grant for disaster? There was a disaster in 2021 but till today nothing has been done, only 420 were approved in 1994, revisitation of town in the budget, rezoning and fencing</li> </ul>	
Boyce Vusumzi		Ward 21	IWS	<ul style="list-style-type: none"> <li>The issue of unemployment.</li> </ul>	
Sobhuza		Ward 21		<ul style="list-style-type: none"> <li>Mngazana access road to road to Nyandeni the gravel road needs maintance.</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
NYANDENI CLUSTER 1– NGQELENI TOWN HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Bhushula Pumla	Ku Nomadolo	IWS	<ul style="list-style-type: none"> <li>The water scheme was vandalized, Thekwini regional scheme has no operators and no water in Hamsini.</li> </ul>	
Molose	Ward 22	IWS	<ul style="list-style-type: none"> <li>Water and sanitation.</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCILA YEAR				
NYANDENI CLUSTER 2 – LIBODE HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Sgqibo	Maqanyeni	ORTAMBO NYANDENI LM	<ul style="list-style-type: none"> <li>No water in Maqanyeni</li> <li>Water dam in Nzwakazi but village does not have water</li> <li>No bridge connecting Maqanyeni and Town               <ul style="list-style-type: none"> <li>Key Performance Indicators are not smart; baseline is not relevant (e.g EPWP indicator has a dual description).</li> </ul> </li> </ul>	
Matholandile Nkosi	Ward 21	ORTDM	<ul style="list-style-type: none"> <li>Projects under implementation must be monitored</li> <li>Funding allocation for disaster incidents. Victims must not be supported with blankets</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR					
NYANDENI CLUSTER 2 – LIBODE HALL					
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response	
Noluvo Mdali	Ward 22	ORTDM	<ul style="list-style-type: none"> <li>Two villages (Mgonondi, &amp; Mthokwana) out of five villages</li> <li>400 toilets promised at Mthokwana never built</li> <li>- Water carting is never available for funerals</li> </ul>		
Mrs Dluthu	Ward 21	ORTDM	<ul style="list-style-type: none"> <li>Lack of employment opportunities</li> <li>Drug abuse and crime</li> <li>Water- Heavy reliance on water tanks.</li> <li>- Sewerage Spilling in town</li> </ul>		
Nonathi Mfengu	Ward 26		<ul style="list-style-type: none"> <li>Mbhabha, Njiveni, Mngadi do not have water despite having water pipes for around 9 years</li> <li>Request for assistance of life guards</li> <li>No toilets and showers at the beach</li> </ul>		
			<ul style="list-style-type: none"> <li>Clarity around emergency housing grant? Is it for disaster incidents?</li> <li>No beneficiaries for disaster housing projects, Patrick Madikizela and Gogobala kids were identified as beneficiaries but never got houses.</li> <li>Only project 420 was approved since 1994, no other projects were ever implemented</li> <li>Pilot project for 30 households, never connected to the sewer line.</li> <li>Revitalization of the towns and rezoning budgeted? Can't the municipality cater for that.</li> </ul>		

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR**
**NYANDENI CLUSTER 2 – LIBODE HALL**

NAME COMMUNITY MEMBER	OF Area/Village	Department Affected	Issue raised	Response
			<ul style="list-style-type: none"> <li>• Vandalism and theft of infrastructure in water schemes/boreholes (gates and fencing).</li> <li>- Tempering and illegal connection of water pipes</li> </ul>	
Vusumzi Boyse	Ward 24		<ul style="list-style-type: none"> <li>- People from Mbange are not employed in projects</li> </ul>	
Mrs Sobuza	Ward 21- Mngazana		<ul style="list-style-type: none"> <li>• No main road</li> <li>• No bridges, community was advised that the road belongs to public works</li> <li>- No access road at Mngazana</li> </ul>	
Pumla Bhushula	Nomadolo		<ul style="list-style-type: none"> <li>• Break-in at Nomadolo water supply in 2022 and never fixed. How far is the municipality in terms of its plans to fix the scheme</li> <li>• Hamsini does not have water as well</li> </ul>	
Cllr Molose	Ward 22		<ul style="list-style-type: none"> <li>- Mthokwane village and other new households do not have households</li> </ul>	
Cllr Thyopo			<ul style="list-style-type: none"> <li>• Social Relief Housing for the most destitute</li> </ul>	

**CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR**
**PORT ST JOHNS CLUSTER 1- PORT ST JOHNS TOWN HALL**



NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Zwelonke	Ward 6	IWS	<ul style="list-style-type: none"> <li>Water &amp; sanitation, public toilets that the community can't use because they have to pay, need showers in the second beach.</li> </ul>	<ul style="list-style-type: none"> <li>It is the function of the Local Municipality.</li> <li>The housing of military veterans out of 85 the Municipality only have 30 beneficiaries and only 5 in PSJ.</li> <li>Pantu has water up to Cremorne, maybe it's the other portion, Public Toilets is the function of the Local Municipality.</li> </ul>
		H/ Settlements	<ul style="list-style-type: none"> <li>Houses for Military veterans, the scheme that supply town</li> </ul>	
Makonga			<ul style="list-style-type: none"> <li>Cleaning, fencing and security, if the municipality can supply the purge, lifeguards don't have enough shelter, claims for disaster in 2020 nothing happened till today.</li> </ul>	
N. Sihlelo	Ward 6	IWS	<ul style="list-style-type: none"> <li>In Pantu there's no water, electricity, and toilets are not clean at the rank.</li> </ul>	
Ntombodumo		REDP	<ul style="list-style-type: none"> <li>In 2<sup>nd</sup> beach toilets are dirty, no showers.</li> </ul>	
Noxongwana	Zwelitsha	IWS	<ul style="list-style-type: none"> <li>In Zwelitsha there are tanks but no enough water.</li> </ul>	
Mkhuseli	Ward 6	IWS	<ul style="list-style-type: none"> <li>Crime and drug use in Nonqevu village, no taps and tanks are not provided.</li> </ul>	
Tyhudisa			<ul style="list-style-type: none"> <li>The disaster of 2022 there are people who never got temporal structures.</li> </ul>	

CONSOLIDATED IDP ISSUES FOR 2025/2026 FINANCIAL YEAR				
PORT ST JOHNS CLUSTER 2. NOMVALO COMMUNITY HALL				
NAME OF COMMUNITY MEMBER	Area/Village	Department Affected	Issue raised	Response
Kutala	12		<ul style="list-style-type: none"> <li>No Chairs for Nomvalo Community Hall thought it had chairs before</li> <li>Appreciation of grass cutting for the Community Hall</li> <li>- Depleting infrastructure including poor roads conditions</li> </ul>	
Salani Hendeyi	12		<ul style="list-style-type: none"> <li>Dam constructed in 2012 does not deliver to the community</li> <li>No access road for new extensions</li> </ul>	
Siphelele Ngqulana	12		<ul style="list-style-type: none"> <li>Progress on the employment of Firefighters</li> <li>Poor roads and no access roads for certain areas , thus public transport is not accessible Njeni Village.</li> </ul>	

#### KSD - TOWN HALL

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
BUSINESS SECTOR			<ul style="list-style-type: none"> <li>How are rates for periurban classification calculated</li> </ul>	<ul style="list-style-type: none"> <li>A consultation was done for periurban – billing</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
			<ul style="list-style-type: none"> <li>Are we not going to get meters</li> <li>Brickmakers are not categorised, how much will they pay</li> <li>When are the new tariffs applicable</li> </ul>	<ul style="list-style-type: none"> <li>It has been categorised and the 1<sup>st</sup> target is businesses</li> <li>The tariffs are done because some of the meters are illegal</li> <li>Carwash, bricklayers we do have tariff for them</li> <li>Customer statements, are received through cellfoun and the issue of same billing is noted and will be attended to</li> <li>Money has been allocated for maintenance 49 000 000 has been put aside for 1<sup>st</sup> year</li> <li>Customer drive is done</li> <li>Incentive scheme is available and some came forward</li> <li>Bongweni has unauthorised connections</li> <li>Upper Mhllahlane project is a continuous project / multiyear/ it will be completed in 2025-2026</li> <li>Sewer in N2 opposite parkhomes</li> <li>The fat coming from Savoy hotels that closes the pipes in the area</li> <li>Aged infrastructure,we need to pinpoint as we cannot rip it as 1 project in Southernwood.</li> </ul>
			<ul style="list-style-type: none"> <li>Page 41, is that a project to be done</li> </ul>	
			<ul style="list-style-type: none"> <li>Timing is for town or villages</li> <li>Disaster in ward 24 there is nothing done</li> <li>Toilets are still a challenge</li> </ul>	
	Ward 12  Mt Pleasant, Mtata West		<ul style="list-style-type: none"> <li>Water is a challenge</li> <li>Feeling of water tanks</li> <li>Toilets are requested</li> </ul>	
	Mr Scwebu  Ward 4		<ul style="list-style-type: none"> <li>Ward 4 not considered in the allocation</li> <li>Upgrading of piping system for water particularly in schools</li> </ul>	
	Mr. Jonas in Bongweni Ward 4 (Business)		<ul style="list-style-type: none"> <li>Water that is being utilised by landlords in rental premises</li> <li>The community didn't benefit from the current term so as the previous term.</li> </ul>	

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
	Mrs Noko W8 Northcrest		<ul style="list-style-type: none"> <li>As a ratepayer – water bills that are not understood as we never see the meter readers, the consumption is the same on a monthly basis.</li> <li>Business support for elderly, equipment including balls for exercise (60 women)</li> <li>Agricultural support and bead work WARD 8 AGAPE CURING CENTRE</li> </ul>	<p>The aged piping system will be replaced though the system will go slowly,</p> <ul style="list-style-type: none"> <li>The Mt Pleasant issue, is underway</li> <li>An appointment is being planned with the ward Cllrs in KSD - to provide list of beneficiaries per ward. Unauthorised connections is not just an issue for Bongweni but for the entire district.</li> </ul>
			<ul style="list-style-type: none"> <li>No project or support for ward 6</li> <li>Burst pipes / repair be in the project list</li> <li>Southernwood has lots of water challenges</li> </ul>	<ul style="list-style-type: none"> <li>If you are willing to pay we are ready to connect you.</li> <li>In ward 12 a team will be sent for investigation to see a mitigation measure while waiting for a permanent solution</li> </ul>
	Ward 8		<ul style="list-style-type: none"> <li>Rates paying wards are not reflecting on budget allocation</li> <li>Pipes in the main town are dilapidated, what is the maintenance plan?</li> <li>No discount for good paying customers</li> <li>Water tankers be on standby</li> </ul>	<ul style="list-style-type: none"> <li>In schools, we charge them for water provision –</li> <li>There are teams allocated to deal with pipe burst or sewer spillage</li> <li>Women group, their request be taken to the office of the EM to be given consideration</li> <li>There is a budget for operations and maintenance - it's an overall budget.</li> <li>There is an indigent support where you have to go to your Cllr and show the evidence</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
				<p>that you are qualifying as such.</p> <ul style="list-style-type: none"> <li>• In ward 34, there are projects in progress, there is financial constraint in terms of housing provision. An assessment and profiling in ward 34 has been made and projects are in progress</li> <li>• There are approves temporal unit,</li> <li>• The KSD municipality has a right as well for housing provision.</li> <li>• Incentives on account payments, are as follows in KSD- Debt settlement policy; investment incentive policy;</li> </ul>

#### KSD - MQANDULI

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
1. Luxolo Tayi	Makhenkesi	O.R Tambo	<p>Sewerage Spillage – flowing to houses</p> <ul style="list-style-type: none"> <li>- running water in Town</li> <li>- Sewerage Plant – Fuzile and Zozo Family</li> <li>- The community request to meet the two families – Zozo</li> </ul>	<ul style="list-style-type: none"> <li>- The KSDLM and OR Tambo, and the affected family must meet and discuss the issue of land.</li> <li>- The Forestry must be removed to complete the Waste Water Treatment Plant</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
Luxolo Tayi			<ul style="list-style-type: none"> <li>and Fuzile</li> <li>- Sewerage Spillages – flow in the House and letter written to lawyers.</li> <li>- Tar Road will be affected by the Sewerage Spillage.</li> <li>- Waste water treatment plant not being completed.</li> <li>- No water from Lukhwethu Regional Water Scheme</li> <li>- Concern that officials are not accountable.</li> <li>- No portable water in Ngqwarha.</li> </ul>	<ul style="list-style-type: none"> <li>- The families refused to use the servitude line in Mqanduli</li> </ul>
Andiswa Zalu	Ward 29 – Town		<ul style="list-style-type: none"> <li>- Manholes are open and trapped in the Manhole</li> <li>- Challenge about Disaster incidents</li> <li>- 5 people wiped away with water</li> <li>- No access roads and bridges.</li> <li>- Access roads not in good conditions</li> <li>- Roads in the main road.</li> </ul>	<ul style="list-style-type: none"> <li>- The mahole was constructed by Shoprite not the Municipality and they were</li> <li>- The matter will be referred to KSDK LM</li> <li>- This matter will be also referred to KSDL M</li> </ul>
Vukile Xingwane	Ward 29		<ul style="list-style-type: none"> <li>- Spillage sewer causes diseases</li> <li>- Water not consumable</li> <li>- No medication from the Clinics</li> </ul>	<ul style="list-style-type: none"> <li>- Department of environmental Health must intervene on the issue of sewerage spillage</li> <li>- A session must be arranged with Mr. Zozo and Mr. Fuzile</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
			-	including the Executive Mayor and O.R Tambo DM to discuss the issue of land in Mqanduli -
Cllr Mtshakazana	Macoza Ward 28		<ul style="list-style-type: none"> <li>- Lukhwethu Bulk Water – Speed the process of procuring equipment</li> <li>- The Department does not have maintenance and monitoring plan.</li> <li>- Commended the District in Macoza Ward 28 – for the swift response.</li> <li>- Request for the temporal structure</li> <li>- Sanitation – Distribution of Sanitation – Servicing of the Toilets or Sludge Sucking</li> <li>- Matheko RDP Housing not completed request ORTDM to make follow up – more than 15 years RDP Housing</li> </ul>	<ul style="list-style-type: none"> <li>- Challenges was vandalism</li> <li>- The scheme does not have electricity</li> <li>- The Source was not enough</li> <li>- Honey suckers were hired by the District Municipality</li> </ul>
	Cllr Marasha ward – Ward 29	ORTDM	<ul style="list-style-type: none"> <li>- Taps without water –</li> <li>- Disaster emergency houses – Temporal Houses not removed to assist other communities</li> <li>- Makhenkesi – No Sanitation, Access Roads</li> </ul>	<ul style="list-style-type: none"> <li>- The removal of temporal structures after a stricture was build – the communities refused to remove these structure</li> <li>- The capacity of providing sanitation was more than</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
			<ul style="list-style-type: none"> <li>- Access Roads – maintenance</li> <li>- Maintenance of the Toilets – Sludge sucking</li> <li>- Water carting to the Funerals</li> <li>- Selling of water by the drivers.</li> </ul>	<p>the households</p> <ul style="list-style-type: none"> <li>- Communities must report fraudulent activities</li> <li>-</li> </ul>
	Ward 24		<ul style="list-style-type: none"> <li>- Tourism initiatives</li> <li>- Assistance with programme Coastal patrollers</li> <li>- Commend the projects for water</li> </ul>	
Xolani	Zwelitsha		No water	
Mr. Makeleni	Gogozayo	Human Settlements	<p>350 unit in Mahlangu – not completed</p> <p>The terrain is very bad</p> <p>Construction of access road</p> <p>Water scheme in Chungwana and Mahlangu need refurbishment</p>	
	Ward 26 – Qhingqolo		<ul style="list-style-type: none"> <li>- White Elephant scheme –</li> <li>- Borehole there is no water</li> <li>- Monitoring and evaluation of the projects</li> <li>- Project steering committee – no plough back</li> <li>- In complete projects by contractors – no monitoring</li> <li>- The trucks not being</li> </ul>	



Name of community member	Area/ Ward/Village	Department Affected	Issues Raised	Responses
			monitored and supervised thoroughly - Water carting to the funerals not operating well	
Ms. Dambuza	Ndakana		- Bridge washed away - No access Road	

#### KSD – NOTHINTWA

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised
Mr Mzwamadoda	27		<ul style="list-style-type: none"> <li>• Ngcwangula and other areas have underground pipes since 2020</li> <li>• Toilets are full in ward 27</li> <li>• Disaster affected people are not taken care of &amp; Cllr is aware</li> </ul>
Ikomkhulu	24		<ul style="list-style-type: none"> <li>• No RDP Houses</li> <li>• Agricultural support (livestock &amp; crop)</li> </ul>
Mr. Dalasile			<ul style="list-style-type: none"> <li>• Spring water entering the household</li> <li>• Water scarcity is still a problem</li> </ul>
Mxolisi Nonkeyzana	25	ORTDM – Human Settlement	<ul style="list-style-type: none"> <li>• Disaster houses evaluation vs. implementation</li> </ul>
Mr Zenzele	24	ORTDM	<ul style="list-style-type: none"> <li>• Ntisinguka, Mpindweni, Taleni, Ngxala have water challenge – no water infrastructure</li> <li>• Sanitation request was sent as it was never provided</li> <li>• Human Settlement – be considered</li> </ul>

Name of community member	Area/ Ward/Village	Department Affected	Issues Raised
			<ul style="list-style-type: none"> <li>• Nzulwini, Gumeni, Gqumeni, Tekelele have sanitation challenge</li> <li>• Lonela is close to the plant</li> <li>• Delivery on disaster – people that are on the list</li> <li>• Youth challenges</li> <li>• School in Ward 25 was affected by disaster and the playground was identified to build school and youth be provided with sport ground</li> </ul>

## ANNEXURE D: FINANCIAL RECOVERY PLAN

PHASE 1: RESCUE						
NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
PILLAR ONE: GOVERNANCE						
1	Governance Model (council and committees)	MPAC established in terms of S79 of MSA and has 10 members. The committee is effective and functional. Council adheres to its calendar of meetings, however, there are areas where compliance to the MFMA in certain areas hasn't been adhered to (e.g. budget adjustment). There has been slow reduction of UIF&W as reflected in the AFS. Subsequently, this had improved in the last quarter (April-June 2023)	Develop a strategy to address persistent negative audit outcomes and to reduce UIF&W.	Reduction in historic UIFW expenditure Implementation of consequence management (disciplinary processes, recovery of money, reported criminal cases)	Council approved report and signed resolution	Financial benefits to be achieved through improved operational efficiencies
			Develop a plan to speed up the finalisation of investigation on UIF&W Expenditure.	Reduction in historic UIFW expenditure Implementation of consequence management (disciplinary processes, recovery of money, reported criminal cases)	Quarterly Progress reports on investigations Updated schedule on investigations	Financial benefits to be achieved through improved operational efficiencies
			MPAC must hold Council, the executive committee and management accountable on the implementation above strategies	Improved governance and accountability. Statutory reports submitted timeously	Quarterly report and signed Council resolution	Financial benefits to be achieved through improved operational efficiencies
			The municipality should build capacity of the researchers as key support staff to the committee.	Improved governance and accountability. Statutory reports submitted timeously	Documentation prepared and compiled.	Financial benefits to be achieved through improved operational efficiencies
			Extensive engagement of the stakeholders to sell the benefits of the intervention and leverage support: Media engagement and information sharing using various platforms and communication plans as well	Implemented Communication Plan	Communication Plan and Implementation Progress Reports	Financial benefits to be achieved through improved operational efficiencies

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			as perioding media briefings on progress to brief stakeholders.			
			The municipality should invite PT and CoGTA to their meetings for participation and contributions.	Improved governance and accountability. Statutory reports submitted timeously	Invitation to Provincial Treasury / minutes of meeting	Financial benefits to be achieved through improved operational efficiencies
			Schedule an induction for councillors on governance, financial management and oversight	Improved governance and accountability. Statutory reports submitted timeously	Attendance registers and training programme	Financial benefits to be achieved through improved operational efficiencies
2	Powers and Functions	Municipality is not effectively providing disaster and fire services as their functions  Pending transfer of powers from the local municipalities such as municipal health and fire services	Re-negotiate transfer of functions.	Re-negotiated mandate agreements and all costs covered for mandate agreements. Reduce operational expenditure	Signed re-negotiated mandate agreements	Financial benefits to be achieved through improved operational efficiencies
3	Contract Management	Contracts are finalised by different departments. No central contract management unit is in place and no registers are updated with newly appointed contracts  The contracted services as percentage	Conduct a detailed audit of all contracts.	No irregular, unnecessary or expired contracts, and contracts register in place	Audit and review report by Internal Audit Manager	Financial benefits to be achieved through improved operational efficiencies
			File Court papers to review and set aside all irregular contracts.	value for money, compliance with legislation	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Terminate all month-to-month contracts	value for money, compliance with legislation	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Identify goods and services required on an ongoing	Reduction in operational costs, Reduction in irregular	Reduction in procurement	Financial benefits to be achieved through improved

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		<p><b>of total operating expenditure was above the norm of 2-5% at 7.9%. 8.9% and 7.9% for the three financial years.</b></p> <p><b>The municipality has contracts which expired but are still running on a month-to-month basis. (Non-compliance with section of MFMA)</b></p> <p><b>Several contracts were awarded and implemented without following SCM process. (Irregular contracts).</b></p>	basis and appoint service providers on three-year contracts.	deviations	costs as per procurement plan, and appointment letters.	operational efficiencies
			Submission of monthly performance monitoring reports on contracts.	value for money, compliance with legislation	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Review the annual procurement plan.	Reduction in operational costs related to procurement	Approved reviewed procurement plan by Council and resolution	Financial benefits to be achieved through improved operational efficiencies
			Enter into affordable payment arrangements with creditors	Honouring of financial commitments and arrear debt payment	New affordable agreements signed off by all parties	Financial benefits to be achieved through improved operational efficiencies
			Development and approval of contract management framework.	Contract management framework in place	Approved contract management framework and Council resolution	Financial benefits to be achieved through improved operational efficiencies
			Employment of competent personnel with requisite skills to execute core functions and monitor performance of contracted services.	capacitated contract management unit	Approved capacity plan	Financial benefits to be achieved through improved operational efficiencies
4	Litigations and contingent liabilities	<p><b>Litigation is R32m million as a result of litigations brought against the Municipality</b></p> <p><b>Unable to sight an updated litigations register</b></p>	Investigate contingent liabilities and meetings with claimants to be held where legal action can be suspended to resolve claims amicably.	Investigations reports to be tabled and recommendations implemented	Council and MPAC reports with signed resolutions	Financial benefits to be achieved through improved operational efficiencies
			Implement policies and legislation.	value for money, compliance with legislation	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies

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		<b>Notable litigations against the municipality are as follows:</b> <b>Lungalabantu Construction – R16.1 million iro damages suffered due to non-payment</b>  <b>Four claimants aggregating – R12 million iro damages against loss of life due to drowning</b> .	Conduct a legal assessment on reasonable prospects of success on all pending litigations. Propose settlements where possible.	<b>Mitigation of financial exposure and risk against the municipality</b>	Council report and signed resolution	Financial benefits to be achieved through improved operational efficiencies
			Development and implementation of contract management framework.	<b>value for money, compliance with legislation</b>	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Implementation of litigation strategy	<b>value for money, compliance with legislation</b>	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Maintain updated litigation and claims register.	<b>Reduction in legal costs, updated litigation register in place</b>	Monthly updated litigation register	Financial benefits to be achieved through improved operational efficiencies
			Honouring of payment arrangements with creditors.	<b>value for money, compliance with legislation</b>	Monthly performance monitoring reports	Financial benefits to be achieved through improved operational efficiencies
			Capacitate the legal and the SCM staff members	<b>Capacitation of the SCM unit</b>	Approved capacity plan	Financial benefits to be achieved through improved operational efficiencies
5	System of delegations	<b>No approved systems of delegations.</b>  <b>Inadequate delegations register</b>  <b>No sub- delegations below Directors.</b>	Develop system of delegations which clarifies roles and table for approval.	<b>Systems of delegations in place</b>	Approved system of delegations and approval by Council and resolution.	Financial benefits to be achieved through improved operational efficiencies
			Sign-off of sub- delegations and maintain delegations register.	<b>Sub-delegations in place</b>	Signed sub-delegations and acknowledgement of receipt	Financial benefits to be achieved through improved operational efficiencies
			Review the delegations of powers and functions on supply chain management by the Accounting Officer.	<b>Systems of delegations in place</b>	Approved system of delegations and approval by Council and resolution.	Financial benefits to be achieved through improved operational efficiencies

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6	By-laws and enforcement	<b>Outdated by laws</b>  <b>Inadequate enforcement of by-laws, policies, and procedures</b>  <b>No revenue generated from by law enforcement. (e.g. illegal connections etc.)</b>	Undertake an audit and assessment of by-laws, enforcement and review the identified by-laws, if necessary	<b>Process plan adopted by Administrator. Sound policies and by-laws</b>	Assessment report to verify status and adequacy of policies and by-laws Reviewed policies and by-laws	Financial benefits to be achieved through improved operational efficiencies
			Audit and update a Code of By-Laws	<b>By-Law Code in place</b>	Updated By-Law Code	Financial benefits to be achieved through improved operational efficiencies
			Report on revenue generated and enforcement of By-laws	<b>Revenue generated and reduction in electricity and water losses.</b>	Internal quarterly audit reports	Financial benefits to be achieved through improved operational efficiencies
7	UIF&W and Consequence Management	<b>Irregular expenditure for the 2021/22 financial year amounted to R1,8 billion, 2020/21 amounted to R1,7 billion, R1,98 billion. Only R550,4 million was written-off from prior periods</b>  <b>Unauthorized expenditure amounted to R38,9 million in the 2021/22 financial year. In 2020/21 financial year, R6,6 million &amp; R19,8million was reported in 2019/20. R14,6M was written-off in 2020/21</b>	Implement S32 of MFMA	<b>MFMA compliance register</b>	Approved Regulatory Compliance Register	Financial benefits to be achieved through improved operational efficiencies
			Investigate all UIF&W cases.	<b>Investigations reports prepared and submitted to the Disciplinary Board</b>	Council and MPAC reports with signed resolutions	Financial benefits to be achieved through improved operational efficiencies
			Implement consequence management for UIF&W cases identified in the Council approved investigation report.	<b>Reduction in UIF&amp;W expenditure</b>	Consequence management register and Council progress reports and signed resolutions	Financial benefits to be achieved through improved operational efficiencies
			MM to report UIF&W expenditure quarterly to the mayor and annually to Council for oversight.	<b>Compliance with reporting requirements</b>	Quarterly reports on UIF&W expenditure and Mayoral Committee resolutions	Financial benefits to be achieved through improved operational efficiencies
			Disciplinary Board to report	<b>Compliance with reporting</b>	Consequence	Financial benefits to be

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		<b>Fruitless and wasteful expenditure amounted to R56,3M in 2021/22, R50,8M in 2020/21 and R28,3M in 2019/20.</b>	quarterly to Council.	<b>requirements</b>	management register and Council progress reports and signed resolutions	achieved through improved operational efficiencies
		<b>UIF&amp;W Reduction Strategy is not in place but not implemented</b>	Implementation of UIFW expenditure policy and reduction plan	<b>UIFW expenditure policy in place and implemented</b>	UIFW expenditure policy and approval by Council and Council resolution	Financial benefits to be achieved through improved operational efficiencies
		<b>Monthly and quarterly UIFW expenditure registers are not in place.</b>	Review standard operating procedures for procurement processes.	<b>Monthly/Quarterly Compliance reports</b>	Compliance reports	Financial benefits to be achieved through improved operational efficiencies
		<b>Accounting Officer has not investigated UIF&amp;W as required by Section 32 of MFMA.</b>				
		<b>Consequence management not being implemented. Some senior SCM official &amp; other officials appearing in SIU report are gradually undergoing disciplinary processes</b>				
		<b>There is no preventative strategy for UIF&amp;W, including no pro-activeness from</b>				



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		<b>Internal Audit &amp; the Audit Committee</b>  <b>There is an approved UIF&amp;W Policy for 2021/22</b>				
8	Audit action plans (internal and external)	<b>Post Audit Action Plan not being fully implemented and monitored as well as slow progress reported.</b>	Internal audit should provide monthly assurance on the reported progress and PoE.	<b>Cost analysis report</b>	Cost analysis report	Financial benefits to be achieved through improved operational efficiencies
			Develop KPAs within the Performance Management System on improved Audit and Compliance with Legislation.	<b>Performance Agreements aligned with FRP targets</b>	Performance Agreements	Financial benefits to be achieved through improved operational efficiencies
			Focus on the implementation of a Consequence Management & Accountability Framework (CMA) to train councillors and officials on the overall value chain of the UIFWE.	<b>CMA Framework implemented</b>	Approved CMA Framework	Financial benefits to be achieved through improved operational efficiencies
			Internal audit unit should be capacitated on the AFS review process.	<b>All inclusive fully funded mandate agreement</b>	Reviewed and signed mandate agreements alternatively termination notices	Financial benefits to be achieved through improved operational efficiencies
9	Internal audit and Risk Management	<b>Post Audit Action Plans not followed-up</b>  <b>Risk management documents approved for 2021/22 and 2022/23 financial years but not</b>	Quarterly reports on internal audit and risk management.	<b>Improved audit outcomes and reduction of audit findings</b>	Audit reports tabled and recommendations implemented	Financial benefits to be achieved through improved operational efficiencies
			Update and report progress on implementation of AG audit action plan.	<b>Improved audit outcomes and reduction of audit findings</b>	Audit reports tabled and recommendations	Financial benefits to be achieved through improved operational efficiencies

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		<b>implemented.</b>			implemented	
		<b>Finalise the appointment of the Chief Risk Officer</b>	Quarterly progress reports on implementation of remedial actions to mitigate against corporate risks and annual audit plan.	<b>Compliance with reporting requirements</b>	Council report and signed Council resolution	Financial benefits to be achieved through improved operational efficiencies
		<b>Risk Management Committee established but not meeting as per schedule</b>	Enhance oversight on the risk register and ensure effective maintenance.	<b>Improved accountability in risk management</b>	Updated risk register to ensure compliance	Financial benefits to be achieved through improved operational efficiencies
		<b>Internal Audit documents approved for financial years 2021/22 and 2022/23</b>	Conduct a departmental workshop awareness about the importance and benefits of internal audit and risk management	<b>Improved accountability in risk management</b>	Updated risk register to ensure compliance	Financial benefits to be achieved through improved operational efficiencies
			Appoint Chief Risk Officer.	<b>Chief Risk Officer appointed</b>	Confirmation of appointment of a Risk Officer to mitigate manage all aspects of risks with the Municipality	Financial benefits to be achieved through improved operational efficiencies
<b>10</b>	<b>Political and Administrative Interface</b>	<b>TROIKA meetings between MM and political leadership are held at least once a month (working sessions)</b>  <b>All statutory reports submitted by Municipal Manager to Council were duly considered and approved.</b>  <b>Council has no</b>	Develop a tool to monitor council resolutions and ensure the implementation.	<b>Compliance with reporting requirements</b>	Council report and signed Council resolution	Financial benefits to be achieved through improved operational efficiencies

PHASE 1: RESCUE

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		<p>mechanism in place to track implementation of Council resolutions.</p> <p>There is a cordial and professional relationship between the administration and political leadership.</p>				
11	Information & Communications Technology	<p>Server capacity not adequate to meet municipal requirements; insufficient IT and dilapidated infrastructure and poor maintenance. The DM has advertised a tender for professional IT service providers to provide IT refresh.</p> <p>No IT Governance Framework, Business Continuity and Disaster Recovery Plans in place (BCP &amp; DRP). The IT Governance Framework is in draft and will be reviewed by CoGTA and Provincial Treasury.</p> <p>IT Unit not adequately capacitated to address</p>	Update website.	Integrity, confidentiality and security of data. General controls in place	Internal audit report and AG audit report	
			Secure data storage, back-up, and recovery solutions.	Effective ICT general controls, assurance on confidentiality and integrity of data.	Minutes of steering committee meetings	
			Implementation of institutional calendar of meetings for ICT steering committee.	Updated website	Updated website	
			Fast track the tender and appointment of the professional IT service provider for IT refresh.	Data secured and integrity guaranteed	Internal audit report and AG audit report	
			Fast-track the review process of the IT Governance Framework and BCP with CoGTA and Provincial Treasury.			
			Conduct a skills audit of IT to determine the competencies and additional skills required			
			Provide the MM and Corporate Services director			

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		<p><b>infrastructure challenges.</b></p> <p><b>Poor ICT general and application controls. The IT Unit has implemented user access forms to ascertain and confirm all users within the DM.</b></p> <p><b>Users' equipment (i.e., Laptops and printers, etc.) are obsolete. A service provider has been appointed to supply and update IT equipment (laptops).</b></p> <p><b>Internet connectivity unstable due to constant load shedding.</b></p> <p><b>No off-site back up of financial information is in place.</b></p>	<p>an update on all equipment that has been updated</p> <p>Do a cost analysis of providing emergency backup systems for the IT infrastructure</p>	<p><b>capacitated ICT unit</b></p>	<p>Approved capacity plan</p>	
PILLAR TWO: INSTITUTIONAL						
1	Organisational structure and Operating Model	<b>The current structure is developed, reviewed and adopted by Council in May 2023.</b>	<p>Costing of the adopted organisational structure.</p> <p>Ensure that approved organisational structure is aligned with IDP, Municipal Staff Regulations and the structure is fit for purpose.</p>	<p><b>Functions properly aligned to strategic objectives and legal mandate.</b></p> <p><b>Right people in right jobs</b></p> <p><b>Correct Grading in TASK</b></p>	<p>Approved Organisational Structure / Approved and updated job descriptions Council resolution</p>	In line with the approved budget and the funding plan.

PHASE 1: RESCUE

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		<p><b>CoGTA and the DM will be convening a joint meeting in July 2023 to review and provide comments and guidance on the new structure.</b></p> <p><b>The previous structure has 2054 posts of which 1123 are filled and 931 was vacant. The current structure now has 1683 posts and the vacancy rate is still to be determined.</b></p> <p><b>An ad-hoc committee was established to develop the job descriptions and SALGA was requested to assist in this regard. Job descriptions has to be developed for the new positions and the job descriptions for the post that were retained will be reviewed.</b></p>	<p>Solicit comments from CoGTA and SALGA on the new structure to ensure that it is aligned to the IDP and Municipal Staff regulations.</p> <p>Ensure that the vacancy rate is determined following the adoption of the new structure</p> <p>Develop,review and evaluate all job disciptions: Fast-track the development of Job Descriptions and Grading of each job</p> <p>Training of Municipal Officials on Job evaluation through SALGA.</p> <p>Placement of staff in the approved organisational structure in accordance with the placement policy.</p>	<p><b>Achieved affordability.</b></p>	<p>Agenda, Minutes &amp; attendance register of the LLF meetings</p> <p>Copy of the placement report.</p> <p>Copy of the job descriptions</p>	
2	Filling of Critical Vacancies	<p><b>The current critical vacancies are the Directors of Rural Economic Development and Planning (REDP) and Community</b></p>	<p>FastTrack recruitment process for the senior management positions in accordance with the relevant legislative prescripts.</p> <p>Develop and adopt a model for the identification and</p>	<p><b>Functions properly aligned to strategic objectives and legal mandate.</b></p> <p><b>Achieved affordability.</b></p> <p><b>All jobs in new structure</b></p>	<p>Approved Organisational Structure Report on the cost benefit analysis for outsourced &amp;</p>	<p>In line with the approved budget and the funding plan.</p>

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		<b>Development</b>	filling of the vacant critical positions.	<p><b>graded in TASK, correlated with the job evaluation results.</b></p> <p><b>Employees placed correctly in accordance with their job descriptions.</b></p>	<p>insourcing of services. Council resolution</p> <p>Agenda, Minutes &amp; attendance register of the LLF meetings</p> <p>Copy of the approved placement policy</p> <p>Council resolution</p> <p>Placement letters</p> <p>Job Evaluation report</p>	
3	Employee cost	<b>Employee costs for Dec 2022 was at 51% of OPEX.</b>	Redress the implementation of the 2 task grades inline with the Municipal Salary grading in consultation with Organised Labour.	<p><b>Achieved completeness of employee costs.</b></p> <p><b>Attained buy-in &amp; support.</b></p>	Copy of the report on the Salary findings	In line with the approved budget and the funding plan
			The new organisational structure should be costed for affordability	<b>Report approved for implementation.</b>	Council resolution	
		<b>Municipality's overtime costs are almost equal to the basic salaries of the employees</b>	Review of overtime policy to be in line with the basic conditions of employment act and divisional collective agreements.	<b>Approved Overtime Policy Compliance to BCEA &amp; Divisional requirements</b>	<p>Attendance register, agenda &amp; Minutes of the LLF consultative meeting.</p> <p>Council resolution</p> <p>Copy of the approved</p>	In line with the approved budget and the funding plan.

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					overtime policy	
			Capping of overtime (not more than 40 hours per month) and agree to institute time off in lieu of additional overtime worked	Approved Overtime Policy Compliance to BCEA & Divisional requirements	Approved overtime in line with the Act and signed off by Team Leaders	In line with the approved budget and the funding plan.
			Finalise the overtime arrangements with essentials services and reach an amicable agreement on the process to be followed.			
			Perform an audit of the overtime for each department quarterly			
4	Change Management	Low staff morale due to various challenges within the municipality. These concerns are overtime, the issue of the non-pensionable allowance, the fear of losing jobs due to the implementation of the new structure and treatment of staff by management.	Develop and adopt Change Management Strategy	Functions properly aligned to strategic objectives and legal mandate.  Right people in right jobs  Correct Grading in TASK  Achieved affordability.	Approved Organisational Structure Council resolution Agenda, Minutes & attendance register of the LLF meetings Copy of the placement report. Copy of the job evaluation results.	
			Identify change management interventions to mitigate low staff morale	Employee motivation, organisation reputation and the ability to attract and retain talent.	Attendance registers of employees on the workshops conducted.	
			Sensitize employees and organised labour about the current financial state and the implementation of the FRP.		Copy of the corporate	

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			Communate all interventions currently undertaken by the municipality especially the revised structure, the 2 task grade up mitigation and the FRP		calendar for regular reviews.	
			Identify change agents and develop communique in the form of a newsletter.			
			Conduct employee satisfaction survey.			
5	Skills & competencies	Skills audit is conducted annually. All senior managers attained MFMP certificate. All key finance employees have obtained MFMP Certificate. The Workplace Skills Plan is prepared annually. The municipality currently contributes 0.4% towards skills development and this should be increased to 1%. The DMs Training Committee is functional and sit annually.	Provide 1% of the employer's total annual payroll towards Skills development.	Compliance with the Skills Development Act.	Work Skills Plan	In line with the approved budget and the funding plan.
			Implementatiion of the approved Workplace Skills Plan		Council resolution	
			Institutionalize the role and responsibilities of managers in the training & development of their subordinates.		Minutes & attendance register of the Training Committee	
			Ring-fence the mandatory grants for training and development		Annual Training Report	
					Status report on staff competency levels.	
					Staff qualification verification report	
6	Performance Management	Senior Management (MM and Directors)	Cascade PMS to employees lower than the	Improved performance management system	Adopted Performance	



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		<p><b>employees have signed performance agreements.</b></p> <p><b>Performance Management not cascaded to lower-level employees.</b></p>	<p>managers. Conduct the performance assessment of all employees.</p> <p>Conduct quarterly assessment for senior managers and submit reports to council.</p> <p>Enforce consequence management for poor performance. Annual review of the PM System/Performance Management Policy.</p>		<p>management systems aligned to regulation 8 of municipal planning and performance management regulation.</p> <p>Council resolution.</p> <p>LLF minutes and attendance register.</p> <p>Implementation plan on cascading PMS to other levels of employees.</p> <p>Copies of the PA of s56/7 managers.</p> <p>Quarterly Performance assessment reports of s56/7 managers</p>	
7	Consequence Management	<b>Development and implementation of a consequence management policy</b>	Develop and implement Consequence management Policy to promote fundamental principles of	<b>Reduced number of disciplinary cases</b>	Records with details of trained officials. Disciplinary case	

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			<p>effective and efficient utilization of public resources and transparent and accountable financial management practices.</p> <p>The MM to lead the implementation of consequence management and should be held accountable for poor performance</p> <p>Improve on monitoring of processes and all transgressions to be reported.</p>		management register.	
8	Key HR Policies	HR Policies were reviewed and tabled to Council for adoption in June 2023. 13 new policies have to be tabled through the various structures before being approved by Council	<p>The following are new policies that have to follow the process of being tabled to the LLF, Mayco and finally to Council for approval</p> <ul style="list-style-type: none"> <li>o Car Allowance Policy</li> <li>o Cellphone Allowance Policy</li> <li>o Firewall Implementation Policy</li> <li>o IT Governance Framework</li> <li>o IT Change Management Policy</li> <li>o Patch Management Policy</li> <li>o Back Up Policy</li> <li>o Disaster Recovery Plan</li> <li>o ICT Security</li> <li>o Management Policy</li> <li>o IT Access Control and User Access Management</li> </ul>	Policies aligned to HR Strategy + IDP.	Policies completed as per list.	

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			Policy o ICT Disaster Recovery Policy o VIP Protector Allowance Policy Implement and workshop policy changes to employees and councillors			
9	HR Strategy	<b>The HR Strategy is still in development stages and the DM has requested SALGA and EC CoGTA for assistance to review and comment on the draft strategy. The DM will be considering preparing a 5 years Strategy and Plan in line with the 5year strategic plan (IDP) of the municipality.</b>	Ensure that the HR Strategy is developed and finalised following the review and input from SALGA and EC CoGTA	<b>HR strategy and plan alignment with IDP and new structure implications</b>	HR Strategic Plan.	
10	Physical Verification of staff and qualifications	<b>Physical verification of staff was done in 2022.</b>  <b>A memo was signed by the MM in July 2023 to start the process of verifications at BTO, SCM and Water and Sanitation.</b>  <b>Other matters to be verified is confirming whether the respective</b>	New employees' qualifications should be vetted before employment.  Commence with the process of verifications at BTO, SCM and Water and Sanitation.  Commence with the confirmation of officials who have business interests outside the DM.	<b>Completeness of employee related qualifications and skills</b>	Staff verification report  Copy of the Payroll	

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		officials have business interests outside the DM.	Current employees should be requested to provide copies of certified certificates (as a start) and/or originals for verification and validation or the municipality can engage third parties to undertake the verification.			
			Employees should be regularly verified against the payroll.			
11	Records Management	<p><b>There is poor record management. The Record Management Policy was developed and approved in 2015, but it was not implemented. It is currently under internal review,</b></p> <p><b>The Fire Plan was adopted by Council on 30 June 2023 and is currently under review by Provincial Archives.</b></p> <p><b>Record Management done manually. The DM has advertised a tender for an electronic document management system.</b></p>	<p>Fasttrack the internal review process on the RecordManagement Policy and implementation thereof</p> <p>Implementation of the file plan and Electronic Document Management System</p> <p>Follow up with the Provincial Archives on their review process on the municipal File Plan</p> <p>Centralise records management.</p>	<p><b>Improved referencing system and records management</b></p> <p><b>Improved Compliance</b></p> <p><b>Protection of information</b></p> <p><b>Accessibility</b></p>	<p>Approved File Plan</p> <p>Approved Policy Council Resolution</p> <p>LLF Minutes &amp; A attendance register</p>	

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		The records of the municipality are kept in the registry while Supply chain and Human Resource keeps their active records in their strong rooms. The registry keeps inactive records, the active records are kept in their offices of origin due to insufficient space.				
12	Leave Management	The Leave Management Policy was adopted and approved by Council. The DM is currently identifying officials who have abused leave and sick leave.	Implementation of the Leave Management Policy that was adopted and approved by Council	Improved leave management leading to the reduction of costs	Approved Leave Policy	
			Finalise the process and work plan to identifying officials who have abused leave and sick leave.			
13	Third Party Payments	The DM is not compliant with COIDA with an outstanding amount of R32m. The DM was in the process of making a payment towards the outstanding amount and discovered that the payment links were part of a scam. This matter has been reported for	Finalise the partial payment toward COIDA and confirm the payment arrangements towards the full payment to the the Dept of Employment and Labour (DEAL).	No outstanding third party payment	Confirmation of payment of outstanding debt	

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		investigation. There is currently an payment agreement with the Department of Employment and Labour to payment 20% and then follow-up with other agreed percentages until paid in full.				
14	Staff discipline and Disciplinary Board	Disciplinary Board established in 2017.	Enforce the Code of Conduct consistently and fairly			
		Due to resignations the DB was not functional.	Establish a Disciplinary Board and ensure that it is functional.			
		The Disciplinary Board was is functional in June 2023 following the extension of the Chairpersons contract as well as co-opting officials from within the District Municipality and Provincial Treasury.	Prepare and maintain a disciplinary case management register.			
		The cases that are currently sitting with the Board are related to UIF&W.	Draft a consequence management policy and table it to council for approval. Workshop the Code of Conduct regularly and ensure that declarations of interest forms are signed annually.			
		All disciplinary casefiles and records are in place and	Training of a significant number of officials as initiators and presiding officers to handle internal disciplinary.			
			Installation of the clocking System.			
			Provide training for the			

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		<p><b>updated.</b></p> <p><b>The District Municipality utilises external presiding officers to preside over matters (external, i.e. other municipalities).</b></p> <p><b>Disciplinary case register in place.</b></p>	Disciplinary Board.			
PILLAR THREE: FINANCIAL MANAGEMENT						
1	Funded Budget Status	<p><b>Municipality tabled and adopted a funded budget with significant risk for 2022/23 financial year and the two outer years (based on unrealistic collection rates)</b></p>	The municipality should prevent prepayments from conditional grants and if there is any need for such the municipality must follow the process outlined in the DORA	<p><b>Updated list of prepayments on conditional grants.</b></p>	Council approved DORA Process outlined.	100% adherence to grant fund spending in line with DORA
			The municipality must disclose in its AFS all prepayments made to contractors and whether value for money was achieved			
			Develop and implement procedure manuals to ensure UIF&WE registers are updated monthly.	<p><b>3-Year Budget Funding Plan</b></p> <p><b>Monthly BFP Progress Reports</b></p> <p><b>Credible MTREF Budget</b></p> <p><b>Plan for phasing in of cost-reflective tariffs</b></p>	Approved MTREF Budget	<p>100% adherence to approved 3-Year Budget Funding Plan</p> <p>FRP MTREF Financial Targets</p> <p>Target cash flow improvement per annum (in line with FRP targets)</p>
			Review the budget to ensure votes/programs/ projects are adequately budgeted for.		Approved Budget Funding Plan (BFP)	
			Reprioritise repairs and maintenance expenditure in the 2023/24 MTREF budget		<p>BFP Progress Reports</p> <p>Cost-reflective tariff strategy</p>	

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			before approval. Build in-house capacity, skills development & training must focus on enhancing technical skills on the existing personnel Revisit the Ntinga mandate to be a more specialized purpose vehicle for the municipality rather than a multi-purpose entity. Prepare a 3-Year Budget Funding Plan with set financial targets and aligned with the FRP Implement a budget funding Plan : Monthly BFP Progress Reporting against impact indicators Tariff Review to reflect cost (include cost-of-supply exercise) Austerity and cost cutting measures to be reflected in the 2023/24 Budget Intensify revenue collection measures to improve the cash position.			
2	Budget related policies (finance and human resources)	The municipality has the following budget related policies in place for the financial year 2021/22:	Implementation of all policies fully.	Policies approved and implemented	Council Approved & signed resolution on policies	Financial benefits to be achieved through improved operational efficiencies
			Review of all budget related policies in line with FRP	Improved budgets and revenue generation and	Adherence to the FRP processes	



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		<ul style="list-style-type: none"> <li>• Credit control and debt collection policy</li> <li>• Indigent policy</li> <li>• Asset management policy</li> <li>• Costing policy</li> <li>• UIF&amp;W Policy</li> <li>• SCM Policy</li> <li>• Tariff policy</li> <li>• Credit control policy</li> <li>-Virement policy</li> <li>- Expenditure Management policy</li> <li>- Budget policy</li> </ul>	<p>objectives</p> <p>CFO to monitor full adherence to policies.</p>	<p>collection</p> <p>Adherence to approved policies</p>	<p>identified in the financial focus area</p> <p>Implementation of Council approved &amp; signed resolution on policies</p>	
3	Revenue Management Value Chain/ revenue raising measures	Metered volumes of finished water and billed units are not being reconciled monthly to account for units sold, lost and in stock. There are no monthly reconciliations between read consumers meters and zonal meters to determine actual abnormal losses	<p>Meter reading should be done monthly, and variances be attended promptly.</p> <p>The bulk meter readings at water treatment works should be submitted to revenue office for the performance of reconciliations</p>	Improved meter readings leading to improve revenue collection	Correct accounts to users leading to increased revenue	Revenue Enhancement & Cash Collection
		The Service Charges Revenue Budget Implementation Indicator ratio has been below the norm at 81%, 82%, 83% for the past 3 financial years	Reconcile tariffs approved by Council and tariffs captured on the financial Management System (Solar) and correct discrepancies.	Record of Statement Deliveries	Statistical report of distribution of customer accounts.	Revenue Enhancement & Cash Collection
		Persistently low	Procure custom designed	Credible and accurate asset	Updated asset	Revenue Enhancement &

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		<b>collection of revenue from clients.</b>	<p>printers for billing statements. (Remote billings of highest consuming debtors is another example of a technique that can be utilized)</p> <p>Improve and customize solar to enhance revenue management system for SMS and email communication to clients.</p> <p>Conduct database cleansing for client personal information for emails and SMSs.</p> <p>Conduct cost benefit analysis (operational expenditure against revenue collected).</p>	<b>register and status thereof, Accurate and reliable costs of rental properties and customer database, Identification of properties for rental purposes resulting in increased revenue, Legal processes to avoid attachment,</b>	register and database	Cash Collection
		<b>Non revenue and unmetered consumption to Peri-Urban &amp; surrounding villages</b>	<p>Conduct verification of existing bulk meters and their location.</p> <p>Procurement &amp; installation of bulk meters to measure consumption in the peri-urban and surrounding villages.</p> <p>Monthly reading of meters for the peri-urban and surrounding villages.</p>	<b>Accurate description and location of meters installed</b>	Updated register and database leading to increased revenue collection, consultations to be done by Mayor and to engage NT & CoGTA	Revenue Enhancement & Cash Collection
		<b>Weekly reconciliations of all revenue received by the municipality not performed. This is evidenced by high debt</b>	Perform daily and weekly reconciliations on all revenue received	<b>Improved collections / reduced debtors</b>	Payment agreements	Revenue Enhancement & Cash Collection

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		impairment				
		Debtors’ collection rate below expected norm at 59% in 2019/20, 83%in 2020/21and 78% in 2021/22	Reconcile government debts and enter into payment agreements.	Increased own revenue  Increased collection rate	Monthly reconciliations  S71 Reports	Per set revenue targets
			Implement the credit control and debt collection policy			
			Capacitate the Revenue Management Section to improve efficiencies.			
			Ensure correctness of consumer data and billing credibility.			
		Extremely low revenue base for the municipality.	Prioritise the construction of revenue generating assets and must speed up the completion of WIP / incomplete projects			
The municipality is highly dependent on grants	Develop own Revenue Enhancement Strategy.(Turnaround Plan)	Increased own revenue  Increased collection rate	Monthly reconciliations  S71 Reports	Per set revenue targets		
4	Customer Care and data accuracy	The existing customer care unit is not properly resourced in terms of working tools and skilled staff.	Establish an effective customer care unit and update a policy on customer care.  Customer Care Charter should be implemented.  Acquire the required tools of trade to enhance effectiveness on service delivery.	CRM Implemented  Improved collections	Council approved and signed off policy Communication issued from KRLM	Customer satisfaction and efficiency gains
5	Cost reflective tariffs	Negative net operating surplus margin of -	Conduct service cost assessment to determine	Effective tariff modelling with cost reflective tariffs	Updated Tariff Policy and tariff	Efficiency Gains

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		<b>12%, -50% and -12% for the years 2018/19, 2019/20 and 2020/21 respectively.</b>	cost reflective tariffs. Application of the NT Tariff Tool to assess tariffs for cost coverage		structures	
6	Indigent Management (considered together with all debtors in general)	<b>Debtors book not reviewed to identify indigents and write offs of irrecoverable debts. The municipality do not have a district wide indigent register to measure the level of socio-economic profile. No provision for bad debts was made to write off debts for the three consecutive financial years to 2020/21.</b>	Review the debtor's book and identify long outstanding debts, reconcile with the indigent register, and recommend write offs after exhausting all procedures to collect Review of the indigent register to cover the whole municipality Verify qualifying indigents at least quarterly and update the indigent register	<b>Updated Indigent Management Policy</b> <b>Complete Indigent Register</b> <b>Adjusted Debtors Book</b>	Indigent Management Policy Indigent Register	Efficiency Gains
7	Supply Chain Management (together with SCM Policy above at 2)	<b>Escalating high levels of irregular expenditure as a result of SCM deficiencies. Amounts of R1,8 billion in 2021/22 and R1,7 billion in 2020/21 and R1,98 billion 2019/20 were recorded as irregular expenditure.</b>	Review SCM policy to deal with any internal controls weaknesses identified and ensure they are aligned to all applicable legislation. Prepare Procurement plans and implement procurement in terms of available budget and SCM rules	<b>SCM Policy</b> <b>SOPs</b>	SCM Policy SOPs approved and implemented	Efficiency Gains
8	Cost Containment and cash flow management	<b>Inadequate cashflow management</b>	Capacitate the BTO unit with competent personnel who have requisite skills to perform key and core functions including cash flow management	<b>Cash Flow Management performed daily, weekly &amp; monthly and results reported to Executive management</b>	No shortfall or borrowings from Capital Projects or other sources e.g. Banks, Suppliers	

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				Sufficient Cash Flow generated to meet projected expenditure and capital requirements for each month of the fiscal year	extended Credit terms	
		The municipality does have a cost containment policy aligned to cost containment regulations but not complied with.	Develop a cost containment policy compliance monitoring tool (SOP).	Development of the Cost Containment Policy	Containment Policy Developed	
		Escalating Fruitless and wasteful expenditure. R56,3M in 2021/22, R50,8M in 2020/21 and R28,3M in 2019/20, Prevent UIF losses	Prepare and implement monthly cash flow forecasts and maintain robust cash management including appraising top management and take corrective action	Updated Audit improvement plan	Audit improvement plan	
			Adhere to payment of invoices within 30 days as stipulated in regulations.	Updated creditors ledger / Age analysis	Improved creditors ledger	
			Negotiate and honour payment arrangements entered with creditors.	Payment paid within 30 days	Improved creditors ledger	
			Develop UIF&W strategy.	Updated Policy and Audit Improvement Plan	Approved Audit Improvement Plan	
9	Financial Control environment	Financial resources are not used effectively, efficiently, and economically.	Appoint competent personnel and continuous training of officials.	Updated SOP financial management / Appointment in line with the organisation review	Training Schedules	Budget prepared directly on the financial system
			Review of SOP's, training of staff and support with implementation.		SOPs	
		Information systems	Restrict unauthorised	Allocation of User IDs and	Updated IT	

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		<b>and automated controls are not supporting accountability by accurately recording and processing financial and performance information.</b>	access to the accounting system and authorised users should have rights to transact only on their functions.	<b>Password</b>	Policy	
			Maintain an activity log on all transactions posted on the system.			
			Review the correctness of transactions posted on the system before being processed.	<b>Improved delegation of control</b>	Revised delegations of authority to be recorded in the IT Policy	
		<b>Full and proper records of the financial affairs are not kept in accordance with prescripts.</b>	Monthly reconciliation of accounting records must be prepared and reviewed by appropriate officials.	<b>Document Management System implemented (implement Audit Action Plan)</b>	Training and development on document management Report of financial performance against annual procurement plan.	
			Acquiring of a document management system which can keep documentation in soft copy and back up on cloud.			
			Implement plan to improve from the Qualified Audit Opinion			
		<b>Risk Management function not adequately implemented</b>	Compilation of a risk register that considers AG findings, inherent challenges facing the municipality the prevailing control environment and the organisational culture of the municipality before IA prepares the IA risk plan. IA must ensure that the risk	<b>Efficient staff (to be included the revised organogram as funded posts)</b>	Confirmed appointments and training schedule	

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		<b>Financial Management system not optimally utilised.</b>	plan is complete, accurate, broad (not shallow) and is a strong foundation for improved control			
			Appoint highly competent and experienced Chief Risk Officer position.	<b>Appointment of the Risk Officer</b>	Letter of appointment	
			Training of officials on all reconciliation control requirements.	<b>Effective staff / Competent staff</b>	Signed attendance register	
			Ensure full compliance to MSCOA regulations.	<b>Functional mSCOA Steering Committee</b>  <b>Approved mSCOA Road Map</b>  <b>Timeously submission of credible data strings</b>  <b>Full functionality of all modules on the core system</b>	Terms of Reference for mSCOA Steercom  Minutes of meetings for SteerCom  Approved mSCOA roadmap  Accurate data strings  Progress report on implementation of mSCOA	
<b>10</b>	<b>Creditor management</b>	<b>Inaccurate creditors records</b>	Ensure that creditors have a legitimate claim in terms of money owed.	<b>Updated records of all creditors leading to efficient and credible payment arrangements in line with the MFMA</b>	Updated records and payment terms	Financial benefits to be achieved through improved operational efficiencies
			Improve creditors records management and processing of transactions.			

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			Prepare creditors reconciliations for bulk suppliers. Ensure that invoices enter the institution from one centre and improve general controls.			
		<b>Creditors payment period above the norm at 99, 147 and 197 days for the three years, 2019/20 and 2020/21 2021/22 respectively.</b>	Negotiate feasible payment arrangements which the municipality can honour.	<b>Improved payment plans</b>	Payment agreements	
			Incur expenditure in terms of the approved 2022/23 budget.	<b>Expenditure in line with the prescripts of an approved budget</b>	Approved budget and monitoring thereof	
11	<b>Grant management</b>	<b>Persistent material underspending of conditional grants or the past years.</b>	Municipality must adequately prepare PIPs and consult on the draft to ensure that projects are ready for implementation and are thoroughly consulted with Council and leadership. (The PIPs must be prepared such that contractors get awarded before the beginning of the financial year).	<b>Grant register reconciliations and DORA returns updated leading to an improvement and credible Grant register</b>	Improved accountability and reconciliation of grant spending in line with the requirements	As per conditional grant funding
		<b>Rollover applications not always approved by National Treasury.</b>	Incur expenditure in terms of the approved budget and conditions of the grant.			
		<b>Grant expenditure always below 40-45% of grant as required by DORA</b>	Payments from conditional grants amount received should be according to the conditions of the grant being met.			
		<b>Unspent conditional grants may not</b>	Cash-backing of all unspent conditional grants			



PHASE 1: RESCUE

NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
		necessarily be backed/supported by bank balance.				
12	mSCOA Implementation	<p>There are discrepancies on the 2022/23 tabled budget, usage of mSCOA segments.</p> <p>mSCOA Steering committee not functional.</p> <p>The audited data strings are not aligned with the audited financial statements and tabled budget data strings are not aligned with the budget disclosed on the MBRR.</p> <p>Key functional modules not implemented such as the asset management module.</p>	<p>Make the system support service provider accountable and resolve issues relating to the system.</p> <p>Update and implement mSCOA Road Map</p> <p>Timeous Submission of credible data strings</p> <p>Development of implementation plan for non-functional modules such as asset management modules.</p> <p>mSCOA Steering Committee should be functional/implement its duties</p>	<p>Functional mSCOA Steering Committee</p> <p>Approved mSCOA Road Map</p> <p>Timeously submission of credible data strings</p> <p>Full functionality of all modules on the core system</p>	<p>Terms of Reference for mSCOA Steercom</p> <p>Minutes of meetings for SteerCom</p> <p>Approved mSCOA roadmap</p> <p>Accurate data strings</p> <p>Progress report on implementation of mSCOA</p>	As per approved Municipal Budget
13	Accounting/ Financial Reporting	Financial statements submitted to AG contain material errors/misstatements	<p>All financial ratios to be reviewed and plan put in place to improve over MTREF. Overtime and other allowances to be capped and reduced.</p> <p>Capacitate the unit with officials with appropriate</p>	<p>Reviewed Financial ratios</p> <p>Efficient staff (to be included the revised organogram as</p>	<p>Financial Ratios</p> <p>Capacitated BTO with skilled staff in</p>	<p>As per approved Municipal Budget</p> <p>As per approved Municipal Budget and in line with the</p>

**PHASE 1: RESCUE**

NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
			skills and improve document management to ensure that credible AFS are compiled and submitted to the AG.	funded posts)	line with the approved organogram	approved organogram
14	FMCMM	There is slow progress on the compliance with MFMA Circular No. 113 & 114 Web-based FMCMM and Audit Action Plan to achieve the prescribed financial maturity level.	Comply with MFMA Circular No. 113 & 114 Web-based FMCMM and Audit Action Plan to achieve the prescribed financial maturity level.	FMCMM Improved Results  Improved Capacity	FMCMM Action Plan  FMCMM Action Plan Progress Reports	
15	Asset Management	Below norm spending on repairs and maintenance at 1%, 1% and 2% for the years 2018/19, 2019//20 and 2020/21 respectively against the norm of 8%.	Develop and implement an asset maintenance plan.	Improved Asset Management Accounting / Updated Asset Management Plan / Efficient abd qualified staff	Updated GRAP compliant Fixed Asset Register	
		No own funded infrastructure projects. Own funded capital expenditure to total capital expenditure ratio at 0% (2020/21).	Increase revenue baseline for more income.			
			Institute adequate controls to ensure improved revenue collection.			
		Under spending of capital expenditure budget. 4% Capital expenditure to total expenditure ratio was recorded in 2019/20 against the norm of 10-20%.	Incur expenditure in terms of the approved budget and conditions of the grant.			
			Improve budget controls to avoid misappropriation of funds.			
		There are no mechanisms to monitor	Capacitate the unit with officials with appropriate			

PHASE 1: RESCUE						
NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
		the asset management consultants.	skills to monitor and review work done by consultants.			
		The municipality does not ensure that the Asset Register reconciles to the General Ledger and AFS.	Capacitate the unit with officials with appropriate skills to monitor and review work done by consultants.			
		There are no adequate controls in place to ensure collaboration between Finance and PMU in ensuring that assets are properly valued, exist, valid etc.	Institute adequate controls to ensure collaboration between Finance and Project Management Unit.			
		The municipality does not ensure that assets are correctly classified in the asset register.	Capacitate the omit with officials with appropriate skills to monitor and review work done by consultants.			
PILLAR FOUR: SERVICE DELIVERY						
1	Status of project management	Key projects /sites are not properly secured and process stalls due to theft or vandalism.  The Ntsonyini dam project has been terminated	<p>The DM must calculate the losses incurred and start recovering the losses from affected parties (Examples are Ntsonyini dam).</p> <p>Punitive actions must be taken against the identified parties.</p> <p>Extensive capacity building must be done in the project management and compliance issues</p> <p>The DM must compile a list of all similar projects and perform effective corrective</p>	Effective monitoring and management of all technical contracts will result in the identification of deficiencies' and the relevant action to be taken on defaulting service providers	Improved monitoring and evaluation processes	

**PHASE 1: RESCUE**

NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
			action to enhance service delivery.			
			The DM to ensure that appointed contractors secure the respective premises and provide security for the safe guarding of equipment.			
2	Revenue generating assets.	Revenue generating assets are not prioritised in the towns of four local municipalities of the district municipality. These towns do not have waterborne sewer facilities	Municipality must prioritise the revenue generating assets by bringing them forward in all the towns. This will improve the expansion of revenue generation and collections, and more resources will be available for repairs & maintenance, as well as improvement to financial health	Increased own revenue Increased collection rate	Monthly reconciliations  S71 Reports	Per set revenue targets
3	Water Losses	There are currently no measurement tools for water losses. Water losses are due to illegal connections. No inspections are conducted on illegal water connections. There are currently no functional customer call centrum or leak report register	Municipality must budget and install bulk meters & zonal meters. These will assist the municipality to identify the abnormal losses and prevent them Establish a customer call centre Keep a leak report register Municipality must develop a strategy to identify illegal connections with the relevant stakeholders such as community leaders	Effective tool and methodologies including the monitoring and management of all technical contracts will result in the identification of deficiencies' leading to loss of potential revenue  Functional Customer Call Centre  Leak report Register	Improved monitoring and inspections  Customer Care Structure  Leak Report Register	
4	Persistent material	Municipality materially underspent conditional	The municipality must monitor the implementation	Development and maintenace of the Grant	Improved accountability and	As per conditional grant funding requirements

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	underspending of conditional grants	grants such as MIG and RBIG.	of its PIP's, to address the challenges from the feedback and feedforward controls so as to be proactive in preventing the underspending. The procurement plans must be aligned to PIP.	Register with reconciliations and DORA returns	reconciliation of grant spending in line with the requirements.	
5	Status of disaster management centre	The municipality does not have a disaster management centre to anticipate the disasters that its prone to.	Municipality must prioritise the resources for the completeness of disaster management centre. Unnecessary expenditures can be avoided if the centre if effectively functions	Development and capaciation of the Disaster Management Centre	Reports to be tabled to Management meetings and Council	
6	Inability to spend disaster funds	The municipality is slow in spending emergency funds	The municipality must be capacitated to apply and implement the SCM prescripts to spend disaster funds without incurring irregular expenditure	Capacitation of staff and application of SCM prescripts for effective monitoring and oversight on funds	Improved accountability and reconciliation of spending in line with the requirements.	
7	Advance payments	The municipality prepays service providers	The DM should champion the process to compile a list of all the projects where payments were advanced to service providers, identify where there are gaps in terms of shortages, vandalisms, financial losses and deficiencies.	Compilation of list of service providers and reconciliation of work performed against the payments made	Improved accountability and reconciliation of spending in line with the requirements.	
			Comprehensive corrective measures be taken to address backlogs for the benefit of the communities			
8	Project	The municipality	The DM must prepare a PIP	Improved planning and	Reports on	

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	Implementation plan (PIP)	<b>prepares and approves inadequate PIPs</b>	at least 6 months before it is presented to council and relevant transferring departments for thorough consultations and participations.  The implementations in terms of realistic procurement plans and be monitored to ensure procurements are finished before the beginning of ensuing financial year.	<b>budgets for operations and maintenance</b>	updates and progress	
9	Operation and maintenance plan	<b>The Municipality does not have operation and maintenance plans. The expenditure incurred for repairs &amp; maintenance for the past three years were as follows:- 2019/20 R83,6M 2020/21 R43,1M 2021/22 R14,7M Based on the audited AFS of 2021/22, the expenditure should be R584M (R7300*8%)</b>	Prepare an operation and maintenance plan every year in order to be proactive in preventing asset impairment and enhancing the useful lives of assets  Reallocate its budget from non-core activities to repairs and maintenance budget	<b>Improved planning and budgets for operations and maintenance</b>	Reports on updates and progress	
10	Unfavourable blue and green drop status	<b>The municipality obtained an overall blue drop score of 52,6% The DWS issued several pre-directives to the municipality as a</b>	Monitoring of the external service provider on the implementation of the requirements of bluedrop status  Implement the green drop pre-directives issued by	<b>Capacitation of staff in line with the Workplace skills plan</b>  <b>DWS Pre-directive Compliance</b>	Skills audit Report and Workplace Skills Programme and Plan  DWS Compliance	

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NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
		<b>result of sanitation failures and raw sewer spillages that are polluting the environment. Action Plans were supposed to be drafted to correct this matter, but the municipality failed to comply or intervene adequately</b>	DWS to the municipality as a result of sanitation failures and raw sewer spillages that are polluting the environment: Draft Action Plans to correct this matter.			
			Ensure that there is continuous skills transfer, skills development and training and capacity building of personnel during this process.	<b>Increased Capacity</b>	Increased Capacity PoE	
11	Fleet Management	<b>Inadequate fleet and lack of experienced operators.</b>	Assign a suitably qualified official to execute fleet management functions.	<b>Appointment of fleet management resource</b>	Appointment in line with funded budgets and approved organisational structure	
		<b>Fleet misuse without monitoring.</b>				
		<b>Obsolete vehicles.</b>	Implement the following effective internal controls to manage municipal fleet: o Pre-authorisation of trips by Management o Install trackers in all fleet o Promotion of safe driving habits o Continuous interval physical inspections of fleet o Bi-weekly reports on the performance of fleet o Reconciliation of fuel with service delivery mileage	<b>Fleet Management Parameters (fuel use, harsh braking, kilometres travelled, vehicle licensing, driver licensing, insurance, etc)</b>	Fleet Performance Progress Report	Not Applicable
			Auction obsolete assets.	<b>Items for disposal and auction date</b>	Fleet Performance	Minimum price must be set before bidding based on

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NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
					Progress Report	valuation approved by Technical Director
12	Bulk meters	No bulk check meter at substations and water treatment works.	Conduct a meter audit and install bulk meters at all water treatment plants bulk meters must also be installed at the point of entry for each zonal area where billing occurs. The bulk meters must also be installed at each point of entry where non-revenue water is supplied. Period reconciliation must be done monthly to assist with the prevention of losses	Sourcing and installation of bulk meters	Increased revenue generation	
13	Status of Infrastructure Master Plans	There is currently no Sanitation Master Plan.	Develop a comprehensive sanitation master plan. Implement recommendations of the master plans in place.	Development and implementation of a Sanitation Master Plan	Sanitation Master Plan developed	
14	Asset Management	The Municipality has property plant and equipment (PPE) in place valued/costed at R10,8 billion in 2021/22 and the carrying value of R7,3 billion, but has experienced a classification problem for over three years  The municipality does not have sufficient	The PPE must be updated monthly in terms GRAP 17 by both BTO and Water & Sanitation department with top management involved by obtaining the monthly reports and to resolve any challenges identified. Establish an Asset Management Steering Committee to improve coordination between Budget and Treasury Office and Project Management	Reconciliation of all assets with the municipality with correct classifications  Functional Asset Management Committee	Improved and asset register  Asset Management STEERCOM ToR	



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NO	FOCUS AREA	KEY ASSESSMENT FINDING (BASELINE)	KEY ACTIVITIES	KEY PERFORMANCE INDICATOR	PORTFOLIO OF EVIDENCE	BUDGET PARAMETER/ REVENUE TARGET/ SPENDING LIMIT
		funds to repair and maintain the completed new and aged assets	Unit / Engineering services departments and to assist in the planning for assets, implementation of projects and handling setbacks on grants spending.			
			Register the incidence of vandalism and the cost of vandalism repair.	Vandalism Record	Vandalism Repair Register	
			Possible falsified or duplicated work certified should be investigated to account, together with any unauthorised fruitless and wasteful expenditure	List of suspicious transaction to be identified for forensic investigations	Forensic investigation report with findings and recommendations	
			The municipality must identify the completeness of all prepaid expenditures and transfer them from WIP register to prepaid expense account. In future the municipality should avoid advance payments and process payments where there is value for money.			
			The municipality must identify all service providers paid in advance and unfinished projects which should be investigated and where misappropriated wasted funds should be recovered			
			A realistic plan must be put in place to align the repairs	Alignment of expenditure with the norms and	Improved processes	

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			and maintenance with the norms and standards of 8%. This should align with the tabled budget,	standards		
			The municipality must prepare a comprehensive operations and maintenance plan from the infrastructure asset register and from other relevant information sources since PPE is a persistent basis of a qualified opinion			
			Develop and implement an asset maintenance plan.			

## **ANNEXURE E: CIRCULAR 88 OUTPUT INDICATORS**

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Rural Economic & Development Planning	ENV4.11	ENV4. Biodiversity is conserved and enhanced	Percentage of biodiversity priority area within the municipality	ENV4.11(1)	Number of Biodiversity Priority areas identified and visited	20	20	5	5	5	5
Rural Economic & Development Planning				ENV4.11(2)	Number of Biodiversity Conservation Initiatives supported	5	5	1	1	2	1
Rural Economic & Development Planning	ENV4.21	ENV4. Biodiversity is conserved and enhanced	Percentage of biodiversity priority areas protected	ENV4.21(1)	Number of Environmental/Bidi versity Calender days observed	4	4	1	1	1	1
Rural Economic & Development Planning				ENV4.21(2)	Number of Environmental Management/ Biodiversity management technical engagements conducted	4	4	1	1	1	1
Budget & Treasury Office	FM1.11	FM1. Enhanced municipal budgeting and budget implementat ion	FM1.11 Total Capital Expenditure as a percentage of Total Capital Budget	FM1.11(1)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office				FM1.11(2)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office			FM1.12 Total Operating Expenditure as a percentage of Total Operating Expenditure Budget	FM1.12(1)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office				FM1.12(2)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office			FM1.13 Total Operating Revenue as a percentage of Total Operating Revenue Budget	FM1.13(1)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office				FM1.13(2)		100%	100%	100%	100%	100%	100%
Budget & Treasury Office			FM1.14 Service Charges and Property Rates Revenue as a	FM1.14(1)		100%	100%	100%	100%	100%	100%
Budget &				FM1.14(2)		100%	100%	100%	100%	100%	100%

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Treasury Office			percentage of Service Charges and Property Rates Revenue Budget								
Budget & Treasury Office			FM1.21 Funded budget (Y/N) (Municipal)			N	Y	Y	Y	Y	Y
Budget & Treasury Office	FM2.21	FM2. Improved financial sustainabilit y and liability managemen t	FM2.21 Cash backed reserves reconciliation at year end			R220 million	R1 billion	N/A	N/A	N/A	R1 billion
Budget & Treasury Office	FM3.11	FM3. Improved liquidity managemen t	FM3.11 Cash/Cost coverage ratio			0.3	1.80	0.28	0.18	0.21	0.20
Budget & Treasury Office	FM3.12		FM3.12 Current ratio (current assets/current liabilities)			0.8	1	N/A	N/A	N/A	1
Budget & Treasury Office	FM3.13		FM3.13 Trade payables to cash ratio			0.07	0.56	N/A	N/A	N/A	0.56
Budget & Treasury Office	FM3.14		FM3.14 Liquidity ratio			0.1	0.3	N/A	N/A	N/A	0.3
Budget & Treasury Office	FM4.11	FM4. Improved expenditure managemen t	FM4.11 Irregular, Fruitless and Wasteful, Unauthorised Expenditure as a percentage of Total Operating Expenditure			R1.7 billion	R0.00	R0.00	R0.00	R0.00	R0.00
Budget & Treasury Office	FM4.31		FM4.31 Creditors payment period			190 days	180 days	N/A	N/A	N/A	180 days
Budget & Treasury Office	FM5.11	FM5. Improved asset	FM5.11 Percentage of total capital			0.73%	1.66%	2.21%	2.34%	0.91%	1.16%

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
		managemen t	expenditure funded from own funding (Internally generated funds + Borrowings)								
Budget & Treasury Office	FM5.12		FM5.12 Percentage of total capital expenditure funded from capital conditional grants			99.27%	98.34%	97.79%	97.66%	99.09%	98.84%
Budget & Treasury Office	FM5.21		FM5.21 Percentage of total capital expenditure on renewal/upgrad ing of existing assets			0%	0%	0%	0%	0%	0%
Budget & Treasury Office	FM5.22		FM5.22 Renewal/Upgra ding of Existing Assets as a percentage of Depreciation/As set impairment			0%	0%	0%	0%	0%	0%
Budget & Treasury Office	FM5.31		FM5.31 Repairs and Maintenance as a percentage of property, plant, equipment and investment property			0.2%	0.3%	0.1%	0.1%	0.05%	0.05%
Budget & Treasury Office	FM6.12	FM6. Improved supply chain managemen t	FM6.12 Percentage of awarded tenders [over R200k], published on the municipality's			100%	100%	100%	100%	100%	100%

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			website								
Budget & Treasury Office	FM6.13		FM6.13 Percentage of tender cancellations			4%	0%	0%	0%	0%	0%
Budget & Treasury Office	FM7.11	FM7. Improved revenue and debtors managemen t	FM7.11 Debtors payment period			196	120	N/A	N/A	N/A	120
Budget & Treasury Office	FM7.12		FM7.12 Collection rate ratio			71%	71%	72%	65%	73%	72%
Budget & Treasury Office	FM7.31		FM7.31 Net Surplus /Deficit Margin for Electricity			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	FM7.32		FM7.32 Net Surplus /Deficit Margin for Water			2%	2%	2%	2%	2%	2%
Budget & Treasury Office	FM7.33		FM7.33 Net Surplus /Deficit Margin for Wastewater			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	FM7.34		FM7.34 Net Surplus /Deficit Margin for Refuse			N/A	N/A	N/A	N/A	N/A	N/A
Community Services	FD1.11	FD1. Mitigated effects of fires and disasters	FD 1.11 Percentage compliance with the required attendance time for structural firefighting incidents		60 minutes response time for areas within a 50 kilometres radius and 2 hours for areas more than 50 kilometres radius	100%	100%	100%	100%	100%	100%
Corporate Services	GG1.21	GG1. Improved municipal capability	GG 1.21 Staff vacancy rate			47%	9.4%	0	3%	3%	3.4%
Corporate Services	GG1.22		GG1.22 Percentage of vacant posts filled within 3 months			0	100%	10%	30%	30%	30%
Water	GG2.31	GG2.	GG2.31			90%	90%	90%	90%	90%	90%

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Services		Improved municipal responsiveness	Percentage of official complaints responded to through the municipal complaint management system								
Internal Audit	GG3.11	GG3. Improved municipal administration	GG 3.11 Number of repeat audit findings			44	30	N/A	N/A	30	N/A
Legislative Services	GG3.12		GG 3.12 Percentage of councillors who have declared their financial interests			100%	100%	100%	100%	100%	100%
Corporate Services	GG5.11	GG5. Zero tolerance of fraud and corruption	GG 5.11 Number of active suspensions longer than three months			7	0	0	0	0	0
Corporate Services	GG5.12		GG 5.12 Quarterly salary bill of suspended officials				R0	R0	R0	R0	R0
Rural Economic & Development Planning	LED1.11	LED1. Growing inclusive local economies	LED1.11 Percentage of total municipal operating expenditure spent on contracted services physically residing within the municipal area			100%	100%	100%	100%	100%	100%
Technical Services	LED1.21		LED1.21 Number of work opportunities			4004	3997	999	999	999	1000



Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)								
Rural Economic & Development Planning	LED2.12	LED2. Improved levels of economic activity in municipal economic spaces	LED 2.12 Percentage of the municipality's operating budget spent on indigent relief for free basic services			100%	100%	100%	100%	100%	100%
Rural Economic & Development Planning	LED3.31	LED3. Improved ease of doing business within the municipal area	LED3.31 Average number of days from the point of advertising to the letter of award per 80/20 procurement process			90 days	90 days	90 days	90 days	90 days	90 days
Rural Economic & Development Planning	LED3.32		LED3.32 Percentage of municipal payments made to service providers who submitted complete forms within 30-days of invoice submission			100%	100%	100%	100%	100%	100%
Technical Services	TR5.11	TR5. Improved access to public transport	TR5.11 Number of scheduled public transport access points				N/A	N/A	N/A	N/A	N/A

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
		(incl. NMT)	added								
Technical Services	TR6.11	TR6. Improved quality of municipal road network	TR6.11 Percentage of unsurfaced road graded				N/A	N/A	N/A	N/A	N/A
Technical Services	TR6.12		TR6.12 Percentage of surfaced municipal road lanes which has been resurfaced and resealed				N/A	N/A	N/A	N/A	N/A
Technical Services	TR6.13		TR6.13 KMs of new municipal road network				N/A	N/A	N/A	N/A	N/A
Technical Services	TR6.21		TR6.21 Percentage of reported pothole complaints resolved within standard municipal response time				N/A	N/A	N/A	N/A	N/A
Water Services	WS1.11	WS1. Improved access to sanitation	WS1.11 Number of new sewer connections meeting minimum standards			1850	7500	N/A	N/A	3000	4500
Water Services	WS2.11	WS2. Improved access to water	WS2.11 Number of new water connections meeting minimum standards			1500	470	N/A	N/A	N/A	470
Water Services	WS3.11	WS3. Improved quality of water and sanitation services	<b>WS3.11 Percentage of callouts responded to within 24 hours (sanitation/wastewater)</b>			New Indicator	90%	90%	90%	90%	90%
Water Services				WS3.11 (1)	Number of reported complaints	New Indicator					
Water				WS3.11 (2)	Number of	New Indicator					

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Services					complaints responded to within 24 hours (sanitation)						
Water Services			<b>WS3.21 Percentage of callouts responded to within 24 hours (water)</b>			New Indicator	90%	90%	90%	90%	90%
Water Services	WS3.21			WS3.21 (1)	Number of reported complaints	New Indicator					
Water Services				WS3.21 (2)	Number of complaints responded to within 24 hours (water)	New Indicator					
Budget & Treasury Office	WS5.31	WS5. Improved water sustainabilit y	WS5.31 Percentage of total water connections metered								
Office of the Municipal Manager	C1 (GG)		Number of signed performance agreements by the MM and section 56 managers:			12	12	12	N/A	N/A	N/A
Executive Mayoral Services	C2 (GG)		Number of Executive Committee or Mayoral Executive meetings held			12	12	3	3	3	3
Legislative Services	C3 (GG)		Number of Council portfolio committee meetings held			40	40	10	10	10	10
Legislative Services	C4 (GG)		Number of MPAC meetings held			4	8	2	2	2	2
Legislative Services	C5 (GG)		Number of recognised traditional leaders within your municipal			12	3	3	N/A	N/A	N/A

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			boundary								
Legislative Services	C6 (GG)		Number of formal (minuted) meetings between the Mayor, Speaker and MM were held to deal with municipal matters			4	4	1	1	1	1
Office of the Municipal Manager	C7 (GG)		Number of formal (minuted) meetings - to which all senior managers were invited- held			12	12	3	3	3	3
Corporate Services	C8 (GG)		Number of councillors completed training			6	59 Councillors for 2 Interventions	N/A	1	N/A	1
Corporate Services	C9 (GG)		Number of municipal officials completed training			69	127	27 for formal Qualification invoices to be processed 100 for training in Water Process & Reticulation Learnership	27 formal Qualification invoices to be processed	training ongoing	Training Ongoing
Corporate Services	C10 (GG)		Number of work stoppages occurring			1	0	0	0	0	0
Office of the Municipal Manager	C11 (GG)		Number of litigation cases instituted by the municipality			6	3	N/A	N/A	N/A	3
Office of the Municipal Manager	C12 (GG)		Number of litigation cases instituted against the municipality			15	10	N/A	N/A	N/A	10
Office of the Municipal	C13 (GG)		Number of forensic			1	1	N/A	N/A	N/A	1

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Manager			investigations instituted								
Office of the Municipal Manager	C14 (GG)		Number of forensic investigations conducted			5	3	N/A	N/A	N/A	3
Corporate Services	C15 (GG)		Number of days of sick leave taken by employees			0	N/A	N/A	N/A	N/A	N/A
Corporate Services	C16 (GG)		Number of permanent employees employed			1100	53	10	14	14	14
Corporate Services	C17 (GG)		Number of temporary employees employed			11	7	7	N/A	N/A	N/A
Legislative Services	C18 (GG)		Number of approved demonstrations in the municipal area			0	0	0	0	0	0
Legislative Services	C19 (GG)		Number of recognised traditional and Khoi-San leaders in attendance (sum of) at all council meetings			12	3	3	3	3	3
Corporate Services	C20 (ENV)		Number of permanent environmental health practitioners employed by the municipality			29	N/A	N/A	N/A	N/A	29
Corporate Services	C21 (ENV)		Number of approved environmental health practitioner posts in the			67	N/A	N/A	N/A	N/A	67

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			municipality								
Legislative Services	C22 (GG)		Number of Council meetings held			4	4	1	1	1	1
Corporate Services	C23 (GG)		Number of disciplinary cases for misconduct relating to fraud and corruption			5	0	0	0	0	0
Legislative Services	C24 (GG)		Number of council meetings disrupted			0	0	0	0	0	0
Legislative Services	C25 (GG)		Number of protests reported			0	0	0	0	0	0
Budget & Treasury Office	C26 (GG)		R-value of all tenders awarded			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	C27 (GG)		Number of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	C28 (GG)		R-value of all awards made in terms of Section 36 of the MFMA Municipal Supply Chain Management Regulations			N/A	N/A	N/A	N/A	N/A	N/A
Human Settlements	C29 (GG)		Number of approved applications for rezoning a property for commercial purposes			N/A	N/A	N/A	N/A	N/A	N/A

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Corporate Services	C31 (GG)		Number of approved posts in the municipality with regard to municipal infrastructure:			871	N/A	N/A	N/A	N/A	871
Corporate Services	C32 (GG)		Number of positions filled with regard to municipal infrastructure			1100	N/A	N/A	N/A	N/A	1100
Budget & Treasury Office	C33 (GG)		Number of tenders over R200 000 awarded			N/A	N/A	N/A	N/A	N/A	N/A
Corporate Services	C34 (GG)		Number of months the Municipal Managers' position has been filled (not Acting)			8	4	3	1	N/A	N/A
Corporate Services	C35 (GG)		Number of months the Chief Financial Officers' position has been filled (not Acting)			12	12	3	3	3	3
Corporate Services	C36 (GG)		Number of vacant posts of senior managers			2	6	2	1	N/A	3
Corporate Services	C37 (GG)		Number of approved posts in the treasury and budget office			187	187	N/A	N/A	N/A	187
Corporate Services	C38 (GG)		Number of filled posts in the treasury and budget office			134	134	N/A	N/A	N/A	134
Corporate Services	C39 (GG)		Number of approved posts			24	24	N/A	N/A	N/A	N/A

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			in the development and planning department								
Corporate Services	C40 (GG)		Number of filled posts in the development and planning department			24	24	N/A	N/A	N/A	N/A
Corporate Services	C41 (GG)		Number of approved engineer posts in the municipality			124	124	N/A	N/A	N/A	N/A
Corporate Services	C42 (GG)		Number of registered engineers employed in approved posts			53	53	N/A	N/A	N/A	N/A
Corporate Services	C43 (GG)		Number of engineers employed in approved posts			0	0	N/A	N/A	N/A	N/A
Corporate Services	C44 (GG)		Number of disciplinary cases in the municipality			17	0	0	0	0	0
Corporate Services	C45 (GG)		Number of finalised disciplinary cases			2	0	0	0	0	0
Corporate Services	C46 (ENV)		Number of approved waste management posts in the municipality			864	864	N/A	N/A	N/A	864
Corporate Services	C47 (ENV)		Number of waste management posts filled			554	554	N/A	N/A	N/A	554
Corporate Services	C48 (EE)		Number of approved electrician posts in the municipality			2	2	N/A	N/A	N/A	2



Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Corporate Services	C49 (EE)		Number of electricians employed in approved posts			2	2	N/A	N/A	N/A	2
Corporate Services	C50 (WS)		Number of approved water and wastewater management posts in the municipality			808	808	N/A	N/A	N/A	808
Corporate Services	C51 (WS)		Number of filled water and wastewater management posts			579	579	N/A	N/A	N/A	579
Community Services	C52 (HS)		Number of maintained sports fields and facilities			N/A	N/A	N/A	N/A	N/A	N/A
Community Services	C53 (HS)		Square meters of maintained public outdoor recreation space			N/A	N/A	N/A	N/A	N/A	N/A
Community Services	C54 (HS)		Number of municipality-owned community halls			1	1	N/A	N/A	N/A	1
Technical Services	C59 (EE)		Number of municipal buildings that consume renewable energy			N/A	N/A	N/A	N/A	N/A	N/A
Water Services	C60(WS)		Total number of sewer connections			0	500	N/A	N/A	N/A	500
Water Services	C61 (WS)		Total number of chemical toilets in operation			N/A	N/A	N/A	N/A	N/A	N/A
Water Services	C62 (WS)		Total number of Ventilation Improved Pit Toilets (VIPs)			1850	7000	N/A	N/A	3000	4000

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
Water Services	C63 (WS)		Total volume of water delivered by water trucks			32000	64800	16200	16200	16200	16200
Corporate Services	C67 (FD)		Number of paid full-time firefighters employed by the municipality			7	7	N/A	N/A	N/A	7
Corporate Services	C68 (FD)		Number of part-time and firefighter reservists in the service of the municipality			87	87	N/A	N/A	N/A	87
Executive Mayoral Services	C69 (FD)		Number of 'displaced persons' to whom the municipality delivered assistance			100	200	50	50	50	50
Community Services	C70 (FD)		Number of volunteer responders in the service of the municipality		Number of volunteers	87	87	87	87	87	87
Budget & Treasury Office	C71 (LED)		Number of procurement processes where disputes were raised			N/A	0	0	0	0	0
Community Services	C72 (FD)		Date of the last municipal Disaster Management Plan tabled at Council			2012	0	N/A	N/A	N/A	N/A
Community Services	C73 (FD)		Number of structural fires occurring in informal settlements			20	0	0	0	0	0
Community Services	C74 (FD)		Number of dwellings in informal			7	0	0	0	0	0

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			settlements affected by structural fires (estimate)								
Community Services	75 (FD)		Number of people displaced within the municipal area			5000	3500	200	1000	1300	1000
Rural Economic & Development Planning	C76 (LED)		Number of SMMEs and informal businesses benefitting from municipal digitisation support programmes rolled out directly or in partnership with other stakeholders			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	C77 (LED)		B-BBEE Procurement Spend on Empowering Suppliers that are at least 51% black owned based			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	C78 (LED)		B-BBEE Procurement Spend on Empowering Suppliers that are at least 30% black women owned			N/A	N/A	N/A	N/A	N/A	N/A
Budget & Treasury Office	C79 (LED)		B-BBEE Procurement Spend from all Empowering Suppliers based on the B-			N/A	N/A	N/A	N/A	N/A	N/A

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			BBEE Procurement								
Budget & Treasury Office	C86 (LED)		Number of households in the municipal area registered as indigent			N/A	N/A	N/A	N/A	N/A	N/A
Executive Mayoral Services	C89 (GG)		Number of meetings of the Executive or Mayoral Committee postponed due to lack of quorum			0	0	0	0	0	0
Rural Economic & Development Planning	C90 (ENV)		Date of the last Climate Change Needs and Response Assessment tabled at Council	CCRS_50_01	Number of vulnerable communities identified and visited and vulnerability assessment report developed	8	8	2	2	2	2
Rural Economic & Development Planning	C91 (ENV)		Date of the last Climate Change Response Implementation Plan tabled at Council	CRRS_51_01	Number of Climate Change Response Initiatives conducted and supported in vulnerable areas	4	4	1	1	1	1
Legislative Services	C92 (GG)		Number of agenda items deferred to the next council meeting			2	0	0	0	0	0
Budget & Treasury Office	C93 (FM)		Number of awards made in terms of SCM Reg 32			0	0	0	0	0	0
Budget & Treasury Office	C94 (FM)		Number of requests approved for deviation from approved procurement			0	0	0	0	0	0

Department	Performance indicator					Baseline (Annual Performance of 2024/25 estimated)	2025/2026 Targets				
	No.	Outcome	Output indicator	Ref. No.	Data Elements		Annual target for 2025/2026	1st Quarter Planned output as per SDBIP	2nd Quarter Planned output as per SDBIP	3rd Quarter Planned output as per SDBIP	4th Quarter Planned output as per SDBIP
			plan								
Budget & Treasury Office	C95 (FM)		Number of residential properties in the billing system			991	991	991	991	991	991
Budget & Treasury Office	C96 (FM)		Number of non-residential properties in the billing system			0	0	0	0	0	0

## **ANNEXURE F: SECTOR PLANS**

## ANNEXURE G: COUNCIL RESOLUTION



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29 MAY 2025

**RESOLUTION EXTRACT OF THE ORDINARY COUNCIL MEETING HELD ON  
THURSDAY, 29 MAY 2025 AT 17:30**

**AGENDA ITEM: 9.1.1**

**REPORT TITLE: 2025-2026 REVIEWED INTEGRATED DEVELOPMENT PLAN  
(IDP) AND PMS POLICY FRAMEWORK**

**The Council Resolved: –**

1. **TO NOTE and RECEIVE** the 2025-2026 Reviewed Integrated Development Plan and Reviewed Performance Management Policy Framework.
2. **TO APPROVE** the 2025-2026 Reviewed Integrated Development Plan and Reviewed Performance Management Policy Framework.

**MR. B. MASE**  
**MUNICIPAL MANAGER**

**CLLR. N. NGQONGWA**  
**COUNCIL SPEAKER**

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