



**O.R. TAMBO
DISTRICT MUNICIPALITY**

**INTEGRATED DEVELOPMENT PLAN (IDP)
2023/2024**

O.R. Tambo District Offices

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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

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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 s Technology
IDP:	Integrated Development Plan
IGR:	Inter-Governmental Relations
IPCC:	Intergovernmental Panel on Climate Change
IPTN:	Integrated Public Transport Network
IS:	Information Systems
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

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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

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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
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

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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



FOREWORD BY THE EXECUTIVE MAYOR

I am pleased to present the O R. Tambo District Municipality reviewed Integrated Development Plan (IDP) 2023/2024. This IDP is the first review of the five-year plan which the Council adopted following the 2021 Local Government Elections. It 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 year still realized the impact of the governance issues that preceded the term of the Council which included the invocation of Section 216 of the Constitution as well as Section 139 (5) due to noncompliance and the breakdown in relations between the district and other organs of state. The current leadership took upon it the responsibility to strengthen relations with the state organs and to instill governance and compliance. It is my pleasure to reflect that a mark is already made in this regard as this IDP 2023/2024 and the budget have been engaged with the organs of the state and confirmed to be credible, funded, and cashbacked. This is crucial as the budget provides resources for the programmes and projects to be attained over the year. The confirmation of these strategic documents by the oversight agencies demonstrates great achievements for the institution, noting that issues of noncompliance were the genesis interventions.

I wish to bring to the attention of everyone that while our plans and budget have been confirmed to be credible and funded, the municipal financial situation is not yet at the level required. The state organs providing oversight to the processes cited some areas requiring attention including, improving revenue collection, reduction on employee costs, and overtime. It is against the background that the Council adopted the IDP review 2023/2024 with some strategic documents which serve to address the matters. Part of the documents included the reviewed district organizational structure, the budget-related policies, and the revenue strategy to expand billing in the municipality. These were also a product of the consultative processes that included engagement with other organs of states and stakeholders.

Broadly, the IDP 2023/2024 has a particular focus on service delivery, embracing the decisions of the strategic planning, wherein the leadership and stakeholders agreed on priorities that include: -

- Fast-tracking the delivery of water and sanitation to the areas that do not have access by accelerating grant expenditures.
- Improving the Operations and Maintenance to ensure optimal provision of water services. ● Repurposing the municipality and some departments that include Community Services and the Rural Economic Development and Planning to realize the municipal constitutional obligations.
- Investing in the ICT infrastructure to ensure business integrity and continuity.

The ultimate goal of the plan is to address the triple challenges such as unemployment, poverty, and inequality which continue to undermine democracy. In addressing these there is also a focus on the current realities that include load-shedding, and its impact on delivery strategies. The plan recognizes the matters and has proposed initiatives for business continuity to continue rendering service delivery. At the center are the strides to towards ensuring "A prosperous, vibrant, innovative and people-centered district" It embraces the District Development Model (DOM) approach realizing policy principles, commitments, and people's aspirations in driving the district developments.

To achieve all the above, 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 our communities. The implementation of the 2023/2024 IDP marks a new dawn in the municipality as there is an overall implementation of the performance management system and individual performance by all staff. In addition, the municipality is filling all vacant positions to ensure the capacity to deliver and accountability.


CLR M.D. NGONDWANA
EXECUTIVE MAYOR



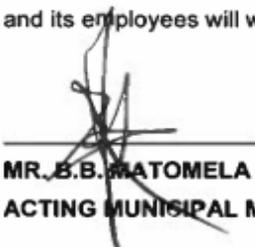
FOREWORD BY THE MUNICIPAL MANAGER

The Integrated Development Plan 2023 / 2024 is a product of a process that took a period of not less than ten (10) months as required by the Local Government: Municipal Finance Management Act 56 of 2003. Section 21 (1) (a) & (b) of the MFMA prescribes that the Mayor of a municipality must: - at least 10 months before the start of the budget year, table in the municipal council a schedule outlining key deadlines for the preparation, tabling, and approval of the annual budget, as well as an annual review of the IDP in terms of section 34 of the Municipal Systems Act 32 of 2000.

The process started with the adoption of the framework and the roadmap in August 2022 followed by robust consultations with stakeholders. The actual development was guided by the stakeholder's inputs and submissions through various platforms such as Integrated Development Plan Representative Forum, Strategic planning, and Community roadshows. The inputs shaped the municipal focus and its agenda for the year. It solidified the district priorities that include: -

- Instilling governance and compliance
- Improve municipal financial management systems and viability
- Improvement of Quality of Water & Sanitation Services
- Strengthening operation and maintenance of schemes
- Improvement of grant expenditure
- Support the Local Economic Development and job creation
- Strengthening the functions of fires services, municipal health, and disaster

The IDP review 2023/2024 has been aligned to the budget to ensure that projects and programmes are well resourced and to accelerate service delivery acceleration. However, as much service delivery remains the priority for the year under review, the leadership of the district further prioritized issues of governance such as the promotion of accountability and sound financial management, instilling a culture of performance and forging relations with its communities. It balances the service delivery and elements of governance with a particular focus on clean administration and improving the image of the organization. The work as outlined in the IDP will be translated into the performance management tools such as Service Delivery and Budget Implementation Plan (SDBIP) and performance agreements for the entire staff members. Through the approach, the institution and its employees will work towards addressing challenges such as poverty, inequality, and unemployment.


MR. B.B. MATOMELA
ACTING 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;

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- 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 6 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 6th Administration that took over following the May 2019 Elections, reviewed the Eastern Cape Provincial Development Plan which was initially developed in 2014. The 6th 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 which 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 2023-2024 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

The Integrated Urban Development Framework was approved by cabinet in April 2016. It is a policy initiative of the Government of South Africa, coordinated by the Department of Cooperative Governance and Traditional Affairs (CoGTA). The framework discusses how the South African urban system can be re-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
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Outcome 1:	Improved the quality of basic education;
Outcome 2:	Improved health and life expectancy;
Outcome 3:	All People in South Africa are Protected and Feel Safe;
Outcome 4:	Decent Employment through Inclusive Economic Growth;
Outcome 5:	A Skilled and Capable Workforce to Support Inclusive Growth;
Outcome 6:	An Efficient, Competitive and Responsive Economic Infrastructure Network;
Outcome 7:	Vibrant, Equitable and Sustainable Rural Communities and Food Security;
Outcome 8:	Sustainable Human Settlements and Improved Quality of Household Life;
Outcome 9:	A Responsive, Accountable, Effective and Efficient Local Government System;
Outcome 10:	Protection and Enhancement of Environmental Assets and Natural Resources;
Outcome 11:	A Better South Africa, a Better and Safer Africa and World
Outcome 12:	A development orientated public service and inclusive citizenship
Outcome 13:	An inclusive and responsive social protection system
Outcome 14:	Nation building and social cohesion

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
Output 1:	Implement a differentiated approach to municipal financing, planning and support;
Output 2:	Improving access to basic services;
Output 3:	Implementation of the Community Work Programme;
Output 4:	Actions supportive of the human settlement outcome;
Output 5:	Deepen democracy through a refined Ward Committee model;
Output 6:	Administrative and financial capability
Output 7:	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 that were endorsed to be implemented by 2030 which 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 Nation Address (SONA) in January 2023 mainly focused on energy crisis which undermines economic growth and investment prospects and persistent load-shedding which destroys businesses and compromises the production of food and the provision of social services such as water, sanitation, community safety, education and health. It highlighted focus that will be made on Increasing lawlessness, criminality and violence which creates a situation in which women and children live in fear not only in the streets of their towns and villages but also in their homes.

More young people are finding themselves in desperate conditions and they end up resorting to alcohol and drug abuse. While municipalities are failing to perform their basic functions such as delivery of clean potable water, regular waste collection and road maintenance leading to the rapid deterioration of the quality of life of residents. It has been mentioned that communities are severely impacted by climate change which results in extreme weather conditions such as floods, drought, and fire, leading to social displace

The NEC has decided, in accordance with the directives of the 55th National Conference, on the following immediate priority actions: -

- Renewal of the African National Congress
- Resolve the energy crisis and end load shedding
- Economic reconstruction and recovery to create jobs
- Improve the delivery of basic services
- Strengthen the fight against crime and corruption
- Action to build a better Africa and a better world

An indication was made that these will be done, not only to overcome our immediate challenges, but to renew the promise of South Africa.

1.2.11 State of the Province Address

The sixth term remains informed by the Eastern Cape Provincial Development Plan (EC-PDP) - Vision 2030. The 2023/2024 SOPA is on creating inclusive economic opportunities; provision of quality healthcare and education; provision of basic services such as water, roads, electricity and building safer communities. The Province improved by 4% in the matric pass rate and with sustained investments in education the Province intends to achieve above 80% in the current year. There were lots of challenges that were witnessed so as the issues of climate change and the focus will be on addressing:

- Investment attraction and job creation
- Resilient Economic Sectors
- Agriculture
- Tourism'
- Film Industry Promotion
- SMME Support
- Youth Development
- Mainstreaming of Women
- Infrastructure as a lever for economic Development
- Water Infrastructure
- ICT Infrastructure
- Higher Education Infrastructure
- Bisho Office Precinct
- Sustainable Energy Infrastructure
- Education
- Health
- People with disabilities
- Strengthening Governance

- Lifestyle Audits
- Anti-Corruption
- Support to Local Municipalities
- Crime, Gender Based Violence and Femicides
- Integrated Human Settlements
- Social Protection and Social Cohesion

In his concluding remarks the Premier indicated that we must work together more than we have ever done before to re-write the history of our province, from a history of hopelessness to a future of prosperity.

1.2.12 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 which are broken down to annual operational plans and a multi-year implementation plan so as 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 spheres 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 impacting 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.

1.2.13 Summary of convergences and alignment of national, provincial and local government priorities (Alignment Matrix)

Table 3 indicates the manner in which the LG Key Performance Areas (KPAs) converge or align to National and Provincial development and Regional priorities.

TABLE 3: LOCAL GOVERNMENT KEY PERFORMANCE AREAS

Local Government KPA: Basic Service Delivery and Infrastructure Development.			
National Priorities	Provincial Priorities	Outcomes	Regional Analysis / Goals
Improving health profile of the nation. Comprehensive rural development strategy linked to land and agrarian reform and food security. A massive programme to build economic and social infrastructure; Sustainable resource management and use.	Improving the health profile of the province. Rural development, land and agrarian transformation, and food security. A massive programme to build social and economic and infrastructure. Building a Developmental State.	An efficient, competitive and responsive economic infrastructure network. A long and healthy life for all South Africans. Sustainable human settlements and improved quality of household life. Protected and enhanced environmental assets and natural resources.	Promote Integrated sustainable community livelihoods
Local Government KPA: Local Economic Development			
National Priorities	Provincial Priorities	Outcomes	Regional Analysis / Goals
Speeding up economic growth and transforming economy to create decent work and sustainable livelihoods. Comprehensive rural development strategy linked to land and agrarian reform and food security.	Speeding up growth and transforming the economy to create decent work and sustainable livelihoods. Rural development, land and agrarian reform and food security. A massive programme to build social and economic infrastructure.	Decent employment through inclusive economic growth. An efficient competitive and responsive economic infrastructure network. Vibrant, equitable, sustainable rural communities contributing towards food security for all.	Promote rapid and sustainable economic growth within the limits of available natural resources

	Building cohesive and sustainable communities. Building a Developmental State.	Sustainable human settlements and improve quality of household life. Protected and enhanced environmental assets and natural resources.	
Local Government KPA: Good Governance and Public Participation			
National Priorities	Provincial Priorities	Outcomes	Regional Analysis / Goals
Intensifying the fight against crime and corruption. Building cohesive, caring and sustainable communities. Pursuing African advancement and enhanced international cooperation. Building a Developmental State inter alia by improving public services and strengthening democratic institutions.	Intensifying the fight against crime and corruption. Building cohesive and sustainable communities. Building a Developmental State inter alia by improving public services and strengthening democratic institutions.	Vibrant, equitable, sustainable rural communities contributing towards food security for all. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenry. A better South Africa, better Africa and a better world.	Build a coherent district that is responsive, accountable and promotes clean governance
Local Government KPA: Municipal Transformation and Institutional Development			
National Priorities	Provincial Priorities	Outcome	Regional Analysis / Goals
Strengthening skills and the human resource base. Pursuing African advancement and enhanced international cooperation. Building a Developmental State inter alia by improving public services and strengthening democratic institutions.	A massive programme to build social and economic infrastructure. Strengthening skills and the human resource base. Building a Developmental State inter alia by improving public services and strengthening democratic institutions. Building cohesive, caring and sustainable communities.	Quality basic education. A skilled and capable workforce to support an inclusive growth path. All people in SA are and feel safe. A responsive, accountable, effective and efficient local government system. An efficient, effective and development oriented public service and an empowered fair and inclusive citizenry.	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.
Local Government KPA: Municipal Financial Viability and Management			

National Priorities	Provincial Priorities	Outcome	Regional Analysis / Goals
Intensifying the fight against crime and corruption.	Intensifying the fight against crime and corruption.	A responsive, accountable, effective and efficient local government system.	Manage the financial viability of the OR Tambo District Municipality through sound management and good governance

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 develop a credible IDP document, the Council approved an IDP process plan. The diagram below depicts an annual high-level process plan towards the development of the IDP. A detailed IDP, PMS and Budget

schedule of activities illustrating the key activities that need to be carried out during the preparation of the IDP 2023-2024.

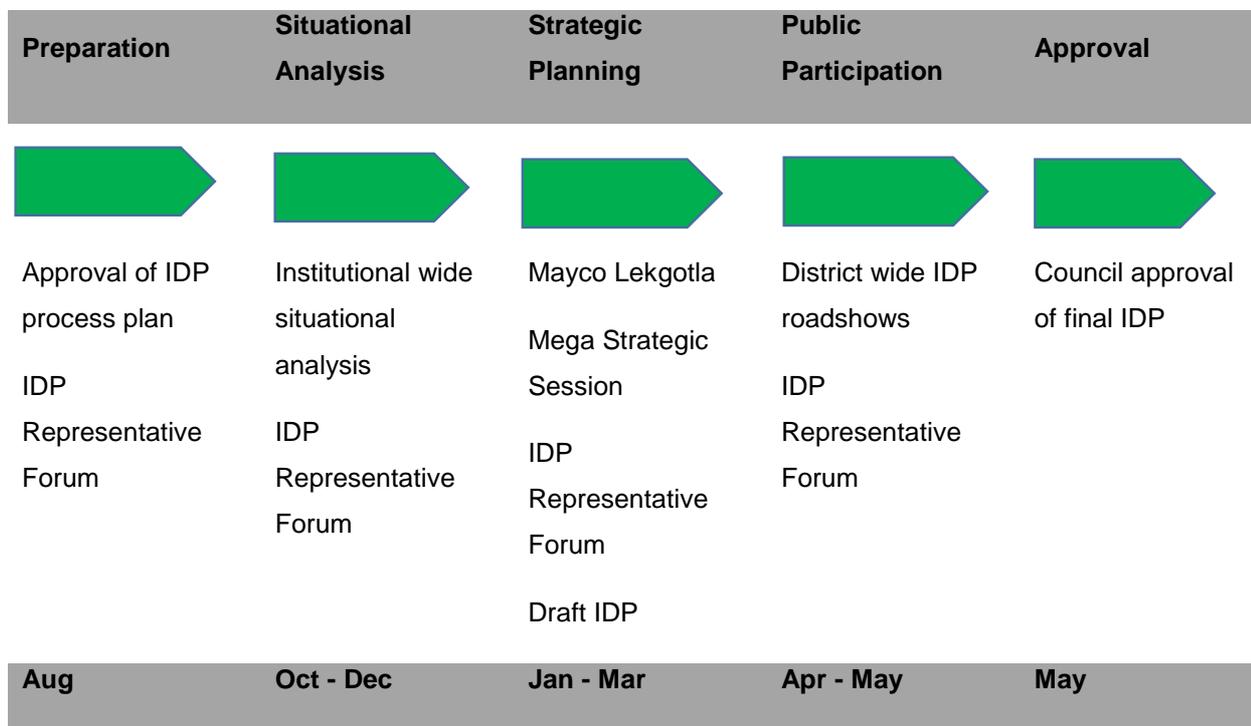


Figure 3: IDP Process Plan

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.

Summary of issues emerging from the roadshows are attached as an Annexure A of the IDP.

1.3.4 Comments from the MEC of COGTA IDP

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, however, the district 2021/22 IDP was not assessed due to Section 139 intervention. The District municipality was rated HIGH on 2022/2023 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.

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

Ratings	KPA 1 Spatial Planning, Land, Human Settlement & Environmental Management	KPA 2 Service Delivery & Infrastructure Planning	KPA 3 Financial Planning & Budgets	KPA 4 Local Economic Developme nt	KPA 5 Good Governance & Public Participation	KPA 6 Institutional Arrangements	Overall Ratings
2018/19 IDP Review	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH
2019/20 IDP Review	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH	HIGH
2020/21 IDP Review	HIGH	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH
2021/22 IDP Review	Not assessed due to Section 139 Intervention						
2022/27 IDP Development	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH	HIGH	HIGH

1.3.5 Action Plan on MEC Comments

KEY PERFORMANCE AREA AND COMMENT BY MEC COGTA	ACTION UNDERTAKEN
<p>KPA 1 – Spatial Planning., Land, Human Settlements and Environmental Management</p> <ul style="list-style-type: none"> Municipality must expedite the process of capacity building to assume the licensing authority 	<ul style="list-style-type: none"> There is a District Aids Council that coordinates the integration and mainstreaming in all local municipalities.
<p>KPA 2 – Service Delivery and Infrastructure Planning</p> <ul style="list-style-type: none"> Reflect on plans and budget for non-motorized roads facilities, Revive coordinated forum towards transport planning, Construct landfill sites 	<ul style="list-style-type: none"> Integrated community safety forums instituted at District and local municipalities.

<ul style="list-style-type: none"> • Reflect the existence of the Integrated Community Safety Forum and Safety Plans • Review and adopt a Disaster Management Framework • Expedite the construction of the disaster management centre that meets the minimum requirements prescribed by the Disaster Management Policy Framework, • Expedite revision of the Disaster Management plan and stipulate emergency procurement measures in order to expedite spending of funds in an emergency, • Gazette its adopted disaster management by-laws, • the fire service chapter must be incorporated into the IDP, • expedite the process of developing the infrastructure maintenance plan. 	<ul style="list-style-type: none"> • 3 LMs, safety plans done (KSDLM, Mhlontlo LM & Nyandeni LM), PSJ & IHLM (outstanding to be supported in 2022-23, District Safety Strategy in process of review 2022-23 • Refining the framework to submit for policy review • The plan has been done waiting for payment of service provider
<p>KPA 3 – Financial Planning and Budgets</p> <ul style="list-style-type: none"> • expedite the process of developing the Revenue Enhancement Strategy highlighted in the Financial Recovery Plan, • Open a separate bank account for conditional grants, • Service its creditors in terms of the financial norms and standards, • Conduct data cleansing process for accurate billing, • Establish a functional contract management unit, • Establish a functional indigent steering committee. 	<ul style="list-style-type: none"> • The process is in progress as it is part of the Disaster Recovery plan which is also in its initial phases. • The municipality has a separate bank account opened and reported to the transferring departments • A Section 216 of the Constitution intervention which led to withholding of grants made it difficult to service creditors but payment arrangements were made with Department of Water Service and King Sabata Dalindyebo in that regard. • For accurate billing, the data cleansing is constantly done as well check-up with the Deeds office to ensure alignment of data. • The municipality is in a process of finalizing the appointment of a service provider to assist in contracts management and is anticipated .to start on the 1st July 2023. • With the assistance of Department of Cooperative Governance and Traditional Affairs (CoGTA), a workshop

	<p>was conducted to resuscitate the functionality of Free Basic Service (FBS) in the District. Point of departure will be the establishment of FBS District Forum which is planned for the 1st quarter in 2023/2024 financial year which will be followed by the development of credible Indigent Registers for the district as well as the local municipalities</p>
<p>KPA 5 – Good Governance and Public Participation</p> <ul style="list-style-type: none"> • Embark on the remodeling and revitalization of the Integrated Service Delivery Model (ISDM) to address the contestations. • Finalize the revision of the stakeholder communication strategy, • Engage in the inter-municipal planning programmes as initiated in the declared Eastern Sea Board. • Establish Fraud and corruption Hotline to institutionalize complaint and fraud management system • Gazette its adopted By-Laws • Reflect on the Strategy for HIV and AIDS mainstreaming. 	<ul style="list-style-type: none"> • To re-establish the War Rooms District Wide • The Strategy was revised, workshop conducted and it will be tabled at council towards the end of June 2023 for adoption • Engagements on Inter-municipal planning programs are in progress. • Further attempts will be made to procure for a suitable service provider to facilitate the process. • •
<p>KPA 6 – Institutional Arrangements</p> <ul style="list-style-type: none"> • The municipality must develop mechanisms for proper management of Satellite offices, • Indicate the filled and vacant posts per department, • Indicate critical and scarce skills • Encouraged to conduct the quarterly assessments as indicated in the IDP Score Card. 	

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.

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
Child care facilities	-	Yes	Yes	Yes	Yes	Yes
Fire fighting	Yes	Yes	Yes	Yes	Yes	Yes
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
Cemeteries, 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 Tambo District is one of the six District Municipalities of the Eastern Cape. The others are Alfred Nzo, Chris Hani, Amathole, Joe Gqabi, and Sarah Baartman Districts. 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 municipality 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 km² 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. The municipality has limited municipal staff and a small budget relative to its challenges. 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 5: 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

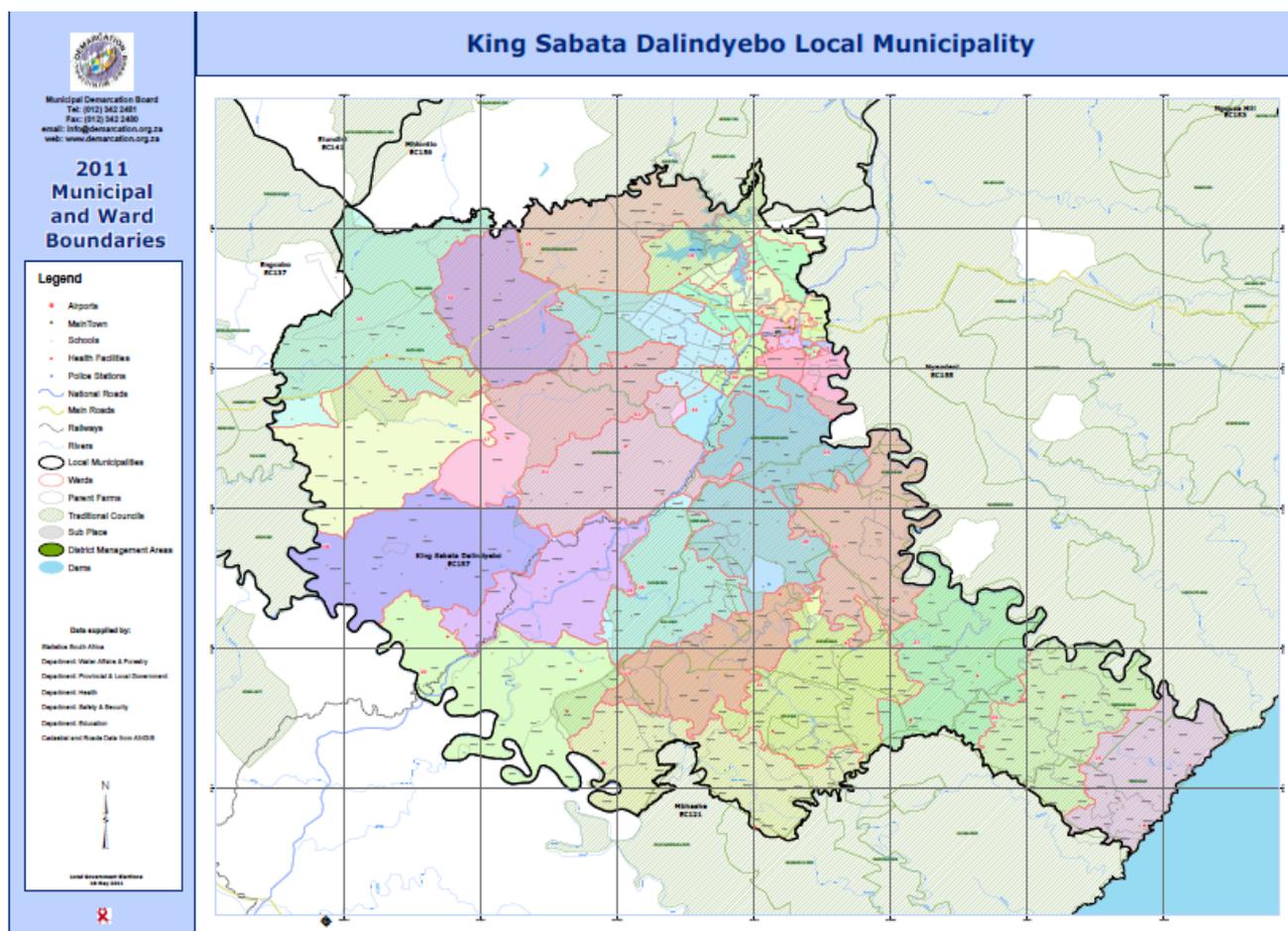
King Sabata Dalindyebo LM

King Sabata Dalindyebo Local Municipality (KSDLM) is home to Mthatha, the economic centre of the District and the host to both the Local and District Municipality’s Offices. The municipality has both an urban and a rural character, including a prominent national urban settlement and regional economic hub, as well as dispersed village-type rural settlements.

KSDLM covers an area of 3 028 km². Situated at the heart of the KSDLM, Mthatha is a major transport and regional service centre, dissected by the N2 running southwest to northeast through the town. As a gateway to a wide range of tourism offerings, Mthatha is a popular stop-over point on the way to tourist attractions like Coffee Bay and Hole-in-the-Wall in the KSDLM and Port St Johns and Mbotyi in neighboring LMs. The municipality is also home to two of the other economic activities in the District, viz. Forestry and Agriculture.

With 525 000 people, the King Sabata Dalindyebo Local Municipality housed 0.9% of South Africa's total population in 2021. Between 2011 and 2021 the population growth averaged 1.26% per annum which is very similar than the growth rate of South Africa as a whole (1.50%). Compared to O.R. Tambo's average annual growth rate (1.03%), the growth rate in King Sabata Dalindyebo's population at 1.26% was slightly higher than that of the district municipality.

Figure 1: Map of KSD Local Municipality



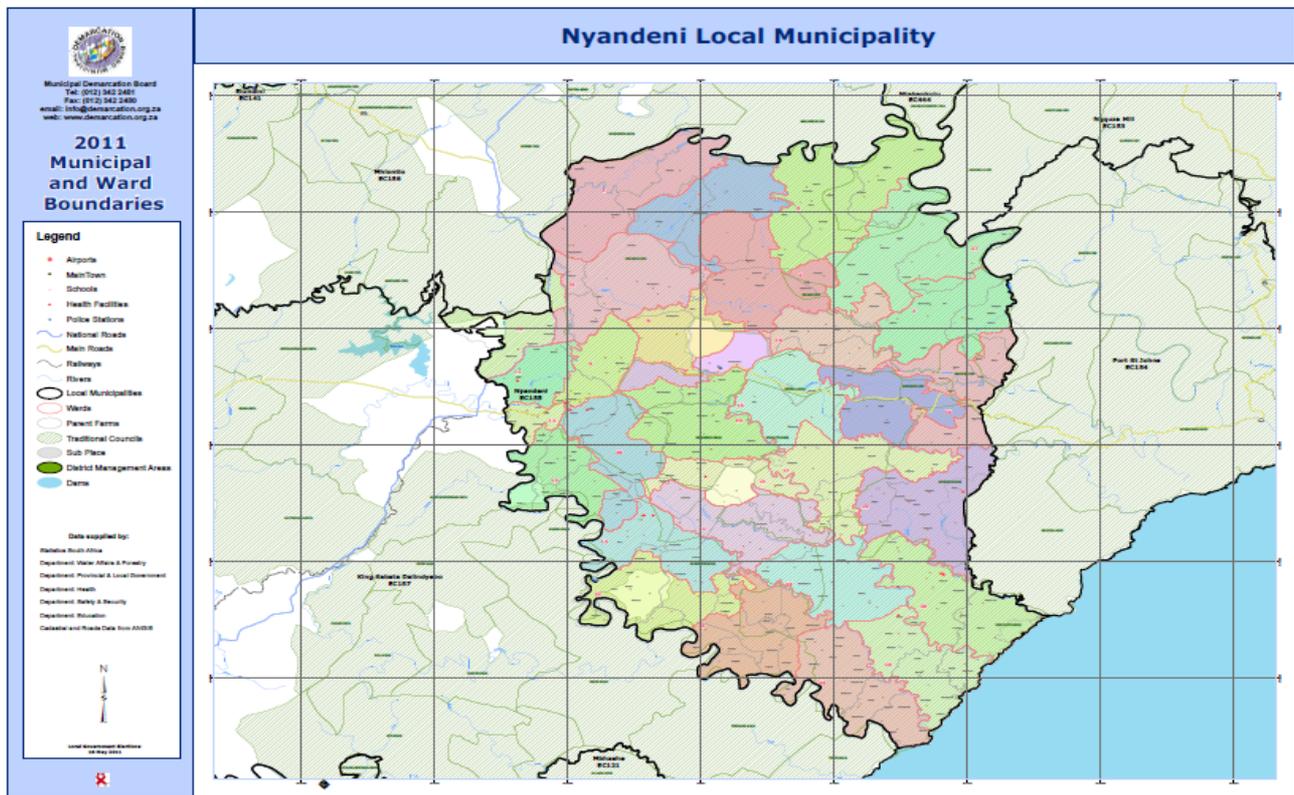
Source: Municipal Demarcation Board (2020)

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 330,000 with 70,900 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 km². 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 Mneni 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 2: Map of Nyandeni Local Municipality



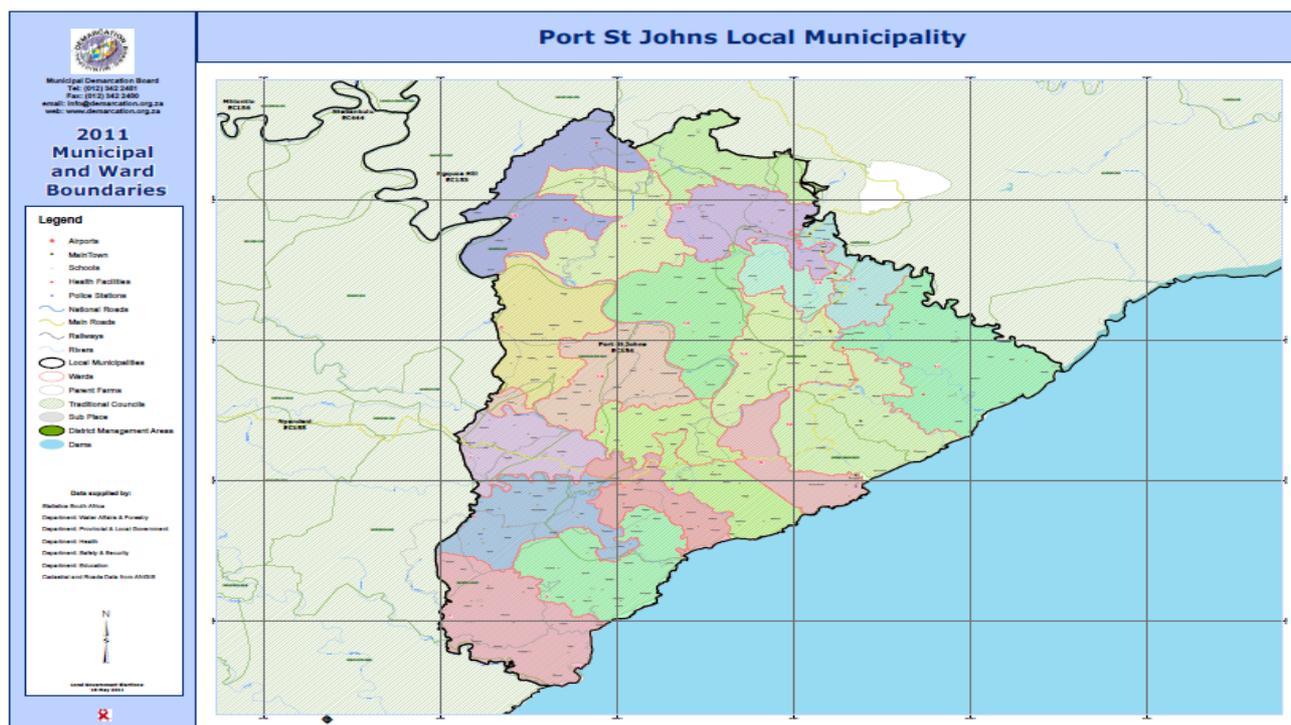
Source: Municipal Demarcation Board (2020)

Port St Johns LM

This municipality is situated along the Indian Ocean coastline. Its most well-known settlement is the town of Port St Johns, which is located at the mouth of the Umzimvubu River, approximately 90km east of Mthatha. Port St Johns LM covers an area of approximately 1 291 km² with a population of 177,000 with an average 1 % increase. The municipality has a strong tourism industry, which well supported by the variety of hills, dunes, rivers, and the mountainous terrain that meet its picturesque beaches.

Nearly 90% of all the dwellings in the municipality are located in traditional tribal settlements. Port St. Johns is the only real urban area and is the regional economic center and supply site for the nearby villages and communities. Topographically the area is characterized by a high-lying northern hinterland with undulating plains decreasing in a southern direction to a largely flat coastal belt. Eight rivers traverse the hinterland from north-west to southeast creating prominent valleys, gorges and inaccessible ravines, with the most prominent rivers being the Umzimvubu River, Mzintlava River and Mtentu River.

Figure 3: Map of PSJ Local Municipality



Source: Municipal Demarcation Board (2020)

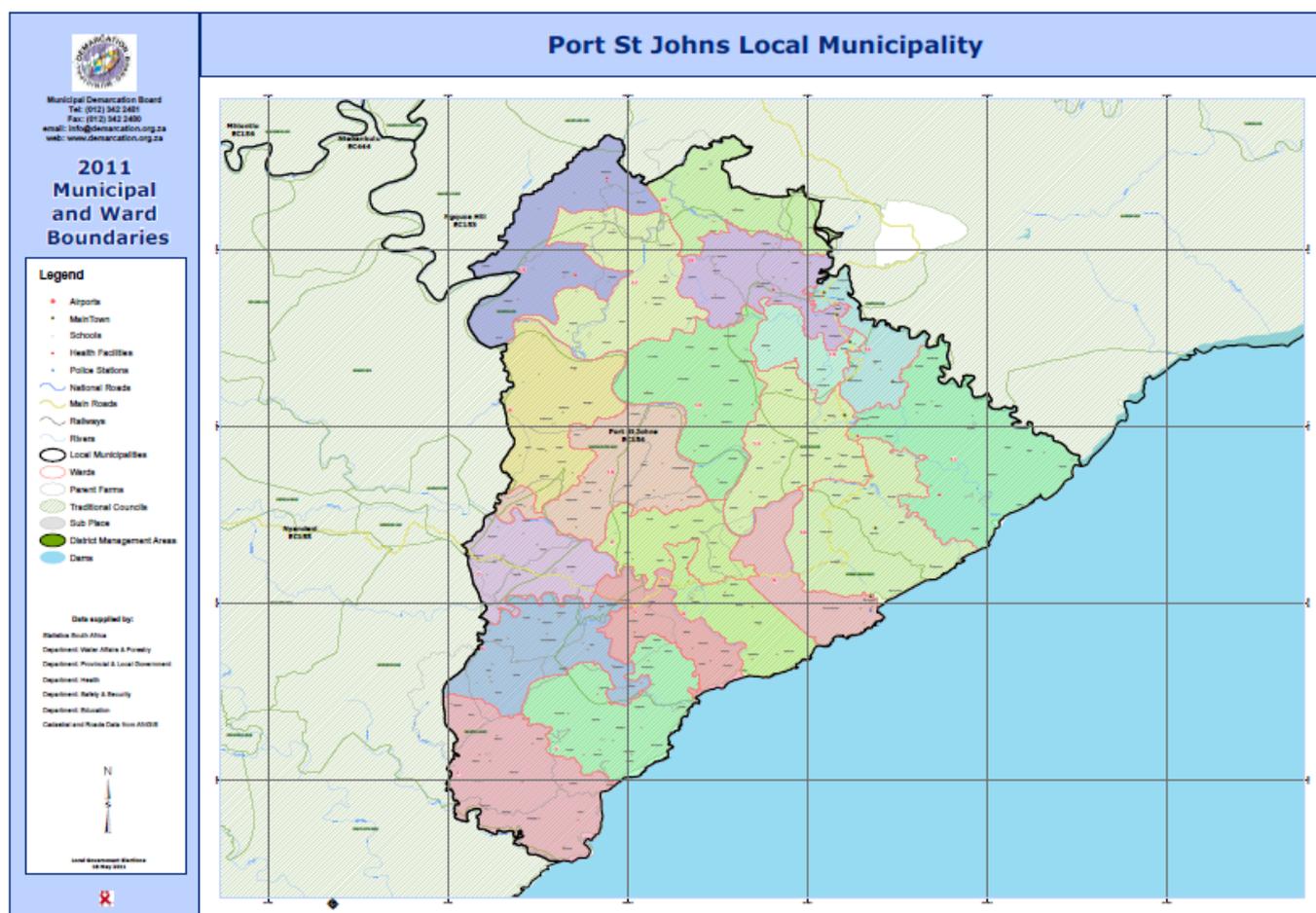
Ingquza Hill LM

Formerly known as Qaukeni Local Municipality, Ingquza Hill LM has a high population density and high levels of unemployment, and there are considerable poverty challenges in the area. Ingquza Hill LM is made up of two urban nodes, namely Flagstaff and Lusikisiki. According to Information Handling Services (IHS) Markit 2020, the total population for Ingquza Hill LM is 323 000 with annual growth rate of 1.2% between 2011 and 2021 and 64,700 households. The majority of the population about 98.42% reside in rural areas with only 1.58% residing in the two urban centers mentioned above.

The Ingquza Hill LM is characterized by limited coastal settlement and widely dispersed settlement in traditional rural villages at approximately 109 persons/km² in the LM of 2,461 km². The municipal area is furthermore characterized by large forest areas in close proximity to the coastline, with ten rivers flowing through it. The Mkambati Nature Reserve is situated within the coastal zone. The urban and peri-urban nodes of Lusikisiki and Flagstaff are the primary economic hubs of the municipal area.

The LM is believed to hold significant Tourism, Forestry, and Marine Aquaculture potential. The conservation and protection of the many rivers systems in the LM and the coastline are, however, key to the sustainable utilisation of these potentials.

Figure 4: Map of Ingquzal Hill Local Municipality
36



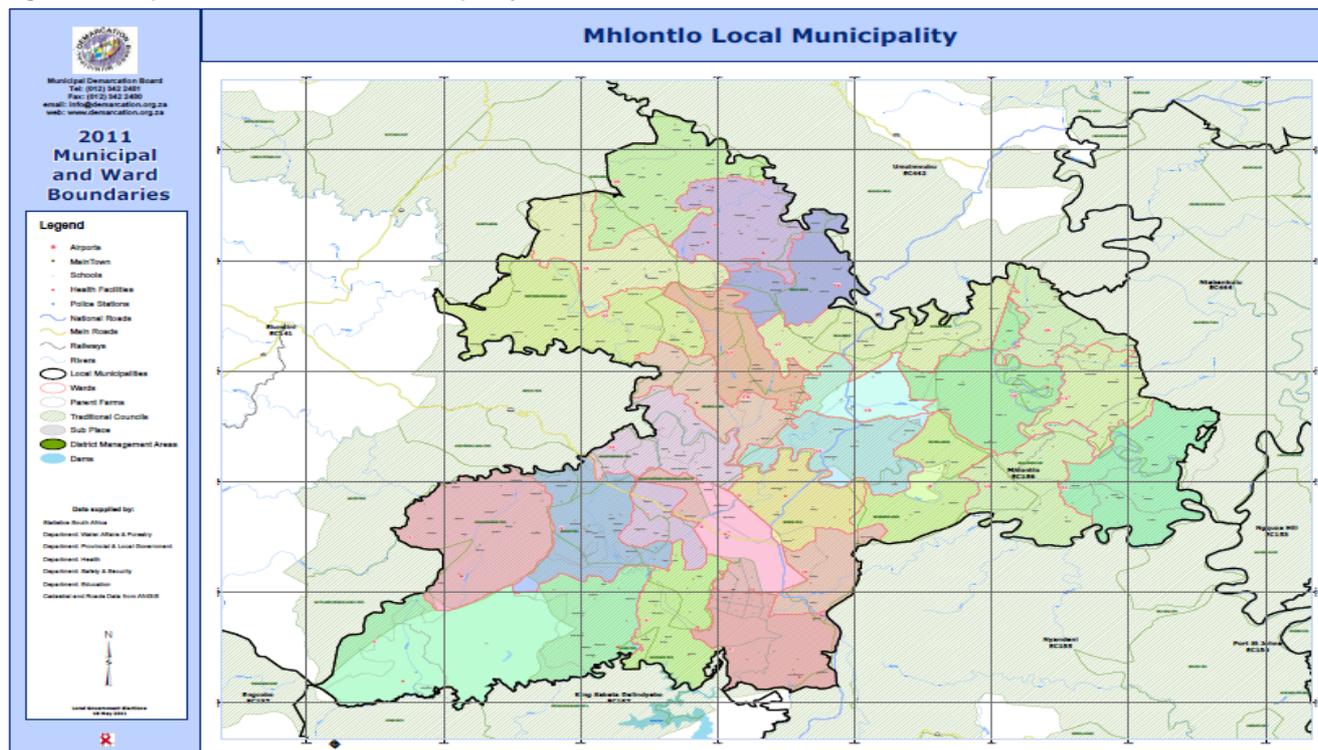
Source: Municipal Demarcation Board (2020)

Mhlontlo LM

The Mhlontlo LM, which 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 N2 runs through the municipality from the southwest to the northeast. Mhlontlo LM covers an area of approximately 2 826 km². The closest urban centre is Mthatha, which is situated approximately 40 km west of Tsolo. The majority of the land is used for agricultural purposes and subsistence farming, notably for grazing, in areas marked by communal tenure.

According to Information Handling Services (IHS) Markit 2020, the total population for Mhlontlo LM is 198 000 people, the Mhlontlo Local Municipality housed 0.3% of South Africa's total population in 2021. Between 2011 and 2021 the population growth averaged 0.15% per annum. The majority of the population resides in rural areas (91.14 %), 1.68% in farms and 7.17% reside in the two urban centres. The area boasts several tourist attractions including the Tsitsa Falls and Tina Falls, the Tina River ribbon and the Mabeleni Dam, which is famous for its trout fishing.

Figure 5: Map of Mhlontlo Local Municipality



Source: Municipal Demarcation Board (2020)

2.2 DEMOGRAPHICS

Demography is concerned with virtually everything that influences or can be influenced by population size, distribution, processes, structure, or characteristics. There is a widespread recognition that demographic changes can have a profound impact on socio-economic development of any society. Demographic changes have ripple effects throughout society in different directions, with multiple consequences. Understanding demographic change 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.

2.2.1 Population Overview

O.R Tambo is the most populous district in the province. It is ranked the fourth most populous district in the country. However, it must be noted that large population size has advantages and disadvantages linked to demand- and supply-side effects of demographic changes.

Figure 6: Total Population

	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2010	1,390,000	6,640,000	51,200,000	20.9%	2.7%
2011	1,400,000	6,690,000	52,000,000	20.9%	2.7%
2012	1,410,000	6,750,000	52,800,000	20.9%	2.7%
2013	1,430,000	6,810,000	53,700,000	20.9%	2.7%
2014	1,440,000	6,880,000	54,500,000	21.0%	2.6%
2015	1,460,000	6,950,000	55,300,000	21.0%	2.6%
2016	1,470,000	7,020,000	56,200,000	21.0%	2.6%
2017	1,490,000	7,100,000	57,000,000	21.0%	2.6%
2018	1,510,000	7,180,000	57,900,000	21.0%	2.6%
2019	1,520,000	7,250,000	58,800,000	21.0%	2.6%
2020	1,540,000	7,330,000	59,600,000	21.0%	2.6%

Average Annual growth

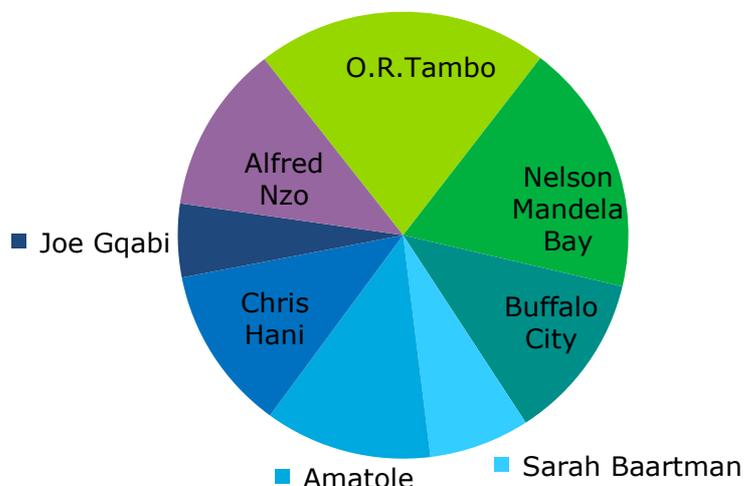
2010-2020	1.03%	1.00%	1.55%
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Source: IHS Markit Regional eXplorer version 2175

With 1.55 million people, the O.R. Tambo District Municipality housed 2.6% of South Africa's total population in 2021. Between 2011 and 2021 the population growth averaged 1.03% per annum which is close to half than the growth rate of South Africa as a whole (1.50%). Compared to Eastern Cape's average annual growth rate (1.01%), the growth rate in O.R. Tambo's population at 1.03% was very similar than that of the province.

TOTAL POPULATION - O.R. TAMBO AND THEI REST OF EASTERN CAPE, 2020 [PERCENTAGE]

Total population
Eastern Cape Province, 2021



Source: IHS Markit Regional eXplorer version 2201

Figure 7: Total Population in OR Tambo

	2011	2016	2021	Average Annual growth
Ingquza Hill	286,000	304,000	323,000	1.23%
Port St Johns	160,000	168,000	177,000	1.00%
Nyandeni	298,000	313,000	330,000	1.04%
Mhlontlo	195,000	194,000	198,000	0.15%
King Sabata Dalindyebo	463,000	494,000	525,000	1.26%
O.R.Tambo	1,401,885	1,471,617	1,552,805	1.03%

Source: IHS Markit Regional eExplorer version 2236

The King Sabata Dalindyebo Local Municipality increased the most, in terms of population, with an average annual growth rate of 1.26%, the Ingquza Hill Local Municipality had the second highest growth in terms of its population, with an average annual growth rate of 1.23%. The Mhlontlo Local Municipality had the lowest average annual growth rate of 0.15% relative to the others within the O.R. Tambo District Municipality.

Figure 8: Population Growth Projections

	O.R.Tambo	Eastern Cape	National Total	O.R.Tambo as % of province	O.R.Tambo as % of national
2021	1,550,000	7,400,000	60,300,000	21.0%	2.6%
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%
Average Annual growth					
2021-2026	0.98%	1.02%	1.29%		

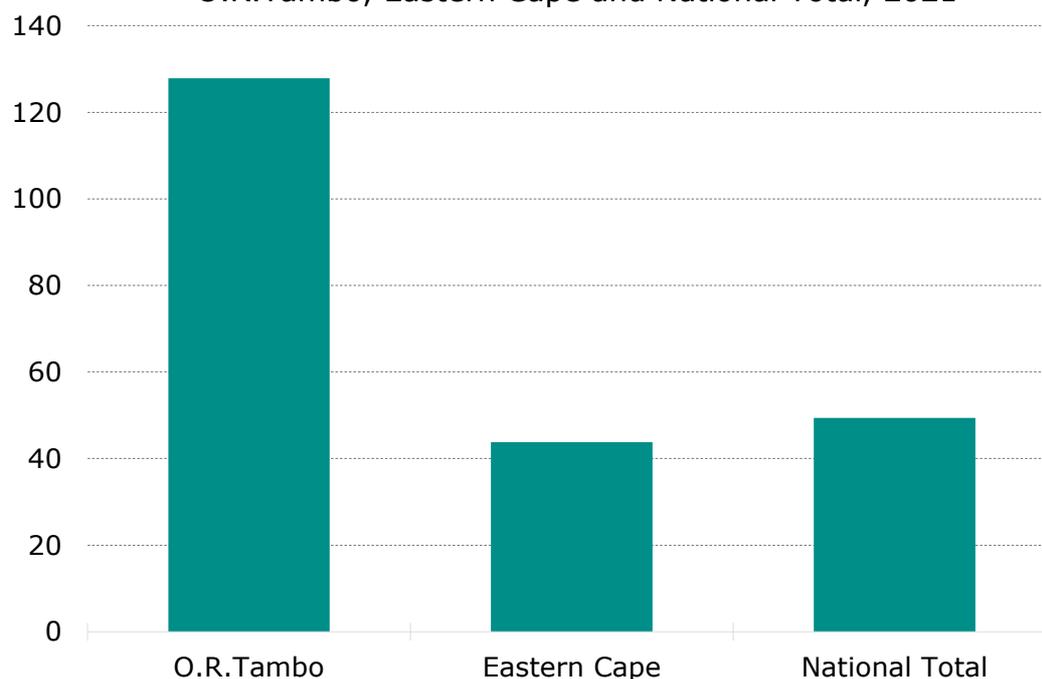
Source: IHS Markit Regional eExplorer version 2236

The population projection of O.R. Tambo District Municipality shows an estimated average annual growth rate of 1.0% between 2021 and 2026. 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 average growth rate of 1.0% which is higher than the O.R. Tambo District Municipality. The 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.

2.2.2 Population Density

Using population density instead of the actual number provides a basis of comparison between these different places. ORTDM is relatively densely populated compared to most rural municipalities. A higher population density has an impact on household infrastructure provision, quality of services and access to resources (medical care, schools, sewage treatment, community centers, etc.). A high population density also has advantages (easy provision of basic services, economy of scale, infrastructure network and so on) and disadvantages (like congestion and loss of “green-belt” land).

Population density - Number of people per km² O.R.Tambo, Eastern Cape and National Total, 2021



Source: IHS Markit Regional eXplorer version 2236

In 2021, with an average of 128 people per square kilometre, O.R. Tambo District Municipality had a higher population density than Eastern Cape (43.8 people per square kilometre). Compared to South Africa (49.4 per square kilometre) it can be seen that there are more people living per square kilometre in O.R. Tambo District Municipality than in South Africa.

TAMBO AND THE REST OF EASTERN CAPE, 2011-2021 [NUMBER OF PEOPLE PER KM]

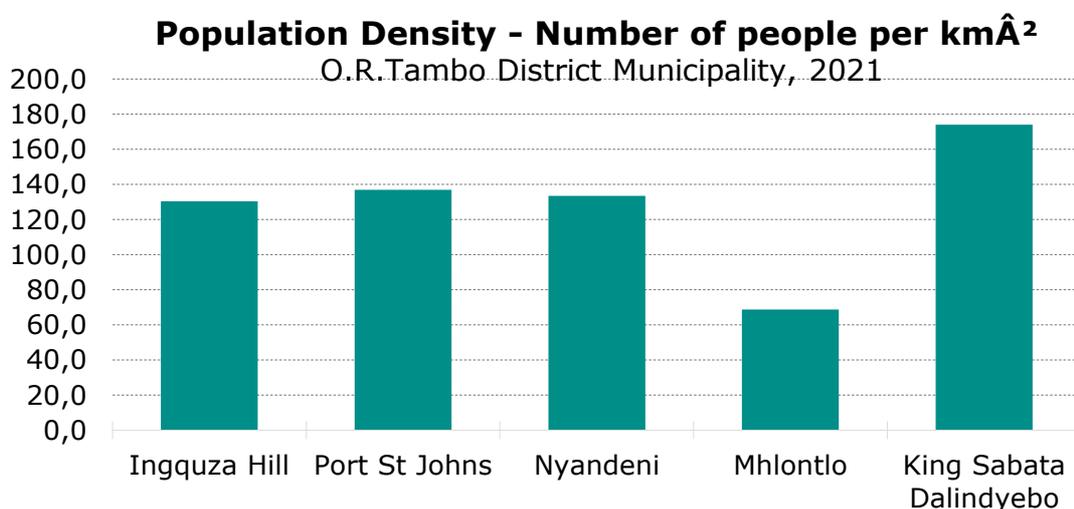
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
O.R.Tambo	115.46	116.44	117.50	118.67	119.94	121.21	122.56	123.96	125.36	126.76	127.90
Nelson Mandela Bay	599.45	609.50	619.41	629.20	638.95	648.37	657.74	666.71	675.50	684.13	691.38
Buffalo City	290.32	293.74	297.25	300.87	304.64	308.42	312.35	316.20	320.11	324.02	327.33
Sarah Baartman	7.86	8.00	8.15	8.29	8.43	8.57	8.70	8.84	8.97	9.10	9.21
Amatole	41.13	40.92	40.80	40.75	40.77	40.84	40.99	41.18	41.41	41.68	41.89
Chris Hani	22.45	22.53	22.63	22.77	22.93	23.10	23.30	23.51	23.74	23.96	24.15
Joe Gqabi	13.90	14.00	14.12	14.25	14.40	14.55	14.72	14.88	15.05	15.22	15.35
Alfred Nzo	76.44	76.95	77.56	78.25	79.00	79.77	80.61	81.47	82.32	83.16	83.82

Source: IHS Markit Regional eXplorer version 2236

In 2021, O.R. Tambo District Municipality had a population density of 128 per square kilometre and it ranked highest amongst its peers. The region with the highest population density per square kilometre was the Nelson Mandela Bay with a total population density of 691 per square kilometre per annum. In terms of growth, O.R. Tambo District Municipality had an average annual growth in its population density of 1.03% per square kilometre per annum. The region with the highest growth rate in the population density per square kilometre was Sarah Baartman with an average annual growth rate of 1.60% per square kilometre. In 2021, the region

with the lowest population density within Eastern Cape Province was Sarah Baartman with 9.21 people per square kilometre. The region with the lowest average annual growth rate was the Amatole with an average annual growth rate of 0.18% people per square kilometre over the period under discussion.

Figure 11: Population Density, OR Tambo District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2236

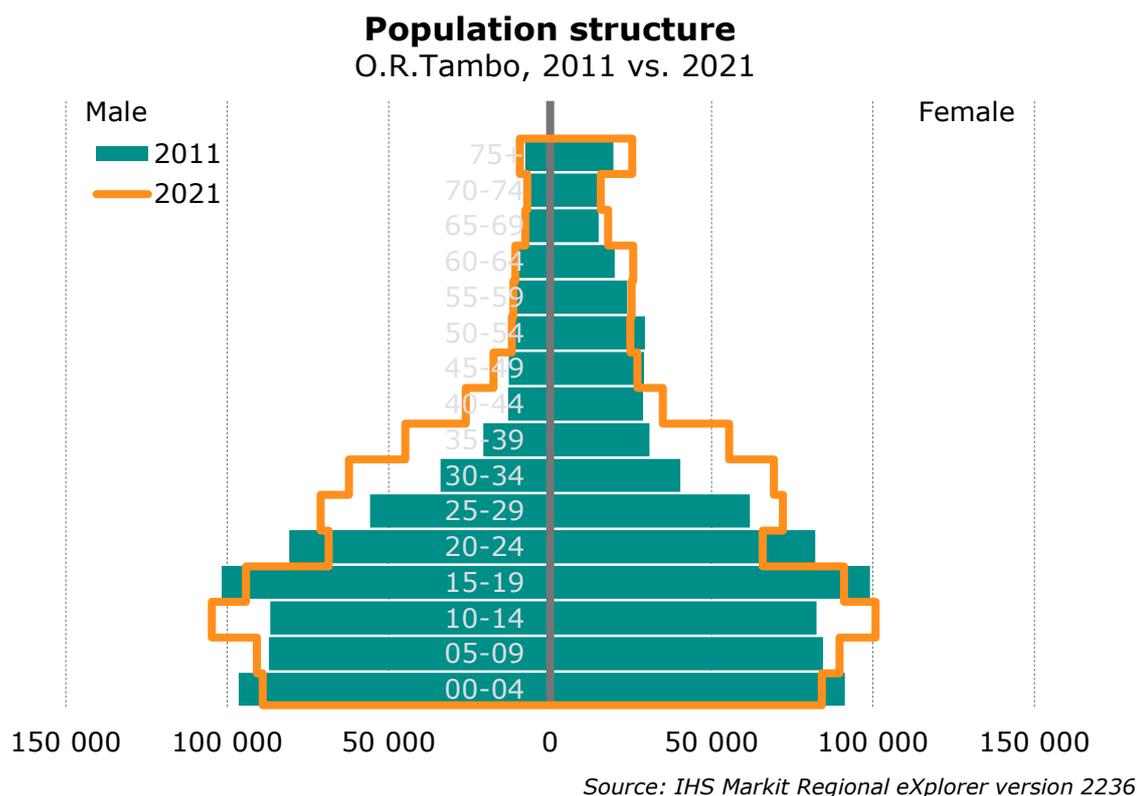
In terms of the population density for each of the regions within the O.R. Tambo District Municipality, King Sabata Dalindyebo Local Municipality had the highest density, with 174 people per square kilometre. The lowest population density can be observed in the Mhlontlo Local Municipality with a total of 68.7 people per square kilometre.

2.2.3 Population Structure

While the size of the population is an integral part of demographic dynamics, the population size usually masks diverse demographic situations among the different age and gender groups. In other words, the structure of the population holds important implications for the community and to policy formulation for all sectors. Also, the age and sex structure of a population is a significant parameter influencing current and future determinants of growth – fertility, mortality and migration. Statistics of the age distribution of a particular population group is useful in appropriating available resources. The age and sex structure of the population matters because people of different ages and gender interact with the economy differently, altering its performance. Young people require sizeable investments in health and education, the working-age population provides most of the labour, producing far more than they consume, and the elderly require specialized access to healthcare and retirement income. The age distribution of a population also provides an important guide for differentiated policy options. Three different age cohorts can be considered: children (0-14 years), the economically active population, (15-64 years) and dependent people 65 years and older.

By comparing the population pyramid of the O.R. Tambo District Municipality with the national age structure, the most significant differences are:

There is a slightly larger share of young working age people - aged 20 to 34 (26.9%) - in O.R. Tambo, compared to the national picture (26.5%). Fertility in O.R. Tambo is slightly higher compared to South Africa as a whole. Spatial policies changed since 1994. The share of children between the ages of 0 to 14 years is significantly larger (36.4%) in O.R Tambo compared to South Africa (28.5%). Demand for expenditure on schooling as percentage of total budget within O.R. Tambo District Municipality will therefore be higher than that of South Africa.



2.2.4 Households

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. An individual is considered part of a household if he/she spends at least four nights a week within the household. To categorise a household according to population group, the population group to which the head of the household belongs, is used.

O.R. Tambo District Municipality had a total number of 15 700 (4.65% of total households) very formal dwelling units, a total of 114 000 (33.77% of total households) formal dwelling units and a total number of 32 900 (9.75% of total households) informal dwelling units.

The region within the O.R. Tambo District Municipality with the highest number of very formal dwelling units is the King Sabata Dalindyebo Local Municipality with 14 000 or a share of 89.03% 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 314 or a share of 2.00% of the total very formal dwelling units within O.R. Tambo District Municipality.

HOUSEHOLDS BY DWELLING UNIT TYPE - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO LOCAL MUNICIPALITIES, 2021 [NUMBER]

	Very Formal	Formal	Informal	Traditional	Other dwelling type	Total
Ingquza Hill	516	22,313	6,447	34,640	346	64,262
Port St Johns	371	8,318	3,612	22,887	36	35,223
Nyandeni	314	20,604	7,126	42,165	332	70,541
Mhlontlo	520	13,347	4,127	27,241	119	45,355
King Sabata Dalindyebo	13,963	49,224	11,546	46,060	790	121,584
Total O.R.Tambo	15,685	113,807	32,858	172,992	1,624	336,966

Source: IHS Markit Regional eExplorer version 2236

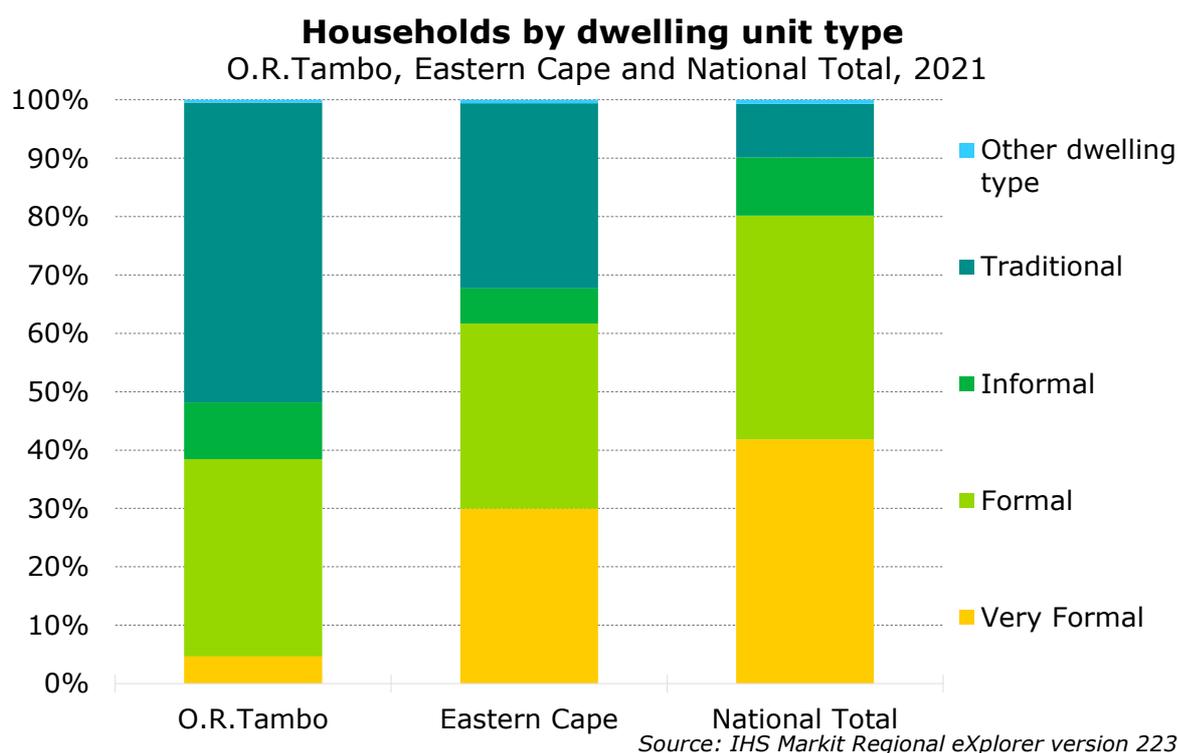
2.2.5 Household Infrastructure

Drawing on the household infrastructure data of a region is of essential value in economic planning and social development. Assessing household infrastructure involves the measurement of four indicators:

- Access to dwelling units
- Access to proper sanitation
- Access to running water
- Access to refuse removal
- Access to electricity

A household is considered "serviced" if it has access to all four of these basic services. If not, the household is considered to be part of the backlog. The way access to a given service is defined (and how to accurately measure that specific Definition over time) gives rise to some distinct problems. IHS has therefore developed a unique model to capture the number of households and their level of access to the four basic services.

HOUSEHOLDS BY DWELLING UNIT TYPE - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021 [PERCENTAGE]



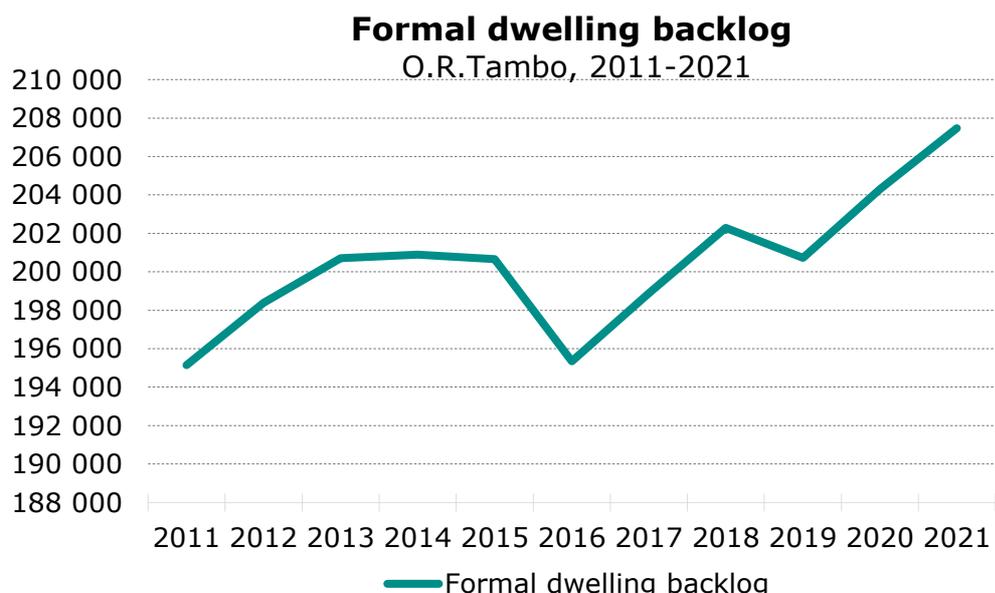
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HOUSEHOLDS BY DWELLING UNIT TYPE - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO LOCAL MUNICIPALITIES, 2021 [NUMBER]

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Total O.R.Tambo	15,685	113,807	32,858	172,992	1,624	336,966

Source: IHS Markit Regional eXplorer version 2236

The region within the O.R. Tambo District Municipality with the highest number of very formal *dwelling units is the King Sabata Dalindyebo Local Municipality with 14 000 or a share of 89.03% 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 314 or a share of 2.00% of the total very formal dwelling units within O.R. Tambo District Municipality.



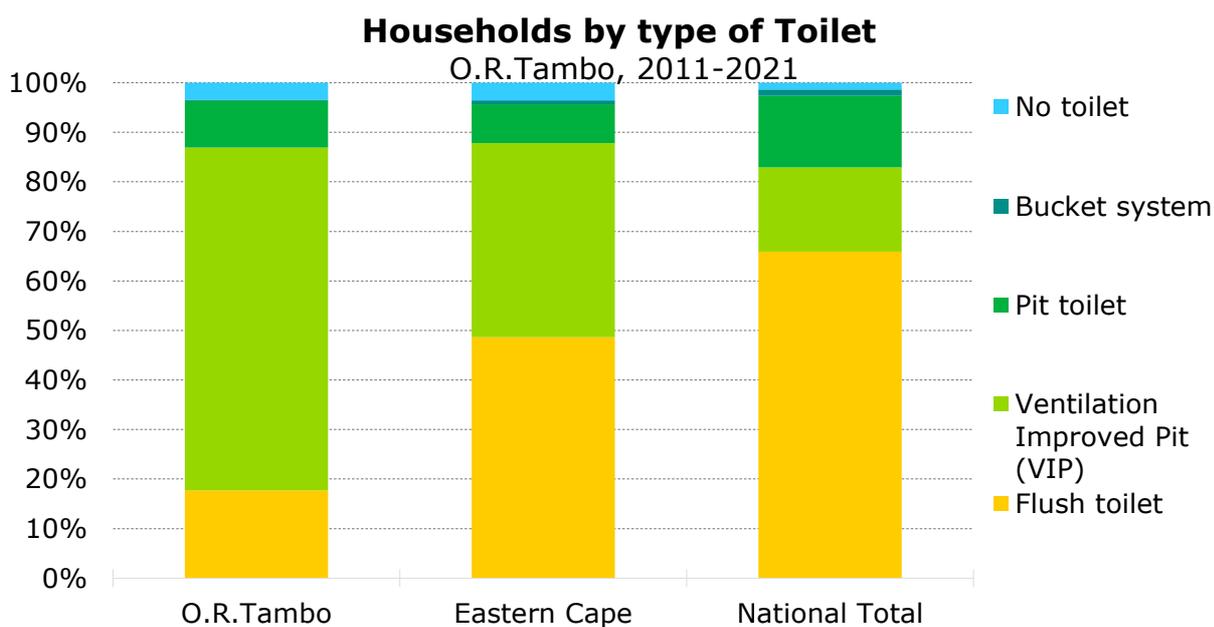
Source: IHS Markit Regional eXplorer version 2236

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 number of households not living in a formal dwelling were 195 000 within O.R. Tambo District Municipality. From 2011 this number increased annually at 0.61% to 208 000 in 2021.

The total number of households within O.R. Tambo District Municipality increased at an average annual rate of 0.82% from 2011 to 2021, which is higher than the annual increase of 1.56% in the number of households in South Africa.

2.2.6 Household by Type of Sanitation

HOUSEHOLDS BY TYPE OF SANITATION - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

O.R. Tambo District Municipality had a total number of 59 700 flush toilets (17.71% of total households), 233 000 Ventilation Improved Pit (VIP) (69.22% of total households) and 31 600 (9.37%) of total household’s pit toilets.

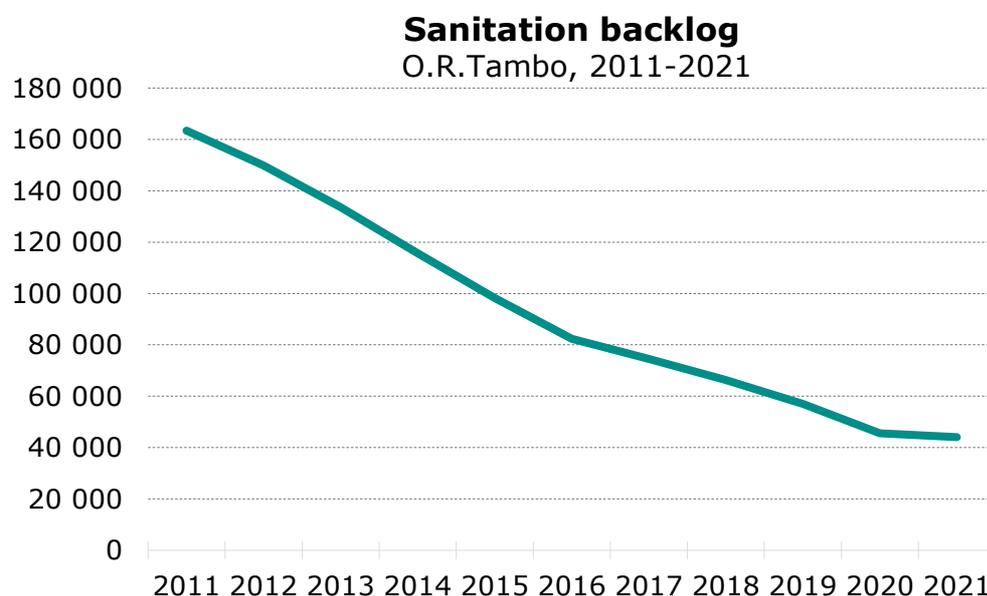
HOUSEHOLDS BY TYPE OF SANITATION - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO LOCAL MUNICIPALITIES, 2021 [NUMBER]

	Flush toilet	Ventilation Improved Pit (VIP)	Pit toilet	Bucket system	No toilet	Total
Ingquza Hill	7,217	48,246	6,939	319	1,541	64,262
Port St Johns	9,159	19,521	3,710	176	2,656	35,223
Nyandeni	6,420	57,404	4,429	81	2,207	70,541
Mhlontlo	4,715	31,918	6,786	70	1,865	45,355
King Sabata Dalindyebo	32,175	76,159	9,721	208	3,321	121,584
Total O.R.Tambo	59,687	233,249	31,586	855	11,590	336,966

Source: IHS Markit Regional eXplorer version 2236

The region within O.R. Tambo with the highest number of flush toilets is King Sabata Dalindyebo Local Municipality with 32 200 or a share of 53.91% of the flush toilets within O.R. Tambo. The region with the lowest number of flush toilets is Mhlontlo Local Municipality with a total of 4 720 or a share of 7.90% of the total flush toilets within O.R. Tambo District Municipality.

SANITATION BACKLOG - O.R. TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER OF HOUSEHOLDS WITHOUT HYGIENIC TOILETS]



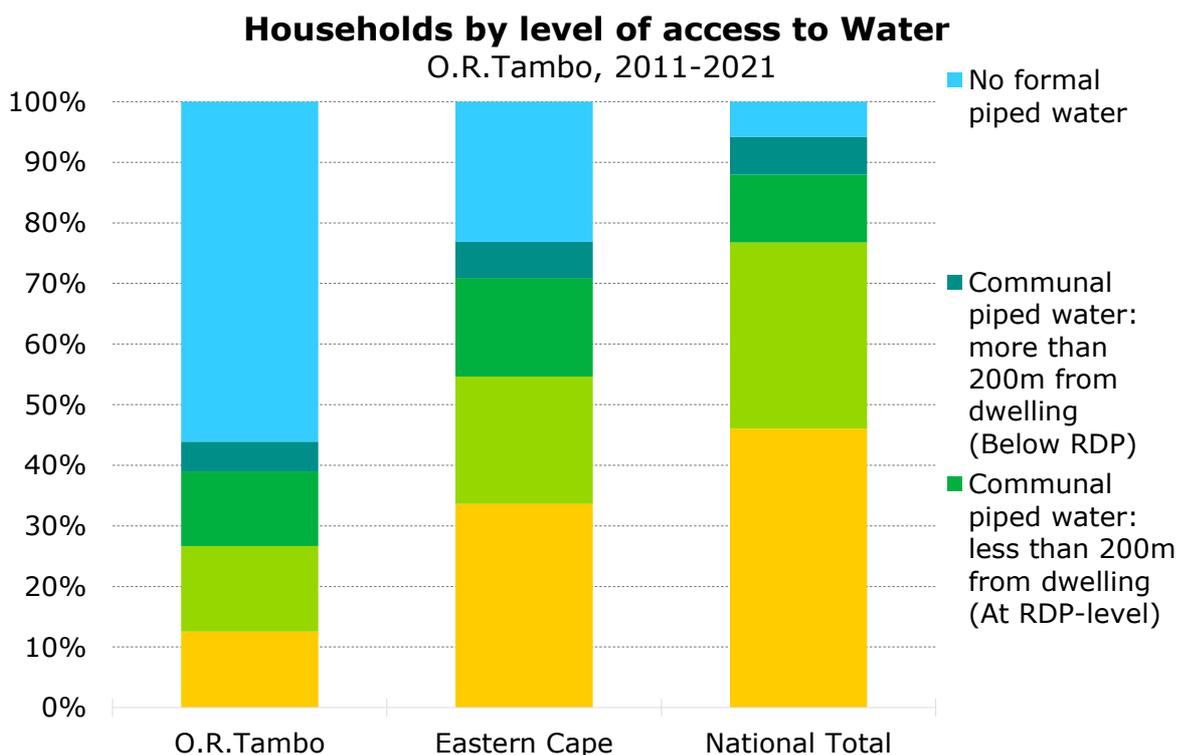
Source: IHS Markit Regional eXplorer version 2236

When looking at the sanitation backlog (number of households without hygienic toilets) over time, it can be seen that in 2011 the number of Households without any hygienic toilets in O.R. Tambo District Municipality was 164 000, this decreased annually at a rate of -12.29% to 44 000 in 2021.

2.2.7 Households by Access to water

A household is categorised according to its main access to water, as follows: Regional/local water scheme, Borehole and spring, Water tank, Dam/pool/stagnant water, River/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rain water, boreholes, dams, rivers and springs.

HOUSEHOLDS BY TYPE OF WATER ACCESS - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

O.R. Tambo District Municipality had a total number of 42 300 (or 12.55%) households with piped water inside the dwelling, a total of 47 600 (14.14%) households had piped water inside the yard and a total number of 189 000 (56.08%) households had no formal piped water.

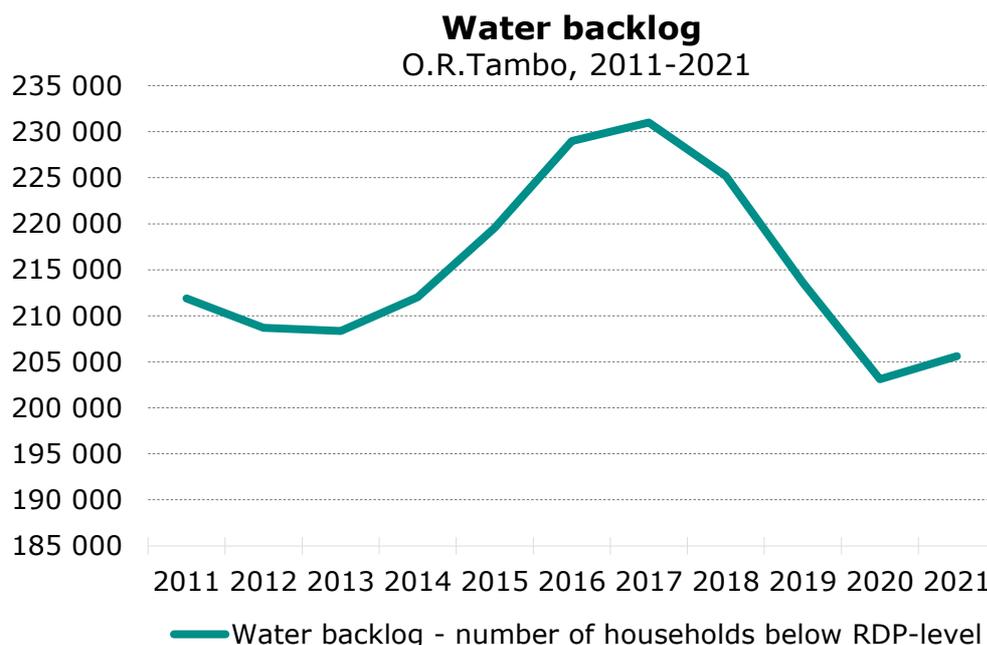
HOUSEHOLDS BY TYPE OF WATER ACCESS - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBER]

	Piped water inside dwelling	Piped water in yard	Communal piped water: less than 200m from dwelling (At RDP-level)	Communal piped water: more than 200m from dwelling (Below RDP)	No formal piped water	Total
Ingquza Hill	2,769	3,320	4,400	2,287	51,486	64,262
Port St Johns	2,503	1,984	3,999	757	25,980	35,223
Nyandeni	7,516	3,518	12,730	3,991	42,786	70,541
Mhlontlo	3,031	5,219	9,997	4,433	22,674	45,355
King Sabata Dalindyebo	26,483	33,597	10,305	5,154	46,046	121,584
Total O.R.Tambo	42,302	47,638	41,432	16,621	188,972	336,966

Source: IHS Markit Regional eXplorer version 2236

The regions within O.R. Tambo District Municipality with the highest number of households with piped water inside the dwelling is King Sabata Dalindyebo Local Municipality with 26 500 or a share of 62.60% of the households with piped water inside the dwelling within O.R. Tambo District Municipality. The region with the lowest number of households with piped water inside the dwelling is Port St Johns Local Municipality with a total of 2 500 or a share of 5.92% of the total households with piped water inside the dwelling within O.R. Tambo District Municipality.

WATER BACKLOG - O.R. TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER OF HOUSEHOLDS BELOW RDP-LEVEL]



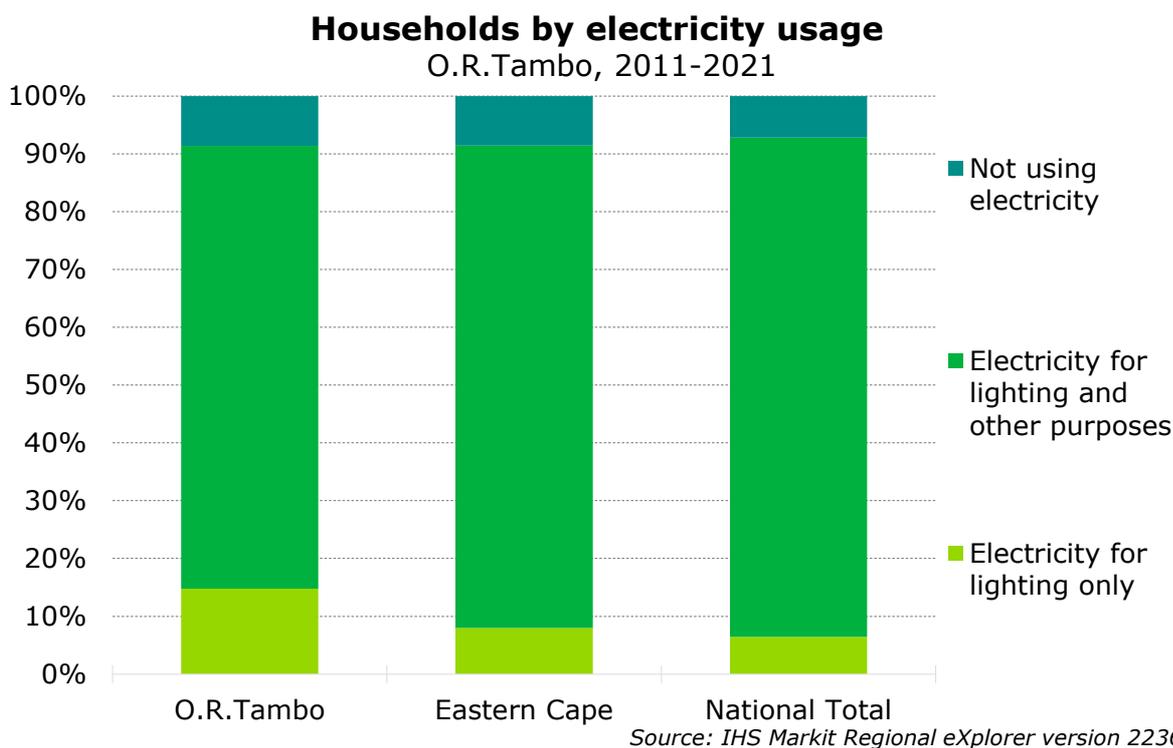
Source: IHS Markit Regional eXplorer version 2236

When looking at the water backlog (number of households below RDP-level) over time, it can be seen that in 2011 the number of households below the RDP-level were 212 000 within O.R. Tambo District Municipality, this decreased annually at -0.30% per annum to 206 000 in 2021.

2.2.8 Households by Type of Electricity

Households are distributed into 3 electricity usage categories: Households using electricity for cooking, Households using electricity for heating, households using electricity for lighting. Household using solar power are included as part of households with an electrical connection. This time series categorises households in a region according to their access to electricity (electrical connection).

HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021
[PERCENTAGE]



O.R. Tambo District Municipality had a total number of 49 800 (14.77%) households with electricity for lighting only, a total of 258 000 (76.61%) households had electricity for lighting and other purposes and a total number of 29 100 (8.62%) households did not use electricity.

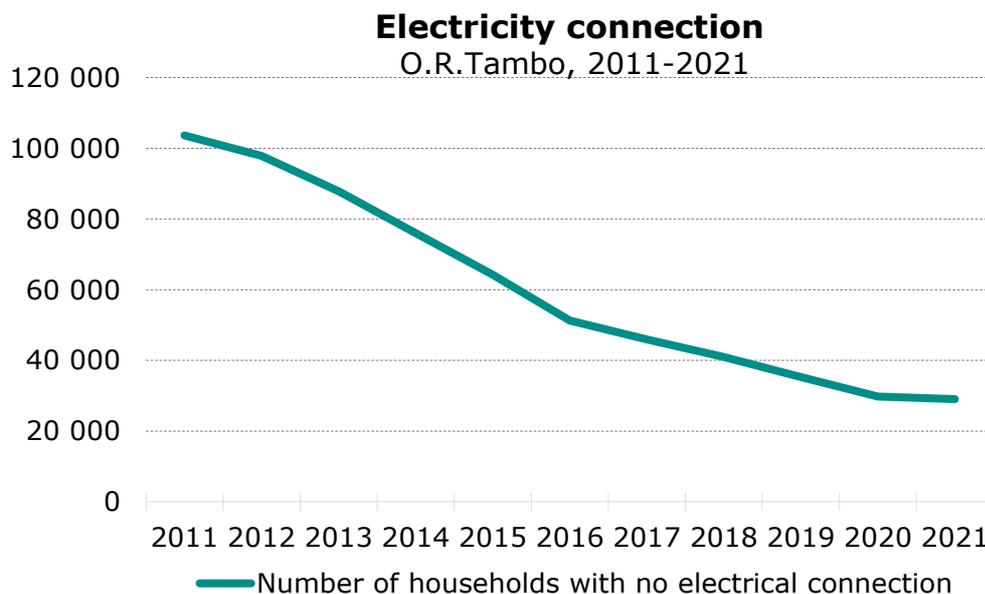
HOUSEHOLDS BY TYPE OF ELECTRICAL CONNECTION - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO LOCAL MUNICIPALITIES, 2021 [NUMBER]

	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Ingquza Hill	14,611	43,775	5,877	64,262
Port St Johns	10,140	22,105	2,978	35,223
Nyandeni	11,492	53,015	6,034	70,541
Mhlontlo	5,950	35,761	3,644	45,355
King Sabata Dalindyebo	7,567	103,493	10,524	121,584
Total	49,760	258,149	29,056	336,966

Source: IHS Markit Regional eXplorer version 2236

The region within O.R. Tambo with the highest number of households with electricity for lighting and other purposes is King Sabata Dalindyebo Local Municipality with 104 000 or a share of 40.09% of the households with electricity for lighting and other purposes within O.R. Tambo District Municipality. The Region with the lowest number of households with electricity for lighting and other purposes is Port St Johns Local Municipality with a total of 22 100 or a share of 8.56% of the total households with electricity for lighting and other purposes within O.R. Tambo District Municipality.

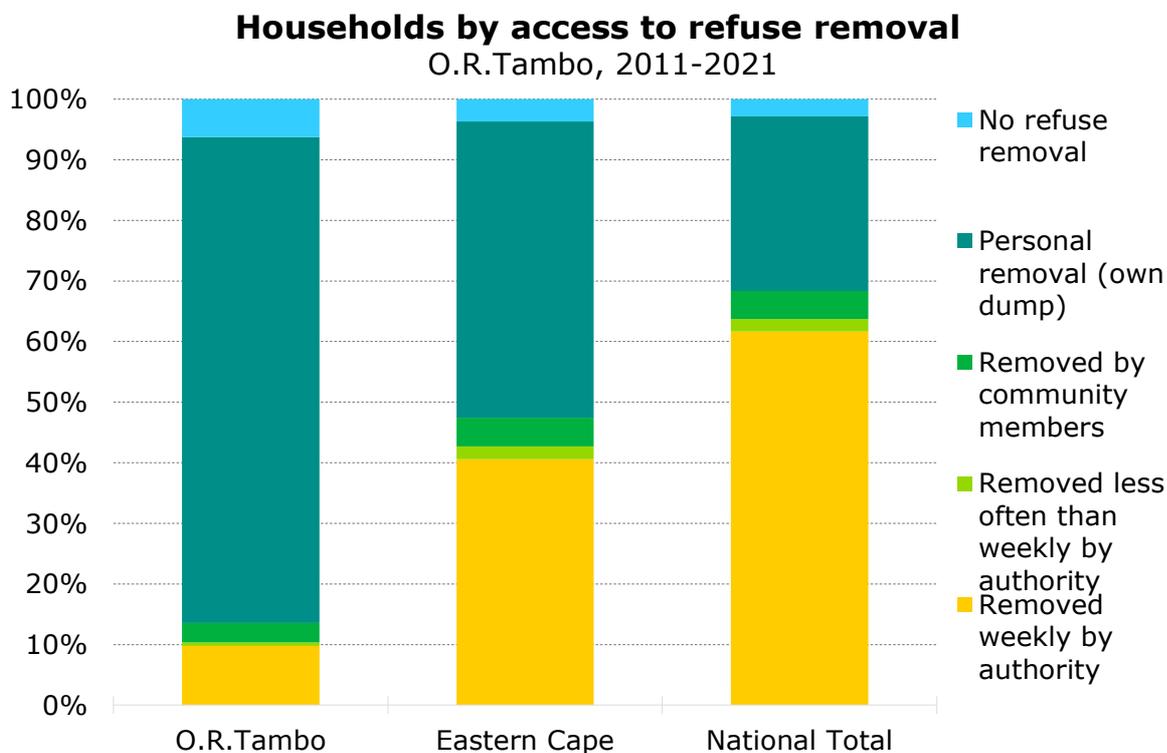
ELECTRICITY CONNECTION - O.R. TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER OF HOUSEHOLDS WITH NO ELECTRICAL CONNECTION]



Source: IHS Markit Regional eXplorer version 2236

When looking at the number of households with no electrical connection over time, it can be seen that in 2011 the households without an electrical connection in O.R. Tambo District Municipality was 104 000, this decreased annually at -11.94% per annum to 29 100 in 2021.

HOUSEHOLDS BY REFUSE DISPOSAL - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

O.R. Tambo District Municipality had a total number of 32 900 (9.75%) households which had their refuse removed weekly by the authority, a total of 1 970 (0.58%) households had their refuse removed less often than weekly by the authority and a total number of 270 000 (80.15%) households which had to remove their refuse personally (own dump).

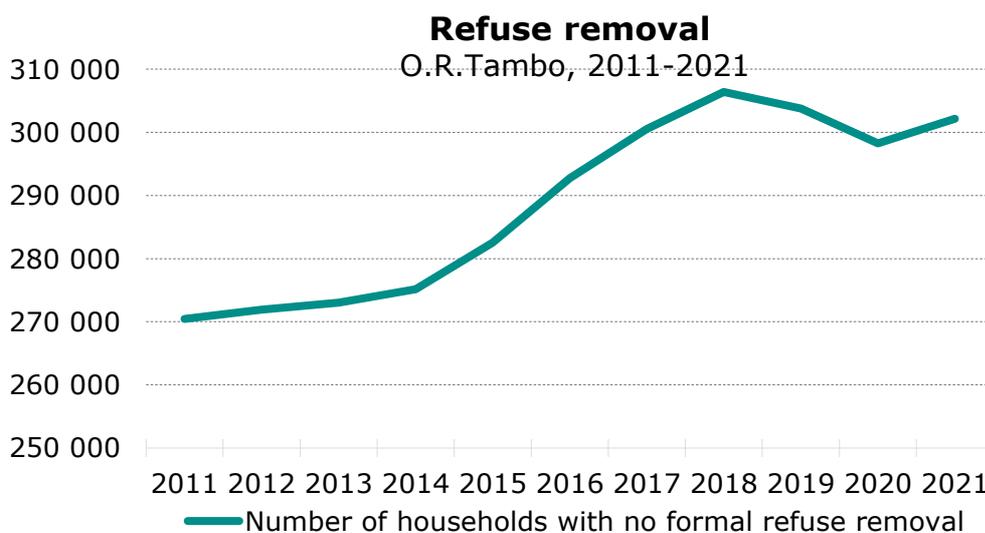
HOUSEHOLDS BY REFUSE DISPOSAL - INGQUZA HILL, PORT ST JOHNS, NYANDENI, MHLONTLO AND KING SABATA DALINDYEBO LOCAL MUNICIPALITIES, 2021 [NUMBER]

	Removed weekly by authority	Removed less often than weekly by authority	Removed by community members	Personal removal (own dump)	No refuse removal	Total
Ingquza Hill	2,718	327	1,931	55,382	3,905	64,262
Port St Johns	577	118	991	29,650	3,887	35,223
Nyandeni	1,353	206	1,418	62,236	5,329	70,541
Mhlontlo	1,547	281	2,382	36,893	4,252	45,355
King Sabata Dalindyebo	26,662	1,039	4,155	85,912	3,816	121,584
Total O.R.Tambo	32,857	1,970	10,877	270,073	21,189	336,966

Source: IHS Markit Regional eXplorer version 2236

The region within O.R. Tambo with the highest number of households where the refuse is removed weekly by the authority is King Sabata Dalindyebo Local Municipality with 26 700 or a share of 81.15% of the households where the refuse is removed weekly by the authority within O.R. Tambo. The region with the lowest number of households where the refuse is removed weekly by the authority is Port St Johns Local Municipality with a total of 578 or a share of 1.76% of the total households where the refuse is removed weekly by the authority within the district municipality.

REFUSE REMOVAL - O.R. TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER OF HOUSEHOLDS WITH NO FORMAL REFUSE REMOVAL]



Source: IHS Markit Regional eXplorer version 2236

When looking at the number of households with no formal refuse removal, it can be seen that in 2011 the households with no formal refuse removal in O.R. Tambo District Municipality was 270 000, this increased annually at 1.11% per annum to 302 000 in 2021.

The total number of households within O.R. Tambo District Municipality increased at an average annual rate of 0.82% from 2011 to 2021, which is higher than the annual increase of 1.56% in the number of households in South Africa.

Figure 12: Number of Households: OR Tambo, Eastern Cape and National, 2010 -2020

Number of Households: OR Tambo, Eastern Cape and National, 2010 - 2020					
Year	O.R. Tambo	Eastern Cape	National Total	O.R. Tambo as % of province	O.R. Tambo as % of national
2010	307,000	1,690,000	14,000,000	18.1%	2.2%
2011	311,000	1,710,000	14,300,000	18.2%	2.2%
2012	315,000	1,730,000	14,600,000	18.2%	2.2%
2013	318,000	1,750,000	14,900,000	18.2%	2.1%
2014	320,000	1,760,000	15,200,000	18.2%	2.1%
2015	326,000	1,790,000	15,600,000	18.2%	2.1%
2016	334,000	1,830,000	16,000,000	18.2%	2.1%
2017	343,000	1,880,000	16,300,000	18.3%	2.1%
2018	350,000	1,910,000	16,500,000	18.3%	2.1%
2019	346,000	1,900,000	16,700,000	18.3%	2.1%
2020	339,000	1,860,000	16,800,000	18.2%	2.0%
Average Annual growth					
2010-2020	0.99%	0.95%	1.82%		

Source: IHS Markit Regional eXplorer version 2175

2.2.9 Dependency Ratio

The dependency ratio is the ratio between the number of dependents, aged 0-14 years and those over the age of 65 years, to the total population aged 15-64, The high number of children in the district leads to high levels of dependency. 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.

In 2019, the dependency ratio for the district was 72.97% compared to 80.5% in 2009, this indicates an increase in the economically active population, and however despite the decrease in the dependency ratio for the district, it is still higher than that of the province. At the Local Municipality level, King Sabatha Dalindyebo as the only local municipality with a dependency ration lower than that of the district and the province. In 2019, Port St Johns and Ingquza Hill recorded the highest dependency ratios.

2.2.10 HIV+ and AIDS Estimates

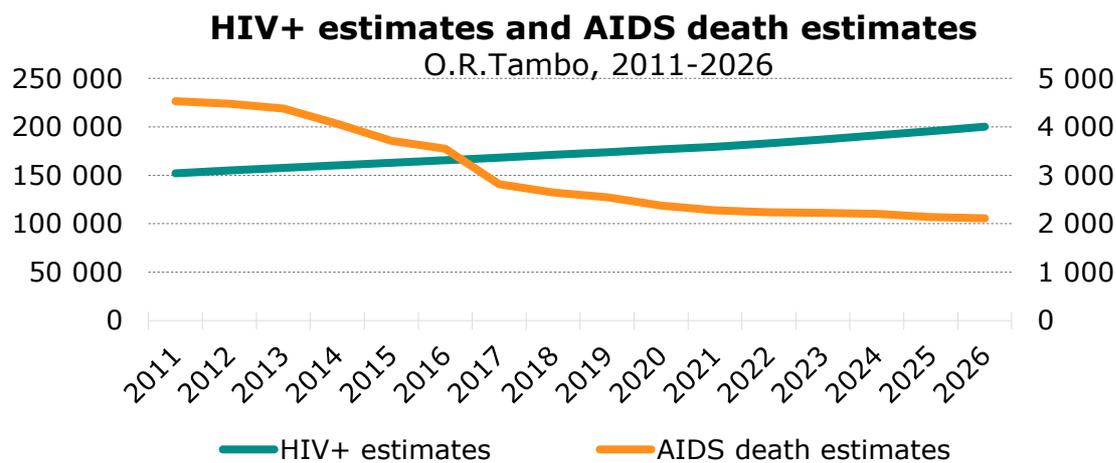
HIV and AIDS can have a substantial impact on the growth of a particular population. However, there are many factors affecting the impact of the HIV virus on population progression: adult HIV prevalence rates; the speed at which the virus progresses; age distribution of the virus; the mother-to-child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

NUMBER OF HIV+ PEOPLE - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER AND PERCENTAGE]

	O.R.Tambo	Eastern Cape	National Total	O.R.Tambo as % of province	O.R.Tambo as % of national
2011	152,000	732,000	6,480,000	20.8%	2.3%
2012	155,000	746,000	6,630,000	20.8%	2.3%
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%
Average Annual growth					
2011-2021	1.67%	1.85%	2.24%		

Source: IHS Markit Regional eExplorer version 2236

In 2021, 179 000 people in the O.R. Tambo District Municipality were infected with HIV. This reflects an increase at an average annual rate of 1.67% since 2011, and in 2021 represented 11.55% of the district municipality's total population. The Eastern Cape Province had an average annual growth rate of 1.85% from 2011 to 2021 in the number of people infected with HIV, which is higher than that of the O.R. Tambo District Municipality



Source: IHS Markit Regional eXplorer version 2236

Presenting the number of HIV+ people against the number of people living with AIDS, the people with AIDS added up to 4530 in 2011 and 2280 for 2021. This number denotes an decrease from 2011 to 2021 with a high average annual rate of -6.66% (or -2260 people). For the year 2021, they represented 0.15% of the total population of the entire district municipality.

2.2.11 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.

GROSS DOMESTIC PRODUCT (GDP) - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [R BILLIONS, CURRENT PRICES]

	O.R.Tambo	Eastern Cape	National Total	O.R.Tambo as % of province	O.R.Tambo as % of national
2011	27.4	255.4	3,327.0	10.7%	0.82%
2012	30.4	283.4	3,566.4	10.7%	0.85%
2013	32.7	305.7	3,868.6	10.7%	0.85%
2014	35.2	326.3	4,133.9	10.8%	0.85%
2015	38.5	352.9	4,420.8	10.9%	0.87%
2016	41.2	373.2	4,759.6	11.0%	0.87%
2017	44.8	400.4	5,078.2	11.2%	0.88%
2018	47.6	421.2	5,357.6	11.3%	0.89%
2019	50.1	435.6	5,605.0	11.5%	0.89%
2020	49.6	423.5	5,521.1	11.7%	0.90%
2021	55.1	467.8	6,206.3	11.8%	0.89%

Source: IHS Markit Regional eXplorer version 2236

With a GDP of R 55.1 billion in 2021 (up from R 27.4 billion in 2011), the O.R. Tambo District Municipality contributed 11.79% to the Eastern Cape Province GDP of R 468 billion in 2021 increasing in the share of the Eastern Cape from 10.73% in 2011. The O.R. Tambo District Municipality contributes 0.89% to the GDP of South Africa which had a total GDP of R 6.21 trillion in 2021 (as measured in nominal or current prices). It's contribution to the national economy stayed similar in importance from 2011 when it contributed 0.82% to South Africa, but it is lower than the peak of 0.90% in 2020.

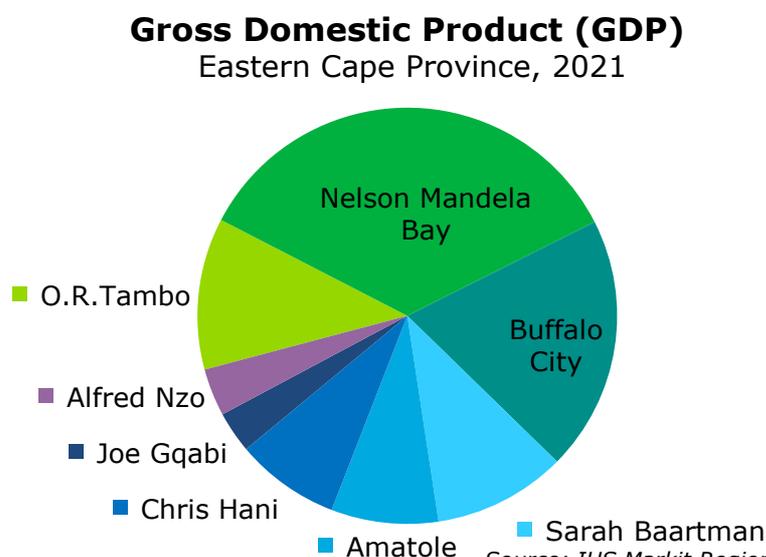
GROSS DOMESTIC PRODUCT (GDP) - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [ANNUAL PERCENTAGE CHANGE, CONSTANT 2010 PRICES]

	O.R.Tambo	Eastern Cape	National Total
2011	1.9%	3.3%	3.2%
2012	0.8%	2.0%	2.4%
2013	1.0%	1.4%	2.5%
2014	1.5%	0.7%	1.4%
2015	2.4%	1.0%	1.3%
2016	2.0%	0.8%	0.7%
2017	1.6%	0.5%	1.2%
2018	2.1%	1.0%	1.5%
2019	1.5%	-0.1%	0.1%
2020	-4.5%	-6.6%	-6.4%
2021	4.5%	4.9%	4.9%
Average Annual growth 2011-2021	1.25%	0.55%	0.91%

Source: IHS Markit Regional eXplorer version 2236

In 2021, the O.R. Tambo District Municipality achieved an annual growth rate of 4.46% which is a slightly lower GDP growth than the Eastern Cape Province's 4.93%, and is lower than that of South Africa, where the 2021 GDP growth rate was 4.91%. Contrary to the short-term growth rate of 2021, the longer-term average growth rate for O.R. Tambo (1.25%) is slightly higher than that of South Africa (0.91%).

GROSS DOMESTIC PRODUCT (GDP) - O.R. TAMBO DISTRICT MUNICIPALITY AND THE REST OF EASTERN CAPE, 2021 [PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

The O.R. Tambo District Municipality had a total GDP of R 55.1 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. This ranking in terms of size compared to other regions of O.R. Tambo remained the same since 2011. In terms of its share, it was in 2021 (11.8%) significantly larger compared to what it was in 2011 (10.7%). For the period 2011 to 2021, the average annual growth rate of 1.3% of O.R. Tambo was the highest relative to its peers in terms of growth in constant 2010 prices.

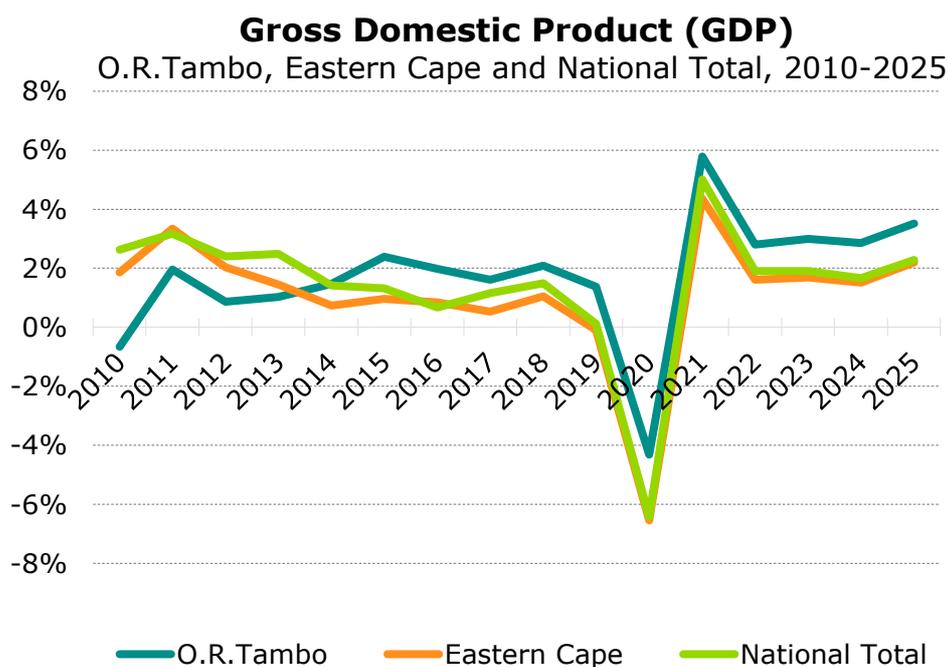
FIGURE 19: GROSS DOMESTIC PRODUCT (GDP) - LOCAL MUNICIPALITIES OF O.R. TAMBO DISTRICT MUNICIPALITY, 2011 TO 2021, SHARE AND GROWTH

	2021 (Current prices)	Share of district municipality	2011 (Constant prices)	2021 (Constant prices)	Average Annual growth
Ingquza Hill	4.79	8.69%	3.56	3.43	-0.38%
Port St Johns	3.31	6.00%	2.43	2.41	-0.07%
Nyandeni	4.35	7.89%	2.95	3.16	0.66%
Mhlontlo	5.81	10.54%	4.11	4.21	0.24%
King Sabata Dalindyebo	36.88	66.88%	21.77	26.25	1.88%
O.R.Tambo	55.15		34.82	39.44	

Source: IHS Markit Regional eXplorer version 2236

King Sabata Dalindyebo had the highest average annual economic growth, averaging 1.88% between 2011 and 2021, 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 0.66%. Ingquza Hill Local Municipality had the lowest average annual growth rate of -0.38% between 2011 and 2021.

Figure 20: Gross Domestic Product (GDP) Project Growth: OR Tambo, Eastern Cape and National (2010 -2025)



Source: IHS Markit Regional eXplorer version 2175

In 2025, O.R. Tambo's forecasted GDP will be an estimated R 45.1 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 2020 and 2025, with a contribution to the Eastern Cape Province GDP of 12.3% in 2025 compared to the 11.5% in 2020. At a 3.58%, average annual GDP growth rate between 2020 and 2025, O.R. Tambo ranked the highest compared to the other regional economies.

2.2.12 Economic Sector Performance

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. 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.

FIGURE 22: GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [R BILLIONS, CURRENT PRICES]

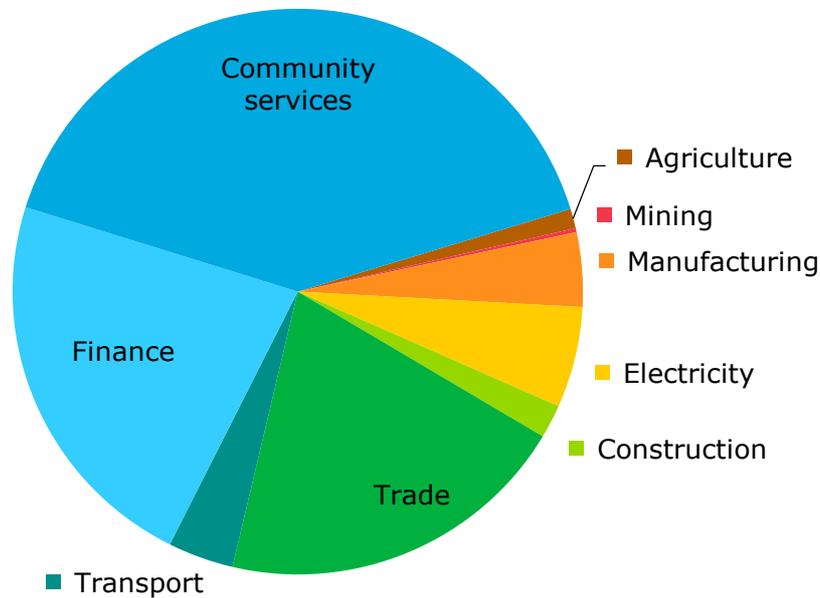
	O.R.Tambo	Eastern Cape	National Total	O.R.Tambo as % of province	O.R.Tambo as % of national
Agriculture	0.6	8.1	150.9	7.0%	0.38%
Mining	0.1	0.7	481.0	15.2%	0.02%
Manufacturing	2.2	54.4	726.4	4.0%	0.30%
Electricity	2.9	9.2	171.9	32.0%	1.70%
Construction	1.0	10.8	139.0	9.0%	0.70%
Trade	10.2	76.0	759.8	13.4%	1.35%
Transport	1.9	26.4	392.3	7.2%	0.48%
Finance	11.4	92.3	1,319.9	12.3%	0.86%
Community services	20.5	140.0	1,422.3	14.7%	1.44%
Total Industries	50.8	417.9	5,563.5	12.1%	0.91%

Source: IHS Markit Regional eExplorer version 2236

In 2021, the community services sector is the largest within O. R. Tambo District Municipality accounting for R 20.5 billion or 40.5% 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 finance sector at 22.4%, followed by the trade sector with 20.1%. The sector that contributes the least to the economy of O.R. Tambo District Municipality is the mining sector with a contribution of R 113 million or 0.22% of the total GVA.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [PERCENTAGE COMPOSITION]

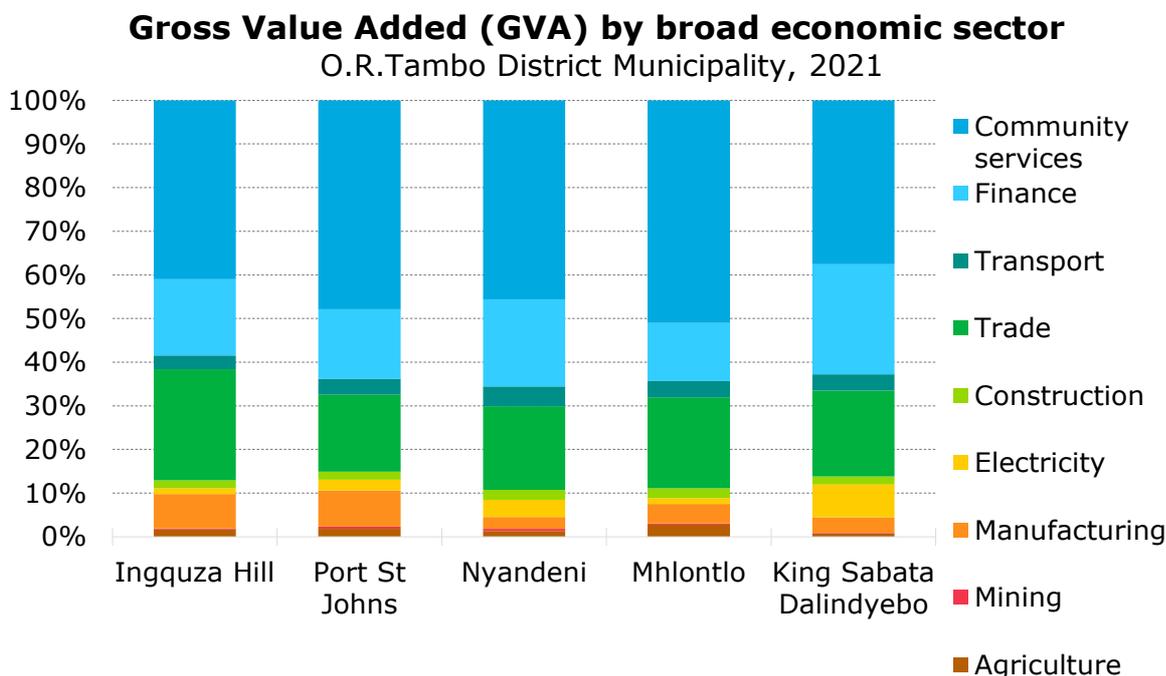
Gross Value Added (GVA) by broad economic sector O.R.Tambo District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2236

The community sector, which includes the 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 62.64% of the district municipality. As a whole, the King Sabata Dalindyebo Local Municipality contributed R 34.3 billion or 67.54% 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.

GROSS VALUE ADDED (GVA) BY BROAD ECONOMIC SECTOR - LOCAL MUNICIPALITIES OF O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [PERCENTAGE COMPOSITION]

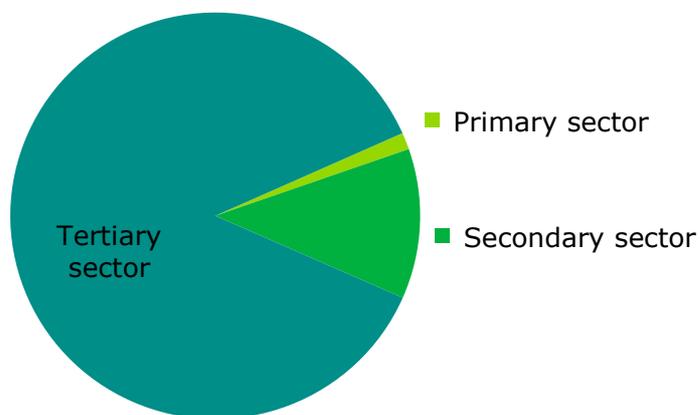


Source: IHS Markit Regional eXplorer version 2236

The tertiary sector contributes the most to the Gross Value Added within the O.R. Tambo District Municipality at 86.7%. This is significantly higher than the national economy (71.3%). The secondary sector contributed 12.1% (ranking second), while the primary sector contributed the least at 1.3%.

GVA VALUE ADDED (GVA) BY AGGREGATE ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [PERCENTAGE]

Gross Value Added (GVA) by aggregate sector
O.R.Tambo District Municipality, 2021



Source: IHS Markit Regional eXplorer version 2236

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

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 2011 to 2021.

2.2.13 Economically Active Population (EAP)

The economically active population (EAP) is defined as the number of people (between the age of 15 and 65) who are able and willing to work, and who are actively looking for work. It includes both employed and unemployed people.

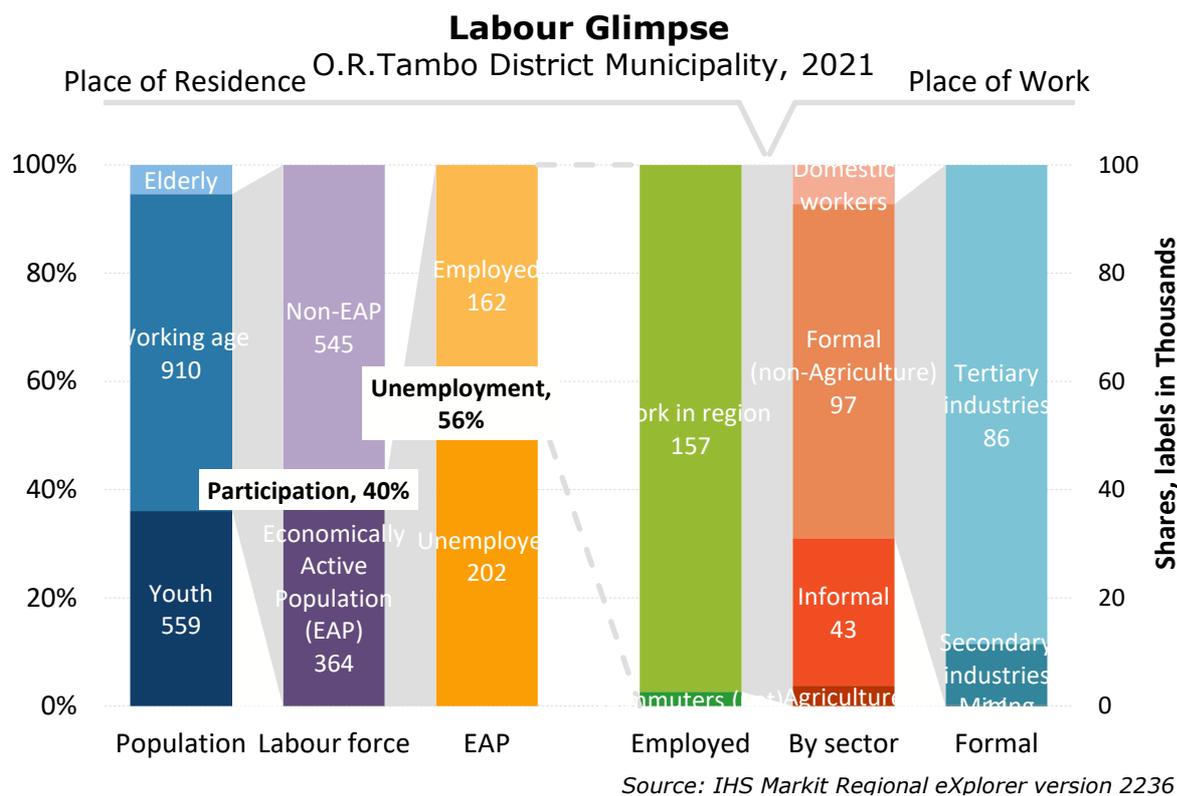
WORKING AGE POPULATION IN O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011 AND 2021 [NUMBER]

	O.R.Tambo		Eastern Cape		National Total	
	2011	2021	2011	2021	2011	2021
15-19	201,000	185,000	782,000	673,000	5,120,000	4,880,000
20-24	163,000	134,000	750,000	602,000	5,410,000	4,650,000
25-29	118,000	143,000	607,000	704,000	5,020,000	5,330,000
30-34	74,200	132,000	414,000	673,000	4,050,000	5,610,000
35-39	51,400	100,000	312,000	546,000	3,420,000	5,010,000
40-44	41,800	61,000	269,000	375,000	2,870,000	3,870,000
45-49	41,900	44,500	271,000	283,000	2,550,000	3,170,000
50-54	42,300	36,700	269,000	245,000	2,200,000	2,630,000
55-59	34,900	36,600	228,000	244,000	1,800,000	2,290,000
60-64	30,800	36,500	192,000	237,000	1,450,000	1,930,000
Total	799,000	910,000	4,090,000	4,580,000	33,900,000	39,400,000

Source: IHS Markit Regional eXplorer version 2236

The working age population in O.R. Tambo in 2021 was 910 000, increasing at an average annual rate of 1.32% since 2011. For the same period the working age population for Eastern Cape Province increased at 1.14% annually, while that of South Africa increased at 1.51% 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.



Reading the chart from the left-most bar, breaking down the total population of the O.R. Tambo District Municipality (1.55 million) into working age and non-working age, the number of people that are of working age is about 910 000. 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, 40.1% are participating in the labour force, meaning 365 000 residents of the district municipality forms currently part of the economically active population (EAP). Comparing this with the non-economically active population (NEAP) of the district municipality: fulltime students at tertiary institutions, disabled people, and those choosing not to work, sum to 545 000 people. Out of the economically active population, there are 203 000 that are unemployed, or when expressed as a percentage, an unemployment rate of 55.6%. 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 86 300 jobs. When including the informal, agricultural and domestic workers, we have a total number of 158 000 jobs in the area. Formal jobs make up 61.8% 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.

2.2.14 Total Employment

Total employment consists of employment in the formal sectors, and employment in the informal sectors.

TOTAL EMPLOYMENT - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBERS]

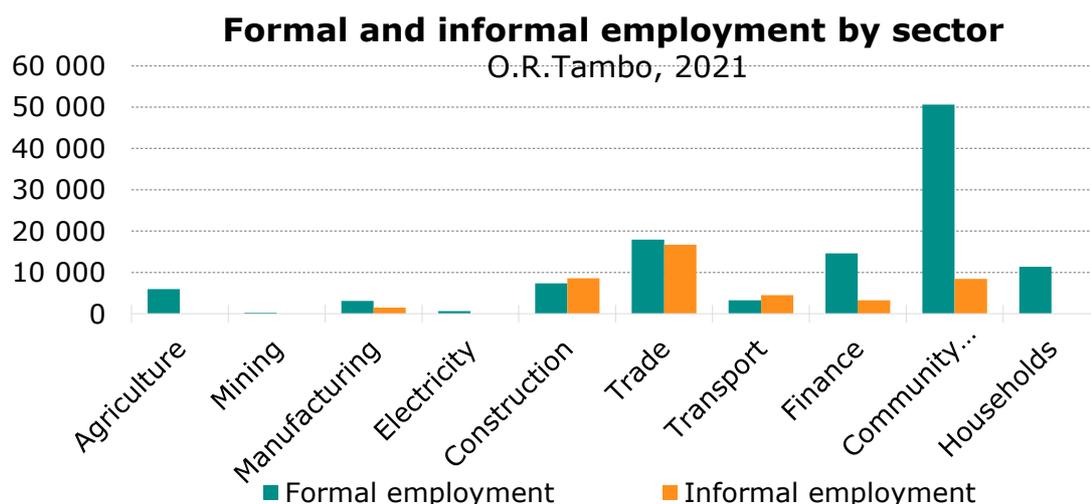
	O.R.Tambo	Eastern Cape	National Total
2011	146,000	1,230,000	13,700,000
2012	147,000	1,240,000	14,000,000
2013	153,000	1,270,000	14,400,000
2014	166,000	1,340,000	15,000,000
2015	177,000	1,400,000	15,500,000
2016	184,000	1,430,000	15,800,000
2017	187,000	1,440,000	16,000,000
2018	187,000	1,440,000	16,200,000
2019	185,000	1,430,000	16,200,000
2020	168,000	1,340,000	15,400,000
2021	158,000	1,290,000	14,700,000
Average Annual growth			
2011-2021	0.79%	0.47%	0.74%

Source: IHS Markit Regional eXplorer version 2236

In 2021, O.R. Tambo employed 158 000 people which is 12.28% of the total employment in Eastern Cape Province (1.29 million), 1.07% of total employment in South Africa (14.7 million). *Figure 28: Economic Sector Employment: OR Tambo, 2020* Employment within O.R Tambo increased annually at an average rate of 0.79% from 2011 to 2021.

Economic Sector Employment

FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBERS]



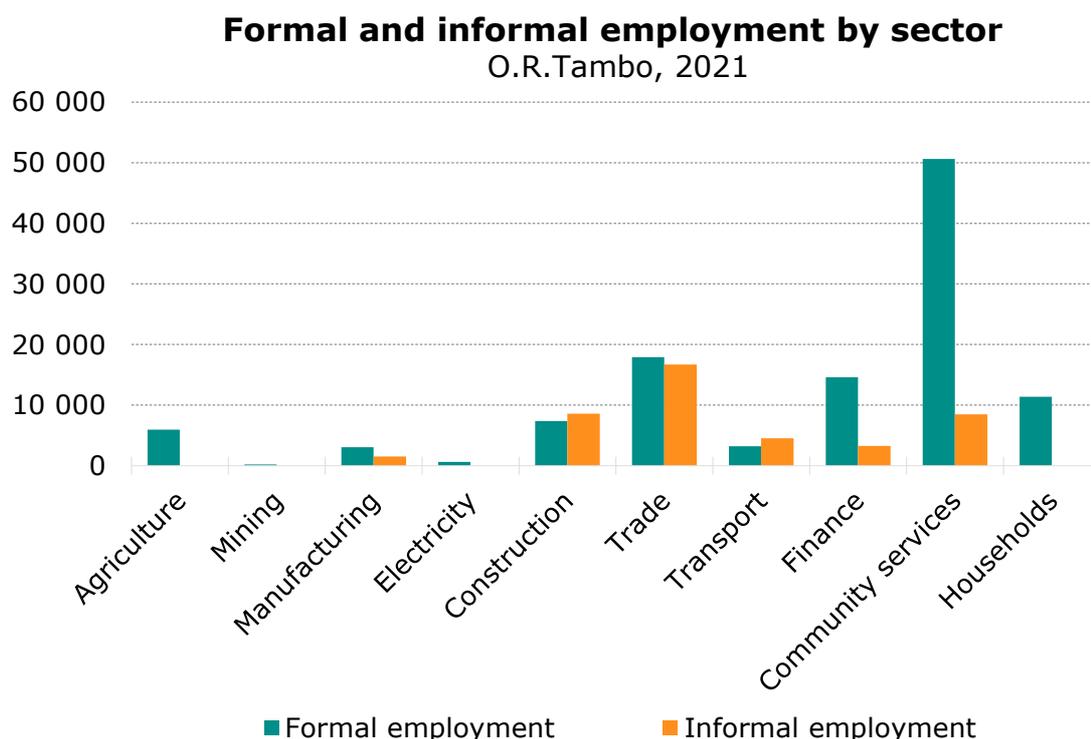
Source: IHS Markit Regional eXplorer version 2236

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 115 000 in 2021, which is about 72.75% of total employment, while the number of people employed in the informal sector counted 43 000 or 27.25% of the total employment. Informal employment in O.R. Tambo increased from 37 400 in 2011 to an estimated 43 000 in 2021.

CHART 1. FORMAL AND INFORMAL EMPLOYMENT BY BROAD ECONOMIC SECTOR - O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBERS]



Source: IHS Markit Regional eXplorer version 2236

In 2021 the Trade sector recorded the highest number of informally employed, with a total of 16 700 employees or 38.88% 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 1 500 and only contributes 3.49% to total informal employment.

2.2.15 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 labour 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, market or other assembly places; placing or answering newspaper advertisements; seeking assistance of friends or relatives; looking for land.

TABLE 1. UNEMPLOYMENT (OFFICIAL DEFINITION) - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER PERCENTAGE]

	O.R.Tambo	Eastern Cape	National Total	O.R.Tambo as % of province	O.R.Tambo as % of national
2011	74,900	487,000	4,580,000	15.4%	1.64%
2012	79,400	509,000	4,700,000	15.6%	1.69%
2013	86,100	540,000	4,850,000	15.9%	1.77%
2014	91,800	565,000	5,060,000	16.2%	1.82%
2015	95,600	583,000	5,300,000	16.4%	1.80%
2016	107,000	636,000	5,670,000	16.8%	1.89%
2017	124,000	718,000	5,990,000	17.3%	2.08%
2018	138,000	782,000	6,100,000	17.6%	2.25%
2019	159,000	885,000	6,450,000	18.0%	2.47%
2020	175,000	968,000	6,710,000	18.1%	2.61%
2021	203,000	1,100,000	7,420,000	18.5%	2.73%
				Average Annual growth	
2011-2021	10.47%	8.48%	4.94%		

Source: IHS Markit Regional eExplorer version 2236

In 2021, there were a total number of 203 000 people unemployed in O.R. Tambo, which is an increase of 128 000 from 74 900 in 2011. The total number of unemployed people within O.R. Tambo constitutes 18.46% of the total number of unemployed people in Eastern Cape Province. The O.R. Tambo District Municipality experienced an average annual increase of 10.47% 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 8.48%.

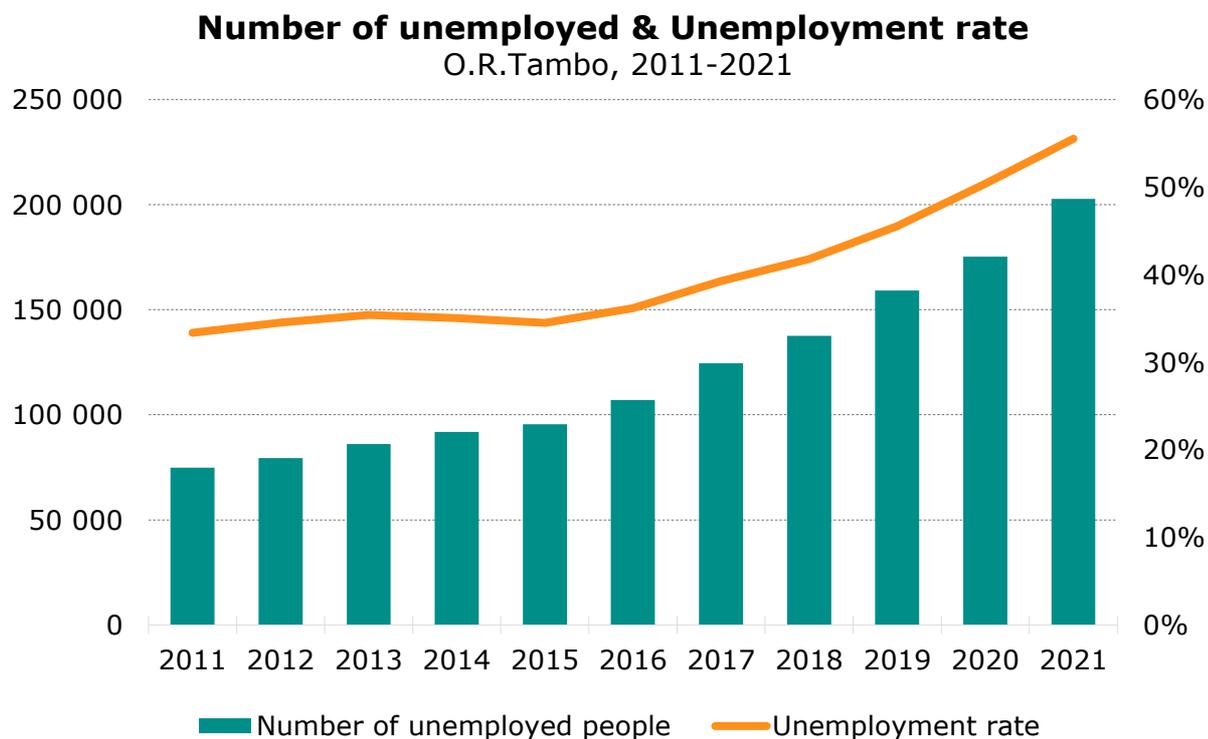
TABLE 2. **TABLE 1:** UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [PERCENTAGE]

	O.R.Tambo	Eastern Cape	National Total
2011	33.4%	28.2%	25.1%
2012	34.6%	28.9%	25.1%
2013	35.4%	29.6%	25.2%
2014	35.0%	29.4%	25.2%
2015	34.5%	29.2%	25.5%
2016	36.2%	30.5%	26.4%
2017	39.3%	32.9%	27.2%
2018	41.8%	35.0%	27.4%
2019	45.5%	38.0%	28.4%
2020	50.4%	41.6%	30.3%
2021	55.6%	45.8%	33.5%

Source: IHS Markit Regional eXplorer version 2236

In 2021, the unemployment rate in O.R. Tambo District Municipality (based on the official definition of unemployment) was 55.56%, which is an increase of 22.2 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 33.48% in 2021, which is an increase of -8.4 percentage points from 25.08% in 2011.

CHART 2. **CHART 1:** UNEMPLOYMENT AND UNEMPLOYMENT RATE (OFFICIAL DEFINITION) - O.R.TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

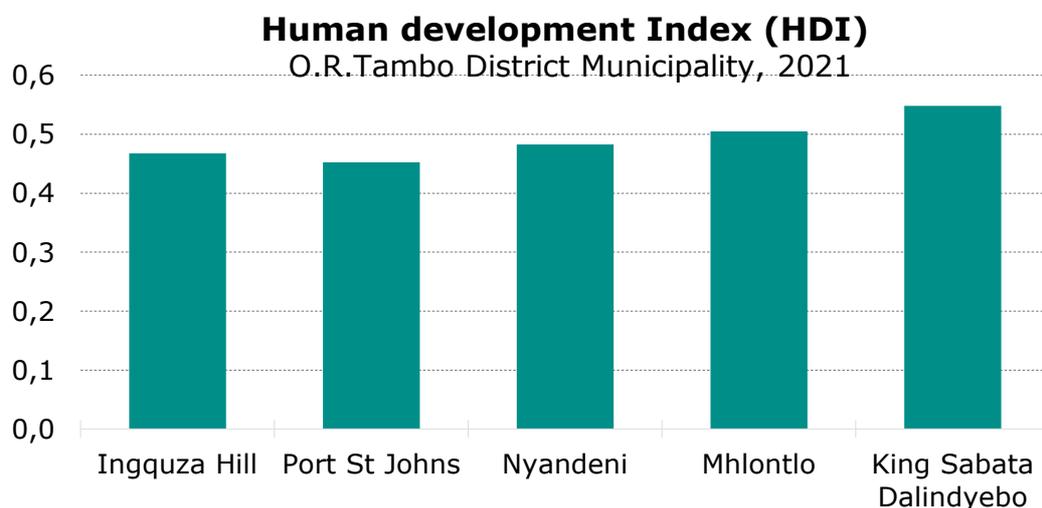
When comparing unemployment rates among regions within O.R. Tambo District Municipality, Ingquza Hill Local Municipality has indicated the highest unemployment rate of 66.6%, which has increased from 39.2% in 2011. It can be seen that the King Sabata Dalindyebo Local Municipality had the lowest unemployment rate of 46.3% in 2021, which increased from 28.6% in 2011.

DEVELOPMENT

2.2.16 Human Development Index (HDI)

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

CHART 3. HUMAN DEVELOPMENT INDEX (HDI) - LOCAL MUNICIPALITIES AND THE REST OF O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBER]



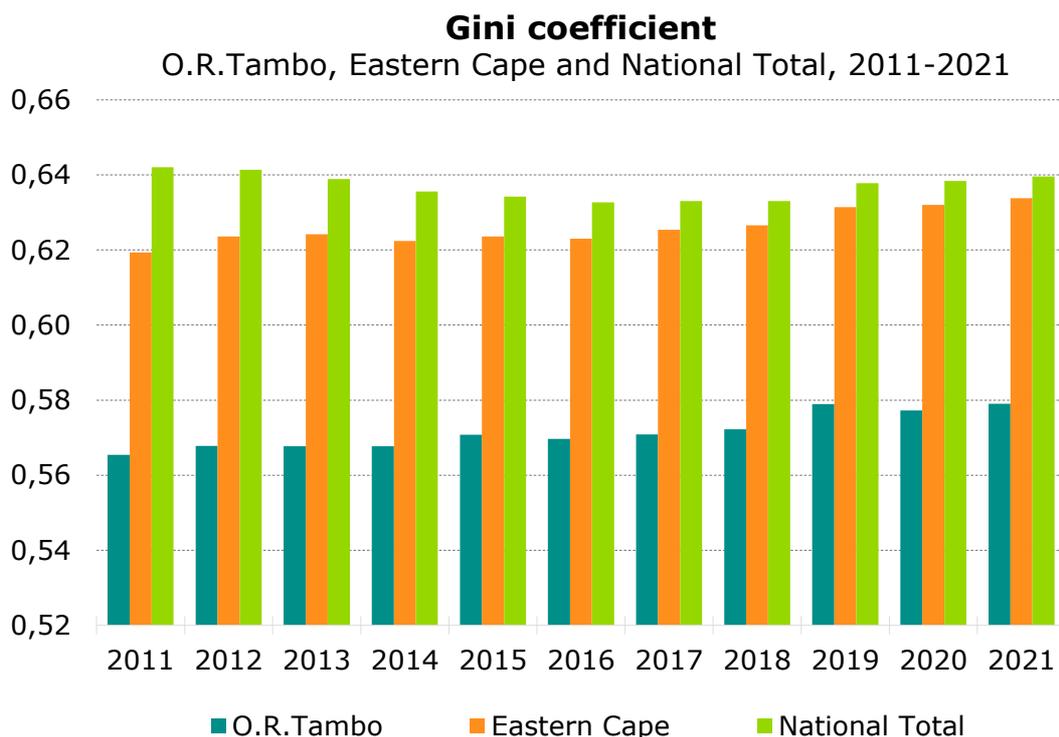
Source: IHS Markit Regional eXplorer version 2236

In terms of the HDI for each the regions within the O.R. Tambo District Municipality, King Sabata Dalindyebo Local Municipality has the highest HDI, with an index value of 0.548. The lowest can be observed in the Port St Johns Local Municipality with an index value of 0.452.

2.2.17 Gini Coefficient

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

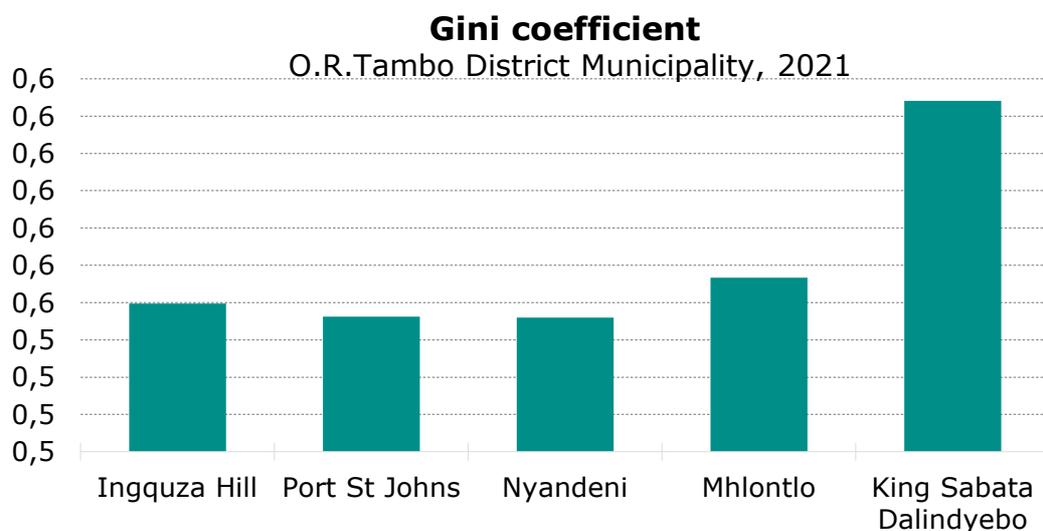
CHART 4. **CHART 2:** GINI COEFFICIENT - O.R.TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2011-2021 [NUMBER]



Source: IHS Markit Regional eXplorer version 2236

In 2021, the Gini coefficient in O.R. Tambo District Municipality was at 0.579, which reflects a increase in the number over the ten-year period from 2011 to 2021. The Eastern Cape Province and South Africa, both had a more unequal spread of income amongst their residents (at 0.634 and 0.64 respectively) when compared to O.R. Tambo District Municipality.

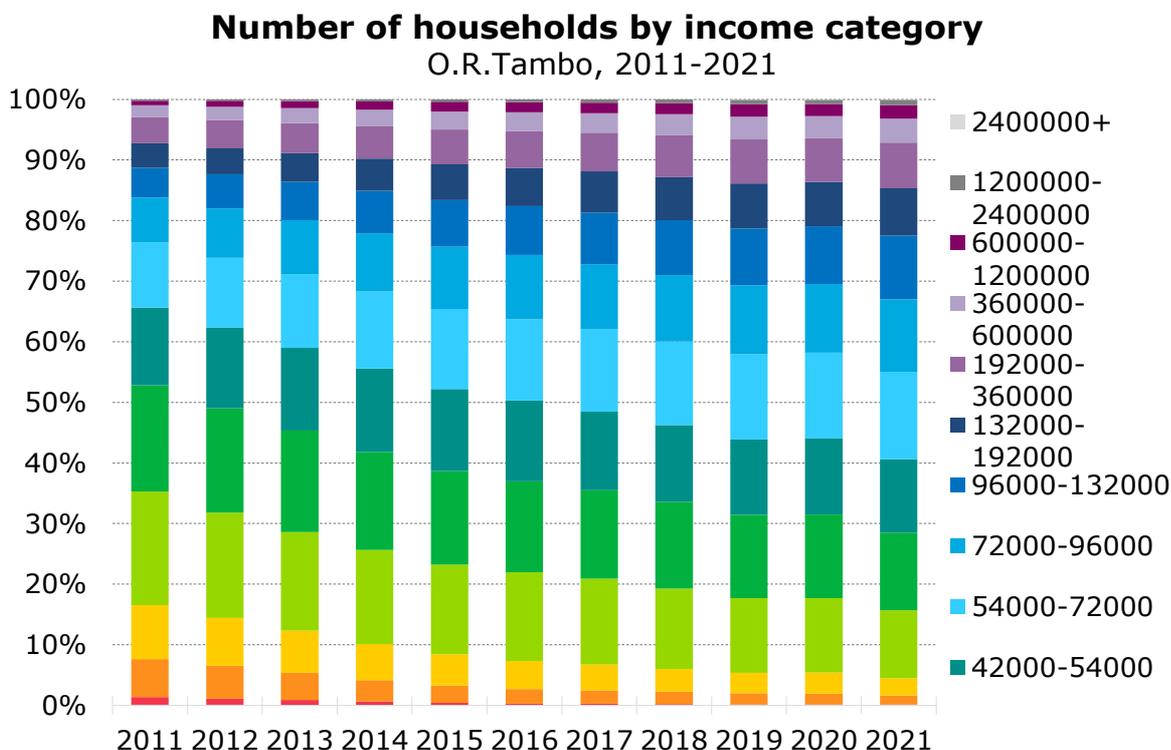
CHART 5. **CHART 3:** GINI COEFFICIENT - LOCAL MUNICIPALITIES AND THE REST OF O.R.TAMBO DISTRICT MUNICIPALITY, 2021 [NUMBER]



Source: IHS Markit Regional eXplorer version 2236

In terms of the Gini coefficient for each of the regions within the O.R. Tambo District Municipality, King Sabata Dalindyebo Local Municipality has the highest Gini coefficient, with an index value of 0.604. The lowest Gini coefficient can be observed in the Nyandeni Local Municipality with an index value of 0.546.

CHART 6. **CHART 4:** HOUSEHOLDS BY INCOME BRACKET - O.R.TAMBO DISTRICT MUNICIPALITY, 2011-2021 [PERCENTAGE]



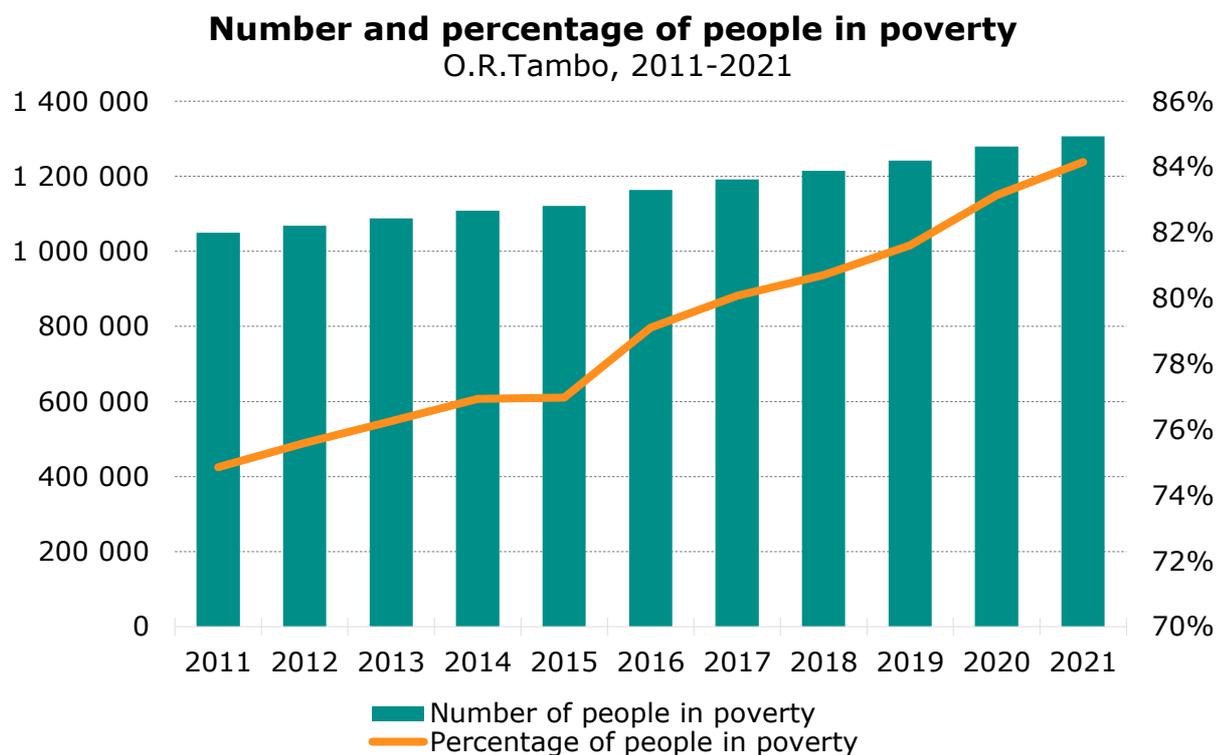
Source: IHS Markit Regional eXplorer version 2236

For the period 2011 to 2021 the number of households earning more than R30,000 per annum has increased from 64.71% to 84.29%.

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.

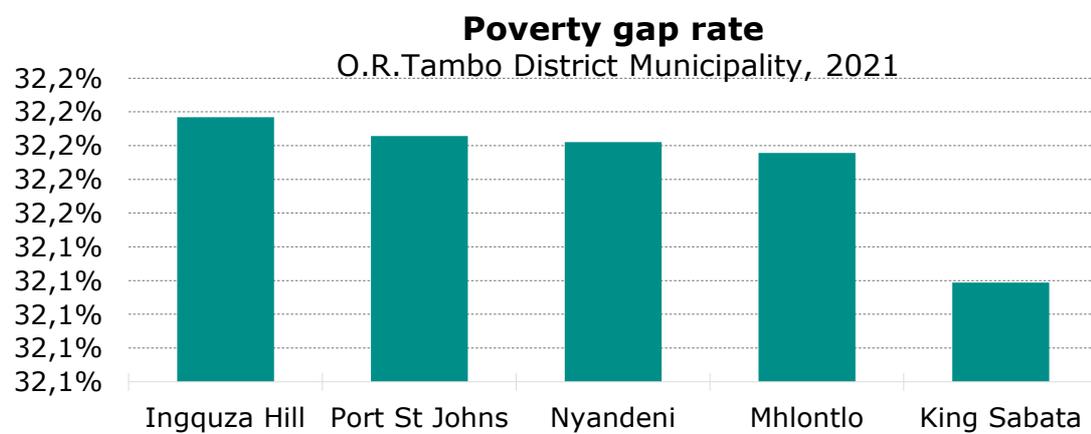
CHART 7. **FIGURE 34:** NUMBER AND PERCENTAGE OF PEOPLE LIVING IN POVERTY - O.R.TAMBO DISTRICT MUNICIPALITY, 2011-2021 [NUMBER PERCENTAGE]



Source: IHS Markit Regional eXplorer version 2236

In 2021, there were 1.31 million people living in poverty, using the upper poverty line definition, across O.R. Tambo District Municipality - this is 24.53% higher than the 1.05 million in 2011. The percentage of people living in poverty has increased from 74.85% in 2011 to 84.15% in 2021, which indicates a increase of -9.3 percentage points.

CHART 8. **POVERTY GAP RATE - LOCAL MUNICIPALITIES AND THE REST OF O.R. TAMBO DISTRICT MUNICIPALITY, 2021 [PERCENTAGE]**



Source: IHS Markit Regional eXplorer version 2236

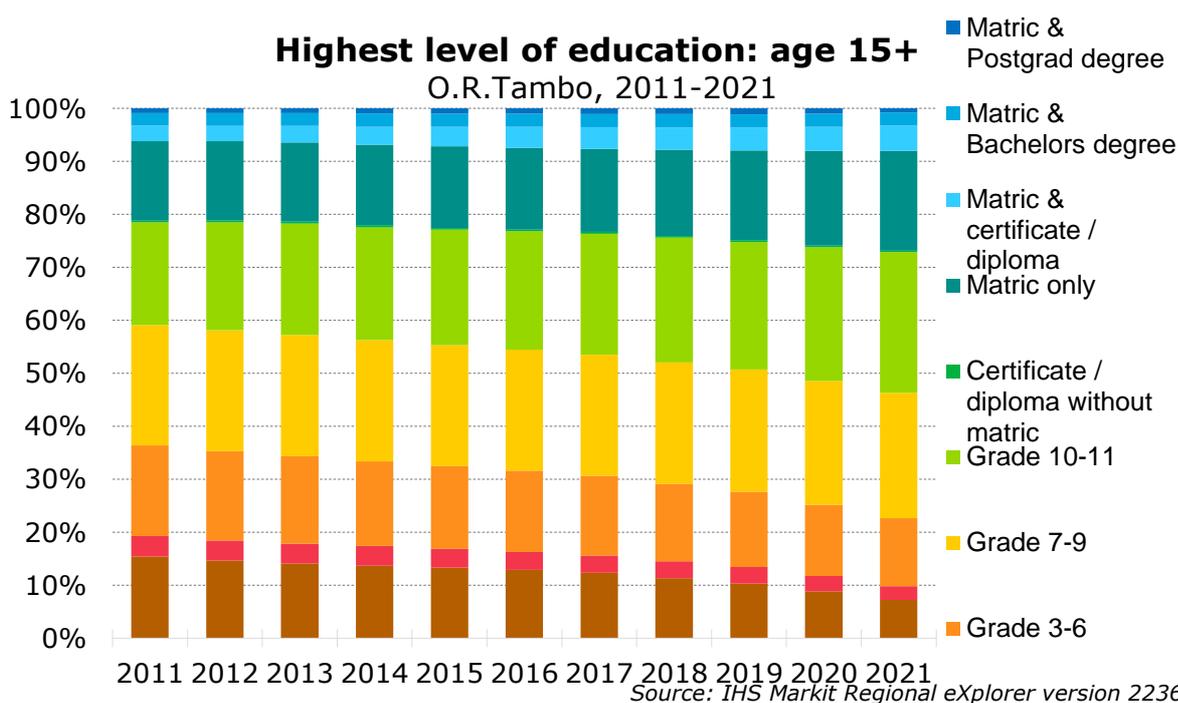
In terms of the poverty gap rate for each of the regions within the O.R. Tambo District Municipality, Ingquza Hill Local Municipality had the highest poverty gap rate, with a rand value of 32.2%. The lowest poverty gap rate can be observed in the King Sabata Dalindyebo Local Municipality with a total of 32.1%.

2.2.18 Education

Educating is important to the economic growth in a country and the development of its industries, providing a trained workforce and skilled professionals required.

The education measure represents the highest level of education of an individual, using the 15 years and older age category. (According to the United Nations definition of education, one is an adult when 15 years or older. IHS uses this cut-off point to allow for cross-country comparisons. Furthermore, the age of 15 is also the legal age at which children may leave school in South Africa).

CHART 9. **FIGURE 37**HIGHEST LEVEL OF EDUCATION: AGE 15+ - O.R. TAMBO DISTRICT MUNICIPALITY, 2011-2021 [PERCENTAGE]

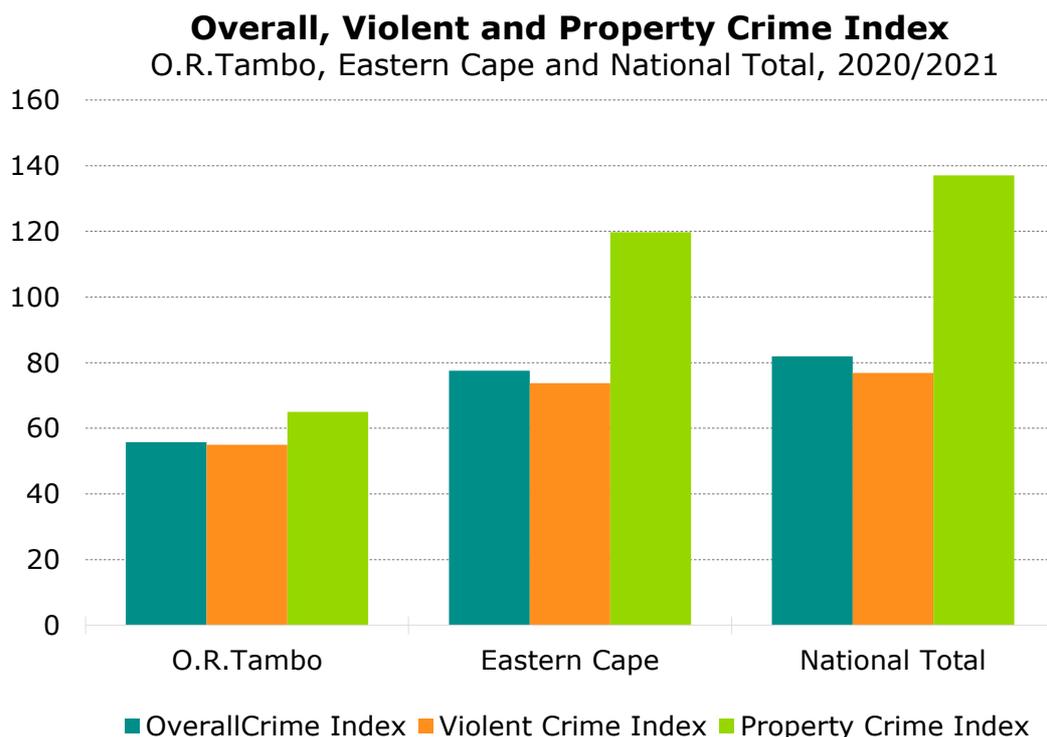


Within O.R. Tambo District Municipality, the number of people without any schooling decreased from 2011 to 2021 with an average annual rate of -5.60%, while the number of people within the 'matric only' category, increased from 101,000 to 152,000. The number of people with 'matric and a certificate/diploma' increased with an average annual rate of 6.85%, with the number of people with a 'matric and a Bachelor's' degree increasing with an average annual rate of 2.39%. Overall improvement in the level of education is visible with an increase in the number of people with 'matric' or higher education.

2.2.19 Crime

The state of crime in South Africa has been the topic of many media articles and papers in the past years, and although many would acknowledge that the country has a crime problem, very little research has been done on the relative level of crime. The media often tend to focus on more negative or sensational information, while the progress made in combating crime is neglected.

CHART 10. **FIGURE 40:** IHS CRIME INDEX - CALENDER YEARS (WEIGHTED AVG / 100,000 PEOPLE) - O.R. TAMBO, EASTERN CAPE AND NATIONAL TOTAL, 2020/2021 [INDEX VALUE]



Source: IHS Markit Regional eXplorer version 2236

From the chart above it is evident that property crime is a major problem for all the regions relative to violent crime.

BASIC SERVICE DELIVERY

2.2.1 Water Services

ORTDM is both a Water Services Authority and Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained so that services may be provided in an equitable, sustainable and efficient manner. Thus the District Municipality is mandated to deliver water services to a population of 1,552,805 million. The KSD LM has the largest population in the District with 525 000 (1.26 annual growth rate). It also has the highest population density at 163 persons/km².ORTDM manages a strong grant funding support, such as:

- Equitable Share (ES) – R1.1 billion
- Finance Management Grant (FMG) – R 2 million rand
- Extended Public Works Program (EPWP) - R6.8 million
- Municipal Infrastructure Grant MIG) – R764.7 million
- Water Services Infrastructure Grant (WSIG) – R 80 million
- Regional Bulk Infrastructure Grant (RBIG) – R 160.8 million
- Rural Roads Asset Management (RRAM) – R 3.1 million.

The vast majority of this budget is focused on addressing the infrastructure backlogs with about 10% MIG reprioritized to attend to refurbishment of schemes. The WSIG has been declared by the National Department of Water and Sanitation as means for the WSAs to deal with challenges identified by Blue and Green Drop assessments.

The primary responsibility for the Water Services Authority includes:

- Ensuring access: To ensure the realization of the right of access to water services, particularly basic water services (subject to available resources) by seeing that appropriate investment in water services infrastructure are made;
- Planning: 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;
- Regulation: To regulate water services provision and Water Services Providers within the jurisdiction of the municipality and within the policy and regulatory frameworks set by Department of Water Affairs through the enactment of by-laws and the regulation of contracts; and
- Provision: To ensure the provision of effective, efficient and sustainable water services (including water conservation and demand management) either by providing water services themselves or by selecting, procuring and contracting with external Water Services Providers.

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

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

The municipality is responsible for the provision/development of Bulk Water Services, Water Reticulation, Waste Water Treatment Plants, Sewer Reticulation and Provision of Rural Sanitation infrastructure. The ORTDM is also responsible for ensuring functional operations and maintenance on all existing infrastructure.

Additionally, the municipality is responsible for ensuring effective, efficient, affordable and sustainable access to water services, and this is achieved through the development of a Water Service Developmental Plan (WSDP), which provides linkages between water service provisions and water resource management.

The water conservation and demand management as a strategy for sustainable water services cannot be over emphasized, the funding of the WCDM strategy and implementation has been budgeted through WSIG as a project in an effort to reduce water losses, water outages and revenue enhancement.

The municipality manages its water services infrastructure through its local municipalities. This could be associated with the utilization of the existing resources such as offices, workshops and call-centers. Most water services schemes were designed within the context of servicing particular LMs, and as a result, most of the schemes are still orientated around the LMs

2.2.1.1 Access to Water

In the O.R. Tambo the minimum service level for water is regarded as water supply facility within 200m of). The current backlog including access may be described as follows:



Piped water inside dwelling = 37 189
Piped water in yard = 43 959
Communal piped water (At RDP-level) = 40 378
Communal piped water (below RDP-level) = 14 732

2.2.1.2 Access to Sanitation

The sanitation minimum service level is regarded as easy access safe, reliable, private toilet facility which is protected from the weather, ventilated, low smell, hygienic, minimizing the risk of spreading diseases.



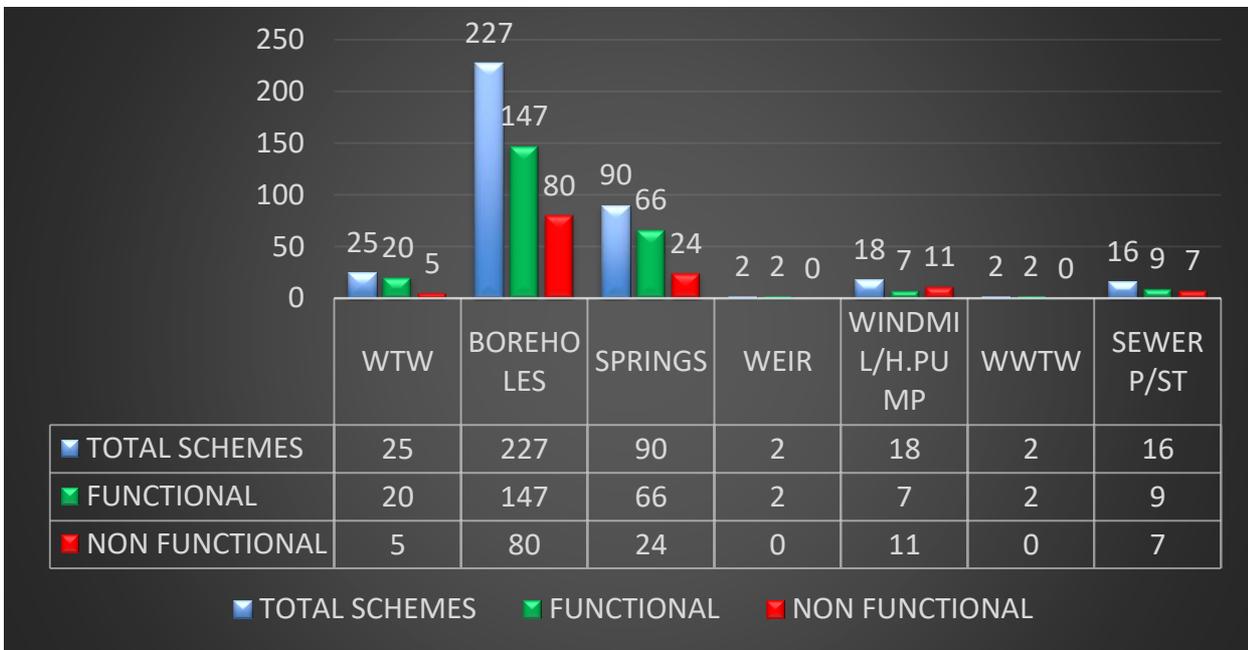
Flush toilet = 63 747
VIP = 218 010
Pit Toilet = 43 211
Bucket System = 1 689
No toilet = 10 754

2.2.1.3 Water Services Composition

The ORTDM has only one major dam, namely Mthatha Dam with a 1 in 50-year yield of 145,5million m³/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 m³. 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. Figure 10 illustrates the status of functionality for all schemes in the district municipality.

Figure 6: Functional/ non- functional Water Schemes



The turn-around strategy indicates a very high rate of unaccounted-for water as the 2021/22 financials indicate that 35.5% of the system volume input purchased from DWS from the Mthatha dam became nonrevenue water. Some of these losses can be attributed to serviced-but-unmetered stands and overconsumption of free basic water provision. The municipality, however, has not had adequate water balancing data (from bulk meters) and network system models to be able to thoroughly assess the situation technically. Pressure management, a key mechanism for water loss control, also relies on such data and information for effective implementation.

2.2.1.4 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.

2.2.1.5 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.

2.2.1.6 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.

2.2.1.7 Land Claims

A lot 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.

2.2.1.8 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.

2.2.1.9 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 over time. Priority needs to be provided to all projects that are currently implemented to get such projects to completion.

2.2.1.10 Major projects under the Project Management Unit

- a) **Ntsonyeni Nqongweni Regional Supply Scheme Phase 1:** While the whole scheme includes construction of water treatment works, command reservoirs, service reservoirs, pumping mains and reticulation, this phase which is termed source development which has started with construction includes river abstraction and dam. The approved budget for the scheme is R970m
- b) **KSDPI:** The primary focus is to augment current bulk water supply within the Mthatha Town, KSDLM and Nyandeni LM in the OR Tambo DM in the Eastern Cape. Project aims to increase the capacity of the WTW and to improve the bulk water distribution to the region thereby unlocking housing and commercial developments. The project implementation is phased according to nine packages, three

packages are complete, three are at 95% completed and three are at design and tender stage. Total budget costs is R3.9billion

- c) **Mqanduli Secondary Bulk:** The construction includes secondary bulk reservoirs which are tapping on primary bulk command reservoirs and the secondary mains. Phase one of the project is nearing completion while phase two is just started construction. The total budget approved is R615 million
- d) **Lukhwethu Regional Water Supply:** the project includes reticulation networks that involve pipe mains and service reservoirs. Phase one of the project is in construction, while other phases are in design. The implantation rollout pace will depend on the availability of water from Thornhill WTW to avoid long standing infrastructure with does not yield water. The Total budget costs is R345million

2.2.1.11 Summary of Water Services Challenges in OR Tambo DM

The table below shows some of the main challenges facing the District Municipality. These challenges are not unique to OR Tambo DM as various municipalities within the country face the same challenges.

Challenges	Possible causes
Shortage of skilled personnel.	High Level of illiteracy within the district, and very low compensation package to attract skilled personnel from other areas due to financial constraints.
Poor Maintenance of existing infrastructure	Low revenue-generation, as many of the District’s inhabitants, are indigents, and as such, there is dependence on grants, which are very small.
Lack of funds for infrastructure investment planning.	Due to the rural nature of the District, funds for infrastructure development are only provided through Grant funding.
Late appointment of service providers.	BID Committees not sitting on time.
The inability of some Contractors to perform work.	Some contractors do not have the capacity in projects they have tendered for.
Under-pricing of Bids to win tenders.	Due to inexperience and capacity of emerging contractors
Lack of Water & Sanitation Master Plans.	The Department had a vacancy in strategic positions, which made it impossible to come up with water & sanitation plans.
Huge Backlogs	The topography of the area makes it expensive for some areas to be serviced.
Old Infrastructure	Lack of refurbishment, and as a result, the infrastructure has far outstripped its design life span.
Non-Functional Schemes especially standalone schemes.	Water resource scarcity and reliability. Drought because of climate change.

2.2.2 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.

2.2.3 Roads and Public Transport Infrastructure

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

A number of the national, provincial and district roads are currently being upgraded or undergoing major refurbishment. Work continues on the main roads in the District, the N2 road from East London to Durban, and the R61 from Queenstown to Port St Johns. The very low historical investment in the access road network in the DM has resulted in very poor access to the major road routes. This not only isolates already impoverished communities from important livelihood socio-economic opportunities, but also inhibits economic development, making it expensive and difficult to move inputs and outputs from many parts of the District. In the 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 2: 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.

2.6.3.1 Rural Roads Asset Management Systems

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

2.6.3.2 Arrive Alive Programs

2.6.3.3 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 a poor condition and full of potholes. The ORTDM includes NMT in its planning by identifying needs in the district ITP, but implementation does not fall within the ambit of the DM.

2.6.3.4 Railways

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

2.6.3.5 Airports

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

The inadequacy of the runways at Mthatha Airport requires attention and planning 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 upgrade the airport runway to an international standard which will then make it possible for all kinds of aircraft being able to use the airport.

2.2.4 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 delivery however shifted focus and taking strides towards coordination of sustainable and 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 leap frog 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.

2.6.4.1 Land Needs

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

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.

2.6.4.2 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 to develop 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.

The following informal settlements are currently prioritised:

1. Malizole: Ingquza Hill Local Municipalities
2. Nkululekweni: Ingquza Hill Local Municipalities
3. Unity Park: Ingquza Hill Local Municipalities
4. Zwelitsha: Ingquza Hill Local Municipalities
5. Green's Farm: Port St Johns Municipality
6. Mpantu: Port St Johns Municipality
7. Nonyevu: Port St Johns Municipality
8. Zwelitha: Port St Johns Municipality
9. Nomzamo: Nyandeni Local Municipality
10. Ziteneni: Nyandeni Local Municipality
11. Tsolo Extension: Mhlontlo Local Municipality
12. Qumbu Extension: Mhlontlo Local Municipality
13. Langeni Informal Settlements Mhlontlo Local Municipality

The following will be implemented by the King Sabata Dalindyebo Local Municipality

1. Zone 14: KSDLM
2. Chris Hani: KSDLM
3. Emakhaphetshwini: KSDLM
4. Khayelitsha: KSDLM
5. Kwamdala: KSDLM
6. kwaMpuku: KSDLM
7. Kwatembula: KSDLM

8. KwaSigebenga: KSDLM
9. Mandela park: KSDLM
10. Joe Slovo, KSDLM

The following informal settlements still require upgrading plans and funding

1. Katilumla: Ingquza Hill Local Municipalities
2. New Payne farms

2.6.4.3 Housing Demand Profile

Table 3: Housing Demand in the Eastern Cape. Source; Stats SA Community Survey 2016

District / Metropolitan Municipality	Traditional Dwelling/ structure made of traditional material	Informal dwellings	others	Total
Sara Baartman	3 339	12 967	1 546	17 852
Amathole	86 731	11 951	961	102 815
Chris Hani	72 948	5 562	3 576	81 877
Joe Gqabi	24 475	4116	399	29 069
OR Tambo	170 065	3 989	2 975	176 946
Alfred Nzo	104 679	4 447	3 285	112 415
Buffalo City Metro	8 593	62 363	1 813	69 806
Nelson Mandela Bay Metropolitan Municipality	868	25 490	1 274	27 633
Total	471 698	130 885	15 829	618 413

Housing delivery by the O.R. Tambo District

The District Municipality has an agreement with Department of Human Settlements to be an implementing agent for contraction of 259 houses in Mabhulwini and Mbokazi, Port St Johns Local Municipality, with extension of scope of 34 housing units in the same municipality, the project kicked off in 2019 and to date the 259 houses have been completed and the 34 units are on various stages towards the completion.

The District Municipality has further secured agreements to the implementing agent for the following projects:

PROJECT	MUNICIPALITY AND LOCATION	UNITS ALLOCATED TO IA
OR Tambo 385	KSD, Nyandeni, Mhlontlo & Ingquza-Hill in various wards	385
Mhlontlo 619 (350) Phase 2	Mhlontlo in various wards	350
Mhlontlo 619 (350) Phase 3	Mhlontlo in various wards	350
Port St Johns 806	Port St Johns in various wards	806
Port St Johns 200	Port St Johns in various wards	200
Ingquza 76	Ingquza-Hill in various wards	36
OR Tambo 132	KSD, Nyandeni & Port St Johns in various wards	132
Bolani 97	Port St Johns in various wards	97
OR Tambo 500	All OR Tambo Local Municipalities in various wards	300
Ingquza 500	Ingquza-Hill in ward 29	390
Ingquza 500 Destitute	Ingquza-Hill in various wards	500
Lubala 91	Ingquza-Hill in ward 29	58
Port St Johns 50 (22)	Port St Johns in various wards	22

Matheko 65	KSD in ward 28	65
Military Veterans 84	All OR Tambo Local Municipalities in various wards	84
Qweqwe 1000 (300)	KSD in ward 33	300
Mandela 400 (200)	KSD in ward various wards	200
KSD Mthonjana 350 (62)	KSD in ward 24	62
OR Tambo 850 (KSD 261)	KSD in various wards	261

2.6.4.4 Housing Delivery Status by Department of Human Settlements

The table represents the distribution of households in government-subsidized dwellings.

Table 4: Housing Delivery in the Eastern Cape. Source; Stats SA, Community Survey 2016

District	Government Subsidized Dwellings		Not Government Subsidized Housing		Total
	Number	%	Number	%	
Sarah Baartman	63 752	46,4	73 531	53,6	137 282
Amathole	24 450	11,6	187 136	88,4	213 763
Chris Hani	41 184	21,4	151 529	78,6	194 291
Joe Gqabi	18 879	19,9	76 095	80,1	95 107
OR Tambo	19 730	6,3	40 334	93,7	314 080
Alfred Nzo	12 978	6,6	182 650	93,4	195 975
Buffalo City	59 735	23,9	190 677	76,1	250 412
Nelson Mandela Bay	146 094	42,2	217 101	59,8	363 195
EASTERN CAPE	386 802	22%	1 372 311	78%	1 759 113

Further than this, the municipality coordinates the delivery of temporary shelters, municipalities are requested to provide lists which are submitted to the Human Settlements for an application for an emergency housing grant. The municipality has also alleviated distress to eleven families by providing houses as part of the Social Relief programme. As part of improving livelihood for farm workers, the municipality has implemented phase 1 of the Adam Kok Farm workers housing programme. Nine houses were delivered at the completion of Adam Kok Houses Phase 1.

2.6.4.5 Human Settlements Challenges and Interventions

Challenges	Interventions
Gaining access to developable land in good locations for housing development has proven to be a major challenge in the province due to land claims and invasions. Land values are the highest where development is desirable and the available funding does not cover the acquisition of such prime land for housing development. The result has been that, land has been acquired far away from economic	The district municipality is engaging Traditional Leaders, local municipalities and other relevant stakeholders to expedite the process of land acquisition and land transfer.

Challenges	Interventions
opportunities and thus has resulted in the perpetuation of social segregation and the marginalization, especially for low-income households in the District.	
The rate of response to disasters (temporary shelters) has been slow putting enormous pressure on the District and the LMs	The newly acquired developer status will assist the municipality to have a quick turnaround time to disaster incidents.
There is slow up-take of other forms of Human Settlements in the District e.g. Social Housing, FLISP, Private residential clusters etc., as there is minimal serviced land in Local Municipalities which contributes negatively to human settlements development, as availability of services is a key requirement in urban development programmes	The municipality is in a process of hosting an investment summit in an attempt to attract and engage private and public investors to take up on property development such as mixed use developments.
Most of the available land in LMs is under land claim or land invasions	The district municipality is engaging Traditional Leaders to accelerate the implementation of SPLUMA thereby curbing land invasions and responding to land claims.
Shortage of SABS approved material suppliers within the OR Tambo Region	Forge good working relations with suppliers from other regions and preparing procurement plan to meet the set timeframes
Slow delivery of housing	Partnering well established contractors with emerging contractors to transfer skill and provide cash-flow management.
Poor quality work by emerging contractors	The municipality has opted to advertise bulk delivery of houses. Increased quantities require expertise of more established contractors
Financial planning not in line with priorities	Develop procurement plans that are aligned provincial and municipal budget cycles
Difficult terrain is a major challenge and it results in double and sometimes triple handling of construction materials	Improve intergovernmental relations with the local municipalities in providing and maintaining access roads to improve access.

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • The appointment of the District as Implementing agent for emergency housing projects with a total grant funding of 1.2 billion for years. • District coordination of human settlements program. • Availability of rural land both inland and along the coast 	<ul style="list-style-type: none"> • The lack of participation in initiation and plenary phases of the projects. • None alignment of programs. • None availability of Bulk Infrastructure along the coast • Poor management of land(land invasion) • Unavailability of SANS (SABS) approved building material • Shortage of SANAS accredited material testing laboratories.

<ul style="list-style-type: none"> • Availability of urban land for integrated human settlements development amounts • Existence of emerging (unaccredited) material manufactures, SMMEs 	<ul style="list-style-type: none"> • Lack of local regulatory bodies i.e. NRCS, SABS etc. • Lack of monitoring of municipal building regulation bylaws.
<p>Opportunities</p>	<p>Threats</p>
<ul style="list-style-type: none"> • Potential accreditation of the municipality by MEC: Human Settlements in terms of sec 10 of Housing Act. • Efficient monitoring implementation of projects aids the potential to attain more grant funding. • Integrated Human Settlements Development and a credible service delivery model in all areas of infrastructure. • Integrated human settlements developments, Mixed Human Settlements along the coast (Lodges etc) • Development of township establishment and title deeds • Coordinate support and capacitation to SMMEs and Building manufactures 	<ul style="list-style-type: none"> • The infusion of the department with Infrastructure Services. • Delay to service delivery due to duplication of services. • Land tenure issues (land ownership)

2.3 RURAL ECONOMIC DEVELOPMENT AND PLANNING

The ORTDM ha a department responsible for rural and economic development in the district called Rural Economic Development and Planning (REDP) and has has its state owned company the Ntinga Development Agency. The district had recently re-aligned Kei Fresh Produce market, Adam Kok Farms, Ikwezi Dairy Farm amd 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 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 organisations in the matters of local government.

2.3.1 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 the 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.

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- to promote a safe and healthy environment; and
- to encourage the involvement of communities and community organisations in the matters of local government.

2.3.1.1 Economic Programs

The LED Unit is responsible for the oversight, planning, and development of all the sectors in the district. Some of the key economic sectors programs are detailed below;

Economic Forum & Business Retention

The O. R Tambo District Municipality has a number of 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 RIDS which looks at the district major projects and programs, the Cooperatives Forum which deals with everything related to cooperatives and lastly the Informal Traders Forums which looks into informal trade related issues across the district. These structures ultimately feed into the LED Forum. The district using the forum and stakeholder engagement seeks to facilitate the business retention and ultimately business growth and expansion in the region. The OR Tambo District Municipality together with Seda established Interim District

SMME Coordinating Committee {DSCC}The Committee include the Stakeholders from Business Community, Business Formations [NAFCOC and Business Chamber]

Economic infrastructure

While several initiatives are being undertaken to stimulate economic growth ORTDM still faces the challenge of a highly dependent population, the dependency ratios in the table above shows that ORTDM has a dependency ratio of 80%, This 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 Road, Wild Coast Meander, Wild Coast 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 contribute 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 as well monitoring and evaluation of support provided.

❖ Wild Coast SEZ

The land for the proposed Wild Coast SEZ is located around the Mthatha Airport and it is approximately 226 hectares. The key characteristics of this site are:

- It is adjacent to the Mthatha Airport, thus potential for future trans-shipment hub for high value or short shelf-life produce;
- Proximity to high accessibility transport route, R61 connecting to Queenstown and N2;
- Bulk infrastructure is being planned and thus the Wild Coast SEZ's requirements for industrial use can be incorporated;
- The land is almost central point (distance) of the three District Municipalities; and
- The 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 to:

- a) Grow the agro-processing sector in the eastern region of the Eastern Cape;
- b) 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
- c) Revitalize Mthatha and surrounds 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 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:

- To identify industrial linkages for the proposed Wild Coast SEZ to be promulgated in the Wild Coast region for creating sustainable and decent jobs;
- To 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;
- To 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
- To 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. 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 focussed on recruitment of agroprocessing 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 greenfields (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 Authorisation 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 43.7% 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.

Currently, the SEZ site is being fenced by DEDEAT and will be followed by setting up of infrastructure.

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 which will contribute in reducing unemployment and poverty.

The District Municipality established partnerships and has embarked on supporting and coordinating medium size projects such RAFI (Rural Agro-Industrial and Financial Initiative), AAAP (AMAMPONDO ASEMALANGENI AGRICULTURAL PROJECT). Over a period of years and has directly injected an amount of 30 million to roll and pilot RAFI Program. This is effected to boost Grain production in the region in order to support Mqanduli Red Hub and other processing facilities to promote value chain. Over the period of three years through partnership with Anglo-Gold Ashanti and O.R Tambo, an amount of 30 million was invested by AGA. Ploughing about 513 ha. However, the story of this project is not good as the harvest was far below than what was expected due damage of the project through theft in the main.

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 2022/23 year, the DM planted 323ha spending R2,5M due to limited budget. Through partnership programs 2000 were planted involving DRDAR, GRAINSA & UFD (Market access + mechanization support) partners. Therefore, the total ha of maize for 2022/23 financial year is 2 323 ha. On vegetable production, the DM supported 13 SMMEs/Co-ops spending R2M due to limited budget. Through a partnership with DRDAR, construction of Rural Market centre has started in Qaka PSJ to provide market access to farmers with an investment of about R2M phase one. Through a partnership with Mhlontlo LM, Harmony Gold, and O.R Tambo DM a MoA is on the verge of being signed leading to an investment of about R 5M.

The work stream on agriculture and agro-processing through partnership developed a draft one plan for O. R Tambo region on crop production. An engagement with ECDC is underway to forge partnership for support of SMMEs/Co-ops and market access. The DM managed to forge partnership with ECRDA on high value crops i.e. hemp/cannabis, currently there are investment opportunities and potential investors being pursued both at Nyandeni and Ingquza Hill LMs.

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. The DM has supported farmers through transport in transporting 420 bales of wool to the market at a value of R2.7M. The work stream on agriculture and agro-processing through partnership developed a draft one plan on live-stock improvement

Forestry Development, Afforestation and Processing

The 2022-2027 IDP identified forestry development, afforestation, and processing as a target. In 2022/23 year, the DM is coordinating 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 risk identified by the sector is veld and forestry fires and the DM in collaboration with its stakeholders has initiated a program to develop veld and forestry prevention plan in 2022/23 year. The DM is also targeting support of one SMME on forestry in PSJ.

❖ Furniture Technology Centre Trust

The OR Tambo District Municipality (ORTDM) and Furniture Technology Centre Trust (Furntech) entered into a training partnership to develop the capacity of unemployed youth in the district in wood related and furniture making programs. The arrangement between ORTDM and Furntech is intended mainly to provide basis for boosting skills in our region in terms of furniture manufacturing as indicated in our SDBIP and IDP.

Furntech is in the strategic business of wealth creation (SMME development) and Human Resource Development (training) in the furniture and wood products sector. With this clear strategy which directs our vision, Furntech will continue to play a central role in contributing to the development and growth of the SMME furniture sector.

This agreement between ORTDM and Furntech is informed by the expectation and wish to drive production and manufacturing activities within the region. This has resulted in a positive contribution towards SMME development which result in employment creation.

The learners were encouraged to register as Co-operatives and Small business. Part of the exit strategy for the learners was the issuing of certificates on Built-in Manufacturing and Installation Programme and tool boxes to the learners who completed the short course.

❖ **RAFI**

The ORTDM through a Council Resolution forged partnership with Chris Hani Co-operative Development Centre for implementation of Rural Agro Industries and Financial Initiative (RAFI) which services include the establishment of the O. R. Tambo Co-operative Development Centre, facilitation and mobilization of co-operatives towards the implementation of the (RAFI) Programme as well as Piloting and Planning. It has been piloted at KSD LM at Ncise Location and also at Nyandeni LM. Rafi Beef Project has been piloted at Ingquza Hill at Cuthwini

❖ **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 Strategy, through partnership with other stakeholders assisted the formation of 34 Co-operatives and trained these cooperatives on governance. DAFF issued fishing permits and licences to these 34 cooperatives. The district municipality procured 4 x 12m refrigerated containers as storage facility to help fisheries to sell their product at good quality. There is a forum that was established to look into the need of the sector moving forward and also development of feasibility study towards establishment of fish farms across the district to enhance fish production.

❖ **Enterprise and Informal Trade Development**

The LED unit has over the years have developed a funding policy which was adopted in 2018 by the council to support development of enterprises. 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 are supported for an average of three years to ensure sustainability.

The 2022-2027 IDP of the DM focus among others 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 2022/23 year supported 13 SMMEs/Co-ops with an amount of R 2M, however, we were constrained by limited budget. The DM is engaging ECDC for facilitation of market and support for our SMMEs/Co-ops through our partnership.

❖ **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.

❖ **Mining**

The District does not have much of mining, few of mining is 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.

❖ **Manufacturing**

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.

❖ **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 Municipality is engaging stakeholders to bring players into the sector. The focus has been on waste recycling with plans to set up recycling plants in the district. The District Municipality has also to design a plan on bio fuels in the district with essential oil being a target.

❖ **Construction**

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.

2.3.1.2 SWOT Analysis

SWOT analysis in the realm of Local Economic Development Strategy planning is based on identification of the following factors:

- Current STRENGTHS (competencies or attributes) that the LED Unit has which it can leverage as the basis for enhancing economic growth and development

- Disadvantages, challenges and other WEAKNESSES that are presently negatively affecting the rate of growth and development
- Areas of potential or OPPORTUNITY that are not currently regional strengths, but may through selected interventions form the basis for future growth and development. These may be based on macro- and meso-level trends
- Trends whose momentum or direction are outside of the scope of control of economic participants in the O.R. Tambo region, but may nonetheless create THREATS in the district economy’s structure or performance in the foreseeable future.

Table 6 presents a SWOT analysis synthesis for the district, which provides an indication of major factors affecting LED. The emphasis of the SWOT analysis in Table 1.1 is on primary factors of high importance, which accounts for the absence of any secondary and tertiary strengths, weaknesses, opportunities and threats.

Table 5: SWOT Analysis

STRENGTH	WEAKNESSES
<ul style="list-style-type: none"> • Partnership • Resources • Availability of economic nodes • Availability of sector plans and strategies • Availability of budget for economic development • We are endowed with natural resources • Availability of planning unit • Availability of historical sites • Availability of livestock • HRD Council for skills development 	<ul style="list-style-type: none"> • shortage of staff • inadequate / mis-alignment organizational structure • underperformance of economic drivers • Site mentality/ IGR structure • budget limitation • monitoring and evaluation of co-operatives and SMME’s • Inadequate promotion of historical sites • Non adherence of SCM Procurement Plans • Poor Economic Infrastructure
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Unutilized arable lands • Large population • Land for pasteurization • Vast underutilized coastal line • Legalization of cannabis • Availability of underutilized forestry • Catalytic projects e.g SEZ,R61 & N1 	<ul style="list-style-type: none"> • climate change and drought • migration of economically active population • High unemployment rate no skills levels • Community protests and vandalism • Land tenure system • Land claims and invasions • Veld fires and soil conservations

❖ **Challenges**

- 1. There are so many forums in LED and other sections which need attendance of the same stakeholders and this need alignment and integration
- Silo attitude/approach amongst stakeholders makes co-ordination and planning very difficult.
- The SMMEs and Co-operatives are largely dependent on grant funding and are hesitant to approach financial institution for funding.
- There is insufficient funding
- Lack of infrastructure e.g water for irrigation, electricity, road network
- A minimum contribution from project owners/beneficiaries is required as an indication of commitment.

2.3.2 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 more safe and accessible to a tourist flows. Tourism product is perishable hence the local Government have to prioritise 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 emphasised to attract more tourists.

SWOT Analysis

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Location • Natural resources • Political, Heritage and Cultural tourism 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Poor infrastructure • Budget limitation • Inadequate promotion of tourism products • Lack of Stakeholder integration • Political instability
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Economic Development • Large population • Availability of land • Vast of underutilised coastline • Unutilised arable land 	<p>THREATS</p> <ul style="list-style-type: none"> • Load shedding • Climate change • High unemployment rate • Community protests and vandalism • Crime

2.3.2.1 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 5 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 a marketing and promotional tool. The information center and curio shop was launched at Bt Ngebs Casino to assist the travellers to access regionally information while visiting the casino, it is situated in the mall it early 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

2.3.2.2 Tourism Education & 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. 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.

2.3.2.3 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's 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. Development and installation of signage is a district priority and 30 signage has been installed in 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 mats. Training

workshop has 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.

2.3.2.4 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 stimulate and strengthen 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 in order 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 sever 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 dove those in several project in all Local Municipalities in form of Painting equipment, industrial machines, Industrial irons, beads, fabrics and promotional material.

2.3.2.5 Key Tourism Project 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 development vision is shared by the community and all stakeholders 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	Optimise 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 constrains with Eastern Cape Parks to manage and facilities. Including the development of Accommodation, Conference centre, Environmental Education.

The O.R Tambo DM LED strategy highlights several strategic developments slated for the District, which will effect 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 Programme (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 in the vicinity of 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.

2.3.2.6 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

2.3.2.7 N2 Wild Coast Road Project

The N2 Wild Coast Road project is led by SANRAL and the implementing agent. 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.

2.3.2.8 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, and is being led by 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 bradding 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.

2.3.3 Environmental Management

Environmental management draws its mandate from the Constitution of the Republic – **Section 24** (Bill of rights). Municipalities have executive authority in respect of, and the right to administer the local government matters listed in Part B of Schedule 4 and Part B of Schedule 5.

- **Part B of Schedule 4** - air pollution; fire-fighting services; and municipal planning
- **Part B of Schedule 5** - noise pollution; and refuse removal, refuse dumps and solid waste disposal.

- **Delegation** - Section 156(4) of the Constitution acknowledges that even where matters are listed in Part A of Schedules 4 and 5, and accordingly are reserved for national and/or provincial legislative authority, there may be circumstances in which they may be most effectively dealt with by municipalities.
NEMA – Development of Environmental Management Plan. The district municipality has Environmental Management Forum where waste management issues are discussed. For safe and secure environment Convenes on Quarterly bases as illustrated in the Service Delivery and Budget Implementation Plan. District Safety Strategy was approved in 2010 Integrated District Safety and it is due for review.

Below is the status quo in terms of implementation of other legislative prescripts:

- **Air Quality Management**
Review its AQMP and awaiting adoption, attend to air quality issues and conduct air quality awareness campaigns and attend air quality management capacity building programs.
- **Waste Management and Recycling**
Reviewed its IWMP, conduct awareness campaigns, report progress and established mega recycling initiatives and created employment through all its waste management projects. It has also capacitated business in the waste industry. Conduct Greenest Municipality competition and also compete provincial and National. Indicate competition results
- **Coastal Management**
Developed an CMP however outdated, established Municipal Coastal Committee, attend to coastal issues and conduct annual marine day and coastal cleanup campaigns.
- **Climate Change**
Developed CCRS, attend to climate change issues, conduct school awareness programs
- **Environmental Education and Awareness**
Establishment and monitoring of school environmental clubs, compete on Enviro awards, conduct awareness campaigns
- **Environmental Impact Management**
Screening and compliance monitoring of MIG and MISA projects and provision of recommendations.
- **Biodiversity Management**
Development of Biodiversity Sector Plan, championing the re-imagining the wild coast project and participate in EU-SA biodiversity engagements and do awareness campaigns on biodiversity

2.3.3.1 Climate Change

Climate change already causes and will continue to cause a number of challenges for O.R Tambo District Municipality, linked to impacts such as increased temperatures, extreme weather events (e.g. flooding and drought), sea level rise and climate variability. Temperatures in the region are projected to increase by 1.5°C and 2.5°C by 2050 and by 3.0°C and 5.0°C by 2100. Projected annual rainfall changes are projected to include an increase in aggregated rainfall by 2050 with an increase of up to 500 mm by 2100. This increase is likely to manifest as an increase in extreme rainfall events and stream flow intensity across the municipal area, with prolonged dry spells between rainfall events. Sea level rise along the Municipality's coastline is already occurring at 2.7 cm per decade and may accelerate in the future.

To respond to these changes O.R Tambo District Municipality has initiated and developed the Municipal Climate Change strategy and Action Plan. This is a phased programme, which has focused on climate change adaptation and enhancing the Municipality's ability to cope with climate change impacts. The likely climate change impacts have been assessed and plans, programmes and projects developed to assist the Municipality in dealing with these impacts. The district through its collaboration with the DEDEAT is planning to host a district symposium to discuss issues of climate change.

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2.3.3.2 Waste Management

Part B of Schedule 5 of the Constitution places overall waste management, refuse removal and cleansing as a function of municipalities. National Environmental Management: Waste Act, 59 of 2008 ("NEMWA"), which is the primary legislation regulating waste in South Africa and National Waste Management Strategy mandates the district municipalities to develop Integrated Waste Management Plan as a guiding municipal policy to deal with all the waste related issues within its jurisdiction.

In the district municipality, the manager Environmental Management has been designated as waste management officer. The Waste Management Act requires the development of a an IWMP and the district municipality appointed Delta to review its 3rd generation IWMP. Delta is currently on consultation stage of the Draft Integrated Waste Management Plan and marked completion in 2023/2024..

The district has advertised for the development of waste management by-laws and a service provider will be appointed in 2023/2024 financial year.

2.3.3.3 Programs under Waste Management

❖ Greenest Municipality Competition

O.R Tambo District Municipality in its endeavor of implementing its mandate as required by the National Environmental Management: Waste Act (NEMWA) has initiated the Greenest Municipality competition which is

in line with the initiative of the Department of Environmental Affairs (DEA) and Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), to raise awareness, educate communities and Schools, and give support to Local Municipalities on waste management and related issues.

This program has been developed to work towards a sustainable future, a healthy environment, a strong economy, clean and beautiful state of our environment and a high quality of life for all citizens. This program starts at the District level, Provincial and then escalates to National level. Greenest Municipality program entails the assessment of all towns under each local municipality in waste management, Greening projects, recreational facilities, re-use of waste, job creation from waste, recycling, waste Disposal Facilities, Leisure and Tourism attractions, strategies and equipment for waste management, budgetary and Personal support. Environmental programs at schools, community awareness's and public participation in environmental issues, enforcement and compliance, Climate Change and Biodiversity, Cooperative Governance, Waste Record

Keeping and Reporting, integration of IWMP and other Environmental sector plans in to IDP.

This financial year the district has already conducted pre-assessment and assessment of municipalities on the state of environmental management. The district has selected one municipality to represent the district in the provincial awards and supported the municipality to prepare for the provincial awards.

In response to the waste management issues within the region, the O.R Tambo District in its 2021/2022 has embarked on reviewing its Integrated waste management Plan. In addition, the district has procured first level waste management fleet that will assist local municipalities in rendering waste management services to the rural areas. The district has also started with venturing into the steel recycling fraternity to ensure that there is Zero waste going to the landfill site.

❖ **Regional Recycling Program**

O.R Tambo District municipality as part of implementation of its Integrated Waste Management Plan (IWMP) has initiated and currently implementing the Regional Recycling Project in an effort to (1) reduce unemployment, (2) Encourage recycling initiatives and cooperatives within the region; (3) Minimize waste going to the landfill site and (4) Promote local economic development. National Waste Management Strategy flags recycling among other things as one of recommended initiatives that local government could embark on to minimize waste going to the landfill site.

O.R Tambo District has managed to implement the first part of the Regional Recycling Program and is now venturing in other waste products such steel recycling and processing of recyclables. Through its Regional Industrial Development, O.R Tambo District has managed to develop more than ten buy back centres, secured a machinery for bailing and selling of recyclables in the main site, has bought all the machinery necessary to boost the regional recycling program. Under the banner of the district has also procured at least six trucks to assist in each and every local municipality in collecting recyclables that will in turn sustain the program.

The Regional Recycling program has managed to employ more than 40 contract workers that work from bailing, sorting, operating buy back centres and loading the trucks that are supporting the program. It has also managed to buy a product and created a minimum of 600 indirect jobs that consist of recycling waste pickers or harvesters that sell the product on a daily basis to the O.R Tambo Regional Recycling program.

The waste management fraternity is dominated by women and O.R Tambo District has established a program called Women in Waste that assist the waste pickers in opening businesses and cooperatives dominated by women. This is to equip and assist the waste pickers who are struggling in the waste sector to benefit. During Covid-19 lockdown O.R Tambo District has assisted waste pickers with all the necessary PPE such as masks, face shields, uniform and gloves to ensure that they are also not exposed to the Covid-19. The Regional Recycling program has managed to employ more than 40 contract workers that work from bailing, sorting, operating buy back centres and loading the trucks that are supporting the program. It has also managed to buy a product and created a minimum of 600 indirect jobs that consist of recycling waste pickers or harvesters that sell the product on a daily basis to the O.R Tambo Regional Recycling program and community is involved fully in the programs

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The district has finally managed to procure 6 trucks that are responsible for the collection of recyclables and selling them to the bigger recycling companies and this has improved the Regional Recycling activities within the region with higher volumes collected. The district has also procured machinery such as bailing machines and glass crushers for the established buy back centres in order to establish various centres of recycling within the district.

Through the program the district has managed to (1) mobilize waste pickers to establish cooperatives (2) register cooperatives (3) Form partnerships with bigger recyclers (4) Provide Covid Protective gear during covid times (5) Apply on their behalf on Covid Relief fund stipend (6) Provide Protective clothing for O.R Tambo DM (7) Buy them trolleys and 1ton bags to sell to buy back centres and transport their recyclables and now the O.R Tambo is encouraging them to have a recycling indaba within the region. Through the program the waste pickers are also provided with support in terms of buying their product on a daily basis to ensure they benefit on a monthly basis.

2.3.3.4 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.

2.3.3.5 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.

2.3.3.6 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. O.R Tambo recognises that, although development must be economically and socially acceptable, it is imperative that the development challenges O.R Tambo DM be addressed 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 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 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.

2.3.3.7 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.

O.R 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 of 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.

2.3.3.8 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 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 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 wo

2.3.3.9 Competitive and Comparative advantages

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

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

2.3.4 Spatial Planning and Land Use Management

2.3.4.1 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. All five (5) LMs of the District have SPLUMA compliant SDF. It has been noted that Mhlontlo LM need to do a minor review of their SDF to align it with the ORTDM and the Provincial SDF with regard to the Future Metro Region Concept, which has identified Mhlontlo as part of Mthatha Future Metro Region area.

The SDF District Municipality was reviewed in 2020/21 Financial year in accordance with Chapter 4 of the Spatial Planning and Land Use Management Act No 16 of 2013. The review intended to align the District SDF with the SDF Guidelines as issued by the Department of Agriculture, Rural Development and Land Reform, as well as the National Spatial Development Framework (NSDF) and District Development Model (DDM). The municipality appointed a qualified town planner to deal with town planning requirements in terms of SPLUMA as well as support staff. All LMs have SPLUMA compliant By-laws.

2.3.4.2 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 and services etc.

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.

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 Act states that, a municipality after public consultation, adopt and approve a land use scheme for its entire area within five years after the commencement of SPLUMA (01 July 2015). This therefore means municipalities were required to have adopted single land use schemes for their area of jurisdiction by June 2020. Section 55 of SPLUMA provides municipalities with the option of applying for exemption from the provisions of Section 24 (1). Municipalities that could not meet the June 2020 deadline were expected to apply for exemption. These municipalities were to compile Recovery Plans and demonstrate how and when they will comply with Section 24 and other SPLUMA provisions.

The Minister of Agriculture, Land Reform and Rural Development issued directions (Gazette No. 43598 of 7 August 2020) as per regulation 4(10) the of regulations issued in terms of section 27(2) of the Disaster Management Act, (Act 57 of 2002). In terms of paragraph 4(e) of the notice, the timeframe for completion of wall to wall Land Use Schemes is extended by 24 months with effect from 1st July 2020.

The Table below depicts the status of the Local Municipalities from various Districts of the Province. According to their recovery plans, Municipalities have committed to complete their LUMS within the extended period of 24 months. The District is committed to work closely with LMs to ensure that the quality of their LUMS is of the high standard.

LAND USE SCHEME PROGRESS UPDATE (25 November 2021)																									
10. Publish adoption of LUS with Register and Maps																									
9. Report to be decided by Council																									
8. Finalise and submit report to Council for adoption of final draft LUS																									
7. Evaluate any inputs and finalise draft LUS																									
6. Undertake Public participation																									
5. Report approved by Council																									
4. Finalise and submit report for public participation																									
3. Determine new zonings and finalise draft zoning register and map																									
2. Compile draft register of current zonings and land uses																									
1. Mandate from Council																									
Municipalities	Amahlethe	Ngqushwa	Mngquma	Mbashe	Raymond Mhlaba	Great Kei	Makana	Ndlambe	Blue Crane Route	Sundays River Valley	Kouga	Dr. Beyers Naude	Koukamma	King Sabata Dalindyebo	Nyandeni	Mhlontlo	Port St Johns	Ingquza Hill	Mbizana	Ntabankulu	Matatiele	Umzimvubu	Senqu	Walter Sisulu	Elundini
Districts	Amathole				Sarah Baartman				OR Tambo				Alfred Nzo				Joe Gqabi								

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 the issues, the Act is aiming to address. This therefore means, even if LMs were to 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 has in 2018/19 and 2019/20 conducted consultations in four Kingdoms of the District Municipality (Nyandeni, Bumbane, Ndimakude & Mhlontlo). A comprehensive report with recommendations to address the issues raised by Traditional Leaders has been developed, and is in a process of being submitted to the Joint LED, Spatial Planning and Environmental Management Forum and the Council.

SPLUMA further requires that, in order for the municipality to determine a land use and development applications in the area of its jurisdiction it must establish a Municipal Planning Tribunal (MPT) and appoint an Authorised Official. Under the O.R. Tambo District Municipality there are three (3) MPTs established, viz:

- ❖ KSD LM- Single MPT
- ❖ PSJ LM & Ingquza Hill LM- Joint MPT
- ❖ Nyandeni LM, Mhlontlo LM & O.R. Tambo DM- DMPT

All MPTs under the District are functional. The District Municipality through the DALRRD conducted District wide land Audit in 2014. A prevention of Land Invasion Model Policy was also developed to control or mitigate

land invasion and an expectation os for the local municipalities to customize and adopt the Model Policy as well.

2.4 GOOD GOVERNANCE & PUBLIC PARTICIPATION

2.4.1 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 6: 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 7: 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.

2.4.2 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.

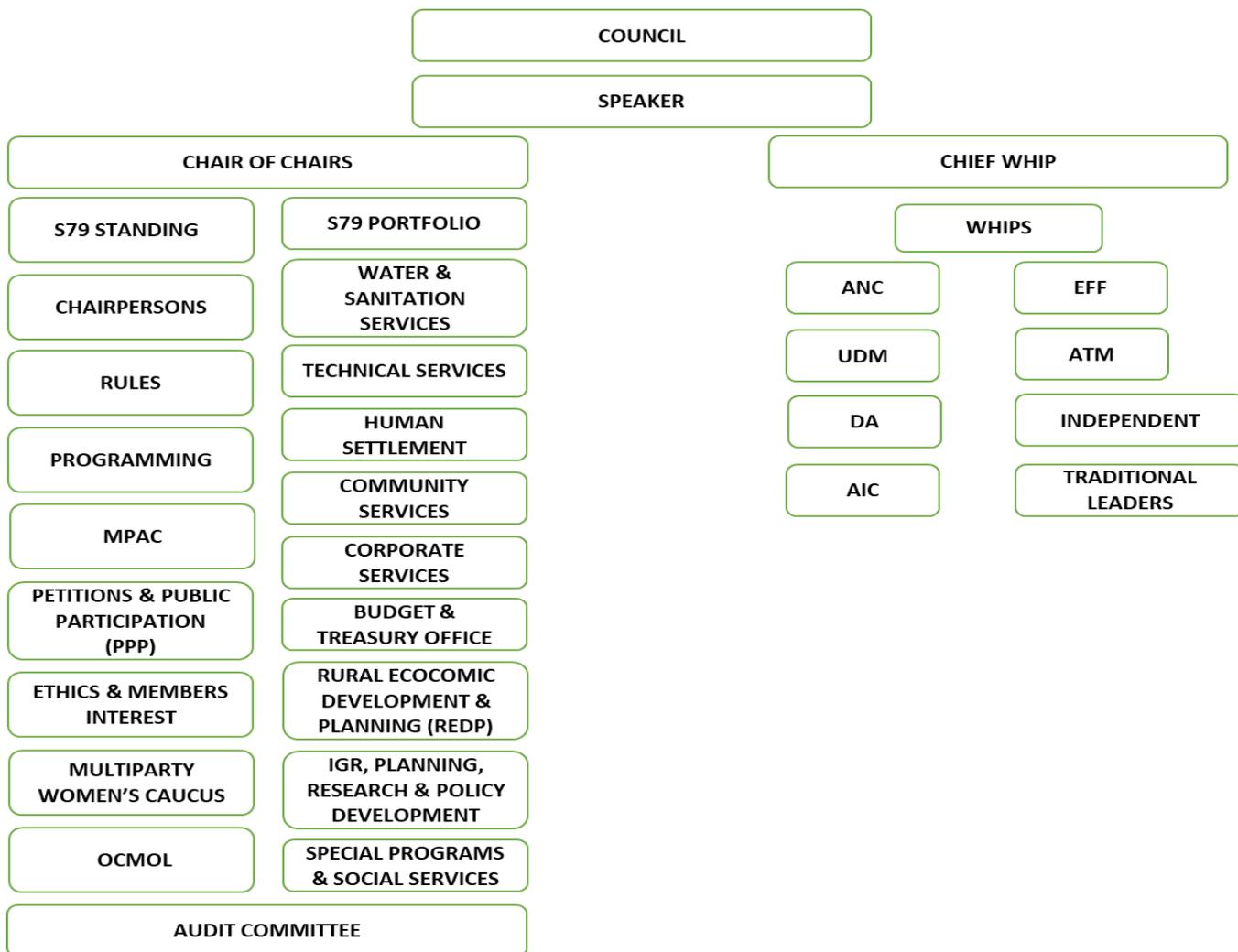
Legislative functions also include the approval of by-laws, policies, budgets, the Integrated Development Plan, tariffs, rates and service charges. Council further considers reports received from the Executive Mayor. It focuses on public participation related to council matters through discussions, stimulates 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

2.4.2.1 Governance Model

GOVERNANCE MODEL: COUNCIL STRUCTURE (LEGISLATIVE)



2.4.2.2 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.

2.4.2.3 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 8: 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

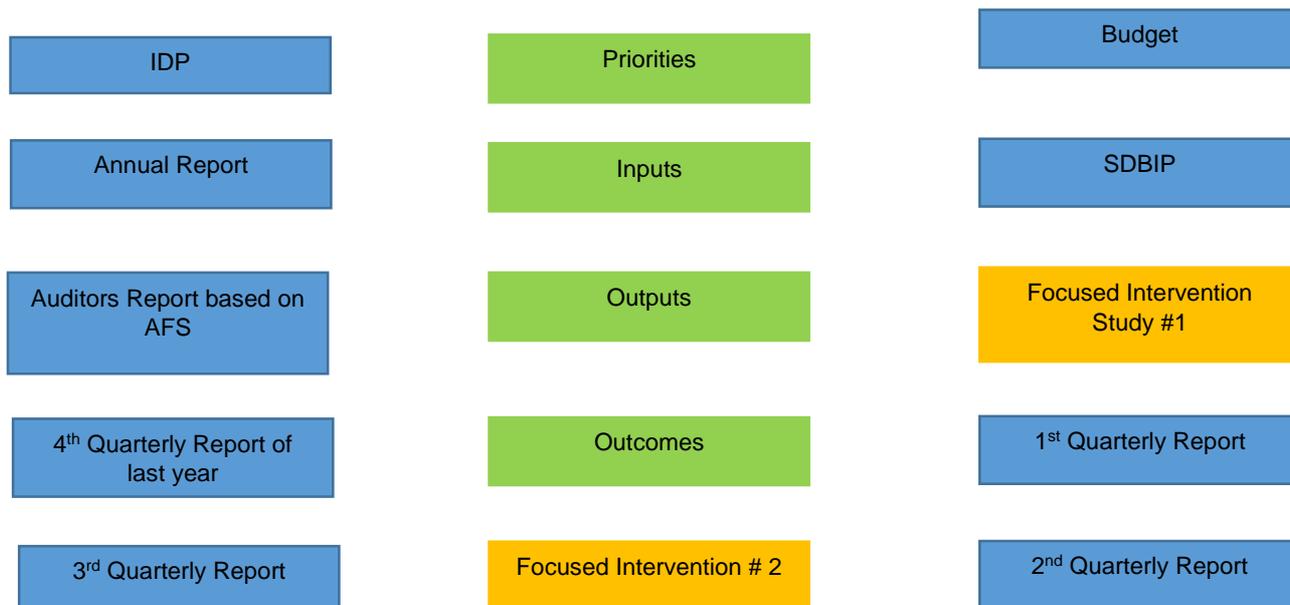
2.4.2.4 Municipal Oversight Model (MOM)

The Municipal Oversight Model (MOM) was adopted by Council 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



2.4.2.5 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 Whippy 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.

2.4.2.6 Whippy 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.

2.4.2.7 Challenges in the functioning of council and council structures

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

- capacity gap on the new councilors into oversight responsibilities / particularly council committees;
- role, definition between the executive and legislative committees of council;
- remuneration of political office bearers and
- poor administrative support provided for council structures to exercise oversight responsibilities;
- no framework guiding location and provision of administrative support for traditional leadership in council;
- No funding for the Municipal Oversight Model
- lack of clarity on the role of Whippy in municipalities.

2.4.2.8 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.

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 vehicles 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 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.

❖ 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
Iingquza 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	Functionality	Reporting
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Inguza Hill LM- 28 CDW's	Functional and participate in all Municipal Programmes except in Ward 01 and 14.	Reports are not submitted to the Speaker's office
KSD LM- 35 CDW's	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
Mhlontlo LM- 23 CDW's	Functional and Participate in all Municipal Programmes	Round table meetings sit every 20 th of the month
Nyandeni LM- 28 CDW's	Functional and Participate in all Municipal Programmes	Round table meetings sit every 20 th of the month
Port St Johns LM -20 CDW's	Functional and Participate in all Municipal Programmes	20 CDWS and sit at round tables on 20 th 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.

❖ **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.

2.4.2.9 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.

2.4.2.10 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.

2.4.3 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. The plan gets to be reviewed on an annual basis to ensure that the plan remains relevant to the needs of the municipal community. Legislatively, the development and implementation of the IDP is assigned to the Mayor and ultimately the Accounting Officer. Operationally, according to the institutional arrangements, the municipality established a unit in the office of the Municipal Manager to coordinate the development and review of the municipality's IDP, manage and monitor its implementation, as well as reporting.

The municipality developed a framework, containing information and guidance on how the processes of the IDP development would be conducted, 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 and provide support where necessary.

During the review of the IDP, a series of meetings are held, in the form of representative forums and Mayoral Outreach meetings. In these meetings, Sector Departments are awarded an opportunity to present their situation analysis as well as programmes and projects to be implemented in the District. Participation of Sector Departments in the form of representation in IDP engagements is a serious challenge district wide.

2.4.4 Corporate Performance, Reporting, Monitoring and Evaluation

The Performance Management System resides in the office of the Municipal Manager under Corporate Performance Reporting, Monitoring and Evaluation Unit. The performance management system in ORTDM for the past term has been driven by a Performance Management Policy/Framework that was developed and adopted by the Council together with the Budget related policies in May 2017. This policy framework provided an overarching framework for managing performance in the district. One of the members of the Audit Committee is responsible for performance and the Audit committee utilizes the PMS Policy/Framework as a guide for performance, compliance and finance management as there is no independent PMS Committee as agreed by Council. It should be noted that the policy framework was never fully implemented. The first few years of the policy were aimed at inculcating culture of performance before the policy framework is fully implemented. An improvement in the culture of performance was seen in the first two financial years but later declined towards the end of the term. The decline was as a result of Covid-19 pandemic from 2019/20, political instability that started to creep in during the 2020/21 to 2021/22 financial year as well as withholding of funds by National Treasury during the 2021/22 financial year. The district has reviewed its policy and is in a process of workshopping councilors before approval.

The district consistently developed its Service Delivery and Budget Implementation Plan (SDBIP) as legislated. Where necessary adjustments were made and approved by council timeously. It must be noted however that reporting has been inconsistent due to the reasons listed above. During the 2021/22 financial year the district failed to comply with the provisions of section 57 of the MSA 32 of 2000 which requires municipal section 54 and 56 managers to sign performance agreements and as such no performance evaluations could be conducted.

After inauguration of the new council, the leadership made commitments to improve state of the district. Funds which were withheld were released and the district started to see developments from quarter 3 of the 2021/22 financial year. Performance of the district improved as compared to that of the previous financial year.

Performance agreements for the year 2022/23 all section 56 managers have been signed and the district has made plans to ensure that their performance is evaluated. It should be noted though that performance evaluations have not been conducted since 2018/19. Individual performance management has also not been cascaded to other levels as yet.

The district performs oversight on institutional performance through the Audit Committee. The 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.

2.4.5 Risk management

The Municipal Finance Management Act Section 62 (i) (c) requires a Municipality to have and maintain an effective, efficient and transparent system of risk management. The Municipality implements risk management so that it is in a position to take corrective action on possible obstacles towards the attainment of set objectives. In compliance with the legislative framework, O.R. Tambo District Municipality developed a Risk Management Policy. It recognizes that risk management is a function of senior management of the Municipality.

The Municipality conducted its Annual Strategic Risk Assessment exercise for the 2022-23 financial year in collaboration with the Department of cooperative Governance and Traditional Affairs (CoGTA) in June 2022. Current controls and systems were reviewed and measured for effectiveness and recommendations made for possible improvement to beef up existing control systems. The suggested control improvements were assigned to various officials within the municipality for implementation with Directors assuming ownership for all risks identified. As part of the oversight processes over risk management, management is required to prepare reports at least once a quarter on progress made on the implementation of management actions, and such the risk unit follows up with the respective departments on a quarterly basis and collects portfolio of evidence for all those actions that have been achieved for internal audit and Risk Management Committee purposes. The Risk Management Committee has an oversight responsibility over Risk Management.

An Independent professional with the prerequisite Skills and Qualification was appointed in June to chair the Institutions Risk Management committee and the first meeting of the committee sat on the 20 June 2022. The Risk Management committee is constituted or made up of Senior Management, Independent chairperson with various stakeholders attending as Standing invitees and these include Provincial and National Treasury, CoGTA and SALGA. In the first meeting of the committee the Risk Management Committee Charter, Risk Management Policy and Strategy were reviewed and the Annual Risk Implementation plan approved for implementation in the 2022-23 financial year.

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 is a summary of the number of Strategic Risk identified during the 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	3	4	1	8
KPA 2-LED	0	3	0	3
KPA 3-Financial Viability	5	4	0	9
KPA 4-Good Governance	4	3	0	7
KPA 5-Municipal Transformation	4	0	0	4
Total Institutional	16	14	1	31

Anti-Fraud and Anti- Corruption

Anti-Fraud and Anti-Corruption Policies are in place and have been reviewed for the 2022-23 financial year. These policies will yield positive results when fully implemented. A policy on declaration of conflict of interest by staff is in place. Incidents of suspected corruption are reported via the Presidential Hotline. Currently the Municipality is developing its fraud hotline and the work on the conceptualisation of this has been initiated during the year under review. The tender for the appointment of a service provider to manage the Fraud Hotline is currently in the Evaluation stage of the SCM process.

The following activities have been undertaken pertinent to fraud management:

- Fraud awareness sessions have been conducted in collaboration with the Department of Cooperative Governance and Traditional Affairs (COGTA)
- Fraud Risk Assessment was conducted for the 2022-23 financial year and a Fraud Risk register was developed for implementation as a result.
- Annual Fraud Risk Implementation Plan was approved for implementation by the Risk Management Committee;
- Procurement process are underway for the establishment of the Fraud Hotline
- The Risk Management Committee sat for on the 31 October 2022 to assess the implementation of the Fraud Risk strategy and plan.
- Internal Audit on an annual basis conducts audits in areas with high risks, this entails the testing the existing controls to ensure that they are strengthened to detect, prevent and mitigate any fraud risks identified. Through internal audit reports, the institution is able to set actions plans to improve the status quo.

A circular on ACCEPTANCE OF GIFTS, DONATIONS AND SPONSORSHIPS BY OFFICIALS was issued and is implemented. The main objectives of the circular are;

- To ensure that officials do not compromise the credibility or integrity of the Municipality through the acceptance of gifts, donations, hospitality or sponsorships.

- To ensure that acceptance of any gifts, donations, hospitality or sponsorships by an official does not cultivate a special relationship with service providers or individuals.
- To strengthen capacity measures to prevent corrupt activities and
- To monitor and evaluate compliance with applicable legislation

2.4.6 Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It assists an organization 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:

- 2.1.1. Prepare a risk-based audit plan and an Internal Audit program for each financial year;
- 2.1.2. 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 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.
- Prioritize staff development and training on an annual basis to ensure and produce professionals around the key internal audit disciplines such as Internal Auditing, Information Technology, Governance, 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 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 unit is headed by the Director Internal Audit who reports to the Municipal Manager administratively and functionally to the Audit Committee

Table 9: 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 Audit unit
Port St Johns Local Municipality	Supported by the District Internal Audit unit. Municipality is in the process of recruiting the Internal Audit Manager so as to have in house functions.
Port St Johns Development Agency	Supported by the District Internal Audit unit. Municipality is in the process of recruiting the Internal Audit Manager so as to have in house functions.
King Sabata Dalindyebo Local Municipality	In-house function but supported by the District on an Ad-hoc basis and attendance of Audit Committee meetings
Ingquza Hill Local Municipality	In-house function but supported by the District on an Ad-hoc basis

Name Of The Organization	Internal Status
Nyandeni Local Municipality	In-house function but supported by the District on an Ad-hoc basis and attendance of Audit Committee meetings
Mhlontlo Local Municipality	In-house function but supported by the District on an Ad-hoc basis and attendance of Audit Committee meetings

2.4.6.1 Audit Committee

The members of the Committee are appointed in terms of Section 166(5) of the MFMA by the Council. 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 2020 for a period of three years. The Audit Committee is guided by the Audit Committee Charter in conducting its activities. 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 10: Status of Audit Committees

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

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

2.4.6.2 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 also to the council.

Tab13: Audit outcomes in the district for the period 2012 to 2021 (5 Years)

The table above shows the audit outcomes of ORTDM and Local Municipalities under its jurisdiction. It indicates the state of Governance in the district and its Local Municipalities.

Municipality	2019/20	2020/21	2021/22
OR Tambo DM	Qualified	Qualified	Qualified
Nyandeni LM	Unqualified	Unqualified	Unqualified
KSD Mun	Qualification	Qualification	Unqualified
PSJ LM	Qualification	Qualification	Qualified
IHLM	Unqualified	Disclaimer	Qualified
Ntinga Dev Agency	Unqualified	Unqualified	Unqualified
PSJ LM Dev Agency	Unqualified	Unqualified	Unqualified
Mhlontlo	Unqualified	Unqualified	Qualified

2.4.7 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 is functional. Litigations Register is developed and updated annually.

2.4.8 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.

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 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 Talk to you Mayor program couldn't continue after community radio stations were not paid for services rendered during the 2021/22 virtual IDB/Budget roadshows. This then led to the radio stations blacklisting the district municipality. The newsletter and Media walkabout were affected by the poor performance of the district, as these two initiatives mainly focus on service delivery milestones.

SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Functional Council and its committees• Adopted 5 year IDP• Adopted IDP, Budget & PMS Process plan• Implementation of MoM to strengthen oversight• One Plan (DDM)• Risk Management Strategy and Policy are in place• RMC established and functional• Functionality of Mayor's and MM's forum• One Plan is in place• Presidential Hotline functional and responsive• Mayor's and MM's forums functional• Technical forums functional (District & Local Communicators,• Availability of key personnel to support council	<ul style="list-style-type: none">• Outdated policies• Critical vacancies not filled• Lack of co-operation from departments• No District Fraud Hotline• Non-compliance with MSCOA• Lack of electronic data management system• Integrated service delivery not functional• Non sitting of IGR Cluster Fora• Technological systems• Dwindling Staff moral caused by fears of restructuring• Lack of tools of the trade• Lack of Office Space• Miss alignment between the district and local calendars• Insufficient and or Misplaced budget• Decentralisation of functions• Poor resolutions tracking & oversight• Capacitation of staff & councillors• Lack of feedback on challenges raised• Delays in SCM processes• None compliance with legislation

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Support from sector departments and SOEs • 4IR • Existing ward committee's structures & CDWs • Existing SOP & MoM model of governance • District Development Model • Let's Talk App 	<ul style="list-style-type: none"> • Sector Departments not consistent in attending meetings • Adverse effect of Climate Change • Lack of Financial Availability • Increase in crime rate • Network • National load shedding • Political instability • Lack of understanding of Municipal Oversight Model • Service delivery protests

2.4.9 HIV and Aid

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 which was adopted by Council in 2012 and it will be reviewed in 2023/2024 financial year. There is a District Aids Council that 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 issue),
- 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 session of the province. The municipality is having a gap in the issue of HIV / Aids mainstreaming

MUNICIPALTRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

2.4.10 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.

2.4.10.1 Institutional Arrangements (Per Directorate)

The District Municipality has the following directorates that form part of the Organizational Structure under review which 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

2.4.11 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 been operating with an organizational structure that was last reviewed in the year 2014, meaning that it hasn't been complying with the legislation and the regulations over the past years. In an effort to appreciate the legislation, the municipality initiated the process of reviewing its organizational structure in 2022 (after the local government elections of November 2021)

The 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 it followed the process as tabulated below. The process embraced and was aligned to the Municipal Staff Regulations approved by the COGTA Minister dated September 2021, which came into effect on 01 July 2022.

The process plan set the phases that include: - Diagnosis, Macro Organizational structure, review of entire staff establishment, and development and implementation of the change management. Cutting across these phases there has been consultation with the management, staff and political leadership.

PHASES	ACTIVITIES
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Diagnosis	Analyze the current organizational structure with focus on the mandate of the district and norms and standards	February– March 2022
	Costing of the current organizational structure	
Macro Organizational Structure	Design a macro organizational structure based on the outcomes of the diagnosis report and guidelines from the municipal staff regulations	31 May 2022
Review Staff Establishment	Review, align, and approve organizational design principles and metrics	
	Review and align to the service delivery model and functional operating model;	
	All departments are to present staff establishment proposals following the organizational design principles and metrics	6 – 7 July 2022
	Application of organizational design principles and metrics on the review of staff establishments	
	Engage management and LLF on the draft proposed organizational structure	01 – 02 September 2022
	Finalize the proposed organizational structure	05 – 09 September 2022
	Presentation of the draft structure to the council	December 2022
	Consultation workshop	01 February 2023
	Consultations and one on one sessions with the department	13-18 April 2023
	Presentation of the final draft to the council	26 April; 2023
	Further consultation and engagement	May 2023
	The Municipal Council approves the organizational structure review and also approves that the Acting Municipal Manager submit the organizational structure to the relevant entities such as COGTA for compliance review	May – June 2023
Change Management	Draft and implement a plan to support the change	12 September 2022 (ongoing)

The consultation process on the organizational structure received inputs that reshaped the structure. Part of the inputs that emerged incorporated into the organizational structure include the inputs from the institutional workshop. The following can be noted in the draft organizational structure.

DEPARTMENT	INPUTS	AREAS IN THE STRUCTURE
Executive Mayor	To accommodate social cohesion	Structure introduced Social cohesion intervention and programmes.
Office of the Speaker and Office of the Chief whip	To strengthen the role of the political office	The structure introduced the office manager and council secretary. Further council committee and constituency work capacity are consolidated in the offices.

Office of the Municipal Manager	To consider the coordination of the policy and research	The policy and research unit has been consolidated under the office of the Municipal Manager. Also, the risk management office embraced ethics management.
Community Services	To strengthen the core functions of the department such as municipal health, disaster and	The structure embraced the Municipal Health Services, Disaster Management, and Fire Services on all LMs. It also introduced law enforcement and compliance services on enforcement towards peace officers.
Budget and Treasury Office	Ensure segregation of duties for compliance	The review focused on functions related to logistic management and compliance. It also strengthened revenue and billing
Corporate Services	To realign the functional areas and promote confidential staff support	The structure aligned the functions and disintegrated employee wellness and relations.
Rural Economic Development	To ensure the function deals with coordination across the district.	The structure had focused on various sectors with a particular focus on policy and research as well as coordination.
Infrastructure Water and Sanitation	To realign the functions and ensure the functionality	The human settlements and property development and management have been aligned. The structure strengthened project management and Water Services governance.

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 organizational structure was tabled in a council meeting held on 31 May 2023 and approved. Subsequent to that is the implementation phase will further require its road-map. The implementation of the organizational

structure will 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.

2.4.12 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.

2.4.13 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

Registry forms a link between the offices it serves, the outside world and various Sections of the organization, all other records are kept at registry then Supply chain and Human Resource keeps their active records in their strong rooms. For now, the registry keeps inactive records the active records are kept in their offices of origin due to insufficient space. Ten (10) Department records have been sorted, arranged and filed at the strong room.

Disposal of records

36 Boxes have been arranged for disposal and disposal authority have been issued by the provincial archivist.

2.4.14 Human Resources Management

Recruitment & Selection

It is about the coordination of recruitment and selection of the best human capital for the municipality at the right time at the right place, to help fast tracking 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.

Recruitment & Selection Challenges

- Department is unable to monitor and evaluate budget allocation in particular to organizational structure in order for Corporate Services department to have access to available funds before an advertisement of any vacant post.
- Non observation to prioritize critical post for advertisement which may impact service delivery effectively & efficiently.
- It is the reason why the municipality has overspent during the previous 5-year term 2016-2021 (44% of expenditure).
- Corporate Services does not have authority and control over recruitment processes. This leads to dispute from internal and external candidates.
- ORTDM website is currently not functioning and HRM have a challenge in feeding and editing information in the career page (Such as advert and Application form).
- HRM staff is heavily reliant on HR Information System (Pay Day) in performing their daily duties and also retrieve applications for employment via email (hr@ortambodm.gov.za) the current capacity of data is unable to accommodate such load of work.
- The email address used for application for employment is not properly programmed as it currently accepts any format of document e.g. pictures, word document. It also accepts applications even if no post advertised. This causes problems when printing the applications and may result in errors.
- Employment of employees prior to the required recruitment processes.
- Interviews are not recorded properly as there is no audio recording currently.
- Employment of EPWP workers using lists without the necessary documents and verification. This result to incomplete data for referencing, information gaps in the HRIS, inability to produce credible reports.
- Non-existence of HR Boardroom.
- HR related matters approved without HR department inputs/advise.
- Underutilization of Electronic HR Information System by HR Sections.

Corrective Measures

- Each department should submit list of prioritized position for that specific financial year so that they can be clearly identified in the budget.
- Recruitment and selection processes be adhered to as per Recruitment and Selection Policy (All employees including EPWP).
- Designation of a Technician from IT to deal specifically with the website in order to keep it functional for advertising purposes.
- Capacity of HR staff 3G data be increased.
- The email address for application be programmed to accept only single file PDF document and a specific capacity and that it should accept only the advertised posts.

- Correspondence requesting the employment of a person must be approved by all signatories and appointment be signed by the MM before assuming duties.
- Procurement of conference recording device.
- All documents regarding new appointments be verified and the employee avail him or herself for physical verification.
- HR be allocated boardroom.
- All HR related matters should be directed to HR for inputs/advise before the final approval.
- All HR Sections be encouraged to use the electronic HR Information system in order to minimize gaps in personnel information and produce consolidated reports.

Shortage of staff in the section (HRM), delays on recruitment and selection by the concerned department of the advertised vacancy and office of the Municipal Manager for approval. Shortage of tools of trade such delays in providing computer equipment and network connection.

Administration of Conditions of Service

This section is responsible for administering all Conditions of Service including leave regulations, personnel files and employee benefits. To ensure that the Human Resource policies and procedures are administered in such a way as to protect the interest of both the municipality and its employees. Ensuring that the municipality has support staff for all respective department of the District in respect to the areas of specialization. Compliance of the Collective agreement of SALGBC i.e. divisional condition of services. Legislation applicable to Human Resource Management section: -

- 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

Strategic objectives of HRM

The strategic objective of HRM is to effectively and efficiently recruit and retain competent Human Capital for the District Municipality. HRM responds to the priority area of recruitment and selection.

POSTS AS /ORGANOGRAM	FILLED	VACANT	VACANCY RATE	FEMALES	MALES
Senior Management	04	02		0	4
Below Senior Management	1376	1157		496	729

Total	1380	1159		496	733
Total Number Of Posts As Per Organogram					

Corporate Services Policies

Name of Policy	Status	Date Approved
Danger allowance policy	Approved	30/10/2020
Recruitment & Selection Policy	Approved	27/06/2019
Cellphone Allowance Policy	Approved	27/06/2019
Car Allowance Policy	Approved/ but not Implemented	27/06/2019
Retention Policy	Approved	27/06/2019
Sexual Harassment Policy	Approved	27/06/2019
Training & Development Policy	Approved	27/06/2019
Experiential Training for Interns & Student Trainees	Approved	27/06/2019
Study Assistance/Bursary Policy	Approved	27/06/2019
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	12/10/2015
Integrated Employee/Employer Wellness Policy	Approved	12/10/2015
Whistle Blowing Policy	Approved	12/10/2015
Information And Communication Policy	Approved	12/10/2015
SALGA Job Evaluation Policy	Approved	2012
Incapacity : Due To Ill Health/Injury Policy	Approved	12/10/2015

Conditions of Service Challenges

- Non-compliance and inconsistency with implementation of HR policies and SALGBC collective agreements
- Lack of interpretation on SALGBC collective agreements
- Lack of management and proper administration of overtime as well as difference between emergency and overtime, payment of standby allowance
- No leave management policy
- No proper administration of attendance register by managers and Head of department

- Policies are not reviewed or updated so that they are in line with current pieces of legislations.
- Gaps on current policies e.g. recruitment & selection policy, termination of service policy

Remedial Actions

- Induction and workshop for Senior Managers, Managers and Supervisors on HR policies and Collective agreements
- Request SALGA to assist on interpretation of collective agreement through workshops
- Invitation of Department of Labour to workshop managers and supervisor on overtime, standby etc.
- Development of leave management policy and procedure
- Review attendance and punctuality policy
- Review policies on a yearly basis or when there is a need/changes in legislation

The following policy need to be reviewed as they are having gaps

Name of the policy	Challenges	Corrective measures
Recruitment & Selection policy	Gaps e.g. relocation of staff, accommodation for newly appointed staff, payment for casual employees	Review recruitment & selection policy to address all gaps
Attendance & Punctuality policy	Poor management of attendance register – no controls in place to monitor attendance register	Review attendance & punctuality policy to be in line with HR Information System. Poor work attendance
Leave Management policy	Development of leave management policy and procedures	Improvement of leave management through use of the ESS by management level. Utilization of Employee Self by all Senior manager
Termination of Service policy	Policy has gaps such as – no clear guidelines on imprisonment of employees, recovery of assets by employee	Review of the current policy to address the gaps
Substance and Travelling allowance policy	Currently using department of transport & SARS rates for payment of S&T	Review Subsistence and Travelling allowance policy

2.4.15 Information & Communication Technology

The Information and Communication Technology (“ICT”) section at OR Tambo District Municipality is tasked with the main objective to manage 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 must go through a major paradigm shift in its operations with regards to ICT accompanied with a sizable investment to participate and exist in an ever 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.

2.5.6.1 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 last approved in 2019, the Draft reviewed policy was tabled in Council in March 2023 which will be approved by Council in 2023/2024 financial year following the workshops that will be conducted towards the end of 2022/2023 financial year. In terms of ICT Implementation, the institution has developed an annual target on the SDBIP which reflects on its implementation. 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)

2.5.6.2 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.

2.5.6.3 Information and Communication Technology Policies

All existing Information and Communication Technology Policies need to be reviewed. The implementation is ongoing.

2.5.6.4 Disaster Recovery Plan

The Disaster Recovery Plan (DRP) was developed and was last approved in 2019 the review is in progress as it will be taken to council early 2023/2024 financial year. However, the implementation is dependent on the establishment a site for disaster recovery implementation, which will be finalized in the 2023 / 2024 financial year.

2.5.6.5 Annual Action Plan

Information and Communication Technology section has developed an ICT Annual Plan for 2021/22 Financial year with emphasis on re cabling upgrade to FROM cat5 to cat6.

2.5.6.6 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

2.5.6.7 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.

2.5.6.8 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.

2.5.6.9 Information Security

Information security is directly linked to cyber security which is one of the technologies in the 4th 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.

2.5.6.10 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.

SWOT Analysis

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Existing ICT environment • Ability to respond to ICT Tickets • Ability to work remotely • Robust Financial Management system 	<p><u>Weaknesses</u></p> <ul style="list-style-type: none"> • Vacant posts of specialized skills. • Fragmented ICT systems and weak ICT governance and data recovery impact on performance. • Lack of appropriate online e-governance systems. • Outdated network infrastructure • Information systems is not centralized in ICT • Insufficient integration of IT systems and workflow processes, to ensure smoother service delivery and reduce time lost through manual processes.
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Broadband rollout. • The use of technology to improve the accessibility of information and communication to all residents and stakeholders. • District Development Model • industrial revolution 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • The ICT Unit is faced with a number of challenges that hamper the effectiveness on the service delivery of the Municipality. • Unfilled expertise posts. • Lack of continuous Skills Development • Obsolete and unreliable Network Infrastructure • Lack of archiving and digitalization of documents.

2.4.16 Security Services

The Institution developed and approved the Safety and Security in 2015 and which will be reviewed in 2023/2024 financial year. 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 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 situation to ensure the protection of assets. Every breach of security or suspected breach within the institution is reported to the Security Manager for investigation.

2.5.6.1 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

2.5.6.2 Status Quo, Personnel and assets Protection

The institution has 2 components of 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 the current risks.

The organization have 3 Security Service Providers that are contracted to guard the assets and Personnel of ORTDM from 1st February 2020 up to February 2023 respectively. The contracts are extended on a monthly basis until the procurement process to appoint new service provided is concluded.

SWOT Analysis

<p><u>Strengths</u></p> <ul style="list-style-type: none"> • Implementation of Safety and Security Policy • Coordination between in-house security and outsourced security services to identify security weaknesses in the current countermeasures. 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> • Lack of budget for required countermeasures. • Deficiencies in the internal security controls. • Capacity building for security personnel • Poor maintenance of electronic security system • Insufficient Budget
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Support from State Security Agency (SSA) 	<p><u>Threats</u></p> <ul style="list-style-type: none"> • Non adherence Safety and Security Policy

<ul style="list-style-type: none">• Physical Minimum Security Standard (PMSS) from South African Police Services.• Security Awareness Programs	<ul style="list-style-type: none">• Non-compliance with security related national legislations, policy and procedures.• Theft.
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2.5.7 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.

2.5.7.1 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 to 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 is fully functional to implement and monitor the implementation of policies. The Employment Equity Programme is also guided by the Employment Equity Act of 1998 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.

Challenges

The Municipality is progressing well and the tide has significantly turned in terms of awareness of the role 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 being:

(1) District Coordinator: HRD Council

The Municipality has launched a multi-stakeholder forum in 2017 with an intention to mobilize resources from various stakeholders and to strengthen partnership towards rendering a coordinated HRD programme for the District in order to contribute to the DDP for economic growth through skills development. There is also no budget allocated to implement the HRD programmes independently from the Institutional programmes for employees. Planned programmes have included even the refurbishment and establishment of Skills Development Centers in the district.

(2) Employment Equity Officer

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.

(3) Skills Development Officer: Monitoring and Evaluation

Monitoring and Evaluation is a critical component of performance management, training programmes are implemented in order to enhance and 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.7.

(4) Human Resources Development Clerks

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.

2.5.8 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 absentissem, 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 organisation 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.

2.5.9 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,

These conventions, agreements and recommendations were ratified by the Republic of South Africa 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.

2.5.9.1 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.

2.5.9.2 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 behaviour 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.

2.5.9.3 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.

2.5.9.4 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.

2.5.9.5 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 as a result 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.

2.5.9.6 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 a speedy and amicable resolutions to optimize service delivery.

The LLF Committee is constituted by both the Employer and the Trade Unions to negotiate or consult on matters of mutual concern pertaining to the work place. 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.

2.5.9.7 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 lock-out 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.

2.5.9.8 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.

2.5.9.9 O.R. 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.

2.5.9.10 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 of how to manage discipline effectively in the workplace (law of evidence and the procedure to handle grievances (conflict resolution).

2.6 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.

2.6.1 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.

2.6.2 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.

2.6.3 Organizational Structure

Currently, the municipality is operating with an organizational structure that was approved in 2014. The new leadership took a decision to review the organizational structure in order to align it with the new municipal strategy called the "IDP". The reviewed macro organizational structure will be tabled to council together with the IDP and Budget.

2.6.4 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 if Equal Value enshrined in the Employment Equity Act referred to above.

2.6.5 Diversity Management and Stakeholder Engagement

OD functions are a share 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 vacancies that are regarded as a scarce skill are all filled, meaning that the municipality has no challenge in filling posts. Below are the critical and scarce skills as per the Local Government Seta (LGSETA):

2.7 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 municipality, 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

2.7.1 Asset and Liability Management

Established through MFMA section 63, GRAP standards.

The section has Infrastructure and Movable/Immovable components with manager responsible for the section who ensures;

- 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.
- 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 this is done in line with the Municipal Finance Management

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Commitment and dedicated staff willing to learn • Good background of the district 	<ul style="list-style-type: none"> • Lack of automated asset management system. • Inadequate and outdated working tools including insufficient resources for verification of assets (e.g. bakkies, computers etc.) • Shortage of staff • Lack of fuel monitoring system resulting in misuse of fuel and then financial loss. • Lack of staff development (e.g. trainings) • Inadequate budget for acquisition of movable assets. • Lack of co-operation between asset management and infrastructure department • Inadequate protective clothing • Insurance claims not approved due to delays in submission of the information for the claim. • Inadequate security controls resulting in theft of Municipal assets • Misuse of municipal assets that leads to impairment
Opportunities	Threats

<ul style="list-style-type: none"> Improved monitoring within and outside district of fleet assets through fleet management system Reduction of misuse of fleet assets through Implementation of approved consequence management. Unqualified audit opinion as a result of accurate WIP and Infrastructure asset registers. 	<ul style="list-style-type: none"> Litigation (accidents) due to non-monitoring of fleet assets. Potential community protests due to delay of repairs for fleet assets (water tankers) and maintenance of infrastructure assets. Compensation and litigation due to injuries of staff during verification as a result of inadequate protective clothing.
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2.7.2 Supply Chain Management

Supply Chain Management is established in line with S110 of the MFMA responsible for all procurement processes led by the General Manager SCM. The unit has the following staff compliment:

3 x Chief Accountants (Demand, Acquisition and Logistics)

2 X Senior Demand Management Officers

1 X Senior Procurement Officer

Mostly operating with interns

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> Meeting municipalities demand despite staff shortages Preparation of procurement plans Preparation and submission all required reports within legislated time frames 	<ul style="list-style-type: none"> Partial adherence to SCM regulations Partial segregation of duties Shortage of staff to assist bid committees Non adherence to procurement plans implementation time frames Partial adherence to SOP's Limited knowledge of new developments by some staff members Not all modules in the financial management system are functional
Opportunities	Threats
<ul style="list-style-type: none"> Review SCM policy and package some projects for SMME development Training and capacity building for all SCM practitioners 	<ul style="list-style-type: none"> Vulnerability to impatient service providers and SMME Continuous staff turnover due to non-filling of critical positions (Greener pastures)

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2.7.3 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 is made up of 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 billing system in place though statements are not sent to all consumers due to ICT infrastructure challenges. A budget for 2023/24 has been made available for upgrading of the ICT Infrastructure and 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 are reviewed annually. The department is in the process of the developing the Revenue Enhancement Strategy while the Financial Recovery Plan is on-going. Part of Revenue Enhancement will be covered in the Financial Recovery Plan which is driven by National Treasury through the section 139 intervention though it is still in the initial phase.

SWOT Analysis

Strength	Weaknesses
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<ul style="list-style-type: none"> • Dedicated personnel – always working optimally despite limited availability of tools of trade and allowances. • Policies are reviewed annually 	<ul style="list-style-type: none"> • Human Capital (the vacancy rate is so high that there is no proper segregation of responsibilities) • Effective operations heavily rely on public participation programmes which sometimes are delayed hindering the operations. • Under collection due to non-billing of RDPs, peri urban. • Delays in maintenance of meters as there are no dedicated plumbers resulting in extended averaging. • Non distribution of consumer statements due to incapable IT infrastructure. • Bad condition of revenue building which badly affects both staff and customers. • Nonfunctioning of satellite offices in LMs due to personnel, building and IT infrastructure challenges
<p>Opportunities</p>	<p>Threats</p>
<ul style="list-style-type: none"> • Remote/smart meter roll-out to all consumers connected to GIS. • Enhancement of revenue potential through retail payment points. • Seamless integration of systems (payment and receipting). 	<ul style="list-style-type: none"> • Non availability or outdated cyber security which resulting in intrusion in consumer data. • Loss of data due to insufficient backup system. • Litigations • No-go areas for meter readers. • Tempering with the infrastructure (illegal connections, covering meters with concrete, etc.) • Non-disclosure of change of debtors' status from Domestic to Business, leading to incorrect tariff billed and subsequently loss of potential revenue. • Non-cooperation of local municipalities with regards the provision of updated Valuation Rolls, Building Plans and maps. • Under collection due to economic distress.

2.7.4 Free Basic Services

This division deals with the indigent households located in urban areas for billing purposes. The municipality has developed an urban-based free basic services register. It has not been integrated with the LM 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. Point of departure will be the establishment of FBS District Forum which is planned for the 1st quarter in 2023/2024 financial year which will be followed by the development of credible Indigent Registers for the district as well as the local municipalities. 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 in Chapter 5.

2.7.5 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. Asset 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.

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Commitment and dedicated staff willing to learn • Good background of the district 	<ul style="list-style-type: none"> • Lack of automated asset management system. • Inadequate and outdated working tools including insufficient resources for verification of assets (e.g. bakkies, computers etc) • Shortage of staff • Lack of fuel monitoring system resulting in misuse of fuel and then financial loss. • Lack of staff development (e.g. trainings) • Inadequate budget for acquisition of movable assets. • Lack of co-operation between asset management and infrastructure department • Inadequate protective clothing • Insurance claims not approved due to delays in submission of the information for the claim. • Inadequate security controls resulting in theft of Municipal assets • Misuse of municipal assets that leads to impairment
Opportunities	Threats
<ul style="list-style-type: none"> • Improved monitoring within and outside district of fleet assets through fleet management system • Reduction of misuse of fleet assets through Implementation of approved consequence management. • Unqualified audit opinion as a result of accurate WIP and Infrastructure asset registers. 	<ul style="list-style-type: none"> • Litigation (accidents) due to non-monitoring of fleet assets. • Potential community protests due to delay of repairs for fleet assets (water tankers) and maintenance of infrastructure assets. • Compensation and litigation due to injuries of staff during verification as a result of inadequate protective clothing.

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2.7.6 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, quarterly, half yearly and annual basis and maintain sound relations with National Treasury.

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Dedicated personnel • Adherence to budget and reporting deadlines. • Adherence to legislation and regulations. 	<ul style="list-style-type: none"> • Staff shortage • mSCOA still considered as BTO reform • Nonfunctioning of mSCOA steering committee to drive the implementation of mSCOA • Lack of proper support by vendor (BCX) on latest updates and reforms of budget module. • Late finalization of budget due to late processes (strat plan) • Inadequate needs analysis and planning resulting in budgets being overspent or underspent. • Over budgeting of VAT refunds due to non or slow spending of conditional grants. • Withholding of budgeted grants as a result of non or low spending.
Opportunities	Threats
<ul style="list-style-type: none"> • Financial system to seamlessly integrate IDP, Budget and reporting modules for both Municipality and entity. 	<ul style="list-style-type: none"> • Reputational risk due to budget assessed as not credible, not funded. • Community protest on service delivery due to withholding of grants because of slow spending.

2.7.7 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.

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Effective document Management • VAT returns for refunds prepared inhouse • Controls on payment of creditors and suppliers in compliance with relevant legislations and procedures. • Prompt payment of creditors within 5 days of receipt. • Timely preparation of monthly and quarterly reports. • Payment of salaries on the due date • Payment of statutory deductions and other deductions by due date 	<ul style="list-style-type: none"> • High vacancy and shortage of working tools. • Not paying • Cut off issue on claims of previous years. • Non adherence to payroll submission deadlines resulting in pressure that can lead to errors.
Opportunities	Threats
<ul style="list-style-type: none"> • Payment of creditors within 30 days through proper invoice management. 	<ul style="list-style-type: none"> • Security threats from service providers demanding payments • Loss of documents due to insufficient backup

2.7.8 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.

SWOT Analysis

Strength	Weaknesses
<ul style="list-style-type: none"> • Dedicated personnel • AFS are prepared in-house • Adherence to the submission deadlines. • Timely preparation of bank reconciliations. 	<ul style="list-style-type: none"> • Staff shortage • Submission of AFS with material errors or misstatements due credibility of information submitted to the AFS section • Non adherence to AFS preparation plan due late submission of supporting documentation • Inadequate or insufficient supporting documentation for AFS balances and disclosures. • AFS prepared in excel • Non adherence to MAAP
Opportunities	Threats
<ul style="list-style-type: none"> • Improved administration and reputation due to improved audit opinion (unqualified) • Preparation of interim AFS • Source relevant software to prepare AFS. 	<ul style="list-style-type: none"> • Due to staff shortage, heavy reliance on manager to prepare AFS with no skills transfer. • Stagnation and possible regression of audit opinion due any possible instability.

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.

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

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

The SDF should furthermore not be interpreted as a blueprint aimed at managing physical development, but rather as a framework giving strategic guidance in respect of the location and nature of anticipated future development in the O.R. Tambo District. Desired patterns of land use are indicated, although room still exists for interpretation and further refinement. The SDF is development orientated to allow for growth and changing circumstances and to promote investor confidence. The SDF is aligned with and does not conflict with other development strategies nationally, provincially and regionally. But most importantly, the SDF endeavors to attain the millennium development goals (MDGs) through public investment in public goods and facilities where there is underdevelopment or development is non-existent.

3.3.1 Legislative Requirements

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

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

LED is also guided by National Framework 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 2011). The community services consist of public administration (14.3%), education (23.4%), health and social work (9.2 %), and other community services (4.6 %). The trade sector at 18.5% is the second largest contributor to the economic activity. This is not an ideal economic reality, as for a strong economy to be achieved and sustained, a strong primary sector (comprising agriculture, manufacturing, and other production types) must dominate.

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 sun sets, reduced crime, and the ability to introduce automation into business processes. Similarly, the ability to effectively communicate allows wider market access, faster turn-around times for business transactions and an effectively lower cost of doing business in an area. The provision of electricity and communication services is thus imperative in improving the business environment of O.R. Tambo for not only residents of the area, but business operators as well. Such arguments must not be neglected when justifying the high capital investments required for the provision of these services.

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, 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 6 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 11: 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

Opportunity	Description
	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 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	The provision of infrastructure (including bulk services) and access to land are also fundamental in creating an enabling environment for investment.

Opportunity	Description
to land, & Spatial Development	

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

- 1) **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.
- 2) **Integrated Coastal Management Act:** Section 49 of the ICM Act stipulates that a municipal CMP must: a) be a coherent municipal policy directive for the management of the coastal zone within the jurisdiction of the municipality; and b) Align with the national and provincial CMPs, as well as with the National Estuarine Management Protocol.

Therefore, the purpose of the ORTDM CMP draws from the two ICM Act specifications listed above, and sets out to act as an overarching policy statement for the management of the coastal zone within the jurisdiction of the ORTDM, thereby empowering the municipality with an important and useful tool for coastal management, which will be sensitive to the specific needs of the district, and will be in tune with the broader planning processes of the district municipality.

3.5.2 Situational Analysis

The ORTDM falls within a section of the coast of the Eastern Cape Province known as the Wild Coast (as mentioned in previous section). The Wild Coast stretches 250km from the Kei River in the south, to the

Mtamvuma River in the north. The name “Wild Coast” speaks to the ruggedness of the coastline, with a shoreline characterized by a diversity of shore types (sandy beaches, rocky shores), shoreline features (deep narrow gorges, waterfalls) and biomes (grasslands, coastal forests, dune thicket, mangroves, dune fynbos).

3.5.3 Implementation of the Strategy

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

3.6 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/km²– 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, prioritisation, and implementation.

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

3.6.2 Situational Analysis

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

The table below shows the housing situation in 2016.

Table 12: Type of Dwellings in the five Local Municipalities

MUNICIPALITIES	TRADITIONAL DWELLINGS %	FORMAL DWELLINGS %	INFORMAL DWELLINGS %	OTHER DWELLINGS %
Inguza	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 13: Water Services Development Plan Document History

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

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

Table 14: Water and Sanitation Policies applicable in 2019/2020

Policy Description	Date of effective policy	Status
Free Basic Services Policy	June 2017	Approved
Indigent policy	June 2017	Approved
Water use policy	June 2017	Approved
Water Conservation and Demand Management Policy		Under review
Water & Sanitation By-laws	2003	Under review
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 m³/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 m³. 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 15: 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

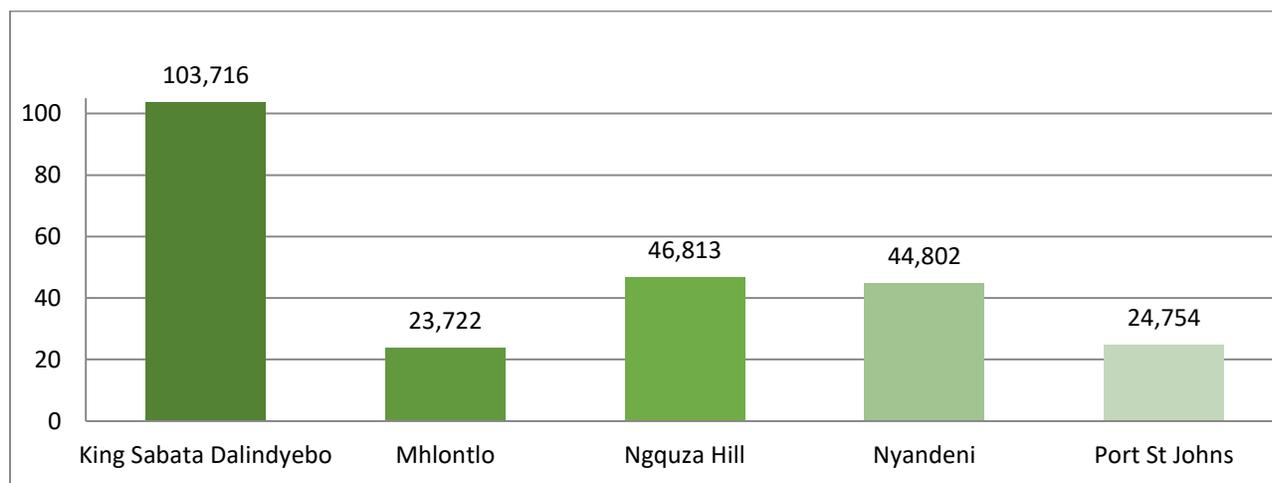


Figure 7: Water Demand for 2035 per Local Municipality

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 Centres,
- 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 18: Environmental Management Plan Action Plan

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

3.10 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 AND RISK MANAGEMENT FRAMEWORK PLAN

This plan fulfils the legal requirement as set out in the Disaster Management Act and the Policy Framework for Disaster Management in South Africa and confirms the arrangements for managing disaster risk and for preparing for and responding to disasters within the O.R. Tambo District municipality. The Disaster Management Act, 2002, mandates each province as well as each district and metropolitan municipality, in terms of sections 28 and 42 to “establish and implement a framework for Disaster Risk Management (DRM) aimed at ensuring an integrated and uniform approach to DRM” in its jurisdiction by all provincial and municipal organs of state, etc. The 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.

3.11.1 Disaster Management Centre

resource management, reporting etc. 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. It has these following limitations; -

- None completed structure at 60%,
- Lack of disaster volunteers,
- Non resourced communication centre,
- Vacant position of Head of the Centre,
- Condition of response fleet

The focal point of all efforts in disaster risk management lies in the Disaster Management Centre. The centre is required to fulfil numerous important disaster risk management functions; namely planning,

3.11.2 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. This is a body in which 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. 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;
- Councillors 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 remain guidelines which will need to be adapted to the specific prevailing circumstances when they are put into use.

Response and recovery issues are highlighted. Preparedness plans for priority risks are introduced and the preparedness capacity of the District is described which leads to the identification of certain gaps and

recommendations. Subsequently, an Any-Hazard Response procedure is presented that form the basis of response to all major incidents and disasters. Additional hazard-specific contingency plans are listed after which the declaration of a state of disaster and disaster classification is discussed. The chapter concludes with the identification of additional gaps and recommendations. The remaining chapters contain arrangements for the review and maintenance of the plan, a summary of the plan, as well as several annexures including contact details and additional descriptions of corporate responsibilities for Disaster Management.

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 change therefore require a review of existing situation including public transport in order to align the demand to the offer.

The NDP acknowledges transport as an enabler of getting South Africa to work. It states that the ultimate goal to be achieved by 2030 is a situation whereby the transport system supports economic development, job creation and growth while providing equitable access to opportunities, services and reducing poverty. It further indicates that more emphasis should be placed on the total system and efficiency to maximize the strength of different modes. It suggests that public transport and non-motorised modes may foster a different culture i.e. social interaction, health practices and street-level movement resulting in a sense of place as well as social inclusion that the country needs. It further indicates that in areas such as Ingquza Hill, where people have settled in isolated rural settlement which are far away from economic opportunities the aim should be to focus on basic needs which include access roads and schedule public transport services to ensure access to public health care and other service points, however subsidized services should be limited to such places.

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. These roads are characterised by potholes, water pooling and cracks; lack of drainage system etc. Most of the access roads are made of gravel and lack basic road sign and road markings. Basic infrastructure such as loading and off-loading facilities for passengers and goods are lacking, hence creating congestion and threat to passengers' life.
- King Sabata Dalindyebo: Although KSD is striving to ensure adequate public transport for the public, the main concerns remain the condition of the roads (despite some upgrade that have been observed), congestion, lack of adequate infrastructure and spurious maintenance. Some areas are still lacking proper access roads, and where these are available, they are not accommodating for certain types of vehicular.
- Mhlontlo: The ITP highlights a number of challenges pertaining the public transport. These include the general poor condition and lack of maintenance of all roads, poor access to areas, facilities and services of the municipality and traffic safety.
- Nyandeni: While some of improvements are being observed, the LITP highlight a number of challenges faced by commuters and transport operators. A number of proposals for improvement are being suggested and some of these are being implemented.
- Port St Johns: Despite effort by local authorities to implement a number of strategies related to public transport, PSJ LM is facing a number of challenges including the upgrade and maintenance of roads, and the provision of adequate public transport infrastructure that respond commuters' needs.

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 organisation and coordination of public transport activities including traveling time, schedule, crowd management etc.

Safety, security and law enforcement: relate to the way commuters and operators are feeling when using a public transport;

Awareness and promotion: relate to the issues of traffic education and promotion of alternative transport modes to alleviate congestion and overcrowding; and

Planning and administration: refer to the problems faced by transport operators to obtain license and way the transport portfolio (at LM and DM levels) manage public transport in general.

CHAPTER 4: DEVELOPMENT STRATEGIES AND PERFORMANCE MANAGEMENT FRAMEWORK – INSTITUTIONAL SCORECARD

4.1 INTRODUCTION

This chapter presents the focus of the 1st review of the 2022-27 term Integrated Development Plan and the performance management system to be used to monitor its implementation.

4.2 DEVELOPMENT STRATEGIES

Since the inauguration of the new Council in December 2021, the municipality has been engaged in various sessions of planning. The municipality set a clear process in line with the planning framework, which has been rolled out over time. The process had been consultative involving to entire council and it served to understand the municipal environment, challenges faced and strategies to be implemented to deal with the matters. The municipality held departmental sessions that include Council workshop where it deliberated the strategies of improving governance and service delivery. These sessions culminated into the broader Mayoral Lekgotla of the 12 – 13 March 2023, where the departments presented detailed reports on their mandates as well as the priorities for the term. The sessions were robust engagement and emerged with the priorities for the term. The tone of the leadership has been based on the followings: -

KEY PERFORMANCE AREA	ISSUES RAISED
Basic Infrastructure an Service Delivery	<ul style="list-style-type: none"> • Focus on exclusive mandate of the district (water services, fire & disaster management, housing) • Re-purpose of community services department • Focus on water infrastructure maintenance plan (refurbishment of schemes) • Establish an integrated customer care system • Explore law enforcement and establish peace officers in partnership with LMs • Housing for destitute (homelessness) • Conclude Service Level Agreements with other municipality on fire services • Establish district early warning system for disasters (digital infrastructure) • Identify strategic points for fire hydrants • Strengthen municipal health • Devolution of powers and functions • OR Tambo to lead a delegation to meet relevant ministers regarding Mzimvubu Development
Local Economic Development	<ul style="list-style-type: none"> • Re-purpose of Economic Planning & Development • Focus on coordination of municipal interventions rather implementation • Maximize job creation through EPWP

	<ul style="list-style-type: none"> • Develop District LED Strategy talking to niches of the municipalities • Convene a confined LED Summit
Financial Viability and Management	<ul style="list-style-type: none"> • Implement billing of peri-urban • Revenue enhancement strategy • GRAP compliant asset register • Competitive pricing • Expedite spending on grants • Strengthen fleet management
Good Governance and Public Participation	<ul style="list-style-type: none"> • Support LMs in their catalytic interventions • Joint planning & implementation • Strengthen performance management • Stakeholder communication and interface
Municipal Transformation and Institutional Development	<ul style="list-style-type: none"> • Develop policy environment to enforce consequence management • Skills development

Having identified the emerging priority, the institution further convened the broader strategic planning on the 15 – 16 March 2023 with stakeholders of the district. The session was more a consultative platform wherein the leadership wanted to share what has been emerging as priorities, further allowing the consolidation of inputs from the stakeholders. The session emerged with detailed SWOT analysis report assessing the institutional Strengths, Weaknesses, Opportunities and Threats. It further made inputs to the priority areas outlining actions to be undertaken for the municipal development. It confirmed some of the priorities to be driven over the 5-year term. The tone of the leadership had clear understanding that district does not have access to sufficient resources, therefore crucial necessitating sequencing the immediate community development needs. Such prioritization was necessary to ensure growth of the district but also to continue delivering on its core service delivery mandate. Below then is the detailed SWOT analysis emerging from the strategic planning and the prioritization model as adopted by the leadership.

SWOT ANALYSIS

ENGTHS	<ul style="list-style-type: none"> • Water Services Internal Planning Section • Fully fledged Project Management Unit • Updated Water Services Authority Plans • Existing Thusong centers • Existing coordination forums • Agreement between the district and department of human settlements • Availability of land along the coast • Existence of manufactures, SMMEs and local economic development units • Strong and united leadership • Policies in place • Implementation of the credit control policy • Relevant Skills • Timely reporting including internal and external reporting • Capacity to produce credible budget • Separation of powers - ensures good governance • Good relations with CoGTA, stakeholders • Cordial relations with labour and existence of Local Labour Forum 	WEAKNESSES	<ul style="list-style-type: none"> • Lack of integration in infrastructure service delivery • Poor maintenance to existing infrastructure • Insufficient technical skills • Poor workmanship by contractors • Inadequate budgeting for O&M • Limited funding for infrastructure service delivery • Poor response time to disaster and fire related services • Outdated infrastructure master plans • Unspent conditional grants • None availability of Bulk Infrastructure along the coast • Poor management of land (land invasion) • Lack of SABS approved building material • Grant dependency • Vandalism of infrastructure/Ownership of infrastructure by communities • Unfavorable audit outcomes • ICT Infrastructure challenge (billing, statements, etc.) • No meter maintenance plan • Water losses • Limited office space • By-laws not gazette • High Vacancy rate • Faulty meters (timely repairing) • Non availability of automated system - SCM • Escalation of UIFW due to noncompliance to SCM regulations
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			<ul style="list-style-type: none">• Lack of Fleet management system (lack of controls)• Outstanding mSCOA modules• Decentralized stores• Lack of contract management• Lack of archiving space• Decentralization of functions across departments• Low staff morale
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OPPORTUNITIES	<ul style="list-style-type: none"> • District Hub as planning partners • Research institutes • MISA support • District Hub • Current District Hub • MISA support • Project Professional Engineers • External Funding organizations • Other state grants • DDM hub support • MISA Support • Available alternative energy resources (wind, waste, solar) • Developer contributions • Existing Local Structures • Research Institutes • DDM hub support • MISA support • Development of township establishment and title deeds • Coordinate support and capacitation to SMMEs and Building manufactures, • Has a potential to increase more revenue given the spread of LM's • District Development Model • Focus of National on the District • 	THREATS	<ul style="list-style-type: none"> • Loss of Financial resource • Litigations by members of community • Community unrests • Crime e.g. GBVF • Sub-standard services • Land Claims, Vandalism and theft • Shrinking of own revenue source • Fire related disasters • Global warming/climate change • Waste of financial resources • Unrealized impact • Changed Priorities • Supply exceeding demand • Land claims • Increase migration from rural to urban • Social and Political differences • Litigations • Global Warming/climate Change • Adapting Changing technology • Illegal Connections • Financial Viability (Unfunded budget) • Interference of Forums to the implementation of projects • Security Threat by Service Providers to the staff • Hostile reception to meter readers • Political instability • Unemployment
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PRIORITIES & STRATEGIC OBJECTIVES

KPA 1: Basic Service Delivery & Infrastructure

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 provide reliable (quality) water, sanitation, energy and digital services
Operations & Maintenance	2. To expedite the reduction of water and sanitation backlogs
Water Losses	3. To reduce water losses and non-revenue water
Call Centre Management	4. To improve response time to complaints raised at the call center
Roads & Transport	5. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity
Facilities Management	6. Provision of new accommodation and maintenance of municipal facilities
Human Settlements	7. Coordination and Provision of Sustainable integrated Human Settlement
Community Safety	8. To facilitate support in improving safety and crime reduction within the district
Municipal Health Services	9. To provide quality municipal health services to the population of the District
Disaster Risk Management & Fire Services	10. Promote sustainable livelihood and climate change adaptation by improving community resilience to disaster risks
Special Programmes	11. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities

KPA 2: Local Economic Development (LED)

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 assist municipalities enhance land use management & spatial planning to respond to socio-economic issues.
Agricultural Development and Agro-Processing	2. To boost agricultural contribution, agro-processing and food security.
Investment Promotion, Economic Infrastructure Development, and Economic Planning & Research	3. To Promote Investment, Economic Infrastructure Development, and Economic Planning & Research

Priority Area	Strategic Objective
Enterprise and Co-operatives Development	4. To provide Support to Entrepreneurs, Co-operatives, SMMEs and Create Employment Opportunities
Environmental and Waste Management	5. To promote a safe and healthy environment through compliance with environmental regulations
Rural Development (Tourism development and marketing)	6. To promote tourism development in the district
Job Creation	7. To create employment opportunities and grow the district economy

KPA 3: Financial Viability & Management (FVM)

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 effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies
Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure business processes
mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines
Financial Reporting	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis
Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management
Budget Management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant
Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets

KPA 4: Good Governance & Public Participation (GGPP)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Priority Area	Strategic Objective
Political Stability	1. To instill good governance and strengthen public participation through effective communication between municipalities and communities
Public Participation	2. To ensure effective community participation and compliance to legislation
Compliance with Legislation	3. To instill good governance in all municipal operations and strengthen relations with stakeholders
Risk Management & Fraud Prevention	
Inter-governmental Relations	
Communications	4. To ensure effective, well-coordinated and integrated district wide communication
Strategic Planning	5. To ensure a district wide coordination of planning, implementation, monitoring and evaluation of the IDP
Performance Management	
Policy, Research & Development	6. To promote innovative municipal research and development to support evidence based planning, policy-making and enhance decision-making.
Legal Services	7. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations
Internal Auditing	8. To improve audit opinion

KPA 5: Municipal Transformation & Institutional Development

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
Recruitment & Selection	1. To achieve equity and diversity and EE compliance in the workplace
Employment Equity	

Priority Area	Strategic Objective
Human Resources Development	2. To ensure a well-trained, motivated and professional workforce
Employee Wellness	3. To provide effective and efficient human resources and integrated corporate administration support
Information Communication Technology	
Safety & Security	
Labour Relations	
Records Management	
Individual Performance Management	
Organisational Development	

KPA 1: Basic Service Delivery & Infrastructure

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	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Water & Sanitation Services	1. To provide reliable (quality) water, sanitation, energy and digital services	Integrated Services Provisioning	Water Services Development Plan	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
Water & Sanitation Services	2. To expedite the reduction of water and sanitation backlogs	Integrated Services Provisioning	Water Services Development Plan	Growth	3	A responsive, accountable, effective and efficient developmental local government system	9	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
Water Losses	3. To reduce water losses and non-revenue water	Infrastructure Engineering	Water Conservation & Demand Management	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
Call Centre Management	4. To improve response time to complaints raised at the call center	Integrated Services Provisioning	Customer Care Strategy	Inclusion and access	2	Create a better South African and contribute to a better Africa and better world	11	Capable, conscientious and accountable institutions	Ensure that all South Africans have access to clean, running water in their homes	Put people and their concerns first

Integrated Development Plan 2023-2024

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Roads and Transport	5. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity	Infrastructure Engineering	Integrated Transport Plan	Inclusion and access	2	An efficient, competitive and responsive economic infrastructure network	6	A vibrant and equitably enabled communities	Economic infrastructure	Put people and their concerns first
Facilities Management	6. Provision of new accommodation and maintenance of municipal facilities	Infrastructure Engineering	Building Maintenance Plan	Inclusion and access	2	An efficient, competitive and responsive economic infrastructure network	6	A vibrant and equitably enabled communities	Building a capable and developmental state	Put people and their concerns first
Integrated Human Settlements	7. Coordination and Provision of Sustainable integrated Human Settlement	Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	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
Community Safety	8. To facilitate support in improving safety and crime reduction within the district	People Development and Demographics	District Crime Prevention Strategy	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
Municipal Health Services	9. To provide quality municipal health services to the population of the District	People Development and Demographics	National Health Strategy	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.

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Disaster Risk Management & Fire Services	10. Promote sustainable livelihood and climate change adaptation by improving community resilience to disaster risks	People Development and Demographics	Disaster Risk Management Strategy Fire & Emergency Strategy	Inclusion and access	2	A responsive, accountable, effective and efficient developmental local government system	9	A vibrant and equitably enabled communities	Improve environmental sustainability and resilience	Put people and their concerns first
Special Programmes	11. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	People Development and Demographics	Human Development and Social Cohesion Strategy	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

KPA 2: Local Economic Development (LED)

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Rural Development (spatial planning of the region)	1. To assist municipalities enhance land use management & spatial planning to respond to socio-economic issues.	Spatial Restructuring and Environmental Sustainability	Spatial Development Framework	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
Agricultural Development	2. To boost agricultural contribution, agro-processing and food security.	Spatial Restructuring and	Local Economic Development Strategy	Growth	3	Protection and enhancement of environmental	10	A growing, inclusive,	Develop an inclusive rural economy	Create conditions for decent living

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
and Agro-Processing		Environmental Sustainability				assets and natural resources		equitable economy		
Investment Promotion, Economic Infrastructure Development, and Economic Planning & Research	3. To Promote Investment, Economic Infrastructure Development, and Economic Planning & Research	Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	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
Enterprise and Co-operatives Development	4. To provide Support to Entrepreneurs, Co-operatives, SMMEs and Create Employment Opportunities	Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	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
Environmental and Waste Management	5. To promote a safe and healthy environment through compliance with environmental regulations	Spatial Restructuring and Environmental Sustainability	Integrated Waste Management Plan	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

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Rural Development (Tourism development and marketing)	6. To promote tourism development in the district	Spatial Restructuring and Environmental Sustainability	Tourism Development and Marketing	Growth	3	An efficient, competitive and responsive economic infrastructure network	6	A growing, inclusive, equitable economy	Promote improvement in the economy and increase employment	Create conditions for decent living
Job Creation	7. To create employment opportunities and grow the district economy.	Spatial Restructuring and Environmental Sustainability	Local Economic Development	Growth	3	Decent employment through inclusive economic growth	4	A growing, inclusive, equitable economy	Develop an inclusive rural economy	Create conditions for decent living

KPA 3: Financial Viability & Management (FVM)

Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Revenue Management	1. To effectively and efficiently manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies	Governance & Management	Tariff Policy, Investment Policy and Debt Collection Policy	Governance	4	A responsive, accountable, effective and efficient development local government system	9	Capable, conscientious and accountable institutions	Building a capable and developmental state	Ensure sound financial management

Integrated Development Plan 2023-2024

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure business processes	Governance & Management	Expenditure Management Policy	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
mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines	Governance & Management	mSCOA Implementation Plan	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
Credible Annual Financial Statements	4. To submit credible Annual Financial Statements to the Auditor General by 31 August on an annual basis	Governance & Management	GRAP Accounting Policies	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
Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier	Governance & Management	Supply Chain Management Policy	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

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
	performance management and SCM risk management									
Budget management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant	Governance & Management	mSCOA Implementation Plan	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
Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	Governance & Management	Asset Management Policy	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

KPA 4: Good Governance & Public Participation (GGPP)

Goal(s): To build a coherent district that is responsive, accountable and promotes clean governance

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Political Stability	1. To instill good governance and	Governance & Management	Public Participation Strategy	Governance	4	A responsive, accountable, effective and efficient	9	Capable, conscientious and	Building a capable and developmental state	Be well governed

Integrated Development Plan 2023-2024

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
	strengthen public participation through effective communication between Municipalities and communities					developmental local government system		accountable institutions		
Public Participation	2. To ensure effective community participation and compliance to legislation	Governance & Management	Public Participation Strategy	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
Compliance with Legislation	3. To instill good governance in all municipal operations and strengthen relations with stakeholders	Governance & Management	Public Participation Strategy	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
Risk Management & Fraud Prevention		Governance & Management	District Fraud & Corruption Strategy	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
Intergovernmental		Governance & Management	Intergovernmental	Governance	4	A responsive, accountable, effective and	9	Capable, conscientious and	Building a capable and	Be well governed

Integrated Development Plan 2023-2024

Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Relations			Relations Strategy			efficient developmental local government system		accountable institutions	developmental state	
Communications	4. To ensure effective, well-coordinated and integrated district wide communication	Governance & Management	Intergovernmental Relations Strategy	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
Strategic Planning	5. To ensure a district wide coordination of planning, implementation, monitoring and evaluation of the IDP	Governance & Management	Municipal System Act	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
Performance Management		Governance & Management	Performance Management System Policy/Framework	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
Policy, Research & Development	6. To promote innovative municipal research and development to support evidence based	Governance & Management	Policy, Research & Development	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

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Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
	planning, policy-making and enhance decision-making.									
Legal Services	7. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	Governance & Management	Good Governance & Compliance	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
Improved municipal administration	8. To improve audit opinion	Governance & Management	Internal Audit Plan	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

KPA 5: Municipal Transformation & Institutional Development

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	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
Recruitment & Selection	1. To achieve equity and diversity and	Governance & Management	Employment Equity Plan	Governance	4	Decent employment through	4	Capable, conscientious and	Promote improvement in the	Be well governed; Build and

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Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
	EE compliance in the workplace					inclusive economic growth		accountable institutions	economy and increase employment	maintain sound institutional and administrative capabilities
Human Resource Development	2. To ensure a well-trained, motivated and professional workforce	Governance & Management	Workplace Skills Plan	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
Human Resource Management	3. To provide effective and efficient human resources and integrated corporate administration support	Governance & Management	Leave Management Policy	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
Employee Health & Wellness		Governance & Management	Wellness Management	Governance	4	A long and healthy life for all South Africans	2	A healthy population	Building a capable and developmental state	Be well governed; Build and maintain sound institutional and administrative capabilities
ICT Enhancement	3. To provide effective and efficient	Governance & Management	Information Communication and	Governance	4	A responsive, accountable, effective and	9	Capable, conscientious and	Building a capable and	Be well governed;

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Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	Integrated Urban Development Framework	IUDF Code	National Outcomes (MTSF)	MTSF Code	Provincial Development Plans' Goal	National Development Plan's Goal	Back to Basics
(District Wide)	human resources and integrated corporate administration support		Technology Strategy			efficient developmental local government system		accountable institutions	developmental state	
Safety and Security		Governance & Management	Safety and Security Policy	Governance	4	All people in South Africa are protected and feel safe	3	Capable, conscientious and accountable institutions	Building a capable and developmental state	Be well governed;
Labour Relations		Governance & Management	Labour/ Employees Relations	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; Build and maintain sound institutional and administrative capabilities
Records & Archives Management		Governance & Management	Records Management Policy	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; Build and maintain sound institutional and administrative capabilities
Organisational Development		Governance & Management	Organisational Development Strategy	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; Build and maintain sound institutional and administrative capabilities

4.2.1 PERFORMANCE 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 is still operating with a performance management policy framework approved by Council in 2017, which provides for performance implementation, monitoring and evaluation at organisational as well as individual levels.

4.2.2 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:

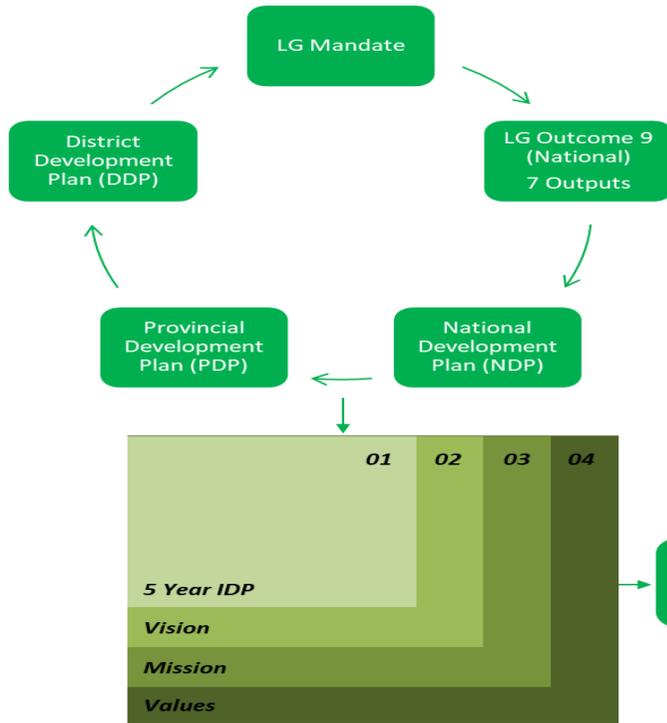
- Constitution of the Republic of South Africa (1996)
- White Paper on Local Government (1998) and Batho Pele (1998)
- The Local Government: Municipal Structures Act No. 117 of 1998 and its amendments
- The Local Government: Municipal Systems Act, No. 32 and its amendments (MSA)
- The Local Government: 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)

4.2.3 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

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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.



The KPA Model

The strategic objectives of the municipality flow from its constitutional mandate, community priorities and national and provincial objectives.

Each KPA split into Key Focus Areas (KFA's) which form a logical category for performance indicators.

Key Advantages

- Easy to understand
- Direct alignment to IDP through KPAs
- Based on National Local Government KPA's



4.2.4 Components of the Performance Management System

4.3.3.1 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.

4.3.3.2 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.

The ORTDM is still implementing monitoring and evaluation partially as the focus is still on measuring, assessment and analysis of programmes. During the 2019/20 financial year, the municipality started to conduct verification of water and sanitation infrastructure projects.

4.3.3.3 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.

4.3.3.4 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.

4.3.3.5 Status of Performance Management Committee

The ORTDM Council in 2010 took a decision to dissolve the Performance Audit Committee. Since the Municipality has been operating without a Performance Audit Committee. In 2016, the Council took a decision to include in the Audit Committee a specialist on performance management.

On a quarterly basis, the Audit Committee reviews the municipal performance and provide advice where necessary.

4.3.3.6 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 is in a process of fully implemented its PMS Policy/Framework to include implementation of individual performance management at the level of section 54 and 56 managers. The municipality will establish the Individual Performance Management unit and ensure that it is capacitated to be able to perform the function.

4.2.5 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 circular was then piloted at the district and local municipality levels in 2021/2022 financial year. The ORTDM did not participate in the pilot. The pilot was again extended to the 2022/23 financial year to accommodate municipalities that have not participated. The ORTDM is in a process of participating in 2022/23 and has planned targets for the standardised indicators provided in the circular. There has been some confusion however 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.

4.3 PRIORITY AREAS AND STRATEGIC OBJECTIVES LINKED TO NATIONAL, PROVINCIAL AND DISTRICT OUTCOMES AND PRIORITY AREAS

The table overleaf provides further detail as to how the five KPA's and seven Goals have been translated into key priority areas. Strategic Objectives have been developed to address all priority areas and explain what the ORTDM wants to achieve over the medium term. ORTDM has numerous strategies and plans, which provide further detail as to how these objectives will be realised.

ORTDM presents in the same Chapter, details of how its organisational Goals and Strategic Objectives will address Priority Issues through the tracking of progress via Key Performance Indicators and Targets. Project Information aligned to this Chapter can be found in Chapter 6. Section 25 (1) (e) of the Municipal Systems Act states that an IDP adopted by a Municipal Council must be aligned with national and provincial development plans in terms of the relevant legislation. The synergy, alignment and coordination between the various development plans and strategic imperatives of the three spheres of government (i.e. IDP, PDP, NSDP, National Outcomes Approach, etc.) is imperative in order to achieve coordination and alignment of development initiatives within the district. Table 19 indicates the alignment of ORTDM Goals and Strategic Objectives to national, provincial and district priorities and outcomes.

INSTITUTIONAL SCORE CARD FOR 2023-2024

KPA 1

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	Annual Targets					
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27	
Infrastructure, Water & Sanitation (WS)	Water & Sanitation Services	1. To provide reliable (quality) water, sanitation, energy and digital services	Integrated Services Provisioning	Water Services Development Plan	2	6	1_1_1_P001	1. Percentage compliance of Drinking water quality	P001 Water Quality	95%	95%	95%	95%	95%	
Infrastructure, Water & Sanitation (WS)			Integrated Services Provisioning	Water Services Development Plan	2	6	1_1_2_P002	2. Percentage compliance of waste water effluent quality	P002 Effluent Quality	93%	93%	93%	93%	93%	
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	1	1	1	1	1	
Infrastructure, Water & Sanitation (WS)		2. To expedite the reduction of water and sanitation backlogs	Integrated Services Provisioning	Water Services Development Plan	3	9	1_2_1_P004	1. Number of households with access to basic level of water services	P004 Access to water services	829	580	1000	1250	1500	
Infrastructure, Water & Sanitation (WS)			Integrated Services Provisioning	Water Services Development Plan	3	9	1_2_2_P005	2. Number of households with access to basic level of sanitation services	P005 Access to sanitation services	582	10000	10000	10000	10000	
Infrastructure, Water & Sanitation (WS)			Integrated Services Provisioning	Water Services Development Plan	2	9	1_2_3_P006	3. Total volume of water delivered by water trucks (megaliter)	P006 Water Carting	4058.5	20	20	20	20	
Infrastructure, Water & Sanitation (WS)			Operations & Maintenance	Integrated Services Provisioning	Operations & Maintenance	2	9	1_2_6_P007	4. Number of households with sludge removed	P007 VIP Sludge Management	497	1300	3500	4000	5000
Infrastructure, Water & Sanitation (WS)				Infrastructure Engineering	Operations & Maintenance	2	6	1_2_7_P008	5. Number of Water Treatment	P008 Maintenance	8	16	16	16	16

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)														
Goal(s): To promote integrated sustainable community livelihoods														
Goal(s): To provide conducive, adequate and accessible infrastructure														
Goal(s): To provide water and sanitation to every village/community														
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Sanitation (WS)								Works/Waste Water Treatment Works (WTW) maintained/refurbished	ce of existing water treatment works					
Infrastructure, Water & Sanitation (WS)			Integrated Services Provisioning	Operations & Maintenance	2	9	1_2_8_P009	6. Number of stand-alone schemes maintained/refurbished	P009 Maintenance/Refurbishment of stand-alone schemes	20	80	40	40	40
Infrastructure, Water & Sanitation (WS)	Water Losses	3. To reduce water losses and non-revenue water	Infrastructure Engineering	Water Conservation & Demand Management	2	6	1_3_1_P010	1. Number of bulk/zone meters refurbished/installed	P010 Water Conservation and Demand Management	5	10	15	10	10
Infrastructure, Water & Sanitation (WS)	Call Centre Management	4. To improve response time to complaints raised at the call center	Integrated Services Provisioning	Customer Care Strategy	2	11	1_4_1_P011	1. Percentage of callouts responded to within 24 hours (water & sanitation)	P011 Customer Care	100%	100%	100%	100%	100%
Infrastructure, Water & Sanitation (WS)	Roads and Transport	5. To coordinate IGR Structures and intervene in the implementation of transport, roads and electricity	Infrastructure Engineering	Integrated Transport Plan	2	9	1_5_1_P012	1. Number of quarterly RAMMS reports	P012 Roads Asset Management Program	4	4	4	4	4
Infrastructure, Water & Sanitation (WS)	Facilities Management	6. Provision of new accommodation and maintenance of municipal facilities	Infrastructure Engineering	Building Maintenance Plan	2	6	1_6_1_P013	1. Number of buildings condition assessment reports	P013 Building Condition Assessment	1	N/A	1	1	1
Infrastructure, Water & Sanitation (WS)			Infrastructure Engineering	Building Maintenance Plan	2	6	1_6_2_P014	2. Number Approved Facility Management Plans	P014 Facility Management plan	1	N/A	N/A	N/A	N/A

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)														
Goal(s): To promote integrated sustainable community livelihoods														
Goal(s): To provide conducive, adequate and accessible infrastructure														
Goal(s): To provide water and sanitation to every village/community														
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Infrastructure, Water & Sanitation (WS)			Infrastructure Engineering	Building Maintenance Plan	2	6	1_6_3_P015	3. Number of Milestones completed in maintenance of municipal facilities	P015 Building Maintenance	3	8	4	5	6
Infrastructure, Water & Sanitation (WS)	Facilities Management		Infrastructure Engineering	Disaster Management Plan	2	10	1_6_4_P016	4. Number of milestones completed towards the construction of Disaster Centre	P016 District Disaster Management Centre	2	4	4	4	4
Infrastructure, Water & Sanitation (WS)	Integrated Human Settlements	7. Coordination and Provision of Sustainable integrated Human Settlement	Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_7_1_P017	1. Number of houses built for emergency housing situations	P017 Emergency Housing	210	450	258	N/A	N/A
Infrastructure, Water & Sanitation (WS)	Integrated Human Settlements		Integrated Services Provisioning	District Human Settlements Strategy and Spatial Development Framework	2	8	1_7_2_P018	2. Number of District Human Settlements Strategy reviewed	P018 Human Settlements Strategy reviewed	1	N/A	N/A	N/A	1
Infrastructure, Water & Sanitation (WS)	Integrated Human Settlements		Integrated Services Provisioning	District Human Settlements Strategy and Spatial Development Framework	2	8	1_7_3_P019	3. Number of Local Municipalities supported to develop Housing Sector Plans	P019 Housing Sector Plans	2	2	1	N/A	N/A
Infrastructure, Water & Sanitation (WS)	Integrated Human Settlements		Integrated Services Provisioning	District Human Settlements Strategy and national Housing code	2	8	1_7_4_P020	4. Number of houses built for Social relief	P020 Social Relief	2	10	N/A	N/A	N/A
Community Services	Community Safety		8. To facilitate support in improving safety and crime reduction within the district	People Development and Demographics	District Crime Prevention Strategy	2	3	1_9_1_P021	1. Number of safety & crime prevention initiatives supported	P021 Safety & Crime Prevention Initiatives	15	20	20	20
Community Services	Municipal Health Services	9. To provide quality municipal health services	People Development	National Health Strategy	2	2	1_10_1_P022	1. Number of programmes implemented as	P022 District Municipal	11	11	11	11	11

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods
 Goal(s): To provide conducive, adequate and accessible infrastructure
 Goal(s): To provide water and sanitation to every village/community

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
		to the population of the District	and Demographics					per National Environmental Health Scope of Practice and National Environmental Health Norms and Standards	Health & Environmental Plan					
Community Services	Disaster Risk Management & Fire Services	10. Promote sustainable livelihood and climate change adaptation by improving community resilience to disaster risks	People Development and Demographics	Disaster Risk Management Strategy	2	9	1_11_1_P023	1. Percentage of destitute households supported due to disaster	P023 Disaster Impact Assessment and Relief	100%	100%	100%	100%	100%
Community Services	Disaster Risk Management & Fire Services		Spatial Restructuring and Environmental Sustainability	Fire & Emergency Strategy	2	9	1_11_2_P024	2. Percentage compliance with the required attendance time for structural firefighting incidents	P024 Compliance with Structural Fire Incidents	100%	100%	100%	100%	100%
Strategic Planning & Governance	Children & Education	11. To improve the well-being of vulnerable groups and general welfare of O.R Tambo communities	People Development and Demographics	Human Development and Social Cohesion Strategy	2	14	1_11_1_P025	1. Number of Special Programmes Unit initiatives implemented for children, young people, women, elderly, people living with disabilities, male initiation, HIV/aids and other communicable diseases	P025 Social Cohesion Programmes	87	105	105	105	105
Strategic Planning & Governance	National & International Icons Celebrations		People Development and Demographics	Human Development and Social Cohesion Strategy	2	14	1_11_2_P026	2. Number of National and Internationally aligned programmes implemented in	P026 National and International Icons celebration (Nelson	4	8	8	8	8

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KEY PERFORMANCE AREA (KPA) 1: BASIC SERVICE DELIVERY AND INFRASTRUCTURE (40%)

Goal(s): To promote integrated sustainable community livelihoods														
Goal(s): To provide conducive, adequate and accessible infrastructure														
Goal(s): To provide water and sanitation to every village/community														
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
								recognition of iconic figures	Mandela month, OR Tambo month, Youth month etc.)					

KPA 2

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	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Economic Planning & Development	Rural Development (spatial planning of the region)	1. To assist municipalities enhance land use management & spatial planning to respond to socio-economic issues.	Spatial Restructuring and Environmental Sustainability	Spatial Development Framework	1	10	2_1_1_P027	1. Number of Local Spatial Development Frameworks developed/reviewed	P027 Spatial Development Framework	2	2	2	2	2
Economic Planning & Development	Rural Development (spatial planning of the region)		Spatial Restructuring and Environmental Sustainability	Spatial Development Framework	1	10	2_1_2_P028	2. Number of SPLUMA initiatives conducted	P028 SPLUMA	5	6	3	3	3
Economic Planning & Development	Agricultural Development, Agro-Processing and Food Security	2. To boost agricultural contribution, agro-processing and food security.	Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	10	2_2_1_P029	1. Number of partnerships programmes implemented to boost agriculture and food security	P029 Agriculture and Agro-Processing Partnerships Programs	19	11	11	8	6
Economic Planning & Development	Agricultural Development and Agro-Processing		Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	10	2_2_2_P030	2. Number of Rural Agro-Industrial programmes developed and implemented	P030 RAFI (Rural Agro-Industrialisation Finance Initiative) Implementation	7	6	10	12	14

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KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)														
Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources														
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Economic Planning & Development	Investment Promotion, Economic Infrastructure Development, and Economic Planning & Research	3. To Promote Investment, Economic Infrastructure Development, and Economic Planning & Research	Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	6	2_3_1_P031	1. Number of programs implemented to grow district economy	P031 District Economy Growth Programmes	7	7	4	4	4
Economic Planning & Development	Enterprise and Co-operatives Development	4. To provide Support to Entrepreneurs, Co-operatives, SMMEs and Create Employment Opportunities	Spatial Restructuring and Environmental Sustainability	Local Economic Development Strategy	3	7	2_4_1_P032	1. Number of Programmes/Initiatives implemented to support Informal Trade, Enterprise /Co-operatives/SMMEs	P032 Informal Trade, Enterprises, Cooperatives and SMME's Support	9	18	15	15	15
Community Services	Environmental and Waste Management	5. To promote a safe and healthy environment through compliance with environmental regulations	Spatial Restructuring and Environmental Sustainability	Integrated Waste Management Strategy	2	10	2_5_1_P033	1. Tons of waste recycled	P033 Regional Recycling	285	800	2400	2400	2400
Community Services	Environmental and Waste Management		Spatial Restructuring and Environmental Sustainability		3	10	2_5_2_P034	2. Number of Environmental management projects implemented	P034 Environmental Management	18	18	18	18	18
Community Services	Environmental and Waste Management		Spatial Restructuring and Environmental Sustainability	Environmental Management Plan	2	10	2_5_3_P045	3. Number of monitoring and evaluations conducted on MIG projects in compliance with Environmental Impact Assessment (EIA) implementation	P035 Environmental Impact Assessment Screening	80	80	80	80	80
Economic Planning & Development	Rural Development (Tourism development and marketing)	6. To promote tourism development in the district	Spatial Restructuring and Environmental Sustainability	Tourism Development and Marketing	3	6	2_6_1_P036	1. Number of tourism development initiatives supported and conducted	P036 Tourism Development	21	21	34	32	30

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KEY PERFORMANCE AREA (KPA) 2: LOCAL ECONOMIC DEVELOPMENT (20%)

Goal(s): To promote rapid and sustainable economic growth within the limits of available natural resources

Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Strategic Planning & Governance	Job Creation	7. To create employment opportunities and grow the district economy	People Development and Demographics	Local Economic Development	3	4	2_7_1_P037	1. Number of work opportunities created by the municipality through Public Employment Programmes (incl. EPWP, CWP and other related employment programmes)	P037 Public Employment Programmes	3997	3998	4000	4000	4000
Strategic Planning & Governance	Job Creation		People Development and Demographics	Local Economic Development	3	4	2_7_1_P037	2. Number of full time equivalents created		New Indicator	1381	2000	2000	2000

KPA 3

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	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Budget & Treasury Office (BTO)	Revenue Management	1. To effectively and efficiently	Governance & Management	Tariff Policy, Investment Policy and	4	9	3_1_1_P038	1. Percentage Collection Rate	P038 Collection Rate	71%	71%	71%	71%	95%

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KEY PERFORMANCE AREA (KPA) 3: FINANCIAL VIABILITY AND MANAGEMENT (15%)														
Goal(s): To manage the financial viability of the OR Tambo District Municipality through sound management and good governance														
Department	Priority Area	Strategic Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Budget & Treasury Office (BTO)		manage and grow the district municipality's revenue through a mix of revenue management, enhancement and protection strategies		Debt Collection Policy										
			Governance & Management	Credit Control and Debt Collection Policy	4	9	3_1_2_P039	2. Cost coverage Rate	P039 Cost coverage	1-3 months	1-3 months	1-3 months	1-3 months	1-3 months
			Governance & Management	Cash Management Policy and Procedure	4	9	3_1_3_P040	3. Revenue collected against projections	P040 Revenue Collection	R290,9 Million	R313.6 Million	R329 Million	R344 Million	R365 Million
			Governance & Management	Rates/Tariff Policy	4	9	3_1_4_P041	4. Projected returns in high-earning future investments	P041 Cash Investment	R6,5 Million	R21.7 Million	R23 Million	R24.8 Million	R14 Million
			Governance & Management	Credit Control and Debt Collection Policy	4	9	3_1_5_P042	5. Debt coverage	P042 Debt Coverage	R 0	R 0	R 0	R 0	R 0
Infrastructure, Water & Sanitation (WS)	Expenditure Management	2. To improve the internal control environment and enhance efficiencies in expenditure business processes	Governance & Management	Expenditure Management Policy	4	9	3_2_1_P043	1. Percentage of the conditional grant spent on capital projects in the IDP	P043 Capital Budget	100%	100%	100%	100%	100%
Budget & Treasury Office (BTO)			Governance & Management	Expenditure Management Policy	4	9	3_2_2_P044	2. Percentage of payments processed within 30 days of receipt of valid invoice	P044 Payments	100%	100%	100%	100%	100%
Budget & Treasury Office (BTO)	mSCOA Implementation	3. To achieve mSCOA compliance by the district municipality in line with the National Treasury Regulations and Guidelines	Governance & Management	mSCOA Implementation Plan	4	9	3_3_1_P045	1. Number of monthly mSCOA data strings submitted to National Treasury within 10 working days	P045 mSCOA	12	12	12	12	12
Budget & Treasury Office (BTO)	Credible Annual Financial Statements	4. To submit credible Annual Financial Statements to the Auditor	Governance & Management	GRAP Accounting Policies	4	9	3_4_1_P046	1. Number of credible Annual Financial Statements submitted to Auditor General	P046 Annual Financial Statements	2	2	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	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
		General by 31 August on an annual basis						by 31 August & 30 September						
Budget & Treasury Office (BTO)	Supply Chain Management	5. To ensure the effective implementation of demand management, acquisition management, contract management, supplier performance management and SCM risk management	Governance & Management	Supply Chain Management Policy	4	9	3_5_1_P047	1. Percentage of bids awarded within 90 days after closing date	P047 Supply Chain Management	100%	100%	100%	100%	100%
Budget & Treasury Office (BTO)	Budget management	6. To ensure that the annual budget planning and preparation is sustainable, credible, funded and mSCOA compliant	Governance & Management	mSCOA Implementation Plan	4	9	3_6_1_P048	1. Number of mSCOA compliant Budgets submitted to MAYCO	P048 mSCOA compliant Budget	3	3	3	3	3
Budget & Treasury Office (BTO)	Asset Management	7. To achieve the required level of service in the most cost effective manner through the efficient management of the municipality's assets	Governance & Management	Asset Management Policy	4	9	3_7_1_P049	1. Number of GRAP compliant Asset Registers compiled/updated	P049 GRAP Compliant Asset Registers	4	4	4	4	4

KPA 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 Objective	DDM Transformation Focal Areas	Strategy	IUDF Code	MTSF Code	Indicator Code	Key Performance Indicator (KPI)	Project	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Strategic Planning & Governance	Public Participation	1. To instill good governance and strengthen public participation through effective communication between municipalities and communities	Governance & Management	Public Participation Strategy	4	9	4_1_1_P050	1. Number of Mayoral committee meetings held	P050 Mayoral Committee Operations	12	12	12	12	12
Strategic Planning & Governance			Governance & Management	Public Participation Strategy	4	9	4_1_2_P050	2. Number of Mayoral/ Service delivery imbizos held		4	4	4	4	4
Strategic Planning & Governance	Public Participation		Governance & Management	Public Participation Strategy	4	9	4_1_3_P051	3. Number of sector forum meetings held or supported	P051 Sector Engagements	28	16	16	16	16
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_4_P052	4. Number of whipperpy programmes conducted	P052 Whipperpy Programmes	4	83	83	83	83
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_5_P053	5. Number of District Chief Whips Forum Meetings held	P053 Chief Whip's & Speakers Operations	4	4	4	4	4
Strategic Planning & Governance	Political Stability		Governance & Management	Public Participation Strategy	4	9	4_1_6_P053	6. Number of District Speaker's Forum Meetings held		4	4	4	4	4
Strategic Planning & Governance	Public Participation	2. To ensure effective community participation and compliance to legislation	Governance & Management	Public Participation Strategy	4	9	4_2_1_P054	1. Number of public participation programmes conducted	P054 Public Participation	20	20	20	20	20
Strategic Planning & Governance	Municipal Oversight	3. To instill good governance in all municipal operations and strengthen relations with stakeholders	Governance & Management	Municipal Oversight Model	4	9	4_3_1_P055	1. Number of committee oversight reports developed in line with Municipal Oversight Model (MOM)	P055 Municipal Oversight Model	40	40	40	40	40
Strategic Planning & Governance	Compliance with Legislation		Governance & Management	Public Participation Strategy	4	9	4_3_2_P056	2. Number of Ordinary, Open Council and	P056 Council	88	88	88	88	88

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	Annual Targets					
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27	
Strategic Planning & Governance	Risk Management & Fraud Prevention			Governance & Management	4	9	4_3_3_P057	Committee meetings held 3. Number of Fraud & Corruption hotlines established	Operations P057 District Fraud & Corruption	1	1	N/A	N/A	N/A	
Strategic Planning & Governance				Governance & Management	4	9	4_3_4_P057	4. Number of reports on Fraud & Corruption strategy implemented	Corruption Hotline	4	4	4	4	4	
Strategic Planning & Governance				Governance & Management	4	9	4_3_5_P058	5. Number of Annual Risk Plans developed	P058 Annual Risk Assessment	1	1	1	1	1	
Strategic Planning & Governance				Governance & Management	4	9	4_3_6_P059	6. Number of quarterly risk assessment follow ups conducted	P059 Risk Follow Ups	3	4	4	4	4	
Strategic Planning & Governance				Inter-governmental Relations	Governance & Management	4	9	4_3_7_P060	7. Number of IGR quarterly reports produced	P060 Intergovernmental Relations	4	4	4	4	4
Strategic Planning & Governance				Communications	4. To ensure effective, well-coordinated and integrated district wide communication	Governance & Management	Intergovernmental Relations Strategy	4	9	4_4_1_P061	1. Number of quarterly communication programmes implemented	P061 Communication Initiatives	20	20	20
Strategic Planning & Governance	Strategic Planning	5. To ensure a district wide coordination of planning, implementation	Governance & Management	Municipal System Act	4	9	4_5_1_P062	1. Number of IDP, PMS & Budget development/revision	P062 IDP, PMS & Budget development	6	6	6	6	6	

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	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
		on, monitoring and evaluation of the IDP						ew phases conducted	ment/rev iew phases					
Strategic Planning & Governance	Performance Management		Governance & Management	Performance Management System Policy/Framework	4	9	4_5_2_P063	2. Number of institutional performance reports submitted to council	P063 Institutional Performance Reports	7	7	7	7	7
Strategic Planning & Governance	Performance Management		Governance & Management	Performance Management System Policy/Framework	4	9	4_5_3_P064	3. Number of formal performance evaluations of section 54 and 56 managers	P064 Performance Evaluations	2	2	2	2	2
Strategic Planning & Governance	Policy, Research & Development	6. To promote innovative municipal research and development to support evidence based planning, policy-making and enhance decision-making.	Governance & Management	Policy, Research & Development	4	9	4_6_1_P065	1. Number of reports on research initiatives conducted	P065 Municipal Research	1	2	2	2	2
Strategic Planning & Governance			Governance & Management	Policy, Research & Development	4	9	4_6_2_P066	2. Number of institutional policy workshops convened on the developed/reviewed policies	P066 Policy Development	2	2	2	2	2
Corporate Services	Legal Services	7. To ensure compliance with legislation, policies, regulations and to minimise exposure to avoidable litigations	Governance & Management	Good Governance & Compliance	4	9	4_7_1_P067	1. Percentage reduction in litigation cases	P067 Litigations	25%	25%	25%	25%	25%

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	Annual Targets				
										Baseline 2022/23	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
Strategic Planning & Governance	Improved municipal administration	8. To improve audit opinion	Governance & Management	Internal Audit Plan	4	9	4_8_1_P068	1. Audit Opinion	P068 Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Unqualified Audit Opinion	Clean Audit Opinion
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_8_2_P069	2. Number of follow-up quarterly reports on Internal Audit and Auditor-General issues compiled	P069 Audit Findings Follow-ups	4	4	4	4	4
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_8_3_P070	3. Number of Audit Committee meetings held	P070 Audit Committee Operations	6	6	6	6	6
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_8_4_P071	4. Number of organisations provided with Internal Audit support	P071 Internal Audit Support	3	3	3	3	3
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_8_5_P072	5. Number of risk-based internal audit plan, internal Audit charter and Audit Committee charter reviewed	P072 Internal Audit Plans	3	3	3	3	3
Internal Audit	Improved municipal administration		Governance & Management	Internal Audit Plan	4	9	4_8_6_P073	6. Number of audits conducted	P073 Institutional Audits	20	20	20	20	20

KPA 5

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	Annual Targets				
										Baseline 2022/2023	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
CORPORATE SERVICES	Human Resource Development	1. To achieve equity and diversity and EE compliance in the workplace	Governance & Management	Employment Equity Plan	4	4	5_1_1_P074	1. Number of Employment Equity reports submitted to Department of Labour	P074 Employment Equity Plan Reporting	1	1	1	1	1
CORPORATE SERVICES	Human Resource Management		Governance & Management	Recruitment and Selection Policy	4	4	5_1_2_P075	2. Number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan;	P075 Recruitment and Selection	New Indicator	12	12	12	12
CORPORATE SERVICES	Human Resource Development	2. To ensure a well-trained, motivated and professional workforce	Governance & Management	Workplace Skills Plan	4	5	5_2_1_P076	1. Number of reports on skills development initiatives conducted	P076 Workplace Skills Plan (WSP) Budget and implement	New Indicator	4	1	1	1
CORPORATE SERVICES	Human Resource Management	3. To provide effective and efficient human resources and integrated corporate	Governance & Management	Leave Management Policy	4	9	5_3_1_P077	1. Percentage reduction of leaves taken on an annual basis	P077 Leave Management	New Indicator	5%	5%	5%	5%
CORPORATE SERVICES	Employee Health & Wellness		Governance & Management	Wellness Management	4	2	5_3_2_P078	2. Number of employee wellness and occupational	P078 EAP & OHS Programmes	8	8	8	8	8

Integrated Development Plan 2023-2024

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	Annual Targets				
										Baseline 2022/2023	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
		administration support						health and safety programmes implemented						
CORPORATE SERVICES	ICT Enhancement (District Wide)		Governance & Management	Information Communication and Technology Strategy	4	9	5_3_3_P079	3. Number of ICT Risk Assessments conducted	P079 ICT Risk Assessment	1	1	1	1	1
CORPORATE SERVICES			Governance & Management	Information Communication and Technology Strategy	4	9	5_3_4_P080	4. Number of ICT Plan projects implemented	P080 ICT Annual Plan	4	4	4	4	4
CORPORATE SERVICES	Safety and Security		Governance & Management	Safety forum Policy	4	3	5_3_5_P081	5. Number of safety and security programmes conducted	P081 Safety & Security	4	4	4	4	4
CORPORATE SERVICES	Labour Relations		Governance & Management	Labour/ Employees Relations	4	9	5_3_6_P082	6. Number of industrial relations audit conducted on disciplinary code	P082 Industrial Relations Audits	4%	4	4	4	4
CORPORATE SERVICES	Labour Relations		Governance & Management	Main collective Agreement	4	9	5_3_7_P083	7. Number of Local Labour Forum and sub-committee meetings conducted	P083 Collective Bargaining	4	4	4	4	4
CORPORATE SERVICES	Records & Archives Management		Governance & Management	Records Management Policy	4	9	5_3_8_P084	8. Number of municipal file plans developed	P084 Records Management	0	1	1	1	1
CORPORATE SERVICES	Records & Archives Management		Governance & Management	Records Management Policy	4	9	5_3_9_P085	9. Number of quarterly reports on municipal files disposed	P085 Records Management	4	4	4	4	4
CORPORATE SERVICES	Munic		Governance & Management	Municipal Systems Act	4	9	5_3_10_P086	10. Number of Organisational	P086 Organisational	New Indicator	N/A	1	1	1

Integrated Development Plan 2023-2024

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	Annual Targets				
										Baseline 2022/2023	Annual Targets 2023/24	Annual Targets 2024/25	Annual Targets 2025/26	Annual Targets 2026/27
								Structure reviewed	Structure Review					
CORPORATE SERVICES	Organizational Development		Governance & Management	Change Management Strategy	4	9	5_3_11_P087	11. Number of Change Management initiatives conducted	P087 Change Management	New Indicator	4	4	4	4

CHAPTER 5 - FINANCIAL PLAN

5.1 INTRODUCTION

The purpose of this chapter is to outline a comprehensive multi-year financial plan that will ensure long-term financial sustainability for O.R Tambo District Municipality. The Financial Plan is essential to ensure that the Municipality continues to implement its mandate effectively without eroding its capital base and to move towards self-sufficiency in meeting the growing demands of service delivery.

A Medium-term Revenue and Expenditure Framework (MTREF) is prepared for a planning period of five years, paying particular attention to new and replacement infrastructure investment, which is an important developmental component of the IDP. O.R Tambo District Municipality's Long-term Financial Outlook is looking at a long-term horizon into the future with the focus on greater financial health and sustainability making collaboration of capital investment projects with other levels of government and private sector investors much easier.

This Financial Plan will also focus on the expansion of O.R Tambo's revenue sources in relation to its costs to ensure that the Municipality stays a financial viable and sustainable going concern. The O.R Tambo District Municipality must utilise available financial resources in an effective, efficient and economical way to ensure that outputs have the desired outcomes as set out in Chapter 4 of the IDP. The financial strategies detailed in this plan must contribute to the achievement of these objectives.

Budgets in terms of National Treasury's Municipal Budget and Reporting Regulations only need to cover a planning period of the next financial year and the two outer financial years thereafter. However, the MTREF and the multi-year sustainable financial plan will cover key budget focus areas over the next five years and even longer. It will also cover the current financial year's information as well as the previous three financial years' audited information.

The District municipality is also in a process of clearing backlogs as payment of creditors. Delays emanated from the financial crisis that the municipality find itself into. A Section 216 of the Constitution intervention which led to withholding of grants made it difficult to service creditors but payment arrangements were made with Department of Water Service and King Sabata Dalindyebo in that regard.

5.2 ALIGNMENT WITH NATIONAL AND PROVINCIAL PRIORITIES

The budget must be aligned with the National and Provincial Priorities. The following key policy parameters are considered in the development of the MTREF Budget for the Municipality.

- National Development Plan (overarching development vision for the country)
- State of the Nation Address
- National Budget Speech
- State of the Province Address
- Provincial Budget Speech
- Sector Departments (National and Provincial) Budget Speeches
- Division of Revenue Act
- National Treasury Budget Assumptions (MFMA Circular 93)

In order to ensure integrated and focused service delivery between all spheres of government it was therefore important for the District Municipality to align its budget priorities with those of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

The following budget principles and guidelines directly informed the compilation of the 2023/24 MTREF:

- The 2022/23 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 2023/2024 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 2023/24 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).

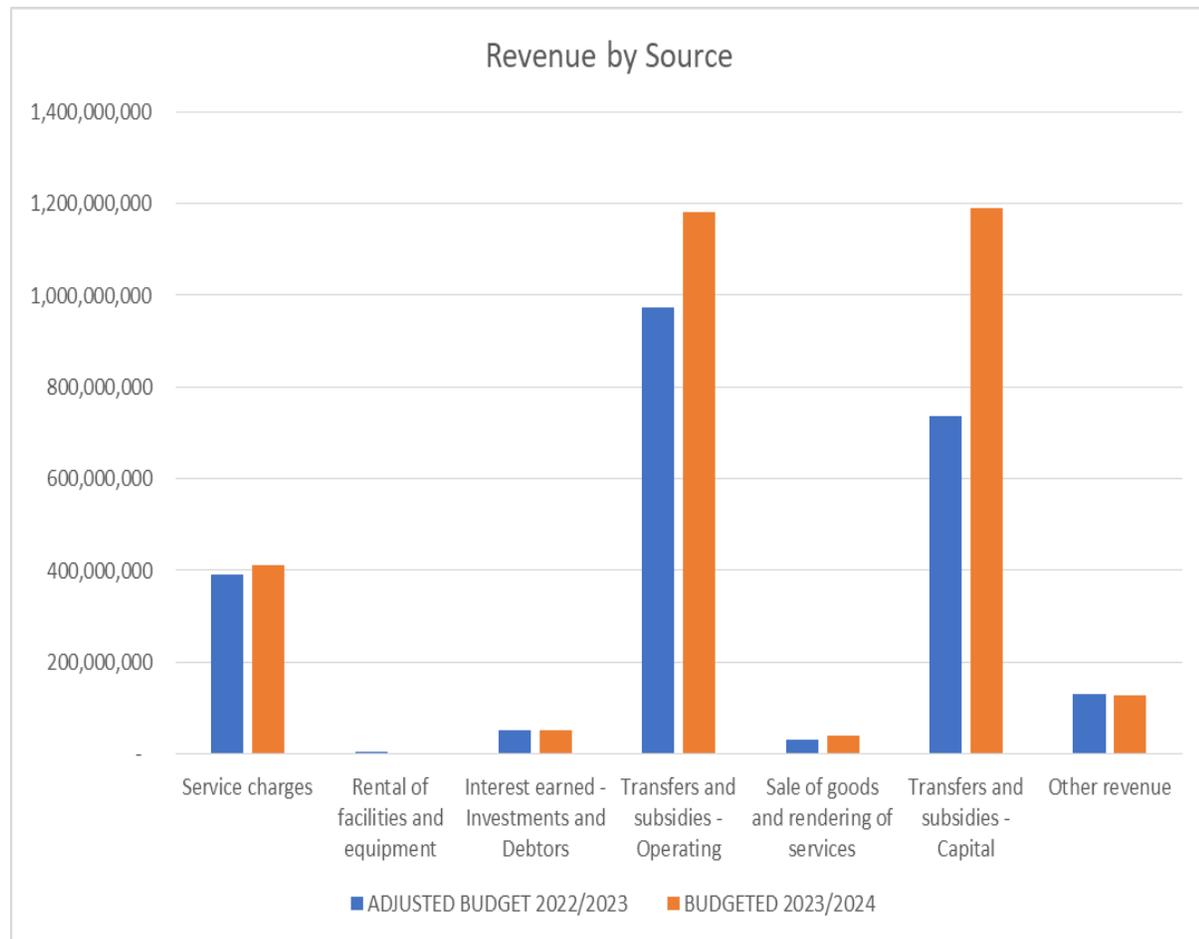
Regulation 10 of the Municipal Budget Reporting Regulations states that:

- 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 20: Sources of Revenue

ACCOUNT DESCRIPTION	BUDGETED 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2025/2026
Service charges	386,847,918	386,847,918	407,350,858	427,311,050	447,394,669
Service charges Peri Urban	3,600,000	3,600,000	3,790,800	3,976,549	4,163,447
Rental of facilities and equipment	3,294,792	3,225,002	40,000	42,000	44,100
Sale of goods and rendering of services	30,935,349	30,935,349	38,520,304	41,279,118	46,179,971
Interest earned - Investments and Debtors	27,250,000	50,750,000	52,030,000	54,818,800	58,156,344
Transfers and subsidies - Operating	1,114,766,213	973,638,213	1,182,672,216	1,248,704,407	1,316,007,992
Transfers and subsidies - Capital	1,031,274,000	736,072,023	1,190,908,557	1,271,959,000	1,345,412,000
Other revenue	129,717,468.00	129,717,468.00	128,776,490.00	133,641,113.00	146,995,449.00
TOTAL REVENUE	2,727,685,740	2,314,785,973	3,004,089,225	3,181,732,037	3,364,353,972

Figure 8: Graphic Illustration of revenue



Revenue comprises of 79 percent of government grants and transfers recognized being:

- Equitable share – R1.1 billion
- Finance Management Grant – R2 million
- Extended Public Works Program – R6.8 million
- Municipal Infrastructure Grant – R764.7 million.
- Water Services Infrastructure Grant – R80 million
- Regional Bulk Infrastructure Grant – R160.8 million
- Emergency Housing Grant – R182.1 million
- Rural Roads Asset Management – R3.1 million

Service Charges of 14 percent being: -

- Water and Sanitation - R407.3 million
- Water Services Charges Peri Urban R3.7 million

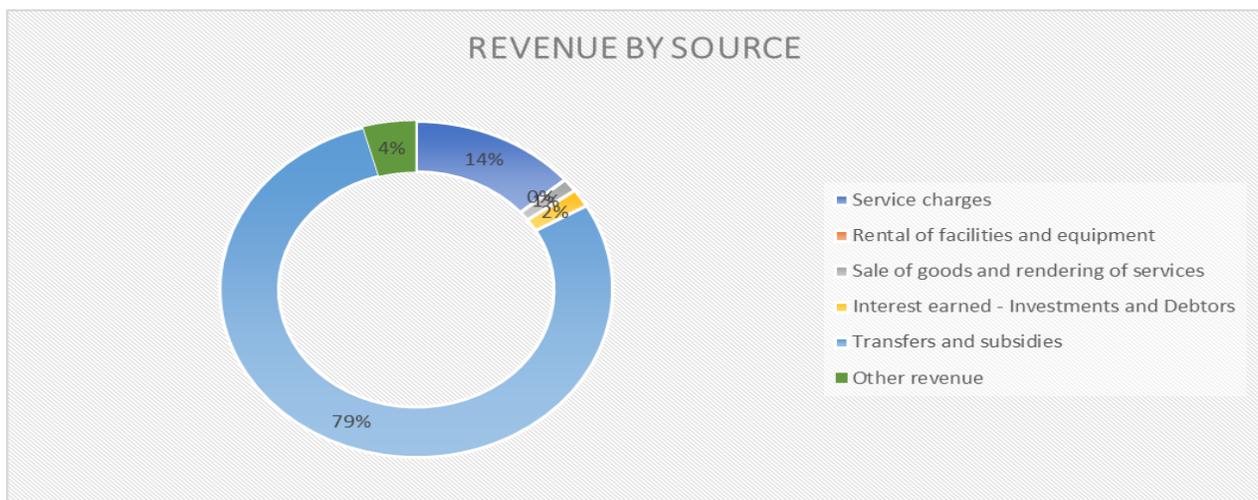
Interest received of 2 percent being: -

- Interest received from investments – R30 million
- Interest received from debtors – R22 million

Other own revenue of 5 percent being: -

- Vat refund- R128.5 million
- Sale of goods and rendering of services RR38.5 million
- Agency fees- R230 555

Figure 9: Total Revenue



The municipality is reliant on government grants and subsidies being 79 percent of revenue as depicted above.

Figure 10: Sources of funding

DESCRIPTION	BUDGETED 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2025/2026
OWN REVENUE	604,975,740	513,203,973	680,061,668	713,595,037	758,611,972
GRANT REVENUE	2,122,710,000	1,801,582,000	2,324,027,557	2,468,137,000	2,605,742,000
TOTAL REVENUE	2,727,685,740	2,314,785,973	3,004,089,225	3,181,732,037	3,364,353,972

Figure 11: Service Charges Collection

ACCOUNT DESCRIPTION	BUDGETED 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2025/2026
Service charges	390,447,918	390,447,918	411,141,658	431,287,599	451,558,116
Interest earned-Debtors	20,750,000	20,750,000	22,030,000	23,348,800	25,207,254
Gross Service Charges	411,197,918	411,197,918	433,171,658	454,636,399	476,765,370
Less: Debt Impairment	- 120,290,211	- 105,290,211	- 127,507,624	- 133,755,497	- 140,042,006
	290,907,707	305,907,707	305,664,034	320,880,902	336,723,364

The gross revenue for service charges in original equals to R390.4 million and adjustment budget equals to R390.4 million relating to 2022/23 with interest on outstanding debtors of R20.7 million resulting in the gross service charges anticipated to be R411.1 million in original budget and R411.1 million in adjustment budget. For the 2023/24 MTREF, the gross revenue for services charges amounts to R433.1 million, R454.6 million and R476.7 million respectively. The anticipated debt impairment for 2023/24 MTREF amounts to R127.5 million, R133.7 million and R140 million respectively. Resulting in the anticipated collections being R305.6 million, R320.8 million and R336.7 million.

Peri Urban Billing

In order to expand revenue base, the peri urban areas will be billed. A study has been conducted where the data was collected for businesses and households' then public participation will be conducted in order to communicate with the communities the intention to bill. An amount of R3.7 million has been budgeted for in 2023/2024. The projection of a flat rate for business consumers of R600 to R2500 is anticipated hence the budget. The billing will be focusing on businesses. For 2024/2025 budgeted R4 million and R4.3 million for 2025/2026.

5.4.1 Tariffs

Categories	2023/24	2023/24	2024/25
Households	5.3%	4.9%	4.7%
Business	5.3%	4.9%	4.7%
Government	5.3%	4.9%	4.7%

The proposed tariff increase is 5.3 percent for residential, 5.3 percent for business and 5.3 percent for government during 2023/24. The Tariff policy is attached.

Table 21: Operating expenditure comprises of the following

ACCOUNT DESCRIPTION	ORIGINAL BUDGET 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2024/2025
Employee related costs	740,533,566.00	740,533,566.00	770,920,204.00	809,137,069.00	845,447,567.00
Remuneration of councillors	24,229,363.00	24,329,363.00	25,513,521.00	26,763,685.00	28,021,577.00
Debt impairment	120,290,211.00	105,290,211.00	127,507,624.00	133,755,497.00	140,042,006.00
Depreciation & asset impairment	190,461,137.00	170,461,137.00	239,348,973.00	245,196,721.00	253,500,122.00
Bulk purchases/Inventory consumed	68,244,694.00	68,244,694.00	81,146,395.00	83,375,050.00	86,139,152.00
Contracted services	95,412,531.00	136,156,997.00	157,453,189.00	168,378,091.00	176,089,482.00
Transfers and subsidies	58,773,215.00	62,393,215.00	67,113,215.00	70,946,848.00	74,964,193.00
Other expenditure	153,850,291.00	190,938,693.00	212,506,684.00	210,731,447.00	220,539,456.00
TOTAL EXPENDITURE	1,451,795,008.00	1,498,347,876.00	1,681,509,805.00	1,748,284,408.00	1,824,743,555.00

Operating expenditure is projected to increase by R183.1 million being 12 percent for the 2023/24 financial year when compared to adjustment budget. For the two outer years, operational expenditure will increase by 4 percent, in 2024/25 and increase by 4 percent in 2025/26.

The analysis as per line items is explained as follows:

5.4.1.1 Personnel Expenditure

Employee costs is projected to increase by R30.3 million which is 4 percent more from the adjustment budget. This is mainly due to the increment of 5.3 percent being projected. The budgeting for the filling of critical vacant posts was already included in the adjustment budget therefore the increase of 5.3 percent has also been effected in the budget for critical posts.

Then subsequently increase for the outer years is 4.9 and 4.7 percent respectively.

Remuneration to Councilors increased by R1.2 million which is 5 percent as compared to adjustment budget this is to cater for the upper limits for the remuneration of councilors.

Employee related costs are 46% of the total operating expenditure. This is above the norm of 25% to 40% of total operation expenditure.

The municipality is currently reviewing the two task grades up which was implemented to all employees by exploring the two task grades to be a non-pensionable allowance while waiting for the results of the job evaluation. In doing so it will save the municipality from an increase of pension and 13th cheque. Travelling and cellphone allowances will also be reviewed as per eligibility of employees.

5.4.1.2 Bulk Purchases

Bulk purchases (water) increased by R12.9 million from R68.2 million to R81.1 million which is 19 percent.

5.4.1.3 Repairs and Maintenance

Repairs and maintenance has increased by R1.1 million as compared to adjustment budget for 2022/23.

Integrated Development Plan 2023-2024

BUILDINGS & INSTALLATIONS	2,586,778.17	2,586,778.17	2,500,000.00	2,622,500.00	2,745,757.50
SURVEILLANCE EQUIPMENT MAINTENANCE	500,000.00	350,000.00	150,000.00	157,350.00	164,745.45
IT EQUIPMENT REPAIRS	-	-	-	-	-
LAND & FENCES	-	-	-	-	-
SEWERAGE RETICULATION	1,500,000.00	-	-	5,000,000.00	5,000,000.00
WATER PUMP STATIONS	-	-	3,000,000.00	3,147,000.00	3,294,909.00
SUPPORT TO STRATEGIC ROADS	300,000.00	300,000.00	2,000,000.00	2,098,000.00	2,196,606.00
MATERIALS AND STORES	8,000,000.00	8,770,000.00	10,000,000.00	10,490,000.00	10,983,030.00
NTINGA REPAIRS AND MAINTENANCE OF STANDALONE SCHEME	-	-	-	-	-
VIP SLUDGE SUCKING	5,000,000.00	7,200,000.00	5,000,000.00	5,245,000.00	5,491,515.00
MUNICIPAL DISASTER RELIEF EXPENDITURE	-	46,872,000.00	-	-	-
SPRING PROTECTION	-	800,000.00	2,000,000.00	2,098,000.00	2,196,606.00
TOOLS & EQUIPMENT	-	-	-	-	-
MAINTENANCE OF PIPE LEAKS	-	-	5,000,000.00	5,245,000.00	5,491,515.00
SEALING OF RESERVOIRS	-	-	1,000,000.00	1,049,000.00	1,098,303.00
MOTOR VEHICLES	2,415,323.00	1,415,323.00	2,400,000.00	2,517,600.00	2,635,927.20
ENERGY REDUCTION USAGE	-	-	-	-	-
UNIVERSAL ACCESS TO DIGITAL	-	-	-	-	-
INFRASTRUCTURE/FEASIBILITY STUDIES	2,000,000.00	-	-	-	-
CENTRAL STORE - PLUMBING MATERIAL (DESIN+CONSTRUCTION)	-	-	-	-	-
M&E WORKSHOP (DESIGNS+CONSTRUCTION)	-	-	-	-	-
DATA HUB CENTRE/DEVELOP SERVER/CLOUD/APPLICATION NETWORK LICENSE	-	-	-	-	-
EXPLORING/PILOTING NEW TECHNOLOGY ON SLUDGE ENERGY CREATION/METHANE GAS	2,000,000.00	-	-	-	-
TOTAL REPAIRS & MAINTENANCE	24,302,101.17	68,294,101.17	69,392,000.00	77,792,208.00	81,213,441.78

The percentage of repairs and maintenance in relation to total operating expenditure is 4 percent. The norm that National Treasury recommends is 8 percent of repairs and maintenance to total operating expenditure.

5.4.1.4 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 R21.2 million being 16 percent of the adjustment budget.

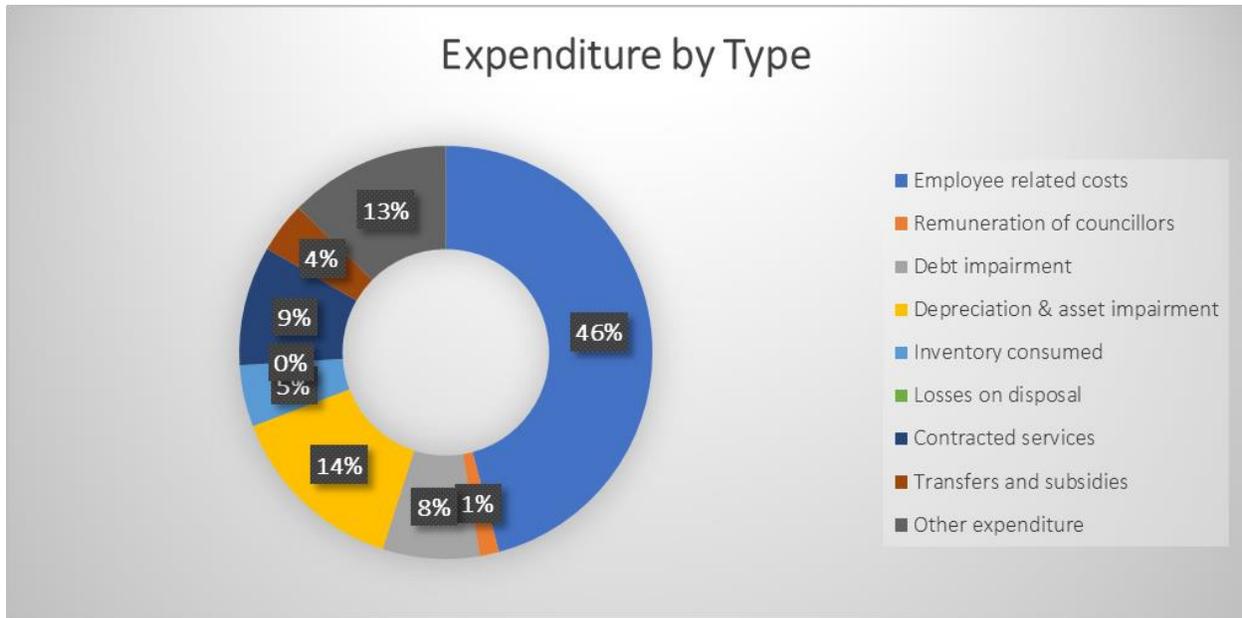
5.4.1.5 Grants and Subsidies paid

Comprises of transfers to Ntinga Development Agency and allocation, support to local municipalities and programs for the benefit of the local communities. Increase of R4.7 million being 8 percent. The increase is due to increase in water carting and social relief budget as compared to the adjustment budget.

5.4.1.6 Other Expenditure

Other expenditure increased by R21.5 million which resulted in 11 percent increase as compared to adjustment budget. This is mainly due to the provision for creditors and commitments.

Figure 12: Expenditure by Type



Capital expenditure increased by R453.6 million as compared with adjustment budget resulting in 56 percent increase. The main reasons for the increase are the municipality had adjustments from 2022/23 of R295 million that appropriated in the adjustment budget for 2022/2023 because of non-performance and that caused the capital expenditure to decrease during the adjustment.

Capital expenditure is mainly comprised of :-

New Assets –

- Municipal Infrastructure Grant - R764.7 million
- Regional Bulk Infrastructure Grant - R160.8 million
- Water Services Infrastructure Grant - R80 million
- Motor Vehicles - R7 million
- Network Infrastructure upgrade - R20 million

- Fire Fighting Equipment - R17 million
- Disaster facilities - R9.4 million
- Furniture & Office Equipment - R2 million
- Smart Meters - R2.5 million

Asset Renewal (replacement) –

- Water Pump Stations - R1.5 million
- Element of Treatment Works - R2 million
- Borehole Exploration and development - R3.1 million

Figure 13: Capital Expenditure

DESCRIPTION	BUDGETED 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2025/2026
CAPITAL EXPENDITURE	1,104,347,034	812,499,057	1,266,106,018	1,350,753,137	1,427,863,483

Figure 14: Grant Allocation over 2023/2024 MTREF

DESCRIPTION	BUDGETED 2022/2023	ADJUSTED BUDGET 2022/2023	ORIGINAL BUDGET 2023/2024	BUDGETED 2024/2025	BUDGETED 2025/2026
EQUITABLE SHARE	1,051,671,000.00	863,671,000.00	1,124,310,000.00	1,194,178,000.00	1,258,230,000.00
FMG	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,100,000.00
EPWP	11,542,000.00	11,542,000.00	6,809,000.08	-	-
MIG	730,131,000.00	650,131,000.21	764,752,000.00	801,594,000.00	839,997,000.00
RBIG	200,000,000.00	100,000,000.00	160,849,000.00	317,444,000.00	365,536,000.00
WSIG	76,223,000.00	76,223,000.00	80,000,000.00	130,625,000.00	136,435,000.00
MUNICIPAL DISASTER RELIEF GRANT	-	46,872,000.00	-	-	-
EMERGENCY HOUSING GRANT	48,000,000.00	48,000,000.00	182,152,556.61	19,000,000.00	-
INFORMAL SETTLEMENT UPGRADE GRANT	-	-	-	-	-
RRAMS	3,143,000.00	3,143,000.00	3,155,000.00	3,296,000.00	3,444,000.00
	2,122,710,000	1,801,582,000	2,324,027,557	2,468,137,000	2,605,742,000

5.4.2 PAST FINANCIAL PERFORMANCE

2019/2020 Audited Results

The municipality obtained a **Qualified Audit Opinion** in the 2021/22 financial year.

2021/22 Mid-Year Performance Results

The mid-year performance results are as follows:

Table 23: Capital Expenditure

Description	Original Budget	YTD Projection	YTD Actual Outcome	Mid Year Projection	Actual Outcome	Mid Year Variance	Mid Year Variance %
MIG	730,131,000	332,131,000	199,699,803	332,131,000	199,699,803	132,431,197	39.87%
Other Capital Expenditure	318,343,000	194,250,294	63,080,522	194,250,294	63,080,522	131,169,772	67.53%
Total	1,048,474,000	526,381,294	262,780,325	526,381,294	262,780,325	263,600,969	50.08%

Table 24: Operating Expenditure

Description	Original Budget	YTD Projection	YTD Actual Outcome	Mid Year Projection	Actual Outcome	Mid Year Variance	Mid Year Variance %
Employee Costs	690,211,107	345,106,524	343,333,140	345,106,524	343,333,140	1,773,384	0.51%
Councillor Remuneration	24,229,363	12,114,702	8,284,361	12,114,702	8,284,361	3,830,341	31.62%
Inventory consumed	68,244,694	33,500,010	24,352,856	33,500,010	24,352,856	9,147,154	27.30%
Contracted Services	90,466,738	45,734,258	45,553,288	45,734,258	45,553,288	180,970	0.40%
Grants and Subsidies	58,773,215	30,846,610	27,839,855	30,846,610	27,839,855	3,006,755	9.75%
Other Expenditure	436,001,596	227,260,568	95,066,507	227,260,568	95,066,507	132,194,061	58.17%
Total	1,367,926,713.00	694,562,672	544,430,006	694,562,672	544,430,006	150,132,666	21.62%

5.4.3 OVERVIEW OF BUDGET RELATED POLICIES

The District review its statutory policies annually and the last adoption by Council was at the end of May 2023. 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

Portion of the Credit control policy which gets gazetted with Water Services policies and a submission was made. Water Services directorate has started the Gazette process which will be finalized in 2023.

5.4.3.1 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.

5.4.3.2 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 Budget and Virement Policy has been approved by the council.

5.4.3.3 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.

The municipality's revenue collection from its consumers is about 68 %

5.4.3.4 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 5.3% for households, business

and government respectively for the 2023/24 financial year. With the introduction of MSCOA costing methodology as prescribed by the National Treasury, the municipality is in a process of determining the cost of providing services which will be used as the basis of determining the new tariffs.

5.4.3.5 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 R176 million, the District Municipality requires this amount (R176 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 fund of R69.4 million for asset renewal. As the District Municipality is experiencing a 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.

CHAPTER 6 – SERVICE DELIVERY PROGRAMMES AND PROJECTS 2023/2024

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 panning 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 DRAFT PROJECT IMPLEMENTATION PLAN

6.2.1 Municipal Infrastructure Grant (MIG)

Local Municipality	Project Title	Registered MIG Funds	Total Expenditure April 2022	2022/2023 FY Budget allocation	Total planned expenditure on MIG for 2023/24
Ingquza Hill LM	Msikaba Regional Water Supply - Feasibility Study	5 318 682	0	0	0
Ingquza Hill & PSJ LM	KwaNyathi Regional Water	6 491 585	0	0	0
King Sabatha Dalindyebo LM	Coffee Bay Regional Water Supply scheme 3B	104 594 808	275 897	3 016 906	3 016 906
King Sabatha Dalindyebo LM	Extension of Upper Mhlahlane Water Supply	224 775 681	2 790 560	3 000 000	3 000 000
King Sabatha Dalindyebo LM	Mqanduli Secondary Bulk Water Supply	615 634 931	36 358 391	0	0
Mhlontlo LM	Sidwadweni Water Supply Phase 5 Remainder	203 961 738	0	3 000 000	3 000 000
King Sabatha Dalindyebo LM	Lukhwethu RWS	345 540 588	160 000 000	0	0
Nyandeni LM	Rosedale Extension to Libode Water Supply - village reticulation	256 482 994	1 667 599	1 500 000	1 500 000
Nyandeni LM	Libode Secondary Bulk Water Supply	101 320 107	0	1 200 000	1 200 000
Nyandeni LM	Ngqeleni Secondary Bulk Water Supply	104 954 146	2 581 165	0	0
Nyandeni LM	Ntsonyeni Ngqongweni Regional Water Supply Scheme Phase 2A	970 117 805	25 250 799	5 500 000	5 500 000
Nyandeni LM	Dumasi Regional Water Supply - Study	366 503 193	0	6 000 000	6 000 000

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Port St Johns LM	Port St Johns Regional Water Supply Scheme Phase 6	63 660 359	2 557 332	0	0
Ingquza Hill LM	Lusikisiki Water Supply	9 625 730	0	0	0
Ingquza Hill LM	Flagstaff Regional Water Supply	222 058 327		0	0
Nyandeni LM	Nyandeni Ward 12 Sanitation	14 363 982	0	0	0
Nyandeni LM	Nyandeni Ward 5 Sanitation	23 228 524	0	0	0
Nyandeni LM	Nyandeni Ward 1 Sanitation	7 441 565	0	0	0
Mhlontlo LM	Mhlontlo Ward 10 Sanitation	21 912 322	0	0	0
Mhlontlo LM	Mhlontlo Ward 17 Sanitation	13 580 279	0	0	0
Mhlontlo LM	Mhlontlo Ward 13 Sanitation	32 816 111	0	0	0
KSD LM	KSD Ward 35 Sanitation	11 455 176	0	0	0
Ingquza Hill LM	Ingquza Hill Ward 20 Sanitation	8 948 103	0	0	0
Port St Johns LM	Port St Johns Ward 19 Sanitation	14 174 299	0	0	0
Port St Johns LM	Port St Johns Ward 2 Sanitation	9 326 146	0	0	0
Port St Johns LM	Port St Johns Ward 20 Sanitation	9 205 835	0	0	0
Nyandeni LM	Nyandeni Ward 10 Sanitation	13 908 500	0	0	0
Ingquza Hill LM	Ingquza Hill Ward 30 Sanitation Phase2	6 013 573	0	0	0
KSD LM	KSD Ward 17 Sanitation	60 161 439	0	2 000 000	2 000 000
Mhlontlo LM	Mhlontlo Ward 14 Sanitation	7 686 145	0	0	0
Mhlontlo LM	Mhlontlo Ward 23 Sanitation	6 589 397	0	0	0
Ingquza Hill LM	Ingquza Hill Ward 5 Sanitation	8 140 288	0	0	0
Ingquza Hill LM	Ingquza Hill Ward 26 Sanitation Phase2	11 305 314	0	0	0
Ingquza Hill LM	Ingquza Hill Ward 7 Sanitation	7 041 635	0	0	0
Nyandeni LM	Nyandeni Ward 27 Sanitation Phase2	6 183 324	0	0	0

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Nyandeni LM	Nyandeni Ward 30 Sanitation	34 643 128	0	0	0
Port St Johns LM	Port St Johns Ward 4 Sanitation	14 591 524	0	0	0
-					
Ingquza Hill LM	Extension of Flagstaff Eradication of Bucket System Phase 2	69 349 748	0	0	0
Ingquza Hill LM	Lusikisiki Sewers & Waste Water Treatment Works Phase 2	136 760 000	10 101 706	3 000 000	3 000 000
Port St Johns LM	Port St Johns Waste Water Treatment Works Upgrade	246 693 151	0	3 000 000	3 000 000
King Sabatha Dalindyabo LM	Ncamedlana Sewer	66 463 972	392 196	2 500 000	2 500 000
Nyandeni LM	Libode Sewer - Phase 2	226 967 325	0	3 000 000	3 000 000
-					
Mhlontlo LM	Upgrading of of the Tsolo Town Sewer Reticulation	120 543 988	0	0	0
Ingquza Hill LM	Flagstaff Sewers and Sewage Facility	73 445 578	0	3 000 000	3 000 000
Mhlontlo LM	Qumbu Waste Water Treatment Plant and reticulation	85 342 243	0	5 000 000	5 000 000
Nyandenini LM	Ngqeleni Waste Water Treatment Plant and Conveyences -Planning	5 210 174	0	0	0
				1 900 000	1 900 000
				49 616 906	49 616 906

6.3 2023 – 2024 BUDGET AND MEDIUM TERM AND EXPENDITURE FRAMEWORK (MTEF)

- Equitable Share – R 1.1 billion
- Finance Management Grant – R 2 million
- Extended Public Works Program – R 764. 7 million
- Municipal Infrastructure Grant – R 80 million
- Regional Bulk Infrastructure Grant – R160.8 million
- Rural Roads Asset Management – R 3.1 million

6.4 KSD LOCAL MUNICIPALITY

MIG PROJECTS

Local Municipality	Project Title	Ward and Villages	Project Type	Project Status	2022/2023 FY Budget allocation
King Sabatha Dalindyebo LM	Coffee Bay Regional Water Supply scheme 3B	Ward 23 Villages (Now 24 &25)	Water	33% Construction	31,316,906
King Sabatha Dalindyebo LM	Mqanduli Corridor (KSD Presidential Initiative : Mthatha Regional Water Supply – Thornhill to Mqanduli via Viedgesville)	ward 29	Water	98% Construction	0
King Sabatha Dalindyebo LM	KSD PIP: Mthatha Central and Airport Corridor	ward 11	Water	95% Construction	3,500,000
King Sabatha Dalindyebo LM	Extension of Upper Mhlahlane Water Supply	Ward 15,31 & 34 to supplement the Upper Mhlahlane Villages	Water	40% Construction	50,000,000
King Sabatha Dalindyebo LM	Mqanduli Secondary Bulk Water Supply	Qweqwe, Vigdesville, Zwelitsha,	Water	76% Construction	3,000,000
King Sabatha Dalindyebo LM	Lukhwethu RWS	Ward 19,35,28	Water	50% Construction	25,000,000

				- 9 x contracts recently awarded	
King Sabatha Dalindyebo LM	Mqanduli Sewer	Mqanduli Town	Water	90% Construction	0
King Sabatha Dalindyebo LM	KSD Ward 18 Sanitation	Ward 18	Sanitation	Construction Q1 -Rétention Q 2&3	0
KSD LM	KSD Ward 35 Sanitation	KSD Ward 35	Sanitation	Awarded	2,396,645
KSD LM	KSD Ward 17 Sanitation	KSD Ward 17	Sanitation	Tender Closed	28,500,000
King Sabatha Dalindyebo LM	Ncamedlana Sewer	Ncamedlana	Water Borne Sanitation	Detailed design	23,400,000

6.5 MHLONTLO LOCAL MUNICIPALITY

MIG PROJECTS

Local Municipality	Project Title	Ward and Villages	Project Type	Project Status	2022/2023 FY Budget allocation
Mhlontlo LM	Sidwadweni Water Supply Phase 5 Remainder	Bulembu ,Bhongweni, Balasi	Water	WCDM & WTW Design	35,000,000
Mhlontlo LM	Mhlontlo Ward 21 Sanitation	Ward 21	Sanitation	Construction Q2 -Retention Q 3&4	0
Mhlontlo LM	Mhlontlo Ward 10 Sanitation	Mhlontlo Ward 10	Sanitation	Awarded	2,000,000
Mhlontlo LM	Mhlontlo Ward 17 Sanitation	Mhlontlo Ward 17	Sanitation	Awarded	3,000,000
Mhlontlo LM	Mhlontlo Ward 13 Sanitation	Mhlontlo Ward 13	Sanitation	Awarded	4,000,000

Mhlontlo LM	Mhlontlo Ward 14 Sanitation	Mhlontlo Ward 14	Sanitation	Tender Closed	4,000,000
Mhlontlo LM	Mhlontlo Ward 23 Sanitation	Mhlontlo Ward 23	Sanitation	Tender Closed	4,000,000
Mhlontlo LM	Upgrading of of the Tsolo Town Sewer Reticulation	Tslo Town	Water Borne Sanitation	5% Construction - 2 x Contracts Awarded	22,500,000
Mhlontlo LM	Qumbu Waste Water Treatment Plant and reticulation	Qumbu Town	Water Borne Sanitation	Detailed design	48,000,000

6.6 INGQUZA HILL LOCAL MUNICIPALITY

MIG PROJECTS

Local Municipality	Project Title	Ward and Villages	Project Type	Project Status	2022/2023 FY Budget allocation
Ingquza Hill LM	Msikaba Regional Water Supply - Feasibility Study	Ward 22,23,24,25,28	Water	Presented to ECTAC	0
Ingquza Hill & PSJ LM	KwaNyathi Regional Water	Ward 01,13,17,18,19,21,20,3	Water	Presented to ECTAC	0
Ingquza Hill LM	Lusikisiki Water Supply	Lusikisiki Town	Water	Design	3,000,000
Ingquza Hill LM	Flagstaff Regional Water Supply	Flagstaff Town , Ludiwana	Water	98% Construction	2,000,000
Ingquza Hill LM	Ingquza Hill Ward 20 Sanitation	Ingquza Hill Ward 20	Sanitation	Awarded	1,200,000
Ingquza Hill LM	Ingquza Hill Ward 30 Sanitation Phase2	Ingquza Hill Ward 30	Sanitation	Tender Closed	3,513,573
Ingquza Hill LM	Ingquza Hill Ward 5 Sanitation	Ingquza Hill Ward 5	Sanitation	Tender Closed	5,000,000
Ingquza Hill LM	Ingquza Hill Ward 26 Sanitation Phase2	Ingquza Hill Ward 26	Sanitation	Tender Closed	5,000,000

Ingquza Hill LM	Ingquza Hill Ward 7 Sanitation	Ingquza Hill Ward 7	Sanitation	Tender Closed	4,500,000
Ingquza Hill LM	Extension of Flagstaff Eradication of Bucket System Phase 2	Greater Flagstaff	Water Borne Sanitation	90% Construction	14,100,000
Ingquza Hill LM	Lusikisiki Sewers & Waste Water Treatment Works Phase 2	ward 15	Water Borne Sanitation	50% Construction	28,970,741
Ingquza Hill LM	Flagstaff Sewers and Sewage Facility	Flagstaff Town	Water Borne Sanitation	Detailed design	29,600,000

6.7 NYANDENI LOCAL MUNICIPALITY

MIG PROJECTS

Local Municipality	Project Title	Ward and Villages	Project Type	Project Status	2022/2023 FY Budget allocation
Nyandeni LM	Rosedale Extension to Libode Water Supply - village reticulation	Bhukwini, Dalaguba, Didi	Water	80% Construction	25,000,000
Nyandeni LM	Libode Secondary Bulk Water Supply	Empangala, Mafengwini, Ngxokweni	Water	Tender Closed - 1 x Contract closed	17,200,000
Nyandeni LM	Ngqeleni Secondary Bulk Water Supply	Bomvini, Lutsheko, Polini	Water	75% Construction	4,000,000
Nyandeni LM	Ntsonyeni Ngqongweni Regional Water Supply Scheme Phase 2A	Darhana, Bakaleni, Bholani	Water	35% Construction	62,500,000
Nyandeni LM	Dumasi Regional Water Supply - Study	Bantingville, mandlovini, Maqanyeni	Water	Tender Closed - 4 x Contract closed	87,000,000

Nyandeni LM	KSD PIP: Ngqeleni & Libode Corridors	Enji veni B,Kwazulu, Magcakini	Water	98% Construction	0
Nyandeni LM	Nyandeni Ward 12 Sanitation	Nyandeni Ward 12	Sanitation	Awarded	5,000,000
Nyandeni LM	Nyandeni Ward 5 Sanitation	Nyandeni Ward 5	Sanitation	Awarded	3,000,000
Nyandeni LM	Nyandeni Ward 1 Sanitation	Nyandeni Ward 1	Sanitation	Awarded	1,500,000
Nyandeni LM	Nyandeni Ward 10 Sanitation	Nyandeni Ward 10	Sanitation	Tender Closed	10,000,000
Nyandeni LM	Nyandeni Ward 27 Sanitation Phase2	Nyandeni Ward 27	Sanitation	Tender Closed	0
Nyandeni LM	Nyandeni Ward 30 Sanitation	Nyandeni Ward 30	Sanitation	Tender Closed	30,000,000
Nyandeni LM	Libode Sewer - Phase 2	Libode Town	Water Borne Sanitation	Detailed design	36,000,000
Nyandenini LM	Ngqeleni Waste Water Treatment Plant and Conveyences -Planning	Ngqeleni Town	Water Borne Sanitation	Feasibility	1,000,000

6.8 PORT ST JOHNS LOCAL MUNICIPALITY

MIG PROJECTS

Local Municipality	Project Title	Ward and Villages	Project Type	Project Status	2022/2023 FY Budget allocation
Port St Johns LM	Port St Johns Regional Water	PSJ Ward 12	Water	50% Construction	10,000,000

	Supply Scheme Phase 6				
Port St Johns LM	Port St Johns Ward 8	Ward 8	Sanitation	Construction Q2 -Rétention Q 3&4	0
Port St Johns LM	Port St Johns Ward 19 Sanitation	Port St Johns Ward 19	Sanitation	Awarded	2,000,000
Port St Johns LM	Port St Johns Ward 2 Sanitation	Port St Johns Ward 2	Sanitation	Awarded	3,281,833
Port St Johns LM	Port St Johns Ward 20 Sanitation	Port St Johns Ward 20	Sanitation	Awarded	6,000,000
Port St Johns LM	Port St Johns Ward 4 Sanitation	Port St Johns Ward 4	Sanitation	Tender Closed	11,000,000
Port St Johns LM	Port St Johns Waste Water Treatment Works Upgrade	PSJ	Water Borne Sanitation	Detailed design	38,000,000
Ingquza Hill & PSJ LM	KwaNyathi Regional Water	Ward 01,13,17,18,19,21, 20,3	Water	Presented to ECTAC	0

ANNEXURE A: SUMMARY OF ISSUES FROM COMMUNITY ENGAGEMENTS

ANNEXURE B: CIRCULAR 88 OUTPUT INDICATORS

ANNEXURE C: ORGANIZATIONAL STRUCTURE

ANNEXURE D: PROCESS PLAN

SECTOR PLANS AND POLICIES

Strategy/ Policy	Period	Status	Planned	IDP Annexure
District Development Plan				ANNEXURE E
Spatial Development Framework	2018	Draft	2023/2024	ANNEXURE F
Local Economic Strategy	2018	Draft	2023/2024	ANNEXURE G
Housing Sector Plan				ANNEXURE H
Water Services Development Plan	2021/2022	Draft	2023/2024	ANNEXURE I
Integrated Waste Management Plan	2021	Draft	2026	ANNEXURE J
Environmental Management Plan				ANNEXURE K
Air Quality Management Plan	2021	Draft	2026	ANNEXURE L
Disaster and Risk Management Plan				ANNEXURE M
Integrated Transport Plan				ANNEXURE N
Tourism Master Plan	2018	Draft	2023	ANNEXURE O
Integrated Coastal Management Plan	2019			ANNEXURE P

Environmental Management Plan	2019	Draft	2026	ANNEXURE Q
Biodiversity Sector Plan	2019	Draft	2026	ANNEXURE R
Air quality Management Plan	2019	Draft	2026	ANNEXURE S
LED Strategy	2018	Draft	2023/2024	ANNEXURE T
Trade and Investment	2018	Draft	2023/2024	ANNEXURE U
Performance Management Framework	2017	Draft		ANNEXURE V
Intergovernmental Relations Framework	2017	Draft		ANNEXURE W

RESOLUTION EXTRACT FOR THE INTEGRATED DEVELOPMENT PLAN – 2023/2024

O. R. TAMBO DISTRICT MUNICIPALITY

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31 May 2023

**RESOLUTION EXTRACT OF THE SPECIAL COUNCIL MEETING HELD ON
WEDNESDAY, 31 MAY 2023 AT 09:30**

AGENDA ITEM: 8.1

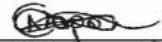
REPORT TITLE: Final Reviewed IDP 2023-24

The Council Resolved: –

1. To **ADOPT** the Reviewed Integrated Development Plan 2023 - 2024.



MR. B. MATOMELA
ACTING MUNICIPAL MANAGER
Date:



CLLR. N.Y. CAPA
COUNCIL SPEAKER
Date: 01 June 2023

PROJECTS FROM SECTOR DEPARTMENTS AND PARASTATALS

DEPARTMENT OF FORESTRY, FISHERIES AND ENVIRONMENT (DFFE)

MUNICIPALITY	PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS TO DATE
PSJ LM	EC WFTC PSJ BEACH DEVELOPMENT	DEVELOPMENT OF A TIDAL POOL, BEACH AMENITIES, BEACH ACCESS	132 M	<p>DFFE IS CURRENTLY LOOKING LEGAL IMPLICATIONS OF THE CURRENT MOA BETWEEN THE DEPARTMENT AND PRDW.</p> <p>OUTSTANDING PHASES INCLUDES:</p> <ul style="list-style-type: none"> FIRST STEP: FINALISATION OF THE DETAIL DESIGN (6 MONTHS WORK, ONCE THE MOA HAS BEEN RESOLVED) SECOND STEP: FACILITATION OF THE PROCUREMENT AND DOCUMENTATION (6 MONTHS WORK, ONCE THE MOA HAS BEEN RESOLVED)
KSD LM	EC-IP WORKING FOR THE COAST PROJECT	IMPROVEMENT OF COASTAL ACCESS	24 M	<p>EIA APPROVED</p> <p>BID SPECIFICATION SAT</p> <p>STAKEHOLDER ENGAGEMENT TOOK PLACE IN PREPARATION FOR THE BID ADJUDICATION.</p>
OR TAMBO DM	FLOOD MOPPING	CLEARING OF ILLEGAL DUMPS, ENVIRONMENTAL		PROJECT ON PROGRESS ENDING 31 JULY 2023

		EDUCATION, CLEANU-UPS		
IHLM	EC WFTC IP INGQUZA HILL WORKING FOR THE COAST PROJECT (MKHAMBATHI & MBOTYI BEACH)	<ul style="list-style-type: none"> • DEVELOPMENT OF BOARDWALK AT MKHAMBATHI BEACH, • PARKING AT MBOTYI BEACH, • ABLUTION FACILITIES AT THE BOAT LAUNCH • COASTAL SIGNAGE 	10 M	A LEAD CONSULTANT HAS BEEN APPOINTED BY DFFE THE PROJECT IS IN THE PLANNING PHASE: THE PROJECT DELIVERABLES TRIGGERED THE EIA; THEREFORE, EIA HAS COMMENCED.
PSJ LM	DEVELOPMENT OF A CLIMATE CHANGE RESPONSE STRATEGY	<ul style="list-style-type: none"> • DEVELOPMENT OF A CLIMATE CHANGE RESPONSE STRATEGY 		SUPPLY CHAIN PROCESS UNFOLDING. BID SPECIFICATION TOOK PLACE, OUTSTANDING IS THE BID ADJUDICATION FOR THE APPOINTMENT OF SERVICE PROVIDER.
ORTDM	EFFICIENT WASTE COLLECTION SERVICES	PURCHASING OF COMPACTOR TRUCKS FOR ALL LMS IN ORTDM		TRUCKS DELIVERED IN NYANDENI, KSD& IHLM OUTSTANDING IS PSJ AND MHLONTLO LM

SOUTH AFRICAN NATIONAL ROAD AGENCY

	2019/20	2020/21	2021/22	2022/23
Routine Maintenance	724,113,394	937,924,272	537,305,452	862,147,897
Periodic Maintenance	360,771,950	163,535,696	298,029,456	695,688,039
Special Maintenance	1,039,266,738	949,708,592	1,564,653,588	2,140,233,276
Strengthening	152,962,796	295,386,828	325,319,561	243,361,005
Improvements	849,521,382	283,187,499	1,691,665,658	1,514,084,180
New Facilities	2,430,516,856	1,345,735,006	1,798,576,249	1,632,544,905
Community Development	261,268,712	295,386,828	216,910,663	146,892,560
Total	5,818,421,827	5,493,349,828	6,432,460,626	7,234,951,861

<i>District Municipality</i>	<i>Investment 2009 to 2022</i>	
Alfred Nzo	R	7,010,000,000
Amathole	R	4,910,000,000
Buffalo City	R	1,660,000,000
Chris Hani	R	2,951,000,000
Joe Gqabi	R	1,560,000,000
OR Tambo	R	14,603,000,000
Nelson Mandela	R	1,440,000,000
Sarah Baartman	R	3,629,928,571
All Districts	R	269,000,000

R 38,032,928,571

PROJECT	STATUS	CHALLENGES
R61 Misty Mountain (17.5) to Mafini	Road improvement project Project in construction – Value R375 million	Project completed in 2020.
N2/18 Tetyana - Sitebe Komkulu	Road strengthening project Project in construction Project value: R430 million	This magnificent piece of work completed in 2021.
R61/8 Majola Tea Junction to Tombo	New facilities Community Access Road projects Project in construction – R485 million	Project completed in 2020.
N2 Nqadu to Mbokotwana River	Road upgrade including Dan’s Place Pedestrian Bridge at Mhlakulo Safety Measures at Lurhasini Tsolo Taxi Rank Project Value R817 million	Contractor is on site since June 2020
N2 Mbokotwana River to Qumbu	Road upgrade Agricultural underpasses Project estimate R500 million	This project will commence in Nov 2024
N2 Qumbu Town One Way System	Construct a One-Way System inside the town of Qumbu Estimate R300 million	Tender date is Nov 2023

PROJECT	STATUS	CHALLENGES
R61 Baziya – Mthatha Airport	Road strengthening project Project in construction	Construction commenced in September 2021, and it is expected to be completed in June 2023.

	Project value: R238 million (for replacement contractor)	
R61 Mthatha Airport to Mthatha CBD	New facilities – dualing of road Project in design phase. Estimate R1.2 billion	Extensive house relocation required. Relocation of dwellings and graves must first happen before road construction. SANRAL, KSD, ORT and the Kingdom are working together to resolve the matter. Road construction anticipated tender date 2026 due to encroachment in/near road reserve
N2 Viedgesville to Mthatha CBD	New facilities – dualing of road, 4 interchanges & pedestrian facilities Project in design phase. Est R1.2 billion	Extensive house relocation required. Service and access roads will be constructed on both sides of the road. The interchanges will be at Payne, Qweqwe, EmaQhinibeni and Ultra City Expected tender date Nov 2023.
N2 between Viedgesville and Ultra City	Associated road network – mainly access roads – to be constructed. Estimate R300 million	Land issues and chieftainship issues are being attended to. Under evaluation
N2 Mthatha Southern Ring Road	New facility Project in design phase. Est R900 million	Consultants appointed in December 2021. Extensive stakeholder engagements to be undertaken by October 2022/23

PROJECT	STATUS	CHALLENGES
N2x –Tsolo to MaClear	Road improvement project Project in design Estimate R600 million	Anticipated Construction Tender date June 2024
R61 Slope Stabilization near Mngazi	Geotechnical solution Project Value: R105 million	Contract in defects liability period
R61 – Ngqeleni Interchange to Majola Tea Junction	Road improvement project Planning Stage R1.3 billion	Consultant appointed by August 2022
R411 Viedgesville to Coffee Bay	Emergency works being carried out now	The road pavement is almost beyond repair
R61 Ndwalane to Mtamvuna River	Emergency works being carried out now	The road pavement is almost beyond repair
N2x- Mthatha to Brookes Nek RRM	Routine road maintenance Project in construction Project value: R81 million	Ongoing
N2 Mthatha to East London RRM	Routine road maintenance Project in construction Project value: R78 million	Ongoing

Integrated Development Plan 2023-2024

R61 Queenstown to Port ST Johns RRM	Routine road maintenance Project in construction Project value: R120 million	Ongoing
N2WCR: Msikaba Bridge	New facility Project in construction phase Project value: R1.65 billion Expected completion mid 2022	Contractor is on site. Contractor is behind schedule. Contract will be completed by March 2024
N2WCR Bambisana to Lingeni	New facilities Project in design phase Project value: R650 million	Need to relocate communities first because of Ribbon development along route. Tender process to commence by June 2024
N2WCR - Ndwalane I/C to Ntafufu I/C	New facilities Project in design Project value: R900 million	Major bridge across Mzimvubu Difficult geotechnical conditions. Tender process to commence by April 2024
N2WCR- R61 Ntafufu to Bambisani	Road Improvement project Project in design phase Project value: R1.6 billion	Steep terrain, very poor grades and curves + ribbon development along current R61. Tender process to commence by Jan 2025

PROJECT	STATUS	CHALLENGES
N2WCR Lingeni to Msikaba bridge	New facilities Project in design Project value: R2.2 billion	Contract awarded in January 2023. Site has been handed over to the contractor for mobilization only
N2WCR R61/9 Mbotyi to Mazizi Pedestrian Facilities & Access road	New facilities Project in design stage Project value: R60 million	In evaluation
N2WCR Access Road to clinic near Ntafufu	Project in design stage Project Value: R60 million	Tender to be advertised in April 2023
N2WCR Access Road to Goso Clinic	Project in design Stage Project Value: R60 million	Tender to be advertised in April 2023
N2WCR: Msikaba to Mtentu Bridge	New facilities Project in design Project value: R2.2 billion	Contract awarded in January 2023. Site has been handed over to contractor for mobilization only
R61/9 Service Roads (KM 0-20)	Deviation Construction/bypass	Will be re-advertised
N2WCR crushed rock material supply	In design. 3 tenders for crushing and stockpiling. 2X Port St Johns and 1 x Ingquza Hill	Will be re-tendered

N2 Wild Coast Road (N2WCR) - Mtentu Bridge	New bridge facility Project value: R3.4 billion	Tender was awarded in November 2022.
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DEPARTMENT OF EDUCATION

SUMMARY OF CO-CURRICULAR ACTIVITIES

- Eskom Expo for Young Scientists – catering for Grade 4 – 12 learners from ORTID; ORTCD; Alfred Nzo East; Alfred Nzo West; Joe Gqabi; Chris Hani East.
- National Science Week – ORTID Learners
- Debates – ORTID Learners
- Competition about Amaqhawe ezwe lakowethu - IsiXhosa

SUMMARY OF CO-CURRICULAR ACTIVITIES

- Mental Maths
- reative Arts Cultural Festival
- Visual Arts Festival
- Careers Dress Up Day
- Wellness and Fitness Challenge Day
- Physical Education Seminar
- Nkosi Albert Luthuli History Competition
- Spelling Bee
- Reading week

All the activities mentioned above are no longer happening due to not being budgeted for by the ECDoE except for one, Eskom Expo for Young Scientists (EEfYS).

EeFYS is running due to sponsorship from its National Office. Though this is the case more sponsorship is needed to ensure that it runs well.

N.B. Autumn, Winter and Spring Schools for Grade 12 learners – budgeted for by the ECDoE but these are only catering for learners in underperforming schools.

DEPARTMENT OF HEALTH

Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
King Sabata Dalindyebo (EC157)	Bedford Orthopaedic Hospital - Water & Sanitation Upgrading	Department of Health	Upgrading of Sewerage Ponds	2023/09/01	Design	Active	TBA
King Sabata Dalindyebo (EC157)	Bedford Orthopaedics Hospital - Various Renovations and Renovation Works	Department of Roads and Public Works	Various Renovations and Refurbishment Works	2023/02/15	Identified	Active	TBA
Nyandeni (EC155)	Canzibe Hospital Upgrade Phase 1 - Completion of Urgent Maintenance and Repairs Works	Department of Health	Phase 1 Completion - Urgent Maintenance and Repair Work	2018/08/01	Construction 76% - 99%	Active	TBA
King Sabata Dalindyebo (EC157)	Construction of Mahlamvu Clinic	NDOH/DBSA	New Building including accommodation, site works and bulk services	2023/04/01cxzc	Design	Active	-

Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
King Sabata Dalindyebo (EC157)	COVID-19 DPW Project Sir Henry Elliot Hospital Block A & B Additional Isolation Bed Spaces & Improve	Department of Roads and Public Works	COVID-19 DPW Project Sir Henry Elliot Hospital Block A & B Additional Isolation Bed Spaces & Improvements	2021/08/11	Construction 70%	Active	29 000 000
Mhlonlto (EC156)	COVID-19 St Lucys Hospital (100 Beds - nurses home)	Department of Roads and Public Works	COVID-19 St Lucys Hospital (100 Beds - nurses home)	2020/06/05	Construction 76% - 99%	Active	39 672 526
Nyandeni (EC155)	Cwele Clinic - New Replacement Clinic and Staff Accomodation	Department of Roads and Public Works	Replacement of Clinic building, 2 nos of new staff accommodation units and other associated works and services.	2020/11/27	Construction 1 - 25%	On Hold (Land dispute)	18 000 000
Ingquza Hill (EC153)	Flagstaff CHC Phase 2 Commisisoning	Department of Health	Procurement of Health Technology equipment	2021/06/24	Ongoing	Active	14 000 000

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Ingquza Hill (EC153)	Goodhope Clinic Phase 2	Department of Roads and Public Works	Construction of a New Clinic and Nurses home, including associated works.	2023/12/01	Identified	Active	TBA
Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
Nyandeni (EC155)	Isilimela Gateway clinic.Minor repairs to building items, internal & external painting	Department of Roads and Public Works	Isilimela Gateway clinic.Minor repairs to building items, internal & external painting	2023/10/01	Identified	Proposed	TBA

Integrated Development Plan 2023-2024

<p>Nyandeni (EC155) PSJ</p>	<p>Isilimela Hospital Upgrade Phase 1 - Refurbishment of Existing Staff Accommodation</p>	<p>Department of Health</p>	<p>Refurbishment of existing staff accommodation units, provision of temporary prefabricated accommodation units, including 2nos of two bedroomed units, 1 no. of three bedroomed unit, 1nos unit of six bedrooms including associated works and services.</p>	<p>2019/05/01</p>	<p>Construction 26% - 50%</p>	<p>On Hold (Contractual Dispute)</p>	<p>25 000 000</p>
<p>King Sabata Dalindyebo (EC157)</p>	<p>Mthatha Forensic Pathology - Upgrade of the Facility.</p>	<p>Department of Roads and Public Works</p>	<p>Mthatha Forensic Pathology -Upgrade of the Facility. Upgrades to the Forensic Pathology Facility, improvement to security system, body identification system and machinery & equipment .</p>	<p>2023/03/01</p>	<p>Identified</p>	<p>Active</p>	<p>TBA</p>

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King Sabata Dalindyebo (EC157)	Mthatha General Hospital - Rehabilitation of Mthatha Nursing Accomodation and Medical Depot	Department of Health	Renovations, reconfiguraton and refurbishment of existing multi-storey building for Mthata Nursing Students' Accommodation and Medical Depot.	2017/08/14	Construction 76% - 99%	On Hold (Contractual Dispute)	108 495 000
King Sabata Dalindyebo (EC157)	Nelson Mandela Academic Hospital - Urgent Repairs and Maintenance Works	Department of Roads and Public Works	Various repairs and maintenance of floors, roofs, bumper rails, and widows.	2021/11/25	Construction	Active	61 040 000
Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
King Sabata Dalindyebo (EC157)	Nelson Mandela Academic Hospital - New Oncology Building	Department of Health	New Oncology building including associated external works and services.	2022/05/02	Construction 1% - 25%	Active	304 196 390

Integrated Development Plan 2023-2024

Mhlontlo (EC156)	Nessie Knight Hospital Upgrade Phase 4 - Refurbishment and Renovation of Hospital Buildings	Department of Health	Renovations and Refurbishments of existing level 1 facility	2023/04/01	Tender (Awarded)	Active	105 000 000
Mhlontlo (EC156)	Nessie Knight Hospital Upgrade Phase 3: New Health Professional Accommodation	Coega	Construction of 30 nos. of new staff accommodation units comprising: 15 nos of single bedroomed units, 12 nos of two bedroomed units, 3 nos of three bedroomed units, construction of internal roads, parking, walkways and driveways, landscaping improvements and other associated external works and services.	2016/07/19	Construction 99%	Active	160 000 000

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King Sabata Dalindyebo (EC157)	Ntshole Clinic - Modification, Extension and Additions	Department of Roads and Public Works	Ntshole Clinic - Modification, Extension and Additions to comply with Ideal Clinic Requirements	2023/03/01	Identified	Active	TBA
Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
King Sabata Dalindyebo (EC157)	Sir Henry Elliot Hospital - Renovations, Refurbishments and alterations.	Department of Roads and Public Works	Sir Henry Elliot Hospital - Renovations, Refurbishments and alterations of existing wards for NMAH	2021/09/14	Construction 76% - 99%	Active	30 000 000

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Nyandeni (EC155)	St Barnabas Hospital - Mental Health Unit - Commissioning and Recommissioning	Department of Health	Commissioning of the New Psychiatric unit which includes Wards, Resting areas, evaluation, administration and consultation areas.	2022/10/01	Procurement	Active	3 200 000
Nyandeni (EC155)	St Barnabas Hospital - Completion of New Psychiatric Unit, Refurbishment and Renovation of Existing Staff Houses	Coega	Construction of a new Psychiatric Unit and refurbishment of existing staff accommodation houses including associated external works and services.	2015/01/30	Construction 1 - 25%	Active	13 000 000
Nyandeni (EC155)	St Barnabas Hospital Water and Sanitation Plant Upgrade	Department of Health	Refurbishment of water and wastewater treatment plant.	2019/11/04	Design	Active	TBA

Integrated Development Plan 2023-2024

Mhlontlo (EC156)	New Kubusi Clinic	Harmony Gold Mine and EC Health	Construction of a New Clinic and Nurses home, including associated works.	2022/06/30	Design	Active	TBA
Local Municipality	Project Name	Implementing Agent Name	Project Details / Scope	Estimated Construction Start Date	Milestone Reached (IRM)	Status	Total Project Cost as captured on project page
Mhlontlo (EC156)	St Lucys - Revitalisation of Existing Hospital (Phase 2A)	Department of Roads and Public Works	Renovations, refurbishments and Upgrades of various hospital departments, namely MOU, Pediatrics Ward, Mortuary including External Works.	2023/12/01	Design	Active	TBA

All districts	Establishment of a Panel of Built Environment Professional Service Providers and Contractors for the Design, Manufacture, Supply, Delivery, Erection, Installation and Commissioning of Health Facilities in Eight (8) Districts in the Eastern Cape Province utilizing Alternative Building Technologies for a Period of Thirty-Six (36) Months.	Department of Health	Design, Manufacture, Supply, Delivery, Erection, Installation and Commissioning of Health Facilities, viz. PSJ: Ntsimbini, Isilimela Gateway; Ingquza Hill: Good Hope; Nyandeni: Ntibane, Canzibe Gateway, Cwele; Mhlontlo: Mbinja; Note: This is a multiyear investment, therefore the implementation will be conducted in phases.	2023/09/01	Design	Active	TBA
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Ingquza Hill (EC153) PSJ	Bambisana Hospital Upgrades Phase 1	NDOH/ DBSA	Upgrades and Renovations to various hospital departments and Accommodation	2022/04/30	Construction	Active	620 000 000
King Sabata Dalindyebo (EC157)	Zitulele Hospital Upgrades	NDOH/ DBSA	Upgrades and Renovations to various hospital departments and Accommodation	2022/03/10	Construction	Active	1 100 000 000

DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS AND TOURISM

MUNICIPALITY	PROJECT NAME	DESCRIPTION	BUDGET	Progress to date
OR TAMBO DM	OR Tambo Climate change program	OR Tambo DM climate change response program- to support municipalities to respond to climate change impact.	R500 000	Service provider appointed and commenced with the planning process towards develop of response business plans.
OR Tambo DM-KSD LM Mthatha Airport	Wild Coast(WC) Special Economic Zone	Establishment of wild coast special economic zone- as an regional agro-processing zone	R15 000 000	Coega Development Corporation is the implementer. Project planning completed, (EIA, WULA, SPLUMA zoning). Project designated as an industrial park

MUNICIPALITY	PROJECT NAME	DESCRIPTION	BUDGET	Progress to date
OR Tambo DM-5 LMs	Informal Business Support Program	Informal business support with procurement and supply of equipment and machinery. Sectors supported clothing, textile, welding, manufacturing,		Partnership with OR Tambo DM REDP, 5 LMs, DEDEAT & ECDC has yielded 84 business to be supported and processes to roll out the delivery of machinery, equipment is on the go

DEPARTMENT OF PUBLIC WORKS- EXPANDED PUBLIC WORKS PROGRAM (EPWP)

EPWP MUNICIPAL ANNUAL TARGETS 2023/24

PUBLIC BODY	INFRASTRUCTURE SECTOR		ENVIRONMENTAL AND CULTURE SECTOR		SOCIAL SECTOR		WO TARGETS	FTE TARGETS
	WO	FTE	WO	FTE	WO	FTE		
OR Tambo	3 414	1 128	449	201	134	51	3,997	1,380
Ingquza Hill	292	97	159	56	-	-	451	153
KSD LM	464	153	549	251	46	18	1,059	422
Mhlontlo LM	237	78	177	65	-	-	414	143

Nyandeni	327	108	186	70	50	19	563	197
PSJ LM	184	61	211	82	-	-	395	143
Totals	4,918	1,625	1,731	725	230	88	6879	2438

MUNICIPAL PERFORMANCE REPORT - EPWP PHASE IV

Financial Year	WO Target	FTE Target	PROJ Reported	W/O Reported	FTE Reported	YOUTH Reported	WOMEN Reported	DISABILITY Reported	% W/O Reported	% FTE Reported
2019-2020	4522	15353	4	140	53	42%	58%	0	31%	53%
2020-2021	450	143	6	256	79	44%	69%	0	57%	55%
2021-2022	452	152	10	193	69	49%	50%	0,52%	43%	45%
2022-2023	451	153	5	197	6	59%	36%	0	47%	4%
2023-2024	451	153								

- Municipality has never achieved the set targets both work opportunities and full time equivalent.
- This is one of the municipalities that is in red in the province, the challenge is that few work opportunities are created in the infrastructure sector.
- FTEs are affected by late implementation of the projects and late reporting. We need to allocate budget in all departments for the implementation of the EPWP projects to improve our performance and implement projects that are labour intensive.
- Establish the EPWP municipal steering committee that will assist in the implementation of the programme.

2021/22 IG ALLOCATION vs -2022/23 AND 2023/24 ALLOCATIONS

Public Body Name	2021/22	2022/23		2023/24	
O.R.TAMBO REGION	Amount (R'000)	Amount (R'000)	FTE Target	Amount (R'000)	Variance
O.R.TAMBO DM	R 9 245	R 11 542	1380	R6 809	R4 733
INGQUZA HILL LM	R 1 385	R 1 616	153	R1 184	R432 000
KING SABATA DALINDYEBO LM	R 3 764	R 4 191	422	R4 238	R4700
MHLONTLO LM	R 2 321	R 2 300	143	R 1 754	R546 000
NYANDENI LM	R 1 716	R 1 859	197	R 1 707	R152 000
PORT ST JOHNS LM	R 1 593	R 1 582	143	R 1 555	R27 000
TOTAL	R20 024 000	R 23 090	2438	R 17 247	R5 809, 000.00

PLANNED DPWI EPWP PROJECTS FOR 2023/2024 FINANCIAL YEAR

PROJECT/ PROGRAMME	DURATION	TARGET GROUPS	W/O CREATED	PLACEMENT	BUDGET
Accelerated Professional Artisan Competency Development Programme (APTCOD) (250)	3 Year contract	<ul style="list-style-type: none"> Youth (18 – 43yrs) TVET college students with minimum qualification of N2 for Brick laying, Carpentry, plumbing, N3 for electrical and mechanical Grade 9 in painting and welding. 	41	Depot	R1 476 000.00

National Youth Service (NYS) (18)	18 Months Contract	Unemployed Community: * Women – 60% * Youth - 55% * Disabled – 2%	6	Depot	172 800.00
Building Maintenance	12 Months	• Youth (18 – 35yrs)	20	Lusikisiki College Health Centre Flagstaff Depot	349 056.00
Security	1 Years	Employed: • Dikha Solution • Meyiwa Security & Silver Solutions	12	Depot	849 600.00
TOTAL			• 79		2 847 456.00

Challenges and Recommendations

CHALLENGE	PROPOSED SOLUTION	INTERVENTION REQUIRED / COMMENTS
• Infrastructure projects are not labour intensive designed	- To design labour intensive Projects	- Technical support is available for Labour intensive project designs
• Late implementation of Projects	▪ Implement in the first quarter all EPWP projects	- To provide technical support from NDPWI when need
• Lack of EPWP coordination	▪ Establishment of the Municipal steering committee	- DPWI to conduct induction and provide support to the committee

<ul style="list-style-type: none"> • EPWP Policy not adopted 	<ul style="list-style-type: none"> ▪ Adoption of the EPWP policy by council 	<ul style="list-style-type: none"> - Policy has been aligned with phase IV, monitor policy implementation
<ul style="list-style-type: none"> • No dedicated capacity for the reporting or EPWP projects 	<ul style="list-style-type: none"> ▪ Appoint/allocate data capturers for the data capturing and collection 	<ul style="list-style-type: none"> - Provide data capturing support when needed

INFRASTRUCTURE PROJECTS

PROJECT NAME	ESTIMATED BUDGET / CONTRACT BUDGET	PROJECT STATUS
Botha Sgcau Building : Mechanical and Electrical and Fire Installation from 3 rd Floor to 11 th Floor	R16,5 Million	Practical Completion
Botha Sgcau Building 2 nd Floor Open Plan	R16,3 Million	Practical completion
New Construction of Cluster Offices for various departments at Mqanduli	R156 Million	The Contractor is busy with earthworks
Refurbishment at Lusikisiki College	R22 Million	The project is 9% completed
Mthatha Airport Firestation	R34 Million	The Contractor has established on site

DEPARTMENT OF SPORTS, RECREATION, ARTS AND CULTURE

Programme 4: Sport and Recreation

Performance Measure Indicators, targets and budget

Sub-programme 4.2: Sport Development

Output	Output Indicator	Annual target	Quarter Target	Activities	Time Frame		Budget per activity	Dependencies	Responsibility	
Resourcing of schools, hubs and clubs provided	S&R4: Number of clubs provided with equipment and/or attire	15		Starting procurement processes for the provision of equipment and/or attire for 15 identified clubs (KSD LM, Mthatha, Ward 1)	Apr– June 2023	Q1	R274	Federations Clubs, ECSC and LM's	SM: O.R. Tambo District	
			08	Distribution of equipment and /or attire for identified clubs (08) (KSD LM, Mthatha, Ward 1)	Jul– Sept 2023	Q2	R0			
			07	Distribution of equipment and / or attire for identified clubs (07) (KSD LM, Mthatha, Ward 1)	Oct – Dec 2023	Q3	R0			
				Sub-total budget			R274			
Advocate for transformation in Sport	S&R5: Number of local leagues supported	19	07	Facilitate staging of 07 Local leagues 1. Rugby x 1 (R85) (KSD LM, Mthatha, Ward 2)	Apr – June 2023	Q1	R595	Federations Clubs, ECSC and LM's	SM: O.R. Tambo District	

and Recreation				2. Netball x 5 (R425) (NYANDENI LM, Ngqeleni, Ward 05; KSD LM, Ngangelizwe, Ward 06; PSJ, Town, Ward 02; INGQUZA HILL LM, Dubhana, Ward 16; INGQUZA HILL LM, Sigcau College, Ward 14) 3. Boxing x 1 (85) (KSD LM, Waterfall, Ward 06)				
			02	Facilitate staging of 02 Local league 1. Boxing x 1 (R85) (KSD LM, Waterfall, Ward 06) 2. Athletics (X-Country) 1 x (R75) (NYANDENI LM, Ngqeleni, Ward 05)	Jul – Sep 2023	Q2	R160	
			06	Facilitate staging of 06 Local leagues 1. Football x 5 (R425) (NYANDENI LM,	Oct – Dec 2023	Q3	R500	

			<p>Nomcamba, Ward 19; MHLONTLO LM, Nomhala, Ward 03; PSJ, kwaNtsila, Ward 04; INGQUZA HILL LM, New Prison, Ward 06; KSD LM, Richardson Park, Ward 03)</p> <p>2. Cricket x 1 (R75) KSD LM, Richardson Park, Ward 03)</p>					
		04	<p>Facilitate staging of 04 Local leagues</p> <p>1. Table Tennis x 3 (R75) (MHLONTLO LM, Tsolo, Ward 12; KSD LM, Mqanduli, Ward 08; KSD LM, Ikhwezi Township, Ward 07)</p> <p>2. Athletics (T/F) x 1 (R75) KSD LM, Ngangelizwe, Ward 06)</p>	Jan – Mar 2024	Q4	R150		
			Sub Total Budget			R1 405		
			TOTAL			R1 679		

Sport and Recreation Development programmes implemented	S&R8: Number of sport promotion campaigns and events implemented	07	03	Support O.R.Tambo Table Tennis Team (KSD LM, Mthatha, Ward 01)	Apr – June 2023	Q1	R40	Federations Clubs, ECSC and LM's	SM: O.R.Tambo District
				O.R.Tambo Volleyball Championships (KSD LM, Mthatha, Ward 01)	April - June 2023	Q1	R50		
				O.R.Tambo Handball Championships (NYANDENI LM, Njiveni, Ward 18)	Apr – June 2023	Q1	R50		
				Netball World Cup Legacy Programme (R80) (NYANDENI LM, Ngqeleni, Ward 05; KSD LM, Ngangelizwe, Ward 06; PSJ, Town, Ward 02; INGQUZA HILL LM, Dubhana, Ward 16; INGQUZA HILL LM, Sigcau College, Ward 14)	Apr – June 2023	Q1	R80		
		03	Dr.Dan Pasiya Legacy Tournament (KSD LM, Ngangelizwe, Ward 06)	Jul – Sep 2023	Q2	R50			

				O.R.Tambo District Women’s Rugby Tournament (NYANDENI LM, Ntlaza, ward 15)	Jul – Sep 2023	Q2	R30		
				O.R.Tambo Body Building Championships (KSD LM, Mthatha, Ward 01)	Jul – Sep 2023	Q2	R65		
				Sub Total budget			R365		

Sub-programme 4.3: Recreation

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
Resourcing of schools, hubs and clubs provided	S&R15: Number of hubs supported to with equipment and / or attire	10		Develop hub profile and purchase of equipment and consumables for each of the 10 targeted hubs. (KSD LM, Mthatha, Ward 1)	Apr-Jun 2023	Q1	R 276	Hub Forums, Recreation Councils, Local Municipalities and	SM: O.R.Tambo District
			05				Q2		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
Sport and Recreation Development programmes				Distribution of equipment and or attire to 5 Hubs (KSD, Mthatha, Ward 01) Lower Goqwana Mbokothwana Bhityi Ngangelizwe Qhokama	Jul– Sep 2023			Communities	
				District Recreation Council Meeting (KSD LM, Mthatha, Ward 1)	Jul – Sep 2024	Q2	R25		
			05	Distribution of equipment and or attire to 5 Hubs (KSD LM, Mthatha, Ward 01) Ntlaza Nkodusweni Zalu Goso Mthalala	Oct – Dec 2023	Q3	R0		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
implemented				District Recreation Council Meeting (KSD LM, Mthatha, Ward 1)	Jan - Mar 2024	Q4	R25		
					Total Budget		R326		
implemented	S&R16: Number of active recreation programmes implemented	18	06	Aerobics – Mthatha (KSD LM, Mthatha, Ward 3)	Apr – Jun 2023	Q1	R5	IG district structure, recreation councils	SM: O.R.Tambo District
				Jikindaba (Ngquza Hill Massacre) (INGQUZA HILL LM, Jikindaba, Ward 6)	Apr – Jun 2023	Q1	R10		
				District IG Festivals: (Mrabaraba (2); Khokho (1); Dibeke (2); Intonga (4); Diketo (3); Ncuva (2); Uggaphu (2); Drie stokkies (2); Juskei (1) (INGQUZA HILL LM, Zalu, Ward 11)	Apr-Jun 2023	Q1	R100		
				Move for Health (KSD LM, Mthatha, Ward 3)	Apr – Jun 2023	Q1	R10		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				Recreation Against Crime (KSD LM, Bhityi , Ward 15)	Apr – Jun 2023	Q1	R10		
				Goso Hub Festival (INGQUZA HILL LM, Goso, Ward 22)	Apr – Jun 2023	Q1	R10		
				Sub-total budget			R 145		
			05	Mbokothwana Hub Festival (MHLONTLO LM, Mbokothwana, Ward 04)	Jul-Sept 2023	Q2	R10	Hub forums, Rec councils, Communities.	SM: O.R. Tambo District
				Nelson Mandela 67 minutes – (KSD LM, Zimbane, Ward 31)	Jul-Sept 2023	Q2	R10		
				Provincial IG Festivals: (Mrabaraba (2); Khokho (1); Dibeke (2); Intonga (4); Diketo (3); Ncuva (2); Uggaphu (2); Drie stokkies (2); Juskei (1)	Jul – Sept 2023	Q2	R181		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				(BCM LM, East London, Ward1)					
				Women in Recreation –(NYANDENI LM, Ntlaza, Ward 15)	Jul- Sept 2023	Q2	R10		
				Traditional Horse Racing (MHLONTLO LM, Tsolo Junction, Ward 12)	Jul – Sept 2023	Q2	R68		
				Subtotal Budget			R279		
			04	Big Walk – (KSD LM, Ngangelizwe, Ward 06)	Oct – Dec 2023	Q3	R10	Hub forums, Rec councils, Communities.	SM: O.R. Tambo District
				Ngangelizwe Hub Festival (KSD LM, Ngangelizwe, Ward 06)	Oct – Dec 2023	Q3	R10		
				Children’s Day - (KSD LM, Mthatha, Ward 30)	Oct – Dec 2023	Q3	R10		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				Mthalala Hub Festival (KSD LM, Mthalala, Ward 06)	Oct – Dec 2023	Q3	R10		
				Sub Total Budget			R40		
			03	Lower Goqwana Hub Festival (MHLONTLO LM, Lower Goqwana, Ward 15)	Jan - Mar 2024	Q4	R10	Hub forums, Recreations councils, communities, Local Municipalities	SM: O.R.Tambo District
				Nkodusweni Hub Festival (PSJ LM, Nkodusweni, Ward 14)	Jan - Mar 2024	Q4	R10		
				Qhokama Hub Festival (NYANDENI LM, Qhokama, Ward 22)	Jan – Mar 2024	Q4	R8		
				Sub Total Budget			R28		
				Total Budget			R492		
Sport and Recreation Development programmes	S&R16.1: Number of people actively participating in organised sport and	1 725	600	<i>O.R.Tambo: Support 600 people participating in the following events:</i>			R0	Recreation council, local municipalities	SM: O.R.Tambo
				Aerobics (100) (KSD LM, Mthatha, Ward 3)	Apr – June 2023	Q1	R0		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
implemented	active recreation events. (Sector Indicator)			Jikindaba (Ngquza Hill Massacre) (100) (INGQUZA HILL LM, Jikindaba, Ward 6)	Apr – Jun 2023	Q1	R0		
				District and Provincial IG Festivals: (Mrabaraba (2); Khokho (1); Dibeke (2); Intonga (4); Diketo (3); Ncuva (2); Uggaphu (2); Drie stokkies (2); Juskei (1) (100) (MHLONTLO LM, Zalu, Ward 11)	Apr-June 2023	Q1	R0		
				Move for Health (100) (KSD LM, Mthatha, Ward 3)	Apr - June 2023	Q1	R0		
				Bhityi Hub Festival – Recreation Against Crime (100) (KSD LM, Bhityi , Ward 15)	Apr-June 2023	Q1	R0		
				Goso Hub Festival (100) (INGQUZA HILL LM, Goso, Ward 22)	Apr – June 2023	Q1	R0		
			425	O.R.Tambo: Support 425 people participating in the following events				Hub forums, Recreations councils,	SM:O.R.Tambo District
				Mbokothwana Hub Festival (100) (MHLONTLO LM, Mbokothwana, Ward 04)	Jul-Sep 2023	Q2	R0	Communities.	

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				Nelson Mandela 67 Minutes (100) (KSD LM, Zimbane, Ward 31)	Jul-Sep 2023	Q2	R0		
				Provincial IG Festivals: (Mrabaraba (2); Khokho (1); Dibeke (2); Intonga (4); Diketo (3); Ncuva (2); Uggaphu (2); Drie stokkies (2); Juskei (1) (75) (MHLONTLO LM, Zalu, Ward 11)					
				Women in Recreation (100) (NYANDENI LM, Ntlaza, Ward 15)	Jul – Sep 2023	Q2	R0		
				Traditional Horse Racing (50) (MHLONTLO LM, Tsolo, Ward 12)	Jul – Sep 2023	Q2	R0		
		400		O.R. Tambo: Support 400 people participating in the following events:				Hub forums, Recreations councils, communities, Local Municipalities	SM:O.R.Tambo District
				Big Walk (100) (KSD LM, Ngangelizwe, Ward 06)	Oct-Dec 2023	Q3	R0		
				Ngangelizwe Hub Festival (100) (KSD LM, Ngangelizwe, Ward 06)	Oct – Dec 2023	Q3	R0		

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				Children's Day - (100) (KSD LM, Mthatha, Ward 30)	Oct – Dec 2023	Q3	R0		
				Mthalala Hub Festival (100) (KSD LM, Mthalala, Ward 06)	Oct – Dec 2023	Q3	R0		
			300	O.R.Tambo: Support 300 people participating in the following events				Hub forums, Recreations councils, communities, Local Municipalities	SM: O.R.Tambo District
				Lower Goqwana Hub Festival (100) (MHLONTLO LM, Lower Goqwana, Ward 15)	Jan - Mar 2024	Q4	R0		
				Nkodusweni Hub Festival (100) (PSJ LM, Nkodusweni, Ward 14)	Jan-Mar 2024	Q4	R0		
				Qhokama Hub Festival (100) (NYANDENI LM, Qhokama, Ward 22)	Jan – Mar 2024	Q4	R0		
				Total Budget			R0		
Designated group	S&R 18: Number of learners participating			Identification of schools to participate in the NYC, Identification of learners and confirmation, Olympiad test and	Oct – Nov 2023	Q3	R0	IG Clubs, IG Structures &	SM: O.R.Tambo District

Outputs	Outputs Indicators	Annual target	Quarterly target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
programme supported	in the National Youth Camp			submission of application forms and District organise pre-camp and transport participants to NYC				Recreation Council	
Indigenous Games programmes supported	S&R 19: Number of Indigenous Games Clubs Supported per code	23	23	Support 23 Indigenous Games Clubs to participate in Indigenous Games Tournaments Dibeke (2), Drie Stokkies (5), Iintonga (5), Kgati (5), Khokho (2), Puca (4)	Jul – Sep 2023	Q2	R0	IG Clubs, IG Structures & Recreation Council	SM: O.R.Tambo District

Sub-programme4.4: School Sport

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
01Learners participate in the National Competitions	S&R20: Number of learners participating at the district school sport tournaments	1 823	544	District Schools Winter Championships (544) (KSD LM, Mthatha, Ward 03 and NYANDENI, Buntingville, Ward 04) Chess (40) Football (120) Hockey (50) Jukskei (20) Khokho (50) Netball (48) Rugby (100) Tennis (20) Volleyball (96)	Apr– June 2023	Q1	40	DOE, School Sport associations and DOH	SM: O.R.Tambo District

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
			314	District Schools Summer Championships (314) (KSD LM, Mthatha, Ward 03 and NYANDENI, Buntingville, Ward 04) Basketball (50) Cricket (22) Goalball (0) Gymnastics (40) Kgati (32) Morabaraba (32) Table Tennis (24) Softball (50) Rugby 7's (64)	Jul - Sep 2023	Q2	R20		
			50	District School Gala Championships (50) (KSD LM, Mthatha, Ward 01)	Oct– Dec 2023	Q3	R10		
			400	District School Athletics Championships (520) (KSD LM, Mthatha,	Jan - Mar 2024	Q4	R40		

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame	Budget per Activity	Dependencies	Responsibility
				Ward 03 and INGQUZA HILL LM, Ward 06)				
				Total Budget		R110		
	S&R21: Number of learners supported to participate in school sport programmes at provincial level		249	Provincial Schools Winter Championships (249) (BCM , East London, Ward 02) Chess (10) Football (60) Hockey (15) Jukskei (8) Khokho (24) Netball (24) Rugby (50) Tennis (10) Volleyball (48)	Apr- June 2023	Q1 R200	DOE, School Sport associations and DOH	SM: O.R.Tambo District
			166		Provincial Schools Summer Championships (166) (BCM, East London, Ward 02) Basketball (24)	Jul - Sep 2023	Q2 R200	

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame	Budget per Activity	Dependencies	Responsibility
				Cricket (11) Goalball (12) Gymnastics (35) Kgati (6) Morabaraba (8) Table Tennis (6) Softball (24) Rugby 7's (40)				
			20	Provincial Schools Gala Championships (20) (BCM , East London, Ward 02)	Oct - Dec 2023	Q3 R40		
			80	Provincial Schools Athletics Championships (80)	Jan - Mar 2024	Q4 R74		
				Total Budget		R514		
	S&R23: Number of schools supported with equipmentand/or attire	30		Facilitate procurement of equipment and / or attire to 30 registered schools that will participate in the following School Sport Programmes	Apr – June 2023	Q1 R485	DOE, School Sport associations and DOH	SM: O.R.Tambo District

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility		
Resourcing schools, hubs and clubs provided				(KSD LM, Mthatha, Ward 01)							
			15	Facilitate distribution of equipment and / or attire to 15 schools that will participate in the following School Sport Programmes (KSD LM, Mthatha, Ward 03)	Jul – Sep 2023	Q2	R0				
			15	Facilitate distribution of equipment and / or attire to 15 schools that will participate in the following School Sport Programmes (KSD LM, Mthatha, Ward 01)	Oct – Dec 2023	Q3	R0				
			Total Budget								R485

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame	Budget per Activity	Dependencies	Responsibility
Organized and well-coordinated school sport events	S&R24: Number of School Sport Associations (SSA) receive assistance for the coordination of school sport programmes	15	8	Support School Sport Associations with Venue, Accommodations, Catering and Transportation Chess Football Hockey Jukskei Kho-kho Netball Rugby Tennis Volleyball	April-Jun 2023	Q1 R80	DOE, School Sport associations and DOH	SM: O.R.Tambo District
			6	Support School Sport Associations with Venue, Accommodations, Catering and Transportation Basketball Cricket Goalball Gymnastics	Apr – June 2023	Q2 R60		

Output	Output Indicator	Annual Target	Quarterly Target	Activities	Time Frame		Budget per Activity	Dependencies	Responsibility
				Kgati Morabaraba Softball Table Tennis					
			2	Support School Sport Associations with Venue, Accommodations, Catering and Transportation Athletics Aquatics	Jan – Mar 2024	Q4	R20		
				Sub-total budget			160		
				TOTAL BUDGET			R1 259		

DEPARTMENT OF PUBLIC WORKS AMD INFRASTRUCTURE

- PLANNED PTOJECTS FOR INTEGRATED GRANT WITH ESTIMATED FTE's and WORK OPPORTUNITIES
- PLANNED APPROVED PROJECT LIST 2023/24 (OTHER GRANTS) WITH ESTIMATED FTE's and WORK OPPORTUNITIES
- NUMBER OF PROJECTS AND WORK OPPORTUNITES CAPTURED AND APPROVED FOR THE MONTH OF APRIL 2023
- NUMBER OF PROJECTS/WORK OPPORTUNITIES STILL ON PENDING ON APPROVAL

Integrated Development Plan 2023-2024

- SUCCESS STORY/BEST PRACTICE
- SUPPORT NEEDED FROM EPWP DPWI
- NUMBER OF PRIORITISED PROJECTS WITH PLANNED TRAINING
- COMMENTS AND RECOMMENDATIONS

Project Name	Budget Allocation	Planned W.O	Planned FTE's	Start – End Date	Status (Design/Planning/Construction/Completion)
1 IG SHE Cleaners OR Tambo	• 1.008.504	40	40	1 April 2023-31 March 2024	Implementation
IG Taxi Cleaners OR Tambo	•252.126	•10	•10	1 April 2023-31 March 2024	Implementation
IG Road Rangers OR Tambo	•5.318.943	•157/ 1 6 6	•157	1 April 2023-31 March 2024	Implementation
IG Scholar Transport Monitor OR Tambo	3.756.677	149	•149	1 April 2023-31 March 2024	Implementation
IG Walking Bus OR Tambo	• 2.067.433	82	82	1 April 2023-31 March 2024	Implementation

Integrated Development Plan 2023-2024

IG Animal Crossing OR Tambo	•504.252	•20	•20	1 April 2023-31 March 2024	Implementation
IG Aniaml Shutup OR Tambo	•504.252	•20	•20	1 April 2023-31 March 2024	Implementation
IG Data Capturers OR Tambo	488.664	8	•8	1 April 2023-31 March 2024	Implementation
<u>IG Taxi Rank OR Tambo</u>	• <u>1 038 483</u>	<u>50</u>	<u>50</u>	1 April 2023-31 March 2024	Implementation

❑ PLANNED APPROVED PROJECT LIST 2023/24 (OTHER GRANTS) WITH ESTIMATED FTE's and WORK OPPORTUNITIES

No	Project Name	Budget Allocation	Planned W.O	Planned FTE's	Start – End Date	Status (Design/Planning/Construction/Completion)
1	House Hold Contractor-OR Tambo	• 63.867.63 5	5442	2272	1 April 2023-31 March 2024	Implementation

Integrated Development Plan 2023-2024

2	Supervisors -OR Tambo	•12.948.967	•24	•24	1 April 2023-31 March 2024	Implementation
3	Tsilitwa Roads Project	•38.700.000	•12	•12	2020-March 2025	Implementation
4	Canzibe Roads Projects	52.500.000	•36	•36	2020-March 2025	Implementation
<u>5</u>	<u>National Youth Service</u>	• <u>2.164.032</u>	• <u>68</u>	• <u>68</u>	1 April 2023-31 March 2024	Implementation
<u>6</u>	<u>Artisans</u>	<u>918.000</u>	• <u>25</u>	• <u>25</u>	1 May 2022-30 April 2024	Implementation

☐ NUMBER OF PROJECTS AND WORK OPPORTUNITES CAPTURED AND APPROVED FOR THE MONTH OF APRIL 2023

N o	Profile ID	Project Name	Programme	Budget Allocation	Approved W.O	Approved FTEs	Start – End Date	Status (Design/Planning/Con struction/Completion)
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Integrated Development Plan 2023-2024

1	134328	IG SHE Cleaners OR Tambo	Supply Chain Management	• 87 17 2. 8	39	39	1 April 2023-31 March 2024	Implementation
2	134329	IG Taxi Cleaners OR Tambo	Special Programmes	•23552	•6	•6	1 April 2023-31 March 2024	Implementation
3	134343	IG Road Rangers OR Tambo	Road Safety	•474000	•158	•158	1 April 2023-31 March 2024	Implementation
4	134347	IG Scholar Transport Monitor OR Tambo	Scholar Transport	344220.8	•154	•154	1 April 2023-31 March 2024	Implementation
<u>5</u>	<u>134379</u>	<u>IG Walking Bus OR Tambo</u>	<u>Road Safety</u>	• <u>176580</u> <u>.8</u>	<u>79</u>	<u>79</u>	1 April 2023-31 March 2024	Implementation
<u>6</u>	<u>134334</u>	<u>IG Animal CrossingOR Tambo</u>	<u>Road Safety</u>	• <u>42468.</u> <u>8</u>	• <u>20</u>	• <u>20</u>	1 April 2023-31 March 2024	Implementation

Integrated Development Plan 2023-2024

<u>7</u>	<u>134337</u>	<u>IG Aniaml Shutup OR Tambo</u>	Traffic Safety	• <u>42468.8</u>	• <u>20</u>	• <u>20</u>	1 April 2023-31 March 2024	Implementation
<u>8</u>	<u>134339</u>	<u>IG Data Capturers OR Tambo</u>	EPWP	40000	• <u>8</u>	• <u>8</u>	1 April 2023-31 March 2024	Implementation
<u>9</u>	<u>134326</u>	<u>House Hold Contractor-OR Tambo</u>	<u>Road Maintenance</u>	<u>481.596.192</u>	<u>5396</u>	<u>2772</u>	1 April 2023-31 March 2024	Implementation
<u>10</u>	<u>134327</u>	<u>Supervisors-OR Tambo</u>	<u>Road Maintenance</u>	• <u>959180</u>	• <u>241</u>	• <u>241</u>	1 April 2023-31 March 2024	Implementation
<u>11</u>	<u>134330</u>	<u>IG Taxi Rank OR Tambo</u>	EPWP	• <u>112800</u>	• <u>67</u>	• <u>67</u>	1 April 2023-31 March 2024	Implementation
<u>12</u>	<u>127258</u>	<u>National Youth Service</u>	<u>Innovation and Empowerment</u>	<u>176800</u>	• <u>67</u>	• <u>67</u>	1 May 2022-30 April 2024	Implementation

Integrated Development Plan 2023-2024

<u>1</u> <u>2</u>	<u>104514</u>	<u>Artisans</u>	<u>Innovation and Empoerment</u>	<u>75000</u>	<u>25</u>	<u>25</u>	1 May 2022-30 April 2025	Implementation
<u>1</u> <u>3</u>	<u>114203</u>	<u>Tsilitwa Roads Project</u>	<u>Roads</u>	• <u>87052</u>	• <u>12</u>	• <u>12</u>	2020-March 2025 Implementat ion	Implementation
<u>1</u> <u>4</u>	<u>98488</u>	<u>Canzibe Roads Projects</u>	<u>Roads</u>	<u>260846</u>	• <u>36</u>	• <u>36</u>	2020-March 2025 Implementat ion	Implementation

NUMBER OF PROJECTS/WORK OPPORTUNITIES STILL ON PENDING ON APPROVAL

No	PROFILER ID	Project Name	Programme	Budget Allocation	Captured W.O	Start – End Date	Status (Design/Planning/Construction/Completion)
1	134327	Supervisors-OR Tambo	Road Maintenance	959180	6 Participants still on pending list	1 April 2023-31 March 2024	Implementation

2		134329	IG Taxi Cleaners OR Tambo	•Special Program mes	23552	•4 Participa nts on pending list	1 April 2023-31 March 2024	Implementation
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SUCCESS STORY / BEST PRACTICE

- We managed to renew 6171 contracts and report them on the EPWP Reporting System.
- Holding Working Session beginning of every financial year that last a week, Where DPW Provincial Head Office M&E is always present and assist by liasing with NDPWI direct in terms of every challenges we might have like approval of pending participants, all District represented and we assist each other in terms of capturing for any district that might be lacking.

SUPPORT NEEDED FROM EPWP DPWI

- Assistance from DPW by visiting the project quarterly at district level.
- Assist with fast-tracking Participants on Pending List.
- Assist by training Data Capturer in Capturing Training on the EPWPRS

NUMBER OF PRIORITISED PROJECTS WITH PLANNED TRAINING

250 Household Contractors to be trained on Pothole Patching, Gabbions etc (*More information on this will be available after our data quality forum which will be held next week 24-25 May 2023 where Innovation and Empowerment Head Office will present on this*)

GENERAL CHALLENGES & RECOMMENDATIONS

NO	CHALLENGES	RECOMMENDATIONS	ACTION TIMELINES
1	Shortage of PPE and Tools for EPWP Beneficiaries	Submission requesting more budget to cover all municipalities	31 July 2023
2	Monitoring of EPWP Beneficiaries	Assistance from DPW by visiting the project quarterly at district level. Councillors to work together with supervisors in monitoring the projects within their wards	31 July 2023
3	Interference of Politics in the projects	Arrange a meeting with all parties affected and explaining the roles and responsibilities of supervisors	31 July 2023
4	Roads Projects not forwarding Data unto us, even when we go to site data is not up to system required standard	Arrange meeting with DRE to discuss issue of data and induct CLO on EPWPRS Required Data. Project Managers to be part of such meetings.	31 June 2023
5	Roads Projects Avoid us coming to site, they always say there is strike on the agreed date	Public Works to intervene by organising a meeting with DRE and us CBP and Project Mangers to be part of such meetings	31 May 2023
5	Roads Projects named Coffee Bay to Zithulele has an issue of Political battles interference in the issue of recruitment of General	Public Works to intervene	31 May 2023

DEPARTMENT OF TRANSPORT INFRASTRUCTURE

Maintenance

2023/24 BUDGET SPLIT PER PROJECT		
ROUTINE MAINTENANCE OF PAVED ROADS		
PROJECT NAME	ITEM	AMOUNT

RRM KSD (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	8 601 702
	INVMAT&SUPP:ROADCONSTR&SUPP	1 000 000
RRM Nyandeni (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	664 694
RRM Mhlontlo (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	2 104 864
RRM PSJ (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	1 672 813
RRM Ingquza Hill (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	2 559 072
RRM DRE IN-HOUSE OR Tambo (Surfaced)	CONTR:MNT&REPOTHFIXEDSTRUCT	3 902 153
TOTAL		20 505 299
ROUTINE MAINTENANCE OF GRAVEL ROADS		
RRM KSD (Gravel)	RENTAL&HIRING	6 614 703
RRM Nyandeni (Gravel)	RENTAL&HIRING	6 469 783
RRM Mhlontlo (Gravel)	RENTAL&HIRING	4 405 714
RRM PSJ (Gravel)	RENTAL&HIRING	3 919 151
RRM Ingquza Hill (Gravel)	RENTAL&HIRING	6 416 030
RRM Roads Maintenance Consultant OR Tambo	INF&PLNSER:ENGINCIVILSERVICES	1 500 000
RRM Bridge Maintenance Consultant OR Tambo	INF&PLNSER:ENGINCIVILSERVICES	1 000 000
TOTAL		30 325 381
SPECIAL MAINTENANCE		
Roads Camps Upgrade	CONTR:MNT&REPOTHFIXEDSTRUCT	3 821 320
TOTAL		3 821 320
DISASTERS GRAVEL ROADS		
RRM KSD (Gravel)	RENTAL&HIRING	8 489 674
RRM Nyandeni (Gravel)	RENTAL&HIRING	7 574 607
RRM Mhlontlo (Gravel)	RENTAL&HIRING	9 059 796
RRM PSJ (Gravel)	RENTAL&HIRING	4 508 282
RRM Ingquza Hill (Gravel)	RENTAL&HIRING	10 727 059
TOTAL		40 359 418
ITEMS		

INF&PLNSER:ENGINCIVILSERVICES	2 500 000
CONTR:MNT&REPOTHFIXEDSTRUCT	23 326 619
INVMAT&SUPP:ROADCONSTR&SUPP	1 000 000
RENTAL&HIRING	68 184 799
	95 011 418

2023/24 BAILEY BRIDGES PROJECTS

VILLAGE NAME	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	WARD NO.
1. Mbotyi	O. R. Tambo	Ingquza Hill	23
2. Dedeni	O. R. Tambo	Port St Johns	10
3. Zixambuzi	O. R. Tambo	Port St Johns	01
4. Mneno,	O. R. Tambo	Port St Johns	01
5. Mkhata	O. R. Tambo	Port St Johns	18
6. Sunrise	O. R. Tambo	Port St Johns	20
7. Ntlenga	O. R. Tambo	Port St Johns	17
8. Rhebhu	O. R. Tambo	Port St Johns	01
9. Ngqezo GAP 1	O. R. Tambo	Port St Johns	13

Head Office projects in OR Tambo

- Upgrading of DR08029 from Ntlaza to Hluleka Nature Reserve phase 2, R30 000 000,00
- Upgrading of DR08313 from Kopshop to Canzibe Hospital In-House Construction R25 000 000,00
- Block paving of DR08131 by In-House Construction R20 430 000,00
- Upgrading of Coffee Bay to Zithulele by In-House Construction R25 000 000,00
- Block paving of DR08167 from N2 to Shawbury, SLA with Mhlontlo Local Municipality R10 000 000,00
- Re-gravelling of DR08196 from DR08195 to Mafusini will include two structures R18 851 621,40