

TABLE OF CONTENTS

SECTION A: EXECUTIVE SUMMARY	7
SECTION B: SITUATIONAL ANALYSIS.....	14
1. ENVIRONMENTAL ANALYSIS (INTERNAL AND EXTERNAL)	18
1.1. DEMOGRAPHIC ANALYSIS	18
1.1.1 Population and population density.....	18
1.1.2 Gender distribution.....	19
1.1.3 Age distribution	20
1.1.4 Racial distribution.....	21
1.1.5 Disability profile.....	21
1.2 SOCIO ECONOMIC PROFILES	23
1.2.1 Indicators of economic performance.....	23
1.2.2 Income levels.....	30
1.2.2 Poverty levels.....	31
1.2.3 Employment levels and trends	31
1.2.4 Dependency on social grants.....	37
1.2.5 Education.....	38
1.2.6 Health	43
1.2.6.1 HIV /AIDS PREVALENCE IN THE ALFRED NZO DISTRICT	45
1.3 SPATIAL ANALYSIS	48
1.3.1 Households	48
1.3.2 Settlement Patterns	48
1.3.3 Tenure and land ownership	49
1.3.4 Housing development.....	50
1.4 BIOPHYSICAL ENVIRONMENTAL ANALYSIS	51
1.4.1 Topography.....	51
1.4.2 Climate	52
1.4.3 Geology and Soils.....	52
1.4.4 Environmental Situation	53
1.4.4.1 Biodiversity.....	54
1.5 INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY	55
1.5.1 INFRASTRUCTURAL SERVICES.....	55
1.5.1.1 Water and sanitation	55
1.5.1.2 Roads and stormwater	57
1.5.1.3 Public Transport.....	59
1.5.1.4 Electricity and energy.....	60
1.5.1.5 Telecommunication	61
1.5.2 COMMUNITY SERVICES AND FACILITIES.....	61
1.5.2.1 Environmental Health Services	61
1.5.2.2 Solid Waste management	62
1.5.2.3 Disaster management	63
1.5.3 Public, Social and Recreational Facilities and Amenities.....	63
1.5.4 Library facilities	64
1.5.5 Community Safety.....	64
1.5.6 ECONOMIC GROWTH AND DEVELOPMENT ANALYSIS	65
1.5.6.1 LOCAL ECONOMIC OVERVIEW	65
1.5.6.2 SECTORAL OVERVIEW	66
1.5.7 Agriculture.....	67
1.5.7.1 Live stock farming.....	68
1.5.7.2 Crop Farming.....	68
1.5.8 FORESTRY.....	68
1.5.9 MANUFACTURING.....	69

1.5.10	CONSTRUCTION AND MINING.....	70
1.5.11	SMALL SCALE MINING.....	70
1.5.12	TRADE AND BUSINESS SERVICES / ICT.....	70
1.5.13	TOURISM.....	70
1.5.14	SMME and Cooperative development.....	71
1.6	LOCAL ECONOMIC DEVELOPMENT INITIATIVES AND CHALLENGES	71
1.7	INSTITUTIONAL ANALYSIS	73
1.7.1	INSTITUTIONAL STRUCTURE OVERVIEW.....	73
1.7.1.1	OFFICE OF THE MUNICIPAL MANAGER.....	76
1.7.1.2	CORPORATE SERVICES.....	77
1.7.1.3	INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES /TECHNICAL SERVICES.....	77
1.7.1.4	COMMUNITY DEVELOPMENT services.....	78
1.7.1.5	BUDGET AND TREASURY OFFICE SERVICES.....	78
1.8	EMPLOYMENT EQUITY	79
1.8.1	SKILLS DEVELOPMENT.....	79
1.9	PERFORMANCE MANAGEMENT	79
1.10	STATUS OF POLICIES WITHIN THE MUNICIPALITY	80
1.11	FINANCIAL VIABILITY	83
1.11.1	BUDGET.....	83
1.11.2	Income allocations and sources.....	83
1.11.3	Billing and Payment rates.....	84
1.11.4	EXPENDITURE ALLOCATIONS AND TRENDS.....	85
1.11.5	PROVISION OF FREE BASIC SERVICES.....	85
1.12	GOVERNANCE ANALYSIS	86
1.12.1	POLITICAL STRUCTURE.....	86
1.12.2	AUDIT.....	86
1.12.3	INTERGOVERNMENTAL RELATIONS.....	86
1.12.4	PARTNERSHIPS AND STRATEGIC RELATIONSHIPS.....	87
1.12.5	COMMUNITY AND PUBLIC PARTICIPATION AND COMMUNICATION.....	87
SECTION B:	DEVELOPMENT STRATEGIES.....	89
CHAPTER 2	89
2.1. STRATEGIES	89
2.1.1.	BASIC SERVICE DELIVERY.....	90
2. GOOD GOVERNANCE AND PUBLIC PARTICIPATION	95
2.1.3.	Institutional Development and Transformation.....	96
2.1.2.	GOOD GOVERNANCE AND PUBLIC PARTICIPATION.....	<i>Error! Bookmark not defined.</i>
2.1.3.	Institutional Development and Transformation.....	103
2.1.4	FINANCIAL VIABILITY AND MANAGEMENT.....	107
2.1.5.	DEVELOPMENT PLANNING AND ECONOMIC DEVELOPMENT.....	116
2.1.5.1.	STRATEGIES.....	116
2.1.6	SPATIAL DEVELOPMENT FRAMEWORK.....	120
SECTION C:	PROJECTS/ PROGRAMMES.....	122
CHAPTER 3	123
3.1.1	PROJECT MANAGEMENT UNIT.....	123
3.1.2	WATER SERVICE AUTHORITY UNIT.....	126
3.1.3	WATER SERVICE PROVISION UNIT (OPERATIONS AND MAINTENANCE).....	127
3.2 DEVELOPMENT PLANNING AND ECONOMIC DEVELOPMENT	128
3.2.1	PLANNING AND LOCAL ECONOMIC DEVELOPMENT UNIT.....	128
	<i>Projects as on the above table from Grain Production to Woodcluster are to be transferred to the Alfred Nzo Development Agency for implementation.</i>	128
3.2.2	ENVIRONMENTAL MANAGEMENT UNIT.....	129

3.2.3 MUNICIPAL MANAGER'S OFFICE.....	130
3.3 SPECIAL PROGRAMMES UNIT	131
3.4 COMMUNITY DEVELOPMENT SERVICES	132
3.5 BUDGET AND TREASURY OFFICE	133
3.6 CORPORATE SERVICES	134
3.7 LOCAL MUNICIPALITIES PROJECTS	135
3.7.1 MATATIELE LOCAL MUNICIPALITY.....	135
3.7.2 UMZIMVUBU LOCAL MUNICIPALITY.....	136
3.8 SECTOR DEPARTMENTS' PROJECTS	145
3.8.1 DEPARTMENT OF PUBLIC WORKS.....	145
3.8.2 DEPARTMENT OF HEALTH.....	149
3.8.3 DEPARTMENT OF AGRICULTURE.....	150
3.8.4 EASTERN CAPE TOURISM BOARD.....	156
3.8.5 DEPARTMENT OF SOCIAL DEVELOPMENT.....	157
3.8.5.1 UMZIMVUBU AREA OFFICE.....	157
3.8.5.2 MATATIELE AREA OFFICE.....	162
3.9 ESKOM PRIORITIES	166
3.9.1 MATATIELE LOCAL MUNICIPALITY.....	166
3.9.2 UMZIMVUBU LOCAL MUNICIPALITY.....	166
SECTION D: SECTOR PLANS AND INTEGRATION.....	167
CHAPTER 4.....	167
4.1 INSTITUTIONAL PLAN	167
4.2 MUNICIPAL FINANCIAL PLAN.....	167
4.3. SPATIAL DEVELOPMENT FRAMEWORK	173
4.3.1 DEVELOPMENT VISION.....	173
4.3.2 CONCEPTUAL FRAMEWORK.....	174
4.3.3 CREATING AN ACCESS AND DEVELOPMENT STRUCTURE.....	175
4.3.4 ESTABLISHING A SERVICE NODE HIERARCHY.....	176
4.3.5 INTEGRATING THE NATURAL STRUCTURING ELEMENTS.....	177
4.3.6 IDENTIFYING THE MAJOR LAND USE ELEMENTS AND THEIR STRUCTURED GROWTH.....	178
4.3.7 THE SPATIAL DEVELOPMENT FRAMEWORK.....	178
4.3.8 IMPLEMENTATION FRAMEWORK.....	182
4.4 ENVIRONMENTAL MANAGEMENT PLAN	190
4.4.1 EXECUTIVE SUMMARY.....	190
4.4.1.1 LEGISLATIVE FRAMEWORK.....	191
4.4.1.2 SUMMARY OF ENVIRONMENTAL STATUS QUO.....	192
4.4.1.3 KEY FINDINGS	192
4.4.1.4 PRINCIPLES UNDERPINNING AN ACTION STRATEGY.....	193
4.4.1.5 RECOMMENDED ACTIONS.....	194
4.5 INTEGRATED WASTE MANAGEMENT PLAN (IWMP).....	195
4.5.1 MATATIELE EXECUTIVE SUMMARY:	195
NATIONAL ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT ACT (NO. 59 OF 2008).....	196
4.5.2 UMZIMVUBU EXECUTIVE SUMMARY:	203
NATIONAL ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT ACT (NO. 59 OF 2008).....	205
4.6 WATER SERVICE DEVELOPMENT PLAN	212
4.6.1 ALFRED NZO DM REGIONAL BULK READINESS STUDY	213
4.6.1.1 MATATIELE LOCAL MUNICIPALITY EXECUTIVE SUMMARY.....	214
4.6.1.2 UMZIMVUBU LOCAL MUNICIPALITY RBIG REPORT	217
4.7 MUNICIPAL POLICIES.....	221
4.7.1 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM.....	221
4.7.2 BUDGET POLICY.....	222

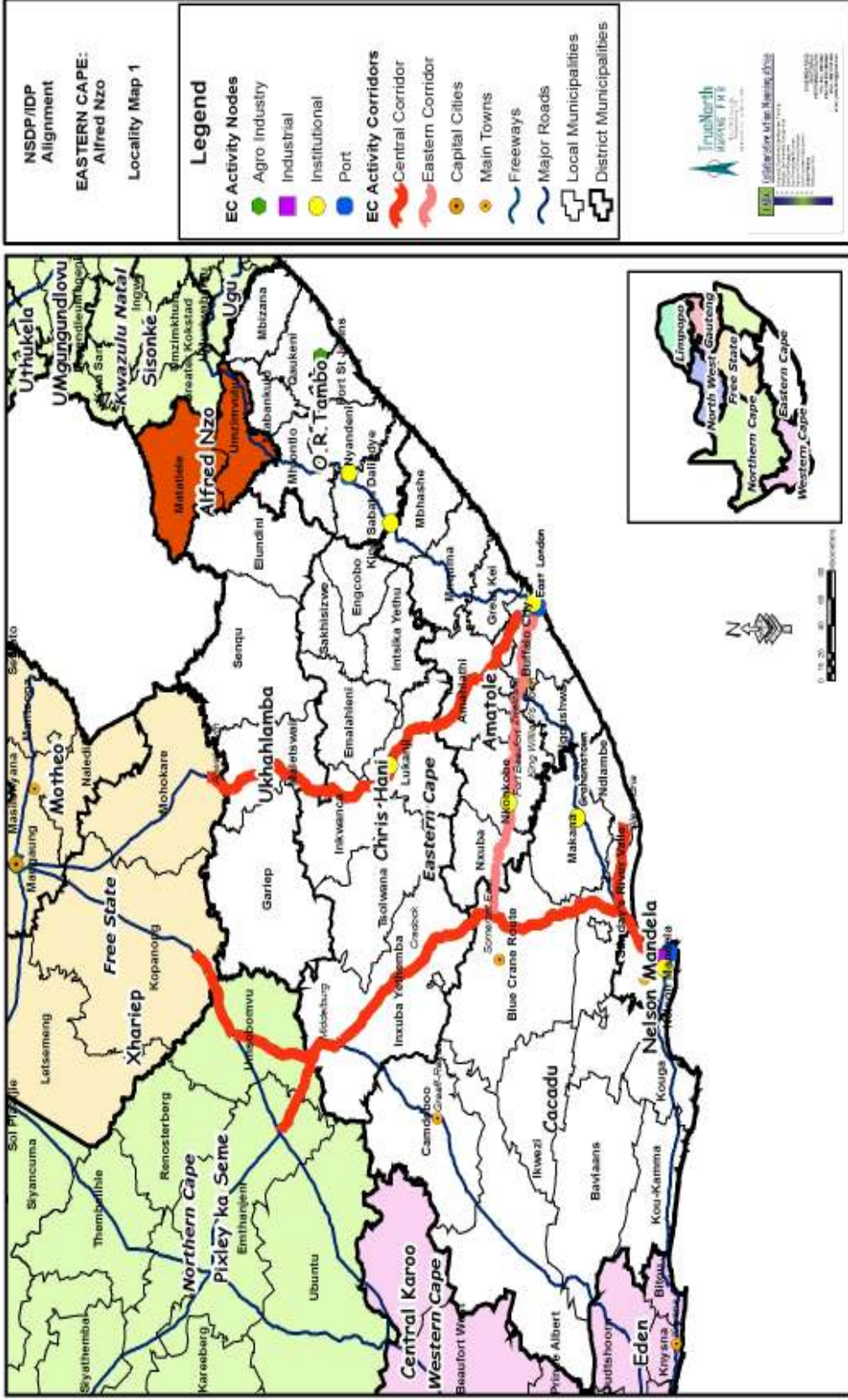
4.7.3 INTEGRATED RISK MANAGEMENT FRAMEWORK	222
4.8 MUNICIPAL TURN AROUND STRATEGY	223

LIST OF FIGURES AND TABLES

DESCRIPTION	PAGE
MAP 1: ALFRED NZO DISTRICT MUNICIPALITY-LOCALITY	8
MAP 2: PROVINCIAL MAP	15
MAP 3: ALFRED NZO DISTRICT MUNICIPALITY	16
MAP 4: DISTRICT LAND COVER	53
MAP 5: NODES AND CORRIDORS	181
MAP 6: NATURAL ELEMENTS	182
MAP 7: MAJOR LANDUSE	183
MAP 8: FORM OF ACCESS WITHIN THE DISTRICT	184
MAP 9: RANGE OF AMENITIES	185
MAP 10: NATURAL ANALYSIS	186
MAP 11: ANDM SETTLEMENT	187
MAP 12: ROAD NETWORK	189
MAP 13: EXISTING SERVICES	190
MAP 14: AGRICULTURAL POTENTIAL	192
MAP 15: TOURISM AND ENVIRONMENTAL POTENTIAL	193
MAP 16: NODAL POINTS	194
Table 1: Geographic composition of Alfred Nzo District	16
Table 2: Local Municipalities and Key Towns in the District	17
Table 3: Population per district	19
Table 4: Total GVA of the Alfred Nzo district municipality compared to the Country, Province and other districts (2007)	25
Table 5: GVA by major sector, Alfred Nzo district municipality, 2003 – 2007	26
Table 6: GVA by sector: Alfred Nzo relative to local, provincial and national contributions, 2007	27
Table 7: Percentage change in GVA per sector across local and district municipalities, 2003 - 2007	29
Table 8: GVA by major sector, Umzumvubu local municipality, 2003 – 2007	30
Table 9: GVA by major sector, Matatiele local municipality, 2003 – 2007	30
Table 10: Comparison of unemployment rates per district.	34
Table11: Number of grants per municipality	39
Table 12: Breakdown of grants in each local municipality	40
Table13: HIV + and AIDS profile, Alfred Nzo district municipality relative to local, provincial and national estimates	47
Table14: Urbanisation rate by race, Alfred Nzo district municipality, 2003 - 2007	57
Table 15: Water demand assessment	58
Table 16: Water and Sanitation backlogs	20
Figure 1: Gender Distribution	20
Figure 2: Gender Distribution per age	21
Figure 3: Age Distribution	22
Figure 4: Racial Distribution	23
Figure 5: Disability Breakdown	24
Figure 6: GVA by major sector: Alfred Nzo district municipality, 2003 – 2007	26
Figure7: GVA by sector relative to provincial and national contributions	27
Figure 8: GVA by local municipality, 2003-2007	30
Figure 9: Location Quotient by Sector for Alfred Nzo District, 2003-2007	31

Figure 10: Income levels	32
Figure 11: Income levels per household per annum	33
Figure 12: Economically active population across local municipalities, Alfred Nzo district municipality	34
Figure 13: Employment levels Alfred Nzo District	35
Figure 14: Employment levels Umzimvubu Local Municipality	36
Figure 15: Employment levels Matatiele Local Municipality	36
Figure 16: Employment by Sector	37
Figure 17: Occupational Categories	39
Figure 18: Education levels (persons over 20 years)	41
Figure 19: Local Municipality Education Levels	42
Figure 20: Educational Institution Attendance	43
Figure 21: Settlement patterns	50
Figure 22: Dwelling types	51
Figure 23: Access to waste disposal (District perspective)	63
Figure 24: Employment Equity	80
Figure 25: Income Sources 2008/09 and 2009/10	85
Figure 26: Expenditure	86

MAP 1: ALFRED NZO DISTRICT MUNICIPALITY-LOCALITY



SECTION A: EXECUTIVE SUMMARY

Alfred Nzo District Municipality is located on the north-eastern side of the Province of the Eastern Cape and stretches from the Drakensberg Mountains, borders Lesotho in the North, Sisonke District Municipality to the East and O.R. Tambo District Municipality in the South. The District has a total surface area of approximately 6858 square kilometres and is sub-divided into Matatiele and Umzimvubu local municipalities occupying approximately 4352 and 2506 square kilometres respectively. The local municipalities are composed of four former Transitional Local Councils (TLCs) or towns, Mount Frere, Mount Ayliff, Cedarville and Matatiele and one R293 township, Maluti as well as three former Transitional Rural Councils (TRC). The former Transitional Rural Councils are now part of the two local municipalities, Matatiele and Umzimvubu. Alfred Nzo District Municipality is composed of 680 villages.

DISTRICT CHALLENGES

The Alfred Nzo District Municipality is faced by a number of challenges and some of these challenges will definitely require more time to be fully addressed and that further entails the need for integrated approach by all stakeholders towards addressing those challenges. The rural nature of the district as well its topographical setup contributes immensely to these challenges. The identified district challenges are listed as follows:

Poor or no accessibility in certain areas (transportation) resulting to limited development opportunities within the district.

- The district faces a serious backlog in electricity, which poses a digital divide and limited access to services.
- High rate of unemployment, lack of skills and poverty are major problems within communities of Alfred Nzo District.
- The Lack of infrastructure (Water Infrastructure, Electricity, Communication, roads and Passenger Transport), is another major factor that hampers development in Alfred Nzo District Municipality.

- The district area has a huge potential on agriculture development however there is lack of investment in agricultural industry.
- Continuous poor climatic conditions in the form of storms, tornadoes and floods have resulted in degraded land forms and soil erosion, which require extensive land care and strategic housing interventions.
- Social Infrastructure in the form of schools health police stations and recreational facilities need partnering between the public sector, the private and the communities.
- In terms of financial resources, the district still relies on funds from National and Provincial Grants and this somehow limit development opportunities.
- The district is a WSA (Water Services Authority), however it is still struggling to put proper systems in place for collecting revenue. The district also has water schemes that are non-functional due to challenges with water sources. The district is however working towards addressing these challenges with the assistance of both private service providers and DWAF (Department of Water Affairs and Forestry).
- The district has been struggling to obtain clean Audit Report from the Auditor General and thus resulted the municipality requiring intervention in terms of Section 139(1)(b) of the Constitution of the Republic of South Africa.
- The withdrawal of Turn Around Plan (TAP) Team by the Provincial Department of Local Government and Traditional Affairs had some negative impacts on the targets set by the district to turn around its situation for better.
- The municipality managed to review its Organisational Structure after the approval of the IDP and Budget and this saw the municipality struggling to fill most of the posts as they were not budgeted for.

ECONOMIC POTENTIAL WITHIN ALFRED NZO

Alfred Nzo municipal area is naturally well vest with resources of a significant nature. Such resources contribute positively to opportunities on the following:

- **Agriculture** in the form of crop production, fruit production, livestock farming;
- **Tourism** related to arts, crafts, scenery, wildlife, wetlands, cultural heritage;
- **Forestry** and value addition Strides; Water resources for development.
- **Small scale mining** in the form of sand mining for construction purposes
- **Water resources:** Three major Kinira, Tina, and Umzimvubu rivers cut across the district and the district falls within Umzimvubu river basin.
- **The N2 Freeway:** This route passes through the district on the southern side and it is a major link for three provinces (Western Cape, Eastern Cape and KwaZulu-Natal).

DISTRICT ACHIEVEMENTS

- The district has managed to adopt a number of policies of which some policies are for financial management which are to assist the municipality to turn around the situation to positive.
- The municipality takes the issue of Performance Management System seriously and this has seen the municipality reviewed and adopted its policy on Performance Management System and is working on cascading the system to lower levels that Section 57 Managers.
- The district municipality also managed to produced the Service Delivery and Budget Implementation Plans (SDBIPs) for 2009/10 based on the approved IDP and such plans informed the basis of the Performance Agreements for Section 57 Managers and they are also used as a tool for monitoring the performance by the municipality as per the targets for the financial year 2009/10.
- The municipality has achieved more than 80% in filling all Senior Positions including the position of the Municipal Manager which was left vacant for almost a year.

THE MUNICIPAL TURN AROUND PLAN

As a result of Administrative intervention by the Provincial Local Government, the municipality developed its Turn Around Plan as well as the Action Plan on Risk Assessment. The municipal Turn Around Plan focused on the Following:

- **Clean Audits:** The municipality aimed at developing policies and internal control systems especially on financial management to ensure financial accountability, transparency to ensure that the confidence from the public on the municipality and its grant funders is restored.
- **Financial Viability and Management:** The municipality to develop a strategy on enhancing its billing system to broaden its revenue base to reduce the dependency on grants. Again the municipality was to develop an Asset Register that is GRAP compliant.
- **Service Delivery:** As the Water service Authority the municipality to ensure that all Plans and policies to enhance service delivery are in place as well as proper implementation of Free Basic Services. As the co-business of the municipality being water and sanitation, the municipality to ensure that the vacancy rate in the Infrastructure and Service Delivery is minimized and capacity to be ensured through recruitment of personnel with expertise.
- **Institutional arrangement and Municipal Transformation:** The municipality to fast-track the recruitment of critical positions and implementation of municipal Employment Equity Plan. The municipality to intensify the capacity building within the institution through training of both politicians and administrators. The municipality to ensure culture of performance and accountability through regular reporting.
- **Good Governance and Public Participation:** The municipality to intensify the public participation through the development of the unit responsible for that and also develop systems to ensure continuous communication with public through awareness campaigns. The municipality to continuously monitor and evaluate the implementation of Council Resolutions.

LEGISLATIVE MANDATE

There is a multitude of policy and legislation that Municipalities must comply with and take cognisance of, the most important of which are the following;

- ⇒ The Republic of South Africa Constitution Act (1996); Chapter 7 sets out the objectives of Local Government and provides that Municipalities have a developmental duty which entails structuring and managing their budget, administration and planning processes in a manner that prioritizes the basic needs of their communities whilst promoting social and economic development within their communities. Chapter 3 deals with co-operative governance which is essential to the fulfillment of the objectives given that these objectives encompass a wider spectrum than the functional areas of Municipalities.
- ⇒ The Municipal Systems Act (2000); read together with the Municipal Planning and Performance Regulations (2001) provides the legislative framework for integrated development planning. Municipalities must undertake developmentally oriented planning and are legally required to adopt an IDP, give effect to their IDP, conduct their affairs in a manner consistent with their IDP and review their IDP on an annual basis.
- ⇒ The Local Government Municipal Finance Management Act, (2003) requires municipalities to coordinate the process of preparing the annual budget and revising the IDP to ensure that there is integration between the two. It makes provision for Service Delivery Budget Implementation Plans (SDBIP) to ensure effective implementation of service delivery in accordance with the annual budget.
- ⇒ Other pertinent legislative frameworks include the Municipal Structures Act, (1998) and the Inter-Governmental Relations Framework, (2005).
- ⇒ Relevant policy frameworks include the RDP (1994), GEAR (1996), White Paper on Local Government (1998), PGDP (2004 -2015), Provincial Spatial Development Plan (2003) and the ECDLGTA Framework Guide for Credible IDP's.

POWERS AND FUNCTIONS OF THE MUNICIPALITY

The Alfred Nzo District Municipality executes amongst others the following functions and powers:

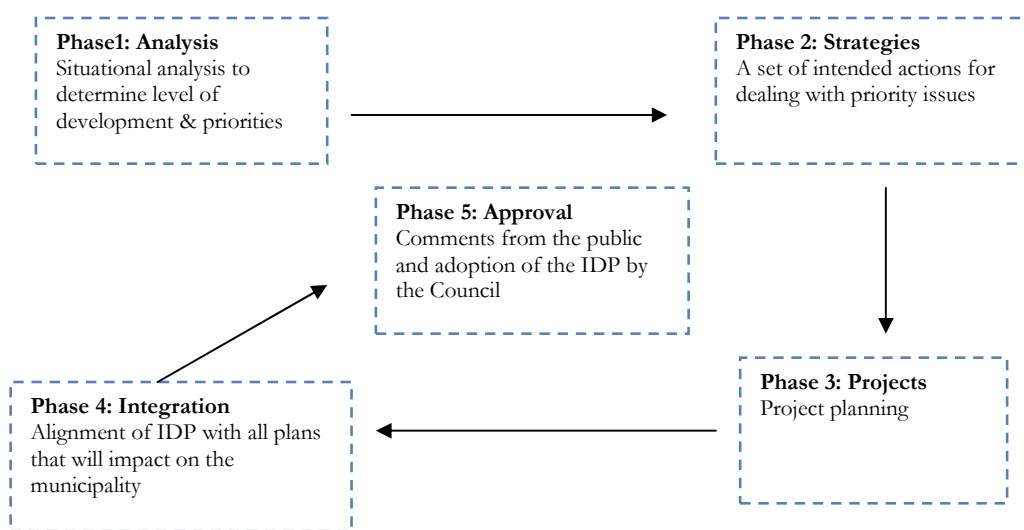
- Integrated Development Planning for the district as whole including the Framework Plan for IDPs for local municipalities within its area of jurisdiction.
- The district is a Water Service Authority (WSA) and therefore provides Bulk and Portable water supply as well as both rural and urban sanitation
- Municipal Health Services serving the district as a whole.
- Fire and Rescue Services as well as Disaster Risk Management within the whole district.
- The implementation of Expanded Public Works Programme.
- Environmental Management within the whole district.
- Financial Management and revenue collection through services it renders to communities, business and government departments and distribution of grants to local municipalities.
- Promotion of Local Tourism for the district as a whole.
- Promotion of Local Economic Development in the district as a whole.

FUNCTIONS NOT YET PROVIDED BY THE DISTRICT

- Municipal Abattoirs
- Municipal Public Transport
- Municipal airport services

PROCESS FOLLOWED BY THE ALFRED NZO DISTRICT MUNICIPALITY TO REVIEW INTEGRATED DEVELOPMENT PLANNING FOR 2010/11

The Alfred Nzo District Municipality commenced with the preparation of its IDP Review for 2010/2011 financial year where the process plans (attached as annexure 1) detailing actions and activities for the review was adopted by the Council during the month of July 2009. The Alfred Nzo district municipality adopted the following methodology when reviewing its IDP for 2010/11:



The Alfred Nzo District Municipality further presented its Process Plan with Framework Plan to its local municipalities, stakeholders including government sector departments and the said plan outlines the roles and responsibilities as well as plan of action on activities to be performed and time frames. The municipality also considered the comments by the MEC as the base to ensure that credible IDP is achieved.

SECTION B: SITUATIONAL ANALYSIS

INTRODUCTION AND BACKGROUND

The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment and the impact of the prevailing environment on the inhabitants of the municipality. It also facilitates the identification and analysis of the environmental challenges facing the Municipality and allows the Municipality to accurately come up with strategies and means to address these challenges.

DISTRICT OVERVIEW

MAP 2: PROVINCIAL MAP



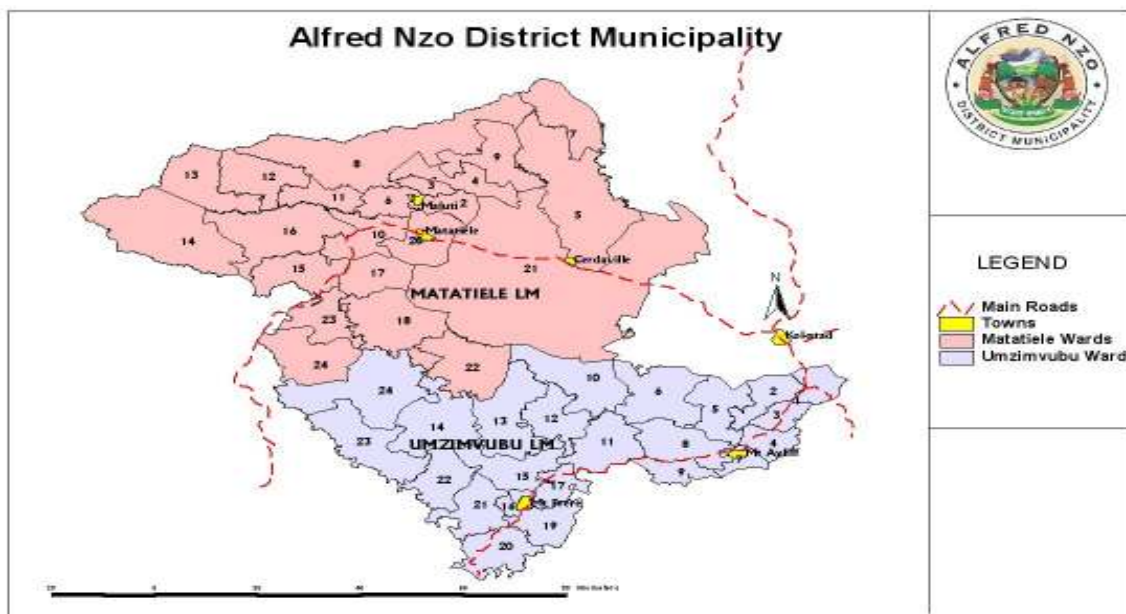
Alfred Nzo District Municipality is situated in the North Eastern corner of the Eastern Cape Province. It stretches from the Drakensberg Mountains, borders Lesotho in the West, Sisonke District Municipality to the North and O.R. Tambo District Municipality in the East and South. The Municipality shares a jurisdiction with the Matatiele and Umzimvubu Local Municipalities. The Alfred Nzo District comprises 6858 Km². Matatiele Local Municipality and Umzimvubu Local Municipality comprise 4352km² and 2506km² respectively. The geographical areas of Matatiele Local Municipality and Umzimvubu Local Municipality therefore constitute 58% and 42% of the district respectively.

Table 1: Geographic composition of Alfred Nzo District

Municipality	Area Km ²
Matatiele Local Municipality	4352
Umzimvubu Local Municipality	2506
Alfred Nzo District Municipality	6858

The following map provides an overview of the Alfred Nzo District.

MAP 3: ALFRED NZO DISTRICT MUNICIPALITY



The Alfred Nzo District has undergone a number of amendments in terms of provincial, municipal and ward demarcation which has a intense impact on planning in the area. Prior to 1 March 2006, Alfred Nzo comprised of Umzimkulu Local Municipality and the Umzimvubu Local Municipality. The latter included Mount Frere, Mount Ayliff and the magisterial district of Maluti. New Provincial demarcations resulted in the Umzimkulu Local Municipality being incorporated into KwaZulu Natal and the Matatiele Municipality (which previously fell into kwaZulu Natal) and which comprised Cedarville and Matatiele being incorporated into the Alfred Nzo District of the Eastern Cape Province. The newly established Eastern Cape Matatiele Municipality now includes the towns of Matatiele, Cedarville, and the magisterial district of Maluti (which formerly fell under the Umzimvubu Municipality) and a rural district management area which formerly fell under the jurisdiction of the Alfred Nzo District Municipality. The proposal of incorporation of Ntabankulu and Mbizana Local Municipalities under Alfred Nzo District Municipality will further have some impact on planning exercise.

Table 2: Local Municipalities and Key Towns in the District

Local Municipality	Towns
Umzimvubu Local Municipality	Mount Ayliff
	Mount Frere
Matatiele Local Municipality	Matatiele
	Maluti
	Cedarville

The District falls within the Umzimvubu River Basin. The terrain is largely mountainous and extends to more than to 1000m above sea level and rises to the Drakensberg on the border of Lesotho. On average the altitude ranges between 700-800m above sea level. It has steep river valleys formed by the Tina, Kinira, Umzimvubu and Mzintlava Rivers. The northern areas below the escarpment have extensive wetlands which are not fed by flowing water or rivers¹. Rainfall is relatively high at 900-1500 mm annually and increasing near the escarpment) with excellent agricultural soils near the rivers. The Alfred Nzo District Municipality is predominantly mountainous in the eastern and central areas with large tracts of grasslands in the north-western section.

The municipal area is predominantly rural with large number villages scattered across the district. The N2 highway between Kokstad, located in Sisonke District Municipal area and Mthatha transects the most southern part of the district. This route serves as the main linkage road from Kokstad through the central section of OR Tambo District Municipality to East London. Kokstad is some 50km from Mount Ayliff and 70km from Matatiele, and serves as an important commercial linkage town which is located outside of the Alfred Nzo District Municipality.

The district economy is characterized by limited formal economic activity and high dependency on the public sector for employment and social grants. Its proximity to the more developed towns of KwaZulu Natal such as Kokstad results in consumer spending leakage of funds out of the district into Sisonke District Municipal area and the Ugu District municipal area. The ANDM is the most impoverished municipality in the Eastern Cape Province after Chris Hani, and is the most underdeveloped of all the presidential poverty nodes.

1. ENVIRONMENTAL ANALYSIS (INTERNAL AND EXTERNAL)

1.1. DEMOGRAPHIC ANALYSIS

1.1.1 Population and population density

According to the 2007 Community Survey conducted by Statistics South Africa the total population of the Eastern Cape Province is 6, 527 746 people. The following table provides a breakdown of the population per district.

Table 3: Population per district

District Municipality	District population	Overall Percentage
Cacadu	363 493	5.7
Amathole	1 664 749	25.5
Chris Hani	798 600	12.2
Ukhahlamba	308 364	4.7
O.R. Tambo	1 862 214	28.5
Alfred Nzo	479 395	7.3
Nelson Mandela Metro	1 050 927	16.1
Total	6 527 745	100

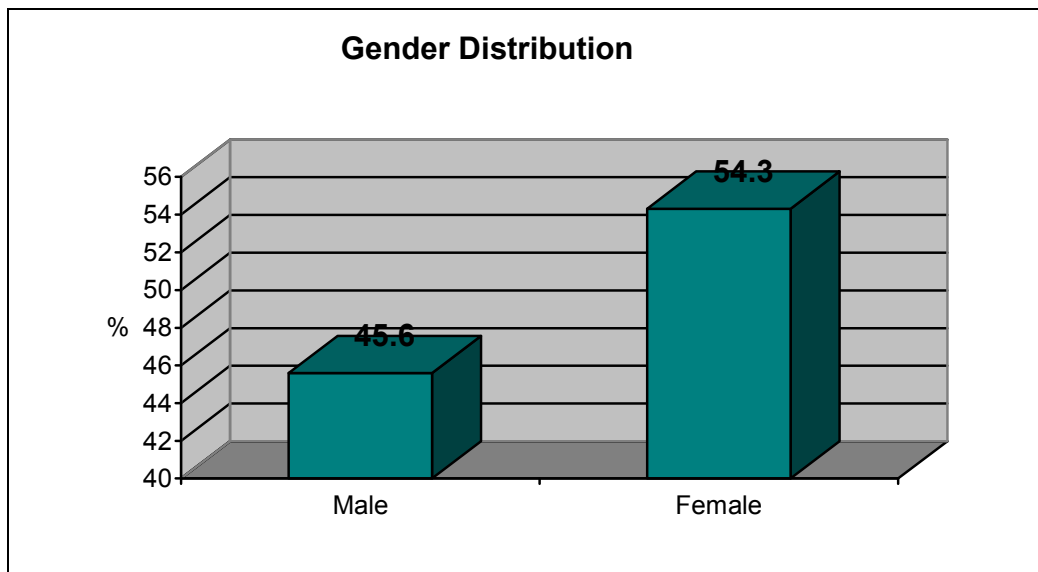
Source; Statistics South Africa Community survey 2007

The Alfred Nzo District has a total population of 479 395 which accounts for 7, 3% of the Provincial population. Matatiele Local Municipality has a total population of 258 758 which constitutes 54% of the total district population and Umzimvubu Local Municipality has a total population of 220 636 which constitutes 46.03% of the total District population. Statistically, the population density of the district is low which implies that there is a lot of land not occupied by residential or any other physical development. The average population density for the district is 70 people per square kilometre. The population density of Matatiele Local Municipality is 59 people per square kilometre and the population density of Umzimvubu Local Municipality is 88 people per square kilometre. Matatiele Local Municipality therefore has a significantly larger area and a higher population than Umzimvubu Local Municipality, but a much lower population density.

1.1.2 Gender distribution

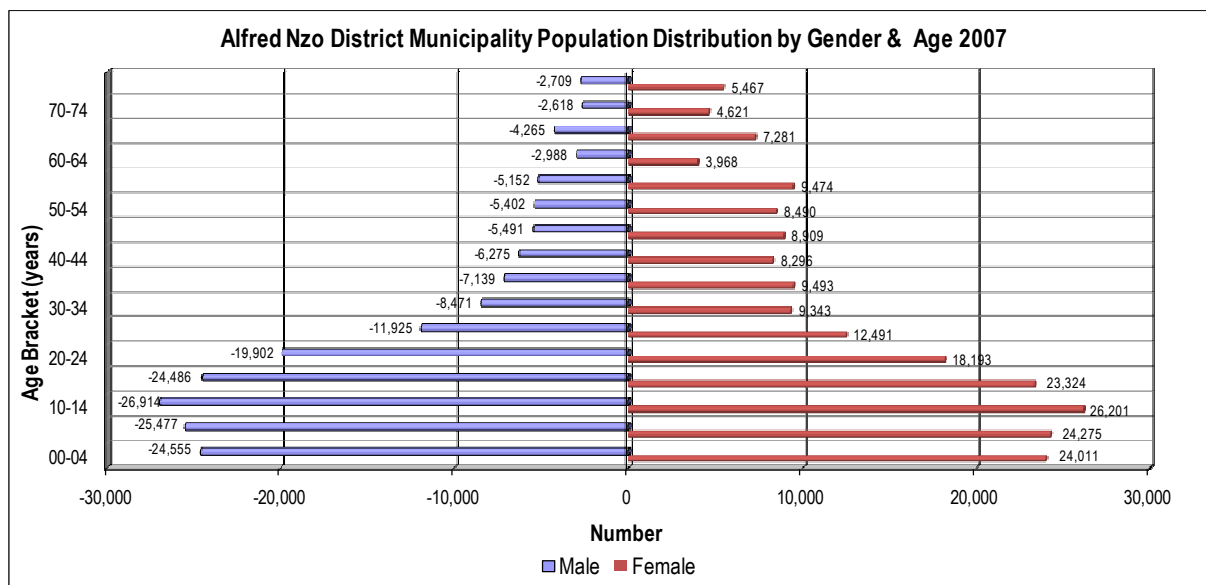
The Alfred Nzo population is predominantly female. Females constitute 54.38% of the population while males constitute 45.6%. Municipal planning must take cognisance of this gender balance and the Municipality acknowledges this through inclusion of the needs of women and gender issues in its programme for special groups.

Figure 1: Gender Distribution



Source: Statistics South Africa: Community Survey 2007

Figure 2: Gender Distribution per age

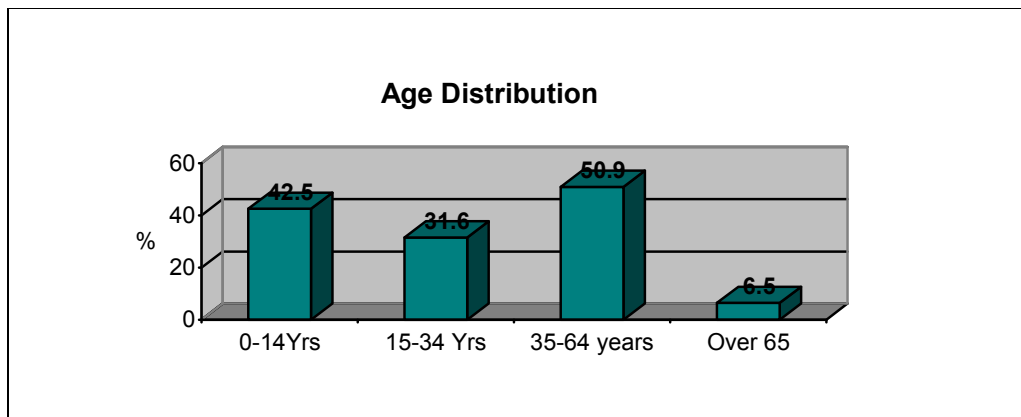


The population pyramid of Alfred Nzo District Municipality as shown in the figure above has a broad base that reflects a high proportion of children and youth, commonly known as the youth bulge. Notably in this bulge is the smaller representation of younger children which could reflect the impact of family planning and is consistent with the increase in the number of smaller families. The overall pyramid can be associated with a relatively high population growth rate and a low proportion of older people. For all age groups over 25 there are more women than men.

1.1.3 Age distribution

At Provincial level 69% of the population are under the age of 35 years and considered to be youth. 35.5% of the population is between the ages of 0 and 14 years and are considered to be dependant. The potentially economically active population (15 - 65 years) constitutes 57.4% of the population and the elderly 6.9%. The population of Alfred Nzo broadly reflects these Provincial trends with some variation in terms of percentages. 74.1% of the population are under the age of 35 years, whereas 42, 5% are between the ages of 0 and 14 years and still dependent. The potentially economically active population (15 - 65 years) constitutes 50% of the population and the elderly 6.5 %. Municipal planning must take cognisance of the predominantly youthful population and the Municipality acknowledges this through inclusion of the needs of children and youth issues in its programme for special groups.

Figure 3: Age Distribution



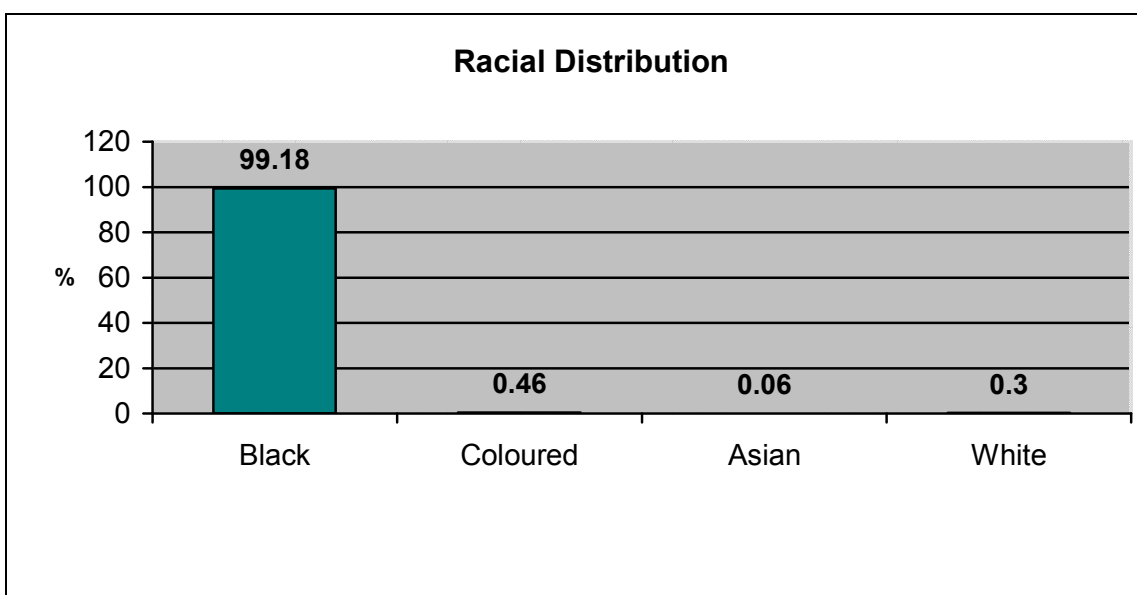
Source: Statistics South Africa: Community Survey 2007

The high proportion of dependant youth in the district implies a higher burden on the economically active population. Given that a high percentage of the economically active population is not economically active this burden shifts to organs of state and places a higher burden on municipalities and government departments such as Social Development, Health etc.

1.1.4 Racial distribution

The population of Alfred Nzo is predominantly African. African people constitute 99.1% of the total population while the remaining population groups constitute only 0.9% of the total population.

Figure 4: Racial Distribution

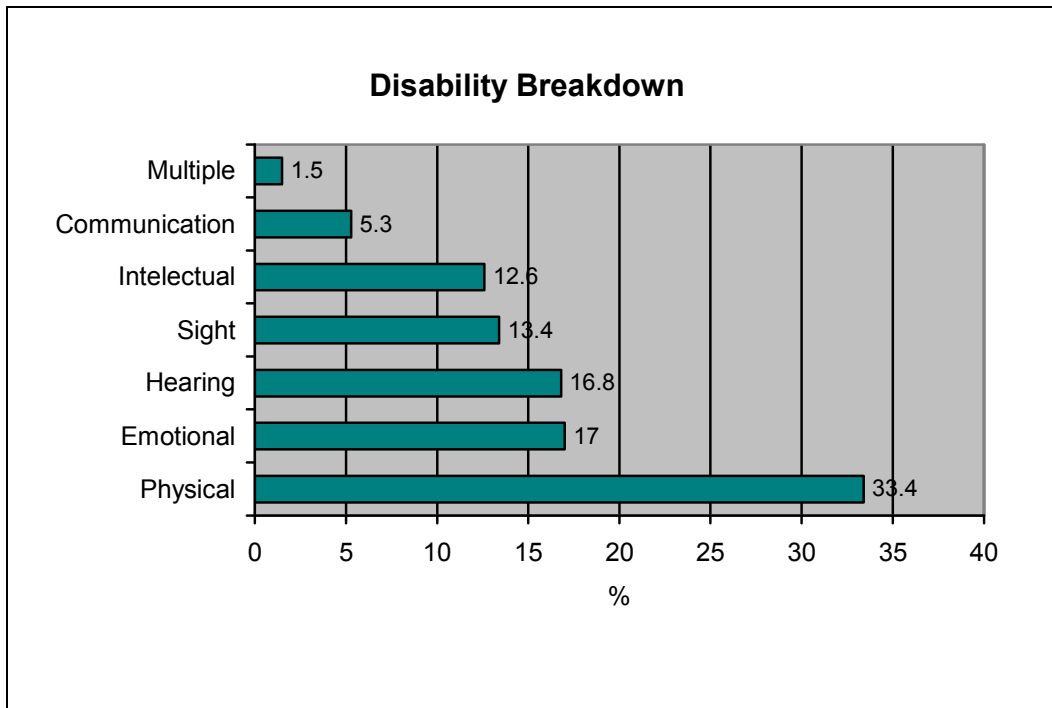


Source: Statistics South Africa: Community Survey 2007

1.1.5 Disability profile

Within the Alfred Nzo District, there are people with disabilities. 4% of the district population suffers from some form of disability. A slightly higher percentage of the male population (51.8%) is affected by disabilities than the female population (48.2%). An analysis of the most predominant types of disability revealed that the majority of people with disabilities have physical disabilities (33.4%). Only 1, 5% of people with disabilities have multiple disabilities. Municipal planning must take cognisance of the needs of people with disabilities and acknowledges this through inclusion of people with disabilities in its programme for special groups.

Figure 5: Disability Breakdown



Source: Statistics South Africa: Community Survey 2007

1.2 SOCIO ECONOMIC PROFILES

The Alfred Nzo District is characterised by poor socio economic conditions and low levels of development which is not an uncommon trend in the region.

1.2.1 Indicators of economic performance

The table below shows the total Gross Value Adding (GVA) of the district relative to that of other districts in the province. Alfred Nzo is the least significant contributor to the provincial GVA, contributing less than 1% of the province's GVA.

Table 4: Total GVA of the Alfred Nzo district municipality compared to the Country, Province and other districts (2007)

District GVA (R1000)	1142483
Provincial GVA (R1000)	137456510
National GVA (R1000)	1768272907

District/ Metro	% provincial total GVA
Nelson Mandela Bay Metro	42.64%
Amathole District Municipality	32.50%
O R Tambo District Municipality	8.82%
Cacadu District Municipality	7.61%
Chris Hani District Municipality	5.83%
Ukhahlamba District Municipality	1.77%
Alfred Nzo District Municipality	0.83%

The tables and figures below show the contribution of different sector to the GVA of the district, and compare this with local municipal, provincial and national figures.

Table 5: GVA by major sector, Alfred Nzo district municipality, 2003 – 2007

Sector	2003 (R1000)	%	2004 (R1000)	%	2005 (R1000)	%	2006 (R1000)	%	2007 (R1000)	%
Mining	3942.7	0.5%	5350.4	0.6%	5820.3	0.6%	6948.1	0.7%	7169.7	0.6%
Construction	11789.1	1.5%	12596.5	1.5%	12067.8	1.3%	13255	1.3%	15221.4	1.3%
Electricity	10303.8	1.3%	11778.6	1.4%	12789.9	1.4%	15341.9	1.5%	17514.4	1.5%
Manufacturing	15456.1	2.0%	15653.3	1.9%	16548.3	1.8%	18662.5	1.9%	20822.4	1.8%
Transport	16184.4	2.1%	17197.4	2.0%	18266.8	2.0%	19831.8	2.0%	21322.2	1.9%
Agriculture	23864.3	3.1%	23023.9	2.7%	20867.6	2.3%	24233.8	2.4%	30892.4	2.7%
Finance	52378	6.7%	61343.2	7.3%	66463.1	7.4%	85703.7	8.6%	105718.4	9.3%
Trade	114142.3	14.6%	110933.7	13.1%	119060.4	13.3%	135597.6	13.6%	151432.9	13.3%
Community services	532850.6	68.2%	585815.7	69.4%	626160.6	69.7%	679745.4	68.0%	772389	67.6%
Total	780911.3	100.0%	843692.7	100.0%	898044.8	100.0%	999319.8	100.0%	1142482.8	100.0%

Source: Global Insights Africa International

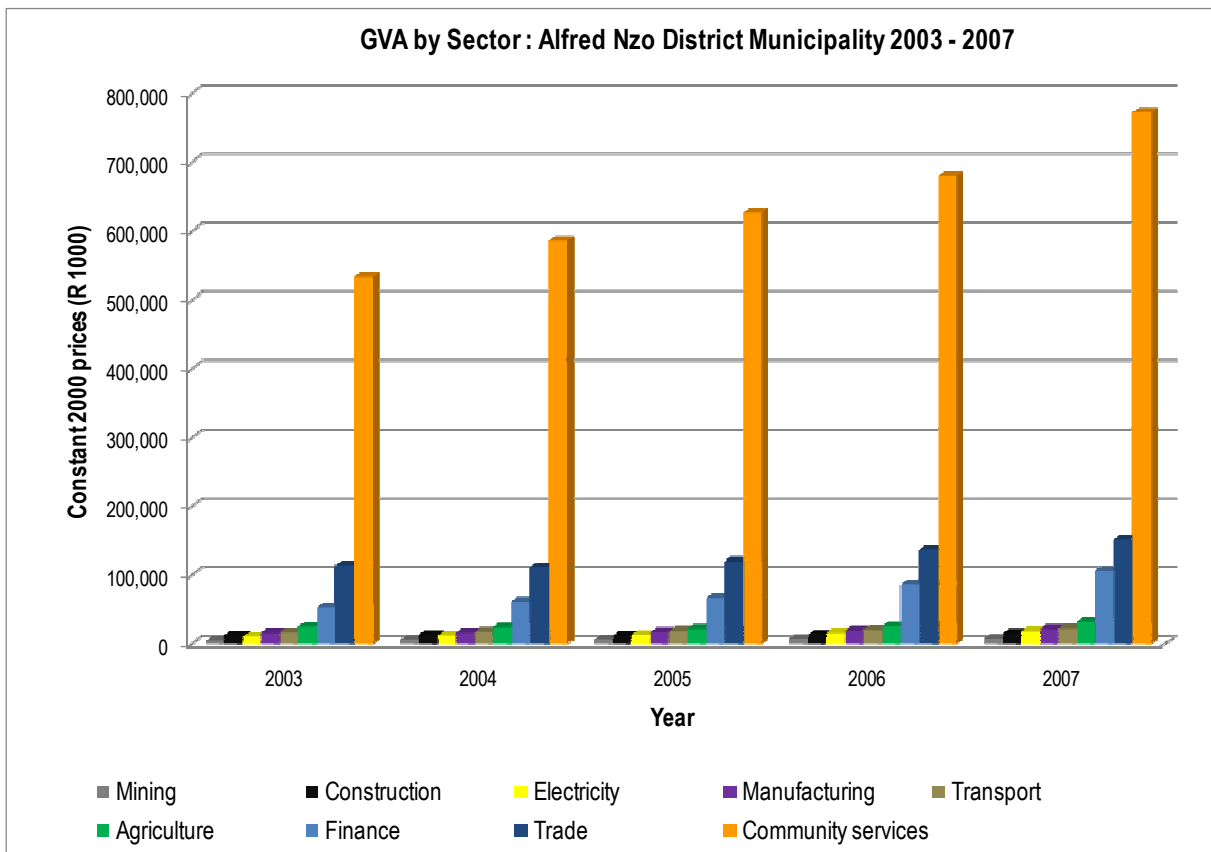


Figure 6: GVA by major sector: Alfred Nzo district municipality, 2003 – 2007

Table 6: GVA by sector: Alfred Nzo relative to local, provincial and national contributions, 2007

Sector	Matatiele (R1000)	Umzimvubu (R1000)	Alfred Nzo (R1000)	Eastern Cape (R1000)	South Africa (R1000)	Sector as % District in 2007	Sector as % of E.Cape 2007	Sector as % of SA 2007
Com. Services	343,752	428,637	772,389	41,946,645	361,960,624	67.61	30.52	20.47
Finance	63,746	41,972	105,718	32,044,680	392,180,000	9.25	23.31	22.18
Trade	44,958	106,475	151,433	18,509,560	245,178,607	13.25	13.47	13.87
Agriculture	22,793	8,099	30,892	3,048,883	56,685,000	2.70	2.22	3.21
Electricity	15,740	1,774	17,514	1,903,923	43,672,566	1.53	1.39	2.47
Transport	11,624	9,698	21,322	11,509,888	159,536,852	1.87	8.37	9.02
Manufacturing	8,857	11,965	20,822	25,779,039	321,789,798	1.82	18.75	18.20
Mining	4,370	2,799	7,170	284,909	135,459,460	0.63	0.21	7.66
Construction	4,144	11,077	15,221	2,428,983	51,810,000	1.33	1.77	2.93
Total	519,984	622,496	1,142,481	137,456,510	1,768,272,907	100.00	100	100.00

Source: Global Insights Africa International

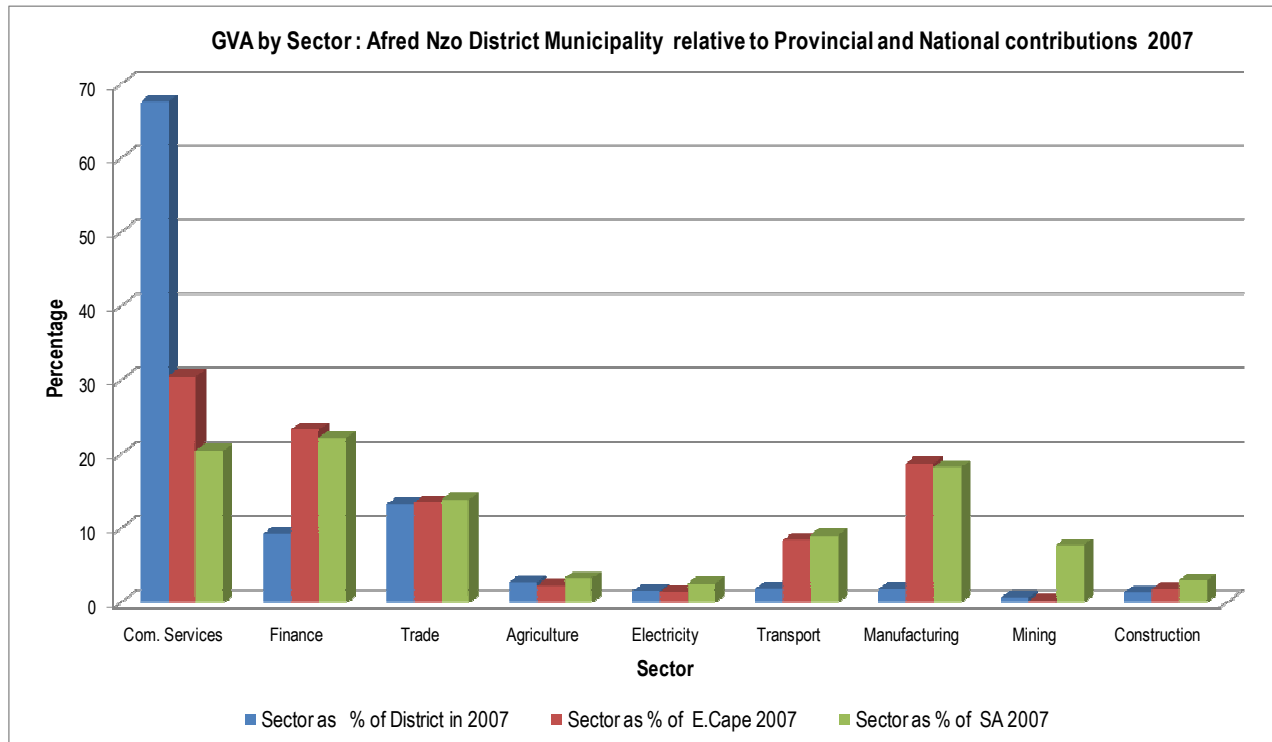


Figure7: GVA by sector relative to provincial and national contributions

The local economy is heavily reliant on the Community Services sector which contributes 67.61% of the Gross Value Adding (GVA) in the District. This includes salaries and wages for government employees such as office workers, nurses, teachers and doctors. The contribution of this sector is more than twice as much as the figure for the Province and more than three times the sector's contribution to the national economy. It is important to note that the contribution of this sector to the informal economy is very low at 4.6% compared to the provincial figure of 17.3% and the national figure of 12.3%². This underscores the dominance of the formal public sector in providing community services.

The second highest contributor to the District's economy is Trade (13.25% of GVA), which is on-par with the provincial and national figures. This sector is underpinned by the public sector based expenditure through government employment and social grants. It is important to note that the contribution of this sector to the informal economy is the highest at 51.3%, which is greater than the provincial figure of 45.7% and only slightly less than the national figure of 49.2%³.

The third highest contributor to the District's economy is Finance (9.25% of GVA), which is less than half the provincial and national figures. Again, this figure would have been less if the banking sector was not underpinned by public sector based financial transactions.

Despite the considerable agricultural (including forestry) potential of the District, the contribution of this sector to the economy is a mere 2.7% of GVA.

The contribution of the other sectors is very limited with the most noticeable variations to the provincial and national profile in the manufacturing and transport sectors. Manufacturing contributes a paltry 1.8% to the district economy compared to the provincial figure of 18.8% and the national figure of 18.2%. Transport only contributes 1.9% to the district economy compared to the provincial figure of 8.4% and the national figure of 9%. It is interesting to note that the contribution of the transport sector to the informal economy is higher at 11.6% compared to provincial figure of 10.5% and the national figure of 6.4%. This is a reflection of a relatively large number of informal taxi operators in the area.

Variations at a sub-district level are not meaningful, except for the following:

- The contribution of the agricultural sector to the economy of the Matatiele Local Municipal area is higher at 4.44% than the same for the Umzimvubu Local Municipal area at 1.3%. This can be ascribed to the presence of commercial agriculture around Matatiele/Cedarville and is indicative of the low levels of agricultural production on communal land elsewhere in the district.

- The contribution of construction sector to the economy of the Umzimvubu Local Municipal area is higher at 1.77% than the same for the Matatiele Local Municipal area at 0.8%. This can be ascribed to the higher levels of public sector expenditure on infrastructure development and poverty alleviation projects in the Umzimvubu Local Municipal area.

Table 7: Percentage change in GVA per sector across local and district municipalities, 2003 - 2007

Sector	Matatiele LM % change 2003-2007	Umzimvubu LM % change 2003-2007	Alfred Nzo DM % change 2003-2007	Eastern Cape % change 2003-2007	South Africa % change 2003-2007
Com. Services	31	31	31	32	32
Finance	54	45	50	42	42
Trade	23	25	25	28	36
Agriculture	27	19	23	24	28
Electricity	42	37	41	40	35
Transport	23	26	24	30	31
Manufacturing	27	25	26	32	31
Mining	57	26	45	38	38
Construction	21	23	23	27	48
TOTAL	33	30	32	34	35

Source: Global Insights Africa International

The growth in District economy as a percentage of change in the total GVA from 2003 to 2007 is 32%. This is only slightly less than the provincial growth (34%) over the same period. The major constraint to growth has been the District's dependence on the public sector for employment and social grants to drive the local economy: public sector expansion cannot be sustained unless other industries are developed to generate wealth in the area, and this is not happening.

The highest growth rate has been in the finance sector and the lowest growth rate is in the construction sector between 2003 and 2007.

At sub-district level, economic growth from 2003 to 2007 was slightly higher in the Matatiele Local Municipal area (33%) than in the Umzimvubu Local Municipal area (30%). This is mainly due to higher growth in the financial, agricultural and electricity sectors. Growth in the mining sector in the Matatiele Local Municipal area was also substantial but this comes from a low base. This is due to the opening of a number of gravel and stone quarries in the area due to increased construction activities.

The tables and graphs below provide a more detailed description of the breakdown by sector for GVA in each local municipality between 2003 and 2007.

Table 8: GVA by major sector, Umzumvubu local municipality, 2003 – 2007

	2003	2004	2005	2006	2007	Rank
Com Services	295,944	325,646	347,310	377,221	428,637	1
Trade	79,628	77,409	82,975	94,425	106,475	2
Finance	23,213	26,913	29,269	35,090	41,972	3
Manufacturing	8,963	9,038	9,573	10,736	11,965	4
Construction	8,504	9,105	8,740	9,621	11,077	5
Transport	7,225	7,711	8,222	8,976	9,698	6
Agriculture	6,596	6,606	6,510	6,964	8,099	7
Mining	2,062	2,230	2,498	2,568	2,799	8
Electricity	1,121	1,188	1,292	1,544	1,774	9

Table 9: GVA by major sector, Matatiele local municipality, 2003 – 2007

	2003	2004	2005	2006	2007	Rank
Com Services	236,907	260,170	278,851	302,524	343,752	1
Finance	29,165	34,430	37,194	50,614	63,746	2
Trade	34,515	33,525	36,085	41,173	44,958	3
Agriculture	17,268	16,418	14,357	17,270	22,793	4
Electricity	9,183	10,590	11,498	13,798	15,740	5
Transport	8,959	9,486	10,045	10,856	11,624	6
Manufacturing	6,493	6,615	6,975	7,926	8,857	7
Mining	1,881	3,120	3,322	4,380	4,370	9
Construction	3,285	3,492	3,328	3,634	4,144	8

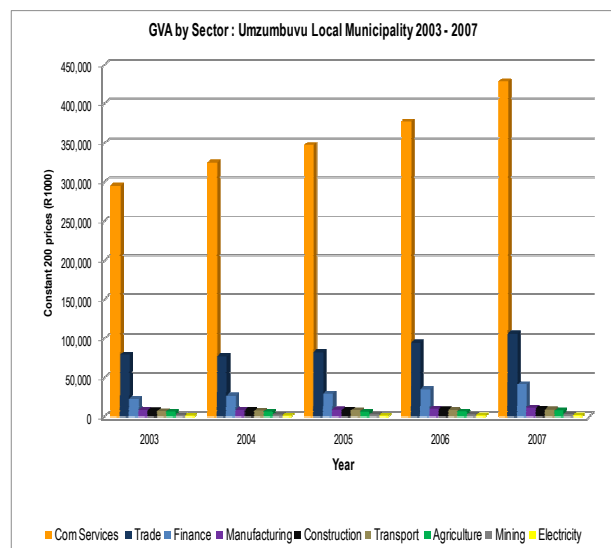
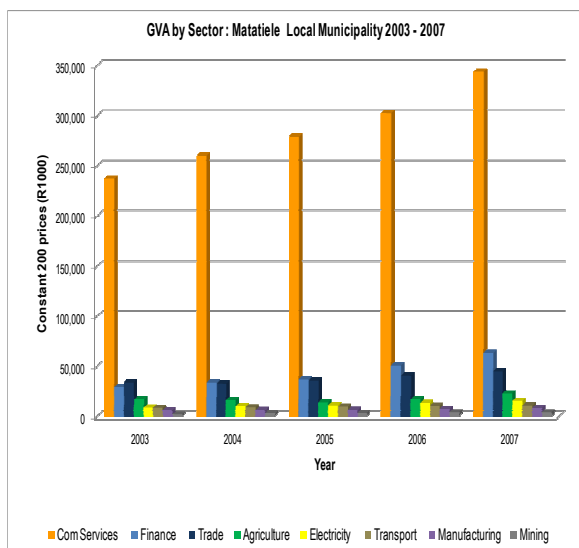


Figure 8: GVA by local municipality, 2003-2007

As can be expected, both local municipalities are dominated by Community Services. In the case of Umzumvubu, this is followed by Trade, which shows an increase since 2003, particularly in 2007. In Matatiele, the second most important sector is Finance, which has increased since 2003, overtaking Trade which was second most important in 2003.

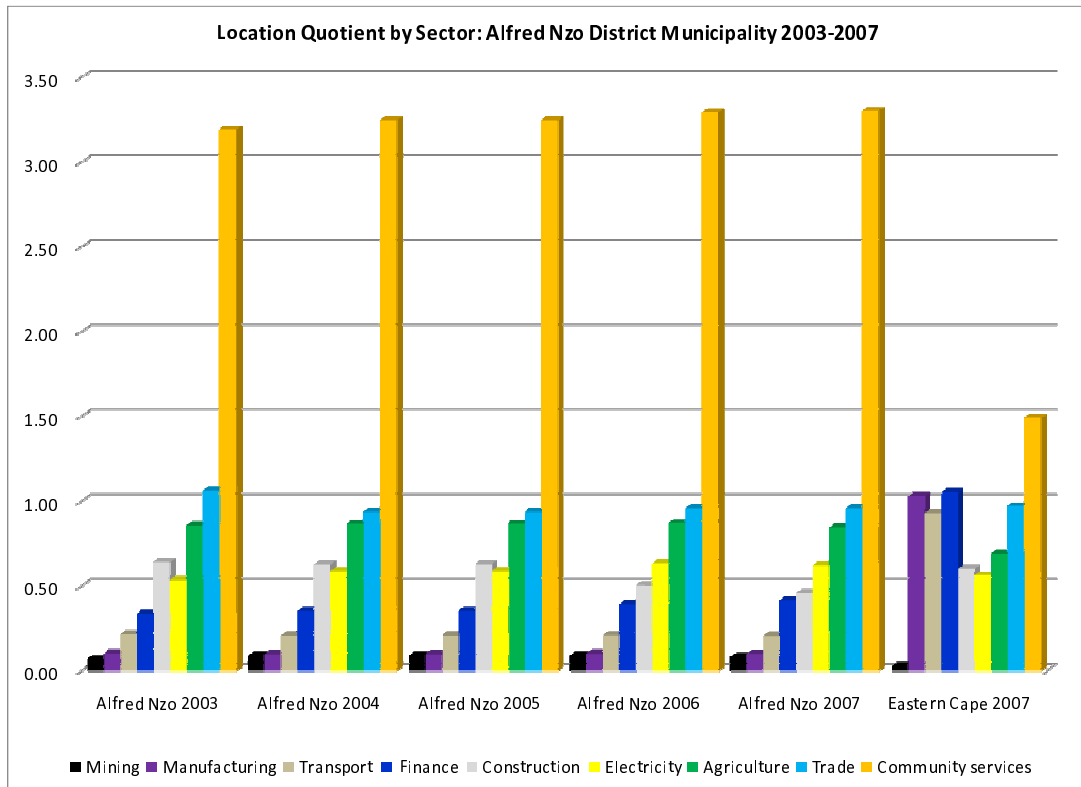
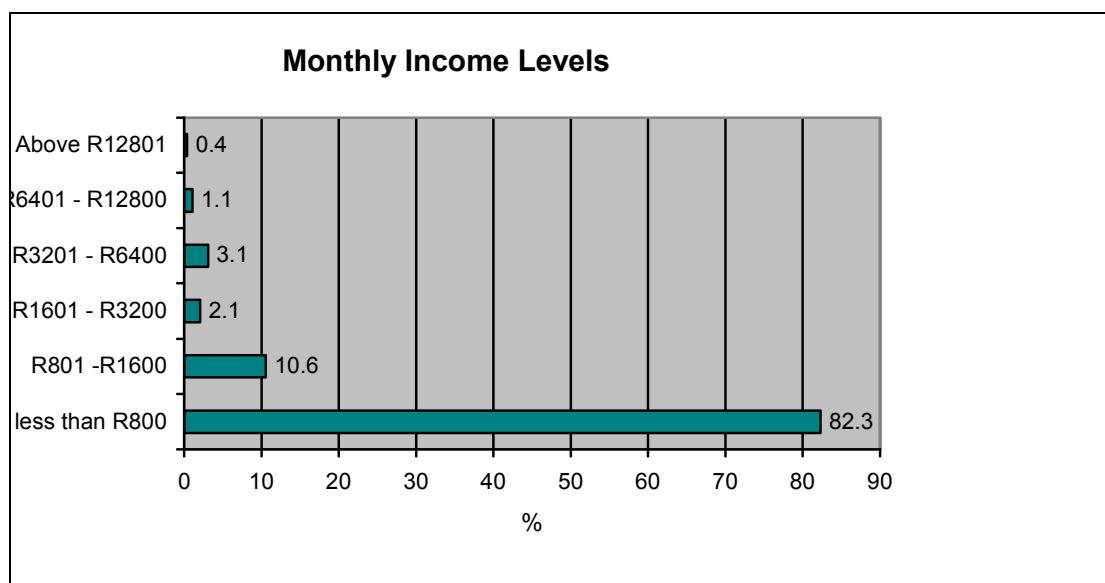


Figure 9: Location Quotient by Sector for Alfred Nzo District, 2003-2007

1.2.2 Income levels

Income levels within the District area are very low. 69.8% of the economically active population does not generate any income. Only 6.7% of the economically active population has an income of more than R1601.00 per month. Municipal planning needs to focus strongly on local economic development initiatives that will enable the community to generate an income.

Figure 10: Income levels

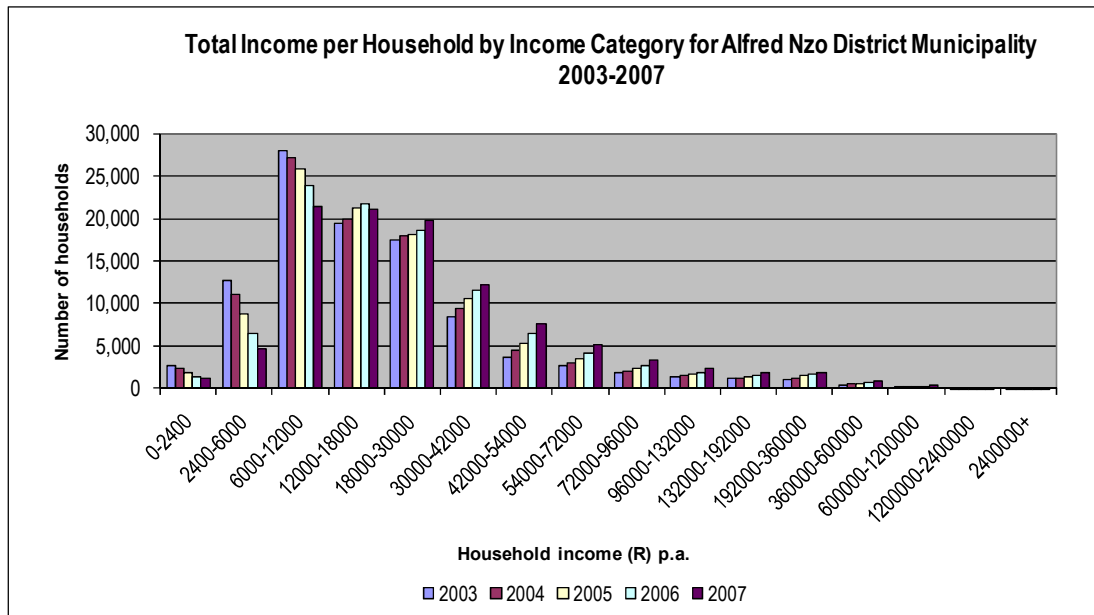


Source: Statistics South Africa: Community Survey 2007

The percentage of District households in the lower-middle income category R18, 000-R132, 000/annum (48.6%) is more or less on par with that for the Province (52.4%) and the country as a whole (51.8%). This is a reflection of the importance of government as an employer in the district.

The greatest variance between district, provincial and national incomes is in the higher income category of R132, 000/annum or more, namely 4.7% for the District compared to 14.5% for the Province and 22% for South Africa. There is a substantial lower-middle income category in the district, but very few higher income earners. The absence of a higher income earning class limits the growth potential of the District in that it is this category that usually offers the necessary intellectual and financial capital to support growth.

Figure 11: Income levels per household per annum



Source: Global Insights Africa International

1.2.2 Poverty levels

Increasing levels of absolute poverty have been recorded in the Eastern Cape and 74% of the people of the Eastern Cape live below the poverty line of R800 or less a month). Poverty levels vary according to district but in Alfred Nzo 82.3% of the population live below the poverty line which is much higher than the Provincial norm. High poverty levels imply a high dependency on social assistance in the form of grants. Municipal planning needs to focus strongly on poverty alleviation mechanisms.

1.2.3 Employment levels and trends

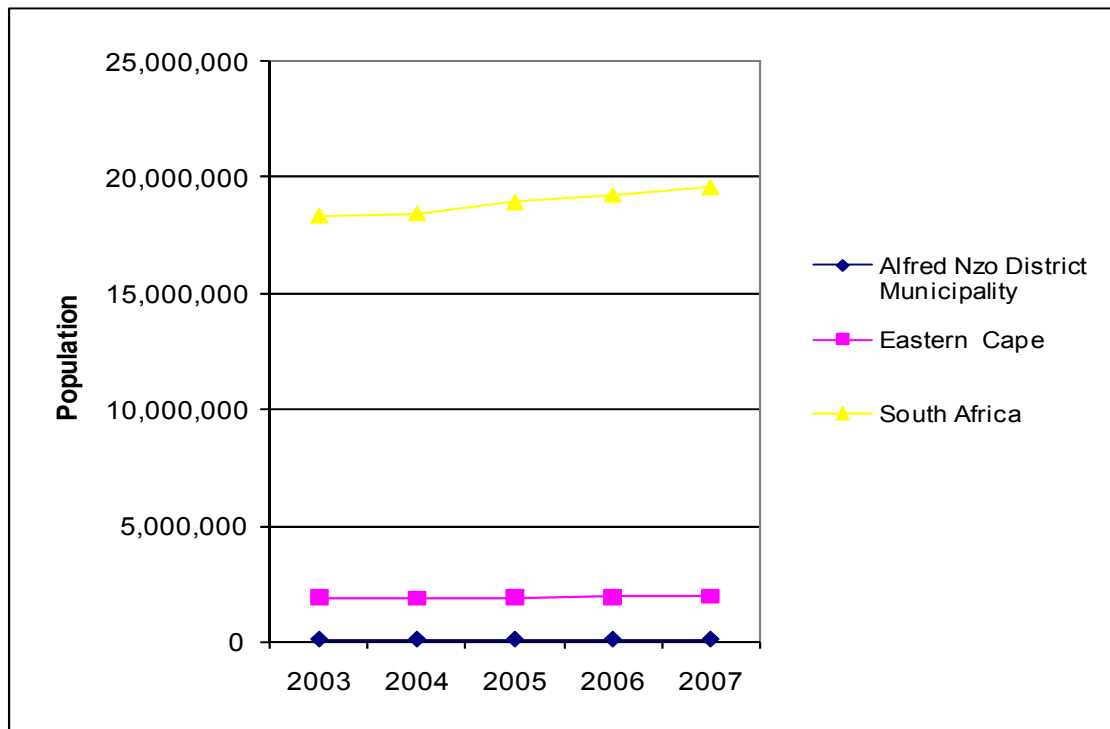
The Alfred Nzo District is characterised by low levels of employment and a high percentage of people who are not economically active. This in turn accounts for the high poverty levels and low income levels. High unemployment rates impact negatively on municipalities as low affordability levels result in a poor payment rate for services. A comparison of the unemployment rate on district level reveals that Alfred Nzo has the second highest level of unemployment in the province.

Table 10: Comparison of unemployment rates per district.

Municipality	Employed (%)	Unemployed /not economically active (%)
Chris Hani	18.3	81.7
Alfred Nzo	23.69	76.31
Ukhahlamba	26.3	73.7
Amatole	28.6	71.4
O.R.Tambo	32.06	67.9
Nelson Mandela Bay Metro	38.13	61.87
Cacadu	40.59	59.41

Source: Statistics South Africa: Community Survey 2007

Figure 12: Economically active population across local municipalities, Alfred Nzo district municipality



Source: Global Insights Africa International

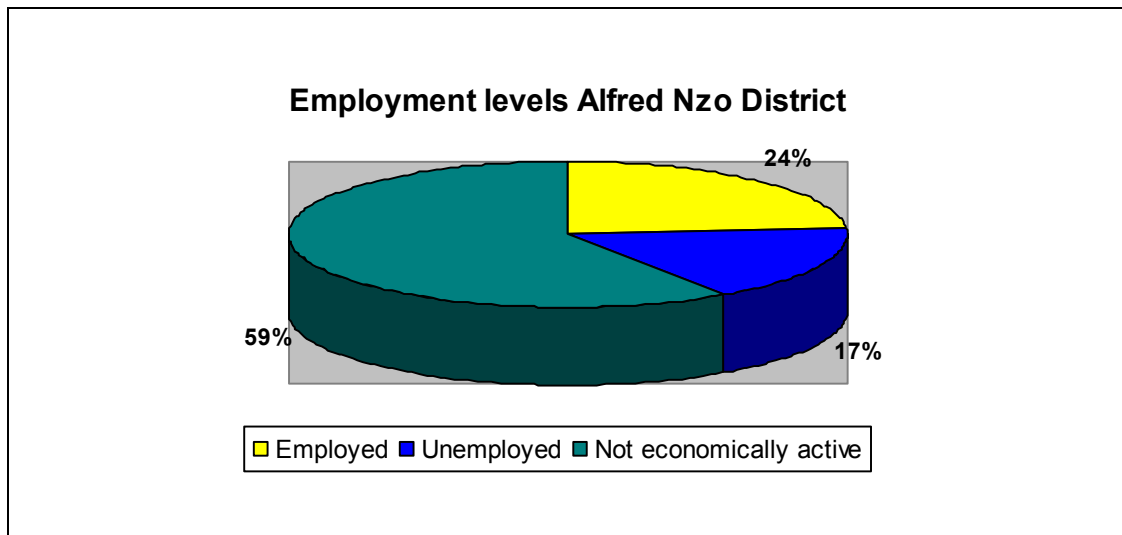
The labour force participation rate is also very low with only 34.3% of the population of working age (aged 15 to 64) either employed or seeking employment. This is nearly half the national average and 50% of the provincial average.

This points to the fact that a very large portion of the potentially economic active people in the district do not seek employment because they hold no hope for being employed or they view themselves as unemployable.

On a positive note, the level of unemployment for the District is slightly down from the 2003 figure of 79%. However, this is still marginally less than the decrease for the Province and the country as a whole. The ANDM remains the most impoverished area in the Province, and one of the most underdeveloped of the country.

The following figure provides an overview of employment levels at district level.

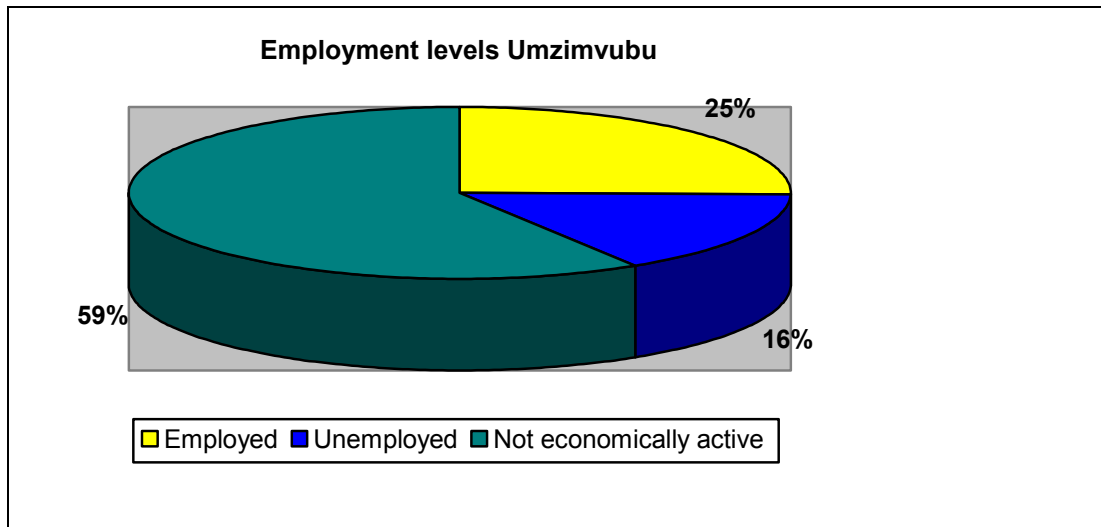
Figure 13: Employment levels Alfred Nzo District



Source: Statistics South Africa: Community Survey 2007

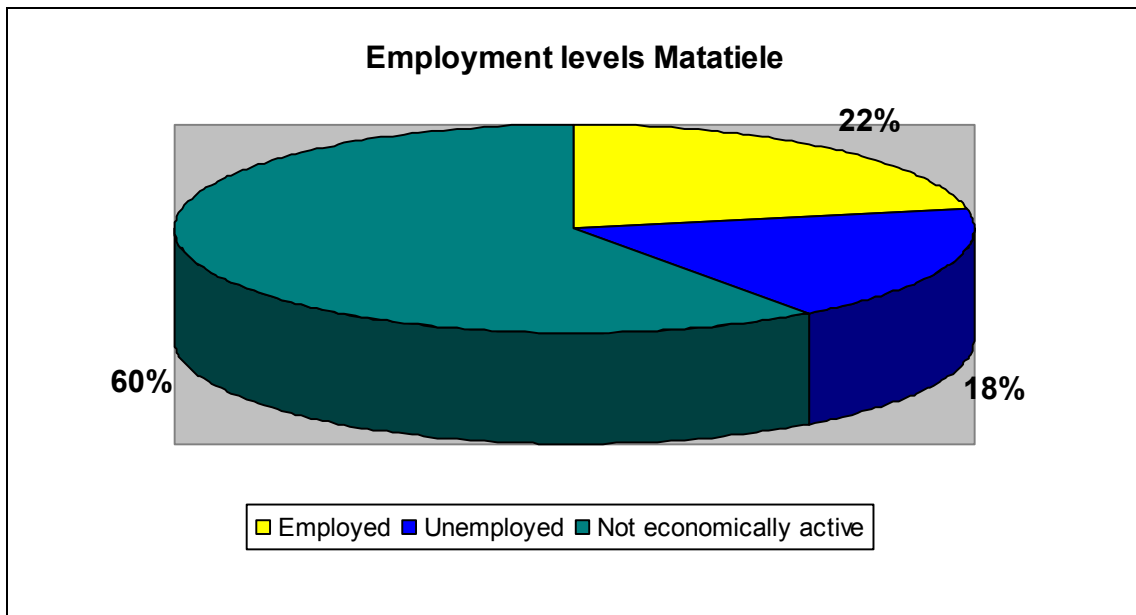
This trend is broadly reflected at local level with Matatiele Local Municipality having a slightly higher percentage of its population employed than Umzimvubu Local Municipality. The following figures provide an overview of employment levels at local level.

Figure 14: Employment levels Umzimvubu Local Municipality



Source: Statistics South Africa: Community Survey 2007

Figure 15: Employment levels Matatiele Local Municipality



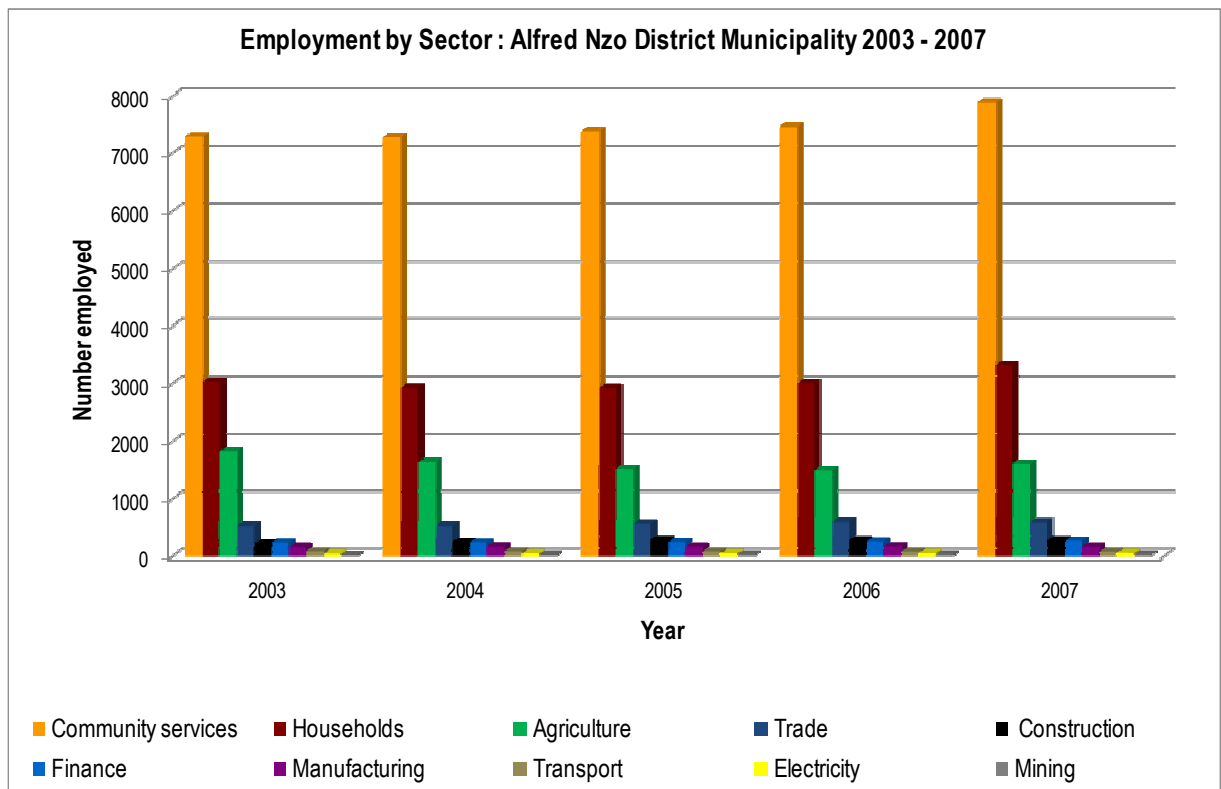
Source: Statistics South Africa: Community Survey 2007

The Eastern Cape Province derives income from basically three sectors:

- ⇒ The primary sector made up by agriculture, forestry and fishing industry
- ⇒ The secondary sector dominated by transport, construction, food industry, and wholesale industry.
- ⇒ The tertiary sector dominated by community and public sector services.

On Provincial level employment is dominated by the tertiary sector. This is reflected in the Alfred Nzo District where the public sector or community services accounts for the majority of specified jobs (35.7%). This sector is an unlikely base for employment expansion.

Figure 16: Employment by Sector



Source: Global Insights Africa International

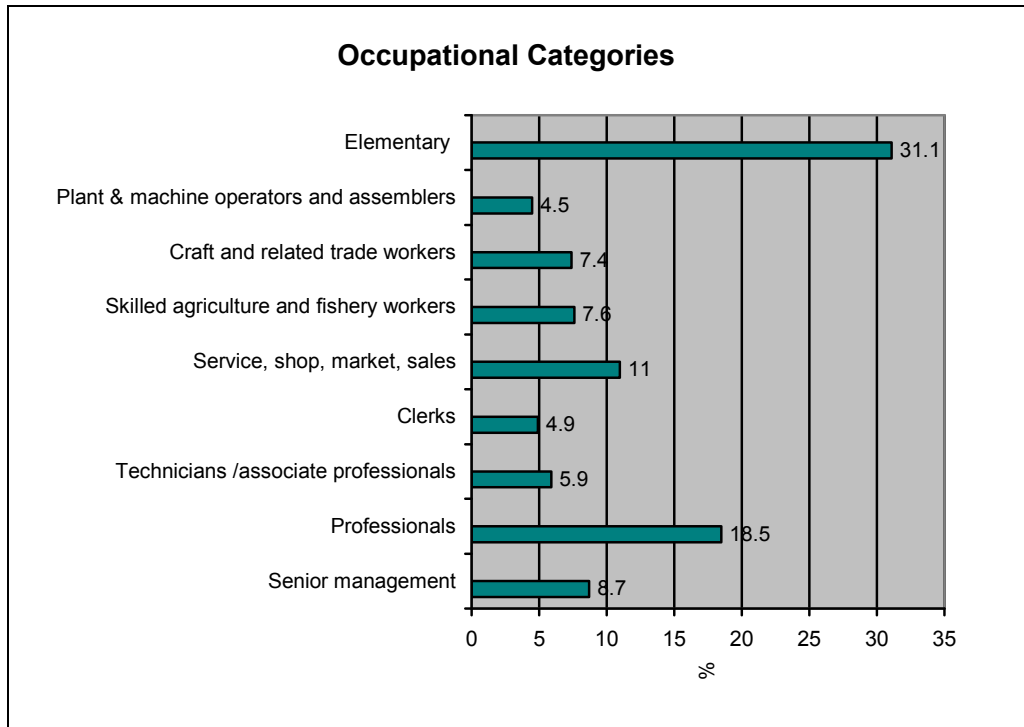
As can be expected, the Community Services sector is the largest employer in the District (55.4%) and provided the greatest increase in employment opportunities (594 jobs) over the past 4 years. This is followed by employment in the Household sector which also added 297 jobs over the past four years. The third highest employer in the District is the Agricultural sector at 11.3% of total employment. This underscores the importance of agriculture as a job creator despite the fact that this sector's contribution to the District economy is very limited. However, it is important to note that employment in this sector has dropped by 11% (202 jobs) since 2003. The remaining sectors contribute less than 10% to employment in the District.

The employment sector is dominated by elementary occupations (31.1%). Craft and related workers, service shop market and sales workers, and clerks jointly constitute 23.3% of the employment sector. Professionals, technicians and associate professionals and legislators /senior managers jointly constitute only 33.1 % of the employment sector. There is a significantly higher number of the latter group in Umzimvubu Local Municipality which is probably attributable to the dominance of the community and public sector services in the municipal area. There is a Local Municipality, District Municipality and several government departments in the Municipal area.

This dominance of elementary and other low level occupations is testimony to the low skills base of the area. This is aggravated by an absence of tertiary educational institutions which contribute significantly to the low levels of graduates in the area. Consequently there is an acute shortage of skilled artisans, engineers, project managers, business management skills and technical skills in agriculture, tourism, forestry and environmental management.

The following table provides an overview of the occupational categories within the District.

Figure 17: Occupational Categories



Source: Statistics South Africa: Community Survey 2007

1.2.4 Dependency on social grants

The Alfred Nzo District is highly dependent on government grants to support the welfare of its population. A total of 160285 people or 33.5 % of the population in the district are dependent on social grants:

Table11: Number of grants per municipality

Municipality	Grants	Population	Percent
Umzimvubu	79789	220631	36.16%
Matatiele	80493	258758	31.11%
Alfred Nzo DM	160282	479389	33.5%

Source: Statistics South Africa: Community Survey 2007

Table 12: Breakdown of grants in each local municipality

Municipality	Old age pension	Disability grant	Child support grant	Care dependency grant	Foster care grant	Grant in aid	Social relief	Multiple social grants	Total
Umzimvubu	20.87%	7.43%	68.65%	1.26%	0.15%	1.38%	0.00%	0.26%	100.00%
Matatiele	22.59%	5.64%	69.02%	1.37%	0.06%	0.86%	0.31%	0.16%	100.00%
Alfred Nzo DM	21.73%	6.53%	68.84%	1.31%	0.11%	1.12%	0.16%	0.21%	100.00%

Source: Statistics South Africa: Community Survey 2007

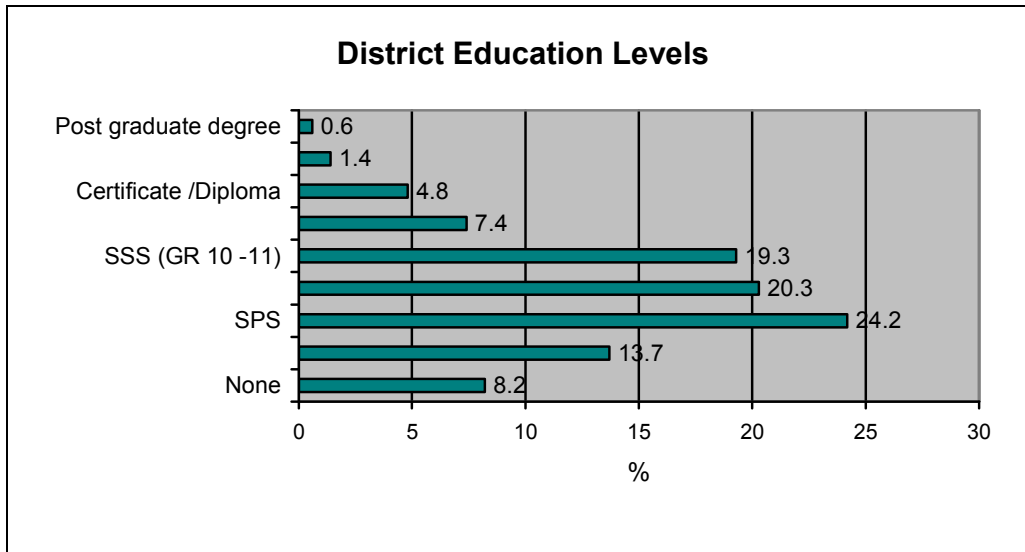
Most grants are child support grants (68.8%) followed by people receiving old age pensions (21.7%). The fact that the District with a total of 102,100 households, according to the Community survey, 2007, received 160,282 support grants of any kind, point to the fact that the majority of ANDM households receive one or more support grants. The number of people receiving disability grants is low at 10,466 considering that approximately 7% of the population, approximately 19,000 has at least one form of disability⁴.

The table above points to the fact that there is little regional variation in the pattern of support grants between local municipalities in the District.

1.2.5 Education

Alfred Nzo is characterised by low education and literacy levels. 8.2 % of the population has no education while 37.9 have only some form of primary school education. Only 14.2% of the population have completed grade 12. Only 6.8% of the population has attained any higher qualification. The following figure represents the highest levels of education attained by the population over 20 years of age as at 2007

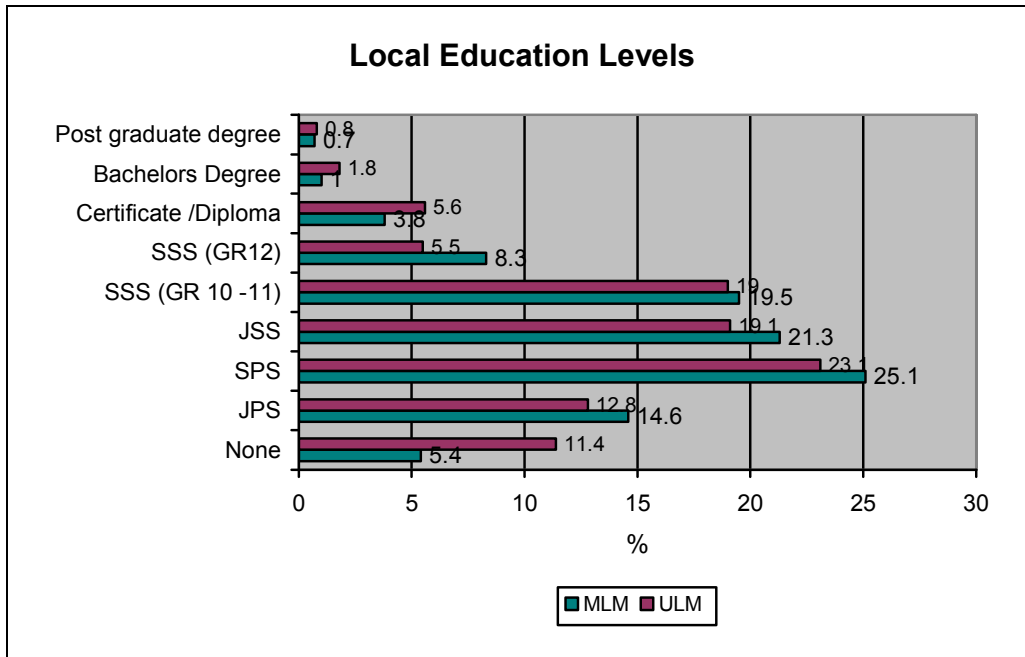
Figure 18: Education levels (persons over 20 years)



Source: Statistics South Africa: Community Survey 2007

A comparison of education levels within the same age group reveals similar trends with some variation between districts. The number of persons with no schooling in Umzimvubu Local Municipality is significantly higher than persons with no schooling in Matatiele Local Municipality. The number of people completing Grade 12 is also lower in Umzimvubu Local Municipality than Matatiele Local Municipality. The numbers of persons completing post matric qualifications is however higher in Umzimvubu Local Municipality than Matatiele Local Municipality.

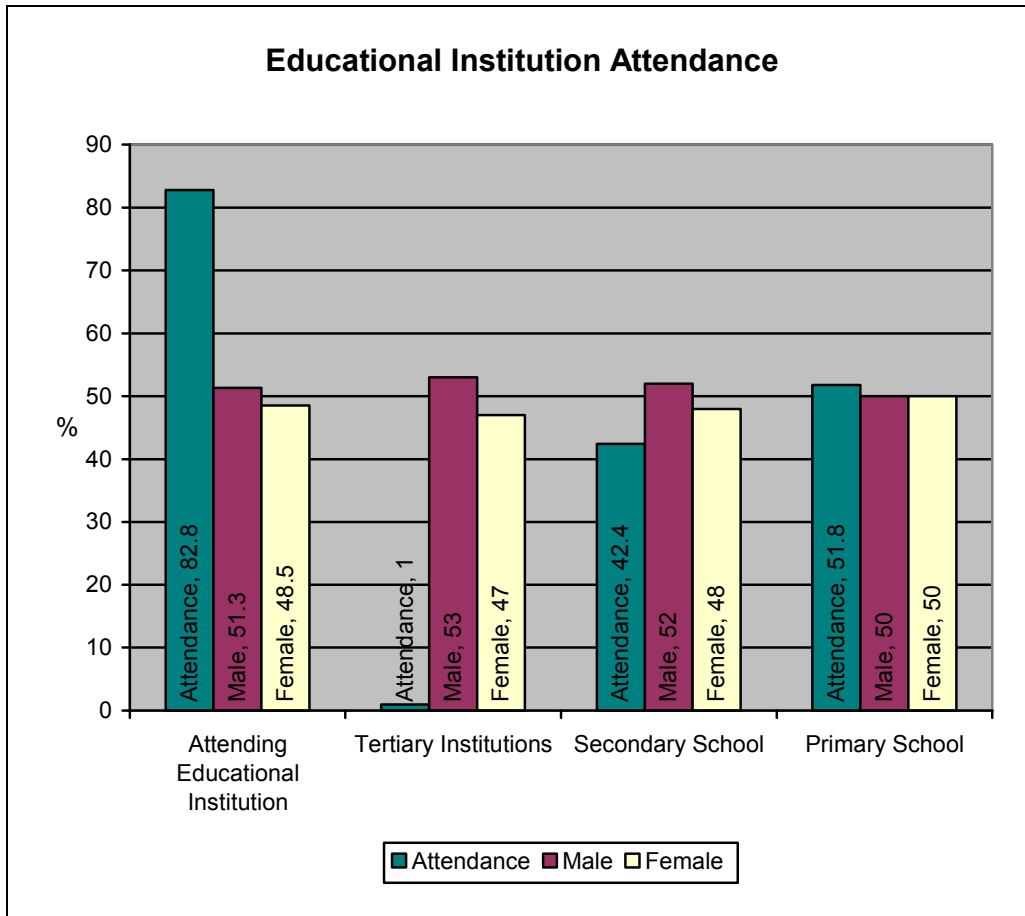
Figure 19: Local Municipality Education Levels



Source: Statistics South Africa: Community Survey 2007

The Statistics South Africa Community Survey of 2007 reveals that 82.8% of the people of the District between the ages of 5 and 24 years are attending some form of educational institution. Of these 42.4% are attending secondary school and 1% in tertiary institutions. There is a slight but consistently higher ratio of males in attendance than females, which in effect means that there may still be some gender marginalization in terms of education given that females constitute a higher percentage of the population.

Figure 20: Educational Institution Attendance



Source: Statistics South Africa: Community Survey 2007

The Department of Education is responsible for Education services and is actively endeavouring to improve education facilities. Its priority areas include;

- ⇒ Eradication of mud structures
- ⇒ Schools that need fencing
- ⇒ Schools that need toilets
- ⇒ Schools that need major renovations
- ⇒ Schools that need water
- ⇒ Schools that need electricity
- ⇒ Schools that need extension
- ⇒ Early Childhood Development Centres

This has seen funding estimated to R573 000 000.00 allocated for 2009/10 financial year to deal with the above-listed priority areas for the Department of Education. Most of the projects are at the implementation stage. There remain significant challenges in terms of providing education in the District. In the Umzimbuvu Local Municipality area there are approximately 245 educational facilities with a further four planned for 2009/10. Of these facilities there are 7 Junior Primary Schools, 29 Senior Primary Schools, 172 Junior Secondary Schools and 21 Senior Secondary Schools. (There are 13 other schools such as preschools) In total, these educational facilities have 80445 learners and 1281 educators.

In the Matatiele Local Municipality area there are 235 educational facilities. Of these facilities there are 11 Junior Primary Schools, 59 Senior Primary Schools, 140 Junior Secondary Schools and 25 Senior Secondary Schools. In total, these educational facilities have 73 257 learners and 2 281 educators.

Although there appear to be an adequate number of primary education facilities in the district, there is a conspicuous lack of senior secondary schools with less than 10% percent of schools providing secondary level education. This is aggravated by poor access to these facilities. There are no tertiary education facilities except for a FET College which is a significant contributory factor to the low levels of graduates in the area.

It can be deduced that a lack of suitable higher level educational facilities is a significant contributory factor to the low literacy and education levels in the District.

1.2.6 Health

The Eastern Cape Department of Health is responsible for the provision of Health Services in the Municipal area. Health Services incorporate awareness, prevention, curative and rehabilitative services.

The following health care facilities exist in Matatiele;

- ⇒ 1 District Hospital (Tayler Bequest Matatiele Hospital)
- ⇒ 1 TB Hospital (Khotsong TB Hospital)
- ⇒ Maluti Community Health Centre
- ⇒ 17 Clinics
- ⇒ 2 Mobile clinics

The following health care facilities exist in Umzimvubu;

- ⇒ 2 District Hospitals (Madzikane Ka Zulu Hospital in Mount Frere and Mount Ayliff Hospital in Mount Ayliff)
- ⇒ 20 Clinics
- ⇒ 2 Mobile clinics

Substantial inroads have been made in terms of the provision of health care facilities including;

- ⇒ The Khotsong TB Hospital has been upgraded to accommodate multi drug resistant (MDR) TB patients
- ⇒ The Maluti Community Health Centre which was constructed in 1978 is currently in process of being extended and renovated. Funding is provided on the Departments budget to continue with this project in the 2009/10 financial year
- ⇒ 12 of the clinics were originally mud structures and they have been upgraded in the last few years.
- ⇒ There are two additional clinics being built in Mparane and Madlangala.
- ⇒ The Ntlabeni Clinic has just been completed and there are two additional clinics being built in Mpoza and Rode.
- ⇒ Staff quarters are in process of being built at the Madzikane Ka Zulu Hospital
- ⇒ All clinics are supported by Community Health workers and Clinic Committees and a number of clinic gardens have been established.

Other significant programmes of the Department include;

- ⇒ A ISRDP in both municipal areas which aims to eradicate poverty in the Masupa and Madlangala areas together with other sector Departments
- ⇒ Saving Mothers Saving Babies Project
- ⇒ Integrated nutrition programme
- ⇒ A project led by social development in Umzimvubu where the Department of Health is playing a major role within these wards in terms of promoting healthy lifestyles, education on infant feeding, growth monitoring and promotion, micro nutrient malnutrition control

There remain significant challenges in the provision of health services including;

- ⇒ The provision of facilities falls short of the Departments desired norms of providing all inhabitants of the municipality with access to at least a primary health care facility within a radius of 5Km that have the capacity to serve between 8000 -12000 people. This is largely attributable to the rural nature of the area.
- ⇒ All facilities are short staffed and the vacancy rate is on average of 60%. This is attributable to a high staff turnover and a lack of suitable affordable accommodation for staff
- ⇒ The Tayler Bequest Matatiele Hospital has 200 beds, but no outpatient, casualty, trauma or maternity sections.
- ⇒ Clinics are unable to render the full range of services at this stage and many are hampered by a lack of communication with no telecommunication network within the area.
- ⇒ Some clinics are underutilized and this is primarily attributable to the perception that the aim of clinics is to provide curative and not preventative services.

1.2.6.1 HIV /AIDS PREVALENCE IN THE ALFRED NZO DISTRICT

HIV&AIDS continues to pose a major challenge for the people of South Africa and the Eastern Cape.

Table13: HIV + and AIDS profile, Alfred Nzo district municipality relative to local, provincial and national estimates

Locality	Population 2007	HIV Estimate 2003	HIV Estimate 2007	Difference 2003-2007	HIV % within area	HIV + % of Province HIV + 2007	HIV % of SA HIV + 2007	HIV % within area
South Africa	47,864,260	5,711,167	5,552,053	-159,114	11.60			11.60
Province	6,393,259	650,209	667,623	17,415	10.44		12.02	10.44
Alfred Nzo DM	387,607	37,240	37,697	456	9.73	5.65	0.68	9.73
Matatiele	185,340	18,146	17,935	-212	9.68	2.69	0.32	9.89
Umzimvubu	202,267	19,094	19,762	668	9.77	2.96	0.04	9.58
Locality	Population 2007	AIDS Estimate 2003	AIDS Estimate 2007	Difference 2003-2007	AIDS % within area	AIDS % of Province AIDS 2007	AIDS % of SA 2007	AIDS % within area
South Africa	47,864,260	265,634	433,417	167,783	0.91			0.91
Province	6,393,259	27,714	48,960	21,246	0.77		11.30	0.77
Alfred Nzo DM	387,607	1,648	2,784	1,137	0.72	5.69	0.64	0.72
Matatiele	185,340	808	1,337	529	0.72	2.73	0.31	0.74
Umzimvubu	202,267	840	1,448	607	0.72	2.96	0.33	0.70

Source: Global Insights Africa International

The prevalence of HIV/Aids in the District at 9.73% is slightly lower than that of the province and the country as a whole. There are no substantial variations in the District for this.

According to the Department of Health, the HIV/AIDS infection rate has stabilized in the Alfred Nzo District. HIV/AIDS nevertheless remains a challenge and the Department is actively concentrating on the management of antiretroviral treatment of infected people. There is a high level of Tuberculosis in the region which is commonly associated with HIV/AIDS and the Department is also focusing its attention on the management of TB.

Although the primary health care facilities offer HIV/AIDS testing and counseling services, there is a shortage of ARV treatment sites with Mount Ayliff Hospital being the only one in the District.

Municipal planning must take cognisance of the needs of people infected and affected by HIV/AIDS. The Municipality has developed an HIV/AIDS strategy (attached as part of sector plans) and established a District AIDS Council.

1.3 SPATIAL ANALYSIS

This section provides an analysis of spatial and household data.

1.3.1 Households

According to the Statistics South Africa Community Survey 2007, there are 102010 households in the Alfred Nzo District, of which 47803 are in Umzimvubu Local Municipality and 54208 in Matatiele Local Municipality.

1.3.2 Settlement Patterns

The district is predominantly rural. The majority of land within the district is covered by dispersed low density traditional settlements, with the exceptions of some areas in the north and north east and around Mount Frere in the south.

There are five urban centres. The primary urban centres are;

- ⇒ Mount Ayliff
- ⇒ Mount Frere
- ⇒ Matatiele

Secondary urban centres include Maluti and Cedarville.

The majority of the population is rural with 94% of the population residing in rural areas.

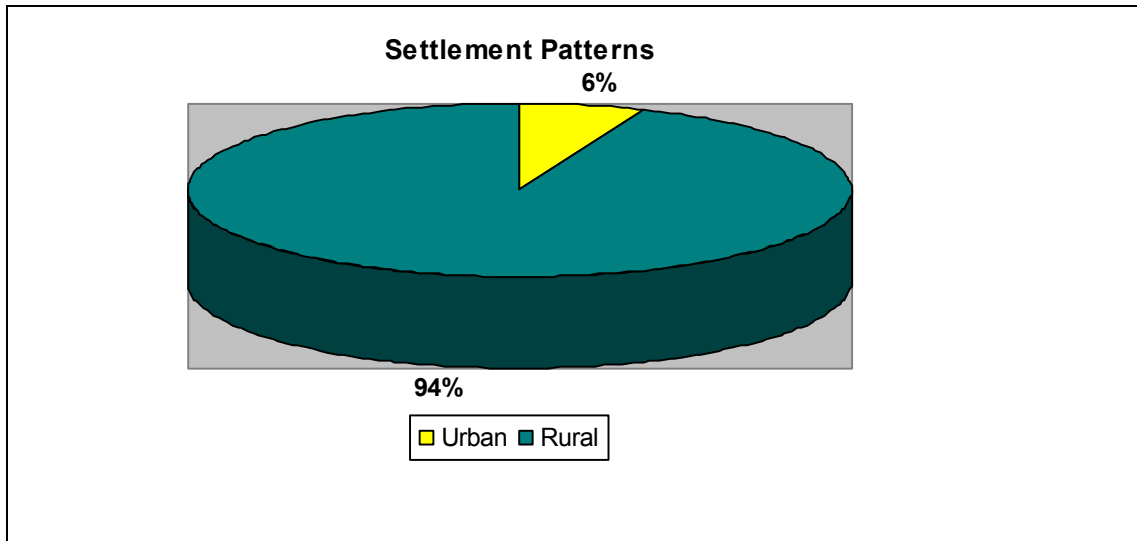
Table14: Urbanisation rate by race, Alfred Nzo district municipality, 2003 - 2007

Year	Black	White	Colored	Asian	Total
2003	4.9%	74.2%	67.8%	None	5.7%
2004	4.9%	74.4%	67.4%	None	5.7%
2005	4.9%	74.7%	67.1%	None	5.7%
2006	4.9%	74.9%	66.7%	None	5.7%
2007	4.9%	75.1%	66.3%	None	5.7%

Source: Global Insights Africa International

As it is shown in the above table the urbanization rate for the black population at 4.9% is extremely low compared with that of whites and coloureds at 75% and 66.3%. Overall, the urbanization rate of 5.7% is low for the district reflecting the rural character of the Municipal area.

Figure 21: Settlement patterns



1.3.3 Tenure and land ownership

According to the Statistics South Africa Community Survey 2007, 60% of people own their homes. This is just under par with the Provincial norm of 63%. There is a marked discrepancy between home ownership in Matatiele Local Municipality and Umzimvubu Local Municipality with Matatiele Local Municipality having a home ownership rate of 10% higher than Umzimvubu Local Municipality.

The Municipality faces numerous challenges in terms of security of tenure. The nature of the traditional settlements which constitute the majority of the district provide little in the form of secure tenure and there is a high prevalence of land claims which are being processed very slowly.

The prevalence of land claims has a crippling effect on the development opportunities and economic opportunities in the District and hampers housing delivery.

A land Committee has been established with the following mandate;

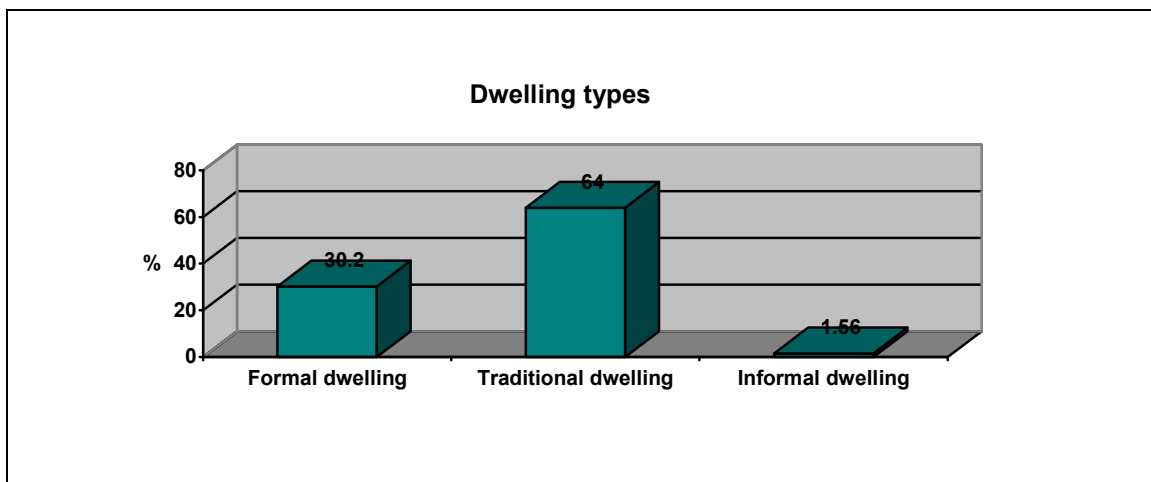
- ⇒ liaise and engage with Land Claims Commission, Department of Land Affairs (DLA), the Deeds Office and beneficiary communities
- ⇒ to acquire or develop comprehensive information on land ownership data
- ⇒ Urgently conduct a Land use and management audit, and

⇒ Liaise with the department of Land Affairs to conduct workshops within the district municipality pertaining to the Land Act, land rights and other related issues.

1.3.4 Housing development

The majority of residents within the district reside in traditional dwellings that are made of traditional materials (64%). 30.2 % have formal dwellings such as a house, flat in block town house cluster. There appears to be a low prevalence of informal backyard and squatter community dwellings (1.5%). There is a much higher percentage of the Umzimvubu population living in traditional dwellings (76%) than the Matatiele population (53%)

Figure 22: Dwelling types



The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being implementing agents. Housing delivery in Umzimvubu faces a multitude of challenges. Despite two projects being approved for the area progress is not satisfactory. In March 2007, it was found that houses were either abandoned for structural reasons, incomplete or not serviced. Contractors were appointed to rectify the houses but this was not done due to the fact that it was found that the houses were situated correctly on the demarcated stands.

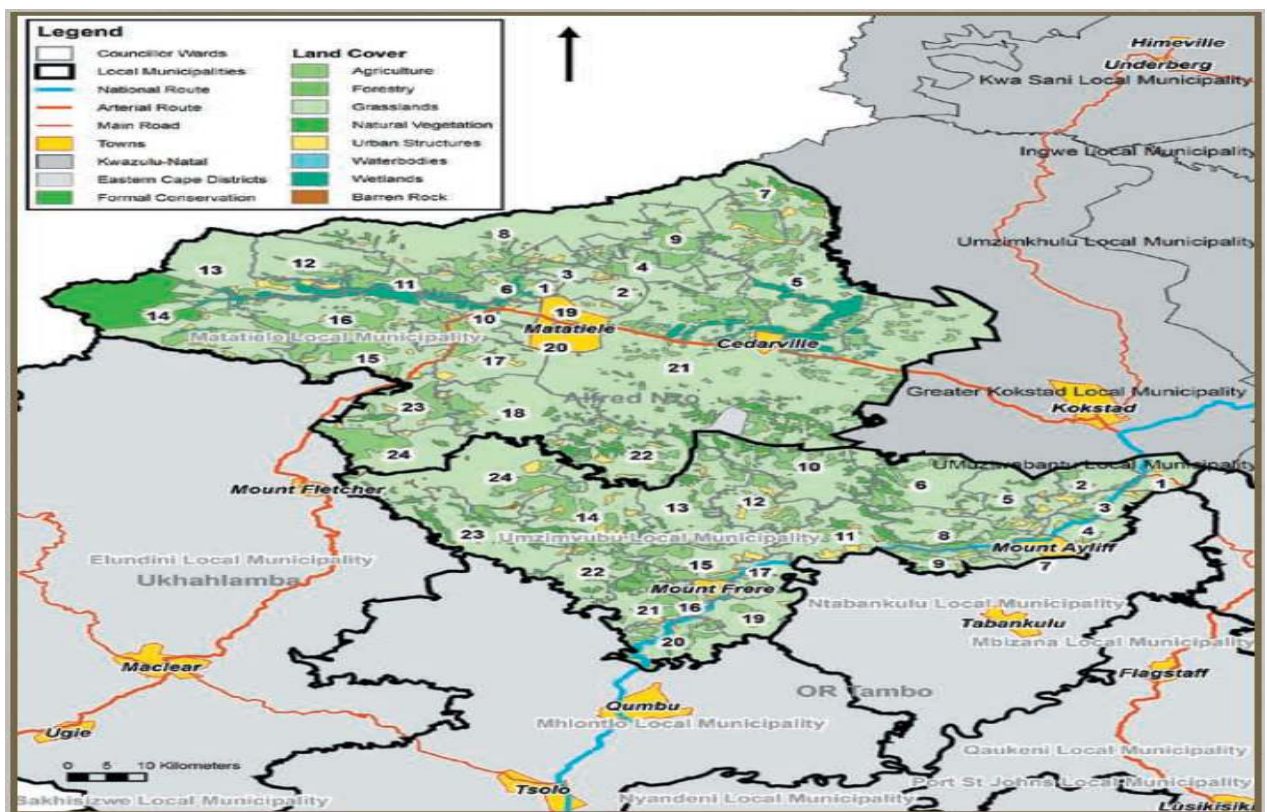
The net result of this was that all projects became blocked. In this year the projects were unblocked by the National Department of Housing and construction has recommenced. Planned projects to start during 2009 include: 1150 houses in the rural area of Mount Ayliff, 900 houses in the rural area of Mount Frere and middle income housing developments for both Mount Ayliff and Mount Frere

It can be deduced that there is a substantial housing backlog based on the percentages of people still living in traditional dwellings and informal settlements which translates to 65.56%. There is also a dire need for rural housing

1.4 BIOPHYSICAL ENVIRONMENTAL ANALYSIS

1.4.1 Topography

MAP 3: DISTRICT LAND COVER



Source: ANDM Integrated Development Plan 2006-2011

The district is characterised by fragmented topography and comprises a plateau which falls within the Umzimvubu River Basin, which ranges from 800 to 1400 metres above sea level and a high plateau leading to the Drakensberg Mountains which ranges between 1500 and 2200 metres above sea level. The terrain is therefore mountainous with steep valleys of the Tina, Kinira, Umzimvubu and Mzintlava Rivers. The northern areas below the escarpment have extensive palustrine wetlands (wetlands that are not connected to any river), and the extreme south (around the N2) is undulating. The topography poses a multitude of challenges to development as accessibility is limited and settlement has taken place in a dispersed and haphazard fashion.

1.4.2 Climate

Summer months are warm with winter months being cold with snow in high lying areas. The average minimum temperature ranges from 7 to 10 degrees centigrade in winter for 18 to 24 degrees centigrade in summer. The annual rainfall of the district is 790mm per annum. The area falls within the summer rainfall area (October to March). The District experiences climatic extremes in the form of storms, tornadoes and floods which have resulted in soil erosion and deep crevices.

1.4.3 Geology and Soils

In terms of a study conducted by the Agricultural Research Council (ARC), soils are mostly red-yellow apedal freely drained soils. In Umzimvubu there is a mixture of red-yellow apedal freely drained soils and plinthin catena upland duplex and magalitic soils.

Generally ANDM area is located in the grassland biome, with limited forest areas. Most of the perennial streams in the area converge to form the primary tributaries of the upper Umzimvubu catchment, and the stream valleys are fairly steep-sided with good groundcover. The geology is predominantly cave sandstone, underlain by silt and mudstones.

Also, the undulating landscape has some flatter portions in the lower lying areas, especially in the river valleys. Soils with high erosion potential are predominant with a significant number of unstable landscapes. Pockets of bushveld thicket and aloes in the southern Umzimvubu area are common.

The climate in this summer rainfall area ranges from very pleasant warm summers to mild winters. Annual rainfall ranges between 650mm and 1100mm, with thunderstorms and hail being a common feature in summer. The Municipality is in a Malaria free area.

1.4.4 Environmental Situation

The Alfred Nzo is faced by a number of Environmental challenges and they are identified as follow:

- Poor waste management, both in urban and rural areas (referred to earlier).
- Unauthorized excavation, building construction and mining for sand and gravel that takes place in the district. It is not only the communities and the private sector who are the culprits. Many government departments undertake construction project without following correct environmental procedures. Law enforcement needs to be tightened up.
- Land degradation and soil erosion. Environmental education and training, as well as a programme for the rehabilitation of dongas are necessary to address this. Currently very little attention is being given to this matter, reportedly due to a shortage of funds.

The district municipality has managed to prepare its Integrated Waste Management that incorporates Matatiele area as it was never in place. Taking the issue of environment seriously, this has seen the district municipality embarking on the development of Environmental Management Plan which shall be completed before the end of May 2010.

1.4.4.1 Biodiversity

The high human population density in the communal areas of Alfred Nzo has negative impacts on biodiversity. Habitat transformation is a key driver of biodiversity change and also a useful indicator of biodiversity loss. Umzimvubu has 55.01 – 60% of its land transformed. Loss of biodiversity can also be measured by the percentage of vulnerable plant species. Alfred Nzo has 0–10% endangered plant species (endangered quarter degree coverage) and 10.01–20% vulnerable plant species (vulnerable quarter degree coverage). The northern parts of the municipality which are at high altitude fall within the Drakensberg centre of endemism which is almost exclusively in the Grassland biome. In this biome the overall endemism is around 18%. Alfred Nzo is one of the most threatened municipalities where pressures on the environment are high (especially through habitat loss), and where this overlaps with a centre of endemism, an increasing numbers of red data species are expected and ultimately extinctions. This coincides with high population densities.

Alien plants have a major impact on biodiversity and are one of the major threats to biodiversity. The lack of reliable invasive alien plant data for the Eastern Cape Province is a cause for concern. There is evidence that a significant proportion of the Umzimvubu Municipality has Working for Water Alien eradication programmes operating, to both remove aliens and address rural poverty.

Umzimvubu has only 2.5% of the municipal area conserved. These protected areas are critical to conserve species that decrease as a result of incorrect farming practices and over-use by humans, and to ensure the long-term maintenance of viable populations of especially large mammals.

1.5 INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

OVERVIEW

Services are divided into two groups; namely infrastructural services, and community services and facilities. Services and facilities fall within the functional area of a number of different entities, but all impact on the lives of the community and are hence mentioned here.

1.5.1 INFRASTRUCTURAL SERVICES

1.5.1.1 Water and sanitation

Alfred Nzo District Municipality is the Water Services Authority (WSA) for the area under its jurisdiction namely Umzimvubu and Matatiele Local Municipalities. The Municipality has developed a Water Service Development Plan (WSDP attached as a sector plan) that covers the 2008/2009 to 2012/2013 financial year which is to be updated annually. Gaps on the existing municipal WSDP have been identified hence the municipality has embarked on the review process of the WSDP to plug those gaps to ensure that the said plan comes up with feasible strategies and clear implementation proposals to enable the municipality to have a proper approach in addressing backlogs. The Municipality is responsible for the operation and maintenance of 93 rudimentary stand alone rural water schemes and 5 regional water schemes as well as 4 water treatment works and 3 waste water treatment works. The majority of the budget is allocated to the provision of water services. Alfred Nzo district Municipality together with DWAFF has commissioned a study on regional bulk water supply to identify water sources that will assist in addressing water backlogs. The study has compiled the water demand assessment within the whole district and it is presented as follows:

Water Demand Assessment

The following table summarises the projected water requirements in each of the growth nodes:

Table 15: Water demand assessment

Water Requirements (Ml/day)	Year	Maluti and Matatiele	Mount Ayliff	Mount Frere
Total Water Demand	2008	10.0	4.9	6.1
Future Water Demand	2038	18.2	8.9	11.0
Town Existing Capacity	2008	4.9	0.1	6.0
Rural Existing Capacity	2008	1.5	0.4	0.5
Net Water Capacity Deficit	2008	3.6	4.4	-0.4
Net Water Capacity Deficit	2038	11.8	8.4	4.6

The 2007 Community survey indicates a relatively low backlog for water and sanitation, but a recent survey by the District Municipality indicated that backlogs are substantially higher. It must be noted that of the estimated 127878 households approximately 70000 are serviced with water in one way or another which translates to 45.2% of the population having no access whatsoever to potable water. The District survey aimed to establish RDP standard water and sanitation backlogs and the following table provides an indication of RDP standard backlogs as per district survey.

Table 16: Water and Sanitation backlogs

Description	Matatiele LM		Umzimvubu LM	
	Water Supply	Sanitation	Water Supply	Sanitation
Total number of households	67, 954		59, 924	
H/H served to RDP std	21, 288	4, 775	6, 022	5, 091
H/H to be served	46, 666	63, 179	53, 902	54, 833
Cost per H/H	R 6, 000	R3, 500	R 6, 000	R3, 500
Total Capital required	R279, 996, 000	R221, 126, 500	R323, 412, 000	R191, 915, 500

The average backlog in the District for RDP standard water provision is therefore 79.2% with backlogs of 68.6% in Matatiele and 89.9% in Umzimvubu. The District backlog in terms of RDP standard sanitation is on average 92.2 with backlogs of 92, 97% in Matatiele and 91.5%⁵ in Umzimbuvu

Waterborne sanitation is only provided in urban areas. Toilets in rural areas comprise VIP latrines. There is a rural sanitation programme in place and the bucket system has been totally eradicated. The municipality has established the following sanitation zone centres to address the backlogs in sanitation:

- ⇒ Madiba
- ⇒ Mt Ayliff
- ⇒ Mt Frere
- ⇒ Maluti
- ⇒ Nopoyi
- ⇒ Mpakamisi Mhlaba
- ⇒ Shinta

The municipality has since outsourced the implementation of VIP toilets where a total of two service providers have been appointed to assist the municipality to fast-track the process of addressing the sanitation backlogs.

Communities in rural areas are still highly dependent on undeveloped water sources and there remains a challenge in meeting the water demand, due to source identification. The Municipality has put systems in place for provision of “temporal” water while busy with the regional readiness study.

1.5.1.2 Roads and stormwater

The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport and the Local Municipalities.

The Department of Roads and Transport establishes and maintains National and Provincial roads. It also contributes to economic upliftment of the area through Expanded Public Works Programmes (EPWP).

The Department has allocated R 8, 00 million for roads in Matatiele and R 17, 00 million for roads in Umzimvubu on its 2009/10 budget. During the 2008/09 financial year it also provided funding for a number of EPWP Programmes which provided work opportunities for 892 people of Matatiele and 801 people of Umzimvubu. The Alfred Nzo District Municipality has managed to implement EPWP effectively such that it has been identified as one of municipalities which are excelling in implementing the programme as such an additional R28 million to intensify the programme has been further committed by the Department of Public Works. This will see the municipality appointing a total of 60 people over a period of 12 months on waste management.

The Primary access roads which traverse the district are the N2 from Mthatha to Kokstad and the R56 from Kokstad to Maclear. The condition of N2 within Alfred Nzo District is poor as is the R56. The general condition of other roads within the district is poor and in many cases recently maintained roads require further maintenance due to the impact of heavy and erratic rains.

Other roads of importance are the roads that link the Alfred Nzo region with Lesotho. These roads are particularly important for the development of agriculture and tourism in the area. Currently access to Lesotho is obtained through the Ongeluksnek, Quachasnek or Kholweni Border posts. All access roads to these Border Posts from Alfred Nzo are gravel roads, which are not conducive to the economic development of the area.

The maintenance of access roads is performed by the Local Municipalities in accordance with a directive from the Province which requires the District Municipality to concentrate on the water provision function.

The process of maintaining and upgrading roads is hampered at this stage by a lack of clarity with regards to roles and responsibilities between various roads role players. The Municipality does not have a roads infrastructure or storm water management system and maintenance is carried out as and when required.

1.5.1.3 Public Transport

Despite some investments in new roads and maintenance in the District many local communities remain trapped in isolated and disconnected local communities with very poor road infrastructure. This disconnection has significant consequences in terms of local economic development as well as service delivery, especially accessibility to emergency ambulance services.

Transport whether motorized or non-motorized faces many challenges within the Alfred Nzo District. These can be summarized as follow:

- ⇒ Poor conditions of roads especially rural roads and within former urban townships
- ⇒ Inadequate pedestrian signs and markings and off loading areas especially within the few urban areas
- ⇒ Limited traffic calming measures within areas of high accidents
- ⇒ Non-availability of traffic lights, let alone at major intersections
- ⇒ Unavailability of adequate public transport facilities especially for the disabled
- ⇒ Lack of cooperation between public transport operators and the municipal authorities
- ⇒ Lack of institutional capacity at Local and District Municipal level to manage transport planning and implementation
- ⇒ Outdated/non-existent information at the taxi registrar
- ⇒ Lack of pedestrian and non-motorized transport facilities

During the 2008/09 financial year, the Department of Roads and Transport did initiate some rural transport initiatives including

- ⇒ The Shova Kalula bicycle project which benefited a number of schools in the District

- ⇒ The AB 350 which established 12 busses on various routes in Umzimvubu and 16 busses on various routes in Matatiele
- ⇒ Scholar transport was operated by 52 schools

1.5.1.4 Electricity and energy

ESKOM is the licensed distributor of electricity in the majority of the municipal area with the exception of the town of Matatiele where Matatiele Local Municipality is the licensed distributor. According to statistics provided to the District Municipality by ESKOM, it is estimated that only 25% of households have access to electricity and that the backlog is 75% which translates to approximately 95 000 households.

The current electricity supply is very weak and is mainly single phase for household use. ESKOM bulk infrastructure needs to be upgraded before in order to address the electricity backlog. An estimated R 312 Million is needed to upgrade sub-stations and a further R 830 Million to address backlogs and maintain the network to ensure no additional backlogs are created.

Consequently the Statistics South Africa Community Survey 2007 indicates that the community is heavily dependant on alternative energy sources with 61% of the community relying on an alternate source for lighting, 88% for heating and 78% for cooking.

1.5.1.5 Telecommunication

According to the Statistics South Africa Community Survey 2007, only 30.1% of the population has a telephone or cellular phone, the latter being the most popular. The majority of the area has poor or no network coverage. Mountainous areas are particularly problematic. This lack of network was identified by the Department of Health as being a critical challenge which hampers the effective functioning of their clinics.

1.5.2 COMMUNITY SERVICES AND FACILITIES

1.5.2.1 Environmental Health Services

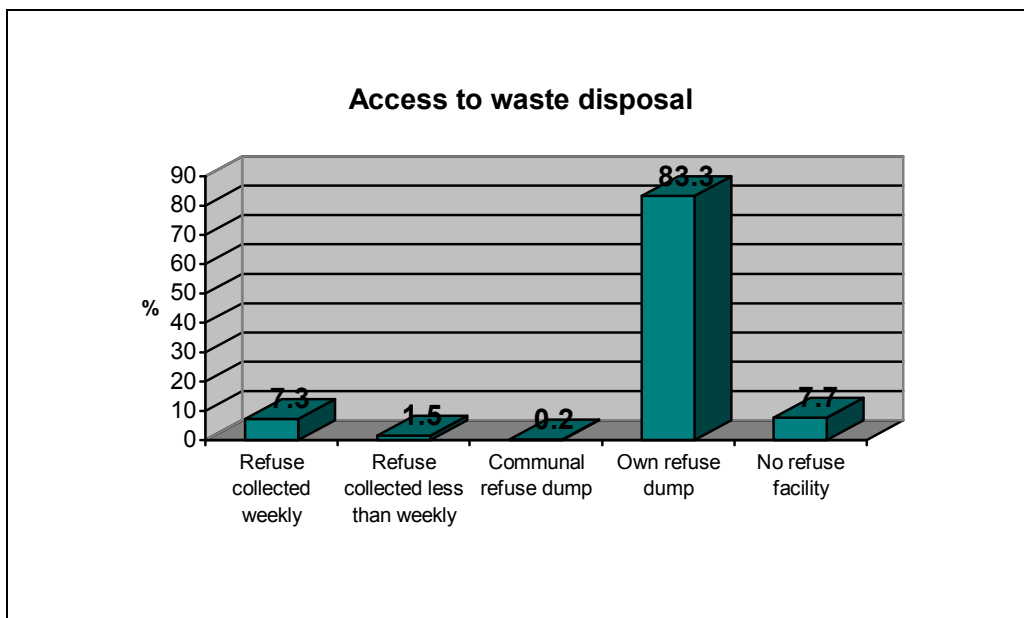
The District Municipality is authorised to perform the Municipal Health function in terms of the Municipal Structures Act and has programmes in place for the following:

- ⇒ Food safety & control
- ⇒ Waste Management
- ⇒ Health surveillance of premises
- ⇒ Surveillance & prevention of communicable diseases (excluding immunization)
- ⇒ Vector control
- ⇒ Environmental Pollution Control
- ⇒ Disposal of the dead
- ⇒ Chemical safety
- ⇒ Water Quality Monitoring

1.5.2.2 Solid Waste management

According to the Statistics South Africa Community Survey 2007, only 7.3% of households have access to a weekly refuse removal service. In Matatiele Local Municipality 10.1% of households have access to such a service and in Umzimvubu Local Municipality 4% of households have access to such a service. 83.3% of households make use of their own refuse dumps which implies a high level of indiscriminate dumping and little regard for the impact on the environment.

Figure 23: Access to waste disposal (District perspective)



The Alfred Nzo District Municipality has managed to develop the Integrated Waste Management Plan which aims to resolve waste related challenges. The plan has just been completed and due for approval by the Council.

The local municipalities are responsible for waste collection in their areas of jurisdiction. The Matatiele Local Municipality has a newly developed and licensed waste disposal site in Matatiele which came into operation in 2008. This site has the capacity to accommodate all the waste from the urban areas for at least the next 15 years. There is also an unlicensed site in Cedarville which is not designed or operated according to

DWAF's minimum requirements. The Matatiele Local Municipality collects household refuse from all three urban areas on a weekly basis, but provides no rural service. The site in Matatiele is operated by a Contractor and the contract between the Municipality and the Contractor makes provision for the closure of old landfill sites.

The Umzimvubu Local Municipality has waste disposal sites at Mount Ayliff and Mount Frere, neither of which are operated according to DWAF's minimum requirements. The Mount Ayliff site is properly designed and the licensing process has been commenced with. The Umzimvubu Local Municipality collects household refuse from the two urban areas on a weekly basis, but provides no rural service.

1.5.2.3 Disaster management

The District Municipality is responsible for the provision of Disaster Management and Fire Services in the District. The function is funded in its entirety by a Provincial grant and a portion of the equitable share. Services are rendered from the central disaster management centre in Mount Ayliff and two satellite centres in Maluti and Mount Frere Town which serve the Matatiele and Umzimvubu Municipal areas respectively.

The Municipality has a Disaster Management plan in place to effectively manage disasters which stem primarily from natural causes (tornadoes, storms and winds etc). Challenges that need to be addressed are training, capacity building and the provision of information to communities especially in relation to preventative measures.

1.5.3 Public, Social and Recreational Facilities and Amenities

These facilities and amenities fall within the functional area of the local municipalities. There is a significant lack of adequate standard sports and recreational facilities within the District. The provision of sports and recreational facilities has been directly associated with the development of a healthy society and plays an important role in the development of our youth. The high levels of youth within the community warrant that specific attention be given to the development of sport and recreation initiatives by all Municipalities within the district and the provincial Department of Arts, Culture, Sport and Recreation.

There are a number of Community halls within the District that are managed by the local Municipalities and availed for use by the community. These facilities vary in condition.

Municipal cemeteries satisfy the existing service demand but there is urgent need to expand current capacity and ensure that all communities have access to adequate burial facilities.

1.5.4 Library facilities

Library services are a Provincial Competency that are often performed on an agency basis by Local Municipalities. There is a severe lack of library facilities in the District which aggravates the low literacy and education levels within the District. Umzimvubu has no library services but sites have been identified for libraries to be built. Matatiele has two libraries; one in Maluti and one in Matatiele. The library in Maluti is an institutional library and is owned by the Department of Education. The library in Matatiele is a public library which is managed by the Matatiele Local Municipality.

1.5.5 Community Safety

In the past, crime prevention and by implication community safety was the exclusive domain of the SAPS. The 1996 Constitution introduced a fundamental change to the role played by municipalities in the management of crime and safety in South Africa, by requiring of them to provide a safe and healthy environment for the communities within their areas of jurisdiction. The South African Police Service Act as amended made provision for the establishment of municipal police services and community police forums and boards.

Crime has the potential to impact negatively on the local economic development of the District, and for this reason it is imperative that all municipalities play an active role in ensuring the safety of their community.

As in all areas Alfred Nzo District is affected by crime. An analysis of crime tendencies at the five urban police stations revealed that the following crimes are most common

⇒ Assault (GBH)

- ⇒ Burglary at residential premises
- ⇒ Other theft
- ⇒ Common assault
- ⇒ Stock theft

It was also noted that crime levels tend to be much higher in Umzimvubu Local Municipality than Matatiele Local Municipality. The Municipality does not have a community safety plan in place.

1.5.6 ECONOMIC GROWTH AND DEVELOPMENT ANALYSIS

1.5.6.1 LOCAL ECONOMIC OVERVIEW

High unemployment and poverty levels in the district result in low affordability levels which manifest in low levels of investment, development and service delivery and under-utilisation of development opportunities. There is an urgent need for major new private sector investments to create jobs and improve livelihood in the District.

The predominantly rural nature of the area limits commercial and business development. Business activities in rural areas are confined to rural supply stores and general dealers. Commercial and business development in the District is confined to the urban centres of Mount Ayliff, Mount Frere and Matitiele and to a smaller extent Cedarville. More substantial commercial and businesses activities are restricted to Kokstad which falls within Kwazulu Natal which means that a substantial portion of the districts money is not even being reinvested into the Province. The District has limited and almost non-existent industrial economy and a high dependency upon primary economic activities.

Like all regions in the Province, development in Alfred Nzo District is limited as a result of acute backlogs in social and economic infrastructure. The vast natural land, forest and water resources that exist within the district provide the basis for socio-economic development, but it is well-planned, prioritised and strategic infrastructure investments that will promote social development, and stimulate sustainable economic growth.

In terms of economic infrastructure, the priority interventions necessary are;

- ⇒ Upgrading airstrips at Mount Ayliff, Matatiele and Cedarville
- ⇒ Revival of the district rail network from Matatiele to Franklin, Gauteng and Durban
- ⇒ Factory space, trading and business premises
- ⇒ Tourism infrastructure
- ⇒ Irrigation and other farming infrastructure
- ⇒ Energy infrastructure
- ⇒ Telecommunications (fixed line and cellular) infrastructure

The Alfred Nzo District Municipality developed a Local Economic Development Strategy which aimed to identify and utilise local resources and skills to stimulate local economic growth and development however the strategy is due for reviewal.

1.5.6.2 SECTORAL OVERVIEW

Based on existing economic activity, market opportunities and present resources, assets and skills bases the industries offering the most significant potential include:

- ⇒ Agriculture
- ⇒ Livestock farming
- ⇒ Crop farming and horticulture
- ⇒ Forestry
- ⇒ Manufacturing
- ⇒ Construction and Mining
- ⇒ Trade and Business Services/ICT
- ⇒ Tourism
- ⇒ SMME and Cooperative development

1.5.7 Agriculture

Agriculture is the main economic activity in the District. Currently it is a limited base for economic expansion due to the fact that the majority of farming is traditional subsistence farming. Commercial farming is limited to the Cedarville area in the north east of the District. The District has favourable conditions for the development of the agriculture sector and it is critical to assess the potential of this industry and devise methods of exploiting this untapped potential. The district has also embarked on grain production to address high level of poverty in the area, however substantial input is still required in terms of education, training, management, marketing and the development of linkages.

The Department of Agriculture has the following programmes in the District;

- ⇒ Siyazondla Homestead Food Production (Green revolution)
- ⇒ Siyakhula Step Up Food production Programme
- ⇒ Massive Food programme (Matatiele only)
- ⇒ Mechanisation Conditional Grant Scheme
- ⇒ Mechanisation Conditional Loan Scheme
- ⇒ Eastern Cape Communal Soil Conservation Scheme
- ⇒ Land Care Programme
- ⇒ Soil Conservation Scheme
- ⇒ Comprehensive Agriculture Support Programme
- ⇒ Farmer Organisation Development
- ⇒ Eastern Cape Livestock Production Improvement
- ⇒ Livestock production Improvement Programme

The following ASGISA initiatives also exist;

- ⇒ ASGISA Bio fuels initiative
- ⇒ ASGISA Umzimvubu Initiative

Agricultural activities in the area include livestock farming (goats, sheep, beef and dairy), crop farming (dry land farming, irrigated crops and horticulture).

1.5.7.1 Live stock farming

Livestock farming, which is primarily cattle, sheep and goats is very important in the District, but generally provides very low incomes compared to commercial livestock farming elsewhere in the Province. Livestock farming is being supported by the Provincial Department of Agriculture through construction of stock dams, dipping tanks, shearing sheds, fencing (under CASP) and veterinary services etc. The challenge is to increase income from communal livestock farming. An industry action plan would probably include:

- ⇒ Expansion of the effective NWGA model of support
- ⇒ Expand and improve existing programmes designed to facilitate skills transfer between commercial and emerging farmers
- ⇒ Improved Agricultural Extension Services
- ⇒ Improved market access
- ⇒ Middle East goat Market
- ⇒ Building animal feeds industry
- ⇒ Improved veld management
- ⇒ Move to formal land administration
- ⇒ Upgrading access roads/farm logistics

1.5.7.2 Crop Farming

Rainfall and soil quality make much of the District suitable for agricultural production. Dry land farming is generally of a subsistence nature, and there are large tracts of uncultivated arable land. There is very good potential for maize, sorghum, wheat, sunflower, hemp, beans, vegetables (cabbages, potatoes, butternut, green pepper and spinach), and deciduous fruits (peaches & apples). In particular, the (titled) Ongeluksnek farms (north of Matatiele and Mount Frere) are ideal for large-scale fruit and vegetable production.

1.5.8 FORESTRY

There are forestry plantations in the District, which are mainly to the north of Mount Frere and south of Mount Ayliff. Approximately 3862 hectares is currently under forestry plantations and an estimated 15000 Hectares of land has been identified as

having forestry potential. The largest plantations in the District are the Ntabana (1 049ha) and Amanzamnyama (1 007ha) forests.

The National government ASGISA programme has identified forestry development as a key pillar to achieving the economic growth and development targets, and has prioritized forestry as a key sector for support across all tiers of government. The District Municipality will be working closely with ASGISA to develop this sector. Pine, gum, wattle, and hardwoods are all feasible. A medium sized sawmill exists in Mount Ayliff and a number of small scale saw millers exist in Mount Frere. The approval or issuing of forestry licences is still a major challenge within the District.

Plantation forestry is the foundation for a number of downstream processing activities including wood chips, saw milling, timber board, charcoal, furniture, pulp and paper. The furniture, pulp and paper industries are at the higher end of the value chain. It is this part of the value chain that will have a huge multiplier effect on the Alfred Nzo District if successfully exploited.

1.5.9 MANUFACTURING

This sector is presently very small in the District and comprises a saw-mill at Mount Ayliff and little else. The sector does have expansion potential including;

- ⇒ Timber-using industries
- ⇒ There are many small-scale garment manufacturers (e.g. occupying old Transido workshop premises) that would benefit from stronger business support.
- ⇒ The existing crafts sub sector is not insignificant. Craft workers would benefit from more support with product development and marketing, and from growth of the tourism industry in the District.
- ⇒ The agro-processing sub sector has the potential to grow on the basis of increasing primary production. Examples include potato processing (chips), maize milling, animal hides, stock feed, peach processing, dairy etc. Umzimvubu Goats has a processing facility in Mount Ayliff comprising holding pens, an abattoir that can handle 40 goats a day, a meat processing plant, leather tannery and craft production units which directly benefit about 2000 people.

1.5.10 CONSTRUCTION AND MINING

The construction industry in the District is presently small, but has the potential to provide more job opportunities in the future, based on:

- ⇒ Rapidly increasing fiscal allocations for public infrastructure
- ⇒ The relocation of Provincial Government departments from Kokstad to Mount Ayliff.
- ⇒ Expansion of the EPWP (there needs to be a District EPWP Plan, with an M&E capability).
- ⇒ Increased house-building (human settlements) and retail infrastructure.

1.5.11 SMALL SCALE MINING

Small scale mining is presently restricted to sand mining and quarrying to supply the construction industry, but can be developed into a formalized industry. There are deposits of slate, sandstone, nickel and lime that need to be further explored.

1.5.12 TRADE AND BUSINESS SERVICES / ICT

The three small towns in the District are all commercially busy, but require well-planned physical development to support the growth of the trade sector (formal and informal) and the tourism industry. In particular, the towns' informal sectors display entrepreneurial energy, and deserve better support.

1.5.13 TOURISM

Tourism activities in the District are limited, despite the fact that the District has abundant natural beauty and a diverse array of cultural groups which have strong potential for eco, adventure and cultural tourism. Accessibility to and information on tourist attractions is limited and the urban centres should ideally serve as tourism gateways and information centres. The tourism potential of the area also needs to be linked to other established tourism routes such as the coastal areas and Lesotho.

Tourist attractions include;

- ⇒ Spectacular mountain scenery
- ⇒ Maluti Hiking Trails
- ⇒ Tshisa Hot Springs
- ⇒ Wetlands (wild horses and bird life)
- ⇒ Trout-fishing
- ⇒ Ongeluksnek Nature Reserve (136km² and uninhabited) in the north west of the District, bordering Lesotho
- ⇒ Deep river valleys with cultural tourism potential that could be based on literature and history related to the District. In addition, the area of Umzimvubu is rich in diverse culture, which makes it very special and unique. There are amaBhaca, amaHlubi, abaSotho, amaXesibe, and amaMpondomise to name but a few. Local people are yet to exploit this diversity of cultures.

1.5.14 SMME and Cooperative development

Cooperatives development has largely increased in the district and has afforded the rural poor an opportunity to participate in economic activities. EPWP building methods are also increasingly being utilised in construction by the municipality. Access to micro-credit remains a big challenge to cooperatives and SMMEs.

1.6 LOCAL ECONOMIC DEVELOPMENT INITIATIVES AND CHALLENGES

The institutionalisation of local economic development comprises two distinctive veins namely a planning component and an implementation component. The Development Planning Directorate undertakes the planning component and the Alfred Nzo Development Agency (ANDA) is responsible for the implementation phase. ANDA is a municipal entity established in terms of the Municipal Systems Act and is accountable to the Municipality.

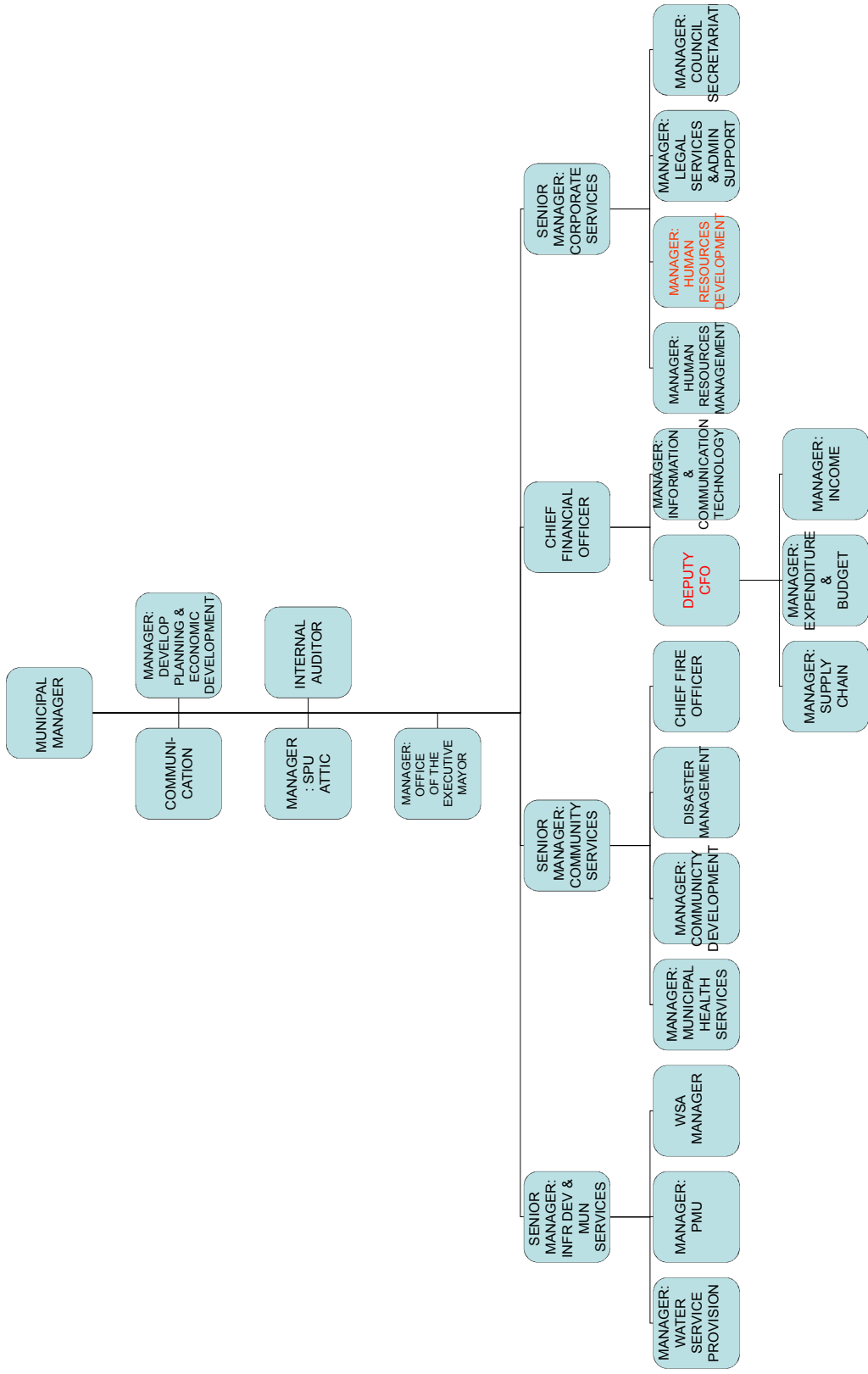
ANDA is implementing and supporting the following projects;

- ⇒ Agricultural projects including;
 - Grain production Programme (ASGISA)
 - Livestock and poultry production programmes
 - Vegetable production programmes
- ⇒ Tourism Development programmes including;
 - Msukeni Enterprise
 - Ntsizwa Venyane Hiking Trails
 - Ongeluksnek Eco Tourism
 - Tshisa Hot Springs
 - Mehlosing Hiking Trail
- ⇒ Goxe Cut flowers
- ⇒ Woodcluster
- ⇒ Goosedown project
- ⇒ SMME development
- ⇒ Small scale mining

1.7 INSTITUTIONAL ANALYSIS

1.7.1 INSTITUTIONAL STRUCTURE OVERVIEW

The high level organizational structure of the municipality is indicated on figure below.



The structure comprises 321 positions which are divided into the following directorates.

- ⇒ Office of the Municipal Manager
- ⇒ Community Development Services
- ⇒ Corporate Services
- ⇒ Budget and Treasury Office
- ⇒ Infrastructure Development and Municipal Services/ Technical Services

At present, there are 57 vacant positions which are equal to a vacancy rate of 17.8%. Eight of these vacancies are on management level which translates to a vacancy rate of 33% on levels 1 to 3. A consequence of this is that a number of critical leadership positions are vacant and filled with an incumbent in acting capacity. These critical positions include

- ⇒ Senior Manager Corporate Services

There are a high number of senior positions vacant in the Budget and treasury office which impacts negatively on the financial management of the Municipality.

There are also a number of critical positions vacant in the Corporate Service Directorate and it is believed that the absence of a Senior Manager Corporate Services and Manager Human Resource Development contribute significantly to the Municipalities challenge of having a high level of vacancies on senior level.

1.7.1.1 OFFICE OF THE MUNICIPAL MANAGER

The Municipal Manager has the widest span of control and responsibilities include;

- ⇒ Development Planning which includes Integrated Development Planning, Town Planning, Economic Planning, Environmental Management and Geographic Information System
- ⇒ Public relations, primarily the Communication unit which is responsible for the development of internal and external communication including communication strategies, branding, publications, events Management, and information dissemination
- ⇒ Special Programmes Unit which is responsible for ATTIC which includes all the activities associated with the provision of HIV & AIDS information and training in the District and Special Programmes which deal with issues relating to the youth, gender, disability and children.
- ⇒ Manager in the office of the Executive mayor
- ⇒ Manager in the office of the Speaker who is responsible for providing support to all standing committee and council meetings, coordination of councillor training programmes and promoting public participation in all important municipal programmes.
- ⇒ Internal Auditing

Critical vacancies include.

- ⇒ Manager Communication

1.7.1.2 CORPORATE SERVICES

The responsibilities of the Manager Corporate Services include;

- ⇒ Human Resource Management which is responsible for providing management and staff with quality human resource support including career and compensation management, labour relations management and employee wellness
- ⇒ Human Resource Development which includes assisting new entrants into the labour market (NSDS), training and development of staff, Councillor development and community empowerment.
- ⇒ Legal Services which includes all legal related matters of the whole Municipality such as litigation, contract management, advisory services, debt recovery, by law development and disciplinary proceedings.
- ⇒ Administrative Support

Critical vacancies include;

- ⇒ Senior Manager Corporate Services
- ⇒ Manager Human Resource Development

1.7.1.3 INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES /TECHNICAL SERVICES

The Manager Technical Services is responsible for

- ⇒ Water Service Authority which deals with planning and regulatory functions
- ⇒ Water Service Provision which deals with bulk purchase, source development and distribution of water as well as operations and maintenance.
- ⇒ Project Management which deals with implementation of both bulk water supply and reticulation projects as well as sanitation.
- ⇒ Waste water management including provision of sewerage services
- ⇒ Road transport including maintenance of access roads within the municipality's jurisdiction.

1.7.1.4 COMMUNITY DEVELOPMENT SERVICES

The Manager Community Services is responsible for all activities associated with Community Development and Institutional Social Development Including;

- ⇒ Municipal Health Services
- ⇒ Community Development and Social facilitation
- ⇒ Fire and Rescue Services
- ⇒ Disaster Risk Management
- ⇒ Customer Care service

Critical vacancies include:

- ⇒ Manager customer Care

1.7.1.5 BUDGET AND TREASURY OFFICE SERVICES

The Chief Financial Officer is responsible for;

- ⇒ Budget and Treasury Services
- ⇒ Supply Chain Management
- ⇒ Information and communication Technology

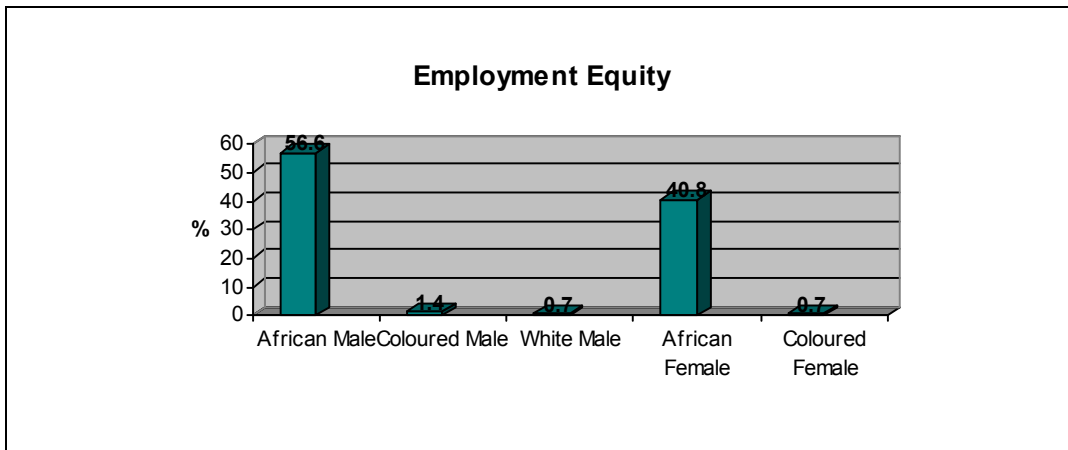
Critical vacancies include;

- ⇒ Deputy CFO

1.8 EMPLOYMENT EQUITY

The 2008/09 Employment Equity Report indicates the following;

Figure 23: Employment Equity



1.8.1 SKILLS DEVELOPMENT

The Municipality has adopted a Workplace Skills Plan in accordance with the Skills Development Act. The plan aims to address the identified skills shortage within the municipality.

1.9 PERFORMANCE MANAGEMENT

The municipality has managed to review its policy and approved by the Council and the reviewed policy aims to get the performance management system cascaded to lower levels than Section 57 managers.

1.10 STATUS OF POLICIES WITHIN THE MUNICIPALITY

POLICY AND DEPARTMENT RESPONSIBLE	STATUS OF THE POLICY AND ITS IMPLEMENTATION	FOCUS FOR 2010/11
<u>BUDGET AND TREASURY</u>	FOR FINANCIAL VIABILITY AND SERVICES	
Credit and Debt policy	Adopted by Council 10 December 2009	Implementation of the policy
Tariff Policy	Adopted by Council June 2009	Implementation of the policy
Banking and Investment Policy	Adopted by Council June 2009	Implementation of the policy
Asset Management policy	Adopted by Council June 2009	Implementation of the policy
Budget Policy	Adopted by Council 10 December 2009	Implementation of the policy
Supply Chain Management Policy	Adopted by Council June 2009	Implementation of the policy
Credit Control Policy	Adopted by Council 10 December 2009	Implementation of the policy
Anti-corruption policy	Adopted by Council 10 December 2009	Implementation of the policy
Revenue Enhancement Policy	Adopted by Council 10 December 2009	Implementation of the policy
Municipal Relief expense policy	Adopted by Council 10 December 2009	Implementation of the policy
Catering Policy	Adopted by Council 10 December 2009	Implementation of the policy
Information and Technology Policy	Adopted by Council 10 December 2009	Implementation of the policy

POLICY AND DEPARTMENT RESPONSIBLE	STATUS OF THE POLICY AND ITS IMPLEMENTATION	FOCUS FOR 2010/11
<u>CORPORATE SERVICES</u>	FOR INSTITUTIONAL ARRANGEMENT AND HUMAN RESOURCE DEVELOPMENT	
Payroll Policy	Adopted by council and work-shopped to staff	Implementation
Employment Equity and affirmative action Policy	Adopted by Council 10 December 2009	Implementation
Staff Remuneration Policy	Adopted by Council 10 December 2009	Implementation
Recruitment and Selection Policy	Adopted by council and workshopped to staff	Implementation
Occupational Health and safety Policy	Adopted by council and workshopped to staff	Implementation
Subsistence and Travelling Policy	Adopted by council and workshopped to staff	Implementation
HIV and AIDS (in the work place) Policy	Adopted by council and workshopped to staff	Implementation
Sexual Harassment Policy	Adopted by council and workshopped to staff	Implementation
Induction Policy	Adopted by council and workshopped to staff	Implementation
Placement Policy	Adopted by council and workshopped to staff	Implementation
Employee Assistant Programme Policy	Adopted by council and workshopped to staff	Implementation
Dress Code, uniform and protective clothing policy	Adopted by council and workshopped to staff	Implementation
Performance Management Policy	Adopted by council and workshopped to staff	Implementation
Records Management Policy	Adopted by council and workshopped to staff	Implementation
Disciplinary Policy	The collective agreement on disciplinary procedure from SALGA is being used by the municipality	Implementation
Performance Management Policy	Adopted by council and workshopped to staff	Implementation

POLICY AND DEPARTMENT RESPONSIBLE	STATUS OF THE POLICY AND ITS IMPLEMENTATION	FOCUS FOR 2010/11
Records Management Policy	Adopted by council and workshoped to staff	Implementation
Telephone and Cellphone Policy	Adopted by council and workshoped to staff	Implementation
Leave administration Policy	Adopted by council and workshoped to staff	Implementation
Access Control guide policy	Adopted by council and workshoped to staff	Implementation
Subsistence abuse Policy	Adopted by council and workshoped to staff	Implementation
Smoking Policy	Adopted by council and workshoped to staff	Implementation
HRD, Multi-skilling, study assistance and learnership Policy	Adopted by council and workshoped to staff	Implementation
Service Commitment Charter	Adopted by council and workshoped to staff	Implementation

POLICY AND DEPARTMENT RESPONSIBLE	STATUS OF THE POLICY AND ITS IMPLEMENTATION	FOCUS FOR 2010/11
<u>MUNICIPAL MANAGER</u>	GOOD GOVERNANCE	
Integrated risk Management framework policy	Adopted by Council 10 December 2009	Implementation of the policy

1.11 FINANCIAL VIABILITY

1.11.1 BUDGET

The Municipal total budget for the 2009/10 financial year was R325, 460,922.00. The total budget forecasts for 2010/11 and 2011/12 are R362, 392,073.00 and R367, 715,000.00 respectively.

1.11.2 Income allocations and sources

The Alfred Nzo Municipality derives its income from three sources namely;

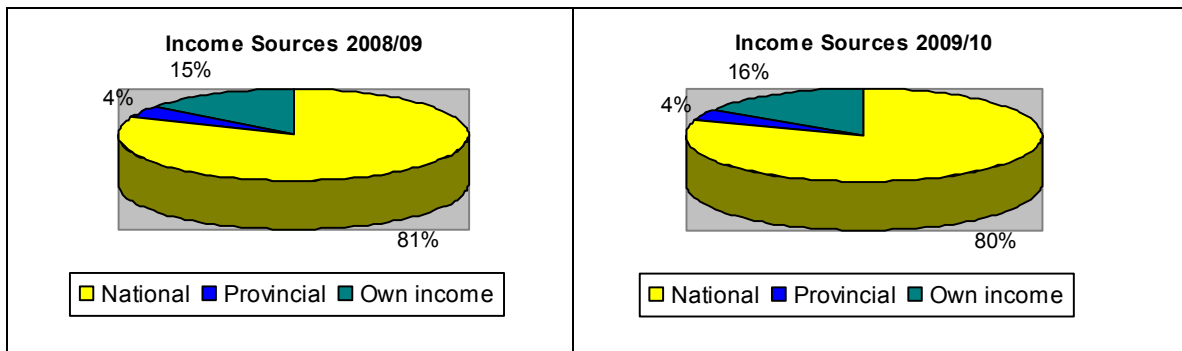
- ⇒ National allocations
 - Equitable share
 - Finance Management Grant
 - MSIG Funding
 - MIG Funding
 - Water and sanitation backlog funding (DWAFF)
 - RSC Levy replacement grant
 - Councilor remuneration provision
- ⇒ Provincial allocations
 - Disaster management
 - Fire and rescue services
 - Sports Art and Culture
 - Municipal PMS
 - Capacity LED
 - ISRDP
- ⇒ Own income
 - Water and sanitation service fees
 - Interest on grants
 - Input VAT
 - FNB Building rental

The Municipality has a low income base and is heavily dependent on National and Provincial allocations which constituted 85.4% of its 2008/09 budget. According to the budget forecast, National and Provincial allocations will constitute 84.2% and 83.1% of

the 2009/10 and 2010/11 budgets respectively. This trend exhibits little expectation that the Municipality will reduce its dependency on National and provincial expectations.

The following figure depicts the income sources for the 2008/09 and 2009/10 financial years.

Figure 24 Income Sources 2008/09 and 2009/10



1.11.3 Billing and Payment rates

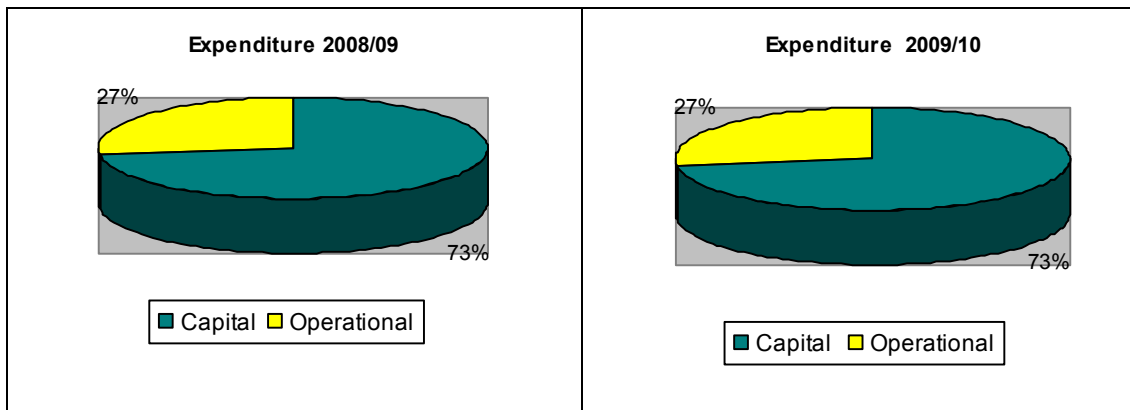
Water and sanitation services constitute 32.5% of the Municipalities own estimated income for the 2008/09 financial year. Only 9320 urban households are billed for water and sanitation levies. Rural areas that do have access to water supplied by the Municipality are not being metered or charged for their consumption which implies that a considerable amount of purified water is unaccounted for and may even be utilised indiscriminately.

The Municipality is in process of cleansing and reviewing its data base of households who are being serviced. Payment rates are poor and it is estimated that less than 5% of households are paying. This is compounded by the high poverty levels and low affordability levels of the community.

1.11.4 EXPENDITURE ALLOCATIONS AND TRENDS

The capital and operational budgets constitute 72.8 % (R181 711 400) and 27.2 (R67 685 964) of the 2008/09 budget respectively. The capital and operational budgets constitute and 72.9% (R219 043 203) and 27.1% (81 430 951) of the of the 2009/10 budget forecast.

Figure 29: Expenditure



The Municipality is constantly striving to provide services to its community which requires substantial capital investment, especially in terms of infrastructural assets. In order to maintain service delivery it is imperative that these assets be maintained in proper working order which requires equitable investment in terms of maintenance and repair costs. According to the National treasury Municipalities should be budgeting between 10% and 15% of their operating expenditure for repairs and maintenance. The 2009/10 budget reflects a minimal allocation to repairs and maintenance which only constitutes 2.1% of the total budget.

1.11.5 PROVISION OF FREE BASIC SERVICES

Provision is made on the budget for the provision of free basic water services from the equitable share. Only 6% of the equitable share is used for this purpose at this stage, which is mainly attributable to the fact that households in the rural areas that do have access to water supplied by the Municipality are not being charged for their consumption. The municipality is also struggling to put systems in place that will enable to bill for consumption as a result almost all people having access to water are receiving water for free.

1.12 GOVERNANCE ANALYSIS

1.12.1 POLITICAL STRUCTURE

The Municipal Council consists of twenty five Councilors of which 6 are full time Councilors including the Speaker. The Council is led by the Speaker, the Executive Mayor, the four full-time Mayoral Committee Members and Councilors. There has been a delegation of powers from Council to the Executive Mayor and the Executive Mayor in turn has delegated some of the powers to the Mayoral Committee Members. The Mayoral Committee led by the Executive Mayor functions through the following standing committees which assist in decision making and making sure that there is a political environment that is conducive for service delivery:

- ⇒ Infrastructure Development and Municipal Services/ Technical Services
- ⇒ Community Development Services
- ⇒ Development Planning and Economic Development
- ⇒ Budget and Treasury
- ⇒ Corporate Services

1.12.2 AUDIT

The Municipality has established an Audit Committee for the District and it is functional. The Municipality has received its audit report for the 2008/09 financial year which proved to be negative as there are quite a number of areas of concern. The municipality has since put together an action plan to address all areas of concern raised by the Auditor General.

1.12.3 INTERGOVERNMENTAL RELATIONS

Although IGR structures exist within the District they are not fully functional. These structures are composed of the Municipal Managers Forum and District Mayors Forum. The District Municipal considers the issue of IGR seriously and this has seen the municipality requested assistance from the Office of the Premier to assist with the process of revitalization of the IGR in the district.

1.12.4 PARTNERSHIPS AND STRATEGIC RELATIONSHIPS

The Municipality has made a concerted effort to develop its capacity through the formation of strategic partnerships and relationships and has concluded partnerships with the following;

- ⇒ The Development Bank of Southern Africa (DBSA)
- ⇒ The Independent Development Trust
- ⇒ Thina Sinako (European Union)
- ⇒ Austrian Development Agency
- ⇒ Swedish Government (Ohstresund Municipality)

1.12.5 COMMUNITY AND PUBLIC PARTICIPATION AND COMMUNICATION

The Municipality has a communication organizational structure which is in line with Local Government Communication System. The structure is also in line with national guidelines. The structure is currently not fully populated (staffed) this will be achieved through sharing this service with local municipalities and incremental staffing of the unit. This structure is supported by one staff member from the office of the Premier (OTP), one staff member from the Government Communication Information Systems (GCIS). The district municipality considers communication and public participation very important to such extent it has struck a partnership with Austrian Development Agency where a public participation programme called Theater for Africa was established and is well functional. The communication function is being carried out in close liaison with the support systems. These sections are mainly dealing with:

- ⇒ Publicizing notices, advertisements, marketing and branding of municipalities within district's jurisdictional area as well as the overall dissemination of information. The communication unit works in close liaison with local municipalities. It utilizes various means of communication ranging from the Alfred Nzo news letter, brochures, bulletins, community radio, news papers, some television footings as well as national papers,
- ⇒ To support the process the municipality has established the District Communicators Forum (DCF) that should meet bi - monthly to discuss matters relating to communication.

⇒ The district further communicates with the communities through Community Development Workers and Ward Councillors which are based within Local Municipalities.

The IDP is aimed at a balanced infrastructure investment and sustainable economic development programme, establishment and functionality of all core municipal policies and systems as required by law. Various policies have been developed to guide the functioning of the municipality. The policies that have been developed have been outlined within the section dealing with institutional arrangements under chapter 1 (Situational Analysis). The organizational structure of the municipality has been reviewed to respond to the management reform and service delivery needs. The skills of the employees are developed to ensure the following:

- Implementation of continuous management reform and improvement
- Empowering employees through focused and continuous professional/ skills development

The skill development strategy of the municipality is three pronged focusing on the community, the councillors and officials. The focus of the skills development strategy is more influenced towards benefiting the community. The Performance Management System Policy for the district has been reviewed and adopted by the Council. Mechanisms are being devised for the cascading of the performance management system to employees below section 57 managers. The municipality has developed and adopted a number of Policies to ensure sound labour management and human resource relationships

a). Institutional Guidelines

Institutional guidelines are focused towards initiating a managerial reform aiming at:

- Objectives and results orientated management
- Effectiveness and efficiency oriented management
- Service and client oriented management
- Performance based contracts
- Service oriented codes of conduct

SECTION B: DEVELOPMENT STRATEGIES

CHAPTER 2

The Alfred Nzo District Municipality has set a vision and mission. It aims to have all plans and activities aligned and channeled towards achieving its vision.

Vision

“A self-sustainable Municipality that stimulates accelerated socio-economic growth & development by 2014”.

Mission

“To create people driven sustainable livelihoods through optimal utilization of human and natural resources in an integrated developmental government and private sector programmes”.

2.1. STRATEGIES

The strategies adopted by Alfred Nzo District Municipality have been aligned to the vision, mission and five year strategic local agenda and the Spatial Development Framework being the added sixth KPA. Strategies for the Development of Alfred Nzo District are based on the following the National Key Performance Areas:

- Basic Service Delivery
- Good Governance And Public Participation
- Institutional Development And Transformation

- Financial Viability And Management
- Local Economic Development
- Spatial Development Framework

2.1.1. BASIC SERVICE DELIVERY

- The municipality is striving towards offering potable water, sanitation and environmental sustainable health to maintain a clean, safe and healthy environment.
- Eradicate backlogs for both water and sanitation
- affordable and reliable municipal services (e.g. water, sanitation, electricity, transportation)
- Regular investment in infrastructure and productive equipment
- To provide road infrastructure that is in good condition
- To enable access to grid electricity for rural communities

KPA No. 1	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
Basic service delivery	1 Inadequate fire hydrants	Provision of sufficient fire hydrants especially to new projects implemented.	Provision of sufficient fire hydrants especially to new projects implemented. Implementation of S78 suggested mechanism	Technical services (WSP)	December 2010	600,000.00

2	<p>-Poor access to water supply & sanitation services</p> <p>-Monitoring of water services provisioning</p> <p>-WSA unit not fully established & functional</p> <p>-No revenue collection system in place</p> <p>-No indigent register</p> <p>-No enforcement of water services policies</p> <p>-No reviewed WSDP</p> <p>-No WSDP M&E reporting system in place</p> <p>-Existing Section 78(1) assessment report has serious gaps which needs to be filled</p> <p>-High water quality failures</p> <p>-Water Conservation & Demand Management (WCWDM) strategy</p>	Provide universal access to RDP STD water and sanitation	<p>-Establish fully functioning WSA unit</p> <p>-Ensure proper implementation of WSDP projects as recommended.</p> <p>-Finalise Indigent Register.</p> <p>-Review WSDP</p> <p>-Review Section 78 Report.</p> <p>-Develop Water Conservation and Demand Management Strategy</p>	-Corporate Services	<p>December 2010</p> <p>December 2010</p> <p>December 2010</p> <p>December 2010</p> <p>December 2010</p> <p>December 2010</p>	<p>680,000.00</p> <p>700,000.00</p> <p>900,000.00</p>
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	<p>does not exist</p> <ul style="list-style-type: none"> - Water Balance not exercised (annually) - Effluent Return Flow Management System does not exist - Drinking water quality is not in line with approved standards - Effective water testing is not monitored - Business Plans for Water services provisioning is not monitored - Reporting ability & compliance on debt collection & credit control management criteria is not fully developed 	To develop and implement a business plan for providing municipal health services	Finalization of the transfer processes and DWAF & DoH schools and clinics programme	Community Development Services	December 2010	3,000,000.00
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	comprehensive service to the community in a one stop centre					
3	Strengthening of satellite Fire & disaster centres	to facilitate the process of equipping stations with office furniture	specification advertisement appointment procurement	Community Development Services	June 2011	R 1100 000.00

2. GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The District Municipality is striving towards having functional community participation mechanisms and ward committees and other stakeholders in the district at large. This has seen the District Municipality striking a deal with Austrian Development Agency to assist the district in strengthening public participation and accountability. Furthermore the district has developed its Consumer Charter where the district is committing in terms of ensuring that good relations with its communities through creation of conducive environment in terms of communities having access to the institution at all times and what should be their expectations from the municipality. The strategy of the District Municipality is to have community outreach programmes, Community Based Planning as well as affording the communities the opportunity to provide their comments in fora and print material directly submitted to the institution.

- Ensure effective intergovernmental relations
- The intergovernmental forum, Municipal Manager Forum and District Mayors Forum were established within the municipality to ensure alignment and integration in programmes delivered by the municipalities however both IGR and Mayors forum still

need to be fully functional in order to address the bottlenecks affecting both planning and implementation of plans and programmes within the district.

- Different forums aligned to special groups are established by the district together with sector departments to ensure participation of special groups (Youth, women, disabled, elderly and advocates for women) in local government matters.

2.1.3. Institutional Development and Transformation

The IDP is aimed at a balanced infrastructure investment and sustainable economic development programme, establishment and functionality of all core municipal policies and systems as required by law. Various policies have been developed to guide the functioning of the municipality. The policies that have been developed have been outlined within the section dealing with institutional arrangements under chapter 1 (Situational Analysis). The organizational structure of the municipality has been reviewed to respond to the management reform and service delivery needs. The skills of the employees are developed to ensure the following:

- Implementation of continuous management reform and improvement
- Empowering employees through focused and continuous professional/ skills development

The skill development strategy of the municipality is three pronged focusing on the community, the councillors and officials. The focus of the skills development strategy is more influenced towards benefiting the community. The Performance Management System for the employees and the score card for the district has been developed. Mechanisms are being devised for the development of the performance management system for councillors. The organizational structure has been reviewed in line with the needs of the IDP. Policies are in place to ensure sound labour management and human resource relationships. Increased and appropriate utilisation of technology is another focus area for the municipality and systems like DIMS, SAMRAS are being developed while some are being utilized.

a). Institutional Guidelines

Institutional guidelines are focused towards initiating a managerial reform aiming at:

- Objectives and results orientated management
- Effectiveness and efficiency oriented management
- Service and client oriented management
- Performance based contracts
- Service oriented codes of conduct
- Decentralization of operational responsibility by giving more power and skills to frontline workers
- Consultative decision-making approaches within the administration
- Selection of appropriate forms of service delivery

KPA No.2 (Good governance)	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
1	Inability to enforce policies & by laws	Develop a district wide capacity to enforce by-laws in partnership with regulatory and enforcement agencies	Workshop on by-laws By law enforcement	Legal and Admin	July 2010	300,000.00
2	In adequacy of the council support function	-Capacitate the council support in line with current trends on the provisioning of	-Recruitment of competent officials.	Manager: Council Support	September 2010	

6	Inability to enforce policies & government laws	Develop a district wide capacity to enforce by-laws in partnership with regulatory and enforcement agencies	Establish partnerships and service level agreements with law enforcement agencies	Community Services	June 2011	100,000.00
7	Adequate marketing of the Thusong Centre	Inform ward 10,11,12,13, 14, 15, 18, (Umzimvubu LM) on the services that are available in the centre	Inviting stakeholders to the centre for information sharing sessions Organise imbizos in the wards/ down to villages and traditional authorities	Community Services	June 2010	50,000.00
8	Development of ANDM scientific risk assessment	to achieve a risk assessment policy & plan	extensive internal consultation appointment of service provider conduct assessment first draft document internal & external inputs Final document & adoption	Community Services	June 2011	R 1000 000
9	Community education on disaster management & fire services	to promote community safety awareness	development & implementation of educational programme on fire safety and disaster management	Community Services	June 2011	R 950 000.00
10	Response & recovery	to establish response , recovery & rehabilitation	Procurement of emergency relief material	Community Services	June 2011	R 531,000.00

	rehabilitation	programmes	establishment of response teams supply of emergency relief material to the affected communities			
1	Development of community Safety programmes	To promote crime free district through crime awareness programmes	Develop a district crime strategy	Community Services	Development	June 2011
1	Poor customer care	Establish a central customer care centre, with its satellites	Develop an integrated customer care strategy	Community Services	Development	June 2011
2			Develop a customer care procedure manual			
						R500 000
						318,600.00

KPA No.2 (Good governance)	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
1 3	Adequate marketing of the Thusong Centre	Inform ward 10,11,12,13, 14, 15, 18, (Umzimvubu LM) on the services that are available in the centre	Inviting stakeholders to the centre for information sharing sessions Organise imbizos in the wards/ down to villages and traditional authorities	Community Services Development	June 2010	R50,000.00
1 4	Development of ANDM scientific risk assessment	to achieve a risk assessment policy & plan	extensive internal consultation appointment of service provider conduct assessment first draft document internal & external inputs Final document & adoption	Community Services Development	June 2010	R 1000 000
1 5	Community education on disaster management & fire services	to promote community safety awareness	development & implementation of educational programme on fire safety and disaster management	Community Services Development	June 2010	R 950 000.00
1 6	Response ,recovery & rehabilitation	to establish response , recovery & rehabilitation programmes	Procurement of emergency relief material establishment of response teams	Community Services Development	June 2010	R 500.000.00

KPA No.2 (Good)	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
			supply of emergency relief material to the affected communities			
1 7	Development of community Safety programmes	To promote crime free district through crime awareness programmes	Develop a district crime strategy	Community Services	June 2010	R500 000

2.1.3. Institutional Development and Transformation

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KPA No.	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
3	1	Leave administration	Leave policy Leave guidelines	HRM	June 2010	
	2	Departmental Policies	Workshop staff and ensure compliance. Consistency in application of policies	HRM Legal and support Council and support	June 2010	
	3	Attendance register	To minimize the level of absenteeism and action interventions when needs be.	HRM	June 2010	

	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
4	Non functioning of the training committee	Involvement of the stake-holders	Skills development WSP develop Capacitate SDF	HRD	June 2010	
5	Cascading the municipal performance management system to all levels	To improve the current management performance system to include organizational performance and staff performance at all levels	Develop or instill a culture of performance management within the institution	HRM	July 2010	
6	Organizational design not adequately meeting the DM's needs	Review organizational design	Provide a reviewed organizational structure at the begging of 10/11 financial year	HRM	Sept 2010	
7	No policy on facility management	To have a guiding document on facility management	Develop the policy	Legal and support	Sept 2010	
8	After care of transferred personnel as part of the WSA process	Fast track the finalisation	Identify the internal coordinator who will do a follow up on behalf of the municipal.	HRD	September 2010	
9	Contract signed without the	Contracts must via the authorities before being sent to	All contracts to be done by the legal services.	Legal	Dec 2010	

	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
	knowledge of Legal and MM	the client				
10	No retention strategy	Attract and retain scarce skill	Develop a policy	HRM	Dec 2010	
11	Poor information management	Implement an effective information management system	Develop records management policy Automate information management Decentralisation of registry	Legal and Admin	Dec 2010	
12	No Employment equity plan	To comply with Legislative Prescript	Develop Employment Equity plan	Senior Manager CPS	Dec 2010	150,000.00
13	Professionally developed EAP	Healthy and well employees	EAP, Wellness Policy	HRM	June 2010	

2.1.4 FINANCIAL VIABILITY AND MANAGEMENT

Alfred Nzo District Municipality seeks to achieve the following:

- Sound financial management systems through constant improvement of financial Information
- Development of annual and medium term outlook on revenue and expenditure plans and targets
- The municipality through putting in place revenue collection systems seeks to reduce dependency on grant transfers
- Timely and accurate accounting of public resources
- It is acknowledged and understood that Alfred Nzo District Municipality together with municipalities within its jurisdiction should have anticorruption strategies. It is within the next IDP review process that these strategies will be included.
- Financial Viability

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
4 Financial viability and Managem ent	1 METER READING	Accurate Billing as per consumption.	Meter Readings	Manager: Income	From 06 th of the month to 18 th of the month	
		Accurate Billing as per consumption	Procurement of Automotive Meter Reading System	Manager: Income	31 July 2010	R 100 000.00
		Accurate Billing as per consumption.	Data Cleansing	Manager: Income	Every two years	
		Accurate Billing as per consumption	Proper filling thereof	Manager: Income	By 25 th of the month	
		Accurate Billing as per consumption.	Capturing of Readings on System	Manager: Income	By 24 th of the month	
2	CAPTURING OF METER READINGS	Accurate Billing as per consumption.	Downloading of Readings to System	Manager: Income	Once system available, every time after reading	R 50 000.00

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires	
4		Accurate Billing as per consumption.	List of Exceptional Reports	Manager: Income	has been done		
			Proper filling thereof		By 25 th of the month		
		Objective	Strategy	Responsibility	Time frame	Budget	
4 Financial viability and Managem ent	3	BILLING Collection of Revenue.	Printing of Statements and Billing of Customers on a Monthly Basis	Manager: Income	By the 2 nd of the month	R 60 000.00	
	4	RECEIPTS All payments received should be captured. Payments allocated to the correct accounts.	Proper Recording of Received Payments to System	Manager: Income	On a daily basis		
			Correct allocation of Relevant Customers	Manager: Income	On a daily basis – if the is any that has been identified		
			Correct Allocation of Direct Deposits	Manager: Income	On a daily basis		
	5	BANKING Receipts safeguarded.	Grants Received reflected against the correct funds. Information properly archived.	Correct Allocation of Grants Received	Manager: Income	On a daily basis	
				Proper Filling thereof	Manager: Income	On the 2 nd day of the month	
6	RECONCILIATI ON	Investments correctly captured onto accounting system.	All money received promptly deposited to main account Proper Reconciling of Investment and	Manager: Income	On a daily basis On the 2 nd day of the month		

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
4			Accounting thereof			
			Proper Reconciling of Age Analysis and Accounting thereof	Manager: Income	On a daily (and consolidated on a monthly) basis on receipt of payment from customers	
		Compliance with Section 64 of the MFMA	Proper Reconciling of Bank Accounts and Accounting thereof	Manager: Income	On 4 th day of every month	
		Compliance with Section 64 of the MFMA	Proper Reconciling of tender documents that have been sold	Manager: Income	On a daily basis upon receipt or procurement of a document	
		Compliance with Section 64 of the MFMA	Proper Reconciling of Grants Received	Manager: Income	On a daily basis (and consolidated on a monthly) basis on receipt of a particular grant	
		Compliance with Section 64 of the MFMA	Proper Filing thereof	Manager: Income	On daily & monthly basis upon function being done	
		Compliance with Section 64 of the MFMA and approved Credit Control Policy	Checking of bills coming back without reaching customers	Manager: Income	Every 10 th Day of the month	
		Compliance with Section 64 of the MFMA and approved Credit Control Policy	Identify indigent registered customers on Age Analysis	Manager: Income	On a daily basis upon receipt of registration of indigents	
		Compliance with Section 64 of	Update tariff charges	Manager: Income	Annually – 31 March	
	7	CREDIT CONTROL				

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
4		the MFMA and approved Credit Control Policy				
		Compliance with Section 64 of the MFMA and approved Credit Control Policy	Proper filling thereof	Manager: Income	Annually – 31 May	
	8	DEBT COLLECTION Compliance with Section 64 of the MFMA and approved Debt Collection policy	Identify top 100 debtors	Manager: Income	31 March 2010	
		Compliance with Section 64 of the MFMA and approved Debt Collection policy	Communicate with the identified customers to make payments	Manager: Income	Every 30 th day	
		Compliance with Section 64 of the MFMA and approved Debt Collection policy	Send demand letters	Manager: Income	Daily	
		Compliance with Section 64 of the MFMA and approved Debt Collection policy	Keep register of the sent letters (signed by recipients)	Manager: Income	Daily	
		Compliance with Section 64 of the MFMA and approved Debt Collection policy	Implement discount scheme	Manager: Income	Once off – 31 July 2010 to 30 September 2010	R 50 000.00
		Compliance with Section 64 of the MFMA and approved Debt Collection policy	Proper filling thereof	Manager: Income	Every 30 th Day	
9	OPERATION	To receive a clean audit opinion	Attend to governance	Chief Financial Officer	31 March 2010	

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
4	CLEAN AUDIT	by 2011	issues like, Policies and internal control systems. Filing and safeguarding of documents. Perform reconciliation of the general ledger			
10	EXPENDITURE MANAGEMENT		Completion of order requisitions and orders. Invitation of tender from specified threshold. Performance of Creditors reconciliations.	Manager: Expenditure and Budget.	Every 30 th day	
11	LIABILITY MANAGEMENT	Recording and administering of all long-term liabilities	Obtain of existing long term loans. Open a register of long term loans. Procure SAMRAS loans register module. Settle MIG debt	Manager: Expenditure and Budget.	365 days	R100 000.00
12	BUDGET AND REPORTING	Ensure that all compliance requirements are adhered to as per statutory schedules. Performance of reconciliation of the general ledger	-Obtain all prescribed formats from National Treasury. -Updating of the general ledger on a monthly basis.	Manager: Expenditure and Budget.	Every 30 th Day	R18 000 000.00

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
4			-Procure SAMRAS reporting module			-R80 000.00
13	OPERATION CLEAN AUDIT	Attaining an Unqualified Audit Opinion in 2011.	Processing monthly and reviewing General ledger monthly.	Chief Financial Officer.	Every 30 th Day	
14	ANNUAL FINANCIAL STATEMENTS	Presenting the financial performance for the year ended and the financial position as at end of the year	Perform all bookkeeping activities timeously. All general ledger accounts be reconciled on a monthly basis.	Chief Financial Officer.	31 August 2010	R350 000.00
15	BUDGETING	Compile a master budget that is credible being informed by the Integrated Development Plan	Obtain projects with costs from IDP in departmental form.	Chief Financial Officer.	30 June 2011	
16	SUPPLY CHAIN MANAGEMENT	Demand Management: To ensure that the resources required to fulfill needs identified in the IDP are delivered @ the right time, price and place, and that the quantity and quality will satisfy those needs.	To carry out needs, expenditure, commodity and market assessment in terms of the current situation (as is assessment) and need analysis of what the municipality wants to achieve (at a certain period), this would assist municipality in identifying its targeted goals e.g local	Manager: Supply Chain	Every 30 th Day	

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
		<p>Acquisition Management: To ensure that the goods and services are procured by the municipality in accordance with authorised processes and that the thresholds values are complied with.</p>	<p>suppliers, emerging contractors, disabled, women etc.</p> <p>Update supplier database quarterly. Establish all Bid Committees so that the municipal procurement system is fair, transparent and equitable to everyone</p>	<p>Manager: Supply Chain</p>		
17	FIXED ASSET MANAGEMENT	Providing reasonable assurance that fixed assets are recorded, maintained and safeguarded.	<p>Maintain asset register on a monthly basis</p> <p>Reconcile fixed asset register to the general ledger.</p> <p>Take up insurance on all assets of the municipality</p>	<p>Manager: Supply Chain Management</p>	<p>Every 30th Day</p> <p>30 April 2010</p>	<p>R1 500 000.00</p>
18	INVENTORY MANAGEMENT	Ensuring the availability of materials, parts for water purification and maintenance of infrastructure	<p>Procure SAMRS stores management module.</p> <p>Train the personnel using it</p>	<p>Manager: Supply Chain Management</p>	<p>31 August 2010</p>	<p>R150 000.00</p>
19	DOCUMENTATION MANAGEMENT	Preventing loss of document by securing their safe keeping	<p>Limit access to offices where processed documents are filed</p>	<p>Manager: Supply Chain Management</p>	<p>July 2010</p>	<p>R200 000.00</p>

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
20	LACK OF INTEGRATED IT PLANNING	To provide an integrated, quality and cost-effective IT based solution	<ul style="list-style-type: none"> -Establish IT Steering Committee to oversee IT investment planning and strategy development -IT strategic planning and budget processes to be redefined and realigned 	Manager: Technology Information	May 2010	R30 000.00
21	CURRENT IT STRATEGY AND SETUP LIMITS OPERATIONAL EFFICIENCY	To reduce total cost of ownership and improve operational efficiency	<ul style="list-style-type: none"> -Develop and implement technology refresh strategy -Investigate the technology acquisition strategy -Investigate and implement solutions that will improve information management and dissemination. -Review MSP and rollout approved projects. -Develop and implement disaster recovery and business continuity plans. -Establish data centre/computer room 	Manager: Technology Information	December 2010	R2 000 000.00

KPA No.	Key issues	Objective	Strategy	Responsibility	Timeframe	Budget Requires
22	LACK OF PREVENTATIVE MAINTENANCE PLAN	To extend the life span and performance of our IT equipment	-Develop IT maintenance and service level management plans. -Ensure that all IT equipment has extended 3 year warranty from date of purchase.	Manager: Technology Information	December 2010	R250 000.00
23	HUMAN RESOURCE CAPACITY LIMITATIONS	To enable the department to operate optimally	Fully populating the organogram.	Chief Financial Officer		
24	RISK MANAGEMENT PLAN	To manage risk thus containing it at it's minimum.	Development and Implementation of Risk Management Plan	Chief Financial Officer	July 2010	
25	LACK OF PREVENTATIVE MAINTENANCE PLAN	To extend the life span and performance of our IT equipment	-Develop IT maintenance and service level management plans. -Ensure that all IT equipment has extended 3 year warranty from date of purchase.	Manager: Technology Information	December 2010	R250 000.00

2.1.5. DEVELOPMENT PLANNING AND ECONOMIC DEVELOPMENT

2.1.5.1. STRATEGIES

- Economic Development
- Small, Medium and Macro enterprise(SMME) development
- Retention and expansion of existing business
- Skills Development through tourism
- Promotion of commercial agriculture and other new innovations
- Value Addition to Natural Resources
- Plug Economic Leakages
- Through economic development programme the municipality is contributing to the development of an employable, educated and skilled citizenry
- Facilitation of job creation and access to business opportunities
- Provision of eco friendly- villages
- Piloting Sustainable communities

a). Economic Development

- To create 5000 new jobs between 2007-11 for the economically active population and targeting women 50% Youth 30% the Disabled 5% and other 15%

- To have trained and skilled 5000 by 2010 inclusive of Women , Youth the disabled and other taking into account the %s as outlined above. To have training and education incorporated into programmes and projects This number increasing at 10% above the current rate.
- To have training and education incorporated into programmes

c). Spatial and Housing

- To ensure that 50% and of land claims existing within the municipality are resolved by 2010
- To ensure that local municipalities are assisted to have their land use management plans place by 2010
- To ensure that 50% of communities of Alfred Nzo are aware of land policies by 2009/10
- To conduct education/awareness campaigns to cover 50% of the population especially among the youth from age 15 to 30 by 2007-11.
- To ensure that 80% of primary caregivers are capacitated to care for the sick at home by 2008-11.
- Provision of an alternative place of care for all the terminally ill patients with no relatives or friends by 2008-11.
- To ensure that 15 % youth, 30% women and 5 % the disabled are involved in the workforce of companies and government departments
- To re-skill 30% of young graduates in skills demanded by the market or re-train in self-help skills from 2008 -11
- To capacitate 45 % in average of designated groups to be able to effectively assume any leadership position from 2008-11 onwards.
- To reduce the levels of unemployment in each of these groups by at least 30% in 2010

KPA No.5	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required	
Local Economic Development	1	Outdated LED Strategies	To review and implement an LED strategy.	Facilitate development of Matatiele LED Strategy and the review of both Umzimvubu and ANDM LED strategies	Dev Planning	July 2010	150, 000:00
	2	High Levels of economic leakages	Develop a competitive economic environment within the district.	To build the capacity on SMMEs and ensure registration within the district database	Dev Planning & ANDA	August 2010	50, 000:00
	3	High levels of poverty	To facilitate the implementation of poverty alleviation projects	To mobilize and integrate government programmes	Dev Planning, ANDA and Sector departments	August 2010	
	4	Low skills base	Skills development	Facilitate training programmes	Dev Planning, SEDA & ANDA	September 2010	30 000
	6	Little contribution to the economy by the agricultural sector	To improve agricultural Activities contributing and Develop and implement Agricultural Master Plan	To implement livestock improvement programme. To develop Agricultural Master Plan	Dev Planning, and DoRDA	January 2011	300 000
	7	Little contribution to the economy by the forestry sector	Develop and implement a forestry development strategy	To develop forestry sector plan and arrange forestry summit	Dev Planning, and DoRDA	January 2011	300 000
	8	Little	Facilitate implementation of	To facilitate Tourism	Dev Planning, ECTB	August 2010	30 000

KPA No.5	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
	contribution to the economy by the tourism sector	Tourism Plan	summit			
09	Little contribution to the economy through value addition to primary resources	Develop and implement an industrial development strategy	Focusing on value chain and processing activities Provide infrastructure and machinery for value addition	Dev Planning, ANDA, DEDEA	January 2011	
10	Little contribution to the economy by the construction sector	Develop and implement a construction development strategy	To develop skills within municipality through partnering of upcoming business with well established business	SCM, Technical Services and	July 2010	
11	Most of land is under claim	Facilitate and Monitor the land restitution process by engaging the relevant departments	-To conduct audit on existing Land claims within the District. -Liaise with the land claims commission to fast track the land claims processes, To involve Amakhosi to resolve land claims	District, LMs, OTP and Restitution	July 2010	

2.1.6 SPATIAL DEVELOPMENT FRAMEWORK

According to chapter 5 of the Municipal Systems Act (Act 32 of 2000), an Integrated Development Plan is required to include a spatial development framework also comprising guidelines for a land use management system. The aim of a spatial development framework is to guide future development of an area. It serves as the common background upon which the physical, social, economic and institutional development strategies of a municipality are designed. It is also a manifestation of the vision of an area in terms of spatial components and is the basis for an integrated planning. The district adopted its SDF during 2008 and it aimed at establishing the following structural elements:

- Creating an access hierarchy and development structure.
- Establishing a service node hierarchy
- Integrating the natural structural elements
- Identifying the major land use components and their structured growth.
- Identifying potential development focus areas
- Developing relevant social, economic, institutional

KPA No. 6	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
Spatial Development Framework	District SDF not properly informed or aligned to the SDFs for the Local Municipalities	To have a reviewed and implementable SDF that guides development	Align SDFs for LMs with the district SDF and Provincial Growth and Development Plan as well as NSDP	Development Planning	September 2010	R400 000

KPA No. 6	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
2	District SDF is lacking Land Use Management Framework to guide land use management systems at local levels	To have a reviewed district SDF that gives framework direction to land use management schemes of the local municipality	To have the district and local municipalities' SDFs reviewed and have proper alignment of all SDFs and have implementation plans in place.	Development Planning	September 2010	
3	Lack of implementation of commitments made by the various stakeholder on GDS	To have all sector department delivering on their commitments they made on the GDS.	To hold post summit on GDS to review the progress and further facilitate implementation thereafter.	Development Planning	August 2010	R50 000
4.	District does not have Environmental Management Plan in place	To have Environmental Management Plan in place which will guide and promote development in a sustainable manner.	Prepare EMP with clear Implementation Plan	Development Planning	July 2010	
5	Land Degradation	To rehabilitate land	To conduct awareness campaigns-overgrazing and informal agricultural practices - To form partnerships	Development Planning	December 2010	

KPA No. 6	Key issues	Objective	Strategy	Responsibility	Time Frame	Budget Required
			with sector departments (DEA, DoRDA, Public Works-EPWP.		September 2010	
6	Integrated Waste Management -Lack of funding for alternative energy	Lack of resources to address waste management To provide energy to communities as there are backlogs with ESKOM	To lobby funding from DEA to assist Local Municipalities to intensify refuse removal To lobby funding from ECDC and its partners.	Development Planning	September 2010 September 2010	

SECTION C: PROJECTS/ PROGRAMMES

CHAPTER 3

ALFRED NZO DISTRICT MUNICIPALITY PROJECTS/PROGRAMMES

3. INFRASTRUCTURE DEVELOPMENT AND SERVICE DELIVERY

3.1.1 PROJECT MANAGEMENT UNIT

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Tholamela Sub-regional Water Supply	MIG		3,000,000.00		
Fobane/ Mangolong Water Supply	MIG	65,338,406.86	17,500,000.00	16,047,006.88	20,000,000.00
Hlane Water Supply Phase 2	MIG	27,678,333.60	4,000,000.00	9,000,000.00	12,000,000.00
Mvenyane Water Supply Part 2	MIG	17,575,145.95	8,075,145.95	6,000,000.00	
Hlomendlini Water Supply Phase 2	MIG	R3,653,415.00	3,653,415.00		
Gogela Water Supply	MIG	7,899,310.00	1,554,689.50	6,344,620.50	
Cabazi Water Supply	MIG	6,560,400.00	3,560,400.00	3,000,000.00	
Ntibane Water Supply	MIG	2,652,602.48	8,652,602.48		
Ngqumane Water Supply	MIG	20,018,127.01	6,000,000.00	12,518,127.01	
Siqhingeni Water Supply	MIG	27,678,333.60	3,000,000.00	18,678,333.60	6,000,000.00

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Qwidlana Water Supply	MIG	39,502,172.30	12,000,000.00	13,120,000.00	8,382,172.00
Cabazana Bulk Water	MIG	38,011,448.64	1,500,000.00	16,511,448.64	20,000,000.00
Nomkholokotho Water Supply	MIG	13,765,573.09	4,048,8113.90	4,000,000.00	
KwaBaca Regional Bulk	MIG	103,000,000.00	6,000,000.00	23,000,000.00	45,000,000.00
Maluti-Matatiel Bulk Water Supply	MIG	50,000,000.00	2,500,000.00	15,500,000.00	32,000,000.00
Fog Water Harvest	MIG		2,000,000.00		
ANDM District Sanitation	MIG	449,000,000.00	35,000,000.00	35,790,000.00	65,790,000.00
Ramohlakoana/Maluti Phase 2	MIG	42,538,663.00	6,877,136.18	10,000,000.00	20,000,000.00
Mount Ayliff - Tyoksville Phase 2	MIG	6,250,000.00	-		
Cedarville Sewer Upgrade	MIG	12,059,344.00	7,029,672.00		
Mount Ayliff Peri-Urban Sanitation	MIG	38,000,000.00	1,378,181.06	13,000,000.00	23,000,000.00
Mt Frere Peri-Urban Sanitation	MIG	49,000,000.00	1,500,000.00	18,500,000.00	27,500,000.00
ISRDP Nodal (ANDA Building/Tsilika Dam)	MIG		5,632,184.74		

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
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NEW WATER PROJECTS FUNDED FOR FEASIBILITY STUDY-PMU

Umzimvubu Ward 6 water project	MIG	500,000.00	500,000.00		
Umzimvubu Ward 13 Water Project	MIG	500,000.00	500,000.00		
Umzimvubu Ward 14 Water Project	MIG	500,000.00	500,000.00		
Umzimvubu Ward 22 Water Project	MIG	500,000.00	500,000.00		
Umzimvubu Ward 23 Water Project	MIG	500,000.00	500,000.00		
Umzimvubu Ward 24 Water Project	MIG	500,000.00	500,000.00		
Matatiele Ward 5 Water Project	MIG	500,000.00	500,000.00		
Matatiele Ward 7 Water Project	MIG	500,000.00	500,000.00		
Matatiele Ward 15 Water Project	MIG	500,000.00	500,000.00		
Matatiele Ward 22 Water Project	MIG	500,000.00	500,000.00		
Matatiele Ward 16 Water Project	MIG	500,000.00	500,000.00		
TOTAL		596,848,007.00	149,962,238.81	221,009,536.63	279,672,172.00
Surfacing of internal roads	EPWP		11,025,000.00		

NB: An amount of R3, 216,761.19 has been deducted from the budget of R153, 179,000.00 hence the balance of the budget for 2010/2011 is R149, 962,238.81

3.1.2 WATER SERVICE AUTHORITY UNIT

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Policy development for W&S Farm Workers on Private Farms	EQUITABLE SHARE		80,000.00	84,960.00	89,972.64
Section 78 (1) Water Services	EQUITABLE SHARE		700,000.00	743,400.00	787,260.60
Water Conservation & water Demand Management	EQUITABLE SHARE		900,000.00	955,800.00	1,012,191.20
Water Service Development Plan Review	EQUITABLE SHARE		680,000.00	722,160.00	764,767.44
Infrastructure (WSA)	EQUITABLE SHARE		800,000.00	849,600	899,726.40
Regional Bulk Infrastructure Study	RBIG Grant (DWA)	79,400,000.00	14,000,000.00	30,400,000.00	35,000,000.00
Laboratory equipment	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
WSA subsidy-Belford Bulk Pipelines	EQUITABLE SHARE		800,000.00	849,600.00	899,726.40
Effluent Management	EQUITABLE SHARE			700,000.00	
Free Basis Services	EQUITABLE SHARE		1,100,000.00		
Dams management	EQUITABLE SHARE			600,000.00	
Ground Water Management Plan	EQUITABLE SHARE			600,000.00	
Cholera strategic Management Plan	EQUITABLE SHARE			500,000.00	
TOTAL			19,260,000.00	37,217,920.00	

3.1.3 WATER SERVICE PROVISION UNIT (OPERATIONS AND MAINTENANCE)

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Water Purification Chemicals	EQUITABLE SHARE		1,000,000.00	1,062,000.00	1,124,658.00
Cleaning Material	EQUITABLE SHARE		405,000.00	430,110.00	455,486.49
Electricity	EQUITABLE SHARE		2,500,000.03	2,655,000.03	2,811,645.03
Emergency Water	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
Bulk Water purchases	EQUITABLE SHARE		2,000,000.00	2,124,000.00	2,249,316.00
O & M Material and Store	EQUITABLE SHARE		1,200,000.00	1,274,400.00	1,349,589.60
Maintenance of Waste Water TW	EQUITABLE SHARE		5,000,000.00	5,310,000.00	5,623,290.00
Maintenance of Water Treatment Works	EQUITABLE SHARE		3,000,000.00	3,186,000.00	3,373,974.00
Maintenance of rural water schemes	EQUITABLE SHARE		5,500,000.00	5,841,000.00	6,185,619.00
Building Maintenance	EQUITABLE SHARE		600,000.00	637,200.00	674,794.80
Plant Maintenance	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Drought relief	EQUITABLE SHARE		8,447,000.00	8,970,714.00	9,499,986.13
Mt Ayliff Water Augmentation	EQUITABLE SHARE		4,320,000.00	4,587,840.00	4,858,522.56
Expanded Public Works Programme	EPWP		22,907,000.00	24,327,234.00	25,762,540.81
Fire Hydrants Installation	EQUITABLE SHARE		600,000.00	637,200.00	674,794.80
Fog Harvesting	EQUITABLE SHARE		1,000,000.00	1,062,000.00	1,124,658.00
Drilling of Boreholes for water	EQUITABLE SHARE		1,300,000.00	1,380,600.00	1,462,055.40
Purchase of Water Tanks for intervention	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Infrastructure Motor Vehicles purchase	EQUITABLE SHARE		2,000,000.00	2,124,000.00	2,249,316.00
Water Metering Cost	EQUITABLE SHARE		1,000,000.00	1,062,000.00	1,124,658.00

Project description/programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
TOTAL			63,979,000.03	66,458,898.00	70,379,973.02

3.2 DEVELOPMENT PLANNING AND ECONOMIC DEVELOPMENT

3.2.1 PLANNING AND LOCAL ECONOMIC DEVELOPMENT UNIT

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
IDP review for 2011/12	EQUITABLE SHARE		250,000.00	265,500.00	281,164.50
Spatial Development Framework Review	EQUITABLE SHARE		400,000.00	424,800.00	449,863.20
District LED Strategy Review	DLGTA		150,000.00	159,300.00	168,698.70
Agricultural Master Plan	EQUITABLE SHARE		300,000.00	318,600.00	337,397.40
District Growth and Development summit- Review	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
Grain Production	EQUITABLE SHARE		2,000,000.00	2,124,000.00	2,249,316.00
Live stock and Poultry Production	EQUITABLE SHARE		599,857.00		
SMME development	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Tourism Development	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Fruit, Vegetable & Flower Production	EQUITABLE SHARE		750,000.00	796,500.00	843,493.50
Woodcluster	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
TOTAL			5,649,857.00	690,300.00	731,027.70

Projects as on the above table from Grain Production to Woodcluster are to be transferred to the Alfred Nzo Development Agency for implementation.

3.2.2 ENVIRONMENTAL MANAGEMENT UNIT

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Community based natural resource management (CBNRM)-MLM	EQUITABLE SHARE	200 000.00	100,000.00	100,000.00	
Community based natural resource management (CBNRM)-ULM	EQUITABLE SHARE	200 000.00	100,000.00	100,000.00	
Waste to wood nurseries-MLM	EQUITABLE SHARE	275 000.00	175,000.00	100,000.00	
Waste to wood nurseries-ULM	EQUITABLE SHARE	275 000.00	175,000.00	100,000.00	
Eco-schools-MLM	EQUITABLE SHARE	50 000.00	25,000.00	25,000.00	
Eco-schools-ULM	EQUITABLE SHARE	50 000.00	25,000.00	25,000.00	
Waste Management Training and Awareness program-MLM	EQUITABLE SHARE	250 000.00	100,000.00	150,000.00	
Waste Management Training and Awareness program-ULM	EQUITABLE SHARE	250 000.00	100,000.00	150,000.00	
Waste Buyback Centre-MLM	EQUITABLE SHARE	200 000.00	100,000.00	100,000.00	
Waste Buyback Centre-ULM	EQUITABLE SHARE	200 000.00	100,000.00	100,000.00	
TOTAL			1,000,000.00	R950,000.00	

3.2.3 MUNICIPAL MANAGER'S OFFICE

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Audit Fees	EQUITABLE SHARE		1,500,000.00	1,593,000.00	1,686,987.00
Internal auditing	EQUITABLE SHARE		400,000.00	424,800.00	449,863.20
Audio and visuals	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Brail and translation	EQUITABLE SHARE		40,000.00	42,480.00	44,986.32
Branding and Marketing	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
Community Outreach	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
Road Signage	EQUITABLE SHARE		45,000.00	47,790.00	50,609.61
Memorial Lecture	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
MIR & Protocol	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Risk Management	EQUITABLE SHARE		706,304.35	750,095.22	794,350.84
National Awareness days	EQUITABLE SHARE		50,000.00	53,100.00	56,232.90
News Letter Production	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
Open Council Day	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Publicity Costs	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
TOTAL			4,241,304.35		

3.3 SPECIAL PROGRAMMES UNIT

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
AIDS Awareness Campaigns	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
Care & Support	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
District Disability Programme	EQUITABLE SHARE		200,000.00	212,400.00	224,931.60
Gender Action Plan Implementation	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Mitigating the Impact of HIV & AIDS	EQUITABLE SHARE		10,000.00	10,620.00	11,246.58
Training & Workshops	EQUITABLE SHARE		50,000.00	53,100.00	56,232.90
Children's Growth & Development Programmes	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
District Elderly Programme	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Mainstreaming of SPU Programmes	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Youth Economic Development Programmes	EQUITABLE SHARE		450,000.00	477,900.00	506,096.10
TOTAL			R1,910,000.00		

3-4 COMMUNITY DEVELOPMENT SERVICES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Municipal Health Services	EQUITABLE SHARE		3,000,000.00	3,186,000.00	3,373,974.00
<ul style="list-style-type: none"> ➢ Water Quality Monitoring, ➢ Food Safety Control, ➢ Health surveillance of Premises ➢ Surveillance of communicable diseases ➢ Waste Monitoring ➢ Health and Hygiene 					
Community Development	EQUITABLE SHARE		300,000.00	318,600.00	337,397.40
Laboratory Analysis (Water and food samples analysis)	EQUITABLE SHARE		350,000.00	371,700.00	393,630.30
Water Quality (Collecting Samples)	EQUITABLE SHARE		1,700,000.00	1,805,400.00	1,911,918.60
ANDM Disaster scientific risk assessment development	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Response, recovery & rehabilitation-(Disaster Management)	EQUITABLE SHARE		500,000.00	531,000.00	562,329.00
Fire and Rescue Services	EQUITABLE SHARE		1,000,000.00	1,062,000.00	1,124,658.00
Water Service Provision (communication)	EQUITABLE SHARE		250,000.00	265,500.00	281,164.50
Customer care centre establishment	EQUITABLE SHARE		300,000.00	318,600.00	337,397.40
Museum Establishment	EQUITABLE SHARE		1,000,000.00	1,062,000.00	1,124,658.00
Libraries (coordination)			1,000,000.00	1,062,000.00	1,124,658.00
TOTAL			9,900,000.00		

3.5 BUDGET AND TREASURY OFFICE

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
DIMMs	EQUITABLE SHARE		400,000.00	424,800.00	449,863.20
Boardrooms and Conference Facilities (IT)	EQUITABLE SHARE		95,413.00	101,328.61	107,306.99
Technology Infrastructure Refresh (IT)	EQUITABLE SHARE		2,000,000.00	2,124,000.00	2,249,316.00
IT Strategy and Policies	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Business Process Re-engineering	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
Computer Programmes (IT)	EQUITABLE SHARE		750,000.00	796,500.00	843,493.50
Servicing of the DBSA Loan	EQUITABLE SHARE		3,000,000.00	3,186,000.00	3,373,974.00
DWAF Repayment	EQUITABLE SHARE		2,400,000.00	2,548,800.00	2,699,179.20
Refund MIG	EQUITABLE SHARE		18,000,000.00		
Teba Livestock and Poultry Production	EQUITABLE SHARE		1,100,000.00	1,168,200.00	1,237,123.80
Licence SAMRAS	EQUITABLE SHARE		200,000.00	212,400.00	224,931.00
Telkom NBL	EQUITABLE SHARE		600,000.00	637,000.00	674,794.00
TOTAL			28,860,413.00		

3.6 CORPORATE SERVICES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
By-laws enforcement	EQUITABLE SHARE		300,000.00	318,600.00	337,397.40
Skills Audit	MSIG		750,000.00	796,500.00	843,493.50
Facilitation of Transfer of two additional Municipalities	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Employee wellness Programme	EQUITABLE SHARE		300,000.00	318,600.00	337,397.40
Employment Equity Plan	EQUITABLE SHARE		150,000.00	159,300.00	168,698.70
Vehicle Licence	EQUITABLE SHARE		600,000.00	637,200.00	674,794.80
Security Services	EQUITABLE SHARE		2,500,000.00	2,655,000.00	2,811,645.00
Job Evaluation system	EQUITABLE SHARE		60,000.00	63,720.00	67,479.48
Recruitment Selection	EQUITABLE SHARE		350,000.00	371,700.00	393,630.30
Training and Development	EQUITABLE SHARE		2,000,000.00	2,124,000.00	2,249,316.00
Organogram Review	EQUITABLE SHARE		50,000.00	53,100.00	56,232.90
Organisational Development	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Purchase of cleaning Equipment	EQUITABLE SHARE		100,000.00	106,200.00	112,465.80
Protective Clothing	EQUITABLE SHARE		800,000.00	849,600.00	899,726.40
Performance Management system	DLGTA		520,325.00	552,585.15	585,187.67
Integrated Records Management System	DLGTA		450,000.00		
TOTAL			9,130,325.00		

3.7 LOCAL MUNICIPALITIES PROJECTS

3.7.1 MATATIELE LOCAL MUNICIPALITY

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Book detection system	EQUITABLE SHARE		178,000.00	-	-
Pound Establishment	EQUITABLE SHARE		840,000.00	-	-
Balloon Bus/ Taxi Rank	THINA SINAKO		1,100,000.00	-	-
Balloon Bus/ Taxi Rank	EQUITABLE SHARE		1,000,000.00	-	-
Area M	EQUITABLE SHARE		6000,000.00	-	-
Solid Waste Management	EQUITABLE SHARE		439,000.00	-	-
Felleng Access road	MIG		2,050,000.00	-	-
Moliko Access road	MIG		2,050,000.00	-	-
Diaho Access Road	MIG		3,825,000.00	-	-
Malubaluba Access Road	MIG		3,750,000.00	-	-
Greater Matatiele: Rehabilitation of roads and stormwater phase 1.	MIG		5,788,183.00	-	-
Greater Cedarville: Rehabilitation of roads and stormwater phase 1.	MIG		6,951,817.00	-	-
Expanded Public Works Program	EPWP INCENTIVE		870,000.00	-	-
Integrated National Electrification Program	ESKOM		31,000,000.00	-	-
Electrification of Rural Areas	DOE		33,507,279.00	-	-
Highmast lights for low cost housing	OWN INCOME-LOAN		6,000,000.00	-	-
Smart Metering (Electricity)	OWN INCOME-LOAN		7,000,000.00	-	-
Purchase of Roads- Plant	OWN INCOME-LOAN		7,000,000.00	-	-
TOTAL			119,349,279.00	-	-

3.7.2 UMZIMVUBU LOCAL MUNICIPALITY

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Extension Seven (Mount Free Low Cost Housing	EQUITABLE SHARE		63,000,000.00	-	-
Extension Five (Mt Ayliff) Low Cost Housing	EQUITABLE SHARE		63,000,000.00	-	-
Ext. 8(Mt Ayliff) Light Industrial Sites	EQUITABLE SHARE			-	-
Ext. 9 (Mt Ayliff) Light Industrial Sites	EQUITABLE SHARE			-	-
Ext. 6 (Mt Ayliff) Middle to high income housing	EQUITABLE SHARE			-	-
Silver City (Mt Frere) Low income Housing	EQUITABLE SHARE			-	-
Ext. 6 (Mt Frere) middle income housing	EQUITABLE SHARE			-	-
HDT (Middle income housing)	EQUITABLE SHARE			-	-
Beneficiary Management for New Rural Housing Projects	EQUITABLE SHARE		205,000.00	-	-
Phuka- Kwantuli AR Extension	EQUITABLE SHARE		1, 527 900.00	-	-
Sdakeni Access Road	EQUITABLE SHARE		1, 759 400.00	-	-
Thabo A/R	EQUITABLE SHARE		800, 000.00	-	-
Betshwana	EQUITABLE SHARE		1, 435, 300.00	-	-
Extension of Mfulamkulu Daluhlanga Bridge phase 2	EQUITABLE SHARE		523, 190.00	-	-
Extension Mbumbazi	EQUITABLE SHARE		1, 852, 000.00	-	-
Maintenance of Roads & storm water			15,000,000.00	-	-
Surfacing of Streets				-	-
Services at Ext 6 and Ext. 9				-	-
Deeds search					
Installation of High masts					

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Public works offices and mall					
Sdakeni Access Road			1, 527, 900.00		
Ndikini AR, Majalumani and Nyathini			1, 263, 990.00		
Dukathole AR			1, 064, 900.00		
Ngxashini AR and Dingezweni Bridge			1, 768, 660.00		
Mhlotsheni Access Road			926, 122.00		
Qhanqu- Macheleni			2, 014, 050.00		
Tshatsheni Access Road			4, 000,000.00		
Malongwe- Lugangeni, Ntlabeni Bridge					
Tshatsheni Access Road			4,000,000.00		
Malongwe- Lugangeni, Ntlabeni Bridge					
ARMatweni-Mdeni and Mabhaceni Chwebeni , damaged bridges			3, 900,000.00		
Mpendla Internal Roads, Marhwaqa Bridge by Soldiers/DPW/ Community Hall			1, 435,489.10		
Galali to Zibokwana Road , Tyoksville – Sophia pedestrian bridge			1, 203, 958.60		
Machamsholo Internal Roads			926, 122,00		
Surfacing of streets			20,000,000.00		
Services @ ext. 6 in Mt Frere,					
Municipal Offices					
Mall/ complex					
Bus/Taxi Rank					
Services @ 40 industrial sites					
deeds search and new unregistered Roads in Town					

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
High Masts					
Maphakama and Matyholweni-Susa			2, 000 000.00		
Makhanda A/R/ Tina Hill to Ngxabaxha			1,435, 300.00		
Njoji to Magidigidi			1,527, 900.00		
Bethlehem- Tolo Via Kuyasa- Ku Jokazi			2,407, 600,00		
Magwaca- Nabinja –Qwidlana Clinic			2, 083,500.00		
Ngojini Via Ngxongo A/R			2,778, 000.00		
Greening of Municipal Area			1,000,000.00		
Land Scaping			2,000,000.00		
Changing Waste to Energy			5,000,000.00		
Recycling Project(Recycling machine)			3,000,000.00		
Mvuzi Fencing of Fields			250,000.00		
Lugelweni / Dutyini Fencing of Fields			250,000.00		
Mbodleni Fencing of Fields			250,000.00		
Dundee Fencing of Fields			250,000.00		
Ngqimibeni Fencing of Fields			250,000.00		
Mt Ayliff Farmers Fencing of Fields			250,000.00		
Qhukanca Village Fencing of Fields			250,000.00		
Ngxabaxha Fencing of Fields			250,000.00		
Mjikelweni Fencing of Fields			250,000.00		
House Hold Food Security Garden Dungu			200,000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Flea market			500,000.00		
Tourism Development			2,000,000.00		
Fencing of Bushmans Paintings at Mhlanganisweni in Ward 21 and Ward 20- Training of tour guides			700,000.00		
Ntsizwa Hiking Trails	DEAT		10,000,000.00		
Ntenetyana Dam-Accommodation facility- Conference facilities and challeges, Fly Fishing	DEDEA		3,000,000.00		
Renovation Cultural Villages Mt Frere and Mt Ayliff Ward 4 & 7	DEAT, DSRAC		2,000,000.00		
Feasibility study on River Rafting	DEDEA		500,000.00		
Tourism brochure and posters			50,000.00		
Convening of tourism shows and events			300,000.00		
Tourism Signage			500,000.00		
Tourism Forum			10,000.00		
Establishment of Tourist information centers			50,000.00		
Fog Harvesting feasibility study			50,000.00		
Phepheni Community Woodlot Ward 1	ASGISA		10,000,000.00		
Ngqumane Charcoal, Chancele,Njijini, Mabhobho,Buffalo Neck Area, Mbumbazi War 6, 10, 22 & 23	ASGISA				
Mdakeni Community Woodlots Ward 10	ASGISA				
Mgungundlovu Community Woodlots Ward 12	ASGISA				
Essek Community Woodlots Ward 20	ASGISA				
Umzimvubu Pole Treatment Plant Ward 22	ASGISA				

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Colana Community Woodlots Ward 24	ASGISA				
Mount Frere Food Market SMME Development Ward 18			2,000,000.00		
Orsborn Poultry Project SMME Development Ward 19					
Feasibility on Umzimvubu Biodiesel and Bio-fuel Center Ward 9 & 15					
Training of co-operatives					
SMME Development Plan					
Compilation of bankable business Plans					
Development of Business Expansion and Strategy			300,000.00		
Mount Ayliff Trading Facilities			500,000.00		
Implementation of Waste Management Plan			2,000,000.00		
Refuse trucks			1,000,000.00		
Refuse Bags			1,000,000.00		
Food for Waste			1,000,000.00		
Landfill Site Development			2,000,000.00		
Provision of refuse bins			500,000.00		
Parks Management plan			100,000.00		
Cemetry Management Plan			500,000.00		
Implementation of community Safety plan			250,000.00		
Fencing of Mount Ayliff Pound			500,000.00		
Provision of temporally relief			500,000.00		
Driving Licence and Testing Centre and E-Natis offices			3,000,000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Revival of local AIDS council and awareness programmes			200,000.00		
General and Interem Valuation Rolls			1, 000,000.00		
Revenue Enhancement Strategy			500,000.00		
Data Cleansing and and Credit Control Implementation			1,000,000.00		
Operation zero Balance			500,000.00		
Consumer/ Profiling Data Base Management			200,000.00		
Supplier Data Base Management and Supplier Profiling			300,000.00		
Asset Management			800,000.00		
Operation Clean Audit			1,500,000.00		
Training Management on Financial System			100,000.00		
Review of integrated development plan			500,000.00		
Development of Annual Report			300,000.00		
Strategic planning			500,000.00		
Team building			500,000.00		
Risk Management			200,000.00		
Audit Committee			200,000.00		
Review of Performance Management Framework			100,000.00		
Gender Mainstreaming			80, 000.00		
Womens' Month			150,000.00		
Policy Development & Review			30,000.00		
SPU Training & Development			100,000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Disability Development Workshop			80,000.00		
Children & Elderly			200,000.00		
Ward Committee & CDW Capacity			500,000.00		
Services on Wheels			100,000.00		
IDP & Budget Outreach			300,000.00		
Team building			250,000.00		
Heritage Day			15,000.00		
Sixteen Days of Activism			150,000.00		
International Day of Disability			60,000.00		
World Aids Day			10,000.00		
Human Rights Day			20,000.00		
Freedom Day			20,000.00		
Workers Day			20,000.00		
Youth Day			150,000.00		
Sports, Art and culture			600,000.00		
International women's day			150,000.00		
Team building			150,000.00		
Website Development			300,000.00		
Radio Talk show (AIRTIME)			200,000.00		
Adverts in Media			500,000.00		
News Letter			150,000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Support to community Radio			200,000.00		
Promotional Material			300,000.00		
Diaries ands Calendars			400,000.00		
Media Breakfast/ Lunch			10,000.00		
Public Information Days/ weeks/Month			300,000.00		
Branding and Marketing			300,000.00		
Exco. - Outreach			300,000.00		
Communication Strategy Review			200,000.00		
Reviewal of organogram			200,000.00		
Translation and roll out of HR Policies			150,000.00		
Development of personnel cost restructuring			300,000.00		
Induction Programme			60,000.00		
Year end function			250,000.00		
Wellness Programme and Health & Safety			250,000.00		
Development of a Funeral cover scheme			500,000.00		
Training			500,000.00		
Internal Bursary			400,000.00		
Bursary fund for students enrolled in rare skills			250,000.00		
Experiential training Programme			255,000.00		
Implementation of retention strategy			200,000.00		
Performance Management System			500,000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Binding of minutes			20,000.00		
Electronic document management			300,000.00		
Roll out of Batho Pele Principles			20,000.00		
Office furniture			50,000.00		
Gazetting of bylaws			350,000.00		
Functioning of municipal systems			250,000.00		
Installation of software			400,000.00		
Development of ICT Strategy			100,000.00		
IT Projects			250,000.00		
ICT Infrastructure			200,000.00		
TOTAL				-	-

3.8 SECTOR DEPARTMENTS' PROJECTS

3.8.1 DEPARTMENT OF PUBLIC WORKS

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Ex-Maluti College	Dept of Public Works		R 12,000,000	R 5,000,000	-
Department of Public Works Depot	Dept of Public Works		R 2,000,000	-	-
Department of Agriculture Depot	Dept of Public Works		-	R 3,000,000	-
Government Houses	Dept of Public Works			R 650,000	-
Ex-Mary Teresa	Dept of Public Works		R 10,500,000	-	-
Mt Frere temporary offices	Dept of Public Works		R 2,500,000	-	-
Mt Frere social cluster offices	Dept of Public Works		R 7,000,000	-	-
				R15,000,000	R 20,000,000
Mt Frere DPW and Transport & Roads Depot	Dept of Public Works		-	R2,000,000	
Mt Ayliff Dept of education	Dept of Public Works		-	R1,500,000	
Mt Ayliff One Stop Office Complex	Dept of Public Works				
TOTAL			R34, 000, 000	R27,150, 000	R20,000,000

EDUCATIONAL FACILITIES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Mohlakoana JPS	Dept of Public works		R 1,239,000	-	-
Sityiyweni JSS	Dept of Public Works		R 1,932,000	-	-
Tlopo SPS	Dept of Public Works		R 1,275,000	-	-
Lenkoe JPS	Dept of Public Works		R 3,608,000	-	-
Upper Sidakeni JSS	Dept of Public Works		R 39,000	-	-

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Mvenyane SSS	Dept of Public Works		R 2,414,000	-	-
Mvenyane SSS (hostels)	Dept of Public Works		R 17,628,000	-	-
Phuthalichaba JPS	Dept of Public Works		R 295,000	-	-
Black Diamond JSS	Dept of Public Works		R 1,384,000	-	-
Mahlubi JSS	Dept of Public Works		R 3,559,000	-	-
Mrwabo JSS	Dept of Public Works		R 1,428,000	-	-
Lunda SPS	Dept of Public Works		R 1,628,000	-	-
St Margaret SPS	Dept of Public Works		R 1,698,000	-	-
Upper Sidakeni JSS	Dept of Public Works		R 2,351,000	-	-
Kutloanong JSS	Dept of Public Works		R 68,000	-	-
Lameka JSS	Dept of Public Works		R 69,000	-	-
Lerato SPS	Dept of Public Works		R 81,000	-	-
Likhetlane JSS	Dept of Public Works		R 28,000	-	-
Mzongwana JSS	Dept of Public Works		R 176,000	-	-
Malubalube JSS	Dept of Public Works		R 2,124,000	-	-
Mpofini JSS	Dept of Public Works		R 4,033,000	-	-
Khorong SSS	Dept of Public Works		R 261,000	-	-
Gudlintaba JPS	Dept of Public Works		R 292,000	-	-
Paballong JSS	Dept of Public Works		R 4,680,000	-	-
Maluti SSS	Dept of Public Works		R 930,000	-	-
Pehong JSS	Dept of Public Works		R 439,000	-	-
Polokong	Dept of Public Works		R 1,039,000	-	-
Tsepiso JSS	Dept of Public Works		R 930,000	-	-
TOTAL			R54,698,930		

Mt Frere & Mt Ayliff

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Brooksnek JSS	Dept of Public Works		R 2,901,000	-	
Cabane JSS	Dept of Public Works		R 1,068,000	-	
Nciniba JSS	Dept of Public Works		R 2,227,000	-	
Nonkolonkotho	Dept of Public Works		R 13,808,000	-	
Mlenze SPS (fnc)	Dept of Public Works		R 15,000	-	
Mt Ayliff SSS (c/slrms)	Dept of Public Works		R 8,198,000	-	
Luxwesa JSS (fns)	Dept of Public Works		R 453,000	-	
Mgano JSS (fns)	Dept of Public Works		R 292,000	-	
Sandlulube JSS (fns)	Dept of Public Works		R 337,000	-	
Sijika JSS (c/slrms)	Dept of Public Works		R 3,723,000	-	
Sijika JSS (fns)	Dept of Public Works		R 338,000	-	
Thembeni JSS (fns)	Dept of Public Works		R 472,000	-	
Buffalo Neck JSS (ps)	Dept of Public Works		R 1,885,000	R 5,247,000	
Fairview JSS (ps)	Dept of Public Works		R 2,296,000	R 6,390,000	
Goba JSS (ps)	Dept of Public Works		R 2,924,000	R 8,137,000	
Gogela JSS (hs)	Dept of Public Works		R 3,408,000	R 9,484,000	
Gugwini JSS (ps)	Dept of Public Works		R 796,000	-	
Siphamandla	Dept of Public Works		R 262,000	-	
Nijjini JSS	Dept of Public Works		R 295,000	-	
St Georges JSS	Dept of Public Works		R 11,158,000	-	
Mlenze SPS (c/slrms)	Dept of Public Works		R 1,206,000	-	
Lower Mvenyane JSS	Dept of Public Works		R 88,000	-	
Ndarala JSS	Dept of Public Works		R 82,000	-	
Sandlulube JSS	Dept of Public Works		R 45,000	-	

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Tshisane JSS	Dept of Public Works		R 102,000	-	
Lubhalasi (ECD)	Dept of Public Works		R 2,124,000	-	
Manzana (ECD)	Dept of Public Works		R 2,124,000	-	
Sakhisizwe PS (ECD)	Dept of Public Works		R 2,124,000	-	
Govalele Nomakhe JSS	Dept of Public Works		R 2,935,000	-	
Gemisizwe JSS	Dept of Public Works		R 999,000	-	
Ilitha JSS	Dept of Public Works		R 303,000	-	
Mbumbazi JSS	Dept of Public Works		R 552,000	-	
Sonqishe JSS (clsrms)	Dept of Public Works		R 430,000	-	
TOTAL			R69, 970,000	R29,258,000	

**3.8.2 DEPARTMENT OF HEALTH
MALUTI AREA**

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Maluti CHC	Dept of Public Works		R 2,647,567	R9, 000,000	R10,000,000
Khutsong Hospital	Dept of Public Works		R 1,522,800	R10,000,000	R15,000,000
TOTAL			4,170,367	R19, 000, 000	R25, 000,000

Mt Ayliff & Mt Frere

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Lugangeni Clinic	Dept of Public Works		R 1,000,000	R 8,300,000	
Mmango Clinic	Dept of Public Works		R 2,000,000	R 500,000	
Madzikane Ka Zulu Hospital	Dept of Public Works		R 1,123,977	-	
Mt Ayliff Hospital	Dept of Public Works		R 900,000	-	
Sipetu Hospital	Dept of Public Works		R 720,000	-	
TOTAL			R5,743,977	R 8,800,000	

**3.8.3 DEPARTMENT OF AGRICULTURE
MATATIELE LOCAL MUNICIPALITY**

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
ASGISA	Dept of Agriculture		R2 211 931		
SIYAZONDLA	Dept of Agriculture		R1 000 000		
MASSIVE/SIYAKHULA	Dept of Agriculture		R3 942 000		
LETSEMA	Dept of Agriculture		R0		
LAND CARE	Dept of Agriculture		R500 000		
CASP	Dept of Agriculture		R4 593 000		
TOTAL			R12 246 931		

UMZIMVUBU LOCAL MUNICIPALITY

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
ASGISA	Dept of Agriculture		R4 788 069		
SIYAZONDLA	Dept of Agriculture		R1 000 000		
MASSIVE/SIYAKHULA	Dept of Agriculture		R1 558 000		
LETSEMA	Dept of Agriculture		R667 000		
LAND CARE	Dept of Agriculture		R500 000		
CASP	Dept of Agriculture		R2 285 000		
TOTAL			R10 798 069		

CASP PROJECTS 2010/11

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
VMSkuil Farm	Dept of Agriculture		R909 000.00		
Vleedraai Farm	Dept of Agriculture		R300 000.00		
Alfriston Farm	Dept of Agriculture		R475 000.00		
Lenns Farm	Dept of Agriculture		R579 000.00		
Rossleigh Farm	Dept of Agriculture		R559 000.00		
Willenary Farm	Dept of Agriculture		R559 000.00		
Noqobo Farm	Dept of Agriculture		R559 000.00		
Dip tank renovations	Dept of Agriculture		R653 000.00		
Lugelweni	Dept of Agriculture		R426 000.00		
Mpemba	Dept of Agriculture		R875 000.00		
Njijini	Dept of Agriculture		R984 000.00		
Mafube	Dept of Agriculture		R232 040.00		
George Moshesh	Dept of Agriculture		R626 020.00		
Nyaniso	Dept of Agriculture		R316 814.00		
Magadla	Dept of Agriculture		R431 717.00		
Ludidi A	Dept of Agriculture		R605 340.00		
Dangwana	Dept of Agriculture		R404 546.00		
Mandileni	Dept of Agriculture		R274 971.00		
Lower Mabobo	Dept of Agriculture		R579 648.00		
Toleni	Dept of Agriculture		R450 586.00		
Njijini	Dept of Agriculture		R1 004 180.00		
Mpoza	Dept of Agriculture		R722 205.00		
Ntsizwa	Dept of Agriculture		R498 286.00		
Nkungwini	Dept of Agriculture		R584 810.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Ntlabeni	Dept of Agriculture		R268 837.00		

LAND CARE

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Bethesda	Dept of Agriculture		R500 000.00		
Phuka	Dept of Agriculture		R300 000.00		
Bhibha	Dept of Agriculture		R200 000.00		
TOTAL			R1000,000.00		

MASSIVE/SIYAKHULA

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Shepherds Hope	Dept of Agriculture		R267 790.00		
Ade Farm	Dept of Agriculture		R174 956.00		
Lenns Farm	Dept of Agriculture		R267 790.00		
Shepherds Hope 2	Dept of Agriculture		R174 956.00		
Erith Farm	Dept of Agriculture		R267 790.00		
Mt Ayliff Farming	Dept of Agriculture		R35 705.00		
Clover Farming	Dept of Agriculture		R89 263.00		
Glenreary farm	Dept of Agriculture		R174 956.00		
Delamotte Farm	Dept of Agriculture		R174 956.00		
Black Diamond Farm	Dept of Agriculture		R267 790.00		
Killkenny Farm	Dept of Agriculture		R214 232.00		
Willary Farm 2	Dept of Agriculture		R142 821.00		
Ngonini	Dept of Agriculture		R174 956.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Mfundeni	Dept of Agriculture		R249 937.00		
Stanford Farm	Dept of Agriculture		R174 956.00		
Lenns Farm 2	Dept of Agriculture		R89 263.00		
Willary Farm	Dept of Agriculture		R174 957.00		
Shelrer Farm	Dept of Agriculture		R267 790.00		
Try Again Farm	Dept of Agriculture		R142 821.00		
Stanford Farm	Dept of Agriculture		R232 084.00		
Njjini	Dept of Agriculture		R133 895.00		
Mejamentalana Nchodu	Dept of Agriculture		R262 434.00		
Cedarville Maize	Dept of Agriculture		R53 558.00		
Pontseng	Dept of Agriculture		R53 558.00		

SIYAZONDLA

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Umthumasi	Dept of Agriculture		R60 000.00		
Mehloloaneng	Dept of Agriculture		R60 000.00		
Qobosheaneng	Dept of Agriculture		R60 000.00		
Mahlake	Dept of Agriculture		R60 000.00		
Lokhalong	Dept of Agriculture		R25 000.00		
Phumelela	Dept of Agriculture		R28 000.00		
Mehloloaneng	Dept of Agriculture		R27 000.00		
Moring	Dept of Agriculture		R25 000.00		
Mahlake	Dept of Agriculture		R25 000.00		
Kopanang	Dept of Agriculture		R25 000.00		
Litlapeng	Dept of Agriculture		R25 000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Fobane	Dept of Agriculture		R25 000.00		
Phutalichaba	Dept of Agriculture		R25 000.00		
Linotsing JSS	Dept of Agriculture		R15 000.00		
Lihaseseng JSS	Dept of Agriculture		R15 000.00		
Ludidi	Dept of Agriculture		R60 000.00		
Magonqolweni	Dept of Agriculture		R60 000.00		
Mparane	Dept of Agriculture		R60 000.00		
Jabavu	Dept of Agriculture		R60 000.00		
Hardenburg	Dept of Agriculture		R25 000.00		
Ludidi	Dept of Agriculture		R28 000.00		
Mzongwana	Dept of Agriculture		R27 000.00		
Luphindo	Dept of Agriculture		R25 000.00		
Makhoba	Dept of Agriculture		R25 000.00		
Nkungwini	Dept of Agriculture		R25 000.00		
Mvenyane	Dept of Agriculture		R25 000.00		
Blayne	Dept of Agriculture		R25 000.00		
Madlangala	Dept of Agriculture		R25 000.00		
Mgubo	Dept of Agriculture		R15 000.00		
Hardenburg	Dept of Agriculture		R15 000.00		
Mnceba	Dept of Agriculture		R60 000.00		
Brooksnek	Dept of Agriculture		R60 000.00		
Cabazana	Dept of Agriculture		R60 000.00		
Rhode	Dept of Agriculture		R60 000.00		
Mwaca	Dept of Agriculture		R25 000.00		
Lugelweni	Dept of Agriculture		R25 000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Mnceba	Dept of Agriculture		R25 000.00		
Nyosini	Dept of Agriculture		R25 000.00		
Lugelweni	Dept of Agriculture		R25 000.00		
Ndzongiseni	Dept of Agriculture		R25 000.00		
Mwaca	Dept of Agriculture		R28 000.00		
Brooksnok	Dept of Agriculture		R27 000.00		
Cabazana	Dept of Agriculture		R25 000.00		
Tela	Dept of Agriculture		R15 000.00		
Ntisizwa	Dept of Agriculture		R15 000.00		
Ngqumane	Dept of Agriculture		R40 000.00		
Lutatani	Dept of Agriculture		R40 000.00		
Mpoza	Dept of Agriculture		R40 000.00		
Mandileni	Dept of Agriculture		R40 000.00		
Mtshazi	Dept of Agriculture		R40 000.00		
Mhlotsheni	Dept of Agriculture		R25 000.00		
Semeni	Dept of Agriculture		R25 000.00		
Moyeni	Dept of Agriculture		R28 000.00		
Mayihlome	Dept of Agriculture		R27 000.00		
Omega	Dept of Agriculture		R25 000.00		
Nomzamo	Dept of Agriculture		R25 000.00		
Masakhane	Dept of Agriculture		R25 000.00		
Malongwe	Dept of Agriculture		R25 000.00		
Lugangeni	Dept of Agriculture		R20 000.00		
Mawusheni	Dept of Agriculture		R20 000.00		
Nkungwini	Dept of Agriculture		R20 000.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Esseek	Dept of Agriculture		R20 000.00		
Mabhobho	Dept of Agriculture		R15 000.00		

LETSIMA

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Sigidini	Dept of Agriculture		R667 000.00		

DEPARTMENT OF HEALTH (PROGRAMMES AND EXPENDITURE)

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Community health clinics	Department of Health		R21,601,521.60		
Community health centres	Department of Health		R5,459,705.14		
Community based services	Department of Health		R3,459,705.14		
Other community services	Department of Health		R711,883.38		
HIV/AIDS	Department of Health		R347,859.46		
Integrated nutrition	Department of Health		R343,479.00		
District Hospitals	Department of Health		R15,508,759.27		

PLANNED INFRASTRUCTURAL PROJECTS FOR 2010/11

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Prospect clinic-new construction	Department of Health		5,500,000.00		
Mmango clinic- new construction	Department of Health		6,500,000.00		
Maluti CHC- upgrading	Department of Health		60,000,000.00		
Lugangeni clinic upgrade	Department of Health		5,100,000.00		

3.8.4 EASTERN CAPE TOURISM BOARD

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Alfred Nzo Craft Route	ECTB		160,000.00		
Matatiele Tourism Initiative	DEAT		993,000.00		

3.8.5 DEPARTMENT OF SOCIAL DEVELOPMENT

3.8.5.1 UMZIMVUBU AREA OFFICE

SUBSTANCE ABUSE AND REHABILITATION PROGRAMME

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Ex-offender re- integration project	Social Development	300, 000.00	300, 000.00		
Skills development	Social Development	300, 000.00	300, 000.00		
Crime prevention project	Social Development	200, 000.00	200, 000.00		
Diversion & mentoring programs	Social Development	200, 000.00	200, 000.00		

CHILD CARE AND PROTECTION SERVICES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Cabazana Pre-school	Social Development	124,560.00	124,560.00		
Dutyini Pre-school	Social Development	124,560.00	124,560.00		
Essek Pre-school	Social Development	62,280.00	62,280.00		
Justice Sodladla Pre-school	Social Development	124,560.00	124,560.00		
Kuyasa Pre-school	Social Development	62,280.00	62,280.00		
Kwezikazi Preschool	Social Development	91,344.00	91,344.00		
Langeni Pre-school	Social Development	62,280.00	62,280.00		
Lingelethu Pre-school	Social Development	114,180.00	114,180.00		
Lower Mkhemane Pre-school	Social Development	124,560.00	124,560.00		
Lubaleko Pre-school	Social Development	114,180.00	114,180.00		
Lugelweni Pre-school	Social Development	124,560.00	124,560.00		
Luthando Pre-school	Social Development	124,560.00	124,560.00		
Magontsini Pre-school	Social Development	101,724.00	101,724.00		
Makhaya Pre-school	Social Development	107,952.00	107,952.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Makukhanye pre-school	Social Development	93,420.00	93,420.00		
Masikhule Pre-school	Social Development	114,180.00	114,180.00		
Masizakhe Day Care	Social Development	124,560.00	124,560.00		
Masizakhe Pre-school	Social Development	112,104.00	112,104.00		
Mhlozini Pre-school	Social Development	124,560.00	124,560.00		
Mt Horeb Pre-school	Social Development	124,560.00	124,560.00		
Mthonjeni Pre-school	Social Development	124,560.00	124,560.00		
Naledi Pre-school	Social Development	105,876.00	105,876.00		
Needanani Pre-school	Social Development	124,560.00	124,560.00		
Ngwetsheni Pre-school	Social Development	112,104.00	112,104.00		
Nkanyisweni Pre-school	Social Development	105,876.00	105,876.00		
Nobandla Preschool	Social Development	124,560.00	124,560.00		
Nokhaya Preschool	Social Development	110,028.00	110,028.00		
Noluthando Pre-school	Social Development	103,800.00	103,800.00		
Nonceba Pre-school	Social Development	62,280.00	62,280.00		
Noncedo Pre-school	Social Development	124,560.00	124,560.00		
Noxolo Pre-school	Social Development	124,560.00	124,560.00		
Phakamani Rode Pre-school	Social Development	124,560.00	124,560.00		
Phakamani-Goso Pre-school	Social Development	124,560.00	124,560.00		
Phezulu Pre-school	Social Development	95,496.00	95,496.00		
Rolobile Pre-school	Social Development	93,420.00	93,420.00		
Sakhizwe Pre-school	Social Development	124,560.00	124,560.00		
Sihle Pre-school	Social Development	124,560.00	124,560.00		
Sikhumbeni Pre-school	Social Development	124,560.00	124,560.00		
Sinovuyo Pre-school	Social Development	124,560.00	124,560.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Siphundu Pre-school	Social Development	124,560.00	124,560.00		
Sithandubuhle Pre-school	Social Development	124,560.00	124,560.00		
Siyabulela Nota Pre-school	Social Development	124,560.00	124,560.00		
Siyabulela Pre-school	Social Development	114,180.00	114,180.00		
Siyakhana Youth Outreach and Educational Program	Social Development	124,560.00	124,560.00		
Siyamthamba Pre-school	Social Development	124,560.00	124,560.00		
Vezukanyo Pre-school	Social Development	124,560.00	124,560.00		
Voveni Pre-school	Social Development	1,094,400.00	1,094,400.00		
Vusisizwe Pre-school	Social Development	124,560.00	124,560.00		
Vuyani Pre-school	Social Development	124,560.00	124,560.00		
Zamani Semeni	Social Development	124,560.00	124,560.00		
Zamani-nyosini Pre-school	Social Development	70,584.00	70,584.00		
Zanokhanyo Pre-school	Social Development	60,204.00	60,204.00		
Zingisani Pre-school	Social Development	93,420.00	93,420.00		

CHILD CARE AND PROTECTION SERVICES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Mtshazi Safe Home	Social Development	119,800.00	119,800.00		
Mt Ayliff Family Counseling Centre	Social Development	200,000.00	200,000.00		
Isiseko-Sobuntu Support Centre	Social Development	65,200.00	65,200.00		

HIV/AIDS

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Ubuntu Hospice	Social Development	756,000.00	756,000.00		
Needuluntu HCBC	Social Development	469,300.00	469,300.00		
Siyaphambili HCBC	Social Development	469,300.00	469,300.00		
Zanokhanyo HCBC	Social Development	541,800.00	541,800.00		
Laphumilanga HCBC	Social Development	541,800.00	541,800.00		
Siyakhula HCBC	Social Development	469,300.00	469,300.00		
Mayihlome HCBC	Social Development	469,300.00	469,300.00		
Emadumasini HCBC	Social Development	469,300.00	469,300.00		
Idwalalaphakade HCBC	Social Development	541,800.00	541,800.00		

SOCIAL RELIEF OF DISTRESS

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Chithwa Dumping Site Program	Social Development	300,000.00	300,000.00		

CARE AND SUPPORT TO FAMILIES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Single Parents Association Program.	Social Development	169,000.00	169,000.00		
Mvalweni Family Preservation Programs.	Social Development	100,000.00	100,000.00		

PROGRAMME 3-(YOUTH DEVELOPMENT)

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Masime Project	Social Development	500,000.00	500,000.00		
Njijimi Charcoal Youth Project	Social Development	250,000.00	250,000.00		
Zandise Project	Social Development	500,000.00	500,000.00		

SUSTAINABLE LIVELIHOODS: WOMEN COOPERATIVES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Siyavuya Poultry Project	Social Development	500,000.00	500,000.00		
Zingqawe Community Poultry Project	Social Development	250,000.00	250,000.00		
Trust the Lord	Social Development	125,000.00	125,000.00		
Masakheni Bakery	Social Development	250,000.00	250,000.00		

SUSTAINABLE LIVELIHOODS: FOOD SECURITY

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Zimkile intsuku Project	Social Development	750,000.00	750,000.00		

**3.5.8.2 MATATIELE AREA OFFICE
SUBSTANCE ABUSE AND REHABILITATION PROGRAMME**

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Makhoba TADA Group	Social Development	120,000.00	120,000.00		

CRIME PREVENTION AND SUPPORT

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Crime prevention	Social Development	200,000.00	200,000.00		
Developmental foster care programs	Social Development	200,000.00	200,000.00		
Skills Development	Social Development	300,000.00	300,000.00		
Ex-offender reintegration	Social Development	300,000.00	300,000.00		

CHILD CARE AND PROTECTION SERVICES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Bethesda Preschool	Social Development	103,800.00	103,800.00		
Boiteko Preschool	Social Development	91,344.00	91,344.00		
Cross Roads Children's Home	Social Development	1,224,000.00	1,224,000.00		
Dikonyana Preschool	Social Development	83,040.00	83,040.00		
Elukhanyisweni Preschool	Social Development	99,648.00	99,648.00		
Ikaheng Preschool	Social Development	74,736.00	74,736.00		
Khanya- Mzongwana	Social Development	124,560.00	124,560.00		
Khethokuhle Preschool	Social Development	76,812.00	76,812.00		
Khothalang Preschool	Social Development	83,040.00	83,040.00		
Khulani- Zwelitsha	Social Development	78,888.00	78,888.00		
Khuphukani Preschool	Social Development	49,824.00	49,824.00		

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Lesedi Preschool	Social Development	103,800.00	103,800.00		
Mabua Preschool	Social Development	95,496.00	95,496.00		
Mango Preschool	Social Development	124,560.00	124,560.00		
Masekela Day Care centre	Social Development	101,724.00	101,724.00		
Matatielle Child Welfare Society	Social Development	209,000.00	209,000.00		
Mechaling Preschool	Social Development	124,560.00	124,560.00		
Msentli Preschool	Social Development	74,736.00	74,736.00		
Mvenyane day care centre	Social Development	124,560.00	124,560.00		
Mzomhle Preschool	Social Development	91,344.00	91,344.00		
Noluntu Preschool	Social Development	62,280.00	62,280.00		
Noluntu- Silozi Preschool	Social Development	78,888.00	78,888.00		
Phamotse- Kuetliso	Social Development	103,800.00	103,800.00		
Phumelela ECDC	Social Development	124,560.00	124,560.00		
Sijoka Preschool	Social Development	45,672.00	45,672.00		
Siyakhula Boys Shelter	Social Development				
St Nicholas ECDC	Social Development	20,760.00	20,760.00		
Tanduxolo Preschool	Social Development	97,572.00	97,572.00		
Tswelo-Pele Preschool	Social Development	62,280.00	62,280.00		

VICTIM EMPOWERMENT PROGRAMME

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Maluti Victim Support Centre	Social Development	65,000.00	65,000.00		
KwaMashu Victim Support Centre	Social Development	65,000.00	65,000.00		

HIV/AIDS

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Sinosizo Mvenyane HCBC	Social Development	469,300.00	469,300.00		
Manguzela Thandanani	Social Development	541,800.00	541,800.00		
Sinenthemba Home Based Care	Social Development	541,800.00	541,800.00		
Philisani Community and Family support	Social Development	541,800.00	541,800.00		
Petals Day Care for the Orphaned children	Social Development	469,300.00	469,300.00		
Thusanang Development organization	Social Development	469,300.00	469,300.00		
Siphuthando Home Community Based Care	Social Development	469,300.00	469,300.00		

CARE AND SUPPORT TO FAMILIES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Maluti Family Resource Centre	Social Development	165,000.00	165,000.00		
Maluti Family Preservation	Social Development	100,000.00	100,000.00		

PROGRAMME 3-(YOUTH DEVELOPMENT)

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Sithe Chu Project	Social Development	500,000.00	500,000.00		

SUSTAINABLE LIVELIHOODS: WOMEN COOPERATIVES

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Vukani Bakery	Social Development	500,000.00	500,000.00		
Harelobohe Bakery Project	Social Development	500,000.00	500,000.00		
Vingciphango Women Cooperative Project	Social Development	250,000.00	250,000.00		
Siyakhula Community Project	Social Development	125,000.00	125,000.00		

SUSTAINABLE LIVELIHOODS: FOOD SECURITY

Project/Programme	Source of Fund	Budget	2010/2011	2011/2012	2012/2013
Ziphilise Crop Production Project	Social Development	750,000.00	750,000.00		

3.9 ESKOM PRIORITIES

3.9.1 MATATIELE LOCAL MUNICIPALITY

In terms of addressing electricity backlogs in the district following targets have been set by ESKOM:

- Electrification of 2520 households during 2010/11 financial year
- Electrification of 2663 households during 2011/12 financial year
- Electrification of 4433 households during 2012/13 financial year
- Electrification of 1089 households during 2013/14 financial year

These electrification targets by Eskom translate to a total of 10705 households to benefit over a period of 4 financial years.

3.9.2 UMZIMVUBU LOCAL MUNICIPALITY

In terms of addressing electricity backlogs in the district following targets have been set by ESKOM:

- Electrification of 3404 households during 2010/11 financial year
- Electrification of 3816 households during 2011/12 financial year
- Electrification of 3942 households during 2012/13 financial year
- Electrification of 2656 households during 2013/14 financial year

These electrification targets by Eskom translate to a total of 13818 households to benefit over a period of 4 financial years.

SECTION D: SECTOR PLANS AND INTEGRATION

CHAPTER 4

4.1 INSTITUTIONAL PLAN

The municipality has managed to review its Organisational Structure to respond to the capacity needs to put itself in a position to enhance service delivery through effective implementation of municipal projects and programmes as outlined in the IDP. However the reviewed organogram has not been finally approved by the Council since consultation processes with both the labour representatives and all municipal employees are still taking place and it is targeted that such structure would have been approved by Council before the start of the new financial year. In principle, most of the position identified to be critical during the review of the structure, provisions in terms of budget have been made. The existing structure approved as attached will remain in place until the reviewed structure has been approved by Council.

4.2 MUNICIPAL FINANCIAL PLAN

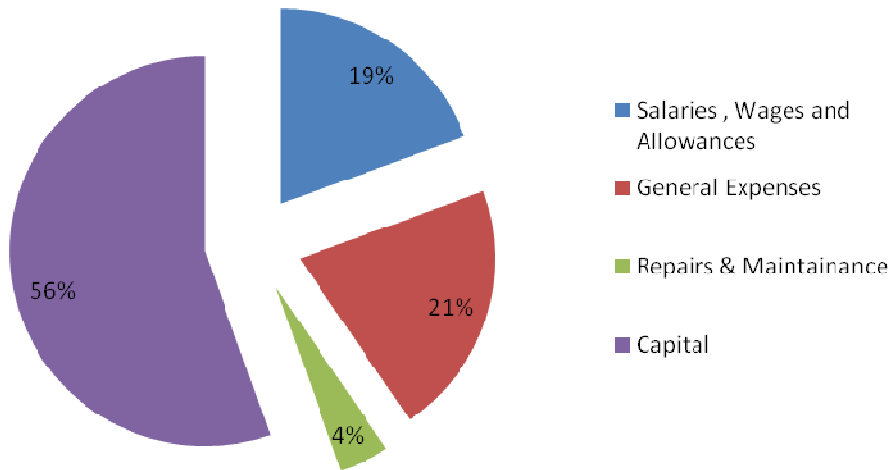
The municipality as per requirement by the legislation has prepared its financial plan as informed by the IDP of the municipality as per the needs of the communities of the municipality and institutional capacity needs.

2010/11 BUDGET

Expenditure by Category

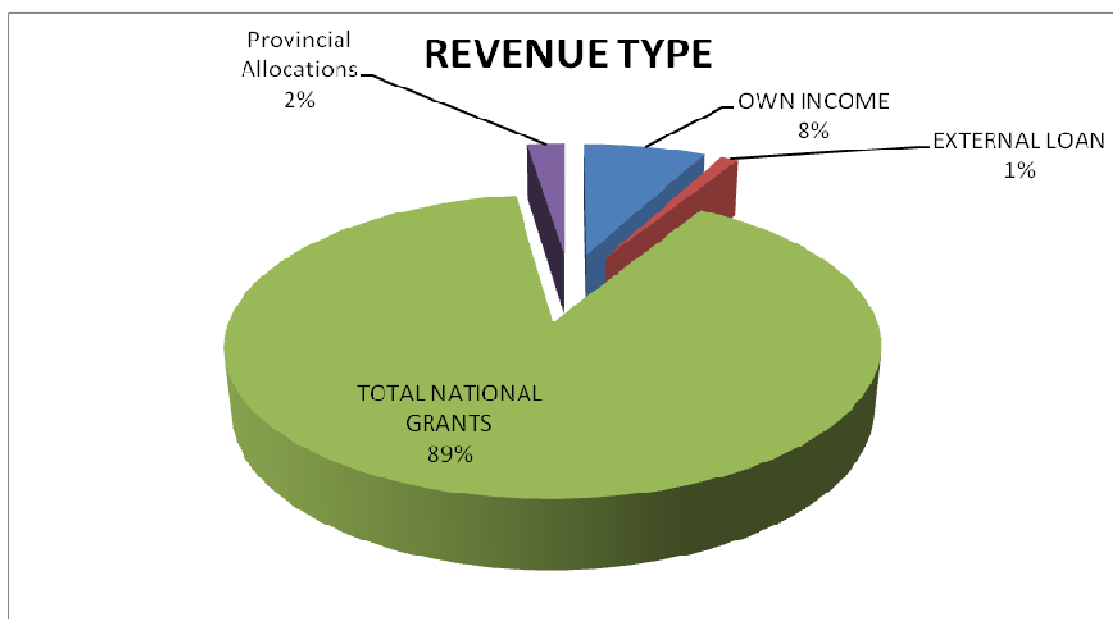
Salaries , Wages and Allowances	70,848,907
General Expenses	77,974,221
Repairs & Maintenance	15,054,000
Capital	201,615,270
Total Budget	<u><u>365,492,398</u></u>

EXPENDITURE BY CATEGORY



REVENUE BY TYPE

OWN INCOME	27,251,073.00
EXTERNAL LOAN	4,000,000.00
TOTAL NATIONAL GRANTS	326,048,000.00
Provincial Allocations	8,193,325.00
TOTAL INCOME	<u><u>365,492,398.00</u></u>



	2010/2011	2011/2012	2012/2013
OWN INCOME	1,251,073.42	32657639.97	34584440.73
Water and Sanitation	8,273,611.12	8,786,575.01	9,304,982.93
Fire & Rescue Services - Rental	500,000.00		
Interest Received	3,478,805.04	3,694,490.95	3,912,465.92
Plant Rental	1,606,000.00	1,705,572.00	1,806,200.75
Building Rental	217,521.48	231,007.81	244,637.27
Conference Centre and Boardroom	27,887.44	29,616.46	31,363.83
Rental - Thusong Centre	195,000.00	207,090.00	219,308.31
<i>LG Seta</i>	300,000.00	318,600.00	337,397.40
VAT Recovery	12,617,845.00	13,400,151.39	14,190,760.32
Vodacom	34,403.34	36,536.35	38,691.99
DBSA Loan	4,000,000.00	4,248,000.00	4,498,632.00

GRANTS	200,877,000.00	220,277,000.00	256,506,000.00
Local Government Financial Management Grant	1,000,000.00	1,250,000.00	1,500,000.00
Municipal Systems Improvement Grant	750,000.00	790,000.00	1,000,000.00
Water Services Operating Subsidy	7,594,000.00	5,608,000.00	-
Municipal Infrastructure Grant	153,179,000.00	184,229,000.00	224,006,000.00
Rural Transport Services & Infrastructure Grant	-	3,400,000.00	-
Municipal Drought Relief Grant	8,447,000.00	-	-
Regional Bulk Infrastructure Grant	7,000,000.00	25,000,000.00	30,000,000.00
Expanded Public Works Programme	22,907,000.00	-	-
TOTAL EQUITABLE SHARE ALLOCATION	125,171,000.00	140,777,000.00	154,706,000.00
Equitable Share (Formula Allocations)	111,965,000.00	126,422,000.00	139,123,000.00
RCS Levies Replacement	11,705,000.00	12,760,000.00	13,908,000.00
CLLr Remuneration	1,501,000.00	1,595,000.00	1,675,000.00
TOTAL NATIONAL GRANTS	326,048,000.00	361,054,000.00	411,212,000.00
Provincial Allocations	8,193,325.00	6,661,000.00	7,337,000.00
Economic Development	6,122,000.00	3,286,000.00	3,450,000.00
Capacity Building	551,000.00	585,000.00	616,000.00
Carry Over - PMS	520,325.00	-	-
Libraries & Museums	1,000,000.00	2,790,000.00	3,271,000.00

TOTAL ALLOCATIONS	334,241,325.00	367,715,000.00	418,549,000.00
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TOTAL INCOME	365,492,398.42	400,372,639.97	453,133,440.73
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	<u>Personnel Budget</u>	<u>General Expenses</u>	<u>Provisions</u>	<u>Repairs & Maintenance</u>	<u>Capital</u>	<u>Total</u>
Executive Mayor		700,000.00	30,000.00	-	-	730,000.00
Speaker		550,000.00	15,000.00			565,000.00
Municipal Manager		4,901,304.35	10,000.00	-	-	4,911,304.35
Planning & Development		2,240,000.00	20,000.00	-	-	2,260,000.00
SPU & ATTIC		2,010,000.00	25,000.00	-	-	2,035,000.00
Technical Services		11,790,176.03	300,000.00	14,900,000.00	193,004,999.64	219,995,175.67
Corporate Services	68,848,907.48	14,532,425.92	150,000.00	150,000.00	100,000.00	83,781,333.40
Budget & Treasury		27,384,279.00	1,300,036.00	-	3,460,413.00	32,144,728.00
Community Services		10,570,000.00	60,000.00	-	950,000.00	11,580,000.00
ANDA	2,000,000.00	1,381,000.00	5,000.00	4,000.00	4,099,857.00	7,489,857.00
TOTAL EXPENDITURE	70,848,907.48	76,059,185.30	1,915,036.00	15,054,000.00	201,615,269.64	365,492,398.42
TOTAL INCOME						365,492,398
						0.00

4.3. SPATIAL DEVELOPMENT FRAMEWORK

The Alfred Nzo District Municipality prepared and adopted its Spatial Development Framework during the 2008/09 financial year the following approach is summarized below and the full SDF document is attached as an annexure to the IDP as a Sector plan. The municipality has made provision in the IDP to undertake review process of the current SDF to be in line with the reviewed Provincial Spatial Development Plan as well as SDFs of local municipalities.

4.3.1 DEVELOPMENT VISION

OVERALL DEVELOPMENT VISION EXPRESSED IN THE IDP

“Creating a self sustainable municipality which stimulates socio-economic growth and development by 2014.”

VISION FOR THE SPATIAL / PHYSICAL DEVELOPMENT OF THE ALFRED NZO DISTRICT

Providing appropriate guidance for the co-ordinated and integrated development of the district in terms of:

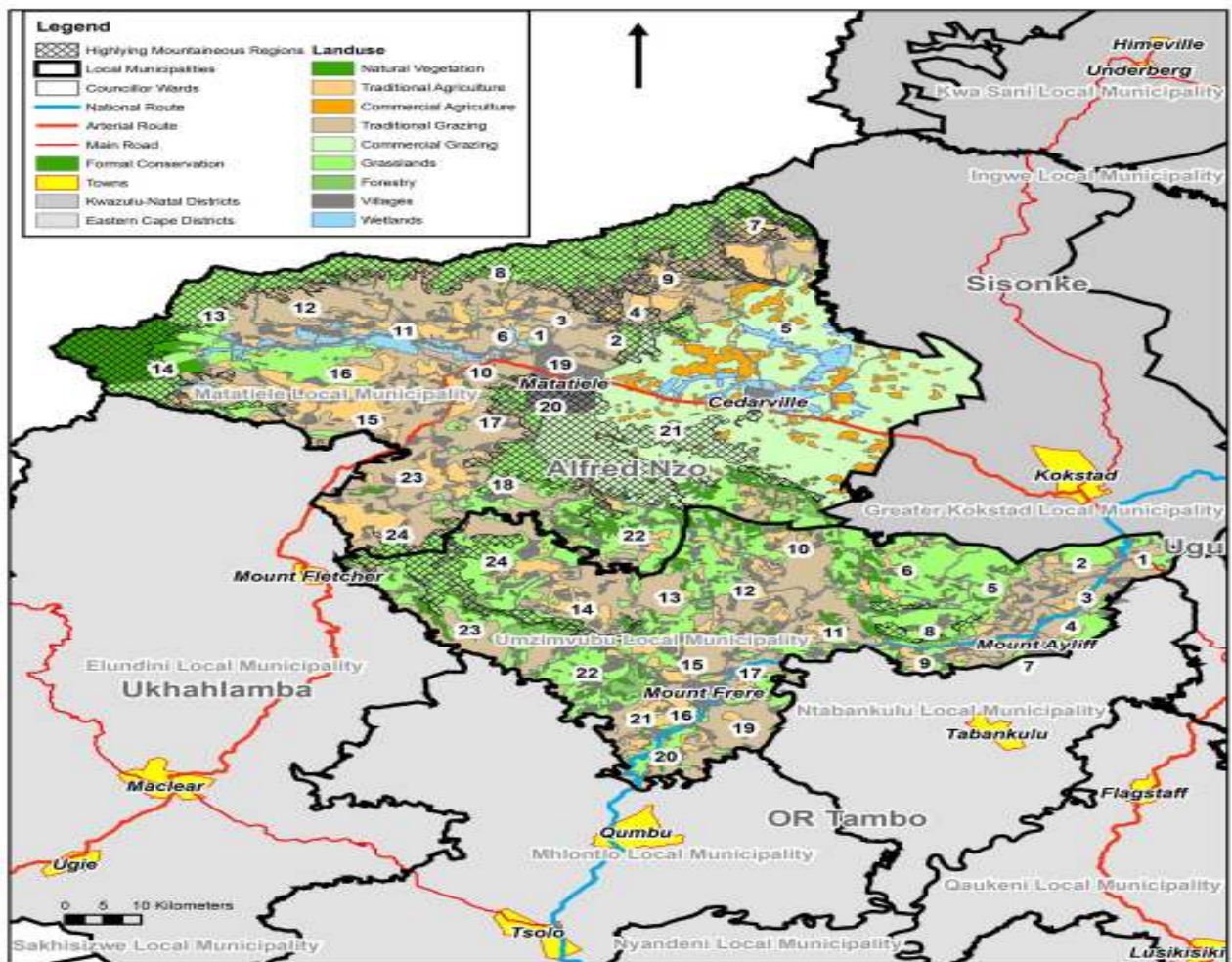
Human and socio-economic development

- Community capacity building and empowerment
- Appropriate service provision
- Improved utilisation of existing and potential future the development of opportunities of the district
- Structured rural and urban growth
- Rural and agricultural development
- Increased tourism development.

4.3.2 CONCEPTUAL FRAMEWORK

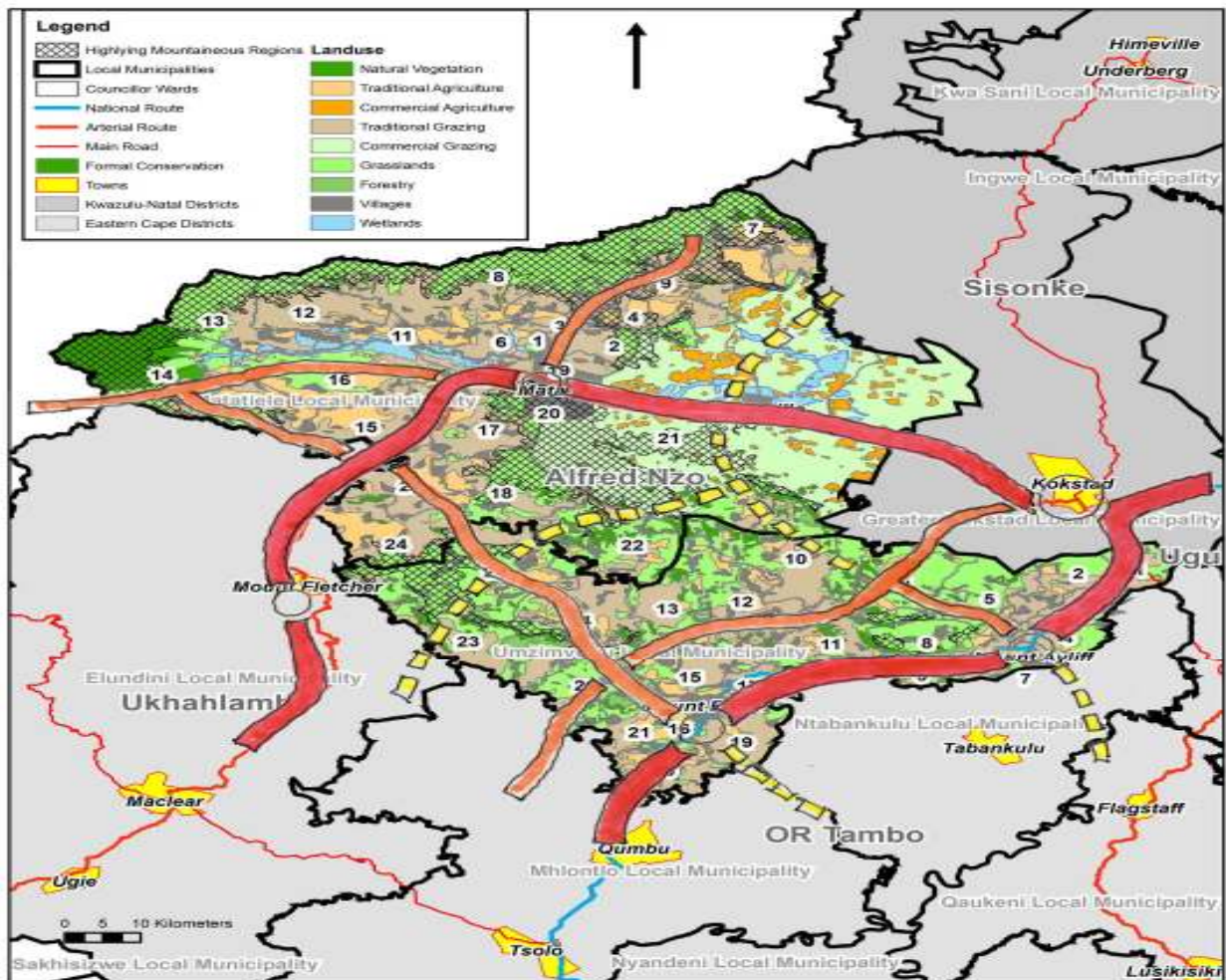
The following attempts to apply the general concepts and approaches to the realities of the district by establishing the following structuring elements:

- Creating an access hierarchy and development structure,
- Establishing a service node hierarchy
- Integrating the natural structuring elements
- Identifying potential development focus areas,
- Developing relevant social, economic, institutional and environmental strategies supporting the envisaged physical / spatial development.



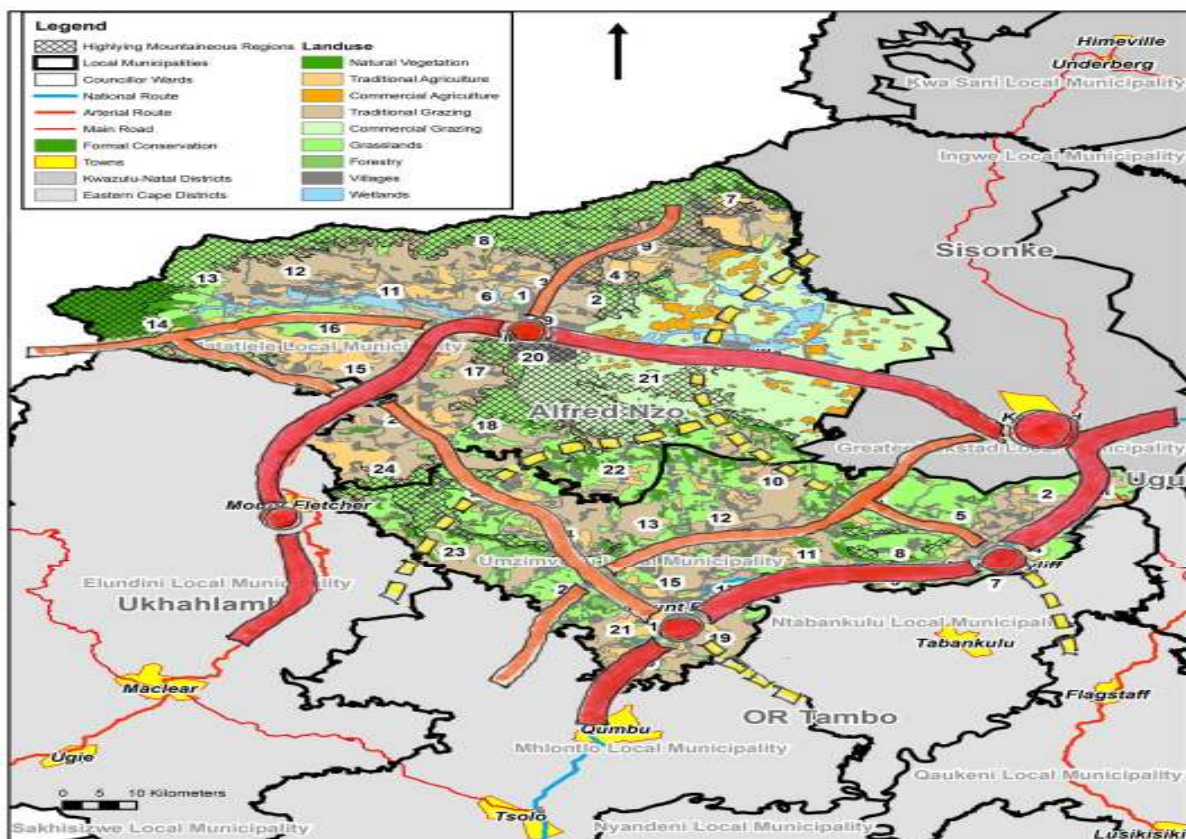
4.3.3 CREATING AN ACCESS AND DEVELOPMENT STRUCTURE

- Primary access and development corridors providing major linkage within the district and to external opportunities, providing access to district and primary nodes, including the N2 and the R56.
- Secondary access and development corridors providing major linkage within the district and location of other nodes, including linkage from Mount Frere to Matatiele and into the Drakensberg region and Lesotho.
- Tertiary access and development corridors providing local accessibility, location of local nodes and access to individual communities.



4.3.4 ESTABLISHING A SERVICE NODE HIERARCHY

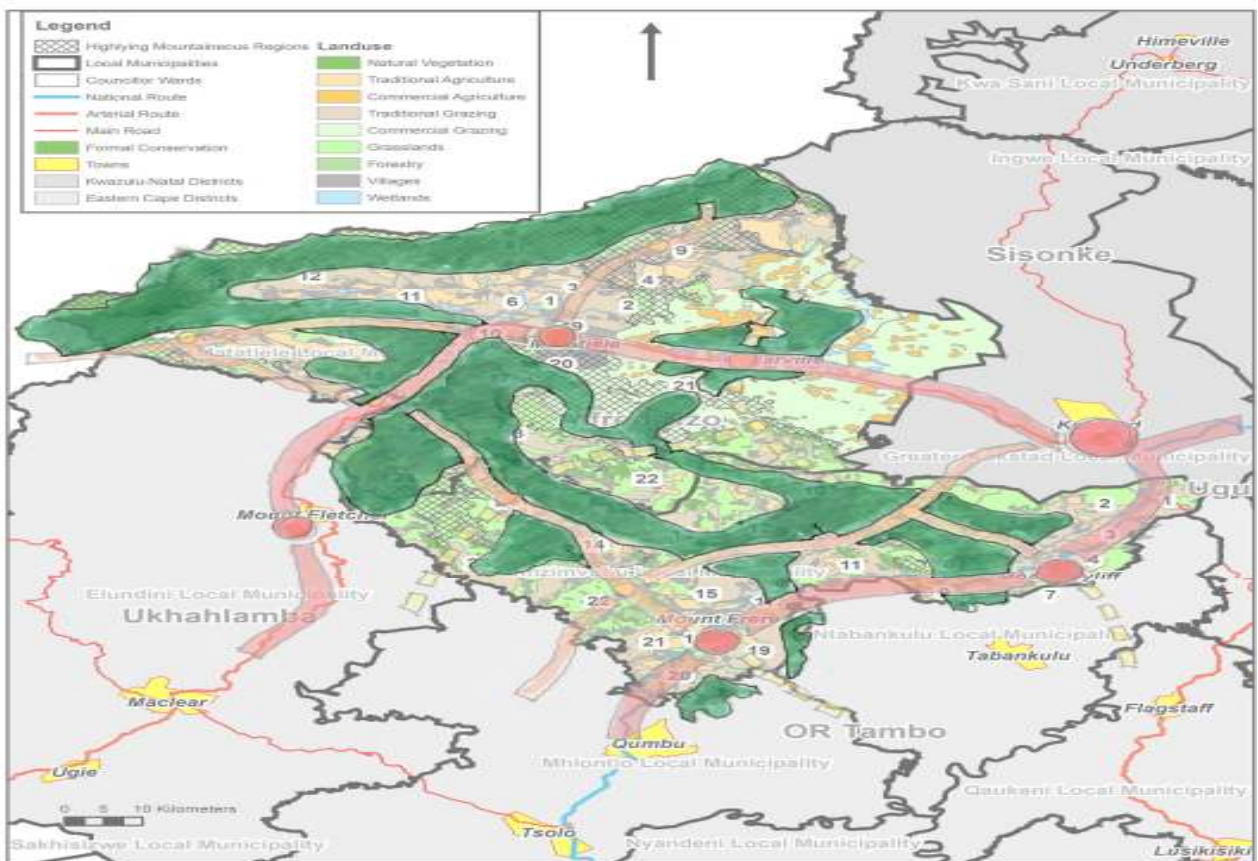
- The district node provides district-wide services, activities and opportunities, being located easily accessible from within and outside of the district, accommodating central administrative functions, Mount Ayliff.
- The primary nodes provide services, activities and opportunities serving major components of the district, serving potentially also a central node of the local municipality, access via primary and secondary corridors, Mount Frere and Matatiele.
- The secondary nodes provide services and opportunities for a series of local communities, located at interceptory points of identified development corridors, Cedarville etc
- The tertiary/ local nodes are envisaged to serve one particular community, consisting mostly of existing small nodes.



MAP 5: NODES AND CORRIDORS

4.3.5 INTEGRATING THE NATURAL STRUCTURING ELEMENTS

- Identifying natural elements which create barriers, provide visual focal points, require specific management and conservation, and / or which create specific development opportunities.
- This is suggested to include therefore prominent mountains and mountain ranges,
- Major river valleys,
- Identified wetlands areas,
- Cultural and historical landscapes

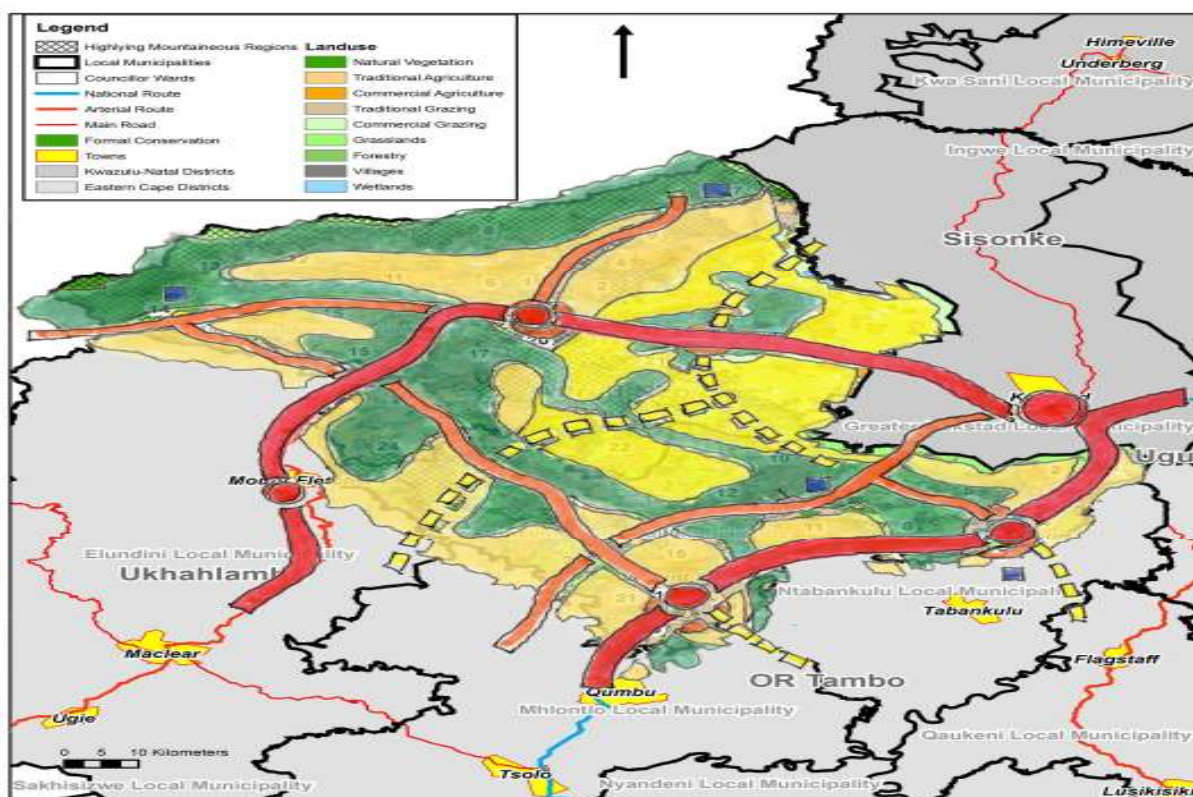


MAP 6: NATURAL ELEMENTS

4.3.6 IDENTIFYING THE MAJOR LAND USE ELEMENTS AND THEIR STRUCTURED GROWTH

Typical land uses at the level of a district spatial development framework are suggested to include:

- Rural settlement areas and their structured growth,
- Commercial and community-based agriculture
- Tourism development opportunities
- Urban and peri-urban development,



MAP 7: MAJOR LAND USE

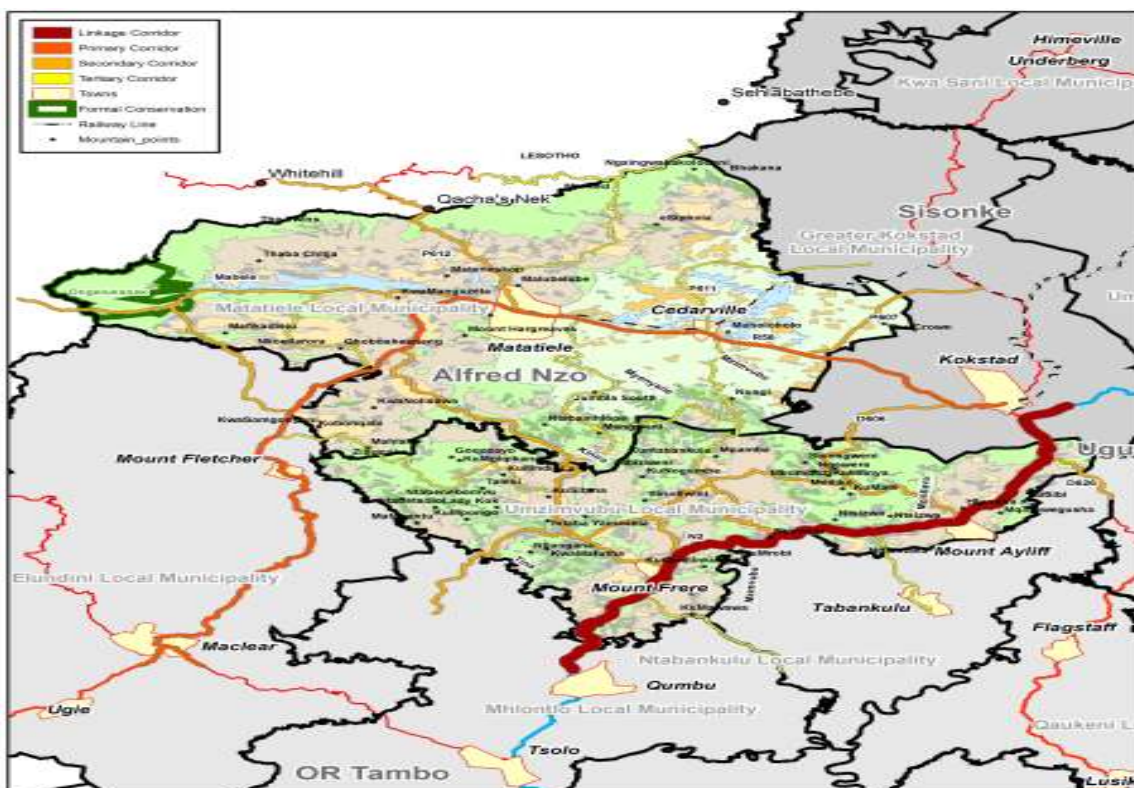
The combination of these overlays represents the conceptual spatial framework

4.3.7 THE SPATIAL DEVELOPMENT FRAMEWORK

- The SDF is based on the existing development realities and influences,
- It provides strategic direction for the future development of the district,
- The SDF is guided by the detail contained in the SDFs of the local municipalities.

The SDF is based on the following structuring elements:

- A hierarchy of access and development corridors including:
- National / regional linkage consisting of the N2
- Primary access/ development corridors consisting of the R56 from Kokstad to Matatiele and Maclear,
- Secondary access / development corridors providing major linkage to the primary corridors and the N2 and location of Nodal developments,
- Tertiary access linking individual settlements to higher order nodes

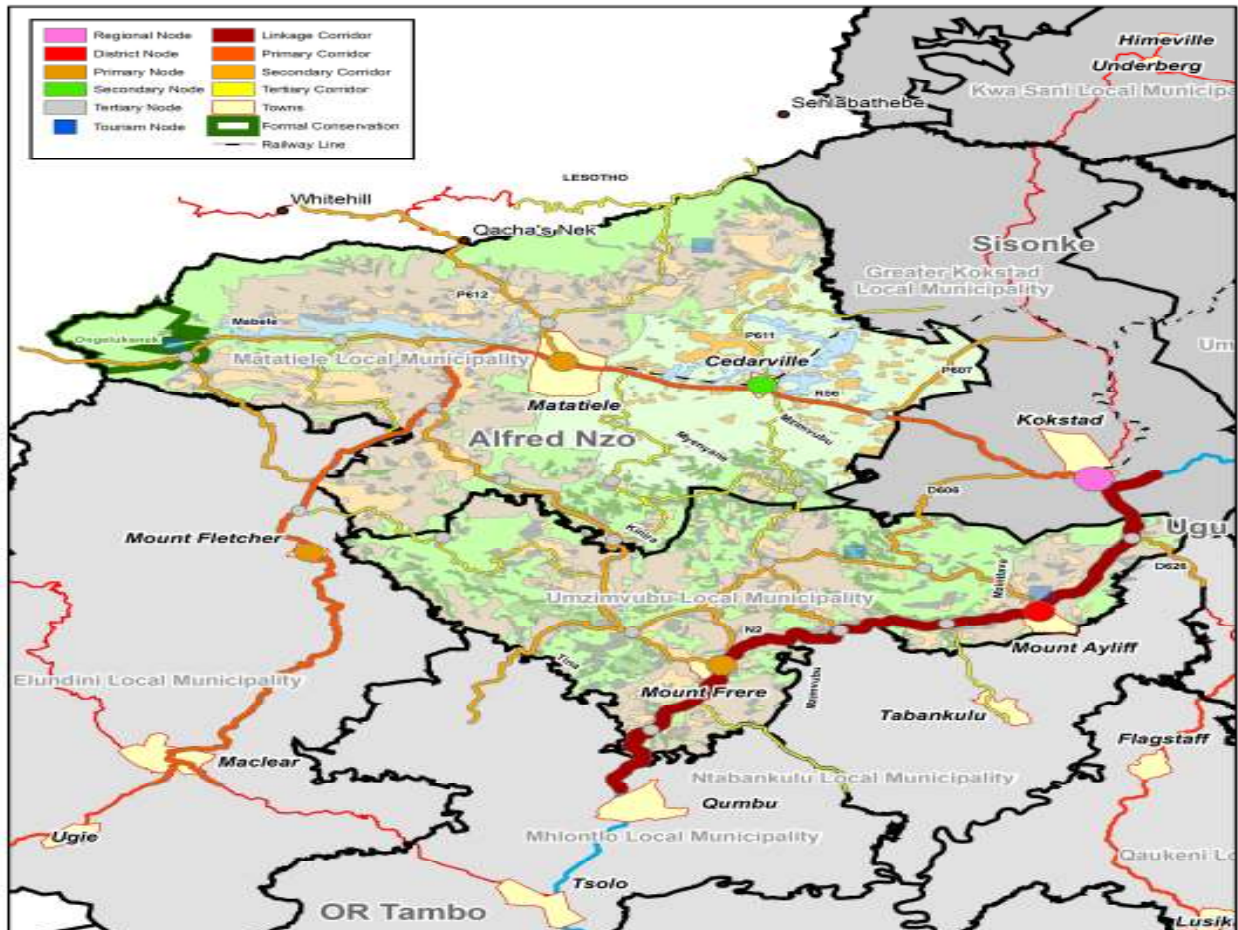


MAP 8: FORM OF ACCESS WITHIN THE DISTRICT

A service node hierarchy providing a structured and strategically located range of amenities, facilities, activities and opportunities throughout the district including:

- The district node i.e. Mount Ayliff,
- Primary nodes serving the two local municipalities as major centres, Matatiele and Mount Frere.
- Secondary nodes being located strategically and providing services for a range of communities i.e. Cedarville,

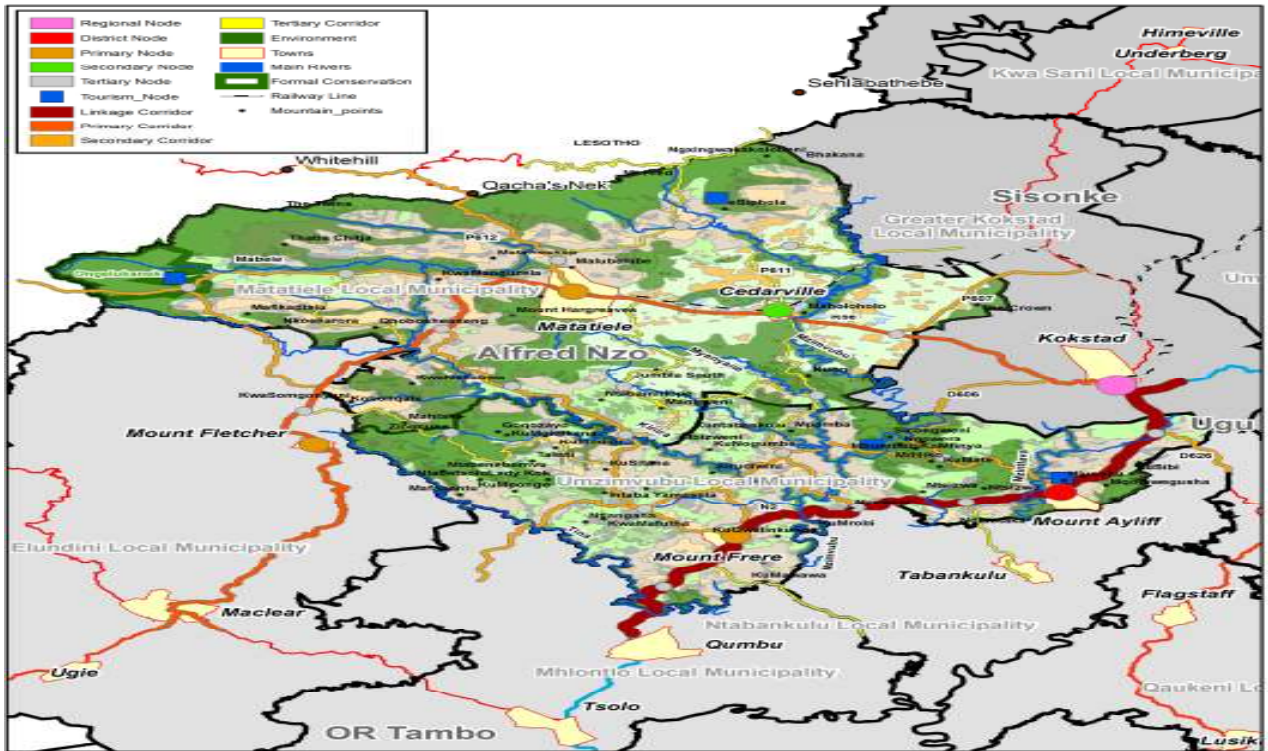
- Tertiary / local nodes serving one particular community, based on existing developments and accessibility



MAP 9: RANGE OF AMENITIES

Integrating natural structuring elements which represent physical barriers, provide visual focal points, create specific development opportunities and require specific management responses including:

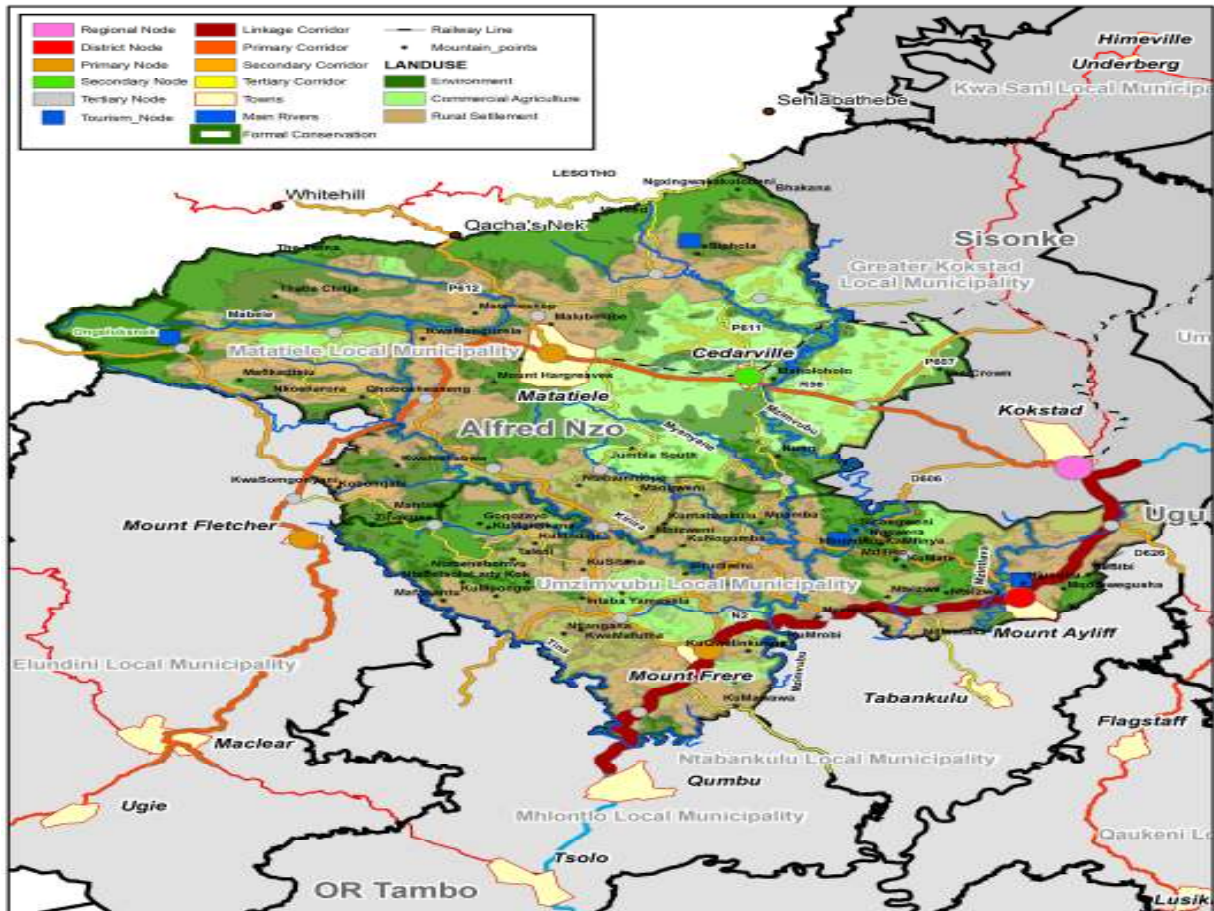
- Major river valleys
- Prominent mountains and mountain ranges
- Identified wetlands areas,
- Cultural and historical landscapes,
- Establishing an interconnected district open space system



MAP 10: NATURAL ANALYSIS

Identifying the major land use components and their structured growth including:

- Rural settlement areas and their envisaged growth,
- Community –based agriculture
- Commercial agriculture,
- Tourism development opportunities,
- Urban and peri-urban development



MAP 11: ANDM SETTLEMENT

4.3.8 IMPLEMENTATION FRAMEWORK

Implementation approaches and priorities

Although the development and upliftment of the district municipality and its communities will require a great number and variety of development inputs, such development should be guided by an agreed strategic focus.

As an extension of the IDP, the SDF provides spatial guidance of what the development of the district should ultimately consist of. The implementation framework of the Alfred Nzo District suggests that the development effort is primarily focused on five strategic development aspects i.e.

- Providing improved internal and external access and linkage, ie. Enabling communities to access activities and opportunities in the district, enabling local economic development to be linked to areas of opportunity and activity, enabling external investors and visitors to access the various regions.
- Improved service delivery to rural and urban areas, i.e. ensuring that preconditions are created for the communities of the substantially rural district to utilize the development opportunities inherent in the area and to provide adequate support systems, this would include both a range of appropriate physical and social services.
- Facilitating more efficient agricultural development, i.e. further developing one of the main economic opportunities of the district by supporting existing activities, identifying additional opportunities and markets and by developing appropriate support systems.
- Developing the tourism potential and managing the environmental resources, i.e. identifying tourism opportunities, establishing a district-wide tourism structure which includes the variety of existing and potential tourism venues and which links them to wider provincial systems.
- Focusing on the development of a hierarchy of service nodes, i.e. creating appropriate structures and providing development input and guidance into the establishment of the identified district, primary, secondary and tertiary nodes.

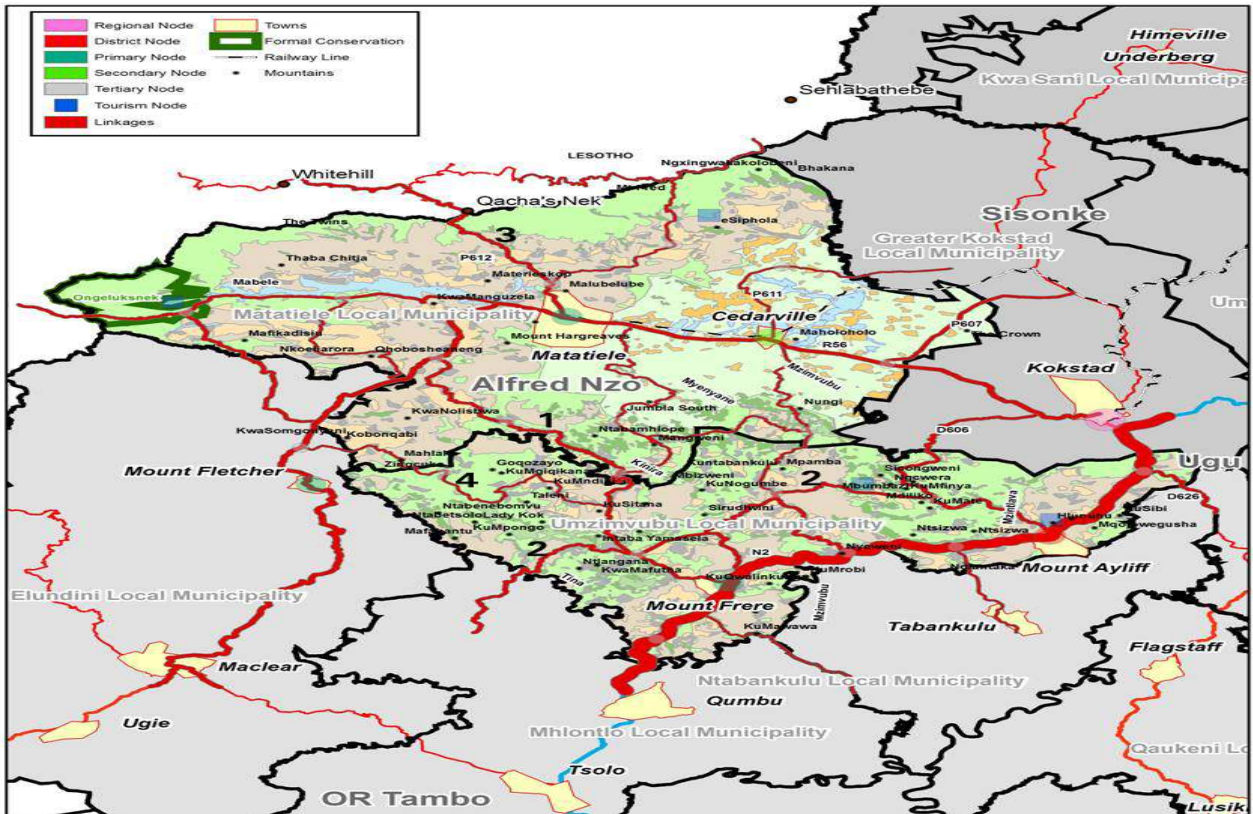
A. DEVELOPMENT FOCUS AREA1

IMPROVED INTERNAL AND EXTERNAL LINKAGE

- Improved access and linkage represents an essential precondition for the improvement of underutilized development opportunities, local economic development and empowerment of communities.
- Priorities are considered to consist of the secondary linkages identified and selected tertiary access requirements including:
 - o Secondary linkage from Mount Frere and N2 in the south to the R56 in the north
(1)

- Secondary road linkage from D606 west of the N2, including linkages to the N2 (2)
- Secondary road linkage from Matatiele to Qacha's Nek (3)
- Tertiary road linkages to provide access to tertiary nodes identified (4)

MAP 12: ROAD NETWORK



B. DEVELOPMENT FOCUS AREA 2

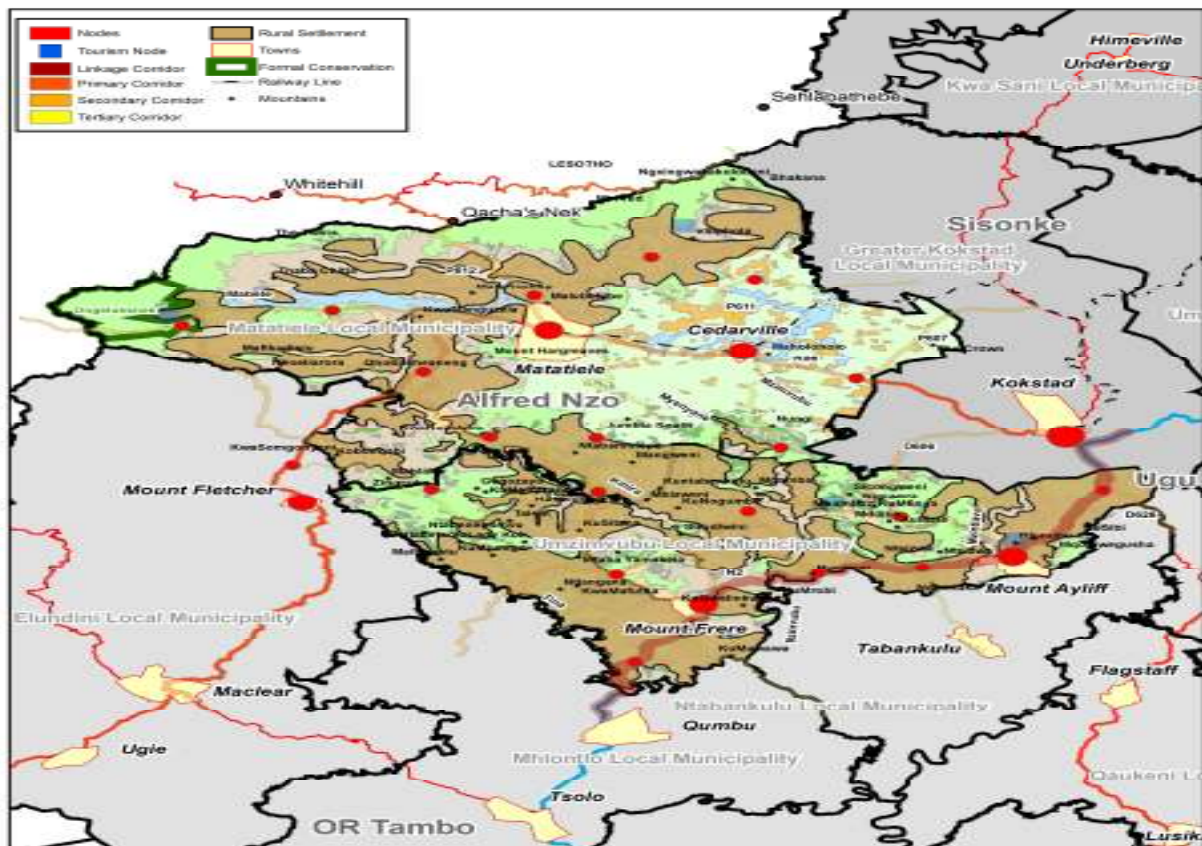
IMPROVED SERVICE PROVISION

The provision of appropriate physical and social services represents the basis for the creation of acceptable and decent living conditions and improved economic development opportunities.

The range of service levels likely to be implemented includes:

- Basic services to low-intensity rural settlement whose continued growth would not be supported, where appropriate emphasis would be based on increased community based agriculture

- Improved service levels to strategic rural areas where future growth would be encouraged,
- High levels of services are required for urban areas and nodes
- Provision of basic water supply to all communities
- Provision of appropriate sanitation to all communities
- Provision of appropriate electricity supply to all communities
- Provision of improved service levels to selected rural areas and nodes
- Provision of appropriate health service hierarchy to all communities
- Provision of appropriate higher order education facilities
- Provision of appropriate community facilities to all communities

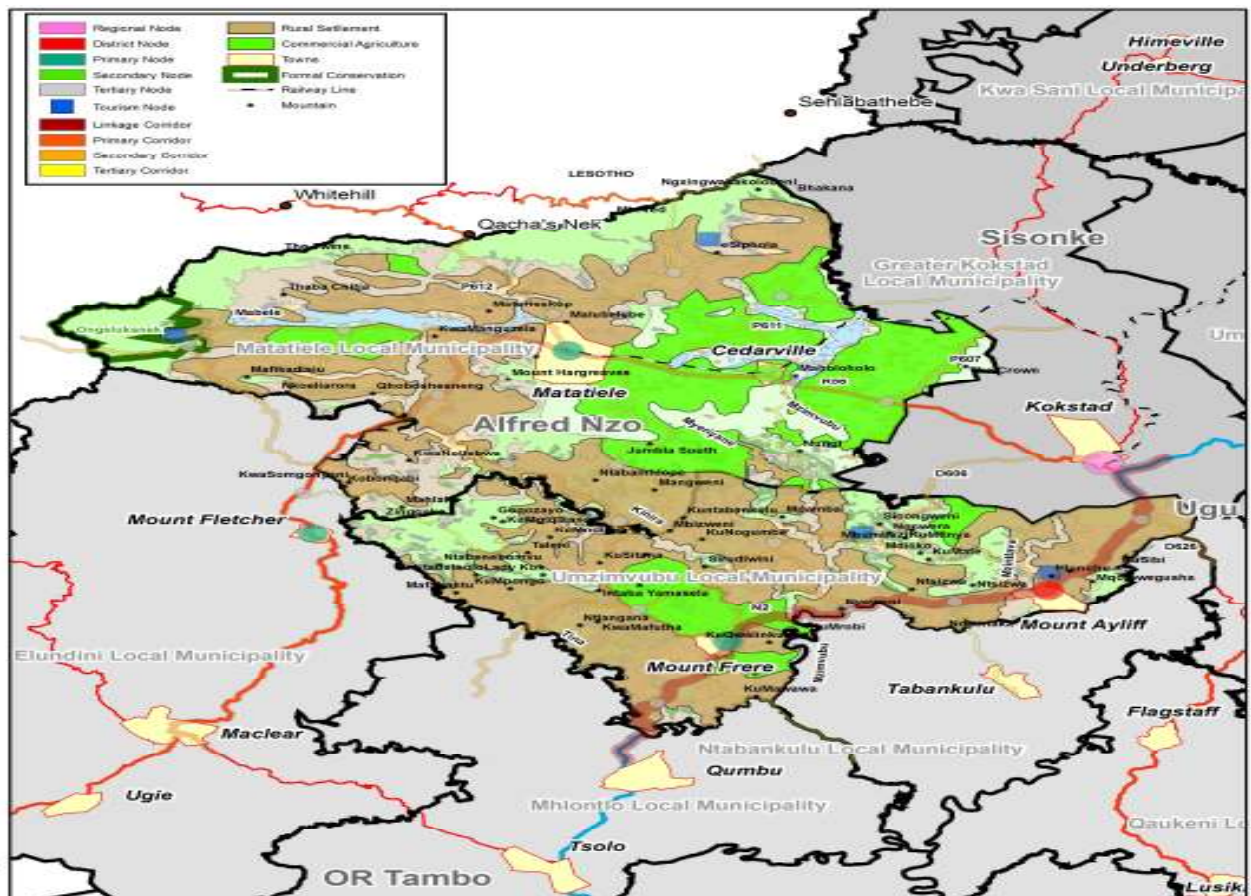


MAP 13: EXISTING SERVICES

C. DEVELOPMENT FOCUS AREA 3

AGRICULTURAL DEVELOPMENT

- Further and more efficient agricultural development represents one of the major economic development opportunities of the district.
- Maintaining, diversifying, expanding the existing commercial farming sector and establishing opportunities for diversification and beneficiation.
- Identifying areas for more efficient community-based agricultural development and products.
- Establishing required institutional support structures in terms of education and information, management support, marketing and markets.
- Identifying agricultural development opportunities in traditional settlement areas,
- Establishing appropriate institutional structures and linkages,
- Establishing agricultural and support mechanisms,
- Establishing an appropriate range of pilot projects
- Providing appropriate support to commercial agriculture.



MAP 14: AGRICULTURAL POTENTIAL

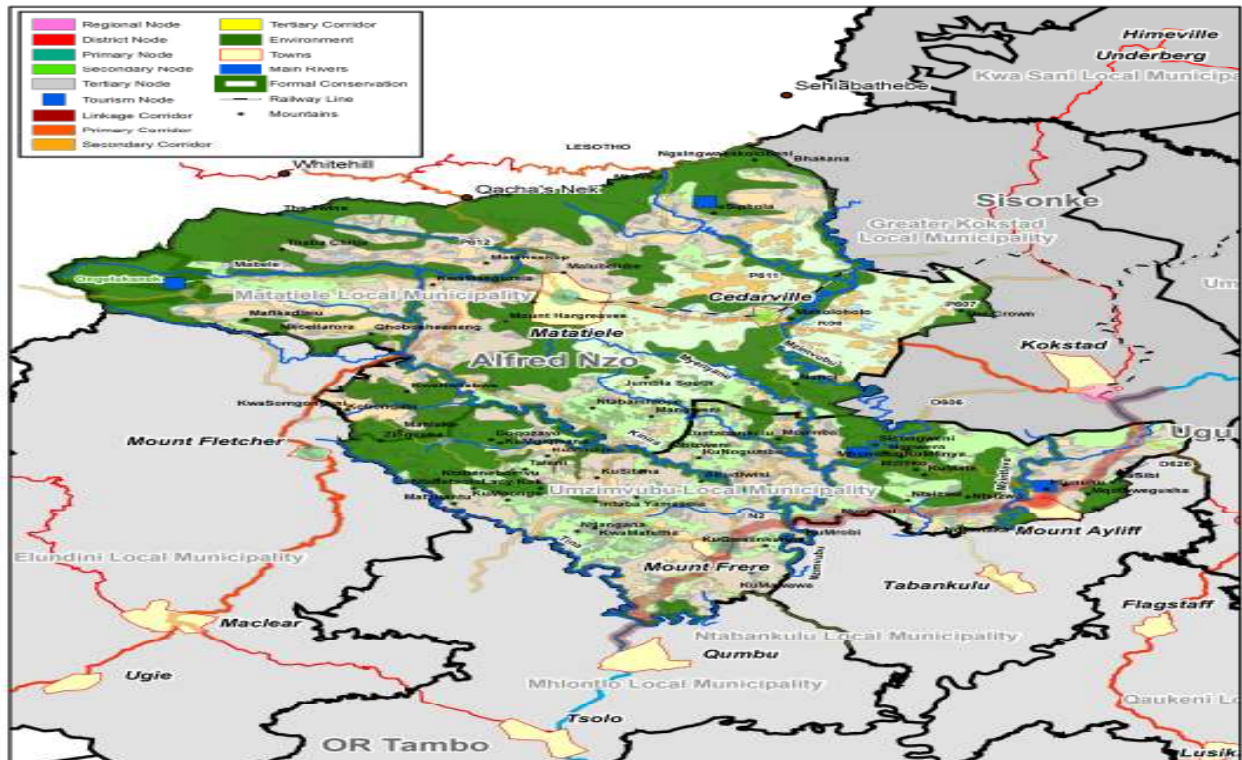
D. DEVELOPMENT FOCUS AREA 4

TOURISM DEVELOPMENT AND ENVIRONMENTAL MANAGEMENT

- Existing dramatic topographic conditions, wetlands and rural settlement, as well as the district’s proximity to Lesotho, provide a range of tourism and related opportunities.
- Relevant areas, opportunities and linkages need to be identified in further detail
- While much of the opportunities may relate to the specific existing ecology, the appeal may be widened by the introduction of appropriate species, rehabilitation of the environment as well as the involvement of local communities.

- Preconditions would inter alia include an appropriate institutional structuring, the provision of appropriate access and the adequate protection of the natural environment. The letter would require identification, education and community involvement.
- Establishing a structure linking the tourism components to established systems and establishing potential pilot projects.

MAP 15: TOURISM AND ENVIRONMENTAL POTENTIAL



E. DEVELOPMENT FOCUS AREA 5

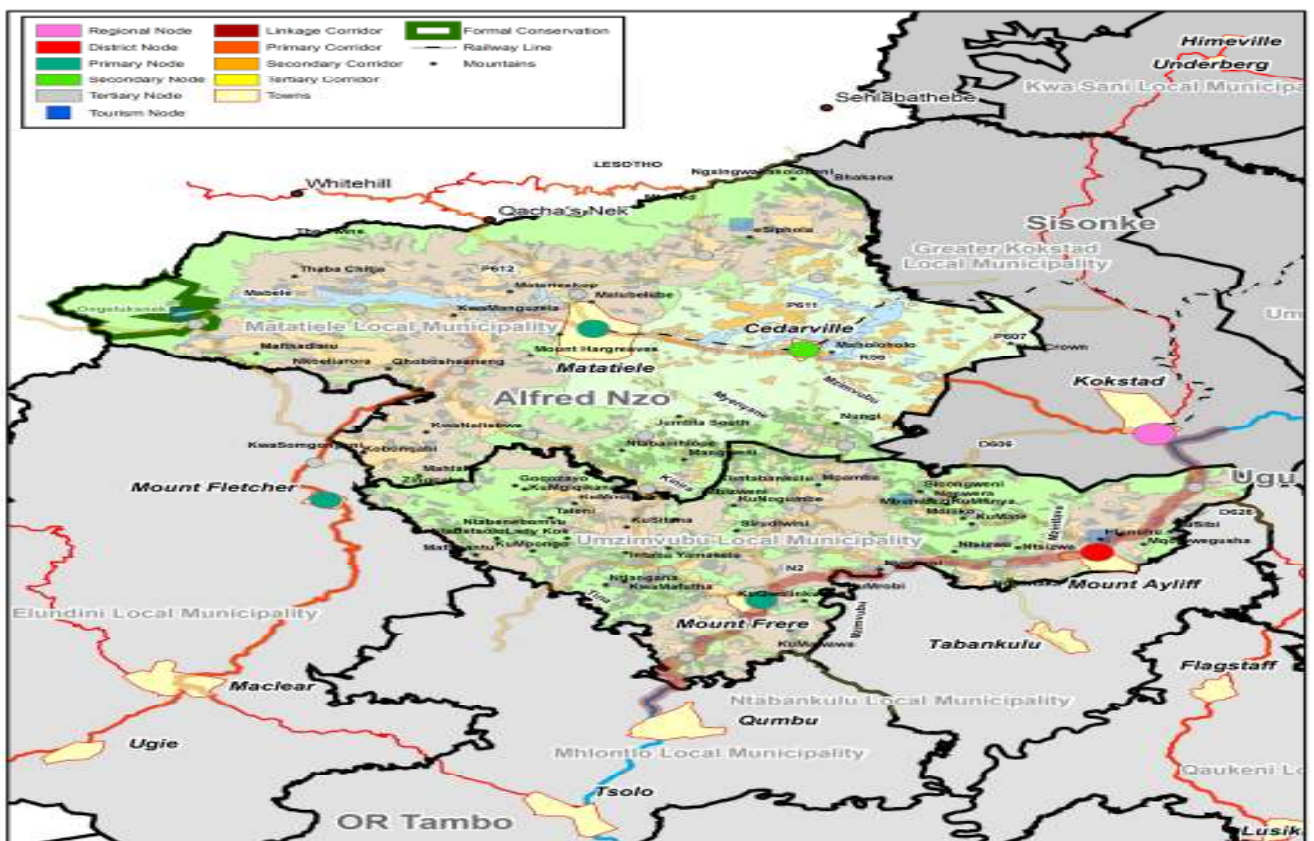
NODAL DEVELOPMENT

- The hierarchy of nodes is expected to provide access for the people of the district to a range of services, opportunities and activities.
- The higher order nodes are also expected to provide opportunities for appropriate urban residential development.
- While the SDF identifies the range of amenities and facilities expected to be located in the various nodes, local development frameworks are expected to guide the detailed

development within the higher order nodes in particular. i.e. Mount Ayliff, Matatiele and Mount Frere.

- Establishment of detailed development and design frameworks for the urban nodes of the district including the district node, primary and secondary nodes and selected tertiary nodes, including the provision of movement, land use , public space and urban form guidelines as well as provision of management and implementation guidelines.
- Provision of appropriate services to the urban nodes identified,
- Establishment of urban residential development in the major nodes identified
- Promotion and management of appropriate local economic development of the urban nodes.

MAP16: NODAL POINTS



The Alfred Nzo District SDF provides strategic guidance for the future development of the study area. In doing so it is expected to be aligned with both the local municipal SDFs within the district as well as provincial and national spatial guidelines.

While the local SDFs establish appropriate local detail guidelines, the district SDF is expected to ensure that district-wide issues are addressed, also within the aligned across local and district boundaries. The role of the district SDF is therefore not to regurgitate the contents of the local plans but to ensure context, alignment and strategic nature of development.

In terms of this approach, the district SDF suggests a focus on improved internal and external linkage, on expanded agriculture and tourism development, appropriate environmental protection and utilization and, not at least, on the upgrading and development of an appropriate hierarchy of service nodes.

4.4 ENVIRONMENTAL MANAGEMENT PLAN

Understanding the importance of environmental management, the district municipality embarked on the preparation of the District Environmental Management Plan which shall play a crucial role in ensuring that development within the district is sustainable and promote sustainable environment in the whole district. The current EMP is still at a draft level and summarized below:

4.4.1. EXECUTIVE SUMMARY

The National Environmental Management Act of 1998 makes provision for all local authorities to develop and implement a strategic environmental management framework, often colloquially referred to as an EMP, or Environmental Management Plan. The Alfred Nzo District commissioned this plan in December 2009, to be developed by a local environmental and planning consortium. The process was guided by and closely consulted with a project steering committee comprised of representatives from the District, two local municipalities, relevant Departments in the District, including Environment Affairs, DME, Agriculture, Health

and other stakeholders such as the Working for Water programme implementers. The purpose of the Plan or framework is to provide the district with a comprehensive picture of the status of the environment, and give strategic direction and structure for addressing problems and opportunities concerning environmental matters, especially related to resource management. It must be noted that the District is largely rural, with over 85% of the mainly Xhosa population residing in rural settlements with limited services. The three main towns of Mt Frere, Mt Ayliff, and Matatiele, plus the two smaller towns of Maluti and Cedarville, comprise The EMP thus needs to take account of the range of landscapes, resources and requirements in the District. The process consists of four main tasks, namely inception, a status quo assessment and report (concerning physical and desk top findings and precedent studies), compilation of the Plan / Framework itself (reflected in this document) , and development of an action plan and budget for implementation of the Plan. The latter task includes support and capacity building for target groups, and will be implemented once the contents of the Plan / Framework is endorsed by the Municipality. The EMP will provide a strategic tool for promoting sustainable development both throughout the municipality and for specific developmental and economic programs. In this context, the EMP is the foundation for responsible decision making and management of ecological and cultural resources

4.4.1.1 LEGISLATIVE FRAMEWORK

It must be noted that the national policies and legislation governing both municipal level services and responsibilities, as well as the use and management of natural resources such as water which sustain many of these services, are well developed and comprehensive, and the onus for compliance lies with local authorities. Water service provision in particular is the responsibility of the District, with DWA as a guide and authorization authority, with an important regulatory and watchdog' function. Waste management is also an important basic service, and is not as well recognized or institutionalised' within the District as the often more urgent issue of water supply. The status quo report (outcome of task 2) includes an outline of relevant legislation pertaining to environmental planning and management for the District.

4.4.1.2 SUMMARY OF ENVIRONMENTAL STATUS QUO

- 85% District population living in rural settlements, dependent to various degrees on surrounding resources as a buffer
- Majority are grant dependent vs actively productive
- Passive land use e.g. extensive grazing and ‘_Massive food’ projects
- Degraded resource base in lower lying areas produces lower yields for same inputs
- System failure will result in massive problems and constituency looking to leadership to ‘_solve’
- Growing populations in towns facing resource shortages and quality issues e.g. sewage into landscape due to overloaded systems

The vital factor is that LANDSCAPE RESOURCES UNDERPIN LIVELIHOODS. Without appropriate custodianship of the landscape and its resources, the economy and associated society cannot thrive

4.4.1.3 KEY FINDINGS

The majority of the people of Alfred Nzo, being predominantly rural, depend on nature and ecosystem services to provide the conditions for a decent, healthy, and secure life. In the quest to accelerate delivery of services and development for the communities, the environment and its capacity to regenerate itself have been severely compromised. National laws are being flouted without due regard to implications of our actions on future generations.

In the last few decades, people have made unprecedented changes to the ecosystems in the region — largely to meet rising demands for food, fresh water, fiber, and energy, but also through lack of structured management of the ecosystems and resources.

The capacity of ecosystems within Alfred Nzo to continue to provide for the growing population is declining, nature’s ability to deliver key services such as clean air and water and protection from floods, disease, and other disasters is weakening. These losses disproportionately affect the poor.

The majority of resources, both terrestrial and aquatic, are being degraded at a high rate as they are used in ways that cannot be sustained. Pressures on the land and water resources will grow significantly worse unless human attitudes and actions change, and capacity of the local communities is build to improve their understanding of the consequences of their actions on resources on which they rely to live. We have the know-how at local and national levels to build the capacity that will lead to the changes necessary to protect our ecosystems for human well-being.

Nature's goods and services are not free and limitless. We need checks and balances in place to take stock of our actions and consequences thereof, so that we address issues in time to avoid catastrophes

4.4.1.4 PRINCIPLES UNDERPINNING AN ACTION STRATEGY

RESOURCE MANAGEMENT AS PRIMARY FOCUS

- Focus on sustaining healthy ecosystem function where possible (e.g. in intact areas), with transformation of degraded areas to become more productive, e.g. converting wattle jungle into managed plantations.
- Use CBNRM approach combined with poverty relief activities to rehabilitate unproductive land and maximise spread of returns. Have economic basis with long term returns, not just input of capital and poverty relief.
- Sustainability must take precedence over short term political appearance and expediency.
- See the big picture (geographic and timescale) and cumulative impacts of local action.

BE APPROPRIATE

- Actions must be appropriate for area (within capacity of social & physical resources, suitable for local situation e.g. urban vs rural, lowlands vs mountains)
- Make use of local role models and 'champions' and indigenous knowledge systems. Build on local knowledge & best practise e.g. conservation agriculture.
- Use locally driven forums rather than national 'programme'

- Target areas where progress can be made and seen i.e. have an impact rather than demoralize target groups
- Take impacts & demands of HIV pandemic into account.

SOUND MANAGEMENT

- Practical & realistic timeframes and targets to avoid disappointment and non-delivery
- Sound project management and facilitation
- Increase awareness and capacity of target groups through effective outreach to meaningfully participate, not just be labourers.
- Cost effectiveness and accountability for the use of public funds for any actions

STANDARD REQUIREMENTS FOR IMPLEMENTATION OF THE EMP

1. Commitment of top management.
2. Reviewing the present status of the district to determine its capability to implement and monitor the EMP.
3. Designation of the manager representative and establishment of a PSC to monitor implementation of the EMP and compile necessary documentation and records.
4. Holding workshops for managers and members of the PSC to agree implementation standard and expectation.
5. Determining plans, implementation methods based on the legal framework.
6. Defining the environmental policies of the district to inform existing and future programmes and plans.
7. Implementing the training for employees of all levels.
8. Implementation of the designed environmental management plans.

4.4.1.5 RECOMMENDED ACTIONS

Targeting the issues identified in the status quo findings, and integrating the guiding principles above, the following short, medium and long term actions are suggested.

Short (1-5 years):

- a) Actions to be included in IDP as part of 5 year strategy
- b) Prioritised catchment clearing to secure water sources
- c) Capacity building and mentoring programme for target groups

Medium (5-7 years)

- a) 5 year plans supported beyond initial IDP stage,
- b) Monitoring and revision of strategy to link with longer term management of original issue and any changes / impacts of short and medium term

Long term (7-15 years)

- a) Institutionalizing of projects to become programmes and embedded environmental management strategy, e.g. catchment management and payment for ecosystem services.

A summary table in the section 7 provides an outline of suggested actions to address the issues identified in the status quo report , which can be immediately planned and executed, and which warrant consideration for inclusion in the District's Integrated Development Plan (IDP).

4.5 INTEGRATED WASTE MANAGEMENT PLAN (IWMP)

The Alfred Nzo District Municipality embarked on the Integrated Waste Management Plan that covers both of its local municipalities (Umzimvubu and Matatiele) and the full report is attached as an Annexure to the IDP. The focus for the municipality is to implement some of the projects as identified by the IWMP and provision for such projects have been made under Chapter 3 of the IDP. The executive summaries for both local municipalities' areas are as follow:

4.5.1 MATATIELE EXECUTIVE SUMMARY:

Overall objectives

The overall objective of the Matatiele LM IWMP was to develop an IWMP required in terms of the National Waste Management Strategy and IDP, including plans for implementation and for the required training and capacity building. It also involves the detailing of appropriate and practicable waste management related business plans for key interventions.

A. LEGAL OBLIGATIONS & RESPONSIBILITIES

The Constitution

The powers and responsibilities concerning waste services and associated activities, allocated to municipalities in terms of the Constitution include:

Waste related activity	DMs	LMs
Sanitation services limited to domestic waste-water and sewage disposal systems	Domestic waste-water and sewage disposal systems	No powers – unless delegated
Cleansing	No powers	Full powers in the area of jurisdiction
Refuse removal, refuse dumps and solid waste disposal	Solid waste disposal sites, insofar as it relates to – (i) the determination of a waste disposal strategy (ii) the regulation of waste disposal (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district	Establishment, operation, management, control and regulation of refuse dumps and of solid waste disposal sites that serve the area of local municipality

NATIONAL ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT ACT (NO. 59 OF 2008)

The recently promulgated WMA provides specific guidance concerning the responsibilities of municipalities relating to waste management.

Waste service standards

In terms of section 9, the following apply to Matatiele LM:

(1) **A municipality must** exercise its executive authority to deliver waste management services, including waste removal, waste storage and waste disposal services, in a manner that does not conflict with section 7 or 8 of this Act.

(2) **Each municipality must** exercise its executive authority and perform its duty in relation to waste services, including waste collection, waste storage and waste disposal services, by:

- a) adhering to all national and provincial norms and standards;
- b) integrating its waste management plans with its integrated development plans;
- c) ensuring access for all to such services;
- d) providing such services at an affordable price, in line with its tariff policy referred to in Chapter 8 of the Municipal Systems Act;
- e) ensuring sustainable services through effective and efficient management;
- f) keeping separate financial statements, including a balance sheet of the services provided.

(3) In exercising its executive authority contemplated in subsection (1), a **municipality may** furthermore, amongst other things, set:

- a) local standards for the separation, compacting and storage of solid waste that is collected as part of the municipal service or that is disposed of at a municipal waste disposal facility;
- b) local standards for the management of solid waste that is disposed of by the municipality or at a waste disposal facility owned by the municipality, including requirements in respect of the avoidance and minimisation of the generation of waste and the re-use, recycling and recovery of solid waste;
- c) local standards in respect of the directing of solid waste that is collected as part of the municipal service or that is disposed of by the municipality or at a municipal waste disposal facility to specific waste treatment and disposal facilities; and
- d) local standards in respect of the control of litter.

General Powers and Duties of municipalities

In terms of section 16, the following apply to Matatiele LM:

1. Every municipality must:

- a) conduct municipal activities in accordance with the National Waste Management Strategy and any national or provincial norms and standards;
- b) compile an integrated waste management plan;

- c) ensure that waste management services are provided within the municipality in a manner which prioritises the recovery, re-use or recycling of waste and provides for the treatment and safe disposal of waste as a last resort;
- d) designate a waste management officer in terms of section 18;
- e) ensure that provision is made for the management and collection of litter;
- f) secure compliance with the objects of this Act that are in the domain of the municipality; and
- g) implement any other measures that are necessary for securing the objects of this Act that are within the domain of the municipality.

Proposed Matatiele LM Waste Management Objectives and Strategies for Priority Issues

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
<p>Objective 1: Matatiele LM needs to integrate waste management with other long term planning programmes, such as the IDP, Water Sector Plan, LED, etc. in a sustainable manner</p>	<ul style="list-style-type: none"> - Participate in the ANDM Waste Management Steering Committee consisting of relevant departments (Waste, housing, sanitation, environment, etc.) - Incorporate Waste Management into existing planning forum(s) - Provide an appropriate institutional place for waste - Clear allocation of waste responsibilities in municipal organograms - Comprehensive waste training and awareness programme for officials and councillors - Promote cooperative governance - Motivation of waste management issues in the IDP process - Motivate dedicated waste management coordinator for Matatiele LM (or ANDM) - Annual performance measures should 	<ul style="list-style-type: none"> - Submit IWMP projects to IDP Manager - Participation in ANDM Waste Management Steering Committee - Develop annual performance measures

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	<ul style="list-style-type: none"> include waste - Establish Waste Information System (domestic, commercial, industrial etc) - Obtain political buy-in and support for this initiative - Include public input into the waste management planning exercises - <u>Financially sustainable IWMP</u> 	
<p>Objective 2: Increase waste management related capacity and awareness among ANDM and LM officials and councillors and the public</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive training and awareness programme for municipal officials and councillors - Anti-litter and litter awareness campaign - Develop and implement anti-littering by-laws - Enforcement of anti-littering by-laws 	<ul style="list-style-type: none"> - Conduct waste management training and awareness programme for officials and councillors, and the public - Develop waste management by-laws
<p>Objective 3: Assist LMs in the provision of extended sustainable waste services</p>	<ul style="list-style-type: none"> - Formulate and implement an Operations Management Plan for expanded waste collection services - Extension of services (urban & peri-urban) <ul style="list-style-type: none"> o Matatiele o Maluti - Revise tariffs - <u>Improve sub-contractor management – Preferably cease subcontractor services taken back by Matatiele LM</u> - Development and adoption of a levels of service policy – different levels of services for different areas - Establish waste collection points - Investigate, and where appropriate 	<ul style="list-style-type: none"> - Engage with ANDM Waste Management Steering Committee - Formulate and implement an Operations Management Plan for expanding waste services - Investigate alternative service delivery mechanisms, such as: <ul style="list-style-type: none"> - Communal bins or skips - Establish waste collection points - Establish Waste Information System - Improved fleet or sub-contractor management or - <u>Matatiele LM to take back waste collection services and</u>

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	<p>initiate, alternative service delivery mechanisms.</p> <ul style="list-style-type: none"> - Determine financial requirements and identify funding sources - Explore Public Private Partnerships - Communal bins or skips 	<p><u>operations</u></p>
<p>Objective 4: Regularization of waste disposal facilities in line with the DWAF Minimum Requirements for Landfills</p>	<ul style="list-style-type: none"> - Promote compliance of existing permitted landfill sites: <ul style="list-style-type: none"> o Matatiele o Cedarville (if plan to retain) - Close and rehabilitate old sites <ul style="list-style-type: none"> o Cedarville (if plan to close) - Promote waste minimization to achieve 30% reduction in waste land-filled target - Motivate for funding (MIG, IDP budget allocation etc.) 	<ul style="list-style-type: none"> - Audit programme for licensed/operating sites - Business plans for: <ul style="list-style-type: none"> o Management of existing permitted sites o Rehabilitation and closure plan for old sites
<p>Objective 5: Promote broader public awareness concerning waste management issues and cleaner urban areas</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive waste related public awareness programme - Initiate an anti-litter and litter awareness campaign - Develop and implement anti-littering by-laws - Expand street cleaning programme - Provide more bins and other waste receptacles (e.g. skips) - Identify funding sources 	<ul style="list-style-type: none"> - Waste management training and awareness programme the public - Develop business plan for the cleaner town and anti-litter awareness campaign and the cleanest town competition - Implement draft by-laws - Develop new waste management by-laws (GPs, body shops, funeral parlours, building waste, abattoirs, etc.)
<p>Objective 6: Develop an effective legal, regulatory and policy framework for waste management</p>	<ul style="list-style-type: none"> - Develop a legal register - Conduct a legal compliance audit - Development of uniform waste by-laws. 	<ul style="list-style-type: none"> - Development of waste by-laws dealing with: <ul style="list-style-type: none"> o Littering o Disposal of <u>medical waste</u> by GPs, traditional healers,

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
		<p>pharmacies, mortuaries, etc.</p> <ul style="list-style-type: none"> ○ Disposal of <u>hazardous waste</u>, such as used oils, fluorescent lights, car tyres and batteries, etc. ○ Burning of waste ○ Abattoirs ○ Body shops (used oil, tyres, scrap metal, etc) <ul style="list-style-type: none"> - Develop legal register - Conduct legal compliance audit of waste sites
<p>Objective 7:</p> <p>Reduce waste disposal to landfills or dump sites and promote waste minimization, reuse and recycling</p>	<ul style="list-style-type: none"> - Promote waste minimization, reuse and recycling programmes in the LM - <u>Establish a waste minimisation/recycling office within Matatiele LM to develop the following programmes:</u> <ul style="list-style-type: none"> ○ Promote recycling awareness ○ Establish recycling forum ○ Establish Buy Back Centre (Swedish?) ○ Composting (vermiculture) ○ Rural pilots ○ Stock-piling tyres, glass etc. at landfill site ○ Oil Collection Solvent Waste Minimisation ○ Rural Schools Recycling Programme ○ Commercial packaging recycling ○ Wastewater reticulation repair 	<ul style="list-style-type: none"> - <u>Establish a waste minimisation/recycling office within Matatiele LM</u> - Conduct paper waste and other waste recycling feasibility study and initiate buy-back waste centre programme. - Business plans for: <ul style="list-style-type: none"> ○ Paper waste ○ Communal collection points ○ Metal chassis scrap removal programme (German programme) ○ Used oil recycling ○ Car tyres (consider stock piling waste until volumes adequate for recyclers to collect)

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	<p>and bio-resource recovery</p> <ul style="list-style-type: none"> ○ Engage with paper and other waste purchasers (SAPPI, Mondi, etc) ○ Initiate metal chassis scrap removal programme ○ Identify recycling business opportunities and develop business plans (e.g. Scrap metal business plan, oil recycling, etc.) ○ Investigate recycling programmes in other LMs and OR Tambo DM <ul style="list-style-type: none"> - Explore DEAT Poverty Relief funding for projects - Source other funding for projects 	
<p>Objective 8: Promote better waste management practices in rural areas</p>	<ul style="list-style-type: none"> - Develop waste management awareness programme for rural areas 	<ul style="list-style-type: none"> - Waste management awareness information for rural ward councillors - Rural schools waste awareness programmes

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
<p>Objective 9: Promote better waste management practices relating to sanitation</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive training and awareness programme for municipal officials and councillors on waste management issues relating to sanitation - Establish a sewage treatment works and pit latrine/VIP monitoring and risk assessment/audit programme - Ensure that ANDM WSDP addresses waste management and pollution issues relating to sanitation (e.g. sludge disposal) - Determine what programmes are in place for cleaning pit latrines and VIPs and disposing of sludge - Conduct an assessment of pit latrines and VIPs (how many, lined, unlined, ground and surface water conditions, health risks, etc.) particularly where pit latrines and VIPs occur in large numbers - Identify on-site sanitation technologies that are environmentally appropriate - Develop guidelines and criteria for technology selection - Identify programmes used by other municipalities (e.g. Buffalo City Sanitation Policy & Strategy) 	<ul style="list-style-type: none"> - Engage with ANDM (as Water Services Authority) on sanitation related issues - ANDM Water Services Development Plan (WSDP) must address disposal of sewage sludge and screenings from WWTW's and sludge from VIPs - Develop a training and awareness programme concerning sanitation waste disposal (e.g. disposal of screened material) - Audit of waste water treatment works and pit latrines/VIPs - Sewage treatment works management plan - Sanitation Policy and Strategy

4.5.2 UMZIMVUBU EXECUTIVE SUMMARY:

Overall objectives

The overall objective of the Umzimvubu LM IWMP was to develop an IWMP required in terms of the National Waste Management Strategy and IDP, including plans for implementation and

for the required training and capacity building. It also involves the detailing of appropriate and practicable waste management related business plans for key interventions.

DEAT IWMP Guidelines

This current Umzimvubu LM IWMP is based substantially on the proposed format set out in the National Department of Environmental Affairs and Tourism (DEAT) Starter Document for Integrated Waste Management Planning in South Africa Guideline Document (Final Draft) May 2000 (DEAT IWMP Guidelines).

A. LEGAL OBLIGATIONS & RESPONSIBILITIES

The Constitution

The powers and responsibilities concerning waste services and associated activities, allocated to municipalities in terms of the Constitution include:

Waste related activity	DMs	LMs
Sanitation services limited to domestic waste-water and sewage disposal systems	Domestic waste-water and sewage disposal systems	No powers – unless delegated
Cleansing	No powers	Full powers in the area of jurisdiction
Refuse removal, refuse dumps and solid waste disposal	Solid waste disposal sites, insofar as it relates to – (i) the determination of a waste disposal strategy (ii) the regulation of waste disposal (iii) the establishment, operation and control of waste disposal sites, bulk waste transfer facilities and waste disposal facilities for more than one local municipality in the district	Establishment, operation, management, control and regulation of refuse dumps and of solid waste disposal sites that serve the area of local municipality

NATIONAL ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT ACT (NO. 59 OF 2008)

The recently promulgated WMA provides specific guidance concerning the responsibilities of municipalities relating to waste management.

Waste service standards

In terms of section 9, the following apply to Umzimvubu LM:

- (1) **A municipality must** exercise its executive authority to deliver waste management services, including waste removal, waste storage and waste disposal services, in a manner that does not conflict with section 7 or 8 of this Act.
- (2) **Each municipality must** exercise its executive authority and perform its duty in relation to waste services, including waste collection, waste storage and waste disposal services, by:
 - g) adhering to all national and provincial norms and standards;
 - h) integrating its waste management plans with its integrated development plans;
 - i) ensuring access for all to such services;
 - j) providing such services at an affordable price, in line with its tariff policy referred to in Chapter 8 of the Municipal Systems Act;
 - k) ensuring sustainable services through effective and efficient management;
 - l) keeping separate financial statements, including a balance sheet of the services provided.
- (3) In exercising its executive authority contemplated in subsection (1), a **municipality may** furthermore, amongst other things, set:
 - e) local standards for the separation, compacting and storage of solid waste that is collected as part of the municipal service or that is disposed of at a municipal waste disposal facility;
 - f) local standards for the management of solid waste that is disposed of by the municipality or at a waste disposal facility owned by the municipality, including requirements in respect of the avoidance and minimisation of the generation of waste and the re-use, recycling and recovery of solid waste;
 - g) local standards in respect of the directing of solid waste that is collected as part of the municipal service or that is disposed of by the municipality or at a municipal waste disposal facility to specific waste treatment and disposal facilities; and

- h) local standards in respect of the control of litter.

General powers and duties of municipalities

In terms of section 16, the following apply to Umzimvubu LM:

1. Every municipality must:

- h) conduct municipal activities in accordance with the National Waste Management Strategy and any national or provincial norms and standards;
- i) compile an integrated waste management plan;
- j) ensure that waste management services are provided within the municipality in a manner which prioritises the recovery, re-use or recycling of waste and provides for the treatment and safe disposal of waste as a last resort;
- k) designate a waste management officer in terms of section 18;
- l) ensure that provision is made for the management and collection of litter;
- m) secure compliance with the objects of this Act that are in the domain of the municipality; and
- n) implement any other measures that are necessary for securing the objects of this Act that are within the domain of the municipality.

The table below provides an indication of the priority objectives, strategies and projects.

Possible tools and programmes

- Allocation of responsibility

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
Objective 1: Umzimvubu LM needs to integrate waste management with other long term planning programmes, such as the IDP, Water Sector Plan, LED, etc.	<ul style="list-style-type: none"> - Participate in the ANDM Waste Management Steering Committee consisting of relevant departments (Waste, housing, sanitation, environment, etc.) - Incorporate Waste Management into existing planning forum(s) - Provide an appropriate institutional 	<ul style="list-style-type: none"> - Submit IWMP projects to IDP Manager - Participation in ANDM Waste Management Steering Committee - Develop annual performance measures

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
<p>in a sustainable manner</p>	<ul style="list-style-type: none"> place for waste - Clear allocation of waste responsibilities in municipal organograms - Comprehensive waste training and awareness programme for officials and councillors - Promote cooperative governance - Motivation of waste management issues in the IDP process - Motivate dedicated waste management coordinator for Umzimvubu LM (or ANDM) - Annual performance measures should include waste - Establish Waste Information System (domestic, commercial, industrial etc) - Obtain political buy-in and support for this initiative - Include public input into the waste management planning exercises - <u>Financially sustainable IWMP</u> 	
<p>Objective 2: Increase waste management related capacity and awareness among ANDM and LM officials and councillors and the public</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive training and awareness programme for municipal officials and councillors - Anti-litter and litter awareness campaign - Develop and implement anti-littering by-laws - Enforcement of ant- littering by-laws 	<ul style="list-style-type: none"> - Conduct waste management training and awareness programme for officials and councillors, and the public - Develop waste management by-laws
<p>Objective 3:</p>	<ul style="list-style-type: none"> - Formulate and implement an 	<ul style="list-style-type: none"> - Engage with ANDM Waste

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
<p>Assist LMs in the provision of extended sustainable waste services</p>	<p>Operations Management Plan for expanded waste collection services</p> <ul style="list-style-type: none"> - Extension of services (urban & peri-urban) <ul style="list-style-type: none"> o Mt Ayliff (Santombe and Lubhalasi Village) o Mr. Frere (informal settlements) - Revise tariffs - Improved fleet or sub-contractor management - Development and adoption of a levels of service policy – different levels of services for different areas - Establish waste collection points - Investigate, and where appropriate initiate, alternative service delivery mechanisms. - Determine financial requirements and identify funding sources - Explore Public Private Partnerships - Communal bins or skips 	<p>Management Steering Committee</p> <ul style="list-style-type: none"> - Formulate and implement an Operations Management Plan for expanding waste services - Investigate alternative service delivery mechanisms, such as: <ul style="list-style-type: none"> - Communal bins or skips - Establish waste collection points - Establish Waste Information System - Improved fleet or sub-contractor management
<p>Objective 4: Regularization of waste disposal facilities in line with the DWAF Minimum Requirements for Landfills</p>	<ul style="list-style-type: none"> - Promote compliance of existing permitted landfill sites: <ul style="list-style-type: none"> o Mt Ayliff, o Mt Frere - Close and rehabilitate old sites <ul style="list-style-type: none"> o Mt. Frere - Promote waste minimization to achieve 30% reduction in waste land-filled target 	<ul style="list-style-type: none"> - Audit programme for licensed/operating sites - Business plans for: <ul style="list-style-type: none"> o Management of existing permitted sites o Rehabilitation and closure plan for old sites

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	<ul style="list-style-type: none"> - Motivate for funding (MIG, IDP budget allocation etc.) 	
<p>Objective 5: Promote broader public awareness concerning waste management issues and cleaner urban areas</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive waste related public awareness programme - Initiate an anti-litter and litter awareness campaign - Develop and implement anti-littering by-laws - Expand street cleaning programme - Provide more bins and other waste receptacles (e.g. skips) - Identify funding sources 	<ul style="list-style-type: none"> - Waste management training and awareness programme the public - Develop business plan for the cleaner town and anti-litter awareness campaign and the cleanest town competition - Develop waste management by-laws
<p>Objective 6: Develop an effective legal, regulatory and policy framework for waste management</p>	<ul style="list-style-type: none"> - Develop a legal register - Conduct a legal compliance audit - Development of uniform waste by-laws. 	<ul style="list-style-type: none"> - Development of waste by-laws dealing with: <ul style="list-style-type: none"> o Littering o Disposal of medical waste by GPs, traditional healers, pharmacies, mortuaries, etc. o Disposal of hazardous waste, such as used oils, fluorescent lights, car tyres and batteries, etc. o Burning of waste - Develop legal register - Conduct legal compliance audit of waste sites
<p>Objective 7: Reduce waste disposal to landfills or dump sites and promote waste minimization, reuse and recycling</p>	<ul style="list-style-type: none"> - Promote waste minimization, reuse and recycling programmes in the LM - <u>Establish a waste minimisation/recycling office within Umzimvubu LM to develop the following programmes:</u> 	<ul style="list-style-type: none"> - <u>Establish a waste minimisation/recycling office within Umzimvubu LM</u> - Conduct paper waste and other waste recycling feasibility study and initiate buy-back waste centre

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	<ul style="list-style-type: none"> ○ Promote recycling awareness ○ Establish recycling forum ○ Establish Buy Back Centre (Swedish?) ○ Composting (vermiculture) ○ Rural pilots ○ Stock-piling tyres, glass etc. at landfill site ○ Oil Collection Solvent Waste Minimisation ○ Rural Schools Recycling Programme ○ Commercial packaging recycling ○ Wastewater reticulation repair and bio-resource recovery ○ Engage with paper and other waste purchasers (SAPPI, Mondi, etc) ○ Initiate metal chassis scrap removal programme ○ Identify recycling business opportunities and develop business plans (e.g. Scrap metal business plan, oil recycling, etc.) ○ Investigate recycling programmes in other LMs and OR Tambo DM <ul style="list-style-type: none"> - Explore DEAT Poverty Relief funding for projects - Source other funding for projects 	<p>programme.</p> <ul style="list-style-type: none"> - Business plans for: <ul style="list-style-type: none"> ○ Paper waste ○ Communal collection points ○ Metal chassis scrap removal programme (German programme) ○ Used oil recycling ○ Car tyres

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
<p>Objective 8: Promote better waste management practices in rural areas</p>	<ul style="list-style-type: none"> - Develop waste management awareness programme for rural areas 	<ul style="list-style-type: none"> - Waste management awareness information for rural ward councillors - Rural schools waste awareness programmes
<p>Objective 9: Promote better waste management practices relating to sanitation</p>	<ul style="list-style-type: none"> - Formulate and implement a comprehensive training and awareness programme for municipal officials and councillors on waste management issues relating to sanitation - Establish a sewage treatment works and pit latrine/VIP monitoring and risk assessment/audit programme - Ensure that ANDM WSDP addresses waste management and pollution issues relating to sanitation (e.g. sludge disposal) - Determine what programmes are in place for cleaning pit latrines and VIPs and disposing of sludge - Conduct an assessment of pit latrines and VIPs (how many, lined, unlined, ground and surface water conditions, health risks, etc.) particularly where pit latrines and VIPs occur in large numbers - Identify on-site sanitation technologies that are environmentally appropriate - Develop guidelines and criteria for technology selection - Identify programmes used by other municipalities (e.g. Buffalo City 	<ul style="list-style-type: none"> - Engage with ANDM (as Water Services Authority) on sanitation related issues - ANDM Water Services Development Plan (WSDP) must address disposal of sewage sludge and screenings from WWTW's and sludge from VIPs - Develop a training and awareness programme concerning sanitation waste disposal (e.g. disposal of screened material) - Audit of waste water treatment works and pit latrines/VIPs - Sewage treatment works management plan - Sanitation Policy and Strategy

PRIORITY OBJECTIVES	PRIORITY STRATEGIES	PRIORITY PROJECTS
	Sanitation Policy & Strategy)	
Objective 10: Promote better waste management practices relating to medical, commercial and industrial waste	<ul style="list-style-type: none"> - Establish Waste Information System including medical, commercial and industrial waste streams. - Monitor developments concerning the rollout of the Provincial Dept. of Health medical waste initiative - Promote waste management awareness (e.g. GP and clinic medical waste, commercial packaging waste, sawmill waste) - Develop by-laws for (e.g. GP and clinic medical waste, commercial packaging waste, sawmill waste) - Promote waste minimization, reuse and recycling of commercial and industrial waste (e.g. paper, plastic, oil, scrap metal, sawdust, etc.) - Identify sawmill operators and number and location of sawmills, conduct site assessments/audits and action the rehabilitation of sawmill dump sites 	<ul style="list-style-type: none"> - Develop awareness materials - Development of waste by-laws dealing with: <ul style="list-style-type: none"> o Disposal of medical waste by GPs, traditional healers, pharmacies, mortuaries, etc. o Disposal of hazardous waste, such as used oils, fluorescent lights, car tyres and batteries, etc. o Management and disposal of sawmill waste

4.6 WATER SERVICE DEVELOPMENT PLAN

As a Water Service Authority, Alfred Nzo district Municipality during 2008 prepared and adopted its Water Service Development Plan and the following goals were formulated by the municipality through the WSDP:

- Delivery of sustainable water services to address backlogs in water services and also look into operations and maintenance of existing schemes. Provision of basic sanitation improved urban sanitation.
- Integrated Water Resource Management-economic viability to ensure sustainability, operations and maintenance of existing schemes and improving accounting and management techniques.
- Efficient and effective water services institutional arrangements-build up institutional capacity, boost revenue base through economic development, improve service delivery mechanisms, implement appropriate WSP mechanism, implement the WSP Business Plan for the management of the WSP function by WSA

The municipality has recently embarked on the review process of the WSDP however the current WSDP and the first draft has been prepared and attached and processes of approval by Council are still unfolding.

4.6.1 ALFRED NZO DM REGIONAL BULK READINESS STUDY

Alfred Nzo District Municipality as a Water Service Authority is performing the functions of developing water infrastructure, provisions of portable water to both its residents and business sector within its jurisdiction as well as operations and maintenance of water schemes. The municipality has been trying to address the huge backlogs on water provision however the municipality has experienced a number of challenges and the most critical one being the shortage of water sources to allow the municipality to meet the backlog and be in a position to provide all households and business with water in a sustainable manner. The situation has led the municipality to form partnership with DWAF to conduct the regional bulk study where the consortium of engineers was appointed to assist the study in order to identify the possible options for the municipality to meet its objective in as far as water provision is concerned and the study has resulted in the proposed long term development which is summarized as follows:

4.6.1.1 MATATIELE LOCAL MUNICIPALITY EXECUTIVE SUMMARY

Background

Like many areas in South Africa, the Matatiele Municipality area has inherited the historical legacy of a large backlog of water and sanitation service infrastructure. This situation is clearly intolerable and therefore the efficient and adequate supply of water services for domestic consumption and for economic development is one of the most important challenges facing Alfred Nzo District Municipality, in its capacity as the Water Services Authority for both Matatiele and the neighbouring municipality of Umzimvubu. In order to assist Water Services Authorities, like Alfred Nzo District Municipality, to address the water services infrastructure backlog, grant funding has been made available through the Municipal Infrastructure Grant (MIG). However as the focus of MIG funding is the provision of “end user” infrastructure, it often does not accommodate the development of the required bulk water service infrastructure. The result is that new service infrastructure (i.e. water reticulation, water borne sewers, and housing estates) is often constructed without the necessary bulk water services infrastructure.

Regional Bulk Infrastructure Grant (RBIG)

The Department of Water Affairs (DWA) has recognised this need to prioritise the development of Regional Bulk Water Supply Infrastructure to support service delivery. In response to this need for additional bulk water infrastructure, DWA has allocated funding through a Regional Bulk Infrastructure Grant (RBIG). This funding is in the form of a project-specific capital grant.

Implementation Readiness Study

The overall aim of the assignment was therefore to motivate for Regional Bulk Infrastructure Grant (RBIG) funding from DWA for regional bulk water supply infrastructure in Matatiele and Umzimvubu Municipalities.

In September 2008, Alfred Nzo District Municipality in the Eastern Cape commissioned an Implementation Readiness Study for Regional Bulk Water Supply Infrastructure in the Matatiele and Umzimvubu Municipality areas. The assignment was divided into two phases.

Phase A concluded in July 2009, with “Regional Assessment and Outcomes Reports” for both the Matatiele and Umzimvubu municipal areas.

This Report is the final deliverable under Phase B.

Findings of Study

Following an extensive evaluation process, the long list of possible concepts and schemes was narrowed down to two for the Matatiele area.

Option	Community Served
M1 - Kinira River Dam	Matatiele, Maluti and surrounds
M9 - Wellfield & Supplementary Dam (Kinira or Mafube)	Matatiele, Maluti and surrounds

These two “short-listed” options were investigated in more detail with respect of:

- Financial Implications: Capital and O&M Costs
- Operation and maintenance implications
- Technical viability and water resources availability
- Institutional issues
- Implementation and sustainability Issues
- Compliance with Department of Water Affairs funding criteria

The findings of this evaluation are included in this Report.

Recommendations

Following this extensive investigation, the Wellfield development in the Kinira Valley alluvium aquifer augmented by later development of Kinira River Dam as a supplementary dam (M9), was identified as the most appropriate option.

It is noted that both the short-listed schemes have advantages and disadvantages, which are explained in detail in this Report. However while the well-field development is estimated to be marginally more expensive in current real costs (but not nominal future costs), it is recommended for the following reasons:

- Water supply will come on-stream earlier and communities could receive bulk water in 2013 (or earlier if funding allows) as opposed to 2016
- Phasing of implementation is more practical as the bulk water source will primarily come from a number of boreholes rather than one dam
- Funding requirement and cashflow will be more spread out, so while the current (real) capital cost is marginally higher, the nominal cost (allowing for inflation etc) is lower
- Possibility that if the groundwater sources turn out to have greater potential than envisaged (or demand does not meet the projections) the subsequent, planned development of the supplementary Kinira Dam may not be necessary (or could be postponed).

Way Forward

This Report, together with the companion Report for Umzimvubu Municipality, represents the final deliverable under Phase B of the Regional Bulk Water Implementation Readiness Study for Matatiele Municipality in Alfred Nzo District. The Department of Water Affairs, as the Department responsible for administering the Regional Bulk Infrastructure Grant (RBIG), must consider the findings of Phases A & B of the Implementation Readiness Study (as captured in this and earlier Reports) and make decisions regarding:

- Commitment of the relevant national and local government structures to take these proposed schemes to implementation
- Recommended schemes that are to proceed to the next stage of implementation for the growth node of Matatiele

- Method of addressing outstanding “implementation readiness” issues identified in these Reports. In particular, a way forward is required for bulk water source confirmation and the required Environmental Impact Assessment and Water Use License Authorisation
- Funding to be allocated in the short and medium term to start implementation, or address outstanding “implementation readiness” issues associated with these schemes.

Civil, Mechanical, Electrical Capital Cost Breakdown of Options M1 and M9

Capital Cost	Civil (R m)	Mechanical (R m)	Electrical (R m)	Total (R m)
Kinira Dam (M1)	468.8	29.5	28.5	526.8
Kinira Well-field and Supplementary Dam (M9)	477.1	28.9	28.0	534
Difference	-1.8%	2%	1.8%	-1.4%

Annual Operation and Maintenance Costs for M1 and M9 options

Scheme		Operations	Maintenance	Total	Cost per m³
Kinira Dam (M1)	2025	R11.14 million	R4.36 million	R15.49 million	R2.86
Kinira Wellfields and Supplementary Dam (M9)	2023	R11.9 million	R4.87 million	R16.77 million	R3.21
Kinira Dam (M1)	2038	R13.6 million	R4.36 million	R17.96 million	R2.62
Kinira Wellfields and Supplementary Dam (M9)	2038	R14.66 million	R5.63 million	R20.30 million	R2.96

4.6.1.2 MZIMVUBU LOCAL MUNICIPALITY RBIG REPORT

EXECUTIVE SUMMARY

Findings of Study (Mount Frere)

Following an extensive evaluation process, the long list of possible concepts and schemes was narrowed down to two for the Mount Frere area of Umzimvubu.

Option	Community Served
F4 - Mkemane River Dam	Mount Frere and surrounds
F6 - Raising Ntenetyana Dam	Mount Frere and surrounds

Recommendation (Mount Frere)

Both of these options have advantages and disadvantages that are discussed in this Report. The Mkemane River Dam is the more expensive option, but it does have the advantage that it will be able to supply most of the area under gravity. Operation and maintenance costs are similar, although there is a marginal lower requirement for mechanical and electrical maintenance in the case of the Mkemane Dam. There is no clear and obvious preferred option for Mount Frere. If the required funding is available then the Mkemane Dam is probably a better long term solution; but largely on the basis of cost the option of raising Ntenetyana Dam is the option recommended by this Report. However it is worth emphasising that Mount Ayliff currently has a much more pressing need for improved water supply infrastructure than Mount Frere.

Civil, Mechanical, Electrical Capital Cost Breakdown of Options F4 and F6

Capital Cost	Civil (R m)	Mechanical (R m)	Electrical (R m)	Total (R m)
Mkemane Dam (F4)	388.6	22.6	21.6	432.8
Ntenetyana Dam (F6)	372.0	25.7	23.7	421.4
Difference	4.5%	-13.7%	-9.7%	2.7%

Estimated O&M Costs of Options F4 (Mkemane) and F6 (Ntenetyana)

Scheme		Operations	Maintenance	Total	Cost per m ³
Mkemane Dam (F4)	2018	R3.42 million	R1.9 million	R5.32 million	R15-21
Ntenetyana Dam (F6)	2018	R3.89 million	R1.68 million	R5.57 million	R15-92
Mkemane Dam (F4)	2038	R13.13 million	R3.32 million	R16.45 million	R3-12
Ntenetyana Dam (F6)	2038	R19.15 million	R3.54 million	R22.69 million	R4-31

Findings of Study (Mount Ayliff)

Following an extensive evaluation process, the long list of possible concepts and schemes was narrowed down to two for the Mount Ayliff area of Umzimvubu.

Option	Community Served
A2 - Siroqobeni River Dam	Mount Ayliff and surrounds
A10 - Off Channel River Storage	Mount Ayliff and surrounds

Recommendation (Mount Ayliff)

Both of these options have advantages and disadvantages that are discussed in this Report. The Mzintlava Off Channel Storage dam option is cheaper in terms of capital cost, but may have greater pumping and O&M costs. Technical concerns have also been raised about the suitability of the dam site.

This Report therefore recommends that the Siroqobeni River Dam option (A2) is the most appropriate long-term solution for the Mount Ayliff area.

Civil, Mechanical, Electrical Capital Cost Breakdown of Options A2 and A10

Capital Cost	Civil (R m)	Mechanical (R m)	Electrical (R m)	Total (R m)
Siroqobeni Dam (A2)	323.4	17.9	17.2	358.5
Mzintlava Off channel Dam (A10)	240.3	19.1	18.0	277.4
Difference	34.6%	-6.7%	-4.7%	29.2%

Estimated O&M Costs of Options A2 (Siroqobeni) and A10 (Off channel)

Scheme		Operations	Maintenance	Total	Cost per m ³
Siroqobeni Dam (A2)	2016	R4.19 million	R1.26 million	R5.45 million	R4-88
Off channel Dam (A10)	2016	R4.73 million	R1.04 million	R5.77 million	R5-18
Siroqobeni Dam (A2)	2038	R10.54 million	R2.44 million	R12.98 million	R3-04
Off channel Dam (A10)	2038	R12.63 million	R2.36 million	R14.99 million	R3-51

Way Forward

This Report, together with the companion Report for Matatiele Municipality, represents the final deliverable under Phase B of the Regional Bulk Water Implementation Readiness Study for Umzimvubu Municipality in Alfred Nzo District. The Department of Water Affairs, as the Department responsible for administering the Regional Bulk Infrastructure Grant (RBIG), must consider the findings of Phases A & B of the Implementation Readiness Study (as captured in this and earlier Reports) and make decisions regarding:

- Commitment of the relevant national and local government structures to take these proposed schemes to implementation
- Recommended schemes that are to proceed to the next stage of implementation for the growth node of Mount Frere and Mount Ayliff
- Method of addressing outstanding “implementation readiness” issues identified in these Reports. In particular, a way forward is required for bulk water source confirmation and the required Environmental Impact Assessment and Water Use License Authorisation
- Funding to be allocated in the short and medium term to start implementation, or address outstanding “implementation

In summary, for the Alfred Nzo District Municipality to address its water backlogs and be in a position to construct the dams identified as options to meet the water demand in a long term, the money needed is more than R1 billion.

4.7 MUNICIPAL POLICIES

Alfred Nzo District Municipality as reflected under chapter 1 of the IDP has adopted a number of policies which are to give effect to the success of the municipality on financial management, institutional arrangement and municipal transformation and good governance. The comprehensive document on adopted policies is attached as an annexure to the IDP however few policies that have direct impact on the IDP are summaries below:

4.7.1 ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

The Municipality recognizes the significance of having a performance management system not only as a legal requirement in terms of the applicable laws, but as an important instrument of corporate governance which aims at ensuring that a process of goal setting in the work place is followed by a systematic success measuring process. The Alfred Nzo District Municipality therefore prepared and adopted its policy which has been reviewed during the 2009/10 financial year. This policy has been formulated against the need for formalizing the process and strategy for managing organizational, departmental and individual performance.

The noble goal of achieving excellent standards of performance will be realized through introduction and injection of a systematic set of rules and standards of performance in the work place through the proper implementation of the policy.

The Performance Management Policy Framework adopted by the Municipality consists of the following:

- Performance Management Ethics and Principles;
- Departmental Performance Management;
- Individual Performance Management; and
- Probation Performance Management System.

The approach by the municipality entails that the IDP should form the basis of implementation of the Performance Management System in the sense that the main objective of the municipality is to effectively implement its IDP and be able to measure its performance against set targets in the IDP. The municipality shall develop Service Delivery and Budget Implementation Plan which

gives the detail in terms of how the municipality aims to implement its IDP where inputs, outputs, targets and key-milestones aligned to the budget are put in place and the performance is to be reported through monthly, quarterly and mid-year and eventually the annual performance report to be generated.

4.7.2 BUDGET POLICY

The Alfred Nzo district Municipality prepared and adopted budget policy to give effect to budgeting processes, compliance with the Municipal Finance Management Act of 2003 and further ensure proper controls on municipal finance and continuous reporting on the financial situation of the municipality. The policy is attached as an annexure to the IDP.

4.7.3 INTEGRATED RISK MANAGEMENT FRAMEWORK

Integrated Risk Management Framework can be defined as “the set of elements in the business management system concerned with managing risk. It describes the systems, processes, attitudes and commitment needed to successfully integrate risk management processes with existing business management processes to ensure that risk management programme can assist a business to achieve its objectives.”

The objectives of the Integrated Risk Management Framework are to:

- Fully integrate risk management into the culture and strategic planning processes (IDP) of Alfred Nzo District Municipality;
- Ensure that the framework for identifying, evaluating, controlling, reviewing, reporting and communicating risks across the Alfred Nzo District Municipality is implemented and understood by all relevant stakeholders;
- Communicate to stakeholders, the Alfred Nzo District Municipality’s approach to risk management;
- Improve co-ordination of risk management activities across the Alfred Nzo District Municipality;
- Ensure that the Executive Management, Council and external regulators obtain necessary assurance that the municipality is mitigating the risk of not achieving its objectives, and thus complying with good governance practices and section 62 of the MFMA;
- Ensure consistency throughout the municipality in the management of risk.

RISK POLICY STATEMENT

Alfred Nzo Municipality is committed to the effective management of risk as municipal employees, stakeholders, assets and ability to deliver its services are constantly affected by risks. Effective risk management is therefore imperative to the institution to fulfill its mandate which is service delivery that meets the expectations of the public and the performance expectations within the institution.

The realization of the municipal Integrated Development Plan depends on the management and council being able to take calculated risks in a way that does not jeopardize the direct interests of stakeholders. Sound management of risk will enable the municipality to anticipate and respond to changes in service delivery environment as well as take informed decisions under conditions of uncertainty.

The municipal management subscribe to the fundamental principles that all resources will be applied economically to ensure:

- The highest standards of service delivery;
- A management system containing the appropriate elements aimed at minimizing risks and costs in the interest of all stakeholders;
- Education and training of all staff to ensure continuous improvement in knowledge; skills and capabilities which facilitate consistent conformance to the stakeholders expectations;
- Maintaining an environment, which promotes the right attitude and sensitivity towards internal and external stakeholder satisfaction.

4.8 MUNICIPAL TURN AROUND STRATEGY

In terms of the Local Government Turn Around Strategy (LGTAS) approved in December 2009 all municipalities must develop their Turn Around Strategies to address the poor performance distress and dysfunctional within the municipalities. Such Municipal Turn Around Strategies (MUNTAS) shall be aligned to the municipalities' IDPs and shall have both short and long-term targets. The Alfred Nzo District Municipality with the assistance of the Department of Local Government and Traditional Affairs has managed to draft its Turn Around Strategy which should further be approved by Council. The Municipal Turn Around Strategy is attached as an annexure to the IDP document.