



ALFRED NZO

DISTRICT MUNICIPALITY



ALFRED NZO DISTRICT MUNICIPALITY INTEGRATED DEVELOPMENT PLAN 2017 – 2022



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The Municipal Systems Act, 2000

“Each municipal council, within a prescribed period after the start of its elected term, must adopt a single, inclusive and strategic Integrated Development Plan...”

Core components of integrated development plans

According to *Section 26* of the *Local Government Municipal Systems Act, 2000*, an integrated development plan must reflect-

- a) the municipal council's vision for the long term development of the municipality with special emphasis on the municipality's most critical development and internal transformation needs;
- b) an assessment of the existing level of development in the municipality, which must include an identification of communities which do not have access to basic municipal services;
- c) the council's development priorities and objectives for its elected term, including its local economic development aims and its internal transformation needs;
- d) the council's development strategies which must be aligned with any national or provincial sectoral plans and planning requirements binding on the municipality in terms of legislation;
- e) a spatial development framework which must include the provision of basic guidelines for a land use management system for the municipality;
- f) the council's operational strategies;
- g) applicable disaster management plans;
- h) a financial plan, which must include a budget projection for at least the next three years; and
- i) the key performance indicators and performance targets determined in terms of section 41.

Alfred Nzo District Municipality strategic Agenda

VISION

Self-sustainable
communities with
equitable access to
basic services

MISSION

To be a responsive and capable institution that
effectively delivers basic services and innovative
development programmes with a strong orientation
to rural development in
partnership with its communities and
other social partners

STRATEGIC GOALS 2017-22

1. Inclusive Growth and Development
2. Basic Services Delivery and Community Empowerment
3. Effective Public Participation, Good Governance and Partnerships
4. A capable and financially viable institution

Foreword from the Executive Mayor



The Constitution urges us all to build local government that has the capacity to:

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

Local government is the sphere of government in which communities have the most direct contact with the government. Our communities must therefore have a say in who leads them, how they are led, and on the type of development that takes place where they live. This exercise of people's power must happen in a respectful, peaceful and democratic manner. We therefore encourage all residents to be active in the affairs of the Alfred Nzo district and join us in building better communities where all people enjoy political freedom, have access to basic services and contribute to uniting the country and its people.

In its previous vision statement ANDM committed itself to strive to become "A self-sustainable municipality that guarantees effective and efficient rural development". This approach was further clarified in our 2016/17 IDP Review which identified priority programmes to confront the challenges that are continuously faced by the people we serve.

Before last year's local government elections we pledged in our Manifesto, that, working with communities we would:

- Build further on achievements made in delivering basic services to the people
- Improve access to municipal services and reduce outsourcing in municipalities
- Further improve public participation and accountability of councillors
- Enhance the capacity of the local state to deliver on its mandate
- Develop and strengthen local economies, create jobs and promote job placements, especially for the youth
- Intensify the fight against fraud and corruption in local government and crimes in communities
- Promote education as the apex priority
- Improve health
- Help communities to adapt to climate change
- Build spatially-integrated communities, and
- Promote nation-building and social cohesion.

2017 presents us with an opportunity to reflect on our performance and challenges, and to identify gaps and develop a new plan for the next five years. As a Constitutional democratic state, we collectively undertake this process together. The new IDP remains a people's plan which places our residents at the centre of development. Local government is in the hands of the people it serves. And it is only through collective effort that will demonstrate our ability to radically transform the socio-economic conditions of the people we serve.

It is my pleasure to present this 2017/22 IDP which sets out how we intend to achieve our Manifesto commitments and our Apex Strategic Priorities for the next five years.

Executive Mayor
Cllr. S Mehlomakhulu

Message from the Municipal Manager



ANDM and its local municipalities use integrated development planning to map out future development in our district. We however continue to face some difficult challenges. Apartheid planning left us with rural towns and villages that:

- Were underdeveloped and largely un-serviced
- Were economically marginalised
- Remained heavily dependent on remittances and welfare grants
- Are able to contribute very little to the ANDM and local municipality fiscuses via rates and service charges
- Are badly planned to cater for the poor, with long travelling distances to work and poor access to business and other services.

The current approach to local government is developmental and aims to overcome the poor planning of the past. It involves the entire municipality and its residents in finding the best solutions to achieve good long-term development.

This Integrated Development Plan (IDP) is a “super-plan” for our district that lays down an overall framework for development. It aims to co-ordinate the work of district, local and other spheres of government in a coherent plan to improve the quality of life for all the people living in Alfred Nzo district:

- It takes into account the existing conditions and problems and resources available for development
- It looks at economic and social development for the area as a whole
- It sets a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected.

As part of its responsibility to produce the IDP, the municipality has drawn in all stakeholders in the area who can impact on and/or benefit from development in the area. The approved IDP will be the basis for all municipal planning and projects. The annual council budget is based on the IDP.

Other government departments working in the area should take the IDP into account when making their own plans.

We are proud to deliver this 2017 - 22 IDP, developed with the community through our public participation process. The participation process helped us to shape and to guide the IDP. This community partnership makes us proud and demonstrates that it is indeed a genuine social compact, a living document that can bring socio-economic change to the people we serve.

This is our plan. Let us make it work for all. Together let us move Alfred Nzo District Municipality forward!

Municipal Manager

Mr Z. Sikhundla

1 Introduction and Background

1.1 Process plan document – how this IDP was drawn up

This IDP was drawn up in terms of an **IDP Process Plan** to ensure the proper management of the planning process. The ANDM IDP/PMS and Budget Process Plan 2017 – 2018 was adopted by Council on the 30th of August 2016.

This plan outlined:

- Structures to manage the planning process
- How the public could participate and structures to ensure this participation
- A time schedule for the planning process
- Who is responsible for what; and
- How the process would be monitored.

At District Council level, a framework was developed in consultation with all our local municipalities. This ensured co-ordination, consultation and alignment between the district council and local municipalities. The framework also guides the development of an IDP process plan for each local municipality.

The process undertaken to produce this IDP consisted of 5 phases:

Phase 1 Analysis

During this phase information was collected on the existing conditions within the municipality. It focused on the types of problems faced by people in the area and the causes of these problems. Identified problems were assessed and prioritised. This phase allowed the municipality to provide:

- An assessment of the existing level of development
- Details on priority issues and problems and their causes
- Information on available resources

Phase 2: Strategies

During this phase, the municipality worked on finding solutions to the problems assessed in phase one.

This entailed:

- **Developing a vision**

The vision is a statement of the ideal situation the municipality would like to achieve in the long term once it has addressed the problems outlined in phase one. The following is an example of a vision statement:

An economically vibrant municipality with citizens living in a secure, healthy and comfortable environment

- **Defining development objectives**

Development objectives are clear statements of what the municipality intends to achieve in the medium term to deal with the problems outlined in phase one.

For example: *Provide access to clean water for all residents living in informal settlements*

- **Development strategies**

Once the municipality worked out where it wanted to go and what we needed to do to get there, we worked out how to get there. Our development strategies are about finding the best way for the municipality to meet its development objectives.

For example: *Co-operate with the Department of Water Affairs to provide one water stand pipe for every 20 households.*

- **Project Identification**

Once we had identified the best methods to achieving our development objectives we went on to the identification of specific projects.

Phase 3: Projects

During this phase the municipality worked on the design and content of projects identified during Phase 2.

Clear details for each project had to be worked out in terms of:

- Who is going to benefit from the project?
- How much is it going to cost?
- How will it be funded?
- How long will it take to complete?
- Who is going to manage the project?

Clear targets were set and indicators worked out to measure performance as well as the impact of individual projects.

Phase 4: Integration

Once all projects had been identified, the municipality checked again that they contributed to meeting the objectives outlined in Phase 2. These projects provide an overall picture of our development plans.

All the development plans now had to be integrated. In addition, the municipality has also drawn up strategies for issues like poverty alleviation and disaster management. These are integrated with the overall IDP.

Phase 5: Approval

The IDP is then presented to the council for consideration, adoption and public comment, before approval of a finalised IDP.

The IDP Review took into consideration the MEC comments that were raised in the 2016/17 IDP. It is also one way of implementing the Council Resolutions. The Council further, made an invitation via the media for members of the public to register their interests to participate as organized interest groups.

Consideration of Mec’s (CoGTA) Comments for IDP Review 2016 /17.

As required in terms of Section 32 (a) of the Municipal Systems Act of 2000, ANDM submitted its adopted IDP as reviewed for 2016/17 to the MEC CoGTA. The District municipality further participated in the IDP Assessment process which was facilitated by the Office of the MEC and subsequently

comments were obtained. In summary the municipal IDP 2015/16 was declared to be credible as it was rated high in accordance with the Department’s rating criteria. The overall assessment scorings are summarized below:

Table 4: MEC Comments

KPA	RATING 2012/13	RATINGS 2013/14	RATINGS 2014 / 15	RATINGS 2015/ 16	RATINGS 2016/17
Spatial Development Framework	High	High	High	High	HIGH
Basic Service Delivery	High	High	High	High	HIGH
Financial Viability	Medium	High	High	Medium	HIGH
Local Economic Development	High	High	High	High	HIGH
Good Governance & Public Participation	High	High	High	Medium	HIGH
Institutional Arrangements	High	Medium	Medium	Medium	MEDIUM
OVERALL RATING	HIGH	HIGH	HIGH	Medium	HIGH

2 National and Provincial Policy Context

Over the last few years there have been key changes in national and provincial policy that have reshaped the strategic environment. There is now a stronger commitment to ensuring harmony and alignment between the three spheres of government. The National Development Plan Vision for 2030, and other key national and provincial strategies are seen as primary mechanisms through which this will be achieved.

This IDP document has been developed on the basis of critical reflection on the following key policy documents.

2.1 National Development Plan (NDP) - Vision For 2030

The National Development Plan (NDP) offers a long-term perspective. It defines a desired destination and identifies the role different sectors of society need to play in reaching that goal.

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

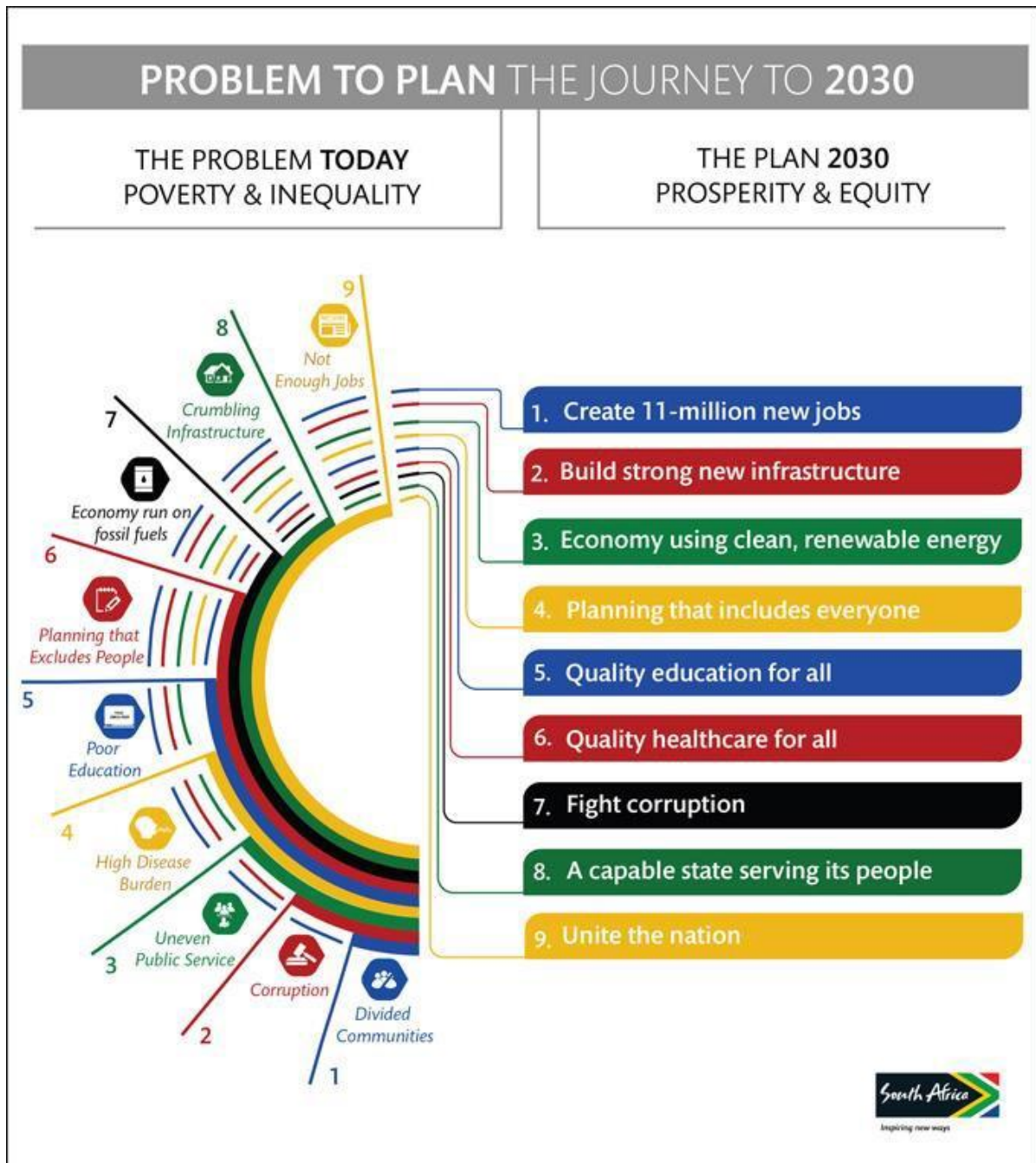
1. Providing overarching goals for what we want to achieve by 2030.
2. Building consensus on the key obstacles to us achieving these goals and what needs to be done to overcome those obstacles.
3. Providing a shared long-term strategic framework within which more detailed planning can take place in order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

The Plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality. The core elements of a decent standard of living identified in the Plan are:

- Housing, water, electricity and sanitation
- Safe and reliable public transport
- Quality education and skills development
- Safety and security
- Quality health care
- Social protection
- Employment
- Recreation and leisure
- Clean environment
- Adequate nutrition

The NDP aims to eliminate poverty and reduce inequality by 2030. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The NDP highlights the increasing levels of urbanisation with approximately 70% of the country’s population expected to live in cities by 2030.



NDP targets by 2030 include the elimination of income poverty (i.e. reduce the proportion of households with a monthly income below R419 per person - in 2009 prices - from 39 percent to zero) and reduce the country’s Gini coefficient from 0.69 to 0.6. In order to do this, a number of enabling milestones are detailed:

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.

- Increase the share of national income of the bottom 40 percent from 6 percent to 10 percent.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in Grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.
- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions that may affect ANDM include the need for a strategy to address poverty through broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes. Investment should be increased in labour-intensive areas.

2.2 National Government's Outcomes - Role of Local Government

National Government has agreed on 12 outcomes which have been expanded into high-level outputs and activities. These in turn form the basis of a series of performance agreements between the President and relevant ministers.

All of the outcomes can to some extent be supported through the work of local government, but Outcome 9 (A responsive, accountable, effective and efficient local government system) is particularly important. ANDM aims to comply with the following 12 outcomes by taking them into consideration in this IDP process:

- Improve the quality of basic education;
- Improve health and life expectancy;
- All people in South Africa protected and feel safe;

- Decent employment through inclusive growth;
- A skilled and capable workforce to support inclusive growth;
- An efficient, competitive and responsive economic infrastructure network;
- Vibrant, equitable and sustainable rural communities and food security;
- Sustainable human settlements and improved quality of household life;
- A responsive, accountable, effective and efficient local government system;
- Protection and enhancement of environmental assets and natural resources;
- A better South Africa, a better and safer Africa and world; and
- A development-orientated public service and inclusive citizenship.

2.3 Medium-Term Strategic Framework (MTSF) 2014-19

The central focus of the 2014-2019 MTSF is on ensuring sustainable and reliable access to basic services, particularly in weaker municipalities which have the highest unmet demand 28 for basic services.

The NDP proposes that by 2030 the proportion of people with access to the electricity grid should rise to at least 90%, with non-grid options available for the remainder of households. Full access to affordable and reliable water and sanitation is envisaged before 2030. Where municipalities lack technical capacity, regional utilities or alternative institutional mechanisms should be used so that basic services are not compromised. Key targets for the MTSF include:

- Increase in the percentage of households with access to a functional water service from 85% in 2013 to 90% by 2019.
- Increase in the percentage of households with access to a functional sanitation service from 84% in 2013 to 90% by 2019, including elimination of bucket sanitation in the formal areas.
- 1.4 million additional households to be connected to the grid between 2014 and 2019, and 105 000 additional non-grid connections.
- Income support to the unemployed through expansion of the Community Work Programme to reach 1 million participants in 2019.
- An increase in the level of public trust and confidence in local government from 51% in 2012 to 65% in 2019, as measured by the IPSOS survey.
- An improvement in overall municipal audit outcomes, with at least 75% of municipalities receiving unqualified audits by 2019.

Some of the targets that should be realised by 2030 are summarised below:

Infrastructure development
South Africa's infrastructure is seeing a major boost with the upgrading of major roads and the building of power stations
Dams are receiving priority from government, while rail infrastructure has not been left behind, with the Gautrain linking OR Tambo International Airport with the two major cities in Gauteng (Johannesburg and Pretoria).
The Passenger Rail Agency of South Africa is also introducing a new fleet of trains. About 3 600 trains, valued at R51 billion are expected to be delivered over a 10-year period from 2015.

Job creation
The NDP suggests the creation of 11 million jobs, increased infrastructure development, using mineral resources to benefit everyone while at the same time making sure that such resources can be used in the long-term.
Improving education and training
For South Africa to realise Vision 2030, education should take a central role. A lot of work has been done in ensuring that access to education is improved and more still needs to be done.
The NDP sets out what should be done in the next years to ensure that the country achieves its goals. Among others, there should be an increase in teacher training output by expanding the bursary scheme "Funza Lushaka", which means to educate the nation, to attract learners into teaching, especially those with good passes in maths, science and languages.
Teachers should also be regularly tested in the subjects they teach to determine their level of knowledge and competence, while teacher pay should be linked to learner performance improvements.
Quality health care
At the centre of achieving all the plans of a thriving nation is a healthy nation. The NDP sets out what should be done to ensure quality health care for all South Africans. Coverage of anti-retroviral treatment to all HIV-positive people should be increased.
Community specialists should be trained in medicine, surgery including anaesthetics, obstetrics, paediatrics and psychiatry, while between 700 000 and 1,3 million community health workers should be recruited, trained and deployed to implement community-based health care.
Working together
The NDP is a plan for the whole country. Government will engage with all sectors to understand how they are contributing to implementation, and particularly to identify any obstacles to them fulfilling their role effectively.
The NDP sets out ambitious goals for poverty reduction, economic growth, economic transformation and job creation. The private sector has a major role to play in achieving these objectives.
Long-term planning and investment in the future is just as important for the private as the public sector. Government is clearly stating its commitment to the NDP, and it is important that the private sector does the same.
Where the private sector faces obstacles, sectoral dialogues will take place to identify how these obstacles can be addressed within the parameters laid out by the NDP.

Citizen participation in local government processes will continue to be promoted. Cooperative governance arrangements will be strengthened to better support and empower municipalities. A long-term approach will be taken to skills development and capacity building for the local government sector. Institutional problems will be addressed to improve the quality of municipal administrative and management practices including human resources

and recruitment practices, supply chain and financial management, and anticorruption initiatives

2.4 Back to Basics Local Government Programme

Our National Development Plan makes it clear that meeting our transformation agenda requires functional municipalities and a capable machinery at a local level that can create safe and healthy and economically sustainable areas where citizens and people can work, live and socialise. Our goal is to improve the functioning of municipalities to better serve communities by getting the basics right. The Department of Cooperative Governance is tasked to build and strengthen the capability and accountability of municipalities.

Building blocks for the Back-to-Basics approach are:

Basic services: Creating decent living conditions

Municipalities must:

Develop fundable consolidated infrastructure plans. They should ensure infrastructure maintenance and repairs to reduce losses with respect to:

- Water and sanitation.
- Human Settlements.
- Electricity.
- Waste Management.
- Roads.
- Public Transportation.
- Ensure the provision of Free Basic Services and the maintenance of Indigent register.

Good governance

Good governance is at the heart of the effective functioning of municipalities. Municipalities will be constantly monitored and evaluated on their ability to carry out the following basics:

- The holding of Council meetings as legislated.
- The functionality of oversight structures, S79 committees, audit committees and District IGR Forums.
- Whether or not there has been progress following interventions over the last 3 – 5 years.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

Public participation

Measures will be taken to ensure that municipalities engage with their communities.

Municipalities must develop affordable and efficient communication systems to communicate regularly with communities and disseminate urgent information. The basic measures to be monitored include:

- The existence of the required number of functional Ward committees.
- The number of effective public participation programmes conducted by Councils.
- The regularity of community satisfaction surveys carried out.

Financial management

Sound financial management is integral to the success of local government. Performance against the following basic indicators will be constantly assessed:

- The number of disclaimers in the last three to five years.
- Whether the budgets are realistic and based on cash available.
- The percentage revenue collected.
- The extent to which debt is serviced.
- The efficiency and functionality of supply chain management.

Institutional capacity

There has to be a focus on building strong municipal administrative systems and processes. It includes ensuring that administrative positions are filled with competent and committed people whose performance is closely monitored. Targeted and measurable training and capacity building will be provided for councillors and municipal officials so that they are able to deal with the challenges of local governance as well as ensuring that scarce skills are addressed through bursary and training programmes. The basic requirements to be monitored include:

- Ensuring that the top six posts (Municipal Manager, Finance, Infrastructure Corporate Services, Community development and Development Planning) are filled by competent and qualified persons.
- That the municipal organograms are realistic, underpinned by a service delivery model and affordable.
- That there are implementable human resources development and management programmes.
- There are sustained platforms to engage organised labour to minimise disputes and disruptions.
- Importance of establishing resilient systems such as billing.

2.5 The Eastern Cape Provincial Development Plan

Based on the National Development Plan (NDP), the Provincial Development Plan (PDP) seeks to outline a development path for the province. Vision 2030 sets the development agenda and priorities for the next 15 years (2015-2030), building on the Provincial Growth and Development Plan (PGDP) of 2004-2014. The plan proposes key programmes and projects for implementation up to 2030 and suggests arrangements for implementation of the plan, tracking and accountability.

The diagnostic phase centred on the nine key challenges identified by the National Planning Commission's *Diagnostic Report*. Many of these challenges reflect the multi-generational underdevelopment and alienation that is both a legacy of our colonial / apartheid past and a neo-colonial present that focuses on the comforts of a few rather than a concern for the well-being of the many. At the root of South Africa's and the province's developmental struggle is the structural legacy of under-development and deprivation inherited from colonialism and apartheid - the dispossession of land and property, the disruption of families and social institutions, the undermining of opportunities for the majority of the population, the disruption of organic intellectualism and self-determination, and a systematic destruction of self-worth that is replicated across generations for the majority of citizens.

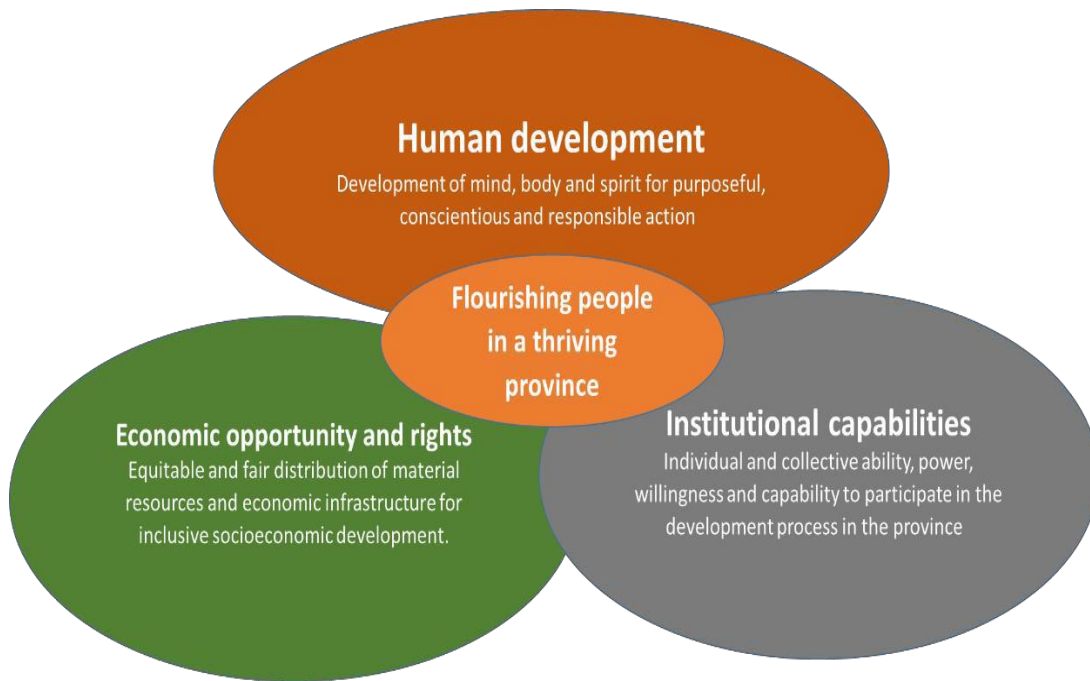
The key challenges highlighted in the NDP and the PDP are:

- Too few people work.
- The standard of education for most black learners is poor.
- Infrastructure is poorly located, under-maintained and insufficient for fostering higher growth and spatial transformation.
- Spatial patterns exclude the poor from the fruits of development.
- The economy is overly and unsustainably resource intensive.
- A widespread disease burden is compounded by a failing public health system.
- Public services are uneven and often of poor quality.
- Corruption is widespread.
- South Africa remains a divided society.

Unemployment in the former Bantustan areas is much higher than the rest of the province. A basic services index, constructed using Census 2011 data, provides scores for RDP level access to water and sanitation, as well as the use of electricity for lighting. The areas that make up the OR Tambo and Alfred Nzo districts show very low access in the majority of wards. The NDP characterises these areas of deprivation as "poverty traps" to be eliminated by 2050.

PDP Vision and conceptual framework

The 2030 vision for the Eastern Cape is of "flourishing people in a thriving province". This vision will be achieved by development in each of three areas of focus, namely: (i) *human development*, (ii) *economic opportunity and rights* and (iii) *institutional capabilities*. The PDP seeks to achieve "human flourishing and a thriving province" through strengthening the positive interactions between human, economic and institutional development. The framework is illustrated below.

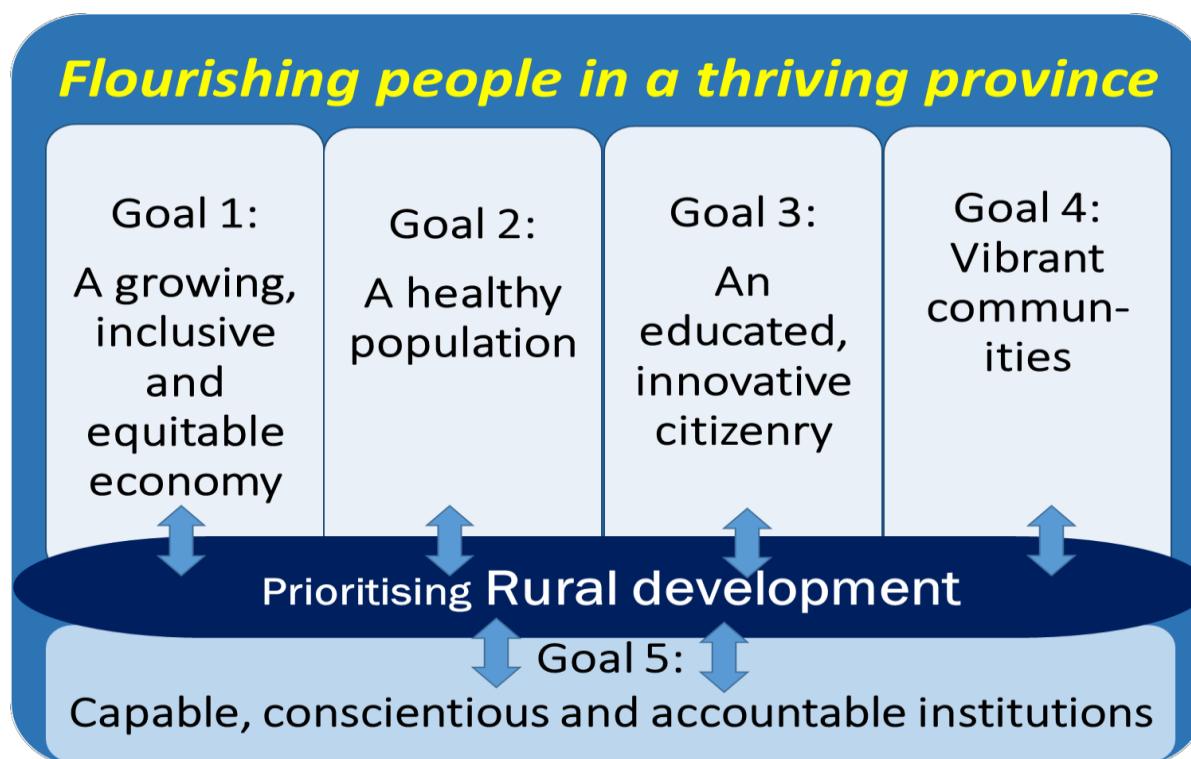


Principles and assumptions of the PDP

The provincial plan starts from the premise that key structural features hobble the provincial economy and social progress. The plan therefore strives for social and economic justice. It places particular emphasis on transforming the apartheid spatial geography. The plan promotes cultural development, inclusion and respect for diversity. It further encourages citizen participation and co-responsibility for development. It promotes ethical, integrated multi-agent action predicated on relative strengths of institutional partners. This is not a plan for government alone, but for the entire province. Accountability is one of the most important principles of the plan – and must be the basis for renewed social partnerships. The plan and its proposals should be based on objective evidence and critical deliberation.

Vision 2030 is a strategic plan for the province rather than a detailed master plan. The plan outlines strategic departures from current practice and identifies “game-changers” to set the province on a necessarily different development path. However, the plan also argues for continuation and strengthening of current practice in some areas. The focus of the plan is on issues of implementation and execution. Hence it proposes new instruments to be designed, where budgets must be aligned and institutional capabilities re-modelled to implement the plan. Vision 2030 has put more emphasis on planning among strategic partners (government structures, enterprises, communities, civil society organisations etc.) and locating agency for implementation outside of the state. The plan proposes spatially targeted interventions.

To set the Eastern Cape on a new development trajectory, the plan is organised around five goals:



Goal 1: A growing, inclusive and equitable economy

This goal emphasises a larger and more efficient provincial economy, more employment, and reduced inequalities of income and wealth. This proposals deal with: rural development; economic infrastructure; land reform; industry and enterprise support; and economic sector development. Proposals for priorities and interventions are district-specific.

Goal 2: A healthy population

This goal targets a healthy population through an improved healthcare system. The system should move from being hospital-centric to focusing on a primary care system that is integrated across primary, secondary, and tertiary levels. The proposals deal with: primary health care and strengthening of district health systems; improvement of leadership across the sector; infrastructure and facility improvement; health workforce planning and the social determinants of health.

Goal 3: An educated, innovative citizenry

This goal seeks to ensure that people are empowered to define their identity, are capable of sustaining their livelihoods, living healthy lives and raising healthy families, developing a just society and economy, and playing an effective role in the politics and governance of their communities. The proposals deal with: access to and quality of early childhood development; basic education and training, including foundation phase literacy and numeracy, mother-tongue education, teacher development, improved leadership, management and governance and infrastructure. For the post school education and training sector, it addresses adult education and training, community colleges, technical and vocational education training, universities as well as research and innovation.

Goal 4: Vibrant communities

This goal seeks to generate a shift from a focus on state-driven housing delivery to one that that enables people to make own decisions, build their own liveable places and transform

spatial patterns. The proposals deal with transformed human settlements, spatial planning and land use management, regional development, social infrastructure and community safety.

Goal 5: Capable, conscientious and accountable institutions

This goal seeks to build capable, resilient and accountable institutions to champion rapid inclusive development. The proposals deal with the creation of capable provincial and local government; leadership renewal across society; citizen-centred development and multi-agency partnerships.

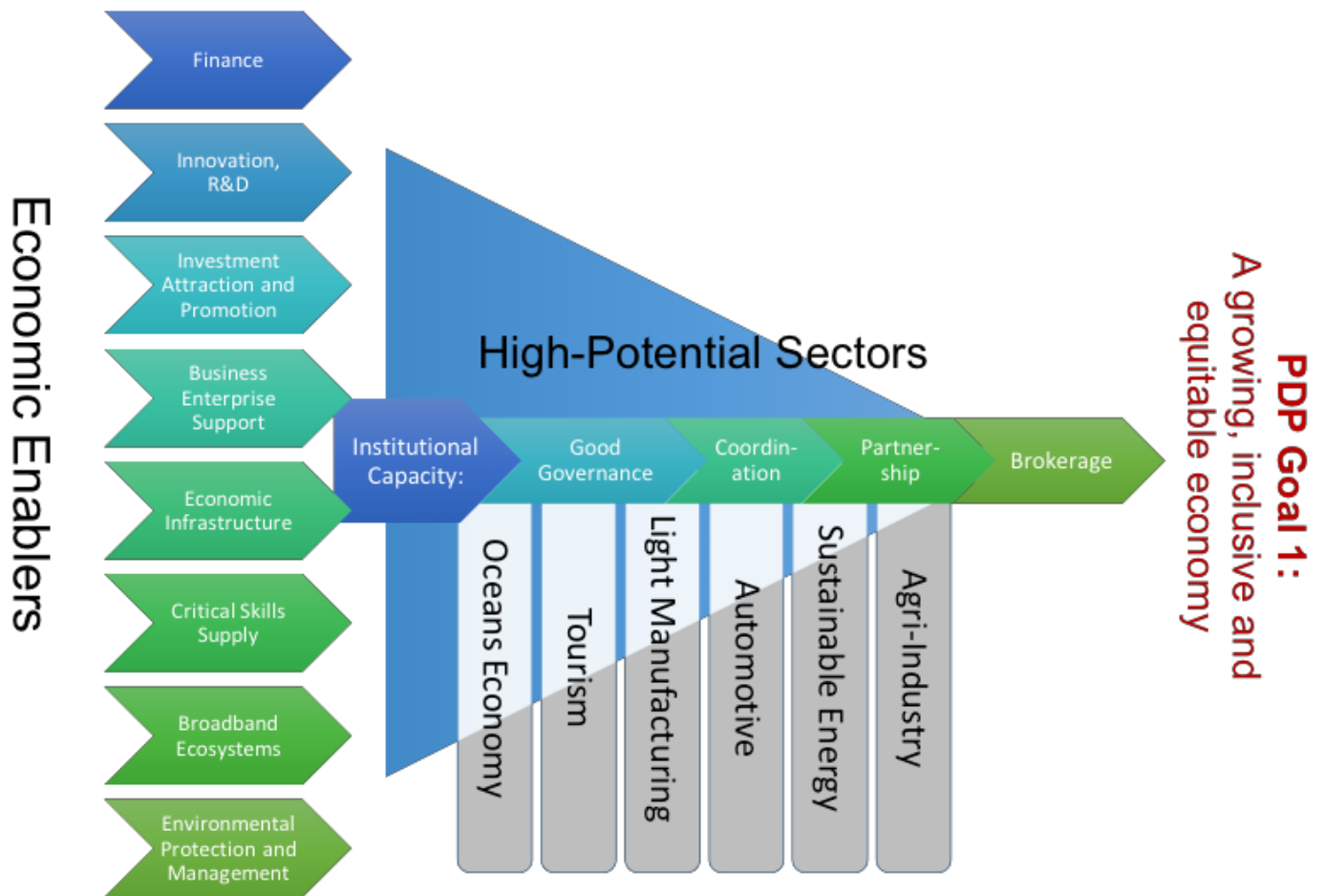
Achievement of the vision is impossible without concurrent, systemic and continuous interaction between an inclusive and equitable economy, a healthy population, an educated, innovative citizenry, vibrant communities and capable, conscientious and accountable institutions. There are complex interrelations between the goals, as well as the objectives and strategic actions proposed in this plan.

Prioritising rural development

Given that over 70% of the population is rural, the fortunes of the province are inherently bound up with the future of its rural areas. While urbanisation is an undeniable trend, we estimate that the majority of the population will still be outside of the metropolitan areas in 2030. The Eastern Cape is set to remain a rural province for the foreseeable future and this situation demands appropriate development and support measures. Therefore rural development is a key priority and has been integrated into all the goal areas.

2.6 Eastern Cape Provincial Economic Development Strategy (PEDS) Strategic Framework

The diagram below synthesises neatly the framework for the strategy. The Economic Goal and Objectives of the PEDS is built upon the growth pillars of six ‘high-potential sectors’ and eight ‘economic enablers’. All of these hinge critically upon institutional capacity – this is elaborated on below in “making the strategy work.”



2.7 Eastern Cape Infrastructure Plan 2030 (ECIP)

The overall purpose of the **Eastern Cape Infrastructure Plan (ECIP)** is to articulate the infrastructure priorities for the province between 2016 and 2030 and outline key programmes and interventions.

In addition to this the ECIP:

- Supports the realisation of the Eastern Cape development priorities that are in the National Development Plan and the Eastern Cape Development Plan
- Complements the National Infrastructure Plan (2012) in the Eastern Cape
- Aims to derive more value from the large public expenditures on infrastructure assets through improved infrastructure planning and infrastructure delivery management.

Major infrastructure challenges in the province include:

- Spatial inequalities of infrastructure provision inherited from our colonial and apartheid history.
- Social infrastructure backlogs still persist especially in the eastern part of the Eastern Cape

- Disconnect between the economic development strategy of the Eastern Cape and the infrastructure programme
- Absence of central planning of infrastructure in the EC to ensure integrated planning, rational project prioritization
- Premature announcement of infrastructure projects before completion of feasibility studies and resource allocations.
- Under expenditure of major grants and CAPEX allocations
- Capacity, skills and system required are inadequate.

The ECIP has four goals:

1. Infrastructure investment must respond to **spatial** aspects of future infrastructure demand and undo apartheid geography
2. Accelerate eradication of **social** infrastructure backlogs
3. Ensure effective infrastructural support for **economic** development
4. Improve infrastructure planning, delivery, operations and maintenance.

The goals are to be achieved through the implementation of **Eleven Provincial Strategic Projects (PSPs)**:

1. Strategic catalytic projects;
2. Small Town Development;
3. Urban Settlements Infrastructure
4. Water & Sanitation
5. Energy and Electricity;
6. Agro-logistics;
7. Education Infrastructure
8. Health Infrastructure;
9. Transport infrastructure;
10. ICT Infrastructure; and
11. Enabling interventions.

An implementation matrix has been developed that identifies lead agents; strategic risks; proposed interventions for the period 2016-2021; and immediate action required.

The ECIP contains a summary of priorities per district. For Alfred Nzo district these are:

- Household electrification
- Completion of five regional bulk water schemes
- Reticulation infrastructure for Ludeke Dam
- Infrastructure for Mbizana peri-urban area
- Small-scale irrigation schemes
- Matatiele Agri-park

2.8 Eastern Cape Agriculture Economic Transformation Strategy

Between 95% and 99% of agricultural output in the Eastern Cape is produced by commercial farmers. Commercial farmers have however declined in numbers both nationally and provincially (SA: 60 000 to 37 000, EC: 6 000 to 4 000). Only about one to five per cent of agricultural output now comes from smallholder farmers whose practices are deeply rooted in former homeland subsistence farming practices.

The Eastern Cape has the smallest commercial agricultural sector. The document argues that the strength of EC agriculture lies in the untapped potential of the smallholder and communal sector. The challenge is to make smallholder and communal farmers commercially viable and derive real economic value from their land.

The strategy documents suggests treating agriculture as a business and enabling the private sector to intervene and invest alongside government. Smallholder/communal farmers should be developed into agro-entrepreneurs who partner with businesses that are willing to invest for reasons beyond short-term profit. Partnerships will focus on expansion, market access, creating more value through appropriate funding, technology development, skills development, innovation and job creation.

The point is to stimulate both public and private procurement directly from primary producers. Government should put in place appropriate policies and regulations to strengthen these partnerships and drive investment in infrastructure. The goal is to increase agriculture's contribution to GDP by at least 2% and create 10 000 (direct and indirect) job opportunities annually.

Critical success factors include:

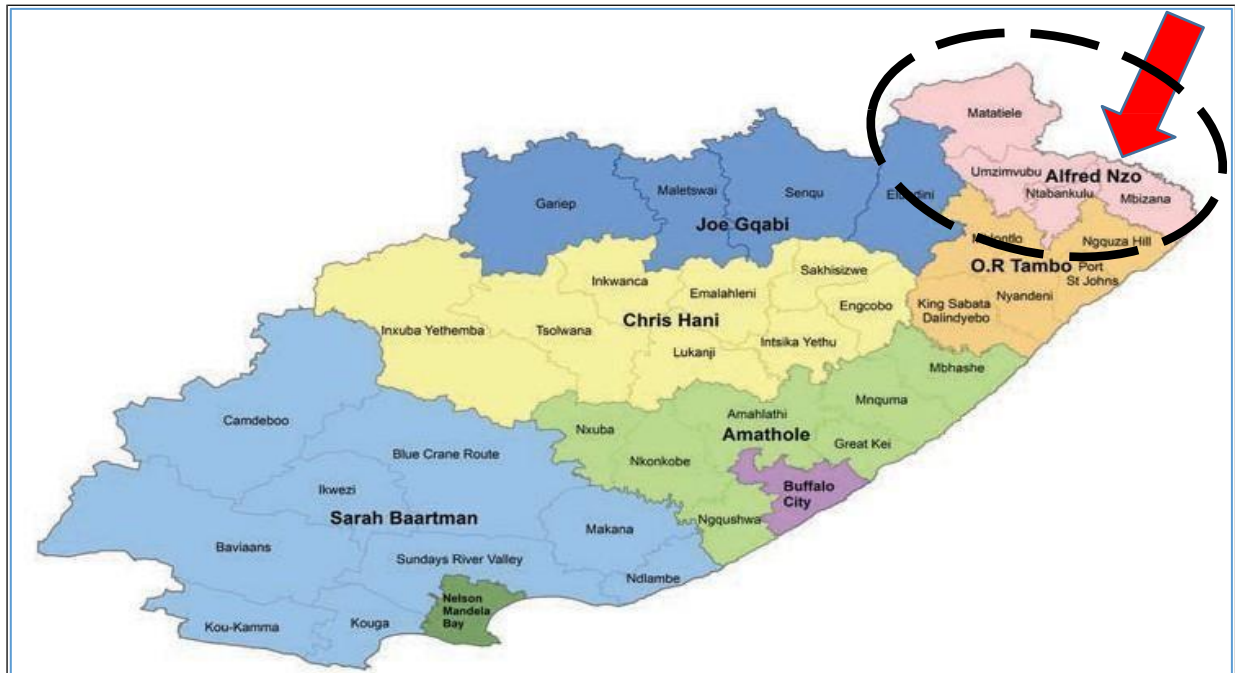
- The expansion of production
- Market access and off-take agreements
- Training and development of farmers
- Value addition and local beneficiation
- Increased employment, especially for unemployed graduates
- Increased farm income
- Increased opportunity and business for SMMEs
- Increased total investment into industry
- Increased transformation within the industry.

The transformation model:



3 District Situational Review

3.1 Socio-economic Overview



Source: ECSECC, 2016

3.1.1 General Overview of Alfred Nzo District Municipality

Alfred Nzo District Municipality was historically part of the Transkei homelands. As such the district is characterized by high levels of poverty, based on both income inequality and low level of development. In response to this deprivation, the Alfred Nzo District was one of the presidential poverty nodes identified in the Integrated Sustainable Rural Development Programme (ISRDP), and has been a subject of different forms economic intervention through time.

The district is largely rural in nature, with village settlements defined by the district’s geographical footprint through mountain ranges and river systems. Agriculture and tourism make up core components of the local economy. Matatiele municipality is close to the Lesotho/South Africa national border and has two urban nodes – the towns of Matatiele and Cedarville. Matatiele acts as a service node to the agrarian based economy of the area, while Cedarville serves as a secondary service centre. Umzimvubu municipality hosts the district’s administrative capital in Mt Ayliff and the district’s largest economic node in Mt Frere. The N2 traverses the course of the Umzimvubu municipality, and can be seen as its most prominent defining trait.

Ntabankulu municipality has small urban settlements at Ntabankulu town and Cacadu. Ntabankulu has a strong rural presence and is geographically defined by several mountain ranges. Mbizana municipality is the district’s gateway to the Wild Coast and has a medium sized town at Bizana. The district has a very mountainous terrain. The land form of the district is generally rugged, with parts of it characterized by steep slopes and high elevations.

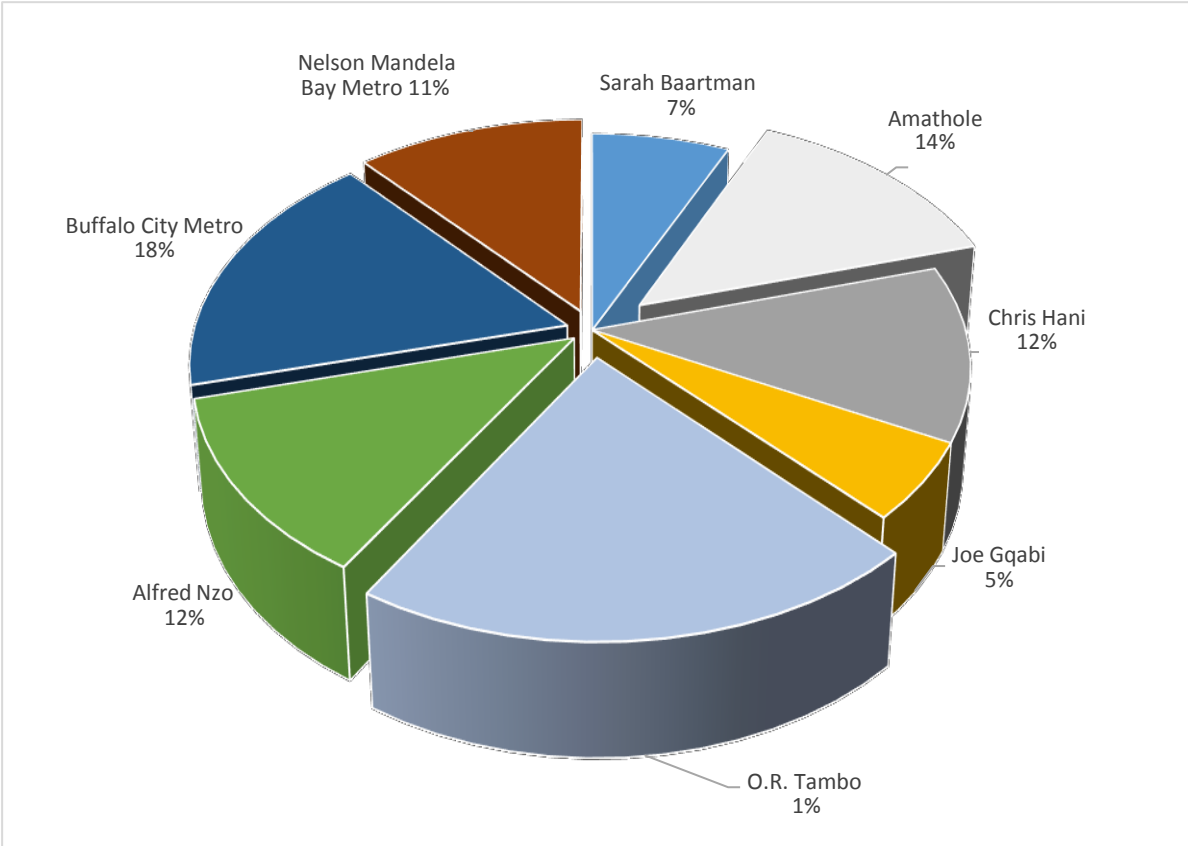
The topography has implications on the district's natural, social and economic environment. The district is characterized by a high level of biodiversity, and natural resources include river systems, indigenous forests and rich soils. Socially, settlement patterns are determined by the courses of rivers, valleys and hills. The interaction between people and nature also means that the terrain either exacerbates or ameliorates human impacts on the environment.

Economically, a mountainous terrain provides opportunities and challenges not found in other areas. Opportunities include potential for scenic tourism and forestry activity. Challenges include high costs of doing business, given the implications of mountains and hills for the provision of infrastructure such as roads, electricity and telecommunications.

3.1.2 Demographic Patterns of Alfred Nzo District

Demographics	2011		2016	
Alfred Nzo	Number	Percent	Number	Percent
Population	801,344	100.0	867,864	100.0
Black African	794,382	99.1	862,589	99.4
Coloured	3,307	0.4	3,647	0.4
Indian or Asian	1,132	0.1	598	0.1
White	1,898	0.2	1,030	0.1
Population by home language				
Afrikaans	6,716	0.8	1,757	0.2
English	18,090	2.3	3,427	0.4
IsiXhosa	673,519	84.6	752,214	88.8
IsiZulu	9,954	1.2	5,631	0.7
Sesotho	69,811	8.8	81,265	9.6
Other	18,237	2.3	2,507	0.3
Number of households	187,183		195,975	
Households size	4.3		4.4	
Gender				
Male	366,488	45.7	397,206	45.8
Female	434,857	54.3	470,658	54.2
Population by age				
0 - 14	327,704	40.9	345,624	39.8
15 - 34	264,442	33.0	340,753	39.3
35 - 64	159,685	19.9	113,039	13.0
65 +	49,514	6.2	68,448	7.9

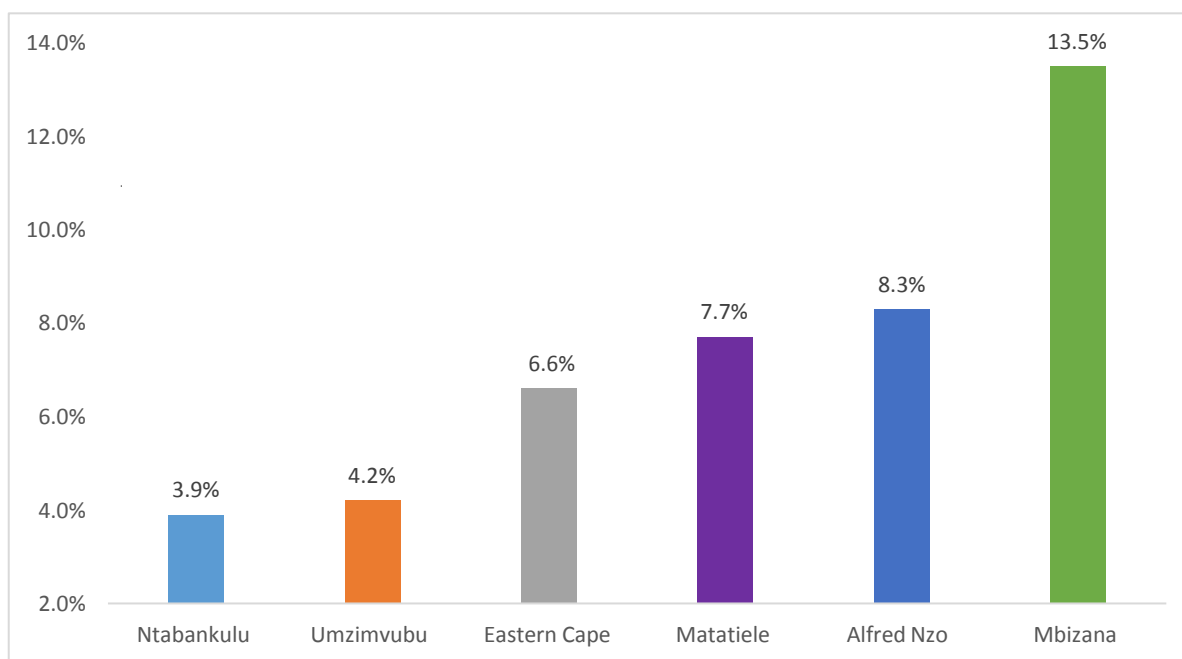
Source: Statistics South Africa (2011 Census and 2016 Community Survey) Table 1.1



Distribution of the Eastern Cape population: 2016

Source: Statistics South Africa, 2016 **Figure 1.1**

Between 2011 and 2016, the population in Mbizana grew by 13.5% and that of Alfred Nzo by 8.3%



Source: Statistics South Africa, 2016 **Figure 1.2**

Alfred Nzo Demographic results from the 2016 Community Survey:

The population dynamics of a district is of paramount importance in addressing developmental needs in society. The population growth, ageing population, migration and urbanisation present both important developmental challenges and opportunities that have direct and indirect implications for social, economic and environmental development. These dynamics in the population structure affect macro-economic factors such as consumption, production, employment, income distribution and poverty. The changes in the population structure influence universal access to social services such as health, education, sanitation, water, food and energy.

Proper planning for population dynamics will therefore ensure that the wellbeing of both the current and the future generation is promoted with the motive of advancing sustainable development. In analyzing the population dynamics it is essential to look at factors such as urbanisation, migration, fertility, mortality, life expectancy as well as the age structure of the population. These factors will give an indication with regard to the estimated number of people who are dependent on government for transfers as well as the number of people who are economically active. These factors also play an essential role in the efficient allocation of resources at all spheres of government.

The data used in this section is from the 2016 Community Survey published by Statistics South Africa. The analysis and results of this section could be used by Alfred Nzo and its local municipalities for promoting optimal resource allocation in order to reduce poverty and vulnerability among marginalized people in municipality.

The total population in Alfred Nzo district municipality has increased by 8.3% from 801 344 people in 2011 to 867 864 people in 2016

	2011 Census			2016 Community Survey		
	Male	Female	Total	Male	Female	Total
Alfred Nzo	366,488	434,857	801,344	397,206	470,658	867,864
Matatiele	93,675	110,168	203,843	100,288	119,159	219,447
Umzimvubu	87,946	103,674	191,620	92,129	107,491	199,620
Mbizana	128,332	153,573	281,905	145,821	174,127	319,948
Ntabankulu	56,534	67,442	123,976	58,968	69,880	128,848
Eastern Cape	3,089,699	3,472,353	6,562,051	3,327,495	3,669,481	6,996,976

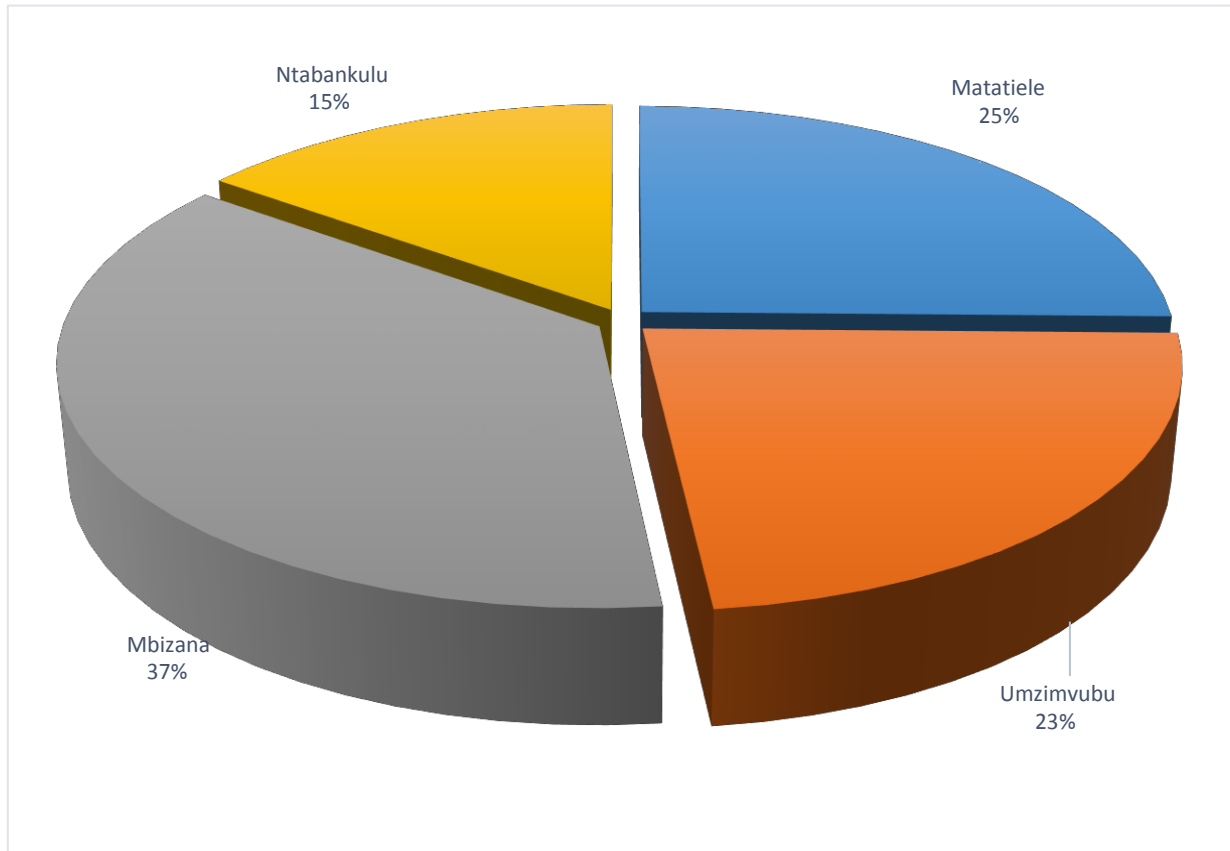
Source: Statistics South Africa (2011 Census and 2016 Community Survey) **Table 1.2**

The findings from the 2016 community survey are critical for decision- making not only in the public sector but also in the private sector. Population size and characteristics can influence the location of businesses and services to satisfy the needs of the target population.

The following lessons are derived from the demographics of Alfred Nzo district municipality:

- According to Statistics South Africa, Alfred Nzo total population has grown from 801 344 people in 2011 to 867 864 people in 2016 (See Table 1.1). This population of 867 864 people represent 12% of the Eastern Cape total population (See Figure 1.1).
- Between 2011 and 2016, Alfred Nzo district municipality grew by 8.3% (See Figure 1.1).
- In 2016, the district has more female (470 658) than male (397 206), however male population has grown faster at 8.4% than their female counterpart at 8.2%.
- Between 2011 and 2016, the population growth was high in Mbizana at 13.5% and low in Ntabankulu at 3.9%. In Umzimvubu and Ntabankulu, the female population grew by 3.6%.

How the population of Alfred Nzo is distributed among the local municipalities (2016 Community Survey)



Source: Statistics South Africa, 2016 Community Survey **Figure 1.3**

Overall, demographic development outcomes influences other population variables such as migration, settlement, fertility, mortality and morbidity rates. It gives insight into the living standards of the population and an indication of what policy options should be undertaken according to the structure of the socio-economic context.

Comparing 2011 population with that of 2016, with the exception of Matatiele, male population has grown faster than their female counterpart (Table 1.3)

Growth rate by Gender

Growth rate					
Male	8.4	7.1	4.8	13.6	4.3
Female	8.2	8.2	3.7	13.4	3.6
Total	8.3	7.7	127.0	13.5	3.9

Source: Statistics South Africa (2011 Census and 2016 Community Survey) **Table 1.3**

Sustainable development represents a commitment to advance people’s well-being. It hinges on two factors: consumption and population growth. High fertility rates (which lead to high population growth) burden the economy in terms of consumption. Further to this, the number of children women bear in their lifetime has a significant impact on the level of economic and social development that

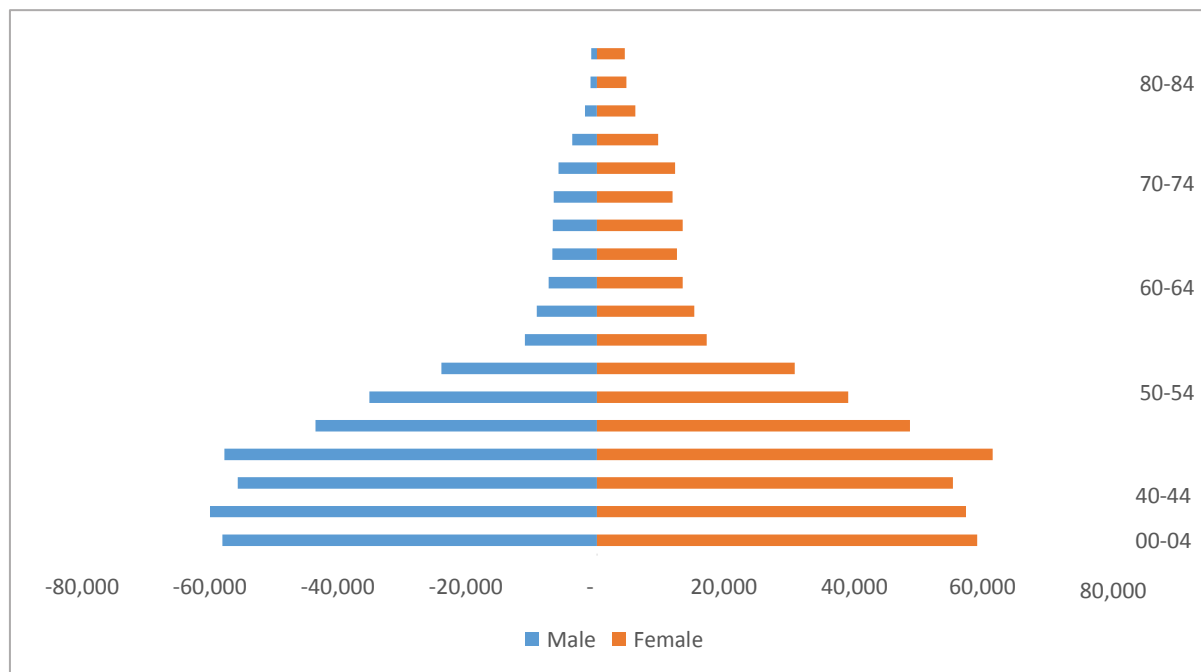
they can achieve. Generally, in rural district like such as Alfred Nzo, a woman who has a child or several children is bound to remain in the home to take care of them, which reduces her chances of seeking work or education outside of the home. This results in fewer opportunities for personal development on her part, and therefore perpetuates a cycle of poverty. The fertility rate can therefore be considered to be an indicator of the general health status of a population, and a specific indicator of maternal health, as it encompasses health initiatives such as family planning

Age pyramid of Alfred Nzo District Municipality

The age pyramid of Alfred Nzo district municipality is a combination of both a **“Triangular-Shaped Pyramid”** at the bottom of the pyramid and a **“Rectangular-Shaped Pyramid”** in the middle of the pyramid.

In general, a population with more young people, will grow more rapidly than a population with a larger percentage of older. This is the case for Alfred Nzo, a district populated largely with very young people.

Age pyramid of Alfred Nzo District: 2016



Source: Statistics South Africa, 2016 Community Survey **Figure 1.4**

Figure 1.4 shows a triangular-shaped pyramid from the age of zero to the age of 34, a rapid transition from infant to child and from youth to young adult. Thereafter, the age pyramid shifts to a rectangular-shaped from the age of 35 to the age of 70. It changes again to a triangular- shaped at the age Of 70 and beyond.

It is important for Alfred Nzo district municipality to monitor population data, as a rapidly growing population may need to be followed by faster investment in household, health and other essential infrastructure to ensure that a favourable socio-economic environment is maintained. In addition, investigating the dynamics of a population is vital in attaining the precise viewpoint of those who are likely to be affected by any prospective policy, project or development.

From demographic dividend to demographic gift: Is this the case for Alfred Nzo?

Over time, the age structure of the district's population may change as the population transitions from high to lower fertility and mortality rates. Demographic changes that a society experiences may lead to a window of opportunity or higher economic growth, with a greater supply of labour and lower dependency ratios as the working age population rises in proportion to the number of young and elderly people

“Demographic dividend” occurs when the proportion of working people in the total population is high because this indicates that more people have the potential to be productive and contribute to growth of the economy (Look at Figure 1.4 with a combination of a triangular- shaped pyramid and a rectangular-shaped pyramid).

Advanced countries of Europe, Japan and USA have an ageing population because of low birth rates and low mortality rates. Neither the least developed countries nor the countries of Africa have as yet experienced favorable demographic conditions according to the research by UN population division. China’s one child policy has reversed the demographic dividend it enjoyed since the mid-1960s according to a World Bank global development report.

In Alfred Nzo, we see with both increasing numbers of young people and declining fertility has the potential to reap a demographic dividend. Due to the dividend between young and old, many argue that there is a great potential for economic gains, which has been termed the **“demographic gift”**. In order for economic growth to occur the younger population must have access to quality education, adequate nutrition and health including access to sexual and reproductive health.

Population age structure

The districts age profile is presented here shows a large juvenile population, with almost 40% of residents being below the age of 15. When read together with the over 65 population, it can be seen that the district potentially has a high dependency ratio. Dependency in this case refers to the proportion of the population that is not able to work, and thus economically dependent on others for its survival. The mid-life cohort of ages 35-64 can be said to be underrepresented as it constitutes fewer than one in every five people. The implication of this is found in a shortage of experienced workforce members that make significant contributions to economic productivity, output and production. It is also in these cohorts that positive and high returns to scale on social and human capital investments such as education and health are felt.

The population age structure of an area impacts on development in determining the demand and supply for goods and services. People of difference age groups have different type of needs.

For example in Table 1.4, a high proportion of children (0 – 14 years) in Alfred Nzo District Municipality (39.8%) and (39.3%) for the youth aged

15 to 34 years of age would influence development on education and health services. The size of the working age population has important consideration in analyzing the size of the potential labour force. It is evident from the statistics that urban areas had a higher proportion of working age persons to the total population than rural areas.

About 80% of population in Alfred Nzo is young below the age of 35

	0 -14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	345,625	340,753	131,488	49,997	867,864
Matatiele	82,180	86,031	37,044	14,192	219,447
Umzimvubu	73,104	80,467	33,337	12,713	199,620
Mbizana	138,257	123,567	42,669	15,455	319,948
Ntabankulu	52,083	50,689	18,441	7,636	128,848

	0 to 14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	39.8	39.3	15.2	5.8	100
Matatiele	37.4	39.2	16.9	6.5	100
Umzimvubu	36.6	40.3	16.7	6.4	100
Mbizana	43.2	38.6	13.3	4.8	100
Ntabankulu	40.4	39.3	14.3	5.9	100

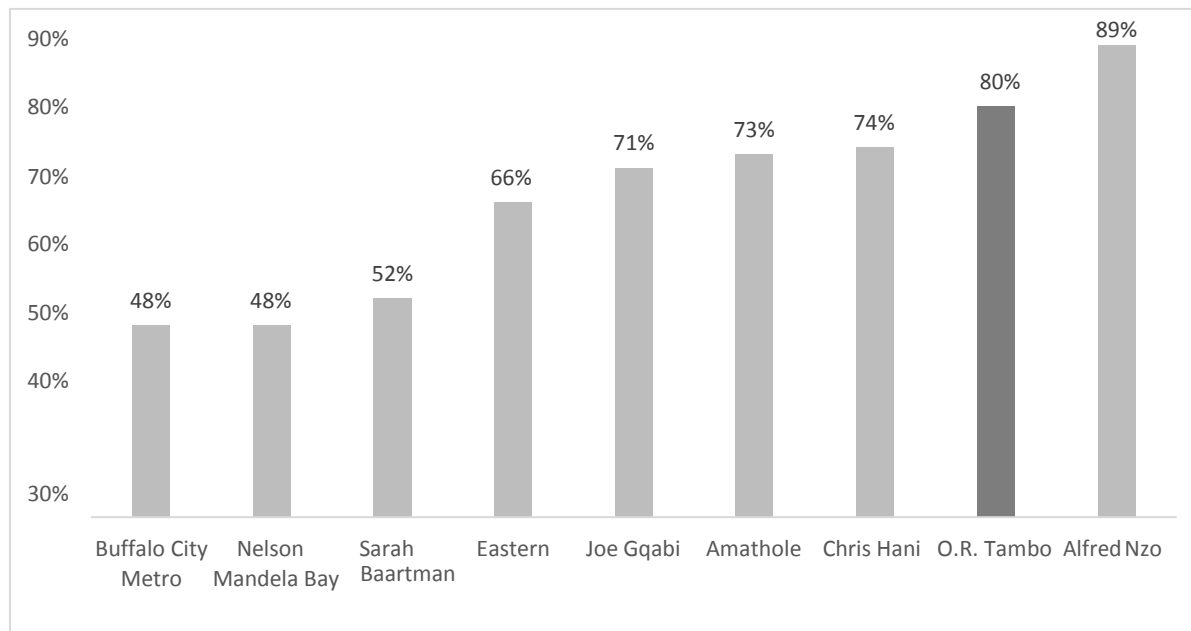
Source: Statistics South Africa, 2016 Community Survey **Table 1.4**

The demographic analysis of Alfred Nzo reveals that the population is young, with about 80% of the total population being below the age of 35 (See Table 1.4). This implies that expenditure on social infrastructure such as schools, health care facilities and recreational centers are crucial. However, evidence from both the age pyramid (Figure 1.4) and the structure of the population (Table 1.4) reveals that elderly people in Alfred Nzo are very few. Adults aged between 35 and 64, who are mature people responsible to bring food on the table, only account for 15% of the population. This implies that the dependency ratio in the district is high.

Dependency Ratio

What is Dependency ratio and what importance it has in demographic analysis? The dependency ratio measures the ratio of the non-working age population (i.e. people between the ages of 0 and 14 years old, and those older than 65 years) to the working age population (15–64 years). The higher the ratio, the more pressure there is upon the working age population to provide for the non-working age individuals.

Dependency ratios of Districts and Metros in the Eastern Cape



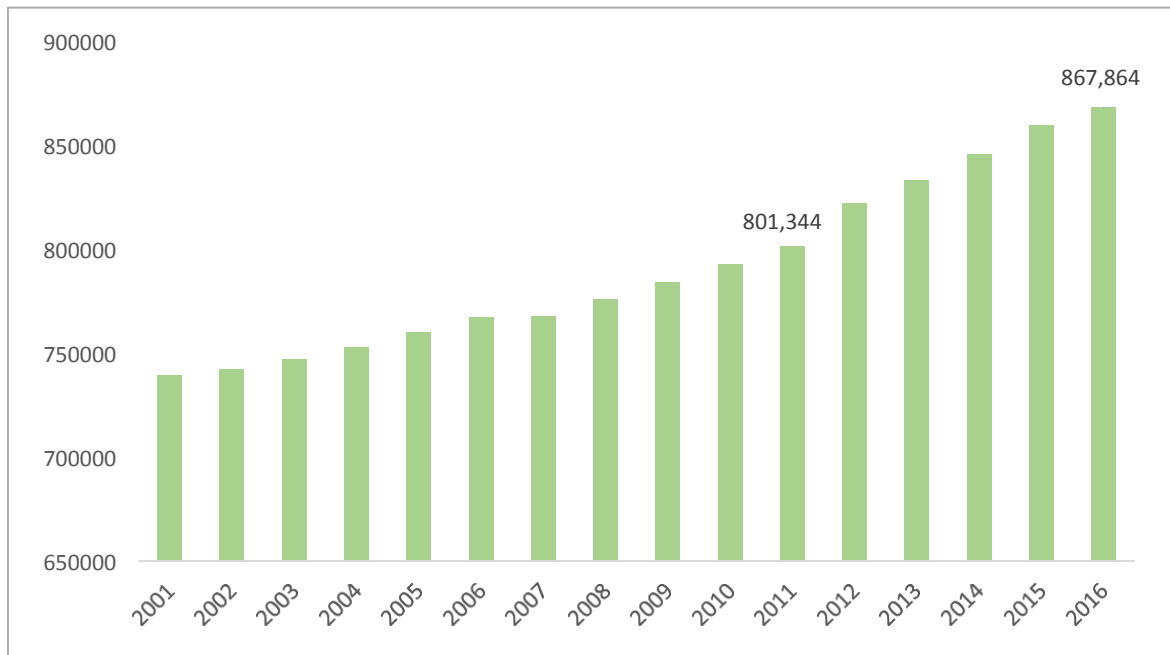
Source: Own Calculations based on Community Survey 2016 Figure 1.5

Results in 1.5 reveal that the higher dependency ratios are associated with rural districts and districts with limited economic activity. The opposite is also shown with lower dependency ratios being associated with urban districts and Metros. However, the measure does not take into account that age may not be an indicator of economic dependency as children and the elderly can qualify for social security grants. The indicator also assumes that those older than 65 years do not have other sources of income (e.g. pensions). However, the indicator does provide a useful indication of age-based dependency, both for households and for the state.

Where the ratio is high, there is a greater burden placed on the state to assist households with the provision of child and social services and welfare assistance. The highest dependency ratio in the province was in the Alfred Nzo District Municipality (88.8%), followed by the O.R. Tambo District Municipality (80.3%). The Eastern Cape's two metros, namely the Nelson Mandela Bay Metro and the Buffalo City Metro, had the lowest dependency ratio at 45.9% and 47.8% respectively. Cities naturally attract the working age population who migrate from rural areas to seek work opportunities. This often results in the very young and old populations remaining in rural and under developed areas.

A young and growing population

Geographically, much of South Africa's population growth is taking place in the urban areas, where over 60 percent of the country's people now live. However, although they provide economic opportunities, urban areas face huge developmental challenges.



A Growing Population in Alfred Nzo Local Municipality

Source: Statistics South Africa and Quantec, 2016 **Figure 1.6**

Figure 1.6 provides demographic trends for Alfred Nzo District municipality. Between the last census in 2011 and the latest community survey in 2016, population growth in district has been very impressive. This, in turn, has an impact on resource allocation, the consumption of goods and services and human capital development, which influences factors such as education, employment, income distribution and the physical well-being of a population.

Head of households in Alfred Nzo

Head of Household					Grand Total
	Male	Female	Male	Female	
Eastern Cape	902,719	870,755	50.9	49.1	1,773,473
Alfred Nzo	84,266	111,709	43.0	57.0	195,975
Matatiele	26,809	30,059	47.1	52.9	56,868
Umzimvubu	22,548	28,982	43.8	56.2	51,530
Mbizana	24,428	36,955	39.8	60.2	61,383
Ntabankulu	10,482	15,713	40.0	60.0	26,195

Source: Statistics South Africa, 2016 Community Survey **Table 1.5**

This section highlighted four important facts about Alfred Nzo district municipality. Firstly, its high growing population could contribute to high demand for goods and services. Secondly, the population age structure results in both a triangular-shaped pyramid and a rectangular-shaped pyramid. Thirdly, households in Alfred Nzo is predominantly headed by female. Lastly, about 80% of the population is young below 35 years of age.

3.1.3 Alfred Nzo Socio Economic Performance and Development

This section presents a brief snapshot of Alfred Nzo District's economy. It looks at the structure and performance of the economy, its features, dynamics, potentials of key sectors, and economic trends. It includes a sectoral analysis and makes reference to selected key sectors which are major contributors to the economic activity of the district and drivers of Alfred Nzo economic growth.

Alfred Nzo IDP acknowledges the following challenges facing the district:

- High rate of unemployment
- High poverty rate
- Low income levels
- Skills shortage
- Slow average economic growth
- Transformation on the ownership of land is slow
- Slow delivery on Land Reform Programme
- Land use planning : sparsely distributed population and topography resulting in costly provision of services
- Limited economic potential in rural areas / poor investment in the area due to land under the Traditional Authority (Communal Land Tenure)
- Environmental health and management related issues
- High prevalence of HIV / AIDS
- Absence of tertiary education facilities
- Poor access to Health Care facilities
- High number of child headed households

This document will provide a diagnostic of challenges facing the district in line with the socio-economic indicators listed above.

Selected key economic indicator: Alfred Nzo, 2015

Table 2.2 presents a summary of selected key economic indicators for Alfred Nzo.

- In 2015, the total production (Output) of goods and services in Alfred Nzo was R18 671 million.
- The input cost (Intermediate consumption expenditure) used to produce those goods and services was R8 859 million.
- The difference between Output and input (Also called Gross Value Added) was R9 812 million.
- 57% of GVA was used as Compensation of Employees (CoE) and 41% as Gross Operating Surplus (GOS)
- The input cost accounts for 47% of total production output and the GVA for 53%

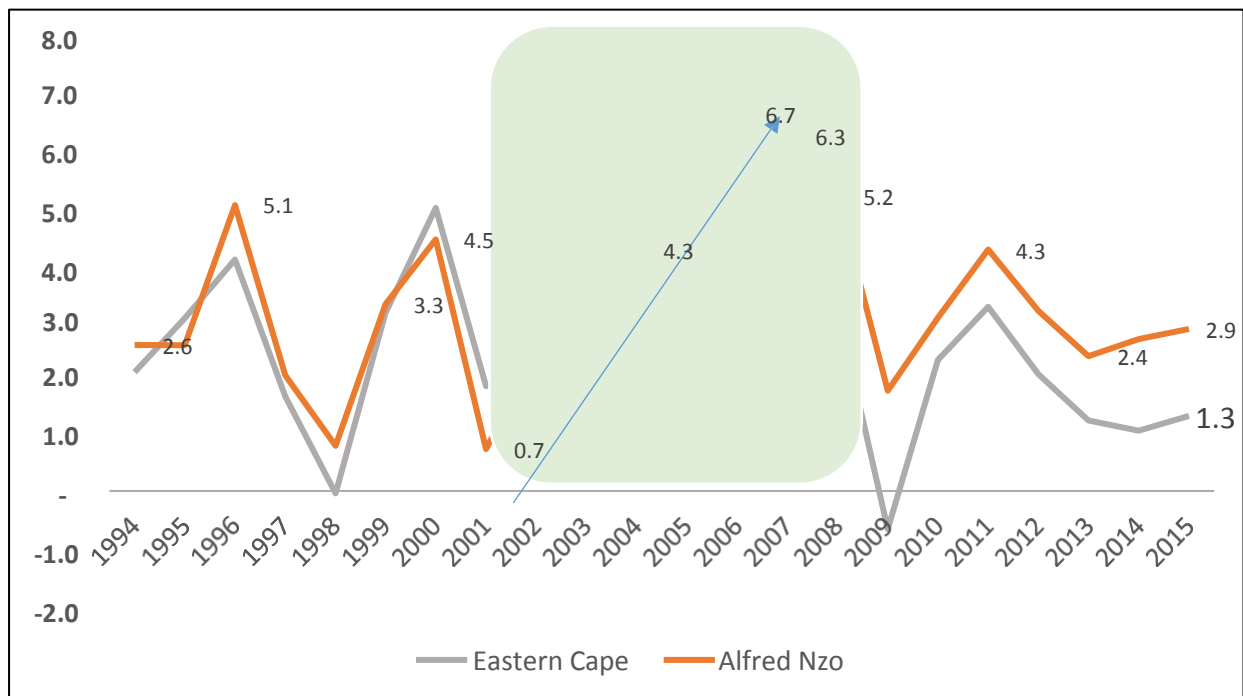
Selected key economic indicators: Alfred Nzo, 2015 (R millions at constant 2010 prices)

	Real Gross value added at basic	Real Compensation of employees	Real Gross operating surplus	Real Output at basic prices
Alfred Nzo	9,812	5,595	4,017	18,671
Umzimvubu	2,728	1,640	1,041	5,096
Matatiele	3,524	1,909	1,536	6,787
Mbizana	2,663	1,508	1,098	5,139
Ntabankulu	897	538	342	1,650
Eastern Cape	210,006	118,328	87,165	469,860

Source: Quantec easy data, 2016 Table 2.2

GDP in Alfred Nzo has grown dramatically between 2003, it reached a pick of 6.7% growth in 2007. High performance was offset by recession in 2008/2009. Since then, growth in the district has stagnated above 2 percent. Overall, the district has performed above the province (See Figure 2.5).

Alfred Nzo economic performance and trends: GDP growth rate between 1994 and 2015



Source: Own calculations derived from Quantec Easy Data, 2016 Figure 2:5

Economic challenges in Alfred Nzo.

The Alfred Nzo District has various economic challenges. The economy is highly dependent on Government and community services sectors. This is an indication of limited private sector presence throughout the district. Another persisting challenge is about how to achieve a more equitable distribution of economic development opportunities when the greater number of the population reside in less economically developed areas and experience an ever deepening poverty cycle. Hence, the need to diversify the economy so that other productive sectors can be enhanced, especially sectors that have direct impact to poverty, such as agriculture. The economy of Alfred Nzo is dominated by the service sector, while productive sectors (Agriculture, Mining, Manufacturing, construction...) have remained very insignificant in terms of their contribution to the district GDP. This implies lack of local economic development initiatives in the district in the GVA sectors. However, the country and the district have a LED strategy in place.

Alfred Nzo District Local Economic Development Strategy

The national LED framework recommends intensified enterprise support be carried out through SEDA. The role of SEDA is to stimulate economic growth through the establishment and provision of support to local enterprise will be important in the district. This is given further articulation, direction and expression in the Provincial Strategy and Programme for Cooperative Development and Support in the Eastern Cape and the Integrated Strategy for Promotion of Entrepreneurship and Small Enterprise in the Eastern Cape.

The vision for local economic development of Alfred Nzo DM as developed in this strategy is to develop a vibrant and sustainable local economy for the benefit of the local population through creating sustainable business growth, infrastructure development and creation of jobs. This vision is articulated through several goals, which speak to the development of human capital, positioning the ANDM as one of the Eastern Capes cultural, adventure and eco-tourism destinations, investment attraction and place marketing

To achieve this, the strategy puts forth programmes for:

- Small business promotion, expansion and retention
- Business infrastructural development
- Agriculture revival
- Developing tourism potential

Alfred Nzo Sectoral contribution to GVA and % share

In 2015, Gross Value Added (GVA) generated by the General Government sector (35%), Trade sector (20%) and Finance sector (15%) accounted altogether for almost 70% of total Gross Domestic Product (GDP-R) of Alfred Nzo District. Figure 2:6 shows a clear picture of how these 3 sectors with big bubbles are clustered to the right, signifying their giant contribution to the economy. The challenge is that all the productive sectors (Agriculture, mining, manufacturing, Electricity & Water, construction...) have little contribution.

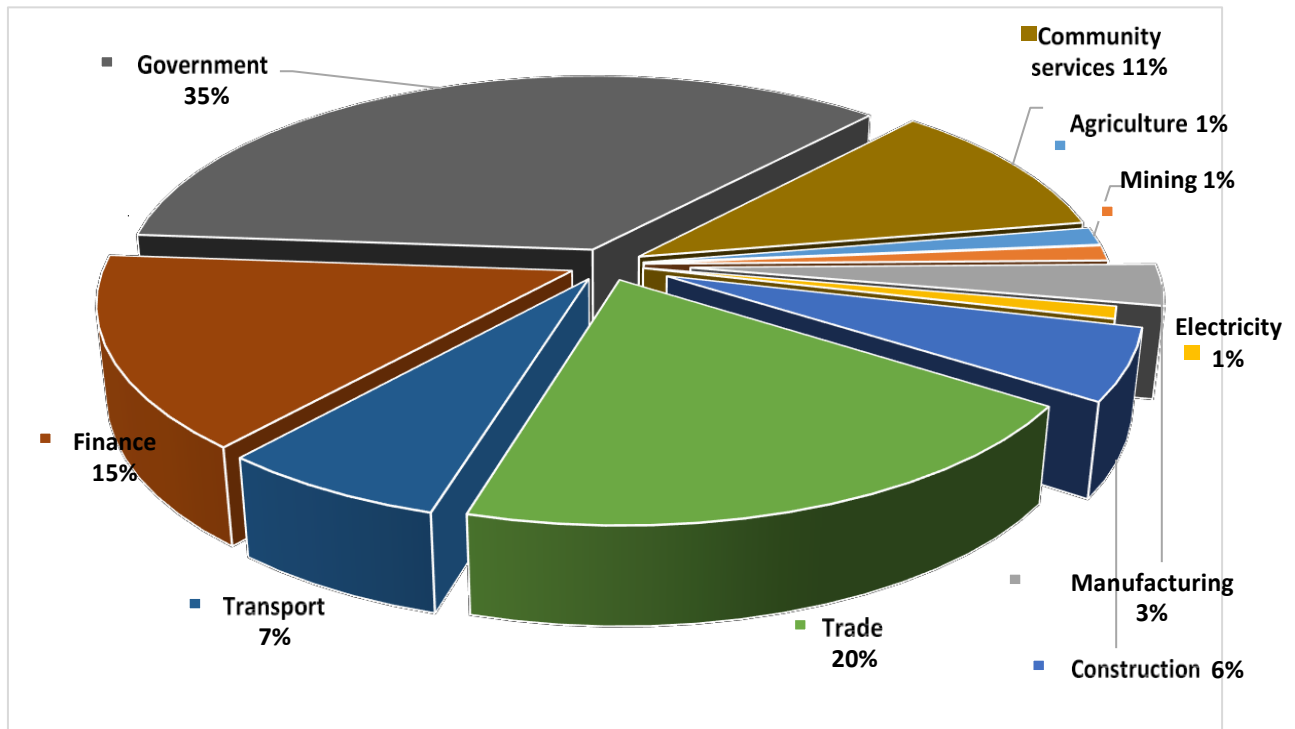
According to the System of National Accounts (SNA) and the Standard Industrial Classification (SIC), the economy comprises the following sectors:

- **Agriculture sector** includes all activities related to the growing of crops, gardening and horticulture, farming with animals, agricultural husbandry services, hunting, trapping and game propagation, forestry and logging, fishing and operation of fish hatcheries.
- **Mining sector** includes the extraction and beneficiation of minerals occurring naturally through underground and surface mines, quarries and all supplemental activities for dressing and beneficiating for ores and other crude materials.
- **The manufacturing sector** is the sector where natural resources and other intermediate goods are converted through value adding processes into final products for the trade sector.
- **The construction sector** includes activities related to site preparation, construction of buildings, building installations, building completion and the renting of construction equipment. The range of activity contained within the construction sector thus includes shop fitting, plumbing, electrical contracting, painting and decoration.
- **The trade sector** includes wholesale and retail sale. The sector is defined either as “trade” or the resale, i.e. sale without transformation of new and used goods to the general public for personal or household consumption or use by shops, department stores, stalls, hawkers etc. The trade sector entails wholesale, commission trade, retail trade, hotels, restaurants, bars, canteens, short-stay accommodation.
- **The Transport and telecommunication sector** include transport by sea (blue economy), by air (colourless economy) and by road. Telephone and cell-phone are part of this sector. Recently communication by e-mail, social network has overtaken this sector and there is little literature quantifying the impact of social media on the economy.
- **The finance and business services sector** includes activities related to obtaining and redistributing funds, including for the purpose of insurance, real estate or commercial and business services. Some of the activities that fall under this sector include financial intermediation; insurance and pension funding; real estate activities; renting or transport

equipment; computer and related activities; research and development; legal; accounting; bookkeeping and auditing activities; architectural, engineering and other technical activities; and business activities not classified elsewhere

- **The government services sector** includes community, personal and social services rendered by private and public institutions. Activities classified within this sector include public administration and defense activities, activities of government, government departments and agencies; education, public and private; health and social work; activities of membership organisations; recreational, cultural and sporting activities.

Alfred Nzo Sectoral contribution to GVA and % share



Source: Own calculations derived from Quantec Easy Data, 2016 Figure 2:6

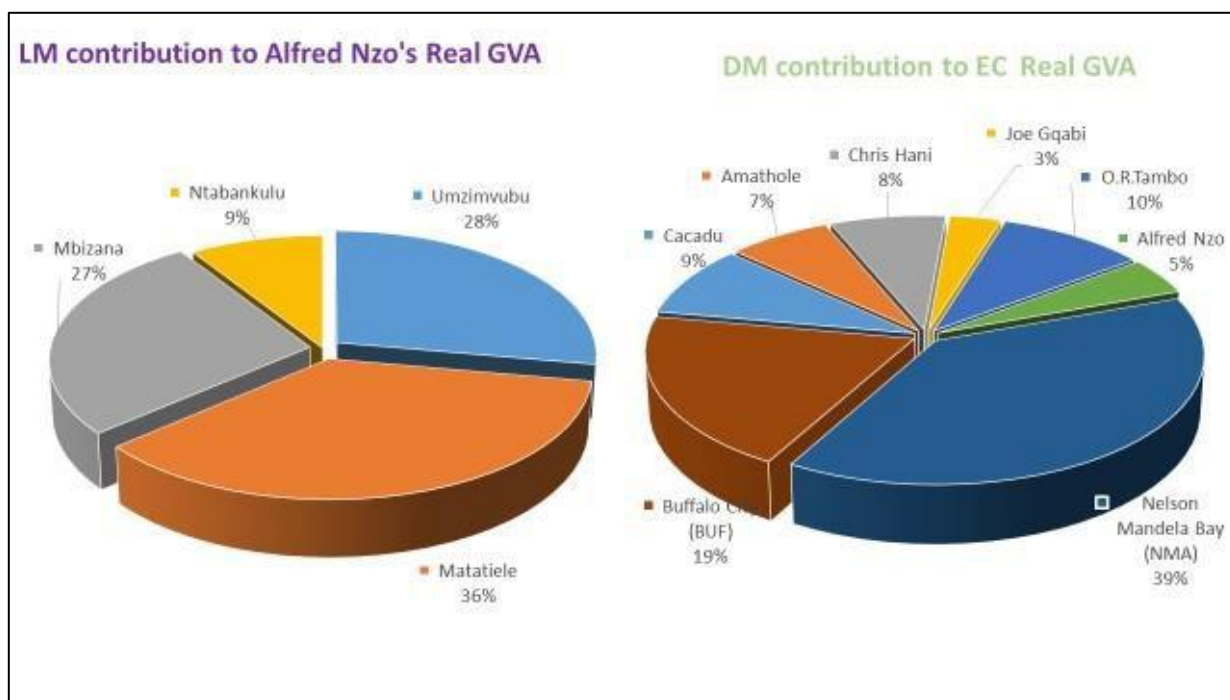
Notably, the primary sector which includes Agriculture and mining remained very insignificant in size and their bubbles are trivial. This is a concern to the District, a call for an urgent agriculture strategy to unlock the hidden potential of the sector and also contribute to employment in the region.

Looking at the size of Alfred Nzo cape economy, Figure 2:6 shows that the district has the lowest contribution (5%) to the Eastern Cape economy. As indicated earlier, this contribution is mostly generated by Government, Trade and finance sectors.

Agriculture is the main economic activity in the District. Currently, it has 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 agricultural sector and it is therefore critical to assess the potential of this industry and devise methods of exploiting this untapped potential. The

District has also been selected as one of the regions to undertake the implementation of AgriParks initiative (one of the 27 poorest district municipalities in the country). This initiative came as one of the president’s interventions to transform rural economics. Furthermore this initiative is directly in line with the Agricultural Policy Action Plan and the district Grain Production Master Plan which has the envisaged objective of increasing the level of production within the agricultural sector, in order to significantly reduce unemployment and increase economic growth and development

Local municipalities’ contribution to Alfred Nzo’s GVA and Alfred Nzo contribution to Eastern Cape’s GVA



Source: Own calculations derived from Quantec Easy Data, 2016 Figure 2:6

Focusing on agro-processing is a priority for Alfred Nzo District

The District’s IDP and the vision 2030 have identified agriculture-led growth and agricultural value chains as “clear-cut priorities for accelerated industrialization”. Alfred Nzo District Municipality’s prioritization of this sector will allow the district to benefit from growth opportunities in the region and beyond. Despite its relatively small direct contribution to GDP, the agricultural sector has been a mainstay of the Alfred Nzo District Municipality’s economy and driver of economic development in this rural areas.

Hence, inclusive growth in Alfred Nzo District Municipality should focus on agriculture and manufacturing since these are value add sectors with great potential to create jobs and stimulate growth.

Economic growth should as a final outcome cause an improvement in the overall quality of life as measured by different socio-economic development indicators if the growth is inclusive. On the other hand, socio-economic improvements also benefit economic growth. Local government policies directly aimed at these improvements become agents of economic growth by creating conditions favourable to economic development. High potential sectors are identified so that government resources can be prioritised towards interventions in a small number of opportunities rather than spread across the board.

The economic contribution of primary agriculture is supported by various value chains: its linkages extend to agro-processing producers as intermediate inputs in the production of consumer goods and as backward linkages to its suppliers within the manufacturing and services sector. Increasing farmer participation in the full agriculture value chain via beneficiation of agricultural produce could stimulate inclusive growth and employment creation.

Key policy implications identified should include the benefits of having manufacturing as a growth sector is important. Particularly one with an export-orientation, ability to develop and transmit modern technology and capacity to create employment opportunities. In commodity production the agricultural value chain remains an important sector in which the region has a clear comparative advantage. Whilst real growth potential is currently dominated by agricultural produce and food value chain, there is still a need to add to existing value, and diversify the sector. The sources of and constraints to high sustainable growth are closely linked to the sector composition of economic growth and the productivity-enhancing distribution of resources among industries. Outside of the broad services sector, agriculture and its associated processing industries, as well as building and construction, stand out for their revealed comparative advantage in Alfred Nzo District Municipality.

Alfred Nzo District Municipality: Real Gross value added at basic prices, R millions constant 2010	1995	2000	2005	2010	2015
Total	6,030	7,058	8,248	10,191	11,787
Primary Sector	209	206	208	223	248
Agriculture, forestry and fishing	94	93	86	121	134
Agriculture	56	58	53	72	84
Forestry	37	34	33	47	48
Mining and quarrying	115	113	121	102	114
Other mining and quarrying	115	113	121	102	114
Secondary Sector	1,461	1,742	2,010	2,471	2,921
Manufacturing	158	185	221	266	312
Food, beverages and tobacco	51	54	74	108	126
Food	38	41	57	87	100
Beverages and tobacco	12	13	17	21	27
Textiles, clothing and leather goods	6	7	8	15	20
Wearing apparel	5	6	7	13	18
Wood and paper; publishing and printing	26	33	32	28	33
Wood and wood products	24	29	28	24	27
Paper and paper products	2	2	3	3	4
Printing, recorded media	1	1	1	2	2
Petroleum products, chemicals, rubber and plastic	9	14	19	24	37
Coke, petroleum products and nuclear fuel	4	7	8	12	23
Other chemical products	5	7	10	12	14
Other non-metal mineral products	31	37	41	39	42
Non-metallic mineral products	31	37	41	39	42
Metals, metal products, machinery and equipment	14	18	26	28	32
Basic iron and steel products; casting of metal	2	3	6	7	10
Non-ferrous metal products	1	1	1	1	1
Structural metal products	1	1	2	1	3
Other fabricated metal products	8	10	13	14	13
Machinery and equipment	3	3	4	5	6
Transport equipment	2	1	2	2	3
Motor vehicles, parts and accessories	2	1	2	2	3
Furniture; other manufacturing	18	20	20	20	18
Furniture	2	2	3	3	4
Other manufacturing groups	16	18	17	17	14
Electricity, gas and water	44	58	64	82	92
Electricity and gas	27	36	43	55	58
Water	16	22	21	28	33
Construction	97	119	212	362	543
Tertiary Sector	4,361	5,111	6,029	7,497	8,618
Wholesale and retail trade, catering and	1,163	1,380	1,513	1,761	1,974
Wholesale and retail trade	1,054	1,287	1,414	1,644	1,861
Catering and accommodation services	109	93	99	117	114
Transport, storage and communication	288	374	500	574	659
Transport and storage	272	349	459	507	574
Communication	16	25	41	67	85
Finance, insurance, real estate and business services	404	505	787	1,105	1,468
Finance and insurance	136	121	219	283	317
Business services	268	384	568	822	1,151
Professional business services	230	303	438	653	893
Business activities n.e.c.	37	80	130	169	258
General government	2,013	2,232	2,476	3,127	3,467
National and Provincial government	1,889	2,073	2,283	2,915	3,218
Local government	124	159	194	212	249
Community, social and personal services	493	619	753	929	1,049
Education (Private)	132	181	220	321	331
Health and social work (Private)	140	191	231	259	337
Other community, social and personal services	221	247	301	349	382

Source: Quantec easy data, 2016 Table 2.3

Comparative advantage of Alfred Nzo local economy: Location Quotient Analysis

The location quotient is an indication of the comparative advantage of an economy. It is used to identify those local industries that are producing more than is needed for local use and selling outside the region (exporting) and those that are not meeting local needs and are a source of consumption leakage (importing). The table 2.4 below show the District's location quotients relative to the province of the Eastern Cape

When interpreting the data, a location quotient greater than 1.0 indicates that the local economy is self-sufficient, and may even be exporting the good or service of that particular industry. On the other hand, a location quotient less than 1.0 suggests that the region tends to import the good or service.

According to Quantec regional data (2016), the Table 2.4 below shows that Alfred Nzo District Municipality's comparative advantage relative to province is in construction, trade, Government and community services. Alfred Nzo's disadvantages relative to Eastern Cape Province are in Agriculture, Mining Manufacturing, Energy, Transport and Finance.

But according to the IDP of the district and based on the existing economic activity, market opportunities, resources, assets and skills; the following economic sectors are of significant potential:

- Agriculture
- Forestry
- Manufacturing
- Construction and Mining
- Trade and Business Services/ICT
- Tourism
- SMME and Cooperative Development

Alfred Nzo's location quotient relative to Eastern Cape: 2015

Location quotient relative to Province	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Primary sector	1.22	1.14	1.22	1.06	1.94
Agriculture	0.78	0.95	0.96	0.45	0.51
Mining	3.59	2.15	2.63	4.30	9.65
Secondary sector	0.51	0.47	0.60	0.47	0.40
Manufacturing	0.23	0.22	0.30	0.22	0.05
Electricity	0.78	0.55	1.13	0.68	0.28
Construction	1.35	1.28	1.44	1.21	1.60
Tertiary sector	1.11	1.12	1.09	1.13	1.12
Trade	1.02	0.95	1.26	0.84	0.81
Transport	0.77	0.76	0.65	0.94	0.79
Finance	0.73	0.63	0.80	0.83	0.53
Government	1.57	1.75	1.33	1.59	1.90
Community services	1.42	1.45	1.26	1.54	1.58
Total	1.00	1.00	1.00	1.00	1.00

Source: Quantec easy data, 2016 Table 2.4

While location quotients can help you better understand your local economy, you should not rely solely on them for decision-making purposes. Users should keep the following in mind: The location quotient assumes that local productivity (output per worker) is the same as national productivity. One interpretation of a “high” location quotient might be that a particular industry is exporting.

Tress Index Analysis: To remain competitive, Alfred Nzo District Municipality must diversify its local economy

The Tress Index measures the level of concentration or diversification in an economy. An index score of zero represents a much diversified economy, while a number closer to 100 indicates a high level of concentration. The economy of Alfred Nzo District Municipality appears to be slightly more concentrated on few industries.

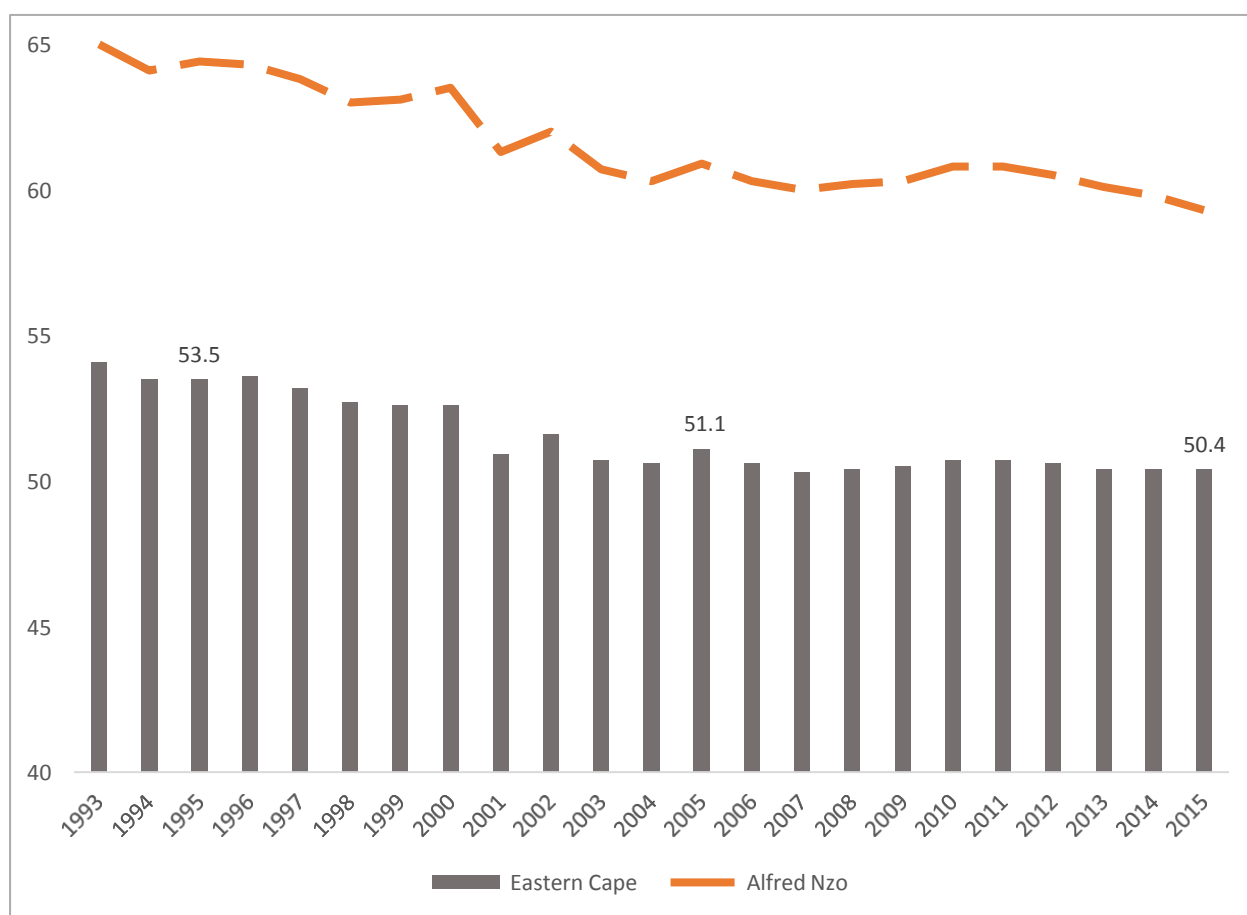
Concentration or diversification of Alfred Nzo economy: Tress index over 10 industries

	1995	2000	2005	2010	2015
Alfred Nzo	64.4	63.5	60.9	60.8	59.3
Umzimvubu	68.6	67.7	64.6	63.9	61.9
Matatiele	61.7	61.0	59.2	58.8	57.3
Mbizana	63.4	62.0	59.5	59.8	59.1
Ntabankulu	68.3	68.0	64.5	64.9	62.8

Source: Quantec easy data, 2016 Table 2.5

According to Quantec Regional data (2016), the level of concentration in the District is gradually increasing. This is an indication that the District is not diversifying its industries (See Table 2.5).

Tress index trend for Alfred Nzo District Municipality and Eastern Cape: 1993 to 2015



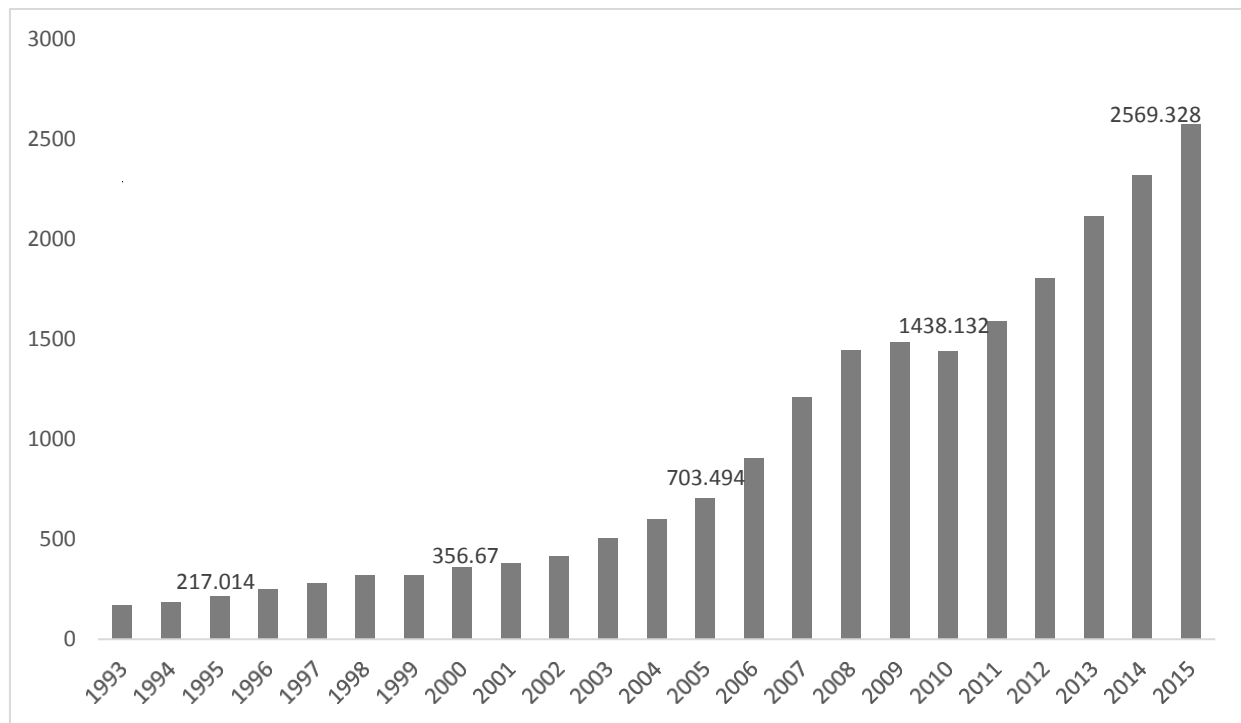
With over a third of all economic activity derived from, driven by or associated to government services, the public sector makes the largest contribution to regional output. Although this sectors contribution to total output has declined since 1995, the absolute value of public sector expenditure more than doubled in that period. This points to declining reliance or dependence on the government as an engine for activity and a growing, but still small private sector over the years. This is mirrored by the district's Tress index, which has declined from 51.0 in 2005 to

50.5 in 2015 (See Figure above). The Tress index is a commonly used measure that indicates the level of concentration or diversification of an economy. A Tress index of 0 (zero) indicates a totally diversified economy, while a number closer to 100 indicates a high level of concentration in the economy.

Investment in the Alfred Nzo District

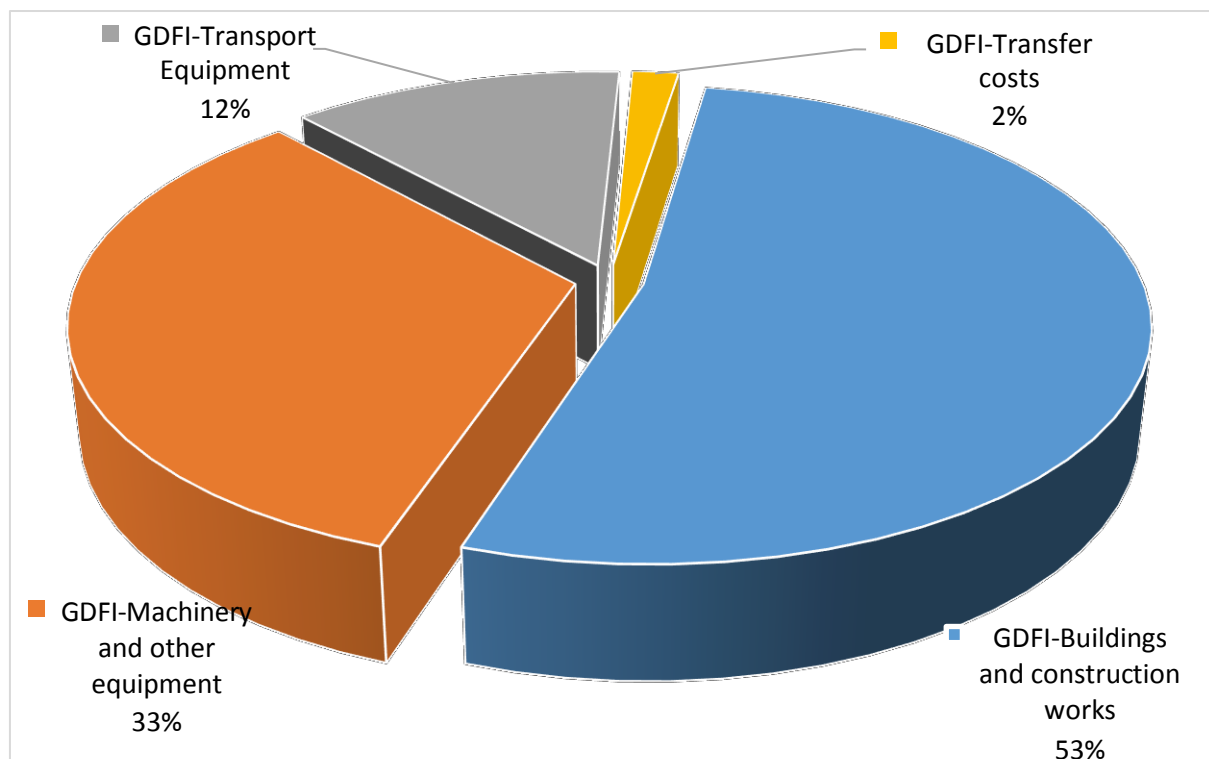
Investment in an area can be measured in terms of Gross Domestic Fixed Investment (GDFI) and/or Fixed Capital Stock (FCS). The total fixed investment provides an indication of investment within the economy into machinery, equipment, building and land. The capital stock formation refers to the net additions to the capital stock of the country or a regional area. In other words, capital stock formation measures the amount by which the total physical capital stock increased during a period.

Gross Domestic Fixed Investment in Alfred Nzo District: 2015 (Rm constant 2010 prices)



Source: Quantec Easy Data, 2016 Figure 2:7

Investment distribution in Alfred Nzo, 2015



Source: Own calculations derived from Quantec Easy Data, 2015 Figure 2:7

Gauteng leads the country in fixed capital stock formation (34%) due firstly to large amounts of foreign direct investment that flow into Gauteng province, and secondly its indisputable position as the commercial hub of South Africa - Why not of the continent? The province of Eastern Cape is ranked 6th highest in terms of capital formation.

Figure 2:7 shows that more than three quarters of GDFI in Alfred Nzo are mainly in Building and construction works (53%) and in Machinery and other equipment (33%). Transport equipment only accounts for 12% of GDFI.

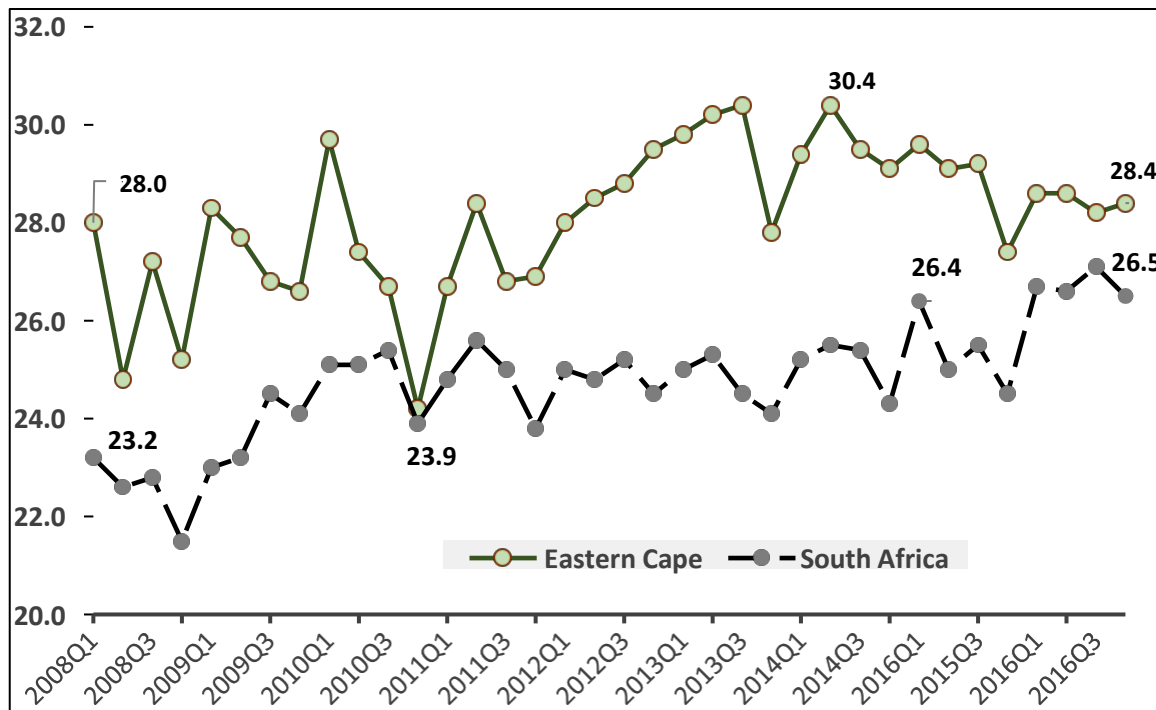
The continued underperformance of the Alfred Nzo District economy has exacerbated the existing trend in de-industrialisation. Sluggish growth is not translated in job creation. Consequently increasing levels of poverty and unemployment while at the same time reducing state revenue and increasing spending of public good through free health, basic service, grants, and education subsidies for those poor people who cannot afford it. Due to lack of economic opportunities in Alfred Nzo, entrepreneurs seem averse towards investing in corporations based in this municipality. Lack of infrastructure such as good roads, telecommunication systems, health care facilities do not motivate skilled labour and businesses to migrate in the district. Also poor infrastructure, in particular poor road networks, unreliable energy supply and insufficient telecommunication facilities create high transaction costs and are serious obstacles to operating business.

3.2 Labour Market Analysis, Performance and the Role of Education in Alfred Nzo

The labour market is the main transmission channel from growth to poverty and inequality outcomes. In South Africa, output employment elasticity of about 0.69 between 2000 and 2008 stands in sharp contrast to the post crisis period (2009-2015) with negative elasticity of -0.16 percent. There was a profound impact of the recession on the labor market. The employment has never fully recovered. As shown in Figure 3.1, during the 3rd quarter of 2017, unemployment in the Eastern Cape (28.4%) remained higher than that of South Africa (26.5%). High unemployment remains the key challenge facing South Africa and the country struggles to generate sufficient jobs.

The rate of youth unemployment (ages 15-24) stood at close to 50 percent and long term unemployment for more than a year accounts for two-thirds of the unemployed. The unemployment rate for unskilled workers has been increasing as employers are seeking higher skilled workers. The current environment of weak growth is not favourable for private sector job creation—agricultural growth is weak and extractives and mineral sectors continues to struggle causing further jobs losses in these sectors.

During the 3rd quarter of 2017, unemployment in the Eastern Cape (28.4%) remained higher than that of South Africa (26.5%)



Source: Statistics South Africa (2017) Figure 3.1

The labour market is a major source of interest to policy makers because levels of employment and unemployment have far-reaching social, economic and political implications. Sector employment can either be analysed in terms formal employment and informal employment or by primary, secondary and tertiary sector. Productive employment remains the key mechanism through which individuals and households can sustainably escape poverty. Unfortunately, employment is relatively scarce in Alfred Nzo District Municipality. In an effort to increase jobs, economic opportunity and growth, the municipality will be required to capitalise on its relative comparative advantages while simultaneously considering interventions which encourage an economic structure which is more labour intensive to fully utilise the growing unskilled/ semi-skilled labour. More broadly, greater incentives for the private sector to grow the economy are an option to explore.

Formal and informal employment

Table 3.1 below shows that in 2015, there were in total 75 981 people employed in Alfred Nzo District Municipality’s economy. Of these, 48 434 people (64%) were employed in the formal sector and 27 547 people (36%) in the informal sector.

Looking at the skills of the 48 434 people employed in the formal sector, 30% were skilled, 35% semi-skilled and 35% low/unskilled (See Table 3.1). The Government of Alfred Nzo District Municipality should pay much attention on unskilled labour and those in the informal sector.

The informal sector is characterized by short-term employment opportunities, little or no prospect of internal promotion, and wages are determined by market forces. In terms of jobs, it consists primarily of low or unskilled jobs, whether they are blue-collar (manual labour), white-collar (filing clerks), or service jobs (waiters). These jobs are also characterized by low skill levels, low earnings, easy entry, job impermanence, and low returns to education or experience.

Employment, 2015 (Total number of people employed)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total Formal and Informal	75,981	20,712	27,664	20,774	6,831
Formal: Total	48,434	14,042	16,486	13,090	4,816
<i>Formal: Skilled</i>	14,691	4,412	4,438	4,309	1,532
<i>Formal: Semi-skilled</i>	16,918	5,077	5,904	4,353	1,584
<i>Formal: Low skilled</i>	16,825	4,553	6,144	4,428	1,700
Informal	27,547	6,670	11,178	7,684	2,015

Source: Quantec, 2016 Table 3.1

Generally, the primary sector is dominated by unskilled labour, while the tertiary industry, particularly Finance, insurance, real estate and business services has a bigger share of highly skilled employees. The construction; transport, storage and communication; and wholesale and retail trade, catering and accommodation sectors have a significant share of informal labour.

The skills gap in Alfred Nzo District Municipality indicates the need for training and development centres, especially for the young people who account for over 40% of the population. As shown in the Table 3.1 above, in 2015, about three quarter of the employed people are either unskilled or semi-skilled. The Department of Education will play a major role in Alfred Nzo District Municipality. Given limited resources, Government needs to re-allocate resource in the development of human capital so that the economy can have more skilled people to occupy strategic positions in the municipality. Developing human capital will ensure that the skills gap is bridged and more people are becoming efficient and effective in uplifting the economy.

The development of human capital has a chain reaction. When people are trained and developed, they will be employed in the formal sectors, and pay taxes that can be used to fund other activities. As more effort is invested in human capital in the short-term, the long run economy of the municipality will become promising for future development because people will use their acquired skills in the economy. "Knowledge economy" is leading regions driven by innovation; whereby unskilled people are less needed. Hence Government interventions are critical. Some of these interventions should include the following:

- Reduce unskilled labour and increase skilled or highly skilled labour through training and education of workers,
- Upgrade training facilities with the latest technology;
- Introduce domestic policies that discourage the outflow of highly skilled workers (brain drain),
- Ensure labour equity is reached; and previously disadvantaged workers (Africans, women and youth) are trained; and they are fully participating in the main stream labour marker. This will help to bridge the skill gap.

Once these labour interventions are implemented, the positive impact will be felt in the long run, not only to the individual workers, but also to the economy as whole. Thus, highly skilled workforce will contribute to improved productivity, leading to economic growth.

Compensation of employees

What are the wages and salaries earned by employed people in Alfred Nzo District Municipality? The table 3.2 below shows the amount paid to workers in the form of compensation of employees. The real compensation of employee for people employed in Alfred Nzo District Municipality's economy amounted to R5 039million in 2015 of which about 96% in paid in the formal sector and 4% in the informal sector.

Alfred Nzo District Municipality's compensation of employee in the formal sector was estimated at R4 834 in 2015 of which

- 60% was paid to skilled workers;
- 28% to the semi-skilled workers, and
- 12% to low/unskilled workers.

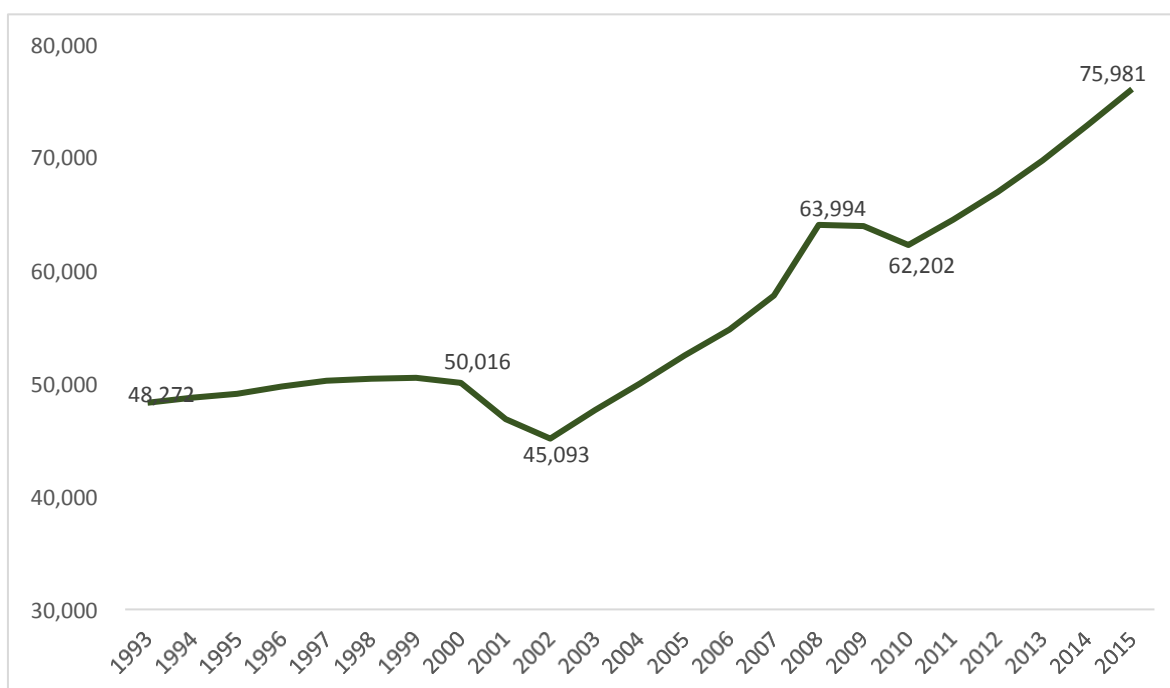
Compensation of employee (R million constant 2010 prices)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total Formal and Informal	5,039	1,486	1,689	1,362	502
Formal: Total	4,834	1,441	1,600	1,306	487
<i>Formal: Skilled</i>	<i>2,916</i>	<i>866</i>	<i>915</i>	<i>830</i>	<i>304</i>
<i>Formal: Semi-skilled</i>	<i>1,367</i>	<i>421</i>	<i>479</i>	<i>338</i>	<i>128</i>
<i>Formal: Low skilled</i>	<i>552</i>	<i>153</i>	<i>206</i>	<i>138</i>	<i>55</i>
Informal	205	45	89	56	15

Source: Quantec, 2016 Table 3.2

3.2.1 Employment trends in Alfred Nzo District Municipality

The Eastern Cape vision 2030 developed by the EC Planning Commission highlights education and job creation as key building blocks for the long term development of South Africa. The report establishes the following set of priorities as pivotal for the development of the Eastern Cape: (1) An improvement in education and provide skill needed by employer; (2) Job creation; (3) A more effective drive to transform and develop our rural regions to boost the economic performance of the province as a whole. Jobs must also be created in rural areas; and (4) A commitment to improving the functionality and efficiency of the public sector to ensure key priorities and desired outcomes are achieved. Figure 3.2 below shows how employment in Alfred Nzo District Municipality stagnated between 1993 and 2000 and how jobs were created between 2003 to 2008. The speed in employment growth was disrupted by the 2008 and 2009 recession. But since 2013, employment in the municipality has again start increasing.



Total employment in Alfred Nzo District Municipality Local municipality

Source: Quantec, 2016 Figure 3.2

Age Distribution, community survey 2016

	0 to (Children)	14 to 15 (Youth)	16 to 34 (Adults)	35 to 64 (Elderly)	65+ (Elderly)	Grand Total
Alfred Nzo	39.8%	39.3%	15.2%	5.8%	100.0%	
Matatiele	37.4%	39.2%	16.9%	6.5%	100.0%	
Umzimvubu	36.6%	40.3%	16.7%	6.4%	100.0%	
Mbizana	43.2%	38.6%	13.3%	4.8%	100.0%	
Ntabankulu	40.4%	39.3%	14.3%	5.9%	100.0%	

Source: Quantec, 2016 Table 3.3

Looking at the age structure of the municipality, from the Table 3.3, it is clear that 39.8% of Alfred Nzo District Municipality population is below the age of 14; and 39.3% of total population is youth between 15 and 34 years of age. In total, almost 80% of the population in Alfred Nzo District Municipality is below the age of 35. Therefore, employment in Alfred Nzo District Municipality should focus on the young people.

In order to absorb the younger generation, measures should be put in place to help them enter the labour market of which early retirement schemes are the most obvious. The younger generation continue to face unemployment problem because the majority of them enter the labour market for the first time without any work experience or skills.

3.2.2 Sector employment in Alfred Nzo District Municipality

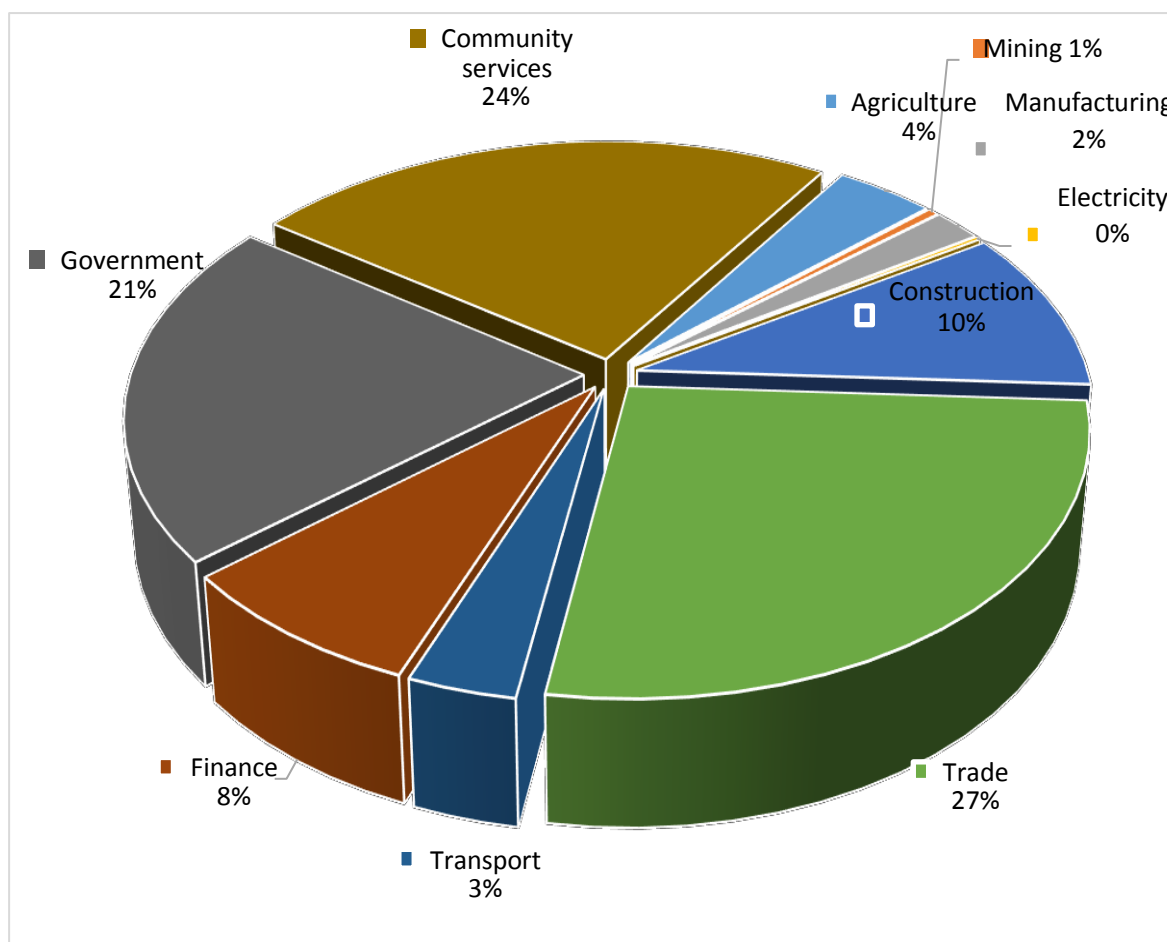
Which sector employs people in Alfred Nzo District Municipality? The Figure below shows that government sector which includes community services sector employs about 45% of total employment in Alfred Nzo District Municipality. This means that should Government sector be close in Alfred Nzo District Municipality, almost half of workers in Alfred Nzo District Municipality will be without work.

Sector employment, 2015 (Total number of people employed)

	Alfred Nzo	Umzimvubu	Matatiele	Mbizana	Ntabankulu
Total	75,981	20,712	27,664	20,774	6,831
Primary sector	3,432	1,045	1,460	638	289
<i>Agriculture, forestry and fishing</i>	3,099	990	1,371	529	209
<i>Mining and quarrying</i>	333	55	89	109	80
Secondary sector	9,252	2,371	3,712	2,457	712
<i>Manufacturing</i>	1,539	392	664	422	61
<i>Electricity, gas and water</i>	149	30	77	35	7
<i>Construction</i>	7,564	1,949	2,971	2,000	644
Tertiary sector	63,297	17,296	22,492	17,679	5,830
<i>Wholesale and retail trade, catering and</i>	20,268	5,153	8,572	5,062	1,481
<i>Transport, storage and communication</i>	2,509	646	843	819	201
<i>Finance, insurance, real estate and business</i>	6,001	1,711	1,789	2,042	459
<i>General government</i>	16,122	5,092	4,824	4,348	1,858
<i>Community, social and personal services</i>	18,397	4,694	6,464	5,408	1,831

Source: Quantec, 2016 Table 3.4

Sectors employment in Alfred Nzo, 2015



Source: Quantec, 2016 Figure 3.4

Table 3.4 above shows that valued added sectors (primary and secondary sectors where most jobs creation are expected from) only contributes 16.7% to total employment. Employment is distributed as follows:

- The primary sector employs for 4.5%,
- The secondary sector employs 12.2%, and
- The tertiary sector employs 83.3%.

Government and trade are the largest employers in Alfred Nzo District Municipality but their contributions to GDP differs (See Table 3.4). An additional consideration is to investigate the earnings potential of prioritised growth sectors, to ensure that increased employment also equal an increase in standards of living. One of the challenges for policymaking as it relates to labour is to improve the balance between supply and demand across the various labour markets. This requires growing the supply of skills, through a range of interventions related to improving education outcomes. Women remain relatively disadvantaged within the labour market, which should be carefully considered by policy makers, given the important role women play in stabilising a family unit, which could impact on broader social ills. High youth unemployment requires an improvement in the employability of youth, policy makers will need to strengthen current skills development initiatives.

Employment and GVA contributions in Alfred Nzo, 2015

Sectors Contribution	Employment (%)	GVA (%)
Agriculture	4%	1%
Mining	0%	1%
Manufacturing	2%	3%
Electricity	0%	1%
Construction	10%	6%
Trade	27%	20%
Transport	3%	7%
Finance	8%	15%
Government	21%	35%
Community services	24%	11%
TOTAL	100%	100%

Source: Quantec, 2016 Table 3.4

The agriculture sector makes a sizeable contribution to employment, even though its GDP output is low. On the upside, this points to a high level of labour intensity, meaning that agriculture represented an employment-creating sector. On the downside, this indicates that productivity levels in the agricultural sector are very low.

In considering the small percentage contributions of the agricultural sector it must be noted that the rural and poor nature of the district's resident population predisposes them to be inclined towards informal subsistence agricultural activity that is generally not reflected in the official records of national accounts. The implication of this is that although formalized commerce related to agriculture was only attributed to approximately 1% of Alfred Nzo GDP and 4% of Alfred Nzo total employment in 2015 (See Figure 3.4), the reality on the ground is that the agricultural sector is probably worth much more in terms of the monetary value of its output and production and contribution to household food security.

Turning to the trade sector, it is the largest private sector employer. Its employment contribution (27%) is greater than its GDP contribution (20%) (See Figure 3.4), which shows how in Alfred Nzo this sector is labour intensive. This is a result of low levels of investment into equipment, machinery and other such forms of capital. The local trade sector relies on unskilled labour, which gives an indication of the nature of the sector: mostly retail with limited maintenance and repair of goods. A relatively large retail trade sector in an area with a low average household income level indicates consumptive behaviour which is not sustained or supported by a notable productive base. Such an economy's performance and growth is closely coupled to broader economic cycles, and is not shielded from cyclical troughs and will often lag in terms of capitalizing on economic upswings.

3.2.3 Youth unemployment in Alfred Nzo

The weak economic growth performance in the province and in the District in particular has exacerbated already high unemployment, inequality, and macro vulnerabilities. The impact is even worse amongst the youth.

Youth unemployment rate (using the official definition) in Alfred Nzo district has remained extremely high at 59.6 % in 2016. The reasons for high prevalence of unemployment amongst the youth includes amongst others:

- Fewer jobs that are not enough to meet the pace of youth entry.
- Youth gain insufficient skills and capabilities

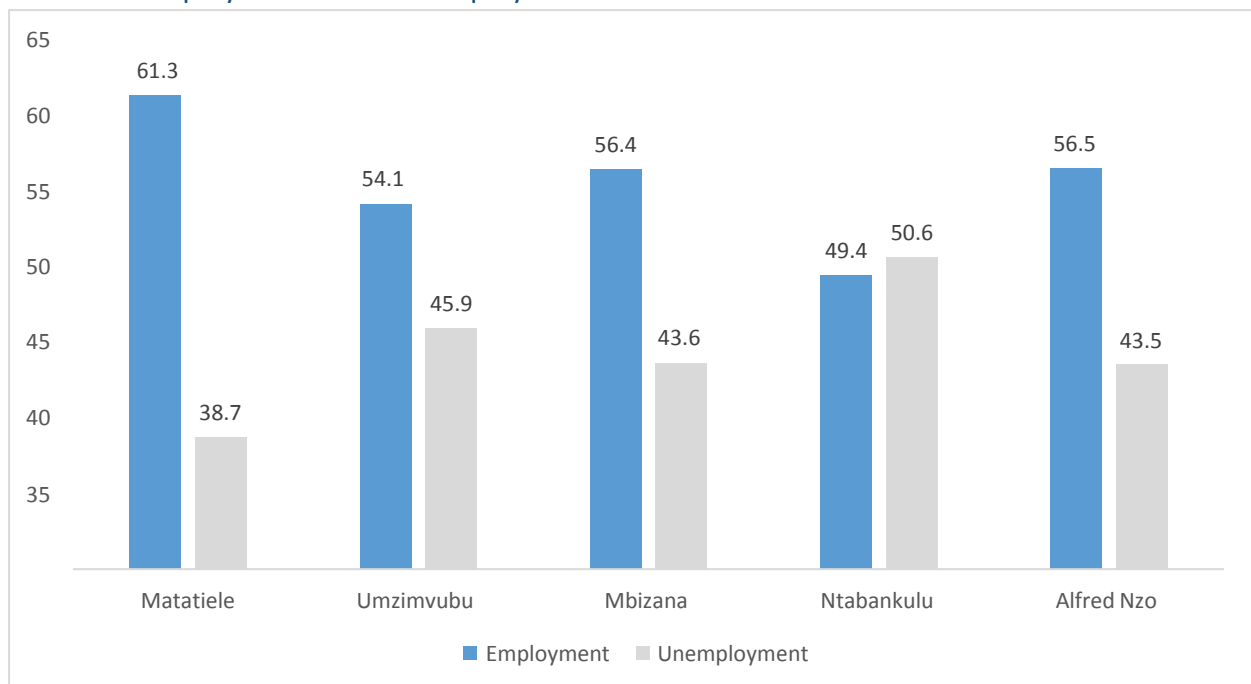
- Lack of networks and work readiness capabilities
- Lack of direction and lack of money to enable the search for jobs
- Mismatch between demand and supply of labour, and youth expectations for high position without relevant skills
- 81% of discouraged work seekers have not completed secondary education and
- Private sector is reluctant to employ unexperienced youth.

According to the National Treasury’s policy proposal document (National Treasury: 2011:4), the possible reasons that can explain the high rate of unemployment amongst the youth include among others:

- Employers who are looking for skills and experienced workers regard unskilled, inexperienced jobseekers as a risky investment.
- Education is not a substitute for skills. Schooling is not a reliable signal of capabilities and low school quality feeds into poor workplace learning capacity.

Looking at unemployment rate and employment rate in the district, the figure below shows high employment rate in Matatiele (61.3%) and high unemployment rate in Ntabankulu (50.6%).

3.2.4 Unemployment rate and employment rate in Alfred Nzo



Source: Alfred Nzo IDP, 2016

Employed people are those who have within the last thirty days performed work for pay.

Unemployed are those people within the economically active population who: are not working; want to work and are available to start work immediately; and have taken active steps to look for work or to start some form of self-employment.

Not economically active i.e. a person who is not working, not seeking work and not available for work.

The labour force participation rate is also very low with only 30.2% of the population of working age (aged 15 to 64) either employed or seeking employment.

All of the municipalities registered average 60% of their working-age populations as not being economically active. This is indicative of perceptions of limited opportunities for gainful and permanent employment in the district leading to worker discouragement. These perceptions may be formed by factors including:

- Skills mismatch (given the educational profile of the district)
- Large percentage of the population that is classified as new entrants into the labour market (given the youthful demographic profile of the district)
- Barriers to entry into the job market (technical, geographic and financial)
- Low wages in the district in comparison to wages commanded in other districts and provinces.

Based on the above analysis, one is left with several questions that policy makers in Alfred Nzo need to address:

- What opportunities exist to increase the contribution of the informal economy to poverty reduction?
- What are the options for improving the pro-poor efficiency of employment through public works?
- What is the sources of the high unemployment in Alfred Nzo– demand or supply factors?
- What is the role of internal and international migration in Alfred Nzo labor market?
- What are the drivers of employment in strategic sectors such as agriculture? What are the direct and indirect socio-economic impacts of job losses in this sector?
- How can agriculture sector’s contribution to poverty reduction be enhanced?
- Poverty and policy for the reduction of poverty among full-time and seasonal mine workers.

INCOME LEVELS

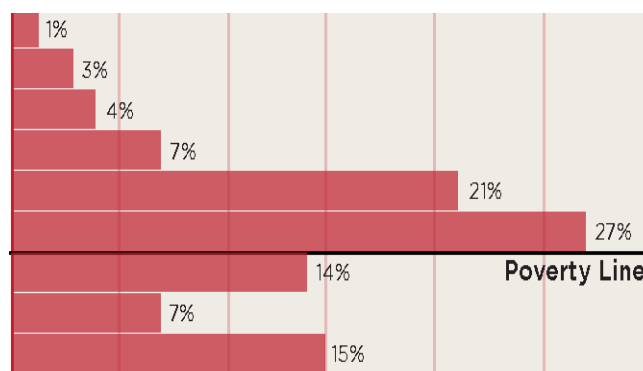
Income levels within the District are very low. Only 6.6% of the economically active population has an income of more than R1601.00 per month. The majority of the people within the district are having income that is less than R800 per month. Municipal planning needs to focus strongly on local economic

development initiatives that will enable the community to generate income.

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.

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 from district to district but in Alfred Nzo approximately 40% of the population lives below the poverty line. 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.



3.2.5 Education in Alfred Nzo is regarded as the cornerstone to sustainable development

Education is an important indicator of development due to its correlation with human capabilities, productivity and, ultimately, income. The level of educational attainment is used as an indicator of the skill levels of the population, with the higher educational attainment levels being associated with greater opportunities for higher earnings, better social circumstances and the potential investment attraction.

Level of education attained in Alfred Nzo District Municipality

Education	2011		2016	
	Number	Percent	Number	Percent
Level of education (20+)				
No schooling	49,423	13.6	36,504	9.1
Some primary	91,921	25.2	77,214	19.3
Completed primary	26,289	7.2	26,885	6.7
Some secondary	130,340	35.8	170,757	42.6
Grade 12/Matric	46,450	12.7	66,538	16.6
Higher	18,713	5.1	20,020	5.0
Other	1,280	0.4	3,074	0.8

Source: Statistics South Africa, 2016

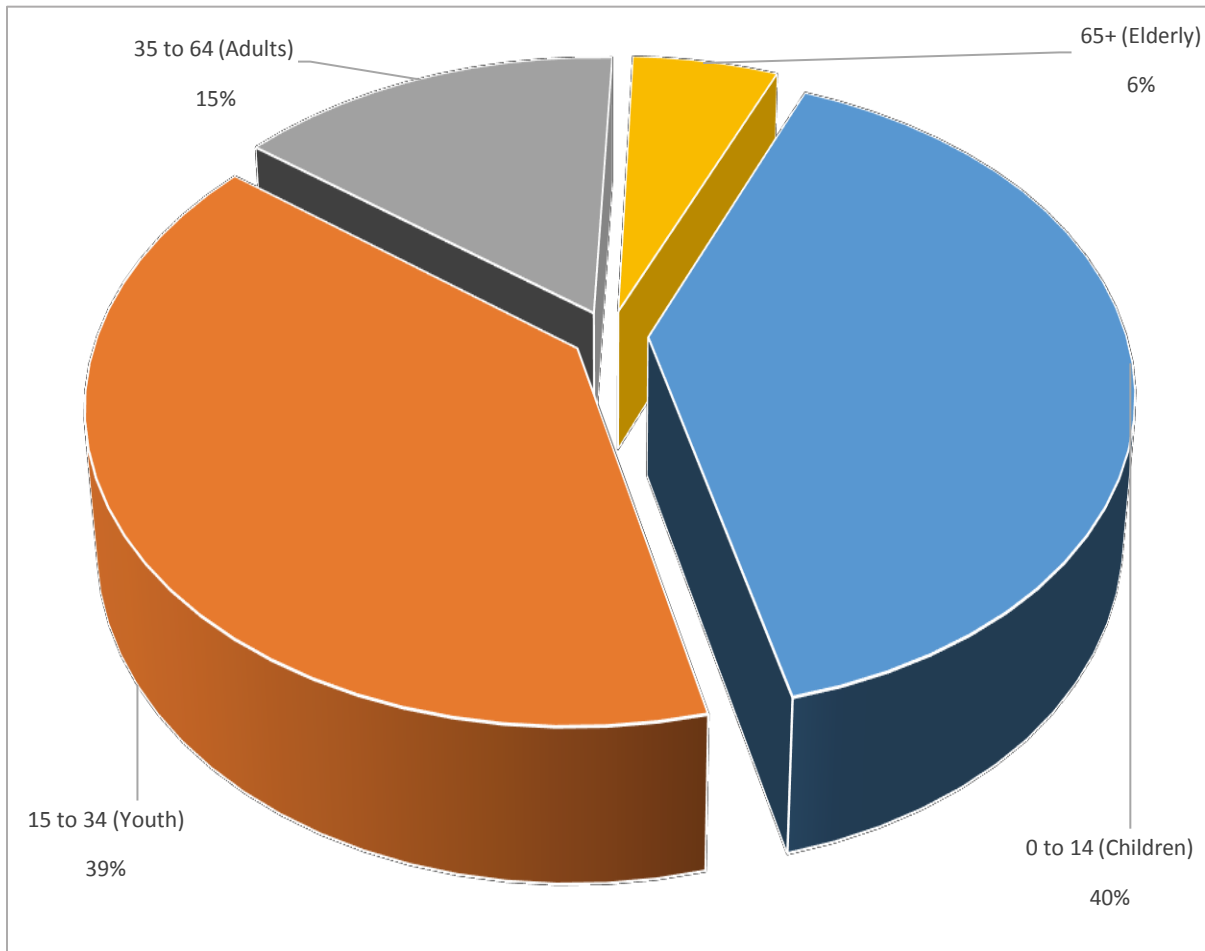
The district has low levels of educational attainment. This has implications on the present percentage of the population that is functionally literate.

Only 5.1% of the population completed Matric or higher levels of educational attainment in 2011 and the percentage declined to 5.0% in 2016 (See Table above).

Education and age structure in Alfred Nzo

The wide base of juveniles and narrow apex of middle-life cohorts points to cycles perpetuating migrant labour, representing a form of economic leakage. If young people leave the district, the effect is a loss of capital investments made into them in the form of education. From another perspective, a youthful population is often associated with a high level of creativity, energy and dynamism as is associated with entrepreneurial start-ups. The youthful population may then be seen as a means of mitigating economic leakage through government initiatives that specifically target this age group.

79% of Alfred Nzo District population fall between 0-34 years of age



Source: Statistics South Africa, 2016 Community Survey **Figure 3.5**

The Alfred Nzo District Municipality population is made up of 40% children under the age of 14 years. The youth aged between 14 and 34 years also account for 39% of the total population. The dynamics of this youth cohort will increasingly drive economic development of the municipality in terms of opportunities for education, work and social services. Figure 3.5 shows that the young population aged 0 – 34 years constitutes 79% of Alfred Nzo District Municipality’s total population. These are the people who drive the demand side of education in the municipality.

The district municipality need to have a strategy on how to build this young dynamic population. For every 10 people in Alfred Nzo District Municipality, 8 are aged between 0-34 years. Education should therefore be listed among the top priorities in the district.

Alfred Nzo District Municipality: Population Age structure, 2016

	0 to 14 (Children)	15 to 34 (Youth)	35 to 64 (Adults)	65+ (Elderly)	Grand Total
Alfred Nzo	345,625	340,753	131,488	49,997	867,864
Matatiele	82,180	86,031	37,044	14,192	219,447
Umzimvubu	73,104	80,467	33,337	12,713	199,620
Mbizana	138,257	123,567	42,669	15,455	319,948
Ntabankulu	52,083	50,689	18,441	7,636	128,848

Source: Statistics South Africa (2016 Community Survey) **Table 3.5**

Field of TVET in Alfred Nzo

Field of TVET in 2016

	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
Management	1,595	538	370	526	161
Marketing	333	152	40	101	40
Information technology and	316	73	61	158	23
Finance	457	158	104	174	21
Office administration	523	204	114	163	42
Electrical infrastructure construction	269	76	38	136	19
Civil engineering and building	414	52	149	171	42
Engineering	898	92	422	367	17
Primary agriculture	55	-	1	55	-
Hospitality	257	78	44	115	20
Tourism	208	21	60	99	28
Safety in society	133	18	108	7	-
Mechatronics	47	-	28	19	-
Education and development	1,083	263	299	497	24
Other	1,467	573	291	511	94
Do not know	69	51	18	-	-
Not applicable	857,044	216,334	197,246	316,244	127,220
Unspecified	2,694	764	227	607	1,096
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) **Table 3: 6**

Table 3.6 shows the field of TVET in Alfred Nzo. In 2016, there were 898 people in the field of engineering and 414 people in the field of civil engineering and building construction.

The low education levels in Alfred Nzo affect the potential for employment that workers have, their productive efficiency and also their ultimate income levels. Low education levels may lead to an unavailability of skilled workers from the district, leading to significant proportions of the workforce being drawn in from other areas. As such a workforce would still have ties to their previous areas of habitation, this would exacerbate economic leakage in the area, as incomes earned in Alfred Nzo may be remitted to other districts. Education is therefore acknowledged as being inextricably linked to the economic development of the area.

Field of higher educational institution in Alfred Nzo

Field of Higher education institution, 2016

	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
Agriculture	325	154	80	74	17
Architecture and the built environment	59	10	19	30	-
Arts (Visual and performing arts)	22	-	10	-	12
Business	1,536	281	452	643	159
Communication	108	34	39	35	-
Computer and information sciences	362	22	118	152	70
Education	7,367	2,282	2,019	2,398	668
Engineering	652	147	143	279	82
Health professions and related clinical					
Family ecology and consumer sciences	50	-	50	-	-
Languages	74	23	29	-	23
Law	243	71	120	52	-
Life sciences	92	-	63	18	11
Physical sciences	62	33	10	-	19
Mathematics and statistics	108	19	21	20	48
Military sciences	14	3	-	10	-
Philosophy	106	11	50	34	11
Psychology	145	49	38	57	-
Public management and services	624	237	120	213	53
Social sciences	510	129	211	159	10
Other	1,411	568	272	401	171
Do not know	878	818	39	-	21
Not applicable	849,341	213,339	195,151	314,554	126,297
Unspecified	2,694	764	227	607	1,096
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) **Table 3:7**

Education shapes how people experience the social, political and economic conditions in society. Consequently, education is central to how we respond to the quest for human development and flourishing. The basic purpose of education is to provide children, youth and adults with a socialising experience that enables self-knowledge and develops personal and social attributes to engage with, change and contribute meaningfully to society.

Highest level of education attained in Alfred Nzo

Table 3:8 shows the highest level of education attained by people in Alfred Nzo District Municipality. The 2016 community survey released by Stats SA reveals that Alfred Nzo had 146 947 people with no schooling of which 61 995 people were in Mbizana and 32 343 people in Matatiele Municipality.

Highest level of education attained

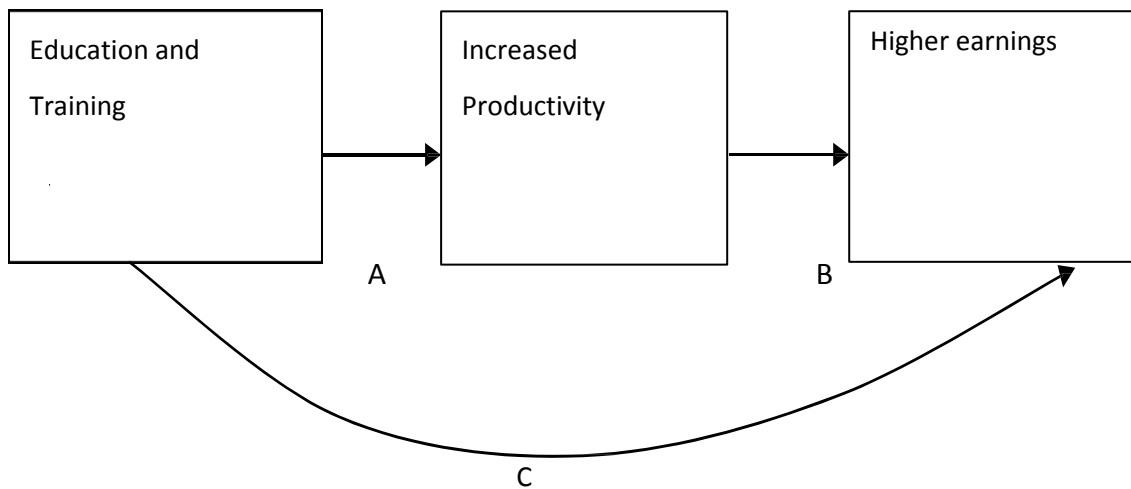
	Alfred Nzo	Matatiele	Umzimvubu	Mbizana	Ntabankulu
No schooling	146,947	32,343	26,852	61,995	25,758
Grade 0	48,067	11,857	9,474	20,031	6,706
Grade 1/Sub A/Class 1	32,360	7,935	7,065	12,129	5,231
Grade 2/Sub B/Class 2	26,283	5,590	5,924	10,571	4,197
Grade 3/Standard 1/ABET 1	48,948	11,536	10,673	18,602	8,137
Grade 4/Standard 2	47,879	11,264	10,931	18,428	7,256
Grade 5/Standard 3/ABET 2	48,382	11,801	10,026	19,388	7,167
Grade 6/Standard 4	55,134	15,051	12,217	19,259	8,607
Grade 7/Standard 5/ABET 3	49,132	12,520	12,428	16,770	7,414
Grade 8/Standard 6/Form 1	61,395	15,515	16,798	20,259	8,823
Grade 9/Standard 7/Form 2/ABET					
4/Occupational certificate NQF Level 1	71,079	19,047	17,010	24,861	10,162
Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	66,411	17,400	18,024	22,282	8,705
Grade 11/Standard 9/Form 4/NCV Level 3/Occupational certificate NQF Level 3	66,959	17,208	17,146	23,797	8,808
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/Occupational certificate NQF Level 3	70,266	20,638	18,003	22,942	8,683
NTC I/N1	249	59	63	109	19
NTCII/N2	351	80	98	174	-
NTCIII/N3	714	226	122	300	66
N4/NTC 4/Occupational certificate NQF	1,333	385	247	430	271
N5/NTC 5/Occupational certificate NQF	866	483	156	166	61
N6/NTC 6/Occupational certificate NQF	1,402	336	462	499	105
Certificate with less than Grade 12/Std	699	633	37	29	-
Diploma with less than Grade 12/Std	687	412	92	149	33
10 Higher/National/Advanced Certificate with					
Grade 12/Occupational certificate NQF	2,017	742	678	456	140
Diploma with Grade 12/Std certificate NQF Level 6	6,092	1,864	1,726	1,901	601
Higher Diploma/Occupational					
Level 7	2,134	421	503	891	320
Post-Higher Diploma (Masters)	2,086	549	550	642	345
Bachelor's degree/Occupational certificate NQF					
Level 7	4,056	1,137	1,012	1,420	488

Honours degree/Post-graduate					
diploma/Occupational certificate NQF Level 8	1,925	547	499	666	213
Masters/Professional Masters at NQF Level 9					
degree	183	56	75	51	-
PHD (Doctoral degree/Professional degree at NQF Level 10)	263	117	51	95	-
Other	988	265	220	320	183
Do not know	1,973	1,284	433	145	111
Unspecified	603	146	27	193	237
Grand Total	867,864	219,447	199,620	319,948	128,848

Source: Statistics South Africa (2016 Community Survey) **Table 3:8**

In line with the millennium development goals, the government of Alfred Nzo District Municipality should take measures to eradicate education backlog, especially for the people with no schooling.

The Human Capital Theory



Education and training should be regarded as an investment and not just a mere consumption services because education and training provide more than immediate benefits such as subjective satisfaction and status but a long term monetary rewards through higher earnings and better life style.

According to the human capital theory, the monetary return on education and training is the net return which is derived at by taking into accounts both the costs and the benefits of education and training.

The reason for this illustration here is that when workers are productive the economy grows and when the economy grows more jobs will be available, and when people find jobs more tax revenue goes to the government while its expenditure on social welfare declines. Thus less budget is spent on fighting poverty and creating jobs through government programs such as the Accelerated Shared Growth and Initiative South Africa (ASGI-SA); the Broad Based Black Economic Empowerment (BBBEE); Small, Micro and Medium Enterprises (SMMEs) and Co-operations (Coops).

The promotion of these programs will then be on the individual to take active steps to be innovative and flexible to take up challenges.

Government will therefore concentrate more effort in investing in both economic and social infrastructure.

Fees must fall and education in Alfred Nzo

Challenges in South Africa's education system include the fact that education quality remains poor overall and uneven across regions and population groups, which largely reflects the country's historical legacy. Although private returns to schooling are shown to be large, especially at the tertiary level, they have been shown to be significantly lower for Black Africans relative to the national average, which may be linked to differences in school quality and persistent discrimination. Recently the issues of affordability of tertiary education has been brought to the fore via the *fees must fall* campaign in which University students led a national protest for free tertiary education.

Improving governance of education through for example improved teacher accountability will help increase cost-efficiency. To facilitate the role of the labor markets in poverty reduction, there is need to put in place policies and initiatives to correct the skill supply and demand mismatch.

In addressing the challenges facing Education in the Province, the Eastern Cape Planning commission have identified the following key action issues:

- Community ownership of schools
- Implementing mother-tongue-based language medium policies
- Developing well-grounded early childhood specialists/practitioners
- Developing teachers as public intellectuals
- Developing academic excellence in sciences and humanities in primary and secondary schools
- Adopting co-operative approaches to post-schooling institutions and designing programmes for community education.

Key Questions for policy consideration

- What are the determinants of learning outcomes across different population groups and across geographical areas of Alfred Nzo?
- What are the outcomes for learners completing high school or dropping out in secondary school, in terms of the higher education landscape?
- What are the key constraints faced by learners in trying to enter post-schooling institutions?
- To what extent does educational attainment or school performance of pupils from previously disadvantaged communities (including rural areas) contributes to their probability of penetrating the formal labor market?
- How do factors such as the learner's gender, ethnicity, origin, family income, parents' education and so on link to the learner's school performance?
- Do accountability arrangements such as community participation, principal-teacher management teams help improve outcomes in previously disadvantaged schools?
- Resources constraints (e.g. lack of equipment) and teaching capacity constraints (e.g. lack of teacher training) in learning outcomes?
- What are the implications of fees must fall for poor students in higher education in South Africa?

3.3 Diagnostic Review

3.3.1 Natural conditions

The Alfred Nzo District (AND) is a mountainous region stretching from the tops of the southern Drakensberg escarpment in the northwest (over 2,000 metres above sea-level and forming the border with Lesotho) down to the Wild Coast, about 120 kilometres away in the south-east.

The AND has about 30 km of coastline. Bordered by the Mtamvuna river (and KZN) in the northeast and the Tina river in the southwest, the AND has an area of 10,734 square km (the smallest area among the Eastern Cape's six rural districts).

There is large climatic variation in the AND, from Alpine in the high mountain areas to subtropical in the coastal belt. Rainfall is generally quite high (900 to 1500 mm/year) particularly under the escarpment and near the coast.

Most of the AND falls within the upper Mzimvubu river catchment area or basin, and the district has deep and steep-sided river valleys of the Mzimvubu itself and three of its four main tributaries (the Tina, Kinira and Mzintlava rivers):

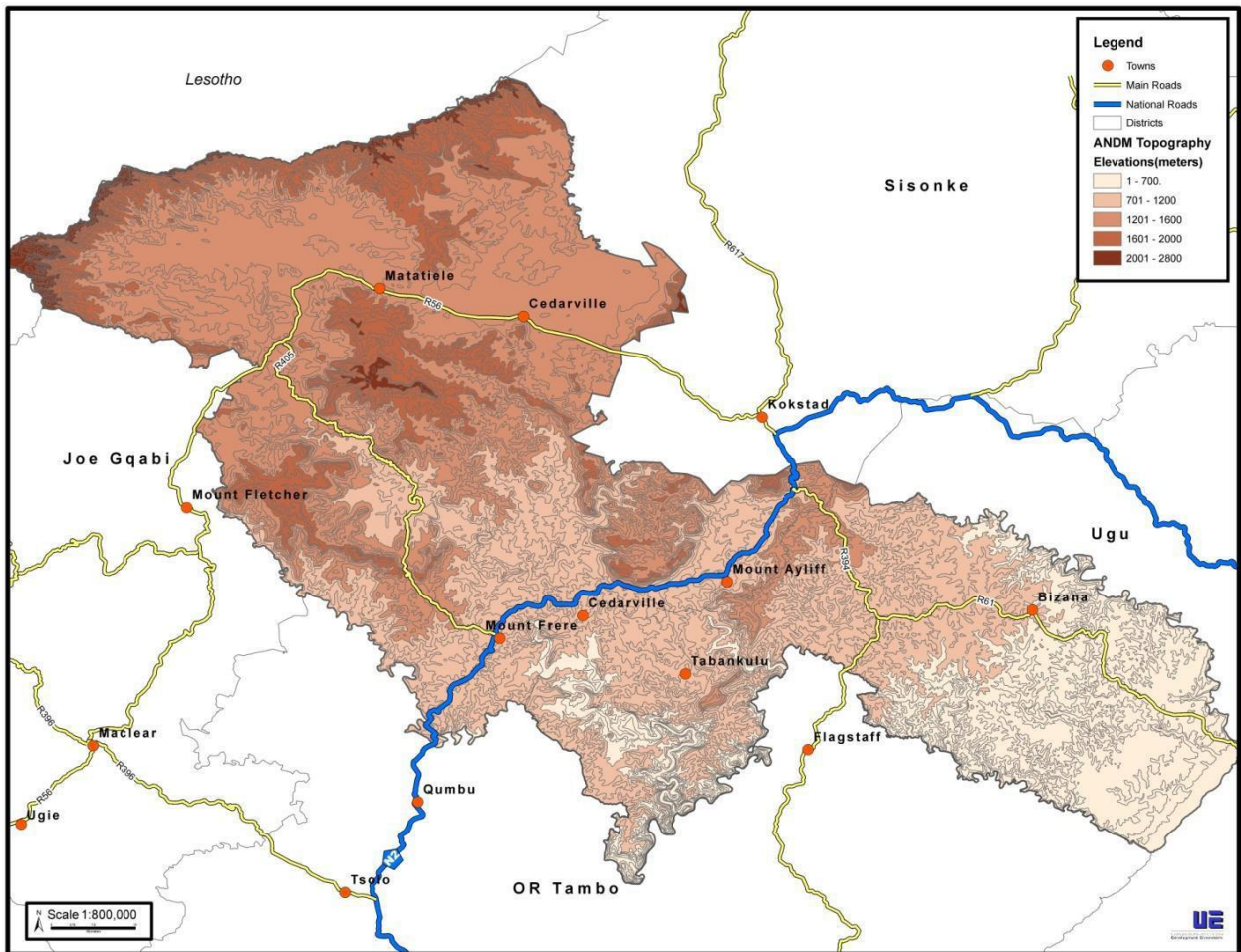
- The Tina river passes just to the east of Mount Fletcher
- The Mzimvubu passes just to the west of both Cedarville and Mount Frere
- The Kinira joins the Mzimvubu to the northwest of Mount Frere
- The Mzintlava passes just to the east of Mount Ayliff, and then flows down to Flagstaff.

There are extensive wetlands at the base of the escarpment.

The vegetation of the AND is mostly grassland with pockets of indigenous forest. About 5% of the district's land area (or 50,000 ha) is judged to have high-potential for arable farming.¹

AND is very scenic.

¹ See ANDM Grain Masterplan, page i



(Note: Please disregard the location of Cedarville in this UrbanEcon map)

3.3.2 Socio-economic snapshot

The economy of AND is dominated by the public sector, accounting directly for 46% of the municipal economy², compared to 15% for SA as a whole. The business sector is mainly trade and other services, while the productive economy (agriculture, manufacturing and construction etc) is very small. The AND economy is consumptive rather than productive.

The total value-added of the AND economy is about R50 billion a year. Formal employment is about 50,000 jobs and there are also about 27,000 informal jobs. Matatiele LM has the largest economy and Ntabankulu has the smallest.

About 90% of households in AND are poor, unemployment is rife (particularly among the youth), and business employment is extremely small in relation to the working age population (and probably not showing much growth).

Most households rely on social grants and remittances to avoid extreme hunger.

² See ECSECC review 2017

In 2016 the South African Institute of Race Relations published a study (based on StatsSA’s 2016 Community Survey) that calculated a “deprivation and comfort index” for 8 metropolitan and 44 district councils and found the AND to be the worst off.³

- AND had lowest proportion of households with access to piped water inside their home or yard at 16%
- AND had the lowest employment rate at 53% (Johannesburg had the highest at 73%)
- AND also scores worst at income: 90% of the households get less than R1600 per month.

A question was introduced in the Community Survey 2016 that asked households what they considered to be the main problem or difficulty they were facing in their municipality presently. In addition to collecting data about the actual services and the quality of services that households have access to, asking households what they perceive as their main challenge or difficulty provides policymakers and planners with key data on how households understand or feel about their environment and the services in their municipality. Alongside the statistics of household services, employment and crime statistics, the results from this question could be useful to assess needs and analyse trends. Overall in South Africa, households listed (1) lack of a safe and reliable water supply, (2) lack of or inadequate employment opportunities, (3) the cost of electricity, (4) inadequate housing and (5) violence and crime as the main challenges that they presently faced in their municipality. The table below shows how perceptions vary between AND, EC and SA:

Leading challenges facing the municipality presently as perceived by households:

	Alfred Nzo District Ranking	Eastern Cape Ranking	South Africa Ranking
Lack of safe and reliable water supply	1	1	1
Lack of reliable electricity supply	2	Data not available	Data not available
Inadequate housing	3	2	4
Inadequate roads	4	4	Data not available
Lack of/inadequate employment opportunities	5	3	2
Inadequate sanitation	7	5	Data not available
Cost of electricity	8	Data not available	3

Rankings for AND as opposed to the rest of the province show that infrastructure backlogs are perceived as key priorities in the district. These perceptions of households are relevant

³ See Daily Dispatch: <http://www.dispatchlive.co.za/news/2016/06/07/alfred-nzo-municipality-is-the-worst-area-to-live-in-sa-survey-finds/>

to framing the **Apex Priorities of Alfred Nzo District Council** for the next five years (see Chapter 6 below)

AND contains some valuable natural assets. For example, fertile lands, warm temperatures, fairly good soils and frost-free conditions (in some areas). The Wild Coast is considered the most spectacular eco-tourism destination in SA.⁴

Agriculture and tourism have long been identified as high-potential sectors to drive development, but despite several public sector interventions these sectors have not yet taken off.

3.3.3 People and human settlements

According to the Community Survey (2016) about 868,000 people live in the Alfred Nzo District (AND). Between 2011 and 2016 AND's population grew faster than the Eastern Cape provincial total, and the population of Mbizana grew particularly fast:

	% change of population between 2011 and 2016
Ntabankulu	3.9
Umzimvubu	4.2
Matatiele	7.7
Mbizana	13.5
Alfred Nzo	8.3
Eastern Cape	6.6

The people of AND include Bhaca, Sotho and Mpondo. Traditional leaders are represented on the AND Municipal Council.

There are broadly three types of human settlements in AND:

- Low-density rural villages (average size about 700 people; villages are often contiguous)
- Small towns
- Higher density peri-urban settlements around the small towns

There is evidence of de-population of deeper rural areas (e.g. the Mzimvubu population fell by 5% between 2001 and 2011 according to census data) and fast growth of peri-urban settlements.

Local Municipality	Population (000s)	Area (square km)	Population density (people/sq km)	Small towns	Other nodes
Matatiele	219	4352	49.6	Matatiele/ Maluti Cedarville	Queen's Mercy, Ematolweni, Thaba

⁴ Ibid

					Chicha, Ndaleni
Mzimvubu	200	2507	78.9	Mount Ayliff Mount Frere	Cancele junction, Phakade junction, Phuthi junction
Ntabankulu	129	1459	94.8	Ntabankulu	Isideni Bomvani
Mbizana	320	2415	123.5	Bizana	Mzamba Kubha junction, Mpunfu (new N2), Ndlovu
TOTAL	868	10734	80.1		

Note: Population data from Community Survey 2016 (StatsSA)

From this table it is observed that:

- Matatiele LM has the second largest population and the largest land area, and Ntabankulu LM has the smallest population and land area.
- Mbizana has the largest population and the densest population, and Matatiele is the least dense
- All six of the small towns are on a main road, except Ntabankulu

The main problem with peri-urbanisation processes is that they can occur in unplanned and haphazard ways. Economic growth is largely an urban phenomenon and more dynamic small towns will improve the development prospects of the overall district.

Possible priorities include the following:

- Strong urban planning of the five small towns (and their peripheries) is required.
- Increased focus of public investment and development initiatives in small town development, and ensuring that they become competitive and investment attractive areas.
- High population densities and high population growth in Mbizana suggests that, for example, Mzamba is a growth node and requires a special focus, particularly in view of the new Wild Coast N2.
- Municipalities must acquire more well-located land that can be made available for investors (see section 2.11 below on construction and property development).

3.3.4 Roads and transport network

The main roads in the District are:

- The N2

- The R56, and
- The R61

The new Wild Coast N2 is being planned from Mzamba to the new Mtentu bridge 30 km to the south.

Other roads include:

- Three gravel roads from N2 to R56 (ending at Cedarville and Ematolweni, the R405)
- Gravel back road from Mount Ayliff to Mount Frere passing through Sphambukeni and Cancele junctions.
- N2 (from Phuthi junction) to Ntabankulu (and south to Lusikisiki)
- N2 (Mount Ayliff) to R61
- R626 from N2 (Phakade junction) to R61 (Kubha junction), and on to Flagstaff
- Matatiele to Qacha's Nek (Lesotho)
- Matatiele to Queen's Mercy, Malekgonyane (Ongeluksnek) and Thaba Chicha.

To upgrade the district's road network there needs to be ongoing engagement among ANDM, the LMs, DRPW and SANRAL to ensure:

- Upgrade roads in the new emerging peri-urbanization zones.
- Maintain priority road network (preventative)
- Use employment-intensive methods as much as possible
- Use transport nodes to develop commercial precincts (taxi ranks, hawkers facilities, shops etc)

3.3.5 Water, sanitation and electricity

The Alfred Nzo District mainly lies in the Mzimvubu catchment area, which has relatively high annual rainfall and consequent high annual surface water run-off (river flows). This catchment has the highest un-used water potential yield in SA. This potential has been studied over many years but the water resource remains under-utilised for a number of reasons:

- Absence of large-scale and local urban/industrial demand
- Absence of large-scale irrigation potential (topography and soils)
- High cost of water transfer to water scarce regions (such as Gauteng) due to high pipeline and pumping costs

Presently there is one large dam in AND (the new Ludeke dam in Mbizana) and several small dams. Most of water supply for towns and rural areas comes from standalone schemes using streams, springs and boreholes.

There are very large water backlogs, particularly in Mbizana. The following data is from Community Survey 2016:

Area	% households without access to piped water	% households without access to sanitation
Alfred Nzo District	54.1	5.7
Matatiele	31.2	6.7
Umzimvubu	46.7	6.4
Mbizana	77.8	5.6
Ntabankulu	63.3	2.5

AND Municipality is both the Water Service Authority (WSA, with full regulation and oversight functions) and the Water Service Provider (WSP, with full delivery functions).

ANDM is engaged in major delivery of water supply projects to address backlogs, which are estimated to require R14.6 billion to eradicate, at an average cost per household of R85,000. The total capex budget in 2016-17 is R421 million. Average household costs are high due to the dispersed nature of human settlements and difficult topography.

The District has four water supply intervention areas (WSIAs):

WSIA name	Bulk pipelines (km)	Reticulation pipelines (km)	Yard connections (000s)	Cost (R billion)
Kinira River Dam (Matatiele)	310	496	37	5.1
Mkhemane River Dam (Umzimvubu)	916	1603	35	5.9
Nkanji Dam (Ntabankulu)	478	836	22	4.5
Ludeke Dam (Mbizana)	968	1694	45	5.4

Water issues to be addressed during this IDP are the following:

- Optimal implementation for the WSIA programme and raising of grant funds.
- Ensure that roll-out of WSIA responds to population dynamics (peri-urbanisation trend)
- Ensure ANDM meets DWS regulatory requirements as a WSA (in terms of the Regulatory Performance Management System, RPMS). ANDM's status as WSA is under threat.
- Under-capacity, ageing and poor operations and maintenance of WTWs and WWTWs (poor blue drop and green drop scores).
- Implement water conservation and demand management strategy

- All households outside towns are considered indigent in terms of free basic services.
- Expedite training of WSP personnel through SETA programmes.
- Maintenance of existing stand-alone village water schemes

Waterborne sewerage is being provided in Maluti Township (Matatiele) at a cost of R40 million⁵.

Other priorities include:

- Complete VIP toilet provision programme
- Eskom to complete household electrification programme (100,000 households)
- Municipal waste services to be delivered at least in towns and other tourism and transport nodes (use EPWP where feasible).

3.3.6 Health

The district has 8 hospitals and 65 clinics. These facilities fall short of DoH norms, as do the services rendered.

Health outcomes in the district are generally poor, as a result of poverty and malnutrition and reflected in extremely high rates of infant and child mortalities. Additional national and provincial resources are being invested in the AND health system. ANDM is required to improve infrastructure for health facilities.

The spread of HIV/AIDS is an extremely severe and urgent problem in the area. In 2009 the HIV/AIDS prevalence rate was as high as 50%-60% among tested cases; these cases were mainly females who participated in voluntary testing during their regular pregnancy visits to local clinics. The logistical difficulties of getting ARV's and other health care to remote and scattered communities is recognized.

Future priorities include:

- Programmes to improve child nutrition (early childhood development)
- Achieving national norms regarding facilities and service standards, particularly in the growing and denser peri-urban areas.

3.3.7 Education and training

AND has 274 primary schools, 482 combined schools and 77 secondary schools (823 schools in total). There is also a TVET college (Ingwe College).

There are three campuses of Ingwe TVET college in the district: Mount Frere, Bizana (Siteto campus) and Matatiele/Maluti. Project Isizwe has provided free wi-fi access for Mount Frere TVET campus and surrounding communities.

Some schools are overcrowded and need more classrooms, others are under-utilised. ASIDI has been building new schools in the district. GTAC is conducting a study to inform the school rationalization process.

⁵ Serving 7000 people (R5700/person)

The district has low literacy rate (50%). A high % of the population is without schooling; and a low % of the population has higher education.

Generally the quality of education and training is not good and should be improved. This is an essential condition for the future growth and development of the area. Indeed, **education and training are a development priority of AND.**

DRDLR launched the National Rural Youth Services Corps (NARYSEC) in 2010 to train unemployed youth in skills relevant to CRDP projects.

Future priorities include:

- Improve the quality of education in AND and reduce classroom backlogs.
- Ingwe TVET College to provide skills, particularly for infrastructure, construction and maintenance and modern farming practices. Ideally the college offerings should be extended and a full range of relevant curricula should be offered (in view of the very youthful population of AND)
- Development partnerships between Ingwe TVET college and, for example, SANRAL, War on Leaks, Youth Farming Initiatives etc
- Mobilise resources for the TVET expansion and upgrading through relevant SETAs, mining companies etc
- Ideally NARYSEC should also be scaled-up in AND
- Focus on improving the skills pipeline for growth sectors and major projects and specifically SETA resource mobilization and curriculum development.
- ANDM should engage with DRPW to scale-up the Accelerated Professional and Trade Competencies (APTCOD) in the district.

3.3.8 Agriculture

AND has the potential to grow the value of production by the farming sector. This is for a number of reasons:

- Good rainfall, sufficient for rain-fed arable farming.
- Communal grazing land (unimproved although partly degraded) and large existing herds of cattle, sheep and goats. There is potential for growth based on more intensive systems, managed pastures and feedlots.
- 50,000 ha of communal arable land (according to the AND Grain Masterplan)
- Estimated 52,000 ha of *itsiya* or homestead gardens.⁶
- 52% of AND households engage in unpaid farming activity: at Itsiya and on communal lands. Food production (meat, maize, vegs, fruit etc) is happening, but with low productivity. There is potential to grow high-value crops on itsiya (such as berries) with irrigation from “water harvesting” (roof-water tanks etc). Logistics systems would need to be devised for aggregation into large-scale supplies.

⁶ According to Community Survey 2016 there are 102,000 households in AND engaged in agriculture (52% of total). At an average of 0.5 ha each this equals 52,000 ha

- A significant proportion of households grow and sell (illegal) cannabis. Household income from this source could increase by many times with controlled legalisation and international market access.
- High potential cultivation zones (listed below, and see map below)
- Future partnerships between AND farmers and commercial entities being planned by DRDAR.⁷
- Opportunities for local production to supply school nutrition programme.
- Niche opportunities, such as indigenous medicinal plants and essential oils.

The areas with higher agricultural (arable) potential (see map below) are:

- From Cedarville area to Malekgonyane Nature Reserve (the 35 Ongeluksnek farms)
- East of Mount Fletcher
- West of Mount Ayliff
- West and South of Bizana

In particular, there are irrigable lands next to the Mzimvubu tributaries (less than 50 ha each) and along the Mtamvuna river.

There are several agricultural development activities underway in the district, notably:

- DRDAR activities
- DRDLR's Agri-Parks programme
- ANDM fencing of arable land (under EPWP)
- ECRDA RED hub in Mbizana
- Masisizane Fund (Old Mutual) support to Grain Masterplan (local feed production for livestock feedlots)
- Projects by Lima NGO

The AND Agri-Parks Business Plan (CSIR, 2016) plans for a central agri-hub to be located in Cedarville, with Farmer Production Support Units (FPSU) in each LM area. The FPSUs supply raw materials to be processed at the Agri-Hub:

- Cedarville agri-hub: Products to include animal feed, maize meal, mutton, scoured wool, prepacked potatoes, fresh and frozen vegetables.
- Mount Frere FPSU: feedlot and woolshearing
- Matatiele FPSU: maize support and silos; feedlot and woolshearing
- Mount Ayliff, Mbizana and Ntabankulu FPSUs: vegetables

However, the farming sector faces a number of challenges, such as:

- Past interventions by DRDAR, AsgiSA, ANDA etc have not created sustainable and profitable agricultural production.
- Large-scale irrigation from river water is limited by small areas of arable land next to perennial rivers.⁸

⁷ See DRDAR's "EC Agricultural Economic Transformation Strategy, 2016-2021"

⁸ Irrigable land parcels are less than 50 ha each

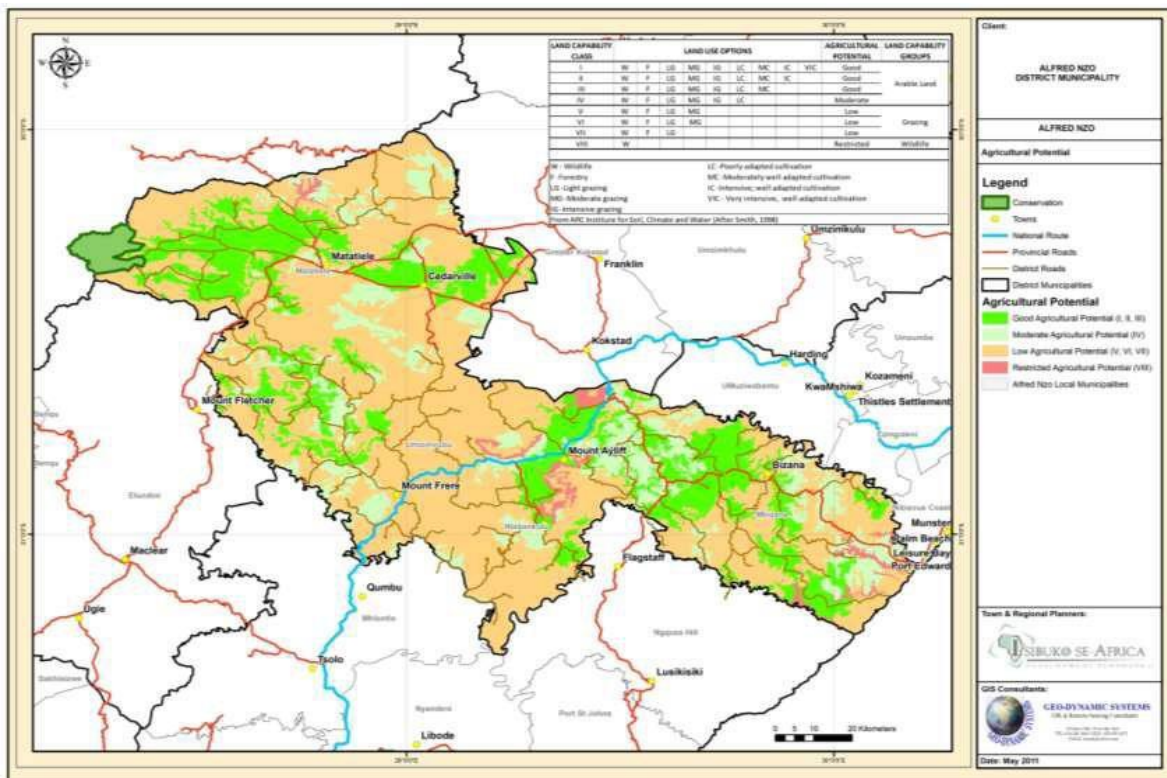
- Communal land tenure hinders investment by private capital.
- Small farmers have inadequate access to farming knowledge and skills; water infrastructure; fencing; mechanization; inputs (such as seedlings); finance and markets

The future priority is therefore to realise the potentials listed above through addressing the various challenges and obstacles.

A prospectus for partners and investors should be prepared around an AND based “Itsiya Youth Farming Initiative”. This should be a broad-based programme to unlock the potentials listed and involve a wide-range of partners.

There should be a conference around “AND Agricultural Development Partnerships” that would show-case the various potentials.

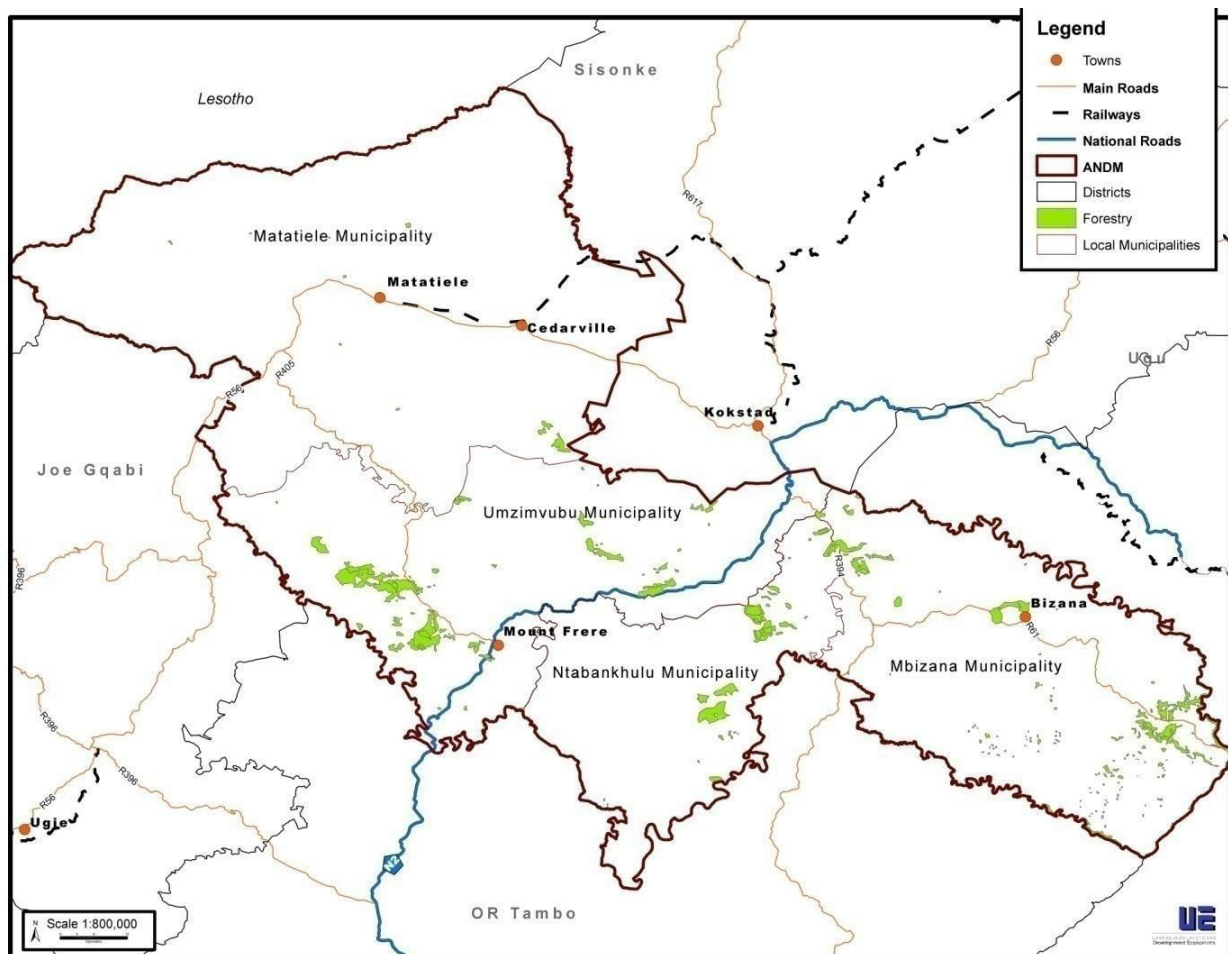
AND needs better agricultural interventions that can create and support profitable smallholder enterprises (through, for example, CPPP’s, contract farming arrangements/outgrower schemes, and collection/aggregation systems).



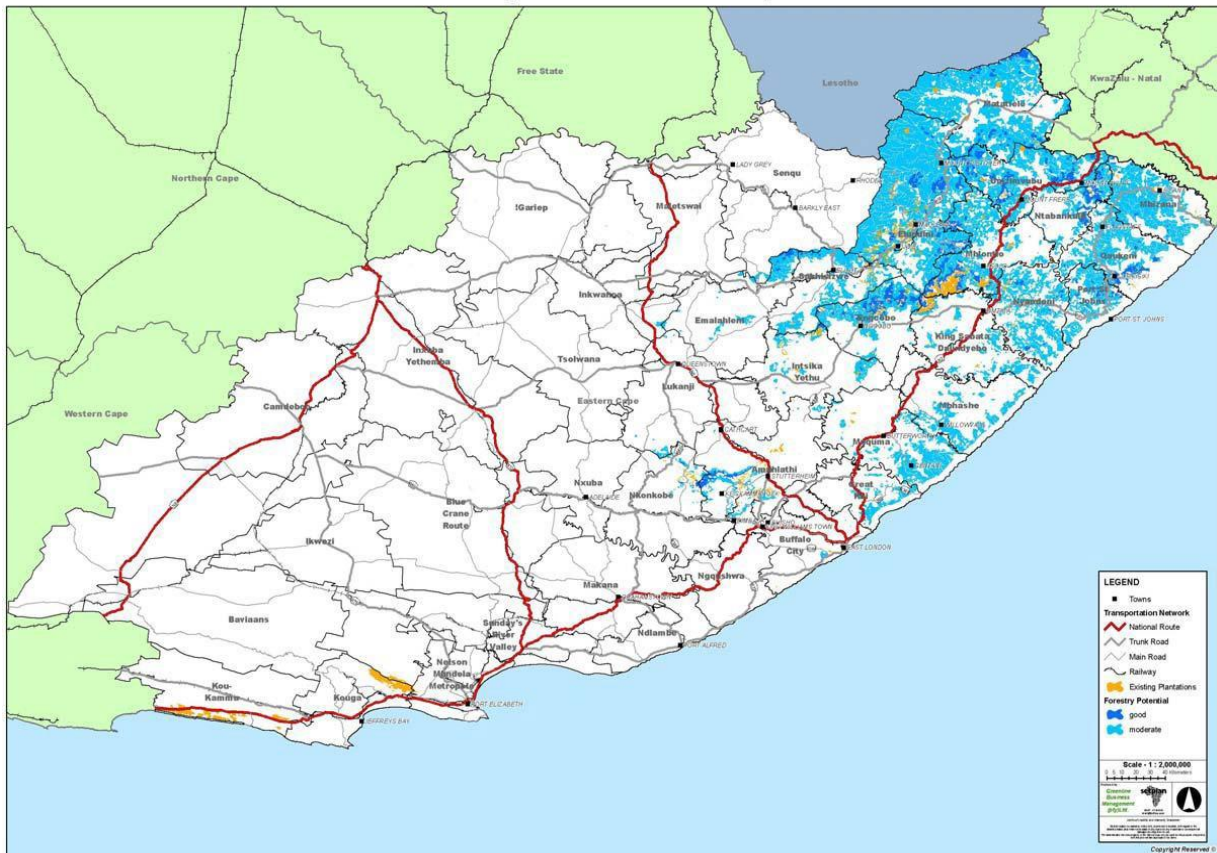
3.3.9 Forestry

The following data is extracted from EC Forestry Sector Profile (DWAf, 2007):

	Mbizana	Ntabankulu	Umzimvubu	Matatiele	TOTAL
Commercial plantations (ha)	0	1051	3149	0	4200
Woodlots (ha)	951	92	285	408	1736
Indigenous (ha)	3719	3353	4597	1684	13353
Afforestation potential (moderate)(ha)	119710	35713	131288	250928	537639
Afforestation potential (good)(ha)	2590	13467	27746	18310	62113
Number of sawmillers	0	0	4		4



Forestry Sector Profile - Eastern Cape



There are two recent ECRDA/Jobs Fund/Sappi Community Forestry projects in Mbizana: Sinawo and Izinini. Sinawo Forestry is located on land previously used by North Pondoland Sugar.

There are two main issues with community forestry. Firstly, the economic returns to communities are fairly small and long-term, particularly when there are hundreds of household beneficiaries. Secondly, afforestation takes land away from other land uses (such as grazing and even arable farming) that may offer better economic returns.

Future community forestry projects should therefore be approached with due caution.

But AND has very substantial afforestation potential (56% of the total land area of the district) which if realized would provide direct employment opportunities and (in time) downstream opportunities.

Community forestry projects demonstrate that CPPP's can work. CPPP's should be more prevalent in more employment-intensive sectors (such as irrigated agriculture/horticulture).

Future priorities include:

- Identify communities wishing to enter into community forestry arrangements
- Explore partnerships with Sappi and Hans Merensky.

3.3.10 Commerce and industry

AND has no major commercial centres and inputs are bought from Kokstad, Port Shepstone and Mthatha. (Mount Frere is nearer to Kokstad than Mthatha, 87km versus 104km, but Mthatha-Mount Frere is the busiest taxi route in the EC).

But AND has a busy commercial sector, with shops in the main towns, rural service centres/transport nodes and some villages. There are new enterprises such as 100% black-owned Matatiele Grainco providing mechanization and transport services to the farming sector.

The manufacturing sector is extremely small, consisting of:

- Activities in old Transido complexes
- Concrete block-makers
- Sawmillers (one medium and three small in Mzimvubu)
- Sanami: SEDA Alfred Nzo Agro-Manufacturing Incubator at Mount Ayliff (See sanami.co.za)
- Crafts enterprises

Priorities include:

- Commercial property developments (see 2.11 below)
- Upgrade of Transido complexes
- Attraction of new incubators
- Agro-industrial development
- Crafts development

3.3.11 Tourism

The district has an active tourism economy, including:

- Wild Coast Sun (golf course and R80 million Wild Waves Water Park) 750 ha
- B&Bs
- Tour operators, such as Mzamba Tours and Itembalampondo Tours
- Craft Route: Matatiele to Mount Frere
- Mehloading Hiking Trail
- Mbizana birthplaces of OR Tambo and Winnie Mandela
- Ntabankulu Cultural Village
- Events such as Ntabankulu Pondo Festival and Matatiele Jazz Festival (including pop-up fashion shows)

The district has very good potential to grow the tourism economy and multiply tourism-based enterprises (including crafts) particularly in view of the new Wild Coast N2 and ANDM's useful framing concept of "Beach to Berg". Potential exists around ecotourism, cultural and heritage tourism.

All local municipalities have a tourism office, but there is an absence of an active "Beach to Berg" website. The B2B website should include:

- Attractions (with detailed write-ups)
- Events
- Accommodation
- Routes and maps
- Photos (there are two good ANDM tourism brochures with excellent photos)
- Community-based ecotourism operators

Priorities for the development of the sector include:

- Set-up active Beach to Berg (B2B) website
- Improve infrastructure and signage of B2B route
- Plan tourism-related property developments (see next section)

3.3.12 Construction and Property development

The employment-intensive construction industry presently accounts for about 10% of jobs in the district and there is good potential to grow this sector (in terms of employment and growth of local emerging contractors) based on public sector infrastructure contracts and private sector property developments. However, there are a number of obstacles to sector development that must be addressed.

There are many opportunities for private property development in AND. Examples include:

- Coastal developments associated with the new N2 (such as OR Tambo Theme Park at Mzamba)
- Inland tourism projects (such as Matatiele waterfront)
- New commercial developments, such as shopping complexes
- Small town developments (such as new Mount Ayliff precinct)
- Transport nodes/precincts: such as at Pakade junction and Phuti junction
- Middle-income housing
- Hawkers facilities and taxi ranks (including public toilets)

The sector's development is being held back by a number of issues, including:

- Land issues (see below)
- Opportunities for local emerging contractors in public sector infrastructure contracts
- Training opportunities for TVET students in infrastructure contracts.
- Need for a Contractors Development Programme (planned by ANDM)

Private sector property development requires long-term legal security of land rights, These are often not readily available, due to the following issues:

- Land claims. There are 146 claims in the district, and only one resolved (in Matatiele LM). The towns of Mt Ayliff and Mt Frere are under claim
- There are many parcels of state-registered land in the district, but these parcels are not available for development. There is need for a State Land Audit (with DRDLR) so that titles can be sold or long-term leased.

- Much of the district is under communal tenure. For parcels of prime development land communities should be able to get formal rights so that long-term investment partnerships can be created with the private sector.
- High-priority development precincts should be identified and land titles acquired.

Future priorities include:

- Resolve land claims speedily (with assistance from the Land Claims Commission)
- ANDM to do a state land audit and get access to state land for property development.
- ANDM to support communities to acquire titles over communal land for development. DRDLR can assist with this.
- Identify and prioritise land precincts to be titled for private investment (such as coastal tourism nodes; transport nodes; along development corridors and possibly high-potential agricultural zones). This will be in preparation for a proposed AND Land Assembly.
- Ensure public sector contracts provide business and training opportunities for local people.
- Implement ANDM Contractors Development Programme.
- Detailed planning around Wild Coast N2 and coastal development.

3.3.13 SMMEs

Small enterprises are found in all the sectors reviewed above, with great variation in incomes and formality. They include street traders, shopkeepers, commercial smallholders, taxi operators, motor repairs/panel-beaters, building contractors and block-makers, Transido complex enterprises, B&B operators and professionals (such as lawyers and medical practitioners) etc. AND has an emerging culture of enterprise and entrepreneurship.

It is important to note that communities can be enterprising, using such techniques as asset-based community development (ABCD).

It is clear that SMME development has most potential for development around four value-chains already discussed:

- Sawmillers and other downstream wood-using enterprises
- Emerging small commercial farmers (and downstream activities)
- Construction and builders
- Tourism-related enterprises (including crafters)

Small enterprises are supported by SEDA and ECDC and will benefit from the successful implementation of sector strategies, including, for example, infrastructure for street traders, new commercial developments and incubators.

Possible future priorities include:

- ANDM must identify all existing SMEs in the four priority value chains and facilitate partnerships to remove obstacles to value-chain development and support enterprise start-ups and growth.

- Use e-connecting and e-learning to form local groups of people that share development interests, and are experimenting with the possible.
- Techniques of ABCD should be more widely known and practised
- Virtual and physical (combined) enterprise incubators should be more ubiquitous than at present.

3.3.14 Environmental protection

AND faces a number of environmental issues that could jeopardise future development efforts, particularly tourism development and agricultural development.

The environmental issues to be addressed include:

- Land degradationⁱ caused by livestock over-grazing, indicating the need for land rehabilitation projects (and fencing)
- Human settlement encroachment on agricultural land.
- Untreated sewage flowing into rivers
- Illegal building on the Wild Coast. DEDEAT's Wild Coast Nature Conservation Plan and the nodal development approach need to be strictly enforced.
- Absence of solid waste disposal and recycling systems
- Scaling-up environmental EPWP.

Existing conservation areas include:

- Pondoland Centre of Endemism
- Maluti Drakensberg Transfrontier Conservation Area
- Matatiele Nature Reserve
- Ongeluksnek Nature Reserve

There is a severe threat to Wild Coast conservation from the new N2 (Mzamba to Mtentu). But there are also great development opportunities. This issue requires special attention.

3.3.15 Public sector

The public sector is the dominant player in the socioeconomic development of the AND and potentially a key enabler of economic growth. The public sector in AND includes:

- ANDM
- The four LMs
- Schools and health facilities
- Police and magistrates courts
- Ingwe TVET college
- Other activities by provincial and national sector departments and agencies, such as DRDLR, DRDAR, ECRDA, DEDEAT, ECDC, SEDA, SANRAL, Public Works etc

To achieve its developmental mandate the public sector must have strong leadership and much improved management capabilities. NDP and ECPDP have proposals on how this can be achieved.

Economic governance leadership in the AND should have:

- Good knowledge of the economic issues facing AND
- A good understanding of the needs of stakeholders
- A clear development vision and agenda
- An ability to communicate these persuasively to relevant stakeholders.
- An ability to leverage resources from state sector departments and state-owned entities (such as IDC and PIC).

Beach to Berg

Borderlands of Eastern Cape, KZN and Lesotho

The Mzimvubu and its tributaries, the Tina, Kinira and Mzintlava rivers

Place of deep river pools and occult snakes, mamlambo and inkanyapa

From Nomansland, East Griqualand and Amadiba's coastal edge

To postcolonial precincts and harmonious productive partnerships

The shared home of Oliver Tambo, Winnie Mandela

And other fallen heroes

4 Alfred Nzo District Municipality

Institutional Review

4.1 ANDM Institutional Snapshot

ANDM is an organ of local government that potentially plays a crucial and central role in the socio-economic development of the Alfred Nzo District. It plays particularly important roles in the delivery of basic water services and the co-ordination and integration of the development efforts of its four local municipalities and provincial and national sector departments.

ANDM prioritises six of the nationally determined key performance areas (KPA's):

KPA1: Municipal Transformation and Organisational development (improvement of internal efficiencies and effectiveness)

KPA2: Basic-Service Delivery (particularly water and sanitation. ANDM is both WSA and WSP for the district)

KPA3: Local Economic Development (to expand the local economy and increase employment and reduce poverty)

KPA4: Financial viability and financial management (improve ANDM's performance in this area)

KPA5: Good governance and public participation (deepen democracy)

KPA6: Cross-cutting issues (integrated development and strong partnerships)

To enable performance in these six areas ANDM **employs** about 400 people. About half of employees are skilled (managerial, professional and technical) and the other half are semi-skilled or unskilled. The average employee compensation was R495, 000 in 2015-16⁹.

Segment staff compensation

ANDM had audited total **income** of R945 million in 2015-16. ANDM is almost entirely dependent on income from grants. Own revenue (mainly from water and sanitation service charges) accounts for only 4.5% of total income.¹⁰ Conditional grants (mainly MIG and MWIG) at R538 million accounted for 57% of total income and equitable share at R365 million accounted for 39% of total income. Essentially equitable share covers Opex and conditional grants cover capex.

Total expenditure in 2015-16 was roughly equally split between Opex and capex. Most of the capex budget goes to extending bulk water supply throughout the district.

⁹ Based on audited employee costs in 2015-16 of R198.5 million.

¹⁰ Audited own revenue in 2015-16 was R41 million. Water and sanitation service charges were R25.7 million.

Audited operating expenditure in 2015-16 was R551 million, 36% of which went to paying ANDM employees.

While the average employee compensation appeared to be relatively high at R495, 000 in 2015-16, ANDM appears to suffer from a shortage of appropriately skilled staff in critical service delivery areas. This leads to excessive dependency on **external service providers**. For example: consultancy reports (see Chapter 6) a contract with Sebata Municipal Solutions to do a water metering system and a contract with Munsoft to help implement the new Standard Chart of Accounts (SCOA). Such services would normally be rendered by in-house technical and administrative staff.

Assets

ANDM has assets worth R2.9 billion at end June **2016**, in the form of land and buildings (including a relatively new HQ in Mount Ayliff), water and sanitation infrastructure (although much is old and requiring maintenance and rehabilitation), vehicles (for drought relief and leased) and current assets such as cash and debtors (accounts payable for water and sanitation services).

Asset type	Audited depreciated value at end June 2016 (R million)
Buildings	37.2
Finance leased assets (trucks)	32.3
Infrastructure (mainly water)	1,452.7
Other property, plant and equipment	27.9
Assets under construction	1,262.1
Current assets	80.1
TOTAL ASSETS	2,936.6

ANDM tried to raise a R1 billion loan sourced from the Billion Group in 2016, but the deal fell through.

The ANDM Council consists of 40 councillors.

4.2 Organisational

Structure

The ANDM organisational structure is divided into the following six directorates:

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

4.2.1 Office of the Municipal Manager:

The Municipal Manager has the widest span of control and has responsibilities in eight areas:

- **Communications unit**

The Communications unit is responsible for the development of internal and external communications including communication strategies, branding, publications, events management, and information dissemination

- **Special Programmes Unit**

The Special Programmes Unit (SPU) which is responsible for all the activities associated with the provision of HIV & AIDS information and training in the District and programmes which deal with issues relating to the youth, gender, disability and children.

- **Manager in the office of the Executive Mayor**

The Manager in the office of the Executive Mayor is responsible for the functionality of the Mayoral Committee, technical advice to the Executive Mayor and oversight of Mayoral programmes.

- **Manager in the office of the Speaker**

Responsible for providing support to all standing committees and council meetings, coordination of councillor training programmes and promoting public participation in all important municipal programmes.

- **Internal Audit**

- **Risk Management**

- **Inter-governmental relations**

Coordination of inter-governmental relations programmes within the district.

- **Legal Services**

Legal Services includes all legal related matters of the whole Municipality such as litigation, contract management, advisory services, debt recovery, by-law development and disciplinary proceedings.

4.2.2 Corporate Services:

The responsibilities of the department include:

- **Human Resource Management** which provides 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, training and development of staff, Councillor Development and community empowerment.

- **Administrative Support**
- **Information and Communication Technology (ICT)** which is responsible for ICT Governance; Development and Implementation of ICT operating Standards and Policies; ICT Network Infrastructure Deployment and Management and Connectivity; ICT Systems Management; Disaster Recovery and Business Continuity; Information and Data Management and retention; Development and Implementation of ICT strategic and Master Systems Plans in line with municipal IDP; Implementation of MCGICTPF; ICT risk management and deployment of long and short term control measures; General Systems and user support services; Deployment of systems security and enforcement of compliance with applicable laws and regulations; Establishment and maintenance of community ICT Centre.

4.2.3 Infrastructure Development and Municipal Services / Technical Services

The department is responsible for the following:

- **Water Service Authority** which deals with planning (Water Service Development Plan, Water Conservation and Demand Management and Sanitation Master Plan) and regulatory functions
- **Water Service Provision** which deals with bulk purchase, source development and distribution of water as well as operations and maintenance. Waste water management including provision of sewerage services
- **Project Management** which deals with implementation of both bulk water supply and reticulation projects as well as sanitation programmes (rural and urban).
- **Emergency Services** to deal with sudden water supply breakages, electricity breakdowns, attending spillage of poisonous and dangerous substances and water quality monitoring.
- **Engineering Services** to deal with coordination of Electricity Planning, District Transport Planning and Municipal Building Maintenance.

4.2.4 Community Development Services:

Community Development Services is responsible for provision of various community and social services in the district and all these are administered through the following units:

- **Municipal Health Services:** designed to ensure that comprehensive environmental health services package to inhabitants of the district
- **Customer Care Unit:** responsible for ensuring existence of sound relations between the district municipality and its customers and further ensure maximum stakeholder participation in the development initiatives of the district through a people centered approach to achieve sustainable development.
- **Fire and Rescue Services:** Responsible for protection and rescue of life, property and environment from any fire related threats.
- **Disaster Risk Management Services:** Responsible for Disaster Risk Management and response services.
- **Thusong Centre Management:** Responsible for coordination of provision of services closer to the people.

- **Sports, Arts, Culture, Recreation and Heritage:** Responsible for coordination of sport, arts, culture, and recreation.

4.2.5 Budget and Treasury Office

The Chief Financial Officer is responsible for;

- Budgeting
- Supply Chain Management
- Revenue / Income Generation & Collection
- Expenditure Management
- Assets and Liabilities Management

4.2.6 Planning and Economic Development

The Manager: Development and Economic Planning deals with the following:

- Promotion of Local Economic Development and Planning
- Development Planning which includes Integrated Development Planning (IDP), Organisational Performance Management System (OPMS)
- Spatial Planning and Land Use Management
- Geographic Information Systems (GIS)
- Land and Development Administration
- Town Planning

4.3 ANDM

Human

Resources

The Department drew up the 2015/16 Employment Equity Report.

Skills Development

The Municipality adopted a **Workplace Skills Plan** on 30 April 2015, in accordance with the Skills Development Act. The plan aims to address the identified skills shortages within the municipality.

Performance Management System (PMS)

The reviewed policy aims to get the PMS cascaded to lower levels than Section 56 managers. The municipality will develop its Service Delivery and Budget Implementation Plan (SDBIP) as the basis for performance management in terms of implementation of the IDP and Budget expenditure. All Supervisors have been trained on the PMS.

4.4 Information and Communication Technology (ICT)

Disaster Recovery Business Continuity Plan

ANDM council has approved a **Disaster Recovery and Business Continuity Plan**. A Business Continuity site has been established at the Disaster Management Centre in Mt Ayliff. The BC site stores both backup data and live front end of municipal systems.

ICT Community Centres

ANDM has completed four community ICT centres. These community centres are situated at libraries in the following areas Matatiele, Bizana, Mt Ayliff and Ntabankulu. Maintenance and support for all community centres is managed by ANDM. Currently the district has provided internet services for all the community centres. The district has also completed another community centre at **Mfundisweni Skills centre** and provided internet access this centre. ANDM is implementing a programme to provide ICT at all Thusong Centres.

ICT Master System Plan

ANDM has adopted an ICT Master Systems Plan. Key elements include:

- ICT Infrastructure Assessment and investment Plan
- Hardware and software evaluation
- District (including all LMs) shared services
- Enterprise Architecture
- ICT Business Engagement Plan
- Strategic alignment arrangements to optimise ICT enablement of service delivery.

ICT Risk Management Plan

ANDM has reviewed the ICT Risk register and management plan

Electronic Document and Records Management System

ANDM has developed an electronic document and records management system. The approach is to focus more on developing electronic backup for all critical municipal records that are currently filed as hard copies at municipal store rooms. This process will be prefaced by records audit and recommendations on disposal and provincial archiving.

Information and Communication Technology Governance Steering Committee

ICTGSC is in place with two key responsibilities: to play oversight on ICT policy development and implementation and Implementation of ICT IDP projects. Secondly, the committee is also responsible for ICT Change Management in the institution.

The ICT Strategic Plan focuses on:

- ICT Governance
- Security Management
- Access Management
- ICT Service Continuity
- ICT Governance (MCGICTPF Implementation)

ANDM has adopted a Municipal Corporate Governance of ICT Policy Framework (MCGICTPF). The municipality is implementing this framework and it is aligned with the IDP and other key municipal strategies to ensure that ICT Governance is mainstreamed in the organisation and continuous benefits are realisable.

4.5 Financial Viability and Financial Management

Financial viability at district municipality level demands:

- Optimal financial management (outcomes based budgeting)
- Effective systems (financial, technological and human)
- Ability to generate own revenue.

Sound financial management practices are essential to the long-term sustainability of municipalities. They underpin the process of democratic accountability. Weak or opaque financial management results in the misdirection of resources and increases the risk of corruption. The key objective of the Municipal Finance Management Act (2003) (MFMA) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

With good Performance Based Management there is a close alignment of planned expenditure to programme and project inputs and outputs. This applies to both capital and operational programmes and projects. It can also apply to the support service for the projects and programmes as well as for the Municipality as a whole.

The Budget provides the baseline for the allocation of resources. To make implementation happen effectively the managed disbursements of these financial resources is required.

A sound Financial Management System that supports priority delivery by controlling the efficient channelling of finances. The financial management system must interact to ensure that resources are used:

- in the right amount;
- at the right time; and
- in the right way,
- in order to produce the outputs envisaged within the priority objectives and prioritised projects of the IDP.

Budget Summary 2017

The total budget for the financial year 2017/18 is R1.3 billion.

Income Allocations and Sources

The Alfred Nzo Municipality derives its income from several sources:

National:

- Equitable share
- Finance Management Grant
- MSIG Funding
- MIG Funding
- Water and sanitation backlog funding (DWA)
- RSC Levy replacement grant
- Councillors' remuneration provision

Provincial:

- Sports Art and Culture
- Municipal Health Services
- LED Capacity Building

Own income:

- Water and Sanitation service fees
- Interest on grants
- Input VAT
- FNB Building Rental
- Plant Machine Rental

The Municipality has a low income base and is heavily dependent on National and Provincial Grants. This trend exhibits little expectation that the Municipality will reduce its dependency from these sources of funding in the near future.

Revenue Adequacy and Certainty

It is essential that the municipality has access to adequate sources of revenue, from both its own operations and intergovernmental transfers, to enable to carry out its functions. It is furthermore necessary that there is a reasonable degree of uncertainty with regard to source, amount and timing of revenue. The Division of Revenue has laid out the level of funding from National Government for the next three years.

Cash/Liquidity Position

Cash management is vital for the short and long term survival and good management of any organisation. The appropriate benchmarks which can assist in assessing the financial health of the municipality are:

- The current ratio, which expresses the current assets as a proportion to current liabilities. "Current" refers to those assets which could be converted into cash within 12 months and those liabilities which will be settled within 12 months. ANDM's ratio is 0.2 and is seen as undesirable in the medium term.
- Debtor collection measures which have an impact on the liquidity of the municipality. Currently the municipality takes 180 days to recover its debts.

Sustainability

The municipality needs to ensure that the budget is balanced (income covers expenditure). As there are limits on revenue, it is necessary to ensure that services are provided at levels that are affordable, and that the full costs of service delivery are recovered. However, to ensure that households which are too poor to pay for even a proportion of service costs, at least have access to basic services, there is a need for subsidisation of these households.

Effective and Efficient use of Resources

In an environment of limited resources, it is essential that the municipality makes maximum use of the resources at its disposal by using them in an effective and efficient manner. Efficiency in operations and Investment will increase poor people's access to basic services.

Accountability, Transparency and Good Governances

The municipality is accountable to the providers the resources they use, for what they do with those resources. The budgeting process and other financial decisions should be open to public scrutiny and participation.

Implementation of Credit Control policy

This policy and relevant procedures details all areas of credit control, collection of amounts billed to customers, procedures for non-payment etc

Payments Strategy

This strategy aims at implementing innovative cost effective processes to encourage consumers to pay their accounts in full on time each month

Implementation of an Indigent policy

This policy defines the qualification criteria for an Indigent, the level of free basic services that will be enjoyed by Indigent households, penalties for abuse etc.

Provision of Free Basic Services

Provision is made on the budget for the provision of free basic water services from the equitable share. A certain percentage of the equitable share is used for this purpose at this stage, which is mainly attributable to the fact that households in rural areas that do have access to water supplied by the Municipality are not being charged for their consumption as there are no water meters in many rural areas since water provision is at RDP standards. The municipality is also struggling to put systems in place that will enable to bill for consumption as a result almost all the people that have access to water are receiving water for free.

Billing and Payment of water and sanitation levies

Over 9000 urban households (5% of all households in the district) are billed for water and sanitation levies. Rural areas that do have access to water supplied by ANDM and are not being metered or charged for their consumption, which implies that a considerable amount of purified water is unaccounted for.

ANDM is in the process of cleansing and reviewing its database of households who are being serviced. Payment rates are poor and this is compounded by the high poverty levels and low affordability levels of our communities.

ANDM 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 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.

Revenue Enhancement Strategy

ANDM is faced with the dilemma of revenue management in terms of being able to account for what has been sold, versus what has been supplied. One primary objective of ANDM, is to ensure that every consumer gets billed correctly (accurate billing) and fairly.

We have developed metering systems to allow ANDM to improve revenue management, combined with switch-off mechanisms which ultimately results in better returns. We understand that communication is an integral key to revenue enhancement and customer satisfaction. Thus, our aim is to meet (and surpass) our customers' expectations by providing them with transparency and control when it comes to their utility metering.

All households utilising water must be billed for the consumption used. Therefore all consumers must be metered and accurate readings be taken on a monthly basis. In cases where the meter is not accessible or not working a system estimation is levied on such

accounts. Accounts must be printed and distributed to ensure that consumers are aware of their monthly usage.

Faulty meters must be identified and reports be forwarded to ANDM (IDMS) for replacement. Water leakages should be attended to immediately and be minimized. When the customer is converted from credit to prepaid meter and there is an outstanding amount on the account, a percentage of arrears should be recovered from prepaid purchases. The ANDM has appointed Sebata Municipal solution for the audit, installation and replacement of water meters. The service provider is assisting ANDM in billing management, the objective being to ensure that accurate billing is accomplished. The municipality has installed prepaid water meters in Matatiele and Cedarville: a total of 1 894 prepaid water meters were installed in Matatiele. The following areas in Matatiele had meters installed: Itsokelele, Njongo Village, Dark City, North End and Harry Gwala. The municipality will install meters in Mountain View, Mbizana and town area. Alfred Nzo District Municipality has also installed credit or convertible water meters at Mount Ayliff, Mount Frere, Mbizana and Ntabankulu. ANDM will be converting credit meters to prepaid water meters for Mbizana, Ntabankulu, Mount Ayliff and Mount Frere.

Revenue management in improving service delivery

Improved service delivery in revenue management demands that the following are in place:

- Dispensing free basic services accurately with audit trail;
- Accurate and complete customer readings;
- Measures for avoidance of theft;
- Automatic meter reading;
- Systems available 24 hours per day close to the customer;
- Systems in close proximity to the customer;
- Direct online vending of water, with no human intervention on transactions, as the alternate goal
- Automatic connection and disconnection of meters;
- Accurate logging of complaints, faults on the customer relations management system;
- Effective and efficient delivery of services i.e. timeous correction of faults when the class has been logged;
- Accurate, valid and complete records kept on the document management system;
- Easy access to information when required;
- Accurate, valid and complete financial records kept on the financial system (billing) to ensure correct bills are sent to the correct customers and payments/receipts are attached to the correct customers;
- Accurate, valid and complete records kept on the geographical information and easy access to ensure that when the call/complaint/fault has been logged, the geographical information system can point the directions as to where exactly the area is with a problem;

- Accurate, valid and complete performance information kept on the performance management system to ensure improved performance monitoring; and profiling of load data per customer.

Assets and Liabilities management

The municipality continues to maintain a fixed assets register that is GRAP compliant. The major benefit of having an asset register is to ensure that ANDM keeps track of assets, provides a fair estimate of their worth and provides an estimate of the aging of the assets. This provides the basis of information to help plan future asset investments and also informs the Municipality's maintenance plan. The municipality continues to budget for the repairing and maintenance of old infrastructure.

Infrastructure Assets

ANDM continues to focus on development of new infrastructure, while not ignoring maintenance of the existing infrastructure in order to ensure a reliable provision of services. The water and Sanitation departments are now focusing on growing its 'asset management maturity' with the implementation of a strategic municipal asset management program. The primary focus of this process is to prolong the immediate serviceability of the affected assets so that we can prolong their life time.

A major threat to ANDM is ageing infrastructure and the deterioration of assets. To address this problem, the Municipality is embarking on an asset replacement program. The first phase of the project is to develop a detailed well informed replacement plan.

Municipal Fleet

ANDM's water services have recently acquired trucks. These trucks have been most beneficial to the district during the recent drought as they were able to transport and supply water to the most water-needy areas. For the municipality to ensure that its fleet continues to deliver services in an efficient way, a fleet management system will be introduced. The system will ensure that the use of the fleet is monitored to ensure that services are indeed delivered to where they are needed.

The municipality continues to investigate ways of ensuring that the trucks are managed and used where they are necessary. As part of cost cutting measures, the municipality continues to monitor the use of fuel and other fleet related costs. Cases of abuse or fraud are investigated and necessary action taken against culprit.

Standard Chart of Accounts

The Local Government Municipal Finance Management Act, 2003 determines measures for the local sphere of government (Municipalities) designed to ensure transparency and expenditure control. National Treasury is responsible for enforcing compliance and is required to compile national accounts incorporating all three spheres of government.

Uniform expenditure classifications have already been established and implemented for both national and provincial government departments. The SCOA regulations seek to implement the same uniform classifications at local government level. These enable National Treasury to provide consolidated local government information for incorporation into national accounts.

Currently each municipality manages and reports on its financial affairs in accordance with its own organisational structure (chart of accounts) and this results in disjunctures amongst municipalities and entities as to how they classify revenue and expenditure as well as reporting thereof. This compromises transparency, reliability and accuracy in planning and reporting processes and limits the ability of national government to integrate information and formulate coherent policies in response to the objectives of local government.

Expenditure management

The municipality pays its creditors within the prescribed period of 30 days in accordance with section 65(2) (e) of the MFMA. The municipality has implemented controls to ensure that monthly creditors' reconciliation is performed and reviewed by the manager, expenditure, and that an invoice register is maintained in order to comply with the 30 day requirement. ANDM is currently in the process of implementing a document management system in order to ensure that all expenditure records and documents are secured and available when requested.

Supply-chain

Management

Alfred Nzo District Municipality's supply chain management policy is implemented in a way that is fair, equitable, transparent, competitive and cost-effective. ANDM has a fully functional Supply Chain Management Unit which serves as an advisor for all procurement in the municipality in terms of its Supply Chain Management policy. Three bid committee systems as prescribed by the MFMA are in place, with proper delegations and terms of reference for each committee. Procurement of goods and services in excess of R200 000 is done through the Bid Committee system

Elimination of unnecessary expenditure

The aim is to ensure that departments spend budget efficiently, effectively and economically.

Payroll

management

Alfred Nzo District Municipality reports to the council monthly on all expenditure incurred by the municipality on staff salaries, wages, allowances and benefits, and in a manner that discloses such expenditure per type of expenditure, namely:

- salaries and wages;
- contributions for pensions and medical aid;
- travel, motor car, accommodation, subsistence and other allowances;
- housing benefits and allowances;
- overtime payments;
- loans and advances; and
- any other type of benefit or allowance related to staff.

Key financial issues

The key issues can be summarized as follows:

- Efficient, effective and economical supply chain management
- Implementation of eProcurement: Quote Management System, ISO 9001 accreditation, Procurement scheduling and Contract management
- Improved alignment of the budget to the IDP – budgeting in terms of IDP priorities
- Budgeting for sustainability and timeous updated Medium Term Expenditure Framework
- Reduced debts through effective credit control and debt management
- Development and implementation of a new billing system in line with 2016/2017 IDP
- Access to alternate sources of funding: PPPs (public-private partnerships), development levy, business tax, etc
- Maximising of revenue from Council properties
- Securing of properties and property rights necessary for capital projects
- Effective asset management
- Efficient fleet management to improve service delivery
- Investment and cash flow management
- Cash receipts control and management
- Training of staff on Credit Control & Debt Collection Policy
- Timeous production of Generally Recognised Accounting Practices (GRAP) compliant financial statements
- Timeous payment of creditors in terms of SCM procedures
- Asset and liability insurance cover
- Deadline monitoring
- Risk management
- Effective and efficient processes

4.6 Governance

The Municipal Council consists of 40 Councillors of whom 11 are full-time Councillors, including the Speaker and Chief Whip of the Council. The Council is led by the Speaker, the Executive Mayor, the eight full-time Mayoral Committee Members and councillors. The council has traditional leaders that participate in terms of section 81 of the Municipal Structures Act. There has been a delegation of powers from Council to the Executive Mayor and the Executive Mayor in turn has delegated some of these powers to Mayoral Committee Members. The Mayoral Committee, led by the Executive Mayor, functions through the following S80 and S79 of the Municipal Structures Act committees which assist in decision making and ensure that there is a political environment that is conducive for service delivery:

- Infrastructure Development and Municipal Services
- Community Development Services Department
- Planning and Local Economic Development
- Budget and Treasury
- Corporate Services Department
- Office of the Municipal manager.

Committees and Functions:

Structure	Key Areas of Responsibility
Human Resources	Human resources; General administration; Information and Communication technology
Finance Standing Committee	Budget; Expenditure; Income; Supply chain management;
Infrastructure Development & Municipal Services	Project Management Water services Authority; Water services provision; Infrastructure provisioning
Community Development Services	Sports and Recreation Heritage and Culture Disaster management Fire & Rescue Municipal Health Services ISD & Customer Care
LED, Developmental Planning	Integrated Development Plan. Local Economic Development
Office of the Municipal Manager Communications	Communication of municipal programmes Media Engagements Media Liaison Internal & external communication

ANDM Audit Outcomes

Municipality	Financial Year	Audit Report
ANDM	2010/2011	Disclaimer
	2011/2012	Disclaimer
	2012/2013	Disclaimer
	2013/2014	Qualified
	2014/2015	Qualified
	2015/2016	Qualified
Matatiele	2010/2011	Unqualified
	2012/2013	Unqualified
	2013/2014	Unqualified
	2014/2015	Unqualified
Umzimvubu	2010/2011	Unqualified
	2012/2013	Unqualified
	2013/2014	Unqualified
	2014/2015	Unqualified
Ntabankulu	2010/2011	Qualified
	2011/2012	Disclaimer
	2012/2013	Qualified
	2013/2014	Qualified
	2014/2015	Disclaimer
Mbizana	2010/2011	Disclaimer
	2011/2012	Disclaimer
	2012/2013	Disclaimer
	2013/2014	Disclaimer
	2014/2015	Disclaimer

The municipality has further developed an Audit Action Plan aimed at addressing audit queries. This was adopted by Council and will assist the municipality in achieving better audit outcomes.

Intergovernmental Relations (IGR)

During the current financial year the functionality of IGR Structures within the municipality have improved significantly, with CoGTA support, through the implementation of the Back to Basics Programme and the introduction of an Integrated Service Delivery Model by the Office of the Premier. The structures are composed of the District Mayors Forum (DIMAFO), the District Speakers' Forum, the IDP/IGR Representative Forum (IDRF), IDP Steering Committee (HODs for both municipalities & sector departments), the Municipal Manager Forum, Technical IGR Support Forum, District Planners Forum (Planners & IDP Managers/Coordinators) and sub-forums as per the implemented District IGR Framework. Staff shortage is however hindering progress in the implementation of the District IGR Framework which operates with only two staff members.

Partnerships and Strategic Relationships

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

- City of Lusaka
- O. R. Tambo District Municipality
- The Development Bank of Southern Africa (DBSA)
- Swedish Government (Ohstresund Municipality)
- Thina Sinako (European Union)
- Coega
- DME
- NYDA
- ANDA

Public (Community) Participation and Communication

The Municipality has a Communication Strategy which is in line with the National and Provincial Communication Strategies. The GCIS has allocated one staff member to provide communication support to the municipalities as well as other organs of the state in the district.

The District Municipality considers communication and public participation to be very important and has consequently established a Customer Care Centre to improve lines of communication between the municipality and its communities.

The communication unit works in close liaison with local municipalities. It utilizes various means of communication, including the Alfred Nzo newsletter, brochures, bulletins, community radio stations, newspapers, some television stations, and national newspapers.

To support the process, the municipality established the District Communicators Forum (DCF) that sits quarterly to discuss matters relating to communication.

The district further communicates with communities through community development workers and ward councillors who are based within local municipalities.

Alfred Nzo District Municipality developed and adopted a Public Participation Strategy to guide the implementation of mechanisms through which the public may participate in the municipality's programme of action. The strategy further promotes a culture of openness, transparency and accountability on the part of the council, its political structures and its administration, by allowing citizens to exercise their right to public participation.

Institutional

Guidelines:

These focus on managerial reform aiming at:

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

4.7 Service Delivery and Operational Modelling

Flowing from the foregoing situational analysis which characterises the socio-economic and institutional strengths, weaknesses, opportunities and challenges, that confront Alfred Nzo; and given the emerging Strategic Agenda, it's Vision-Mission-Goals and the Strategies below in the next chapters. Alfred Nzo District Municipality must develop an appropriate Services Delivery and Operating Model; that assures:

- alignment between mandate and strategy
- internal vertical and horizontal coordination and integration;
- appropriate centrality of the core business of the District
- identification of key enablers to support the service model
- appropriate grouping of functions along the core services, support services and orientation towards service users

5 Strategic Framework: Vision, Mission, Values, Goals and Strategies

5.1 Introduction

This Chapter introduces ANDM's Vision and Mission which give direction to the developmental agenda of the Municipality.

The broader developmental agenda of ANDM consists of short, medium and long term development goals. The District Municipality is committed to the objectives of local government which are enshrined in section 152 (1) of the Constitution of the Republic of South Africa, 1996 namely:

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

Our development strategies therefore aim to ensure we deliver on the expected outcomes of the developmental mandate of the local sphere of government.

5.2 Vision

A **vision statement** provides strategic direction and describes what our elected leadership and those it represents, want the Municipality to achieve in the future. Our commitment to undertake the comprehensive development of this, the poorest district in South Africa, is comprehensively expressed in the following Vision, namely:

“A District whose communities are self-sustaining and enjoy a good quality life, equitable access to basic services and socio-economic opportunities.”

5.3 Mission

Our mission **statement** describes the municipality's purpose and answers the questions: "What business are we in?" and "What is our business for?" The Mission of this Municipality is:

“To be a responsive and capable institution that effectively delivers basic services and innovative development programmes with a strong orientation to rural development in partnership with its communities and other social partners”

5.4 Values

The agreed values of the District Municipality are as follows:

- Transparency
- Honesty and Integrity
- Accountability
- Professionalism

- Fairness
- Openness and Responsiveness
- Diversity

5.5 Strategic Goals

At a strategic session held in March 2017, Alfred Nzo District Municipality identified the following major thematic areas to give direction to the work of the organization:

- **Inclusive Growth and Development**
 - Local Economic Development
- **Effective Public Participation**
 - Batho-Pele
 - Partnerships for Development
 - Networks
- **Basic Services Delivery and Community Empowerment**
 - Back-to-Basics Programme
 - Provision of equitable access to government assets
 - Customer Relations and Care
 - Service Excellence
- **Good Governance**
 - Oversight and Strategic Leadership
 - Political Stability
 - Compliance,
 - Clean Administration,
 - Equity
- **A capable Institution**
 - Institutional Development
 - Exploit appropriate technology
 - Financial Viability
 - Effective assets & resource management

Springing from these thematic areas, the ANDM IDP includes the following **Strategic Goal Statements** which are aligned with the national KPAs.

1. Inclusive Growth and Development
2. Basic Services Delivery and Community Empowerment
3. Effective Public Participation, Good Governance and Partnerships
4. A capable and financially viable institution

These goals seek to ensure a strategic alignment at the highest level of the organization but do not necessarily translate directly into distinct departmental responsibilities.

This alignment with national KPAs is illustrated in table below:

Table 1: National KPA/ANDM Strategic Goals Alignment

National KPAs:	ANDM Strategic Goals:
KPA1: Municipal Transformation and Organisational development (improvement of internal efficiencies and effectiveness)	A capable and financially viable institution (4)
KPA2: Basic-Service Delivery (particularly water and sanitation. ANDM is both WSA and WSP for the district)	Basic Services Delivery and Community Empowerment (2)
KPA3: Local Economic Development (to expand the local economy and increase employment and reduce poverty)	Inclusive Growth and Development (1)
KPA4: Financial viability and financial management (improve ANDM's performance in this area)	A capable and financially viable institution (4)
KPA5: Good governance and public participation (deepen democracy)	Effective Public Participation, Good Governance and Partnerships (3)
KPA6: Cross-cutting issues (integrated development and strong partnerships)	

The above ANDM strategic goals are described in further detail below:

1. Inclusive Growth and Development

In order to grow the local economy of AND, the Municipality has to create an enabling environment which will support local economic development, agriculture and forestry, construction and tourism and attract investment into the area. This will stimulate economic activity and result in job creation to alleviate poverty. In order for the economy to grow, it is essential that the correct infrastructure is in place to accommodate current and new business and agricultural activities. Therefore infrastructure investment has to be a primary focus for the next 10 to 15 years. This can link to the already significant N2 road building programme. The leading sectors such as agriculture and small business need to be stimulated to ensure that the key towns in the district become regional services hubs. Sector strategies need to be effectively implemented in partnership with a range of stakeholders to ensure economic stimulation. Due to the importance of the local educational facilities such Ingwe TVET, education needs to be seen as a priority in terms of future growth potential of the district. ANDM should aim to set the pace in transformation of under-developed former Bantustan areas.

2. Basic Service Delivery and Community Empowerment

To deliver quality services in AND it is essential that all residents have access to basic services (water, sanitation) provided by local government. While access to basic services by all citizens should be 100%, the district is particularly disadvantaged (fewer than 10% of residents currently have access to municipal water) and this may take some time. Delivery of quality, affordable housing also needs to be improved. The Council needs to make land available for town development and proper development controls must be in place, particularly in rapidly growing areas along new roads.

3. Effective Public Participation, Good Governance and Partnerships

ANDM must ensure that all members of the public and organised business, agriculture and other organisations have the opportunity to participate in our decision making processes. It is of utmost importance that a culture of participation is nurtured. A proper and responsive customer care system must be put in place. Public and private sector organisations must play a more active role in the decision making process and proper platforms established to allow public participation at various levels of government. We should strive to develop all our public facilities such as community halls and multi-purpose centres as “one-stop shops” where communities can be linked to government programmes.

The Municipality must ensure that good governance is key and free of corruption to ensure services are delivered as effectively and efficiently as possible. The District should be managed as transparently as possible: our Communications Unit must ensure a regular flow of information to the public on municipal activities. This relates directly to the way in which municipal income and grants are spent. It is essential that good financial practices are adhered to in order to ensure value for money and inhibit corruption, as will be indicated by clean audits from the Auditor General. Financial sustainability also needs to incorporate financial planning for future revenue streams and ways to increase business activity without increasing the service charge burden which deters economic growth. Strategic planning needs to be done in order to find the correct ways to attract and retain business and stimulate agriculture.

4. A Capable and Financially Viable Institution

National government has determined that all municipalities must enforce competency standards for managers and appoint persons with the requisite skills, expertise and qualifications. All staff are required to sign performance agreements. Performance management systems must be managed and implemented. Municipal management is obliged to conduct regular engagements with labour to ensure sound labour relations.

We aim to ensure that our municipal organisation is productive and rooted in skilled officials and adequate human resource capacity in all departments. The focus will be on performance per department in line with specific performance indicators linked to the IDP, to ensure maximum efficiency and efficient service delivery. Transparent reporting on departmental progress will ensure that the public is able to monitor and evaluate the progress being made on IDP projects and programmes.

The above strategic goals are set to ensure that the vision and mission are realised. In order to ensure that ANDM becomes the developmental municipality we all strive for, each of the five goals needs to be linked to key implementation priorities. The following section will discuss each of the five strategic goals and the implementation priorities which are linked to community needs and our most urgent priorities.

6 ANDM Strategies and Projects

6.1 Organising Framework for five year IDP Strategies

The strategies of the five year IDP are organised in terms of the following six factors:

1. Growth and Development
2. Spatial Planning
3. Service Delivery
4. Financial Viability
5. Good Governance
6. Municipal Transformation

These six factors are broadly aligned and articulate with the National Local Government KPAs. Each factor is translated into various areas of focus which constitute strategic priorities for that factor. In turn the areas of focus are articulated into strategies, with strategies translated into costed projects.

The strategies fall into three broad categories:

- i. Strategies that are ***process and operational activities***. These are input activities to outcomes-focused IDP Strategies;
- ii. Strategies where there are ***blockages in implementation***. These are not new strategies but rather require unlocking the blockages. These should be formulated clearly either as ***outcomes-focused IDP strategies*** or ***operational strategies***;
- iii. Strategies that can be firmed up with proper formulations to constitute ***outcomes-focused IDP strategies***

6.2 2017/18 IDP Strategies, Projects and Budgets

mSCOA is a Municipal Standard Chart of Accounts. It is a multi-dimensional recording and reporting system across seven segments:

- i. Function or sub-function (GFS votes structure)
- ii. Item (asset, liability, revenue, expenditure, etcetera)
- iii. Funding source (rates, services charges, grants, loans, etcetera)
- iv. Project (capital, operating, repair & maintenance, programme, etcetera)
- v. Costing (activity based recoveries, internal billing & departmental charges)
- vi. Regional indicator (jurisdictional area, town, suburb, ward, etcetera)
- vii. Municipal Standard Classification (own cost centres votes structure)

mSCOA is regulated through the mSCOA Regulations and is compulsory as from 1 July 2017.

Key requirements include:

- Need to table mSCOA Regulations at Council
- Need to table a mSCOA Project Plan at Council
- Need to have an mSCOA Project Implementation and ITC Risk Register in place (or late billing will lead to no payments and cash flow problems, no service delivery)
- A non-compatible mSCOA payroll system will lead to payment of salaries out of time, etc
- mSCOA compliant financial systems need to be implemented
- An in-house mSCOA champion should be appointed
- Need to appoint an mSCOA Steering Committee and Project Management Team
- Need to establish mSCOA Project Management Office
- Need to engage with provincial mSCOA forums to ensure common understanding

Council must take note of the promulgated mSCOA Regulations and of the mSCOA Project Implementation Plan and avail sufficient resources for the implementation of the project. The Executive Mayor must provide political guidance over the fiscal and financial affairs, budget process and priorities of the municipality (mSCOA is a serious budget reform issue). The Executive Mayor must monitor and oversee the Municipal Manager and Chief Financial Officer in exercising their responsibilities in terms of the MFMA (MFMA legislation directs the mSCOA Regulations). The Executive Mayor needs to oversee the implementation of the mSCOA Project Implementation Plan and the related Risks Register and ensure that the current financial system becomes mSCOA compliant; that an in-house mSCOA Champion is appointed by the Municipal Manager; that the mSCOA Steering Committee and Project Management Team are in place; and that an mSCOA Project Management Office has been established by the Municipal Manager.

The **MTREF** (Medium Term Revenue and Expenditure Framework) is a financial plan to enable the municipality to achieve its vision and mission through the IDP Strategy which is informed by the development agenda and community/stakeholder inputs. The financial plan is for three years, based on a fixed first year and indicative further two years budget allocations. It also includes details of the previous three years and current year's financial position.

Possible priorities arising from the District Diagnostic Review (above) to be incorporated into ANDM strategies and projects:

Strong **urban planning** of the five small towns (and their peripheries) is required.

- Increased focus of public investment and development initiatives in small town development, and ensuring that they become competitive and investment attractive areas.
- High population densities and high population growth in Mbizana suggests that, for example, Mzamba is a growth node and requires a special focus, particularly in view of the new Wild Coast N2.
- Municipalities must acquire more well-located land that can be made available for investors (see section 2.11 below on construction and property development).

To upgrade the district's **road network** there needs to be ongoing engagement among ANDM, the LMs, DRPW and SANRAL to ensure:

- Upgrade of roads in the new emerging peri-urbanization zones.
- Maintenance of a priority road network (preventative)
- Use of employment-intensive methods as much as possible
- Use of transport nodes to develop commercial precincts (taxi ranks, hawkers facilities, shops etc)

Water and sanitation issues to be addressed are the following:

- Optimal implementation for the WSIA programme and raising of grant funds.
- Ensure that roll-out of WSIA responds to population dynamics (peri-urbanisation trend)
- Ensure ANDM meets DWS regulatory requirements as a WSA (in terms of the Regulatory Performance Management System, RPMS). ANDM's status as WSA is under threat.
- Under-capacity, ageing and poor operations and maintenance of WTWs and WWTWs (poor blue drop and green drop scores).
- Implementation of water conservation and demand management strategy
- Review of a situation where all households outside towns are considered indigent in terms of free basic services.
- Expedited training of WSP personnel through SETA programmes.
- Maintenance of existing stand-alone village water schemes
- Completion of VIP toilet provision programme
- Eskom to complete household electrification programme (100,000 households)
- Municipal waste services to be delivered at least in towns and other tourism and transport nodes (use EPWP where feasible).

Future **health** priorities:

- Programmes to improve child nutrition (early childhood development)
- Achieving national norms regarding facilities and service standards, particularly in the growing and denser peri-urban areas.

Education and training priorities:

- Improve the quality of education in AND and reduce classroom backlogs.
- Ingwe TVET college to provide skills, particularly for infrastructure, construction and maintenance and modern farming practices. Ideally the college offerings should be extended and a full range of relevant curricula should be offered (in view of the very youthful population of AND)
- Development partnerships between Ingwe TVET college and, for example, SANRAL, War on Leaks, Youth Farming Initiatives etc
- Mobilise resources for the TVET expansion and upgrading through relevant SETAs, mining companies etc

- Ideally NARYSEC should also be scaled-up in AND
- Focus on improving the skills pipeline for growth sectors and major projects and specifically SETA resource mobilization and curriculum development.
- ANDM should engage with DRPW to scale-up the Accelerated Professional and Trade Competencies (APTCoD) in the district.

Agriculture priorities:

- A prospectus for partners and investors should be prepared around an AND-based “Itsiya Youth Farming Initiative”. This should be a broad-based programme to unlock the potentials listed and involve a wide-range of partners.
- There should be a conference around “AND Agricultural Development Partnerships” that would show-case the various potentials.
- AND needs better agricultural interventions that can create and support profitable smallholder enterprises (through, for example, CPPP’s, contract farming arrangements/outgrower schemes, and collection/aggregation systems).

Forestry priorities:

- Identify communities wishing to enter into community forestry arrangements
- Explore partnerships with Sappi and Hans Merensky.

Priorities for **commerce and industry**:

- Commercial and tourism property developments
 - Set-up active Beach to Berg (B2B) website
 - Improve infrastructure and signage of B2B route
 - Plan tourism-related property developments
- Upgrade of Transido complexes
- Attraction of new incubators
- Agro-industrial development
- Crafts development

Priorities for **construction and property development**:

- Resolve land claims speedily (with assistance from the Land Claims Commission)
- ANDM to do a state land audit and get access to state land for property development.
- ANDM to support communities to acquire titles over communal land for development. DRDLR can assist with this.
- Identify and prioritise land precincts to be titled for private investment (such as coastal tourism nodes; transport nodes; along development corridors and possibly high-potential agricultural zones). This will be in preparation for a proposed AND Land Assembly.
- Ensure public sector contracts provide business and training opportunities for local people.
- Implement ANDM Contractors Development Programme.

- Detailed planning around Wild Coast N2 and coastal development.

SMME priorities:

- ANDM must identify all existing SMEs in the four priority value chains and facilitate partnerships to remove obstacles to value-chain development and support enterprise start-ups and growth.
- Use e-connecting and e-learning to form local groups of people that share development interests, and are experimenting with the possible.
- Techniques of ABCD should be more widely known and practised
- Virtual and physical (combined) enterprise incubators should be more ubiquitous than at present.

Priorities for **Municipal leadership:**

To achieve its developmental mandate the public sector must have strong leadership and much improved management capabilities. The NDP and ECPDP have proposals on how this can be achieved.

Municipal leadership in the AND should develop:

- Improved knowledge of the economic issues facing AND
- An improved understanding of the needs of all stakeholders
- A clear development vision and agenda for the District
- An ability to communicate these persuasively to relevant stakeholders.
- An ability to leverage resources from state sector departments and state-owned entities (such as IDC and PIC).

6.3 Projects

6.3.1 Infrastructure Development and Municipal Services (IDMS)

6.3.1.1 Water Services Authority (WSA)

Reference	Priority Area (KPA)	Strategic Objective	IDP Name	Project	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.1.1.1	Basic Service Delivery	Promoting equitable access to water services	Free Services	Basic	WSA	Equitable Share	Whole of municipality	1 300 000	1 374 100	1 451 050	1 538 112.58	1 630 399.33
6.3.1.1.2	Basic Service delivery	Promote safe and healthy environment	Community Based Natural Resource Management		WSA	Equitable Share	Umzimvubu	400 000	422 800	446 477	473 265.41	501 661.33
6.3.1.1.3	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Water Safety Plan	Safety	WSA	Equitable Share	Whole of municipality	650 000	687 050	725 525	769 056.29	815 199.67
6.3.1.1.4	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Effluent Management Plan		WSA	Equitable Share	Whole of municipality	450 000	475 650	502 286	532 423.58	564 369.00
6.3.1.1.5	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Water Quality Monitoring	Quality	WSA	Equitable Share	Whole of municipality	1 300 000	1 374 100	1 451 050	1 538 112.58	1 630 399.33
6.3.1.1.6	Basic Service delivery	Promote and maintain potable water standards SANS241	Auditing Regional Schemes	of	WSA	Equitable Share	Whole of municipality	800 000	845 600	892 954	946 530.82	1 003 322.66

6.3.1.1.7	Basic Service delivery	Promoting the efficient, sustainable & beneficial use of water in public interest;	Waterborne Emergency Response Planning	WSA	Equitable Share	Ntabankulu LM	200 000	211 400	223 238	236 632.70	250 830.67
6.3.1.1.8	Basic Service delivery	Ensure both Blue drop (BD) and Green Drop (GD) compliance throughout the district	Proficiency Testing	WSA	Equitable Share	Whole of municipality	200 000	211 400	223 238	236 632.70	250 830.67
6.3.1.1.9	Basic Service delivery	Improve the quality of municipal infrastructure services	Kinira bulk water	WSA	RBIG	Matatiele	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.1.10	Basic Service delivery	Improve the quality of municipal services	Ntabankulu bulk water supply	WSA	RBIG	Ntabankulu LM	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.1.11	Basic service delivery	Improve the quality of Municipal services	Mkhemane bulk water supply	WSA	RBIG	Umzimvubu LM	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.1.1.12	Basic Service delivery	Improve the quality of municipal infrastructure services	RAMS professional fee	WSA	Department of Roads and Transport	Whole of the municipality	2 285 000	2 415 245	2 550 499	2 703 528.64	2 865 740.36
6.3.1.1.13	Basic Service delivery	Improve the quality of municipal infrastructure services	Mbizana ward 10,12,13 and 15 water feasibility study	WSA	MIG	Mbizana LM	6 874 850	7 266 716	7 673 653	8 134 071.73	8 622 116.03

6.3.1.1.14	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 17 and 18 water feasibility study	WSA	MIG	Ntabankulu LM	8 000 000	8 456 000	8 929 536	9 465 308.16	10 033 226.65
6.3.1.1.15	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 12 and 14 water feasibility study	WSA	MIG	Ntabankulu LM	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.1.16	Basic Service delivery	Improve the quality of municipal infrastructure services	Ntabankulu ward 1,5 and 6 water feasibility study	WSA	MIG	Ntabankulu LM	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.1.17	Basic Service Delivery	Improve the quality of municipal infrastructure services	Water Services Development Plan	WSA	Equitable share	Whole Municipality	800 000	845 600	892 954	946 530.82	1 003 322.66
6.3.1.1.18	Basic Service delivery	Improve the quality of municipal infrastructure services	District Integrated Transport Plan	WSA	Equitable Share	whole Municipality	400 000	402 400	426 544	452 136.64	479 264.83

6.3.1.2 WCDM Unit

Reference	Priority Area (KPA)	Strategic Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2202)
6.3.1.2.1	Basic Service Delivery	Ensure No Drop compliance for ANDM	Develop WCDM Strategy	WCDM	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.1.2.2	Basic Service Delivery	Improve quality of Municipal Infrastructure	Develop WCDM asset replacement plan	WCDM	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.1.2.3	Basic Service Delivery	Improve quality of Municipal Infrastructure and enhance revenue collection	Consumer meter audit and replacement	WCDM	Equitable Share	Matatiele LM and Mbizana LM	-	-	-	-	-
6.3.1.2.4	Basic Service Delivery	Ensure reduction of water losses for ANDM.	WCDM leak detection & repairs	WCDM	Equitable Share	Whole Municipality	300 000	317 100	335 492	355 621.31	376 958.59

6.3.1.2.5	Basic Service Delivery	Promote public participation and good governance	WCDM Public Awareness Campaign	WCDM	Equitable Share	Mbizana LM and Matatiele LM	-	-	-	-	-
6.3.1.2.6	Basic Service Delivery	Ensure reduction of water losses for ANDM.	Installation of PRV's & Protective Chambers	WCDM	Equitable Share	Mbizana LM	600 000	634 200	669 715	709 898.11	752 492.00
6.3.1.2.7	Basic Service Delivery	Ensure No Drop compliance for ANDM	Purchase of Bulk & Domestic water meters	WCDM	Equitable Share	Whole Municipality	1 000 000	1 057 000	1 118 306	1 185 404.36	1 256 528.62
6.3.1.2.8	Basic Service Delivery	Ensure reduction of water losses for ANDM.	Purchase of WCDM field equipment	WCDM	Equitable Share	Whole Municipality	1 000 000	1 057 000	1 118 306	1 185 404.36	1 256 528.62
6.3.1.2.9	Basic Service Delivery	Ensure monitoring of reservoir levels for improved early warning system for ANDM	Telemetry System Upgrade	WCDM	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.1.3 Project Management Unit (PMU)

Reference	Priority Area (KPA)	Area	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.1.3.1	Basic Service Delivery		MIG ADMIN	PMU	MIG	Alfred Nzo	3 790 183	3 790 183	3 791 080	3 792 587	4 020 42.22
6.3.1.3.2	Basic Service Delivery		VIP SANITATION - MIG	PMU	MIG	Alfred Nzo	11 512 300	12 168 501	12 849 937	13 620 933.39	14 438 189.39
6.3.1.3.3	Basic Service Delivery		NTABANKULU MWIG	PMU	MIG	Alfred Nzo	28 636 183	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.4	Basic Service Delivery		MBIZANA MWIG	PMU	MIG	Alfred Nzo	27 904 653	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.5	Basic Service Delivery		MATATIELE:MWI G PROV CAP EXP	PMU	MIG	Alfred Nzo	27 500 000	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.6	Basic Service Delivery		UMZIMVUBU MWIG	PMU	MIG	Alfred Nzo	25 959 165	26 250 000	22 500 000	23 850 000.00	25 281 000.00
6.3.1.3.7	Basic Service Delivery		RBIG MATATIELE PRO	PMU	MIG	Alfred Nzo	20 000 000	21 140 000	22 323 840	23 270.40	25 066.62
6.3.1.3.8	Basic Service Delivery		MT AYLIFF PERI-	PMU	MIG	Alfred Nzo					

	Delivery	URBAN				15 000 000	15 855 000	16 742 880	17 747 452.80	18 812 299.97
6.3.1.3.9	Basic Service Delivery	THOLAMELA WATER SUPPLY - DBSA	PMU	MIG	Alfred Nzo	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.3.10	Basic Service Delivery	FOBANE WATER SUPPLY DBSA PROV	PMU	MIG	Alfred Nzo	7 337 800	7 756 055	8 190 394	8 681 817.28	9 202 726.31
6.3.1.3.11	Basic Service Delivery	NTABANKULU SEWER UPGRADE PROV	PMU	MIG	Alfred Nzo	25 000 000	26 425 000	27 904 800	29 579 088.00	31 353 833.28
6.3.1.3.12	Basic Service Delivery	GREATER MBIZANA WATER SUPP PHASE 1A RETICULATION	PMU	MIG	Alfred Nzo	84 359 267	89 167 745	94 161 139	99 810 807.29	105 799 455.73
6.3.1.3.13	Basic Service Delivery	KWABHACA REGINAL WATER -MIG PR	PMU	MIG	Alfred Nzo	45 314 600	47 897 532	50 579 794	53 614 581.64	56 831 456.54
6.3.1.3.14	Basic Service Delivery	QWIDLANA WATER SUPPLY - MIG PR	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.15	Basic Service Delivery	CABAZANA WATER - MIG PROV CAP	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.16	Basic Service Delivery	UMZIMVUBU WARD14 - MIG PROV	PMU	MIG	Alfred Nzo	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32

6.3.1.3.17	Basic Service Delivery	MALUTI/MATATIELE/RAMO -MIG WATER SUPPLY	PMU	MIG	Alfred Nzo	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.3.18	Basic Service Delivery	NTIBANE WATER PROJECT PROV CAP	PMU	MIG	Alfred Nzo	22 000 000	23 254 000	24 556 224	26 029 597.44	27 591 373.29
6.3.1.3.19	Basic Service Delivery	NYOKWENI BOMVINI BULK WATER SUPPLY	PMU	MIG	Alfred Nzo	6 500 000	6 870 500	7 255 248	7 690 562.88	8 151 996.65
6.3.1.3.20	Basic Service Delivery	UMZIMVUBU WARD 13 PROV CAP EXP	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.21	Basic Service Delivery	UMZIMVUBU WARD 22 PROV CAP EXP	PMU	MIG	Alfred Nzo	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32
6.3.1.3.22	Basic Service Delivery	MATATIELE WARD 15 PROV CAP EXP	PMU	MIG	Alfred Nzo	15 000 000	15 855 000	16 742 880	17 747 452.80	18 812 299.97
6.3.1.3.23	Basic Service Delivery	MATATIELE WARD 5 PROV CAP EXP	PMU	MIG	Alfred Nzo	10 000 000	10 570 000	11 161 920	11 831 635.20	12 541 533.31
6.3.1.3.24	Basic Service Delivery	MATATIELE WARD 7 PROV CAP EXP	PMU	MIG	Alfred Nzo	41 000 000	43 337 000	45 763 872	48 509 704.32	51 420 286.58
6.3.1.3.25	Basic Service Delivery	UPGRADING OF MBIZANA TOWN	PMU	MIG	Alfred Nzo				43 777	46 403

		SEWER				37 000 000	39 109 000	41 299 104	050.24	673.25
6.3.1.3.26	Basic Service Delivery	MATATIELE LM: FEASIBILITY STUDY FOR UPGRADING/NEW WTW	PMU	MIG	Alfred Nzo	3 300 000	3 488 100	3 683 434	3 904 439.62	4 138 705.99
6.3.1.3.27	Basic Service Delivery	MBIZANA WARDS 10,12,13 and 15 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	6 874 850	7 266 716	7 673 653	8 134 071.73	8 622 116.03
6.3.1.3.28	Basic Service Delivery	NTABANKULU WARDS 17 & 18 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	8 000 000	8 456 000	8 929 536	9 465 308.16	10 033 226.65
6.3.1.3.29	Basic Service Delivery	NTABANKULU WARDS 12 & 14 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.30	Basic Service Delivery	NTABANKULU WARDS 1,5 and 6 - WATER FEASIBILITY STUDY	PMU	MIG	Alfred Nzo	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66
6.3.1.3.31	Basic Service Delivery	EPWP	PMU	EPWP	Alfred Nzo	10 280 000	12 336 000	14 803 200	15 691 392	16 632 875
6.3.1.3.32	Basic Service Delivery	ISD Coordination of all IDMS Projects,32	PMU	MIG	Alfred Nzo	Expenditure for ISD paid under	6.3.1.3.1 - 6.3.1.3.30	Basic Service Delivery	ISD Coordination of all IDMS	PMU

		Consultation Meetings				Professional fees				Projects,32 Consultation Meetings	
6.3.1.3.33	Basic Service Delivery	ISD Public Education and Awareness :4 Water usage, vandalism, health and hygiene workshops	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-	-
6.3.1.3.34	Basic Service Delivery	Strengthening of District ISD Services: 8 Meetings (4 District ISD Forum Meetings and 4 Meetings with Service Delivery Units)	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-	-
6.3.1.3.35	Basic Service Delivery	Promote public participation and meaningful good governance :4 Accredited/Non Accredited Trainings	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-	-
6.3.1.3.36	Basic Service Delivery	16 Functional PSC's,32 Community Satisfaction Meetings	PMU	MIG ,WSIG	Alfred Nzo	-	-	-	-	-	-

6.3.1.4 Water Services Provision (WSP)

Reference	Priority Area (KPA)	Strategy /Objective	IDP Name	Project Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2202)
6.3.1.4.1	Basic Service Delivery	Improve expenditure management and controls	Electricity	WSP	Equitable share	All LMs	12 000 000	12 684 000	13 394 304	14 197 962.24	15 049 839.97
6.3.1.4.2	Basic Service Delivery	Optimize systems, administration and operating procedures	Tools and Equipment	WSP	Equitable	All LMs	25 000	26 425	27 905	29 579.09	31 353.83
6.3.1.4.3	Basic Service Delivery	Improve disaster management and prevention	Drought Relief Projects	WSP	Equitable Share	All LMs	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.4.4	Basic Service Delivery	Improve the quality of municipal infrastructure services	Matatiele WTW Refurbishment & water Augmentation	WSP	Equitable Share	Matatiele	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.5	Basic Service Delivery	Improve expenditure management and controls	Bulk water purchases	WSP	Equitable Share	All LMs	3 000 000	3 171 000	3 348 576	3 549 490.56	3 762 459.99
6.3.1.4.6	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Matatiele	WSP	Equitable Share	Matatiele	6 000 000	6 342 000	6 697 152	7 098 981.12	7 524 919.99
6.3.1.4.7	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes -	WSP	Equitable Share	Umzimvubu	5 000 000	5 285 000	5 580 960	5 915 817.60	6 270 766.66

			Mzimvubu								
6.3.1.4.8	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Mbizana	WSP	Equitable Share	Mbizana	4 000 000	4 228 000	4 464 768	4 732 654.08	5 016 613.32
6.3.1.4.9	Basic Service Delivery	Improve the quality and flow of water and sanitation	Maintenance of Water and Sanitation infrastructure schemes - Ntabankulu	WSP	Equitable Share	Ntabankulu	4 250 000	4 492 250	4 743 816	5 028 444.96	5 330 151.66
6.3.1.4.10	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Matatiele	WSP	Equitable Share	Matatiele	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.11	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Umzimvubu	WSP	Equitable Share	Umzimvubu	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230.00
6.3.1.4.12	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Mbizana	WSP	Equitable Share	Mbizana	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.1.4.13	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure - Ntabankulu	WSP	Equitable Share	Ntabankulu	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33

6.3.1.4.14	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Mnceba water scheme	WSP	Equitable Share	Mnceba water scheme - Umzimvubu	2 000 000	2 114 000	2 232 384	2 366 327.04	2 508 306.66
6.3.1.4.15	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Mbizana Ponds	WSP	Equitable Share	Mbizana	3 500 000	3 699 500	3 906 672	4 141 072.32	3 500 000
6.3.1.4.16	Basic Service Delivery	Improve the quality of municipal infrastructure services	Refurbishment and Replacement of Water Infrastructure – Ntabankulu Ponds	WSP	Equitable Share	Ntabankulu	860 540	909 591	960 528	1 018 159.54	1 079 249.11
6.3.1.4.17	Basic Service Delivery	Improve the quality of municipal infrastructure services	Building maintenance and alterations	WSP	Equitable Share	All LMs	400 000	422 800	446 477	473 265.41	501 661.33
6.3.1.4.18	Basic Service Delivery	Optimize systems, administration and operating procedures	Leasing of motor vehicles	WSP	Equitable Share	All LMs	4 218 000	4 458 426	4 708 098	4 990 583.73	5 290 018.75

6.3.2 Budget & Treasury Office

6.3.2.1 Asset & Liabilities Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.2.1.1	Financial Viability	Update of Fixed Assets Register & Bar coding of infrastructure assets	Update Of Fixed Assets	Budget & Treasury	Equitable Share	Whole Municipality	R 2 000 000	R 2 114 000	R 2 232 384	R 2 366 327.04	R 2 508 306.66
6.3.2.1.2	Financial Viability	Safeguarding and Maintenance of Assets	Motor vehicle	Budget & Treasury	Equitable Share	Whole Municipality	R 500 000	R 528 500	R 558 096	R 591 581.76	R 627 076.67
6.3.2.1.3	Financial Viability	Safeguarding and Maintenance of Assets	Insurance	Budget & Treasury	Equitable Share	Whole Municipality	R 800 000	R 845 600	R 892 954	R 946 530.82	R 1 003 322.66
6.3.2.1.4	Financial Viability	Management of Long -Term Liabilities - Repayment of DBSA loan	Servicing Of The DBSA Loan	Budget & Treasury	Equitable Share	Whole Municipality	R 661 690	R 699 406	R 738 573	R 782 887.47	R 829 860.72
6.3.2.1.5	Financial Viability	Safeguarding and Maintenance of Assets	Fleet Management System	Budget & Treasury	Equitable Share	Whole Municipality	R 350 000	R 369 950	R 390 667	R 414 107.23	R 438 953.67

6.3.2.1.6	Financial Viability	Construction of Stores	Construction of stores	Budget & Treasury	Equitable Share	Whole Municipality	R 900 000	R 951 300	R 1 004 573	R 1 064 847.17	R 1 128 738.00
6.3.2.1.7	Financial Viability	Safeguarding and Maintenance of Assets	Inventory Management	Budget & Treasury	Equitable Share	Whole Municipality	R 3 000 000	R 3 180 000	R 3 370 800	R 3 370 800.00	R 3 370 800.00

6.3.2.2 Budget & Reporting

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.2.2.1	Financial Viability	Prepare accurate and reliable Annual Financial Statements	Consultancy And Professional F	Budget & Treasury	Equitable Share	Whole Municipality	R 3 500 000	R 3 699 500	R 3 906 672	R 4 141 072.32	R 4 389 536.66
6.3.2.2.2	Financial Viability	Develop and Implement credible and sustainable budget	Co-ordinate Compliant Budget and submit to stakeholders	Budget & Treasury	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.2.2.3	Financial Viability	Implement mSCOA budgeting and reporting	SCOA	Budget & Treasury	Whole Municipality	R0.00	R540 000	R570 780	R602 744	R638 908.30	R 677 242.80

6.3.2.3 Expenditure

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4	Year 5
6.3.2.3.1	Financial Viability	Strengthen Governance and reduce risk	VAT Recovery	Budget & Treasury	Reserves	Whole of Municipality	-	-	-	-	-
6.3.2.3.2	Financial Viability	Payment of Creditors within 30 Days	Creditors Management	Budget & Treasury	Equitable Share	Whole of municipality	-	-	-	-	-
6.3.2.3.4	Financial Viability	Improve expenditure management and controls	VIP Payroll	Budget & Treasury	Equitable Share	Whole of municipality	R500 000	R528 500	R558 096	R591 581.76	R627 076.67

6.3.2.4 Project Expenditure

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.4.1	Financial Viability	Strengthen Governance and reduce risk	Capital Project Management Accounting	Budget & Treasury	Reserves	Whole of Municipality	-	-	-	-	-
6.3.2.4.2	Financial Viability	Payment of Creditors within 30 Days	Creditors Management	Budget & Treasury	Equitable Shares	Whole of municipality	-	-	-	-	-

6.3.2.5 Financial Information System Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.5.1	Financial Viability	Comply with national Treasury mScoa Regulation	Roll Out of mSCOA Modules on Financial Information System	Budget & Treasury	Equitable Share	Whole Municipality	R540 000	R570 000	R602 744	R 500 000	R500 000
6.3.2.5.2	Financial Viability	Strengthen and implement a seamless integrated 3rd party financial management system.	Financial Management System support and maintenance	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.3	Financial Viability	Ensure Financial System meets requirement of business processes, policies and legislations	Management of Financial Management System	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.4	Financial Viability	Ensure adherence to policies and legislation	Review and enforcement of Roles and Responsibilities	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0
6.3.2.5.	Financ			Budget &	Equitable	Whole					

5	Financial Viability	Functional Financial Management System modules	Maintenance of accurate state of business systems	Treasury	Share	Municipality						
							R 0	R 0	R 0	R 0	R 0	
6.3.2.5.6	Financial Viability	Ensure Financial System is up and running and service providers adhere to SLA requirements	Annual renewal of Licences and SLA monitoring	Budget & Treasury	Equitable Share	Whole Municipality	R 450 000	R 475 650	R 502 286	R 532 423.58	R 564 369.00	
6.3.2.5.7	Financial Viability	Ensure effective and efficient financial management	Incident Management Monitoring System	Budget & Treasury	Equitable Share	Whole Municipality	R 0	R 0	R 0	R 0	R 0	

6.3.2.6 Revenue

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 3 (2020/21)	Year 3 (2021/2022)
6.3.2.6.1	Financial Viability	Implement Revenue Enhancement Strategy, Tariff policy and by laws, Credit and Debt by laws	Revenue Enhancement Strategy	Budget & Treasury	Equitable Share	Whole Municipality	R700 000	R739 900	R781 334	R828 214.46	R877 907.33

6.3.2.6.2	Financial Viability	Implement Credit and Debt Collection policy and By laws	Revenue Collection and Debt Management	Budget & Treasury	Own Revenue	Whole Municipality	R 800 000	R 845 600	R 892 954	R 946 530.82	R 1 003 322.66
6.3.2.6.3	Financial Viability	Safeguarding of Satellite offices	Properties Rent & Leases	Budget & Treasury	Own Revenue	Whole Municipality	R340 000	R359 380	R379 505	R402 275.60	R426 412.13
6.3.2.6.4	Financial Viability	Develop and implement Cash and Investment policy	Cash and Investment policy	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.5	Financial Viability	Develop and Implement Revenue procedure Manuals	Revenue Procedures	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.6	Financial Viability	Develop and Implement Credit Control, Tariff policy and Model	Revenue Policies	Budget & Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.7	Financial Viability	Develop and Implement Revenue Enhancement Strategy	Revenue Enhancement Strategy	Budget and Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.8	Financial Viability	Prepare Lead Schedule for Revenue section	Preparation of AFS	Budget and Treasury	N/A	Whole Municipality	-	-	-	-	-
6.3.2.6.9	Financial Viability	Implement Indigent policy	Indigent Debtors		N/A	Whole Municipality	-	-	-	-	-

6.3.2.7 Supply Chain Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.2.7.1	Financial Viability	Maximize economies of scale and value for money by complying with SCM policies.	SCM Management Projects	Budget & Treasury	Equitable Share	Whole Municipality	R 150 000	R 158 550	R 167 429	R177 474.53	R188 123.00
6.3.2.7.2	Financial Viability	Maximize economies of scale and value for money by complying with SCM policies.	BTO SOP's delegations and contract management	Budget & Treasury	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.3 CORPORATE SERVICES

6.3.3.1 Admin Support

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.3.1.1	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ELEC records management system	Admin support	Equitable share	Mount AYLIFF	1 100 000	985 047	789 502		
6.3.3.1.2	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Security services	Admin support	Equitable share	Alfred Nzo District	10 000 000	10 118 945	10 168 759	10 778 884.54	11 425 617.61
6.3.3.1.3	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	SECURITY INFRASTRUCTURE PROV C	Admin Support	Equitable share	Alfred Nzo District	300 000	317 100	334 858	354 949.06	376 246.00
6.3.3.1.4	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Facilities management and maintenance	Admin Support	Equitable share	Alfred Nzo District	-	-	-	-	-

6.3.3.1.5	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	LEASING - PHOTOCOPIERS	Admin Support	Equitable share	Equitable share	500 000	528 500	558 096	591 581.76	627 076.67
6.3.3.1.6	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Cleaning materials	Admin Support	Equitable share	Equitable share	500 000	528 500	558 096	591 581.76	627 076.67

6.3.3.2 Human Resource Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.3.2.1	Municipal Transformation and OD	Develop Employee Wellness Programmes to improve productivity of	Protective Clothing	HRM	Equitable Share	Alfred Nzo District	750 000	792 750	837 144	887 372.64	940 615.00

		staff.									
6.3.3.2.2	Municipal Transformation and Organizational development	Optimise systems, administration and operating procedures	OHS	HRM	Equitable Share	Alfred Nzo District	800 000	845 600	892 954	946 530.82	1 003 322.66
6.3.3.2.3	Municipal Transformation and Organizational development	Develop Employee Wellness Programmes to improve productivity of staff.	Employee Wellness Programme	HRM	Equitable Share	Alfred Nzo District	250 000	264 250	279 048	295 790.88	313 538.33
6.3.3.2.4	Municipal Transformation and Organizational development	Optimise systems, administration and operating procedures	Policy development	HRM	Equitable Share	Alfred Nzo District	75 000	79 275	83 714	88 737.26	94 061.50
6.3.3.2.5	Municipal Transformation and Organizational development	Improve organisation, capacity, knowledge and Transformation	Employment Equity	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-
6.3.3.2.6	Municipal Transformation and Organizational development	Develop Employee Wellness Programmes to improve productivity of staff.	Integrated Employee Wellness Programme	HRM&D	Equitable share	Alfred Nzo District	250 000	264 250	279 048		

6.3.3.2.7	Municipal Transformation and Organizational development	Develop and implement Succession Planning policy	Retention and Succession planning of staff	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-
6.3.3.2.8	Municipal Transformation and Organizational development	Increase performance and efficiency levels	Municipal Performance Management System	HRM	Equitable Share	Alfred Nzo District	200 000	211 400	223 238	236 632.70	250 830.67
6.3.3.2.9	Municipal Transformation and Organizational development	Ensure alignment of departmental functions with functional structure to optimise human resources deployment across the institution.	Organogram Review	HRM	Equitable Share	Alfred Nzo District	150 000	158 550	167 429	177 474.53	188 123.00
6.3.3.2.10	Municipal Transformation and Organizational development	Enhanced and harmonised labour relations environment	Labour Relations Matters	HRM	Equitable share	Alfred Nzo District	100 000	105 700	111 619	118 316.35	125 415.33
6.3.3.2.11	Municipal Transformation	Improve implementation	Induction	HRM	Equitable Share	Alfred Nzo	50 000	52 850	55 810	59	62 707.67

	and Organizational development	of induction or Socialisation model.	programme			District				158.18	
6.3.3.2.12	Municipal Transformation and Organizational development	Strengthen internal & external LED capacity	Skills Programme	HRM	Equitable Share/LGSETA	Alfred Nzo District	5 000 000	5 285 000	5 580 960		
6.3.3.2.13	Municipal Transformation and Organizational development	Initiate organisational change management process for organisational re-engineering and business process improvement	District Job Evaluation Unit	HRM	Equitable Share	Alfred Nzo District	150 000	158 550	167 429	177 474.53	188 123.00
6.3.3.2.14	Municipal Transformation and Organizational development	Strengthen internal & external LED capacity	External Bursary Scheme	HRM	Equitable Share	Alfred Nzo District	700 000	739 900	781 334	828 214.46	877 907.33
6.3.3.2.15	Municipal Transformation and Organizational development	Promote Public participation and Good Meaningful Governance	CAREER EXPO DISTRICT	HRM	Equitable share/TETA/LGSETA	Alfred Nzo District	-	-	-	-	-
6.3.3.2.16	Municipal	Strengthen	ISDG	HRM	Equitable	Alfred Nzo	2 450 396	2 590	2 735	2 899	3 073

	Transformation and Organizational development	internal & external LED capacity	internship		Share/ISDG	District		069	113	219.59	172.76
6.3.3.2.17	Municipal Transformation and Organizational development	Development of Technical Capacity	ISDG Expense	HRM	ISDG grant	Alfred Nzo District	2 743 604	2 899 989	3 062 389		
6.3.3.2.18	Municipal Transformation and Organizational development	Development of Technical Capacity	Study assistant program	HRM	Equitable share	Alfred Nzo District	400 000	422 800	446 477	473 265.41	501 661.33
6.3.3.2.19	Municipal Transformation and Organizational development	Strengthen Governance and reduce risk	Data Cleansing	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-
6.3.3.2.20	Municipal Transformation and Organizational development	Increase performance and efficiency levels	End Year function	HRM	Equitable Share	Alfred Nzo District	-	-	-	-	-

6.3.3.3 ICT

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)
6.3.3.3.1	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Centers Maintenance and Support	ICT	Equitable Share	Mount Frere Bizana Matatiele Ntabankulu	450 000	1 057 000	1 116 192
6.3.3.3.2	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Establishment of ICT Community Centre	ICT	Equitable Share	Alfred Nzo District	500 000	550 000	605 000
6.3.3.3.3	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Infrastructure upgrade	ICT	Equitable Share	Alfred Nzo District	500 000	550 000	605 000
6.3.3.3.4	Municipal Transformation	Optimise systems,	Cabling of ANDM stores	ICT	Equitable Share	Mount Ayliff Maluti	250 000	275 000	302 5000

	and Organizational Development	administration and operating procedures				Nomlacu			
6.3.3.3.5	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Municipal Licenses and SLA's	ICT	Equitable Share	Alfred Nzo District	3900 000	4290000	429000
6.3.3.3.6	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Procurement of ICT tools of Trade	ICT	Equitable Share	Alfred Nzo District	400 000	440 000	484 000
6.3.3.3.7	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Implementation of Network Access points for ANDM offices	ICT	Equitable Share	Mount Ayliff Ntabankulu Matatiele Mount Frere	400 000	440 000	484 000
6.3.3.3.8	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	Maintenance of Data Communication and Telecommunications	ICT	Equitable Share	Alfred Nzo District	1500 000	1650 000	1815 000
6.3.3.3.9	Municipal Transformation and Organizational Development	Optimise systems, administration and operating procedures	ICT Physical Access Control	ICT	Equitable Share	Mount Ayliff	100 000	110 000	121 000
6.3.3.3.10	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Implementation of EDRMS	ICT	Equitable Share	Alfred Nzo District	1500 000	1650 000	1815 000
6.3.3.3.11	Municipal Transformation	Strengthen Governance and	Broadband Strategy Development	ICT	Equitable Share	Alfred Nzo District	800 000	880 000	968 000

	and Organizational Development	reduce risk							
6.3.3.3.12	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Regional Data Centre	ICT	Equitable Share	Alfred Nzo District	100 000	110 000	121 000
6.3.3.3.13	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Data Purification	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.14	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Backup Monitoring	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.15	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	User Creation on Municipal Systems	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.16	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Review of Roles and Responsibilities	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.17	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Monthly visit to all ANDM Remote Sites	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.18	Municipal Transformation	Strengthen Governance and	Review and Development of	ICT	N/A	Alfred Nzo DM	None	None	None

	and Organizational Development	reduce risk	Risk Register						
6.3.3.3.19	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Implementation of AG Recommendations	ICT	N/A	Alfred Nzo DM	None	None	None
6.3.3.3.20	Municipal Transformation and Organizational Development	Strengthen Governance and reduce risk	Assessment of mSCOA implementation	ICT	N/A	Alfred Nzo DM	None	None	None

6.3.4 Community Development Services

6.3.4.1 Thusong Services Centre

References	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.1.4.1.1	Basic Service Delivery	Improve quality of Municipal Infrastructure Services	Construction of 2 Thusong Centers established and functioning by 2014	Department of Human Settlements	External Funding	Mbizana and Matatiele LM's	200 000	211 400	223 238	236 632.70	250 830.67
6.3.1.4.1.2	Basic Service	Improve quality of	Establishment/Upgrade of Thusong Centre Unit	Thusong Unit	Equitable share	Umzimvubu and					

	Delivery	Municipal Infrastructure Services				Matatiele LM's					
6.3.1.4.1.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Improvement of government access to information and coordination of services	Thusong Unit	Equitable Share	All LMs					

6.3.4.2 Fire & Rescue Services

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.2.1	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Procurement of Fire & Rescue Services Equipment	Fire & Rescue Services	Equitable share	Whole Municipality	150 000	158 550	167 429	177 474.53	188 123.00
6.3.4.2.2	Basic Service Delivery	Improve the quality of municipal infrastructure services	Strengthening Emergency Communication Control Center	Fire & Rescue Services	Equitable share	Whole Municipality	300 000	317 100	334 858	300 000	317 100
6.3.4.2.3	Municipal Transformation & Organisational Development	Strengthen Good Governance & Reduce Risk	Fire & Rescue Services Policies and Bylaw Enforcement	Fire & Rescue Services	Equitable share	Whole Municipality					
6.3.4.2.4	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Fire & Rescue Internal Building Capacity	Fire & Rescue Services	Equitable share	Whole Municipality					
6.3.4.2.5	Good Governance & Public Participation	Improve Community Health & Safety	Development of Community Emergency Response	Fire and Rescue services	Equitable share	Whole Municipality	1 000 000	1 057 000	1 098 254	1 000 000	1 057 000

			Teams (C.E.R.T)								
6.3.4.2.6	Good Governance & Public Participation	Improve Community Health & Safety	Strengthen community resilience through P.I.E.R programs	Fire & Rescue Services	Equitable share	Whole Municipality					
6.3.4.2.7	Good Governance & Public Participation	Strengthen Good Governance & Reduce Risk	Protective Clothing	Fire & Rescue Services	Equitable share	Whole Municipality	500 000	528 500	558 096	500 000	528 500

6.3.4.3 Disaster Management Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.3.1	Basic Service Delivery	Improve community and social safety of the district	Satellite Centre establishment – Mbizana	Disaster Management	Equitable share	Mbizana (Ward 1)	1 500 000	1 585 500	1 674 288	1 774 745.28	1 881 230
6.3.4.3.2	Service Delivery	Promote the earnings potential of ANDM Communities	Disaster Management Volunteer Programme (Disaster Man Response and Recovery)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-

6.3.4.3.3	Municipal Transformation and Organisational Development	Increase access to municipal services	Disaster Management Policy Framework (DISASTER 1)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.3.4	Municipal Transformation and Organisational Development	Increase access to municipal services	Disaster Management Plan (Disaster1)	Disaster Management	Equitable share	Whole Municipality	-	-	-	-	-
6.3.4.3.5	Good Governance & Public Participation	Promote public participation and good meaningful governance	Disaster Management Capacity Building (Disaster 1)	Disaster Management	Equitable share	Equitable share	-	-	-	-	-
6.3.4.3.6	Good Governance & Public Participation	Optimise systems, administration and operating procedures	DISASTER COMPLIANCE (Research Agenda)	Disaster Management	Equitable share	Equitable share	200 000	317 100	334 858	354 949.06	376 246
6.3.4.3.7	Good Governance & Public Participation	Promote public participation and good meaningful governance	Disaster Management Public Education & Community Awareness Programme (Disaster 1)	Disaster Management	Equitable share	Whole Municipality	100 000	-	-		

6.3.4.3.8	Basic Service Delivery	Increase access to municipal services	Response , Recovery and Rehabilitation Programme (Disaster Man Response and Recovery)	Disaster Management	Equitable share	Whole Municipality	1 800 000	1 802 600	1 805 900	1 914 254	2 029 109.24
6.3.4.3.9	Basic Service Delivery	Increase access to municipal services	Procurement of Disaster Management vehicles (lease)	Disaster Management	Equitable share	Whole Municipality	300 000	317 100	334 858	354 949.06	376 246
6.3.4.3.10		Availability of protective equipment and clothing	Procurement of Protective Clothing	Disaster Management	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.4.4 Customer Care Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.4.1	Basic Service Delivery	Promote Public participation and Good Meaningful Governance	Procurement of Customer Care Mobile Unit (Leasing)	Customer care	Equitable Share	All LMs	400 000	422 800	446 477	473 265.41	501 661.33

6.3.4.4.2	Good governance and Public Participation	Promote Public participation and Good Meaningful Governance	Batho Pele Championship Programme (Implementation)/ Customer Care	Customer care	ES	All LMs					
6.3.4.4.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Customer Satisfaction Surveys (Customer Care)	Customer care	ES	All LMs					
6.3.4.4.4	Good Governance and Public Participation	Improve Community safety and ensure Social Crime and Prevention	F	Customer care	ES	All LMs					
6.3.4.4.5	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Customer Care day	Customer care	ES	Whole of municipality	-	-	-	-	-
6.3.4.4.6	Good Governance and Public Participation		Good Governance and Public Participation	Customer Care	ES	Customer Care Unit	-	-	-	-	-

6.3.4.5 Municipal Health Services

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 2018/19	Year 3 2019/20	Year 4 2020/2021	Year 5 2021/2022
6.3.4.5.1	Good Governance and Public Participation	Improve community and environmental health & safety	Water & food sample analysis	MHS	ES	Whole municipality	300 000	317 100	334 858	354 949	376 246

6.3.4.5.2	Good Governance and Public Participation	Improve community and environmental health & safety	Procurement of sampling equipment (IAQM)	MHS	ES	Whole municipality					
6.3.4.5.3	Good Governance and Public Participation	Improve community and environmental health & safety	Protective equipment & clothing (Uniform for EHPs)	MHS	ES	Whole municipality	-	-	-	-	-
6.3.4.5.4	Institution	Improve organizational capacity, knowledge & transformation	Strengthening of MHS	MHS	ES	Whole municipality		369 950	390 667	414 107.23	438 953.67
							350 000				
	Good Governance and Public Participation	Improve community and environmental health & safety	Environmental Health Awareness	MHS	ES	Whole municipality	0	369 950	390 667		
			Evaluation of business premises (food & non-food) and of HCRW generators	MHS	ES	Whole municipality	0				

6.3.4.5.5	Cross Cutting	Strengthen IGR	World Environmental Health Day	MHS	ES	Whole municipality					
			Build-up WEHD (District event)-								
			National WEHD Commemoration								
6.3.4.5.6		Improve organizational capacity, knowledge & transformation	Registration of EHPs	MHS	ES	Whole municipality					

6.3.4.6 Sports

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.4.6.1	Good Governance and Public Participation	Promote public participation and good meaningful governance	Sport and Recreational development programs	SACCHR	Equitable Share	Whole of municipality	R200,000	R211,400	R223,238	R236,632.70	R250,830.67
6.3.4.6.2	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Arts and Culture programs	SACCHR	Equitable Share	Whole of municipality	R200,000	R211,400	R223,238	R236,632.70	R250,830.67
6.3.4.6.3	Good Governance and Public Participation	Promote Public participation and Good Meaningful Governance	Museum	SACCHR	Equitable Share	Whole of municipality	R50,000	R52,850	R55,810	R59,158.18	R62,707.67

6.3.4.6.4	Promote public participation and good meaningful governance	Promote Public participation and Good Meaningful Governance	Support Centenary Project	SACCHR	Equitable Share	Mbizana LM	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
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6.3.5 Office of the Municipal Manager

6.3.5.1 Office of the Municipal Manager

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.5.1.1	Good Governance and Public Participation	To provide support to community members and non-profit organisations in times of dire need	Mayoral Intervention Programs	OMM	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.1.2	Good Governance and Public Participation	To Promote Public participation and Good Meaningful Governance	Mayoral Imbizo	OMM	Equitable Share	Whole Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.1.3	Good Governance and Public Participation	Improve Municipal planning and spatial development	IDP	OMM	Equitable Share	Whole of Municipalities	R450,000	R475,650	R502,286	R532,423.58	R564,369.00
6.3.5.1.4	Good Governance and Public Participation	Increase performance and efficiency levels	Monitoring & Evaluation Strategy / IDP & OPMS Monitoring	OMM	Equitable Share	Whole Municipalities	R200,000	R211,400	R223,238	R250,830.67	R211,400
6.3.5.1.5	Growth & Development	Formulate strategies for mobilisation of development finance and grants for implementation of catalytic	DISTRICT DEVELOPMENT PLAN	OMM	Equitable Share	Whole Municipality	-	-	-	-	-

		projects in the project									
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6.3.5.2 Special Programmes Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year (2020/21)	Year (2021/22)
6.3.5.2.1	Good Governance and Public Participation	To identify skills , coordinate youth empowerment for economic growth and development expand, encourage youth through training and education in collaboration with other stakeholders	Youth Development and Transformation Programme	SPU	Equitable Share	Whole of municipality	R1,500,000	R1,585,500	R1,674,288	R1,774,745.28	R1,881,230.00
6.3.5.2.2	Good Governance and Public Participation	To sensitize communities about HIV and AIDS epidemic and its impact in the socio economic development of the individual,	HIV and AIDS; TB Awareness Programmes	SPU	Equitable Share	Whole Municipality	R150,000	R158,550	R167,429	R177,474.53	R188,123.00

		families and community at large									
6.3.5.2.3	Good Governance and Public Participation	To support functioning of all HIV and AIDS council structures through coordination of programmes	HIV and AIDS; TB Co-ordination Care and Support Programmes	SPU	Equitable Share	Whole of Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33
6.3.5.2.4	Good Governance and Public Participation	To coordinate response to gender inequalities through empowerment, mainstreaming, awareness and consultation of men and women	District Gender Programme	SPU	Equitable Share	Whole of Municipality	R350,000	R369,950	R390,667	R414,107.23	R438,953.67
6.3.5.2.5	Good Governance and Public Participation	To facilitate the creation of an environment that will be conducive for growth and development of children by coordinating government departments and civil society with the district	Co-ordination of District Children's Development Programmes, Care and Support	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33

	Good Governance and Public Participation	To create an environment that is free of barriers , prejudice and stereotypes in-order to maximize access of people with disabilities to basic services	District Disability Programmes, care, support and implementation	SPU	Equitable Share	Whole of Municipality	R350,000	R369,950	R390,667	R414,107.23	R438,953.67
6.3.5.2.6	Good Governance and Public Participation	To coordinate and facilitate the integration and mainstreaming of Older Persons programmes to keep societal norms and values and to maintain their respect and dignity	Older Person's Care and Support Programmes	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.2.7	Good Governance and Public Participation	Promote the earnings potential of ANDM Communities	SPU Mainstreaming	SPU	Equitable Share	Whole of Municipality	R400,000	R422,800	R446,477	R473,265.41	R501,661.33
6.3.5.2.8	Good Governance and Public Participation	To unleash the potential of human mind trough learning	Community Empowerment Programme	SPU	Equitable Share	Whole of Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67

6.3.5.2.9	Good Governance and Public Participation	To promote access of young to basic services	Completion of Youth Office	SPU	Capital Budget	Whole of Municipality	R50,000	R52,850	-	-	-
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6.3.5.3 Communications Unit

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.3.1	Good Governance and Public Participation	Promote Public participation through implementation of the communication strategy	Audio visuals and equipment	Communications	Equitable Share	Whole of municipality	-	-	-	-	-
6.3.5.3.2		Promote Public participation through implementation of the communication strategy	Translation	Communications	Equitable Share	Whole Municipality	R50,000	R52,850	R55,810	R59,158.18	R62,707.67

6.3.5.3.1.3		Promote Public participation through implementation of the communication strategy	Branding and Marketing	Communications	Equitable Share	Whole Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
6.3.5.3.4		Promote Public participation through implementation of the communication strategy	Community Outreaches	Communications	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.3.5		Promote Public participation through implementation of the communication strategy	Legacy & Heritage programmes	Communications	Equitable Share	Whole Municipality	R300,000	R317,100	R334,858	R354,949.06	R376,246.00
6.3.5.3.6		Promote Public participation through implementation of the communication strategy	Newsletter and leaflet production	Communications	Equitable Share	Whole Municipality	R150,000	R158,550	R167,429	R177,474.53	R188,123.00
6.3.5.3.7		Promote Public participation through implementation of the communication strategy	Publicity Cost	Communications	Equitable Share	Whole Municipality	R500,000	R528,500	R558,096	R591,581.76	R627,076.67
6.3.5.3.8		Promote Public participation through implementation of the communication strategy	Road Signage	Communications	Equitable Share	Whole Municipality	R100,000	-	-	-	-

			Report							
6.3.5.3.5			Performing Mandatory Internal Audit Assignments				-	-	-	-
6.3.5.3.6			Implementation of Risk Based Internal Audits				-	-	-	-
6.3.5.3.7			mSCOA Implementation Reviews				R150 000	R165 000	R181 500	R199 650
6.3.5.3.8			ICT Reviews				R125 000	R137 500	R151 250	R166 375
6.3.5.3.9			IA Support to ANDA				R310 000	R341 000	R375 100	R412 610
6.3.5.3.10			Revised Internal Audit Methodology				-	-	-	-
6.3.5.3.11			Effective Audit Committee				R275 000	R302 500	R332 750	R366 025
										R402 628

6.3.5.3 Inter-governmental Relations

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 4 (2020/21)	Year 5 (2021/22)
6.3.5.3.1	Good Governance and Public Participation	Strengthen Intergovernmental Relations	IGR and Stakeholders management	OMM	Equitable Share	Whole Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33
6.3.5.3.2	Good Governance and Public Participation	Strengthen Intergovernmental Relations	Municipal cooperative agreements (MIR & Protocol)	OMM	Equitable Share	Whole Municipality	R250,000	R264,250	R279,048	R295,790.88	R313,538.33

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6.3.5.4 Legal Services

	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/20)	Year 3 (2019/20)	Year 3 (2019/20)
6.3.5.4.1	Strengthen Governance and Reduce Risk	Ensure the full implementation of ANDM Litigation Strategy	Legal Support and Representation	OMM	Equitable Share	Whole of municipality	R1 300 000	R1 374 100	R1 452 423-70	R1 539 569.12	R1 631 943.26
6.3.5.4.2	Strengthen Governance and Reduce Risk	Ensure a fully functional Alfred Nzo District Legal Services' Forum	Alfred Nzo District Legal Services' Forum	OMM	N/A	Local Municipalities	R0	R0	R0	R0.00	R0.00

6.3.5.5 Risk Management

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1	Year 2	Year 3	Year 4	Year 5
							(2017/18)	(2018/19)	(2019/20)	(2020/21)	(2021/22)
6.3.5.5.1	Strengthen Governance and Reduce Risk	Ensure full implementation of the anti-corruption strategy and fraud prevention plan	Development and implementation of the fraud prevention plan	Risk Management	Equitable Share	Whole of municipality	150 000	158 550	167 28.80	176 804.81	186 705.87
6.3.5.5.2	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	ICT and Fraud Risk Assessment	Risk Management	Equitable Share	Whole Municipality	150 000	158 550	167 428.80	176 804.81	186 705.87

6.3.5.5.3	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Conduct strategic and operational risk assessment	Risk Management	Equitable Share	Whole Municipality	R50 000	R52 850	55 809.60	58 934.93	62 235.28
6.3.5.5.4	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Maintain Effectiveness of Risk Management Committee	Risk Management	Equitable Share	Whole Municipality	150 000	158 550	167 428.80	176 804.81	186 705.87
6.3.5.5.5	Strengthen Governance and Reduce Risk	Ensure full implementation of ANDM Risk Management Strategy	Review , update and monitor District Wide Compliance Checklist	Risk Management	Equitable Share	Whole Municipality	-	-	-	-	-
6.3.5.5.6	Strengthen Governance and Reduce Risk	Ensure full implementation of the anti-corruption strategy and fraud prevention plan	Establish the Fraud and Ethics Hotline	Risk Management	Equitable Share	Whole Municipality	-	-	-	-	-

6.3.5.6 Office of the Speaker

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/18)	Year 2 (2018/19)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.5.6.1	Good Governance and Public Participation	Promote culture of community participation	Public Participation	Office of the Speaker	Equitable Share	Whole of municipality	500 000,00	R529 000,00	R559 153,00	R592 702. 18	R628 264. 31
6.3.5.6.2	Good Governance and Public Participation	Instil the ethical behaviour using acceptable moral conduct	Moral Regeneration Movement	Office of the Speaker	Equitable Share	Whole Municipality	R265 000,00	R280 370,00	R296 351.09	R314 132. 15	R332 980. 07
6.3.5.6.3	Good Governance and Public Participation	Promote spirit of Ubuntu across various races	Africa Month Programme	Office of the Speaker	Equitable Share	Whole of Municipality	R50 000,00	R52 900,00	R55 915,30	R59 270, 22	R62 866,43

6.3.5.6.4	Good Governance and Public Participation	Introduce structured programmes to develop capacity of councillors in line with circular on Upper Limits	Provision of accommodation for Capacity Building Programme for Councillors	Office of the Speaker	Equitable Share	Whole of Municipality	R150 000,00	R158 700,00	R167 745,90	R177 810,65	R188 479,28
6.3.5.6.5	Good Governance and Public Participation	Promote intergovernmental relations amongst the Speakers of the district	District Speakers Forum	Office of the Speaker	Equitable Share	Whole of Municipality	R100 000,00	R105 800,00	R111 830,60	R118 540,43	R125 652,85
6.3.5.6.6	Good Governance and Public Participation	Ensure effective Oversight function is exercised on the Executive and Administration	Municipal Public Accounts Committee (MPAC)	Office of the Speaker	Equitable Share	Whole of Municipality	R75 000,00	R79 350,00	R83 872,95	R88 905,32	R94 239,65

6.3.5.6.7	Good Governance and Public Participation	Create a platform for the communities to engage with the municipality and present a chance for the Executive Mayor to present the State of the District	State of the District Address (Open Council Day)	Office of the Speaker	Equitable Share	Hosting local municipality in the district	R1 000 000, 00	R1 058 000, 00	R1 118 306, 00	R1 185 404, 30	R1 256 528, 50
6.3.5.6.8	Good Governance and Public Participation	Ensure there is provision for the maintenance of the Council Chamber in having a conducive environment	Interior Design & Décor of The Council Chamber/Office furniture (Council Upgrade)	Office of the Speaker	Equitable Share	Council Chambers, Mount Ayliff	R0, 00	R500 000, 00	R529 000, 00	R559 153, 00	R592 702, 18
6.3.5.6.9	Good Governance and Public Participation	Ensure the municipal Council has comprehensive and legally valid Rules and Orders regulating all statutory meetings that are gazetted	Reviewing and Printing of Council Rules and Orders	Office of the Speaker	Equitable Share	Whole of Municipality	R80 000, 00	R84 560, 00	R89 379, 92	R94 742, 70	R100 427, 25

6.3.5.6.1 0	Good Governance and Public Participation	Promote engagements across whips of various political parties represented in Council	Whippery Programmes	Office of the Chief Whip	Equitable Share	Whole of Municipality	R90 000,00	R95 220,00	R100 647,54	R106 686,39	R113 087,57
6.3.5.6.1 1	Good Governance and Public Participation	Promote accountability to constituencies by councillors through constant and regular meetings	Constituency Work	Office of the Chief Whip	Equitable Share	Whole of Municipality	R200 000,00	R211 800,00	R224 084,00	R237 529.04	R251 780.74
6.3.5.6.1 2	Good Governance and Public Participation	Ensure adequate preparation for Council meetings by convening caucus meetings of various political parties	Council Caucus	Office of the Chief Whip	Equitable Share	Whole of Municipality	R150 000,00	R158 850,00	R168 063,00	R178 146.78	R188 835.58
6.3.5.6.1 3	Good Governance and Public Participation	Develop capacity of councillors on various topics through workshops	Council Study Groups	Office of the Chief Whip	Equitable Share	Whole of Municipality	R300 000,00	R317 700,00	R336 127,00	R356 294.62	R377 672.29
6.3.5.6.1 4	Good Governance and Public Participation	Promote women engagement to provide advocacy and setting women's agenda to be launched before 30	Women's Caucus	Office Of The Speaker	Equitable Share	Whole of Municipality	R50 000,00	R53 000.00	R56 180.00	R59550.08	

		September 2017									
6.3.5.6.15	Good Governance and Public Participation	Provide Support and provide accountability for Local Municipalities through Coordination Of Quarterly Reports for all four local muns	Local Municipality Support	Office Of The Speaker	Equitable Share	Whole Of Municipality	R50 000,00				

6.3.6 Department: Planning and Economic Development

6.3.6.1 Local Economic Development

Reference	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 (2017/2018)	Year 2 (2018/2019)	Year 3 (2019/2020)	Year 4 (2020/2021)	Year 5 (2021/2022)
6.3.6.1.1	Local Economic Development	Ensure all major district projects include growth and development components to enhance local economic development	VUKA ALFRED NZO	LED	Equitable Share	Whole of Municipality	1 000 000	1 057 000	1 116 192	1 183 163.52	1 254 153.33
6.3.6.1.2	Local Economic Development	Ensure all major district projects include growth and	COLLABORATIVE INITIATIVES	LED	Equitable Share	Whole of municipality	350 000	369 950	390 667	414 107.23	438 953.67

		development components to enhance local economic development									
6.3.6.1.3	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	LED STRATEGY REVIEW	LED	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.4	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	FORESTRY DEVELOPMENT PROGRAMME	LED	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.5	Local Economic Development	Formulate strategies for mobilization of development finance and grants for implementation of catalytic projects in the project	OCEANS ECONOMY DEVELOPEMNT PROGRAMME	LED	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.5	Local Economic Development	Establish strategic partnerships with the Government, Private sector	AGRI-PARKS PROGRAMME	LED	Equitable Share	Whole of Municipality	1 230 000	1 300 110	1 372 916	1455 291.13	1542 608.60

		and NGOs for successful coordinated implementation of agricultural development programmes									
6.3.6.1.6	Local Economic Development	Develop strategies which seek to prioritize local economic development within the District	INSTITUTIONAL ARRANGEMENTS	LED/PLANNING	Equitable Share	Whole of Municipality	-	-	-	-	-
6.3.6.1.7	Local Economic Development	Develop Value Chain Analysis for identified key sectors in the District to identify opportunities for local beneficiation and empowerment	MANUFACTURING DEVELOPMENT PROGRAMME	LED	Equitable Share	Whole of Municipality	1 000 000	1 057 000	1 116 192	1183 163.52	1254 153.33
6.3.6.1.8	Local Economic Development	Ensure all major district projects include growth and development components to enhance local economic development	BEACH TO BERG	LED	Equitable Share	Whole of Municipality	300 000	317 100	334 858	354 949.06	376 246.00
6.3.6.1.9	Local Economic Development	Formulate strategies for mobilization of development finance and grants for	RESOURCE MOBILIZATION (SMME'S)	LED	Equitable Share	Whole of municipality	-	-	-	-	-

		implementation of catalytic projects in the project									

6.3.6.2 Spatial Planning

References	Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
6.3.6.2.1	Spatial Planning	Update and Implement Land Use Management Systems (LUMS) and wall-to-wall Schemes	Land Use Management Framework (LUMF)	Planning	Equitable Share	Whole of Municipality	500 000	528 500	558 096	591 581.76	627 076.67
6.3.6.2.2	Spatial Planning	Enhance the implementation of SPLUMA Establish the Municipal Planning Tribunal (MPT)	SPLUMA Implementation	Planning	Equitable Share	Ntabankulu Municipality	500 000	528 500	558 096	591 581.76	627 076.67
6.3.6.2.3	Spatial Planning	Implement measures to improve coordination and alignment between the District Municipality and Local Municipalities	District Planners' Forum Establishment	Planning	Equitable Share	Whole of Municipality	-	-	-	-	-

Priority Area (KPA)	Strategy /Objective	IDP Project Name	Function	Funding Source	Regional	Year 1 2017/2018	Year 2 2018/2019	Year 3 2019/2020	Year 4 2020/2021	Year 5 2021/2022
GIS	Strengthen and consolidate spatial information management the District Municipality and Local Municipalities	GIS Data Maintenance	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	1 200 000	1 268 400	1 339 430	1 419 796.22	1 504 984.00
GIS	Implement measures to improve coordination and alignment between the District Municipality and Local Municipalities	GIS Shared Service Implementation	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	-	-	-	-	-
GIS	Strengthen and consolidate spatial information management the District Municipality and Local Municipalities	GIS Strategy Development	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	-	-	-	-	-
GIS	Strengthen and consolidate spatial information management the District Municipality and Local Municipalities	GIS Geo Data Design	Spatial Planning & Land Use Management	Equitable Share	Whole of Municipality	-	-	-	--	-
GIS	Strengthen and consolidate	GIS Systems Integration	Spatial Planning and	Equitable Share	Whole Municipality	-	-	-	-	-

	spatial information management for the District Municipality and Local Municipalities		land use management							
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UMZIMVUBU LOCAL MUNICIPALITY PROJECTS

PROJECT NAME	WARD NO	SOURCE OF FUNDING	Scope of works
By pass of lower to upper brooksnek AR and Bridge	1	MIG Project	7 km of new gravel access road and portal culvert bridge.
Ext of Mthelanja concrete paving	2	MIG Project	1.2 km of concrete paving, installation of Guardrails, construction of gabions and concrete v drains
Sidakeni AR Maintenance	2	Infra Project	8km of Road Maintenance, 100m of concrete causeways and 2x dish drains and 2000m of stone pitching
Dundee to Gugwini AR Maintenance	3	Infra Project	4 km to be done
Bridge link to Bottom	4	Infra Project	2.7 km of new gravel access road and portal culvert bridge.
Electrification infills	4	Eskom	Including the following villages:Mnqwane, Esseke, Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman
Marwaqa bridge	5	MIG	Construction of culvet bridge
Sirhoqobeni C/H	5	MIG	272m2 of Community hall, 50x50 stock fencing, three pit ablution unit.
Silindini Bridge	6	MIG	Construction of structural bridge

Surfacing of Mt Ayliff Phase 6	7	MIG Project	Surfacing of streets
Multi - Purpose Centre – Phase 3	7	MIG Project	On-going project
Services at extension 06	7	MIG	Sewer line, water line and road network
Upgrading of Mt Ayliff Landfill site	7	MIG	Upgrading of landfill site
Leveling of grounds next to Mada for the Bus rank	7	ECDC Funding	Leveling of grounds next to Mada for the Bus rank
Phuti Eco Hub Phase 03	8	Economic Infrastructure	Construction of Restaurant facility
Magade – Zigadini Bridge	8	Infra Project	2 km of gravel access road and bridge
Bamko AR	9	Infra Project	6 km to be done
Electrification infills	9	Eskom	Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman, Mnqwane, Essek
Mdakeni AR Maintenance	10	Infra Project	7.3km road maintenance, 15x crossings, 13 x cleaning of existing crossings, cleaning of portal culvert bridge, 2x dish drains, 250m stone pitching
Electrification	10	Electrification Grant	Siqhingeni 336 H/H (Sirhudlwini, Sifolweni & Ntabeni)
Rhode Surfacing	11	DRPW Intervention	Brick paving

Mzinto - Nyosini A/R	11	Infra Project	Maintenance of access road
Electrification	11	Eskom	Mhlotsheni 659 H/H (Mhlotsheni, Lutshikini, Mkhangisa)
Msongonyane AR	12	Infra Project	5.3km new gravel access road, 1.2 cut-off berm, 12x 600mm crossings, 6x dish drain, 1000m of stone pitching.
Electrication	12	Eskom	Mhlotsheni 659 H/H including the following villages (Mkhangisa, Mhlotsheni, Lutshikini)
Mpungutyane via Luvalweni to Manqilweni	13	MIG	5.36 km of new gravel access road
Electrification	13	Electrification Grant	Lwandlana – Lower Mt Horeb 78 H/H
Goxe AR	14	Infra Project	2.5km new gravel AR, 4.2km road maintenance, 1200x 1200 portal culverts, 300m of stone pitching and 7 x dish drains.
Electrification	14	Electrification Grant	Nqalweni Phase 1 (200 + 120 H/H)
Electrification	14	Electrification Grant	Mandileni Phase 1 (200 H/H)
Gubhuzi AR	15	Infra Project	4.2 km to be done
Lugangeni CH	15	MIG	Construction of a community hall
Silver City AR & Bridge	16	MIG	5 km of new gravel access road and 1500 x1500mm of portal culvert bridge, 1x 900mm causeway

Moyeni Hall Maintenance	16	R&M	Replacing of existing roof structure and Replacing and painting of ceiling, painting of internal walls.
Sidikidiki AR/ Lubhacweni Upgrading	17	Infra Project	1.38km of new gravel access road and 6.87 km of road maintenance. 12x ditch drains and 920m of concrete stone pitch.
Upgrading of Mt Frere Landfill site	18	MIG	Landfill site
Surfacing of Mt Frere Internal Streets Phase 6	18	MIG	Surfacing of internal streets
Shinta to Dungu, Diphini AR	19	Infra Project	0.22 km of new gravel access road and 3.78km of road maintenance.11x dish drains and 600m of concrete v-drain.
Matankini AR	20	Infra Project	3.4 km of new gravel access road. Construction of concrete slab and 9x dish drains.
Electrification infills	20	Eskom	Scope include the following villages: Essek, Saphukanduku, Goso, Dukathole, Tembisa, Mvalweni, Bottoman, Mnqwane,
Qoqa to Qunubeni via Komkhulu/Zibokwana AR Maintenance	21	Infra Project	2.91 km of new roads and 6 km of road maintenance
Mthonjeni to Kwa Duma Store AR	22	Infra Project	4.68 km of new gravel access road and 0.6 km of road maintenance. 1.24 km section of boulders. 7x dish drains and 120 m of concrete stone pitch.
Kuyasa AR Maintenance	22	Infra Project	8.58 km of road maintenance and 0.36 km of new gravel access road. 11x ditch drains
Mabhobho Electrification	22	Electrification Grant	398 household electrification
Mlenze AR	23	MIG	3.63 km of new gravel access road. 1.73 km on mountainous area. 800m of concrete v-drain and 4x dish drains.

Luyengweni to Cwebeni AR	24	Infra Project	4.192 km of new gravel access road and 6.282 road maintenance. Section of bolders of 860m. 7x dish drains ad 280m of concrete stone pitch.
Sivumela Electrification of households	24	Electrification Grant	Completion of Phase 2 230 households
Osborn Bridge/Mpolosa bridge with AR	25	MIG Project	Construction of portal culvert bridge.
Mnxekazi Electrification	25	Electrification Grant	Household electrification of 160
Mrholweni to Mangweni Access Road	26	Infra Project	3 km of new gravel access road.3 km new road and 2km maintenance and stormwater management.
Phuka bridge	26	Infra Project	Sive consulting appointed to facilitate the acquiring of environmental authorisation.
Electrification infills	26	Eskom	The following villages: Tembisa, Mvalweni, Bottoman, Mnqwane, Esseke, Saphukanduku, Goso, Dukathole,
Nkanini AR	27	Infra Project	4.18 km of new gravel access road. 11x dish drains and 180m of concrete stone pitch.
Sibhozweni Electrification	27	Electrification Grant	130 Household electrification

MATATIELE LOCAL MUNICIPALITY PROJECTS

THREE –YEAR CAPITAL PLAN

IDP. REFERENC E	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2,5km access road by 30 June 2018	Butsula via Taung to Pre-School Access Road	6	R 1 450 591	R 1 315 034	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4km access road by 30 June 2018	Vikinduku Access Road	5	R1 417 421	R2 379 713	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4km access road by 30 June 2018	Nomgavu Access Road(Mnyamaneni)	18	R200 000	R3 602 526	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct an 8,6km access road by 30 June 2018	Epiphany Access Road	22	R200 000	R7 478 373	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 5.5km access road by 30 June 2018	Msukeni Access Road	21	R200 000	R5 195 380	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Gudlintaba Access Road	9	R3 178 860	R327 843	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 6.5km access road by 30 June 2018	Zazingeni-Mazizini Access Road	4	R5 723 846	R 917 725.00	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a km access road by 30 June 2018	Mabheleni Access Road	21	R 1 594 000	R399 419	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.5km access road by 30 June 2018	Khaue Access Road	25	R949 464	R228 049	

	areas and road linkages between rural components by 125km by 2022	access road by 30 June 2018					
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.7 km access road by 30 June 2018	Mangopeng Access Road and Bridge	14	R2 000 000	R460 000	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Lagrange Pedestrian Bridge	07	R1 515 950	R244 883	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.2km access road by 30 June 2018	Tlakanelo Culvert Bridge	13	R257 888		
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 4.4km access road by 30 June 2018	Soloane Access Road	24	R458 074		
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 2.4km access road by 30 June 2018	Manase Access Road	03	R220 042		
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 5.8km access road by 30 June 2018	Sandfontein Access Road	26	R440 290		
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 3.8km access road by 30 June 2018	Kamorathaba-Tsepisong Access Road	03	R344 530		
	To improve accessibility in urban areas by upgrading gravel roads to tarred roads for the purpose of attracting more investments by 30 June 2022	To construct a 6.5km access road by 30 June 2018	Sijoka Access Road	10	R3 632 252	R1 090 854	
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 8.6km access road by 30 June 2018	Mehloloaneng Access Road and Bridge	16	R817 939		
	To improve accessibility in rural areas and road linkages between	To construct a 2,5km access road by 30 June 2018	Ngcwengane-189 Bomvini Access Road and Bridge	7	R2 000 000	R2 000 000	R2 000 000

	rural components by 125km by 2022						
	To improve accessibility in rural areas and road linkages between rural components by 125km by 2022	To construct a 25m bridge by 30 June 2018	Freystata Bridge	15	R 370 000	R 2 000 000	R 2 000 000
		To construct a 22m bridge by 30 June 2018	Goodhope Bridge	23	R 370 000	R0.00	R0.00
	To maintain 125km existing surfaced roads for the purpose of retaining the quality of rods by 2022	To construct a 5km surfaced road by 30 June 2018	Mountain View Internal Streets in Ward 20.	20	R10 000 000	R7 875 000	R2 500 000
	To maintain 125km existing surfaced roads for the purpose of retaining the quality of rods by 2022	To construct a 5km surfaced road by 30 June 2018	Maluti Internal Streets-Phase 3	1	R1 000 000	R0.00	R0.00
	To maintain 125km existing surfaced roads for the purpose of retaining the quality of rods by 2022	To construct a 5km surfaced road by 30 June 2018	Matatiele Internal Streets CBD-Phase 2	19	R 260 000.00	R7 875 000	R2,500 000
	To maintain 125km existing surfaced roads for the purpose of retaining the quality of rods by 2022	To construct a 5km surfaced road by 30 June 2018	Cedarville Internal Streets –Phase 3	26	R0.00	R7 875 000	R2 500 000
		To construct a sport center by 30 June 2020	Matatiele Sport Centre	19	R5 662 452	R8 000 000	R8 000 000
		To construct a grain storage facility by 30 June 2019	Silo Facility	19	R2 520 000		
		To construct a 5km surfaced road by 30 June 2019	Matatiele Area C Internal Streets –Phase 3	<u>20</u>		R7 875 000	R2 500 000
		To construct a 2,5km access road by 30 June 2019	Hardenburg Bridge to grave site	2		2 000 000	
		To construct a 2,5km access road by 30 June 2019	Nkasela Sportsfield	4		2 000 000	
		To construct a 2,5km access road by 30 June 2019	Phephela AR	11		1 000 000	

		To construct a 2,5km access road by 30 June 2020	Rhoyi Bridge	3			1 000 000
		To construct a 2,5km access road by 30 June 2020	Nchodu to Nkasela AR	8			1 000 000
		To construct a 2,5km access road by 30 June 2020	Magongqolweni AR	10			1 000 000
		To construct a 2,5km access road by 30 June 2020	Mafaesa AR	12			1 000 000
		To construct a 2,5km access road by 30 June 2020	Dikgabisong AR	13			1 000 000
		To construct a 2,5km access road by 30 June 2020	Mateleng to Sehlabeng AR	14			1 000 000
		To construct a 2,5km access road by 30 June 2020	Maqhatseng AR	24			1 000 000
		To construct a 2,5km access road by 30 June 2020	Nkosana Bridge	25			1 000 000
		To construct a 5km surfaced road by 30 June 2020	Cedarville Internal Streets-Phase 4	26			5 000 000
		To maintain 20km by 30 June 2020	Thaba-Bosiu AR	13		500 000	
		To maintain 20km by 30 June 2020	Hlwahlweni AR	4		500 000	
		To maintain 20km by 30 June 2020	Magonqolweni A/R	10		500 000	
		To maintain 20km by 30 June 2020	Likhetlane A/R maintenance Project	16		500 000	
		To maintain 20km by 30 June 2020	Maluti Internal Roads maintenance Project	01		500 000	
		To maintain 20km by 30 June 2020	Cedarville Internal Roads maintenance Project	26		500 000	
Electrification Project							
	Objective	target	Project Name	wards	Source of funding	2017/18	2018/19
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nkali	Ward 9	INEP	6 238 118	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nuresh	Ward 9	INEP	6 238 118	
	To provide 10 000 households with basic	Connection of 2000 households by June 2018	Mahangu:(Kwambombo	Ward 9	INEP	7 500 000	

	electricity by 2022		Magayazidlele, Newhouse)				
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Edrayini	Ward 9	INEP	7 178 554	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Maphokoma & Zikhalini	Ward 4	INEP	12 113 056	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Thotaneng , Chera And Mahareng	Ward 13	INEP	15 500 000	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Goxa	Ward 5	INEP	3 660 800	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Kwa Matias A	Ward 9	INEP	3 429 300	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Nyaniso , Bubesi B & Nkalweni E	Ward 18	INEP	13 601 500	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Mzongwana Substation	Ward 5	INEP	3 040 554	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Designs		INEP	1 500 000	
	To provide 10 000 households with basic electricity by 2022	Connection of 2000 households by June 2018	Kwa Madlangala	Ward 11	Provincial Electrification Support	9 380 000	
HUMAN SETTLEMENTS AND BUILDING CONTROL							
	To improve lifespan of assets	Completion of Council Chamber	Council Chamber and Offices	20	R30 000 000	R40 000 000	R10 000 000
	To improve working environment and office space by 2021	Completion of Infrastructure Offices and workshop	Infrastructure Offices and workshop	20	N/A	N/A	R5 000 000
	To improve lifespan of assets	Completion of Maintenance of Municipal Building Assets	Maintenance Programme	All	R2 000 000	R 2 500 000	R6 000 000
	To improve lifespan of assets	Completion of Town Hall & Main Offices Upgrade	Matatiele Heritage Town Hall & Main Offices Upgrade	19	Nil	R15 000 000	R5 000 000
	To improve access to infrastructure services through	Completion of two Community Centres	Malubelube 188 Community Centre	02 08	N/A	R2 900 000 R2 900 000	

	building		Magama Community Centre				
			Mangolong Centre Protea Community Centre	23 06	N/A	R3 000 000 R3 000 000	
			Upper Mvenyane Community Centre Mengine Community Centre	21 26	N/A		R3 200 000 R3 200 000

PLANNED PROJECTS

BUDGET PLANNING AND INVESTMENT PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET			
					2017/2018	2018/2019	2019/2020	
Municipal viability	financial	Ensure that the work within the unit is done	Procurement of a laptop	Laptop	All	<u>R30 000</u>	<u>R0</u>	<u>R0</u>

FINANCIAL REPORTING AND ASSET MANAGEMENT PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
Municipal Financial Viability and Management	Ensure that the municipality is able to fairly produce its annual financial statements	Submit GRAP compliant Annual Financial Statements to Management Team, Audit Committee, Auditor-General, National and Provincial Treasury by the 31 st	Preparation of Monthly and Annual Financial Statements with no misstatements.	N/A	R2 000 000		
			189				

Municipal Financial Viability and Management	Capacitated staff	August. Two trainings to be attended by 31 March 2018.	Training of staff	N/A	R50 000		
Municipal Financial Viability and Management	Ensure and maintain useful lives of assets	Insurance of municipal Assets each financial year	Insure all municipal assets	N/A	R1 150 000		
Municipal Financial Viability and Management	Fully capacitated staff	Two trainings to be attended by 31 March 2018.	Training of staff	N/A			

SUPPLY CHAIN MANAGEMENT PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
Municipal Financial Viability	Ensure safe keeping of municipal inventory	Completion of municipal store by March 2018	Completion of municipal stores	19	N/A	R300,000	
Municipal Financial Viability	Ensure proper record keeping of bid documents	Procurement of Bulk filling cabinet	Procurement of Bulk filling cabinet	N/A	R 300 000		
Municipal Financial Viability	To ensure roadworthy vehicles	Reviewable of Municipal fleet	Municipal fleet	N/A	N/A	R 5 000 000	

REVENUE AND EXPENDITURE PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
Municipal Financial Viability	Ensure full compliance with the requirement of MPRA	Procurement of services from a service provider and production of a general valuation	General valuation roll 190	N/A	R1,500,000.00	R1,700,000.00	R1,800,000.00

		roll to be implement on 01 July 2017						
Municipal Viability	Financial	Ensure that electricity meters are remotely managed and controlled.	Replacement of 4000 non-smart meters to smart – grid meters by 30 June 2018.	Installation of Smart meters	19 & 20	3,143,680.00	R5,555,174.00	5,999,588.00
Municipal Viability	Financial	Reduction Debt to be within ageing of 60 days	Reduce debt by R3,000 000	Debt Collection & Reduction	N/A	1 000 000.00		
Municipal Viability	Financial	Provide support households that are indigent in the area of jurisdiction.	Provided services to indigent beneficiaries as follows: Electricity, Refuse and rates, Gel and oil, Solar	Indigent support	N/A	R10 000 000.00		
Municipal Viability	Financial	Billing and posting of accounts	Billing done by end of the month and Posting of accounts by the 15 th of each month	Billing of Accounts	N/A	R11 000.00		

ENVIRONMENT AND WASTE MANAGEMENT PROJECTS

IDP REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To achieve sound environmental management and land use conservation management	Identification and provision of sufficient burial land for all religious groups by 30 June 2018	Identification and provision of sufficient burial land for all religious groups and Cemetery Management	19 & 20	N/A		
	To achieve Land use Conservation Management	Establishment of a 30 KM fire breaks in the nature reserves by 30 June 2018	30 KM fire breaks Establishment	19	N/A		
		Fencing of 3km Fence in Cedarville Commonage by 30 June 2018	Fencing of Commonage	19 & 26	R 200 000		
		Donga rehabilitation in	Donga rehabilitation	19	R 150 000		

		the nature reserve by 30 June 2018					
	To achieve sound environmental management	To cut grass and prune trees in Ward 1, 19, 20 and 26 by 30 June 2018	Cutting of grass and pruning of trees	1, 19, 20 26	R 2 100 000		
		Operation and management of landfill site by 30 June 2018	Operation and management of landfill site	19	R 7 819 000		
		To remove Waste in Ward 1, 19, 20 and 26	Waste removal	1, 19, 20 and 26	R 1 400 000		

PUBLIC PARTICIPATION PROJECTS

IDP. REFEREN	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To establish and promote community participation in Municipal affairs and government programmes annually	Capacitation of Ward structures and communities. -Management of petitions and marches	Capacity Building of Ward Governance Structures	All Wards	R200 000.00		
War-room stakeholder orientation			All Wards				
Community based planning			All Wards				
Establishment and monitoring of Ward Public Participation Fora			All Wards				
Management of petitions and marches			All Wards				
Remuneration of Ward Committees			All Wards	R3 200 000. 00			
	To recruit and identify beneficiaries from the disadvantaged and marginalised backgrounds annually	To create 390 Job opportunities EPWP Protective Clothing and Working tools	Rea Hloekisa	All Wards	R3 500 000.00		
			Protective Clothing and Working tools	All Wards	R 1 680 000.00		

PUBLIC SAFETY PROJECTS

IDP. REFEREN	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET
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					2017/2018	2018/2019	2019/2020
	To improve Community Safety	To develop and Implementation Disaster Risk Management Plan and Community Safety Plan by 30 June 2018	Development of Disaster Risk Management Plan and Community Safety Plan	-	R 300 000.00		
	Improve fines collection the functioning of the back office	Procurement of Traffic Management System	Procurement of a Traffic Management System	Ward 19	R 200 000.00		
	To build capacitated and self-reliant communities in matters of community safety	2 Local Community Safety fora, 2 Local Transport Fora and 2 Disaster Risk Management Advisory fora held by 30 June 2018	Fora meetings	-	R 50 000.00		
	To Provide safety to municipal assets	Maintenance and Services of 60 fire extinguishers in Matatiele, Maluti. And Cedarville by 30 June 2018	Maintenance and Services fire extinguishers all municipal buildings	19, 20, 01	R 1 50 000.00		
	Maintenance of Law enforcement equipment	Maintenance of calibration Vehicle Testing Station by 30 June 2018	Vehicle Testing Station Equipment	19	R 1 50 000.00		
		Procurement of 2 vehicle canopy	Procurement of vehicle Canopy		R 40 000.00		
To have an efficient and well managed municipal pound by June 2022	Improvement of existing Pound (security fence, toilets and water tank)	Matatiele Pound	Equitable share and MIG	Ward 19	R 300 000.00	R 200 000	R 200 000

ADMINISTRATION SUPPORT SERVICES PROJECTS

				SOURCE OF FUNDING		2017/2018	2018/2019	2019/2020
	To provide safety and security for municipal property and human resources	Management and monitoring the provision of security services on key municipal premises	Monitoring of provision of safety and security services	Equitable share	1, 19,20,26	R10,000,000.00	R12,000,000.00	R15,000,000.00
	To coordinate the purchase of protective uniform	To provide staff with necessary protective clothing	Acquisition of protective clothing for admin support staff	Equitable share	All	R200 000.00	R0.00	R0.00

HUMAN RESOURCE PROJECTS

IDP. REFEREN	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD	BUDGET		
						2017/2018	2018/2019	2019/2020
	To ensure quality human resources for the Municipality	Filling of budgeted vacant post (2017/18 by 30 June 2018.	Filling of budgeted and approved vacant posts	<u>Equitable share</u>	All	85 000.00	-	-
	To Capacitate, develop, manage and maintain municipal human capital	Percentage of newly appointed staff that undergo an induction program within 2 months of appointment by 30 June 2018.	Employee induction	<u>Equitable share</u>	All	15 000.00	15 000	15 000
	To Capacitate, develop, manage and maintain municipal human capital.	20 training programs to be rolled out by 30 June 2018	Training intervention for municipal employees	<u>Equitable share</u>	All	1 500 000	1 550 000	1 600 000
	To build and strengthen the administrative and institutional capability of the municipality	03 Capacity building sessions held for Councillors	Councillor capacity building programme	<u>Equitable share</u>	All	500 000	550 000	600 000
	To Capacitate, develop, manage and maintain municipal human capital.	Number of payments made for approved study programs by 30 June 2018	Provision of financial study assistance for approved study programs	<u>Equitable share</u>	All	300 000	325 000	350 000

To Capacitate, develop, manage and maintain municipal human capital	Experiential Training	INTERNSHIP In-service trainings	<u>Equitable share</u>	<u>All</u>	1 000 000 300 000.00	1 433 000	1 544 900
To encourage and motivate employees and council working towards delivery of services in the municipality	Staff excellence recognition awards (Khanya Naledi Day) event held by 30 Dec 2017.	Staff excellence recognition awards (Khanya Naledi Day) event.	<u>Equitable share</u>	<u>All</u>	500,000.00	535,000.00	572,450.00
To provide a healthy, safe, secure and a productive work environment.	Four (4) educational awareness sessions on safety & wellness for employees by 30 June 2018	Four (4) educational awareness sessions on health and safety employees by 30 June 2018	<u>Equitable share</u>	<u>All</u>	100 000	100 000	100 000
To provide a healthy, safe, secure and a productive work environment.	Conduct two (2) wellness programmes events by 30 June 2018	Conduct two (2) wellness programmes events by 30 June 2018	<u>Equitable share</u>	<u>All</u>	400,000.00	428,000.00	457,960.00
To build and strengthen the administrative and institutional capability of the municipality.	100% of all EAP cases referred	Employee Assistance Programme (EAP)	<u>Equitable share</u>	<u>All</u>	80,000.00	85,600.00	91,592.00
To ensure compliance to legislation, adopted policies and plans by June 30, 2022	Development and Review of HR policies, Plans, Standard Operating Procedure	Development and review of HR Policies	<u>Equitable share</u>	<u>All</u>	100,000.00	107,000.00	114,490.00

ICT UNIT

OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET
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				Funding source		2017/2018	2018/2019	2019/2020
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Management of Cellular Phones Services	Provision of Cellular phones to councillors, managers, coordinators, essential services and other approved members of staff	<u>Equitable share</u>	<u>all</u>	R1,100,000.00		
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Management of Telephone and internet Services	Provision of Telephone and internet Services	<u>Equitable share</u>	<u>all</u>	R 1,100,000.00		
	Provide cost effective access to cellular phones, tablets and mobile data card services for councillors and staff members by June 2022	Securing of contract for Bulk messaging services	Provide access to bulk messaging services	<u>Equitable share</u>	<u>all</u>	R10 000.00		
	Provide support for optimal use of Information and management systems by June 30, 2022	Provision of records storage, archiving and retrieving	records management system	<u>Equitable share</u>	<u>all</u>	R20 000		
	Facilitation of website design, development and hosting services by 2022	Reporting on hosting and availability of Municipal website	Management of municipal Website	<u>Equitable share</u>	<u>all</u>	R110 000.000		
	Provide effective Exchange Email Service by June 30, 2022	Coordinating and monitoring provision of email continuity system	MANAGEMENT Of email continuity system	<u>Equitable share</u>	<u>all</u>	360,000.00		

	To integrate municipality Information Technology and Information Systems by June 30, 2022	Development of Business Cases to enable system integration through business interrelated functions	Development of Business Cases and Workflows for systems integration	<u>Equitable share</u>	<u>all</u>	R200 000		
	To integrate municipality Information Technology and Information Systems by June 30, 2022	Configuration, structuring and setup of document structure to enable document sharing	Configuration and setup of file structure and roll out of SharePoint	<u>Equitable share</u>	<u>all</u>	100,000.00		
	To ensure compliance to legislation, adopted policies and plans by June 30, 2022	Ensure deployment and utilisation of licenced software in all systems	Renew and acquire licenses for all software	<u>Equitable share</u>	<u>all</u>	1,120,000.00		
	Provide support for optimal use of Information and management systems by June 30, 2022	Provision of records storage, archiving and retrieving by 30 June 2018	Electronic Documents Management System	<u>Equitable share</u>	<u>all</u>	R 200 000.00		
	To provide systems to improve efficiency and easy communication within the municipality by June 30, 2022	Installation of 7 surveillance cameras at main municipal offices by 30 June 2018	Procurement of 7 surveillance cameras	<u>Equitable share</u>	<u>all</u>	R 100 000.00		
	Establishment of cable network to municipality building by June 30, 2022	Establishment of Unified network in Maluti and Cedarville offices through Aps by 30 June 2018	Project Unified network in Maluti and Cedarville offices(Aps)	<u>Equitable share</u>	<u>all</u>	R 180 000.00		

LOCAL ECONOMIC DEVELOPMENT UNIT

OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE	OF	WARD	BUDGET
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				FUNDING		2017/2018	2018/2019	2019/2020
	provide training support 300 SMME'S/cooperatives to cooperatives by June 2022	To support 40 co-operatives trained annually	SMME/ Co-operatives Skill Development	Equitable share	All wards	R 300 000	R 370 000	R 380 000
		20 Emerging contractors trained annually	Skill Development of housing emerging Contractors	Equitable share	All wards	R 200 000	R 300 000	R 350 000
	To assist 100 local SMMEs and Coops with funding support by June 2022	10 SMMEs and Co-operatives funded annually	SMME/ Co-operative Funding support	Equitable share	All wards	R 600 000	R 1 500 000	R 2 000 000
	To provide infrastructure for Informal Traders by June 2022	Identification of a site and sourcing of funding for the construction of Informal Traders stalls by 2020	Informal Trading Hawker Stalls construction	Equitable share	Ward 19	N/A	R 600 000	R 700 000
	To review LED Strategy and develop an annual implementation plan for all LED programmes by June 2022	Review of LED Strategy and introduction of an implementation plan for LED projects by June 2018	LED Strategy Review	Equitable share	All wards	R 50 000		
	To support commercial and emerging farmers by 30 June 2022	Construction of poultry abattoir structure should be completed 30 June 2022	Construction of Matatiele poultry Abattoir	CRR & Job funds	Ward 26	N/A	R 1 000 000	R 1 000 000
	Support 5000 Households in 26 wards with seeds and seedlings for household gardens by June 2022	1000 household gardens assisted annually	Household food security	Equitable share	All Wards	R 50 000	R 50 000	R 50 000
	Provide funding support for the ward based rotational grazing and livestock improvement to all wards by June 2022	Annual Funding support Livestock Improvement & auctioning	Livestock Improvement & auctioning	Equitable share	All wards	R 50 000	R 100 000	R 100 000

IDP. REFE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	SOURCE OF FUNDING	WARD	BUDGET		
						2017/2018	2018/2019	2019/2020
	To coordinate and improve the functioning of the Mountain lake chalet by June 22	Running of the existing chalet & fly-fishing activities at the lake by 30 June 2017	Managing mountain lake chalet	Equitable share and DEDEAT MDTP	All wards_ 26	R 60 000	R150 000	R200 000
	To enhance Tourism development strategy through identification and management of tourist attractions around the local area by June 2022	Conduct Tourist Attraction Audit study by 30 June 2017	Tourist attraction audit Study	Equitable share DEDEAT MDTP	All wards 26	R 100 000	R200 000	R200 000
	Provide efficient support to crafters through Crafter product Development by June 2022	Registration and Provision of Mobile stands for exhibitions and day to day flea market by 30 June 2017	Crafters Product Development	Equitable share DESRAC,DEADEAT ECPTA	All wards 26	N/A	R200 000	R200 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	host the 6th Matatiele Music Festival by 31 December 2016	Matatiele Music Festival Event	Equitable share ECPTA , ANDA , ANDM, DEDEAT	All wards 26	R 2 000 000	R3 500 000	R4 000 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host tourism month celebration by 30 September 2017	Tourism month celebration event	Equitable share, DEDEAT, ECPTA	All wards 26	R 150 000	R250 000	R300 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Matat fees by 30 November 2016	Matat Fees	Equitable share, DEDEAT, ECPTA	Ward 19	R150 000	R150 000	R150 000
	To market Matatiele as a destination of	To host Mehloing heritage Event 31October 2017	Mehloing heritage Event	Equitable share, DEDEAT, ECPTA	Ward 14	R150 000	R150 000	R150 000

	choice through support of local events and initiatives by June 2022							
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Ced Matat Heritage Race by 31 October 2017	Ced-Matat Heritage Race	Equitable share, DEDEAT, ECPTA	Ward 26	N/A	R100 000	R100 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host Zubathwale Gospel Event 31 May 2016	Zubathwale Gospel Event	Equitable share, DEDEAT, ECPTA	Ward 19/20	N/A	R100 000	R100 000
	To market Matatiele as a destination of choice through support of local events and initiatives by June 2022	To host (BTM) Back Matat Closing of Soccer Tournament Event By 31 July 2017	Back To Matat Music festival	Equitable share, DEDEAT, ECPTA	Ward 20	N/A	R100 000	R100 000
	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	Market Matatiele through Exhibitions	Equitable share, DEDEAT, ECPTA	All 26 wards	R100 000	R250 000	R300 000
	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	To promote and Market Matatiele as a Destination of choice through show casing of tourism products in annual national and provincial events by June 2022	Tourism Branding Material	Equitable share, DEDEAT, ECPTA	All 26 wards	N/A	N/A	N/A
	To promote and Market Matatiele as a	To conduct tourism Awareness Workshop	To conduct tourism awareness	Equitable share, DEDEAT, ECPTA,	All 26 wards	R10 000	R15 000	R20 000

	Destination of choice through show casing of tourism products in annual national and provincial events by June 2022		workshop	MDTP					
	To market Matatiele as a destination of choice through functioning of the LTO by June 2022	Coordinate and manage Local tourism organization By 30 June 2017	Local Tourism Organisation	Equitable share, DEDEAT, ECPTA	All wards	26	R50 000	R100 000	R100 000

DEVELOPMENT PLANNING PROJECTS

IDP. REFER. ENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To provide land for low income and middle income residential development	Township Registration by June 2019	Planning & Survey - Cedarville Middle Income township	26	N/A	R150 000.00	-
		Township Registration by June 2019	Planning & Survey – Matatiele Middle Income township	19,20	N/A	R250 000.00	-
	To provide land Commercial and Industrial development	Township Registration by June 2019	Planning & Survey – Matatiele Commercial Development	19	N/A	R250 000.00	
		Township Registration by June 2020	Planning & Survey – Cedarville Industrial Development	26	N/A	N/A	R200 00.00
	To provide land Future development	Surveying and valuation of Municipal land by June 2020	Surveying and Valuation of 20 Municipal land Parcels	1, 19, 20 and 26	R200 000.00	R200 000.00	R200 000.00
	To develop a wall to wall aerial and cadastral map and plans by June 2022	26 ward based Aerial Cadastral Plans completed by June 2020	Aerial and Cadastral Mapping for rural areas	All	N/A	R1 000 000.000	R1 000 000.000
	To ensure that the current SDF is compliant with	Review of Spatial Development Framework by 2021	Approved Spatial Development Framework 201	All	R200 000.00	R250 000.00	-

	SPLUMA regulations by June 2021						
	To develop wall to wall land use scheme and local Precinct Plans	Matatiele SPLUMA land use scheme and Precinct Plans completed by June 2022	Matatiele SPLUMA land use scheme and Precinct Plans	All	R250 000	R250 000.00	R500 000.00
	Ensure that the cadastral information is updated for future use (base information)	Updating of Land Audit and GIS Data set by 2020	Updating of Land Audit and GIS Data set	All	-	-	R400 000.00
		Procurement of GIS Equipment by 30 June 2018	Procurement of GIS Equipment	All	R 100 000.00	N/A	N/A

M&E AND RISK MANAGEMENT PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	To Capacitate Councillors and	2 Capacity Building workshops	Capacity Building on PMS	N/A	R 2 100 000		

Good Governance & Public Participation	Ensure implementation of the Communication strategy and its action plan To promote engagements between communities and the Municipality	1 communications strategy review by 30 June 2018	Conduct stakeholder engagements and communication workshop	Equitable share	All wards	R150, 000.00		
		4 LCFs by June 2018	Functional Local Communicators Forum meetings	Equitable share	All wards	R50 000.00		
		4 IGR meetings by June 2018	Functional Intergovernmental Relations forum meetings	Equitable share	All wards	R40 000		
Good Governance & Public Participation	Showcase service delivery/share best practices Municipality	2 media partnerships by June 2018	Establish media partnerships	Equitable share	All wards	R850, 000		
		2 Newsletter editions by June 2018	Newsletter production	Equitable share	All wards	R250, 000		
		20 infographics developed by June 2018	Service Delivery Infographics	Equitable share	All wards	270,000.00	288,900	309,123
		48 newspaper columns/Advertorials by June 2018	Newspaper Columns/advertorials - all local newspapers	Equitable share	All wards	R250, 000		
		20 NM products by June 2018	Development of New Media (NM) products - online & social media incl. Cell phones	Equitable share	All wards	R300, 000.00		
Good Governance	Profile the MLM leadership	2000 Council Posters printed/distributed by June 2018	Faces of Council poster	Equitable share	All wards	R5 000.00		
		Provide branded promotional material by November 2018	Promotional material production	Equitable share	All wards	R150, 000.00		
Good Governance	To promote and market the Municipality as the destination of choice	REVAMP THE MUNICIPAL LOGO by 30 June 2018	Re-branding of Matatiele	Equitable share	All wards	R200 000.00		
		Matatiele Heroes honoured through legacy project by June 2018	(street names and building) Ward sign boards	Equitable share	All wards	R50 000.00 R80 000.00		
	To promote and market the Municipality as the destination of choice by 30 June 2022	2 electronic billboards installed by June 2018	Outdoor Advertising (printed and electronic billboards)	Equitable share	N/A	R 380 000.00		

Good Governance	Promote transparency	Door signage in all doors and name tags for front line staff by June 2018	Door signage & front staff name tags	Equitable share	All wards	R40, 000.00		
	Improve community involvement and participation through information sharing by June 2022	4 TV screens installed at Munic offices by June 2018	Installation and monitoring of audio visual screens	Equitable share	N/A	R 200 0000.00		
Good Governance & Public Participation	Improve community involvement and participation through information sharing.	Conduct customer satisfaction survey by June 2018	Customer satisfaction survey	Equitable share	All wards	R230 000.00		
		8 migration dialogues by June 2018	Migration dialogues	Equitable share	All wards	R25000.00		
		Install and monitor 4 notice boards BY June 2018	Information Boards	Equitable share	All wards	R10 000.00		
		Two migration Advisory meetings by June 2018	Migration Advisory Committee meetings	Equitable share	All wards	R6000.00		
		Two migration Panel meetings by June 2018	Migration Panel meetings	Equitable share	All wards	R6000.00		
Good Governance	Create an environment where designated groups actively participate in municipal programmes	4 information sharing programmes by June 2018	information sharing programmes on substance abuse, teenage pregnancy and career education	Equitable share	All wards	R60000. 00		
Good Governance		Conduct Annual Learner support initiatives by 30 June 2018	Assist 2 bursary holders, registration paid for 30 students	Equitable share	All wards	R300 000. 00		
		1 Matric Awards ceremony by June 2018	Matric awards ceremony	Equitable share	All wards			
		Host youth indaba by June 2018	Youth indaba	Equitable share	All wards	R50 000.00		
		5 empowerment programmes for children by June 2018	-children's CONFERENCE	Equitable share	All wards	R50 000. 00		
			-children's programmes and ECDC support	Equitable share	All wards	R200 000.00		
Good Governance	Conducive environment for designated group's	Conduct 8 information sharing programmes on women and elderly related issues by	Information sharing programmes on women and elderly related issues	Equitable share	All wards	R35000. 00		

	active participate in municipal programmes	June 2018 Assess, assist and monitor 04 gender/women programmes by June 2018	Gender/women programmes	Equitable share	All wards	R150 000. 00		
		Conduct 01 golden games tournament by June 2018	Gender meetings Elderly programmes	Equitable share	All wards	R20 000.00 R10 000. 00		
Good Governance & Public Participation	Eradication of disability related stigma	Conduct 6 PWDs advocacy programmes by 30 June 2018	Advocacy initiatives for PWDs -Int. Day for PWDs -Deaf awareness week -Albinism Awareness Day -Trainings for PWDs Care Givers -forum meetings	Equitable share	All wards	R100 000. 00 R25 000.00		
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	8 HIV/AIDS awareness campaigns by June 2022	HIV/AIDS prevention, educated and awareness Programmes -Condom Weeks -HCT -WAD -HIV awareness in schools, IHL & communities	Equitable share	All wards	R95 000. 00		
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	4 LAC Meetings by June 2018	LAC meetings	Equitable share	All wards	R25 000. 00		
Good Governance & Public Participation	HIV response & eradication of HIV related stigma	8 Support group to be assisted by June 2018	Facilitate the assistance for Support group's sustainability -working tools & trainings	Equitable share	All wards	R50000. 00		

INTERNAL AUDIT SERVICES UNIT PROJECTS

IDP. REFERENCE	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020

	Information and Communication technology (IT) audits	Conduct IT audits	IT audits	all	R200 000.00	R400 000.00	R400 000.00
	To improve compliance management and internal controls	Quarterly sitting of audit committee meeting	Audit committee sittings	All	R100 000.00		
	Ensure review on Annual Financial Statement	Review of interim facial statements	Interim Financial statements	All	R200 000.00		
	Ensure review on Annual Financial Statement	Review of annual facial statements	Annual Financial statements	All	R200 000.00		
	To enhance accountability and stability within the municipality	Monitoring of Fraud cases	Fraud cases	All	R200 00.00		

LEGAL SERVICES PROJECTS

IDP. REFEREN	OBJECTIVE	ANNUAL TARGET	PROJECT NAME	WARD	BUDGET		
					2017/2018	2018/2019	2019/2020
	Supervising and overseeing the review, negotiation and drafting of contracts and other legal documents, as required by operational departments	100% vetting and drafting of contracts and development of contract register by 30 th June 2018.	Drafting and vetting of contracts, Development of Contract register.	N/A	N/A	N/A	N/A
			208				

Drafting and reviewing of bylaws.	Review four bylaws by 30 June 2018	Reviewing and of Bylaws	N/A	R 105 500	R 111 303	N/A
Supervising and monitoring the contesting of the cases in various courts of law and have interaction with MLM's legal advisors.	12 Monthly report on Administration and management of litigation cases against and or instituted by the municipality.	12 Monthly reports	N/A	N/A	N/A	N/A
Ensuring that bylaws are enforced	100% Enforcement of Notices received on contravened Bylaws by 30 June 2018	Enforcement of Notices on contravened bylaws	N/A	N/A	N/A	N/A
Rendering legal services and providing legal advice to the Municipality and council.	100% of legal advice and services provided to the Municipality and council by 30 June 2018	Legal Advice	N/A	N/A	N/A	N/A

DEPARTMENT OF SOCIAL DEVELOPMENT PROJECTS

SUB-PROGRAM	DISTRICT	AMOUNT	MATATIEL E	AMOUNT	UMZIMVUB U	AMOUNT	MBIZANA	AMOUNT	NTABA NKULU	AMOUNT
2.2 CARE AND SUPPORT TO OLDER PERSONS	61	R3 602 400	8	R508 800	20	R1 365 600	22	R1 152 000	11	R576 000
2.3 SERVICES TO PEOPLE WITH DISABILITIES	03	R1 267 450	01	R68 000	01	R1 080 000	01	R119 450	NIL	NIL
2.4 HIV AND AIDS	08	R2 132 000	02	R533 000	02	R533 000	03	R798 000	01	R266 000
3.2 CARE AND SUPPORT TO FAMILIES	05	R425 000	02	R180 000	02	R180 000	01	R65 000	NIL	NIL
					209					

3.3 CHILD CARE AND PROTECTION SERVICES- NON GOVERNMENTAL ORGANIZATIONS	05	R1 265 592	02	R830 873	01	R199 301	01	R122 376	01	R113 042
3.4 NON CENTRE BASED ECD PROGRAMMEES	Nil	Nil	NIL	NIL	01	R294 158	NIL	NIL	NIL	NIL
3.4 EARLY CHILDHOOD DEVELOPMENT PROGRAMME	198	R21 832 140	44	R4 508 130	63	R7 408 005	51	R5 517 600	40	R4 398 405
3.5 CHILD AND YOUTH CARE CENTRE- NON GOVERNMENTAL ORGANIZATIONS	02	R3 056 750	01	R1 788 034	01	R1 268 716	NIL	NIL	NIL	NIL
3.6 COMMUNITY BASED CARE SERVICES FOR CHILDREN – ISIBINDI PROGRAMME	04	R2 473 500	01	R770 700	02	R1 702 800	01	R104 400	NIL	NIL
4.2. CRIME PREVENTION	01	R300 000	Nil	Nil	01	R300 000	NIL	Nil	NIL	NIL
4.3 VICTIM EMPOWERMENT	17	R2690 000	06	R1 150 000	07	R1 405 266	03	R400 000	01	R150 000
4.4 SUBSTANCE ABUSE	06	R854959	01	R 135 000	02	R 261 000	02	R350 000	01	R106 000
TOTAL NO OF NPO'S PER AREA & FUNDS ALLOCATED	310	R35 893 512	67	R10 143 377	103	R14 358 333	85	R8 402 050	55	R5 496 405

CARE AND SUPPORT SERVICES TO OLDER PERSONS

PROJECT NAME	ACTIVITY	LOCATION	FAC	WARD	MAXIMUM CAPACITY	TOWN	MUNICIPALITY	ALLOCATION
1.Mabobo Aged Support and care centre	Care and support to Older Persons and Income generating programs	Mabobo	9535	22	20	Mt Frere	Umzimvubu	R48' 000

2. Likomkhulu HCBC	Care and support to Older Persons and Income generating programmes	Lugangeni	9437	15	30	Mt Frere	Umzimvubu	R72' 000
3. Lukhanyiso Multi-purpose Centre for the Aged	Care and support to Older Persons and Income generating programmes	Dangwana	9543	12	30	Mt Frere	Umzimvubu	R72' 000
4. Phakamisisizwe Social Club	Care and support to Older Persons and Income generating programmes	Lubaleko	9455	02	30	Mt Ayliff	Umzimvubu	R72' 000
5. Bambisanani Maxesibe	Care and support to Older Persons and Income generating programmes	Brooksnek	9339	01	20	Mt Ayliff	Umzimvubu	R48' 000
6. Mzamowethu Old Age Project	Care and support to Older Persons and Income generating programmes	Ngwegweni	9529	02	30	Mt Ayliff	Umzimvubu	R72' 000
7. Thuthukani Geriatric Club	Care and support to Older Persons and Income generating programmes	Mhlotsheni	9532	11	30	Mt Frere	Umzimvubu	R72' 000
8. Celizapholo Club for the Aged	Care and support to Older Persons and Income generating programmes	Mvuzi	9438	16	24	Mt Frere	Umzimvubu	R57 600
9. Phuthumani Old Age Project	Care and support to Older Persons and Income generating programmes	Qhanqu	9524	12	30	Mt Frere	Umzimvubu	R72' 000
10. Nceduluntu HCBC Organization for the Aged	Care and support to Older Persons and Income generating programmes	Ntlabeni	9551	13	30	Mt Frere	Umzimvubu	R72' 000
11. Buhlebendawo Project for the Aged	Care and support to Older Persons and Income generating programmes	Mt Ayliff Village	9528	07	30	Mt Ayliff	Umzimvubu	R72' 000
12. Masongane Service Centre	Care and support to Older Persons and	Gugwini,	9678 ₂₁₁	04	30	Mt Ayliff	Umzimvubu	R72' 000

	Income generating programm							
13. Sibatsha service centre	Care and support to Older Persons and Income generating programm	Betshuana	9807	04	30	Mt Ayliff	Umzimvubu	R72' 000
14. Bonanokuhle Service Centre	Care and support to Older Persons and Income generating programm	Ncome	9815	22	30	Mt Frere	Umzimvubu	R72' 000
15. Ilingelethu Service Centre	Care and support to Older Persons and Income generating programm	Qwidlana	9817	23	30	Mt Frere	Umzimvubu	R72' 000
16. Mpembeni Service centre	Care and support to Older Persons and Income generating programm	Sigidini	9818	04	30	Mt Ayliff	Umzimvubu	R72' 000
17. Songezulwazi Service centre	Care and support to Older Persons and Income generating programm	Lugelweni	10811	8	25	Mt Frere	Umzimvubu	R60' 000
18. Masivuke Service Centre	Care and support to Older Persons and Income generating programm	Sidakeni	10812	2	30	Mt Ayliff	Umzimvubu	R72' 000
19.Kamvelihle Service Centre	Care and support to Older Persons and Income generating programm	Ngonyameni location	11250	04	30	Mt Ayliff	Umzimvubu	R72 000.00
20.Yeyethu service centre	Care and support to Older Persons and Income generating programm	Phuka	12353	26	30	Mt Ayliff	Umzimvubu	R72 000.00
21. Magadla Old Age Project	Care and support to Older Persons and Income generating programm	Hlomendlini	9531	6	26	Matatiele	Matatiele	R62 400.00
22. Phaphamani Senior citizens Club Old Age Project	Care and support to Older Persons and Income generating	Sibi	9654 212	3	20	Matatiele	Matatiele	R48 400.00

	programms							
23. .Pabalong Old Age Multi-Project	Care and support to Older Persons and Income generating programms	Palmaville	9338	15	26	Matatiele	Matatiele	R62 400.00
24. Thuthukani Sizwe Project for the Aged	Care and support to Older Persons and Income generating programms	Pamlaville	9525	07	30	Matatiele	Matatiele	R72 000.00
25. Makabongwe Luncheon Club	Care and support to Older Persons and Income generating programms	Hary gwala	9522	19	20	Matatiele	Matatiele	R48 000.00
26. Phapama-Lunda	Care and support to Older Persons and Income generating programms	Lunda	9816	10	35	Matatiele	Matatiele	R84 000.00
27. .Ntatayise old age	Care and support to Older Persons and Income generating programms	Maluti Township	9819	01	30	Maluti	Matatiele	R72 000.00
28. Sinenjongo luncheon club	Care and support to Older Persons and Income generating programms	Cedarville	9653	26	25	Matatiele	Matatiele	R60 000.00
29. Khananda Service Centre	Care and support to Older Persons and Income generating programms	Makewini	9677	22	30	Mbizana	Mbizana	R72 000.00
30.Lukhanyo Society For The Aged	Care and support to Older Persons and Income generating programms	Kwa Nikwe	9457	17	30	Mbizana	Mbizana	R72 000.00
31.Ikhetelo Serv. Centre	Care and support to Older Persons and Income generating programms	Magqabasini	9456	08	20	Mbizana	Mbizana	R48 000.00
32. Abadala Nkantolo	Care and support to Older Persons and Income generating programms	Nkantolo	10814	27	20	Mbizana	Mbizana	R48 000.00
33. Ncedisizwe Service Centre	Care and support to	Lukholo	10810	22	24	Mbizana	Mbizana	R57 600.00

	Older Persons and Income generating programmes							
34.Ncedo service centre	Care and support to Older Persons and Income generating programmes	Redoubt	11699	20	20	Mbizana	Mbizana	R48 000.00
35.Mthayise Old Age group	Care and support to Older Persons and Income generating programmes	Mthayise	12373	16	20	Mbizana	Mbizana	R48 000.00
36.Sakhubomi service centre	Care and support to Older Persons and Income generating programmes	Nomlacu	12372	26	20	Mbizana	Mbizana	R48 000.00
37. Senzokuhle Service Centre	Care and support to Older Persons and Income generating programmes	Mfundisweni	10816	16	20	Ntabankulu	Ntabankulu	R48 000.00
38.Ngqwashu Siyazama Elderly	Care and support to Older Persons and Income generating programmes	Ngqwashu Location	9454	14	25	Ntabankulu	Ntabankulu	R60 000.00
39.. Sikhona Manci Elderly Project	Care and support to Older Persons and Income generating programmes	Mbangweni Location	9631	14	25	Ntabankulu	Ntabankulu	R60 000.00
40. Old Age Covenant Partners	Care and support to Older Persons and Income generating programmes	Ndakeni Location	9821	07	30	Ntabankulu	Ntabankulu	R72 000.00
41.Zamukulungisa Service Centre	Care and support to Older Persons and Income generating programmes	Mamcakweni location	11227	20	20	Ntabankulu	Ntabankulu	R48 000.00
42.Umkhosi Wezulu Elderly	Care and support to Older Persons and Income generating programmes	Bonxa Location	11372	13	20	Ntabankulu	Ntabankulu	R48 000.00
43.Vukuphile Service Centre	Care and support to Older Persons and Income generating programmes	Lucingweni Location	11373	13	20	Ntabankulu	Ntabankulu	R48 000.00

	programms							
44. Luncedo service centre	Care and support to Older Persons and Income generating programms	Dumsi Location	11374	2	20	Ntabankulu	Ntabankulu	R48 000.00
45.Sibanye service centre	Care and support to Older Persons and Income generating programms	Mbangweni	11794	14	20	Ntabankulu	Ntabankulu	R48 000.00
46.Mnceba service centre	Care and support to Older Persons and Income generating programms	Mnceba	12010	12	20	Ntabankulu	Ntabankulu	R48 000.00
47.Bomvini service centre	Care and support to Older Persons and Income generating programms	Bomvini	12399	8	20	Ntabankulu	Ntabankulu	R48 000.00
48.Nceduluntu Service centre	Care and support to Older Persons and Income generating programms	Ntshentshe	12400	18	20	Ntabankulu	Ntabankulu	R48 000.00
49.Mgcinephila Service Centre	Care and support to Older Persons and Income generating programms	Luroloweni location	11231	24	20	Mbizana	Mbizana	R48 000.00
50.Sophumelela Service Centre	Care and support to Older Persons and Income generating programms	Ezityaneni location	11146	31	25	Mbizana	Mbizana	R60 000.00
51.Ncedisa Service Centre	Care and support to Older Persons and Income generating programms	Mcetsheni location	11232	10	20	Mbizana	Mbizana	R48 000.00
52.Simanyene Service Centre	Care and support to Older Persons and Income generating programms	Bulala Location	11229	29	25	Mbizana	Mbizana	R60 000.00
53..Khanyisa Service Centre	Care and support to Older Persons and Income generating programms	Amangutyana location	11228	19	20	Mbizana	Mbizana	R48 000.00
54.Suthu Service Centre	Care and support to	Kwa Ntshangase	11233	03	25	Mbizana	Mbizana	R60 000.00

	Older Persons and Income generating programmes	Location						
55.Mhlabeni Service Centre	Care and support to Older Persons and Income generating programmes	Mhlabeni location	11226	22	20	Mbizana	Mbizana	R48 000.00
56.Nikolo old age project	Care and support to Older Persons and Income generating programmes	Topolo	11225	28	20	Mbizana	Mbizana	R48 000.00
57.Siwisa service centre	Care and support to Older Persons and Income generating programmes	siwisa	11706	31	20	Mbizana	Mbizana	R48 000.00
58.Senzokwethu service centre	Care and support to Older Persons and Income generating programmes	Khumbuza	11698	25	20	Mbizana	Mbizana	R48 000.00
59.Luhle service centre	Care and support to Older Persons and Income generating programmes	Mabekuteni	11700	15	20	Mbizana	Mbizana	R48 000.00
60.Ilinge old age project	Care and support to Older Persons and Income generating programmes	Esikhumbeni	11696	31	20	Mbizana	Mbizana	R48 000.00
61.Ntola support service centre	Care and support to Older Persons and Income generating programmes	Ntlakhwe	11704	17	20	Mbizana	Mbizana	R48 000.00
TOTAL								R 3 600 000

SERVICE TO PEOPLE WITH DISABILITIES

PROJECT NAME	ACTIVITY	LOCATION	WARD	MAX CAPACITY	TOWN	MUNICIPALITY	ALLOCATION
1.Nolitha CBR Home Care Centre	Home for Disabled	Lubaleko	03	60	Mt Ayliff	Umzimvubu	R1, 080 000
2.Masakhane Project	Home for Disabled	Mount Zion	12	24	Bizana	Mbizana	R119 450.00
3.Siyakhula Project	Home for Disabled	Mzongwana	7	20	Matatiele	Matatiele	R68 000.00
TOTAL				216			R1, 267 450.00

HIV AND AIDS

PROJECT NAME	ACTIVITY	LOCATION	WARD	Beneficiaries	TOWN	MUNICIPALITY	ALLOCATION
1.Emadumasini HCBC	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Ncome Springs	24	348	Mt Frere	Umzimvubu	R266,500.00
2. Sizophila Community and Child Health Forum	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Amadiba Location	23	150	Bizana	Mbizana	R266,500.00
3. Someleze HCBC	Care and Support to Orphans and Vulnerable Children through Home Community Based Care.	Magema Location, Sibi A/A	26	851	Matatiele	Matatiele	R266,500.00
44 4. Gumpe HCBC	Care and Support to Orphans and Vulnerable Children through Home	45 Mvenyane A/A	46 12	1404	Ntabankulu	Ntabankulu	R266,500.00
47 5.Sinosizo support group	Care and Support to Orphans and Vulnerable Children through Home	48 Envis	49 09	800	Bizana	Mbizana	R266,500.00
50 6.Tandisizwe HCBC	Care and Support to Orphans and Vulnerable Children through Home	51 Goxe	52 15	200	Mt Ayliff	Umzimvubu	R266,500.00
53 7.Xabiso Lumntu	Care and Support to Orphans and Vulnerable Children through Home	54 Maqgabasini	55 08	1500	Bizana	Mbizana	R266,500.00
56 8.Mamoheu	Care and Support to Orphans and Vulnerable Children through Home	57 Masupha	58 13	186	Matatiele	Matatiele	R266,500.00
59 TOTAL		60	61				R2132000.00

CARE AND SUPPORT TO FAMILIES

PROJECT NAME	ACTIVITY	LOCATION	WARD	BENEFICIARIES	TOWN	MUNICIPALITY	ALLOCATION
1. Mt Frere Single Parents Association Program.	Single Parent Association Programmes	Lubhacweni A/A	17	6	Mt Frere	Umzimvubu	R90' 000

2. Mpoza Family Resource Centre	Family Preservation Programme	Mvalweni A/A	03	21	Mt Ayliff	Umzimvubu	R90' 000
62 3.Maluti Family Resource Centre	63 Family Resource Programme	64 Maluti	01	04	Maluti	Matatiele	65 R90' 000
4.Maluti Family Preservation	66 Family Preservation Programme	67 Sibi A/A	03	04	Maluti	Matatiele	68 R90' 000 69
5. Mbizana Masincedane Family Preservation	70 Family Preservation Programme	71 Luthulini A/A	14	04	Mbizana	Mbizana	72 R65'000
TOTAL	73	74					75 R425 000

CHILD CARE AND PROTECTION SERVICES: NON- GOVERNMENTAL ORGANIZATIONS

PROJECT NAME	ACTIVITY	LOCATION	WARD	TOWN	MUNICIPALITY	ALLOCATION
Child Welfare Society	Provide child protection services to children	Matatiele	19	Matatiele	Matatiele	R501 713
Siphumelele Isikelo	Provide child protection services to children	Mbizana	26	Mbizana	Mbizana	R122 376
Umzimvubu PEIP	Provide child protection services to children	Umzimvubu	19	Umzimvubu	Umzimvubu	R199 301
Ubuntu WDC PEIP	Provide child protection services to children	Ntabankulu	13	Ntabankulu	Ntabankulu	R113 042
Maluti family preservation PEIP	Provide child protection services to children	Matatiele	19	Matatiele	Matatiele	R329 160
TOTAL						R1 265 592

ECD CENTRES

NO	PROJECT NAME	ACTIVITY	LOCATION	WARD	FAC	MAX CAP	TOWN	MUNICIPALITY	ALLOCATION
1.	Siphamandla Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mandileni	14	11256	30	Mount frere	Umzimvubu	94 050
2.	ESSEK PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Essek	20	504	25	Mount frere	Umzimvubu	78 375
3.	LANGENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Tshisane	5	510	30	Mount frere	Umzimvubu	94 050
4.	MASIZAKHE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lugangeni	8	494	50	Mount frere	Umzimvubu	156 750
5.	Mount Horeb Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Ngwetsheni	14	528	50	Mount frere	Umzimvubu	156 750
6.	MTHONJENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Jijini	22	498	45	Mount frere	Umzimvubu	141 075
7.	NCEDANANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sivumela	24	505	30	Mount frere	Umzimvubu	94 050
8.	NGWETSHENI PRE-SCHOOL	Provision of Cognitive	Ngwetsheni	14	503	35 220	Mount frere	Umzimvubu	109 725

		Development Services for Children from 0-4 years							
9.	NOXOLO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntlabeni	13	8989	30	Mount frere	Umzimvubu	94 050
10.	SIHLE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Frere	18	496	60	Mount frere	Umzimvubu	188 100
11.	VOVENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lwandlana	20	484	60	Mount frere	Umzimvubu	188 100
12.	Vusisizwe Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Njjini	22	495	35	Mount frere	Umzimvubu	109 725
13.	VUYANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Njjini	22	501	29	Mount frere	Umzimvubu	90 915
14.	ZAMANI SEMENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Semeni	19	519	50	Mount frere	Umzimvubu	156 750
15.	Bonintwentle dcc	Provision of Cognitive	Lubhacweni	17	9606	60	Mount frere	Umzimvubu	188 100

		Development Services for Children from 0-4 years							
16.	Lukhanyo dcc	Provision of Cognitive Development Services for Children from 0-4 years	Qhanqu	12	9699	30	Mount frere	Umzimvubu	94 050
17.	Zanolwazi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mandileni	14	10614	30	Mount frere	Umzimvubu	94 050
18.	Mayibuye Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dungu	19	10613	60	Mount frere	Umzimvubu	188 100
19.	JUSTICE SODLADLA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mabhobho	3	499	35	Mount frere	Umzimvubu	109 725
20.	LOWER MKEMANE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lower Mkemane	6	490	30	Mount frere	Umzimvubu	94 050
21.	NKANYISWENI PRE- SCHOL	Provision of Cognitive Development Services for Children from 0-4 years	Sihlahleni	13	8988	35	Mount frere	Umzimvubu	109 725
22.	Noluthando Pre School	Provision of Cognitive	Dangwana	20	9151	35 222	Mount frere	Umzimvubu	109 725

		Development Services for Children from 0-4 years							
23.	ZANOKHANYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cancele	23	493	35	Mount frere	Umzimvubu	109 725
24.	ZINGISANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ngxabaxha	20	500	35	Mount frere	Umzimvubu	109 725
25.	Nompumelelo	Provision of Cognitive Development Services for Children from 0-4 years	Lwandlana	20	10067	30	Mount Ayliff	Umzimvubu	94 050
26.	SAKHISIZWE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Ayliff	7	488	60	Mount Ayliff	Umzimvubu	188 100
27.	DUTYINI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dutyini	8	1854	30	Mount Ayliff	Umzimvubu	94 050
28.	LINGELETHU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sipolweni	5	522	35	Mount Ayliff	Umzimvubu	109 725
29.	LUBALEKO PRE-SCHOOL	Provision of Cognitive	Lubaleko	6	489	60	Mount Ayliff	Umzimvubu	188 100

		Development Services for Children from 0-4 years							
30.	LUGELWENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lugelweni	8	513	60	Mount Ayliff	Umzimvubu	188 100
31.	Dundee Community Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dundee	3	11747	35	Mount Ayliff	Umzimvubu	109 725
32.	MAGONTSINI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rhode	11	515	60	Mount Ayliff	Umzimvubu	188 100
33.	Masizakhe Day Care Centre	Provision of Cognitive Development Services for Children from 0-4 years	Mwaca	6	9135	20	Mount Ayliff	Umzimvubu	62 700
34.	MHLOZINI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mhlozini	6	497	39	Mount Ayliff	Umzimvubu	122 265
35.	NALEDI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mwaca	6	399	30	Mount Ayliff	Umzimvubu	94 050
36.	PAKAMANI GOSO PRE-SCHOOL	Provision of Cognitive	Goso	9	389	35 224	Mount Ayliff	Umzimvubu	109 725

		Development Services for Children from 0-4 years							
37.	PHAKAMANI RODE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ndakeni	11	508	30	Mount Ayliff	Umzimvubu	94 050
38.	PHEZULU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Phuka	26	486	60	Mount Ayliff	Umzimvubu	188 100
39.	SIKHUMBENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sikhumbeni	8	487	34	Mount Ayliff	Umzimvubu	106 590
40.	SINOVUYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntsizwa	8	512	30	Mount Ayliff	Umzimvubu	94 050
41.	SIYAMTHEMBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Manzana	15	390	37	Mount Ayliff	Umzimvubu	115 995
42.	SPUDU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Siphundu	9	403	30	Mount Ayliff	Umzimvubu	94 050

43.	VEZUKHANYO PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Voveni	11	483	28	Mount Ayliff	Umzimvubu	87 780
44.	Zamani Nyosini Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nyosini	13	9379	30	Mount Ayliff	Umzimvubu	94 050
45.	Chithwa	Provision of Cognitive Development Services for Children from 0-4 years	Mt. Ayliff	7	10043	60	Mount Ayliff	Umzimvubu	188 100
46.	Khanyisani Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Saphukanduku	9	10301	60	Mount Ayliff	Umzimvubu	188 100
47.	Madadiyela pre school	Provision of Cognitive Development Services for Children from 0-4 years	Madadiyela	11	9700	30	Mount frere	Umzimvubu	94 050
48.	Makukhanye	Provision of Cognitive Development Services for Children from 0-4 years	Colana	10	10065	30	Mount frere	Umzimvubu	94 050

49.	Nompilo	Provision of Cognitive Development Services for Children from 0-4 years	Qwidlana	23	9897	27	Mount Ayliff	Umzimvubu	84 645
50.	MASIBULELE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sidakeni	2	11790	20	Mount Ayliff	Umzimvubu	62 700
51.	CABAZANA PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cabazana	26	523	30	Mount Ayliff	Umzimvubu	94 050
52.	KUYASA PRESCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	3	506	30	Mount Ayliff	Umzimvubu	94 050
53.	MAKHAYA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	6	507	30	Mount Ayliff	Umzimvubu	94 050
54.	NONCEBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gogela	6	376	27	Mount Ayliff	Umzimvubu	84 645
55.	NONCEDO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dambeni	6	777	40	Mount Ayliff	Umzimvubu	109 725
56.	Nokhaya Pre school	Provision of Cognitive Development Services for Children from	Sigidini	4	10033	30	Mount Ayliff	Umzimvubu	94 050

		0-4 years							
57.	ROLOBILE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sigidini	4	388	28	Mount Ayliff	Umzimvubu	87 780
58.	SIYABULELA NOTA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rhode	5	521	35	Mount Ayliff	Umzimvubu	109 725
59.	Siyabulela Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ndzongiseni	5	8985	30	Mount Ayliff	Umzimvubu	94 050
60.	Zizamele Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Goxe	15	8984	60	Mount Ayliff	Umzimvubu	188 100
61.	Sithandubuhle Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mtamvuna		772	30	Mount Ayliff	Umzimvubu	94 050
62.	Khwezikazi	Provision of Cognitive Development Services for Children from 0-4 years	Msukeni	4	9896	30	Mount Ayliff	Umzimvubu	94 050
63.	Thembeke DCC	Provision of Cognitive Development Services for Children from	Goxe	15	9697	24	Mount frere	Umzimvubu	75 240
					228				

		0-4 years							
64.	BETHESDA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bethesda	23	646	30	Matatiele	Matatiele	94 050
65.	BOITEKO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Kuaopa	6	778	35	Matatiele	Matatiele	109 725
66.	Mparane Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mparane	13	10007	30	Matatiele	Matatiele	94 050
67.	St Nicholas Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Itsokolele	19	9516	50	Matatiele	Matatiele	156 750
68.	DIKONYANA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Queens Mercy	12	1036	50	Matatiele	Matatiele	156 750
69.	KHOTHALANG PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mapfontein	11	1035	35	Matatiele	Matatiele	109 725
70.	KHULANI-ZWELITSHA	Provision of Cognitive Development Services for Children from	Kuaopa	6	767	50	Matatiele	Matatiele	156 750

		0-4 years							
71.	MABUA	Provision of Cognitive Development Services for Children from 0-4 years	Tsisa	11	690	30	Matatiele	Matatiele	94 050
72.	MALUTI PRE-PRIMARY SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Maluti	1	525	50	Matatiele	Matatiele	156 750
73.	MASEKELA	Provision of Cognitive Development Services for Children from 0-4 years	Mabheleni	21	517	30	Matatiele	Matatiele	94 050
74.	MECHAELING	Provision of Cognitive Development Services for Children from 0-4 years	Nchodu	8	529	50	Matatiele	Matatiele	156 750
75.	MVENYANE	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	21	511	35	Matatiele	Matatiele	109 725
76.	MZOMHLE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nkawulweni	21	516	35	Maluti	Matatiele	109 725
77.	PHAMOTSE KUETLISO	Provision of Cognitive Development Services for Children from	St Paul	25	2050 230	60	Matatiele	Matatiele	188 100

		0-4 years							
78.	SIJOKA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Sijoka	10	644	22	Matatiele	Matatiele	68 970
79.	TSWELO-PELE DAY CARE	Provision of Cognitive Development Services for Children from 0-4 years	Bethel	4	509	30	Matatiele	Matatiele	94 050
80.	Vukuzakhe Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Vikinduku	5	10391	30	Matatiele	Matatiele	94 050
81.	Latelang Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Thembelihle	8	10389	30	Matatiele	Matatiele	94 050
82.	Outspan Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Outspan	3	10386	60	Matatiele	Matatiele	188 100
83.	Reahola Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Khuoe	25	10383	30	Matatiele	Matatiele	94 050
84.	Dikamoreng Pre school	Provision of Cognitive Development Services for Children from	Likamoreng	15	11224	30	Matatiele	Matatiele	94 050

		0-4 years							
85.	Super kids Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Skiti	1	11212	30	Matatiele	Matatiele	94 050
86.	EMTHONJENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mehloloaneng		11791	25	Matatiele	Matatiele	78 375
87.	IKAHENG PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Khubetsoana	12	1041	35	Matatiele	Matatiele	109 725
88.	KHUPHUKANI	Provision of Cognitive Development Services for Children from 0-4 years	Montsa village	7	1039	25	Matatiele	Matatiele	78 375
89.	Our Little People Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Cerdaville	26	9989	30	Matatiele	Matatiele	94 050
90.	MANGO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lupindo	23	643	35	Matatiele	Matatiele	109 725
91.	MSENTI PRE-SCHOOL	Provision of Cognitive Development Services for Children from	Chibini	7	1038	22	Matatiele	Matatiele	68 970
					232				

		0-4 years							
92.	KHANYA MZONGWANA	Provision of Cognitive Development Services for Children from 0-4 years	Mzongwana	7	703	35	Matatiele	Matatiele	109 725
93.	Nkululekweni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Matewu	8	10388	30	Matatiele	Matatiele	94 050
94.	ELUKHANYISWENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mkemane	18	1037	30	Matatiele	Matatiele	94 050
95.	KHETHOKUHLE	Provision of Cognitive Development Services for Children from 0-4 years	Nyaniso	18	1040	20	Matatiele	Matatiele	62 700
96.	TANDUXOLO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Upper mvenyane	21	647	28	Matatiele	Matatiele	87 780
97.	LESEDI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Pontseng	11	718	30	Matatiele	Matatiele	94 050
98.	Sibonelo Preschool	Provision of Cognitive Development Services for Children from	Lunda	6	10385	30	Matatiele	Matatiele	94 050

		0-4 years							
99.	NOLUNTU SILOZI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Fiva	18	1034	30	Matatiele	Matatiele	65 835
100.	NOLUNTU PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Caba	10	645	25	Matatiele	Matatiele	78 375
101.	Mnceba Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mceba	5	10390	30	Maluti	Matatiele	94 050
102.	Khanya Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Zingcuka	24	9155	35	Matatiele	Matatiele	109 725
103.	Noluvuyo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Likhetlane	16	1505	20	Matatiele	Matatiele	62 700
104.	Masikhanyiseni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ramafole	24	1519	25	Matatiele	Matatiele	78 375
105.	Phakamani Preschool	Provision of Cognitive Development Services for Children from	Mariteng	24	1502	25	Matatiele	Matatiele	78 375
					234				

		0-4 years							
106.	Masizakhe Luxeni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Luxeni	17	10387	30	Matatiele	Matatiele	94 050
107.	Phumelela Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Makhoba		1033	21	Matatiele	Matatiele	65 835
108.	AMADIBA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mgungundlovu	24	8918	30	Mbizana	Mbizana	94 050
109.	Bagcine Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Gumzana	22	9215	30	Mbizana	Mbizana	94 050
110.	BIZANA VILLAGE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bizana	1	1457	30	Mbizana	Mbizana	94 050
111.	BOYCE PRE PRIMARY SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mhlanga	6	1367	35	Mbizana	Mbizana	109 725
112.	CRITCHLOW PRE SCHOOL	Provision of Cognitive Development Services for Children from	Kanyayo	15	1364	41	Mbizana	Mbizana	128 535

		0-4 years							
113.	Dlangezwa Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Madiba	16	1445	40	Mbizana	Mbizana	125 400
114.	EKUZAMENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Gwala	5	1362	40	Mbizana	Mbizana	125 400
115.	HAMBANATHI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Dlungwana	5	1439	40	Mbizana	Mbizana	125 400
116.	HORRAINE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	7	8919	30	Mbizana	Mbizana	94 050
117.	ILITHA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Emathwebu	13	1372	30	Mbizana	Mbizana	94 050
118.	Intsingizi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	KwaNikhwe	17	9382	40	Mbizana	Mbizana	125 400
119.	JAKUJA PRE-SCHOOL	Provision of Cognitive Development Services for Children from	Majazi	13	1426	40	Mbizana	Mbizana	125 400
					236				

		0-4 years							
120.	LUKHOLO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Lukholo	22	1350	40	Mbizana	Mbizana	125 400
121.	MAbhodweni PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mpisi		9214	30	Mbizana	Mbizana	94 050
122.	Mabula Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Imizizi		9381	35	Mbizana	Mbizana	109 725
123.	Magusheni Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Amantshangase		1453	30	Mbizana	Mbizana	94 050
124.	MANUNDU PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mt zion	12	1356	40	Mbizana	Mbizana	125 400
125.	MBOBENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Isikelo	5	1437	40	Mbizana	Mbizana	125 400
126.	Mretshi	Provision of	Ntshamathe	6	1361	40	Mbizana	Mbizana	125 400

		Cognitive Development Services for Children from 0-4 years							
127.	Mtenjwa Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	17	9384	40	Mbizana	Mbizana	125 400
128.	Mthanyise Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Amadiba	25	9139	40	Mbizana	Mbizana	125 400
129.	Niniva Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Amangutyana	5	1359	30	Mbizana	Mbizana	94 050
130.	Nkantolo Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Nkantolo	27	10293	30	Mbizana	Mbizana	94 050
131.	Nokhanyo Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Hlolweni	21	1358	40	Bizana	Mbizana	125 400
132.	Ntlenzi Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ntlezi	8	1456	40	Bizana	Mbizana	125 400
133.	Pele pele Pre	Provision of	Qhasa	11	10393	30	Bizana	Mbizana	94 050

	school	Cognitive Development Services for Children from 0-4 years							
134.	Rock Star Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ntlezi	8	1428	58	Bizana	Mbizana	181 830
135.	Siyabulela Day Care	Provision of Cognitive Development Services for Children from 0-4 years	Ludeke	7	9158	60	Mbizana	Mbizana	188 100
136.	SIYAKHULA	Provision of Cognitive Development Services for Children from 0-4 years	Ndela	31	9385	25	Bizana	Mbizana	78 375
137.	THOKOZANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	KwaNikhwe	3	1443	60	Bizana	Mbizana	188 100
138.	Xholobeni Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Bizana	25	9714	30	Bizana	Mbizana	94 050
139.	Zamokuhle Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nkonqo	7	9383	60	Mbizana	Mbizana	188 100
140.	Zamukwenyuka	Provision of	Ntlezi	8	1377	60	Mbizana	Mbizana	188 100

	Ptre school	Cognitive Development Services for Children from 0-4 years							
141.	Chief Mtenjwa Pre - school	Provision of Cognitive Development Services for Children from 0-4 years	Sizityaneni	31	11219	30	Mbizana	Mbizana	94 050
142.	Happy Hearts Pre-school	Provision of Cognitive Development Services for Children from 0-4 years	Mhlanga	6	11220	15	Mbizana	Mbizana	47 025
143.	Zamokuhle (2) Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Nomlacu	26	10394	30	Mbizana	Mbizana	94 050
144.	Lusindisweni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Matshangase	15	10392	30	Mbizana	Mbizana	94 050
145.	Umtombowolwazi Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Ndela	3	10395	30	Mbizana	Mbizana	94 050
146.	Khotsho Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Magutyana	13	10397	30	Mbizana	Mbizana	94 050
147.	Malihambe	Provision of	Mbobeni	5	10396	30	Mbizana	Mbizana	94 050

	Preschool	Cognitive Development Services for Children from 0-4 years							
148.	Sicelimfundo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Nikhwe	19	10659	30	Mbizana	Mbizana	94 050
149.	Siyaphambili Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Nyanisweni	7	11210	30	Mbizana	Mbizana	94 050
150.	Gwabeni Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Gwabeni	9	11217	30	Mbizana	Mbizana	94 050
151.	Laleni Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mbutweni	2	10087	30	Mbizana	Mbizana	94 050
152.	Lubala Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Monti	19	10400	30	Mbizana	Mbizana	94 050
153.	Ngcingo Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Ngcingo	8	12371	30	Mbizana	Mbizana	94 050
					241				
154.	Mbabazo Preschool	Provision of	Mbabazo	17	12370	30	Mbizana	Mbizana	94 050

		Cognitive Development Services for Children from 0-4 years							
155.	Nceduluntu Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Bukuveni	8	12369	30	Mbizana	Mbizana	94 050
156.	Zamani Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Luthulini	15	11709	30	Mbizana	Mbizana	94 050
157.	September Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mkolora	19	12368	30	Mbizana	Mbizana	94 050
158.	Mtamvuna Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Mtamvuna	5	12367	30	Mbizana	Mbizana	94 050
159.	Candulwandle Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Dumsi		9850	30	Ntabankulu	Ntabankulu	R94 050
160.	DUMAKUDE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Nyokweni		1461	50	Ntabankulu	Ntabankulu	R156 750
161.	Dumsi Pre school	Provision of	Dumsi		10298	35	Ntabankulu	Ntabankulu	R109 725

		Cognitive Development Services for Children from 0-4 years							
162.	EKHAYENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Rwatshana		1399	15	Ntabankulu	Ntabankulu	R47 025
163.	James Cingo Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mfundisweni		1386	60	Ntabankulu	Ntabankulu	R188 100
164.	KUYASA PRESCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ntlamvini		10299	30	Ntabankulu	Ntabankulu	R94 050
165.	MAKUKHANYE PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bomvini		8901	35	Ntabankulu	Ntabankulu	R109 725
166.	Masakhane Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mowa		10137	30	Ntabankulu	Ntabankulu	R94 050
167.	MASIZAKHE NTLAMUNI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Bonxa		8899	60	Ntabankulu	Ntabankulu	188 100
168.	Mzamomhle Pre	Provision of	Caba		243 10186	30	Ntabankulu	Ntabankulu	R94 050

	school	Cognitive Development Services for Children from 0-4 years							
169.	NDAKENI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Ndakeni		1449	60	Ntabankulu	Ntabankulu	R188 100
170.	Ndamase Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Phepheni		1448	60	Ntabankulu	Ntabankulu	R188 100
171.	NDUMISO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Cetshe		1452	60	Ntabankulu	Ntabankulu	R188 100
172.	Nomzamo Pre-School	Provision of Cognitive Development Services for Children from 0-4 years	Ngwemnyama		719	17	Ntabankulu	Ntabankulu	R53 295
173.	NYANDA PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mbangweni		1436	20	Ntabankulu	Ntabankulu	R62 700
174.	SOLOMZI PRE SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mnceba		1369	35	Ntabankulu	Ntabankulu	R109 725
175.	Isipetu Pre-School	Provision of	Slindini		9380	35	Ntabankulu	Ntabankulu	R109 725

		Cognitive Development Services for Children from 0-4 years								
176.	Sonwabile Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Nyokweni		10642	30		Ntabankulu	Ntabankulu	R94 050
177.	Manyawuza Preschool	Provision of Cognitive Development Services for Children from 0-4 years	Madamini		10641	30		Ntabankulu	Ntabankulu	R94 050
178.	Ngqwashu Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Ngqwashu		10603	30		Ntabankulu	Ntabankulu	R94 050
179.	Zwelitsha Pre School	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	c	10602	30		Ntabankulu	Ntabankulu	R94 050
180.	Phathekile Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mbangweni	13	10643	30		Ntabankulu	Ntabankulu	R94 050
181.	Imithayelanga Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mnceba	12	11918	76	35	Ntabankulu	Ntabankulu	R109 725
182.	BULELANI PRE-	Provision of	Tabankulu	9	245 1376	77	52	Ntabankulu	Ntabankulu	R163 020

	SCHOOL	Cognitive Development Services for Children from 0-4 years								
183.	KHANYO PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Zulu	10	1409	78	50	Ntabankulu	Ntabankulu	R156 750
184.	KHETHANI PRE-SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	Mvenyane	10	1363	79	50	Ntabankulu	Ntabankulu	R156 750
185.	Luthambeko Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Luthambeko	1	9851	80	30	Ntabankulu	Ntabankulu	R94 050
186.	Masithokoze Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Lwandlana	13	9849	81	49	Ntabankulu	Ntabankulu	R153 615
187.	Mathole Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Silindini	2	10324	82	15	Ntabankulu	Ntabankulu	R47 025
188.	Mfulamde Pre school	Provision of Cognitive Development Services for Children from 0-4 years	Mabofu	16	1401	83	25	Ntabankulu	Ntabankulu	R78 375
189.	Noluvo Pre-School	Provision of	Mbangweni	9	8900	84	60	Ntabankulu	Ntabankulu	188 100

		Cognitive Development Services for Children from 0-4 years											
190.	Ntsitsana Pre school	Provision of Cognitive Development Services for Children from 0-4 years	85	Ntlenzi A/A	86	8	9852	87	30	Ntabankulu	Ntabankulu	R94 050	
191.	Siyavuya Pre school	Provision of Cognitive Development Services for Children from 0-4 years	88	Dungu	89	1	10090	90	30	Ntabankulu	Ntabankulu	R94 050	
192.	VALELA PRE - SCHOOL	Provision of Cognitive Development Services for Children from 0-4 years	91	Mabhudu A/A	92	14	1351	93	25	Ntabankulu	Ntabankulu	R78 375	
193.	VUSANI	Provision of Cognitive Development Services for Children from 0-4 years	94	Ngcolo Location	95	1	1366	96	25	Ntabankulu	Ntabankulu	R78 375	
194.	Zamukulungisa Pre school	Provision of Cognitive Development Services for Children from 0-4 years	97	Dungu Location	98	1	10296	99	30	Ntabankulu	Ntabankulu	R94 050	
100	195	Goodhope Pre school	101	Dungu Location	102	9	103	12974	104	15	Ntabankulu	Ntabankulu	R47 025
		Provision of Cognitive Development Services for Children from 0-4 years					247						

196	George Pre school	Provision of Cognitive Development	105 Mbangweni loc	106 14	107 12673	108 20	Ntabankulu	Ntabankulu	R78 375
197	Lingelihle Preschool	Services for Children from 0-4 years	109 Mjila	110 11	111 12677	112 25	Ntabankulu	Ntabankulu	R78 375
198	Vumani Pre school	Provision of Cognitive Development Services for Children from 0-4 years	113 Caba Location	114 1	115 12672	116 20	Ntabankulu	Ntabankulu	R78 375
									R 21 832 140

CHILD AND YOUTH CARE: NON-GOVERNMENTAL ORGANIZATIONS

CRIME PREVENTION AND SUPPORT

VICTIM EMPOWERMENT

SUBSTANCE ABUSE

PROJECT NAME	ACTIVITY	LOCATION	WARD	BENEFICIARIES	TOWN	LOCAL MUNICIPALITY	ALLOCATION
1.Umzimvubu Tada	Empower youth-in school on the risk factors of substance abuse	Mt Ayliff Village	7	6	Mt Ayliff	Umzimvubu	R140 000.00
2.Mount frere tada	Empower youth-in school on the risk factors	Mount frere 249	18	5	Mt frere	Mzimvubu	R140 000.00

No.	Name of Applicant (Organisation)	Physical address	District	Local Municipality & Ward	ACTIVITY	Contact person & NO	Period	Budget	
POVERTY AND SUSTAINABLE LIVELIHOODS									
1.	Jimoro Development initiative	Mqhokweni Village,	Alfred Nzo	Umzimvubu 06	Household Garden	Nosisa Caroline Ngwadla 079 384 3312	01/04/2017- 31/03/2018	R10.000.00	
			of substance abuse						
2.	Monti Garden Household	Monti Village	Alfred Nzo	Mbizana 19	Household Garden	N. Mbhokwe 0710814894	01/04/2017- 31/03/2018	R10.000.00	
3.	Mthukukazi	Mthukukazi	Alfred Nzo	Tabankulu 06	Household	N061248758	01/04/2017- 31/03/2018	R10.000.00	
4.	Imizizi Youth Advocate Household Organization	Imizizi Village	Empower youth-in school on the risk factors of substance abuse	Imizizi 06	Chickens	. R Bunqwe Bizana	Bizana	R140 000.00	
4.	Mavenu CNDC	Luthulini	Alfred Nzo	Mbizana 14	CNDC	S. Majila 082628666	01/04/2017- 31/03/2018	R36.000.00	
			of substance abuse						
6.	Bizana Community Treatment	Empower youth-in	Bizana	01	5	Bizana	TOTAL Bizana	R66.000.00 R164 959.49	
YOUTH DEVELOPMENT									
1.	Ubomi Primary Limited	Sewing Coop Village	Zwelitshha	Alfred Nzo	Matatiele 8	Sewing	Z Phambaniso 0736266980	01/04/2017- 31/03/2018	R150.000.00
2.	Vutha Youth Structure	Mtshazi	Alfred Nzo	Umzimvubu 19	Broilers	N.Gawulana 078 4448 130	01/04/2017- 31/03/2018	R100.000.00	
							TOTAL	R250.000.00	
WOMEN DEVELOPMENT									
1.	Mangopeng Household Food Production	Mangopeng	Alfred Nzo	Mtatiele 14	Household Chickens	Indigenous M Likotsi 0715832297	01/04/2017- 31/03/2018	R50.000.00	
2.	Inamandla Agric Coop	Matwebu	Alfred Nzo	Mbizana 13	Broilers	N. Maphetshana 0791871251	01/04/2017- 31/03/2018	R206.608.00	

3.	Tsita Household Organization	Tsita	Alfred Nzo	Tabankulu 12	Household Chickens	Indigenous	N. Nyaba 0835176537	01/04/2017- 31/03/2018	R50.000.00
4.	Zulu Household Organization	Zulu A/A	Alfred Nzo	Tabankulu 10	Household Chickens	Indigenous	T.N Matubatuba 0784661550	01/04/2017- 31/03/2018	R50.000.00
5.	Edabini Bafazi Development Initiative	Gudlintaba,	Alfred Nzo	Umzimvubu 11	Household Chickens	Indigenous	Sihoyi Thabisa 073 268 4019	16/01/2017	R50.000.00
								TOTAL	R406 608 00

ECONOMIC DEVELOPMENT ENVIRONMENTAL AFFAIRS AND TOURISM (DEDEAT) PROJECTS

Project/Programme Name	Location/Ward or village name	Project status	Challenges	Remedial/corrective action	Allocated budget	Financial year
Ntabankulu Street Cleaning and Beautification Project	Ward 08	Implemented	-Project was supposed to have been implemented in the beginning of the 4 th quarter (2016/17 FY) - The project started on March 01, 2017 and up to now the contracts have not been signed by the MM - The LM wants to report about the project on the EPWP reporting system of which DEDEAT as the funder is the one that needs to report on the EPWP reporting system.	The project has now been implemented. MM to sign the contracts A meeting will be set between the LM, DEDEAT and the Regional Department of Roads and Public Works where this issue will be clarified.	1 million	2016/17-2017/18
Marine Day Celebrations	Mbizana LM/ Mthentu	Held on October 20, 2016	Mining and Tourism issues emanated and led to the event ending abruptly	N/A	R250 000.00	16/17 & 17/18
Regional and Provincial Enviro Awards	Mt Ayliff	August 2016	None	N/A	R41 500,00 R60 000.00	16/17 & 17/18
EES Awareness Campaigns	Per Local Municipality	Per quarter	None	N/A	R500 000.00	16/17 & 17/18
Biodiversity Day	Umzimvubu LM	31/05/2018	None currently	N/A	R250 000,00	17/18
Roahang Craft Centre & Upholstery	Nchodu-Naledi – Matatiele LM	In progress			R1,8 mil	16/17 & 17/18
Back to Eden Primary Cooperative	Umzimvubu LM – Toleni Location	In progress			R500 000.00	16/17
Breakthrough Primary Cooperative	Mbizana LM	In progress			R500 000.00	16/17
Amambanjwa Agricultural Cooperative	Mbizana LM Ntlenzi	In progress			R500 000.00	16/17
Enterprise Development Capacity Building Session	Mbizana and Ntabankulu Lm				R40 000,00 R50 000.00	16/17 17/18
Local and Regional Economic Development (LRED) Fund		Call for proposals – open 01 April 2017			R32 mil (Provincial Budget)	2017/18

Project/Programme Name	Location/ Ward or Village name	Allocated budget	Financial year
LIVESTOCK PROJECTS			
Mpendla Multi-purpose shed	Mpendla	1 100 000	2017-18
Machibini livestock project	Machibini	220 000	2017-18
Cabazana livestock project	Cabazana	220 000	2017-18
Mvenyane livestock project	Mvenyane	220 000	2017-18
Mahobe livestock project	Mahobe	780 000	2017-18
Greystone Farm livestock project	Cedarville	400 000	2017-18
Mnyameni livestock project	Mnyameni	1 510 000	2017-18
Dumse livestock project	Dumse	220 000	2017-18
Dutyini livestock project	Dutyini	220 000	2017-18
			2017-18
Chibini Multi-purpose shed	Chibini	950 000	2017-18
Ndlantaka livestock project	Ndlantaka	400 000	2017-18
Mpisini livestock project	Mpisini	220 000	2017-18
GRAIN PROJECTS (FENCING)			
Mahobe maize project	Mahobe	300 000	2017-18
Delamonte Maize project	Ongelusnek	720 000	2017-18
Brownlee Maize project	Ongelusnek	600 000	2017-18
Donaldrift Maize project	Ongelusnek	1 200 000	2017-18

Stanford Maize project	Ongelusnek	540 000	2017-18
CROPPING PROJECTS			
Umzimvubu	1220 ha	R 2 196 000,00	2017-18
Matatiele	4130 ha	R7 434 000.00	2017-18
Mbizana	2500 ha	R4 500 00.00	2017-18
Ntabankulu	798 ha	R1 436 400.00	2017-18

PROGRAMME	BUDGET
CROPPING	R 33 741 000.00
INFRASTRUCTURE	R 9 960 000.00
LAND CARE	R 2 646 000.00
LIVESTOCK IMPROVEMENT	0
TOTAL	R 46 347 000.00

6.4.1 Business Reengineering

6.4.1.1 Background and Purpose

The preceding section sights the financial position of the Alfred Nzo District Municipality. The municipality acknowledges that it is currently in a serious financial crisis and thereby unable to meet its financial and service delivery obligations. On the 10-11 May 2017, the Executive Mayor of the ANDM then convened a session, “aimed at turning around the municipality’s financial challenges, so that the municipality can continue with its constitutional mandate of fast tracking services provisions to its citizens”.

The session observed that the financial challenges faced by the municipality, if not addressed, will result in the municipality being, by default, in contravention of Section 65(2)(e) of the MFMA. It is within this background that the municipality is seeking solutions to the financial crisis in terms of section 135(3) (a) of the MFMA.

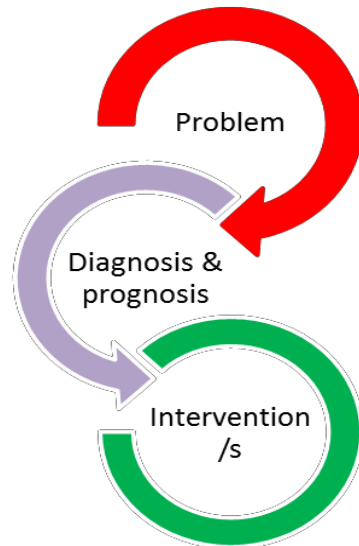
Should the Municipality not be in a position to fulfill its mandate, some strategic implications for ANDM may include:

- Limited ability to address the developmental agenda as articulated in National and Provincial Strategic documents i.e. NDP, Nine-Point Plan.
- A lessened capacity to fulfill the service delivery mandate in particular as relates to water services provisioning and authority.
- The current status has already led to a need to reconsider and as result undertake the reprioritisation of the municipal strategic agenda
- The current financial status of ANDM may deprive the municipality of potential investment opportunities
- Possible community unrest as a result of poor service delivery

From a service delivery perspective, this has a number of implications for ANDM and its communities. Having noted the above, the Turnaround session was identified as one of its objective the need to solicit and initiate a Section 154 support: *“Section 154(1) of the Constitution of the Republic of South Africa, 1996, states that, “the national government and provincial governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.”*

The session of the 10th -11th of May also identified from discussions of 4 groups or commissions, the need to provide special attention on the institutional capabilities, foundational issues (policies, standard operating procedures, process-flows and systems), as these were seen as contributors to the current state and challenges.

The purpose of this section is therefore to give an overview of the current financial situation, perform a prognosis and sight the proposed recommendations going forward. To map the process going forward, work-streams on Financial Management, Infrastructure Development and Municipal Services (IDMS), Institutional Transformation as well as Legal and Contracts deliberated on challenges that possibly led to the current financial position. Short, medium and long term recommendations have been sighted as possible solutions to assist the Municipality.



6.4.1.2 Challenges and Recommendations

FINANCIAL VIABILITY

The municipality is currently in a financial challenges and thereby unable to meet its financial and service delivery obligations. The municipality is therefore by default in contravention of Section 65(2)(e) which states that *“All money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure”*.

It is within this background that the municipality is seeking solutions to the financial crisis in terms of section 135(3) (a) of the MFMA. The approach is therefore to analyse the financial current situation, perform a prognosis and come up with solutions going forward.

Following are some challenges identified and proposed recommendations:

CHALLENGE	1. CASH FLOW
ROOT CAUSES	<ul style="list-style-type: none"> • High Commitments vs Income • Accrual that were not paid for from the previous Financial Years • Lack of Coordination between IDMS and Finance Departments with regard to Grant allocations • Multi-year commitments by IDMS, thus not appearing on DORA • High Expenditure on operational activities (ie cost drivers; overtime, S&T, Standby allowances, security costs, car allowance policy to be reviewed) • Price fixing by service providers • Procurement of goods and services where there is no value for money
RISKS	<ul style="list-style-type: none"> • Non-compliance with Legislation • Service delivery is compromised
ACTIVITIES/SOLUTIONS	<p>SHORT TERM</p> <ul style="list-style-type: none"> • Review the 2017/18 IDP and Draft Budget in order to finalise Budget and address Cash Flow <ul style="list-style-type: none"> ○ IDP: to identify the sources of funding for a specific financial year ○ No allocations for non-core functions within ANDM <ul style="list-style-type: none"> ✓ Example: MIG allocations must be complied with and clearly specified in the IDP & Budget. • Stop Procurement • Appointed Service Providers to forward Invoices, then do the following: <ul style="list-style-type: none"> ○ Consider current contracts/invoices; undertake analysis to determine amount needed to pay off current invoices; Negotiate terms of payment with Service Providers ○ Stop/postpone Equitable Share project activities until the Municipality is in a position to pay; with the exception of Conditional Grants • Financial Projections for multi-year projects must be accompanied by proof (for the purposes of DORA) • NB: Comply with policies, laws and regulations • Recovery of funds owed by Dept of Human Settlements and various sector Departments as presented by COGTA <ul style="list-style-type: none"> ○ Ensure that Invoices are submitted timeously to Departments • Clearly determined collection rates for own revenue collection <p>MEDIUM TERM</p> <ul style="list-style-type: none"> • Form a team of Management and Council to undertake collection of revenue owed to ANDM • Together with IDMS and LMs, create consolidated Indigent Register for Alfred Nzo and follow processes to ensure that it is included in the Final Budget (ie advertise for Indigents to come forward and Register with ANDM before finalising the Budget). <ul style="list-style-type: none"> ○ Currently, Indigent is high, but not clearly articulated in the Budget

	<ul style="list-style-type: none"> Develop strategies to address price fixing by service providers <ul style="list-style-type: none"> Set price ceilings that cannot be exceeded by service providers
	<p>LONG TERM</p> <ul style="list-style-type: none"> Get information on Indigent Registers from all LMs, submit to Treasury so that Equitable Share can be increased
CHALLENGE	2. NON-ADHERENCE TO POLICIES, LEGISLATION AND PROCEDURES (Governance issues)
ROOT CAUSES	<ul style="list-style-type: none"> Non implementation of policies in place Culture of non-adherence to policies, legislation and procedures that are in place
RISKS	FRAUD, CORRUPTION, NON-COMPLIANCE. FRUITLESS AND WASTEFUL EXPENDITURE
ACTIVITIES/SOLUTIONS	<p>SHORT TERM</p> <ul style="list-style-type: none"> Procedure Manual Reviewal Delegation of powers with time lines Amend / Review policies eg. Virement Policy: ensure it is clearly articulated in terms of figures/amounts and must be adhered to in projects implementation. Must be thoroughly motivated Centralise receipt of invoices by making use of the “Invoice Box” at ANDM Adhere to all SCM regulations and policies Implement and monitor PMS Risk office to advocate compliance..
	MEDIUM TERM
	LONG TERM
CHALLENGE	3. LOW REVENUE BASE
ROOT CAUSE	<ul style="list-style-type: none"> Lack Of Asset Management Plan No O&M Plan linked to Local Municipalities Poor quality and unavailability of water has a direct impact on revenue collection <ul style="list-style-type: none"> Rate payers will not pay for poor water quality, and billing will not be accurate if there are instances where there is no water
RISKS	<ul style="list-style-type: none"> Non billing of new developed areas
	<p>SHORT TERM</p> <ul style="list-style-type: none"> Prioritise O&M and Asset Management Plan linked to LM spatial planning Invest in Infrastructure; ie functional running meters that will provide accurate readings, which will in turn provide accurate billing and collect revenue effectively

ACTIVITIES/SOLUTIONS	<ul style="list-style-type: none"> ○ This will also assist in meeting capacity challenges ● IGR Structures within ANDM to assist in revenue collection
	MEDIUM TERM <ul style="list-style-type: none"> ● BTO & LED: Strategies to create revenue and investment opportunities <ul style="list-style-type: none"> ○ Must consider the following: <ul style="list-style-type: none"> ✓ How do we get ANDM population to be able to afford paying for services ✓ How do we lobby for appropriate investments for the District ● Increase the capacity of meter readers
	LONG TERM <ul style="list-style-type: none"> ● Minimise the flow of water in reservoirs
CHALLENGE	4. SCM DE-CENTRALISED
ROOT CAUSES	Non-compliance to SCM Regulations
RISKS	Inaccurate figures/calculations on documents Incorrect information in documents Opens up possibilities of Fraud
ACTIVITIES/SOLUTIONS	SHORT TERM Enforce consequence management where non-compliance is identified. No quotations sourced outside SCM office will be allowed Training of departmental staff on SCM processes to be conducted
	MEDIUM TERM
	LONG TERM
CHALLENGE	5. ILLEGAL/UNAUTHORISED WATER CONNECTIONS
ROOT CAUSES	<ul style="list-style-type: none"> ● Non adherence to policies, procedures and regulations
RISKS	<ul style="list-style-type: none"> ● Affects Liquidity Ratios
SOLUTIONS	SHORT TERM <ul style="list-style-type: none"> ● Connection of metres for Business
	MEDIUM TERM
	LONG TERM
CHALLENGE	6. ICT SYSTEMS CONTROL
ROOT CAUSE	<ul style="list-style-type: none"> ● Lack of Internal Controls ● Non-compliance with Policies and legislation guiding ICT
RISKS	<ul style="list-style-type: none"> ● May result in Fraud ● Budget override
SOLUTIONS	SHORT TERM <ul style="list-style-type: none"> ● Close access to passwords overriding and give those powers to CFO and MM
	MEDIUM TERM
	LONG TERM
CHALLENGE	7. LACK OF STAFF
ROOT CAUSE	<ul style="list-style-type: none"> ● Non compliance

RISKS	<ul style="list-style-type: none"> • No segregation of duties • No isolation of responsibilities • Rolling of cash • Fraud
SOLUTIONS	<p>SHORT TERM: Prioritise key and high risk positions</p> <p>MEDIUM TERM</p> <p>LONG TERM</p>
CHALLENGE	8. GRANT DEPENDENCY
ROOT CAUSE	<ul style="list-style-type: none"> • Low revenue base • Most indigents in ANDM population
RISK	
ACTIVITIES/SOLUTIONS	
CHALLENGE	9. HIGH SALARIES
ROOT CAUSE	Hiring for the sake of hiring
RISKS	
ACTIVITIES/SOLUTIONS	ANDM to thoroughly review the Organogram

INFRASTRUCTURE DEVELOPMENT AND MUNICIPAL SERVICES (IDMS)

The IDMS function within ANDM is mandated with the core function of the District; Water Services Authority and Water Services Provision. The IDMS function is mainly funded partly through the Municipal Equitable Share as well as through grants from the Municipal Infrastructure Grant (MIG), Department of Water Affairs (DWA), the Development Bank of South Africa (DBSA) and the Department of

These grants are usually transferred to the Municipality in tranches for specific service delivery targets. Failure to receive these grants on time affects the Municipality's cash flows, and often also results in the Equitable Share being used to fund grand-funded projects. The ripple effect of this occurrence is service delivery on other departmental projects that cannot be implemented due to unavailability of funds.

Following are some challenges identified and proposed recommendations:

SHORT TERM FOCUS AREAS		
FOCUS AREA/CHALLENGE	PROPOSED INTERVENTION	TIME FRAME
Over and Under commitment	<ul style="list-style-type: none"> • Alignment of projects with available budget • Engage DWS for O&M support • Follow-up on engagements regarding the secondary bulk infrastructure funds for Mbizana 	Immediately

Lack of accounting	<ul style="list-style-type: none"> Institute internal controls (process flows and checklist). Develop Institutional Project Management Framework 	June 2017
Inadequate funding for Repairs and Maintenance	<ul style="list-style-type: none"> Develop proper planned and preventative costed Maintenance plans. Council to adopt PPM budgeting tool. Consolidate Asset Register. 	June 2017
Poor drinking water quality and effluent quality	<ul style="list-style-type: none"> Develop TORs/job descriptions for rural operators Partner with LGSETA for skills development and capacity building Benchmark the most optimal model through DWS that can be employed by the ANDM to operate and maintain rural water schemes. Request DWS to conduct BDS and GDS assessment for rural water schemes seasonally 	June 2017
Variation orders	<ul style="list-style-type: none"> Proper planning, design and project costing prior to implementation Undertake due diligence processes (demand management section with SCM) with regards to project cost estimates Develop Standard Operating Procedures for approval of variation orders. 	July 2017
High Water Losses	<ul style="list-style-type: none"> Partner with DBSA and sector Departments to benefit for best practices Prioritize staffing of WCDM section Mobilise resources so as to roll out installation of prepaid water meters programme throughout ANDM 	
MEDIUM TERM FOCUS AREAS		
FOCUS AREA	PROPOSED INTERVENTION	TIMEFRAME
Insufficient qualified staff for water services	<ul style="list-style-type: none"> Compile a data base of people trained on water services within the district Establish the tripartite relations with institutions (TVETs, Universities, Department of Public Works) 	Sep 2017
Unauthorised Water Connections	<ul style="list-style-type: none"> Clear mandate from the Council regarding control measures aimed at managing unauthorised connections Charge a flat rate to consumers that have unauthorised water connections (rate to be differentiated for uses). 	Dec 2017
Institutional Customer Care not conforming to RPMS requirements	<ul style="list-style-type: none"> Design synergy between IDMS and CDS in order to comply RPMS Council policies should be aligned with RPMS Development of Customer care communication plan 	Sep 2017
Regulatory Performance Management System (RPMS)	<ul style="list-style-type: none"> Auditing by DWS (regulator) should receive same status as AG's auditing. Internal Auditor to perform periodical assessments 	Immediately
LONG TERM FOCUS AREAS		

FOCUS AREA	PROPOSED INTERVENTION	TIMEFRAME
Monitoring and Evaluation of Service Providers	<ul style="list-style-type: none"> MM's office to prioritise M&E function. 	Dec 2017
Terrain and inaccessible households	<ul style="list-style-type: none"> Council to lobby for review of funding model with sector departments (budget allocated for rural municipality must be different from urban municipality) 	On -going
Ageing Water Services Infrastructure	<ul style="list-style-type: none"> Council to embark on refurbishment / replacement programs Establish Resource Mobilisation Committee for the purposes of lobbying for funding. 	On -going
Free Basic Services	<ul style="list-style-type: none"> Municipality to redefine indigence within ANDM. Devise mechanism to provide services to population residing in the privately owned land 	June 2018

INSTITUTIONAL AND CAPACITY BUILDING

That issues of governance and institutional capacity building need to be prioritised as they have a direct bearing on service delivery which will affect the Municipal Audit opinion.

Some challenges and recommendations relating to institutional transformation include:

Challenges/ Cost Drivers	Measures to Reduce Costs	Proposed intervention	Policy Implications	Service Delivery Implications
Telecommunication (voice calls only)	To reduce monthly telephone pin codes allocation amount	Monthly monitoring of telephone usage by Supervisors	To review telephone policy to address the monthly pin codes allocation.	Excessive/ high bill of telephone reduces service delivery vote budget allocations
Printing Solution (Rental only without toners and repairs)	To reduce printing by implementation of paperless	Centralise printing	New policy on paperless management	Reduction will fund s/d votes
Stand By Allowances	Continuous placement of employees in stand by wherein they are 5 day workers	Revisit and review institutional arrangements – review functional chart	Irregular placing employees on standby is in conflict with collective agreement and no policy review is required	Non-compliance with collective agreements will to the municipality being issued with compliance orders
Working on Saturday	Minimise work on Saturday and Sundays	Revisit and review institutional arrangements – review functional chart	No policy implication	same as above matter

Cost Drivers	Measures to Reduce Costs	Proposed Intervention	Policy Implications	Service Delivery Implications
Overtime	Close and management of overtime; Overtime payment should be reduced. Office based employees overtime work must be stopped with immediate effect for service delivery department.	Revisit and review institutional arrangements – review functional chart. HODs to account as per policy	Overtime is regulated in terms of Basic Conditions of employment Act and Municipal Policy and maximum hours to be work is 40 hours. Working overtime is not a right and reduction thereof will not conflict with the act	Service delivery will not be affected if overtime is properly managed vis avis proper shift system and /or stand by systems
Shift Allowance	Employees who do qualify and who do work shift as envisaged in the collective agreement should not receive same. Immediate audit of the shift allowance vs employing personnel	Revisit and review institutional arrangements – review functional chart	Irregular shift allowances are in conflict with collective agreements.	Service delivery will not be affected if shift allow. is properly managed visa vi proper shift system and /or stand by systems
Cost Drivers	Measures to Reduce Costs	Proposed intervention	Policy Implications	Service Delivery Implications
Travelling claims	Employees must report at their workstation and must not claim from Mount Ayliff despite their workstations are in the satellite offices. Employees must claim from the satellite they are based on to the site.	Revisit and review institutional arrangements – review functional chart	Review the policy to be aligned cost cutting Council adopted policy	Service delivery will not be affected as employees will be working on their sites but need to be stationed on the satellite they are working at.

Accommodation costs	Consider payment in terms of 8.3.2 and increasing R303.00 to R500.00 Further consider to review use of travelling agents	This can be done by ANDA.	Review the policy to be aligned cost cutting Council adopted policy	Savings will be used to fund municipal operations
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LEGAL AND CONTRACTS

The diagnosis identifies limited contract management capacity; from inception to performance managing contracts, herein are the details of the challenges and solutions.

No.	Challenges	Proposed Solution	Rating : S,M & L
1.	Limited contract management capacity	1. There must be a Contract Management Unit, composed of : 1.1. Legal Unit 1.2. Contract Management practitioner 1.3. SCM Practitioner	Short (S)
		2. Restructuring the SCM Organogram	Short (S)
		3. Centralization of Contract of Management: 3.1 Service level agreement including Agency. 3.2 Contract documents	Short (S)
		4. Contract Management Framework, Policies and Procedures must be in place in order to guide the contract management operations	Medium (M)
		5. Capacity building for all Stakeholders that are involved in the Project.	Short and Ongoing (S)
		6. Monitoring, Reporting and Evaluating in order to enhance	Short and Continuous (S)

		accountability. 6.1. Contract register	
2.	Over commitments on projects	1. Follow proper processes of budget adjustments. Clarify the elements of focus due to budget constraints versus commitments	Short (S) to Medium (M)
3.	Extension of Scope for Capital Projects	1. It should in line with the law, National Treasury Regulations and National Treasury Circulars	Short (S) to Medium (M)
4.	Lack of customized of Service Level Agreements	1. The Legal Services Unit should review the Service Level Agreements in order to ensure that they are tailor-made to a specific Project. 1.1 Aligning the ANDA SLA duration with Municipality Council's term.	Medium (M)
5.	Limited Legal Support	1. Capacitating Legal Unit 2. Co-sourcing of Legal Services matters 3. Review of Litigation Register of the Municipality to assess the individual cases. 4. Centralization of Legal services between the Agency and the ANDM (Through a shared Service).	Medium (M) Medium (M) Short (S) Medium (M)

6.4.1.3 Interventions

In light of the deliberations and presentations furnished at the Business reengineering session, the following recommendations have been deduced:

ANDM urgently needs to re-prioritise projects for implementation in the short, medium and long term

The District also needs to take into account grants at the District's disposal versus the revenue that the District is in a position to collect.

To have clearly determined collection rates for own revenue collection to assist the Municipality's cash flow

ANDM Council calls upon for Section 154 support of the Constitution, with its purpose being to support turnaround ANDM, Financial woes, institutional processes and systems, building of requisite capabilities and change management.

7. Spatial Development Framework

7.1 Executive Summary

Spatial planning in the Alfred Nzo District Municipality occurs within the national and provincial policy directives, and sets the agenda for spatial planning at a local level. The national policy framework includes the Constitution of the Republic of South Africa, various pieces of legislation that give effect to the intentions of the Constitution in respect of spatial planning, and the associated policies that outline the spatial transformation and development agenda. Provincial policy includes the Eastern Cape Provincial Growth and Development Strategy and the accompanying Spatial Development Plan.

The ANDM SDF aligns with these policy directives and enables the municipality to contribute to the attainment of the spatial development targets and objectives outlined in these policies. It also deals directly with the spatial issues facing the district.

7.2 Spatial Planning Mandate

Since the beginning of the new democratic era in South Africa, the notion of spatial planning has become an integral part of the development planning and transformation discourse. The Constitution (Schedule 4 Part B) bestows this responsibility to local sphere of government. In the interim, municipalities give effect to this mandate through the Development Facilitation Act, Act No. 67 of 1995 and the Municipal Systems Act, Act No. 32 of 2000. The latter requires a municipality to prepare and adopt an SDF as part of its IDP.

On 6 May 2011 the Department of Rural Development and Land Reform published the Draft Spatial Planning and Land Use Management Bill (SPLUMB) for public comments. Once passed into law, the proposed legislation will replace the Development Facilitation Act No 67 of 1995, Removal of Restrictions Act No 84 of 1967, the Physical Planning Act No 88 of 1967 and other laws. The Bill provides, inter alia, for a uniform, effective, efficient and integrated regulatory framework for spatial planning, land use and land use management in a manner that promotes the principles of co-operative government and public interest. It provides for and determines development principles, compulsory norms and standards for land use management, and promotes sustainable and efficient use of land.

As prescribed in the bill, the ANDM SDF gives effect to the development principles enshrined in the bill, and presents both a narrative and visual representation of a five year spatial development plan. It assumes a long term vision and identifies significant structuring elements of spatial development.

7.3 National Development Plan (NDP)

The National Planning Commission (NPC) has been established and tasked inter alia with the formulation of a long term strategic plan for South Africa. The plan will articulate a long term vision and a plan for its implementation. It will shape government's service delivery and development programmes, and guide spatial transformation.

In the interim, the national government has adopted various sector based policy frameworks. The majority of these have serious implications for spatial planning at a local level. In view of the rural nature and underdevelopment that characterises the ANDM, only the following are considered:

- The New Growth Path.
- Comprehensive Rural Development Strategy and the associated programme.
- The Comprehensive Plan for the Development of Sustainable Human Settlements.

7.4 Environmental Management

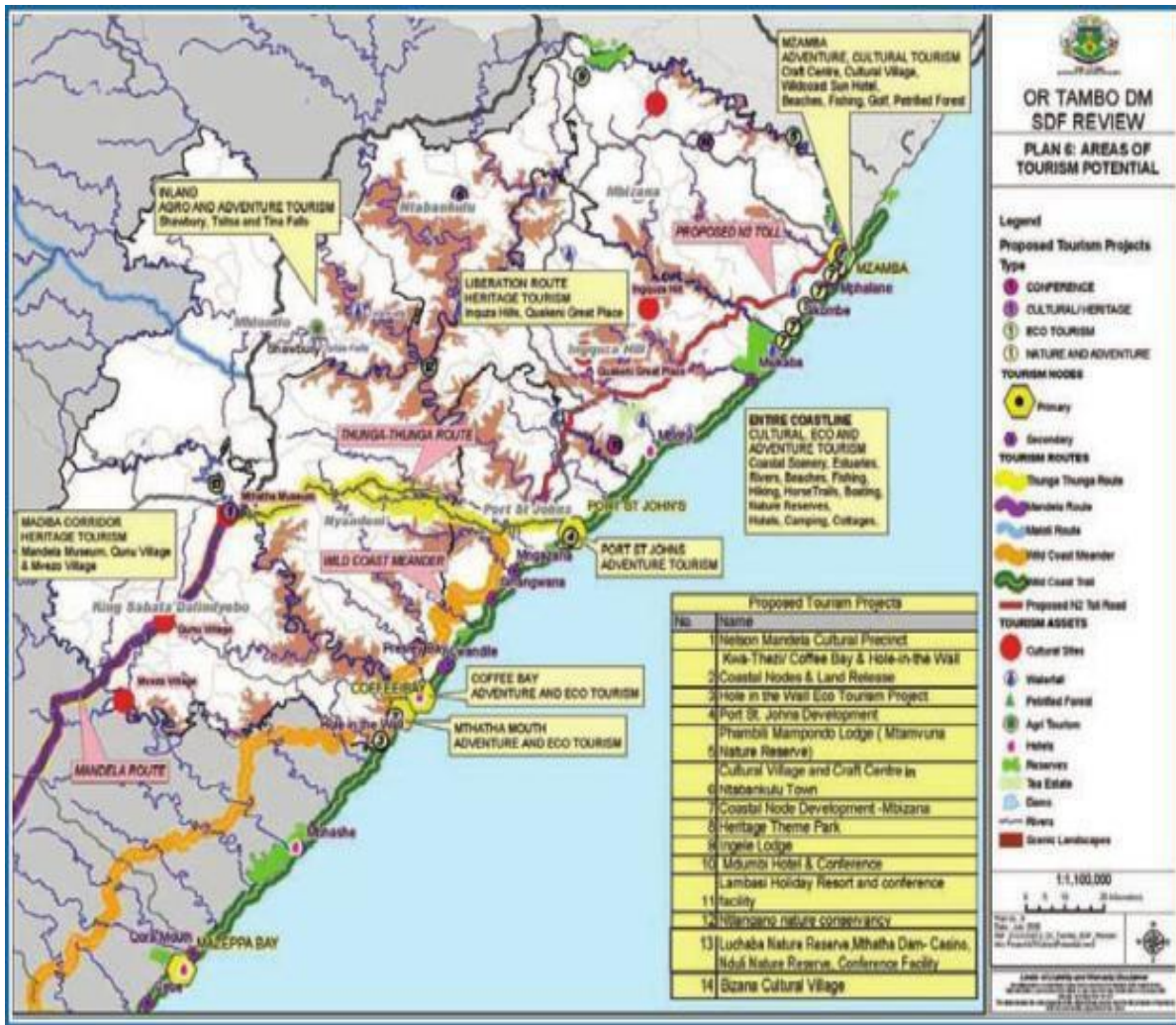
The Environmental Management Plan for Alfred Nzo District fulfils, in part, the requirements of the National Environmental Management Act (NEMA) of 1998. It was prepared as a means to promote sound environmental management and promote sustainable land use practices within the district. It provides a comprehensive picture of the status of the environment, and outlines a strategic direction for environmentally sustainable development and effective management of the natural resources.

It adopts a long-term vision, but also identifies short to medium term actions that need to be addressed as part of the IDP process. These include capacity building and training, catchment management, protected areas, climate change and vulnerability mapping, and waste management.

It also identifies priority environmental areas (PEAs) such as follows:

- Mount Fletcher-Maluti Drakensburg Escarpment.
- Ongeluksnek-Matatiele Ridge Corridor.
- Western Tswereke Catchment
- Semongkong ridgeline
- Matatiele - Cedarville Ridge Corridor

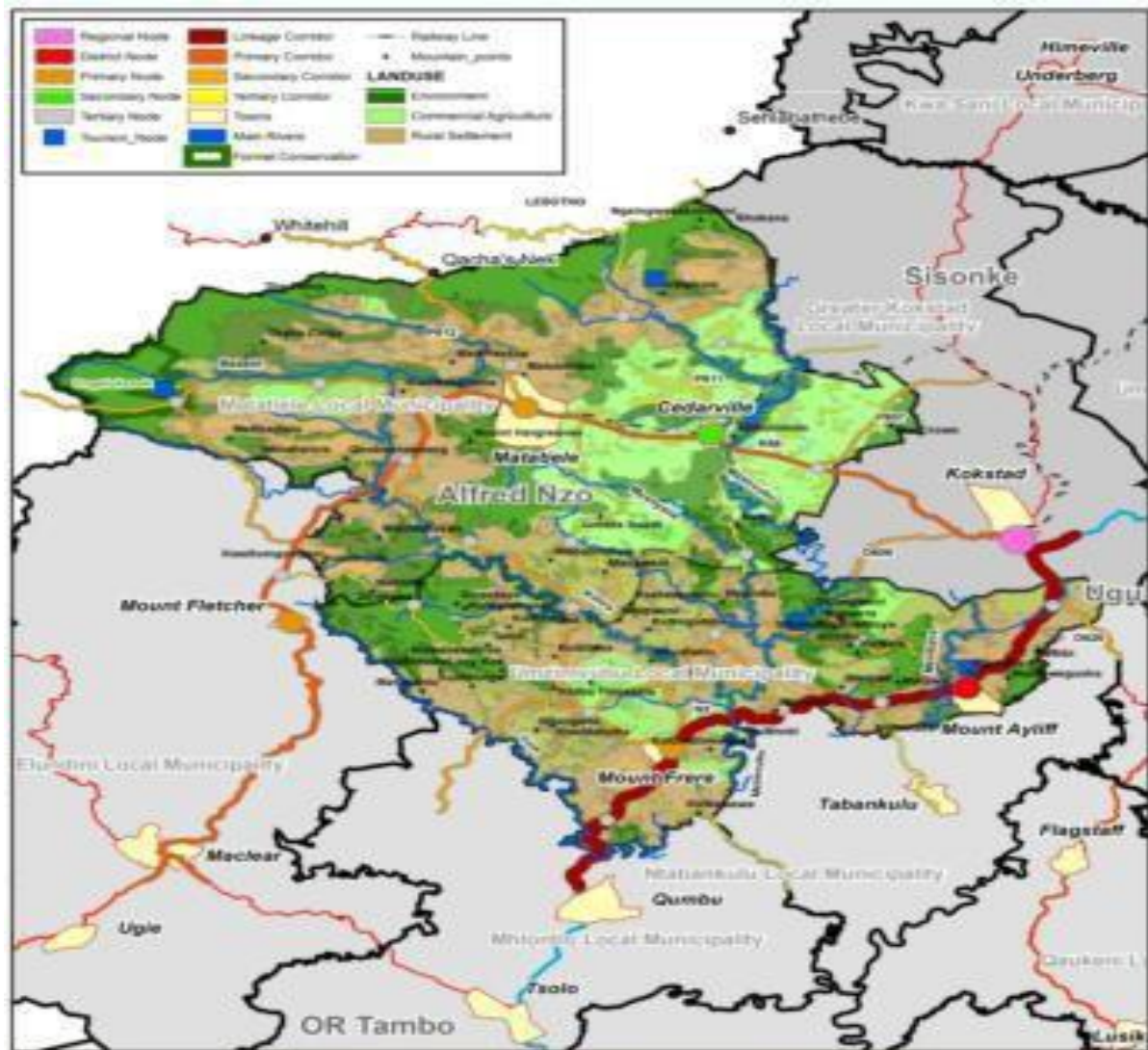
Map 1: Tourism Potential



7.5 Spatial Planning

Spatial planning is a shared function between the district and the local municipalities with the former focusing mainly on cross-border issues, bulk infrastructure and regional economic development. Both the current ANDM SDF (November 2011) and the OR Tambo DM SDF provide an overview of the districts spatial development trends and patterns, and outlines strategies for spatial transformation at a district level. They adopted a service centre (service node hierarchy) approach and accordingly identify primary, secondary and tertiary nodes. Mt Ayliff is the only primary node, while Matatiele, Mt Frere and Ntabankulu and Mbizana all serve as secondary nodes. Tertiary nodes include Maluti, Cedarville, Mzamba and others. This recognises the role of these towns as service centres and commercial hubs for a large part of the district, and a strategic link with towns outside the district. The N2 which runs in a north-south direction linking the Eastern Cape and KwaZulu-Natal provinces serves as the primary corridor and main access route to the district while R56 and R61 are identified as secondary corridor.

Map 2:



In addition, they identify the following key areas for intervention:

- Improved access and service delivery to urban and rural areas;
- Facilitating efficient agricultural development;
- Developing the tourism potential and managing the environmental resources; and
- Developing a hierarchy of service nodes.

All four local municipalities have developed and adopted SDFs as a component of their IDPs. This review will consider each of these SDFs and provides a framework for alignment.

7.6 Regional Access

The geographic location of Alfred Nzo District Municipality along the border of Eastern Cape and KwaZulu-Natal Provinces establishes the area as gateway (entry and exit) point to KwaZulu-Natal from the Eastern Cape and vice versa. The N2 national corridor runs in a north-south direction and serves as the main access route to the District. Other important access and trade routes include R61 linking Mbizana and Port Edward, and R56 which runs along the northern and western boundaries linking Matatiele with Kokstad to the east and

Mt Fletcher to the south respectively. The ANDM forms part of the Eastern Region in terms of the ECPSDP. This region includes the majority of the former Transkei, smaller towns (Mt Frere, Mt Ayliff, Maluti, Mbizana, etc) and the surrounding dispersed rural settlements which occur alongside various environmental corridors. The distance from the ANDM to the major economic hubs within both provinces suggests that Kokstad, Port Shepstone and Pietermaritzburg are the main areas that service the district with major commercial facilities. These economic hubs are all located in KwaZulu-Natal Province, and Mthatha in the Eastern Cape are within a 300km radius. East London and Port Elizabeth are located beyond the said radius.

The position and role of the ANDM in the regional space economy is tightly interlinked with both the provinces with the area having strong functional linkages with KZN town such as Kokstad and Port Shepstone. Despite this strategic location of the area in relation to the N2, Alfred Nzo has remained a peripheral economy to these two provinces. The key challenge is to capitalize on its regional accessibility, location in relation to Drakensberg, Coastline, Lesotho and a huge rural (rural settlement and commercial agriculture) catchment/threshold.

7.7 Land Use Patterns

Current land use patterns has evolved in response to the settlement patterns, rural character of the district, applicable planning policies and land use management practices i.e. formal and customary. The broad categories of land uses that exist within the area are:

- Urban Settlements – these are the small towns with an agglomeration and variety of social and economic uses;
- Rural Settlements – which primarily include rural villages with social facilities, subsistence agriculture but limited economic uses;
- Commercial agriculture – these are mainly the privately owned farms around Cedarville and Ongeluksnek Nature Reserve; and
- Conservation areas – which include the protected nature reserves such as Ongeluksnek and Mkhambathi Nature Reserve.

A substantial area of arable land has been left fallow. This could be ascribed to a number of factors including availability of resources to produce food, degradation and loss of productive potential. Most of the hill slopes are used for grazing of livestock with the result that most of these slopes have limited vegetation cover (ADM Enviro Status Quo Report, June 2003:1).

7.8 Land Ownership Patterns

Land ownership within Alfred Nzo District Municipal Area is dominated by state land which functions as the rural villages and accommodates the majority of the population. There are few privately owned farms within Matatiele and Umzimvubu Municipal Area. The majority of the land is registered in the name of the state and used for a different uses. The following categories of state land could be identified:

State land – the majority of the land parcels within the municipal area are held in trust by the Minister of Rural Development and Land Reform (Formerly the Minister of Land Affairs). Some state land (former commercial farms) is surveyed and registered, but much, especially communal land, has only recently been surveyed and is still unregistered in the Deeds Registry (PSDP, Vol 1: 60).

There are numerous parcels of state land located throughout the local municipal areas. They include the Nature Reserves, land parcels upon which various facilities have been constructed, for example, government and municipal offices, police stations, schools, clinics and utilities (such as water works and sewerage treatment works).

7.9 Communal Land

Communal land is held in trust by the Minister of Rural Development and Land Reform and formerly registered in the name of the state, it is occupied by individuals members of the respective communities under Permission to Occupy (PTO) and/or customary tenure commonly referred to as beneficial occupation rights. Individual's rights on the land are protected in terms of the Interim Protection of Informal Land Rights Act, Act No. 31 of 1996 also known as IPILRA.

7.10 Land Tenure Upgrading

The land tenure upgrading project has been initiated in Maluti, which is a former R293 township that is situated within the administrative boundaries of Matatiele Municipality. This upgrading of land tenure rights in Maluti occurs at two levels such as follows:

Upgrading of Deeds of Grant, which the apartheid government issued to black people in urban areas in the past. A review of the land ownership database in Maluti suggests that an overwhelming majority of residents still hold the land in terms of Deeds of Grant. The extent to which the same applies in Itsokolele Township needs to be confirmed.

Upgrading of land tenure rights that pertain to communal land in the rural hinterland. These include Permission to Occupy (PTOs) and beneficial occupation rights. The declaration of the Communal Land Rights Act, Act No. 11 of 2004 (CLaRA), unconstitutional means that the status quo will remain in the rural areas until a new land rights legislation is enacted. This has denied local communities an opportunity to benefit from localised spatial planning and exercise their rights in terms of security of tenure (CLaRA provided a continuum of tenure security from communal through to titling paradigm).

7.11 Bulk Infrastructure (Water and Sanitation)

The provision of bulk services is very important for the sustainability of settlements and economic growth, such that economic development is heavily dependent on the availability of good infrastructure in order to be unlocked. Local government has a responsibility as well, to ensure that communities have access to basic services. Bulk infrastructure delivery is therefore a legal mandate as well as an economic instrument to unleash the growth of the area. Sector plans have been prepared for some of the services. These include the Water Services Development Plan and Integrated Development Plan. The

recommendations thereof have implications for the SDF especially for alignment and integration purposes.

7.12 Sanitation

The Water Services Development Plans indicated that there is a huge sanitation backlog within Alfred Nzo, particularly within Ntabankulu where the town does not have a waterborne sewerage. Also some rural villages within various parts of the municipal area have poor access to sanitation. Packaging of sanitation programs should be based on settlement clusters and be integrated with the drive towards the transformation of rural villages into sustainable human settlements. The following spatial planning standards should be applied in all sanitation projects:

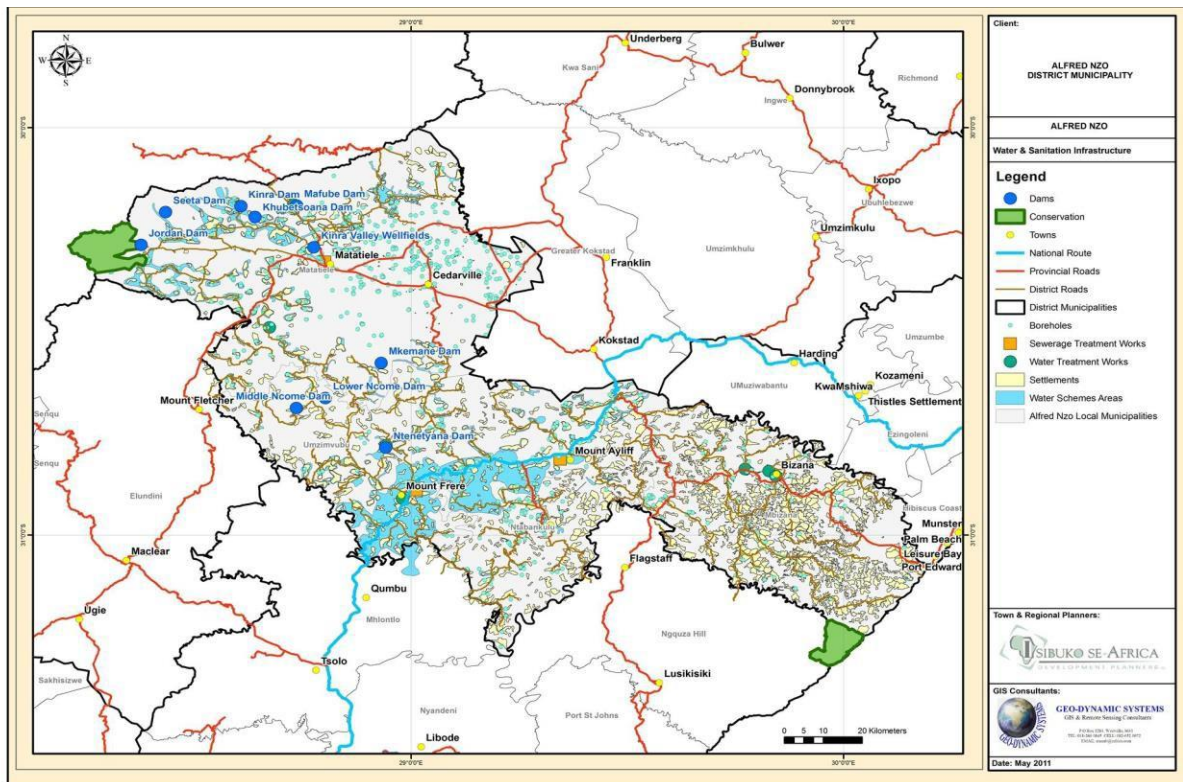
- Giving priority to settlements located within priority environmental areas.
- Providing settlements located within a 100m of wetlands with lined ventilated pit latrines at the minimum.
- Providing urban (Ntabankulu) and other peri-urban settlements with water borne sewerage.

7.13 Water

Like many areas in South Africa, Alfred Nzo Municipality has inherited the historical legacy of a large backlog of water services 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 its area of jurisdiction. ANDM has identifies the following as critical and strategic water supply areas:

- Additional sustainable water source for Matatiele and Maluti towns.
- Bulk water supply system where rural schemes can just be “plugged in”.
- Bulk water supply to Cedarville.
- Raw water supply for Agricultural irrigation (Ongeluksnek, Matatiele, Cedarville, and some other areas).
- Implementation Readiness Study for Regional Bulk Water Supply Infrastructure in the Matatiele and Umzimvubu Municipality areas recommended the following bulk water schemes for Matatiele:
 - M1 - Kinira River Dam.

Map 3:



7.14 Spatial Economy

This section provides an analysis of where population and economic activities and related opportunities are located within the Alfred Nzo District Municipality. It compares the structure of the district economy, with those of other districts economic performances within the Eastern Cape Province. The main aim is to identify those sectors of the economy with which the Alfred Nzo District has an inherent comparative advantage relative to spatial characteristics and economic infrastructure so as to enhance the process of translating the comparative advantage to competitive advantage for the district and province's benefits.

7.15 Impact of Boundary Re-demarcation

Alfred Nzo has over the years evolved drastically in terms of geographical space and population composition. During the early 2000s, the district comprised of Umzimvubu and UMzimkhulu Local Municipalities. Both these municipalities were very fragmented such that they did not even share the boundaries, which allowed for wall-to-wall municipal planning. After the 2006 local government elections, Alfred Nzo District administrative boundary was changed to include Matatiele. UMzimkhulu Local Municipality was transferred to KwaZulu-Natal Province. Both these municipalities shared the administrative boundaries and therefore mark an improvement in the spatial configuration of the district for planning and administrative purposes.

The recent demarcation following 2011 local government elections has resulted in Alfred Nzo District obtaining two additional local municipalities (i.e. Ntabankulu and Mbizana). This will further strengthen the role of co-ordinated spatial planning amongst the four municipalities that were previously administered by two different districts.

7.16 Under-Developed Urban Centres

Urban towns (Mount Ayliff, Matatiele, Mount Frere, Mbizana and Ntabankulu) play a significant role within the municipal area. These serve as the administrative, service and main economic centres with a threshold that covers the full extent of the municipal area and beyond. Although these towns exist with a range of commercial activities, they are currently poorly developed and structured. They are characterised by an unstructured linear form, land use separation and sprawling residential expansion. These towns should be planned as rural towns and be structured and managed to enable them to perform their functions efficiently and effectively.

7.17 Spatial Planning Principles

Alfred Nzo District Municipality's SDF is underpinned by normative principles reflected in various policy documents and pieces of legislation including the Development Facilitation Act (DFA), National Environmental Management Act (NEMA) and Provincial Spatial Development Plan. The following principles have been extracted from these sources and are considered appropriate to guide the preparation, review and implementation of Alfred Nzo Municipality SDF.

7.18 Spatial Framework

Alfred Nzo District Spatial Framework provides guidelines and directives for development in respect of the following key concerns:

- Spatial transformation and restructuring;
- Environmental management;
- Protection of high value agricultural land;
- Rural Development and Agrarian Reform;
- Economic Development and Land Use Management.

7.19 Spatial Restructuring

The following are the key elements of a spatial restructuring programme for Alfred Nzo District Municipality:

- Hierarchy of Nodes
- Hierarchy of corridors.
- Settlement clusters.

7.20 Primary Node

Mount Ayliff is one of the main urban centres within Alfred Nzo District. It is strategically located at the central parts of the district and it plays an important role as a regional centre for district. It has a good potential as a primary node for investment promotion and centre

of supply of services in the district. It forms part of the provincial spatial systems and is identified in the PSDP as one of the economic hubs. This node has administrative, social, and economic potential and there is provision of concentration of different activities of services. As a regional node, the following activities should be strengthened in Mount Ayliff Town:

- Development of commercial activities serving the entire district municipal area and the surrounding areas (region).
- Location of district and sub-district offices of various government departments and service delivery agencies.
- Location of facilities and services for an effective administration.
- Industrial development, focusing mainly on the processing of raw materials produced within the sub-region.
- Location of public facilities serving the whole sub-region and beyond. These may include district hospital, sports facilities and transportation facilities.

7.21 Secondary Nodes

There are three secondary nodes that have been identified within the district and these are:

- Matatiele;
- Mount Frere; and
- Mbizana

These nodes currently function as the main urban centres for the local municipalities that they serve. Similar to the primary node, these areas are well located within the main transportation routes that connect nodes with various settlements within each local municipality. As a sub-regional node the following activities should be strengthened in these secondary nodes:

- Development of commercial activities serving the whole local municipal areas and the surrounding areas (sub-region).
- Light Industrial development, focusing mainly on the processing of raw materials produced within the sub-region and the neighbouring areas – agri-processing centre.
- Location of public facilities serving the local municipalities. These may include sports and transportation facilities.
- Location of facilities and services for an effective administration and local governance of the municipalities.

7.22 Tertiary Nodes

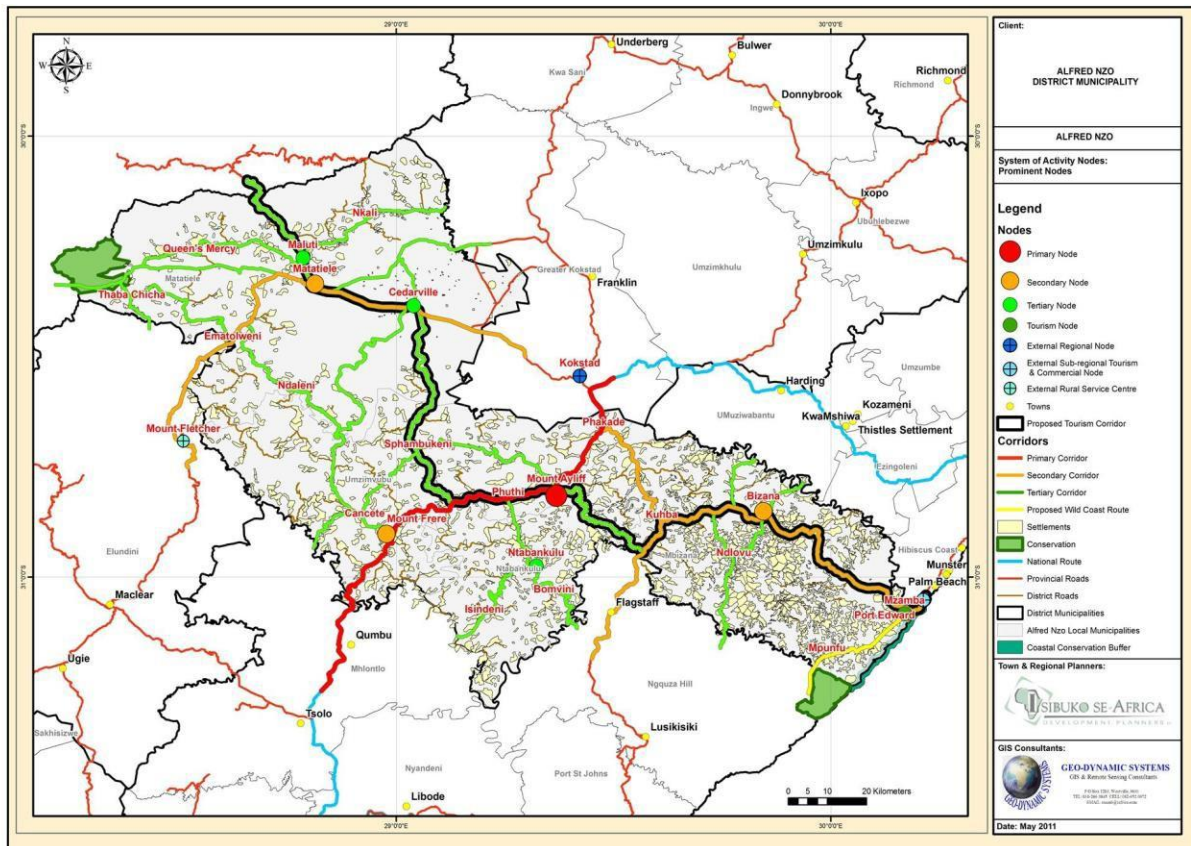
While the primary and secondary nodes serve as regional and sub-regional centres, at least four other areas present an opportunity for the development of tertiary nodes with much less threshold/sphere of influence, namely:

- Maluti;
- Cedarville;
- Mzamba.

Three main factors have influenced the selection of these areas:

- Location in relation to major access routes. Secondary nodes are located either along a primary or secondary corridor, or at the intersection of the primary and secondary corridors.
- Location in relation to large rural or urban settlements, which provides a threshold for services, rendered from these areas.
- Development potential based on the above two factors, and broad overview of the historical development of the areas as well as the current level of development.

Map 4:



7.23 Hierarchy of development corridors

Development corridors in Alfred Nzo District Municipality occur at different scales depending on function and categorization of the transportation route that forms the basis of the corridor. They carry the flows of people and trade between two points (origin and destination) and encourages nodal development at strategic point.

7.24 Primary Corridor

The N2 is identified in the NSDP as a national corridor, and is recognised as such (strategic transport route) in the PSDP. It runs in a north to south direction almost dividing Alfred Nzo District Municipality into half and link the area with KwaZulu-Natal towards the north as well as Eastern Cape towards the south. The N2 is a high speed limited access road providing access and inter-nodal connections at a national and provincial level. At a regional and local level, it presents an opportunity for the integration of Alfred Nzo to the national and

provincial trade routes. It is a tourist route to the major tourist destinations in Eastern Cape. Development along this route should occur as follows:

- Facilitate the establishment of mixed land use activity nodes at the intersection of the N2 and the regional or provincial routes. Activities that may locate in these areas include logistics, warehousing, light industry and commercial facilities.
- In the short to medium term, high value agricultural land located along the corridor should be protected, but in the long term, strategically located areas abutting onto the mixed land use nodes should be opened for development as mixed land use precincts.

7.25 Secondary Corridors

R56 and R61 are the provincial routes that link Alfred Nzo with external significant nodes such as Kokstad, Port Edward and Mount Fletcher. Secondary to the N2, these routes serve as the main link between the Eastern Cape Province and KwaZulu-Natal Province. These are identified in the Provincial Spatial Development Plan (PSDP) - Eastern Cape as some of the Strategic Transport Routes.

R56 is a multi-sectoral corridor as it facilitates access to agricultural zones in the Cedarville-Matatiele Area, tourism zones in the Ongeluksnek area and commerce and industry in Matatiele. It forms the basis for a road system that connects different parts of the municipal area.

Due to the current settlement patterns and population distribution, R61 has attracted a lot of settlement and establishment of business uses dependent on accessibility and population concentrations. The on-going densification along this route is resulting in R61 fulfilling the role of a residential access road.

Development along R61 and R56 Development Corridor should follow the following guidelines:

R61 and R56 are regional limited access and high speed public transport routes, as such direct access onto this road should be subject to the provincial road transport regulations.

Higher order land uses should be accommodated in the nodes, but lower order land uses could develop in a linear fashion subject to alternative access opportunities;

A 15m buffer should be observed from the boundary of the road reserve. This has implications for settlements that have encroached onto the buffer areas.

7.26 Tertiary Corridors

7.27 Proposed Wild Coast Toll Route

There is a proposed national route (i.e. wild coast toll route) which will be positioned from Mbizana (Mzamba) to Lusikisiki. According to the discussion with South African Roads Agency Limited (SANRAL) this toll road will not replace the existing N2 such that both routes will be under the authority of the Department of Transport. However the description of the existing N2 may change.



8 ANDM Sector Plans

8.1. Introduction

The municipality has a number of sector plans in principle, which are viewed as the component parts of the IDP. These plans are used in conjunction with the IDP, hence serving as plans guiding specific functions of the municipality. The municipal departments and other stakeholders such as sector / government departments, in their key major functions develop plans for addressing specific pressing development matters, hence referred to as sector plans. In essence, the key relevant sector plans will be listed below and briefly described in showing the update of their development status hence can be acquired from the municipality on request. The following is a list of relevant sector plans and policies referred to as annexures to the IDP document:

8.2. List of Sector Plans and Update

SECTOR PLANS	ANDM YES	ANDM NO	PROGRESS / COMMENTS
ANNEXURES			
Spatial Development Framework (SDF)	X		SDF was reviewed and completed and is awaiting adoption by Council.
Disaster Management Plan (DMP)	X		Adopted by Council in 2016 -2017 financial year and is expected to be reviewed every financial year in line with the adoption of the IDP
Risk Management Plan / Framework	X		The plan / framework together with the policy were crafted during financial year 2013 – 2014 and will be adopted by the end of 2016/2017 financial year
Local Economic Development Strategy (LED)	X		The updated strategy was adopted by Council in March 2013.
Land Use Management Framework (LUMF)		X	The LUMF is used in conjunction with the SDF guiding the LMs in the development of their LUMS. Currently, there is no LUMF in place, however it is in the process of development and will be finalized in 2016 – 2017 financial year
Land Use Management System (LUMS)		X	It is the role and responsibility of the LMs to develop LUMS that are aligned to the LUMF of the District Municipality (not a competency of the DM).
Coastal Zone Management Plan (CZMP)		X	This plan will be completed in 2016/2017 financial year
Environmental Management Framework (EMF)	X		Adopted by Council in December 2013
Air Quality Management Plan (AQMP)		X	Yet to be developed by the municipality.
Integrated Waste Management Plan (IWMP)	X		Reviewed and adopted by 2017
C-Plan		X	For the Coastal Protected Areas. This plan will be developed by Mbizana LM, which is the only coastal municipality in our area of jurisdiction.
Water Service Development Plan (WSDP)	X		This plan incorporates two entities, which are the Water Services and Sanitation Master Plans. The reviewed plan has just been completed and is awaiting approval by Council.

Water Safety Plan (WSP)	X		The plan is currently under review to incorporate the two new LMs Ntabankulu and Mbizana and will be completed in the current financial year
Emergency Response Plan (Waterborne)	X		Adopted by Council in December 2013
Health And Safety Plan	X		Adopted by Council in December 2013
Dam Safety Plan	X		Adopted by Council in December 2013
Effluent Management Plan	X		The plan has just been finalized / completed and adopted by Council.
Waste Water Risk Abatement Plan (WWRAP)	X		The plan has just been finalized / completed and adopted by Council.
Water Conservation and Demand Strategy (WCDM)	X		The plan is currently under review to incorporate the two new LMs Ntabankulu and Mbizana and will be completed in the current financial year.
Public Transport Plan (PTP) / Integrated Transport Plan (ITP)	X		Reviewed and completed in 2016/2017 financial year
Housing Sector Plan (HSP)		X	This plan is a role and responsibility of the LMs. The LMs are required to develop their own housing plans with the assistance from DHS, which is the main source of funding for the activity. In essence, the DM has a desire to craft a district-wide Housing Master Plan; however the current challenge is the issue of funding.
Institutional Plan (IP)	X		The plan was adopted with the 5-year IDP (2012 / 17). The organogram was also reviewed and approved with the IDP 2012 / 17 and is currently being implemented and reviewed on annual basis together with the IDP
Financial and Capital Investment Plan (FCIP)		X	Yet to be developed by the municipality
Occupational Health and Safety Plan (OHSP)	X		OHSP was last developed in 2008 and has never been review since. The Plan will be re-crafted as a matter of urgency
Organizational Performance Management Plan (OPMS) and Service Delivery and Budget Implementation Plan (SDBIP)	X		The Organizational Performance Management Framework (OPMF) and SDBIP are continuously implemented and reviewed together with the IDP. This will be approved at the end of June 2017. IDP & Budget has been approved by Council on the 31 st of May 2017.
Energy / Electricity		X	The Integrated Strategy / Plan has not been

Master Plan (EMP)			developed as yet, however an Electricity Sector Plan is available and reviewed in 2013 – 2014 financial year
Infrastructure Investment Plan (IIP)		X	Yet to be developed by the municipality
Area Based Plans (ABP)		X	These types of plans are developed by the LMs with reference to different localities and specific contexts.
Water Services Development plan	X		Reviewed in 2016/17 financial year
Backlog Eradication Strategy	X		Developed in 2013/14 financial year
Sanitation Master Plan	X		Developed in 2016/17 financial year
Electricity Sector Plan	X		Reviewed in 2016/17 financial year
Anti-Corruption Strategy (ACS)		X	Yet to be developed by the municipality
Performance Management Framework	X		Reviewed and adopted every financial year

8.3. National, Provincial Sectoral Plan within Alfred Nzo District

These sector plans are drawn directly from the APPs¹¹, AOPs of Provincial Government Departments and provincial entities and Policy Speeches of MECs.

Government Department	Strategic objective	Performance Indicator / Project Description	Targeted Municipality: District /LM	Rand Value
1. CoGTA (AOP)	To improve municipal performance, monitoring, reporting and evaluation services through effective and coordinated hands-on support	Facilitate and coordinate B2B implementation programmes at District level	Alfred Nzo DM Ntabankulu LM Mbizana LM Umzimvubu LM Matatiele LM	R100 000 shared with other municipalities
	To promote excellence in leadership, good governance, corporate services and financial management to achieve clean administration	legal support referrals and Litigation Matters attended to	Alfred Nzo DM	R6 690 000 shared with other municipalities
	To facilitate improved functionality of 39 municipal institutions through the complete implementation of individual performance management and development systems aligned to the organisational performance management systems	Number of municipalities supported in aligning their reviewed organograms with IDP's	Alfred Nzo DM	R1 265 000 shared with other municipalities
	To promote economic prosperity, liveable integrated cities, towns and rural areas as well as basic income	Number of municipalities supported to implement Local Economic Development in line with municipal	Alfred Nzo DM	R1 343 992 shared with other municipalities

	security for citizens of the Eastern Cape Province	LED strategies (Sub-outcome 4, Action 2)		
2. DEDEAT (APP)	Mainstream climate change into the Municipal IDP's.			
	Creating an enabling environment to support enterprise development, in reference with outcome 4: Decent employment through inclusive economic growth	Number of cooperatives provided with nonfinancial support Number of economic development projects funded at local and regional levels	Not specified	
(Policy Speech)	MEC refers to "On the Forestry programme, which covers parts of OR Tambo and Alfred Nzo, six forestry community projects are underway employing more than 1000 people. More than 3400 ha of land has been planted and the first harvest is expected in the next three years. Already some community 5 enterprises are benefiting from the sales of timber harvested from the compartments.			
3. Department of Human Settlement		Top Structures: Alfred Nzo 1119 Emergency Alfred Nzo 130 Disaster Relief Alfred Nzo 209 Emergency Alfred Nzo 4333 Emergency Alfred Nzo 536 Alfred Nzo Destitute 4000 Bhetshwana 1000 Bothashoek 93 (transfers) Cabazana 400 Cancele 30 Dundee 500 Dutyini 500	ANDM Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu Mzimvubu	

		Lubhacweni 1000 Lubhalasi 204 Mangqamzeni 1000 Mbodleni 1000 Mnceba 1000 Mphemba 1000 Mt Ayliff 700 MT AYLIFF BNG Mt Frere 341 MT FRERE-NGQUMANE 300 SITES Ndarhala 500 Ngqumane 300 Ngugwini 400 Nguse 300 NIEU BETHESDA 250 Nikwe 1000 Nkungwini 300 Nqalweni -Matyeni 802 Ntlavini 500 NTLAVINI 523 OSBORNE 1000 Osborne 1000 PHEPHENI/BROOKSNEK 400 Qadu 250 Rhode 1000 SILVER CITY 999 Tela 200 Umzimvubu 11 Emergency Umzimvubu 94 Emergency	Mzimvubu	
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		Mvenyane 500 Njongweville Extension 500 Njongweville106 Nyaniso 500 Pote 40 Pote 700 Destitute Queensmercy 300 Sandfontein/Bultfontein 164 SIPHETHU 1000 (Ntabankulu Mun) Thaba Chicha 500 Thabacicha MPCC Tholeni 1000 Tsitsong 200 Emergency		
		Bizana 800 Didi 1000 Down Town 1000 Down Town 553 Ludeke1000 (100) Mbizana 170 Emergency Mbizana 347 (Destitute) Mbizana 486 Emergency Mbizana Nkantolo 30 Units Mphetshwa 1000 NGQUMANE 300 NKANTOLO 2000 Nkantolo 2000 (Phase 1 - 1000) NkantoloMPCC Nomzamo 569 Zinini (Ph2) 150		
		Bomvini 300	Ntabankulu	

		Dumsi 500 Ngqwarhu/Xhukula 500 Ntabankulu 2876 Emergency Ntabankulu 471 (227) Ntabankulu 471 (244) Ntabankulu 486 Emergency Ntabankulu 500 NTABANKULU DAMBENI 604 Ntabankulu destitutes Ntabankulu Destitute 200 Ntabankulu Destitute 429 Ntabankulu(Alfred Nzo) NTABANKULU-BOMVINI 300 SUBS Phungulweni/Lubala 500 Silindeni MPCC Silindini 500		
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4. Office of The Premier	Lead socio-economic transformation by accelerating implementation of government programmes to ensure access to quality services	Small Town Revitalisation Programme [Alice, Kirkwood, Mt Fletcher, Nyandeni (Libode & Ngqeleni), Port St Johns, Ntabankulu and Mbizana]	Ntabankulu Mbizana	R136m
		Increase percentage of women, youth, and people with disability participating in various sectors of the economy		R1.584m share with other districts
		Training on International, Regional and National Instruments related to Older Persons' Rights.		
		Co-ordinate socio-economic inclusion and protection capacity building prioritizing Social Security. (Alfred Nzo and OR Tambo DMs)		
		Co-ordinate economic empowerment programmes focusing on Non-Profit Organisations' Management and Good Governance. (Alfred Nzo and OR Tambo DMs)		R455 000
		Co-ordinate Anti-Gender Based Violence Empowerment Session focusing on Older Women (OR Tambo and Alfred Nzo)		
		Roll out the Men's Movement Programme (Alfred Nzo DM)		
		Monitoring of Youth Economic Empowerment and Development Programmes and Projects, including Youth Day Legacy Projects. (Alfred Nzo and OR Tambo DMs)		
		Conduct 1 Anti-Corruption and Ethics Training and Awareness Programme in		R800 000

		Alfred Nzo DM		
5. Provincial Treasury	To monitor the implementation of the budgeting frameworks, coordinate, monitor and report on MFMA.			
	Ensures that accounting and financial reporting of municipalities is according to the prescribed Generally Recognised Accounting Practices (GRAP) and assists municipalities in complying with Supply Chain Management and Asset Management regulations			
	To improve accessibility to social infrastructure in municipalities	Number of municipalities with improved access to services: <ul style="list-style-type: none"> Rural Access roads Rehabilitation of the in-streets of Ntabankulu 	<ul style="list-style-type: none"> Alfred Nzo Ntabankulu 	R46 million rands R48,3 million rands
6. Roads and Public Works	<ul style="list-style-type: none"> The department in its request to provide the requisite to create job opportunities and entrepreneurs. APTCoD program 2016/17 	<ul style="list-style-type: none"> The focus is on trades like bricklaying, carpentry, electricity, painting and road maintenance. The program facilitates the training of learners in the built environment so that they can undergo trade testing and be qualified as fully flagged artisans 	Alfred Nzo: Matatiele Mt Ayliff Mt Frere Alfred Nzo 133	
7. Transport	<ul style="list-style-type: none"> Demand for Public transport because of the highest population growth. Scholar transport EPWP Co – ordination and monitoring 	<ul style="list-style-type: none"> Phakade integrated law enforcement 	4 Alfred Nzo	

8. DRDAR	Coherent and co-ordinated rural development for improved quality of life: <ul style="list-style-type: none"> • Increased crop production • Improved livestock production • Rural development initiatives facilitated and coordinated 	Ematolweni Soil Conservation Works	Alfred Nzo	2 605
		Stock Water	Alfred Nzo	2 131
		Plunge dip tanks and stock water	Alfred Nzo	1.298
		Handling Facility	Alfred Nzo	276
		Multi-purpose sheds	Alfred Nzo	1 870
		Stock proof fencing	Alfred Nzo	4 385
		Fencing of arable land	Alfred Nzo	1 393
9. DSD	To provide eight integrated developmental social welfare services to the relevant argeted people infected and affected with HIV and AIDS and people with special needs by March 2020	CARE AND SUPPORT TO OLDER PERSONS	ANDM	R576 000
		SERVICES TO PEOPLE WITH DISABILITIES	ANDM	NIL
		HIV AND AIDS	ANDM	R266 000
		CARE AND SUPPORT TO FAMILIES	ANDM	NIL
		CHILD CARE AND PROTECTION SERVICES- NON GOVERNMENTAL ORGANIZATIONS	ANDM	R113 042
		NON CENTRE BASED ECD PROGRAMMEES	ANDM	NIL
		EARLY CHILDHOOD DEVELOPMENT PROGRAMME	ANDM	R4 398 405
		CHILD AND YOUTH CARE CENTRE- NON GOVERNMENTAL ORGANIZATIONS	ANDM	NIL
		COMMUNITY BASED CARE SERVICES FOR CHILDREN – ISIBINDI PROGRAMME	ANDM	NIL
		CRIME PREVENTION	ANDM	NIL
		VICTIM EMPOWERMENT	ANDM	R150 000
		SUBSTANCE ABUSE	ANDM	R106 000
		10. DSRAC	The Department has been given responsibility by Provincial Government to host the National events. These five (5) priorities, namely; talent	Mt Ayliff Museum
Ntabankulu Library	Alfred Nzo - Ntabankulu			-

	management, employment equity, systems and information capacity, employee health and wellness; values and ethical behaviour			
11. Education	Progressively eradicate schools constructed of inappropriate infrastructure in line with Norms and Standards for Infrastructure from 1465 to 0 by 2023	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Ensure that all schools have basic services and meet basic safety requirements in line with the Norms and Standards. (What is the extent of the problem)	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Progressively provide appropriate Grade R classrooms in line with the Norms and Standards for Grade R	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Provide intervention in cases of disasters and emergencies together with chronic facility shortages brought about by rapid migration.	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Monitor the minor maintenance	Strategic objectives embody direct	Eastern Cape	Utilisation of

	required at schools, a school principal's guidelines (Policy/Guideline to be developed).	infrastructure commitment in the whole of the EC	Province	available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
	Provide infrastructure in respect of the realigned schools and optimise existing infrastructure in rationalised schools.	Strategic objectives embody direct infrastructure commitment in the whole of the EC	Eastern Cape Province	Utilisation of available budget in conjunction with all funding sources i.e. ASIDI; Donor; Grant and equitable funding
12. Health	Compliance with norms and standards for all new infrastructure projects by 2019		Eastern Cape Province	Grants Funding

Entities				
Government Department or Entity	Strategic Objective	Performance Indicator / Project Description	Targeted Municipality: District /LM	Rand Value
ECSECC	Long-term planning and institutional support to the Alfred Nzo district municipality, with a specific focus on water and sanitation services as well as multi-agency projects to unlock economic potential.	Finalisation and implementation of District Development Strategies. Identification, packaging and facilitation of priority interventions.	ANDM	Co-Funded by ANDM
		Research analysis and generation of knowledge products to inform economic development planning, district and metro development strategies and design of priority interventions.	ANDM	Co-Funded by ANDM
	Support to OTP led Small Town Development Programme including towns in the Alfred Nzo District.	<ul style="list-style-type: none"> • Coordination • Vertical & horizontal integration • Compacting of role-players • Facilitation for the Programme. 	ANDM	Co-Funded by ANDM
ECDC	Development Finance and business support	<ul style="list-style-type: none"> • Loans disbursed • At least 300 SMMEs receive development finance • At least 300 SMMEs receive non-financial support • At least 70-80 enterprises incubated • At least 2500 jobs are created and saved 	None (amounts are for whole of the EC)	Portion of R110m
	Innovation and trade promotion	<ul style="list-style-type: none"> • At least R650 million in direct investment 	None (targets are for whole of the EC)	

		<ul style="list-style-type: none"> • Leverage at least R90 million of 3rd Party Funding • at least 2500 jobs are created and saved • At least 70 local entrepreneurs are provided with integrated export support • At least 100-500 people are trained in critical skills in key priority sectors 		
	Small town revitalisation (incl. townships) and improved roads	Portion of: <ul style="list-style-type: none"> • R120 million in external funding for mega-projects • R200 million from provincial fiscus for ISIDP projects • Further R150 million Mega projects commenced • Alternative revenue of R4 million for mega-projects 	None (targets are for whole of the EC)	
ECGBB APP	Infrastructure Development in the Bingos Located in the Eastern Cape as part of Town Revitalisation Strategy of DEDEAT.	Bingo Royale Matatiele	Matatiele	R3.5m
	Eastern Cape Casinos per zone or Municipal Boundaries	Transkei Sun International Ltd t/a Wild Coast Sun Casino.	Mzamba Bizana	
ECLB	Community health, education and awareness	Awareness interventions conducted	Portion of 120 for EC	

		Social responsibility programmes conducted	Portion of 5 for EC	
		People reached through awareness interventions	Portion of 23000 for EC	
ECPTA	Leverage resources for tourism & conservation priorities	Expand protected area system	None	R1.22m for whole EC
		Participation of previously disadvantaged individuals in mainstream tourism	None	R3.7m for whole EC
		Participation of previously disadvantaged individuals in conservation & game farming	None	R571 000 for whole EC
		Develop provincial nature reserves	None	R4.66m for whole EC
		Management of protected areas	None	R23.7m for whole EC

8.4. Municipal Sector Policies (Others)

Apart from legislative requirements, the following are policies and procedures developed to guide all activities and procedures of the municipality. These policies are developed to ensure effective and efficient service delivery and use of municipal assets. They are:-

Human Resources	Financial Management	Reviewal date
13th cheque policy	Accounting policies	31 May 2017
Acting allowance policies and procedures	Capital replacement reserve policy	31 May 2017
Code of conduct policy	Fleet management policy	31 May 2017
Compensation for occupational diseases and	Fixed asset management policy	31 May 2017
occupational health and safety policy	Investment and cash management policy	31 May 2017
Consuming of alcohol or any abusive drugs-	Auxiliary and Information Technology	31 May 2017
Death of staff member policy	Email and Internet User Policy	31 May 2017
Draft- promotion policy	Telephone and cell phone policy	31 May 2017
Sexual harassment policy		31 May 2017
Smoking policy		31 May 2017
Unauthorized absence policy		31 May 2017
Retention policy		31 May 2017
Employee assistance		31 May 2017
Gift, favors or reward policy		31 May 2017
Hours of work policy		31 May 2017
Housing rental policy		31 May 2017
Implementation of new policies & procedures		31 May 2017
SMME Policy		31 May 2017
Tourism Policy		31 May 2017

9 References for Diagnostic Section of Situational Analysis Chapter

- Specific documents reviewed for this chapter include:
- ANDM IDP 2016-17 Review
- ANDM LED Strategy (Isibuko se Africa)
- ANDM SDF (2015, Tshani)
- ANDM economic leakage analysis (UrbanEcon, 2011)
- ANDA corporate plan 2020
- ANDM grain masterplan (2014)
- ANDM investment attraction strategy (WYG, 2013)
- ANDM tourism sector plan (WYG, 2012)
- ANDM agri-parks masterplan
- StatsSA Community Survey 2016
- Numerous ECSECC information sources.

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Annexures

Annexure 1: ANDM Financial Plan

Annexure 2: Project Plans of LMs and sector departments

- 4 LMs
- Dept of Energy
- EC Dept of Health
- EC Dept of Education and ASIDI
- Dept of Roads and Public Works (buildings, roads, EPWP, National Youth Service, APTCoD)
- Safety and Liaison (SAPS oversight and community mobilisation projects)
- others

Annexure 3: ANDM PMS

SECTION A: ORGANISATIONAL PMS

Introduction

This performance management framework document of Alfred Nzo District Municipality (ANDM) sets out the Performance Management System of the District undergirded by the District IDP and its annual SDBIP of the District.

The performance management framework covers, what it is, why there is performance management, who is involved in the performance management system, how the system is organised and how and when it is implemented.

The primary mandatory components of the performance management framework herein are the Organisational level Performance Management, Departmental performance management and individual performance management.

The performance management system process is enjoined in the IDP process plan as depicted in the process under the section on implementation.

PMS defined & rationale for the performance management framework

What Is Performance Management, Monitoring and Evaluation and the Annual IDP Review? Performance management is defined as:

“A strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organisation in terms of indicators and targets of efficiency, effectiveness and impact.”

The municipality shall develop a performance management system based on the prescripts contained in the legal framework for the performance management system.

The municipality shall set targets and monitor and review the performance of the municipality based on the indicators linked to the Integrated Development Plan (IDP). Performance management consist of these two inseparable, integral components, namely:

Organisational performance management: to determine whether a municipality is achieving its strategic goals; and

Employee performance management: to determine how well employees perform their duties towards the achievement of the municipality’s objectives

Performance Management is an ongoing communication process that involves both the Manager/Supervisor and the Supervisee in:

Identifying and describing essential job functions and relating them to the strategy (IDP) and Budget of the Municipality;

Developing realistic and appropriate performance standards;

Giving and receiving feedback about performance;

Undertaking constructive and objective performance appraisals ; and

Identifying and planning education and development opportunities; to sustain, improve or build on employee work performance.

Why Performance Management System; the purpose of the IDP Plan is to ensure that the resources available to the ANDM are directed at the delivery of projects and programmes that meet agreed development priorities.

As AND Municipality starts the implementation of the IDP plan it is important to check that:

the delivery is happening in the planned manner;

the Municipality is using its resources most efficiently;

it is producing the quality of delivery envisaged; and
the delivery is having the planned effect on the lives of the people in the
Municipality.

To achieve this it is necessary to monitor and evaluate, measure and review the
performance of ANDM against indicators and targets set in the IDP and SDBIP.

Performance management will assist Municipalities:

to make immediate, appropriate changes in delivery and management of
resources;

identify and overcome major or systemic blockages; and

guide future planning on developmental objectives and resource use,

Achieving this requires pro-active development of a performance management system
and undertaking an annual review of the IDP.

[Applicable legislation for the pms framework](#)

[The local government: municipal planning and performance management
regulations, 2001.](#)

Section 7(2) of the Regulations requires that the Municipality, in developing its
Performance Management System, must ensure that the system:

Complies with all the requirements set out in the Municipal Systems Act;

Demonstrates how it is to operate and be managed from the planning stage up to the
stages of performance review and reporting;

Clarifies the roles and responsibilities of each role player, including the local community,
in the functioning of the system;

Clarifies the processes of implementing the system within the framework of the
Integrated Development Planning process;

Determines the frequency of reporting and the lines of accountability for performance;

Relates to the Municipality's Employee Performance Management processes.

Furthermore, Section 43 of the Regulations prescribes the seven general key
performance indicators (Section 3.3.4 of this policy).

[Municipal performance regulations for municipal managers and managers directly
accountable to municipal managers, 2006](#)

These regulations articulate issues of employment contracts, performance contracts and
performance appraisal of Municipal Managers and Managers directly accountable to
them.

Chapter 3 of the regulations allude to the following regulation clauses as purpose of performance agreement:

23. The purpose of the agreement is to:

Comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties;

specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;

specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;

monitor and measure performance against set targeted outputs;

use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;

in the event of outstanding performance, to appropriately reward the employee; and

give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

Municipal Systems Act (Act No 32 of 2000)

In terms of this Act (Chapter 6, Sections 38 – 49) all municipalities are required among other things to:

Develop a PMS, monitor and review performance based on the indicators linked to the IDP;

Involve the community in the development of key performance indicators; and reviewing municipal performance.

Publish an annual report on performance for councillors, staff, the Municipal and other spheres of government;

Section 57 of chapter 7 (MSA) of this chapter requires the Municipal Manager and those officials reporting directly to the Municipal Manager (section 57 employees) to sign annual performance agreements.

Municipal Finance Management Act (2003)

Section 1 of the MFMA defines the SDBIP as:

“a detailed plan approved by the mayor of a municipality in terms of section 53(1)(c)(ii) for implementing the municipality's delivery of services and the execution of its annual budget and which must include (as part of the top layer) the following:

a) Projections for each month of-

(i) revenue to be collected, by source; and

(ii) operational and capital expenditure, by vote

b) Service delivery targets and performance indicators for each quarter.

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According to Section 53(1) (c) ii of the MFMA (Act 56 of 2003) "*the Mayor of the municipality must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan is approved by the mayor within 28 days after the approval of the budget*"

The Mayor is to receive the draft SDBIP 14 days after approval of budget and therefore the final SDBIP approved 14 days after receiving the first draft of the SDBIP.

RSA Constitution, 103, of 1996

The overarching legislative mandate of the PMSF is to achieve the objects of Section 152 of the Constitution which are:

To provide democratic and accountable government for local communities;

To ensure provision of services to communities in a sustainable manner;

To promote social and economic development;

To promote a safe and healthy environment; and

To encourage the involvement of communities and community organisations in the matters of the local government

Objectives and guiding principles of the performance management framework

The main Goal of Performance Management is to ensure that the municipality as a **system** and its **subsystems** work together in and **integrated** fashion for accomplishing optimum results; and facilitate increased accountability.

The PMS provides a mechanism for ensuring increased accountability between:

The citizens of the AND Municipality and the municipal council;

The political and administrative components of the municipality and;

The Office of the Municipal Manager and each municipal department.

The PMS also provides a platform for learning and improvement. It enables ANDM to assess which approaches and methods are having the desired impact and this way enable ANDM to make the necessary improvements that will lead to more effective service delivery.

This PMSF provides managers and supervisors at all levels; the municipal manager, portfolio committees and the council with early warning of performance targets that are not going to be reached and thus adversely affecting the implementation of the IDP.

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The PMS should provide suitable management information that will allow for efficient, effective and informed decision making, particularly on the allocation of resources.

This Performance Management Framework is to clarify the processes of implementing the performance management system within the framework of the Integrated Development Planning process. To demonstrate how the system will be conducted, organized, operated and managed from the planning stage up to the performance review. It will determine the roles and responsibilities and the frequency of reporting for Organisational Performance Management System and Individual Performance Management System.

This framework aims to:

Clarify the processes of implementing the performance management system within the framework of the Integrated Development Planning (IDP) Process.

Clarify definitions and standards for performance management.

Ensure compliance with the South African Legal framework.

Demonstrate how the system will be conducted, organized, operated and managed from the planning stage up to the stages of performance review.

Define roles and responsibilities.

Determine the frequency of reporting.

Promote accountability and transparency of performance management within the Alfred Nzo District Municipality.

Prior to implementing a PMS, an approved organisational structure that is aligned to the IDP be put in place. This structure should indicate roles, responsibilities, powers and functions for the implementation of the IDP.

Who uses the PMS and How: Roles & Responsibilities

A range of different ANDM stakeholders use the Performance Management System for different reasons. Understanding these is important as it affects the type of information required and the form in which it is prepared.

The table on the next page outlines some of the key usages.

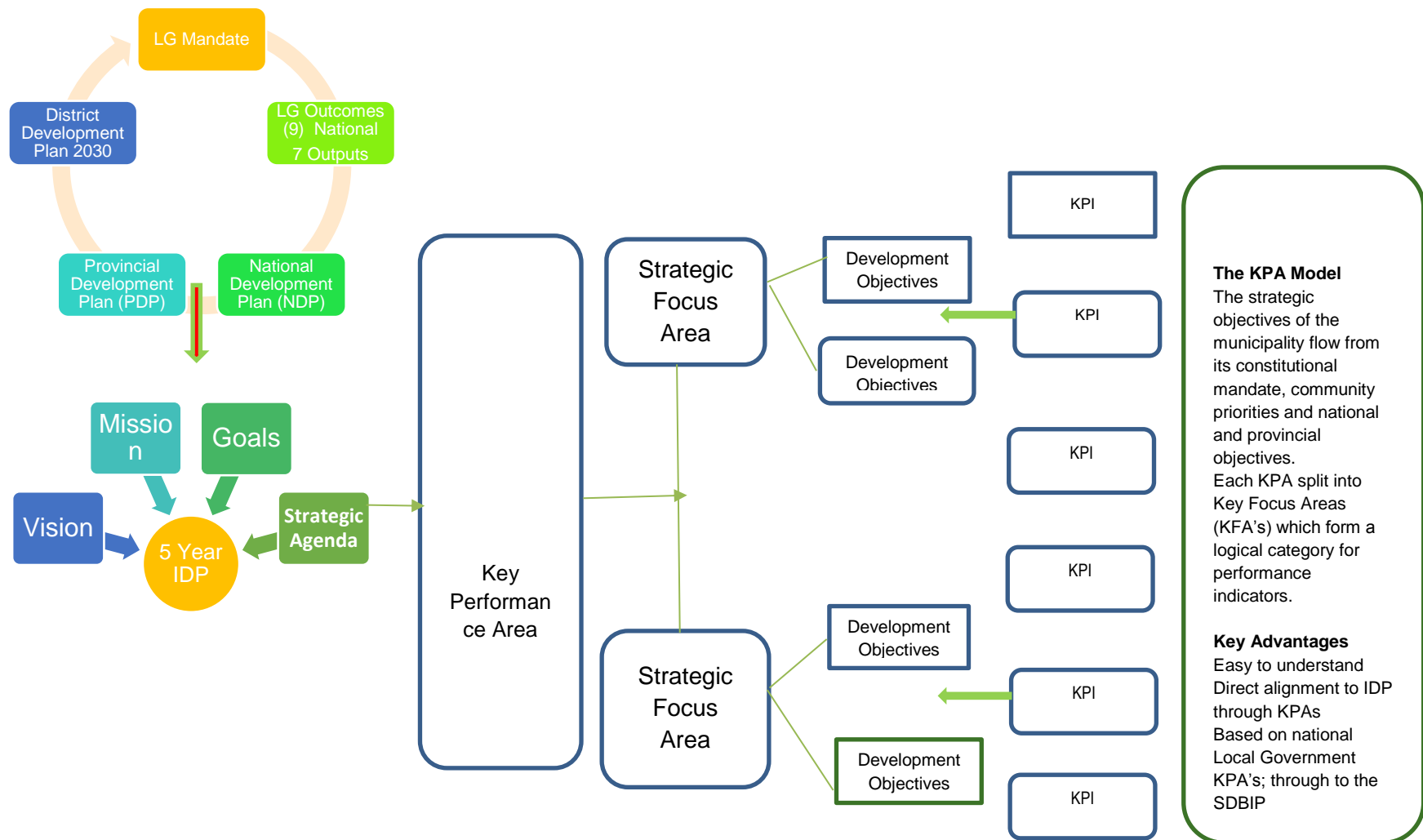
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ANDM Council	<p>Assess whether it is meeting its developmental objectives and whether these are having an impact on the lives of the people in the Municipality.</p> <p>Help define ways of improving its resource usage and impact on the developmental needs of the people in the Municipality.</p> <p>Assist in evaluating progress made by the Municipality against key performance indicators.</p>
Executive Mayor and Mayco	<p>Strategic monitoring of progress and effectiveness of the implementation of the IDP Plan.</p> <p>Review the effectiveness of service delivery strategies used by the Council and inform recommendation on best methods including partnerships for service delivery.</p>
Municipal Manager	<p>Strategic and operational control of the delivery of the IDP & SDBIP.</p> <p>Use the information and analysis to advise the Council on the best action for the Municipality to take to realise its development objectives.</p>
Senior Management Team	<p>Keep an up to date understanding of implementation.</p> <p>Understand reasons for problems and blockages</p> <p>Inform ways of tackling day-to-day and systemic blockages to implementation.</p>
Financial Team	<p>Monitors how effectively the financial resources are used to implement the IDP.</p> <p>Controls the flows of money to maximise its contribution to the implementation.</p>
Programme Managers	<p>Monitors and evaluate the delivery of range of projects or parts of projects to understand how the implementation can best achieve the defined programme objectives.</p>
Sectoral Managers	<p>Understand and assess how his sectoral resources are performing in implementing the IDP plan.</p> <p>Evaluate/Measure performance in terms of agreed indicators and targets</p>
Project Managers	<p>Monitor and evaluate the proper allocation of resources to achieve the project delivery in the most efficient way within the defined timeframe.</p>
Consultation For a like IDP Rep Forum	<p>Monitoring and evaluation and review information to provide the opportunity for them and the groupings they represent to assess the extent to which the Municipality is delivering its IDP plan.</p> <p>Assess better ways of mobilising their “constituencies” to appropriately involve themselves in delivery</p>

Local Residents	<p>Receive information on the progress in the delivery of the IDP Plan.</p> <p>Hold Municipalities accountable for their performance against key performance indicators and targets.</p>
National and Provincial Government	<p>Understand the extent to which the Municipality is contributing to meeting National and Provincial development priorities.</p> <p>How effectively the Municipality is using financial and other resources provided to it by other spheres of government.</p>
Grant Funders	<p>Monitoring and evaluation as to whether their financial contributions are used effectively and appropriately to meet the Municipality's development objectives and their conditions as funders.</p>
Auditors	<p>Understand the policy bases of performance management in ANDM for performance audits</p>

SECTION B: ORGANISATIONAL PERFORMANCE MANAGEMENT MODEL & APPROACH

The PMS is modelled on the overall Integrated Development Planning system and ethos which brings all plans from national and provincial to converge within district and local plans in a specific local space for implementation. The diagram below depicts the overall model of the PMS:



The Balanced Scorecard approach will be used based on the **KPAs** and the **strategic objectives** as they appear in the reviewed IDP. It will also link the IDP objectives to operational plans and ensuring that there is a balance of outcome, output and input indicators in the organizational and departmental SDBIPs. The KPIs and performance targets will be developed for each of the strategic focus areas and high level objectives. Baseline information for the previous financial year will also be used to determine where the municipality is in terms of achieving its previous plans, and to determine what should be done to improve on the past performance. The Balanced Scorecard approach will be customised as follows:

Service Delivery Perspective: (outcome/impact)

KPA: Basic Service Delivery & Local Economic Development

This looks at whether the services provided meet the needs of the customers in terms of value added to customers, time, quality, service costs and outcomes. Outcomes are “what we wish to achieve and the impact are the results of achieving specific outcomes”

Financial Perspective: (efficiency & effectiveness)

KPA: Financial viability management

This looks at the efficiency and effectiveness of managing operations and costs, sustainability and revenue growth.

Internal Business Processes: (outputs)

KPA: Good governance and public participation

It refers to activities and processes done by the organization to deliver services, it looks at both short term and long term objectives. How well the municipality is running and whether the services rendered conform to customer needs. They are “what we produce or deliver.”

Learning and Growth Perspective: (inputs)

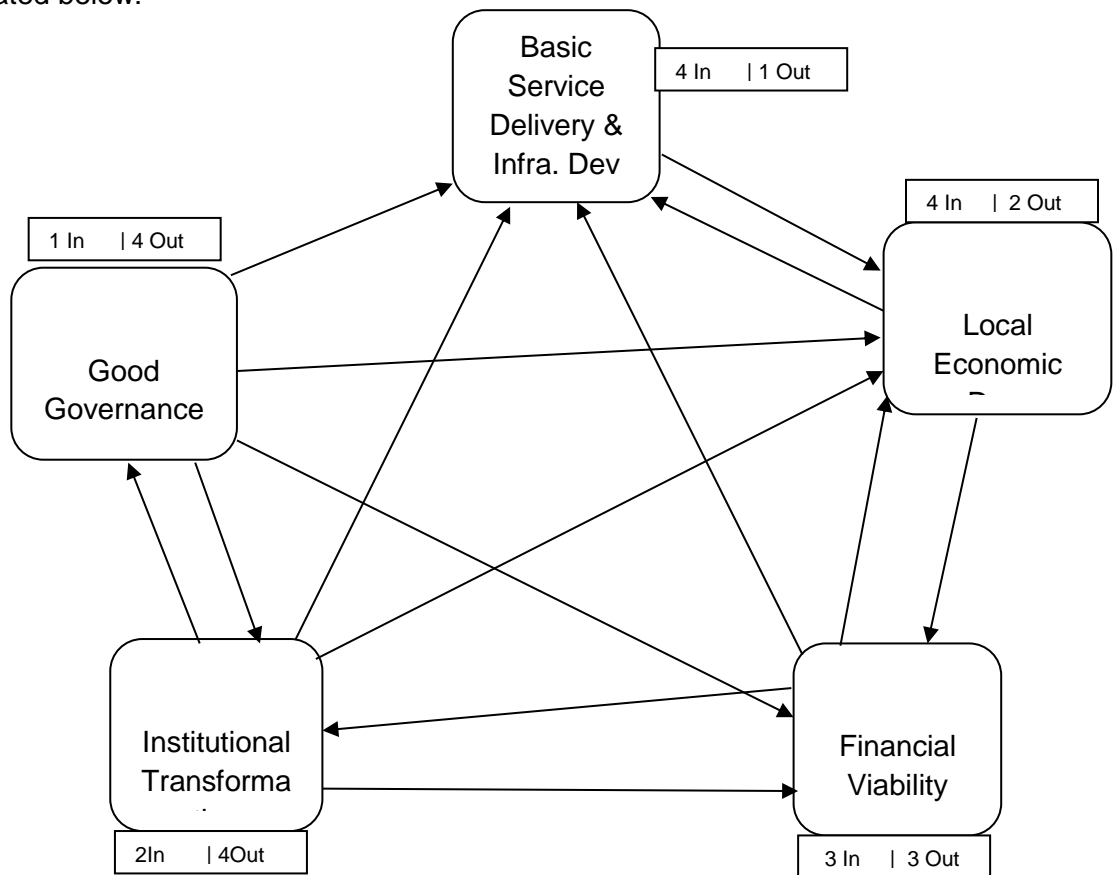
KPA: Institutional transformation and organisational development

It looks at human capacity, systems, organizational climate and culture. It emphasizes skills and capabilities required to improve performance. Inputs contribute to the production and delivery of outputs. They are “what we use to do the work.”

Taking from the National Government guide on the scorecard AND municipality through the Strategic Planning process and into the IDP Strategic Agenda articulation developed the following Scorecard:

KEY PERFORMANCE AREA	WEIGHT (%)
Basic Service Delivery and Infrastructure Development	40
Local Economic Development	30
Financial Viability	15
Good Governance and public Participation	5
Institutional Transformation	10

The scorecard is informed by the logic that achieving the strategic agenda will be through appreciating which are the drivers and outcomes between the KPAs, as illustrated below:



The Performance Management Cycle

PERFORMANCE PLANNING: This ensures that the strategic direction of the municipality informs and aligns the IDP with all planning activities and resources, like the development of departmental SDBIPs, development of Performance Contracts for Section 54 and 56 employees and the Performance Plans of all employees. The key performance areas and key performance indicators are aligned to the IDP and the national requirements and the targets are set at this stage.

The overall cycle includes four phases illustrated in the figure below:



Performance, measurement, review and analysis

This is an ongoing process to determine whether performance targets are met, exceeded or not met. Projections can also be made during the year as to whether the final targets will be met by comparing achievements to the past deliverables. This also analysis why there is under-performance or over performance in a particular area. Where targets have not been met, reasons are examined and corrective actions recommended. Evidence to support the status is also reviewed. This is where indicators are also reviewed to determine if they are feasible and measure the key areas appropriately.

Performance review sessions- the cycle for performance runs throughout the year. Monitoring is a process of consistently measuring performance and providing ongoing feedback to the employee or group of employees on their own progress towards reaching the set objectives.

Accountability to the Councillors of the Portfolio / Standing Committees takes place every month, hence the monthly Portfolio / Standing Committee meetings. This is where the quarterly KPAs are worked on and accounted upon monthly and the next month's plan is agreed upon and where the Councillors give input on the next month's programme and projects. This should be seriously considered as the platform in which the Councillors exercise their oversight role.

It is therefore imperative that the time is invested in the process for the:

Self-assessment by the employee;

Assessment by the employee's manager

Joint discussion between the employee and the responsible manager; and\reaching consensus on the outcomes, detecting problems and jointly devising solutions.

The performance reviews will take place as follows:

All Departments to submit their Quarterly Reports to the relevant department on the 10th day after the end of the Quarter.

The consolidated quarterly review report will be presented to Portfolio / Standing Committees on the 15th after the end of the quarter.

The Consolidated Review Report and Performance Analysis Report will be presented to Top Management and the Extended Top Management on the 20th after the end of the quarter.

The Quarterly Review Meeting will then take place on the 24th after the end of the quarter when all inputs from various committees have been incorporated into the review reports

Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

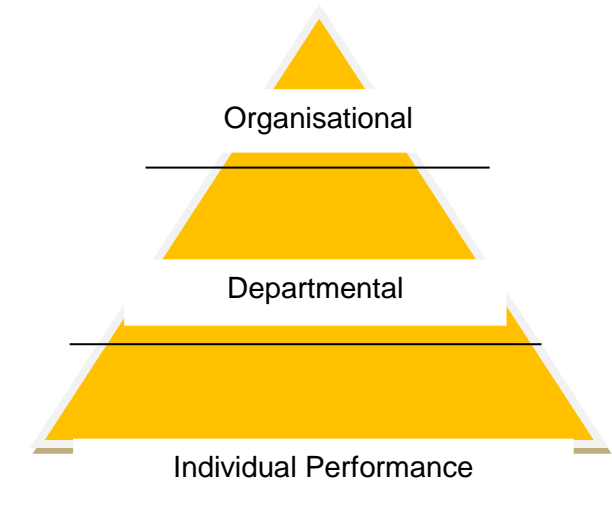
Performance reporting

Sections report weekly to the Managers. These reports are consolidated into monthly reports where line managers report to their Executive / Senior Managers. The monthly reports will be presented and discussed at the Extended Top Management on monthly basis. These departmental reports will then be consolidated into quarterly reports by respective departments. The quarterly reports are sent to the Portfolio / Standing Committees and the Internal Audit prior it being sent to Council and the Performance Audit Committee. Quarterly reports are consolidated and reporting is done twice a year to management and communities in the form of an Annual Report at the end of the Financial Year.

Organisation of performance management

Although organizational and individual performance management are linked, as the latter cannot be meaningfully developed without the former, it is important to manage these two fields of performance management as two separate systems. Once organizational objectives (Integrated Development Plan) and targets have been set for the Municipality, municipal departments and sections, it is possible to cascade them down to individuals within the sections through the use of individual performance plans. In turn, the achievement of individual, section and municipal department objective, contribute towards the achieving the overall objectives of the Integrated Development Plan.

Performance Management is organised into three layers of organisational performance, Departmental Performance, which can be subdivided into units, and the third layer is the individual performance management:



Departmental performance management system

Each Department shall draw up its annual departmental performance management framework based on the Integrated Development Plan, Performance Management Framework, Strategic Plan and Service delivery and budget implementation plan (SDBIP).

The Departmental performance management system shall be driven and championed by the Head of the Department.

The Departmental performance management system shall set an enabling performance environment for the efficient and effective utilization of employees within the Municipality.

The Departmental key performance areas, objectives, indicators targets and results shall be formulated by the Executive Manager or through a Departmental workshop.

The Municipality shall set aside an annual funding for departmental workshops to take place immediately after the adoption of the budget and the IDP for formulation of annual departmental performance plans.

The effective management of performance at a unit and individual levels shall be the responsibility of the head of the department or unit.

The Head of the unit shall ensure that employees complete tasks assigned to them within the context of a performance management system.

Individual performance management system

The substantive details of the individual performance management system are discussed under section c below.

SECTION C: INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

Performance appraisal

The individual performance management system will be largely informed by and based on the organizational and Departmental performance management system.

Appointment of individual managers shall be based on performance contract so as to enhance the culture of accountability and performance within the Municipality.

The practice of appointing managers on performance contract shall be extended up to Post level 4 or equivalent level employees.

Annual performance contracts or accountability agreements or undertakings /promises shall be concluded and signed between the person responsible for managing the performance of a particular employee and that employee

Performance of Section 57 employees shall be strictly managed according to the 2006 performance management regulations issued by the Department of Provincial and Local Government.

Performance standards and measures for each employee shall be set according to the pre- determined performance values and criteria for the Unit and the post.

Performance management shall be pursued in order to identify performance gaps, deficiencies, and good performance for the purpose of making interventions and awarding rewards where necessary.

Employees shall be informed both verbally and in writing of what is expected of them in their jobs.

The employees shall be assessed according to the competency model which entails job knowledge, skills, attributes and set performance standards, objectives and targets.

Critical training needs will also be established through this process.

Employees will be entitled to receive regular feedback on their performance from their superiors.

In return, employees have a moral duty and obligation to perform their duties in terms of the set performance standards and job description without failure.

Rendering of services by employees in the most efficient, economical and effective manner will lead to judicious delivery of the right quality and quantity of output at the correct time.

Individual performance assessments shall be done quarterly in respect of all employees.

Performance assessment shall be based on a set of performance standards, objectives and targets.

The Municipality shall establish a Performance Management System (PMS) Unit within the Corporate Services Department to drive the individual performance management programme of the Municipality.

The PMS unit shall be responsible for co-ordination of individual performance management from probation stage of personnel utilization through the entire life cycle of personnel utilization within the institution.

The PMS unit shall be responsible for recording the proceedings of performance assessment sessions at all times.

The PMS unit shall be the custodian and a place/point of reference for all working/current records of individual performance management subject to compliance with the requirements of the Municipal records and information management policy.

The PMS unit shall be responsible for managing and co-ordinating performance management in respect of provision of outstanding performance awards and payment of performance bonuses to respective employees.

The PMS unit shall be responsible for institution of poor performance counselling proceedings as may be required in terms of feedback from various service users from time to time.

The institution of disciplinary proceedings arising from poor work performance will be exclusive reserve of the Labour Relations Unit within the Corporate Services Department of the Municipality.

Performance review for managers reporting to executive managers

Managers will submit their performance reports based on their performance plans to the Executive Manager at the end of every month.

The Executive Manager will then sit with all managers at the end of the quarter on a one to one basis assessment, which will eventually inform the Executive Manager's performance.

Performance appraisal of managers reporting to the executive managers

The appraisal of managers reporting to the Executive Managers shall be done using the performance appraisal form every six months.

For purposes of evaluating the annual performance of managers reporting to the executive managers, an evaluation panel constituted of the following persons must be established –

Relevant Executive Manager of the department being evaluated.

Corporate Services

Planning and Economic Development / Development Planning Unit

A representative from another municipality / Department

Management of evaluation outcomes for managers reporting to executive managers
The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

Performance shall be awarded on the discretion of the evaluation panel.

Performance award for managers reporting to executive managers

Outstanding performance shall be awarded with incentives in a form of certification and monetary value.

Incentives shall be given on the basis of the result of the performance appraisal.

Section 54 and 56 employees

Section 54 and 56 employees are assessed on an 80:20 basis, where 80% represents the Key Performance Areas and the 20% represent the Core Competency Requirements (CCR).

A performance bonus for outstanding performance or an in-kind recognition of effective performance shall only be effected after,

The annual report for the financial year under review has been tabled and adopted by the municipal council;

An evaluation of performance in accordance with the provisions of regulation 23 and this contract; and

Approval of such evaluation by the municipal council as a reward for outstanding performance or effective performance.

Performance Evaluation for Section 54 and 56 employees and Managers

Reporting to the executive managers

The monitoring and performance evaluation of section 54 and 56 employees shall be done in accordance with the Local Government: Municipal Performance Regulations for

Municipal Managers and Managers directly accountable to Municipal Managers, regulations of 2006, which prescribes as follows:

For purposes of evaluating the annual performance of the municipal manager, an evaluation panel constituted of the following persons must be established –

- (i) Executive Mayor or Mayor;
- (ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- (iii) Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council;
- (iv) Mayor and/or municipal manager from another municipality; and
- (v) Member of a ward committee as nominated by the Executive Mayor or Mayor.

For purposes of evaluating the annual performance of managers directly accountable to the municipal managers, an evaluation panel constituted of the following persons must be established –

- (i) Municipal Manager;
- (ii) Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;
- (iii) Member of the mayoral or executive committee or in respect of a Plenary type municipality, another member of council; and
- (iv) Municipal manager from another municipality.

The Manager: Human Resources shall provide secretariat services to the evaluation team referred to above.

Management of evaluation outcomes for section 54 and 56 employees

Regulation 32(1) (2)(a) and (b) states that;

(1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding

performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -

(a) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%.

(b) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

The performance bonus based on affordability of the municipality shall therefore be paid to the section 54 and 56 employees after the annual report for the financial year under review has been tabled and adopted by the municipal council.

Dealing with poor performance

In the event of an employee failing to meet his/her performance objectives, the following guidelines should be followed:-

Poor performance and incapacity process

The onus lies with the Manager/Supervisor to ensure that the employee knows what is required;

Objectives/targets – key performance areas and deadlines should be agreed with the employee;

The employee should be given appropriate training, coaching and instructions in order to be able to meet the objectives/targets;

The employee has to have the means to perform the required objectives.

The employee must be given a reasonable time to achieve the required objectives. The employee must be given regular feedback on his/her performance.

Formal counselling

The employee's direct Manager/Supervisor is responsible for conducting any formal counselling sessions on poor performance; The Counselling session is an opportunity to formally plan and agree on corrective action;

Identify why the employee is failing to meet the required performance standards/objectives;

Agree on a plan to assist the employee in achieving the required standards/objectives and give the employee a fair opportunity to improve his/her performance;

Make the employee aware of the potential consequences of not complying with performance requirements;

Ensure that these meetings are documented so that procedural fairness can be proved in the event of any future disciplinary been taken.

Corrective formal disciplinary process

Should the employee after a reasonable period of time for improvement, continue to perform unsatisfactorily, notwithstanding appropriate evaluation, instruction, guidance and/or counselling, formal disciplinary steps may be implemented.

A formal disciplinary hearing should be held, and corrective action through series of graduated disciplinary measures should be considered, e.g. formal counselling, written warning, written final warning, and finally dismissal as a last resort.

Supervisors must meet regularly with employees to:

discuss the employee's performance objectives;

monitor their performance;

conduct formal assessment and agree on areas of improvements and what will be required to enhance that improvement. These included systematic, remedial and development support.

The feedback must be formal and in writing

Disputes:

Employees must record their disagreement on the performance assessment.

Such dispute must be resolved without delay through formal structures.

Situations of poor performance, after everything possible has been done, the following may be considered:

Mentoring of the employee;

Placing the employee in a more appropriate job; and

Possible dismissal of the employee.

Departmental Award

Procedure

One week prior to the monthly departmental meeting, the Head of Department invites members of the department to nominate colleagues to contend for the performance excellence award based on the above criteria.

Nominations should be submitted through respective managers to the Head of Department.

At the departmental monthly meeting, staff members may vote for the deserving colleague of their choice. Nominated officials may vote. The Head of Department may not vote at such proceedings. Colleagues will vote through the mechanism of a secret ballot.

The Head of Department will officiate over the tallying of votes and communicate the successful departmental candidate at a departmental meeting after it has been approved by Top Management.

Probation management system

A newly appointed employee for a period of not less than 12 months will be required to serve a six month-probation period prior to confirmation of employment.

Probation shall apply to contract employees as well, including performance contract employees.

Employees hired for a period of less than 12 months but not less than three months, will be required to serve a probationary period of two to three months prior to confirmation of employment.

Employees hired for a period of less than three months will not be required to serve probation.

During probation, employees shall be given an opportunity to demonstrate performance up to the standards expected of them and be provided with appropriate feedback, assistance and support to achieve them.

The new employee and his or her supervisor will discuss formally or informally the required performance levels within the first month of employment in an effort to lay a sound foundation for tracking performance.

Performance of employees on probation for a six month-period shall be assessed on a bi- monthly basis.

Performance assessment of an employee on a less than six month-probation period will be conducted on a monthly basis.

The Municipal Manager shall be responsible for approval and confirmation of satisfactory completion of probation by each employee of the Municipality.

Upon successful completion of probation the employee will be issued with a letter of confirmation of employment from the Corporate Services Department.

An employee who demonstrates unsatisfactory performance at the end of his/her probationary term of six month-period may be put on an extended probation of more than three months or have his or her services terminated, should there be no hope of performance improvement.

An employee shall be afforded a poor performance/conduct hearing prior to the extension of probation or termination of services as contemplated in clause No 9.11.

An employee afforded a poor performance/conduct hearing during the probation process shall be entitled to representation by a shop steward or a fellow employee of his or her choice.

An employee put on extended probation shall be assessed on a monthly basis.

Probation monitoring shall encompass both conduct and performance of an employee.

Notwithstanding the clause No. 9.11, termination of services on grounds of misconduct shall be preceded by institution of disciplinary proceedings, against the employee.

Scoring criteria:

Score sheet

ITEM			
1. CONSULTATION	Yes/No	Evidence Y/N	Score
According to your SDIP, did you consult with the beneficiaries of your services?			
Provide evidence			

2. ACCESS			
Are your Services accessible to the beneficiaries?			
Provide evidence			
3. COURTESY			
Are you courteous towards the beneficiaries of your Services?			
Provide evidence			
4. INFORMATION			
Are you effectively providing information about your Services?			
Provide evidence			
5. OPENNESS AND TRANSPARENCY			
Are you providing Services in a manner that is open and transparent to your beneficiaries?			
Provide evidence			
6. SERVICE STANDARDS			
Has your department developed departmental service standards?			
Provide evidence			
7. REDRESS			
Are you apologizing for not meeting the standards as expected by your customers?			
Provide evidence			
8. VALUE FOR MONEY			
Are you implementing strategies to reduce cost of your services?			
Provide evidence			

9. LEADERSHIP & STRATEGIC DIRECTION			
Are you providing leadership and strategic direction in your department?			
Provide evidence			
10. INNOVATION & EXCELLENCE			
Are you encouraging innovation and rewarding excellence among the employees in your department?			
Provide evidence			
11. SERVICE DELIVERY IMPACT			
Because of all your initiatives for Service Delivery Improvement, Is there an impact on the lives of the beneficiaries of your services? Provide evidence			

Team award system

The award system that Alfred Nzo District Municipality intends to embrace is “team award system”. The system aims, upon everything, to encourage team work and harmony towards the same departmental and organisational strategic objectives.

Team award is a system used to award excellent team effort/ performance towards achieving the achievement of the departmental and organisational strategic objectives and vision.

what is a team?

A team is two or more people working together for the purpose of achieving a common goal. In Alfred Nzo District Municipality’s context, teams will be referred to, in relation to departmental sections / functional areas within a department.

the purpose of team performance award

The purpose of the Team Award System is to promote, recognize, and reward excellent performance in all areas of the municipality. The award system will give ANDM a chance to acknowledge excellence and innovation and reward such effort.

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The Awards will be an important way to promote continuous improvement and best practice and recognise those individuals; teams; sections and departments that have contributed high standard of service to the municipality.

The best performance and service delivery expectations of the municipality are guided in the following documents, which therefore position them as the central purpose of the award system implementation;

Service Delivery Charter

Service Delivery Improvement Plan;

Implementation of all Batho Pele principles.

IDP

Budget

SDBIP

Procedure to nominate a team

The team award shall be conducted bi-annually, in February after the mid-year review has been undertaken and in August following the 4th quarterly review.

One week after the start of the month of February and August, the Head of Departments shall invite sectional heads to submit reports based on each departmental team's performance plan as entrance for the performance excellence award.

The Head of Department will then sit with other Head of Departments and nominates the best performed teams for each department.

At the departmental monthly meeting of February and August, the HOD will announce the best team and elaborate on their conclusion to nominate such a team.

The team award shall be financial or non-financial. If financial or leave linked, it shall be considered along the Alfred Nzo District Municipality’s remuneration and/or leave policies.

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scoring criteria:

The overall score of each team will be based on three stages, **stage one**, percentage as allocated per each KPI in the team’s performance plan, **stage two**, the 5 generic ratings as outlined below and **stage three** – general characteristics of the best team:

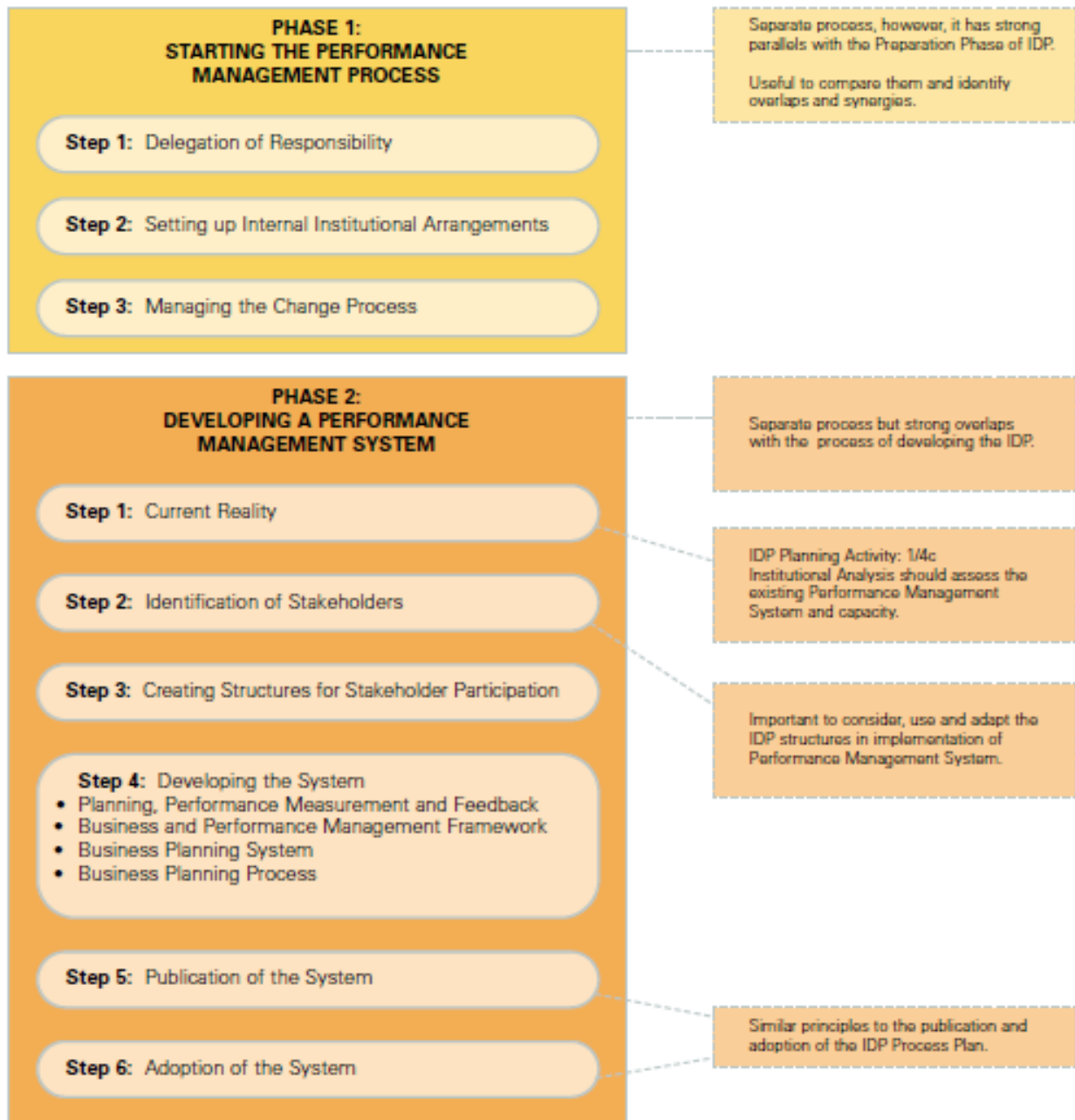
Score	Description of Performance
5	<i>Outstanding Performance</i>
4	<i>Performance significantly above expectations</i>
3	<i>Fully effective performance</i>
2	<i>Performance not fully effective</i>
1	<i>Unacceptable performance</i>

General Characteristics of a best team

SCORE	TEAM CHARACTERISTICS
2	Punctuality at work
4	Quality reports with evidence
3	Timely performance of tasks
3	Promotion of Batho Pele Principles
3	Knowledge of Alfred Nzo District Municipality’s vision and mission statements
3	Team that performs beyond its scope of work
2	Promotion of team unity and co-operation
Total 20	

SECTION D: IMPLEMENTATION PROCESS

The PMS implementation process is at an organisational and departmental levels embedded in the IDP Process and at the individual levels draws from the implementation of the SDBIP as illustrated within the section on the individual Performance Management above.



**PHASE 3
IMPLEMENTING PERFORMANCE
MANAGEMENT**

Planning for Performance

- Planning
- Priority setting
- Settings objectives

Seamless integration between **IDP Planning Process** and the **Performance Management Process**. IDP outputs define what performance is to be managed.

Priorities are those that are identified in **Phase 1** and refined in **Phases 2 – 4** of the IDP.

Development of objectives for Priority Issues from **Phase 2 – Activity 2/2** and revised through **Phase 2**.

Project Objectives **Phase 3 – Activity 3/6**.

Setting Key Performance Indicators

- What are indicators
- Value of indicators
- Types of indicators
- How to identify indicators
- Incorporating general key performance indicators

National indicators contribute to priority issues and objectives, and achievement is assessed in Performance Management.

Project indicators set in **Phase 3 – Activity 3/6**.

Setting targets

- What are performance targets
- How to set targets

Setting of project targets in Phase 3 – Activity 3/7 but also incorporating target information from activities 3/8 and 3/9.

Developing a Monitoring Framework

Runs parallel with the implementation of IDP.

Potential for IDP Manager to operationally manage this within the *Municipal Manager's office*.

Designing Performance Measurement Framework

- How to do Measurements
- Analysis

Not covered in IDP. Provides examples from a number of different organisations.

Conducting Performance Reviews

- Who conducts reviews?

Deals with a range of different reviews.

Annual Review of IDP (see next sub-section) is significant organisational implementation review. Draws on range of different other reviews and general monitoring and evaluation.

Improving performance

The central purpose of performance management. Provides range of institutional options. Feedback into Institutional Plan of both IDP and annual IDP Reviews.

Reporting on performance

- Who reports to whom?
- Check lists for good reports
- Tracking and managing the reporting process
- Publication of performance reports
- Public feedback mechanisms
- Public hearings on Municipal performance
- Using performance audit mechanisms

IDP Process is the planning although not for employee performance.

Organisational performance and employee performance

- Planning
- Implementing and Monitoring
- Review

Framework and system for tracking performance in implementing IDP.

Review of employee performance important components of the performance management of IDP implementation.

Annexure 4: Disaster Management Plan

1. Municipal Disaster Management Centre

Despite the fact that municipalities were only legally obliged to commence the implementation of the Act on 01 July 2004 and that funding arrangements were not as yet defined, the Alfred Nzo District Municipality – ever mindful of the context of its disaster risk profile – did not lag behind in adopting a more proactive approach. For example, as early as the year 2002 it had, with the financial support of the Province of the Eastern Cape already established its DRM centre to address DRM needs in the District Municipality. And the centre meet the minimum requirements for disaster management centre, the Information Communication System has been installed in during 2015/16 Financial Year.

2. Municipal Disaster Management Policy Framework

ANDM has adopted Disaster Management Policy Framework and the purpose of this policy framework is to provide those with statutory DRM responsibilities (in terms of the Disaster Management Act, 2002; the National Disaster Management Framework, 2005 (NDMF); the Policy Framework of the Province of the Eastern Cape (EC PDRMPF) and other applicable legislation) within the Alfred Nzo District Municipality with a written mandate which

- I. Is coherent, transparent and inclusive;
- II. provides the criteria for the systematic management of administrative decisions; stakeholder participation; operational skills; and

- III. capacities and achieves uniformity in the: Development, Implementation, Maintenance , Monitoring and assessing of all policies, plans, strategies, programmes and projects which are aimed at achieving the vision and mission statement; goals; strategic objectives; and key performance indicators for DRM in the municipality.

This policy framework also serves to guide the development and implementation of uniform and integrated disaster risk management policy and plans in the Umzimvubu, Ntabankulu, Matatiele and Mbizana local municipalities in the Alfred Nzo District Municipality. The framework has also 15 supporting policies which serve as guide in managing disaster risk management within ANDM area of jurisdiction.

3. Municipal Disaster Management Plan

ANDM has adopted reviewed Disaster Risk Management Plan in 2014 and here are the details of the plan:

- Level of the Plan: 2
- Due for Review: 2016/17 Financial Year (November 2016).

4. Municipal Disaster Management Inter-Departmental Committee

The Disaster Management Act No. 57 of 2002 (DM Act) requires municipal disaster risk management centres to promote a coordinated, integrated and uniform approach to disaster risk management, including the development and implementation of appropriate disaster risk reduction methodologies, emergency preparedness and rapid and effective disaster response and recovery, in their municipalities.

To achieve these objectives and to promote interdepartmental liaison, arrangements must be put in place to enable all the key internal role players in the administration of a municipality to participate in disaster risk management activities and to coordinate their disaster risk management responsibilities. To achieve this objective, a Municipal Interdepartmental Disaster Risk Management Committee (MIDRMC) needs to be established as currently seating on ad hoc basis.

5. Municipal Disaster Management Advisory Forum

The municipality has the Disaster Management Advisory forum in place in line with the DMA, 57 of 2002. The DMAF has technical task teams established as per Supporting Policy: 10 of the ANDM Disaster Management Policy Framework, namely; Capacity Building

Coordinating Task Team, Emergency Coordinating Task Team and Social Relief Coordinating Task Team.

Challenges and improvement measures may also be provided.

Inconsistence in members attending the DDMAF, which has been improved by appointing focal points.

6. Municipal Fire and Rescue Stations

The municipality has Fire and Rescue satellite stations in all local municipalities.

The staffing of the stations is on the four shift system although there is need for improvement in order to comply with SANS: 40090 (Community Protection against Fire)

7. Municipal Fire and Rescue Bylaws

Developed and approved municipal bylaws to regulate internal fire and rescue procedures, including fire safety and prevention policies. Fire and Rescue bylaws must be in line with the Constitution, Municipal Structures Act and the Municipal systems Act.

8. Municipal Fire and Rescue IGR Structures

The ANDM Fire and Rescue is a member and participates in the following structures:

- Fire Protection Associations
- Emergency Coordinating Technical Task Team

11 Disaster Risk Assessment

1. List of Priority Risks (Hazards)

The municipality has conducted risk assessment during the review of the disaster management plan in 2014 and here are the top five priority risks:

- I. Extreme weather conditions (heavy rains, lightening, snowfall, hailstorm)
- II. Veld and forest fires
- III. Motor vehicles accidents
- IV. Human Diseases
- V. Stock theft

Due to the drought phenomena that has affected the ANDM, the municipality has included drought as a risk priority.

2. Hazard Maps

The municipality has conducted risk mapping during 2015/16 FY in line with the major occurrences within the district. Further information was gathered on the scientific vulnerability and risk assessment as conducted in 2014.

12 Disaster Risk Reduction

The main disaster risk management center is located in Mt Ayliff and satellite offices situated per each local municipality, however, it's only Mbizana Satellite Office that is operating in a temporal structure.

1. 5.3.1 Disaster Management Projects

NAME OF PROGRAM	TARGET AREAS	BUDGET
1. Review of the Disaster Management Plan	All ANDM local municipalities	R420 000.00
2. Improvement in support and relief	All ANDM communities	R3 045 000.00
3. Education, training, awareness and research	Stakeholders, Practitioners, Members of the communities	R420 000.00
4. Construction of the Mbizana Disaster Management Centre	Mbizana LM	R20 000 000.00
5. Volunteer program	All ANDM local municipalities	R850 000.00

2. Fire Services Programmes Projects

NAME OF PROGRAM	TARGET AREAS	BUDGET
1. Procurement of fire and rescue equipment	All ANDM local municipalities	R50 000
2. Fire and Rescue Services Communication Control Centre upgrade	District office	R245 600
3. Strengthening of community resilience through Public Information, Public Education; Public Relations (P.I.E.R) programs	Stakeholders, Practitioners, Members of the communities	R325 000
4. Fire and Rescue Services Policies and By- Law Enforcement	All ANDM local municipalities	R 175 000
5. Community Emergency Response Teams program	All ANDM local municipalities	R660 000
6. Fire and Rescue Internal Capacity building	District Municipality	R315 000

13 Information Management and Communication

The municipality has procured and installed a Disaster Management Information Management and Communication System in accordance with the National Disaster Management Policy Framework in 2015.

14 Early Warning Strategy

The municipality collaborates with South African Weather Services for information dissemination of early warnings.

15 Education, Training, Public Awareness and Research

In the current financial year the municipality has the following programs in place in line with

Enablers 1 and 2 of the ANDM Disaster Management Policy Framework: Capacity

building for disaster management stakeholders

Public awareness campaigns to enhance community resilience from disasters

Research agenda: the municipality has forged relations with institutions of higher learning. (Currently, there is research on the functioning and impact of stakeholders in disaster risk management at Alfred Nzo District Municipality Disaster Management)

16 Funding Arrangements for Disaster Management, Fire and Rescue Services

The disaster management function is funded from the equitable share grant, section 7(2) (k) of the Act requires that the national disaster management framework makes provision for “a framework within which organs of state may fund disaster risk management with specific emphasis on preventing or reducing the risk of disasters, including grants to contribute to post-disaster recovery and rehabilitation and payment to victims of disaster and their dependents”.

Annexure 5: WATER SERVICES DEVELOPMENT PLAN

Water Services Development Plan (WSDP) – IDP Water Sector Input Report

1. Overview

Alfred Nzo District Municipality (ANDM) is both a Water Services Authority and a Water Services Provider. Authority is therefore vested in it, in terms of the Municipal Structures Act 118 of 1998 or the ministerial authorizations made in terms of this Act, to ensure that water resources and infrastructure are well managed and maintained in order that the service may be provided in an equitable, sustainable and efficient manner.

The primary responsibility for Water Services Authority includes:

- **Ensuring access:** To ensure the realisation of the right of access to water services, particularly basic water services (subject to available resources) by seeing that appropriate investments in water services infrastructure are made.

- **Planning:** To prepare **water services development plans** to ensure effective, efficient, affordable, economical and sustainable access to water services that promote sustainable livelihoods and economic development.

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- **Regulation:** To regulate water services provision and Water Services Providers within the jurisdiction of the municipality and within the policy and regulatory frameworks set by Department of Water Affairs through the enactment of by-laws and the regulation of contracts.
- **Provision:** To ensure the provision of effective, efficient and sustainable water services (including water conservation and demand management) either by providing water services themselves or by selecting, procuring and contracting with external Water Services Providers.

1.1 Legal Requirements

The Water Services Act, 1997 (Act 108 of 1997) requires municipalities which have been authorized to render the water services provision function (Water Services Authorities) to:

- draft a Water Services Development Plan as part of their IDP process
- elicit comments on the draft WSDP
- consider and report consideration of comments
- finalize and adopt the WSDP
- supply copies of the WSDP to the Department of Water and Sanitation, CoGTA and neighbouring WSA's
- incorporate the WSDP into the IDP
- report on the implementation of the WSDP every year

The "Regulations relating to Compulsory National Standards and Measures to Conserve Water", as published in terms of sections 9 (1) and 73 (1) (j), requires that a WSA **must**:

- include a water services audit in its annual report on the implementation of its WSDP as required in terms of section 18(1) of the Act
- include details for the previous financial year and if available, comparative figures for the preceding two financial years, of:
 - the quantity of water services provided
 - the levels of services rendered
 - cost recovery
 - meter installation and meter testing
 - water quality sampling programme
 - water conservation and demand management

2. Business Element 2: Service Levels

2.1 Service level options and current state of access to water

The Water Services Act provides for the right of access to a basic water supply, and regulations specify the minimum level of service for water to be provided by a municipality as follows:

Provision of appropriate education in respect of effective water use;

Provision of water meters to all user connections; and

A minimum quantity of potable water of 25 litres per person per day or 6 kilolitres per household per month:

- At a minimum flow rate of not less than 10 litres per minute;
- Within 200 metres of a household;
- With an effectiveness such that no consumer is without supply for more than seven full days in any year;
- The water reticulation system must operate at a pressure below 900 kPa;
- Leaks must be repaired within 48 hours of becoming aware of these leaks.

The National Water Act (Act 36 of 1998) refers to the SANS 241 specification for drinking water. SANS 241 describes an ideal classification (Class 0) that is closely comparable to international standards for water quality and a classification (Class 1) that is considered to be acceptable for lifetime consumption. A Class 2 classification specifies a minimum acceptable quality for drinking water for various maximum consumption periods. Physical, organoleptic, chemical and microbiological requirements are specified, and recommendations made on sampling. The Health Act (Act 63 of 1977) regulates the fluoridation of drinking water.

2.2 Sanitation service level options and current state of access to services

The Water Services Act provides for the right of access to a basic sanitation, and regulations specify the minimum level of service for sanitation to be provided by a municipality as follows:

Provision of appropriate health and hygiene education; and

Provision of a toilet which:

- Is safe,
- reliable,
- environmentally sound,
- easy to clean,
- provides privacy and protection against the weather,
- well ventilated,
- keeps smells to a minimum and prevents the entry and exit of flies and other disease carrying pests.

In accordance with the “Guidelines for Human Settlement, Planning and Design”, 2003 (CSIR Red Book), the provision of appropriate sanitation to a community should take place in accordance with national policy. Among the major aims set out in the National Sanitation Policy are the following:

- To improve the health and quality of life of the whole population;
- To integrate the development of a community in the provision of sanitation;
- To protect the environment; and
- To place the responsibility for household sanitation provision with the household.
- The target date set to achieve the minimum acceptable basic level of sanitation was 2010 (for purposes of this report the target date is revised to 2020).

2.3 Service levels Policies

2.3.1 Service Level Policy for Water

Alfred Nzo District Municipality has formulated a level of service policy and this is defined in its Free Basic Water (FBW) policy.

The policy provide a guideline for the free basic service provisioning to indigent households, for both urban and rural households

This policy identifies the following levels of water and sanitation services:

- (a) Supply of water through a communal water service;
- (b) Supply of a controlled volume of water to a household;
- (c) Supply of an uncontrolled volume of water to a household;
- (d) Supply of waterborne sanitation services through sewers to a household

Alfred Nzo District Municipality has taken proactive action to develop a strategy and plan for water backlog eradication. Alfred Nzo District Municipality is currently implementing projects of infrastructure development with the aim of eradicating water and sanitation backlogs in the District. These projects are based on eradicating backlogs in a number of geographical “clusters”.

2.3.2 Service Level Policy for Sanitation

Alfred Nzo District Municipality does have a services level policy that defines acceptable levels of sanitation infrastructure for towns and rural areas. In rural areas, the Municipality is currently installing Ventilated Improved Pit (VIP) Latrines through MIG and RHIP funded projects.

Rural Sanitation backlogs are being addressed by the implementation of VIP toilets where various service providers have been appointed to assist the municipality to fast-track the process of addressing the sanitation backlogs.

2.4 Current state of access to services

Access to water and sanitation remains fairly poor. The Community Survey 2016 reveals that 40% of households had access to potable water (household connections and communal stands) above the national above minimum standards. Approximately 53% of households are reported to have no service and should receive priority through service improvement projects through addressing the infrastructure needs

The table below give an overview of the water service delivery access profile in Alfred Nzo District Municipality's Management Area (Department of Water and Sanitation's Module 1 of the WDSP Guide Framework).

Table 1: Residential water services delivery access profile: Water

Census Category	Description	Community Survey 2016		Census 2011	
		Nr	%	Nr	%
WATER (ABOVE MIN LEVEL)					
Piped (tap) water inside dwelling/institution	House connections	6 174	3%	9 837	6%
Piped (tap) water inside yard	Yard connections	25 631	13%	17 202	10%
Piped (tap) water on community stand: distance less than 200m from dwelling/institution	Standpipe connection < 200 m	47 406	24%	36 045	21%
	Sub-Total: Minimum Service Level and Above	79 211	40%	63 084	37%
WATER (BELOW MIN LEVEL)					
Piped (tap) water on community stand: distance between 200m and 500m from dwelling/institution	Standpipe connection: > 200 m < 500 m	13 367	7%	13 344	8%
Piped (tap) water on community stand: distance between 500m and 1000m (1km) from dwelling /institution	Standpipe connection: > 500 m < 1 000 m			5 004	3%
Piped (tap) water on community stand: distance greater than 1000m (1km) from dwelling/institution	Standpipe connection: > 1 000 m			3 528	2%
No access to piped (tap) water	No services	103 401	53%	84 303	50%
	Sub-Total: Below Minimum Service Level	116 768	60%	106 179	63%
	Total number of households	195 979	100%	169 263	100%

Table below give an overview of the water sanitation delivery access profile in Alfred Nzo District Municipality's Management Area (Department of Water and Sanitation's Module 1 of the WDSP Guide Framework).

Table 2: Residential water services delivery access profile: Sanitation

Census Category	Description	Community Survey 2016		Census 2011	
		Nr	%	Nr	%
	SANITATION (ABOVE MIN LEVEL)				
Flush toilet (connected to sewerage system)	Waterborne	8 182	4%	8 712	5%
	Waterborne: Low Flush	0	0%		0%
Flush toilet (with septic tank)	Septic tanks / Conservancy	1 836	1%	2 538	1%

Census Category	Description	Community Survey 2016		Census 2011	
		Nr	%	Nr	%
Chemical toilet	Non-waterborne (above min. service level)	7 879	4%	9 183	5%
Pit toilet with ventilation (VIP)		131 196	67%	47 742	28%
Other		283	0%		0%
	Sub-Total: Minimum Service Level and Above	149 376	76%	68 175	40%
	SANITATION (BELOW MIN LEVEL)				
Pit toilet without ventilation	Pit toilet	29 559	6%	66 984	40%
Bucket toilet	*Bucket toilet	1 049	0%	840	0%
Other toilet provision (below min. service level)	Other	4 778	0%	8 631	5%
No toilet provisions	No services	11 217	6%	24 627	15%
	Sub-Total: Below Minimum Service Level	46 603	24%	101 082	60%
	Total number of households	195 979	100%	169 257	100%

* The bucket sanitation system has been successfully eradicated by Alfred Nzo District Municipality. However the Starts SA data shows that some of the households in the District are still unable to differentiate between pit and bucket toilet. This interpretation is general common among the households.

3. Business Element 4: Water Services Infrastructure Management (Infrastructure)

3.1 Extent of water and sanitation network

Alfred Nzo District Municipality is responsible for the operation and maintenance of all the water and sewerage infrastructure. The summary in the tables below has been extracted from Alfred Nzo District Municipality's infrastructure asset register (iAR) 2016/17.

Table 3: Extent of water infrastructure – fixed point assets

Asset/Component Type	Approximate Extent	Unit
Boreholes	203	No
Bulk Mains	1 306 800.68	m
Distribution Network	2 931 023.37	m
Water Pump Stations	42	No
Springs and weirs	178	No
Storage – Water reservoirs, dams and tanks	768	No
Water purification	8	No

Table 4: Extent of sanitation infrastructure – fixed point assets

Asset/Component Type	Approximate Extent	Unit
Bulk Sewers	167 985	m
Sanitation pump stations	6	No
Sewer Reticulation	7 324	m
Waste water purification	4	No

3.1.1 Value of the water and sanitation networks

The costs used in the calculations and reflected in the results for this section are based on the Current Replacement Cost (CRC). This total can be defined as the cost of replacing the service potential of an existing asset, by reference to some measure of capacity, with an appropriate modern equivalent asset. This cost includes the full cost of installation, contractor's P&G costs, design, construction supervision, and excludes VAT. These unit costs are based on Alfred Nzo's infrastructure asset register's unit rates used during cost estimation. The unit costs determined by this method are not and cannot be accurate, but are reasonable estimates.

The table below shows the total replacement value of water and sanitation supply network as R 1.728 billion, and the current value at R 1.258 billion, as at 30 June 2016 according to Alfred Nzo District Municipality's iAR. The average percentage of current value/replacement value for all asset groups is about 67%, which indicates that approximately 33% of the infrastructure life has been consumed.

Table 5: Current and Depreciated Replacement value: Water network

Description	Replacement value (CRC)	Current value (DRC)	DRC/CRC (%)
Sanitation			
Bulk Pipeline	R2 857 903,11	R2 223 554,91	78%
Pump Station	R4 823 117,27	R1 943 797,37	40%
Reticulation Pipeline	R33 663 394,90	R22 339 524,58	66%
Sewage Treatment Works	R23 050 838,27	R14 551 588,01	63%
Water Supply			
Borehole	R14 503 348,63	R13 683 811,57	94%
Bulk Pipeline	R477 478 053,61	R364 885 347,42	76%
Bulk Supply	R75 666 113,22	R38 971 475,25	52%
Pump Station	R12 232 638,84	R6 988 594,88	57%
Pumpstation	R2 965 776,78	R2 268 797,18	76%
Reservoir	R319 276 416,76	R211 575 271,59	66%
Reticulation Pipeline	R702 098 760,24	R539 703 008,60	77%
Spring	R941 576,31	R815 634,74	87%
Water Bulk Pipeline	R10 953 856,33	R10 136 778,33	93%
Water Treatment Works	R41 548 825,48	R25 240 504,31	61%
Weir	R752 613,58	R752 613,58	100%
Grand Total	R1 728 821 002,50	R1 258 268 471,29	67%

3.1.2 Condition of the water and sanitation networks

Figures below summarise the condition of the water and sanitation networks. As can be seen the majority of assets fall in the very good and good categories with the exception of the sanitation supply network which is approaching the end of its expected life.

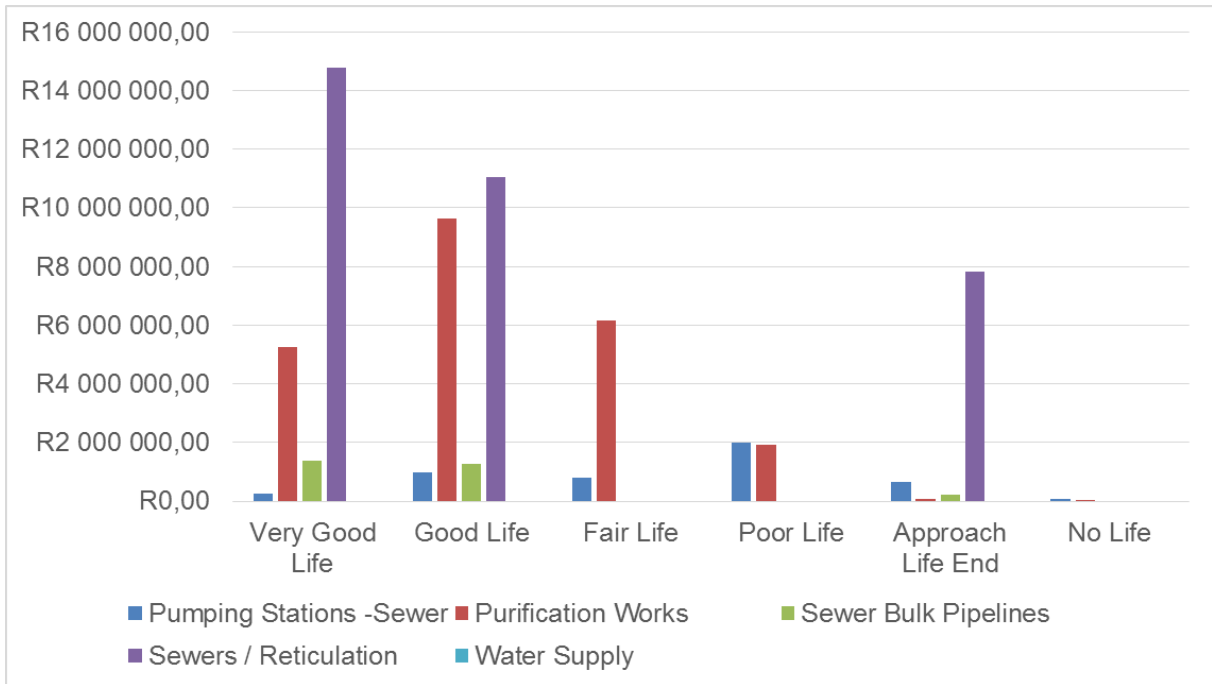


Figure 1: Condition of the Sanitation network

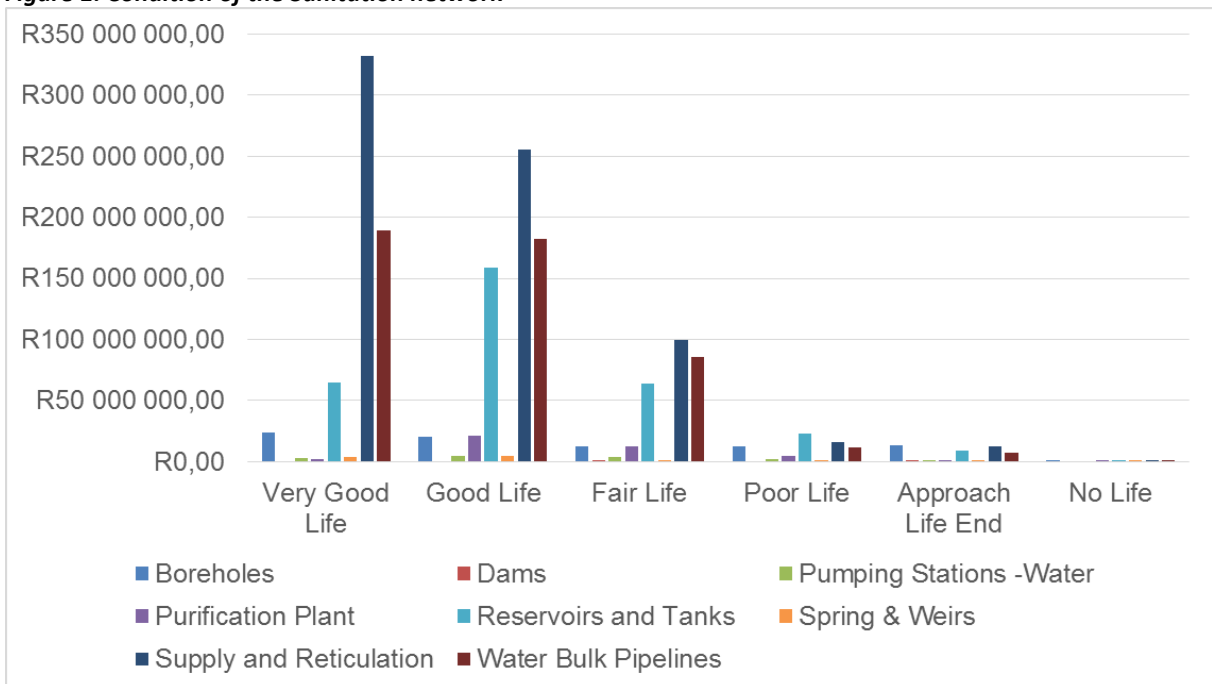


Figure 2: Condition of the Water network

3.1.3 Expected renewals of the water and sanitation networks

Following is an analysis of the replacement value of assets within selected remaining useful life brackets for the potable water network. The value of each age bracket gives an indication of the extent of renewals required in that period for existing assets. **Error! Reference source not found.** summarises the water and sanitation network’s remaining useful life per asset group in terms of the replacement values. Provision of around R180 445 018,34 will need to be made for the renewal of the Water services infrastructure assets over the next 15 years; this amounts to R12 029 667,89 per year for the next 15 years. Provision of around R15 070 624,31 will need to be made for the renewal of the Water services infrastructure assets over the next 15 years; this amounts to R1 004 708,29 per year for the next 15 years.

3.2 Water Infrastructure Overview

The water services infrastructure in Alfred Nzo District broadly consists of a few medium-sized regional schemes and a large number of relatively small 'standalone' supplies in the more remote rural areas.

The District is relatively well served in terms of water resources. The Alfred Nzo District lies within Water Management Area (WMA) No 12 (Mzimvubu to Keiskamma WMA), and occupies the central region of the Mzimvubu River Catchment. The Mzimvubu River, with its main tributaries the Tsitsa, Tina and Mzintlava Rivers, is the largest river in the WMA and is also the largest undeveloped river in South Africa.

Rainfall occurs mainly in summer and the mean annual rainfall (MAP) within the district is fairly constant, varying from between 700 to 800 mm. The surface water flows within this region are fed by conventional catchment runoff during wet periods, water from springs and seeps, as well as snow melt from snowfalls occurring on the higher ground. While the district has abundant surface water resources, a challenge is that many of the river valleys are steep, so pumping water to communities is a challenge. In addition some of the rivers, such as the Mzintlava, are being heavily utilised by upstream users such as commercial farmers.

The municipality has also realised that many of the water supply schemes that were completed in recent years are now currently dysfunctional. This has led to the coining of a new term, "reverse backlogs", to describe those areas where backlogs were thought to have been addressed, but which are now effectively unserved once again.

The recent geographical expansion of Alfred Nzo District to include Mbizana and Ntabankulu Municipalities has both increased the number of schemes falling under the responsibility of the municipality and the level of backlogs in the District as a whole. Mbizana and Ntabankulu are two of the municipalities with the lowest level of water services coverage. In addition, many of the completed schemes that have been transferred to Alfred Nzo District from O.R. Tambo District are currently dysfunctional.

3.2.1 Bulk Water Infrastructure

There are vast disparities with regards to the provision of bulk water infrastructure in different areas of Alfred Nzo District. Ntabankulu lack the requisite bulk infrastructure more than any other parts of the district. There are eleven (11) villages which are supplied by the Mnceba scheme which originates in Mt Ayliff (Umzimvubu) but there are bulk-line problems. The majority of the villages are being supplied by boreholes.

Mbizana has a regional water scheme which is equipped with internal reticulation to supply water to Bizana Town. However the capacity of this infrastructure is not clear. The villages within Mbizana are provided with approximately 700 communal standpipes. Matatiele and Umzimvubu Local Municipal areas appears to be at the better position with regards to bulk water infrastructure. Matatiele has a regional water scheme which has a storage capacity of 1,7Ml/d. The regional scheme supplies Matatiele Town, Cedarville and Maluti with pipe water.

There are approximately 31 schemes within Matatiele which provides water through the borehole system within the rural villages of the municipal area. The capacity of these schemes appears to be adequate in terms of meeting the current demand. Umzimvubu has a regional water scheme within a storage capacity of 6,03Ml/d. This scheme supplies pipe water to Mount Ayliff and Mount Frere towns. There are approximately 40 schemes that supplies water through the boreholes within different rural villages within Umzimvubu municipal area.

3.2.2 Sanitation infrastructure overview

There are three sewerage treatment works which exists within Alfred Nzo District. These are located in the towns of Matatiele, Mount Frere and Mount Ayliff. Such infrastructure provides waterborne sanitation services to the towns of Matatiele, Cedarville, Mount Ayliff and Mount Frere. The town of Bizana currently makes use of septic tanks as a sanitation system.

The town of Ntabankulu is served by privately owned septic tanks. The rural areas are reportedly not served by any sanitation projects. A feasibility report for the development of a water-borne system with oxidation ponds is currently being prepared. Toilets in rural areas mainly comprises of VIP latrines. The bucket sanitation system has been successfully eradicated.

Table 6: Sanitation overview

Local Municipality	Flush toilet connected to a public sewerage system	septic tank or conservancy tank	VIP toilet	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Backlog
Matatiele	5,090.00	475.00	27,073.00	14.00	24,215.00
Umzimvubu	2,613.00	674.00	36,773.00	81.00	11,389.00
Mbizana	361.00	352.00	48,058.00	8.00	12,602.00
Ntabankulu	118.00	335.00	19,287.00	180.00	6,274.00
Total	8,182.00	1,836.00	131,191.00	283.00	54,480.00

3.3 Matatiele

3.3.1 Matatiele Town Water Supply

The town of Matatiele in Alfred Nzo District is currently supplied with potable water by a water treatment works situated above the town. The town also receives water from a series of boreholes which mostly supply the new housing development known as Harry Gwala Park. The water treatment works obtains raw water from two sources, namely the 'so-called' Mountain Dam and Mountain Lake.

The current volume of water being processed by the water treatment works and produced from the boreholes has been measured at approximately 3.1Mℓ/day (or 36ℓ/s). Of this total, the estimated supply from the boreholes is 0.35Mℓ/day (4ℓ/s) representing 11%. (This data has been sourced largely from recent water demand management and regional planning studies).

In winter, the water level in the Mountain Dam can drop dramatically and supplementation of flow from the Mountain Lake is limited by the pipe size. In addition, inadequate monitoring and maintenance of the boreholes limits their effectiveness in supplementing supply to the town. Water from the water treatment works is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The boreholes located in the area of the old town pump directly into the network. The boreholes in Harry Gwala Park pump to a high level reservoir from where consumers are supplied under gravity.

The current population of the town is estimated at 4,000, although much of the water demand is from shops, institutions and businesses. The current estimated demand is 5.5 Mℓ/day whereas the supply is around 3.1Mℓ/day.

To address this shortfall in supply, Alfred Nzo District Municipality is currently developing infrastructure to augment the supply to the town from a new well-field, which is being developed in the Kinira River Valley. Eleven exploratory boreholes were drilled and tested, and three of these exploratory boreholes were identified as potential production boreholes to meet the short term needs of Matatiele Town. A Service Provider (Beacon Consulting Engineers) has been appointed to manage design and construction of the rising main and equipping of the boreholes to augment the Matatiele water supply.

3.3.2 Matatiele Town Wastewater System

Sewage from the town is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, activated sludge and sludge ponds. This plant is old and has experienced significant operational challenges due to broken equipment and machinery. ANDM is, however, now in the process of implementing a significant refurbishment of the works.

3.3.3 Maluti Town Water Supply

The town of Maluti is currently supplied with potable water by a water treatment works situated above the town. The water treatment works obtains raw water from the Belfort Dam. The current volume of water being processed by the water treatment works has been measured at approximately 0.6Mℓ/day (or 7ℓ/s). It is not possible to estimate the supply from the boreholes in town since they are inadequately metered. (This data has been sourced largely from recent water demand management and regional planning studies)

Water from the water treatment works is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The boreholes located in pump directly into the main town storage reservoir.

The current population of the town is difficult to estimate, although a figure of 854 households within the formal area of the town has been suggested. There are also large informal areas surrounding the town that receive water from the same system. Much of the water demand is from shops, institutions, businesses and surrounding informal settlements and the current total water demand is estimated at 2.3Mℓ/day.

The Maluti Water Supply Scheme was built in the early 1980s by the former Transkei Government and was transferred to Alfred Nzo District Municipality in 2004. The scheme is located in the northern area of the Municipality and sources water from the Belfort Dam, which is located on the slopes of the Drakensberg Mountains close to the Lesotho border.

The scheme supplies potable water to the Town of Maluti, 15 rural villages and a military garrison that currently functions as a police camp. The total population served by the scheme is estimated to be 25,000 people.

Water from the Belfort Dam is fed under gravity to the Belfort Water Treatment Works through 13.5 km of steel and AC pipes. There are numerous leaks on the raw water line and considerable water is lost.

The water treatment works is a conventional plant with flocculent dosing, sedimentation, filtration through pressure filters and chlorination. The water treatment works is able to operate at 13ℓ/s, limited by the flow in the raw water line from the dam and the throughput of the filter pumps. Downstream from the treatment works is a bulk supply system including over 30km of bulk supply pipeline, 7 pump stations and 19 storage reservoirs.

Internal reticulation to the RDP standard is provided to 15 villages. The town of Maluti is reticulated to a higher level of service with most consumers within the formal boundaries of the town enjoying household connections.

The military garrison is fully reticulated and even has provision for the watering of horses that were used by the military in the past. This campus now operates as a police camp.

Since transfer to the Alfred Nzo District Municipality, the scheme has suffered from numerous leaks and pipe bursts and many components may be getting to the end of their design life. (Note: Belfort Water Treatment Works is sometimes referred to as the Maluti Water Treatment Works)

3.3.4 Maluti Town Wastewater System

Sewage from Maluti Town is currently treated in on-site septic tanks; but a waterborne sewerage system is planned for the near future.

3.3.5 Cedarville Water Supply

The town of Cedarville is currently supplied with potable water from three boreholes located within the town.

There are no water meters installed at the pump stations and hence it is only possible to estimate the volume of water being abstracted. This estimated to be 0.2Mℓ/day. Water from the boreholes is distributed under gravity to a network of domestic, commercial and institutional connections in the town after it has been disinfected at the high level reservoirs to the south of the town.

The current population of the town is estimated at 1,400, although a significant proportion of the total demand may come from shops, institutions and businesses.

3.3.6 Cedarville Wastewater Treatment System

Sewage in the town is currently treated in on-site septic tanks. When such tanks are emptied the contents are transported to a series of oxidation ponds close to town. A new wastewater treatment works using a series of ponds has just been constructed.

3.3.7 Standalone Rural Water Schemes in Matatiele

In addition to the larger schemes, there are numerous standalone water schemes serving other rural communities in Matatiele. A number of these schemes are fed with water by diesel-driven pumps; although a large number are also fed under gravity from springs and streams in the mountains. Rural operators are employed on a part-time basis and paid a monthly allowance.

3.3.8 Rural Sanitation in Matatiele

As illustrated by the census 2011 data, 15% of rural residents in Alfred Nzo District Municipality lack adequate sanitation infrastructure.

The District Municipality does have a rural sanitation infrastructure programme that is in the process of constructing VIP latrines throughout the Matatiele municipal area, so this backlog in services is being addressed.

3.4 Mbizana

3.4.1 Overview

Water services infrastructure in Mbizana is dominated by a substantial regional water supply scheme that supplies communities from Ludeke dam that has been recent constructed from Ludeke River. There is about 20 standalone water schemes that serves other communities within Mbizana LM.

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Ludeke Dam has a capacity to supply an expanded regional scheme covering the whole of Mbizana Municipality.

The Ludeke Dam supply raw water through a pumping main to the new 10.5Mℓ/day Nomlacu Water Treatment Works which supply to Mbizana Town and, eventually will supply most of the communities in the municipality. Nomlacu WTP is designed in such a way that it could be easily augmented to 20Mℓ/day so that it can cater future demands. However the plant will need to be upgraded to 33Mℓ/day to meet the water requirements of the entire Mbizana LM.

The following map gives an indication of the proposed expanded Mbizana Regional Scheme.

However this will require substantial capital investment and so is unlikely to be completed in the foreseeable future.

In addition, there are approximately 20 standalone water schemes in other communities; but nonetheless the reality is that the majority of communities are very poorly served in Mbizana.

3.4.1.1 Nomlacu Water Treatment Works (New Works)

Nomlacu WTP design current capacity is 10,5Mℓ/d, however it has been designed in such a way that it could easily be augmented to 20Mℓ/d. In future the plant will need to be upgraded to 33Mℓ/day to meet the water requirements of the entire Mbizana LM.

There is a raw water storage reservoir with capacity of 2 250 m³ at the end of the pumping main from Ludeke Dam. The plant is currently being operated at 4Mℓ/d to serve the town and surroundings.

3.4.1.2 Standalone Water Schemes in Mbizana

There are approximately 20 standalone water schemes serving other communities in Mbizana. The majority of schemes are fed with water by diesel-driven pumps. Rural Operators are employed on a part-time basis to assist in operation of the schemes.

3.4.1.3 Mbizana Wastewater Treatment Works

The Mbizana Wastewater Treatment Works consists of a concrete lined pond. Effluent from septic tanks is supposed to be deposited directly down concrete channels into the pond. Further information on the grossly inadequate situation at the Mbizana Wastewater Treatment Works is given as a Case Study in 11.2.2.

3.4.1.4 Mbizana water-borne sewers

The town of Bizana is served by a variety of septic tanks, pit latrines and conservancy tanks. Both septic tanks and conservancy tanks serve the CBD area, but the majority of residents in Bizana use septic tanks.

The municipality has a 'honeysucker' that is available to remove effluent and deposit it at the wastewater treatment works.

3.4.1.5 Rural Sanitation in Mbizana

As illustrated in the 2016 Starts SA Community Survey data in Bizana LM there approximately 48,058 household provided with VIP toilets and approximately 12,602 still lack adequate sanitation infrastructure.

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3.5 Ntabankulu

3.5.1 Overview

Water Services in Ntabankulu are now managed by the Alfred Nzo District Municipality, which fulfils the role of both Water Services Authority and Water Services Provider. The area previously fell under O.R. Tambo District, until July 2011 when it was transferred to Alfred Nzo District.

Water infrastructure in the area has been developed over the years and includes:

- Former DWA Schemes
- Small standalone schemes (constructed by agencies such as Mvula Trust)
- New schemes constructed by the District Municipality
- Schemes recently funded by other agencies (i.e. Japanese Government)

3.5.1.1 Ntabankulu Town Water Supply

Ntabankulu Town Water Supply Scheme receives its water from two sources, namely two boreholes and the Ntabankulu Forest Dam.

Raw water gravitates to the waterworks through an approximately 4.3 km long 160 mm diameter pipe. The water from the boreholes gets pumped through a 75 mm diameter pipe to one of the two clear water reservoirs located at the treatment plant (0.84 Mℓ/day capacity).

The town and its residential areas are supplied from these two reservoirs through a 160 mm diameter pipe that decreases to various diameters within the reticulation network.

3.5.1.2 Ntabankulu Water Treatment Works

Treatment at the Ntabankulu Water Treatment Works is achieved through dosing the raw water with aluminium sulphate (“alum”), water clarification in an up-flow clarifier, filtration in an enclosed vertical, self-backwashing, filter and disinfection with HTH tablets.

3.5.1.3 Standalone Water Schemes in Ntabankulu

There are approximately 50 standalone water schemes serving other communities in Mbizana. The majority of schemes are fed with water by diesel-driven pumps. A particular challenge in Ntabankulu is that the steep valleys mean that considerable pumping is required to bring water to the people. An example is the Dambeni Water Supply Scheme (funded by the Japanese Government), where multi-stage pumping using electrical pumps is required.

Rural operators are employed on a part-time basis to assist in the operation of the schemes.

3.5.1.4 Ntabankulu Town Sanitation Infrastructure

In Ntabankulu Town, according to the DWA All Towns Water Resources Study, about 15% of the households use septic tanks, 40% use a bucket system, 5% use simple pit latrines and 3% use conservancy tanks. The rest of the households are not serviced at all. The use of the bucket

system and septic tanks is concentrated in the Central Business District, while the bucket system, pit latrines and conservancy tanks predominate in the residential areas.

3.5.1.5 Ntabankulu Wastewater Treatment Works

The sewage treatment system at the Ntabankulu Wastewater Treatment Works is an oxidation pond with a small septic tanker off-loading facility. There is no evidence of a discharge point. However sludge from the septic and conservancy tanks in the Central Business District is apparently often dumped at an illegal disposal site.

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In addition to the town wastewater treatment works, Ntabankulu Prison in the town also has a wastewater treatment facility consisting of six ponds connected in series to receive sewage from the prison.

3.5.1.6 Rural Sanitation in Ntabankulu

As illustrated in the 2016 Starts SA Community Survey data in Bizana LM there approximately 19,287 household provided with VIP toilets and approximately 6,274 still lack adequate sanitation infrastructure.

3.6 Umzimvubu

3.6.1 Mount Ayliff Town Water Supply

The town of Mount Ayliff is currently supplied with potable water from a water treatment works situated above the town. This water treatment works obtains raw water from two sources, namely a pumped water supply from the Mzintlava River and a weir that captures spring water from the valley above the works.

The current volume of water being processed by the water treatment works has been measured at approximately 1.4Mℓ/day (or 16ℓ/s). Of this, around 4ℓ/s is sourced from the gravity weir and 12ℓ/s from the Mzintlava River.

In order to address the water supply challenges faced by Mount Ayliff, Alfred Nzo DM, is progressively rolling out Regional Bulk Water Infrastructure across the whole district. In the Mount Ayliff area, this proposed regional bulk infrastructure centres on a proposed future dam in the Sirhoqobeni Valley, some 10km from the town. Such a dam will take many years to develop; so in the short term a new weir supply is being developed to supply the town. The new weir supply will feed raw water from four weirs on Ntsizwa Mountain to the water treatment works at Mount Ayliff. These weirs are in the valleys of Sirhoqobeni, Ndikini and Nkanji.

The weirs are projected to supply an additional 40ℓ/s to the water treatment works to augment the current supply from the gravity weir and from the Mzintlava River. In addition to augmenting the supply to Mount Ayliff, it is hoped that the weirs can double as gauging weirs and generate valuable hydrological stream flow data that will be extremely useful in designing the proposed Sirhoqobeni Dam.

Design and construction of the weir supply is currently underway. The DM also has plans to upgrade the capacity of the current Mount Ayliff Water Treatment Works to accommodate this additional raw water supply.

3.6.2 Mount Frere Water Supply

The town of Mount Frere is currently supplied with potable water by a water treatment works situated above the town. This water treatment works obtains raw water from the Ntenetyana Dam which is situated 17 km upstream. The Dam is an earthfill embankment structure situated on the Ntenetyana stream, which is a tributary of the Mzimvubu River, and has an assured yield of 6Mℓ/day.

The water from the dam flows under gravity to the treatment works. The water treatment works present capacity can be taken to be 3.2Mℓ/day.

A constraint in the system is that the current bulk pipeline does not have sufficient capacity to supply sufficient water to operate the WTW at full capacity. An intervention is currently underway to upgrade the pipeline.

There is also a plan to supplement the water from the current Mount Frere WTW with treated water from a new treatment works at the Ntenetyana Dam. Water from the water treatment works is distributed under gravity to a network of domestic, commercial and institutional connections in the town. The current population of the town is estimated at 13,712, although much of the water demand is from shops, institutions and businesses.

3.6.3 Mount Frere Wastewater Treatment System

Sewage from Mount Frere is currently treated at a wastewater works on the outskirts of the town. The treatment works includes screens, activated sludge and sludge ponds and treats approximately 0.36 Mℓ/day of sewage.

3.6.4 Standalone Rural Water Schemes in Umzimvubu

In addition to the larger schemes, there are numerous standalone water schemes serving other rural communities in Umzimvubu. A number of these schemes are fed with water by diesel-driven pumps; although a large number are also fed under gravity from springs and streams in the mountains. Rural operators are employed on a part-time basis and paid a monthly allowance.

3.6.4.1 Rural Sanitation in Umzimvubu

As illustrated in the 2016 Starts SA Community Survey data in Bizana LM there approximately 19,287 household provided with VIP toilets and approximately 6,274 still lack adequate sanitation infrastructure

3.6.5 Water and sanitation backlogs

Alfred Nzo District Municipality is the Water Services Authority (WSA) for the area under its jurisdiction namely Umzimvubu, Mbizana, Ntabankulu and Matatiele Local Municipalities. The Municipality has developed a Water Service Development Plan (WSDP) and is amongst the key sector plans of the IDP.

3.7 Service backlogs: Water

Like many areas in South Africa, Alfred Nzo 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 all four municipalities. ANDM has identified the following as critical and strategic water supply areas:

- Additional sustainable water source for Matatiele and Maluti towns.
- Bulk water supply system where rural schemes can just be “plugged in”.
- Bulk water supply to Cedarville.
- Raw water supply for Agricultural irrigation (Ongeluksnek, Matatiele, Cedarville, and some other areas).
- Implementation Readiness Study for Regional Bulk Water Supply Infrastructure in the Matatiele and Umzimvubu Municipality areas recommended the following bulk water schemes for Matatiele:
 - M1 - Kinira River Dam.
 - M9 - Wellfield & Supplementary Dam (Kinira or Mafube).

Identification of supply zones should be based on the cluster of settlements defined in terms of quaternary catchments. The following spatial planning standards should be implemented in all water supply schemes:

- Urban settlements should be supplied with water within the house.
- Peri-urban settlements should ideally be supplied with water on site or at least within a 200m from each household.
- Dense rural settlements should be provided with water at least within 200m from each household.
- Scattered rural settlements should be prioritized for spring protection, source water from the rivers and where possible boreholes.

The district municipality has a water backlog of about 47% of households with no water and 9% of households having access to water below RDP standards. Mbizana and Ntabankulu Local Municipalities are the municipalities with high water backlogs in terms of households with no water estimated at 91% and 77% respectively. The situation in as far as the water backlogs is concern is summarized on a table below:

Table 7: Water Backlogs by LM

Local Municipality	Piped (tap) water inside the dwelling/house	Piped (tap) water inside yard	Piped water on community stand : distance less than 200m form dwelling	Backlog
Matatiele	3,612.00	14,659.00	18,411.00	20,186.00
Umzimvubu	1,721.00	7,065.00	14,799.00	27,943.00
Mbizana	449.00	2,342.00	9,960.00	48,632.00
Ntabankulu	362.00	1,441.00	4,027.00	20,365.00
Total	6,144.00	25,507.00	47,197.00	117,126.00

3.8 Service backlogs: Sanitation

The Water Services Development Plans indicated that there is a huge sanitation backlog within Alfred Nzo, particularly within Ntabankulu where the town is does not have a waterborne sewerage and the rural villages within various parts of the municipal area. Packaging of sanitation programs should be based on settlement clusters and be integrated with the drive

towards the transformation of rural villages into sustainable human settlements. The following spatial planning standards should be applied in all sanitation projects:

- Giving priority to settlements located within priority environmental areas.
- Providing settlements located within a 100m of wetlands with lined ventilated pit latrines at the minimum.
- Providing urban (Tabankulu) and other peri-urban settlements with water borne sewerage.

Waterborne sanitation is only provided in urban areas. Ntabankulu and Mbizana Towns are served with Septic Tank Systems and the district municipality is working towards providing waterborne sanitation systems connected to sewer system linked to proper water system. 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 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. The situation in as far as the sanitation backlogs is concerned is summarized on the table below:

Table 8: Sanitation Backlogs by LM

Local Municipality	Flush toilet connected to a public sewerage system	septic tank or conservancy tank	VIP toilet	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Backlog
Matatiele	5,090.00	475.00	27,073.00	14.00	24,215.00
Umzimvubu	2,613.00	674.00	36,773.00	81.00	11,389.00
Mbizana	361.00	352.00	48,058.00	8.00	12,602.00
Ntabankulu	118.00	335.00	19,287.00	180.00	6,274.00
Total	8,182.00	1,836.00	131,191.00	283.00	54,480.00

The situation above shows that there is a need for the municipality to speed up the process of rural sanitation rollout especially in Matatiele where there is a high percentage (60%) of households with no access to proper sanitation facilities followed by Umzimvubu Municipality with 49%. Generally, there is a challenge with provision of proper sanitation facilities within the district where over 51% of the households have no access to proper sanitation facilities and this situation can contribute towards increasing health hazards and could result in high disease outbreak such as cholera.

4. Business Element 5: Water Services Infrastructure Management (O&M)

1.3.1 Water and wastewater quality

For the past four years, the Department of Water Affairs has implemented a programme of drinking water quality (DWQ) assessment called the Blue Drop Certification Programme.

4.1.1.1 2014 Blue Drop Requirements

The 2014 Blue Drop requirements have changed slightly from the 2012 requirements and are centred on the following main components:

- Water Safety Planning
- DWQ Process Management and Control
- Drinking Water Compliance
- Management Accountability and Local Regulation
- Asset Management

While the overall Blue Drop Score of Alfred Nzo DM increased to 64%, an improvement was recorded in all the water schemes that were assessed in 2012.

The 2014 Assessment has been completed throughout Alfred Nzo District and the results have not been released to the Municipality.

4.1.1.2 Summary of 2012 Blue Drop Assessment Findings

The overall Blue Drop Score of Alfred Nzo DM in 2012 was **64.38%** (up from 52.54% in 2011 and 26.2% obtained in 2010).

1.3.2 Operational Monitoring at WTWs

Regular water quality testing at each of the water treatment works in the District is completed by operators as part of their daily routine. The results are recorded at each plant and are forwarded to the District for processing, interpretation and remedial action taken (if required).

4.1.1.3 Compliance monitoring across the reticulation network

Monitoring of water quality at the point of consumption is undertaken by Environmental Health Practitioners (EHPs).

These EMPs sample water at a number of sampling points throughout each municipality in accordance to the registered and approved sampling program.

In the event that a sample fails to comply with the required standards, it is retested to get confirmation before remedial action is taken. For the EColi test, a control water sample is first taken from an unsterilized tap and after it has been burned to sterilise the tap. This will give an indication if any pollution enters the water at the tap or prior to the tap.

4.1.1.4 Water Safety Planning Compliance

One of the key requirements of the Blue Drop Assessment is to ensure that the Municipality has developed Water Safety Plans for each of its supply systems. These plans assess all the risks in the system from catchment to consumer and scientifically prepare control actions to minimise risks to water quality. In 2013, Alfred Nzo District Municipality developed the following Water Safety Plans:

- Cedarville Water Supply
- Maluti Belfort WTW
- Matatiele WTW
- Mbizana WTW
- Mount Ayliff WTW
- Mount Frere WTW
- Nomlacu WTW

- Ntabankulu WTW

1.3.1 O&M Benchmarks

The need to separate the records and budget for operations and the records and budget for maintenance has been identified in Alfred Nzo District Municipality. This includes a separate replacement budget for renewals of water and sanitation infrastructure. The compilation and annual review of the infrastructure asset management plans (IAMP's) can assist with strategic planning and operations information. The information contained in the IAMP's can be strategically utilised in order to enable practical technical and financial decision making. The IAMP can also be used as a reporting tool to communicate the Municipality's current state of operations and its efficiency in managing its asset portfolio to external stakeholders. The IAMP can also be used to identify assets and areas requiring new asset development in phased yearly increments.

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A great need has been identified for the renewal of existing infrastructure and efforts for rehabilitation should be prioritised. The renewal of assets generally provides the best cost to benefit ratio and utilises financial resources optimally. The effective renewal of assets allows the municipality to achieve quick wins in terms of an increase in service level due to efficient and effective operation of its assets.

The information contained in the IAMP's should inform the Operations and Maintenance Plan of the municipality. A plan based on preventative maintenance is required to mitigate the risk and possible damage of assets within the municipality. A clear plan needs to be adopted informing not only senior staff, but operations staff in the municipality on the planned maintenance activities for different facilities and assets. The knowledge of when and how to maintain the vast asset portfolio in ANDM can assist the municipality in reducing unplanned network interruptions, save costs by extending the relevant assets remaining useful lives, reduce water losses, improve water quality and reduce the risk associated with the operation of a water and sanitation network. The lack of an Operations and Maintenance Plan in ANDM needs to be addressed. This includes the development and implementation of an O&M Plan.

5. Business Element 6: Associated Services

ANDM provides water serves to the schools, clinics and hospitals accordingly to the allocation of each facility i.e. to all the facilities allocated within the Urban Edge are provided with high level of service while the ones in the rural

6. Business Element 7: Water Resources

6.1 Surface water

The studies (WSDP) that have been undertaken within the municipalities that form part of Alfred Nzo, indicates that that the area has a substantial fair amount of water resources but the challenge is the development and maintenance of water infrastructure. One of the main surface water sources is Mzimvubu River Catchment (with its main tributaries i.e. Tsitsa, Tina and Mzintlaba Rivers). This river is considered to be one of the largest but undeveloped rivers in South Africa.

There are also three dams (Belfort, Mountainous and Town Dam) and seven weirs which are located within Matatiele Municipal Area. The surface water sources that are found in Umzimvubu Municipal Area include Mzintlaba River, Perennial Mountain Stream, one weir and

Ntenetyana Dam. There is also a dam in Mbizana (Bizana Dam) with an effective storage capacity of 167 000 m³. Based on the WSDP, the Nomlacu Water Purification Works is under construction in five phases to purify the Bizana Dam Water as well as the additional future supply from the Ludeke weir.

6.2 Future water requirements for ANDM

The projected future water demands are as summarised in the table below:

Table 9: Proposed Regional Scheme

Proposed Regional Scheme	Design Demand for 2043 (Ml/day)
Mount Frere Supply Zone	19.53
Mount Ayliff Supply Zone	13.00
Ntabankulu Supply Zone	11.35
Total Ntabankulu and Umzimvubu Supply Area	43.88

6.2.1 Umzimvubu: Mount Ayliff Supply Area

This proposed regional scheme covers the eastern portion of Umzimvubu Local Municipality. The focus are to be served by the scheme is the Mount Ayliff and the communities along the N2. The water demand for the study area amounts to 4.73 million m³/a.

Different alternatives were considered during the investigation and the following dam sites were identified:

- Sirhoqobeni
- Nkanji and
- Mvalweni

The Nkanji dam site was considered by abstracting water from Mzintlava River. In consideration of the range of abstraction rates and range of dam heights. It was confirmed that Nkanji dam at height of 40m with a continuous abstraction rate of 0.1m³/s can meet the projected demand of 4.73 million m³/a.

However in the consideration additional of water requirements for Ntabankulu Water Supply area then a 40m high dam with an abstraction of 0.3m³/s would be required. Alternatively a 60m high dam with an abstraction of 0.2 m³/s would be required to meet the demand.

6.2.2 Umzimvubu: Mount Frere Area

According to the Greater Ntabankulu Rional Water Supply RBIG Long Term Planning Report REV 6 prepared by UWP, Camdekon and Asande Projects the water requirements for Mount Frere and surroundings will be addressed as follows:

The envisaged raw water requirements from the Mkhemane dam to services the Mt Frere region assuming full development of the planned extensions to the Ntenatyana Dam system, and excluding possible supplies to the Ntabankulu region amount to 2.12 Mm³/a or 5.8 MI/day.

Alternatively should only partial development of the Ntenetyana system take place, comprising of the planned 5 meter raising to the dam, but excluding the planned ROR off-take from the Kinira river, then Ntenetyana dam system will deliver a reduced yield of 2.15Mm³/a or 5.9 MI/day to the Mt Frere growth node only.

The Mkhemane dam will then be required to deliver additional supplies to supply zones with the total raw water requirement amounting to 4.98Mm³/a or 13.63 MI/day.

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6.2.3 Matatiele: Bulk water Long-term Planning

According to the Matatielele LM Bulk Water Long-Term Planning Scoping Report prepared by Consortium (Sektor Consulting Engineers (Pty)Ltd, Aurecon South Africa (Pty)Ltd and Monde Consulting Engineers & Project Managers) the future water requirements for Matatiele LM are as described below.

This planning does not only focus on the Matatiele Town growth node, but focuses on the provision of bulk water to the entire Matatiele LM (which includes the Matatiele Town growth node, Maluti and Cedarville).

The current water supply infrastructure is therefore only able to address approximately 38,7% of the current water demand and only 31,5% of the projected future water demands of the area covered by the reach of the proposed regional scheme. The resultant water deficits are therefore quite substantial.

It is to be noted that, even with the proposed wellfield development operating at full capacity and including all current water sources, there will still be a current water demand deficit of approximately 5 455 m³/day (27%) and a projected future water demand deficit of 10 026 m³/day (41%). A more sustainable bulk water source/supply is therefore essential.

In the above said report it is recommended that the development option should include the development of the proposed Kinira River Dam as primary bulk water source with the wellfields as interim and supplementary water source.

6.3 Business Element 8: Conservation and demand management

6.3.1 Background to Water Conservation and Demand Management (WCDM)

Water Conservation and Demand Management is an important activity in water services provision in that it attempts to control excessive consumption and water wastage. While WCDM falls organisationally under the WSA unit, many of the water conservation issues have a direct bearing on water services operations. Specific, ongoing challenges that the WSP unit faces include:

- High water losses
- Lack of meter information
- Confusion over meter reading date (i.e. consistent time of the month)
- Inaccurate / incomplete reading and inaccurate data capturing
- Position of WCDM in organogram
- Delays in meter installation programme

- Excessive reliance on consultants
- WCDM is not an isolated project; but an ongoing approach underpinning all water services activities

In promoting water conservation, ANDM will strive to use indicators and benchmarks that are recommended by the IWA and regarded as current best practice, such as:

- Losses as litre/km/day
- Losses as litres/connection/day
- Infrastructure leakage index

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6.3.2 Water Conservation and Demand Management Strategy

Alfred Nzo District Municipality (ANDM) needs to prioritise the development and implementation of a Water Conservation and Water Demand Management (WC/WDM) strategy.

The aim of a WCDM Strategy is to reduce non-revenue water, reduce wasteful consumption, improve system metering and improve consumer metering and in this way deliver water to its citizens as cost efficiently as possible.

The ultimate purpose of the WCDM Strategy is to reduce the cost of water to citizens by delaying the need for

Department of Water Affairs.

6.4 Business Element 10: Water Services Institutional arrangements

6.4.1 Background

The WSA is responsible for the compilation of the Water Services Development plan (WSDP) and the Master Plans for sanitation. It is also responsible for the verification and review of by-laws and tariffs in terms of the Water Services Act (108 of 1997). It is also responsible for the investigations and designs of all water schemes and extensions.

The PMU deals with all capital and MIG funded projects in the entire district. These include water, sanitation, community facilities, and LED projects. This section also deals with the management of the funding of projects for which applications have been received and the implementation thereof. The strategic objectives of this unit are to provide services including engineering and community services to address the current backlogs.

The WSP is responsible for the operations and maintenance of the water purification and sewerage treatment works in all local municipalities within ANDM (Matatiele, Umzimvubu, Mbizana and Ntabankulu local Municipalities). It is responsible for the bulk and reticulation networks in the aforementioned municipalities. It is responsible for the operations and maintenance of water services infrastructure management of the drought relief funding, also deals with sampling for water and effluent quality testing and compliance with legislative requirements (BDS & GDS).

6.4.2 Current WSA and WSP Arrangements

The current situation regarding water services in Alfred Nzo District Municipality is that the municipality is both the legislated Water Services Authority (with full regulation and oversight functions) and the Water Services Provider (with full delivery functions). This dual role does

raise a potential conflict of interest as the Municipality is required to fulfil both the regulator and operator functions.

In an ideal situation, these two functions would be very clearly separated to minimise the chances of conflicting obligations emerging. Currently both these functions reside in the Infrastructure Development and Municipal Services (IDMS) Department, so this remains an issue to be addressed by the Municipality.

Aside from the normal regulatory Water Services Authority functions of policy development, by-laws promulgation, compliance monitoring, the remaining water services tasks can be divided into:

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- Operation and maintenance of existing service infrastructure
- Development of new infrastructure to address backlogs in service levels

The first of these is clearly a Water Services Provider function; while the second function of developing and owning new infrastructure is normally considered a Water Services Authority responsibility.

However in Alfred Nzo District Municipality, these responsibilities are effectively split into three units with a Project Management Unit (PMU) that appears to have similar status to the WSP and WSA Units, handling infrastructure development.
