



**NXUBA
LOCAL**

MUNICIPALITY

**INTEGRATED DEVELOPMENT PLAN
2011/2012 REVIEW
DATE: 15/03/2011**

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TABLE OF ACRONYMS AND ABBREVIATIONS

ARV	Anti Retroviral Treatment
ASGISA	Accelerated and Shared Growth Initiative – SA
ANDM	Amathole District Municipality
DWAF	Department of Water Affairs and Forestry
DTI	Department of Trade & Industry
ECDLGTA	Eastern Cape Department of Local Government and Traditional Affairs
EPWP	Expanded Public Works programme
GEAR	Growth, Employment and Redistribution Strategy
HIV/AIDS	Acquired Immune Deficiency Syndrome
IDP	Integrated Development Plan
IEMP	Integrated Environmental Management Plan
ISRDP	Integrated Sustainable Rural Development Programme
IWMP	Integrated waste Management Plan
JPS	Junior Primary School
JSS	Junior Secondary School
LED	Local Economic Development
MDRTB	Multi Drug Resistant Tuberculosis
MEC	Member of Executive Committee
MFMA	Municipal Finance Management Act, 56 of 2003
MFMG	Municipal Finance Management Grant
MIG	Municipal Infrastructure Grant
MLM	Nxuba Local Municipality
NEMA	National Environmental Management Act 107 of 1998
NGO	Non-Governmental Organizations
MSIG	Municipal System Improvement Grant

PGDP	Provincial Growth and Development Plan
OBE	Outcomes based education
PHC	Primary Health care
PSDP	Provincial Spatial Development Plan
RDP	Reconstruction and Development Plan
SAPS	South African Police services
SDBIP	Service delivery Budget Implementation Plan
SDF	Spatial Development Framework
SMME's	Small Medium Micro Enterprises
SPS	Senior primary School
SSS	Senior secondary School
TB	Tuberculosis
NLM	Nxuba Local Municipality
WSDP	Water Services Development Plan

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FOREWORD BY HIS WORSHIP THE MAYOR

OVERVIEW BY THE ACTING MUNICIPAL MANAGER

CHAPTER ONE

The Nxuba local municipality's Integrated Development Plan under review for 2011/2012 is structured into the following 8 chapters:

Chapter 1	Background and Legal Overview
Chapter 2	Situational Analysis
Chapter 3	Development Strategies
Chapter 4	Spatial Development Framework
Chapter 5	Sector Involvement
Chapter 6	Implementation Plan
Chapter 7	Projects
Chapter 8	Financial Plan and SDBIP

1. EXECUTIVE SUMMARY – NXUBA LOCAL MUNICIPALITY

The Executive Summary gives a brief overview of the processes undertaken by the municipality during the IDP Review. It deals with the IDP planning methodology, legal frameworks, situational analysis spread over the six Local Government key performance areas and highlights the municipality's strategic objectives that will be addressed and financed in the operational plan / Service Delivery Budget Implementation Plan.

IDP PROCESS

The integrated development planning methodology comprises five interrelated phases namely;

- ⇒ Analysis
- ⇒ Strategies
- ⇒ Projects
- ⇒ Integration
- ⇒ Approval

THE LEGISLATIVE AND POLICY FRAMEWORK

The Integrated development planning process is highly regulated and the municipality is guided by the following important legislation; The Republic of South Africa Constitution Act (1996); Chapter 3 and 7

- ⇒ The Municipal Systems Act (2000); read together with the Municipal Planning and Performance Regulations (2001)
- ⇒ The Local Government Municipal Finance Management Act, (2003)
- ⇒ The Municipal Structures Act, (1998) and the Inter-Governmental Relations Framework, (2005).
- ⇒ Provincial Growth and Development Strategy, Reviewed Provincial Spatial Development Framework, (2010) and the IDP Framework Guide for Credible IDP's.

Annual Review and Amendment of Integrated Development Plan

The review for 2011/2012 of the Nxuba IDP is based on the following prescripts:-

A Municipal Council:

- Must review its Integrated Development Plan annually in accordance with an assessment of its performance measurements, and to the extent that changing circumstances so demand a review;
- May amend its Integrated Development Plan in accordance with a prescribed process (Local Government Municipal Systems Act, 2000, Section 34).

The Mayor of a municipality must co-ordinate the annual revision of the Integrated Development Plan in terms of Section 34 of the Municipal Systems Act, and determine how the Integrated Development Plan is to be taken into account or is to be revised for the purposes of preparing the annual budget. (MFMA 53(1)(b)).

OVERVIEW OF NXUBA LOCAL MUNICIPALITY

THE STUDY AREA

Nxuba Local Municipality falls within the Amathole District of the Eastern Cape Province. The Municipal area comprises an area of 2,749.45km².

ENVIRONMENTAL ANALYSIS

An environmental analysis includes a demographic, socio economic, spatial and biophysical environmental analysis.

- ⇒ The following **demographic trends** were identified;
- The population of Nxuba is 21 467. The population density is low with an average population density of 7.8 people per Km². The population is predominantly female (51.5%) and predominantly African (75%). The largest portion (61.9%) of the population is young and under the age of 35 years, 29.6% are still dependent (1-14), 61.7% are potentially economically active (15-65) and 8.7% are elderly (65+). The high number of dependent children implies a higher burden on the economically active population and organs of state that are providing social assistance services. 7.6% of the population has some form of disability with more men than women being afflicted. Most of the disabilities are physical.
- ⇒ The following **socio economic trends** were identified;
- The area is characterised by poor socio economic conditions.
 - Poverty levels are high with 75.9% of the population earning less than R800 per month and technically falling under the poverty line. This is exacerbated by high levels of unemployment and a high number of potentially economically active people not being economically active (60.8%).
 - Low income levels imply a high dependence on social grants and 32.8% of the population is dependent on social grants. Old age pension and child support grants constitute the majority of grants.
 - Agriculture is the dominant economic activity, followed by community and public sector services with manufacturing and the wholesale and retail trade trailing slightly. The community and public sector services have limited capacity for expansion.
 - The employment sector is dominated by elementary occupations and occupations requiring low qualification levels.
 - The Municipal area is characterised by relatively low education and literacy levels and 6.3% of the population over 20 years of age have no education while 36.9% have only some form of primary school education. Only 16% of the population has attained Grade 12, in addition only 7.2% have received a tertiary qualification.
 - There are approximately 13 schools in the urban area of the municipality of which just over 17% are Senior Secondary Schools. There are no tertiary education facilities within the municipal area. Fortunately the University of Fort Hare (Alice Campus) is only 60 km from Adelaide.
 - Health services are provided by the Department of Health who face many challenges. The Department has several programmes in place namely the

Saving Mothers, Saving Babies Project and Integrated nutrition programmes. There is 2 Hospitals, 5 Clinics and 1 Mobile clinic.

- The average District HIV/AIDS prevalence is 26%. Although the prevalence has stabilised, HIV/AIDS remains a challenge and the Department is concentrating on the management of antiretroviral treatment of infected people. There is also a high level of TB in the region which is commonly associated with HIV/AIDS and the Department is also focusing its attention on the management of TB. Primary health care facilities offer HIV/AIDS testing and counselling services, but there is a shortage of ARV treatment sites with Hospital being the closest one in the District.

KPA 1: SPATIAL DEVELOPMENT FRAMEWORK

Nxuba municipality has developed a Spatial Development Framework which was reviewed in 2009.

⇒ The following **spatial trends** were identified;

- The Municipal area is predominantly rural and dispersed with low density commercial farms. It is estimated that there are 6 277 households in the municipal area. There are two urban centres, the primary one being Adelaide and Bedford serves as a secondary service centre.
- According to the Community Survey 2007, 58.1% of the Nxuba population owns their homes. 41.4% of the population either make use of rented accommodation or reside rent free which normally implies a high backlog in terms of housing grants but in the case of Nxuba it is also contributed to the fact that many households work and live on the surrounding farms.

⇒ The **biophysical environment** is characterized by mountainous terrain and hills, with moderate gradient. Relatively flat areas are found on the valleys.

KPA 2: INFRASTRUCTURAL DEVELOPMENT AND SERVICE DELIVERY

This part of the analysis provides an overview of infrastructural services, and community services and facilities. The existing level of services compare relatively well to that of the district. The following trends were identified in relation to infrastructural services

⇒ **Water and sanitation**

- The Amathole District Municipality is the Water Services Authority (WSA) and the Water Services Provider for the entire Nxuba area.
- Water reticulation is provided by the WSP in the urban areas.
- Adelaide has got insufficient bulk water and ADM has started with a groundwater exploration study in Nxuba to look at alternative options.

- 100% Bucket system is used for Lingelethu and in portions of Nyarha. These toilets were upgraded to waterborne facilities although not connected to the system due to the persistent drought and insufficient capacity of the sewerage treatment plants.

⇒ **Roads and storm water**

- The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the Amathole District Municipality and the Local Municipality.
- The most important transportation distributor is the R63, linking King Williams Town to the N10 and Cradock. The stretch that transverses Nxuba from the direction of Fort Beauford to the N10 is in a good state of repair. The R63 forms an axes with the R67 which is also used as an alternative route to Queenstown via Whittlesea. These roads are particularly important for the development of agriculture and tourism in the area.
- The general condition of internal gravel roads within Nxuba is in very poor condition and storm water systems either need to be developed or extensively upgraded. The process of maintaining and upgrading roads is hampered by budget constraints.

⇒ **Electricity and energy**

ESCOM is the licensed distributor of electricity in the rural area and Nxuba Municipality renders this service in the urban areas of Adelaide and Bedford. Efforts should be intensified to increase the notified maximum demand and faulty meters should be replaced. Electrical network urgently requires to be serviced and maintained. Implement an audit of electrical connections.

⇒ **TV and Telecommunication**

- There is access to telecommunication services. The cellular network is mostly good except in the southern part of Adelaide and 2km outside of Bedford (approaching from Adelaide). There is no reception of ETV and SABC1.

The following trends were identified in relation to **community services and facilities**

⇒ **Solid waste management**

- Refuse removal services are limited to urban areas. 75.3% of households have access to a weekly refuse removal service and a further 1.8% less frequently. 22.9% of households dispose of their own refuse. There is a licensed landfill site at Bedford and an unregistered site in Adelaide.

- A local Integrated Waste Management Plan has been developed.
- Amathole DM provides **Disaster Management** in the District from a centre in East London and there is a Disaster Management plan in place to effectively manage disasters. Disasters stem primarily from natural causes (drought, fire and storms etc). A Disaster Management Satellite Centre has been established in Nxuba and a Disaster Management Officer employed locally.
- The **pound** does not conform to the prescriber standard.

⇒ **Public, social and recreational facilities and amenities**

- There are **sport facilities** in the urban areas, but these facilities are not of the desired standard. Sport and recreation plays an important role in youth development.
- There are 5 **community/town halls** in the area which are utilised by the community. The condition of these facilities are generally poor and in need of renovation and maintenance. A new community/town hall is being built in Goodwin Park.
- 15 **Cemeteries** serve the current demand but should be fenced.
- There are three **libraries** in the Municipal area which is managed by the Municipality in terms of a service level agreement with the Province. Nxuba has a low level of **crime** which is likely to have a positive impact on local economic development. **Domestic violence and unlawful breaking and entering is the most prevalent crime.**

KPA 3: FINANCIAL VIABILITY

The audit outcome received by Nxuba for the 2009/10 financial year was a disclaimer.

- ⇒ The Nxuba Local Municipality derives its income from external sources and generates its own income. External income is derived from government grants, subsidies and capital grants. Own income is derived primarily from property rates, service charges on electricity and refuse removal and other services that are provided by the municipality
- ⇒ The Municipality has a low income base and is heavily dependent on government grants and subsidies and capital grants which constitute 56% of its 2010/11 budget.
- ⇒ Property rates constitute only 5 % of the Municipalities income. The Municipality has an updated valuation roll. Reluctance of some ratepayers to pay has, however, hampered the implementation thereof. The smooth implementation of the valuation roll could make a significant contribution to the municipality's rates income.

- ⇒ Service charges constitute 36% of the Municipalities own income for the 2010/11 financial year. Payment rates are poor and the Municipality needs to develop a culture of payment to ensure that its projected income is realised.
- ⇒ The capital and operational budgets constitute 18 % and 82% of the 2010/11 budget respectively.
- ⇒ **National treasury no longer prescribes a norm for salary expenditure** and instead requires Municipalities to develop a personnel expenditure ratio based on their circumstances. The Municipality has allocated 35% to its personnel expenditure which is over par for expected norms.
- ⇒ Provision is made on the budget for repairs and maintenance 9% which is just under par with the norm of between 10% and 15% proposed by National Treasury.
- ⇒ Provision is made on the budget for the provision of free basic electricity and refuse services from the equitable share. The equitable share is not adequate to deliver services in the area
- ⇒ The Municipality has adequate financial policies and procedures in place to effectively manage its finances although these require consistent application to achieve the desired results.

KPA 4: ECONOMIC GROWTH AND DEVELOPMENT

Economic growth and development was analysed with specific reference to current trends in terms of poverty, employment trends and the predominant sectors. The following trends were identified;

- ⇒ High unemployment and poverty levels in the Municipality result in low affordability levels which manifest in low levels of investment, development and service delivery and under-utilisation of development opportunities. There is an urgent need for major new private sector investments to create jobs and improve livelihoods in the Municipality
- ⇒ Municipality has a limited and almost non-existent industrial economy and a high dependency upon primary economic activities.
- ⇒ The sectors offering the most significant potential include:
 - Agriculture (livestock and game farming)
 - Tourism (The nature reserve, arts, crafts, scenery, wildlife, wetlands, cultural heritage).
 - SMME
 - Trade and Business Services
 - Forestry (limited to the Northern mountainous region)
- ⇒ The Amathole District Municipality has established Aspire, an Economic Development Agency, to promote economic development in the District and

which is responsible for the implementation of local economic projects in the District in co-operation with the Local Municipalities.

⇒ Nxuba Local Municipality does not have a LED strategy.

KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION ANALYSIS

⇒ Community participation has to be improved through regular meetings and outreaches

⇒ Effective governance has been achieved in a number of ways;

- The establishment of portfolio committees
- Participation in District IGR structures
- The establishment of Ward Committees
-

KPA 6: INSTITUTIONAL ANALYSIS

The following *institutional trends* were identified;

- ⇒ The organisational structure has 179 positions of which 51 (27%) are vacant; including 1 on senior management level (Levels 1-3). There are 4 critical positions which are budgeted for and need to be filled. The position of Municipal Manager is filled.
- ⇒ The Municipality has a fairly low vacancy rate and faces challenges in recruiting and retaining key staff due to its location.
- ⇒ Lack of office space. Personnel working at separate locations within Adelaide could compromise institutions communication and corporate values.

PRIORITIES IN THE CONTEXT OF KPAs.

Financial Viability

- Implementation of the Financial Recovery Strategy
- Revenue enhancement
- Clean Audit

Infrastructure Development and maintenance:

- Electricity provision
- Solid Waste Services
- Roads and storm water
- Water and Sanitation (ADM):
 - Bucket eradication
 - Expansion of the sewerage treatment plant
- Community Halls
 - Goodwin Park

- Office accommodation:
 - Phase 2
- Housing (DoH)
 - New, Backlogs and Blocked projects
- Land (DoLA and Rural Development)
 - Commonage expansion
 - Land reform
 - Environmental conservation (NLM)

Economic Development and Job Creation

- Tourism
- Agriculture
- SMME

Public Participation and Communication

- Social Services
- Fire Services
- Social Facilities

Capacity and skills Development

- Training of staff
- Organogram restructuring
- Institutional values
- Performance Management

CHAPTER TWO

2. EXTERNAL AND INTERNAL SITUATIONAL ANALYSIS – NXUBA AREA

The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment, the impact thereof on the inhabitants of the municipality and by taking cognisance of community perceptions and

needs. It also facilitates the identification and analysis of the environmental challenges facing the Municipality and allows the Municipality to accurately prioritise these challenges.

The analysis phase should be seen as the foundation of the IDP that informs the ensuing phases. Municipal planning, budgeting, decision making and service delivery are based on the IDP and it is therefore critical that the analysis phase of the IDP provide an accurate understanding of the prevailing environment to ensure credibility of the final IDP or IDP review.

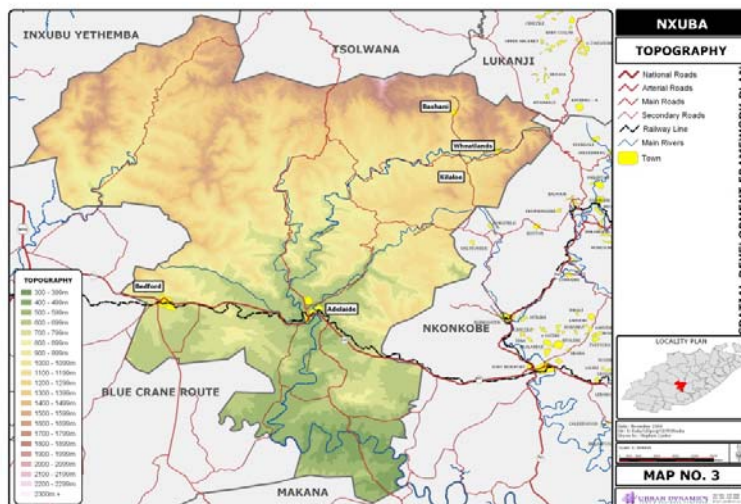
This section provides a strategic analysis of the external and internal dimensions hereunder, which have a direct impact on development in Nxuba Local Municipality.

2.1 THE STUDY AREA

Nxuba Local Municipality is situated in the Winterland of the Eastern Cape, under the jurisdiction of the Amathole District Municipality. The two towns are imbedded with a variety of architecture and steeped in history. The Municipality has a rich historical background dating back to the 19th century with many places of interest and heritage sites that need to be preserved.

2.1.1 GEOGRAPHIC DESCRIPTION

The following map represents the geographic location of Nxuba Municipality.



Nxuba Municipal area is abutted by the boundaries of Nkonkobe (East), Lukhanji (North East), Tsolwana (North), Inxuba Yethemba (North West), Blue Crane Route (West) and Makana (South) Municipal areas.

Based on the 2007 Community Survey, the population figure is 21 467. The largest concentration of people is found in Adelaide. The economy is based on social services and government spending, with very strong roots in the agriculture sector.

The Nxuba Local Municipality covers an area of 2,749.45km² and constitutes 11.66% of the Amathole District. The physical area is characterised by three distinctive settlement and land use patterns, consisting of the undermentioned two urban centers; rural hinterland, comprising of privately owned farms where most of the farming activities take place; and high lying hinterland which is mainly characterized by mountainous terrain and hills.

- **Adelaide**, including Bezuidenhoutville and Lingelethu – old and new
- **Bedford**, including Goodwin Park and Nyarha

Suburbs/Villages
Adelaide
Bedford
Bezuidenhoutville
Lingelethu
Ndlovi
New Brighton
New Lingelethu
Old Lingelethu
Phola Park
Sizakhele

2.1.2 DEMOGRAPHIC ANALYSIS

2.1.2.1 POPULATION AND POPULATION DENSITY

According to the 2007 Community Survey conducted by Statistics South Africa the total population of the Eastern Cape Province is 6,527 747 people and the total population of the Amathole District is 1,664 753. The District population accounts for 25.5% of the Provincial population. Nxuba Local Municipality has a total population of 21 467 which constitutes 1.3% of the total District population. Nxuba's population has declined by 13.5% since 2001 primarily due to the high death, low birth rate and out migration.

The Nxuba Local Municipality has a low population density of 7.8 people per square kilometre. This is much lower than the District average of 70.6 people per square kilometre.

Table 1: Population and population density

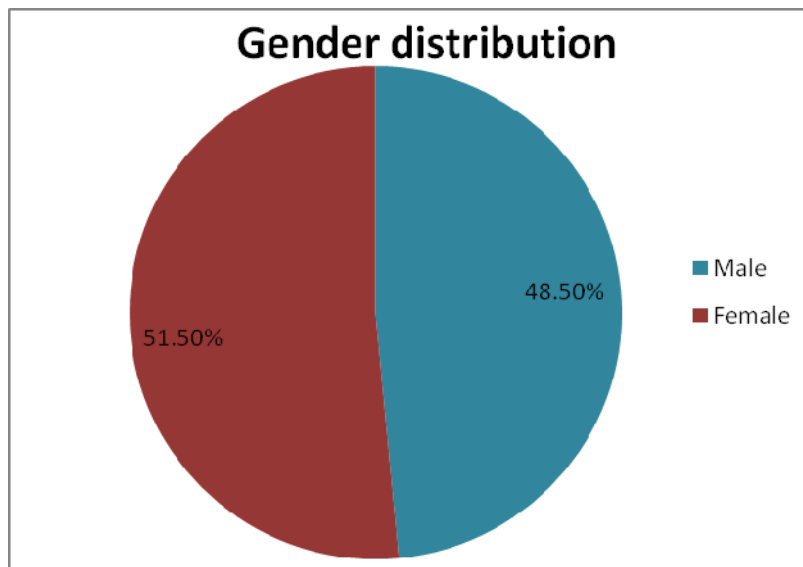
Municipality	Total Population	Area / square km	Density
Nxuba	21 467	2 749.45	7.8

StatsSA Community Survey 2007

2.1.2.2 GENDER DISTRIBUTION

The population of Nxuba Local Municipality consists of slightly more female than male residence. Females constitute 51.5% of the population and males 48.5%. Municipal planning does takes cognizance of the gender distribution in the Municipality and the Special Programmes Unit has established Nxuba Women’s Forum. The forum needs to be strengthened to continuously function optimally throughout the year and not only limit its activities to special events during Women’s Month in August.

Figure 1: Gender Distribution



Source: Statistics South Africa: Community Survey 2007

Tabel 2: Population: Gender breakdown per group

Group	Male	Female
Black	7 806	8 320
Coloured	1 931	2 088
Indian or Asian	0	14
White	677	637
Total	10 414	11 059

Source: Statistics South Africa: Community Survey 2007

The trend in the dominance of females is consistent between the various groups with the exception of the white population where there are 40 more males than females.

Table 3: Household head

Municipality	Male	Female
Nxuba	3587	2692

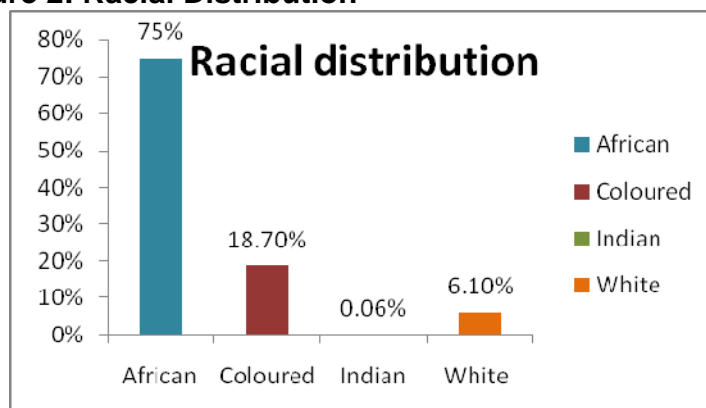
Source: Statistics South Africa: Community Survey 2007

Despite the predominance of the female population, by comparison there are 14.2% more male headed households.

2.1.2.3 RACIAL DISTRIBUTION

The majority of the population in Nxuba is African. African people constitute 75% of the population and other racial groupings make-up the remaining 25%. This trend is not reflective of the District level where African people constitute 92% of the total population and the remaining population groups only 8% of the total population.

Figure 2: Racial Distribution



Source: Statistics South Africa: Community Survey 2007

Table 4: Population by group

Municipality	African	Coloured	Indian	White
Nxuba	16 126	4 019	14	1 314

Source: Statistics South Africa: Community Survey 2007

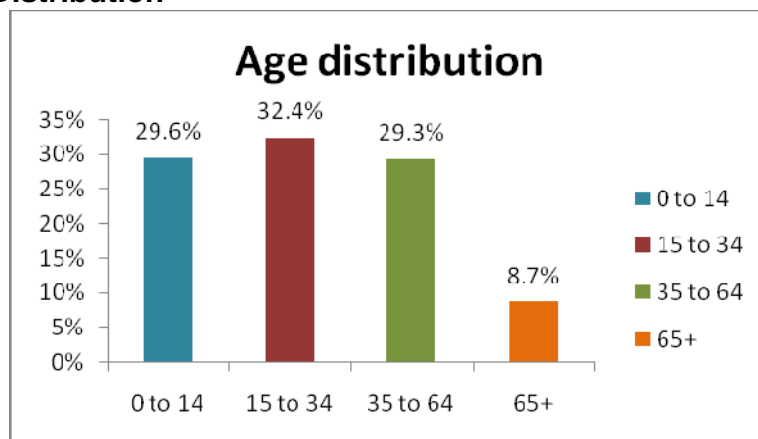
2.1.2.4 AGE DISTRIBUTION

The population of Nxuba is predominantly a youthful one. 61.9% of the population is under the age of 35 years. 29.6% of the population is between the ages of 0 and 14 years and dependent while the potentially economically active population (15 - 65 years) constitutes 61.7% of the population. The elderly make-up 8.7% of the local population.

This trend is fairly reflective at District level where 67.1% of the population are under the age of 35 years. 32.06% of the population is between the ages of 0 and 14 years and dependent while the potentially economically active population constitutes 60.28% of the population. The elderly constitute 7.6 % of the district population.

The high proportion of dependent youth in the Municipality implies a higher burden on the economically active population. Given that a high percentage of the economically active population are not economically active this burden shifts to organs of state and places a higher burden on municipalities and government departments tasked with providing social assistance such as Social Development, Health, Education etc. Municipal planning takes cognizance of the age distribution in the Municipality. The Special Programmes Unit has established an Elderly Forum and a Youth Council within Nxuba

Figure 3: Age Distribution



Source: Statistics South Africa: Community Survey 2007

Table 5: Population by age category

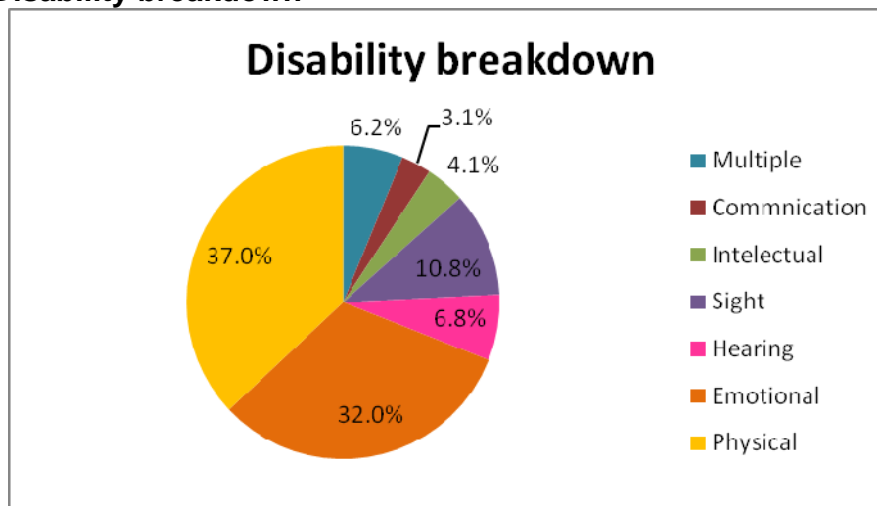
Municipality	0 to 14	15 to 34	35 to 64	65+
Nxuba	6 357	6 951	6 302	1 866

Source: Statistics South Africa: Community Survey 2007

2.1.2.5 DISABILITY

There are a number of people in the Nxuba Local Municipality who have disabilities and 7.6% of the total population suffers from some form of disability and a further 1.7% are institutionalized therefore their status is unknown. From the segment of population that suffers from some form of disability, a slightly higher percentage of males (54.4%) than the female population (45.6%) are afflicted. An analysis of the most predominant types of disability revealed that physical disabilities (37%) are the most common followed by emotional disorder (32%). Only 6.2% of people with disabilities have multiple disabilities. Municipal planning does take cognizance of people with disabilities in the Municipality. The Council has established Nxuba Disability Forum under the auspices of the Special Programmes Unit.

Figure 4: Disability breakdown



Source: Statistics South Africa: Community Survey 2007

2.1.3 SOCIO-ECONOMIC ANALYSIS

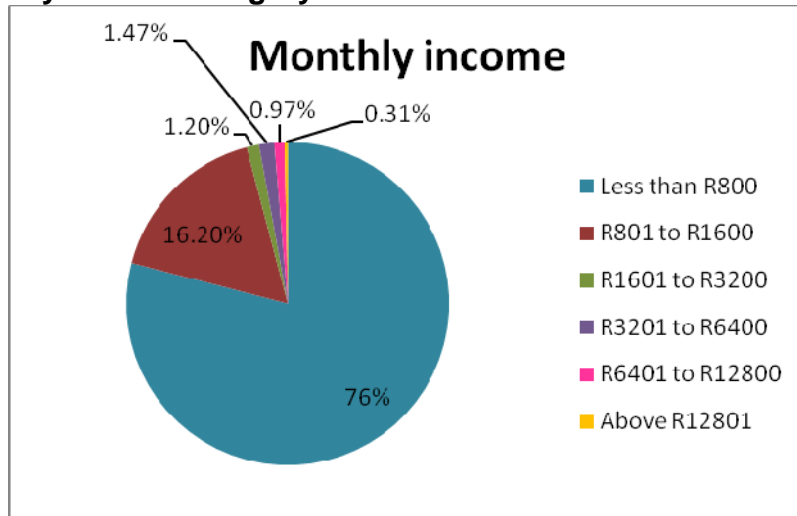
The Nxuba Local Municipality is characterised by poor socio economic conditions. The low economic growth rate coupled with low income leads to low affordability level. On average the level of services compare relatively well with that of the district.

2.1.3.1 INCOME LEVELS

Income levels within the Municipal area are very low. 60.8% of the economically active population does not generate an income. Only 9.3% of the economically active population has an income of more than R1601.00 per month. Municipal planning needs to focus strongly on local economic development initiatives that will enable the community to generate an income.

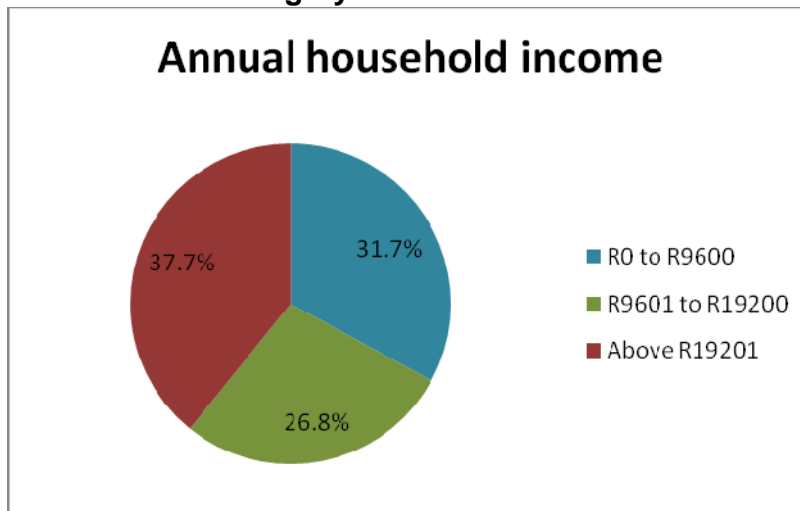
Figure 5 and 6 below represents the monthly and annual household income earned by the population as at 2007.

Figure 5: Monthly income category



Source: Statistics South Africa: Community Survey 2007

Figure 6: Household income category



Source: Statistics South Africa: Community Survey 2007

Likewise, household income levels are low. Approximately a third of the households (31.7%) within the Nxuba Municipality record income levels of R0-R9 600, and 26.8% earn between R9 601 and R19 200 a year, in other words, about 58.5% of households receive an incomes below R19 201 per annum. Annual income levels of around 3.7% households in Nxuba are unknown. The table below reflects that household incomes vary considerably in the Nxuba area.

Table 6: Annual Household Income

Municipality	None	R1– 9 600	R9601– 19 200	R19201 – 38 400	R38401– 76800	R76801+
Nxuba	808	1182	1680	1383	559	429

Source: Statistics South Africa: Community Survey 2007

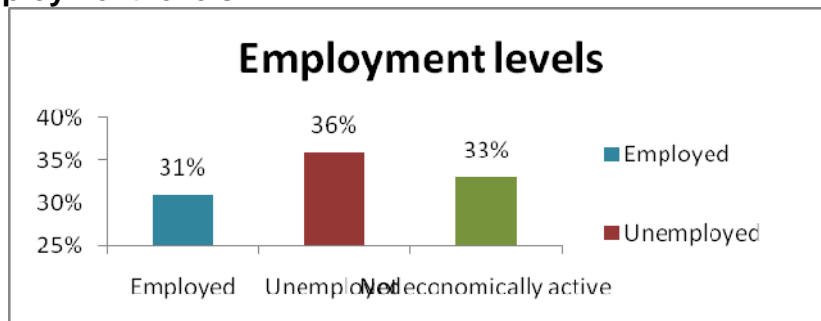
2.1.3.2 POVERTY LEVELS

Increasing levels of absolute poverty have been recorded in the Eastern Cape and 74% of the people of the Eastern Cape live below the poverty line of R800 or less a month. Poverty levels in the Amathole District are slightly lower than the Provincial norm at 72.3%. Poverty levels within Nxuba Local Municipality are 75.9% which is higher than the Provincial and District norm. High poverty levels imply a high dependency on social assistance in the form of grants. Municipal planning needs to focus strongly on poverty alleviation mechanisms.

2.1.3.3 EMPLOYMENT LEVELS AND TRENDS

The Nxuba Local Municipality is characterised by low levels of employment and a high percentage of people who are not economically active. This in turn accounts for the high poverty levels and low income levels. High unemployment rates impact negatively on municipalities as low affordability levels generally result in a poor payment rate for services. Nxuba Local Municipality's unemployment rate is estimated to be 69%.

Figure 7: Employment levels



Source: Statistics South Africa: Community Survey 2007

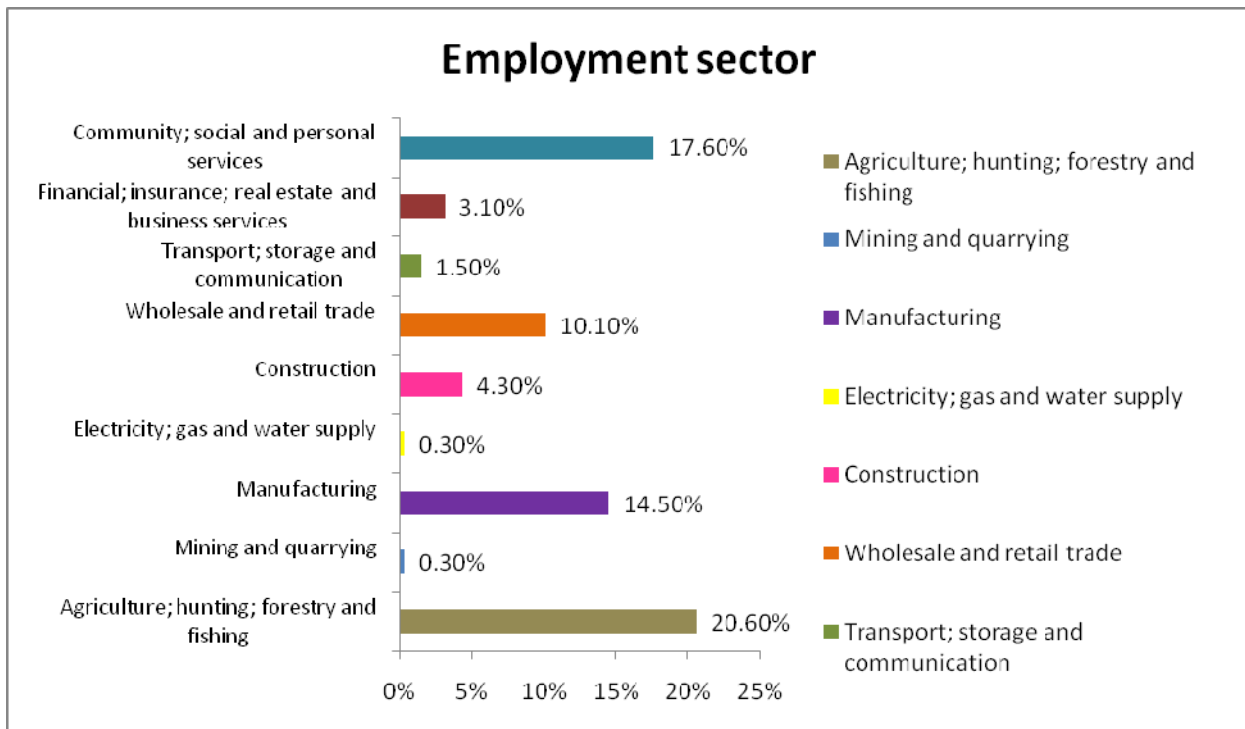
Table 7: Labour market status of those aged 15-65 years

Status	Persons
Employed	4 069
Unemployed	4 690
Non economically	4 299

active	
Unspecified	121
Institutions	210
Total	13 389

Source: Statistics South Africa: Community Survey 2007

Figure 8: Employment Sectors



Source: Statistics South Africa: Community Survey 2007

The economy of Amathole District Municipality is derives from three sectors namely:

- ⇒ The Primary sector is dominated by community and public sector.
- ⇒ The Secondary most important is the finance and business services sectors.
- ⇒ The Third most important contributor to the GGP is the manufacturing sector.
- ⇒ The contribution of the agriculture sector is minimal.

These trends are not mirrored in Nxuba Local Municipality where the agriculture sector accounts for the majority of specified jobs (20.6%) and this is closely followed by the community and public sector with 17.6%. The latter sector is an unlikely base for

employment expansion. Manufacturing and the wholesale and retail trade constitute the third and fourth highest employment sector (14.5% and 10.1% respectively), but it is also doubtful whether these sector will expand significantly as commercial and business activities are confined to urban centres of Adelaide and to a lesser degree Bedford. This limits the majority of the rural population from finding work in these sectors.

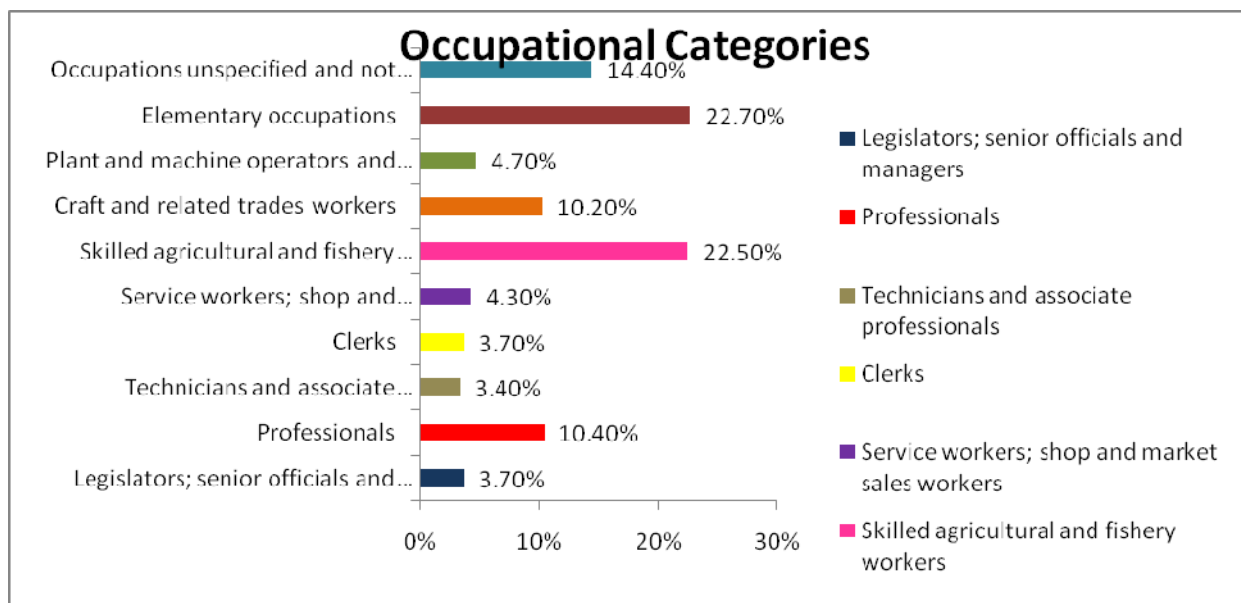
The following table provides an overview of the occupational categories within Nxuba Local Municipality

Table 8: Formal employment sectors

Municipality	Mining	Electric	Transport	Manufacturing	Construction	Wholesale	Community	Financial	Agriculture
Nxuba	10	12	62	591	173	412	718	124	840

Source: Statistics South Africa: Community Survey 2007

Figure 9: Occupational Categories



Source: Statistics South Africa: Community Survey 2007

The employment sector is dominated by elementary occupations (22.7%) and agricultural and fishery workers (22.5%). Craft and related workers, plant and machine

operators, service shop market and sales workers, and clerks jointly constitute 17.5% of the employment sector. Professionals, technicians and associate professionals and legislators /senior managers jointly constitute 22.8 % of the employment sector.

This dominance of elementary and other low level occupations is indicative of the low skills base in the area. As a result there is a shortage of skilled artisans, engineers, project managers, business management skills and technical skills in agriculture, tourism and environmental management.

Table 9: Skills levels / Occupational categories

Municipality	Senior Management	Professional	Technical	Clerks	Service Related	Agriculture and fishery	Craft / Trade	Plant Machinery	Elementary
Nxuba	152	423	139	152	173	916	414	189	922

Source: Statistics South Africa: Community Survey 2007

Table 10: Human Development Index (HDI)

Municipality	1998	2000	2002	2004	2006	2008
Nxuba	0.47	0.49	0.50	0.50	0.51	0.51

Source: Amathole IDP 2010/2011

2.1.3.4 DEPENDENCY ON SOCIAL GRANTS

There is a high level of dependency on social grants. 32.8% of the population is dependent on social grants which include the following;

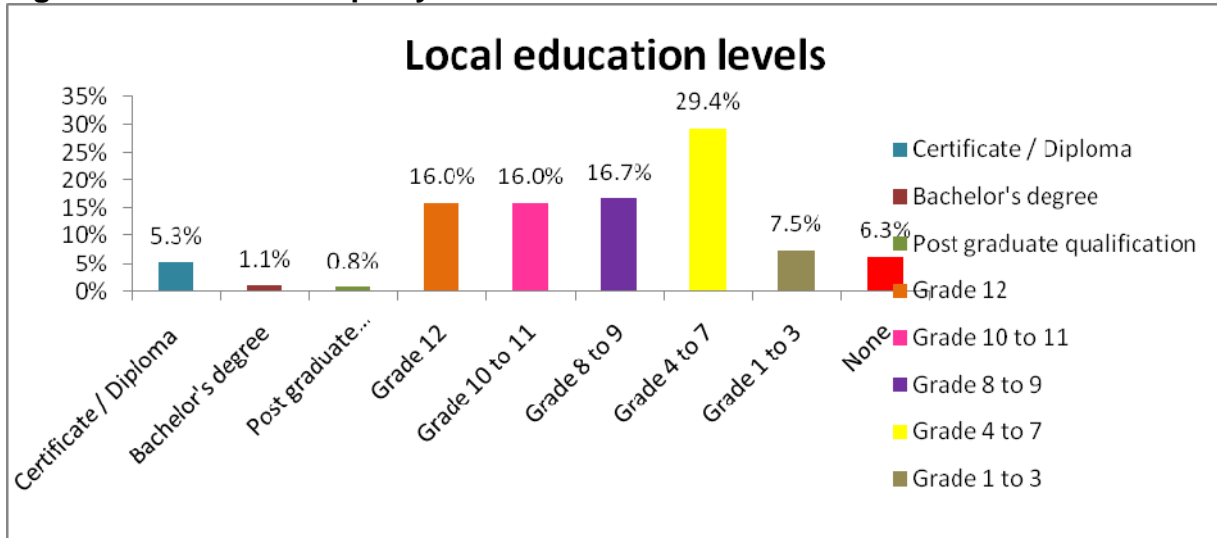
- ⇒ Old age pension
- ⇒ Disability grant
- ⇒ Child support grant
- ⇒ Care dependency grant

Child support grants and old age pensions respectively constitute 58.6% and 27.1% of the allocated grants. Only 4.4% of the population receives disability grants as compared to the 9.3% of the population who have a disability. Given the high poverty levels, the Nxuba Municipality needs to facilitate a process to ensure that all potential beneficiaries of grants receive what they are entitled to.

2.1.3.5 EDUCATION

Nxuba Local Municipality is characterised by low education and literacy levels. 6.3% of the population over 20 years of age has no education, while 36.9% has only some form of primary school education. Only 16% of the population has attained grade 12. Only 7.2 % of the population has attained any higher qualification. The following figure represents the highest levels of education attained by the population over 20 years of age as at 2007

Figure 10: Local Municipality Education Levels



Source: Statistics South Africa: Community Survey 2007

Table 11: Levels of Education: 20 years and older

Municipality	No formal schooling	Grade 0-7	Grade 8-11	Grade 12	Diploma/Certificate	Tertiary
Nxuba	840	4 911	4 319	2 130	709	247

Source: Statistics South Africa: Community Survey 2007

The Statistics South Africa Community Survey of 2007 reveals that 64.8% of the Municipality's population between the ages of 5 and 24 years is attending some form of educational institution. Of these 41.2% are attending secondary school and 1% tertiary institutions.

Table 12: Educational attendance of those aged 5-24 years

Municipality	Not attending	Pre-school	Primary school	Secondary school	University	Other
Nxuba	2 391	289	2 697	2 144	47	28

Source: Statistics South Africa: Community Survey 2007

Table 13: Education Facilities

LOCATION	PRE-PRIMARY	PRIMARY SCHOOL	SECONDARY SCHOOL
Adelaide Town	2 (Check if both registered)	1	1 Adelaide Gymnasium
Bezuidenhoutville	3	1	
Lingelethu (Old & New)	2	3	1 (New) Sipho Camagu
Bedford Town	1	1	1 Templeton High
Goodwin Park	2	1	
Nyarha	2	2	1 Lonwabo SS
TOTAL	12	9	4

In the Nxuba Local Municipality area there are 23 educational facilities. Of these facilities 10 are Pre-primary Schools, 9 Primary Schools and 4 Secondary Schools.

There appears to be an adequate number of primary education facilities in the municipal area and 17% percent of schools provide secondary level education. The closest tertiary education facility is in Alice. In addition there are a number of farm schools.

Schools
ADELAIDE GYMNASIUM
ADELAIDE PRIMARY
ALWYNKRANTZ FARM
AMAJINGQI PUBLIC
BEDFORD FS
BEDFORD PUBLIC PRIMARY
BELMONT FARM
BOSRIVIER FARM
CHEVIOT FELLS FARM
COWIE BUSH P
CRAIG RENNIE P
CULLENDALE FARM
ELANDSDRIFT (PRES) P

ELINGENI P
FOUNTAIN HEAD P
GLEN THORN PRES P
HUNTLEY GLEN P
KAALHOEK FARM
KHOBONQABA P
KINGSDALE P FARM
LONWABO SS
LYNEDOCH FARM
MILLHOLME P
MILLNESS P
NONYAMEKO P
NTLAMA SP
POST RETIEF P
RICHARD MSUTHU P
ROCKVILLE P
SAXFOLD PARK FARM
SILVERBROOK FARM
TEMPLETON HIGH
VULINDLELA P
WELVERDIEND P
YELLOWWOODS P
ZEERUST P

2.1.4 HOUSING AND SETTLEMENT ANALYSIS

2.1.4.1 SETTLEMENT PATTERNS

The Municipality is predominantly rural and the majority of land is covered by dispersed low density commercial farmlands. There are two urban centres. The primary urban centre is Adelaide and secondary urban centre is Bedford. The majority of people reside in the urban areas.

2.1.4.1.1 LAND REFORM FOR SETTLEMENT AND HOUSING

The land needs for housing in ADM are detailed in the Land Reform and Settlement Plan reviewed in 2005 and in each LMs SDF. The SDF for Nxuba reflects the urban land needs by the identification of actual land parcels (Map 12 and 13). The access to such land and its acquisition could potentially be a hindrance to the implementation of the housing programme in the urban areas of Nxuba.

Closer communication between DRD & LR, the Department of Human Settlement and municipalities are required to align land reform in both the urban and rural settlement sectors. Rural housing programmes for farm workers in particular need alignment to national, provincial and municipal sectors.

2.1.4.2 HOUSEHOLDS

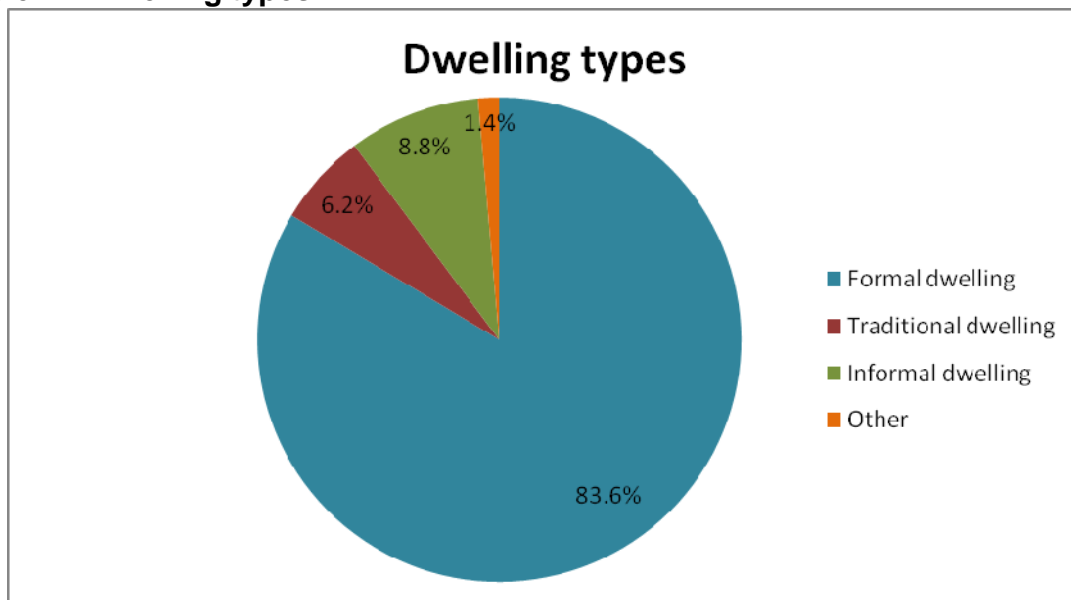
According to the Statistics South Africa Community Survey 2007, there are 6 277 households in Nxuba Local Municipality.

2.1.4.2.1 HOUSING TYPES AND TENURE

The majority of Nxuba's population resides in formal dwellings (83.6%) such as a house or flat in a town house cluster. This is confirmed by the Community Survey 2007 data stating that there are 5 246 households living in formal houses. Close on 9% of the population live in informal backyard and squatter community dwellings and a further 6% have traditional dwellings made of traditional materials.

According to the Statistics South Africa Community Survey 2007, 58.1% of the Nxuba population own their homes. This is lower than the District norm of 65.6% and the Provincial norm of 63%.

Figure 11: Dwelling types



Source: Statistics South Africa: Community Survey 2007

Table 18: Type of structure

Municipality	Formal	Informal	Traditional	Other
Nxuba	5 246	552	387	92

Source: Statistics South Africa: Community Survey 2007

2.1.4.3 HOUSING SECTOR PLAN

The provision of formal housing for low and middle income residents is a core function of provincial and national government, with local municipalities being implementing agents.

Nxuba Municipality adopted a Housing Sector Plan 2008 to 2012.

The need for subsidized housing generates the only real demand for urban space, the bulk of which is primarily for upgrading and to address the existing backlogs.

Nxuba Municipality must as part of its IDP take all reasonable steps within the framework of national and provincial housing legislation to ensure that the inhabitants within its area have access to adequate housing on a progressive basis and that conditions not conducive to the health and safety of the inhabitants of its area are prevented or removed and services in respect of water, sanitation, electricity, road, storm water drainage and transport are provided in a manner which is economically efficient. In addition the Municipality must set housing delivery goals for its area and identify and designate land for housing development.

The funding to purchase private land for housing purposes no longer forms part of the housing subsidy and the responsibility now rests with the Department of Land Affairs.

The table hereunder reflects the status quo with regard to the blocked projects.

Funding	Status quo	Location
R26 000000.00 Provisional	624 Houses Unblocked	Adelaide Ph 2
	481 Unblocked	Adelaide Ph 1

	172 Assessment report submitted	Zink Structures
	200 Assessment report submitted	Goodwin Park
	161 Busy with assessment	Nyarha

THE HOUSING ACT (Act No 107, 1997)

The Housing Act, 1997 stipulates that housing development must take due cognisance of the impact of housing development on the natural environment. Flowing from the White Paper the Act expands on the provisions of the Constitution, prescribes general principles for housing development. The Housing Act, 1997 states that national, provincial and local spheres of government must ensure that housing development is based on integrated development planning. The Integrated Development Planning process ensures that all plans (e.g. water services plans, housing development plans, EIAs) are considered when developing an area.

2.1.4.3.1 HOUSING BACKLOGS

Approximately 1673 potential beneficiaries appear on the housing waiting list. The total area needed to accommodate the existing demand is 56 hectares, based on the density calculated at 30 units per hectare. An approved layout plan is available and the housing application is being prepared by Amathole DM for a further 250 housing units in Worteldrift Agri-Village and has therefor not been included as part of the backlog hereunder.

Table 19: Estimated Housing Backlog

GEOGRAPHICAL AREA	NUMBER OF UNITS
Emabaleni	173
Spoornet Area	100
Lovinie (Adelaide)	300
Ndloveni Informal settlement (Bedford)	600
Sizakele Informal settlement (Bedford)	400
Tyoksville informal settlement	100
TOTAL	1673

(Source: Nxuba Municipality 2011)

2.1.4.3.2 HOUSING AND LAND REFORM NEEDS IN NXUBA

Housing backlogs are currently being recalculated by the provincial Department of Housing. The existing data on backlogs given in the table 20 below suggests that there is currently a backlog of some 182,439 units within the jurisdiction of Amathole DM of which Nxuba contributes 0, 5%, which is the lowest in the district. (ADM ABP)

Table 20: Housing Backlogs for Nxuba Municipality

LOCAL MUNICIPALITY	NO. OF UNITS	%	NO OF HECTARES
Nxuba	1000	0.5	30

Source: Dept of Housing 2007

The eradication of current housing backlogs in the municipal area will have a positive impact on the construction industry and the creation of jobs. It is therefore critical that housing projects are linked to strategies that will ensure greater local content and the development of local small businesses or contractors in this sector.

2.1.4.4 AREA BASED PLAN – NXUBA LAND REFORM

The Department of Rural Development has compiled an Area Based Plan, for the Amathole district area as a whole. An Area Based Plan essentially is a sector plan that seeks to address land related issues at a municipal level and is intended to form part of the Integrated Development Plan (IDP), informing the Spatial Development Framework (SDF) and Land Use Management System (LUMS). Fundamentally the Plan seeks to integrate Land Reform into the municipal planning process wherein identified projects are supported during and post implementation phases to ensure sustainability. Also to develop an implementation tool for pro-active land acquisition to facilitate acquisition of land at scale by DRD & LR to meet the 2014 target of transferring 30% of white owned land into the hands of the black farming class.

This study therefore identifies the distribution of State Land, land under claim and other forms of tenure. The information is currently (2010) being updated and will soon be available to the District and Local Municipalities for use in planning.

The prime purpose of the country's land reform programme is to address the skewed land ownership patterns that were given effect by the 1913 Land Act. The key objectives of the land reform programmes are:

- Redistribution of 30% of white owned land by 2014 for sustainable agricultural development.

- Provision of tenure security to create socio-economic opportunities for those who have less formal forms of tenure.
- Provision of land for sustainable human settlements, industrial and economic development.
- Provision of efficient state land management that supports development.
- Provision of efficient land use and land administration services.
- Settlement of all outstanding land claims and implementation of restitution awards.
- Development of programmes for empowerment of women, children, disabled, People Living with Aids, youth and the aged within DRD & LR mandate.

The Land Reform Programme is anchored on three key programmes, namely: *restitution*, *redistribution*, and *tenure reform*. These were developed to promote land acquisition, restore land rights lost through dispossession and achieve tenure upgrade respectively.

This sub-section provides an analysis of spatial and household data and attempts to display these dynamics in the context of land reform.

Table 13: Land situation in Nxuba Local Municipality in KM²

LAND CATEGORY	Communal (PTO, Quitrent, Freehold, Landless)	Farms ((Freehold, farm workers)	State Land (Leased)	Urban Commonage (Landless, township)	Forestry, Conservation	TOTAL AREA
Notes	1	2	3	4	3	
Nxuba	0	2734	0	57	0	2739

Land Reform Situations in Nxuba Local Municipalities in KM²

TABLE 14: NXUBA LAND REFORM SITUATION

Local Municipality	Farms	Redistribution (SLAG, LRAD)	Redistribution %	Restitution (all land categories)	State Land (GIS & Vested)	State Land Disposal	State Land Disposal %
Notes	2	5		7	3	8	
Nxuba	2734	0	0	12	0	0	0

N.B. Totals may not match as data is obtained from unrelated sources

Key:

- 2. Source: GIS map, S.G cadastre
- 3. Nkonkobe
- 5. Source: DRD & LR Spatial Planning and PLRO tables
- 7. Source: DRD & LR Spatial Planning. These data require verification
Restitution may overlie any category of land but especially farms and state land.
- 8. Vested Land

Table 15 below represents restitution claims settled within the jurisdiction of Nxuba Municipality. This data consist of validated, gazetted, settled, research, registered and dismissed claims. The total number of claims in the Amathole district is 5989. A large number of these claims are in the Buffalo City Municipality at 5795 almost 96% of the claims in the Amathole district, followed by Nxuba Municipality at 69 representing 1.25% of the total number. Mbashe has the lowest number (0.05%) of claims.

TABLE 15: STATUS OF RESTITUTION CLAIMS FOR NXUBA MUNICIPALITY

Municipality	No of settled claims	Percentage (%)
Nxuba	75	1.25 %

2.1.4.4.1 REDISTRIBUTION STRATEGY

Although PLAS should be the major tool in accelerating land acquisition and redistribution, it is important that the other redistribution programmes (LRAD, State Land Disposal, and Commonage Extension) are also accelerated. Similarly, rural restitution settlements also need to be urgently completed. Pre-requisites for an accelerated, sustainable redistribution programme in each Local Municipality are to:

- Complete a land needs survey;
- Quantify the 30% target in hectares as illustrated in Table 17 below;
- Locate the LR focus areas;
- Identify farms for sale with the help of farmers / farmer’s associations/Agri-EC;
- Identify and match potential beneficiaries to farms.

Table 17: Nxuba Land Redistribution 30% target in Hectares to 2014

Municipality	Farms (ha)	30% area	Per year to	No of farms per year
--------------	------------	----------	-------------	----------------------

			2014	
Nxuba	269 200	80 800	16 000	16

At a municipal level land needs are often expressed through a sector initiative, such as housing development.

2.1.4.5 COMMONAGE

Both towns have commonage pastures around the built up suburbs that are used for grazing of livestock. The poor rains and dryer conditions, coupled with large herds, have placed environmental pressure on the commonage causing erosion, loss of grass cover resulting in considerable degradation.

2.1.4.5.1 COMMONAGE EXPANSION

The high demand for subsidized housing has resulted in the utilization of large portions of municipal owned commonage for the purposes of residential development. The acquisition of land for communal / small scale farming and the potential for job creation and economic sustainability in adequately managing the expansion of commonages should be prioritized.

- This necessitates the development of a Commonage Management Plan for Nxuba and to lobby for grant funding from the Department of Land Affairs to acquire land for commonage purposes. Approach Amathole DM to assist in these endeavors.
- Soil and economic sustainability studies must be undertaken;
- SDF proposals regarding commonage usage must be considered;
- Permanent settlement on expanded commonage acquired for small scale agriculture should be disallowed;
- Community based partnerships to manage expanded commonage should be encouraged.

2.1.4.5.2 COMMONAGE LAND REFORM

There is a need for additional commonage land in the vicinity of the two towns to answer the demand for grazing from township and informal settlement livestock owners. The Commonage Grant provides the means to acquire farms for this purpose; such farms do not necessarily have to be directly adjacent to existing commonage.

The most important aspect of commonage extension is that the Local Municipality puts in place a proper management system to ensure the sustainability of such projects.

2.1.4.5.3 AGRI VILLAGE

The ADM's Land Reform and Settlement Plan of 2005 indicates that farm workers on commercial farms need land for security of tenure, either on farms or in agri-villages. This is a community that largely worked on farms in the rural hinterland surrounding Adelaide and Bedford.

In Nxuba, tenure upgrade is considered significant due to historic experiences with forced removals. There is no positive policy or programme tailored specifically towards farm workers, who are assumed to be covered by LRAD or Proactive Land Acquisition Strategy (PLAS). On-farm tenure through negotiation and use of LRAD, off-farm tenure using PLAS, and acquisition of land for Agri-villages should form the basis of a proactive LR programme for this sector. Such a programme would relieve the informal settlement pressures around small agricultural centres such as Adelaide.

Amathole District Municipality purchased Portion 1 of the Farm Worteldrift (588 hectares) on the outskirts of the urban edge of Bedford. This area has been included within the boundary of the reviewed urban edge and no further extension is envisaged. The Worteldrift Rural Agri Village makes provision for approximately 250 surveyed residential erven with an average area of 1000 m². This project aims to provide land for farm labourers who live and carry out subsistence farming in a sustainable manner. A Project Application will be submitted to the DoH through Amathole DM for 250 housing units (1000m). A beneficiary waiting list has been drawn-up. Nxuba Municipality owns large tracts of farm land in the Adelaide area.

TABLE 16: Land Delivery System: Nxuba Municipality

UNITS OF ANALYSIS	ADELAIDE	BEDFORD
LRAD	0	3
PG & Other	3	0
No of Individuals	0	121
Hectares	0	3510
Grant Amount	0.00	2 048 810
Purchase Price	0.00	2 085 000

Primary data indicates that the Provincial Department of Rural Development & Land Reform has procured 3 510ha for 121 land reform beneficiaries in Bedford. The total capital cost of the project procured is R 4 533 810 divided between R 2 048 810 in state grants and R2 085 000 land value.

Areas of prioritised intervention

- Facilitate the provision of adequate housing (Dept. of Housing).

- Lobby for the allocation of grant funding from the Dept of Land Affairs for the acquisition of private land for housing development and commonage expansion.

2.2. KPA 1: SPATIAL ANALYSIS

2.2.1 EASTERN CAPE PROVINCIAL SPATIAL DEVELOPMENT PLAN (ECPSDP): 2010 REVIEW

The Department of Local Government and Traditional Affairs, with the assistance of UN-Habitat, undertook the Review of the Eastern Cape Provincial Development Plan (ECPSDP) in 2010.

The first ECPDP provided strategic principles rather than a prescriptive framework for development for local and district municipalities. The Review on the other hand considers issues such as clustering of opportunities in nodes and development corridors to achieve areas of shared impact. It also takes into account the environmental potential, and characteristics, economic attributes, migration trends and the impact of climate change on development. The impact of these factors will influence the development trends in Nxuba thus will be taken into account during the next SDF review.

2.2.2 NXUBA SPATIAL DEVELOPMENT FRAMEWORK

The Municipal Systems Act makes provision for the revision of the IDP, including the Spatial Development Framework, on an annual basis. Nxuba Local Municipality has reviewed its SDF and it was adopted by Council on the 18th February 2009. The Local Government Election must, by the latest, be held by no later than 2nd June 2011, therefore it was decided that the next SDF review will be considered during 2011/12 so that any adjustments will give effect to the incoming Council's long-term vision and revised strategic objectives for Nxuba municipality.

The current Spatial Development Framework therefore reflects the outgoing Council's vision for development, objectives and strategies with respect to Land Development and Land Use Management. Specific reference is made to the procedure for change in land use i.e. rezoning, subdivision, township establishment and Council's Special Consent. The normal procedure with respect to Land Use Management as outlined in the Land Use Planning Ordinance, No. 15 of 1985 and other Land Use Management Legislation will apply.

The Spatial Development Framework is aligned to the NSDP and PGDS principles and exhibits a good understanding of the municipal area. During the 2010/11 IDP Assessment (June 2010) the findings concluded that the municipality lacked adequate tools to manage sustainable environment development. Although it is believed that the omission to submit the SDF as an annexure to the IDP during the 2010 Assessment gave rise to this finding, the municipality has never the less taken these comments into account and sought to reinforce the environmental analysis in the IDP Review for 2011/12. As an interim measure the municipality has made use of the sustainability environmental checklist to guide the analysis and project selection. In addition all planning decisions will be guided by the Eastern Cape Biodiversity Conservation Plan – Guidelines for Land-use Planning, see section on sustainable development.

Study Area

Adelaide: including, Adelaide Town, Bezuidenhoutsville and Lingeletu

Bedford: including, Bedford Town, Goodwin Park and Nyarha

Adelaide Urban Service Centre

The Adelaide urban area serves as the administrative and economic centre. The town comprises of three distinct environs as a result of historically distorted spatial patterns created through separate development.

Bedford Urban Service Centre

The Bedford urban area is classified as a secondary node. The Bedford town, Goodwin Park and Nyarha communities make up the urban fabric of the Bedford urban area. Planning intervention has integrated the former segregated communities according to National Planning Policies and ideologies. Successful infill planning and *ad hoc* development has created a closely knit urban area with limited open space available for infill development. (See Map 13)

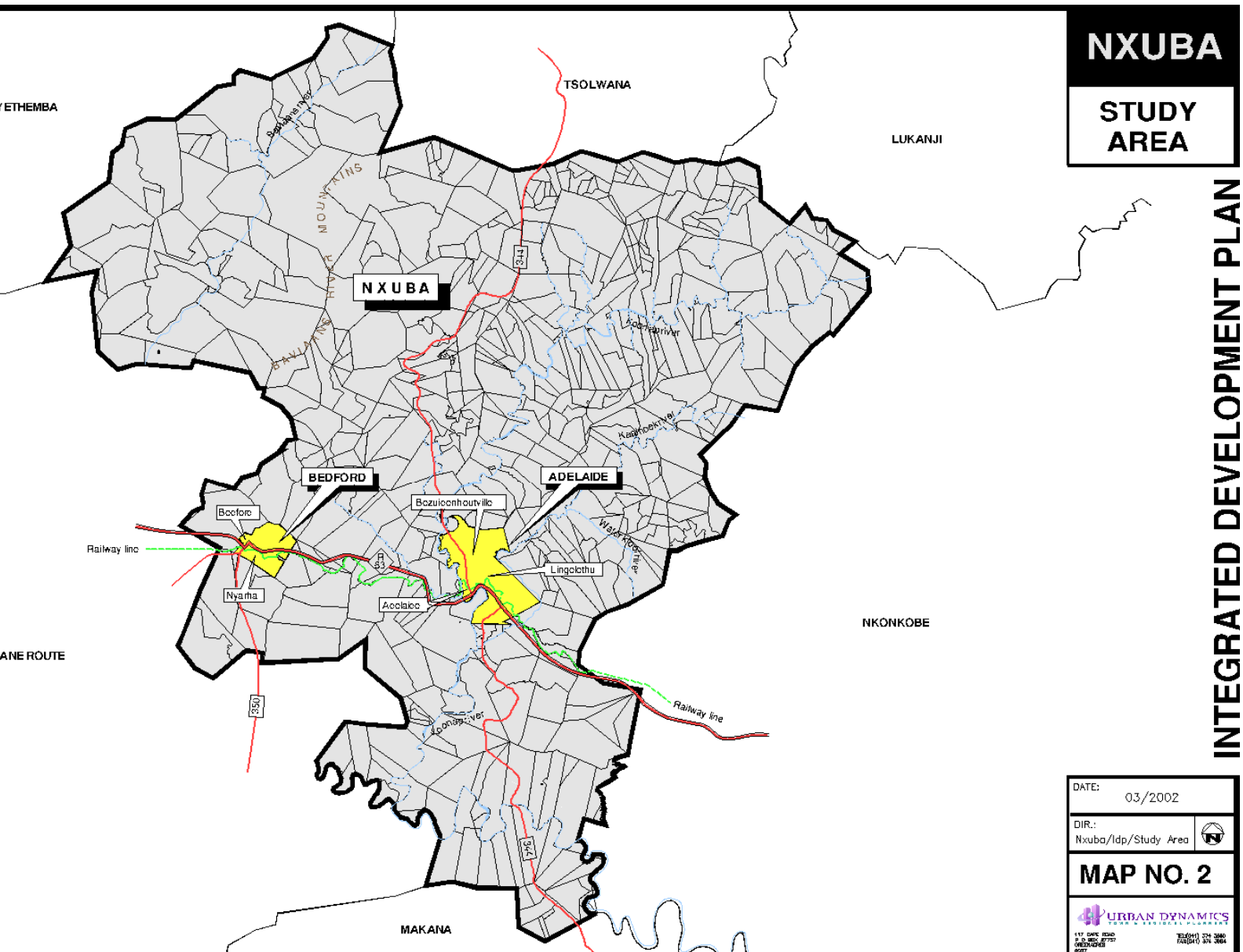
Three planning imperatives that remain high on the agenda in respect of both urban nodes and that is to promote a diverse combination of land uses, discourage urban sprawl and contribute to the development of compact towns, and most importantly to correct the distorted spatial development patterns of the past. The policy is therefore to reconstruct the urban form by integrating communities and social facilities and services to the extent reflected in Map 12 and 13, which depicts the *existing land uses* with an overlay of the following development elements for the *desired spatial form* for Adelaide-

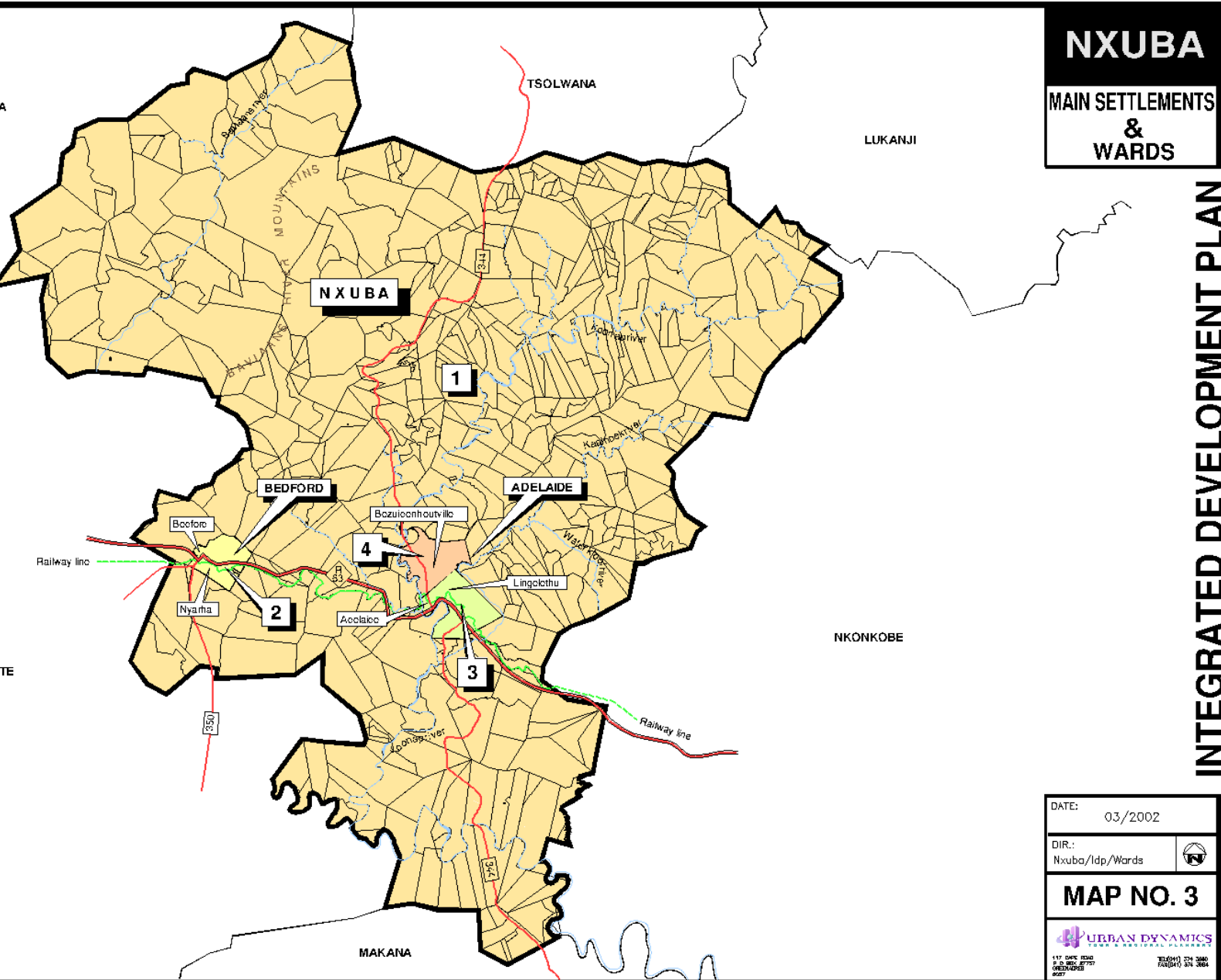
- Residential Expansion
- Growth direction
- Business Expansion
- Tourism and industrial development

Urban Expansion

These are the areas which form the interface between the existing built-up urban areas and the surrounding agricultural hinterland, where development pressures are likely to occur. Agriculture, residential estates and tourism related development are the type of land uses which would be encouraged. Generally, densities would be lower than in the existing built-up areas, and the appropriate density would be determined by an analysis of factors such as accessibility, availability of services, physical features and environmental considerations.

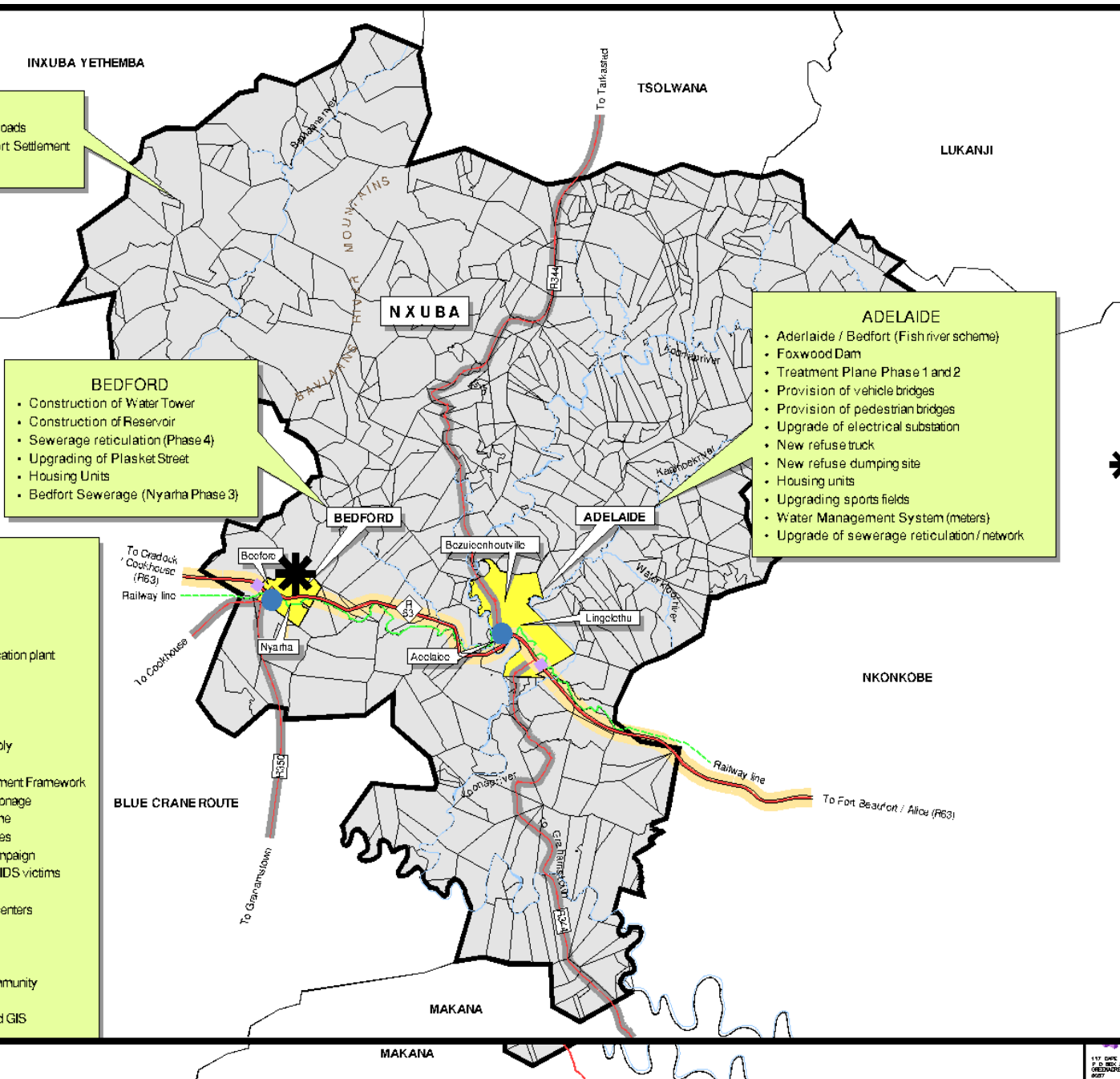
It is important that prior to any development, subdivisions and service provision (water, roads, etc) that a detailed structure plan be prepared to ensure coherent and harmonious development.





NXUBA

SPATIAL DEVELOPMENT FRAMEWORK PROGRAMME



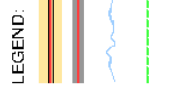
- BEDFORD**
- Construction of Water Tower
 - Construction of Reservoir
 - Sewerage reticulation (Phase 4)
 - Upgrading of Plasket Street
 - Housing Units
 - Bedford Sewerage (Nyarha Phase 3)

- ADELAIDE**
- Adelaide / Bedford (Fish river scheme)
 - Foxwood Dam
 - Treatment Plant Phase 1 and 2
 - Provision of vehicle bridges
 - Provision of pedestrian bridges
 - Upgrade of electrical substation
 - New refuse truck
 - New refuse dumping site
 - Housing units
 - Upgrading sports fields
 - Water Management System (meters)
 - Upgrade of sewerage reticulation / network

- Tourism
- Proposed Craft Market places
- Business Centre/Activity nodes
- Rural areas/Farms
- Urban areas



- Major Provincial Route
- Secondary Provincial Route
- Rivers
- Railway line



DATE: 05/2003

DIR.: Nxuba/SDF/Frame

MAP NO. 5



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2.2.3 ENVIRONMENTAL ANALYSIS

The biodiversity land management class that dominates the landscape is *near natural landscapes* and the recommended land use objective is to maintain the biodiversity in as natural state with minimal loss of ecosystem integrity. No transformation of natural habitat should therefore be permitted. Recommended land uses are limited to conservation, game farming and communal livestock.

The second largest track of land is functional landscapes and the recommended land use objective is to manage this area for sustainable development, keeping natural habitat intact in wetland and riparian zones. Environmental authorisation should therefore support ecosystem integrity. Recommended land uses are conservation, game farming, communal livestock and commercial livestock ranching. Conditional uses such as, dry land cropping, irrigated cropping, dairy farming, timber production or for settlement purposes, will be subject to environmental authorisation. (EIA)

To a smaller degree there are tracks of natural landscapes and the recommended land use objectives is to maintain the biodiversity in as natural state as possible. These zones should accordingly be managed for no biodiversity loss. Recommended land use is strictly limited to conservation purposes.

Small pieces of land pockets classed as transformed landscapes are also in existence and the recommended land use is for sustainable development.

The intrinsic bio-diversity value of eco-systems and natural habitats on commercial farmlands provide the basis for eco-tourism diversification, thus activities need to be carefully planned in order to integrate with the environmental attributes and minimize any negative impacts. In terms of land use management, the specific ecosystems and vegetation communities that require specific environmental management are wetlands, grasslands and other indigenous forests which provide the habitats of important species.

In general term, development proposals should seek to meet the following Spatial Guidelines:

- Encourage environmental sustainability.
- Meet basic needs in an economically and environmentally efficient and sustainable manner.
- The disturbance of eco-systems and loss of bio-diversity must be avoided or at least minimised and remedied.
- Pollution and degradation of the environment is to be avoided, or where they cannot be altogether avoided, minimised and remedied.
- Protect the landscapes and sites that constitute the area's cultural

heritage.

The municipality does not have the financial resources to employ a full-time environmental officer **but is committed to partner with ADM** and Department of Environmental Affairs to develop an Environmental Management System. In preparation for an EMP the Departments of DEA will be approached to assist with an environmental audit for the Nxuba area.

In the interim the municipality will ensure that any local activities, listed hereunder, that require an Environmental Impact Assessment will be undertaken either as a scoping exercise or a full EIA and mitigation measures will be adhered to.

- Solid waste disposal;
- Change in land use from agriculture, nature conservation or zoned open space to any other use;
- Cemeteries; and
- New housing development

2.2.3.1 ENVIRONMENTAL MANAGEMENT LEGISLATION

There are several pieces of legislation that have implications on the long-term management of environmental resources around Nxuba Local Municipality. Integrating environmental management into development initiatives is not a choice but a response to the law some of which are outlined below.

2.2.3.1.1 SOUTH AFRICAN CONSTITUTION (Act No 108, 1996)

The environmental clause of the Bill of Rights provides that everyone has the listed right:

- a) To an environment that is not harmful to their health or well-being and
- b) To have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that –
 - i) Prevent pollution and ecological degradation
 - ii) Promote conservation
 - iii) Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

2.2.3.1.2 NATIONAL ENVIRONMENTAL MANAGEMENT ACT (Act No, 107, 1998)

The Environmental Management Act 107 of 1998 provides an overall framework for environmental management in South Africa to ensure the effective protection and

responsible utilization of the environment. According to the Act, the protection of the environment and the promotion of sustainable utilization of natural resources will take place as a matter of policy.

Its prime aim is to provide for co-operative governance to establish principles for decision making on matters affecting the environment, establishing institutions to promote co-operative governance and establishing procedures for coordinating environmental functions

2.2.3.1.3 CONSERVATION OF AGRICULTURAL LAND ACT (Act No 43, 1983)

The Act provides for, among others, control over the utilization of the natural agricultural resources to promote the conservation of the soil, water sources and vegetation, and the combating of weeds and invader plants.

2.3 KPA 2: SERVICE DELIVERY AND INFRASTRUCTURE

Service delivery is divided into three groups; namely infrastructure services, and community services and facilities. Service delivery fall within the functional area of a number of different institutions, but all impact on the lives of the community and are hence mentioned here.

THESES GAPS MUST BE ADDRESSED BEFORE ASSESSMENT

Assessment 2010 said there was no CIP ???

There was no MTEF Infrastructure Investment Plan

a) Infrastructure Investment Planning (IIP) - has the municipality undertaken medium term IIP (3-5 year minimum) to determine affordable and sustainable multi-year infrastructure targets and the capital and operating expenditure to meet those targets? No

b) Is there indication of own revenue usage for infrastructure? NO

c) Other revenue sources (if applicable). No

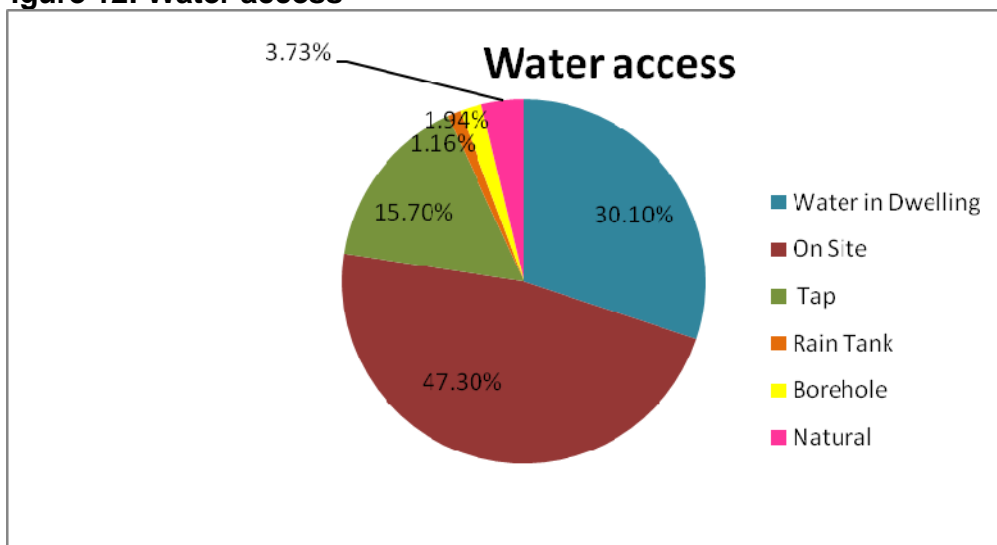
2.3.1 INFRASTRUCTURE /CAPITAL INVESTMENT

2.3.1.1 WATER AND SANITATION

The Amathole District Municipality is the Water Services Authority (WSA) and the Water Service Provider for the Nxuba Local Municipality area of jurisdiction and therefore responsible for the planning and provision of water and sanitation services.

2.3.1.1.1 WATER

Figure 12: Water access



Source: Statistics South Africa: Community Survey 2007

Table 21: Access to water

Municipality	Water in Dwelling	On Site	Tap	Rain Tank	Bore hole	Natural	Total
Nxuba	1 891	2 973	984	73	122	234	6 277

Source: Statistics South Africa: Community Survey 2007

93% of the households have access to water within the standard set for RDP provision of which 15.6% consists of taps within a range of 200m. Approximately 7% of the inhabitants use water from tankers, boreholes and other sources. Due to the dispersed farming settlement patterns it is concluded that the majority of inhabitants living in the rural hinterlands make use of boreholes, tanks and other water sources in the rural areas.

Water reticulation is only provided in the urban areas. In June 2009 Nxuba was declared a drought stricken area. Due to the seriousness of the drought and below-normal rainfall conditions, ADM embarked on a groundwater exploration study in Nxuba with funding received from Dept. of Water Affairs.

Adelaide

Adelaide bulk water supply comes from the weir in the Koonap River located 12 km west of the town which gravitates down to a treatment plant. The bulk water is insufficient. There is a water reservoir located in Adelaide Town, Bezuidenhoutville and Lingeletu respectively. The reservoir at Bezuidenhoutville and Lingeletu are empty due to the ongoing drought and Amathole DM is supplying both areas with water tankers. As at January 2011, the reservoir at Adelaide town is still operative but the supply is limited to the town.

Bedford

Bedford's main supply of water is the Andrew Turpin Dam. The dam is about 60% full. The water treatment plant has been upgraded with funding provided by the Amathole District Municipality.

In terms of reticulation, the two township areas, Lingeletu and Nyarha have 50% and 80% reticulation respectively.

Reticulation

GEOGRAPHICAL AREA	CONNECTION
Adelaide Town	100 % metered connection
Bezuidenhoutville	100 % metered connection
Lingeletu (Old & New)	50 % metered connection
Bedford Town	100 % metered connection

Goodwin Park	100 % metered connection
Nyarha	80 % metered connection

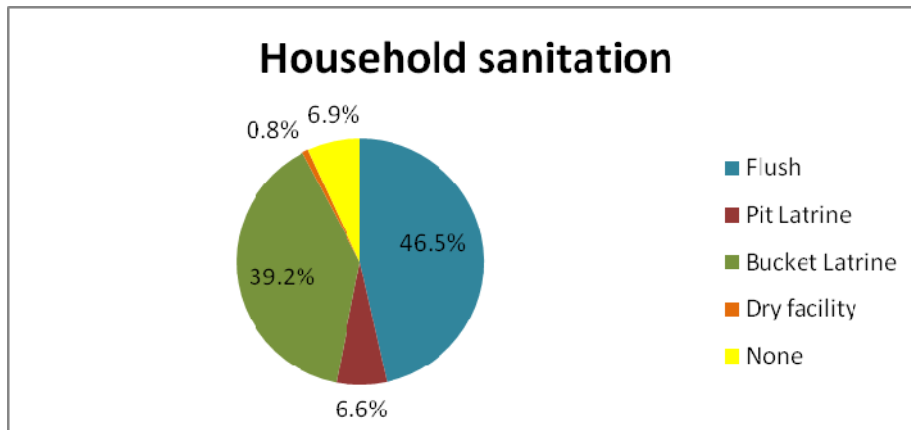
NATIONAL WATER ACT (Act No.36, 1998)

Application of this legislation will ensure that Nxuba Local Municipality optimizes utilization of the water resources in the District. It aims to manage the country's water resources to meet a wide range of objectives including basic needs, equitable access, facilitating social and economic development, protecting ecosystems and preventing pollution.

2.3.1.1.2 SANITATION

The Statistics South Africa Community Survey of 2007 reveals that a high number (39.2%) of the residents within Nxuba are using a bucket toilet system, 6.9% have no sanitation services and 10% uses pit latrines.

Figure 13: Household sanitation



Source: Statistics South Africa: Community Survey 2007

Table 22: Type of Sanitation

Municipality	Flush	Pit Latrine	Bucket Latrine	None	Dry facility
Nxuba	2916	414	2461	435	50

Source: Statistics South Africa: Community Survey 2007

The sanitation constraints are mostly being experienced in Lingelethu (100% bucket system) and Nyarha (30% waterborne and 70% bucket system). It should, however be noted that the inadequate sanitation system has been upgraded but not connected to the waterborne sewerage system due to the severe shortage of water and limited capacity of the sewerage treatment plants. No formal sanitation service is offered for rural hinterlands, as these are privately owned farms.

- Other areas in need of proper sanitation include, Ndlovini, Sizakele, Bongweni, Polar Park and the informal areas.

Adelaide

The sewerage treatments works consists of 6 Oxidation ponds and an aerated lagoon with a total volume of 2795 cubic meter, which covers an area of 3.44 ha. The sewer treatment plant at Adelaide poses a health hazard as it is too close to the residential area Lingelethu

There is three pump stations in Adelaide Town and one in Bezuidenhoutville that serve the Adelaide area. A sewerage treatment plant (Phase 1) was constructed during the course of 2002.

Bedford

A sewerage pump station consisting of six oxidation ponds is located on the North-eastern side of Bedford.

Areas of prioritised intervention

- Upgrade / expand capacity of the sewerage treatment plant at Adelaide and Bedford and connected the inadequate sanitation system at Lingelethu and affected portions at Nyarha to the waterborne sewerage system.

- Table 23: Reticulation**

GEOGRAPHICAL AREA	TYPE
Adelaide Town	100 % waterborne sewerage
Bezuidenhoutville	100 % waterborne
Lingelethu (Old & New)	100% Bucket system (not connected)
Bedford Town	100 % waterborne sewerage
Goodwin Park	95 % waterborne sewerage
Nyarha	30% Waterborne – to be check with

	ADM
Rural	70% bucket system (Status unknown/No formal sanitation system)

2.3.1.2 ROADS AND STORMWATER

ASSESSMENT 2010

<ul style="list-style-type: none"> Is there a Transport Plan? 	No	There is no mention of the plan in the Document. Liaising with the DM will be needed as the ITP is the competency of the DM
<ul style="list-style-type: none"> Has the municipality made provision for non-motorised transport? 	No	There is no mention of such in the document. Municipality must plan for non motorised transport as well or incorporate it in the DM's ITP
<ul style="list-style-type: none"> Is there a budget and plan for integrated roads and transport system (including non-mechanized,)? 	No	Municipality needs to liaise with National Treasury for a budgeting format

The provision and maintenance of roads covers the functional areas of the Department of Roads and Transport, the District Municipality and Nxuba Local Municipality. Nxuba Municipality is guided by the district-wide Amathole Integrated Transport Plan. The Department of Roads and Transport establishes and maintains National and Provincial roads. The construction and maintenance of access roads and local municipal streets is performed by Nxuba Municipality, who are also responsible for ensuring that storm water is effectively managed.

The Department allocated R9.2 million grant funding for the maintenance of rural access roads in the 2010/11 budget. A further R10.5 million (indicative) is earmarked for the 2011/12 financial year. It also contributes to economic upliftment of the area through EPWP Programmes. Work opportunities for approximately 79 people have provided through the EPWP Programme. This initiative employs community members to carry out routine road maintenance for a period of 8 days a month, at R480.00.

The Transport Forum is functional and meets

The roads in the Nxuba area are generally in a very poor condition as reflected in table 25 below. Roads and Stormwater is a priority issue and the Road Section has 25 employees to improve and maintain the road network. MIG funding has been utilized to complete approximately 6km paving of access roads, and streets in the towns are

receiving patchwork (potholes) which is done with cold premix using in-house funds. Sabunga is however in short supply.

Table 25: Status of municipal roads and storm water

AREA	STATUS OF MUNICIPAL ROADS
Adelaide Town	Tarred roads are in poor to very poor condition
Bezuidenhoutville	Gravel roads are in a very poor condition. The storm water system needs a lot of upgrading.
Bedford Town	The main road is tarred and not in a bad condition. The rest of the town's gravel roads are in a very poor condition. The storm water system needs upgrading.
Goodwin Park	All streets are gravel roads and in very poor to dangerous condition. There is no proper storm water infrastructure.
Nyarha	The access road is tarred and in good condition. All other roads are gravel in poor to very poor condition. There is no proper storm water infrastructure.

The Municipality does not have a storm water /pavement management system nor sufficient roads infrastructure. Maintenance is carried out as and when required. Preliminary investigations estimate that in the regions of R200,000.00 will be needed to purchase the software programme to manage a Storm water/Pavement Management System.

An additional problem is that in some areas the water infrastructure is very near to the surface and this hampers grading and routine maintenance. A co-ordinated approach will be embarked upon by Nxuba in conjunction with Amathole DM to overcome this constraint.

Areas of prioritised intervention

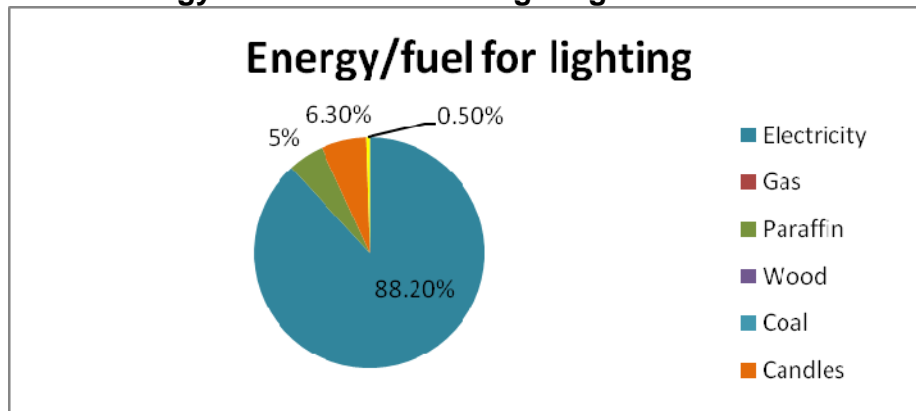
- Develop a storm water / pavement management system; Negotiate with ADM/DR&T for funding to develop a Pavement Management System.
- Develop a road maintenance plan; NLM/ADM/DR&T
- Source funding for the resurfacing of streets including plant ; and
- Facilitate the improvement of road infrastructure. (Integrated Infrastructure Investment Plan)

2.3.1.3 ELECTRICITY AND ENERGY

The Municipality is the Service Provider for electricity and distributes in the urban area. Rural areas are supplied by Eskom. There are 5 535 households in Nxuba area that use electricity for lighting and an additional 742 households use alternative sources of energy. It is unknown whether rural farm workers, who might otherwise qualify for FBE if they lived in the urban area, are benefitting from the free basic energy policy.

There is no major electricity out breakages currently, though the infrastructure in some areas needs upgrade. Street lights in some areas are a great challenge as the Municipality is experiencing financial difficulties resulting in non-maintenance. There are seven high mast lights in Adelaide and six in Bedford.

Figure 14: Energy/fuel for household lighting



Source: Statistics South Africa: Community Survey 2007

Table 26: Source of Energy for cooking, heating and lighting

Municipality	Electricity	Gas	Paraffin	Wood	Coal	Candles	Other Source
Cooking	4344	308	1232	378	0	0	16
Heating	1255	121	2944	1550	119	0	290
Lighting	5535	0	314	0	0	396	32

Source: Statistics South Africa: Community Survey 2007

Table 27: Electricity Supply in Different areas

GEOGRAPHICAL AREA	SUPPLY	STREET LIGHTING
Adelaide Town	99 % Full connection	Street lights

Bezuidenhoutville	100 % Full connection	Street lights
Lingeletu (Old & New)	99 % Full connection	High mast lights, street lights and top post lights
Bedford Town	100 % Full connection	Street lights
Goodwin Park	100 % Full connection	Street lights
Nyarha	99 % Full connection	High mast lights
Sizakele		Street lights and 33 Top Posts.

Nxuba Municipality 2011

A total of 1 500 new pre-paid electricity meters are being installed. In Katanga some pre-paid meters are dysfunctional and must be replaced.

Based on a guesstimate pre-paid meters that must be installed or replaced at R1 200.00 per unit.

GEOGRAPHICAL AREA	REPLACEMENT NEED	NEW INSTALLMENT NEED
Adelaide Town		
Bezuidenhoutville		
Lingeletu (Old & New)		
Bedford Town		
Goodwin Park		
Nyarha		

Affordability could be a major constraint looking at the dependency rate on grants and the unemployment statistics.

The supply agreement entered into with Eskom, stipulates a notified maximum demand allocation per month, which is totally inadequate. Consumption above the allotted maximum demand results in hefty penalties with disastrous financial consequences, especially the accumulative affect over time. Alleged illegal connections, tampering and non-payment for services rendered is also contributing to further financial loss. Electricity is potentially a revenue generating service but the aforementioned constraints are creating the opposite effect and placing a huge financial burden on the municipality. It is imperative for the municipality to turn this situation around. A recovery strategy is being developed, with the assistance of the Department of Local Government and

Traditional Affairs, that will address, at least but not be limited to, the following minimum requirements:-

- Community awareness campaign to save energy and to stimulate payment of services;
- Strict implementation of credit control policy
- Review the tariff structure.
- Electricity audit per area, including billing and payment rate
- Source funding to purchase new pre-paid meters
- Review and update FBE indigent register annually, Ward Councillor to verify status and cross reference with ADMs, FBW indigent register.
- Apply by-law dealing with tampering and illegal connections.
- Write to Eskom and negotiate an increase in the notified maximum demand per month. Continue to liaise with the Office of the Premier in this regard. Also look at options/lobby for funds to deal with the financial consequences of increasing the maximum demand.
- Monitor the outcome of the proposed priority actions and re-evaluate the feasibility of continuing with this service.

2.3.2. COMMUNITY SERVICES

2.3.2.1 MUNICIPAL HEALTH SERVICES

Municipal health services are a district function. Amathole District Municipality is therefore responsible for water quality monitoring; food control; waste management monitoring; health surveillance of premises; surveillance and prevention of communicable disease, excluding immunizations; vector control; environmental pollution control; disposal of the dead; chemical safety but excludes port health, malaria control and the control of substances.

2.3.2.2 SOLID WASTE MANAGEMENT

Nxuba municipality is responsible for waste management which includes the street sweeping, collection, transportation and disposal of solid waste. The municipality has a Local Integrated Waste Management Plan 2010, with detailed operational management plans.

The Nxuba Local Municipality collects household refuse from the urban areas on a weekly basis. This service is not provided in rural areas. According to the Statistics South Africa Community Survey 2007, 75.3% of households in Nxuba have access to a weekly refuse removal service. More than 20% of households are not provided with this service and are disposing waste on site by either burying or burning. The sparse

settlement density and per capita waste generated are normally low therefore the environmental impact should not be significant, especially if managed appropriately.

- Refuse is collected once weekly in all of the urban areas in both towns.
- Refuse is collected twice a week from businesses.

There is one waste disposal site in Adelaide & Bedford respectively. Bedford landfill site is permitted but it is not strictly managed according to the legislation and permit conditions. Permit conditions pertain to the design, construction, monitoring and closure of a waste disposal site. The Adelaide waste site is not registered and does not conform to DWAF standards. In addition the site is not zoned for waste disposal. Waste by-laws must be developed.

This unit is under-staffed and the waste infrastructure is inadequate. There are 2 old tractors but they are out of order 1 refuse truck which is not roadworthy and 1 medium truck and 2 refuse trailers which are used for the collection of refuse services.

Figure 15: Access to waste disposal facilities



Source: Statistics South Africa: Community Survey 2007

Areas of prioritised intervention

- Identify alternate land for a new licenced landfill site at Adelaide;
- Adopt by-laws dealing with waste, including dumping.
- Address the shortage of equipment and staff.
- Waste data – record keeping.

- Investigate intermediate plans to minimize the quantity of waste with the view of reducing waste disposal by landfill by 50% by 2012.
- Investigate the feasibility of establishing a transfer station at Adelaide with a recycling component that will contribute to local economic development.
- Illegal burning of waste at landfill sites is a challenge.
- Consider options of waste minimization and recycling strategies.

2.3.2.3 AIR QUALITY

The Air Quality Act makes it incumbent on local municipalities to monitor ambient air quality within its area of jurisdiction. It is accepted that a permanent air quality officer is required to regularly monitor air pollution and analysis the data in areas with heavy industrial emissions due to high industrial development. However in Nxuba there is almost no industrial economy and the air quality is pure and untainted. This situation does not warrant the appointment of a permanent air quality officer thus the municipality is looking at more sustainable solution like partnering with the DEA to monitor the air quality in Nxuba.

2.3.2.4 DISASTER MANAGEMENT

Disaster Management services are rendered from the central District Disaster Management Centre in East London. A Disaster Management Satellite Centre has been established in Nxuba and one vehicle is allocated to support this function. The human resources are provided by the local municipality namely a Disaster Management Officer. The most common disaster sources are storms, fire, drought and accidents. The Disaster Management Plan is designed to assist the municipality to prevent or reduce and deal with disasters and to identify high risk development zones. It also deals with the following:-

- Mitigate the severity of the consequences of a disaster;
- Rapid and effective response to disasters
- Post disaster recovery and rehabilitation
- Nxuba Disaster Plan is part of a regional initiative. **Does this mean Nxuba does not have a DMP but adhere to the ADM DMP?**

2.3.2.4.1 FIRE SERVICES

Amathole District Municipality is not responsible for the fire service function in the Nxuba area and the local municipality has the following resources available to provide this function in its area of jurisdiction: - One fire engine skid unit; one 4x4 skid unit and 4 volunteers.

2.3.2.5 POUNDS

The Municipal pound does not meet the required or acceptable standards and the by-law, dealing with the impounding of stray animals, should be enforced.

Areas of prioritised intervention

Upgrade the pound and implement by-law dealing with stray animals.

2.3.2.6 PUBLIC TRANSPORT

Despite some investments in new roads and maintenance there is poor road infrastructure.

Transport is mainly done through Taxi services. The municipality has a Taxi Forum to discuss issues of mutual concern.

Bedford and Adelaide have one taxi rank respectively.

There is minimal demand for non-motorized transport in Nxuba, certainly the present demand does not warrant special cycle lanes. Pedestrian walkways need to be improved in suburbs.

Areas of prioritised intervention

- Improve pedestrian signs and markings and off loading areas especially in the urban areas;

2.3.2.6.1 AIRSTRIPS

Nxuba does not manage any municipal airstrips.

2.3.2.7 TV RECEPTION AND TELECOMMUNICATIONS

According to the Statistics South Africa Community Survey 2007,% of the population has a telephone or cellular phone, the latter being the most popular. Network coverage is problematic in the Southern part of Adelaide town, also between Adelaide and Bedford (2km before Bedford) and some parts of the rural area.

TV reception also needs to be improved. Currently the majority of the households in Bedford and Adelaide are unable to access E-TV and SABC1.

2.3.2.8 COMMUNITY SAFETY

In the past, crime prevention and by implication community safety was the exclusive domain of the SAPS. The 1996 Constitution introduced a fundamental change to the role played by municipalities in the management of crime and safety in South Africa, by

requiring of them to provide a safe and healthy environment for the communities within their areas of jurisdiction. The South African Police Service Act as amended made provision for the establishment of municipal police services and community police forums and boards.

Three Police stations and two Magistrate Courts operate within the jurisdiction of Nxuba Local Municipality. These are situated in Bedford, Adelaide and Doringkloof, which covers the rural / farm areas of Adelaide. The statistics show that crime levels are relatively low within Nxuba Local Municipality. **Domestic violence, stock theft and unlawful breaking and entering is the most prevalent.**

Areas of prioritised intervention

Increase visibility of Police

Police Stations
ADELAIDE
BEDFORD
DORINGKLOOF

2.3.2.9 PRIMARY HEALTH CARE

Primary Health care is provided by the Provincial Department of Health. There are two hospitals and six clinics in the urban area of Nxuba. One Mobile clinic serves the rural areas.

Table 28: Health Care Facilities

GEOGRAPHICAL AREA	FACILITY	
	HOSPITAL	CLINIC
Adelaide Town	1 including 1 clinic on site.	1 x mobile
Bezuidenhoutville	-	1
Lingelethu	-	1
Bedford Town	1	1
Goodwin Park	-	-
Nyarha	-	1

(Source: Nxuba Municipality)

Medical Facilities
Adelaide Clinic
Adelaide Gateway Clinic
Adelaide Hospital
Adelaide Mobile
Bedford Clinic
Bedford Hospital
Bedford Mobile
Bezuidenhoutville Clin
CC Lloyd Clinic
Mzamomhle Clinic (Bedf
Nomakhwezi Makhenyane

- Community Access to Health Services include: mobile clinic, emergency medical service, HIV/AIDS programme, nutrition programme, psychiatry hospital and TB hospital and they are rendered with assistance from and Nkonkobe Local Services Authority and Amathole District Municipality

2.3.2.9.1 HIV & AIDS

HIV and Aids is a significant contributing factor to the demographic changes taking place in Nxuba and the Amathole DM IDP predicts that a high drop in the rate of births from a current average of 3.2 to 1.5 births per woman in the year 2020. Furthermore, that the provincial death rate will exceed the birth rate in 2010.

Areas of prioritised intervention

Support the functionality of the Local AIDS Council

2.3.3 COMMUNITY FACILITIES

ASSESSMENT 2010

- Is there a budget ring fenced for operations and maintenance and new capital projects?	No	Municipality needs to liaise with National Treasury for a budgeting format
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2.3.3.1 SPORT AND RECREATION FACILITIES

The provision of sports and recreational facilities has been directly associated with the development of a healthy society and plays an important role in the development of our youth. The high levels of youth within the community warrant that specific attention be given to the development of sport and recreation initiatives by the Municipality and the Provincial Department of Arts, Culture, Sport and Recreation.

The undermentioned sports facilities are available in the Nxuba area. Ownership of the golf course and Facilities are vested in Nxuba Municipality and leased out, including the responsibility for the day to day upkeep and maintenance. Sports facilities are within easy reach of the urban community although the majority are in need of maintenance and upgrading.

Table 29: Sports Facilities

AREA	SPORTS FIELD	TENNIS COURT	GOLF COURSE	Comments
Adelaide Town	1	2	1	Tennis Court is in a bad state of repair.
Bezuidenhoutville	1	-	-	Needs maintenance
Lingelethu (Old & New)	4	-	-	All in a bad state of repair
Bedford Town	1	1 Private court	1	The sportfield is in a fairly good state of repair
Goodwin Park	1	1 ??	-	In a bad state of repair
Nyarha	2	-	-	
Rural	-	-	-	

(Source: Nxuba Municipality)

Areas of prioritised intervention

- Upgrade sport facilities and develop a maintenance plan (DSRAC/NLM);
- Facilitate the development sports and recreational infrastructure (DSRAC/NLM).

2.3.3.2 COMMUNITY HALLS

There are five Community halls within the Municipal area (1 each in Adelaide; Bezuidenhoutville; Lingeletu; Bedford; Nyarha). All of these facilities require renovation and or maintenance. R3.7million (MIG funding) is earmarked to construct a new community hall in Goodwin Park in 2011/12. Design drawings should be completed in 2010/11.

Areas of prioritised intervention

- Develop a MTEF community hall maintenance plan and budget;
- Development utilisation plan to maximise effective use; and Corporate services
- Construction of a Community hall in Goodwin Park.

2.3.3.3 LIBRARIES

Library services are a provincial competency that is performed on an agency basis by Nxuba local municipality. Nxuba has three libraries; one in located in Bedford town and the other in Adelaide town and Bezuidenshoutville respectively. All three are public libraries, which is managed by the Nxuba Local Municipality in terms of a service level agreement with the Province.

Areas of prioritised intervention

- Formalise the SLAs for 2011/12 financial year.

2.3.3.4 CEMETERIES

Municipal cemeteries satisfy the existing service demand except for one in Adelaide and one in Bongweni (Bedford) where the current capacity needs to be expanded. Cemeteries also need to be secured in order to ensure preservation of heritage and prevent vandalism of graves and tombstones.

Table 30: Cemeteries

LOCALITY	Number
Adelaide Town	3
Bezuidenhoutville	1
Lingeletu (Old & New)	2
Bedford Town	5
Goodwin Park	-
Nyarha	2
Commonage Bedford	2

TOTAL	15
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Areas of prioritised intervention

- Municipal cemeteries to be fenced and maintained;
- Look at options to expand current capacity or identify new site in Adelaide and Bongweni. (LUMS and Environmental Impact Assessment where necessary); and
- Roads to graveyards need to be maintained

2.4 KPA 3: FINANCIAL PLANNING AND BUDGET ANALYSIS

Nxuba Local Municipality is currently caught up in a financially crisis and is finding it difficult to meet all of its liabilities. Despite this the Municipality lacks financial resources and faces a multitude of financial challenges.

2.4.1 BUDGET 2010/2011

The Municipalities total budget for the 2010/11 financial year is R.....

2.4.1.1 INCOME ALLOCATIONS AND SOURCES

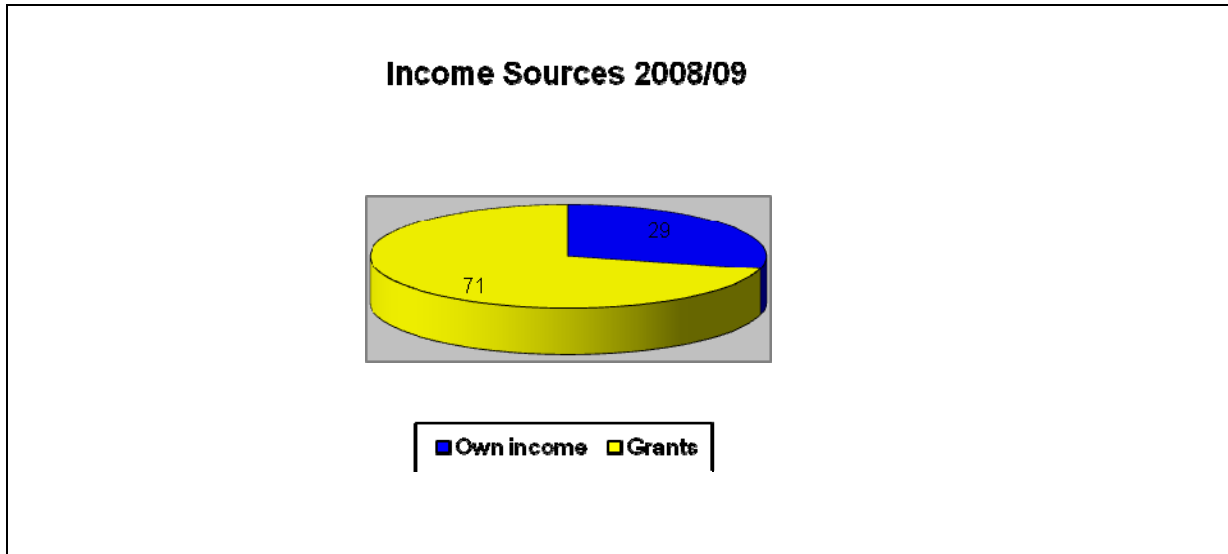
The Nxuba Local Municipality derives its income from two sources namely;

- ⇒ External income
 - Government Grants and subsidies
 - Capital Grants
- ⇒ Own income
 - Property rates
 - Service charges on electricity and refuse removal
 - Interest and dividends
 - Rental on facilities
 - Fines
 - Licenses and permits

The Municipality has a low income base and is heavily dependent on Government grants and subsidies and capital grants which constitute% (R.....) of its 2010/11 budget. According to the budget forecast, external financing will constitute% (R.....) of the 2011/12 and 2012/13 budgets. This trend exhibits little expectation that the Municipality will reduce its dependency on external financing

The following figure depicts the income sources for the 2010/11 financial year.

Figure 19 Income Sources 2010/11



Areas of prioritised intervention

- Financial Strategy to address the expansion of the municipality's own resource base.

2.4.1.2 VALUATION ROLLS

Property rates constitute only 5 % of the Municipalities income. The Municipality has an updated valuation roll. Reluctance of some ratepayers to pay has, however, hampered the implementation thereof. The smooth implementation of the valuation roll could boost revenue collection and more importantly improve the municipality's cashflow for the 2011/12 financial year.

Areas of prioritised intervention

- Adopt rates tariff for 2011 and implement the new valuation roll.

2.4.1.3 BILLING AND PAYMENT RATES

Property rates and service charges on electricity and refuse removal constitute 8% (R....)and 13% (R.....)of the Municipalities own income for the 2010/11 financial year.

A total of households are billed each month of which are urban and rural.

Payment rates are poor and it is estimated that less than ...% of households are paying their monthly accounts. This is compounded by the high poverty levels and low affordability levels of the community.

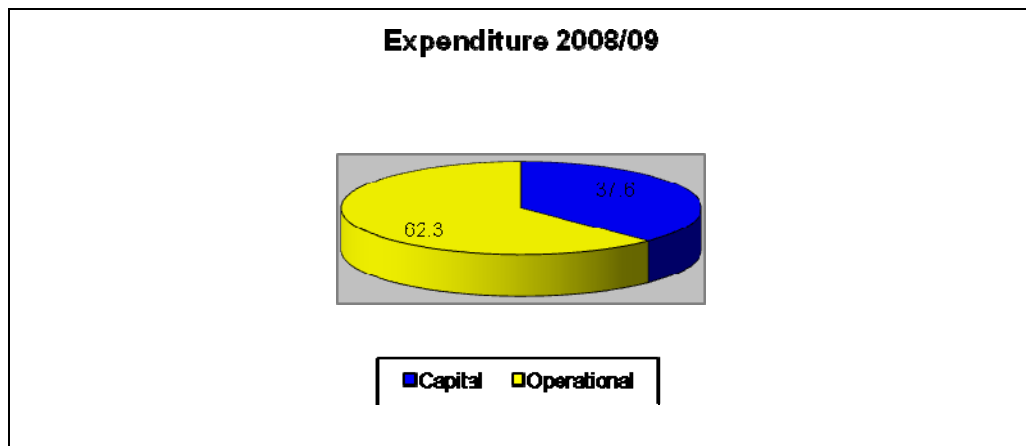
Areas of prioritised intervention

- Review billing system to ensure service consumption is recovered;
- Create awareness and culture of payment by consumers for services rendered.

2.4.2 EXPENDITURE ALLOCATION AND TRENDS

The capital and operational budgets constitute 37.6 % (R.....) and 62.3% (R.....) of the 2010/11 budget respectively.

Figure 15: Expenditure



National treasury no longer prescribes a norm for salary expenditure and instead requires Municipalities to develop a personnel expenditure ratio that is based on the nature of its functions, organisational structure, labour intensity of its operations, extent to which labour intensive components of its operations are outsourced and the composition of non personnel components of its operational expenditure. The 2010/11 budget reflects that% of the operational budget was allocated to salary expenditure. This is well under the anticipated personnel expenditure for Local Municipalities in 2011/12.

The Municipality is constantly striving to provide services to its community which requires substantial capital investment, especially in terms of infrastructural assets. In

order to maintain service delivery it is imperative that these assets be maintained in proper working order which requires equitable investment in terms of maintenance and repair costs. According to the National Treasury Municipalities should be budgeting between 10% and 15% of their operating expenditure for repairs and maintenance. The 2010/11 budget reflects an allocation of 9% to repairs and maintenance which falls only slightly short of the recommended norm.

Breakdown of Expenditure Allocation

VOTE	2010/2011	2011/2011	2012/2013
Council			
Executive			
Budget and Treasury Services			
Technical Services			
Community and Social Services			
Corporate Services			
Total			

Areas of prioritised intervention

- Increase allocations for repairs and maintenance of infrastructure.

2.4.3 PROVISION OF FREE BASIC SERVICES

Provision is made on the budget for the provision of free basic services from the equitable share. In terms of the Division of Revenue Act 2010 Nxuba Municipality received an Equitable Share of R..... which is not adequate to deliver services to the area.

The Nxuba Local Municipality has adopted an indigent support policy which aims to assist the poorest of the poor by providing free basic electricity and refuse removal services. The policy includes indigents throughout the jurisdiction of the Municipality WHAT ABOUT RURAL AREA ELECTRICITY ESCOM and there are currently registered. Indigent clients must re-register annually.

Households receiving free basic services during the 2010/2011 financial year are reflected below.

Free Electricity	Basic	Free Refuse	Basic
50Kw per month		R55.05 per month	
R2 200 000		R368 000	

Areas of prioritised intervention

- Investigate possibility of extending FBS to rural areas – alternative options and solutions.

2.4.4 FINANCIAL POLICY DEVELOPMENT

The municipality has a number of financial policies in place including;

- ⇒ A debt collection and credit control policy
- ⇒ Tariff policy
- ⇒ Property rates policy
- ⇒ Indigent policy.
- ⇒ Supply chain management policy
- ⇒ Cash management policy ??
- ⇒ Investment policy ??
- ⇒ Cellular Telephone ??

- ⇒ Asset Management ??

Internal financial controls, such as payment procedures, income receipts, charges, debt collections, etc have also been developed and are being implemented david pse confirm

2.4.5 AUDIT, REPORTING AND RISK MANAGEMENT

Reporting

Monthly financial reports are presented to the Municipal Council which reflects income and expenditure in accordance with the budget. Daily cash flow reports are produced to ensure sufficient available cash at hand. Annual Financial Statements in GAMAP format were compiled and submitted for the previous financial year.

Audit Committee

Nxuba Local Municipality has a functional Audit Committee which was established on 20th March 2006. The Committee consists Ms L Smith, CA(SA), Mr. L Kemp (LLB), Ms. T Kakaza (MBA) and Mr. Mnyango. The members carry out the duties and responsibilities outlined in the MFMA and held four (4) meetings in the 2009/10 financial year.

The Audit Committee has evaluated the Annual Financial Statements for 2009/10 including the following

- Reviewed and discussed the annual financial statements to be included in the annual report with the Auditor-General;
- Reviewed the Auditor-General's management letter and management's response thereto;
- Reviewed changes in accounting policies and practices; and
- Reviewed significant adjustments resulting from the audit. **Did they do all this**

Internal Audit Unit

Each municipality must have an internal audit unit, which must advise the accounting officer and report to the audit committee on matters, amongst other things, on a wide range of financial management. The internal audit function may be outsourced if the municipality requires assistance to develop its internal capacity and the council has determined that this is feasible or cost effective. Nxuba Local Municipality has outsourced this function to **as suitable candidates could not be recruited for this purpose.**

A chapter has been dedicated to deal with Nxuba Financial Strategy for 2010/2011.

Capital Budget

Capital budget amounts to 18% for the year 2010/11. This includes the following amount:

Roads and Transport	R8039, 000.00
Other	R 1590, 000.00

The total Capital budget R9629, 000.00

Operating Income

The Municipality to total income is R 53,963,542 for 2010/11 financial year. This includes the amount from subsidies that total up to R 30,247,465. These grants entail the following:

Equitable Share	R 16, 259,000
MIG	R 8,039,000
Primary Health	R 2,466,465
MSIG	R 750,000
FMG	R 1,200,000
Libraries	R 1,500,000

The internal revenue is amount to R 23,716,077 This entails the

Assessment Rates	R 2,452,356
Electricity	R 15,135,682
Refuse Removal	R 4,073,041
Other	R 2,054,998

Operating Expenditure

The operating expense for the year amount to R 44,334,542 42 this includes the following

Council Allowance	R 1,757,498
Personnel costs	R 17,119,760
General Expense	R 20,740,784
Repairs and Maintenance	R 4, 716,500

Personnel cost were increase by 7.5%

Tariffs

All the tariffs were increase giving regard to the head inflation forecasts as well as on the basis of circular 48 of the MFMA, this excludes electricity costs that are determined subject to the confirmation by NERSA, this was estimate at an increase of

PROJECTS 2010/11

DESCRIPTION	ALLOCATION	RECEIVED
FMG	1,200,000	1,200,000
Salary payments- Interns	450,000	
Training	600,000	
Capital Acquisition	150,000	
MSIG	750,000	750,000
Internal Audit – Risk Assessment	400 000.00	
Audit mid year performance report		
Review of internal audit, audit committee and performance audit charter		

Preparation of annual and strategic internal audit plan		
Execution of internal audit plan		
Section B: Strengthening administrative systems for effective ward participation system		
Activities		
Ward committees		
Provide transport to ward committee members to perform duties and easy access to communities	16,000.00	
Office running cost	74 000.00	
Section C: Support interventions for municipal viability, management and improvement of municipal audit outcomes.		
Activities	110 000.00	
Performance management and IDP		
Facilitate quarterly reviews		
Facilitate mid year reviews		
Section D: Clean cities and towns 2010 and beyond		
Activities	50 000.00	
Waste Management – Cleaning campaign		
Awareness and clean up campaign to citizens		
Section E: Development and implementation of by-laws, policies and/or systems that support local government legislations.		
the system that supports Local Government		
Activities	100,000	
Pound		
Upgrade pounds to meet minimum standards		

Impounding of roaming animals		
MIG	8,039,000	
Construction of Adelaide and Bedford Access roads		

Budget and Forecast Operating Statement for Year 2010/11

Budgeting and forecast operating statement for 2010/11	Budget year '2010/11	Budget year '2011/12	Budget year '2012/13
TOTAL COUNCIL- ALL SERVICES			
Expenditure			
Salaries and Allowances	14,893,040	15,816,408	16,749,577
Social Contributions	2,226,720	2,364,777	2,504,299
Remuneration of Councillors	1,757,498	1,866,462	1,976,584
TOTAL SALARIES AND ALLOWANCES	18,877,258	20,047,648	21,230,459
Bulk purchases	13,068,970	13,879,247	14,698,122
General Expenses	7,671,814	8,147,466	8,628,167
Repairs and Maintenance	4,716,500	5,008,923	5,304,449
TOTAL DIRECT OPERATING EXPENDITURE	25,457,284	27,035,636	28,630,739
TOTAL OPERATING EXPENDITURE	44,334,542	47,083,284	49,861,198
INCOME			
Rates	2,452,356	2,604,402	2,758,062
Equitable share	16,259,000	17,267,058	18,285,814
Income for Agency services	3,999,465	4,247,432	4,498,030
Other income	31,252,721	33,190,390	35,148,623
TOTAL DIRECT OPERATING INCOME	53,963,542	57,309,282	60,690,529

CAPITAL EXPENDITURE - PROJECTS			
MIG- Roads	8,039,000	8,537,418	9,041,126
Capital Expenditure Revenue Items	1,590,000	1,688,580	1,788,206
TOTAL CAPITAL EXPENDITURE	9,629,000	10,225,998	10,829,332

Systems

In Nxuba Local Municipality has implemented systems internally. There are the systems implemented at Nxuba Local Municipality which include the following:

- Financial Management System (Venus)
- Payroll (Human Resources System) Payday
- Electricity System (Conlog)
- Electricity System (Plessey)

2.4.3 PROVISION OF FREE BASIC SERVICES

Provision is made on the budget for the provision of free basic electricity and solid waste services from the equitable share. In terms of the Division of Revenue Act 2010 Nxuba Municipality will received an Equitable Share of R..... which is not adequate to deliver services to the area.

The Nxuba Local Municipality has adopted an indigent support policy which aims to assist the indigent by providing free basic electricity and refuse removal services in the urban areas. There are currently indigent households registered in Nxuba. Indigent clients must re-register annually.

A PART of the chapter has been dedicated to deal with Nxuba Financial Strategy for 2011/2012 and must be read in conjunction with the Financial Turn-around Strategy that has been developed with the DLGTA to place the municipality of a sound financial footing.

2.5 KPA 4: LOCAL ECONOMIC DEVELOPMENT ANALYSIS

2.5.1 PROVINCIAL SPATIAL ECONOMIC DEVELOPMENT STRATEGY (PSEDS)

The Provincial Spatial Economic Development Strategy guides and informs the following:

- Spatial principles that will direct growth and development in the Province, such as inter alia, principles of sustainability, the need to address historic spatial imbalances, curbing urban sprawl and differentiated levels of infrastructure provision;
- Identification of priority development areas, focusing on areas in which specific types of development should be encouraged or discouraged;
- Strengthening or development of major movement routes or corridors;
- Identification of areas that have to be protected for biodiversity and conservation purposes;
- The preparation of Municipal Spatial Development Frameworks, to ensure full alignment of national, provincial and municipal spatial visions;
- Budgeting processes of all spheres of government to ensure that government creates an environment conducive for development in the prioritised areas; and
- The investment decisions of the private sector, not only in pursuance of optimal returns, but also in support of a shared spatial vision for the Province.

In terms of the PSEDS, the Sectors of the provincial economy which will drive the growth of the province and address unemployment and poverty are the following sectors:

- Agriculture, including agri-industry (with opportunities to impact considerably on the economic needs of the poor through Land Reform)
- Industry, including heavy and light industry and manufacturing
- Tourism, including domestic and foreign tourism
- Service sector including financial, social, transport, retail and government.

Nodes and Activity Corridors are identified in the PSEDS. These are to serve the following functions:

- To facilitate the increased growth of existing centres and corridors of economic development in the Province; and
- To ensure that the potential for economic development within areas of high poverty is realized.

The following critical threats are identified in the PSEDS:

- (a) *Agriculture and Land Reform*
 - Loss of productive commercial agricultural land to residential development
 - Loss of land with agricultural potential in poor rural areas
 - Land reform resulting in a loss of productive commercial agriculture
 - Municipal rates on agricultural land
 - Provision of adequate water supplies

- (b) *Tourism*
 - Safety and Security
 - Land invasion and illegal activities affecting tourism assets

- (c) *Industry*
 - Reliability of services
 - Social support services
 - Destructive Inter-Municipal competition
 - Municipal rates on industrial and commercial development

The PSEDS identifies tourism as being second in importance to industrial development, while agriculture and agri-business are seen as:

- Being the largest existing and potential employer in rural areas, and
- Being able to make the greatest impact on reducing poverty levels in rural areas

High agricultural potential zones and tourism priority areas are identified in the PSEDS.

2.5.2 LOCAL DEVELOPMENT INITIATIVES AND CHALLENGES WITHIN THE REGIONAL CONTEXT OF AMATHOLE REGIONAL DEVELOPMENT STRATEGY.

The Amathole District Municipality has established Aspire, the Economic Development Agency to promote economic development in the District and which is responsible for the implementation of local economic projects in the District in co-operation with the Local Municipalities. The Agency is a municipal entity established in terms of the Municipal Systems Act and is accountable to the District Municipality.

Aspire supported the development of the Amathole Regional Development Strategy (AREDS) and District Growth and Development Summit agreements in 2007. The Strategy was accepted, by ADM Council, as a sector plan of the IDP in May 2005, and

in its entirety in September 2007. As Nxuba Municipality does not have a Local Economic Development Strategy, it is heavily reliant on the Amathole Regional Development Strategy.

During the participatory phase interaction took place with a broad spectrum of stakeholders from economic sectors and from localities. The interaction focused on four “logistics corridors” namely the N2, N6, R72 and R63). The R63 is the most significant transportation route in the Nxuba Municipal area.

The “corridor and node” approach, which seeks to “crowd in” multiple relevant and linked interventions into specific areas, thus improving the impact and sustainability. The most critical aspect of the AREDS, however, is that it recognizes economic development as a PROCESS and not merely an event or a project.

The Amathole Regional Economic Development Strategy comprises three elements, namely

1. The context.
2. Strategy Statement.
3. The strategy impact chain, which shows the linkage between the interventions and the impact to be achieved.

Aspire is currently in the process of aligning Corridor activities to the AREDS. This is being undertaken through:-

- Establishing Corridor Stakeholder Forums;
- Developing “Corridor” strategies: and
- Piloting “catalytic” projects in nodes, linked to sectors of comparative advantage.

As a result of the historic lack of investment in the District, Nxuba Municipality faces considerable challenges to economic development including the following:-

- Low level of human capital development,
- Lack of competitiveness of sectors and localities. This resolves into two key aspects:
 - ⇒ Support systems and services – there is inadequate technical and systemic (e.g.: for maintenance, provision of supply, production) support across all the sectors.
 - ⇒ Skills – all sectors and area raised the issue of inadequate and inappropriate skills as a constraint to growth.
- Under-developed infrastructure and
- Land related issues – this includes the resolution of land ownership and use rights, land use planning and land use management to exploit (where applicable) and protect (where applicable) the environment.
- Ineffective governance.

Principles for Economic Development: REDS

The strategy has been developed using the principle of “systemic competitiveness”. This requires that the systems and actions be focused on **creating an environment that enterprise can flourish in**, that actions focus on removing blockages to growth and development and that **enterprises succeed because they are competitive**.

Competitive advantage (Strengths & Weaknesses)

Competitive advantage of the region relates to those aspects which compete on cost, quality, and/or availability with that which other localities can offer. Certain regions have built competitive advantage on “comparative” advantage – i.e.: those natural endowments which give the region an advantage. Other regions have built competitive advantage in the absence of any obvious comparative advantage.

Competitive disadvantages are those aspects which increase the cost of doing business, present barriers, and result in enterprise establishing elsewhere. These can be insurmountable (for example: distance from markets) and will then influence the choice of niche markets where these barriers have a low relevance.

The dominant advantages in Nxuba is:

- The quality and talent of the local people
- The quality educational institutions, and
- The environment
- Distance from markets

The dominant disadvantages in Nxuba is:

- The poor infrastructure
- The cost of doing business
- Lack of productive investment

High impact investment

For AREDS the “high impact investment” is central to growth, and this is where most of the “hard” interventions will be located. Five result areas combine to the achievement of high impact investment:

- Locality development includes infrastructure, spatial development (including access and linkages), protection and development of the environmental assets, urban renewal, tourism facilities and even lifestyle facilities.
- Subsectoral development, which includes diversification of the economy, value chain development and business retention, all focused on development of the competitive advantage of the locality. For the AREDS urban development has been linked under corridor developments to strengthen the integration of the economy and support value chain development across the district.

- Public good investment: this refers primarily to investment in land, the environment, economic assets, production facilities, machinery, equipment and other productive assets that are used by multiple stakeholders.
- District venture capital fund: while it is not necessary that such a fund be limited to the district, or “owned” by anyone in the district, it is necessary that access to investment funds that target the district, syndicate risk and respond to criteria that address the constraints of investors in the district.
- Stimulate new sectors: public and private investment is required to stimulate sectors which build on the advantages (strengths) of the district. The approach should be to stimulate a diversity of sectors to see which “take” – i.e.: which sectors find champions and investors.

DEA is supporting the following projects;

BEDFORD FLOWER SHOW AND GARDEN FESTIVAL

The festival was established 8 year ago and receives marketing exposure in national gardening media and draws gardening enthusiasts to its award winning garden displays. A way must be found to address the unemployment with the opportunities offered by this unique event and to create spin offs to support emerging entrepreneurs. ASPIRE and Nxuba Municipality is investigating such linkages through the development of an environmental centre in Bedford with a display garden for heritage roses. Plans to develop a biosphere reserve in Bedford, encapsulating the mountain range and its diverse fauna and flora will also benefit from the beautification project and must be pursued.

NXUBA GREENING AND BEAUTIFICATION PROJECT 2010 to 2013

The municipality has secured R20m from DEA for greening and beautifying the towns by improving the quality of life in Lingelethu, Bezuidenhoutville (Adelaide) and Nyarha and Goodwin Park (Bedford). R1m is earmarked for non-accredited and accredited training. A Project Concept Plan has been developed and acknowledges the critical role that the public sector has in unlocking private sector potential.

All of the urban areas will benefit from this investment as the development proposal contains the following facets:-

- Create short term jobs of at least 68000 person days over three years (2011 to 2013);
- Investing in human capital
- Landscaping of four suburban parks in the areas mention above
 - Erection of a borehole in Bezuidenhoutville

- Installation of solar panels
- Beautification and landscaping of three town entrance features, townscapes and suburban streets and walkways
- Creation of two horticultural nurseries (10 sustainable employment opportunities)
- Implementation of a rainwater harvesting programme

2.5.3 NXUBA LOCAL ECONOMIC OVERVIEW

The Municipality's organogram makes provision for a LED and Planning Unit. There are five LED posts and one IDP/PMS post. A LED officer is employed to oversee the LED and Tourism functions. During the 2010 IDP Assessment the DLGTA indicated that a LED Assistant would be deployed at Nxuba by the 2011/12 financial year to strengthen the LED Unit.

High unemployment and poverty levels in the Municipality result in low affordability levels which in turn manifest in low levels of investment and under-utilization of development opportunities. There is an urgent need for major new private sector investments to create jobs and improve livelihoods in area.

Nxuba has a limited and almost non-existent industrial economy and there is a high dependency on primary economic activities. Commercial and business development in the area is confined to the urban centres of Nxuba. The main part of Nxuba's **business retention, expansion and attraction strategy is to keep business property rates as low as possible and to lobby for funding for high impact projects like the Greening and Beautifying Project.** One major limitation, however, is that substantial commercial and businesses activities take place in King Williams Town, Queenstown and Cradock which means that a significant portion of the potential income is not being reinvested into the town's economy.

Economic growth is constrained by

- Slow growth rate
- High illiteracy, poverty and unemployment rate

2.5.4 SECTORAL OVERVIEW

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

- ⇒ Agriculture (game and livestock farming)

- ⇒ Tourism (freshwater fishing, arts, crafts, scenery, wildlife, cultural heritage)
- ⇒ SMME
- ⇒ Trade and Business Services

2.5.4.1 AGRICULTURE

Agriculture is the main economic activity in the Municipal area.

2.5.4.1.1 LIVESTOCK FARMING

Adequate good quality grazing makes the area suitable to livestock, cattle and game farming. Cattle, sheep and game farming are the most predominant. Much of this farming is commercial livestock farming.

Significant Agricultural Enterprises

This undermentioned is based on the assessment of the natural resources in their order of importance of the economy of the ADM.

- *Livestock-Sheep and Beef:* generally farmed together for pasture management, there is declining profitability in real terms with a shift from small stock to beef and to game in the commercial sector. However, together this is the largest sector in terms of land area, economic contribution and participation and has primary strategic value in both economic and socio-political benefits within the ADM. Stock theft has resulted in a major shift out of sheep farming into large stock and game.
- *Livestock Farming:* Animals and animal products are the dominant farming activity in the district, accounting for 72% of agriculture value added. Agriculture's competitive advantage in the district is enhanced by, proximity to markets product diversity (across agro-ecological zones) and business services.

Table 31: Opportunities for Agriculture in Nxuba

Enterprise	Product	Management & Tech Enterpr	Employment Creation (Jobs)	Processing Infrastructure	Markets	Market Potential
Sheep (extensive)	Mutton Wool	Medium	1/100ha	Existing agents & abattoirs	Local (mutton) Export Wool	Good
Beef (extensive)	Beef	Medium	0.8/100ha	Existing agents & abattoirs	Local	Good

Boer goats (Extensive)	Meat	Low	1.2/100ha	Existing agents & abattoirs	Local	Good
Game	Hunting, live game, tourism	Medium	0.3/100ha	No	National Export	Good (Forex related)

- In agriculture growth is constrained by
 - Limited opportunity for field crops due to shallow soils.
 - Lack of access to finance for historically disadvantaged farmers
 - Aging farming population

- Opportunities in agriculture
 - bio-fuels and free-range livestock.
 - Agricultural GVA can feasibly be doubled over the mid-term.

2.5.4.1.2 CROP FARMING

Nxuba Municipal area does not have a high potential agricultural land and soils.

2.5.4.1.3 FORESTRY

The National government ASGISA programme has identified forestry development as a key pillar to achieving the economic growth and development targets, and has prioritized forestry as a key sector for support across all tiers of government.

In the Amathole District area, most of the forestry plantations exist in Amahlathi, Mnquma and Mbashe Municipalities. Although there are limited forestry areas in Nxuba there is nevertheless some economic potential in portions of the northern mountainous regions. The nature of the forests in the Amathole mountain areas includes both commercial pine and indigenous forests. Low volume, high end furniture production from indigenous forest is exploited in a very small way in Nxuba.

Virgin agricultural land identified as suitable for forestry is subject to an environmental impact scoping and assessment process under the NEMA legislation.

2.5.4.2 TOURISM

Tourism activities in the Municipality are limited, despite the fact that there is abundant natural beauty and a diverse array of cultural groups which have strong potential for eco, adventure and cultural tourism.

Accessibility to and information on tourist attractions is limited and the urban centres should ideally serve as tourism gateways and information centres in order to attract tourists to the local area. The importance of linking Nxuba's tourism potential to other established tourism routes such as the Amathole Mountain Escape are recognized and the Amathole Mountain Escape includes Nkonkobe, Amahlathi and Nxuba municipalities. The route starts from King Williams Town to Bedford and into Hogsback village and the historic town of Alice.

Further initiatives that are being looking at (ADM-IDP2010/11) are as follows:

- ⇒ Chatha Chalets
- ⇒ Craft mania
- ⇒ Bedford Garden Festival
- ⇒ Nxuba Dam Chalets Feasibility
- ⇒ Amathole Mountain Escape hiking trail
- ⇒ Local Tourism Organisation
- ⇒ Visitors Information Centres
- ⇒ Maqoma Heritage Route

In addition the Aspire have engaged two students to research the urban regeneration in the Nxuba area. A report will be tabled on their finding.

Tourist attractions in the Nxuba area include;

- ⇒ Spectacular scenery
- ⇒ Adelaide Museum
- ⇒ Heritage Sites:
 - ✓ Fort Fordyce
 - ✓ Post Retief
 - ✓ Dutch Reformed Church
 - ✓ Glen Eden Church
 - ✓ War Memorial

In tourism growth is constrained by

- Lack of tourism promotion and signage
- Lack of knowledge to manage heritage resources
- Aging farming population
- Lack of funds

- Opportunities in tourism
 - It is labour intensive
 - Tourism potential to stimulate economic development

2.5.4.2.1 NATURE RESERVE

The Fort Fordyce nature reserve falls within Nxuba Municipality. The area has been declared a **conservation area** and has tourism potential.

2.5.4.3 SMALL MEDIUM AND MICRO-ENTERPRISE DEVELOPMENT

The area has potential for the development of SMME's and the majority operates as sole traders. Nxuba Municipality has registered 30 SMME and is in the process of signing a SLA with SEDA to support Nxuba and the surrounding area.

Most of the SMMEs are in the trade / service sector consisting of spaza shops, hair salons and caterers. There is a need to diversify SMME development to include agriculture and tourism as opposed to the prevalent over-dependency on the retail sector.

SMME development is constrained by

- Lack of technical skills to manage the business.
- Access to micro-credit

2.5.4.3.1 SMALL SCALE MINING

Unauthorised mining of river sand for building purposes is taking place and Nxuba Municipality should facilitate the formalization of these activities.

2.5.4.4 TRADE AND BUSINESS SERVICES

The urban areas serves as local service centres that requires well planned physical development to support the growth of the trade sector (formal and informal) and the tourism industry.

Trade and Business Services constrained by

- Lack of market access.
- Lack of investment
- Under-investment in human capital

Areas of prioritised intervention

- Develop a LED Plan;
- Strengthen SMME's;
- Create heritage site awareness
- Form partnership with AMDA for coordinated LED initiatives.
- Facilitate and support tourism development.

2.6 KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The municipality has undergone some serious challenges over the past few months so much so that the Department of Local Government has deployed teams to support the various Departments and Units within the Municipality. Nxuba Municipality has considered the MEC comments based on the 2010 Assessment and have filled these gaps. Some of the corrective measures contained in the MECs comments recommended that the DLGTA would assist to formulate appropriate tools and frameworks and where these are still lacking support will be sought from deployed officials.

2.6.1 POLITICAL GOVERNANCE

The Nxuba Municipality is a Category B Municipality (local municipality) as defined under section 3 of the Local Government: Municipal Structures Act No. 117 of 1998. The Municipal Council has eight Councillors, four of which individually directly represent a specific ward and the remainder to represent parties proportionally in the council. After the Local Government elections in 2011, one councillor will be proportionally elected to serve on the Amathole District Council to represent Nxuba municipality. The mayor is a full time public office bearer. The Municipality has a Plenary Executive System combined with a ward participatory system.

There are three portfolio committees that have been established in terms of Section 79 of the Local Government Municipal Structures Act, (Act 117 of 1998) to serve the following portfolios;

- ⇒ Budget & Finance;
- ⇒ Corporate Services;
- ⇒ Technical and Community Services.

The Accounting Officer (Municipal Manager) and section 57 managers attend Council and Standing Committees to represent the municipality's administration and to account in the form of the IDP, budget, strategic and operational plans / Service Delivery and Budget Implementation Plan (SDBIP).

2.6.2 INTEGRATED DEVELOPMENT PLANNING – REVIEW PROCESS 2011/12

2.6.2.1 IDP PROCESS

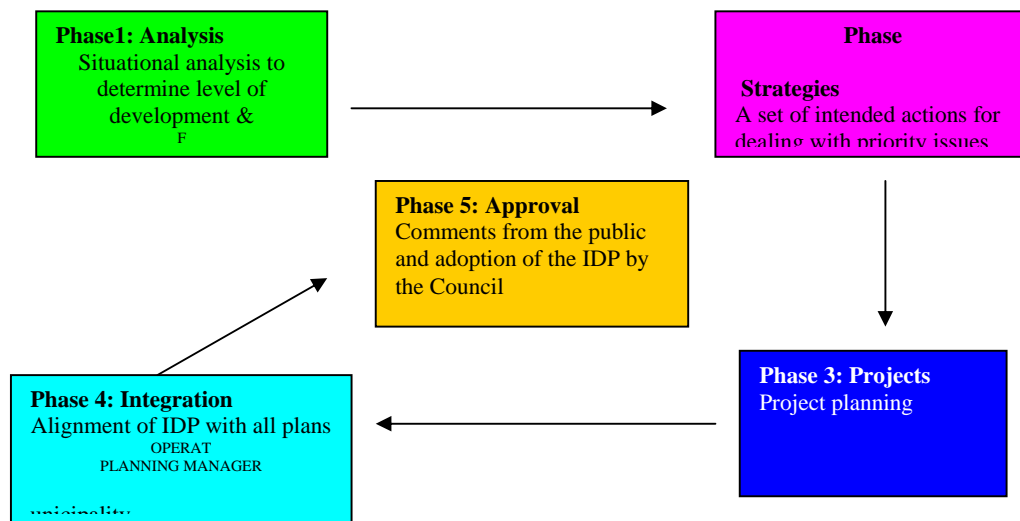
Integrated Development Planning (IDP) is a planning tool for promoting developmental local government. It enables the Municipality to identify its priorities and develop a strategic development plan for the short, medium and long term. The IDP process is a consultative process which requires of the Municipality to engage with its citizenry and other stakeholders in the development thereof.

IDP's must be reviewed on an annual basis and adjusted and revised in accordance with the monitoring and evaluation of existing performance and changing circumstances.

The integrated development planning methodology comprises five interrelated phases namely;

- ⇒ Analysis
- ⇒ Strategies
- ⇒ Projects
- ⇒ Integration
- ⇒ Approval

These phases are illustrated graphically below:



The analysis phase aims to assess the existing level of development within the Municipality through analysis of the prevailing environment and impact thereof on the inhabitants of the Municipality. The analysis process facilitates the identification and analysis of the environmental challenges facing the municipality and allows the municipality to accurately prioritise these challenges.

The ensuing phases of the integrated development planning process build on the analysis phase, and it is therefore imperative that the analysis phase be compiled accurately. Planning, budgeting, decision making and service delivery are largely informed by the existing environment and its inherent challenges. A plan that is not based on an accurate understanding of the current environment will lack credibility and efficacy.

The IDP under review will contain a comprehensive analysis of the **Nxuba** Local Municipality including the legislative and policy environment, the Municipal vision and mission, the geographic positioning and composition of the study area, and an environmental analysis in the broadest sense of the word that includes a demographic, socio economic, spatial and environmental analysis. An analysis will also be done of service provision including infrastructural services, community services and community facilities. Economic growth and development will be analysed with specific reference to current trends in terms of poverty, employment trends and the predominant sectors. An analysis of the institutional and governance environment as well as the financial viability of the **Nxuba** Local Municipality will also be done to ascertain its capacity to provide

sustainable service delivery. The IDP will conclude with an analysis of priority issues, project identification, funding implications, targets and performance measures.

Framework guide for credible IDP's

A Credible IDP Framework Guide has been developed by the Department of Provincial and Local Government. The objective of the framework guide is to provide a standardized reference point for municipalities with respect to their key service delivery, governance and management obligations. The framework also serves as an enabling tool for the IDP drafting and revision process and facilitates compliance with the Municipal Systems Act by municipalities.

The framework outlines six key focus areas namely;

- ⇒ Spatial Development Framework
- ⇒ Service Delivery
- ⇒ Financial Viability
- ⇒ Local Economic Development
- ⇒ Good Governance and Public Participation
- ⇒ Institutional Arrangements

2.6.2.2 PROCESS PLAN 2011/12 IDP REVIEW

Nxuba Local Municipality comprises of a large geographical area that is delimited into four wards with 12 702 registered voters. A structured approach is therefore needed to enhance public participation in the planning process. The Process plan, adopted by Council on 2010, outlines the path to be undertaken during the 2011/2012 planning cycle and furthermore identifies the establishment of the following mechanisms for public participation in the planning process.

- Nxuba IDP Representative Forum.
- Nxuba IDP Steering Committee
- Ward Committees
- Ward Based Planning and Outreaches
- Community Development Workers

2.6.2.2.1 NXUBA IDP REPRESENTATIVE FORUM

The Nxuba IDP Representative Forum has been established to ensure that there is representation in the 2011/12 planning process, by the various organized and unorganised groups within municipal area. Due to the upcoming Local Government Elections and the options proposed by the MFMA Circular no 54 some of the meetings have been brought forward to allow Final IDP adoption before end April 2011. The table hereunder reflects a **summarised extract of Nxuba Municipality's Process Plan** as far as it relates to the IDP Representative Forum.

Nxuba IDP Representative Forum			
Purpose	The IDP Representative Forum is the organizational mechanism for discussion, negotiation and decision-making between stakeholders within the municipal area. The Representative Forum is chaired by the Mayor.		
Key organisations and structures	Terms of Reference	Meeting time schedule	Meeting held
Councillors Ward Committee Members Stakeholder representatives of organized groups Community Representatives Non- Governmental Organisations Traditional Leaders Disabled groups. Youth Organisations Community Based Organisations Municipal Officials Sector and Provincial Officials and Parastatels	<ul style="list-style-type: none"> ○ Represents the interests of their constituents in the IDP review process ○ Provides an organizational mechanism for discussion, negotiation and decision-making between the stakeholders including municipal manager ○ Ensure communication between all stakeholder representatives including municipal government ○ Monitor the performance of the planning and implementation process. 	16 September 2010; (Postponed to 07/12/2010) Strategic Planning Session 14 – 15 January 2011 18 March 2011; 05 May 2011	7 December 2010. Held on 14 to 15 January 2011 10 March 2011

2.6.2.2.2 NXUBA IDP STEERING COMMITTEE

The Senior Management of the Nxuba Municipality meets prior to IDP Representative Forum to look at the technical and strategic issues that need to be lifted for decisions during the Representative Forum meetings and any Strategic Sessions.

2.6.2.2.3 WARD COMMITTEES

During the 2010/11 IDP review cycle it became clear that some residents felt that their needs were not reflected in the municipalities priorities and that additional efforts had to be applied to ensure that the all of the communities democratic rights to participate in the planning process of the municipality needed to be strengthened. The Municipality is committed in the 2011/12 planning cycle to make a concerted effort to promote

community participation and convene regular meetings in order to give the community the opportunity to express their views and needs. At the IDP Representative meeting held in Adelaide on 7 December 2010, the Mayor undertook to lead by example and attend each ward meeting to ensure additional political leadership and accountability to the people of Nxuba.

Ward Committees have been established in all 4 wards. Each Ward Committee is chaired by a Ward Councillor. Ward Committees are established for purposes of enhancing participatory democracy in local government and to make recommendations on any matter affecting their wards through the Ward Councillor. Ward 3 and 4 are fully functional although the functionality of Ward 2 could be improved. Ward 1 has to be resuscitated. It is however possible that the upcoming local government elections could result in the appointment of new ward committee members. Attempts will be made to ensure fully functional new ward committees thus creating a measure of continuity.

However, it is acknowledged that the post of the IDP Officer is currently vacant which could hamper the municipality's efforts to promote an inclusive planning process. As an interim measure, arrangements were made for additional support from the Department of Local Government and Traditional Affairs and Amathole DM.

2.6.2.2.4 NXUBA WARD BASED PLANNING & OUTREACH PROGRAMME

The table contains the priority needs of ward 1, 3 and 4, which was identified during November 2010 and submitted to the municipality by the Ward Councillors.

Ward 1: Priority needs	Ward 3: Priority needs	Ward 4: Priority needs
Road maintenance in town	Finalise housing projects: 172 Link houses.	Address housing backlogs
Regular and effective ward Committee meetings	Finalise housing projects: 161 Phola Park; and 200 Goodwin Park.	Expedite Worteldrift project of 250 houses
Maintenance of Street lights in town. (Church Street)	Expansion of Sewerage Treatment plant	Roads
Stray cattle: Pound and	Water Provision:	Created ;more awareness

Commonage control	Construct Foxwood Dam	about HIV/ Aids
Recovery of fruitless expenditure (R600,000 refer previous AG Report)	Create economic opportunities through Co-ops to address unemployment.	Attract investors to stimulate job opportunities to address the unemployment

Areas of prioritised intervention

- Maximise existing communication mechanisms to develop capacity of communities around governance issues.
- Facilitate training for ward committee members and maximize municipal support to the four ward councillors.
- Ward Committee for Ward 1 to receive special support and assistance from the Mayor.

2.6.2.2.5 COMMUNITY DEVELOPMENT WORKERS

Four Community Development Workers, one per ward, have been deployed at Nxuba Municipality to bring government closer to the people. It is proposed that collaboration between the municipality and CDWs needs to be approached within clearly defined terms of reference and formalise by means of a Service Level Agreement.

2.6.3 COMMUNICATION AND PUBLIC PARTICIPATION

Nxuba has drafted a Communication Strategy to improve public participation in the affairs of the municipality and the Local Communication Forum was launched on 16 September 2010. A wide range of communication tools are used and these include:-

- Winterberg News,
- Imbizo's / Road shows,
- Loud tailing,
- Library;
- Notice boards, and
- Nxuba Municipal Website.

GAPS TO BE FILLED BEFORE ASSESSMENT

5.16 Does the analysis reflect population concerns of the municipality? And is there evidence of sectoral plans addressing concerns?	No	They must link population analysis to sector measures and intervention programmes
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5.17	Does the sector plans take local MDGs in consideraton?	Y-24	To state applicable MDG's and link to interventions
5.18	Does the plan reflect framework that measures progress on sustainable human development?	Y-P116,118	To enhance the framework and link it to budget
5.19	Are there tools to assess the social impact of development interventions at community level?	No	To develop tools for assessment with the assistance from LGTA
5.20	Does the plan provide for assessment of the extent of integration and coordination of services?		
5.21	Is the organogram and the IDP aligned or vice versa?		

2.6.3.1 INFORMATION MANAGEMENT

Nxuba Local Municipality has developed a website. The site address is www.Nxuba.co.za and the aspiration is to widen public participation and enhance legal compliance as prescribed by Section 21B (1) of the Municipal Systems Act. The foundation of a sound information system lies in an effective Electronic Mail and Directory Service, both of which is used by the municipality (Microsoft Active Directory) and Electronic Mail (Microsoft Exchange)

To promote access to information internally, the Municipality has created access to the Intranet.

Areas of prioritised intervention

- Ensure IT development and maintain Website (legal compliance);
- Publish news letter (printing and budget implications);

2.6.4 INTER-GOVERNMENTAL RELATIONS

The Municipality participates in District IGR structures. These structures are composed of the Technical Task Group and District Mayors Forum.

The Nxuba IGR Forum (clusters) held two meetings in the 2009/10 financial year and is scheduled to convene quarterly during 2010/11. The local IGR structure is mainly utilized to solve problems affecting service delivery as well as shared priorities for development. This process is hampered by the inconsistency of member department's representation to the structures and the attendance of officials who do not have decision making capacity and impact on budgeting processes. This negatively affects integration and the municipality has called upon OtP and DLGTA to address the issue of defaulting Departments. Service level agreements are being entered into where services are to be provided collaboratively by different departments

Areas of prioritised intervention

- Strengthen the IGR clusters

2.6.5 PARTNERSHIPS AND STRATEGIC RELATIONSHIPS

Nxuba Local Municipality has recognised the potential of strategic partnerships to develop its capacity. The Municipality entered into a Memorandum of Understanding during 2006 with Nelson Mandela Metropolitan Municipality. A meeting was held in 2009 and again during 2010. The partnership has proved beneficial for Nxuba Municipality and will be rekindled and strengthened after the Local Government Election in 2011. Nxuba Local Municipality also collaborates closely with the District Municipality and benefits from strategic Inter-governmental partnerships entered into by the Amathole District Municipality.

2.6.5.1 TRADITIONAL LEADERSHIP - PARTNERSHIPS

There are no Traditional Leaders in the Nxuba area.

2.6.6 MAINSTREAMING OF SPECIAL GROUPS

The following structures have been established and are being coordinated in the Office of the Mayor:-

- Nxuba Youth Council
- Nxuba Disabled Council
- Nxuba Women forum
- Nxuba Elderly Person Forum

- Nxuba HIV/AIDS Council
- Nxuba Sport Council
- Nxuba Local Communicators Forum

A draft Youth Plan has been developed and the Municipality also participates in the National and Provincial youth initiatives. R90 000.00 was earmarked for mainstreaming of special groups during the 2010/11 financial year.

The municipality has a dedicated official to deal with the mainstreaming of special groups and efforts will be directed toward Government objective to reduce youth unemployment and other marginalized groups. Municipal procurement and job creating projects are geared not only toward poverty alleviation but also to draw special groups into the economy.

Area of intervention Lobby for funding in support of SPU Programme

2.7 KPA 6: INSTITUTIONAL ANALYSIS

Nxuba Municipality has experienced severe institutional challenges over the past few months, including financial constraints and the loss of key personnel. The Department of Local Government and Traditional Affairs have deployed a Team of sector specific officials to render support to the institution as a whole. These officials are working with their municipal counterparts for three days a week. A recovery plan has been implemented in the Finance Department and additional assistance rendered by ESKOM to improve systems. These initiatives will contribute to the stabilisation of the administration and go a long way in restoring the confidence of the community in the institution.

2.7.1 POWERS AND FUNCTIONS

The Constitution indicates that the objectives of local government are:

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

A municipality has the functions and powers assigned to it in terms of sections 156 and 229 of the Constitution. These functions and powers are divided between the District municipality and the local municipalities established within its area of jurisdiction. Section 84(a) to (p) of the Structures Act defines the functions and the powers that are assigned to District Municipalities. The Minister may authorise (under certain circumstances) a local municipality to perform a district function and power and the Member of the Executive Council for local government may (under certain circumstances) adjust specified functions and powers between the district and a local municipality in its area.

Functions of Nxuba Local Municipality.

The MEC for Local Government adjusted the functions and powers between Amathole District Municipality and Nxuba Local Municipality as published in the Provincial Gazette No. 1890 on 9 May 2008, to the extent reflected hereunder.

Function	Amathole DM	Nxuba LM
Air pollution		X
Building regulations		X
Child Care facilities		X
Electricity reticulation		X
Fire Fighting		X
Local Tourism		X
Municipal airports		X
Municipal Planning		X
Municipal Health Services	X	
Municipal Public Transport		X
Storm water		X
Trading regulations		X
Water (potable)	X	
Sanitation	X	
Schedule 5 part b		
Amusement facilities		X
Billboards and the display of adverts in public places		X
Cemeteries, Crematoria		X

Function	Amathole DM	Nxuba LM
and funeral parlours		
Cleansing		X
Control of public nuisances		X
Control of undertakings that sell liquor to the public		X
Facilities for the accommodation, care and burial of animals		X
Fencing and fences		X
Licensing of dogs		X
Licensing and control of undertakings that sell food to the public	X	
Local amenities		X
Local sport facilities		X
Markets		X
Municipal abattoirs		X
Municipal parks and recreation		X
Municipal roads		X
Noise pollution		X
Pounds		X
Public places		X
Refuse removal, refuse dumps and solid waste disposal		X
Street trading		X
Street lighting		X
Traffic and parking		X

2.7.1.1 BY-LAWS

By the legislative powers vested in the Nxuba Municipal council, the following By-laws have been promulgated:-

- Advertising Signs
- Cemeteries & Crematorium

- Community Fire Safety
- Credit Control & Debt Collection
- Delegation of Powers
- Impounding of Stray Animals
- Keeping of Dogs and Other Animals
- Liquor Trading
- Neglected Buildings and Premises
- Prevention of Nuisances
- Public Open Spaces
- Solid Waste Disposal
- Standing Rules for Council
- Street Trading
- Use and Hire of Municipal Buildings
- Ward Committees

2.7.2 NXUBA INSTITUTIONAL OVERVIEW

2.7.2.1 OFFICE ACCOMMODATION

The administrative and political seat is in Adelaide although the various Departments and their incumbents are scattered and housed in separate centres in and around the Town hall. These isolated staff pockets have the potential of developing its own ethos that could undermine the corporate image of the institution as a whole and contribute to the creation of silo mentality. In addition there is also a satellite administrative unit stationed in Bedford. To overcome this fragmentation the municipality is renovating one of their properties in order to consolidate the staff during Phase 2 of the project.

Priority Area

To counter the fragmentation it will be necessary to strengthen internal communication, share information, unify and motivate the personnel.

2.7.3 NXUBA ORGANISATIONAL OVERVIEW

The Organogram for Nxuba Municipality is reviewed annually to ensure alignment to the IDP and was adopted by Council during 2010. The health care practitioners have since been transferred to the Department of Health and have therefore not been included in this overview.

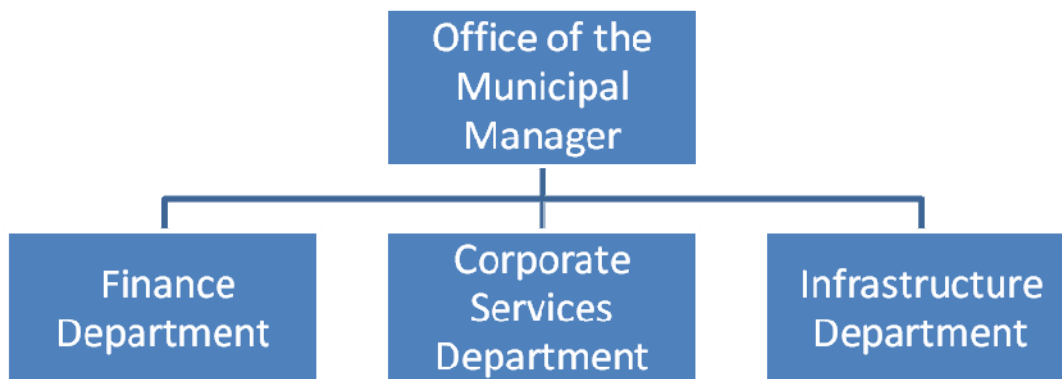
The Municipalities organizational structure comprises 179 positions which are divided into the following Departments

- ⇒ Office of the Municipal Manager

- ⇒ Corporate Services
- ⇒ Financial Administration
- ⇒ Infrastructure Development

The organizational structure of the municipality is indicated on figure 13 below

Figure 13: Organisational Structure



The Municipality has a relatively low vacancy rate with only 51 of the 179 approved positions being vacant, which translates to a vacancy rate of 27%. Four key posts are budgeted for and the municipality is in the process of recruiting suitable candidates for appointment before the end of June 2011.

Summarised detail, per department, is indicated in the table below:-

2.7.3.1 OFFICE OF THE MAYOR

The office of the Mayor has the following duties assigned to it;

- ⇒ Special Programmes Unit.

2.7.3.2 OFFICE OF THE MUNICIPAL MANAGER

The office of the Municipal Manager has the following duties assigned to it;

- ⇒ Internal audit.

The Office of the Municipal Manager consists of 4 posts of which 50% are filled. The internal audit unit function has been outsourced.

Department	No of Posts	Post Description	Filled posts	Vacant posts
Office of the Municipal Manager	01	Municipal Manager	01	-
	01	Executive Secretary	01	-
	01	1 x Internal Audit	0	01
	01	1 x Clerk	0	01
Sub-total	04		02	02

2.7.3.3 CORPORATE SERVICES DEPARTMENT

The Manager for Corporate Services is responsible for

- ⇒ Administration (Surveys and Reports)
- ⇒ Community Participation
- ⇒ Communication
- ⇒ Human Resource Management
- ⇒ Registry and Archives
- ⇒ Executive and Council Support
- ⇒ Labour Relations
- ⇒ Information Technology
- ⇒ Planning and Development
- ⇒ IDP / MPMS
- ⇒ LED
- ⇒ Land Use Management
- ⇒ Traffic control including pounds
- ⇒ E-Natis
- ⇒ Typing pool and switchboard
- ⇒ Library Services

The Key Performance areas of this Department are:

- ⇒ Municipal Transformation and Organisational Development
- ⇒ Good Governance

The Corporate Services Department has 42 posts of which 69% are filled.

Department	No. of post	Vacant posts	Filled posts	Vacant posts	Budgeted for
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	S				
Corporate Services	42	Posts:-	31	13	
	01	Posts:-	0	1	
	(01)	1 x Corporate Manager	-	01	01
LED & Planning Unit	06	Posts:-	1	5	
	(01)	LED and Tourism	01	-	
	(01)	Officer	-	01	
	(01)	1 x LED Asst;	-	01	
	(02)	1 x Tourism officer;	-	02	
	(01)	2 x information Clerks;	-	01	01
		1 x IDP/PMS officer.			
Human Resource Unit	02		2	0	
	(01)	Posts:-	01	-	
	(01)	HR Admin Officer;	01	-	
		Personnel Clerk			
Admin Unit	11		10	1	
	(01)	Posts:-	01	-	
	(01)	Admin Officer	01	-	
	(02)	Archives and Registry	02	-	
	(01)	Officer	-	01	
	(06)	Switch Board	06	-	
		Operator/Receptionist			
Traffic Unit	13	1 x Switch Board	10	3	
	(01)	Operator	01	-	
	(02)	General Workers	01	01	
	(01)		01	-	
	(03)	Posts:-	01	02	
	(02)	Chief Traffic Officer	02	-	
	(04)	1 x Traffic Officer	04	-	
		E-Natis supervisor			
Library Services	06	2 x E-Natis Clerk	4	2	
	(01)	Pound Master	0	01	
	(01)	General Workers	0	01	
	(01)		01	-	
	(01)	Posts:-	01	-	
	(02)	1 x Chief Librarian	02	-	
		1 x Bezuidenhoutville			
Council Support & PP Unit	03	librarian	2	1	
	(01)	Adelaide Librarian	01	-	
	(01)	Bedford Librarian	-	01	

	(01)	Library Assistant Posts:- Principal Admin Officer 1 x Programme Officer Executive Secretary	01	-	
Subtotal Corporate Services	42		29	13	02

2.7.3.4 INFRASTRUCTURE AND DEVELOPMENT

The Manager for the Infrastructure Department is responsible for the development and maintenance of;

- ⇒ Roads and Storm Water
- ⇒ Housing Administration
- ⇒ Community facilities and amenities (gardens, sport fields and pavements)
- ⇒ Cleansing and Street Sweeping
- ⇒ Building Inspectorate and maintenance
- ⇒ Electricity Reticulation
- ⇒ Solid Waste Management and refuse removal, including waste disposal sites.
- ⇒ Disaster Management including fire fighting
- ⇒ Security Guards
- ⇒ Land use, land sales and subdivisions/rezoning.
- ⇒ The Project Management Unit (PMU) is also assigned to this Department

The Technical Services Department has 113 posts and 72.5% are filled.

Department	No. of posts	Vacant posts	Filled posts	Vacant posts	Budget ed for
Infrastructure and Development	51	Infrastructure Manager	31	20	
Electrical Services	(01)	4 x Electrical Assistants	01	-	
Land Use Mngt	(10)	1 x Land Use Mngt Officer	06	04	
Security Services	(01)	6 x Security Guards	0	01	
Cleansing Services	(10)	2 x Forman	04	06	
Building Control	(19)	1 x General Building	17	02	
Housing Section	(02)		01	01	
Disaster Mngt	(01)		01	-	

Services	(01)	Assistant	-	01	
	(01)	Housing Officer	-	01	
	(04)	Disaster Management Office	-	04	
Roads and Building Section	62	1 x Station	51	11	
	(02)	Commander	02	-	
	(02)	1 x Platoon	01	01	
	(01)	Commander	01	-	
	(04)	4 Fire Fighters	02	02	
	(15)		15	-	
	(06)		06	-	
	(06)	Superintendent	04	02	
	(22)	1 x Foreman	17	05	
	(02)	Backhoe Driver	02	-	
	(02)	2 x Building Maintenance Parks GA Truck and Tractor driver	01	01	
		2 x Street Cleaners			
		5 x Roads Cemetery Caretaker			
		1 x Sport Grounds Caretaker			
Sub-total Infrastructure	113		82	31	

2.7.3.5 MUNICIPAL TREASURY

The Chief Financial Officer is responsible for the Municipal Treasury which includes the management of Municipal assets & risks, revenue, debt collection, meter reading, IT, SCM, cashiers, expenditure, salaries and wages, payment of creditors, insurance and valuations.

Key performance areas include

- ⇒ Developing the financial viability of the Municipality
- ⇒ Maximize the amount of Capital Budget spent on IDP related projects

The Finance Department has 20 posts, of which 75% are filled.

Department	No.	Vacant posts	Filled	Vacan	Budget
------------	-----	--------------	--------	-------	--------

	of posts		posts	total posts	needed for
Municipal Treasury	01	CFO	01	-	
	01	1 x Senior Accountant;	0	01	01
	01	Income Controller	01	-	
	01	Budget Controller	01	-	
	01	SCM Officer	01	-	
	01	1 x Asset Manager	0	01	
	01	Clerk	01	-	
	01	IT Officer	01	-	
	01	Expenditure Controller	0	01	
	01	1 x Budget Controller -	0	01	
	01	Clerk;	01	-	
	02	1 x SCM - Logistics	02	-	
	02	Clerk;	01	01	01
	03	Senior Clerk Income	03	-	
	01	Credit Controller	01	-	
	01	1 x Cashier Income	01	-	
		Meter Readers			
		Principal Clerk Payroll			
		Senior Clerk			
		Expenditure			
Sub-total Treasury	20		15	05	02

The following funded posts are considered key positions and therefore critical to fill before July 2011:-

- Corporate Services Manager retired at the end of December 2010;
- The IDP/PMS office has been vacant for some time;
- The senior accountant and cashier – Notices have been posted and it is anticipated that the latter posts will be filled by April 2011.

Areas of prioritised intervention

- Investigate funding position to appoint a fire fighter/pound master.
- [Fast track the filling of critical posts.](#)
- Due to the coordinating activities and cross cutting nature of the IDP / PMS function this section will be best suited in the Office of the Municipal Manager.

2.7.4 INSTITUTIONAL (HR) POLICY DEVELOPMENT

The following administration and human resources policies have been developed by the Municipality;

ADOPTED POLICIES	DRAFT POLICIES
⇒ Cell phone;	⇒ Attendance and Punctuality;
⇒ Cellular telephones: Municipal Councillors	⇒ Employment Equity Policy;
⇒ Employee Study Assistance	⇒ Incapacitation due to ill Health / Injury;
⇒ Fleet Management	⇒ Incapacity due to Poor Work Performance;
⇒ Health and Safety	⇒ Employee under influence of intoxicating Substance;
⇒ HIV/AIDS Policy	⇒ Legal Aid Policy;
⇒ Long Service Allowance	⇒ Occupational Health and Safety;
⇒ Overtime: Policy and Control	⇒ Smoking Policy;
⇒ Promotion and Transfer	⇒ Staff Retention Policy; and
⇒ Recruitment and Selection policy	⇒ Transport Allowance
⇒ Succession Planning	
⇒ Training and Development Policy	

Nxuba municipality has developed a draft HR Plan which will be work-shopped on 28 January 2011 and it is anticipated that the draft Staff Retention Policy will be tabled to Council for consideration and adoption before the end of the financial year.

2.7.5 EMPLOYMENT EQUITY

The Municipalities employment equity plan is outdated.

Areas of prioritised intervention

- Update the employment equity plan – lobby for funding from province.

2.7.6 SKILLS DEVELOPMENT AND TRAINING

As prescribed in the Skills Development Act, the Municipality developed and submitted a Workplace Skills Plan on 28 June 2010. The plan aims to address the identified skills shortage within the municipality. On 7 December 2010 the municipality received the scoring guideline report for LGSITA.

Nxuba Municipality intended to use the report of the Skills Audit carried out by DCOTA during December 2009 as a basis to inform its training programme for 2010/11. The report is, however, still awaited therefore the municipality will undertake and compile its own Skill Audit to identify the skills gap among employees which in turn will support the training programme and implementation plan for 2011/12.

Some of the capacity building initiative undertaken by the municipality in the past include:-

- Plant & Animal Production Learnership programmes for community skills development through the National Skills Fund
- Customer Communication
- Practical Office Skills
- CPMD
- Project Management, and
- Training on Principles of Payroll & Leave Modules.

Members of the public, councillors and officials benefitted from these training initiatives.

2.7.6 PERFORMANCE MANAGEMENT

The Municipality does have a Performance Management System in place. The Municipal Scorecard Model was adopted by Council on 10 September 2008.

The Scorecard Model process includes the development and implementation of an organisational performance management system which in addition not only monitors and evaluates the performance of Section 57 Managers but also that of the lower echelons within the municipality. The performance of post levels 1 to 6 are measured in terms of Accountability Agreements; Post levels 7 to 12 on Performance Promise Agreements and Section 57 Managers are evaluated in terms of Performance Agreements.

The Municipal Scorecard Toolkit guides the Nxuba Municipality in the following performance management aspects:

- requirements of its PMS;
- principles informing its development and application;
- model describing performance management areas to be managed;
- processes to be followed in managing performance;
- institutional arrangements; and
- different role players involved in the system.

It has become well accepted that in order to assess an organization's performance, a balanced view is required; incorporating a multi-perspective assessment of how the organization is performing as seen by differing categories of stakeholders. To ensure this approach, SALGA recommended that municipalities should consider adopting the "Municipal Scorecard Model" to guide the performance management of the municipal organization.

The model aligns the processes of performance management to the IDP processes of the municipality. It ensures that the IDP is translated into performance plans that will be monitored and reviewed. The categories of key performance areas provided in the model relate directly to the National identified priority areas and those used in local IDPs.

In a local municipality context, the Municipal Scorecard Model is based on two levels namely, at a Strategic level and a SDBIP level and performance is measured at each level according to the five Key Performance Areas listed below:-

- Municipal Transformation and Organizational Development;
- Infrastructure Development and Service Delivery;
- Local Economic Development;
- Municipal Financial Viability and Management; and
- Good Governance and Public Participation.

The municipality invests in building planning/performance monitoring capacity and is then often faced with staff resigning and moving on to larger municipalities that are able to offer higher salaries. In a small municipality like Nxuba, the impact can have a devastating effect on the implementation aspect.

Staff to be work-shopped on the Municipal Scorecard Model;

Targets between the various tools (Strategic Plan, Annual Operational Plan (SDBIP) and HR Agreements) must be aligned and reported upon in the Annual Performance Report.

The vacant IDP/PMS post to be filled as a matter of urgency.

Audit Committee

Nxuba municipality has an independent advisory body that advises the institution on matters, amongst other things, relating to performance management and performance evaluation.

Ensure that the Terms of Reference of the External Audit Committee includes a directive to advise the municipality of issues relating to performance management;

Internal Audit Unit

Each municipality must have an internal audit unit, which must advise the accounting officer and report to the audit committee on matters, amongst other things, relating to performance management. The municipality shared this service with the ADM but it did not function optimally and Nxuba has since outsourced this function.

2.7.7 INTERGOVERNMENTAL RELATIONS

For the purposes of the 2011/2012 review it was decided to deal with IGR related issues under Key Performance Area 4 namely Good Governance and Public Participation.

2.8 IDENTIFICATION OF PRIORITIES IN CONTEXT

PRIORITIES IN CONTEXT.

Priority issues identified for Nxuba include:

- The population numbers have decreased, but the household size has remained virtually the same. This is as a result of disaggregation of households (household size reduced), but the corresponding needs for infrastructure and social services has not declined, as the number of indigent people remains high. This means that the equitable share is likely to remain insufficient for the provision of free basic electricity and solid waste removal.
- The high number of indigent people is a reflection of the low levels of economic development in Nxuba. There is a low labour absorption rate and no value chains present in the local economy.
- There is very little diversification in the local economy. The tourism sector does have some potential and this must be built on.
- The agricultural sector is the most important sector for the local economy and its performance must be enhanced. Land and agrarian reform must contribute to the growth of this sector.
- The towns are the focal points in the municipality for social grant payments and the provision of social services. Intergovernmental arrangements must be strengthened to improve the quality of services and this must be seen as an opportunity for Nxuba.
- There is a severe shortage of water in Adelaide and the inadequate sanitation system in Lingelethu and portions of Nyarha must be connected to the waterborne system subject to the improvement of the drought impact on the water supply and the challenges imposed by the limited capacity of the waste water treatment plant.

- Skills retention and training of municipal staff must be a priority and the limitations around the land use management function in the municipality must receive priority attention.
- Repairs to vehicles and replacement of ageing and obsolete machinery must be addressed especially in the electricity and waste management services.
- To provide democratic and accountable government in 2011/12 for our local communities through effective ward committees and the creation of 4 support ward structures and earmarked funding.
- To promote Socio-Economic Development mainly through LED initiatives and the development of a LED strategy and implementation of a Poverty alleviating programme to create at least jobs per ward;
- To promote a Safe & Healthy Environment by engaging SAPS to establish at least satelite police station to service the rural hinterland and Department of Health to ensure provision of adequate medical supplies to clinics.
- To encourage the involvement of communities and community-organizations in the matters of our municipality by conducting at least 2 outreaches per ward to raise awareness campaigns around local government issues.
- To ensure the provision of services to our communities in a sustainable manner by focusing on-
 - the provision and maintenance of access (gravel) ??? roads within the urban edge and to maintain the road infrastructure in the 2 town centres; In 2011/12 the target for road maintenance for access roads will bekm. In the urban towns to maintainkm surfaces roads including the laying ofkm of curbing.
 - to improve the electricity network by upgrading the supply cable between ESKOM sub-station and the sub-station as well as implementing an audit of electrical connections.
 - The municipality's facilitation role to lobby doner and sector departments (DME, DBSA, DEDEA, Health, DoR&T and DSRAC) for additional funding.

CHAPTER THREE

3.3 STRATEGIC FRAMEWORK

The previous Chapter took into account what the needs of the people are and determined the in-depth status quo and gap analysis before setting priorities. This Chapter acknowledges that Local Government has become more 'outcomes-driven' and the Strategic Framework will set the context for this to be realised. The municipality

will refine its Strategic Framework in Chapter 3 by considering and adjusting, if necessary, its strategic approach based on the following:-

- National and Provincial Policy Frameworks;
 - Outcome 9
 - PGDP
 - NSDP
 - AsgiSA
- relevance of the vision statement;
 - Vision
 - Mission
- level of synergy between the municipality's set objectives and National Priority Areas; and
- develop strategies to address the objectives

The identification of projects to give effect to the strategies will form part of Chapter 4.

3.2 STRATEGIC ALIGNMENT WITH OTHER SPHERES OF GOVERNMENT.

2.5.2.3 POLICY FRAMEWORK

The following paragraphs provide an overview of National and Provincial policy frameworks most relevant to the IDP process.

Provincial Growth and Development Plan, 2004 – 2015

The Eastern Cape Provincial Growth and Development Plan (PGDP) provides a framework for the development agenda in the province, The PGDP sets out a quantified vision statement for growth and development in the Eastern Cape. The foundation and core objective of the PGDP reflected below are aligned to the Millennium Development Goals and National Government's Development Strategy.

The PGDP aims over a ten-year period for:

- Systematic poverty eradication
- Agrarian transformation and household food security
- Development and diversification of the manufacturing base and tourism potential
- Human resource development

- Infrastructure development
- Public sector and institutional transformation

The National Spatial Development Perspective (NSDP) contains the following principles:

- Principle 1: Rapid Economic growth that is sustained and inclusive is a pre-requisite for the achievement of poverty alleviation.
- Principle 2: Government spending on fixed investment should be focused on localities of economic growth and / or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities.
- Principle 3: Where low economic potential exists investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities.
- Principle 4: In order to overcome the spatial distortions of Apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways to the global economy.

Accelerated and Shared Growth Initiative (ASGI-SA).

The following principles and broad national goals are set in ASGI-SA, and are brought through into the Policy Framework of the Provincial Spatial Economic Development Strategy:

- Accelerated growth in the economy to more than 4,5 % in the period 2009, and more than 6 % from 2010 to 2014.
- Reduce the gap between the first and second economies, and halve poverty and unemployment by 2014.
- Ensure that social security reaches all who are eligible.

Outcome 12

- Speed up economic growth and transform the economy to create decent work and sustainable livelihoods
 - Decent employment through inclusive economic growth.
 - A skilled and capable workforce to support an inclusive growth path.

- Develop and implement a comprehensive rural development linked to land and agrarian reform and food security
 - Vibrant, equitable and sustainable rural communities with food security for all.
 - Introduce a massive programme to build economic and social infrastructure
 - An efficient, competitive and responsive economic infrastructure network.
 - Sustainable human settlements and improved quality of household life.
 - Intensify the fight against crime and corruption
- All people in South Africa are and feel safe
- Strengthen the skills and human resource base
 - Improved quality of basic education.
 - Improve health profile of all South African
 - A long and healthy life for all South Africans.
 - Build cohesive, caring and sustainable communities
 - Pursue Municipal advancement and enhanced regional co-operation(IGR)
 - Ensure sustainable resource management
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- Build developmental, improve public service, and strengthen democratic institutions
 - A responsive, accountable, effective and efficient local government system.

3.1 DEVELOPMENT OBJECTIVES AND STRATEGIES

The Nxuba Local Municipality has set a vision and mission statement for its people, to provide strategic direction for all planning and service delivery in the Municipality. These statements remain relevant to the period under review (2011/12) as it is both informed by the situational analysis and realities on the ground.

NXUBA VISION

Nxuba Local Municipality had adopted the following vision;

“Nxuba Municipality, a catalyst for a sustainable development for all”??

NXUBA MISSION

The mission of the Nxuba Local Municipality is to be;

“Nxuba Municipality strives to render services in an efficient and integrated manner”

STRATEGIC OBJECTIVES

Strategies will be informed, in terms of content by the uniqueness of the local conditions (see strategic objective hereunder) while however the overall national and provincial growth and development strategic framework and policy vision, as well as those of the Amathole District Municipality will be considered.

The Municipality's has identified six high level objectives for 2011/12;

1. Build an efficient, competitive and responsive economic infrastructure network;
2. Create decent employment through inclusive economic growth;
3. Build an efficient, effective, accountable and responsive local government system;
4. Ensure sustainable human settlements and improved quality of household life;
5. Protected and enhanced environmental assets and natural resources;
6. Grow vibrant, equitable and sustainable rural communities and food security

The following high level strategies have been developed to address the municipalit's objectives above.

1	Build an efficient, competitive and responsive economic infrastructure network.
	Ring-fence electricity function to facilitate cost-reflecting pricing. Spatial plans to provide for commuter rail and road corridors of

	<p>public transport Provide and maintain municipal roads network Facilitate ADM to expand water purification works and waste water treatment works to meet growing demand.</p>
2	<p>Create decent employment through inclusive economic growth. Develop and implement a LED strategy by 2012; Support Aspire Tourism Initiatives; Lobby funding for projects with job creation and skills development emphasis; Support and interface municipal activities to promote economic regeneration and job creation opportunities.</p>
3	<p>Build an efficient, effective, accountable and responsive local government system;</p>
	<p>Improve Communication and Customer Care Service; Entrench Public Participation as a development mandate; Strengthen oversight role of council; Establish stakeholder forums; Ensure skill training Create and Support Ward Committees</p>
4	<p>Ensure sustainable human settlements and improved quality of household life</p>
	<p>Develop a Land Register of municipal land zoned for housing development and investigate ownership of land pockets identified in SDF for infill and new housing development. Implement the Greening and Beautification Project.</p>
5	<p>Protected and enhanced environmental assets and natural resources;</p>
	<p>Implementation of the LWMP SDF Review 2011/12 to identify environmental sensitive areas including wetlands.</p>
6	<p>Grow vibrant, equitable and sustainable rural communities and food security</p>
	<p>Develop a commonage expansion plan</p>
	<p>Facilitate partnership with Farmers Unions</p>
	<p>Identify state land</p>

	Formulate & implementation of Revenue enhancement strategy;
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The Strategic Framework Matrix will be structured in the 6 Key Performance Areas of the Assessment Framework Tool as sequenced hereunder:

- Spatial Development Framework
- Basic Service Delivery and Infrastructure Investment
- Financial Viability and Financial Management
- Local Economic Development
- Good Governance and Public Participation
- Municipal Transformation and Institutional Development

CHAPTER SEVEN

7.1 PROJECTS (OPERATIONAL PLAN)

Chapter 4 involves the identification of specific projects based on the Strategic Framework. It also involves the participation of the Steering Committee, professional and relevant technical stakeholders to provide project proposals with tentative target figures, technical standards, locations, time horizons and cost estimates.

7.2. IDENTIFICATION AND PRIORITISATION OF PROJECTS

The IDP Representative Forum and IDP Steering Committee were involved in the preparation of project proposals for inclusion in the Operational Plan.