NELSON MANDELA BAY METROPOLITAN MUNICIPALITY



DRAFT INTEGRATED DEVELOPMENT PLAN

2011 - 2016

11TH EDITION (2012/13 REVIEW)

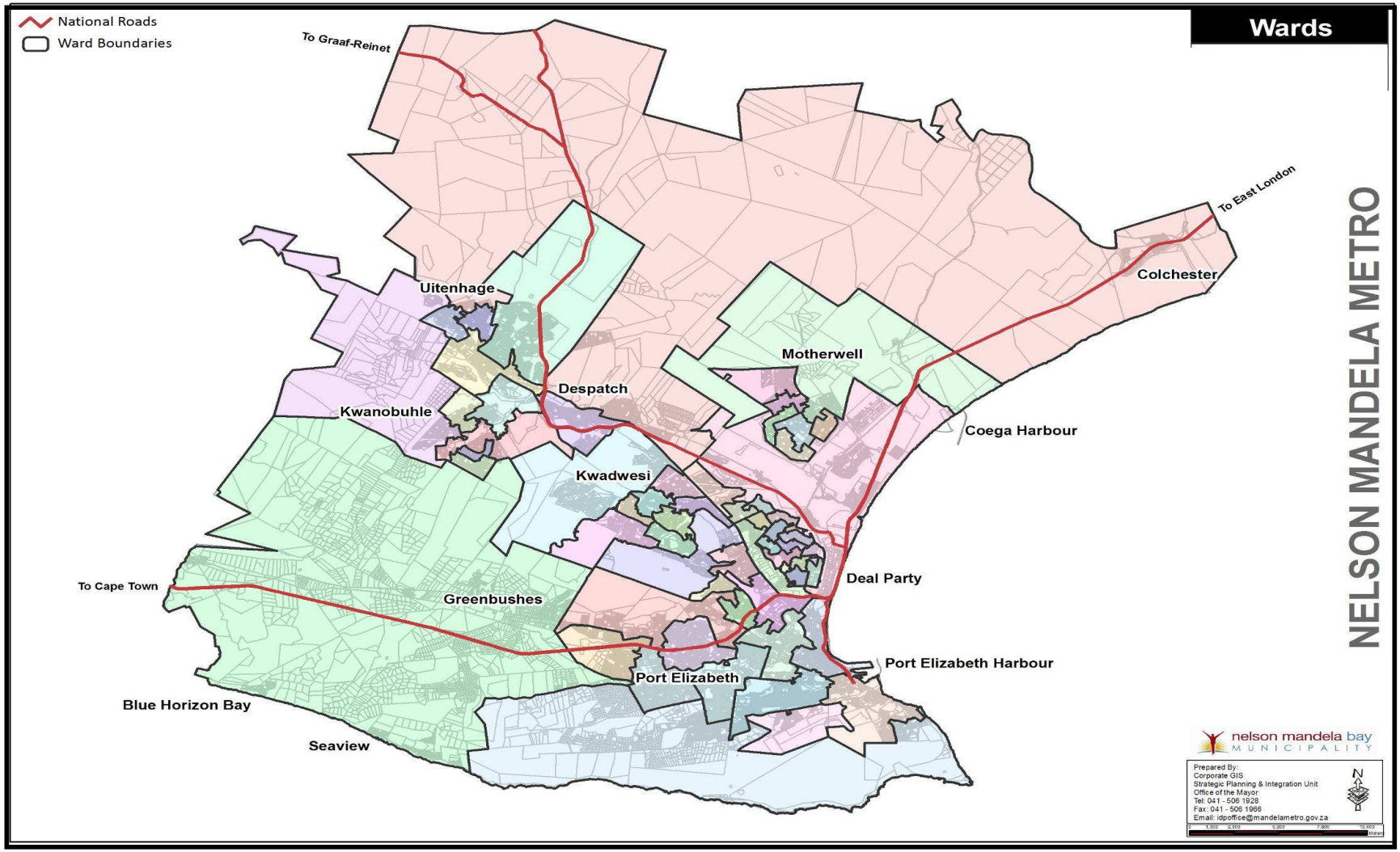

National Roads
Ward Boundaries
Wards
To Graaf-Reinet
To East London
Colchester
Uitenhage
Motherwell
Despatch
Kwanobuhle
Coega Harbour
Kwadwesi
Deal Party
To Cape Town
Greenbushes
Port Elizabeth Harbour
Port Elizabeth
Blue Horizon Bay
Seaview
NELSON MANDELA METRO
nelson mandela bay
MUNICIPALITY
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ABBREVIATIONS

AIDS:	Acquired Immune Deficiency Syndrome
AQMP:	Air Quality Management Plan
ASGISA:	Accelerated Shared Growth Initiative of South Africa
ATTP:	Assistance to the Poor
BATA:	Border Alliance Taxi Association
BMS:	Bridge Management System
CAPEX:	Capital Expenditure
CBD:	Central Business District
CBP:	Community-Based Planning
CDWs:	Community Development Workers
CITP:	Comprehensive Integrated Transport Plan
CMTF:	Consolidated Metropolitan Transport Fund
Coega IDZ:	Coega Industrial Development Zone
CPI	Consumer Price Index
CUP:	Comprehensive Urban Plan
DOT:	Department of Transport
DWAF:	Department of Water Affairs & Forestry
ECDOH:	Eastern Cape Department of Health
EDTA:	Economic Development, Tourism and Agriculture
ELR:	Environmental Legal Register
EMF:	Environmental Management Framework
EPWP:	Expanded Public Works Programme
FIFA:	Federation of International Football Association
GAMAP:	Generally Accepted Municipal Accounting Principles
GDP:	Gross Domestic Product
GDS:	Growth and Development Strategy
GGP:	Gross Geographical Product
GGVA:	Geographical Growth Value Add
GIS:	Geographical Information System
HH:	Household
HIV:	Human Immunodeficiency Virus
HURP:	Helenvale Urban Renewal Programme
ICT:	Information and Communication Technology
IDF:	Interdepartmental Forum

IDP:	Integrated Development Plan
IDP-RF:	Integrated Development Planning Representative Forum
IDZ:	Industrial Development Zone
ILIS:	Integrated Land Information System
IMCI:	Integrated Management of Childhood Illnesses
IPT:	Integrated Public Transport
IT:	Information Technology
ITP:	Integrated Transport Plan
LED:	Local Economic Development
LGMSA:	Local Government: Municipal Systems Act
LUMS:	Land Use Management System
M and E:	Monitoring and Evaluation
MBDA:	Mandela Bay Development Agency
MFMA:	Municipal Finance Management Act
MIG:	Municipal Infrastructure Grant
MSA:	Municipal State of Address
MSDF:	Metropolitan Spatial Development Framework
MUMs:	Management-Union Meetings
MURP:	Motherwell Urban Renewal Programme
NASA:	Nation State of Address
NATIS:	National Traffic Information System
NERSA:	National Energy Regulator of South Africa
NMB:	Nelson Mandela Bay
NMBMM:	Nelson Mandela Bay Metropolitan Municipality
NMBT:	Nelson Mandela Bay Tourism
NMMOSS:	Nelson Mandela Metropolitan Open Space System
NMMU:	Nelson Mandela Metropolitan University
NMT:	Non-motorised Transport
NSDP:	National Spatial Development Perspective
NT:	National Treasury
OPEX:	Operating Expenditure
ORP:	Orange River Project
PE:	Port Elizabeth
PFMA:	Public Finance Management Act
PGDP:	Provincial Growth and Development Plan
PGDS:	Provincial Growth and Development Strategy
PMS:	Performance Management System

POSA:	Provincial State of Address
PWDs:	People with Disabilities
REDS:	Regional Electricity Distributors
RSMS:	Road Signs Management System
SALGA:	South African Local Government Association
SARCC:	South African Road Commuter Corporation
SCUs:	Sustainable Community Units
SDBIP:	Service Delivery and Budget Implementation Plan
SDF:	Spatial Development Framework
SMS:	Signs Management System
SPSP:	Sector Policy Support Programme
SSIF:	Strategic Spatial Implementation Framework
STP:	Service Transformation Plan
SWH:	Solar Water Heating
SWMP:	Storm Water Master Plan
TA:	Taxi Associations
UDDI:	Uitenhage-Despatch Development Initiative
USTA:	Uncedo Service Taxi Association
WC:	Ward Committee
WDMU:	Water Demand Management Unit
WDS:	Waste Disposal Sites
WMP:	Water Master Plan
WP:	Ward Plan
WPF:	Ward Planning Facilitator
WSDP:	Water Services Development Plan

FOREWORD BY EXECUTIVE MAYOR

The Nelson Mandela Bay Municipality presents the reviewed Integrated Development Plan (IDP) for 2011-2016. The IDP is the institution's key strategic planning tool, which is reviewed on an annual basis. This IDP presents the communities of Nelson Mandela Bay with bold initiatives, strategies and programmes to give them access to quality basic services – in many instances, for the first time in their lives.

Public participation and engagement is the foundation on which the IDP is based and this IDP is consequently the outcome of a series of public participation meetings. During these meetings, the political and administrative leadership talked and listened to residents and community representatives to identify their priorities and needs, which were subsequently integrated into the IDP and Budget.

The abject conditions under which some of our residents live, call for a paradigm shift in service delivery to address the unyielding triple challenges of unemployment, poverty and social inequality.

The task now ahead is the full implementation of the IDP and Budget. If we fail in this, we will be failing our people. Complementary to the IDP and Budget is the Municipality's Turnaround Strategy, which is currently being enhanced, to give effect to cooperative government, through the Constitutional provision of Section 154 support by the Eastern Cape Provincial government. The Turnaround Strategy is premised on and reviewed by way of constant assessments of institutional performance gaps and developing and implementing interventions to ensure a continuous improvement in governance, service delivery and accountability, while promoting a more efficient and motivated workforce and socio-economic transformation.

The successful implementation of the IDP and Budget, as well as the provision of sustainable and integrated communities, can be achieved only through a partnership between the Municipality and the other spheres of government to create a single window of co-ordination, as reflected in Outcome 9. This should be complemented by partnerships with local communities and key stakeholders.

The key priorities for this IDP are informed by the 2011 ANC Local Government Election Manifesto, the State of the Nation Address, the State of the Province Address, as well as the ever-changing needs and circumstances of the communities of Nelson Mandela Bay.

Working Together, We Can Build Better Communities!

CLLR ZANOXOLO WAYILE
EXECUTIVE MAYOR

EXECUTIVE SUMMARY

This Executive Summary provides a brief outline of the context, content, process outcomes and impact of the Nelson Mandela Bay Municipality's IDP.

A brief situational analysis of the Nelson Mandela Bay Municipality:

- Population = 1.1 million (estimated population by 2020: 1,24 million)

- Number of households = 254 007 (formal)

  = 31 000 (informal)

  = 49 000 (backyard shacks)

  80 000

Key developmental challenges:

- High poverty and unemployment – 28,2% (Urban-Econ, 2008).
- Inadequate access to basic services (water, sanitation, refuse collection, electricity, housing and primary health care)
- Infrastructure, maintenance and service backlogs
- HIV and AIDS – 30.8% prevalence rate (Antenatal Care Statistics) – and TB
- Crime
- Illegal dumping
- Lack of integrated planning between the three spheres of government
- Unfunded mandates
- Housing shortage and rectification of 'wet-and-defective' houses
- Lack of integrated and sustainable human settlements

These and other developmental challenges of the Nelson Mandela Bay Municipality are reflected under the 'Situational Analysis' and throughout this document.

Opportunities provided by Nelson Mandela Bay:

- World-class infrastructure for investment at the Coega IDZ and deepwater port of Ngqura.
- Vibrant automotive manufacturing centre and Logistics Park.
- Popular tourism destination with rich biodiversity, Blue Flag Status beaches, a sunny, temperate climate and magnificent game and wildlife.
- Excellent schools and institutions of higher learning.
- Friendly and vibrant people, with a rich diversity of culture and languages.

What informs the Nelson Mandela Bay Municipality's IDP Priorities

The IDP priorities of the Nelson Mandela Bay Municipality are informed by the following:

- Local perspective, informed by situational analysis, developmental challenges, public participation processes and the ANC 2011 Local Government Election Manifesto.
- National perspective, informed by national priorities and Millennium Development goals.
- Provincial perspective, informed by the PGDP.

Alignment between IDP and Budget

An IDP-based Budget is essential in order to realize IDP objectives. The Nelson Mandela Bay Municipality's IDP and Budget are aligned in terms of key performance areas, priorities, programmes and sector plans.

Furthermore, the IDP priorities are realised through the implementation of the municipal budget.

Total Operating and Capital Budgets

- Total Operating Budget for 2012/13 financial year is R7 601 331 000.
- Total Capital Budget for 2012/13 financial year is R1 803 661 000.

People-driven IDP and Budget Processes

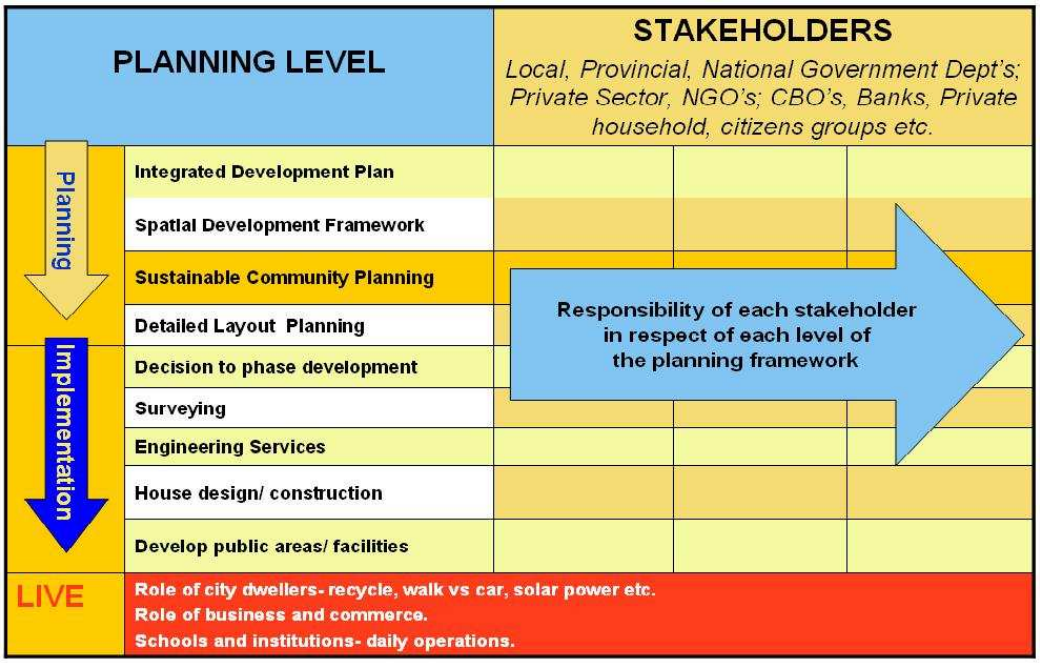
The Municipality's IDP and Budget processes are informed by the outcomes of public participation and stakeholder inputs. The public engagement processes find expression in IDP ward-based plans and priorities.

IDP Implementation, Monitoring and Evaluation

The IDP and Budget are implemented through a Service Delivery and Budget Implementation Plan (SDBIP). A municipal scorecard is used to measure, monitor, evaluate and report on institutional performance (on a monthly, quarterly, bi-annual and annual basis). The institutional SDBIP forms the basis of directorate-based SDBIPs and employee performance agreements and plans. To enhance accountability and oversight, the Municipality established a multi-party Municipal Public Accounts Committee.

Integrated Development Matrix

The Municipality developed an Integrated Development Matrix to ensure integrated planning and the development of integrated, sustainable human settlements, as illustrated in the diagram below.



Cluster System

The Nelson Mandela Bay Municipality has a functional Cluster System in place, which is reflected in the table below.

Objectives of Cluster System

The objectives of the Cluster System are to:

(a) improve coordination across directorates;
(b) foster institutional integration;
(c) provide a platform to collectively address issues pertaining to integrated service delivery across the respective spheres of government and NMBMM directorates;
(d) mobilise and maximise resource utilisation in a way that promotes effectiveness and efficiency;
(e) ensure efficient and effective service delivery;
(f) ensure alignment of programmes, projects and operations;
(g) promote good corporate governance;

(h) share best practices, knowledge and experiences;

(i) enhance the effectiveness and control of current inter-directorate co-ordinating task teams and other structures.

Cluster Composition		
Governance and Administration Cluster	**Service Delivery and Infrastructure Development Cluster**	**Socio-Economic and Safety & Cluster**
• **Cluster Head: Portfolio Councillor: Human Resources & Corporate Administration** • Cluster Convenor: Chief Operating Officer • Executive Mayoral Office • Office of the Municipal Manager • Office of the Chief Operating Officer • Corporate Services Directorate • Office of the Speaker • Constituency Services • Budget and Treasury Directorate	• **Cluster Head: Deputy Executive Mayor** • Cluster Convenor: Executive Director: Human Settlements • Office of the Chief Operating Officer • Infrastructure and Engineering Directorate • Electricity and Energy Directorate • Human Settlements Directorate • Public Health Directorate • Budget and Treasury Directorate • MBDA	• **Cluster Head: Portfolio Councillor: Safety & Security** • Cluster Convenor: Executive Director: Economic Development and Recreational Services • Office of the Chief Operating Officer • Economic Development and Recreational Services Directorate • Safety and Security Directorate • Special Programmes Directorate • Budget and Treasury Directorate

Municipal Turnaround Strategy

In December 2009, Cabinet approved the Local Government Turnaround Strategy (LGTAS), which re-enforces the need to do things differently. During 2010, the Department of Cooperative Governance and Traditional Affairs, together with the Provincial Department of Local Government and Traditional Affairs spearheaded the expression of the LGTAS in Municipal Turnaround Strategies. Taking its tune from these initiatives as well as prevailing local conditions, challenges and the environment, Council adopted a Municipal Turnaround Strategy and integrated it into its key strategic planning documents (IDP, Budget, and SDBIP), enabling the monitoring of the implementation thereof and reporting in line with institutional timelines. The Municipality's Turnaround Strategy is attached as an annexure to this IDP.

Objectives of the Municipality's Turnaround Strategy:

(a) The restoration of confidence in the Nelson Mandela Bay Metropolitan Municipality as a primary service delivery arm of government that is effectively addressing community concerns.
(b) The universalisation of service delivery to all communities of Nelson Mandela Bay.
(c) Addressing the key socio-economic challenges in Nelson Mandela Bay, especially unemployment, poverty and inequality.
(d) Developing a shared agenda for the growth and development of Nelson Mandela Bay.
(e) Understanding and managing institutional risks.
(f) Ensuring a fraud- and corruption-free Municipality.
(g) Ensuring good corporate governance and an accountable and performance-driven institution, which is focused on service delivery.
(h) Ensuring that all municipal planning, budgeting and decision-making processes are embedded in public participation and community involvement.

(i) Restoring the human dignity of the residents of Nelson Mandela Bay, especially in the disadvantaged areas/wards.
(j) Ensuring sound financial management and sustainability.
(k) Ensuring a joint intergovernmental approach to the implementation of this Turnaround Strategy.

One of the key outcomes of the Local Government Turnaround Strategy was the conclusion of the Outcome 9 Delivery Agreement between the President, the Minister of COGTA and the mayors of municipalities.

(a) Outcome 9 Implementation Framework

Linked to its foremost priorities towards 2014, Government has identified the following 12 outcomes:

(i) Improved quality of basic education;
(ii) Long and healthy life for all South Africans;
(iii) All people in South Africa are and feel safe;
(iv) Decent employment through inclusive economic growth;
(v) A skilled and capable workforce to support an inclusive growth path;
(vi) An efficient, competitive and responsive economic infrastructure network;
(vii) Vibrant, equitable and sustainable rural communities with food security for all;
(viii) Sustainable human settlements and improved quality of household life;
(ix) A responsive, accountable, effective and efficient local government system;
(x) Environmental assets and natural resources that are well protected and continually enhanced;
(xi) Create a better South Africa and contribute to a better and safer Africa and world;
(xii) An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Each outcome is implemented through a delivery agreement cutting across the three spheres of government. The achievement of outcomes depends on concerted efforts from all key stakeholders and spheres of government. Outcome 9 focuses on local government and is implemented, monitored and reviewed annually.

(b) Why Outcome 9?

Poor government-wide performance in the following areas, among others:

- Shortcomings in government delivery.
- Collapse of institutional governance.
- Lack of accountability and public involvement in government.

(c) Objectives of Outcome 9

- To undertake an institutional diagnostic study of the institutional challenges underpinned by the Turnaround Strategy.
- To ensure improved access to essential services.
- To undertake Ward-based socio-economic analysis to inform Ward-based planning.
- To contribute to the achievement of sustainable human settlements and quality neighbourhoods.
- To strengthen participatory governance.
- To strengthen the administrative and financial capability of municipalities.
- To address coordination problems internally and across the three spheres of government (single window of co-ordination).

(d) Key outputs

- Output 1: Undertake an institutional diagnostic study of the institutional challenges underpinned by the Turnaround Strategy.
    - Re-visioning of Nelson Mandela Bay, that will culminate in a long-term vision, mission and development strategy.

- Implementation of integrated (institution-wide, political and administrative) outcomes-based performance management, informed by a critical diagnostic institutional performance analysis.
- Co-ordinated input into national and provincial legislative reforms.

- Output 2: Ensure improved access to essential services.

This output is related to Output 4: Contribute to the achievement of sustainable human settlements and quality neighbourhoods.

- Implementation of drought / water response plan.
- Review of the current levels and standards of basic services provided to peri-urban areas and the development and implementation of a response plan.
- Improving universal access to basic services by 2014, as reflected in the Outcome 9 document, as follows:
    (i) 100% access to water
    (ii) 100% access to sanitation
    (iii) 75% access to refuse removal
    (iv) 92% access to electricity

- Output 3: Undertake Ward-based socio-economic analysis to inform Ward-based planning.
    - Undertaking socio-economic needs analysis in Wards and levels and standards of social infrastructure in Wards, as well as the development and implementation of a comprehensive response plan.
    - Implementation of the Economic Summit Outcomes Agreement to reshape the Metro's economic landscape.
    - Maximisation of the implementation of the EPWP.
    - Development and implementation of a co-operative development framework.
    - War on Hunger and food security.
    - Entrepreneurship development support.

- Output 4: Contribute to the achievement of sustainable human settlements and quality neighbourhoods and give effect to Outcome 8.
    - Review and implementation of a model for spatial developmental planning and integrated human settlements to address spatial disparities in Nelson Mandela Bay.
    - Attainment of Level 3 accreditation for housing provision, to enable the accelerated delivery of human settlements.
    - Acceleration of the upgrading of informal settlements and relocations, as well as the implementation of an integrated, sustainable programme to prevent further land invasions.
    - Implementation of the 7-year Human Settlements Plan.
    - Provision of bulk water and sanitation services.
    - Urban restructuring and acquisition of strategic land (private and public) for human settlements.
    - Provision of gap housing.
    - Land audit.

- Output 5: Strengthen participatory governance.
    - Maximising public participation and the involvement of communities in municipal planning and decision-making processes.
    - Establishment of a functional Ward Committee system.

- Output 6: Strengthen the administrative and financial capability of municipalities.
    - Analysis of the current budgeting and financial management gaps, status and systems in the institution and the development and implementation of a systematic turnaround plan, within the framework of the MFMA and other relevant legislation.
    - Prioritising risk management.
    - Undertaking business systems re-engineering, focusing on, among others:

        - Institutional arrangements based on competency prerequisites.
        - Information systems.
        - Administrative processes and systems.
    - Implementation of a competency based skills development plan.
    - Development and implementation of action plans to address matters raised by the Auditor-General, as well as the Internal Audit and Risk Assurance Sub-directorate, and preventing repeat findings.
    - Improving revenue collection and reducing municipal debt.
    - Promoting, monitoring, evaluating and developing a performance-driven institution.
    - Reducing overspending on operational expenditure through the implementation and continuous review of the Operational Efficiency Plan.
    - Reducing underspending on capital expenditure.
    - Increasing municipal spending on repairs and maintenance.
    - Supporting access to basic services through improved administrative and HR practices.

- Output 7: Address coordination and integration problems internally and across the three spheres of government (single window of co-ordination).
    - Implementation of the Turnaround Strategy.
    - Implementation of the revised Cluster System.
    - Enhancing intergovernmental relations through a functional Metro intergovernmental relations forum and other structures.
    - Resolving long outstanding intergovernmental challenges affecting Outcome 9.

(e) Key Outcome 9 partners

In order to achieve Outcome 9 and its outputs, as well as other outcomes, partnerships with the following key stakeholders are imperative:

(i) National and Provincial Government and parastatals.
(ii) The Coega Development Corporation, chambers of commerce, and institutions of higher learning.
(iii) Communities, civil society, community-based organisations and non-government organisations.
(iv) International partners.
(v) Labour (trade unions).

Outcome 9 outputs have been incorporated into the IDP, Budget and SDBIP.

CHAPTER ONE

INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

The Integrated Development Plan (hereinafter referred to as the IDP) is the Nelson Mandela Bay Metropolitan Municipality's principal strategic planning document. Importantly, it ensures close co-ordination and integration between projects, programmes, activities and the Budget, both internally (between clusters and directorates) and externally (with other spheres of government). The IDP therefore ultimately enhances integrated service delivery and development and promotes sustainable, integrated communities, providing a full basket of services, as communities cannot be developed in a fragmented manner.

As the key strategic plan of the Municipality, the priorities identified in the IDP inform all financial planning and budgeting undertaken by the institution.

The attainment of IDP and Budget targets and deliverables is monitored and evaluated on an ongoing basis. However, this requires that targets and deliverables be credible and realistic. Consequently, the financial plan, as well as the performance management, monitoring and evaluation processes of the Municipality, is also outlined in this IDP document.

1.1.1 Need for IDPs

Integrated development planning is a constitutional and legal process required of South African municipalities; however, apart from legal compliance, there are many advantages and benefits to undertaking integrated development planning.

These include the following:

(a) A tool that serves to create a single window of co-ordination across government spheres.
(b) Prioritisation and allocation of scarce resources to areas of greatest need.
(c) Achieving sustainable development and growth.
(d) Democratising local government by ensuring public participation in the planning and decision-making processes of the Municipality.
(e) Providing access to funding.
(f) Encouraging both local and outside investment.
(g) Using the available institutional and external capacity effectively.

1.1.2 Why an IDP review?

Local government operates in an ever-changing environment. The dynamic nature of local, national and global environments constantly presents local government with new challenges and demands. Similarly, the needs of the communities of Nelson Mandela Bay continuously change. The five-year IDP of the Nelson Mandela Bay Metropolitan Municipality is reviewed annually, so that the Municipality can always be confident that it addresses the real and relevant needs and concerns of local communities and stakeholders.

This annual review is not a good corporate governance requirement only; it is also a legislative requirement in terms of the Local Government: Municipal Systems Act 32 of 2000.

The focus of this year's IDP review has therefore been on aligning municipal programmes, projects, strategies and budget with:

(a) Community needs and priorities.
(b) Updated statistical information.

(c) Expanding and improving the situational analysis.

(d) More outcomes orientated targets to make them realistic and measurable.

(e) Revised Spatial Development Framework and related sector plans.

(f) Municipal Turnaround Strategy and Outcome 9 outputs.

(g) Integrated and sustainable human settlements, as envisaged in Outcome 8.

(h) More integrated funding streams.

(i) Cluster system approach.

(j) Revitalised Ward Committee System.

(k) Prioritisation of job creation and poverty eradication.

(l) Incorporation of State of the Nation Address, National Budget Speech and State of the Province Address.

(m) Alignment with the ANC 2011 Local Government Election Manifesto.

1.1.3 IDP and Budget Process

The Nelson Mandela Bay Metropolitan Municipality annually formulates an IDP/Budget Schedule to guide its development and review processes. These processes enhance integration and alignment between the IDP and Budget, thereby ensuring the development of an IDP-based Budget. The 2012/13 IDP/Budget Schedule is reflected below.

IDP / BUDGET TIME SCHEDULE 2012/13

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
PREPARATION PHASE (JUNE TO JULY 2011)	Review of the IDP and Budget time schedule	Chief Financial Officer (CFO) and Chief Operating Officer (COO)	07-Jul-11
	Submission of 2012/13 to 2014/15 IDP and Budget development time schedule to Mayoral Committee	CFO and COO	13-Jul-11
	Approval of the IDP and Budget time schedule by Council	Office of the Executive Mayor, CFO and COO	21-Jul-11
	Advertisement of IDP and Budget time schedule on municipal website and in local newspapers	COO	28-Jul-11
	Conclusion of signed performance agreements (2011/12) of Municipal Manager and Section 57 employees	**Municipal Manager and COO**	**31-Jul-11**
ANALYSIS PHASE (JULY TO SEPT 2011)	Gap analysis and reconstitution of public participation structures and processes (e.g. IDP Representative Forum)	COO	31-Jul-11
	Gap analysis and review of the IDP and Performance Management System and development of an Intervention Plan	COO	31-Jul-11
	Distribute Budget Circular and present Budget training sessions for directorates' officials	CFO	3 to 10 August 2011

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
ANALYSIS PHASE (JULY TO SEPT 2011)	Submission of 2012/13 to 2014/15 Budget strategies and assumptions to Budget and Treasury Standing Committee	CFO	11-Aug-11
	Providing directorates with the base 2012/13 to 2014/15 Operating and Capital Budgets, adjusted to reflect the Budget assumptions and strategies approved by Council	CFO	19-Aug-11
	Approval of the reviewed public participation programme for IDP and Budget processes, based on an analysis by the Mayoral Committee	COO , Constituency Services and CFO	31-Aug-11
	Submission of 2010/11 Annual Financial Statements to Office of the Auditor-General	**Municipal Manager and CFO**	**31-Aug-11**
	Submission of 2010/11 Annual Financial Statements by entities to Auditor-General and Chief Financial Officer	**CFO and CEO of MBDA**	**31-Aug-11**
	Submission of final 2010/11 annual performance information by directorates and MBDA to the Chief Operating Officer	CFO, COO, Executive Directors and CEO of MBDA	31-Jul-11
	Submission of 2010/11 financial and non-financial performance information to the Office of the Auditor-General	Municipal Manager and COO	31-Aug-11
	Approval by Council of 2012/13 Budget Strategy and Assumptions	CFO	01-Sep-11
	Convening IDP and Budget Steering Committee meeting	CFO and COO	21-Sep-11
	Intergovernmental engagements and engagements with entities and other government institutions on IDP and Budget	CFO and COO	30-Sep-11
	Ward-based needs analysis	COO, Constituency Services	30-Sep-11
	Socio-economic profiling of wards	COO	30-Sep-11
	Submission of 2010/11 Consolidated Annual Financial Statements to Auditor-General	**Municipal Manager and CFO**	**30-Sep-11**
	Convening IDP Representative Forum meeting	COO	30-Sep-11

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
STRATEGIES PHASE (SEPT TO DEC 2011)	Draft 3-year Budget forecast on human resources costs in place and presented to directorates	CFO	02-Sep-11
	Commence annual review of tariffs, fees and charges	CFO/ Executive Directors	03-Oct-11
	Engagements with Provincial Government regarding any adjustments to projected allocations for the next three years in terms of medium-term Expenditure Framework	CFO, COO and Executive Directors	03-Oct-11
	Submission of Operating and Capital Budgets by directorates to Budget and Treasury Directorate	CFO, COO and Executive Directors	14-Oct-11
	Submission of municipal entity (MBDA's) Budget for 2012/13 – 2014/15 to Budget and Treasury Directorate	CEO of MBDA and CFO	14-Oct-11
	Commencing review of Budget related policies	CFO	28-Oct-11
	Draft Ward-based plans in place	COO	30-Nov-11
	Receipt of 2010/11 audited Annual Financial Statements and Audit Report from Auditor-General	**CFO**	**30-Nov-11**
	Submission of IDP inputs, including sector plans by directorates, the entity (MBDA) and trade unions, to the Office of Chief Operating Officer	CFO, COO, Executive Directors, CEO of MBDA and Trade Unions	30-Nov-11
	Completion of review of tariffs, fees and charges	CFO and Executive Directors	02-Dec-11

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
STRATEGIES PHASE (SEPT TO DEC 2011)	Convening IDP and Budget Steering Committee meeting	CFO and COO	07-Dec-11
	Convening IDP Representative Forum meeting	COO	09-Dec-11
	Setting objectives, targets and indicators for the IDP	COO	15-Dec-11
	First Draft IDP (2012/13) in place	Municipal Manager, CFO and COO	31-Dec-11
	Completion of action plan to address issues raised in the Audit Report of the Auditor-General	Municipal Manager, CFO and COO	31-Dec-11
PROJECTS PHASE (JAN TO MARCH 2012)	Provision of mid-year budget assessments by entity (MBDA)	CEO of MBDA and CFO	13-Jan-12
	Submission of 2011/12 Adjustments Budget to joint Budget and Treasury Standing Committee and Mayoral Committee	CFO	15-Feb-12
	Adoption of 2011/12 Adjustments Budget (and amended SDBIP, if necessary) by Council	**Office of the Executive Mayor and CFO**	**23-Feb-12**
	Submission of 2012/13 Draft Capital and Operating Budgets and IDP to Budget Task Team	COO and CFO	20 Feb to 24 Feb 2012
	Second Draft of the IDP available for public comment	COO	29-Feb-12
	Submission of 2012/13 Draft Capital and Operating Budgets and IDP to IDP and Budget Steering Committee	COO and CFO	29-Feb-12

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
PROJECTS PHASE (JAN TO MARCH 2012)	Draft directorate SDBIPs for 2012/13 financial year	COO, CFO and Executive Directors	29-Feb-12
	Review proposed National and Provincial Government allocations to the Municipality for incorporation into the Draft Budget for tabling	CFO	29-Feb-12
	2012/13 Draft Capital and Operating Budgets, Draft IDP and Draft SDBIP submitted to joint Budget and Treasury Standing Committee and Mayoral Committee	CFO and COO	14-Mar-12
	Development of Draft IDP and Budget Public Participation Programme	Office of the Executive Mayor, CFO and COO	16-Mar-12
	2012/13 Draft Capital and Operating Budgets and Draft IDP approved by Council for public participation	CFO and COO	29-Mar-12
	Briefing Councillors on the public participation programme to be undertaken after tabling of Draft 2012/13 IDP and Budget in Council	Office of the Executive Mayor, CFO and COO	30-Mar-12
	Publishing the Council approved Draft IDP and Budget (2012/13) on the municipal website	COO	30-Mar-12
	Forwarding 2012/13 Draft Capital and Operating Budgets and Draft IDP to National Treasury and Provincial Treasury and any prescribed national or provincial organs of state and other municipalities affected by the budget	CFO and COO	30-Mar-12
	Advertisement of 2012/13 Draft Capital and Operating Budget and Draft IDP in local newspapers for public comment and public participation	COO, Constituency Services and CFO	30-Mar-12
	Undertaking public participation meetings	Office of the Executive Mayor, Ward Councillors, Municipal Manager, CFO, COO, Executive Directors	4 to 24 Apr-12

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
INTEGRATION PHASE (FEB TO JUNE 2012)	Updating 5-year financial plan for IDP	CFO	24-Feb-12
	Alignment of provincial and national programmes with IDP	COO	29-Feb-12
	Consolidation of all public participation inputs and comments in respect of 2012/13 Draft IDP and Budget	COO and CFO	25 to 30 Apr-12
	Submission of 2012/13 to 2014/15 IDP and Budget to joint Budget and Treasury Standing Committee and Mayoral Committee	COO and CFO	16-May-12
	Approval of 2012/13 to 2014/15 IDP and Budget by Council	**COO and CFO**	**24-May-12**
	Publishing the Council approved 2012/13 to 2014/15 IDP and Budget on the municipal website	**COO and CFO**	**28-May-12**
	Forwarding 2012/13 to 2014/15 IDP and Budget to National Treasury and Provincial Treasury and any prescribed national or provincial organs of state and other municipalities affected by the Budget	**CFO and COO**	**01-Jun-12**
	Production of a summary of the IDP	COO	01-Jun-12
	Giving notice to the public of the approved IDP and Budget (2012/13) and publishing a summary of the IDP	COO	08-Jun-12
	Approval of the Service Delivery and Budget Implementation Plan (2012/13) by the Executive Mayor	**Office of the Executive Mayor and COO**	**21-Jun-12**
	Submission of the approved IDP to the MEC for Local Government	COO	04-Jul-12
	Publishing the SDBIP on the municipal website and in local newspapers	COO	06-Jul-12
	Tabling of the SDBIP and Performance Agreements in Council	COO	31-Jul-12

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
MONITORING AND EVALUATION PHASE	First quarter report (2011/12) to Executive Mayor	COO	28-Oct-11
	Submission of first Draft 2010/11 Annual Report to the Auditor-General	COO	30-Oct-11
	Tabling of 2011/12 Mid-term Performance Assessment Report to Executive Mayor/Mayoral Committee, together with a report on the recommendations of the revised projections for revenue and expenditure, including recommendations on the Adjustments Budget	**COO**	**18-Jan-12**
	Tabling of 2011/12 Mid-term Performance Assessment Report to Council, together with a report on the recommendations of the revised projections for revenue and expenditure, including recommendations on the Adjustments Budget	**COO**	**25-Jan-12**
	Submission of the 2011/12 Mid-term Performance Assessment Report to National Treasury and Provincial Treasury, together with a report on the recommendations of the revised projections for revenue and expenditure, including recommendations on the Adjustments Budget	COO	25-Jan-12
	Submission of Draft 2010/11 Annual Report to Council	COO	25-Jan-12
	Publishing of the 2011/12 Mid-term Performance Assessment Report, together with a report on the recommendations of the revised projections for revenue and expenditure, including recommendations on the Adjustments Budget on the municipal website	COO	30-Jan-12
	Publishing of a notice in local newspapers inviting comments on the 2010/11 Annual Report and communicating the public participation programme	COO	31-Jan-12

PHASE	ACTIVITY	CO-ORDINATING DIRECTORATE/ OFFICE	TIMEFRAME
MONITORING AND EVALUATION PHASE	Submission of the 2011/12 Annual Report public participation programme to the Municipal Public Accounts Committee	COO	14-Feb-12
	Submission of 2011/12 Adjustment Budget to National Treasury and Provincial Treasury	CFO	08-Mar-12
	Publishing of the approved 2011/12 Adjustments Budget, with supporting documents	CFO	08-Mar-12
	Submission and approval of 2010/11 Annual Report and Municipal Public Accounts Committee Report by Council	COO	22-Mar-12
	Publishing adopted 2010/11 Annual Report on municipal website	COO	30-Mar-12
	Submission of adopted 2010/11 Annual Report to MEC for Local Government and other government structures	COO	30-Mar-12
	Third quarter report (2011/12) to Executive Mayor	COO	27-Apr-12

1.1.4 Strategic Agenda of the Municipality

The people-driven IDP and Budget of the Municipality reflect community priorities. In addition, Integrated Development Planning takes place within the context of the Intergovernmental Relations Framework and therefore takes into account both national and provincial perspectives. The IDP is therefore a government-wide expression of developmental commitments.

1.1.4.1 Local Perspective

All strategic agendas, whether of national, provincial or local government, are underpinned and guided by and designed to satisfy the needs of local communities. The residents of Nelson Mandela Bay take the lead in defining and shaping their priorities through a number of public participation processes and programmes.

The consultation processes have identified the following key priorities for the IDP and Budget:

- Development of integrated and sustainable human settlements.
  There are 81 informal settlements and 22 754 families awaiting relocation. Integrated human settlements will focus on the following:
    - Housing provision, relocations and the rectification of wet-and-defective houses
    - Water
    - Sanitation
    - Electricity
- Elimination of illegal dumping.
- Tarring of roads and culs-de-sac.
- Development and maintenance of infrastructure:
    - Infrastructure development for economic development and sustainable human settlements
    - To prevent water leakages and electricity disruptions

  - Access to amenities and services, e.g. community halls, multi-purpose centres and sports facilities
  - To facilitate development
- Job creation and poverty eradication.
  - Job creation
  - Assistance to the Poor
  - War on Hunger Campaign
  - Education interventions
- Development of youth, women and people with disabilities.

In addition to the above priority areas, other areas of focus that require integration with other spheres of government are the following (these are not the sole competency of the Municipality):

- Crime prevention.
- Provision of health services; which has now been provincialised, and combating diseases such as TB, HIV and AIDS.
- Integrated planning across all spheres of government.
- Provision of housing, as the Municipality relies on provincial subsidies.
- Responsive, people-centred and integrated government.
- Development of community amenities and sports facilities.
- Provision of educational facilities and library services

ANC 2011 Local Government Election Manifesto:

- Build local economies to create more employment, decent work and sustainable livelihoods;
- Improve local public services and broaden access to them;
- Build more united, non-racial, integrated and safer communities;
- Promote more active community participation in local government; and
- Ensure more effective, accountable and clean local government that works together with national and provincial government.

1.1.4.2 National Perspective

National government develops strategies, policies and legislation that have to be implemented by all spheres of government. Among the key strategies that pertain to the local government sphere are the following:

(a) Vision 2014 Targets

National government's 2014 targets inform some of the programmes of this IDP. These targets cut across a broad spectrum of issues and are reflected in this IDP according to the five key performance areas of the Municipality.

(b) National Spatial Development Perspective (NSDP)

The NSDP's objective is to promote informed economic investment profiling to guide regional growth and development planning within a socio-economic framework. It therefore acts as an indicative planning tool for the three spheres of government. Outcomes of such economic investment profiling that involved all spheres of government are the Coega Industrial Development Zone (IDZ) and Port of Ngqura. The National Spatial Development Perspective also informs the Spatial Development Framework of the Municipality.

(c) National Government Priorities

- Infrastructure development.
- Creating conditions for an inclusive economy that will reduce poverty and inequality and produce decent jobs and sustainable livelihoods.
- Access to education and training, particularly by the youth, to ensure their full participation in the economy and society.
- Better quality health care and accessibility.
- Rural development.
- Safer communities and crime reduction.

The above is underpinned by the statement of the National Executive Committee of the African National Congress.

1.1.4.3 Provincial Perspective

Provincial Growth and Development Plan (PGDP)

The PGDP also plays an important role in shaping the Municipality's IDP. The PGDP of the Eastern Cape Provincial Government is reflected as follows in the Municipality's five key performance areas:

- Agrarian Transformation and Food Security, Fighting Poverty, Manufacturing Diversification and Tourism are reflected in municipal Local Economic Development.
- Public Sector Transformation and Human Resources Development are reflected in Municipal Transformation and Organisational Development.
- Infrastructure Development is reflected in Basic Service Delivery and Infrastructure Development.

These are all underpinned by key performance areas relating to financial sustainability and good governance.

1.1.5 Nelson Mandela Bay Municipality's IDP Roleplayers and Stakeholders

The following roleplayers and stakeholders have guided the IDP and Budget development and review processes of the Municipality:

(a) Communities of Nelson Mandela Bay.
(b) Stakeholders, e.g. chambers of commerce; NGOs; civic groupings; unions; institutions of higher learning; government sector departments, parastatals and Ratepayers Associations.
(c) Municipal Councillors and officials.
(d) Special sectors (youth, women and people with disabilities).

1.1.6 Legislative Framework

The following legislation defines the nature of the IDP:

(a) *Constitution of the Republic of South Africa Act 108 of 1996*

This Act stipulates that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

(b) *Local Government: Municipal Systems Act 32 of 2000*

This Act stipulates the need for each and every municipality to develop and adopt an IDP, which should be reviewed annually. In addition, it outlines the IDP process and components.

(c) *Municipal Finance Management Act 56 of 2003*

This Act makes provision for alignment between the IDP and the municipal Budget. The Service Delivery and Budget Implementation Plan is an annual contract between the Municipality's administration, Council and the community, which ensures that the IDP and the Budget are aligned.

(d) *Local Government: Municipal Planning and Performance Management Regulations (2001)*

These Regulations make provision for the inclusion in the IDP of the following:

(i) The institutional framework for the implementation of the IDP;
(ii) Investment and development initiatives in the Municipality;
(iii) Key performance indicators and other important statistical information;
(iv) A financial plan; and
(v) A spatial development framework.

1.1.7 Core values of the Municipality

The Municipality is committed to deliver services within the framework of *Batho Pele principles*, as outlined below:

(a) Courtesy and '*People First*'

Residents must be treated with courtesy and consideration at all times.

(b) Consultation

Residents must be consulted about service levels and quality, whenever possible.

(c) Service excellence

Residents must be made aware of what to expect in terms of level and quality of service.

(d) Access

Residents must have equal access to the services to which they are entitled.

(e) Information

Residents must receive full and accurate information about their services.

(f) Openness and transparency

Residents must be informed about government departments, operations, budgets and management structures.

(g) Redress

Residents are entitled to an apology, explanation and remedial action if the promised standard of service is not delivered.

(h) Value for money

Public services must be provided economically and efficiently.

1.1.8 Municipal Vision

The Municipality's long-term Vision is as follows:

'To be a globally competitive and preferred Metropole that works together with the people.'

This Vision is currently being reviewed to ensure that a realistic and measurable, shared long-term vision is developed for Nelson Mandela Bay.

1.2 STRATEGIC OBJECTIVES

The strategic objectives of the Municipality's IDP are as follows:

- Ensuring access to basic services for all resident communities in Nelson Mandela Bay.
- Developing and sustaining spatial, natural and built environment.
- Provision of integrated and sustainable human settlements.
- Addressing the challenges of poverty, unemployment and social inequality.
- Fostering a safe, secure and healthy environment for both employees and communities.
- Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy.

- Accelerating service delivery through the acquisition and retention of competent and efficient human capital.
- Ensuring sound financial management and viability.
- Ensuring integrated service delivery amongst the three spheres of government, including government agencies, as well as sharing knowledge and experience with other local authorities in the country and internationally.
- Entrenching a culture of public participation in municipal planning, budgeting and decision-making processes.
- Ensuring responsive, accountable and clean government that mitigates risks and ensures internal control efficiency and effectiveness.

These strategic objectives are encapsulated in the Municipality's five key IDP performance areas, namely:

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

CHAPTER TWO

SITUATIONAL ANALYSIS

2.1 INTRODUCTION

The situational analysis and statistics presented in this chapter indicate the developmental challenges facing Nelson Mandela Bay, such as poverty, unemployment and service delivery backlogs. The programmes and projects in this IDP are informed by this scenario.

2.2 SITUATIONAL ANALYSIS OF NELSON MANDELA BAY

(a) Population – 1,1 million (estimated population by 2020: 1,24 million)
(b) Households – 254 007 (formal areas)
(c) Area covered – 1 950 km²
(d) Unemployment rate – Over 28,2%.
(e) Altogether 76 921 (in terms of the indigent register of the Municipality) of the total number of 254 007 formal households are classified as indigent.
(f) 44% of households access at least one social grant.
(g) 30,8% HIV/AIDS prevalence rate, according to antenatal care statistics.
(h) 20% of residents have no or limited schooling.

2.3 STATE OF SERVICE DELIVERY IN NELSON MANDELA BAY

Water

100% of households have access to water within a 200 m radius and all formal households have direct water connections.

Sanitation

(a) 91,30% of households are connected to sanitation.
(b) Approximately 23 000 buckets are provided by the Municipality as a means of sanitation.

Buckets are being provided to informal settlements only. This is an interim service until the establishment of formal human settlements to where the bucket users will be relocated.

Public Health

Solid waste management (refuse removal)

99% of households are provided with a basic level of refuse collection
(This excludes smallholdings and farms).

Primary health services

(a) The nurse-to-patient ratio is currently 1:43.
(b) 100% of community health clinics provide integrated management of childhood illnesses.
(c) 93% of community health clinics provide antenatal care services.
(d) Currently the New Smear Positive Cure Rate is 74% and the New Smear Positive TB Conversion Rate is 80%.

Electricity

(a) 100% of households on built land demarcated for residential purposes receive electricity.
(b) 12% of households are without electricity; these are located in undemarcated informal areas.

Integrated Human Settlement challenges

(a) Housing challenges:

- Total backlog – 80 000
  - o Informal areas – 31 000
  - o Backyard shacks – 49 000

(b) Households living in stressed areas (servitudes, floodplains and overcrowded areas).

(c) Land and spatial planning challenges:

- Lack of strategically located land close to economic opportunities for lower income households.
- Shortage of government-owned land in inner-city and well serviced areas.
- Lack of visible spatial restructuring.
- Lack of integrated human settlements.
- Lack of socio-economic and racial integration.

(d) Insufficient funding for projects from the Provincial Department of Human Settlements.

(e) Lack of integrated planning between the spheres of government to ensure that new communities have access to a full range of services, such as schools and clinics.

Infrastructural challenges

(a) Cost to eliminate tarring backlog (approximately R1,5 billion).

(b) Cost to eliminate roads maintenance backlog (of approximately R4 billion).

(c) Aging and poor infrastructure (especially electricity, water and sanitation infrastructure in disadvantaged communities), resulting in leakages, pipe bursts and blockages that culminate in service delivery disruptions.

(d) Stormwater drainage problems in disadvantaged wards.

Library provision

The Municipality has a total of 22 libraries. The institution has computerised its libraries, equipping each with a full office package and internet and e-mail facilities. The challenge with regard to the provision of libraries is the insufficient funding received from the Provincial Department of Arts and Culture to meet the demands of local communities.

Other community facilities

- Community and municipal halls = 31
- Customer Care Centres = 13
- Sports and recreation facilities:
  - Sports facilities = 79
  - Beaches = 19
  - Pools = 18
- Developed Open Spaces = 1 438

2.4 INSTITUTIONAL ARRANGEMENTS

The institutional analysis and structure of the Nelson Mandela Bay Metropolitan Municipality are stated below. The structure provides for accountability and transparent governance, in addition to enhancing legislative compliance.

2.4.1 Political governance

2.4.1.1 Council

The Council has 120 seats (60 Proportional Representative (PR) Councillors and 60 Ward Councillors). The Speaker is the Chairperson of Council. The

party-political and demographic representation of Councilors is reflected in the table below:

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER DISTRIBUTION	
		MALE	FEMALE
African National Congress	60	36	24
Democratic Alliance	48	34	14
COPE	6	4	2
United Democratic Movement	1	1	0
African Christian Democratic Party	1	1	0
Pan Africanist Congress	1	1	0
TOTAL	**117**	**77**	**40**
Vacant	**3**		

The Municipality has 560 000 registered voters, of whom 56.13% cast their vote in the May 2011 local government elections.

2.4.1.2 Executive Mayoral System

The Executive Mayor governs together with the Deputy Executive Mayor and a team of nine (9) Chairpersons of Portfolio Committees within an Executive Mayoral Committee system. The Standing Committees are outlined below:

(a) Budget and Treasury
(b) Constituency Services
(c) Corporate Services
(d) Economic Development, Tourism and Agriculture
(e) Human Settlements
(f) Infrastructure, Engineering, Electricity and Energy

(g) Public Health
(h) Recreation and Culture
(i) Safety and Security

2.4.2 Municipal Public Accounts Committee (MPAC)

The Municipality has a functional Public Accounts Committee in place, which fulfils an oversight role in respect of the institution's Executive and administration. The MPAC consists of members from the ANC, DA and a minority party.

The Committee is made up as follows:

- African National Congress – 7 members
- Democratic Alliance – 5 members
- Minority party (Congress of the People) – 1 member

Other key council governance structures

- Audit Committee: The Audit Committee is made up of four members and meets quarterly to advise Council on internal control, financial management and compliance issues.

- Risk Management Committee.

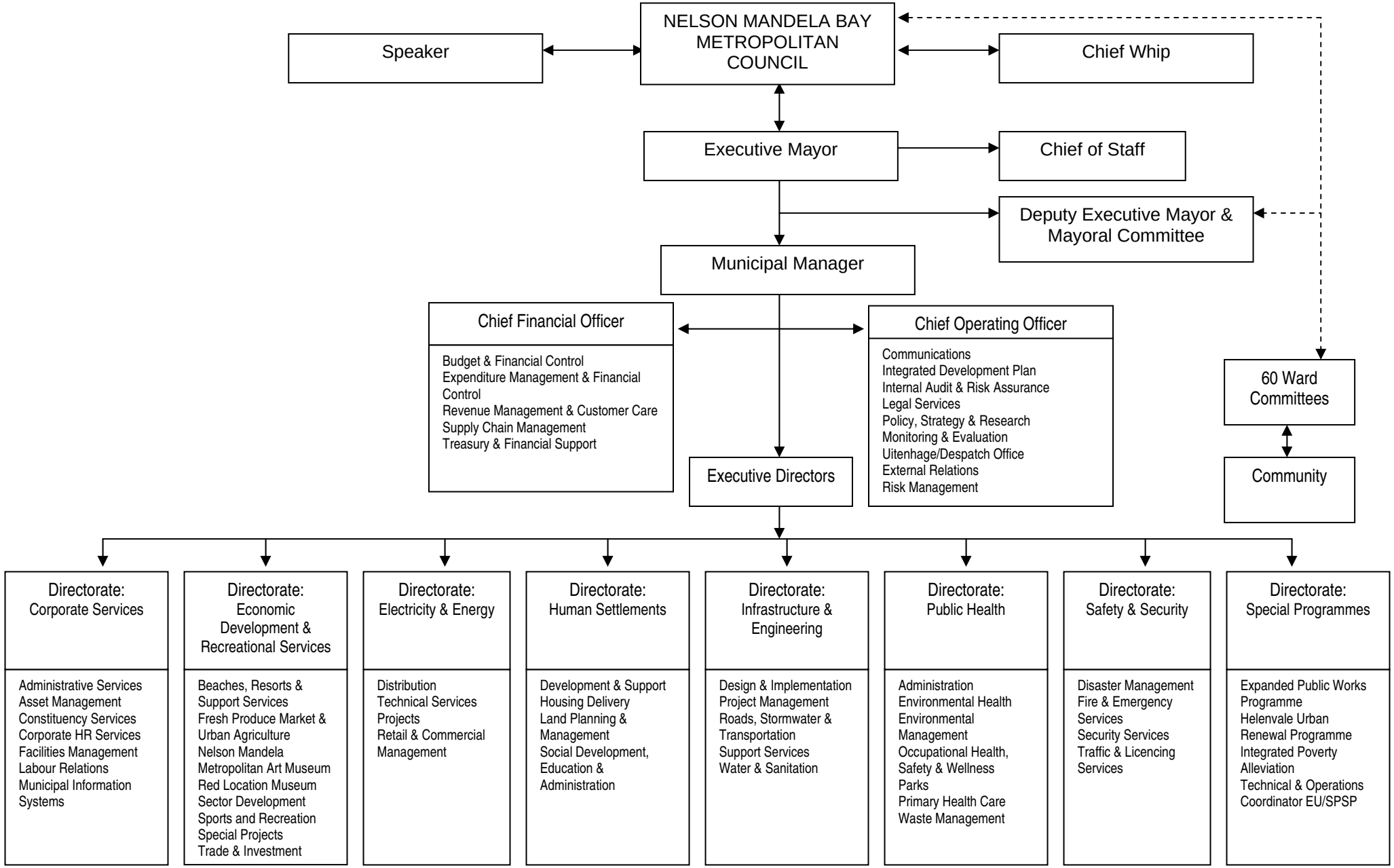
- Cluster System: The Municipality has a cluster system in place to promote integration, coordination and cohesion, and comprises the following three clusters: Service Delivery Cluster; Governance and Administration Cluster; and Socio-economic and Safety Cluster.

2.4.3 Administration

The Municipal Manager is the head of the administration and Accounting Officer, supported by the Chief Operating Officer, the Chief Financial Officer, the Chief of Staff and the Executive Directors. The political leadership and the administration complement each other to achieve the objectives of the IDP.

The diagram below reflects the macro structure (both political and administrative) of the institution.

DIAGRAM 1 : Macro Structure of Nelson Mandela Bay Metropolitan Municipality



2.5 WARD-BASED NEEDS AND PRIORITIES

Through consultation processes, the following main service delivery priorities and needs have been identified:

(a) Housing delivery and repair of ‘wet-and-defective’ houses.
(b) Provision of water.
(c) Provision of electricity.
(d) Elimination of illegal dumping and improving waste collection.
(e) Elimination of the bucket system, which has increased from 22 500 to over 23 000.
(f) Provision of street lights.
(g) Repair and maintenance of street lights.
(h) Repair of water leakages.
(i) Tarring of roads.
(j) Elimination of potholes and upgrading and maintenance of roads.
(k) Construction of multi-purpose centres.
(l) Sports facilities and development.
(m) Provision of arts facilities and libraries.
(n) Job creation and economic empowerment.
(o) Poverty eradication and access to Assistance to the Poor.
(p) Youth, women and people with disabilities development and mainstreaming.
(q) Relocation of people from stressed areas.
(r) Provision of schools and clinics especially in newly established areas.
(s) Grass cutting and maintenance of open spaces.
(t) Affordable tariff increases.
(u) Development and maintenance of parks and playgrounds.
(v) Establishment of a Ward Committee System.
(w) Crime prevention.
(x) Provision of new cemeteries and maintenance of existing cemeteries.
(y) Improved visibility of Councillors and better servicing of Uitenhage and Despatch.

(z) Development and maintenance of infrastructure.

(aa) Improved customer care and response to community complaints and enquiries.

Through the Municipality's Geographical Information System (GIS), the following wards have been identified as poor:

(a) Ward 4 (Walmer Township)
(b) Ward 10 (Zosa Street)
(c) Ward 12 (Malabar Ext. 6)
(d) Ward 13 (Helenvale)
(e) Wards 14, 15, 16, 17, 18, 19, 20, 21, 22 (New Brighton and KwaZakhele)
(f) Wards 24, 26, 27, 28 & 30 (Soweto-on-Sea and Veeplaas)
(g) Ward 25 (Zwide)
(h) Wards 31 & 32 (Missionvale)
(i) Ward 33 (Bethelsdorp)
(j) Ward 37 (Joe Slovo/Kleinskool)
(k) Ward 38 (Portion of Bethelsdorp/KwaNoxolo)
(l) Ward 40 (St Albans/Van Stadens/Rocklands/Kuyga/Greenbushes/ Uitenhage Farms/Seaview)
(m) Ward 41 (Chatty)
(n) Wards 48 & 49 (Rosedale, Kamesh)
(o) Ward 50 (Langa/Kabah)
(p) Ward 52 (Daleview)
(q) Ward 53 (Ikamvelihle/Colchester)
(r) Wards 54 & 55 (Motherwell NU10, 11, 12, 29 and 30)
(s) Wards 56 & 57 (Motherwell)
(t) Ward 60 (Wells Estate)

The abovementioned wards must receive priority during budget allocation.

In addition, the Municipality has a 7-year Integrated Human Settlements Plan (2009 to 2016), which covers the identification of informal settlements that lack basic services for either upgrading or relocation.

Municipal Ward Priorities

The following needs and priorities were directly identified by the communities of each ward:

WARD	PRIORITIES
1	Beachfront Upgrade
	Stormwater Upgrade
	Traffic Calming Measures
	Major Transport Routes Upgrade
	Provincial Road Network Upgrade in Peri-urban Areas
	Metro Service Centre in Summerstrand
2	Beachfront Upgrade
	Palisade Fencing at South End Cemetery
	Upgrade Frames Dam and provision of recycled Water
	Illegal dumping – Summerstrand Ext. 14
	Bayworld Upgrade and Refurbishment
3	Traffic Calming measures
	Bus Embayments
	Sidewalks
	Stormwater Drainage Upgrade
	Updating Walmer Policy Plan
4	Multi-Purpose Sports field
	Renovation of Railway Houses
	Long-outstanding Housing Projects: Rectification, Backyard Shackers and New Housing
	Upgrade Existing Sports Facilities
	Stormwater Drainage Upgrade
	Eliminating water leakages
	Land for people living in methane gas areas
	Eradication of illegal dumping
	Eliminating illegal electricity connections
	Housing rectification
	Housing development
5	Traffic Calming Measures
	Public Toilets
	Multi-purpose Facilities/Recreation Facilities
6	William Moffat Drive Rehabilitation
	Glen Hurd Drive
	Illegal dumping in Fairview
	Municipal Waste Disposal Tip Site in Fairview
	Extension of John Road to Walter Road

WARD	PRIORITIES
7	Skills Development & Entrepreneurship Support
	Transfer Station
	Tarring of Culs-de-sac
	High Mast light
	Sidewalks & Playground Equipment
	Law-enforcement mechanisms in Diaz Road
	Multi-purpose Sport Centre (Erf 4244, Korsten)
	Construction and upgrading of new Mooredyke Sports Field
	Housing – accommodation for 300 backyard dwellers (Erf 4335)
8	Bus Embayments
	Sidewalks
	Traffic Calming Measures (Speed humps & Traffic circles)
	Multi-purpose Sports field
	Stormwater and Sewerage Infrastructure Upgrade
9	Tip Site Upgrade
	Street lights
	Traffic Calming Measures
	Stormwater Pipes Upgrade
	Removal of illegal hawkers/street vendors
10	Upgrade Ward Councillor's Office
	Relocation of Floodplain Squatters
	Traffic Calming Measures
	Transfer Station
	Sidewalks
11	Housing (Zosa Street)
	Relocation (Zosa Street)
	Roll-over of funds – Zosa Street
	Schauderville: Everyone in Ward must benefit from projects
	Upgrading of Moravian School
12	Housing
	Upgrading Malabar Sports Field
	Speed Humps
	Play Park Fencing
	Tarring of Gravel Roads
	High Mast lighting
	Upgrade of Roan Crescent
13	Sidewalks – NDPG
	Upgrade Helenvale Sport fields & Changerooms to Accommodate Rugby
	Speed humps
	Housing
	Skills Development & Entrepreneurship Support
14	Housing Rectification
	Transfer Station
	Completion of the upgrading of Mendi Cultural Centre

WARD	PRIORITIES
	Renovation of Embizweni Stalls and Toilets
	Upgrade of Sports Facilities
	Stormwater Improvements
	Relocation of Adcock Homes to Chatty and Wells Estate
	Tarring of Roads / Circles
	Elimination of wetlands
	Elimination of illegal dumping
	Crime prevention
	Prevention of illegal electricity connections
15	Upgrade of Sports Facilities
	Tarring of Gravel Roads
	Build 210 sites near Museum
	Traffic Calming Measures
	Upgrading of Masangwana Day Care Centre / Cecil Kapi Hall
	Housing rectification programme
	Provision of bulk infrastructure
	Full completion of sidewalks
	Elimination of illegal dumping
	Demolish / Upgrade of old building structure in Avenue D
	Rectification of toilets with defects
16	Housing (MK Silvertown, Qaqawuli)
	Rectification (Tshangana Flats, KwaZakhele and New Brighton pre-1994 Houses)
	Erection of Car Wash Area
	Tarring of Gravel Roads
	Sidewalks
	Traffic Calming Measures
	Creation of Gardening Site
	Beautification of Lungelo Lake
	Intensive programme of Skills Development for all sectors
	Elimination of water leakages
	Repair of storm damaged houses
	Crime prevention
	Acquisition of land for housing development (Transnet land)
17	Ward Councillor's Office
	Tarring of Gravel Roads / Culs-de-Sac
	Housing Rectification (Qaqawuli)
	Elimination of illegal Dumping
	MK Nconco Silvertown – private property and land
	Stormwater drainage (Tsewu, Msimka, Stokwe Streets)
18	Housing Rectification / Relocation (Ndaba Street)
	Upgrade of Concrete Roads
	Wetlands for Mavuso Road
	Tarring of Gravel Roads
	Multi-purpose Sport Facility
	Dumping Site / Skip
	Traffic Calming Measures

WARD	PRIORITIES
	Elimination of sewer leakages in 27 houses (Ngene Street)
	Title deeds (27 families)
	Repair of potholes
	Repair of stormwater damaged houses
	Rectification of houses built with no toilets, electricity or water meters
19	Housing Projects (awaiting approval of lay-out plan)
	Peace Park
	Capacity Development for / funding Co-operatives
	Upgrading of School Sports Field
	School Hall
	Relocations
20	Housing Projects – Nonthinga and timeframes for projects
	Upgrade Concrete Roads
	Capacity Development for Co-operatives
	Upgrade of Lunga Kobese Clinic
	Upgrade of 2 small halls (Matthew Goniwe)
	Multi-Purpose Sports Facilities
	Traffic Calming Measures
	Rectification of houses
	Rectification of toilets with defects
	Rectification of block drainage and water leakage (behind Italy)
	Upgrading of hostels
	Sewerage and water connections
21	Upgrade Sports Grounds
	Housing – Relocation of Shacks
	Traffic Calming Measures
	Housing Rectification
	Wetlands
	Upgrade of KwaZakhele Swimming Pool
	Conversion of Ilungelo Primary School Facility to a Youth Resource Centre (negotiation with Dept of Public Works / Education)
	Transfer Station
22	Tarring of Streets from Njoli to Koyana
	Development of Sport fields with facilities, i.e. Changerooms, Small Halls, etc.
	Relocation of Backyard Shack dwellers
	Skills Development / Youth Development
	Tarring of Circles
	Elimination of illegal dumping
	Elimination of crime
	Occupation of Njoli Square show houses (Tubali street)
	Rectification of houses
23	Development of NU2 Community Hall into a Multi-Purpose Sport Centre including Public library
	Development of Sport fields with facilities, i.e. Changerooms, Small Halls, etc.
	Relocation of Backyard Shack dwellers
	Skills Development / Youth Development

WARD	PRIORITIES
	Tarring of Circles
	Rectification of toilets affected by road construction
24	Salamntu Sport Facility Upgrade
	Tarring of Gravel Roads
	Traffic Calming Measures
	Multi-purpose Sports Field
	Business Containers
	High Mast Lights
	Resolving illegal occupation of houses (Salamntu Street)
	Elimination of illegal dumping
	Connecting water and electricity to houses built without them
	Fast tracking of relocation
	Maintenance of sports field (Gal City Sports Field)
	Repair of flooding bridge
	Maintenance of Zwide Cemetery
	Rectification of houses built without toilets (39 Mgengo Street)
	Pollution of the Lake in Zwide that joins Swartkops
	Rectification of houses
25	Sidewalks
	Upgrade Zwide Stadium
	Skills Development
	Mobile Clinic
	Sports field (open space)
	Improving and renovation of NUBS Sports ground, Gal City Sports Field and Soccer field (Booi Street)
	Elimination of illegal dumping
	Repair of unoccupied vandalized building (Mahakana Street)
	Provision of houses
	Rectification of sewerage leakages and blockages
	Land for Crèches and cemeteries
	Replacing manhole covers
	Elimination of water leakages (Adonis and Mangcu Streets)
	Repair of flooding bridge
26	Tarring of Gravel Roads
	Housing
	Skills Development & Job Creation
	Zwide Swimming Pool
	Community Hall
	Elimination of illegal electricity connections
	Elimination of water leaks (Skali Street)
	Elimination of illegal dumping
	Rectification of sewage leakages (61 Haya Street)
	Housing rectification (Silvertown)
27	Tarring of Gravel Roads
	Urban Agriculture
	Traffic Calming Measures
	Develop Floodplain areas (Nomzamo and Hlalani)

WARD	PRIORITIES
	Upgrade of Soweto-on-Sea Square
	High Mast Lighting (maintenance)
	Check additional funding from Human Settlements (Province) for MPC
	Upgrade of Clinic – Soweto-on-Sea
	Upgrade Existing Sports Facilities
	Elimination of illegal dumping
	Cleaning of polluted river / canal (Arch Street)
	Housing rectification
	Repair ,maintenance and unblocking of blocked drains
	Upgrading / replacement of small sewer pipes in Soweto area
28	Skills Development for Youth
	Traffic Calming Measures
	Poverty – ATTP
	Relocation of Zwide Customer Care Centre needs political direction
	Elimination of Illegal dumping
	Repair of sewer pipes (Khoza Street)
	Attend to burnt houses
	Rectification of houses (Ndulwini and Jijana area)
	Solving the problem of sites incorrectly allocated (Emfundweni Hill)
29	Greening of the Ward (No greening during drought)
	Street Lights
	Traffic Calming Measures
	Parks in Open Spaces
	Tarring of Gravel Roads
	Convert Rent Office to Multi-purpose Sport Centre
	Rectification of houses (Sisonke and Silvertown)
	Resolving the problem around occupied houses (Kuwait area)
30	Traffic Lights (Cetu, Mangaqaka, Ralo and Mdoda)
	Renovation of Hawkers' Facilities – toilets and electricity
	Building of cement stairs at Ben Mazi, Sworens, Peter Frans and Matroos streets
	Entrance Beautification at KwaMagxaki
	Develop a floodplain area in Veeplaas
	Provision of water (Funduzufe Crèche)
	Utilisation of dormant business centre incubator
	Elimination of illegal dumping
	Rectification of houses (Nobebe Street)
	Rectification of billing system (KwaMagxaki Area)
	Repair of sewerage pump station
31	Multi-purpose centre (include library) in Windvogel
	High Mast lighting
	Traffic Calming Measures
	Social Housing – Identification of Land Parcel
	Funding for Co-operative
	Wetland / Water-ponds
	Rectification
	Job Creation

WARD	PRIORITIES
	Housing
	Sport field in Algoa Park – Upgrading
	Complete pegging in area
32	Multi-purpose Sport Field – Salsoneville
	Tarring of Gravel Roads
	Irrigation system to Park – Catherine & Wynford streets
	High Mast lighting
	Fencing of Substations – Electricity
	Resurfacing of Concrete Roads
	Bush Clearing
33	Tarring of Gravel Roads
	Community hall – MPCC
	Electricity vending Machine
	Satellite Police Station
	Housing Rectification
	Library – incorporated in MPC
	Repair and maintenance of salt pan trench
	Covering of exposed electricity cables (Baart Street)
	Rectification of houses
	Elimination of illegal dumping
	Repair ,maintenance and unblocking of blocked drains (Black bend Area)
	Repair of unoccupied vandalized building
	Provision of housing (Eradication of bucket system)
	Rectification of toilets (Ngayi and Mbeki Street)
	Relocation of people (Mkhwane and Mgwali Streets)
	Installation of stand pipes (Joe Slovo West)
	Uninterrupted water supply
34	Footbridge
	Community Hall / MPCC
	High Mast lighting
	Traffic Calming Measures
	Transfer sites / Recycling stations
	Backyard shack dwellers – Housing
	Clinic and Library – both exist in Ward 38
	Sports Field – Identification of land
	Repair ,maintenance drains (Lekker Street)
	Repair and maintenance of toilets (Eucomus Street
	Installation of a sewerage system (Happy Lane)
	Rectification of houses
35	Stormwater Drains – Maintenance
	Upgrade & Fencing of Parks
	High Mast lighting
	Transfer Sites (Illegal Dumping)
	Traffic Calming Measures
	Bush Clearing and vegetable gardens (behind Sanctor High School)
	Repair Street Cracking (Rensburg and Babinia Streets)
	Repair Blocked Drains

WARD	PRIORITIES
	Reduce Crime
	Prepaid Electricity vending machine
36	Informal Housing Electrification
	Layout plan for Westville – Housing planning
	Maintenance of Streets
	Tarring of Roads at KwaDwesi Extension
	Water Leakages at KwaDwesi and KwaDwesi Extension
	Traffic Calming Measures at Mission Road
	Elimination of illegal dumping (e.g. Mceya Street)
	Rectification of houses
	Repair of flooding bridge
37	Multi-purpose Centre / Sport Complex – Joe Slovo
	Library – KwaDwesi Extension (Raymond Mhlaba Village)
	Tarring of Roads (KwaDwesi Ext. Phase 2; KwaNoxolo; Kleinskool; Joe Slovo; Bethelsdorp Ext. 31,32,33,34,36 & 37 and Xundu Village)
	Sport Stadium
	Electrification of Joe Slovo West houses
	Provision of water and electricity (Joe Slovo West)
	Rectification of houses (Mzwandile Street)
	Repair of sewerage inside the house (Siyaphi Street)
	Maintenance of Park (Mvimbela and Maseti Streets)
38	Tarring of gravel roads
	Upgrading of the George Botha Sport Field
	Rectification of houses
	Traffic Calming Measures
	Renovation of Parks / playing fields
	Customer Care Centre – Stepping Stones
	Transfer Stations
	Elimination of illegal dumping
	Repair of water leakages (Siyavuka Street)
	Repair Blocked Drains
	Crime prevention
39	Traffic Calming measures
	Customer Care Centre – Exploring rental of existing facilities
	Relocation
	Crime Prevention
40	Sidewalks
	Rocklands Community Hall and St Albans Community Hall, plus Clinic
	Kuyga Library
	Cleaning
	Housing – St Albans; Seaview; Witteklip
	Provision of water and electricity
	Relocation of families
	Acquisition of land for crèche, cemetery and playing field (Seaview – New Rest)
	Landscaping of cemeteries

WARD	PRIORITIES
41	Greenfield Fire Station
	Booysens Park – early childhood centre
	Nceba Faku Youth Centre
	Bethelsdorp Multi Sports field – Erf 12420
	Complete Upgrade Booysens Park Sports Field upgrade
	Cemetery for Chatty – New Developments
	Swimming pool – Booysens Park
	Jacksonville – upgrade of Sport Field to multi-sports field
	Building of a formal structure (Lukhanyo Educare Centre)
	Elimination of illegal electricity connections
	Repair and maintenance of burst sewer pipes (Hering Street)
	Building of bridge (Green fields)
	Provision of water and electricity
	Rectification of houses
	Repair of flooding bridge (Phola Park)
	Repair of blocked sewer drain
	Completion of incomplete housing structures
	Attending to water-logged housing
42	Construction of MPCC – Erf 5551
	Tarring of Roads in area 8
	Sidewalks / major taxi route
	Clinic in Area 7 – Erf 30174 and Area 8 – Erf 32537
	Sport Field maintenance and upgrade
	Community Library in Area 8 – Erf 30798
	Community Police Station
	Rectification of houses
43	Speed humps
	Sidewalks & Beautification
	Improve Monitoring system of projects
	Extension of Mondile Street clinic
	Speed humps at Pitayana Road/ Khwatsha Street
	EDRS Projects – Auto Cluster Incubator; Soft Projects Business Incubator, etc
	Public Health Projects – Street Sweeping, Maintenance of Parks/verges, TB/HIV and AIDS awareness campaigns
	Rectification of houses
	Elimination of illegal dumping
	Repair and maintenance of trenches
	Elimination water leakages
44	Youth Development Centre
	Councillor's Office
	Pedestrian Bridge – Mqolomba Park precinct
	Installation and upgrading of sewer pipes
	High mast lights
	Upgrade clinic – shelter from rain
	Traffic Calming Measures
	Stormwater
	Transfer sites

WARD	PRIORITIES
	Tarring of street in Solomon Mahlangu area
	Rectification of houses
	Elimination of illegal dumping
45	Kamesh Cell 3 – Tiryville
	Housing; Phases 1 – 3, squatters and backyard dwellers
	Tarring of Internal Gravel Roads
	Traffic calming measures, such as danger plates
	Kruisrivier
	Tarring of Internal Gravel Roads leading to Groendal Dam
	Kwanobuhle
	Youth Centre
	Withoogte
	Installation of Water for the whole area
	Mimosadale/Rooihoogte: relaying of water onto residential premises
	High mast lights
	Sidewalks
	Bush clearing
	Sports field upgrade
46	Sidewalks
	Beautification of Mathanzima Square
	Improve Street signage
	Traffic Calming Measures
	Multi-purpose centre
	Pedestrian Bridge
	Land for community gardens / Urban Agriculture
	Rectification of water logged houses
	Rectification of houses
	Elimination of illegal dumping
	Construction of houses
47	Sports facilities
	Bus stop shelter drainage to be upgraded / stormwater
	Multi-purpose sports facility
	Backlog housing/Blocked Projects; Rectification
	MPCC: Library, Day Care, Youth, theatre, Arts & Culture
	Tarring of Roads
	High Mast Lighting
	Traffic Calming Measures
	illegal dumping – Open space at Menze street for transfer station
	Elimination of wetland
	Rectification of houses
	Completion of incomplete houses
	Elimination of water leaks
	Elimination of illegal dumping
48	No Electricity, Tarring, Water, Housing, Sanitation
	Pre-schools
	Robots & Speed Humps
	What happens to Backyard shack dwellers when houses are built?

WARD	PRIORITIES
	Steel guards – Bains Road, Arteria and open Middle Street (one way) and join by Bains Road
	Construction of houses
49	Maintenance of Roads
	Car Wash
	Stormwater pipes
	Housing Development – Back of McCarthy School
	Recreational Facilities
	Multi-purpose sports fields
	Development of Hall into Resource Centre with library, day care, etc.
50	Rectification Mandela 1
	Building of clinic has started
	Increase number of street lights
	Upgrading of Sanitation pipes
	Mobile office for Disaster Management
	Multi-purpose Sports fields
	Upgrade of Old Age Facilities – (Ward Councillor's former Office)
	Traffic Calming Measures
	Elimination of wetlands
	Relocation of houses built by Province in floodplains
	Provision of water
	Construction of sewerage system
	Eradication of bucket system
	Completion of incomplete houses
51	Stray animals
	Rectification
	Tarring of Streets & Circles
	Traffic Calming Measures
	Illegal Dumping
	Maintenance of Stormwater
	Overgrown sidewalks
	Prostitution problem
	Bush clearing to curb criminal activity
	Christmas lights – Main Road – December
	Sport field upgrading
52	Speed Humps
	Monument (1985 Despatch massacre)
	Khayamnandi extension (8000 houses)
	New Fire Station
	MPC with pool
	Tarring of Conjunction Rd
	Upgrade of Daleview Sports fields
	Ward-based co-ops
	Rectification of houses (Daleview and Gufingqambi)
	Repair of water leakages
	Elimination of illegal dumping

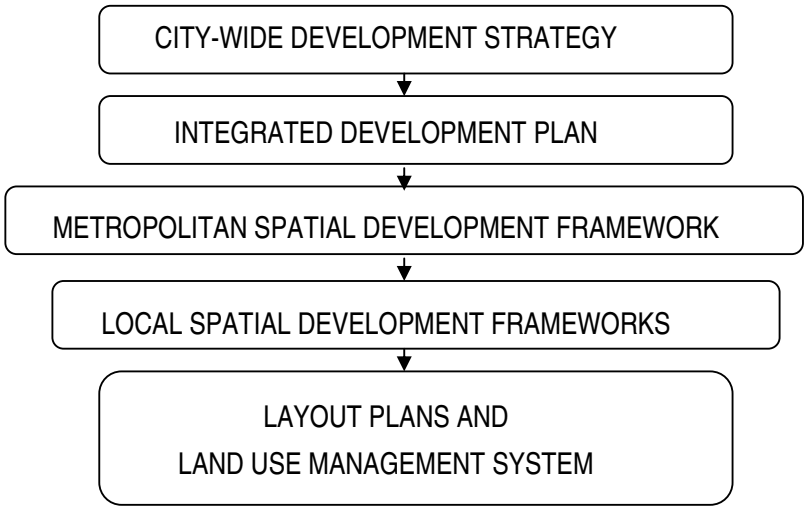
WARD	PRIORITIES
53	Multi-purpose Centre: Ikamvelihle
	Multi-purpose Sport Field
	Housing Backlog
	Mobile Clinic
	Upgrading of Streets
	Rectification
	Containers: Hawkers' Facilities
	Repair of water leakages (Mgwevu Street)
	Elimination of illegal dumping
	Repair of unoccupied vandalized building
	Upgrading and maintaining of parks and sport fields
	Repair and maintenance of burst sewer pipes (Buthelezi Street)
	Provision of water and sanitation (Ramaphosa Village)
	Elimination of wetlands
54	Crime Prevention Projects
	Acceleration of Development of Dyakalashe and Mbongisa Streets
	Ward-based cleaning Co-operatives
	Skills Development
	Rectification – 18 Disaster Affected Houses
55	Rectification NU10 & 11
	High School
	Multi-purpose Centre
	Humps & robots
	Upgrade / Extension of NU11 Clinic
	Upgrade of sports field to a Multi-purpose Sports field
56	Community Hall
	Speed humps
	Sports Fields – Upgrade
	Funding of catering Project (Bakery co-operative)
	Speed humps
	Food Gardening / urban Agriculture
	Tarring of Gravel Roads
	Mobile Clinic
	Co-operative Capacity Building
	Completion of houses in abandoned sites
57	Relocation to NU29
	Multi-purpose centre
	Upgrading of Sports Fields
	Speed humps
	Defective Houses
	Skills Development Youth
	Music Academy
58	Pre-school
	Cleaning of tunnel/canal – NU8
	Old Age home

WARD	PRIORITIES
	Soup Kitchen with technical college
	Small hall
	Completion of houses in abandoned sites
59	Sport facility – Erf 7381
	Skills development for youth and Job Creation
	Library
	Tarring of Gravel Roads
	Open Space Development
60	Housing Programme and rectification (Colchester)
	Servicing Sites
	Vacant Business sites
	Skills Development Empowerment
	Library site identification and planning
	Informal Sports fields
	Traffic calming measures
	Overhead pedestrian bridge to St Georges
	Motherwell Cleaning & Greening Programme
	Mobile Police Container Partnership Programme
	Expansion of Wells Estate Clinic
	Repair of water leakages (Mthunjeni Street)
	Construction of a drainage system
	Relocation of informal settlements (Qoboqobo Street)
	Elimination of illegal dumping (e.g. Malinga and Sityotyolweni Streets)

CHAPTER THREE

SPATIAL DEVELOPMENT FRAMEWORK, SECTOR PLAN LINKAGES AND INFRASTRUCTURE INVESTMENTS

To ensure sustainable growth and development in Nelson Mandela Bay, it is vital that all strategic planning processes are aligned and fully integrated, so that development does not take place in an *ad hoc* or fragmented manner. Key to this, is the development of a long-term vision and strategic plan, which will be completed during the 2012/13 financial year. This Strategy will inform future integrated development planning, which will in turn inform the Spatial Development Framework of the Municipality. The Metropolitan Spatial Development Framework (MSDF) contains a number of key sector plans that are necessary for development, such as the ones reflected under Section 3.3. The Metropolitan Spatial Development Framework in turn informs the Local Spatial Development Frameworks, which are more specific and location bound. These frameworks are supported by an Integrated Land Use Management System. The diagram below reflects these linkages:



The Metropolitan Spatial Development Framework outlines the desired spatial development of the metropolitan area, as contemplated in Section 25(e) of the *Municipal Systems Act* (Act 32 of 2000). It also highlights priority investment and development areas and will therefore serve as a guide to decision-makers and investors. It should be emphasised that the MSDF is an integral

component of the IDP and translates this Plan into its spatial implications to provide broad, overall development guidelines. This tool must therefore not be used in isolation, but must support decision-making within the context of the IDP and a City-wide Development Strategy.

The MSDF should furthermore not be interpreted as a blueprint aimed at managing physical development, but rather as a framework that provides guidance in respect of the location and nature of anticipated growth and future development in Nelson Mandela Bay. Desired patterns of land use are indicated, although room still exists for interpretation and further refinement. The interpretation and finer details appear in the Local Spatial Development Frameworks. The MSDF is development orientated, to allow for growth and changing circumstances and to promote investor confidence.

The MSDF is aligned with and does not conflict with other development strategies, nationally, provincially and regionally.

In May 2006, the MSDF was approved in principle by the Executive Mayor. It underwent a public consultation process, which was concluded in early 2008. A number of workshops were held with Councillors during 2007 and 2008, and the MSDF was finally approved by Council in April 2009, along with the IDP. It is refined annually and has to be adopted as a new plan after five years, i.e. 2014.

In the 2006/07 financial year, four studies critical to the MSDF were commissioned. These are:

(a) Demographic study

This study, completed in March 2007 and adopted in August 2007, provides definitive data on population size, growth, migration and emigration trends. The study includes specific data on the impact of HIV and AIDS and socio-economic aspects. Indications are that the local population is smaller than previously estimated and will grow less in the future than originally anticipated.

The information obtained from the study gives certain quality of life information, as well as informal settlement patterns.

The information from the study indicates that current trends have implications for growth and development in Nelson Mandela Bay. Arising from this information, certain interventions could be made in order to influence future growth, and the development and the quality of life of citizens.

The demographic study results are therefore being continually examined in the form of annual updates to determine the policy and strategic implications arising from the information provided in the study. This is being done in two phases: initially, the information is analysed to determine the long-term implications of the existing trends; and, secondly, strategic and policy interventions are developed to influence the trends identified in the study.

(b) Urban Edge, Rural Management and Urban Densification Study

This study, which comprises three parts, was finalised in 2008. The public participation process was also finalised in 2008. In the one section, the permissible subdivision possibilities in the peri-urban areas of Nelson Mandela Bay are identified, taking into account agricultural potential, servicing and environmental aspects.

Against the objectives that urban sprawl must be curtailed and optimal use be made of existing infrastructure, the second section of the study identifies the areas in the metropolitan area in which densification could be permitted. Tolerable limits in terms of servicing and other criteria are also identified and the proposals are aligned with engineering service capacity.

The third section of the study entails the refinement of the delineation of the urban edge.

The study was approved by Council in 2008 and is being implemented.

(c) Strategic Environmental Assessment

The Municipal Systems Act requires that the environmental impact of the MSDF be evaluated. This study, which was completed in 2007, was a major structuring element of the MSDF.

The findings of the study have culminated in the development of an Environmental Management Framework (EMF), which will be completed by mid-2012. Delays have been experienced, due to legislative changes. The primary objective of the EMF is to facilitate the conservation of important natural resources, whilst at the same time creating an enabling environment for the rapid delivery of municipal services in areas of low environmental value or sensitivity.

On completion, the EMF must be submitted to the Province for approval. The approved framework will define geographical areas and identify uses where development may proceed without the need to prepare detailed EIAs. This will expedite development, as well as ensure that development in Nelson Mandela Bay is undertaken in a more sustainable manner.

(d) Land Use Management System

A Land Use Management Policy is in place. The twelve zoning schemes applicable in Nelson Mandela Bay have been amalgamated into a single set of draft regulations and procedures. It is a legal requirement in terms of the Municipal Systems Act that an SDF address a Land Use Management System in order to define basic developmental principles.

The Constitutional Court in a judgement required that the national planning legislation now known as the Spatial Planning and Land Use Management Bill be promulgated by mid 2012.

This Bill, when enacted, will significantly affect current spatial planning processes. The legal adoption of a single zoning scheme for the NMBMM will be affected by the new processes. As the draft legislation has not yet been finalised, clarity will emerge only in the course of 2012.

The results of the above four studies have been fed into the MSDF.

The MSDF represents the various levels of plans to be established. These levels of plans are as follows:

- **Metropolitan Spatial Development Framework.** This framework will address Metro-wide issues and provide broad, overall development guidelines. It is to be based on a city-wide long-term development strategy.

- **Local Spatial Development Frameworks.** These are in various stages of formulation for designated areas or specific sustainable community units. These plans will provide detailed development guidelines to address specific issues at a more local level.

The entire Metro will be covered by LSDFs. Thus far, the Lorraine, 2010 Stadium Precinct, Helenvale and Motherwell and Wells Estate LSDFs have been completed and approved by Council. The following LSDFs are under development:

(a) Uitenhage and Despatch – due for completion during 2012.
(b) Zanemvula LSDF – due for completion during 2012.
(c) Walmer LSDF – due for completion end 2012.
(d) Newton Park LSDF – due for completion during 2012.
(e) Western Suburbs LSDF – due for completion during 2012.
(f) Happy Valley LSDF – approved by Human Settlements Committee and anticipates Council approval by April 2012.
(g) Inner-city LSDF – due for completion during 2012.

- **Sustainable Community Unit Plans.** These are more detailed plans for predefined Sustainable Community Units. The SCU Plans could coincide with a Local Spatial Development Framework, or a number of SCU plans could make up a Local Spatial Development Planning area. The basis for this planning level and the definition of the SCU will be walking distance to services and amenities. The SCU planning methodology is explained in more detail below.

- **Layout Plans.** Individual layout plans for new development areas must conform to the dictates of the higher levels of planning identified above. These could be for relatively small or for larger parcels of land. Layout plans for privately owned portions of land will be prepared by the NMBMM and the private sector.

3.1 Spatial Development Framework proposals

Three focal points in the Metropolitan Spatial Development Framework are regarded as key in achieving restructuring, integration and sustainability.

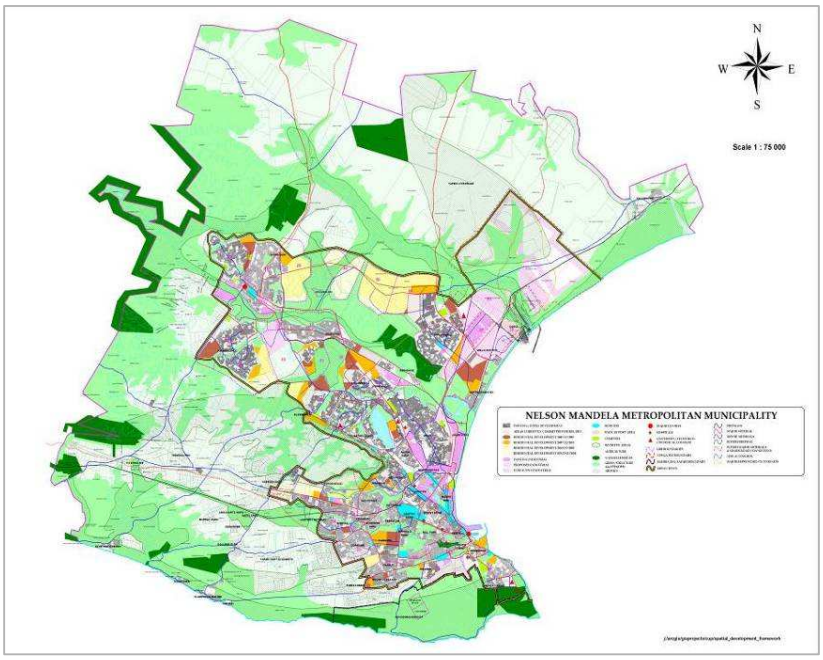
3.1.1 Sustainable Community Planning Methodology

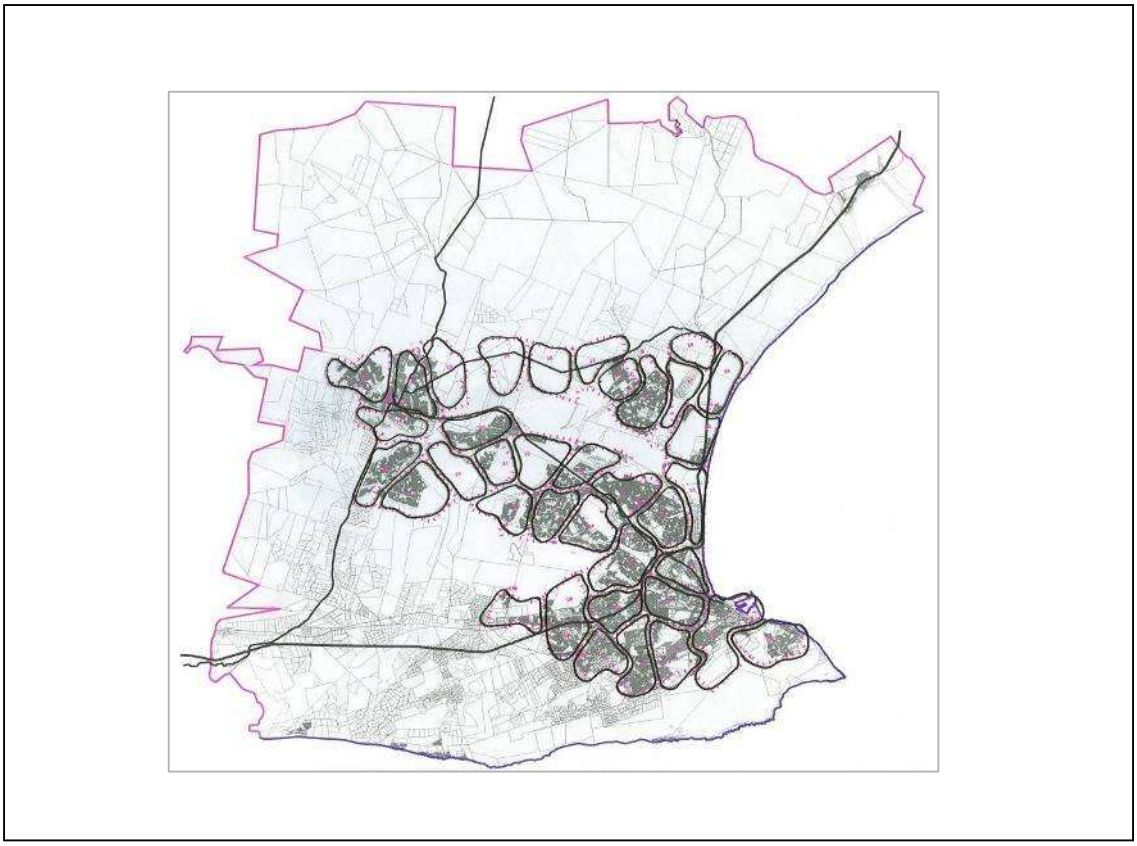
The existing pattern of development in Nelson Mandela Bay is the result of segregation-based planning. The structuring not only separates different racial groupings in geographical terms, but has also resulted in great disparities in standards of living, as well as access to infrastructural services, employment and cultural and recreational facilities. As these imbalances serve as constraints for redevelopment, they should be addressed and rectified.

Sustainable Community Units (SCUs) have been introduced to achieve a more balanced structure in Nelson Mandela Bay, in order to reduce discrepancies in terms of service provision and standards; promote integration in socio-economic and functional terms; and provide for economic activities and employment opportunities.

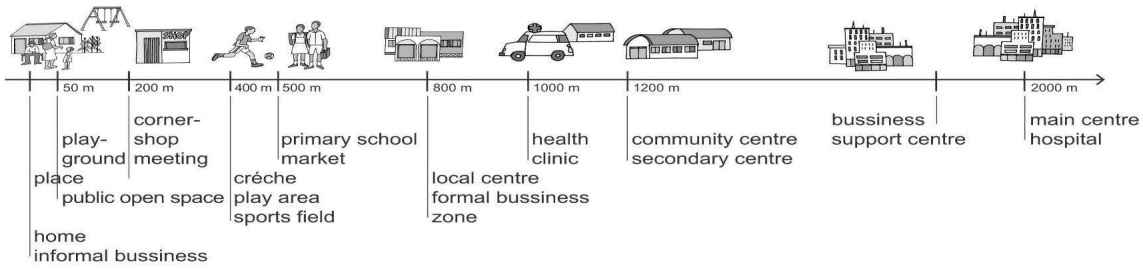
The urban areas of Nelson Mandela Bay have been divided into a number of planning units or entities, known as Sustainable Community Units. These are defined by the distance that an average person can comfortably walk in half an hour, i.e. a 2 km radius. The planning methodology aims to provide the requirements for a minimum standard of planning and living within those areas; in other words, amenities, facilities and job opportunities must be within walking distance of all residents. All SCUs in Nelson Mandela Bay are to be linked by a public transport network that will ensure that all areas are accessible to all communities by means of public transport, which is also required in terms of the Integrated Transport Plan. The following diagram shows the intermediate level plan intervention to guide integration and sustainability.

Integrated planning at the intermediate level





The aim is to provide facilities as far as possible within walking distance of homes. The higher order the facilities the further away from the home they can be.



Moreover, the planning methodology concept identifies the need to make higher levels of sustainability and integration in Nelson Mandela Bay the primary focus of SCU planning. The basis for sustainable community planning lies in the development principles that have been adopted at national, provincial and local government levels, as supported by legislation and government policies. The development goals and principles of particular importance for spatial planning in SCUs are:

(a) Poverty alleviation and the satisfaction of basic needs.
(b) Focus on special needs groups (HIV and AIDS affected persons, children, the elderly, and persons with disabilities).
(c) Gender equality and equity.
(d) The environment (physical, socio-economic).
(e) Participation and democratic processes.
(f) Local economic development.
(g) Accessibility (public transport and pedestrian focus).
(h) Mixed-use development.
(i) Corridor development.
(j) Safety and security.
(k) Variation and flexibility.
(l) Densification.
(m) Reducing urban sprawl.

To achieve both sustainability and integration, six functional elements have been identified as needing attention in relation to the above principles.

These six functional elements are:

(a) Housing.
(b) Work.
(c) Services.
(d) Transport.
(e) Community.
(f) Character and identity.

Focusing on these six elements, minimum standards are pursued to achieve an acceptable planning quality that will result in an improved quality of life for residents in these areas (for more detail on the planning methodology outlined above, refer to the *Sustainable Community Planning Guide*, dated June 2007; also available on the municipal website: www.nelsonmandelabay.gov.za).

The above is illustrated in the diagram below:



3.1.2 Corridors and accessibility

In restructuring Nelson Mandela Bay, the development of corridors along major routes that have the potential for integrated mixed land use development, supported by improved public transport services (e.g. the Khulani Corridor), is also envisaged. An Integrated Transport Plan (ITP) has been developed as a key component of the MSDF.

As the primary goal of the ITP is to improve accessibility for all residents of Nelson Mandela Bay, it has a strong focus on public transport provision.

Visible implementation projects are the introduction of the Integrated Public Transport System, as well as various pedestrian and cycle-paths along major roads.

3.1.3 Economic development and growth

This crucial component of the Spatial Development Framework seeks to generate means to support and enhance urban development. Various interventions may be utilised to support economic growth and development, based on a number of considerations, such as:

(a) the importance of linking the residents of Nelson Mandela Bay to opportunities;
(b) directing investments to places where they will have the greatest effect;
(c) protecting and enhancing natural and cultural resources for sustainability and enriching the experience of Nelson Mandela Bay; and
(d) weaving the growth of Nelson Mandela Bay strongly into the economic fabric of the Eastern Cape Province.

A brief synopsis of the proposals relating to economic growth and development that will be contained in the MSDF is presented below. These proposals are:

(a) ***Implementation of an urban edge or urban growth boundary:*** It is important to note that an urban edge should not be seen as a rigid regulatory mechanism to retard development initiatives. It is rather a policy statement aimed at redirecting patterns of growth and encouraging all parties involved in development to reconsider all options available. The line put in place will apply for the next few years and may be amended in subsequent reviews of the MSDF. The following guidelines for development will apply:

Land uses within the urban edge: Land uses within the urban edge that are consistent with the relevant local precinct plan, the Spatial Development Framework and the Land Use Management Plan and/or Town Planning Scheme will be permitted, subject to the normal

procedures and legislation, e.g. environmental considerations and transportation requirements. Note that the urban edge does not imply that the entire area can/should be allowed to develop and that development rights are therefore guaranteed. Factors such as timing, the availability of services and the environment must be taken into account when considering applications within the boundary.

Land uses outside the urban edge: Land uses that are peri-urban in nature are more desirable and must therefore be promoted outside the urban edge. Where applicable, these will also have to be in line with local and provincial policies (e.g. the Rural Management Policy).

The existing residential nodes of Rocklands, Seaview, St Albans and Witteklip located outside the urban edge are recognised, but their expansion must be curtailed. Furthermore, the agricultural use of the properties abutting these residential nodes must be encouraged to stimulate economic development within these nodes.

(b) ***Peripheral uses:*** The area located directly outside the urban edge is earmarked for peripheral uses. It is envisaged that a transitional area will develop around the urban edge, which may comprise a range of different peripheral uses. It is proposed that low-intensity land such as agricultural holdings, peri-urban residential uses, low-intensity service industries (typically those occurring on agricultural holdings) as well as urban agriculture be promoted in the fringe area around the urban edge. These uses should support and protect the urban edge and serve as a barrier to restrict the future expansion of the urban environment. It is also necessary to utilise opportunities for urban agriculture in this area optimally, especially close to disadvantaged communities.

(c) ***Extensive agriculture:*** The areas outside the urban edge represent a peripheral use zone, identified by the Department of Agriculture as prime agricultural land on which extensive agriculture should be protected and

promoted. The provision of services such as health, education and retail, must also be catered for in these areas.

(d) ***Activity nodes or areas****:* A wide range of activity nodes or areas accommodating a variety of activities exists. These can be divided into four main core areas, namely:

- Port Elizabeth
- Uitenhage
- Despatch
- Coega IDZ and the Port of Ngqura

In terms of retail, the existing three Central Business Districts (CBDs), located respectively in Port Elizabeth, Uitenhage and Despatch, must be maintained and strengthened to protect public and private investment in these areas. The implementation of Business Improvement Districts is proposed as a strategy to improve safety, security and overall environmental improvement, particularly in the CBDs.

The industries/commercial undertakings serving Nelson Mandela Bay include the full range of industrial activities, from heavy and toxic industries to light industrial, commercial and warehousing activities. Within the context of the four core areas identified, the functional specialisation of these industries/commercial undertakings must be promoted, in terms of both local and regional contexts.

The Coega IDZ and the Port of Ngqura merit particular attention from an economic development perspective and have been successful in attracting large-scale industry to the Nelson Mandela Bay area.

The following is the current status of activities within the IDZ and the Port.

The Coega Industrial Development Zone (IDZ) is located adjacent to the modern deep-water Port of Ngqura. The 11,500 ha complex aims to drive local and foreign direct investments in export-oriented industries, thereby positioning South Africa as a hub for Southern African trade. The Coega IDZ is purpose-built for manufacturing, including the beneficiation of export goods, investment and local socio-economic growth, skills development and job creation. Both the IDZ and Port of Ngqura have established world-class infrastructure to support the industrial development objectives of the area.

The Port of Ngqura, positioned as a transshipment hub, had two container berths operational by the end of 2011, while the further expansion of both the container and bulk capacity is underway. The IDZ, operated by the Coega Development Corporation (CDC), provides the necessary infrastructure for the establishment of industrial clusters which stimulate agglomerative economies in key sectors. The agro-processing, logistics and metallurgical clusters are dependent on competitive logistics as enablers of growth. Investments in road and rail are required, in order to facilitate growth within these sectors. A key linkage is the Nelson Mandela Bay Logistics Park in Uitenhage, operated by the CDC to enhance the logistics competitiveness of the automotive cluster. The establishment of a major new automotive manufacturer in the Coega IDZ is expected to take place in 2012, and provides impetus to the need to enhance the logistics competitiveness of the region through investment in key enabling infrastructure.

The development of the metallurgical cluster will ensure progress towards the goal of local beneficiation of South Africa's natural resources. The ferrous metals cluster will provide the business case for developing a source of industrial water (from return effluent) for the IDZ. The Petro-chemicals cluster would be a further user of industrial water, and it is expected that the partnership lobby between the Metro, the Province, the CDC, business chambers, civic and social partners to mobilise and attract PetroSA and related investments will result in significant investment within this sector over the next decade.

The Training and Academic Cluster in Zone 4 continues to grow, having secured key investments in Business Process Outsourcing (BPO). Further growth in this sector will add to the need for the integration of the IDZ with the residential areas of Motherwell and public transportation infrastructure. Further development of housing units in the CDC Construction Village at Wells Estate adds to the need to integrate the commercial and transportation infrastructure of Motherwell with the key focus areas of the IDZ.

Investments in the energy sector, with the purpose of feeding into the electrical grid, will continue in the IDZ, with investments in renewable energy, peaking power generation capacity, and other key areas within the energy cluster. The world-class infrastructure of the IDZ also enables potential for the development of an Advanced Manufacturing Cluster within the IDZ, consistent with the objectives of the Industrial Policy Action Plan (IPAP).

It is expected that the policy process for Special Economic Zones (SEZs) being undertaken by the Department of Trade and Industry (DTI) will remove many of the constraints that have been experienced within the IDZ Programme and will enable a package of competitive incentives and further investments in the infrastructure needed to develop the IDZ further.

(e) ***Infill development priority areas and social housing:*** The two main priority areas in terms of infill development (utilising undeveloped/ underdeveloped land in central locations) are the Fairview and Salisbury Park areas, which were the subject of recent land restitution claims. These pockets of land are strategically located, and detailed subdivisions have been undertaken for their development.

In addition to the above, the MSDF provides for social housing within the context of identified Restructuring Zones, as defined in government policy and draft legislation. Opportunities for social housing will therefore be provided in specific, defined localities that have been identified as areas of opportunity (largely economic), where the poor have limited or

inadequate access to accommodation and where the provision of social housing will contribute to redressing the situation that the urban poor live in locations far removed from areas of vibrant economic growth.

In the preparation of all LSDFs, opportunities for, *inter alia*, social housing will be identified.

Within restructuring zones where social housing occurs, a capital grant (a grant over and above the current institutional subsidy) will apply. This grant is a significant capital contribution from national government for the development of social housing and may be used only within approved restructuring zones. Outside of approved restructuring zones, the institutional subsidy (provincial grant) may be used for rental or other forms of subsidised development.

The Social Housing Act No. 16 of 2008 makes provision for the accreditation of social housing institutions. Only accredited social housing institutions may implement projects in designated restructuring zones. Projects must also be accredited to qualify for the capital grant. The role of local authorities in respect of social housing includes creating an enabling environment in terms of land identification and disposal to delivery agents.

Social housing must take the form of medium density multi-unit complexes that require institutionalised management, such as townhouses, row houses, multi-storey units and walk-ups, but exclude detached units. Considering the above locational criteria and the current limits on funding for social housing, six areas have initially been identified as restructuring zones. These areas, which have been approved by Council and the provincial authority, are:

- Mandela Bay Development Agency (MBDA) mandate area
- Walmer

- Mount Croix
- Fairview
- Uitenhage CBD
- Despatch CBD

The following ten additional restructuring zones have been identified and approved by Council, but not yet by the provincial authorities. Provincial approval is being negotiated; however, the approach of the provincial authorities is to not approve further restructuring zones until projects in the following existing zones have been realized:

- Parsonsvlei
- Lorraine
- Motherwell
- Chatty and Extensions
- Summerstrand
- Wells Estate
- Hunters Retreat
- Newton Park
- 2010 LSDF area
- Greenbushes

During 2009, the Municipality identified and appointed two social housing partners for the implementation of social housing in the municipal area.

These partners, namely Own Haven and SOHCO, signed agreements with the Municipality in September 2009. A further potential partner, Imizi, is preparing to meet the criteria necessary to become a fully-fledged social housing institution.

(f) ***Strategic development areas:*** As far as future residential expansion is concerned, a number of major precincts have been identified, namely:

- Zanemvula (incorporating Soweto-on-Sea, Chatty Extensions 3, 4, 5, 9, 12 and 13, as well as Joe Slovo West and Bethelsdorp Area C, Phase 3)
- Walmer Gqebera, particularly Airport Valley (Methane Gas Site), G-West, Q-Phase 3, and Walmer Links Development)
- KwaNobuhle South (incorporating Extension 11 and Integrated Residential Development on Erf 39229 (formerly 5614 & 5616) KwaNobuhle)
- Jachtvlakte Precinct Area (incorporating Jachtvlakte Industrial and Chatty Extensions 11, 14, & 16)
- Khayamnandi Extensions (linking Zanemvula Chatty Extensions and Joe Slovo West)
- Motherwell (incorporating Extensions 12, 29, 30 & 31, as well as the Coega Ridge)
- Wells Estate
- N2 Development Node (incorporating the Utopia, Bay West City and Hunters Retreat developments)

As not all this land is required immediately, these areas will be developed in a phased approach, based on the availability of bulk service infrastructure.

(g) ***Metropolitan Open Space System:*** A Metropolitan Open Space System (MOSS) has been defined for the metropolitan area and is schematically illustrated in the MSDF. The MOSS has been revisited as part of the Strategic Environmental Assessment, and the MSDF now defines the revised MOSS.

(h) ***Transportation:*** The land use framework, as highlighted above, is supported by a transportation network and public transport system. These proposals are embodied in the Integrated Transport Plan and the Public Transport Plan.

3.2 IMPLEMENTATION AND PRIORITISATION

The MSDF provides strategic guidance on the areas on which the Municipality should focus the allocation of its resources. In order to assist in prioritising projects and allocating resources, four main elements of the MSDF were isolated as geographic entities that could give guidance as to where the priority capital investment areas lie. These areas are:

(a) Core economic areas
(b) Infill priority areas
(c) Strategic development areas
(d) Service upgrading priority areas

The MSDF is also supported by a number of sectoral plans and topic-specific planning documents, including the following, as earlier discussed:

(a) Strategic environmental assessment
(b) Urban edge/Rural management and urban densification policies
(c) Demographic study update
(d) Land Use Management System

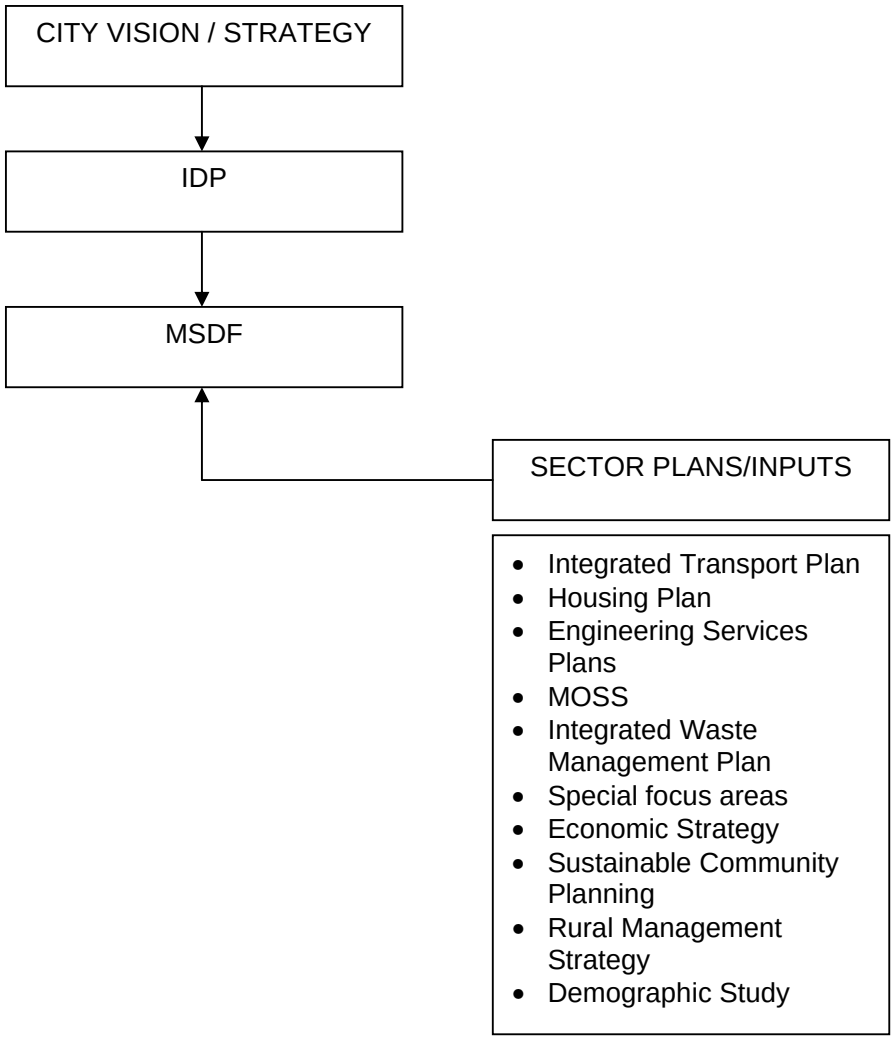
3.3 INCORPORATING SECTORAL PLANS

The various sectoral plans incorporated into the MSDF are identified in this section. These sectoral plans, which have major spatial implications for the MSDF, are as follows:-

(a) Coastal Management Plan
(b) Disaster Management Plan
(c) Environmental Policy
(d) Infrastructure Development Plan
(e) Integrated Transport Plan
(f) Integrated Waste Management Plan
(g) Local Economic Development Strategy
(h) Metropolitan Open Space System
(i) Public Transport Plan
(j) Tourism Master Plan
(k) Integrated HIV and AIDS Plan
(l) Water Services Master Plan
(m) Sewerage Master Plan

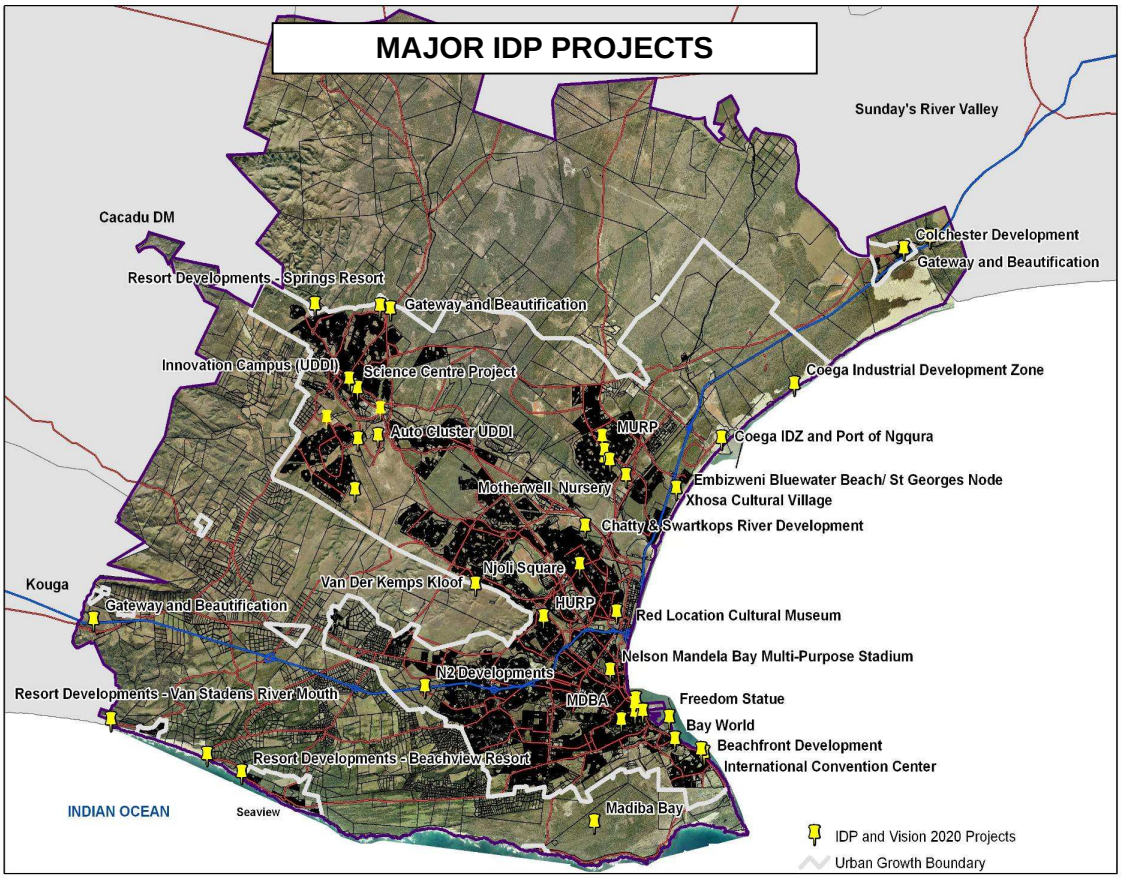
In addition to this, with the preparation of the more detailed Local Spatial Development Frameworks and their approval, the MSDF becomes more detailed.

The following diagram illustrates this conceptually:



Furthermore, a number of large developmental initiatives are mooted in and around Nelson Mandela Bay. If all the proposed initiatives were developed comprehensively and in support of one another, a collective momentum would be generated. Together, these projects would place Nelson Mandela Bay in a highly competitive position to attract tourism and other investment, both nationally and internationally, and would promote domestic economic growth.

The major projects identified are illustrated and outlined below:



3.3.1 Njoli Square Development

Njoli Square is situated in the heart of KwaZakhele, approximately 10 km to the north of the Metro's CBD. Despite its name, Njoli Square is not a square, but a large traffic circle – one of the major transportation hubs in the Ibhayi area.

As one of the key nodes in the Khulani Corridor that links Motherwell in the north to the Port Elizabeth CBD in the south, Njoli Square has attracted significant informal trading and semi-formal business, making it the most important commercial node within the greater KwaZakhele area.

It is the Municipality's vision that Njoli Square be redeveloped into a dynamic civic centre, to serve as a catalyst to encourage and stimulate private sector investment in the surrounding area.

3.3.2 Mandela Bay Development Agency (MBDA)

Established in 2003, the Mandela Bay Development Agency is a municipal entity mandated to facilitate the regeneration of the Inner-City area and the development of the harbour area, with a view to promoting economic and tourism development against the backdrop of urban renewal. The MBDA's mandate also extends to the Uitenhage Inner-city and development areas. Exciting projects such as the International Convention Centre, the Freedom Statue and the upgrading of the CBD, featured below in more detail, are being driven by the MBDA.

Due to the movement of commercial activities to the suburbs, the historical city centre of Port Elizabeth and now that of the metropolitan area has been under threat for some years.

In an effort to counteract the decline of the CBD and to restore its critical role, the Mandela Bay Development Agency, in conjunction with the Planning Section of the NMBMM, is preparing a Local Spatial Development Framework to guide development and to identify projects to uplift this area.

This plan recognizes the central area, which covers the harbour/waterfront area, South End, Humerail, the CBD, Richmond Hill, Central and North End, as crucial to the growth and development of the Metro as a whole.

Presently work is being done on, *inter alia*, Govan Mbeki Avenue Phase 2, the Strand Street upgrading, the Donkin Reserve and the multi-nodal interchange at the intersection of Govan Mbeki Avenue and Russell Road, Belmont Terrace and Bird Street. The development of the former Tramways Building by private developers is also being pursued.

The following underline the need for prioritised attention to the CBD:

(a) It is the heart of Nelson Mandela Bay and therefore important to all its citizens and communities.
(b) From a historical and architectural point of view, the downtown area is one of the most important areas of the city. It is therefore vital that it be preserved and utilised to stimulate tourism and the economy.
(c) All transportation infrastructure focuses on the central part of Nelson Mandela Bay, making it easily accessible to all communities.
(d) It has traditionally always been an area in which different communities meet and can therefore play an important role in the integration of Nelson Mandela Bay.
(e) It is ripe for redevelopment. Many businesses and organisations have moved out or are looking to move out of the central area, and the continuation of this trend could be disastrous in terms of lost opportunities.
(f) It is the civic and economic centre of Nelson Mandela Bay and is therefore critical from a local and regional point of view.
(g) The image of Nelson Mandela Bay. The unique central area of any city distinguishes it from all other cities. It is the face that is presented to the rest of the world. This area therefore has an important role to play in establishing an identity for Nelson Mandela Bay, internationally, nationally and regionally.

The broad objective is to start a sustainable process aimed at achieving the goals of the MSDF. Other objectives are to develop the city centre economically as an integrated civic hub, also from a transportation point of view.

3.3.3 International Convention Centre

A major convention centre, to be located in close proximity to the beachfront and close to the Airport, hotels and beachfront attractions, is being pursued. Environmental and planning research is being finalised before this will be taken further.

3.3.4 Casino Redevelopment

The two Casino Bid applications received in the municipal area were evaluated by the Eastern Cape Gambling and Betting Board in 2009. The existing site at the Boardwalk will be upgraded in 2012 by the addition of, *inter alia*, a new conferencing facility, five-star hotel and spectacular water fountain.

3.3.5 Motherwell Urban Renewal Programme (MURP)

This Programme represents a multi-faceted approach that will upgrade amenities and services in the sprawling and impoverished area of Motherwell, as well as promote employment and community participation in that area. Extensive funding for capital projects has been received and work is progressing in line with the Motherwell LSDF, which has recently been prepared.

3.3.6 Helenvale Urban Renewal Programme (HURP)

Helenvale has been identified as an area urgently in need of upgrading. It was accordingly decided to establish the Helenvale Urban Renewal Programme, based on the Motherwell Urban Renewal Programme. This Programme has also adopted a multi-faceted approach to the upgrading of amenities and services in Helenvale and to fostering employment and community participation. The HURP work is led by the approved Helenvale Local Spatial Development Framework.

3.3.7 Urban agriculture

The Urban Agriculture initiatives, led by the Economic Development and Recreational Services Directorate, which prioritise co-operatives and community projects. The projects will allow poor and disadvantaged communities to secure food and to enter into an economic activity, as part of the Municipality’s long-term vision to develop agriculture into a strategic economic sector.

3.3.8 Beachfront development

Totalling approximately 100 km of beach and coastline, the beachfront is the Metro's greatest natural asset. This largely underdeveloped and unexploited area has the potential of forming the foundation of a thriving tourism, recreation and holiday industry.

The Integrated Beachfront Development Plan, which focuses on the 25 km stretch of beach from St George's Strand in the north to Flat Rock in the south, aims to maximise the strengths and opportunities of the beachfront area and to prevent unplanned *ad hoc* development, which could impact on the prime beachfront area.

The plan is being complemented by a study on the impacts of sea level rise, which was finalised for comment in 2011.

3.3.9 Resort developments (Maitland and Van Stadens River Mouth, Beachview and Springs Resort)

With the exception of the Springs Resort, which fell under the erstwhile Uitenhage Municipality, the abovementioned resorts were previously all administered by the former Western District Municipality. Since the amalgamation of the various local authorities and the formation of the Nelson Mandela Bay Metropolitan Municipality, these resorts have been administered by the latter Municipality. However, as this is not seen as a core function of the Municipality, steps have been taken to privatise these resorts and to allow them to be upgraded into fully functional holiday destinations.

3.3.10 Bay West development

This development initiative straddles the N2 at the western entrance to the city and envisages the development of a multi-use facility. The envisaged development includes residential, industrial, commercial, tourism and

recreational uses and was approved by Council in December 2009. Ongoing work on bringing the development to fruition has taken place with the developers.

3.3.11 Gateways and Beautification Project

Introduced to enhance the image of Nelson Mandela Bay and to attract tourism and business as well as boost confidence and economic spin-offs, this Project entails the beautification of major transportation routes, such as the N2, the Settlers Freeway and the PE/Uitenhage Road.

The Project also envisages the establishment of features in the form of distinct boundary markers at strategic entrances to the Metro area and at the Airport, which will announce to travellers that they have arrived at Nelson Mandela Bay.

3.3.12 Greening of Nelson Mandela Bay

This Project entails the beautification of the previously disadvantaged areas by tree planting and physical improvements, as well as community education.

3.3.13 Red Location Cultural Precinct

A tourism village, incorporating a museum, art centre, market and library, is proposed in the historic Red Location area of New Brighton. The Museum component of the tourism village, known as the Red Location Museum of Struggle, was officially opened in November 2006. The next phase of development includes civic amenities, as well as housing and commercial opportunities to support the precinct. These aspects are being developed.

3.3.14 Van Der Kemp's Kloof

Van Der Kemp's Kloof has been identified as a priority area for biodiversity conservation in terms of the Nelson Mandela Metropolitan Open Space System and is in the process of being proclaimed as a nature reserve.

To promote environmental awareness, it is also proposed to provide facilities in the Kloof, such as hiking trails, picnic areas and recreational dams, in a holistic and environmentally sensitive way.

3.3.15 Revitalisation of Uitenhage CBD (UDDI)

This project entails the revitalisation of the Uitenhage core area by upgrading and improving the CBD and adjacent areas. The upgrading of the exterior of the Town Hall has been completed, as well as the upgrading of the node between the Town Hall and the Uitenhage Library.

3.3.16 North End Beachfront land reclamation

An exciting project complementary to the City's vision is the reclamation of the North End Beachfront, which became eroded following the development of the PE Harbour. This erosion has subsequently had to be curbed by the use of dolosse to protect the freeway and railway lines serving the City.

A littoral drift estimated at approximately 150 000 cubic metres of sand per annum moves northwards along the coastline from Cape Recife. Over the years, this sand movement has built up King's Beach. As it moves past the breakwater, it silts the Harbour entrance, which has to be dredged at a cost of some R7 million per annum. The continual cost of dredging the Harbour entrance and the dumping of the sand dredged in deeper waters is sufficient to render a sand bypass scheme, similar to that used at the Port of Ngqura, a viable alternative.

Prior to the construction and subsequent extension of the Harbour, the beaches to the west of the Harbour extended approximately 200 metres further out to sea than today. The intention is to make use of the sand bypass system to replenish, in phases, the coastal zone west of the Harbour with sand, and to open up this reclaimed area for development.

Uses considered suitable include a marina with supporting residential and commercial components. Together with the Nelson Mandela Bay Stadium built at Prince Alfred's Park, the reclamation and subsequent development of the North End Beachfront will act as a strong catalyst for the urban renewal of much of the North End area, with particular emphasis on the commercial and industrial land situated in-between.

3.3.17 Greater Addo National Elephant Park and Baviaanskloof Conservancy

The Greater Addo National Elephant Park and the Baviaanskloof Mega-Reserve projects seek to develop and increase the sustainability of two prime conservation areas in the Eastern Cape. Although located outside the jurisdiction of the Nelson Mandela Bay Metropolitan Municipality, their successful development will be a vital part of the arsenal of tourism and natural attractions offered to visitors to the region.

3.3.18 Zanemvula Project

An intergovernmental initiative to fast-track the provision of 14 500 homes to assist in reducing the 80 000 housing backlog in Nelson Mandela Bay is under way. The project focuses on creating new settlements for housing the approximately 3000 families that live in the Soweto-on-Sea Veeplaas floodplain. Major upgrades of non-flood plain areas in the vicinity are also planned. The project is governed by a Memorandum of Understanding and

Agreements that ensure co-operation for delivery by the NMBMM, the Provincial and National Departments of Housing, and Thubelisha Homes, the implementation arm of the National Department of Housing. The project will be implemented as a sustainable human settlement in line with the prescripts of the Breaking New Ground Strategy of the National Department of Housing, as well as the Sustainable Community Planning Methodology of the NMBMM.

3.4 CONSERVATION OF BUILT ENVIRONMENT AND HERITAGE

3.4.1 General

The existing built environment structures urban areas and reflects the historical and cultural development of a city. Consequently, the protection and conservation of the built environment contributes to an understanding of the existing character and identity of a place. The appropriate utilisation and rehabilitation of historical buildings and environments is a principle of urban development.

The MSDF is based on the principles of conservation and sustainability and utilising the potential of historical and culturally valuable buildings, places and spaces. The value of the built environment and historical buildings and sites to tourism and the role tourism can play in the economic development of the region need to be recognised and capitalised on.

3.4.2 Heritage conservation

The following fundamental principles have been identified for heritage conservation in South Africa:

- Heritage is a valuable, finite, non-renewable and irreplaceable resource that must be carefully managed to ensure its survival.
- Every generation has a moral responsibility to act as a trustee of the natural and cultural heritage for succeeding generations.

- South Africa has a rich heritage, both natural and man-made, which is unique and worthy of conservation.
- Numerous cultures, both past and present, have contributed to that heritage, and all have the right to be protected.
- Every person, community and institution has an obligation to ensure that significant elements of the natural and cultural heritage are not damaged or destroyed.

3.4.3 Heritage Resources Act

The National Heritage Resources Act No. 25 of 1999 demands the establishment of a heritage resource management system involving a national heritage resource authority, a provincial heritage resource authority (PHRA) in each region or province and the local authorities which, once the system is established, will be responsible for Grade 1, 2 and 3 heritage resources respectively.

Heritage resources are places or objects of cultural significance, including objects or places of aesthetic, architectural, historical, scientific, social, spiritual, linguistic or technological value. Heritage resources may include buildings, structures, equipment of cultural significance, places associated with living heritage, historical settlements and townscapes, landscapes and natural features of cultural significance, graves and burials, archaeological and paleontological sites, geological sites and sites relating to the history of slavery.

The system requires that these graded heritage resources be formally identified as national and provincial heritage sites that must be placed on heritage registers and local heritage resources that may be placed on a heritage register. The system also provides for the identification of protected areas and heritage areas. All of these formal identifications must follow exhaustive procedures, after which these formally identified sites, areas and resources may be described as being formally protected.

The heritage resources management obligations placed on local authorities are varied. All registered heritage practitioners are required to meet these obligations. The Act stipulates these requirements as follows:

- Identification of places of cultural significance, including objects or places of aesthetic, architectural, historical, scientific, social, spiritual, linguistic or technological value.
- Grading and management of Grade 3 heritage resources.
- Management of heritage areas.
- Management of sites on the heritage register.
- Management of monuments and memorials.
- Proper management of properties of heritage value owned by the local authority.
- Presentation and promotion of places of cultural significance.

In order to fulfill its legal obligations, the Municipality needs to identify and grade heritage resources to ultimately provide a heritage resources management plan for the heritage resources in its care. One of the MSDF implementation strategies is the preparation of a Heritage Register, in compliance with the requirements of the Act.

The preparation of a Heritage Register in compliance with the Act has been commissioned. It entails, *inter alia*, the identification of the resources that will fall under the jurisdiction of the NMBMM to manage in the future.

Presently, development is hampered to a certain extent, as all approvals for development on sites with buildings older than 60 years need to go through the Provincial Heritage Authority, which has only recently been declared statutorily competent for certain built environment functions. Once the Municipality has compiled a register, as the Act requires, it can through certain prescribed processes assume responsibility for certain heritage roles, thus in certain instances speeding up the heritage application approval process. The

Municipality's register is being compiled, and thus far 3 950 erven have been assessed. An application for competency in relation to certain built environment functions was submitted to the Provincial Heritage Resources Agency in January 2012.

Current heritage initiatives:

The state of built heritage in Nelson Mandela Bay is cause for concern. Consequently, the Municipality took a decision to prioritise the preservation of heritage and the built environment. A Problem Buildings By-law and a Heritage By-law have been developed, in line with the provisions of the Heritage Resources Act.

3.5 CURRENT STATUS OF MSDF

The MSDF is continually being refined through ongoing information gathering and studies. The legislation prescribes that the MSDF should be annually reviewed, with Council approval required every five years.

The refinement of the MSDF happens through the preparation of LSDFs and policy and plan adjustments over time.

CHAPTER FOUR

SERVICE DELIVERY PLAN

The Service Delivery Plan of the Municipality is informed by huge growth and maintenance backlogs. It is further informed by community needs and developmental objectives. Key components of the Service Delivery Plan include the following:

- Growth and maintenance backlogs
- Capital Works Plan and other Ward-based projects
- Sector departments plans (Government Departments in the Metro)

4.1 GROWTH AND MAINTENANCE/HISTORICAL BACKLOGS

Maintenance comprises two components: operational maintenance and capital maintenance backlogs. The Municipality aims to eliminate backlogs over a ten-year period.

Comprehensive studies have been undertaken to quantify the institutional backlogs. Based on the findings, large portions of the Municipality's Capital Budget have been allocated to maintenance backlogs. The extent of the capital backlog is summarised below:

BACKLOGS AND ASSOCIATED BUDGET IMPLICATIONS

Operating Budget requirements	Total Operational Maintenance Backlog	Annual Requirement to eliminate Backlog	Operating Budget 2012/13
Water	**880 252 464**	**176 038 492**	**133 830 770**
Water pump stations	23 372 730	4 674 546	1 821 130
Water reticulation	510 270 769	102 054 153	75 246 253
Water treatment works	57 295 705	11 459 141	8 838 720
Reservoirs, water towers, break pressure tanks	21 579 671	4 303 934	507 897
Dams	2 408 320	481 664	3 690 210
Bulk water supply mains	265 325 269	53 065 054	43 726 560

Operating Budget requirements	Total Operational Maintenance Backlog	Annual Requirement to eliminate Backlog	Operating Budget 2012/13
Sanitation	**4 211 173 663**	**841 530 731**	**138 903 580**
Wastewater treatment works	1 979 608 789	395 217 757	22 324 660
Sewage pump stations	120 724 600	24 144 920	25 912 630
Sewerage network	2 110 840 274	422 168 054	80 666 290
Roads & Stormwater	**484 199 983**	**96 839 997**	**81 173 910**
Subsidised roads	38 566 886	7 713 377	5 747 890
Non-subsidised roads	248 642 513	49 728 503	40 027 740
Rehabilitation of stormwater facilities	196 990 584	39 398 117	35 398 280
Recreational & Cultural Services	**77 385 000**	**25 260 000**	**13 839 320**
Upgrading of facilities and beaches	19 800,000	3 960 000	2 536 140
Resorts	660,000	300,000	215 210
Sports facilities	42 625,000	15,000,000	6 512 230
Pools	14 300,000	6,000,000	4 575 740
Safety and Security Services	**16 390 000**	**3 278 000**	**516 710**
Fire station buildings	15 510 000	3 102 000	327 870
Training centres	880,000	176,000	188 840
TOTAL	**5 669 401 110**	**1 142 947 219**	**358 264 290**

Capital Budget Requirements	Total Capital Maintenance Backlog	Annual Requirement to eliminate Backlog	Capital Budget 2012/13
Water	**1,869 973 752**	**373 994 750**	**44 200 000**
Water pump stations	90 363 000	18 072 600	10 000 000
Water reticulation	1 475 880 102	295 176 020	1,000,000
Water treatment works	67 558 200	13 511 640	29 500,000
Reservoirs, water towers, break pressure tanks	96 240 450	19 248 090	-
Dams	4 692 000	938 400	3 500,000
Bulk water supply mains	135 240 000	27 048 000	200,000
Sanitation	**1 194 613 614**	**286 500 000**	**98 000 000**
Wastewater treatment works	600 000 000	150 000 000	90 000 000
Sewage pump stations	30 165 648	6 500 000	8 000,000
Sewerage network	564 447 966	130 000 000	-
Roads and Stormwater	**2 390 000 000**	**428 000 000**	**86,000,000**
Rehabilitation of tarred roads and tarring of gravel roads	2,000,000,000	350,000,000	50,000,000
Resurfacing of subsidised tarred roads	50,000,000	10,000,000	10,000,000
Resurfacing of non-subsidised tarred roads	140,000,000	28,000,000	20,000,000
Rehabilitation of stormwater facilities	200,000,000	40,000,000	6,000,000

Capital Budget Requirements	Total Capital Maintenance Backlog	Annual Requirement to eliminate Backlog	Capital Budget 2012/13
Electricity and Energy	**565 878 500**	**113 175 700**	**20,000,000**
Major substations	50 528 500	10,105 700	2,000,000
Distribution substations	304 700 000	60 940 000	3,000,000
HV overhead lines	77 770 000	15 554 000	10,000,000
Rural and LV lines	132 880 000	26 576 000	5,000,000
TOTAL	**6 020 465 866**	**1 201 670 450**	**248 200 000**

4.2 CAPITAL WORKS PLAN AND OTHER WARD-BASED PROJECTS

The Municipality's Capital Works Plan is presented below, presenting the various projects for the 2012/13 – 2014/15 years.

The Capital Works Plan has been informed by the following:

(a) Ward-based IDP priorities and needs informed by Ward inputs and Ward visits.
(b) Projects that could not be implemented during 2011/12, due to insufficient funding.
(c) Key sector and other master plans.
(d) Levels and standard of service delivery in Wards.
(e) Infrastructure maintenance and service backlogs.
(f) Socio-economic conditions in Nelson Mandela Bay.
(g) Development of sustainable and integrated human settlements.
(h) Implementation of the 80:20 principle in favour of disadvantaged Wards.
(i) Priorities as outlined in the State of the Nation Address by the President (2012).
(j) ANC Local Government Elections Manifesto (2011).

CAPITAL WORKS PLAN (2012/13 – 2014/15)

HUMAN SETTLEMENTS DRAFT CAPITAL BUDGET FOR 2012/13 – 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20110088	Joe Slovo - Uitenhage Phase 1	7,873,950		
20110089	Wells Estate Phase 3: Ext. 3, 4 & 5	16,603,642		
20110091	Khayamnandi Extension	46,908,100	46,908,083	46,908,083
20110092	Missionvale Garden Lots	30,441,250		
20110093	Motherwell NU 29: Stage 3	20,702,800	20,702,800	
20110096	Rosedale	6,473,490		
20070267	Land acquisition	20,000,000	30,000,000	30,000,000
NEW	Motherwell NU 30: Services	15,018,000	15,018,000	15,018,000
NEW	Walmer G West: Services		6,758,100	6,758,100
NEW	KwaNobuhle Area 11: Services		11,263,500	11,263,500
NEW	MK Silver 2 Qaqawuli: Services		5,068,575	5,068,575
NEW	Ekuphumleni: Services		5,631,750	5,631,750
NEW	Walmer Q - Phase 3: Services		6,758,100	6,758,100
NEW	KwaNontshinga/Meka: Services		2,365,335	
NEW	Nkatha Seyidi – Enkuthazweni: Services	1,847,214		
NEW	Jagvlakte (Chatty 11-14): Services			33,790,500
NEW	Malabar Ext. 6 Phase 2: Services		9,010,800	9,010,800
NEW	Rocklands Phase 2: Services		4,505,400	4,505,400
NEW	Masakhana Village: Services		5,203,740	
NEW	Motherwell NU 31: Services		13,516,200	13,516,200
NEW	Kuyga Phase 3: Services		4,505,400	4,505,400
	Total Capital Budget	**165,868,446**	**187,215,783**	**192,734,408**

INFRASTRUCTURE & ENGINEERING DRAFT CAPITAL BUDGET FOR 2012/13 – 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19920435	Private Development Reimbursements - Roads & Stormwater		10,000	10,000
19930001	PEMET H91 MR425 Settler's Freeway repairs	-	200,000	200,000
19930002	Resurfacing of subsidised roads	5,000,000	5,000,000	10,000,000
19930021	Construction/Surfacing of verges and parking areas		300,000	300,000
19930026	Resurfacing tarred roads (non-subsidy)	10,000,000	15,000,000	30,000,000
19930030	Rehabilitation of verges and sidewalks - Northern Areas		2,000,000	2,000,000
19940195	TM24 guidance signs	50,000	150,000	150,000
19940201	H45 Redhouse-Chelsea Arterial: Walker Drive to N2	4,000,000	10,000,000	1,000,000
19940204	H103: Heugh Road (MR427) widening (3rd Avenue to Wentworth)		20,000,000	20,000,000
19940233	Motherwell Canal wetlands	200,000	3,000,000	3,000,000
19940289	Replacement vehicle fleet	2,000,000	2,000,000	2,000,000
19940376	Traffic control equipment (subsidy)	-	-	240,000
19950619	Rehabilitate tarred roads - Kleinskool	-	-	1,000,000
19950650	Harrower Road upgrading - Mount to Fettes Road		500,000	
19980209	Development area traffic improvements - Newton Park	125,000	125,000	125,000
19980210	Development area traffic improvements - Western Suburbs	150,000	150,000	150,000
19980218	Rehabilitate concrete roads - Northern Areas	3,000,000	11,000,000	11,000,000
19980220	Traffic calming measures	-	1,500,000	2,500,000
19980253	Minor intersection improvements	1,000,000	1,000,000	1,000,000
19980255	Development area traffic improvements - Walmer	100,000	100,000	100,000
19980319	Upgrade Main Road through Swartkops		5,000,000	17,000,000
19980323	Lorraine stormwater control	-	2,000,000	8,000,000
19990144	Rehabilitation of William Moffatt Expressway	-	4,000,000	27,300,000
19990168	Njoli Square redevelopment	80,000,000	80,000,000	32,000,000
20010023	Glen Hurd Drive upgrading	2,000,000	-	
20010257	Magennis Street reconstruction		-	15,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20010260	Ring Road (between Baird and Cuyler Streets)	-	1,000,000	8,000,000
20020073	Fairview/Lorraine Arterial: Montmedy to Overbaakens	50,000	2,000,000	10,000,000
20020149	Stormwater improvements	2,000,000	2,000,000	2,000,000
20030017	Paapenkuils canal rehabilitation	1,000,000	5,000,000	10,000,000
20030084	Peri-Urban: Rehabilitation of gravel roads	1,000,000	1,000,000	1,000,000
20030189	Replacement of hand railings		200,000	200,000
20030195	Baird Street Reconstruction (Mitchell to Mel Brooks)	1,000,000	1,000,000	4,000,000
20030379	Motherwell NU29 & 30: Roads and stormwater bulk infrastructure	500,000	9,500,000	20,000,000
20030386	Road management system		1,580,000	40,000
20030453	Flood risk improvements: Chatty River	200,000	200,000	200,000
20030475	New Brighton/KwaZakhele: Bulk stormwater	1,000,000	6,000,000	6,000,000
20030549	Expansion of the SCOOT traffic signal system		100,000	100,000
20030603	Stormwater drainage system: Phase 2: Mondile Street: KwaNobuhle	3,500,000	3,500,000	
20030609	Flood risk and improvements (Swartkops & Chatty)	250,000	250,000	250,000
20030648	Sidewalks & road markings - (management system)		100,000	100,000
20030670	Rehabilitation of infrastructure: Salt pans	100,000	100,000	100,000
20030684	Cleaning and pollution control of Motherwell outfall canals		1,000,000	1,000,000
20042767	Upgrading depots and offices	200,000	500,000	500,000
20043017	Stormwater drainage system: Channer Street/Graaff-Reinet Rd		-	10,000,000
20043187	Provision of rudimentary services: Roads and stormwater		2,000,000	2,000,000
20043188	Miscellaneous investigations & designs: Roads and stormwater		1,200,000	1,200,000
20050041	Development of stormwater management system	1,500,000	500,000	500,000
20050042	Facilities for the disabled	100,000	300,000	300,000
20050050	John Tallant Road (Grahamstown to Seyisi)	500,000	10,000,000	30,000,000
20050286	Tarring of gravel roads	50,000,000	150,000,000	150,000,000
20060019	Public transport facilities	-	600,000	600,000
20060020	Provision of sidewalks and cycle tracks	7,000,000	10,000,000	10,000,000
20060160	Intersection upgrading - William Moffatt/Main Road Walmer	-	2,000,000	5,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20060186	Remedial works: Pell Street interchange	500,000		
20060229	2010 Work Package: Public transport facilities	117,520,000	40,000,000	35,000,000
20060232	2010 Work Package: Roadworks		17,783,630	
20060234	2010 Work Package: TDM and ITS	50,000,000	5,862,100	
20060237	Zwide bulk stormwater	2,000,000	8,000,000	8,000,000
20060238	2010 Work Package: Sidewalks and cycle tracks		6,127,500	
20060240	Theescombe/Gqebera bulk stormwater	16,000,000	16,000,000	16,000,000
20060241	Blue Horizon Bay bulk stormwater	2,000,000	22,000,000	12,000,000
20060243	2010 Work Package: Public transport planning	30,000,000	41,920,000	20,000,000
20060250	New vehicles & equipment for staff	1,000,000	1,500,000	2,500,000
20060286	Groundwater problem elimination Northern Areas	1,000,000	1,000,000	1,000,000
20070124	2010 Work Package: Modal interchanges	118,120,000	237,440,000	
20070132	New traffic signals	850,000	850,000	850,000
20070137	Rehabilitation of roads	5,000,000	10,000,000	10,000,000
20070215	2010 Work Package: Pedestrian bridges	12,000,000		
20070234	Summerstrand bulk stormwater	-	6,000,000	21,000,000
20070235	Planning and Design of Main Roads		1,000,000	1,000,000
20070244	2010 Work Package: Bus Rapid Transit	118,360,000	186,560,000	116,000,000
20070246	Rehabilitation of bridge structures	2,000,000	2,000,000	2,000,000
20080061	Laboratory information system		1,000,000	1,000,000
20080062	Construction of laboratory	28,000,000	25,000,000	5,000,000
20080078	Chatty: Stormwater improvement		4,500,000	4,500,000
20080079	Bluewater Bay(Wells Estate): Stormwater improvements	16,000,000	12,000,000	
20080080	Cannonville/Colchester: Stormwater improvements	2,500,000	4,500,000	4,500,000
20080081	Greenbushes: Stormwater improvements		1,500,000	1,500,000
20080082	Missionvale: Stormwater improvements	17,000,000		
20080083	Russell Road/Govan Mbeki Ave: Stormwater improvements		-	2,500,000
20090037	Matanzima Road: Mel Brookes to Matanzima	300,000	5,000,000	4,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20090038	Ikamvelihle: Stormwater improvements	4,000,000	9,000,000	1,000,000
20090079	Construction of foot bridges		-	10,000,000
20090081	Public transport infrastructure		-	500,000
20100082	Seyisi Square and Daku Square	1,000,000	1,000,000	
20100085	Dibinisa Road & bridge		500,000	5,000,000
19940204	H103: Heugh Road (MR427) widening (3rd Avenue to Wentworth)	1,000,000	20,000,000	20,000,000
New	Soweto Square development		500,000	
	Total Capital Budget	**723,675,000**	**1,063,208,230**	**762,015,000**

SANITATION SERVICES DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20030674	Sewers GIS: Data capturing & management systems	50,000	50,000	50,000
20042912	Sewerage Master Plan	450,000	450,000	450,000
19980344	Replacement of sewage collection vehicles & equipment	4,000,000	4,000,000	4,000,000
20042918	Regionalisation: Sanitation	1,500,000	2,000,000	2,000,000
20050247	Rudimentary services: Sanitation	1,000,000	1,000,000	1,000,000
20050248	Bucket eradication programme	500,000	500,000	500,000
19930112	Sewer replacement and relining	10,000,000	10,000,000	10,000,000
20030672	Sewers: Maintenance backlog	5,000,000	5,000,000	5,000,000
19940098	Improvements to sewerage system	15,000,000	15,000,000	15,000,000
20060101	Colchester: Sewer reticulation	100,000	100,000	100,000
20080133	Bellmoral collector sewer	100,000	1,000,000	2,000,000
20080134	Florida collector	100,000	1,000,000	2,000,000
20080136	TEI: Sampling stations	400,000	400,000	400,000
20080137	Reclaimed wastewater	200,000	200,000	200,000
20080138	KwaNobuhle: Upgrading of sewer reticulation	1,000,000	1,000,000	1,000,000
20030034	Markman - Replace 600 mm sewer	2,000,000	8,000,000	10,000,000
20070143	Rehabilitation of KwaZakhele collector sewer	7,000,000	1,000,000	5,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19960525	Chatty Valley Collector Sewer Stage 1 (nodes 20-24)	10,000,000	10,000,000	1,000,000
19980348	Paapenkuils: Main sewers augmentation	1,000,000	5,000,000	2,000,000
19980353	Chatty Ext 3 & 4 (Nodes 31-32): Main sewer augmentation	-	2,000,000	-
19980370	Missionvale bulk sewerage reticulation	6,000,000	1,000,000	-
20030030	Lorraine - Bulk sewerage augmentation	100,000	4,000,000	15,000,000
20050064	Walmer Heights and Mt Pleasant: Collector sewer augmentation	250,000	2,000,000	6,000,000
20050105	Sewer protection works for collector sewers	1,000,000	1,000,000	1,000,000
20060102	Colchester: Bulk sewerage infrastructure & wastewater treatment works	500,000	500,000	500,000
20060103	Jagtvlakte: Bulk sewerage	500,000	5,000,000	10,000,000
20060106	Motherwell: North bulk sewerage	1,000,000	12,000,000	15,000,000
20060177	Driftsands collector sewer: Augmentation	500,000	6,000,000	15,000,000
20110053	Uitenhage Allanridge West, Phase 2: Bulk sewer	200,000	1,000,000	5,000,000
20110054	Tynira/Endlovini: Sewerage	200,000	1,000,000	5,000,000
20110056	Raymond Mhlaba (Buyambo): Bulk sewer	200,000	1,000,000	5,000,000
20110057	Nkatha/Seyisi: Bulk sewer	200,000	1,000,000	5,000,000
20110058	Mavuso (Day Hospital site - Rholihlahla): Bulk sewer	200,000	1,000,000	5,000,000
20110059	Mandela Village (KwaZakhele): Bulk sewer	200,000	1,000,000	5,000,000
20110060	Kwanontshinga/Meka: Bulk sewer	200,000	1,000,000	5,000,000
20110061	Kalipa: Bulk sewer	200,000	1,000,000	5,000,000
20110062	Hlalani (Qeqe): Bulk sewer	200,000	1,000,000	5,000,000
20110063	20110063	200,000	1,000,000	5,000,000
20110064	Ramaphosa West: Bulk sewer	200,000	1,000,000	5,000,000
20110065	Mandelaville: Bulk sewer	200,000	1,000,000	5,000,000
20110066	Joe Slovo (Uitenhage): Bulk sewer	200,000	1,000,000	5,000,000
20110067	Industrial site (Airport Valley): Bulk sewer	200,000	1,000,000	5,000,000
20110068	KwaNobuhle Area 11: Link sewer	200,000	1,000,000	5,000,000
19930106	Pump stations: New equipment	7,500,000	7,500,000	7,500,000
20060120	Upgrading of Studebaker pump station	500,000	1,000,000	1,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20060178	Sewage pump station: Maintenance backlog	8,000,000	8,000,000	8,000,000
20050073	Aloes sewage pump station: Refurbishment and upgrading	2,000,000	1,000,000	200,000
19990130	Telemetry: Pump stations	1,000,000	500,000	200,000
20000072	WWTW: Building repairs and concrete rehabilitation	2,000,000	2,000,000	2,000,000
20050088	WWTW: Improve access roads	2,000,000	2,000,000	2,000,000
20070147	Kelvin Jones WWTW: Upgrading	45,150,000	20,100,000	36,800,000
20070153	Brickfields: Upgrading	5,000,000	5,000,000	5,000,000
20000066	WWTW - Sludge Treatment and disposal facilities	100,000	-	-
20030167	Rocklands PHB Housing Project: Wastewater Treatment Works	100,000	1,000,000	-
20030182	Upgrading of Despatch Reclamation Works	100,000	200,000	2,000,000
20030405	Witteklip: Bulk sewerage	2,000,000	4,000,000	4,000,000
20050068	WWTW: SCADA/Telemetry links	200,000	1,000,000	1,000,000
20050250	Driftsands WWTW Phase 3 extension	20,000,000	2,000,000	10,000,000
20060075	Cape Receife WWTW: Upgrading	200,000	1,000,000	2,000,000
20070144	KwaNobuhle WWTW: Upgrading	4,500,000	5,300,000	-
20070156	Fishwater Flats: WWTW: Upgrading	80,000,000	120,000,000	100,000,000
20060107	Motherwell/Coega WWTW and outfall sewer	40,000,000	50,000,000	100,000,000
	Total Capital Budget	**292,600,000**	**345,800,000**	**480,900,000**

WATER SERVICES DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20042885	Metro water: Master Plan	2,000,000	2,000,000	2,000,000
20070157	Telemetry systems: Upgrading	250,000	250,000	250,000
20070161	Groundwater Investigation	2,000,000	2,000,000	2,000,000
20042881	Regionalisation: Water	1,000,000	5,000,000	10,000,000
20070152	Access roads: Upgrading	1,500,000	1,000,000	1,000,000
20070160	Purchase new vehicles	4,000,000	4,000,000	4,000,000
20070149	Moffet Dam: Rehabilitation	200,000	200,000	200,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20080094	Water service maintenance backlog: dams	1,500,000	1,500,000	1,500,000
20070140	Groendal Dam: rock stabilisation and improved outlet	2,000,000	2,000,000	-
19960156	Elandsjagt: Upgrade to Restore Capacity	25,000,000	30,000,000	25,000,000
20060082	Upgrading of Springs Water Treatment Works	500,000	1,000,000	100,000
20000037	Loerie Treatment Works: Rehabilitation	9,000,000	10,000,000	5,000,000
20010307	Upgrading of Groendal Water Treatment Works	15,000,000	7,000,000	4,000,000
20042889	Linton: Additional treatment facility	300,000	300,000	300,000
20060080	Upgrading of Churchill Water Treatment Works	14,000,000	30,000,000	25,000,000
20070162	Desalination: Augmentation	2,000,000	5,000,000	10,000,000
20050106	Seaview Pump Station: Upgrading	5,000,000	10,000,000	10,000,000
20080093	Water service maintenance backlogs: Pump stations	5,000,000	5,000,000	5,000,000
20030630	Water services maintenance backlog: Pipelines	8,000,000	15,000,000	15,000,000
20042883	Augment Older Dams Pipelines	2,000,000	20,000,000	5,000,000
20080087	Rehabilitation of pipe bridges	2,000,000	2,000,000	2,000,000
New	KwaNobuhle Reservoir link water main	250,000	5,000,000	10,000,000
New	Walmer Area G West: New water pipeline	250,000	5,000,000	5,000,000
New	Walmer Area Q Phase 3: New water pipeline	250,000	5,000,000	5,000,000
20030511	Seaview bulk water	1,000,000	15,000,000	25,000,000
20030512	St Albans bulk water	250,000	500,000	5,000,000
20080088	Bulk water metering and control	2,000,000	2,000,000	2,000,000
19990184	Reservoir fencing	200,000	400,000	400,000
19990185	Rehabilitation of reservoirs	250,000	4,000,000	10,000,000
20050108	Replacement of KwaNobuhle reservoir	1,000,000	-	-
20100034	Balmoral reservoir and bulk pipeline	500,000	5,000,000	15,000,000
19990186	Schoenmakerskop reservoir	100,000	-	-
20030295	Construction of Amanzi reservoir and pipeline	500,000	25,000,000	5,000,000
20030297	Van Der Kemp's reservoir and approach main	500,000	10,000,000	5,000,000
20030601	Construction of a 1,0 *Ml* reclaimed effluent reservoir: Uitenhage	5,000,000	5,000,000	5,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19930320	Improvements to System - General	12,000,000	13,000,000	14,000,000
19950866	Cathodic protection of steel pipelines	150,000	200,000	200,000
20000051	Installation of Zone water meters	5,000,000	5,000,000	5,000,000
20000052	Purchase of water meters: Metro	12,000,000	12,000,000	12,000,000
20010038	Refurbishment of cast iron fittings	300,000	500,000	2,000,000
20010317	Rehabilitation of valves and fire hydrants	500,000	500,000	500,000
20080091	Helenvale Urban Renewal Programme (HURP)	1,000,000	2,000,000	5,000,000
20060083	Rudimentary service: Water	500,000	500,000	500,000
20080048	Jagtvlakte: Bulk water supply pipeline	200,000	5,000,000	10,000,000
20080089	Van Stadens Village: Upgrading	1,000,000	-	-
20080090	Govan Mbeki midblock mains	1,000,000	1,000,000	5,000,000
20080144	KwaNobuhle: Upgrading of water reticulation	1,000,000	1,000,000	5,000,000
20060081	Coega Reclaimed Effluent Scheme	10,000,000	50,000,000	50,000,000
20050097	Nooitgedagt/Coega low level system	185,000,000	185,000,000	10,000,000
	Total Capital Budget	**343,950,000**	**510,850,000**	**338,950,000**

ELECTRICITY & ENERGY DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19930234	Electricity buildings - Additional furniture & fittings	1,000,000	1,000,000	
19940149	Meters and current transformers	3,000,000	3,000,000	5,000,000
19930254	Low voltage reticulation improvement	700,000	700,000	850,000
19930255	Miscellaneous mains and substations	3,500,000	-	-
19930256	Peri-urban network	2,000,000	3,000,000	3,000,000
19930329	Motherwell electrification: Bulk supply	60,000	510,000	510,000
19960190	Redhouse reinforcement	200,000	200,000	200,000
19960193	Wells Estate reinforcement	1,740,000	3,000,000	3,500,000
19960195	Summerstrand reinforcement	2,802,000	1,250,000	1,697,000
19970061	Newton Park reinforcement	2,500,000	3,500,000	500,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19970063	Bethelsdorp 11 kV reinforcement	110,000	1,736,000	1,736,000
19970064	Cable Replacement 6.6 kV	500,000	500,000	500,000
19970068	Replacement of MV switchgear	3,000,000	5,500,000	3,500,000
19980174	Distribution kiosk replacement	800,000	800,000	900,000
19980402	Malabar/Helenvale Reinforcement	2,650,000	1,000,000	200,000
20000172	Korsten Reinforcement	1,550,000	1,975,000	2,715,000
20000175	Swartkops Reinforcement	1,261,000	10,000	10,000
20010099	Uitenhage / Despatch SCADA	250,000	500,000	-
20010118	Ibhayi Reinforcement	580,000	3,747,000	3,428,000
20010119	Uitenhage Reinforcement	4,074,000	5,765,000	3,255,000
20020093	New/Replacement of plant and motor vehicles	1,500,000	2,500,000	3,000,000
20030074	Mount Road Reinforcement	620,000	797,000	510,000
20030467	Computer Systems Upgrade	2,500,000	3,000,000	3,000,000
20030470	Despatch Reinforcement	2,019,000	3,083,000	805,000
20030471	Walmer Lorraine Reinforcement	3,000,000	5,021,000	4,000,000
20030472	Hunters Reinforcement	1,380,000	1,020,000	2,919,000
20042989	MV and HV Switchgear replacement	1,500,000	1,500,000	2,000,000
20042992	Western Reinforcement	5,261,000	9,359,000	7,552,000
20042993	HV Network Reinforcement - Overhead Cabling	12,000,000	10,000,000	2,000,000
20050187	HV Line Refurbishment (66 & 132kV)	600,000	3,000,000	3,000,000
20050189	Replace Switchgear in Mini substations - KwaNobuhle	150,000	150,000	150,000
20042988	Overhead Lines Refurbishment	2,000,000	3,000,000	3,000,000
20060217	Gas Turbine Refurbishment	1,500,000	3,000,000	3,000,000
20070209	Substation Fibre Optic Backbone	2,500,000	2,000,000	3,500,000
20090039	Fairview Refurbishment	2,000,000	2,000,000	2,000,000
20100122	HV Network Reinforcement - New Substations	7,000,000	3,300,000	20,500,000
20100120	HV Network Reinforcement - Underground Cabling	1,000,000	1,700,000	-
19930283	Street Lighting - Residential Areas	1,000,000	1,000,000	1,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
19980397	Area Lighting	3,000,000	2,500,000	2,500,000
19980398	Lighting - New Main Road	2,000,000	3,000,000	1,000,000
19930255	Miscellaneous Mains and Substations	-	500,000	1,500,000
New	Bridgemead Depot Improvement	-	-	2,000,000
New	Motherwell Depot	-	3,000,000	3,000,000
New	San Souci	-	1,000,000	1,000,000
19930259	Private Township Development	7,500,000	10,000,000	10,000,000
19990104	Coega Reinforcement	5,000,000	12,000,000	12,000,000
19930255	Miscellaneous Mains and Substations	9,000,000	9,500,000	8,500,000
19930233	Non Electrification Areas - Service Connections	1,500,000	2,000,000	3,000,000
19930264	Informal Housing Electrification	20,000,000	20,000,000	20,000,000
	Total Capital Budget	**127,807,000**	**156,623,000**	**157,937,000**

PUBLIC HEALTH DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20090053	Upgrade of Uitenhage dog pound	1,000,000	1,000,000	500,000
20000141	Specialized equipment	300,000	-	-
20010059	Reinstate of embankment- Tiger Bay	600,000	600,000	600,000
20000203	Implementation - Van Der Kemp's Kloof	1,500,000	2,000,000	2,000,000
20010064	Beachfront	1,500,000	1,200,000	1,000,000
20030421	Cemeteries	1,000,000	1,000,000	1,000,000
20100101	Cemeteries computerisation	1,000,000	2,500,000	3,000,000
20010362	Greening previously disadvantaged areas	2,500,000	2,000,000	2,000,000
20020028	Upgrade entrances and gateways	500,000	500,000	500,000
19980266	Secure municipal parks facilities	300,000	300,000	300,000
NEW	New playground equipment	2,500,000	2,000,000	2,000,000
NEW	Multipurpose reefs	-	-	1,000,000
NEW	Fencing of cemeteries	-	1,000,000	1,000,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20000106	Urban refuse transfer recycling stations	2,500,000	945,000	945,000
20030177	Development of waste disposal facilities	1,000,000	1,000,000	1,000,000
19940138	Replacement of refuse compactors	2,200,000	3,400,000	2,600,000
20060117	IWMP Projects	300,000	160,000	60,000
20090028	Improvements in Public Health Infrastructure	300,000	395,000	495,000
20100099	Occupational Health Rehabilitation Medical Equipment	1,000,000		
	Total Capital Budget	**20,000,000**	**20,000,000**	**20,000,000**

SAFETY & SECURITY DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20080065	Additional Satellite Offices		2,000,000	1,000,000
20070187	Early Warning Systems	1,000,000	2,000,000	2,000,000
20090017	Replacement of standby generator	218,000		
20900019	Replacement of engine bay doors	477,000		
20060221	Replacement of Off-Road appliance	1,305,000		
20060221	Replacement of Off-Road appliance		4,240,000	
20090019	Replacement of engine bay doors		530,000	
20070165	Replacement of specialised vehicle		7,533,960	
20100058	Safety & Security Control Centre enhancement		500,000	
20090017	Replacement of standby generator		318,000	
20100063	Upgrade of South End fire station		2,000,000	
20090019	Replacement of engine bay doors			530,000
20100058	Safety & Security Control Centre enhancement			500,000
20090020	Refurbish hydraulic platform			4,240,000
20100063	Upgrade of South End fire station			3,587,000
20100061	Upgrade of Fire Training Centre			2,650,000
20100064	Upgrade of Greenbushes fire station			742,000
20100065	Upgrade of Kwanobuhle fire station			636,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20100062	Replacement of specialised vehicle			689,000
New	Breathing apparatus compressor			968,988
20100069	Safety Equipment for Security Officers	130,000	128,000	128,000
New	EFMS & CCTV Equipment & Infrastructure		4,400,000	4,400,000
New	Armoury	200,000	1,170,000	1,170,000
New	Armoury		92,000	91,000
New	EFMS Additional Software & Hardware Applications	370,000	370,000	360,000
New	Asset Locator (10 Units)		55,000	55,000
New	EFMS Docking Station for CCTV Trailers and Mobile Surveillance Vehicle		200,000	200,000
New	Mobile Office for Security Officers (3 Units)		570,000	560,000
20080023	Storage Facility	1,000,000	7,000,000	7,000,000
20060146	Additional Drivers License Testing Centre		13,000,000	8,000,000
20070134	Building Extensions: Traffic College Greenbushes		5,000,000	5,000,000
New	Elevator for Traffic Sidwell	1,000,000		
	Total Capital Budget	**5,700,000**	**51,106,960**	**44,506,988**

CHIEF OPERATING OFFICER DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20080063	Development of Corporate GIS	11,200,000	10,000,000	11,500,000
	Total Capital Budget	**11,200,000**	**10,000,000**	**11,500,000**

CORPORATE SERVICES DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20060149	Lillian Diedericks (Brister House) Building - Upgrading and Rehabilitation	-	3,500,000	1,000,000
20043125	Upgrade of Community Halls	-	2,500,000	1,000,000
20050222	Office Renovation	-	2,000,000	1,000,000
20060065	Air Conditioning of buildings	-	2,500,000	1,000,000
20060194	Feather Market Hall Building - Upgrade & Rehabilitation	-	3,000,000	300,000

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20100077	Kwanobuhle Municipal Airdrome - Upgrade of Perimeter Fencing	1,700,000	-	-
20080098	Upgrading of Walmer Training Centre (phase 2)	-	800,000	400,000
20070196	Mfanasekhaya Gqobose (Eric Tindale) Building - Upgrade and Rehabilitation	1,500,000	1,500,000	1,000,000
20080041	Rehabilitation of Noninzi Luzhipo (Pleinhuis) Building	-	4,000,000	1,000,000
20100073	Relocation of libraries from Lillian Diedericks Building	-	8,000,000	-
20100074	Restoration of Dilapidated and Vandalised Buildings	-	1,000,000	1,000,000
19980182	Application Software	6,000,000	6,000,000	6,500,000
19930187	Computer Enhancements - Corporate	3,000,000	4,000,000	5,000,000
New	Nangoza Jebe (Centenary) hall Upgrade	-	3,000,000	500,000
New	Upgrade of Municipal Depots	2,000,000	1,000,000	1,000,000
New	Woolboard (Conference Center)-Rehabilitation	3,000,000	500,000	300,000
New	Buildings Electrical COC	3,000,000	500,000	500,000
New	Uitenhage Town hall- Roof Replacement	1,500,000	500,000	500,000
New	Kwanobuhle Admin Building	-	1,200,000	300,000
New	Despatch Town hall - Roof Replacement	1,000,000	500,000	300,000
New	Software for Organogram	500,000		
	Total Capital Budget	**23,200,000**	**46,000,000**	**22,600,000**

BUDGET & TREASURY DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
New	Replacement Handheld devices - Meter Reading	750,000	800,000	850,000
New	Replacement of Vending POS equipment	500,000	500,000	500,000
New	1/2 ton panel van vehicle for vending	230,000	0	-
20043146	General Valuation	7,000,000	6,000,000	-
20050130	Replacement of Revenue Sub Directorate Equipment	500,000		R500 000
20043111	Financial Accounting Control and Systems Development	7,500,000	8,000,000	8,500,000
20060254	ETB 1st Floor Renovations for Staff Accommodation	1,000,000	1,000,000	-
	Total Capital Budget	**17,480,000**	**16,300,000**	**9,850,000**

SPECIAL PROGRAMMES DIRECTORATE DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20090055	Nodal and Precinct Development	12,000,000	-	-
20090015	Upgrading of Helenvale Resource Centre	24,000,000	2,400,000	-
	Total Capital Budget	**36,000,000**	**2,400,000**	**-**

MOTHERWELL URBAN RENEWAL DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20080126	SMME Hive	10,000,000	-	-
	Total Capital Budget	**10,000,000**	**-**	**-**

SPORTS, RECREATION & CULTURE DRAFT CAPITAL BUDGET FOR 2012/13 - 2014/15

Project ID	Project Title	Draft Budget 2012/13	Draft Budget 2013/14	Draft Budget 2014/15
20100104	Mendi Bottle Store Renovation	8,000,000	4,500,000	
19970037	Upgrade Wolfson Stadium Phase 3	2,000,000		
19980285	Upgrade Existing Sports Facilities	2,500,000	3,000,000	10,000,000
20000149	Maintain/Rehabilitate Sports Facility Infrastructure - PE	2,000,000	1,000,000	
20030400	Upgrade Picnic/Camping Facilities Beachfront	800,000		
20030795	Upgrade Beaches, Tourism - 2	1,000,000	2,000,000	4,000,000
20000125	New and Upgrade Surf Lifesaving Facilities	800,000		
20030427	Secure Recreational Buildings / Facilities	800,000		
20060281	Motherwell Cultural Centre		3,000,000	10,000,000
20100010	New Brighton Swimming Pool			6,000,000
	Total Capital Budget	**17,900,000**	**13,500,000**	**30,000,000**
	TOTAL DRAFT CAPITAL BUDGET	**1,795,380,446**	**2,423,003,973**	**2,070,993,396**

CHAPTER FIVE

FIVE-YEAR IDP IMPLEMENTATION FRAMEWORK

In the section on community needs (as reflected in Chapter One), the situational analysis of Nelson Mandela Bay (as reflected in Chapter Two) as well as in the Executive Mayor's Foreword, some of the developmental challenges facing the Municipality were highlighted. Chapter Three presented the spatial development framework of Nelson Mandela Bay as a tool to achieve structured investment and sustainable growth and development. This chapter presents the five-year IDP implementation framework, in line with the following key performance areas:

(a) Basic service delivery and infrastructure development
(b) Municipal transformation and organisational development
(c) Local economic development
(d) Municipal financial viability and management
(e) Good governance and public participation

5.1 SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

A key prerequisite for all municipal development in Nelson Mandela Bay is sustainability and integration. This is particularly vital in respect of service delivery and infrastructure development, as the legacy of past discriminatory practices followed in the provision of services and infrastructure is still evident in many of our communities. Central to this is the establishment of sustainable and integrated human settlements in which communities have access to basic services like water, sanitation, electricity and refuse removal, but also enjoy a full basket of other services, such as access to community amenities and facilities (e.g. educational, entertainment, cultural, health, sports and welfare services). The need to improve and accelerate access to well located and strategic land parcels within Nelson Mandela Bay for the achievement of sustainable and integrated human settlements cannot be overemphasised.

Other key areas of attention include:

(a) Transportation
(b) Infrastructure development and maintenance
(c) Access to health care and environmental services, as well as the safety and security of communities

5.1.1 Build sustainable, integrated human settlements

The Municipality has moved its focus from simply providing shelter to establishing integrated and sustainable human settlements and providing quality housing. Central to the provision of integrated and sustainable human settlements is Outcome 8.

Output 3 of Outcome 8 provides for the Gap market, which is a segment of the market that does not qualify for a full housing subsidy and therefore needs to finance its own housing. People in this segment could earn between R3 500 and R15 000 a month (as per the State of the Nation Address 2012). The State of the Nation Address identified subsidy amounts for this market, up to R85 000 per unit.

The Municipality will focus on facilitating provision for the Gap market by expediting application processes and servicing. In terms of a preliminary assessment conducted, the need in this market is estimated in the region of 20 000 to 25 000 units.

The Municipality employs a number of approaches in relation to Output 4 of Outcome 8. These include the following:

- Use of municipally owned land in support of the Housing Programme – The NMBMM's Seven-year Housing Plan is totally accommodated on municipally owned land.

- Acquisition of private land by the Municipality in support of the housing programme – Funding is made available from the Urban Settlements Development Grant to assist the Municipality. In addition, ongoing discussions are taking place with private property owners in respect of the acquisition of both buildings and land.
- Identification of well-located land suitable for social and other housing through the Local Spatial Development Framework (LSDF) processes – The LSDF process allows for basic considerations as to suitability and servicing and Council applications are approved in line with this process.
- Engagement with the Provincial Departments of Public Works and Human Settlements and the Housing Development Agency (HDA) for the acquisition of State owned land in support of the Housing Programme – The Provincial Department of Human Settlements has made available its land asset register for use by the Municipality in the acquisition of land and property. Following evaluations that have been undertaken on the basis of this asset register, the Fairview area has been prioritised and eight parcels are in the pipeline for acquisition in that area.

In the establishment of integrated human settlements, the Municipality will focus on the following supporting objectives:

(a) The elimination of the housing delivery backlog of 80 000 units (49 000 backyard shacks and 31 000 units in informal settlements) through the provision of quality housing and the structured upgrading of informal settlements.
(b) The formal upgrading of 15 000 sites, in line with the Upgrading of Informal Settlements Plan by 2016.
(c) Addressing the fragmented spatial patterns of the past by:
    (i) Revising the spatial development framework annually
    (ii) Prioritising social housing

(iii) Acquiring strategic land

(iv) Implementing the sustainable community planning methodology

(d) Upgrading 34 informal settlements and 11 Greenfield developments by 2016.

(e) Relocating 15 000 households living in stressed areas (such as flood-plain areas, tip-sites and power line areas) to Greenfield developments by 2016 in terms of the Relocation Plan, which is an integral part of the Upgrading of Informal Settlements Programme.

(f) Responding to emergency situations and rectifying defective housing units through the Rectification Programme.

(g) Meeting requirements for Level 3 accreditation as a housing developer (setting up systems and procedures in terms of the accreditation framework and implementation plan by 2014).

(h) Creating conducive conditions and opportunities by means of securing suitable land for the implementation of social housing and forging partnerships with social housing institutions such as the Social Housing Cooperative (SOHCO)/Amalinda and Own Haven, as well as Imizi, which is anticipated to become a social housing partner in the near future.

(i) Creating conducive conditions and opportunities for the implementation of affordable gap housing opportunities in appropriate and strategic locations.

In pursuing the above supporting objectives, the following five-year performance plan has been introduced to achieve integrated and sustainable human settlements:

FIVE-YEAR PERFORMANCE PLAN

INTEGRATED HUMAN SETTLEMENTS AND LAND PLANNING				
Key Performance Element: Build Sustainable and Integrated Human Settlements				
Strategic Objective	**Supporting Objective**	**Five-year Programmes / Projects**	**Key Performance Indicator**	**2012/13 Target**
Provision of integrated and sustainable human settlements	To eliminate the housing delivery backlog of 80 000 units by 2036	Provision of 15 000 state subsidised housing units to qualifying beneficiaries by 2016	Number of state subsidised housing units provided	3 000
			Number of erven provided with permanent water and sanitation services	3 000
	To identify and provide sufficient strategic land parcels to meet the backlog of 80 000 in the total housing programme by 2036	Identification and provision of 16 land parcels for social rental and affordable housing by 2016	Number of land parcels identified for social housing opportunities	4

INTEGRATED HUMAN SETTLEMENTS AND LAND PLANNING				
Key Performance Element: Build Sustainable and Integrated Human Settlements				
Strategic Objective	**Supporting Objective**	**Five-year Programmes / Projects**	**Key Performance Indicator**	**2012/13 Target**
Provision of integrated and sustainable human settlements.	To eradicate all informal settlements (amounting to 81), in the metro by 2018	Formalisation of 34 informal settlements *(in- situ)* and the development of 11 Greenfields by 2016	Number of settlements upgraded from informal to formal	1 new Greenfield area developed (Rosedale Extension)
				4 *in situ* development areas completed (Joe Slovo Uitenhage Phase 1; Red Location; Motherwell Higher Density; and Kwanontshinga)
		Relocation of 15 000 households from stressed informal settlements and other servitudes to Greenfield development areas	Number of households relocated from stressed informal settlements and other servitudes to Greenfield development areas	3 000

INTEGRATED HUMAN SETTLEMENTS AND LAND PLANNING				
Key Performance Element: Build Sustainable and Integrated Human Settlements				
Strategic Objective	**Supporting Objective**	**Five-year Programmes / Projects**	**Key Performance Indicator**	**2012/13 Target**
Provision of integrated and sustainable human settlements	To rectify the remaining 38 800 state subsidised houses identified as wet and defective in 2008, from the total number of 45 000 by 2032	Rectification of 8200 defective state subsidised houses by 2016	Number of state subsidised defective houses rectified	2 000

5.1.2 Provision of Basic Services

Improving service delivery through the provision of basic services is an integral part of the Municipality's mandate. The Municipality is acutely aware of the many service delivery challenges confronting it, and has developed a number of plans to address these challenges. These plans will be implemented, as reflected in this IDP.

5.1.2.1 Water services

The NMBMM is a water services authority responsible for the provision of water services within its area of jurisdiction. With the publication of the *Water Services Act* (Act 108 of 1997), all South African water services authorities were required to prepare a Water Services Development Plan (WSDP). The WSDP is a business plan setting out the way in which a specific Water Services Authority delivers water services to individuals and businesses in its area of jurisdiction. It also describes the current and future consumer profile, the types of services that are provided, the infrastructure requirements, the water balance, organisational and financial arrangements to be used, an assessment of the viability of the approach, and an overview of environmental issues. Based on these analyses, important issues that may impact on the provision of an effective and sustainable water and sanitation service need to be identified, and strategies need to be formulated to improve service provision.

The Municipality's WSDP is currently under review to cover the next five years (2012/2013 to 2017/2018 financial years). The Water Master Plan (WMP) of the Municipality is a plan that identifies the gaps in the provision of water to meet the needs set out in the WSDP. The WMP is a longer-term plan that covers the period up to 2020, far extending beyond the five-year period covered by the WSDP, so as to meet the long-term water requirements of Nelson Mandela Bay.

5.1.2.1.1 Key strategic goals

In addition to the *Water Services Act*, the Municipality's WSDP is informed by the National Strategic Framework for Water Services (September 2003), which is a critical policy document that sets out the future national approach to the provision of water services. Key focus areas of the Water Services Development Plan include the following:

(a) Provision of a sustainable water supply.
(b) Implementation of the Water Master Plan.
(c) Transformation of the Municipality into a world-class water service provider.
(d) Ensuring financial accountability and sustainability.
(e) Implementation of the comprehensive Customer Care and Management Strategy.
(f) Ensuring water quality, sustainability and affordability at all times.

5.1.2.1.2 Critical challenges

(a) Emergence of informal settlements in areas that are not demarcated for human settlements development.
(b) Reduction in water losses.
(c) High maintenance backlog.
(d) Limited financial resources to maintain and develop new infrastructure.
(e) Lack of long-term sustainable water supply.
(f) Lack of water during low rainfall periods (drought).

5.1.2.1.3 Strategies to address the aforementioned challenges

(a) Installation of communal standpipes in informal settlements within the urban edge.
(b) Implementation of a Water Demand Management Action Plan to reduce water losses.
(c) Provision of bulk infrastructure to support the Housing Programme and developmental needs.

(d) Implementation of an infrastructure maintenance programme.

(e) Mobilisation of additional financial resources to support infrastructure development and maintenance.

(f) Implementation of the following projects to ensure long-term water supply sustainability of NMB:

- Nooitgedagt Low Level Scheme
- Groundwater exploration
- Water Conservation and Water Demand Management.

FIVE-YEAR PERFORMANCE PLAN

PROVISION OF WATER				
Key Performance Element: Provision of water				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Provision of 15 000 state subsidised housing units to qualifying beneficiaries by 2016	% households (within the urban edge) provided with access to a basic potable water supply within a 200 m radius	100%
			Number of new state subsidised houses provided with water connections	3000 (in line with Housing Programme and availability of budget)
			% compliance with the drinking water standards in line with South African National Standards 241 (SANS 241)	100%

PROVISION OF WATER				
Key Performance Element: Provision of water				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay		The formalisation of 34 informal settlements *(in- situ)* and the development of 11 Greenfields by 2016 through the provision of bulk water infrastructure services	Number of new settlements provided with bulk water infrastructure as part of the informal settlements upgrading programme	1 new Greenfield area (Rosedale Extension) 4 *in situ* development areas (Joe Slovo Uitenhage Phase 1; Red Location; Motherwell Higher Density; and Kwanontshinga)

PROVISION OF WATER				
Key Performance Element: Provision of water				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To reduce water losses in the Metro by 3% per annum	The implementation of the Water Resource Management Strategy (2009/10 – 2018/19) focusing on the following deliverables:– • Replacement of old water meters • Inspection and repairs of metered installations • Establishment of metering districts / zones • Establishment of pressure management areas)	% reduction in unaccounted for water (variance between water billed and water distributed)	3%

5.1.2.2 PROVISION OF SANITATION SERVICES

Access to sanitation services is a vital prerequisite for restoring the dignity of local communities. In addition to the provision of water, the provision of sanitation services is a key focus area of the Municipality. To this end, the Municipality has a Sanitation Master Plan in place, based on its Water Services Development Plan, which serves as a guide to meet its long-term needs, in line with the development of sustainable human settlements and economic development requirements.

5.1.2.2.1 Key strategic goals

(a) Provision of basic sanitation to all communities in Nelson Mandela Bay by 2014.
(b) Transformation of the Municipality into a world-class sanitation service provider.
(c) Ensuring financial accountability and sustainability.
(d) Implementation of the comprehensive Customer Care and Management Strategy.
(e) Ensuring treated effluent quality compliance to the relevant standards.

5.1.2.2.2 Critical challenges

(a) Approximately 23 000 households in the Metro still use the bucket system as means of sanitation
(b) Emergence of informal settlements in areas that are not demarcated for human settlements development
(c) High maintenance backlog.
(d) Limited financial resources to maintain and develop new infrastructure.

5.1.2.2.3 Strategies to address the afore-mentioned challenges

(a) The establishment of integrated and sustainable human settlements with a full basket of basic services.
(b) Provision of bulk infrastructure to support the Housing Programme and developmental needs.

(c) Implementation of an infrastructure maintenance programme.

(d) Mobilisation of additional financial resources to support infrastructure development and maintenance.

(e) Development of a coordinated approach which will comprise of safety and security for law enforcement, Infrastructure and Engineering as well as Human Settlements to eradicate the emergence of informal settlements which is critical to the phasing out of the bucket system in the Nelson Mandela Bay.

In pursuing the above supporting objectives, the following five-year performance plan was introduced to achieve the provision of portable water and sanitation to all.

FIVE-YEAR PERFORMANCE PLAN

PROVISION OF SANITATION				
Key Performance Element :Provision of sanitation				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Provision of 15 000 state subsidised housing units to qualifying beneficiaries by 2016	% households with access to basic sanitation	100%
			Number of new state subsidised houses provided with sewer connections	3000
		The formalisation of 34 informal settlements *(in-situ)* and the development of 11 Greenfields by 2016 through the provision of bulk sanitation infrastructure services	Number of new settlements provided with bulk sanitation infrastructure as part of the Informal Settlements Upgrading Programme	1 new Greenfield area (Rosedale Extension)
				4 in situ development areas (Joe Slovo Uitenhage Phase 1; Red Location; Motherwell Higher Density; and Kwanontshinga)

5.1.2.3 TRANSPORT SERVICES

The Nelson Mandela Bay Metropolitan Municipality (NMBMM) is required, in terms of Section 36(1) of the *National Land Transport Act*, 2009 (Act No. 5 of 2009), to prepare a Comprehensive Integrated Transport Plan (CITP) every five years.

The NMBMM is required to provide safe, affordable, sustainable and accessible multi-modal transport services and infrastructure which promotes integrated land use development and ensures optimal mobility for the residents and users of the transport system in the metropolitan area.

The NMBMM's revised Comprehensive Integrated Transport Plan (CITP) which is applicable from 2011 to 2015 and is updated annually recommends new capital projects for its Capital Budget in addition to those already existing. It is envisaged that the implementation of these projects will lead to meeting the objectives of the CITP which are:

- Mobility i.e. integrated planning of land use and transport systems should be undertaken in order to minimize the need for travel.
- Convenience i.e. a frequent, safe and reliable public transport system should be provided with conveniently located termini and stops.
- Reasonable Cost i.e. the total cost of provision, operation and maintenance of the metropolitan transport system should be minimised.
- Minimum Side Effects i.e. transport safety should be improved and the accident rate reduced and residents should feel safe while using the Municipality's transport facilities.

5.1.2.3.1 Strategies

The key strategies to meet the above objectives include the following:

- Provision of an efficient, convenient and reliable public transport system. The long-term development proposal for the public transport system is based on the results from an analysis of several possible scenarios. It is proposed to develop a trunk bus network in defined public transport corridors. Certain of these routes will have dedicated median bus lanes and will be operated on Bus Rapid Transit (BRT) principles with modern buses.
- Provision of adequate roads to give access to all developed areas. Due cognizance should be given to the impact on the natural and built environment when considering road proposals.
- Maintenance of existing roads to ensure that there is an acceptable level of service.
- Provision of facilities for Non-motorised transport users.
- Improve Stormwater infrastructure across the Municipality.

Projects that have been identified for implementation within the timeframe of the CITP i.e. between the 2011/12 and 2015/16 financial years are summarized in the table below. The table excludes backlog costs that were not budgeted due to affordability levels and therefore does not indicate the actual funding requirements to eliminate infrastructure and maintenance backlogs over the five year period.

NO.	PROJECT DESCRIPTION	TOTAL PROJECT COST – 5 yrs (Rand)
1	Metropolitan Transport Planning	41,862,100
2	Roads required for additional capacity (Short term projects)	354,800,000
3	Roads required for access and connectivity (Short term projects)	423,500,000
4	Roads requiring rehabilitation (Short term projects)	210,303,550
5	Road maintenance projects	72,600,000
6	Bridge maintenance Projects	45,000,000
7	Public Transport Projects	3,579,630,000
8	Non-motorised transport projects	145,127,500
9	Freight transport projects	2,100,000
10	Traffic & Signage Improvements (Short term projects)	73,678,625
	GRAND TOTAL	**4,948,601,775**

The implementation of the abovementioned projects will be dependent upon the availability of funds and relevant subsidies from the Provincial Departments of Transport and Roads and Public Works.

5.1.2.3.2 Challenges

a) The inadequate funding for Roads and stormwater maintenance, has led to an increase in backlog (approximately R4 billion for maintenance and R1,5 billion, for tarring of roads). This increases annually as new residential areas are established and developed.

b) Insufficient subsidies from the Provincial Departments of Transport and Roads and Public Works.

c) Risk of flooding and community health and safety hazards due to poor stormwater infrastructure (estimated stormwater infrastructure backlog is R350 million).

Efforts are being made to solicit alternative sources of funding to address the challenges as outlined above.

FIVE-YEAR PERFORMANCE PLAN

PROVISION OF ROADS, STORMWATER AND TRANSPORTATION				
Key Performance Element: Roads and Transportation				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Developing and sustaining spatial, natural and built environment	To provide reliable, efficient and sustainable transport system in Nelson Mandela Bay	Implementation of the following road infrastructure development programmes:		
		(a) Tarring 110 km of road	Km of gravel roads tarred	22 km
			Number of gravel culs-de-sacs tarred	50
		(b) Provision of Sidewalks	Km of new sidewalks constructed	15 km
		(c) Resurfacing 400 km of road	Km of roads resurfaced	3 km by September 2012
		(d) Construction and maintenance of bridges	Number of bridges rehabilitated as part of the Integrated Public Transport System	1 (Pell Street)

PROVISION OF ROADS, STORMWATER AND TRANSPORTATION				
Key Performance Element: Stormwater				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Developing and sustaining spatial, natural and built environment	To improve stormwater infrastructure and management across Nelson Mandela Bay	Stormwater drainage programme	Km of stormwater drainage installed	4 km

5.1.2.4 PROVISION OF ELECTRICITY

South Africa is experiencing a marked reduction in the National Generation reserve margin. As such, the country has no option but to save energy through energy reduction campaigns (Demand Side Management, Renewable Energy and Energy Efficiency). Carbon emission reduction and climate change mitigation have consequently become local priorities.

To this end, the NMBMM is committed to becoming a leader in the field of climate change mitigation, the reduction of harmful greenhouse gases and the identification and implementation of alternative fuel sources. In the 2012/2013 financial year, the NMBMM has committed resources to purchase 2 400 000 kwh renewable energy. In addition, the NMBMM, together with private enterprise, is facilitating the establishment of renewable energy sources within the Metro, such as the conversion of landfill/methane gas to electricity, wind energy generation, solar water heating and photovoltaic initiatives. Proper energy efficient measures and the successful institutionalisation of climate change mitigation in all spheres of business form part of this commitment.

The Municipality is committed to maintaining a safe, reliable and affordable electricity supply which is critical in ensuring business growth, job creation and sustainable development.

Good governance is a prerequisite for energy regimes that are economically and environmentally sound and socially responsible. With that in mind, the NMBMM's Integrated Development Plan includes its commitment to comply with all legislation and standards governing the supply of electricity.

FIVE-YEAR PERFORMANCE PLAN

PROVISION OF ELECTRICITY SERVICES				
Key Performance Element: Provision of adequate and reliable supply of electricity and energy				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Connection of 27 800 erven to electricity	Number of new erven connected to electricity	4 000 state subsidized and informal houses
				300 non-electrified households
		Installation of electricity reticulation to all surveyed sites (National Outcome 9 target – 92%)	% of all households on officially surveyed sites provided with access to electricity	97%
			% electricity losses (variance between electricity billed and electricity purchased) in line with NERSA standards	10%

PROVISION OF ELECTRICITY SERVICES				
Key Performance Element: Provision of adequate and reliable supply of electricity and energy				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Acquisition of 28 megawatt of electricity by 2016 through the implementation of the following projects in partnership with the private sector: • Biomass plans (10 megawatt) • Conversion of waste to energy (Arlington and Koedoeskloof) – 10 Megawatt • Conversion of Biogas to energy (Fish Water Flats) – 8 Megawatt	Volume of electricity purchased from a 1.8 megawatt wind turbine (renewable source)	2 400 000 kwh

PROVISION OF ELECTRICITY SERVICES				
Key Performance Element: Provision of adequate and reliable supply of electricity and energy				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Installation of 200 street lights and 1400 area lights by 2016	Number of new streetlights installed	40
			Number of new area lights installed	280

5.1.2.5 PUBLIC HEALTH

The Municipality is mandated to provide environmental health services to all its inhabitants and occupational health, safety and wellness to its employees. Environmental services cover functional areas such as environmental management, waste management, parks and cemeteries, and environmental health.

The Municipality is faced with the following public health challenges:

(a) Non-existence of a single health authority, with three gazetted sub-district areas.
(b) Environmental challenges and climate change.
(c) Illegal dumping.

Integrated Environmental Management Plan (IEP)

The Municipality has an Integrated Environmental Management Plan (IEP). The Plan outlines the vision, priorities and commitments of the Nelson Mandela Bay Municipality (NMBMM), with regard to the management of the environment of the area within its jurisdiction. It is integrated in that it applies to all, and all that the NMBMM does, across all sectors, from planning to implementation. It also indicates strategic interventions to re-orientate the NMBMM's development path in a more sustainable direction.

The Constitution compels the Municipality to take reasonable steps to prevent pollution and ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources. The Municipal Systems Act (Act 32 of 2002) and the National Environmental Management Act (NEMA) (Act 107 of 1998) also place environmental responsibilities on the Municipality.

Other environmental legislative frameworks that hugely impacts on the rolling out of services in the Municipality are:

(a) **The National Environmental Management: Protected Areas Amendment Act,** 2009 (Act 15 of 2009), which provides for the assignment and protection of national parks and nature reserves within Municipal jurisdictions including ecologically viable areas.

(b) **The National Environmental Management: Biodiversity Act,** 2004 (Act No. 10 of 2004), which significantly reforms South Africa's laws regulating biodiversity. Its sets out the mechanisms for managing and conserving South Africa's biodiversity and its components; protecting species and ecosystems.

(c) **The National Environmental Management: Air Quality Act,** 2004 (Act No. 39 of 2004), which reforms the law regulating air quality in order to protect the environment by providing reasonable measures for the prevention of pollution and ecological degradation and for securing ecologically sustainable development.

(d) **The National Environmental Management: Integrated Coastal Management Act,** 2008 (Act No. 24 of 2008), which establishes a system of integrated coastal and estuarine management in the Republic; ensures that development and the use of natural resources within the coastal zone is socially and economically justifiable and ecologically sustainable; determines the responsibilities of organs of state in relation to coastal areas.

(e) **The National Environmental Management: Waste Act,** 2008 (Act No. 59 of 2008), which reforms the law regulating waste management in order to protect health and the environment by providing reasonable measures for the prevention of pollution; provides for national norms and standards for regulating the management of waste by all spheres of government.

(f) **Water Services Act,** 1997 (Act No 108 of 1997) Section 156, read in conjunction with Part B of Schedule 4 of the Constitution of the Republic of South Africa (Act 108 of 1996) vests the executive authority and responsibility to support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.

Integrated Environmental Services Plan

Key strategies have been developed and adopted to address biodiversity loss and development pressures on ecosystems and natural resources, respond to increasing effects of climate change, react on waste management issues and challenges, air

pollution, greening, renewable energy, alternative energy, coastal and water services aspects of NMBMM. These strategies include *inter alia* the development, implementation and review of the following:

- The State of Environment Report (SoER)
- Nelson Mandela Open Space System (NMMOSS). Key to the successful implementation of the NMMOSS is the Bioregional Plan, Environmental Management Framework and the Stewardship Program.
- The second generation of the Integrated Waste Management Plan (IWMP), which is being formulated. The public perception survey for the plan has just been completed.
- The Coastal Management Plan (CMP).
- The Water Master Plan (WMP).
- The Greening Policy.
- The Integrated Air Quality Management Plan (IAQMP).

Climate Change Response and Adaptation Plan

Climate change is considered to be amongst, if not the, most serious threat to humanity and sustainable development with adverse impacts expected on food and water security, economic activity, human health, physical infrastructure and natural resources. These impacts will seriously undermine efforts to achieve sustainable development and the attainment of Municipal IDP goals particularly in coastal Cities such as Nelson Mandela Bay which are both the most vulnerable, and the least equipped to deal with climate change. Therefore, the objective is to develop and implement a climate change response and adaptation plan for NMBMM back dropped by critical studies such as greenhouse gas emission inventory and vulnerability assessment as well as early warning indicators.

South Africa hosted Climate Change Conference (COP 17) in December 2011 to find lasting solution to climate change challenges. Emanating from this conference, the Nelson Mandela Bay Municipality has set the following mitigating measures to deal with climate change:

(a) Assess the current situation in Nelson Mandela Bay in terms of vulnerability to climate change and the effects thereof and identify efforts required in order to mitigate and adapt to the effects of climate change, greenhouse gas emissions and energy usage;

(b) Making available the human and financial resources in order to effectively coordinate and manage initiatives towards addressing climate change within Nelson Mandela Bay;
(c) Develop a climate change response, adaptation and energy strategy for Nelson Mandela Bay.

5.1.2.5.1 Primary Health Care and HIV and AIDS Mainstreaming

With regard to primary health care, the Municipality is guided by the following Millennium Development Goals:

- Between 1990 and 2015, to reduce by ⅔ the under-five mortality rate.
- Between 1990 and 2015, to reduce by ¾ the maternal mortality rate.
- To have halted and begun to reverse the spread of HIV and AIDS by 2015.
- To have halted and begun to reverse the incidence of malaria and other major diseases, such as TB, by 2015.

A priority of the Municipality is to ensure universal access to comprehensive primary health care services. In this regard, the Municipality considers the proximity of health facilities to communities, the physical condition of the facilities, the standard of services provided, as well as the optimal availability of health personnel, as critical in ensuring such access, towards achieving the Millennium Development Goals.

The Municipality is informed by the National Strategic Plan in the mainstreaming of HIV/AIDS. The following priorities are key in this regard:

- Prevention of new HIV and TB infections by 50%.
- Treatment, care and support to alleviate and mitigate impact.
- Research, monitoring and surveillance.
- Human rights and access to justice.
- Broadening access to basic services.

As part of its HIV and AIDS mainstreaming programme, the Municipality is focusing on the following initiatives:

- Improved food security and nutrition
- Protection of orphans and vulnerable children
- Improved access to life-sustaining resources
- Mainstreaming of HIV and AIDS by internal and external stakeholders
- Gender transformation
- Implementation of HIV and AIDS workplace programmes.

A partnership between the Municipality, public and private sector is therefore crucial in dealing with HIV and AIDS mainstreaming. All these initiatives require an integrated approach by the three spheres of government. Accordingly, the Municipality established a multi-stakeholder Metropolitan AIDS Council, with the responsibility to oversee the implementation of the Integrated HIV and AIDS Plan on a quarterly basis.

5.1.2.5.2 Occupational Health, Safety and Wellness

The Nelson Mandela Bay Municipality has a legal, social and strategic responsibility to protect, preserve and invest in employees' health, safety and wellness. In this regard, the Municipality provides:

(a) An integrated employee health, safety and wellness programme.
(b) Ongoing hazard identification.
(c) Risk assessment and management.
(d) The ongoing medical surveillance of employees and serving Councillors.
(e) Construction safety management.
(f) Incident and accident investigation.

5.1.2.5.3 Waste Management

The objective of Waste Management Services is to provide quality sustainable waste management services to the residents of Nelson Mandela Bay so as to ensure a clean and healthy environment by:

(a) Rendering refuse collection services to all residents in terms of the National Environmental Waste Management Act 59 of 2008.
(b) Providing a sufficient number of waste disposal facilities with sufficient capacity.
(c) Drafting and implementing a second generation integrated waste management plan for the NMBMM, focusing on waste avoidance, reduction and recycling in response to climate change.

Levels and standards in waste management services:

- Domestic waste collection:
- Weekly kerbside black bag collection service in medium to high income areas (formal areas).
- Weekly black bag communal collection service in informal areas.
- Ten bags issued to households every two months.
- Trade waste collection:
- . Contractual service to business.
- Cubic meter bins.
- Frequency dependent on client.
- Cleansing services:
- . Removal of illegal dumping on municipal owned land.
- Removal of dead carcasses (dogs, cats) within this residential area.
- . Manual and mechanical road/street sweeping.
- . Beach cleaning services.
- . Cleaning of ablution facilities.
- . Transfer stations:
- . Formal and informal transfer stations.
- 16 formal transfer/garden waste sites and 53 informal sites.
- Used for excess and bulky waste.
- Proper signage: types of waste acceptable.
- To be converted into drop-off/recycling centres, e.g. Blue Horizon Bay Centre.
- Low-income areas: One centre for every 3 000 households in a proximity of 500 m.
- . Waste disposal:

- Two general waste disposal sites (General Large B).
- 647 155 tons of waste disposed.
- Koedoeskloof = 224 325 tons.
- Arlington = 422 930 tons.

5.1.2.5.4 Environmental Health

The Municipality focuses on those aspects of human health, including quality of life, that are determined by physical, chemical, biological, social and psychosocial factors in the environment. It also refers to the theory and practice of assessing, correcting, controlling and preventing those factors in the environment that can potentially affect adversely the health of present and future generations.

With regard to environmental health the Municipality is focusing on the following core functions of Environmental Health are:

- Compliance monitoring water quality and availability -- including water sampling and testing and mapping of water sources in relation to pollution and contamination – and protection of water sources.
- Implementing environmental health promotion and hygiene awareness and education campaigns.
- Monitoring food safety and hygiene.
- Monitoring waste management, waste disposal and general hygiene, and advocating for sanitary practices.
- Conducting surveillance at designated premises.
- Monitoring the control of communicable diseases and those related to environmental health.
- Ensure the Control and monitoring of vectors and stray animals
- Monitoring of environmental pollution, including air pollution and noise
- Monitoring and ensuring the control of the disposal of the dead.
- Monitoring and ensuring adherence to all health standards during traditional circumcision practices.

5.1.2.5.5 Environmental Management

The Nelson Mandela Bay Municipality seeks to protect, maintain and ensure that there is sustainable utilization of Nelson Mandela Bay's globally important biodiversity and environmental assets in a manner that is legislatively responsible and compliant. In line with various environmental legislative frameworks, Environmental Management within the Municipality is focused on the following:

- Strategic planning and development activities that facilitate the implementation of environmental programs, whilst upholding the sustainable development principles in the delivery of key service delivery objectives.
- Protect, enhance and maintain the social, economical, cultural and environmental integrity of NMBMM's coastline.
- Assist in the completion of the annual environmental audit of the NMBMM.

5.1.2.5.6 Development and maintenance of Parks, Cemeteries and Public Open Spaces

The Municipality is committed to create and maintain landscaped areas, undeveloped municipal land within the urban footprint and cemeteries in a sustainable, aesthetic, eco-friendly safe environment to enhance the marketability of the city and improve the quality of life for all.

This includes:

- Conceptualisation, planning and implementation of landscaping projects.
- Planning, provision and maintenance of playground equipment.
- Planning and development of Public Open Spaces, including major parks and landscaped islands.
- Compilation and implementation of greening programs as per the Greening Policy.
- Maintenance of parks, flowerbeds, developed public open spaces and playground equipment.
- Tree planting on street verges and public open spaces.
- Maintenance of trees on verges and public open spaces.
- Specialised vegetation control (alien vegetation management, weed control and biological control).

- Provision of burial land and burial services.
- Upgrading/Maintenance of cemeteries.
- Provision of floral decorations for civic functions, organizations and institutions in City venues only (only non-profitmaking organisations).
- Plant production for the City's requirements
- Providing advice to the public regarding plant diseases and identification, where possible.

FIVE-YEAR PERFORMANCE PLAN

PUBLIC HEALTH				
Key Performance Element: Occupational Health, Safety and Wellness				
Strategic Objective	**Supporting Objective**	**Five Year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Fostering a safe, secure and healthy environment for both employees and communities	To ensure health and safety compliance and wellness of all NMBMM employees	Implementing sustainable management systems, ensuring identification, assessment, elimination, mitigation and/or management of potential hazards in NMBMM construction sites and workplaces	% of municipal construction sites audited for health and safety compliance	100%
		Implementing sustainable employee health and wellness management programmes	% employees in designated occupations undergoing annual medical testing in line with the Occupational Health and Safety Act	100%
			% employees (total workforce testing for HIV/AIDS) as part of the Nelson Mandela Bay Municipal Employee Wellness Programme	37%

PUBLIC HEALTH				
Key Performance Element: Waste Management				
Strategic Objective	**Supporting Objective**	**Five Year Programmes/Projects**	**Key Performance Indicator**	**2012/13 Target**
Ensuring access to basic services for all resident communities in Nelson Mandela Bay	To improve access to basic services by 2014 in line with Outcome 9	Implementation of the NMBMM's Integrated Waste Management Plan (2012/2013 to 2016/2017) focusing on waste reduction, recycling and elimination of illegal dumping	% households within the urban edge receiving a domestic waste collection service	100%
			% reduction in the 1270 identified illegal dumping hotspots	30%
			Number of wards serviced by waste management co-operatives	28 wards
**Footnote: A Co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.*				
Fostering a safe, secure and healthy environment for both employees and communities	To create and maintain landscaped areas and cemeteries in a sustainable, aesthetic eco-friendly safe environment	Provision of POS and landscaped areas	Number of new play parks developed	6
		Greening and beautification initiatives	Number of trees planted	790
		Cemetery management and development	Number of operational cemeteries landscaped	6

PUBLIC HEALTH				
Key Performance Element: Environmental Health				
Strategic Objective	**Supporting Objective**	**Five Year Programmes/Projects**	**Key Performance Indicator**	**2012/13 Target**
Fostering a safe, secure and healthy environment for both employees and communities	To ensure compliance of food and food premises with the Foodstuffs, Cosmetic and Disinfectant Act	Implementation of Food Stuffs Cosmetics and Disinfectants Legislation	Number of formal and informal food handling premises evaluated and certified in terms of the Foodstuffs, Cosmetics and Disinfectants Act	1200
			Number of milking parlours evaluated and certified in terms of the Foodstuffs, Cosmetic and Disinfectant Act	100

5.1.2.6 Safety and Security

The safety and security of all residents, the business community, tourists and municipal property is a key focus area of this Municipality. In this regard, the Municipality focuses on the following:

- Road traffic management,
- Fire and emergency services,
- Disaster management services and
- Internal security services.

In performing these services the Municipality is regulated by applicable legislation and by-laws.

(a) Disaster Management Plan

The Municipality is required by the Municipal System Act and Disaster Management Act to develop a Disaster Management Plan as part of its IDP.

Disaster management is aimed at:

- Preventing or reducing the risk of disasters;
- Mitigating the severity or consequences of disasters;
- Emergency preparedness;
- A rapid and effective response to disasters; and
- Post-disaster recovery and rehabilitation.

To mobilise all stakeholders in the management of disaster, a Disaster Management Advisory Forum and Local Disaster Management Committees were established.

The key disaster management focus areas are as follows:

- Creating a sustainable municipal institutional capacity for disaster management.
- Introducing effective risk reduction strategies.
- Disaster risk management planning and implementation.
- Effective disaster response, relief and recovery.
- Enhancing public awareness and preparedness, disaster risk management research, education and training.
- Evaluating and improving disaster management implementation in Nelson Mandela Bay.

(b) Road traffic management

The focus areas of road traffic management are the following:

- Promotion of road safety, through integrated and coordinated law enforcement initiatives.
- Provision of an effective licensing function.

(c) Fire and Emergency Services

The Municipality is aimed at saving lives and property in the Nelson Mandela Bay.

Fire Safety

The functions of the Municipality's fire services include the following:

- The approval of building plans for fire protection and fire requirements.
- The development, co-ordination and implementation of Fire Safety By-Laws and providing detailed knowledge thereof to the public in general.
- The approval and renewal of licenses to store petroleum and Liquid Petroleum Gas.
- Approval of major hazardous installations.
- The conducting of fire safety lectures / evacuation drills.
- Fire investigations to establish the causes of fires.
- Various inspections of commercial and industrial premises, as well as places of public entertainment, to determine compliance with fire safety requirements.
- Issuing of Controlled Burning Permits in liaison with Environmental Health Services.
- Community Fire Safety awareness programmes at schools, clinics, old age homes and other institutions, with special attention paid to the previously disadvantaged communities.

Security Services

The function of the security services in the metro is aimed at ensuring the safety of councillors, municipal officials and communities, and the safekeeping of installations, buildings, equipment and other municipal assets.

The service provides for, inter alia:

- A guard force to provide access control and patrols at strategic municipal localities;
- Prevention and investigation of council losses/thefts/damage or misuse of assets;
- Monitoring of localities and rapid response to any alarm conditions;
- Armed escorts and other relevant functions;
- Security surveys and recommendations to Directorates to prevent loss and potential loss.

The Municipality is guided by the Security Master Plan in implementing its security services.

FIVE-YEAR PERFORMANCE PLAN

SAFETY AND SECURITY				
Key Performance Element: Traffic and Licensing				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Targets**
Fostering a safe, secure and healthy environment for both employees and communities	To ensure a safe and reliable road traffic system in the Nelson Mandela Bay	Implementation of Traffic Control, Enforcement and Management Programme which includes: (a) Maintaining the current standards in relation to the issue of traffic fines, reduction in road accidents and revenue collection (b) Reduction of waiting periods in respect of both learners license and drivers license from 16 weeks to 2 to 3 weeks	Average traffic fines issued by a Traffic Officer per day	10
			% reduction in road accidents	1%
			% Revenue collection from traffic fines	60%
			Turnaround time from booking Learner's License test to the actual test	4 weeks
			Turnaround time from booking the Driver's License test to the actual test	16 weeks

SAFETY AND SECURITY				
Key Performance Element: Protection of Municipal staff and assets				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Targets**
Fostering a safe, secure and healthy environment for both employees and communities	To ensure the safe keeping of municipal assets, Councillors municipal officials and communities	Implementation of the Security Master Plan including the installation of CCTV cameras focusing on crime hotspots areas	Number of additional CCTV cameras installed	10 (Missionvale, Swartkops, Malabar, Njoli, Soweto-on-Sea, Motherwell, Wells Estate, Ikamvelihle, Helenvale and mobile/roving camera)

SAFETY AND SECURITY				
Key Performance Element: Disaster Management				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Targets**
Fostering a safe, secure and healthy environment for both employees and communities	To proactively and effectively prevent, mitigate and respond to disasters	Implementation of the Disaster Management Plan	Number of additional technical natural disaster early warning systems installed	2
Key Performance Element: Fire Safety				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Targets**
Fostering a safe, secure and healthy environment for both employees and communities	To ensure an efficient and effective fire safety environment and service	Implementation of the fire safety programme	% reduction in fire incidents	1%

SAFETY AND SECURITY				
Key Performance Element: Emergency Services				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Targets**
Fostering a safe, secure and healthy environment for both employees and communities	To have an efficient and effective response to emergencies	Implementation of fire safety, traffic and disaster emergency programmes	Response rate to emergencies:	
			Traffic	10 min
			Fire	10 min

5.1.2.7 Infrastructure Asset Management

This Municipality prides itself on its effective asset management systems. The importance of an effective asset management system can never be overemphasized, because it supports infrastructural development and maintenance programmes. These systems involve the management of the following strategic assets:

- Electricity
- Water
- Sanitation
- Refuse removal
- Roads
- Stormwater
- Property and buildings

Asset management is central to service delivery. When assets are managed properly, operational and replacement costs are significantly reduced. If assets are not properly maintained, service disruptions may occur. In the past, investment in infrastructure asset maintenance has been inadequate, due to insufficient funding. The inadequate levels of maintenance in the past are the reason why this Municipality is currently confronted by huge maintenance backlogs.

The NMBMM has developed an integrated and auditable asset register that fully complies with the latest accounting standards. This system identifies the operational requirements for the maintenance and development of its infrastructure and other asset programmes on an ongoing basis.

The biggest challenge this Municipality faces is to keep up the pace of maintenance of the rapidly expanding asset base as services are rolled out and the metropolitan area is growing.

The following information is indicative of where this Municipality is in terms of asset management:

- Four consecutive unqualified Audit Reports (2007/08 to 2010/11).
- The NMBMM has a fully GRAP compliant Asset Register (General Ledger).
- The detailed Asset Register consists of the following:
    - Roads and Pavement Management System
    - Bridge Management System
    - Water and Sanitation Management System
    - Fleet Management Information System
    - Land and Facilities Management System
    - Electricity Management System
    - Moveable Asset Register
- Asset values are based on the historic cost method.
- The detailed Asset Register includes replacement values for planning purposes.

To ensure every asset is maintained, the following is done:

- Annual Asset Verification is done by all directorates for all asset categories
- Annual condition assessment is done, resulting in maintenance plans as follows:
    - Roads and bridges: Detail visual inspection.
    - Facilities: Physically inspected.
    - Fleet: Serviced annually.

  - Water, sanitation and stormwater condition assessment is done via CCTV cameras.
  - Electricity Network: Physical inspection and fault report analysis are undertaken annually to determine the conditionality of the assets.
- Maintenance plans are executed per the Operating Budget.
- Rehabilitation maintenance to extend the lives of assets is executed per Capital Budget.
- Replacement of Assets takes place where rehabilitation maintenance is not economically viable.

The following table lists the value of this Municipality's asset base and what it would cost to replace all its assets if they were not properly maintained or in the event of a disaster.

Asset Category	Historic Cost R' million	Estimated Replacement Value R' million
Infrastructure Assets	8 708	156 916
Land and Buildings	2 301	7 526
Community Assets	3 043	35 500
Heritage Assets	126	18 662
Other Assets	939	1 500
Intangible Assets	531	800
Investment Property	82	47
TOTAL	**15 730**	**220 951**

The international norm for operational maintenance of assets is a minimum of 2% of the replacement value, which would amount to R4,5 billion per annum for the Municipality. On average, the current affordability level for the NMBMM is approximately R400 million per annum.

The following table demonstrates the levels of spending on operational repairs and maintenance, capital rehabilitation and replacement of assets for the period 2007/08 – 2010/11 and budget for 2011/12 financial year.

Action	**2007/08 Actual Spent R' million**	**2008/09 Actual Spent R' million**	**2009/10 Actual Spent R' million**	**2010/11 Actual Spent R' million**	**2011/12 Budget R' million**
Operating repairs and maintenance	330	382	408	415	426
Capital rehabilitation	36	49	57	475	288
Replacement of assets	62	77	73	1 043	1 072
TOTAL	**428**	**508**	**538**	**1 933**	**1 786**

The above table demonstrates how the rehabilitation of assets reduces as operating repairs and maintenance increases. This Municipality sits with an aging infrastructure asset base that inevitably needs to be replaced at some time, which potentially may result in significant rates increases.

5.2 LOCAL ECONOMIC DEVELOPMENT

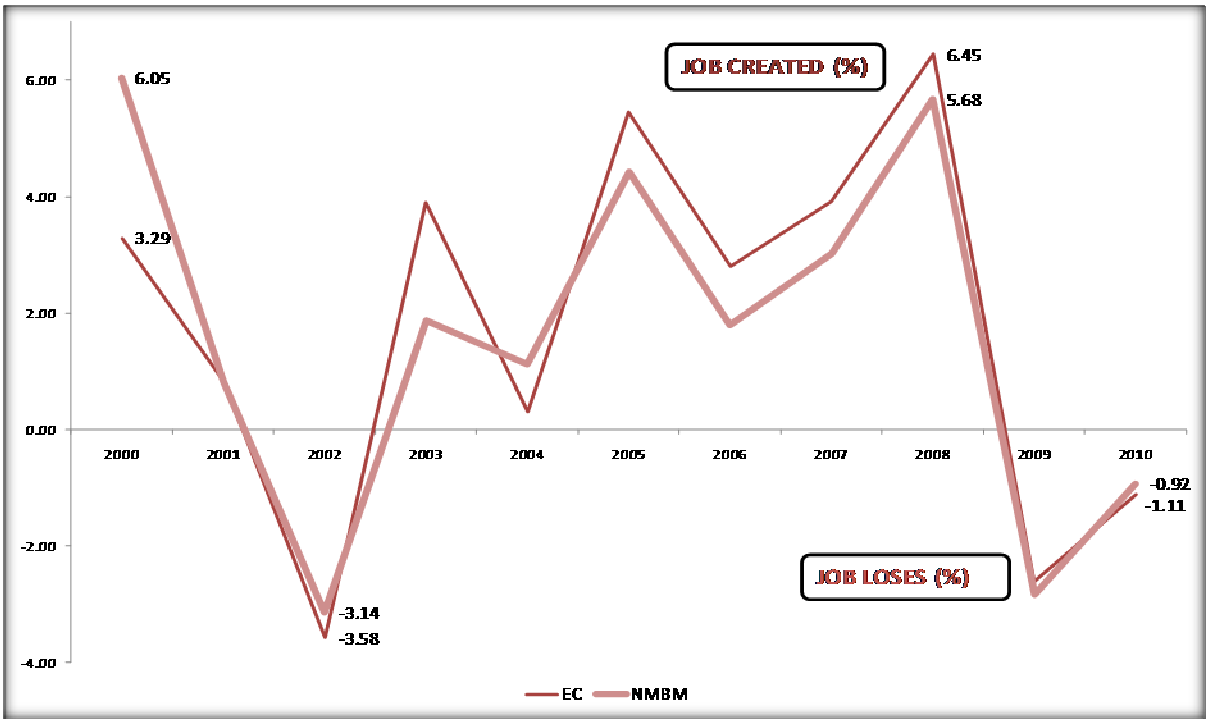
Local economic development is a dynamic and sustainable process, which creates wealth and raises living standards. This has a number of implications, including increased entrepreneurial and business activity, as well as the improved material status of citizens through access to resources and basic services. The Municipality's Economic Development Framework seeks to improve the Metro's global competitiveness and simultaneously eradicate poverty. Effectively, this Framework recognises that Nelson Mandela Bay is part of the global economy and also needs to ensure that it creates a safety net for the poor.

The Economic Development Strategy adopted by Council in March 2011 identifies the following key economic enablers for Nelson Mandela Bay:

- Skills development.
- Infrastructure development.
- Visionary governance.
- Meaningful business, civil society and governmental partnerships.

It argues for strong industrialisation, building from our existing manufacturing capacity and diversifying our economy.

FIGURE 1: PERCENTAGE CHANGE IN EMPLOYMENT, 2000-2010



Source: Global Insight

The global economic recession experienced since 2008 has led to job-shedding in the city, as various firms in the automotive, metals and engineering sectors were forced to close or reduce their operations significantly (refer to Figure 1). In response, the city's political leadership, through the Economic Summit held in May 2010, brought together all socio-economic partners to re-imagine the local economy, culminating in the adoption of a local economic development strategy.

The European Union economic crisis manifesting itself in, amongst others Greece and Italy, is likely to delay the economic recovery because of the high trading between South Africa and Europe. The Euro zone crises impact on our economy was delayed; however it affected trade, capital flows, remittances, tourism and other sectors. The overall impact on local export would be substantial. EU is a major customer of South Africa's Automotive Industry and this sector would face decline in sales if costs and expenditure by European

government and households are realised. The Automotive Sector has already been hard hit by recession. The Euro zone crises would worsen the situation which means that the Metro could see further job losses and business closure in the sector.

The regional economy is dominated by the manufacturing sector. We therefore need to strengthen and build on our existing manufacturing base by increasing the local content of production through attracting both foreign and domestic investments and improve logistics and skills supply. Thanks to our unique advantage of possessing two ports, namely PE harbour and Ngqura, an opportunity exists for the city to establish a strong and vibrant maritime sector. A Maritime cluster process will be initiated in partnership with industry and the tertiary education sector to explore new opportunities including ship building and repairs.

The primary goal of government in the next 5 years is to ensure that the jobless growth trend is reversed and that more emphasis is placed on job creation and youth development. The New Growth Path has outlined the priority areas of intervention to ensure a job creation environment.

The Industrial Policy Action Plan II (IPAP II) has identified Industrial sectors that have a high labour absorption capacity targeted for support and growth, e.g. tourism, business process outsource (BPO) etc.

The Industrial Strategy will be finalised in 2012 and Sectoral Support interventions will be part of a 5 year plan. A pro-active destination marketing plan focusing on BRICSA and key trading partners of South Africa, that is aligned to NMBMM's growth sectors – manufacturing, tourism, renewable energy, etc. will be rolled out over 5 years. The Trade and Investment mission will be linked to Dti's programme targeting R1 bn investments by 2016.

Further, skills development that is linked to labour demand by industries will be prioritised, e.g. the training of artisans to provide competent skills in support of the manufacturing and maritime industries. Implementation of the Human Resource Development Strategy will continue and the partnership with the Coega Development Corporation (CDC) regarding the Labour Management System will be renewed. Partnership with SETA's will be explored to leverage training funds.

In line with the LED Strategy's goal of "Nelson Mandela Bay as a place to visit, live and invest" the Nelson Mandela Bay as a destination of choice to both investors and tourists", the Nelson Mandela Bay Municipality seeks to maximise benefits from tourism and property development Nelson Mandela Bay. The Tourism Master Plan has been reviewed to ensure that we build on the benefits of the FIFA 2010 World Cup, such as worldwide exposure as a visitor friendly city. Further, as tourism is the fastest growing sector in the local economy, all efforts will be made to ensure that it contributes significantly to job creation efforts.

The Tourism Master Plan has identified the following key areas for intervention:

- Harnessing and maximising benefits from culture and heritage tourism
- Making Nelson Mandela Bay a tourism friendly destination by introducing more tourism signage
- Improving services through quality assurance
- Empowering communities through skills development initiatives
- Increasing tourism business and the participation of previously disadvantaged individuals (PDIs) through tourism enterprise development
- Diversifying tourism offerings through product development, especially in township tourism

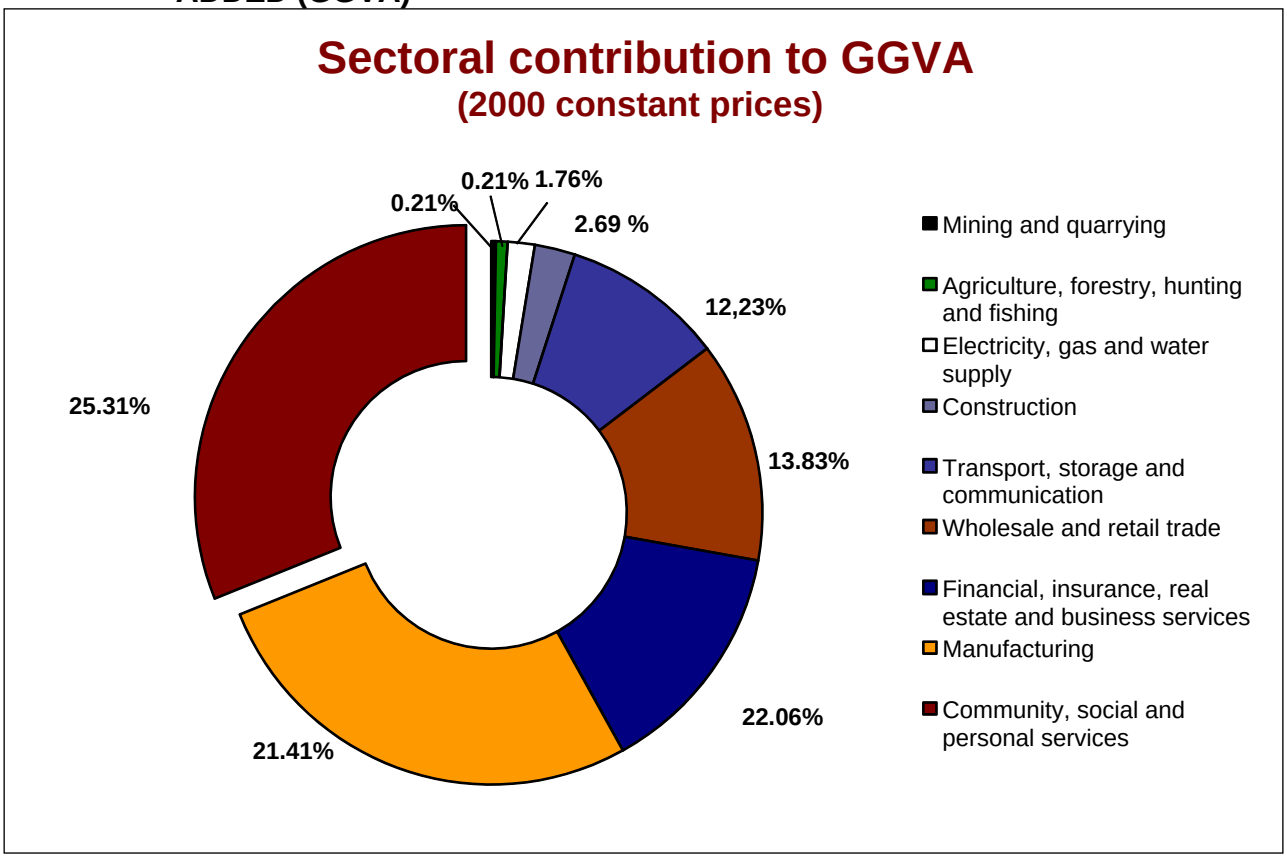
Key Economic Statistics of Nelson Mandela Bay's Economic Contribution:

- Nelson Mandela Bay contributes 2.7% to the National Economy.
- This performance is justified when looking at its 1.1milion population in relation to national population amounting to 50,59 mil (Stats SA, 2011).
- Sector Analysis:
    - Nelson Mandela Bay GDP (R/Millions/%)
        - 61 671 887
        - 4.1% of National Economy
    - Nelson Mandela Bay average growth at constant 2005
        - 4.5%
- GDP-R per Capita @ constant 2005:
    - R53 955

Sector Contributions to Nelson Mandela Bay Gross Geographic Value Added (GGVA) (refer to Figure 2 below)

- Community Services 25.31%
- Finances 22.06%
- Manufacturing 21.41%
- Trade 13.83%
- Transport 12.23%
- Construction 2.69%
- Electricity 1.76%
- Agriculture 0.21%
- Mining 0.21%

FIGURE 2: SECTORAL CONTRIBUTION TO GROSS GEOGRAPHIC VALUE ADDED (GGVA)



- Nelson Mandela Bay contributes 34.7% to the Eastern Cape GDP.
- Gross Domestic Fixed Investments (Nelson Mandela Bay to Eastern Cape Province):
    - 4.4% in total contribution to the provincial economy
    - 4.6% Building & Construction
    - 4.6% Mechanical & Equipment
    - 3.8% Transfer Costs

- Fixed Capital Stock (Nelson Mandela Bay to Eastern Cape Province):
    - 4.4% Building Construction
    - 4.5% Manufacturing & Equipment
    - 4.8% Transport & Equipment
    - 3.8% Transfer cost

- Sector Contributions to Eastern Cape GDP (2010):
    - Manufacturing 59.78%
    - Transport 59.23%
    - Finance 43.31%
    - Trade 38.80%
    - Community Services 31%

Re-imagining Nelson Mandela Bay's Economy

On 14 – 15 May 2010, the Nelson Mandela Bay Municipality held an Economic Summit forging a bold plan for the socio-economic transformation of Nelson Mandela Bay, specifically activating economic growth impulses that will generate work opportunities and increase household and social incomes throughout the Metro and the region.

Representatives of local and provincial government, the business community, organised labour, academia, students and civil society participated and collectively agreed on a local economic development path for Nelson Mandela Bay.

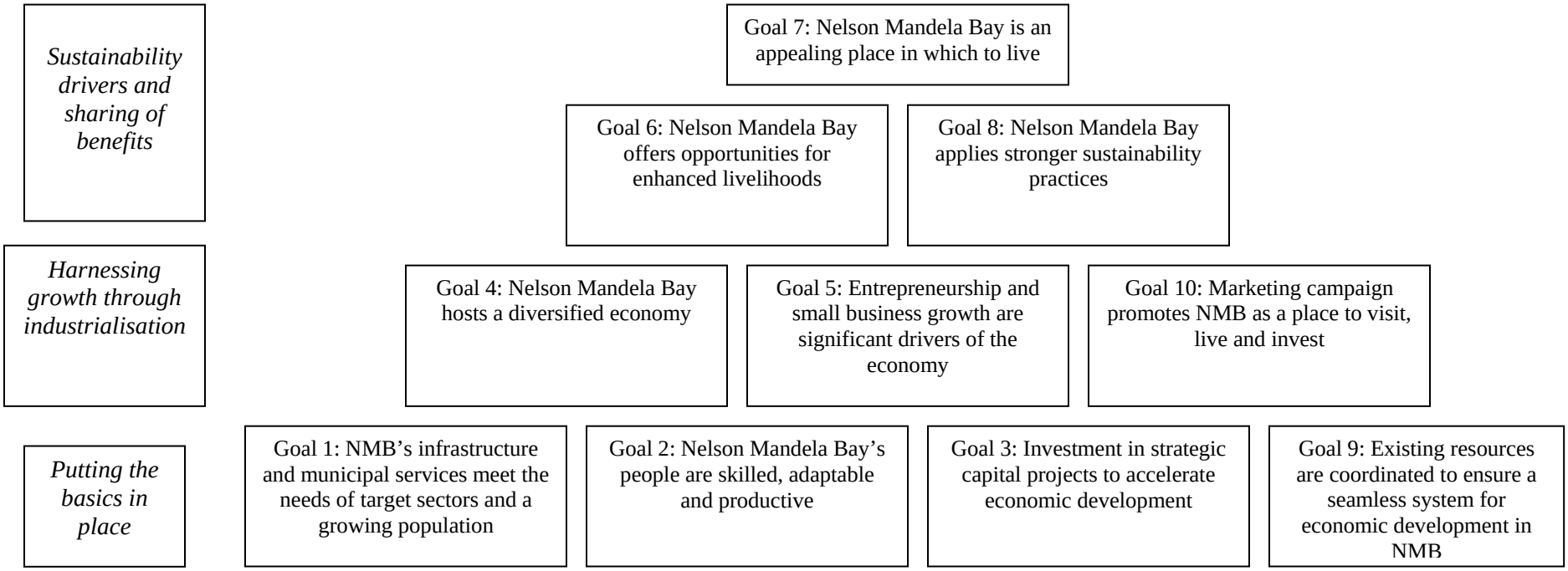
A key outcome of the Summit is a Socio-Economic Intervention Plan, which all stakeholders and participants committed to jointly implement. This Plan is reflected in the table below:

A 're-imagined City': a three-part Nelson Mandela Bay Socio-Economic Intervention Plan (SEIP)		
1. Social Programme	**2. Industrial Growth and Innovation Programme**	**3. Infrastructure and Transport Programme**
EPWP (mass employment programme) Food security Urban upgrading/Housing HIV/AIDS	Autos Renewables Agro-processing Capital goods PetroSA Tourism	Coega Trans-shipment Hub Metro Transport Water/Electricity
Key enablers and intervention programmes		
Institutional turnaround – LGTAS		
IDP process alignment, consultation and incorporation		

Building Basics in order to achieve the desired Socio-economic Outcomes

The strategic framework as per the Local Economic Development (LED) Strategy identifies Nelson Mandela Bay's economic development vision and its objectives, as reflected in Graph 1 below. The economic development vision of the Municipality is: "Nelson Mandela Bay is an innovation hub for sustainable production and consumption".

GRAPH 1: SCHEMATIC DEPICTION OF GOALS UNDERPINNING CITY'S ECONOMIC VISION:



The LED Strategy Plan identifies the following key interventions:

Goal	Strategic Programmes/Activities
1 Nelson Mandela Bay's infrastructure and municipal services meet the needs of target sectors and a growing population	• Maintain and improve the area's existing **civil infrastructure** (i.e. electricity, roads, water, waste management, other utilities) in line with resident and business priorities - ongoing • Ensure that **electricity supply and expansion plans** meet current demand, and keep pace with future demand by households and industry, including Coega - ongoing • Establish **Broadband telecommunications** infrastructure to increase connectivity for residents and businesses by 2015 • Promote the establishment of freight and passenger **rail services** between the metropole, the hinterland and cities of Buffalo City and Cape Town • Maximise the use of the Expanded Public Works Programme to increase employment and skills development opportunities, whilst meeting infrastructural needs - ongoing
2 Nelson Mandela's people are skilled, adaptable and productive	• Update of the **Human Capital Development Strategy** and associated **skills** audit on a 2-year basis to determine level of skills in the community and assess the skills required by the businesses by 2013 • Provision of **Skills Development & Education programs** focusing on preparing the workforce for NMBMM's target economic sectors. (2012 onwards) Implementation of the HRD Strategy with a key focus on: - Identification of existing skills base in the region as well as potential skills, which will be required for both domestic and foreign market demands created. - Realignment of existing and development of new training programmes to meet both current and future skills demands. - Realignment of training with investor requirements - Realignment of training with existing business requirements - Realignment of training with major developments - Realignment of training with key growth sectors and industries <u>Indicators/Timeframes:</u> - Growth in industry and a reduction of skills shortages - Existence of central database that will enable a HRD Forecasting for NMB

Goal	Strategic Programmes/Activities
	- Existence of Human Capital development initiatives in NMBMM. - Education and Training Institutions able to respond to skills training as well as development of well equipped human resources. <u>Roleplayers:</u> Business Chambers, Coega, NMMU, FET Colleges, SETAs, ECDC <u>Resources/Budget:</u> - R2,5 M - Partner with existing institutions to capitalise on Human Resources/Personnel
3 Investment in strategic capital projects to accelerate economic development	• Invest in municipal infrastructure that will support the development of the **ICC** by 2013. • Continue to invest financial and human resources towards the **relocation of the tank farm and manganese ore dumps**, including lobbying at the highest political level by 2017. • Re-energise planning and implementation processes for the redevelopment of **Njoli Square** by 2014. Attract and stimulate investment and accelerate economic development. Timeframe: 3 years, starting June 2009. Resources: National Treasury, Private Sector & Council Funding. Partners: National Treasury, Private Sector & Council. Responsible: Infrastructure & Engineering Directorate & EDRS. • Re-align concepts for the **Red Location Museum Precinct** so as to re-align with market opportunities and community needs by 2014.. Timeframe: 5-years, starting May 2009. Resources: National Treasury, Government Departments, Private Sector & Council. Responsible: Human Settlements Directorate & EDRS. • **Fountain Road, Walmer and upgrade** by 2013. Timeframe: 4–years, starting May 2009. Resources: National Treasury, Private Sector & Council Funding. Partners: National Treasury, Private Sector & Council. Responsible: Human Settlements Directorate & EDRS. • **Science Centre** Phase II by 2015. Timeframe: 2-years, starting May 2009. Resources: Government Departments & Council Funding. Partners: Government Departments & Council. Responsible: UDDI & EDRS.
4 Nelson Mandela Bay hosts a diversified local economy	• Implement **Business Retention and Attraction Strategy** by 2013 • Establish systems and procedures to collect, collate and disseminate **local-level industry performance and market**

Goal	Strategic Programmes/Activities
	intelligence regarding key economic sectors by 2014. • Establish a **Manufacturing and Maritime Cluster** to identify gaps and opportunities in downstream industries, supplier firms and supporting infrastructure by 2013. • Establish a **Cultural and Creative Industries Cluster** by 2014 to identify gaps and opportunities in product development, downstream industries, supplier firms and supporting infrastructure • Re-energise a fully representative and functional Tourism organisation with the resources necessary for effective destination marketing, management and development by 2012 • Ensure strong, safe and sound **Regional economy.** Accelerate the development, growth and promotion of identified key industries: ICT, BPO & creative industries: film and music industry etc. Timeframe: 2012 onwards
5 Entrepreneurship and small business growth are significant drivers of the economy	• Support training of emerging entrepreneurs through **mentorship and training programmes.** 500 trained SMMEs p.a. in different Business Skills. Timeframe: Ongoing. Partners: NMBMM/COMSEC/SEDA. Budget: R2m • Support growth of sustainable enterprises through **incubation.** SMME Textile Hub, ICT Incubator and Construction Incubator. Timeframe: Dec 2009. Partners: SEDA/NMBMM/OLD MUTUAL/NDA. Budget: R1.5m per incubator per annum.
6 Nelson Mandela Bay offers opportunities for enhanced livelihoods	• Integrate **provision for food security in spatial planning**, including identification of land parcels for food gardens in all suburbs, affluent and poor by 2013. • Encourage the development of food gardens and 'orchards' on vacant or under-utilised private and public land - ongoing
7 Nelson Mandela Bay is an appealing place to live	• Continue to invest in capital infrastructure to **regenerate derelict areas** and re-establish resident and investor confidence • Identify additional opportunities for the establishment of **City Improvement Districts** at 1 per annum. • Create and implement a cohesive and integrated **Place Marketing Strategy**, focusing on key economic sectors. Implementation of the NMBMM Business Support Centre that will look at promoting NMBMM as an investment destination. Implement the investment Incentives Strategy. Maximise economic benefits from the sister city partnership. Timeframe: Collaborative marketing opportunities for investment, business and tourism. Roleplayers: EDRS, International Relations

Goal	Strategic Programmes/Activities
	Office, Business Chambers, MBDA, UDDI, Coega, NMBT, ECDC, etc. Budget: Human & Financial Resources (number & figures to be confirmed).
8 A strong marketing campaign promotes Nelson Mandela Bay as a place to visit, live and invest	• Establish a representative **Place Marketing Cluster** to lead the development of a **Place Marketing Strategy** • Collaborate with the Cacadu District to implement joint marketing actions – bi-annual engagements on areas of co-operation. • Launch a **Nelson Mandela Bay Ambassadors** programme in partnership with leaders, notable figures and personalities in the business, education, sport, environmental, cultural and religious/spiritual sectors

In terms of the Plan, the following key intervention programmes will be implemented and mainstreamed in the institution:

5.2.1 Socio-economic Impact of Sport and Recreational Activities

The sporting and recreational landscape changed dramatically in the previous century, and this dynamic field will continue to change in the 21st century. Sporting and recreational activities continue to be key mechanisms for transforming society and building economic well-being. These fields have the ability to generate employment, and build social cohesion, national pride and economic development.

Nelson Mandela Bay is blessed with a rich legacy of Victorian architecture, mixed with a vibrant Xhosa and Afrikaans culture. This cultural diversity, and new developments in the city, such as the Red Location Museum of Struggle and our pristine beaches, have been shown to be the biggest drawing cards for competing in the international tourism sector. The continued preservation of this key infrastructure and the development of new heritage infrastructure will ensure that the residents of the city all find an identity and a source of pride in their city. Likewise, the development of the arts and crafts disciplines will be a sure way of ensuring that Nelson Mandela Bay is able to create a sustainable and proud

livelihood for those sectors of its community that are not able to find employment in the formal economy, thus pushing back the frontiers of inequality and poverty.

On the sporting front, Nelson Mandela Bay has a proud history of individuals who have excelled in sport. However, sport development in Nelson Mandela Bay has not yet reached its full potential. Nelson Mandela Bay has identified key sporting codes, namely soccer, rugby, netball, cricket and water sport, for special attention and development. Support for a Super Rugby franchise in Nelson Mandela Bay as well as professional Soccer League status is imperative. Indications are that a Super Rugby Franchise for the province will be located in the city and in existence by 2013. Following the departure of Bay United, the intention is to have a Premier League Soccer team in the Bay within three years through working with SAFA Nelson Mandela Bay and local soccer teams. Likewise the continued rise of the City's cricket is recognized. Other sporting codes like the martial arts, athletics and tennis will also receive focus.

The provision of adequate sporting and recreational facilities is key in sport development and has been prioritised by the Municipality. Partnerships between the Municipality, different sporting bodies and communities are essential in this regard. The Sports Development and Maintenance Framework provides an audit of all the existing sports facilities, standards and norms for maintenance and proposes the equitable future development of facilities throughout Nelson Mandela Bay. Most importantly it encourages multi usage and therefore requires cooperation between all sporting federations.

The development of the arts and culture sector through the nurturing of talent and infrastructure provision needs to be linked to the promotion of the creative industries. Strategies to develop the arts and culture sector are in place and will be complemented by film and events management policies and the Tourism Master Plan to provide guidance on the development and promotion of this sector.

A film office, linked to the events office, has been established to develop a relevant policy and bylaws and act as a one-stop shop for processing film and event applications and permits. The community television station - Bay Film TV – has been established to act as platform to showcase local talent. Various interventions to promote the growth of businesses and the participation of artists in the creative industry value chain will be identified together with industry stakeholders.

The arts and culture policy adopted by Council in 2005 and confirmed with stakeholders in 2011 as relevant for the next 5 years identifies the following key imperatives for Nelson Mandela Bay :

- Providing support in the development of artists.
- Providing and mitigating opportunities for artists to benefit economically through their art forms.
- Provide support toward organizing the arts communities.
- Providing a gateway to becoming role-players in the industry and enabling the artist to move economically from elementary stage to be sector contributors to the Nelson Mandela Bay GDP.
- Provide skills transfer to the unemployed, HDI, women and youth, in the effort to reducing poverty above the breadline as well as curbing unemployment.
- Provide critical infrastructure in support of local artists.

The establishment of an Art Forum is underway; this forum will comprise Art professionals and will work with Art structures for the realization of the Art & Culture Policy Framework. The aim is to regulate Artists' working relations with the local government and ensure that the development of all art forms prevalent in the NMBMM is maintained through support offerings/programmes given by Local Government to these developmental offerings/programs. To make facilities

functional, operating budgets and staff will be established. The following projects will be undertaken in the next 5 years:

- Mendi Multi-Purpose Center
- Motherwell Cultural Center
- Kwanobuhle Cultural Center
- PEBCO 3 and COSAS 2 Memorial
- Mendi Memorial Redevelopment
- Libraries Infrastructure Redevelopment
- Museums Infrastructure Redevelopment
- Language Arts Festival
- Review of Library Policy

The Public Library and Information Services policy objective is to provide access to information and library services. 38% of NMBMM population is the youth accentuating that the city needs to look at education and information provision matters more seriously. Redevelopment and upgrading of existing library structures to accommodate 21st century needs. Of the 1,3 million residents of the Metro Library Services have 560 500 registered members and the number is growing. Revision of the library policy is essential so that it can be line with the national draft norms and standards developed by DAC.

The City boasts a 90km coastline of pristine beaches. Through a comprehensive plan to develop and maintain our beaches, we have regained the Blue Flag status of Humewood Beach. The Socio-Economic Cluster has prioritized coordination of services to maintain beaches and service level agreements for each relevant directorate will be agreed and implemented.

Following the successful hosting of the inaugural International Music Festival, this event will be hosted annually and December has been identified as an ideal time. In addition, other major events are in the pipeline including an artist development

program culminating in an Arts Festival and a Choral Music Festival and a signature event linked to the iconic status of being named Nelson Mandela Bay. Such an event will take place in July annually and feature various cultural forms and be utilized as international platform where our sister cities could participate and showcase their arts and culture traditions. In order to achieve these, the capacity of the events office will be strengthened with increased staff.

5.2.2 Facilitation of Megaprojects

The Municipality has identified key megaprojects, as reflected in the Spatial Development Framework and the LED Strategy of the Municipality. These include projects funded through Neighbourhood Development Partnership Grants, e.g. the Njoli Square Development, Fountain Road Redevelopment and Red Location Precinct. The process for the development of a major regional retail and commercial centre is under way and the momentum in the development of the waterfront as a catalystic project will be intensified.

The following Mega Projects have been identified and the progress thereof is reflected in the attached Mega Projects Matrix Report:

- Freedom Statue
- Bayworld Re-development
- International Convention Centre
- Revitalisation of Uitenhage Centre
- 2010 Soccer Stadium Precinct
- Low-cost Integrated Housing Project
- Telkom Park
- Gateways & Beautification
- Beachfront Developments
- Colchester Development
- Njoli Square Re-development

- Motherwell Urban Renewal Project (MURP)
- Nelson Mandela Bay Logistics Park – Phase III
- Nelson Mandela Skills Revolution
- Project Mtombo – Petro SA
- Madiba Bay Creative Arts and Film Industry
- International Airport Development
- N2 Developments
- Red Location Cultural Precinct
- Fountain Road Redevelopment
- Van Der Kemp's Kloof
- Uitenhage Science Centre Phase II
- Uitenhage Aerodrome
- Helenvale Urban Renewal Project (HURP)
- Water Desalination Plant
- Renewable Energy

The undertaking by Transnet to remove the oil tanks in 2014 paves the way for a Waterfront Development at the PE Harbour and the beneficiation of manganese in the Coega IDZ. The MBDA has been mandated to expedite the development of the Nelson Mandela Statue within two years. Progress on the implementation of the Mega Project will be reported on a quarterly basis.

5.2.3 Job Creation and EPWP (Expanded Public Works Programme)

The Nelson Mandela Bay Municipality has aligned its programmes to ensure the creation of decent jobs, infrastructure and socio-economic development as well as environmental management. The Municipality's IDP and Budget are being utilized as key tools for mainstreaming labour-intensive approaches.

In building the economy and create jobs. The ruling party encourages the progressive way of oriented capital expenditure and social services, through provincial and local budgets with utilizing labour intensive construction methods.

The Municipality is currently implementing EPWP Phase 2, which commenced in 2009. EPWP is a government-wide programme aimed at creating jobs and imparting skills through public spending. EPWP involves re-orientating line function budgets so that government expenditure results in more work opportunities, particularly for unskilled labour. It consists of four sectors: -

- Infrastructure
- Environment and Culture
- Social
- Non-State

The Municipality has signed the annual Incentive Agreement with National Department of Public Works and its main purpose is as follows:

- To establish agreed framework for cooperation and coordination between the parties in the implementation of its EPWP Programme / projects.
- To specify the processes and procedures to report on progress in achieving job creation targets; as well as the processes to indicate the incentive amounts earned and spent.

Furthermore, both the New Growth Path and the National Development Plan have highlighted the importance of job creation that includes the implementation of the Expanded Public Works Programme (EPWP) which could be extended to 2020, in an aim to create 5 million Full Time Equivalent jobs.

EPWP is a cross-cutting programme in all directorates in the NMBMM. Each directorate is required to identify and integrate labour-intensive programmes/projects into its normal activities i.e. SDBIP.

Objectives

- Maximising employment opportunities.
- Developing skills in the community through EPWP training programmes.
- Developing sustainable emerging enterprises through accredited learnerships.
- Maximising the percentage of the total annual budget spent and retained within the local community in the form of wages.
- Targeting and prioritizing vulnerable groups in most of the projects/programmes (youth, women and people living with disabilities).
- To enhance accountability, and the monitoring and evaluation of the implementation of the EPWP by regular reports, sent to national and provincial government, in addition to municipal Council structures.

Nelson Mandela Bay Municipality will focus inter alia on the following in implementing the EPWP:

- Infrastructure development and maintenance.
- Low volume roads (less than 500 vehicles per day).
- Side and non-motorized transport infrastructure.
- Storm drainage and trenches.
- Resurfacing of identified roads.
- Housing provision, which in addition to onsite activities, will include the manufacturing of building material.
- Youth, women, and people with disabilities development and learnerships i.e. Vukuphile.
- Minor works, repairs and renovations to municipal buildings.

- Peed educators, environment and waste management educational awareness programmes.
- Cooperatives development.
- Sport infrastructure development.
- Beautification programmes e.g. cemeteries.
- Implementation of two pilot labour intensive projects (Wards 40 and 47).
- Support EPWP non-state sector (NGOs and CBOs) in implementing various projects/programmes within the jurisdiction of the NMBMM.
- Implementing mayoral projects/programmes e.g. School Renovation Programmes, through the support of the private sector etc.
- Identifying and exploring additional potential areas.
- LED labour-intensive projects.

The Municipality has won an award in 2011 under EPWP Environmental and Culture Sector from the National Department of Public Works as the best emerging contractor and for the best cooperative development (Ward-Based Cleansing Programmes). Nelson Mandela Bay will build on this success by focusing on other areas for the development of cooperatives.

EPWP Targets

The EPWP targets, as reflected in the Protocol agreement between the Municipality and the National Department of Public Works, are reflected below:

Financial Year	**Work Opportunities**			**Full Time Equivalents (FTE)**		
	Infrastructure Sector	**Environment and Culture Sector**	**Social Sector**	**Infrastructure Sector**	**Environment and Culture Sector**	**Social Sector**
2009/10	3502	279	32	1199	101	25
2010/11	3993	282	37	1439	126	27

Financial Year	Work Opportunities			Full Time Equivalents (FTE)		
	Infrastructure Sector	Environment and Culture Sector	Social Sector	Infrastructure Sector	Environment and Culture Sector	Social Sector
2011/12	5137	357	50	1881	176	35
2012/13	6678	491	49	2427	242	49
2013/14	8406	669	96	3022	330	66
TOTAL	**27715**	**2078**	**311**	**9969**	**975**	**202**

Work opportunities created through EPWP must meet the following equity criteria:-

- 55% women
- 49% youth
- 2% people with disabilities
- 8% any other equity criteria

5.2.4 Poverty Eradication

The Municipality is aware that despite progress made in job creation and the provision of basic services, high poverty levels are persisting. Initiatives to fight poverty introduced by the Municipality include the following:

- Provision of free basic services to indigent households.
- Implementation of EPWP and job creation initiatives.
- Provision of human settlements.
- Development of cooperatives, SMMEs and informal traders.
- War on Hunger Programme.
- Repair of water leakages in indigent households.
- Skills development, learnerships and entrepreneurship support.
- Rural / Peri-urban development.
- Empowerment of youth, women and people with disabilities.

These and other initiatives are prominent throughout this IDP Report.

5.2.5 Mandela Bay Development Agency (MBDA)

The MBDA works within a Council approved Mandate Document, i.e. basically responsible for the revitalisation of the CBD, Central and immediate outlying areas through the improvement of infrastructure, the creation of new infrastructure, and the provision of services such as cleansing, security and the regulation of informal trading.

The key motivation is that CBDs are the engines of growth of any city. It represents by far the biggest component of the rates base. If the NMBMM's CBD dies, then its rates base will be restricted to such an extent that there will be less funding for the upgrading of infrastructure and the provision of services in the entire NMBMM area. On the other hand, if the infrastructure investment and the provision of services are improved in the CBD, it will not only increase the Gross Domestic Product (GDP), but will also increase employment opportunities and expand the all-important rates base.

The MBDA's work is not only based on the economic transformation ~~of the City,~~ but also on the social transformation of the City. A public participation and a bottoms-up approach rather than a top-down approach is followed.

The work of the MBDA has an overall social and economic impact object. Through its role as a change agent, the MBDA ensures that public investment in well-researched, catalytic infrastructure and services will create an enabling environment for private sector investment through the economic multiplier. A number of tools are being used in the achieving the overarching economic impact objective. Such tools includes public participation, a well targeted social investment programme, urban design, urban planning, architecture, art, heritage, SMME development through well developed construction tender documents and

marketing the city as a destination for office, retail, residential and tourism / leisure / entertainment development.

In December 2007, the NMBMM Council resolved that the MBDA should expand its work to other emerging nodes, such as Uitenhage CBD and the North End Stadium Precinct.

In October 2011, a further NMBMM Council decision was taken to hand over the Helenvale Urban Renewal Programme (HURP) to the MBDA.

It has become clear that the urban renewal methodology used by the MBDA in the CBD and adjacent areas will be increasingly used in designated township areas.

Key priorities identified in the MBDA's target areas are:

- Promotion of basic services in the MBDA's target areas, such as cleansing, security and the regulation of informal traders.
- Municipal infrastructure upgrading to promote the development of residential, retail, office and tourism/leisure/entertainment nodes.
- Tourism development around art, heritage and culture.
- Economic development around the creative industry, i.e. the arts, music and craft as key economic driver.
- Redevelopment of derelict and unused buildings that have become a liability to the NMBMM (they are costing money and are not assets ~~ability to~~ adding value to the rates base).
- Ensuring that the new Nelson Mandela Bay Multi-purpose Stadium becomes the catalyst for development of a strong sport, leisure, entertainment, office, residential and tourism node.
- Urban renewal and transformation in ~~the~~ targeted areas of Nelson Mandela Bay.

- Facilitating social housing developments with a view to attracting emerging youth and other relevant stakeholders so that the inner-city areas will become vibrant and attractive for urban transformation.

5.2.6 Uitenhage-Despatch Development Initiative (UDDI)

The UDDI focuses on local economic development projects in and around Uitenhage and Despatch. Key UDDI projects include the following:

- Nelson Mandela Bay Science and Technology Centre.
- Investment promotion.
- Despatch Developers Day, in partnership with other stakeholders.
- Uitenhage Aerodrome Project.
- Uitenhage Lower Yard Project.
- Agricultural Sector Development Programme.
- Environmental Management.
- Enterprise Development and Social Development Programme.

5.2.7 Heritage Management

Nelson Mandela Bay has valuable heritage resources (built and non-built heritage), which contributes to tourism and economic development and constitutes a rich legacy for future generations. The built heritage has, however, been consistently deteriorating over time because of neglect by property owners as well as the competent authorities charged with the responsibility for heritage protection. The Municipality has, however, embarked on initiatives to preserve its valuable resources, including the following:

- Establishment of the Heritage Task Team.
- Development of Heritage Management Policy and By-laws.
- Establishment of a database of all heritage sites in Nelson Mandela Bay.

- Assessment of state of built heritage in Nelson Mandela Bay.
- Engaging with the National Department of Arts and Culture and the Provincial Department of Arts, Sports and Culture.
- Sourcing legal opinions clarifying roles, responsibilities and competencies of the different spheres of government in heritage protection and preservations.

The Municipality has resolved to implement strategies aimed at resolving the current impasse and lack of action in addressing the deteriorating state of its built heritage. These include the following:

- Instituting legal action against property owners neglecting their heritage buildings
- Declaring intergovernmental dispute to force national and provincial structures to fulfill their legislative mandates.
- Continuous engagements with national and provincial government in the spirit of cooperative governance.

The Heritage Policy will guide the conservation and management of the heritage. The continued documentation of the various heritage trails will not only ensure the preservation of our socio-cultural history, but will be tourism and educational outcomes through presentation in various media and platforms.

FIVE-YEAR PERFORMANCE PLAN

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Economic Growth and development				
Strategic Objective	**Supporting Objective**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To facilitate and promote investment in Nelson Mandela Bay	Investment facilitation to the value of R1 billion by 2016	Value of investments secured in Nelson Mandela Bay through the Nelson Mandela Bay Municipality's initiatives	R150 million
			Value of new export contracts facilitated through the Municipality's initiatives	R1.5 million

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Poverty eradication				
Strategic Objective	**Supporting Objective**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To build sustainable businesses through entrepreneurship, SMME and cooperative support	Development and support to SMMEs through, mentorship, entrepreneurship training, provision of start up equipment and the establishment of incubators	Number of emerging businesses trained on entrepreneurship	500 SMMEs
				20 new Cooperatives
				8 auto SMMEs
				200 informal traders
				200 tourism SMMEs
			Number of SMMEs provided with start-up equipment	10 SMMEs
				8 Auto SMMEs
			Number of SMMEs in incubation programme	50 SMMEs
		Provide 12 emerging tourism entrepreneurs with market access by 2016	Number of SMMEs provided with opportunity to participate in tourism trade shows	4

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Poverty eradication				
Strategic Objective	**Supporting Objective**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Addressing the challenge of poverty, unemployment and social inequality	To Support non-commercial productive activities that sustain household livelihoods	Implementation of Urban Agriculture Programme – Implementation of Land Commonage Development and Redistribution (farms) to emerging farmers	Number of existing and new emerging farmers supported	25
			Number of food gardens supported	25
	To reduce poverty levels in Nelson Mandela Bay through the provision of free basic services	Provision of free basic services to households with a maximum income of R1100 per month in line with the Municipal Planning and Performance Management Regulations, 2001, Section 11	% households earning less than R2400 per month (2 state pensions) with access to free basic services	100%

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Tourism				
Strategic Objective	**Supporting Objective**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To diversify tourism product offerings through the construction of a Freedom Statue by 2013	Construction of a Freedom Statue	Number of statues constructed	1 (Freedom Statue)

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Broad-based economic empowerment (BEE)				
Strategic Objective	**Supporting Objective**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Addressing the challenge of poverty, unemployment and social inequality	To support Broad-based Economic Empowerment transition, increasing access for special sectors to economic activities, infrastructure, finance and skills training thus enabling them to meaningfully participate in the economy to achieve sustainable development and general prosperity	Broad-based Economic Empowerment Support Programme	% tenders awarded in adherence to the Broad-based Economic Empowerment targets, both in terms of number and value: (a) previously disadvantaged individuals	50%
			(b) women and youth	10%
			(c) people with disabilities	2%

<table>
<tr><td colspan="5">ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES</td></tr>
<tr><td colspan="5">Key Performance Element: Job creation and Expanded Public Works Programme (EPWP)</td></tr>
<tr><td>Strategic Objective</td><td>Supporting Objective</td><td>Five year Programmes/ Projects</td><td>Key Performance Indicators</td><td>2012/13 Target</td></tr>
<tr><td rowspan="3">Addressing the challenge of poverty, unemployment and social inequality</td><td rowspan="3">To contribute to halving unemployment by 2014</td><td rowspan="3">Implementation of Expanded Public Work Programme focusing on the following projects:
(a) Creation of 30 104 work opportunities, 11 146 full-time equivalents and development of beneficiaries by 2015.
(b) Provision of development opportunities for 20 learners to graduate from CIDB 1 -2 to CIDB 3-4 by 2015.</td><td>Number of learners on infrastructure learnership programme</td><td>20</td></tr>
<tr><td>Number of Full-time equivalent (FTE) jobs created</td><td>3 500</td></tr>
<tr><td>Number of Work Opportunities (WO) created</td><td>6 700</td></tr>
<tr><td colspan="5">• Number of full time equivalent (FTE) jobs created: FTE is defined as an equivalent of a paid work opportunity created for one person on an EPWP project for a year; one person year is equivalent to 230 person days of work.
• The work opportunity refers to each incident where paid work is created for a single individual of an EPWP project for the period of time.</td></tr>
</table>

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Recreation, Arts and Culture				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To ensure all the 16 Nelson Mandela Bay bathing beaches and resorts meet set standards of excellence by 2017 and are safe and user friendly	Acquisition of blue flag status for 2 additional beach (Kings Beach and Wells Estate) to make a total of 3 Blue Flag Beaches by 2016	Number of beaches with Blue Flag status	1 (Humewood Beach)
		implementation of Beach Aquatic Safety Zones (BASZ) and aquatic awareness programme	% reduction in drownings at municipal beaches	10%

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Recreation, Arts and Culture (continued)				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To promote a conducive environment for the development of arts, culture and heritage	Development of Arts and Culture through the establishment of: (1) Mendi Multi-purpose cultural centre by 2013 (2) Motherwell cultural centre by 2014 (3) Kwanobuhle Cultural Centre by 2015	Completion of the Mendi Multi-purpose Cultural Centre	By June 2013
			Number of artists benefitting economically	100
		Promoting a culture of reading through the provision of library facilities in all 22 libraries	Number of programmes promoting a culture of reading implemented in all 22 libraries	2 per library benefitting 22 libraries

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Sport Development				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To promote participation in sports activities within Nelson Mandela Bay	Implementation of the Sports Development Framework	Number of stadia upgraded	1 (Wolfson Stadium)
Key Performance Element: Built Heritage				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Developing and sustaining spatial, natural and built environment	To assess and include all the 11 000 heritage sites in Nelson Mandela Bay in the heritage inventory by 2016	Assessing and including the remaining 7050 of the 11 000 heritage sites in Nelson Mandela Bay in the heritage inventory by 2016	Number of heritage sites assessed and included in the heritage inventory	1 763

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Mandela Bay Development Agency (MBDA)				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To revitalise the Central Business Districts of Nelson Mandela Bay and its developing nodes through the provision of cleansing and security services and the upgrading of target areas	Implementation of the MBDA Strategic Plan (2009 – 2014) focusing on urban renewal and the transformation of the Central Business Districts of the Nelson Mandela Bay	Percentage satisfaction with cleansing services in Port Elizabeth and Uitenhage Central Business District	80% satisfaction by June 2013
			Percentage satisfaction with security services in Port Elizabeth Central Business District	60% satisfaction by June 2013
			Percentage completion of capital projects	60% of Strand Street Environmental Upgrade Phase 3 completed
				20% of Rink Street and Art Museum Upgrade Phase 1 completed

ECONOMIC DEVELOPMENT AND RECREATIONAL SERVICES				
Key Performance Element: Mandela Bay Development Agency (MBDA)				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Positioning Nelson Mandela Bay as a destination of choice to both investors and tourists through the development of a prosperous and diverse economy	To revitalise the Central Business Districts of Nelson Mandela Bay and its developing nodes through the provision of cleansing and security services and the upgrading of target areas	Implementation of the MBDA Strategic Plan (2009 – 2014) focusing on urban renewal and the transformation of the Central Business Districts of the Nelson Mandela Bay	Percentage completion of capital projects	50% of King's Beach Southern Beachfront Redevelopment Phase 2 completed
				50% of Belmont Terrace and Bird Street Phase 2 Environmental Upgrade completed
				25% of Western Road Upgrade completed
				50% of Red Location Singapi and Olaf Palmer St Upgrade completed
				75% of Tramways Building redevelopment completed

5.3 URBAN RENEWAL PROGRAMME

5.3.1 Motherwell Urban Renewal Programme (MURP)

The Urban Renewal Programme (URP) is a product of the National Government's Urban Renewal Strategy (URS). In 2001, the then State President announced the National Urban Renewal Programme (URP). Motherwell was one of the eight townships chosen to benefit from the Programme. The broader objectives of the programme are a general renewal of the nodal areas and efforts to address the economic, social and security needs of the community in an integrated and sustainable manner.

Urban renewal presents an opportunity for the three spheres of government to work together to eradicate poverty and unemployment. Job creation initiatives, public participation in governance, crime combating initiatives and the establishment of a healthy environment as well as acceleration of service delivery are the key priorities of MURP.

MURP receives a great deal of funding to implement its projects from the European Commission under the European Union (EU) Sector Policy Support Programme, Department of Local Government and Traditional Affairs and Neighbourhood Development Partnership Grant. MURP fulfils the role of facilitator and coordinator of projects. Recently, its role extends to that of an implementer of various projects.

In as far as the European Union's funding agreement is concerned, MURP has to respond to various Result Areas (RAs) with concomitant outcomes and performance indicators. These areas are:

(a) Local Economic Development
(b) Habitable Human Settlements
(c) Improved Social Development
(d) Improved public participation.
(e) Improved strategy, programming, project implementation and Coordination and Service Delivery.
(f) Improved Municipal institution relating to financial management, audit, procurement, project management and integrated planning.
(g) Support to the functions of the National and Provincial Urban Renewal Programme.

In order for MURP to respond to the requirements of the EU SPSP, three clusters were created, namely; LED Cluster, Physical Cluster and Skills Training and Institutional Cluster headed by Cluster Coordinators.

The Key objectives of MURP are:

- Upgrading and development of infrastructure
- Local Economic Development
- Reduction of poverty and unemployment
- Crime reduction

MURP CLUSTERS

MURP has the following clusters:

(a) Physical Cluster

Focus is on providing and upgrading infrastructural development within Motherwell. A number of projects have been implemented and others are still at various levels of implementation. These include sourcing further funding to implement phase two of the Motherwell Peace Park, Motherwell Thusong Service Centre, SMME Hive, upgrading identified surfacing of Culs-de Sac and the NU2 Stadium amongst others.

(b) Social Cluster

The Cluster specifically responds to Result Area 3 of the EU funding agreement. It aims to implement social development initiatives in the Motherwell and surrounding areas. This Area is specifically responsible for outcomes responding to HIV/AIDS, Crime Diversion and Skills training.

To ensure a proper response to the outcomes, the Social Cluster envisages the roll-out of the following priorities in Motherwell:

- HIV /AIDS assistance to various Non Profit Organizations (NPOs)
- Support to the recently established Home Based Care Forum.
- Support to the South African Police Services (SAPS) and Community Police Forums (CPFs) in association with various Sports, Arts and Culture Organizations to respond to crime.
- Support to various NPO’s i.e. Soup kitchens, Day Care Centres to ensure optimal and sustainable functioning.

(c) Local Economic Development Cluster

The cluster responds to Result Area 1 of the EU, namely; Local Economic Development. The aim is to ensure capacitation of Small Medium and Micro Enterprises, be it individuals or in groups (Community Cooperatives). The second tool for achieving this goal is through attracting investment into the area through direct investment or indirect investment as guided by the Sustainable Community Unit Plan approved by Council. MURP's application for funding to the Belgian Development Agency has been successful. The purpose of the funding requested is to establish a competency framework and capacity building curriculum for MURP key stakeholders at Political, Strategic, Project Management and Administrative levels for a feasibility study.

The five year performance plan for MURP is reflected below:

FIVE-YEAR PERFORMANCE PLAN

SPECIAL CROSS-CUTTING ISSUES				
Performance Element: Motherwell Urban Renewal Programme (MURP)				
Strategic Objectives	**Supportive Objectives**	**Five year Programmes/Projects**	**Key Performance Indicators**	**2012/13 Targets**
Addressing the challenge of poverty, unemployment and social inequality	To improve the socio-economic situation of the Motherwell Community through skills development, the establishment of a multipurpose one-stop service centre (Thusong), support to Home-based Care Organisations	Implementation of Community skills training initiatives in partnership with relevant stakeholders	Number of people trained in terms of MURP skills audit	300 community members
		Support 50 Home-based Care Organizations in Motherwell through HIV/AIDS related programmes, in partnership with relevant stakeholders	Number of home - based care organizations assisted through the provision of equipment and training	10
		Establishment of the Motherwell Thusong Service Centre	Number of Thusong Service Centres completed	1 (Motherwell)

5.3.2 HURP (Helenvale Urban Renewal Programme)

The NMBMM has resolved to extend the lessons learnt from MURP to other poverty-stricken areas in Nelson Mandela Bay. Helenvale (Ward 13) has been identified as one of the areas needing attention.

It is the aim of the HURP to improve the quality of life of the community of Helenvale through urban upgrading and sustainable development. Although the Programme is based on lessons learnt from the Motherwell URP, it is geared to focus on the specific context of the Helenvale locale. The key objectives of the Programme are as follows:

- Developing and implementing sustainable housing solutions.
- Improving safety and security.
- Reducing poverty and unemployment.
- Upgrading and developing infrastructure.
- Addressing the social development needs of the local community.
- Creating a healthy environment.

In light of these objectives, it is the mandate of the HURP Unit:

- To coordinate and integrate all programmes and projects implemented by various stakeholders in Helenvale.
- To facilitate and coordinate social cohesion, including the community's involvement in the Programme, by holding quarterly Voting Districts (VD) public meetings.
- To source and secure more funding for the Helenvale URP from government institutions, NGOs, the private sector and donors.
- To initiate, facilitate and coordinate the introduction of skills-based community training programmes for Helenvale.

Furthermore, Helenvale has also been identified as a Premier's Priority Project. The purpose of this Project is to improve the integration of various initiatives, i.e. initiatives by different spheres of government, business and civil society in Helenvale and the surrounding Northern Areas aimed at social upliftment and crime prevention. The Helenvale Urban Renewal Programme will coordinate the initiatives that emanate from the Project.

The five year performance plan for HURP is reflected below:

FIVE-YEAR PERFORMANCE PLAN

SPECIAL CROSS-CUTTING ISSUES				
Performance Element: Helenvale Urban Renewal Programme (HURP)				
Strategic Objective	**Supporting Objective**	**Five Year Programmes / Projects**	**Key Performance Indicators**	**2012/13 Target**
Addressing the challenge of poverty, unemployment and social inequality	To improve the socio-economic situation of communities in Helenvale through the upgrading of infrastructure	Upgrading of infrastructure through the provision of a multi-purpose one stop service centre (Thusong), community parks and the provision of sidewalks, trees and street lights	Number of Multipurpose Community Centre constructed	1 (Helenvale)
			Number of streets upgraded	4 (Kobus Road, Leith Street, Baaitjies Street and Deverill Road)
			Number of Community Parks constructed	2

5.4 MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT

People-focused municipal transformation and organisational development is central to service delivery, hence the emphasis on the implementation of Batho Pele principles in all municipal structures, systems, procedures, policies and strategies. With regard to institutional transformation the priorities of the Municipality as outlined in its Turnaround Strategy are as follows:

- The restoration of confidence in the Nelson Mandela Bay Municipality as the primary service delivery arm of government that is effectively addressing community concerns.
- The universalisation of service delivery to all communities of Nelson Mandela Bay.
- Addressing the key socio-economic challenges in Nelson Mandela Bay, including unemployment, skills shortages, poverty and inequality.
- Developing a shared agenda for the growth and development of Nelson Mandela Bay.
- Understanding and managing institutional risks. Systematically respond to institutional risks in terms of weak internal controls, the appointment of employees who are not competent to perform their functions and institutionalization of an ICT Governance framework that ensures the reliability, accuracy, protection of the information and network that underpins it.
- Ensuring a fraud- and corruption-free Municipality.
- Ensuring good corporate governance and an accountable and performance-driven institution, which is focused on service delivery.
- Ensuring that all municipal planning, budgeting and decision-making processes are embedded in public participation and community involvement.
- Restoring the human dignity of the residents of Nelson Mandela Bay, especially in the disadvantaged areas/wards.
- Ensuring sound financial management and sustainability.
- Ensuring a joint intergovernmental approach to implementing this Turnaround Strategy.

These are later translated into various programmes, measures and targets in the relevant focus areas as contained in this IDP.

In order to respond to the above including national programmes aimed at improving service delivery and the lives of people in Nelson Mandela Bay, investments in Human Resource Development (HRD) need to be intensified. Further, the ever-changing environment influenced by global trends and challenges warrants the Municipality to prioritise the development of an Integrated HRD Strategy.

The Municipal Systems Act, (Act 32 of 2000) as amended in 2011, places an obligation on the Municipality to review its organisational establishment processes and procedures.

The Municipality is confronted with a lack of strong internal controls for the daily safeguarding and regular accountability reporting of its assets.

The following strategies are paramount to improving compliance and accountability on municipal assets:

- More regular inspection of assets;
- Awareness campaigns to be introduced;
- The continued improvement in the modern solution information systems that are used to control assets.

5.4.1 Strategic planning and integration

As reflected in the introductory chapter, the IDP is one of the key strategic tools for integration in the Municipality. This integration and co-ordination should be clearly evident during the implementation of the IDP and during service delivery. Key tools to achieve integration and co-ordination include the 7-year Integrated Human Settlements Plan, sustainable community planning methodology, the integrated

development matrix, the cluster system, inter-directorate task teams and the Management Team.

Underpinning all activities of the IDP and other integration and co-ordination tools is a longer-term City-wide Development Strategy. The formulation of such a Strategy has commenced and will provide strategic direction for a period of up to 30 years.

5.4.2 Integrated Development Matrix

The Integrated Development Matrix has been developed as a framework for the implementation of the co-ordinated planning and implementation of the different activities of the Municipality, to ultimately ensure the creation of integrated and quality human settlements.

The Integrated Development Matrix defines and facilitates co-operation and co-ordination in planning and implementation processes between, internally, the municipal directorates themselves and external actors and defines roles that will allow citizens and businesses in the city to live and operate more sustainably.

The Matrix can be used as a generic tool to identify and understand roles and responsibilities in terms of generic planning, and development and citizen responsibility, but can also be used for specific projects.

The roles and responsibilities of the different municipal areas in all stages of planning and development are identified and clarified, from the initial conception of a planning proposal to the physical on-site construction, on-going maintenance and living in a city. The Matrix lists each different municipal functional area as the Provincial Government and the Private Sector, and their different roles at each level of planning, development and living.

The Integrated Development Matrix was developed as part of the Sustainable Community Planning Methodology, which sets out a model for spatial planning at the intermediate level between the broader, more strategic Spatial Development Framework and more detailed precinct and layout development plans.

The following illustration depicts the Integrated Development Matrix:



5.4.3 Human Resources Development Plan

Central to service delivery improvement is a human resources complement that is able to adequately and timeously respond to the ongoing challenges facing the Municipality. The capacitation of the institutional human resources component is a key priority. This necessitates a departure from the conventional methods of skills development to competency and outcomes-based approaches. Emphasis is being put on the implementation of the National Treasury Regulations on minimum competency, as well as the development of a competence based skills development plan.

The human resources development component also forms a strategic part of the Municipality's Turnaround Strategy, emphasising competency based skills development, effective organisational arrangements, labour relations, timeous recruitment and selection of competent staff, particularly in critical and scarce skills areas, and integrated performance management.

In the face of ongoing challenges in attracting, developing and retaining critically scarce skills, a structured and institution wide outcomes-based mentorship programme will be implemented, geared at ensuring career development, growth and succession planning. This initiative will also assist the institution in eliminating over-reliance on a few capable and technically qualified employees. The spin-offs of successfully implementing this programme will include sustained service excellence, accelerated service delivery, highly motivated employees, increased knowledge sharing and management, and the effective transfer of the critical and scarce skills and experience needed by the organisation. In addition, the Institution will benefit in terms of reduced overtime, burnout and over-reliance on a few employees who have a history of strong institutional knowledge.

In order to build a human capital base in the community, as a complement to its internal skills development initiatives, the Municipality continues to implement a number of developmental programmes, which include the Graduate Trainee Programme, learnerships and internships, and awarding study bursaries to deserving candidates, particularly from disadvantaged communities. In addition, the Municipality has established partnerships with external institutions that drive initiatives in areas such as career guidance, support, and incubation to leverage opportunities for the development of ICT skills and preparing the youth sector for employment to achieve broad socio-economic goals and to enable meaningful access to employment and business opportunities.

In its efforts to redress the imbalances of the past and to ensure a workforce that is fully representative of the demographics of Nelson Mandela Bay, the Municipality has revised its Employment Equity Plan, which is reviewed and reported on annually, guided by the Department of Labour’s performance review and the ever-changing legislative, policy and labour market trajectory within which diversity management and compliance targets have to be achieved.

An environment of labour peace and stability is vital to organisational effectiveness, discipline and improved service delivery. In this regard, the Municipality has prioritised the aggressive implementation of a Labour Relations Strategy and the formulation and implementation of an accord between the employer and labour to achieve a labour

environment that is responsive and supportive of service delivery in general, both from an institutional and community perspective.

5.4.4 Geographic Information System (GIS)

The Municipality has a GIS which is aimed at providing a stable electronic spatial environment to all employees of the NMBMM to enhance their working environment by providing easy access to geographical information.

The NMBMM is among the first five (5) municipalities in the country to have an Enterprise GIS with close to 100 licensed desktop ArcGis[1] users.

The core functions of GIS are:

(a) To manage the GIS software within the institution.
(b) To implement and maintain the IT infrastructure required to run a sustainable Enterprise GIS solution and accompanying systems.
(c) To manage spatial data within the institution.
(d) To ensure collaboration between directorates that utilise and require spatial data i.e. ensure the spatial data is kept updated.
(e) To implement standards and ensure that the institution conforms to the relevant National Standards and legislation.
(f) To make spatial data accessible to all users and decision-makers within the institution and roleplayers in collaboration with the Council.
(g) Drawing up of Spatial Analyses reports for various decision making processes.
(h) Creation of specialized map documents.
(i) To interact with the different roleplayers in the Geoscience Information Industry.
(j) To obtain updated electronic imagery of the Nelson Mandela Bay area

[1] ArcGIS – The software package that is used to operate and maintain the geographic information system.

A GIS web application is available internally for all NMBMM users (CorpGis), at no additional cost to Council. A limited external GIS web application is available to the public via the Council's internet page. This external application only makes non-sensitive information available to the public. A drive to expand the quality, diversity and accessibility of the external application and services is currently being negotiated.

GIS plays an important role in monitoring service delivery, as updated spatial data, such as imagery, property information, environmental information, civic infrastructure information, infrastructure information, etc. is analysed and used to determine the level of service within specific areas or wards. By performing simple analytical queries, it is quite evident which areas are better serviced.

GIS is being used as an asset register with spatial features such as roads, water infrastructure, security and health facilities being linked to the financial system, providing an actual representation of the facility. Included in these databases is information about the infrastructure, including financial information, age, material type and maintenance needed.

The main project that is currently under way in relation to GIS is the development of the Integrated Land Information System (ILIS). This project addresses all processes that relate to land and will, once implemented in February 2013, provide a single reporting tool from which all land transactions will be accessed and queried. The following applications will be captured, managed and reported on ILIS:

(a) Township establishment applications
(b) Subdivision and Consolidation applications
(c) Rezoning applications
(d) Departure and special consent applications
(e) Sale, acquisition and lease of land applications
(f) Submission of building plans
(g) Submission of site development plans (SDPs)
(h) Housing delivery

An essential objective of Project ILIS is to integrate different systems, thereby providing a single workflow for all these applications. The following systems will be integrated with ILIS:

(a) Promis.net (Billing System) if finished before Project ILIS is handed over
(b) LAMACS (Land Assets Management Accounting System)
(c) VA3 (Valuations System)
(d) LAMS (Land Application Management System)
(e) HDMS (Housing Delivery Management System)
(f) FMT (Financial Management Tool)
(g) Building Plans Management System

FIVE-YEAR PERFORMANCE PLAN

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Element: Human resources transformation				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Accelerating service delivery through the acquisition and retention of competent and efficient human capital	To acquire a fully competent human capital which conforms to prescribed minimum competency levels by 2014	Implementation of MFMA regulations on minimum competencies covering the 114 designated positions	Number of officials trained in National Treasury minimum competencies, in line with set regulations	105
		Implementation of Community Skills Development and Educational Programmes benefiting: • 750 Grade 9 to 12 students • 100 Bursars • 600 Candidates on learner ship programmes	Number of Grades 9 – 12 students and unemployed individuals attending Career Day	150 (Grades 9 – 12)
				400 (Unemployed)
			Number of new bursaries awarded in critical and scarce skill areas in terms of the Nelson Mandela Bay Municipality's Scarce Skills Strategy	20

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Elements: Human resources transformation				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Accelerating service delivery through the acquisition and retention of competent and efficient human capital	To acquire a fully competent human capital which conforms to prescribed minimum competency levels by 2014	• 200 Unemployed graduates in scarce and critical skill areas	Number of learnership programmes implemented for employed and unemployed	8
			Number of people participating in the electricity Mentorship Programme	30
			Number of unemployed graduates placed in scarce and critical skills areas in terms of the Nelson Mandela Bay Municipality's Scarce Skills Strategy	40

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Elements: Human resources transformation				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Accelerating service delivery through the acquisition and retention of competent and efficient human capital	To acquire and maintain a fully competent human capital which conforms to prescribed minimum competency levels	Implementation of the NMBMM Recruitment and Selection Policy and Procedures	% recruitment completed within a 3 months' turnaround period, spanning from the date of receipt of recruitment notice to the actual appointment	100% of cases completed

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Elements: Employment Equity				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Restoring the human dignity of citizens through the redress of inequalities and imbalances of the past	To acquire and maintain an equitable workforce which is fully representative of the demographics of the Metro	Implementation of the Employment Equity Plan (2009 to 2013)	Number of people from employment equity target groups employed in the three highest levels of management in compliance with the Municipality's approved Employment Equity Plan	
			• Top management (Municipal Manager, Executive Directors and Directors)	74 o AF - 8 o AM - 32 o CM - 7 o CF - 2 o WM - 17 o WF - 5 o IM - 3 o IF - 0

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Elements: Employment Equity				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Restoring the human dignity of citizens through the redress of inequalities and imbalances of the past	To acquire a fully competent human capital which conforms to prescribed minimum competency levels by 2014	Implementation of the Employment Equity Plan (2009 to 2013)	• Senior management (Assistant Directors down to Salary Grade 12)	579 o AF - 136 o AM -183 o CM - 35 o CF - 140 o WM - 40 o WF - 30 o IM - 11 o IF - 4
			• Professionally qualified and experienced specialists and mid-management (category per designation)	291 o AF - 51 o AM - 59 o CM - 39 o CF - 14 o WM - 85 o WF - 22 o IM - 18 o IF - 3

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Elements: Employment Equity				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Restoring the human dignity of citizens through the redress of inequalities and imbalances of the past	To acquire a fully competent human capital which conforms to prescribed minimum competency levels by 2014	Implementation of the Employment Equity Plan (2009 to 2013)	% of people with disabilities in the total municipal workforce	2%

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Element: Labour Relations				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Fostering a safe, secure and healthy environment for both employees and communities	To improve and maintain sound labour relations within the Nelson Mandela Bay Municipality	Implementation of the Labour Relation Strategy focusing on the following areas: • Wage parity • Organisational review • Conclusion of minimum service level agreements on essential services • Harmonisation of conditions of services/ employee benefits	Implementation of identified employee relations shortcomings • Wage parity • Organisational review • Conclusion of minimum service level agreements for essential services	 December 2012 December 2012 September 2012

MUNICIPAL TRANSFORMATION AND ORGANISATIONAL DEVELOPMENT				
Key Performance Element: Labour Relations				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Fostering a safe, secure and healthy environment for both employees and communities	To improve and maintain sound labour relations within the Nelson Mandela Bay Municipality	• Review of HR policy • Performance management	• Harmonisation of conditions of services/employee benefits • Performance management	December 2012 Cascaded to all Nelson Mandela Bay municipal employees to all levels

5.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Good corporate governance underpins all the programmes and projects presented in this IDP. Good governance dictates that the Municipality should conduct its business in an open, transparent and accountable manner. For this to be realised, community participation is essential. The establishment of a caring environment requires emphasis not only on community participation, but also on customer care and responsiveness. With regard to customer care, the Municipality has embarked on a programme to engage customers with regard to their level of satisfaction with municipal services and the development of a new Customer Care Framework. In the current IDP review period, foundational work has been done in terms of the completion of a comprehensive survey of all types of customers. Soon thereafter, the focus will shift to embedding a robust system of customer relations management, anchored in clear service standards, customer responsiveness, and the monitoring and evaluation of ongoing customer perceptions and feedback. The revival of the Batho Pele Campaign will complement this effort and galvanise the institution into embracing a culture of putting people first.

5.5.1 Hand-over report to newly elected Council

The Municipal Manager, working together with the Chief Financial Officer and senior managers, should prepare a hand-over report that can be tabled in Council. The aim of this report is to provide the new Council with important orientation information regarding the Municipality, the state of its finances, its service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of Nelson Mandela Bay.
- An overview of the organisational structure of the Municipality, stating the names and contact numbers of senior managers.
- An overview of the key municipal policies that Councillors need to be aware of, and where they can obtain the full texts of such policies.
- An overview of issues that still need to be addressed in relation to the Municipal Turnaround Strategy.

5.5.2 Information and Communications Technology (ICT) Strategy

ICT plays an important role in supporting service delivery. In this regard, it is vital that the Municipality bridge the so-called digital divide, so that residents will have access to digital technology, affordable high speed internet and voice services. This will enhance the competitiveness of the Municipality. The ICT focus will remain on strengthening the ICT governance framework, including paying attention to protecting the institution's ICT network in the face of growing and sophisticated security threats, extending the reach of ICT services offered by the Municipality to communities to better enhance access to municipal services and, in the process, building on continuing efforts to bridge the digital divide and laying the foundation for a knowledge economy in the city. Other areas of focus are the development of ICT Disaster Recovery Plans and Business Continuity Plans to ensure the uninterrupted supply of services during disasters and operational down-times. Equally, it should be the organisation's collective responsibility to ensure that all corporate ICT projects, i.e. Project Kusile, Project ILIS and Project Billing, are successfully completed and that the necessary governance, decision making and supporting environments are provided, without losing sight of the

importance of continuing to establish value for money accruing from these projects.

Key supporting objectives are the following:

- Maintaining and developing ICT infrastructure in support of service delivery.
- Provision of skilled, competent labour force and the promotion of sound labour relations.
- Ensuring that the institution complies with legislation and its Employment Equity Plan.
- Promotion of good corporate governance.
- Promotion of a performance-driven culture.

5.5.3 Legislative compliance and corporative governance

Local government operates in a legislative environment, which highlights the importance of compliance. In this regard, the Municipality's Legal and Internal Audit Services Sub-directorate plays a central role. In addition to this Sub-directorate, the Municipality has a functional Audit Committee.

The challenges that confront the Municipality require a co-operative approach with other spheres of government, parastatals, institutions of higher learning and other relevant stakeholders. Furthermore, inter-municipal and international linkages provide the Municipality with an opportunity to share knowledge, experiences and best practices.

5.5.4 Public participation and special sector development

Community participation in planning and decision making is a key priority of the Nelson Mandela Bay Municipality. This involves the following:

- Creating an enabling environment for public participation in the planning and decision-making processes of the Municipality.
- Promoting Ward Committee involvement in municipal governance.
- Alignment, integration, mainstreaming and empowerment of special sectors (youth, women, children, persons with disabilities and older persons).

The Municipality has developed an institutional framework to coordinate the afore-mentioned priorities through Constituency Services as well as desks (Gender, Youth and Disability). In addition, it is the responsibility of all directorates to ensure that public participation and special sector development are central to planning, budgeting and implementation of projects and programmes. The empowerment of youth, women and people with disabilities is imperative. This is achieved through a range of initiatives, which include the following:

- Supply Chain Management processes
- Entrepreneurial support and skills development (youth, women and people with disabilities)
- Learnership and Internship Programmes
- Early childhood development
- HIV and AIDS programmes
- Programmes assisting vulnerable groups, e.g. orphans

5.5.5 Youth development

Youth development is one of the key strategic priority areas of the Municipality. Issues of poverty and unemployment affect the youth of our country, and Nelson Mandela Bay in particular. In its Growth Path toward Full Employment, released in 2010, COSATU notes the following statistics as it relates to the rate of

unemployment in the Country, specifically focusing on the area of youth unemployment:

- The scourge of unemployment affects the youth the most. Of the unemployed, 72 percent are young people below 34 years of age. Of the unemployed youth, 78 percent are African. Already, there is a significant number of youth that has never engaged in any type of employment.
- 62% of the unemployed have less than secondary school education and 33% have completed secondary education, but have no tertiary education. In short, 95% of the unemployed do not have tertiary education.
- New entrants and job losers make up 75% of the unemployed.

Key interventions in this regard include the following:

(a) Establishment of a Youth Unit during 2012/13 financial year to coordinate youth matters.
(b) Review of youth policies, strategies and plans to ensure that they promote youth development.
(c) Increasing the number of youth participating in job creation.
(d) Skills development targeting youth, utilising dedicated funding.
(e) Intervention in the educational sector challenges.
(f) Youth empowerment through procurement processes.
(g) Community empowerment through the involvement of young people and youth brigades in developmental programmes and initiatives such as Literacy; Environmental Protection; HIV/AIDS and Education.
(h) Establishment and development of SMMEs.

Back-to-School AIDS Orphans

In 2004, the Municipality's Back-to-School AIDS Orphans Project won an international toolkit award from the United Nations Habitat at the World Urban Forum. In terms of the project, the Municipality annually hands out school uniforms and study materials to local school children who have been affected by

the plight of HIV and AIDS. This project is run in partnership with various stakeholders, including the business community.

Mayoral Education Task Team

In response to the fact that many local students study under unacceptable conditions and in run-down school buildings, a Mayoral Education Task team was established in 2010 to support local schools and education. Focus areas of the Task Team are: School renovations and repairs; the promotion of recreational activities and sports; skills transfer and career development; community mobilization for the supply of school wear; as well as initiatives at municipal libraries to promote a culture of reading and writing.

The Task Team members are broadly representative and include representatives of the Nelson Mandela Bay Municipality, SADTU, the Department of Education, the NMMU, NAPTOSA, political parties, SASCO, churches, educational trusts, local business chambers (PERCCI and Nafcoc) and Kraft Foods.

5.5.6 Nelson Mandela Bay enterprise risk management

The Municipality is committed to the optimal management of risks in order to achieve our vision, mission, objectives, and strategies and plans to protect our core values. This commitment is supported by a process of risk management that is aligned to principles of good corporate governance, and are informed by documents such as the Public Sector Risk Management Framework, the Municipal Finance Management Act no. 56 of 2003 and the King reports on Corporate Governance (King II and King III).

Successes and failures in responding to risks are often the result of the organisations' rigor in applying risk management principles and their agility in adjusting to a changing environment. To effectively uncover such risks, resources need to be sensitized and focused on identifying the broad realm of potential as well as emerging risks. To this end, the Risk Management Unit has been

established to assume the role of institutional advocacy for Enterprise Risk Management by providing specialist expertise and assistance in integrating risk management throughout the Municipality.

Benefits to be obtained by employing Enterprise Risk Management within the organisation include:

- Aligning risk appetite and strategy
- Enhancing risk response decisions
- Reducing operational surprises and losses
- Identifying and managing multiple and cross- enterprise risks
- Seizing opportunities
- Improving deployment of capital

In order to implement and embed Enterprise Risk Management within the Nelson Mandela Bay Municipality a comprehensive Risk Management Toolkit, aligned with the Public Sector Risk Management Framework issued by National Treasury, and with the Municipality's own Risk Management Strategy and Policy, has been devised. The toolkit is being implemented across the organisation commencing in 2012.

The toolkit is designed to assist, amongst others, with the following:

- Identification of risks impacting upon achievement of IDP, Budget and SDBIP Key Performance Areas and objectives. (Risk management is therefore aligned with the organisational objectives.)
- Categorisation of risks in terms of the approved Risk Model.
- Assignment of risks to risk owners.
- Assessment of risks.
- Development of appropriate risk treatment strategies and plans for key risks.

- Monitoring of the effectiveness of risk treatment strategies and plans with regard to both design and operational effectiveness.
- Identification of control gaps.
- Monitoring of new and emerging risks, risks deleted from risk registers as well as monitoring of changes relating to current risks (assessment, treatment strategies, etc.)
- Identification of risks that have materialised and assessment of the effectiveness or otherwise of the related treatment strategy adopted.
- Identification of directorate risks that should be escalated to the Municipal Manager, Risk Committee, Audit Committee and Council.
- Quarterly reporting on risk management activity.

Objectives / Action plans for 2012/13:

- Fully established and operational Risk Committee
- Fully resourced Risk Management Unit
- Effective and efficient risk management system

5.5.7 Council and Committee Services

Council is the highest decision-making structure of the Municipality, in terms of Section 160(1)(a) of the Constitution. The Council is supported by a Committee system. The Speaker is the Chairperson of Council, and presides over Council meetings and exercises oversight over Council Committees. Upholding the Rules of Order and adherence to the code of conduct by Councillors are central to the operations of Council.

Council meetings are open to the public and the Municipality also introduced other initiatives to ensure the involvement of citizens and stakeholders in decision-making. To this end, the Municipality has created appropriate platforms

such as the Moral Regeneration Movement, the Religious Unit, People's Assembly, Annual Opening of Council, and public and outside bodies.

To promote good governance and public participation, the capacitation of Councillors is essential. The Municipality introduced a number of capacitation programmes, such as the Executive Leadership Programme, the Municipal Development Programme and local government development programmes.

The key focus areas are the following:

- Promotions of public participation.
- Provision of Councillor support services and training.
- Development and management of public participation programmes.
- Council oversight functions.
- Promotion of political accountability.
- Enforcing the Rules of Order.
- Management of procedural matters relating to Council and Standing Committees (motions and questions).
- Management of the Calendar of Meetings.

FIVE-YEAR PERFORMANCE PLAN

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Element: Risk Management				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring responsive, accountable and clean government which mitigates risks and ensures internal control efficiency and effectiveness.	To Achieve Risk Management Maturity levels as prescribed by National Treasury by 2016	Implementation and management of internal controls and risk assurance through the improvement of the institutional risk management maturity level from a level one to a level five by 2016	National Treasury Risk Management assessment maturity level 3 achieved	By June 2013

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Element: External Relations				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Entrenching a culture of public participation in municipal planning, budgeting and decision making processes	To promote good co-operative governance	Implementation of an Intergovernmental and Intermunicipal Relations Programme	Number of service delivery and capacity development partnerships established with key academic institutions and development agencies	2 (Coega Development Corporation and Nelson Mandela Metropolitan University)
			Number of new sister city partnerships established	1
			Resolving intergovernmental relations challenges between the Eastern Cape Provincial Government and the Nelson Mandela Bay Municipality that affect service delivery : • Reduce government debt • Reduce water leakages in schools	 • 15% by June 2013 • 10% by June 2013

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Element: Internal controls				
Strategic Objective	**Supporting Objectives**	**Five year Programmes/ projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring responsive, accountable and clean government which mitigates risks and ensures internal control efficiency and effectiveness.	To ensure an ethical, efficient and accountable administration	Implementation and management of internal controls and risk assurance	Receipt of unqualified Audit Report from the Auditor-General	Unqualified audit report by December 2012

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Element: Communication				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Entrenching a culture of public participation in municipal planning, budgeting and decision making processes	To ensure an informed and responsive citizenry that takes part in all key municipal planning and decision-making processes	Implementation of the Communications Strategy (2011-2016)	% increase in the number of visitors to the municipal website (both nationally and internationally)	10% by June 2013
			Number of community magazine editions published	6 editions

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Element: Public Participation and special sector development				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Entrenching a culture of public participation in municipal planning, budgeting and decision making processes	To promote public participation and community involvement in planning and decision making in the Municipality	Implementation of Integrated Public Participation Strategy	Number of Ward Committees established	60 by June 2013
			Number of Ward Committee meetings held (per ward per annum)	6 per ward
			Number of outreach programmes held in terms of service delivery	2
			Number of women and people with disabilities provided with entrepreneurship training	120 (women)
				30 (people with disabilities)
			Number of HIV and AIDS orphans benefiting through the provision of uniforms and stationery as part of Back to School AIDS Campaign	110

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Elements: Public Participation and special sector development				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicator**	**2012/13 Target**
Entrenching a culture of public participation in municipal planning, budgeting and decision making processes	To promote public participation and community involvement in planning and decision making in the Municipality	Implementation of Integrated Public Participation Strategy	Number of National pride celebrations hosted	10 (International Women's Day, Human rights Day, Freedom Day, May Day, International children's Day, Youth Day, Women's Day, Heritage Day, Aged Day, International Disability Day)
			Number of youth provided with entrepreneurship training	120
			Number of rural youth brigades focusing on one or more of the following: • Literacy • Environmental protection • HIV, AIDS and • Education	10 (Wards 40 and 60)

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
Key Performance Elements: Council oversight and support services				
Strategic Objective	**Supporting Objectives**	**5-Year Programmes/ Projects**	**Key Performance Indicators**	**2012/2013 Target**
Entrenching a culture of public participation in municipal planning, budgeting and decision making processes	Deepen democracy through the provisioning of Council Oversight as well as implementation of Councillor Support and stakeholder participation	Implementation of Rules of Order	Number of Council meetings held	14
		Implementation of Councillor Support Policy	Number of Councillors provided with training in line with the Skills Development Plan for Councillors	76

CHAPTER SIX

FINANCIAL SUSTAINABILITY AND VIABILITY

The Aa3.za national scale rating of the Nelson Mandela Bay Metropolitan Municipality as issued by Moody's Investor Services is underpinned by the NMBMM's strengthening financial performance and commitment to fiscal consolidation, following cash problems experienced in 2010/11. The rating as assigned takes into account the need to improve the NMBMM's financial planning, as well as liquidity and debt management practices.

The rating as originally published during September 2011 reflected a stable outlook but has been amended during November 2011 to a negative outlook, reflecting heightened political risk in the context of more constrained public finances within South-Africa.

The NMBMM developed a comprehensive Financial Recovery Plan during 2010/11, aimed at placing the institution in a sound and sustainable financial position and thereby ensuring its ability to meet its obligations.

The following key strategies constitute a summary of the key strategies that have been identified for achieving the objectives of the Financial Recovery Plan:

Short-term Strategies

- Development of a credible and cash-backed budget
- Effective cash-flow management, forecasting and monitoring
- Effective management of operating and capital expenditure
- Improved management of the Housing Revolving Fund
- Effective implementation of credit control and debt collection measures

Medium-term Strategies

Implementation of a Revenue Enhancement Strategy, which includes the following:

- Enhancement of the current revenue base. The NMBMM should take into account the socio-economic factors of its surroundings and promote initiatives aimed at sustainable revenue growth.
- Current revenue streams must be properly managed. Strategies must be introduced to reduce electricity and water losses to the absolute minimum.
- Existing fees, tariffs and charges must be reviewed annually in order to ensure that the revenue attributable to fees and charges are maximized and that the bases for determining fees and charges are cost reflective and/or market related.
- Identification and attraction of additional revenue streams through the Donor Management/Funding Strategy, in support of the NMBMM's service delivery mandate.

The NMBMM is in addition in the process of developing a long-term financial sustainability plan, inclusive of a long-term revenue enhancement strategy.

Financial management supports the IDP of the Municipality by striving to provide a stable and sustainable financial environment from which Council can deliver services to all residents. This is done mainly through the following specific strategic priorities for the Budget and Treasury Directorate within an overall five-year development plan:

(a) Ensuring a legally compliant IDP-based budget that enhances financial sustainability.
(b) Ensuring sustainable and improved revenue generation and collection.
(c) Expanding the revenue base by identifying additional sources of revenue and ensuring sustainable growth in the revenue base.

(d) Providing efficient and effective Cash Management and Asset Risk Management systems.
(e) Providing efficient and effective expenditure management and control processes.
(f) Ensuring a sound and legally compliant system of financial management, advice, control, accounting and reporting.
(g) Providing effective and efficient Supply Chain Management processes
(h) Providing effective and efficient customer service centres.

Each of these priorities is allocated to the appropriate Sub-Directorate within the Budget and Treasury Directorate responsible for the implementation thereof and is addressed within the performance plan together with the key performance areas.

The supporting objectives of each Sub-Directorate are summarized as follows:

Budget and Financial Accounting

- Ensuring a legally compliant IDP-based budget, that enhances financial sustainability.
- Preparation of annual financial statements in terms of legislation.
- Co-ordination, control, implementation and maintenance of efficient and adequate financial accounting systems.
- Effective Budget control.

Office of the Treasury and Financial Support

- Effective and efficient cash and investment management
- Effective risk management and insurance provision for Council’s assets
- Skills development
- Performance management
- Management of the Housing Revolving Fund
- Daily management of electronic fund transfers

Expenditure Management and Financial Systems

- Management and control of creditor administration, payment systems, processes and procedures
- Management of manpower remuneration processes
- Research, development, implementation and maintenance of efficient IT systems

Supply Chain Management

- Co-ordination and control of tender and procurement processes
- Co-ordination, control and maintenance of municipal stores operations, processes and procedures

Revenue Management and Customer Care

- Management, implementation, maintenance and control of meter reading and billing processes
- Establishment, management and control of customer care centre's
- Management, control and maintenance of the Assistance to the Poor Scheme
- Management, co-ordination and control of all revenue collection, including arrear debt management and credit control

6.1 Financial risks and key challenges

In order to maintain and improve the financial position of the NMBMM, certain risks need to be managed, while financial management practices need to be continuously improved. The key financial risks confronting the Municipality can be summarized as follows and are contained in the FRP:

(a) Non-achievement of the budgeted revenue collection rate
(b) Inability of consumers to financially afford the tariff
(c) Revenue associated with Provincial Government grants and subsidies is not realistic
(d) Failure to maintain a cost coverage ratio of one month
(e) Inefficient spending of the Budget

(f) Consideration and approval of *ad hoc* spending requests without the associated funding
(g) Reimbursement to National Treasury of unspent conditional grants
(h) Provincialism of primary health care services and non-payment of provincial subsidy
(i) Grants and subsidies are not forthcoming as per the DORA schedules
(j) Inaccurate cash flow forecasting supplied by directorates
(k) Theft and fraud
(l) Inadequate management of inventory
(m) Inadequate management of procurement processes
(n) Slow implementation of the water management devices
(o) Inaccurate billing
(p) Development of new billing system

6.2 Ongoing sustainability of NMBMM

In order to assess the liquidity of the NMBMM on an on-going basis, it is essential that various financial ratios, trend analysis and other measurement mechanisms be utilized to assess the cash position to support the implementation of the Budget. The following ratios have been included in the IDP in order to assess the adequacy of the available cash and cash equivalents to meet the NMBMM's commitments flowing from the approved Budget:

- Debt to income ratio
- Debtors' collection rate
- Creditors' payment days
- Cost coverage ratio

In pursuing the above supporting objectives, the following five-year performance plan was introduced to achieve a stable and sustainable financial environment:

FIVE-YEAR PERFORMANCE PLAN

FINANCIAL SUSTAINABILITY AND VIABILITY				
Key Performance Element: Revenue Management and Customer Care				
Strategic Objectives	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring sound financial management and viability	To ensure sustainable and improved revenue generation, collection and customer care	Implementation of Revenue Enhancement Programme	% billed revenue collection rate (before write offs)	94%
			Number of new successful donor funding received	2
Key Performance Element: Cash and asset risk management				
Strategic Objectives	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring sound financial management and viability	To provide efficient and effective cash management and asset risk management systems	Sustaining the Municipality's current credit rating	Credit rating achieved	Rating of Aa3.za achieved by June 2013

FINANCIAL SUSTAINABILITY AND VIABILITY				
Key Performance Element: Budgeting and Financial Accounting				
Strategic Objective	**Supporting Objectives**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring sound financial management and viability.	To ensure a legally compliant budget that enhances financial sustainability	Legislative compliance and implementation of the Budget process plan	Legislated compliant cash backed budget approved by Council	By June 2013
	To ensure a sound and legally compliant system of financial management, advice, control accounting and reporting		A debt servicing costs to annual operating income ratio (debt coverage ratio)	15%
			% outstanding service debtors to revenue	20%
			Cost coverage ratio	One month

FINANCIAL SUSTAINABILITY AND VIABILITY				
Key Performance Element: Budgeting and financial accounting *(continued)*				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring sound financial management and viability	To ensure a sound and legally compliant system of financial management, advice, control accounting and reporting	Legislative compliance and implementation of the Budget process plan	Personnel costs as a % of total operating income	34%
			% of the Municipality's Capital Budget spent on capital projects identified in the IDP	95% by June 2013
			% of the Municipality's approved Operating Budget spent	95% by June 2013
			% of the Municipality's approved Budget spent on implementing its institutional Workplace Skills Plan	0.02%

FINANCIAL SUSTAINABILITY AND VIABILITY				
Key Performance Element: Budgeting and financial accounting *(continued)*				
Strategic Objective	**Supporting Objective**	**Five-year Programmes/ Projects**	**Key Performance Indicators**	**2012/13 Target**
Ensuring sound financial management and viability	To ensure a sound and legally compliant system of financial management, advice, control accounting and reporting	Legislative compliance and implementation of the Budget process plan	% of the Municipality's institutional training budget spent on implementing its institutional Workplace Skills Plan	95% by June 2013
			% of the Municipality's approved Budget spent on repairs and maintenance	7%

6.3 Financial Plan

This plan is prepared in terms of Section 26 (h) of the *Local Government : Municipal Systems Act,* as amended, which stipulates that a financial plan must be prepared as part of the Integrated Development Plan.

The five-year financial plan includes an Operating Budget and Capital Budget informed by the IDP priorities. It takes into account the key performance areas of the IDP. All programmes contained in the budget are reflected in the IDP. The review of the Municipality's IDP has a ripple effect on the budget.

In addition to being informed by the IDP, the municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury determines the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of SA (NERSA) regulates electricity tariff increases. Various government departments also affect municipal service delivery through the level of grants and subsidies.

6.3.1 Budget assumptions

The multi-year budget is underpinned by the following assumptions:

6.3.1.1 Financial targets

	2012/13	2013/14	2014/15	2015/16	2016/17
Income	%	%	%	%	%
Water tariff increase	13.0	13.0	14.0	13.0	12.0
Sanitation tariff increase	13.0	13.0	14.0	13.0	12.0
Refuse tariff increase	13.0	13.0	14.0	13.0	12.0
Property rates increase	13.0	13.0	14.0	13.0	12.0
Electricity tariff increase	11.03	11.03	11.03	11.03	11.03
Growth in revenue base (on average except Electricity)	0	0	0	0	0
Revenue collection rates	95.0	95.0	95.0	95.0	95.0
Expenditure					
Total expenditure increase allowed (excluding repairs and maintenance)	6.0	6.0	6.0	6.0	6.0

	2012/13	2013/14	2014/15	2015/16	2016/17
Salary increase	7.0	7.0	7.0	7.0	7.0
Increase in repairs and maintenance	10.0	10.0	10.0	10.0	10.0
Increase in bulk purchase of power costs	13.5	13.5	13.5	13.5	13.5

6.3.1.2 Operating Budget

Budgeted Financial Performance (revenue and expenditure)

Description	2012/13 Medium Term Revenue & Expenditure Framework			LTFS	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Forecast +2 2014/15	Forecast 2015/16	Forecast 2016/17
Revenue By Source					
Property rates	1,074,628	1,214,336	1,372,205	1,509,430	1,705,650
Service charges - electricity revenue	3,028,383	3,393,650	3,817,477	4,238,541	4,706,052
Service charges - water revenue	455,547	514,768	586,836	663,125	742,700
Service charges - sanitation revenue	312,033	352,597	401,961	454,216	508,722
Service charges - refuse	154,889	175,116	199,735	225,701	252,785
Rental of facilities and equipment	19,840	20,992	22,235	23,570	24,990
Interest earned - external investments	25,528	27,059	28,683	20,000	21,000
Interest earned - outstanding debtors	86,913	92,128	97,655	97,600	97,900
Fines	32,328	34,268	36,324	38,510	40,820
Licenses and permits	9,014	9,555	10,129	10,740	11,380
Agency services	1,400	1,484	1,573	1,670	1,770
Transfers recognised	1,404,746	1,073,480	1,163,408	1,210,000	1,250,000
Other revenue	676,041	743,247	785,794	832,950	882,920
Gains on disposal of PPE					
Total Revenue	**7,281,273**	**7,652,682**	**8,524,016**	**9,326,053**	**10,246,689**
Expenditure By Type					
Employee related costs	1,844,834	1,982,421	2,162,609	2,313,991	2,475,971
Remuneration of councillors	54,583	60,041	66,645	72,510	78,890
Debt impairment	251,279	281,485	316,113	356,609	397,346
Depreciation & asset impairment	736,107	711,752	656,940	650,000	680,000

Description	2012/13 Medium Term Revenue & Expenditure Framework			LTFS	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Forecast +2 2014/15	Forecast 2015/16	Forecast 2016/17
Finance charges	203,137	191,728	181,086	169,410	157,706
Bulk purchases	2,250,539	2,560,006	2,915,757	3,312,232	3,762,705
Other materials	498,534	537,139	579,164	637,290	701,020
Contracted services	423,603	469,234	507,980	538,465	570,771
Grants and subsidies	413,253	461,752	519,521	579,930	614,720
Other expenditure	925,468	518,752	546,225	589,720	625,100
Loss on disposal of PPE	–	–	–	–	–
Total Expenditure	**7,601,331**	**7,774,095**	**8,452,040**	**9,220,157**	**10,064,229**
Surplus/(Deficit)	**(320,058)**	**(121,413)**	**71,976**	**105,896**	**182,460**

6.3.2 Statutory requirements specific to Capital Budget

The vehicle through which the needs of the Municipality are identified and its priorities are set is the Integrated Development Plan. The Capital Budget must be allocated to cover the higher priority projects in the IDP.

The *Municipal Finance Management Act (Act 56, 2003*), states that:

"19.1 A Municipality may spend money on a capital project only if-: -

(a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the Municipality, has been appropriated in the capital budget;
(b) the project, including the total cost, has been approved by the council;
(d) the sources of funding have been considered, are available and have not been committed for other purposes.

19.2 Before approving a capital project in terms of Section 19 (1) (b), the council of a municipality must consider-

(a) the project cost covering all financial years until the project is operational; and

(b) the future operational costs and revenue on the project, including municipal tax and tariff implications."

Furthermore, the Financial Standing Orders state that

"1.5 Every

Manager shall, in respect of the activities of the Business Unit, in consultation with the *Business Unit Manager: Budget and Treasury*, prepare: -

(b) a draft Capital Budget in respect of the ensuing financial year and a draft Capital Programme for the following two financial years, based on the following principles:

(c) Year Two of the current Capital Programme shall become the new Capital Budget and Year Three of the current Capital Programme shall become Year Two in the new Capital Programme and

(i) New projects shall enter the Programme in Year Three."

6.3.3 2012/13 to 2016/17 Capital Budget by Directorate

Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
Capital expenditure - Municipal Vote					
Multi-Year expenditure *to be appropriated*					
Budget and Treasury	10,480	10,300	10,350	11,385	12,524
Public Health	20,000	20,000	20,000	22,000	24,000
Human Settlements	165,868	185,336	186,928	205,621	226,183
Economic Development and Recreational Services	17,900	13,500	30,000	30,000	38,300
Corporate Services	23,200	22,000	22,600	24,860	27,346
Rate and General Engineers	693,000	466,217	578,184	634,402	696,163

Vote Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
Water Services	399,906	439,850	295,950	314,545	346,000
Sanitation Services	288,600	345,800	480,900	528,990	581,889
Electricity and Energy	121,807	154,623	155,937	171,531	188,684
Executive and Council	11,200	10,000	11,500	12,650	13,915
Safety and Security	5,700	5,000	5,000	5,500	6,050
Strategic Programmes Directorate	46,000	2,400	0	0	0
Capital Multi-year expenditure sub-total	**1,803,661**	**1,675,026**	**1,797,349**	**1,964,484**	**2,159,252**
Capital Expenditure - Standard					
Executive & Council	11,200	10,000	11,500	12,650	13,915
Budget & Treasury Office	10,480	10,300	10,350	11,385	12,524
Corporate Services	23,200	22,000	22,600	24,860	27,346
Planning & Development	46,000	2,400	0	0	0
Health	1,000	0	0	0	0
Community & Social Services	8,000	7,500	10,000	11,000	12,100
Housing	165,868	185,336	186,928	205,621	226,183
Public Safety	5,700	5,000	5,000	5,500	6,050
Sport and recreation	9,900	6,000	20,000	22,000	24,200
Waste Water Management	288,600	345,800	480,900	528,990	581,889
Waste management	6,000	5,505	4,605	5,066	5,572
Road Transport	693,000	466,217	578,184	634,402	696,163
Environmental protection	13,000	14,495	15,395	16,935	18,628
Water	399,906	439,850	295,950	314,545	346,000
Electricity	121,807	154,623	155,937	171,531	188,684
Total Capital Expenditure - Standard	**1,803,661**	**1,675,026**	**1,797,349**	**1,964,484**	**2,159,252**
Funded by:					
National Government	1,255,373	1,059,088	1,293,349	1,410,084	1,549,412
Provincial Government					
Other Grants & Subsidies	235,000	285,000	160,000	176,000	193,600
Total Capital transfers recognised	**1,490,374**	**1,344,088**	**1,453,349**	**1,586,084**	**1,743,012**
Public contributions & donations	23,000	33,500	33,500	36,850	40,535
Borrowing					
Internally generated funds	290,287	297,438	310,500	341,550	375,705
Total Capital Funding	**1,803,661**	**1,675,026**	**1,797,349**	**1,964,484**	**2,159,252**

6.3.4 Alignment of the Budget with IDP

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The key strategic focus areas of the IDP are as follows:

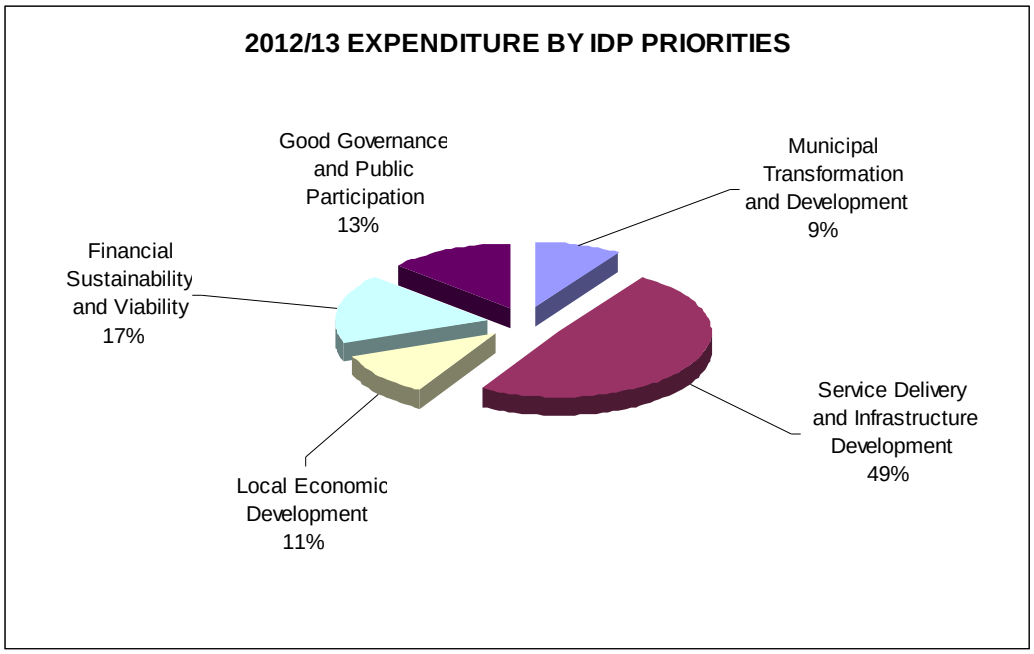
(a) Municipal transformation and development
(b) Service delivery and infrastructure development
(c) Local economic development
(d) Financial sustainability and viability
(e) Good governance and public participation

6.3.5 Budget according to IDP priorities

	Municipal Transformation and Development	Service Delivery and Infrastructure Development	Local Economic Development	Financial Sustainability and Viability	Good Governance and Public Participation	Total
	R '000	R '000	R '000	R '000	R '000	R '000
2012/13 Budget						
Capital Expenditure	111,168	1,445,187	222,336	37,056	37,056	1,852,803
Operating Expenditure	760,133	3,192,559	836,146	1,596,280	1,216,213	7,601,331
Total	**871,301**	**4,637,746**	**1,058,482**	**1,633,336**	**1,253,269**	**9,454,134**
2013/14 Budget						
Capital Expenditure	103,627	1,347,151	207,254	34,542	34,542	1,727,116
Operating Expenditure	777,514	3,264,515	855,265	1,632,779	1,244,022	7,774,095
Total	**881,141**	**4,611,666**	**1,062,519**	**1,667,321**	**1,278,564**	**9,501,211**

	Municipal Transformation and Development	Service Delivery and Infrastructure Development	Local Economic Development	Financial Sustainability and Viability	Good Governance and Public Participation	Total
	R '000	R '000	R '000	R '000	R '000	R '000
2014/15 Budget						
Capital Expenditure	111,154	1,445,001	222,308	37,051	37,051	1,852,565
Operating Expenditure	845,484	3,548,234	930,032	1,775,516	1,352,774	8,452,040
Total	**956,638**	**4,993,235**	**1,152,340**	**1,812,567**	**1,389,825**	**10,304,605**

FIGURE 3: 2012/13 Expenditure by IDP priorities



6.3.6 The Budgeted Financial Position

The budgeted financial position of the Municipality, taking into account the capital and operating income and expenditure, is as follows:

Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
ASSETS					
Current assets					
Cash	200,000	200,000	200,000	200,000	200,000
Call investment deposits	166,046	214,038	482,125	725,127	1,002,818
Consumer debtors	580,516	616,798	655,348	688,115	722,521
Other debtors	390,715	390,715	390,715	388,000	385,000
Current portion of long-term receivables	20	20	20	20	20
Inventory	120,100	125,100	130,100	135,000	140,000
Total current assets	**1,473,609**	**1,564,075**	**1,877,858**	**2,136,262**	**2,450,359**
Non current assets					
Long-term receivables	65,000	65,000	65,000	68,000	73,000
Investments	20	20	20	20	20
Investment property	71,231	71,231	71,231	71,231	71,231
Investment in Associate					
Property, plant and equipment	13,359,753	14,326,101	15,444,278	16,748,007	18,217,109
Agricultural					
Biological					
Intangible	431,499	431,589	431,669	431,669	431,699
Other non-current assets					
Total non current assets	**13,927,403**	**14,893,751**	**16,011,928**	**17,318,927**	**18,793,059**
TOTAL ASSETS	**15,380,700**	**16,440,323**	**17,870,137**	**19,455,189**	**21,243,418**
LIABILITIES					
Current liabilities					
Bank overdraft					
Borrowing	105,159	112,968	104,093	93,920	86,409
Consumer deposits	113,500	114,500	115,500	118,000	121,000
Trade and other payables	1,436,018	1,502,809	1,592,027	1,700,000	1,850,000

Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
Provisions	85,000	90,100	95,506	101,000	106,000
Total current liabilities	**1,739,677**	**1,820,377**	**1,907,126**	**2,012,920**	**2,165,409**
Non current liabilities					
Borrowing	1,629,013	1,516,045	1,411,952	1,318,032	1,231,623
Provisions	1,411,466	1,544,649	1,683,624	1,794,000	1,908,000
Total non current liabilities	**3,040,479**	**3,060,694**	**3,095,576**	**3,112,032**	**3,139,623**
TOTAL LIABILITIES	**4,780,156**	**4,881,071**	**5,002,702**	**5,124,952**	**5,305,032**
NET ASSETS	**10,604,544**	**11,559,252**	**12,867,435**	**14,330,237**	**15,938,386**
COMMUNITY WEALTH/EQUITY					
Accumulated Surplus/(Deficit)	4,894,411	5,078,699	5,384,762	5,490,658	5,673,118
Reserves	5,710,133	6,480,553	7,482,673	8,839,579	10,265,268
Minorities' interests					
TOTAL COMMUNITY WEALTH/EQUITY	**10,604,544**	**11,559,252**	**12,867,435**	**14,330,237**	**15,938,386**

6.3.7 Investment income

Interest earned on investments will amount to approximately R21.2million in 2011/12 and is therefore an important source of funding for the Municipality.

Section 2 refers to the Investment Policy, which ensures that the Municipality receives an optimum return on its investments, with minimal risk.

6.3.8 Cash flow statement

Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
CASH FLOW FROM OPERATING ACTIVITIES					
Receipts					
Ratepayers and other	5,195,141	5,818,140	6,505,725	7,151,838	7,915,023
Government - operating	1,161,771	1,073,480	1,163,408	1,210,000	1,250,000
Government - capital	1,243,420	1,344,088	1,453,571	1,586,084	1,743,012
Interest	25,528	27,059	28,683	20,000	21,000
Payments					
	-	-	-	-	-
Suppliers and employees	5,896,927	6,145,599	6,714,012	7,391,991	8,135,976
Finance charges	-200,937	-189,528	-178,886	-167,210	-155,506
Transfers and Grants	-90,205	-95,600	-101,318	-107,397	-113,840
NET CASH FROM/(USED) OPERATING ACTIVITIES	**1,437,790**	**1,832,040**	**2,157,171**	**2,301,324**	**2,522,713**
CASH FLOWS FROM INVESTING ACTIVITIES					
Receipts					
Proceeds on disposal of PPE					
Decrease (Increase) in non-current debtors					
Decrease (increase) other non-current receivables				-3,000	-5,000
Decrease (increase) in non-current investments	0	0	0	0	0
Payments					
	-	-	-	-	-
Capital assets	1,736,256	1,677,890	1,775,117	1,953,729	2,149,102
NET CASH FROM/(USED) INVESTING ACTIVITIES	**- 1,736,256**	**- 1,677,890**	**- 1,775,117**	**- 1,956,729**	**- 2,154,102**
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts					
Short term loans					
Borrowing long term/refinancing	0	0	0	0	0
Increase (decrease) in consumer deposits	-3,275	-1,000	-1,000	2,500	3,000

Description	2012/13 Medium Term Revenue & Expenditure Framework			Long Term Revenue & Expenditure Framework	
R thousand	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Budget Year +3 2015/16	Budget Year +4 2016/17
Payments					
Repayment of borrowing	-97,444	-105,159	-112,968	-104,093	-93,920
NET CASH FROM/(USED) FINANCING ACTIVITIES	**-100,719**	**-106,159**	**-113,968**	**-101,593**	**-90,920**
NET INCREASE/ (DECREASE) IN CASH HELD	**-399,184**	**47,992**	**268,086**	**243,002**	**277,691**
Cash/cash equivalents at the year begin:	**765,230**	**366,046**	**414,038**	**682,125**	**925,127**
Cash/cash equivalents at the year end:	**366,046**	**414,038**	**682,125**	**925,127**	**1,202,818**

6.3.9 Key performance indicators

The following financial indicators identify medium-term projections against past performance.

These indicators and others will be monitored throughout the financial years covered by the Budget.

Financial Indicators	Basis of Calculation	2012/13	2013/14	2014/15	2015/16	2016/17
Borrowing Management						
Borrowing to Asset Ratio	Total Long Term Borrowing/Total Assets	10.59%	9.22%	7.90%	6.77%	5.80%
Capital Charges to Operating Expenditure	Interest and Principal Paid/Operating Expenditure	16.67%	17.72%	16.36%	13.92%	11.65%
Safety of Capital						
Debt to Equity	Loans, Accounts Payable & Tax Provision/Funds & Reserves	45.08%	42.23%	38.88%	35.76%	33.28%

Financial Indicators	Basis of Calculation	2012/13	2013/14	2014/15	2015/16	2016/17
Gearing	Funds & Reserves/Long Term Borrowing	15.36%	13.12%	10.97%	9.20%	7.73%
Liquidity						
Current Ratio	Current Assets/Current Liabilities	0.85	0.86	0.98	1.06	1.13
Revenue Management						
Outstanding Debtors to Revenue	Total Outstanding Debtors/Annual Revenue	14.23%	14.02%	13.03%	12.27	11.52

6.3.10 Budget related policies

6.3.10.1 Financial Management Policies

The financial management policies were approved by Council on 31 December 2006 & reviewed and approved on the 31 May 2010.

These policies cover budget principles and processes, including Adjustment Budgets. In addition, the following areas are addressed:

(a) Medium-term income and expenditure framework
(b) Income
(c) Supply chain management
(d) Creditors and payments
(e) Goods and materials
(f) Operating and capital expenditure
(g) Credit rating
(h) Salaries, wages and allowances
(i) Loans
(j) Risk management and insurance
(k) Accounting
(l) Audit matters
(m) Asset management

6.3.10.2 Revenue Enhancement Master Plan

This Plan addresses:

(a) Applications for the supply of municipal services, service agreements, deposits, screening, payment for services supplied, and billing
(b) Assessment rates
(c) Non-payment of municipal accounts
(d) Metering equipment and metering of services
(e) Miscellaneous provisions

The aim of the Policy is to achieve the active participation of the community in revenue management and to ensure efficient, effective and transparent dealings with municipal customers.

6.3.10.3 Assistance to the Poor

With an unemployment rate in excess of 35%, Council adopted an Assistance to the Poor Policy. This Policy caters for free basic services for approximately 76 921 qualifying households.

6.3.10.4 Cash Management and Investment Policy

The Cash Management and Investment Policy, which complies with the *Municipal Finance Management Act*, was approved in December 2005.

The objectives of this Policy are to ensure that cash resources are managed efficiently and effectively and that the Municipality receives an optimum yield at minimal risk. The Chief Financial Officer is responsible for managing municipal investments and ensuring that a detailed investment register is maintained.

Permitted investments are identified and must be made by the Municipality through the exercise of due care.

Additional issues covered, are:

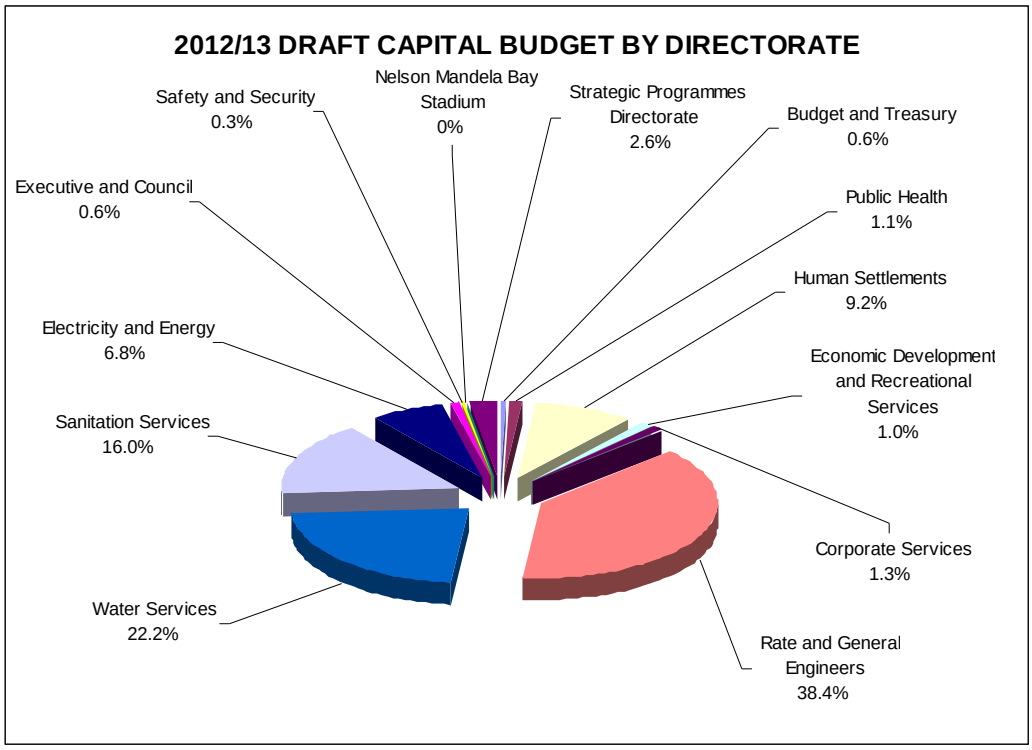
(a) Prohibition of payment of commissions
(b) Reporting requirements
(c) Diversification of investments
(d) Accounting for trust funds; and
(e) Establishment of an Investment Panel

The successful implementation of integrated development planning over the medium-/long-term requires proper alignment and harmonisation between the IDP, the budget, and provincial and national policy frameworks.
Below is a summary of operational and capital budget expenditure for the short term:

6.3.11 Capital and Operating Budgets

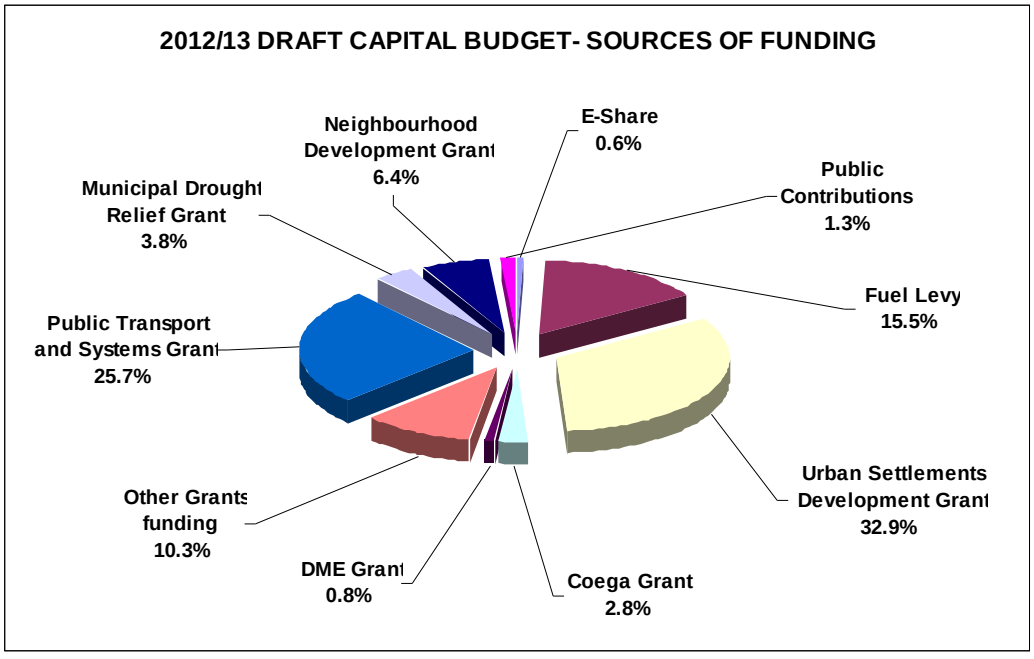
Capital expenditure analysed in terms of the various directorates of the Municipality is presented in Figure 5 below.

FIGURE 4: 2012/13 Capital Budget by Directorate



The main sources of capital income used to finance the capital expenditure are reflected in Figure 6 below.

FIGURE 5: 2012/13 Capital Budget by Finance Sources



6.3.12 Capital budgets priority rating system

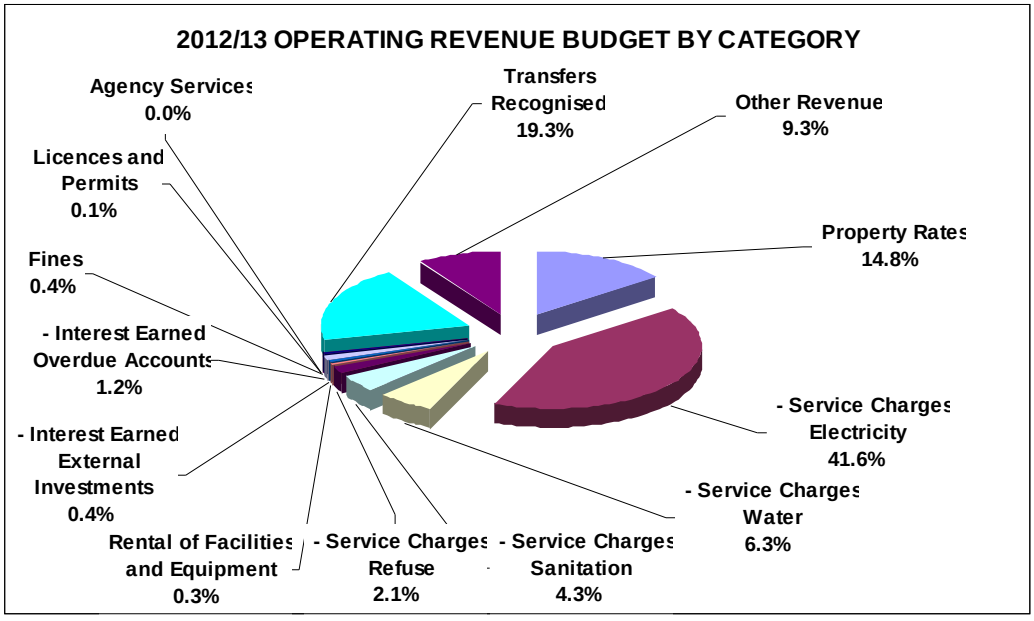
The system ranks projects from the highest to the lowest priority when budget allocations are considered.

The system is premised on the supporting the key strategic focus areas of the IDP. Relative weights are allocated to each strategic focus areas of the IDP. Projects are then assessed against these weighted strategic focus areas of the IDP taking into account the relative importance of the projects. The priority rating system will be used for all project funding requests.

6.3.13 Analysis of total income and expenditure

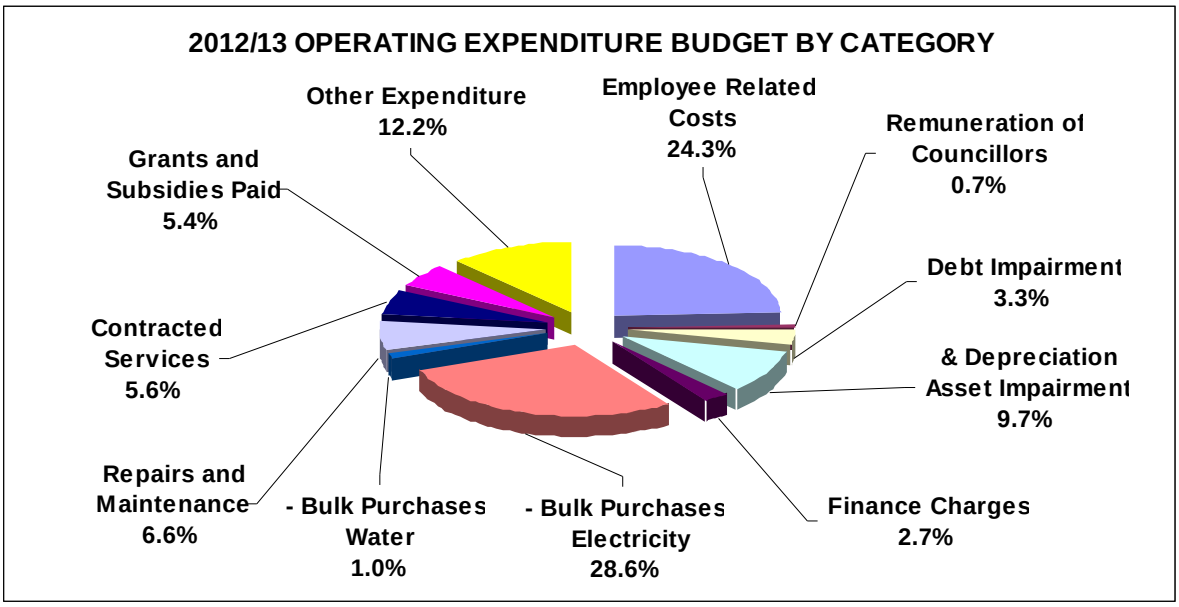
The main income sources used to pay for operating expenditure are shown in Figure 7 below.

FIGURE 6 : 2012/13 Statement of Financial Performance – Budgeted income



The main categories of spending, reflected as a percentage of the total budget, are shown below.

FIGURE 7: 2012/13 Statement of Financial Performance – Budgeted expenditure



CHAPTER SEVEN

PERFORMANCE MANAGEMENT, MONITORING AND EVALUATION

7.1 PERFORMANCE MANAGEMENT

The objective of Performance Management is to describe, measure, evaluate and report on how the Municipality's processes relating to the implementation of the Integrated Development Plan (IDP) will be conducted, organized and managed including determining the different role players, stakeholders and key timelines. Performance management therefore holds the key to the successful implementation of the IDP and Budget.

Integrated development planning enables the achievement of the planning stage of performance management. The Service Delivery and Budget Implementation Plan (SDBIP), the Performance Information System as well as performance agreements and plans underpin effective Performance Management.

7.2 DEFINITIONS OF KEY PERFORMANCE MANAGEMENT CONCEPTS

CONCEPT	DEFINITION
Integrated Development Planning	It is the Municipality's principal people-driven strategic developmental planning document. Importantly, it ensures close co-ordination and integration between projects, programmes and activities, both internally (between clusters and directorates) and externally (with other spheres of government).
Performance Management	A strategic approach through which performance objectives of the Municipality are identified, defined, translated into business plans and cascaded into individual scorecards allowing for regular planning, monitoring, evaluating and reviewing and reporting of performance at both organizational and individual levels, effectively responding to inadequate performance and recognizing outstanding performance.

CONCEPT	DEFINITION
Performance Management System (PMS)	A Municipality's Performance Management System entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different roleplayers. The method used by the Nelson Mandela Bay Municipality is the balanced scorecard method that takes into account financial, internal business, customer and learning and growth perspectives.
Key Performance Areas (KPAs)	Critical function/domain that is crucial to achievement of organizational goals.
Objective	Statement about the ultimate and long-term outcomes the organization wishes to achieve.
Key Performance Indicators (KPIs)	Measures (qualitative and quantitative) that tell a person whether he/she is making progress towards achieving his/her objectives.
Input indicators	An indicator that measures equipment, resources, economy and efficiency. • Budget projection • % capital budget spent to provide water. • Unit costs for delivering water to a single household • Amount of time/money/number of people it took the municipality to deliver water to a single
Output indicators	Indicators that measure results. They are usually expressed in quantitative terms (i.e. number / %) • Number of households connected.
Outcome indicators	Indicators that measure the impact of reaching the target. • Percentage of households with access to water.
Impact indicators	Indicators that measure the marked effect or influence of achieving specific outcomes.
Key Performance Elements (KPEs)	Focus areas linked to the identified Key Performance Areas.
Baseline indicators	It provides quantitative and/or qualitative levels of performance as at the beginning of the monitoring period that the institution aim to improve on.

CONCEPT	DEFINITION
Performance targets	Quantifiable levels of the indicators that the organization wants to achieve at a given point in time.
Performance plan	Plan of agreed Key Performance Areas, Objectives, Key Performance Indicators and Targets covering a specific financial year.
Institutional performance review cycle	12 continuous months period : 1 July to 30 June of the following year.
Review	A comprehensive assessment of the economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by the Municipality are concerned.
Section 57 employees	A person appointed as the municipal manager of a municipality, and a person appointed as a manager directly accountable to the municipal manager, subject to a performance agreement concluded annually.
Basic Services	Services that are essential to residents and are expected by the residents from the Municipality in exchange for taxes paid. Basic services include, but are not limited to sanitation (both sewer and refuse), water, roads, electricity, schools, food inspection, fire department, police, ambulance, and other health issues and transportation.

7.3 OBJECTIVES OF PERFORMANCE MANAGEMENT

Performance Management seeks to achieve the following -

(a) To clarify institutional goals and priorities

(b) To ensure a continuous cycle of planning, coaching and feedback

(c) To monitor service delivery – how well an institution is meeting its aims and objectives, which policies and processes are working

(d) To improve service delivery and processes

(e) To provide early warning signals

(f) To enable learning and improvement

(g) To ensure accountability and oversight

(h) To comply with legislation

(i) To promote community participation in local governance

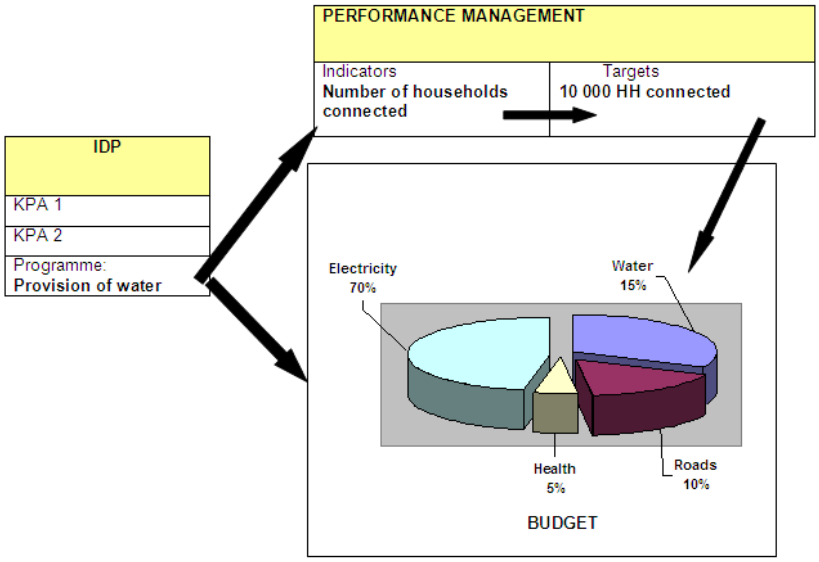
(j) To inculcate a culture of performance amongst employees

7.4 PRINCIPLES OF PERFORMANCE MANAGEMENT

- The performance of the institution is dependent on the collective discharge of responsibility by all Councillors, employees, service providers and entities.
- Successful implementation of performance management is dependent on sound relations and co-operation with all key stakeholders including unions and communities.
- Setting and implementation of priorities should be an outcome of a joint consultation / planning and continuous communication between the political leadership and the administrative leadership, executive directors and management in general, supervisors and employees.
- There should be clear synergy between performance management and all human resources development systems.
- Recognition and reward for good performance and effecting / introducing remedial measures in areas of underperformance.
- A concerted effort by all is critical to realise a culture of performance excellence.

7.5 RELATIONSHIP BETWEEN IDP, PMS AND BUDGET

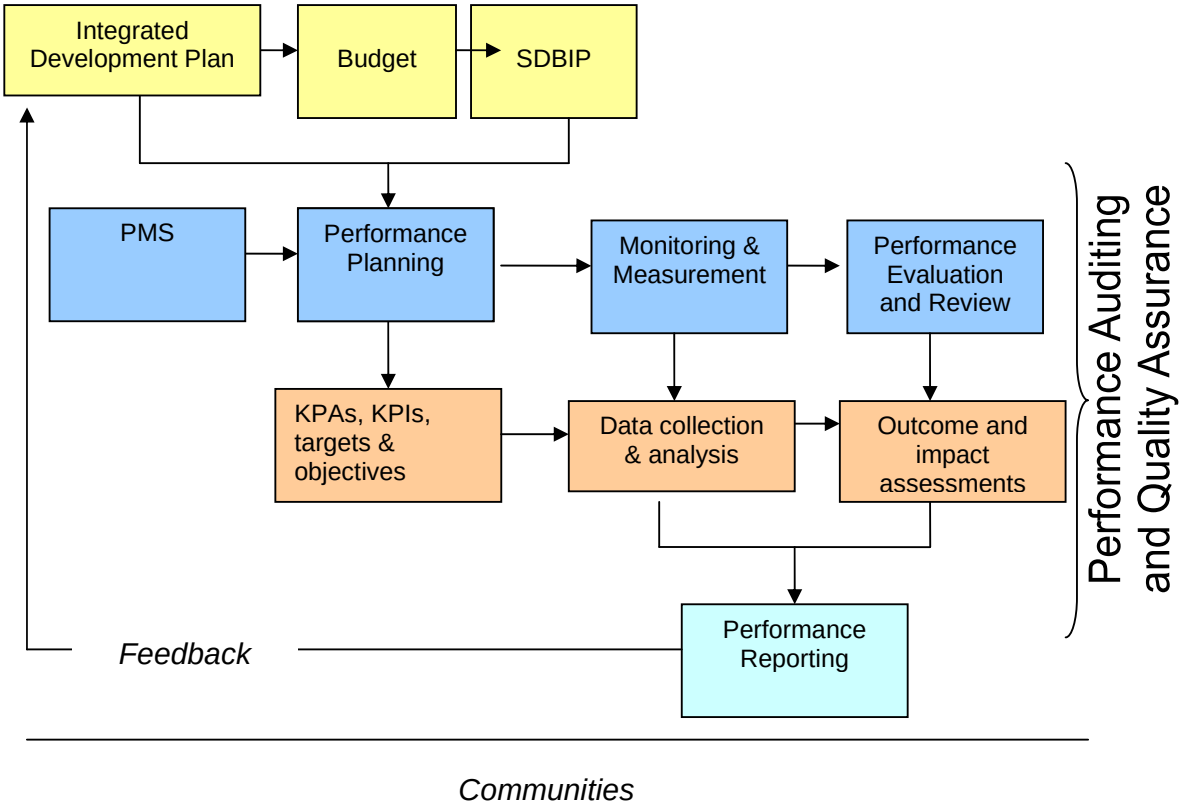
The figure below shows the relationship between the IDP, PMS and the Budget.



The IDP is a key strategic planning tool in which the Municipality's five-year programmes and projects are set out. The IDP programmes and projects inform the Municipality's budgeting processes. Performance management measures IDP implementation and budget performance.

7.6 INTEGRATED PERFORMANCE MANAGEMENT PROCESS

The figure below illustrates the integrated performance management process.



7.7 SETTING OF KEY PERFORMANCE INDICATORS (KPIS)

Once the process of developing objectives has been concluded, setting of key performance indicators follows. In addition, KPIs indicate how the objectives are going to be measured and they focus on end results. If it cannot be measured, it cannot be done or improved.

Performance Targets

Annually the Municipality must set targets for each of the key performance indicators. In terms of Section 12 of the Local Government: Municipal Planning and Performance Regulations (2001) targets must be:

(a) Practical and realistic.
(b) Measure the efficiency, effectiveness, quality and impact of performance of the municipality, administrative component, structure, body of a person for whom a target has been set.
(c) Commensurate with available resources.
(d) Commensurate with Municipality's capacity; and
(e) Consistent with the Municipality's priorities and objectives set out in its Integrated Development Plan.

Integration between 'organizational' and 'individual' performance management

Part of the SDBIP, that gets approved together with the IDP, is the organisational scorecard, which emanates from the upper layer of the institutional SDBIP. Targets reflected in the organizational scorecard are filtered through to respective Directorates and form the basis for Section 57 performance contracts and directorate SDBIPs. From this level, the KPIs are further filtered down to Sub-Directorates and this process then continues in the same manner through all levels.

Performance monitoring and measurement

Monitoring is a continuous process. It involves data collection, analysis and assessment of work completed. It also involves the comparison of performance between intervals (e.g. monthly, quarterly, bi-annually and annually).

7.8 MEASURING PERFORMANCE

To measure performance over the year, quarterly targets are added to the performance scorecard template as reflected below.

PERFORMANCE SCORECARD WITH QUARTERLY TARGETS

KPE	KPI	BASE-LINE	ANNUAL TARGET	REVISED TARGET	FIRST QUARTER		SECOND QUARTER		THIRD QUARTER		FOURTH QUARTER		Explana-tion of variance, comments and/or corrective action	Account-able	Weighting
					Target	Actual	Target	Actual	Target	Actual	Target	Actual			
Provision of basic water	% of capital budget spent in provision of water (Input)	90%	95%		92%		93%		94%		95%			Infrastruc-ture and Engineering	
	Number of new households connected to basic water (Output)	20 000	10 000 by 30 Jun 08		1500		4000		7000		10000			Infrastruc-ture and Engineering	
	% of households with access to water (Outcome)	93%	100% by Dec 2008		93%		100%							Infrastruc-ture and Engineering	

EXPENDITURE PROJECTIONS WITH ACTUALS RECORDED

Expenditure projections are also measured with the recording of actuals.

KPA	Capital Budget 2005/06	Cashflow by month											
		July 2006	**Aug 2006**	**Sep 2006**	**Oct 2006**	**Nov 2006**	**Dec 2006**	**Jan 2007**	**Feb 2007**	**Mar 2007**	**Apr 2007**	**May 2007**	**Jun 2007**
Provision of water	1 016, 000	80,000	90,000	50,000	30,000	80,000	76,000	90,000	80,000	80,000	80,000	70,000	50,000
Actual expenditure													
Roads and stormwater	740, 000	30,000	40,000	100,000	70,000	90,000	90,000	90,000	70,000	50,000	40,000	40,000	30,000
Actual expenditure													
Total	1 756, 000	110,000	130,000	150,000	100,000	170,000	166,000	180,000	150,000	120,000	120,000	110,000	80,000
Actual total expenditure													

7.9 REVIEWING PERFORMANCE

The Performance scorecard template is illustrated above. Once completed with quarterly actuals, it constitutes performance reports, which are then used as the basis for the performance review. The Municipality also reviews its Performance Management System during the annual IDP Review.

Performance Reporting

At a managerial/subordinate level, performance should be monitored monthly, either through scheduled team meetings, or specific one-on-one sessions. Performance is then formally reported upon every quarter throughout the hierarchical levels, with the community being reported to once a year through the publication and presentation of the annual report.

The performance reporting cycle can be illustrated as follows:

Frequency and nature of report	Mandate	Recipients
Quarterly progress report	Section 41 (1) (e) of the Systems Act, Section 166 (2) (a) (v) and (vii) of the Municipal Management Finance Act (MFMA) and Regulation 7 of the Municipal Planning and Performance Management Regulations.	Municipal Manager Executive Mayor Mayoral Committee Audit Committee
Mid-year performance assessment (assessment and report due by 25 January each year)	Section 72 of the MFMA. Section 13 (2) (a) of the Municipal Planning and Performance Management Regulations 2001.	Municipal Manager Executive Mayor Mayoral Committee Council Audit Committee National Treasury Provincial Government
Annual report (to be tabled before Council by 31 January (draft and approved / published by 31 March each year)	Sections 121 and 127 of the MFMA, as read with Section 46 of the Systems Act and Section 6 of the Systems Amendment Act.	Executive Mayor Mayoral Committee Council Audit Committee Auditor-General National Treasury Provincial Government Local Community

In recognition of the importance of regular feedback to the communities in line with the developmental local government, the NMBMM's annual report will be displayed at the Municipality's head offices, satellite offices, libraries and official website. A notification will be posted in the news media informing the communities of the availability and location of the aforementioned document. Such notification will include an invitation to the local community to submit written comments for representation to the Municipality in respect of the relevant documents.

7.10 MONITORING AND EVALUATION

The Policy Framework for Government-wide Monitoring and Evaluation System (GWM&ES) published by the South African Government in 2007 is the overarching policy framework to institutionalize monitoring and evaluation in the three spheres of government (including the Nelson Mandela Bay Municipality).

Monitoring and Evaluation in the institution entails the following ***supporting objectives:***

- To monitor and evaluate the implementation of the Integrated Development Plan (IDP) and Budget, in line with municipal goals and 5 Year Local Government Strategic Agenda implementation plan.

- To ensure the integration of all the monitoring and evaluation systems, processes and procedures in the institution.

- To improve service delivery efficiency and effectiveness.

The following issues and challenges have been identified for intervention:

- Lack of a monitoring and evaluation culture, including its integration in planning and implementation of programmes and projects.

Interventions

In order to offset the identified challenges, the following interventions are suggested:

- Promote a culture of monitoring and evaluation in order to facilitate buy-in relating to the introduction of new systems, processes and procedures in this regard.