

CHAPTER 2

PERFORMANCE HIGHLIGHTS

2.1 INTRODUCTION

During the 2007/08 financial year Buffalo City Municipality moved closer towards achieving the vision of a “a people-centred place of opportunity, where the basic needs of all are met in a safe, healthy and sustainable environment”.

The performance highlights contained in this chapter serve as a record of these achievements. This report has been structured in accordance with the requirements of the Municipal Finance Management Act (MFMA), to provide a true, honest and accurate overview of the performance of the Municipality. Accordingly the information contained in this report has been drawn from the institutional scorecard and obtained from the relevant Directorates.

In view of that, this report comprises of four components. The first component will provide a brief narrative overview of the performance highlights achieved by the Municipality. Performance highlights, have been arranged into three broad perspectives in accordance with the Institutional Review Scorecard for 2007/08. These three broad perspectives include institutional resource management, governance and public participation, service delivery and development perspectives.

The second component reports on the current service level backlogs and the financial resources required to address and eradicate the backlogs in the key functional areas of water, electricity, sanitation, refuse removal and roads.

The third component reports on the performance regarding the approval of zoning and building plans. The fourth section provides a report on the performance management system as well as the service delivery and budget implementation plan.

2.2 SERVICE DELIVERY HIGHLIGHTS

2.2.1 Institutional Management

The over-arching objective of the municipality in terms of institutional management is to ensure the effective, efficient and coordinated financial management of all assets under its control takes place, in order to increase its revenue and deliver on its mandate. In terms of its Institutional Review Scorecard, Buffalo City Municipality has achieved a number of substantial successes in the Key Performance Areas (KPA) of assets, financial and human resource management.

In terms of the effective and efficient management of its assets, the municipality has, in accordance with its fleet replacement policy replaced the required 15% of its fleet during the reported financial year. In addition a targeted downtime of 35% due to maintenance as a percentage of the overall production was achieved.

The target of ensuring that 5% of the operational budget was available for the maintenance of the council vehicle fleet was also achieved.

In terms of ensuring coordinated financial management and increased revenue management substantial successes were achieved and include;

- Achieving the targeted 94% of project funding spent.
- Ensuring that 82% of the municipality's capital budget was spent on capital projects in accordance with the Integrated Development Plan.
- Achieving a cost coverage performance of 2.5% as targeted.
- Achieving 35% of the Debt Coverage as defined in the Municipal Planning and Performance Management Regulations (2001)
- Achieving total capital debt to annual income of 35% as targeted.

However the following target was not completely achieved.

- Due to delays in handovers to attorneys, a collection rate of 93.25% as opposed to the targeted 97% was achieved.

From a Corporate Services perspective, the over-arching objective of the Buffalo City Municipality is to ensure that the institution is appropriately capacitated and structured to ensure effective, efficient and sustainable service delivery. In striving towards achieving this objective a number of successes were achieved during the 2007/08 financial year. These include:

- Ensuring that 0.53% opposed to the targeted 0.45% of the staff in BCM are from the designated groups in terms of disability.
- Ensuring that 32.6 % of BCM staff are from the designated group in terms of gender as opposed to the baseline of 24.21%.
- Achieving the targeted 40% progress with the implementation of an integrated HR strategy.

The following critical objective was not completely achieved.

- Not being able to cascade a performance management system to all the first 4 employee levels due to staff shortages.

As far the work in the area of Research and Knowledge Management is concerned, a number of research studies were conducted in 2007/08 in order to facilitate strategic decision-making and promote culture of continuous learning in the Municipality.

The following critical studies were conducted in the 2007/08 financial year;

- Knowledge Management Audit,
- IDP Service Delivery Impact Assessment Study, etc
- Socio – Economic Baseline Study of Second Creek informal Settlement

Buffalo City Municipality also hosted a Knowledge Management Reference Group of the South African Cities Network.

2.2.2 Governance and Public Participation

A number of governance and public participation processes and systems objectives were achieved during the 2007/08 Financial Year. These include:

- Achieving 80% functionality of ward committees, which includes conducting of regular meetings with about 60% attendance.
- Achieved a 70% progress with the implementation of ICT strategies as compared to a baseline of 20%.
- Adopted the Annual Budget Schedule in compliance with legislation.

In the 2007/08 financial year the Mayoral Imbizo Projects which involved active engagement with all 45 wards were implemented. The Mayoral Imbizo process provided community input which informed the Mayoral Projects for the year under review.

Through the 2007/08 Mayoral Imbizo Process, the municipality managed to implement a number of high impact community specific projects such as:

- Provision of street lights;
- Tractors and dipping tanks;
- Gravelling of rural roads; and
- Clearing of illegal dumps

In a bid to promote **women** and **youth** empowerment in the municipality, in the 2007/08 financial year, the following two funding facilities were established.

- Women Empowerment Fund (R5 Million)
- Youth Development Fund (R3 Million)

The Women Empowerment Fund (R3 million) benefited 11 Women based projects across the municipality while the other part (R2 million) was allocated for community services oriented projects.

The Youth Development Fund provided for the following youth beneficiation:

- Ten (10) Mayoral Bursaries were awarded to youth from previously disadvantaged communities to support their tertiary education,
- The Mayoral Youth Driving Project was launched and it benefited about 60 youths from across the municipality to access driving skills and competencies in the year under review,

- The municipality implemented a Skills Revolution Project which benefited 250 youths from across the municipality. The project saw the skilling of youth in computer, electricity, electronics, bench - work and carpentry. 5 youths were selected per ward and the training was facilitated by Buffalo City FET.
- The municipality capacitated the Umsobomvu Youth Advisory Centres in King Williams Town, Mdantsane and Gompo through the provision of dedicated Computer laboratories,
- The municipality also facilitated workshops for the Buffalo City Youth Council and Ward Youth Forums.

The municipality also undertook successful IDP and budget process hearings during the 2007/08 financial year, which involved the active participation across all 45 wards.

2.2.3 Service Delivery and Development

Construction, Engineering and Maintenance

The Construction Branch is responsible for the construction of minor civil engineering works for various departments within the Municipality, including road extensions, sidewalks, traffic circles, traffic calming measures and the laying of storm-water pipes. In terms of its performance this Branch has achieved the following:

- Construction of asphalt parking areas and asphalt overlays for the Electrical, Fire, City Police Supply Chain Management and Traffic departments.
- Provision of gravel and asphalt/concrete access to water and wastewater facilities within the municipal area. Inclusive of construction of the platform to the Braelynn Buy-Back Centre.
- Road-widening to 4 kilometers of the Gonubie Main Access Road to provide two out-going lanes.
- Installation of approximately 3 kilometers of guardrails along the Ziphunzana By-Pass to improve pedestrian safety.
- Conversion of redundant cast-iron/fibre-glass Division Box cubicles around the CBD to more aesthetically pleasing face brick structures.
- Installation of approximately 30 road duct-crossings for the Electrical Department.
- Construction of Western Avenue and Beaconhurst Drive traffic circles and median islands and installation of approximately 100 speed humps/pedestrian tables, within the municipal area.
- Project facilitation and Engineering Mentoring to 10 BCM Learner Contractors appointed to construct 180 Speed humps/pedestrian tables at 58 schools in the Mdantsane area. This project included a number of taxi/bus bays.

The Roads Branch, is responsible for the maintenance, rehabilitation, upgrading and construction of the formal road network (both surfaced and gravel) of the Municipality. In spite of experiencing a challenging year, due to the lack of capital funding; numerous performance highlights were achieved, which include:

- The replacement of 1200 numbers of railway sleepers.
- 700m² of vegetation controlled.
- Bridge Maintenance - Painting of Buffalo Bridge
- Sidewalks repaired – 4410m² slurried
- Pothole Repairs – 161,9m³ potholes repaired
- 58,3km of roads works bladed
- 29,3km re-gravelled and 18,5km reconstructed
- Stormwater Repairs – 1104,84km Pipes jetted for stormwater blockage, 639m pipes repaired, 7705 Catch-pits cleared of debris and repaired and 147 Manholes repaired.
- 63 kilometres of potholes and roadworks repaired

In terms of the management and implementation of capital-funded engineering projects, the Municipality achieved a 100% expenditure rate of its Municipal Infrastructure Grant (MIG) funding allocation, which amounted to approximately R109 million for the period under review.

- Completion of gravel reconstruction of 40km of roads in the rural areas at a project cost of R6.6million.
- Upgrading of 20km gravel roads in Mdantsane at a project cost of R19.5 million.

Training of 10 Contractors and 20 Supervisors in terms of the Expanded Public Works Programme (EPWP), with the second contracts of plus R500 000 per contractor already having been successfully completed.

Electricity Provision

The purpose of the Electricity, Mechanical and Fleet Management Department is to provide an effective and efficient mechanical and electrical service and infrastructure in accordance with legal and statutory requirements. The Municipality achieved the following results in respect to electricity provision for the 2007/2008 Financial Year:

Reeston Substation

The Reeston area is being developed to provide housing to about 12 000 house holds. This area did not have electrical network available and the network in close proximity is overloaded. Therefore a new substation was required to ensure a stable supply to this area. Funding has been received from the Department of Minerals and Energy to provide the substation.

The project commenced in 2007 and is 85% complete. The switch-on for the substation has been estimated for the end October 2008.

Queenspark Zoo Substation

The Queenspark Zoo substation has become a necessity due to the high increase in both RDP houses, commercial connections and other housing development. This supply will stabilize supply in RDP areas such as Duncan Village and also provides relief to the city centre.

This project is in its initial stages and no major works has taken place. The Department of Minerals and Energy are providing the funding for this project.

Electrical Connections

Over the last financial year Buffalo City has provided 1890 houses with electrical connections. The areas covered were Potsdam Unit P (500), Airport Phase 2A (635), Reeston (300) and 365 infill houses throughout Buffalo City.

The Electricity Department also completed 35 industrial / commercial / housing development connections onto the system.

Asset Register

In terms of the Municipal Finance Act and in preparation for establishment of the Regional Electricity Distributor (RED), an asset register was compiled by the Electricity Department. The register covers the age, condition, replacement cost and co-ordinate (GPS) location of each of the network assets. The estimated value of the Electrical asset is R3 754 678 918.

Energy Consumption

Buffalo City is the second largest purchaser of electricity in the Eastern Cape. Buffalo City Municipality has 115 000 domestic consumers, 37 000 of which are indigent and 8 649 Commercial /industrial consumers.

Buffalo City purchased 1.410 GWH units of electricity at a cost of R303 231 705.45 (including VAT).

Sales for the same period for all customers was R568 001 288.06.

Esplanade Lighting

Unique decorative type street lighting was installed along the beachfront to portray a unique arctic theme.

Chiselhurst Substation

During the 2007/08 financial year, redundant switchgear was replaced with a new 21 panel electrical 11 kV switchboard.

Provision of Scientific Services, Waste-water Management

For the period under review (2007/08) the following performance highlights were achieved regarding the provision of potable water, the management of waste-water and the provision of scientific services in accordance with legal standards and regulations:

- Augmentation of Water Treatment Capacity at Umzoniana WTW – R15 million
- Addressing the water losses and deferred maintenance on the WTW where it will ensure an improved capacity of 20 Ml/day (15 % over existing). This will avoid expensive capital augmentation and provide capacity for housing developments and private developments.
- Relocation of mid-block water mains in Mdantsane – R2,5 million.
- Ensuring water delivery is improved and fire fighting facilities are provided. Also metering of properties is undertaken.
- Bulk Water Supply to Newlands – R0,75 million.

- To provide basic services due to expansion of villages.
- Backlog Ward 18 (Western Regions) – R17 million.
- Phased elimination of water backlogs
- Upgrade Quenera Wastewater Treatment Works – R19,3 million
- Open up housing development and commercial development
- Rural Sanitation – R6,5 million
- Phased eradication of backlogs
- Reeston Bulk Services – R2,3 million.
- Buffer Strip Sanitation – R12,8 million.

Housing Delivery

Low Cost Housing

The following low cost housing projects were undertaken by the Housing Department.

- Reeston Phase 1 and 2: Stage 1: Provision of 1000 top structures.
- Reeston Phase 1 and 2; Stage 2; Provision of 1000 top structures.
- Reeston Phase 1 and 2: Stage 3: Provision of 500 top structures.
- Reeston Phase 3: Stage 1: Provision of internal services and 796 top structure.
- Airport Phase 2A: Provision of 614 top structures.
- Potsdam Unit P: Stage 1: Provision of 500 top structures.
- Tyutyu Phase 2: Provision of 373 top structures.

Completion of Top Structures

A total of 2219 houses were completed with serviced sites with the provision of clean water to every unit, water borne sanitation followed by electrification. The houses were constructed in various projects with the handing over of completed units to the approved beneficiaries. Some of the projects had to be rolled over into the 2008-2009 financial year for completion. Approx 581 beneficiaries were relocated from Duncan Village to the Reeston Phase 1, 2 and 3 housing projects as part of the Duncan Village Redevelopment Programme. Beneficiaries largely affected by means of fire and flood disaster were relocated.

Planning of new projects for Implementation

The following new low cost housing projects were planned for implementation in the 2008-2009 financial years:

- Reeston Phase 3: Stage 2: 2500 units.
- Potsdam Unit P: Stage 2: 2003 units.
- Mdantsane: Manyano / Thembelihle: 850 units.
- Mdantsane: Z Zoga: Faze 2: 1500 units.
- Duncan Village High Density Pilot Housing Project; 323 units.
- Completion of blocked housing projects in Mdantsane, KWT and Dimbaza.

Job Creation from Housing Projects

Approximately 602 skilled and unskilled jobs were created for males, females and Youths during the 2007/8 financial year.

Municipal Accreditation in terms of Level 1

In terms of the National Housing Accreditation Programme, BCM Municipal Council took a decision to proceed with level 1 accreditation. Various milestones had to be achieved before the delegation of authority can be granted by the MEC for Housing. An amount of R6 million was received from the National Housing Department for capacity building. During the financial year the housing organogram was revised and approved by Council, appointment of new personnel, provision of internal /external training. A pre-audit on level 1 by the Provincial Housing Department was also undertaken. The consideration for the delegation of level 1 housing function by the Provincial Housing Department to the Municipality will be finalized in the financial year 2008/9.

Low Cost Housing Project: Energy Efficient Technology

The National Department of Science and Technology has provided approximately R14 million to Buffalo City Municipality for energy efficiency housing in one of its pilot housing projects, namely Potsdam Unit P. This success of this project will be rolled out to other projects.

Duncan Village Redevelopment Initiative (DVRI)

The Duncan Village Redevelopment Initiative (DVRI) is an ambitious long-term programme to redevelop and revitalize Duncan Village. DVRI is currently embarked upon by Buffalo City Municipality, the Provincial Department of Housing. DVRI was set in motion in early 2004 and targeted for completion in 2014.

Duncan Village currently accommodates about 21000 households under very high densities in a relatively small area. A number of these households (16000) will have to be relocated to Reeston in order for Duncan Village to be redeveloped. Duncan Village precinct can accommodate approximately 5000 units.

Housing Delivery in DVRI

- The DVRI provided 1575 housing units for Duncan Village residents and 1721 units for Reeston beneficiaries (including Dice, Barcania, Khayelitsha and Reynolds Farm). More houses are expected to be completed in 2008/09 financial year.

Neighbourhood Development Partnership Grant (NDPG) Funding

The DVRI received funding commitment from National Treasury to implement catalytic projects that will be able to attract investors in Duncan Village. The funding commitment is R90 million.

Other Funding

Through the international agreement between Buffalo City Municipality (RSA) and Leiden (Netherlands), Leiden made available R1million to Buffalo City Municipality to develop a sports field in the Duncan Village Flood Plain. The work in the flood plain is underway

Public Safety & Health

In terms of its mandate to ensure the health and safety of communities, Buffalo City Municipality has achieved a number of highlights during the 2007/08 financial year including:

Traffic & Law Enforcement

- Establishment of a vehicle pound.
- Planning of and traffic control and crime prevention at numerous local and international events e.g. Ironman 70.3.
- Assistance in driver training in respect of Mayoral Driver Training Project.
- Road and traffic safety training at schools and communities.
- Issue of body armour to traffic and law enforcement personnel.
- Fitting of satellite tracking devices to certain patrol vehicles in order to trace stolen and high jacked vehicles.

Fire & Rescue Services

- A new 64-seater auditorium was completed at the Fleet Street Fire Station.
- Major building plans and rational designs were evaluated for fire compliance.
- 99 Internal staff members and approximately 303 external students were trained at the Fire & Rescue Training Academy.
- The public education and training programme concentrated on schools and old age homes with approximately 67 visits to these institutions.
- Three new Freightliner Fire Engines were taken into operation during the period under review.

Disaster Management

- 37 of the 45 wards attended Disaster Management ward focal point and risk and vulnerability assessment training.
- Tabletop exercises were conducted to improve disaster site management and co-ordination.
- Disaster Management participated in 142 joint planning meetings for events and participated in 49 joint operation centres.

Primary Health Services

- TB Crisis in Amathole District – Provincial Department of Health is fetching the specimen of sputums daily to meet the sputum turnaround time.
- Sputum Conversion Rate has improved in the quarter July – Sept 2008 from 45% to 67%. National target is 50%.
- Soup & bread to TB clients has been introduced to 9 Health Care facilities. Clinics concerned covers wards 6,7,8,9,11 and 12.
- 30 Professional nurses & 40 DOTS Supporters were trained on TB record update.
- Health has formulated a committee to plan a workshop on TB MDR & XDR for BCM Councillors.
- Extension of Partnership with Daimler Chrysler: HIV/AIDS Project.
- Co-operation Agreement between BCM Health and Health Department – BCM Health Care Providers are capacitating St Bernards Hospice staff on TB, MDR, XDR and HIV/AIDS.

Development Planning

In accordance with the objective of ensuring effective and efficient integrated development planning and spatial development, the municipality recorded a number of highlights, which include:

Land Use Management

- 309 Land Use Applications were processed
- The Buffalo City Zoning Scheme incorporating the Zoning Scheme for King William's Town, East London and the former Amathole District Municipality was Gazetted on 23 May 2008.
- Draft Zoning Regulations for areas administered in terms of the Land Use Regulation Act 15 of 1987 (Former Ciskei Areas) and Proclamation R293 was approved by Council on 27 May 2008 and has been submitted to the Provincial authority for final approval.

Forward Planning

- 2 Local Spatial Development frameworks were completed (Bonza Bay LSDF and Dimbaza/Mt Coke LSDF)
- The Urban Edge Policy Framework was completed.

Settlement Planning

- A number of major urban settlement planning projects were completed during 2007/2008 including:
 - Fynbos Informal Settlement Phase 1 & 2 (1135 sites)
 - Postdam Ikhwezi Block 2, Phase 1 & 2 (875 sites)
 - Ndancama – Scenery Park (608 sites)
 - Lillyvale Township Establishment (106 sites)

Land Disposal Policy

- A Land Disposal Policy was developed.
- All Councillors have been workshopped on the Draft Land Disposal Policy.
- The final policy to be submitted to Council for approval and adoption.

Registration Of Duncan Village As A Township

- Land Administration lodged transfer documents for registration of Duncan Village. On receipt of the amended diagrams from Surveyor - General the registration will be processed.

Township Registration

The following township registrations were initiated in the year under review :-

- Reeston Phase 3
- Simanyene
- Airport Phase 2(a)
- Potsdam Yellowwoods
- Potsdam Kanana

Township Establishments

Initiatives to acquire sites in the following areas for the purposes of township establishment were initiated in the year under review.

- Sunny South
- Needs Camp
- Greydell
- Bongweni (Phakamisa)

- Kwaklifu (Phakamisa)
- Mouth Ruth

Transport Planning and Operations Projects

Traffic Safety: Vulnerable Road Users

The BCM Traffic Safety Plan identifies a need to provide new and to upgrade existing safety facilities at numerous locations in an attempt to facilitate safe pedestrian and vehicular movement along public roads within the Buffalo City Municipal area.

The Municipality has in 2007/08 continued with the construction of various facilities throughout the city, which include the following categories:

- pedestrian sidewalks – to provide a safe passage way for pedestrians
- speed humps – to reduce vehicular traffic speeds
- pedestrian tables – to provide a safe crossing point for pedestrians
- road studs and improved road markings – to provide clarity and a clear message to vehicular traffic
- Pedestrian sidewalks with guard rails on the Ziphunzana by-pass
- Speed humps and pedestrian tables on paved roads along schools throughout Buffalo City (Mdantsane, Duncan Village, Zewlitsha, East London and King Williams Town, Dimbaza, etc).

Non-Motorised Transport: Pilot Cycle Network

This project was implemented as the Pilot Cycle Network Project from 2006/07 till 2007/08. It was targeted to provide a cycle route network in the Nahoon area of East London as well as the provision of cycle network guidance signage and associated traffic calming measures. The aim of the project is to provide safer access to the many schools and local shopping precincts in the area and to promote cycling amongst scholars as a means of travel demand management. An added benefit of the project is that the associated traffic calming measures required to reduce the mean traffic speed on the cycle routes also leads to an improved environment for all non-motorized transport users.

The essential components of the project are:

- Semi width (cycle friendly) Speed Humps
- Cycle route guidance signs and poles
- Traffic Circle (markings only)
- Associated road markings at relevant areas

Integrated Rapid Public Transport Network Plan for Buffalo City

The Buffalo City Municipality has adopted a Public Transport Plan and a Public Transport Framework Plan which are integral components of the Integrated Transport Plan for the BCM area. At present 82% of passenger trips in the BCM area are made using minibus-taxis, 9% of the trips are made using standard buses and 9% use trains.

The vision for Public Transport in Buffalo City is: “A public transport system that contributes to a better quality of life for all by offering safe, affordable, accessible and attractive travel that satisfies the mobility needs of the community and supports the economic development in Buffalo City” In order to achieve the vision for public transport, the following goals must be met:

- Increased mobility
- Affordable transport
- Accessibility to work, school and community services
- Support social and economic development
- Improved safety
- Sustainable transport system
- Improved liveability and quality of life in BCM

Based on the vision and goals for a public transport system for BCM, a comprehensive network of rail, trunk bus, feeder bus and Mini bus taxi services is proposed in Public Transport Framework Plan.

The first phase of the Public Transport Plan is to give priority to rail as the major mode of transport in the MELD corridor. However, large capital expenditure is required. An alternative first phase is to give priority to a Bus Rapid Transit system for the MELD corridor, and this project is currently being funded by NDoT.

Funding amounting to R 111.5 million has been allocated to the project from the National Department of Transport over the next three years. Applications are being prepared for other funding sources that have also been identified. Consultants have been appointed to conduct detailed operational designs and the process of stakeholder consultation continues with focus on detailed public transport network proposals.

Environmental Services

The Department plays a critical role in improving the aesthetics of the area. This will indeed promote the image of Buffalo City and attract tourists and investors and therefore encourage the economy growth of the area.

The following projects, programmes and activities were implemented in the financial year 2007/08-:

- Beautification of entrances
- Development of Play Parks
- Clearing and mowing of grass in previously disadvantaged areas
- Beautification of Mdantsane
- Four (4) new landscaping areas were designed along Settlersway which has included entrances to ELIDZ, Orange Grove Informal Settlement as well as the Centre Islands.
- Expanded the capacity of the monitoring network to monitor ozone and carbon monoxide;
- Commenced and completed a passive air sampling programme;
- Engaged partnerships with Department of Environmental Affairs and Tourism, Department of Environmental Affairs and Development Planning, Amathole District Council, Nelson Mandela Bay Metropolitan Council, National Association of Clean Air and other interested and affected parties;
- Education of officials from Uganda on our Air Quality system.
- Continued and expanded interaction between and with government regulators
- Undertook environmental day and workshops with schools in Mdantsane
- Completed Open Space System and conservation plan

Local Economic Development

As far as Local Economic Development is concerned, the Municipality facilitated the following interventions under the two programmes of SMME Development and Agriculture & Rural Development.

SMME Development

- Emerging Contractor Development Programme (NQF Level 2) completed and contracts were registered for CIDB Grade 1 (General Construction)
- Establishment of Mdantsane One Stop Shop Resource Centre.
- 80 cooperatives were registered and taken through various levels of capacity building and training and handholding programmes.
- Established partnerships with Border Kei Chamber of Business, SEDA, Umsobomvu Youth Fund, ECDC, SAMAF, IDC and other private and public organizations to support and develop SMMEs within BCM.
- Two SMME information seminars were held in the period under review.

Agriculture & Rural Development

- Completion of Feasibility study for the establishment of Hydroponics and Tunnel Farming in Mdantsane
- Registering of secondary cooperative for all Mdantsane Organic Farmers.
- The Mdantsane Organic Farmers Coop was selected by the Department of Economic Development and Environmental Affairs to represent Amathole District Municipality in the National Cooperative Expo.
- Liyema Development Coop, a female cooperative, represented BCM in the Regional Female Farmer Awards Event and were crowned number two (First runner up) .
- Two tractors, equipment and agricultural inputs were handed over to two rural communities (Pierie and Mlakalaka) to enhance their production capacity.
- A successful Agricultural Show, attended by all municipalities within the Amathole District Municipality, was held at the Sisa Dukashe Stadium Mdantsane.

Mdantsane Urban Renewal Programme

MURP was established to speed up service delivery and improve the quality of lives of communities living in Mdantsane, under the flagship of the national Urban Renewal Programme of the Department of Provincial and Local Government (dplg).

The main aim of the programme is: "...to fight poverty and underdevelopment through job creation, infrastructure development and the stimulation of growth". For the 2007/08 financial year, MURP implemented the following programmes, activities and projects:

Led Partnership between Buffalo City, Motherwell and Galeshewe Urban Renewal Programmes In September 2007 through a process facilitated by the dplg and BCM, Nelson Mandela Bay Municipality and Sol Plaatjie Municipality, the respective municipalities entered into a Memorandum of Understanding for the partnership amongst the three Urban Renewal Nodes. This MOU was signed by the Executive Mayors of the three municipalities. The partnership serves as a platform of

interaction between these 'sister' nodes with a primary focus on LED. The partnership convenes regular meetings on a bi-monthly basis, municipalities rotating as hosts. At these meetings each node presents progress made with regards to LED, with a purpose of sharing experiences and lessons learnt and providing support to each other.

Livelihoods and Innovation Fund Enhancement (LIFE) Project Within the context of poverty, people from Mdantsane are creating various coping strategies. They are running small informal businesses, establishing saving clubs, community gardening projects, co-operatives and other social networks. To enhance these initiatives, MURP has developed livelihoods enhancement strategies. One of these strategies is the LIFE project, which is the development of a local social fund.

The objectives of the project are *"...to establish a social fund giving financial support to the initiatives from Mdantsane, which are active in the enhancement of the livelihoods of the residents, and to promote the initiatives from Mdantsane, which have innovative ideas and are active in the betterment of their immediate social and physical environment."*

As a result, the concrete impact will be improvement in the living and working conditions of urban poor in Mdantsane by means of small projects funded through the programme. MURP kick started the project with effect from June 2008. The implementation therefore falls under the 2008/09 financial year.

Local Economic Action Partnership (LEAP) Project The initiative of "Local Economic Action Partnership in Mdantsane" (LEAP) is one of the projects of a broader concept of livelihoods enhancement implemented by Mdantsane Urban Renewal Programme. It proposes three successive steps of several training, support and mentoring services for vulnerable households and micro-enterprises in Mdantsane who are already active in several initiatives, in order to support their livelihood strategies and to help them out of poverty.

This project concentrates on the achievement of the following objectives:

- *To provide business management training support to local enterprises;*
- *To strengthen existing income generating activities through direct mentorship support; and*
- *To identify partnership opportunities to address poverty and joblessness*

MURP initiated the project with effect from June 2008. The implementation therefore falls under the 2008/09 financial year.

MURP Internship Programme In the year under review, MURP embarked in an internship programme for the unemployed graduates in Mdantsane. The objectives of this programme are to reduce the unemployment levels in Mdantsane and to give relevant working experience to unemployed graduates. The programme was initially targeted for 15 interns. The duration of the programme is 1 year (12 months). The interns are appointed for a contract period of 6 months. The contracts will be renewed every six months based on the performance of the interns and whether the

department still needs their services. By end June 2008 there were 11 interns appointed.

Information, Communication and Technology Centre The Mdantsane ICT Centre Project which was initiated at the end of June 2007, is anticipated to be a panacea for MURP to achieve the following goals and objectives:

- *Investment in the economy and social infrastructure*
- *Development of human resources*
- *Poverty alleviation*
- *Enterprise development*

Most young people and entrepreneurs in Mdantsane cannot achieve goals due to the lack of information access through the internet. The lack of access to the internet and other computer programmes can impede upward socio-economic mobility of the Mdantsane Community. Through this project it is envisaged that the following will be achieved:

1. *Accessibility of the community to the centre*
2. *Training of interns to manage ICT Centre*
3. *Introduction of courses to skill and benefit the community of Mdantsane*
4. *Provision of support services i.e. Internet and e-mail etc.*
5. *Development of a programme that will enhance human resource development and enterprise development*

Street and Neighbourhood Naming This project refers to the first stage of the implementation of Street and Neighbourhood Naming project by MURP, which is the naming of streets, demarcating and naming of neighbourhoods. The objectives of this stage are as follows:

- *To demarcate and name neighbourhoods for Mdantsane*
- *To define neighbourhood boundaries with respect to existing "N.U" boundaries*
- *To verify the available data with regards to the number of streets with and without names in Mdantsane*
- *To compile a directory of names for streets in Mdantsane*
- *To ensure community participation through the process of naming*

MURP initiated the project with effect from June 2008 and the implementation therefore also falls into the 2008/09 financial year.

Neighbourhood Development Partnership Grant (NDPG) Buffalo City Municipality submitted an application in 2007 to the National Treasury's Neighbourhood Development Partnership Grant for funding for the Mdantsane Central Business District and the Mount Ruth Nodes. An amount of R128 million was secured by Buffalo City Municipality for the development of Mdantsane in this regard. It is anticipated that the funding will be accessed in the MTREF 2008/2011 for various projects in the Mdantsane's CBD and adjacent areas.



2.3 Service Delivery Backlogs

The following section contains a record of the service delivery backlogs as at 30 June 2008.

Water Backlog (6KL per month)	2005/06			2006/07			2007/08		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog to be eliminated (No of households not receiving Minimum Standard of Service)	-	-	9171 (Rural within & outside Urban edge)	7671 (Rural within & outside Urban edge)	-	0	7671 (Rural within & outside urban edge)	Awaiting Municipal Infrastructure Grant (MIG) allocation	0
Backlog to be eliminated (Percentage – HH identified as backlogs/total HH in Municipality)	-	-	5.9% (Rural within & outside Urban edge)	4%	-	0	4%	Awaiting Municipal Infrastructure Grant (MIG) allocation	0
Spending required to eliminate backlog associated with provision of new infrastructure (Rm) p.a.	R10,000,000	R10,600,000	R11,100,000	R12,000,000	R600,000	R600,000	R12,000,000	R600,000	R600,000
Expenditure required to renewal of existing infrastructure to eliminate backlog	R16,000,000	R0	R0	R18,000,000	R500,000	R450,000	R18,000,000	R500,000	R450,000
Total spending to eliminate backlog	R26,000,000	R10,000,000	R0	R30,000,000	R1,100,000	R1,050,000	R30,000,000	R1,100,000	R1,050,000
Spending required on maintenance to ensure that no new backlogs are created	R5,000,00	R4,500,000	R4,500,000	R17,000,000	R450,000	R450,000	R17,000,000	R450,000	R450,000
Minimum Service Standards required	RDP Rural Water Supply Design Criteria Guidelines in terms of which 6kl per month or a tap within 200m of every household is required.								
How are backlogs being addressed?	A Master Plan has been prepared to identify the backlogs and an application has been made via the PMU to MIG for funding to implement the projects.								

Sanitation Backlog	2005/06			2006/07			2007/08		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog to be eliminated (No of households not receiving Minimum Standard of Service)	-	22 654	22 654	83 131	1 000	1 000	83 000	3 000	3 000
Backlog to be eliminated (Percentage – HH identified as backlogs/total HH in Municipality)	-	40%	40%	43.75%	0.53%	0.53%	43.75%	4%	4%
Spending required to eliminate backlog associated with provision of new infrastructure p.a.	-	R26,000,000	R26,000,000	R160,000,000	R4,300,000	R4,300,000	R160,000,000	R7,268 million	R6,548 million
Expenditure required to renewal of existing infrastructure to eliminate backlog	-	R1,000,000	R1,000,000	R631,100,000	R28,200,000	R28,200,000	R631,100,000	R49,000,000	R44,000,000
Total spending to eliminate backlog	-	R28,000,000	R28,000,000	R791,100,000	R32,500,000	R32,500,000	R791,100,000	R56,268,000	R50,268,000
Spending required on maintenance to ensure that no new backlogs are created	-	R19,000,000	R19,000,000	R81,300,000	R7,600,000	R7,600,000	R81,300,000	R9,000,000	R9,000,000
Minimum Service Standards required	Designs based on SANS 10365-1: 2004								
How are backlogs being addressed?	A Master Plan has been prepared to identify the backlogs and an application has been made via the PMU to MIG for funding to implement the projects.								

Refuse Removal Backlog	2005/06			2006/07			2007/08		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog to be eliminated (No of households not receiving Minimum Standard of Service)	-	-	-	150 000	111 000	111 000	159 000	117 660	117 660
Backlog to be eliminated (Percentage – HH identified as backlogs/total HH in Municipality)	-	-	-	-	74 %	74 %	74%	-	-
Spending required to eliminate backlog associated with provision of new infrastructure p.a.	R3,500,000	R2,000,000	R6,500,000	R20,000,000	R12,000,000	R12,000,000	R21,200,000	R12,720,000	R12,720,000
Expenditure required to renewal of existing infrastructure to eliminate backlog	R45,000,000	R42,000,000	R42,000,000	R150,000,000	R96,000,000	R96,000,000	R159,000,000	R101,760,000	R101,760,000
Total spending to eliminate backlog	R80,000,000	R64,000,000	R64,000,000	R170,000,000	R108,000,000	R108,000,000	R180,200,000	R114,480,000	R114,480,000
Spending required on maintenance to ensure that no new backlogs are created	R6,000,000	R7,900,000	R40,000,000	R150,000,000	R96,000,000	R96,000,000	R159,000,000	R101,760,000	R101,760,000
Minimum Service Standards required	Removal once per week								
How are backlogs being addressed?	Recapitalization of the Refuse fleet Contract let for management of waste sites.								

Electricity Backlogs (50KWH per month)	2005/06			2006/07			2007/08		
	Required	Budgeted	Actual	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog to be eliminated (No of households not receiving Minimum Standard of Service)	2 500	2 500	2 698	75 000	2 500	500	73 000 (housing backlog)	2 300	1 800
Backlog to be eliminated (Percentage – HH identified as backlogs/total HH in Municipality)	2.29%	2.29%	2.47%	71.43%	2.38%	0.0048%	66.36%	2.09%	1.64%
Spending required to eliminate backlog associated with provision of new infrastructure p.a.	R15,000,000	R12,000,000	R12,830,000	R81,250,000	R13,000,000	R3,000,000	R79,083,820	R18,400,000	R14,400,000
Expenditure required to renewal of existing infrastructure to eliminate backlog	R120,000,000	R1,800,000	R1,800,000	R90,000,000	R7,000,000	R6,619,678	R100,000,000	R14,250,000	R14,250,000
Total spending to eliminate backlog	R135,000,000	R13,800,000	R14,630,000	R171,250,000	R20,000,000	R9,619,678	R179,083,820	R32,650,000	R28,650,000
Spending required on maintenance to ensure that no new backlogs are created	R135,000,000	R13,800,000	R13,800,000	R19,500,000	R0	R0	R25,000,000	R24,300,000 (excl. damages to equipment & salaries)	R23,200,000 (excl. damage to equipment & salaries)
Minimum Service Standards required	The minimum service standards for electricity provision are determined in terms of NRS standards, which are defined in terms of NRS 048 and NRS 049 guidelines. These standards relate to the minimum number of electricity interruptions, as well as required performance levels regarding safety of plant and personnel.								
How are backlogs being addressed?	A Master Plan is being prepared to identify the Backlogs and an application will be submitted to the Department of Minerals and Energy for funding. The Department of Minerals and Energy has allocated funding over a period of three years for the construction of two (2) new Substations.								

Roads	2006/07			2007/08		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Backlog to be eliminated (No of households not receiving Minimum Standard of Service)	710	0	-	710	-	-
Backlog to be eliminated (Percentage – HH identified as backlogs/total HH in Municipality)	49%	0	-	49%	R16m	R16m
Spending required to eliminate backlog associated with provision of new infrastructure p.a.	R1,065,000,000	0	-	R1,065,000,000	0	0
Expenditure required to renewal of existing infrastructure to eliminate backlog	R256,000,000	0	0	R256,000,000	R32,890,415	R32,890,415
Total spending to eliminate backlog	R1,321,000,000	0	-	R1,321,000,000	0	0
Spending required on maintenance to ensure that no new backlogs are created	R36,000,000	0	0	R36,000,000	R10,290,415	R10,290,415
Minimum Service Standards required	<p>It is difficult to define backlogs as far as roads are concerned. Conditions that can define a backlog are:</p> <ul style="list-style-type: none"> • Where is the area? • What traffic does it carry? • What is the importance of the road? • What surface is required? • What Storm water drainage is required? • What maintenance structures are available? 					
How are backlogs being addressed?	Depends on service standards required. The road maintenance system could be used to identify once standards are set.					

2.4 Building and Zoning Plans approved

The table below provides an overview of municipal performance relating to the approval of building and zoning plans as at 30 June 2008.

Applications outstanding 1 July 2006	Category	Number of new applications received 2006/07	Total value of applications received (R)	Applications outstanding 30 June 2007	Applications outstanding 1 July 2007	Category	Number of new applications received 2007/08	Total value of applications received (R)	Applications outstanding 30 June 2008
699	Residential new	2060	R 329,376,521.00	198	388	Residential new	990	R327,025,291.00	91
451	Residential additions	2353	R 355, 124,506.00	244	529	Residential additions	2293	R335,982,534.00	138
15	Commercial	85	R 604,725,537.00	4	16	Commercial	103	R254,780,014.00	7
11	Industrial	33	R 41,626,731.00	4	9	Industrial	45	R95,361,706.00	1
18	Other (specify)	86	R 72, 666, 357.00	6	18	Other (specify)	99	R100,959,827.00	4