

2022/23 - 2026/27

IDP

INTEGRATED DEVELOPMENT PLAN

EDITION IV

EXECUTIVE SUMMARY



nelson mandela bay
MUNICIPALITY



CHAPTER 1: INTRODUCTION

FOREWORD

by Executive Mayor



The implementation of the current five-year IDP (2022/23 – 2026/27) commenced in the 2022/23 financial year and has since been reviewed on an annual basis. This current review takes into consideration the changing circumstances (e.g. demographic, socio-economic and environmental factors) since the inception of the current 5-year IDP.

Key milestones achieved during the implementation of this IDP (1 July 2022 to 31 December 2024) *inter alia* include the following:

- 685 state subsidised housing units constructed.
- 1 413 sites serviced.
- 3 523 title deeds registered to beneficiaries.
- 3 251 households connected to water and sanitation supply.
- 1 891 households connected to electricity supply.
- 85% of recognized informal settlements receive basic waste removal services.

In addition to the above, 92% of all households in the Metro live in formal dwellings; 93,5% have access to flush toilets connected to sewer and 99,2% have access to basic water. The Municipality continues to ensure improvement in access to electricity provision and 96,5% of our households have access to electricity. Furthermore, a number of upgrades and refurbishment of key service delivery infrastructure (water treatment works, wastewater treatment plants and electrical substations) have been undertaken during the past 3 financial years.

Notwithstanding the above achievements, the Municipality is concerned with the continuous utilisation of the bucket system. About 6010 buckets are still in circulation as a form of sanitation and 0,8% of households have no access to basic water. This inhumane condition is in contradiction with the Constitution and the Municipality strives to ensure 100% access to basic services for all its residents. The growth in informal settlements poses a challenge to service delivery as many of these settlements are located on undevelopable land. Nonetheless, the Municipality continues to extend basic services to these informal settlements where possible.

The spatial inequality in our City is glaring as only a few clusters have access to the required service delivery infrastructure whilst the majority experience lack of service delivery. In addition, economic opportunities are located in certain areas of the City and poor households have to travel long distances to access economic opportunities.

The 2025/26 IDP review takes into consideration the above socio-economic issues and finds the best interventions to address these challenges. Other challenges experienced by the Municipality includes the following:

- Fluctuating revenue collection.
- Rising water and electricity losses.
- Increasing Unauthorised, Irregular, Fruitless and Wasteful Expenditure.
- Poor audit outcomes.
- Increase in outstanding debtors.
- Underfunded mandates (e.g. libraries).

The IDP presents the Municipality with an opportunity to focus on the most critical needs of our communities, taking into account the strategic risks facing the City and resources available. Having consulted with the communities of Nelson Mandela Bay and other key stakeholders during September to October 2024, this IDP will ensure accelerated service delivery, municipal transformation, economic growth and development within a financially viable and well governed City.

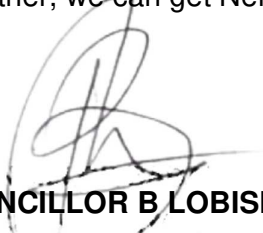
To fulfil our constitutional and legislative mandate, this IDP will ensure:

- (a) Democratic and accountable government to our local communities.
- (b) Provision of services to communities in a sustainable manner.
- (c) Promotion of social and economic development.
- (d) Promotion of a safe and healthy environment.
- (e) Involvement of communities, community organizations, State Owned Enterprises and Sector Departments in the matters of local government.

Equal to fulfilling our mandate is our coalition government's commitment to ensure accountable, accessible, transparent, and stable leadership with ethical integrity. Working in partnership with business formations, civil society, local residents, national and provincial government and other state-owned enterprises. We will work together to address the challenges faced by the City.

We are confident that we can all develop and grow the economy of Nelson Mandela Bay, enable creation of meaningful work opportunities, attract investment, whilst sustaining and conserving our environment and ensuring service excellence to our communities.

Together, we can get Nelson Mandela Bay working again.



COUNCILLOR B LOBISHE
EXECUTIVE MAYOR

STATEMENT

by City Manager

Sections 28 and 34 of the Local Government: Municipality System Act, 32 of 2000 requires municipalities to develop and adopt an IDP and review same on an annual basis. This current five-year IDP (2022/23 to 2026/27) contains priorities of the current elected Council.

Cities are usually regarded as engines of economic growth and continuously compete for investments. In addition, cities continue to grapple with urbanisation which usually results in inequitable distribution of resources amongst city residents.

This IDP provides a framework for medium-term sustainable and inclusive growth and development for all residents in Nelson Mandela Bay. It further provides a direction in terms of strategic public investment that can attract private responses for local economic development. To this end, Public Private Partnerships (PPP) becomes the main mechanism for realising the strategic intent of this IDP.

Furthermore, the Municipality will leverage on the District Development Model (DDM) to enhance coordination of the development priorities of all three spheres of government. This will assist in the coordination of infrastructure investments by government departments in the City.

This IDP serves as a City-wide development prototype owned by all stakeholders including residents, business community and other development partners to achieve a fair balance between local economic development and basic service delivery.

As the world has become a global village, the IDP recognises the interconnections and relationships among the local economy of Nelson Mandela Bay, the Eastern Cape Province as well as national and global economies.

The Municipality is conscious of the global and national threats (e.g. climate change, prevailing geo-political terrain, impacts of wars and national fiscal constraints) as well as opportunities (e.g. existing free trade and border control policies) for economic growth within the Nelson Mandela Bay Region.

The key priorities of this IDP include the following:

- (a) Ensuring access to basic service delivery for all residents.
- (b) Improving institutional and operational efficiency.
- (c) Improving local economic growth and job creation.
- (d) Stabilisation of the financial position of the Municipality.
- (e) Ensuring transparent governance.

With a concerted effort, the strategic objectives of this IDP can be achieved to ensure better living conditions for residents of Nelson Mandela Bay. It is further envisaged that the implementation of this IDP will give the Nelson Mandela Bay a competitive advantage over other cities in terms of investment attraction and retention.



MR DM PILLAY
ACTING CITY MANAGER

The Constitution of South Africa requires local government to be developmental. The Nelson Mandela Bay Municipality therefore has a responsibility to structure and manage its planning and budgeting processes to give priority to the basic needs of local communities and to promote residents' social and economic development.

1.1 CONTEXT AND OVERVIEW

In fulfilling their developmental mandate, municipalities are required by the Constitution of the Republic of South Africa to prepare five-year Integrated Development Plans (IDPs). The IDPs serve as strategic plans that indicate where and how cities should allocate their scarce resources in line with their vision and mission embodied in their long-term plans.

What is an IDP?

The IDP is the five-year strategy for the term of office of a municipal Council; It is the Council's Business Plan for the term of office. It is a roadmap which shows the direction in which the Municipality will develop over a five-year period. This IDP covers a 5-year period from 2022/23 to 2026/27, following the Local Government Elections held on 1 November 2021.

PHASES OF THE IDP

The IDP planning process has five phases namely: analysis, strategies, projects, integration and approval,

1.2 MISSION AND VISION

The Mission of the Nelson Mandela Bay is informed by Schedule 4(B) and Schedule 5(B) of the Constitution of the Republic of South Africa, which defines the local government matters. To fulfil this constitutional mandate, the Municipality has developed a Vision to guide its functions.

MISSION

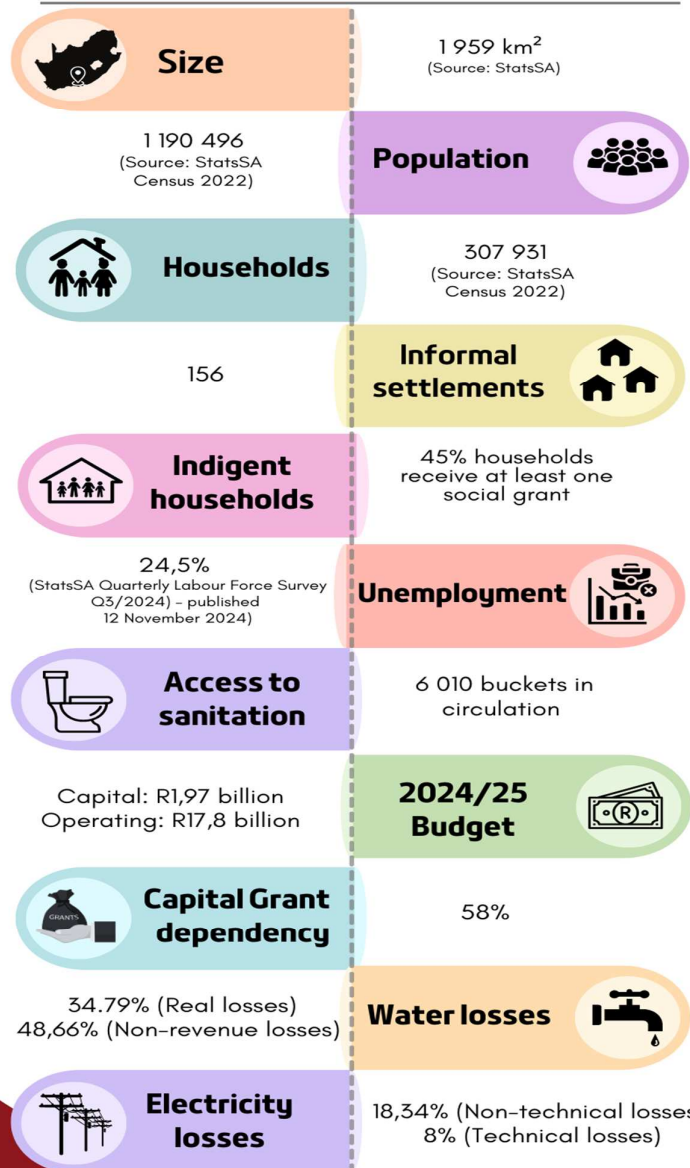
To create Freedom, Fairness and Opportunity for all in NMBM; stop corruption; create jobs; and improve service delivery.

VISION

An iconic, friendly, ocean city driven by innovation, service excellence and economic development – a destination of choice.

1.3 CITY PROFILE

CITY PROFILE



1.4 KEY PERFORMANCE AREAS (KPAs) OF LOCAL GOVERNMENT

Nelson Mandela Bay Municipality subscribes to the following five Key Performance Areas of Local Government, which form the basis of the IDP and SDBIP of the institution:

- (a) Basic Service Delivery and Infrastructure Development
- (b) Municipal Transformation and Organisational Development
- (c) Local Economic Development
- (d) Financial Sustainability and Viability
- (e) Good Governance and Public Participation
- (f) Spatial Consideration

1.5 ADOPTION OF INTEGRATED DEVELOPMENT PLANS

Section 25 of the Local Government: Municipal Systems Act (32 of 2000), requires each municipal council to adopt a single, inclusive and strategic plan within a prescribed period after the start of its elected term for the development of the municipality.

1.6 IDP EVALUATION BY COGTA (EASTERN CAPE PROVINCE)

The Eastern Cape CoGTA Department annually evaluates all IDPs within the Province. An analysis framework is used and the results serve to guide the preparation of credible IDPs. The table shows the ratings of the evaluation criteria from 2020/21 to 2024/25:

TABLE 1: NMBM IDP Ratings

EVALUATION CRITERIA	2020/21	2021/2 2	2022/2 3	2023/2 4	2024/25
Spatial Development Framework	High	High	High	Medium	Medium
Service Delivery	High	High	High	Medium	Basic
Financial Viability	High	High	High	High	High
Local Economic Development	High	High	High	High	Basic
Good Governance and Public Participation	High	High	High	High	High
Institutional Arrangement	Medium	High	High	High	High
Overall Rating	High	High	High	High	Medium

Source: COGTA (2024)

CHAPTER 2: SITUATIONAL ANALYSIS

2.1 Location and contextual perspective

The Nelson Mandela Bay Municipality is located in the Eastern Cape Province of South Africa and is one of eight metropolitan municipalities in South Africa. She became a Metropolitan municipality in 2000 and it's the largest of two metropolitan municipalities in the Eastern Cape Province, covering an area of 1959,02 km².

FIGURE 1: Location of Nelson Mandela Bay



Source: <https://www.google.com/maps/place/Eastern+Cape>

Table 2 reflect on the various clusters in the NMBM

TABLE 2: Six Clusters of NMBM

Clusters	Wards
Govan Mbeki	14, 15, 16, 17, 18, 19, 20, 21 & 22
Alex Matikinca	23, 53, 54, 55, 56, 57, 58, 59 & 60
Molly Blackburn	1, 2, 3, 4, 5, 6, 7, 8, 9, 12, 39, & 40
Zola Nqini	42, 43, 44, 45, 46, 47, 48, 49, 50, 51 & 52
Champion Galela	24, 25, 26, 27, 28, 30, 33, 36, & 41
Lilian Diedericks	10, 11, 13, 29, 31, 32, 34, 35, 37, & 38

2.2 DEMOGRAPHIC TRENDS

The Nelson Mandela Bay Municipality has the second highest population in the Eastern Cape Province and constitutes about 16% of the Eastern Cape population. OR Tambo has the highest population in the Eastern Cape Province with 1.501 million (Census, 2022).

Population grouping

Blacks constitutes 62.7% of the total population with Indian/Asian comprising 1.2%. Whites 15.7% and Coloureds 19.2% respectively.

CHAPTER 3: INSTITUTIONAL OVERVIEW

The governance consists of political and administrative structures. The political structure is headed by the Executive Mayor and the administrative structure is by the City Manager. Furthermore, there are a number of oversight structures including different portfolio committees and the Municipal Public Accounts Committee (MPAC).

The different components of the Nelson Mandela Bay Municipality's governance system are discussed below.

3.1 Council

The Speaker is the head of the Council. The Speaker of Council is supported by the Chief Whip. The Office of the Chief Whip deals with addressing and resolving complaints that come directly from communities or through the Municipality's Petitions Office.

There are 120 Councillors elected through a mixed-member proportional representation system. Sixty (60) of the Councillors were elected through a voting process in the Wards. The other 60 Councillors is from party lists with the requirement that the total number of parties representatives must be proportional to the number of votes received. Altogether, 13 political parties are represented in the municipal Council as illustrated in [Table 3](#).

TABLE 3: Political party seat allocation and gender distribution			
POLITICAL PARTY	ALLOCATION OF SEATS	GENDER DISTRIBUTION	
		MALE	FEMALE
African National Congress	46 (2 vacant)	31	15
Democratic Alliance	47 (1 vacant)	34	13
Economic Freedom Fighters	8	4	4
United Democratic Movement	1	1	0
Patriotic Alliance	2	1	1
African Independent Congress	1	1	0
African Christian Democratic Party	2	1	1
Abantu Integrity Movement	1	1	0
Defenders of the People	2	1	1
Good Party	1	1	0
National Alliance	3	3	0
Pan Africanist Congress of Azania	1	1	0
Freedom Front Party	2	2	0
TOTAL	117	82	35

FIGURE 2: NMBM political leadership

Cllr Eugene Johnson
Speaker of Council
(ANC)

Cllr Babalwa Lobishe
Executive Mayor
(ANC)

Cllr Wandisile Jikeka
Chief Whip
(ANC)

Cllr Gary Van Niekerk
Deputy Executive Mayor
(NA)

MAYORAL COMMITTEE

Cllr Khanya Ngqisha
MMC: Budget and
Treasury
(EFF)

Cllr Mkhusele Jack
MMC: Corporate Services
(AIM)

Cllr Mcebisi Bass
Kamana
MMC: Economic
Development, Tourism
and Agriculture
(PAC)

Cllr Ziyanda Mqokoyi
MMC: Electricity and
Energy
(EFF)

Cllr Thembinkosi
Mafana
MMC: Human
Settlements
(ANC)

Cllr Buyelwa Mafaya
MMC: Infrastructure and
Engineering
(ANC)

Cllr Thsonono Buyeye
MMC: Public Health
(AIC)

Cllr Yolisa Pali
Jongilanga
MMC: Roads and
Transport
(ANC)

Cllr Luyanda Lawu
MMC: Safety and Security
(ANC)

Cllr Sinebhongo Kwatsha
MMC: Sports,
Recreation, Arts and
Culture
(DOP)

The Nelson Mandela Bay Municipality further has a functional Municipal Public Accounts Committee (MPAC) which provides the appropriate mechanism through which Council can fulfil its oversight responsibilities.



Councillor L Namette: MPAC Chairperson

3.2 Office of the Chief Whip

The Chief Whip maintains discipline amongst Councillors and serves as the contact point between the executive and legislative spheres of the Municipality.



**Cllr Wandisile Jikeka
Chief Whip**

3.3 ADMINISTRATION

The administration of the Nelson Mandela Bay Municipality is headed by the City Manager who is appointed by Council. The City Manager is assisted by an Executive Management Team to run the administration. The Executive Management Team comprises 10 senior managers as per the following:

Chief Operating Officer (Vacant), Chief Financial Officer, Executive Director: Corporate Services, Executive Director: Public Health, Executive Director: Human Settlements, Executive Director: Economic Development, Tourism and Agriculture (Vacant), Executive Director: Electricity and Energy (Vacant), Executive Director: Infrastructure and Engineering (Vacant), Executive Director: Sport, Recreation, Arts and Culture (Vacant) and Executive Director: Safety and Security (Vacant)

CHAPTER 4: OVERSIGHT, REPORTING, MONITORING AND EVALUATION

The oversight, reporting, monitoring and evaluation function is important for the ongoing implementation of the IDP and its strategic objectives. It is important because it is through these processes that weaknesses and mitigating measures can be implemented and the overall impact of the plan can be improved.

The key offices, role-players and structures are listed below:

Executive Mayor, City Manager, Municipal Public Accounts Committee, Rules and Ethics Committee, Office of the Auditor-General, NMBM Audit Committee, NMBM Internal Audit and Risk Assurance, Risk Management Committee, Performance Management and Monitoring and Evaluation, Supply Chain Management and Ward Committees.

In response to Table 3 on the 2023/2024 findings by the Auditor General, the Municipality developed an Audit Improvement Plan aimed at addressing all the findings raised by the Auditor General. This plan clearly outlines all actions to be taken by the Municipality in addressing the findings within specific agreed upon timeframes. The City Manager ensures implementation of the Audit Improvement Plan.

TABLE 3: Basis for audit qualification (2021/22 – 2023/24)

FINANCIAL YEAR / DESCRIPTION	2021/22	2022/23	2023/24
Audit Status / opinion	Qualified audit opinion	Unqualified audit opinion	Qualified audit opinion
Basis of qualification	<ul style="list-style-type: none"> ○ Service charges — Sale of electricity ○ Irregular expenditure 		<ul style="list-style-type: none"> ○ Non-current provision relating to the rehabilitation of Swartkops River ○ Property, Plant and Equipment relating to assets under construction during a financial year ○ Debt impairment receivables relating to the write-off of arrear debt.
Emphasis of matters	<ul style="list-style-type: none"> ○ Restatement of corresponding figures ○ Material losses and impairment ○ Underspending on conditional grants 	<ul style="list-style-type: none"> ○ Restatement of corresponding figures ○ Material losses and impairment ○ Unauthorised expenditure ○ Underspending on conditional grants 	<ul style="list-style-type: none"> ○ Restatement of corresponding figures (repeat finding) ○ Material losses and impairments (repeat finding), and ○ Underspending on conditional grants (repeat finding).

CHAPTER 5: METHODOLOGY AND STAKEHOLDER ENGAGEMENT

In preparing an IDP, it is important that the voice of all stakeholders is considered. This Chapter aims to deal with the issues and priorities that have arisen during consultation with communities and the 5 top priorities submitted by Ward Councillors during a session with the Executive Mayor.

5.1 COMMUNICATION PLAN

The Municipality has introduced several alternative mechanisms for stakeholders and community members to register their IDP input, as per the following:

- The use of an IDP APP for contributions and comments from the public and organisations.
- The use of live interactive radio broadcasting (KQ FM, PE FM, Kingfisher FM, and Bay FM) for politicians to engage communities regarding the IDP and Budget development and review processes.
- 30 Seconds live reads in these community Radio Stations
- Use of several Print Media
- Live on Municipal Facebook Page.
- Live on YouTube.
- The use of social media platforms as well as a WhatsApp number
- Daily Twitter uploads promoting the IDP meetings using social media infographics.
- Daily updates on Outlook for internal stakeholders
- The use of the Interactive Voice Response (IVR) account holder database for communication on the IDP via SMS and email.
- Press releases.
- Explanatory video clips on IDP processes posted on social media platforms.
- Municipal Website.

5.2 WARD PRIORITIES

The top ten (10) frequently raised priorities are reflected below:

- (i) Provision of houses and attending to backyard dwellers.
- (ii) Provision and maintenance of streetlights and high mast lights.
- (iii) Tarring of roads, construction of speed humps and potholes.
- (iv) Provision of security and visibility of SAPS and Metro Police
- (v) Attend to water leaks.
- (vi) Upgrade and maintenance of sewerage and drain water systems
- (vii) Construction and upgrade of Sport fields, Parks and Playgrounds.
- (viii) Provision of sidewalks
- (ix) Electrification of informal settlements and
- (x) Creation of job opportunities for the youth

An integrated approach is required to address issues raised by the communities. Those that do not fall within the mandate of Local Government are elevated to the relevant provincial departments for their attention.

CHAPTER 6: SPATIAL STRATEGY

The spatial strategy of the Municipality is embedded in two interrelated strategic documents; these are:

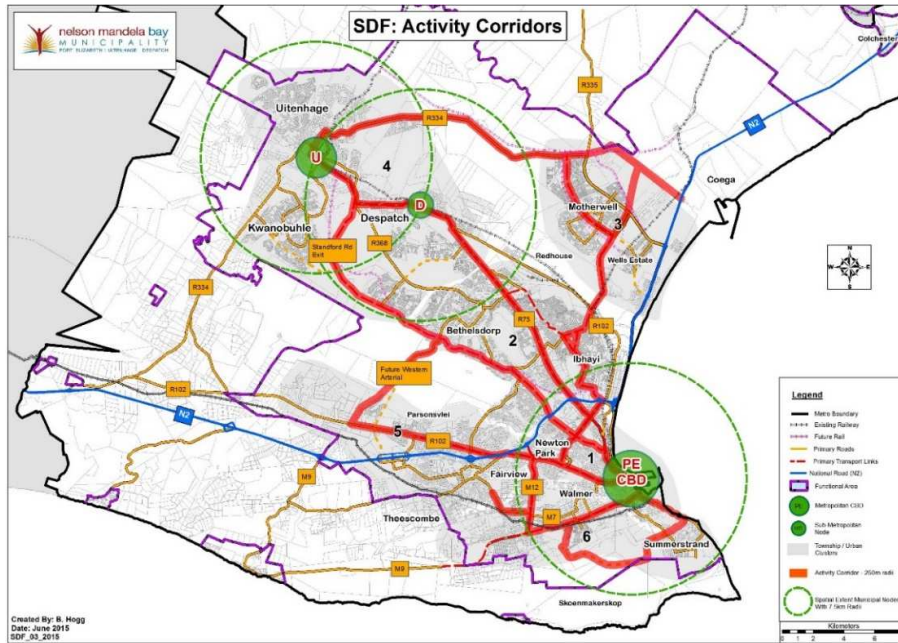
- The Metropolitan Spatial Development Framework (MSDF)
- The Sustainable Community Planning Methodology

The Metropolitan Spatial Development Framework (MSDF) is the primary spatial plan of the City and represents the spatial manifestation of the IDP. All matters of a spatial nature concerning the Municipality are encapsulated in the MSDF. It includes the Sustainable Community Planning Methodology.

6.1 NMBM METROPOLITAN SPATIAL DEVELOPMENT FRAMEWORK

The second version of SDF was approved in December 2015. A major review/development of the MSDF is currently underway through the assistance of a service provider. The process is anticipated to be concluded by December 2025 where an adopted and SPLUMA compliant MSDF will be in place.

FIGURE 3: NMBM Activity Corridors



Source: NMBM, 2025

Activity corridors are where concentrated urban development occurs along movement routes that are typically also major public transport routes. Development can either take the form of continuous linear development or a series of nodes along the activity spine.

CHAPTER 7: DELIVERY PLAN

Through the monitoring and evaluation function, the Municipality will identify its failures and successes of the IDP. An effective monitoring and evaluation system can act as an early warning system to remedy any shortcomings. The Annual Report is an important oversight tool for Council to monitor IDP achievements.

Table 4 relates to Circular 88 Outcome Indicators (Addendum 6). Circular 88 indicators apply to all municipalities in South Africa and have been developed by National Treasury through an inclusive process.

TABLE 4: Circular 88 Indicators

ENERGY AND ELECTRICITY					
Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
EE1. Improved access to electricity	EE1.1.	1	Percentage of households with access to electricity	95.11% (GHS, 2023)	95%
EE3. Improved reliability of electricity service	EE3.5	2	Average System Interruption Duration Index	36.7Hrs	20.37 Hrs
EE3. Improved reliability of electricity service	EE3.6	3	Average System Interruption Frequency Index	8.9 Hrs	4.87 Hrs
EE4. Improved energy sustainability	EE 4.4	4	Percentage total electricity losses	26.36%	16%

ENVIRONMENT AND WASTE					
Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
ENV2. Minimised solid waste	ENV2.1	7	Tonnes of municipal solid waste sent to landfill per capita	0.2346	0.29 368119tons/128200 0
ENV2. Minimised solid waste	ENV 2.2	8	Tonnes of municipal solid	0.001	0.002 2454tons/1282000

			waste diverted from landfill per capita		
ENV3. Increased access to refuse removal	ENV3.1	9	Percentage of households with basic refuse removal services or better	86.02% (GHS, 2023)	86%
ENV3. Increased access to refuse removal	ENV 3.2	10	Percentage of scheduled waste collection service points experiencing collection delays of more than one day	To establish a comprehensive system for reporting	

FINANCIAL MANAGEMENT					
Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
FM1. Enhanced municipal budgeting and budget implementation	FM1.1	11	Percentage of expenditure against total budget	101.62% (2023/24 Audited AFS)	95%
FM1. Enhanced municipal budgeting and budget implementation	FM1.2	12	Municipal budget assessed as funded (Y/N) (National)	Y	Y
FM2. Improved financial sustainability and liability management	FM2.1	13	Percentage of total operating revenue to finance total debt	7.85% (2023/24 Audited AFS)	6.70%
FM2. Improved financial sustainability and liability management	FM2.2	14	Percentage change in cash backed reserves reconciliation	-22.83% (2023/24 Audited AFS)	-19.11%
FM3. Improved liquidity management	FM3.1	15	Percentage change in cash and cash equivalent (short term)	-8.05% (2023/24 Audited AFS)	-2.09%
FM4. Improved expenditure management	FM4.1	16	Percentage change of unauthorised, irregular, fruitless and wasteful expenditure	-13.72% (2023/24 Audited AFS)	-10%
FM4. Improved expenditure management	FM4.2	17	Percentage of total operating expenditure on remuneration	22.93% (2023/24 Audited AFS)	26%
FM4. Improved expenditure management	FM4.3	18	Percentage of total operating	5.61% (2023/24 Audited AFS)	8.4%

			expenditure on contracted services		
FM5. Improved asset management	FM5.1	19	Percentage change of own funding (Internally generated funds and Borrowings) to fund capital expenditure	-26.24% (2023/24 Audited AFS)	33.1%
FM5. Improved asset management	FM5.2	20	Percentage change of renewal/upgrading of existing Assets	0.19% (2023/24 Audited AFS)	37.38%
FM5. Improved asset management	FM5.3	21	Percentage change of repairs and maintenance of existing infrastructure	2.51% (2023/24 Audited AFS)	71.88%
FM7. Improved revenue and debtors management	FM7.1	22	Percentage change in Gross Consumer Debtors' (Current and Non-current)	5.22% (2023/24 Audited AFS)	-5%
FM7. Improved revenue and debtors management	FM7.2	23	Percentage of Revenue Growth excluding capital grants	-0.88% (2023/24 Audited AFS)	26.23%
FM7. Improved revenue and debtors management	FM7.3	24	Percentage of net operating surplus margin	-7.06% (2023/24 Audited AFS)	0%

FIRE & DISASTER SERVICES

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
FD1. Mitigated effects of fires and disasters	FD 1.1	25	Number of fire related deaths per 100 000 population	5	0
FD1. Mitigated effects of fires and disasters	FD 1.2	26	Number of disaster and extreme weather- related deaths per 100 000 population	0	0

GOVERNANCE

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
GG1. Improved municipal capability	GG 1.1	29	Percentage of municipal skills development levy recovered	17.92%	15% - 20%

GG1. Improved municipal capability	GG 1.2	30	Top Management Stability	To establish a comprehensive system for reporting	
GG2. Improved municipal responsiveness	GG 2.1	31	Percentage of ward committees that are functional (meet four times a year, are quorate, and have an action plan)	100%	100%
GG2. Improved municipal responsiveness	GG 2.2	32	Attendance rate of municipal council meetings by participating leaders (recognised traditional and/or Khoi-San leaders)	N/A (MEC has not identified and/or recognised any traditional and/or Khoi-San leaders in NMBM)	N/A (MEC has not identified and/or recognised any traditional and/or Khoi-San leaders in NMBM)
GG2. Improved municipal responsiveness	GG 2.3	33	Protest incidents reported per 10 000 population	To establish a comprehensive system for reporting	
GG4. Improved council functionality	GG 4.1	35	Percentage of councillors attending council meetings	To establish a comprehensive system for reporting	
GG5. Zero tolerance of fraud and corruption	GG 5.1	36	Number of alleged fraud and corruption cases reported per 100 000 population	0	0

LOCAL ECONOMIC DEVELOPMENT

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
LED2. Improved levels of economic activity in municipal economic spaces	LED2.1	46	Rates revenue as a percentage of the total revenue of the municipality	To establish a comprehensive system for reporting	
LED2. Improved levels of economic activity in municipal economic spaces	LED2.2	47	Rates value of commercial and industrial property per capita	To establish a comprehensive system for reporting	

HOUSING AND COMMUNITY FACILITIES

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
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HS1. Improved access to adequate housing	HS1.1	37	Percentage of households living in adequate housing	93.36% (GHS, 2023)	93%
HS1. Improved access to adequate housing	HS1.3	38	Percentage of informal settlements upgraded to Phase 3	To establish a comprehensive system for reporting	
HS2. Improved functionality of the residential property market	HS2.2	39	Percentage of residential properties in the subsidy market	20.41%	20%
HS2. Improved functionality of the residential property market	HS2.3	40	Percentage of households living in formal dwellings who rent	20.13% (GHS, 2023)	20%
HS3. Increased access to and utilisation of social and community facilities	HS3.5	41	Percentage utilisation rate of community halls	To establish a comprehensive system for reporting	
HS3. Increased access to and utilisation of social and community facilities	HS3.6	42	Average number of Library visits per library	19 042 [†]	16 921
HS3. Increased access to and utilisation of social and community facilities	HS3.7	43	Percentage of municipal cemetery plots available	To establish a comprehensive system for reporting	

† 2023/2024 annual target was overachieved.

TRANSPORT & ROADS

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
TR 6. Improved quality of municipal road network	TR 6.2	48	Number of potholes reported per 10kms of municipal road network	To establish a comprehensive system for reporting	

WATER & SANITATION

Outcome	NT / MSA REF	Indicator NO	Outcome Performance Indicator	Baseline (Annual Performance of 2024/25 estimated)	Medium Term Targets for 2026/27
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WS1. Improved access to sanitation	WS1.1	49	Percentage of households with access to basic sanitation	96.12% (GHS, 2023)	96.00%
WS2. Improved access to water	WS2.1	50	Percentage of households with access to basic water supply	86.69% (GHS, 2023)	87.00%
WS3. Improved quality of water and sanitation services	WS3.1	51	Frequency of sewer blockages per 100 KMs of pipeline	550*	500
WS3. Improved quality of water and sanitation services	WS3.2	52	Frequency of water mains failures per 100 KMs of pipeline	50*	45
WS3. Improved quality of water and sanitation services	WS3.3	53	Frequency of unplanned water service interruptions	8*	6
WS4. Improved quality of water (incl. wastewater)	WS4.1	54	Percentage of drinking water samples complying to SANS241	100% (SANS241) *	100%
WS4. Improved quality of water (incl. wastewater)	WS4.2	55	Percentage of wastewater samples compliant to water use license conditions	61%*	75%
WS5. Improved water sustainability	WS5.1	56	Percentage non-revenue water	48%*	35%
WS5. Improved water sustainability	WS5.2	57	Total water losses	43%*	30%
WS5. Improved water sustainability	WS5.3	58	Total per capita consumption of water	220 L per capita per day*	210 L
WS5. Improved water sustainability	WS5.4	59	Percentage of water reused	4%*	5%

CHAPTER 8: BUDGET

The preparation of the budget is guided by the Integrated Development Plan and Budget Preparation Time Schedule, as per Section 28 (1) of the Municipal Systems Act (32 of 2000) as well as Section 21(1)(b) of the Municipal Finance Management Act (56 of 2000), MFMA.

8.1 Factors influencing the Budget

The budget is informed by the consideration of tariff increases for various services, such as, Electricity, Water, Refuse, Sanitation and Property Rates, as well as salary and wage increases. The National Energy Regulator of South Africa, (NERSA), is responsible for the price determination of the bulk costs of electricity. The proposed tariff increases for Water, Sanitation and Refuse are linked to the projected Consumer Price Index (CPI) increases, whilst considering the costs of running these services and existing commitments of the Municipality. The final increase in terms of the Salary and Wage Collective Agreement dated 06 September 2024, for the period 01 July 2024 to 30 June 2029, was implemented from 01 July 2024.

8.2 Major challenges in producing a credible Budget

The Municipality is faced with the following significant challenges during the compilation of the 2025/26 MTREF which inter-alia include the following:

- The fluctuating collection rate impacting on the financial sustainability of the municipality.
- Inability to budget for a surplus on the Operating Budget, due to prior year commitments with financial implications on the budget.
- The poor financial performance of the electricity service, as it now operates at a huge deficit.
- The escalating electricity and water losses that are at unacceptable high levels, despite external debt taken up recently, aimed at addressing the situation.

Ward Number	Ward Allocation at 31 March 2025 (2025/26)	Ward Allocation at 31 May 2025 (2025/26)	Ward Allocation 14 June 2025 (2025/26)	INCREASE / (DECREASE) (From 31 May 2025 to 13 June 2025)
9	1,600,000	2,600,000	1,600,000	- 1,000,000
10	100,000	2,633,910	7,053,910	4,420,000
11	2,800,000	3,800,000	3,200,000	- 600,000
12	100,000	100,000	1,000,000	900,000
13	1,300,000	1,300,000	5,040,000	3,740,000
14	2,100,000	3,100,000	8,400,000	5,300,000
15	2,600,000	7,170,000	10,090,000	2,920,000
16	2,100,000	2,600,000	17,188,877	14,588,877
17	1,500,000	1,500,000	6,700,000	5,200,000
18	100,000	1,770,000	2,970,000	1,200,000
19	11,100,000	16,152,170	16,952,170	800,000
20	100,000	600,000	1,550,000	950,000
21	100,000	2,600,000	3,050,000	450,000
22	100,000	500,000	3,743,480	3,243,480
23	100,000	500,000	3,925,000	3,425,000
24	100,000	2,300,000	16,435,160	14,135,160
25	4,600,000	2,100,000	8,500,000	6,400,000
26	12,900,000	16,400,000	15,600,000	- 800,000
27	100,000	1,600,000	3,060,000	1,460,000
28	3,130,300	4,643,480	5,043,520	400,040
29	57,568,700	65,546,960	71,143,103	5,596,143
30	2,100,000	2,900,000	3,950,000	1,050,000
31	26,855,410	33,404,350	37,404,350	4,000,000

Ward Number	Ward Allocation at 31 March 2025 (2025/26)	Ward Allocation at 31 May 2025 (2025/26)	Ward Allocation 14 June 2025 (2025/26)	INCREASE / (DECREASE) (From 31 May 2025 to 13 June 2025)
32	1,800,000	2,200,000	2,900,000	700,000
33	100,000	8,478,260	18,021,780	9,543,520
34	100,000	1,500,000	1,740,000	240,000
35	4,100,000	4,500,000	4,900,000	400,000
36	21,652,810	18,513,050	18,913,050	400,000
37	35,597,830	40,040,890	40,040,890	-
38	700,000	4,178,260	4,178,260	-
39	100,000	100,000	1,150,000	1,050,000
40	600,000	5,100,000	12,800,000	7,700,000
41	82,879,350	101,435,590	124,312,665	22,877,075
42	100,000	5,978,260	9,378,260	3,400,000
43	100,000	400,000	3,800,000	3,400,000
44	9,000,000	16,013,040	13,998,780	- 2,014,260
45	5,898,700	12,404,350	27,099,860	14,695,510
46	100,000	1,850,000	10,928,260	9,078,260
47	600,000	4,328,260	6,628,260	2,300,000
48	2,300,000	2,200,000	16,911,720	14,711,720
49	100,000	500,000	2,300,000	1,800,000
50	700,000	12,578,260	23,741,974	11,163,714
51	100,000	100,000	4,200,000	4,100,000
52	1,100,000	3,134,780	9,534,780	6,400,000
53	5,400,000	9,650,000	13,500,000	3,850,000
54	52,014,290	57,739,990	109,417,545	51,677,555

Ward Number	Ward Allocation at 31 March 2025 (2025/26)	Ward Allocation at 31 May 2025 (2025/26)	Ward Allocation 14 June 2025 (2025/26)	INCREASE / (DECREASE) (From 31 May 2025 to 13 June 2025)
55	100,000	3,100,000	4,500,000	1,400,000
56	100,000	1,600,000	2,100,000	500,000
57	600,000	2,100,000	2,650,000	550,000
58	1,100,000	2,400,000	5,800,000	3,400,000
59	100,000	1,430,000	3,930,000	2,500,000
60	12,600,000	18,050,000	30,671,740	12,621,740
TOTAL	476,217,390	653,414,320	928,437,853	275,023,533