

# INTEGRATED DEVELOPMENT PLAN (IDP) 2016/17



**UTHUKELA DISTRICT MUNICIPALITY**

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# SECTION A: EXECUTIVE SUMMARY

## 1 INTRODUCTION

### 1.1.1 PURPOSE

This document presents the last review of the third generation of an Integrated Development Plan (IDP) for uThukela district municipality (UTDM). The IDP is prepared in compliance with the requirements of Chapter 5, particularly Section 25 of Local Government Municipal Systems Act (32 of 2000), which obliges a municipal council to adopt a single, all-inclusive and strategic plan for the development of the municipality, within a prescribed period after the start of its elected term. It outlines a development agenda for the municipality for the period 2016 to 2020. The 2016/2017 uThukela IDP informs the budget and tries to respond to community needs. The document sets the level of economic growth for the District thereby identifying economic opportunities and areas of investments.

### 1.1.2 WHO ARE WE

uThukela district municipality (DC23) is one of ten district municipalities in the Province of KwaZulu-Natal. uThukela district municipality derives its name from one of the major rivers in the Province of KwaZulu-Natal, the uThukela River that rises from the Drakensberg Mountains and supplies water to a large portion of KZN and as well as Gauteng. uThukela district municipality has three district municipalities bordering onto it within the Province of KwaZulu -Natal, namely Amajuba, uMzinyathi and UMgungundlovu.

uThukela district municipality consists of five local municipalities namely:

- ⇒ Indaka (KZ233);
- ⇒ Emnambithi/Ladysmith(KZ232);
- ⇒ Umtshezi (KZ234);
- ⇒ Okhahlamba(KZ235);
- ⇒ Imbabazane (KZ236)

The size of uThukela district municipality is approximately 11500 km<sup>2</sup>. Emnambithi is occupying 2,965.92km<sup>2</sup>, Indaka is on 991.71km<sup>2</sup>, Umtshezi 2130.85km<sup>2</sup>, Okhahlamba is which is the largest and is occupying 3540.63km<sup>2</sup>, Imbabazane is on 827.74km<sup>2</sup>. It is located in the western boundary of

Kwazulu-Natal. uThukela district municipality is 75 % rural and the local municipalities, Indaka and Imbabazane, having no formal towns and mainly comprising of traditional areas.

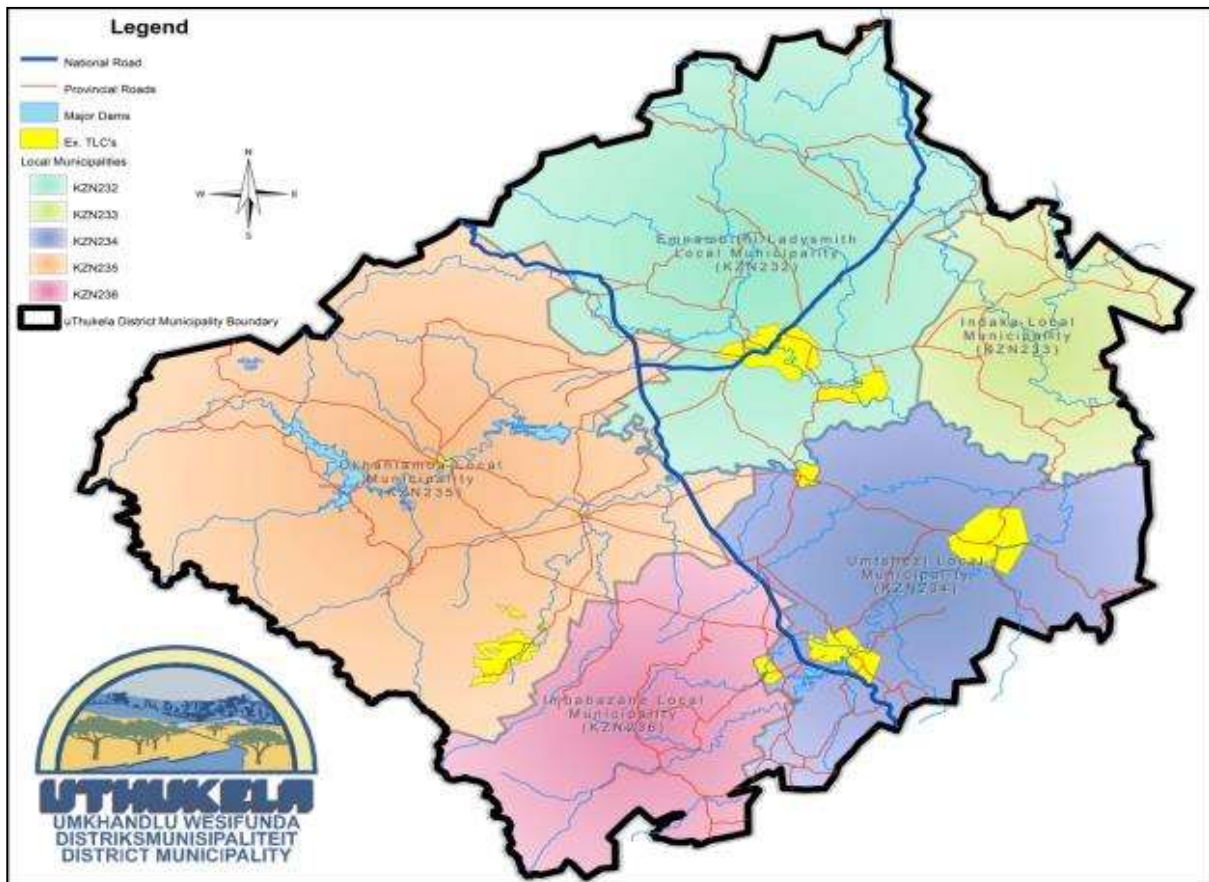
Total population in the UTDM is estimated at 668,848 people spread unevenly among the seventy three (73) wards. The 2% growth in population is noticeable from 2001 to 2011 as per the 2011 Statistics SA. uMtshezi municipalities experienced the highest increase (38.4%) followed by Emnambithi/ Ladysmith (1.69%). The number of people between 15-64 age is increased to 391,369. Females are more than male and are occupying 55% in this category whereas male are on 45%. The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011. Dependency ratio is high (93.8%) in Indaka municipality compared to all other municipalities within uThukela. Okhahlamba and Imbabazane also have high dependency ratio (79% and 72.7% respectively).

Generally, uThukela District experienced a decline in its dependency ratio between 2001 and 2011. However, the ratio is still high compared to the provincial (65.4%) and national (58.7%) averages. The majority of the people that lives in uThukela district municipality are Africans and Coloureds are minority

The main tourism hub is the Cathkin Park, which falls within the Cathkin Park node, and another node located near the Royal Natal National Park, called Babangibone Development Node. The Ladysmith town is a significant historical tourism destination and offers a number museums and historical sites while Bergville and Winterton towns are located within the vicinity of the Drakensberg and derive some benefits from the tourism industry. uThukela district municipality has a good climate and abundance of natural resources like water. The intrinsic beauty of the area enhances the tourism opportunities in the district. Below are the maps of uThukela district municipality, wards and tribal authorities.

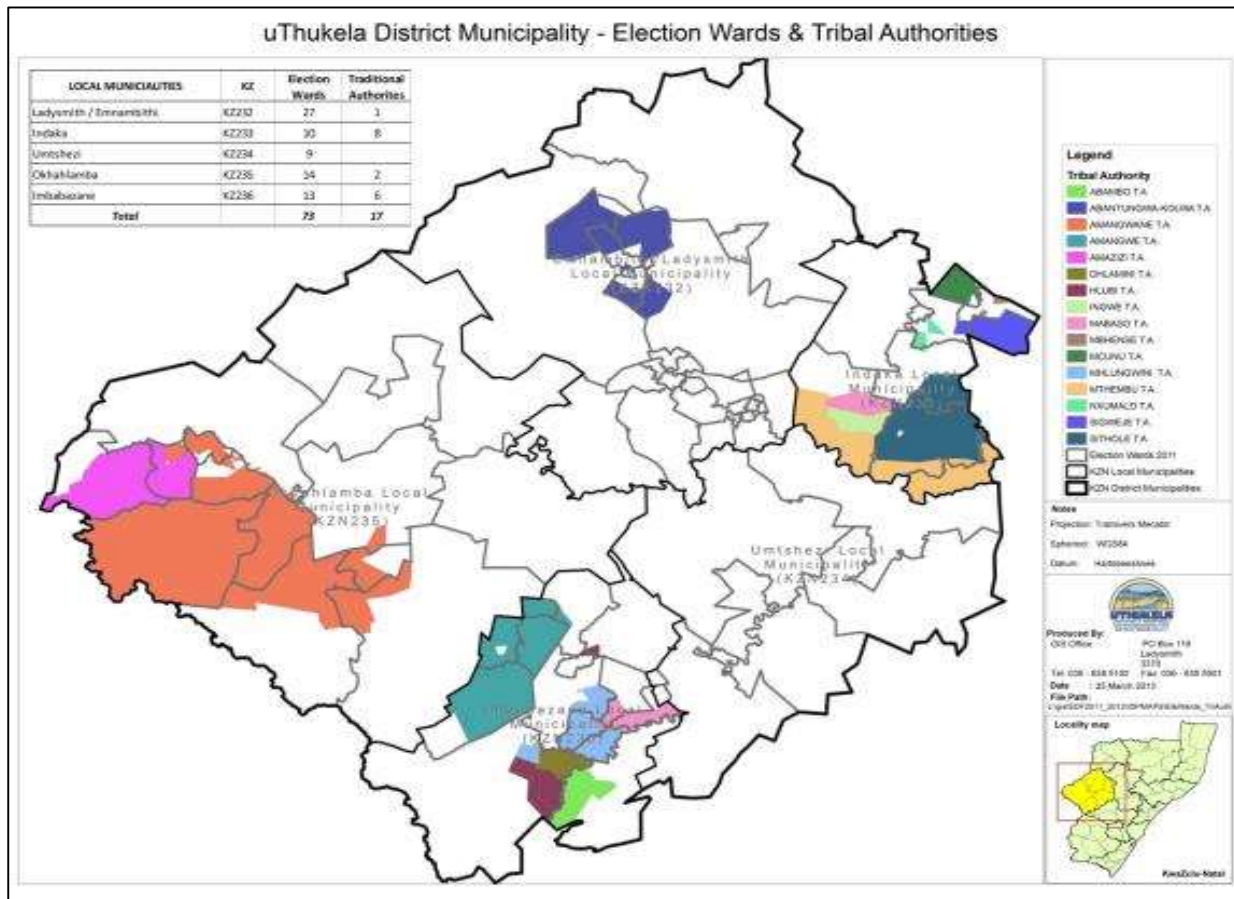


Figure 1: uThukela DM Map



### 1.1.3 WARDS AND TRADITIONAL AUTHORITY

Figure 2: Wards and Tribal Authority Map



### 1.1.4 AMALGAMATION OF MUNICIPALITIES

The Municipal Demarcation Board announced their intention to amalgamate some of the municipalities within country. Four municipalities will be affected by this amalgamation within UThukela District Municipal Area. These are Umtshezi, which will be amalgamated with Imbabazane Local Municipality as well as Ennambithi/ Ladysmith, which will be amalgamated with Indaka Local Municipality. On the 16<sup>th</sup> of October 2013, the KwaZulu-Natal MEC for Co-operative Government and Traditional Affairs (Honourable Nomusa Dube -Ncube) announced that her Department has welcomed this amalgamation with mixed feelings. She then cited that the logic behind were as follows:

- The current model of local government is not very effective and flexible since most of the deep rural municipalities depend on conditional grant funding for their survival since they lack a viable rates base.
- Many non-viable municipalities have evolved into entities in which operational expenditure on salaries for municipal officials has routinely crowded out service delivery to a point where such municipalities only exist as a source of employment without providing essential services to their communities.
- The other advantages for amalgamation includes the fact that bigger municipality delivers better economies of scale in the provision of its services and the requisite bureaucracy to support it.

Strategic meetings through Change Management Committees (CMC) are taking place in ensuring that the amalgamation processes run smoothly.

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#### 1.1.4.1 AMALGAMATION OF UMTSHEZI AND IMBABAZANE

Although the areas fell in different administrative authorities, Imbabazane has always depended on Umtshezi for commercial and other regional social services. Spatial integration of these two municipalities is critical to enhance economic efficiency, facilitate the provision of affordable services, reduce the costs households incur through commuting, and enable social development. Spatial integration is also central to nation building, to addressing the locational disadvantages which apartheid imposed on the black population, and to building an integrated society and nation.

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#### 1.1.4.2 AMALGAMATION OF INDAKA AND EMNAMBITHI/LADYSMITH

The strategic location of Ladysmith has a strong influence on regional channels of investment, movement and the structuring of the regional spatial framework for growth and development. The area boasts a viable infrastructure necessary for the needs of a diverse range of stakeholders, from government to big business to small enterprises. However, the economic strength of Ladysmith is derived not simple from within the area, but complex interdependencies between the town and its hinterland.

Other administrative centres that will be incorporated into the proposed new municipal area, particularly Ekuvukeni will play a major role in the regional economy as link points between the Ladysmith and its rural hinterland. They will serve as transport interchange areas, service centres and even administrative centres. However, over the years Ladysmith has performed as too inward

oriented and internally focused. One of the strongest implications in terms of this amalgamation is that Integrated Development Planning will continue within the affected areas in a manner that has better logic.

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#### 1.1.5 ECONOMIC PROFILE

Economic development is uneven across the district, with large disparities across local municipalities. Emnambithi/Ladysmith local municipality dominates, with smaller towns being less developed. Outside the urban areas, are areas of rural poverty and some wealthier commercial farming areas especially in Okhahlamba. In terms of employment and GVA, Okhahlamba is predominantly agricultural followed by Indaka. Community services consistently dominate in terms of employment in all local municipalities besides Emnambithi/Ladysmith where manufacturing is neck to neck with community services.

Emnambithi local municipality that remains the economic hub of uThukela district municipality dominates the spatial economy of the district. Manufacturing is mostly concentrated in Ladysmith but there are some limited industrial activities, which are located in Estcourt. The other municipalities have relatively small economies that are dependent on community services. Okhahlamba has a window of opportunity to improve in agriculture and tourism economies.

Major players in the manufacturing sector in Ladysmith are Zorbatex, Appolo rubber products formerly known as Dunlop and the Defy plant. Estcourt has manufactures like Nestle, Sasko Milling, Eskort meat factory and Clover SA. There is also a Masonite Africa (wood products) glass manufactures (Glamosa Glass) and Karbotek. Okhahlamba has Ukhahlamba Drakensberg World Heritage site and Emnambithi is linked to the popular Battlefields products. There is an opportunity to exploit economic opportunities in the tourism sector in Okhahlamba and Emnambithi local municipalities.

## 1.2 LONG TERM VISION

The UTDM long-term development vision was developed within the framework of the national and provincial vision statements as outlined in the National Development Plan (NDP) and the Provincial Growth and Development Strategy (PGDS). It reflects a joint commitment by the local leadership, municipal administration and the local communities to make uThukela district municipality a better place and improve the quality of life for those who work and/or live within the jurisdiction of uThukela. On the 16 and 17 March 2016, uThukela had its Strategic Planning workshop where the issue of the long term Vision and Mission were discussed in ensuring that the municipality is moving towards achieving it.

The District Long-term Vision reads:

“A stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development”

## 1.3 HOW THE IDP WAS DEVELOPED

The uThukela district municipality IDP Review for 2016/2017 is prepared in accordance with the requirements of the Municipal Systems Act and the related regulations, which stipulate the following:

Section 25 (1) of the Municipal Systems Act (2000)

*Each municipal council must within a prescribed period after the start of its elected term adopt a single all-inclusive and strategic plan for the development of the municipality which:*

- a) Links, integrates, coordinates plans and takes into account proposals for the development of the municipality;*
- b) Aligns the resources and capacity of the municipality with the implementation of the plan;*
- c) Complies with the provisions of this Chapter; and*

*d) Is compatible with national and provincial development plans and planning requirements binding on the municipality in terms of legislation.*

The IDP Review of uThukela district municipality is predicted to serve as a strategic guide for government department's investment and development generally. It is based on the issues expressed by all stakeholders and is informed by the national and provincial development obligations. Its objectives are as follows:

- ✓ To involve communities and other key concerned and affected parties in municipal matters, predominantly continuous integrated development process.
- ✓ To inform budgets and service delivery programs of various government departments and service organizations.
- ✓ To position the district municipality to make a meaningful contribution towards meeting the provincial development targets and priorities.
- ✓ To guide decision making in respect of service delivery and investment.
- ✓ To play a coordinating role on activities of several service delivery
- ✓ To ensure that the needs of the community are addressed in the IDP.

The following table shows the activity programme of the uThukela district municipality IDP for 2016/2017 financial year.

Table 1: IDP Review and Budget Activity Schedule

MONTH	IDP REVIEW	BUDGET
July & Aug 2015	<ul style="list-style-type: none"> <li>• Drafting of the IDP framework and Process plan</li> <li>• Alignment of IDP and budget process plans</li> <li>• Submission of the draft Process and Framework Plan to COGTA</li> <li>• Advertisement of the IDP framework and process plan</li> <li>• 1<sup>st</sup> IDP Supporting Structure Committee Meeting</li> <li>• 1<sup>st</sup> IDP Steering Committee Meeting</li> <li>• Adoption of IDP Framework and Process Plan</li> <li>• Submission of the adopted Process plan to COGTA</li> </ul>	Drafting of the Budget Process plan Alignment of Budget process plan with IDP process plan Annual Financial reports to Council Finance to provide incomes allocation (DORA)
Sept 2015	<ul style="list-style-type: none"> <li>• Review Municipal Vision</li> <li>• Develop Objectives and Strategies</li> <li>• Identify outstanding Sector Plans</li> <li>• Integrate sector plans.</li> <li>• IDP input into provincial adjustment budgets</li> </ul>	Addressing the policy issues
Oct 2015	<ul style="list-style-type: none"> <li>• Review of Spatial Development Framework</li> <li>• Projects identification and prioritization</li> <li>• Develop KPI's targets, timeframes etc. where impacted upon by reprioritization.</li> <li>• Align with draft budget estimates</li> </ul>	Departments submit their budgets as per allocation
Nov 2015	<ul style="list-style-type: none"> <li>• Municipal alignment meeting</li> <li>• Alignment meeting between DM &amp; Province to revised 3 year MTEF</li> <li>• Alignment between DM, LMS and SDF</li> <li>• Alignment meeting with family of municipalities</li> <li>• SDF Alignment between the bordering district municipalities</li> </ul>	Auditor General to complete audit within 3 months of receiving financial statements
Dec 2015	<ul style="list-style-type: none"> <li>• IDP best practice conference</li> </ul>	
Jan 2016	<ul style="list-style-type: none"> <li>• IDP Steering Committee meeting</li> <li>• IDP Representative Forum</li> <li>• Adoption of the SDF</li> </ul>	Mayor to table the adjusted budget Mayor to table annual report to Council

<b>Feb 2016</b>	<ul style="list-style-type: none"> <li>• Updating of municipal CIP and MTEF based on Draft DORA allocations</li> <li>▪ Meeting COGTA and municipalities on IDP Review assessments</li> <li>▪ Updating of municipal CIP and MTEF based on Draft DORA allocations</li> <li>▪ IDP Coordinating committee meeting(IDP Managers)</li> <li>• IDP Representative Forum meeting</li> </ul>	MM of the DM to notify LM's of capital allocations 120 days before start of budget year
<b>Mar 2016</b>	<ul style="list-style-type: none"> <li>• Submission of the Draft 2016/2017 IDP to COGTA</li> </ul>	Mayor tables the budget to Council at least 90 days before the start of the budget year  Council to consider the report
<b>April 2016</b>	<ul style="list-style-type: none"> <li>• Decentralized IDP assessment forums</li> <li>• IDP/Budget Road shows</li> </ul>	IDP/Budget roadshows Mayor to get views of local community on budget between 30-90 days of budget approval.MM to table the report Acc.Officer to publicize Gazetting of Dora allocations
<b>May 2016</b>	<ul style="list-style-type: none"> <li>• IDP feedback session</li> <li>• Advertise IDP for 21 days for public participation and incorporate comments where possible including comments raised in the analysis.</li> <li>• Exco approval, recommend to Council</li> <li>• Council Approval of the IDP</li> </ul>	Approval of the budget by 27 May 2016
<b>June 2016</b>	<ul style="list-style-type: none"> <li>• Submission of the adopted IDP to the MEC</li> <li>• Advertise the Adopted IDP in the local newspaper within 14 days of the approval</li> </ul>	

### 1.3.1 PUBLIC PARTICIPATION

The public participation for the preparation of the 2016/2017 IDP Review was in two folds:

- The first public participation was the collection of needs (IDP Roadshows) that was held from the 5 February 2016 to the 18 of February 2016.The aim of this exercise was to collect needs from the community before the preparation of the budget so that it will inform the budget. The process were unfolded as follows:



DATE	TIME	VENUE	MUNICIPALITY	ACTIVITY
05/02/2016	9:30	Royal hotel	Emnambithi-Ladysmith LM	Stakeholder Engagement Breakfast Meeting Traditional Leaders, Business, TAMCC, Hindu, Muslim, ETC
09/02/2016	10H00	Sahlumbe Sports Grounds	Indaka LM	Community Consultation Roadshow
10/02/2016	10H00	Inkunzi Community Hall (Ward 24)	Emnambithi-Ladysmith LM	Community Consultation Roadshow
11/02/2016	10H00	Emoyeni Community Hall (Ward 9)	Imbabazane LM	Community Consultation Roadshow
12/02/2016	10H00	Zwelisha Community Hall –Ward 9	Okhahlamba LM	Community Consultation Roadshow
17/02/2016	10h00	Town Hall	Ladysmith LM	Stakeholder Engagement – Sector Departments CSDW'S,CCG's & Ward Committees & NGO's
18/02/2016	10h00	Ezitendeni community hall	Emtshezi LM	Community Consultation Roadshow

- The second public participation was held in the month of April and May 2016 where the municipality took both draft IDP and a draft Budget to the community to tell them of what has been budgeted based on the first consultation. By doing so, the municipality was trying to strengthen the communication between them and the community. The second round of 2016/2017 public participation was unfolded as follows:

DATE	LOCAL MUNICIPALITY	TIME	VENUE	ACTIVITY
24-04-2016	Indaka LM	10h00 13h00	Tholeni Sports Field Waaihoek Sports Field	Community Consultation Roadshow
26-04-2016	Emnambithi LM	18h00	Ladysmith Town Hall	Stakeholder engagement dinner meeting (sector departments, faith based organisations,NGO's,CBO's, business, civic organisations)
28-04-2016	Emnambithi LM	10h00	Colenso	Community Consultation Roadshow
30-04-2016	Umtshezi LM	10h00 13h00	Msuluzi Cornfield	Community Consultation Roadshow

03-05-2016	Okhahlamba LM	10h00 13h00	Khethani/Winterton Hambrook	Community Consultation Roadshow
04-05-2016	Imbabazane LM	10h00 13h00	Bhekuzulu community hall Ezinyosini community hall	Community Consultation Roadshow)
05-05-2016	District wide	10h00	Ladysmith Utility Hall	Stakeholder Engagement (CCG's, CDW'S and Ward Committees)

### 1.3.2 SECTOR DEPARTMENT INVOLVEMENTS

Participation of Sector Departments in Municipal IDP's is still a challenge. There is no effective legislation that enforce all sector departments to align their budgets with municipal budgets and allocate resources using the prioritization list available from municipalities after through discussions with communities. In the 2015 /2016 IDP Review, KZN COGTA had a series of alignments between sector departments and municipalities in the province. The alignment of Sector departments with the uThukela family of municipalities took place on the 10 November 2015, and the level of participation was not satisfactory.

In preparation for the 2016/2017 financial year, the family of uThukela municipalities also used the IDP Service Providers Forum, but it was not effective enough because of inconstancy of attending meetings. The municipality strongly believes that "IDP is a plan for all Government" so therefore, all sector departments must be part of the IDP process, uThukela district municipality and its family of municipalities came up other mechanism of involving sector departments through a strategy of "one on one process". The following were departments that believe that IDP is not only for municipalities but is a plan for all Government and that is why they took part.

- ✓ Department of Human Settlement
- ✓ Department of Transport
- ✓ Department of Rural Development
- ✓ Department of Co-Operative Governance and Traditional Affairs (COGTA)
- ✓ ESKOM
- ✓ Department of Health
- ✓ Department of Economic Development and Tourism

- ✓ Department of Environmental Affairs
- ✓ Statistics SA.
- ✓ Department of Arts and Culture
- ✓ Department of Education
- ✓ Department of Water and Sanitation

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### 1.3.3 ALIGNMENT WITH THE FAMILY OF MUNICIPALITIES

Strategic meetings were held involving the district and family of municipalities with the primary objective of aligning this IDP with those of the local municipalities. The primary aim of having the session with the family of municipalities was to align our programmes with local municipalities. uThukela is utilising the IDP Supporting Committee that is comprises of all the IDP Managers and COGTA and the objective of the Committee is to ensure that the IDP's of the family are talking to each other and is coordinated at the district level but meetings are circulated to all the municipalities of the family. The alignment started at initial stages where all the IDP managers met to discuss the process to be followed in the review. The process was instrumental in ensuring that the 2016/2017 IDP review is holistic and addresses issues of integrated planning and development. For example, all identified projects for 2016/2017 financial year, as listed in this IDP, emanated from discussions held with family of municipalities. In our case as uThukela family of municipalities, it was also critical to ensure that there is a proper alignment because of the amalgamation that will take place after the Local Government elections.

## 1.4 KEY CHALLENGES FACED BY UTHUKELA AND ITS FAMILY OF MUNICIPALITIES

Considering the current economic climate and global recession, substantial strides have been made to address the key development challenges in the municipality. There is however, some distance to go towards addressing the following challenges.

### Municipal Transformation & Organizational Development Key Challenges

#### MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT

##### KEY CHALLENGE

- ◆ Skills gap and lack of human resource capacity in other component
- ◆ Poor condition of municipal buildings and other facilities versus budget constrains
- ◆ Lack of staff moral
- ◆ Systems and procedures
- ◆ Permanent versus temporary staff ratio;

### Basic Service Delivery & Infrastructure Key Challenges

#### BASIC SERVICE DELIVERY AND INFRASTRUCTURE

##### KEY CHALLENGE

- ◆ Service Backlog (water and sanitation)
- ◆ Replacement of ageing Infrastructure
- ◆ Infrastructure Maintenance,
- ◆ Expenditure on infrastructure grants
- ◆ Capacity
- ◆ Poor performance- service providers
- ◆ Clan conflicts
- ◆ Politics
- ◆ Water Quality
- ◆ Water losses
- ◆ Drought

### Local Economic Development & Social Development Key Challenges

#### LOCAL ECONOMIC AND SOCIAL DEVELOPMENT

##### CHALLENGE

- ◆ Coordination of LED initiatives
- ◆ High level of unemployment
- ◆ Lack of economic diversity and competitiveness of small towns
- ◆ HIV/AIDS prevalence
- ◆ Agriculture and tourism potential not fully exploited
- ◆ Economic stagnation

	<ul style="list-style-type: none"> <li>◆ Alignment with provincial and national economic development initiatives</li> <li>◆ No sufficient tertiary education institutions leading to disjuncture between skills &amp; growing sector</li> <li>◆ High Poverty rate</li> <li>◆ Lack or poor Economic infrastructure</li> <li>◆ Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation</li> <li>◆ Lack of Marketing of the District as a Tourism destination and Investment destination</li> </ul>
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### Financial Viability & Financial Management Key Challenges

#### FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT

<b>CHALLENGE</b>	<ul style="list-style-type: none"> <li>◆ poor infrastructure</li> <li>◆ high indigent rate,</li> <li>◆ tariffs not covering water cost,</li> <li>◆ Grant dependency</li> <li>◆ Illegal connections</li> <li>◆ Non billing of consumers – Ezakheni and Indaka</li> <li>◆ Rural based municipalities do not have income to improve service delivery</li> <li>◆ Revenue</li> </ul>
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### Good Governance & Public Participation Key Challenges

#### GOOD GOVERNANCE AND PUBLIC PARTICIPATION

<b>KEY CHALLENGE</b>	<ul style="list-style-type: none"> <li>◆ IGR not functioning as it is supposed to</li> <li>◆ Functionality of Portfolio Committee</li> <li>◆ Legal compliance</li> <li>◆ Welfare dependency on grants</li> <li>◆ Increased incidents of HIV/AIDS and communicable diseases</li> <li>◆ High levels of crime and risk</li> <li>◆ Lack of cooperation from sector departments</li> </ul>
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**Cross Cutting Issues Key Challenges****CROSS-CUTTING ISSUES****KEY CHALLENGE**

- ◆ Lack of human capacity to assist with environmental issues
- ◆ Lack of environmental compliance and enforcement
- ◆ Outdated enforcement by-laws
- ◆ Disasters due to climate change
- ◆ Lack of environmental planning tools to govern natural environment
- ◆ Lack of resources to mitigate and prevent incidents of disasters

## 1.5 WHAT THE UTHUKELA DISTRICT MUNICIPALITY IS DOING TO UNLOCK THE KEY CHALLENGES

To unlock the challenges the municipality is committed to pay more attention on the following:

**Good governance and public participation:** The municipality is committed in conducting its public affairs and manage public resources in a responsible and accountable manner and in line with the provisions of the rule of law for the benefit of the citizens served and the realization of human rights. The key attributes for good governance are transparency, responsibility, accountability, participation and responsiveness to the need of the people. Consultation with stakeholders is a continuous process within uThukela district municipality, in compliance with the stipulation in Chapter 4 of the MSA of 2000.

**Municipal transformation and organisational development:** The municipality is committed in establishing effective systems that will enable them to delivery services effectively and efficiency and this include amongst other things the retaining and attracting qualified, experienced and dedicated staff.

**Service delivery and infrastructure development:** It is the duty of the local government to provide basic services to communities. uThukela district municipality as one of the sphere is committed to deliver the services to all the community of uThukela and also to play a coordinating in services that do not fall within its mandate. The issue of drought that is stricken our District is also taken into consideration.

**Local economic development:** The municipality has a responsibility to create a conducive atmosphere for investment. As such, the municipality is committed to work with other government agencies and departments to deliver state of the art economic infrastructure that will facilitate development of effective service and industrial sectors. In addition to that, the uThukela district municipality is in the process of finalising the establishment of the Development agency that will assist in uplifting the economy of the District.

**Municipal financial viability and management:** uThukela district municipality will make certain that is able to generate sufficient funds to be able to deliver services and facilitate development. Most importantly, the municipality will ensure that public funds are managed and utilized in an accountable manner. The municipality will continue in ensuring that the community is consulted sufficiently in the budget preparations.

**Spatial integration and environmental sustainability:** The focus will be on development of systems and procedures for effective land use management and environmental management. The review of the SDF and incorporate all the comments that were made during the 2015/2016 IDP assessments. The municipality will continue in ensuring that the SDF is in line with SPLUMA .The review of the Environmental Management Framework is also critical in the 2016/2017 IDP Review.



## **1.6 WHAT TO EXPECT FROM THE DISTRICT, IN TERMS OUTPUTS, OUTCOMES AND DELIVERABLES, OVER THE NEXT (5) FIVE YEARS**

UThukela is part of the Global Economy and is striving to become competitive, not only locally or nationally but internationally. The emphasis will be on retaining industry and commercial activities in Ladysmith and Estcourt. The District Municipality will strive to spread the economic activities to the previously disadvantaged areas of the region. The natural beauty of UThukela should be enriched through marketing and maintenance of the existing infrastructure. The regional Development that will be applied to UThukela District is the establishment of the Industrial Park that aims to concentrate in one area a number of high technology industrial firms that will provide jobs and skills and which will eventually generate enough income and demand to sustain economic growth. The LED agency will also play a significant role in uplifting the economy of the District.

## **1.7 HOW PROGRESS WILL BE MEASURED**

The uThukela district municipality has an Operational Performance Management System (OPMS) to monitor the implementation of the IDP and to provide for corrective measures where there is insufficient progress. The OPMS indicates targets for each municipal department, those targets that have to be achieved per quarter. The targets are set as per Key Performance Area (KPA) and these are assessed after every quarter. This system is what the municipality is using to measure its progress through SDBIP, Quarterly performance reviews, Performance contracts which include performance plans for all section 57 employees and annual report

# **SECTION B: PLANNING AND DEVELOPMENT PRINCIPLES AND GOVERNMENT POLICIES AND IMPERATIVES**

## 2 PLANNING AND DEVELOPMENT PRINCIPLES

The following are the planning and development principles that the District Municipality consulted while reviewing this document:

### 2.1.1 NSDP PRINCIPLES

The NSDP Principles stipulate the following:

- Development / investment must only happen in locations that are sustainable;
- Basic services (water, sanitation, access and energy) must be provided to all households;
- Development / investment should be focused on localities of economic growth and/or economic potential;
- In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes;

### 2.1.2 CRDC PRINCIPLES

The CRDC Principles stipulate the following:

- Development should be within limited resources (financial, institutional and physical). Development must optimize the use of existing resources and infrastructure in a sustainable manner;
- Land development procedures must include provisions that accommodate access to secure tenure;
- Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilized;

### 2.1.3 BREAKING NEW GROUND – HUMAN SETTLEMENTS

The Breaking New Ground Human Settlement Principles stipulates:

- Low-income housing must be provided in close proximity to areas of opportunity

#### 2.1.4 SPATIAL PLANNING AND LAND USE MANAGEMENT ACT (SPLUMA)

The role of local government in spatial planning has been revitalised through the introduction of the Spatial Planning and Land Use Management Act No. 16 of 2013 (commonly known as SPLUMA). The intention of this national legislation is to introduce the norms and standards for spatial planning and to specify the relationship between spatial planning and land use management. This intends to create uniformity and consistency on the manner in which both spatial planning and land use management is practiced within the whole country. Chapter 4 of SPLUMA stipulate the need to prepare Spatial Development Frameworks (SDFs) by all municipalities including the Districts. Part D (19) stipulates that the regional spatial development framework must cover the following minimum issues:

- (a) give effect to the development principles and applicable norms and standards set out in Chapter 2 (see box insert);
- (b) give effect to national and provincial policies, priorities, plans and planning legislation;
- (c) reflect the current state of affairs in that area from a spatial and land use perspective of the region;
- (d) indicate desired patterns of land use in that area;
- (e) provide basic guidelines for spatial planning, land development and land use management in that area;
- (f) propose how the framework is to be implemented and funded; and
- Comply with environmental legislation

##### **Box 1: Norms and Standards to reflect:**

- (a) National policy, priorities, programmes relating to land use management & development*
- (b) Social inclusion, spatial equity, desirable settlement patterns, rural revitalisation, urban regeneration & sustainable development.*
- (c) Ensure that land development, land use management processes (incl. applications), procedures & timeframes are efficient & effective.*
- (d) Include (i) land use pattern analysis, (ii) framework for desired land use pattern, (iii) existing & future land use plans, programmes & projects and (iv) mechanisms for identifying strategically located vacant or under-utilized land and providing access to & use of such land.*
- (e) Standardize symbols of all maps & diagrams at an appropriate scale.*
- (f) Differentiate between geographic areas, types of land*

Table 2: Planning and Development Principles

	PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
NSDP	Development / investment must only happen in locations that are sustainable	The capital investment plan and the SDF directs where sustainable developments should occur
DFA	Balance between urban and rural land development in support of each other	SDF identifies various nodes-urban/rural with development potential and the HSP and LED Strategy identified potential projects that address the DFA aspect
DFA	Discouragement of urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst promoting densification. Future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centres	Capital Investment Plan and the Infrastructure Plan guide the development and implementation of infrastructure projects that address basic service backlogs and promote economic growth
DFA	The direction of new development towards logical infill areas	DFA Principles were incorporated in the 2016 DM SDF Review
DFA	Compact urban form is desirable	DFA Principles are used when assessing development applications.
DFA CRDP NSSD	Development should be within limited resources (financial, institutional and physical). Development must optimize the use of existing resources and infrastructure in a sustainable manner.	Sustainability, resources and cost is part of the criteria used to assess development applications.
	Stimulate and reinforce cross boundary linkages.	When required developments close to boundaries will be advertised in neighboring newspapers.
NSDP	Basic services (water, sanitation, access and energy) must be provided to all households	The municipality is trying by all means to ensure that every households in the district has access to basic services
NSDP	Development / investment should be focused on localities of economic growth and/or economic potential	LED Strategy and other sector plans focus on unleashing areas with economic growth potentials

<b>NSDP</b>	In localities with low demonstrated economic potential, development / investment must concentrate primarily on human capital development by providing education and training, social transfers such as grants and poverty-relief programmes	Municipal SDF and LED addresses this aspects
<b>CRDP</b>	Land development procedures must include provisions that accommodate access to secure tenure	The uThukela SDF addresses this aspects
	Prime and unique agricultural land, the environment and other protected lands must be protected and land must be safely utilized	The SDF and the EMF are key district documents that take care of these aspects
	Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective planning and development.	LED Strategy: integrative approach that includes all local role players as well as all internal structure
<b>Housing Policy- Breaking New Ground</b>	If there is a need to low-income housing, it must be provided in close proximity to areas of opportunity	The local municipalities Housing Sector Plans addresses this aspect
<b>National Strategy on Sustainable Development)</b>	During planning processes and subsequent development, the reduction of resource use, as well as the carbon intensity of the economy, must be promoted	The SDF and the EMF are key district documents that take care of these aspects
<b>KZN PGDS National Strategy on Sustainable Development</b>	Environmentally responsible behavior must be promoted through incentives	Environmental Management Framework addresses this aspects
<b>KZN PGDS</b>	The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency	The HSP, LED Strategy, SDF and the EMF are key district documents that take care of these aspects

**KZN PGDS**

Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities

PGDP addresses this aspect

## 2.2 GOVERNMENT POLICIES AND IMPERATIVES

### 2.2.1 NATIONAL DEVELOPMENT PLAN

The aim of the National Development Plan was to respond quickly to South African's aspirations and ensure that inclusive economic growth was the main agenda for development. The National Development vision is outlined in various national policy documents, and consolidated in the National Development Plan (NDP). In May 2010, President Jacob Zuma appointed the National Planning Commission to create a vision and National Development Plan for the Republic of South Africa. The National Planning Commission created the National Vision Statement that reads as follows: *We, the people of South Africa, have journeyed far since the long lines of our first democratic election on 27 April 1994, when we elected a government for us all. Now in 2030 we live in a country, which we have remade.....*

The national development plan is offered in 15 chapters, addresses the major thematic areas in detail, and provides clear recommendations and clear implementation frameworks. The plan focuses on the critical *capabilities* needed to transform the economy and society. Achieving these capabilities is not automatic, nor will they emerge if the country continues on its present trajectory. Rising levels of frustration and impatience suggest that time is of the essence: failure to act will threaten democratic gains. In particular, South Africa must find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities.

The National Development Plan set out clear objectives and targets that read as follows:

- The unemployment rate should fall from 24.9% in June 2012 to 14% by 2020 and to 6% by 2030. This requires an additional 11 million jobs. Total employment should rise from 13 million to 24 million.
- Broaden the expanded public works programme to cover 2 million fulltime equivalent jobs by 2020.
- The labour force participation rate should rise from 54% to 65%. Reduce the cost of living for poor households and cost of doing business through microeconomic reforms.
- The proportion of people with access to the electricity grid should rise to at least 90% by 2030, with non-grid options available for the rest.



- A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- Create regional water and wastewater utilities, and expand mandates of the existing water boards.
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.

The National Development Plan requires the local government to play a meaningful and active role in ensuring the implementation of the vision 2030. The plan compels the local government to be service delivery oriented in ensuring that the following is achieved:

- A comprehensive management strategy including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every five years.
- Create regional water and wastewater utilities, and expand mandates of the existing water boards.
- An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro processing and related sectors by 2030.
- Increased investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.
- Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments
- Strong and efficient spatial planning system, well integrated across the spheres of government.
- Upgrade all informal settlements on suitable, well-located land by 2030.
- More people living closer to their places of work and Better quality public transport.
- More jobs in or close to dense, urban townships

- Develop a strategy for densification of cities and resource allocation to promote better-located housing and settlements.
- In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home , at school and at work, and they enjoy an active community life free of fear.
- Women can walk freely in the street and the children can play safely outside.

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### 2.2.2 THE MILLENNIUM DEVELOPMENT GOALS 2015

It must be noted that the MDG's was to be achieved in 2015. The Millennium Development Goals summarize the development goals agreed on at international conferences and world summits during the 1990s. At the end of the decade, world leaders distilled the key goals and targets in the Millennium Declaration (September 2000). The Millennium Development Goals, to be achieved between 1990 and 2015, are:

- Halving extreme poverty and hunger;
- Achieving universal primary education;
- Promoting gender equality;
- Reducing under-five mortality by two-thirds;
- Reducing maternal mortality by three-quarters;
- Reversing the spread of HIV/AIDS, malaria and TB;
- Ensuring environmental sustainability;
- Developing a global partnership for development, with targets for aid, trade and debt relief

In addressing the above millennium goals, the District Municipality through its Local Municipalities has initiated **poverty eradication** programmes. Likewise, there are numerous programmes to assist with reversing the spread of **HIV/AIDS** and support to the families that are affected by the pandemic. To ensure **environmental sustainability** the municipality is working closely with its local municipalities to ensure that all developments are environmental friendly and sustainable.

### 2.2.3 SUSTAINABLE DEVELOPMENTS GOALS (SDG's)

The Millennium Development Goals came into an end and it was replaced by the Sustainable Development Goals 2030. The 17 sustainable development goals aim at transforming the world. On September 25th 2015, countries adopted a set of goals to **end poverty, protect the planet, and ensure prosperity for all** as part of a **new sustainable development agenda**. Each goal has specific targets to be achieved over the next 15 years.

The 17 Sustainable Development Goals and 169 targets, which were announced on the 25 September 2015, demonstrate the scale and ambition of this new universal Agenda. They seek to build on the Millennium Development Goals and complete what they did not achieve. They seek to realize the human rights of all and to achieve gender equality and the empowerment of all women and girls. They are integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental. The Goals and targets will stimulate action over the next 15 years in areas of critical importance for humanity and the planet.

The scope of the Sustainable Development Goals goes far beyond the Millennium Development Goals. Alongside continuing development priorities such as poverty eradication, health, education and food security and nutrition, it sets out a wide range of economic, social and environmental objectives. It also promises more peaceful and inclusive societies. It also, crucially, defines means of implementation. Reflecting the integrated approach that we have decided on, there are deep interconnections and many crosscutting elements across the new Goals and targets. The 17 Sustainable Goals are as follows:

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable and modern energy for all

Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the

Global Partnership for Sustainable Development

In addressing the above-mentioned Sustainable Development Goals, the uThukela District Municipality through its Local Municipalities has initiated numerous programmes such as poverty **eradication** programmes, sustainable economic growth, management of water and sanitation, gender equality and empowerment of woman and girls. Likewise, there are numerous programmes to assist with reversing the spread of **HIV/AIDS** and support to the families that are affected by the pandemic. To ensure **environmental sustainability** the municipality is working closely with its local municipalities to ensure that all developments are environmental friendly and sustainable. The development of the Climate change Response Plan to combat the impacts of climate change. Briefly, the municipality is taking into consideration the 17 SDG's

## 2.2.4 ALIGNMENT OF PGDP GOALS WITH SDG'S

The following attempts in aligning the PGDP with the Sustainable Development Goals (SDG's)

1. End poverty in all its forms everywhere **PGDP G3**
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture **PGDP G3**
3. Ensure healthy lives and promote well-being for all at all ages **PGDP G3**
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all **PGDP G2**
5. Achieve gender equality and empower all women and girls **PGDP G3&G6**
6. Ensure availability and sustainable management of water and sanitation for all **PGDP G4**
7. Ensure access to affordable, reliable, sustainable and modern energy for all **PGDP G4**
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all **PGDP G4**
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation **PGDP G1**
10. Reduce inequality within and among countries **PGDP G3**
11. Make cities and human settlements inclusive, safe, resilient and sustainable **PGDP G3**
12. Ensure sustainable consumption and production patterns **PGDP G5**
13. Take urgent action to combat climate change and its impacts **PGDP G5**
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development **PGDP G1&5**
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss **PGDP G5**
16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels **PGDP G3**
17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development **PGDP G5**

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### 2.2.5 STRATEGIC INFRASTRUCTURE PROGRAMME (SIPS)

Government adopted an Infrastructure Plan that is intends to transform the economic landscape of South Africa, create a significant numbers of new jobs, strengthen the delivery of basic services to the people of South Africa and support the integration of African economies.

The Presidential Infrastructure Coordinating Commission (PICC) have been established with its supporting management structures to integrate and coordinate the long-term infrastructure build.

The plan is based on an objective assessment of the infrastructure gaps through spatial mapping that analyses future population growth, projected economic growth and areas of the country that are not served with water, electricity, roads, sanitation and communication. Based on this work, seventeen Strategic Integrated Projects (SIPs) have been developed and approved to support economic development and address service delivery in the poorest provinces. Each SIP comprise of a large number of specific infrastructure components and programmes.

Among the 17 projects are the initiatives to improve the movement of goods through the Durban-Free State-Gauteng logistics and industrial corridor by prioritising a range of rail and port improvements, supported significantly by a R300-billion investment programme by Transnet over the coming seven years. One of the rail links targeted for upgrading runs through uThukela and is the main Durban Johannesburg link. Following to this, is the upgrade and expansion of N11 road linking the City of EThekweni in Durban to Johannesburg and Mpumalanga province. These infrastructure programs will be carried out to boost the economy of the country in order to achieve the vision 2030.

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### 2.2.6 THE STATE OF THE NATION ADDRESS – 2016

The President outlined further national government priorities for this financial year in the State of the Nation Address. The President reported on progress made since the last State of the Nation Address and to outline a programme of action for 2016. It was his third SoNA since he was re-elected to lead the fifth administration in May 2014. Among other things, the speech focused on the need to accelerate economic growth. The President also provided an update on the Nine-Point Plan that he unveiled at the 2015 SoNA, which seeks to stimulate economic growth and create much-needed jobs.

**Human rights**

Human Rights Day on 21 March 2016 will this year be commemorated as the national day against racism. It will be used to lay the foundation for a long-term programme of building a non-racial society.

**Growing the economy**

A resilient and fast-growing economy is at the heart of South Africa's radical economic transformation agenda and the NDP. Government has embarked on an aggressive infrastructure development programme to stimulate growth. It has urged business and labour to continue marketing the country as a preferred destination for investments.

In order to create the correct investment support infrastructure, government is developing a **One-Stop Shop/Invest SA** initiative to signal that South Africa is truly open for business.

**Performance of state-owned companies**

The South African National Roads Agency Limited has built some of the best roads in Gauteng and in many parts of the country. The Trans Caledon Tunnel Authority has constructed dams of varied capacities, which makes it possible for South Africans to have access to safe drinking water. Transnet has built rail infrastructure which has enabled the country's mines to move massive bulk of commodities through the ports to markets around the globe.

Development finance institutions such as the Industrial Development Corporation or Development Bank of Southern Africa and others continue to provide finance for infrastructure, various industries and agricultural businesses.

Government plans to implement the recommendations of the Presidential Review Commission on State-owned Enterprises, which outlines how the institutions should be managed in order to achieve the developmental objectives and aspirations of South Africa.

**Boosting tourism**

South African Tourism will invest R100 million a year to promote domestic tourism and encourage South Africans to tour their country.

**Migration**

The draft migration policy, which will make it possible to import scarce skills into the country, will be presented to Cabinet during 2016.

**Developing small businesses**

Government, through the Department of Small Business Development, will provide access to high quality, innovative business support that can dramatically improve the success rate of new ventures and empower small businesses to accelerate their growth. Economic transformation and black empowerment remain a key part of all economic programmes of government. Government has launched the Black Industrialists Scheme to promote the participation of black entrepreneurs in manufacturing.

Government has urged big business to collaborate the new manufacturers, including businesses owned by women and the youth, as part of broadening the ownership and control of the economy.

Local banks – through the Banking Association of South Africa and in collaboration with the Ministry of Finance and National Treasury – will launch a project aimed at establishing a centre of excellence for financial services and leadership training.

This will help ensure that the country attracts, nurture, develop and retain the best talent in financial services in South Africa and across the continent. This will also provide job opportunities for many young people.

**Cost-cutting measures**

To cut wasteful expenditure without compromising on the core business of government and the provision of services to the people, government will implement the following austerity measures:

- Overseas trips will be restricted and those requesting permission will have to motivate strongly and prove the benefit to the country.
- The sizes of delegations will be greatly reduced and standardised.
- Further restrictions on conferences, catering, entertainment and social functions will be instituted.
- The Budget Vote dinners for stakeholders hosted by government departments in Parliament after the delivery of budget speeches will no longer take place.

A big expenditure item that government would like to persuade Parliament to consider is the maintenance of two capitals, Pretoria as the administrative one and Cape Town as the legislative capital.



## **Update on the Nine-Point Plan**

### ***Resolving the energy challenge***

The fact that there has been no load shedding since August 2015 shows that government has made progress in stabilising the electricity supply.

Government has invested R83 billion in Eskom to enable the power utility to support Medupi Power Station in Limpopo and Kusile Power Station in Mpumalanga, and to continue with a maintenance programme. Additional units from Ingula Power Station, situated on the border of both the Free State and KwaZulu-Natal, will be connected in 2017.

The multiple-bid windows of the Renewable Independent Power Producer Programme have attracted an investment of R194 billion.

Government will this year select the preferred bidders for the coal independent power producer. Request for Proposals will also be issued for the first windows of gas to power bids.

Government plans to introduce 9 600 megawatts of nuclear energy in the next decade, in addition to running the Koeberg Nuclear Power Plant.

### ***Incentives to boost investments***

Government, through the Department of Trade and Industry, has introduced a number of incentives in the past few years to boost investments in the manufacturing sectors, especially the textiles, leather and automotive sectors.

The incentives for the automotive sector have attracted investments of over R25 billion over the last five years. They include key investments from Mercedes, General Motors, Ford, Beijing Auto Works, the Metair group, BMW, Goodyear and VW.

Multinational companies such as Nestle, Unilever, Samsung and Hisense have also affirmed South Africa as a regional manufacturing hub by retaining and expanding their investments in new plants.

### ***Agriculture and land reform***

Government has introduced the Agri-Parks Programme to increase the participation of smallholder farmers in agricultural activities. Construction has begun in at least five Agri-parks in the West Rand in

Gauteng, Springbokpan in North West, Witzenberg in the Western Cape, Ncora in the Eastern Cape and Ekangala in Mpumalanga.

As part of the 50/50 Policy Framework that proposes relative rights for people who live and work on farms, 27 proposals have been received from commercial farmers and four are being implemented in the Eastern Cape and the Free State.

The Regulation of Land Holdings Bill will be presented to Cabinet in the first semester of 2016. The Bill aims to place a ceiling on land ownership at a maximum of 12 000 hectares and would prohibit foreign nationals from owning land. They would be eligible for long-term leases. Since the reopening of land claims for people who had missed the 1998 deadline, about 120 000 new land claims had been lodged by December 2015.

### ***Water and sanitation***

Government will continue to support farmers and communities affected by the drought, especially in the North West, KwaZulu-Natal, Free State, Limpopo and Mpumalanga. Among other things, it will also provide mobile water tankers. The first phase of the Mokolo and Crocodile Water Augmentation project in Lephalale area in Limpopo is fully operational. It will provide 30 million cubic meters of water per year.

The raising of the Clanwilliam Dam wall in the Western Cape will raise the existing dam level by 13 metres to provide additional water supply. The Department of Water and Sanitation is training 15 000 young people as artisans to fix leaking pipes and curb water wastage.

### ***Improving labour relations***

Government has welcomed the agreement reached by social partners at the National Economic Development and Labour Council (NEDLAC) on the principle of a national minimum wage. NEDLAC was also finalising a framework to stabilise the labour market by reducing the length of strikes and eliminating violence during strike action. Government is in discussion with the Congress of South African Trade Unions to find a solution to contentious matters related to the Tax Laws Amendment Act, which was signed into law in December 2015. Through the Department of Social Development and National Treasury, government is finalising the comprehensive social security policy.

**Mining sector**

One of the positive developments in the mining sector was the Leaders' Declaration to Save Jobs, which was signed by mining industry stakeholders in August 2015. To curb job losses, government has appealed to business that retrenchments should not be the first resort when they face difficulties.

**Operation Phakisa**

As part of Operation Phakisa – the fast-result methodology launched in 2014 and implemented in the ocean economy, health, education and mining sectors – R7 billion has been committed in new port facilities. This followed the adoption of a Public-Private Partnership model for port infrastructure development by Transnet National Ports Authority.

The launch of a fuel storage facility in Cape Town has brought an investment of R660 million. About R350 000 in private-sector investment has been committed in the aquaculture sector, which is an important growth area within the oceans economy segment of Operation Phakisa. Nine aquaculture farms are already in production in the Eastern Cape, KwaZulu-Natal, Western Cape and Northern Cape.

The Department of Science and Technology is expected to finalise the Sovereign Innovation Fund, a public-private funding partnership aimed at commercialising innovations based on ideas from the public and private sectors.

**Broadband roll-out**

Government has allocated R740 million to fast track the implementation of the first phase of broadband roll-out to connect more than 5 000 government facilities in eight district municipalities over a three year period.

**Higher Education**

The Minister of Finance will provide details of the financial shortfall arising from the zero per cent university fee increase in his Budget Speech on 24 February 2016. Government has appointed a Judicial Commission of Inquiry into higher education.

## Health

Life expectancy of South Africans for both males and females has significantly improved to 62 years, which is an increase of eight and a half years since 2005. The HIV policy turnaround in 2009 led to a massive roll-out of HIV testing and treatment for 3.2 million people living with the virus. This has contributed immensely to healthier and longer lives for those infected.

Government, through the Ministry of Health, aims to revive prevention campaigns, especially amongst the youth. The state-owned pharmaceutical company, *Ketlaphela*, has been established to supply antiretroviral drugs to the Department of Health from the 2016/17 financial year.

The *White Paper on National Health Insurance* (NHI) was released in December 2015 for public comments. NHI is aimed at achieving universal access to healthcare for all people in South Africa.

## Local government issues

Local government elections will be held within three months after 18 May, the date of the last elections. Government has urged all citizens over the age of 18, particularly the youth, to register to vote during the first registration weekend of 5 and 6 March 2016. Government will intensify the implementation of the Back to Basics local government revitalisation plan in 2015, which was launched in September 2014.

More active monitoring and accountability measures to be used will include:

- unannounced municipal visits;
- spot checks of supply chain management processes;
- the implementation of recommendations of forensic reports;
- site visits of Municipal Infrastructure Grant funded projects; and
- increased interventions to assist struggling municipalities.

## Safety and security

The South African Police Service is undergoing transformation and has adopted the Back-to-Basics approach to management to rebuild the organisation and improve performance at all underperforming police stations.

**Strengthening relations in Africa and the world**

South Africa continues to support peace, security, and regional economic integration by participating in the African Union and the Southern African Development Community initiatives. It continued to assist sister countries such as Lesotho and South Sudan to resolve their issues.

Brazil, Russia, India, China and South Africa (BRICS) have reached agreement on the New Development Bank or BRICS Bank, which is envisaged to approve its inaugural projects in April this year.

South Africa has participated in the India-Africa Summit held in New Delhi, India from 26 to 30 October 2015 and the Forum on China-Africa Cooperation hosted in Johannesburg from 4 to 5 December 2015.

As part of the US\$50 billion worth of investments announced by China recently, South Africa will receive US\$10 billion for infrastructure, industrialisation and skills development.

On North-South cooperation, South Africa continued its engagements with the European Union (EU), which is the country's largest trading partner and foreign investor. Over 2 000 EU companies operating within South Africa have created over 350 000 jobs.

**Sporting programmes for a healthy lifestyle**

Government has urged all people in South Africa to participate in several programmes aimed at promoting healthy lifestyles and nation-building. These include the National Recreation Day; Nelson Mandela Sports and Culture Day; World Move for Health Day; Golden Games, and Andrew Mlangeni Golf Development Day.

**Promoting arts and culture**

Government has established the Living Legends Committee to coordinate the participation of performing arts legends in nation-building activities in the country. South African musicians and actors have heeded government's call to unite and have since formed the Cultural and Creative Industries Federation of South Africa. The Presidency has established the Presidential Creative Industries Task Team to support the artists.

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### 2.2.7 STATE OF THE PROVINCE ADDRESS - 2016

The Premier outlined further provincial government priorities for this financial year in the state of the province Address. He reported on progress made since the last Stat of the Provincial Address and also to outline a programme of action for 2016. The Premier indicated that in the 2015, he had recommitted the Government of KwaZulu- Natal to remain resolute in our commitment and dedication to the vision, goals and targets set in the National Development Plan (NDP) and our own Provincial Growth and Development Plan (PGDP).

The Premier of our Province indicated in his state of the Province that the focus has now be shifted to focus to the 2015 to 2020 period, or the second quarter of the 20 Year Plan. The Premier emphasised the issue of continued planning and the Government have started the review of the Provincial Growth and Development Strategy (PGDS) with the intention of retaining a 20-year planning horizon and therefore extending our planning timelines to 4 five-year quarters between now and 2035.

The Premier articulated the KZN Nation to remain on track to deliver on our Vision 2030. The government is therefore determined to be “A prosperous Province, with healthy secure and skilled people, acting as a gateway to Africa and the World”. He indicated that the Government have a clear plan of action expressed in the Provincial Growth and Development Plan setting clear targets of what it is that we have to achieve to ensure that we realise this Vision. At most, they are refining these targets in the current review of our PGDP.

In the next five-year cycle of the NDP and the PGDP, reconfirm the commitment to the Key National Priorities namely:

- Creation of more jobs, decent work and sustainable livelihoods for inclusive growth;
- Rural development, land reform and food security;
- Improved quality basic education;
- A long and healthy life for all South Africans;
- Fighting crime and corruption; and in particular
- The implementation of the 9-Point plan to grow the South African Economy.

The Premier told the KZN Nation that These National Priorities, and for that matter, all 14 Outcomes of the NDP remain the foundation of our PGDP. Focussing on the issue of radical economic transformation, we have to align with the National 9 Point Plan.

In the state of the Province address, the Premier indicated that the Government is also planning to spend R12 billion on infrastructure in 2016/17. Department of Transport will spend the lion's share of this budget at 55%, followed by the Department of Education at 20% of the infrastructure budget and Department of Health at 13%. Other departments spend will be the remaining 12%. The Education infrastructure budget includes funding allocated in the Adjustments Estimates of R150 million. This funding is ring-fenced to address the water and sanitation backlogs in schools. This funding will address the sanitation and water backlogs in 453 schools in the Province.

The Premier also reported that, since the last State of the Nation Address in 2015, 5 municipalities had to be placed under section 139 Municipal Intervention. These were Imbabazane, Indaka, Abaqulusi, Mtubatuba and Umkhanyakude. The interventions were later terminated at Mtubatuba and Abaqulusi municipalities upon achieving substantial progress. The Steering Committee hold meetings with stakeholders from KZN CoGTA, National COGTA, SALGA, municipalities and relevant Public Entities on monthly basis to assess and monitor support. Some other important issues that the Premier spoke about are as follows:

#### **ICT and E- Governance**

In 2015, the government set a target of 15 000km of Broadband Fibre Optic roll out in the Province. They have completed 14 683 km (80%) of fibre that is being rolled out to all schools, post offices and hospitals and 119 clinics in the NHI Districts have been connected. They have further identified and prioritised five towns for free Wi-Fi rollout namely, Durban, PMB, Richards Bay, Port Shepstone and Newcastle.

#### **Education, training and developing skills to meet growth demand**

The number of learners in the number of learners in Grade R have increased to 250 000 in 2016. This is an indication of our commitment towards ensuring the acquisition of knowledge during early stages of development. The Government is making a conscious effort to strengthen the entire schooling system, as we understand without quality education; there can be no socio-economic development in this province.

### **Environmental sustainability**

The global greenhouse gas emissions are reduced and that social-ecological capacity is created to be able to adapt to climate change. The government is mindful that climate change impacts have wreaked havoc in this current year with excessive drought levels being experienced. The two sector adaptation plans out of the five targeted for 2019, have been completed. The progress has been made by setting up of the District climate change committees and development of Adaptation strategy framework document.

The focus in 2016/17 will be on completing the Carbon Footprint to ensure that there is tracking and reduction of carbon emissions as enjoined by the COP 21 resolutions, outcome 10 and the provincial growth strategy. The entity is also completing a study on investigating the harvesting of rainwater to improve water provisioning at protected area levels and reduce utility costs.

Acknowledging the role of ecological infrastructure/natural resources towards mitigating the excessive impact of climate change (i.e. drought, major flood leading to loss of human life, etc), we intend to develop a flagship programme on coordinating provincial efforts towards building a climate change resilient province.

### **KZN A CARING PROVINCE**

The KZN Government is making progress in addressing the plight and advancing the rights of widows in this province. We have approached the national government to look into the impact of taxation, inheritance and the administration of deceased estates on the lives of widows.

The Provincial Planning Commission and the various Councils that were established to advise the government and to harness the relationship, such as the HIV/AIDS Council, the HRD Council, the Climate Change Council, the BBBEE Council, to name but a few, are now fully functional

### **Sports and Recreation**

On a very exciting note, KZN continues to be a preferred destination of international sporting events. The announcement that KZN and Durban in particular will host the 2022 Commonwealth presents this province with endless possibilities.

### **Develop Strategic Infrastructure**

As a Province with a clear Vision of being a Gateway between Africa and the World, it speaks for itself that infrastructure development will always be one of our highest priorities. We have therefore



prioritised the development of a Provincial Infrastructure Master Plan as announced in the 2015 State of the Province Address.

The focus on infrastructure development is to ensure that the Government support and facilitate processes in respect of the 18 Strategic Integrated Projects, commonly referred to as SIPs as identified in the National Infrastructure Master Plan.

**SIP 1** is about unlocking the mineral wealth of the inland Provinces of Limpopo and Mpumalanga. Its significance for KwaZulu-Natal lies in the fact that these resources are to be exported via the Richards Bay Harbour and therefore requires improving this rail connection, as well as the expansion of the Port of Richards Bay.

**SIP 2** is arguably the largest and most complicated of all SIPs and is aimed at expanding and developing the Durban, Free State, Gauteng Logistics and Industrial Corridor.

#### 2.2.8 THE 14 NATIONAL OUTCOMES

The table following details the National Outcomes that each government sphere strives to achieve.

**Table 3: The National Outcomes**

OUTCOME 1: IMPROVE THE QUALITY OF EDUCATION		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> <li>1. Improve quality of teaching and learning;</li> <li>2. Regular Assessments to track progress;</li> <li>3. Improve early childhood development;</li> <li>4. A credible outcomes-focused accountability system</li> </ol>	<ul style="list-style-type: none"> <li>▪ Assess every child in grades 3, 6 and 9 every year;</li> <li>▪ Improve learning and teaching materials to be distributed to primary schools in 2014;</li> <li>▪ Improve math and science teaching</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate the building of new schools;</li> <li>▪ Participating in needs assessments;</li> <li>▪ Identifying appropriate land;</li> <li>▪ Facilitating zoning and planning processes;</li> <li>▪ Facilitate the eradication of municipal service backlogs in schools by extending appropriate bulk infrastructure and installing connections</li> </ul>

<b>OUTCOME 2: IMPROVE HEALTH AND LIFE EXPECTANCY</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Increase life expectancy to 58 for males and 60 for females;</li> <li>2. Reduce maternal and child mortality rates to 30-40 per 1000 births;</li> <li>3. Combat HIV/Aids and TB;</li> <li>4. Strengthen health services effectiveness</li> </ol>	<ul style="list-style-type: none"> <li>▪ Revitalize primary health care;</li> <li>▪ Increase early antenatal visits to 50%;</li> <li>▪ Increase vaccine coverage;</li> <li>▪ Improve hospital and clinic infrastructure;</li> <li>▪ Accredite health facilities;</li> <li>▪ Extend coverage of new child vaccines;</li> <li>▪ Expand HIV prevention and treatment;</li> <li>▪ Increase prevention of mother-to-child transmission;</li> <li>▪ School health promotion increase school visits by nurses from 5 to 20%;</li> <li>▪ Enhance TB treatment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Many municipalities perform health functions on behalf of provinces;</li> <li>▪ Strengthen effectiveness of health services by specifically enhancing TB treatments and expanding HIV and AIDS prevention and treatments;</li> <li>▪ Municipalities must continue to improve Community Health;</li> <li>▪ Services infrastructure by providing clean water sanitation and waste removal services</li> </ul>
<b>OUTCOME 3: ALL PEOPLE IN SOUTH AFRICA ARE PROTECTED AND FEEL FREE</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Reduce overall level of crime;</li> <li>2. An effective and integrated criminal justice system;</li> <li>3. Improve investor perceptions and trust.</li> <li>4. Effective and integrated border management;</li> <li>5. Improve perception of crime among the population;</li> <li>6. Integrity of identity of citizens and residents secures;</li> <li>7. Cyber-crime combated</li> </ol>	<ul style="list-style-type: none"> <li>▪ Increase police personnel;</li> <li>▪ Establish tactical response teams in provinces;</li> <li>▪ Upgrade IT infrastructure in correctional facilities;</li> <li>▪ ICT renewal in justice cluster;</li> <li>▪ Occupation-specific dispensation for legal professionals;</li> <li>▪ Deploy SANDF soldiers to South Africa's borders.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate the development of safer communities through better planning &amp; enforcement of municipal by-laws;</li> <li>▪ Direct the traffic control function towards policing high-risk violations – rather than revenue collection.</li> </ul>
<b>OUTCOME 4: DECENT EMPLOYMENT THROUGH INCLUSIVE ECONOMIC GROWTH</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Faster and sustainable inclusive growth;</li> <li>1. More labor-absorbing growth;</li> <li>2. Strategy to reduce youth unemployment;</li> <li>3. Increase competitiveness to raise net exports and gross trade;</li> <li>4. Improve support to small business and cooperatives;</li> </ol>	<ul style="list-style-type: none"> <li>▪ Invest in industrial development zones; Industrial sector strategies: automotive industry; clothing and textiles;</li> <li>▪ Youth employment incentive;</li> <li>▪ Development training and system improve procurement;</li> <li>▪ Skills development and training;</li> <li>▪ Reserve accumulation;</li> <li>▪ Enterprise financing support;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Create an enabling environment for investment by streamlining planning application process;</li> <li>▪ Ensure proper maintenance and rehabilitation of essential services infrastructure;</li> <li>▪ Ensure proper implementation of the EPWP at municipal level;</li> </ul>

5. Implement expanded public works programme.	<ul style="list-style-type: none"> <li>▪ New phase of public works programme.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Design service delivery processes to be labor intensive;</li> <li>▪ Improve procurement systems to eliminate corruption and ensure value for money;</li> <li>▪ Utilize community structures to provide services.</li> </ul>
<b>OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT INCLUSIVE GROWTH</b>		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> <li>1. A credible skills planning institutional mechanism;</li> <li>2. Increase access to intermediate and high-level learning programmes;</li> <li>3. Increase access to occupational specific programmes ;</li> <li>4. Research, development and innovation in human capital</li> </ol>	<ul style="list-style-type: none"> <li>▪ Increase enrolment in FET colleges and training of lectures;</li> <li>▪ Invest in infrastructure and equipment in colleges and technical schools;</li> <li>▪ Expand skills development learnerships funded through sector training authorities and National Skills Fund;</li> <li>▪ Industry partnership projects for skills and technology development;</li> <li>▪ National Research Foundation centres excellence, and bursaries and research funding.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Development and extend intern and work experience programmes in municipalities;</li> <li>▪ Link municipal procurement to skills development initiatives.</li> </ul>
<b>OUTCOME 6: AN EFFICIENT, COMPETITIVE AND RESPONSIVE ECONOMIC INFRASTRUCTURE NETWORK</b>		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> <li>1. Improve competition and regulation;</li> <li>2. Reliable generation, distribution and transmission of energy;</li> <li>3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports;</li> <li>4. Maintain bulk water infrastructure and ensure water supply;</li> <li>5. Information and communication technology;</li> <li>6. Benchmark each sector.</li> </ol>	<ul style="list-style-type: none"> <li>▪ An integrated energy plan successful independent power producers;</li> <li>▪ Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers;</li> <li>▪ Increase infrastructure funding for provinces for the maintenance of provincial roads;</li> <li>▪ Complete Gauteng Freeway;</li> <li>▪ Improvement Programme;</li> <li>▪ Complete De Hoop Dam and bulk distribution;</li> <li>▪ Nandoni pipeline;</li> <li>▪ Invest in broadband network infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services;</li> <li>▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport;</li> <li>▪ Maintain and expand water purification works and waste water treatment works in line with growing demand;</li> <li>▪ Cities to prepare to receive the devolved public transport function;</li> <li>▪ Improve maintenance of municipal road network.</li> </ul>
<b>OUTCOME 7: VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES AND FOOD SECURITY</b>		
Outputs	Key Spending Programmes	Role of Local Government
1. Sustainable agrarian reform and improved access to markets for small farmers;	<ul style="list-style-type: none"> <li>▪ Settle 7000 land restitution claims;</li> <li>▪ Redistribute 283 592ha of land use by 2014;</li> <li>▪ Support emerging farmers;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Facilitate the development of local markets for agricultural produce;</li> </ul>

<p>2. Improve access to affordable and diverse food;</p> <p>3. Improve rural services and access to information to support livelihoods;</p> <p>4. Improve rural employment opportunities;</p> <p>5. Enable institutional environment for sustainable and inclusive growth.</p>	<ul style="list-style-type: none"> <li>▪ Soil conservation measures and sustainable land use management;</li> <li>▪ Nutrition education programmes;</li> <li>▪ Improve rural access to services by 2014: <ul style="list-style-type: none"> <li>▪ Water: 92% to 100%.</li> <li>▪ Sanitation: 69% to 100%.</li> <li>▪ Refuse removal: 64% to 75%.</li> <li>▪ Electricity: 81% to 92%.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Improve transport links with urban centres so as to ensure better economic integration;</li> <li>▪ Promote home production to enhance food security;</li> <li>▪ Ensure effective spending of grants for funding extension of access to basic services.</li> </ul>
<b>OUTCOME 8: SUSTAINABLE HUMAN SETTLEMENTS &amp; IMPROVED QUALITY OF HOUSEHOLD LIFE</b>		
Outputs	Key Spending Programmes	Role of Local Government
<p>1. Accelerate housing delivery;</p> <p>2. Improve property market;</p> <p>3. More efficient land utilization and release of state-owned land</p>	<ul style="list-style-type: none"> <li>▪ Increase housing units built from 220 000 to 600 000 a year;</li> <li>▪ Increase construction of social housing units to 80 000 a year;</li> <li>▪ Upgrade informal settlement: 400 000 units by 2014;</li> <li>▪ Deliver 400 000 low-income houses on state-owned land;</li> <li>▪ Improve urban access to basic services: <ul style="list-style-type: none"> <li>✓ Water: 92% to 100%;</li> <li>✓ Sanitation: 69% to 100%;</li> <li>✓ Refuse removal: 64% to 75%;</li> <li>✓ Electricity: 81% to 92%.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Cities must wait to be accredited for the housing function;</li> <li>▪ Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements;</li> <li>▪ Participate in the identification of suitable land for social housing;</li> <li>▪ Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.</li> </ul>
<b>OUTCOME 9: A RESPONSIVE, ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT SYSTEM</b>		
Outputs	Key Spending Programmes	Role of Local Government
<p>1. Differentiate approach to municipal financing, planning and support;</p> <p>2. Community work programme;</p> <p>3. Support for human settlements;</p> <p>4. Refine ward committee model to deepen democracy;</p> <p>5. Improve municipal financial administrative capability;</p> <p>6. Single coordination window</p>	<ul style="list-style-type: none"> <li>▪ Municipal capacity-building grants;</li> <li>▪ Systems improvement;</li> <li>▪ Financial management unqualified audits partnership grant;</li> <li>▪ Increase urban density;</li> <li>▪ Informal settlements upgrades.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality;</li> <li>▪ Implement the community work programme;</li> <li>▪ Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues;</li> <li>▪ Improve municipal financial and administrative capacity by competency norms and standards</li> </ul>

<b>OUTCOME 10: PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL ASSETS AND NATURAL RESOURCES</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Enhance quality and quantity of water resources;</li> <li>2. Reduce greenhouse gas emissions;</li> <li>3. Mitigate climate change impacts and improve air quality;</li> <li>4. Sustainable environmental management;</li> <li>5. Protect biodiversity.</li> </ol>	<ul style="list-style-type: none"> <li>▪ National water resource infrastructure programme;</li> <li>▪ Expanded public works environmental programmes;</li> <li>▪ Biodiversity and conservation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Develop and implement water management plans to reduce water losses;</li> <li>▪ Ensure effective maintenance and rehabilitation of infrastructure;</li> <li>▪ Run water and energy saving awareness campaigns;</li> <li>▪ Ensure development does not take place on wetlands.</li> </ul>
<b>OUTCOME 11: A BETTER SOUTH AFRICA, A BETTER AND SAFER AFRICA AND WORLD</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Enhance Africa agenda and sustainable development;</li> <li>2. Enhance regional integration;</li> <li>3. Reform global governance institutions;</li> <li>4. Enhance trade and investment between South Africa and partners</li> </ol>	<ul style="list-style-type: none"> <li>▪ Proposed establishment of South African Development Partnership Agency;</li> <li>▪ Defense: peace support mechanisms;</li> <li>▪ Border control: upgrade inland ports of entry.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Ensuring basic infrastructure is in place and properly maintained;</li> <li>▪ Creating an enabling environment for investment</li> </ul>
<b>OUTCOME 12: A DEVELOPMENT ORIENTATED PUBLIC SERVICE AND INCLUSIVE CITIZENSHIP</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<ol style="list-style-type: none"> <li>1. Improve government performance;</li> <li>2. Government wide performance and monitoring;</li> <li>3. Conduct comprehensive expenditure review;</li> <li>4. Celebrate cultural diversity</li> </ol>	<ul style="list-style-type: none"> <li>▪ Performance monitoring and evaluation;</li> <li>▪ Stats SA, Census 2011: Reduce undercount;</li> <li>▪ Sports and Recreation: Support mass participation and school sport programmes.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Continue to develop performance monitoring and management system;</li> <li>▪ Comply with legal financial reporting requirements;</li> <li>▪ Review municipal expenditures to reduce wastage;</li> <li>▪ Ensure Municipal Councils behave in ways that restore trust in local government.</li> </ul>
<b>OUTCOME 13: SOCIAL PROTECTION</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<b>Spatial equity</b>	Defense: peace support mechanisms	<ul style="list-style-type: none"> <li>▪ Coordinated development.</li> </ul>
<b>OUTCOME 14: NATION BUILDING AND SOCIAL COHESION</b>		
<b>Outputs</b>	<b>Key Spending Programmes</b>	<b>Role of Local Government</b>
<b>Spatial equity</b>		<ul style="list-style-type: none"> <li>▪ Coordinated development.</li> </ul>

### 2.2.9 LOCAL GOVERNMENT OUTCOME 9

The national government has adopted an Outcomes Based Approach to development as a means to focus government initiatives and manage public expectations. Based on the Medium Term Expenditure Framework (MTEF), 14 outcomes have been identified. Outcome 9 deals with local government and touches uThukela district municipality and its family of municipalities unswervingly. It moves from a premise that local government is a key part of the reconstruction and development effort in South Africa, and that aims of democratizing society and growing the economy inclusively can only be realized through a responsive, accountable, effective and efficient local government system that is part of a developmental state. Municipalities are guided by outcome 9, which has the following seven (7) outputs:

- ⇒ **Output 1:** Implement a differentiated approach to municipal financing, planning and support;
- ⇒ **Output 2:** Improving access to basic services;
- ⇒ **Output 3:** Implementation of the Community Work Programme;
- ⇒ **Output 4:** Actions supportive of the human settlement outcome;
- ⇒ **Output 5:** Deepen democracy through a refined Ward Committee model;
- ⇒ **Output 6:** Administrative and financial capability; and
- ⇒ **Output 7:** A single window of coordination

### 2.2.10 THE PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS)

The Provincial Growth and Development Strategy (PGDS) is a vehicle to address the legacies of the apartheid space economy, to promote sustainable development and to ensure poverty eradication and employment creation.

The PGDS offers a tool through which national government can direct and articulate its strategy and similarly for local government to reflect the necessary human, financial and fiscal support it needs to achieve these outcomes. It facilitates proper coordination between different spheres of government and aims to prevent provincial departments from acting out of concert with local municipalities. It enables intergovernmental alignment and guides activities of various role players and agencies (provincial sector departments, parastatals, district and municipalities). The PGDS will enhance service delivery.

It is a framework for public and private sector investment, indicating areas of opportunities and development priorities. It addresses key issues of implementation blockages whilst providing strategic direction.

The PGDS on the one hand involves preparing policies, strategies and guidelines and on the other hand, it involves preparing mechanisms to align and facilitate the implementation, monitoring and evaluation of key growth and development priorities.

Attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. The uThukela district municipality's IDP is reviewed within the framework of the PGDS and is fully aligned with the provincial development goals.

The PGDS identifies 7 strategic goals and 30 strategic objectives designed to move the KwaZulu-Natal Province progressively towards the attainment of the 2030 development vision. These goals and objectives are as relevant for uThukela district municipality and its family of municipalities as they form part of the KwaZulu-Natal Province. Goal three (3) to goal seven (7) all forms an integral part of local government agenda and focus areas for uThukela district municipality. The following diagram shows the strategic goals and strategic objectives:



### 2.2.11 OPERATION SUKUMA SAKHE (OSS)

Operation SukumaSakhe (OSS) is a strategy to integrate departmental programmes and deliver jointly on outcomes since success depends on several departments cooperating. It has ensured that services are brought together at the level of communities in the wards and empowers communities to discuss with various government officials who do not necessarily work at ward levels in a venue designated as WAR ROOM. This strategy has been implemented to coordinate the efforts of various sectors and mobilize society for a common purpose.

OSS was launched in July 2009, under the campaign “One Home One Garden one product one village”, with the following objectives:

- Making meaningful household intervention on poverty;



- Behavioral Change to address HIV and AIDS, Crime, Substance Abuse, road accidents, abuse;
- Addressing the needs of the most vulnerable and deprived communities and households;
- Making rural development a realizable vision;
- Creating opportunities for skills development and employment;
- Ensuring cooperative governance for better & faster service delivery

OSS delivery model is designed to address the critical areas of community participation, integrated services delivery, behavior change, economic empowerment and environmental care. In the OSS model, coordination of services delivery at the ward level is centered around the “war room”. Each war room has a dedicated team that include community care givers, who provide services at household level; Youth Ambassadors, who promote behavior change and healthy lifestyle and; community development workers (CDWs), who provide secretariat functions and monitor interventions initiated through the war rooms.

All government departments have been mandated to align their operational plans with OSS and have indeed translated the mandate into action and aligned their operations to OSS. At the district and local levels, mayors and councilors are the champions for the OSS approach and provide support and oversight to the activities. Meanwhile the MEC and HOD are champions and oversee OSS implementation in uThukela district. All the outputs and outcomes of OSS initiatives are reported to WAC, LAC, DAC and ultimately to the PCA. The review of this IDP for uThukela district municipality has adopted the principles of Sukuma Sakhe by establishing partnerships with local communities and getting involved into the War Rooms.

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#### 2.2.12 BACK TO BASICS POLICY

The recent launch of the Back to Basics approach is designed to ensure that all municipalities perform their basic responsibilities and functions without compromise and the programme is built on five pillars, which are the following:

- Putting people and their concerns first
- Demonstrating good governance and administration
- Delivering municipal services
- Sound financial management and accounting
- Sound Institutional and administrative capabilities

This is the essence of 'back to basics' approach is that things must be done differently if we want different solutions. The situation needs a change of paradigm that focuses on serving the people and not political elites and organizations. Back to Basic emphasises the development and finalization of a set of indicators as per the pillars of the Back to Basics approach. These indicators will measure whether municipalities are performing in terms of the basics.

At the most basic level, municipalities are expected to:

- Put people and their concerns first and ensure constant contact with communities through effective public participation platforms
- Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore with urgency
- Be well governed and demonstrate good governance and administration cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability
- Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities
- Build and maintain sound institutional and administrative Capabilities administered and managed by dedicated and skilled personnel at all levels

Each functionary needs to understand the core mandate and orientation, understand their specific role in delivering the local government vision as envisaged in the White Paper and act in a manner that ensures that local government primarily serves its people by delivering basic services. Back to Basics will ensure that in every municipality, traffic lights work, potholes are filled, water is delivered, refuse is collected, electricity is supplied, and refuse and waste management takes place,”

uThukela and its family of municipalities has started implementing the Back to Basics policy by ensuring that the above mentioned 5 pillars are adhered to especially when we were reviewing our Integrated Development Plans for 2016/2017. The reports that talks to the service delivery are prepared on monthly basis and submitted to COGTA.

## 2.2.13 GOVERNMENT POLICIES AND IMPERATIVES AND HOW THE MUNICIPALITY APPLIES / ADDRESSES THEM

The following table demonstrates the Government Policies and Imperatives and how uThukela is applying them.

**Table 4: Government Policies and how the Municipality is applying / addressing them**

Government Policy	Applications by Municipality
Millennium Development Goals	<ul style="list-style-type: none"> <li>▪ The municipality has initiated and implemented a number of projects aligned to the Millennium Goals that were targeted for 2015</li> </ul>
Sustainable Development Goals	<ul style="list-style-type: none"> <li>▪ The municipality has initiated a number of projects and programmes that are aligned to the Sustainable Development Goals;</li> </ul>
14 National Outcomes (Outcome 9)	<ul style="list-style-type: none"> <li>▪ uThukela has adopted the IDP planning processes and that has been the guiding tool throughout the review process;</li> <li>▪ The municipality has implemented a number of community work programmes addresses the Outcome 9;</li> </ul>
5 KZN Priorities	<ul style="list-style-type: none"> <li>▪ uThukela strives to achieve the 5 KZN Priorities in all its developmental programs. This means that, all projects that are implemented are within the 5 provincial priorities and this is evident with the project lists provided in the IDP</li> </ul>
State of the Nation Address(SONA)	<ul style="list-style-type: none"> <li>▪ EPWP implementation, implementation of infrastructure projects., creation of jobs</li> <li>▪ Water conservation measures to save water</li> <li>▪ Implementation of HIV/AIDS programme</li> </ul>
State of the Province Address (SOPA)	<ul style="list-style-type: none"> <li>▪ All Infrastructure and social projects that the District is implementing in one way or the other addressing the challenges or goals of the States of the Province Address</li> <li>▪ IDP addresses the Gender, Senior Citizens and People with Disabilities in the District under Social Services among others: gender advocacy sessions, implementation of policies pertaining to older persons.</li> <li>▪ IDP address the pillars of the Back to Basics</li> <li>▪ The municipality is aligning its PGDP with 14 national outcomes</li> </ul>
KZN PGDS	<ul style="list-style-type: none"> <li>▪ All Infrastructure and social projects that the District is implementing in one way or the other addressing the KZN GDS goals</li> </ul>
BACK TO BASIC POLICY	<p>uThukela district municipality to furnish the Minister of COGTA with information on a monthly basis to assist him in his analysis of the state of local governance in our country, and afford COGTA the opportunity to make an informed assessment to support and intervene where needed in municipalities. Every month, municipal council must consider and then endorse a report on the degree to which it is meeting its governance obligations and the actual delivery of basic services being undertaken.</p>

### 2.2.14 UTHUKELA MTAS

Government assessed the state of Local Government as a critical sphere at the coalface of service delivery in 2008, and came to a determination that, conservatively, there was room for improvement. Subsequently, a Turn Around Strategy was developed in 2009, with the objective to build confidence between the people and Government through creating an effective, efficient and developmental Local Government system capable to deliver in the areas of Service delivery, good governance, financial management, infrastructure development and promotion of ethics. The following table displays the uThukela Municipality Turn Around Strategy with the progress as of March 2016.

<b>CHALLENGE</b>	<b>PROGRESS MARCH 2016</b>
IGR between the District and Local municipality is not functioning	The IGR forums established. The schedule of meetings are distributed quarterly. Not all meetings convened as scheduled. Management were committed to leading the IGR processes within the District
Some By-laws are outdated and is an absence of some By-laws	There has been a little progress with the review of the by-laws. The by-laws relating to the water services were submitted to Council .Although the expert was appointed at the District. Certain processes were to be followed with the by-laws relating to water
The organogram is not well aligned to allocated powers and functions	The organogram was reviewed and aligned to powers and functions and was approved by Council. The meeting agreed that the challenge be closed.
There is a high vacancy rate in critical positions including section 56 positions.	All Section 56 Managers have been appointed. This is no longer a challenge
Lack of performance agreements for employees below section 57 and 56	The municipality has appointed PMS staff that are currently addressing this challenge
The SCM policy has not been accepted by councillors	The amended SCM policy was presented and adopted by Council and is no longer a challenge

To improve the efficiency and effectiveness of fleet management	Trackers have been installed on all municipal vehicles in order to monitor usage and curtail abuse. Fleet Manager has been appointed
Lack of asset register and asset management plans	Asset management policy is in place. Asset Manager has been appointed.
There is no indigent register	Council approved the indigent policy. Alignment of the registers was progressing. ▪Data cleansing was finalised. However, there were challenges
There is no revenue enhancement strategy	Revenue Strategy was developed and adopted by Council. This is no longer an issue since the strategy is there.
The grant register is in place and updated and payments are made but delivery of goods / services are not verified	▪Register is being updated
There is a high rate of water loss	A water demand conversation programme is in place to address the challenge but is still a challenge.
Lack of preparedness for disasters / lack of disaster management (Fire prevention, etc.)	The municipality is in the process of finalising the Disaster Management Centre. The Disaster Manager and personnel has been appointed to deal challenge

# SECTION C: SITUATIONAL ANALYSIS

### 3 SITUATIONAL ANALYSIS

Looming improvement within uThukela district municipality and in the family of municipalities should respond directly to the development trends, patterns, needs and objectives of those who live and/or work within the jurisdiction. It must be significant to the local context while also contributing to the attainment of the provincial and national development obligations. This section tries to provide a detailed analysis of the current development situation within uThukela and its surrounding. It is structured as per the Key Performance Areas (KPA), but also considers issues that are relevant to uThukela district municipality. The national KPA's are as follows:

- Municipal Transformation and Institutional development
- Local economic development and social development.
- Basic service delivery.
- Financial viability and management
- Good governance and public participation.
- Spatial planning and Environment

#### 3.1.1 DEMOGRAPHIC CHARACTERISTICS

The population of uThukela District Municipality forms part of the ultimate objective of the development process, as well as being a subject in the process, since the people provide labour and entrepreneurship for production also consume the output of production. Likewise, demographic **processes** e.g. fertility, mortality and migration determine the demographic **outcomes** such as size, age-sex structure and spatial distributions of the population which affect the functioning of **socio-economic processes** of land use, labour absorption, consumption and expenditure which in turn define the **socio-economic outcomes** in terms of income, employment, education, health, housing etc. In short, this analysis will shade some light on the dynamics of uThukela District population, which can then be used to develop strategic interventions.

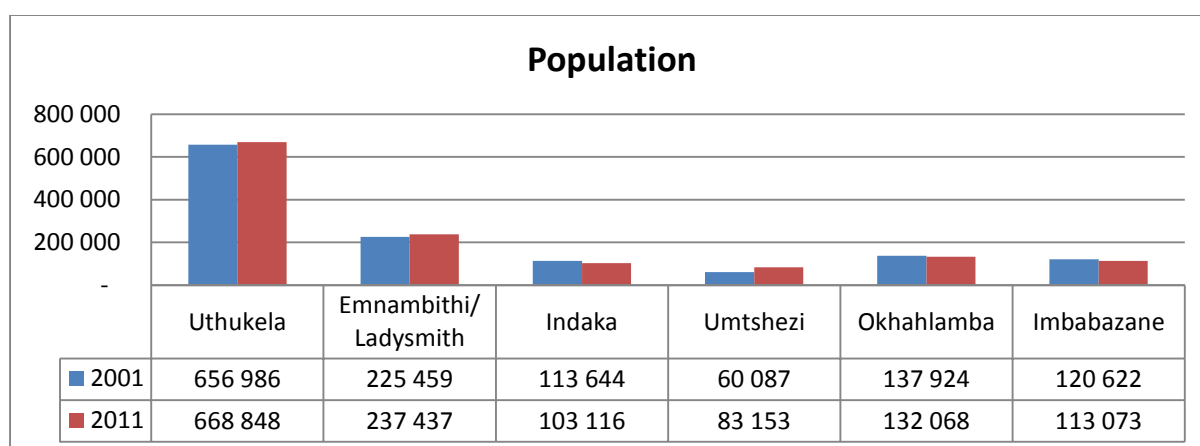
#### 3.1.2 TOTAL POPULATION AND GROWTH RATE

The population of uThukela District increased from 657,736 in 2001 to 668,848 in 2011 recording approximately 2% growth, which translates to an annual growth rate of 0.17% during the period. Umtshezi municipality experienced the highest increase (38.4%) followed by Emnambithi / Ladysmith

(1.69%). Indaka, Okhahlamba and Imbabazane both experienced a decline in its population recording 9.3%, 4.2% and 6.3% respectively between 2001 and 2011.

The decline of the population in uThukela district is attributed by amongst other factors the impact of HIV/AIDS- related deaths and migration. The following figure indicates the population size of uThukela district and its family of municipalities:

**Figure 3: Population Size**



*Source: Statistics SA, Census 2011*

### 3.1.3 POPULATION DISTRIBUTION

The population of uThukela district municipality is unevenly distributed. The largest population is in Emnambithi/Ladysmith local municipality and the small population is in Umtshezi local municipality. It is important to note that the population distribution will be changed after the emerging of Emnambithi with Indaka and Umtshezi with Imbabazane local municipality.



The affected municipalities are highlighted with the same colour in the table below. The table below shows the number of wards in uThukela and how the population is distributed from the 2001 to 2011 Census

Table 5: Population Distribution

Municipality	Wards	2001 census	Percentage	2007 survey	2011 census	Percentage
<b>Okhahlamba</b>	14	137 525	20,9 of district	151 441	132 068	<b>21% of district</b>
<b>Umtshezi</b>	9	59 921	9,1 of district	83 906	83 153	<b>12% of district</b>
<b>Imbabazane</b>	13	119 925	18,3 of district	140 745	113 073	<b>20% of district</b>
<b>Indaka</b>	10	113 644	17,3 of district	101 557	103 116	<b>14% of district</b>
<b>Emnambithi</b>	27	225 459	34,3 of district	236 748	237 437	<b>33% of district</b>
<b>Total population</b>	<b>73</b>	<b>656986</b>	<b>100</b>	<b>714 909</b>	<b>668 848</b>	<b>7.0% of province</b>

(Source: Statistics SA: Census 2001 and 2011 and Community survey 2007)

### 3.1.4 POPULATION GROUPS

The majority of the people that lives in uThukela district municipality are Africans and Coloureds are minority. The following table shows the population breakdown of the uThukela district municipality. This breakdown is showing the Africans, Coloureds, Indians and Whites.

**Table 6: Population Groups (Race)**

Group	2001 census	%	2007 survey	%	2011 census	%
<b>African</b>	620 733	94.48	681998	95.4	636 394	<b>95.15</b>
<b>Colored</b>	4 055	0,62	2231	0.3	3 923	<b>0.59</b>
<b>Indian</b>	17 156	2.61	23200	3,2	16 023	<b>2.40</b>
<b>White</b>	15 042	2,29	7482	1,0	11,437	<b>1.71</b>
<b>Total</b>	<b>656 986</b>	<b>100.00</b>	<b>714,909</b>	<b>100.00</b>	<b>668 848</b>	<b>100.00</b>

*Source: Statistics South Africa: Census 2001, 2011 and Community Survey 2007*

### 3.1.5 AGE STRUCTURE & GENDER

According to the Census 2011, the number of people between 15-64 age is increased to 391,369. Females are more than male and are occupying 55% in this category whereas male are on 45%. With regards to 0-14, males are leading with 51% while females are sitting in 49%. The last category which is 65-120, females are more with 69% and males are in 31%. compare to males.

The breakdown below shows age and gender of uThukela district municipality.

AGE	MALES	%	FEMALES	%	TOTAL
0-14	124,497	51%	121,712	49%	246,209
15-64	177,056	45%	214,314	55%	391,369
65-120	9,631	31%	21,638	69%	31,269

*Source: Statistics South Africa, Census 2011*

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### 3.1.6 MIGRATION (INTERNAL / EXTERNAL)

The population movement in the district follows the concentration of economic and employment opportunities. These are located mainly in the town of Ladysmith followed by the smaller industrial town of Estcourt in Umtshezi. Ladysmith has a high concentration of social and economic infrastructure resulting in a development imbalance compared to other towns in the district. Smaller towns and rural settlements in Okhahlamba, Umtshezi, Imbabazane and Indaka flock to Ladysmith for a number of activities beyond employment.

The same trend is noticed with small towns and rural settlements of UMzinyathi district municipality coming to Ladysmith. This could be influenced by the number of regional government offices located in Ladysmith and serving both uThukela and uMzinyathi district municipalities. Consequently, this puts pressure on Ladysmith suggesting strain on local and physical infrastructure. Few economic and employment opportunities in the district pulls people to larger urban areas in the district. The N11 leads them to Newcastle and Johannesburg, while the N3 corridor leads them to the north of Gauteng, Pietermaritzburg and Durban in the south.

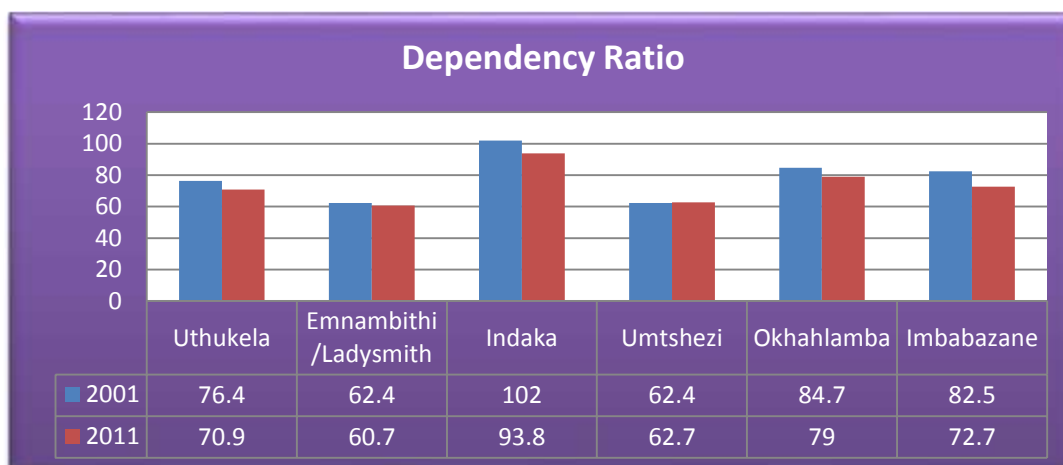
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### 3.1.7 DEPENDENCY RATIO

Dependency ratio defines the number of dependents (i.e. people under the age of 15 and over the age of 65 years) per 100. A high dependency ratio is a challenge to guardians who in many instances are unemployed particularly in rural parts of uThukela. The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011. Dependency ratio is high (93.8%) in Indaka local municipality compared to all other municipalities within uThukela. Indaka is a village economy without any core economic source, hence the high dependency ratio. Okhahlamba and Imbabazane also have high dependency ratio (79% and 72.7% respectively).

Generally, uThukela District experienced a decline in its dependency ratio between 2001 and 2011. However, the ratio is still high compared to the provincial (65.4%) and national (58.7%) averages. The following diagram illustrates the dependency ratio per local municipality.

Figure 4: Dependency Ratio



Source: Statistics South Africa, Census 2011

### 3.1.8 HIV/AIDS

HIV and AIDS have had a major impact on both the quality of life of communities and families and on the economy. Number initiatives have been implemented through the National Department of Health to combat the current epidemic however, major challenges remain. In the uThukela district municipality, the number of people with HIV has increased from 36.7% in 2010 to 37.1% in 2012. Umzinyathi still has the lowest prevalence, decreased from 31.1% in 2010 to 30.1% in 2012.

In 2010 five districts in KZN viz: UGu, UMkhanyakude, eThekwini, ILembe and uMgungundlovu recorded HIV prevalence estimates of above 40%. The 2012 survey has recorded prevalence rate over 40% in UMgungundlovu. The provincial overall on HIV prevalence remains at 37.4%, which is above the national prevalence. Sisonke, UMkhanyakude, uGu, Zululand and Amajuba have recorded a decrease from 2011 to 2012. uThungulu, eThekwini, iLembe and uMgungundlovu shows some increase between 2011 to 2012. The table below shows the HIV prevalence in the KZN Districts from 2010 to 2012.

Figure 18: HIV Prevalence Trends among antenatal Women by district KZN 2010 - 2012

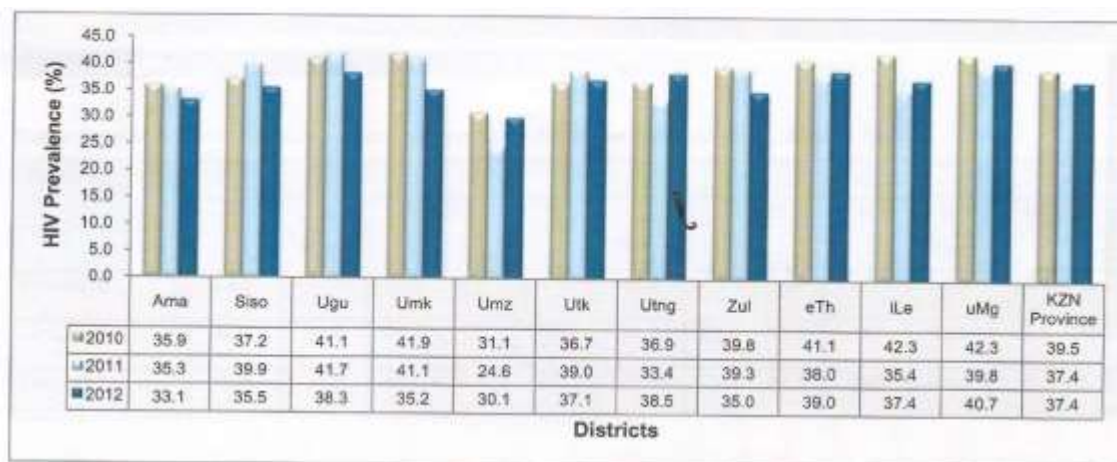


Figure 26: HIV prevalence trends among antenatal women, KwaZulu-Natal, 2010 to 2012. (Source: NDoH, 2013)

Ama = Amajuba; Siso = Sisonke; Um = uMkhanyakude; Umz = uMzinyathi; Utng = uThungulu; Utk = uThukela; Zul = Zululand; eTh = eThekweni; iLe = iLembe; uMg = uMgungundlovu.

### 3.1.8.1 UTHUKELA DISTRICT AIDS COUNCIL (DAC)

UTDM has established a co-ordinating forum for HIV/AIDS issues involving all stakeholders and role-players called uThukela District Aids Council to fulfil the following functions as outlined under the terms of reference.

- Development of the District AIDS Plan;
- Monitor the implementation of the District AIDS Plan quarterly;
- Review and evaluate the implementation of the District AIDS Plan annually;
- Facilitate the establishment of Local AIDS Councils;
- Facilitate multi-sectoral and interdepartmental collaboration in the campaign against AIDS;
- Facilitate capacity building on HIV related issues;
- Mobilise financial and technical resources for the campaign against HIV/AIDS and ensure equitable distribution of such resources;
- Commission relevant research and review statistics and other research reports relating to the District;
- Serve as the leading District public advocate to create an enabling environment for HIV/AIDS prevention, care and support;
- Report to the Provincial AIDS Council quarterly and annually on the progress made and challenges, which need to be addressed to combat HIV/AIDS in the District.

### 3.1.8.2 HIV STRATEGY

uThukela district municipality has developed the HIV/AIDS strategy for both the community and for the workplace. In the strategy there are number of projects identified for 2012/2016 in mitigating the impact of HIV/AIDS such as awareness programmes.

## 3.1.9 MORTALITY RATE

### 3.1.9.1 PERINATAL MORTALITY RATE (PNMR)<sup>1</sup>

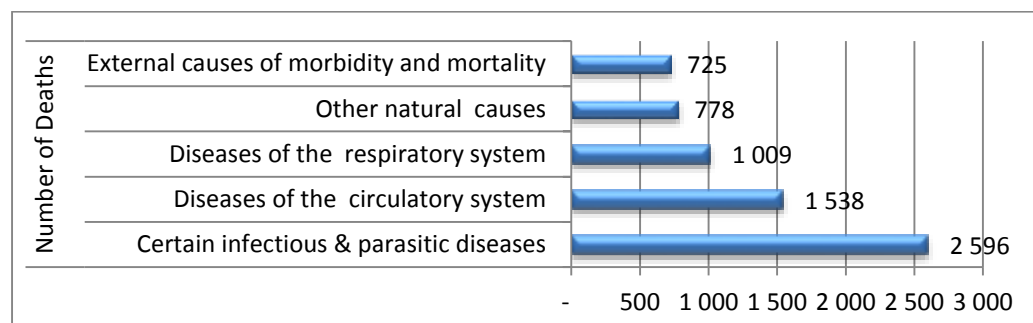
The perinatal mortality rate is the number of perinatal deaths per 1000 live births. The perinatal period starts as the beginning of foetal viability (28 weeks gestation or 1000g) and ends at the end of the 7th day after delivery. Perinatal deaths are the sum of stillbirths plus early neonatal deaths. The PNMR is the most sensitive indicator of obstetric care. For developed countries, the rate for babies over 1000g is usually less than 6/1000 births, whereas for developing countries PNMR ranges from 30-200.

The average PNMR rate for uThukela District is approximately 37 per 1000 which is slightly above the SA average (34.5 per 1000)

### 3.1.9.2 LEADING CAUSES OF DEATH

Certain infectious & parasitic, diseases of the circulatory system and diseases of the respiratory system are the main group causes of death in the district accounting 2,596, 1, 38 and 1,009 deaths in 2011. The diagram below illustrates the number of deaths by main groups of causes of death

Figure 14: Number of deaths by main groups of causes of death



### 3.1.9.3 THE 10 LEADING UNDERLYING NATURAL CAUSES OF DEATH<sup>2</sup>

Other natural causes and tuberculosis (A15 A19) are the top two (2) leading underlying natural causes of death in the district accounting for 32, 7% and 15, 8% of the deaths reported in the district. The table that follows illustrate.

**Table 7: The 10 leading underlying natural causes of death**

No		Number	%
1	Tuberculosis (A15 A19)**	1 349	15,8
2	Intestinal infectious diseases (A00-A09)	648	7,6
3	Influenza and pneumonia (J09-J18)	644	7,5
4	Cerebrovascular diseases (I60-I69)	598	7,0
5	Other forms of heart disease (I30-I52)	429	5,0
6	Diabetes mellitus (E10-E14)	358	4,2
7	Certain disorders involving the immune mechanism (D80-D89)	340	4,0
8	Ischemic heart diseases (I20-I25)	229	2,7
9	Inflammatory diseases of the central nervous system (G00-G09)	223	2,6
10	Hypertensive diseases (I10-I15)	214	2,5
11	Other natural causes	2 792	32,7
12	Non-natural causes	725	8,5
	All causes	<b>8 549</b>	<b>100%</b>

**Source: Department of Health**

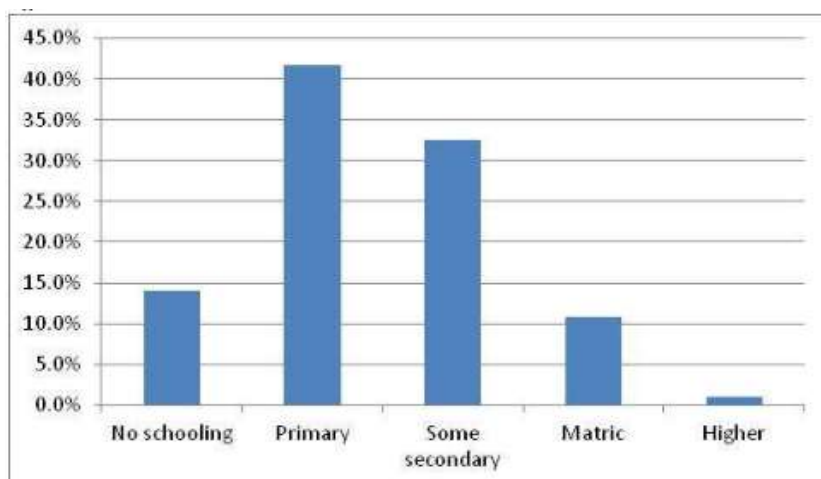
### 3.1.10 EDUCATION PROFILE

Education serves as the means to bring about the desired change in society, to develop a generation of virtuous individuals and thus contribute to the development of good human beings. The importance of education is that it empowers individuals to take better care of themselves and their children. Education also serves as a gate to higher economic growth through higher level of skilled society. This is why the provision of good education and educational resources remains a high priority for uThukela district municipality. The department of education in uThukela district is playing a vital role in ensuring that the education is given the priority.

#### 3.1.10.1 LEVEL OF EDUCATION

A small percentage of the population in the district has post-matric qualifications at only 1%, whilst 14% of the population has no schooling whatsoever. 41% have primary school education and 33% have some secondary schooling, whilst only 10.9% achieved matric. This means that there is a limited pool of skilled labour in the municipality and that basic education needs to be addressed in order to improve skills levels in the future. Basic education is considered fundamental to the future success of the local economy.

**Figure 16: Education Level**

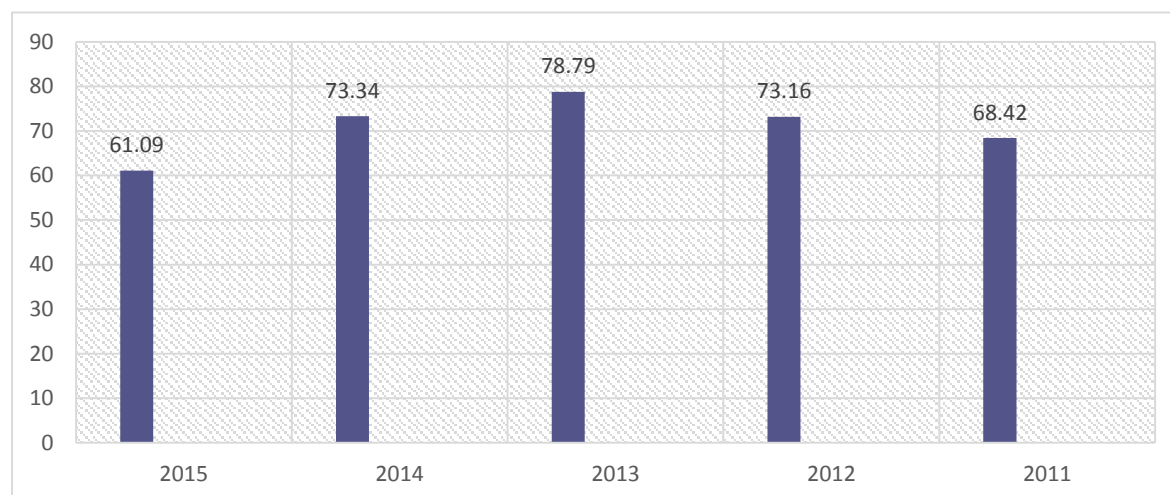


**Source: Statistics South Africa, Census 2011**



The matric results has shown some decline in 2015 from 73.34% to 61.09% and this translate that the matric results has dropped by 12.25%. The graph below shows the performance of uThukela district (education) from 2011 to 2015.

**Figure 17: District Performance in Five (5) Years**



**Source: Department of Education, 2015**

### 3.1.10.2 AVERAGE EDUCATION ATTAINMENT

The number of people with no schooling dropped between 2005 and 2010 with a further decline between 2010 and 2011 in uThukela, while the number of those people with grade 0-11 shows a significant increase over the period under review. The number of people with matric only has shown a large increase. The tables below show the average education attainment of uThukela and its family of municipalities from 2001 to 2010 and the recently released by the statistics South Africa in 2011.

Table 8: Average Education Attainment

HIGHEST EDUCATION LEVEL	KZN	UTHUKELA	EMNAMBITHI	INDAKA	UMTSHEZI	OKHAHLAMBA	IMBABAZANE
Grade 0	351,701	20,129	8,563	4,556	3,345	5,190	4,475
Grade 1 / Sub A	337,208	25,522	7,722	4,516	3,086	5,465	4,734
Grade 2 / Sub B	334,645	25,197	7,796	4,355	2,954	5,615	4,478
Grade 3 / Std 1/ABET 1/Kha Ri Gude;SANLI	342,542	26,036	7,975	4,671	3,104	5,834	4,451
Grade 4 / Std 2	392,225	29,405	9,318	5,006	3,459	6,343	5,280
Grade 5 / Std 3/ABET 2	384,132	27,847	9,153	4,790	3,226	5,931	4,747
Grade 6 / Std 4	397,690	28,320	9,316	4,919	3,431	5,801	4,853
Grade 7 / Std 5/ ABET 3	471,585	33,651	11,520	5,599	3,987	6,796	5,743
Grade 8 / Std 6 / Form 1	619,449	40,467	15,189	6,190	4,765	7,442	6,882
Grade 9 / Std 7 / Form 2/ ABET 4	630,018	34,714	12,533	5,480	4,108	6,928	5,664
Grade 10 / Std 8 / Form 3	732,789	47,127	18,102	6,699	5,208	8,950	8,168
Grade 11 / Std 9 / Form 4	788,117	48,272	18,657	6,779	5,860	9,048	8,937
Grade 12 / Std 10 / Form 5	1,934,771	100,496	43,857	10,634	12,980	16,458	16,567
NTC I / N1/ NIC/ V Level 2	15,273	753	406	44	109	80	115
NTC II / N2/ NIC/ V Level 3	11,388	434	252	15	82	35	51
NTC III/N3/ NIC/ V Level 4	15,606	617	321	35	121	63	77
N4 / NTC 4	12,001	440	261	19	76	45	38
N5 / NTC 5	10,537	399	241	16	56	35	51
N6 / NTC 6	13,255	514	284	32	84	57	57
Certificate with less than Grade 12 / Std 10	12,248	502	270	30	33	61	108
Diploma with less than Grade 12 / Std 10	14,499	599	260	44	118	76	101
Certificate with Grade 12 / Std 10	90,427	4,346	2,430	177	527	553	659
Diploma with Grade 12 / Std 10	119,312	5,795	3,325	360	962	718	429
Higher Diploma	100,777	3,521	1,814	183	677	575	272
Post Higher Diploma Masters; Doctoral Diploma	17,305	564	295	31	102	70	67
Bachelors Degree	80,354	2,524	1,451	109	484	310	169
Bachelors Degree and Post graduate Diploma	32,913	979	511	74	176	153	65
Honours degree	34,948	1,121	687	33	223	126	53
Higher Degree Masters / PhD	24,019	564	314	32	80	88	51
Other	16,632	791	504	42	114	59	71
No schooling	720,791	34,503	12,716	11,236	8,650	12,195	9,706
Unspecified	-	-	-	-	-	-	-
Not applicable	1,308,143	95,694	31,386	16,416	10,968	20,968	15,956
GRAND TOTAL	10,267,300	668,848	237,437	103,116	83,153	132,068	113,073

Source: Statistics South Africa, Census 2011

### 3.1.11 INCOME LEVELS

#### 3.1.11.1 HOUSEHOLD INCOME

Household income can be used as a proxy for economic well-being of household and individuals, as it determines their consumption and savings potentials. Changes in the income by households is one of the direct indicator available that can be used to establish who benefits from economic development and by how much are the beneficiaries benefiting. Furthermore, data on household income can be used to inform poverty analysis.

In uThukela the R1-R4, 800 and R, 4801-R9600 household income categories have increased considerably throughout the years; this can be an indication of improvement in the socio-economic status of the households in the district. The number of households in the upper end income categories (i.e.R1 228 801-R 457 600) have decreased throughout the years. The table below shows the households income of uThukela district municipality and KZN province in 2011.

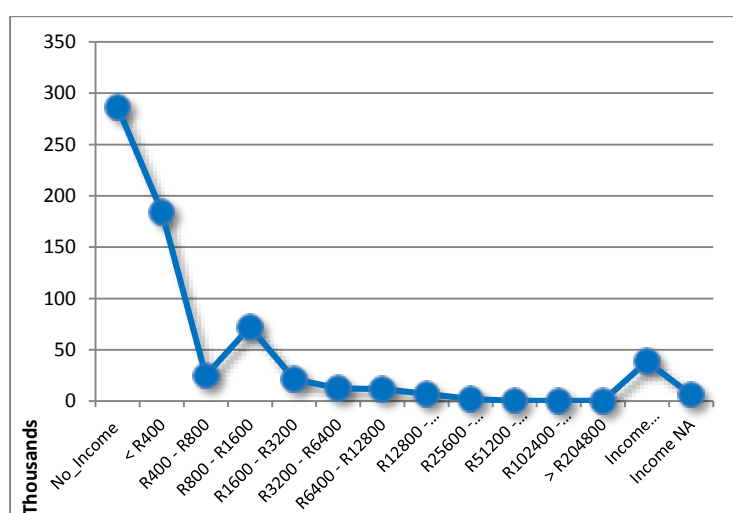
INCOME CATEGORY 2011	KZN 2011	UTHUKELA 2011
No income	387,240	22,150
R 1 - R 4800	125,843	8,876
R 4801 - R 9600	217,220	17,024
R 9601 - R 19 600	494,870	32,817
R 19 601 - R 38 200	500,449	31,121
R 38 201 - R 76 400	300,450	15,365
R 76 401 - R 153 800	210,595	9,339
R 153 801 - R 307 600	158,363	6,174
R 307 601 - R 614 400	98,245	3,271
R 614 001 - R 1 228 800	30,829	638
R 1 228 801 - R 2 457 600	9,201	253
R 2 457 601 or more	6,017	254
Unspecified	107	3
<b>Grand Total</b>	<b>2,539,429</b>	<b>147,286</b>

*Source: (Statistics South Africa: Census 2011)*

### 3.1.11.2 INDIVIDUAL INCOME

Approximately 286, 410 (i.e. 42.8%) of the population has no source of income and about 184, 170 (i.e. 27.5%) earn less than R400 per month which translate to almost 70.3% of the population live below the poverty line. Approximately 2,894 of the population in uThukela earn over R25, 600 per month. These people work around Ladysmith, Estcourt, and Bergville in senior management and professional positions in government and private institutions. The diagram and table below illustrate the status of the individual monthly income in uThukela district as per the 2011 statistics South Africa.

INDIVIDUAL MONTHLY INCOME	
No Income	286410
< R400	184170
R400 - R800	24891
R800 - R1600	72182
R1600 - R3200	21541
R3200 - R6400	12597
R6400 - R12800	11936
R12800 - R25600	7149
R25600 - R51200	2022
R51200 - R102400	347
R102400 - R204800	273
> R204800	252
Income Unspecified	38808
Income NA	6247



Source: Statistics South Africa, Census 2011

### 3.1.12 GVA CONTRIBUTION PER SECTOR

The most significant sector in 2011 was manufacturing which contributed 21% to the district's total GVA. This was followed by wholesale and retail trade, catering and accommodation at 17%; and then finance, insurance, real estate and business services at 15%. The least important sector in terms of GVA in 2011 was mining and quarrying at 1%.

From a growth perspective, construction grew at an average of 11% per annum between 2001 and 2011, followed by finance, insurance, real estate and business services at 10% per annum. The largest sector, manufacturing, grew at 4% per annum. Mining and quarrying showed a negative average growth rate over the period of 2% per annum. The table shows the GVA contribution per sector in constant prices for the uThukela district municipality from 2001-2011.

**Table 9: GVA Contribution per Sector**

	2001	2006	2011	Average annual growth 2001-2011
Agriculture, forestry and fishing	425	619	946	8%
Mining and quarrying	90	75	76	-2%
Manufacturing	1 917	2 389	2 857	4%
Electricity, gas and water	333	378	402	2%
Construction	184	249	394	11%
Wholesale and retail trade, catering and accommodation	1 116	1 688	2 342	8%
Transport, storage and communication	806	1 326	1 873	9%
Finance, insurance, real estate and business services	833	1 433	2 069	10%
Community, social and personal services	475	617	730	4%
General government	1 116	1 334	1 784	5%

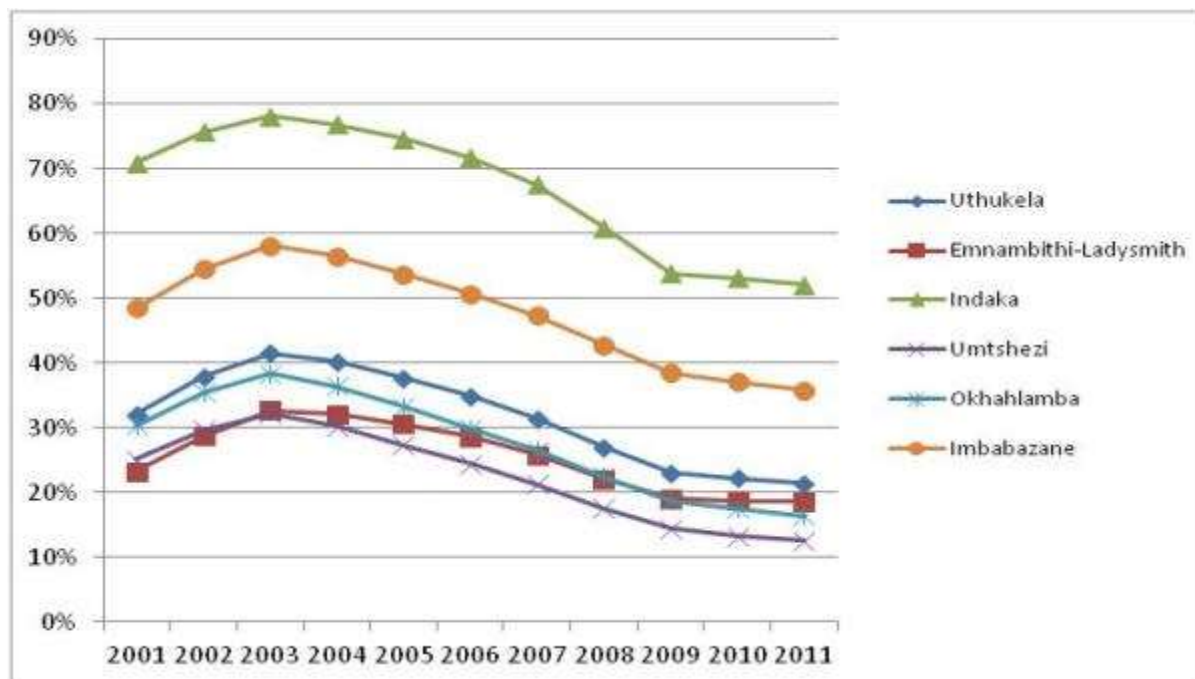
**Source: (Statistics South Africa: Census 2011)**

### 3.1.13 EMPLOYMENT PROFILE

The unemployment rate in the municipality decreased from 32% in 2001 to 22% in 2011. The level of unemployment in the district is similar to that of the province, which was 32% in 2001 and 22% in 2011. Indaka local municipality has the highest levels of unemployment with the rate being 52% in 2011, whilst the lowest unemployment rate in 2011 was in Umtshezi local municipality at 13%. The number of people who are not economically active increased from 207 830 in 2001 to 268 503 in 2011 (29% increase), compared to an increase in employed people of 21%.

The diagram presents the unemployment rate for the district and each of its local municipalities from 2001-2011.

Figure 10: Unemployment Levels in uThukela District & its Local Municipalities



Source: uThukela LED strategy

Table 10: Employment Levels in the uThukela District

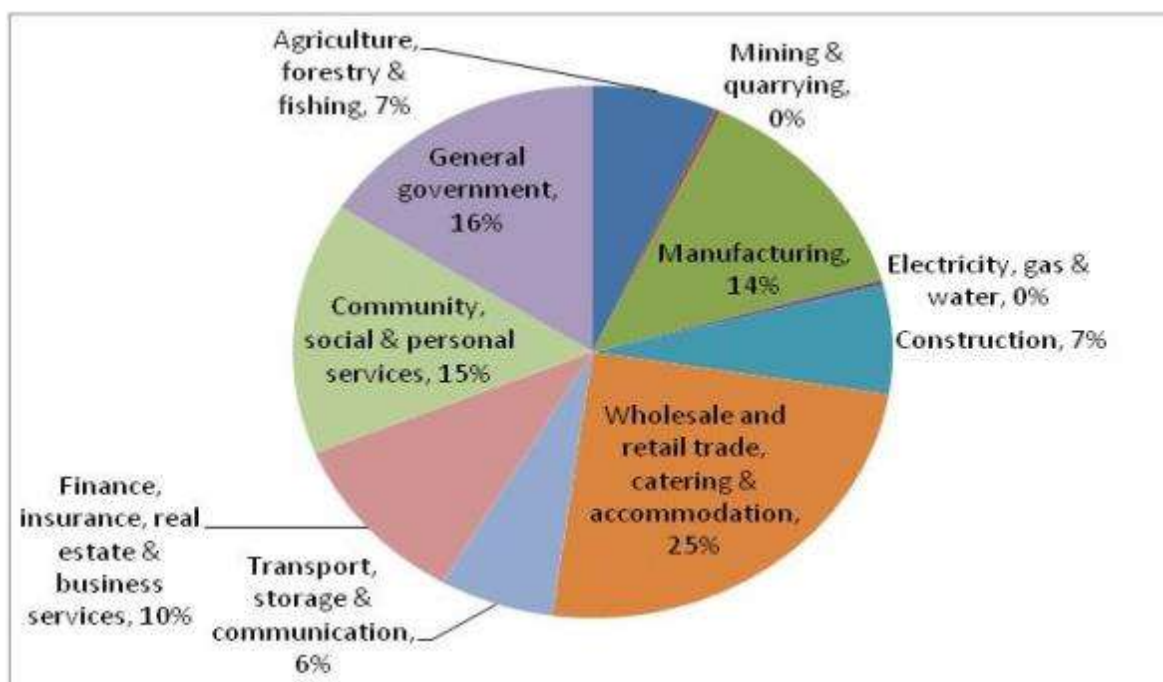
	Total population	Population - Working age	Total employed	Unemployed	Not economically active	Unemployment Rate	Labour Force Participation Rate
2001	656986	351 530	97 545	46 155	207 830	32%	41%
2006	699 941	384 081	112 228	60 079	211 774	35%	45%
2011	668,848	418 990	118 190	32 297	268 503	22%	36%

Source: uThukela LED strategy

### 3.1.13.1 EMPLOYMENT BY SECTOR

The main source of employment within the district in 2011 was wholesale and retail trade, catering and accommodation at 25%. This was followed by government at 16% and community, social and personal services at 15%. Employment in the primary sector comprised around 7% of total employment in the district in 2011.

Figure 11: Employment per Sector



Source: uThukela LED strategy

From an employment growth perspective, the agriculture; manufacturing; and electricity, gas and water sectors showed an average decrease in employment of 5%, 2% and 1% respectively between 2001 and 2011. The biggest employment gains were in mining and quarrying (6% growth); finance, insurance, real estate and business services; transport, storage and communications; and general government (all 5% growth respectively).

### 3.1.14 POVERTY LEVELS

The overall proportion of people living in poverty in uThukela is about 65.7% in 2011. The table below shows the total number of people living in Poverty in KZN and uThukela 2001, 2007 and 2011 and the indications is that number of people living in poverty is increasing in uThukela.

Within the district context, the most poverty-stricken areas are found in the rural municipalities that is Indaka and Imbabazane. The overwhelming majority of people living in poverty are from the black community. The three measures of poverty and social inequality clearly show that poverty is concentrated in the Black communities and that inequality are widening over time.

### Total number of people living in Poverty in KZN and uThukela 2001, 2007 and 2011

	Number of	2001		2007		2011
	People living in	% share of people	Number of people	% share of people	Number of people	% share of people
	poverty	Living in poverty	Living in poverty	Living in poverty	Living in poverty	Living in poverty
KwaZulu-Natal	5 477 226	57.1%	5 513 551	55.2%	5 174 062	49.6%
Uthukela	467 655	71.7%	495 871	70.7%	494 537	65.7%
Emnambithi/Ladysmith	123 526	54.9%	147 052	58.2%	157 635	56.4%
Indaka	96 463	86.0%	96 189	81.6%	91 479	73.6%
Umtshezi	38 105	64.6%	44 008	66.3%	45 856	62.3%
Okhahlamba	117 591	86.1%	122 729	84.2%	121 440	78.1%
Imbabazane	91 969	76.9%	85 895	72.3%	78 126	65.3%

#### 3.1.15 KEY FINDINGS

- ⇒ The population of uThukela District increased from 657,736 in 2001 to 668,848 in 2011 recording approximately 2% growth;
- ⇒ uMtshezi municipality experienced the highest increase (38.4%) followed by Emnambithi / Ladysmith (1.69%);
- ⇒ The population of uThukela district municipality is unevenly distributed;
- ⇒ The number of people between 15-64 age is increased to 391,369;
- ⇒ Females are more than male and are occupying 55% in this category whereas male are on 45%;
- ⇒ The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011;
- ⇒ Dependency ratio is high (93.8%) in Indaka municipality compared to all other municipalities within uThukela;
- ⇒ Okhahlamba and Imbabazane also have high dependency ratio (79% and 72.7% respectively);
- ⇒ Generally, uThukela District experienced a decline in its dependency ratio between 2001 and 2011. However, the ratio is still high compared to the provincial (65.4%) and national (58.7%) averages;
- ⇒ The average PNMR rate for uThukela District is approximately 37 per;
- ⇒ Certain infectious & parasitic, diseases of the circulatory system and diseases of the respiratory system are the main group causes of death in the district accounting 2,596, 1,38 and 1,009 deaths in 2010;
- ⇒ Other natural causes and tuberculosis (A15 A19) are the top two (2) leading underlying natural causes of death in the district accounting for 32,7% and 15,8% of the deaths reported in the district;
- ⇒ The majority of the people that lives in uThukela district municipality are Africans and Coloureds are minority



## 3.2 SPATIAL ANALYSIS

uThukela district municipality boundaries were delineated in terms of the Municipal Demarcation Act taking into account a number of factors including physical features of the area, population movement patterns, economic trends and social organisation of communities. As such, the boundaries are not simple administrative, but also provide a framework for regional economic development planning. This section provides a broad spatial analysis and it should be appropriate if it reads together with the uThukela district municipality Spatial Development Framework for 2016/2017.

During the process, the principles that direct the preparation of the uThukela SDF and its implementation is summarized hereunder:

- Spatial development principles as founded in the Millennium Development Goals, Sustainable Development Goals (SDG's), National Spatial Development Perspective (NSDP), National Development Plan (NDP), Provincial Growth and Development Strategy (PGDS), District Growth and Development Plan (DGDP) Spatial Land Use Management Act (SPLUMA) and Provincial Spatial Economic Development Strategy (PSEDS)

### 3.2.1 REGIONAL CONTEXT

UThukela is located within the middle west of KwaZulu-Natal Province. The district comprises of five local municipalities, namely:

- Indaka (KZ233);
- Emnambithi/Ladysmith(KZ232);
- Umtshezi (KZ234);
- Okhahlamba(KZ235);
- Imbabazane (KZ236)

It is strategically positioned within the centre of Durban and Johannesburg, which are the national hubs within the country in terms of trade of commerce. It also largely comprises of Ukhahlamba Drakensberg Park that is a declared World Heritage Site and this places the area as global interest. The district is anchored around Ladysmith Town, which serves as a service and administrative centre, and a commercial hub for UThukela District and beyond. However, the role and function of Ladysmith commercial centre cannot be exaggerated a regional scale given the fact that it is a relatively smaller

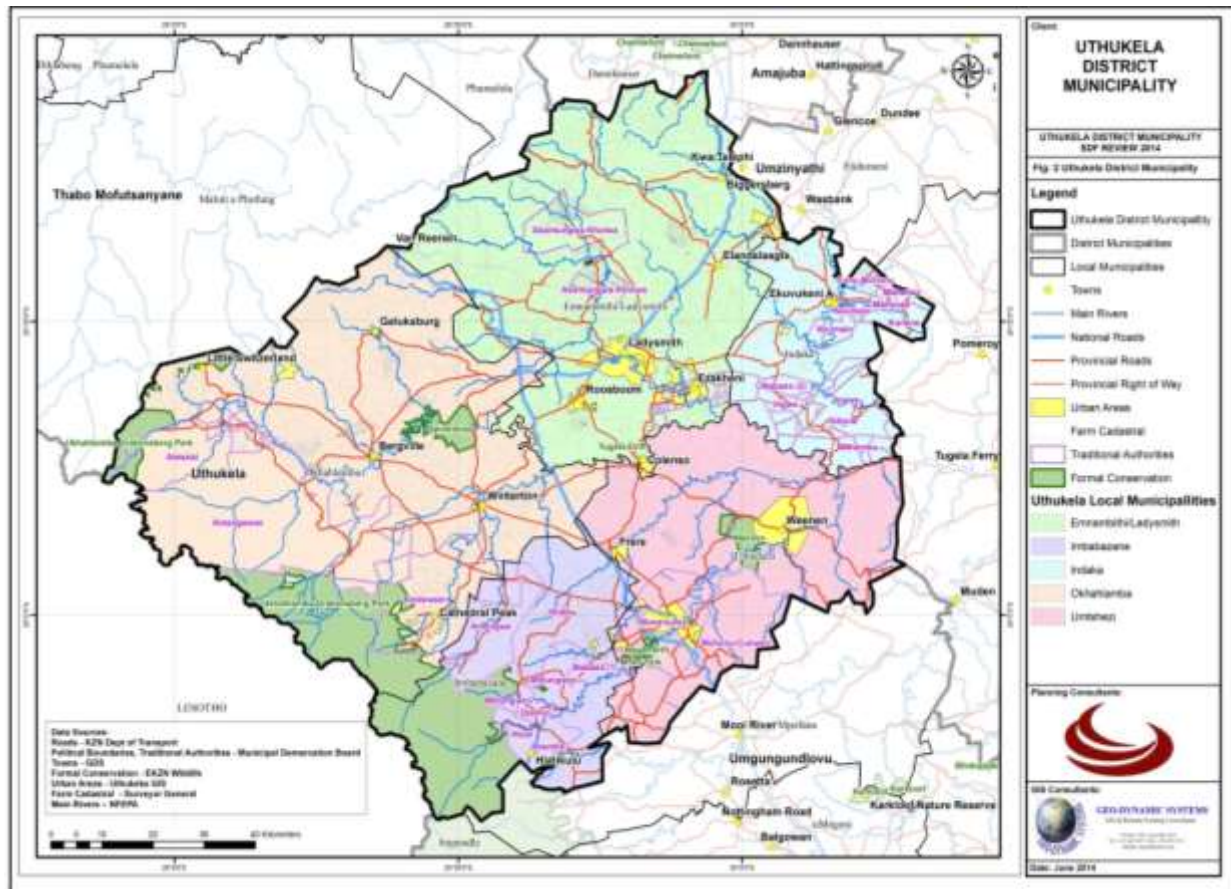
town when a comparison is drawn from the nearest regional centres such as Newcastle and Pietermaritzburg.

Therefore, Ladysmith can be classified as a sub-regional centre and not a regional centre that serves as a feeder for smaller towns that are located between 100km to 200km away from it. Although UThukela does not boast with a notable regional centre, it is strategically located at the intersection of two major national and provincial development corridors and trade routes that is:

- The N11 which runs in a north- south direction linking KwaZulu-Natal with Mpumalanga Province; and
- The N3, which runs in an east west direction linking Durban and Johannesburg Metropolitan areas.

The railway line linking KwaZulu-Natal with Gauteng and Mpumalanga Provinces runs through the UTDM. As such, the UTDM is highly accessible at both regional and national level. The size of the Municipality is approximately 11,500km<sup>2</sup> and is located along the western boundary of KwaZulu-Natal. It is predominately rural, with three of the five Local Municipalities, being rural in nature. The Municipality is characterised by socio-economic challenges such as a low revenue base, poorly maintained infrastructure and limited access to social and other services. High levels of poverty, unemployment, skills shortage, a lack of resources and low levels of education is also prevalent. The settlement patterns are disbursed, which resulted in underdeveloped land and settlement patterns that make it challenging and expensive to deliver effective services.

## uThukela Regional Context



### 3.2.2 ADMINISTRATIVE ENTITIES

Most parts of UThukela District Municipality are farmlands, which are managed in terms of the Agricultural Act 70 of 1970. Under the KwaZulu-Natal Planning and Development Act No. 06 of 2008 (PDA), these areas are also subjected to land use controls when the municipalities develop the Wall-to-Wall Land Use Management Schemes. In the case of land that is under Ingonyama Trust there are additional local structures that have the influence in terms of land allocation. These include tribal chief, their headman and sub-headmen.

The local municipalities have expressed challenges in terms of managing land allocation within the tribal council areas. There are instances whereby the municipality communicates with the tribal chiefs during the IDP processes about land allocations. This affords the municipality a platform to advise the traditional council if their land allocation issues are not ideal. This may soon be resolved if all the

municipality manage to ensure that the recommendation of the PDA (to have wall-to-wall Land Use Management Scheme) is indeed implemented.

### 3.2.3 TRADITIONAL AUTHORITIES AREAS

The traditional authority areas account for 18% (2078 km<sup>2</sup>) of the whole district. These areas comprises of settlements, subsistence agricultural land and limited social and economic activities. The composition of these areas is as follows:

Name	TA Area km <sup>2</sup>	% TA Area km <sup>2</sup>
Emnambithi-Ladysmith	170	8
Okhahlamba	931	45
Imbabazane	448	22
Indaka	529	25
Umtshezi	0	0
<b>Total</b>	<b>2078</b>	<b>100</b>



capitalize on the existence of this route. Due to the limited access nature of this road, opportunity points exist at key intersections or off-ramps along its route.

#### 3.2.4.2 INFLUENCE OF MAJOR RIVERS AND BOUNDARY DERMACATION

The biggest rivers that are found within UThukela are Tugela River, Kip River, Ngogo River, Ngwenyana, Sand River, Bosman River, Bloukrans River, Sikhehlenga River and Wasbank River. These rivers are the most visible natural structuring elements of the district area such that the Municipal Demarcation Board used these to demarcate some of the boundaries between the Local Municipal Areas.

#### 3.2.4.3 INFLUENCE OF UKHAHLAMBA MOUNTAINOUS AREAS

Ukhahlamba Drakensberg as well as mountainous areas on the north presents the very strong natural structuring elements. These areas were used by the Municipal Demarcation Board to demarcate the boundaries for UThukela District Municipality. Ukhahlamba Drakensberg acts as the physical bearer between UThukela District and the Kingdom of Lesotho while the mountainous areas towards the north were used to separate UThukela District Municipality from Thabo Mofutsanyana District Municipality (Free State Province) and Amajuba District Municipality (KwaZulu-Natal Province). The mountainous areas form a “C-shaped” belt that meanders from the south to west and eventually to north of the district municipal area.

#### 3.2.4.4 INFLUENCE OF EARLY APARTHEID SPATIAL PLANNING LEGACY

The historically spatial planning practices had a profound impact on the spatial structure on UThukela. Apartheid policies gave rise to fragmented communities, marginalised the poor from the economic activities and undermined their participation in the economy. A review of the structure and form of the municipal area reveals a low-density urban sprawl that was engineered by segregation policies. Ezakheni/ St Chads are one of the spatial footprints of the apartheid past that will take long to eliminate.

It changed by crisis search for land by the past authorities for segregation purposes hence the location of Ezakheni some 30km outside of Ladysmith. It presents the municipality with a serious challenge to transform the area from being a dormitory suburb into a functional, integrated and generative spatial system. The other segregated urban settlements include the R293 Townships such as Wembezi and Ekvukeni. The notion and location around the introduction of these areas was similar to Ezakheni. Therefore, these also became the fragmented urban settlements for both Ladysmith and Estcourt.

#### 3.2.4.5 IMPACT OF POST APARTHEID SPATIAL PLANNING LEGACY

The end of apartheid marked what was initially perceived as a new chapter for spatial planning. The new spatial planning concepts were recently introduced and these encouraged compact and integrated urban environment. Such an environment is pursued by local planning instruments, which are intended to encourage a dignified environment (i.e. sustainable human settlements) for every member of society to reside in. However, the concept of sustainable human settlements has not truly materialized. The urban environments within UThukela have not become compact and integrated. In fact, what has since transpired is as follows:

- The location of new low cost housing projects still took place in peripheral areas away from urban opportunities. The majority of these are found either in Ezakheni/St Chads area or just outside Steadville.
- Speculative sprawl has taken place that involves higher income people seeking to privatize amenity. The majority of this occurs just outside Ladysmith, particularly western suburbs.
- Urban management approach, which promotes anti-city values of suburbia – single storey houses on a large plot of land as a symbol of ‘good’ urban living.
  - The illegal occupation of land by those who either cannot find space in designated housing development areas or seek locations closer to urban opportunities but want to maintain their rural base(circular migration)
  - In addition, the growth of dislocated settlements (former black spots and land reform settlements) either in peri-urban areas or commercial farmlands

#### 3.2.5 EXISTING NODES AND CORRIDORS

##### 3.2.5.1 SYSTEM OF ACTIVITY NODES

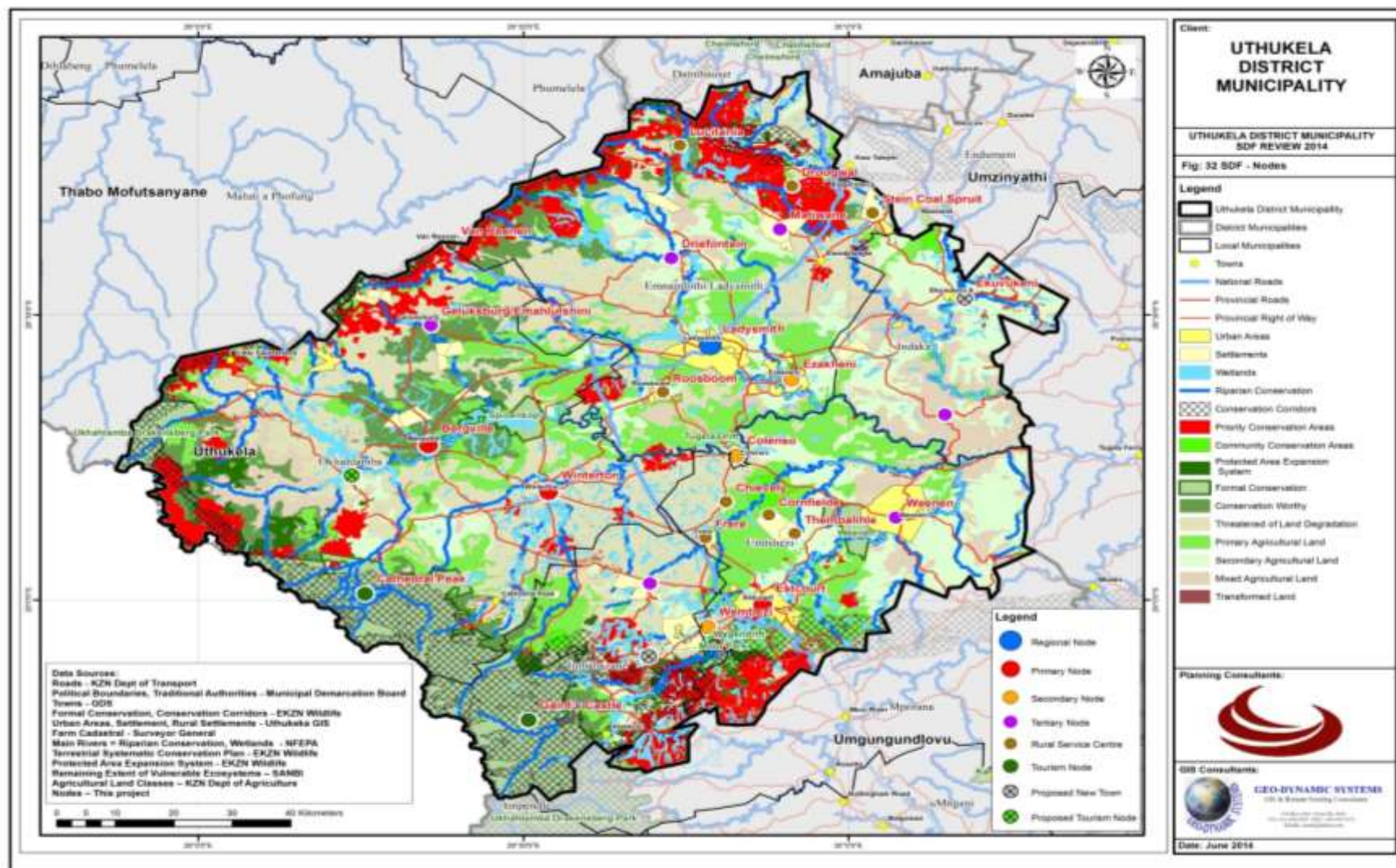
The main issues facing UThukela Municipality is a poor settlement pattern, which manifests in the form of the dominance of small towns as a regional service centres and economic hubs, as well as the expansive farming areas and a general rural character of the area. The net effect of this is the inability to decentralise and coordinate service delivery at a localised level. As a means to address this, there is a need to facilitate the evolution of a system of nodes incorporating primary, secondary, tertiary/

incipient and rural service nodes. An activity node is a place of high accessibility onto which both public and private investments tend to concentrate.

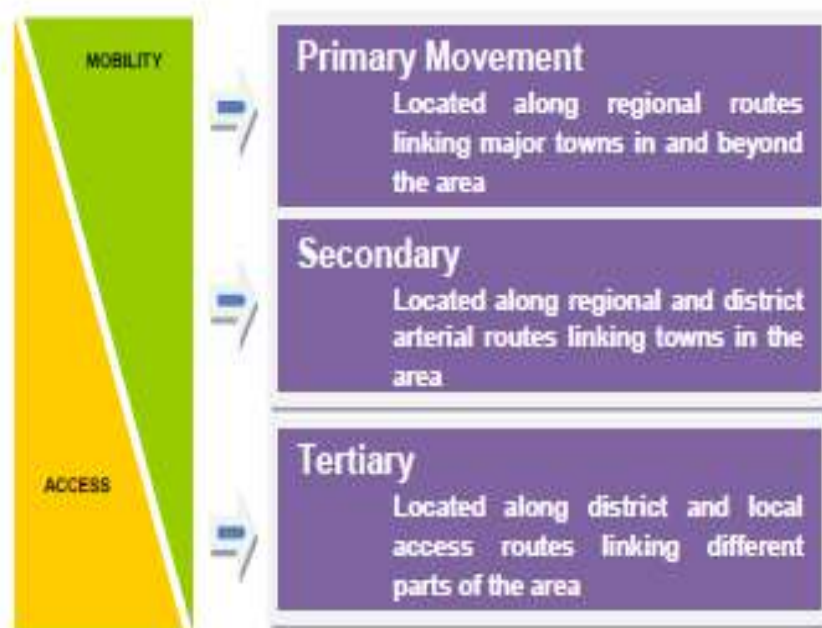
An activity node offers the opportunity to locate a range of activities, from small to large enterprises, often associated with mixed-use development. They are generally located along or at the cross-section of development corridors. Activity nodes have the potential to be an important sub-regional structuring device. They serve as points in the spatial structure where potentially access to a range of opportunities is greatest, where networks of association create diversity and where people are able to satisfy the broadest range of their day-to-day needs. Being points of maximum economic, social and infrastructure investment, as well as representing established patterns of settlement and accessibility, these nodes must be regarded as primary devices on which to anchor the structure of the sub-regional spatial system. Application of a system of development nodes in UThukela District is indicated on map below.

- Regional/ District Node (Ladysmith) – it has a much diversified economy that is mainly driven by the manufacturing which is value adding and creates many jobs. This regional economic centre still boost with a lot of potential for investment and further growth. It forms part of the provincial spatial systems and is identified in the PSEDS as one of the economic hubs.
- Primary Nodes are Estcourt, Bergville and Winterton.
- Secondary Nodes are Ekuvukeni, Wembezi, Ezakheni Town Centre and Colenso Town and Sobabili
- Tertiary Nodes are Driefontein Node, Matiwane Node, Ezitendeni – Msusimpi Complex, Limehill Complex, Weenen, Zwelisha, Dukuza Complex, Emmaus, Geluksburg and Emahlutshini.
- Rural Nodes are Lucitania, Drooval, Steincoal Spruit, Van Reenen, Roosboom, Thembalihle, Cornfields, Frere, Chively, Rensbergdrift, Nhlawe, Amabolwane – Okhalweni Complex, Sahlumbe, Mhlumayo, Bhekuzulu and Emhlabathini
- Tourism Node are Cathkin Park, Babangibone, Giants Castle and Injisuthi





## HIERACHY OF DEVELOPMENT CORRIDORS



Development corridors in UThukela District Municipality occur at different scales depending on function and categorization of the transportation route that forms the basis of the corridor. They carry the flows of people and trade between two points (origin and destination) and encourages nodal development at strategic point. Corridor development as a spatial structuring element, and a tool for economic growth, seeks to create functional linkages between areas of higher thresholds (levels of support) and economic potential, with those that have insufficient thresholds. This will enable areas that are poorly serviced to be linked to areas of opportunity and benefit with higher thresholds.

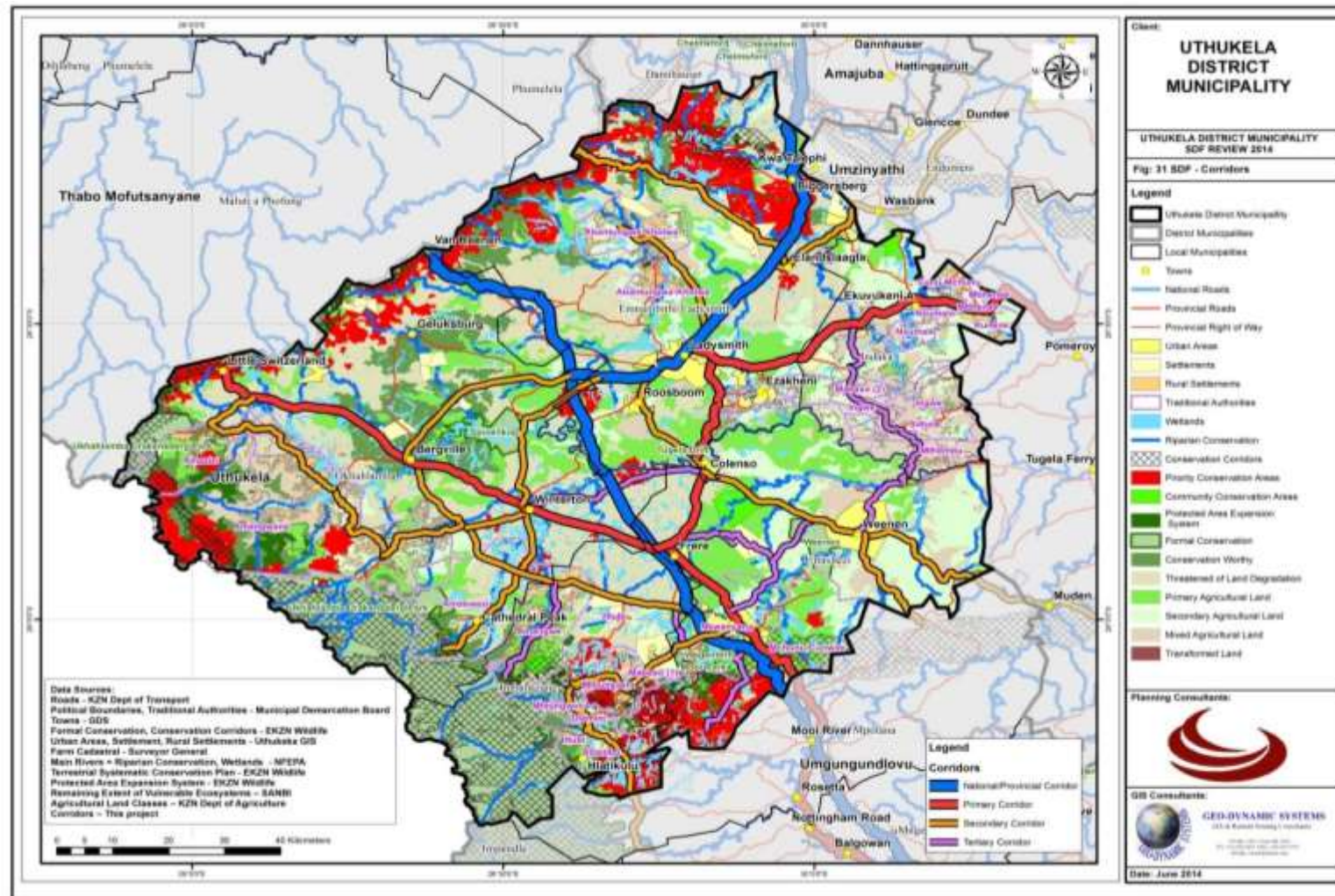
Corridors constitute an effective form of decentralization and enables larger and smaller activities to form a relationship. Linear systems can handle growth and change well. They are an effective means for breaking down fragmentation and increasing integration and spatial transformation. System of development corridors in UThukela has been developed based on the levels of mobility and access routes, intensity of use and role in the regional spatial economy. Figure above summarizes the relationship between these two concepts and provides a framework for the three levels of corridors in the UThukela District Municipality.

Upgrade and road maintenance projects on corridors that leads to development opportunity areas such as rural service centres, high potential agricultural land and tourism nodes should be prioritized

as this will encourage investment, improve accessibility and enhance mobility. This principle supports the phased approach to development, targeting areas of greatest potential first. Development corridors are effective in linking infrastructure and economic development as towns and structures connect to each other in a functionally effective manner. The system of development corridors has been identified as follows:

- National/ Provincial Corridor – N2 and N11
- Primary Corridor – R103, R74 & P32, roads linking Ekuvukeni with Ladysmith and Dundee/ Glencoe.
- Secondary Corridors – P176, R600, R616, P189, P33, P326, P263, Giant Castle to Weenen Nature Reserve Corridor, Regional road from Colenso in the west through Weenen to Greytown and beyond (east-west axis).
- Tertiary Corridor – P237, Road from Winterton to Colenso running along the western boundary of Umtshezi Municipality, P170-D385 corridor from Wagendrift dam through Estcourt town to Weenen running along the eastern boundary of the municipal area, D489 – D721(Cornfields-Thembalihle Corridor), P179 from Loskop road through Wembezi to Wagendrift Dam and the surrounding proposed conservation areas, P179 from Loskop road through Wembezi to Wagendrift Dam, The corridor from Pomeroy to Majaqula attempt to link Indaka with areas across uMzinyathi and The corridor to Dundee through Ebomvini

CORRIDORS



### 3.2.6 STATUS OF LAND REFORM

An extensive amount of the land within UThukela Municipality is classified as freehold as it belongs to the individuals and farmers. This gears the focus of land reform on two aspects that are land tenure reform and restitution reform. Land tenure reform is mainly pursued to strengthen the security of tenure amongst the farm dwellers that in many instances are the farm labours.

It also recognizing people's right to own land and therefore control it. Land restitution reform acknowledges the black people who were forcefully removed from the land that they owned following the Native Lands Act of 1913. The government takes a leading role in ensuring that the forcefully removed individuals are compensated (monetary) but when this approach proved to be unsuccessful, the policy shifted to redistribution.

The redistribution of land worked on the premise of willing buyer and willing seller. In this instance, the willing buyer is government and the willing seller is the landowner (farmer). The government under the auspices of the Department of Rural Development and Land Reform buys the land for distributing it to the individuals who were forcefully removed from it.

#### 3.2.6.1 STATUS OF LAND CLAIMS

A total of 205 261 ha of land is under claims within UThukela District Municipality. This involves 176 950 ha which is under restitution claims, 21 000 ha which is under redistribution claims and 7 311 ha which is under tenure reform. The majority of these claims are located within Umtshezi Municipal Area (143 245 ha) followed by Emnambithi/ Ladysmith Municipal Area (33 016 ha) and Indaka Municipal Area (29 311).

<b>PROGRAMME</b>	<b>Size (Ha)</b>	<b>Settled (Ha)</b>	<b>Pending (Ha)</b>
<b>Restitution</b>	176 950 ha	66 840 ha	110 110 ha
<b>Redistribution</b>	21000 ha	1215 ha	19 785 ha
<b>Tenure Reform</b>	7311 ha	7103ha	208 ha
<b>TOTAL</b>	205 261 ha	75 158 ha	130 103 ha

Only 75 158 ha of land under claims has been transferred which implies that there are still 130 103 ha of land that is under pending claims. This is a strong indication that a lot of work is required in order to settle these outstanding claims.

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### 3.2.7 LAND OWNERSHIP PATTERN

The pattern of land ownership within UThukela District Municipality demonstrates multiple tenure rights that range from freehold to communal and state land.

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#### 3.2.7.1 PRIVATELY OWNED LAND

The majority of the land in UThukela Municipality is in private ownership. This includes extensive commercial agricultural land and plots developed for a range of land uses. The majority of the farmland with high agricultural potential and strategically located urban areas within the town is in the hands of white people. Farming areas with less potential for agriculture such as Driefontein, Lucitania, etc. as well as economically inactive urban area such as Ezakheni and Steadville townships are in the hands of the black people.

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#### 3.2.7.2 STATELAND

There are a number of land parcels that belong to government within the urban and rural areas. These include the large tracks of land that exists on the outskirts of some of the urban areas including Colenso and Ekuvukeni that belong to the municipality. Ezakheni Township on the other hand is surrounded by large tracks of land that are administered by the Department of Rural Development and Land Reform while some are registered in the name of the municipality. There are fewer properties within the towns, which belong to the municipality and government.

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### 3.2.7.3 INGONYAMA TRUST

There are huge tracks of land that are registered under Ingonyama Trust and these exist within Okhahlamba, Imbabazane and Indaka. This land was previously registered under KwaZulu Government and it is now occupied and controlled by the tribal councillors. Land allocation is therefore not undertaken by the municipalities, but traditional structures.

Traditional leaders undertake Land allocation. However, this allocation is generally driven by indigenous knowledge of their areas with minimally influence and resources to identify development limitations e.g. environmental context, mineral potential and servitudes. Ingonyama Trust Board on the other hand issues a short-term lease for up to two years to enable developers to obtain planning and environmental consents and to secure finance for the development. Thereafter a lease for a term of up to forty years with an option to renew for a further forty years is normally granted once the requirements of the short term lease have been met.

According to the board shorter term leases are granted for agricultural uses and for short to medium term developments. Unless there are exceptional cases the Board charges a market related rent and lessees are responsible for all outgoings including assessment rates and other Municipal charges and for obtaining any necessary environmental or development planning consents. However the board follows its own process in the issuing of leases and tenure rights. Applicants for tenure rights on Trust land are required to complete and return a Tenure Option Application Form. It is a requirement of the Ingonyama Trust legislation that the formal consent of the relevant Traditional Council be obtained before a tenure rights application can be processed. The formal consent is only required where the subject site falls within a proclaimed Traditional Council area.

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### 3.2.8 PROPOSED INDUSTRIAL DEVELOPMENT

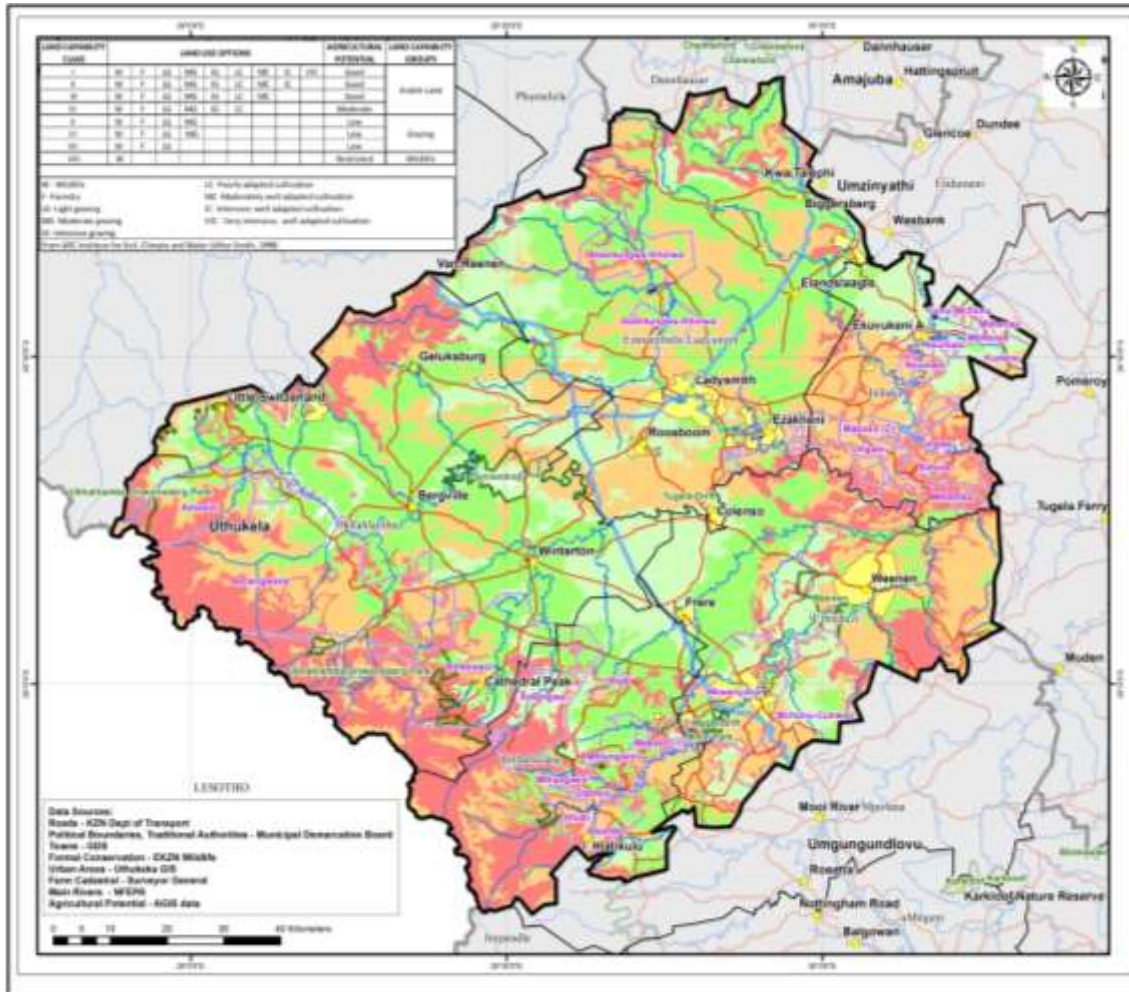
The existing and established industries within UThukela are mainly found in Emnambithi/ Ladysmith and Umtshezi Local Municipalities. Ladysmith is considered to be the Primary Industrial Hub with three main industrial areas that are Danskraal, Nambithi and Ezakheni. Estcourt is considered to be a Primary Agri-processing Hub. According UThukela Investment Promotion and Attraction Strategy, there is still demand for manufactured products in uThukela such as clothing and textile, footwear, furniture, food, beverages and building material. Further, UThukela local economy is dominated by primary sectors, which implies that there is availability of raw material to a certain extent. However, because the

manufacturing sector is not developed and all its full potentials are not yet utilised, in most instances raw material is transported to other centres outside the district for processing. The areas that are seen as the potential for further industrial development that is worth exploration are as follows:

- Ladysmith and Estcourt – Existing Industrial Hubs;
- Bergville – Primary industrial area for maize mill and agro-processing;
- Weenen – Agricultural produce packaging and processing;
- Loskop – Leather production, clothing, textile; and
- Colenso – Charcoal Plant.



**AREAS FOR INDUSTRIAL DEVELOPMENT**



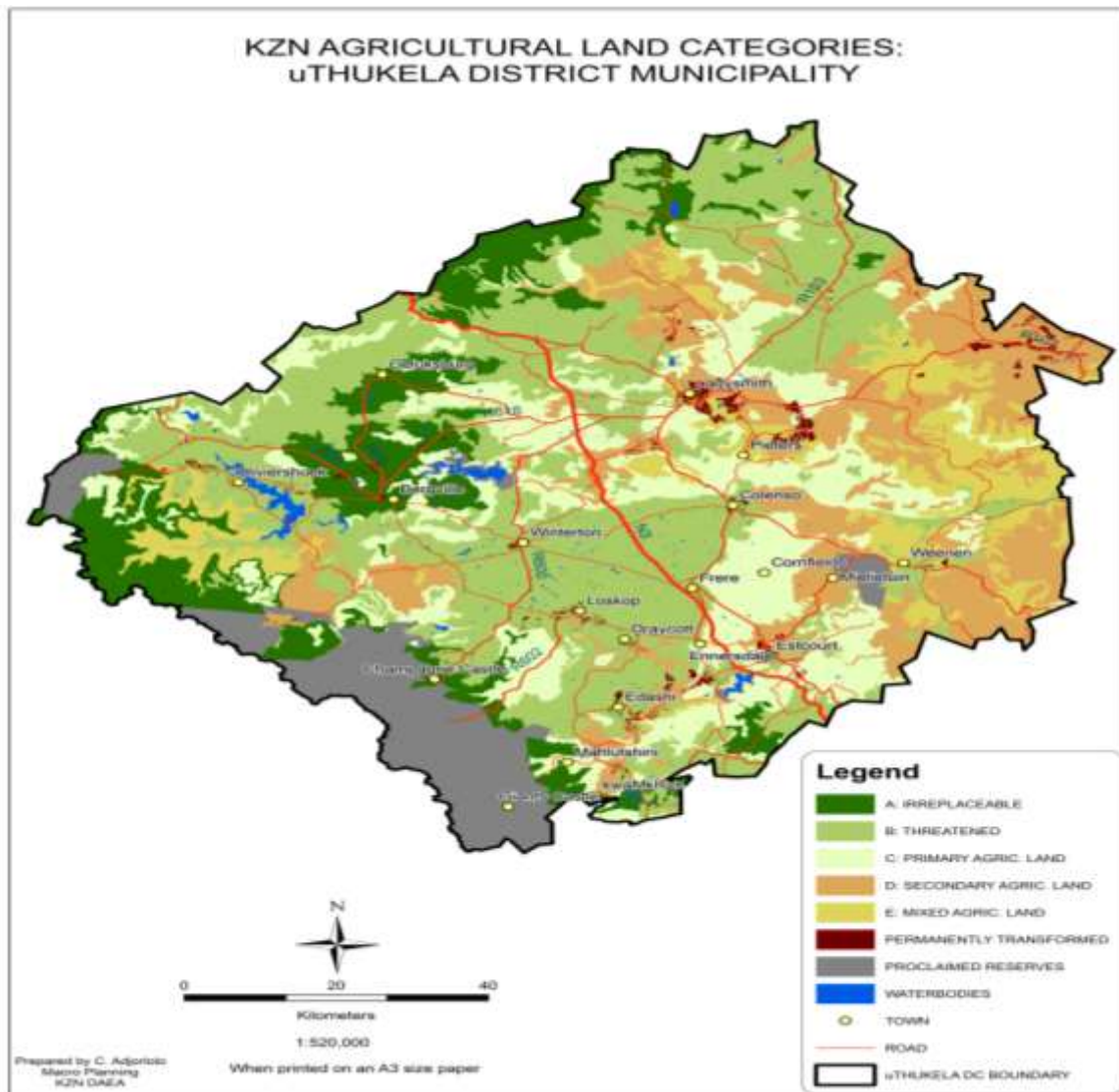
### 3.2.9 PROTECTION AND CONSERVATION OF AGRICULTURAL LAND

The Provincial Department of Agriculture, Environmental Affairs and Rural Development have a responsibility to protect agricultural land from development that leads to its alienation from its primary purpose or to diminished productivity. Poor resource (veld) management such as overstocking, the development of land for settlement (mainly in land reform projects) and other non-agricultural uses has led to the loss of significant areas of good agricultural land. Land degradation is now widely regarded as one of the greatest challenges facing certain parts of UThukela Municipality. Protection of good agricultural land should be based on the following policy principles:

- Any proposal for non-agricultural development on agricultural land is subject to an application made to, and assessed by, the Department of Agriculture in terms of the Sub-division of Agricultural Land Act, (Act No. 70 of 1970).
- The preparation of planning schemes should include an evaluation of alternative forms of development, and significant weight should be given to those strategies that minimise the impacts on good quality agricultural land.
- The Land Use Scheme should aim to minimise cases where incompatible uses are located adjacent to agricultural operations in a manner that inhibits normal farming practice. Where such instances do arise, measures to ameliorate potential conflicts should be devised.

The land use scheme should provide for a hierarchy of agricultural zones based on the agricultural development potential and impact of non-agricultural activities on agricultural land. Non-agricultural activities such as agri-tourism, game farms with themed estates or lodges, resort developments, etc. should be located on land with low agricultural potential.

- High potential agricultural land should be used for mainly agricultural activities. However, limited non-agricultural uses may be permitted especially along the corridors and within the designated development nodes. Conservation should form part of a drive to protect and enhance the quality of agricultural land. Irrigated land along the river corridors should be protected equally.
- Low potential agricultural land should be subjected to tourism and low intensity agricultural uses. Most of it is degraded and prone to soil erosion.



### 3.2.10 LAND USE PATTERN

The current land use pattern within the district has evolved due to a number of issues. These include economic opportunities, genesis of settlements, the natural environment, regional access routes and uniqueness of particular areas. The following broad land use categories are found in UThukela District Municipality:

- Urban nodes are Ladysmith, Colenso, Ezakheni, Estcourt, Wembezi, Weenen, Bergville, Winterton and Ekuvukeni. Each of these plays a different role in the space economy. Some of these are the

major commercial nodes such as Ladysmith and other smaller towns like Estcourt, Bergville and Winterton. The others are mainly dormitory suburbs.

- A sizeable portion of the municipal area comprises commercial agricultural areas. There are extensive and intensive farming activities throughout this area. They include crop production (primarily in irrigated areas), game farming, forestry and livestock farming.
- Traditional Authority Areas – there are several tribal areas with dense rural settlement, which are mainly located in Imbabazane and Indaka.
- Rural settlement areas that are not located within proclaimed tribal areas. They include settlements such as Driefontein, Matiwanoskop, Jononoskop, Lucitania, Nkunzi, Frere, Chiveley, Cornfields and Thembalihle. The management of these areas in terms of land use activities remains a critical challenge.
- Conservation areas include Ukhahlamba Drakensberg Park, nature reserves (namely the Weenen, Wagendrift and Moor Park Nature Reserves), game farms and heritage sites.

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#### 3.2.10.1 URBAN AREAS

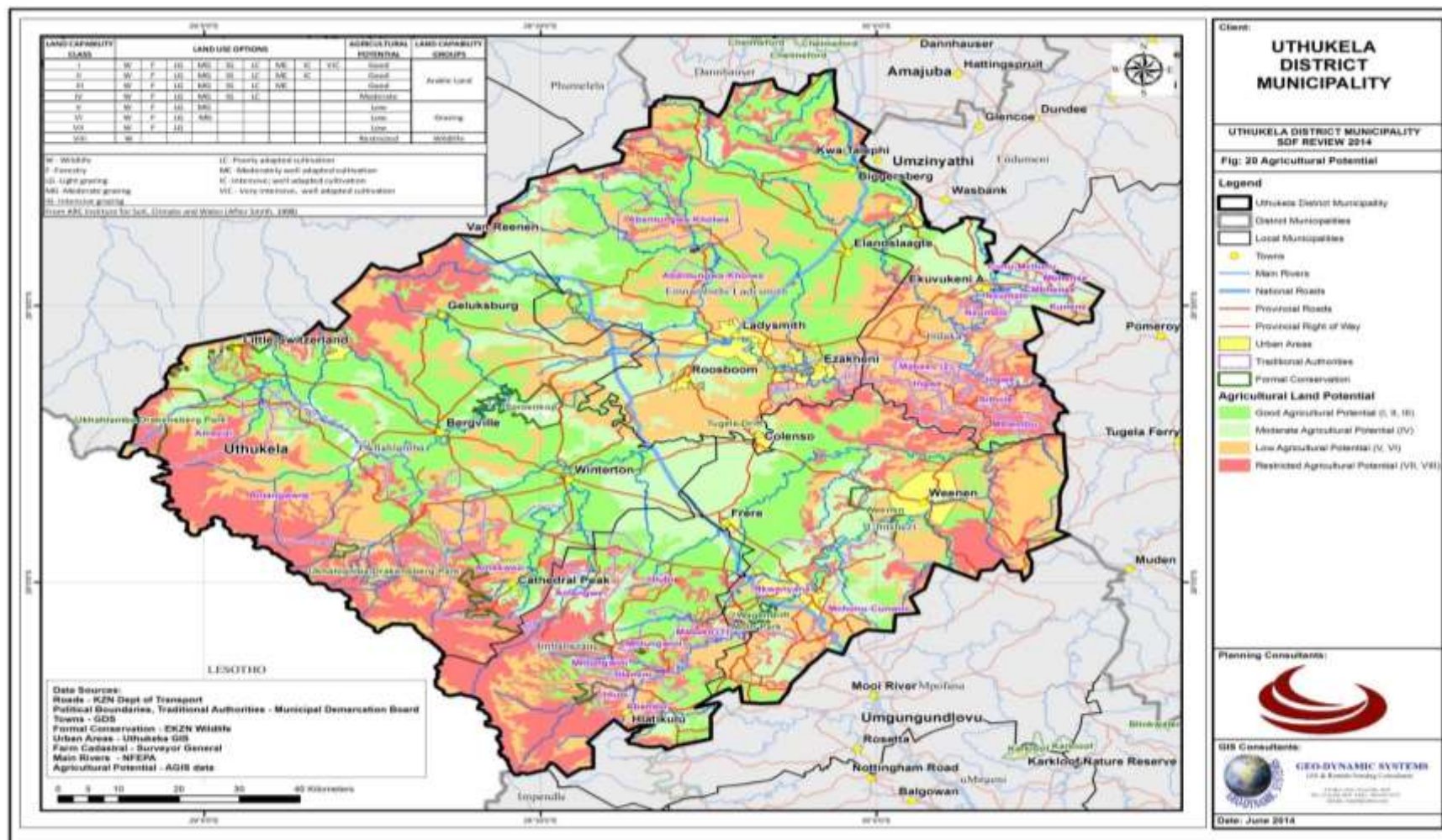
The urban areas occupy 259 km<sup>2</sup> of the total surface area within the district and this only accounts for 2, 2% of the total district. These are the highest development intensity areas for integrated land use management including the introduction of comprehensive planning schemes.

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#### 3.2.10.2 COMMERCIAL AGRICULTURE

The dominant land use within UThukela is commercial agriculture, which covers 6852 km<sup>2</sup> or 60% of the geographic area of the district municipality. Existing commercial agriculture is represented by commercial crops and commercial forestry that accounts for a smaller fraction of the municipal area. The potential commercial agriculture category refers to grassland, which covers most of the municipal area. The map below shows the agricultural potential in uThukela

## AGRICULTURAL POTENTIAL



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### 3.2.10.3 RURAL SETTLEMENTS

Settlements represent 2% of the land uses in UThukela, which is a small percentage of geographical space. Land uses within the main urban centres include residential, commercial, industrial and a range of other complementary land uses. These areas also provide a high level of social and infrastructural services. Other settlements, which are significant in size but are not formalised urban areas, include Driefontein complex, Matiwane complex and Roosboom, which is to the south of Ladysmith. Other smaller settlements are scattered within the municipal landscape and include, Lucitania, Blue Bank Settlement, St. Joseph's Mission, Droogval Settlement, Steincoal Spruit (Nkunzi) and the Van Reenen.

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### 3.2.11 ENVIRONMENTAL ANALYSIS

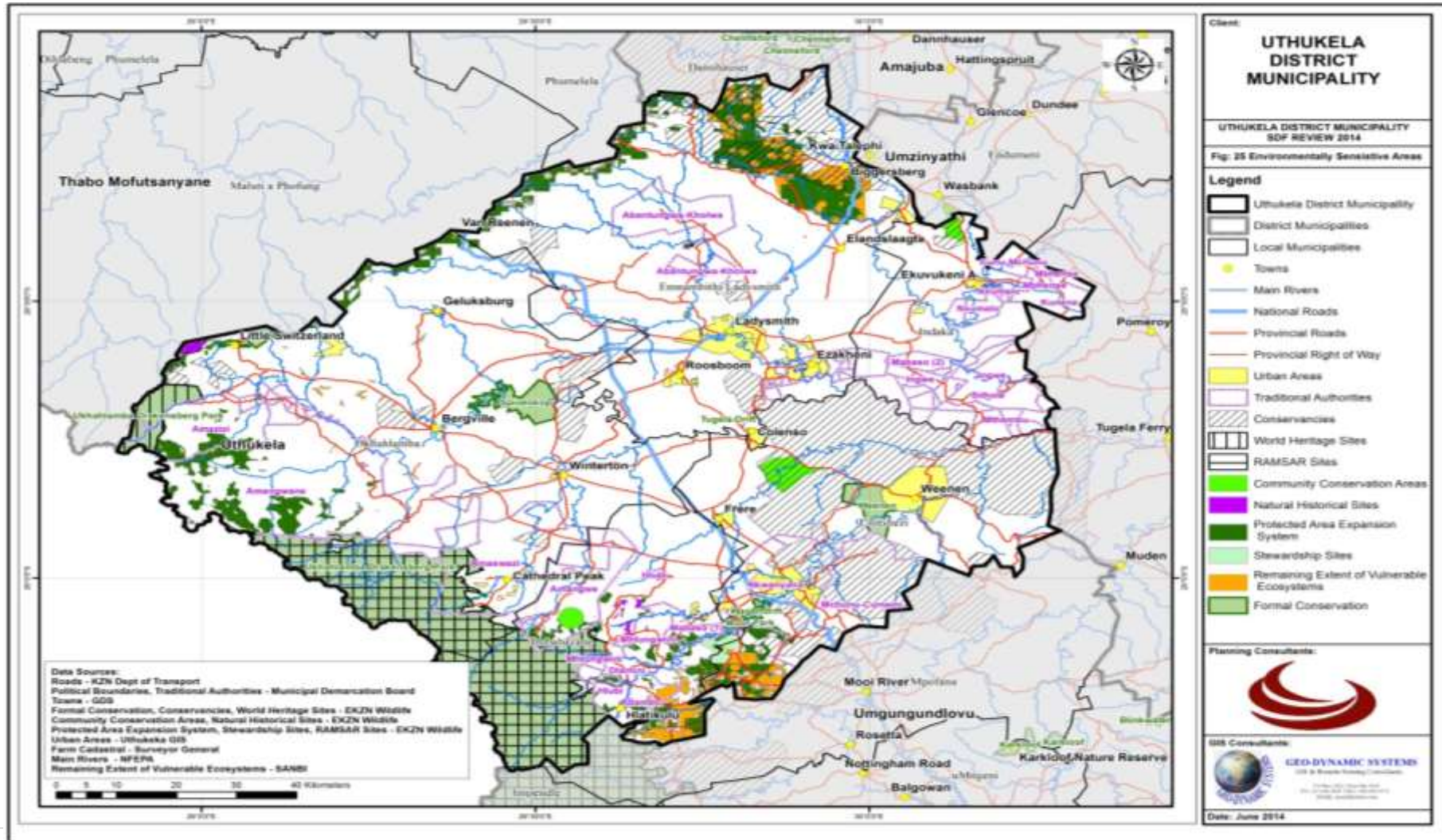
uThukela is committed to sustainable development to all projects linked to integrated development plan. Sustainable development is defined as the integration of social, economic, and environmental factors into planning, implementation and decision-making to ensure that development serves present and future generations. Environmental management leads to sustainable development through application of NEMA (act no. 108 of 1996) in all phases of integrated development Plan for uThukela district namely: Analysis, Vision & Strategies, Projects, and Integration. NEMA provides a set of detailed environmental principles to which subsequent Environmental legislation has to be adhered to.

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#### 3.2.11.1 ENVIRONMENTAL SENSITIVE AREAS

There is a range of environmentally sensitive areas within uThukela and include amongst others natural resources such as the important species sites, sites of intrinsic biodiversity value, watercourses and steep slopes. The greater central plateau and river valleys, such as the Sundays and Tugela River are some of the natural resources that should be protected. The most important environmental value associated with these valleys, are their value as catchments areas. The prevalence of dongas and soil erosion are also an indication of poor environmental management and there is therefore a need to develop and adopt an environmental management approach. The maps below shows the environmental sensitive areas within uThukela.

The Environmental Sensitive areas



### 3.2.11.2 BIODIVERSITY (INCLUDING PROTECTED AREAS)

The District comprises predominantly endangered and vulnerable vegetation types, and contains exceptionally rich floral and faunal species diversity. At least 180 and 61 Red data plant and animal species are found within the District, respectively (Biodiversity Sector Plan). Half of the 18 vegetation types in the municipality are classified as Endangered or Vulnerable, respectively comprising 20.5% and 61.4% of the District's land surface area. The uThukela District Municipality therefore contains a disproportionately large percentage of area classified Endangered and Vulnerable (81.9%). The demarcation and appropriate management of the best parcels of land within the uThukela District Municipality is therefore critically important for the conservation of these vegetation types in KZN.

In terms of Flora, only one formally conserved area called the Nambiti Conservancy. The lack of protected areas in the remaining areas of the Districts prevents the conservation of biodiversity in these areas. Natural vegetation cover is largely impacted by the continued urban sprawl taking place in the rural areas. There is a need for protected areas as the District contains critical vegetation biodiversity areas, including wetlands and grasslands that are a habitat for rare and often endangered plant species. There are four rare priority species were identified, namely *Barleria greeii*, *Barleria argillicola*, *Hemiziga bulosii* and *Calpurnia woodii*.

The fauna that inhabit the District comprises of various mammals, arachnids, various reptile species, insects species, amphibians and various bird species. Important bird species were identified and their roosting and nesting sites were identified as critical biodiversity area. Crane critical biodiversity areas were identified within the District north and southwest of the Ladysmith Town. The proposed interventions are as follows:

- Alien plant eradication programmes to be implemented (incl. private and Working for Water).
- Wetland rehabilitation programmes to be formulated and implemented (incl. private and Working for Wetlands).
- Appropriate burning regimes to be formulated and communities need to be educated in respect to burning of velds (incl. private and Working for Fire).
- Appropriate livestock and game stocking densities (adhering to agricultural norms)
- Sustainable harvesting of biodiversity resources
- Protection of nesting and roosting sites
- Vultures: protect nesting and roosting sites from any form of disturbance



- Quality control of carcasses offered in vulture restaurants
- Environmental education re persecution of Vultures and Ground Hornbill
- Expansion of Crane Custodian Programme
- Employ recognised procedures as per Crane Foundation and EKZNW
- Expansion of Oribi Custodian Programme

Figure 5: District Vegetation Types

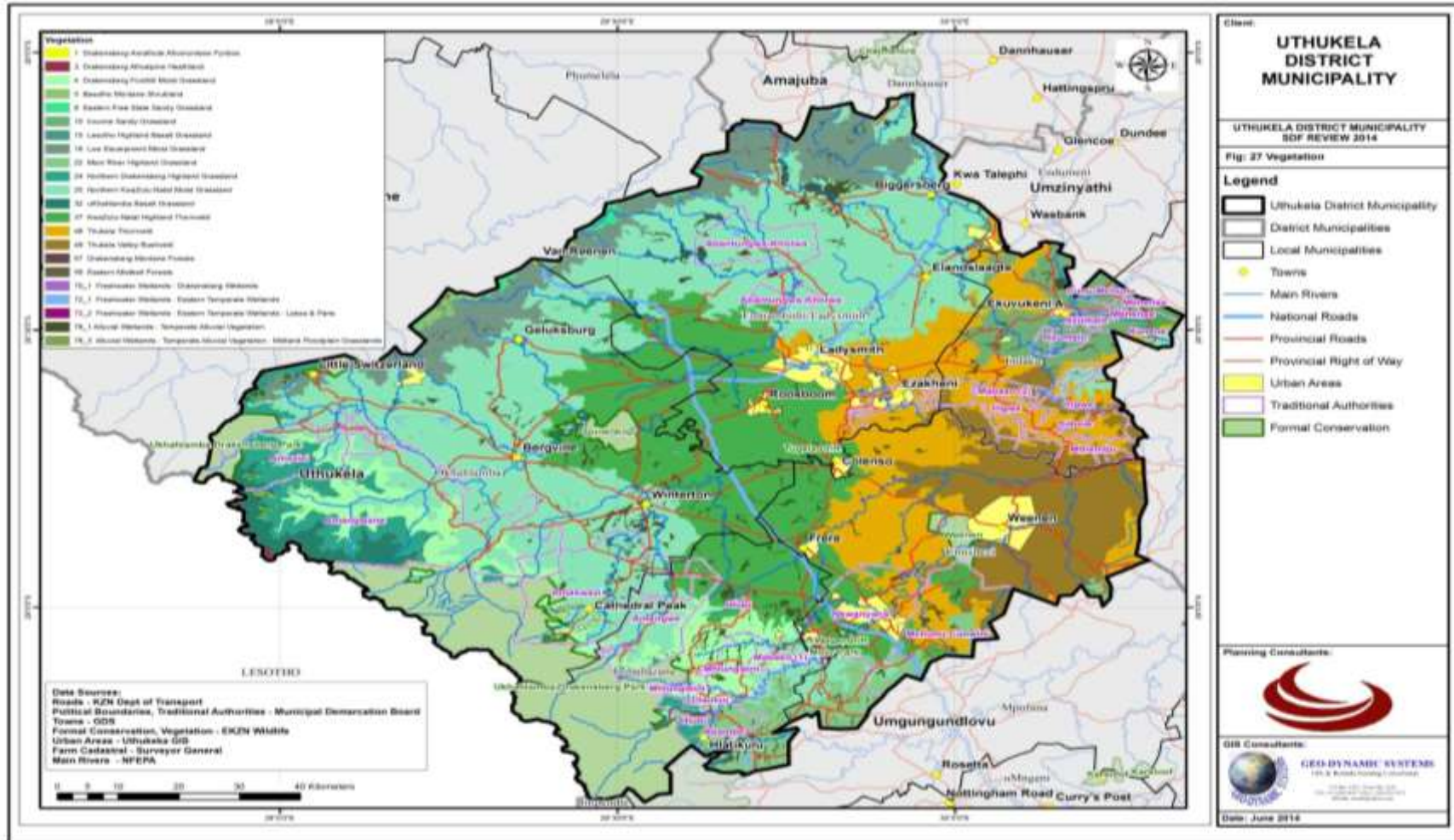
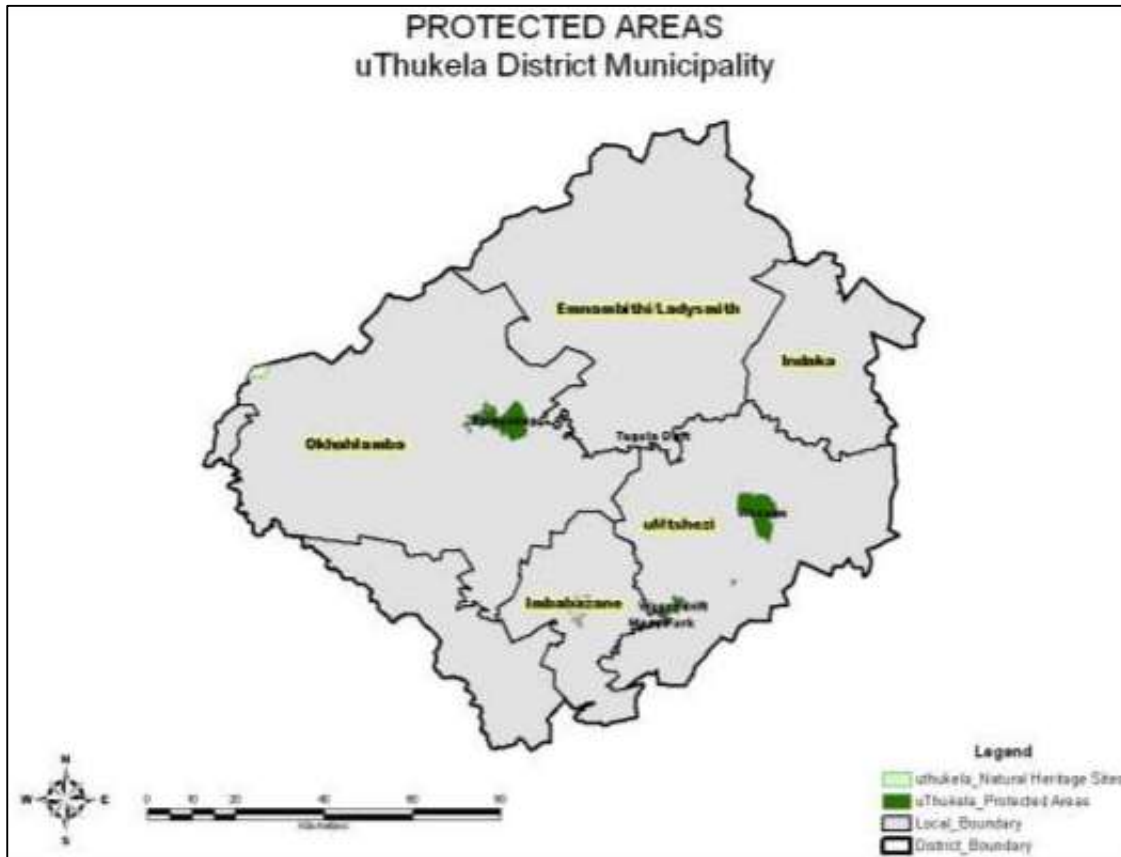


Figure 6: Protected Areas



Source: uThukela Integrated Environmental Plan

### 3.2.11.3 HYDROLOGY

uThukela district municipality core function is the provision of water and sanitation, therefore it has a commitment to lead water conservation initiatives around uThukela district. The following are the water sources of the district:

- UThukela River that rises from the Drakensberg Mountains and supplies water to a large portion of Kwazulu-Natal. Other main rivers include Klip River, Sundays River, Little Tugela, Boesmans River, and Sterkspruit Rivers;
- The Rivers and associated wetlands with the District, particularly upper catchment wetlands, are of national importance

### 3.2.11.4 AIR QUALITY

In terms of National Environmental Management, Air Quality Act (No. 39 of 2004), municipalities have a critical role to play in protecting the environment by providing reasonable measures for the prevention of pollution, ecological degradation, and for securing ecologically sustainable development while justifiable economic and social development.

The table that follows shows the provincial emission results from point, non-point and mobile sources, based on the KZN Baseline Emission Inventory Report (2007).

Table 11 : Provincial Emissions in tons per annum

Districts	CO <sub>2</sub>	CO	SO <sub>2</sub>	NO <sub>x</sub>	PM	LEAD	VOCs
Umgungundlovu	114747.33	89030.52	1593.16	13281.12	4655.99	0.00	16092.34
Amajuba	36197.00	22045.40	2756.55	3351.73	9091.20	0.00	4117.83
Umkhanyakude	20890.00	51341.31	319.62	4910.99	2872.51	0.00	6783.55
Ugu	208674.00	44017.25	500.82	11920.30	1339.74	0.03	6748.69
Zululand	7154.00	25952.49	206.75	4158.09	1299.11	0.00	4777.80
Uthungulu	103395.00	183156.67	27629.36	9417.30	4045.17	0.94	9595.49
Ilembe	0.00	7845.67	2525.37	1586.61	1054.98	1.03	873.84
Sisonke	0.00	1937.41	15.33	620.69	70.51	0.00	359.67
Ethekwini	3747.17	368544.69	34309.67	84250.69	16679.08	1.25	67610.10
<b>Uthukela</b>	<b>0.00</b>	<b>35117.08</b>	<b>1296.43</b>	<b>5045.97</b>	<b>1652.62</b>	<b>0.00</b>	<b>6501.20</b>
Umzinyathi	0.00	14411.34	117.14	1778.19	343.22	0.00	2663.45
<b>TOTAL</b>	<b>494804.50</b>	<b>1389292.32</b>	<b>71270.21</b>	<b>246478.28</b>	<b>87692.98</b>	<b>5.53</b>	<b>187629.84</b>

Source: uThukela District Environmental Management Framework

Due to its largely rural nature, UTDM only contributes 3.4 % of the total emissions in the province with the highest emissions being CO. Most of the emissions recorded for UThukela are for mobile-sources. This means that vehicle emissions are the chief contributor to air pollution in the district with industrial and agricultural sources playing a smaller role in air quality. Industrial sources of air pollution are concentrated in Ladysmith, with limited industrial activities also occurring in Estcourt. UTDM has an Air Quality Management Plan in place that was adopted on the **5<sup>th</sup> of June 2015**, and there is an air quality monitoring station in Estcourt.

#### 3.2.11.5 CLIMATE CHANGE

Global warming is the increase in the average temperature of the earth near surface, air and oceans. The effects of climate change will be felt sooner than scientist realized and the world must learn to live with the effects. The destructive changes in temperature, rainfall and agriculture would worse affect vulnerable people such as the old and the poor.

uThukela district municipality is consciously aware that climate change poses critical threats to socio-economic development, in areas as diverse as water and sanitation, food security, health and energy. uThukela District Municipality has engaged itself in numerous initiatives aimed at capacitating communities on global warming and climate change.

The municipality supplies schools with garden tools to support food gardens initiative. The municipality also supports “green events” in their municipal activities. This is achieved through green procurement when organizing municipal events, waste management plan designed solely for the event, inviting Department of environmental Affairs to raise environmental awareness to communities during the day of an event e.g. distributing environmental education material to communities. uThukela district municipality is committed to understanding water resources, strategies & methods of utilizing water more efficiently & effectively going forward. The municipality has developed and adopted the climate change response plan. The plan was adopted on the **31 June 2015**. *The climate change response plan is attached as an annexure*

uThukela district municipality has a capacity to perform the environmental management in form of an intern with an assistance from Assistant Directors deployed to municipalities (National Department of Environmental Affairs) & also receive support from Assistant Managers-Municipal Support (Provincial Agriculture, Environmental Affairs &, Rural Development)

Over and above that, the organogram of uThukela district municipality that was adopted by Council on the 18 May 2016 shows the position of the environmentalist that is intended to be appointed in the 2016/2017 financial year.

The municipality has appointed a designated waste management officer & air quality management officer as to comply with the requirements of the Waste Act & Air Quality Act. The role of the waste management officer is to coordinate & account on matters pertained to waste management whilst air quality management accounts on air quality management matters.

### 3.2.12 STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

The Municipal Systems Act (MSA) requires that part of each municipality's IDP must have Spatial Development Framework. The act also suggests an environmental layer, in the form of Strategic Environmental Assessment (SEA), must inform that development framework. It is necessary to address the environmental resources and assets of an area and consider its sustainability. It is under this premise that the District developed an Integrated Environmental Plan (IEP). The primary role of the IEP is to provide the high-level environmental analysis for the district including the local municipalities. Secondly, the plan is used to guide strategic and project level development and planning decision-making. The IEP contributes to a healthy environment by ensuring that strategic environmental issues are identified, as well as potential environmental requirements for future projects are taken into account during decision making.

### 3.2.13 SPATIAL AND ENVIRONMENTAL TRENDS

ISSUE	DRIVER	INTEVENTION
Threats to biodiversity and ecosystem functioning (especially catchment and watershed functioning)	Soil erosion due to lack of trail maintenance, paths by tourists and criminals, burning of trace lines for fire breaks Uncontrolled and unplanned fire inability to control fires particularly entering from neighbouring areas Overgrazing by livestock (cattle) entering from neighbouring area Lack of funds for proper management (e.g. current IAP budget covers 5% of WHS area) External pressures (e.g. land development by groups put pressure	Overgrazing by livestock (cattle) entering from neighbouring areas Overarching intervention: Follow and implement WHS management plans already in place Improved grazing management Coordination of different stakeholders / agencies for funding. Improved law enforcement; awareness and education

	on resources; no compliance with the law even when an EA has been issued	
Loss of cultural heritage	Damage and destruction of rock art	Follow and implement WHS management plans already in place
Degradation of grasslands	Inappropriate burning practice winter burning by thieves / poachers to encourage livestock / game to graze distant areas for poaching or theft inappropriate burning practice annual as opposed to biennial burns Soil erosion due to overgrazing, uncontrolled tracks	Fire Management Fire Management Footpath planning and maintenance Cross slope barriers contour burns, terraces
Loss of biodiversity	Alien plant infestation Invasive control measures Poaching of wildlife Overharvesting of native plants	Enforcement and awareness Raising Enforcement and awareness Raising Clearing of indigenous species Enforcement and awareness raising
Destruction of wetlands	Overgrazing / livestock movement Alien plant infestation Poor burning regimes	Grazing mgmt. herders; alternative fodder; stock reduction Invasive control measures Fire management
Decline in water quality	Leaching / runoff of agricultural chemicals due to lack of buffers on waterways and / or buffers between croplands and waterways Riparian areas being lost to croplands resulting in siltation High use of pesticides and fertilizers, which is leaching into water resources	Integrated pest management to reduce pesticide use; improved fertilizer management to reduce leaching run off. Buffer zones around waterways / riparian areas Enforcement and awareness All riparian areas in Buffer
Loss of biodiversity	Expansion of commercial agriculture Alien plant infestation	Ensure proper applications and permitting Alien Removal programmes
Uncontrolled water abstraction impacting on water quality and quantity in rivers	Uncontrolled and random construction of weirs and pipelines to meet domestic and agricultural water needs	Rainwater harvesting focus on household / rooftop rainwater harvesting for domestic use and livestock watering (Minimal value in infield RWH due to high rainfall in area)
Water pollution in rivers and groundwater	Pollution with detergents from washing laundry in rivers due to insufficient water and sanitation services developed in the area	Service provision by DM proper sanitation
Litter and pollution Degradation of grasslands (increased erosion and declining biodiversity) grazing management issues	Poor solid waste management. Illegal dumping (especially problem of disposable nappies in river. Overgrazing large herds for cultural /traditional reasons. Localized overgrazing livestock kept close to homestead to avoid theft. Overgrazing large herds "hiding" drug money. Regular movement of large number of livestock between kraals and grazing lands. Cross slope barriers trash lines, vegetation strips	Service provision by DM Recycling; education and awareness campaigns Policing of pollution controls. Identification of illegal dumping hotspots. Grazing mgmt. herders; alternative fodder; stock. Reduction all communal grazing lands in buffer zone. Rehabilitation of dongas gully plugging, gully cutting and vegetation

### 3.2.14 SPATIAL AND ENVIRONMENTAL: SWOT ANALYSIS

The following table summarizes the Spatial and Environmental SWOT Analysis

**Table 12: Spatial & Environmental SWOT Analysis**

Strengths	Opportunities
<ul style="list-style-type: none"> <li>◆ Aesthetically pleasing landscape with habitat diversity, large wetlands and important biodiversity areas with high tourism attraction</li> <li>◆ The area is good for a research development of certain organizations; the Ukhahlamba Drakensberg Heritage Site has Buffer restrictions to restore its own sense of place.</li> <li>◆ There are conservancies formed for conservation of species, habitat and biotic organisms</li> <li>◆ The Ukhahlamba Drakensberg mountain range is a World Heritage Site and forms part of the Maloti-Drakensberg Transfrontier Peace Park (MDTP) between Lesotho and South Africa. This has a competitive advantage</li> <li>◆ The area has much of protected areas that contribute to economic growth</li> <li>◆ The utilities sector has become increasingly important due to the establishment in the 1970s and 1980s of the Tugela-Vaal Augmentation Scheme (TUVA).</li> </ul>	<ul style="list-style-type: none"> <li>◆ IDP identified the need for a regional airport and the development of the N3 corridor;</li> <li>◆ The KZN Provincial Spatial Economic Development Strategy (PSEDS) identifies Okhahlamba as one region with massive potential for growth in agriculture and agro processing;</li> <li>◆ Integration of social, economic and environmental factors into planning, implementation and decision making this leads to sustainable development;</li> <li>◆ Sustainable Tourism , Revenue generation, Economic growth through sustainable development, Environmental awareness in the area;</li> <li>◆ Creation of green job opportunities through conservation of environment; this contributes to green economy</li> </ul>
Weaknesses	Threats
<ul style="list-style-type: none"> <li>◆ Lack of economic diversity &amp; competitiveness of small towns;</li> <li>◆ Economy is dependent on government services;</li> <li>◆ Agriculture and tourism potential not fully exploited;</li> <li>◆ No sufficient tertiary education institutions leading to disjuncture between skills &amp; growing sector;</li> <li>◆ Ability to fully leverage location factors – transport, warehousing &amp; logistics;</li> <li>◆ The municipality is characterized by the ageing water and sanitation infrastructure;</li> <li>◆ Lack of initiatives to identify areas that need to be rehabilitated in the District;</li> <li>◆ Lack of environmental compliance and enforcement; this weakens management of the natural environment;</li> <li>◆ Lack of environmental management strategies, projects and key interventions to monitor &amp;</li> </ul>	<ul style="list-style-type: none"> <li>◆ On-going environmental degradation impacting the ecotourism, leading to a reduction of resources available for conservation aspects;</li> <li>◆ Low economic growth and increasing rate of unemployment in major economic sectors;</li> <li>◆ Alien infestation may lead in marked declines in stream flow, transformation of vegetation composition &amp; structure; alteration of patterns nutrient cycle &amp; fire regime; also impact on Tourism &amp; Agricultural production;</li> <li>◆ High potential agricultural land, potential forestry areas and areas likely to experience settlement expansion this poses greatest threats to identified Critical Biodiversity Areas (CBAs);</li> <li>◆ Excessive harvesting of indigenous trees for firewood, cutting thatch grass for roofing purpose, use of river sand and soil for buildings;</li> </ul>



<p>manage biodiversity as well as ecological footprint;</p> <ul style="list-style-type: none"> <li>◆ Lack of important environmental plans to execute the core function of the local municipality (waste management) i.e. IWMP;</li> <li>◆ Poor participation in environmental related forums;</li> <li>◆ Lack of environmental planning tools to govern natural environment;</li> <li>◆ No alignment between district wide environmental plans with the local municipalities</li> </ul>	<ul style="list-style-type: none"> <li>◆ Farming in traditional areas is seriously underdeveloped and suffers from a range of constraints to its future growth;</li> <li>◆ Limited benefits derived from international and national assets situated in the district;</li> <li>◆ Lack of environmental education in general</li> <li>◆ The effects of climate change due to poor environmental management;</li> </ul>
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### 3.2.15 DISASTER MANAGEMENT

uThukela district municipality is concerned about the human suffering and economic loss due to the result of disasters. uThukela district municipality is affected by numerous disasters that include Veldfires, Floods, Strong Winds and hailstorm.

Disaster management is everybody's business. The disaster management plan was reviewed and adopted by Council so that it remains relevant. The reviewed plan aims to guide the family of municipalities to minimize, reduce and eradicate any risk that the area may face due to disasters. This plan indicates that a disaster can be caused by humans or nature since these are events that are sometimes unpredictable. The natural disasters include floods and lightning while the human induced disasters may include fires and accidents. *The reviewed disaster management plan is attached for easy reference.*

The district municipality has also established the Disaster Management Advisory Forum that is comprises of local municipalities, NGO's, and other relevant stakeholders. The committee meets four times per year. uThukela district is concerned with preventing disasters whenever possible and reducing the impact on the lives of the people of any disasters that do occur.

### 3.2.15.1 MUNICIPAL INSTITUTIONAL CAPACITY

The Municipality has appointed a Disaster Manager on implementing the Disaster. In terms of District Disaster Management Centre, the municipality with the assistance from COGTA Disaster Management have started with the construction of the fully-fledged centre that is compliant to the Disaster Management Act that will respond swiftly to disasters. The uThukela Disaster Management Centre is now 80% complete.

### 3.2.15.2 RISK ASSESSMENT

#### RISK PROFILE OF THE UTHUKELA DISTRICT MUNICIPALITY

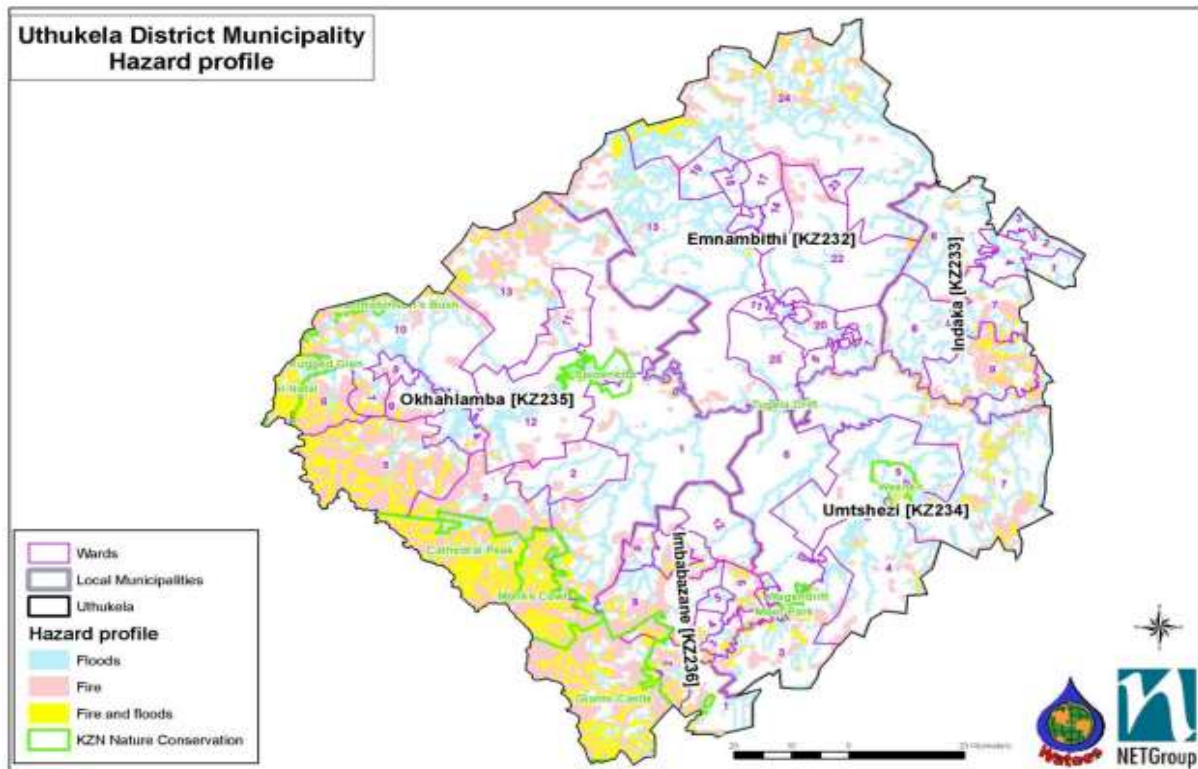
The table following depicts a summary of the risks / hazards in uThukela District whereas the attached disaster management plan is detailed on the identified hazards.

**Figure 7: Identified Hazards for uThukela District Municipality**

Lightning
Strong Winds
Chlorine leakage or an hazcem incident (esp. in Ladysmith)
Large industrial fires, bulk depots spillages or fires
Lightning
Fires
Railway Accidents (railway passes dam wall)
Strong winds and storms
Soil Erosion
Environmental Degradation
Floods
Snow
Hazmat
Air Pollution (CO2, Acid rain, Plants)
Water contamination
N3 or N11 incidents
Possible dam failure (Thukela and Bushman intersect)

It was possible to compile appropriate GIS profile maps Using the detail disaster hazard, vulnerability and risk assessments of UTDM. These GIS-profile maps summarise the disaster hazard, vulnerability and risk analysis of UDM. Hence, these profile maps indicate the risk profile of the UTDM area of jurisdiction. When floods and veld fires (which received the highest threshold value during the risk assessment) were combined, it was possible to compile a disaster hazard profile map for UTDM (Map below ). The blue colour indicates the location of possible flooded areas, red indicates the location of

possible fire hazard zones, while the yellow colour indicates the combination of both fire and flooded areas in UTDM area of jurisdiction.



### 3.2.15.3 RISK REDUCTION AND PREVENTION

Disaster prevention refers to actions that provide “outright avoidance” of the adverse impact of hazards and related environmental, technological and biological disasters. Strategies applicable to preventive intervention are inter alia (see Disaster Management Plan Appendix in the IDP for detail list):

- ⇒ Effective land-use planning;
- ⇒ Basic public works and
- ⇒ Effective municipal services that factor in the frequency and severity of natural or other hazards as well as human actions.

Examples are:

- ⇒ Replanting indigenous grasses or trees on a recently burned slope near roads or dwellings to stabilise the soil and prevent damaging land subsidence;

- ⇒ Locating critical rail: Road and telecommunications structures behind a coastal “setback” line in areas exposed to storm surges to prevent disruption to critical services during violent summer or winter storms;
- ⇒ Careful positioning of storm water drainage and its on-going maintenance, along with protection of natural wetlands, to prevent destructive flooding during heavy rain

It is not possible to completely prevent all disaster events. Their severity can be reduced, however, through on-going disaster mitigation efforts.

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#### 3.2.15.4 RISK REDUCTION AND PREVENTION

Disaster Mitigation refers to structural and non-structural measures that are undertaken to limit the adverse impact of natural hazards, environmental degradation and technological hazards on vulnerable areas, communities and households. These efforts can target the hazard or threat itself e.g. a firebreak that stops a fire spreading close to residential areas. This is often referred to as structural mitigation, since it requires infrastructure or engineering measures to keep the hazard away from those at risk.

Disaster mitigation efforts can also target people who are at risk, by reducing their vulnerability to a specific threat, e.g. promoting community responsibility for controlling fire risk in an informal settlement. This is often called “non-structural” mitigation, as it promotes risk-avoidance behaviours and attitudes. A shift from structural to non-structural measures took place worldwide. The main reason for this is mainly the non-contribution of structural measures to sustainable development objectives. In most cases, structural measures only reduce disaster damage and the level of risk remains the same. Hence, structural measures only create a false sense of security for communities.

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#### 3.2.15.5 RESPONSE AND RECOVERY

The municipality is playing a coordinating role in terms of response and recovery. The family of local municipalities are the ones that are dealing directly with response and recovery. In December 2015, the Indaka local municipality reported encounters with one heavy rain, one strong wind and one-hailstorm incidents during the course of the month. 214 households were affected, with 548 people involved. 60 structures were destroyed, 86 were partially damaged, and the affected families were issued with blankets and plastic sheets.

#### 3.2.15.6 TRAINING & AWARENESS

Disaster management must be sustainable. This means that the issues must be kept alive. Two useful approaches to keep the issues in the public mind are training and public awareness programmes. Training cannot only take place when money is available or once every five years. Therefore, the training process must be integrated and ensure that people are being trained on a regular basis so that people can know what their responsibilities are in the implementation of disaster management programmes. In the same way, public awareness can contribute to sustainability. "On-going public awareness, with the momentum shifting to community representatives, can lay the foundations of this ownership". Public awareness must be a two way process which establishes dialogue, rather than focused too much on officials passing on to communities what they feel communities should know (Westgate, 1999).

As from March 2016 to July 2016, uThukela district municipality has embarked on the disasters awareness campaigns in all the identified areas as per the risk assessment plan. During the awareness campaigns the following topics were covered: Heavy rainfall, Strong winds, Hailstorm Floods, Prevention of fires, Mitigation and prevention of all winter and summer incidents, Snow protocol issues and Drought.

#### 3.2.15.7 FUNDING ARRANGEMENTS

In the 2016/2017 financial year, uThukela district municipality put aside some funding for relief material in case of a disaster since the majority of the areas in the district are prone to disasters. It is foreseen that every financial year more funding will be pumped in to deal with the issues of disasters in a swift manner not only at the district level but also at the local level.

### 3.2.15.8 DISASTER MANAGEMENT SWOT ANALYSIS

**Table 13: Disaster Management SWOT Analysis**

Strengths	Opportunities
<ul style="list-style-type: none"> <li>◆ Disaster management plan in place</li> <li>◆ Appointment of a Disaster Manager</li> <li>◆ Practitioner’s forum in place</li> <li>◆ Disaster management Fleet to respond swiftly to incidents</li> <li>◆ Political will from councillors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Support from provincial and national centres</li> <li>◆ Support from local NGO’s and business organisations</li> </ul>
Weaknesses	Threats
<ul style="list-style-type: none"> <li>◆ Lacks resources (human &amp; material)</li> <li>◆ Very limited or no budget at all</li> <li>◆ Incomplete disaster management centre</li> </ul>	<ul style="list-style-type: none"> <li>◆ Non-compliance with legislative mandates – reporting</li> <li>◆ Deeply rural, agrarian and poverty stricken communities</li> <li>◆ Political volatility and social tensions</li> <li>◆ Lack of co-operation from supported municipal centres (sharing &amp; exchanging of information)</li> <li>◆ Lacks political will from supported structures</li> </ul>

### 3.3 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

#### 3.3.1 MUNICIPAL TRANSFORMATION

Municipal transformation and organisational development relates to a fundamental and significant change in the way the municipalities perform their functions and the calibre of human resources used in the delivery of quality services to the communities served. Service delivery planning has changed from municipal centred approach to community participatory approach.

Transformation is part of the municipality's strategy and has to be driven from the highest level of management and leadership. Municipalities need to enhance management skills to facilitate team players who will cascade the transformation assignment to the lowest levels of staff.

#### 3.3.2 ORGANIZATIONAL DEVELOPMENT

Organizational development is a deliberately planned effort to increase an organization's relevance and viability. Organisational refers as the future readiness to meet change thus a systemic learning and development strategy intended to change the basics of beliefs, attitudes and relevance of values, and structure of the current organization to better absorb disruptive technologies, shrinking or exploding market opportunities and ensuing challenges and chaos.

Organizational development is the framework for a change process designed to lead to desirable positive impact to all stakeholders and the environment. It can design interventions with application of several multidisciplinary methods and research besides traditional organizational development approaches.

##### 3.3.2.1 INSTITUTIONAL ARRANGEMENTS

Sub-structures such as the Executive Committee, Finance & Budget portfolio committee, Corporate services portfolio committee, Planning, Local Economic Development & disaster management portfolio committee, Water, sanitation, technical services, WSA & municipal health services portfolio committee, PMS, special programmes, communication, public participation & operation sukuma sakhe portfolio committee have been established to carry out the decision-making and oversight functions of the uThukela district municipality. In addition to these sub-structures the district has the

MPAC (Municipal Public Accounts Committee) and Audit Committees that also oversee the administrative undertakings. As far as the municipal administrative structure is concerned, there are five main municipal departments namely the budget and treasury office, corporate services, municipal health services and water service authority, water, sanitation and technical services and social and Economic services that report directly to the Office of the Municipal Manager.

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#### 3.3.2.2 POWERS AND FUNCTIONS OF MUNICIPALITY

The following are the powers and functions of our municipality:

- ⇒ To provide community & citizen services;
- ⇒ Water supply and sanitation services;
- ⇒ Municipal Health services;
- ⇒ Solid waste disposal sites;
- ⇒ Municipal roads;
- ⇒ Regulation of passenger transport services;
- ⇒ Municipal airports serving the area of the whole district;
- ⇒ Fire fighting serving the whole District;
- ⇒ Establishment and control of fresh produce markets;
- ⇒ Establishment, conduct and control of cemeteries;
- ⇒ Promotion of local tourism for the area of the district municipality;
- ⇒ Municipal public works relating to any of the above functions or any functions assigned to the district municipality

The table below summarises the functions of the municipal departments:



Table 22: Municipal Departments and some of their Functions

OFFICE OF THE MUNICIPAL MANAGER	CORPORATE SERVICES	WATER,SANITATION & TECHNICAL SERVICES	BUDGET & TREASURY OFFICE	STRATEGIC PLANNING,& LED	MHS AND WSA
<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• The management of the municipality's administration.</li> <li>• The implementation of the IDP and monitoring of the plan.</li> <li>• The implementation of National and Provincial Legislation applicable to the municipality.</li> <li>• The management of the provision of services to communities in a sustainable manner.</li> <li>• Advising the Municipal Council and other political structures as well</li> </ul>	<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• Advising Council and its committees on standing orders, code of conduct and applicable Legislation;</li> <li>• Advises the Council, its Committees and Heads of Departments on Human Resource Policy and labour relations</li> <li>• Acts as a Municipal Manager during his absence</li> <li>• Approves all agendas and minutes compiled by his staff</li> <li>• Ensuring a sound Information</li> </ul>	<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• Responsible for the entire technical liaison between UTDM National and Provincial Government Departments</li> <li>• Responsible for rendering technical support services to local authorities within the UThukela area, where such needs exist</li> <li>• Responsible for the approval of the prioritization of projects after technical evaluation</li> <li>• Project administration services including capital budgeting and control of consultants</li> </ul>	<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• Implementing the Financial Regulations</li> <li>• Acting as the direct link between the Council and the Auditor General</li> <li>• Acting as Consultant to Local councils in the region for the administration of projects funded by the Council</li> <li>• Compiling the annual budget and financial statements</li> <li>• Controlling the bank account and arrangement</li> </ul>	<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• Prepares the Disaster Management Plan for Council.</li> <li>• Develop and implement social programmes; and</li> <li>• Identify LED opportunities;</li> <li>• Develop the LED Plan;</li> <li>• Source funding for LED projects;</li> <li>• Promote tourism; and</li> <li>• Management of all planning related functions within UTDM;</li> </ul>	<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> <li>• Ensuring compliance with all Water Service Authority functions contained in the Water Service Act 108 of 1997</li> <li>• Ensuring that water service policy including the by-laws and tariffs are in place</li> <li>• Monitoring and evaluating all Water Service Providers delivering services within the council jurisdiction</li> </ul>

<p>officials of the municipality,</p> <ul style="list-style-type: none"> <li>• Develop youth in the District</li> <li>• Develop and promote sports</li> <li>• Promote gender equality</li> </ul>	<p>Technology system within UTDM</p> <ul style="list-style-type: none"> <li>• Contract management</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of portable water</li> <li>• Provision of sanitation services</li> </ul>	<p>of transfers between accounts.</p>	<ul style="list-style-type: none"> <li>• Ensuring that development occurs in terms of UTDM's Spatial Development Framework;</li> <li>• Ensuring a sound and operational GIS within UTDM;</li> <li>• Drafting and day-to-day management of the IDP</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring that the WSDP is in place</li> <li>• Managing and overseeing any programme linked to the Water Service Authority function such as ISWIP</li> <li>• Every water services authority has a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, Economical and sustainable access to water services.</li> <li>• Environmental management</li> </ul>
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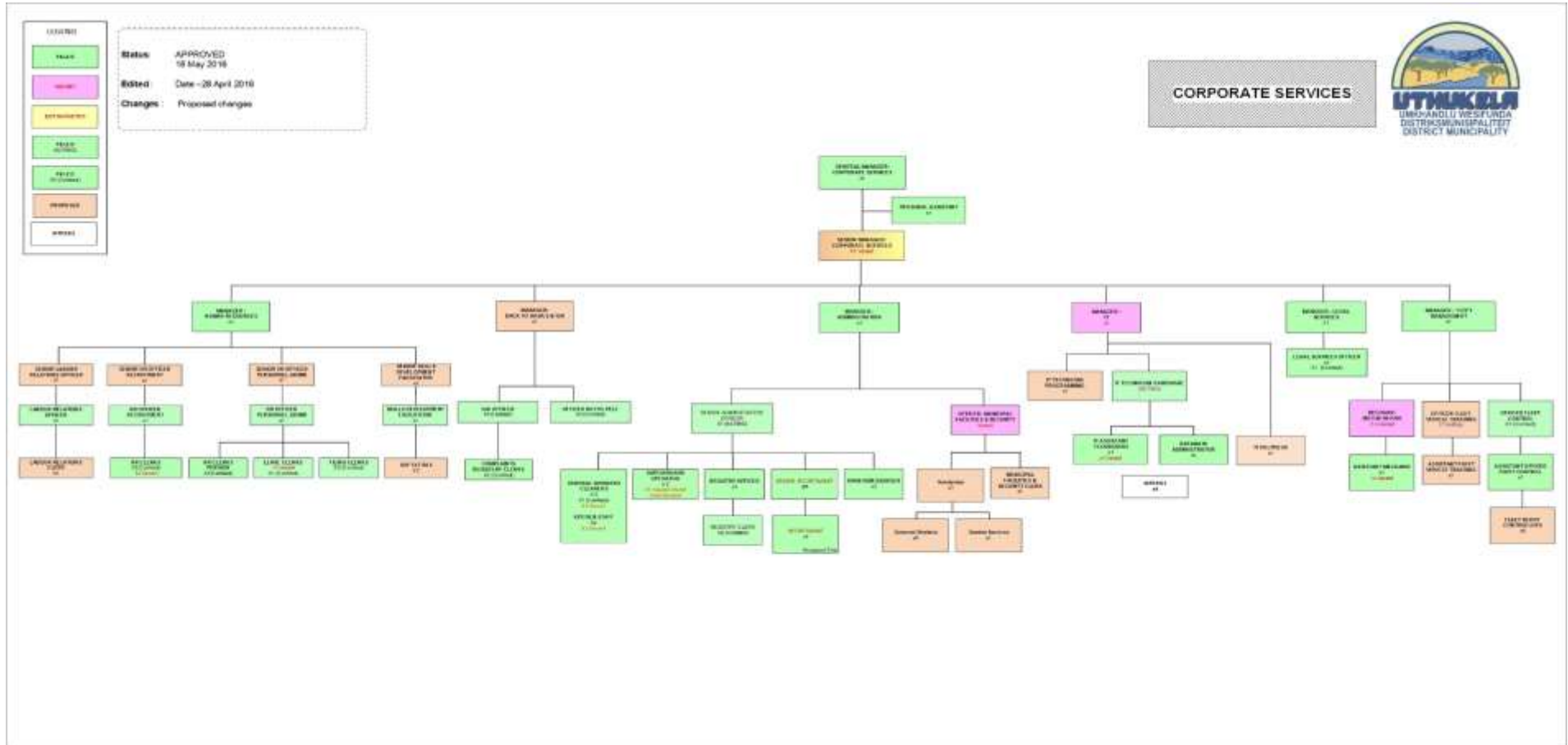
### 3.3.3 ORGANIZATIONAL STRUCTURE / ORGANOGRAM

uThukela district municipality has reviewed the organizational structure to ensure that is aligned to the Powers and Functions assigned to the district municipality and implementation of the IDP. The organizational structure was prepared and workshopped with all councilors on the 11- 12 April 2016. It was presented to EXCO and adopted by Council on the 18 May 2016. The District Municipality is having ± 469 permanent staff members and ± 434 contract staff members. The following is the adopted organogram of uThukela district municipality. ***The attached organogram might not be visible enough because of the size but the A3 copies are attached as annexures for easy reference.***





3.3.3.3 DEPARTMENT OF CORPORATE SERVICES











### 3.3.4 MUNICIPAL INSTITUTIONAL CAPACITY AND STATUS OF CRITICAL POSTS

#### 3.3.4.1 INSTITUTIONAL CAPACITY

The District has the institutional capacity to undertake powers and functions. The district is equipped with well-trained and qualified General Managers that are capable of achieving the municipal set targets. The current vacancy rate is sitting at 20.6%.

#### 3.3.4.2 CRITICAL POSTS (MM & SECTION 56 POSTS)

The following table illustrates the status of critical positions in the municipality.

**Table 14: Critical Posts**

NAME	DEPARTMENT	STATUS	GENDER
S N Kunene	Municipal Manager	Filled	Male
M F Hadebe	General Manager: Corporate Services	Filled	Male
P H Z Kubheka	Chief Finance Officer	Filled	Female
M V Radebe	General Manager: Water, Sanitation and Technical services	Filled	Male
N Z Khuzwayo	General Manager: Social and Economic Services	Filled	Male
B Khoza	General Manager: Municipal health and water service authority	Filled	Male

### 3.3.5 HUMAN RESOURCE STRATEGY

uThukela district municipality has developed and adopted the human resource strategy; the strategy was approved by Council on the **12 November 2015**. On the other hand, the municipality have compiled and adopted the Human Resource Policies in an enabling spirit and sets out the policy relating to employment within the municipality. These policies are the enabling tool to facilitate human resources management within the municipality. In compiling the uThukela District Municipality Human Resource Policies, reference was made to documents such as the Employment Equity Act No.55 of 1998, the Labour Relations Act No.66 of 1995, the Skills Development Act No97 of 1998, the Municipal Finance Management Act No.56 of 2003, White Paper on Affirmative Action in the Public Service and the White Paper on Human Resource Management in the Public Service. uThukela district municipality has developed and adopted the following HR policies.

⇒ Promotion policy;

- ⇒ Placement Policy;
- ⇒ Employment policy;
- ⇒ Employment Equity policy;
- ⇒ Leave policy;
- ⇒ Recruitment, Skills Retention and Selection policy;
- ⇒ Permanent employment policy;
- ⇒ Temporal employment policy;
- ⇒ HIV/AIDS policy;
- ⇒ Smoking policy;
- ⇒ Sexual Harassment policy;
- ⇒ In service Training policy;
- ⇒ Communication policy;
- ⇒ Training and Development policy;
- ⇒ S&T policy

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#### 3.3.5.1 EMPLOYMENT EQUITY PLAN

In terms of the Employment Equity Act, 1998, it is the duty of uThukela district municipality to consult, draft and implement the Employment Equity Plan in order to achieve equity in the workplace. uThukela district municipality has developed and adopted the Employment Equity Plan that is promoting equal opportunity and fair treatment in employment through the elimination of unfair discrimination.

In drafting of the Employment Equity Plan all, the relevant stakeholders were involved including the Local Labour Forum. One of the objectives of the Plan is to focus on the development of present staff and an affirmative action programme aimed at specifically addressing the training and advancement needs of previously disadvantaged groups.

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#### 3.3.5.2 WORK SKILLS PLAN

Skills planning are central to the improvement of the overall skills level of the municipal officials as well as the unemployed youth in the uThukela district municipality. The municipality identifies what skills are required and develop strategies, tasks and schedules to ensure that we build those skills in order to deliver on our Integrated Development Plan strategic objectives.

uThukela district municipality do comply with Skills Development Act. The District has developed and implementing workplace skills development plan in order to enhance the skills of the staff and thereby improve their competencies. The Workplace Skills Plan was developed and adopted by Council. After

the adoption, it was then submitted to LGSETA for accessing funds. However, the funding that was received was insufficient to meet the needs of the District. uThukela workplace skills plan outlines the training and development for the municipality. It also addresses the gaps and shortfalls in skills required and identified positive ways of addressing them.

In the financial year 2015/2016, the municipality has put aside R20 80 000 for training. Two hundred and forty one (241) employees received formal training. The municipality also offers bursaries to the employees with the focus on critical scarce skills areas such as finance, human resources, artisan and engineering.

The municipal employees also have a bursary scheme wherein about 10-15 employees benefited from it in the previous financial year. The municipality is currently engaged in the following skills development programmes namely: - Graduate training program in partnership with the National Treasury.

Twenty one (21) employed water and wastewater process controllers and five (5) unemployed youth are currently engaged in the NQF2/NQF 3 Process Control Learner ship facilitated by Umsizi Consulting, which will be completed in May 2016. The municipality has budgeted an amount of R 1 million towards external bursaries. One hundred and thirteen (113) students were awarded bursaries in January 2016.

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#### 3.3.5.3 RECRUITMENT AND SELECTION POLICY

The municipality developed and adopted the Recruitment and Selection Policy, which is being implemented. Recruitment and selection in the municipality is done according to the documented municipal policy.

The recruitment policy highlights that all posts shall be analysed to determine realistic person and post requirements that meet the needs of the job and which do not privilege people with higher qualifications than those needed for the position. The selection policy emphasises that first preference will be given to the best candidate as per the interview results regardless of whether the applicant is internal or external.

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#### 3.3.5.4 RETENTION AND EXIT POLICY

The municipality has developed a Retention Policy and Exit Policy. The policy has been adopted and is under implementation.

#### 3.3.5.5 ICT GOVERNANCE FRAMEWORK

The municipality has developed and adopted the ICT Governance Framework in 2015. The framework is in the implementation stage. The purpose of uThukela district municipality ICT Governance Framework is to institutionalize the governance ICT as an integral part of corporate governance within the Institution.

#### 3.3.5.6 HUMAN RESOURCE CAPACITY FOR ENVIRONMENTAL MANAGEMENT

uThukela district municipality has a capacity to perform the environmental management in form of an intern with an assistance from Assistant Directors deployed to municipalities (National Department of Environmental Affairs) & also receive support from Assistant Managers-Municipal Support (Provincial Agriculture, Environmental Affairs &, Rural Development)

Over and above that, the organogram of uThukela district municipality that was adopted by Council on the 18 May 2016 shows the position of the environmentalist that is intended to be appointed in the 2016/2017 financial year.

The municipality has appointed a designated waste management officer & air quality management officer as to comply with the requirements of the Waste Act & Air Quality Act. The role of the waste management officer is to coordinate & account on matters pertained to waste management whilst air quality management accounts on air quality management matters.

### 3.3.6 MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT SWOT ANALYSIS

**Table 15: Municipal Transformation & Organizational Development SWOT Analysis**

Strengths	Threats
<ul style="list-style-type: none"> <li>◆ All senior management positions are filled</li> <li>◆ Approved organogram indicating re-alignment of functions;</li> <li>◆ Efficient financial and information management system;</li> <li>◆ Incorporation of critical positions in the approved budget</li> <li>◆ Adopted of the Equity plan and WSP</li> </ul>	<ul style="list-style-type: none"> <li>◆ Constant changes in legislation and national policies;</li> <li>◆ Changes in the formula for the allocation of government grants including equitable share</li> </ul>
Opportunities	Weaknesses
<ul style="list-style-type: none"> <li>◆ Local Government support from COGTA;</li> <li>◆ Signed MOU with EThekwini emphasising support initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>◆ High number of unskilled staff;</li> <li>◆ Lack of commitment of IGR structures;</li> <li>◆ Dominance of males in senior management;</li> <li>◆ Lack of linkage of skills audit and plan to skills needed to perform functions effectively; Low staff morale and Non-adherence to best practices</li> </ul>

### 3.4 BASIC SERVICE DELIVERY AND INFRASTRUCTURE ANALYSIS

This KPA is aligned to Water, Sanitation and technical department of uThukela district municipality. UThukela district municipality is the Water Service Authority (WSA). The core function of uThukela district municipality is the provision of water and sanitation services. The primary objective is to extend portable water and sanitation services throughout the district by eliminating the backlogs and also to maintain and ensure sustainability of the existing water and sanitation infrastructure.

Almost half of the district municipality had access to basic services in 2011 at 49.5% this is up from 44.2% from 2001. The lowest levels of access to basic services are in Imbabazane local municipality at 30%, followed by Indaka local municipality at 34%. The municipalities with the highest levels of access to basic services are uMtshezi at 65% and Emnambithi/Ladysmith at 64% in 2011.

#### 3.4.1 WATER AND SANITATION

The core function of uThukela district municipality is the provision of **water** and **sanitation** services. The main objective of the municipality is to ensure the quality of drinking water in the region is improved in as far as the blue and green drop is concerned.

##### 3.4.1.1 STATUS OF WATER SERVICES

67 drinking water sampling points were monitored in uThukela Region. Chemical and Physical analysis were conducted over a period of 12 months by qualified and experienced Laboratory Technicians. Analysis is done to ensure that the water supplied to the public is fit for human consumption.

The overall microbiological compliance rate for uThukela district municipality has reduced from 94.7% to 92.3%. This percentage is reflected on the Department of Water Affairs' Blue Drop website. Results are compared with the SANS-241 drinking water quality standard for South Africa. A total number of 2225 samples were taken from February 2015 to February 2016 for the 13 water purification works including reservoirs and reticulation points.

uThukela district municipality's Water Treatment Works and Waste Water Treatment Works performances are evaluated according to the Blue Drop and Green Drop criteria. The Blue Drop and Green Drop Status scores for uThukela district municipality are low. Based on the Department of Water and Sanitation Blue Drop regulator's assessment, the district achieved a score of 34.50%. The Green drop score was <30%. uThukela district municipality is still not on par with the expectations of

the Blue Drop and Green Drop regulatory programme as per compliance and best practices requirements.

It is hoped that the abovementioned water supply challenges will be addressed if all relevant role players namely, the community, private sector and spheres of government co-operate and play their respective roles in supporting uThukela district municipality in managing water services. The implementation of effective interventions to address water and sanitation challenges will not only improve the quality of water and sanitation services delivery in the district but also improve the Blue Drop and Green Drop scores.

#### 3.4.1.2 THE STATUS OF DROUGHT IN UTHUKELA AND ITS FAMILY OF MUNICIPALITIES

It is important for the municipality report on the update on the impact of drought experienced by the KZN province particularly in uThukela district municipality and its family of municipalities. The Premier in consultation with other MEC' s declared the province of Kwazulu Natal a disaster area in respect of drought in January 2015. This was in line with the legislation (Disaster Management Act 57 of 2002). It must be noted that the drought has never been fully eradicated and currently uThukela district is experiencing severe water shortages.

##### **Indaka Local Municipality**

The operation of the water treatment works at or supplied with raw water from Oliphantskop Dam which had silted up and the storage capacity reduced to 12%. This will result in a shutdown in the next coming days. The direct impact of the non-operation of the plant is that; communities that were supplied by a minimum of 6Ml/day are without piped water at the time of compiling the report and the situation has been so for a period of two weeks.

##### **Okhahlamba Local Municipality**

The abstraction challenge experienced at the Bergville treatment works, wherein water was pushing away from the suction line. Okhahlamba has 4 water treatment works namely Bergville WTW, Winterton, Zwelisha/Moyeni and Langkloof which the latter still has reasonable raw water however the current pump has no spares as it was discontinued therefore awaiting a new submersible pump. The Zwelisha Treatment Works is where a challenge of raw water shortage is experienced, especially when a farmer in close proximity is irrigating the crops. The farmer sources his irrigation water above our abstraction within a canal controlled by a public member. As and when challenge/shortages arises



the incumbent goes and request the farmer to change irrigation configurations. It must be noted that four water tankers service the entire Bergville area. Of the 13 existing boreholes, five are not in use, two are undergoing repairs, and two more have electrical undergoing repairs with six non-functioning.

### **Imbabazane and Umtshezi Local Municipality**

The existing extraction point for the treatment works is at Injisuthi River; this abstraction always gives challenges in winter months. The situation is aggravated with the drought (lack of normal rainfalls) experienced currently. The abstraction is generally supplemented by the spring that fills two concrete dams, these dams dried out in the month of May 2015. Yields in most boreholes have decreased by a minimum of 15% per day and the pumping time has been reduced to protect the pumps.

### **Emnambithi/Ladysmith Municipality**

The Ladysmith Treatment Works extract water from the Klip River; the flow in this river currently doesn't exist hence the two raw water pumps have been switched off. Normally the treatment works in Ladysmith receive a total of +-31 000 000 L/d i.e. 750 000 L/d from Spieonkop Dam and 541 000 L/d from the Klip River; it therefore means that the raw water supply is 40% less than normal. The 40% will be the higher lying areas of Ladysmith namely Golf Course, Observation Hill, Hyde Park, Mkhamba Gardens, Model Kloof, Limit Hill and Danskraal Industries, Steadville (parts), St Chads (until the new Clinic) and Roosboom.

Driefontein block is supplied from boreholes/underground water; the areas benefiting from this source are currently without water. The raw water abstraction point Embizeni/Ezakheni plant is designed to produce 34 000 000 L/d however at the present moment, it is producing 52 800 000 L/d. With the newly escalated water shortages in the district areas such as Weenen, majority of Indaka, Emnambithi/ Ladysmith as well as Estcourt are now using the same loading point.

#### **3.4.1.3 HOW THE MUNICIPALITY IS RESPONDING TO DRAUGHT**

19 Water tankers have been sourced to supply communities with water, suffice to mention that this is not in any way aimed at replacing the normal supply (6million litres/day).175 existing borehole pumps have been fixed in Indaka from Wards 1 to 10; to minimize the impact of drought and 12 new holes drilled and tested but not yet equipped in ward 1. Weenen has four production boreholes and eight water tankers service the greater Weenen area. Imbabazane has 13 production boreholes and 8 water tankers operating. In Ladysmith 6, water tankers have been hired to supplement the supply of

clean portable water in affected areas. Springs have been identified in the area and will be protected and replace the non-functioning boreholes

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#### 3.4.1.4 WATER QUALITY

67 drinking water sampling points were monitored in uThukela Region. Chemical and Physical analysis were conducted over a period of 12 months by qualified and experienced Laboratory Technicians. Analysis is done to ensure that the water supplied to the public is fit for human consumption.

The overall microbiological compliance rate percentage for uThukela district municipality was 92.3%. This percentage is reflected on the Department of Water Affairs' Blue Drop website. Results are compared with the SANS-241 drinking water quality standard for South Africa.

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#### 3.4.1.5 BLUE DROP / GREEN DROP STATUS

The uThukela district municipality is involved in the Department of Water and Sanitation regulatory Blue drop/Green drop process. This involvement is intended to achieve optimum compliance, operating and process controls. Blue Drop System and Green Drop System scores for uThukela district municipality are low. The Blue Drop System (BDS) score is currently sitting at 34.50% and the Green Drop System (GDS) score is currently sitting at <30.0%.

It is hoped that the abovementioned water supply challenges will be addressed if all relevant role players namely, the community, private sector and spheres of government co-operate and play their respective roles in supporting uThukela district municipality in managing water services. The municipality has put aside an amount that is estimated to 5 500 000 00 to address the challenge of Blue and Green drop. The implementation of effective interventions to address water and sanitation challenges will not only improve the quality of water and sanitation services delivery in the district but will also improve the Blue Drop and Green Drop scores.

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#### 3.4.1.6 WATER TREATMENT

The uThukela district municipality currently operates 9 waste water treatment plants namely Ladysmith, Colenso, Estcourt, Bergville, Winterton, Ekuvukeni, Wembezi and the Weenen Ponds. The wastewater treatment plants purify domestic grey water and industrial effluent. The above wastewater works are operated within the guidelines and general standards issued by the Department of Water and Sanitation.

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#### 3.4.1.7 WATER SERVICES DEVELOPMENT PLAN

As a Water Services Authority, uThukela district municipality has developed and adopted the Water Services Development Plan (WSDP). This plan was prepared in accordance with the Department of Water Affairs and (DWA) preparation guide. The Water Services Plan (WSDP) was reviewed in 2015 to ensure that it talks to needs of the uThukela and its family of municipalities. *The WSDP is attached for further information.*

According to the recently reviewed WSDP the DM has a wealth of surface water resources, however much of the dammed water is transferred to Gauteng Province as part of the Tugela-Vaal scheme. Most surface water is abstracted from the Tugela River or one of its tributaries, such as the Klip, LittleTugela or Bushmans. Council has also resolved a free basic water concept, to help the plight of indigent persons with lower levels of services. In rural areas, free water is supplied to communities, under a policy of free communal water provision.

The district strategies on water conservation and demand management are a priority and started implementing it. Through the Implementation of Sustainable Water Services Institutions Programme (ISWIP), the DM is assisted to attain the necessary capacity to perform these WSA functions. Water services infrastructure is more developed in the urban areas supplying a higher level of service, as opposed to the rural areas. Each urban area generally has its own water and wastewater treatment facility. The challenge that is facing the municipality is that some water infrastructure is dilapidated; the date of construction of some components is unknown.

### 3.4.1.8 WATER BACKLOGS

Water supply backlog as at the end of June 2011 was 28.75. This translates that 40146 households do not have access to safe water supply and 99 492 households have access to water supply in uThukela district municipality.

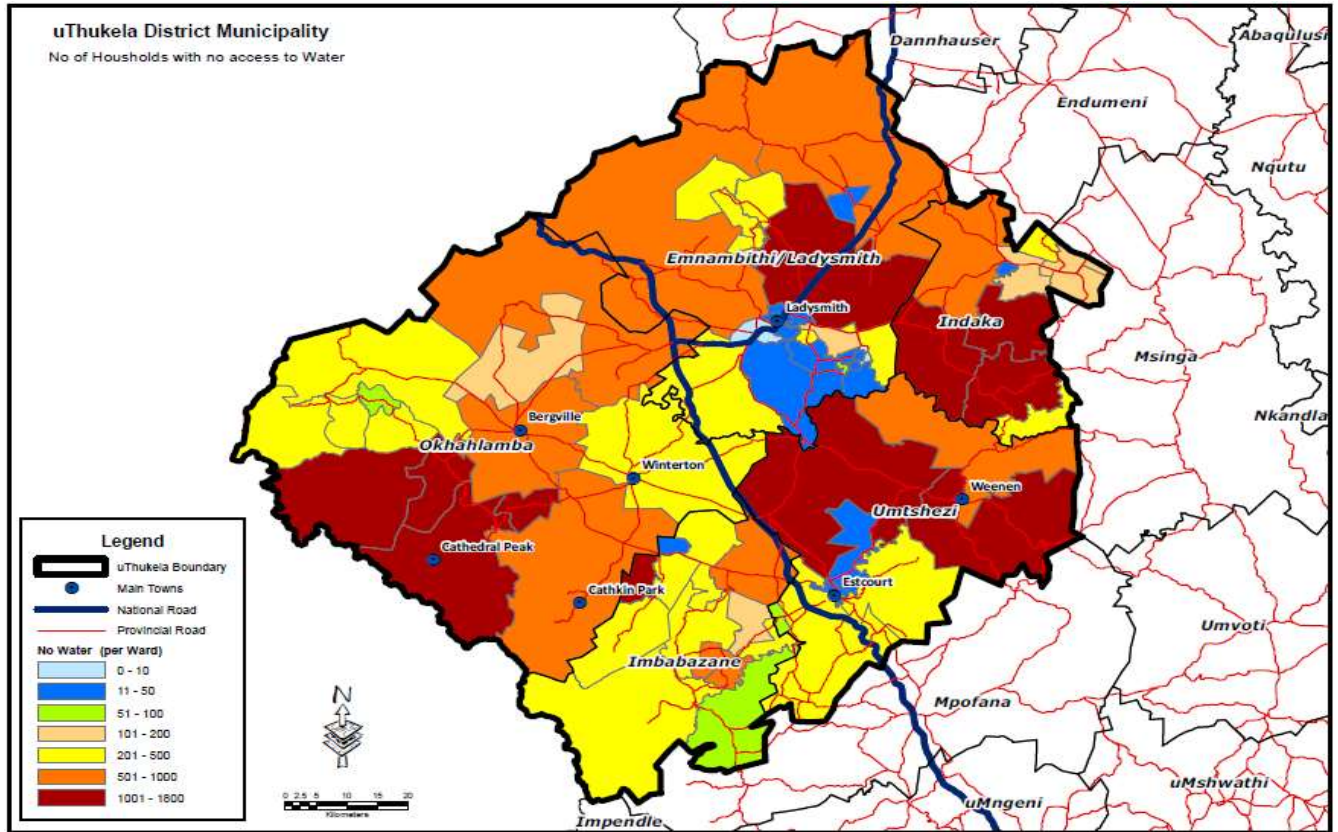


Table 16: Status of Water Supply Backlog per local municipality

Municipality	Total number of Households	Households with access to safe water supply	Households without access to safe water supply	Percentage water backlog
Emnambithi/Ladysmith	50 258	42 421	7 837	15.59%
Indaka	21 082	16 372	4 710	22.34
uMtshezi	15 232	11 343	3 889	25.53%
Okhahlamba	28 508	15 941	12 567	44.08%
Imbabazane	24 558	13 415	11 143	45.37%
uThukela	<b>139 638</b>	<b>99 492</b>	<b>40 146</b>	<b>28.75%</b>

(Source: AB Projects) June 2011

#### 3.4.1.9 WATER NEEDS AND PRIORITIES

Access to water is considered to be a major challenge within UThukela District Municipality. The water needs and priorities in the uThukela district municipality is highlighted in the following areas:

- Mhlumayo and Sahlumbe;
- Pepsworth and Elandslaagte;
- Frere and Cornsfield;
- Cathedral Peak; and
- Loskop.

These areas have between 1001 – 1800 households that lack access to adequate water supply. This is followed by a number of areas that have between 501 – 1000 households that lack access to water. These areas are mainly found around the rural areas that surround Bergville.

### 3.4.1.10 STATUS OF SANITATION

Sanitation is one of the core functions of uThukela district municipality. In the previous financial year, 6 504 new households were provided with appropriate sanitation services in form of VIP Latrines. During the implementation of sanitation projects, 5 298 local community people were employed for the duration of the projects and some of them were empowered with new skills such as building and project management. It is proper to say that in the whole of uThukela, there are no bucket systems as it was incorrectly stated in the 2011 statistics.

### 3.4.1.11 SANITATION BACKLOG

There are a number of rural areas that lack access to appropriate sanitation facilities. The appropriate sanitation services backlog as at the end of June 2011 was 22.85 %. This translates to 31 907 households not having appropriate sanitation services.

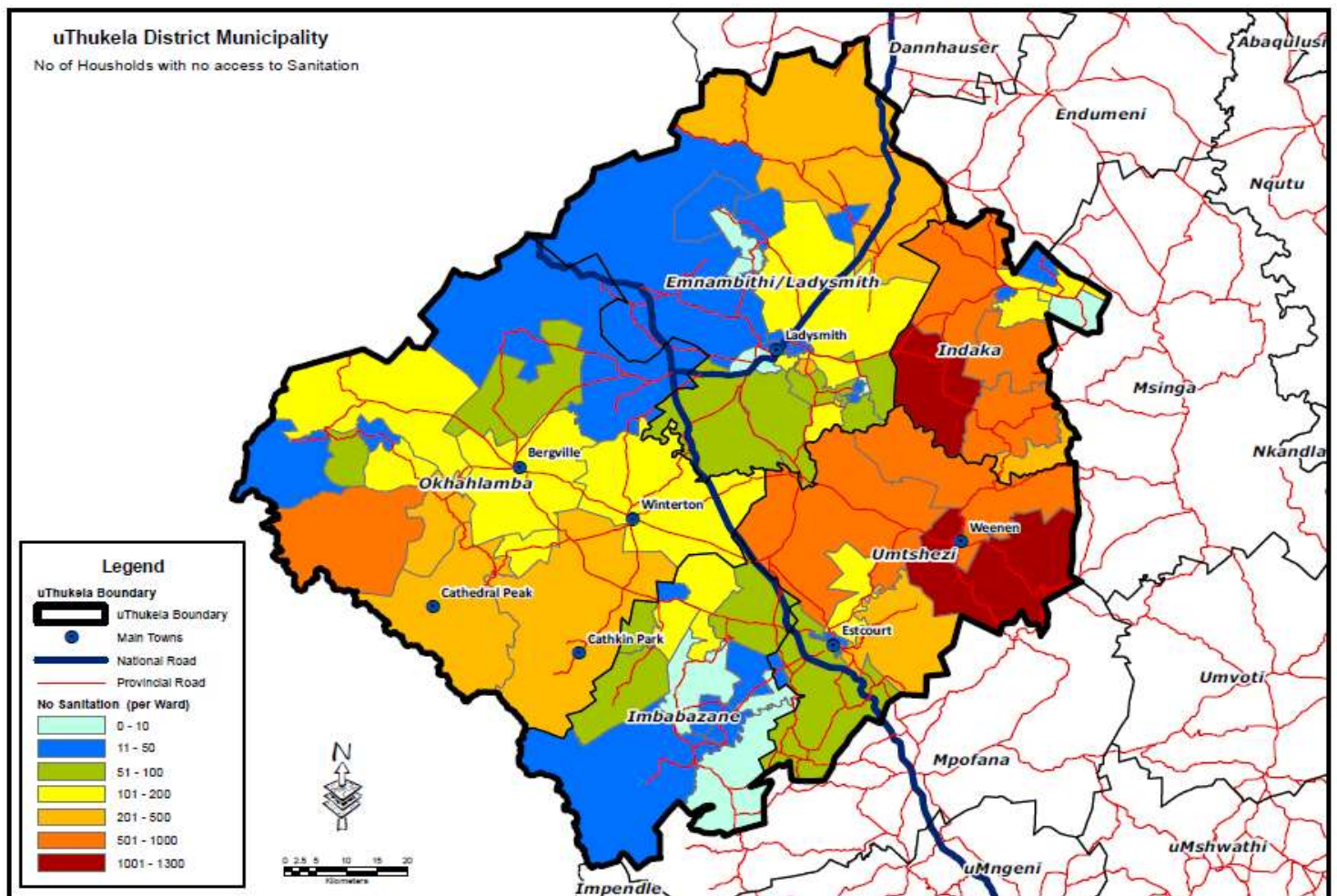


Table 17: Sanitation Backlog

Municipality	Total number of Households	Households with access sanitation	Households without access to appropriate sanitation	Percentage sanitation backlog
Emnambithi/Ladysmith	50 258	41 554	8 704	17.31%
Indaka	21 082	15 639	5 443	25.81%
uMtshezi	15 232	10 912	4 320	28.36%
Okhahlamba	28 508	22 073	6 435	22.57%
Imbabazane	24 558	17 553	7005	28.52%
uThukela	<b>139 638</b>	<b>107 731</b>	<b>31 907</b>	<b>22.85%</b>

Source: AB Projects June 2011

#### 3.4.1.12 SANITATION NEEDS AND PRIORITIES

Concerning sanitation needs, uThukela district municipality will spend most of its resources in areas such as Mhlumayo and Weenen. Each one of these areas has 1001 – 1300 households that lack access to sanitation facilities. The other areas that experience a level of hardship are Sahlumbe, Frere & Cornfield and Injisuthi Area. These areas have between 501 – 1000 households without sanitation.

#### 3.4.1.13 COORDINATION OF WATER AND SANITATION BETWEEN DEPARTMENTS

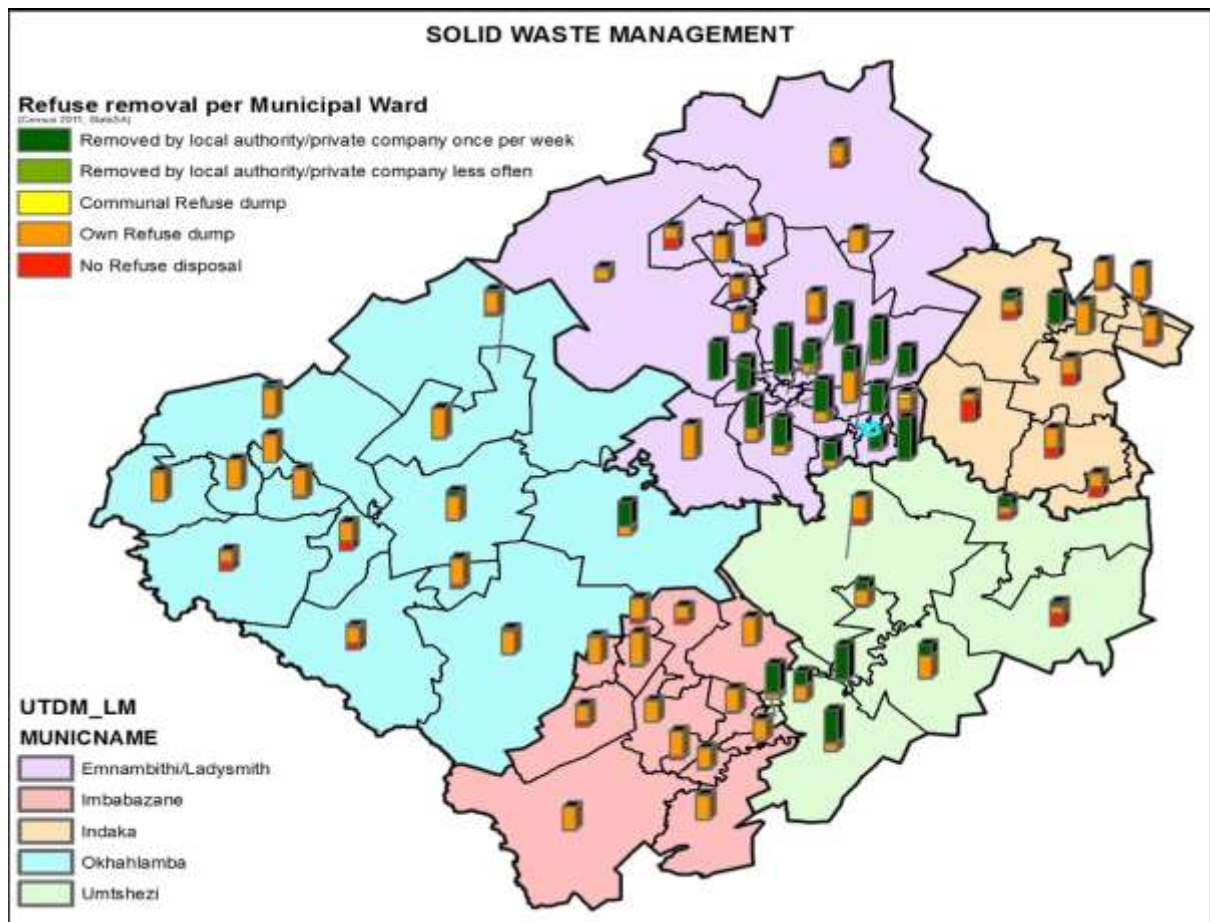
Water and sanitation is coordinated by Department of Water Affairs (DWA), Department of Human Settlements and uThukela district municipality

### 3.4.2 SOLID WASTE MANAGEMENT

#### 3.4.2.1 STATUS OF SOLID WASTE

Access to refuse removal remains a problem in the district, particularly in Imbabazane and Umtshezi. There is however a decrease of households utilizing community and own dumps, as well as households receiving a service from the municipality, other than on a weekly basis. Refuse collection therefore remains a serious environmental health issue. The district municipality has finalized the Integrated Waste Management Plan and is providing strategies in addressing the backlogs in refuse collection, both at district and local level. Less capacitated local municipalities should however start to initiate a

community based refuse collection service in order to address this challenge. The municipality is also implementing the free basic solid waste for the indigent. The map and diagrams below shows the status of solid waste management in uThukela.



Source: 2011 statistics South Africa



Table 18: Refuse Removal Frequency

	Emnambithi	Indaka	Umtshezi	Okhahlamba	Imbabazane
Removed by local authority once a week	33,715	2,683	9,681	2,549	193
Private company less often	378	124	212	318	272
Communal refuse dump	545	256	201	510	429
Own refuse dump	18,993	11,887	6,681	20,766	19,361
No rubbish disposal	3,936	4,980	1,963	3,100	1,798
Other	491	105	515	333	312
<b>Total</b>	<b>58,058</b>	<b>20,035</b>	<b>19,252</b>	<b>27,576</b>	<b>22,365</b>

Source: 2011 statistics South Africa

Table 19: Existing Waste Management Systems and Practices

VARIABLE	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI	
Collection Services	Yes	No	Yes	Yes	Yes	
Cleansing Services	Yes	No	Yes	Yes	Yes	
Transport of Waste	Yes	No	Yes	Yes	Yes	
Waste Minimization	No	No	No	No	No	
Recycling Systems	No	No	No	No	No	
Waste Disposal	Yes	No	Yes	Yes	Yes	

Source: 2011 statistics South Africa

Table 20: Waste Treatment Facility

DESCRIPTION	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI
Geographic Location	None	None	None	Cathkin Park	None
Type of Treatment	None	None	None	Incineration	None
Year of Construction	None	None	None	2001	None
Capacity	None	None	None	NR	
Throughput	None	None	None	NR	
Hours of Operation	None	None	None	8	None
Input & Output Chart	None	None	None	None	None
Residue Characteristics	None	None	None	Ash	None
Environ Monitoring Program	None	None	None	Monthly	None
Environmental Impact	None	None	None	None	None
Permit Certificate	None	None	None	None	None

Source: 2011 statistics South Africa

### 3.4.2.2 INTEGRATED WASTE MANAGEMENT PLAN (IWMP)

The uThukela district municipality has developed and adopted the IWMP on *the 5<sup>th</sup> June 2015*. The plan focuses on two main categories describe the waste that is generated within uThukela district municipality namely:

- ⇒ General waste: This is waste that does not pose an immediate threat to humans or the environment (like household waste, building rubble, garden waste and certain dry industrial and business waste);
- ⇒ Hazardous waste: Means waste that is associated with chemical reactivity or toxic, explosive, corrosive or other characteristics, which cause or are likely to cause danger to health or the environment whether alone or in contact with other waste. Medical waste, which is quite prevalent in the area, falls under this category.

Waste management practices within uThukela district municipality need more attention to conform to the National Integrated Pollution and Waste Management Strategy. The municipality is also investigating the District Waste Disposal Site. The table below shows the existing waste management systems and practice and the waste treatment facility.

#### Existing waste management systems and practice

VARIABLE	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI
Collection Services	Yes	No	Yes	Yes	Yes
Cleansing Services	Yes	No	Yes	Yes	Yes
Transport of Waste	Yes	No	Yes	Yes	Yes
Transfer of Waste	No	No	No	No	Yes
Waste Minimisation	No	No	No	No	No

<b>Recycling Systems</b>	No	No	No	No	No
<b>Waste Disposal</b>	Yes	No	Yes	Yes	Yes

### Waste treatment facility

DESCRIPTION	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI
<b>Name</b>	None	None	None	Bergville	None
<b>Geographic Location</b>	None	None	None	Cathkin Park	None
<b>Type of Treatment</b>	None	None	None	Incineration	None
<b>Year of Construction</b>	None	None	None	2001	None
<b>Capacity</b>	None	None	None	NR	None
<b>Throughput</b>	None	None	None	NR	None
<b>Hours of Operation</b>	None	None	None	8	None
<b>Input &amp; Output Chart</b>	None	None	None	None	None

<b>Residue Characteristics</b>	None	None	None	Ash	None
<b>Enviro Monitoring Programme</b>	None	None	None	Monthly	None
<b>Environmental Impact</b>	None	None	None	None	None
<b>Permit Certificate</b>	None	None	None	None	None

### 3.4.2.3 LAND FILL SITES

The following table shows the landfill sites in the district.

**Table 21: Landfill Sites within the District**

DESCRIPTION	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI
<b>Name</b>	Acaciavale	None	Ekuvukeni	Bergville	Umtshezi
<b>Geographic Location</b>	Acaciavale	None		R74 Bergville	Beacon Hill near R103
<b>Area Covered</b>	Ladysmith, Steadville & Zakheni	None	Ekuvukeni T/ship	Bergville & Winterton	Escourt & Weenen
<b>Year of Construction</b>	1995	None		1975	1993
<b>Resources Available</b>	Compactor	None	None, Ransacked	Incinerator	Guard house, shed, jojo water tank, compactor, leachate dam,
<b>Permit Certificate</b>	B33/2/2020/p163	None	None	None	B33/2/2020/15 pP76
<b>Type and Quantities</b>	Household, Business & Industrial 44 640 tons	None	Household, 66 tons	Household & Business, 117 tons	Household, Business & Industrial 581 tons
<b>Description of Neighboring Area</b>	Residential	None	Residential & Rural	Residential, River	Informal Settlement

<b>Signposting &amp; Road Access</b>	Yes	None	Yes	Poor & Accessible	Yes
<b>Type of Site</b>	General	None	General	General	General
<b>Access Control</b>	No	None	No	Yes	24 Hour Security
<b>Collection of Disposal Tariffs</b>	Yes	None	Yes	Yes	Yes
<b>Landfill Operation</b>	Compacting & Cover	None	None, just throw staff	Cover	Compacting & Cover
<b>Method of Landfilling</b>	Trench System	None	Trench System	Trench System	Trench System
<b>Co-disposal</b>	Solid Waste Only	None	Solid Waste Only	Solid Waste Only	None
<b>Health Care Waste</b>	None	None	None	None	None
<b>Excavation for Cover</b>	Yes	None	Yes	No	Yes
<b>Drainage</b>	Yes, cut off drains around site	None	None	Not Required	Yes, cut off drains around site
<b>Control of Nuisances</b>	Daily Covering	None	None	Daily Covering	Daily Covering
<b>Salvaging Activities</b>	Prohibited	None	Prohibited	Prohibited	Prohibited
<b>Waste Reclamation</b>	Prohibited	None	None	Prohibited	Prohibited
<b>Leachate &amp; Waste Management</b>	Random Checks	None	None	Not Checked	Random Checks
<b>Rehabilitation</b>	Ongoing	None	None	Ongoing	Ongoing
<b>Final Cover</b>	Ongoing	None	None	Ongoing	Ongoing
<b>Public Participation</b>		None	No		Yes
<b>Plans for Extending/Closing</b>		None	Extension	Closing	No, 10 years left
<b>Environmental Monitoring</b>	Yes, Random	None	None	Yes	Yes, Random

Source: 2011 statistics South Africa

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#### 3.4.2.4 SYSTEM THAT DIVERT WASTE FROM THE LANDFILLS FOR RECYCLING

In the uThukela family of municipalities, there are two municipalities that have system of diverting waste from the landfill, which is Emnambithi/Ladysmith, and Umtshezi local municipalities.

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### 3.4.3 TRANSPORTATION INFRASTRUCTURE

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#### 3.4.3.1 ROAD NETWORK

The road hierarchy within the municipal area can be divided in three major categories that can be classified as:

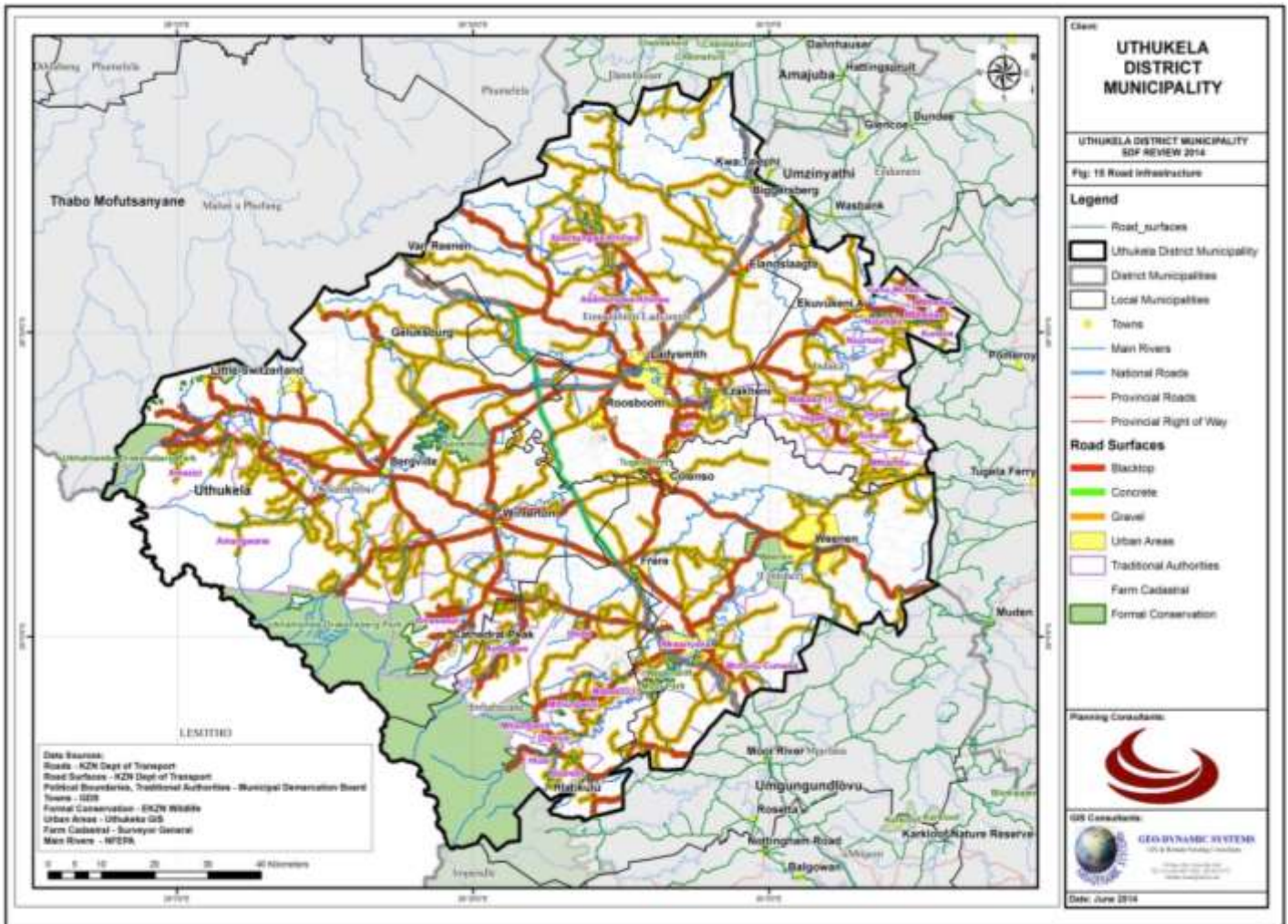
- National roads;
- Provincial roads; and
- District and local roads.

The primary routes include the national routes that exist within the area and few strategic provincial routes. The secondary and tertiary routes are mainly the provincial and district roads that exist within the area. The general quality of these routes is good with exception of the local access routes within the rural areas.

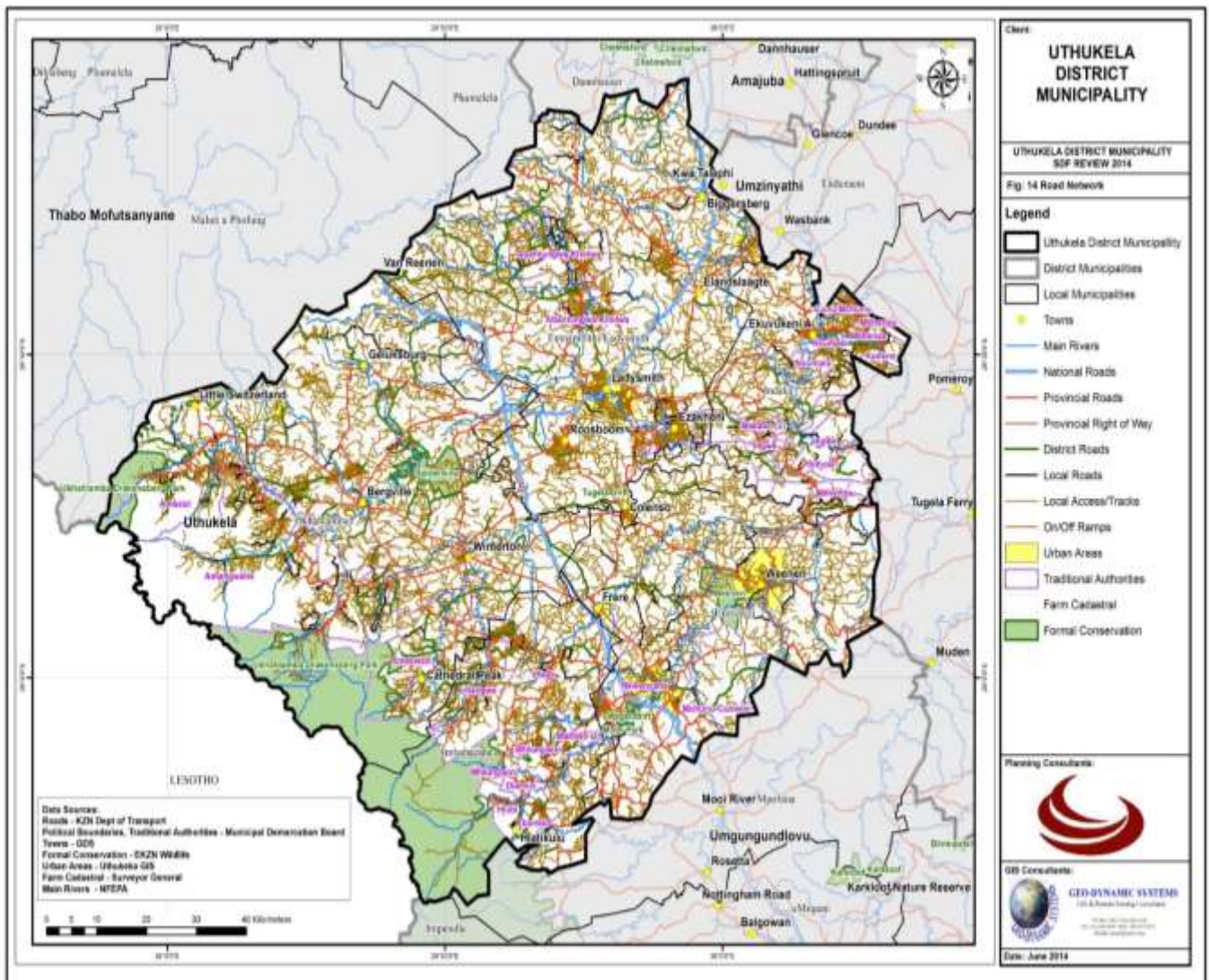
uThukela district is mainly served by an East-West and North-South corridor. These corridors are the N11 national route that connects the N3 with Mpumalanga Province coal mining areas and the N3 that forms an East-West link, which connects two of the country's most economically active metropolitan areas namely Gauteng and Durban in KwaZulu Natal. The N3 also serves a major urban community namely Pietermaritzburg.

The national and provincial main roads are mainly surfaced whilst the majority of district and community access roads are not. Most community access unsurfaced roads are not constructed to proper geometric design standards due to the rough terrain and limited funding available. Several of these access roads are used by public transport vehicles, resulting in high maintenance cost of vehicles and unsafe travel conditions for passengers. Of all roads in the uThukela district area 1 410km are surfaced roads and 1 320km are un-surfaced or gravel roads. The majority of the surfaced roads can be found in Emnambithi/Ladysmith municipality. The following maps shows the roads infrastructure and road network in the district.

ROAD INFRASTRUCTURE



## ROAD NETWORKS



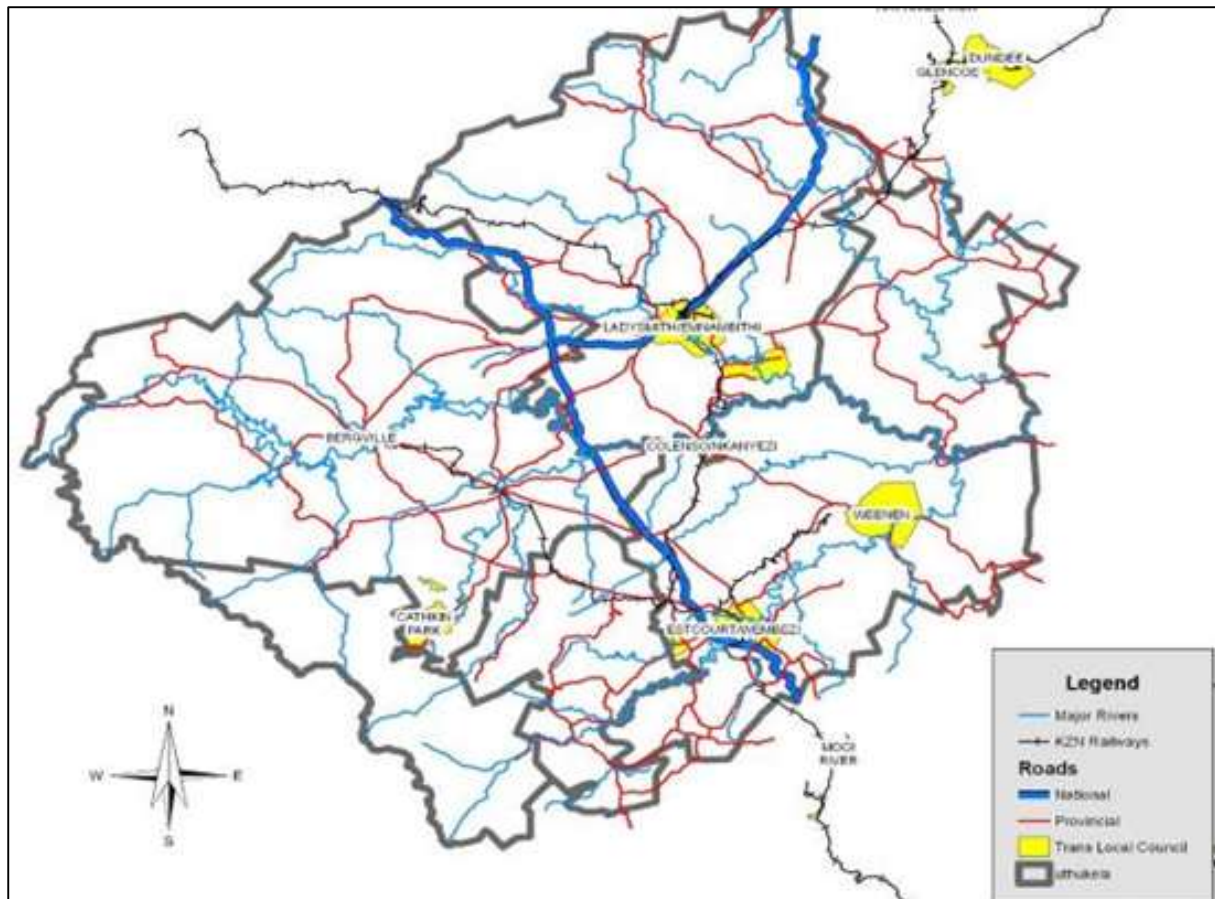
### 3.4.3.2 RAILWAY LINE

Although the district municipality has one of the best industrially orientated rail systems, currently all rail facilities in the municipality are under-utilised, with approximately 55 trains running through Ladysmith station on a daily basis. Rail passenger services are limited to between 3 - 4 trains operating between Durban and Johannesburg 3 days a week. As a result, increased reliance by industry on road transport has placed increased pressure on the road network. The three-way rail junction run along the N11 and the Ladysmith station is located close to the CBD. Few railway tracks serve to connect the towns of Bergville, Winterton, Weenen and Van Reenen with the main stations located within Estcourt and Ladysmith. However, the decline in the usage of commodity rail caused this infrastructure to remain redundant and the infrastructure has now been worn out of the railway line from Ladysmith



to Bergville crossing R74 Provincial Road). There are two main functional railway stations within UThukela District Municipality. These are located within the towns of Ladysmith and Estcourt. This infrastructure will continue playing a critical role when the railway operations are revamped. The map below indicates the road and rail critical infrastructure in the uThukela district.

Figure 8: Road and Rail Critical Linkages



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### 3.4.3.3 RAILWAY STATIONS



There are two main functional railway stations within UThukela District Municipality. These are located within the towns of Ladysmith and Estcourt. This infrastructure will continue playing a critical role when the railway operations are revamped. The railway stations in other localities of UThukela District Municipality require serious attention. In fact, most of the infrastructure is currently at the state of disrepair.

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### 3.4.3.4 MUNICIPAL ROADS AND MAINTENANCE PLAN

uThukela District Municipality has complied with the National Land Transport Transition Act (NLTTA), act 22 of 2000 that requires that the district and local municipalities must compile a public transport plan (PTP). The plan is a 5 year plan that is reviewed annually. This plan was prepared in conjunction with the local municipalities. It was also aligned with the IDP. In the plan there are number of identified projects that require implementation over the period of 5 years. Additional projects were identified for implementation after 5-year period. The municipality is negotiating with the KZN Department of Transport to assist the municipality with funding for the review of the Public Transport Plan and to prepare the Integrated Transport Plan (ITP) as per the requirement of the National Land Transport Transition Act (Act No.26 of 2006).

UThukela District Municipality is currently gathering information relating to road classes, traffic studies and road inventory information through Rural Road Asset Management (RRAMS) as funded by Department of Transport.

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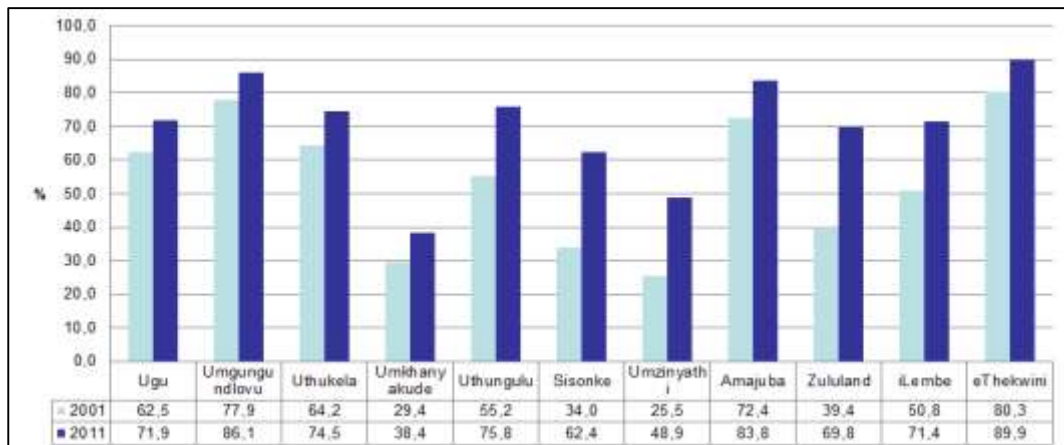
### 3.4.3.5 AIRPORTS AND LANDING STRIPS

There is a small aerodrome located at the intersection of the N11 and R103. The aerodrome is poorly developed, and the area does not generate sufficient air traffic. The nearest airport is in Pietermaritzburg approximately 150km from Ladysmith.

### 3.4.3.6 STATUS OF ELECTRICITY SUPPLY

According to 2011 Census, the number of households with electricity in uThukela district municipality is sitting at 74.5%. The trend is that the number of people with electricity is increasing in the municipality. In 2001, the percentage number with access to electricity was 64.2%. The figure below shows the electricity provision at the provincial level

**Figure 9: Electricity Provision**



**Source: Statistics South Africa 2011**

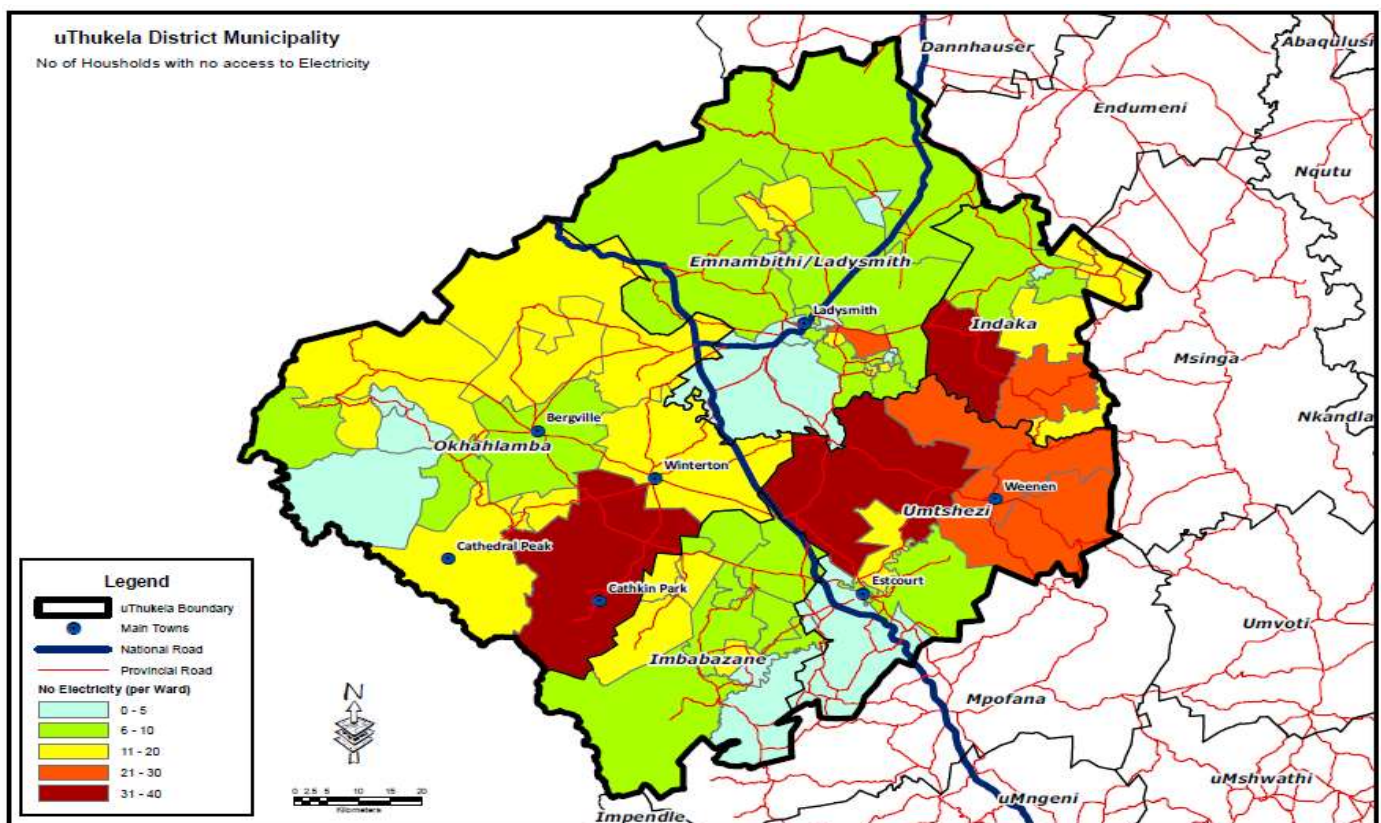
The current reticulation network in UThukela District Municipal area as indicated in the Map (insert) shows areas already electrified and the location within the district of the bulk electricity infrastructure. It is no surprise that the bulk electricity infrastructure is concentrated in areas that have the highest population densities in areas such as Towns and Townships has a relatively high population size and economy in the UThukela District and as such has more areas that would require bulk electricity infrastructure. There are 36 sub-stations located within UThukela District. Most of these are found within Emnambithi/ Ladysmith Municipality.

There are also a number of HV and MV cables that originate from these substations that distribute electricity within different parts of the municipal area. This is further supported by the MV stations. The existing sub-stations are nearing capacity and needs to be upgraded. Eskom has made plans to address this situation. This includes the development of two major sub-stations in Braamhoek and Driefontein (Mathondwane). Each of these sub-stations has a capacity of 22kv and costs approximately R8 billion.

Although major strides have been made concerning extending access to energy, however universal access to electricity services has not been achieved. According to the 2011 Census Data the areas that lack access to electricity the most are as follows:

- Mhlumayo and Sahlumbe;
- Frere and Cornsfield; and
- Cathkin Park.

These areas have between 31 – 40 households that do not have access to electricity.



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### 3.4.4 STATUS OF COMMUNITY FACILITIES

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#### 3.4.4.1 EDUCATION

There are 445 public schools and 15 independent schools in uThukela District Municipality. The primary and high schools are adequate in the District and institutions for higher learning are not available. Only one Further Education and Training College that is based in Ladysmith Town is offering education and training to prospective students in the district.

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#### 3.4.4.2 HEALTH

UThukela District Municipality has 4 Hospitals, 37 Primary Health Care Clinics and 12 Mobile Clinics. The challenge that is facing the District is that not all clinics open 7 days a week as some open 5 days a week only. Emergency Medical and Rescue Services are provided in the District; however, Ambulance Services are inadequate to provide an equitable and satisfactory service to all the communities within the District. HIV/AIDS, TB and Children not gaining weight are the leading problematic diseases affecting the majority of uThukela communities.

Poverty is a major factor that predisposes the people of uThukela District to the aforementioned diseases. The reality is that uThukela District does not have sufficient Health Services. The deployment of Health Workers is making a difference especially in rural areas but it needs to be strengthening by deploying more Community Workers.

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#### 3.4.4.3 POLICE STATIONS

There are fifteen police stations, which are located within Emnambithi/ Ladysmith (5), Umtshezi (3), Okhahlamba (4), Indaka (1) and Imbabazane (2). Although these facilities are servicing the entire district municipal area most of these facilities are located within the urban centres of different municipalities, which is sometimes inefficient for the remote rural settlements.

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#### 3.4.4.4 SPORTS FACILITIES

UThukela does not appear to be well provided with sports and recreational facilities. The sport facilities are mainly found within the urban centres i.e. Ladysmith, Estcourt and Bergville Towns. A need exists to ensure that these facilities are rolled out within the rural areas.

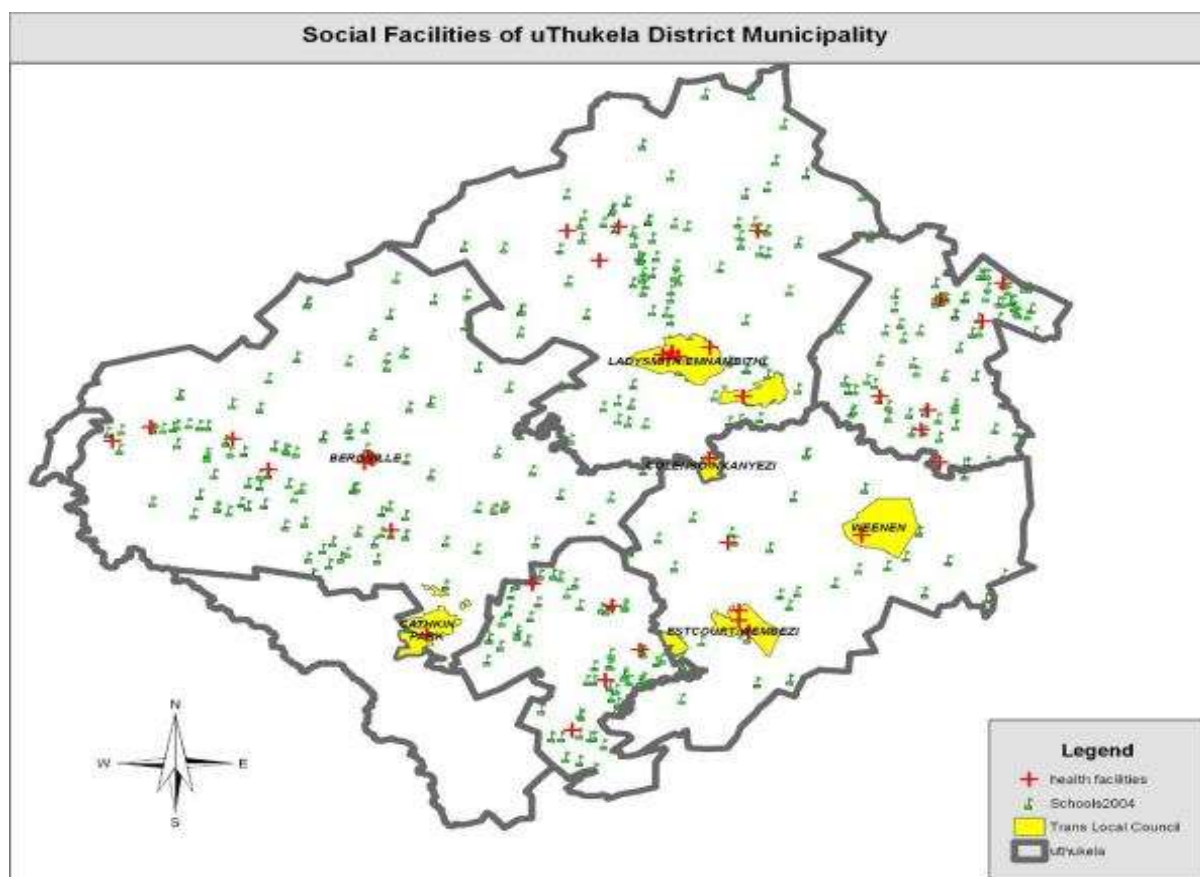
### 3.4.4.5 PUBLIC TRANSPORT FACILITIES

There are 31 minibus taxi ranks in the uThukela District Municipality area. A total of 25 ranks provide commuter services only, while the remaining six provide both commuter and long distance services. Only ten of the 31 minibus-taxi ranks in uThukela are formal ranks, with 22 being located off-street of which nine ranks have any type of all-weather surfacing. Some of the projects that were prioritized in the Public Transport Plan (PTP) are completed and a total amount of R30 million is required to complete all the identified projects. The status and ownership of the Minibus-taxi facilities is shown in the Table below:

Facility Name	Code	Status	Type	Ownership	On/Off Street	Paving
Alexander Street Taxi Rank	K234TT01	Formal	Taxi Rank	Municipal	Off-Street	Yes
Connor Street Taxi Rank	K234TT02	Formal	Taxi Rank	Municipal	Off-Street	Yes
Weenen Taxi Rank	K234TT03	Formal	Taxi Rank	Municipal	Off-Street	Yes
Hlathikhulu Taxi Rank	K236TT04	Formal	Taxi Rank	Municipal	Off-Street	Yes
Bergville Taxi Rank	K235TT05	Informal	Taxi Rank	Municipal	Off-Street	Yes
Emmaus Taxi Rank	K235TT06	Formal	Taxi Rank	Municipal	Off-Street	Yes
Lylle Street (Municipal) Taxi Rank	K232TT07	Formal	Taxi Rank	Municipal	Off-Street	Yes
Lylle Street (Private) Taxi Rank	K232TT08	Informal	Taxi Rank	Private	Off-Street	Yes
Illing Street Bus & Taxi Rank	K232PT09	Formal Informal	Bus Terminus Taxi Rank	Municipal	Off-Street	Yes
Driefontein Taxi Rank	K232TT10	Formal	Taxi Rank	Municipal	Off-Street	Yes
Ezakheni Taxi Rank	K232TT11	Informal	Taxi Rank	Municipal	Off-Street	Yes
Complex of Limehill (Uitval) Taxi Rank	K233TT12	Formal	Taxi Rank	Municipal	Off-Street	Yes

As evident from the table, above all these facilities are paved and in a relatively good condition which is creditable. The map shows the social facilities in the uThukela district.

## SOCIAL FACILITIES



### 3.4.5 HUMAN SETTLEMENTS

The uThukela family of municipalities with the assistance from the department of Human Settlements has developed and adopted their Housing sector plans. The plans provide an analysis of the housing situation within the district and outlines strategies to address the backlog and the associated housing problems. It clearly indicates the growth of the urban core and the need to accommodate the ever-increasing demand for housing. The result of the influx is informal settlements or back-yard shacks. However, some of these plans need to be updated to provide appropriate guidance towards the development of sustainable urban human settlements.

#### STATUS OF MUNICIPAL HOUSING SECTOR PLANS

NAME OF THE MUNICIPALITY	STATUS
Umtshezi L M	Reviewed and adopted by Council
Indaka LM	In the process of being reviewed
Imbabazane LM	Reviewed and adopted by Council
Okhahlamba LM	Reviewed and adopted by Council
Emnambithi /Ladysmith LM	Reviewed and adopted by Council

### 3.4.5.1 MECHANISM FOR COORDINATION OF HOUSING PROJECTS

Monthly housing forums, IDP forums alignments of projects with other sector departments and stake holders.

### 3.4.5.2 COMMITTED FUNDING FOR HOUSING PROJECTS

The housing projects have been prioritized in the Human Settlement departmental three-year business plan. ***The list of planned and current housing projects are listed clearly per local municipality in 6.2 of this document under the Sector Involvement.***

2015/2016 financial year	12 million
2016/2017 financial year	40 million
2017/2018 financial year	16 million

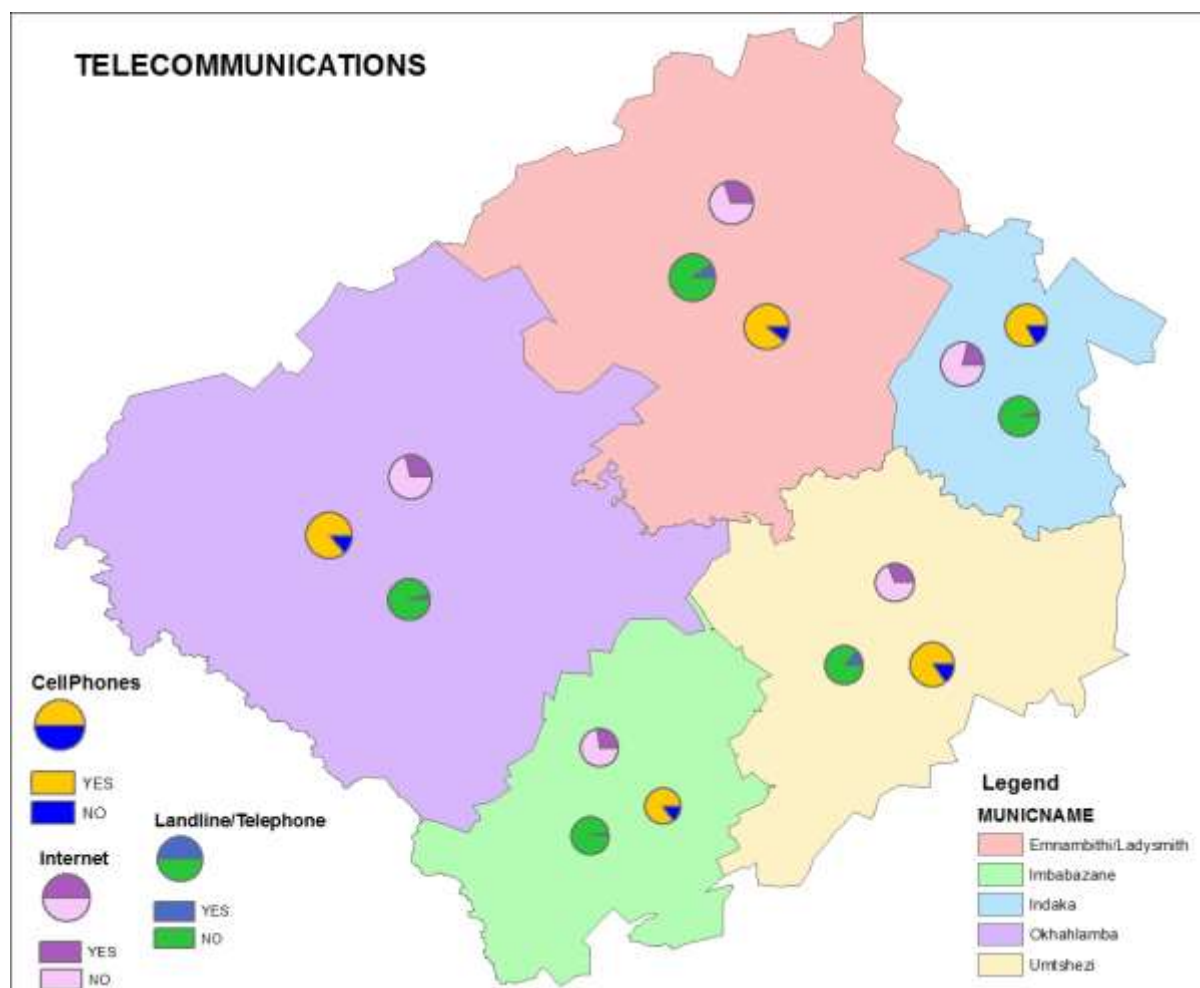
### 3.4.5.3 TELECOMMUNICATIONS

It is important to note that nearly 85% of households in uThukela have a cell phone. This may be a quick and effective way to directly communicate with households e.g. for giving notice of public meetings etc. The number of households who have access to landline is dropping drastically due the availability of cell phones. Access to internet is still a challenge in our district, only 28, 66% of households who have access to internet. The table and the map below depicts the status of telecommunications in uThukela and its family of municipalities.

Local Municipality	Households		Landline/Telephone		Cellphone		Access to Internet	
			Yes %	No %	Yes %	No %	Yes %	No %
Emnambithi/Ladysmith	58 058	39,42	3,99	35,43	35,09	4,33	12,23	27,19
Indaka	20 035	13,6	0,52	13,09	11,22	2,38	2,83	10,78
Umtshezi	19 252	13,07	1,78	11,29	11,13	1,94	4,06	9,01
Okhahlamba	27 576	18,72	0,69	18,03	16,25	2,48	5,37	13,36
Imbabazane	22 365	15,18	0,46	14,73	12,94	2,25	4,18	11,01
<b><i>Uthukela District Municipality</i></b>	<b><i>147 286</i></b>	<b><i>100</i></b>	<b><i>7,44</i></b>	<b><i>92,56</i></b>	<b><i>86,63</i></b>	<b><i>13,37</i></b>	<b><i>28,66</i></b>	<b><i>71,34</i></b>

Source: Statistics South Africa 2011





### 3.4.6 SERVICE DELIVERY & INFRASTRUCTURE SWOT ANALYSIS

Strengths	Opportunities
<ul style="list-style-type: none"> <li>Well-planned, coordinated and developed infrastructure projects;</li> <li>Availability of Bulk infrastructure and services in urban areas to support district economy;</li> <li>Availability of expertise to implement projects</li> </ul>	<ul style="list-style-type: none"> <li>Availability of Grants funding to financially support delivery of infrastructure;</li> <li>Public private partnerships;</li> <li>Existence of Intergovernmental relation</li> </ul>
Weaknesses	Threats
<ul style="list-style-type: none"> <li>Shortage of staff;</li> <li>High staff turn-over;</li> <li>Poor infrastructure maintenance strategies;</li> <li>High level of water loses;</li> <li>Ageing infrastructure which causes non-sustainability of services provision</li> </ul>	<ul style="list-style-type: none"> <li>Increasing rate of illegal connections to water supply infrastructure;</li> <li>High rate of infrastructure vandalism;</li> <li>Prolonged turnaround time Eskom when applied for new power connection;</li> <li>Industrial actions/ labour unrest during construction phase.</li> <li>Drought</li> </ul>

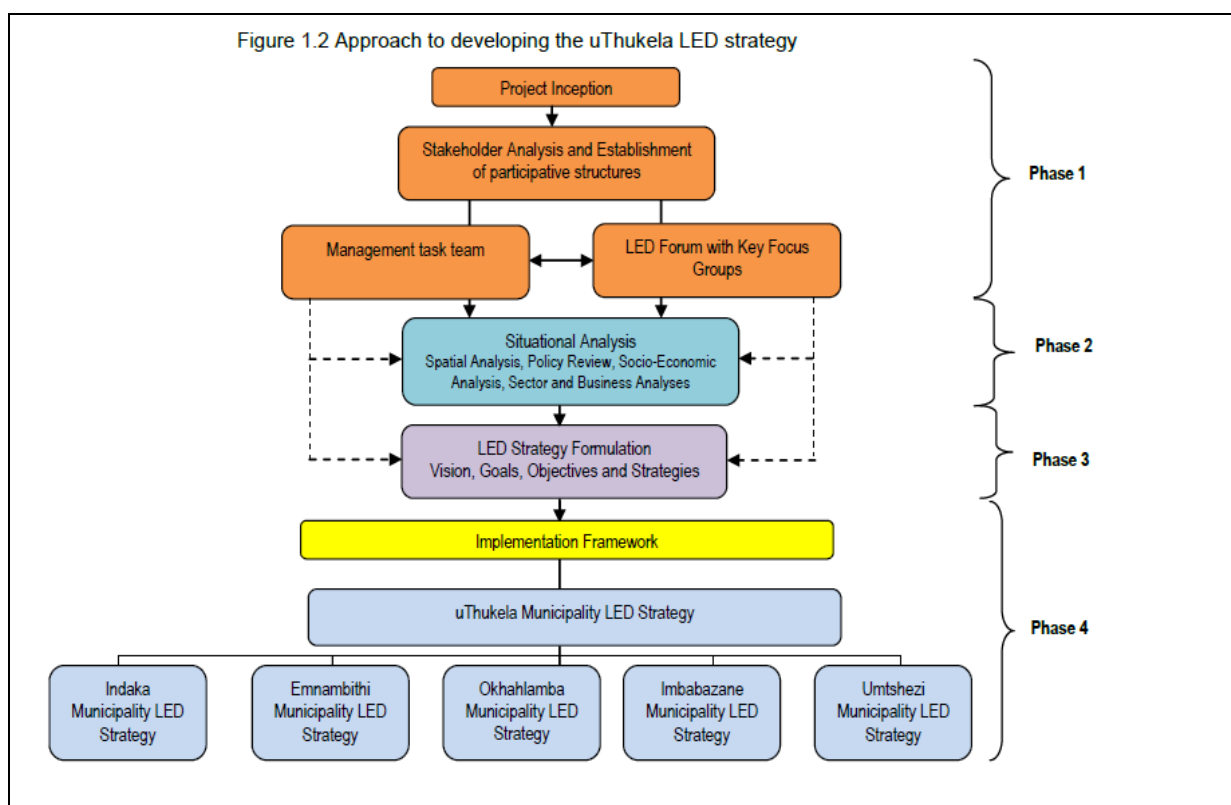
### 3.5 LOCAL ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT ANALYSIS

This section should be read in conjunction with the attached adopted LED Plan of the municipality. Local economic development (LED) in uThukela district municipality is seen as one of the most important ways of reducing poverty. UThukela's LED aim to create jobs by making the local economy grows. Local economic development focuses on the development of rural enterprise guided by the statistical population distribution of the district municipality. The 2011 Statistics indicate that 75% of the population of uThukela district municipality lives in rural areas. It is also responding to some of the Provincial Priorities, which is Rural Development, Food security, economic growth and agrarian reform.

#### 3.5.1 PROCESS FOLLOWED IN DEVELOPING THE LED STRATEGY

The purpose of the 2013 uThukela LED Strategy is to achieve economic growth and development. The LED strategy of uThukela was adopted in 2013 which simply means is still relevant since the lifespan of the LED strategy is three to eight years, which includes the annual implementation. This strategy was outsourced but with a strong participation from the stakeholders. It aims to bring about higher levels of economic activity in uThukela by placing a great emphasis on the role of the District Municipality in making this possible and in so doing, address those issues addressed by the GDS.

The process of formulating the uThukela LED Strategy reflects the bottom up approach adopted where the District LED is to build on the Local Municipal LED Strategy. **The approach in the development of the LED strategy was as follows:**



Source: uThukela LED strategy, 2013

### 3.5.1.1 STATUS OF THE LED STRATEGY

Council adopted the LED strategy in 2013. The uThukela District Municipality intends to review its strategy after the local government elections to be able to incorporate the newly established (merged) municipalities.

#### Comments from the MEC on LED section

During the 2014/15 financial Year IDP assessment, the comments from the MEC on LED was as follows:

*“Your IDP has attempted to include projects to implement projects leading to the realisation of the DGDP priorities, but these projects have no clear linkage with the DGDP. Programs are well articulated, but reflect limited financial commitment. I note that the municipality is also intending to review the LED Plan and it is advisable to use internal resources and with that, I suggest the revitalization of the District LED Forum in order to have improved stakeholder participation. The municipality’s LED capacity is well reflected in the IDP. Limited statistical*

*data was included in the document. I encourage your municipality to follow and use the Assessment Guideline during the future completion of the LED section”.*

In response to the MEC comments, the District Municipality acknowledged the comments. The municipality has resuscitated its LED and Tourism forum. The Terms of reference were developed and adopted by Council on the [REDACTED]. The forum meets once on quarterly. There is still a challenge with stakeholder participating especially from private sector. The District LED office was tasked to meet with the chambers to encourage their participation.

The report also attempted to align the District projects with the DGDP priorities. The District Municipality has budgeted Rxxxx towards the implementation of LED programme in 2016/17 financial year. It is envisaged that the budget will increase over the outer years. The statistical data used in the documents in dated 2013 and it will be improved during the review of the LED strategy in 2016/17 financial year.

### 3.5.2 LED CAPACITY

uThukela district municipality has established an LED unit that responds to the community needs and also respond to some of the Provincial priorities. The LED unit of uThukela district municipality consists of the Manager Planning and LED, LED and Tourism Specialist as well as LED officer. The purpose of LED is to create an enabling environment in which local people and institutions can make realistic and practical decisions to strengthen the local economy, create more jobs, promote new enterprises, including self-employment, and to improve the quality and prospects of life for all. Within this context, the priority of the LED Unit within uThukela district is to promote socio-economic development and to create opportunities for sustainable and inclusive employment and increased economic activity.

#### 3.5.2.1 ECONOMIC DEVELOPMENT NATIONAL, PROVINCIAL AND DISTRICT POLICIES

The 2013 uThukela LED strategy is also formulated within the context of the relevant national and provincial economically related policies and programmes, the LEDs of the five Local Municipalities as well as the sector specific strategies that have been formulated for this purpose. These are:

- Accelerated and Shared Growth Initiative for South Africa (ASGISA).
- Regional Industrial Development Strategy (RIDS).
- National Development Plan (NDP)
- National Framework for Local Economic Development in South Africa Provincial Growth and

- Development Strategy (PGDS).
- Provincial Spatial Economic Development Strategy (PSEDS).
- The DPLGs Toolkit for Economic Development.

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#### 3.5.2.2 THE NATIONAL DEVELOPMENT PLAN 2011

The National Development Plan (NDP) introduces the long-term vision for the future development of South Africa. As such, the National Planning Commission (NPC) has formulated a National Development Plan (NDP) - 'vision 2030' as a strategic plan to guide development at a national level over the short to medium term. The plan is based on a detailed diagnosis of issues facing the country and strategic engagement with all key sectors. It identifies unemployment, poverty and inequality as some of the key challenges facing South Africa, and outlines a number of strategic interventions to address these issues. It also identifies the need to activate rural economies through the stimulation of small-scale agriculture, tourism and mining investments (NDP 2011: 117).

The NDP set the 7 strategic goals which require all spheres of government to accordingly develop their action plan so as to address the national development plan challenges. The LED Strategy need to respond to goal number 1 being Job Creation. The plan such as the LED strategy needs to respond directly to the area specific issues, including the following strategic objectives:

- Unleash Agricultural Potential
- Enhance sectoral development through trade & investment
- Improve the efficiency of government led job creation programmes
- Promote SMME and entrepreneurial development
- Develop the knowledge base to enhance the knowledge economy

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#### 3.5.2.3 PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY

The Provincial Growth and Development strategy echoes the sentiments expressed in the National Development Plan and begin to provide key analytical points that identify **comparative economic advantage** that Provincial government seeks to harness through the strategy. The KwaZulu-Natal Province development vision is outlined in the recently introduced Provincial Growth and Development Strategy (PGDS 2011). The PGDS is a primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2030. It provides the province with a strategic framework for accelerated and shared economic growth through catalytic and developmental interventions, within a coherent equitable

spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments (PGDS, 2011).

Concomitant attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. The strategic goals and the associated vision and objectives are reflected in Figure 1 below:



Figure 1: PGDS Strategic Framework

#### 3.5.2.4 UTHUKELA DISTRICT MUNICIPALITY GROWTH & DEVELOPMENT PLAN

The District Growth Development Plan (DGDP) is not intended to be a comprehensive all-encompassing development plan for the district, but will rather focus on limited but strategic projects of high-impact, fast-track interventions that can act as catalysts for accelerated and shared growth. Therefore, the 5-Year Strategic Programme as outlined in the Integrated Development Plan and the associated sector plans, and the other district or municipal planning and service delivery instruments will continue alongside and align with the DGDP, which will serve as the long-term strategic plan for the district. The adopted uThukela

District Growth and Development Plan serve as a district translation and an implementation framework for the PDGP. The plan generally sets out to the following:

- Describe the desired outcome in respect of Local Economic Development Strategic Objective;
- Identify the Key Performance Indicators (KPI) in respect of LED Strategic Objective that will be used to measure progress and performance;
- Identify the Strategic Interventions in relation to LED Strategic Objectives that will be required to achieve the desired outcomes as expressed by the Vision by 2030;
- Identify Catalytic Projects that will receive priority attention and support, based on the potential and scale of these projects to fast track achieving DGDP Goals and Objectives;
- Establishing a District Wide platform for Monitoring, Evaluation;

### 3.5.3 UTHUKELA LED VISION

The Uthukela District Municipality LED vision is:

**“The development of a local economy characterised by sustained economic growth, adiversity of sectors and the development of firms, which is inclusive of all local residents through job creation, skill development and training, and poverty reduction, in both urban and rural areas”**

#### 3.5.3.1 LED STRATEGIC PROGRAMMES

The following strategies are proposed to realise the above uThukela vision:

- Manufacturing Development Strategies;
- Business Development Strategies;
- Agriculture and Rural Development Strategies;
- Tourism Development Strategies;
- Spatial Restructuring and Infrastructure Development Strategies;
- Training and Skill Development Strategies; and
- Poverty Reduction Strategies

The formulation of the LED Strategy was informed by a number of economic development proposals and the sub-sector visions, goals and pertinent interventions have been included within in this report. The below figure depicts the strategies to realise the vision as well as other related strategies that do not form part of the LED Strategy, but are critical. These include improving living conditions and supporting the development of more skilled and capable human capital.



### 3.5.3.2 ECONOMIC DEVELOPMENT PARTNERSHIPS

The challenges and demands of economic development at local level have highlighted the importance of partnerships involving role players such as the public sector, private sector, NGO's and CBO's. The public sector, through policy and investment in infrastructure, has a significant impact on creating the context and parameters for private sector investment. The challenge is to ensure that public sector investments create the confidence for the private sector to respond, particularly through partnership opportunities.

The following partnership arrangements in uThukela district municipality:

**Public Driven – Community Development Partnerships:** This approach is based on the public sector as primary driver of development with strong community development objectives. This model is specifically designed to manage urban regeneration programmes with an emphasis on redevelopment of lagging areas with a focus on targeted infrastructure investment to direct and drive development.



**Private Driven-Political Partnerships:** This approach is driven by private sector but mobilising community and political support to gain the necessary approvals.

**Public Driven-Private Response Partnerships:** This approach has been used in areas where the private sector has not been active in economic development and attempts are made to entice the private sector to participate.

**Public-Public Partnership:** Municipalities need to form partnerships with other municipalities and government departments in order to ensure that services are delivered concurrently, effective and efficiently.

**CBO/NGO Driven- Public Assisted Partnership Private Model:** This approach involves a community based organization (e.g. NPO or co-operative) taking primary responsibility for an economic development initiative with the public sector providing financial support, approvals and authorisations.

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### 3.5.3.3 BUILDING ECONOMIC DEVELOPMENT INSTITUTIONAL CAPACITY

CoGTA KZN undertook a benchmarking assessment of Local Economic Development (LED) maturity during 2012. An implementation plan contained the following recommendations for the uThukela District Municipality:

- Use the District's register of businesses to profile the potential private sector partners, and better structure and select the LED interventions.
- Fill the many LED vacancies as a matter of urgency, with suitably qualified and experienced individuals who can manage the implementation of the LED strategy.
- Consider revitalising the District LED Forum.
- Adapt the District's communication strategy to better target key stakeholders through specialised communications channels and approaches appropriate for the context.
- Creating a LED unit, which has the ability to carry out its mandate, through specific actions relating to budget allocation, and LED learning.
- Undertake regular implementation review and adjust the strategy implementation plans accordingly, using in-house capacity. This requires developing internal analytical and project management skills where this is lacking.

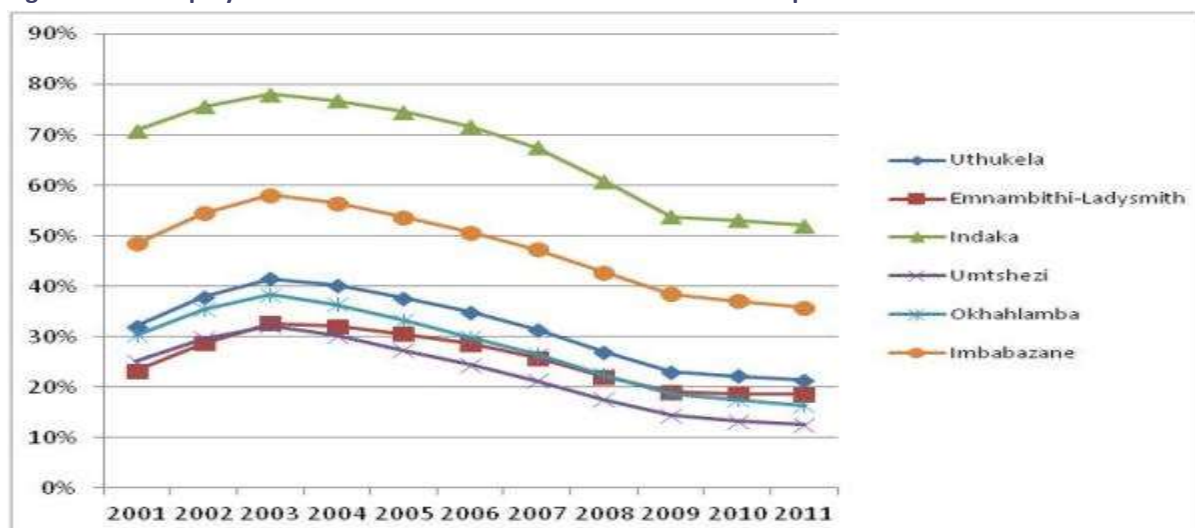
**NB:** *It must be noted that the above-mentioned recommendations were implemented by uThukela District Municipality in ensuring that the LED is taken seriously.*

### 3.5.4 LOCAL ECONOMIC DEVELOPMENT ANALYSIS

#### 3.5.4.1 EMPLOYMENT STATUS

The unemployment rate in the municipality decreased from 32% in 2001 to 22% in 2011. The level of unemployment in the district is similar to that of the province, which was 32% in 2001 and 22% in 2011. Indaka local municipality has the highest levels of unemployment with the rate being 52% in 2011, whilst the lowest unemployment rate in 2011 was in Umtshezi local municipality at 13%. The diagram presents the unemployment rate for the district and each of its local municipalities from 2001-2011.

Figure 10: Unemployment Levels in uThukela District & its Local Municipalities



Source: uThukela LED strategy, 2013

The number of people who are not economically active increased from 207 830 in 2001 to 268 503 in 2011 (29% increase), compared to an increase in employed people of 21%.

Table 22: Employment Levels in the District

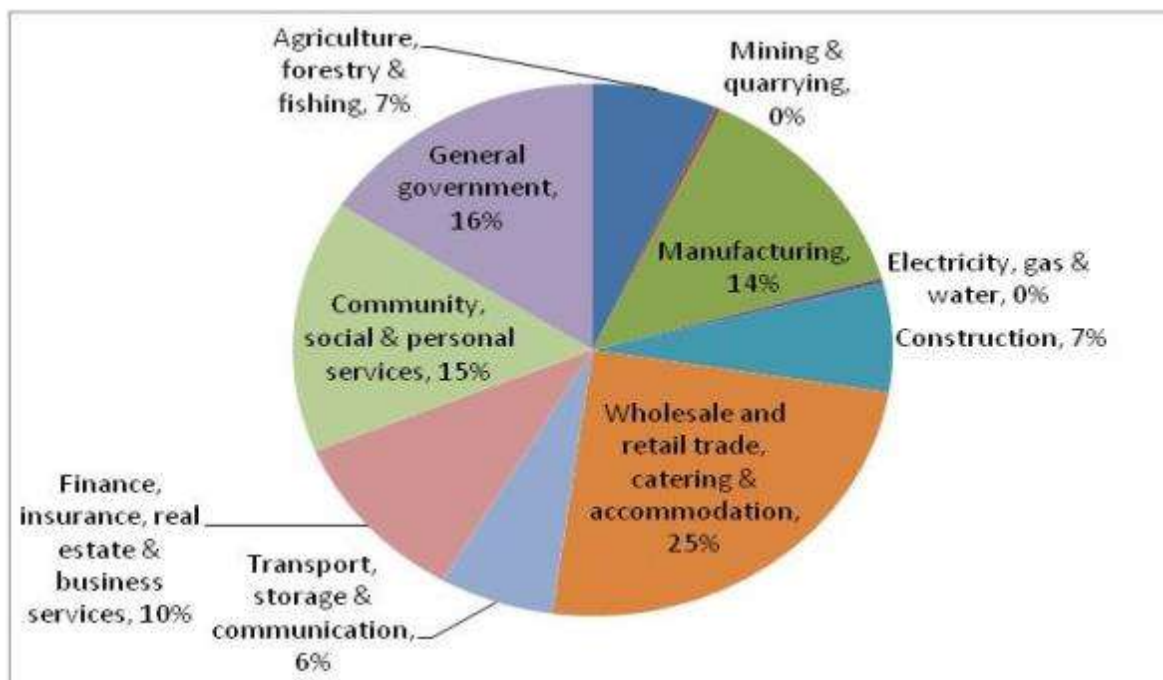
	Total population	Population - Working age	Total employed	Unemployed	Not economically active	Unemployment Rate	Labour Force Participation Rate
2001	644 246	351 530	97 545	46 155	207 830	32%	41%
2006	699 941	384 081	112 228	60 079	211 774	35%	45%
2011	750 913	418 990	118 190	32 297	268 503	22%	36%

Source: Statistics South Africa 2011

### 3.5.4.2 EMPLOYMENT BY SECTOR

The main source of employment within the district in 2011 was wholesale and retail trade, catering and accommodation at 25%. This was followed by government at 16% and community, social and personal services at 15%. Employment in the primary sector comprised around 7% of total employment in the district in 2011.

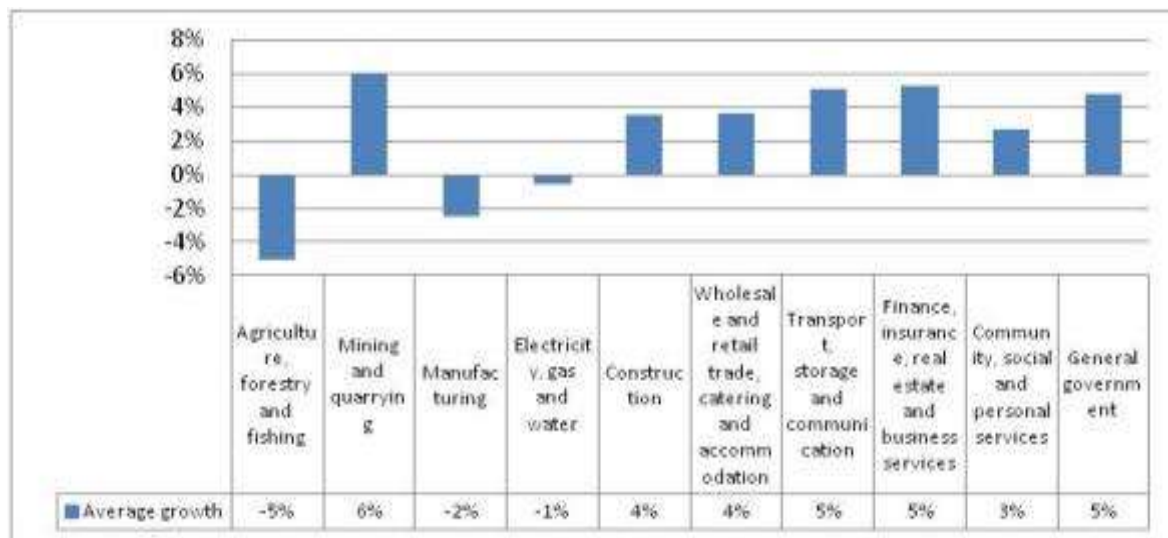
Figure 11: Employment per Sector



Source: Statistics South Africa 2011

From an employment growth perspective, the agriculture; manufacturing; and electricity, gas and water sectors showed an average decrease in employment of 5%, 2% and 1% respectively between 2001 and 2011. The biggest employment gains were in mining and quarrying (6% growth); finance, insurance, real estate and business services; transport, storage and communications; and general government (all 5% growth respectively).

Figure 12: Average Growth in Employment per Sector 2001 - 2011



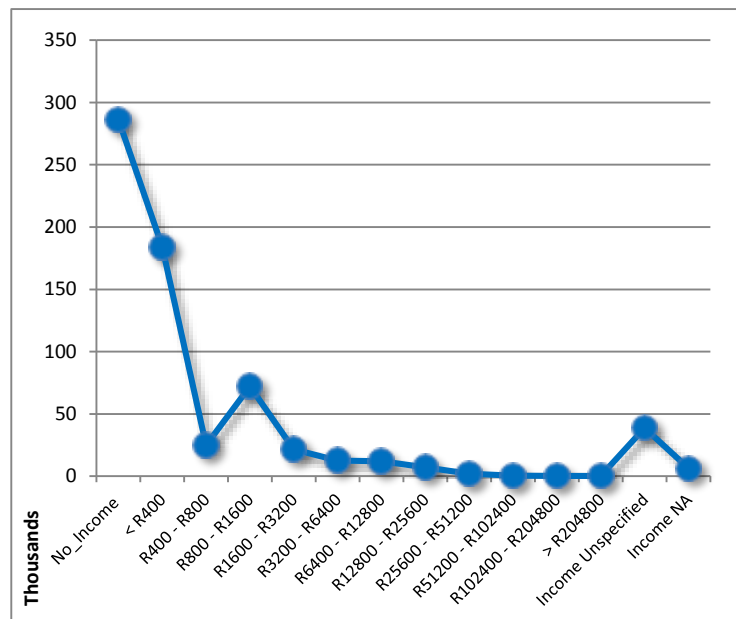
Source: Statistics South Africa 2011

### 3.5.5 INCOME LEVEL

#### 3.5.5.1 INDIVIDUAL INCOME

Approximately 286, 410 (i.e. 42.8%) of the population has no source of income and about 184, 170 (i.e. 27.5%) earn less than R400 per month which translate to almost 70.3% of the population leave below the poverty line. Approximately 2,894 of the population in uThukela earn over R25, 600 per month. These people work around Ladysmith, Estcourt, and Bergville in senior management and professional positions in government and private institutions. The diagram and table below illustrate.

INDIVIDUAL MONTHLY INCOME	
No Income	286410
< R400	184170
R400 - R800	24891
R800 - R1600	72182
R1600 - R3200	21541
R3200 - R6400	12597
R6400 - R12800	11936
R12800 - R25600	7149
R25600 - R51200	2022
R51200 - R102400	347
R102400 - R204800	273
> R204800	252
Income Unspecified	38808
Income NA	6247



Source: Statistics South Africa 2011

### 3.5.5.2 HOUSEHOLD INCOME

Household income can be used as a proxy for economic well-being of household and individuals, as it determines their consumption and savings potentials. Changes in the income by households is one of the direct indicator available that can be used to establish who benefits from economic development and by how much are the beneficiaries benefiting. Furthermore, data on household income can be used to inform poverty analysis.

In uThukela the R1-R4, 800 and R, 4801-R9600 household income categories have increased considerably throughout the years; this can be an indication of improvement in the socio-economic status of the households in the district. The number of households in the upper end income categories (i.e.R1 228 801-R 457 600) have decreased throughout the years.

The table below shows the households income of uThukela district municipality and KZN province in 2011.

INCOME CATEGORY 2011	KZN 2011	UTHUKELA 2011
No income	387,240	22,150
R 1 - R 4800	125,843	8,876
R 4801 - R 9600	217,220	17,024
R 9601 - R 19 600	494,870	32,817
R 19 601 - R 38 200	500,449	31,121
R 38 201 - R 76 400	300,450	15,365
R 76 401 - R 153 800	210,595	9,339
R 153 801 - R 307 600	158,363	6,174
R 307 601 - R 614 400	98,245	3,271
R 614 001 - R 1 228 800	30,829	638
R 1 228 801 - R 2 457 600	9,201	253
R 2 457 601 or more	6,017	254
Unspecified	107	3
<b>Grand Total</b>	<b>2,539,429</b>	<b>147,286</b>

*Source: Statistics South Africa 2011*

### 3.5.6 MAIN ECONOMIC CONTRIBUTORS

#### 3.5.6.1 GROSS VALUE ADDED (GVA) CONTRIBUTION

The total value of goods and services produced in uThukela in 2011 was R13.4 billion, contributing 5% to the provincial economy. The district's GVA contribution grew at an average of 6% per annum between 2001 and 2011, which is above the overall average for KZN of 4%. This is attributed to the high average growth in Okhahlamba, Indaka, Umtshezi and Imbabazane municipalities.

The table below shows the GVA contribution of KZN, uThukela and its local municipalities in 2001, 2006 and 2011.

**Table 23: GVA Contribution**

	2001	2006	2011	Average Annual Growth 2001-2011
KZN	194 419	239 894	277 530	4%
uThukela	7 294	10 110	13 472	6%
Emnambithi	3 993	4 892	5 624	4%
Indaka	244	378	580	9%
Umtshezi	1 206	1 888	2 779	9%
Okhahlamba	1 170	1 982	3 141	10%
Imbabazane	653	938	1 318	7%

**Source: Statistics South Africa 2011**

### 3.5.6.2 GVA CONTRIBUTION PER SECTOR

The table shows the GVA contribution per sector in constant prices for the district municipality from 2001-2011. The most significant sector in 2011 was manufacturing which contributed 21% to the district's total GVA. This was followed by wholesale and retail trade, catering and accommodation at 17%; and then finance, insurance, real estate and business services at 15%. The least important sector in terms of GVA in 2011 was mining and quarrying at 1%. From a growth perspective, construction grew at an average of 11% per annum between 2001 and 2011, followed by finance, insurance, real estate and business services at 10% per annum. The largest sector, manufacturing, grew at 4% per annum. Mining and quarrying showed a negative average growth rate over the period of 2% per annum.

**Table 24: GVA Contribution per Sector**

	2001	2006	2011	Average annual growth 2001-2011
Agriculture, forestry and fishing	425	619	946	8%
Mining and quarrying	90	75	76	-2%
Manufacturing	1 917	2 389	2 857	4%
Electricity, gas and water	333	378	402	2%
Construction	184	249	394	11%
Wholesale and retail trade, catering and accommodation	1 116	1 688	2 342	8%
Transport, storage and communication	806	1 326	1 873	9%
Finance, insurance, real estate and business services	833	1 433	2 069	10%
Community, social and personal services	475	617	730	4%
General government	1 116	1 334	1 784	5%

**Source: Statistics South Africa 2011**

### 3.5.6.3 AGRICULTURAL SECTOR

Agriculture contributed R946 million to the district economy in 2011 and employed 7 959 people. The sector had one of the highest average annual growth rates in terms of GVA at 8% for 2001 to 2011, although employment growth was negative at -5% per annum. The number of people employed in agriculture, forestry and fishing started decreasing in 2007, which is in line with provincial trends in the sector.

The sector contributed 7% to total GVA and employment within the municipality in 2011. The municipality's agricultural sector contributed 7% to total agricultural GVA of KZN in 2011, up from 4% in 2001. Employment in uThukela's agricultural sector as a proportion of total agricultural employment in KZN was 8% in 2011, also up from 4% in 2001. Commercial agriculture occupies a large portion of the municipal land area but subsistence farming is the dominant activity in the municipality.

Table 24 below shows the relative contribution of uThukela's agricultural sector in 2001, 2006 and 2011.

**Table 25: Contribution of Agriculture to the uThukela District's Economy**

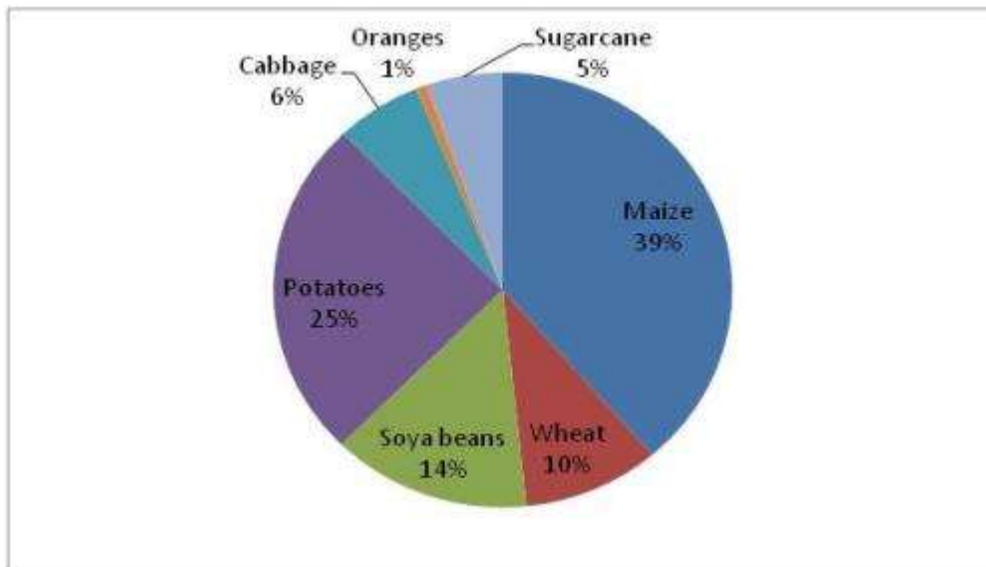
	2001	2006	2011
uThukela's agriculture, forestry and fishing GVA contribution (Rm)	425	619	946
Relative contribution to total GVA within uThukela	6%	6%	7%
Relative contribution to total GVA within KZN	4%	6%	7%
uThukela's agriculture, forestry and fishing employment contribution	13 772	16 305	7 959
Relative contribution to total employment within uThukela	14%	15%	7%
Relative contribution to total employment within KZN	4%	6%	8%

**Source: Department of Agriculture, 2014**

According to the 2007 Census of Agriculture, there was approximately 63 000 ha of area planted to crops in the district in 2007. The main crop planted was maize followed by potatoes, with the main areas for cropping being Estcourt and Bergville.



Figure 13: Crops Planted in uThukela District in 2012



Source: Dept. of Agriculture, 2012

In addition, there were 1 million chickens, 56 000 pigs, 47 000 cattle and 26 000 sheep in the district in 2012. Beef ranching dominates in Emnambithi local municipality, whilst chickens are the dominant activity in Umtshezi local municipality. The main area of sheep and pig farming is also in Umtshezi local municipality.

The challenges facing agriculture in the district are:

- ⇒ Traditional value systems hinder the ability of communal farmers to become more commercialized as the economic value of their livestock is not appreciated;
- ⇒ Poor herd quality in terms of cattle means that commercialization of cattle farming is limited;
- ⇒ Stock theft is a major problem in the district;
- ⇒ Failure of land reform to produce viable and sustainable farming operations;
- ⇒ Communally owned cattle represent a huge proportion of stock in the district and this asset needs to gear further investment in agriculture;
- ⇒ Whilst it is important to identify potential value adding opportunities, these must be done within the context of the broader economy and impacts on businesses elsewhere in the supply chain;
- ⇒ There is a need to make people directly responsible for their farming activities and their own success;
- ⇒ Make use of existing knowledge systems within communities to make agriculture a success;
- ⇒ There is a need to develop incentives and tax breaks to support investment in the industry;

- ⇒ There is a need to improve perceptions of the agricultural industry so that it is appealing to the younger generation;
- ⇒ Farmers in the region are concerned about the threat of land claims and land grabs;
- ⇒ There has been a steady decline over time in the number of people entering agriculture given the challenges faced by farmers and the attractiveness of other sectors to the younger generations;
- ⇒ There seems to be a sense of disillusion from commercial farmers with government and programmes to mentor emerging farmers;
- ⇒ There is a need to identify agricultural activities that are labour intensive and develop these to address some of the employment issues that exist.

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#### 3.5.6.4 TOURISM

The current tourism destinations (or regions) that fall within the district municipality are the 'Battlefields' and 'Drakensberg' destinations (as defined by TKZN). The assessment of tourism in the municipality is therefore based on data available for these destinations. The information provided in this section has been sourced from the uThukela Tourism Strategy (2012).

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#### 3.5.6.5 FOREIGN TOURISM

The following is a summary / statistics of the tourism trends in uThukela District:

- ⇒ An estimated 162 967 foreign tourists visited the district municipality in 2010. This is based on 126 492 tourists to the Drakensberg and 36 475 tourists to the Battlefields;
- ⇒ The main source markets of foreign tourists in the district are the UK, Germany, Netherlands and USA (as reported in the uThukela tourism strategy);
- ⇒ The average spend per trip of foreign tourists to the district municipality is reported in the tourism strategy as R7 215. This is equivalent to the average spend per trip reported by TKZN for all foreign tourists to KZN.

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#### 3.5.6.6 DOMESTIC TOURISM

- ⇒ The district received an estimated 349 860 domestic trips in 2010. This is based on 295 148 trips to the Drakensberg and 54 713 trips to the Battlefields. The market share of total trips to the Drakensberg and Battlefields is therefore 26% and 23% respectively;
- ⇒ The average length of stay of domestic tourists to the Drakensberg is reported in the uThukela tourism strategy as 4.5 nights, with the length of stay to the Battlefields at 2.0 nights;

- ⇒ The main domestic source markets in the district are Gauteng and KZN itself;
- ⇒ The average spend per trip of domestic tourists to the district municipality is reported in the tourism strategy as R710. Again, this is equivalent to the provincial figures in terms of average spend.

#### 3.5.6.7 EMPLOYMENT IN TOURISM IN UTHUKELA

The total number of people employed by tourism in the district is estimated at 2 968 direct and 4 544 direct and indirect (Urban Econ Tourism, 2012). This equates to around 3% of provincial employment in tourism (direct).

#### 3.5.6.8 TOURISM RESOURCES AND FACILITIES IN UTHUKELA

The district is rich in natural, cultural and historical heritage with the major attractions being the uKhahlamba-Drakensberg World Heritage Site and the Battlefields. In addition, the municipality has cross-boundary linkages with Lesotho and the Free State (e.g. through the Maloti Drakensberg Trans frontier Project); Amajuba and uMzinyathi Districts (e.g. Battlefields); and the midlands (including the Midlands Meander).

#### 3.5.6.9 INVESTMENT IN TOURISM IN UTHUKELA

The uThukela tourism strategy indicates that no baseline data could be obtained on the status of tourism investment in the municipality. The following priority tourism projects are identified in the uThukela tourism strategy for future investment and have relevance to the LED Strategy:

- ⇒ Establishment of an uThukela tourism route;
- ⇒ Expansion and consolidation of Weenen Game Reserve and potential to establish it as a Big Five reserve;
- ⇒ Restore Umsuluzi Game Reserve near Colenso;
- ⇒ Upgrade the rock art centres in Okhahlamba and develop environmental interpretation centres;
- ⇒ Cableway in the Drakensberg;
- ⇒ Develop township and rural tourism projects;
- ⇒ Develop a themed heritage and cultural route along the R74;
- ⇒ Develop a new conference venue in the district;
- ⇒ Reconstruction of Royal Natal Hotel;
- ⇒ Develop a themed tourism information node/hub and district craft hub along the N3 and N11; and
- ⇒ Establish a hospitality and tourism training centre in the district.

### 3.5.6.10 STATUS OF SMALL MEDIUM AND MICRO ENTERPRISE (SMME) IN UTHUKELA DM

The South African economy is highly centralised and dominated by a set of monopoly industries. Capital-intensive industries tend to exclude SMME'S participation and make employment creation expensive. The SMME's strategy that has been finalised by uThukela district municipality deals with the following:

- ⇒ Addressing poverty, economic marginalisation and equality;
- ⇒ Improving the distribution of returns from economic activity more equitably across the society;
- ⇒ Ensuring the basic needs are accessible and affordable;
- ⇒ Improving the way in which people participate in the economy;
- ⇒ Increasing poor people's ability to gain and secure assets;
- ⇒ Reducing unemployment

### 3.5.6.11. UTHUKELA SMME FAIR

Section B of the South African White Paper, read in conjunction with Section 7 of the South African Constitution mandates local municipalities to create a conducive environment in which local communities can operate in a sustainable manner thereby ensure meaningful economic growth.

In light of the above, the uThukela District Municipality seeks to reaffirm its commitment in the promotion and development of SMMEs within its area of jurisdiction by hosting its first SMME Fair that took place on the 3 and 4 May 2016. The aim of the SMME Fair was to create a platform for local entrepreneurs and role players in various SMME sectors to convene and deliberate on key issues concerning their areas of operations and to improve competitiveness of SMMEs in our district.

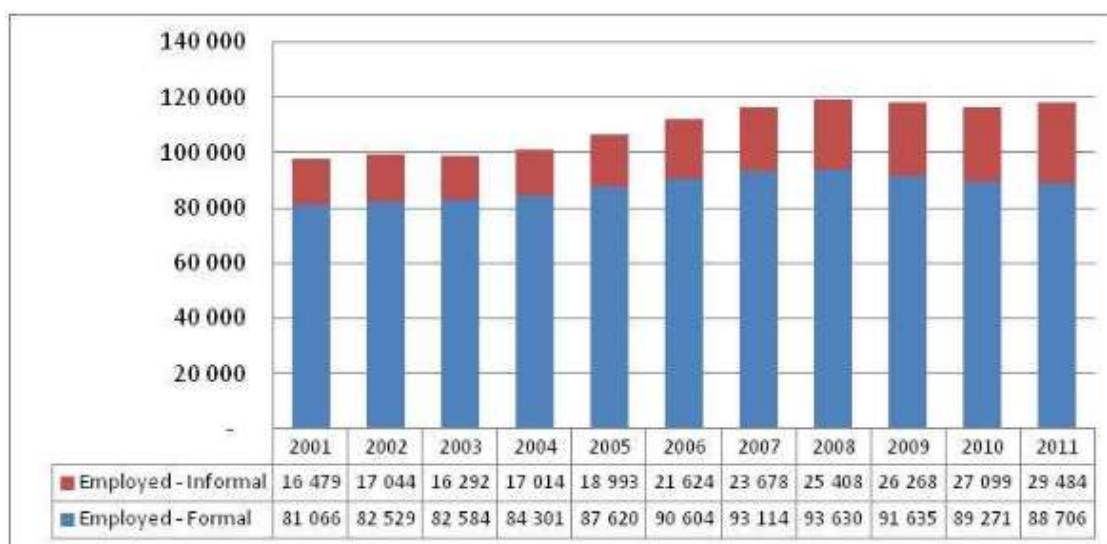
The main objectives of the uThukela's SMME Fair were as follows:

- To provide a networking platform for exhibitors at all levels to interact
- To showcase goods and services produced by SMMEs within the uThukela
- To provide information on opportunities available for SMMEs in the private sector, parastatals and government
- To display various departments and private sector institutions within uThukela which are of assistance to SMMEs and the public alike
- To ensure that exhibitors are able to establish strong sustainable business linkages with other well established companies

### 3.5.6.12 INFORMAL SECTOR

The bulk of people are employed in the formal sector within the district, with 75% being formally employed in 2011. The number of people employed in the informal sector has been increasing over time (since around 2004), whilst formal employment has been declining since 2008 mostly due to the impact of the recent global economic recession. The figure below illustrates.

**Figure 14: Employment by Informal Sector**



**Source: uThukela 2013 LED Strategy**

### 3.5.6.13 MANUFACTURING

Manufacturing, which was the most significant economic sector, contributed R2.9 billion to the economy of uThukela in 2011 and employed an estimated 16 082 people. The sector's average annual growth rate in GVA was 4% between 2001 and 2011 but employment growth was negative at -2% per annum. The sector contributed 21% to total GVA and 14% to employment within the district municipality in 2011.

The district's manufacturing sector contributed 5% to total manufacturing GVA of KZN in 2011, up from 4% in 2001. Employment in the municipality's manufacturing sector as a proportion of total manufacturing employment in KZN remained stable at 6% between 2001 and 2011.

The table shows the relative contribution of the district's manufacturing sector in 2001, 2006 and 2011.

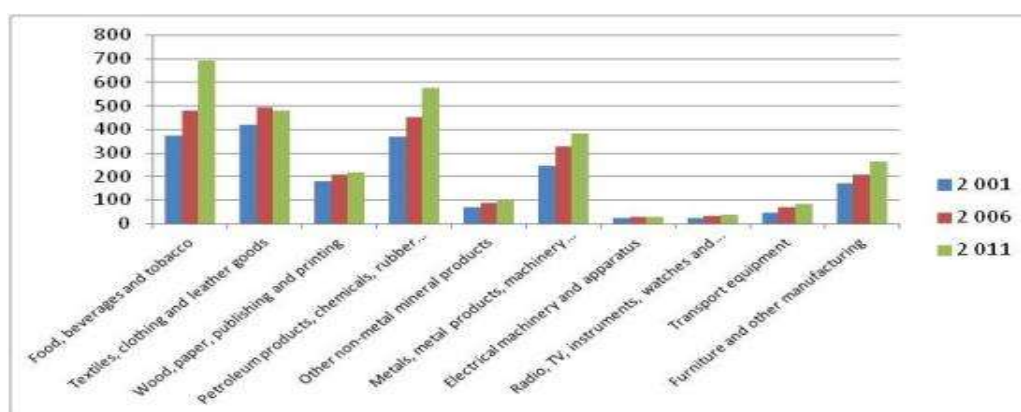
Table 26: Contribution of Manufacturing to the District's Economy

	2001	2006	2011
uThukela's manufacturing GVA contribution (Rm)	1 917	2 389	2 857
Relative contribution to total GVA within uThukela	26%	24%	21%
Relative contribution to total GVA within KZN	4%	4%	5%
uThukela's manufacturing employment contribution	21 190	18 891	16 082
Relative contribution to total employment within uThukela	22%	17%	14%
Relative contribution to total employment within KZN	6%	6%	6%

Source: uThukela 2013 LED Strategy

The main sub-sectors within manufacturing of the district are food, beverages and tobacco; petroleum products, chemicals, rubber and plastic; and then textiles, clothing and leather goods. All of the manufacturing sub-sectors have remained relatively stable in terms of the contribution to the manufacturing sector since 2000.

Figure 15: Manufacturing sub-sector contribution to uThukela's total GVA (Rm) in 2001, 2006 &amp; 2011



Source: Statistics South Africa 2011

The dominant manufacturing areas of the district are in Emnambithi local municipality and Umtshezi local municipalities, with Ezakheni Industrial Estate and Danskraal forming the major industrial areas in Emnambithi local municipality. Large manufacturing enterprises are based in both municipalities and include Defy Appliances, Zorbatex, Nestle, Eskort, Factory Tyres and Clover.

### 3.5.7 EXTENDED PUBLIC WORKS PROGRAMME (EPWP)

The aim of this programme is to institute a sustainable Expanded Public Works Programme (EPWP) within the uThukela district municipality as provided in the EPWP national framework. Its aim is to establish the EPWP as a socio-economic development and poverty alleviation program, expand the current service delivery model of goods and services to ensure shared economic growth and ensure developmental integration across all sectors. The EPWP is the government program aimed at

providing poverty and income relief through temporary work for the unemployed to carry out socially useful activities.

uThukela district municipality is implementing the EPWP. The work opportunities created in the 2015/2016 financial is 486 through water and sanitation projects. uThukela district municipality do comply with the immediate goal of Phase 1 of EPWP by ensuring that the municipality adheres to the following targets: women 40%,youth 30%,men18% and 2% people with disabilities. The municipality also adheres in terms of training, employment targets and distribution of safety clothing as well the rotation of employees. In the 2015/2016 financial year, uThukela district municipality received an amount of R2 384 in ensuring that the EPWP is implemented seriously. It is anticipated that an amount of R3 169 000 will be allocated in the 2016/2017 financial year for EPWP. The plan for uThukela district municipality to absorb all the EPWP employees.

It is the policy of the municipality to ascertain that before issuing any tender to a contractor it must first submitted to Expanded Public Works Programme (EPWP) technical support for approval to ensure that the municipality considers all the above-mentioned guidelines.

### 3.5.8 ECONOMIC DRIVERS

Specific strategies were developed for sectors that constitute the economic pillars of uThukela's economy. The following sector reports also geographically integrate the local LED strategies.

**Agriculture** This sector is characterised by two distinct types:

- Commercial agriculture
- Subsistence agriculture in the rural areas.

**Manufacturing** This sector is characterised by the following types of industries:

- Primary sector comprises of heavy industries such as Ezakheni Industrial Estate and Danskraal forming the major industrial areas.
- Secondary sector activities include light industries.

**Tourism** This sector has consistently grown in uThukela, which offers various varieties of tourism that can be categorised as follows:

- Cultural and heritage tourism such as uKhahlamba-Drakensberg World Heritage Site and the Battlefields.

**Services** This sector includes the following sub sectors:

- The informal sector.
- Wholesale and retail trade.
- Transport and storage.
- Communication, Government services,





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A private investor is interested in developing services around the airstrip and this provides an opportunity for a public/private partnership. Provincial Treasury is leading the initiative in the establishment of a Regional Airport Strategy with the assistance of a Crack Team.

### **3. N11 Road Upgrade**

Upgrading of a major alternate route to Gauteng through uThukela and creating a link from uThukela to Amajuba DM.

### **4. Internal Road link from Ezakheni to Ladysmith**

Construct an internal road linking Ezakheni which is a highly concentrated settlement with Ladysmith for economic and social purposes. The road is completed, but work is still underway in the construction of a bridge.

### **5. Bergville Hospitality School**

Build a hospitality school run by an FET College at Bergville.

### **6. Cableway Development**

Development of a cableway, which will take tourists to the top of the Northern Berg Escarpment. The project will serve as a Provincial Catalytic Project to attract more domestic and international visitors to the Drakensberg region.

Feasibility Study Completed in 2013

Department in the process to appoint Ithala Development Finance Corporation to facilitate the following:

- The appointment of a Service Provider to conduct the EIA
- The appointment of a Service Provider to develop a Precinct Plan for the area
- Currently, the Department is in the process to conduct a four-month consultation process to be completed in December 2015

### **7. Besters Agricultural Project**

The Qedusizi/Besters initiative has established a bottom-up area-based land reform and enterprise development program in an area primarily engaged in beef production. The project was the result of collective negotiations between landowners and farm workers in the UThukela district in Kwa-Zulu Natal.

It appears that most of the principal agricultural labourers have opted to continue with wage labour on neighbouring white farms rather than deciding to work on the newly resettled farms. There is thus a need for post-settlement support and training for such farmers from DARD as limited labour is available to farm the acquired land. Possible link to the Agri-Park Initiative to be investigated.

#### **8. Qedusizi Dam**

Construction and alteration of the Qedusizi Dam from a flood continuation facility to a storage dam.

#### **9. UThukela Tourism Route**

Develop a tourism route incorporating both the western Drakensberg attractions and the eastern inland Battlefield attractions. Integrate with other tourism destinations e.g. San paintings (AMAFSA).

#### **10. District Agri-Park**

Agri-Hub to be located in Bergville, but serving the whole of the District. Business Plan in the process of being formulated. Fencing of the site to commence shortly. Services investigations concluded. Okhahlamba has undertaken to upgrade the road to the site

#### **11. Ingula Pumped Water Scheme**

Completion of the Ingula Pumped Storage Scheme (Ingula PSS) which is located 23km northeast of De Beer's Pass on the border of Free State and KwaZulu Natal. The facility will generate power for the national grid. De Beer's Pass was selected out of three sites that were shortlisted from 90 locations.

#### **12. Logistics Hub Ladysmith**

To develop an Inland Cargo Terminal Container Handling Facility, Intermodal Exchange Point, Refuelling Depot, Warehousing, Storage, Clearing and Forwarding.

#### **13. Commercial Development on Helpmekaar Road**

Development of the following on this ±400ha of Municipal Land located next to the Industrial area:

- 30 000 Spectator Sport Stadium
- Residential Development
- Hotel
- Regional Shopping Centre
- Health Centre

- Swimming Pools
- Tennis Courts
- Athletics track and call centre for ± 1000 people

#### 14. Indoor Sport Complex

Bergville Sports Complex construction on the outskirts of the Bergville Town, which includes indoor arenas, fields, retail, pool etc.

#### 15. Maluti-Drakensberg Trans frontier Park

Consolidate the Maluti Drakensberg Trans-frontier Park linking Okhahlamba Drakensberg Park World Heritage Site and Sehlabathebe National Park in Lesotho.

#### 14. Denrose Coal Powered Energy

Colenso Coal Electricity Generation project

#### 15. One Source Multi Smelter Park

Colenso area, the establishment of a Smelter

### 3.5.10 LED SWOT ANALYSIS

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> <li>◆ Registered Planner on staff;</li> <li>◆ Planning, GIS and LED skilled personnel;</li> <li>◆ Provincial Support in the form of grants and capacity building;</li> <li>◆ Sufficient project budget for project implementation</li> <li>◆ Employment of Tourism Staff</li> </ul>	<ul style="list-style-type: none"> <li>◆ Newly updated LED and Tourism Strategy;</li> <li>◆ Funding to enhance the SDF in progress;</li> <li>◆ Working relationship established with LMs;</li> <li>◆ LED Forum has grown with LED Strategy review;</li> <li>◆ Anchor project in the form of the Cable Car projects;</li> <li>◆ World Heritage Site – uKhahlamba Drakensberg Park World Heritage Site</li> </ul>
WEAKNESSES	THREATS
<ul style="list-style-type: none"> <li>◆ Procurement process is long and cumbersome;</li> <li>◆ Tourism, LED and Planning Forum to be strengthened;</li> <li>◆ Marketing of the District as a Tourism destination and Investment destination</li> </ul>	<ul style="list-style-type: none"> <li>◆ Instability in the organization;</li> <li>◆ Lack of LM/DM Cooperation;</li> <li>◆ Lack of vertical and horizontal alignment within the organization</li> <li>◆ Insufficient funding for LED Projects</li> </ul>

### 3.5.11 SOCIAL DEVELOPMENT

Social and community development deals with issues ranging from environmental health services to education and the provision of community facilities. As such, community up-liftment and awareness in matters of gender, HIV/AIDS communicable diseases are of importance here. Within the district, there is a need to develop recreational facilities such as sports facilities for the youth as there is a lack of such in the majority of the communities. Development of such facilities will allow for the exploration of youth talent in sport, music and other cultural activities. However, the major constraints to investment are the lack of financial resources and the general sentiment that such developments are not a priority. There is a high demand for health services. The municipal health function (environmental health) has been transferred to the District.

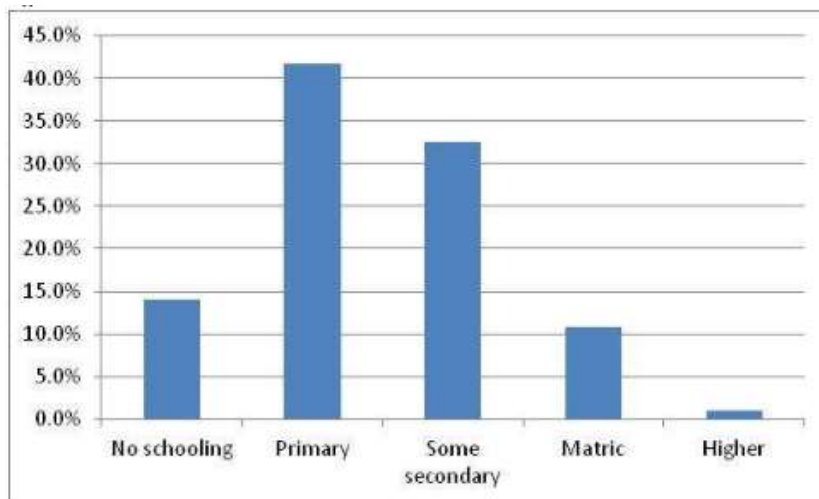
#### 3.5.9.1 EDUCATION SECTOR ANALYSIS

Education serves as the means to bring about the desired change in society, to develop a generation of virtuous individuals and thus contribute to the development of good human beings. The importance of education is that it empowers individuals to take better care of themselves and their children. Education also serves as a gate to higher economic growth through higher level of skilled society. This is why the provision of good education and educational resources remains a high priority for uThukela district municipality. The department of education in uThukela district is playing a vital role in ensuring that the education is given the priority that it deserves.

##### 3.5.9.1.1 LEVEL OF EDUCATION

A small percentage of the population in the district has post-matric qualifications at only 1%, whilst 14% of the population has no schooling whatsoever. Figure 16 below shows that 41% have primary school education and 33% have some secondary schooling, whilst only 10.9% achieved matric. This means that there is a limited pool of skilled labour in the municipality and that basic education needs to be addressed in order to improve skills levels in the future. Basic education is considered fundamental to the future success of the local economy. To add to the latter, in one of the IDP Roadshows that the municipality held in February 2016, it was indicated the need of exploring Maths and Science classes, since this appear to be the shortage in our District

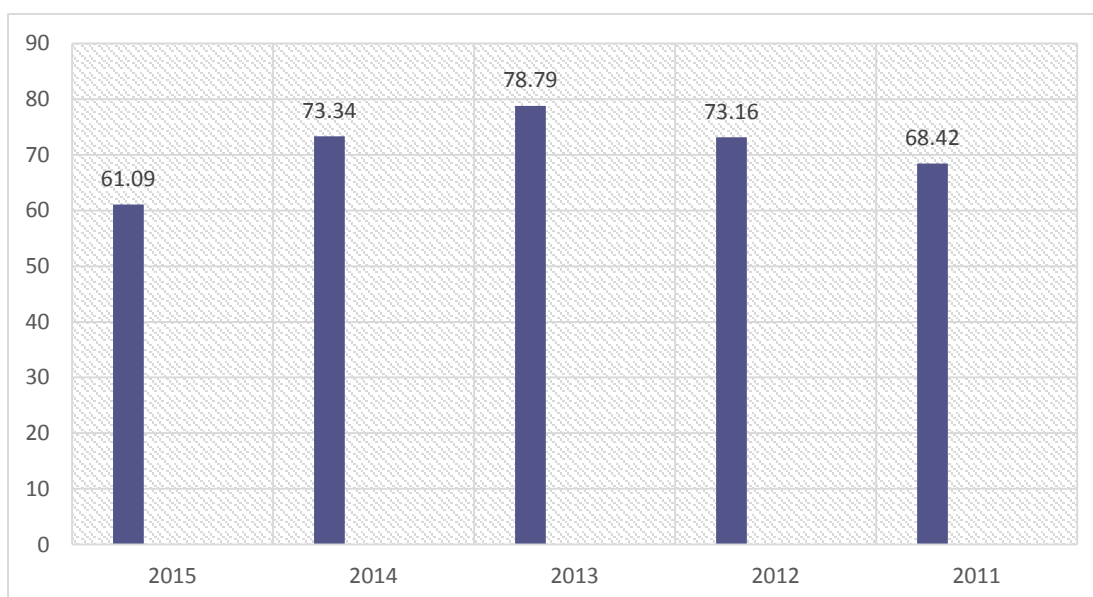
Figure 16: Education Level



Source: Statistics South Africa, 2011

The matric results has shown some decline in 2015 from 73.34% to 61.09% and this translate that the matric results has dropped by 12.25%. The graph below shows the performance of uThukela district (education) from 2011 to 2015.

Figure 17: District Performance in Five (5) Years



Source: Department of Education, 2015

## 3.5.9.1.2 AVERAGE EDUCATION ATTAINMENT

The number of people with no schooling dropped between 2005 and 2010 with a further decline between 2010 and 2011 in uThukela, while the number of those people with grade 0-11 shows a significant increase over the period under review. The number of people with matric only has shown a large increase. The tables below show the average education attainment of uThukela and its family of municipalities from 2001 to 2010 and the recently released by the statistics South Africa in 2011.

Table 27: Average Education Attainment

HIGHEST EDUCATION LEVEL	KZN	UTHUKELA	EMNAMBITHI	INDAKA	UMTSHEZI	OKHAHLAMBA	IMBABAZANE
Grade 0	351,701	26,129	8,563	4,556	3,345	5,190	4,475
Grade 1 / Sub A	337,208	25,522	7,722	4,516	3,086	5,465	4,734
Grade 2 / Sub B	334,645	25,197	7,796	4,355	2,954	5,615	4,478
Grade 3 / Std 1/ABET 1/Kha Ri Gude;SANLI	342,542	26,036	7,975	4,671	3,104	5,834	4,451
Grade 4 / Std 2	392,225	29,405	9,318	5,006	3,459	6,343	5,280
Grade 5 / Std 3/ABET 2	384,132	27,847	9,153	4,790	3,226	5,931	4,747
Grade 6 / Std 4	397,090	28,320	9,316	4,919	3,431	5,801	4,853
Grade 7 / Std 5/ ABET 3	471,585	33,651	11,520	5,599	3,987	6,796	5,743
Grade 8 / Std 6 / Form 1	619,449	40,467	15,189	6,190	4,765	7,442	6,882
Grade 9 / Std 7 / Form 2/ ABET 4	530,018	34,714	12,533	5,480	4,108	6,928	5,664
Grade 10 / Std 8 / Form 3	732,789	47,127	18,102	6,699	5,208	8,950	8,168
Grade 11 / Std 9 / Form 4	788,117	49,272	18,657	6,770	5,660	9,048	8,937
Grade 12 / Std 10 / Form 5	1,934,771	100,496	43,857	10,634	12,980	16,458	16,567
NTC I / N1/ NIC/ V Level 2	15,273	753	406	44	109	80	115
NTC II / N2/ NIC/ V Level 3	11,388	434	252	15	82	35	51
NTC III /N3/ NIC/ V Level 4	15,606	617	321	35	121	63	77
N4 / NTC 4	12,001	440	261	19	76	45	38
N5 / NTC 5	10,537	399	241	16	56	35	51
N6 / NTC 6	13,255	514	284	32	84	57	57
Certificate with less than Grade 12 / Std 10	12,248	502	270	30	33	61	108
Diploma with less than Grade 12 / Std 10	14,499	599	260	44	118	76	101
Certificate with Grade 12 / Std 10	90,427	4,346	2,438	177	527	553	659
Diploma with Grade 12 / Std 10	119,312	5,795	3,325	360	962	718	429
Higher Diploma	100,777	3,521	1,814	183	677	575	272
Post Higher Diploma Masters; Doctoral Diploma	17,305	564	295	31	102	70	67
Bachelors Degree	80,354	2,524	1,451	109	484	310	169
Bachelors Degree and Post graduate Diploma	32,913	979	511	74	176	153	65
Honours degree	34,948	1,121	687	33	223	126	53
Higher Degree Masters / PhD	24,019	564	314	32	80	88	51
Other	16,632	791	504	42	114	59	71
No schooling	720,791	54,503	12,716	11,236	8,650	12,195	9,706
Unspecified	-	-	-	-	-	-	-
Not applicable	1,308,143	95,694	31,386	16,416	10,968	20,968	15,956
GRAND TOTAL	10,267,300	668,848	237,437	103,116	83,153	132,068	113,073

Source: Statistics South Africa 2011

### 3.5.9.1.3 IMPLICATION OF CHALLENGES / PROBLEM AREAS ASSOCIATED WITH EDUCATION

The level of education in the District is poor and is not sufficient to bring meaningful economic growth and development. Low level of education may push the population out of competitive labour and job market thereby increasing high level of unemployment, poverty and idleness, which are a strong recipe to social evils such as robbery / crime, prostitution, etc.

The population of uThukela should take education seriously if meaningful economic growth is to be realised in the area. As such, it is important that more resources be geared towards improving the level of education in the area. Shortage of scarce skills subjects teachers in our district is also a worrying factor.

### 3.5.9.2 HEALTH SECTOR ANALYSIS

#### 3.5.9.2.1 HIV / AIDS

uThukela district municipality has shown an increase from 36.7% in 2010 to 37.1% in 2012. Umzinyathi still has the lowest prevalence, decreased from 31.1% in 2010 to 30.1% in 2012. In 2010 five districts in KZN viz: UGu, UMkhanyakude, eThekwini, ILembe and uMgungundlovu recorded HIV prevalence estimates of above 40%. The 2012 survey has recorded prevalence rate over 40% in UMgungundlovu. The provincial overall on HIV prevalence remains at 37.4%, which is above the national prevalence. Sisonke, UMkhanyakude, uGu, Zululand and Amajuba have recorded a decrease from 2011 to 2012. uThungulu, eThekwini, iLembe and uMgungundlovu shows some increase between 2011 to 2012. The table below shows the HIV prevalence in the KZN Districts from 2010 to 2012.

Figure 18: HIV Prevalence Trends among antenatal Women by district KZN 2010 - 2012

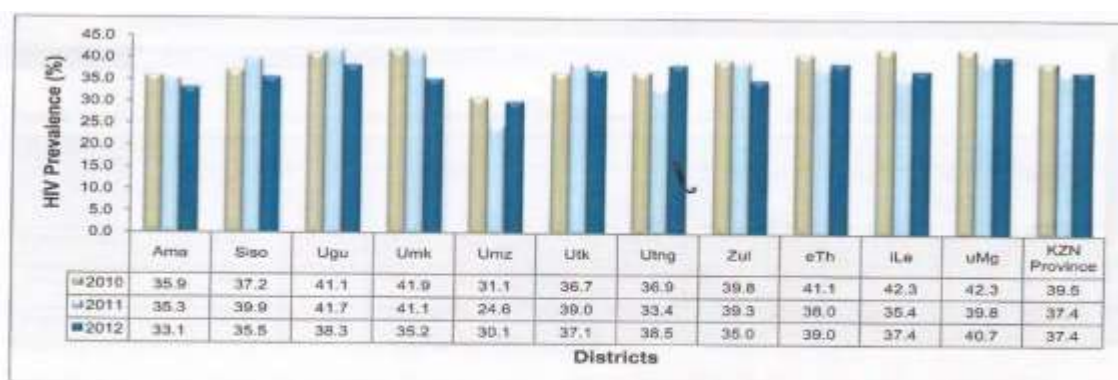


Figure 26: HIV prevalence trends among antenatal women, KwaZulu-Natal, 2010 to 2012. (Source: NDoH, 2013)

Ama = Amajuba; Siso = Sisonke; Um = uMkhanyakude; Umz = uMzinyathi; Utng = uThungulu; Utk = uThukela; Zul = Zululand; eTh = eThekwini; iLe = iLembe; uMg = uMgungundlovu.

**UThukela District Aids Council (DAC):** UTDM has established a co-ordinating forum for HIV/AIDS issues involving all stakeholders and role-players called uThukela District Aids Council to fulfil the following functions as outlined under the terms of reference.

- ⇒ Development of the District AIDS Plan;
- ⇒ Monitor the implementation of the District AIDS Plan quarterly;
- ⇒ Review and evaluate the implementation of the District AIDS Plan annually;
- ⇒ Facilitate the establishment of Local AIDS Councils;
- ⇒ Facilitate multi-sectoral and interdepartmental collaboration in the campaign against AIDS;
- ⇒ Facilitate capacity building on HIV related issues;
- ⇒ Mobilise financial and technical resources for the campaign against HIV/AIDS and ensure equitable distribution of such resources;
- ⇒ Commission relevant research and review statistics and other research reports relating to the District;
- ⇒ Serve as the leading District public advocate to create an enabling environment for HIV/AIDS prevention, care and support;
- ⇒ Report to the Provincial AIDS Council quarterly and annually on the progress made and challenges, which need to be addressed to combat HIV/AIDS in the District.

**HIV Strategy:** uThukela district municipality has developed the HIV/AIDS strategy for both the community and for the workplace. In the strategy there are number of projects identified for 2016/2017 in mitigating the impact of HIV/AIDS such as promoting male circumcision, distribution of condoms as well as awareness programmes.

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### 3.5.9.3 ACCESS TO HEALTH FACILITIES

uThukela has thirty five (35) fixed PHC clinics and fourteen (14) mobile clinics for service delivery in the district. Emnambithi has the highest number of clinics at thirteen (13) with five (5) mobiles, this is due to the urban nature of the sub-district and the fact that there is a main town within the sub-district. Imbabazane has the least clinics at four (4) and the two (2) mobiles although it is the most densely populated sub-district at 178 / km<sup>2</sup> it is the smallest in terms of area. Figure below shows the provincial facilities in uThukela district municipality as per local municipality.



Figure 19: Health Facilities in uThukela District

Facilities	Ennambithi / Ladysmith	Imbabazane	Indaka	Okhahlamba	Umtshezi	uThukela District
<b>PHC Facilities</b>						
Health Posts	0	0	0	0	0	0
Mobiles	5	2	2	3	2	14
Satellites	1	0	0	0	0	1
Clinics	13	4	6	6	6	35
Community Health Centres	0	0	0	0	0	0
MOU's	0	0	0	0	2	2
<b>Hospitals</b>						
District Hospitals	0	0	0	1	1	2
Regional Hospitals	1	0	0	0	0	1

Source: Department of Health

### 3.5.9.4 SAFETY AND SECURITY

#### 3.5.9.4.1 POLICING / COMMUNITY FORUMS

uThukela district municipality's strategies for addressing the issue of crime include both reactive strategies to respond to incidents of crime and proactive strategies aimed at stopping crime before it happens. The response follows an approach that works closely with communities, community policing forum and other spheres of Government (National and Provincial). The strategy of the municipality covers aspects such as Environmental for Safety, Effective policing, Community Safety initiatives and Social Crime Prevention. The municipality is participating in the policing forum.

#### 3.5.9.4.2 FIRE PROTECTION

The recently reviewed uThukela Disaster Management Plan suggests the following interventions that can assist in fire protection:

- ⇒ Firefighting services available to areas outside the local municipal limits;
- ⇒ Improve firefighting capabilities;
- ⇒ Improving co-ordination between municipal fire services and industrial safety departments;
- ⇒ Establishment of special burns wards and clarifying the roles and responsibilities of district administration, police, fire services and medical services;
- ⇒ Awareness of the hazards of the coal mine areas;
- ⇒ Prevention of spontaneous combustion is an all-important task for all involved.

### 3.5.9.4.3 TRAFFIC MANAGEMENT

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Emnambithi/Ladysmith,Umtshezi,Okhahlamba and Imbabazane are the only four local municipalities in the whole of district that has an effective traffic management in place. In the N11 and N3, the department of Transport through their Road Traffic Inspectorate (RTI) is managing the traffic.

### 3.5.9.4.4 MUNICIPAL SAFETY PLAN

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The traditional Justice System is recognised by the Constitution of the Republic of South Africa, including the status and the role of the traditional leadership in administration of justice and in application of customary law, subject to the Constitution (Traditional Courts Bill, 2012).uThukela district municipality with the assistance from the UNFPA came up with the Municipal safety Plan for the entire district

This community safety plan aligns itself with the guiding principles of the Traditional Courts Bill and its objectives, particularly objective (b) which is:

To affirm the role of the institution of traditional leadership in-

- Promoting social cohesion, co-existence and peace and harmony in traditional communities
- Enhancing access to justice by providing a speedier, less formal and less expensive resolution of disputes
- Promoting and preserving traditions, customs and cultural practices that promote nation building, in line with constitutional values

This community safety plan shall be amended when relevant, in line with the changes in the Provincial and National Traditional Leaders Laws, other applicable legislation as well as the constitution of South Africa. Traditional councils were recognised by the Traditional Leadership and Governance Framework Act 41 of 2003 ('Framework Act'). This Framework Act gave official status to the tribal authorities that had been set up under an apartheid law called the Bantu Authorities Act of 9151 and that were still in existence at the time of the transition to democracy. Instead of being called 'tribal authorities', the Framework Act changed their name to 'traditional councils' but entrenched the same tribal boundaries that were used to set up the homeland system. There is no local strategic plan aligned to the 2012-2016 National Strategic Plan. Most decisions are made based on the unwritten customary laws that have been in existence for many years.

## **OBJECTIVES OF THE UTHUKELA COMMUNITY SAFETY PLAN**

- To support the prevention of gender based violence incidents in the villages administered by uThukela Traditional Council through transforming socio-cultural norms, with an emphasis on empowering women, girls, children and vulnerable groups
- To support the promotion of human rights as enshrined in the Constitution of South Africa
- To reconstitute the family and community structures and support systems
- To work, closely with the formal and traditional legal systems to ensure that their practices conform to the national and international human rights standards
- To monitor, document and respond to incidents of sexual and gender-based violence and human rights violation

### **KEY STAKEHOLDERS WHO WILL BE ACTIVELY INVOLVED IN THE IMPLEMENTATION OF THE COMMUNITY SAFETY PLAN:**

- ☒ Traditional leaders
- ☒ Political Leaders (Ward Councillors and Local Government Officials)
- ☒ Religious Leaders
- ☒ Media
- ☒ Sport Organizers
- ☒ Community Members (Individuals, Families, Elderly)
- ☒ schools (Teachers & scholars)
- ☒ Government Departments
- ☒ Non- Governmental and Community Based Organizations

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### 3.5.9.5 NATIONAL BUILDING AND SOCIAL COHESION

#### 3.5.9.5.1 SPORTS

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uThukela district municipality is playing a vital role in supporting and promoting the sports throughout the district. The primary aim of the municipality is to ensure that the youth takes part in sports so that they do not focus on crime. The district municipality has appointed a dedicated person that deals with the issues of sports throughout the district. There are programmes and projects for sport that are prioritized and budgeted by uThukela district municipality and the Department of sport and recreation for 2016/2017 financial year.

In December 2015, uThukela district municipality and its family of municipalities participated in SALGA games that take place annually with other district municipalities in the KZN province. This event assists

the youth of uThukela to display their talents in various sporting codes. The selections start at the local level for the players who will represent uThukela district municipality on various sporting codes. In those games, they can be selected to represent the province of KwaZulu Natal and professional's coaches who are scouting for players for that particular sporting code attend the games.

#### 3.5.9.5.2 COMMUNITY DEVELOPMENT WITH SPECIAL FOCUS ON VULNERABLE GROUPS

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The vulnerable groups are taken care of through Community Development Interventions that are identified by the Groups themselves. Vulnerable Groups in their Forum meetings identify their needs and suggest possible interventions required. The interventions cover a range of issues such as health, education, food security, skills development; etc. The District has a range of activities that are dedicated to vulnerable groups in all the family of municipalities. Various activities / interventions that have been initiated by the district.

#### 3.5.9.5.3 YOUTH DEVELOPMENT

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The district is promoting and developing the youth through amongst others sports. The primary aim of the municipality is to ensure that the youth participate in sports so that they do not focus on crime. The district municipality has appointed a dedicated person that deals with the issues of youth throughout the district. In the 2015/2016 financial year, uThukela district municipality had a variety of youth programmes such as Back to School campaign, creative writing etc. There are number of programmes and projects for youth that has been prioritized by uThukela district municipality for 2016/2017 financial year. Programmes such as youth summit, traditional festival, Grade 12 rural areas tutorials and drivers licence skills development.

#### 3.5.9.5.4 DEVELOPMENT OF PEOPLE WITH DISABILITIES

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uThukela district municipality has appointed a dedicated person that deals with the issues of physically challenged in the uThukela district municipality. The municipality has formed the Disability Forum where all the physically challenged people are able to raise their concerns. The challenge that they are facing is the unemployment of the physically challenge persons and some municipal offices in the family of municipalities are not conducive for them in terms of accessing the municipal offices. Transportation and recreational facilities are not suitable for them. The municipality future programmes include Training / capacity-building development programmes; facilitate the implementation of the extended indigent support programme. The municipality intention is to ensure

that the people living with disabilities should not feel isolated and is planning to have events such as Albinism week, sport day and blind week for people living with disabilities.

#### 3.5.9.5.5 CHILDHOOD DEVELOPMENT

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The programme Children's Rights takes care of the Early Childhood development (ECD) initiative whereby the focus is on supporting centres for early child development as per their unique identified needs. uThukela district municipality is playing a critical role in developing the childhood. Many programmes have been planned in ensuring that the development is taking place. The municipality will do the following programmes:

- ⇒ Awareness on Teenage Pregnancy
- ⇒ Early childhood development assists them with few items to develop a child
- ⇒ Take a girl child to work
- ⇒ International Day for Children
- ⇒ Tree-Training and Resources in early education

#### 3.5.9.5.6 DEVELOPMENT OF THE ELDERLY

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uThukela district municipality has formed the Senior citizen and it was launched in 2008. The municipality visits the old age homes around uThukela to give them presents, wheel chairs, walking sticks and food. The municipality also facilitates the awareness of the senior citizen where the community is encouraged to take care and support the older people in the community at large. The municipality is also facilitating the implementation of the extended indigent support programme. The other continuous programme that the municipality is coordinating with other departments is to conduct the dialogs between the Senior citizen and teenagers. The planned events for senior citizen are hosting and participating in golden games, Golden Wednesday, participate in Provincial Golden Games and hosting of senior citizens day.

#### 3.5.9.5.7 GENDER DEVELOPMENT

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The municipality has appointed a dedicated person who deals with the gender development throughout the district. Gender committee has been established and is functional. The municipality has established the Men's Sector Forum in championing the gender issues especially in Men. The municipality is taking seriously the gender issues and the municipality is working closely with other government departments in facilitating the gender programmes. Amongst the programmes and the events that the municipality will facilitate include the following:

- ⇒ Rural women's day
- ⇒ Women's voice
- ⇒ Women's day
- ⇒ Know your right
- ⇒ Food security
- ⇒ Awareness on rape, abuse (verbally and physically),
- ⇒ Protection & Safety
- ⇒ Teenage pregnancy
- ⇒ Dialogue between parents and children
- ⇒ Awareness on family responsibility

### 3.5.12 SOCIAL DEVELOPMENT SWOT ANALYSIS

**Table 28: Social Development SWOT Analysis**

<b>STRENGTHS</b>	<b>OPPORTUNITIES</b>
<ul style="list-style-type: none"> <li>◆ Number of people with no schooling has dropped significantly;</li> <li>◆ Decrease in HIV/AIDS prevalence;</li> <li>◆ UTDM has established a coordinating forum for HIV/AIDS;</li> <li>◆ uThukela has thirty five (35) fixed PHC clinics and fourteen (14) mobile clinics;</li> </ul>	<ul style="list-style-type: none"> <li>◆ Improve level of education;</li> <li>◆ Improve health status of the population;</li> <li>◆ Improve human resource</li> </ul>
<b>WEAKNESSES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>◆ Low level of education;</li> <li>◆ High levels of HIV/AIDS</li> <li>◆ Decline of metric results in 2015</li> </ul>	<ul style="list-style-type: none"> <li>◆ Low level of education may push the population out of competitive labour and job market</li> <li>◆ high level of unemployment, poverty and idleness;</li> </ul>

### 3.6 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

#### 3.6.1 FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

This section should be read with the attached approved Annual Budget of the municipality. uThukela district municipality has ensured that the finances of the municipality are managed, utilized and accounted for in a professional manner. It is for this reason that UTDM has established a well-resourced Treasury and Financial Services Department to ensure that the objectives of UTDM are not compromised. The Accounting Officer is accountable for the finances of the Council. The Chief Finance Officer is a Section 57 employee, who is responsible for the running of the department, producing expenditure reports, allocating budgets for all KPA's and responding to audit queries in compliance with the Municipal Finance Management Act No 56 of 2003 (MFMA).

##### 3.6.1.1 CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

uThukela District Municipality within Technical Department has established Project Management Unit which exclusively plan, implement and manage capital projects. This Unit is relatively well resourced with staff component consisting of the General Manager; PMU Manager; Three Senior Technicians, Quantity surveyor and one administrative assistant. The percentage of the capital budget that was spend in the last three years are summarised as follows:

FINANCIAL YEAR	% SPEND
2012/2013	45.87%
2013/2014	66.2%
2014/2015	84%

##### 3.6.1.2 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES)

uThukela district municipality has develop and adopted Indigents Policy. The policy is under implementation and all rural communities qualify for up to 6kl of free basic water. Urban indigent consumers are required to register as indigent consumers and thereafter qualify for up to 6kl of free basic water. Rural communities are provided with free basic water and free basic sanitation facilities

mainly through. The indigent register is reviewed on annual basis to ensure its relevancy. In the 2015/2016 financial year, the municipality registered the indigent households of about 1694. In the 2016/2017 financial year an amount of R 13 million is allocated towards the provision of free basic services.

Going forward it will be the municipality priority to reduce the number of households on the indigent register through job creation and programs such as EPWP, ensuring that those that are hired are equipped with certain skills by the end of the program, for future employment. The table below reflects the cost of the free basic services in the last three years.

FINANCIAL YEAR	COST FOR FREE BASIC SERVICES IN THE LAST THREE YEARS
2013/2014	R6000 000
2014/2015	R 1071587
2015/2016	R13 228 340
2016/2017	R13 million

The trend indicates that the indigent levels are growing as compare to the previous three financial years.

### 3.6.1.3 MUNICIPAL CONSUMER DEBT POSITION FOR THE PAST THREE YEARS

The table below reflects the ageing analysis for the past three years starting from 2013 to 2015. The municipal debt position was sitting at R506 916 261 95 as the end of June 2013. It is noticeable that the municipal debt was increasing and as of end of June 2013 from **R506 916 261 95 to R566 048 997 86** at the end of June 2014. The ageing analysis as of end of June 2015, shows the decrease to **R496 522 776 86**

Ageing analysis as at 30 June 2013							
CUSTOMER C	201306 (Current)	201305 (30 Day)	201304 (60 Days)	201303 (90 Day)	201302 (120 Days)	201301 (150 Day)	Total
CONSUMERS	11 891 193.89	14 430 318.40	13 697 853.72	11 699 798.20	8 309 461.57	432 069 851.22	492 098 477.00
GOVERNMENT	484 025.33	320 900.08	229 874.89	125 661.95	-148 984.29	1 063 967.71	2 075 445.67
INDUS/COM	929 618.52	945 730.74	697 278.74	362 241.65	143 744.40	9 641 689.17	12 720 303.22
CHURCH	1 577.00	1 052.06	7 643.00	530.35	446.74	10 786.91	22 036.06
<b>TOTAL</b>	<b>13 306 414.74</b>	<b>15 698 001.28</b>	<b>14 632 650.35</b>	<b>12 188 232.15</b>	<b>8 304 668.42</b>	<b>442 786 295.01</b>	<b>506 916 261.95</b>



Ageing analysis as at 30 June 2014							
CUSTOMER C	000112 (Current)	000111 (30 Days)	000110 (60 Days)	000109 (90 Days)	000108 (120 Days)	000107 (150 Days)	Total
CONSUMERS	-	8 585 170.69	13 441 734.07	7 937 013.11	12 230 023.86	504 197 828.32	546 391 770.05
GOVERNMENT	-	695 103.23	731 205.80	215 862.61	160 246.86	2 120 685.77	3 923 104.27
INDUS/COM	-	892 006.88	832 352.06	303 178.43	476 836.76	13 205 468.51	15 709 842.64
CHURCH	-	1 327.08	849.20	711.16	886.94	20 506.52	24 280.90
<b>TOTAL</b>	<b>-</b>	<b>10 173 607.88</b>	<b>15 006 141.13</b>	<b>8 456 765.31</b>	<b>12 867 994.42</b>	<b>519 544 489.12</b>	<b>566 048 997.86</b>

Ageing analysis as at 30 June 2015							
CUSTOMER C	201507 (Current)	201506 (30 Days)	201505 (60 Days)	201504 (90 Days)	201503 (120 Days)	201502 (150 Days)	Total
CONSUMERS	68 172.65	16 713 897.05	10 155 891.69	8 048 101.20	6 248 453.29	433 287 297.39	474 521 813.27
GOVERNMENT	-	1 498 423.65	634 131.10	355 922.44	785 480.17	3 385 428.93	6 659 386.29
INDUS/COM	271.80	1 065 506.26	443 607.07	328 025.30	646 840.20	12 833 336.84	15 317 587.47
CHURCH	-	2 825.24	842.94	961.02	1 245.68	18 114.95	23 989.83
<b>TOTAL</b>	<b>68 444.45</b>	<b>19 280 652.20</b>	<b>11 234 472.80</b>	<b>8 733 009.96</b>	<b>7 682 019.34</b>	<b>449 524 178.11</b>	<b>496 522 776.86</b>

The ageing analysis indicate that the debtors from June 2013 to June 2014 were increasing and the factors that relate to the imminent increase of consumer debt in uThukela district municipality were as follows:

- ✓ Water leaks due to poor infrastructure
- ✓ Faulty meters that give ridiculous consumptions
- ✓ Classification of indigent customers- ( e.g. pensioners not classified as indigent customers )
- ✓ Credit control & debt collection policies not implemented
- ✓ Billing information / data not accurate –( e.g. when the system keep on billing customers that are no longer exist)

Strategies in place to reduce consumer debt in uThukela district municipality is explained below:

- ✓ Conduct meter audits on regularly basis
- ✓ Replacing faulty meters
- ✓ Implementation of indigent policies & awareness campaign on indigents through ward councillors
- ✓ Implementing an effective credit control & debt collection policies
- ✓ Data cleansing ( the municipality has already started with the data cleansing project and field workers were appointed to collect data from customers)

### 3.6.1.4 GRANTS & SUBSIDIES

Grants are a very necessary part of the municipality's planning process and the following grants will be received from the National and Provincial Government in the 2016/2017 financial year. In the 2015/2016 financial, *the grant dependency was sitting at 72.39%*. Operating grants and transfers totals R338 million in the 2016/17. Below is a detailed split of the operating grants

#### Operating Transfers and Grant Receipts

GRANTS	2016/2017	2017/2018	2018/2019
	R'000	R'0010	R'000
EQUITABLE SHARE	332 370	361 841	392 513
EPWP	3 169		
FINANCE MANAGEMENT GRANT	1 460	1 795	1 545
DEVELOPMENT PLANNING AND SHARED SERVICES	1 200		
<b>TOTAL</b>	<b>338 199</b>	<b>363 636</b>	<b>394 058</b>

The municipality has a grant register that records all the funds received and the expenditure of each individual grant. The register is updated weekly. The table below replicates the expenditure on grants and reconciliation of unspent funds

## Expenditure on transfers and grant programmes

Description	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
<b>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
National Government:	263 156	268 021	313 272	318 121	314 378	318 121	336 999	363 636	394 058
Local Government Equitable Share	253 183	220 192	260 862	261 605	260 862	261 605	279 315	304 716	330 343
RSC Levy Replacement		37 710	44 198	44 198	44 198	44 198	47 937	51 710	56 441
Municipal Systems Improvement	1 007	890	627	940	940	940			
EPWP Incentive	454	3 200	1 589	2 384	2 384	2 384	3 169		
Water Services Operating Subsidy	7 193	4 448	2 000	3 000	-	3 000			
Finance Management	1 319	1 581	883	1 325	1 325	1 325	1 460	1 795	1 545
special support councillor remuneration			3 113	4 669	4 669	4 669	5 118	5 415	5 729
Provincial Government:	-	-	-	250	250	250	1 200	-	-
Shared Services Grant				250	250	250	1 200		
Other grant providers:	5 817	-	-	-	-	-	-	-	-
Data leasing, council training, KZN projects	5 817								
<b>Total operating expenditure of Transfers and Grants</b>	<b>268 973</b>	<b>268 021</b>	<b>313 272</b>	<b>318 371</b>	<b>314 628</b>	<b>318 371</b>	<b>338 199</b>	<b>363 636</b>	<b>394 058</b>
<b>Capital expenditure of Transfers and Grants</b>									
National Government:	216 573	192 785	290 915	235 629	235 629	235 629	260 313	344 867	296 979
Municipal Infrastructure Grant (MIG)	187 952	174 260	199 089	181 247	181 247	181 247	178 506	192 367	203 979
Rural Households Infrastructure		4 000	6 689	4 382	4 382	4 382	-		
Regional Bulk Infrastructure	28 621	14 525	85 137						
Water Services infrastructure Grant				50 000	50 000	50 000	81 807	152 500	93 000
Provincial Government:	-	1 999	2 315	2 311	2 311	2 311	2 378	2 531	2 672
Rural Asset management grant		1 999	2 315	2 311	2 311	2 311	2 378	2 531	2 672
<b>Total capital expenditure of Transfers and Grants</b>	<b>216 573</b>	<b>194 784</b>	<b>293 230</b>	<b>237 940</b>	<b>237 940</b>	<b>237 940</b>	<b>262 691</b>	<b>347 398</b>	<b>299 651</b>
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	<b>485 546</b>	<b>462 805</b>	<b>606 502</b>	<b>556 311</b>	<b>552 568</b>	<b>556 311</b>	<b>600 890</b>	<b>711 034</b>	<b>693 709</b>

## 3.6.1.5 CURRENT &amp; PLANNED BORROWINGS

The municipality does not have any planned borrowings for this financial year. The municipality has paid off the borrowings that were acquired through the DBSA.

## 3.6.1.6 MUNICIPAL INFRASTRUCTURE ASSETS AND MAINTENANCE (O&amp;M)

Other materials as disclosed in the statement of financial performance comprises of the District's repairs and maintenance expenditure. The Municipality has budgeted **R44.5 million towards repairs and maintenance**, which is 8 percent of total operating expenditure. The Municipality could not be able to budget for the 8 percent of its asset value towards repairs and maintenance due to financial

constraints. However, the Municipality is determined to ensure that its budget towards repairs and maintenance increases.

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#### 3.6.1.7 SUPPLY CHAIN MANAGEMENT (SCM)

The municipality has its Supply Chain Management Unit in place. The supply chain management deals with the systematic processes associated with the needs analysis and acquisition of goods and services required by the Municipality in terms of Section 217 of the constitution stipulates that the municipality must establish a supply chain management system that is fair, transparent, equitable, competitive, efficient and cost-effective.

The supply chain activities are performed in line with the provisions of the Municipal Supply Chain Management Policy, Municipal Finance Management Act (No.56 of 2003), Preferential Procurement Policy Framework Act and its 2011 B-BBEE Regulations. Prospective suppliers or service providers wishing to do business with the council are invited to be registered on the municipal's list of accredited service providers/suppliers after the checking and evaluation of their application forms. All procurement requests exceeding R30 000 are advertised on the municipal website and notice boards for at least seven (7) days. Transactions above R200 000 are processed following the competitive bidding process. This approval includes the processing of bids by the Bid Specifications, Evaluation and Adjudication Committees. The bids are advertised in the newspapers, municipal website and notice boards.

To add to the latter, the district municipality has reviewed and adopted the Supply Chain Management Policy on the 18 May 2016. This policy guides procurement of goods and services in a fair, transparent, competitive and efficient manner and to ensure that historically disadvantaged individuals (HDI) are accorded preferential consideration.

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#### 3.6.1.8 EMPLOYEE RELATED COSTS (INCLUDING COUNCILOR ALLOWANCES)

The budgeted allocation for employee related costs for the 2016/17 financial year totals R195 million. Councillor allowances have been increased by 6.6%. Based on the three-year collective SALGBC agreement that took effect on the 1<sup>st</sup> of July 2016, salary increases have been factored into this budget at a percentage increase of 7% for the 2016/17 financial year.

The municipality has been forced to reduce overtime by 43% or R10 million. The initial budget had an amount of R23 million for overtime this amount has been since reduced to R13 million. Absolute commitment from senior managers will be pivotal in ensuring that overtime is cut-down as it is now unfunded.

Further to that, the municipality has also removed the performance bonuses of senior managers as recommended by Treasury.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

#### 3.6.1.9 REVENUE ENHANCEMENTS AND PROTECTION STRATEGIES

The municipality has developed the credit control and debt collection policy. Both policies were reviewed and adopted by council on the 18 May 2016. This policy provides direction in areas of credit control, collection of amounts billed to customers, procedures for recovery of arrear accounts. Council adopted the credit control and debt collection policy and reviewed annually. The debt collection function is performed in-house. The municipality has established the Credit Control Task Team. ***The task team meets monthly. The task team meets to strategize on how to improve the debt collection.*** The collection rate as of 28 February 2016 is sitting at 62% whereas the average collection rate from July 2015 to February 2016 is at 57%. In addition, the municipality will undertake an extensive debt collection drive in the 2016/17 financial resulting in cash receipts on arrear debtors, which will improve the cash position.

#### 3.6.1.10 BILLING SYSTEM

The municipality does have a billing system in place. Clients are billed according to consumption. The meter readers of the municipality perform the readings function. The readings are captured and clients are billed to pay before the last day of every month.

#### 3.6.1.11 THE ANTI-FRAUD AND CORRUPTION POLICY AND PREVENTION PLAN

uThukela district has developed and adopted the Anti- fraud and corruption policy and prevention plan on the 30rd April 2015. The plan recognises basis fraud and corruption prevention measures, which are in a place within uThukela district municipality. The plan was designed to the combating of Corrupt Activities, Act 2004. It is aimed at achieving the following:

- Encourage ethical behaviour

- Improved accountability
- Improve application of systems, policies, procedures and regulations
- Change aspects which could lead to unnoticed or unreported fraud and corruption

The policy of Anti-fraud and Anti-Corruption explains everything on its own. The Simple meaning of the word "Anti" means a policy of Prevention or Protection or just Doing Away of/with Fraud and corruption in uThukela District Municipality. An Anti-Fraud and Anti- Corruption strategy consists of reforms in the internal management of public resources and administration to reduce opportunities and incentives for fraud and corruption as well as to provide public accountability of the Council's stakeholders. *The uThukela district municipality Anti- fraud and corruption policy and prevention plan is attached for easy reference*

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#### 3.6.1.12 INVESTMENT POLICY

Every municipal council and its body is in terms of Section 13(2) of the Municipal Finance Management Act (MFMA) no 56 of 2003 is required to draft the Municipal's investment regulations. The primary objective of the investment policy is to gain the highest possible return, without unnecessary risk, during periods when excess funds are not being used. For this to be achieved, it is essential to have an effective cash flow management program. Before any monies can be invested, the Chief Financial Officer or his/her delegate must determine whether there will be surplus funds available during the term of the investment. uThukela district municipality has adopted its investment policy in ensuring that the municipality is gaining the highest possible return without any risk.

The term of the investment should be fixed and in order to do this it is essential for the cash flow estimates to be drawn up. Investment shall be made with care, skill, prudence and diligence. Investment officials are required to adhere to written procedures and policy guidelines, exercise due diligence and exercise strict compliance with all legislation. The Minister of finance may identify by regulation in terms of Section 168 of the MFMA instruments or investments other than those referred to below in which the Municipality may invest e.g. deposit with banks registered in terms of the banks Act, 1990 (Act No.94 of 1990).The table reflects a list of investments currently held by the municipality

<b>Investments by maturity Name of institution &amp; investment ID</b>	<b>Market value at end of the month</b>
<b>R thousands</b>	
<b><u>Municipality</u></b>	
FNB	51 879
NEDBANK	28 278
INVESTEC	83 685
<b>TOTAL INVESTMENTS AND INTEREST</b>	<b>163 842</b>

It must be noted that for the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity.

#### 3.6.1.13 COST FOR THE CONTRACTED SERVICES

The annual financials for the year ended June 2015 indicates that an amount of R 27 549 667 was spend on contracted services. The municipality has budgeted the amount of R37.4 million for the 2016/2017 financial year.

#### 3.6.1.14 AUDITOR GENERAL OPINION

The auditor general opinion on the financial management for the past three years can be summarised as follows:

<b>Financial year</b>	<b>Audit outcome</b>
2014/2015	Qualified
2013/2014	Qualified
2012/2013	Disclaimer

## 3.6.2 FINANCIAL VIABILITY &amp; MANAGEMENT: SWOT ANALYSIS

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> <li>◆ IGR structures in place, although not fully functional;</li> <li>◆ CFO's forum in place;</li> <li>◆ CFO position has been filled;</li> <li>◆ Submission of returns and statistics information</li> </ul>	<ul style="list-style-type: none"> <li>◆ In order to achieve a clean audit the audit unit should be expanded and be more proactive in their approach and not perform the same function as the AG;</li> <li>◆ Continues update of supply chain database and implementation of computerized supply chain module;</li> <li>◆ Staff audits to be conducted to establish over and underutilization of staff. This will assist with the spreading of workload;</li> <li>◆ Indigent registers be obtained from Local Municipalities for integration, consumers database updated, indigent register implemented and indigent policy applied</li> </ul>
WEAKNESSES	THREATS
<ul style="list-style-type: none"> <li>◆ Credit Control and debt collection;</li> <li>◆ High indecency rate - outdated indigent register and non-implementation thereof;</li> <li>◆ Non billing of consumers – Ezakheni and Indaka;</li> <li>◆ Control votes and suspense votes not cleared;</li> <li>◆ Data cleansing process too slow;</li> <li>◆ Illegal connections;</li> <li>◆ Cash flow and payment of creditors;</li> <li>◆ Supply chain management;</li> <li>◆ Poor Risk Management;</li> <li>◆ Long Outstanding Debtors;</li> <li>◆ Non availability of financial reserves / solid investments;</li> <li>◆ Non availability of financial discipline;</li> <li>◆ Lack of compliance with municipal policies.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Non-compliance with legislative mandates – reporting;</li> <li>◆ In-capacity to do annual financial statements;</li> <li>◆ Low income Base;</li> <li>◆ Dependency on equitable share and conditional grant</li> </ul>



### 3.7 GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS

Good Governance measures how the local government sphere aligns and integrates with the Provincial and National spheres of government on cross cutting issues. Programmes to demonstrate how the community participates and are consulted empowered in government programmes; particularly the establishment and functionality of ward committees and community development workers. Good governance requires the district to provide the highest quality of service to its constituents and to ensure that all the strategies and objectives be adhered to, resulting in a productive and sustainable district.

#### 3.7.1 NATIONAL AND PROVINCIAL PROGRAMMES

##### 3.7.1.1 BATHO PELE PRINCIPLES

White Paper on Public Service Delivery Transformation – 1 October 1997 stipulates that public service institution should set out transformation priorities, amongst which transforming service delivery must be the key. uThukela district municipality has formed the Batho Pele Committee in June 2012, the committee has done the following with regards to Batho Pele

- ⇒ Batho Pele principles are displayed on both receptions;
- ⇒ Name Tags for all staff members ;
- ⇒ Suggestion Boxes in all entrances;
- ⇒ Batho Pele training for all staff took place in 2013;
- ⇒ Installation of a SMS system that assist in communicating with the clients on database;
- ⇒ Customer Service Charter, Suggestion box policy and Complaints Policy have been developed and adopted.

##### 3.7.1.2 OPERATION SUKUMA SAKHE

OSS was launched in July 2009, under the campaign “One Home One Garden one product one village”, with the following objectives:

- ⇒ Making meaningful household intervention on poverty;
- ⇒ Behavioral Change to address HIV and AIDS, Crime, Substance Abuse, road accidents, abuse;
- ⇒ Addressing the needs of the most vulnerable and deprived communities and households;
- ⇒ Making rural development a realizable vision;

- ⇒ Creating opportunities for skills development and employment;
- ⇒ Ensuring cooperative governance for better & faster service delivery

OSS delivery model is designed to address the critical areas of community participation, integrated services delivery, behavior change, economic empowerment and environmental care. In the OSS model, coordination of services delivery at the ward level is centred around the “war room”. Each war room has a dedicated team that include community care givers, who provide services at household level; Youth Ambassadors, who promote behavior change and healthy lifestyle and; community development workers (CDWs), who provide secretariat functions and monitor interventions initiated through the war rooms.

All government departments have been mandated to align their operational plans with OSS and have indeed translated the mandate into action and aligned their operations to OSS. At the district and local levels, mayors and councilors are the champions for the OSS approach and provide support and oversight to the activities. Meanwhile the MEC and HOD are champions and oversee OSS implementation in uThukela district. All the outputs and outcomes of OSS initiatives are reported to WAC, LAC, DAC and ultimately to the PCA.

Considering that the interventions in the DSP 2012-2016 are an inherent part of the OSS programme and is implemented through OSS, the approach augur very well for the sustainability of the DSP.

### 3.7.1.3 INVOLVEMENT OF UTHUKELA DAC AND LACS IN OPERATION SUKUMA SAKHE

Members of the uThukela DAC and LACs participated in the activities of Sukuma Sakhe Task Teams. Sukuma Sakhe Task Teams are functional in all five local municipalities as well as the district. War rooms have been set up in certain wards; however, there is a challenge in providing equipment in war room centres. Total number of operational war rooms in the uThukela District are 42 and non-functional war rooms are 31 and number of war rooms are 73.

The following table shows the operation Sukuma Sakhe war rooms audit as at December 2015.

**Table 29: Operation Sukuma Sakhe War Rooms**

<b>Municipality</b>	<b>Operational</b>	<b>Non Operational</b>	<b>Responsible person</b>
Indaka Local Municipality	6 Functional War Rooms Wards : 1, 3, 4, 7, 9 And 10	4 Non Functional War Rooms Wards: 2, 5, 6 And 8	Miss Phungula
Umtshezi Local Municipality	4 Functional War Rooms  Wards: 1, 3, 5 And 8	5 Non Functional Ward Rooms Wards: 2, 4, 6, 7 And 9	Mr Mpembe
Okhahlamba Local Municipality	10 Functional War Rooms Wards: 1, 3, 4, 5, 6, 7, 10, 11, 13 And 14	4 Non Functional War Rooms Wards: 2, 8, 9 And 12	Miss Nelly
Emnambithi Local Municipality	12 Functional War Rooms Wards: 5, 6, 7, 8, 13, 14, 15, 16, 17, 19, 23 And 27	15 Non Functional War Rooms Wards: 1, 2, 3, 4, 9, 10, 11, 12, 18, 20, 21, 22, 24, 26 And 25	Mrs Madonsela
Imbabazane Local Municipality	10 Functional War Rooms  Wards: 1, 2, 3, 4, 5, 7, 9, 10, 11 And 13	3 Non Functional War Rooms  Wards: 2, 8, 9 And 12	Miss Phumelele

The tables below reflect the number of Working Task Team (WTT) in local municipalities as well as the number of functional and non-functional WTT per local municipality.

Table 30: Working Task Team (WTT)

Municipality	Total number of wards	Number of WTTs	Percentage
Emnambithi/Ladysmith	27	27	100%
Imbabazane	13	13	100%
Indaka	10	10	100%
Okhahlamba	14	14	100%
Umtshezi	9	9	100%

Functional and Nonfunctional (WTT)

Municipality	Functional(WTT)	Nonfunctional (WTTs)
Emnambithi/Ladysmith	12	15
Imbabazane	10	03
Indaka	06	04
Okhahlamba	10	05
Umtshezi	04	09

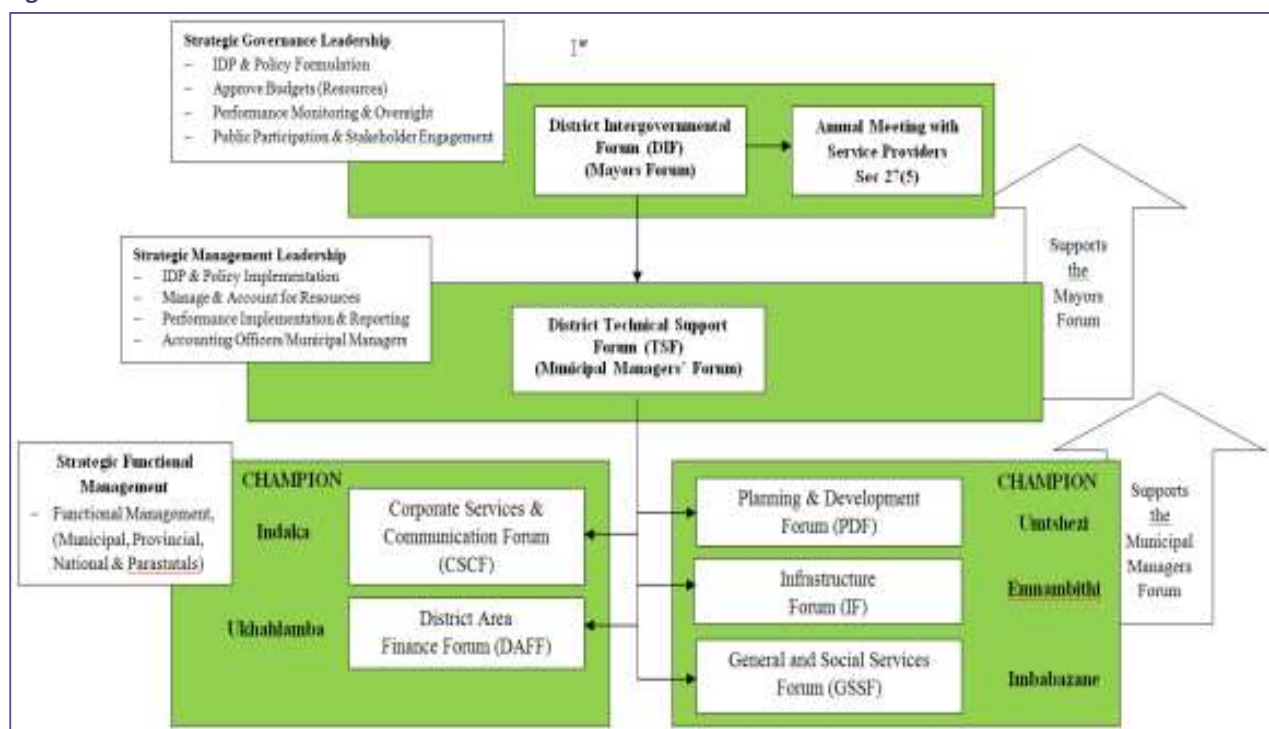
### 3.7.2 INTERGOVERNMENTAL RELATIONS (IGR) STRUCTURES OPERATING IN UTHUKELA DM

uThukela district municipality and its constituent municipalities established IGR structures particularly the District Intergovernmental Forum(DIF) or the Mayors Forum as it is commonly known and the District Technical Support Forum (DTSF) or the Municipal Manager’s Forum. This means that uThukela and family of municipalities complied with requirements of section 24 of the Intergovernmental Relations Act, 2005(Act 13 of 2005). All the mayors in the family of municipalities have signed the IGR protocols to strengthen the intergovernmental relations. At the Provincial level, the uThukela district municipality participate in the Premiers Coordinating Forum and Muni-Mec Forum for Municipal Managers.

There are number of sub committees that were formed by the municipality in making sure that all the three spheres of government talk to each other e.g. District Area Finance, Infrastructure Forum, Planning & development Forum, Corporate Services & communication Forum and General & Social Services Forum. All the Forums have terms of references.

The following structure illustrates the context of uThukela IGR.

Figure 20: uThukela DM IGR Structure



### 3.7.2.1 PARTICIPATION OF AMAKHOSI IN MUNICIPAL COUNCIL

The implementation of Section 81 of the Municipal Structures Act, Act 117 of 1988 that provides for the participation of traditional leaders in Municipal Councils is now underway. The Gazette identifying the names of Traditional Leaders that are to serve in Municipalities was published in April 2013 (Provincial Gazette No 926 Vol. 7).

The traditional leaders that serve in the uThukela district municipality are as follows:

NAME OF THE TRADITIONAL LEADER	TRADITIONAL COMMUNITY
Inkosi S N Mkhize	Abombo
Inkosi T R Khumalo	AbaNtungwakholwa
Inkosi M Hlongwane	Amangwane
Inkosi C N Zwane	Ingwe
Inkosi T B Mabaso	Mabaso (East)
Inkosi N Mnkwanyana	Mnkwanyana

### 3.7.3 MUNICIPAL STRUCTURES

#### 3.7.3.1 WARD COMMITTEES

Ward Committees are an exciting route of achieving one of the aims of the developmental local government mentioned in the Constitution of the Republic of South Africa. In this Forum is where communities and community organizations are able to participate more on issues of improving service delivery and strengthening local government. uThukela district municipality is relying on utilizing the local municipalities ward committees that are functional in the district in dealing with the issues of service delivery, public participation especially in the IDP and Budget.

The challenge that is facing the family of municipalities is that some ward committees are not functional like. The other challenge that makes it difficult for the Ward Committees to operate is that it is expensive for members to attend Ward Committees meetings, as the area is too wide in other

municipalities within the district. The table below reflects the functionality of ward committees in our district as of December 2013.

Name of the Municipality	No. Of Wards	Functional wards	Non-functional wards	Comments
Emnambithi	27	3 (Wards 6, 19, 24)	24 (Wards 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20,21, 22, 23,25,26,27)	No evidence of ward committee, community meetings, ward reports & non-submission for some wards
Okhahlamba	14	4 (Wards 1, 2, 4, 9)	10 (Wards 3, 5, 6, 7, 8, 10, 11, 12, 13, 14)	No ward/sectoral reports, community/ward committee meeting
Indaka	10	10	0	All wards functional
Umtshezi	09	3 (Wards 1, 2, 3)	6 (Wards 4, 5, 6, 7, 8, 9)	No evidence of community meetings and ward report
Imbabazane	13	3 (Wards 1, 9, 13)	10 (Wards 2, 3, 4, 5, 6, 7, 8, 10, 11, 12)	No evidence of community meetings, sectoral and ward reports
<b>TOTAL</b>	<b>73</b>	<b>23 (32%)</b>	<b>50 (68%)</b>	

### 3.7.3.2 IDP REPRESENTATIVE FORUM

Every municipality is obliged to prepare an IDP in terms of chapter 5 of the municipal systems act (Act 32 of 2000).The IDP must include representation from the community. uThukela district municipality has established uThukela district municipality Representative Forum that represents the interests of all constituents, at level of the district in the IDP process. It also guarantees representative participation in the IDP process. The Representative Forum is chaired by the uThukela Mayor or EXCO member and is having its own terms of reference. The RF of uThukela district municipality consists of the representatives from community that were based on geographical and social interest, councilors, Amakhosi, business sector, representatives from Government departments and representatives from local municipalities. The IDP Manager performs the secretariat function.

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### 3.7.3.3 EXECUTIVE COMMITTEE (EXCO)

Executive committee (EXCO) of uThukela district municipality consists of six councilors and is chaired by the Mayor. All members of EXCO are chairpersons of various portfolio committees. The committee is having its own schedule of meetings. The committee sits twice per month and their role is to recommend to Council.

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### 3.7.3.4 COUNCIL

Council committee of uThukela district municipality consists of 31 councilors. The Speaker of the municipality chairs all council meetings. Council meets once per month. The committee is having its own schedule of meetings that is circulated to all councilors once it is adopted.

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### 3.7.3.5 IDP STEERING COMMITTEE

As part of the IDP Review preparation process, uThukela district municipality has established an IDP Steering committee, which acts as a support to the IDP Representative Forum, IDP Manager and the Municipal Manager. The IDP steering committee structure is functioning throughout the IDP process. This structure is chaired by the Municipal Manager and is made up of Heads of Departments and middle management. IDP steering committee does not have decision-making powers, but is an advisory body to the Representative Forum. This committee is having its own terms of reference that are adopted by Council before the start of the IDP process.

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### 3.7.3.6 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

uThukela district municipality has formed the MPAC as to comply with the MFMA. MPAC was formed on the 3rd August 2011. The committee consists of five members. The municipal public accounts committee performs an oversight function on behalf of Council and should not be confused with the Audit Committee or finance portfolio committee. MPAC may examine the following documents:

- Audit report issued by the Auditor General on the affairs of the municipality;
- Audit reports on annual financial statements of the municipality;



- Annual report of the municipality;
- The mayor's quarterly reports on the implementation of the budget and the financial state of affairs of the municipality;
- Audit committee reports

The members of uThukela Municipal Public Accounts Committee (MPAC) are as follows:

- Councillor TP Shabalala (chairperson)
- Councillor ES Ndumo
- Councillor TM Cele
- Councillor MW Hadebe
- Councillor SB Sibisi

### 3.7.3.7 MUNICIPAL BID COMMITTEES

The following municipal Bid committees have delegated responsibility to execute the entire SCM process for all bids in the uThukela district municipality. Quorum is equal to 50%, plus 1.

**BSC– Bid Specification Committee** –The members of uThukela Bid Specification Committee (BSC) are as follows:

- C. van Niekerk (chairperson)
- G Cross
- T Mngoma
- N Khumalo

This committee is responsible for compiling of bid specifications. The committee also consider whether all the required quality assurance standards have been met with regard to the type of goods that is requested. The specifications are compiled in an unbiased manner to allow all potential bidders to offer their goods or services.

**BEC – Bid Evaluation Committee** –The members are as follows:

- L Ngwenya
- S Zikalala(Chairperson)
- A Ngwenya
- B Hlomuka
- B Mkhize

- D Khumalo
- S Dlamini
- W Viljoen
- C Coetzee

The committee is responsible for the evaluation of bids received, which include the verification of;

- The capability/ability of the bidder to execute the contract, from a technical, managerial and financial perspective.
- Whether the bid is to specification in respect of quality, functionality, dimensions, design, etc.
- Whether a bid offers value for money.
- Allocation of preference points.
- Representivity in the composition of the bidder and the possibility of fronting.
- Success/failure in executive of contracts awarded to a bidder previously.
- TAX Clearance issued by SARS

**BAC – Bid Adjudication Committee** –The members of the committee are following:

- PHZ Kubheka (chairperson)
- M Radebe
- N Z Khuzwayo
- M F Hadebe
- S Mdlolo
- B Khoza

The committee consider the reports and recommendations made by the evaluation committee. They check whether the recommendation made sufficiently indicates that all relevant factors have been taken into account, and that recommendation made represents a logical, justifiable conclusion, based on all relevant information at the evaluation committee's disposal. Each recommendation is supported by clear, concise motivation of salient points;

- All necessary bid documents have been submitted.
- Disqualifications are justified and that valid and accountable reasons/ motivations were furnished for passing over of bids.
- The necessary funds are available in the approved budget.

- Scoring has been fair, consistent and correctly calculated and applied and declaration of interest has been taken cognizance of.

The Bid committee structures are well defined in terms of the SCM Regulations (26) 2. All the Bid Committees are fully functional. There are SCM Practitioners present within the Bid Committees.

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#### 3.7.3.8 MUNICIPAL PORTFOLIO COMMITTEE

uThukela district municipality has established 5 standing committees or portfolio committees and these committees are:

- 1) Finance & Budget portfolio committee,
- 2) Corporate services portfolio committee,
- 3) Planning, Local Economic Development & disaster management portfolio committee,
- 4) Water, sanitation, technical services, WSA & municipal health services portfolio committee,
- 5) PMS, special programmes, communication, public participation & operation Sukuma sakhe portfolio committee

The members of EXCO chair all the portfolio committees and they have their own schedule of meetings but reports to EXCO and from EXCO to Council. All the portfolio committees are fully functional.

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#### 3.7.3.9 AUDIT COMMITTEE

The Audit Committee of the municipality is in place. The municipality is using a joint committee for audit and performance. The audit committee of uThukela district municipality consists of three members. The new committee was appointed in November 2015. They sit four times per year. Some of the functions of the Audit Committee are to evaluate the reports of the Heads of Departments. They also review the financial statements of the municipality and discuss the findings from the Auditor General. They also prepare the audit performance report for the council. The Audit committee is fully functional. The members of the committee are as follows:

- Ms N Mchunu (chairperson)
- Ms ZP Khanyile
- Mr. D Mnwabe
- Ms Y Joyi
- Mr G Majola

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### 3.7.3.10 INTERNAL AUDIT

uThukela district municipality has complied with section 165 of the MFMA which says each municipality must have an internal audit unit, subject to subsection (3) which says the municipality may outsource services if the municipality requires assistance to develop its internal capacity. Therefore, the internal audit is functional. The internal audit function is performed internal and some of their functions are as follows:

- Review and approve the Internal Audit Charter
  - Review of the Audit Committee Charter and submit to council for approval
  - Advise Council as to whether the internal audit unit is given the resources and operational independence required to fulfil its role as outlined in the Internal Audit Charter.
  - Review and approve the annual risk based internal plan
  - Ensure that all identified risk areas are prioritized and incorporated in the annual audit plan.
  - Receive and review the quarterly internal audit report on the implementation of the
  - internal audit plan and any of the matters relating to;
- 
- Internal Audit
  - Internal controls
  - Accounting procedures and practices
  - Risk and risk management
  - Performance management
  - Compliance with the Municipal Finance Management Act, division of Revenue Act (DORA) and any other applicable legislation
  - Investigate any other matter as requested by the Municipal Manager receive reports prepared by the internal audit unit on significant findings and recommendations to address those findings together with management responses with timeframes to implement recommendations.

### 3.7.4 COMMUNICATION STRATEGY

The communication programme of the uThukela Communication Strategy adopted by Council is centred on the programme of action of the government and the priorities of this district Council. The strategic objective of the uThukela Communications Strategy is to provide an integrated and coordinated communication service within the uThukela district and its five local municipalities. Key to this strategy is the recognition that Government communication is driven by coherent messages under a theme: "TOGETHER WE MOVE SOUTH AFRICA FORWARD".

### 3.7.5 STATUS OF MUNICIPAL POLICIES

**Table 31: Status of Council Municipal Policies**

Name of the policy	Completed Y/N	Adopted Y/N	Adoption date	Date of the review for approval
Supply Chain Management Policy		YES	01 January 2006.	18 May 2016
Credit Control and Debt management policy		YES	31 May 2006	18 May 2016
Indigent Policy		YES		18 May 2016
Asset Management Policy		YES		18 May 2016
Risk Management Policy and Framework		YES	02 July 2008	June 2015
Contract Management Policy		YES		18 May 2016
Performance Management framework		YES	25 January 2013	25 January 2013
Audit and performance committee charter		YES	26 February 2014	
Fleet management policy		YES		16 May 2013
Fixed asset policy				Submitted to council on the 28/3/13
Financial regulations		YES		16 May 2013
Retirement policy		YES		Submitted to council on the 28/3/13
GIS policy		NO		
IT policy		YES		07 June 2013
Tariff policy		YES		19 May 2015
Virement policy		YES		19 May 2015
Budget policy		YES		25 March 2014
Reserve and Funding policy		YES		07 June 2013
Long term borrowing		YES		25 March 2014
		YES		19 May 2015

Banking, cash management investment policy			
Subsistence and travelling policy	Yes		18 May 2016
Fraud and anti-corruption policy	Yes		
Human resource policies	YES	18 September 2007	18 May 2016
Placement policy	YES		16 May 2013
Customer care centre	YES		16 May 2013
Complaints policy	YES		16 May 2013
Suggestion box policy	YES		16 May 2013
Fleet management policy	YES		September 2014
Disaster recovery plan			
District environmental policy	Draft		
Gifts Policy		September 2014	
Indigent Policy			
Overtime Policy	Yes		18 May 2016
Standby Policy	Yes		18 May 2016
Skills retention Policy	Yes		19 May 2015
In service Training Policy	Yes		19 May 2015
Pauper burial and disposal of the dead policy	Yes	31 July 2015	31 July 2015

### 3.7.6 MUNICIPAL BYLAWS

uThukela district municipality has a guiding by-laws relating to environmental management namely: water services By-laws, & Environmental pollution control By-laws. The Environmental Pollution Control By- laws on the 30 June 2006. Council adopted amendments to the Water Services By-laws in 2013. The following legislations are also used by the municipality in performing municipal health services functions:

- National Health Act, 2003 (Act 61 of 2003)
- Regulations relating to Funeral Undertakers Premises FCD Act, 1972 (Act 54 of 1972)
- Regulations relating to milking and the transport of milk
- Regulation relating to food premises and the transport of food (Reg R962)
- Occupational Health and Safety Act
- The Constitution of the republic of South Africa (Act 108 of 1996)
- Air Quality (Act no. 39 of 2004)
- National dust control regulation (No. R 827 of 2013)
- National building regulations
- ISO 1400

### 3.7.7 MUNICIPAL RISK MANAGEMENT

In terms of Section 62(1) (c) (i) of the Municipal Finance Management Act, 2003 requires that:

“The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure –

(c) that the municipality has and maintains effective, efficient and transparent systems –

(i) of financial and risk management and internal control”

In complying with the above Act, uThukela District Municipality Risk Management Policy and Strategy, Risk Management Framework, Risk Management Committee Charter and Anti-Fraud and Corruption Policy and Prevention Plan was developed and adopted by Council and is reviewed annually. The policy provides a framework within which management can operate to enforce the pro-active ERM process and to inculcate the risk management efforts of the municipality be optimized.

Uthukela District Municipality have launched the District Anti-Fraud and Corruption Hotline to deal with matters of fraud and corruption and financial misconduct. To further, protect the whistle blowers a whistle blowing policy has been developed and will be approved by Council for 2016/2017 financial year. To deal with compliance risk the municipality has developed a Compliance Policy and Charter, which will be approved by Council for 2016/2017 financial year.

The municipal risk management framework specifically addresses the structures, processes and standards implemented to manage risks on an enterprise- wide basis in a consistent manner. The municipality has appointed a Risk Management Officer who will deal with risk management.

#### 3.7.7.1 RISK MANAGEMENT COMMITTEE

A Risk, compliance, and anti-fraud Management Committee has also been formed and is functional. The committee is playing an oversight role for the monitoring of risk management and they report to the Accounting Officer and Audit Committee any material changes to risk profile of uThukela district municipality. Members are nominated by the Municipal Manager on an annual basis and are meeting

on monthly basis. The terms of reference for the committee is reviewed on an annual basis. The following are members of the committee:

BH Khoza (Chairperson)

W Viljoen

P Madlala

P Koortzen

M Mbatha

N Buthelezi

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### 3.7.8 PUBLIC PARTICIPATION ANALYSIS

Public participation is dynamic to determine the needs that exist in the communities in relation to the developmental priorities during the public meetings and information gathering. The uThukela district municipality utilized the following mechanisms for public participation when developing its IDP.

**IDP Representative Forum (IDP RF):** This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees members from the local municipalities, AmaKhosi, Non-Governmental Organizations (NGOs), Community Based Organisations (CBOs) and Organized Business

**Media:** Local newspapers was used to inform the community of the progress of the uThukela IDP review and further due meetings' including the IDPRF and community road shows.

**Radio slot:** The uKhozi radio station was utilized to make public announcements when the need arises.

**IDP Roadshows:** The uThukela district municipality held its IDP Roadshows that was separated from the Budget. The aim of this exercise was to collect needs from the community that informs the preparation of the 2016/2017 Budget. The IDP roadshows was held from the 5 February to the 18 of February 2016.



**IDP/ Budget Road Shows:** The uThukela district municipality had its community road shows in the whole of the district to publicize the draft IDP and Budget during the month of April and May 2016. The venues for these meetings were publicized at the IDP RF, public places and as well as through the media.

**The Website:** Copies of the uThukela district municipality IDP and Budget were placed on the website for communities, stakeholders and service providers to view or download it.

### 3.7.9 ALIGNMENT OF UTHUKELA IDP WITH LOCAL MUNICIPALIT'S IDP

strategic meetings were held involving the district and family of municipalities with the primary objective of aligning this IDP with those of the local municipalities. The primary aim of having the session with the family of municipalities was to align our programmes with local municipalities.

uThukela has established the IDP Supporting Committee that is comprises of all the IDP Managers and COGTA and the objective of the Committee is to ensure that the IDP's are talking to each other and is coordinated at the district level but meetings are rotational.

The alignment started at initial stages where all the IDP managers met to discuss the process to be followed in the review. The process was helpful in ensuring that the 2016/2017 IDP review is holistic and addresses issues of integrated planning and development. For example, all identified projects for 2016/2017 financial year, as listed in this IDP, originated from discussions held with the family of municipalities.

### 3.7.10 GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT ANALYSIS

Strengths	Opportunities
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<ul style="list-style-type: none"> <li>◆ Political will and support from the officials to prepare and plan for community participation programmes such as IDP;</li> <li>◆ Improved IGR (Operation Sukuma Sakhe, War rooms established in all wards and the Local Task Teams in place;</li> <li>◆ Viable MPAC Committee in place;</li> <li>◆ Public Participation Forum in Place and operational;</li> <li>◆ All wards in the district managed to develop ward Plans under Community Based Plan program;</li> <li>◆ District AIDS Council in Place and Operational;</li> <li>◆ District Operation Sukuma Sakhe Task Team in place and operational;</li> <li>◆ Passing of the municipal structure (Organogram)</li> </ul>	<ul style="list-style-type: none"> <li>◆ Support from the community ( Through their participation on municipal meetings)</li> <li>◆ Cooperation of traditional leadership to municipal functions.</li> <li>◆ Conducive weather for agricultural activities</li> <li>◆ Stable political environment for investment</li> <li>◆ World class tourism destination (Drakensburg Mountains are world heritage site in tourism)</li> <li>◆ Engagement with staff to enhance cooperation</li> </ul>
Weaknesses	Threats
<ul style="list-style-type: none"> <li>◆ IGR not functioning as it is supposed to</li> <li>◆ Functionality of Portfolio Committee</li> <li>◆ Poor lines of communications (observation of protocol, clear roles and responsibilities of councilors and officials);</li> <li>◆ Poor Participation of local municipalities in public participation forum meetings;</li> <li>◆ Rural based municipalities do not have income to improve service delivery;</li> <li>◆ Lack of coordination with sector departments;</li> <li>◆ Poor recognition of staff efforts, which leads to low staff morale</li> </ul>	<ul style="list-style-type: none"> <li>◆ Service delivery protests;</li> <li>◆ Disasters due to climate change;</li> <li>◆ Storm damages to the residents;</li> <li>◆ Unskilled labour;</li> <li>◆ Political Agendas</li> </ul>

### 3.7.11 COMBINED SWOT ANALYSIS

Prior sections of this report highlighted SWOT Analysis on each KPA. Following is a combined SWOT Analysis.

**Table 32: Combined SWOT Analysis**

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> <li>◆ Aesthetically pleasing landscape with habitat diversity, large wetlands and important biodiversity areas with high tourism attraction</li> <li>◆ The area is good for a research development of certain organizations; the Ukhahlamba Drakensberg Heritage Site has Buffer restrictions to restore its own sense of place.</li> <li>◆ There are conservancies formed for conservation of species, habitat and biotic organisms</li> <li>◆ The Ukhahlamba Drakensberg mountain range is a World Heritage Site and forms part of the Maloti-Drakensberg Transfrontier Peace Park (MDTP) between Lesotho and South Africa. This has a competitive advantage</li> <li>◆ The area has much of protected areas that contribute to economic growth</li> <li>◆ The utilities sector has become increasingly important due to the establishment in the 1970s and 1980s of the Tugela-Vaal Augmentation Scheme (TUVA);</li> <li>◆ Disaster management plan in place ;</li> <li>◆ Disaster Practitioner’s forum in place;</li> <li>◆ Swiftly response to incidents,</li> <li>◆ Political will from Mayoral Office</li> <li>◆ All senior management positions are filled;</li> <li>◆ Approved organogram indicating re-alignment of functions;</li> <li>◆ Efficient financial and information management system;</li> <li>◆ Incorporation of critical positions in the approved budget;</li> <li>◆ Well-planned, coordinated and developed infrastructure projects;</li> <li>◆ Availability of Bulk infrastructure and services in urban areas to support district economy;</li> </ul>	<ul style="list-style-type: none"> <li>◆ IDP identified the need for a regional airport and the development of the N3 corridor;</li> <li>◆ The KZN Provincial Spatial Economic Development Strategy (PSEDS) identifies Okhahlamba as one region with massive potential for growth in agriculture and agro processing;</li> <li>◆ Integration of social, economic and environmental factors into planning, implementation and decision making this leads to sustainable development;</li> <li>◆ Sustainable Tourism , Revenue generation, Economic growth through sustainable development, Environmental awareness in the area;</li> <li>◆ Creation of green job opportunities through conservation of environment; this contributes to green economy;</li> <li>◆ Local Government support from COGTA;</li> <li>◆ Signed MOU with EThekweni emphasising support initiatives.</li> <li>◆ Availability of Grants funding to financially support delivery of infrastructure;</li> <li>◆ Technical support offered by provincial treasury (Creak Team) and COGTA (MISA);</li> <li>◆ Public private partnerships;</li> <li>◆ Existence of Intergovernmental relation</li> <li>◆ Newly updated LED and Tourism Strategy;</li> <li>◆ Funding to enhance the SDF in progress;</li> <li>◆ Working relationship established with LMs;</li> <li>◆ LED Forum has to be enhanced</li> <li>◆ Anchor project in the form of the Cable Car projects;</li> <li>◆ World Heritage Site – uKhahlamba Drakensberg Park World Heritage Site;</li> <li>◆ In order to achieve a clean audit the audit unit should be expanded and be more proactive in their approach and to perform the same function as the AG;</li> </ul>

<ul style="list-style-type: none"> <li>◆ Availability of expertise to implement projects</li> <li>◆ Planning, GIS and LED skilled personnel;</li> <li>◆ Provincial Support in the form of grants and capacity building;</li> <li>◆ Sufficient project budget for project implementation</li> <li>◆ IGR structures in place, although not fully functional;</li> <li>◆ CFO's forum in place;</li> <li>◆ CFO position has been filled;</li> <li>◆ Submission of returns and statistics information</li> <li>◆ Control votes and suspense votes not cleared;</li> <li>◆ Cash flow and payment of creditors;</li> <li>◆ Political will and support from the officials to prepare and plan for community participation programmes such as IDP;</li> <li>◆ Improved IGR (Operation Sukuma Sakhe, War rooms established in all wards and the Local Task Teams in place;</li> <li>◆ Viable MPAC Committee in place;</li> <li>◆ Public Participation Forum in Place and operational;</li> <li>◆ All wards in the district managed to develop ward Plans under Community Based Plan program;</li> <li>◆ District AIDS Council in Place and Operational;</li> <li>◆ District Operation Sukuma Sakhe Task Team in place and operational;</li> <li>◆ Passing of the municipal structure (Organogram )</li> </ul>	<ul style="list-style-type: none"> <li>◆ Continues update of supply chain database and implementation of computerized supply chain module;</li> <li>◆ Staff audits to be conducted to establish over and underutilization of staff. This will assist with the spreading of workload;</li> <li>◆ Indigent registers be obtained from Local Municipalities for integration, consumers database updated, indigent register implemented and indigent policy applied;</li> <li>◆ Support from the community ( Through their participation on municipal meetings)</li> <li>◆ Cooperation of traditional leadership to municipal functions.</li> <li>◆ Conducive weather for agricultural activities</li> <li>◆ Stable political environment for investment</li> <li>◆ World class tourism destination (Drakensburg Mountains are world heritage site in tourism)</li> <li>◆ Engagement with staff to enhance cooperation</li> </ul>
<b>WEAKNESSES</b>	<b>THREATS</b>
<ul style="list-style-type: none"> <li>◆ Lack of economic diversity &amp; competitiveness of small towns;</li> <li>◆ Economy is dependent on government services;</li> <li>◆ Agriculture and tourism potential not fully exploited;</li> <li>◆ No sufficient tertiary education institutions leading to disjuncture between skills &amp; growing sector;</li> <li>◆ Ability to fully leverage location factors – transport, warehousing &amp; logistics;</li> <li>◆ The municipality is characterized by the ageing water and sanitation infrastructure;</li> <li>◆ Lack of initiatives to identify areas that need to be rehabilitated in the</li> </ul>	<ul style="list-style-type: none"> <li>◆ On-going environmental degradation impacting the ecotourism, leading to a reduction of resources available for conservation aspects;</li> <li>◆ Low economic growth and increasing rate of unemployment in major economic sectors;</li> <li>◆ Alien infestation may lead in marked declines in stream flow, transformation of vegetation composition &amp; structure; alteration of patterns nutrient cycle &amp; fire regime; also impact on Tourism &amp; Agricultural production;</li> <li>◆ High potential agricultural land, potential forestry areas and areas likely to experience settlement expansion this poses greatest threats to identified Critical Biodiversity Areas (CBAs);</li> </ul>

District;

- ◆ Lack of environmental compliance and enforcement; this weakens management of the natural environment;
- ◆ Lack of environmental management strategies, projects and key interventions to monitor & manage biodiversity as well as ecological footprint;
- ◆ Lack of important environmental plans to execute the core function of the local municipality (waste management) i.e. IWMP;
- ◆ Poor participation in environmental related forums;
- ◆ Lack of environmental planning tools to govern natural environment;
- ◆ No alignment between district wide environmental plans with the local municipalities;
- ◆ High number of unskilled staff;
- ◆ Lack of commitment of IGR structures;
- ◆ Lack of linkage of skills audit and plan to skills needed to perform functions effectively;
- ◆ Low staff morale;
- ◆ Non-adherence to best practices;
- ◆ High staff turn-over;
- ◆ Poor infrastructure maintenance strategies;
- ◆ High level of water loses;
- ◆ Ageing infrastructure which causes non-sustainability of services provision;
- ◆ Procurement process is long and cumbersome;
- ◆ Marketing of the District as a Tourism destination and Investment destination
- ◆ Poor lines of communications (observation of protocol, clear roles and responsibilities of councilors and officials);
- ◆ Poor Participation of local municipalities in public participation forum meetings;
- ◆ Rural based municipalities do not have income to improve service delivery;
- ◆ Lack of coordination with sector departments;

- ◆ Excessive harvesting of indigenous trees for firewood, cutting thatch grass for roofing purpose, use of river sand and soil for buildings;
  - ◆ Farming in traditional areas is seriously underdeveloped and suffers from a range of constraints to its future growth;
  - ◆ Limited benefits derived from international and national assets situated in the district;
  - ◆ Lack of environmental education in general
  - ◆ The effects of climate change due to poor environmental management;
  - ◆ Non-compliance with legislative mandates – reporting
  - ◆ Deeply rural, agrarian and poverty stricken communities
  - ◆ Political volatility and social tensions
  - ◆ Lack of co-operation from supported municipal centres (sharing & exchanging of information);
  - ◆ Lacks political will from supported structures;
  - ◆ Constant changes in legislation and national policies;
- Changes in the formula for the allocation of government grants including equitable share;
- ◆ Increasing rate of illegal connections to water supply infrastructure;
  - ◆ High rate of infrastructure vandalism;
  - ◆ Prolonged turnaround time Eskom when applied for new power connection;
  - ◆ Industrial actions/ labour unrest during construction phase;
  - ◆ Employment of unskilled Tourism Specialist;
  - ◆ Instability in the organization;
  - ◆ Lack of LM/DM Cooperation;
  - ◆ Lack of vertical and horizontal alignment within the organization;
  - ◆ Service delivery protests;
  - ◆ Disasters due to climate change;
  - ◆ Political Agendas
  - ◆ Data cleansing process too slow;
  - ◆ Illegal connections;
  - ◆ Long Outstanding Debtors;
  - ◆ Non availability of financial reserves / solid investments;
  - ◆ Non availability of financial discipline;

- ◆ Poor recognition of staff efforts, which leads to low staff morale
- ◆ Non billing of consumers – Ezakheni and Indaka;
- ◆ High indecency rate - outdated indigent register and non-implementation thereof

- ◆ Lack of compliance with municipal policies;

### 3.7.12 KEY CHALLENGES FACED BY UTHUKELA AND ITS FAMILY OF MUNICIPALITIES

**Table 33: Municipal Transformation & Organizational Development Key Challenges**

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT	
KEY CHALLENGE	<ul style="list-style-type: none"> <li>◆ Skills gap and lack of human resource capacity in other component</li> <li>◆ Poor condition of municipal buildings and other facilities versus budget constrains</li> <li>◆ Lack of staff moral</li> <li>◆ Systems and procedures</li> <li>◆ Permanent versus temporary staff ratio;</li> </ul>

**Table 34: Basic Service Delivery & Infrastructure Key Challenges**

BASIC SERVICE DELIVERY AND INFRASTRUCTURE	
KEY CHALLENGE	<ul style="list-style-type: none"> <li>◆ Service Backlog (water and sanitation)</li> <li>◆ Replacement of ageing Infrastructure</li> <li>◆ Infrastructure Maintenance,</li> <li>◆ Expenditure on infrastructure grants</li> <li>◆ Capacity</li> <li>◆ Poor performance- service providers</li> <li>◆ Clan conflicts</li> <li>◆ Politics</li> <li>◆ Water Quality</li> <li>◆ Water losses</li> <li>◆ Drought</li> </ul>

**Table 35: Local Economic Development & Social Development Key Challenges**

LOCAL ECONOMIC AND SOCIAL DEVELOPMENT	
CHALLENGE	<ul style="list-style-type: none"> <li>◆ Coordination of LED initiatives</li> <li>◆ High level of unemployment</li> <li>◆ Lack of economic diversity and competitiveness of small towns</li> <li>◆ HIV/AIDS prevalence</li> <li>◆ Agriculture and tourism potential not fully exploited</li> <li>◆ Economic stagnation</li> <li>◆ Alignment with provincial and national economic development initiatives</li> <li>◆ No sufficient tertiary education institutions leading to disjuncture between skills &amp; growing sector</li> <li>◆ High Poverty rate</li> <li>◆ Lack or poor Economic infrastructure</li> </ul>

	<ul style="list-style-type: none"> <li>◆ Supporting meaningful local economic development (LED) initiatives that foster micro and small business opportunities and job creation</li> <li>◆ Lack of Marketing of the District as a Tourism destination and Investment destination</li> </ul>
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Table 36: Financial Viability &amp; Financial Management Key Challenges

FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	
<b>CHALLENGE</b>	<ul style="list-style-type: none"> <li>◆ poor infrastructure</li> <li>◆ high indigent rate,</li> <li>◆ tariffs not covering water cost,</li> <li>◆ Grant dependency</li> <li>◆ Illegal connections</li> <li>◆ Non billing of consumers – Ezakheni and Indaka</li> <li>◆ Rural based municipalities do not have income to improve service delivery</li> <li>◆ Revenue</li> </ul>

Table 37: Good Governance &amp; Public Participation Key Challenges

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
<b>KEY CHALLENGE</b>	<ul style="list-style-type: none"> <li>◆ IGR not functioning as it is supposed to</li> <li>◆ Functionality of Portfolio Committee</li> <li>◆ Legal compliance</li> <li>◆ Welfare dependency on grants</li> <li>◆ Increased incidents of HIV/AIDS and communicable diseases</li> <li>◆ High levels of crime and risk</li> <li>◆ Lack of cooperation from sector departments</li> </ul>

Table 38: Cross Cutting Issues Key Challenges

CROSS-CUTTING ISSUES	
<b>KEY CHALLENGE</b>	<ul style="list-style-type: none"> <li>◆ Lack of human capacity to assist with environmental issues</li> <li>◆ Lack of environmental compliance and enforcement</li> <li>◆ Outdated enforcement by-laws</li> <li>◆ Disasters due to climate change</li> <li>◆ Lack of environmental planning tools to govern natural environment</li> <li>◆ Lack of resources to mitigate and prevent incidents of disasters</li> </ul>



**SECTION D:  
MUNICIPAL VISION, GOALS AND  
STRATEGIC OBJECTIVES**

## 4 MUNICIPAL VISION, GOALS AND STRATEGIC OBJECTIVES

### 4.1 MUNICIPAL VISION

The uThukela District Municipality Vision reads as follows:

“A stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development”

#### 4.1.1 MUNICIPAL MISSION STATEMENT

The uThukela District Municipality Mission Statement reads as follows:

We promote a people-centred environment with emphasis on consultation, integrity, accountability, economy, effectiveness and efficiency

#### 4.1.2 CORE VALUES

The following are uThukela DM Core Values:

- ⇒ Solidarity;
- ⇒ Honesty;
- ⇒ Ownership;
- ⇒ Professionalism;
- ⇒ Self-reliance

## 4.2 IDP STRATEGIC OBJECTIVES

INDEX	NKPA	STRATEGIC GOAL	Objective REF	STRATEGIC OBJECTIVE	Strategy REF	Strategies	OUTCOME 9 OUTPUT	Back to Basic Pillars
A	Municipal Transformation And Organisational Development	Promotion of the institution that is representative, participative & empowered in improving institutional capabilities for service delivery	A1	Increase knowledge Skills and capacity	A1.1	Retain scarce skills and implement talent mapping	Implement a differential approach to Municipal Financing, planning and support	Pillar 5 Robust Institutions And Administrations
					A1.2	Strive to become an employer of choice		
					A1.3	Enhance skills and build capacity to balance the organisation needs		
			A2	Improve Business processes	A2.1	Boost efficiency through innovation and use of technology		
					A2.2	Policy and Procedure manual refinement		
					A2.3	Refine and align business processes and policies		
					A2.4	Prioritise on retaining and manage institutional memory and knowledge		

INDEX	NKPA	STRATEGIC GOAL	Objective REF	STRATEGIC OBJECTIVE	Strategy REF	Strategies	OUTCOME 9 OUTPUT	Back to Basic Pillars
B	Basic Service Delivery	Addressing service delivery backlogs & future growth as well as maintenance and upgrade of existing infrastructure	B1	Improve quality of life and access to basic services	B1.1	Expand the capacity of the water and the sanitation network	Improved access to basic services	Pillar 2 Adequate and community oriented service provision
					B1.2	Ensure provision of free basic services to the indigent		
					B1.3	Develop and implement Mayoral Special programmes		
			B2	Improve the quality and consistency of services provided	B2.1	Develop and implement operation blue drop and green drop		
					B2.2	Build an efficient operations and maintenance plan which ensures minimum service interruptions and speedily response to service interruptions		
					B2.3	Develop and implement Water Conservation and Demand Management Plans		
			B3	Increase the Capacity of the Municipal Infrastructure	B3.1	Implement the IDP projects and ensure effective project management and quality control.		
C	Local Economic	Stimulation of economic development & reverse current trends of decline in diversity through	C1	Increase Economic activities	C1.1	Promote Local Economic Development and tourism in the District	Implementation of Community works Programme and supported Cooperatives	
					C1.2	Provide capacity building support to New and Existing Businesses		

INDEX	NKPA	STRATEGIC GOAL	Objective REF	STRATEGIC OBJECTIVE	Strategy REF	Strategies	OUTCOME 9 OUTPUT	Back to Basic Pillars
		enhancing economic growth			C1.3	Provide secondary support to business enterprises		
			C2	Strengthen Business Partnership	C2.1	Develop and implement the LED incentives and investor attraction policy to attract new investment in the district.		
D	Financial Viability And Financial Management	Managing of municipal resources and ensuring financial sustainability	D1	Increase Income	D1.1	Develop and enforce credit and cash flow management plans, controls and procedures	Improve Municipal Financial and Administrative Capability	Sound financial management and accounting
			D2	Improve expenditure and cash management	D2.1	Develop and enforce credit and cash flow management plans, controls and procedures		
			D3	Improve value for money spent	D3.1	Develop and implement a services provider performance management system and automate management		
			D4	Improve Budgeting and Reporting of Financial Resources	D4.1	Develop a credible budget and report monthly in accordance with the MFMA calendar of reporting to stakeholders		
E	Good Governan	Provision of systems and mechanism for accountability & public	E1	Improve performance and efficiency	E1.1	Refine and cascade performance management	Deepen Democracy through a refines Ward Committee System	
					E1.2	Improve performance reporting and compliance		

INDEX	NKPA	STRATEGIC GOAL	Objective REF	STRATEGIC OBJECTIVE	Strategy REF	Strategies	OUTCOME 9 OUTPUT	Back to Basic Pillars
		participation in municipal development affairs	E2	Promote Good Governance and Sound administration	E2.1	Develop and implement an operation clean audit plan		
	E2.2				Develop and implement a Risk management plan			
	E2.3				Coordinate and establish functional council and administrative structures			
	E3		Improve Public Participation	E3.1	Develop and implement the public participation strategy			
				E3.2	Develop and implement a comprehensive communication strategy			
F	Cross Cutting Issues	Safer and healthier environment within the district	F1	Improve Disaster prevention and Environmental management	F1.1	Develop and implement a disaster management plan	One window of co-ordination	
					F1.2	Co-ordinate solid waste management		
			F2	Improve Planning and Coordination	F2.1	Co-ordinate IGR within the District		
					F2.2	Coordinate Planning within the District		
					F2.3	Develop and implement a Credible IDP		

# SECTION E: STRATEGIC MAPPING

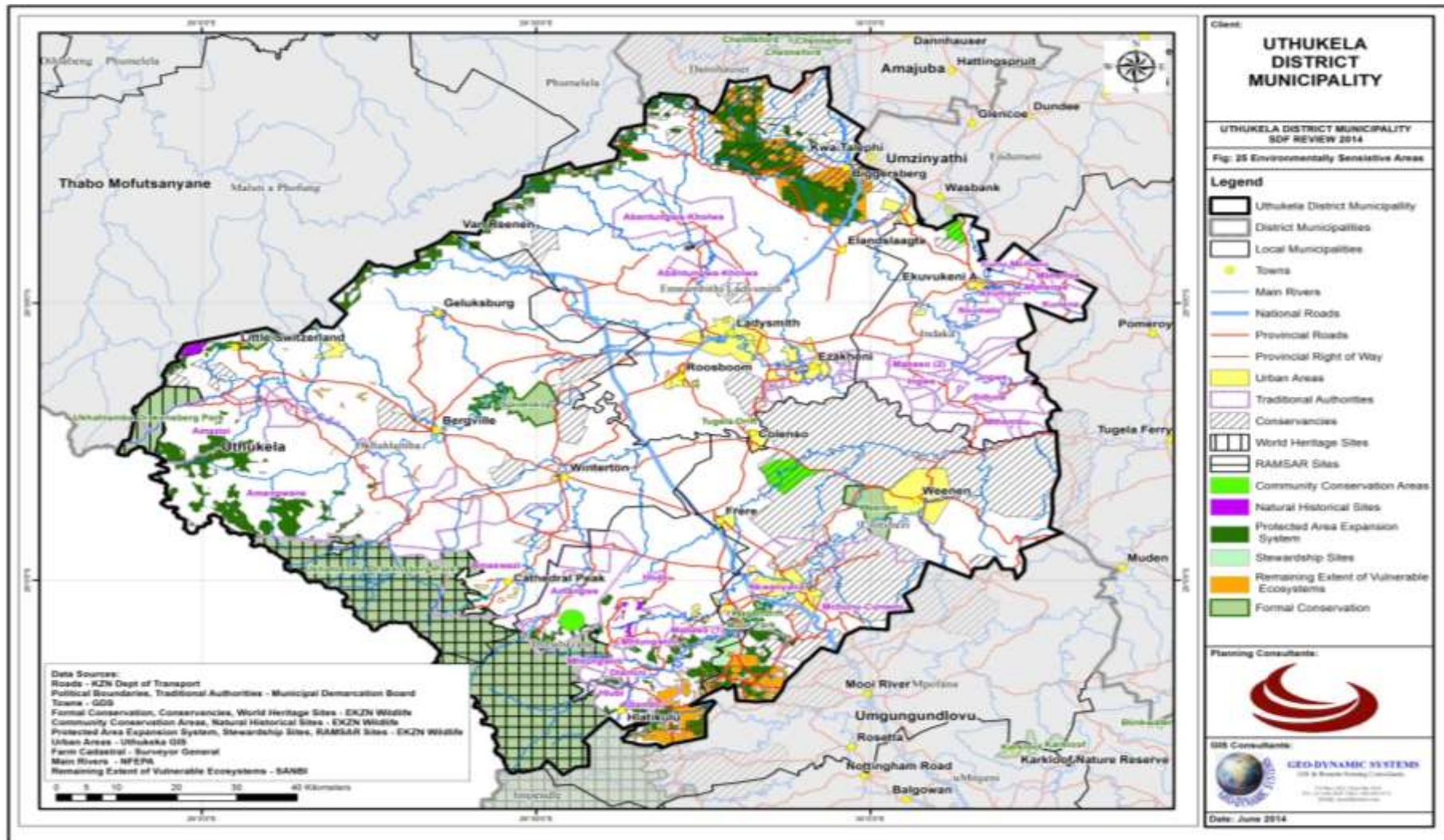
## 5 STRATEGIC MAPPING

### 5.1.1 ENVIRONMENTAL SENSITIVE AREAS

There is a range of environmentally sensitive areas within uThukela and include amongst others natural resources such as the important species sites, sites of intrinsic biodiversity value, watercourses and steep slopes. The greater central plateau and river valleys, such as the Sundays and Tugela River are some of the natural resources that should be protected. The most important environmental value associated with these valleys, are their value as catchment areas. The prevalence of dongas and soil erosion are also an indication of poor environmental management and there is therefore a need to develop and adopt an environmental management approach. The maps below show the environmental sensitive areas



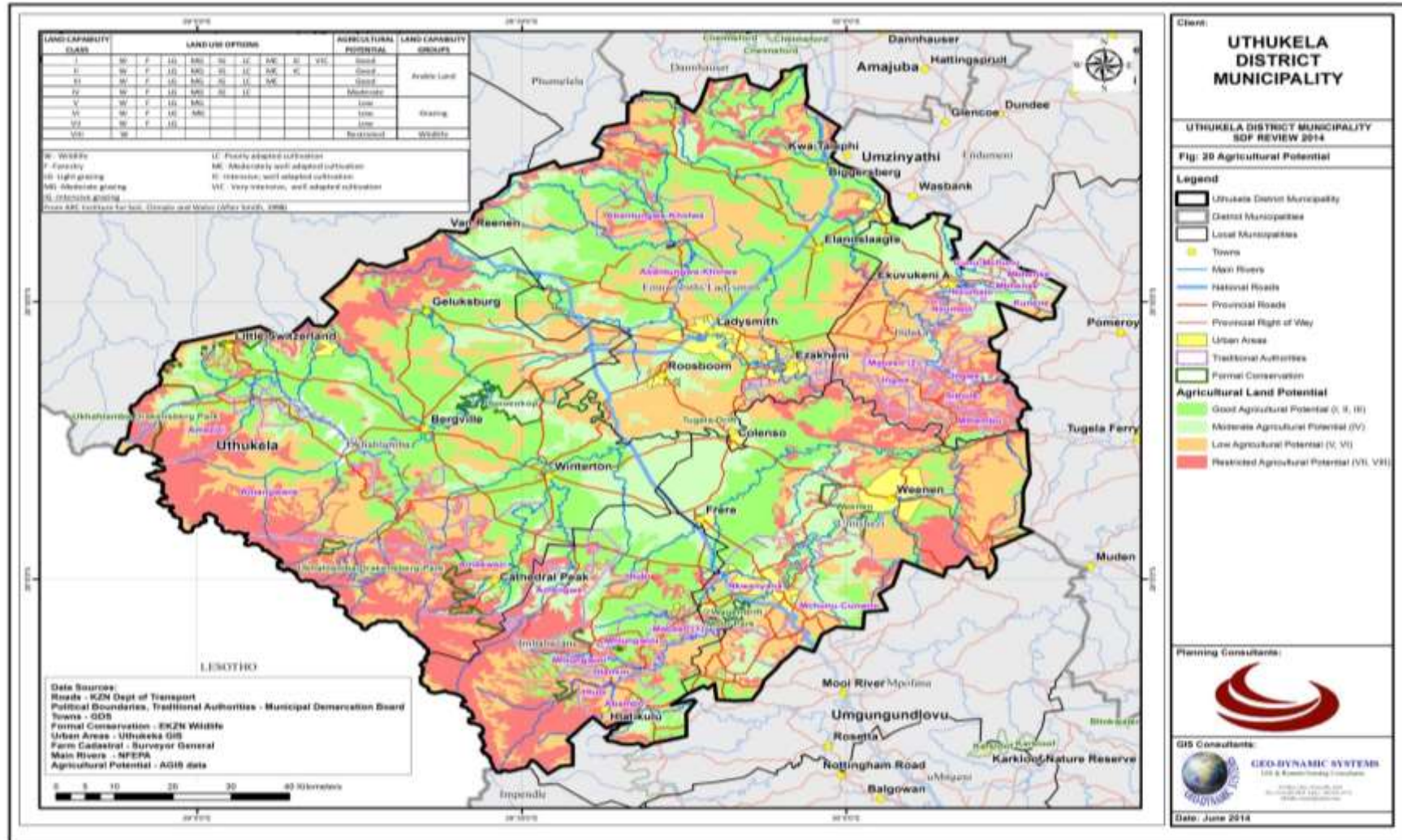
The Environmental Sensitive areas



### 5.1.2 AGRICULTURAL POTENTIAL

The new growth path seeks to place the economy on a production-led trajectory by developing an agricultural value chain, with a focus on expanding farm-output, employment, and increasing the agri-processing sector. The KZN Provincial Spatial Economic Development Strategy (PSEDS) identifies Okhahlamba as one region with massive potential for growth in agriculture and agro processing. A competitive sector could be further developed to exploit economic opportunities presented by its location along the major transport routes and abundant water from the Thukela River (Thukela-Vaal Scheme). The R74 connects Bergville and Winterton to the N3 and N6 roads in the Free State, this presents Okhahlamba with agro processing opportunities that will be supported by road freight infrastructure to major South African cities, i.e. the Durban Harbour in the south and Agriculture contributed R946 million to the district economy in 2011 and employed 7 959 people, the sector contributed 7% to total GVA and employment within the municipality in 2011. The map below shows the agricultural potential.

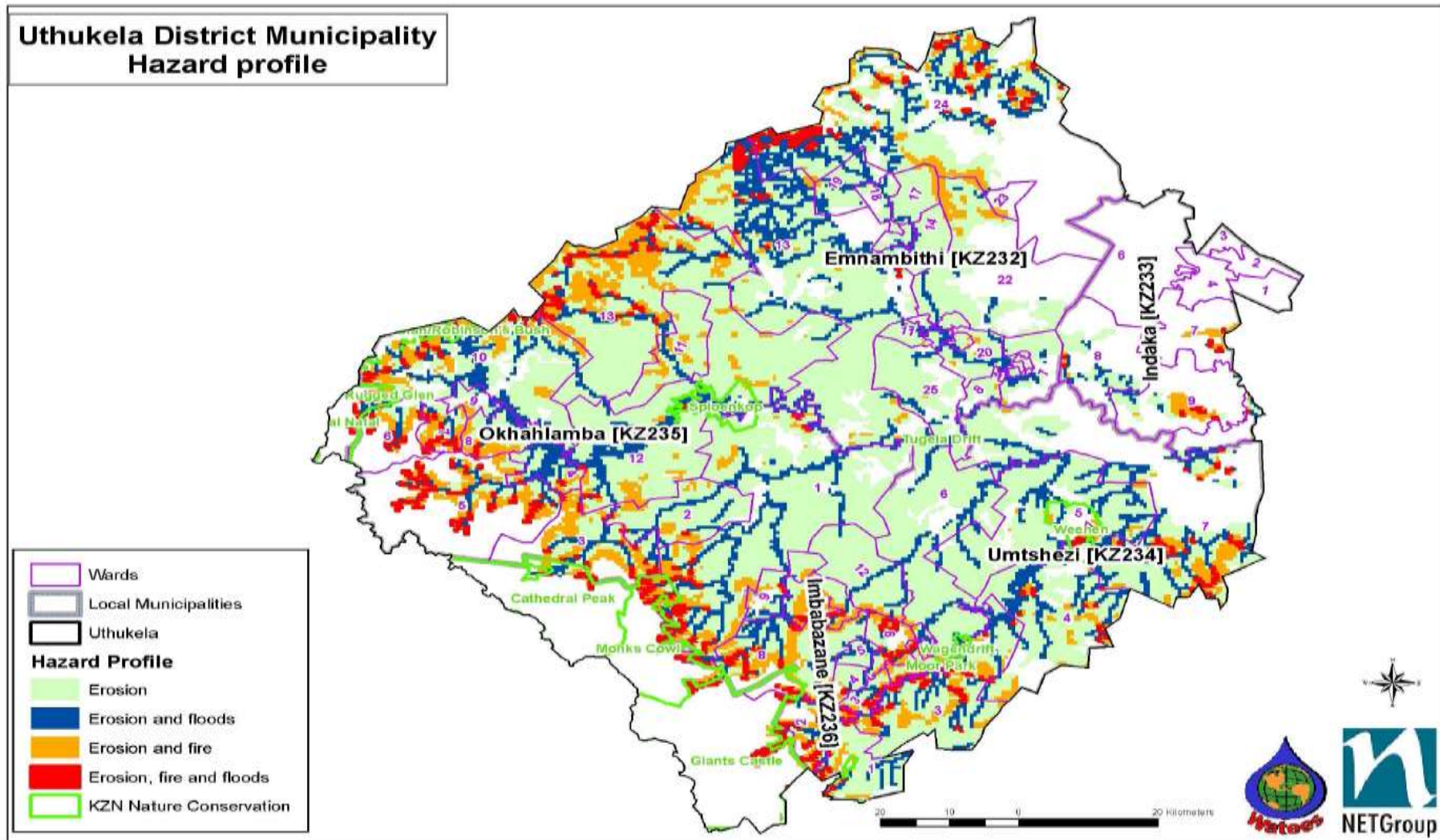
AGRICULTURAL POTENTIAL



### 5.1.3 DISASTER RISK PROFILE

It was possible to compile appropriate GIS profile maps using the detail disaster hazard, vulnerability and risk assessments of UTDM. These GIS-profile maps summarise the disaster hazard, vulnerability and risk analysis of UTDM. Hence, these profile maps indicate the risk profile of the UDM area of jurisdiction. When floods and veld fires (which received the highest threshold value during the risk assessment) were combined, it was possible to compile a disaster hazard profile map for UTDM (Map below).

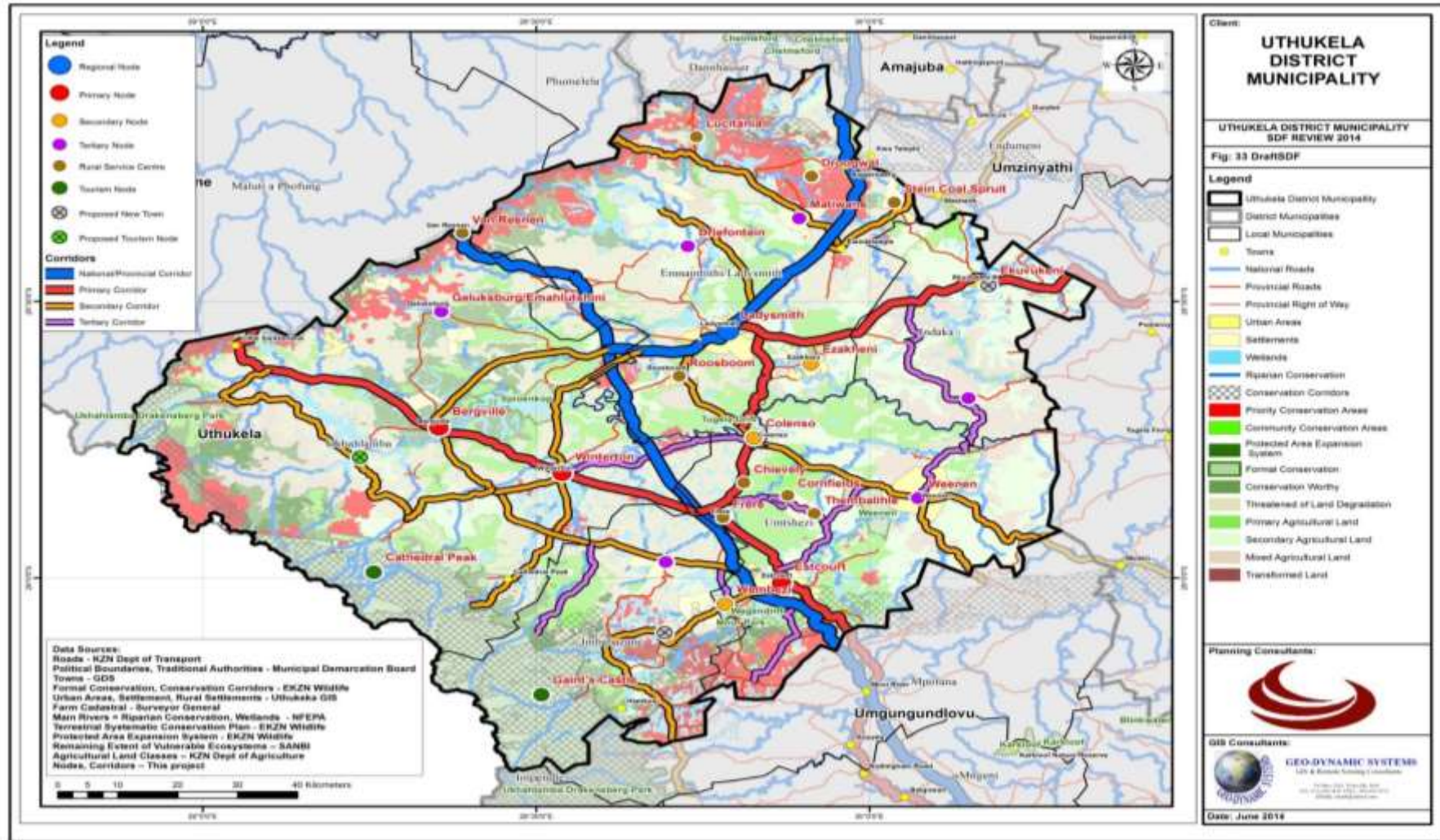
DISASTER RISK PROFILE



#### 5.1.4 DESIRED SPATIAL FORM

It must be noted that the below attached map replicates the uThukela district municipality desired spatial form that is aligned to the municipality's Key Challenges, the long term vision, mission, Goals as well as strategic objectives.

**DESIRED SPATIAL FORM**



5.1.5 DESIRED SPATIAL FORM AND LAND USE

### AREAS WHERE DEVELOPMENT INTENSITY SHOULD DECREASE

Development should be discouraged within the UDP WHS since this will compromise the landscape character. Expansion of developments towards UDP Foothills will also be unfavourable. Most of the main towns/ nodes are surrounded by agricultural land. Expansion of nodes to high potential agricultural land would be undesirable. The map below shows areas where development intensity should decrease.

### AREAS WHERE DEVELOPMENT INTENSITY SHOULD DECREASE

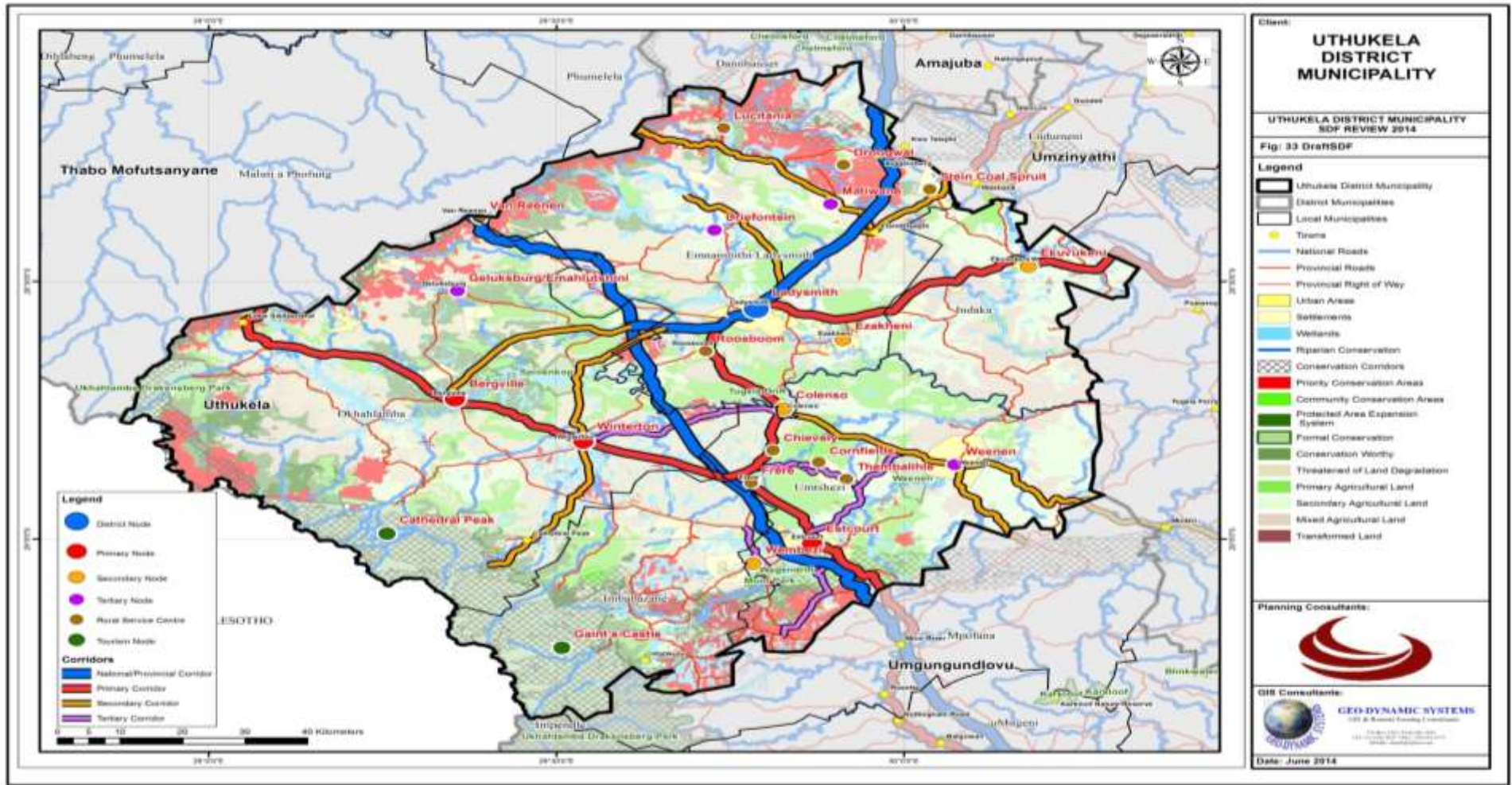




AREAS WHERE DEVELOPMENT SHOULD INCREASE

The proposal is to facilitate an expansion of the node to its nearest urban settlement area (i.e. former black township). This creates opportunities for infill and interface development on the one hand and it dismantles the historical segregation motives. This is proposed for Ladysmith and Ezakheni as well as Estcourt and Wembezi. The proposal is to facilitate the densification of the existing nodes prior to outward expansion. This is because these areas are still too low in terms of density and urban sprawl may emanate if expansion was to take place at a sizeable now. The map below displays the areas where development intensity should increase.

AREAS WHERE DEVELOPMENT INTENSITY SHOULD INCREASE



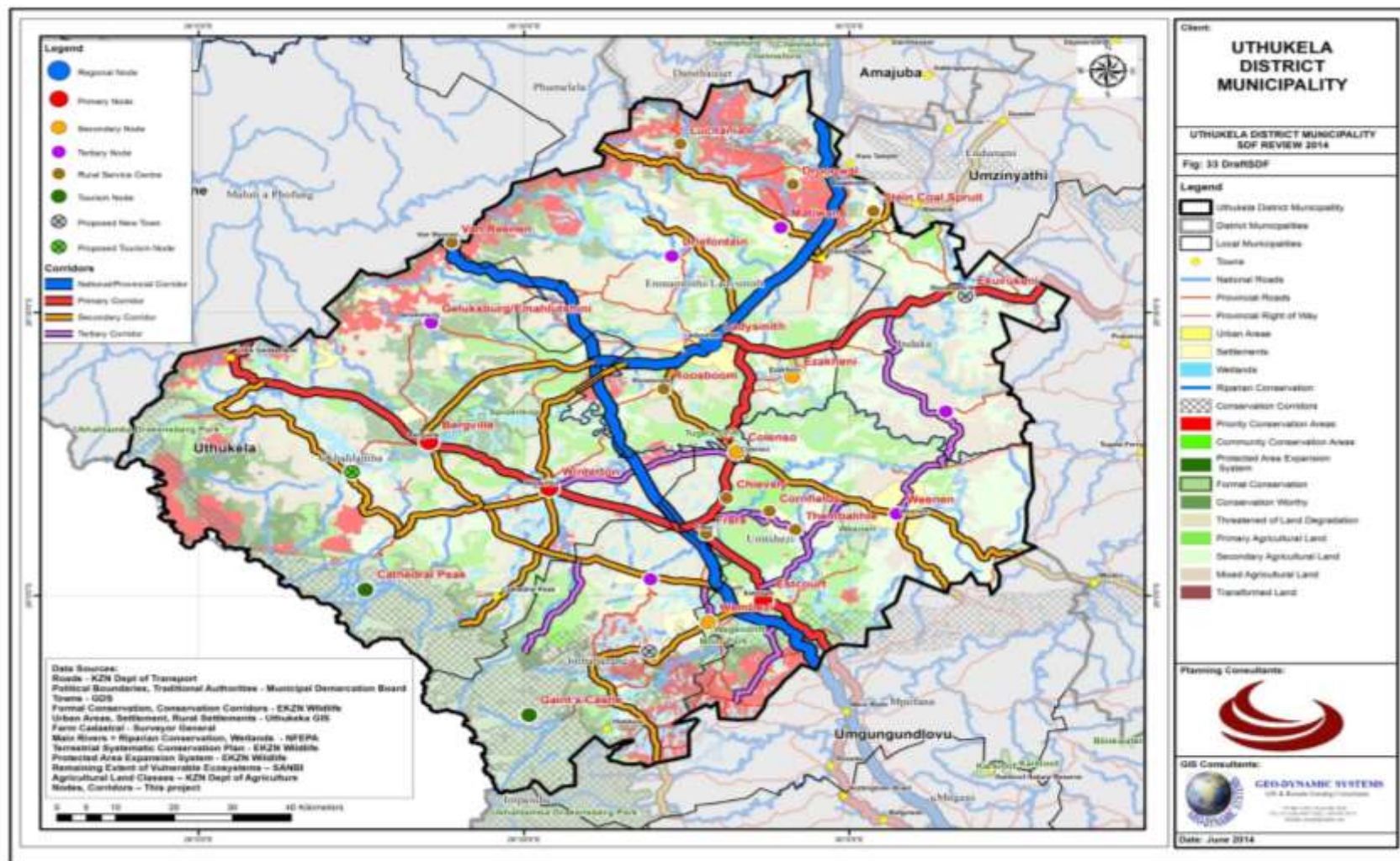
5.1.6 SPATIAL RECONSTRUCTION OF THE MUNICIPALITY

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The objective of the spatial strategy is to guide spatial growth for uThukela in relation to the physical space. The following are major issues identified:

- The development of nodes and corridors: The nodal hierarchy is interlinked with a hierarchy of corridors and reinforces the function of nodes. Primary, secondary and tertiary corridors have been identified and these would be focused upon to develop the spatial structure;
- The promotion of small towns and centres: This should be coupled with a well-functioning passenger transport system for the integration of settlement hierarchies. The system will create balanced settlements and lead to improvement in service delivery to outlying rural areas;
- Sound land use management practices: The hierarchical development framework should direct development and support land use management systems that mitigate conflicting uses and urban sprawl and the map below displays the spatial reconstruction of uThukela district municipality.

### SPATIAL RECONSTRUCTION OF THE MUNICIPALITY



### 5.1.7 LOCATION AND NATURE OF DEVELOPMENT WITHIN THE MUNICIPALITY

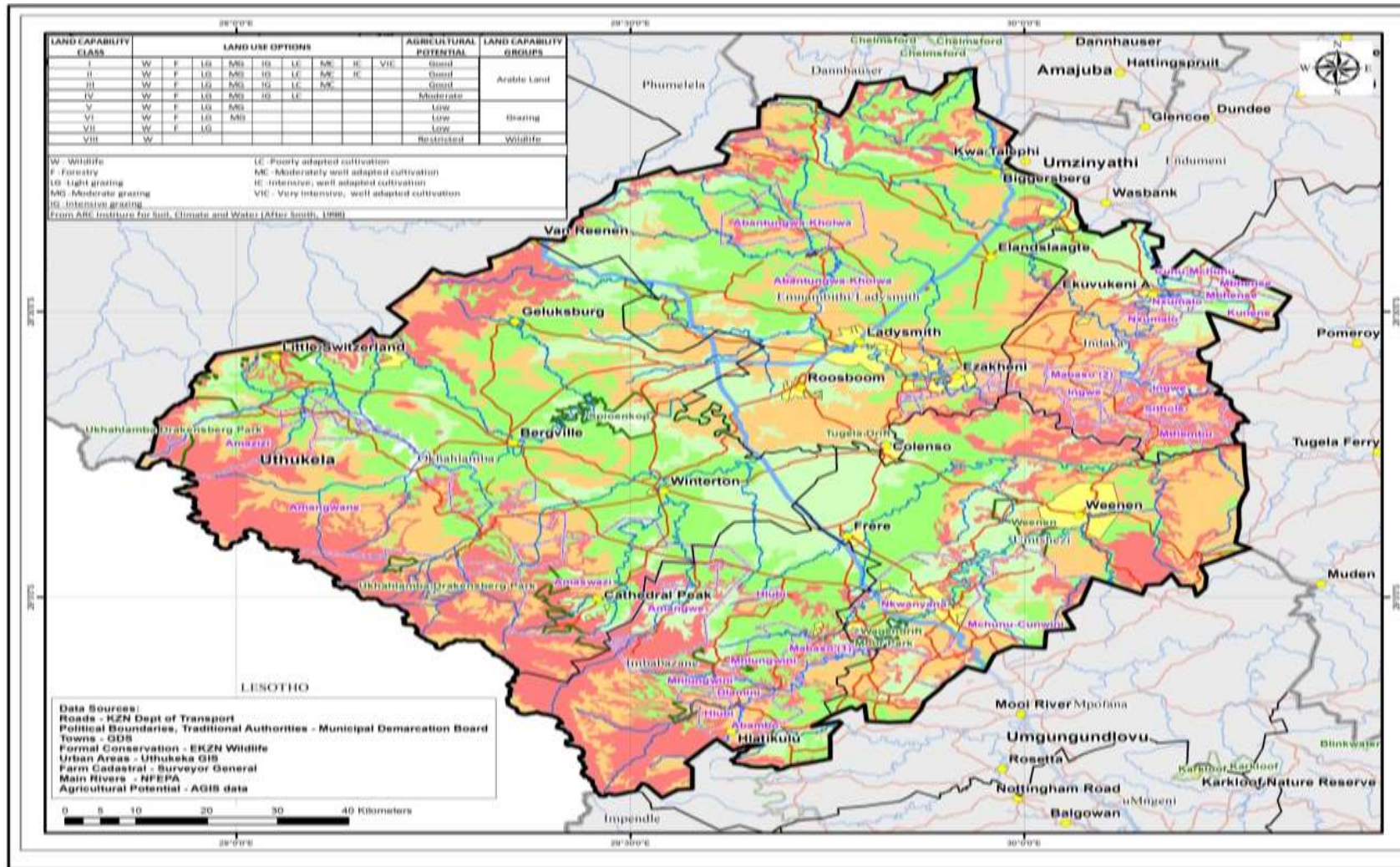
#### PROPOSED INDUSTRIAL DEVELOPMENT

The existing and established industries within UThukela are mainly found in Emnambithi/ Ladysmith and Umtshezi Local Municipalities. Ladysmith is considered to be the Primary Industrial Hub with three main industrial areas which are Danskraal, Nambithi and Ezakheni. Estcourt is considered to be a Primary Agri-processing Hub.

UThukela local economy is dominated by primary sectors, which implies that there is availability of raw material to a certain extent. However, because the manufacturing sector is not developed and all its full potentials are not yet utilised, in most instances raw material is transported to other centres outside the district for processing. The areas that are seen as the potential for further industrial development that is worth exploration are as follows:

- Ladysmith and Estcourt – Existing Industrial Hubs;
- Bergville – Primary industrial area for maize mill and agro-processing;
- Weenen – Agricultural produce packaging and processing;
- Loskop – Leather production, clothing, textile; and
- Colenso – Charcoal Plant.

### AREAS FOR INDUSTRIAL FUTURE INVESTMENT

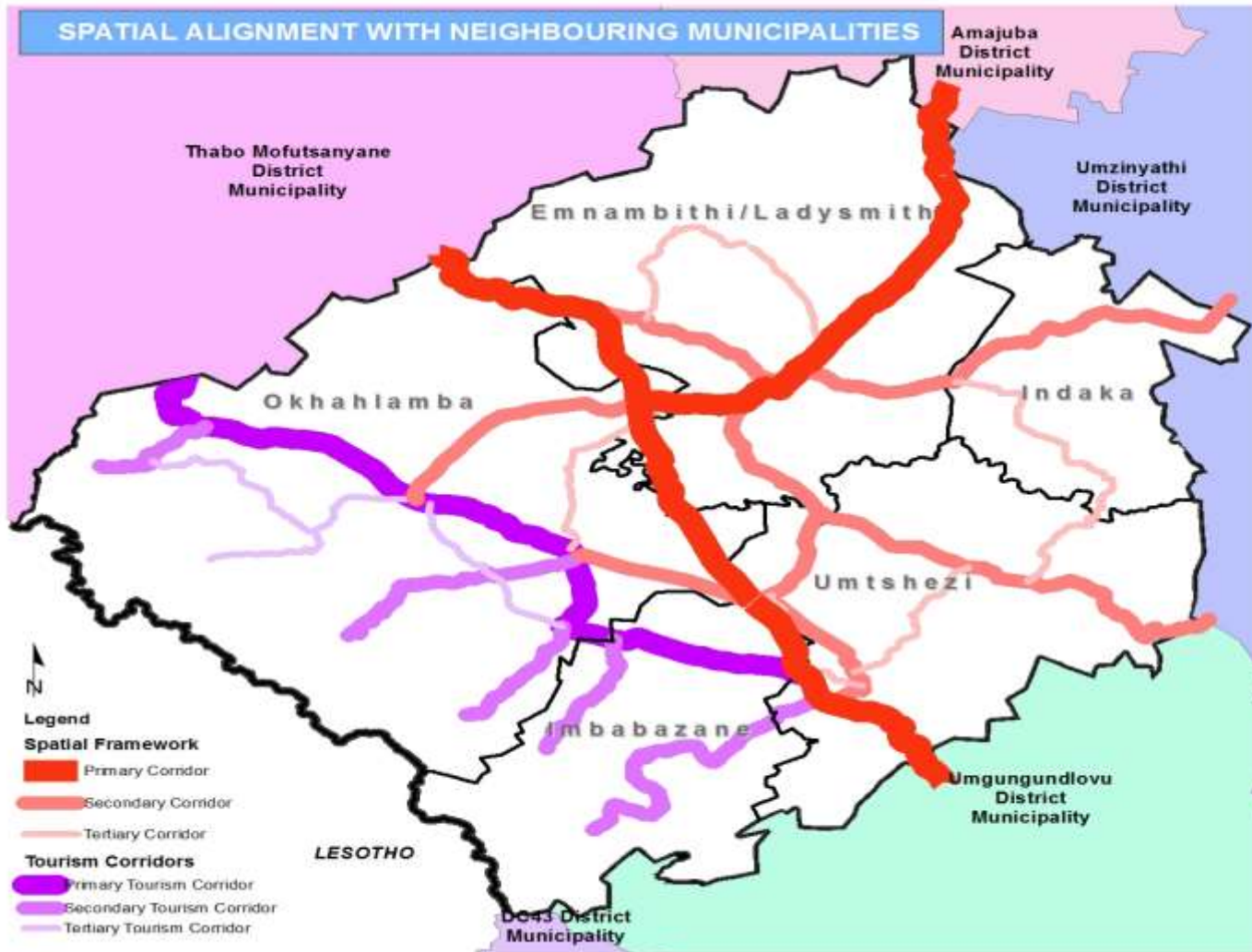






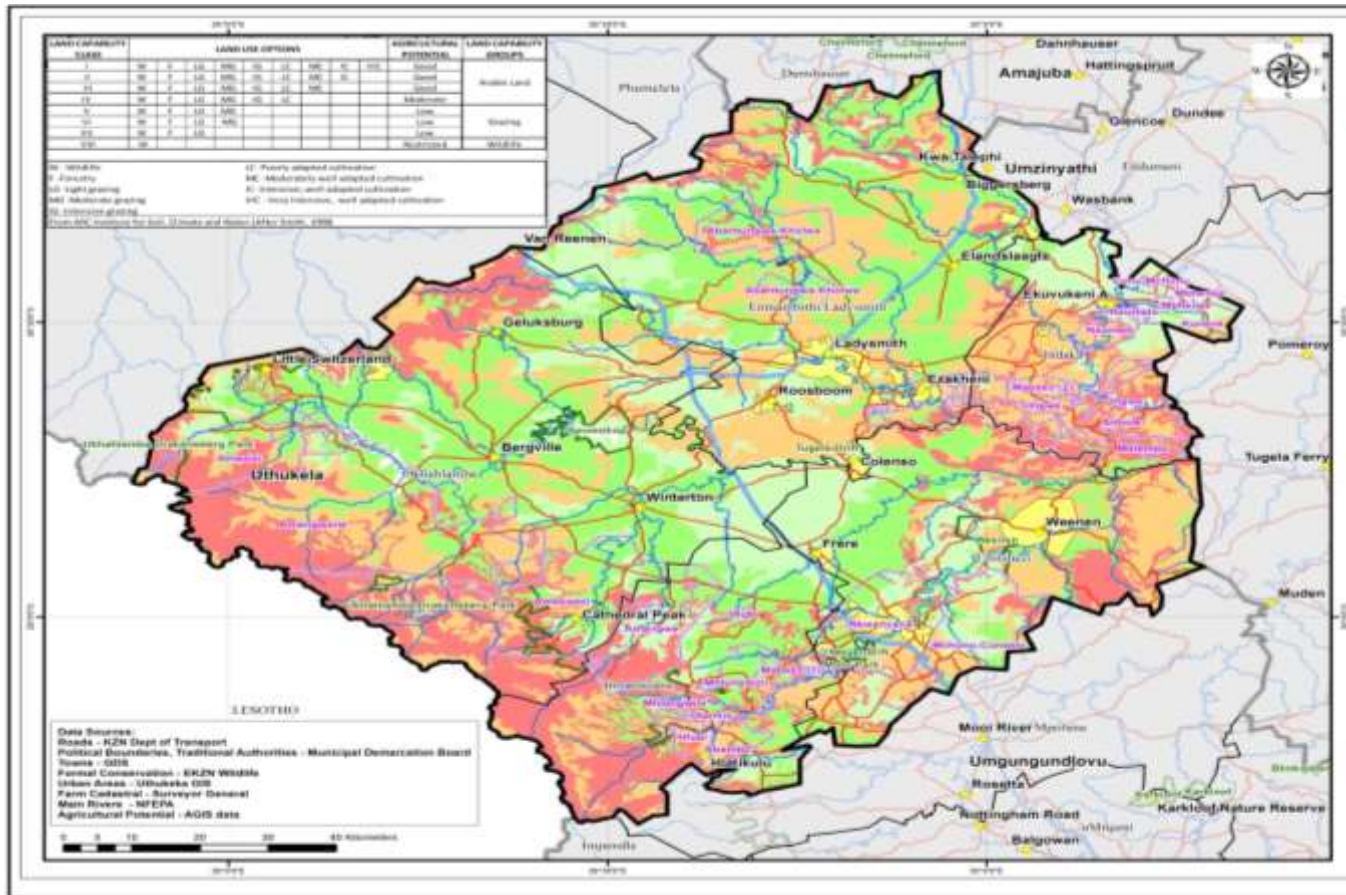
#### 5.1.8 SPATIAL ALIGNMENT WITH NEIGHBOURING MUNICIPALITIES

UThukela District is one of the cross-border municipalities within the province. It shares borders the Kingdom of Lesotho, Free-State Province and three districts within KwaZulu-Natal Province (Amajuba, Umzinyathi and Umgungundlovu District Municipalities). The uThukela district municipality SDF gives a thorough analysis on issues of alignment between UThukela and the neighboring areas (country and province) as well as the districts municipalities within KwaZulu-Natal provinces. The map below portrays the spatial alignment with neighbouring municipalities.

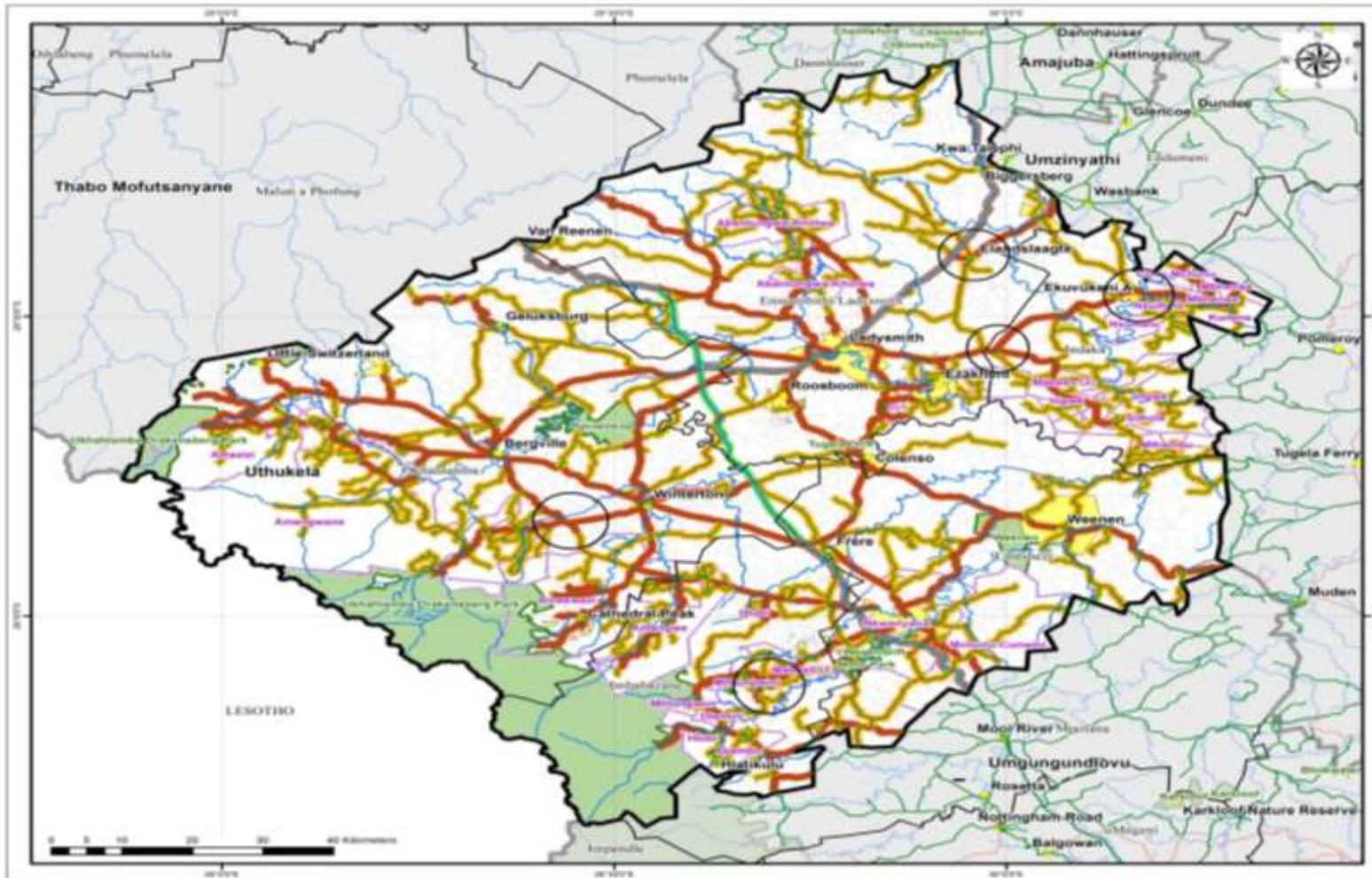


### 5.1.9 PUBLIC AND PRIVATE LAND DEVELOPMENT AND INFRASTRUCTURE INVESTMENT

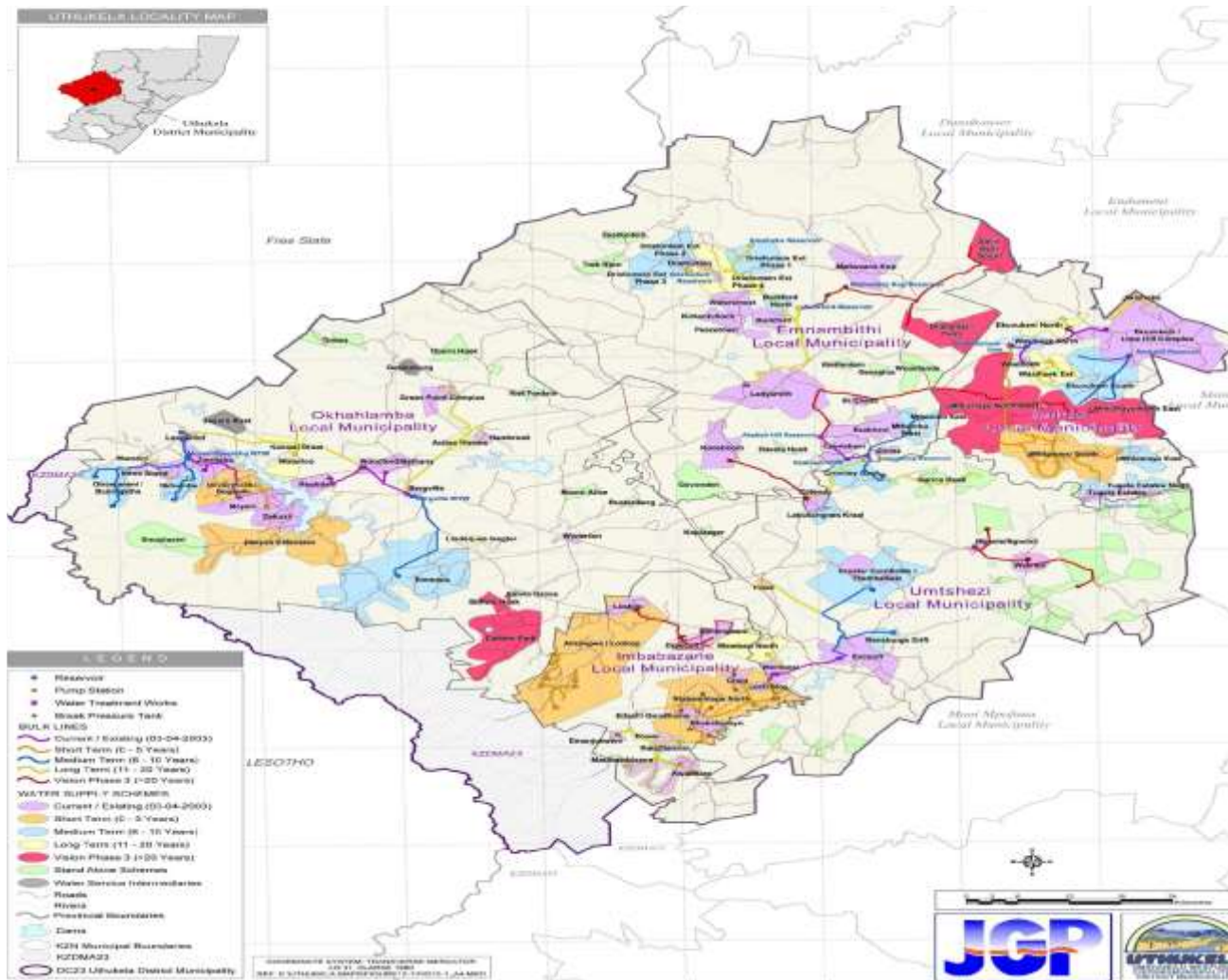
#### AREAS FOR INDUSTRIAL FUTURE INVESTMENT



AREAS FOR POTENTIAL FUTURE COMMERCIAL INVESTMENT



### FUTURE AREAS FOR INFRASTRUCTURE INVESTMENTS













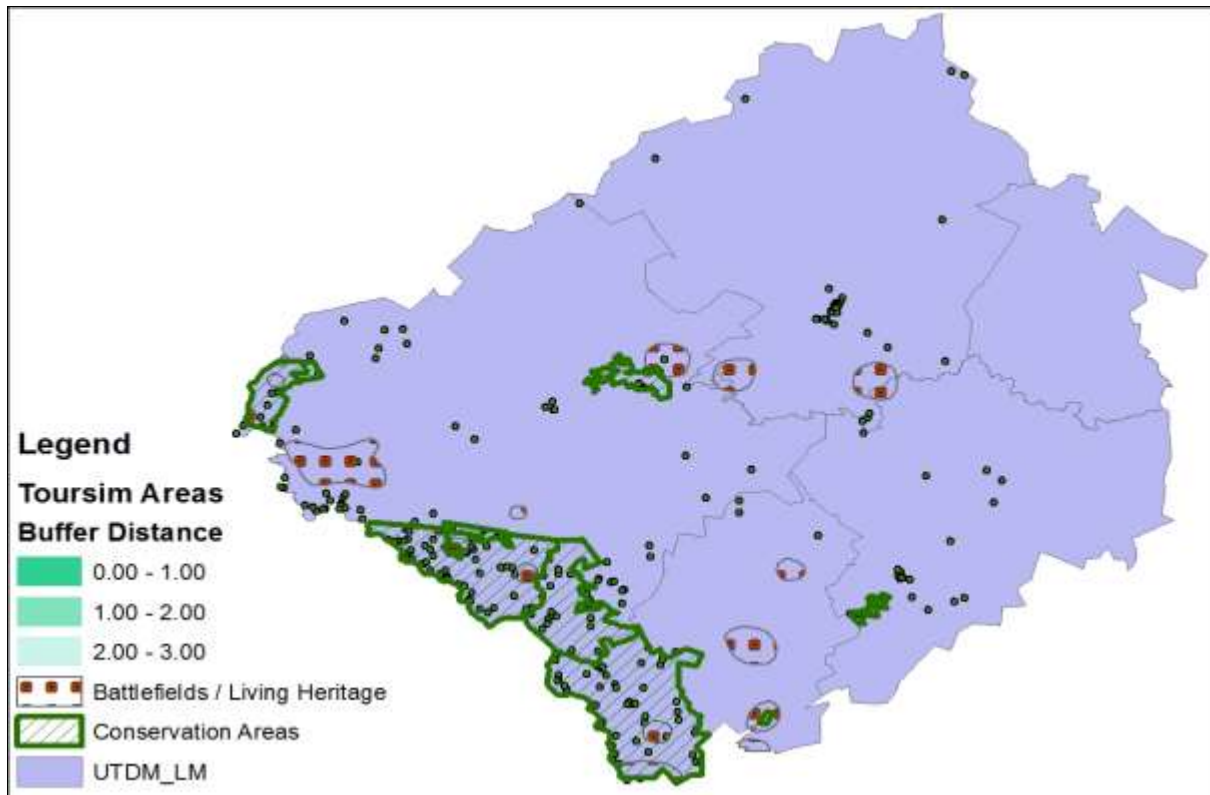
### 5.1.12 TOURISM

The UThukela District Municipality is located in the world heritage site (The Majestic Drakensberg Mountains) and the renowned battle sites offer an out of Africa experience these qualities have a created a district that is a tourism magnet in South Africa. In line with Provincial Guidelines tourism routes have been identified along the Drakensberg linking areas such as Cathkin Park, Bergville, Winterton and the Northern Berg. The route has been expanded recently to include linkages to tourism nodes within the Drakensberg range. The tourism sector comprises three main parts: The berg experience with hotels, chalets and camp sites located from Mount Aux Sources in the north through to Giants Castle in the south.

The second major part includes historical tourism involving the battlefields routes through the eastern part of the district. The third part involves game reserves and the wildlife experience in the lower lying bushveld (as opposed to berg) areas of the district in proclaimed and private conservancies. This includes an expanding area devoted to game farming and professional hunting adventure tourism is closely linked to the berg and the bush experience. UThukela has the potential to become the number one destination of choice for tourists to KwaZulu-Natal and South Africa, especially for those tourists who desire the country ambience.

Secondary tourism corridors are identified to each tourism node in line with provincial draft policy identifying a trekking route along the World Heritage Site. These routes lead from a primary corridor route running between the town of Estcourt and the Oliviershoek Pass. Tertiary corridors are identified to lead into the more rural areas adjacent to the Drakensberg World Heritage Site connecting to primary and secondary tourism routes. The map below demonstrates the tourism areas in uThukela district.

TOURISM AREAS



## 6 IMPLEMENTATION PLAN

### NKPA 1: MUNICIPAL TRANSFORMATION AND ORGANISATION DEVELOPMENT

Objective Ref	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget			
A1	Increase knowledge Skills and capacity	A1.1	Retain scarce skills and implement talent mapping	1.1	% of post approved by Council as critical filled.	100%	-	-				90%	95%				
				1.2	Number of top six positions filled by qualified and competent persons	6	-	-				6	6				
				1.3	Number of LLF meetings convened	12	-	-				12	12				
				1.4	% of milestones achieved on the skills retention plan	100%	-	-				25%	35%				
		A1.2	Strive to become an employer of choice	1.5		100%							100%	100%			
		A1.3	Enhance skills and build capacity to balance the organisation needs	1.6	Number of deliverables achieved on the organisation development plan	100	-	-						5	5		
				1.7	% of employees trained as per Work Place Skills Plan and Capacity Building Plan	100%	-	-							100%	100%	
				1.8	Number of skills and competency assessments conducted	4	-	-							2	2	

Objective Ref	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget	
				1.9	% of qualifying Municipal Officials given bursaries	100%	-	-				100%	100%		
				1.10	Number of Municipal Officials sent on management development programmes	5	-	-				5	7		
A2	Improve processes	A2.1	Boost efficiency through innovation and use of technology	1.11	% up time of all ICT systems and services as an average	100%	-	-				96%	100%		
				1.12	Number of deliverables achieved on the ICT Master systems plan	-	100	-				5	7		
		A2.2	Policy and Procedure manual refinement	1.13	% of adopted policies with standard operation procedures	100%	-	-				100%	100%		
				1.14	% of policies legally vetted prior to adoption	100%						100%	100%		
		A2.3	Refine and align business processes and policies	1.15	Number of critical processed re-engineered as per the process enhancement plan	50	-	-					5	7	
				1.16	% of employment equity plan target achieved as per the District equity plan	100%	-	-					100%	100%	

## NKPA 2: BASIC SERVICES DELIVERY

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget	
B1	Improve quality of life and service delivery provision	B1.1	Expand the capacity of the water and the sanitation network	2.1	Number of households with access to portable water										
				2.2	Number of households with access to sanitation										
		B1.2	Ensure provision of free basic services to the indigent	2.3	Number of indigent with receiving to free basic services										
				2.4	Number of indigent register reviews conducted						2	2			
		B1.3	Develop and implement Mayoral Special programmes	2.5	%r of programmes aimed at support special focus group co-ordinated	-	100%	-					100%		100%
				2.6	Number of HIV/AIDS and chronic illness support programmes coordinated	-	6	-					6		8
				2.6	Number of poverty alleviation programme coordinated	-	4	-					3		4
B2	Improve the quality and consistency of services provided	B2.1	Develop and implement operation blue drop and green drop	2.8	Number of water samples taken from water sources as per the environmental health Plan	-	1500	-				600	800		

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				2.9	Number of waste water samples taken							200	200	
				2.10	Number of food premises inspected according to Regulation 962	800	800	-				800	800	
				2.11	Number of developed action plans to address blue drop requirements	1	-	1				1	1	
				2.12	Number of developed action plans to address green drop requirements	1	-	1				1	1	
				2.13	% of operations and maintenance budget spent in the current financial year	-	100%	-				100%	100%	
		B2.2	Build an efficient operations and maintenance plan which ensures minimum service interruptions and speedily response to service interruptions	2.14	Number of sewerage spillage incidents logged	-	0	-				0	0	
				2.15	Number of service charters adopted by council							1	1	
				2.16	Number of developed maintenance plans for operational plants for all existing treatment works							23	23	

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
		B2.3	Develop and implement Water Conservation and Demand Management Plans	2.17	Number of water treatment works refurbished							2	2	
				2.18	Number of waste water treatment works schemes refurbished							2	2	
B3	Increase Capacity of the Municipal Infrastructure	B3.1	Implement the IDP projects and ensure effective project management and quality control.	2.19	Number of reports talking to deliverables achieved on the approved IDP Capital Plan	-						4	4	
				<b>2.20</b>	% of Municipal Infrastructure grant allocated for the current year spent	-	100%	-				100%	100%	



## NKPA 3: LOCAL ECONOMIC DEVELOPMENT

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
C1	Increase Economic activities	C1.1	Promote Local Economic Development and tourism in the District	3.1	Number of jobs created through LED and EPWP projects	5000	-	-				1000	1500	
				3.2	% of LED strategy implemented					100%	100%			
		C1.2	Provide capacity building support to New and Existing Businesses	3.3	Number of LED capacity building campaigns coordinated							2	2	
				3.4	Number of Investment Attraction Policies developed and submitted for vetting and approval	1						1	2	
		C1.3	Provide secondary support to business enterprises	3.5	Number of business opportunities given to SMME's located within the District	1000	-	-				250	300	
C2	Strengthen Business Partnership	C2.1	Develop and implement the LED incentives and investor attraction policy to attract new investment in the district.	3.6	No. Campaigns conducted to attract investors							1	1	
				3.7	Number of functional LED structures setup by the District	4	-	-				2	4	
				3.8	Number of Public/ Private partnership secured by the District	10	-	-				1	3	

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				3.9	Number of Public/ Private partnership secured by the District							1	3	

## NKPA 4: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
D1	Increase Income	D1.1	Develop and the implemented revenue enhancement strategy and	4.1	% of revenue collection rate on outstanding debt	-	100%	-				20%	35%	
				4.2	Average debt collection	-	100%	-				76%	85%	
				4.3	Debt coverage ratio	-	1:1	-				1:3	1:2	
D2	Improve expenditure and cash management	D2.1	Develop and enforce credit and cash flow management plans, controls and procedures	4.4	Cost coverage ratio	-	1:1	-				1:3	1:2	
				4.5	% creditors paid within 30 days from receipt of invoice	-	100%	-				90%	95%	
				4.6	Average number of days taken to finalise Bids for R200 000 + at supply chain	90 days	90 days	-				90 days	90 days	
				4.7	Average number of days taken to finalise Bids for R30 000 – R199 999 at supply chain	14 days	90 days	-				14 days	7 days	
				4.8	Average number of days taken to finalise Bids less than R300 000 at supply chain	6 days	90 days	-				6 days	6 days	
				4.9	Number of bid committees functioning consistently and efficiently according to their terms of reference	-	4	-				4	3	

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				4.10	% of actual OPEX budget spent VS projected in the current financial year	-	100%	-				100%	100%	
				4.11	% of actual CAPEX budget spent VS projected in the current financial year	-	100%	-				100%	100%	
				4.12	Number of departments procuring goods and services more than 80% according to the approved procurement plans	-	6	-				6	6	
D3	Improve value for money spent	D3.1	Develop and implement a services provider performance management system and automate management	4.13	% of services provider performance assessments conducted	-	4					<b>4</b>	4	
				4.14	% of services providers performing below average as per SLA	-	0%				0%	0%		
				4.15	% of service providers operating without contracts and SLA	-	0%	-				25%	10%	
D4	Improve Budgeting and Reporting of Financial Resources	D4.1	Develop a credible budget and report monthly according to the MFMA calendar of reporting to stakeholders	4.16	Gap % between the budget and actual cash received	-	0%	-				10%	10%	
				4.17	% Compliance with the MFMA Calendar of reporting	-	100%	-				100%	100%	
				4.18	% of OPEX budget allocated to operations and maintenance	-	20%	-				7%	7%	
				4.19	% OPEX budget allocated to staff related costs	-	37%	-				37%	37%	

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				4.20	% of OPEX budget allocated to staff development	-	1%	-				1%	1%	
				4.21	% of budget allocated to Municipal infrastructure actually spent on physical infrastructure	-	100%	-				100%	100%	

## NKPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

Objective REF	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget		
E1	Improve performance and Efficiency	E1.1	Refine cascade performance management and	5.1	Number of employees on performance management	-	6	-				29	29			
				5.2	Number of milestones achieved on the 3 year implementation PMS Plan	90	-	-				90	90			
				5.3	Number of top management with signed performance contracts	6	-	-				5	6			
				5.4	Number of breaches to PMS Policy	0	-	-				0	0			
				5.5	% compliance to the PMS Polices	100%	-	-				100%	100%			
		E1.2	Improve performance reporting and compliance	5.6	Number of monthly reports on the level of compliance adopted and published by Council	12	-	-					12		12	
				5.7	Number of Councillors submitting activity reports to the Speaker monthly	12	-	-							12	12
				5.8	Number of reports submitted by the Speaker to Council on meetings of Council and community issues	12	-	-							12	12

Objective REF	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
E2	Promote Good Governance and Sound administration	E2.1	Develop and implement an operation and clean audit plan	5.9	Number of reports submitted by the Mayor on Mayoral activities to Council	12	-	-				12	12	
				5.10	Number of reports submitted by the Chief Whip to Council on weekly meetings of programmes of Council	12	-	-				12	12	
				5.11	Number of reports submitted by the MM overall operations of the Municipality	12	-	-				12	12	
				5.12	AG audit opinion rating 1= Adverse, 2= Disclaimer, 3= Qualified, 4= Unqualified, 5=Clean Audit		-	-				4	4	
				5.13	Number of disclaimers received	0	-				0	0		
				5.14	% Overall compliance with the Municipal compliance checklist	100%	-	-				100%	100%	
				5.15	% of internal and external audit findings resolved in the current financial year	100%	-	60%			n/a	100%		
				5.16	Number of anti-fraud and corruption awareness campaigns conducted	-	6	-				4	5	

Objective REF	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				5.17	Number fraud and corruption related cases received	0	-	-				0	0	
				5.18	% of fraud and corruption cases reported actioned	100%	-	-				100%	100%	
				5.19	Number of Anti-Corruptions strategy reviews conducted	-	4	-				1	1	
		E.2.2	Develop and implement a Risk management plan	5.20	% of risk mitigations recommendations implemented	100%	-	-				80%	80%	
				5.21	Number of risk assessments conducted	-	1	-				1	1	
		E2.3	Coordinate and establish functional council and administrative structures	5.22	% of Council meetings convening as per the legislation	100%	-	-				100%	100%	
				5.23	Number Council approved Governance Structures functioning according to standing rule	-	9	-				9	9	
				5.24	Number of s79 committee structures meetings as per the terms of Ref		-	-				7	7	
				5.25	Number of MANCO meeting convened	48	-	-				48	48	
		E3	Improve Public Participation	E3.1	Develop and implement the public participation strategy	5.26	Number of Public engagements conducted	12	-	-				12
5.27	% implementation of public participation policy					100%	-	-				100%	100	



Objective REF	Objectives	Strategy Ref	Strategies	KPI Ref	Organisation KPI	Demand	Baseline	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
				5.28	% of Public engagements conducted	-	100%	-				100%	100%	
				5.29	Number of customer satisfactory surveys conducted	4	-	-				2	1	
				5.30	Number of service delivery protest experienced	0	-	-				0	0	
		E3.2	Develop and implement a comprehensive communication strategy	5.31	% implementation of communication strategy	100%	-	-				50%	15	

## NKPA 6: CROSS CUTTING ISSUES

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget	
F1	Improve Disaster prevention and management	F1.1	Develop and implement a disaster management plan	6.1	Number of locals with updated waste management plan	-	4	-				2	4		
				6.2	% of disaster responded to within 12 hours						100%	100%			
				6.3	Number of locals with disaster volunteers and fire fights	-	5	-				5	5		
				6.4	Number of meetings held with disaster management advisory forum and specialist	-	12	-				12	12		
		F1.2	Co-ordinate solid waste management	6.5	Number of locals with updated waste management plan	-	5	-					5	5	
				6.6	Number of local municipalities with updated solid waste disposal sites with adequate capacity	-	4	-					2	4	
F2	Improve Planning and Coordination	F2.1	Co-ordinate planning and IGR within the District	6.7	Number of functional IGR forums	-	8	-				4	8		
				6.8	Number of Partnerships secured through IGR initiatives	-	-	-					3	5	
				6.9	Number share service initiatives functioning according to the MOU	-	-	-					1	3	

Objective REF	Objectives	Strategy REF	Strategies	KPI Ref	Organisation KPI	Baseline	Demand	Backlog	2012-13	2013-14	2014-15	2015-16	2016-17	Budget
		F2.2	Coordinate Planning within the District	6.10	Number of priorities on the Spatial Development Plan addressed	-	-	-				-	-	
		F2.3	Develop and implement a Credible IDP	6.11	IDP credibility rating by COGTA	-	100%	-				80%	90%	
				6.12	% of milestones achieved on the IDP process plan within the set time frame	-	100%	-				100%	100%	

## 6.1.1 THREE YEAR INVESTMENT PROGRAMME

**MUNICIPAL MANAGERS'S OFFICE**

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	PMS		MM's office		UTDM	832 000,00	1000 000	1 232 000	232 000
	Radio Ukhozi slot	District wide	MM's office		UTDM	728 000.00	776 048	776 048	-
	Consultation process(IDP& Budget)	District wide	MM's office		UTDM	1200 000	1000 000	1000 000	-
	Implementati on of communicatio n strategy	District wide	MM's office		UTDM	In-house	In-house	In-house	In-house

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Communication and information	District wide	MM's office		UTDM	1 248 000	650 000	800 00	-
	Mayoral Imbizo	District wide	MM's office		UTDM	1000 000	1000 000	1000 000	-
	Tools of trade		MM's office		UTDM	170 000	-	-	-
	uThukela annual jazz and picnic	District wide	MM's office		UTDM	208 000	1 200 000	1 200 00	-
	Employees mayoral excellence awards	District wide	MM's office		UTDM	500 000	450 000	450 000	0

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Sport development programme	District wide	MM's office		UTDM	2 458 344	0	300 000	300 000
	District Aids Council activities	District wide	MM's office		UTDM	0	-		
	HIV/AIDS awareness campaigns	District wide	MM's office		UTDM		500 000		
	World Aids day	District wide	MM's office		UTDM		1000 000		
	Golden games	District wide	MM's office		UTDM	1040 000	-	-	-

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Izintombi zomhlamba	District wide	MM' office		UTDM	-	50 000	200 000	150 000
	16 Days of Activism	District wide	MM's office		UTDM		100 000	100 000	100 000
	Disability programme	District wide	MM's office		UTDM		250 000	350 000	100 000
	Men's Sector	District wide	MM's office		UTDM		100 000	200 000	100 000
	Children's	District wide	MM's office		UTDM		100 000	200 000	100 000
	Women's	District wide	MM's office		UTDM		350 000	600 000	250 000
	Widowers	District wide	MM's office		UTDM		-	-	-

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Human rights	District wide	MM's office		UTDM		150 000	200 000	50 000
	SALGA Games	District wide	MM's office		UTDM	2100 000	2 000 000	2000 000	-
	Mayoral Cup	District wide	MM's office		UTDM		2 000 000	2000 000	-
	Provincial Golden games	District wide	MM's office		UTDM		50 000	300 000	250 000
	Provincial Indigenous games	District wide	MM's office		UTDM		50 000	300 000	250 000
	Dundee July horse racing	District wide	MM's office		UTDM		0	90 000	90 000
	Godi Horse racing	District wide	MM's office		UTDM		0	200 000	200 000



IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Phindile Mwelase annual boxing tournament	District wide	MM's office		UTDM		50 000	130 000	80 000
	Work and play/staff wellness	District wide	MM's office		UTDM		0	300 000	300 000
	Annual traditional dance competition	District wide	MM's office		UTDM		50 000	270 000	220 000
	Grade 12 applications	District wide	MM's office		UTDM	-	70 000	150 000	80 000

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Grade 12 award ceremony	District wide	MM's office		UTDM	300 000	300 000	0	0
	Grade 12 rural areas tutorials	District wide	MM's office		UTDM	-	50 000	200 000	150 000
	Masakhane Campaign	District wide	MM's office		UTDM	1000 000	500 000	1 200 00	-
	Public participation/ OSS	District wide	MM's office		UTDM	-	500 000		
	Batho pele programmes	District wide	MM's office		UTDM				
	Notification programme (Bulk SMS)	District wide	MM's office		UTDM		200 000	400 000	200 000

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	State of the Municipal Address	District wide	MM's office		UTDM		0	1000 000	1000 000
	Africa day celebration	District wide	MM's office		UTDM	1040 000	250 000	1000 000	750 000
	Young business seminar	District wide	MM's office		UTDM		30 000	30 000	-
	Get carrier guidance	District wide	MM's office		UTDM		60 000	60 000	-
	Annual youth month celebration	District wide	MM's office		UTDM		300 000	300 000	-
	Back to school	District wide	MM's office		UTDM	-	50 000	100 000	50 000
	Top achievers awards	District wide	MM's office		UTDM	-	250 000	250 000	-

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Annual youth month celebration	District wide	MM's office		UTDM	-	300 000	300 000	-
	Examination prayer	District wide	MM's office		UTDM	-	90 000	90 000	-
	Youth in action with God	District wide	MM's office		UTDM	-	50 000	150 000	100 000

## BUDGET AND TREASURY OFFICE

IDP NO.	PROJECT NAME	LOCALITY	REONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Assets verification		Budget and Treasury		UTDM	3 500 000	2 200 000	2 700 000	-
	Review of Financial Policies		Budget and Treasury		UTDM	In-house	In-house	In-house	In-house

## STRATEGIC PLANNING AND ECONOMIC DEVELOPMENT

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Ilenge Cultural Village	Indaka	Planning and LED		UTDM		400 000	500 000	100 000
	Marketing tourism Indaba	District Wide	Planning and LED		UTDM		500 000	500 000	-
	Siyaphambili custom feed	Indaka	Planning and LED		UTDM		200 000	200 000	-
	Custom feeds	Indaka	Planning and LED		UTDM		1000 000	2000 000	-
	Development agency	District wide	Planning and LED		UTDM	5000 000	4000 000	5000 000	-
	Development of the 5 year IDP	District wide	Planning and LED		UTDM	104 000	1104 000	1 104 000	

	Agri- Park implementati on	District wide	Planning and LED		UTDM		1 000 000	1000 000	-
	LED Strategy review	District wide	Planning and LED		UTDM		600 000	600 000	
	Economic summit	District wide	Planning and LED		UTDM		700 000	700 000	-
	Disaster awareness campaigns	District wide	Planning and LED		UTDM		300 000	800 000	-
	Lightning conductors	District wide	Planning and LED		UTDM		1 000 000	1000 000	-
	Policy Framework for disaster risk management	District wide	Planning and LED		UTDM		300 000	300 000	-
	Implementati on of the Faultman system	District wide	Planning and LED		UTDM		50 000	70 000	-
	GIS	District wide	Planning and LED		UTDM		1 000 000	1000 000	-

	DPSS	District wide	Planning and LED		UTDM		0	1000 000	-
	SMME support programmes	District wide	Planning and LED		UTDM		1000 000	1000 000	-
	Battlefields route	District wide	Planning and LED		UTDM		400 000	400 000	-
	Implementation of the disaster management plan	District wide	Planning and LED		UTDM	520 000	520 000	520 000	-
	Annual DGDS	District wide	Planning and LED		UTDM		200 000	680 000	-
	District informal traders	District wide	Planning and LED		UTDM		1000 000	2000 000	-
	Ntabamhlope maize milling	District wide	Planning and LED		UTDM		1000 000	2 250 000	-
	Intandela piggery	District wide	Planning and LED		UTDM		250 000	250 000	-



	District billboards	District wide	Planning and LED		UTDM		150 000	200 000	-
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## Municipal Health and Water Service Authority

IDP NO.	PROJECT NAME	LOCALITY	REPOSINBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Internal Lab accreditation		Municipal Health and WAS		UTDM	208 000,00	150 000 00	150 000	-
	Chemicals		Municipal Health and WAS		UTDM	200 000	700 000	700 000	-
	Blue drop and Green drop	District wide	Municipal Health and WAS		UTDM	1 5000 000	8000 000	8000 000	-
	Water conservation	District wide	Municipal Health and WAS		UTDM	83200 00	2500 000	-	-

	Implementati on of health and safety programme	District wide	Municipal Health and WAS		UTDM	R208 000	300 000	500 000	-
	Pauper Burials	District wide	Municipal Health and WAS		UTDM		R100 000	100 000	-
	HIV/AIDS awareness campaign	District wide	Municipal Health and WAS		UTDM	20 48 000	500 000	500 000	-
	World aids day	District wide	Planning and LED		UTDM		1000 000	1000 000	-
	District AIDS council activities	District wide	Planning and LED		UTDM		225 000	25 000	-
	Enviro Health service equipment	District wide	Municipal Health and WAS		UTDM		200 000		
	Lab equipment	District wide	Municipal Health and WAS		UTDM		250 000 00		

	Water conservation	District wide	Planning and LED		UTDM		750 000	2 500 000	-
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## Technical services

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Sanitation projects	District wide	Technical		IDT	-	-	-	-
	RRAMS	District wide	Technical		DOT	2 3 11000	2 378 000	2 531 000	2 672 000

## MIG

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Bergville bulk water supply(extension&reticulation	Okhahlamba	Technical		MIG	4 028 000 00		-	-
	Ntabamhlope water supply phase 4-13	Imbabazane	Technical		MIG	31 080 000			
	Bhekuzulu-Ephangweni community water supply	Imbabazane	Technical		MIG	38 234 200			

	Ezakheni- Emnambithi bulk water infrastructure	Emnambithi	Technical		MIG	22 636 000			-
	Kwanobamba ezitendeni(We nnen)water suppy	Umtshezi	Technical		MIG	50 175 000			-
	Bergville sanitation project	Okhahlamba	Technical		MIG	13144 000			-
	Ezakheni sanitation	Emnambithi	Technical		MIG	4 038 200			-
	Ezakheni water	Emnambithi	Technical		MIG	10 911 600		-	-
	Ezakheni sewer completion	Emnambithi	Technical		MIG	7 000 000			-

## 2016/2017 MIG

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Bhekuzulu Ephantweni Community Water Supply(7&8)	Imbabazane	Technical		MIG		87 174 133		
	Ntabamhlophe CWSS(13)	Imbabazane	Technical		MIG		36 144 987		
	Moyeni/Zwelisaha WTW Mechanical & Electrical upgrading	Okhahlamba	Technical		MIG		9 357 063		
	Kwanobamba-Ezitendeni (Weenen) Water Supply	Umtshezi	Technical		MIG		54 000 000		

	Project.(2A,2B &2C								
	Weenen Ezitendeni Sanitation Project	Umtshezi	Technical		MIG		36 000 000		
	Bergville: Sanitation Project	Okhahlamba	Technical		MIG		18 000 000		
	Fitty Park Umhlumayo Extensions	Indaka	Technical		MIG		20 000 000		

## 2016/2017 WSIG

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Sanitation Ward 7	Imbabazane	Technical services		WSIG	-	4 500 000	-	-
	Mimosadale bulk upgrade	Umtshezi	Technical services		WSIG	-	18 000 000	-	-
	Ezakheni WCD	Emnambithi	Technical services		WSIG	-	77 000 000	-	-
	Indaka Boreholes	Indaka	Technical services		WSIG	-	6 500 000	-	-
	Wembezi WCD	Umtshezi	Technical services		WSIG	-	5 500 000	-	-



	Indaka Stage 2	Umtshezi	Technical services		WSIG	-	5 500 000	-	-
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## RBIG

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Driefontein upgrading of Burford water supply scheme	Emnambithi	Technical services		(DWA)RBIG	95 000 000	-	-	-

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Upgrading sewer to a water borne system	Okhahlamba	Technical services		COGTA	-	-	-	-

## MWIG

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Ezakheni water conservation and demand management	Emnambithi	Technical services		MWIG	21 000 000		-	-
	Ezakheni E(642 houses)	Emnambithi	Technical services		MWIG	-		-	-
	Okhahlamba &Indaka Boreholes	Okhahlamba &Indaka	Technical services		MWIG	6 000 000		-	-
	Umhlumayo phase 2 water supply(Fitty park)	Indaka	Technical services		MWIG	-	-	-	-

	Mimosadale upgrade	Umtshezi	Technical services		MWIG	18 000 000		-	-
	Wembezi WCDM	Umtshezi	Technical services		MWIG	5000 000			

## ACIP

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Ladysmith waste water treatment works	Emnambithi	Technical services		ACIP	3 890 000		-	-

## UTDM

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	District Wide Water Projects	District Wide	Technical services		UTDM	30 000 000		-	-
	District Wide Sanitation Projects	District Wide	Technical services		UTDM	20 000 000		-	-

## Municipal Household Infrastructure Grant

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Emnambithi ward 16 Sanitation	Emnambithi	Technical services		Municipal household infrastructure grant	4 382000	-	-	-

## 2016/2017 WSIG

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Sanitation Ward 7	Imbabazane	Technical services		WSIG	-	4 500 000	-	-
	Mimosadale bulk upgrade	Umtshezi	Technical services		WSIG	-	18 000 000	-	-
	Ezakheni WCD	Emnambithi	Technical services		WSIG	-	77 000 000	-	-
	Indaka Boreholes	Indaka	Technical services		WSIG	-	6 500 000	-	-
	Wembezi WCD	Umtshezi	Technical services		WSIG	-	5 500 000	-	-

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	Indaka Stage 2	Umtshezi	Technical services		WSIG	-	5 500 000	-	-
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## Corporate services

IDP NO.	PROJECT NAME	LOCALITY	RESPONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Review and amend the District workplace skills Plan		corporate services		UTDM	In-house	In-house		
	Support the district policing forum	District wide	corporate services		UTDM	In-house	In-house	In-house	
	IT equipment		corporate services		UTDM	0	2000 000		
	IT maintenance programme		corporate services		UTDM	1 200 000	1 800 000	2 195 000	-

	Bursaries(student financial assistance)	District wide	corporate services		UTDM	2000 000	2 500 000	3 500 000	-
	In-service training	District wide	corporate services		UTDM	520 000	400 000	600 000	-
	BCP Implementation	District wide	corporate services		UTDM	-	1 000 000		
	Office building	District	corporate services		UTDM	-	6000 000		
	Safety compliance	District	corporate services		UTDM	-	2000 000		
	Staff study bursary	District	corporate services		UTDM	-	300 000		
	Capacity building for new councillors	District	corporate services		UTDM	-	500 000		
	Electronic filing system	District	corporate services		UTDM	-	300 000	450 000	-
	Job evaluation	District	corporate services		UTDM	-	50 000	50 000	-

## Water services

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2015/2016	2016/2017	2017/2018	2018/2019
	Plant & equipment hire for water and sanitation	District wide	Water services		UTDM	4 714 949			
	Security	District wide	Water services		UTDM	-	-	-	-
	Water tankering		Water services		UTDM	936 000	4000 000	-	-
	EPWP grant expenses/Job creation	District wide	Water services		UTDM	2 384 000	3 169 000	3 169 000	-
	Plant(repairs and maintenance)	District wide	Water services		UTDM		-	-	-
	Pumps	District wide	Water services		UTDM	8 536 536	10 000 000		
	Roads	District wide	Water services		UTDM	1 664 500	1 774 357		

	Job creation	District wide	Water services		UTDM	6000 000			
	Drought relief	District wide	Water services		UTDM	41 600			
	Free basic services	District wide	Water services		DWA Grant	13 228 340			
	Refurbishment of existing schemes	District wide	Water services		UTDM	3 551 590	3 551 590		
	Water services operating subsidy grant	District wide	Water services		DWA	3000 000			

## 6.1.2 LOCAL MUNICIPALITIES PROJECTS AND PROGRAMMES (INTERNAL FUNDED)

## 6.1.2.1 OKHAHLAMBA LOCAL MUNICIPALITY

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Maswazini Gravel Road ( Ward 01)	√						R 4 474 536.00	MIG	Technical Director
Nkomfeni Gravel Raod - Rehab (ward 10)	√						R 1 939 224.00	MIG	Technical Director
Reserve B - Vehicle Bridge Rehab (Ward 08)	√						R 1 200 000.00	MIG	Technical Director
Ngubhela - Vehicles Bridge Rehab ( Ward 09)	√						R 907 000.00	MIG	Technical Director
Nkwazini Gravel Link Road	√						R 3 402 000.00	MIG	Technical Director

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Winterton Taxi Rank	√						R 4 415 020.00	MIG	Technical Director
Ogade Pedestrial Bridge		√					R 562 872.00	MIG	Technical Director
Bhetane Masinjane pedestrian Bridge		√					R 2 100 052.00	MIG	Technical Director
Mceleni Gravel Road			√				R 2 500 000.00	MIG	Technical Director
Bergville Tarred Road		√					R 3 741 076.00	MIG	Technical Director
Bergville Tarred Road			√				R 6 125 000.00	MIG	Technical Director
Okhombe Vehicular Bridge			√				R 2 100 000.00	MIG	Technical Director
Makekeni Gravel Road			√				R 4 411 518.98	MIG	Technical Director
Nxumalo Gravel Road			√				R 2 500 000.00	MIG	Technical Director
Emaswazini Gravel Road			√				R 2 900 000.00	MIG	Technical Director

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Hoffental Pedestrian Bridge			√				R 1 500 000.00	MIG	Technical Director
Mbhorompo Gravel Road			√				R 4 622 000.00	MIG	Technical Director
Nkwazini Gravel Road			√				R 3 000 000.00	MIG	Technical Director
Ntumba Vehicular Bridge			√				R 2 000 000.00	MIG	Technical Director
Mpameni Gravel Road			√				R 3 300 000.00	MIG	Technical Director
Phola Park Vehicular Bridge			√				R 2 000 000.00	MIG	Technical Director
Qhozo Gravel Road			√				R 4 400 000.00	MIG	Technical Director
Dubazane Gravel Road			√				R 1 443 000.00	MIG	Technical Director

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Mqedandaba Gravel Road			√				R 2 644 000.00	MIG	Technical Director
Masenga Gravel Road			√				R 1 776 000.00	MIG	Technical Director
Nondela Pedestrian Bridge			√				R 1 500 000.00	MIG	Technical Director
Hlombe Gravel Road			√				R 2 500 000.00	MIG	Technical Director
Ezibomvini Gravel Road			√				R 3 000 000.00	MIG	Technical Director
Mahhlag Gravel Road			√				R 2 500 000.00	MIG	Technical Director
Izinyunyana Gravel Road			√				R 2 500 000.00	MIG	Technical Director
2km of Gravel Roads in 14 Wards			√				R 30 800 000.00	Capital	Technical Director
Electrification	√						R 4 000 000.00	Grant	Technical Director



PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Emhlabozini Community Hall & Creche Facility ( Ward 12)	√						R 1 905 308.53	MIG	Technical Director
Nokopela Comm. Hall & Creche Facility ( Ward 12)	√						R 1 905 308.53	MIG	Technical Director
Nsukangihlale Community Hall & Creche Facility ( Ward 12)	√						R 1 905 308.53	MIG	Technical Director
Estulwano Community Hall		√					R 3 000 000.00	MIG	Technical Director
Bergville Sport Complex		√					R 3 300 000.00	MIG	Technical Director
Ngoba Community hall and creche			√				R 3 000 000.00	MIG	Technical Director
Ngunjini Community Hall and creche			√				R 2 816 372.00	MIG	Technical Director

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Vimbukhalo Community Hall and Creche			√				R 1 903 503.33	MIG	Technical Director
Mcijeni Community Hall			√				R 1 903 503.35	MIG	Technical Director
Bergville Industrial Hub			√				R 15 000 000.00	Small Town rehabilitation Grant	Technical Director
Developed cemetery for both Bergville and Winterton	√						R 1 000 000.00	Municipal reserves	Technical Director
Landfill site	√						R 1 000 000.00	Municipal reserves	Technical Director
Moyeni housing project		√					R 2 600 000.00	DoHS	Technical Director
Bergville tarred road				√			10 000 000	MIG	Technical Director
Okhombe vehicle bridge				√				MIG	Technical Director
Mnceleni gravel road				√			2,014 000	MIG	Technical Director

PROJECTS	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget	Source	Responsibility in Municipality
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
	2013/14	2014/15	2015/16	2016/17	2018/19				
Vendor stalls in Bergville	√						R 6 600 000.00	Small Town Rehabilitation grant	Technical Director
Upgraded roads in Winterton									
Upgraded town entrances									
Licensing centre, testing ground & disaster management centre									
R74/616 intersection upgrade									
Walkways in Bergville									
Sport complex				√		15 000 000	MIG	Technical	
Renewal of roads				√		4000 000	Council	Technical	
Renewal of buildings				√		1000 000	Council	Technical	
Disaster equipment				√		1000 000	Council	Social	

## 6.1.2.2 EMNAMBITHI/LADSYMITH LOCAL MUNICIPALITY

NO.	PROJECT DESCRIPTION	BUDGET 2016-2017	2016-2017 GRANT	2016-2017 REVENUE	2017-2018 GRANT/COUNCIL	2018-2019 GRANT/COUNCIL	SOURCE OF FUNDING
<b>CLUSTER 1 (Roosboom, Colenso &amp; Blue bank)</b>							
	Streetlights - Roosboom	R 1 000 000	R 1 000 000	R 0			MIG/COUNCIL
	1 x Mini Facility - Roosboom	R 2 000 000	R 0	R 2 000 000			COUNCIL/MIG
	Street lighting in Watersmeet Ward 26(MIG)						
	Street lighting in Blue Bank ward 26(MIG)						
	Tarred roads in Colenso (MIG)						
<b>CLUSTER 2 (Ezakeni, St. Chads &amp; Mcitsheni)</b>							
	Ezakeni sports complex - Phase 3						
	Tarred roads ward 3	R 10 000 000	R 10 000 000				MIG/COUNCIL
	Tarred road ward 2	R 5 000 000	R 5 000 000				MIG/COUNCIL
	Community hall ward 8	R 2 000 000	R 0	R 2 000 000			MIG/COUNCIL
	Community hall ward 4	R 6 000 000	R 6 000 000				MIG/COUNCIL
	Tarred roads in ward 4&6						
	Tarred roads in ward 4&6						
	Street lighting in ward 7& 27						
	Tarred roads ward 3 & 8 (MIG)						
	Tarred roads ward 3 & 8 (MIG)						
<b>CLUSTER 3 (Jonono &amp; Nkunzi)</b>							
	Ward 23 -Sports field	R 3 000 000	R 3 000 000	R 0			COUNCIL /MIG
	Ward 24 - Streetlights	R 3 000 000	R 3 000 000	R 0			COUNCIL /MIG
	Electrification of Cremin -schedule 5b (doe)						

<b>CLUSTER 4 (Watersmeet, Peacetown &amp; Burford)</b>							
	Watersmeet (streetlights)	R 3 000 000	R 3 000 000	R 0			MIG/COUNCIL
	Burford crèche/Mini-multipurpose centre - 50 m2 (no borehole)	R 750 000		R 750 000			COUNCIL /MIG
	Electrification Pepworth - inep						
	Burford ward 14 street lighting(MIG)						
	Burford sport field(MIG) phase 2						
	Vehicular bridge Peacetown to Hopes land						
	Electrification of Pepworth schedule 5b(DOE)						
<b>CLUSTER 5 (Driefontein &amp; Kleinfontein)</b>							
	Upgrade sports field - ward 17(Street lighting)	R 3 000 000	R 3 000 000				MIG/COUNCIL
	Electrification Cremin - INEP						
	Street lighting in ward 19(MIG)						
<b>CLUSTER 6 (Acaciavale, CBD &amp; Steadville)</b>							
	Infrastructure rehabilitation (roads)	R 5 000 000		R 5 000 000			COUNCIL/MIG
	Construction of Iling road taxi rank	R 4 000 000		R 4 000 000			COUNCIL/MIG
	CBD regeneration	R 4 000 000		R 4 000 000			COUNCIL/MIG
	Plant and equipment	R 5 000 000		R 5 000 000			COUNCIL/MIG
	<b>DRG ALLOCATION</b>						
	Acaciaville ward 20 (Progress Rd - 1km- Main and Burger street)						
	Acaciaville ward 20 (centenary road)						
	Steadville ward 21 - area j (Oliver Tambo) - 2km						

	Steadville ward 21 (Mandela Drive - 3km)					
	Steadville ward 21 (marula drive)					
	Gravel roads - DRG	<b>R 7 402 953</b>	<b>R 7 402 953</b>			<b>DRG/COUNCIL</b>
	Indoor and Aerodrome development bulk services(council)					
	Streetlight Mthandi				R 3 000 000	<b>MIG/COUNCIL</b>
	Lister Clarence building phase 2					
	Extension of cove crescent bulk services ( council)					
	Lister Clarence building phase 3					
	Generating project( planning studies) project (council)					
	Electrical renewals	<b>R 2 000 000</b>		<b>R 2 000 000</b>		<b>COUNCIL/MIG</b>
	<b>GRAND TOTAL CAPITAL PROGRAMME</b>			<b>R 26 905 660</b>	R 88 707 650	R 107 710 000

## 6.1.2.3 UMTSHEZI LOCAL MUNICIPALITY

NAME OF PROJECT	REF. NO.	FUNDER	REMARK	2016/17
1. Replace Substation 13 Building and Equipment	ISE1	Department of Energy / Council	Building is falling apart, outdated Switchgear and Equipment, no further place for expansion.	
2. Sub 39 Upgrade: Switchgear protection, HV bay	ISE 2	Department of Energy / Council	Replace Transformers and Equipment, Main Substation for Industrial Area	R 0.00
3. Replace Circuit Breakers	ISE 3	Umtshezi Municipality	For Operational purposes, self-energising Circuit Breakers needs to be purchased to replace existing in Wembezi Sub, Sub 1, Sub 6	R 370 000.00
4. Street lights	ISE 4	Umtshezi Municipality	Streetlight improvements, changeover to load management system lighting, change to LED lighting	R 2 000 000.00
5. Street lights: Wembezi A+C, Rensburg Drift and High Mast in Rensburg Drift	ISE 5	Umtshezi Municipality /MIG	Streetlight improvements, changeover to load management system lighting	R 350 000.00
6. Protection Upgrade for Substation	ISE 6	Umtshezi Municipality	Protection Upgrade for Circuit Breakers, conformance to regulations, Improve Security and Monitoring	R 500 000.00
7. Electrification Projects - Eskom Area of Supply	ISE 7	INEP	Electrify Houses in Eskom area of Supply, Council to prioritize list, Consultants to be engaged	R 15 700 000.00
8. Substation 6 Upgrade (CBD)	ISE 8	Department of Energy / Council	Replace Board and Switchgear, Phase 1 & Phase 2	R 3 200 000.00
9. Scada system	ISE 9	Umtshezi Municipality		R 2 000 000.00

			Implementation of Supervisor Control and Data Acquisition System	
10.Crane Truck Purchase 20 Ton	ISE 10	Umtshezi Municipality	Crane Truck required for lifting of transformer, pole and equipment that cannot be lifted by hand, 5 ton truck required	R 0.00
15. 11 KV Upgrade	ISE 15	Umtshezi Municipality	Changeover from 6600 Volts to 11 000 Volts, this will require transformer upgrades, contractors and consultants involvement	R 2 500 000.00
16. Replacement of Cherry Picker Truck	ISE16	Umtshezi Municipality		
17. Electrical Workshop Warehouse Building			Warehouse enclosure to house all electrical equipment and stock, including cables, transformers and switchgear that are being either stolen or damaged by weather exposure	R 0.00
18. Tools and Equipment	ISE17	CNL	Tools required for daily electrical work	R 300 000.00
19. Undertake street light improvement	ISE18	CNL	CBD Streetlight Poles and Fitting Replacement	R 500 000.00



## 6.1.2.4 IMBABAZANE LOCAL MUNICIPALITY

Projects Name	Budget for 2016/2017	Status
Masimini Gravel Road (ward 7)	R 2,882,219.78	Con
Ephangweni Community hall (ward 13)	R 76,566.57	Con
Bhungane/ Rosedale Community hall(ward 12)	R 110,669.76	Con
Mqedandaba Community hall (ward 11)	R 123,232.45	Con
Thwathwa /kwaNdaba Coomunity hall (ward 3)	R 21,893.19	Retention
MaziyaneCommunity hall (ward 2)	R 391,874.19	Construction
Mdwebu/ Sobabili Pedestrian Bridge (ward %&6)	R 101,703.24	Retention
Madazana Community Hall	R 3,484,845.63	Registered

Dube-Village- Nathana Access Road	R 6,878,006.85	Registered
Tatane Vehicle Bridge	R 268,237.33	Registered
Mankonjane Access Road Rehabilitation	R 5,830,783.00	Registered
Newlands-Lochsloy Pedestrian Bridge	R 229,901.96	Registered
Ngodini (Mshweshwe) Phase 2 Gravel Road	R 428,594.61	Registered
Mahlutshini Access Gravel Road	R 2,654,403.04	Registered
Mhlungwini Housing project	R2 800 000	Planning
Mnyangweni Housing project	R2 800 000	Planning

## 6.1.2.5 INDAKA LOCAL MUNICIPALITY

Ward	Location	Project Name	Project Description	Budget for 2016/2017
1		KwaMhlongo to KwaSithole gravel road	Construction of gravel road	3 000 000
1		Mbango to green road	Construction of gravel road	0
2	Divaal	High mast lights	Installation	0
2		Emakhasi access road	Construction of gravel road	0
2		Emakhasi high mast lights	Installation	
2	Mbhongampisi	Electrification	Electrify ...of households	
2	Limehill	High mast lights	Installation	
2	Uitval	Tarring of streets	Tarring of ...kms of streets	
3	Tholeni	High mast lights	Installation of 5 high mast lights	2 200 000
3	Limehill	Tarring of streets	Tarring of access road	8 400 000

3	Tholeni	Fencing of cemetery	Fencing of.....square metre of cemetery	0
4	Vaalkop	Cilo to Tholeni road	Construction of tar road	- 0
4		Drain on the road !!!!	-	-
4	Nazareth & Vaalkop	Fencing of sports fields in Vaalkop and Nazareth	Fencing of.....square metre of sports fields	
4		KwaMalinga road	Tarring of road	0
4		Madlokovu to kwaZwane road		-
4	Makhasi	Makhasi to Esigcakini road		-

4	Nazareth	Nazareth-Sibindi road		
4	Qhimkhowe	Qhimkhowe to Tholeni road		
4		Rehabilitation of Inkanyiso Creche		
4		Sokhulu to KwaSithole Tuckshop road		4 000 000
5	Ekuvukeni	Arts and Craft Centre with Community centre		0
5	Ekuvukeni	Ekuvukeni sports fields		
5	Ekuvukeni	High mast lights		
5	Ekuvukeni	Huge waste bins		
5	Ekuvukeni	Street lights		

5	Ekuvukeni	Tarred road and storm water (20km)		10 000 000
5	Ekuvukeni	Installation of solar geysers		
6		Endlini ebomvu arts and craft centre		
6		English access road and bridge		0
6		Komane-Dukinduna access road		
6		KwaGuqa Access road		
6		Library		
6		Madazane access road		
6		Mbondwane Community Hall		
6		Manngeni Access road		
6		Ntshela community Hall		
6		Shangela Access road		
6		Waaihoek to Emasangweni Access road		
7		Dalikosi Access road		
7		Nsongweni road		0
7		Embangeni access road		
7		Kwamnangeni Access road		
7		KwaNjomelwane road		10 000 000
8		Fitty Park Community Hall		
8		Fitty Park Sports Field		
8		KwaMteyi Sports field		
8		KwaShuzi sports field		
8		Machibini community hall		3 297 500
8		Madazane Community Hall		
8		Madazane sports field		

8		Maliba Access road		
8		Mankandane sports field		
8		Mkhumbane Access road		
8		Mkhumbane sports field		
8		Mngwenya access road		
8		Mpameni access road		
8		Mzinyonke sports field		
9		KwaZimba Bridge		13 000 000
9		Nogejane Hall		
9		Ehlonyane road		9 000 000
9		emathendeni sports field		
9		Emgabo road		
9		Emgudleni road		
9		Emhlumayo sports field		
9		Emjindini Hall		
9		Entengeni Hall		
9		Kwakunyabantu road		
9		KwaNogejane sports field		
9		Oqungweni road		
10		Okhozini road		10 000 000
10		Ludimbi road		
10		Msusampi road		
10		KwaBoya road		
10		Nqoleni to KwaKhomu road		
All		Repairs and Maintenance for PPE and IP		19 000 000

## 6.2 SECTOR INVOLVEMENT

KZN COGTA had a series of alignments between sector departments and municipalities in the province. The alignment of Sector departments with the uThukela family of municipalities were held on the 10 November 2015 in our feedback session, and the level of participation was not adequate. The family of uThukela municipalities also used the IDP Service Providers Forum, but it was not effective enough because of inconstancy of attending meeting. The municipality strongly believes that “IDP is a plan for all Government” so therefore, all sector departments must be part of the IDP process, uThukela district municipality and its family of municipalities came up with the innovative ways of ensuring that sector departments are involved in this IDP by adopting a strategy of “one on one process”.

### 6.2.1 DEPARTMENT OF ENVIRONMENTAL AFFAIRS

PROJECT NAME	PROJECT DESCRIPTION	LOCALITY	FOCUS AREA	BUDGET
Okhahlamba municipal landfill site	To establish a landfill site for the municipality as set out in the IDP. The IDP has identified the inefficient waste management system as one of the threats within the municipality	Okhahlamba local municipality	Working on waste	R 17 000 ,000
Emnambithi goes green	The project will focus mainly on greening of town and surrounding areas of jurisdiction by planting trees to curb greenhouse gases. Trees will be	Emnambithi local municipality	Greening and open spaces management	R 6 000 ,000

	planted as avenue trees and on municipal public open spaces in order to neutralize the carbon dioxide that human emit and in turn produce oxygen which is vital for human			
Busingatha lodge	Deliverables of this project will include the construction of entrance gate with supporting facilities, the construction of manager's house, the construction of 7 chalets(6 sleeper) and 5 chalets(4 sleeper),the construction of entertainment area with a pool.	Okhahlamba local municipality(Tribal authority)	People and parks	R 15 500,000



## 6.2.2 DEPARTMENT OF HUMAN SETTLEMENTS

PROJECT NAME	LOCAL MUNICIPALITY	TOTAL BUDGET	PROJECTION	COMMENTS
Dukuza - B	Okhahlamba	R1614000	R500000	A submission has been compiled and presented at the TEC
Moyeni - A	Okhahlamba	R1614000	R500000	A submission has been compiled and presented at the TEC
Moyeni - B	Okhahlamba	R1614000	R500000	A submission has been compiled and presented at the TEC
Amazizi Ph3A	Okhahlamba	R1614000	R500000	A submission has been compiled and presented at the TEC
Amazizi Ph3B	Okhahlamba	R1614000	R500000	A submission has been compiled and presented at the TEC
Emmaus	Okhahlamba	R3229000	R200000	A submission has been compiled and presented at the TEC

PROJECT NAME	LOCAL MUNICIPALITY	FINANCIAL YEAR	TOTAL BUDGET	PROJECTION	COMMENTS
Acton Homes	Okhahlamba	2016/17	R3327000	R100000	DRDLR to finalize Disposal of land.
Nazareth	Indaka	2016/17	R3229000	R200000	Submitted application pack and a submission will be compiled
KwaJwili/Ncema	Indaka	2016/17	R3229000	R200000	IA compiling application pack
Cremin	Emnambithi	2016/17	R1663000	R200000	IA compiling application pack
Mthandi	Emnambithi	2016/17	R1663000	R200000	IA compiling application pack
Besters	Emnambithi	2016/17	R6700000	R200000	IA compiling application pack

PROJECT NAME	LOCAL MUNICIPALITY	FINANCIAL YEAR	TOTAL BUDGET	COMMENTS
Acaciaville Ph1	Emnambithi	2016/17	R832000	Municipality to finalise appointment processes
Acaciaville Ph2	Emnambithi	2016/17	R3327000	Municipality to finalise appointment processes
Limithill	Emnambithi	2016/17	R665000	Municipality to finalise appointment processes
Colenso	Emnambithi	2016/17	R10050000	Municipality to finalise appointment processes
Ezakheni E	Emnambithi	2016/17	R2136000	Municipality to finalise appointment processes
Ezakheni	Emnambithi	2016/17	R3327000	Municipality to finalise appointment processes
Ezakheni Stimela D	Emnambithi	2016/17	R832000	Municipality to finalise appointment processes
Ndomba (accaciavile)	Emnambithi	2016/17	R3327000	Municipality to finalise appointment processes

## 6.2.3 DEPARTMENT OF TRANSPORT

PROJECT NAME	PROJECT DESCRIPTION	LOCAL MUNICIPALITY	BUDGET	2016/2017
P182 Causeway	Bridges/ Culverts	Okhahlamba Municipality	4 500 000	2016/17
L559 Causeway	Bridges/ Culverts	Okhahlamba Municipality	2 000 000	2016/17
Manseleni Causeway	Bridges/ Culverts	Emnambithi Municipality	1 723 723	2016/17
Foloyi Causeway	Bridges/ Culverts	Emnambithi Municipality	1 723 723	2016/17
D1240 Causeway	Bridges/ Culverts	Umtshezi Municipality	2 667 000	2016/17
P280 Causeway	Bridges/ Culverts	Umtshezi Municipality	2 975 000	2016/17
Causeway on D385	Bridges/ Culverts	Umtshezi Municipality	7 800 000	2016/17
Mahlathini Road	New Gravel Road	Okhahlamba Municipality	2 800 000	2016/17
Bholompi Road - 4 Km	New Gravel Road	Indaka Municipality	1 600 000	2016/17
Diphini Road - 3 Km	New Gravel Road	Emnambithi Municipality	1 200 000	2016/17

Njomelwane Road - 4 Km	New Gravel Road	Emnambithi Municipality	1 800 000	2016/17
Bhata Road - 4 Km	New Gravel Road	Emnambithi Municipality	1 800 000	2016/17
Qwayi road 3km	New Gravel Road	Emnambithi Municipality	1 200 000	2016/17
Construction of Msuluzi Road	New Gravel Road	Umtshezi Municipality	1 200 000	2016/17
Construction of Vumbu Road	New Gravel Road	Umtshezi Municipality	1 000 000	2016/17
Construction of Fukuza Road	New Gravel Road	Umtshezi Municipality	1 200 000	2016/17
Construction of Ndulana Road	New Gravel Road	Umtshezi Municipality	1 300 000	2016/17
Construction of Madondo Road	New Gravel Road	Umtshezi Municipality	2 700 000	2016/17
Regravelling of L 440	Regravelling	Okhahlamba Municipality	2 000 000	2016/17
Regravelling of L 2013	Regravelling	Okhahlamba Municipality	1 250 000	2016/17
Regravelling of L1511	Regravelling	Okhahlamba Municipality	1 250 000	2016/17
Regravelling of L461	Regravelling	Okhahlamba Municipality	1 250 000	2016/17
Regravelling of D2439	REGRAVELLING	Okhahlamba Municipality	2 000 000	2016/17

Regravelling of L459	REGRAVELLING	Okhahlamba Municipality	1 250 000	2016/17
Regravelling of L1012	REGRAVELLING	Okhahlamba Municipality	2 800 000	2016/17
Regravelling of L 2131	REGRAVELLING	Okhahlamba Municipality	2 450 000	2016/17
Regravelling of L 1367	REGRAVELLING	Okhahlamba Municipality	2 000 000	2016/17
Regravelling of D277	REGRAVELLING	Okhahlamba Municipality	2 800 000	2016/17
Regravelling of L 1526	REGRAVELLING	Okhahlamba Municipality	1 650 000	2016/17
Regravelling of P39-1	Regravelling	Emnambithi Municipality	1 200 000	2016/17
Regravelling of A 2108	Regravelling	Indaka Municipality	1 200 000	2016/17
Regravelling of A 2105	Regravelling	Indaka Municipality	2 000 000	2016/17
Regravelling of L 456	Regravelling	Indaka Municipality	400 000	2016/17
Regravelling of L 1300	Regravelling	Indaka Municipality	1 200 000	2016/17
Regravelling of P216	REGRAVELLING	Indaka Municipality	2 600 000	2016/17
Regravelling of D 386	Regravelling	Emnambithi Municipality	1 000 000	2016/17

Regravelling of L 2075	Regravelling	Emnambithi Municipality	2 000 000	2016/17
Regravelling of D1278	Regravelling	Indaka Municipality	2 000 000	2016/17
Regravelling of A 4144	Regravelling	Indaka Municipality	900 000	2016/17
Regravelling of L 1523	Regravelling	Indaka Municipality	1 200 000	2016/17
Regravelling of P 555	Regravelling	Indaka Municipality	2 000 000	2016/17
Regravelling of D 1280	REGRAVELLING	Indaka Municipality	2 100 000	2016/17
Regravelling of D 46	REGRAVELLING	Indaka Municipality	2 100 000	2016/17
Regravelling of L 440	Regravelling	Imbabazane Municipality	1 000 000	2016/17
Regravelling of L 1914	Regravelling	Imbabazane Municipality	1 200 000	2016/17
Regravelling of L 112 (5,2 Km)	Regravelling	Umtshezi Municipality	2 200 000	2016/17
Regravelling of L116 (1,7 Km)	Regravelling	Umtshezi Municipality	600 000	2016/17
Regravelling of L 473 (2,1 Km)	REGRAVELLING	Umtshezi Municipality	1 000 000	2016/17
Regravelling of D416 (6,8 Km)	REGRAVELLING	Umtshezi Municipality	2 600 000	2016/17

Regravelling of L1913 (1,7 Km)	REGRAVELLING	Imbabazane Municipality	600 000	2016/17
Regravelling of L322 (4 Km)	REGRAVELLING	Imbabazane Municipality	1 600 000	2016/17
Regravelling of D751 (2 Km)	REGRAVELLING	Imbabazane Municipality	800 000	2016/17
Regravelling of L1157 (5 Km)	REGRAVELLING	Imbabazane Municipality	2 000 000	2016/17
Regravelling of P280	Regravelling	Imbabazane Municipality	2 402 500	2016/17
Regravelling of L2011	Regravelling	Umtshezi Municipality	2 400 000	2016/17
Blading Contract Bergville RRTF	Gravel Roads	Okhahlamba Municipality	2 017 529	2016/17
Blading Contract KZ232	Gravel Roads	Emnambithi/Municipality	1 550 000	2016/17
Blading Contract KZ233	Gravel Roads	Indaka Municipality	1 550 000	2016/17
Blading Contract KZ234	Gravel Roads	Umtshezi Municipality	1 523 000	2016/17
Blading Contract KZ236	Gravel Roads	Imbabazane Municipality	1 523 000	2016/17
Blacktop Contract Bergville RRTF	Surfaced Roads	Okhahlamba Municipality	2 066 823	2016/17
Blacktop Contract Ladysmith RRTF	Surfaced Roads	Emnambithi/Municipality	2 000 730	2016/17



Blacktop Contract KZ234 KZ236	Surfaced Roads	Imbabazane Municipality	1 500 000	2016/17
Patch Gravelling Bergville Roads	PATCH GRAVELLING	Okhahlamba Municipality	1 000 000	2016/17
Patch Gravelling Ladysmith Roads	PATCH GRAVELLING	Emnambithi Municipality	1 000 000	2016/17
Rehabilitation of structures	ROAD MARKING	Okhahlamba Municipality	7 800 000	2016/17
ROAD MARKING AND STUDS	WARNING SIGNS	Okhahlamba Municipality	1 051 785	2016/17
REGULATORY AND WARNING SIGN	WARNING SIGNS	Okhahlamba Municipality	70 000	2016/17
REGULATORY AND WARNING SIGN	WARNING SIGNS	Okhahlamba Municipality	70 000	2016/17
REGULATORY AND WARNING SIG	Periodic Maintenance	Okhahlamba Municipality	93 730	2016/17
Periodic Maintenance	New Bridge	Okhahlamba Municipality	349 176	2016/17
New Bridge	New Bridge	Emnambithi Municipality	7 500 000	2016/17
New Bridge	ROAD MARKING	Emnambithi Municipality	7 000 000	2016/17
ROAD MARKING AND STUDS	WARNING SIGNS	Emnambithi Municipality	292 163	2016/17
REGULATORY AND WARNING SIGN	Headwalls	Emnambithi Municipality	98 167	2016/17

Headwalls	Headwalls	Emnambithi Municipality	400 000	2016/17
Headwalls	Headwalls	Emnambithi Municipality	400 000	2016/17
Headwalls	Headwalls	Emnambithi Municipality	400 000	2016/17
Headwalls	Headwalls	Emnambithi Municipality	400 000	2016/17
Headwalls	Headwalls	Emnambithi municipality	400 000	2016/17
Headwalls	ROAD MARKING	Emnambithi Municipality	400 000	2016/17
ROAD MARKING AND STUDS	ROAD MARKING	Imbabazane Municipality	470 000	2016/17
ROAD MARKING AND STUDS	REGULATORY SIGNS	Imbabazane Municipality	460 000	2016/17
REGULATORY AND WARNING SIG.	MINOR STRUCTURE	Imbabazane Municipality	110 250	2016/17
MINOR STRUCTURE REPAIRS	INFRASTRUCTURE	Imbabazane Municipality	590 000	2016/17
NEW INFRASTRUCTURE OTHER				
Rehabilitation of structures	Rehab of structures	Imbabazane Municipality	1 000 000	2016/17
Rehabilitation of structures	Rehab of structures	Imbabazane Municipality	5 129 375	2016/17

Minor Structure repairs	Minor Structure	Imbabazane Municipality	4 276 160	2016/17
Reseal	Reseal	Emnambithi Municipality	2 805 381	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	5 000 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	150 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	150 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	150 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	150 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	139 885	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	139 885	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	74 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	74 000	2016/17
Supply Of Labour	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	74 000	2016/17
Cleaning of Kerb and Channel P340	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	74 000	2016/17

Cleaning of Kerb and Channel P30	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	50 000	2016/17
Grass Cutting Various Roads	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	50 000	2016/17
Grass Cutting Various Roads	GUARDRAIL REPAIR	Okhahlamba Municipality	74 000	2016/17
Guardrail Repairs P340	GUARDRAIL REPAIR	Okhahlamba Municipality	74 000	2016/17
Guardrail Repairs P288	GUARDRAIL REPAIR	Okhahlamba Municipality	103 221	2016/17
Guardrail Repair Material Bergville	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	103 221	2016/17
Supply Of Labour No1	DRAIN CLEANING AND VERGES MAIN	Okhahlamba Municipality	202 586	2016/17
Supply Of Labour No2	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	150 000	2016/17
Supply Of Labour KZ233	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	150 000	2016/17
Supply Of Labour No1	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	163 809	2016/17
Supply Of Labour No2	DRAIN CLEANING AND VERGES MAIN	Indaka Municipality	120 000	2016/17
Supply Of Labour KZ233	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Supply Of Labour No3	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	163 809	2016/17

Supply Of Labour No4	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Cleaning of Kerb and Channel P189/208	DRAIN CLEANING AND VERGES MAIN	Indaka Municipality	120 000	2016/17
Cleaning of Kerb and Channel P33-1	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Drainage Improvement P30	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Drainage Improvement P33-1	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Grass Cutting P1-10/P544	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Grass Cutting P31/P189	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	120 000	2016/17
Grass Cutting P181	GUARDRAIL REPAIR	Emnambithi/Ladysmith Municipality	120 000	2016/17
Guardrail Repairs Various Roads	HANDRAIL REPAIR/REPLACE	Emnambithi/Ladysmith Municipality	120 000	2016/17
Handrail Repairs P406	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	99 280	2016/17
Supply Of Labour Pischah	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	195 589	2016/17
Supply Of Labour Pischah	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Pischah	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17

Supply Of Labour Winterton	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Winterton	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Winterton	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Weenen	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Weenen	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Weenen	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Signs	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Estcourt Depot	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Estcourt Depot	DRAIN CLEANING AND VERGES MAIN	Emnambithi/Ladysmith Municipality	129 254	2016/17
Supply Of Labour Estcourt Depot	DRAIN CLEANING AND VERGES MAIN	Imbabazane Municipality	129 254	2016/17
Supply Of Labour Estcourt Depot	DRAIN CLEANING AND VERGES MAIN	Imbabazane Municipality	129 254	2016/17
Supply Of Labour Estcourt Depot	DRAIN CLEANING AND VERGES MAIN	Umtshezi Municipality	129 254	2016/17
Drainage Improvement P1-8,D1381,P28,P10	DRAIN CLEANING AND VERGES MAIN	Umtshezi Municipality	129 254	2016/17
Cleaning of Kerb and Channel P10,P170,P11-1	DRAIN CLEANING AND VERGES MAIN	Umtshezi Municipality	129 254	2016/17

Cleaning of Kerb and Channel P12-2,P12-3,P13	DRAIN CLEANING AND VERGES MAIN		129 254	2016/17
	GRASS CUTTING		129 254	2016/17
Grass Cutting P1-9,P13,P28,P19,P1-8,P331,P10	GUARDRAIL REPAIR		400 000	2016/17
	HANDRAIL REPAIR/REPLACE		180 000	2016/17
	Bridges/ Culverts		555 600	2016/17

#### 6.2.4 DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

It is important to note that uThukela district municipality is part of the 27 rural districts that was identified to develop Agri – Parks. The department of rural development and Land Reform has put aside an amount of R2 billion that will be equally split among the 27 rural districts. The aim of this programme is to develop the rural economy. This programme is envisaged to start in September 2015. In uThukela the proposed sites for the Agri- Parks is Okhahlamba.

PROJECT NAME	PROJECT DESCRIPTION	LOCAL MUNICIPALITY	2016/2017
Platrand	Rem of the farm Fouries Kraal No. 1183, Rem of portion 6 of the farm Fouries Kraal No. 1183, Portion 64 (of 5) of the farm Rietkuil No. 1067 and Rem of portion 70 of the farm Rietkuil No. 1067	Emnambithi	R 200,000.00
Colenso hill	Remainder of the farm Grootgewagt No. 10612 Remainder of the farm Collins Hills No. 9970 Remainder of the farm Vaalkrantz No. 5142 Remainder of the farm Emigrants Home No. 4482 Remainder of the farm Wagtenbeetjie's Kop 4241	Emnambithi	R 100,000.00



	<p>Remainder of the farm Williams Hoek No. 4238</p> <p>Portion 1 of the farm Krom Draai No. 4229</p> <p>Remainder of the farm Vaarwel No. 4227</p> <p>Remainder of the Zuur Fontein No. 3708</p> <p>Portion 3 of the New Forest No. 2966</p> <p>Portion 0 of the New Forest No. 2966</p>		
Doornspruit	Portion 25 (of 2) of the farm Doorn Spruit No. 1163	Emnambithi	R1,200,000.00
Gongolo	<p>Remainder of the farm Zwagers Hoek No. 2130</p> <p>Remainder of the farm Oribi Hills No. 16661</p> <p>Portion 25 (of 1) of the farm Rensburg's Drift No. 797</p> <p>Remainder of portion 1 of the farm Zwagers Hoek No. 2130, Remainder of Portion 4 (of 2) of Lot 8 No 1907,Remainder of Portion 7 (of 2) of Lot 8 No 1907, Portion 8 (of 6) of Lot 8 No 1907,Remainder of the farm Aloes A No. 6026, Remainder of the</p>	Umtshezi	

	<p>farm Alor No. 13625, Remainder of the farm Pussyfoot No. 13070, Remainder of the farm Aloes No. 6965, Portion 1 of the farm Kelvin Grove No. 2411</p> <p>Portion 4 (of 2) of the farm Orribe Fontein No. 2040</p> <p>Portion 5 (of 2) of the farm Orribe Fontein No. 2040</p> <p>Remainder of portion 2 of the farm Orribe Fontein No. 2040, Portion 2 of the farm Braakfontein No. 1121, Remainder of the farm Braakfontein No. 1121</p> <p>Remainder of the farm Roman Spruit No. 1906</p> <p>Remainder of portion 1 of the farm Rensburg's Drift No. 797, Remainder of portion 8 of the farm Rensburg's Drift No. 797, Portion 9 (of 7) of the farm Rensburgs Spruyt No. 872, Portion 4 (of 1) Of the Farm Rong Poort No. 1337, Portion 2 of the farm Aletta No. 4203, Portion 3 of the farm Aletta No. 4203, Remainder of the far Aletta No. 4203, Portion 3 (of 1) of the farm Orribe Fontein No. 2040</p> <p>Remainder of 1 of the farm Rong Poort No. 1337</p>		
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	Remainder of Portion 1 of the farm Orribe Fontein No 2040		
Jackal's Retreat	The Farm Jackals Retreat No. 15568 and Farm Jackals Spruit No. 9087	emnambithi	R3,278,000.00
Greystone	Portion 9,17 & 20 of Farm Vegtlager no.801	Umtshezi	R8,406,376.00
Vukuhlale	Portion 1 of the farm Boshberg No. 19599 (405,5761 Ha) and Portion 3 of the farm Doornkaal No. 1296 (643,4507 Ha)	emnambithi	R 67,546.00
Ukuthula entokozweni	Portion 5 of farm Kleinfontein No. 1263	emnambithi	R 99,036.00



		<p>SEDA, DEDT &amp; NYDA</p> <ul style="list-style-type: none"> <li>✓ Support to cooperatives-funding , link to markets and relevant structures</li> <li>✓ Monitor trained and registered cooperatives to ensure sustainability.</li> <li>✓ Expose cooperatives to potential funding agencies</li> </ul>					
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PERFORMANCE INDICATOR	INDICATOR PURPOSE OR IMPORTANCE	ACTIVITIES	BENEFICIARIES	BUDGET	LM & Ward	PROPOSED DATE	PROPOSED VENUE & TIME
Number of Schools where arts, culture and heritage Programs were rolled out	The improvement of the Quality of Education in the Arts, Culture & Heritage (ACH) Sector	<ul style="list-style-type: none"> <li>✓ Convene consultative meetings</li> <li>✓ Convene preparatory meetings with stakeholders</li> <li>✓ Identification and mobilisation of participants</li> <li>✓ Identification and mobilisation of legends/ Arts Ambassadors</li> <li>✓ Implement the project</li> </ul>	Learners	<b>R50 000</b>	Identified wards and all Local Municipalities	Ongoing	TBC

PERFORMANCE INDICATOR	INDICATOR PURPOSE OR IMPORTANCE	ACTIVITIES	BENEFICIARIES	BUDGET	LM & Ward	PROPOSED DATE	PROPOSED VENUE & TIME
Number of artists trained per annum	To provide capacity building to enhance the cultural industries and performing arts for sustainability.	<ul style="list-style-type: none"> <li>✓ <b>170 Artists to be trained in Performing and Visual Arts and Craft</b></li> <li>✓ Identification and mobilisation of participants</li> <li>✓ Roll out of performing and Visual Arts Training</li> <li>✓ Honoraria documents process</li> <li>✓ Conduct workshops for inmates (Moral Regeneration Programme)</li> </ul>		<b>R150 000</b>			

		○ Visual arts & crafts skills development	Artists - people with disability	R7,500 (Facilitation)	Identified wards in all LMs		TBC
				R12,500 (Catering)	Identified wards in all LMs		TBC
				R40 000 (Materials)	Identified wards in all LMs		
		○ Visual arts & crafts skills development	Artists	R7,500 (Facilitation)	Identified wards in all LMs		
				R12,500 (Catering)	Identified wards in all LMs		
		○ Performing arts skills development	Artists	R7,500 (Facilitation)	Identified wards in all LMs		TBC



				R12,500 (Catering )	Identified wards in all LMs		TBC
		○ Visual arts & crafts skills development - Inmates	Inmates/ Artists	R7,500 (Facilitation)	Okhahlamba	April 2016	Bergville Correctional Unit
				R35,000 (Materials)	Okhahlamba	April 2016	Bergville Correctional Unit
		○ Performing arts development - Inmates	Inmates/ Artists	R7,500 (Facilitation)	Emnambithi/ Ladysmith	April 2016	Ladysmith Correctional Unit

PERFORMANCE INDICATOR	INDICATOR PURPOSE OR IMPORTANCE	ACTIVITIES	BENEFICIARIES	BUDGET	LM & Ward	PROPOSED DATE	PROPOSED VENUE & TIME
Number of awareness or promotional projects/ programmes rolled out to communities	To provide information and promotional material cultural practitioners and general public	<ul style="list-style-type: none"> <li>✓ Convene consultative meetings</li> <li>✓ Convene preparatory meetings with stakeholders</li> <li>✓ Mobilize participants</li> <li>✓ Implement the projects</li> </ul>	Artists and the general public		All wards and all Local Municipalities	Ongoing	TBC
		Staging of the following District Events	Community	<b>R415 000</b>	Identified wards in all LMs		
		<ul style="list-style-type: none"> <li>• Freedom Day build up activities : Youth Campaigns</li> </ul>	Learners	R10 000	TBC	21 – 23 April	Schools
		<ul style="list-style-type: none"> <li>• Regional Africa day Build up Activities</li> </ul>	Community	R20 000	Identified wards in all LMs	May 2016	

		<ul style="list-style-type: none"> <li>Community Dialogues</li> </ul>	Community	R50 000		June 2016	
		<ul style="list-style-type: none"> <li>UThukela Multicultural Exhibition 1</li> </ul>	Community	R50 000	Emnambithi / Ladysmith	June 2016	Ladysmith
		<ul style="list-style-type: none"> <li>Men projects (Intergenerational/ Intercultural Dialogue)</li> </ul>	Community	R10 000	All Wards	July 2016	
		<ul style="list-style-type: none"> <li>Behavioural Change Campaign (Women projects)</li> </ul>	Maidens and matrons	R90 000	All Wards	August 2016	
		<ul style="list-style-type: none"> <li>Amahubo workshop</li> </ul>	Izinduna nezinsizwa	R15 000	All Wards	September 2016	
		<ul style="list-style-type: none"> <li>Matrons' workshop</li> </ul>	Matrons	R10 000	All Wards	Ongoing	
		<ul style="list-style-type: none"> <li>Regional Youth Camp 1</li> </ul>	Learners	R35 000	Identified Wards	September 2016	
Number of awareness or promotional	To provide information and promotional material	<ul style="list-style-type: none"> <li>Performing Arts Promotion</li> </ul>	Artists	R40 000	Identified Wards	Ongoing	

projects/ programmes rolled out to communities	cultural practitioners and general public	• Visual Arts Promotion	Artists	R10 000	Identified Wards	Ongoing	
		• UThukela Eastern Cultural Celebration	Community (People of Indian origin)	R50 000	Identified Wards	November 2016	
		• War room branding	Community	R40 000	All Wards	Ongoing	
		• Choral Music	Community	R20 000	Identified Wards	May/ June 2016	

PERFORMANCE INDICATOR	INDICATOR PURPOSE OR IMPORTANCE	ACTIVITIES	BENEFICIARIES	BUDGET	LM & Ward	PROPOSED DATE	PROPOSED VENUE & TIME
Number of community conversations conducted	To implement the interventions that enhance social cohesion in the Province	<ul style="list-style-type: none"> <li>✓ Convene consultative meetings</li> <li>✓ Convene preparatory meetings with stakeholders</li> <li>✓ Identification and mobilisation of participants</li> <li>✓ participants</li> <li>✓ Implement the project</li> </ul>	Community	<b>R50 000</b>	Identified wards and all Local Municipalities	Ongoing	TBC

## 6.2.6 DEPARTMENT OF HEALTH

<b>PROJECT NAME</b>	<b>PROJECT DESCRIPTION</b>	<b>LOCAL MUNICIPALITY</b>	<b>BUDGET</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>
Ladysmith Forensic Mortuary	Painting, repairs of Mortuary and replacement of two Autopsy tables	Emnambithi	R 395 000	R 395 000		
Ladysmith Forensic Mortuary	Replacement of existing Body Cabinets with 3 x Three- Tier Body Freezer Cabinets	Emnambithi	R 450 000	R 450 000		
Ekuvukeni Clinic	Replace entire clinic roof	Indaka	R 400 000	R 400 000		
Matiwanoskop Clinic	Construct new Septic tank and install Packaged below ground level Waste Water Treatment plant	Emnambithi	R 400 000	R 400 000		
Rockcliff Clinic	Painting and repairs to Clinic and Residences	Indaka	R 250 000		R 250 000	
Ezakheni No.2 Clinic	Painting and repairs to Clinic	Emnambithi	R 600 000		R 600 000	

<b>PROJECT NAME</b>	<b>PROJECT DESCRIPTION</b>	<b>LOCAL MUNICIPALITY</b>	<b>BUDGET</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>
Bergville Clinic	Painting and repairs to Clinic	Okhahlamba	R 100 000			R 100 000
Ntabamhlope Clinic	Painting and repairs to Clinic and Residences	Imbabazane	R 1 000 000		R 1 000 000	
Matiwanoskop Clinic	Painting and repairs to Clinic and Residences	Emnambithi	R 250 000			R 250 000
Walton Street Clinic	Painting and repairs to Clinic	Emnambithi	R 100 000			R 100 000
Acaciavale Clinic	Painting and repairs to Clinic	Emnambithi	R 100 000			R 100 000
Forderville Clinic	Painting and repairs to Clinic	Umtshezi	R 100 000			R 100 000
Dukuza Clinic	Painting and repairs to Clinic	Okhahlamba	R 250 000			R 250 000

<b>PROJECT NAME</b>	<b>PROJECT DESCRIPTION</b>	<b>LOCAL MUNICIPALITY</b>	<b>BUDGET</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2018/2019</b>
Ladysmith Hospital	Upgrade of sewer lines	Emnambithi	R 5 000 000	R5 000 000		
Emmaus Hospital	Tarring of internal roadways	Okhahlamba	R 360 000	R 360 000		
Emmaus Hospital	Replace perimeter fencing	Okhahlamba	R 1 000 000	R1 000 000		
Estcourt Hospital	Installation of new generator	Umtshezi	R 1 000 000	R 1 000 000		



## 6.2.7 DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

PROJECT NAME	PROJECT DESCRIPTION & BENEFICIARIES	PROJECT LOCALITY	BUDGET
BBBEE Programme	Implementation of BBEEE: stakeholders coordination, women empowerment and youth empowerment	All District-Province wide	R45 000 000
SMME Training & Capacity Building	Skills development programme done by the specialist in the field to benefit small businesses.	Province wide	R 3,000,000.00
District Municipality Investment and Promotion Facilitation Strategies	Development of a strategy and implementation plan that will assist the municipality to attract inward investment for the existing investment opportunities.	Province wide	R 1,500,000.00
Provincial Informal Businesses Database Development and Archiving	The development of the data base for the informal businesses in the districts together with the informal economy registration process.	Province wide	R 600,000.00
Development of regulations for the Provincial Business Act	Development of regulations for the reviewed Business Act to benefit municipalities and businesses.	Province wide	R500,000.00
SMME and Cooperative Data Register	Database update on all the provincial SMME's and Cooperatives	Province wide	R 600,000.00

PROJECT NAME	PROJECT DESCRIPTION & BENEFICIARIES	PROJECT LOCALITY	BUDGET
Tourism Bill and Tourism levy	Tourism Bill and Tourism levy	Province wide	R 1 400 000
Tourism Mentorship Programme	A mentorship programme for existing tourism small businesses. Current	Province wide	R 1 000,000.00
Tourism Entrepreneurship and Career expo		Province wide	R 1,000,000.00
KZN Summer & Tourism campaign		Province wide	R1 500 000
Consumer protection	Research on consumer activities and development of a composite consumer index Case management Development & Survey Of A Consumer Publication Index	Province wide	R2 000 000
Regulation services	Business Licensing PMU Business Licensing Research on red tape Licensing Processes (Database)	Province wide	R1 100 000
Outreach programmes	Information sharing and consultation sessions <ul style="list-style-type: none"> <li>• Consumer Protection Act</li> <li>• Liquor Act</li> <li>• Business Act</li> </ul>	Province wide	

PROJECT NAME	PROJECT DESCRIPTION & BENEFICIARIES	PROJECT LOCALITY	BUDGET
Research and Development	<ul style="list-style-type: none"> <li>•Industrial Symbiosis</li> <li>•Solar PV Rooftop Research project</li> <li>•Bio processing cluster &amp; bio-economy project</li> <li>•Bio-gas partnership with SA Cane growers</li> <li>•R&amp;D Centre of Excellence with tertiary institution</li> <li>•Innovative Building Technology Research</li> </ul>	Province wide	R 8 000 000
Alien Vegetation Clearing Projects	Loskop (ward 10)	Imbabazane	R 1 000 000
KZN SEA/EMF programme	Finalisation and development of provincial environmental spatial framework for integration of development imperatives into environmental decisions [PGDP intervention]		
Promotion of SEA	Promoting strategic environmental assessment tools as an alternative to EIA processes [Norms and Standards, SEA and capacity programme}		
Development of environmental management and development strategy	As part of the PDGP interventions	Province wide	

PROJECT NAME	PROJECT DESCRIPTION & BENEFICIARIES	PROJECT LOCALITY	BUDGET
Environmental Information Management System	For purposes of improving environmental data management, EIA and WL application records	Province wide	R500 000
Waste and Chemicals Management Programme	Small recyclers mini-conference, KZN recycling report, Municipal assistance i.t.o. waste management and e-waste material recycling facility	Province wide	
Maloti-Drakensburg Transfrontier Programme (MDTP) Transfer		Uthukela	R514 000

## 6.2.8 ESKOM

<b><u>PROJECT NAME</u></b>	<b><u>LOCAL MUNICIPALITY</u></b>	<b><u>STATUS</u></b>
Mnambithi 88 kV Turn In Line - Deferred	Emnambithi	CRA
Mnambithi 2*132 88 kV 80 MVA transformation est - Deferred	Emnambithi	CRA
Cathkin SS Capacity Upgrade – in construction	Okhahlamba	FRA
Mdwebu SS 2.5 MVA 11/22 kV step up transformer installation - Completed	Imbabazane	FRA
Kamberg /Mdwebu Interconnector - Completed	Imbabazane	FRA
Buffelshoek SS Capacity Increase and 33 kV Feeder bay Est - Completed	Okhahlamba	FRA
Okhahlamba 132 kV SS est - Deferred	Okhahlamba	CRA
Danskraal-Mnambithi 132 kV Lines - Deferred	Emnambithi	CRA

## 6.2.9 DEPARTMENT OF WATER AND SANITATION

The following projects aimed at assisting the uThukela district municipality with the drought relief since our district is one of the District in the KZN province that is stricken by drought as was declared as a disaster area in respect of drought in January 2015. That is in line with the legislation (Disaster Management Act 57 of 2002)

**Boreholes**

Project name	Project Description	Approved Budget	Expenditure to Date	Progress	Funder
Boreholes	Investigate, test.  Drilling and equipping of new boreholes.  Rehabilitation of hand pumps	R 7 558 200	R7 558 200.00	The Contractor has sighted 175 boreholes at Indaka and Okhahlamba  12 boreholes have been drilled and awaiting equipped materials.  221 hand pumps have been repaired in Roosboom, Okhahlamba and Indaka	DWS

**Refurbishment & Upgrade**

Project name	Project Description	Approved Budget	Expenditure to Date	Progress	Funder
Refurbishment and Upgrade	Repairing of existing bulk reticulation schemes.	R 1 162 800	R 630 000	Refurbishment of old pumps valves and non-return valves under way	DWS

**Spring Protection**

Project name	Project Description	Approved Budget	Expenditure To date	Progress	Funder
Spring Protection	Rehabilitation of springs to increase storage capacity	R 1 395 360	R 558 000	16 springs throughout the district have been identified and assessed. The project is on an ongoing capacity.	DWS

**Water Tanker Purchase**

Project name	Project Description	Approved Budget	Expenditure to Date	Progress	Funder
Water Tanker Purchase	Purchase of waters tankers	R 9 600 000	R 9 600 000	9 Water tankers purchased through DWS Approximately 32million litres of water delivered throughout the district to date.	Department of Water and Sanitation

**Hired Water Tankers**

No hired Drought Tanks	No of DWS Tanks	Local Municipality	Total No of water tankers	Funder
17	2	Indaka	19	Department of Water and Sanitation
14	1	Ladysmith	15	Department of Water and Sanitation
5	4	Umtshezi/ Imbabazane	9	Department of Water and Sanitation
0	2	Okhahlamba	2	Department of Water and Sanitation



# SECTION F: FINANCIAL PLAN

## 7 FINANCIAL PLAN

### 7.1 OVERVIEW OF THE MUNICIPAL BUDGET

It is recommended that this section should be read with the approved Budget of the municipality. UThukela district municipality is faced with the massive task of eradicating its substantial backlogs in service provision. This would require massive resources to address. It is now paramount to concentrate on the financial planning part of this IDP to determine how and when these backlogs can be addressed on a sustainable basis and within the context of available resources.

To achieve delivery on the IDP goals, focus areas and objectives, it is essential to align the municipality budget with the strategy. Sections below expand on aspects of the uThukela district municipality medium term financial planning and the extent to which it is possible to align the budget to all priorities, given our financial constraints and the need to concentrate on basis service delivery.

The uThukela district municipality's budget is MFMA compliant with principles of the MFMA now fully introduced and entrenched in the Municipality's financial affairs. Yet, the District needs to address its financial challenges by improving the Municipality's image by using the new procedures to enhance service delivery, ensuring that the systems introduced continuously improve during the year and preserving the Municipality's cash flow position.

The District has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. National Treasury's MFMA Circular No.78 and 79 were used to guide the compilation of the 2016/17 MTREF.

**The main challenges experienced during the compilation of the 2016/17 MTREF can be summarised as follows:**

- The on-going difficulties in the national and local economy;
- Aging water infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;

- Escalating water losses
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies.
- Affordability of capital projects – R347 million will be received as capital grants

**The following budget principles and guidelines directly informed the compilation of the 2016/17 MTREF:**

- The 2015/16 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2016/17 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk water and electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2016/17 Medium-term Revenue and Expenditure Framework:

**Consolidated Overview of the 2016/17 MTREF**

<b>R thousand</b>	<b>Adjustment budget 2015/16</b>	<b>Budget year 2016/17</b>	<b>Budget year +1 2017/18</b>	<b>Budget year +2 2018/19</b>
Total operating revenue	516 670	556 033	594 540	638 817
Total operating expenditure	570 910	548 356	580 233	614 690
Operating Surplus/(Deficit)	(54 241)	7 677	14 307	24 127

Capital Grant Transfers	237 940	262 691	347 398	299 651
Surplus/(Deficit) for the year	183 700	270 368	361 705	323 778
Total capital expenditure	260 904	265 244	347 398	299 651
<b>Total Budgeted Expenditure</b>	<b>831 814</b>	<b>813 600</b>	<b>927 631</b>	<b>914 341</b>

### Operating revenue

Total operating revenue has increased by 7.6% or R39.3 million for the 2016/17 financial year when compared to the 2015/16 adjustments budget due to the general increase in the services charge and increases in the government grant allocations for the 2016/17 financial year. For the outer years, operational revenue will increase by 6% respectively.

### Operating Expenditure

Total operating expenditure for the 2016/17 financial year has been appropriated at R548 million and translates into a budget surplus of R7 million. When compared to the 2015/16 Adjustment Budget, operational expenditure has decreased by 3.9% or R22.5 million in the 2016/17 budget and increased by 6% for each of the respective outer years of the MTREF.

### Capital Expenditure

Capital Expenditure for the 2016/17 financial year, R265 million of capital expenditure is funded by grants and R262 million from own revenue by R2.5 million. Capital expenditure as also been reduced to its bare minimum budgeting for only critical assets to be funded from surplus funds.

The Municipality could not meet to fund 40 percent of its capital towards renewal of assets however, R91 million, which is 35% of the budgeted capital expenditure, will go towards the renewal of infrastructure.

### Operating revenue

For UThukela District Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times, strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these

challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to achieve a 50.1% annual collection rate for key service charges;
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The table below displays the financial performance of the municipality (*revenue and expenditure*)

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year+1 2017/18	Budget Year+2 2018/19
<b>Revenue By Source</b>										
Service charges - water revenue	104 240	118 572	110 521	147 050	147 050	147 050	147 050	159 378	168 940	179 077
Service charges - sanitation revenue	13 047	14 199	15 701	18 057	18 057	18 057	18 057	17 551	18 604	19 720
Interest earned - external investments	9 789	10 761	9 073	8 010	10 011	10 011	10 011	10 671	11 311	11 990
Interest earned - outstanding debtors	29 447	33 284	19 149	26 568	26 568	26 568	26 568	28 321	30 021	31 822
Transfers recognised - operational	308 033	274 934	311 978	318 371	314 628	314 628	314 628	338 199	363 636	394 058
Other revenue	5 076	1 919	9 561	356	356	356	356	1 914	2 029	2 150
Gains on disposal of PPE										
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>469 632</b>	<b>453 669</b>	<b>475 982</b>	<b>518 412</b>	<b>516 670</b>	<b>516 670</b>	<b>516 670</b>	<b>556 033</b>	<b>594 540</b>	<b>638 817</b>
<b>Expenditure By Type</b>										
Employee related costs	119 806	124 812	150 427	219 377	219 377	219 377	219 377	195 149	206 858	219 269
Remuneration of councillors	4 792	4 775	5 796	5 332	6 146	6 146	6 146	6 552	6 945	7 361
Debt impairment	244 001	16 028	90 109	28 222	28 222	28 222	28 222	36 460	38 647	40 966
Depreciation & asset impairment	31 838	38 999	45 065	51 431	51 431	51 431	51 431	57 676	61 137	64 805
Finance charges	2 432	2 549	2 465	60	-	-	-	-	-	-
Bulk purchases	3 857	7 232	5 304	6 377	5 535	5 535	5 535	5 901	6 255	6 630
Other materials	13 477	23 758	25 362	59 605	41 605	41 605	41 605	44 506	47 177	50 007
Contracted services	45 290	48 715	27 550	42 261	46 234	46 234	46 234	37 412	39 657	42 036
Transfers and grants	108 715	88 727	66 556	13 228	13 228	13 228	13 228	10 512	11 143	11 812
Other expenditure	42 481	95 853	140 181	154 660	159 133	159 133	159 133	154 189	162 415	171 803
Loss on disposal of PPE	2 168	5 421	2 682							
<b>Total Expenditure</b>	<b>618 857</b>	<b>456 869</b>	<b>561 497</b>	<b>580 552</b>	<b>570 910</b>	<b>570 910</b>	<b>570 910</b>	<b>548 356</b>	<b>580 233</b>	<b>614 690</b>
<b>Surplus(Deficit)</b>	<b>(149 225)</b>	<b>(3 200)</b>	<b>(85 515)</b>	<b>(62 140)</b>	<b>(54 241)</b>	<b>(54 241)</b>	<b>(54 241)</b>	<b>7 677</b>	<b>14 307</b>	<b>24 127</b>
Transfers recognised - capital	249 261	344 456	296 017	237 940	237 940	237 940	237 940	262 691	347 398	299 651
<b>Surplus(Deficit) after capital transfers &amp; contributions</b>	<b>100 035</b>	<b>341 256</b>	<b>210 502</b>	<b>175 800</b>	<b>183 699</b>	<b>183 699</b>	<b>183 699</b>	<b>270 368</b>	<b>361 705</b>	<b>323 778</b>
Taxation										
<b>Surplus(Deficit) after taxation</b>	<b>100 035</b>	<b>341 256</b>	<b>210 502</b>	<b>175 800</b>	<b>183 699</b>	<b>183 699</b>	<b>183 699</b>	<b>270 368</b>	<b>361 705</b>	<b>323 778</b>
Atributable to minorities										
<b>Surplus(Deficit) attributable to municipality</b>	<b>100 035</b>	<b>341 256</b>	<b>210 502</b>	<b>175 800</b>	<b>183 699</b>	<b>183 699</b>	<b>183 699</b>	<b>270 368</b>	<b>361 705</b>	<b>323 778</b>
Share of surplus/ (deficit) of associate										
<b>Surplus(Deficit) for the year</b>	<b>100 035</b>	<b>341 256</b>	<b>210 502</b>	<b>175 800</b>	<b>183 699</b>	<b>183 699</b>	<b>183 699</b>	<b>270 368</b>	<b>361 705</b>	<b>323 778</b>

## Operating Revenue

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit. Revenue generated from water and sanitation services charges forms a significant percentage of the revenue basket for the Municipality. Service charge revenues comprise 32% of the total revenue mix. In the 2016/17 financial

year, services charges totalled R176.9 million. Revenue generated from property rates is expected to increase to R157million in the year 2016/17. The increase to service charges is due to the increase in tariffs as well as new connections.

The water and sanitation tariffs have been increased by 6% across the board. Circular 66 of the MFMA stipulates that all tariffs should be cost reflective. These services are failing to break-even currently, which indicates that the current tariffs are not cost reflective. In the prior year service charges were increased by 9%, the Municipality has opted to utilise a rate of 6% in the current year in light of the need to improve blue drop – green drop qualitative requirements. The municipality will expand a further budget of R8 million in the 2017 financial year in order to meet the qualitative requirements.

The Municipality has appointed a service provider to refurbish and re- instate the treatment plants; the service provider is currently busy with the refurbishment of plants.

The municipality will review these tariffs and gradually phase out the cost reflective tariffs in the next coming years along with the improvement in Blue drop- Green Drop status.

Revenue increases by 6 %in the outer financial years of the MTREF.

Other revenue' which consists of various items such as income received from the sale of tender documents and the issue of clearance certificates will total R1.9 thousand in the 2016/2017 financial year, the estimate is based on current trends

### **Operating Expenditure**

The Municipality's expenditure framework for the 2016/17 budget and MTREF is informed by the following:

- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit,
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA,
- The capital programmes aligned to the asset renewal strategy and backlog eradication plan,
- Operational gains and efficiencies will be directed to funding the capital budget and other core services, and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

Employee related costs is expected to be decreased by 11% in 2017 to R195 million. The municipality has not budgeted for all the vacant posts on the organogram as the 2016 financial year, only critical posts have been included in the budget. Uncritical posts will be filled using the EPWP and job creation. Due to the rejection of our draft budget by Treasury, the municipality has been forced to reduce overtime by 43% or R10 million. The initial budget had an amount of R23 million for overtime this amount has been since reduced to R13 million.

Absolute commitment from senior managers will be pivotal in ensuring that overtime is cut-down as it is now unfunded. Further to that, the municipality has also removed the performance bonuses of senior managers as recommended by Treasury. Councillor allowances have increased by 6.6% to R6.5 million. Bulk purchases are directly informed by the purchase of water from Department of Water Affairs.

Other materials as disclosed in the statement of financial performance comprises of the District's repairs and maintenance expenditure. The Municipality has budgeted R44.5 million towards repairs and maintenance that is 8 percent of total operating expenditure. The Municipality could not be able to budget for the 8 percent of its asset value towards repairs and maintenance due to financial constraints. However, the Municipality is determined to ensure that its budget towards repairs and maintenance increases.

Contracted services include all expenditure items that the Municipality is contracted to such as security. Total expected expenditure for 2017 is R37.4 million, because of the termination of the building rental contract. As well as the removal of water tankers from contracted services to being disclosed as non- cash transfers and grants of R10.5 million.

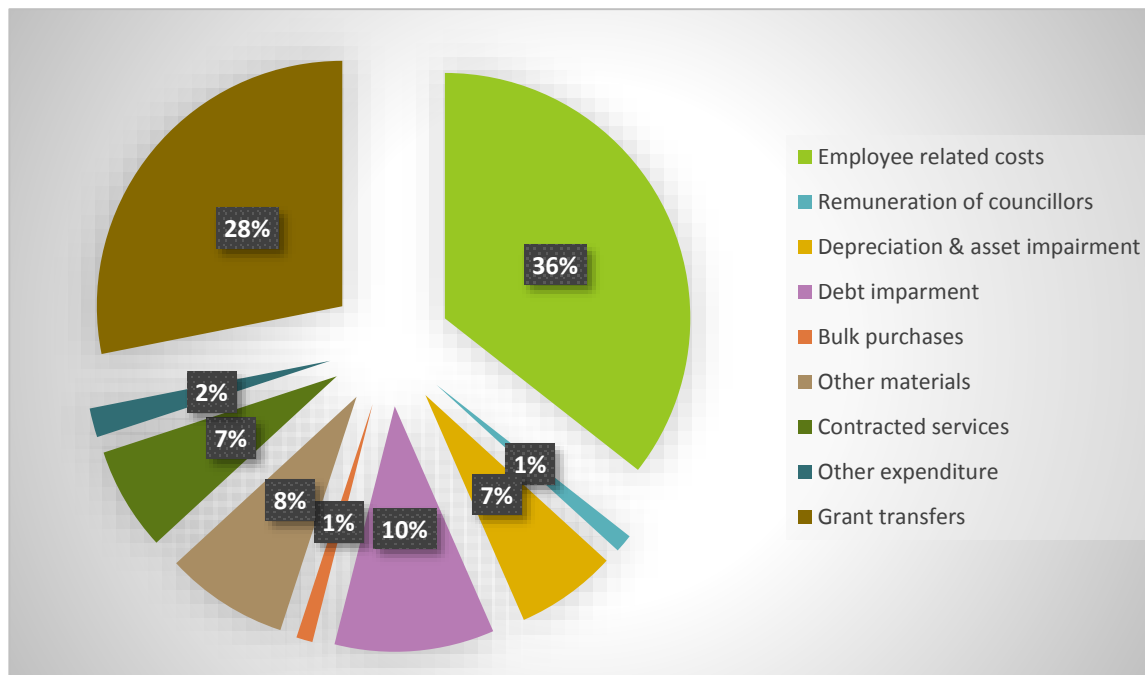
Other expenditure has decreased **by 3% or R4.9 million**. Treasury has been very strict in reviewing our current cash position, which has resulted in numerous general expenditure line items being reduced.

#### MSCOA:

The municipality has budgeted R2.3 million towards the implementation of MSCOA this expenditure will be funded by the MSIG. The municipality has already spent 1.3M in the current year on implementation and training. The budget for the 2016/17 financial year will be MSCOA compliant. The graph below shows the operating expenditure for 2016/2017



## Operating Expenditure:



**Main operational expenditure categories for the 2016/17 financial year**

## Capital Expenditure

The Municipality could not meet to fund 40 percent of its capital towards renewal of assets however R91 million which is 35% of the budgeted capital expenditure will go towards the renewal of infrastructure

The following table reflects a breakdown of budgeted capital expenditure by vote and reflect the total capital expenditure per department:

## 2016/17 Medium-term capital budget per vote

Vote Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year+2 2018/19
<i>R thousand</i>										
Single-year expenditure to be appropriated										
105 - MUNICIPAL MANAGER	-	351	-	830	1471	1471	1471	290	-	-
200 - CORPORATE SERVICES	114	19	-	1350	1110	1110	1110	1315	-	-
300 - BUDGET AND TREASURY	28	10	195	240	1439	1439	1439	225	-	-
405 - SOCIAL SERVICES	397	3	31049	28150	16985	16985	16985	100	-	-
408 - HEALTH & WATER SERVICES AUTH	167	-	718	260	236	236	236	460	-	-
500 - TECHNICAL SERVICES	1024841	200389	255175	288090	238090	238090	238090	262744	347398	299651
510 - WATER AND SANITATION SERVICES	3847	10623	21377	150	1573	1573	1573	110	-	-
<b>Capital single-year expenditure sub-total</b>	<b>1029394</b>	<b>211395</b>	<b>308514</b>	<b>319070</b>	<b>260904</b>	<b>260904</b>	<b>260904</b>	<b>265244</b>	<b>347398</b>	<b>299651</b>
<b>Total Capital Expenditure - Vote</b>	<b>1029394</b>	<b>211395</b>	<b>308514</b>	<b>319070</b>	<b>260904</b>	<b>260904</b>	<b>260904</b>	<b>265244</b>	<b>347398</b>	<b>299651</b>
<i>Capital Expenditure - Standard</i>										
Governance and administration	142	359	195	2420	4020	4020	4020	1830	-	-
Executive and council		330		830	1471	1471	1471	290		
Budget and treasury office	28	10	195	240	1439	1439	1439	225		
Corporate services	114	19		1350	1110	1110	1110	1315		
Community and public safety	564	-	718	28410	17221	17221	17221	560	-	-
Community and social services	564			28150	16985	16985	16985	100		
Health			718	260	236	236	236	460		
Economic and environmental services	-	2002	31049	2311	2311	2311	2311	2378	2531	2672
Planning and development		3	31049							
Road transport		1999		2311	2311	2311	2311	2378	2531	2672
Environmental protection										
Trading services	1028688	209033	276553	285929	237352	237352	237352	260476	344867	296979
Electricity										
Water	1028688	209033	255175	285929	237352	237352	237352	260476	344867	296979
Waste water management										
Waste management			21377							
<b>Total Capital Expenditure - Standard</b>	<b>1029394</b>	<b>211395</b>	<b>308514</b>	<b>319070</b>	<b>260904</b>	<b>260904</b>	<b>260904</b>	<b>265244</b>	<b>347398</b>	<b>299651</b>
<b>Funded by:</b>										
National Government	1028688	130237	296017	237940	237940	237940	237940	262691	347398	299651
Transfers recognised - capital	1028688	130237	296017	237940	237940	237940	237940	262691	347398	299651
Internally generated funds	706	81158	12497	81130	22964	22964	22964	2553	-	-
<b>Total Capital Funding</b>	<b>1029394</b>	<b>211395</b>	<b>308514</b>	<b>319070</b>	<b>260904</b>	<b>260904</b>	<b>260904</b>	<b>265244</b>	<b>347398</b>	<b>299651</b>

## Budget Assumptions

- National Government macro-economic targets
- The general inflationary outlook and the impact on Municipality's residents and businesses
- The impact of municipal cost drivers
- The increase in prices for bulk water and electricity

- The increase in the cost of remuneration. Employee related costs comprise 33 % of total operating expenditure in the 2016/17 MTREF and therefore this increase above inflation places a disproportionate upward pressure on the expenditure budget.

### 7.1.1 FINANCIAL STRATEGIES OVERVIEW

The strategic response to financial viability and sustainability of uThukela district municipality will need to take into cognizance strategies for plugging existing holes into the system and further increase revenue streams with intent to rely less on external grants in the end. Plugging the holes by:

- Promoting effective expenditure to avoid recurring surpluses on operating budget and conditional grants.
- Vigorously pursuing credit control policies.
- Increasing efficiencies by working smarter, managing performance and alternative service delivery mechanisms.

#### **Increasing revenue by:**

- Improving collections
- Increasing rate base
- Improving share of intergovernmental grants to pay for unfunded/partly funded mandates
- Vigorously pursuing cost cutting measures
- Pursuing public private partnerships at both programme and project level

The following general financial strategies that should guide the municipality, now and in the future, in practicing sound financial management. The financial strategies adopted by council include a general strategy, which will apply to the detailed strategies, a financial resources (capital and operational) strategy, revenue raising strategy, asset management strategy, capital financing strategy, operational financing strategy and a cost effectiveness strategy. More details of the aforementioned strategies are set out below.

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#### 7.1.1.1 GENERAL CONSIDERATIONS

- **Social Responsibilities**

All aspects of matters relating to financial matters will take cognizance of council's social responsibilities including transformation and empowerment such as in council's supply chain management policy.

- **Investor attraction**

Council's main aim is to create a revenue base through the attraction of investors to the municipality. This will be done in conjunction with Local Municipalities initiatives.

An important factor considered by investors in relocating to an area is the ability of the authorities to demonstrate financial discipline; this includes adherence to statutory requirements, timely preparation and production of financial statements, adherence to generally recognised accounting practices and unqualified audit reports. It is intended that the business plan of the finance department will address these factors. In order for the finance department to deliver on these strategies, it is council's intention to clearly define accounting policies and recruit the best finance people for that department. To this end, council will define recruitment policy for finance staff, put in place a pre and continuing bursary policy and develop career progression paths for designated finance staff. Like the IDP, the financial action plan will be subject to a regular review and comparison of actual performance to predetermined performance measures.

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#### 7.1.1.2 FINANCIAL RESOURCES

For the purposes of this financial plan, council has considered financial resources for both capital projects and operational purposes. The various resources available to council are summarised below.

Capital expenditure:

- National government funding
- Provincial funding
- Infrastructure funding
- Own funding
- Public / private partnerships

Operational expenditure:

Normal revenue streams in the form of grants

**Revenue raising**

The Uthukela District Municipality's main sources of revenue are from grants and municipal services such as sewerage and water. The short-term objective of the municipality is to identify and access all available revenue.

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#### 7.1.1.3 ASSET MANAGEMENT

Assets management is given a serious attention that it deserves to improve it is prioritised and ensuring that councils assets are managed properly. Asset register is in place. The municipality have a huge responsibility of reducing expenditure on non-essential assets and prioritising repairs and maintenance of municipal assets.

Asset manager has been appointed to work on the assets. Asset management policy and procedure has been reviewed and adopted by Council on the 18 May 2016. The policy is being implemented.

Asset Management section deals with all classes of assets owned by the municipality. The section ensures that all the Municipality assets are recorded on a Fixed Assets Register. The following are strategies that are implemented by the municipality in ensuring that the asset management is done correctly:

- All assets whether moveable or immovable are to be recorded in an asset register which is electronically maintained
- The asset register is updated when assets are acquired (purchase or transfer once a capital project has been completed) or disposed of
- A reconciliation between assets recorded in an asset register and physical assets must done on an annual basis
- A budgetary provision for the operation and maintenance of assets must be done

It is important to maintain a regular inventory of property, plant and equipment, implementation of a maintenance programme and insurance cover review. This part of the plan will be extended to assist in identifying and listing unutilised / uneconomic assets with a view to disposal as indicated earlier. Although directly related to revenue raising it is appropriate to include the monitoring of policies, with

the asset management programme. This aspect of asset management will ensure that council is receiving economic benefit from council owned land, which is rented out.

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#### 7.1.1.4 FINANCIAL MANAGEMENT

It is most important that the Uthukela District Municipality maintain a strong finance department and in due course an audit steering committee and internal audit function that will be responsible for monitoring financial and other controls. The council is committed to sound financial management and as indicated earlier the creation of a sound economic base.

Financial management policies and procedures for the entire municipality will have to be implemented and these will include the following principles:

- Cash forecasts and cash flow monitoring against forecasts
- Budgeting methods
- Management reporting
- Credit risk management
- Credit control policies
- Supply chain management policies
- Supplier payment periods and Investments policies.

Staff will be encouraged to adhere to value for money principles in carrying out their work. On the issue of audit reports, both internal and external, council has to adopt a zero tolerance approach and measures will be put in place to ensure that any material or fundamental issues are addressed immediately. It is expected that the internal audit function will raise any material or fundamental issues before external audit. Other issues arising will be prioritised and addressed accordingly. Council recognises the need to maintain a positive cash flow at all times and will be investigating various avenues to improve cash flow. Strong positive cash flow will result in additional revenue in the form of interest earned.

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#### 7.1.1.5 CAPITAL FINANCING

When determining appropriate sources of funding it is important to assess the nature of projects, expected revenue streams and time frames for repayment. As a general guide, the following principles will apply:

- Provincial and national government funding for medium term and long term projects
- External loan funding for medium term and long-term projects

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#### 7.1.1.6 OPERATIONAL FINANCING

Council's policy is to fund operating expenses from normal revenue streams with short term funding being used as a last resort. It is expected that strong financial management including accurate cash forecasting will obviate the need to resort to short-term borrowings. As indicated earlier it is council's intention to maintain a strong economic base through good working capital management including setting aside of adequate provisions for working capital.

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#### 7.1.1.7 COST EFFECTIVENESS

In any organisation, it is necessary to strive for cost effectiveness and municipalities are no different. It is council's intention to pursue the shared services concept wherever possible. The sharing of services will enable the municipality to minimize total costs on these services.

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### 7.1.2 DETAILED FINANCIAL ISSUES AND STRATEGIES

The action plan identifies the most feasible strategies to increase efficiency and cost effectiveness within the Municipality. The implementation of the financial plan requires a team effort. A team approach requires the involvement of the Council, Municipal Manager and Chief Financial Officer in implementing these strategies. It is crucial that individuals to whom the responsibilities have been allocated according to the action plan be held accountable for the outcome of these strategies. The progress made towards achieving these strategies should be measurable and it is essential that these strategies be included in the performance appraisals of individuals.

### 7.1.2.1 FINANCIAL ISSUES

Some of the key financial issues affecting the Uthukela District Municipality are listed below.

- Debt Collection drive to collect the outstanding debt of Council
- A revenue base is dependent on sewerage, water and other income streams
- Affordability by Council to address all needed capital and operational expenditure received from various directorates
- Lack of funds for capital projects
  - Council needs to be provided with monthly and quarterly financial reports

#### **Financial Strategies**

The implementation of the sound and good financial strategies will enhance the future financial sustainability of the municipality.

- **Capital financing strategy**
- **Asset management strategy**
- **Sound Financial management**
- **Credible Financial projections**

### 7.1.3 REVENUE RAISING STRATEGIES

- All consumers to be registered and be billed for services rendered
- A debt collection service to be instituted to monitor billing and payment for services
- An adoption of the credit control policy; and as part of debt collection process, levying of interest on outstanding payments.
- Attracting investors for property development in order to enhance rates income

### 7.1.4 POLICY DEVELOPMENT AND REFINEMENT STRATEGY

Council is committed in an ongoing development of policies that are compliant with Municipal Finance Management Act and other regulations in order to ensure smooth function of council and realization of financial viability status. Council has adopted among other things; credit control policy, tariff policy and investment and cash management policy to enhance income or revenue streams.



### 7.1.5 KEY SUPPORT PROGRAMMES

This section seeks to present compliant driven programmes that would allow the municipality to realize desired financial health, viability and sustainability thereof. It is argued that the developed strategies will depend heavily on the successful compliance, adherence to internally designed policies and proper management of financial resources.

#### 7.1.5.1 PROGRAMME 1: PRODUCE AN ANNUAL UPDATE OF MUNICIPALITY'S MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

While the MTEF sets out a medium term expenditure plan for the municipality, it must also show the specific intentions of council with respect to:

- Clear, affordable development targets
- Development of a 10 year maintenance plan for municipal infrastructure and services
- Targeted expenditure to unlock economic development and grow the rates base

In this regard, a forecasting model will be developed which allows informed decisions to be made on an ongoing basis in terms of cash flow, investments, borrowings and long-term sustainability of the municipality.

#### 7.1.5.2 PROGRAMME 2: BUDGET ACCORDING TO IDP PRIORITIES

The municipality has committed itself to ensuring that the budgeting process is aligned to the IDP. The strategy to achieve this programme is to ensure that the budget process is aligned to the IDP so that what is budgeted is reflected as a priority in the IDP. The programme has given rise to approval of policies and programmes that guide service delivery. Key to this approach is ensuring that the municipality focuses its limited resources on the challenges expressed by people of uThukela, and most importantly, improving alignment with other spheres of government, including the development of Private Public Partnerships.

#### 7.1.5.3 PROGRAMME 3: EFFECTIVELY MANAGE CREDIT CONTROL

The focus of the credit control exercise is to reduce debt owed to the municipality by:

- Developing proactive credit control measures to reduce debt and ensure appropriate sanctions are implemented
- Implementing new revenue systems to ensure timeous, regular and accurate billing of accounts

- Maintain ongoing customer communication in order to awareness, foster financial responsibility, and promote a culture of payment.

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#### 7.1.5.4 PROGRAMME 4: GROW REVENUE STREAMS

The Budget and Treasury office will continue in championing the drive to sensitize all council departments to identify cost savings and/ or revenue generating opportunities in all areas of operation. Over the next five years, a concerted effort will be needed to focus on increasing the rate base. Proper collection processes as stipulated under financial guidelines above will have to be strictly adhered to.

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#### 7.1.5.5 PROGRAMME 5: SEEK ALTERNATIVE SOURCES OF FUNDING

In addition to the obvious need to grow council's revenue by increasing its rates base, other means for securing funding for council's projects must be explored in a variety of ways. Some of the focus areas include government grant funding and project and programme funding, partnerships with international agencies like the European Union and other agencies at programme level and entering into partnerships with the private sector on key projects and programmes.

It has been noted that, there is little drive within the municipality to prepare business plans to be used in leveraging additional funding. Therefore, this programme will depend on the joint efforts of Financial and Planning department to drive it vigorously.

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#### 7.1.5.6 PROGRAMME 6: REDUCE COST TO THE ORGANIZATION

The focus here is to ensure that our tariffs are affordable and value for money is being achieved. Accordingly, costs are scrutinized on an ongoing basis, and targets are then selected and prioritized according to the following ratings:

- Most obvious: here the cost element that is most out of line with the budget needs immediate attention
- Easiest: a small saving that is quickly reaped with little effort cannot be ignored
- Worst first: sometimes a cost situation is so critical that it begs for immediate attention
- Biggest impact: those cost items that will deliver the biggest long-term savings if reduced

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#### 7.1.6 SUMMARY OF AG REPORTS AND RESPONSES

uThukela District Municipality received the qualified audit opinion in 2014/2015 financial year. The uThukela District Municipality's strategic objective is to achieve clean audit in the 2015/2016 financial year.

##### **Summary of 2014/2015 audit outcome**

The Auditor General Findings on uThukela District Municipality's 2014/2015 Audit Report can be summarized as follows

- Revenue- service charges
- Irregular expenditure
- Comparative amounts

For more information, the Auditor General Report and the Action Plan that aimed at addressing issues raised in the ***AG Report is attached as annexure***. The Audit Action Plan is implemented by the responsible managers and monitored at all committee meetings of council including MANCO, EXCO, and Council. The audit committee fulfils its responsibilities as set out in section 166 (2) of the MFMA.

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**8 ANNUAL OPERATIONAL PLAN (SDBIP)**

The SDBIP determines the performance agreements for the accounting officer and all section 57 employees, whose performance agreements can be monitored through Section 71 monthly reports, and evaluated in the annual report. The SDBIP will be monitored and reported monthly by the municipal manager in terms of 71(1) (a) and (e).

Section 1 of the MFMA, Act 56 of 2003 states that the SDBIP should make projections for each month of the revenue to be collected by source and by vote. The targets and performance indicators need to be reported on quarterly basis as per MFMA, 2003. It must be noted that uThukela SDBIP will be approved 28 days after the approval of the municipal annual budget; therefore, it will be attached in the 2016/2017 adopted IDP Review.

## 9 ORGANIZATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

### 9.1 HOW THE OPMS IS APPLIED IN THE MUNICIPALITY

uThukela District Municipality has appointed a service provider to ensure that OPMS is in the good standard and it also complied with the relevant legislations. The service provider has started towards increasing Municipal performance and accelerating service delivery provision, and has adopted the hybrid performance management model, which combines the following:

- Balanced scorecard methodology;
- Six Sigma graphic representation tools;
- Project Management Principles;
- 365 Degree individual assessment methods;

Subsequent to the adoption of the above approach, the municipality has appointed a PMS Manager and two PMS Officers in ensuring that the OPMS is applied accordingly in the municipality. They manage to ensure that all Performance Agreements of the Municipal Manager and managers reporting directly to the Municipal Manager are signed for the 2015/16 financial year. They are facilitating the process of cascading PMS down to managers who are below section 57.

To implement the aforementioned hybrid performance management methodology these steps will be followed as set out in the balanced scorecard methodology.



## 9.2 IDP, BUDGET, PMS INTEGRATION THROUGH SDBIP'S

The IDP Priorities are aligned to the National Key Performance Areas. In terms of the IDP, Organizational objectives are incorporated into the Organisational PMS by developing applicable indicators for measuring of performance and then setting of targets. All is consolidated into an Organisational Score-card in line with the NKPA Model selected as specified in the Framework mentioned above to allow for measuring and reporting of performance at an Organisational/Strategic level.

The Organisational Score-card is then unpacked at a departmental level and informs the development of Service Delivery Budget Implementation Plans (SDBIP's) to allow for performance reporting at an operational level as is required in terms of the MFMA. Idealistically, the SDBIP aligns itself with Powers and Functions, Objectives of the Department aligned to IDP and the allocated budget, relevant indicators and targets.

The SDBIP is then cascaded into Section 57 Performance Agreements. All of these performance reports are then amalgamated into the Annual Performance Report that forms a component of the Annual Report as prescribed in the MFMA. Reporting is done quarterly, with supporting evidence being confirmed and audited. Monthly reporting is now being encouraged through the revision of the framework and the Auditor-General's audit strategy to align the uThukela district municipality to best practices.

## 9.3 INSTITUTIONAL PERFORMANCE MANAGEMENT SYSTEM (SECTION 57 CONTRACTS)

In terms of the Regulations for Municipal Managers and Managers reporting directly to the Municipal Manager, All Performance Agreements of the Municipal Manager and managers reporting directly to the Municipal Manager were signed for the 2015/16 financial year. The municipality is in the process of cascading PMS down to managers who are below section 57.

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#### 9.4 ANNUAL PERFORMANCE REPORT OF THE PREVIOUS YEAR

uThukela district municipality has complied with Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year a performance report reflecting the following:

- The performance of the municipality and of each external service provider during the financial year
- A comparison of the performances referred to in paragraph(a) with targets set for and performance in the previous year
- Measures taken to improve performance

It is critical that the annual performance report forms part of the municipality's annual report in terms of chapter 12 of the MFMA.

## 10 ANNEXURES

NO	SECTOR PLAN	COMPLETED? Y / N	ADOPTED? Y / N	ADOPTION DATE	DATE OF NEXT REVIEW	COMMENTS
1	Disaster Management Plan	Yes	Yes			The disaster management plan is reviewed and attached
2	Performance Management System (PMS)	Yes	Yes			The PMS of the municipality is in place. PMS Unit has been established and is in the process of cascading it down to managers below section 56.
3	Work place Skills Development Plan	Yes	Yes			This is done on annual basis
4	Capital Investment Programme/ Framework (CIP)	Yes	Yes			Three Year Capital Program was prepared and incorporated into the IDP
5	Local Economic Development (LED) plan	Yes	Yes			It was developed and adopted by council and is attached
6	Environmental management framework	Yes	Yes			The framework is completed and is attached
7	Water Services Development Plan (WSDP)	Yes	Yes			WSDP is reviewed and is attached as an annexure
8	Integrated Waste Management Plan	Yes	Yes			The IWMP was developed and adopted
9	Transportation Plan	Yes	Yes			Public transport plan was developed and adopted by Council and its due for review
10	Financial Plan	Yes	Yes			Is reviewed annually and is part of the document
11	Spatial Development Framework	Yes	Yes			The uThukela SDF is completed and is attached as an annexure.
12	Communication Strategy	Yes	Yes			The strategy has been developed and adopted by council



13	Fraud and Corruption Prevention Strategy	Yes	Yes			The Fraud and corruption strategy was adopted and is under implementation and is attached as an annexure
14	Tourism Plan	Yes	Yes			It was developed and adopted by council and is attached as an annexure
15	Climate change response Plan(mitigation &adaptation options)	Yes	Yes			Adopted by council and is attached as an annexure
16	Natural resources management Plan	Yes	Yes			
17	Rural development plan		Yes			Adopted by Council and is attached as an annexure