

# Integrated Development Plan (IDP) 2013/2014 to 2017/2018



**March 2013**

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## LIST OF ABBREVIATIONS

AG	-	Auditor General
DEAT	-	Department of Environment, Agriculture and Tourism
DLTGA	-	Department of Local Government and Traditional Affairs
DME	-	Department of Minerals and Energy
DOE	-	Department of Education
DOH	-	Department of Housing
DOT	-	Department of Transport
DWAF	-	Department of Water Affairs and Forestry
EXCO	-	Executive Committee
GIS	-	Geographical Information System
HIV/AIDS	-	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
IDP	-	Integrated Development Plan
ILM	-	Indaka Local Municipality
KZN	-	KwaZulu-Natal
LED	-	Local Economic Development
LRAD	-	Land Redistribution for Agricultural Development
LUMF	-	Land Use Management Framework
LUMS	-	Land Use Management System
MEC	-	Member of the Executive Council (Local Government and Traditional Affairs)
MFMA	-	Municipal Finance Management Act, No. 56 of 2003
MIG	-	Municipal Infrastructure Grant
MTCF	-	Medium-term Capital Framework
MSA	-	Municipal Systems Act, No. 32 of 2000
NT	-	National Treasury
OPMS	-	Organisational Performance Management System
PIMS	-	Planning, Implementation and Management System
PGDS	-	Provincial Growth and Development Strategy
PMAC	-	Performance Management Audit Committee
RF	-	Representative Forum
SADC	-	Southern Africa Development Community
SEA	-	Strategic Environmental Assessment
SDF	-	Spatial Development Framework
SDBIP	-	Service Delivery and Budget Implementation Plan

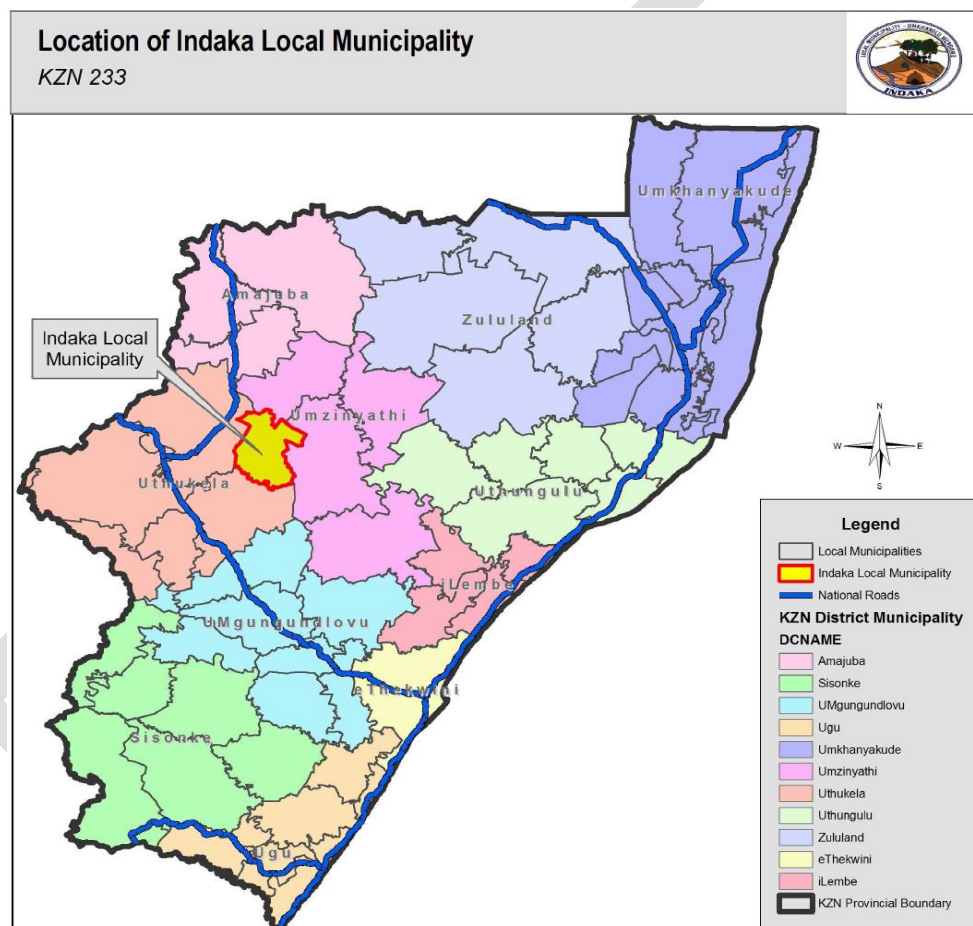


# SECTION A: EXECUTIVE SUMMARY

## 1.1 Indaka Municipality in Context

Indaka Municipality is one of the five local Municipalities situated in the Uthukela District Municipality. The uThukela District consists of five Local Municipalities namely: Indaka, Ennambithi/Ladysmith, Umtshezi, Okhahlamba and Imbabazane. The Indaka Municipality is a newly established municipality (established 18 December 2000), without a well-established economic centre. It shares borders with Ennambithi, Endumeni, Msinga and Umtshezi municipalities and is situated 49 km East of Ladysmith.

**MAP 1: Provincial Location & Context of Indaka Municipality**



The Indaka Municipality's land area comprises approximately 9% of the total uThukela District Municipality land area. The majority of the land area of the Indaka Municipality falls under the Ingonyama Trust and used to be part of the former Zululand Homeland. This in itself has rendered the Indaka Municipality with little historical economic development and has left a legacy of impoverishment and dependency on migrant workers and social grants for socio-economic well-being of the majority of its population.

Indaka is a predominantly rural municipality which is characterised by extensive 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, lack of resources and low levels of education are also prevalent.

The settlement patterns are dispersed which has resulted in under-developed land and settlement patterns. This presents a challenge in that it is expensive to deliver services. Indaka has dense rural villages which are mainly located in the traditional areas. In terms of land ownership, approximately 95 % of the municipality is traditional land.

According to the 2011 StatsSA Census, the population of the Indaka Municipality has decreased from 113,644 people in 2001 to 103,116 people. Thus indicates a population decline of -10.2% over 10 years. In 2011, the number of males was 46,509 as opposed to 56,607 females and this is particularly noticeable in the 20 to 49 year age group which indicates a high level of out-migration of men in the economically active population.

## 1.2 Indaka's Development Vision

This vision is informed by members of council during the Didima Camp Strategic Session, which include, but are not limited to:-

- Indaka is a rural municipality.
- The municipality to attract business people to foster partnerships to increase Local Economic Development by 2030.
- To create a self-reliant and economically viable municipality by 2030.
- The municipality to render sufficient Local Government Functions, and facilitate proper IGR by 2021.
- Strive to transform to an effective and efficient municipality that provides for the Indaka community's basic needs, and stimulate skills and decrease the unemployment rate by 2020, and jointly move forward in becoming one of the most competent municipalities in the world.
- By 2030, to eradicate poverty, to stimulate economic development, to create a safe and healthy environment, to sustain basic services, to improve quality of life, to provide electricity to all residences, access roads to all households by 2030, access to water for all residences, to development urban settlement, to collect revenue.

**The Municipal vision is as follows:**

***“Indaka...a Municipality without poverty by 2030”***

### **The Mission statement**

The Mission Statement defines the fundamental purpose of the municipality and is as follows:

- Providing Basic Services in an affordable and sustainable manner;
- Promoting social upliftment and economic regeneration;
- Promoting a safe and healthy environment;
- Promoting public participation in the manner that supports Co-operative / Developmental Government;
- Building and entrenching Citizen Involvement.

## 1.3 The Challenges We Face .....

The Indaka Municipality continuously undergoes self-assessment and some key challenges are identified through this process. These issues are captured as part of the IDP process and are informed through data sources, including statistics from Census and community surveys, community participation and consultation and internal municipal strategic initiatives.

The socio-economic challenges in the Indaka Municipality are substantial, mostly due to the rural and underdeveloped nature of the municipal area and the related prevalence of poverty and dependence on social grants. The challenges faced by the Indaka Municipality relate to virtually every aspect of the human development index and general societal needs and desires.

The IDP will identify, analyse and address ways of addressing the challenges. Some of the major challenges faced by the Indaka Municipality can briefly be summarised as follows:

- The municipality has no well-established economic core, which hampers economic development within the municipal area., as well as, no formal and/or proclaimed town. As a result, the area is unable to attract inward investments that could address economic development challenges. This also renders the municipality without an income base as rates and taxes cannot be collected from any of the settlements.
- Partly due to the above, there is a high rate of unemployment, and the majority of families depend on social grants for their survival. The poverty levels, combined with levels of deprivation are at very high levels.
- There exists an extremely high prevalence of HIV/AIDS in the municipal area, with the estimated infection rate at approximately 25%. The high mortality rate and burden of AIDS related illness caused by this has resulted in increased socio-economic hardships of families in the municipality, mostly due to a loss of income when economically active family members are unable to work or pass away.
- A lack of proper educational facilities contributes to the high levels of illiteracy in the Indaka Municipality. No tertiary education facility exists in the municipality and the nearest is the Mnambithi FET College in Ladysmith.
- The inadequate and limited recreational facilities are perceived to be contributing factors to socio economic issues in the Indaka Municipality.
- The crimes rate in the municipality is high and this is caused by the fact that there is only one police station in the municipality and it is not located central to the geographical extent of the municipal area. The high crime rate is perceived to hamper tourism, amongst other negative influences.
- Huge infrastructure services backlogs exist in the municipality and the major shortages are found in the delivery of water, sanitation and electricity.
- According to the Spatial Development Framework and land use plans of the municipality, the Indaka Municipality has unutilized, productive land which can be utilized for housing purposes. Large portions of land in the municipality are subjected to land claims and these place a burden on development on this land.
- The dispersed settlement pattern in the municipality makes physical infrastructure related services delivery extremely expensive and in most cases not effectively affordable.

## **1.4 The Opportunities We Offer .....**

Notwithstanding the numerous challenges that the Indaka Municipality is faced with, there are various opportunities that are offered by features within the municipality. Amongst others, the identified opportunities.

### **Natural Landscape**

Indaka Municipality is characterized by two drainage systems - uThukela and Sundays River. The fast flowing uThukela Rivers form the southern boundary of the municipality, with tributaries drainage southern wards to the river.

Sundays River drainage basin forms the major proportion of Indaka municipal area. The flowing of these rivers through the municipality is viewed as an opportunity because they act as centripetal force to the industries to the municipality and also make water supply projects possible to the municipality.

### **Suitable Arable Land and Land for Infrastructural Development**

Indaka Municipality has plenty of unoccupied land. Therefore, this municipality is suitable for physical development projects e.g. housing. Though agricultural potential is limited at Indaka, there are some areas that have been identified as having good and moderate agriculture potential.

### **Location and Accessibility**

Indaka Municipality is not transverse by any national roads, but has a network of provincial and district roads due to its proximity to N3 and N11.

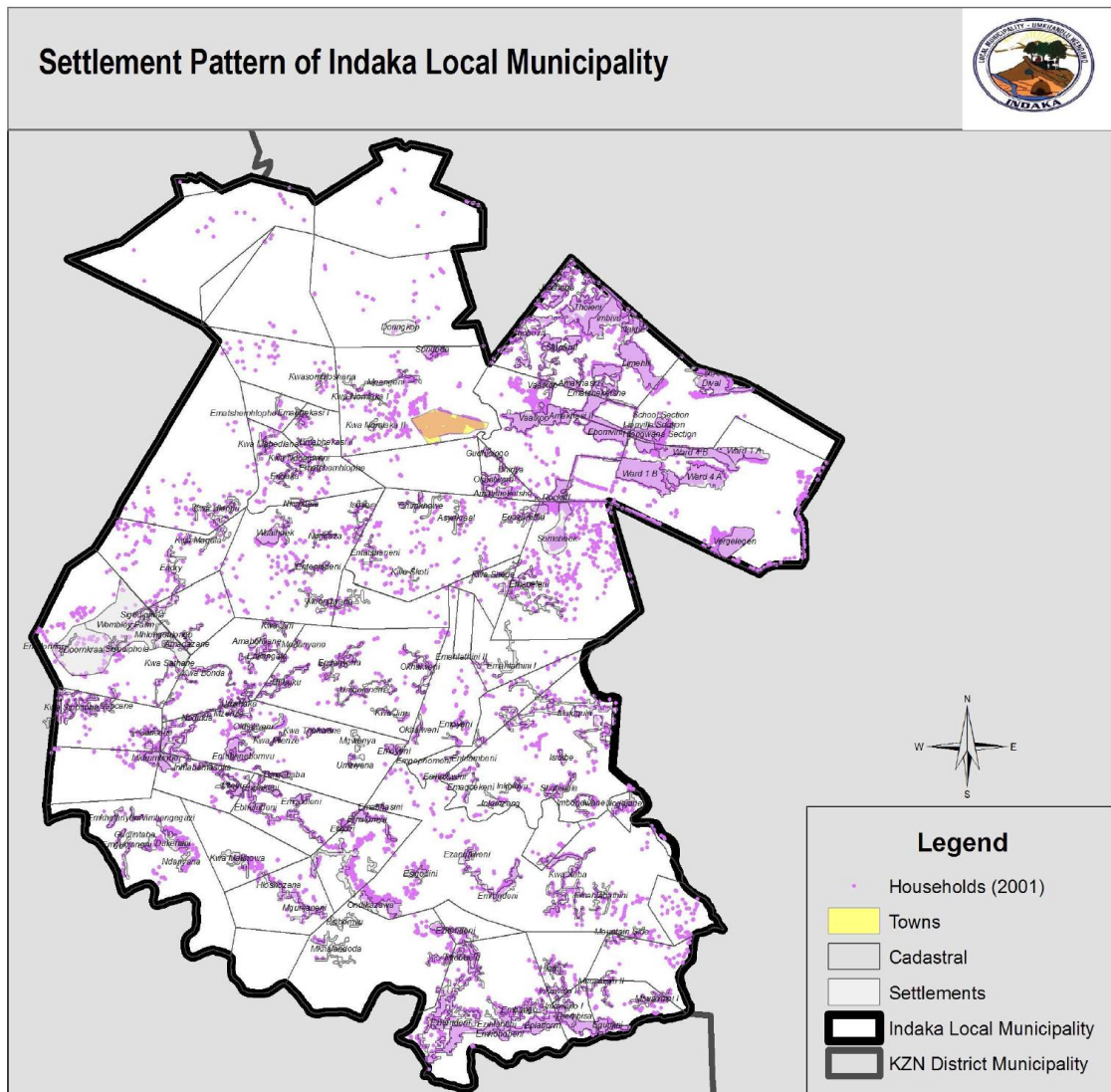
These roads service the municipality itself and carry primarily local traffic. The most important provincial road is the Helpmekaar road, which runs from Helpmekaar through Ekuvukeni and the Limehill Complex, before linking with Dundee Pomeroy road (MR32). From the road, a network of district and provincial roads service the northern areas of the municipality which links to Elandslaagte, Wasbank and Wesselsnek to the North, possible by means of provincial roads.

### **Tourism**

Tourism, though, is a sensitive industry and has a possibility to grow with two projects that include: picnic site, cultural village and cannibalism route. Cannibalism route project is under implementation.

Tourism seems to be growing slightly at Indaka, but the disturbing factor is crime and investment opportunities which are very limited.

MAP 2: Settlement Pattern of the Indaka Local Municipality



## 1.5 Strategies for Improvement

### Economic Development

Since the municipality does not have a revenue base, it has engaged itself in developing projects that could generate income for the municipality. Those projects are: cannibalism route project, craft centre, shopping complex and sight-seeing.

The municipality has developed a Local Economic Development Strategy that outlines how the Indaka economy should be developed.

### Financial Management Viability of the Municipality

Financial Management appeared to be a problem with the municipality, but the municipality has come up with measures over financial management and introduced a financial system that was not lasting.

The Municipality has been put under administration and it is attempting to turn around its financial management status and obtain a clean audit from the Auditor-General. The municipality is also attempting to speed up the implementation of the Property Rates Act so

that it will have a revenue base and this will boost financial viability of the municipality, hence the need to formalize the towns.

### **Eradicating Infrastructure Backlogs**

The municipality has conducted a Backlog Study and is aware of all backlogs in terms of the service delivery. Indaka engages itself with sector departments to convey the researched data contained in the Backlog Study for inclusion in their budgets.

### **HIV/AIDS Combating**

Indaka Municipality has a high prevalence rate of HIV/AIDS. With reference to the above-mentioned rate, the municipality has developed an HIV/AIDS Strategy. The developed strategy outlines intervention programmes and projects that should be implemented to combat HIV/AIDS.

### **Skills Auditing**

The municipality has embarked on the Skills Audit Programme and it has revealed some gaps to many staff members of the municipality. Some training has been organized to fill those gaps and workshops have been recommended for other staff members. The findings of the Skills Audit were accommodated in the Municipal Assistance Programme (MAP).

### **Housing Plan**

The municipality intends building houses for the Indaka community. A Housing Sector Plan has been developed, however, needs to be annually reviewed. House construction has commenced and is yielding positive results.

### **Development of Performance System**

To better and maintain performance, the municipality has developed a performance monitoring tool that is closely monitoring performance of individuals in terms of service delivery.

## **1.6 Indaka's Strategic Development Role**

The diagram below depicts the strategic role that the Indaka Local Municipality will fulfill as part of their service delivery programme.

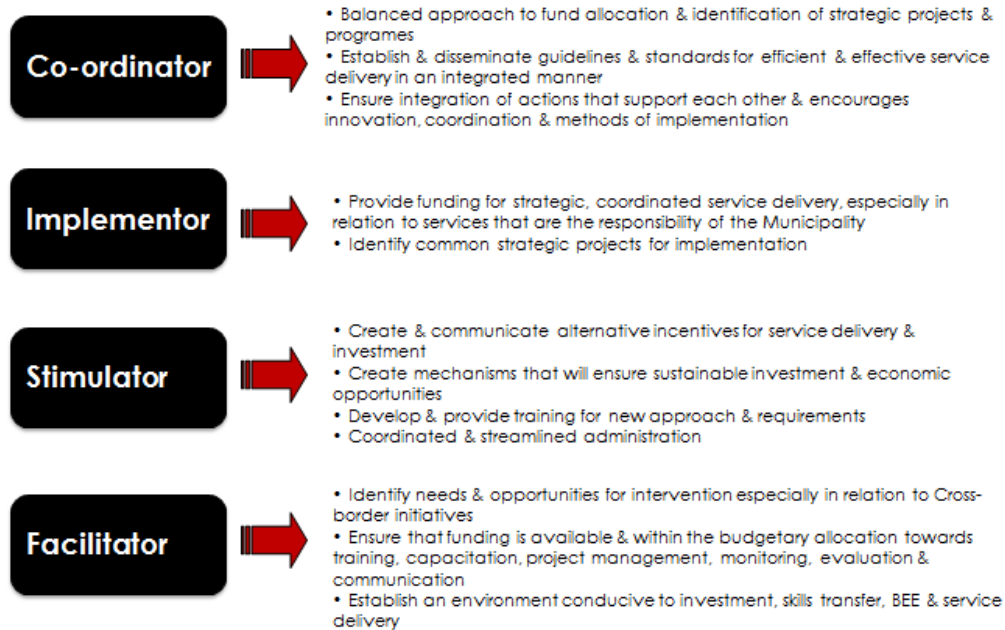


Figure 1: Strategic Role of Indaka LM as part of their Service Delivery Programme

## 1.7 Indaka 5 Years from Now .....

To reach developmental objectives for municipal areas, the government's priority since 1994 has been meeting the basic needs of the millions of South Africans living in poverty. This target has been a cornerstone of government's redistribution and poverty-eradication effort. In line with the Millennium Development Goals, government's target is to ensure that by 2014 all households have access to the minimum standard for each basic service.

The attainment of these Millennium Goals seems unlikely for most municipalities, in most of their service delivery sectors. Government has not yet revised its targets to apply to the realistic attainment of medium term goals reaching beyond 2014.

### Targets for Service Delivery

The table below depicts the current targets set by government in order to accelerate service delivery to meet basic needs and to promote growth.

*Minimum standards for basic services, vision 2018*

Sector	Minimum Standard 2014 Target
Water	All households to have access to at least clean piped water 200m from household
Sanitation	All households to have access to at least ventilated pit latrine on site
Electricity	All households to be connected to national grid
Refuse Removal	All households to have access to at least once a week refuse removal services
Housing	All existing informal settlements to be formalized with land-use plans for economic and social facilities and with provision of permanent basic services
Other (education, health, roads, transport, sports and recreation, street trading, parks, community halls, etc)	Standards for access for all other social, government and economic services must be clearly defined, planned, and where possible, implemented by each sector working together with municipalities in the development and implementation of IDPs.

**Table 1: Minimum Standards for Basic Services**

A related 2018 goal is to halve unemployment and poverty. Through their procurements of services and by using labour-intensive methods to maintain and build infrastructure, municipalities both broaden participation in the local economy and create work opportunities for the poor.

It is important to consider at this point the potential of differentiated approaches to service provision. It is possible that current standards and expectations may have to be reviewed. Highly urbanized areas, with formal settlements can reasonably expect their own standpipes, whilst tiny rural areas, such as Indaka, may need to realistically have service delivery focusing on greater access to state provided boreholes, or rain tanks and water harvesting, and alternative energy for cooking, e.g. bio-fuel. In considering alternative service delivery models, positive political leadership and optimal communication would be critical. Here, structured, directed and regular communication with communities plays a key role.

### **The Municipality's Expectations by 2018 .....**

#### **The Municipality is expected to have achieved the following by 2018:**

- The municipality shall improve its revenue base.
- The municipality shall have implemented the Property Rates Act.
- The municipality shall have minimized backlogs on:
  - Electricity;
  - Water and Sanitation;
  - Roads;
  - Increased HIV/AIDS Awareness;
  - Housing; and
  - Protected Environment.

#### **Critical Targets**

The municipality has identified priority issues which need to be addressed as they are critical targets over the short-term:

#### **Infrastructure Priority Issues**

- Water and Sanitation;
- Roads;
- Electricity;
- MPCC.

#### **Economic Priority Issues**

- Economic Development;
- Tourism Initiative Development;
- Development of Shopping Centre (Township Formalisation); and
- Development of SMME's.

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#### **Environment Priority Issues**

- Development of Environmental Management Framework (EMF); and
- Development of Environmental Protection Plan.





## 1.8 Developing the Indaka IDP

A Process Plan to guide the development of the 2013/14 Indaka IDP review was considered and approved by the Council in July 2012. This Process Plan sets out timeframes for formulating the IDP, including the achievement of certain milestones. It details responsibilities, methodology, mechanism for community participation and mechanism for alignment with other stakeholders. This Process Plan has also been aligned to the Framework Plan of the UThukela Family of Municipalities and it is attached hereto as **Appendix J1**.

Date/Month	Activity	
	Mayor and Council	Administration
August 2012	<ul style="list-style-type: none"> <li>Mayor: Table time schedule for the budget process to Council</li> </ul>	
August 2012	<ul style="list-style-type: none"> <li>Mayor: Establish committees and Consultation Forums for the budget process</li> <li>Council: Review provincial and national government sector and strategic plans</li> </ul>	<ul style="list-style-type: none"> <li>OPMS Working Group: Develop and implement operational planning process to produce KPIs</li> <li>Budget Office: Determine revenue and proposed tariffs</li> <li>Engage with Provincial and National sector departments for alignment of programmes with Municipal plans</li> <li>Engage with service providers to estimate price increases of bulk resources</li> </ul>
September 2012		<ul style="list-style-type: none"> <li>Municipal/IDP Manager: Integrate IDP and Budget</li> </ul>
November 2012	<ul style="list-style-type: none"> <li>Council: Finalise tariff policies</li> </ul>	<ul style="list-style-type: none"> <li>Review of annual report</li> <li>Develop budget implementation plans</li> <li>Begin to compile first draft of balanced 2011/2012 budget</li> </ul>
January 2013	<ul style="list-style-type: none"> <li>Municipal entities submit proposed budget for 2009/2010</li> <li>Approval of adjusted budget</li> </ul>	<ul style="list-style-type: none"> <li>Review proposed national and provincial allocations</li> <li>Mid-year budget review and adjustment of 2012/13 budget</li> </ul>
February 2013	<ul style="list-style-type: none"> <li>Informal internal and external discussions on the first draft balanced 2009/2010 budget with emphasis on included IDP related projects, outcomes of projects and influence on tariffs</li> </ul>	<ul style="list-style-type: none"> <li>Municipal Manager: Submit proposed budget and plans to Mayor</li> </ul>
March 2013	<ul style="list-style-type: none"> <li>Mayor: Table draft budget</li> </ul>	<ul style="list-style-type: none"> <li>Submit draft budget to National and Provincial Treasuries</li> <li>Produce SDBIP from IDP, Budget and PMS</li> </ul>
April 2013	<ul style="list-style-type: none"> <li>Consult with relevant sectors to finalise allocations from Government for 2009/2010 and subsequent 3-year cycle</li> </ul>	<ul style="list-style-type: none"> <li>Publish tabled budget and invite local community to comment</li> </ul>
May 2013	<ul style="list-style-type: none"> <li>Public hearings</li> </ul>	<ul style="list-style-type: none"> <li>Submit final budget, final IDP and final implementation plans to Council for approval</li> </ul>
June 2013	<ul style="list-style-type: none"> <li>Council: Approval of budget</li> </ul>	<ul style="list-style-type: none"> <li>Finalise budget, IDP and implementation plans and link</li> </ul>

Date/Month	Activity	
	Mayor and Council	Administration
		implementation plans to Organisational PMS
July 2013		<ul style="list-style-type: none"> <li>Submit SDBIP to Mayor within 28 days of approval of budget</li> </ul>

**Table 2: The Programme for IDP, Budget and Organisational PMS Process**

## 1.9 Public Involvement, Participation and Consultation

The Indaka Municipality is committed to adhere to its mandate of serving its constituency through effective and honest public participation, involvement and consultation. The Indaka Municipality, through its Process Plan, prescribed a method and process to be followed in ensuring that there is an acceptable level of public participation during the Integrated Development Planning process. The following mechanisms and processes for participation have been put in place.

- **IDP Representative Forum:** This forum represents all stakeholders and to be as inclusive as possible. It meets during the various stages of the IDP process to provide input and discuss reports.
- **Media:** Local newspapers are used to inform the community of progress though a progress report will be submitted at the end of each phase.
- **Ward Committee Meetings:** These are held to inform people at a local level.
- **Council Approval:** The Council approves the different components of the IDP throughout the process of compiling the report. The institutional arrangements are set out for the Municipality to take ownership of the IDP, and the following table lists the relevant stakeholders taking part in the formulation and the review of the IDP and their responsibilities:

Entity	Responsibility
Executive Committee	The committee delegates co-ordination, monitoring and the management processes of the IDP to the Municipal Manager.
Council	The council as the decision makers in the Municipality are responsible for the adoption and approval of the Process Plan and the IDP
IDP Steering Committee	This committee consists of the Municipal Manager, IDP Manager, and the Heads of Departments and their functions are: <ul style="list-style-type: none"> <li>• To provide technical support and financial information;</li> <li>• To contribute more towards the formulation of the Strategies and Objectives of the Municipality;</li> <li>• To provide departmental budget information.</li> </ul>
IDP Representative Forum	This forum consists of the Steering Committee Members, Sectoral Departments, businesses, traditional leaders, NGO"s and civil society

**Table 3: Relevant Stakeholders and their Responsibilities**

## 1.10 Organisational Key Performance Indicators

The Municipality has been put under administration and it is attempting to turn around its financial management status and obtain a clean audit from the Auditor-General.

The following targets were identified within the context of the current realities, development challenges and the strategic development objectives put forward in response to achieve the development vision of Indaka, namely:-

- Implement Recovery Plan / Strategy (Operation Clean Audit);
- Prepare & Implement Revenue Enhancement Strategy;
- Prepare Capital Investment Framework linked to Strategic Goals & Objectives;
- Prioritised Targeted Support (Public & Private Sector Backlog Study (Core Infrastructure));
- Infrastructure Master Plan with specific reference to Roads & Stormwater & Solid Waste Management;
- Sustainable Rural Development Strategy linked to Agrarian Reform;
- Formalisation & Regeneration of Ekuvukeni & Waaihoek;
- Formulate/Review Series of Plans & Planning Directives, i.e. SDF, LUMs, EMF, Disaster, etc;
- Review LED to gear mass Job Creation & promote Sustainable Livelihoods;
- Implement Housing Programmes linked to outcome of Rural Development Strategy;
- Alignment of Social Investment Programmes & Partnerships;
- Foster & Mobilize Partnerships to Economic Regeneration;
- Identify Pilot Programmes / Projects with specific reference to Rural Development; and
- Operation Sukuma Sakhe / War Against Poverty.

# SECTION B: GOVERNMENT POLICIES, AND IMPERATIVES AND PLANNING, DEVELOPMENT PRINCIPLES.

## 2.1 Government Priorities

The strategic framework will address the objectives and strategies of the municipality that it needs to achieve in a specific time frame to address key issues identified. The objectives and strategies of the municipality must be in line with the International, National and Provincial guidelines.

### 2.1.1 The Millennium Development Goals

The Millennium Development Goals (MDGs) are eight international development goals contained within the United Nations Millennium Declaration (2000) .that all 193 United Nations member states (including South Africa) have agreed to achieve between the year 2000 and 2015.

As these goals are aimed at service delivery and improving the social conditions of communities, all local municipalities, including the Indaka municipality have a critical collective role to fulfil towards achieving these goals within South Africa. The Millennium Development Goals and associated targets are summarised by the table below:

MILLENNIUM DEVELOPMENT GOALS	TARGETS FOR 2015
Goal 1: Eradicate extreme poverty and hunger	Target 1A: Halve the proportion of people living on less than \$1 a day. Target 1B: Achieve Decent Employment for Women, Men, and Young People Target 1C: Halve the proportion of people who suffer from hunger
Goal 2: Achieve universal primary education	Target 2A: By 2015, all children can complete a full course of primary schooling, girls and boys
Goal 3: Promote gender equality and empower women	Target 3A: Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015
Goal 4: Reduce child mortality rates	Target 4A: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate
Goal 5: Improve maternal health	Target 5A: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio Target 5B: Achieve, by 2015, universal access to reproductive health
Goal 6: Combat HIV/AIDS, malaria, and other diseases	Target 6A: Have halted by 2015 and begun to reverse the spread of HIV/AIDS Target 6B: Achieve, by 2010, universal access to treatment for HIV/AIDS for all those who need it Target 6C: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.
Goal 7: Ensure	• Target 7A: Integrate the principles of sustainable

<b>environmental sustainability</b>	development into country policies and programs; reverse loss of environmental resources <ul style="list-style-type: none"> <li>• Target 7B: Reduce biodiversity loss, achieving, by 2010, a significant reduction in the rate of loss</li> <li>•</li> <li>• Target 7C: Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation.</li> <li>• Target 7D: By 2020, to have achieved a significant improvement in the lives of at least 100 million slum-dwellers</li> </ul>
<b>Goal 8: Develop a global partnership for development</b>	<ul style="list-style-type: none"> <li>• Target 8A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system.</li> <li>• Target 8B: Address the Special Needs of the Least Developed Countries (LDC).</li> <li>• Target 8C: Address the special needs of landlocked developing countries and small island developing States.</li> <li>• Target 8D: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term.</li> </ul>

Table 4: Millennium Development Goals

## 2.1.2 Twelve National Outcomes

The schematic representation below provides outline of the integrated approach followed in the formulation of the Indaka IDP, which demonstrates the alignment between the National Key Performance Areas (NKPA's) and the Provincial Key Priorities. These key areas of intervention are in turn aligned with the 12 National Outcomes that serve as the Development Thrusts (regarded as the non-negotiables). Each of these priorities are benchmarked against the backbone of the Provincial Sustainability Approach followed in the formulation of the Provincial Growth and Development Strategy (PGDS) 2011. The supporting pillars are:-

- **Economic Efficiency** through capital gain to attain Prosperity;
- **Social Equity** to ensure the development of Human Capital; and
- **Ecological Integrity** to ensure Environmental Capital.

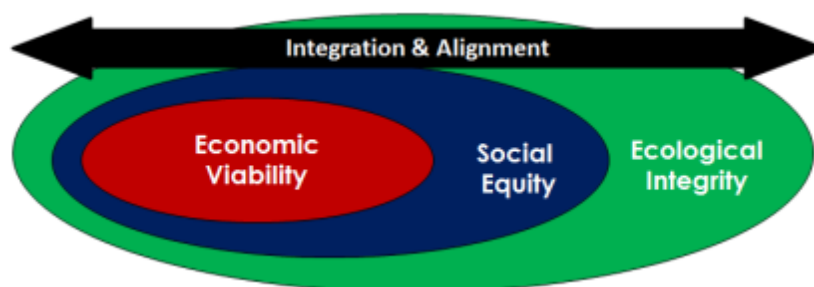


Figure 2: The Supporting Pillars of Integration & Alignment

These sustainable pillars are further support by:-

- **Good Governance**, building capacity within province to guide and direct growth and development through policy and strategic coordination, to ensure effective, accountable, competent, caring, facilitating government and will eradicate corruption;
- **Strategic Infrastructure Development**, focusing on catalytic projects to stimulate and growth and development at national and provincial scale such as public and freight transport, ICT, water and electricity;
- **Spatial Development and Management**, focusing of poly centric development, population density management, rural development, appropriate land use management through spatial referencing and guidance.

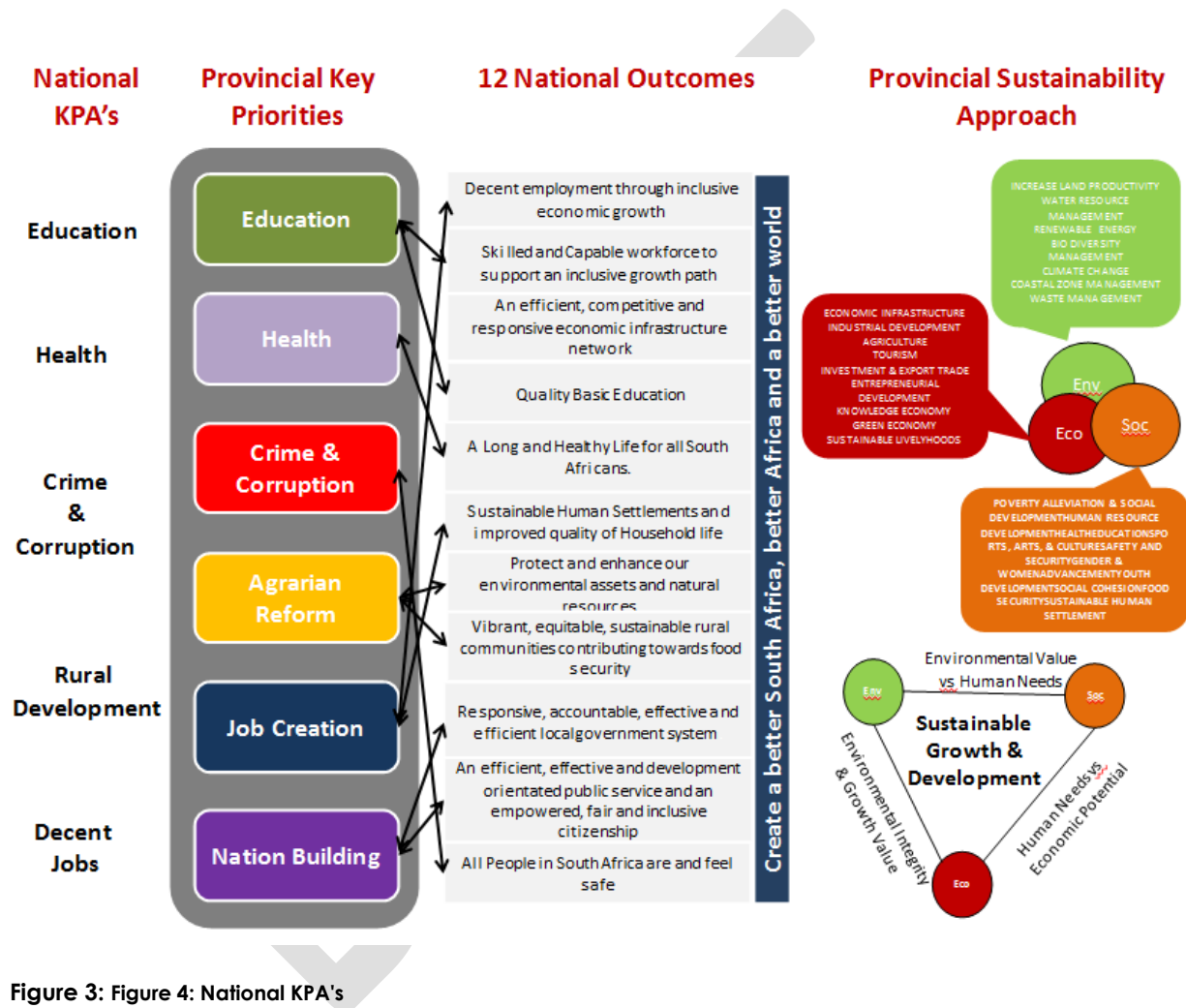


Figure 3: Figure 4: National KPA's

National **Outcome 9** relates to local government and is defined as: "A Responsive, accountable, effective and efficient local government system". Outcome 9 thus acknowledges that Local Government is a key part of the reconstruction and development effort in South Africa. There are seven outputs that need to be reported on in order to meet the requirements of Outcome 9 and the table below illustrates both the outputs as well as the key elements to be addressed by the Indaka IDP in support of the outputs.

OUTPUTS	ELEMENTS TO ADDRESS
Output 1: Implement a differentiated approach to municipal financing, planning and support.	<ul style="list-style-type: none"> <li>Contextual information towards a segmented classification of the municipality.</li> <li>Simplified IDP format.</li> <li>Simple revenue plan.</li> <li>Top 6 Critical posts identified, audited and filled.</li> <li>Concise performance contract for municipal manager.</li> </ul>
Output 2: Improving access to basic services	<ul style="list-style-type: none"> <li>Status and challenges of Household Access to Water, Sanitation, Refuse Removal and Electricity</li> <li>Role definition and co-ordination structure.</li> <li>Infrastructure funding status and strategies.</li> </ul>
Output 3: Implementation of the Community Work Programme	<ul style="list-style-type: none"> <li>Status and strategy to implement Community Work Programme in at least two wards..</li> </ul>
Output 4: Actions supportive of the human settlement outcome	<ul style="list-style-type: none"> <li>Role definition and co-ordination structure.</li> <li>Clear norms and standards for different types of settlement areas.</li> <li>Strategies to increase densities in key areas.</li> <li>Public Land release strategies.</li> <li>Human Settlement Funding Status and Strategies</li> </ul>
Output 5: Deepen democracy through a refined Ward Committee Model	<ul style="list-style-type: none"> <li>Status and policies towards Ward Committee Structures.</li> <li>Functionality of Ward Committee Structures (Strategies, Funding etc.)</li> </ul>
Output 6: Administrative and financial capability	<ul style="list-style-type: none"> <li>Audit Response Report.</li> <li>Strategies towards reducing municipal debts, CAPEX underspending &amp; OPEX overspending.</li> <li>Strategies towards increase maintenance and repairs.</li> <li>Strategies combatting corruption.</li> </ul>
Output 7: Single window of coordination	<ul style="list-style-type: none"> <li>Strategies towards improved integration and co-ordination of delivery within the municipality.</li> <li>Strategies towards improved intergovernmental co-ordination.</li> </ul>

Table 5: Millennium Development Goals

### 2.1.3 National Development Plan and the KwaZulu-Natal Provincial Growth And Development Strategy (PGDS)

The National Development Plan (NDP) has successfully been unpacked into the more localized KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) and it is widely acknowledged that the PGDS fully complies to the intentions and targets of the NDP.

In response to the sustainability approach the province developed a Strategic Framework formulating seven (7) Strategic Goals and thirty (30) Strategic Objectives in support of the Key Priorities to achieve its desired 2030 growth and development vision as outlined in the diagram. Of note, is that these strategic goals and objectives manifests itself within a-spatial and spatial context, hence the formulation of a Provincial Spatial Development Framework (PSDF) to guide and direct district and local level integration and alignment.



## Provincial Strategic Goals & Objective

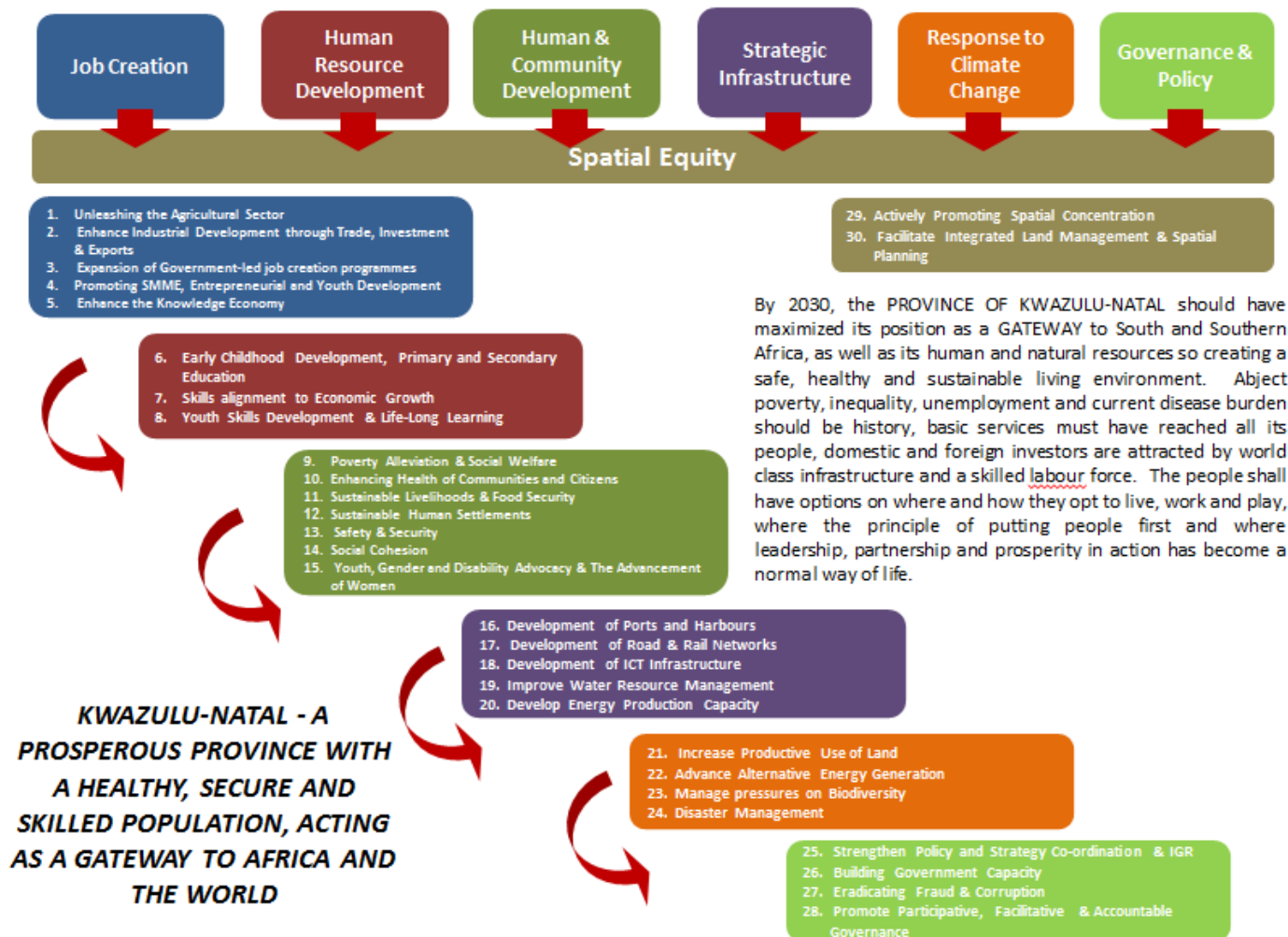
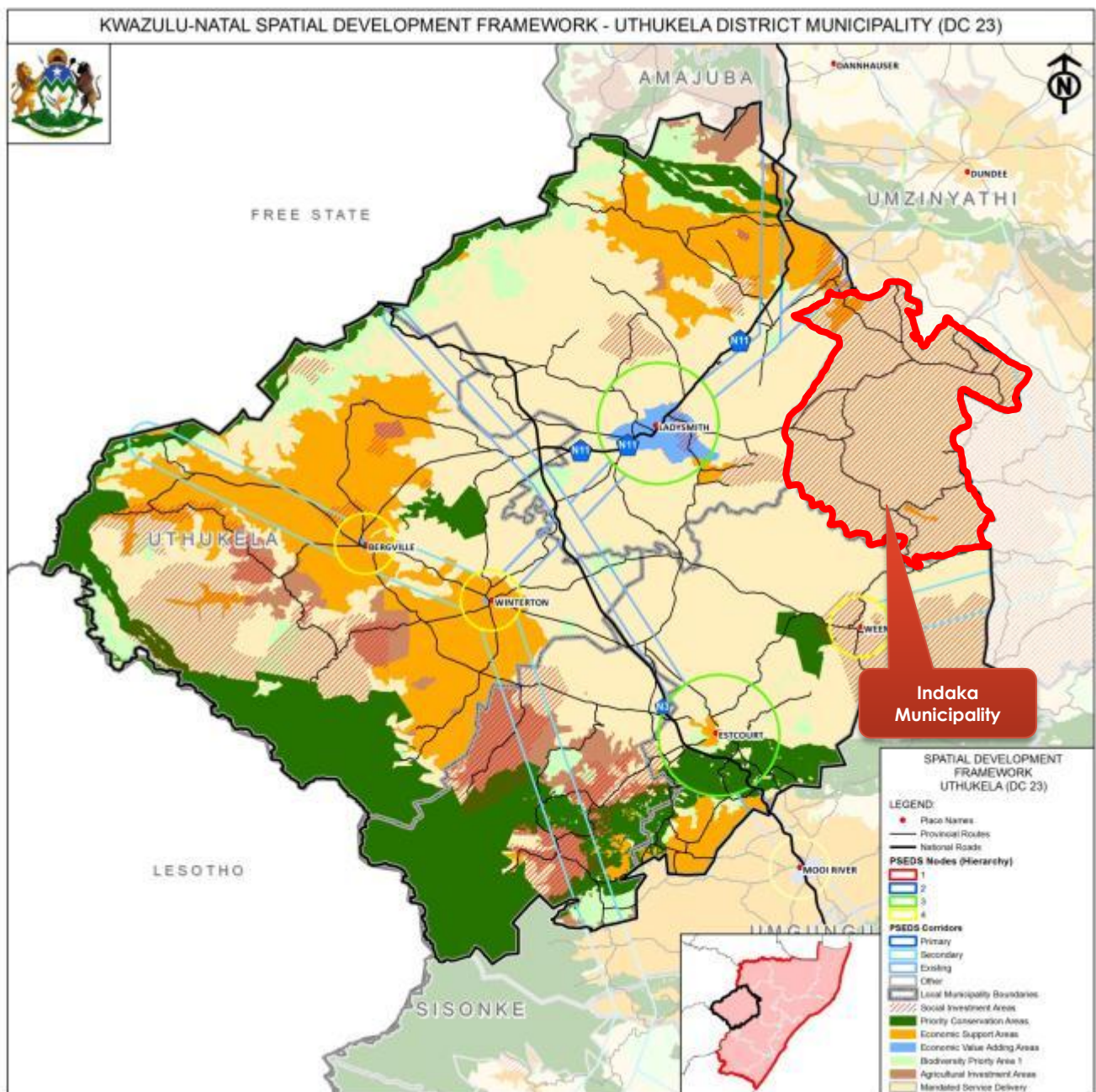


Figure 5: Provincial Strategic Goals & Objectives

(Refer to Section D for more details with regards to how Indaka have adopted this philosophy and its response in support of the strategic goals and objectives at local level)

As an integral part of the PGDS the KwaZulu-Natal Spatial Development Strategy was also formulated and the resulting spatial strategy for the uThukela district illustrated by the image below:

## MAP 4: KZN Spatial Development Framework – uThukela District Municipality



From the provincial spatial strategy it is evident that the entire Indaka Municipality is classified as a Social Investment Area, indicating an acknowledgement of the widespread poverty and limited economic base within the municipality. Only two small Economic Support Areas have been identified based on pockets of good agricultural land within the area.

Although the provincial spatial framework and its consideration of the Provincial Spatial Economic Development Strategy's (PSEDS) indicates provincial nodes and corridors, none have been identified within Indaka as provincially significant. Indaka is however in relatively close proximity to the Third Order nodes of Ladysmith and Dundee and the identified corridor between these two centres. It would therefore be advisable to focus on the linkages which could be achieved to these areas.

The Indaka Municipality has considered the National Spatial Development Perspective (NSDP), the current Provincial Growth & Development Strategy (PGDS), the Spatial Development Framework (SDF) and the Provincial Spatial Economic Development Perspective (PSEDS) 2006 *under review* to ensure that there is alignment between the all the planning and policy directives/imperatives and to ensure its IDP Sector Plans are aligned and integrated. The schematic diagram below demonstrates the vertical and horizontal alignment processes considered and followed in the formulation of the Indaka IDP.

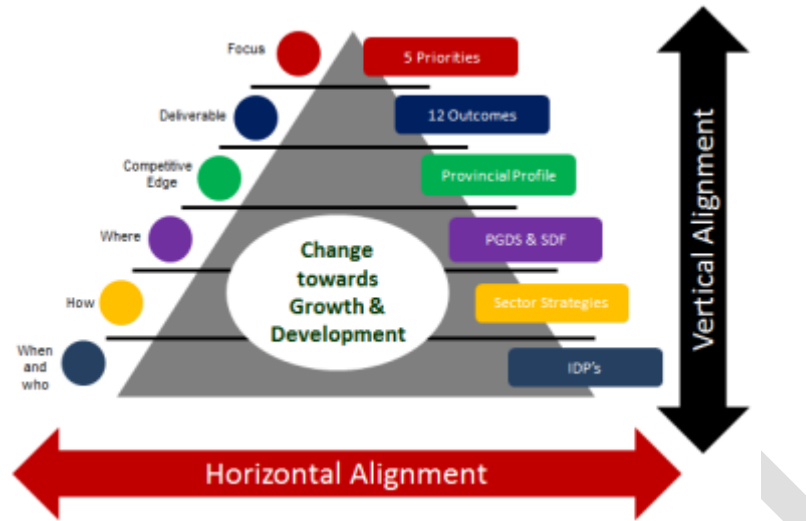


Figure 6: Alignment Processes Followed in the Formulation of the Indaka IDP

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## 2.1.4 The New Growth Path: 5 National Priorities

The government is committed to forging the growing consensus that creating decent work, reducing inequality and defeating poverty can happen only through a new growth path, and leading the way by:

- Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally;
- Developing a policy package to facilitate employment creation in these areas, above all through a comprehensive drive to enhance both social equity and competitiveness;
- Systemic changes to mobilize domestic investment around activities that can create sustainable employment; and
- Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The New Growth Path seeks to :

- Provide bold, imaginative and effective strategies for job creation;
- Lay out a dynamic vision as to how a more developed, democratic, cohesive & equitable economy and society can be collectively achieved in the context of sustained growth;
- Require creative and collective efforts of all section of South Africa society;
- Require strong leadership and governance;
- Take account of the new opportunities, our strengths and our constraints;
- Change the character of the South African economy to ensure that benefits are shared more equitably by everyone.

Achieving the New Growth Path requires that we address key trade-offs, some of which are:

- Between present consumption & future growth, since that requires higher investment & saving in the present;
- Between the needs of different industries for infrastructure, skills & other interventions;
- Between policies that promise high benefits but also entail substantial risks, and policies that are less transformative & dynamic but are also less likely to have unintended consequences;
- Between a competitive currency that supports growth in production, employment & exports & a stronger rand that makes imports of capital & consumer goods cheaper; and
- Between the present costs & future benefits of a green economy.

## 2.1.5 State of the Nation Address

The State of the Nation Address as delivered by the State President during 2014 highlights the completion and adoption of the National Development plan.

Following is a brief extract of the specific proposals of these priority areas to the extent that they relate to the Indaka Municipality.

### **Focus: Creating Decent Work**

All Government Departments (National, Provincial, Local) to align programmes with job creation imperative of the National Development Plan. The programmes of State Owned Enterprises and development finance institutions should also be strongly aligned to the job creation.

#### **Job Creation is possible in the following 6 Areas:**

1. Infrastructure Development,
2. Agriculture,
3. Mining and Beneficiation,
4. Manufacturing,
5. Green Economy,
6. Tourism.

### **Focus: Infrastructure Development**

- Government will spend R860 billion
- Investment in Rail (Freight and Passenger Services)
- 675km of electricity transmission lines to connect fast-growing economic centres and to power-up rural areas

### **Focus: Education**

- Focus on TTT – Teachers, Textbooks, Time:
  - Tracking of progress by means of Annual National Assessments in Literacy & Numeracy – Internationally benchmarked for grades 3,6,9; and
  - 98 new schools to be built by end of March 2014.
- Higher education:
  - Two universities in Northern Cape and Mpumalanga.

### **Focus: Fight Against Crime**

- Fight Against Corruption – Special Anti-Corruption Unit established.
- Increased visible policing;
- Courts function better;
- Prioritise crimes against women;
- Focus on drug peddling & usage; and

### **Focus: Health**

- 2014 National Health Insurance Fund will be created in pilot districts
- Focus on appointment of appropriate & Qualified Personnel in correct positions;
- Renovation & Refurbishment of hospitals & Clinics;
- Broaden scope of Women's Health; and

### **Focus: Youth Development**

- Youth employment incentives are also being discussed with key stakeholders.
- 9 Rural Youth Hubs per province including in the 23 poorest districts in country

## **2.1.6 State of the Province Address**

The Premier, Dr Zweli Mkhize referred to the National Development Plan, affirming the province's commitment to country's guiding vision for seeking to build a just, fair, prosperous and equitable country.

The main principles extracted from the National Development Plan to provide overall guidance for the province included;

- The adoption of a new approach, moving from a passive citizenry receiving services from the State to an environment where people are active champions of their own development.
- The active participation of all citizens in their own development.
- Faster economic growth and higher investment and employment
- Raising standards of education, health and effective social protection
- Strengthening the links between economic and social strategies
- Effective and capable government
- Collaboration between the private and public sectors
- Leadership from all sectors in society

The Provincial Growth and Development Strategy (PGDS) has been finalised by the Provincial Planning Commission and has been fully endorsed by organised business, labour and civil society in the Province and is fully aligned to the National Development Plan. The (PGDS) maps out the province's growth path to 2030, with clear targets and interventions to guide the province and make a contribution towards the successful implementation of the National Development Plan.

"By 2030 the Province of KwaZulu-Natal will be a prosperous Province, with healthy, skilled and secure people, acting as a gateway to Africa and the world".

The following are the priority intervention areas identified for the province.

- Development of Transportation and Logistics Infrastructure,
- Roll out of Expanded Public Works Programmes,

- Continued development of sustainable Human Settlements (rural and urban),
- Construction and maintenance of roads and storm water infrastructure,
- Construction of Regional Bulk Water and Sanitation Infrastructure ,
- Supporting the emergence of the Renewable Energy Sector,
- Expansion of Information and Communications Technology (ICT) infrastructure networks,
- Supporting emerging SMME and Cooperatives
- Facilitating rural development
- Strengthening agricultural support
- Continued commitment to Operation Sukuma Sakhe
- Dealing with HIV/AIDS
- Improving safety and security
- Climate change management

### **2.1.7 Operation Clean Audit 2014**

Operation Clean Audit 2014 is a Government initiative to ensure clean audits, transparency and improved service delivery within Government across the country.

The project is aimed at promoting good governance, strengthening financial management to achieve operational efficiency and encouraging accountability within Government. The ultimate goal is that by 2014, all 283 municipalities and provincial departments within the nine provinces will achieve clean audits on their annual financial statements.

The programme is targeted at addressing the current challenges faced by local and provincial government.

The main areas for the improvement of local government include

- Improving the ability of municipalities to produce reliable monthly financial and management information,
- Implementation of basic standard operating procedures to ensure proper record-keeping and the availability of supporting documentation.
- Emphasis on the timeous submission of monthly and quarterly reports to local government and provincial treasury.
- Development of audit readiness reports on an annual basis discussing the progress made.

Indaka municipality, with the support of COGTA and the current Administrator are making progress towards achieving this national goal.

## 2.2 Planning and Development Principles

### 2.2.1 National Spatial Development Perspective (NSDP)

The Policy Co-ordination and Advisory Services introduced a National Spatial Development Perspective (NSDP), which was then endorsed by the Cabinet in March 2003. The NSDP works in conjunction with different Departmental and Provincial spatial and development strategies.

The vision of the NSDP is that South Africa will become a nation in which investment in infrastructure and development programmes support government's growth and development objectives by:

- Focussing economic growth and employment creation in areas where this is sustainable and most effective;
- Ensuring greater competitiveness through the support of restructuring where feasible;
- Fostering development on the basis of local potential; and
- Ensuring that development institutions are able to provide basic needs throughout the country.

The four principles of the NSDP which are applicable to Indaka are as follows:



Figure 7: National Spatial Development Spatial Principles

In order to distinguish between localities, the NSDP uses two concepts as methodological tools, which are Potential and Poverty Gap. These two concepts will assist the NSDP in providing a course-grained analysis from a national perspective, which will be supplemented by a more finely, grained analysis at provincial and Local Government level.

In defining potential, the NSDP has drawn on recent tradition of institutional economics, a field that has come to dominate both developmental economics and regional planning. The institutional approach suggests that beyond the usual sources of comparative advantage, the institutional adequacy of a locality will help determine whether development is sustainable or not. The NSDP therefore uses concepts of potential that rely strongly on the presence of institutional capacity to realize the developmental impact of other resources.

In summary, the NSDP will have a role to play as an instrument that informs the respective development plans of the three spheres of government i.e. IDP, PGDS and the Medium Term Strategic Framework (MTSF).



## 2.2.2 Provincial Spatial Development Strategy (PSDS)

The Provincial Growth and Development Strategy recognises that environmental vulnerability, social need and economic development are not evenly distributed and spatial disparities will always exist due to the spatial distribution of natural resources, historical imperatives and cultural factors. These spatial disparities have often been aggravated by past spatial planning. This has resulted in a disjuncture between where people live and where social and economic opportunities are concentrated. This spatial marginalization from economic opportunities of the majority of the population needs to be addressed in order to reduce poverty and inequality and ensure shared growth and the protection of vulnerable bio-resources. The KwaZulu-Natal Provincial Spatial Development Strategy has therefore been developed in order to achieve the goals and objectives of the PGDS in a targeted and spatial co-ordinated manner.

The following nine spatial principles underscores the general spatial intentions of the PGDS and serves as provincial guiding principles which should ideally be pursued within all levels of spatial planning at district and local level in alignment with the provincial spatial development strategy.



Figure 8: 9 Spatial Principles

### **Principle of Environmental Planning**

The Principle of Environmental Planning (Bioregional Planning) refers to understanding and respecting the environmental character (potential and vulnerability) and distinctiveness of places and landscapes and promoting balanced development in such areas. The PSDF supports environmental planning as the fundamental methodology on which spatial planning should be based. Environmental planning can be defined as land-use planning and management that promotes sustainable development.

### **Principle of Economic Potential**

The Principle of Economic Potential aims to improving productivity and closing the economic performance gap between the various areas of KwaZulu-Natal towards economic excellence of all areas. Rapid economic growth that is sustained and inclusive is seen as a pre-requisite for the achievement of poverty alleviation.

The principles further promote the consideration of spatial needs for Economic Competitiveness (Potential) by proposing an asset based spatial approach based on unique advantages and opportunities within various areas.

#### **Principle of Sustainable Communities**

The Principle of Sustainable Communities promotes the balance between environmental quality, addressing social need and promoting economic activities within communities.

#### **Principle of Local Self-Sufficiency**

The Principle of Local Self-Sufficiency promotes locating development in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally as well as . Furthermore, the principle is underpinned by an assessment of each areas unique competency 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.

#### **Principle of Spatial Concentration**

The Principle of Spatial Concentration aims to build on existing concentrations of activities and infrastructure towards improved access of communities to social services and economic activities. In practical terms this promotes concentration along nodes and corridors with multi-sectoral investment i.e. roads, facilities, housing etc. Future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways.

#### **Principle of Sustainable Rural Livelihoods**

The Principle of Sustainable Rural Livelihoods considers rural areas in a way which is integrated with other decision making associated with the Sustainable Livelihoods framework. This principle requires that spatial planning consider the locality and impact of human, physical, natural , financial and social capitals of an area and spatially structure these in support of each other.

Another aspect of this principle is promoting spatial planning in a continuum where rural areas are not addressed as completely separate entities to urban centres, but rather a gradual change in landscape with the potential progression of rural areas to more closely resemble the service standards and quality of living achieved in some urban contexts.

#### **Principle of Balanced Development**

The Principle of Balance Development promotes the linking of areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration at all spatial scales. In practical terms the principles sought to find a balance between the potentially competing land uses by understanding the relationship and integration between major dimensions within the province and promoting a synergetic mixture of land uses in support of each other at various spatial scales.

#### **Principle of Accessibility**

The Principle of Accessibility simply promotes the highest level of accessibility to resources, services, opportunities and other communities. This is intrinsically linked to transportation planning and should consider localised needs for the transportation of people and goods by various modes of transport as guided by the scale and function of a region. At a provincial level there is a strong correlation between the most deprived areas and poor regional accessibility to those areas. In addressing accessibility at provincial and local level, the need for possible new linkages, the upgrade in the capacity of existing linkages and the suitable mix of modes of transport should be considered.

### Principle of Co-ordinated Implementation

The Principle of Co-ordinated Implementation actually projects beyond spatial planning and promotes the alignment of role player mandates and resources with integrated spatial planning across sectors and localities. Essentially the principle suggests that planning-implementation becomes a more continuous process and that government spending on fixed investment should be focused on planned key interventions localities. This principle ultimately also proposes a move towards more developmental mandate definitions of the various departments away, from single mandates to enable the spatial alignment of growth and development investment.

The Broad Provincial Spatial Planning Categories (BPSPCs) which are indicated within the above illustrated provincial spatial development framework should be interpreted as follow:

Spatial Planning Category	Broad Intended Land Use and Interventions
<b>Conservation Corridors</b>	Proposed regional critical conservation areas which are linked in a continuous system of ecosystems and bioregions traversing the province between the Drakensberg and the Indian Ocean. These areas were identified combining existing environmentally protected areas as well as conservation corridors proposed by Ezemvelo KZN Wildlife, through combining extensive environmental research into bio-resources throughout the province as part of the formulation of a Critical Biodiversity Plan for the province. These Conservation Corridors are not suggested as absolute “no-go” areas, but rather highlighted as areas of environmental significance to the sustainable development of the entire province. Where economic opportunity (such as tourism development) and high social need exist within these Conservation Corridors, it implies both that the rich natural environment should contribute to the address such needs and potential, and further that any interventions in these areas need to consider the impact on such important regional ecological corridors. These corridors are however perceived as areas where extensive densification would be discouraged and sensitive development promoted.
<b>Biodiversity Priority Areas</b>	Areas with a significantly high biodiversity value expressed in the number of species and sensitive environments as identified through extensive research by Ezemvelo KZN Wildlife. These areas are most often located in close proximity to the identified Conservation Corridors and may serve as an additional buffer to these corridors. These areas too are not (at a provincial level) proposed as absolute “no-go” areas, but are identified to indicate areas where extensive densification would be discouraged and sensitive development promoted.
<b>Areas of Economic Value Adding</b>	The key economic centres and areas where all of the varieties of economic sectors (Agriculture, Tourism, Manufacturing, and Services) are prevalent and perceived to have good potential to be further expanded on. These areas are visibly linked to high accessibility areas with existing bulk infrastructure and relatively high population densities which would both contribute to the economic expansion and benefit from interventions in these areas. Due to these factors, further economic processing and value adding at a provincial level, are mainly proposed within these identified areas.
<b>Areas of Economic Support</b>	A number of regions resembled areas of good economic potential in more than just one of the key provincial economic sectors. Due to the fact that these areas represent a larger distribution across the entire province than the core areas of economic value adding, these zones are considered important areas of Economic Support. Typical interventions in these areas would include economic prioritisation of

	development, labour force interventions (e.g. skills development), key economic infrastructure investment and area promotion.
<b>Areas of Agricultural Development</b>	Relatively high agricultural production areas, which are not located within biodiversity areas of combined with other potential economic sectors, are highlighted by this category to identify and promote areas with the potential to make a significant contribution through agricultural production. Although successful farming practices are already occurring on some of these areas, it is proposed that underutilised agricultural land within these zones are more effectively utilised for sustainable agricultural production. Associated interventions may include agriculture specific infrastructure, skills development, market access interventions etc.
<b>Areas of High Social Need</b>	The highest ranges of combined social need when considering the population density, dependency ratio as the provincial index of multiple deprivations is illustrated by this category of high social need. These area broadly the areas where the most intensive social interventions area required and this category is further over layed above all other categories to provide a spatial reference to the types of interventions which might be pursued towards addressing the concentrated social need within these areas. As example where high social need is identified within an area earmarked as a conservation corridor, this firstly provides a reference to the fact that social conditions of communities will need to be addressed if any conservation is to be promoted within such areas. Further it suggests that the effective utilisation of the high biodiversity within such areas might be harnessed towards addressing social need through example conservation tourism.
<b>Undifferentiated Areas</b>	The areas which are not representative of any of the above mentioned categories are classified as undifferentiated areas. It is acknowledged that these areas also have communities residing on them with economic potential and environmental resources, however, based on the approach followed these areas weren't differentiated to the same degree as the identified preceding categories. It is therefore important that this category is not neglected from public and private interventions and as the various departmental programmes are inclusive in nature, these areas should also benefit from it. It is anticipated that the intensity of such programmes and the total portion of resource allocation to these areas would be less than the identified categories as well as the key intervention areas identified previously.

Table 6: KZN Spatial Development Plan - Interpretation Notes

### **2.2.3 Spatial Development Vision and Thrusts**

Indaka municipality is currently in the process of procuring a service provider to assist in developing and adopting an SDF in the 2013/14 financial year.

DRAFT

## SECTION C: SITUATIONAL ANALYSIS

### 3.1 SPATIAL ANALYSIS

#### 3.1.1 Regional Context

Indaka is a rural municipality which was established on 18 December 2000. Indaka Local Municipality (KZ233) is one of the five Local Municipalities that form part of the Uthukela District Municipality. The other municipalities within the District are Emnambithi, Umtshezi, Imbabazane and Okhahlamba. It shares its borders with Emnambithi and Umtshezi within the uThukela District and with Msinga and Endumeni within the Umzinyathi District Municipality.

#### 3.1.2 Administrative Entities

Indaka Municipality is one of the five local Municipalities situated in the Uthukela District Municipality. The uThukela District consists of five Local Municipalities namely: Indaka, Emnambithi/Ladysmith, Umtshezi, Okhahlamba and Imbabazane. The Indaka Municipality is a newly established municipality (established 18 December 2000), without a well-established economic centre. It shares borders with Emnambithi, Endumeni, Msinga and Umtshezi municipalities and is situated 49 km East of Ladysmith.

The Indaka Municipality's land area comprises approximately 9% of the total uThukela District Municipality land area. The majority of the land area of the Indaka Municipality falls under the Ingonyama Trust and used to be part of the former Zululand Homeland. This in itself has rendered the Indaka Municipality with little historical economic development and has left a legacy of impoverishment and dependency on migrant workers and social grants for socio-economic well-being of the majority of its population.

#### 3.1.3 Structuring Elements

##### 3.1.3.1 Mountain Ranges

The Indaka Municipality is located within the south-western foothills of the Biggarsberg, which forms a watershed and natural divide between the municipality and the adjacent municipalities of Endumeni to the north and Msinga to the east.

##### 3.1.3.2 Topography

Topographically, the municipality can be divided into the rugged southern areas and the central plateau. The southern areas of Indaka, comprising the Sundays River Valley and the UThukela River gorge, are topographically rugged, characterized by deeply entrenched river valley and broken ridge lines. Due to the steep gradients and relative inaccessibility of these areas, settlement tends to be more limited and dispersed. Agricultural potential is limited and limited agricultural activity is practiced.

The northern portion of the municipality is part of the central plateau extending from Ladysmith to Wasbank. The area is characterized by gently sloping land, with extrusions of dolomitic capped koppies and ridges. The most prominent of these are Jobskop (1,734 m), Stuurmanskop (1,125 m), Mancilwane (1,054 m) and Cancane (1,192 m). Within this flatter area, the average elevation varies from 100-1,500 m. Much of this northern area is degraded due to overstocking and erosion.

### 3.1.3.3 Rivers

The Indaka Municipality is characterised by two drainage systems – the Tugela River and the Sundays River. The east-flowing Tugela River forms the southern boundary of the municipality, with tributaries draining southwards to the river. The Jana Dam is proposed along this river.

The Sundays River drainage basin forms the major proportion of the Indaka municipal area. The Wasbank River joins the Sundays in the central area of Indaka. Tributaries into these south flowing rivers drain from the east and west. Water quality in the Wasbank River has been negatively affected by coal mining within its drainage system. The Tugela, Sundays and Wasbank rivers are perennial while some of the minor tributaries are seasonal.

### 3.1.3.4 Wetlands

There are no major wetlands in the Indaka Municipality. However, in the upper reaches of the tributaries of the major rivers, areas have been identified where there is adequate water supply and a place where water will accumulate (Kotze and Breen, 1996).

### 3.1.3.5 Agricultural Land

Agricultural potential within the Indaka Municipality is limited. In terms of Agricultural Potential (based on data from Cedara), only a few areas have been identified as having good and moderate agricultural potential. The part of the region in which Indaka Municipality falls consists mainly of the Valley Bushveld Bio-resource Group with pockets of Dry and Moist Tall Grassveld, Sour. These areas are predominantly on the periphery of the municipality, in the low-lying central plateau and drained by tributaries of the Sundays River. Beef farming is the most suitable form of agricultural production in these areas.

The full agricultural potential of these areas is not currently exploited, as subsistence agriculture is the predominant practice. The remaining areas of the Indaka area are characterized by very restricted, low and very low potential categorization.

There are three main categories of agricultural land that have been identified for Indaka Municipality and these can be outlined as follows:

**Good Potential Agricultural Land** – has been identified on the northern parts of the municipality. According to the recent land audit there are large hectares of good potential agricultural land, which is currently underutilized within the northern parts of Indaka. Any form of land use that does not promote agricultural development or may have a negative effect on the productivity of this land should be discouraged in these areas.

**Moderate Agricultural Potential** – most land within the northern and central parts of the municipality has moderate agricultural potential and it is currently vacant and unoccupied which presents an opportunity for agricultural production amongst the individuals to own and occupy that land once the land claims have been settled.

**Grazing and Stock Farming** – most of the land within the Traditional Authority Areas has a steep gradient and a low agricultural potential in terms of crop production. The alternative agricultural activities that can be used for this area should be stock farming or grazing.

### 3.1.3.6 Dams

There are currently no dams in the Indaka Municipality. However, there are proposals for the construction of the Jana and Mielietuin Dams on the Tugela River as part of the Vaal Transfer Scheme. However, the Indaka Municipality will only benefit marginally from the water stored in the dams.

### 3.1.4 Existing Nodes and Corridors (including Urban Edges)

The main town in the municipality is Ekuvukeni, a former R293 township, which serves as the hub of the municipality. The municipal administration and a concentration of economic activities are located in Ekuvukeni.

The remainder of the area is characterized by rural settlements, as may be anticipated in an area that previously was administered by the KwaZulu Government. A total of 143 settlements have been identified in the municipality. Many of the settlements are located along the provincial and district roads, while others are clustered where services are available (e.g. Limehill complex).

#### 3.1.4.1 Primary Development Corridors

The system of development corridors is based on the function of each corridor and the nature of the activities that occurs within its area of influence. The roads linking Ekuvukeni with Ladysmith and Dundee/ Glencoe has potential to serve as trade routes. These routes are also tributary routes to the national routes (N3 and N11). In addition, they serve as link roads to the major centres such as Ladysmith and Dundee.

#### 3.1.4.2 Secondary Development Corridors

A secondary corridors link the primary centre to the secondary centres and areas outside of Indaka Municipality and includes the following:-

- The road to Weenen (P 176) serves as a major link betw een Weenen and it also links Ezitendeni with Esigodini and Ekuvukeni.
- There are two other secondary corridors which link Ekuvukeni with the surrounding centres and these include the corridors to Wasbank and the Corridor to Elandslaagte.

The corridor to Dundee through Ebomvini can be considered important in facilitating development and service delivery in Ebomvini (within Limehill Complex) and it is directly linked to the primary corridor that links Ebomvini with Ekuvukeni. The corridor from Pomeroy to Majaqula attempts to link Indaka with areas across Umzinyathi and has potential to serve as major tourist access routes to the Zulu Culture and Heritage Route.

#### 3.1.4.3 Primary Service Centre

Ekuvukeni is identified as a primary service centre. The area has some form of semi urban setting in that it acts as a major rural service centre within Indaka Municipality. It accommodates the municipal offices, police station and schools. The area includes a mixture of land uses namely administrative, social and settlements. Ekuvukeni should be developed further for services, business, institutional and administrative activities.

#### 3.1.4.4 Secondary Service Centre

There are four centres, which can be identified as the secondary service centres within Indaka Municipality and these include Limehill centre (within the Limehill Complex), Sahlumbe (within Ezitendeni – Msusamaphi Complex), Hlumayo (located within Mkhumbane – Mgababa complex) and Ilenge (which is within the Cannibalism Route which has a potential for tourism).

These centres currently perform few functions such as service delivery and to a limited extent commercial activities. The influence of these service centres is quite critical for service delivery to the complexes w here they are located which are:-

- Limehill Complex – this is the largest complex within Indaka and it has a total population of approximately 64 500 people. The complex includes Ebomv ini, Lionville section, School section, Hlongwane section, Ward 1A & Bb and Ward 4A & B.



- Ezitendeni – Msusumpi Complex – this is the second largest complex with a total population of 15 864 people. The complex include settlement areas of Ezitendeni 1 & 2, Mtebhelu, Ezihlabeni, Embango, Emhohobeni, E platform, Inkawulo 1 & 2, Msusampi 1 & 2, Hlathi, Thembisa and Egunjini.

The identified secondary centres are strategically located to serve these complexes and the neighboring rural settlement and they can be seen as the opportunity for clustering future development that must benefit these areas.

#### **3.1.4.5 Emerging/ Tertiary Centres**

There are a number of tertiary centres, which are emerging. The first one (Amabolwane – Okhalweni Complex) exists in an under-developed area and has the potential to develop into commercial centres and is intended to facilitate service delivery. Public sector investment in the form of Multi-Purpose Community Centres (MPCC) that can accommodate a range of social services and government departments should be prioritized in these areas. The other areas that are emerging as the tertiary centres within Indaka include Makayane, Mepamani, Fiffy Park, Mangweni, Cacane, Oqungweni and Mlilweni in ward 9.

While the tertiary centres in ward 10 that make a hub include Ludimbi, Manqofini and Msusampi.

#### **3.1.5 Broad Land Uses**

Indaka is a predominantly rural municipality which is characterised by extensive 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, lack of resources and low levels of education are also prevalent.

The settlement patterns are dispersed which has resulted in under-developed land and settlement patterns. This presents a challenge in that it is expensive to deliver services. Indaka has dense rural villages which are mainly located in the traditional areas. In terms of land ownership, approximately 95 % of the municipality is traditional land.

#### **3.1.6 Land Ownership**

Approximately 48% of the land within the Indaka Municipality falls under the control of the Ingonyama Trust, the remaining 52% falls either under state ownership or private owners.

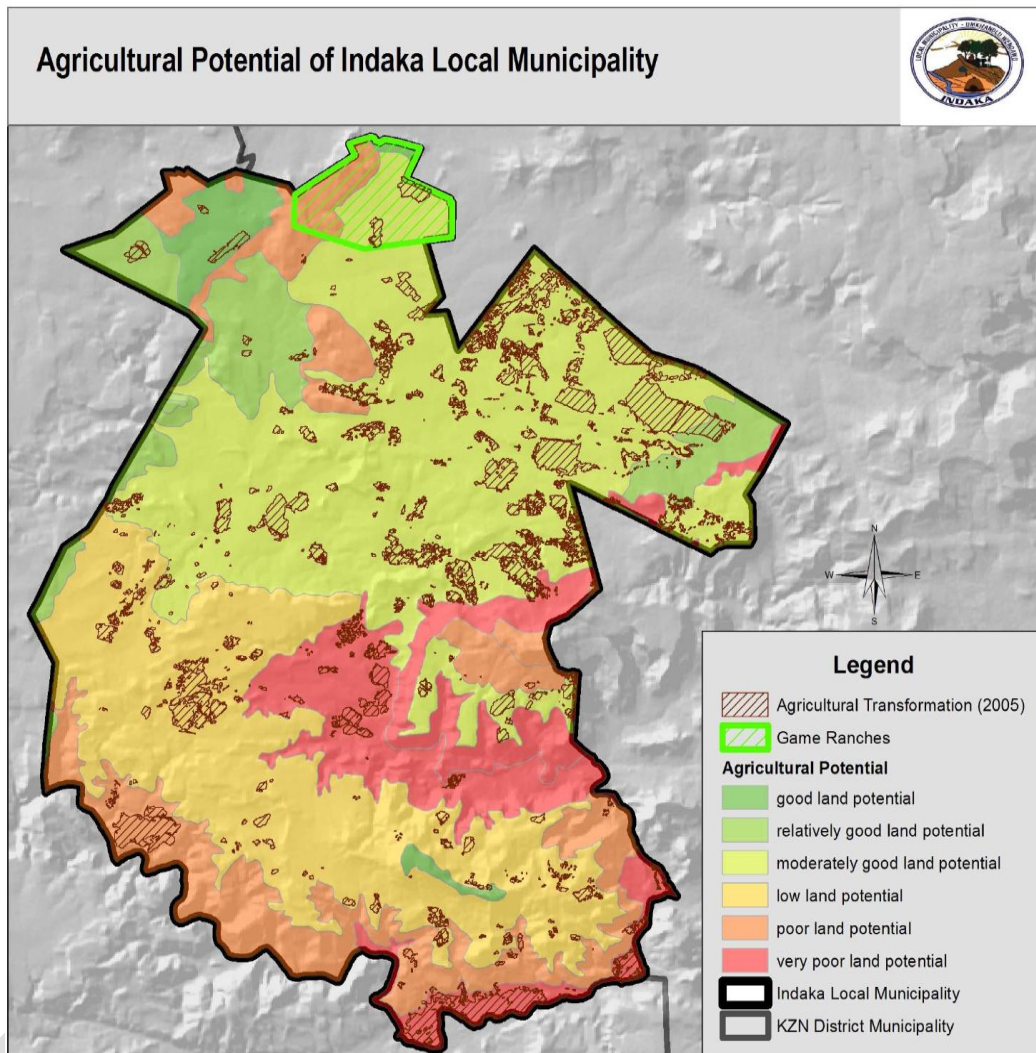
#### **3.1.7 Land Reform**

29,000 ha of land (84 farms) is subject to land claims from the adjoining tribal authorities or communities affected by the forced removals which took place in the early 1960's to 1980's. At present this is a limiting factor on development as little can be done until the land claims are resolved.

#### **3.1.8 Land Capability**

The land capability of the Indaka municipal area, as indicated on Map 7 is dispersed, ranging between Land capabilities classes II to VII. There is no dominant land capability

classification found in the municipal area and a very large portion of the land is falls under Classes II to VII.



**MAP 5: Agricultural Potential of Indaka Local Municipality**

According to Table 5 below, class VII, which is dominant in the southern parts of the municipality, is primarily suited for light grazing. The central parts of the municipality are dominated by classes ranging between III – V which are best suited for forestry, light to moderate grazing and light to moderate cultivation as land use options.

The northern part of the municipality has an area of class II land, which includes arable land for intensive, well adopted cultivation purposes, moderately well adopted cultivation, light to intensive grazing, wildlife and forestry. This area in the northern part of the municipality can generally be regarded as having high agricultural potential. This will need to be factored into the economic development and agrarian reform strategies of the municipality.

Table 5: Land Use Options

LAND CAPABILITY CLASS	LAND USE OPTIONS									LAND CAPABILITY GROUPS
	Wildlife	Forestry	Light Grazing	Moderate Grazing	Intensive Grazing	Poor Cultivation	Moderately Cultivation	Intensive Cultivation	Very Intensive Cultivation	
I	Red	Yellow	Light Green	Green	Blue	Purple	Orange	Brown	Grey	ARABLE LAND
II	Red	Yellow	Light Green	Green	Blue	Purple	Orange	Brown		
III	Red	Yellow	Light Green	Green	Blue	Purple	Orange			
IV	Red	Yellow	Light Green	Green	Blue	Purple				
V	Red	Yellow	Light Green	Green						GRAZING
VI	Red	Yellow	Light Green	Green						
VII	Red	Yellow	Light Green							
VIII	Red	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	Dark Blue	WILDLIFE

Source: Department of Agriculture

### 3.1.9 Environmental Analysis

#### 3.1.9.1 Habitats

Analysis of the KZN Wildlife GIS database identifies two categories of environmentally important areas as occurring in the municipality:

- Important Species Sites; and
- Sites of Intrinsic Biodiversity Value.

The important species identified as potentially occurring in the municipality is Oribi and the location is the north-western portion of the municipality. The locality is contiguous with areas in the Emnambithi municipality. This area overlaps with the important flood plain of the Sundays River.

#### 3.1.9.2 Key Hydrological Features

Indaka Municipality is characterized by two drainage systems - uThukela and Sundays River. The fast flowing uThukela Rivers form the southern boundary of the municipality, with tributaries drainage southern wards to the river.

Sundays River drainage basin forms the major proportion of Indaka municipal area. The flowing of these rivers through the municipality is viewed as an opportunity because they act as centripetal force to the industries to the municipality and also make water supply projects possible to the municipality.

#### 3.1.9.3 Protected Areas

The identified protected area and the Oribi sites (important species sites) and some tourism related assets (i.e. Cannibalism Route) within the municipality would need to be properly managed and protected.

#### 3.1.9.4 Biodiversity

Three areas of high intrinsic biodiversity have been identified in the Indaka Municipality. These are located in the high lying areas, particularly around Jobskop and in the ridgeline forming the watershed between the Sundays and Tugela Rivers. Some other isolated areas in proximity to streams/wetlands have also been identified. Many of the steep slopes of the

uThukela Gorge and of the Sundays River Valley have been identified as areas of intermediate biodiversity value, as have the slopes of Jobskop.

### **3.1.9.5 Climate Change**

Climate change is the greatest environmental challenge facing the world and refers to possible serious disruptions of the planets weather patterns. This includes impacts on precipitation, extreme weather circumstances and a rise in the sea level. The developing world faces greater challenges, both in terms of the impacts of climate change and the capacity to respond to it. The predominantly rural population of Indaka will feel the impacts of climate change to a much greater extent than other more urban municipalities, who are arguably less dependent on the environment and agriculture for a livelihood or for survival.

Subsequently the objectives and initiatives aimed at climate change is not only to achieve stabilization of the concentrations of greenhouse gases in the atmosphere but also aimed at improving the resilience of both the natural environment, through rehabilitation, conservation and management but in so doing also the ability of the people of Indaka to live in a more sustainable manner within their environment.

In order to ensure sustainability and continuity of food production through subsistence farming practices it is necessary to improve the skill and knowledge of the communities to ensure that land degradation does not occur and negatively influence the fertility of the land.

Proposed Interventions include:

- Promote Sustainable agricultural land-use practices,
- Regulatory Framework for the Reduction of Land Degradation and Land Care programme,
- Develop a Strategic Environmental Framework for Indaka Municipality towards Strategic Planning for Biodiversity Conservation.

### **3.1.9.6 Strategic Environmental Assessment**

There is currently no Strategic Environmental Assessment / Management Framework in place for the Indaka Municipality. It is anticipated that the municipality will embark upon a process to get this in place within the current MTEF. Some environmental characteristics of the municipality are elaborated upon under the section dealing with the Municipal Spatial Development Framework.

### 3.1.9.7 Spatial & Environmental: SWOT Analysis

The SWOT analysis discusses the external and internal factors that affect the Indaka municipality spatially and environmentally. In the analysis Strengths, Weaknesses, Opportunities and Threats are seen from an internal and external perspective. Strengths and Weaknesses refer to the current situation, while Opportunities and Threats are viewed as both occurring in the present and or the future.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Some Arable Land</li> <li>• Access to River Systems for irrigation</li> <li>• Tourism Attraction (Venture Based)</li> <li>• Cultural Heritage</li> </ul>	<ul style="list-style-type: none"> <li>• Low Agricultural Potential</li> <li>• Geographical Location (Low Exposure and Accessibility)</li> <li>• Young Population</li> <li>• No SDF guidelines for Land Use Schemes to be adopted 1 May 2015 Project Identification &amp; Resource Allocation (Lack of PMU)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Agriculture Irrigation;</li> <li>• Sand Mining</li> <li>• Coal Mine (Mineral Exploration Potential)</li> </ul>	<ul style="list-style-type: none"> <li>• Sand Mine (Control);</li> <li>• Decline in Population Growth;</li> <li>• Climate Change (Drought).</li> <li>•</li> </ul>

## 3.1.10 Disaster Management

### 3.1.10.1 Municipal Institutional Capacity

Indaka municipality identified four institutional responses as part of its Disaster Management Plan (DMP) which included:

1. Establishment of a Municipal Disaster Management Advisory Forum (MDMAF) to facilitate the implementation of all development projects
2. Creation of a communication link between Indaka local municipality, the community and the UThukela District Municipality (UDM).
3. Compilation of appropriate Mutual Assistance Agreements with all the identified role players
4. Development of a comprehensive Disaster Management Information System (DMIS)

In addition the Disaster Management Plan proposed the establishment of the: Local Inter-departmental Disaster Management Committee (LIDMC), a tactical body bringing together all line functionaries at Indaka local municipality, deciding on risk reduction and post disaster recovery strategies. The LIDMC is made up of;

- Municipal Managers
- Head of Disaster Management
- Head of Strategic Planning
- Head of District Disaster Management Centre
- HOD's
- IDP Managers

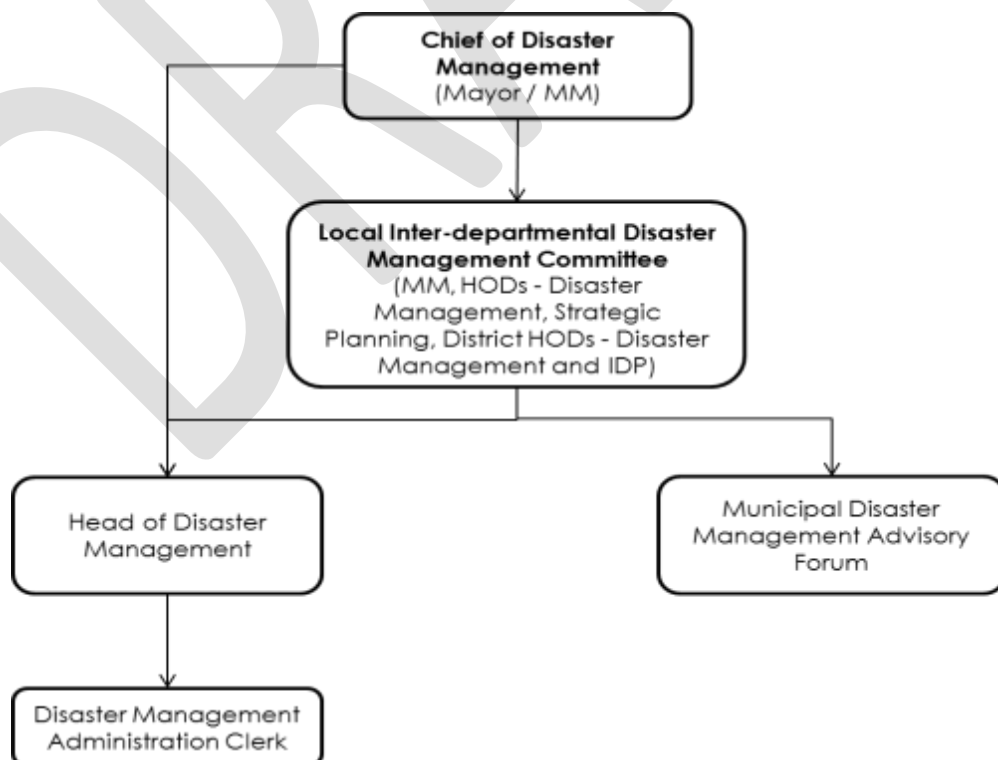


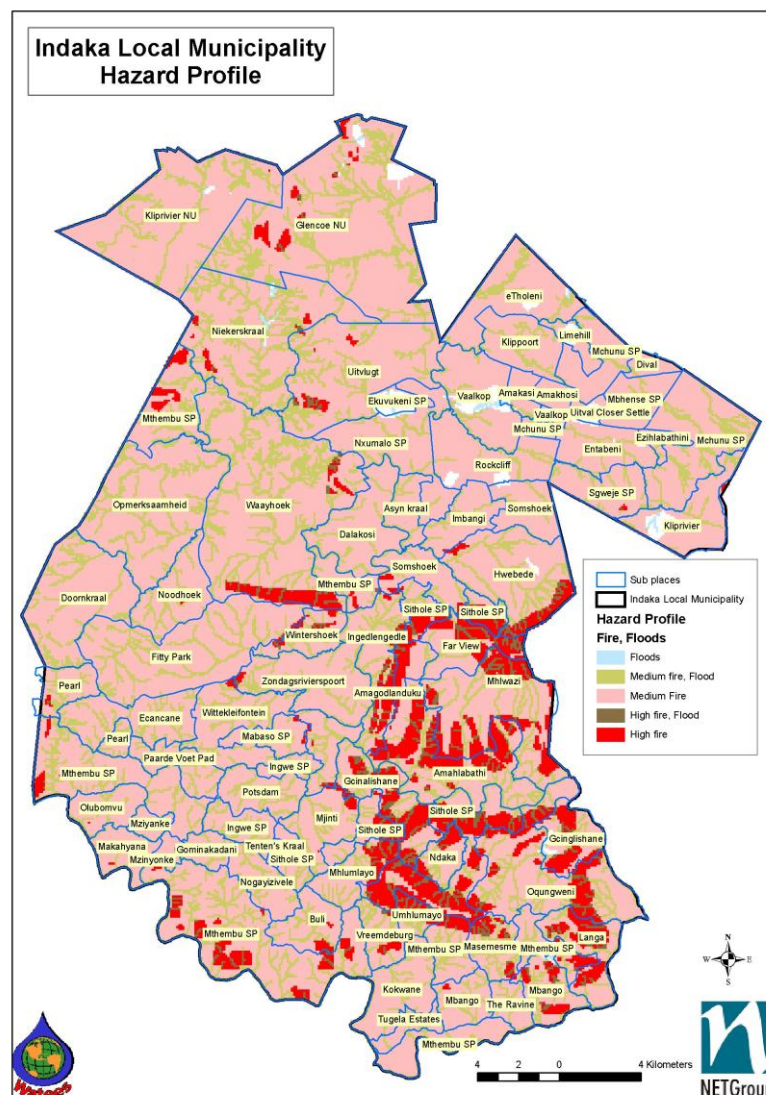
Figure 9: Disaster Management Institutional Arrangement

### 3.1.10.2 Risk Assessment

According to the Indaka DMP, the following potential risks were identified:

- **Fire (Rural and Urban context)**
- Strong Winds
- Hail Storm
- **Flooding resulting from heavy rain**
- Drought
- Disease (Cholera, Foot and Mouth disease, HIV, TB)
- Erosion
- Environmental Degradation
- Access to Water – Waste Management and Sanitation:
- Dumping sites not fenced
- Unsafe Bridges
- Limited resources to respond to disaster at local municipality.

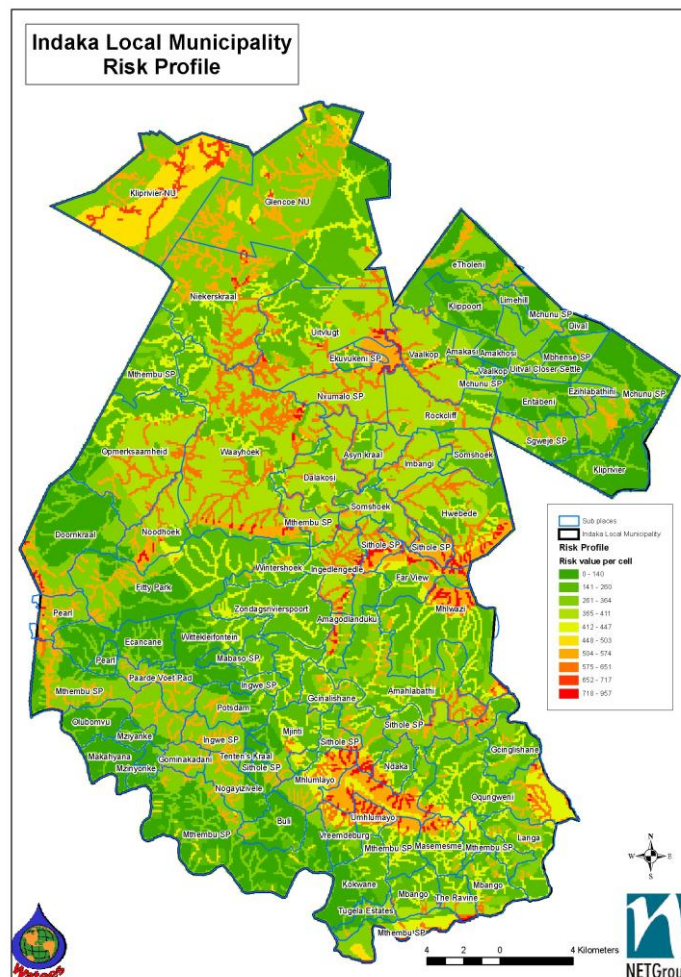
The two greatest natural hazards identified by the Indaka DMP were veld fires and floods. The extent of areas vulnerable to fires and floods were overlaid to compile Map 4.



**MAP 6: Veld Fire and Flood profile map for Indaka Local Municipality**

### 3.1.10.3 Risk Reduction & Prevention

In order to mitigate risk in the municipality, the Indaka DMP developed a risk profile map was using the threshold values of the risk assessment (Map 7). A high value indicates a high priority to implement risk reduction measures.



MAP 7: Disaster risk profile map for Indaka Local Municipality

### 3.1.10.4 Response & Recovery

The following measures were proposed as part of the Indaka DMP as risk reduction measures and responses.

#### Infrastructure support

- Rehabilitation of evacuation routes
- Refurbishment of health posts, temporary shelters for evacuated populations

#### Advocacy and Public awareness-raising

- Radio broadcasts /communication in communities
- Print media interaction: newspapers, magazines, information leaflets, posters, and billboards
- Awareness campaigns: street drama, theatre, song and simulation exercises



### **Small-scale mitigation works**

- Protection walls along river banks
- Structural works on existing public buildings to increase their resistance to disasters
- Identification and reinforcement of safe places
- Reforestation / plantation
- Small-scale drainage and irrigation works

### **Early warning systems**

- Technical studies conducted specifically to set up an EWS (e.g. hydrological study)
- Installation of radio networks and training beneficiaries on their use
- Installation of rain gauges / hydrometric scales and training of beneficiaries on their use
- Scientific equipment

### **Institutional strengthening**

- Training of decision makers at different levels
- Training of sub-national institutions (government and non-government)
- Training of the planning departments of sectoral line functions on disaster risk reduction measures that could be undertaken as part of respective work plans

### **Local Capacity building / Training**

- Support in the organization and training of local disaster management committees
- Training and sensitization for enhanced natural disaster risk awareness
- Workshops conducted at community level for the development and management of community disaster preparedness action plans
- Simulations conducted at community level, e.g. evacuations
- Training of community facilitators
- Training of community fire brigades
- Rescue kits and First aid emergency kits (depending on the recipient)

## 3.1.11 Demographic Characteristics

### 3.1.11.1 Demographic Indicators

Population size	1996	2001	2011
Total population	98,498	21,372	20,035
Growth rates			
Change (%)			

Population distribution	1996	2001	2011
Population density			
Urban formal			
Urban informal			
Rural formal			
Traditional			

Population composition	1996	2001	2011
Young (0-14)			
Working age (15-64)			
Elderly (65+)			
Sex ratio (women/100 men)			
Dependency ratio			
Disabled (%)			

Fertility rates	1996	2001	2011
Total fertility rate*			
Adolescent fertility rate*			
Crude birth rate*			

Mortality rates	1996	2001	2011
Total mortality rate*			
Under 5 mortality rate*			
Infant mortality rate*			
Leading cause of death*			
HIV prevalence rate			

Life expectancy*	1996	2001	2011
Males*			
Females*			
Human Development Index			

Population groups	1996	2001	2011
Black African			
Coloured			
White			
Indian/Asian			

Statistics South Africa recently released the 2011 Census information at Municipal level, which will be contrasted against the 2001 Census data in order to analyze the trends and characteristics of the population.

### 3.1.11.2 Key Findings (including Trends)

The Census Data indicates that the population of the Indaka Municipality had decreased from 113,644 people in 2001 to 103,116 people in 2011. The 2011 figures indicate a population decline of -10.2% between 2001 and 2011.

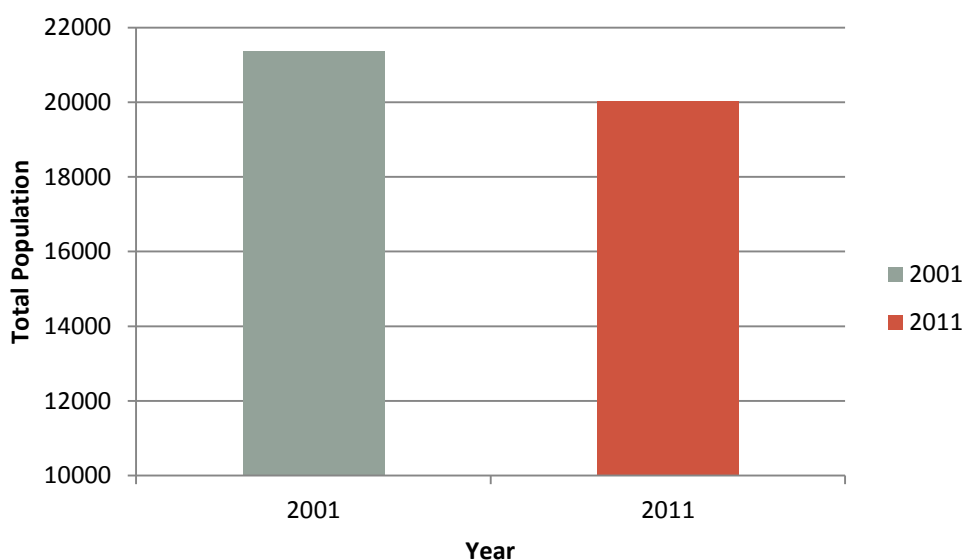


Figure 10: Indaka Population 2001-2011

In 2011, the number of males was 46,509 as opposed to 56,607 females and this is particularly noticeable from the 20 to 49 year age group which indicates a high level of out-migration of men in the economically active population. In terms of the elderly there are 5,510 over the age of 65, which is 5.3% of the total population. In terms of the potential economically active population age group (working age group) 38.4% of the population fall within the age group 20 to 65 years. In terms of children below the age of 20, there are 58,026 children which is 56.3% of the total population. This indicates a very high number of dependent children who are dependent on a largely female economically active population.

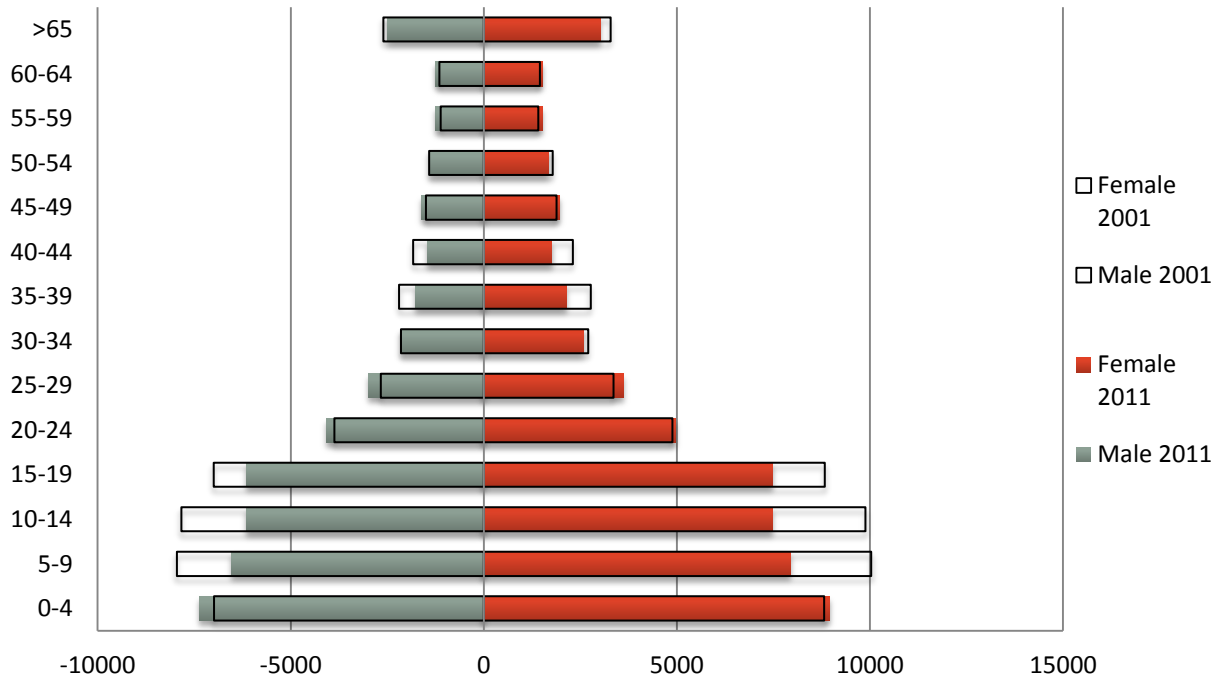


Figure 11: Indaka Population Age Distribution 2001-2011

It is important to understand the population dynamics in order to determine backlogs and facilitate spatial and other planning, budgeting and policy formulation for the provision and development of infrastructure for social services including human settlements, medical and educational facilities.

As mentioned before, the income levels, linked to economic opportunities, are very low. The greatest majority of residents enjoy no income, with a relatively large proportion of the economically active people in the municipality which earn between R4,801 and R9,600 per annum. This amount correlates with the average amounts for social grants and it is assumed that this is an indication of the high levels of economic and social dependencies in the municipality. See figure 6

The education levels in the municipality indicate that the largest proportion of residents (more than 50%, or approximately 64,309) have some primary schooling or no schooling. It is accepted that this is because of the demographic structure of the municipality, indicating that the majority of residents in the municipality are young people (under the age of 20 years). Notwithstanding, the general education levels in the municipality are very low, with only a handful of residents being in possession of tertiary education qualifications.

The largest portion of the employed in the Indaka Municipality are found in the occupation sector of technical and associated professionals (20%). Elementary occupations are the second largest employment sector in the municipality, with 17% of the employed active in this sector. Of note is the low number of professionals (which include teachers, health workers, managers, and other professionals). This also serves as a contributing factor to the high levels of poverty in the municipal area, through various social and economic downstream effects.

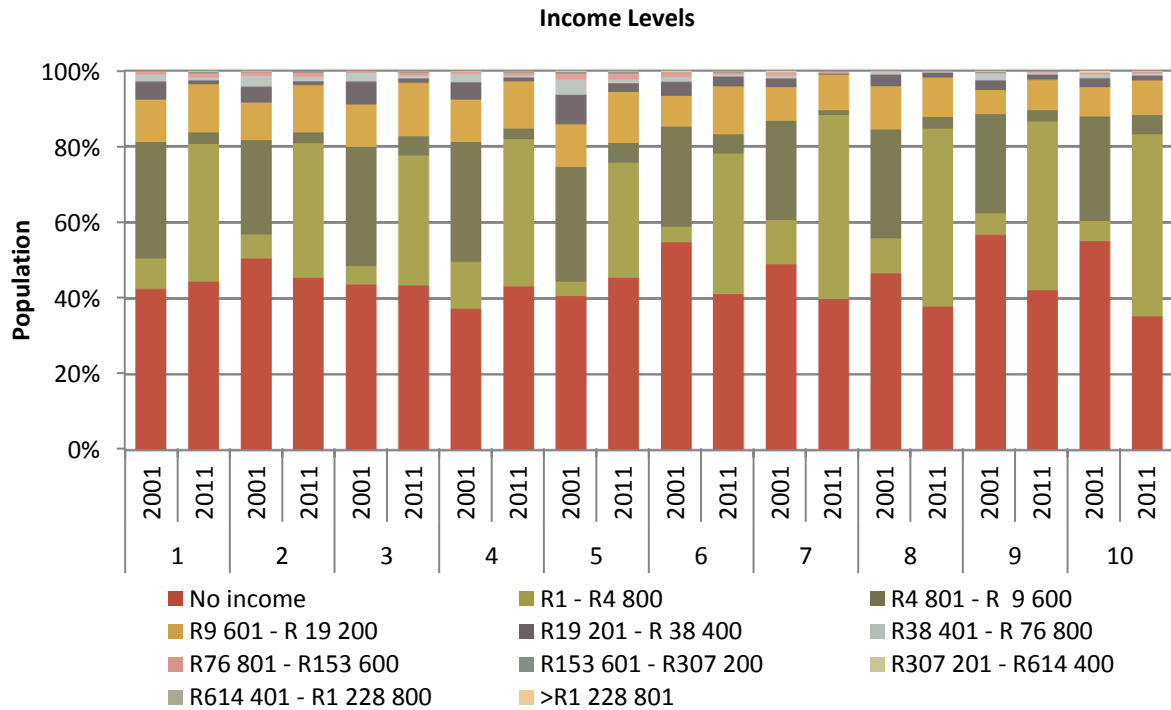


Figure 12: Levels of Income per Ward (StatsSA 2011)

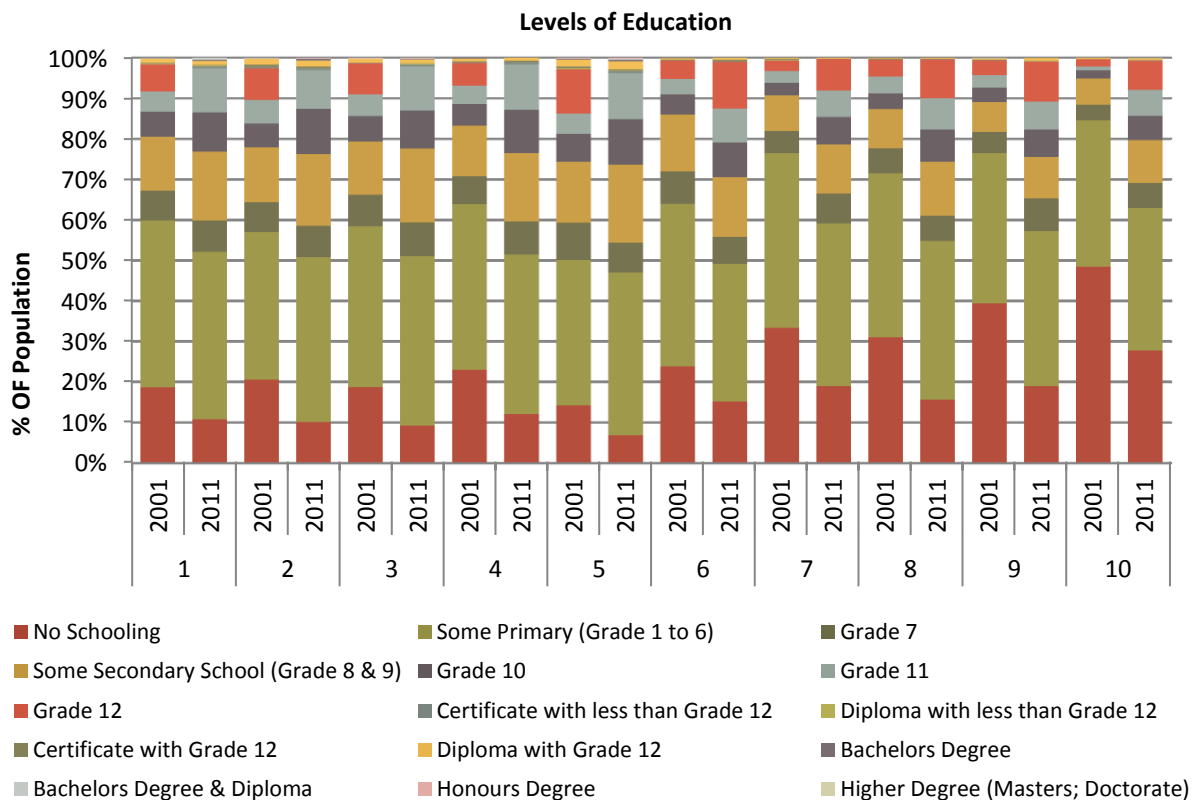


Figure 13: Levels of Education per Ward (StatsSA 2011)

## 3.2 MUNICIPAL TRANSFORMATION & ORGANISATIONAL DEVELOPMENT ANALYSIS

### 3.2.1 Municipal Transformation

In December 2009, Cabinet approved a Turn Around Strategy for local government. This is expected to ensure that local government has the correct management, administrative and technical skills. The strategy has been distilled into a local government 10-point plan, which includes:

- improving the quantity and quality of basic services for all people in terms of water, sanitation, electricity, waste management, roads and disaster management;
- enhancing the municipal contribution to job creation and sustainable livelihoods through LEDs, and utilising cooperatives in every ward;
- deepening democracy through a refined ward committee system that will be based on the will of the people;
- ensuring that municipalities have and implement reliable and credible integrated development plans (IDPs);
- building and strengthening the administrative, institutional and financial capabilities of municipalities;
- creating a single window of coordination, support, monitoring and intervention to deal with uncoordinated interaction by other spheres of government with municipalities, including unfunded mandates;
- rooting out corruption, nepotism and maladministration in the system of local government;
- developing a coherent and cohesive system of governance and a more equitable intergovernmental fiscal system;
- developing and strengthening a stable system of municipalities; and
- restoring the institutional integrity of municipalities.

The Indaka Municipality has developed and implemented a Municipal Turn Around Strategy, as per the guidelines of the related national initiative. The Turn Around Strategy identifies priority areas of development and service delivery needs within the municipality's area of jurisdiction, according to the following broad priority areas:

- Service Delivery;
- Financial and Administrative Capacity;
- Labour Relations;
- Governance/Public Participation; and
- LED Enabling Environment.

The Turn Around Strategy is aimed and to focus resources within the municipality at the most urgent requirements and to turn the municipality into a viable entity, which can effectively fulfil its service delivery mandate.

### 3.2.2 Organizational Development

#### 3.2.2.1 Staff Component Of The Municipality

The Indaka municipality has a staff component of 84 employees who are permanently employed, and 47 employees who are on contract.

### **3.2.3 Employment Equity**

In compliance with the Employment Equity Act (55 of 1998), the municipality has developed and implemented an Employment Equity Plan.

### **3.2.4 The Audit Committee**

An Audit Committee has been established and is currently operational.

### **3.2.5 Ward Committees**

The Municipal Ward Committees were established in 2004 and have been operational since then.

### **3.2.6 Traditional Authorities**

The Municipality engages with local Traditional Leadership through the Mayor's office, as well as engagement at the Representatives Forum level.

### **3.2.7 Institutional Arrangements**

Explain the workflow processes and procedures and the manner which decisions/resolutions are taken in the municipality

### 3.2.8 Powers & Functions

The municipalities need to know exactly what their powers and functions are in order to properly execute their duties and to avoid causing duplication or political tension. The tables below outline the functional areas of local government competence as outlined by the Municipal Systems Act:

#### Functional area of Local Government Competence Indaka Mandate & Compliance

Schematic Representation of the powers and functions in terms of the Municipal Systems Act

Municipal Structures Act (Section 84) - the what!	#	Item	Municipality Mandate	Perform Duty
	1	Integrated Development Planning (incorporating Municipal Planning)	•	•
	2	Water & Sanitation (limited to potable water supply)		
	3	Electricity & Gas Provision		
	4	Waste Water & Sewage Disposal Systems		
	5	Solid Waste Management	•	•
	6	Municipal Roads & Stormwater Management	•	•
	7	Child Care Facilities		
	8	Passenger Transport Services		
	9	Municipal Airports		
	10	Municipal Health Services		
	11	Fire Fighting Services		
	12	Fresh Produce Markets & Abattoirs		
	13	Cemetaries & Crematoria	•	•
	14	Parks & Recreation (including Sport Stadiums)		
	15	Local Tourism	•	
	16	Municipal Public Works		
	17	Grants Management	•	•
	18	Trading Regulations		
	19	Building Regulations		
	20	Traffic & Parking		
	21	Taxes, Levies & Duties	•	•

Municipal Structures Act wrt Duties - the how!	#	Item	Municipality Mandate	Perform Duty
	1	Accountability	•	•
	2	Community Participation	•	•
	3	Financially & Environmentally Sustainable Service Delivery	•	•
	4	Equitable Access to Municipal Services	•	•
	5	Local Development	•	•
	6	Gender Equity	•	•
	7	Safe & Healthy Environment	•	•
	8	Integrated Development Planning	•	•
	9	Performance Management Systems	•	•
	10	Incremental Improvement	•	•
11	Responsible Financial Management	•	•	

Table 7: Municipal Powers and Functions



### 3.2.9 Organizational Structure / Organogram

#### Annexure "A" ORGANOGRAM / MUNICIPAL MANAGER'S OFFICE (CURRENT)

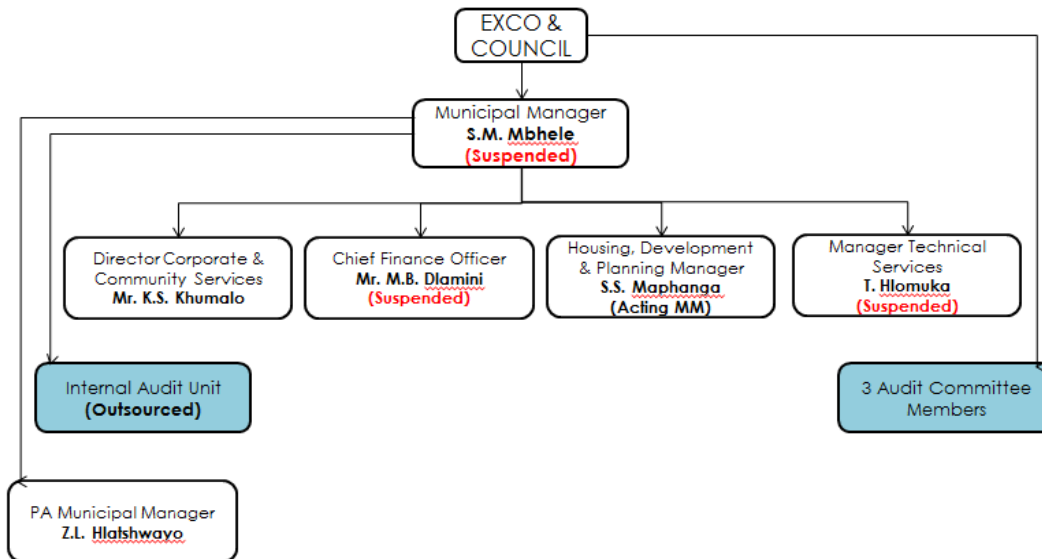


Figure 14: Organogram - Municipal Manager's Office

#### Annexure "B" ORGANOGRAM / CORPORATE & COMMUNITY SERVICES DEPARTMENT

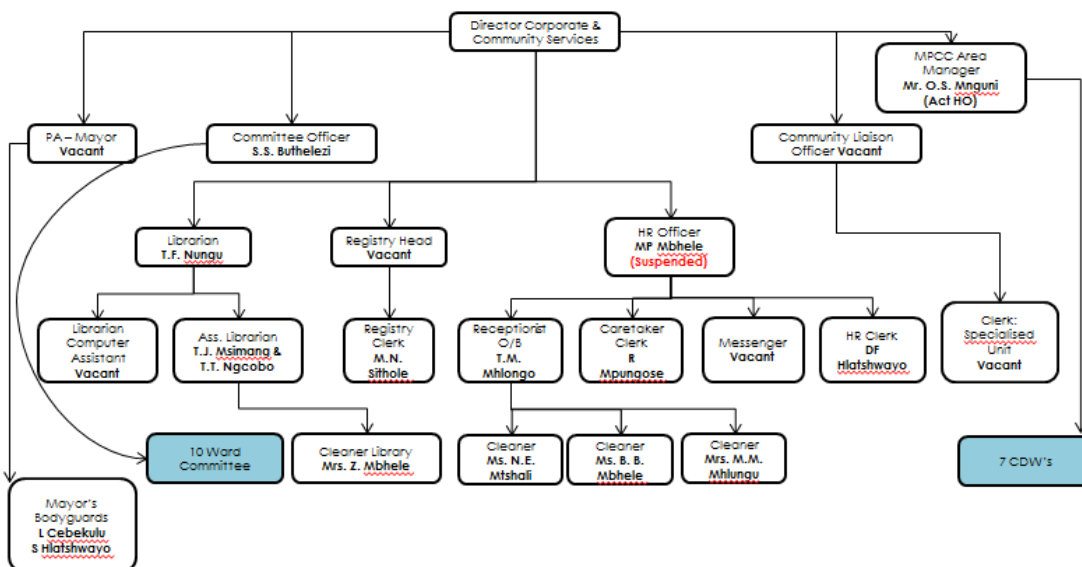


Figure 15: Organogram - Corporate & Community Services Department

**Annexure "C"**  
**ORGANOGRAM / TECHNICAL DEPARTMENT**

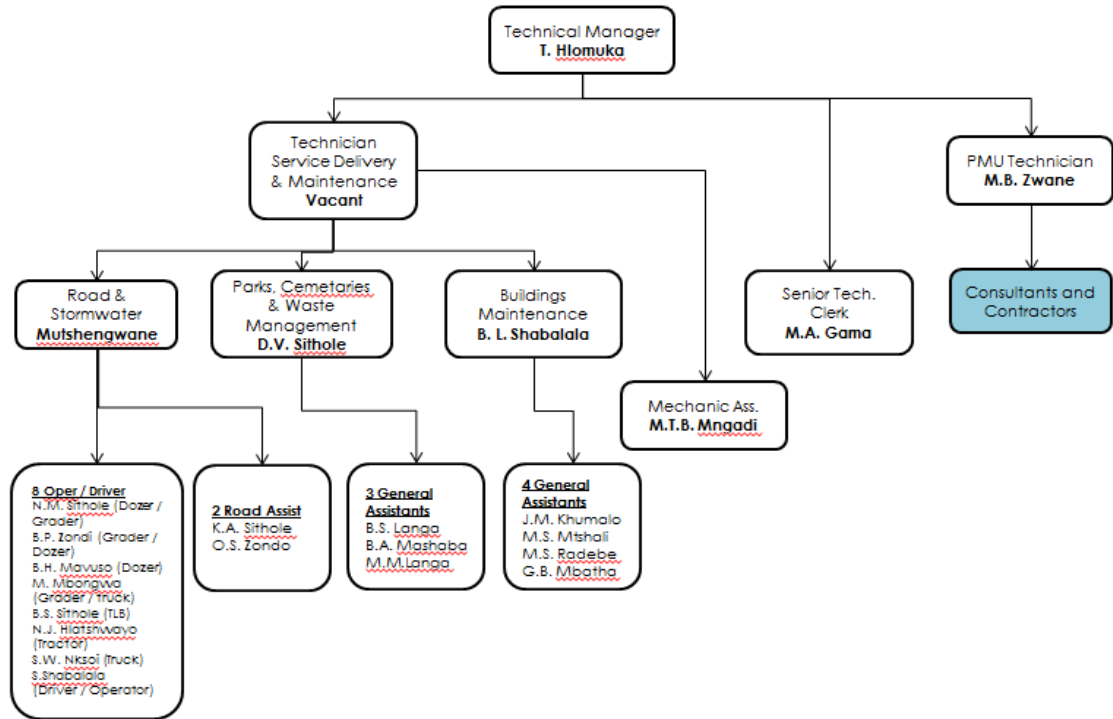


Figure 16: Organogram: Technical Department

**Annexure "D"**  
**ORGANOGRAM / FINANCE DEPARTMENT**

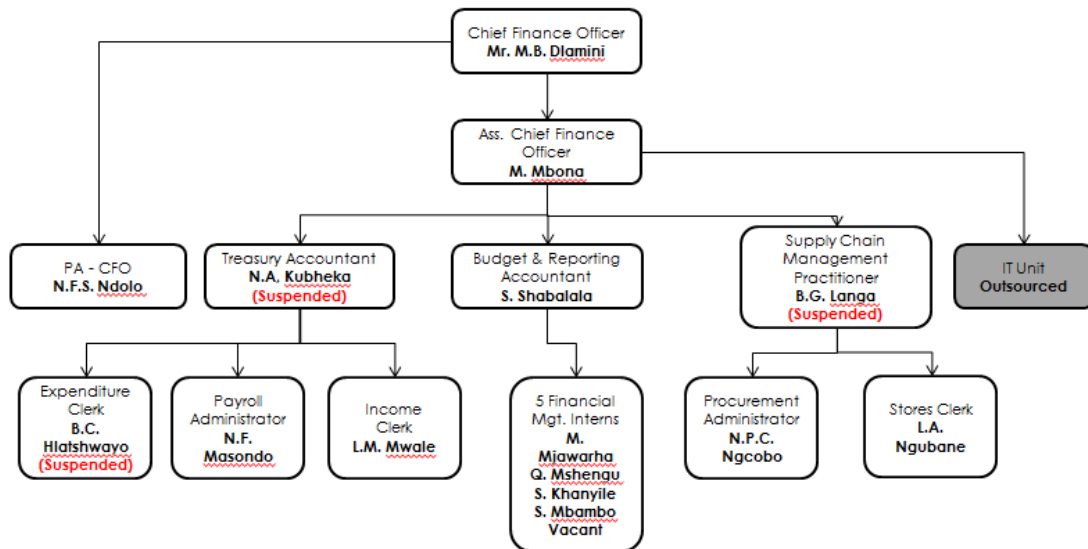


Figure 17: Organogram - Finance Department

## Annexure “E” ORGANOGRAM / HOUSING DEVELOPMENT & PLANNING DEPARTMENT

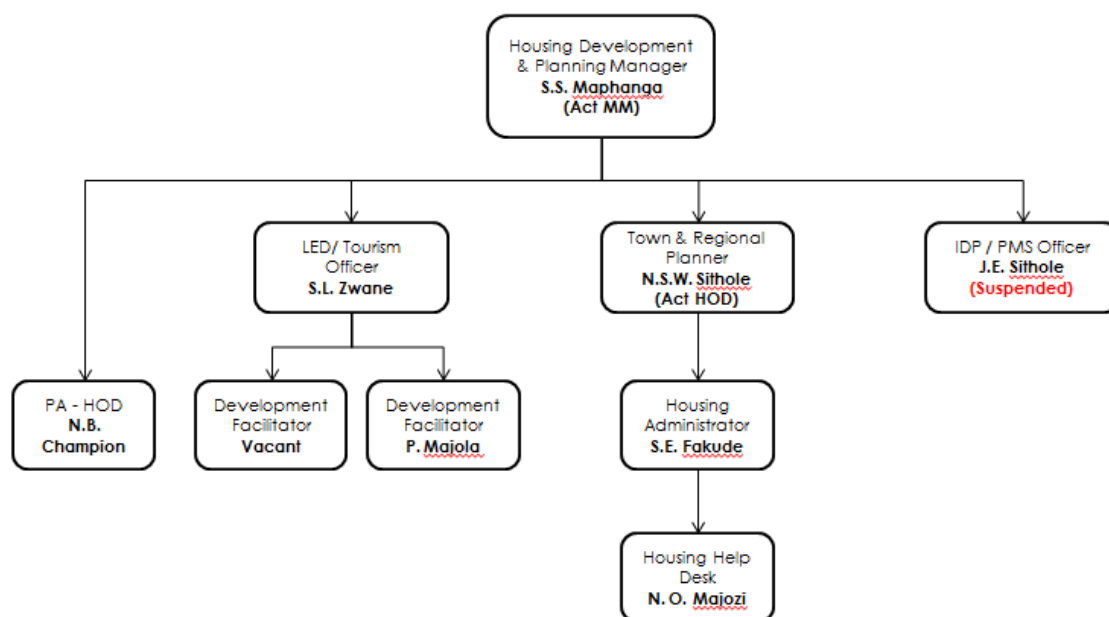


Figure 18: Organogram - Housing Development & Planning Department

### 3.2.10 Municipal Institutional Capacity & Status of Critical Posts

#### Section 56 posts

### 3.2.11 Human Resource Development

#### 3.2.12 Skills Development

The municipality has developed a comprehensive Workplace Skills Development Plan for the period under review in accordance with the relevant legislation.

#### 3.2.13 Municipal Human Resource Strategies

The municipality has developed a number of policies that deal with Human Resource issues. These strategies include the following:

- Employment Equity Policy
- Training and Development Policy
- Recruitment, Selection, Promotion, Demotion, Transfer, and Appointment Policy
- Overtime and Stand-by Policy
- Study Scheme Policy

### 3.2.14 Municipal Transformation & Organizational Development: SWOT Analysis

The SWOT analysis discusses the external and internal factors that affect the Indaka municipality's Municipal Transformation and Organizational Development. In the analysis Strengths, Weaknesses, Opportunities and Threats are seen from an internal and external perspective. Strengths and Weaknesses refer to the current situation, while Opportunities and Threats are viewed as both occurring in the present and or the future.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Approved Organizational Structure aligned to operational capacity</li> <li>• High level of commitment and willingness to conform by staff members</li> </ul>	<ul style="list-style-type: none"> <li>• Administration under Section 139;</li> <li>• Municipality unable to attract and retain highly skilled employees</li> <li>• Job evaluation incomplete</li> <li>• Functional IGR / Re-instate structures / start to participate at Forum Level;</li> <li>• Address and finalize suspension cases (MEC Comment, 2012)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Availability of funds for Staff Training</li> </ul>	<ul style="list-style-type: none"> <li>• High labour turnover due to inadequate work environment based on the geographical location of the municipality</li> </ul>

### 3.3 SERVICE DELIVERY & INFRASTRUCTURE ANALYSIS

#### 3.3.1 Water & Sanitation

The 2011 Census indicates that 59% of households in the municipality receive piped water from a regional or local water supply scheme, 16% receive water from a borehole, while another 16% received their water from rivers or streams. These figures indicate that almost two thirds of the population of the municipality receives water to RDP standards.

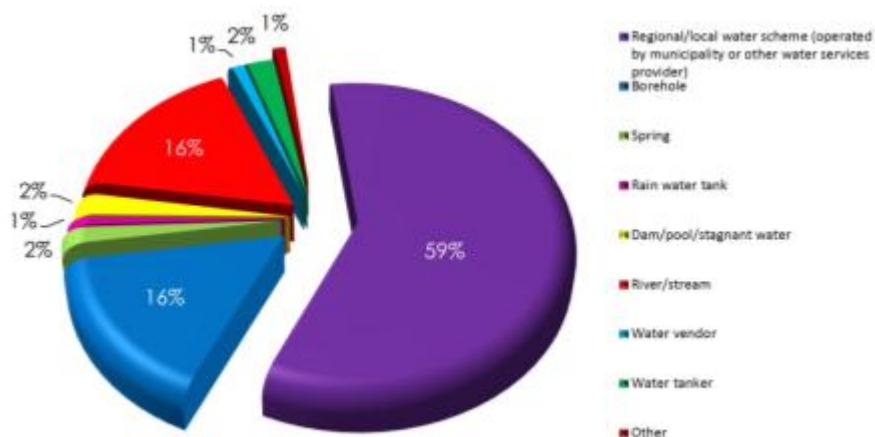


Figure 19: Water Provision (STATSSA, 2011)

A water backlog is defined by the RDP standard of 25l/c/d at a maximum distance of 200m of existing infrastructure. The uThukela District Municipality (UDM) is the Water Services Provider (WSP) and is responsible for the implementation of new capital projects to extend the provision of water services facilities and their maintenance thereof. The District's Water Services Development Plan (WSDP) indicates that the backlog of water services in Indaka is still substantial.

In terms of uThukela district municipality Free Basic Water Policy, 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 and the municipality is implementing the free basic water which is 6kl. The graph below is a breakdown of the backlog for household

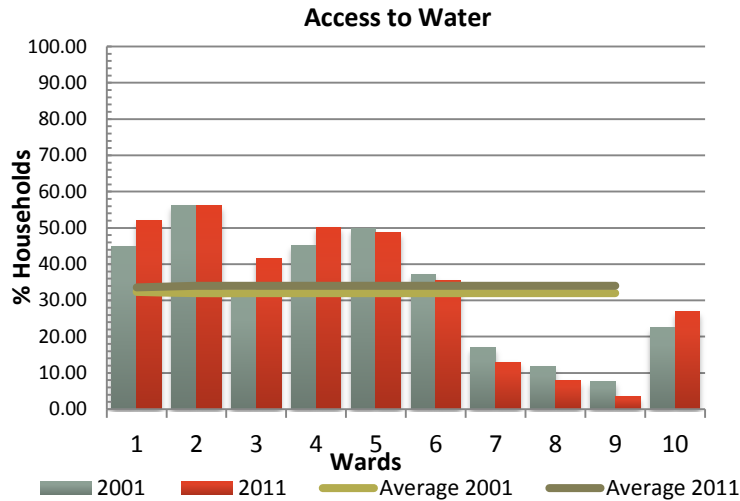


Figure 20: Access to RDP Standard Water StatsSA (2011)

### 3.3.2 Solid Waste Management

According to the 2011 Census, 24.9% of the households do not have access to refuse removal. Approximately 59.3% of households are disposing of refuse through their own means and 1.3% through communal sites. Only 14% of the households are serviced by the local authority at least once per week.

Refuse Disposal	Census 2001	Census 2011	Variance
Removed by Local Authority at least once a week	12.7%	13.4%	0.7%
Removed by Local Authority less often	0.5%	0.6%	0.1%
Communal refuse dump	1%	1.3%	0.3%
Own refuse dump	54.5%	59.3%	4.8%
No rubbish disposal	31.2%	24.9%	-6.3%
Other	0%	0.5%	0.5%

Table 8: Indaka Municipality - Access to Refuse Disposal per Household (%): 2001 – 2011

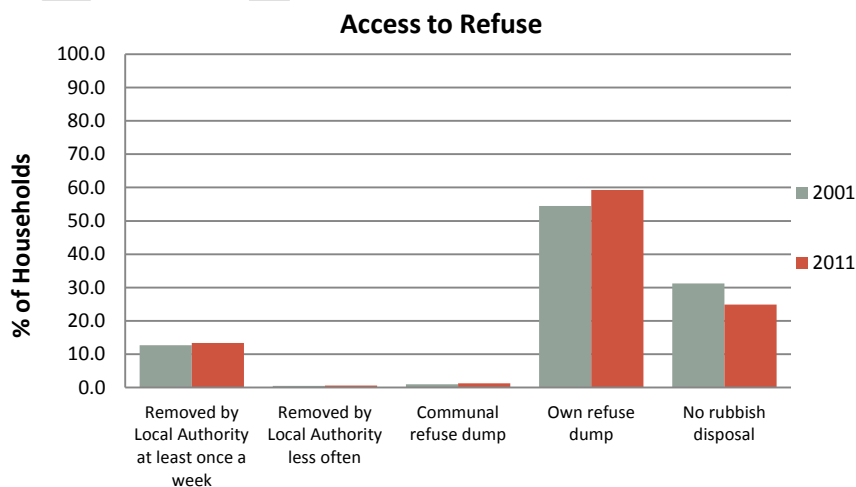


Figure 21: Indaka Municipality - % of Households Access to Refuse (StatsSA 2011)

### 3.3.3 Transportation Infrastructure

The transportation network in the form of roads and rail infrastructure plays a critical role in determining the structure of the area while creating opportunities for investment. This is due to the transportation network providing linkages between different areas, while influencing the level of access to social and economic opportunities whereby the quality of life for individuals can be enhanced.

Indaka Municipality is not traversed by any national roads, but has a network of provincial and district roads. These roads service the municipality itself and carry primarily local traffic. The most important provincial road is the Helpmekaar Road, which runs from Ladysmith through Ekuvukeni and the Limehill Complex, before linking with the Dundee-Pomeroy road (MR 32).

From the road, a network of district and provincial roads service the northern areas of the municipality, with links to Elandslaagte, Wasbank and Wesselsnek to the north possible by means of provincial roads. The road network through the area has played an important role in the distribution of settlements, with most settlements in the municipality located along the provincial and district roads.

### 3.3.4 Energy

Eskom, the national electricity supplier, supplies electricity in bulk within the municipality and supply to rural areas is slow due to high costs associated with scattered settlements and no anchor clients.

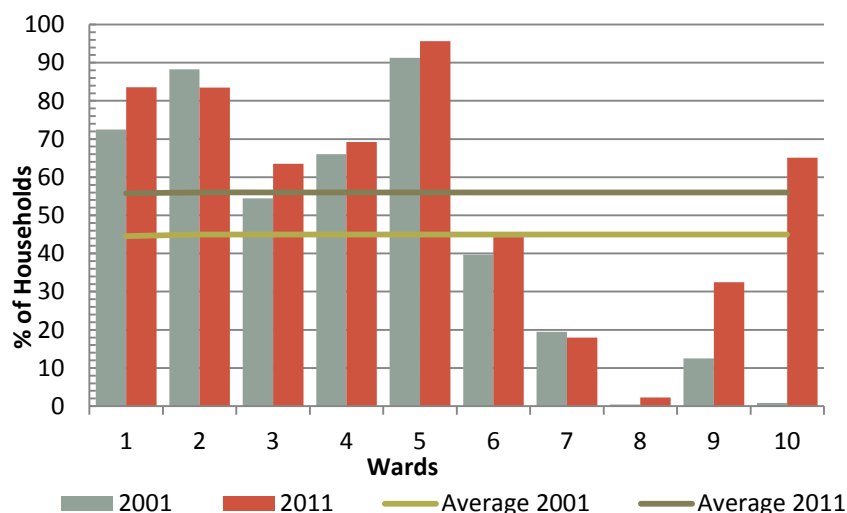


Figure 22: Electricity Provision per ward (StatsSA 2011)

According to the Census 2011, 45.4% of households are using wood for cooking, 40% use electricity and 7% use paraffin. The use of electricity for cooking has increased by 25, 8% from 15, 1% in 2001 to 40.9% in 2011.

Energy Usage	Census 2001	Census 2011	Variance
Electricity	15.1%	40.9	25.8%
Gas	2.3%	1.8%	-0.5%
Paraffin	21.6%	7.1%	-14.5%
Wood	52%	45.4%	-6.6%
Coal	7.1%	3.7%	-3.4%
Animal Dung	0.2%	0.5%	0.3%

Table 9: Indaka Municipality - Comparison of Energy Used for Cooking per Household (%): 2001 - 2011

According to the Census 2011, the majority of households utilise wood for heating (45.4%), 7.1% utilise paraffin and 3.7% utilise coal, while 40.9% use electricity which has increased from 11.2% in 2001.

Energy Usage	Census 2001	Census 2011	Variance
Electricity	11.2%	28.01%	16.81%
Gas	0.9%	0.14%	-0.76%
Paraffin	9.4%	5.10%	-4.30%
Wood	56.2%	52.14%	-4.06%
Coal	19.6%	6.05%	-13.55%
Animal Dung	1.5%	0.63%	-0.87%
Other	1%	0.11%	-0.89%

Table 10: Indaka Municipality - Energy Used for Heating per Household (5): 2001 - 2011

According to the Census 2011, 58.2% of households use electricity for lighting an increase of 11.4% from 46.8% who utilised electricity in 2001. There is still a very high use of candles, which has decreased from 49% in 2001 to 38.8% in 2011.

Energy Usage	Census 2001	Census 2011	Variance
Electricity	46.8%	58.2%	11.4%
Gas	0.2%	0.3%	0.1%
Paraffin	3.4%	1.6%	-1.8%
Candles	49%	38.8%	-10.2%
Solar	0.2%	0.4%	0.2%
Other	0.4%	0	-0.4%

Table 11: Indaka Municipality - Energy Used for Lighting per Household (%): 2001 - 2011

### 3.3.5 Access to Community Facilities

The Indaka Municipality has a general lack of social services, in comparison to its population size. Compounding the issue is the fact that the municipality is riddled by poverty and associated general lack of private social facilities.



Social Facility	Quantity
Police Station:	1
Schools:	83
Community Hall	5
Health Facilities:	3
Libraries:	1

Table 12: Social Services

The table above shows that there is only one police station, which serves the municipal area. The location of this police station, in the Ekuvukeni settlement is not such that it can effectively serve the entire municipal area, especially not the southern areas of the municipality, in the region of the Tugela River.

There are 83 schools in the municipality, which effectively means that there are more than 800 children per school on average. Considering the size of the school structures and the associated number of teachers and classrooms, it can safely be assumed that the schools are generally overcrowded. Further to this, the service provision to schools in the area is not up to standard and causes situations which are not conducive to learning.

There are only 5 community halls in the municipal area, meaning that each community hall serves approximately 20,000 people. These community halls are not necessarily located at points which make it accessible to all the inhabitants of the area. At the Municipal Strategic Session during December 2011, it was also established that these community halls are subject to a lot of vandalism.

There are only three health facilities and one library located in the municipality. Both of these services are inadequate and this situation contributes to the levels of deprivation and poverty in the area. Accessibility of most residents to these facilities fall far short of the acceptable standards.

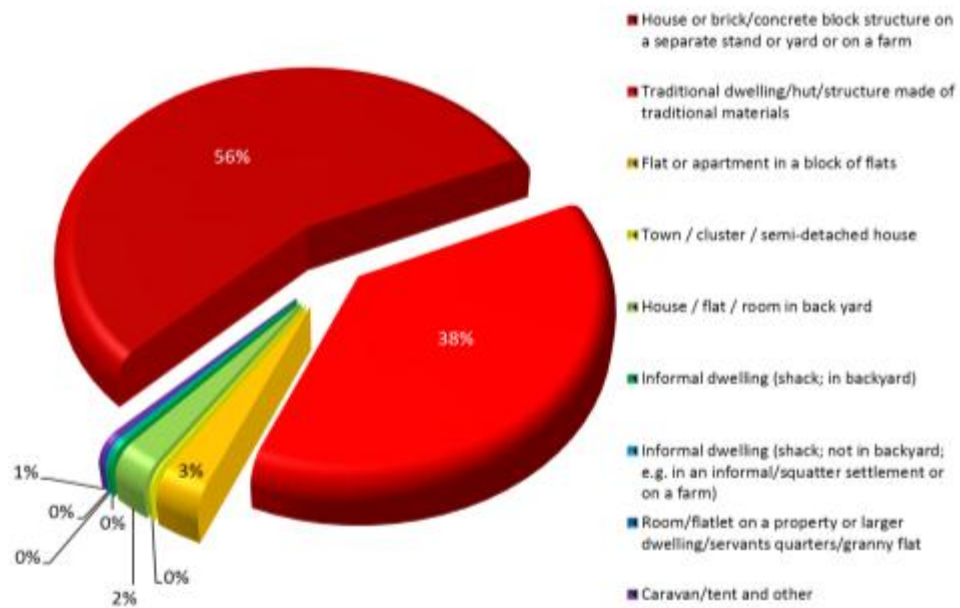
### 3.3.6 Human Settlements

Challenges faced by the Indaka Municipality in the provision of housing include, the planning and provision of bulk infrastructure required for housing developments, which is presently not aligned to the housing projects and is creating bottlenecks, the complex relationship between Amakhosi and the Indaka Municipality over access to land for housing projects and the dissemination of information to ward committee level. The municipality has initiated the implementation of housing projects through provincial housing grants, and has included priority housing projects in its IDP.

Category	Type of Dwelling	Census 2001	Census 2011	Variance
A	House or brick structure on a separate stand or yard	38.6%	56%	17.4%
B	Traditional dwelling / hut / structure	54.1%	38%	-16.1%
C	Flat in block of flats	4.1%	3%	-1.1%
D	Town / cluster / semi-detached house	1.4%	0.2%	-1.2%
E	House / flat / room in back yard	0.5%	2.2%	1.7%
F	Informal dwelling / shack in back yard	0.2%	0.3%	0.1%
G	Informal dwelling / shack not in back yard (e.g. informal / squatter settlement)	0.8%	0.1%	-0.70%
H	Room / flatlet not in back yard but on a shared property	0.1%	0.1%	0%
I	Caravan or tent or other	0.1%	0.4%	0.3%

Table 13: Indaka Municipality - % Distribution of Households by Type of Main Dwelling

Figure 23: Indaka Municipality - Type of Dwelling per Household (StatsSA 2011)



Based on the Census 2011 the largest proportion of dwellings is households living in brick structures (56%), followed by traditional dwellings (38%). There has been an increase in households living in house or brick structures from 2001 (38.6%) to 56% in 2011. There has been a decrease in other dwelling types, therefore needs are being met through brick structures.

### Type of Dwellings

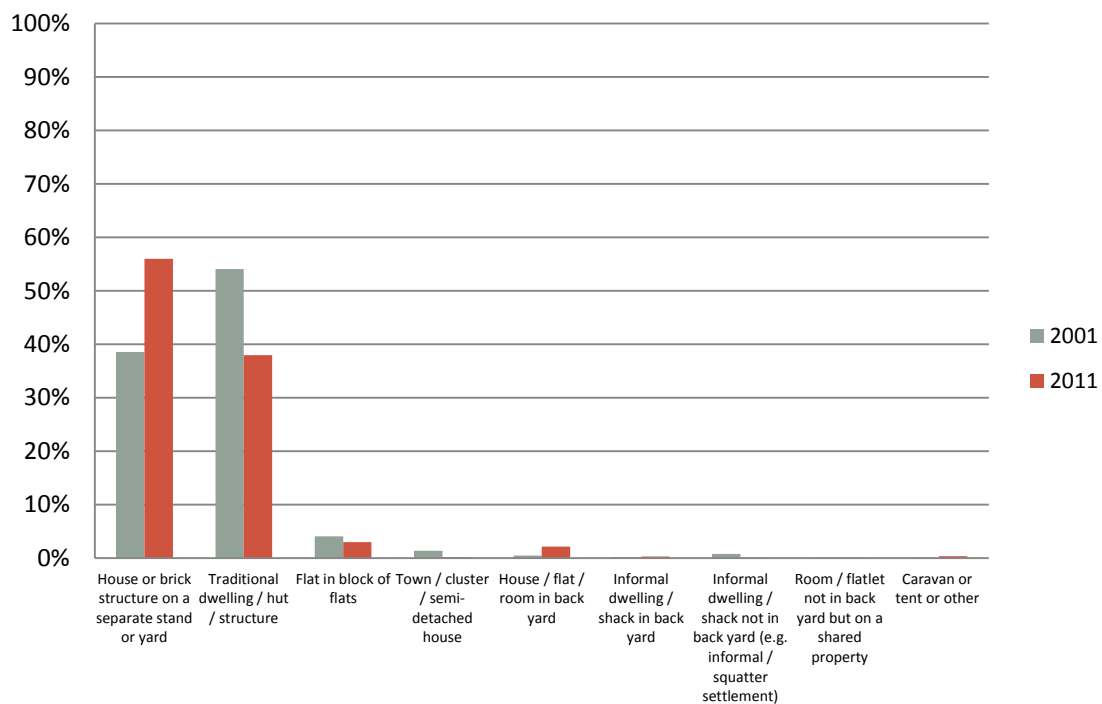


Figure 24: Indaka Municipality - % of Households by Type of Main Dwelling (StatsSA 2011)

### 3.3.7 Service Delivery & Infrastructure: SWOT Analysis

#### STRENGTHS

- Delivering of Basic services with limited resources
- Availability of MIG funding
- Understanding of services backlogs (MEC's Comment, 2012)

#### WEAKNESSES

- Lack of financial Base to collect
- Insufficient resources
- High Staff turnover
- Lack of Social Support Infrastructure;
- Dysfunctional Infrastructure Scheme;
- Resolution Execution / Implementation
- No infrastructure Plan

#### OPPORTUNITIES

- Land availability
- Access to MIG funding for provision of basic services
- Skills development
- Strategies/measures to reduce backlogs

#### THREATS

- Lack of updated backlog data
- Lack of communication with sector departments
- Relationship between Municipal Governance and Traditional Authorities

## 3.4 LOCAL ECONOMIC & SOCIAL DEVELOPMENT ANALYSIS

### 3.4.1 Local Economic Development Analysis

SOCIO-ECONOMIC INDICATORS	1996	2001	2011
Average number of rooms			
Average household size			
Female headed households			
Child headed household			
Access to piped water			
Access to electricity			
Access to sanitation			
Tenure status (% owned)			
Literacy rate			
Attending educational institution			
No schooling			
Primary enrolment rate			
Teacher: learner ratio			
Secondary enrolment rate			
% Completed matric			
Matric pass rates			
% Completed higher education			
Labour absorption rate			
Unemployment rate (official)			
Unemployment rate (by sex)			
Unemployment rate (youth)			
Labour participation rate			
Main occupation sector			
Average household income			
Indigent households (below R800)			
Social grant recipients			
Deprivation index			
Gini coefficient			

In line with the above, it is clear that Indaka currently relies heavily on subsistence agriculture, government services, government grants and migrant worker income to sustain its residents. The municipality is geographically located on the periphery of the coal rim, Midlands Economic Development Cluster and the battlefield node. There is very limited economic development within Indaka Municipality due to its lack of natural resources, lack of revenue and its distance from any major tourist routes and markets.

### **3.4.1.1 Municipal Comparative & Competitive Advantages**

Notwithstanding the numerous challenges that the Indaka Municipality is faced with, there are various opportunities that are offered by features within the municipality.

#### **3.4.1.1.1 Natural Landscape**

Indaka Municipality is characterized by two drainage systems - uThukela and Sundays River. The fast flowing uThukela Rivers form the southern boundary of the municipality, with tributaries drainage southern wards to the river.

Sundays River drainage basin forms the major proportion of Indaka municipal area. The flowing of these rivers through the municipality is viewed as an opportunity because they act as centripetal force to the industries to the municipality and also make water supply projects possible to the municipality.

#### **3.4.1.1.2 Suitable Arable Land and Land for Infrastructural Development**

Indaka Municipality has plenty of unoccupied land. Therefore, this municipality is suitable for physical development projects e.g. housing. Though agricultural potential is limited at Indaka, there are some areas that have been identified as having good and moderate agriculture potential.

#### **3.4.1.1.3 Location and Accessibility**

Indaka Municipality is not transverse by any national roads, but has a network of provincial and district roads due to its proximity to N3 and N11. These roads service the municipality itself and carry primarily local traffic. The most important provincial road is the Helpmekaar road, which runs from Helpmekaar through Ekuvukeni and the Limehill Complex, before linking with Dundee Pomeroy road (MR32). From the road, a network of district and provincial roads service the northern areas of the municipality which links to Elandslaagte, Wasbank and Wesselsnek to the North, possible by means of provincial roads.

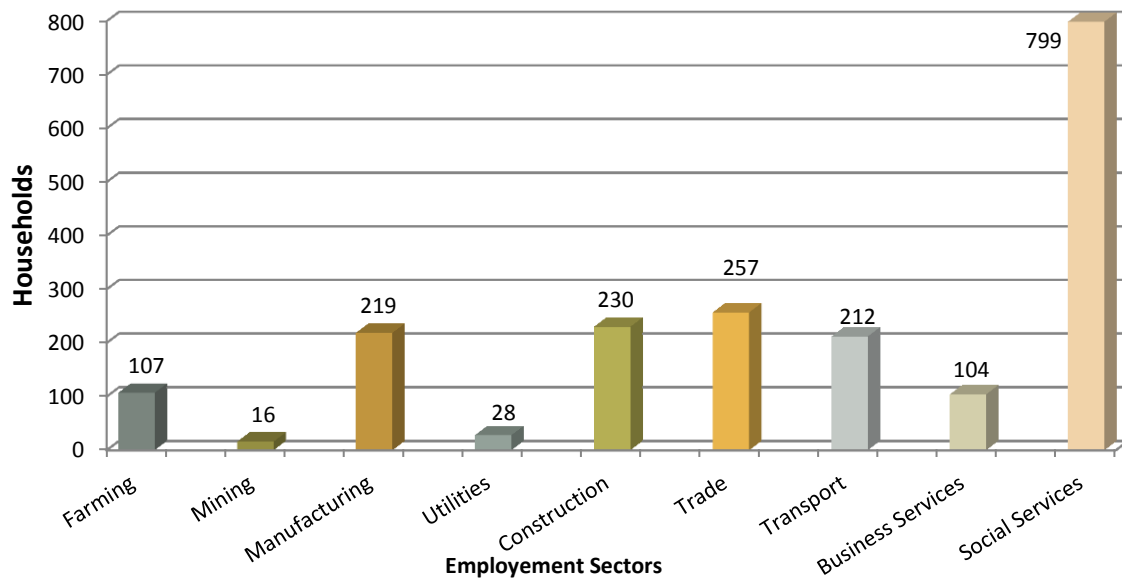
#### **3.4.1.1.4 Tourism**

Tourism, though, is a sensitive industry and has a possibility to grow with two projects that include: picnic site, cultural village and cannibalism route. Cannibalism route project is under implementation. Tourism seems to be growing slightly at Indaka, but the disturbing factor is crime and investment opportunities which are very limited.

### **3.4.1.2 Main Economic Contributors**

Employment within the Indaka Municipality is broken down into the following industries, with employment figures shown as the number of people employed in each sector. (<http://www.kzntopbusiness.co.za>):

**Figure 25: Employment within Indaka Local Municipality**

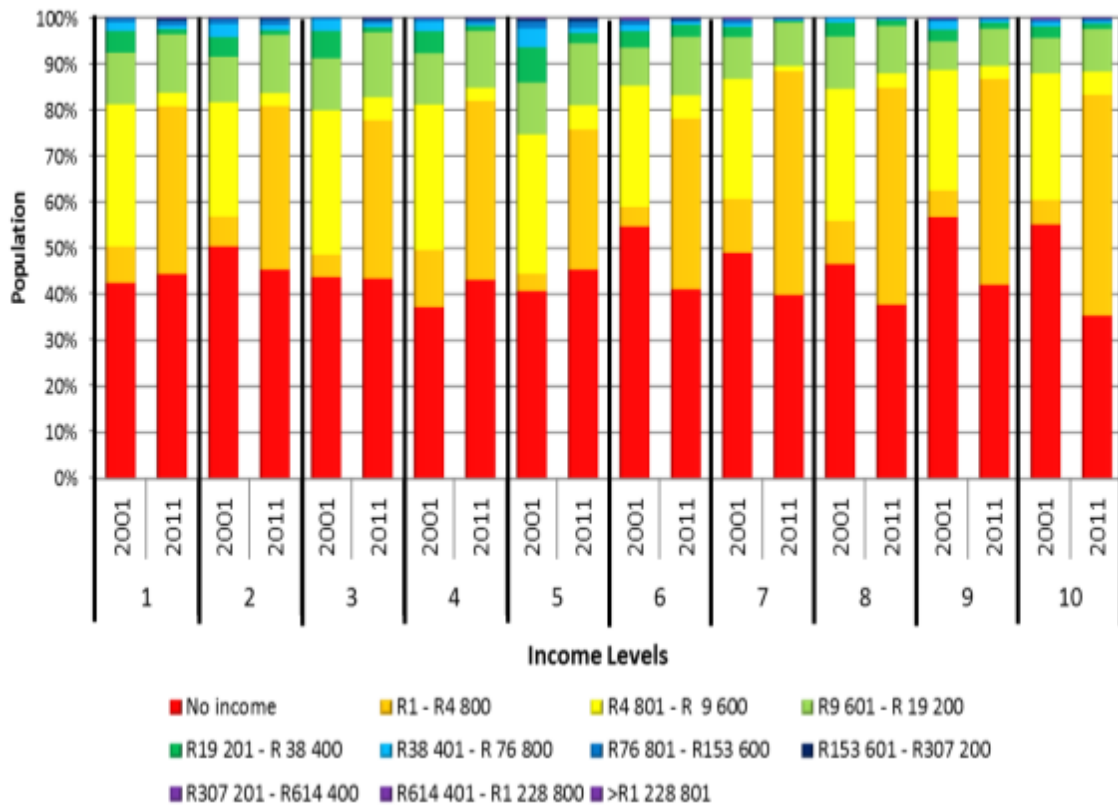


The high level of people employed in the Social Services Sector of the economy indicates the high dependency levels which are prevalent in the municipality. Other considerable economic employment sectors include trade, mining, manufacturing and construction. It can safely be assumed that the majority of economically active people in the municipality are active in the informal sector, specifically in subsistence and small scale farming.

### **3.4.1.3 Employment and Income Levels**

The largest portion of the employed in the Indaka Municipality are found in the occupation sector of technical and associated professionals (20%). Elementary occupations are the second largest employment sector in the municipality, with 17% of the employed active in this sector. Of note is the low number of professionals (which include teachers, health workers, managers, and other professionals). This also serves as a contributing factor to the high levels of poverty in the municipal area, through various social and economic downstream effects.

Figure 26: Levels of Income Per Ward (StatsSA 2011)



### 3.4.1.3.1 Occupational Profile

The majority of respondents in the Census 2011 indicated that they participated in Undetermined or unspecified categories of work. One can deduce that these people are largely involved in the informal sectors.

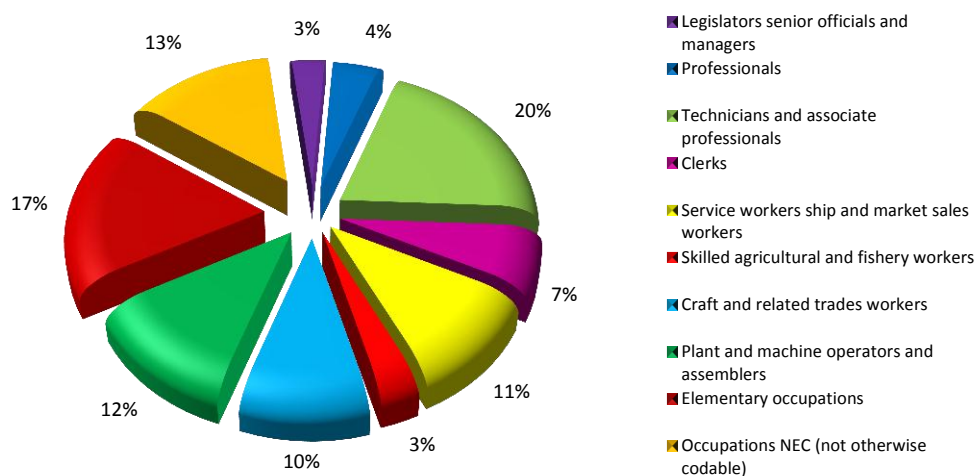


Figure 27: Occupational Profile (StatsSA 2011)

### 3.4.1.3.2 Employment per Sector

The following sectors employ residents within the municipality, namely:

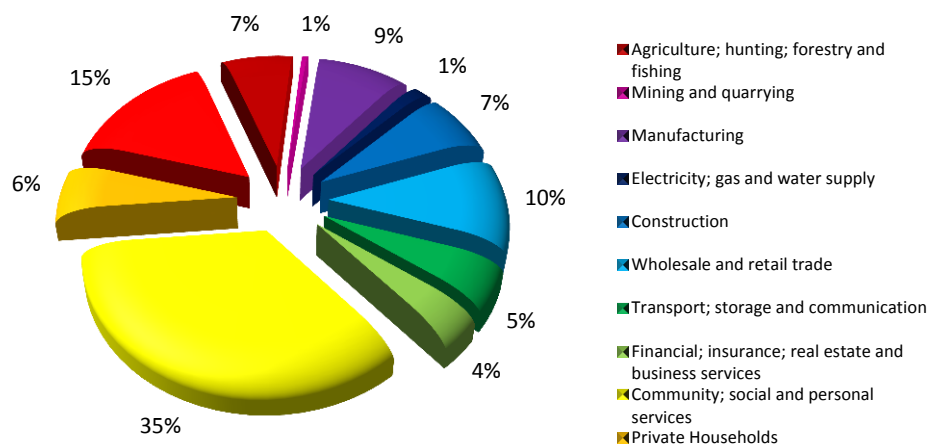


Table 14: Employment per Sector

As can be seen from these statistics, the majority of residents (35%) indicated that they were employed in the community; social and personal services sector. 15% indicated they were employed in sectors not specified in the survey and could indicate that they are employed in the informal sector.

### 3.4.1.4 Agriculture

There is extremely limited agricultural potential due to settlement pressure, traditional farming methods, poor bio-resource groupings and limited irrigation potential. At present most of the agricultural undertakings are for household consumption, with the exception of projects located along the Tugela and Sundays River, which have tremendous irrigation potential at a large scale.

The prevalence of dongas, soil erosion and soil impoverishment are major indicators of poor environmental management within the municipality. This is a major problem in that most of Indaka's residents depend on subsistence agriculture for food and do not have the means to correct the environmental degradation which has taken place over the years.

The nature of agriculture in the Indaka Municipal area is characterised by fragmented subsistence cultivation, traditional animal husbandry and the widespread production of Marijuana (Dagga) for diverse national markets. There is a strong correlation between agricultural under-development and marijuana cultivation since the latter is an important source of household income utilised for the purchase of basic commodities.

The municipality has identified agricultural pilot projects intended to generate maximum local economic development within the Municipal Area. The projects will act as learning opportunities for both the Municipality and the participants. A number of the sites were identified as having potential for the establishment of agricultural projects, while others were found to be less favourable.



The following criteria were used to assess sites:

- Potential for cultivation (based on the soils)
- Accessibility
- Infrastructure
- Potential for irrigation.

The following sites were identified as high potential for the establishment of agricultural projects that are to be supported by the Indaka Municipality.

- Oqungweni (Site 2b in particular);
- Mangweni/ Mahlokoma (Site 3);
- Kwanogejane (Site 6);
- Nhlambamasoka Plateau (Site 7);
- Mahlutshini 1 (Site 9);
- Somsuku (Site 13).

These projects can be supported by the Indaka Municipality, in cooperation with other role players, with due recognition of the realities such as establishing markets to support the economic multiplier potential of these projects. Also, the implementation of these projects should be done in conjunction with skills audits and development to support the sustainability and potential of these projects.

#### **3.4.1.5 Tourism**

Tourism is a sunrise sector at a global level, with virtually all global nations pursuing tourism development in an attempt to inject economic growth capable of sustaining the ever increasing population. The location of the region and the municipality within the Battlefields, and the recognition of these respective authorities in the evolving provincial Tourism Development Strategy, present windows of opportunity for capitalizing on the sector. The labour absorption potential of tourism and its revenue generation effect make the sector worth exploiting. Within the context of Indaka Municipality there is potential to design future economic development strategies that are linked to tourism.

#### **3.4.1.6 Manufacturing (Industrial)**

Manufacturing is the biggest sector with the UThukela District Municipality, this is mainly the result of state support offered to the sector in the past. Key manufacturing sectors in the region are textiles, clothing, footwear and the leather industry. The historical development of the manufacturing has however not been spread out to the Indaka Municipality. Its impact was more at a regional level, taking more of an urban bias as against direct investment in rural areas. There is thus virtually no manufacturing investment in the Indaka Municipal area, except small manufacturing enterprises in the form of block makers, panel beaters and craft work. The agricultural and tourism sectors are medium sized sectors in the regional economy.

### 3.4.1.7 Local Economic Development: SWOT Analysis

#### STRENGTHS

- Availability of land for development
- Economic Status Quo Analysis commended
- Strategic Projects to address economic Challenges

#### WEAKNESSES

- Dependant on grants
- Income / Financial Leakage;
- Insufficient economic resources
- No appropriate Economic Development implementation strategy
- No profiling towards implementing Operation Sukuma Sakhe
- Project Identification & Resource

#### OPPORTUNITIES

- Greater opportunities for Local Economic Development
- Tourism opportunities (Cannibal Route)
- Business opportunities
- Agricultural opportunities
- Social Investment Zone (PGDS)

#### THREATS

- Lack of updated backlog data
- Lack of communication with sector departments
- Relationship between Municipal Governance and Traditional Authorities

### 3.4.2 Social Development Analysis

#### 3.4.2.1 Broad Based Community Needs (limited to 3 priority projects per ward)

The Broad Based Community Needs per ward of the municipality were determined during a strategic session. In addition to the strategic session, the individual ward councilors prioritized the main needs in terms of priority in their respective wards. Below is a table which reflects the priority needs analysis per ward:

#### Indaka Local Municipality Priority Needs Analysis per Ward

The table below depicts a list of priorities identified through Stakeholder Engagement ranked in order of priority 1 - 16

Priorities / Needs		Wards									
		1	2	3	4	5	6	7	8	9	10
1	Water	1	1	1	1	1	1	1	1	1	1
2	Sanitation	3	3	4	2	10	3	3	2	2	6
3	Electricity	4	12	2	3	11	2	2	3	4	7
4	Roads & Stormwater	2	4	3	4	2	5	5	4	5	5
5	Housing & Land	5	11	6	5	12	6	6	5	3	3
6	Community / Sports Facilities	6	5	8	8	5	7	11	10	10	8
7	Health	9	2	5	6	7	4	4	8	6	11
8	Education	11	10	7	7	8	11	7	9	9	9
9	Safety & Security	10	8	12	11	6	8	8	12	12	12
10	Waste Collection	13	7	13	12	3	13	15	13	13	13
11	Local Economic Development	8	6	9	9	4	12	9	11	8	4
12	Cemetaries	14	16	16	16	13	16	16	16	16	16
13	Agricultural Development	12	9	10	13	16	10	12	6	7	2
14	Public Transport	7	13	11	10	14	9	10	7	11	10
15	Environmental Management	15	14	14	14	9	14	14	14	14	14
16	Tourism & Associated Facilities	16	15	15	16	15	15	13	15	15	15

Table 15: Indaka Municipality - Priority Needs Analysis per Ward

Analysis of the above table also provided a ranking of the priority needs at a municipal wide level. This is illustrated in the table below:

#### INDAKA LOCAL MUNICIPALITY Expressed Ward Priorities / Needs

No	Priority Area / Need	1	2	3	4	5	6	7	8	9	10	Share of Wards	Rank
A	Water											100%	1
B	Sanitation											80%	3
C	Electricity											70%	4
D	Roads & Stormwater											100%	2
E	Housing & Land											50%	5
F	Community / Sports Facilities											20%	7
G	Health											40%	6
H	Education											0%	
I	Safety & Security											0%	
J	Waste Collection											10%	10
K	Local Economic Development											20%	8
L	Cemetaries											0%	
M	Agricultural Development											10%	9
N	Public Transport											0%	
O	Environmental Management											0%	
P	Tourism & Associated Facilities											0%	

TOP MUNICIPAL DEVELOPMENT ISSUES	
1	Water
2	Roads & Stormwater
3	Sanitation
4	Electricity
5	Housing & Land
6	Health
7	Community / Sports Facilities
8	Local Economic Development
9	Agricultural Development
10	Waste Collection

Table 16: Indaka Municipality - Expressed Ward Priorities / Needs

### 3.4.2.2 Education

There are no institutions of higher learning within the municipality. After matriculation, children either go to the Ladysmith Technical College to further their studies or move out of the UThukela District. The latter is not always practical and affordable as most people in the area cannot afford to provide their children with better education opportunities outside of the municipal area. The cost is simply too much.

At primary and secondary levels the facilities are distributed all over the municipality and these are well utilized by the communities. There is, however, a need to extend or renovate most of the schools, as most are unsuitable for proper education purpose.

The statistics reveal that 15% of the people in the municipal area have no formal education. Assuming that these are adult people there is clearly a need to assist these people through the ABET program.

The following table summarises the education levels for residents of the municipality.

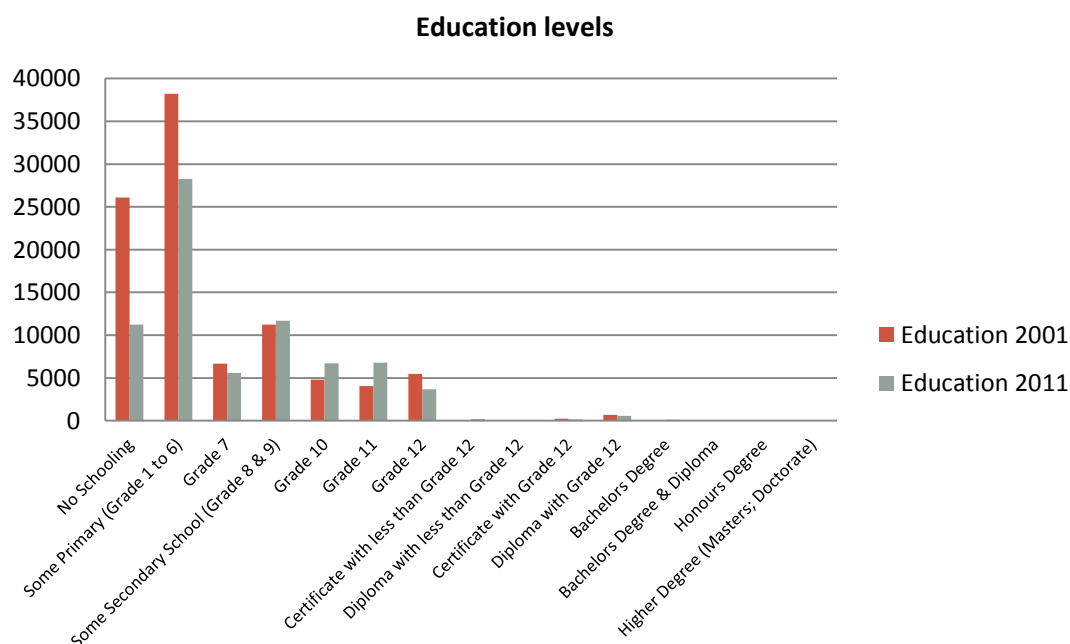
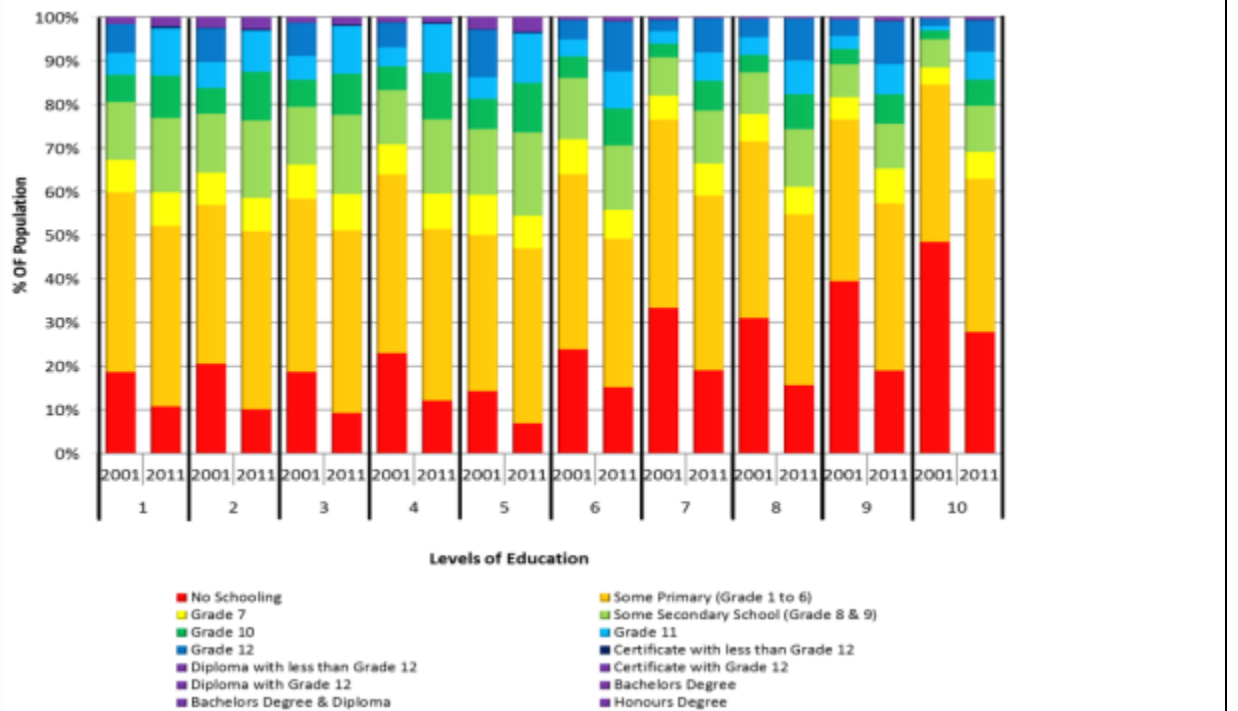


Figure 28: Educational Levels of the Population from 2001 to 2011 (StatsSA 2011)

What is noticeable from these figures is that low portions of the population have any form of post matric qualification which indicates that they are in all likelihood involved in primary activities.

Figure 29: Levels of Education per Ward (StatsSA 2011)



### 3.4.2.3 Health

Health services are currently the responsibility of the Department of Health. The new legislation on local government has not provided that the local municipalities are responsible for the health services in as far as they are provided to serve their area of jurisdiction. Therefore, services like clinics and mobile clinics can be safely assumed to be the responsibility of Indaka Municipality.

Currently there are 7 clinics in Indaka namely; Limehill, Ekuvukeni, Rockcliff, KwaMteyi, Mhlumayo, Gcinalishone and Sahlumbe. The total number of mobile clinics that operate in the municipal area is 13. These mobile clinics are spread all over the area but there are some areas that still need mobile clinics.

### 3.4.2.4 Safety & Security

There is only one police station in the whole of Indaka Municipality. This only police station is located at Ekuvukeni. Communities of the Mhlumayo settlement have called for stronger and more visible police presence in their communities. The SAPS Crime Information Analysis Centre at Ezakheni Police Station stated that the Umhlumayo complex is being served by the Ezakheni Police Station whereas the Limehill Complex is served by the Ekuvukeni Police Station. Whilst the centre acknowledged the increase in the rate of crime in the Indaka area, it was however made clear that there are no immediate plans for the construction of a new police station in the Indaka area. It was also acknowledged that the SAPS are currently under resourced in terms of personnel.

### 3.4.2.5 Nation Building & Social Cohesion

### 3.4.3 Sukuma Sakhe Initiative (War on Poverty)

The origin of Masisukuma Sakhe, which is the motto on the crest of the Provincial Government of KwaZulu-Natal, is taken from the Prophet Nehemiah 2:18, where he yearns to rebuild a city that has been destroyed. Operation Sukuma Sakhe then is a call for the people of KwaZulu-Natal to be determined to overcome the issues that have destroyed the communities, such as poverty, unemployment, crime, substance abuse, HIV & AIDS and TB.

Operation Sukuma Sakhe Programme (formerly known as the Flagship Programme) seeks to institute food security, fight disease, in particular HIV, AIDS and TB, and poverty, to empower women and youth, and to instill behavioural change amongst the citizens of the province.

### **Flagships**

- Development Information Services (DIS);
- Free Basic Services;
- Imizi Yezizwe;
- Installation of Amakhosi;
- Corridor Development;
- Small Town Rehabilitation Programme;
- Operation Clean Audit; and
- KZN Local Government Strategy.

### **Community Partnership**

Operation Sukuma Sakhe has a 'whole of Government approach' as its philosophical basis. It spells out every initiative and how it links to initiatives being implemented by the different sector departments and the spheres of government...therefore delivery of services is required through partnership with community, stakeholders and government.

Operation Sukuma Sakhe is a continuous interaction between Government and the community to come together to achieve the 12 National Outcomes. Government will encourage social mobilization where communities have a role, as well as delivery of government services in a more integrated way.

Government has structured programs which need to get as deep as to the level of the people government is serving. This is at ward level, translating to all 11 districts and all households in all 51 municipalities. Government humbly accepts that it cannot achieve this alone, but needs community's hands in building this nation together.

The Indaka Municipality takes due cognisance of Sukume Sakhe initiative and endeavours to assist in overcoming the issues with which communities are faced. This is evident in the strategic thrusts of the Indaka Municipality and in line with the associated objectives and strategies.

#### **3.4.3.1 Community Development with particular Focus on Vulnerable Groups**

The aged, youth, disabled and people living with HIV/ AIDS have been grouped together under vulnerable people. This is because they are almost always neglected in planning activities or are treated as part of other groups leading to their needs not being given the specific attention they deserve.

##### **3.4.3.1.1 Youth Development**

From the Census statistics, the majority of the people in the municipality are youth. As the youth is almost half of the population, it is important to ensure that development projects in the area address issues of youth interest. The statistics show that out of an economically

active population of about 39,598 people only 3,005 are employed. It can be safely reasoned that the majority of the unemployed are the youth.

#### **3.4.3.1.2 Development of the People with Disabilities**

Disabled people have often been neglected or kept indoors in our societies. Various programs have been initiated by the government to include this group in our daily lives but these have often been ignored. The Constitution of South Africa protects the rights of all people. It provides for no discrimination on the basis of disability. Therefore, it is important that in our planning activities we do not lose sight of the needs of these people. No facilities for the disabled currently exist at Indaka.

#### **3.4.3.1.3 Development of the Elderly**

The population statistics show that there are about 5,512 people above the age of 65 in the Indaka area. These are people who have needs related to transport, healthy security etc, which may be over and above the needs of the general population. The Department of Social Welfare in Ladysmith has stated that it has a total of 10 pension pay points in the Indaka area. There are no formal facilities that exist as pay points. Currently existing shops are used as pay points and these have no adequate facilities to cater for the needs of the people who come for pensions.

#### **3.4.3.1.4 People affected by Crime, HIV/Aids, Drugs, etc.**

This is another special category of people that cuts across all groups within the population for the municipality. As the HIV/AIDS statistics clearly reflect that this increases at an alarming rate, this is a cause for concern. HIV/AIDS statistics from the Department of Health reveal that the age group that is hardest hit by the disease is the youth, and as youth is the majority in this municipality, the results can be very dramatic. Pressure will be felt within the health sector. Schools will need to adapt to the new situation of AIDS sufferers at school. Therefore, facilities will have to be provided that provide accommodation as well as health and education facilities.

### 3.4.3.2 Social Development: SWOT Analysis

The SWOT analysis discusses the external and internal factors that affect social development in Indaka municipality. In the analysis Strengths, Weaknesses, Opportunities and Threats are seen from an internal and external perspective. Strengths and Weaknesses refer to the current situation, while Opportunities and Threats are viewed as both occurring in the present and or the future.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Availability of land for development</li> </ul>	<ul style="list-style-type: none"> <li>• Dependant on grants</li> <li>• Income / Financial Leakage;</li> <li>• Insufficient economic resources</li> <li>• No profiling towards implementing Operation Sukuma Sakhe</li> <li>• Project Identification &amp; Resource Allocation (Lack of PMU)</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Social Investment Zone (PGDS)</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of updated backlog data</li> <li>• Lack of communication with sector departments</li> </ul>

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## **3.5 MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT ANALYSIS**

### **3.5.1 Financial Viability & Management Analysis**

Indaka Municipality is a Local Municipality within UThukela District Municipality which has limited urban development within its area of jurisdiction. The sources of income available for Indaka Municipality are refuse removal, burial fees, services and rates income which will increase once the townships and towns are formalized. The payment for services is very poor as most households are unemployed; however the Municipality ensures that it uses its limited resources in a sustainable manner and in line with Municipal Finance Management Act.

#### **3.5.1.1 Capability of the Municipality to execute Capital Projects**

A Capital Investment Framework (CIF) was developed as part of the Financial Plan demonstrating the relationship between what resources are required to meet the challenges as per mandate and the actual budget implications, incorporating the respective MTEF's of the Provincial Sector Departments in an attempt to set the framework for capital investment. It is clear that the need by far over exceeds the resource allocation, as well as the ability of the Indaka Municipality to fulfil its mandate through the allocation of own resources, hence its dependency on external grant funding to deliver services.

The table below depicts the projects and programmes applicable for the 2012/2013 financial year, which demonstrates an internal committed financial requirement of R36,343 million and a R20,85 million as non-committed. A R212, 876 million external committed capital funding (this includes various sector departments and uThukela DM MIG Funding towards water and sanitation), and a total of R156,250 million external non-committed funding requirement.

Of note, is that an estimated capital budget forecast of R34,4 million is projected and aligned and prioritized, to ensure the mandate, strategic objective and identified key interventions as contained in this IDP are met.

#### **3.5.1.2 Indigent Support (including Free Basic Services)**

#### **3.5.1.3 Revenue Enhancement and Protection Strategies**

#### **3.5.1.4 Municipal Consumer Debt Position**

#### **3.5.1.5 Grants & Subsidies**

The diagrams below reflect that Indaka Municipality is largely dependent on External Sources of funding, however recorded as non-committed due to absence of information. Thus for Indaka Municipality to ensure delivery in response to its mandate and priority needs (Localized Investment and Provincial Catalytic Interventions), the success thereof is pending the manner in which the Provincial Sector Departments aligns these identified projects with their respective MTEF's. The following diagrams per financial year show dependency on external sources of funding between 61% and 68%.

Figure 30: Indaka LM Capital Budget vs Resource Allocation 2014/15

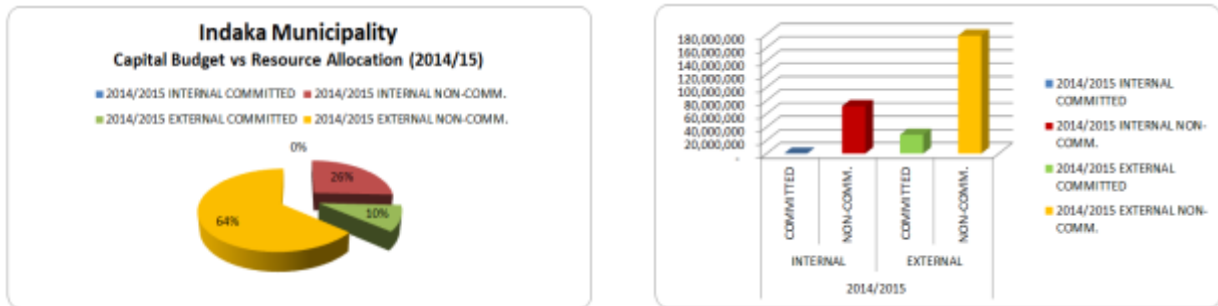
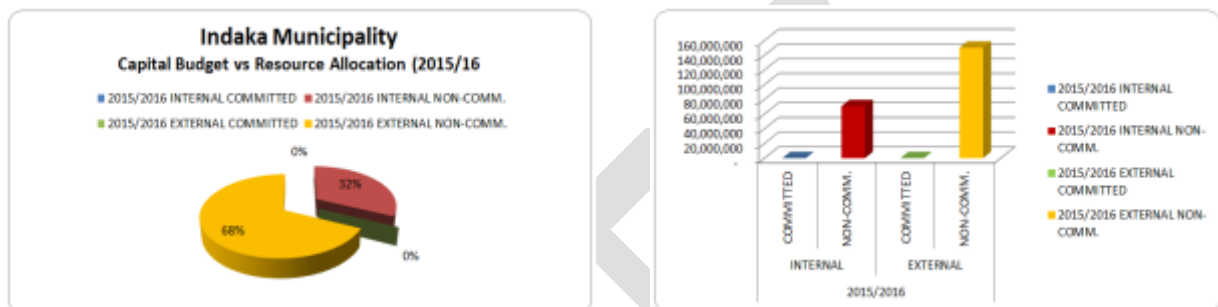


Figure 31: Indaka LM Capital Budget vs Resource Allocation 2015/16



### 3.5.1.6 Municipal Infrastructure Assets & Maintenance (Q&M)

### 3.5.1.7 Current & Planned Borrowings

### 3.5.1.8 Municipality's Credit Rating

### 3.5.1.9 Employee Related Costs (including councilor allowances)

### 3.5.1.10 Supply Chain Management (SCM)

### 3.5.2 Financial Viability & Management: SWOT Analysis

#### STRENGTHS

- GRAP Compliant Budget (approved annually on time)
- Progressive financial targets to improve viability
- Committed and dedicated staff

#### WEAKNESSES

- 60% Grant Funding & 40% Internal Funding
- Low collection rate
- Lack of automated system to monitor consumer queries
- Lack of capacity (personnel and equipment)
- Indication of progress in achieving targets
- No explanation to AG

#### OPPORTUNITIES

- Provision of Bulk Electricity
- Control of Fresh Produce Markets & Abattoirs
- Utilization of smart metering system

#### THREATS

- Lack of communication (Departments working in silos)
- Unemployment
- Culture of non-payments
- Adverse Audit Opinion
- Procurement planning (not aligned to budget which leads to deviations)

## **3.6 GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS**

### **3.6.1 Good Governance Analysis**

**3.6.1.1 National and Provincial Programmes rolled-out at Municipal Level**

**3.6.1.2 IGR**

**3.6.1.3 Municipal Structures**

**3.6.1.4 Audit Committee**

**3.6.1.5 Status of Municipal Policies**

**3.6.1.6 Municipal Risk Management**

**3.6.1.7 Municipal Bylaws**

### **3.6.2 Public Participation Analysis**

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### 3.6.3 Good Governance & Public Participation: SWOT Analysis

#### STRENGTHS

- Irrigation (Access to River Systems);
- Tourism Attraction (Venture Based);
- Cultural Heritage;
- Collective Effort – work to common good;
- Arable Land in support of Subsistence;
- Rural Unique Character (Pilot Project).

#### WEAKNESSES

- Constant changes in administrative leadership
- Administration under Section 139;
- Geographical location of the municipal area
- No demonstration of incorporation of special group needs

#### OPPORTUNITIES

- Availability of funds for Staff Training
- Skills development

#### THREATS

- Lack of communication (IGR)
- High labour turnover due to inadequate work environment based on the geographical location of the municipality

### 3.7 COMBINED SWOT ANALYSIS

#### STRENGTHS

- Irrigation (Access to River Systems);
- Tourism Attraction (Venture Based);
- Cultural Heritage;
- Collective Effort – work to common good;
- Arable Land in support of Subsistence;
- Rural Unique Character (Pilot Project).

#### WEAKNESSES

- Constant changes in administrative leadership
- Administration under Section 139;
- Geographical location of the municipal area
- No demonstration of incorporation of special group needs

#### OPPORTUNITIES

- Availability of funds for Staff Training
- Skills development

#### THREATS

- Lack of communication (IGR)
- High labour turnover due to inadequate work environment based on the geographical location of the municipality

### 3.8 KEY CHALLENGES

The major challenges faced by the Indaka Municipality can briefly be summarised as follows:

1. The municipality has no well-established economic core, which hampers economic development within the municipal area., as well as, no formal and/or proclaimed town. As a result, the area is unable to attract inward investments that could address economic development challenges. This also renders the municipality without an income base as rates and taxes cannot be collected from any of the settlements.
2. Partly due to the above, there is a high rate of unemployment, and the majority of families depend on social grants for their survival. The poverty levels, combined with levels of deprivation are at very high levels.
3. Huge infrastructure services backlogs exist in the municipality and the major shortages are found in the delivery of water, sanitation and electricity.
4. There exists an extremely high prevalence of HIV/AIDS in the municipal area, with the estimated infection rate at approximately 25%. The high mortality rate and burden of AIDS related illness caused by this has resulted in increased socio-economic hardships of families in the municipality, mostly due to a loss of income when economically active family members are unable to work or pass away.
5. A lack of proper educational facilities contributes to the high levels of illiteracy in the Indaka Municipality. No tertiary education facility exists in the municipality and the nearest is the Mnambithi FET College in Ladysmith.
6. The inadequate and limited recreational facilities are perceived to be contributing factors to socio economic issues in the Indaka Municipality.
7. The crimes rate in the municipality is high and this is caused by the fact that there is only one police station in the municipality and it is not located central to the geographical extent of the municipal area. The high crime rate is perceived to hamper tourism, amongst other negative influences.
8. The dispersed settlement pattern in the municipality makes physical infrastructure related services delivery extremely expensive and in most cases not effectively affordable.
9. There is currently no Spatial Development Framework and Land Use Management System to guide the municipality on the most effective use of unutilized, productive land. Large portions of land in the municipality are subjected to land claims and these place a burden on development on this land.

# SECTION D: VISIONS, GOALS, OBJECTIVES AND STRATEGIES

## 4.1 Indaka's Position Statement

The Indaka Municipality's position statement is embodied by its core values and principles in its approach to fulfilling its mandate to its people. The Indaka Municipality is working towards its vision of which the following formed the underlying principles thereof:

- Providing services in a sustainable manner;
- Creating an enabling environment for economic development;
- Empowering municipal staff and social stakeholders to fulfil a developmental role;
- Ensuring the participation of marginalized target groups especially women, youth, disabled and HIV/Aids infected and affected; and
- Ensuring a clean and safe environment.

The municipality's approach towards fulfilling its mandate is also informed by the principles of Batho Pele:

- Showing compassion and care to all municipal customers.
- Treating all residents with equality, integrity and respect they deserve.
- Attending and responding to all queries efficiently.
- Conducting the municipal business processes in an ethical and professional manner.

## 4.2 Indaka's Development Vision

This vision is informed by members of council during the Didima Camp Strategic Session, which include, but are not limited to:-

- Indaka is a rural municipality.
- The municipality to attract business people to foster partnerships to increase Local Economic Development by 2030.
- To create a self-reliant and economically viable municipality by 2030.
- The municipality to render sufficient Local Government Functions, and facilitate proper IGR by 2021.
- Strive to transform to an effective and efficient municipality that provides for the Indaka community's basic needs, and stimulate skills and decrease the unemployment rate by 2020, and jointly move forward in becoming one of the most competent municipalities in the world.
- By 2030, to eradicate poverty, to stimulate economic development, to create a safe and healthy environment, to sustain basic services, to improve quality of life, to provide electricity to all residences, access roads to all households by 2030, access to water for all residences, to development urban settlement, to collect revenue.

**The Municipal vision is as follows:**

***“Indaka...a Municipality without poverty by 2030”***

### **The Mission statement**

The Mission Statement defines the fundamental purpose of the municipality and is as follows:

- Providing Basic Services in an affordable and sustainable manner;



- Promoting social upliftment and economic regeneration;
- Promoting a safe and healthy environment;
- Promoting public participation in the manner that supports Co-operative / Developmental Government;
- Building and entrenching Citizen Involvement.

### Values

Values drive the municipality's culture and priorities and provide a framework in which decisions are made. Beliefs are shared among the stakeholders of the municipality, which are the following:

- Integrity;
- Diligent;
- Self-Respect;
- Responsible and accountable;
- Fairness.

Emanating from the Mission Statement are the specific and clear objectives leading to development thrusts and strategies. The objectives give the clear direction on what are the municipality's intentions in order to address the identified issues and gaps.

## 4.3 Indaka's Development Thrusts and Strategies

1. To provide and promote access to infrastructure and basic services;
2. To reconfigure lands cape of Indaka for economic regeneration;
3. To promote economic development and environmental sustainability;
4. To promote good governance and financial discipline;
5. To provide and promote access to public infrastructure;
6. To promote access to basic services;
7. To redesign spatial face of Indaka to promote economic opportunities;
8. To create efficient and effective administration;
9. To promote efficient and effective use of resources;
10. To provide access to basic facilities.

## 4.4 Indaka's Development Strategies

The Indaka Development Strategies serve as a link between the development objectives and the programmes and projects that will serve to fulfil the service delivery mandate of the municipality. The following Strategic Objectives per Key Performance Area (KPA) have been formulated for Indaka:

- **Service Delivery and Infrastructure**  
**Objective:** to address services backlogs and future growth as well as maintain and upgrade existing infrastructure.
- **Municipal Transformation and Institutional Development**  
**Objective:** to facilitate the management of institutional change and develop institutional capacity that will enable the municipality to deliver on its constitutional mandate.
- **Spatial and Environmental Management**  
**Objective:** to preserve and protect the natural environment through the application of appropriate conservation management.
- **Social and Local Economic Development (LED)**  
**Objective:** to stimulate economic growth and development and coordinate and facilitate the delivery of social services.
- **Financial Viability and Management**

**Objective:** Manage Municipal Resources to ensure Financial Viability, Sustainability and Affordability.

- **Good Governance and Public Participation**

**Objective:** to provide systems and mechanisms for accountability and public participation in municipal affairs.

Categorised per service delivery department of the municipality, the Indaka Development Strategies are as follows:

### **Corporate Services**

- To have fully functional and effective Public Participation System;
- To have well-structured Human Resource Policies.

### **Housing, planning and Development**

- Formulation of credible and viable IDP;
- Formulation of SDF which form part of the IDP;
- Establishment of new landfill site;
- Development and review of the LED Strategy;
- Monitoring and support to mining industry;
- Valuation of properties and disposal of non-core assets;
- Effective and legally compliant processing of land use applications;
- Annual revision of Housing Plan;
- Formalization of traditional dwellings and security of tenure; and
- Revision of the Disaster Management Plan

### **Technical**

- Construction of 500km of new roads and storm water drainage systems, maintenance to existing 200 km roads;
- Construction of 5,000 new RDP houses, and provision of electricity to 3,000 households;
- Construction of Multipurpose Sport facilities.

### **Finance**

- To raise collection rate on billing;
- To obtain a clean Audit Report;
- Pay creditors within 30 days;
- To ensure compliance with SCM Policy and regulations;
- To ensure effective management of budgeting process (realistic and credible);
- To Expand revenue base (e.g. proper implementation of PRA);
- To have an asset register that fully complies with the requirements of GRAP 17.

## **4.5 Indaka's Key Interventions**

The following Key Interventions were identified within the context of the current realities, development challenges and the strategic development objectives put forward in response to achieve the development vision of Indaka, namely:-

- Backlog Study (Core Infrastructure);
- Infrastructure Master Plan with specific reference to Roads & Stormwater & Solid Waste Management;
- Sustainable Rural Development Strategy linked to Agrarian Reform;
- Formalisation & Regeneration of Ekuvukeni & Waaihoek;
- Formulate/Review Series of Plans & Planning Directives, i.e. SDF, LUMs, EMF, Disaster, etc;
- Implement Recovery Plan / Strategy (Operation Clean Audit);
- Prepare & Implement Revenue Enhancement Strategy;

- Review LED to gear mass Job Creation & promote Sustainable Livelihoods;
- Prepare Capital Investment Framework linked to Strategic Goals & Objectives;
- Implement Housing Programmes linked to outcome of Rural Development Strategy;
- Alignment of Social Investment Programmes & Partnerships;
- Foster & Mobilize Partnerships to Economic Regeneration;
- Prioritised Targeted Support (Public & Private Sector);
- Identify Pilot Programmes / Projects with specific reference to Rural Development; and
- Operation Sukuma Sakhe / War Against Poverty.

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## **5.1 Spatial Development Vision and Thrusts**

**Of note is that the municipality is in the process to contract a service provider to undertake a review of the Indaka Spatial Development Framework Plan (SDF).**

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## 5.2 Implementation Plan

### SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT

Key Challenge	Obj Ref.:	Objective	Strategies	Performance Indicator	Baseline	5 Yr Targets					Target & Yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (in Mun)
						Yr 1	Yr 2	Yr 3	Yr 4	Yr 5				
						2013/13	2013/14	2014/15	2015/16	2016/17				

## 5.2.1 Capital Investment Framework

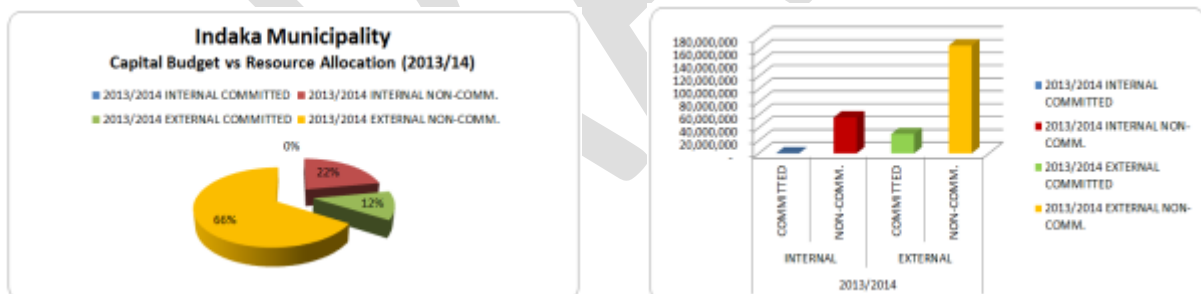
A Capital Investment Framework (CIF) was developed as part of the Financial Plan demonstrating the relationship between what resources are required to meet the challenges as per mandate and the actual budget implications, incorporating the respective MTEF's of the Provincial Sector Departments in an attempt to set the framework for capital investment. It is clear that the need by far over exceeds the resource allocation, as well as the ability of the Indaka Municipality to fulfill its mandate through the allocation of own resources, hence its dependency on external grant funding to deliver services.

The table below depicts the projects and programmes applicable for the 2012/2013 financial year, which demonstrates an internal committed financial requirement of R36,343 million and a R20,85 million as non-committed. A R212,876 million external committed capital funding (this includes various sector departments and uThukela DM MIG Funding towards water and sanitation), and a total of R156,250 million external non-committed funding requirement.

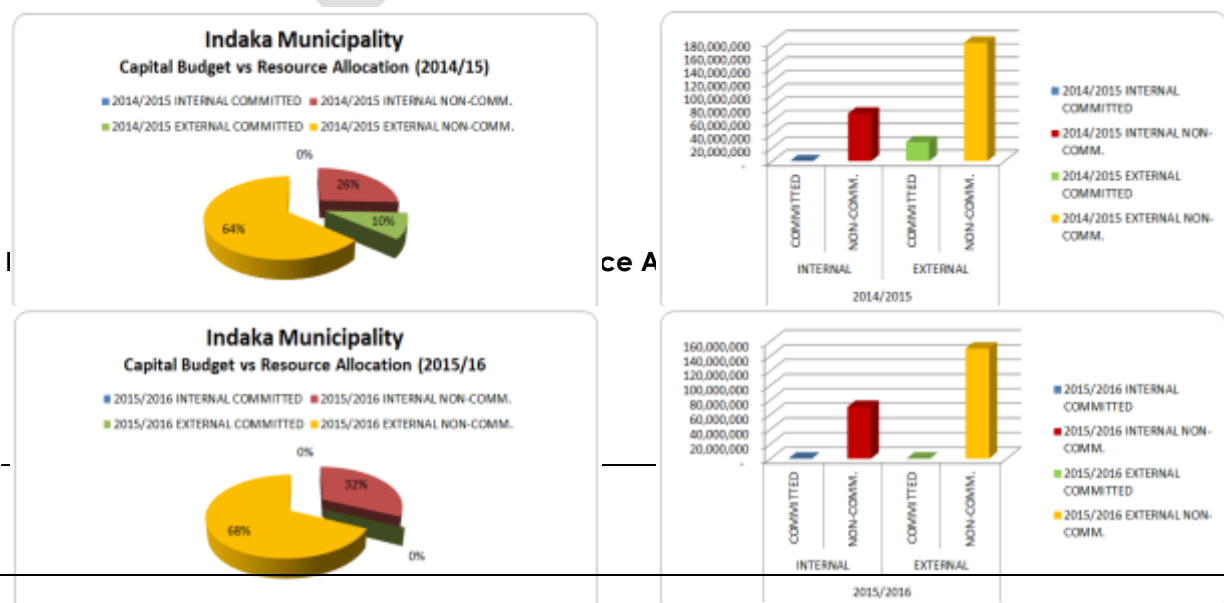
**Of note**, is that an estimated capital budget forecast of R34,4 million is projected and aligned and prioritized, to ensure the mandate, strategic objective and identified key interventions as contained in this IDP are met.

The diagrams below reflect that Indaka Municipality is largely dependent on External Sources of funding, however recorded as non-committed due to absence of information. Thus for Indaka Municipality to ensure delivery in response to its mandate and priority needs (Localized Investment and Provincial Catalytic Interventions), the success thereof is pending the manner in which the Provincial Sector Departments aligns these identified projects with their respective MTEF's. The following diagrams per financial year show dependency on external sources of funding between 61% and 68%.

**Figure 32: Indaka LM Capital Budget vs Resource Allocation 2012/13**



**Figure 33: Indaka LM Capital Budget vs Resource Allocation 2013/14**

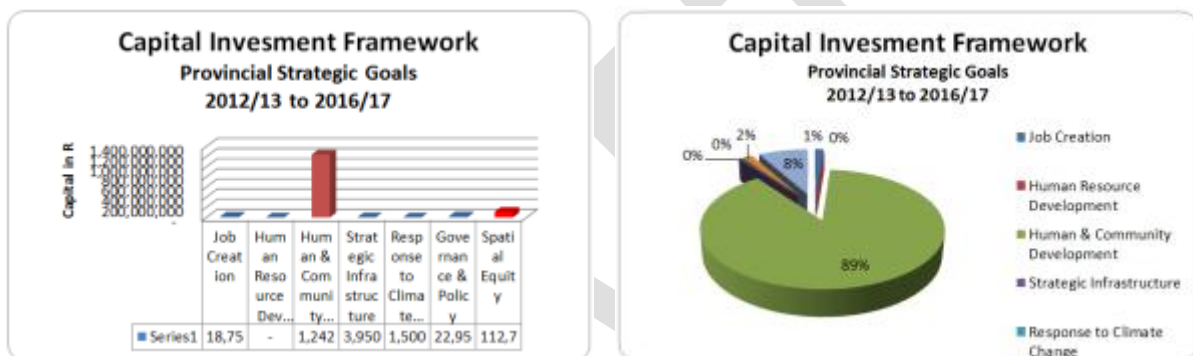


**Figure 35: Indaka LM Capital Budget vs Resource Allocation 2015/16**



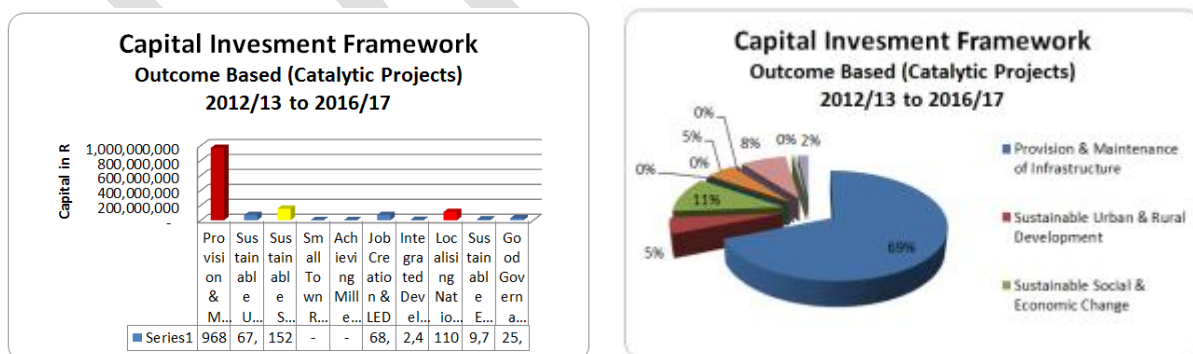
**Figure 36: Indaka LM Capital Budget vs Resource Allocation 2016/17**

Having considered the alignment of projects identified as part of the overall Capital Investment Framework, the following diagrams outline and demonstrate the integration and alignment with the Provincial Strategic Goals and the Outcome Based (Catalytic Projects).



**Figure 37: CIF Provincial Strategic Goals 2012/13 to 2016/17**

The diagrams above depict that in general, the overall alignment is that of Human and Community Development that coincides with the current realities, challenges and social investment priority zone of the province. It can be concluded that approximately 89% of the entire Capital Investment over the next 5 years will be towards social upliftment i.e. education, health, welfare, human settlement, rural development, skills development, etc. followed by 8% towards Job Creation.



**Figure 38: CIF Outcome Based (Catalytic Projects) 2012/13 to 2016/17**

With regards to the Provincial Service Delivery Plans (Outcome Based – Catalytic Projects), the following diagrams outlines and demonstrates the alignment of the core focus of the Indaka Municipality to that of the Province. The overall Capital Investment over the next 5 years are aligned to the strategic imperatives and key areas of intervention identified by the municipality namely Provision & Maintenance of Infrastructure, which represents a total 69%

of the resource allocation and capital expenditure, followed by Sustainable Social & Economic Change and Sustainable Rural Development.

## SECTION F: FINANCIAL PLAN

### 6.1 Introduction

Indaka Municipality is a Local Municipality within Uthukela District Municipality which has limited urban development within its area of jurisdiction. The sources of income available for Indaka Municipality are refuse removal, burial fees, services and rates income which will increase once the townships and towns are formalized. The payment for services is very poor as most households are unemployed; however the Municipality ensures that it uses its limited resources in a sustainable manner and in line with Municipal Finance Management Act.

### 6.2 Operating Revenue and Expenditure Framework

Revenue		Adjusted Budget 11/12	%	Budget 2012/13	%	Budget 2013/14	%
Rates		5,000,000	6%	200,000	0%	300,000	0%
Refuse Removal		196,161	0%				
Rental Received		83,931	0%				
Cemetry Fees							
Interest on Investment		250,000	0%	162,000	0%	174,960	0%
Burial Fees		34,992	0%	32,400	0%	34,992	0%
Hire: Hall		2,000	0%				
Sundry Income		12,000		97,200	0%	104,976	0%
Contribution From Operating Surplus							
National Grants		79,445,000	93 %	81,563,640	99 %	86,892,771	99 %
	<b>Total</b>	<b>85,024,084</b>		<b>82,055,240</b>		<b>87,507,699</b>	

Table 17: Expenditure Framework

Operational Expenditure	2011/12 (adj)		2012/13		2013/14	
Salaries, Wages & Allowances	16,571,593	19%	16,270,090	20%	17,571,695	20%
General Expenses	33,090,339		26,811,167		28,956,861	
Repairs & Maintenance	4,545,000		4,800,600		5,027,178	
Contribution to Provisions	1,400,000		-		-	
Capital Expenditure	32,130,530		36,343,000		34,797,100	
<b>Total</b>	<b>87,737,462</b>		<b>82,295,240</b>		<b>87,610,229</b>	
<b>Nett Deficit / Surplus</b>	<b>(2,713,378)</b>		<b>(2,169,617)</b>		<b>1,154,865</b>	

Table 18: Operating and Capital Expenditure



## 6.3 Auditor General's Report & Findings

The Auditor General's (AG) Report on financial statements of the municipality resulted in a disclaimer of an audit opinion and it was stated in the opinion that because of the significance of the matters described in the Basis for disclaimer of audit opinion paragraphs of his report, he was unable to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion for Indaka Municipality as at 30 June 2011 and its financial performance and its cash flows for the year then ended in accordance with the SA Standards of GRAP and the requirements of the MFMA and DoRA.

The AG emphasized the matters of unauthorized expenditure amounting to R4,654 million as a result of overspending on certain votes within the approved budget, as well as irregular expenditure amounting to R22,509 million, as no sufficient and appropriate audit evidence to support that the its Supply Chain Management Policy was complied with, in the procurement of goods and services.

Other matters of concern by the AG, briefly mentioned in its report relate to the material inconsistencies in other information included in the annual report as well as unaudited supplementary schedules.

Matters of concern raised by the AG regarding legal and regulatory requirements include the following:

- Unable to review performance against predetermined objectives;
- Performance Audit Committee did not substantially fulfill its duties;
- Unauthorized expenditure not reported;
- The accounting officer did not take reasonable steps to prevent irregular expenditure;
- Annual financial statements were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA; and

Issues of internal control related to leadership, financial and performance management and governance were also raised as concerns and not meeting necessary legal requirements.

## SECTION G: ANNUAL OPERATIONAL PLAN

The table and diagram below depict the schedule of Programmes & Projects that have been identified as part of a comprehensive consultation process and various engagements at district and individual session with Provincial Sector Departments to incorporate their MTEF's and formulate a Capital Investment Framework for Indaka Municipality.

The table below depicts the projects identified by Indaka Municipality to ensure alignment with National and Provincial Key Priorities as well as with the Outcome Approached IDP's (3<sup>rd</sup> Generation), linked to projected resource requirements over the MTEF period (2012/13 to 2016/17). Of note, although a total of approximately R1,4 billion is required, a distinct differentiation is made between internal and external sources of funding, which in turn is categorized between committed or non-committed for the particular financial year. One of the shortcomings is to incorporate all the other external departments MTEF's to determine the overall capital expenditure within Indaka, this in turn will assist to evaluate the manner in which backlogs are addressed and strategic objectives are met.

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# SECTION H: ORGANISATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

## 8.1 Organisational Performance Framework

The Performance Management System of the Municipality has been developed and it has been mostly focusing on the organization and only the Section 57 Managers. The municipality has designed the organizational scorecards for the section 57 Managers and the employment contracts have all been signed, the performance agreements, the Personal Development Plans and Financial Disclosure Forms have also been signed for 2010-2011 financial year.

Following is the Performance Management System of the Municipality:

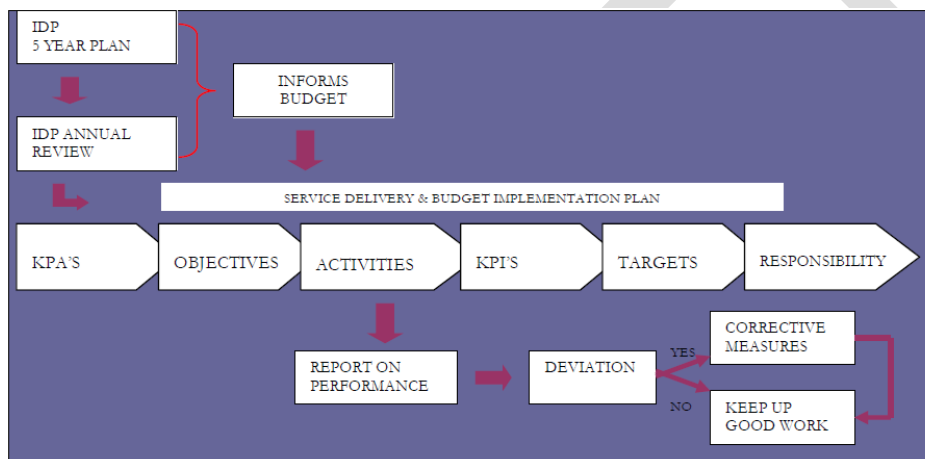


Figure 39: Performance Management System of the Municipality

### 8.1.1 Purpose

A well developed and functional PMS will assist in checking that the delivery is happening as planned and promotes the efficient utilization of resources. PMS also promotes the delivery of the envisaged quality of services, identifies blockages and guides future planning and developmental objectives and resource utilization of the municipality. It is also important to indicate that PMS identifies capacity gaps in both human and non-human resources and at the same time assists in determining right-sizing requirements while providing early warning signals to future problems with the implementation of the IDP in terms of risks.

### 8.1.2 Background

Indaka Local Municipality annually adopts the revised Integrated Development Plan (IDP) and has identified a need to facilitate the implementation of the IDP through a Performance Management System (PMS). PMS is one of the tools available to the municipality to continuously assess and measure the attainment of predetermined outcomes and/or outputs using a set of indicators and targets. It is a mechanism the municipality may use to undertake self-assessment of the implementation of its Integrated Development Plan (IDP) and its efficiency in the allocation and expenditure of municipal funds.

Section 38 of the Municipal Systems Act prescribes that a Municipality must establish a Performance Management System (PMS) as a means to improve its performance. Section 57 (1) (b) further prescribes that a performance agreement must be entered into between the

municipality and the municipal manager, and between the Municipal Manager and all persons directly accountable to him. Section 40 provides for the municipality to develop a mechanism to monitor and review its PMS.

In addition to the above PMS can be seen as a process that involves both managers and employees in identifying and describing job functions and relating it to the strategy (IDP) developing appropriate Performance Standard giving and receiving feedback about one's performance undertaking performance appraisal identifying and planning skills development opportunities to sustain and improve employee work performance.

In other words this system forces all individuals in a municipality, to be held accountable for their actions, which should bring about improved service delivery and value for money.

### **8.1.3 Aims and Objectives**

The aims of the Performance Management System are:

- To monitor, Review, Improve the implementation of the Integrated Development Plan (IDP) and to assess the progress made in achieving the implementation of the IDP and other service delivery functions of the municipality.
- To provide decision makers with the relevant information that will allow efficient, effective and informed decision-making.
- To ensure that learning and improvement takes place, for the municipality to improve delivery.
- To provide early warning and signals to all stakeholders for all performance related risks, so that early intervention can take place, where necessary.
- To facilitate increased accountability between the local community, politicians, the Municipal Council and the municipal management team.

### **8.1.4 PMS Steps and Processes**

The steps as articulated on the PMS policy framework for the municipality include:

- Gearing the municipality for implementation of the PMS.
- Internal and external consultation around PMS.
- Setting of performance measures.
- Institutionalization of the reporting.
- Preparing the municipality for the audit of its performance.
- Linking PMS with performance of Section 57 employees.
- On-going support in terms of Performance Monitoring and Reporting.

## **8.2 Approach and Methodology**

### **8.2.1 Approach**

The performance of Indaka Municipality is to be planned in terms of its IDP and Budget, particularly the process of compiling an IDP and the annual review thereof. The municipality is also required to prepare the Service Delivery and Budget Implementation Plan in order to manage its performance towards the implementation on of the IDP and Budget. This involves quarterly or mid-term reviews. It should be noted that the last component of the cycle is that of the performance review and the outcome of such a review process must inform the next cycle of IDP compilation/ review by focusing the planning processes on those areas in which the Municipality has under-performed.

Performance monitoring is an ongoing process, which continuously monitors current performance against set targets. The aim of the monitoring process is to take appropriate and immediate interim action where there is an indication that a target is not going to be achieved by the set time. This is normally observed during the reporting meeting where the

progression of the targets is reviewed. Performance monitoring requires that appropriate action should be taken when it becomes evident that a specific performance target is not going to be achieved. It is therefore proposed that the Managers should track performance trends against set targets on a monthly basis, as a means to identify performance related problems early and take appropriate remedial action.



Figure 40: Performance Planning

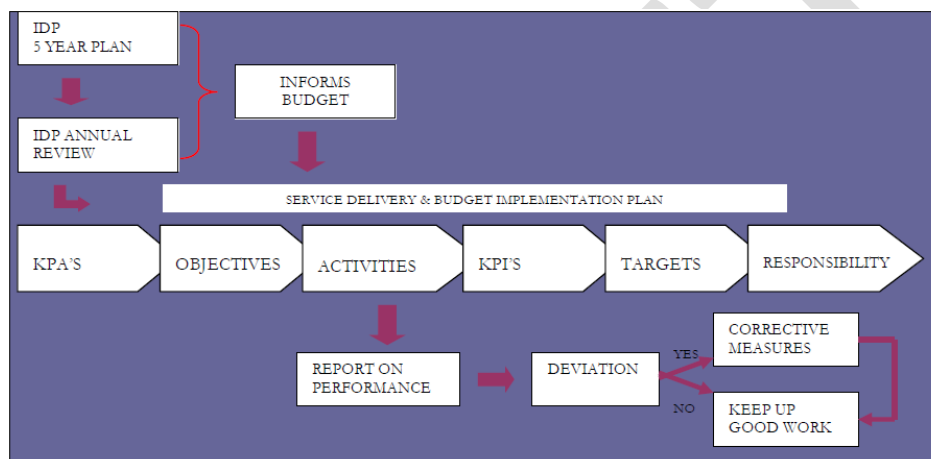


Figure 41: Performance Monitoring

## 8.2.2 Methodology

A total of eight steps will be undertaken in order to develop a Performance Management System for Indaka. These steps should not be construed as discreet components, as but interrelated and sequential grouping of activities necessary for the establishment of an effective and implementable PMS. These can be outlined as follows:

### Step 1: Selecting appropriate Key Performance Areas (KPA's):

Setting KPA's is the first step in the performance management process. Section 26 (c) of the Municipal Systems Act requires that the development priorities of a municipality be clustered around the following KPA's, which can be regarded as national developmental priorities.

### Step 2: Formulating appropriate Development Objectives:

As a second step one needs to design high-level objectives per Key Performance Area, which put more emphasis on development. These should be manageable and realistic.

### Step 3: Developing suitable Key Performance Indicators:

As a third step, it is necessary to determine KPI's, which define what needs to be measured in order to gauge progress towards achieving the development objectives. KPI's must be measurable, relevant, simple and precise. KPI's can also be used to:

- Communicate the achievements and results of the municipality.
- Determine whether a municipality is delivering on its developmental mandate.
- Indicate whether the organizational structure of a municipality is aligned to deliver on its developmental objectives.
- Promote accountability by the council to its electorate.

#### Step 4: Setting performance targets:

Step 4 involves setting performance targets for each identified KPI. Performance targets should comply with SMART a principle, which stands for Specific, Measurable, Achievable, Realistic and Time bound.

#### Step 5: Identifying actions that will achieve the performance targets:

After targets have been set, it is important to identify action steps required for achieving each performance target. The actions taken in each target must feeds to the achievement of the broader target.

#### Step 6: Allocation of responsibility:

Step 6 involves allocating roles and responsibilities to different individuals in the municipality. A name must be assigned to each action indicated above. This is also a way of cascading the responsibility from strategic level down to operational level and from organisational goals to individual employees. Individual employees can therefore be clear on their role in achieving the strategic objectives.

#### Step 7: Setting target dates:

Target dates for the completion of actions should be set in conjunction with those individuals responsible for their achievement. Realistic dates should be set, and if not, the individuals concerned create false expectations and also set themselves up for failure.

#### Step 8: Allocate financial resources for achieving set performance targets:

The last step (step 8) involves identifying and allocating budget for each of the set targets. Without budget resources, most of the identified actions will be difficult to execute.

The process was underpinned by the following overarching concerns, which can be used to assess the reliability and relevance of the end product to the specific context of Indaka Municipality:

- Integration of PMS to the management processes and systems.
- Linkages between performance plans and the organizational objectives as outlined in the IDP.
- Clear, unambiguous and negotiated performance measures. The PMS should be able to measure progress with regard to implementation of the IDP. It should be able to issue early warnings if there is lack of progress.
- Sustainability of service delivery.
- Customer focus in line with the Batho Pele principles.
- Simplicity: at the onset, it is essential to develop a PMS that will be simple and easy to understand so as to avoid uncertainties during implementation.
- Linkages with the capacity building and skills development programmes.
- Benchmarking.
- Incremental implementation.
- Transparency and accountability.

- Integration: facilitates integration of the PMS with the IDP and the budget. PMS measures performance in terms of both expenditure and project/ programme implementation.
- Realistic: the time frames stipulated in the PMS should be as realistic as possible so as to avoid manipulation of the system.

### **Stakeholder Engagement Plan**

Public participation and involvement forms an important aspect of development projects, and is framed within the legislative requirements of a new democratic and developmental orientated government. In order to address this requirement mechanism, processes and procedures are required to enable community participation. The purpose of this document is to set out the participation structures and procedures that will be followed through the course of the project. Participation strategies and potential stakeholder's roles and responsibilities are discussed.

### **Legal Requirements**

In terms of the legal requirements pertaining to participation, the Constitution of South Africa [Section 152 (1) (e)] states that government is to encourage the involvement of communities and community organizations in local government.

Further to the Constitution, the Municipal Systems Act (Act 32 of 2000) sets out the core principles, mechanisms and processes for municipalities in order to achieve development and move progressively toward participatory governance. This Act also assists in the empowerment of municipalities to move towards the social and economic upliftment of communities. As such, this act calls for public consultation through public participation. In order for public participation to be effective, conditions conducive for participation and the encouragement thereof is essential. The establishment of ward committees as a means to reach the community at ground level are also encouraged. The adherence to the Batho Pele principles set out by government forms an important aspect of participation. These include the following:

- Consultation
- Service Standards
- Courtesy
- Access
- Information
- Openness and Transparency
- Dealing with complaints
- Giving Best Value
- Encouraging Innovation and Reward Excellence
- Customer Impact

### **Public Participation**

Public Participation is defined in Wikipedia as follow:

*"Generally public participation seeks and facilitates the involvement of those potentially affected by or interested in a decision."*

The principle of public participation holds that those who are affected by a decision have a right to be involved in the decision-making process. Public participation implies that the public's contribution will influence the decision."

Participation can also be described as the process through which stakeholders influence and share control over priority setting, policy-making, resource allocations and access to public goods and services. Through the promotion of participation, ownership is promoted and transparency and accountability are achieved.

## Value of Public Participation

The value of public participation, as set out in the International Association for Public Participation, is described as follow:

- Affected parties in decision-making processes should be involved in the decision-making process.
- The public's contribution must influence the decision.
- Recognizing and communicating the needs and interests of all participants, including decision makers, leads to sustainable decisions.
- Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
- Public participation seeks input from participants in designing how they participate.
- Public participation provides participants with the information they need to participate in a meaningful way.
- Public participation communicates to participants how their input affected the decision.

### **Public Participation Objectives**

The main objectives of participation are to inform, consult, involve, collaborate and empower the public in the process of public participation.

## Stakeholders

Stakeholders are individuals and organizations that are actively involved in the project, or whose interests may be affected as a result of the project. The project team and their requirements will identify stakeholders and expectations will be determined.

### **Stakeholders Roles and Responsibilities**

Stakeholders have varying levels of responsibility and authority when participating on a project. Their responsibility and authority range from occasional contributions in surveys and focus groups to full project sponsorship, which includes providing financial and political support.

Some of the responsibilities of stakeholders are discussed below.

- To assist in the identification of other stakeholders who should be consulted;
- To prepare themselves for public workshops and/or meetings, and to attend/participate in them;
- To rise above personal agendas, and to understand and appreciate that there will always be trade-offs.

In addition, stakeholders should understand that it is the sum total of all inputs from all participants that will add value to decision making, and that the process can recognize, but cannot be governed by, individual viewpoints.

### **Stakeholders Identification**

The stakeholders/parties who need to be advised about the project and/ or participate in its preparation will include:

- Members of the general public (interested and affected parties);
- Municipal service business units / sub-units;
- Ward Councillors.



## 8.3 Organisational Performance Management System

The Organisational Performance Management System (PMS) of the Indaka Municipality Is informed by the PMS Framework as indicated under the preceding section 11. The basis for the detailed planning of the Organisational PMS is the Departmental 5 year action plans, which in turn forms the basis for the Organisational Scorecard and SDBIP of the municipality. The 5 Year Action Plans are attached as **Appendix K12**.

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# CONCLUSION

This is the 3<sup>rd</sup> generation of Integrated Development Plans (IDP) since their inception in the year 2000. The IDP is the principle strategic planning document that paves the way for current and future development priorities of the municipality. It strives to address both national and provincial priorities as elaborated in both the State of the Nation and the State of the Province Addresses. This third generation of IDP is the beginning of a five year term which will stretch between the 2012/2013 and 2016/2017 financial years. The development goals/strategic thrusts and priorities will continue to give direction and guide development in the Municipality. The development priorities are still part of policy making and should influence the strategic development plan in order to ensure continuity and alignment. These development priorities are ultimately aimed at achieving the development objective for the Indaka Municipal area and its constituency. To that effect the municipality will be striving to:

- To provide and promote access to infrastructure and basic services;
- To reconfigure lands cape of Indaka for economic regeneration;
- To promote economic development and environmental sustainability;
- To promote good governance and financial discipline;
- To provide and promote access to public infrastructure;
- To promote access to basic services;
- To redesign spatial face of Indaka to promote economic opportunities;
- To create efficient and effective administration;
- To promote efficient and effective use of resources; and
- To provide access to basic facilities.

A large portion of this IDP Review is dedicated to the financial implications and challenges facing the Municipality in meeting its mandate as caretakers, managers and developers of their judicial area. The demands far outweigh the resources and it is critical that the Municipality continue and strive to:-

- Prioritize projects and programmes for implementation in addressing the community needs.
- Do proper financial planning which is also based on sound financial and business principles.
- Source appropriate external funds to supplement our own resources.
- Improve and sustain the Municipal income generation.
- Stimulate and grow the economic base of the Indaka Municipal area.
- Enter into partnerships to facilitate effective implementation.

The necessary actions and projects to achieve the objectives and implement strategies are deliberated with financial implications and requirements set out in detail. The culmination of this entire process is the development of a Spatial Development Framework which is supported by the projects, programmes and a Financial Plan for implementation and guiding the development and future growth of the Indaka Municipal area in the strive to improve the quality of life, providing a higher standard of services to the entire community ensuring that this area become a prime economic generator for tourist development, farming, mining and a service centre for its communities.

Ultimately, the Indaka Municipality needs to integrate and align all its efforts with those of its neighbouring Local Municipalities as well as national and provincial stakeholders. The effort made in this IDP to align the council budget with those of line function departments goes a long way to addressing the weaknesses of previous development plans. Even though the implementation process may take a number of years and at times seem difficult, the

advantages of this process are numerous. Policy makers (councillors) gain clear information about the impact of spending, aiding them in making informed decisions.

The results of policy decisions become evident as performance is measured and resource usage is directly related to services delivered. Programme managers will work within well-defined expectations and have the flexibility to reform processes and increase efficiency as long as goals are met. The Indaka communities also benefit by being able to determine a clear connection between money spent and services provided.

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## SECTION I: ANNEXURES

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## SECTION J: APPENDICES

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## **Appendix J1:**

### Land Use Management Framework and System

**The formulation and preparation of a single Land Use Management System is a project identified by Indaka Municipality to be internally funded over a three (3) year period starting in 2012 / 2013 and linked to the Township Formalisation and Regeneration Process of Ekuvukeni, Limehill and other R293 / R118 Towns.**

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## **Appendix J2:**

### Waste Management Plan

**The preparation of a Waste Management Plan and Strategy is a project identified by Indaka Municipality and a high priority, to be internally funded during 2012 / 2013 financial year, incorporating the establishment of a Landfill Site and preparation of an Integrated Environmental Management Framework.**

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## **Appendix J3:**

Water Service Development Plan

**Consultation with uThukela District Municipality has proved no success and uncertain as to the status thereof.**

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## **Appendix J4:**

Integrated Transport Plan

2005 – 2010

**Attached, however outdated, in the process of being reviewed by  
uThukela District Municipality.**

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## **Appendix J5:**

Housing Plan  
(April 2006)

**The Housing Plan is outdated and review thereof has been identified as a project by Indaka Municipality to be internally funded during the 2012 / 2013 financial year.**

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## **Appendix J6:**

Energy Master Plan (Electricity Master Plan)

**Since the Indaka local municipal area is currently under Eskom license servicing agreement the uThukela District Municipality is in the process of preparing a district wide Energy Master Plan that would reflect the roll out of electricity provision of Indaka. Comprehensive status report to form part of final submission.**

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## **Appendix J7:**

Local Economic Development Plan  
(August 2011)

**Attached as separate document, however, to be reviewed to align with new strategic goals & objectives through provincial localized projects (catalytic).**

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## **Appendix J8:**

Indaka Recovery Plan

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## **Appendix J9:**

Auditor General's Report  
(November 2011)

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**Appendix J10:**

Sector Plan Alignment

## SECTION E: SECTOR ALIGNMENT

### Sector Departments

Indaka Local Municipality is partnering with different government departments as part of intergovernmental relations to establish and sustain the economy of Indaka. This is done in order to strengthen the level of participation with the service providers, and to obtain their MTEF's (3-5 years plan), programmes and projects for incorporation into the current 2011-2012 IDP. The other way of promoting the IGR structures is by means of the Thusong Centre where the Centre Manager facilitates all the communication with public and private government sectors'

The Indaka Development Vision is supported by various objectives and strategies to guide decision-making and the allocation of funds. Delivering on the expectations created through this can, however, only materialize if all efforts are focused on the implementation of those projects that would best serve in attaining the objectives.

Department	Departmental Vision	Mission	Departmental MTEF
<b>DEPARTMENT OF HEALTH</b>	To provide the best, comprehensive, accessible, integrated, sustainable, cost-effective and equitable quality service to the people of uThukela and Indaka.	To provide a sustainable, integrated and comprehensive health service at all levels; based on the Primary Health Care approach through the District Health System, so as to increase the capacity of individuals to accept responsibility for their own health.	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>DEPARTMENT OF HUMAN SETTLEMENTS</b>	The vision of the KwaZulu-Natal Department of Housing is: <i>Innovative champions of change in the housing sector to improve the quality of life for all in KwaZulu-Natal.</i>	The mission statement of the KwaZulu-Natal Department of Housing is to create an enabling environment for the development of sustainable human settlements in partnership with stakeholders to improve the quality of life for all in KwaZulu-Natal.	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>DEPARTMENT OF EDUCATION</b>	The vision of the Department of Education is: <i>A literate and skilled 21st century society that is able to benefit from participating in all democratic processes, and contribute to the development and growth of the people of KwaZulu-Natal.</i>	To provide opportunities for all our people to access quality education this will improve their position in life and contribute to the advancement of a democratic culture in KwaZulu-Natal.	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>DEPARTMENT OF COOPERATIVE GOVERNANCE &amp; TRADITIONALAFFAIRS</b>	People centered sustainable local governance which focuses on effective	The Department will promote people-centered, accountable and viable local	Outstanding pending Provincial Sector Department engagements and



	service delivery responsive to the needs of the communities	governance that accelerates Service delivery and ensures sustainable communities.	providing required information.
<b>DEPARTMENT AGRICULTURE, ENVIRONMENTAL &amp; RURAL DEVELOPMENT AFFAIRS</b>	A champion for a prosperous agricultural productive land use, food security and environmentally sustainable livelihoods.	The strategic objectives of the department are as follows: <ul style="list-style-type: none"> <li>• Improved local, national and international trade access and competitiveness;</li> <li>• Provision of food security;</li> <li>• Farmer development and support;</li> <li>• Integrated sustainable natural environmental management; and</li> <li>• Integrated and transformed service delivery.</li> </ul>	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>THE DEPARTMENT ARTS, CULTURE AND TOURISM</b>	The vision of the department is: <i>A unified citizenry that embraces its cultural diversity and contributes to the social and economic upliftment of all the people of KwaZulu-Natal, through arts, culture and tourism.</i>	The mission of the department is to create an environment conducive to the delivery of effective, efficient and sustainable world-class services in the arts, culture, library, archival and tourism fields for the people of KwaZulu-Natal.	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>THE DEPARTMENT SOCIAL DEVELOPMENT</b>	The vision of the Department of Social Development is to: <i>Enhance the quality of life through an integrated system of social development services.</i>	The department is committed to the promotion of developmental social welfare services and community development to people of KZN in partnership with stakeholders.	Outstanding pending Provincial Sector Department engagements and providing required information.
<b>DEPARTMENT ECONOMIC DEVELOPMENT</b>	The vision of the Department of Economic Development is: <i>For KwaZulu-Natal, through the expertise and initiatives of the department, to be the leading province in economic development and to develop a globally competitive economy whose benefits are equitably shared by its</i>	The department's mission is to formulate and implement effective economic development strategies that promote sustainable economic development and job creation within the Province of KwaZulu-Natal.	Outstanding pending Provincial Sector Department engagements and providing required information.

	citizens.		
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**Table 19: Sector Department Table**

Refer to the table below as a separate document outlining the responsibility whether at local or district municipality level with regards to mandate and the preparation of the respective sector plan as well as the status thereof. In addition the table indicates whether a specific sector plan is due for update / review and during which year such is envisaged.

Sector Plans & Institutional Arrangements: Indaka Local Municipality												
Plan	Developed	Not Developed	MEC Evaluation Report Findings	Levels of Execution		*LM Responsibility over Period					Comments	
				*LM	*DM	2012/13	2013/14	2014/15	2015/16	2016/17		
1 Human Resources Policy	•		unknown	a		■						The Human Resources Policy has been developed. It is a draft & has not yet been adopted
2 Employment Equity Plan	•		unknown	a				■				Employment Equity Plan adopted and is being implemented
3 HIV/AIDs Strategy	•		unknown	•			■			■		HIV/AIDs Strategy developed & Adopted. It is being implemented & the Local Aids Council has been formed
4 Disaster Management Plan	•		unknown	•				■				The Disaster Management Plan has been developed. It was adopted in 2008 & in the process of its implementation
5 Tourism Plan	•		unknown	•					■			The Tourism Plan has been developed. It is not being implemented & a Tourism Officer has not been appointed
6 LED Strategy	•		unknown	•						■		The LED Plan was developed and adopted. It is yet to be reviewed in 2011
7 Land Use Management System (LUMS)	•		unknown	•			■					The LUMS was developed & sent to COGTA for assessment. When comments are received, the plan will be amended accordingly
8 Financial Plan	•		unknown	•							■	The plan was developed and has been reviewed
9 Spatial Development Framework (SDF)	•		unknown	•							■	The plan was developed and in the process of review
10 Work Skills Development Plan	•		unknown	•							■	The plan was developed and is being implemented by the Municipality
11 Environmental Plan		•	unknown	•				■				Funding is not yet available
12 Waste Management Plan		•	unknown	•				■				Funding is yet to be outsourced
13 Recruitment & Selection Policy	•		unknown	•				■				The plan was adopted and is being implemented
14 Integrated Transport Plan		•	unknown	•								Not available - this is the District Municipality's function
15 Housing Plan	•		unknown	•						■		The plan was developed and is being implemented as there are housing projects which are being built
16 Infrastructure Investment Plan		•	unknown	•	•			■				The Municipality does not have this plan
17 Succession Policy	•		unknown	•							■	The plan is being implemented
18 Community Participation Strategy	•		unknown	•							■	The plan is available, adopted and is being implemented
19 Performance Management System (PMS)	•		unknown	•							■	Developed and implemented.
20 Capital Investment Framework (CIF)		•	unknown	•	•							Developed and reviewed on Annual basis as part of IDP Process.
21 Water Services Development Plan (WSDP)	•		unknown	•							■	Developed by DM, annual review and MIG funding appropriated accordingly.
22 Roads & Stormwater Master Plan	•		unknown	•	•							LM in consultation with DM to develop a Roads & Stormwater Master Plan.
23 Transportation Plan		•	unknown	•								LM in consultation with DM to develop an overall Public Transportation Plan.
24 Electrification Plan		•	unknown									Eskom to be approached and Electrification Plan be developed.

**Table 20: Sector Plans & Institutional Arrangements**

## 12.1 E2 Alignment with Provincial Sector Departments

The alignment of the Indaka Municipal IDP and related strategic initiatives with the projects and programs of the provincial sector departments is an ongoing exercise and is dependent on the cooperation from these departments. Attempts to engage these departments at a district level have not yielded the desired outputs and attempted interaction has been problematic.

The following sections will deal with the information available from these departments to the extent of which detail is available. It is anticipated that some of the Departments will be able to provide more detail on the actual location of the deliverables, closer to the start of the 2012/2013 municipal financial year, or once their budgetary cycle is complete. The current information regarding the proposed expenditure by sector departments at the disposal of the municipality is attached as **Appendix K17**.

## **Department of Health**

The proposed expenditure on health services by the department for the uThukela District municipal area was R(thousand)1,016,146 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)1,092,766 and R(thousand)1,170,526 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **Department of Human Settlements**

The proposed expenditure on housing delivery by the department for the uThukela District municipal area was R(thousand)145,418 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)169,483 and R(thousand)184,527 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

### **12.2 E5 Department of Education**

The proposed expenditure on education by the department for the uThukela District municipal area was R(thousand)1,957,097 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)2,067,999 and R(thousand)2,189,534 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

### **12.3 E6 Department of Works**

The proposed expenditure by the department for the uThukela District municipal area was R(thousand) 33,224 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)31,356 and R (thousand)35,452 respectively.

No allocations were made for any of this funding to be transferred to the Indaka Municipality. This is a striking observation, in that amounts were allocated to all the other local municipalities within the district over the 2011/2012 to 2013/2014 financial years.

### **12.4 E7 Department of Cooperative Governance and Traditional Affairs**

The proposed expenditure by the department for the uThukela District municipal area was R(thousand)9,223 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)5,708 and R(thousand)3,635 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.5 E8 Department of Agriculture and Environmental Affairs**

The proposed expenditure by the department for the uThukela District municipal area was R(thousand)24,194 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)25,162 and R(thousand)26,546 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.6 E9 Department of the Arts, Culture and Tourism**

The proposed expenditure by the department for the uThukela District municipal area was R(thousand)11,204 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)10,206 and R(thousand)18,839 respectively.

For the purpose of library building projects, the department has allocated an amounts of R(thousand)150 for the 2011/2012 financial year.

For the purpose of Community Library Services Grants, the department has not allocated any funding to the Indaka Municipality.

For the purpose of Museum Subsidies, the department has allocated amounts of R(thousand)233 for the 2011/2012 financial year, R(thousand)245 for the 2012/2013 financial year and R(thousand)964 for the 2013/2014 financial year respectively.

For the purpose of Provincialisation of libraries, the department has allocated amounts of R(thousand)383 for the 2011/2012 financial year, R(thousand)245 for the 2012/2013 financial year and R(thousand)964 for the 2013/2014 financial year respectively.

## **12.7 E10 Department of Social Development**

The proposed expenditure on by the department for the uThukela District municipal area was R(thousand)44,342 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)46,559 and R(thousand)49,120 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.8 E11 Department of Economic Development**

The allocation as proposed by the department for the uThukela District, as well as the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.9 E12 Department of Community Safety and Liaison**

The proposed expenditure on by the department for the uThukela District municipal area was R(thousand)7,601 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)7,836 and R(thousand)8,267 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.10 E13 Department of Sport and Recreation**

The proposed expenditure on by the department for the uThukela District municipal area was R(thousand)14,091 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)15,227 and R(thousand)16,684 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.11 E14 Department of Transport**

The proposed expenditure on by the department for the uThukela District municipal area was R(thousand)312,479 for the 2011/2012 financial year. The projected amounts for the 2012/2013 and 2013/2014 financial years are R(thousand)329,683 and R(thousand) 345,710 respectively.

The allocation as proposed by the department for the Indaka Municipality is not yet established and it is expected that it will be known before the commencement of the 2012/2013 financial year.

## **12.12 E15 District Sector Plans**

The table under the introduction to Section E of this report shows the interrelationship between the development responsibilities of the various sector plans that are developed by either the District and/or the local municipalities. Some of these district and municipal wide sector plans are up for review, or are currently under review. The IDP Implementation plan incorporated, through the IDP process, the strategic interventions and projects that are part of these sector plans.

## **Appendix J11:**

IDP Process Plan / IDP Framework Plan

Adopted 28 August 2011

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## **Appendix J12:**

5 Year Plans

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**Appendix J13:**

Municipal Turn Around Strategy (MTAS)



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**Appendix J14:**

Indaka Mandate & Compliance Performance Evaluation

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**Appendix J15:**

Indaka Situational Analysis Findings

December 2011

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**Appendix J16:**

Ward Profiles

Prepared by Vuka Africa

DRAFT

**Appendix J17:**

Provincial Sector Department MTEF Summary

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**Appendix J18:**

Capital Investment Framework (CIF)

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**Appendix J19:**

SDBIP

**To follow once IDP is adopted.**