

INTEGRATED DEVELOPMENT PLAN (IDP) 2014/15 ADOPTED



UTHUKELA DISTRICT MUNICIPALITY

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2 SECTION A: EXECUTIVE SUMMARY

2.1 WHO WE ARE

2.1.1 SPATIAL LOCATION WITHIN KZN

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

uThukela district municipality consists of five local municipalities namely:

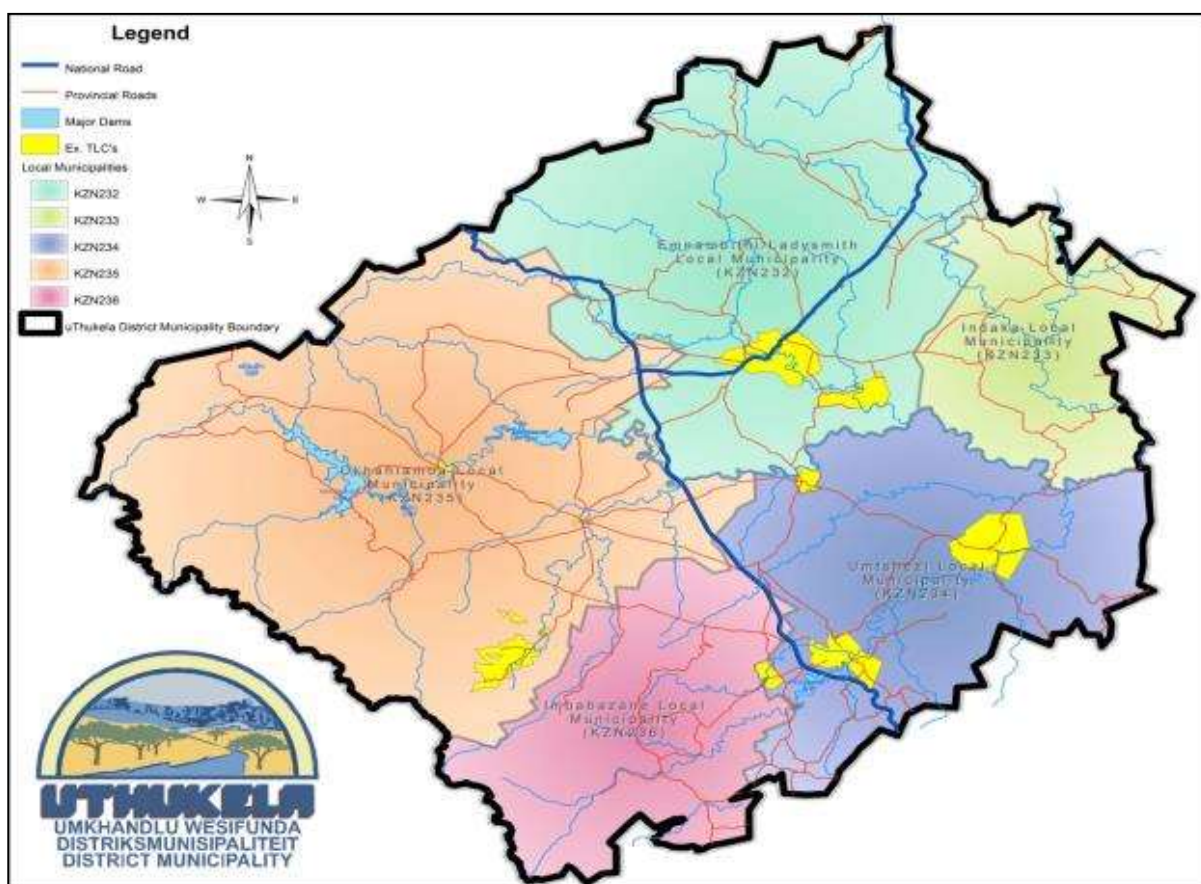
- ⇒ Indaka (KZ233);
- ⇒ Emnambithi/Ladysmith(KZ232);
- ⇒ Umtshezi (KZ234);
- ⇒ Okhahlamba(KZ235);
- ⇒ Imbabazane (KZ236)

The size of uThukela district municipality is approximately 11500 km². Emnambithi is occupying 2,965.92km², Indaka is on 991.71km², Umtshezi 2130.85km², Okhahlamba is which is the largest and is occupying 3540.63km², Imbabazane is on 827.74km². It is located in the western boundary of Kwazulu-Natal. uThukela district municipality is 75 % rural and the local municipalities, Indaka and Imbabazane, having no formal towns and mainly comprising of traditional areas.

The main tourism hub is the Cathkin Park, which falls within the Cathkin Park node, and another node located near the Royal Natal National Park, called Babangibone Development Node. The Ladysmith town is a significant historical tourism destination and offers a number museums and historical sites while Bergville and Winterton towns are located within the vicinity of the Drakensberg and derive some benefits from the tourism industry.

uThukela district municipality has a good climate and abundance of natural resources like water. The intrinsic beauty of the area enhances the tourism opportunities in the district. Below are the maps of uThukela district municipality, wards and tribal authorities

Figure 1: uThukela DM Map



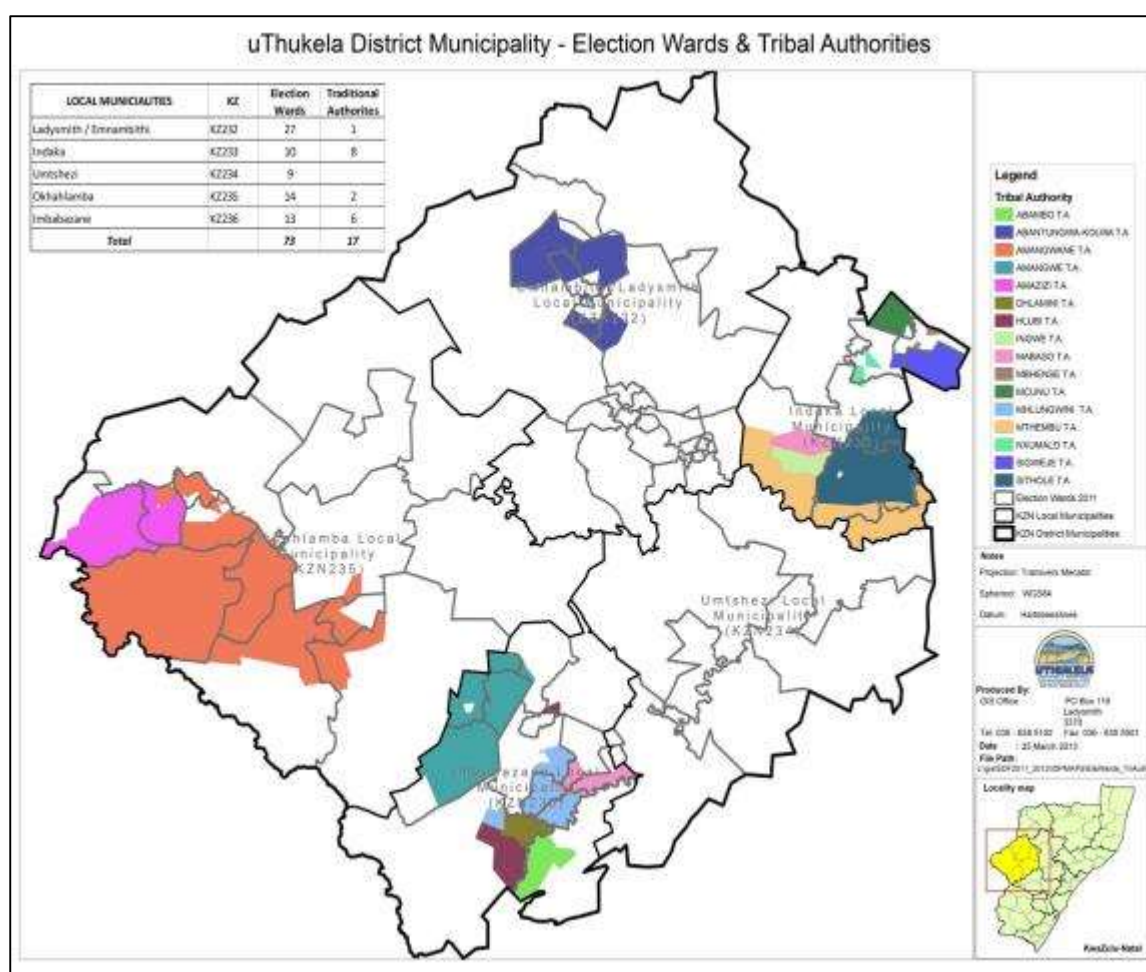
2.1.2 DEMOGRAPHIC PROFILE

- ⇒ The population of uThukela District increased from 657,736 in 2001 to 668,848 in 2011 recording approximately 2% growth;
- ⇒ uMtshezi Municipalities experienced the highest increase (38.4%) followed by Emnambithi / Ladysmith (1.69%);
- ⇒ The population of uThukela district municipality is unevenly distributed;
- ⇒ The number of people between 15-64 age is increased to 391,369;
- ⇒ Females are more than male and are occupying 55% in this category whereas male are on 45%;
- ⇒ The dependency ratio in uThukela declined from 76.4 to 70.9 between 2001 and 2011;
- ⇒ Dependency ratio is high (93.8%) in Indaka Municipality compared to all other municipalities within uThukela;
- ⇒ Okhahlamba and Imbabazane also have high dependency ratio (79% and 72.7% respectively);
- ⇒ Generally, uThukela District experienced a decline in its dependency ratio between 2001 and 2011. However, the ratio is still high compared to the provincial (65.4%) and national (58.7%) averages;
- ⇒ The average PNMR rate for uThukela District is approximately 37 per;

- ⇒ Certain infectious & parasitic, diseases of the circulatory system and diseases of the respiratory system are the main group causes of death in the district accounting 2,596, 1,38 and 1,009 deaths in 2010;
- ⇒ Other natural causes and tuberculosis (A15 A19) are the top two (2) leading underlying natural causes of death in the district accounting for 32,7% and 15,8% of the deaths reported in the district;
- ⇒ The majority of the people that lives in uThukela district municipality are Africans and Coloureds are minority

2.1.3 WARDS AND TRIBAL AUTHORITY

Figure 2: Wards and Tribal Authority Map



2.1.4 ECONOMIC PROFILE

Economic development is uneven across the district, with large disparities across local municipalities. Emnambithi/Ladysmith local municipality dominates, with smaller towns being less developed. Outside the urban areas, are areas of rural poverty and some wealthier commercial farming areas especially in Okhahlamba. In terms of employment and GVA, Okhahlamba is

predominantly agricultural followed by Indaka. Community services consistently dominate in terms of employment in all local municipalities besides Emnambithi/Ladysmith where manufacturing is neck to neck with community services.

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

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

2.2 LONG TERM VISION

The District Long-term Vision reads:

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

2.3 HOW THE IDP WAS DEVELOPED

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

Section 25 (1) of the Municipal Systems Act

(2000) *Each municipal council must, within a prescribed period after the start of its elected term, adopt a single, all inclusive and strategic plans for the development of the municipality which:*

a) links integrates and coordinates plans and takes into account proposals for the development of the municipality;

b) Aligns the resources and capacity of the municipality with the implementation of the plan;

c) Complies with the provisions of this Chapter; and

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

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

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

The following table shows the activity programme of the uThukela district municipality IDP for 2014/2015 financial year.

Table 1: IDP Review and Budget Activity Schedule

MONTH	IDP REVIEW	BUDGET
July & Aug 2013	<ul style="list-style-type: none"> Drafting of the IDP framework and Process plan Alignment of IDP and budget process plans Submission of the draft Process and Framework Plan to COGTA Advertisement of the IDP framework and process plan 1st IDP Supporting Structure Committee Meeting 1st IDP Steering Committee Meeting Adoption of IDP Framework and Process Plan Submission of the adopted Process plan to COGTA 	<p>Drafting of the Budget Process plan</p> <p>Alignment of Budget process plan with IDP process plan</p> <p>Annual Financial reports to Council Finance to provide incomes allocation (DORA)</p>
Sept 2013	<ul style="list-style-type: none"> Review Municipal Vision Develop Objectives and Strategies Identify outstanding Sector Plans Integrate sector plans. IDP input into provincial adjustment budgets 	Addressing the policy issues
Oct 2013	<ul style="list-style-type: none"> Review of Spatial Development Framework Projects identification and prioritization Develop KPI's targets, timeframes etc. where impacted upon by reprioritization. Align with draft budget estimates 	Departments submit their budgets as per allocation
Nov 2013	<ul style="list-style-type: none"> Municipal alignment meeting Alignment meeting between DM & Province to revised 3 year MTEF Alignment between DM, LMS and SDF Alignment meeting with family of municipalities SDF Alignment between the bordering district municipalities 	Auditor General to complete audit within 3 months of receiving financial statements
Dec 2013	<ul style="list-style-type: none"> IDP best practice conference 	
Jan 2014	<ul style="list-style-type: none"> IDP Steering Committee meeting IDP Representative Forum 	<p>Mayor to table the adjusted budget</p> <p>Mayor to table annual report to Council</p>
Feb 2014	<ul style="list-style-type: none"> Updating of municipal CIP and MTEF based on Draft DORA allocations <ul style="list-style-type: none"> Meeting COGTA and municipalities on IDP Review assessments Updating of municipal CIP and MTEF based on Draft DORA allocations IDP Coordinating committee meeting (IDP Managers) IDP Representative Forum meeting 	MM of the DM to notify LM's of capital allocations 120 days before start of budget year

Mar 2014	<ul style="list-style-type: none"> Submission of the Draft 2014/2015 IDP to COGTA 	<p>Mayor tables the budget to Council at least 90 days before the start of the budget year</p> <p>Council to consider the report</p>
April 2014	<ul style="list-style-type: none"> Decentralized IDP assessment forums IDP/Budget Road shows 	<p>IDP/Budget roadshows</p> <p>Mayor to get views of local community on budget between 30-90 days of budget approval. MM to table the report</p> <p>Acc. Officer to publicize</p> <p>Gazetting of Dora allocations</p>
May 2014	<ul style="list-style-type: none"> IDP feedback session Advertise IDP for 21 days for public participation and incorporate comments where possible including comments raised in the analysis. Exco approval, recommend to Council Council Approval of the IDP 	<p>Approval of the budget by 31 May 2014</p>
June 2014	<ul style="list-style-type: none"> Submission of the adopted IDP to the MEC Advertise the Adopted IDP in the local newspaper within 14 days of the approval 	

2.3.1 PUBLIC PARTICIPATION

Public participation in the review of the 2014/2015 uThukela IDP and budget unfolded as follows:

Local municipality	Venue	Date	Time
Emnambithi/Ladysmith and Indaka	E Section at Ezakheni	28 April 2014	12H00
Imbabazane and Umtshezi	Pisca school in Ntabamhlophe	29 April 2014	10 H00
oKhahlamba	Okhombe	30 April 2014	10H00
District wide Stakeholders meeting	Agra crescent Hall	19 May 2014	08H00

2.4 KEY CHALLENGES FACING THE MUNICIPALITY AND WHAT IS DONE TO ADDRESS THEM

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

- ⇒ The socio-economic indicators such as low revenue base;
- ⇒ Poor and ageing infrastructure especially water and sanitation infrastructure;
- ⇒ Limited access to services and obviously low economic base;
- ⇒ High levels of poverty;
- ⇒ Unemployment Rate;
- ⇒ Skills shortage;
- ⇒ High rate of HIV/AIDS;
- ⇒ Lack of resources and low level of education;
- ⇒ Un/under-developed land and settlement patterns that make it difficult to plan for effective service delivery;
- ⇒ Lack of attraction of investors

2.4.1 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

The following table highlights the municipal transformation and institutional development key challenges:

Table 2: Municipal Transformation & Institutional Key Challenge(s)

Key challenge	◆ Non- filling of critical position
Description	◆ The municipality has not filled some of the critical positions such as WSA Manager, SCM Manager

2.4.2 SERVICE DELIVERY AND INFRASTRUCTURE

The following table highlights the municipal service delivery and infrastructure key challenges:

Table 3: Service Delivery and Infrastructure Key Challenge(s)

Key challenge	<ul style="list-style-type: none"> ◆ Lack of human and financial resources to deal with infrastructure development
Description	<ul style="list-style-type: none"> ◆ The municipality does not have enough engineers and technicians ◆ Incompetent service providers i.e. consultants and contractors ◆ Incapacity to develop WSDP that will assist in directing service delivery ◆ Lack of alignment between procurement process and engineering principles

2.4.3 LOCAL ECONOMIC DEVELOPMENT

The following table highlights the municipal local economic development key challenges:

Table 4: Local Economic Development Key Challenge(s)

Key challenge	<ul style="list-style-type: none"> ◆ Lack of financial and human resources to assist in ensuring LED and social development
Description	<ul style="list-style-type: none"> ◆ The municipality has not appointed an LED strategist ◆ No enough budget to fund social programmes

2.4.4 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

The following table highlights the municipal financial viability and management key challenges:

Table 5: Municipal Financial Viability Key Challenge(s)

Key challenge	Going concerns challenge
Description	<ul style="list-style-type: none"> ◆ The municipality is experiencing challenges of poor infrastructure, high indigent rate, tariffs not covering water cost & inherent loans

2.4.5 GOOD GOVERNANCE AND PUBLIC PARTICIPATION

The following table highlights the municipal good governance and public participation key challenges:

Table 6: Good Governance & Public Participation Key Challenge(s)

Key challenge	<ul style="list-style-type: none"> ◆ Lack of alignment between the district public participation strategy and the public strategies for local municipalities
Description	<ul style="list-style-type: none"> ◆ The municipality does not have a comprehensive public participation strategy that is aligned to local municipalities

2.4.6 CROSS CUTTING ISSUES

The following table highlights the cross cutting key challenges:

Table 7: Cross cutting Key Challenges

Key challenge	<ul style="list-style-type: none"> ◆ The municipality lacks the capacity of developing SDF; ◆ Lack of human capacity to assist with environmental issues ◆ Outdated disaster management ◆ No disaster management Centre ◆ Outdated enforcement by-laws
Description	<ul style="list-style-type: none"> ◆ The municipality has not yet appointed a dedicated person to deal with the SDF

2.5 WHAT THE DISTRICT MUNICIPALITY IS DOING TO UNLOCK THE KEY CHALLENGES

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

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

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

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

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

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

Spatial integration and environmental sustainability: The focus will be on development of systems and procedures for effective land use management and environmental management.

The SDF that is currently under review by a service provider will be in line with SPLUMA and by December 2014 a comprehensive SDF will be in place informed by the local municipalities SDF's

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

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

2.7 HOW PROGRESS WILL BE MEASURED

The uThukela district municipality has an Operational Performance Management System (OPMS) to monitor the implementation of the IDP. The OPMS indicates targets for each municipal department that have to be achieved per quarter. The targets are set per Key Performance Area (KPA) and these as assessed after every quarter. This system is what the municipality is using to measure its progress.

3 SECTION B: PLANNING & DEVELOPMENT PRINCIPLES & GOVERNMENT POLICIES & IMPERATIVES

3.1 PLANNING AND DEVELOPMENT PRINCIPLES

The following are the planning and development principles that the District Municipality consulted while developing this IDP:

3.1.1 NSDP PRINCIPLES

The NSDP Principles stipulate the following:

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

3.1.2 CRDC PRINCIPLES

The CRDC Principles stipulate the following:

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

3.1.3 BREAKING NEW GROUND – HUMAN SETTLEMENTS

The Breaking New Ground Human Settlement Principles stipulates:

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

3.1.4 PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS)

- ⇒ Environmentally responsible behaviour must be promoted through incentives and disincentives;
- ⇒ The principle of self-sufficiency must be promoted. Development must be located in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each areas unique competencies towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency;
- ⇒ Planning and subsequent development must strive to provide the highest level of accessibility to resources, services and opportunities;

The table following demonstrates how uThukela Municipality is applying the Planning and Development Principles in its area of jurisdiction.

Table 8: Planning and Development Principles

	PLANNING AND DEVELOPMENT PRINCIPLES	APPLICATION OF PRINCIPLES
NSDP SLUMB	Development / investment must only happen in locations that are sustainable	The capital investment plan and the SDF directs where sustainable developments should happen
DFA	Balance between urban and rural land development in support of each other	SDF identifies various nodes-urban/rural with development potential and the HSP and LED Strategy identified potential projects that address the DFA aspect
DFA	Discouragement of urban sprawl by encouraging settlement at existing and proposed nodes and settlement corridors, whilst promoting densification. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or that link the main growth centres	Capital Investment Plan and the Infrastructure Plan guide the development and implementation of infrastructure projects that address basic service backlogs and promote economic growth
DFA	The direction of new development towards logical infill areas	
DFA	Compact urban form is desirable	
DFA CRDP NSSD	Development should be within limited resources (financial, institutional and physical). Development must optimise the use of existing resources and infrastructure in a sustainable manner.	
	Stimulate and reinforce cross boundary linkages.	
NSDP	Basic services (water, sanitation, access and energy) must be provided to all households	The municipality is trying by all means to ensure that every households in the district has

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

3.2 GOVERNMENT POLICIES AND IMPERATIVES

3.2.1 THE MILLENNIUM DEVELOPMENT GOALS 2015

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

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

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

3.2.2 THE 12 NATIONAL OUTCOMES

The table following details the 12 National Outcomes that each government sphere strives to achieve.

Table 9: The 12 National Outcomes

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

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

5. Implement expanded public works programme.	programme.	processes to be labor intensive; <ul style="list-style-type: none"> ▪ Improve procurement systems to eliminate corruption and ensure value for money; ▪ Utilize community structures to provide services.
OUTCOME 5: A SKILLED AND CAPABLE WORKFORCE TO SUPPORT INCLUSIVE GROWTH		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. A credible skills planning institutional mechanism; 2. Increase access to intermediate and high-level learning programmes; 3. Increase access to occupational specific programmes ; 4. Research, development and innovation in human capital 	<ul style="list-style-type: none"> ▪ Increase enrolment in FET colleges and training of lectures; ▪ Invest in infrastructure and equipment in colleges and technical schools; ▪ Expand skills development learnerships funded through sector training authorities and National Skills Fund; ▪ Industry partnership projects for skills and technology development; ▪ National Research Foundation centres excellence, and bursaries and research funding. 	<ul style="list-style-type: none"> ▪ Development and extend intern and work experience programmes in municipalities; ▪ Link municipal procurement to skills development initiatives.
OUTCOME 6: AN EFFICIENT, COMPETITIVE AND RESPONSIVE ECONOMIC INFRASTRUCTURE NETWORK		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve competition and regulation; 2. Reliable generation, distribution and transmission of energy; 3. Maintain and expand road and rail network, and efficiency, capacity and competitiveness of sea ports; 4. Maintain bulk water infrastructure and ensure water supply; 5. Information and communication technology; 6. Benchmark each sector. 	<ul style="list-style-type: none"> ▪ An integrated energy plan successful independent power producers; ▪ Passenger Rail Agency: Acquisition of rail rolling stock, and refurbishment and upgrade of motor coaches and trailers; ▪ Increase infrastructure funding for provinces for the maintenance of provincial roads; ▪ Complete Gauteng Freeway; ▪ Improvement Programme; ▪ Complete De Hoop Dam and bulk distribution; ▪ Nandoni pipeline; ▪ Invest in broadband network infrastructure. 	<ul style="list-style-type: none"> ▪ Ring-fence water, electricity and sanitation functions so as to facilitate cost-reflecting pricing of these services; ▪ Ensure urban spatial plans provide for commuter rail corridors, as well as other modes of public transport; ▪ Maintain and expand water purification works and waste water treatment works in line with growing demand; ▪ Cities to prepare o receive the devolved public transport function; ▪ Improve maintenance of municipal road network.
OUTCOME 7: VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES AND FOOD SECURITY		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Sustainable agrarian reform and improved access to markets for small farmers; 2. Improve access to affordable and diverse food; 3. Improve rural services and access to information to support livelihoods; 4. Improve rural employment opportunities; 	<ul style="list-style-type: none"> ▪ Settle 7000 land restitution claims; ▪ Redistribute 283 592ha of land use by 2014; ▪ Support emerging farmers; ▪ Soil conservation measures and sustainable land use management; ▪ Nutrition education programmes; ▪ Improve rural access to services by 2014: ▪ Water: 92% to 100%. ▪ Sanitation: 69% to 100%. 	<ul style="list-style-type: none"> ▪ Facilitate the development of local markets for agricultural produce; ▪ Improve transport links with urban centres so as to ensure better economic integration; ▪ Promote home production to enhance food security; ▪ Ensure effective spending of grants for funding extension of access to basic services.

5. Enable institutional environment for sustainable and inclusive growth.	<ul style="list-style-type: none"> ▪ Refuse removal: 64% to 75%. ▪ Electricity: 81% to 92%. 	
OUTCOME 8: SUSTAINABLE HUMAN SETTLEMENTS & IMPROVED QUALITY OF HOUSEHOLD LIFE		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Accelerate housing delivery; 2. Improve property market; 3. More efficient land utilization and release of state-owned land 	<ul style="list-style-type: none"> ▪ Increase housing units built from 220 000 to 600 000 a year; ▪ Increase construction of social housing units to 80 000 a year; ▪ Upgrade informal settlement: 400 000 units by 2014; ▪ Deliver 400 000 low-income houses on state-owned land; ▪ Improve urban access to basic services: <ul style="list-style-type: none"> ✓ Water: 92% to 100%; ✓ Sanitation: 69% to 100%; ✓ Refuse removal: 64% to 75%; ✓ Electricity: 81% to 92%. 	<ul style="list-style-type: none"> ▪ Cities must wait to be accredited for the housing function; ▪ Develop spatial plans to ensure new housing developments are in line with national policy on integrated human settlements; ▪ Participate in the identification of suitable land for social housing; ▪ Ensure capital budgets are appropriately prioritized to maximum existing services and extend services.
OUTCOME 9: A RESPONSIVE, ACCOUNTABLE, EFFECTIVE AND EFFICIENT LOCAL GOVERNMENT SYSTEM		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Differentiate approach to municipal financing, planning and support; 2. Community work programme; 3. Support for human settlements; 4. Refine ward committee model to deepen democracy; 5. Improve municipal financial administrative capability; 6. Single coordination window 	<ul style="list-style-type: none"> ▪ Municipal capacity-building grants; ▪ Systems improvement; ▪ Financial management unqualified audits partnership grant; ▪ Increase urban density; ▪ Informal settlements upgrades. 	<ul style="list-style-type: none"> ▪ Adopt IDP planning processes appropriate to the capacity and sophistication of the municipality; ▪ Implement the community work programme; ▪ Ensure Ward Committees are representative and fully involved in community consultation processes around the IDP, budget and other strategic service delivery issues; ▪ Improve municipal financial and administrative capacity by competency norms and standards
OUTCOME 10: PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL ASSETS AND NATURAL RESOURCES		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Enhance quality and quantity of water resources; 2. Reduce greenhouse gas emissions; 3. Mitigate climate change impacts and improve air quality; 4. Sustainable environmental management; 5. Protect biodiversity. 	<ul style="list-style-type: none"> ▪ National water resource infrastructure programme; ▪ Expanded public works environmental programmes; ▪ Biodiversity and conservation 	<ul style="list-style-type: none"> ▪ Develop and implement water management plans to reduce water losses; ▪ Ensure effective maintenance and rehabilitation of infrastructure; ▪ Run water and energy saving awareness campaigns; ▪ Ensure development does not take place on wetlands.
OUTCOME 11: A BETTER SOUTH AFRICA, A BETTER AND SAFER AFRICA AND WORLD		
Outputs	Key Spending Programmes	Role of Local Government

<ol style="list-style-type: none"> 1. Enhance Africa agenda and sustainable development; 2. Enhance regional integration; 3. Reform global governance institutions; 4. Enhance trade and investment between South Africa and partners 	<ul style="list-style-type: none"> ▪ Proposed establishment of South African Development Partnership Agency; ▪ Defense: peace support mechanisms; ▪ Border control: upgrade inland ports of entry. 	<ul style="list-style-type: none"> ▪ Ensuring basic infrastructure is in place and properly maintained; ▪ Creating an enabling environment for investment
OUTCOME 12: A DEVELOPMENT ORIENTATED PUBLIC SERVICE AND INCLUSIVE CITIZENSHIP		
Outputs	Key Spending Programmes	Role of Local Government
<ol style="list-style-type: none"> 1. Improve government performance; 2. Government wide performance and monitoring; 3. Conduct comprehensive expenditure review; 4. Celebrate cultural diversity 	<ul style="list-style-type: none"> ▪ Performance monitoring and evaluation; ▪ Stats SA, Census 2011: Reduce undercount; ▪ Sports and Recreation: Support mass participation and school sport programmes. 	<ul style="list-style-type: none"> ▪ Continue to develop performance monitoring and management system; ▪ Comply with legal financial reporting requirements; ▪ Review municipal expenditures to reduce wastage; ▪ Ensure Municipal Councils behave in ways that restore trust in local government.

Municipalities are guided by outcome 9, which has the following seven (7) outputs:

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

3.2.3 THE PROVINCIAL GROWTH & DEVELOPMENT STRATEGY (PGDS) / KZN GDS

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

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

(provincial sector departments, parastatals, district and municipalities). The PGDS will enhance service delivery.

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

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

3.2.4 GOVERNMENT POLICIES AND IMPERATIVES AND HOW THE MUNICIPALITY APPLIES / ADDRESSES THEM

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

Table 10: Government Policies and how the Municipality is applying / addressing them

Government Policy	Applications by Municipality
Millennium Goals	<ul style="list-style-type: none"> ▪ The municipality has initiated a number of projects aligned to the Millennium Goals;
12 National Outcomes (Outcome 9)	<ul style="list-style-type: none"> ▪ uThukela has adopted the IDP planning processes and that has been the guiding tool throughout the review process; ▪ The municipality has implemented a number of community work programmes addresses the Outcome 9;
5 KZN Priorities	<ul style="list-style-type: none"> ▪ uThukela strives to achieve the 5 KZN Priorities in all its developmental programs. This means that, all projects that are implemented are within the 5 provincial priorities and this is evident with the project lists provided in the IDP
State of the Province Address	<ul style="list-style-type: none"> ▪ All Infrastructure and social projects that the District is implementing in one way or the other addressing the challenges or goals of the States of the Province Address
KZN GDS	<ul style="list-style-type: none"> ▪ All Infrastructure and social projects that the District is implementing in one way or the other addressing the KZN GDS goals

4 SECTION C: SITUATIONAL ANALYSIS

4.1 SUMMARY OF PREVIOUS (2013) MEC COMMENTS

The following table highlights extracts from the MEC Letter (2013 IDP Assessment) and how the municipality addressed them.

	MEC COMMENT 13/14 IDP	MUNICIPAL RESPONSE
MUNICIPAL TRANSFORMATION & INSTITUTIONAL DEVELOPMENT	<ul style="list-style-type: none"> ◆ Insufficient information on supporting policies necessary to realize this KPA; ◆ Limited outline of progress in meeting municipal transformation milestone 	The revised IDP has addressed this aspect (Refer to Municipal Transformation & Institutional Development Section)
LOCAL ECONOMIC & SOCIAL DEVELOPMENT	<ul style="list-style-type: none"> ◆ Revise LED Strategy; ◆ Review priority economic issues and suggest meaningful interventions and spatially reflect such interventions; ◆ Reflect Job creation initiatives (e.g. local procurement, Expanded Public Works Programme EPWP); ◆ No indication of Municipal Safety Plan 	<p>This item has been addressed in the Situational Analysis (Refer LED KPA)</p> <p>This is captured in the good governance & community participation KPA.</p>
BASIC SERVICE DELIVERY & INFRASTRUCTURE INVESTMENT	<ul style="list-style-type: none"> ◆ Backlogs should be reflected spatially though maps; ◆ Detailed transport proposal should be presented in the next review; ◆ Telecommunication and energy status should be reflected; ◆ SWOT Analysis on this KPA should be reflected 	<p>This aspect has been addressed in the appropriate section</p> <p>The SWOT analysis is included</p>
FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	<ul style="list-style-type: none"> ◆ Clarity on the capability of the district to execute capital projects; ◆ What percentage of the capital budget has been spent in the last 3 years; ◆ Indicate the cost of free basic services (indigent) in the last 3 years; ◆ Provide evidence of a coherent plan to preserve the useful life of the municipal infrastructure assets, including acquisition of new service delivery assets; ◆ Provide an indication of current and planned borrowings 	It is captured in the basic service delivery and infrastructure KPA.

GOOD GOVERNANCE & COMMUNITY PARTICIPATION	<ul style="list-style-type: none"> ◆ Comment on the effectiveness of various public participation methods 	It is covered in the Good Governance and public participation KPA.
SPATIAL DEVELOPMENT FRAMEWORK (SDF)	<ul style="list-style-type: none"> ◆ Develop a Comprehensive SDF 	The municipality is in the process of reviewing its SDF and the comprehensive SDF, which will be in line with SPLUMA will be completed in December 2014.

4.2 CROSS CUTTING ISSUES ANALYSIS

4.2.1 SPATIAL ANALYSIS

4.2.1.1 REGIONAL CONTEXT

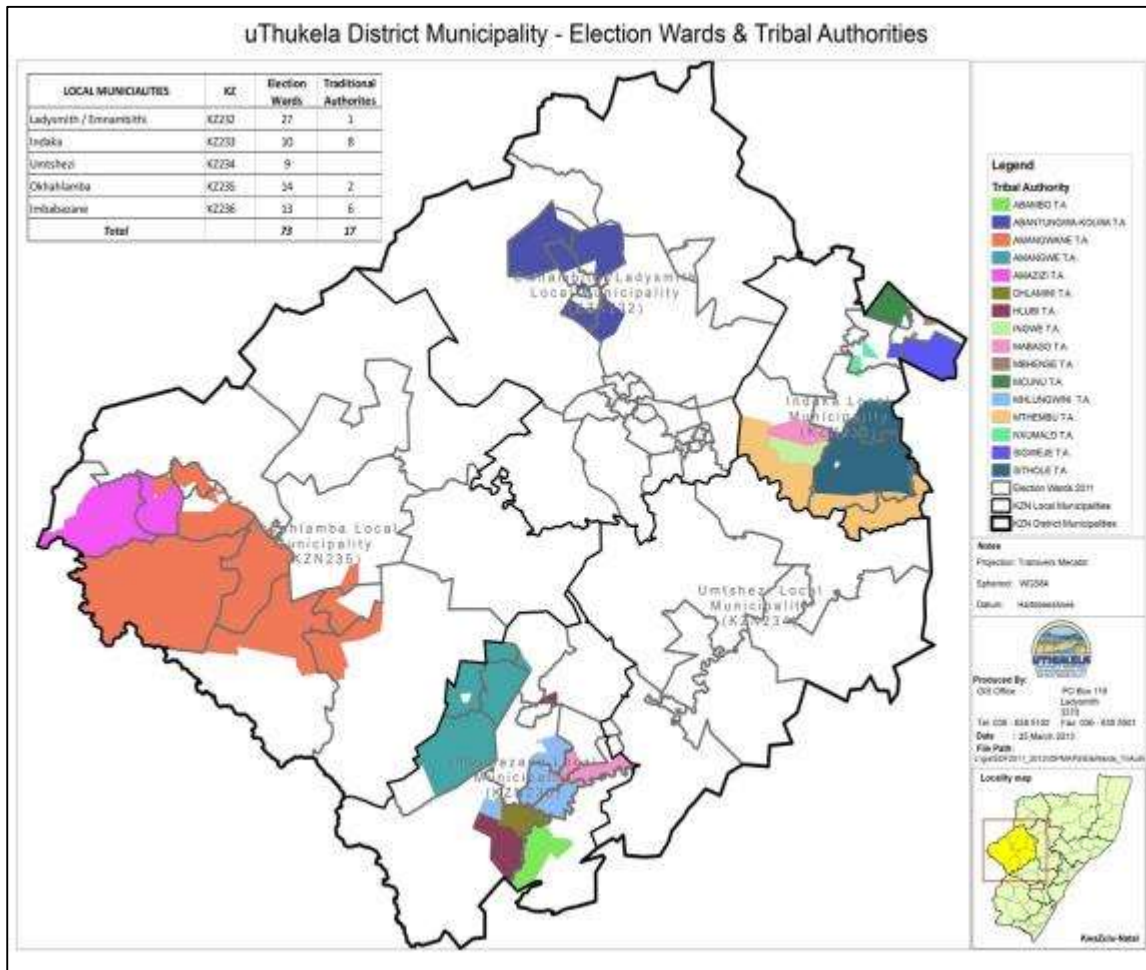
The uThukela District Municipality (uTDM) is one of ten district municipalities in the Province of KwaZulu-Natal, and was established during the 2000 transformation of local government. The uThukela District Municipality derives its name from one of the major rivers in the Province, namely the Tugela that originates within the Drakensberg and supplies water to a large portion of KZN and Gauteng. The uThukela District Municipality has three district municipalities bordering onto it, namely Amajuba, UMzinyathi and UMgungundlovu.

The size of the Municipality is approximately 11,500km² and is located along the western boundary of KwaZulu-Natal. It is predominately rural, with three of the five Local Municipalities, being rural in nature. The Municipality is characterised by socio-economic challenges such as a low revenue base, poorly maintained infrastructure and limited access to social and other services. High levels of poverty, unemployment, skills shortage, a lack of resources and low levels of education is also prevalent. The settlement patterns are disbursed, which resulted in underdeveloped land and settlement patterns that make it challenging and expensive to deliver effective services.

The District is well endowed with water, pockets of good soils and the natural beauty of the Drakensberg. Two national roads, the N3 and N11 transcend the District, which has a potential for economic development.

The uThukela District Municipality consists of five Local Municipalities, namely: Indaka, Emnambithi/Ladysmith, Umtshezi, Okhahlamba and Imbabazane. The Indaka and Imbabazane Local Municipalities are newly established municipalities, without a well-established economic centre. As a result, the most significant poverty is found in these two municipalities. The map below indicates the wards and traditional authorities in uThukela district municipality.

Figure 3: uThukela District Map



4.2.1.2 ADMINISTRATIVE ENTITIES

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

- 1) Indaka (KZ233);
- 2) Emnambithi/Ladysmith(KZ232);
- 3) Umtshezi (KZ234);
- 4) Okhahlamba(KZ235);
- 5) Imbabazane (KZ236)

The size of uThukela district municipality is approximately 11500 km². Emnambithi is occupying 2,965.92km², Indaka is on 991.71km², Umtshezi 2130.85km², Okhahlamba is which is the largest and is occupying 3540.63km², Imbabazane is on 827.74km². It is located in the western boundary of Kwazulu-Natal. uThukela district municipality is 75 % rural and the local municipalities, Indaka and Imbabazane, having no formal towns and mainly comprising of traditional areas

4.2.1.3 STRUCTURING ELEMENTS

uThukela district municipality is predominantly rural in character with a dispersed rural settlement. Rural dense villages with a population of over 5,000 people are mostly found within the traditional areas of the Indaka and Imbabazane local municipalities. Both these municipalities are characterized by very steep mountainous areas with limited opportunities for agricultural activities and creating difficulties in the provision of infrastructure.

Ladysmith and Estcourt are the two major towns and economic hubs within the uThukela district municipality. Both Ladysmith and Estcourt are commercial centres for surrounding farming areas and serves as shopping centres for towns such as Bergville, which lacks a strong commercial presence. Ladysmith is the economic and regional hub. The town is further the industrial hub, with the majority of industries being located around Ladysmith. The industrial estate in the district is located a short distance from Ladysmith.

Large areas of traditional land are located within uThukela, with about 35% of land classified as either "tribal" or peri-urban. A spatial analysis revealed that a large portion of degraded land is located in traditional areas. This is especially true in the Emnambithi, Indaka and Umtshezi local municipalities. The high propensity for soil erosion in these areas, coupled with land mismanagement, has contributed to this.

Indaka and Imbabazane has by far the largest share in traditional land, with areas as high as 83% being traditional land. As such, very little of the municipality's land has been transferred through the land reform process. By comparison, the municipalities with the smallest percentage of traditional

land, being Emnambithi and Umtshezi have also experienced the highest level of land reform. In terms of overall ownership, tribal lands and land reform areas account for about 40% of all land in uThukela.

There are two national routes, the N3 and N11, traversing the district, which forms a critical link between uThukela and provincial, national and international destinations. The Indaka and Imbabazane municipal areas are relatively isolated from these routes and can only be accessed via the provincial road network.

The N3 traverses uThukela and form the connection between Durban and Gauteng. This route carries a vast amount of goods and passengers, with only a few filling stations along the route gaining economic benefit. The N11 is an alternative route from Ladysmith to Gauteng and Limpopo and forms an important route between Ladysmith and Newcastle located in the neighboring Amajuba district municipality. Currently this route is under construction.

In line with Provincial Guidelines, tourism routes have been identified along the Drakensberg, linking areas such as Cathkin Park, Bergville, Winterton and the Northern Berg. The route has been expanded recently to include linkages to tourism nodes within the Drakensberg range.

4.2.1.4 EXISTING NODES AND CORRIDORS (INCLUDING URBAN EDGES)

The objective of the spatial strategy is to guide spatial growth for uThukela in relation to the physical space. The following are major issues identified during the analysis phase:

The development of nodes and corridors- The nodal hierarchy is interlinked with a hierarchy of corridors and reinforces the function of nodes. Primary, secondary and tertiary corridors have been identified and these would be focused upon to develop the spatial structure.

The promotion of small towns and centres – This should be coupled with a well- functioning passenger transport system for the integration of settlement hierarchies. The system will create balanced settlements and lead to improvement in service delivery to outlying rural areas.

Sound land use management practices – The hierarchical development framework should direct development and support land use management systems that mitigate conflicting uses and urban sprawl.

Sense of place and relevance – The SDF should acknowledge and strengthen the positive unique features of uThukela and use these to enhance the identity of the District.

4.2.1.4.1 PRIMARY INVESTMENT NODES

The key development issues that face uThukela include environmental degradation and the underutilization of natural and physical resources. This is due to the growth of dispersed settlements with limited infrastructural services. The result is that individuals depend on the environment for energy and water, which places the environment at risk and result in human energy being utilized

toward non-productive ends. Areas, such as Imbabazane have huge agricultural potential, but lack agricultural infrastructure, such as an irrigation scheme, to gain full benefit of this resource. Without proper control and management, the natural resources that rural people depend on to survive, may be over utilized, which would place such communities at a serious risk.

The tourism sector is one of the opportunity industries that have contributed to the economic growth of many local communities. The Drakensberg World Heritage Site is an important natural resource, which should be protected for future generations. To this end, a Special Case Area Plan (SCAP) and Drakensberg Approaches Policy (DAP) have been developed and incorporated in the uThukela SDF. In terms of these documents and the World Heritage Convention Act, a developmental buffer is to be established to ensure the protection of this natural resource. The following are critical aspects to consider in the formulation of a framework for the protection and enhancement of the natural resources base:

- ⇒ The environmental uniqueness and character of uThukela;
- ⇒ Identification of functional ecological systems associated with major rivers and other environmental sensitive areas;
- ⇒ Acknowledging the impact of topographical features and other aspects of the fixed natural environment;
- ⇒ Creating a framework for managing growth and development within the municipal areas especially the agriculturally productive areas

4.2.1.4.2 SERVICE CENTRE AS A MEANS OF SERVICE DELIVERY

The uThukela District Municipality is currently addressing the equitable delivery of services as one of their key issues, as was identified in their IDP. This implies a systematic ordering and delivery of services in a manner that promotes accessibility and efficiency in service delivery. This is critical for the economic and social development of the District.

This KZN Provincial Growth and Development Strategy (PGDS) indicate the following nodal hierarchy in addressing service delivery:

- ⇒ Primary node – location of higher order services and facilities;
- ⇒ Secondary node – location of Rural Service System Hubs or Emerging Rural Centre;
- ⇒ Tertiary node – considered as a satellite, provides access to services and facilities at a localized scale. These could also be settlements within the sphere of influence of a secondary node (Hub).

The concept proposes that such nodes be based on existing centres, with new nodes established at major road intersections, higher density settlements and other strategic positions. Depending on local factors, some centres will serve wider thresholds while others will be limited to the immediate area. Initially, public sector funding may be utilized to promote these centres, but should be positioned to attract private sector investment.

4.2.1.4.3 TRANSPORT CORRIDORS AS INVESTMENT NODES

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.

The access roads within uThukela are also considered to be of major importance, as community access roads are in poor condition. This limits the level of health and social service that can be delivered to rural communities. This is particularly worrying given the impact of HIV/AIDS on rural people.

4.2.1.4.4 URBAN EDGE

Ladysmith and Estcourt are the two major towns and economic hubs within the uThukela District Municipality. Both Ladysmith and Estcourt are commercial centres for surrounding farming areas and serves as shopping centres for towns such as Bergville, which lacks a strong commercial presence. As Ladysmith is the economic and regional hub, the banking sector and service industry is prevalent. The town is further the industrial hub, with the majority of industries being located around Ladysmith. The only industrial estate in the District is also located a short distance from Ladysmith.

4.2.1.5 LAND COVER AND BROADER LAND USES

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

The main tourism hub is the Cathkin Park, which falls within the Cathkin Park node, and another node located near the Royal Natal National Park, called Babangibone Development Node. The Ladysmith town is a significant historical tourism destination and offers a number museums and historical sites while Bergville and Winterton towns are located within the vicinity of the Drakensberg and derive some benefits from the tourism industry.

4.2.1.6 LAND OWNERSHIP

Large areas of traditional land are located within uThukela, with about 35% of land classified as either “tribal” or peri-urban. A spatial analysis revealed that a large portion of degraded land is located in traditional areas. This is especially true in the Emnambithi, Indaka and Umtshezi municipalities. The high propensity for soil erosion in these areas, coupled with land mismanagement, has contributed to this.

Indaka and Imbabazane has by far the largest share in traditional land, with areas as high as 83% being traditional land. As such, very little of the municipality’s land has been transferred through the land reform process. By comparison, the municipalities with the smallest percentage of traditional land, being Emnambithi and Umtshezi have also experienced the highest level of land reform. In terms of overall ownership, tribal lands and land reform areas account for about 40% of all land in uThukela.

4.2.1.7 LAND CLAIMS / REFORM

The land reform process in uThukela is summarized in the table below. As of 2007 a total of 55,523 hectares were transferred to 8,450 beneficiaries. The largest share of land was transferred in Umtshezi, followed by Emnambithi, accounting for roughly 93% of all land transferred. A single project in Besters accounted for the large portion of land transfer in Emnambithi during 2005. Only 1% of land has been transferred in Imbabazane and 6% in Umtshezi.

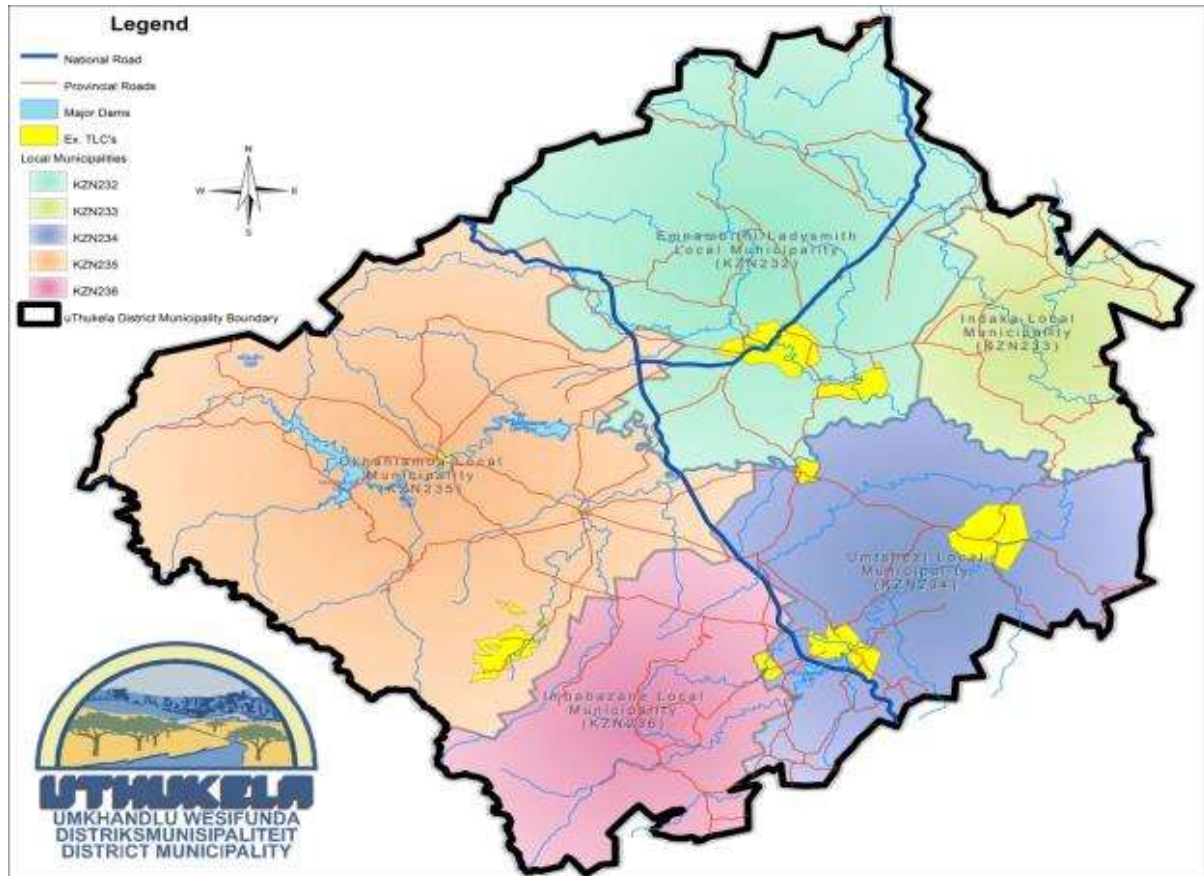
Figure 4: Land Transferred through Reform Process

Year	Emnambithi	Imbabazane	Okhahlamba	Umtshezi	Total (ha)
1994	0	0	0	7,301	7,301
1996	0	0	0	3,955	3,955
1997	0	0	1,061	1,890	2,951
1998	1,170	0	0	3,958	5,128
1999	456	0	70	3,865	4,391
2000	0	0	0	592	592
2001	2,032	0	177	2,076	4,285
2002	1,935	0	860	652	3,446
2003	254	0	48	2,284	2,586
2004	0	561	0	334	895
2005	15,675	0	1,254	0	16,929
2006	1,712	0	0	73	1,785
2007	729	0	0	549	1,278
Total:	23,963	561	3,470	27,529	55,523
% of Total	43%	1%	6%	50%	100%
Grand Total for uThukela:					55,523

Source: Department of Land Affairs and LS Miller

4.2.1.8 LAND CAPABILITY

uThukela district municipality has a good climate and abundance of natural resources like water. Its land is fertile and capability to undergo extensive commercial farming. The intrinsic beauty of the district enhances the tourism opportunities. The district has the potential to be an economic hub of the region.



4.2.2 ENVIRONMENTAL ANALYSIS

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

4.2.2.1 BIODIVERSITY (INCLUDING PROTECTED AREAS)

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

Figure 5: District Vegetation Types

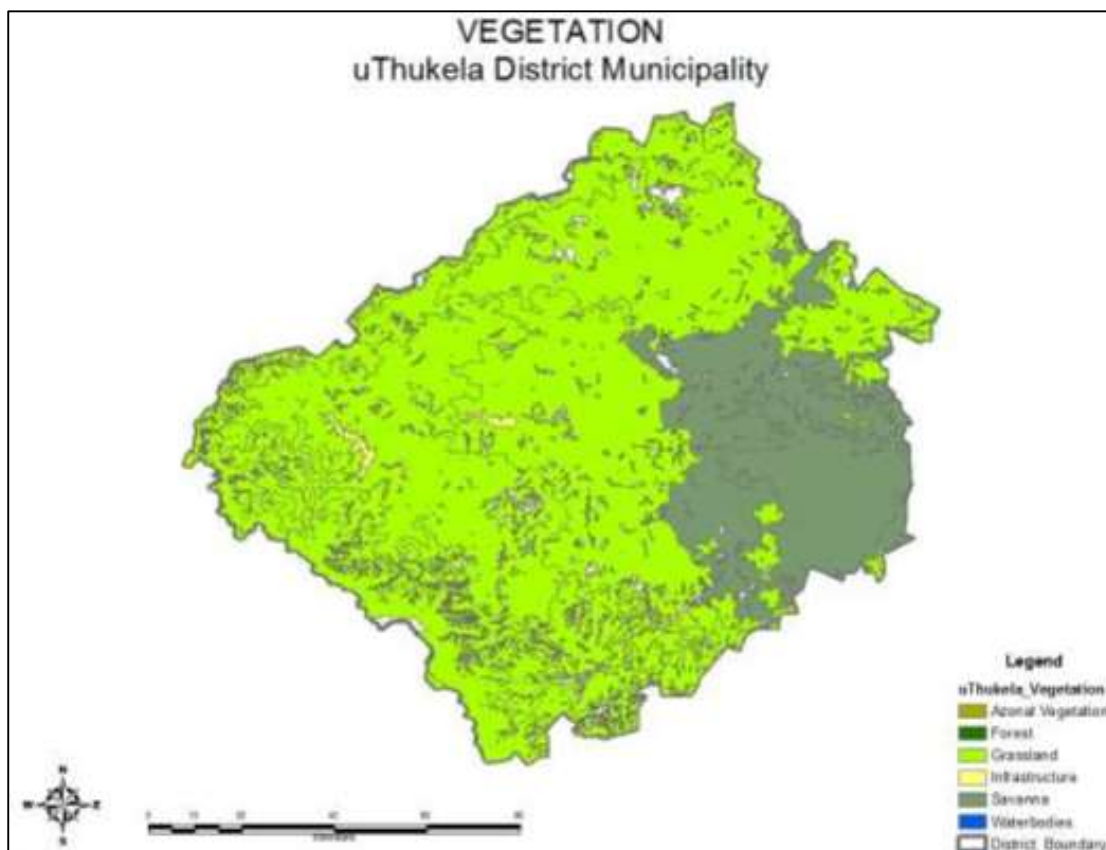
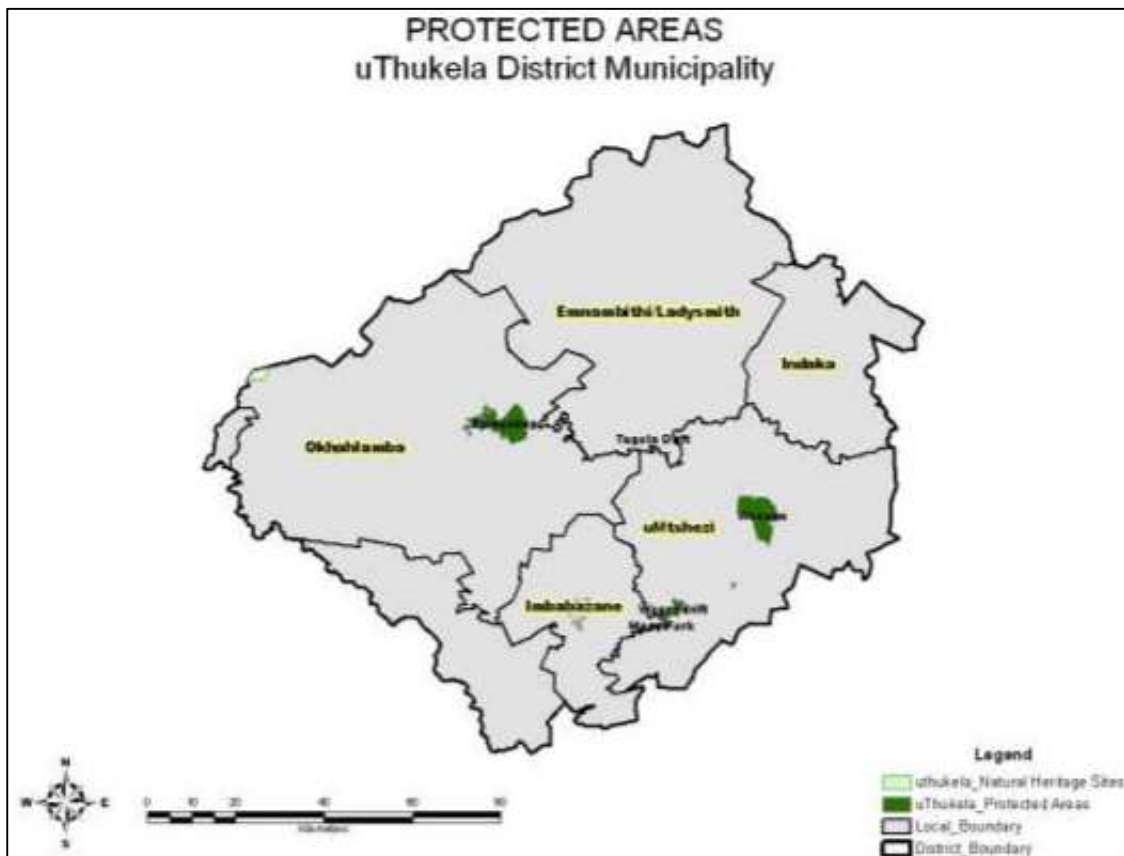


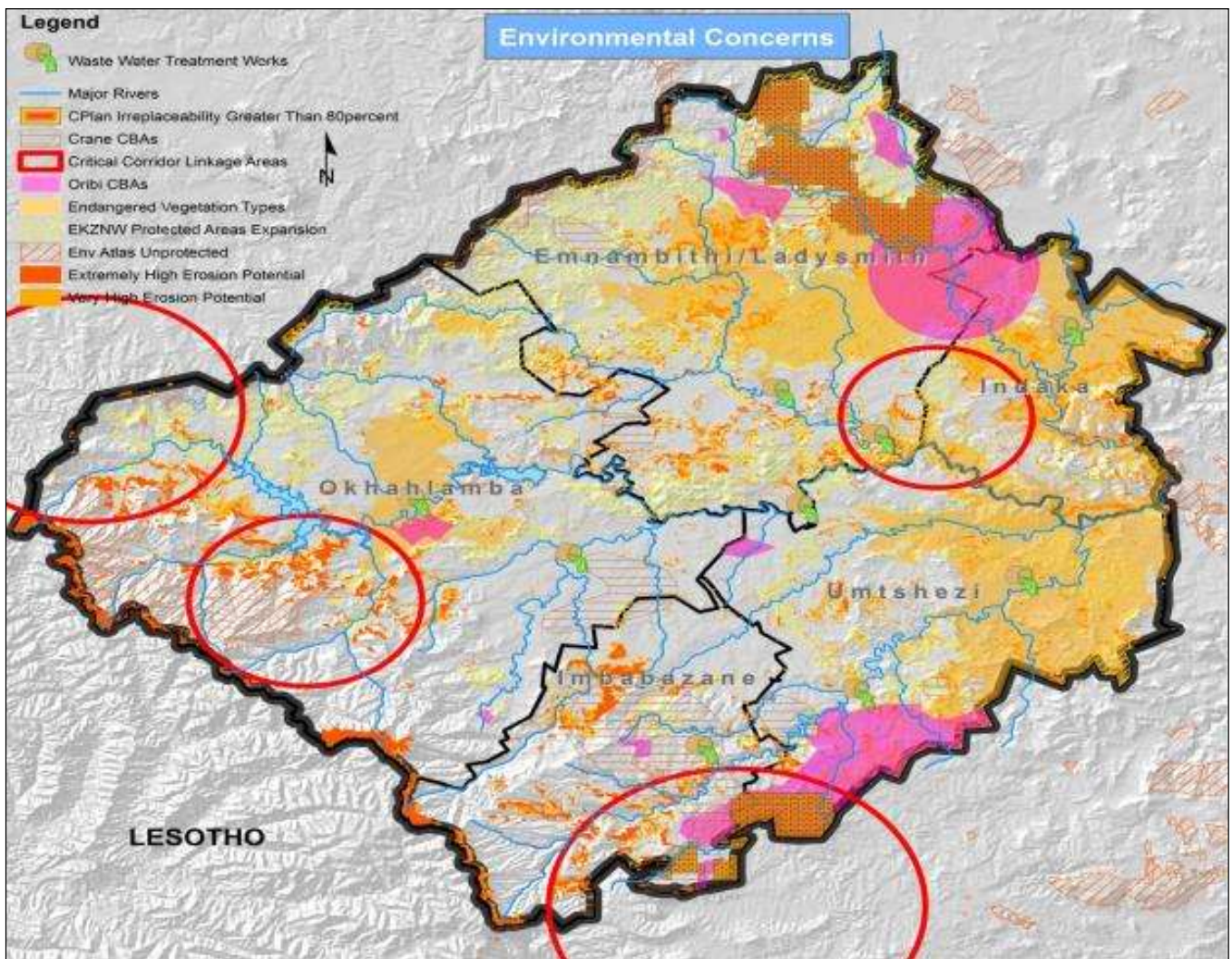
Figure 6: Protected Areas



Source: *uThukela Integrated Environmental Plan*

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

The following map shows the Unprotected Areas, Wetlands, Major Dams and Topology of uThukela district municipality.



4.2.2.2 HYDROLOGY

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

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

4.2.2.3 AIR QUALITY

In terms of National Environmental Management, Air Quality Act (No. 39 of 2004), municipalities have a critical role to play in protecting the environment by providing reasonable measures for the

prevention of pollution, ecological degradation, and for securing ecologically sustainable development while justifiable economic and social development.

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

Table 11 : Provincial Emissions in tons per annum

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

Source: uThukela District Environmental Management Framework

Due to its largely rural nature, UTDM only contributes 3.4 % of the total emissions in the province with the highest emissions being CO. Most of the emissions recorded for UThukela are for mobile-sources. This means that vehicle emissions are the chief contributor to air pollution in the district with industrial and agricultural sources playing a smaller role in air quality. Industrial sources of air pollution are concentrated in Ladysmith, with limited industrial activities also occurring in Estcourt.

UTDM has an Air Quality Management Plan in place, and there is an air quality monitoring station in Estcourt.

4.2.2.4 CLIMATE CHANGE

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

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

The municipality supplies schools with garden tools to support food gardens initiative. The municipality also supports “green events” in their municipal activities. This is achieved through green procurement when organizing municipal events, waste management plan designed solely for the event, inviting Department of environmental Affairs to raise environmental awareness to communities during the day of an event e.g. distributing environmental education material to communities.

uThukela district municipality is committed to understanding water resources, strategies & methods of utilizing water more efficiently & effectively going forward.

uThukela DM acknowledges the fact that it does not have environmentalist in its organogram to perform environmental management functions instead it has got designated waste management officer & air quality management officer appointed from the municipal administration as per the requirements of the Waste Act & Air Quality Act. The role of the waste management officer is to coordinate & account on matters pertained to waste management whilst air quality management accounts on air quality management matters. Moreover,

uThukela district municipality gets environmental management support from Assistant Directors deployed to municipalities (National Department of Environmental Affairs) & also receive support from Assistant Managers-Municipal Support (Provincial Agriculture, Environmental Affairs &, Rural Development) section) since there is no environmental management capacity in all municipalities within the family of uThukela.

4.2.3 STRATEGIC ENVIRONMENTAL ASSESSMENT (SEA)

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

4.2.4 SPATIAL AND ENVIRONMENTAL: SWOT ANALYSIS

The following table summarizes the Spatial and Environmental SWOT Analysis

Table 12: Spatial & Environmental SWOT Analysis

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

- ◆ Lack of environmental planning tools to govern natural environment;
- ◆ No alignment between district wide environmental plans with the local municipalities

4.2.5 DISASTER MANAGEMENT

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

uThukela district municipality experienced a number of heavy rains that cause floods, hailstorm, thunderstorms, strong winds related incidents and the municipality responded swiftly to the incidents. It was among the districts that was attacked by floods and was declared as national disaster. uThukela district municipality and its family of municipalities are vulnerable to disasters and in December 2012 was attacked by the hailstorm that damaged properties and cars for uThukela residents.

In terms of District Disaster Management Centre, the municipality with the assistance from COGTA Disaster Management is in the process of construction of the fully-fledged centre that is compliant to the Disaster Management Act that will respond swiftly to disasters.

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

4.2.5.1 MUNICIPAL INSTITUTIONAL CAPACITY

Currently the Municipality does not have the internal capacity on implementing the Disaster and is reliant to Provincial Disaster Management Centre staff that was deployed in the municipality.

In terms of District Disaster Management Centre, the municipality with the assistance from COGTA Disaster Management is in the process of construction of the fully-fledged centre that is compliant to the Disaster Management Act that will respond swiftly to disasters. Currently the municipality has advertised for the potential service provider to establish the Centre. It is envisaged that the Centre will be completed in the near future.

4.2.5.2 RISK ASSESSMENT

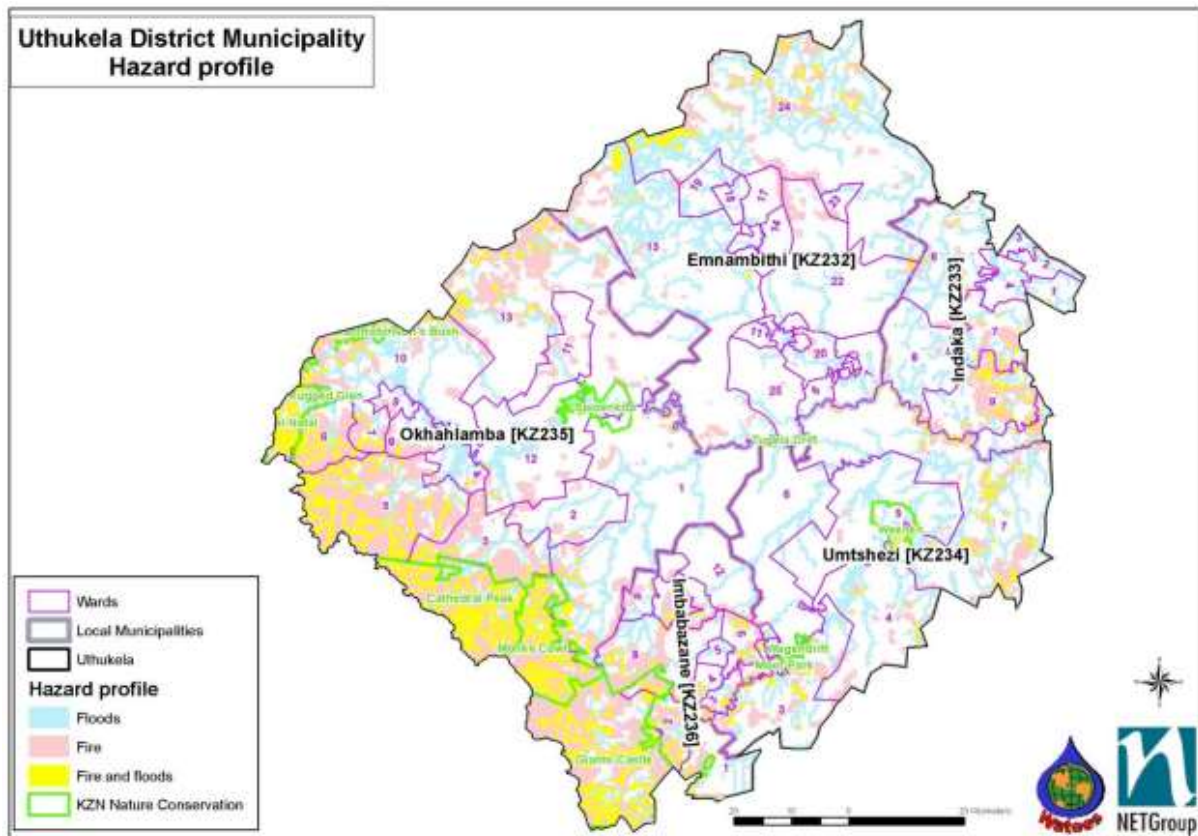
4.2.5.2.1 RISK PROFILE OF THE UTHUKELA DISTRICT MUNICIPALITY

The table following depicts a summary of the risks / hazards in uThukela District:

Figure 7: Identified Hazards for uThukela District Municipality

Lightning
Strong Winds
Rural Fires
Urban Fires
Hail Storm
Heavy Rain
Drought
Tornado
Disease (HIV, TB, Horse disease)
Cholera
Foot and Mouth disease
Soil Erosion
Environmental Degradation
Lack of appropriate sanitation facilities
Dumping Sites
Floods
Snow
Hazmat
Air Pollution (CO ₂ , Acid rain, Plants)
Water contamination
Aircraft Accidents
Possible dam failure (Thukela and Bushman intersect)
Railway Accidents (railway passes dam wall)
Informal settlement under power lines
Cooling Towers unsafe at Colenso

It was possible to compile appropriate GIS profile maps Using the detail disaster hazard, vulnerability and risk assessments of UDM. These GIS-profile maps summarise the disaster hazard, vulnerability and risk analysis of UDM. Hence, these profile maps indicate the risk profile of the UDM area of jurisdiction. When floods and veld fires (which received the highest threshold value during the risk assessment) were combined, it was possible to compile a disaster hazard profile map for UDM (Map 1). The blue colour indicates the location of possible flooded areas, red indicates the location of possible fire hazard zones, while the yellow colour indicates the combination of both fire and flooded areas in UDM area of jurisdiction.



4.2.5.3 RISK REDUCTION AND PREVENTION

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

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

Examples are:

- ⇒ Replanting indigenous grasses or trees on a recently burned slope near roads or dwellings to stabilise the soil and prevent damaging land subsidence;
- ⇒ Locating critical rail: Road and telecommunications structures behind a coastal “setback” line in areas exposed to storm surges to prevent disruption to critical services during violent summer or winter storms;
- ⇒ Careful positioning of storm water drainage and its on-going maintenance, along with protection of natural wetlands, to prevent destructive flooding during heavy rain

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

4.2.5.4 RISK REDUCTION AND PREVENTION

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

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

4.2.5.5 RESPONSE AND RECOVERY

The municipality is playing a coordinating role in terms of response and recovery. The family of local municipalities are the ones that are dealing directly with response and recovery. In March 2014, one of the areas in Okhahlamba local municipality was attacked by storm that damaged houses as well as hospital in the area and the municipality supplied with tents and blankets.

4.2.5.6 TRAINING & AWARENESS

Disaster management must be sustainable. This means that the issues must be kept alive. Two useful approaches to keep the issues in the public mind are training and public awareness programmes. Training cannot only take place when money is available or once every five years. Therefore, the training process must be integrated and ensure that people are being trained on a regular basis so that people can know what their responsibilities are in the implementation of disaster management programmes. In the same way, public awareness can contribute to

sustainability. "On-going public awareness, with the momentum shifting to community representatives, can lay the foundations of this ownership". Public awareness must be a two way process which establishes dialogue, rather to focused too much on officials passing on to communities what they feel communities should know (Westgate, 1999).

4.2.5.7 FUNDING ARRANGEMENTS

In the 2014/2015 financial year, uThukela district municipality put aside some funding for relief material in case of a disaster since the majority of the areas in the district are prone disasters. It is envisaged that every financial year more funding will pumped in to deal with the issues of disasters in a swift manner.

4.2.5.8 DISASTER MANAGEMENT SWOT ANALYSIS

Table 13: Disaster Management SWOT Analysis

Strengths	Opportunities
<ul style="list-style-type: none"> ◆ Disaster management plan in place although outdated ◆ Practitioner's forum in place ◆ Bakkie and truck, respond to incidents, although running errands not associated with the business unit ◆ Political will from Mayoral Office 	<ul style="list-style-type: none"> ◆ Lacks leadership, no head of centre ◆ Lacks organisational structure; no clear lines of reporting ◆ Lacks resources (human & material) ◆ Very limited or no budget at all ◆ Lacks expertise – out sourced
Weaknesses	Threats
<ul style="list-style-type: none"> ◆ Construction of the District Centre ◆ Support from provincial and national centres ◆ Support from local NGO's and business organisations 	<ul style="list-style-type: none"> ◆ Non-compliance with legislative mandates – reporting ◆ Deeply rural, agrarian and poverty stricken communities ◆ Political volatility and social tensions ◆ Lack of co-operation from supported municipal centres (sharing & exchanging of information) ◆ Lacks political will from supported structures

4.3 DEMOGRAPHIC CHARACTERISTICS

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

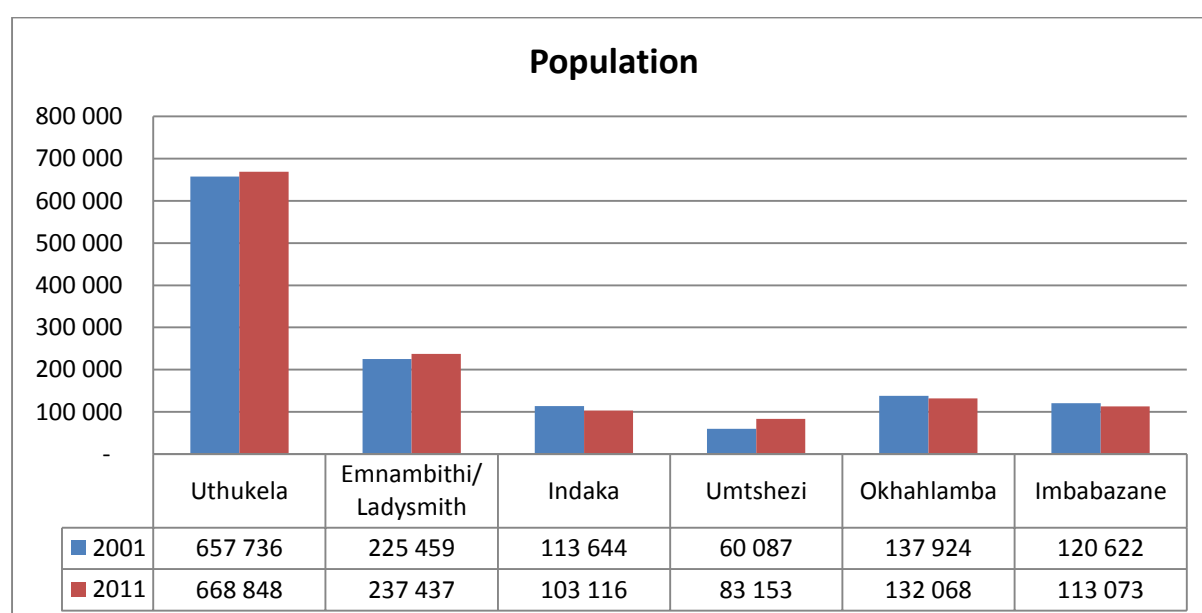
4.3.1 POPULATION SIZE

4.3.1.1 TOTAL POPULATION AND GROWTH RATE

The population of uThukela District increased from 657,736 in 2001 to 668,848 in 2011 recording approximately 2% growth, which translates to an annual growth rate of 0.17% during the period. uMtshezi municipality experienced the highest increase (38.4%) followed by Emnambithi / Ladysmith (1.69%). Indaka, Okhahlamba and Imbabazane both experienced a decline in its population recording 9.3%, 4.2% and 6.3% respectively between 2001 and 2011.

The decline of the population in uThukela district is attributed by amongst other factors the impact of HIV/AIDS- related deaths and migration.

Figure 8: Population Growth



Source: Statistics SA, Census 2011

4.3.1.2 MIGRATION (INTERNAL / EXTERNAL)

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

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

4.3.2 POPULATION DISTRIBUTION

4.3.2.1 POPULATION DENSITY

The population of uThukela district municipality is unevenly distributed. The largest population is in Emnambithi/Ladysmith local municipality and the small population is in Umtshezi local municipality.

The table below shows the number of wards in uThukela and how the population is distributed from the 2001 to 2011 Census

Table 14: Population Distribution

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

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

4.3.3 POPULATION COMPOSITION

4.3.3.1 AGE STRUCTURE & SEX RATIO

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

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

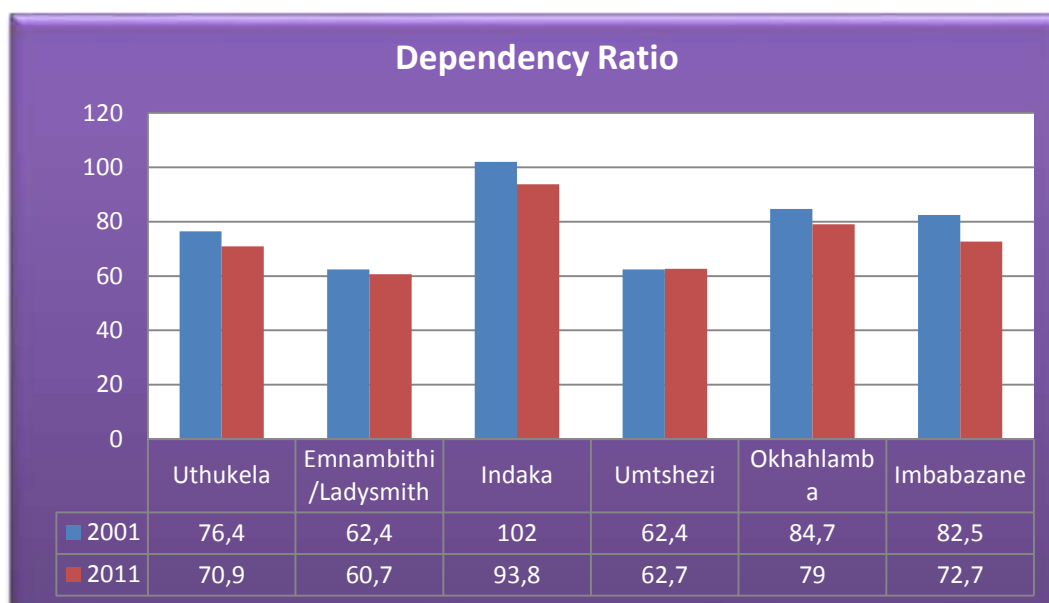
Source: Statistics South Africa, Census 2011

4.3.3.2 DEPENDENCY RATIO

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

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

Figure 9: Dependency Ratio



4.3.4 MORTALITY RATE

4.3.4.1 PERINATAL MORTALITY RATE (PNMR)¹

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

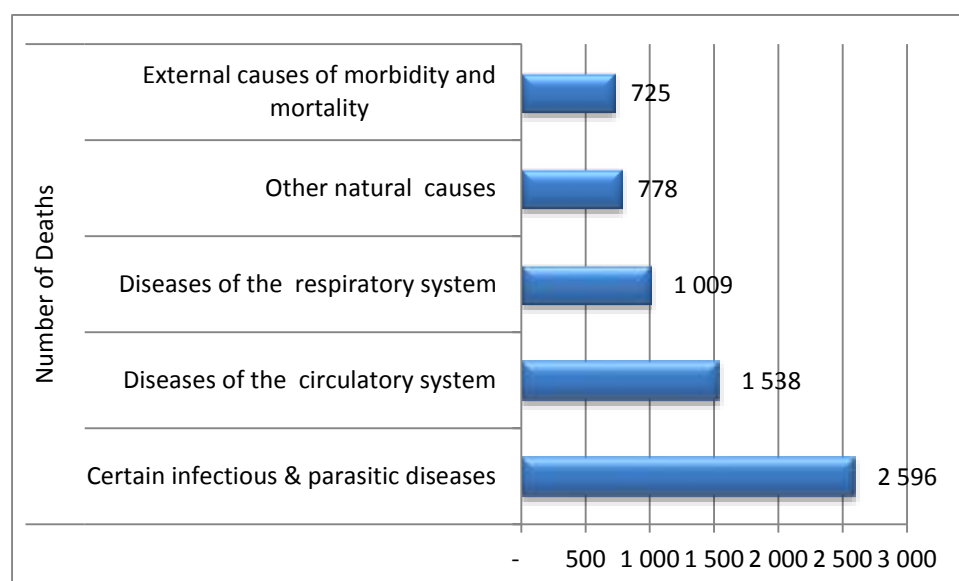
The average PNMR rate for uThukela District is approximately 37 per 1000 which is slightly above the SA average (34.5 per 1000)

4.3.4.2 LEADING CAUSES OF DEATH

4.3.4.2.1 NUMBER OF DEATHS BY MAIN GROUPS OF CAUSES OF DEATH

Certain infectious & parasitic, diseases of the circulatory system and diseases of the respiratory system are the main group causes of death in the district accounting 2,596, 1,38 and 1,009 deaths in 2010. The diagram that follows illustrates.

¹ <http://www.hst.org.za/uploads/files/secA6.pdf>

Figure 10: Number of deaths by main groups of causes of death

4.3.4.2.2 THE 10 LEADING UNDERLYING NATURAL CAUSES OF DEATH²

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

Table 15: The 10 leading underlying natural causes of death

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

² Mortality and causes of death in South Africa, 2010: Findings from death notification, Stats SA Statistical Release, P0309.3

11	Other natural causes	2 792	32,7
12	Non-natural causes	725	8,5
	All causes	8 549	100%

4.3.5 POPULATION GROUPS

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

Table 16: Population Groups (Race)

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

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

4.3.6 KEY FINDINGS

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

4.4 MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

4.4.1 MUNICIPAL TRANSFORMATION

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

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

4.4.2 ORGANIZATIONAL DEVELOPMENT

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

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

4.4.2.1 INSTITUTIONAL ARRANGEMENTS

Sub-structures such as the Executive Committee, Finance Sub-Committee, Human Resources & Sound Governance Sub-Committee, Infrastructure & Community Services Sub-Committee and, Economic Development & Planning Sub-Committee) have been established to carry out the decision-making and oversight functions of the uThukela Council. In addition to these sub-structures the district has the MPAC (Municipal Public Accounts Committee) and Audit Committees that also oversee the administrative undertakings. Insofar as the municipal administrative structure is concerned, there are four main municipal departments namely the treasury, corporate services, water services and social and Economic services that report directly to the Office of the Municipal Manager.

4.4.2.2 POWERS AND FUNCTIONS OF MUNICIPALITY

The following are the powers and functions of our municipality:

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

The table following elaborates the functions of the municipal departments:

Table 17: Municipal Departments and some of their Functions

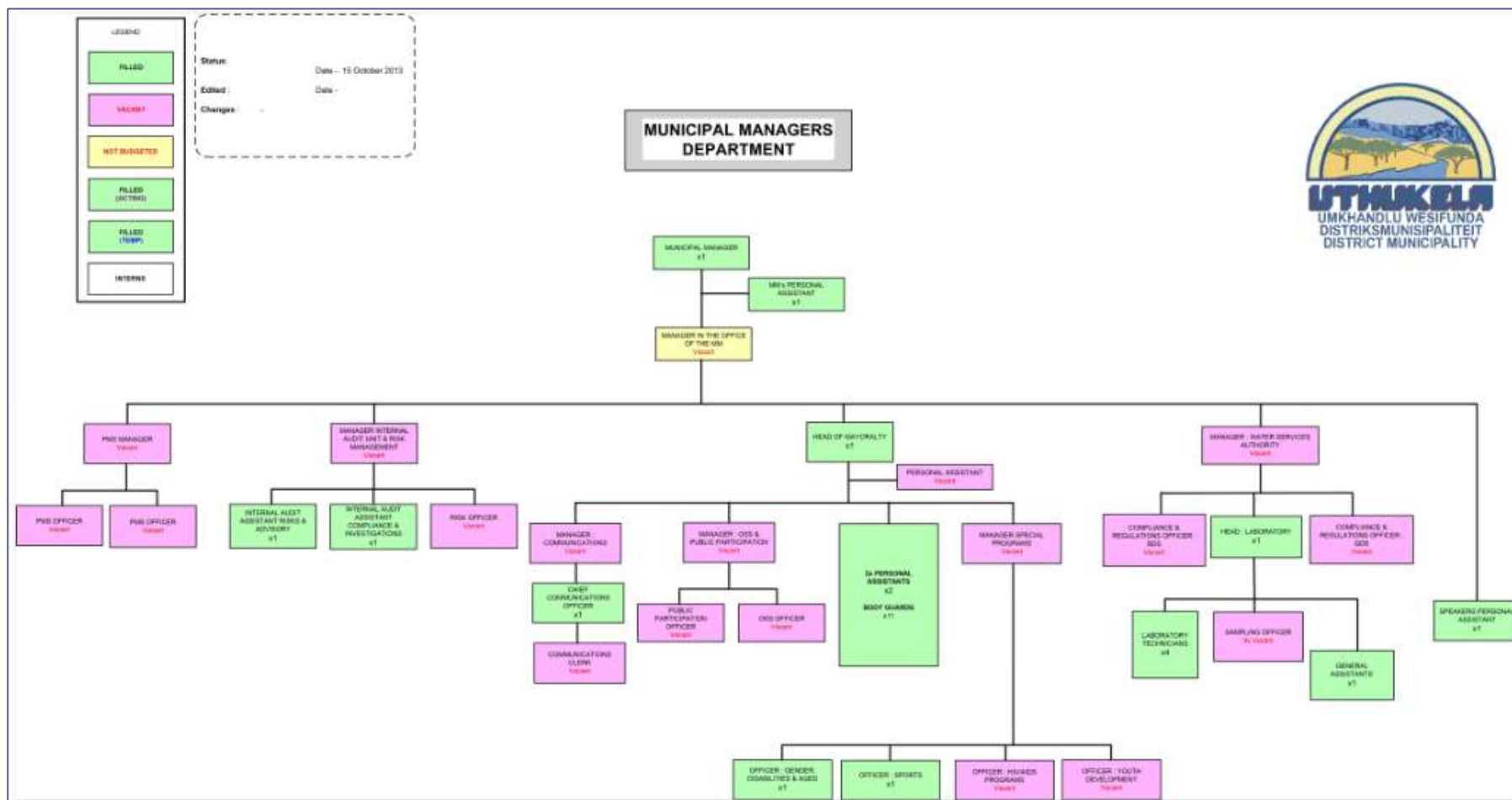
OFFICE OF THE MUNICIPAL MANAGER	CORPORATE SERVICES	TECHNICAL SERVICES	BUDGET & TREASURY OFFICE	STRATEGIC PLANNING,& LED	WATER SERVICES AND WSA
<p><u>FUNCTIONS</u></p> <ul style="list-style-type: none"> • The management of the municipality's administration. • The implementation of the IDP and monitoring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

				<p>functions within UTDM;</p> <ul style="list-style-type: none"> • Ensuring that development occurs in terms of UTDM's Spatial Development Framework; • Ensuring a sound and operational GIS within UTDM; • Drafting and day-to-day management of the IDP • Environmental management 	<p>programme linked to the Water Service Authority function such as ISWIP</p> <ul style="list-style-type: none"> • Every water services authority has a duty to all consumers or potential consumers in its area of jurisdiction to progressively ensure efficient, affordable, Economical and sustainable access to water services.

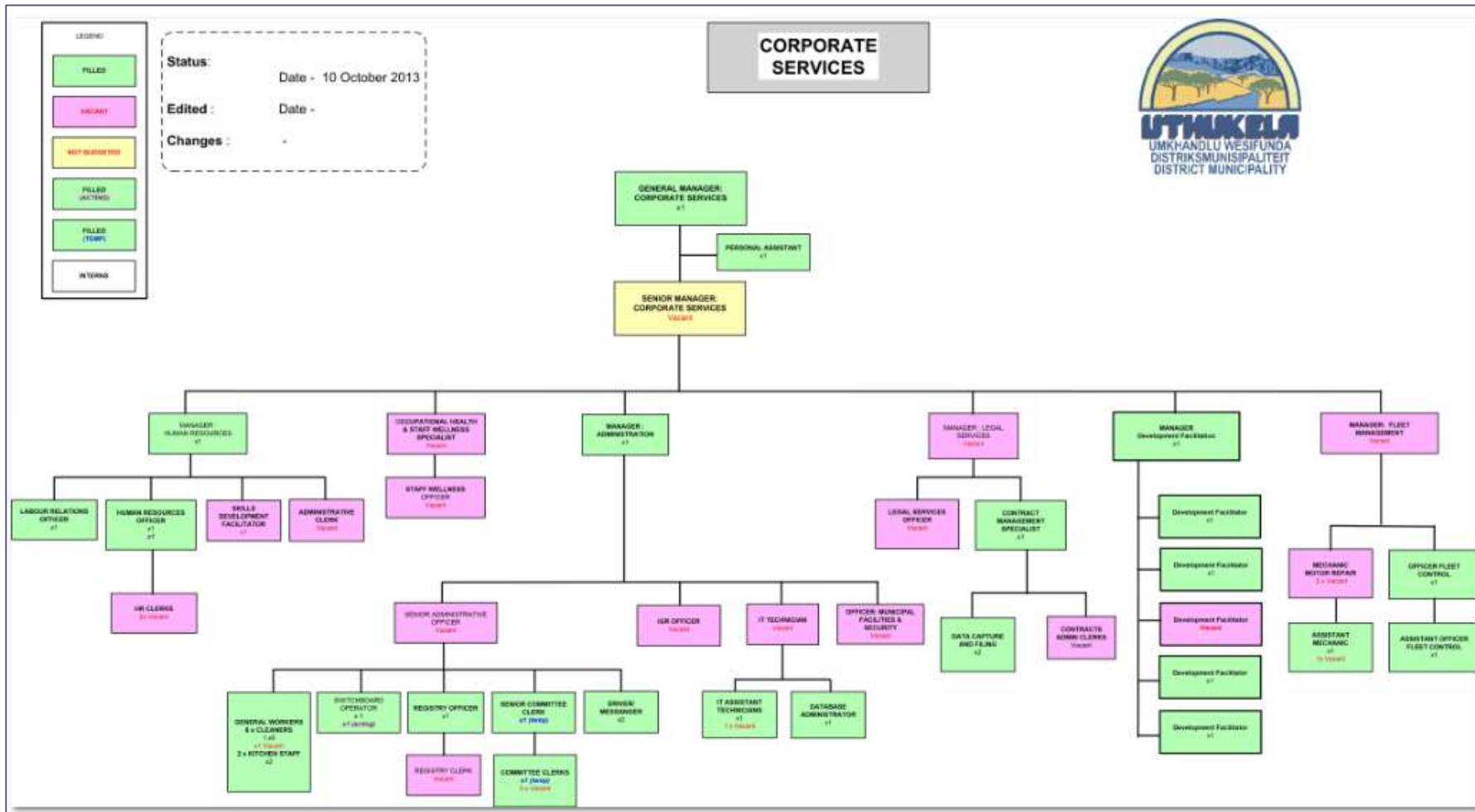
4.4.3 ORGANIZATIONAL STRUCTURE / ORGANOGRAM

uThukela district municipality has reviewed the organizational structure to ensure that is aligned to the Powers and Functions assigned to the district municipality and implementation of the IDP. The organizational structure was prepared and workshopped with all councilors and it was presented to EXCO and adopted by Council on the 22 February 2014. The District Municipality is having ± 510 permanent staff members and ±140 part time staff members. The following is the adopted organogram of uThukela district municipality.

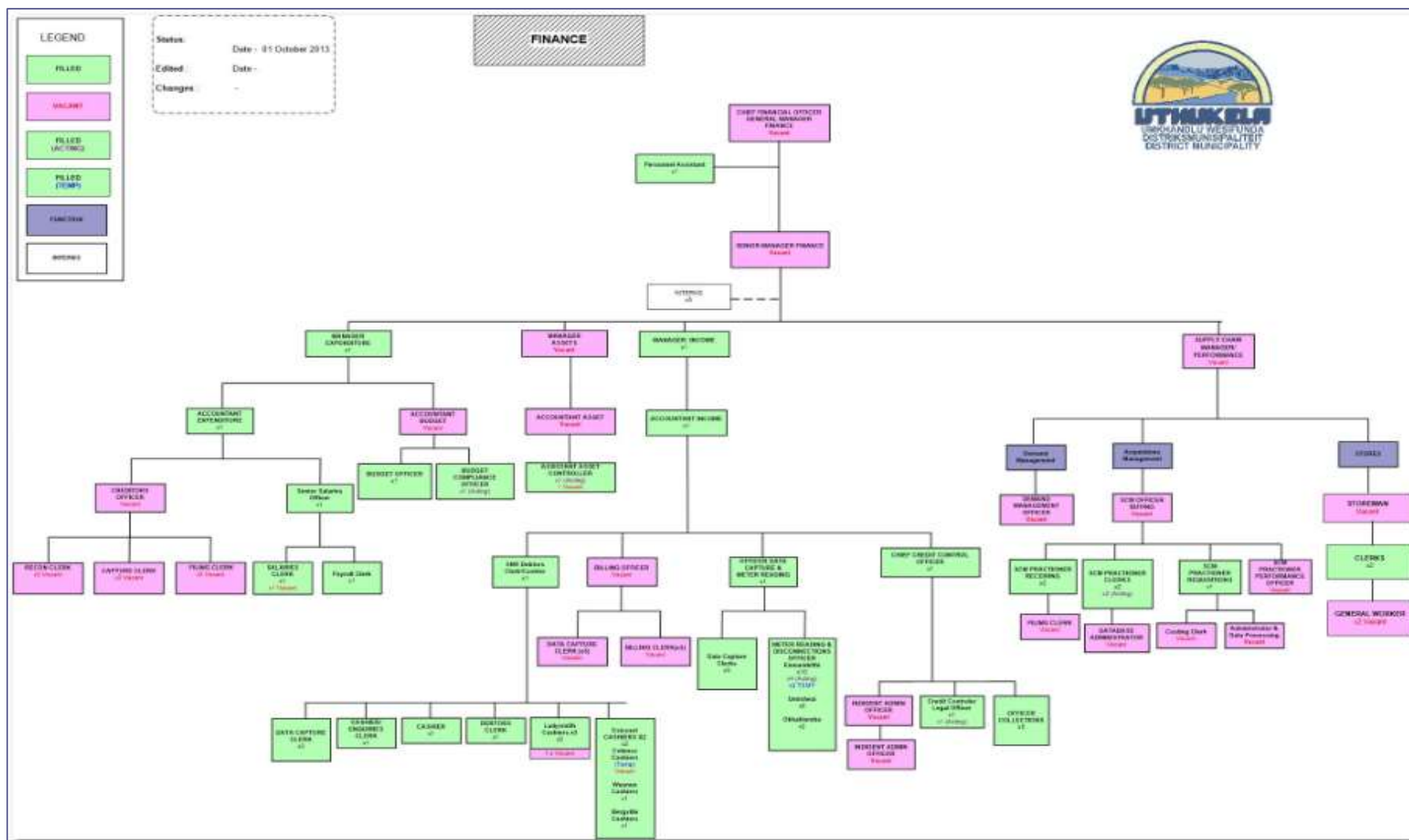
4.4.3.1 OFFICE OF THE MUNICIPAL MANAGER



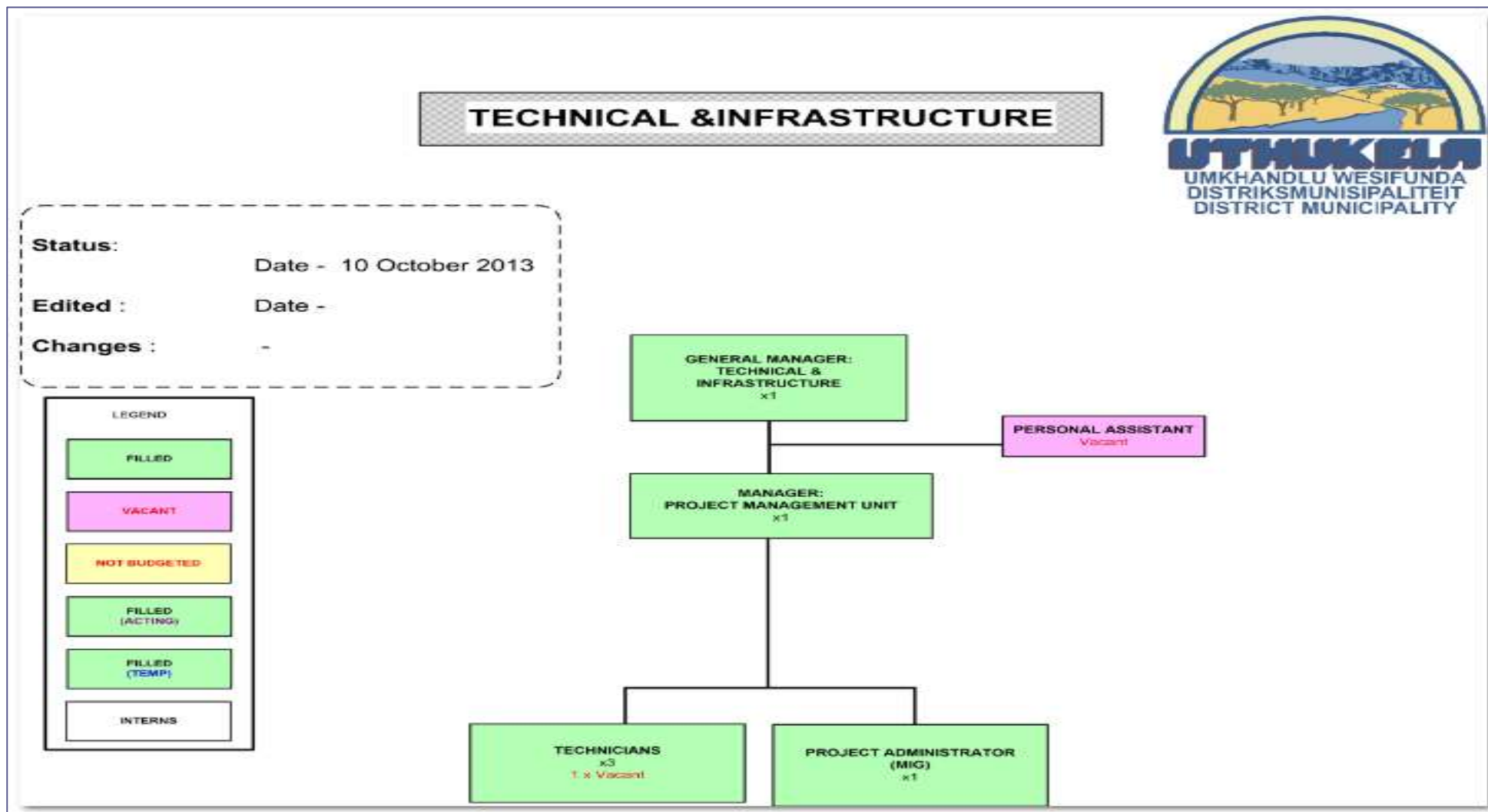
4.4.3.3 DEPARTMENT OF CORPORATE SERVICES



4.4.3.4 BUDGET AND TREASURY DEPARTMENT



4.4.3.5 DEPARTMENT OF TECHNICAL SERVICES



4.4.4 MUNICIPAL INSTITUTIONAL CAPACITY AND STATUS OF CRITICAL POSTS

4.4.4.1 INSTITUTIONAL CAPACITY

The District has the institutional capacity to undertake powers and functions. The district is equipped with well-trained managers that are capable of achieving the municipal set targets.

4.4.4.2 CRITICAL POSTS (MM & SECTION 56 POSTS)

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

Table 18: Critical Posts

NAME	DEPARTMENT	GENDER
S N Kunene	Municipal Manager	Male
M F Hadebe	General Manager Corporate Services	Male
S Shange	General Manager Water Services Operation	Male
P H Z Kubheka	Chief Finance Officer	Female
M V Radebe	General Manager Technical services	Male
N Z Khuzwayo	General Manager Social and Economic Services	Male

4.4.5 HUMAN RESOURCE STRATEGY

The Human Resource Policies have been compiled in an enabling spirit and sets out the policy relating to employment within the municipality. These policies are the enabling tool to facilitate human resources management within the municipality. In compiling the uThukela District Municipality Human Resource Policies, reference was made to documents such as the Employment Equity Act No.55 of 1998, the Labour Relations Act No.66 of 1995, the Skills Development Act No.97 of 1998, the Municipal Finance Management Act No.56 of 2003, White Paper on Affirmative Action in the Public Service and the White Paper on Human Resource Management in the Public Service. uThukela district municipality has developed the following HR policies.

- ⇒ Promotion policy;
- ⇒ Placement Policy;
- ⇒ Employment policy;
- ⇒ Employment Equity policy;
- ⇒ Leave policy;
- ⇒ Recruitment, Retention and Selection policy;
- ⇒ Permanent employment policy;
- ⇒ Temporal employment policy;

- ⇒ HIV/AIDS policy;
- ⇒ Smoking policy;
- ⇒ Sexual Harassment policy;
- ⇒ In service Training policy;
- ⇒ Communication policy;
- ⇒ Training and Development policy;
- ⇒ S&T policy

4.4.5.1 EMPLOYMENT EQUITY PLAN

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

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

4.4.5.2 WORK SKILLS PLAN

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

uThukela district municipality do comply with Skills Development Act. The District has developed and implementing workplace skills development plan in order to enhance the skills of the staff and thereby improve their competencies. The Workplace Skills Plan is developed on annual basis and adopted by Council. After the adoption, it is then submitted to LGSETA for accessing funds. However, the funding that was received was insufficient to meet the needs of the District. uThukela workplace skills plan outlines the training and development for the municipality. It also addresses the gaps and shortfalls in skills required and identified positive ways of addressing them.

In the financial year 2012/2013, the municipality appointed a service provider to conduct a formal skills audit. Thirty three (33) employees received formal training in the total cost of R 363 250.00(inclusive of the cost for skills audit).The municipality also offers bursaries to the employees with the focus on critical scarce skills areas such as finance, human resources, artisan and engineering.

The municipal employees also have a bursary scheme wherein about 15 employees benefited from it in this past year. The municipality is currently engaged in the following skills development programmes namely: - Graduate training program in partnership with the National Treasury; the internship program with the Provincial Economic Development and Tourism.

Nine (9) water and wastewater process controllers are currently engaged in the NQF2/NQF 3 Process Control Learner ship facilitated by Water Academy, which was completed by the end of April 2012.

4.4.5.3 RECRUITMENT AND SELECTION POLICY

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

4.4.5.4 RETENTION AND EXIT POLICY

The municipality has developed a Draft Retention Policy. Once this draft is finalized, it will be submitted to Council for approval and adoption.

4.4.6 MUNICIPAL TRANSFORMATION & ORGANIZATIONAL DEVELOPMENT SWOT ANALYSIS

Table 19: Municipal Transformation & Organizational Development SWOT Analysis

Strengths	Threats
<ul style="list-style-type: none"> ◆ All senior management positions are filled; ◆ Approved organogram indicating re-alignment of functions; ◆ Efficient financial and information management system; ◆ Incorporation of critical positions in the approved budget 	<ul style="list-style-type: none"> ◆ Constant changes in legislation and national policies; ◆ Changes in the formula for the allocation of government grants including equitable share
Opportunities	Weaknesses
<ul style="list-style-type: none"> ◆ Local Government support from COGTA; ◆ Signed MOU with EThekweni emphasising support initiatives. 	<ul style="list-style-type: none"> ◆ High number of unskilled staff; ◆ Number of policies not approved by Council; ◆ Lack of commitment of IGR structures; ◆ Dominance of males in senior management; ◆ Misplacement of staff; ◆ Lack of linkage of skills audit and plan to skills needed to perform functions effectively; ◆ Low staff morale; ◆ Non-adherence to best practices

4.5 BASIC SERVICE DELIVERY AND INFRASTRUCTURE ANALYSIS

The core function of uThukela district municipality is the provision of water and sanitation services. The primary objective is to extend portable water and sanitation services throughout the district by eliminating the backlogs and also to maintain and ensure sustainability of the existing water and sanitation infrastructure.

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

4.5.1 WATER AND SANITATION

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

4.5.1.1 STATUS OF WATER SERVICES

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

The overall microbiological compliance rate for uThukela district municipality was 74.4%. This percentage is reflected on the Department of Water Affairs' Blue Drop website. Results are compared with the SANS-241 drinking water quality standard for South Africa. The total number of samples taken from the 13 water purification works including reservoirs and reticulation points was 1936.

uThukela district municipality's Water Treatment Works and Waste Water Treatment Works performances are evaluated according to the Blue Drop and Green Drop criteria. The Blue Drop and Green Drop Status scores for uThukela district municipality are low. While a score of 57.39% for BDS is not regarded as a poor performance, the Uthukela DM was the lowest scoring municipality in KwaZulu-Natal for both BDS and GDS. The Green Drop score was 33.9%.

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

4.5.1.1.1 WATER QUALITY

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

The overall microbiological compliance rate for uThukela district municipality was 74.4%. This percentage is reflected on the Department of Water Affairs' Blue Drop website. Results are compared with the SANS-241 drinking water quality standard for South Africa. The total number of samples taken from the 13 water purification works including reservoirs and reticulation points was 1936.

4.5.1.1.2 BLUE DROP / GREEN DROP STATUS

uThukela district municipality is involved in the Blue drop/green drop process. This involvement is intended to achieve optimum compliance, operating and process controls. Blue Drop System and Green Drop System scores for uThukela district municipality are low. The Blue Drop System (BDS) score is currently sitting at 57.39% and the Green Drop System (GDS) score is currently sitting at 33.9%.

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

4.5.1.1.3 WATER TREATMENT

uThukela district municipality currently operates 7 waste water treatment namely Ladysmith, Colenso, Estcourt, Bergville, Ekuvukeni, Wembezi and Ezakheni waste water works. uThukela waste water works receive waste water(grey water) from industrial(efficient) and domestic premises. The above waste water works are operated within the guidelines and general standards issued by Department of Water Affairs (DWA)

4.5.1.1.4 WATER SERVICES DEVELOPMENT PLAN

As a Water Services Authority ,uThukela district municipality has developed and adopted the Water Services Development Plan(WSDP).This plan was prepared in accordance with the Department of Water Affairs and (DWA) preparation guide. According to the adopted WSDP the DM has a wealth of surface water resources, however much of the dammed water is transferred to Gauteng Province as part of the Tugela-Vaal scheme. Most surface water is abstracted from the Tugela River or one of its tributaries, such as the Klip, LittleTugela or Bushmans. The challenge is that the WSDP is old and the municipality is in the process of updating the plan to guide investment in water infrastructure in the short to long term period uThukela district municipality has developed Water Services By-laws. Council has also resolved a free basic water concept, to help the plight of indigent persons with lower levels of services. In rural areas free water is supplied to communities, under a policy of free

communal water provision. The district strategies on water conservation and demand management are a priority and started implementing it. Through the Implementation of Sustainable Water Services Institutions Programme (ISWIP), the DM is assisted to attain the necessary capacity to perform these WSA functions.

Water services infrastructure is more developed in the urban areas supplying a higher level of service, as opposed to the rural areas. Each urban area generally has its own water and wastewater treatment facility. The challenge that is facing the municipality is that some water infrastructure is dilapidated; the date of construction of some components is unknown.

Note The district municipality is the process of updating the Water Services Plan (WSDP)

4.5.1.2 WATER BACKLOGS

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

The table below shows the backlog per local municipality.

Table 20: Status of Water Supply Backlog

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

(Source: AB Projects) June 2011

4.5.1.3 WATER NEEDS AND PRIORITIES

The water needs and priorities in the uThukela district municipality is highlighted in some areas around Okhahlamba and Imbabazane local municipalities

4.5.1.4 STATUS OF SANITATION

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

4.5.1.5 SANITATION BACKLOG

The appropriate sanitation services backlog as at the end of June 2011 was 22.85 %. This translates to 31 907 households not having appropriate sanitation services.

The table below shows the sanitation backlog per local municipality.

Table 21: Sanitation Backlog

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

Source: AB Projects June 2011

4.5.1.6 SANITATION NEEDS AND PRIORITIES

Concerning sanitation needs, uThukela district municipality will spend most of its resources in municipalities such as Indaka and Imbabazane

4.5.1.7 COORDINATION OF WATER AND SANITATION BETWEEN DEPARTMENTS

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

4.5.2 SOLID WASTE MANAGEMENT

4.5.2.1 STATUS OF SOLID WASTE

Access to refuse removal remains a problem in the district, particularly in Imbabazane and Umtshezi. There is however a decrease of households utilizing community and own dumps, as well as households receiving a service from the municipality, other than on a weekly basis. Refuse collection therefore remains a serious environmental health issue. The district municipality has finalized the Integrated Waste Management Plan and is providing strategies in addressing the backlogs in refuse collection, both at district and local level. Less capacitated local municipalities should however start to initiate a community based refuse collection service in order to address this challenge. The municipality is also implementing the free basic solid waste for the indigent. The table below indicates the frequency of refuse disposal in uThukela district municipality.

Table 22: Refuse Removal Frequency

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

Source: 2011 statistics South Africa

Table 23: Existing Waste Management Systems and Practices

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

Table 24: Waste Treatment Facility

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

4.5.2.2 INTEGRATED WASTE MANAGEMENT PLAN (IWMP)

Two main categories describe the waste that is generated within uThukela district municipality namely:

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

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

4.5.2.3 LAND FILL SITE

The following table shows the landfill sites in the district.

Table 25: Landfill Sites within the District

DESCRIPTION	EMNAMBITHI	IMBABAZANE	INDAKA	OKHAHLAMBA	UMTSHEZI
Name	Acaciavale	None	Ekuvukeni	Bergville	Umtshezi
Geographic Location	Acaciavale	None		R74 Bergville	Beacon Hill near R103
Area Covered	Ladysmith, Steadville & Zakheni	None	Ekuvukeni T/ship	Bergville & Winterton	Escourt & Weenen
Year of Construction	1995	None		1975	1993
Resources Available	Compactor	None	None, Ransacked	Incinerator	Guard house, shed, jojo water tank, compactor, leachate dam, high pressure washer, tools & spanners
Permit Certificate	B33/2/2020/p1 63	None	None	None	B33/2/2020/15 pP76
Type and Quantities	Household, Business & Industrial 44 640 tons	None	Household, 66 tons	Household & Business, 117 tons	Household, Business & Industrial 581 tons
Description of Neighboring Area	Residential	None	Residential & Rural	Residential, River	Informal Settlement
Signposting & Road Access	Yes	None	Yes	Poor & Accessible	Yes
Type of Site	General	None	General	General	General
Access Control	No	None	No	Yes	24 Hour Security
Collection of Disposal Tariffs	Yes	None	Yes	Yes	Yes
Landfill Operation	Compacting & Cover	None	None, just throw staff	Cover	Compacting & Cover
Method of Landfilling	Trench System	None	Trench System	Trench System	Trench System
Co-disposal	Solid Waste	None	Solid Waste	Solid Waste	None

	Only		Only	Only	
Health Care Waste	None	None	None	None	None
Excavation for Cover	Yes	None	Yes	No	Yes
Drainage	Yes, cut off drains around site	None	None	Not Required	Yes, cut off drains around site
Control of Nuisances	Daily Covering	None	None	Daily Covering	Daily Covering
Salvaging Activities	Prohibited	None	Prohibited	Prohibited	Prohibited
Waste Reclamation	Prohibited	None	None	Prohibited	Prohibited
Leachate & Waste Management	Random Checks	None	None	Not Checked	Random Checks
Rehabilitation	Ongoing	None	None	Ongoing	Ongoing
Final Cover	Ongoing	None	None	Ongoing	Ongoing
Public Participation		None	No		Yes
Plans for Extending/Closing		None	Extension	Closing	No, 10 years left
Environmental Monitoring	Yes, Random	None	None	Yes	Yes, Random

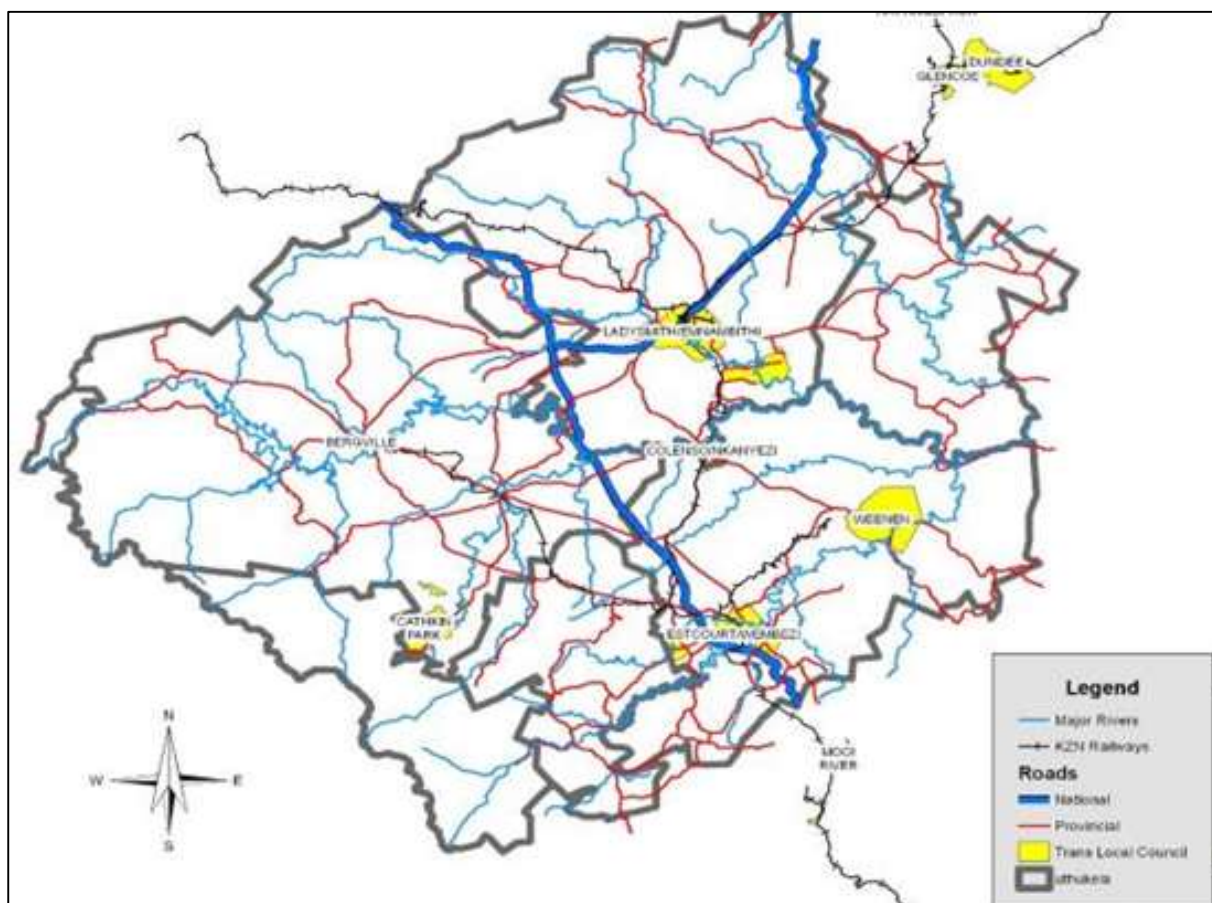
4.5.3 TRANSPORTATION INFRASTRUCTURE

4.5.3.1 ROADS

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

Of all roads in the uThukela district area 1 410km are surfaced roads and 1 320km are un-surfaced or gravel roads. The majority of the surfaced roads can be found in Emnambithi/Ladysmith municipality. The following map shows transport routes in the district.

Figure 8: Road and Rail Critical Linkages



4.5.3.1.1 MUNICIPAL ROADS AND MAINTENANCE PLAN

uThukela District Municipality has complied with the National Land Transport Transition Act (NLTTA), act 22 of 2000 that requires that the district and local municipalities must compile a public transport plan (PTP). The plan is a 5 year plan that is reviewed annually. This plan was prepared in conjunction with the local municipalities. It was also aligned with the IDP. In the plan there are number of

identified projects that require implementation over the period of 5 years. Additional projects were identified for implementation after 5-year period. The municipality is negotiating with the KZN Department of Transport to assist the municipality with funding for the review of the Public Transport Plan and to prepare the Integrated Transport Plan (ITP) as per the requirement of the National Land Transport Transition Act (Act No.26 of 2006).

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

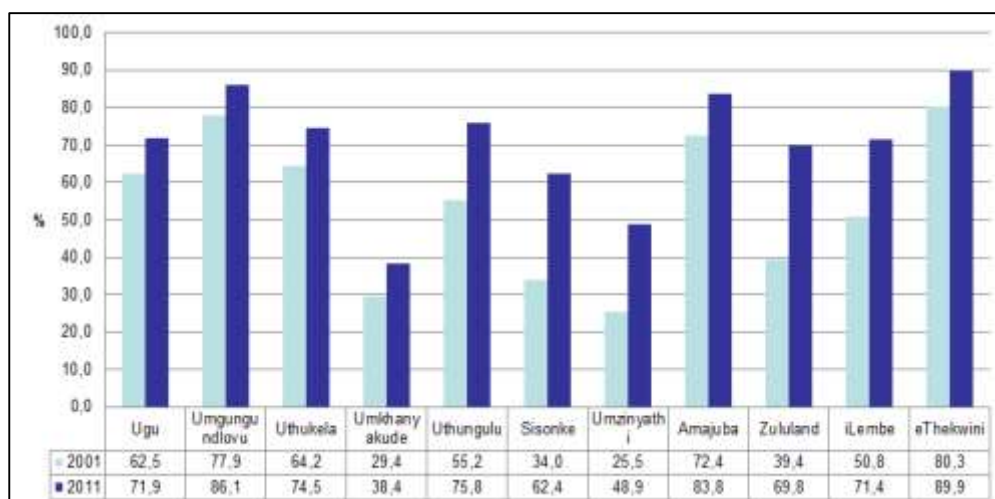
4.5.3.2 PUBLIC TRANSPORT FACILITIES

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

4.5.3.3 STATUS OF ELECTRICITY SUPPLY

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

Figure 9: Electricity Provision

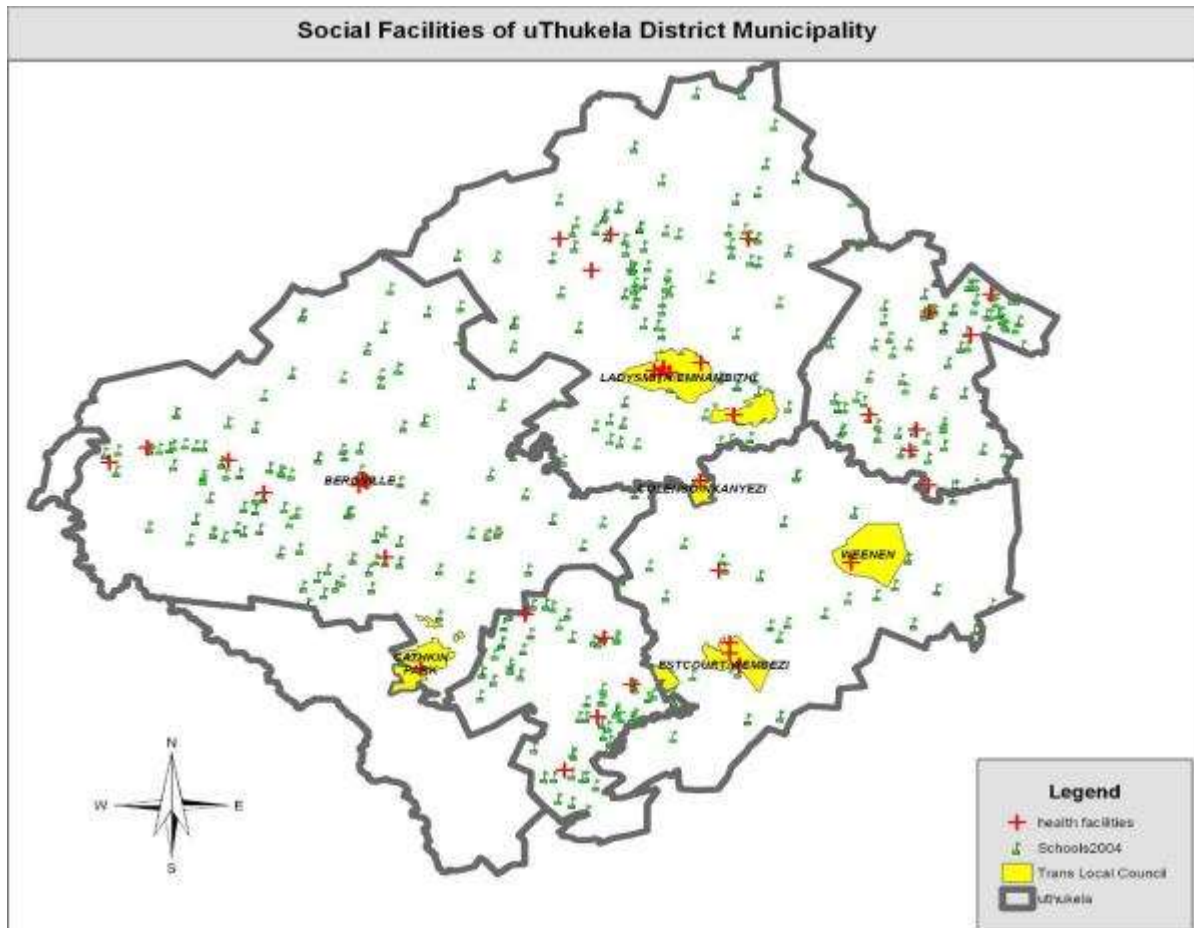


Source: Statistics South Africa 2011

4.5.4 ACCESS TO COMMUNITY FACILITIES

4.5.4.1 STATUS OF COMMUNITY FACILITIES

The map below shows the social facilities of uThukela district municipality



4.5.5 HUMAN SETTLEMENTS

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

STATUS OF MUNICIPAL HOUSING SECTOR PLANS

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

4.5.5.1 MECHANISM FOR COORDINATION OF HOUSING PROJECTS

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

4.5.5.2 COMMITTED FUNDING FOR HOUSING PROJECTS

The housing projects have been prioritized in the Human Settlement departmental five-year business plan.

2014/2015 financial year	11 million
2015/2016 financial year	15 million
2016/2017 financial year	11 million

4.5.6 SERVICE DELIVERY & INFRASTRUCTURE SWOT ANALYSIS

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

4.6 LOCAL ECONOMIC DEVELOPMENT AND SOCIAL DEVELOPMENT ANALYSIS

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

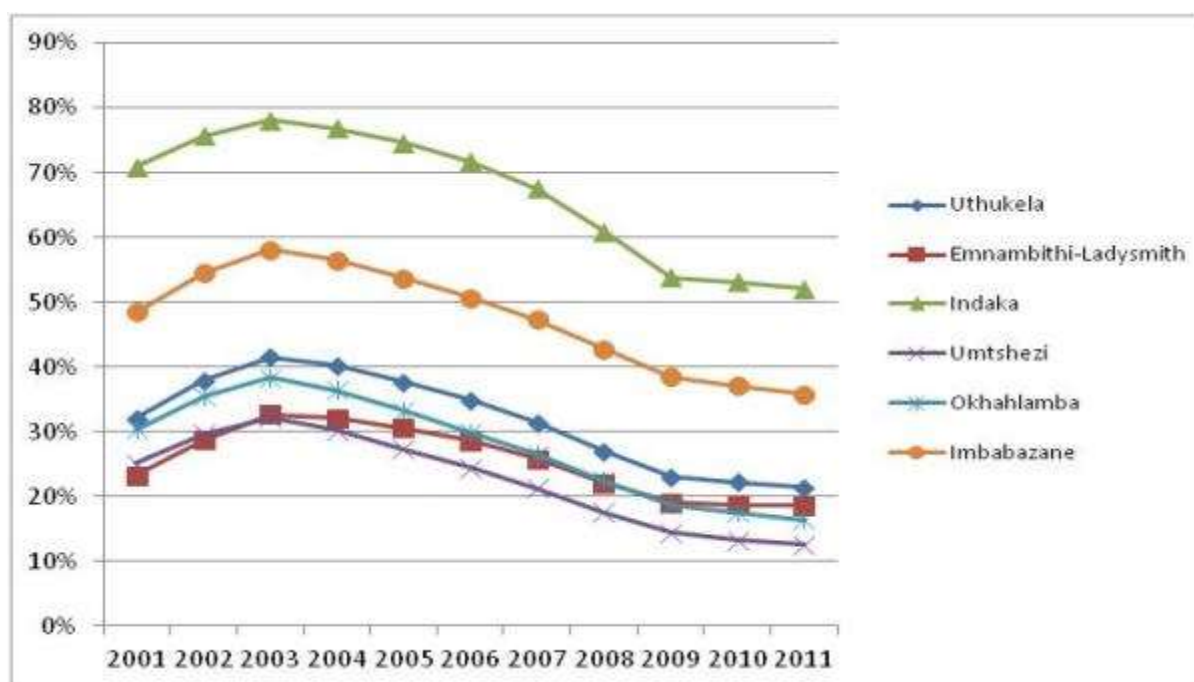
4.6.1 LOCAL ECONOMIC DEVELOPMENT ANALYSIS

4.6.1.1 EMPLOYMENT STATUS

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

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

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



Source: Quantec

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

Table 26: Employment Levels in the District

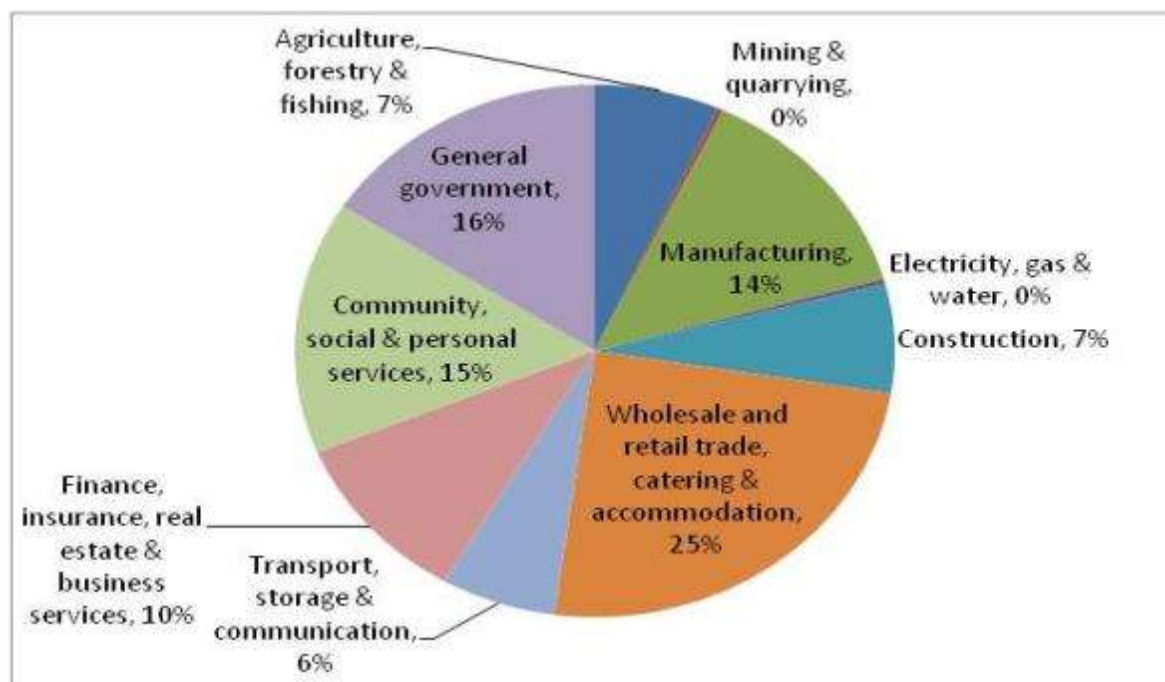
	Total population	Population - Working age	Total employed	Unemployed	Not economically active	Unemployment Rate	Labour Force Participation Rate
2001	644 246	351 530	97 545	46 155	207 830	32%	41%
2006	699 941	384 081	112 228	60 079	211 774	35%	45%
2011	750 913	418 990	118 190	32 297	268 503	22%	36%

Source: Quantec

4.6.1.2 EMPLOYMENT BY SECTOR

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

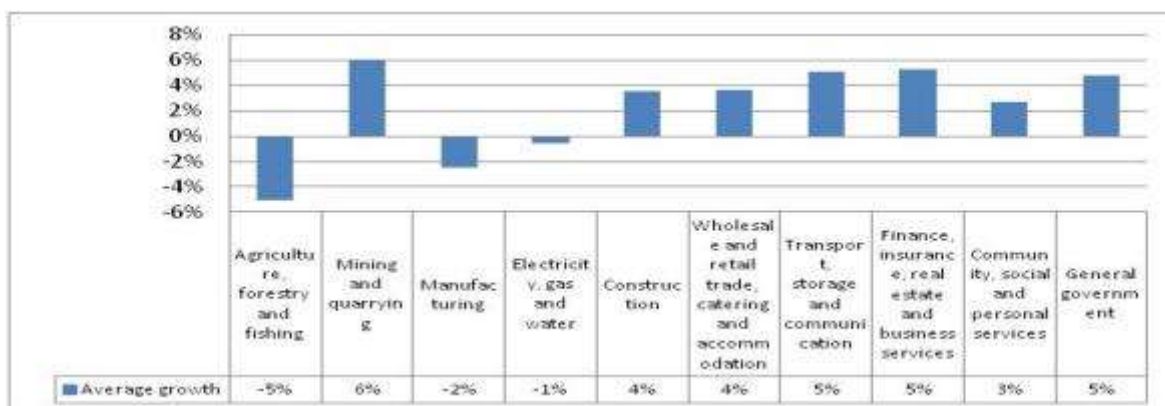
Figure 11: Employment per Sector



Source: Quantec

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

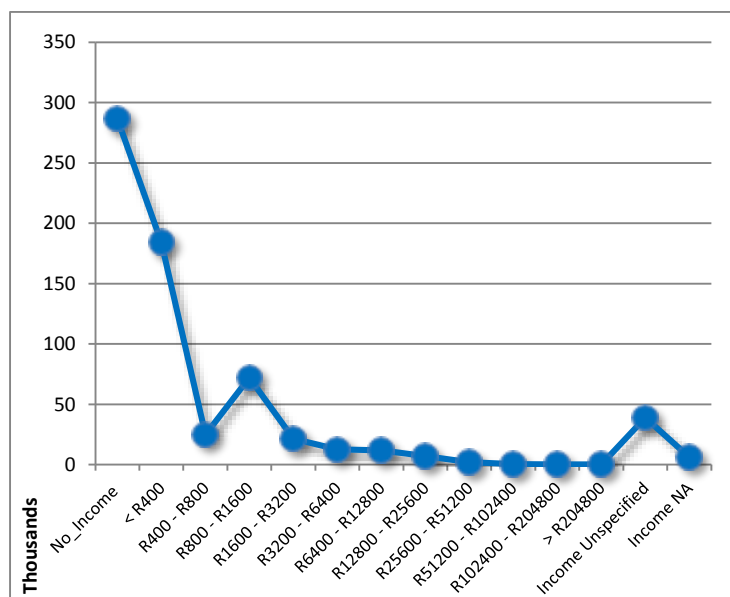
Figure 12: Average Growth in Employment per Sector 2001 - 2011



4.6.1.3 INCOME LEVEL

4.6.1.3.1 INDIVIDUAL INCOME

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



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

4.6.1.3.2 HOUSEHOLD INCOME

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

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

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

Source: (Statistics South Africa: Census 2011)

4.6.1.4 MAIN ECONOMIC CONTRIBUTORS

4.6.1.4.1 GROSS VALUE ADDED (GVA) CONTRIBUTION

The total value of goods and services produced in uThukela in 2011 was R13.4 billion, contributing 5% to the provincial economy. The district's GVA contribution grew at an average of 6% per annum between 2001 and 2011, which is above the overall average for KZN of 4%. This is attributed to the high average growth in Okhahlamba, Indaka, Umtshezi and Imbabazane municipalities. The table below shows the GVA contribution of KZN, uThukela and its local municipalities in 2001, 2006 and 2011.

Table 27: GVA Contribution

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

Source: Quantec

4.6.1.4.2 GVA CONTRIBUTION PER SECTOR

The table shows the GVA contribution per sector in constant prices for the district municipality from 2001-2011.

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

From a growth perspective, construction grew at an average of 11% per annum between 2001 and 2011, followed by finance, insurance, real estate and business services at 10% per annum. The largest sector, manufacturing, grew at 4% per annum. Mining and quarrying showed a negative average growth rate over the period of 2% per annum.

Table 28: GVA Contribution per Sector

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

Source: Quantec

4.6.1.5 AGRICULTURE SECTOR

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

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

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

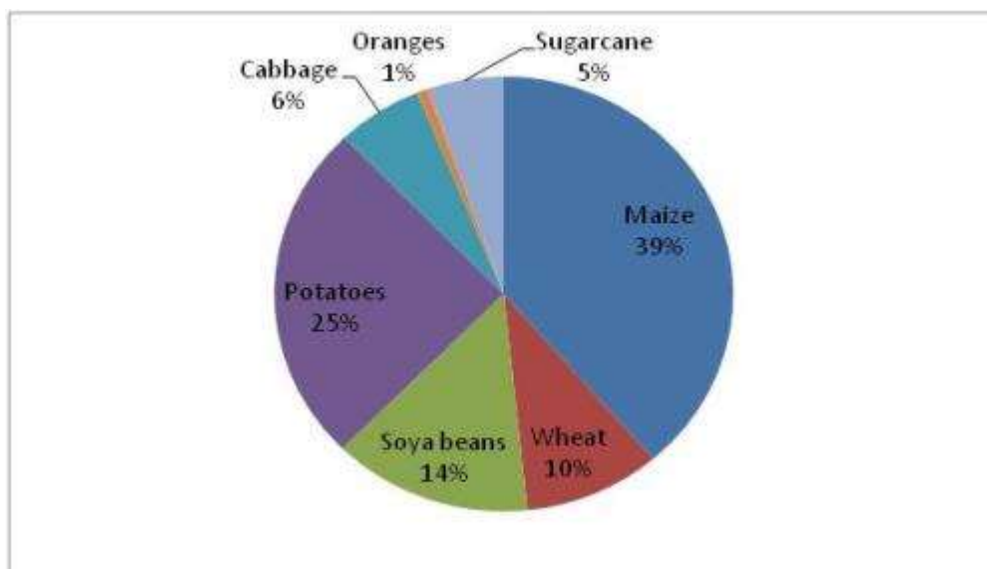
Table 29: Contribution of Agriculture to the uThukela District's Economy

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

Source: Quantec, 2012

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

Figure 13: Crops Planted in uThukela District in 2007



Source: 2007 Dept. of Agriculture

In addition, there were 1 million chickens, 56 000 pigs, 47 000 cattle and 26 000 sheep in the district in 2007. Beef ranching dominates in Emnambithi local municipality, whilst chickens are the dominant activity in Umtshezi local municipality. The main area of sheep and pig farming is also in Umtshezi local municipality.

The challenges facing agriculture in the district are:

- ⇒ Traditional value systems hinder the ability of communal farmers to become more commercialized as the economic value of their livestock is not appreciated;

- ⇒ Poor herd quality in terms of cattle means that commercialization of cattle farming is limited;
- ⇒ Stock theft is a major problem in the district;
- ⇒ Failure of land reform to produce viable and sustainable farming operations;
- ⇒ Communally owned cattle represent a huge proportion of stock in the district and this asset needs to gear further investment in agriculture;
- ⇒ Whilst it is important to identify potential value adding opportunities, these must be done within the context of the broader economy and impacts on businesses elsewhere in the supply chain;
- ⇒ There is a need to make people directly responsible for their farming activities and their own success;
- ⇒ Make use of existing knowledge systems within communities to make agriculture a success;
- ⇒ There is a need to develop incentives and tax breaks to support investment in the industry;
- ⇒ There is a need to improve perceptions of the agricultural industry so that it is appealing to the younger generation;
- ⇒ Farmers in the region are concerned about the threat of land claims and land grabs;
- ⇒ There has been a steady decline over time in the number of people entering agriculture given the challenges faced by farmers and the attractiveness of other sectors to the younger generations;
- ⇒ There seems to be a sense of disillusion from commercial farmers with government and programmes to mentor emerging farmers;
- ⇒ There is a need to identify agricultural activities that are labour intensive and develop these to address some of the employment issues that exist.

4.6.1.6 TOURISM

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

4.6.1.6.1 FOREIGN TOURISM

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

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

4.6.1.6.2 DOMESTIC TOURISM

- ⇒ The district received an estimated 349 860 domestic trips in 2010. This is based on 295 148 trips to the Drakensberg and 54 713 trips to the Battlefields. The market share of total trips to the Drakensberg and Battlefields is therefore 26% and 23% respectively;
- ⇒ The average length of stay of domestic tourists to the Drakensberg is reported in the uThukela tourism strategy as 4.5 nights, with the length of stay to the Battlefields at 2.0 nights;
- ⇒ The main domestic source markets in the district are Gauteng and KZN itself;
- ⇒ The average spend per trip of domestic tourists to the district municipality is reported in the tourism strategy as R710. Again, this is equivalent to the provincial figures in terms of average spend.

4.6.1.6.3 EMPLOYMENT IN TOURISM IN UTHUKELA

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

4.6.1.6.4 TOURISM RESOURCES AND FACILITIES IN UTHUKELA

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

4.6.1.6.5 INVESTMENT IN TOURISM IN UTHUKELA

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

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

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

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

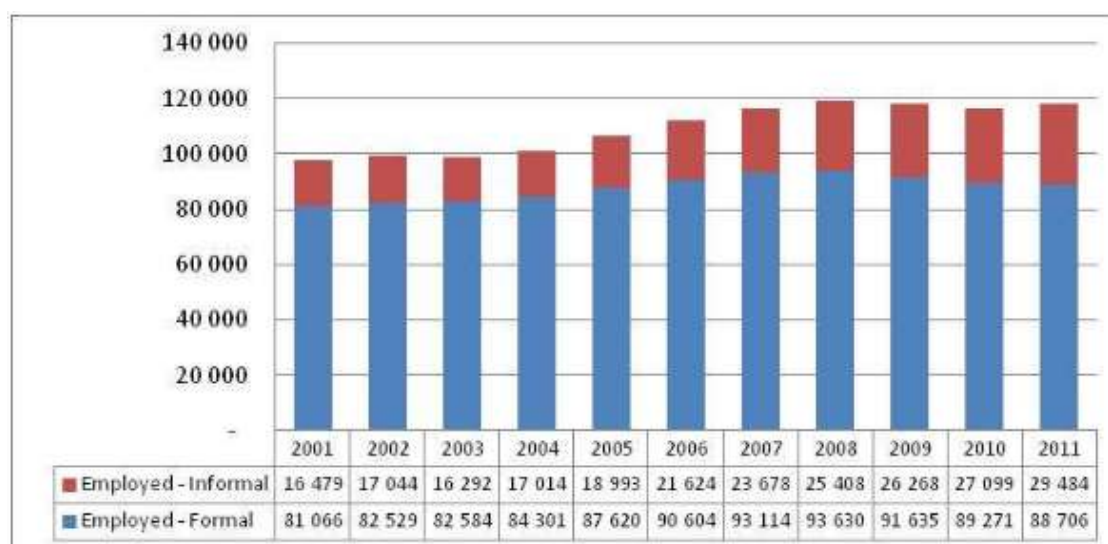
- ⇒ Addressing poverty, economic marginalisation and equality;
- ⇒ Improving the distribution of returns from economic activity more equitably across the society;
- ⇒ Ensuring the basic needs are accessible and affordable;
- ⇒ Improving the way in which people participate in the economy;
- ⇒ Increasing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

Currently the uThukela District Municipality is engaged in partnership with SEDA to try and assist all the emerging business entrepreneurs within the jurisdiction of the district. The partnership started in 2006; SEDA offers technical support to the entrepreneurs.

4.6.1.8 INFORMAL SECTOR

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

Figure 14: Employment by Informal Sector



Source: uThukela 2013 LED Strategy

4.6.1.9 MANUFACTURING

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

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

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

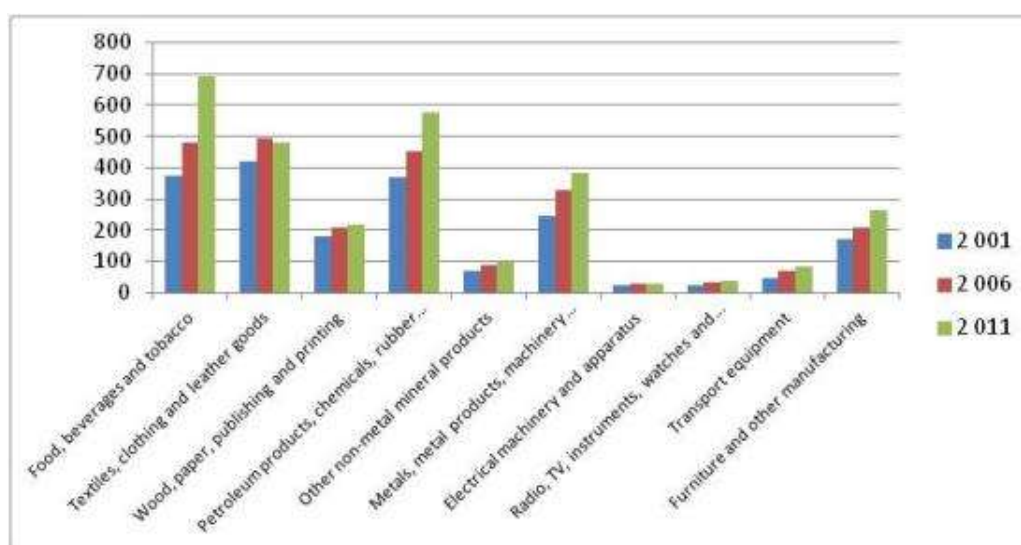
Table 30: Contribution of Manufacturing to the District's Economy

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

Source: Quantec, 2012

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

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



The dominant manufacturing areas of the district are in Emnambithi local municipality and Umtshezi local municipalities, with Ezakheni Industrial Estate and Danskraal forming the major industrial areas

in Emnambithi local municipality. Large manufacturing enterprises are based in both municipalities and include Defy Appliances, Zorbatex, Nestle, Eskort, Factory Tyres and Clover.

4.6.1.10 EXTENDED PUBLIC WORKS PROGRAMME (EPWP)

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

uThukela district municipality is implementing the EPWP. The work opportunities created in the 2011/2012 financial is 2291 through water and sanitation projects. uThukela district municipality do comply with the immediate goal of Phase 1 of EPWP by ensuring that the municipality adheres to the following targets: women 40%, youth 30%, men 18% and 2% people with disabilities. The municipality also adheres in terms of training, employment targets and distribution of safety clothing as well the rotation of employees.

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

4.6.1.11 LED SWOT ANALYSIS

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

4.6.2 SOCIAL DEVELOPMENT

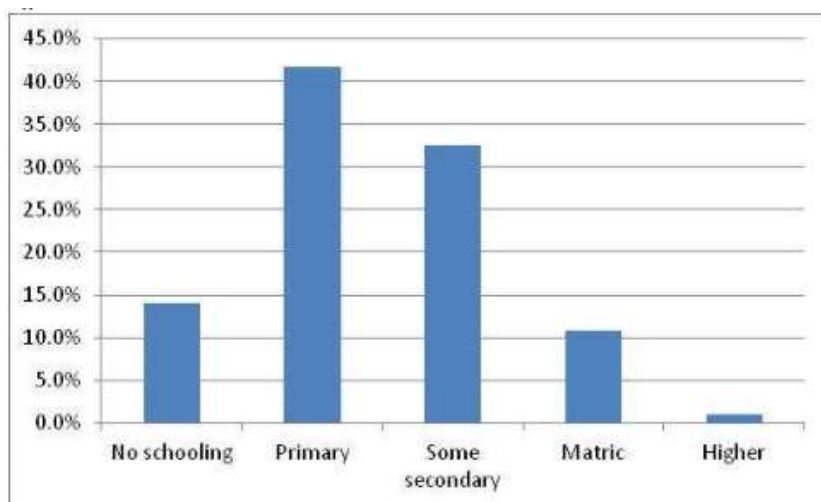
4.6.2.1 EDUCATION SECTOR ANALYSIS

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

4.6.2.1.1 LEVEL OF EDUCATION

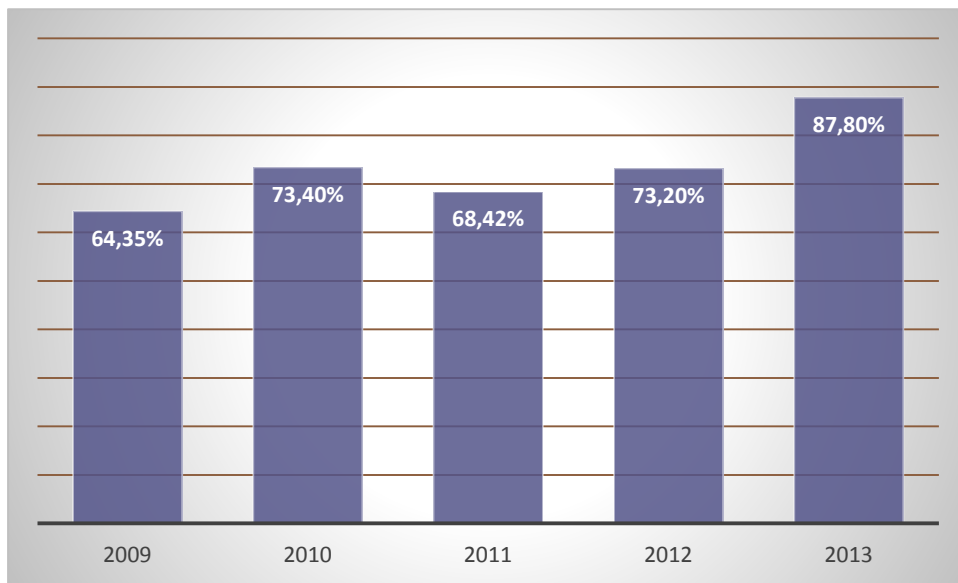
A small percentage of the population in the district has post-matric qualifications at only 1%, whilst 14% of the population has no schooling whatsoever. Figure 19 shows that 41% have primary school education and 33% have some secondary schooling, whilst only 10.9% achieved matric. This means that there is a limited pool of skilled labour in the municipality and that basic education needs to be addressed in order to improve skills levels in the future. Basic education is considered fundamental to the future success of the local economy.

Figure 16: Education Level



The matric results has improved from 73.2% in 2012 to 87.8% in 2013 and this translate that the matric results has increased by 14.6%. The graph below shows the performance of uThukela district (education) from 2009 to 2013

Figure 17: District Performance in Five (5) Years



4.6.2.1.2 AVERAGE EDUCATION ATTAINMENT

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

Table 31: Average Education Attainment

HIGHEST EDUCATION LEVEL	KZN	UTHUKELA	EMNAMBITHI	INDAKA	UMTSHEZI	OKHAHLAMBA	IMBABAZANE
Grade 0	351,701	20,129	8,503	4,550	3,345	5,190	4,475
Grade 1 / Sub A	337,208	25,522	7,722	4,516	3,086	5,465	4,734
Grade 2 / Sub B	334,645	25,197	7,796	4,355	2,954	5,615	4,478
Grade 3 / Std 1/ABET 1/Kha Ri Gude;SANLI	342,542	26,036	7,975	4,671	3,104	5,834	4,451
Grade 4 / Std 2	392,225	29,405	9,318	5,000	3,459	6,343	5,280
Grade 5 / Std 3/ABET 2	384,132	27,847	9,153	4,790	3,226	5,931	4,747
Grade 6 / Std 4	397,090	28,320	9,316	4,919	3,431	5,801	4,853
Grade 7 / Std 5/ ABET 3	471,585	33,051	11,520	5,599	3,987	6,796	5,743
Grade 8 / Std 6 / Form 1	619,449	40,467	15,189	6,190	4,765	7,442	6,882
Grade 9 / Std 7 / Form 2/ ABET 4	630,018	34,714	12,533	5,480	4,108	6,928	5,664
Grade 10 / Std 8 / Form 3	732,789	47,127	18,102	6,699	5,208	8,950	8,168
Grade 11 / Std 9 / Form 4	788,117	48,272	18,657	6,770	5,860	9,048	8,937
Grade 12 / Std 10 / Form 5	1,934,771	100,496	43,857	10,634	12,980	16,438	16,567
NTC I / N1/ NIC/ V Level 2	15,273	753	406	44	109	80	115
NTC II / N2/ NIC/ V Level 3	11,388	434	252	15	82	35	51
NTC III /N3/ NIC/ V Level 4	15,606	617	321	35	121	63	77
N4 / NTC 4	12,001	440	261	19	76	45	38
N5 / NTC 5	10,537	399	241	16	56	35	51
N6 / NTC 6	13,255	514	284	32	84	57	57
Certificate with less than Grade 12 / Std 10	12,248	502	270	30	33	61	108
Diploma with less than Grade 12 / Std 10	14,499	599	260	44	118	76	101
Certificate with Grade 12 / Std 10	90,427	4,346	2,430	177	527	553	659
Diploma with Grade 12 / Std 10	119,312	5,795	3,325	360	962	718	429
Higher Diploma	100,777	3,521	1,814	183	677	575	272
Post Higher Diploma Masters; Doctoral Diploma	17,305	564	295	31	102	70	67
Bachelors Degree	80,354	2,524	1,451	109	484	310	169
Bachelors Degree and Post graduate Diploma	32,913	979	511	74	176	153	65
Honours degree	34,948	1,121	687	33	223	126	53
Higher Degree Masters / PhD	24,019	564	314	32	80	88	51
Other	16,632	791	504	42	114	59	71
No schooling	720,791	34,503	12,716	11,236	8,650	12,195	9,706
Unspecified	-	-	-	-	-	-	-
Not applicable	1,308,143	95,694	31,386	16,416	10,968	20,968	15,956
GRAND TOTAL	10,267,300	668,848	237,437	103,116	83,153	132,068	113,073

4.6.2.1.3 IMPLICATION OF CHALLENGES / PROBLEM AREAS ASSOCIATED WITH EDUCATION

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

The population of uThukela should take education seriously if meaningful economic growth is to be realised in the area. As such, it is important that more resources be geared towards improving the level of education in the area. The diagram following illustrates the status of education level in the municipal area.

4.6.2.2 HEALTH SECTOR ANALYSIS

4.6.2.2.1 HIV / AIDS

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

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

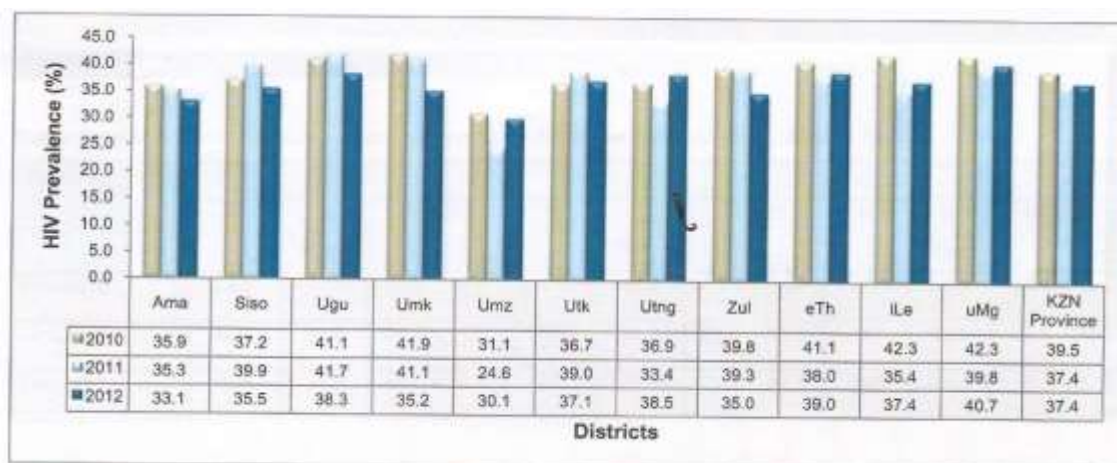


Figure 26: HIV prevalence trends among antenatal women, KwaZulu-Natal, 2010 to 2012. (Source: NDoH, 2013)

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

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

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

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

4.6.2.2.2 ACCESS TO HEALTH FACILITIES

uThukela has thirty five (35) fixed PHC clinics and fourteen (14) mobile clinics for service delivery in the district. Emnambithi has the highest number of clinics at thirteen (13) with five (5) mobiles, this is due to the urban nature of the sub-district and the fact that there is a main town within the sub-district. Imbabazane has the least clinics at four (4) and the two (2) mobiles although it is the most densely populated sub-district at 178 / km² it is the smallest in terms of area. The table shows the provincial facilities in uThukela district municipality as per local municipality.

Figure 19: Health Facilities in uThukela District

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

Source: Department of Health

4.6.2.3 SAFETY AND SECURITY

4.6.2.3.1 POLICING / COMMUNITY FORUMS

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

4.6.2.3.2 FIRE PROTECTION

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

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

4.6.2.3.3 TRAFFIC MANAGEMENT

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

4.6.2.3.4 NATIONAL BUILDING AND SOCIAL COHESION

4.6.2.3.4.1 SPORTS

uThukela district municipality is playing a vital role in supporting and promoting the sports throughout the district. The primary aim of the municipality is to ensure that the youth takes part in sports so that they do not focus on crime. The district municipality has appointed a dedicated person that deals with the issues of sports throughout the district. They are programmes and projects for sport that were prioritized by uThukela district municipality and the Department of sport and recreation for 2014/2015 financial year.

In December 2013 uThukela district municipality and its family of municipalities participated in SALGA games that take place annually with other district municipalities in the KZN province. This event assists the youth of uThukela to display their talents in various sporting codes.

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

4.6.2.4 MUNICIPAL SAFETY PLAN

uThukela district municipality's strategies for addressing the issue of safety include both reactive strategies to respond to incidents of crime and proactive strategies aimed at stopping crime before it happens. The response follows an approach that works closely with communities, community policing forum and other spheres of Government (National and Provincial). The strategy of the municipality covers aspects such as Environmental for Safety, Effective policing, Community Safety initiatives and Social Crime Prevention. The municipality is participating in the policing forum. It is the duty of the municipality to ensure that their guests are safe especially the investors as well as the tourists since the area is reach in tourism and the uThukela district municipality is visited by a number of tourists around the Drakensberg Mountains. To add to the latter, most of the municipalities around the province conducted their strategic planning sessions around Drakensberg; it is the duty of uThukela, and its family of municipalities to ensure that guests are safe.

4.6.2.5 COMMUNITY DEVELOPMENT WITH SPECIAL FOCUS ON VULNERABLE GROUPS

The District has an array of activities that are dedicated to vulnerable groups in all the family of municipalities. Following is a summary of the various activities / interventions that have been initiated by the district.

4.6.2.5.1 YOUTH DEVELOPMENT

The district is promoting and developing the youth through amongst others sports. The primary aim of the municipality is to ensure that the youth participate in sports so that they do not focus on crime. The district municipality has appointed a dedicated person that deals with the issues of sports and youth throughout the district. They are programmes and projects for youth that has been prioritized by uThukela district municipality and the Department of sport and recreation for 2014/2015 financial year.

4.6.2.5.2 DEVELOPMENT OF PEOPLE WITH DISABILITIES

uThukela district municipality has appointed a dedicated person to deal with issues of physically challenged in the uThukela district municipality. The municipality has formed the Disability Forum where all the physically challenged people are able to raise their concerns. The challenge that they are facing is the unemployment of the physically challenge persons and some municipal offices in the family of municipalities are not conducive for them in terms of accessing. Transportation and recreational facilities are not suitable for them. The municipality future programmes include Training / capacity building development programme; facilitate the implementation of the extended indigent support programme. The municipality intention is to ensure that the people living with disabilities should not feel isolated and is planning to have events such as Albinism week, sport day and blind week for people living with disabilities.

4.6.2.5.3 CHILDHOOD DEVELOPMENT

uThukela district municipality is playing a critical role in developing the childhood. Many programmes have been planned in ensuring that the development is taking place. The municipality will do the following programmes:

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

4.6.2.5.4 DEVELOPMENT OF THE ELDERLY

uThukela district municipality has formed the Senior citizen and it was launched in 2008. The municipality visits the old age homes around uThukela to give them presents, wheel chairs, walking sticks and food. The municipality also facilitates the awareness of the senior citizen where the community is encouraged to take care and support the older people in the community at large. The municipality is also facilitating the implementation of the extended indigent support programme. The other continuous programme that the municipality is coordinating with other departments is to

conduct the dialogs between the Senior citizen and teenagers. The planned events for senior citizen are hosting and participating in golden games, Golden Wednesday, participate in Provincial Golden Games and hosting of senior citizens day.

4.6.2.5.5 GENDER DEVELOPMENT

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

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

4.6.2.6 SOCIAL DEVELOPMENT SWOT ANALYSIS

Table 32: Social Development SWOT Analysis

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

4.7 MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

4.7.1 FINANCIAL VIABILITY AND MANAGEMENT ANALYSIS

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

4.7.1.1 CAPABILITY OF THE MUNICIPALITY TO EXECUTE CAPITAL PROJECTS

uThukela District Municipality within Technical Department has established Project Management Unit which exclusively plan, implement and manage capital projects. This Unit is relatively well resourced with staff component consisting of Executive Director; PMU Manager; Three Senior Technicians and one administrative assistant

4.7.1.2 INDIGENT SUPPORT (INCLUDING FREE BASIC SERVICES)

In terms of uThukela district municipality's Indigents 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. Rural communities are provided with free basic water and free basic sanitation facilities mainly through.

4.7.1.3 MUNICIPAL CONSUMER DEBT POSITION

The municipal debt position is currently sitting at R584 564 676, 53 and this total comprises of the following debt categories and their corresponding ageing:

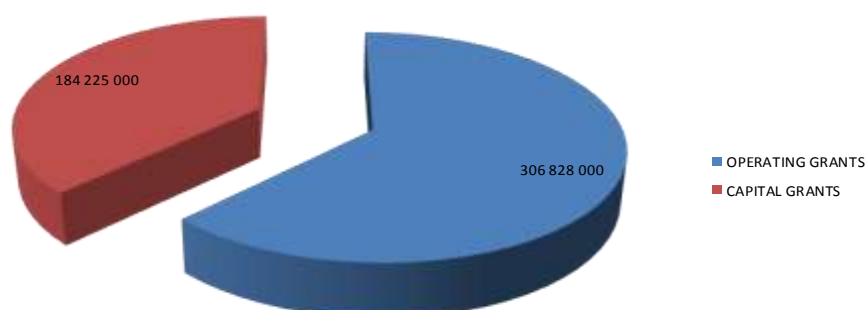
AGEING ANALYSIS AS AT 28 FEBRUARY 2014								
NO	CATEGORY	TOTAL AMOUNT	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS	150+ DAYS
1	Consumer	R 569 747 460,07	R 14 910 037,58	R 16 445 101,80	R 11 993 879,20	R 11 669 353,09	R 11 042 713,31	R 503 686 375,09
2	Business	R 10 005 988,49	R 756 079,67	R 858 806,22	R 426 786,10	R 184 230,92	R 256 824,12	R 7 523 261,46
3	Government	R 4 766 787,37	R 557 161,12	R 339 510,88	R 296 575,37	R 224 765,86	R 231 058,47	R 3 117 715,67
4	Church	R 44 440,60	R 300,98	R 936,08	R 859,10	R 863,55	R 843,39	R 40 637,50
Total		R 584 564 676,53	R 16 223 579,35	R 17 644 354,98	R 12 718 099,77	R 12 079 213,42	R 11 531 439,29	R 514 367 989,72

4.7.1.4 GRANTS & SUBSIDIES

The municipality has a grant register that records all the funds received and the expenditure of each individual grant. The register is updated weekly and presented to IFC every Thursday. The following table presents the municipal grants budget income for the period 2013/2014 – 2015/2016. Table 33: Grants Budget Income for 2013/2014 - 2015/2016

UTHUKELA DISTRICT MUNICIPALITY				
ANNUAL GRANTS BUDGET INCOME FOR 2013/2014 - 2015/2016				
GRANTS	FUNDING	2014/2015	2015/2016	2016/2017
OPERATING GRANTS				
DEVELOPMENT PLANNING AND SHARED SERVICES	PT	250 000	250 000	1 200 000
EXPANDED PUBLIC WORKS PROGRAMME INTERGRATED GRANT	NT	3 299 000	0	0
EQUITABLE SHARE ALLOCATION	NT	245 822 000	260 893 000	276 283 000
RSC LEVIES REPLACEMENT (EQUITABLE SHARE)	NT	41 140 000	44 198 000	47 937 000
WATER SERVICES OPERATING SUBSIDY GRANT	NT	9 000 000	2 650 000	3 000 000
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	NT	1 250 000	1 250 000	1 300 000
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467 000	967 000	1 018 000
GRANTS TO BE TRANSFERRED TO LM'S				
SMALL TOWN REHABILITATION ROGRAMME		5 600 000	12 500 000	7 500 000
		306 828 000	322 708 000	338 238 000
CAPITAL GRANTS				
MASSIFICATION PROGRAMME	PT	0	9 000 000	9 786 000
CORRIDOR DEVELOPMENT	PT		3 000 000	3 000 000
MUNICIPAL INFRASTRUCTURE GRANT	NT	177 319 000	184 391 000	193 044 000
RURAL HOUSEHOLD INFRASTRUCTURE GRANT	NT	4 124 000	5 000 000	0
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467 000	0	0
RURAL ROAD ASSETS MANAGEMENT	NT	2 315 000	2 355 000	2 446 000
		184 225 000	203 746 000	208 276 000
GRANTS IN - KIND				
REGIONAL BULK INFRACTURE GRANT	NT	25 000 000	30 000 000	5 000 000
WATER SERVICES OPERATING SUBSIDY	NT	300 000	400 000	500 000
MUNICIPAL WATER INFRASTRUCTURE GRANT	NT	20 000 000	50 000 000	98 307 000
		45 300 000	80 400 000	103 807 000
TOTAL ALLOCATION TO THE MUNICIPALITY INCL OF GRANTS IN KIND		536 353 000	606 854 000	650 321 000

GRANTS ALLOCATIONS 2014 / 2015



4.7.1.5 CURRENT & PLANNED BORROWINGS

The municipality does not have any planned borrowings for this financial year. However, the municipality is currently paying off the previous borrowings that were acquired through the DBSA. The loans that the municipality is paying off are five (5) in total. The duration for the payment of the above-mentioned loans is 20 years. The amount still to be paid is R7 845 837.96. The last payment will be made 30/09/2019.

4.7.1.6 SUPPLY CHAIN MANAGEMENT (SCM)

uThukela district municipality has developed and adopted the Supply Chain Management Policy. Supply Chain Management Policy is guiding procurement of goods and services in a fair, transparent, competitive and efficient manner and to ensure that historically disadvantaged individuals (HDI) are accorded preferential consideration.

The municipality have a fully-fledged section of supply chain that is situated in the Budget and Treasury Office. The challenges were around stores management, this included breach of some internal control mechanism. In moving forward, the district municipality is in the process of upgrading the system to be fully computerized. The other challenge is that the position of the SCM Manager is still vacant.

4.7.1.7 CREDIT CONTROL AND DEBT COLLECTION

The municipality has developed the credit control and debt collection policy. This policy provides direction in areas of credit control, collection of amounts billed to customers, procedures for recovery of arrear accounts. The credit control and debt collection policy was adopted by council and reviewed annually.

The debt collection function is performed in-house. The municipality has established the Credit Control Task Team. The task team meets on every Fridays. The task team meets to strategize on how to improve the debt collection that is still a challenge in a municipality.

4.7.1.8 BILLING SYSTEM

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

4.7.1.9 ASSETS MANAGEMENT

Assets management is still a challenge in uThukela district municipality. The municipality has developed an asset register and is also in the process of developing the maintenance plan, which is envisaged to be developed in the next financial year. There is a full time employee who is fully responsible for the management of assets

4.7.1.10 FRAUD PREVENTION PLAN

uThukela district has developed and adopted the Fraud Prevention Plan. The plan recognises basis fraud and corruption prevention measures, which are in a place within uThukela district municipality. The plan was designed to the combating of Corrupt Activities, Act 2004. It is aimed at achieving the following:

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

4.7.1.11 INVESTMENTS POLICY

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

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

4.7.2 FINANCIAL VIABILITY & MANAGEMENT: SWOT ANALYSIS

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

4.8 GOOD GOVERNANCE & PUBLIC PARTICIPATION ANALYSIS

4.8.1 NATIONAL AND PROVINCIAL PROGRAMMES

4.8.1.1 BATHO PELE PRINCIPLES

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

- ⇒ Batho Pele principles are displayed on both receptions;
- ⇒ Name Tags for all staff members have been procured;
- ⇒ Suggestion Boxes have been procured;
- ⇒ Batho Pele training for all staff has been scheduled for June 2013;
- ⇒ Installation of a sms system that will assist in communicating with the clients on database;
- ⇒ Customer Service Charter, Suggestion box policy and Complaints Policy have been drafted awaiting approval.

4.8.1.2 OPERATION SUKUMA SAKHE

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

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

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

All government departments have been mandated to align their operational plans with OSS and have indeed translated the mandate into action and aligned their operations to OSS. At the district and local levels mayors and councilors are the champions for the OSS approach and provide support and oversight to the activities. Meanwhile the MEC and HOD are champions and oversee OSS

implementation in uThukela district. All the outputs and outcomes of OSS initiatives are reported to WAC, LAC, DAC and ultimately to the PCA.

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

4.8.1.2.1 INVOLVEMENT OF UTHUKELA DAC AND LACS IN OPERATION SUKUMA SAKHE

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

The following table indicates the operation Sukuma Sakhe war rooms audit as at 26 March 2013.

Table 34: Operation Sukuma Sakhe War Rooms

NO. WARDS	NO. WAR ROOMS	LOCAL MUNICIPALITY	WARDS WITH WAR ROOMS	Planned 2013/14
73	55 + 1 District War Room (75%)	Emnambithi (23/27) + 1 LTT war room (85%)	1,2,3,5,6,7, 8, 13, 14,15,16,17,18,19,20,21,22,23,25,26,27& LTT war room	3,4,7,9,10,11,12,13, 14.15,16,17,18,19,20,21,22,23,24,25,26,27
		Indaka (4/10) (40%)	1,3,6 and 7	2,4,5,8,9 & 10
		Umtshezi (07/9) + 1 LTT war room (78%)	1,2,3,5,9LTT war room	4,6,7,8
		Imbabazane (13/13) i.e. (100%)	1,2,3,4,5,7,8,9,11,12, 13	6,7,9,10&12
		Okhahlamba (09/14) function, 7 poorly, 1 not functional (62%)	1,3,4,6,9,10,11,12,13	2,5,7,8,13,14

The table below shows the number of Working Task Team (WTT) in local municipalities.

Table 35: Working Task Team (WTT)

Municipality	Total number of wards	Number of WTTs	Percentage
Emnambithi/Ladysmith	27	23	85%
Imbabazane	13	13 (though 1 is partially compliant)	100%
Indaka	10	04	30%
Okhahlamba	14	13	93%

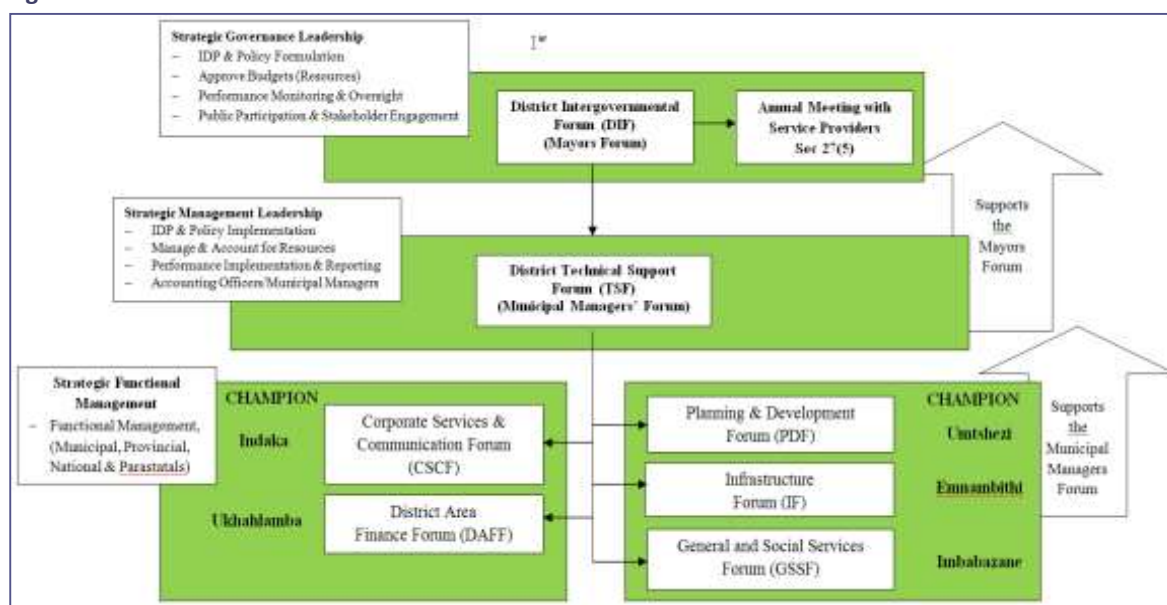
4.8.2 INTERGOVERNMENTAL RELATIONS (IGR) STRUCTURES OPERATING IN UTHUKELA DM

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

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

The following structure illustrates the context of uThukela IGR.

Figure 20: uThukela DM IGR Structure



4.8.3 MUNICIPAL STRUCTURES

4.8.3.1 WARD COMMITTEES

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

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

4.8.3.2 IDP REPRESENTATIVE FORUM

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

4.8.3.3 EXECUTIVE COMMITTEE (EXCO)

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

4.8.3.4 COUNCIL

Council committee of uThukela district municipality consists of 30 councilors. The Speaker of the municipality chairs all council meetings. Council meets once per month. The committee is having its own schedule of meetings that is circulated to all councilors once it is adopted.

4.8.3.5 IDP STEERING COMMITTEE

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

4.8.3.6 MUNICIPAL PUBLIC ACCOUNTS COMMITTEE (MPAC)

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

- (i) Audit report issued by the Auditor General on the affairs of the municipality;
- (ii) Audit reports on annual financial statements of the municipality;
- (iii) Annual report of the municipality;
- (iv) The mayor's quarterly reports on the implementation of the budget and the financial state of affairs of the municipality;
- (v) Audit committee reports

4.8.3.7 MUNICIPAL BID COMMITTEES

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

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

BEC – Bid Evaluation Committee - The committee is responsible for the evaluation of bids received, which include the verification of;

- The capability/ability of the bidder to execute the contract, from a technical, managerial and financial perspective.
- Whether the bid is to specification in respect of quality, functionality, dimensions, design, etc.
- Whether a bid offers value for money.
- Allocation of preference points.
- Representivity in the composition of the bidder and the possibility of fronting.

- Success/failure in executive of contracts awarded to a bidder previously.
- TAX Clearance issued by SARS

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

- All necessary bid documents have been submitted.
- Disqualifications are justified and that valid and accountable reasons/ motivations were furnished for passing over of bids.
- The necessary funds are available in the approved budget.
- Scoring has been fair, consistent and correctly calculated and applied and declaration of interest has been taken cognizance of.

The Bid committee structures are well defined in terms of the SCM Regulations (26) 2. All the Bid Committees are fully functional. There are SCM Practitioners present within the Bid Committees.

4.8.3.8 MUNICIPAL PORTFOLIO COMMITTEE

uThukela district municipality has established 5 standing committees or portfolio committees and these committees are:

- 1) Finance and Budget;
- 2) Cooperate, Disaster, Health and Environment;
- 3) Water, Sanitation infrastructure and technical services;
- 4) Strategic Planning, Economic Development and Tourism;
- 5) Youth, Gender, Sport and recreation

The members of EXCO chair all the portfolio committees and they have their own schedule of meetings but reports to EXCO and from EXCO to Council

4.8.3.9 AUDIT COMMITTEE

The Audit Committee of the municipality is in place. The municipality is using a joint committee for audit and performance. The audit committee of uThukela district municipality consists of three members. The new committee was appointed in November 2012. They sit four times per year. Some of the functions of the Audit Committee are to evaluate the reports of the Heads of Departments. They also review the financial statements of the municipality and discuss the findings from the Auditor General. They also prepare the audit performance report for the council.

4.8.3.10 INTERNAL AUDIT

uThukela district municipality has complied with section 165 of the MFMA which says each municipality must have an internal audit unit, subject to subsection (3) which says the municipality

may outsource services if the municipality requires assistance to develop its internal capacity. Therefore, the internal audit is functional. The function is performed internal and some of their functions are as follows:

- Review and approve the Internal Audit Charter
 - Review of the Audit Committee Charter and submit to council for approval
 - Advise Council as to whether the internal audit unit is given the resources and operational independence required to fulfil its role as outlined in the Internal Audit Charter.
 - Review and approve the annual risk based internal plan
 - Ensure that all identified risk areas are prioritized and incorporated in the annual audit plan.
 - Receive and review the quarterly internal audit report on the implementation of the internal audit plan and any of the matters relating to;
-
- Internal Audit
 - Internal controls
 - Accounting procedures and practices
 - Risk and risk management
 - Performance management
 - Compliance with the Municipal Finance Management Act, division of Revenue Act (DORA) and any other applicable legislation
 - Investigate any other matter as requested by the Municipal Manager receive reports prepared by the internal audit unit on significant findings and recommendations to address those findings together with management responses with timeframes to implement recommendations.

4.8.4 STATUS OF MUNICIPAL POLICIES

Table 36: Status of Council Municipal Policies

Name of the policy	Completed Y/N	Adopted Y/N	Adoption date	Date of the review for approval
Supply Chain Management Policy		YES	01 January 2006.	16 May 2013
Credit Control and Indigent Policy		YES	31 May 2006	16 May 2013
Asset Management Policy		YES		16 May 2013
Risk Management Policy		YES	02 July 2008	31 October 2013
Human Resource Policy		YES	18 September 2007	
Contract Management Policy		YES		16 May 2013
Performance Management framework		YES	25 January 2013	25 January 2013
Audit and performance committee charter		YES	26 February 2014	
Environmental management policy		NO		
Fleet management policy		YES		16 May 2013
Fixed asset policy				Submitted to council on the 28/3/13
Financial regulations		YES		16 May 2013
Retirement policy		YES		Submitted to council on the 28/3/13
GIS policy		NO		
IT policy		YES		07 June 2013
Tariff policy		YES		16 May 2013
Virement policy		YES		16 May 2013
Budget policy		YES		07 June 2013
Reserve and Funding policy		YES		07 June 2013
Long term borrowing		YES		07 June 2013
Banking, cash management investment policy		YES		07 June 2013
Subsistence and travelling policy		No(draft)		
Fraud and anti-corruption policy		No (draft)		
Human resource policies		No (draft)		
Placement policy		YES		16 May 2013
Customer care centre		YES		16 May 2013
Complaints policy		YES		16 May 2013
Suggestion box policy		YES		16 May 2013
Fleet management policy		YES		16 May 2013
Disaster recovery plan				
IT policy		YES		07 June 2013

4.8.5 MUNICIPAL BYLAWS

UThukela District has a guiding by-laws relating to environmental management namely: water services by-laws, & environmental pollution control by-laws. The water services Bylaws was adopted on the 5 February 2004 and the Environmental Pollution Control By laws on the 30 June 2006.

4.8.6 MUNICIPAL RISK MANAGEMENT

In terms of section 165(b) (iv) of the Municipal Finance Management Act (Act no: 56 of 2003 states that:

- ⇒ The internal audit of a municipality must advise the accounting officer and report to the audit committee on the implementation of internal audit plan and matters related to risk and risk management

In complying with the above Act, uThukela District Municipality risk management policy was developed and adopted by Council in July 2008 and the municipality has engaged the KZN Provincial Treasury Internal Audit Unit to assist with the review of the policy.

4.8.7 PUBLIC PARTICIPATION ANALYSIS

Public participation is vital to determine the needs that exist in the communities in relation to the developmental priorities during the public meetings and information gathering. The uThukela district municipality will be utilizing the following mechanisms for public participation when developing its IDP.

IDP Representative Forum (IDP RF): This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committees members from the local municipalities, AmaKhosi, Non-Governmental Organizations (NGOs), Community Based Organisations (CBOs) and Organized Business

Media: Local newspapers will be used to inform the community of the progress of the uThukela IDP review and further due meetings' including the IDPRF and community road shows.

Radio slot: The uKhozi radio station will be utilized to make public announcements when the need arises.

IDP/ Budget Road Shows: The uThukela district municipality will be holding its community road shows in the whole of the district to publicize the draft IDP and Budget during April and May 2013. The venues for these meetings will be publicized at the IDP RF, public places and as well as through the media.

The Website: Copies of the uThukela district municipality IDP and Budget will be placed on the website for communities, stakeholders and service providers to view or download it.

4.8.8 ALIGNMENT OF UTHUKELA IDP WITH LOCAL MUNICIPALITY'S IDP

strategic meetings were held involving the district and family of municipalities with the primary objective of aligning this IDP with those of the local municipalities. The primary aim of having the session with the family of municipalities was to align our programmes with local municipalities.

uThukela has established the IDP Supporting Committee that is comprises of all the IDP Managers and COGTA and the objective of the Committee is to ensure that the IDP's are talking to each other and is coordinated at the district level.

The alignment started at initial stages where all the IDP managers met to discuss the process to be followed in the review. The process was instrumental in ensuring that the 2014/2015 IDP review is holistic and addresses issues of integrated planning and development. For example, all identified projects for 2014/2015 financial year, as listed in this IDP, emanated from discussions held with family of municipalities.

4.8.9. GOOD GOVERNANCE AND PUBLIC PARTICIPATION SWOT ANALYSIS

Strengths	Opportunities
<ul style="list-style-type: none"> ◆ Political will and support from the officials to prepare and plan for community participation programmes such as IDP; ◆ Improved IGR (Operation Sukuma Sakhe, War rooms established in all wards and the Local Task Teams in place; ◆ Viable MPAC Committee in place; ◆ Public Participation Forum in Place and operational; ◆ All wards in the district managed to develop ward Plans under Community Based Plan program; ◆ District AIDS Council in Place and Operational; ◆ District Operation Sukuma Sakhe Task Team in place and operational; ◆ Passing of the municipal structure (Organogram) 	<ul style="list-style-type: none"> ◆ Support from the community (Through their participation on municipal meetings) ◆ Cooperation of traditional leadership to municipal functions. ◆ Conducive weather for agricultural activities ◆ Stable political environment for investment ◆ World class tourism destination (Drakensburg Mountains are world heritage site in tourism) ◆ Engagement with staff to enhance cooperation
Weaknesses	Threats
<ul style="list-style-type: none"> ◆ There is no public participation policy strategic document; ◆ Lack of uphold Batho-Pele Principles; ◆ Poor lines of communications (observation of protocol, clear roles and responsibilities of councilors and officials); ◆ Lack of communication strategy (Poor IT, Private calls, newsletter and poor web management); ◆ Poor Participation of local municipalities in public participation forum meetings; ◆ Rural based municipalities do not have income to improve service delivery; 	<ul style="list-style-type: none"> ◆ Service delivery protests; ◆ Disasters due to climate change; ◆ Storm damages to the residents; ◆ Unskilled labour; ◆ Political Agendas

- ◆ Lack of coordination with sector departments;
- ◆ Poor recognition of staff efforts, which leads to low staff morale

5 COMBINED SWOT ANALYSIS

Prior sections of this report highlighted SWOT Analysis on each KPA. Following is a combined SWOT Analysis.

Table 37: Combined SWOT Analysis

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> ◆ Aesthetically pleasing landscape with habitat diversity, large wetlands and important biodiversity areas with high tourism attraction ◆ The area is good for a research development of certain organizations; the Ukhahlamba Drakensberg Heritage Site has Buffer restrictions to restore its own sense of place. ◆ There are conservancies formed for conservation of species, habitat and biotic organisms ◆ The Ukhahlamba Drakensberg mountain range is a World Heritage Site and forms part of the Maloti-Drakensberg Transfrontier Peace Park (MDTP) between Lesotho and South Africa. This has a competitive advantage ◆ The area has much of protected areas that contribute to economic growth ◆ The utilities sector has become increasingly important due to the establishment in the 1970s and 1980s of the Tugela-Vaal Augmentation Scheme (TUVA); ◆ Disaster management plan in place although outdated; ◆ Practitioner’s forum in place; ◆ Bakkie and truck, respond to incidents, although running errands not associated with the business unit; ◆ Political will from Mayoral Office ◆ All senior management positions are filled; ◆ Approved organogram indicating re-alignment of functions; ◆ Efficient financial and information management system; ◆ Incorporation of critical positions in the approved budget; ◆ Well-planned, coordinated and developed infrastructure projects; ◆ Availability of Bulk infrastructure and services in urban areas to support district economy; ◆ Availability of expertise to implement projects ◆ Registered Planner on staff; 	<ul style="list-style-type: none"> ◆ IDP identified the need for a regional airport and the development of the N3 corridor; ◆ The KZN Provincial Spatial Economic Development Strategy (PSEDS) identifies Okhahlamba as one region with massive potential for growth in agriculture and agro processing; ◆ Integration of social, economic and environmental factors into planning, implementation and decision making this leads to sustainable development; ◆ Sustainable Tourism , Revenue generation, Economic growth through sustainable development, Environmental awareness in the area; ◆ Creation of green job opportunities through conservation of environment; this contributes to green economy; ◆ Local Government support from COGTA; ◆ Signed MOU with EThekweni emphasising support initiatives. ◆ Availability of Grants funding to financially support delivery of infrastructure; ◆ Technical support offered by provincial treasury (Creak Team) and COGTA (MISA); ◆ Public private partnerships; ◆ Existence of Intergovernmental relation ◆ Newly updated LED and Tourism Strategy; ◆ Funding to enhance the SDF in progress; ◆ Working relationship established with LMs; ◆ LED Forum has grown with LED Strategy review; ◆ Anchor project in the form of the Cable Car projects; ◆ World Heritage Site – uKhahlamba Drakensberg Park World Heritage Site; ◆ In order to achieve a clean audit the audit unit should be expanded and be more proactive in their approach and to perform the same function as the AG; ◆ Continues update of supply chain database and implementation of computerized supply chain module; ◆ Staff audits to be conducted to establish over and underutilization of staff. This will assist with the spreading of workload; ◆ Indigent registers be obtained from Local Municipalities for integration, consumers

- ◆ Planning, GIS and LED skilled personnel;
- ◆ Provincial Support in the form of grants and capacity building;
- ◆ Sufficient project budget for project implementation
- ◆ IGR structures in place, although not fully functional;
- ◆ CFO's forum in place;
- ◆ CFO position has been filled;
- ◆ Submission of returns and statistics information
- ◆ Credit Control and debt collection;
- ◆ High indecency rate - outdated indigent register and non-implementation thereof;
- ◆ Non billing of consumers – Ezakheni and Indaka;
- ◆ Control votes and suspense votes not cleared;
- ◆ Data cleansing process too slow;
- ◆ Illegal connections;
- ◆ Cash flow and payment of creditors;
- ◆ Supply chain management;
- ◆ Poor Risk Management;
- ◆ Long Outstanding Debtors;
- ◆ Non availability of financial reserves / solid investments;
- ◆ Non availability of financial discipline;
- ◆ Lack of compliance with municipal policies;
- ◆ Lack of properly skilled and qualified staff members
- ◆ Political will and support from the officials to prepare and plan for community participation programmes such as IDP;
- ◆ Improved IGR (Operation Sukuma Sakhe, War rooms established in all wards and the Local Task Teams in place;
- ◆ Viable MPAC Committee in place;
- ◆ Public Participation Forum in Place and operational;
- ◆ All wards in the district managed to develop ward Plans under Community Based Plan program;
- ◆ District AIDS Council in Place and Operational;
- ◆ District Operation Sukuma Sakhe Task Team in place and operational;
- ◆ Passing of the municipal structure (Organogram)

database updated, indigent register implemented and indigent policy applied;

- ◆ Support from the community (Through their participation on municipal meetings)
- ◆ Cooperation of traditional leadership to municipal functions.
- ◆ Conducive weather for agricultural activities
- ◆ Stable political environment for investment
- ◆ World class tourism destination (Drakensburg Mountains are world heritage site in tourism)
- ◆ Engagement with staff to enhance cooperation

WEAKNESSES	THREATS
<ul style="list-style-type: none"> ◆ Lack of economic diversity & competitiveness of small towns; ◆ Economy is dependent on government services; ◆ Agriculture and tourism potential not fully exploited; ◆ No sufficient tertiary education institutions leading to disjuncture between skills & growing sector; ◆ Ability to fully leverage location factors – transport, warehousing & logistics; ◆ The municipality is characterized by the ageing water and sanitation infrastructure; ◆ Lack of initiatives to identify areas that need to be rehabilitated in the District; ◆ Lack of environmental compliance and enforcement; this weakens management of the natural environment; ◆ Lack of environmental management strategies, projects and key interventions to monitor & manage biodiversity as well as ecological footprint; ◆ Lack of important environmental plans to execute the core function of the local municipality (waste management) i.e. IWMP; ◆ Poor participation in environmental related forums; ◆ Lack of environmental planning tools to govern natural environment; ◆ No alignment between district wide environmental plans with the local municipalities; ◆ Construction of the District Centre; ◆ Support from provincial and national centres; ◆ Support from local NGO's and business organizations ◆ High number of unskilled staff; ◆ Number of policies not approved by Council; ◆ Lack of commitment of IGR structures; ◆ Dominance of males in senior management; ◆ Misplacement of staff; ◆ Lack of linkage of skills audit and plan to skills needed to perform functions effectively; ◆ Low staff morale; ◆ Non-adherence to best practices; ◆ Shortage of staff; 	<ul style="list-style-type: none"> ◆ On-going environmental degradation impacting the ecotourism, leading to a reduction of resources available for conservation aspects; ◆ Low economic growth and increasing rate of unemployment in major economic sectors; ◆ Alien infestation may lead in marked declines in stream flow, transformation of vegetation composition & structure; alteration of patterns nutrient cycle & fire regime; also impact on Tourism & Agricultural production; ◆ High potential agricultural land, potential forestry areas and areas likely to experience settlement expansion this poses greatest threats to identified Critical Biodiversity Areas (CBAs); ◆ Excessive harvesting of indigenous trees for firewood, cutting thatch grass for roofing purpose, use of river sand and soil for buildings; ◆ Farming in traditional areas is seriously underdeveloped and suffers from a range of constraints to its future growth; ◆ Limited benefits derived from international and national assets situated in the district; ◆ Lack of environmental education in general ◆ The effects of climate change due to poor environmental management; ◆ Non-compliance with legislative mandates – reporting ◆ Deeply rural, agrarian and poverty stricken communities ◆ Political volatility and social tensions ◆ Lack of co-operation from supported municipal centres (sharing & exchanging of information); ◆ Lacks political will from supported structures; ◆ Constant changes in legislation and national policies; ◆ Changes in the formula for the allocation of government grants including equitable share; ◆ Increasing rate of illegal connections to water supply infrastructure; ◆ High rate of infrastructure vandalism; ◆ Prolonged turnaround time Eskom when applied for new power connection; ◆ Industrial actions/ labour unrest during construction phase; ◆ Employment of unskilled Tourism Specialist; ◆ Instability in the organization; ◆ Lack of LM/DM Cooperation; ◆ Lack of vertical and horizontal alignment within the organization; ◆ Service delivery protests;

- ◆ High staff turn-over;
- ◆ Poor infrastructure maintenance strategies;
- ◆ High level of water loses;
- ◆ Outdated sector plans.
- ◆ Ageing infrastructure which causes non-sustainability of services provision
- ◆ Vacant tourism position;
- ◆ SDF needs to be revised and enhanced;
- ◆ Procurement process is long and cumbersome;
- ◆ Tourism, LED and Planning Forum to be strengthened;
- ◆ Marketing of the District as a Tourism destination and Investment destination
- ◆ There is no public participation policy strategic document;
- ◆ Lack of uphold Batho-Pele Principles;
- ◆ Poor lines of communications (observation of protocol, clear roles and responsibilities of councilors and officials);
- ◆ Lack of communication strategy (Poor IT, Private calls, newsletter and poor web management);
- ◆ Poor Participation of local municipalities in public participation forum meetings;
- ◆ Rural based municipalities do not have income to improve service delivery;
- ◆ Lack of coordination with sector departments;
- ◆ Poor recognition of staff efforts, which leads to low staff morale

- ◆ Disasters due to climate change;
- ◆ Storm damages to the residents;
- ◆ Unskilled labour;
- ◆ Political Agendas

6 KEY CHALLENGES

Table 38: Municipal Transformation & Organizational Development Key Challenges

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT	
KEY CHALLENGE	<ul style="list-style-type: none"> ◆ Vacant Positions ◆ Skills Development ◆ Institutional Knowledge ◆ Workflow – information and decision making ◆ Proper Organogram ◆ Development Agencies ◆ Image and Organizational Culture ◆ Systems and procedures
DESCRIPTION	<p>The municipality has vacant positions and a lack of skills development. There is a lack of institutional knowledge and poor workflow of information and decision-making. The municipality needs a proper organogram and improvement of its image and organizational culture. The municipal systems and procedures are also lacking</p>

Table 39: Basic Service Delivery & Infrastructure Key Challenges

BASIC SERVICE DELIVERY AND INFRASTRUCTURE	
KEY CHALLENGE	<ul style="list-style-type: none"> ◆ Service Backlog (water and sanitation) ◆ Replacement of ageing Infrastructure ◆ Infrastructure Maintenance, ◆ Expenditure on infrastructure grants ◆ Strategic Planning for infrastructure development - Outdated plans ◆ Public transport ◆ Water Quality ◆ Water losses
DESCRIPTION	<p>The district is experiencing service backlog in provision of water and sanitation. The infrastructure is ageing and there is a loss of water due to leaking taps / pipes. The public transport are lacking or in poor conditions</p>

Table 40: Local Economic Development & Social Development Key Challenges

LOCAL ECONOMIC AND SOCIAL DEVELOPMENT	
CHALLENGE	<ul style="list-style-type: none"> ◆ Coordination of LED initiatives ◆ High level of unemployment ◆ HIV/AIDS prevalence ◆ Economic stagnation ◆ Lack of SMME Support & development ◆ Alignment with provincial and national economic development initiatives

	<ul style="list-style-type: none"> ◆ High Poverty rate ◆ Lack or poor Economic infrastructure
DESCRIPTION	There is a lack of coordination in the implementation of LED initiatives in the district, high unemployment and poverty levels. The HIV /AIDS and its related diseases are affecting negatively on the population of the district. The economy of the district is stagnant and there is a lack of SMME Support and development, which are important in addressing high poverty levels and unemployment.

Table 41: Financial Viability & Financial Management Key Challenges

FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT	
CHALLENGE	Going concerns challenge
DESCRIPTION	The municipality is experiencing challenges of poor infrastructure, high indigent rate, tariffs not covering water cost, inherent loans

Table 42: Good Governance & Public Participation Key Challenges

GOOD GOVERNANCE AND PUBLIC PARTICIPATION	
KEY CHALLENGE	<ul style="list-style-type: none"> ◆ IGR Structure ◆ Functionality of Portfolio Committee ◆ PMS (IDP, Budget & PMS Alignment) ◆ Legal compliance ◆ Bylaws
DESCRIPTION	The IGR Structure in the municipality is not very active and the functionality of the Portfolio Committee is inadequate. There is a lack alignment between the SDBIP, Budget & PMS. Some of the municipal Bylaws are outdated.

Table 43: Cross Cutting Issues Key Challenges

CROSS-CUTTING ISSUES	
KEY CHALLENGE	<ul style="list-style-type: none"> ◆ The municipality lacks the capacity of developing SDF; ◆ Lack of human capacity to assist with environmental issues ◆ Outdated disaster management ◆ No disaster management Centre ◆ Outdated enforcement by-laws
DESCRIPTION	<ul style="list-style-type: none"> ◆ The municipality has not yet appointed a dedicated person to deal with the SDF; ◆ Staff from Department of Health was not transferred to the District

7 VISION, GOALS, OBJECTIVES AND STRATEGIES

7.1 MUNICIPAL VISION

The uThukela District Municipality Vision reads as follows:

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

7.1.1 MUNICIPAL MISSION STATEMENT

The uThukela District Municipality Mission Statement reads as follows:

We promote a people-centred environment with emphasis on consultation, integrity, accountability, economy, effectiveness and efficiency

7.1.2 CORE VALUES

The following are uThukela DM Core Values:

- ⇒ Solidarity;
- ⇒ Honesty;
- ⇒ Ownership;
- ⇒ Professionalism;
- ⇒ Self-reliance

Table 44:

7.2 IDP STRATEGIC OBJECTIVES				
GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department
KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT				
Promotion of the institution that is representative, participative & empowered in improving institutional capabilities for service delivery	1.1 To Strengthen Human Resource management and development	1.1.1 Implement WSP	% of staff trained and capacitated	Corporate Services
		1.1.2 Update all staff files	No. of staff files updated	Corporate Services
		1.1.3 Update and manage leave	Monthly reconciliation of leave done	Corporate Services
		1.1.4. Review all policies	No. of policies reviewed and approved	Corporate Services
		1.1.5. Implementation of OHS	Approved OHS programme implemented	Corporate Services
		1.1.6. Develop and Implement the EEP	% of designated targets achieved	Corporate Services
	1.2. To constantly update and maintain the Municipality's computer and software assets to implement legislative requirements	1.2.1 Software and hardware maintenance	% of budget spent on approved IT and GIS activities monthly reports on faults logged	Corporate Services
		1.2.2 Implement the approved IT Governance Framework and policy	No. of Monthly reports submitted	Corporate Services
	1.3. Effective and efficient utilization of municipal fleet	1.3.1 Increase capacity of mechanical workshop services	% reduction in downtime of the mechanical workshop	Corporate Services
		1.3.2 Develop report on conditions of municipal vehicles	Monthly fleet report submitted.	Corporate Services
		1.3.3. Develop and approve Fleet	Approved and implemented fleet policy	Corporate services

		management policy		
	1.4. To improve and strengthen Municipal administration and systems	1.4.1. Records management and archiving	Number of portfolio committee meetings held	Corporate Services
		1.4.2 Committees and council resolutions management	Number of days the resolution register is circulated following a meeting	Corporate Services
		1.4.3 Secretariat services	Number of files on registry	Corporate Services
		1.4.4 Office administration management	Number of files transferred to the documentation management system	Corporate Services
		1.4.5 Municipal office management	Number of staff on clocking system	Corporate Services
	1.5. To establish and strengthen the legal services unit	1.5.1 Appoint a manager of Legal services	Appointed legal services manager	Corporate Services
		1.5.2 Strengthen contract management	contract management register, SLA's, assessment of SP	Corporate Services
	1.6. To update and implement LGTAS	1.6.1 Update of LGTAS on regular basis	Monthly LGTAS updated reports	Corporate Services

GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department
KPA2: BASIC SERVICE DELIVERY AND INFRASTRUCTURE				
Addressing service delivery backlogs & future growth as well as maintenance and upgrade of existing infrastructure	2.1. To provide cost effective water and sanitation (including free basic water and sanitation services)	2.1.1 Review WSDP	Adopted WSDP	TS/WSA
		2.1.2 To provide for the Operations and Maintenance of water and sanitation projects	Adopted district wide water and Sanitation O&M Plan	WSA
			Number of plants with 24/day uptime/operational	WSP
		2.1.3 Develop a district master plan	Reviewed and adopted master plan	Technical Services
		2.1.4 Maximise implementation of water and Sanitation Projects	Number of households with portable water provision	Technical services
			Number of households with sanitation provision	Technical services
	2.2 To reduce Water Loss	2.2.1 Implement Water Loss Strategy	Number of schemes equipped with bulk meters	WSP
			Number of pressure zones created per scheme	WSP
			Percentage of reported leaks repaired	WSP
			Number of ageing water pipes replaced	WSP
	2.3 To improve on the quality of water delivered	2.3.1 Implement Water Quality Strategy	Approved Water Quality Strategy	WSA
		2.3.2 Water Quality Monitoring	Number of water samples taken	WSA/MHS

			% of water samples analysed every quarter	WSA/MHS
			Percentage Blue Drop score and green drop	WSA/MHS
	2.4 To effectively utilise grant allocation for water and sanitation	2.4.1 Effective Utilisation of grant funding	% of Infrastructure Grants spend	Technical Services/WSP
	2.5 To establish the status quo of roads within the Municipal district Area	2.5.1 Implement and monitor implementation of RRAMS	Number of Kms of road completed Quarterly reports	Technical Services
GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department
KPA3: LOCAL ECONOMIC AND SOCIAL DEVELOPMENT				
Stimulation of economic development & reverse current trends of decline in diversity through enhancing economic growth	3.1 To create effective Tourism structures and have effective institutional arrangements in place.	3.1.1 Revive Tourism Forum	Quarterly Tourism Forum Meetings Held	Social and LED
		3.1.2 Implement Tourism Sector Plan	Implemented tourism sector plan	Social and LED
		3.1.3 Host annual DGDS	Hosted District Growth and Development Summit with focus on Tourism	Social and LED
		3.1.4 Implement Tourism and Marketing Strategy	Number of Tourism projects implemented	Social and LED
	3.2 To effectively contribute & coordinate LED in the District	3.2.1 Implement LED Strategy	Implemented LED strategy	Social and LED
		3.2.2 Implement budgeted LED Development Projects	Number of LED projects implemented	Social and LED

	3.3 To create LED awareness in the District	3.3.1 Sensitize the community about LED	Number of LED awareness and training workshops held	Social and LED
	3.4 To support and develop businesses in the District	3.4.1 Establish a District Development Agency	Established agency and MOU compiled	Social and LED
	3.5 To create HIV/AIDS awareness and education	3.5.1 Review HIV/Aids Plan	Approved HIV/ADS Strategy	Social and LED
		3.5.2 Implement HIV/AIDS awareness and education campaigns	Number of HIV/AIDS awareness campaigns held	Social and LED
		3.5.3 effective functioning of district HIV/AIDS council	Number of meetings held	Social and LED
	3.6 To strategically plan development and empowerment initiatives for youth and gender	3.6.1 Review the Youth, Gender and People living with Disabilities Plan	Approved strategy by Deadline	OMM
		3.6.2 Identify and implement projects focussed on youth development	Number of projects implemented	Social and LED
			Number of District and Youth Meetings Held	Social and LED
		3.6.3 Identify and implement projects focussed on the development of women	Number of projects implemented	OMM
	3.7 To promote the development of people living with Disabilities	3.7.1 Identify and implement projects through effective and efficient use	Number of projects implemented	OMM

		of the Disability Grant		
	3.8 To contribute towards addressing the needs of the elderly within the district	3.8.1 Identify and implement projects focussed on the needs of the elderly	Number of projects implemented	OMM
	3.9 To promote various sporting events within the district	3.9.1 Identify and implement sporting events within the district	Number of Sporting events conducted(Mayoral cup, SALGA games and other district events) No. of various supporting initiatives to different sporting codes	Social and LED
	3.10 To reduce poverty by implementing Community Development Projects	3.10.1 To investigate new & review existing social upliftment programs	Number of people participating in UDM Community Capacity Building Programmes	Social and LED

GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department
KPA 4: FINANCIAL VIABILITY & FINANCIAL MANAGEMENT				
Managing of municipal resources and ensuring financial sustainability	4.1 To improve revenue collection	4.1.1 Implement current credit control and debt collection policy and bylaws & Review same policy and bylaws	Outstanding service debtors recovery rate to revenue	Budget & Treasury office
			Amount of revenue collected	Budget & Treasury office
			Approved Indigent Policy	Budget & Treasury office
	4.2 To produce accurate statements	4.2.1 Prepare a schedule of all reconciliations to be performed	Monthly reconciliations done	Budget & Treasury office
	4.3 To process payments on time	4.3.1 Develop an invoice tracking system	Processing time of invoices payment within 30 days	Budget & Treasury office
	4.4 To complete and submit accurate annual financial statements within the specified time period	4.4.1 Prepare a time schedule of all reconciliations to be performed to prepare AFS timely (in compliance with MFMA)	Unqualified audit opinion	Budget & Treasury office
	4.5 To complete a budget within the specified time period	4.5.1 Develop a budget time table in line with the IDP Process Plan	Submission of quarterly Budget Implementation Reports Approved budget related policies	Budget & Treasury office
			Approved final budget	Budget & Treasury office
4.6 To develop a Financial Plan (i.e. Budget Process and	4.6.1 Review and implement the current Financial Plan	Approved financial plan	Budget & Treasury office	

	Time Table)			
	4.7 To have an effective Auditing Function	4.7.1 Develop a risk register	% of audit queries addressed from the AG report	Budget & Treasury office
		4.7.2 Develop an internal Audit plan	Audit committee meetings scheduled	OMM
	4.8 To effectively management and report on assets	4.8.1 GRAP compliant asset register compiled	GRAP compliant register completed by deadline	Budget & Treasury office
	4.9 To Improve the financial performance of the municipality	4.9.1 Implement SCM procedures	Monthly SCM reports	Budget & Treasury office
			Percentage of creditors paid on time	Budget & Treasury office
		4.9.2 Update fraud prevention plan	Approved fraud prevention strategy	Budget & Treasury office
	4.10 To increase the cost coverage ratio	4.10.1 Review and implement the investment policy	Approved Investment Policy	Budget & Treasury office
		4.10.2 Implement the SCM policy to obtain cost effective methods of reducing fixed operating expenditure	Approved SCM Policy	Budget & Treasury office
Cost Coverage ratio			Budget & Treasury office	
4.11 To increase the debt coverage ratio	4.11.1 To Increase the revenue base of the municipality	Amount value of invoices billed (Percentage of consumption billed)	Budget & Treasury office	
		Debt Coverage Ratio	Budget & Treasury office	
4.12 To provide sufficient cash resources	4.12.1 Review and implement the current SDBIP	% operating budget funded from cash	Budget & Treasury office	

	4.13 To keep a minimum cash balance to cover average monthly expenditure	4.13.1 Maintenance of the investment register on a monthly basis	Number of days with excessive funds in Current account in relation to strategy	Budget & Treasury office	
	4.14. To report timely and accurately	4.14.1 Development of a reporting framework and adherence to the MFMA reporting checklist	SDBIP reports approved by specified date	Budget & Treasury office	
	4.15 To align Capital Programme and IDP	4.15.1 Review and implement the current financial plan	Percentage of total municipal capital budget spent	Budget & Treasury office /TS/WSA	
GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department	
KPA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION					
Provision of systems and mechanism for accountability & public participation in municipal development affairs	5.1. Improve Communication between the Municipality and its communities	5.1.1 Develop Communication Strategy	Adopted communication strategy	OMM	
		5.1.2 Implement Communication Strategy	Percentage implementation of adopted communication strategy	OMM	
		5.1.3 Customer Satisfaction survey	Conduct a customer satisfaction survey	OMM	
	5.2 Effective public awareness on municipal	5.2.1 Effective public awareness on municipal business through information dissemination		Number of Mayoral radio slots	OMM
				Number of advertorial on Municipal Projects	

	5.3 To provide a basis that will effectively deal with uncertainty of associated risk and opportunity, thereby enhancing capacity to build value	5.3.1 Review of the Enterprise Risk Management Framework	Reviewed and Approved risk management plan	OMM
	5.4 To conduct a comprehensive Strategic and Operational Risk Assessment	5.4.1 Risk assessment	Risk assessment conducted by Deadline	OMM
	5.5 To create an awareness and understanding of Risk Assessment and its importance	5.5.1 Risk management awareness workshop	Number of Risk management awareness workshop held	OMM
	5.6 Improve the Municipal Audit opinion and Accountability	5.6.1 To implement Internal Audit practices	Number of report from Internal Auditors to Audit Committee	OMM
			Number of reports from Audit Committee to EXCO to ensure effectiveness	OMM
		5.6.2 Review Audit Plan	Reviewed and Adopted Audit Plan	OMM
	5.7 To ensure effectiveness and guidance of the committee in all areas of the municipality	5.7.1 Audit Committee	Number of Quarterly audit committee meetings held	OMM
	5.8 To review the Performance Management Systems Framework document	5.8.1 Performance Management Systems Framework	Performance Framework Reviewed and Adopted by deadline	OMM

	5.9 To complete the Annual Performance Management Report in terms of section 46 of the Municipal Systems Act	5.9.1 Annual Municipal Performance Report	Annual Performance Report compiled and submitted	OMM
	5.10 To improve service delivery through implementation of Organisational performance management	5.10.1 Performance Management	Number of signed Sec57 performance agreements	OMM
			Number of PMS reports submitted	OMM
	5.11 To review Policies and bylaws	5.11.1 Review and implement current policies and bylaws	Approved policies and Bylaws by deadline	Corporate Services
	5.12 To ensure compliance with SCM policy and regulations - Contract Management	5.12.1 Management of service providers	Number of Quarterly reports on performance of service providers submitted to SCM	Corporate Services
	5.13 To ensure that conflicts within the municipality are resolved in line with relevant Labour Relations legislation	5.13.1 To limit losses to the municipality - legal risk mitigation	% of legal cases resolved	Corporate Services
	5.14 To promote integrated development planning	5.14.1 Review IDP	Adopted Process Plan No. meetings with stakeholders Adopted Integrated Development plan Quarterly reports on IDP implementation	Social and LED

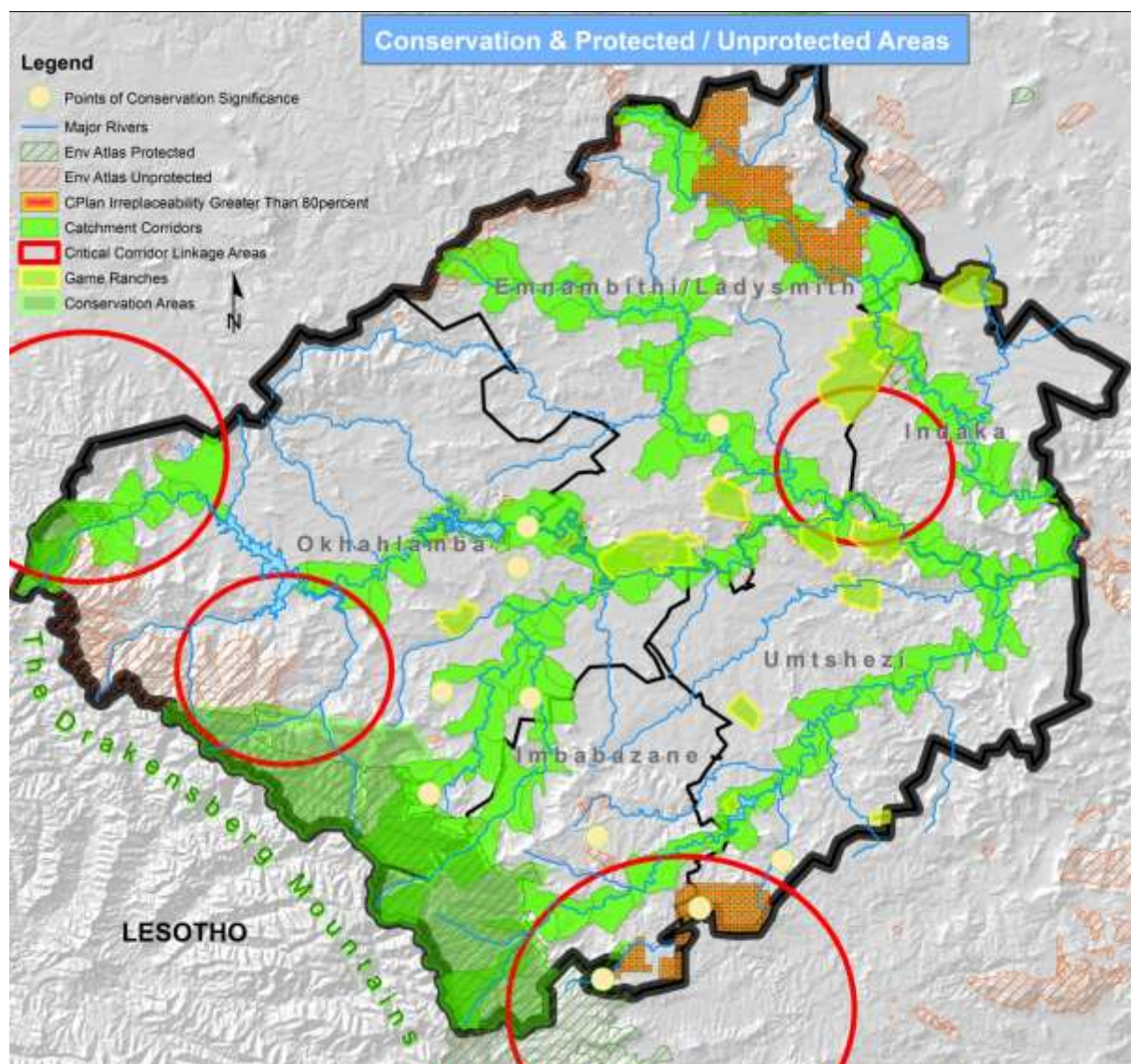
	5.15 To strengthen IGR	5.15.1 implement the IGR framework	Number of IGR meetings held within the District	Corporate Services
	5.16 To implement Operation Sukuma Sakhe Project	5.16.1 Establishment of functional ward committees	Number of Sukuma Sakhe war rooms established	OMM
GOAL	OBJECTIVE (S)	STRATEGY(IES)	Key Performance Indicators	Responsible Department
KPA 6:CROSS CUTTING				
Safer and healthier environment within the district	6.1 To create awareness of hazards and disasters	6.1.2 Prepare Disasters and Hazards Awareness Strategy	Number of DM awareness campaigns scheduled per quarter	Social and LED
	6.2 To review and facilitate the district disaster management plan	6.2.1 Review and Implement the disaster management plan	Reviewed and implemented approved disaster management plan	Social and LED
	6.3 To Establish the Disaster Management Centre	6.3.1 Establish the Disaster management Centre 6.3.2 To improve response to Incidents	Established disaster management centre % response to all reported incidents	Social and LED Social and LED

	6.4 To deliver an effective and efficient environmental municipal health service	6.4.1 Prepare Plan for effective and efficient Municipal Environmental Health Services	Adopted Plan for Municipal Environmental Health Services Monthly reporting to committees and council	Social and LED
		6.4.2 Through food monitoring, water quality monitoring, control of communicable diseases, surveillance of premises, waste management, air quality control, vector control, chemical safety and disposal of the death	Number of premises inspected Number of compliances and non- compliances Actions taken against non-compliance	Social and LED
	6.5 To establish the functional call centre	6.5.1 Establishment of the call centre under the EThekwini mentorship	Functional and effective call centre Monthly reports	Social and LED
	6.6 To review and implement the SDF	6.6.1 Review of SDF	An updated SDF	Social and LED

8 STRATEGIC MAPPING

8.1 ENVIRONMENTAL SENSITIVE AREAS

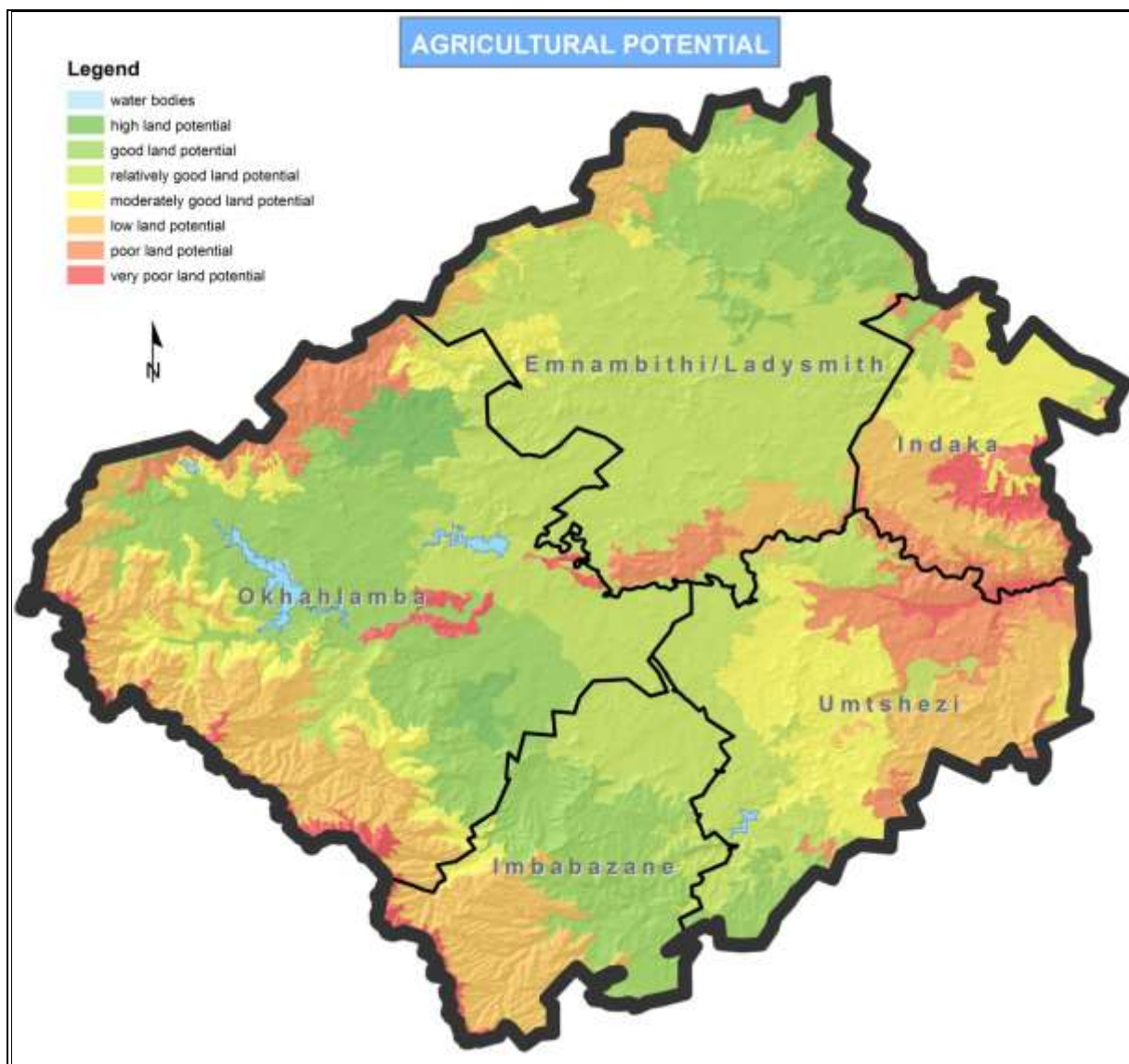
There is a range of environmentally sensitive areas within uThukela and include amongst others natural resources such as the important species sites, sites of intrinsic biodiversity value, watercourses and steep slopes. The greater central plateau and river valleys, such as the Sundays and Tugela River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



8.3 DESIRED SPATIAL FORM AND LAND USE

8.3.1 AGRICULTURE

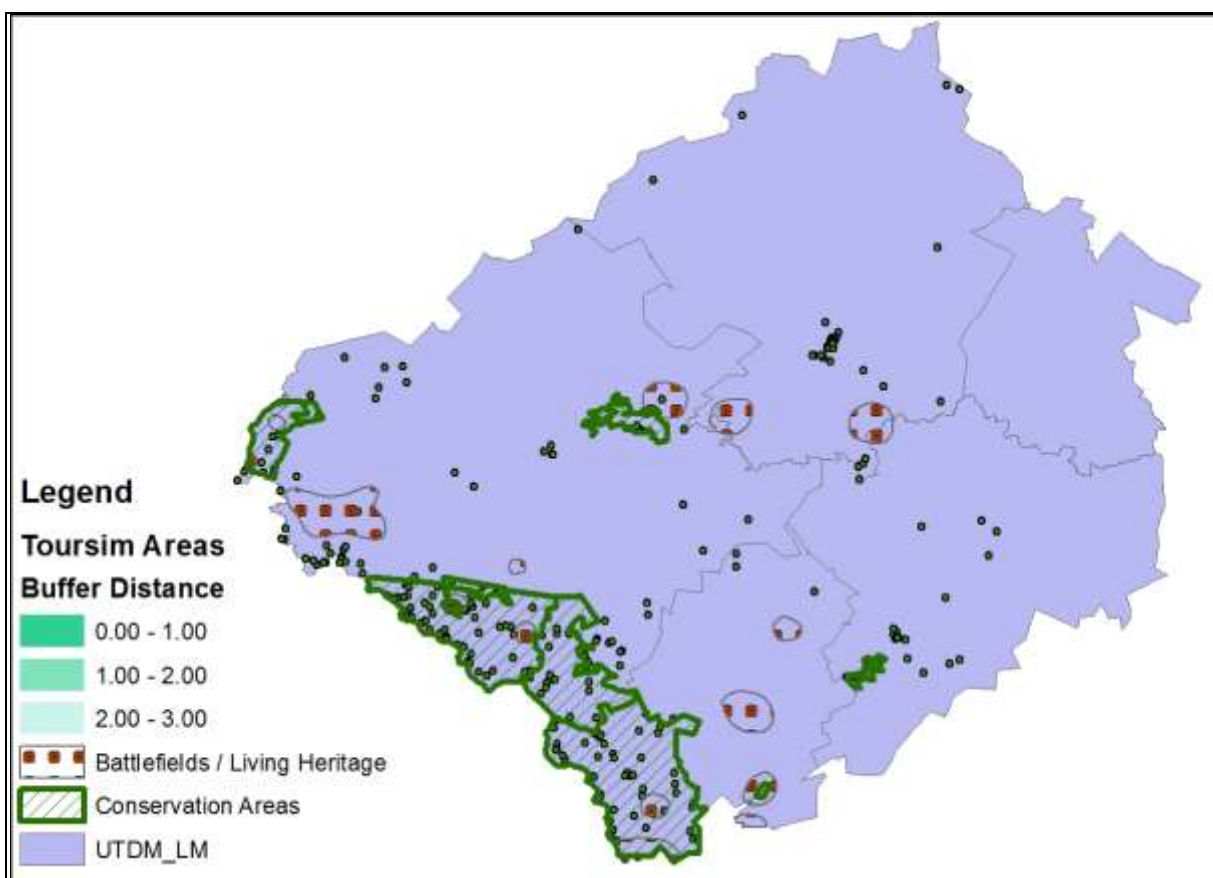
Three categories of agricultural land have been identified. These are areas with high, good and relatively good agricultural potential. The protection of these areas is addressed within the Land Use Management Guidelines at a later stage.



8.3.2 TOURISM

Apart from the Drakensberg World Heritage Site, which has an obvious scenic attraction, the many battles that were fought within the District are a major tourism attraction. The tourism opportunities created by these historical events include cultural and historical tourism. Other events hosted within the District include art and craft events, such as the River Arts Festival in Ladysmith and the Music in the Mountains event, hosted by the Drakensberg Boy's Quire.

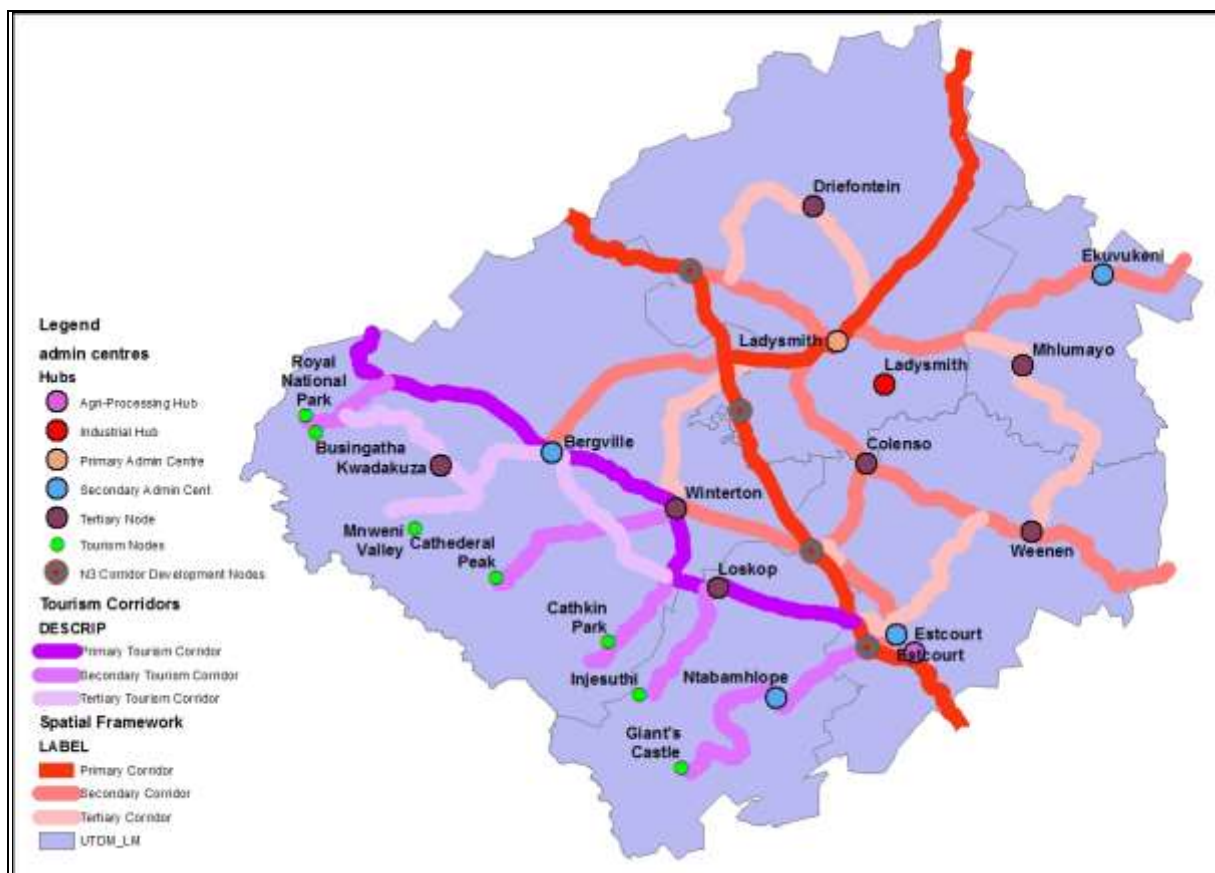
Secondary tourism corridors are identified to each tourism node in line with provincial draft policy identifying a trekking route along the World Heritage Site. These routes lead from a primary corridor route running between the town of Estcourt and the Oliviershoek Pass. Tertiary corridors are identified to lead into the more rural areas adjacent to the Drakensberg World Heritage Site connecting to primary and secondary tourism routes.



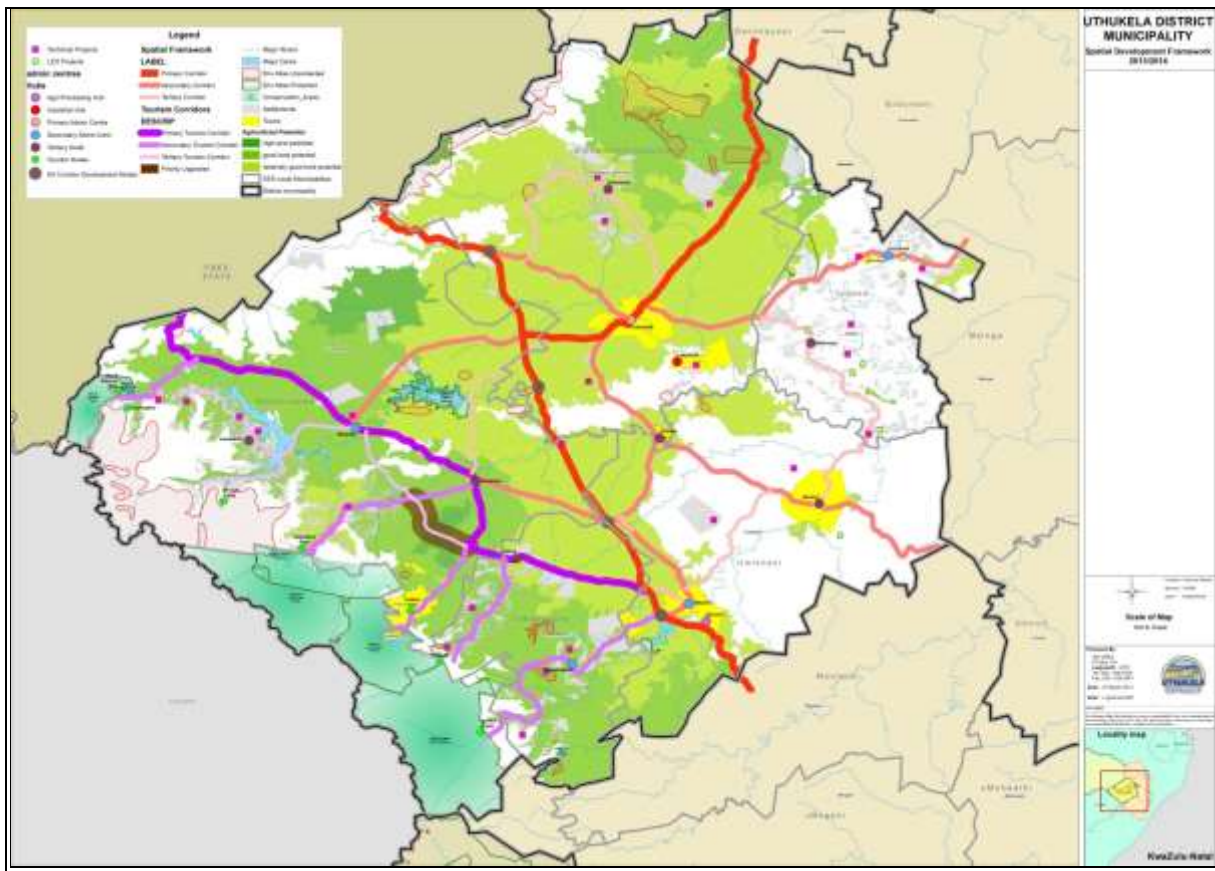
8.4 SPATIAL RECONSTRUCTION OF THE MUNICIPALITY

The objective of the spatial strategy is to guide spatial growth for uThukela in relation to the physical space. The following are major issues identified:

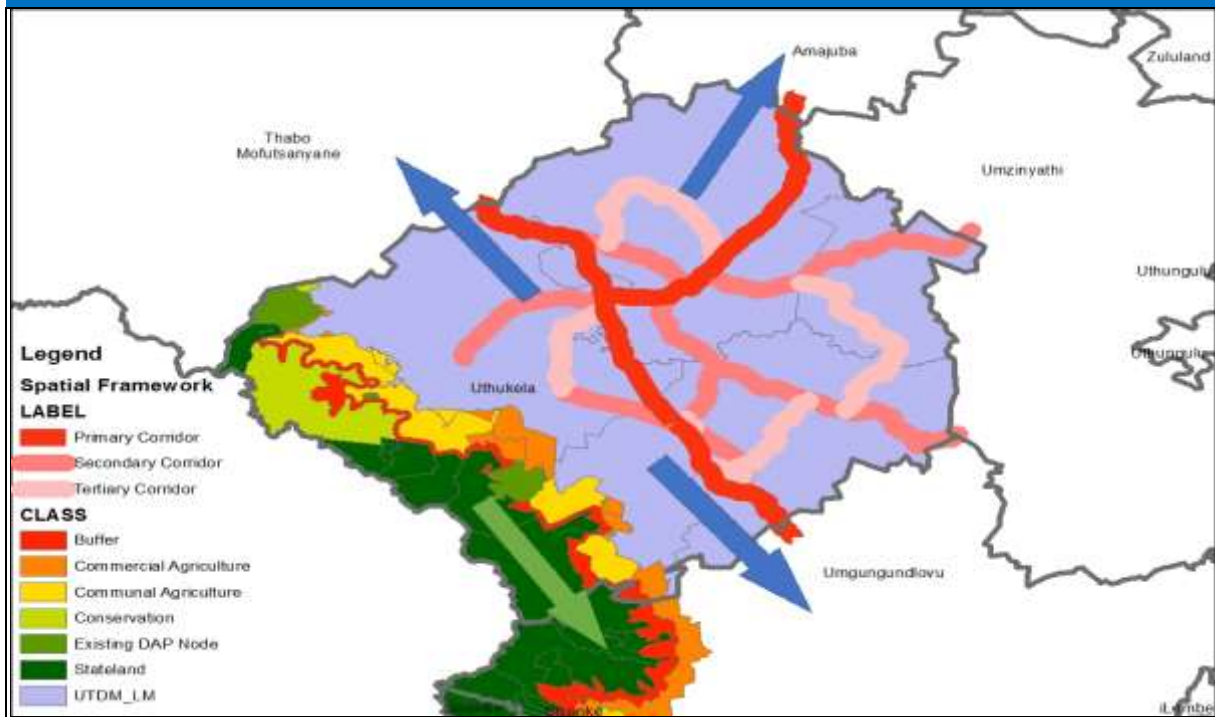
- ⇒ The development of nodes and corridors : The nodal hierarchy is interlinked with a hierarchy of corridors and reinforces the function of nodes. Primary, secondary and tertiary corridors have been identified and these would be focused upon to develop the spatial structure;
- ⇒ The promotion of small towns and centres: This should be coupled with a well-functioning passenger transport system for the integration of settlement hierarchies. The system will create balanced settlements and lead to improvement in service delivery to outlying rural areas;
- ⇒ Sound land use management practices: The hierarchical development framework should direct development and support land use management systems that mitigate conflicting uses and urban sprawl.



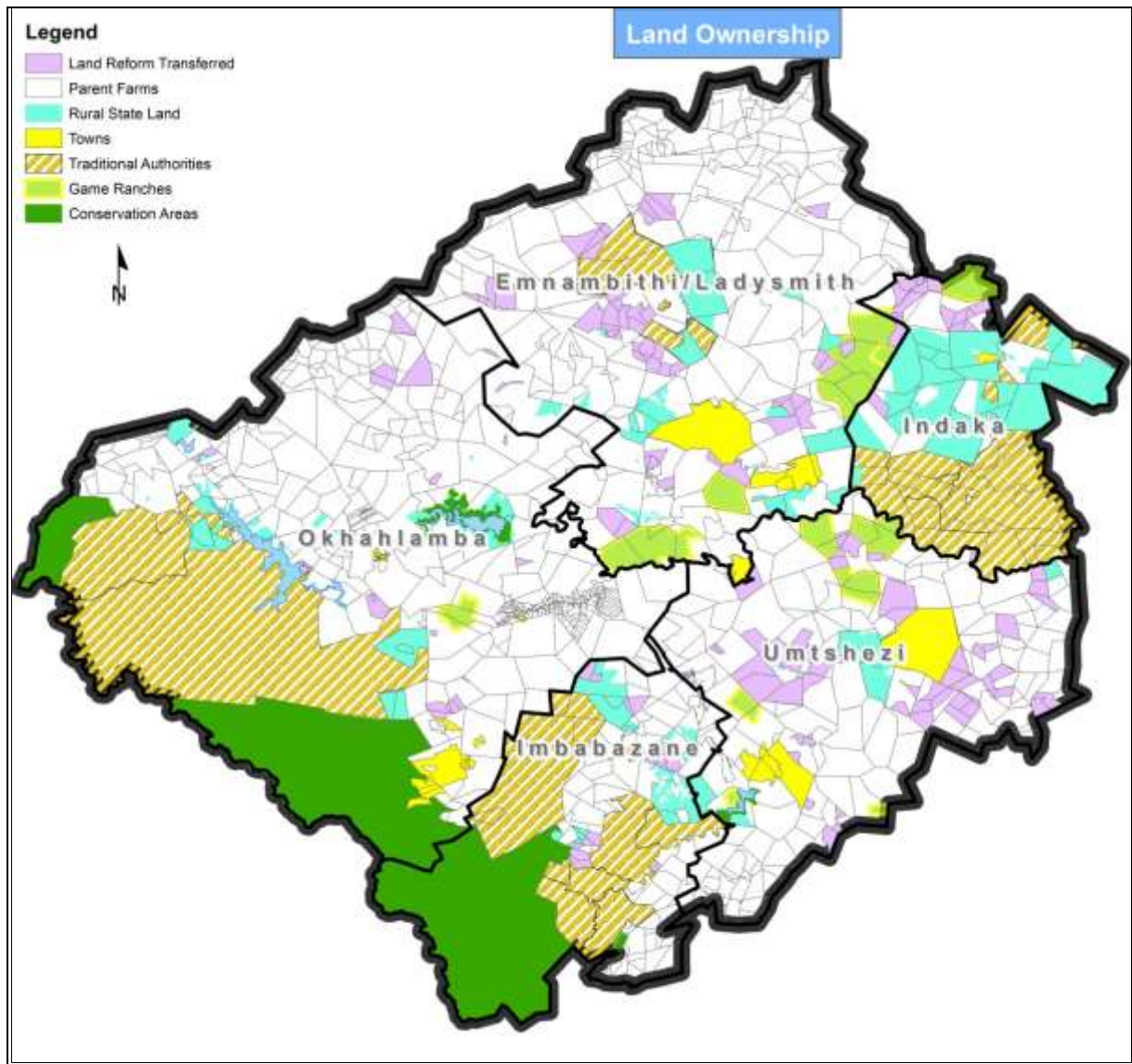
8.5 LOCATION AND NATURE OF DEVELOPMENT WITHIN THE MUNICIPALITY



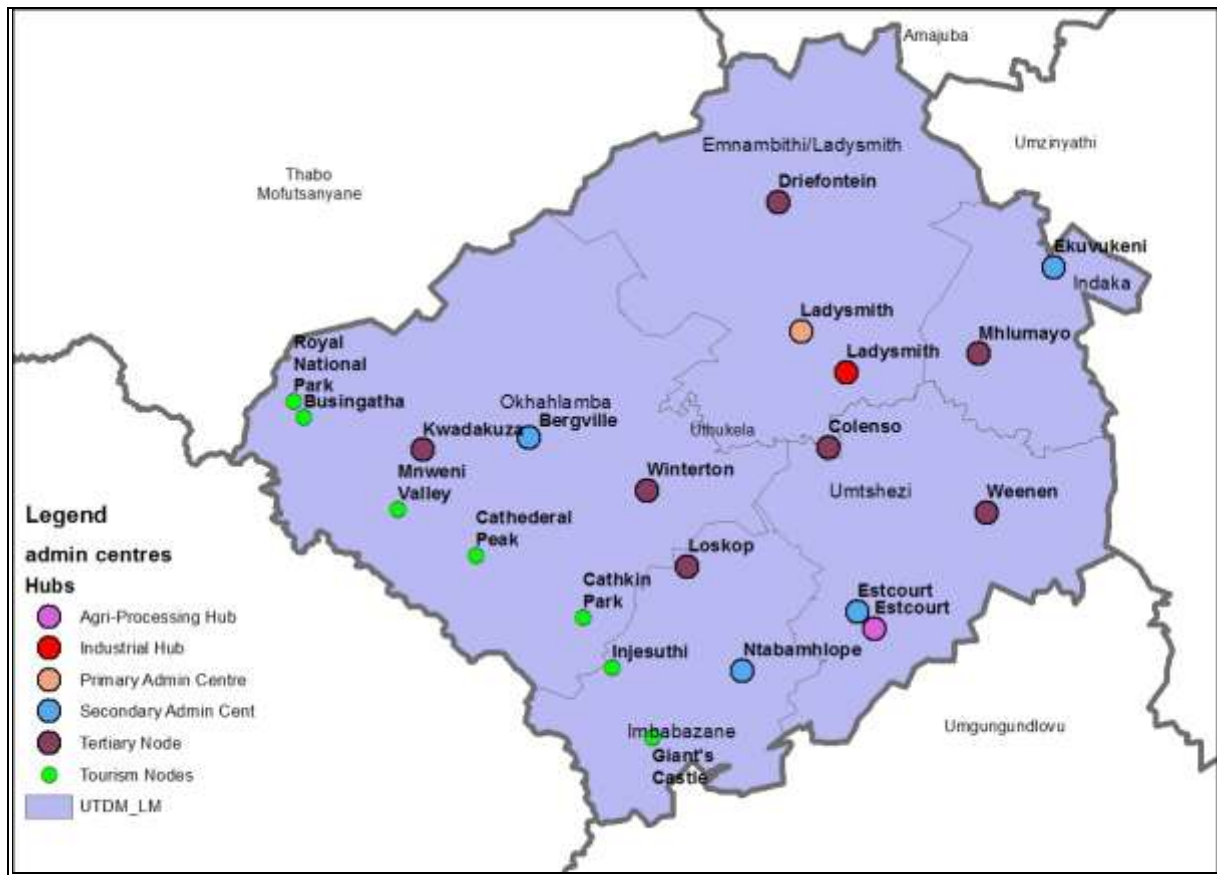
8.6 SPATIAL ALIGNMENT WITH NEIGHBOURING MUNICIPALITIES



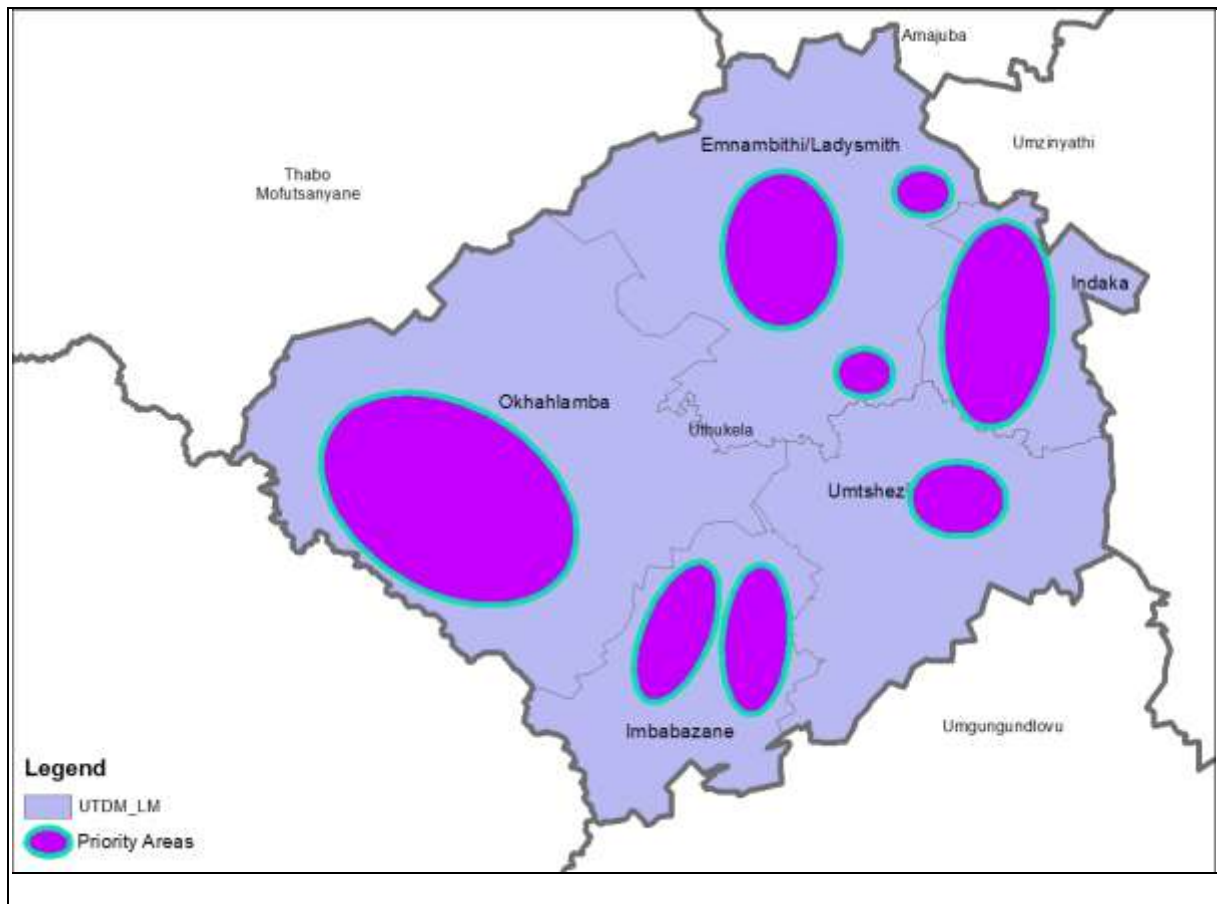
8.7 PUBLIC AND PRIVATE LAND DEVELOPMENT AND INFRASTRUCTURE INVESTMENT



8.8 STRATEGIC INTERVENTION



8.9 AREAS WHERE PRIORITY SPENDING IS REQUIRED



9 IMPLEMENTATION PLAN

MUNICIPAL TRANSFORMATION & ORGANIZATION DEVELOPMENT																
Key Challenge	Obj Ref	Objective	Strategies	Performance Indicator	Baseline	5 Year Target					Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)		
						Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18						
<ul style="list-style-type: none"> ◆ Vacant Positions ◆ Skills Development ◆ Institutional Knowledge ◆ Workflow – information and decision making ◆ Proper Organogram ◆ Development Agencies ◆ Image and Organizational Culture Systems and procedures 		1.1 To Strengthen Human Resource management and development	1.1.1 Implement WSP	% of staff trained and capacitated		✓								Corporate services		
					No. of staff files updated										Corporate services	
					1.1.2 Update all staff files	Monthly reconciliation of leave done										Corporate services
					1.1.3 Update and manage leave	No of policies reviewed and adopted										Corporate services
					1.1.4 Review all policies	Approved OHS programme										Corporate services
					1.1.5 Implementation of OHS	% of designated targets achieved										Corporate services
			1.1.6 Develop and	% of budget spent on approved IT and GIS activities										Corporate services		

		<p>1.2. To constantly update and maintain the Municipality's computer and software assets to implement legislative requirements</p> <p>1.3. Effective and efficient utilization of municipal fleet</p>	<p>implement the EEP</p> <p>1.2.1 Software and hardware maintenance</p> <p>1.2.2 Implement the approved IT Governance Framework and policy</p> <p>1.3.1 Increase capacity of mechanical workshop services</p> <p>1.3.2 Develop report on conditions of municipal vehicles</p> <p>1.3.3. Develop and approve Fleet management</p>	<p>monthly reports on faults logged</p> <p>No. of monthly reports submitted</p> <p>% reduction in downtime of the mechanical workshop</p> <p>Monthly fleet report submitted</p> <p>Approved and implemented fleet policy</p>										<p>Corporate services</p> <p>Corporate services</p> <p>Corporate services</p> <p>Corporate services</p> <p>Corporate services</p> <p>Corporate services</p>
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			policy											
						✓								
		1.4 To improve and strengthen municipal administration and systems	1.4.1. Records management and archiving	Number of portfolio committee meetings held		✓								Corporate services
			1.4.2. Committees and council resolutions management	Number of days the resolution register is circulated following a meeting										Corporate services
				No. of files on registry										Corporate services
			1.4.3. Secretariat services	No. of files transferred to the documentation management system										Corporate services
			1.4.4. Office administration management	No of staff clocking system										Corporate services
			1.4.5. municipal office management											Corporate services

		1.5 To establish and strengthen the legal services unit	1.5.1. Appoint a legal services unit manager 1.5.2.Strengthen contract management	Appointed legal services unit manager Contract management register, SLA's service providers assessed		✓								Corporate services Corporate services
		1.6 To update and implement the LGTAS	1.6.1 Update LGTAS on regular basis	Monthly LGTAS updated reports		✓								Corporate services
BASIC SERVICE DELIVERY AND INFRASTRUCTURE DEVELOPMENT														
Key Challenge	Obj . Ref	Objective	Strategies	Performance Indicator	Baseline	5 Year Target					Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
						Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18				
<ul style="list-style-type: none"> ◆ Service Backlog (water and sanitation) ◆ Replacement of aging Infrastructure 		2.1.To provide cost effective water and sanitation (including free basic water and sanitation) services	2.1.1. Review WSDP 2.1.2. Provision of the O&M for water and sanitation 2.1.3.Develop a district master plan	An updated WSDP An adopted district wide O&M An adopted district master plan No. of households with portable		✓								Technical services Technical services Technical services

<ul style="list-style-type: none"> ◆ Infrastructure Maintenance, ◆ Expenditure on infrastructure grants ◆ Strategic Planning for infrastructure development - Outdated plans ◆ Public transport ◆ Water Quality ◆ Water quality 		2.2 To reduce water losses	2.1.4 Maximize implementation of water and sanitation projects	water and proper sanitation services										Technical services
			2.2.1 Implement water loss strategy	Number of schemes equipped with bulk meters. Number of pressure zones created per scheme.										WSP
				% of reported leaks repaired										
				Number of ageing water pipes replaced										WSP
				Approved water quality strategy										WSP
		2.3.To improve on the quality of water delivered	2.3.1.Implement water quality strategy	No. of water samples taken. % of water samples analyzed every quarter % of blue and green drop score										Technical services
			2.3.2. Water quality monitoring											WSP
				% of infrastructure grant spend										WSA/MHS
														WSA/MHS
														WSA/MHS

		2.4 To effectively utilize grant allocation for water and sanitation 2.5 To establish the status quo of roads within the municipal district area	2.4.1 Effectively utilization of grant funding 2.5.1.implement and monitor of implementation of RRAMS	Number of Km's completed Quarterly reports											TS/WSP Technical
LOCAL ECONOMIC AND SOCIAL DEVELOPMENT															
Key Challenge	Obj . Ref	Objective	Strategies	Performance Indicator	5 Year Target						Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)	
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18					
<ul style="list-style-type: none"> ◆ Coordination of LED initiatives ◆ High level of unemployment ◆ HIV/AIDS prevalence ◆ Economic 		3.1 To create effective Tourism structures and have effective institutional arrangements in place.	3.1.1 Revive Tourism Forum 3.1.2 Implement Tourism sector plan 3.1.3 Host annual DGDS	Quarterly tourism forum meetings held Implemented tourism sector plan Hosted DGDS No. of Tourism projects implemented		✓									Social and LED Social and LED Social and LED Social and

<p>stagnation</p> <ul style="list-style-type: none"> ◆ Lack of SMME Support & development ◆ Alignment with provincial and national economic development initiatives ◆ High Poverty rate ◆ Lack or poor economic infrastructure 		<p>3.2 To effectively contribute & coordinate LED in the district</p> <p>3.3 To create LED awareness in the district</p> <p>3.4 To support and develop businesses in the district</p> <p>3.5 To create HIV/AIDS awareness and education</p>	<p>3.1.4 Implement Tourism and marketing strategy</p> <p>3.2.1 Implement LED strategy</p> <p>3.2.2 Implement budgeted LED projects</p> <p>3.3.1 Sensitize the community about the LED</p> <p>3.4.1. Establishment of District Development Agency</p> <p>3.5.1 Review HIV/AIDS plan</p> <p>3.5.2 Implement HIV/AIDS awareness and education campaigns</p> <p>3.5.3 Effective functioning of the district HIV/AIDS</p>	<p>Implemented LED strategy</p> <p>No. of LED projects implemented</p> <p>No of LED awareness and training workshop</p> <p>Established agency and MOU compiled</p> <p>Reviewed and adopted HIV/AIDS plan</p> <p>No. of HIV/AIDS awareness campaigns held</p> <p>No. of meetings held</p> <p>Adopted youth, gender and people living with</p>										<p>LED Social and LED</p> <p>Social and LED</p> <p>Social and LED</p> <p>Social and LED</p> <p>Social and LED</p> <p>Social and LED</p> <p>Social and LED</p> <p>Social and LED</p>
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FINANCIAL VIABILITY AND SOCIAL MANAGEMENT														
Key Challenge	Obj · Ref	Objective	Strategies	Performance Indicator	Baselin e	5 Year Target					Target & yr (if outsid e 5 yr period)	Budge t (R) (‘000)	Sourc e	Responsibilit y (In Municipality)
						Yr 1 13/1 4	Yr 2 14/1 5	Yr 3 15/1 6	Yr 4 16/1 7	Yr 5 17/1 8				
Going concerns challenge		4.1 To improve revenue collection	4.1.1 Implement current credit control and debt collection policy and bylaws & Review same policy and bylaws	Outstanding service debtors recovery rate to revenue Amount of revenue collected Approved Indigent policy									Budget and treasury office Budget and treasury office	
		4.2 To produce accurate statements	4.2.1 Prepare a schedule of all reconciliations to be performed	Monthly reconciliations done									Budget and treasury office	
		4.3 To process payment on time	4.3.1 Develop an invoice tracking system	Processing time of invoices payment within 30 days										Budget and treasury office
		4.4 To complete and submit accurate annual financial statements	4.4.1 Prepare a time schedule of all reconciliations to be performed to prepare AFS timely (in compliance with MFMA)	Unqualified audit opinion										Budget and treasury office

		within the specified time period												
		4.5 To complete a budget within the specified time period	4.5.1 Develop a budget time table in line with the IDP Process Plan	Submission of quarterly budget implementation reports Approved budget related policies Approved final budget										Budget & Treasury office
		4.6 To develop a Financial Plan (i.e. Budget Process and Time Table)	4.6.1 Review and implement the current Financial Plan	Approved financial plan										Budget & Treasury office
		4.7 To have an effective auditing function	4.7.1 Develop a risk register 4.7.2 Develop an internal audit plan	% of audit queries addressed from the AG										Budget & Treasury office
		4.8 To effectively management and report on assets	4.8.1 GRAP compliant asset register compiled	GRAP compliant register completed										Budget & Treasury office
		4.9 Improve the financial performance of the municipality	4.9.1 Improve SCM procedures 4.9.2 Update fraud prevention plan	Monthly SCM reports % of creditors paid on time Approved updated fraud										Budget and treasury office

		4.10 To increase the cost coverage ration	4.10.1 Review and implement the investment policy 4.10.2 Implement the SCM policy to obtain cost effective methods of reducing fixed operating expenditure	prevention plan Reviewed and approved investment plan Approved SCM Policy Cost coverage ratio										Budget and treasury office
		4.11 To increase the cost coverage ratio	4.11.1 To Increase the revenue base of the municipality	Amount value of invoices billed(Percentage of consumption billed)										Budget & Treasury office
		4.12 To provide sufficient cash Resources	4.12.1 Review and implement the current SDBIP	% operating budget funded from cash										Budget and treasury office
		4.13 To keep a minimum cash balance to cover average monthly expenditure	4.13.1 Maintenance of the investment register on a monthly basis	Number of days with excessive funds in Current account in relation to strategy										Budget and treasury office
		4.14. To report timely and accurately	4.14.1 Development of a reporting framework and adherence to the MFMA reporting checklist	SDBIP reports approved by specified date										Budget and treasury office

														Budget and treasury office
		4.15 To align Capital Programme and IDP	4.15.1 Review and implement the current financial plan	Percentage of total municipal capital budget spent										Budget and treasury office
GOOD GOVERNANCE AND PUBLIC PARTICIPATION														
Key Challenge	Obj . Ref	Objective	Strategies	Performance Indicator	5 Year Target						Target & yr (if outside 5 yr period)	Budget (R) ('000)	Source	Responsibility (In Municipality)
					Baseline	Yr 1 13/14	Yr 2 14/15	Yr 3 15/16	Yr 4 16/17	Yr 5 17/18				
<ul style="list-style-type: none"> ◆ IGR Structure ◆ Functionality of Portfolio Committee ◆ PMS (IDP, Budget & PMS Alignment) ◆ Legal compliance ◆ By-laws 		5.1. Improve Communication between the Municipality and its communities	5.1.1 Develop Communication Strategy	Adopted communication strategy		✓								OMM
			5.1.2 Implement Communication Strategy	Percentage implementation of adopted communication strategy										OMM
			5.1.3 Customer Satisfaction survey	Percentage implementation of adopted communication strategy										OMM
		5.2 Effective public	5.2.1 Effective public awareness on municipal	Number of Mayoral radio										OMM

		awareness on municipal	business through information dissemination	slots Number of advertorial on Municipal Projects										
		5.3 To provide a basis that will effectively deal with uncertainty of associated risk and opportunity, thereby enhancing capacity to build value	5.3.1 Review of the Enterprise Risk Management Framework	Reviewed and adopted risk management plan										OMM
		5.4 To conduct a comprehensive Strategic and Operational Risk Assessment	5.4.1 Risk assessment	Risk assessment conducted										OMM
		5.5 To create an awareness and understanding of Risk Assessment and its	5.5.1 Risk management awareness workshop	Number of Risk management awareness workshop held Number of report										OMM

CROSS CUTTING ISSUES

Key Challenge	Obj · Ref	Objective	Strategies	Performance Indicator	5 Year Target						Target & yr (if outside 5 yr period)	Budge t (R) (‘000)	Sourc e	Responsibilit y (In Municipality)
					Baselin e	Yr 1 13/1 4	Yr 2 14/1 5	Yr 3 15/1 6	Yr 4 16/1 7	Yr 5 17/1 8				
<ul style="list-style-type: none"> ◆ The municipality lacks the capacity of developing SDF; ◆ Lack of human capacity to assist with environmental issues ◆ Outdated disaster management ◆ No disaster management Centre ◆ Outdated enforcement by-laws 		6.1 To create awareness of hazards and disasters	6.1.2 Prepare Disasters and Hazards Awareness Strategy	Number of DM awareness campaigns scheduled per quarter		✓								Social and LED
		6.2 To review and facilitate the district disaster management plan	6.2.1 Review and Implement the disaster management plan	Reviewed and implemented approved disaster management plan										Social and LED
		6.3 To Establish the Disaster Management Centre	6.3.1 Establish the Disaster management Centre	Established disaster management Centre										Social and LED
			6.3.2 To improve response to Incidents		% response to all reported incidents									Social and LED

		6.4 To deliver an effective and efficient environmental municipal health service	6.4.1 Prepare Plan for effective and efficient Municipal Environmental Health Services	Adopted Plan for Municipal Environmental Health Services Monthly reporting to committees and council										Social and LED
			6.4.2 Through food monitoring, water quality monitoring, control of communicable diseases, surveillance of premises, waste management, air quality control, vector control, chemical safety and disposal of the death	Number of premises inspected Number of compliances and non- compliances Actions taken against non-compliance										Social and LED
		6.5 To establish the functional call Centre	6.5.1 Establishment of the call Centre under the EThekwini mentorship	Functional and effective call Centre Monthly report										Social and LED

		6.6 To review and implement the SDF	6.6.1 Review of SDF	An updated SDF														Social and LED
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9.1.1 THREE YEAR INVESTMENT PROGRAMME

9.1.1.1 UTHUKELA DISTRICT MUNICIPALITY CAPITAL INVESTMENT PLAN

MUNICIPAL MANAGERS'S OFFICE

IDP NO.	PROJECT NAME	LOCALITY	REONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	PMS		MM's office		UTDM	60 000	500 000	530 000,00	561 800,00
	Internal Lab accreditation		MM's office		UTDM	200 000	200 000,00	212 000,00	224 720,00
	Replace lab equipment		MM's office		UTDM	200 000	200 000,00	-	-
	Radio Ukhozi slot	District wide	MM's office		UTDM	500 000	700 000	742 000,00	786 520,00
	Consultation process(IDP& Budget)	District wide	MM's office		UTDM	700 000	840 000	890 400,00	943 824,00
	Implementati on of communicatio	District wide	MM's office		UTDM	In-house	In-house	In-house	In-house

	n strategy								
	Communication and information	District wide	MM's office		UTDM	-	10 10 000	1070 600	1134 836
	Mayoral Imbizo	District wide	MM's office		UTDM	-	200 000	212 000	224 720
	Tools of trade		MM's office		UTDM	-	170 000	-	-
	uThukela annual jazz and picnic	District wide	MM's office		UTDM	-	200 000	212 000	224 720
	Employees mayoral excellence awards		MM's office		UTDM	-	200 000	212 000	224 720
	Blue drop and Green drop	District wide	MM's office		UTDM	3 500 000,00	15000 000	15900 000	16854 000
	Municipal water infrastructure		MM's office		NT	14 525 000	-	-	-

BUDGET AND TREASURY

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Assets verification		Treasury		UTDM	1 500 000	500 000	530 000	561 000
	Review of Financial Policies		Treasury		UTDM	100 000	-	-	-

PLANNING

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Development of shared services	District wide	Planning and LED		UTDM	500 000	250 000,00	250 000,00	1 200 000
	Hosting of the DGDS	District wide	Planning and LED		UTDM	100 000	500 000,00	530 000,00	561 800,00

	Sport code development programme	District wide	Planning and LED		UTDM	2 000 000	2000 000,00	2 120 000	2 247 200
	uThukela Manufacturing Sector Strategy	District wide	Planning and LED		UTDM	2 000 000	500 000	650 000	755 000
	uThukela Agricultural Sector Strategy	District wide	Planning and LED		UTDM	-	500 000	780 000	850 000
	Tourism brochure, map and marketing material	District wide	Planning and LED		UTDM	1 000 000	100 000	1 060 000	1 123 600
	District Tourism Marketing Strategy and Policy	District wide	Planning and LED		UTDM	-	100 000	260 000	340 000
	Estcourt Water Reticulation Master Plan		Planning and LED		UTDM	1000 000	1 000 000	1 060 000	1 123 600

	on GIS								
	Feasibility study of waste disposal site	District wide	Planning and LED		UTDM	100 000	500 000,00	530 000,00	561 800,00
	Implementation of health and safety programme	District wide	Planning and LED		UTDM	R100 000	200 000,00	212 000,00	224 720,00
	Water conservation	District wide	Planning and LED		UTDM	R40 000	500 000	530 000	561 800
	District Aids Council activities	District wide	Planning and LED		UTDM	130 000	0	0	0
	Review and implement disaster management strategy	District wide	Planning and LED		UTDM	150 000	500 000,00	530 000,00	561 800,00
	Firefighting equipment		Planning and LED		UTDM	150 000	-	-	-

	Facilitate the disaster Management Advisory Forum	District wide	Planning and LED			-	20 000,00	21 200 00	22 472 ,00
	Facilitate the Joint Operation Committee	District wide	Planning and LED		UTDM	100 000	-	-	-
	Installation of the disaster communication system	District wide	Planning and LED		UTDM	150 000	-	-	-
	Emergency disaster provision/relief	District wide	Planning and LED		UTDM	3000 000	2 779792	29 27 894	31 03567
	Development agency	District wide	Planning and LED		UTDM	-	1000 000	1 060 000	1 123 600
	Health equipment		Planning and LED		UTDM	10 000	459 000	-	-
	MSIG		Planning and LED		COGTA	467 000.00	934 000	967 000	1018 000

	Gender Aged and disability programme	District wide	Planning and LED		UTDM	-	500 000	530 000	561 000
	Awareness campaigns(HI V/AIDS, Water)	District wide	Planning and LED		UTDM		2 200 000	2 332 000	2 471 920
	SALGA Games	District wide	Planning and LED		UTDM		2 000 000	2 120 000	2 247 200
	Pauper burials	District wide	Planning and LED		UTDM	-	100 000,00	106 000,00	112 360,00
	IDP	District wide	Planning and LED		UTDM	100 000	120 000	127 200,00	134 832, 00
	uThukela district carnival	District wide	Planning and LED		UTDM	-	1000 000	1060 000	1123 600

Technical services

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Sanitation projects		Technical		IDT	5 000 000	-	-	-
	RRAMS	District wide	Technical		DOT	1999 000	2 3 15000	2 3 55 000	24 66000

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	(VIP Latrines) Sanitation	Emnambithi/Ladysmith.(17)	Technical		MIG	R 28,109,402.00	8 700 000		
	(VIP Latrines) Sanitation	Emnambithi/Ladysmith(15)	Technical		MIG	R15,258,937.74	-	-	-

	Driefontein upgrading of Burford water supply scheme	Emnambithi/Ladysmith(14, 15, 16, 17, 18)	Technical		MIG	R 28,000,000.00	-	-	-
	(VIP Latrines) Sanitation	Emnambithi/Ladysmith(14)	Technical		MIG	R 22,950,565.95	4000 000		
	(VIP Latrines) Sanitation	Indaka(7)	Technical		MIG	R17,440,081.00	-	-	-
	Umhlumayo Fitty Park	Indaka(8, 9, 10)	Technical		MIG	R17,057,022.00	-	-	-
	(VIP Latrines) Sanitation	Umtshezi(5)	Technical		MIG	R30,517,148.40	-	-	-
	(VIP Latrines) Sanitation	Umtshezi(7)	Technical		MIG	R19,501,784.65	-	-	-

	Water Supply Scheme	Kwanobamba/Eziten deni(5,7,8)(Umtshezi)	Technical		MIG	R 35,000,000.00	31 700 000		
	Bergville Phase 2 water Supply Scheme	Okhahlamba(13)	Technical		MIG	R10,086,071.10	-	-	-
	Bhekuzulu / Ephangiwini Water Supply Scheme	Imbabazane	Technical		MIG	R100,235,494.74	69 000 000		
	Ntabamhlope Phase 5 reticulation (24/2010)	Imbabazane	Technical		MIG	R19,155,608.79	12 785 300		
	Ezakheni/Emnambithi bulk water infrastructure bulk water	Emnambithi	Technical		MIG		2 950 000		
	uMtshezi sanitation(4)	Umtshezi	Technical				10 450 000		

	Okhahlamba ward 12/Acton homes	Okhahlamba	Technical		MIG		7 690 000		
	Indaka ward 3 sanitation	Indaka	Technical		MIG		10 450 000		
	Umtshezi ward 4	Umtshezi	Technical		MIG		10 547 000		
	Ezakheni E sewer	Emnambithi	Technical		MIG		14 500 000		
	Moyeni/Zwelis ha upgrade	Okhahlamba	Technical		MIG		5 880 000		

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Driefontein upgrading of Burford water supply scheme	Emnambithi	Technical services		(DWA)RBI G	R 40,000,000. 00	25 000 000	30 000 000	5 000 000

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Upgrading sewer to a water borne system	Okhahlamba	Technical services		COGTA	19 000, 000	19 000, 000		

IDP NO.	PROJECT NAME	LOCALITY	REONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Ezakheni water conservation and demand management	Emnambithi	Technical services		(DWA)MW IG (20 000 000)		5 500 000		
	Ezakheni E(642 houses)	Emnambithi					8000 000		
	Okhahlamba & Indaka Boreholes	Okhahlamba & Indaka	Technical services				6 500 000		
	Umhlumayo phase 2 water supply(Fitty park)	Indaka	Technical services			7 800 000	-	-	-

Corporate services

IDP NO.	PROJECT NAME	LOCALITY	REPOSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Review and amend the District workplace skills Plan		corporate services		UTDM	In-house	In-house	In-house	In-house
	Support the district policing forum	District wide	corporate services		UTDM	In-house	In-house	In-house	In-house
	Network, repair of pc's		corporate services		UTDM		0	0	0
	IT equipment, upgrade and maintenance		corporate services		UTDM	3 000 000	1000 000	10 60 000	11 23 600
	Bursaries(student financial assistance)	District wide	corporate services		UTDM	-	1000 000	-	-

	In-service training	District wide	corporate services		UTDM	-	500 000	-	-
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Water services

IDP NO.	PROJECT NAME	LOCALITY	REONSIBLE DEPARTMENT	TYPE (Phased Ongoing Periodic)	FUNDER	MUNICIPAL CAPITAL BUDGET			
						2013/2014	2014/2015	2015/2016	2016/2017
	Plant & equipment hire for water and sanitation	District wide	Water services		UTDM	3 135 000	4 682 872		
	Chemicals	District wide	Water services		UTDM	6 000 000	10 351 675	10 972 776	12 070 053
	Security	District wide	Water services		UTDM		10 353 765	10 974 991	12 072 490
	Water tankering		Water services		UTDM	20 321 160,00	-	-	-

	EPWP grant expenses/Job creation	District wide	Water services		UTDM	1 000 000	3 299 000	-	-
	Plant(repairs and maintenance)	District wide	Water services		UTDM	-	5 210 149	5 522 758	5 854 123
	Pumps	District wide	Water services		UTDM	-	7000 000	7420 000	7865 200
	Roads	District wide	Water services		UTDM	-	1 575 000	1 669 500	1 7 69 670
	Job creation	District wide	Water services		UTDM	-	3000 000	3 180 000	3 370 800
	Drought relief	District wide	Water services		UTDM	-	84 000,00	89 040,00	94 382,40
	Free basic services	District wide	Water services		DWA Grant	6000 000	6 300 000	6 678 000	7 078 680
	Refurbishment of existing schemes	District wide	Water services		UTDM		2 000 000	2 120 000	2 247 200

	Water services operating subsidy grant	District wide	Water services		DWA	6000 000	9000 000	9 540 000	10 112 400
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9.1.2 LOCAL MUNICIPALITIES PROJECTS AND PROGRAMMES (INTERNAL FUNDED)

9.1.2.1 OKHAHLAMBA LOCAL MUNICIPALITY

CAPITAL EXPENDITURE

EXPENDITURE	TOTAL 2014/2015 Annual Budget	TOTAL 2015/2016 Outer Year Budget	TOTAL 2016/2017 Outer Year Budget
RESERVES			
PURCHASE OF BUILDING			
TRAFFIC VEHICLES			
MUNICIPAL VEHICLE	200 000,00		
LED PROJECT			
AIRCONDITIONER PHASE 3	100 000,00		
OFFICE EQUIPMENT			
CRAFT CENTRE			
DISASTER CENTRE	4 000 000,00		
FINANCIAL SYSTEM	400 000,00		
COMPUTER EQUIPMENT COUNCILLORS LAPTOPS)			
CLOCKING MACHINES (Technical Services)	100 000,00		
RECORDING MACHINES			
PROPERTY PLANT AND EQUIPMENT			
LANDFILL SITE			
SPEED MACHINES			
CEMENTRIES	500 000,00	500 000,00	
COMMUNITY FACILITATION AND DEVELOPMENT/MUNICIPAL VEHICLES			
TRAFFIC CAMERA			

COUNCILLORS VEHICLES (DEPUTY & SPEAKER)			
BERGVILLE / WINTERTON STREETLIGHT & MUNICIPAL BUILDINGS & CHRISTMAS DECORATION	1 000 000,00	1 000 000,00	
BERGVILLE TAX RANK LIGHTING LONG DISTANCE	200 000,00		
HALL FURNITURE (CHAIRS)	300 000,00	300 000,00	
MECHANICAL WORKSHOP	1 000 000,00	1 000 000,00	
STORES (Finance)	1 000 000,00	1 000 000,00	
WINTERTON CRAFT HUB	1 000 000,00	1 000 000,00	
CONSTRUCTION OF FOOT BRIDGES	3 000 000,00	3 000 000,00	
LIGHTNING CONDUCTORS	1 500 000,00	1 500 000,00	
OTHER GRANTS			
ELECTRIFICATION(INEP)	6 000 000,00		
SMALL TOWN REHABILITATION			
BERVILLE SEWER			
UPGRADING OF HAWKERS/MARKET STALLS			
CONSTRUCTION OF PEDESTRIAN SIDE WALKS			
BEAUTIFICATION OT BERGVILLE & TOWN ENTRANCE			
BERGVILLE FRESH PRODUCE MARKET			
UPGRADING OF R74/R616 INTERSECTIONS			
CONSTRUCTION OF VEHICLE TESTING & LICENSING & DISASTER MANAGEMENT CERNTRE		2 000 000,00	2000000
INDUSTRIAL HUB	-	15 000 000,00	
SPORTS COMPLEX	-	4 000 000,00	
MIG	-26 550 000,00		

KHETHANI COMMUNITY HALL	6 000 000,00		
BERGVILLE TARRED ROAD	4 125 000,00	2 000 000,00	
MAHAMBEHLALA GRAVELL ROAD	2 464 780,00		
MAGANGANGOZI COMMUNITY HALL & CRECHE	1 905 308,00		
KWASGUBHU VEHILE BRIDGE	1 200 000,00		
EMAFUSINI GRAVEL ROAD	2 381 712,00		
STHEBE GRAVEL ROAD	2 471 962,00		
NTABENI PONTSHINI GRAVEL ROAD	1 454 840,00		
RESERVE C GRAVEL ROAD	1 308 750,00		
OKHOMBE PEDESTRIAN BRIDGE		2 100 000,00	
NGOBA COMMUNITY HALL & CRECHE		3 000 000,00	
GRAVEL ROADS REHABILITATION IN ALL 14 WARDS (KEKEKNI, EMAPHOPHOMANE /TACC , KNWAZINI Phase 2)	3 000 000,00	6 000 000,00	
OGADE PEDESTRIAL BRIDGE		2 100 000,00	
BERGVILLE MULTI PURPOSE FACILITY	-	6 559 000,00	
ESTULWANO COMM HALL		3 000 000,00	
MCELENI GRAVEL ROAD		2 500 000,00	
Ebusingatha Pedestrian Bridge(Ward 6)		2 100 000,00	
TOTAL EXPENDITURE	20 062 352,00	59 659 000,00	2 000 000,00
SURPLUS / DEFICIT	-18 987 648,00	31 398 000,00	2 000 000,00

9.1.2.2 INDAKA LOCAL MUNICIPALITY

PROGRAMME & PROJECT DESCRIPTION	WARD NO.	PROJECT TYPE	IMPLEMENTATION PERIOD	RESPONSIBLE DEPARTMENT	FUNDING SOURCE	TOTAL
Public Participation : Budget / IDP		Operational	Multi-Year	Corporate Service	Internal	
Indaka LM Ward 6 Sanitation	6	Capital	2012/2013	uThukela DM	MIG	-
Indaka LM Ward 8 Sanitation	8	Capital	2012/2013	uThukela DM	MIG	-
Indaka Ward 9 Sanitation	9	Capital	2012/2013	uThukela DM	MIG	-
Uitval Housing		Capital	2012/2013	Dept Human Settlement	External	23 000 000
Limehill Housing		Capital	2012/2013	Dept Human Settlement	External	25 000 000
Sahlumbe Housing		Capital	2012/2013	Dept Human Settlement	External	9 062 000
Vaalkop Housing		Capital	2014/2015	Dept Human Settlement	External	2 600 000
Nazareth Housing	4	Capital	2013/2014	Dept Human Settlement	External	2 600 000
Fitty Park Housing	8	Capital	2013/2014	Dept Human Settlement	External	2 600 000
Kwashuzi Housing	8	Capital	2013/2014	Dept Human Settlement	External	2 600 000
Kwa Ncema, Komane and Jwili Housing	6	Capital	2013/2014	Dept Human Settlement	External	2 600 000
Somshoek, Eskoko Housing	4 & 7	Capital	2013/2014	Dept Human Settlement	External	2 600 000
Mbondwane, Ntshela, Nkungwini Housing	6	Capital	2013/2014	Dept Human Settlement	External	-
Ngedlengedleni, Magodleni, Dalikosi Housing	7	Capital	2013/2014	Dept Human Settlement	External	-
Lenge, Giba Housing	7	Capital	2013/2014	Dept Human Settlement	External	-
Cancane, Machibini, Mkhumbane Housing	8	Capital	2013/2014	Dept Human Settlement	External	-
Mahlabathini, Cwebelele Housing	8	Capital	2013/2014	Dept Human Settlement	External	-
Zwelisha, Mngwenya Housing	8	Capital	2013/2014	Dept Human Settlement	External	-
Madazane, Ushikishi Housing	8	Capital	2013/2014	Dept Human Settlement	External	-
Mziyonke, Mankandane Housing	8	Capital	2013/2014	Dept Human Settlement	External	-
Mhlumayo Water Backlog Eradication		Capital	2013/2014	Dept Rural Development	External	-

Backlog Study (Core Infrastructure)	Capital	2013/2014	Technical Services	Internal	1 000 000
Operations and Maintenance Plan					
Develop Roads Master Plan	Operational	2013/2014	Technical Services	Internal	750 000
Construction of 500km of new Roads & Stormwater	Business Plan	Multi-Year	Technical Services	MIG	200 343 000
PMU	Operational	Multi-Year	Technical Services	MIG	1 023 200
Divaal Access Roads	Business Plan	2012/2013	Technical Services	MIG	64 558
Stanford Access Roads	Business Plan	2012/2013	Technical Services	MIG	125 000
Obhukwini Access Roads	Business Plan	2012/2013	Technical Services	MIG	154 147
Emngceleni Access Roads	Business Plan	2012/2013	Technical Services	MIG	73 959
Vaalkop Access Roads	Business Plan	2012/2013	Technical Services	MIG	42 179
Ekuvukeni Area Roads Upgrade (Phase 2)	Business Plan	2012/2013	Technical Services	MIG	216 957
Umbelebele-Skoti	Business Plan	2012/2013	Technical Services	MIG	126 944
Enkazimulweni Creche	Business Plan	2012/2013	Technical Services	MIG	22 862
Ohwebedeni Creche	Business Plan	2012/2013	Technical Services	MIG	22 892
Ezihlaheni Access Road	Business Plan	2012/2013	Technical Services	MIG	-
Uitvaal Access Road	Business Plan	2012/2013	Technical Services	MIG	-
Emzinemisha	Business Plan	2012/2013	Technical Services	MIG	-
Ilenge Access Road	Business Plan	2012/2013	Technical Services	MIG	-

Emanseleli Road Phase 2	10	Capital	2013/2014	Technical Services	MIG	8 697 035
		Capital	2013/2014	Technical Services		
Ntshela to Kwamngombane Road Ward 6	6					
		Capital	2013/2014	Technical Services	MIG	7 234 296
Limehill Access Roads in Ward 3 - Phase 3	3					
		Capital	2012/2013	Technical Services	MIG	3 929 361
Ekuvukeni Area Road Tarring (Phase 3)	5					
Nazareth Access Road Phase 2	4	Capital	2012/2013	Technical Services	MIG	959 051
Tholeni Access Road	3	Capital	2012/2013	Technical Services	MIG	1 504 296
		Capital	2012/2013	Technical Services	MIG	1 894 163
Lubelo to Emngceleni Gravel Road (Ward 01)	1					
Vaalkop Road	4	Capital	2011/2012	Technical Services	MIG	259 136
		Capital	2011/2012	Technical Services	MIG	223 965
Ekuvukeni Roads Upgrade (Phase 2)	5					
		Business Plan	2013/2014	Technical Services	MIG	-
Limehill High Mast Lights						
Umnadilika Road in Ward 8	8	Capital	2013/2014	Technical Services	MIG	8 259 832
				Technical Services	MIG	
Kwazimba and Emabhasini to Emjindini	9			Technical Services	MIG	
Okhozini and Nqoleni to Kwakhomu	10					
Isibindi to Dalinkosi ward 7	7			Technical Services	MIG	
Rehabilitation of Roads & Stormwater		Business Plan	Multi-Year	Technical Services	Internal	70 000 000
Construction of 5,000 Subsidised Housing Units (Backlog)		Business Plan	Multi-Year	Technical Services	External	360 000 000
Electrification of 3,000 Households (DE)		Business Plan	Multi-Year	Technical Services	External	180 000 000
Construction of Multi-purpose Sport Facility		Business Plan	Multi-Year	Technical Services	External	120 000 000
Ward Councilors Training		Operational	Multi-Year	Corporate Service	Internal	-
Enrolment of Municipal Staff in Financial Management Course		Operational	2013/2014	Corporate Service	Internal	-

Train municipal employees based on skills audit	Operational	2013/2014	Corporate Service	Internal	-
Conduct work study on current jobs	Operational	2013/2014	Corporate Service	Internal	-
Establish Occupational Health and Safety Committee	Operational	2013/2014	Corporate Service	Internal	-
Develop Employee Assistance Program	Operational	2013/2014	Corporate Service	Internal	-
Review Spatial Development Framework (SDF)	Capital	2013/2014	Planning	Internal	1 200 000
Review Integrated Development Plan (IDP)	Capital	2013/2014	Planning	Internal	750 000
Review Housing Sector Plan	Capital	2013/2014	Planning	Internal	600 000
Fencing of Current Landfill Site	Capital	2013/2014	Technical Services	Internal	
Development of Waste Management Plan		2013/2014	Technical Services	Internal	
Establishment of New Landfill Site	Capital	2015/2016	Planning	External	5 750 000
Review LED Strategy	Capital	2013/2014	Planning	External	500 000
Monitor illegal Mining Operations & consider re-establishment of Coal	Capital	Multi-Year	Planning	Internal	1 000 000
Disposal of Non-Core Assets (policy?)	Operational	2013/2014	Finance	Internal	200 000
Processing Development Applications (Shared Services)	Operational	Multi-Year	Planning	Internal	-
Small Town Rehabilitation (eKhuvukeni & Waaihoek) - BP	Business Plan	2013/2014	Planning	External	110 250 000
Formulate Environmental Management Framework linked to SEA	Capital	2013/2014	Planning	External	1 500 000
Review Local Economic Development Strategy	Capital	2013/2014	Planning	External	200 000
Develop Agriculture Potential Analysis/Strategy	Capital	2013/2014	Planning	External	3 000 000

Re-state Agric Irrigation Scheme Projects	Operational	2013/2014	Planning	Internal	500 000
Integrated Rural Development Strategy	Capital	2013/2014	Planning	External	1 500 000
Review Disaster Management Framework Plan (police station)	Capital	2013/2014	Corporate Service	Internal	250 000
Formulate LUMS linked to Township Formalisation	Capital	2013/2014	Planning	Internal	500 000
Prepare Tourism, Marketing & Branding Strategy (LED)	Business Plan	2013/2014	Corporate Service	External	500 000
Establish Community Health Centre (CHC) - Ekuvukeni	Capital	2013/2014	Corporate Service	External	5 000 000
Ekuvukeni Market Stalls	Capital	Multi-Year	Planning	External	-
Ilenge Cannibalism Route	Capital	Multi-Year	Planning	External	2 000 000
Goat Farming and Marketing Project	Capital	Multi-Year	Planning	External	-
Etholeni Park	Capital	Multi-Year	Planning	External	2 000 000
Makhasi Park	Capital	Multi-Year	Planning	External	2 000 000
Game/Nature Reserve	Capital	Multi-Year	Planning	External	2 000 000
Mjindini Arts & Craft Centre	Capital	Multi-Year	Planning	External	2 000 000
Sigweje Arts & Crafts Centre	Capital	Multi-Year	Planning	External	2 000 000
Tholeni/Limehill Wedding Park	Capital	Multi-Year	Planning	External	-
Sahlumbe arts & Craft Centre	Capital	Multi-Year	Planning	External	2 000 000
Investigate the establishment of FET College	Feasibility	2013/2014	Corporate Service	External	200 000
Construct Satellite Council Admin Offices	Capital	2013/2014	Technical Services	Internal	20 000 000
Feasibility Study to develop Government Precinct (Ekuvukeni)	Feasibility	2013/2014	Planning	External	1 000 000
Testing Grounds (Licensing)	Capital	2013/2014	Technical Services	Internal	500 000
Construct Pounds (Animal Reclaim Policy)	Capital	2013/2014	Technical Services	Internal	2 000 000

Investigate the establishment of Old Age Home		Operational	2014/2015	Corporate Service	External	250 000
Infrastructure Development Plan		Capital	2014/2015	Planning	External	-
Land Use Management System		Operational	2014/2015	Planning	External	-
Prepare Land Release Strategy (ITB/State)		Feasibility	2014/2015	Planning	External	-
Co-ordinate finalisation of Land Claims		Operational	2014/2015	Corporate Service	External	400 000
Construct Public Amenities		Capital	2013/2014	Technical Services	Internal	2 000 000
Acquisition Tools of the Trade (Vehicles & Plant)		Capital	2013/2014	Technical Services	Internal	800 000
Mobile Library Unit		Capital	2013/2014	Corporate Service	External	-
Establish Sports Facilities Phase 1 (Ekuvukeni)		Capital	Multi-Year	Technical Services	Internal	15 000 000
Uitval Sports Field (to be completed)		Capital	2013/2014	Technical Services	Internal	1 300 000
Mhlumayo Sports Field (to be completed)	9	Capital	2013/2014	Technical Services	Internal	1 300 000
Establish Ekuvukeni Sports Field		Capital	2012/2013	Technical Services	Internal	1 300 000
Establish Sahlumbe Sports Field	9	Capital	2012/2013	Technical Services	Internal	1 300 000
Establish Tholeni Sports Field		Capital	2012/2013	Technical Services	Internal	1 300 000
Ekuvukeni Cemetery		Capital	2012/2013	Technical Services	Internal	-
Intandoyesizwe H (Upgrades & Additions)		Capital	2012/2013	Department of Education	External	12 338 040
Limehill H (Upgrades & Additions)		Capital	2012/2013	Department of Education	External	10 079 520
Somhloshana P (Upgrades & Additions)		Capital	2012/2013	Department of Education	External	2 504 040
Siyaphambili P (Upgrades & Additions)		Capital	2012/2013	Department of Education	External	9 201 720
Dival P (Water & Sanitation)		Capital	2012/2013	Department of Education	External	-
Empolombeni P (Water & Sanitation)		Capital	2012/2013	Department of Education	External	825 000

Ecancane P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	640 200
Siyaphambili P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	726 000
Mbelebele C (Water & Sanitation)	Capital	2012/2013	Department of Education	External	772 200
Mlonyeni P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	468 600
Mlonyeni P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	930 600
Isibankwa P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	270 600
Mhlumayo P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	772 200
Fundani P (Weenen) (Water & Sanitation)	Capital	2012/2013	Department of Education	External	534 600
Inkunzi P (Water & Sanitation)	Capital	2012/2013	Department of Education	External	270 600
Silokoza S (Water & Sanitation)	Capital	2012/2013	Department of Education	External	838 200
Madlala P (LSEN)	Capital	2012/2013	Department of Education	External	20 000 000
Madlala P (Repairs & Renovations)	Capital	2012/2013	Department of Education	External	3 000 000
Sahlumbe H (Repairs & Renovations)	Capital	2012/2013	Department of Education	External	3 000 000
Siphendukile P (Repairs & Renovations)	Capital	2012/2013	Department of Education	External	3 000 000
Nyende P (Fencing)	Capital	2012/2013	Department of Education	External	200 000
Sibongintuthuko P (Fencing)	Capital	2012/2013	Department of Education	External	200 000
Empolombeni P (Fencing)	Capital	2012/2013	Department of Education	External	200 000

Mankayana H (Fencing)	Capital	2012/2013	Department of Education	External	200 000
Empolombeni P (Mobiles)	Capital	2012/2013	Department of Education	External	400 000
Sondoda JP (ECD)	Capital	2012/2013	Department of Education	External	900 000
Emalahleni JP (Wasbank) (ECD)	Capital	2012/2013	Department of Education	External	900 000
Emahlekwane (ECD)	Capital	2012/2013	Department of Education	External	900 000
Nsikayezwe (ECD)	Capital	2012/2013	Department of Education	External	900 000
Mngayi (ECD)	Capital	2012/2013	Department of Education	External	900 000
Oqungweni (ECD)	Capital	2012/2013	Department of Education	External	900 000
Lokothwayo (ECD)	Capital	2012/2013	Department of Education	External	900 000
Nhlambamasoka (ECD)	Capital	2012/2013	Department of Education	External	900 000
Empolombeni (ECD)	Capital	2012/2013	Department of Education	External	900 000
Eludimi (ECD)	Capital	2012/2013	Department of Education	External	900 000
Wittekleinfontein (ECD)	Capital	2012/2013	Department of Education	External	900 000
Fundani (ECD)	Capital	2012/2013	Department of Education	External	900 000
Mhlumayo (ECD)	Capital	2012/2013	Department of Education	External	900 000
Vikinduku (ECD)	Capital	2012/2013	Department of Education	External	900 000
Sigidisabathembu (ECD)	Capital	2012/2013	Department of Education	External	900 000

Intandoyesizwe H (Curriculum Redress)		Capital	2012/2013	Department of Education	External	6 532 560
Zikode H (Curriculum Redress)		Capital	2012/2013	Department of Education	External	1 795 680
Lokothwayo C (Ladysmith) (Curriculum Redress)		Capital	2012/2013	Department of Education	External	5 552 160
Nsikayezwe C (Curriculum Redress)		Capital	2012/2013	Department of Education	External	7 512 960
Ad-luck Poultry Project		Capital	2012/2013	National Government	External	50 400 000
Sports Facility at Ward 1	1	Capital	2013/2014	Technical Services	Internal	-
High Mast lights at Uitvaal at Ward 2	2	Capital	2014/2015	Technical Services	Internal	1 500 000
Stormwater drain at Ward 5	5	Capital	2013/2014	Technical Services	Internal	-
Hall at Ntshela at Ward 6	6	Capital	2014/2015	Technical Services	Internal	-
Hall at KwaMteyi at Ward 8	8	Capital	2015/2016	Technical Services	Internal	-
Hall at Mbondwzane at Ward 9	9	Capital	2015/2016	Technical Services	Internal	-
Hlathi no. 2 Bridge		Capital	2014/2015	Technical Services	MIG	-
Limehill paved access road		Capital	2014/2015	Technical Services	MIG	-
Nazareth to Vaalkop High Mast lights		Capital	2014/2015	Technical Services	MIG	-
Zwane road resurfacing		Capital	2014/2015	Technical Services	MIG	-
Ohwebedeni to Ilenge Road		Capital	2014/2015	Technical Services	MIG	-
Cancance to Golokodo Road		Capital	2014/2015	Technical Services	MIG	-
Zimba access road		Capital	2014/2015	Technical Services	MIG	-
Access roads at Ohwebedeni x 5		Feasibility	2014/2015	Technical Services	Internal	-
Kwamnangeni access road		Feasibility	2014/2015	Technical Services	Internal	-

Edalkosini access road	Feasibility	2014/2015	Technical Services	Internal	-
Embangeni access road	Feasibility	2014/2015	Technical Services	Internal	-
Eswangeni to Ensongeni access road	Feasibility	2014/2015	Technical Services	Internal	-
Edalkosini to Engedlengedleni access road	Feasibility	2014/2015	Technical Services	Internal	-
Ohwebedeni to Sikoti access road	Feasibility	2014/2015	Technical Services	Internal	-
Madazane to Golokodo access road	Feasibility	2014/2015	Technical Services	Internal	-
Mzenze access road	Feasibility	2014/2015	Technical Services	Internal	-
Dukemini (from Gudlintaba) access road	Feasibility	2014/2015	Technical Services	Internal	-
Mngunjaneni access road	Feasibility	2014/2015	Technical Services	Internal	-
Mngwenya access road	Feasibility	2014/2015	Technical Services	Internal	-
Maliba access road	Feasibility	2014/2015	Technical Services	Internal	-
Shuzi access road	Feasibility	2014/2015	Technical Services	Internal	-
Mpameni access road	Feasibility	2014/2015	Technical Services	Internal	-
Mkhumbane access road	Feasibility	2014/2015	Technical Services	Internal	-
Mteyi access road	Feasibility	2014/2015	Technical Services	Internal	-
Machubini Community Hall	Capital	2014/2015	Technical Services	External	-
Fitty Park Community Hall	Capital	2014/2015	Technical Services	External	-
Madazane Community Hall	Capital	2014/2015	Technical Services	External	-
Mkhumbane Community Hall	Capital	2014/2015	Technical Services	External	-
KwaMteyi Community Hall	Capital	2014/2015	Technical Services	External	-

Regravel : D1371 Mhlumayo	9	Capital	2013/2014	Technical Services	External	1 120 000
Regravel : P 281 Part E	10	Capital	2013/2014	Technical Services	External	2 654 000
Regravel : D 1291	4	Capital	2013/2014	Technical Services	External	2 000 000
New Road : Mbangweni	7	Capital	2013/2014	Technical Services	External	1 000 000
New Road : Mngwenya	8	Capital	2013/2014	Technical Services	External	2 600 000
		Capital	2013/2014	Technical Services	External	950 000
Access to schools : Sigidisabantu	7					
Regravel : D1277	8	Capital	2013/2014	Technical Services	External	1 600 000
Access to schools : Phindokuhle	5	Capital	2013/2014	Technical Services	External	950 000
Access to schools : Mpolwane	3	Capital	2013/2014	Technical Services	External	950 000
Causeway : L 2019	7	Capital	2013/2014	Technical Services	External	1 512 000
New Road : Lethithemba	1	Capital	2013/2014	Technical Services	External	2 000 000
New Road : Sinayi	8	Capital	2013/2014	Technical Services	External	1 500 000
New Road : Zitende	6	Capital	2013/2014	Technical Services	External	1 250 000

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178 251 480

9.1.2.3 IMBABAZANE LOCAL MUNICIPALITY

PROJECT NAME	PROJECT	AREA	BUDGET	STATUS OF THE PROJECT
PMU			R134, 786.16	Operating
Ngunjini/Dabe	Lower water Pedestrian Bridge	Ward 9 & 10	R2 000 000.00	Practical Completion
Mahlutshini	Lower Pedestrian Bridge	Ward 2	R2 400 300.00	Construction
Ngcobo	Gravel Access Road Rehabilitation	Ward 4	R6 429 119.34	Practical Completion
Cwicwi	Gravel Road Rehabilitation	Tatane area: Ward 10	R4 701 025.00	Practical Completion
Mahlabathini	Gravel Road Rehabilitation	Ward 8	R5 302 867.50	Practical Completion
Mbangeni (Sobabili)	Gravel Road Rehabilitation	Ward 5	R2 184 985.00	Tender
Mbanjwa (Ezimfeneni)	Gravel Road Rehabilitation	Ward 4	R5 166 252.00	Capturing
Mbangeni (Sobabili)	Vehicle Bridge	Ward 5	R3 500 000.00	Capturing
Masimini (Mhubheni)	Gravel Road Rehabilitation	Ward 7	R6 988 800.00	Capturing

Emandabeni	Gravel Road Rehabilitation	Ward	R1 747 200.00	Capturing
Donsamehlo	Gravel Road Rehabilitation	Ward 10	R4 193 280.00	Capturing
Mdwebu-Sobabili	Pedestrian Bridge	Ward 6	R2 000 000.00	Capturing
Tatane	Vehicle Bridge	Ward 12	R3 185 300.00	capturing

PROJECT NAME	WARD	PROJECT STATUS	BUDGET	YEAR
Bhekuzulu Community Hall/Creche Facility	Ward 13	Practical Completion	1,643,660.77	2013/14
Mdwebu Community Hall/Creche Facility	Ward 6	Practical Completion	434,343.23	2013/14
Nsonge Community Hall/Creche Facility	Ward 1	Construction	986,759.58	2013/14
Moyeni Community Hall/Creche Facility	Ward 9	Practical Completion	930,955.28	2013/14
Kwamshini Community Hall/Creche Facility	Ward 5	Constrution	1,169,453.61	2013/14
Bosch-Shayamoya Community Hall/ Creche Facility	Ward 7	Construction	811,515.05	2013/14

Tatane Community Hall/Creche Facility	Ward 10	Practical Completion	2,009,482.42	2013/14
EnhlanoMkhize Community Hall/Creche Facility	Ward 1	Construction	176,817.99	2014/15
Mpophomeni Community Hall/Creche Facility	Ward	Tender Process	198 542.51	2014/15
Maziyane Community Hall/Creche Facility	Ward 2	Capturing		2014/15
Thwathwa (kwaNdaba) Community Hall/Creche Facility	Ward 3	Capturing		2014/15
Mqedandaba Community Hal/ Creche Facilityl	Ward 11	Capturing		2014/15

9.1.2.4 UMTSHEZI LOCAL MUNICIPALITY

DEPARTMENT	PROJECT NAME	DESCRIPTION	COMPLETION DATE	PROGRESS	WARD
CIVIL DEPARTMENT	Frere Hall	Construction of community hall	August 2013	Completed	08
	Frere Creche	Construction of crèche	September 2013	Completed	08
	Phofini Creche	Construction of crèche	August 2013	Completed	07
	Mshayazafe Hall	Construction of community Hall	November 2013	Completed	09
	Entunda Creche	Construction of crèche	30 March 2014	In Progress	09
CIVIL DEPARTMENT	Black Top Road rehabilitation (Wembezi)	Rehabilitation of roads	30 June 2014	In Progress	03 & 04

DEPARTMENT	PROJECT NAME	DESCRIPTION	COMPLETION DATE	PROGRESS	WARD
CIVIL DEPARTMENT	Black Top Rehabilitation (CBD)	Rehabilitation of roads	30 June 2014	In Progress	04
CIVIL DEPARTMENT	Black Top Rehabilitation (Collita)	Rehabilitation of roads	30 June 2014	In Progress	04

COMPONENT / DEPARTMENT	PROJECT NAME	DESCRIPTION	COMPLETION DATE	PROGRESS	WARD
ELECTRICITY BULK INFRASTRUCTURE UPGRADE	Sub 57 Phase I	Upgrade of Main Substation including: 33 KV Cabling from O/H line to Sub 57 New 20MVA Transformer 33 KV switchyard including civil works and 33 KV equipment 11 KV panel extension etc	July 2013	<i>Transformer 20MVA completed ,expected delivery on Tuesday 18 February 2014</i> <i>Civil Work completed</i>	3

COMPONENT / DEPARTMENT	PROJECT NAME	DESCRIPTION	COMPLETION DATE	PROGRESS	WARD
ELECTRICITY ELECTRIFICATION ESIGODLWENI	Sub 57 Phase II	Upgrade of Main Substation including: 33 KV Cabling from O/H line to Sub 57 New 20MVA Transformer 33 KV switchyard including civil works and 33 KV equipment 11 KV panel extension etc	Expected June 2014	<ul style="list-style-type: none"> - 33 Kv Circuit Breakers delivered and installed - 33 Kv Cables delivered to site, to be installed by 28 March 2014 - VT Delivered and Installed - Claim for R 5,2 Million received 	3
	Wembezi Substation	Upgrade of Main Substation including: 15 MVA Transformer 33 KV switchyard including civil works and 33 KV equipment 11 KV panel extension etc	Expected September 2014	Work in Progress	
	Esigodlweni Electrification Project Phase 1	751 Houses to be electrified	Date for completion 31 August 2012 316 Connections Completed in Phase 1	Completed Phase 1	6

COMPONENT / DEPARTMENT	PROJECT NAME	DESCRIPTION	COMPLETION DATE	PROGRESS	WARD
	Esigodlweni Electrification Project Phase 2	435 Houses to be electrified	200 Connections to be Completed in Phase 2 Date for completion 31 July 2014	<i>Work in progress</i>	6
	Esigodlweni Electrification Project Phase 3	235 Houses to be electrified	235 Connections to be Completed in Phase 3 Date for completion 31 July 2015	<i>Planning in progress</i>	6

9.1.2.5 EMNAMBITHI/LADSYMITH LOCAL MUNICIPALITY

CLUSTER 1

Cluster	Project description	2014/2015	2015/2016	2016/2017
Roosboom	Mini Multipurpose Centre in Colenso(Ntokozweni)	-	-	-
Colenso	Colenso Electricity strengthening	-	-	-
Blue Bank	Sports fields Blue bank	3000 000	-	-
	Colenso industrial site	7 400 000	-	-
	Tarred roads-Colenso	-	15 000 000	-
	Swimming pool-Roosboom	-	-	4 000 000
CLUSTER 2				
Ezakheni	Tarred roads 2,6&8(two km's each	28 000 000	-	-
St Chads	Pedestrian bridge-St Chads	2 000 000	-	-

Mcitsheni	Tarred road at ward 5 (2km)	-	10 000 000	-
	Recreational park at ward 5	-	5 000 000	-
	Tarred roads at ward 3 and 4	-	-	30 000 000
CLUSTER 3				
Jonono	Sportfield-Matiwane	3 000 000	-	-
Nkunzi	Community hall-Matiwane	-	5 000 000	-
	Jononoskop Park	-	5 000 000	-
	Sportfields in Nkunzi and Jonono	-	-	6000 000
CLUSTER 4				
Watersmeet	Swimming Pool (Waters meet)- streetlights proposal	1 500 000	-	-
Peacetown	Sports field(peace town)- streetlights proposal	1 500 000	-	-
Burford	Sport field ward 15	-	4 000 000	-

	Mathondwane crèche/mini-multipurpose Centre	-	750 000	-
	Taxi Rank-Watersmeet	-	-	3 000 000
	Burford Creche/mini-multipurpose Centre	-	-	750 000
CLUSTER 5	Swimming pool(Driefontein)-streets lights proposal	3 000 000	-	-
	Upgrading of sport field in eNkuthu	-	3 000 000	
	Upgrading of sportfields in ward 17	-	-	3 000 000
CLUSTER 6	Tarred roads-Ntombi's camp	15 000 000	-	-
	Recreational park(steadville/ Tsakane)	3 000 000	-	-
	CBD Regeneration	6 000 000	-	-
	Shayamoya/Umbulwane phase 3-intersection		2 500 000	-

	Upgrading of storm water drains and upgrading of roads in ward 22	-	10 000 000	-
	Tarred roads-ward 9	-	15 000 000	-
	Infrastructure rehabilitation(Roads)	-	-	7 000 000
	CBD regeneration	-	-	8 000 000
	Construction of Illing road taxi rank	-	-	8 000 000
	Tarred roads at area J	10 000 000	-	-
	Community hall at area J	3 000 000		

Constituency offices	900 000
NDPG-Link road acaciavale to Ezakheni	10 200 000
Plant and equipment	5 000 000
Land purchase	2000 000
Ezakheni Emergency Centre	1000 000

10 FINANCIAL PLAN

In order for uThukela district municipality to be able to deliver on the IDP objectives, attention areas and goals, it is crucial to align the municipality budget with the strategy. Sections below expand on aspects of the uThukela district municipality's medium term financial planning and the extent to which it is possible to align the budget to the municipal priorities, given the financial constraints and the need to focus on basic service delivery.

10.1 MUNICIPAL BUDGET OVERVIEW

10.1.1 CURRENT BUDGET ANALYSIS

Salaries and allowances budgeted

Our Salaries for employees will increase by 22%, which will be the 6, 8% for all current employees and 15.2% for the new vacant posts that were created on the new approved organogram.

Implementation of councillor's allowances will be subject to the determination of upper limits by Minister of Cooperative Governance and Traditional Affairs.

General expenses budgeted amount is R 115 103 000

Repairs and maintenance budgeted amount is R 54 450 000

Repairs and Maintenance for the 2014/2015 financial year, the municipality has manage to budget for 7% of it repairs and maintenance when compare with the PPE, due to financial constrains the municipality could not afford to budget for 8% as per MFMA circular 66.

Capital expenditure from income budgeted amount is R 2774 75 000

10.1.2 OPERATING REVENUE

Operating revenue has increased by 8% in the 2014/2015 financial year due to the 9% increase in the tariff structure for service charges, 6, 2% in other revenue and a further 2, 09% from the operational grants. Operating revenue will increase by 5% and 8% in the outer years respectively.

Service charges, Water and Sanitation have been increased by 9% in the 2014/2015, which is above the 6, 2 approved inflation rate to cater for the cash flow deficit as it was noted by National Treasury that the tariff rate of the municipality is low and does not cater for the operating and critical expenditure of the municipality. Other revenue has been raised by 6,2 %, aligned to the CPI in Circular 72 , 5,9% and 5,5 % for the two outer years respectively

10.1.3 OPERATING EXPENDITURE

Operating expenditure for the 2014/15 financial year has been appropriated at R460 987 million and translates into a budgeted surplus of R38 Million; the surplus in the outer years will increase by 14% and 19% respectively.

10.1.4 CAPITAL EXPENDITURE

For the 2014/15 financial year, 68% of capital expenditure is funded by grants and Own Revenue funds 32%. Own revenue collection is currently low thus not sufficient to finance Capital Expenditure. For the 2014/15 financial year the municipality will be embarking on a data cleansing exercise for debtors book with an aim to boost revenue collection and alternatively have own revenue to fast track service delivery.

10.1.5 OPERATING AND CAPITAL GRANTS

Operating and Capital Grants for 2014/2015 financial year , The Municipality is geared in ensuring that all grants allocations to the municipality are fully spent within a year to ensure that funds are not sent back to National Treasury and this will also ensure service delivery to the community.

BUDGET SUMMARY

DC23 Uthukela - Table A1 Budget Summary

Description	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousands										
Financial Performance										
Property rates	447	-	-	-	-	-	-	-	-	-
Service charges	108 134	93 551	117 286	138 888	139 040	139 040	139 040	151 506	165 102	179 919
Investment revenue	513	2 070	9 789	9 109	8 689	8 689	8 689	9 471	10 039	10 641
Transfers recognised - operational	199 141	226 476	279 412	277 744	277 402	277 402	277 402	306 828	322 708	338 238
Other own revenue	51 992	19 998	67 210	18 065	37 045	37 045	37 045	37 031	40 330	43 922
Total Revenue (excluding capital transfers and contributions)	360 227	342 095	473 698	443 806	462 175	462 175	462 175	504 836	538 179	572 720
Employee costs	97 328	101 425	119 882	158 358	131 693	131 693	131 693	160 321	169 896	180 083
Remuneration of councillors	3 719	5 502	4 792	5 612	5 612	5 612	5 612	4 619	4 896	5 190
Depreciation & asset impairment	31 603	26 998	31 838	35 936	35 928	35 928	35 928	44 689	47 370	50 213
Finance charges	6 573	10 887	2 432	3 339	1 816	1 816	1 816	1 311	1 184	1 164
Materials and bulk purchases	25 944	18 311	19 945	64 461	85 793	43 624	43 623	60 534	57 277	60 904
Transfers and grants	51 514	80 207	108 715	6 000	6 000	6 000	6 000	11 900	19 178	14 579
Other expenditure	115 530	133 132	363 940	105 336	182 520	224 689	224 689	183 213	186 828	201 813
Total Expenditure	332 210	376 463	651 544	379 042	449 362	449 362	449 362	466 587	486 629	513 946
Surplus/(Deficit)	28 017	(34 368)	(177 846)	64 764	12 813	12 813	12 813	38 249	51 549	58 774
Transfers recognised - capital	-	-	216 573	193 847	332 224	332 224	332 224	209 225	233 746	213 276
Contributions recognised - capital & contributed a	115 157	114 944	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050
Capital expenditure & funds sources										
Capital expenditure	68 344	38 107	101 466	196 037	344 960	344 960	344 960	277 475	270 096	257 355
Transfers recognised - capital	64 866	33 951	100 760	193 847	332 224	250 924	250 924	209 225	233 746	213 296
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	750	-	-	-	-	-	-
Internally generated funds	3 478	4 156	706	1 440	12 735	94 035	94 035	68 250	36 350	44 059
Total sources of capital funds	68 344	38 107	101 466	196 037	344 960	344 960	344 960	277 475	270 096	257 355
Financial position										
Total current assets	152 923	285 756	201 914	364 338	193 740	262 035	341 619	475 653	330 741	382 264
Total non current assets	701 299	712 342	812 489	1 063 469	1 157 449	1 121 588	941 327	1 191 455	1 468 696	1 715 012
Total current liabilities	199 034	265 066	252 618	184 701	290 436	218 755	169 564	169 263	148 624	126 431
Total non current liabilities	13 460	15 768	13 231	19 098	13 231	13 231	13 287	10 082	8 845	8 138
Community wealth/Equity	641 728	717 263	748 554	1 224 008	1 047 523	1 151 637	1 100 096	1 487 763	1 641 967	1 962 707
Cash flows										
Net cash from (used) operating	73 248	134 179	163 444	236 302	352 670	352 670	352 670	210 760	252 211	261 055
Net cash from (used) investing	(74 813)	(38 107)	(101 466)	(196 037)	(344 960)	(344 960)	(283 251)	(193 288)	(241 303)	(257 355)
Net cash from (used) financing	(3 436)	294	(1 609)	(4 285)	(5 176)	(5 176)	(5 176)	(3 918)	(2 317)	(2 118)
Cash/cash equivalents at the year end	(7 962)	88 404	148 773	184 753	151 308	151 308	213 017	164 861	173 452	175 034
Cash backing/surplus reconciliation										
Cash and investments available	(7 962)	88 404	148 773	145 173	151 308	151 308	213 017	164 861	173 452	175 034
Application of cash and investments	132 424	159 271	189 370	2 432	202 683	101 160	70 871	8 284	37 671	(23 082)
Balance - surplus (shortfall)	(140 386)	(70 867)	(40 597)	142 741	(51 375)	50 148	142 146	156 577	135 781	198 116
Asset management										
Asset register summary (WDV)	701 299	712 342	812 489	1 063 469	1 157 449	1 121 588	1 191 455	1 191 455	1 468 696	1 715 012
Depreciation & asset impairment	31 603	26 998	31 838	35 936	35 928	35 928	44 689	44 689	47 370	50 213
Renewal of Existing Assets	-	-	-	200	200	200	200	18 299	32 070	39 879
Repairs and Maintenance	23 025	14 268	16 088	18 898	18 623	18 623	54 450	54 450	50 827	54 067
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	0	0	0	0
Revenue cost of free services provided	51 514	80 207	108 715	6 000	6 000	6 000	6 300	6 300	6 678	7 079
Households below minimum service level										
Water:	44	30	30	30	30	30	32	32	33	35
Sanitation/sewerage:	26	14	14	14	14	14	15	15	16	17
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

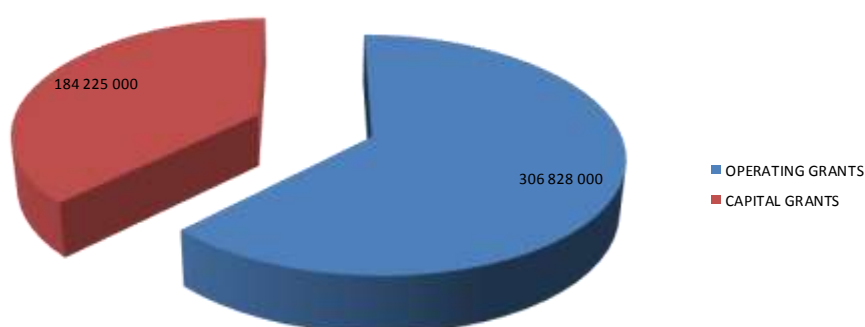
GRANTS INCOME

UTHUKELA DISTRICT MUNICIPALITY

ANNUAL GRANTS BUDGET INCOME FOR 2013/2014 - 2015/2016

GRANTS	FUNDING	2014/2015	2015/2016	2016/2017
OPERATING GRANTS				
DEVELOPMENT PLANNING AND SHARED SERVICES	PT	250 000	250 000	1 200 000
EXPANDED PUBLIC WORKS PROGRAMME INTERGRATED GRANT	NT	3 299 000	0	0
EQUITABLE SHARE ALLOCATION	NT	245 822 000	260 893 000	276 283 000
RSC LEVIES REPLACEMENT (EQUITABLE SHARE)	NT	41 140 000	44 198 000	47 937 000
WATER SERVICES OPERATING SUBSIDY GRANT	NT	9 000 000	2 650 000	3 000 000
LOCAL GOVERNMENT FINANCIAL MANAGEMENT GRANT	NT	1 250 000	1 250 000	1 300 000
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467 000	967 000	1 018 000
GRANTS TO BE TRANSFERRED TO LM'S				
SMALL TOWN REHABILITATION ROGRAMME		5 600 000	12 500 000	7 500 000
		306 828 000	322 708 000	338 238 000
CAPITAL GRANTS				
MASSIFICATION PROGRAMME	PT	0	9 000 000	9 786 000
CORRIDOR DEVELOPMENT	PT		3 000 000	3 000 000
MUNICIPAL INFRASTRUCTURE GRANT	NT	177 319 000	184 391 000	193 044 000
RURAL HOUSEHOLD INFRASTRUCTURE GRANT	NT	4 124 000	5 000 000	0
MUNICIPAL SYSTEMS IMPROVEMENTS GRANTS	NT	467 000	0	0
RURAL ROAD ASSETS MANAGEMENT	NT	2 315 000	2 355 000	2 446 000
		184 225 000	203 746 000	208 276 000
GRANTS IN - KIND				
REGIONAL BULK INFRACTURE GRANT	NT	25 000 000	30 000 000	5 000 000
WATER SERVICES OPERATING SUBSIDY	NT	300 000	400 000	500 000
MUNICIPAL WATER INFRASTRUCTURE GRANT	NT	20 000 000	50 000 000	98 307 000
		45 300 000	80 400 000	103 807 000
TOTAL ALLOCATION TO THE MUNICIPALITY INCL OF GRANTS IN KIND		536 353 000	606 854 000	650 321 000

GRANTS ALLOCATIONS 2014 / 2015



UTHUKELA DISTRICT MUNICIPALITY					
CAPITAL BUDGET 2014/2015 - 2016/2017					
DEPARTMENT	DESCRIPTION	FUNDING	2014/15	2015/16	2016/17
TECHNICAL					
	Implementation of water and sanitation projects as per WSDP	MIG /NT	177 319 000,00	184 391 000,00	193 044 000,00
	RURAL HOUSEHOLD INFRASTRUCTURE GRANT	NT	4 124 000,00	5 000 000,00	-
	MASSIFICATION PROGRAMME	PT		9 000 000,00	9 786 000,00
	RBIG	NT	25 000 000,00	30 000 000,00	5 000 000,00
	RURAL ROAD ASSET MANAGEMENT	RRAM /NT	2 315 000,00	2 355 000,00	2 466 000,00
	CORRIDOR DEVELOPMENT	PT	0	3 000 000	3 000 000
	INFRASTRUCTURE DEVELOPMENT	UTDM	3 500 000	3 500 000	3 500 000
			212 258 000,00	237 246 000,00	216 796 000,00
WATER					
	TLB X 7	UTDM	5 712 000	0	0
	7 TIPPER TRUCKS	UTDM	2 250 000		
	7 VACUUM TANKERS	UTDM	5 600 000	0	0
	SEWER JET	UTDM	1 500 000	0	0
	VANS	UTDM	3 410 000	0	0
	OFFICE FURNITURE	UTDM	50 000	150 000	100 000
	OFFICE EQUIPMENT	UTDM	50 000	200 000	150 000
	PIPELINES - PORTABLE WATER - REPLACEMENT	UTDM	13 248 642	32 070 000	39 879 000
	WATER TANKERS	UTDM	8 000 000	0	0
	RENEWAL -PUMPS	UTDM	3 500 000		
			43 320 642	32 420 000	40 129 000
SOCIAL SERVICES					
	LAND AND BUILDING	UTDM	10 000 000	0	0
	FIRE FIGHTING EQUIPMENT	UTDM	300 000	50 000	50 000
	MSIG PROJECTS - OFFICE EQUIPMENTS	NT	467 000	0	0
	OFFICE FURNITURE	UTDM	200 000	200 000	150 000
	5 X BAKKIES	UTDM	800 000	0	0
	2 X SEDAN	UTDM	360 000	0	0
	DISASTER BUILDING	UTDM	5 000 000	0	0
	ENVIRONMENTAL HEALTH SERVICES EQUIPMENT	UTDM	459 000	0	0
			17 586 000	250 000	200 000
CORPORATE SERVICES					
	2 BAKKIES	UTDM	400 000	0	0
	CAR (SEDAN)	UTDM	250 000	0	0
	FURNITURE -BOARDROOM	UTDM	300 000	0	0
	OFFICE FURNITURE & EQUIPMENT	UTDM	250 000	0	0
	IT - EQUIPMENT	UTDM	300 000		
			1 500 000	0	0
FINANCE					
	CAR (SEDAN)	UTDM	250 000	0	0
	BAKKIE	UTDM	250 000	0	0
	OFFICE FURNITURE	UTDM	50 000	80 000	100 000
	OFFICE EQUIPMENT	UTDM	50 000	80 000	100 000
			600 000	160 000	200 000
MUNICIPAL MANAGER					
	OFFICE FURNITURE - LAB	UTDM	10 000	20 000	30 000
	OFFICE EQUIPMENT	UTDM	100 000	0	0
	REPLACE LAB EQUIPMENT	UTDM	200 000	0	0
	EXTENDED CAB - DIESEL (REPLACEMENT - NKR 2149)	UTDM	250 000	0	0
	3 X SINGLE CAB - DIESEL	UTDM	630 000	0	0
			1 190 000	20 000	30 000
COUNCIL					
	MAYORAL CAR - REPLACEMENT	UTDM	800 000	0	0
	OFFICE FURNITURE	UTDM	50 000	0	0
	TOOLS OF TRADE		170 000		
			1 020 000	0	0
	TOTAL CAPITAL EXPENDITURE 2014/15		277 474 642	270 096 000	257 355 000
FUNDING					
	GRANTS - PROVINCIAL		0	12 000 000	12 786 000

SUMMARY OF REVENUE AND EXPENDITURE CLASSIFIED BY MAIN REVENUE AND EXPENDITURE COURSE

DC23 Uthukela - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14				2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue By Source											
Property rates	2	447	-	-	-	-	-	-	-	-	-
Property rates - penalties & collection charges											
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	96 247	81 195	104 240	123 813	123 813	123 813	123 813	134 908	147 050	160 285
Service charges - sanitation revenue	2	11 887	12 356	13 047	15 075	15 227	15 227	15 227	16 598	18 052	19 635
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment											
Interest earned - external investments		513	2 070	9 789	9 109	8 689	8 689	8 689	9 471	10 039	10 641
Interest earned - outstanding debtors		20 748	16 978	29 447	17 790	35 715	35 715	35 715	35 660	38 869	42 367
Dividends received											
Fines											
Licences and permits											
Agency services											
Transfers recognised - operational		199 141	226 476	279 412	277 744	277 402	277 402	277 402	306 828	322 708	338 238
Other revenue	2	31 244	3 020	5 076	275	1 330	1 330	1 330	1 372	1 460	1 554
Gains on disposal of PPE				32 687							
Total Revenue (excluding capital transfers and contributions)		360 227	342 095	473 698	443 806	462 175	462 175	462 175	504 836	538 179	572 720
Expenditure By Type											
Employee related costs	2	97 328	101 425	119 882	158 358	131 693	131 693	131 693	160 321	169 896	180 083
Remuneration of councillors		3 719	5 502	4 792	5 612	5 612	5 612	5 612	4 619	4 896	5 190
Debt impairment	3	0	16 391	244 001	20 180	70 892	70 892	70 892	30 452	33 192	36 180
Depreciation & asset impairment	2	31 603	26 998	31 838	35 936	35 928	35 928	35 928	44 689	47 370	50 213
Finance charges		6 573	10 887	2 432	3 339	1 816	1 817	1 816	1 311	1 184	1 164
Bulk purchases	2	2 919	4 043	3 857	45 563	67 170	25 000	25 000	6 085	6 450	6 837
Other materials	8	23 025	14 268	16 088	18 898	18 623	18 624	18 623	54 450	50 827	54 067
Contracted services		46 645	38 424	45 290	40 103	50 744	50 744	50 744	37 658	39 936	43 887
Transfers and grants		51 514	80 207	108 715	6 000	6 000	6 000	6 000	11 900	19 178	14 579
Other expenditure	4, 5	68 701	78 253	72 480	45 053	60 884	103 053	103 053	115 103	113 700	121 746
Loss on disposal of PPE		184	65	2 168							
Total Expenditure		332 210	376 463	651 544	379 042	449 362	449 362	449 362	466 587	486 629	513 946
Surplus/(Deficit)		28 017	(34 368)	(177 846)	64 764	12 813	12 813	12 813	38 249	51 549	58 774
Transfers recognised - capital				216 573	193 847	332 224	332 224	332 224	209 225	233 746	213 276
Contributions recognised - capital	6	115 157	114 944	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050
Taxation											
Surplus/(Deficit) after taxation		143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		143 174	80 576	38 727	258 611	345 037	345 037	345 037	247 474	285 295	272 050

DC23 Uthukela - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue - Standard										
Municipal governance and administration		229 525	232 895	323 008	281 618	282 765	282 765	299 336	317 638	337 495
Executive and council		229 078	232 895	285 910	40 211	40 211	40 211	41 140	44 198	47 937
Mayor and Council		229 078	232 895	285 910	37 743	37 743	37 743	41 140	44 198	47 937
Municipal Manager					2 468	2 468	2 468	-		
Budget and treasury office				4 411	241 407	242 554	242 554	258 196	273 440	289 558
Corporate services		448	-	32 687	-	-	-	-	-	-
Human Resources										
Information Technology										
Property Services		447								
Other Admin		1		32 687						
Community and public safety		-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-
Libraries and Archives										
Museums & Art Galleries etc										
Community halls and Facilities										
Cemeteries & Crematoriums										
Child Care										
Aged Care										
Other Community										
Other Social										
Sport and recreation										
Public safety		-	-	-	-	-	-	-	-	-
Police										
Fire										
Civil Defence										
Street Lighting										
Other										
Housing										
Health		-	-	-	-	-	-	-	-	-
Clinics										
Ambulance										
Other										
Economic and environmental services		4 611	11 801	1 007	890	890	890	6 317	13 717	9 718
Planning and development		4 611	11 801	1 007	890	890	890	6 317	13 717	9 718
Economic Development/Planning		4 611	11 801	1 007	890	890	890	6 317	13 717	9 718
Town Planning/Building										
Licensing & Regulation										
Road transport		-	-	-	-	-	-	-	-	-
Roads										
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
Other										
Environmental protection		-	-	-	-	-	-	-	-	-
Pollution Control										
Biodiversity & Landscape										
Other										
Trading services		241 248	212 343	366 255	355 145	510 744	510 744	408 408	440 570	438 784
Electricity		-	-	-	-	-	-	-	-	-
Electricity Distribution										
Electricity Generation										
Water		188 834	159 234	353 209	332 935	495 517	495 517	391 810	422 518	419 149
Water Distribution		188 834	159 234	353 209	332 935	495 517	495 517	391 810	422 518	419 149
Water Storage										
Waste water management		52 414	53 109	13 047	22 210	15 227	15 227	16 598	18 052	19 635
Sewerage		52 414	53 109	13 047	22 210	15 227	15 227	16 598	18 052	19 635
Storm Water Management										
Public Toilets										
Waste management		-	-	-	-	-	-	-	-	-
Solid Waste										
Other		-	-	-	-	-	-	-	-	-
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
Total Revenue - Standard	2	475 384	457 039	690 271	637 653	794 399	794 399	714 061	771 925	785 996
Expenditure - Standard										
Municipal governance and administration		46 065	51 914	100 203	79 058	77 929	77 929	189 666	197 634	210 957
Executive and council		13 082	16 875	39 883	31 437	29 925	29 925	49 743	53 701	57 041
Mayor and Council		10 337	12 254	18 064	11 377	9 585	9 585	8 695	10 190	10 810
Municipal Manager		2 745	4 621	21 819	20 060	20 340	20 340	41 048	43 511	46 232
Budget and treasury office		15 037	16 177	27 645	25 646	23 776	23 776	104 843	111 477	119 139
Corporate services		17 946	18 862	32 675	21 975	24 228	24 228	35 080	32 456	34 776
Human Resources										
Information Technology										
Property Services										
Other Admin		17 946	18 862	32 675	21 975	24 228	24 228	35 080	32 456	34 776

Community and public safety		6 397	6 071	17 343	17 722	10 237	10 237	11 099	11 637	12 353
Community and social services		-	-	-	-	-	-	-	-	-
Libraries and Archives										
Museums & Art Galleries etc										
Community halls and Facilities										
Cemeteries & Crematoriums										
Child Care										
Aged Care										
Other Community										
Other Social										
Sport and recreation										
Public safety		-	-	-	-	-	-	-	-	-
Police										
Fire										
Civil Defence										
Street Lighting										
Other										
Housing										
Health		6 397	6 071	17 343	17 722	10 237	10 237	11 099	11 637	12 353
Clinics										
Ambulance										
Other		6 397	6 071	17 343	17 722	10 237	10 237	11 099	11 637	12 353
Economic and environmental services		25 082	23 485	40 584	20 514	15 845	15 845	26 939	28 523	31 169
Planning and development		25 082	23 485	40 584	20 514	15 845	15 845	26 939	28 523	31 169
Economic Development/Planning										
Town Planning/Building										
Licensing & Regulation										
Road transport		-	-	-	-	-	-	-	-	-
Roads										
Public Buses										
Parking Garages										
Vehicle Licensing and Testing										
Other										
Environmental protection		-	-	-	-	-	-	-	-	-
Pollution Control										
Biodiversity & Landscape										
Other										
Trading services		254 666	294 993	493 414	261 748	345 352	345 352	238 884	248 835	259 466
Electricity		-	-	-	-	-	-	-	-	-
Electricity Distribution										
Electricity Generation										
Water		152 786	181 329	482 772	233 772	324 860	324 860	235 956	245 732	256 177
Water Distribution		152 786	181 329	482 772	233 772	324 860	324 860	235 956	245 732	256 177
Water Storage										
Waste water management		101 880	113 663	10 642	27 976	20 492	20 492	2 928	3 103	3 290
Sewerage		101 880	113 663	10 642	27 976	20 492	20 492	2 928	3 103	3 290
Storm Water Management										
Public Toilets										
Waste management		-	-	-	-	-	-	-	-	-
Solid Waste										
Other		-	-	-	-	-	-	-	-	-
Air Transport										
Abattoirs										
Tourism										
Forestry										
Markets										
Total Expenditure - Standard	3	332 210	376 463	651 544	379 042	449 362	449 362	466 587	486 629	513 946
Surplus/(Deficit) for the year		143 174	80 576	38 727	258 611	345 037	345 037	247 474	285 295	272 050

BUDGETED FINANCIAL PERFORMANCE (REVENUE AND EXPENDITURE BY VOTE)

DC23 Uthukela - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Revenue by Vote	1									
100 - COUNCIL		131 038	230 769	-	-	-	-	-	-	-
105 - MUNICIPAL MANAGER		-	-	-	-	-	-	-	-	-
200 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		-	-	-	-	-	-	-	-	-
400 - TECHNICAL AND INFRASTRUCTURAL DEV S		101 318	71 609	-	-	-	-	-	-	-
405 - PLANNING AND SOCIAL ECONOMIC DEVELO		4 611	11 801	-	-	-	-	-	-	-
408 - HEALTH SERVICES		-	-	-	-	-	-	-	-	-
700 - WATER AND SANITATION SERVICES		238 417	142 860	-	-	-	-	-	-	-
105 - MUNICIPAL MANAGER		-	-	285 910	40 211	40 211	40 211	41 140	44 198	47 937
200 - CORPORATE SERVICES		-	-	32 687	-	-	-	-	-	-
300 - BUDGET AND TREASURY		-	-	4 411	241 407	242 554	242 554	258 196	273 440	289 558
405 - SOCIAL SERVICES		-	-	1 007	890	890	890	717	1 217	2 218
500 - TECHNICAL SERVICES		-	-	190 900	176 259	329 819	329 819	212 057	221 746	200 490
510 - WATER AND SANITATION SERVICES		-	-	175 355	178 886	180 925	180 925	201 951	231 324	245 794
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	475 384	457 039	690 271	637 653	794 399	794 399	714 061	771 925	785 996
Expenditure by Vote to be appropriated	1									
100 - COUNCIL		10 337	12 254	-	-	-	-	-	-	-
105 - MUNICIPAL MANAGER		2 745	4 621	-	-	-	-	-	-	-
200 - CORPORATE SERVICES		17 946	18 862	-	-	-	-	-	-	-
300 - BUDGET AND TREASURY		15 037	16 177	-	-	-	-	-	-	-
400 - TECHNICAL AND INFRASTRUCTURAL DEV S		7 776	13 485	-	-	-	-	-	-	-
405 - PLANNING AND SOCIAL ECONOMIC DEVELO		24 868	23 485	-	-	-	-	-	-	-
408 - HEALTH SERVICES		6 397	6 071	-	-	-	-	-	-	-
700 - WATER AND SANITATION SERVICES		247 104	281 508	-	-	-	-	-	-	-
105 - MUNICIPAL MANAGER		-	-	39 883	31 437	29 925	29 925	49 743	53 701	57 041
200 - CORPORATE SERVICES		-	-	32 675	21 975	24 228	24 228	35 080	32 456	34 776
300 - BUDGET AND TREASURY		-	-	27 645	25 646	23 776	23 776	104 843	111 477	119 136
405 - SOCIAL SERVICES		-	-	57 928	38 236	26 082	26 082	38 038	40 160	43 522
500 - TECHNICAL SERVICES		-	-	4 913	231 088	3 568	3 568	7 806	4 758	5 044
510 - WATER AND SANITATION SERVICES		-	-	488 501	30 660	341 784	341 784	231 077	244 077	254 426
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	332 210	376 463	651 544	379 042	449 362	449 362	466 587	486 629	513 946
Surplus/(Deficit) for the year	2	143 174	80 576	38 727	258 611	345 037	345 037	247 474	285 295	272 050

BASIC SERVICE DELIVERY MEASUREMENT

DC23 Uthukela - Table A10 Basic service delivery measurement

Description	Ref	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
Household service targets	1									
Water:										
Piped water inside dwelling		73 880	73 880	73 880	73 880	73 880	73 880	78 180	82 730	87 545
Piped water inside yard (but not in dwelling)										
Using public tap (at least min.service level)	2	43 621	43 621	43 621	43 621	43 621	43 621	46 160	48 846	54 689
Other water supply (at least min.service level)	4									
<i>Minimum Service Level and Above sub-total</i>		117 501	117 501	117 501	117 501	117 501	117 501	124 340	131 576	142 234
Using public tap (< min.service level)	3									
Other water supply (< min.service level)	4									
No water supply		44 300	29 785	29 785	29 785	29 785	29 785	31 518	33 353	35 294
<i>Below Minimum Service Level sub-total</i>		44 300	29 785	29 785	29 785	29 785	29 785	31 518	33 353	35 294
Total number of households	5	161 801	147 286	147 286	147 286	147 286	147 286	155 858	164 929	177 528
Sanitation/sewerage:										
Flush toilet (connected to sewerage)										
Flush toilet (with septic tank)		57 225	57 225	57 225	57 225	57 225	57 225	60 555	64 080	67 809
Chemical toilet										
Pit toilet (ventilated)		70 509	70 509	70 509	70 509	70 509	70 509	74 613	78 955	83 550
Other toilet provisions (> min.service level)										
<i>Minimum Service Level and Above sub-total</i>		127 734	127 734	127 734	127 734	127 734	127 734	135 168	143 035	151 359
Bucket toilet		1 551	1 551	1 551	1 551	1 551	1 551	1 641	1 737	1 838
Other toilet provisions (< min.service level)										
No toilet provisions		24 874	12 398	12 398	12 398	12 398	12 398	13 120	13 883	14 691
<i>Below Minimum Service Level sub-total</i>		26 425	13 949	13 949	13 949	13 949	13 949	14 761	15 620	16 529
Total number of households	5	154 159	141 683	141 683	141 683	141 683	141 683	149 929	158 655	167 888
Energy:										
Electricity (at least min.service level)										
Electricity - prepaid (min.service level)										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Electricity (< min.service level)										
Electricity - prepaid (< min. service level)										
Other energy sources										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Refuse:										
Removed at least once a week										
<i>Minimum Service Level and Above sub-total</i>		-	-	-	-	-	-	-	-	-
Removed less frequently than once a week										
Using communal refuse dump										
Using own refuse dump										
Other rubbish disposal										
No rubbish disposal										
<i>Below Minimum Service Level sub-total</i>		-	-	-	-	-	-	-	-	-
Total number of households	5	-	-	-	-	-	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)							60 694	64 335	68 198	
Sanitation (free minimum level service)							-	-	-	
Electricity/other energy (50kwh per household per month)										
Refuse (removed at least once a week)										
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)							8,65	9,43	10,28	
Sanitation (free sanitation service)							-	-	-	
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	0	0	0	
Highest level of free service provided										
Property rates (R value threshold)										
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)										
Refuse (average litres per week)										
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)										
Property rates (other exemptions, reductions and rebates)										
Water		51 514	80 207	108 715	6 000	6 000	6 000	6 300	6 678	7 079
Sanitation										
Electricity/other energy										
Refuse										
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	51 514	80 207	108 715	6 000	6 000	6 000	6 300	6 678	7 079

10.1.6 FINANCIAL STRATEGIES

The strategic response to financial viability and sustainability of Uthukela District Municipality will need to take into cognizance strategies for plugging existing holes into the system and further increase revenue streams with intent to rely less on external grants in the end. Plugging the holes by:

- Promoting effective expenditure to avoid recurring surpluses on operating budget and conditional grants.
- Vigorously pursuing credit control policies.
- Increasing efficiencies by working smarter, managing performance and alternative service delivery mechanisms.

Increasing revenue by:

- Improving collections
- Increasing rate base
- Improving share of intergovernmental grants to pay for unfunded/partly funded mandates
- Vigorously pursuing cost cutting measures
- Pursuing public private partnerships at both programme and project level

10.1.7 OPERATIONAL AND CAPITAL FINANCIAL STRATEGIES

- Available monies are to be used in strict accordance with the approved budgets
- Ensure timeous submission of request for funding to relevant organizations
- Funds allocated for a specific purpose are to be utilized for that purpose only
- Where capital projects are to be funded by donor organizations, the municipality must ensure that funds have been secured prior to their inclusion in capital budget

10.1.8 REVENUE RAISING STRATEGIES

- All consumers to be registered and be billed for services rendered
- A debt collection service to be instituted to monitor billing and payment for services
- An adoption of the credit control policy; and as part of debt collection process, levying of interest on outstanding payments
- Attracting investors for property development in order to enhance rates income

10.1.9 ASSET MANAGEMENT STRATEGIES

- All assets whether moveable or immovable are to be recorded in an asset register which is electronically maintained
- The asset register is updated when assets are acquired (purchase or transfer once a capital project has been completed) or disposed of
- A reconciliation between assets recorded in an asset register and physical assets must be done on an annual basis
- A budgetary provision for the operation and maintenance of assets must be done

10.1.10 COST EFFECTIVENESS STRATEGIES

- Development of a functional organizational structure that is staffed with appropriate personnel who contribute to the efficacy of the municipality
- The implementation of internal controls that ensure the management of stock holding (control over shrinkage), management of cash flow to reduce and or eliminate usage of overdraft facility and ensure efficient investment of surplus monies.

10.1.11 POLICY DEVELOPMENT AND REFINEMENT STRATEGY

Council is committed in an ongoing development of policies that are compliant with Municipal Finance Management Act and other regulations in order to ensure smooth function of council and realization of financial viability status. Council will seek to refine or revise among other things; credit control policy, tariff policy and investment and cash management policy so as to enhance income or revenue streams.

10.1.12 KEY SUPPORT PROGRAMMES

This section seeks to present compliant driven programmes that would allow the municipality to realize desired financial health, viability and sustainability thereof. It is argued that the developed strategies will depend heavily on the successful compliance, adherence to internally designed policies and proper management of financial resources.

10.1.12.1 PROGRAMME 1: PRODUCE AN ANNUAL UPDATE OF MUNICIPALITY'S MEDIUM TERM EXPENDITURE FRAMEWORK (MTEF)

While the MTEF sets out a medium term expenditure plan for the municipality, it must also show the specific intentions of council with respect to:

- Clear, affordable development targets
- Development of a 10 year maintenance plan for municipal infrastructure and services
- Targeted expenditure to unlock economic development and grow the rates base

In this regard, a forecasting model will be developed which allows informed decisions to be made on an ongoing basis in terms of cash flow, investments, borrowings and long-term sustainability of the municipality.

10.1.12.2 PROGRAMME 2: BUDGET ACCORDING TO IDP PRIORITIES

The municipality has committed itself to ensuring that the budgeting process is aligned to the IDP. The strategy to achieve this programme is to ensure that the budget process is aligned to the IDP so that what gets budgeted is reflected as a priority in the IDP. The programme has given rise to approval of policies and programmes that guide service delivery. Key to this approach is ensuring

that the municipality focuses its limited resources on the challenges expressed by people of uThukela, and most importantly, improving alignment with other spheres of government, including the development of Private Public Partnerships.

10.1.12.3 PROGRAMME 3: EFFECTIVELY MANAGE CREDIT CONTROL

The focus of the credit control exercise is to reduce debt owed to the municipality by:

- Developing proactive credit control measures to reduce debt and ensure appropriate sanctions are implemented
- Implementing new revenue systems to ensure timeous, regular and accurate billing of accounts
- Maintain ongoing customer communication in order to awareness, foster financial responsibility, and promote a culture of payment.

10.1.12.4 PROGRAMME 4: GROW REVENUE STREAMS

The department of finance will champion the drive to sensitize all council departments to identify cost savings and/ or revenue generating opportunities in all areas of operation. Over the next five years, a concerted effort will be needed to focus on increasing the rate base. Proper collection processes as stipulated under financial guidelines above will have to be strictly adhered to.

10.1.12.5 PROGRAMME 5: SEEK ALTERNATIVE SOURCES OF FUNDING

In addition to the obvious need to grow council's revenue by increasing its rates base, other means for securing funding for council's projects must be explored in a variety of ways. Some of the focus areas include government grant funding and project and programme funding, partnerships with international agencies like the European Union and other agencies at programme level and entering into partnerships with the private sector on key projects and programmes.

It has been noted that, there is little drive within the municipality to prepare business plans to be used in leveraging additional funding. Therefore, this programme will depend on the joint efforts of Financial and Planning department to drive it vigorously.

10.1.12.6 PROGRAMME 6: REDUCE COST TO THE ORGANIZATION

The focus here is to ensure that our tariffs are affordable and value for money is being achieved. Accordingly, costs are scrutinized on an ongoing basis, and targets are then selected and prioritized according to the following ratings:

- Most obvious: here the cost element that is most out of line with the budget needs immediate attention
- Easiest: a small saving that is quickly reaped with little effort cannot be ignored
- Worst first: sometimes a cost situation is so critical that it begs for immediate attention
- Biggest impact: those cost items that will deliver the biggest long-term savings if reduced.

10.2 SUMMARY OF AG REPORT AND RESPONSES & ACTIONS

Report paragraph	Response	Action plan	Responsible Official	Target date	Progress to date
<p>Basis for disclaimer of opinion</p> <p>Property, plant and equipment</p> <p>1. The municipality did not maintain a proper and GRAP compliant fixed asset register. Consequently I was unable to obtain sufficient appropriate evidence as to the completeness and valuation of the assets totalling R812 442 million as disclosed in note 3 to the financial statements. I was unable to confirm the asset completeness by alternative means.</p> <p>2. I was unable to obtain sufficient appropriate audit evidence regarding existence and valuation of property, plant and equipment of R410 789 million, as they were not numbered/ bar-corded. I was unable to confirm existence of assets by alternative means.</p> <p>3. I was unable to obtain sufficient appropriate evidence regarding existence and valuation of property, plant and equipment additions of R101 446 million. I was unable to confirm the additions by alternative means.</p>	GRAP compliant fixed asset register will be compiled.	<p>The service provider will be appointed to compile a GRAP compliant fixed asset register. Council will also dedicate two staff members to maintain and update fixed asset register on a monthly basis.</p> <p>Council will also ensure that all council assets are marked / bar – coded properly to safeguard them</p>	CFO	31 May 2014	<p>The service provider has been appointed to assist with the development of GRAP compliant asset register.</p> <p>The Project Task Team has been established and the first meeting was held on the 11th of February 2014.</p> <p>The service provider is working together with municipal officials to avoid delays in the project and also to ensure that Fixed Assets Register is credible and GRAP compliant</p>
<p>Inventory</p> <p>4. I was unable to obtain sufficient appropriate</p>	Monthly processing	Inventory reconciliation will be			<p>An official has been delegated to inventory to ensure that all costing,</p>

<p>audit evidence regarding completeness and valuation of inventory totalling R5 853 million as disclosed in note 7 to the financial statements. I was unable to confirm completeness and valuation of inventory by alternative means. Consequently, I was unable to determine whether any adjustment to inventory stated at R5 853 million (2012: R3 704 million) in the financial statements was necessary</p>	<p>and reconciling of all transactions will be done.</p>	<p>performed on a monthly basis and be approved by senior official.</p>	<p>CFO</p>	<p>31 May 2014</p>	<p>calculations and reconciliations are completed on a monthly basis. The costing and reconciliations have been prepared for July 2013 to 31 December 2013.</p>
<p>Fruitless and wasteful expenditure</p> <p>5. I was unable to obtain sufficient appropriate audit evidence that management has properly accounted for all fruitless and wasteful expenditure for the prior year due to the supporting documents not being provided. I was unable to confirm the fruitless and wasteful expenditure by alternative means. Consequently, I was unable to determine whether any adjustment to fruitless and wasteful expenditure stated at 2012: R2 297 million in the financial statements was necessary.</p>	<p>This issue will be investigated.</p>	<p>Accounting records will be kept properly to support balances disclosed on annual financial statements.</p> <p>Internal controls will be implemented to avoid fruitless and wasteful expenditure being incurred.</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Trelidor has been ordered to enhance security in the filing room.</p> <p>An official will be appointed to be responsible for filing room and also to source supporting documents that were not available for auditing in both 2011-2012 and 2012-2013 financial years from service providers.</p>

Irregular Expenditure					Progress to date
<p>6. I was unable to obtain sufficient appropriate audit evidence that management has properly accounted for all irregular expenditure for the current and prior year due to the supporting documents not being provided. I was unable to confirm irregular expenditure by alternative means. Consequently, I was unable to determine whether any adjustment to irregular expenditure stated at R41 187 million (2012: R18 658 million) in the financial statements was necessary.</p>	<p>Supporting documents for amounts disclosed on annual financial statements will be made available in future.</p>	<p>Internal controls will be improved to minimize irregular expenditure incurred by council.</p> <p>Annual contracts system will also be introduced to avoid irregular expenditure.</p>	<p>MM/CFO S. Shange (Senior Manager-Water Services)</p>	<p>Ongoing</p>	<p>Refer to 5 above</p>
<p>Service charges</p>	<p>Necessary steps will be taken by management to avoid this in future.</p>	<p>Council will embark on data cleansing process to ensure that :</p> <ul style="list-style-type: none"> ➤ Only consumers who receive services from the municipality are billed. ➤ All consumers are billed correct amounts for services rendered. ➤ Consumer accounts are not duplicated. 	<p>CFO</p>	<p>31 May 2014</p>	<p>Task Team has been established to embark on data cleansing project.</p>

<p>Interest received</p> <p>8. I was unable to obtain sufficient appropriate audit evidence to accuracy and completeness if journal adjustments totalling R2 414 million relating interest income for the prior year due to the supporting documents not being provided. I was unable to confirm the interest income by alternative means. Consequently, I was unable to determine whether any adjustment to interest income stated at 2012: R2 414 million in the financial statements was necessary.</p>	<p>Council will improve filing system.</p>	<p>Internal controls will be improved to avoid misplacement of supporting documents.</p>	<p>CFO</p>	<p>31 March 2014</p>	<p>Progress to date</p> <p>Refer to 5 above</p>
<p>Trade and other receivables</p> <p>9. I was unable to obtain sufficient appropriate audit evidence that management has properly charged and accounted for all consumer debtors for the current and prior year as there were consumers who were receiving the services from the municipality without being charged. I was unable to confirm the consumer debtors by alternative means. Consequently, I was unable to determine whether any adjustment to consumer debtors stated at R26 413 million (2012: R180 647 million) in the financial statements was necessary.</p>	<p>Necessary steps will be taken by management to avoid this in future.</p>	<p>Council will embark on data cleansing process to ensure that :</p> <ul style="list-style-type: none"> ➤ Only consumers who receive services from the municipality are billed. ➤ All consumers are billed correct amounts for services rendered. ➤ Consumer accounts are not duplicated. 	<p>CFO</p>	<p>31 May 2014</p>	<p>Task Team has been established to embark on data cleansing project.</p>

<p>10. Unexplained and unsupported differences totalling R9 103 million regarding consumer deposits between the general ledger and financial statements. I was unable to confirm the consumer debtors by alternative means.</p>	<p>Annual financial statements will be reviewed for accuracy and completeness</p>	<p>Annual financial statements will be reviewed by Chief Financial Officer and Audit Committee before submission to Auditor General for auditing to avoid similar discrepancies in future</p>	<p>CFO</p>	<p>Ongoing</p>	
<p>11. I was unable to obtain sufficient appropriate audit evidence to the completeness, valuation, cut-off and classification of sundry debtor's suspense amounting to R4 116 million for the prior year due to supporting documents not being provided. I was unable to confirm the sundry debtor's suspense by alternative means</p>	<p>Suspense account will be cleared.</p>	<p>Suspense balance will be investigated and be cleared accordingly. All supporting documents will be made available for audit purposes.</p>	<p>CFO</p>	<p>30 April 2014</p>	<p>Refer to 5 above</p>
<p>12. I was unable to obtain sufficient appropriate audit evidence to support existence and valuation of deposits and sundry debtors amounting to R6 181 million for the current and prior year due supporting documents not being provided. I was unable to confirm the deposits and sundry debtors by alternative means. Consequently, I was unable to determine whether any adjustment to deposits and sundry debtors stated at R6 181 million (2012: R3 242 million) in the financial statements was necessary.</p>	<p>Necessary steps will be taken by management to avoid this in future.</p>	<p>Council will embark on data cleansing process to ensure that :</p> <ul style="list-style-type: none"> ➤ Only consumers who receive services from the municipality are billed. ➤ All consumers are billed correct amounts for services rendered. ➤ Consumer accounts are not duplicated 	<p>CFO</p>	<p>31 May 2014</p>	<p>Refer to 5 above</p>

<p>13. I was unable to obtain sufficient appropriate audit evidence for debt impairments amounting to R248 767 million for the current and prior year due to the status of the accounting records. I was unable to confirm the debt impairments by alternative means. Consequently, I was unable to determine whether any adjustment to debt impairments stated at R248 767 million (2012: R16 391 million) in the financial statements was necessary.</p>	<p>Filing system will be improved.</p>	<p>Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Refer to 5 above</p>
<p>Commitments</p> <p>14 I was unable to obtain sufficient appropriate audit evidence regarding validity, accuracy and completeness for all commitments for the current and prior year due to the status of the accounting records. I was unable to confirm the commitments by alternative means. Consequently, I was unable to determine whether any adjustment to commitments stated at R213 778 million (2012: R299 438 million) in the financial statements was necessary</p>	<p>Filing system will be improved.</p>	<p>Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Refer to 5 above</p>

<p>Accruals</p> <p>15 I was unable to obtain sufficient appropriate audit evidence to confirm existence and valuation of the leave pay accrual totalling R13 153 million in the current and prior year due to the status of the accounting records. I was unable to confirm the leave pay accrual by alternative means. Consequently, I was unable to determine whether any adjustment to leave pay stated at R13 152 million (2012: R10 519 million) in the financial statements was necessary.</p>	<p>Communication channels between council and auditors will be improved.</p>	<p>A dedicated team will be set up by the municipality to handle all auditors' requests for information to avoid delays and misunderstanding.</p> <p>Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.</p>	<p>CFO</p>	<p>30 June 2014</p>	
<p>Expenditure</p> <p>16. I was unable to obtain sufficient appropriate audit evidence that management has properly charged and accounted for all expenditure for the current and prior year due to supporting documentation for expenditure amounting to R33 454 million (2012: R3503 million) not being provided. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether any adjustment to expenditure stated at R649 601 million (2012: R376 238 million) in the</p>	<p>Filing system will be improved.</p>	<p>Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Refer to 5 above</p>

financial statements was necessary.					
<p>Grant expenditure</p> <p>17. I was unable to obtain sufficient appropriate audit evidence that management has properly charged and accounted for all grants expenditure for the current year due to supporting documentation for expenditure amounting to R1 806 not being provided. I was unable to confirm the expenditure by alternative means. Consequently, I was unable to determine whether expenditure relating to grants is according to the conditions of the grant</p>	Filing system will be improved	<p>Grant register will be kept updated on a monthly basis.</p> <p>Payment vouchers relating to grant funding will also be kept in grant files to enable auditors to determine whether grant expenditure is in accordance with conditions of the grant.</p>	CFO	30 April 2014	<p>Refer to 5 above</p> <p>Grant register is being reconciled to correct errors. This process will be finalised by end of March 2014.</p>
<p>Employee costs</p> <p>18. I was unable to obtain sufficient appropriate audit evidence that management has properly charged and accounted for all employee cost for the current due to supporting documentation for journals amounting to R5 630 million. I was unable to confirm the employee cost by alternative means.</p>	Filing system will be improved	Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.	CFO	Ongoing	Refer to 5 above

19. I was unable to obtain sufficient appropriate audit evidence that management has properly charged and accounted for all overtime for the current year due to supporting documentation for overtime amounting to R9 719 million. I was unable to confirm the employee cost by alternative means.	Filing system will be improved	Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.	CFO	Ongoing	Refer to 5 above
Accumulated surplus					
20. I was unable to obtain sufficient appropriate audit evidence to support the prior year adjustments amounting to the accumulated surplus amounting to R5 042 due to the status of the accounting records. Consequently, I was unable to determine whether any adjustment to the accumulated surplus were necessary.	Filing system will be improved	Accounting records will be kept properly in a secure environment to support balances disclosed on annual financial statements.	CFO	Ongoing	Refer to 5 above
Suspense accounts					
21. I was unable to obtain sufficient appropriate audit evidence to support R54 620 million in the prior year due to supporting documentation not being provided. I was unable to confirm the effect on other transactions and account balances by	This matter will be investigated.	Suspense account will be investigated and if there is no way forward recommendation to write off and clear the account will be made to council.	CFO/ MM	31 May 2014	An action plan dealing with clearing suspense account has been developed and the progress is monitored by

alternative means.					the CFO in a monthly basis.
Water losses					
22. I was unable to obtain sufficient appropriate audit evidence about water losses, as internal controls were not established over the measurement of water losses. Consequently I was unable to determine whether any adjustments to water losses stated at R Nil in the financial statements were necessary	Internal controls will be established.	Water losses will be calculated and disclosed in 2013 - 2014 annual financial statements.	CFO	30 June 2014	
Accumulation of misstatements					
23. I was unable to obtain sufficient appropriate audit evidence to confirm or verify the adjustments made in the preparation of financial statements for the prior year amounting to R1 908 million. I was unable to confirm the effect on other transactions and account balances by alternative means.	Annual financial statements will be reviewed for accuracy and completeness	Annual financial statements will be reviewed by Chief Financial Officer and Audit Committee before submission to Auditor General for auditing to avoid similar discrepancies in future	CFO	Ongoing	Ongoing
Unauthorised expenditure					
24. As disclosed in note 39 to the financial statements, the municipality incurred R198 909 million due to overspending on the overall budget.	Budget controls will be implemented.	Realistic and credible budget will be prepared and adopted by council. Budget controls will be implemented by management.	MM & General Managers	Ongoing	Internal controls has been implemented to avoid overspending on the overall budget.

<p>Performance Presentation</p> <p>25. Section 46 of the Municipal Systems Act requires disclosure in the annual performance report of measures taken to improve performance where planned targets were not achieved. Measures to improve performance for a total of 100% of the planned targets not achieved were not reflected in the annual performance report. This was due to the lack of implementation of effective human resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored.</p>	<p>The council will appoint a PMS manager and staff.</p> <p>The PMS Policy framework will be reviewed</p> <p>Quarterly reviews will be conducted for all section 56 managers</p>	<p>The council will appoint a PMS manager and staff.</p> <p>The PMS Policy framework will be reviewed</p> <p>Quarterly reviews will be conducted for all section 56 managers</p>	MM	28 February 2014	
<p>Consistency</p> <p>26. Municipal Systems Act, section 41(c) requires that integrated development plan should form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents. A total of 100% of the reported objectives and indicators and 71% targets are not consistent with the objectives, indicators, targets as per the approved integrated development plan. This was due to the lack of implementation of effective human resource management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored.</p>	<p>The consistency between the IDP ,Budget and PMS will be reviewed</p>	<p>Alignment of IDP , Budget and PMS</p> <p>Appointment of staff as indicated above</p>	MM	28 February 2014	

<p>27. The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that performance targets be specific in clearly identifying the nature and required level of performance. A total of 94% of the targets were not specific in clearly identifying the nature and the required level of performance. This was due to the fact that management was aware of the requirements of the <i>FMPPi</i> but did not receive the necessary training to enable application of the principles.</p>	<p>The targets will be reviewed to be in line with the FMPPi requirements</p>	<p>Service provider has been appointed to assist the council with PMS related issues.</p>	<p>MM</p>	<p>31 March 2014</p>	
<p><u>Performance targets not measurable</u></p> <p>28. The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that performance targets be measurable. The required performance could not be measured for a total of 94% of the targets. This was due to the fact management was aware of the requirements of the <i>FMPPi</i> but did not receive the necessary training to enable application of the principles</p>	<p>The targets will be reviewed to be in line with the FMPPi requirements</p>	<p>Service provider has been appointed to assist the council with PMS related issues.</p>	<p>MM</p>	<p>31 March 2014</p>	
<p><u>Performance targets not time bound</u></p> <p>29. The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that the time period or deadline for delivery be specified.</p>	<p>The targets will be reviewed to be in line with the FMPPi requirements</p>	<p>Service provider has been appointed to assist the council with PMS related issues</p>	<p>MM</p>	<p>31 March 2014</p>	

<p>A total of 50% of the targets were not time bound in specifying a time period or deadline for delivery. This was due to the management was aware of the requirements of the <i>FMPPi</i> but did not receive the necessary training to enable application of the principles.</p>					
<p><u>Performance measures not well defined</u></p> <p>30. The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that indicators/measures should have clear unambiguous data definitions so that data is collected consistently and is easy to understand and use. A total of 100% of the indicators were not well defined in that clear, unambiguous data definitions were not available to allow for data to be collected consistently. This was due to the management was aware of the requirements of the <i>FMPPi</i> but did not receive the necessary training to enable application of the principles</p>	<p>The indicators will be reviewed to be in line with the FMPPi requirements</p>	<p>Service provider has been appointed to assist the council with PMS related issues</p>	<p>MM</p>	<p>31 March 2014</p>	
<p><u>Performance measures not verifiable</u></p> <p>31. The National Treasury <i>Framework for managing programme performance information (FMPPi)</i> requires that it must be possible to validate the processes and systems that produce the indicator. A total of 100% of the indicators were not verifiable</p>	<p>System to provide measures to verify achievement or none achievement of performance will be developed</p>	<p>Service provider has been appointed to assist the council with PMS related issues</p>	<p>MM</p>	<p>31 March 2014</p>	

<p>in that valid processes and systems that produce the information on actual performance did not exist. This was due to the lack of key controls in the relevant systems of collection/collation/ verification/ storage of actual performance.</p>					
<p>Infrastructure road, housing, electricity and social amenities</p> <p>32. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the validity, accuracy and completeness of information with respect to the infrastructure road, housing, electricity and social amenities. This was due to the fact that the municipality did not report on the planned development objective</p>	<p>Quarterly reports on the planned development will be compiled</p>	<p>Quarterly reports on the planned development will be compiled</p>	<p>MM</p>	<p>Ongoing</p>	
<p>Water and Sanitation</p> <p>33. I was unable to obtain the information and explanations I considered necessary to satisfy myself as to the reliability of information presented with respect to water and sanitation development objective. This was due the fact that the institution could not provide sufficient appropriate evidence in support of the information presented with respect to the development objective and the institution's records not permitting the application of alternative audit procedures.</p>	<p>Quarterly reports regarding the development objectives in Water and Sanitation will be compiled</p>	<p>Quarterly reports regarding the development objectives in Water and Sanitation will be compiled</p>	<p>MM</p>	<p>Ongoing</p>	
<p>Compliance with laws and regulations</p>	<p>Budget controls will be implemented.</p>	<p>Realistic and credible budget will be</p>	<p>MM &</p>	<p>Ongoing</p>	

<p>34. Expenditure was incurred not in terms of</p>		<p>prepared and adopted by council. Budget controls will be implemented by management.</p>	<p>General Managers</p>		
<p>Annual Report and Financial Statements 35. The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122 of the Municipal Finance Management Act. Material misstatements identified by the auditors in the submitted financial statements were not adequately corrected and the supporting records could not be provided subsequently], which resulted in the financial statements receiving a disclaimer audit opinion</p>	<p>Annual financial statements will be reviewed for accuracy and completeness</p>	<p>Annual financial statements will be reviewed by Chief Financial Officer and Audit Committee before submission to Auditor General for auditing to avoid similar discrepancies in future</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Ongoing</p>
<p>36. The council's oversight report on the 2012/13 annual report was not made public within seven days of its adoption, as required by section 129(3) of the Municipal Finance Management Act.</p>	<p>Council's oversight report will be made public in terms of section 129(3) of the Municipal Finance Management Act.</p>	<p>Control measures will be put in place to ensure compliance with legislation.</p>	<p>MM</p>		
<p>37. The annual report for the year under review does not include the accounting officer's assessment of the municipality's performance against measurable performance objectives for revenue collection from each revenue source and for</p>	<p>Action plan detailing measures to be taken to address issues raised in the audit report will be included.</p>	<p>Control measures will be put in place to ensure compliance with legislation.</p>	<p>CFO/ General Manager: Social and Economic Services</p>		

<p>each budget vote, particulars of any corrective action taken or to be taken in response to issues raised in the audit report, the report of the audit committee, as required by section 121(3) (f), (g) and (j) of the Municipal Finance Management Act.</p>					
<p>Audit Committee 38. The audit committee did not review the annual financial statements to provide the council with an authoritative and credible view of the financial position of the entity, its efficiency and effectiveness and its overall level of compliance with legislation, as required by section 166(2)(b) of the Municipal Finance Management Act.</p>	<p>Annual financial statements will be submitted to audit committee for review</p>	<p>Annual financial statements will be prepared timeously to allow audit committee enough time to review them.</p>	<p>CFO</p>	<p>30 June 2014</p>	<p>Ongoing</p>
<p>Expenditure Management 39. Sufficient appropriate audit evidence could not be obtained that money owing by the municipality had always been paid within 30 days or an agreed period, as required by section 65(2)(e) of the Municipal Finance Management Act.</p>	<p>Measures will be put in place to ensure that we are compliant with legislation</p>	<p>Payments will be done twice a month to ensure compliance, on the 15th and 30th (or as close to as possible)</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Invoices are paid within 30 days except in cases where invoices are investigated.</p>
<p>Revenue Management 40. A credit control and debt collection policy was not implemented], as required by section 96(b) of the Municipal Systems Act and section 62(1) (f) (iii) of Municipal Finance Management Act.</p>	<p>The credit control policy will be implemented.</p>	<p>The credit control and debt collection policy will be implemented in line with section 96(b) of the Municipal Systems Act and section 62(1) (f) (iii) of Municipal Finance Management Act.</p>	<p>MM</p>	<p>30 April 2014</p>	<p>Credit control policy will be implemented after data cleansing project has been finalised.</p>

41.	Corrective measures will be put in place.	Accounting and information system which accounts for revenue and debtors is in place; however onsite training for the users will be arranged.	CFO	30 April 2014	The system is in place and the training of staff on how to utilise the system has commenced.
Leadership					
42. Management has failed to adopt an appropriate tone at the top to ensure that supervision, review and monitoring of the municipality's processes were undertaken, so as to ensure that controls were implemented and functioning effectively and efficiently and consistently throughout the year under review.	Management will ensure that supervision, review and monitoring are undertaken.		MM & Senior Management	Ongoing	Ongoing
43. municipality did not establish an investment policy that was adopted by council, as required by section 13(2) of the Municipal Finance Management Act and Municipal investment regulation 3(1) (a).	Investment policy will be implemented.	Investment policy will be implemented as per section 13(2) of the Municipal Finance Management Act and Municipal investment regulation 3(1) (a).	CFO	01 February 2014	Investment policy is available
Leave pay calculation overstated					
44. The accounting officer and CFO did not ensure that accurate and complete financial and performance reports that are supported and evidenced by reliable information are prepared and reviewed	Leave will be recalculated and reviewed monthly to ensure accurate and complete information.	Leave will be recalculated and reviewed monthly to ensure accurate and complete information.	General Manager : Corporate services	31 March 2014	Training is on progress for HR officials to utilise VIP module.

<p>VAT calculated incorrectly</p> <p>45. VAT input has been overstated by R680 858 and output understated of R680 858</p>	<p>VAT account will be reconciled on monthly basis</p>	<p>VAT account will be reconciled on monthly basis</p>	<p>CFO</p>	<p>Ongoing</p>	<p>Vat control account is now reconciled on a monthly basis.</p>
<p>Non-compliance with the SCM policies and Treasury regulations</p> <p>46. The accounting officer did not implement the appropriate key controls (policies and procedures) in accordance with relevant laws and regulations</p>	<p>SCM Checklist will be developed and implemented.</p> <p>Deviations report will be reported to Council on monthly basis</p>	<p>SCM Checklist will be developed and implemented.</p> <p>Deviations report will be reported to Council on monthly basis</p>	<p>MM/CFO</p>	<p>28 February 2014</p>	<p>SCM checklist has been developed.</p> <p>Deviations are now reported to council on a monthly basis.</p>
<p>Poor controls over deceased estate funds</p> <p>47. Management did not ensure proper record keeping ensuring that financial information is supported by accurate and reliable information</p>	<p>The estate late funds will be ring fenced</p>		<p>General Manager : Corporate services</p>	<p>31 March 2014</p>	<p>Refer to 5 above</p>

10.3 SECTOR INVOLVEMENT

KZN COGTA had a series of alignments between sector departments and municipalities in the province. The alignment of Sector departments with the uThukela family of municipalities were held on the 14 November 2013, and the level of participation was not adequate. The family of uThukela municipalities also used the IDP Service Providers Forum, but it was not effective enough because of inconstancy of attending meeting. The municipality strongly believes that “IDP is a plan for all Government” so therefore, all sector departments must be part of the IDP process, uThukela district municipality and its family of municipalities came up with the innovative ways of ensuring that sector departments are involved in this IDP by adopting a strategy of “one on one process”.

10.3.1 DEPARTMENT OF ENVIRONMENTAL AFFAIRS

Project Name	Project description	Locality	Focus area	Budget
Okhahlamba municipal landfill site	To establish a landfill site for the municipality as set out in the IDP. The IDP has identified the inefficient waste management system as one of the threats within the municipality	Okhahlamba local municipality	Working on waste	R 17 000 ,000
Street cleaners for Umtshezi	A street cleaning project for Estcourt, Weenen and Wembezi with the provision of protective clothing, equipment, and work opportunities in the form of street cleaners	Umtshezi local municipality	Working on waste	R 5 000 000

Emnambithi goes green	The project will focus mainly on greening of town and surrounding areas of jurisdiction by planting trees to curb greenhouse gases. Trees will be planted as avenue trees and on municipal public open spaces in order to neutralize the carbon dioxide that human emit and in turn produce oxygen which is vital for human	Emnambithi local municipality	Greening and open spaces management	R 6 000 ,000
Rehabilitation of the existing parks and planting of trees	The project deliverables will include grassing, landscaping, ablution block, paving of pathways, caravan park, fencing and planting of fruit trees in the different parts of Umtshezi	Umtshezi local municipality	Greening and open spaces management	R 8 800 ,000
Busingatha lodge	Deliverables of this project will include the construction of entrance gate with supporting facilities, the construction of manager's house, the construction of 7 chalets(6 sleeper) and 5 chalets(4 sleeper),the construction of entertainment area with a pool, kitchen, dining hall and the construction of stables	Okhahlamba local municipality(Tribal authority)	People and parks	R 15 500,000

10.3.2 DEPARTMENT OF HUMAN SETTLEMENTS

2014/2015 FINANCIAL YEAR

Project Name	Local Municipality	Project Type	Total Units	TOTAL DISTRICT ANNUAL BUDGET
Umbulwane Area H	Emnambithi/Ladysmith KZ232	IRDP	505	15 200 000
Thembalihle	Emnambithi/Ladysmith KZ232	IRDP	1000	
Owl & Elephant	uMtshezi (KZ234)	IRDP	500	
Msobotsheni	uMtshezi (KZ234)	IRDP	500	
Cornfields Area A	uMtshezi (KZ234)	IRDP	500	
Cornfields Area B	uMtshezi (KZ234)	IRDP	500	
Cornfields Area D	uMtshezi (KZ234)	IRDP	500	
Cornfields Area E	uMtshezi (KZ234)	IRDP	500	
Kwashuzi	Indaka KZ233	RURAL	1000	

Shayamoya Phase 3	Emnambithi/Ladysmith KZ232	IRDP	321	
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2015/2016 FINANCIAL YEAR

Project Name	Local Municipality	Project Type	Total Units	TOTAL DISTRICT ANNUAL BUDGET
Somshoek	Indaka KZ233	RURAL	1000	11 200 000
Nazerath	Indaka KZ233	RURAL	1000	
Kwancema	Indaka KZ233	RURAL	1000	
Fitty Park	Indaka KZ233	RURAL	1000	

2016/2017 FINANCIAL YEAR

Project Name	Local Municipality	Project Type	Total Units	TOTAL DISTRICT ANNUAL BUDGET
Ngonyameni	Imbabazane KZ236	RURAL	1000	14 000 000
Mnyangweni	Imbabazane KZ236	RURAL	1000	

Shayamoya	Imbabazane KZ236	RURAL	1000	
Mhlungwini	Imbabazane KZ236	RURAL	1000	
Moyeni	Okhahlamba KZ235	RURAL	1000	

10.3.3 DEPARTMENT OF TRANSPORT

2014/2015 FINANCIAL YEAR

Regravel : D1259	5	Okhahlamba	Hlongwane	Amangwane Tribe	R 1,173,000
Regravel : D1263	7	Okhahlamba	Hlongwane	Amangwane Tribe	R 2,250,000
Regravel : D384	11	Okhahlamba	Private Land Owners	Private Land Owners	R 2,250,000
Regravel : A3309	8	Okhahlamba	Tshabalala	Amazizi Tribe	R 1,173,000
Regravel : L1910	3	Okhahlamba	Hlongwane	Amangwane Tribe	R 1,173,000

Access to school : Gqumaweni	11	Okhahlamba	Private Land Owners	Private Land Owners	R 909,500
Causeway : D2264	13	Okhahlamba	Private Land Owners	Private Land Owners	R 1,632,000
Regravel : D797	19	Emnambithi	Khumalo	Abantungwakholwa	R 1 200, 000
Regravel : D1371	9	Emnambithi	Sithole	Sithole tribe	R 1 120 ,000
Regravel : P187	13	Emnambithi	Hadebe	Hadebe tribe	R 3 200 000
Regravel : D798	14	Emnambithi	Khumalo	Abantungwakholwa	R 1 200, 000
New Road Machibini	7	Emnambithi	Mthembu	Abathembu tribe	R 2000 000

New Road : Mevana	18	Emnambithi	Khumalo	Abantungwakholwa	R 1 500 000
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Regravel : D1277	8	Indaka	Mabaso	Abantungwa Tribe	R 1,600,000
Access to schools : Phindokuhle	5	Indaka	Nxumalo	Nxumalo	R 950,000
Access to schools : Mpolwane	3	Indaka	Mchunu	Amachunu	R 950,000
Causeway : L 2019	7	Indaka	Mthembu	Abathembu	R 1,512,000
New Road : Sinayi	18	Indaka	Khumalo	Abantungwa	R 1,500,000
New Road : Zitende	16	Indaka	Khumalo	Abantungwa	R 1,250,000

Regravel : D 1246	1	Umtshezi	Ndaba	Mhlungwini Tribe	R 3,000,000
Regravel : P 170	9	Umtshezi	Private Land Owners	Private Land Owners	R 3,600,000
Regravel : P 176	5	Umtshezi	Mthembu	Abathembu Tribe	R 2,400,000
Causeway : P 176B	5	Umtshezi	Mthembu	Abathembu Tribe	R 3,500,000

Regravel : P 331	11	Imbabazane	Mazibuko	Amangwe Tribe	R 1,120,000
Access to school : Fundulwazi	11	Imbabazane	Mazibuko	Amangwe Tribe	R 1,000,000
Causeway : D 1240	3	Imbabazane	Mkhize	Mkhize Tribe	R 3,500,000

10.3.4 DEPARTMENT OF SPORT AND RECREATION

STAKEHOLDER MANAGEMENT

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget Provided by D.S.R.
Focus Area 1: Promotion, Transformation & Development of Sport	Disability festival	OCT 14	Umtshezi	13	Mobilizing Community	R 150 000.00
	District Spar Ladies Selections	May 14	Emnambithi	100	Prizes (Optional)	R80 000.00
	Purchase of sport equipment for 10 clubs	June 14	All locals	10 clubs	None	R 220 000.00
	Local Selections – Emnambithi – SALGA GAMES	TBC	D.S.R. Offices – Uthukela	300	Dates	10 000.00
	Local Selections – Indaka – SALGA GAMES	TBC	D.S.R. Offices – Uthukela	300	Dates	10 000.00
	Local Selections – Umtshezi – SALGA GAMES	TBC	D.S.R. Offices – Uthukela	300	Dates	10 000.00
	Local Selections – Imbabazane – SALGA GAMES	TBC	D.S.R. Offices – Uthukela	300	Dates	10 000.00
	Local Selections – Okhahlamba – SALGA GAMES	TBC	D.S.R. Offices – Uthukela	300	Dates	10 000.00
	District Selections –	TBC	D.S.R. Offices Uthukela	1000	Dates	40 000.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget Provided by D.S.R.
	Uthukela– SALGA GAMES					
	Equipment and Attire Purchase	July 14	D.S.R. Offices Uthukela	450	None	170 000.00
	Workshop – Team Management	SEPT	Crown Hotel	70	Buy in	20 000.00
	Workshop – Captains and Coaches	SEPT	Royal Hotel	70	Buy in	20 000.00
	District Youth Run Selections	May 14	Emnambithi	1	Mobilization of Community Members	50 000.00
	Provincial Youth Run	May 14	Ethekweni	1	1 Day Accommodation	250 000.00
Focus Area 2: Promotion of Talent Optimization and High/Elite Sport Performance						
TOTAL						R1 050 000.00

RECREATION SERVICES

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
Sustained Recreational Programmes Implemented	Golden games equipment	MAY	DSR Offices	500	None	30 000.00
	Golden games District selections	JULY		400	None	35 000.00
	DUNDEE JULY	JULY	DUNDEE	36	Transport to Dundee July – Horses, Jockeys and Horse Owners	150 000.00
	Golden Games Selections – Emnambithi	JUNE		100	None	12 000.00
	PROVINCIAL I.G. GAMES	SEPT	TBA	120	Transport and Tracksuits, T-shirts and Shorts, 1x food parcel on departure	500 000.00
	PROVINCIAL GOLDEN GAMES	SEPT	TBA	130	Transport and Tracksuits, T-shirts and Shorts, 1x food parcel on departure	520 000.00
	Golden Games Selections – Indaka	JUNE		100	None	12 000.00
	Golden Games Selections – Okhahlamba	JUNE		100	None	12 000.00
	Golden Games Selections – Imbabazane	JUNE		100	None	12 000.00
	Golden Games	JUNE		100	None	12 000.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
	Selections – Umtshezi					
	Golden Games – Technical Officials Workshop	MAY		20	None	10 000.00
	Support Work and Play leagues – Purchase of Equipment	April - Oct	SANDF	800	Continuous Participation of Staff	10 000.00
	Rural Horse Riding District selections	26/06/14	Bergville RHR	100	Request locals to Transport Teams	20 000.00
	Rural Horse Riding weekly stakes	April – June	Colenso	500	None	10 000.00
	Learn and Play equipment and training	10/05/14	Ladysmith Motel	20 10 ECDs	None	45 000.00
	Learn and Play fun day	18/07/14	TBC	400	None	25 000.00
	Recreation Awards Evening	7/11/14	Royal Hotel	100	Attendance	35 000.00
	Learn to Swim Coaching Course	???	Ladysmith	15	None	35 000.00
	Work and Play District	27/06/14	Khandahaar	300	Participation	30 000.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
	tournament					
	Bergville Prison games	MAY	Bergville	200	None	10 000.00
	Ladysmith Prison games	MAY	Ladysmith	200	None	10 000.00
	Outdoor Adventure for Orphans	9/08/14	Drakensberg	30	None	45 000.00
	Transport to Sisonke Summer Cup	NOV	Sisonke District	25	Promotional Item: T-Shirts	40 000.00
	District indigenous games league	MAY - SEPT	Uthukela	600	None	120 000.00
	Indigenous games equipment	05/05/14	DSR Offices	100	None	10 000.00
	I.G.'s Technical Officials Workshop	01/05/14	Ladysmith Motel	50	None	40 000.00
Sustained Recreational Programmes Implemented						
TOTAL						R620 000.00

SPECIAL PROJECTS

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
Capacity Building, Mass Mobilisation & Community Outreach Programmes	District Women's Symposium	Aug	Emnambithi	01	Co Host	R15 000
	Women's Day	AUG	Imbabazane	01	Co Host	18 000.00
	Disability Annual Event	????	Ladysmith	01	Co Host	20 000.00
	June 16 Youth Day	14/06/14	Indaka	01	None	17 000.00
	Ward Sport Committee and Contract Workers Workshop – Emnambithi	26/04/14	Ladysmith Town Hall	01	None	12 000.00
	Ward Sport Committee and Contract Workers Workshop – Indaka	16/04/14	Emaqanda Hall	01	None	12 000.00
	Ward Sport	03/05/14	Bergville	01	None	12 000.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
	Committee and Contract Workers Workshop – Okhahlamba		Municipality			
	Ward Sport Committee and Contract Workers Workshop – Imbabazane	JUNE	Imbabazane Library	01	None	12 000.00
	Ward Sport Committee and Contract Workers Workshop – Umtshezi	JUNE	Estcourt Townhall	01	None	12 000.00
	Arthur Creswell – Race	APRIL	Bergville	01	Support	20 000.00
	Ghandi Walk	SEPT	Ladysmith	01	Support	20 000.00
	LAC Night Race	???	Ladysmith	01	Support	20 000.00
	Mandela Day	19/07/14	Indaka	01	Co Host	20 000.00
	June 16 Youth	16/06/14	Bergville	01	Support	20 000.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
	Day					
	Heritage Day – Batho Pele Workshop	SEPT	Estcourt	01	Support	20 000.00
	Ladysmith Gun Run	JUNE	Ladysmith	01	Support	20 000.00
	16 Days of Activism	NOV-DEC	Estcourt	01	Support	20 000.00
	Indaka Annual Marathon	28/06/14	Indaka	01	Co host	20 000.00
	Bakers Mini Cricket Festival	????	Ladysmith	01	Support	20 000.00
	Disability Mentorship Workshop	?????	Imbabazane	01	Support	20 000.00
	Spioenkop Open Water Challenge	????	Ladysmith	01	Support	20 000.00
Major Events Hosted						
Retention of Talent						

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
TOTAL						R440 000

CLUB DEVELOPMENT

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
Implementation of an integrated and sustainable club structure to promote grassroots participation	Top Up Equipment Purchase for Existing Areas	30 May 2014	Roosboom Umtshezi Okhombe Tholeni	40 Clubs	None	R200 000.00
	Purchase of Playing Attire	31 May 2-13	Umtshezi Okhombe	20 clubs	None	R50 000.00
	Roosboom League Tournament	SEPT	Ladysmith	10 Clubs	None	R70 000.00
	Umtshezi League Tournament	SEPT	Estcourt	10 Clubs	None	R70 000.00
	Okhombe League	SEPT	Bergville	10 Clubs	None	R70 000.00
	Tholeni Tournament	SEPT	Indaka	10 Clubs	None	R70 000.00
	District Club Development Championship	OCT	Lambert Park	8 Clubs	Support	R100 000.00
Long-Term Participant Development (LTPD) through the Academy System						
TOTAL						R630 000.00

SCHOOL SPORT

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
Implementation of an integrated school sport programme	Schools provided with attire	MAY	ALL CMC's	20	None	R67 392.00
	Equipment and attire for the disadvantaged schools	MAY	ALL CMC's	42	None	R218 117.00
	Sport Focused School Equipment	MAY	Emnambithi	01	None	R218 117.00
Capacity Building & Job Creation						
TOTAL						R503 626

COMMUNITY MASS PARTICIPATION PROGRAMME (SIYADLALA)

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
Implementation of the Community Mass Participation Programme through Activity Hubs	Indaka Hub Tournament	06/09/14	Uitval Sport Ground	200	None	R20 000.00
	Kwakopi Hub Tournament	16/08/14	Thabhane Grounds	200	None	R20 000.00
	Sahlumbe Hub Tournament	14/09/14	Sahlumbe Ground	200	None	R20 000.00
	Roosboom Hub Tournament	15/06/14	Roosboom	200	None	R20 000.00
	Umtshezi Hub Tournament	04/10/14	Wembezi Sport Ground	200	None	R20 000.00
	Imbabazane Hub Tournament	11/10/14	Ntabamhlope	200	None	R20 000.00
	Steadville Hub Tournament	22/06/14	Steadville	200	None	R20 000.00
	Driefontein Hub Tournament	29/06/14	Driefontein	200	None	R20 000.00
	Potshini Hub Tournament	23/08/14	Potshini Sport Ground	200	None	R20 000.00
	Kwamthaniya Hub Tournament	18/10/14	Weenen	200	None	R20 000.00
	Uthukela District Hubs Equipment Purchase	12/05/14	Ladysmith Offices D.S.R.	10 hubs	None	R 120 400.00
	Uthukela Attire Purchase	May		40 clubs	None	R320 000.00
	Big walk	Oct		1000	Energy Drinks, Mobilizing and Support	R80 000.00
	Senior citizens	july		250	Support	R70 400.00

FOCUS AREA	Name of Project	Month (Date) of Event	Venue	Planned Targets	Assistance Required	Budget
	District Selections					
TOTAL						R790 800.00

10.3.5 DEPARTMENT OF HEALTH

Institution	Project Description	Financial Year	Estimated Cost
Emmaus Hospital	New OPD; Casualty/Trauma Unit, Maternity & related facilities	02/03/2013 To 01/3/2015	R90 446 661

10.3.6 SANRAL

PROJECT	STAGE	LOCAL MUNICIPALITY	Current	2014/2015	2015/2016	2016/2017
DSRGS: Ladysmith South to Nkunzi River	Planning and Design	Emnambithi-Ladysmith	1 029 000	10 000 000	182 553 480	1 671 000
Ladysmith Bypass		Emnambithi-Ladysmith	1 110 131	2 500 000	0	0
MPRMC: One Tree Hill (13.4) - R621/MR35	Tender/Design	Emnambithi/Dann Hauser/Newcastle	112 403 328	45 211 670	855 000	0

N11 Section 1-4	RRM	Emnambithi/Dann Hauser/Newcastle	174 000	0	0	0
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10.3.7 DEPARTMENT OF RURAL DEVELOPMENT

PROJECT NAME	PROJECT DESCRIPTION	LOCAL MUNICIPALITY	2014/2015
Platrand	Rem of the farm Fouries Kraal No. 1183, Rem of portion 6 of the farm Fouries Kraal No. 1183, Portion 64 (of 5) of the farm Rietkuil No. 1067 and Rem of portion 70 of the farm Rietkuil No. 1067	EMnambithi	R 200,000.00
Colens hill	Remainder of the farm Grootgewagt No. 10612 Remainder of the farm Collins Hills No. 9970 Remainder of the farm Vaalkrantz No. 5142 Remainder of the farm Emigrants Home No. 4482 Remainder of the farm Wagtenbeetjie's Kop 4241 Remainder of the farm Williams Hoek No. 4238	Emnambithi	R 100,000.00

	<p>Portion 1 of the farm Krom Draai No. 4229</p> <p>Remainder of the farm Vaarwel No. 4227</p> <p>Remainder of the Zuur Fontein No. 3708</p> <p>Portion 3 of the New Forest No. 2966</p> <p>Portion 0 of the New Forest No. 2966</p>		
Doornspruit	Portion 25 (of 2) of the farm Doorn Spruit No. 1163	EMnambithi	R1,200,000.00
Gongolo	<p>Remainder of the farm Zwagers Hoek No. 2130</p> <p>Remainder of the farm Oribi Hills No. 16661</p> <p>Portion 25 (of 1) of the farm Rensburg's Drift No. 797</p> <p>Remainder of portion 1 of the farm Zwagers Hoek No. 2130, Remainder of Portion 4 (of 2) of Lot 8 No 1907, Remainder of Portion 7 (of 2) of Lot 8 No 1907, Portion 8 (of 6) of Lot 8 No 1907, Remainder of the farm Aloes A No. 6026, Remainder of the farm Alor No. 13625, Remainder of the farm Pussyfoot No. 13070, Remainder of the farm Aloes No. 6965, Portion 1 of the farm Kelvin Grove No. 2411</p>	Umtshezi	

	<p>Portion 4 (of 2) of the farm Orribe Fontein No. 2040</p> <p>Portion 5 (of 2) of the farm Orribe Fontein No. 2040</p> <p>Remainder of portion 2 of the farm Orribe Fontein No. 2040, Portion 2 of the farm Braakfontein No. 1121, Remainder of the farm Braakfontein No. 1121</p> <p>Remainder of the farm Roman Spruit No. 1906</p> <p>Remainder of portion 1 of the farm Rensburg's Drift No. 797, Remainder of portion 8 of the farm Rensburg's Drift No. 797, Portion 9 (of 7) of the farm Rensburgs Spruyt No. 872, Portion 4 (of 1) Of the Farm Rong Poort No. 1337, Portion 2 of the farm Aletta No. 4203, Portion 3 of the farm Aletta No. 4203, Remainder of the far Aletta No. 4203, Portion 3 (of 1) of the farm Orribe Fontein No. 2040</p> <p>Remainder of 1 of the farm Rong Poort No. 1337</p> <p>Remainder of Portion 1 of the farm Orribe Fontein No 2040</p>		
Jackal's Retreat	The Farm Jackals Retreat No. 15568 and Farm Jackals Spruit No. 9087	eMnambithi	R3,278,000.00

Greystone	Portion 9,17 & 20 of Farm Vegtlager no.801	Umtshezi	R8,406,376.00
Vukuhlale	Portion 1 of the farm Boshberg No. 19599 (405,5761 Ha) and Portion 3 of the farm Doornkaal No. 1296 (643,4507 Ha)	eMnambithi	R 67,546.00
Ukuthula entokozweni	Portion 5 of farm Kleinfontein No. 1263	eMnambithi	R 99,036.00

11 ANNUAL OPERATIONAL PLAN (DRAFT SDBIP)

The SDBIP determines the performance agreements for the accounting officer and all section 57 employees, whose performance agreements can be monitored through Section 71 monthly reports, and evaluated in the annual report. The SDBIP will be monitored and reported monthly by the municipal manager in terms of 71(1) (a) and (e).

Section 1 of the MFMA, Act 56 of 2003 states that the SDBIP should make projections for each month of the revenue to be collected by source and by vote. The targets and performance indicators need to be reported on quarterly basis as per MFMA, 2003. The approved SDBIP will be available 28 days after the approval of the Budget

12 ORGANIZATIONAL AND INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

12.1 HOW THE OPMS IS APPLIED IN THE MUNICIPALITY

Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year a performance report reflecting the following:

- ⇒ The performance of the municipality and of each external service provider during the financial year;
- ⇒ A comparison of the performances referred to in paragraph(a) with targets set for and performance in the previous year;
- ⇒ Measures taken to improve performance

It is critical that the annual performance report forms part of the municipality's annual report in terms of chapter 12 of the MFMA.

12.2 IDP, BUDGET, PMS INTEGRATION THROUGH SDBIP'S

The IDP Priorities are aligned to the National Key Performance Areas. In terms of the IDP, Organizational objectives are incorporated into the Organisational PMS by developing applicable indicators for measuring of performance and then setting of targets. All is consolidated into an Organisational Score-card in line with the NKPA Model selected as specified in the Framework mentioned above to allow for measuring and reporting of performance at an Organisational/Strategic level. The Organisational Score-card is then unpacked at a departmental level and informs the development of Service Delivery Budget Implementation Plans (SDBIP's) to allow for performance reporting at an operational level as is required in terms of the MFMA. Idealistically, the SDBIP aligns itself with Powers and Functions, Objectives of the Department aligned to IDP and the allocated budget, relevant indicators and targets. The SDBIP is then cascaded into Section 57 Performance Agreements. All of these performance reports are then amalgamated into the Annual Performance Report that forms a component of the Annual Report as prescribed in the MFMA. Reporting is done quarterly, with supporting evidence being confirmed and audited. Monthly reporting is now being encouraged through the revision of the framework and the Auditor-General's audit strategy to align the uThukela district municipality to best practices.

12.3 INSTITUTIONAL PERFORMANCE MANAGEMENT SYSTEM (SECTION 57 CONTRACTS)

In terms of the Regulations for Municipal Managers and Managers reporting directly to the Municipal Manager, All Performance Agreements of the Municipal Manager and managers reporting directly to the Municipal Manager were signed for the 2013/14 financial year.

12.4 ANNUAL PERFORMANCE REPORT OF THE PREVIOUS YEAR

uThukela district municipality has complied with Section 46 of the Municipal Systems Act states that a municipality must prepare for each financial year a performance report reflecting the following:

- The performance of the municipality and of each external service provider during the financial year
- A comparison of the performances referred to in paragraph(a) with targets set for and performance in the previous year
- Measures taken to improve performance

It is critical that the annual performance report forms part of the municipality's annual report in terms of chapter 12 of the MFMA.

13 ANNEXURES

NO	SECTOR PLAN	COMPLETED? Y / N	ADOPTED? Y / N	ADOPTION DATE	DATE OF NEXT REVIEW	COMMENTS
1	Disaster Management Plan	Yes				The disaster management plan is outdated and the municipality is in the process of updating it
2	Performance Management System (PMS)	Yes	Yes			The municipality is being assisted by the service provider in ensuring that the PMS of the organization is compliant
3	Work place Skills Development Plan					This is done on annual basis
4	Capital Investment Programme/ Framework (CIP)	Yes				Three Year Capital Program was prepared and incorporated into the IDP
5	Local Economic Development (LED) plan	Yes	Yes			Adopted by council
6	Environmental management framework	Yes	No			The framework is completed but not yet adopted by Council
7	Water Services Development Plan (WSDP)	Yes	Yes			To be reviewed in the current financial year
8	Waste Management Plan	Yes	Yes			
9	Transportation Plan	Yes	Yes			Public transport plan was developed and adopted by Council and its due for review
10	Financial Plan	Yes				It is part of the 2014/2015 financial year
11	Spatial Development Framework	Yes	Yes			The attached uThukela SDF is under review, Service provider has been appointed in April 2014 and it is envisaged that the comprehensive SDF which is line with SPLUMA will be completed in December 2014
12	Communication Strategy	No	N/A			The strategy has been developed and presented to MANCO
13	Fraud and Corruption Prevention Strategy	Yes	No			The Fraud and corruption was workshopped with all staff and it be updated in the 2014/2015 financial year
14	Tourism Plan	Yes	Yes			

UTHUKELA MTAS

CHALLENGE	PROGRESS DECEMBER 2012	PROGRESS MARCH 2013	PROGRESS JUNE 2013	PROGRESS SEPTEMBER 2013	CURRENT PROGRESS December 2013
<p>IGR between the District and Local municipality is not functioning</p>	<p>The service provider was appointed by the district to provide hands on support in dealing with the IGR challenges for the municipality. The support was provided to establish the Technical fora as an effort to deal with the IGR challenges for the municipality</p> <p>Technical expert is in place and has assisted to set up the processes and policies. The fora are in place. A person has been identified in the DM to whom skills transfer has taken place thus ensuring continuity when expert leaves. Therefore, this challenge has been addressed.</p> <p>The department found that the IGR model is not fully implemented due to vacancies in S56 posts at district level. Capacity building meeting was scheduled for 21 November 2012 with the Mayors. The vacancy challenge is currently being addressed before the establishment of the technical fora</p> <p>Technical expert is in place and has assisted to set up the processes and policies. The fora are in place. A person has been identified in the DM to whom skills transfer has taken place thus ensuring continuity when expert leaves. Therefore, this challenge has</p>	<p>The service provider was appointed by the district to provide hands on support in dealing with the IGR challenges for the municipality. Support was provided to establish the Technical fora.</p> <p>The department found that the IGR model is not fully implemented due to vacancies in S56 posts at district level. Capacity building meeting was scheduled for 21 November 2012 with the Mayors. The vacancy challenge is currently being addressed before the establishment of the technical fora.</p> <p>The municipality indicated that the Technical expert is in place and has assisted to set up the processes and policies. The fora are in place. A person has been identified in the DM to whom skills transfer has taken place thus ensuring continuity when expert leaves. Therefore, this challenge has been addressed.</p>			<p>•The IGR forums established and are meeting. The schedule of meetings are distributed quarterly. No all meetings convened as scheduled. •It was noted that the Management at the municipality were newly appointed. However, they were committed to leading the IGR processes within the District. •The Infrastructure meeting was held in September 2013. However, attendance was poor. This was confirmed by Ms Heeralall (CoGTA IGR). •SIGMAIT, appointed Service Provider, had submitted their close out report. •The District LGTAS plan was to form part of the agenda of the MM Forum meetings. The LGTAS Unit are to provide updated District LGTAS Plan for the meetings.</p>

	<p>been addressed.</p>				
<p>There is a lack of coordination between the work of the district and local municipalities</p>		<p>The implementation of the IGR is helping with some of the challenges around this issue. The challenge is not yet addressed</p>		<p>The implementation of the IGR is helping with some of the challenges around this issue.</p>	<p>▪The fully functional IGR Forums will address this challenge.</p>

Existing By-laws are outdated and is an absence of some By-laws		The Department submitted bid documents to the SCM Unit on 19 October 2012 . COGTA governance has appointed an expert who will be in place by end of March 2013 to develop a standard set of by-laws to assist the LGTAS municipalities.		DM has not achieved any progress on this issue. COGTA governance has appointed an expert who will be in place by end of March 2013 to develop a standard set of bylaws to assist the LGTAS municipalities. A workshop on the revised by-laws was held by CoGtA's service provider on 25/03/2013 in order for council to adapt and adopt. Issue now sitting with municipality. No further support can be provided by COGTA.	•There has little progress with the review of the by-laws. The by-laws relating to the water services were submitted to Council •Although the expert was appointed at the District, he was not formally introduced to the Municipal Manager. The LGTAS Unit was to facilitate a meeting between the Municipality, CoGTA, DWA and the appointed expert. •DWA was to assist and provide advice with the adoption of the by-laws. Certain processes were to be followed with the by-laws relating to water
The Council does not receive reports / minutes from Standing Committee meetings.		Acting MM indicated that this remains a challenge. Some committees do not sit and are not functional. It is hoped by end of March 2013, all committees will be functional.		All Portfolio committees are functional.	•Portfolio meetings were scheduled and held. However, there were challenges with quorums. The Councillors were attending events scheduled at their own municipalities rather than attending the Portfolio meetings. Meetings were therefore re-scheduled. •The municipality would be compiling a calendar of events at the District (including local municipalities) to ensure that there is no overlap of events. The alignment of programmes was critical. •Structures are being re-aligned to ensure that reports were submitted to Portfolio, ExCO and Council meetings. •A concern was raised that Sector Departments may not be able to attend meetings and provide support especially when meetings are postponed and re-scheduled. •The Governance Unit was to provide support to ensure that the Committees were functional.
The organogram is not well aligned to allocated powers and functions		Organogram has been reviewed and adopted by Council in January 2013. The reviewed organogram is aligned to allocated powers and functions			•The organogram was aligned to powers and functions and was approved by Council. The new management had identified gaps in the organogram and the amendments will be submitted to Council in December 2013. •The meeting agreed that the challenge be closed.

There is a high vacancy rate in critical positions including section 56 positions.		Vacant posts will be advertised and filled by end of June 2013		The managers were appointed on the 7 June 2013	<ul style="list-style-type: none"> •All Section 56 Managers have been appointed. •The meeting agreed that the challenge be closed.
Lack of performance agreements for employees below section 57 and 56		Performance Management is still a challenge - only finance section has PAs in place for all staff. Ongoing challenge as legislation does not compel municipality to have these PAs in place.		<p>Best practices shared with municipality. Copy of framework and policy supplied to municipality.</p> <p>Still a challenge - Ongoing challenge as legislation does not compel municipality to have these PAs in place.</p>	<ul style="list-style-type: none"> •Performance agreements have been signed. •The only outstanding appointment was the CFO. The municipality was awaiting feedback from the MEC. •The Water Services Unit organogram and filling of posts was reviewed. Internal teams have been established to identify the gaps in the organogram. Further re-alignment will take place during the budget process. The process will be finalised in December 2013 and interviews will also be conducted in January 2014. •The LGTAS Unit was to provide feedback on the appointment of the CFO by contacting the MEC's Office.
The SCM policy has not been accepted by councillors	The Department of Provincial Treasury indicated that SCM Policy was adopted by Council on January 2012. All SCM Practitioners were provided with training by Provincial Treasury on 28 July 2012.	The SCM Policy is under review. Once finalized, it would be sent to Council. External consultants appointed by Treasury to assist with SCM at DM to develop SOPS, policies, etc. Training of SCM officials will follow.		The Supply management Policy) SCM Policy has been adopted by the council.	<ul style="list-style-type: none"> • The policy was approved by Council. However, the policy did not cover all areas. Provincial Treasury was assisting with the review of the policy. The amended policy was submitted to Portfolio. The amended policy will be presented to ExCO and Council in January 2014.

<p>To improve the efficiency and effectiveness of fleet management</p>		<p>Trackers have been installed on all municipal vehicles in order to monitor usage and curtail abuse. Challenges is still being addressed</p>		<p>Trackers have been installed on all municipal vehicles in order to monitor usage and curtail abuse. Challenges still remain.</p>	<p>•Still a challenge. •No provision was made in the organogram for a Section Head for fleet management. This will be addressed in the amendment to the organogram. •Trackers were installed in vehicles but were removed. •A register of all vehicles was being compiled. The vehicles are located throughout the District. The physical verification of vehicles would therefore be a lengthy process. •An automated vehicle monitoring system was to be in place by January 2014. •With regards to maintenance, the vehicles were old, and required maintenance. Simple repairs took time. The process is being reviewed and various options are being considered: (a) obtaining a service provider to undertake repairs; or (b) resuscitating the workshop. Stores have been purchased for the workshop. •LGTAS was to engage Municipal Finance, Provincial Treasury and Department of Transport to assist the municipality with fleet management. •The municipality was to establish their operational costs in terms of Section 78 functions.</p>
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<p>Lack of asset register and asset management plans</p>	<p>The municipalities will be assisted in the drafting of specifications in the interim. Finer details will be built into the scope of work once funding has been secured. This would be the effort to address asset management challenges</p>	<p>A meeting was held with COGTA who assisted with formulating an Asset Management forum for the district. The asset register is in place and being updated and is GRAP 17 compliant. Team of experts have assessed infrastructure assets. Asset management policy is not in place as yet. Will be completed by end of April 2013.</p>		<p>Asset management policy is not in place as yet.</p>	<p>•The Asset Register was in place but required improvements. •The new organogram made provision for a Manager: Asset Management. •Asset management included a number of different facets and needed to be completed prior to the audit by the Auditor-General. •The municipality required support with the asset register to ensure compliance with GRAP. •Business Unit: Municipal Infrastructure to provide copy of the O&M documents to the municipality (PWC project). •There were serious challenges with the appointment of the MISA Service Provider. A meeting was scheduled to resolve the challenges. An updated project implementation plan will be forwarded to LGTAS. Mr Makhobo thanked the Municipal Manager and the PMU for their support. It was disappointing as the delays were delaying the project. •The municipality requested financial support to ensure that the infrastructure asset register was GRAP compliant. Although KPMG was appointed to update the asset register, the project was incomplete due to funding constraints. •The municipality also requested "warm body" support. It was noted that CoGTA attended meetings, but did not provide continuous, ongoing, support and did not transfer skills. Hands on training was required to ensure that staff were competent in the management of the asset register. Daily support rather than once off meetings, was required. •Mr Ngwane stated that infrastructure interventions were required at municipalities. •The fixed asset register process was a lengthy, expensive process and all municipalities were to be support on assets management.</p>
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<p>There is no indigent register</p>		<p>Register is in place but credibility is in question. The District Municipality has requested that Local Municipalities to align their policies to that of the DMs. Data cleansing will be conducted and re-registration of indigents will take place. Time frame for data cleansing is end June 2013.</p>		<p>Register is in place but credibility is in question. The DM has requested that LMs to align their policies to that of the DMs. Data cleansing will be conducted and re-registration of indigents will take place. Time frame for data cleansing is end June 2013.</p>	<p>▪The indigent policy was approved by Council. ▪Alignment of the registers was progressing. ▪Data cleansing was finalised. However, there were challenges. The Service Provider was not provided with clear terms of reference. The service provider will continue to support the municipality at no additional cost until a credible indigent register is compiled. New indigents will be added to the register. ▪There were challenges with obtaining the indigent registers from the local municipalities. CoGTA was to assist in this regard. ▪A process had commenced with the identification and reconciliation of outstanding government debt. No feedback was received on this process. CoGTA was to provide feedback. Cabinet decision was taken for Government Departments to pay municipalities.</p>
<p>There is no revenue enhancement strategy</p>		<p>Once data cleansing is completed, revenue enhancement will be looked at.</p>			<p>▪Revenue Strategy was developed and adopted by Council. ▪Challenge with implementation. ▪The meeting agreed that this challenge be closed at the strategy was in place.</p>

<p>There is no debt management strategy and there is poor recovery of outstanding debt (especially water)</p>	<p>Feedback on receipt of RSA properties are currently being assessed. The municipality is still unclear of properties and their status and this matter has been referred to Public Works to assist in the identification of properties. Specific support in database cleansing and debt management will be undertaken in the 2013/2014 financial year.</p>	<p>Data cleansing must take place first. Once this is completed, then debt management strategy can be put in place.</p>		<p>Data cleansing must take place first. Once this is completed, then debt management strategy can be put in place.</p>	<p>•CoGTA is assisting with debt management. The internal systems were not in place. Dedicated staff were identified to manage this process. •This was linked to outstanding debt. The debt emanated from the previous regime. The current regime has to explain to the community that they are required to pay for services. Debt amounts to R500 million. the processing of writing off the debt has commenced. •The MOU between the municipality and Ethekewini Municipality was signed. Ethekewini Municipality will be assisting the municipality in their debt recovery. •The posts for debt management will be addressed in the amended organogram.</p>
<p>Poor cash flow management systems Re-word challenge: Improved cashflow</p>		<p>The department and municipality indicated that IFCs and NTTs are in place. Ongoing challenge but progress has been made.</p>		<p>IFCs and MTTs are in place. Ongoing challenge but progress has been made.</p>	<p>•IFC was in place. Municipality has implemented systems whereby only necessary goods and services are procured. Systems have been instituted to improve and manage cashflow. The cashflow has improved. Commitments are being met within 30 days. •The meeting agreed that this challenge remained. The challenge was to be re-worded.</p>
<p>The grant register is in place and updated and payments are made but delivery of goods / services are not verified</p>		<p>The municipality indicated that Grant register is in place and updated up to the 14/2/2013. (grant management). Delivery of goods is being verified.</p>		<p>Grant register is in place and updated up to the 14/2/2013. (grant management). Delivery of goods is being verified.</p>	<p>•Register is being updated. Challenges were being experienced with the delivery and verification of goods and services. •All deliveries are made to stores. •Challenge with supporting documentation for grant funding. Completion certificates are to be signed prior to payment being made. This challenge remains. •Mr Ngwane stated that the Massification Grant was being audited.</p>

<p>Under-expenditure on MIG re-word: Under expenditure on Grants: MIG; RBIG; MWIG; Massification</p>		<p>Municipality spent their normal allocation and may not be able to spend the rollover. They have accelerated some of the projects (long plans, etc.). SCM challenges (sitting of committees etc.) are leading to delays.</p>		<ul style="list-style-type: none"> ▪The municipality's October 2013 was not captured by CoGTA. The MIG expenditure was improving. ▪The under-expenditure related to all grants. ▪The Planning Business Unit was to provide information on what information was outstanding. ▪The municipality stated that they were not informed of their performance on the MIG programme for the 2012/2013 financial year as had been undertaken in the previous years. ▪RBIG funding had increased due to the municipality's performance. ▪The municipality advised that the management of the grants was not located correctly in the current organogram. This would be resolved with the finalisation of the amended organogram. ▪There was no response received from National Treasury regarding the outcome of the 2011/2012 rollover request. ▪This challenge was closed however the new items will be captured and monitored through the plan.
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<p>Lack of skills and capacity to undertake the water function *to be addressed on the organogram</p>	<p>Technical experts were deployed in February 2012 to assist the municipality temporarily with expertise until organogram can be reviewed and posts advertised. Process controllers were trained on NQF level 2 and 3 as an effort to address the challenge of capacity in the municipality</p>	<p>Technical experts were deployed in February 2012 to assist the municipality temporarily with expertise until organogram can be reviewed and posts advertised. Organogram was approved by Council (on the 26th of February 2013). HR to advertise posts - no time frame given. To provide LGTAS with proof of issues completed. Process controllers were trained on NQF level 2 and 3 as an effort to address the challenge of capacity in the municipality</p>	<p></p>	<p>Organogram was approved by Council</p>	<p>•The Water Services Unit currently has a vacancy rate of 50%. •3 Civil Engineers will be provided via MISA. The advert has been placed. Local graduates will be appointed by early January 2013. MISA will implement their artisan programme next financial year. •Mr Makhobo was to provide a copy of the business plan submitted to National Treasury. •The process controllers had been trained by DWA. DWA is currently in the process of rolling out the training programmes for next financial year. The Councillors will be training on water processes. •It was noted that the training process was a lengthy process. Employees were employed on a temporary basis. Process had commenced to ensure that the staff are employed on a permanent basis. Training was critical to capacitate staff.</p>
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<p>Some municipal wards/areas have no water infrastructure. Water service backlog is at 28.5%. Sanitation target is at 5000 households with access to basic sanitation by July 2012.</p>	<p>DWA reported that about R4.5 M was allocated and spent by the DM for refurbishment and drilling of new boreholes</p>		<p>MISA committed to conduct a Review and updating of the Water Services Development Plan; Operational & Maintenance Manuals for Water and Sanitation Infrastructure; Water and Sanitation Policies and Service Level Agreements; Water and Sanitation Tariff Structures</p>	<p>Updated stats to be provided to LGTAS team. Boreholes drilled at Driefontein. Ongoing challenge.</p>	<p>•In the 2012/2013 financial year, 10 000 households were provided with sanitation. •The water from the boreholes was not suitable for consumption. The boreholes were an interim measure. The long term plan was for the municipality to obtain water from the Spionkop Dam. Boreholes also dry out. •The Statistics SA figures reflect a backlog of 8%. •CoGTA had implemented the Universal Access Project. However, in order to achieve universal access in some areas would be expensive. Universal Access Plans will be developed for each District. The project will be rolled out from January - March 2014. The plans will be at a high level. •DWA expressed concern that some households will receive water only in 2018. MWIG was introduced to provide solutions and short term interventions to ensure that households receive water, prior to the bigger schemes being implemented. •MISA will finalise the project implementation plan and submit to the municipality and LGTAS.</p>
<p>Municipal wards/areas with non-functional water schemes</p>	<p>DWA reported that the project of drilling boreholes is at the planning phase and will contribute in solving water provision challenges</p>	<p>The municipality will provide Updated stats to LGTAS team. Boreholes drilled at Driefontein. This remain an ongoing challenge</p>		<p>Linked to above challenge - ongoing major challenges. Funding is required to revive some of the schemes.</p>	<p>•This was an on-going challenge. •Eskom was in the process of electrifying the boreholes to supply Driefontein. This scheme will be commissioned in December 2013.</p>

There is a high rate of water loss	Awareness campaigns on high water loss was conducted in the district to educate the water users	The municipality indicated that this is still a major challenge. Water loss is 68% at a cost of R 23 million per year. As a result of the ageing infrastructure. Constant pipe bursts, negligence by consumers, vandalism, etc. Funding required by the DM. A water demand conversation programme is not in place.		Water loss is 68% at a cost of R 23 million per year. As a result of the ageing infrastructure. Constant pipe bursts, negligence by consumers, vandalism, etc. Funding required by the DM. A water demand conversation programme is not in place. Ongoing challenge.	•This was work in progress to revive the water schemes. Additional funding was required to fast track.
Water carting costs unacceptably high (annual expenditure over R30 million)		The municipality indicated that it is in contract which is ending end of September 2013. DM has purchased 4 of its own trucks.		Tied to contracts which are ending end of September 2013. DM has purchased 4 of its own trucks.	•Water Tankers were purchased with the funding provided through the Massification Programme. Water tankers were introduced due to non-functional water schemes. Once schemes were in place, then the water tankers would be phased out. •Some leakages have been addressed. The project will continue into 2014. •Illegal connections were causing major challenges. The municipality introduced "walking "plumbers who would identify the leakages and fix. The fixing of the leakages would also reduce water losses. •Bulk meters are being installed to determine the volume of water and the amount of water loss. •Ageing infrastructure in the urban areas was a major challenge. Funding was required to refurbish the infrastructure.
Purification plants exceed designed capacity	DWA reported that the Business Plans for the MIG projects are being assessed and recommended	The municipality indicated that Over-capacitation of the plants due to the high water loss is being experienced. This will remain a challenge until the water loss issue is addressed.		Over-capacitation of the plants due to the high water loss being experienced. This will remain a challenge until the water loss issue is addressed.	•Over-capacitation impacts on water quality. This is work in progress. •R3 million was received from CoGTA and DWA for water conservation and demand management.

<p>Poor quality drinking water and inadequate waste water treatment works</p> <ul style="list-style-type: none"> • Colenso: 44%, • Ladysmith: 63%, • Loskop: 42.1%, • Ezakheni: 51.5%. 	<p>Water forums are scheduled for the 4th quarter of 2012/13 to facilitate that the municipality achieve Green and Blue Drop standards</p>	<p>The municipality indicated that the Green drop - 2013 is assessment year. A team (forum) in place to address the green drop status. Prelim assessment has taken place and more positive than last year. Assessment will take place in November 2013.</p>		<p>Green drop - 2013 is assessment year. A team (forum) in place to address the green drop status. Prelim assessment has taken place and more positive than last year. Assessment will take place in November 2013.</p>	<p>•This was linked to the previous challenge. Plans are in place to address the green and blue drop issues.</p>
<p>Acquire outstanding funding to implement the plan to address electricity outages at Ezakheni purification plant</p>		<p>The municipality indicated that this remains a challenge. Funding is required for this issue to be addressed.</p>		<p>Remains a challenge. Requires funding to address this issue.</p>	<p>•This was a huge challenge. The Ezakheni area fell under the jurisdiction of Eskom. Eskom is to upgrade the transformer. The upgrade was critical to address the challenge. •A meeting was to be scheduled with Department of Energy and Eskom urgently.</p>

<p>Ineffective Town Planning support provided to municipalities by COGTA through the district</p>		<p>The municipality indicated that a very good support is provided for Town Planning and the challenge has been addressed.</p>	<p>COGTA Spatial Planning has address this as follows:</p> <ul style="list-style-type: none"> o 2013 Bergville urban design framework; o Intended 2013 support of Uthukela District SDF; 2013 Ukhahlamba corridor plan; o Scheme development for Weenen and Evukeni; and o 2013 spatial planners' training. 	<p>The municipality reported that very good support is being provided for Town Planning support. The challenge has been addressed.</p> <p>Assistance provided to District through the District Shared Services forums</p>	<p>•CoGTA supported the shared services team. However, the shared services did not function effectively. The shared services contract expired in September 2013. •This challenge was raised at the IGR Forum. Imbabazane Municipality was not present at the MM Forum meeting. The municipalities were to confirm whether they still required the shared services. Imbabazane and Umtshezi municipalities were to respond in order to put forward a proposal. The local municipalities were to contribute to the shared service. •A registered planner was appointed at the District. Due to the vast area of the District, the local municipalities were also requested to capacitate their units. •CoGTA was to confirm whether they will be providing further support to the municipality with regard to planning matters.</p>
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<p>Lack of preparedness for disasters / lack of disaster management (Fire prevention, etc.)</p>	<p>The Service Provider was appointed in August 2012 for fire fighting training. The candidates who passed the pre physical assessment were expected to commence their training on the 5th of Nov-12 in Greytown.</p>	<p>The municipality indicated that some fire fighters have been trained. But some that underwent training did not pass. Those that have been trained will train people as required (train the trainer). This still remains a challenge for the district.</p>	<p>The department indicated that Disaster management is next to nonexistence in the district. Mr Dladla is acting as DM on top of his other duties. PDMC continues to conduct DM workshops to councillors and traditional leaders. The PDMC has transferred R6.5 M grant funding for District to develop a fully functional DM centre. and will monitor the development and attend the project steering committee meetings to source the progress reports.</p> <p>The service provider was appointed in June 2013 to build the centre, develop all DM policies and plans & mentor/ train the staff and ensure that the centre is fully functional.</p> <p>PDMC to monitor till the centre is fully functional</p>	<p>COGTA Disaster Management indicated that the Provincial Disaster Management Centre has transferred R6.5 M on grant funding for District to develop a fully functional Disaster Management centre. Service Provider was appointed on 14 June 2013. Some have been trained. Some that underwent training did not pass. Those that have been trained will train people as required (train the trainer). Remains a challenge.</p> <p>Mr Dladla is still acting as a DM Manager. The DM organogram as been approved and incorporated into the districts. It has 5 staff personnel to be appointed. Project mangers have been appointed on the 7th of August 2013. The business plan milestones has been reviewed. Umnambithi LM donated land for the building of DM centres. The town Planner indicated the land is zoned for (something). The adjacent land they are moving to require more earth works which require more money. The Mayor has been requested to intervene cause also if they move out of the initial land than the DM services will be far. Prof land surveyor have been appointed for subdivision and rezoning of the land. The district has also written a letter to the LM's Town planner for to request the revision the land zoning. But finally the district has been allocated another suitable land for the Disaster management centre. Construction will commence soon.</p>	<p>•R6,5 million was received from CoGTA. The Municipal Manager confirmed that the money was in the bank account. •Drawings were finalised. •The Contractor will be appointed in January 2013. The project will be completed by June 2014. R500 000 was expended to date. •There were challenges with the initial site. A new site was identified. This caused delays. •The funding of R6,5 million will cover phase 1 of the project. The total cost of the project was R18 million. CoGTA had indicated that they would provide further funding of R12 million. However, confirmation was required that the funds were confirmed. •The municipality was to follow up on the 911 Fund project with CoGTA Disaster Management.</p>
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<p>Comments</p>					<p> •The Municipal Manager appreciated the support from CoGTA. Uthukela District Municipality was the only municipality that retained a disclaimer from the Audit. This was due to the previous management of the municipality. •He requested that the support provided to municipalities by Provincial Departments be co-ordinated. It was not possible for all Managers to attend all meetings. •Support in terms of "warm bodies" will be appreciated. The CoGTA Finance recovery team was providing assistance in this regard. •There was a perception that the municipality was mismanaging grant funding. However there was new management in place. Therefore the municipality should be considered for funding for refurbishment projects. All grants would be accounted for. •The municipality had reprioritised urgent projects. Other long term projects would therefore not be undertaken. •The aim of the municipality was to move towards an unqualified audit. In order to achieve the unqualified audit, funding was urgently required to finalise the asset register (fixed assets). •Mr Sibiya thanked the managers for attending the meeting. The municipality's commitment to the programme was noted. The municipality has a plan to take the municipality forward. Gaps identified to improve municipality. The Sector Departments were also committed to supporting the municipality. The MEC will be informed of the progress made. </p>
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