



UMLALAZI MUNICIPALITY

**Integrated Development Plan
Forth Review
2020/2021**



**uMlalazi
Local Municipality**



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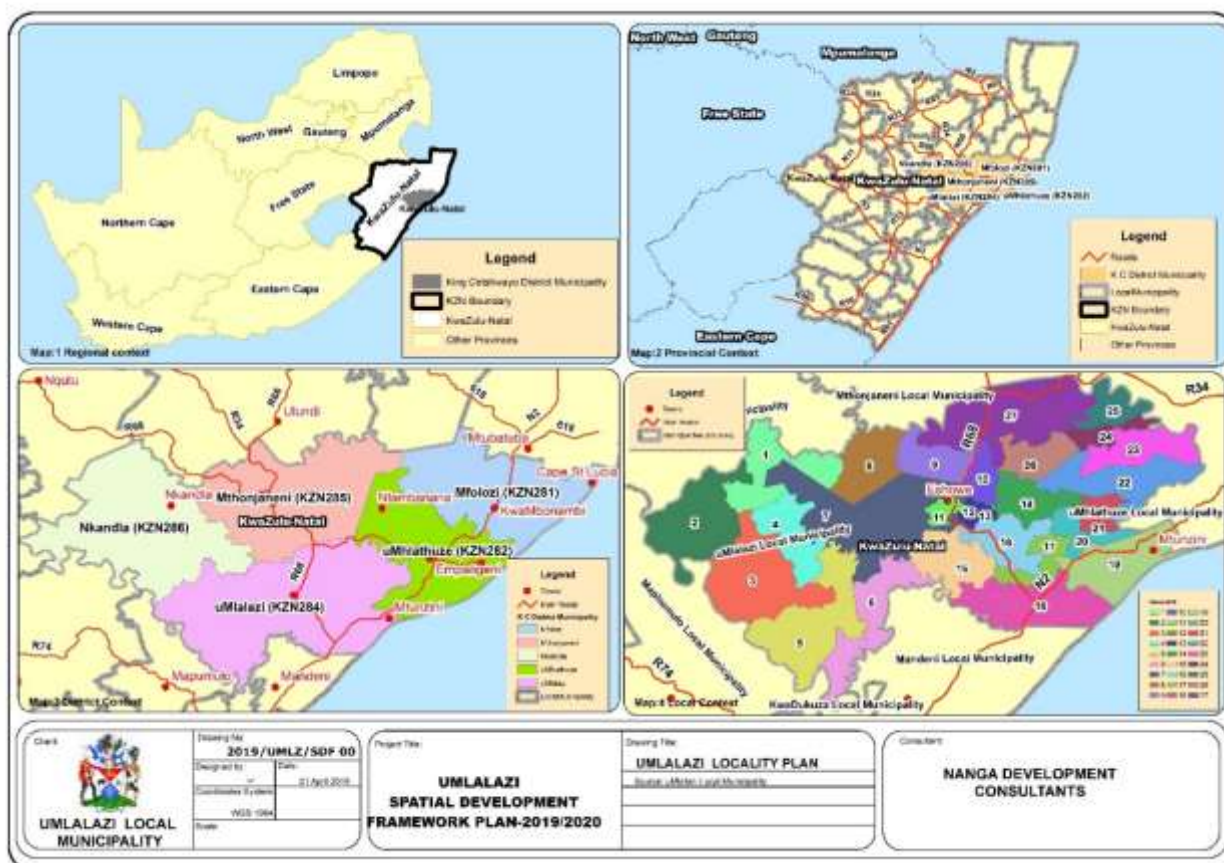
LIST OF ABBREVIATIONS

AG	:	Auditor General
AFS	:	Annual Financial Statements
B2B	:	Back to Basics
BBBEE	:	Broad Based Black Economic Empowerment
COGTA	:	KZN Dept. of Co-Operative Governance and Traditional Affairs
CLLR	:	Councilor
CS 2016	:	Census Community Survey 2016
CWP	:	Community Works Program
DMP	:	Disaster Management Plan
DM	:	District Municipality
DHS	:	KZN Department of Human Settlements
DOT	:	Department of Transport
DOH	:	Department of Health
DWS	:	Department of Water & Sanitation
EE	:	Employment Equity
ECD	:	Early Childhood Development
EPWP	:	Expanded Public Works Program
EEP	:	Employment Equity Plan
EMP	:	Environmental Management Plan
ESH	:	Eshowe (Town)
EXCO	:	Executive Committee
FMG	:	Finance Management Grant
GAAP	:	General Acceptable Accounting Practice
GDP	:	Gross Domestic Product
GVA	:	Gross Value Added
HH	:	Households
IDP	:	Integrated Development Plan
ITP	:	Integrated Transport Plan
ITB	:	Ingonyama Trust Board
KPA	:	Key Performance Area
KCDM	:	King Cetshwayo District Municipality
KPI	:	Key Performance Indicator
KZN	:	Kwa-Zulu Natal
LED	:	Local Economic Development
LUMS	:	Land Use Management System
LM	:	Local Municipality
MIG	:	Municipal Infrastructure Grant
MFMA	:	Municipal Finance Management Act
MPAC	:	Municipal Public Accounts Committee
MTZ	:	Mtunzini (Town)
MANCO	:	Management Committee
NEMA	:	National Environmental Management Act
NGO	:	Non-Governmental Organization
NPA	:	National Prosecuting Authority
OHS	:	Occupational Health and Safety
OSS	:	Operation Sukuma Sakhe (Flagship Program)

PDA	:	Planning and Economic Development Act
PMS	:	Performance Management System
PGDS	:	Provincial Growth and Development Strategy
SDBIP	:	Service Delivery and Budget Implementation Plan
SDF	:	Spatial Development Framework
SMMEs	:	Small Medium and Micro Enterprises
SCM	:	Supply Chain Management
SALGA	:	South African Local Government Association
SPLUMA	:	Spatial Planning and Land Use Management Act
WSDP	:	Water Services Development Plan

SECTION A: EXECUTIVE SUMMARY.

1. Who Are We?



Map 1: uMlalazi Municipality Locality Plan

uMlalazi Local Municipality (KZN284) is situated along the north eastern coast of Kwa Zulu Natal, 125km north east of Durban. The eastern portion of uMlalazi Local Municipality lies on the N2 National and Provincial Development Corridor linking two major economic hubs of Richards Bay and Durban. uMlalazi municipality is located within King Cetshwayo District, which comprises of five local municipalities namely;

- uMfolozi LM (KZ 281)
- uMhlathuze LM (KZ 282)
- uMlalazi LM (KZ 284)
- Mthonjaneni LM (KZ 285)
- Nkandla LM (KZ 286)

It is bordered by Ilembe District Municipality (Mandeni Municipality to the south and Maphumulo Municipality to the southwest). Towards the western regions, the municipality borders Nkandla Municipality and Mthonjaneni

Municipality, and to the north, it is bordered by uMhlathuze municipality. The municipality borders on the Indian Ocean on the eastern coastline which stretches approximately 19km, from the borders of Mandeni municipality to uMhlathuze Municipality. Geographically, the municipal area covers 2 217km², one of the largest local authority areas in South Africa. There are 27 electoral wards and 14 tribal authority areas of which AmaKhosi are custodians thereof on behalf of the Ingonyama Trust Board.

The uMlalazi Municipality is crossed by a number of important transportation routes, such as the N2 Freeway between Durban and Richards Bay, the R34 between Richards Bay/Empangeni and Nkweleni valley to the north of Eshowe, and the R66 from the N2 Motorway to Gingindlovu, Eshowe, Melmoth, Ulundi and Vryheid. The famous King Shaka (Zulu) Heritage Route R66 has a lot of historical and cultural significance and is promoted a tourism route.

Eshowe, Mtunzini and Gingindlovu form the three main towns of uMlalazi Municipality. The town of Eshowe is of great historical significance in that it is the birthplace of King Cetshwayo, who was King of the Zulu's during the Anglo-Zulu War of 1879. The population distribution in the municipal area is characterized by relatively high population densities within urban nodes, and low densities in rural areas. The municipal area is dominated by tribal areas and 14 Tribal Authorities exist within the municipal area.

Demographic Profile

UMLALAZI MUNICIPAL AREA Area 2 217 km ²				
INDICATOR		2001	2011	2016
Population		221 078	213 601	223 140
Population Growth Rate		-0.8	-0.3	0.8
Households		38 446	45 062	46 953
People per Household		5.4	4.6	4.8
Gender breakdown	Males	45.3%	44.7 %	47%
	Females	54.7%	55.3 %	53%
Age breakdown	0 – 14	39.6%	37.2 %	43 %
	15 – 64	55.1%	54.1 %	49 %
	65 +	5.2%	5.6 %	8%

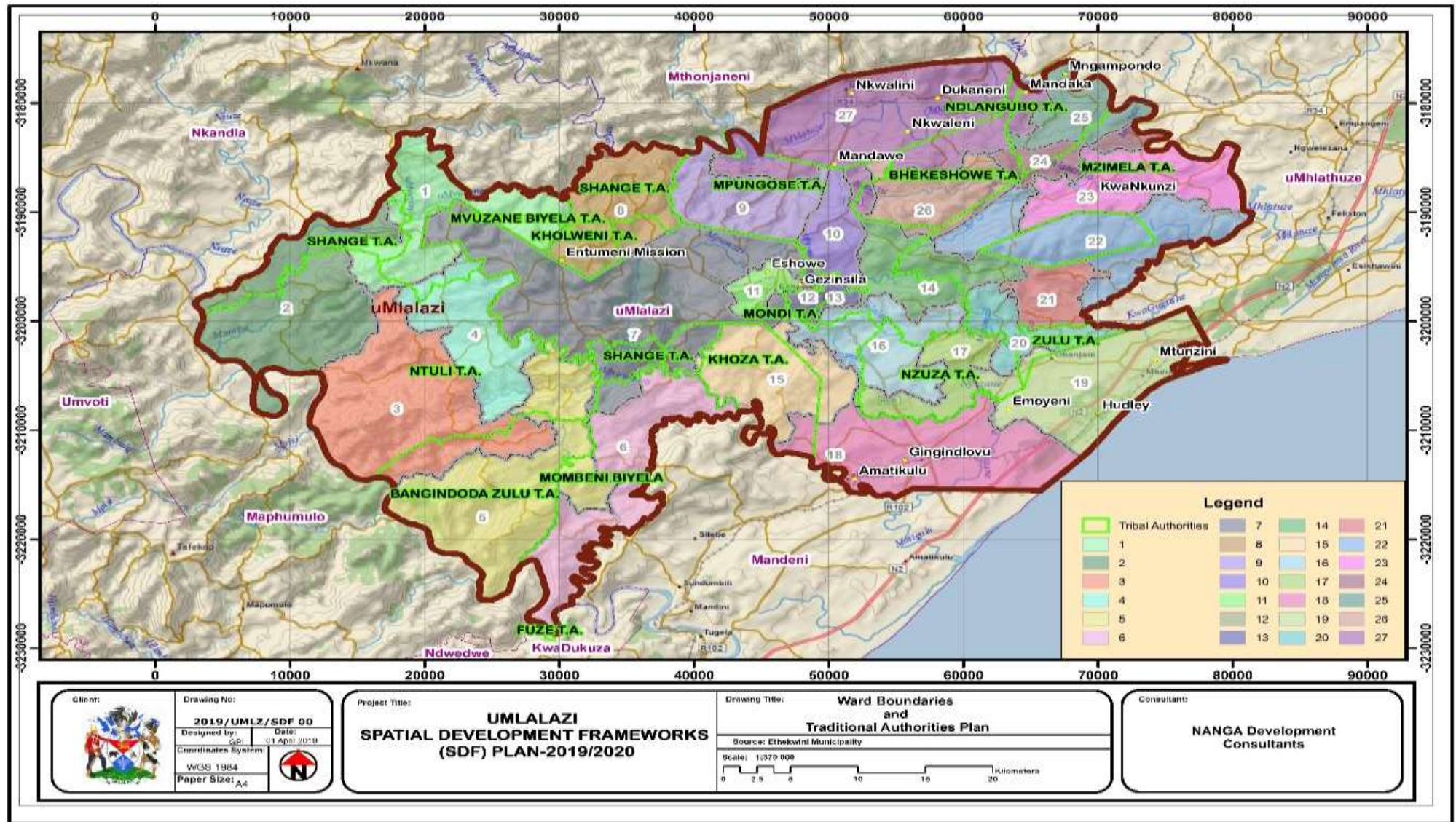
Table 1: Demographic Profile (Census 2011 & 2016)

The demographic profile table above indicates that the population within the municipality has gradually declined between 2001 and 2011 but has increased noticeably from 2011 to 2016. This has, in turn, turned the population growth rate from a negative growth rate to a positive growth rate. This may be attributed to a better standard of living in terms of service delivery and practicing of a more sustainable livelihood. From the 2016 statistics by StatsSA, there is also an indication that there is less of an outward migration trend and the growth in the number of children between 0 – 14 (37% - 43%) indicates that the birth rate has increased from 2011 to 2016. This positive change in population growth will hence translate to more financial capacitation from National Treasury for service delivery.

Land Administration

The uMlalazi Municipality is made up of 27 electoral wards, with wards 2 to 6 being the largest. The map below depicts the Administrative Entities. The municipality is predominantly rural in character and the Ingonyama Trust Board is the majority land owner within uMlalazi municipality with a total of 14 Traditional Authority Areas of which the traditional AmaKhosi are custodians thereof.

Map 2: Ward Boundaries and Traditional Authority Areas



2. Developing the uMlalazi Integrated Development Plan

The IDP is an overarching strategic tool that guides and informs all Planning and Economic Development, and decisions taken regarding planning, management and development within the municipality. Further to this, the IDP provides for effective performance monitoring, evaluation and measureable development frameworks with key performance areas, indicators and performance targets. The following table summarizes the IDP process per review.

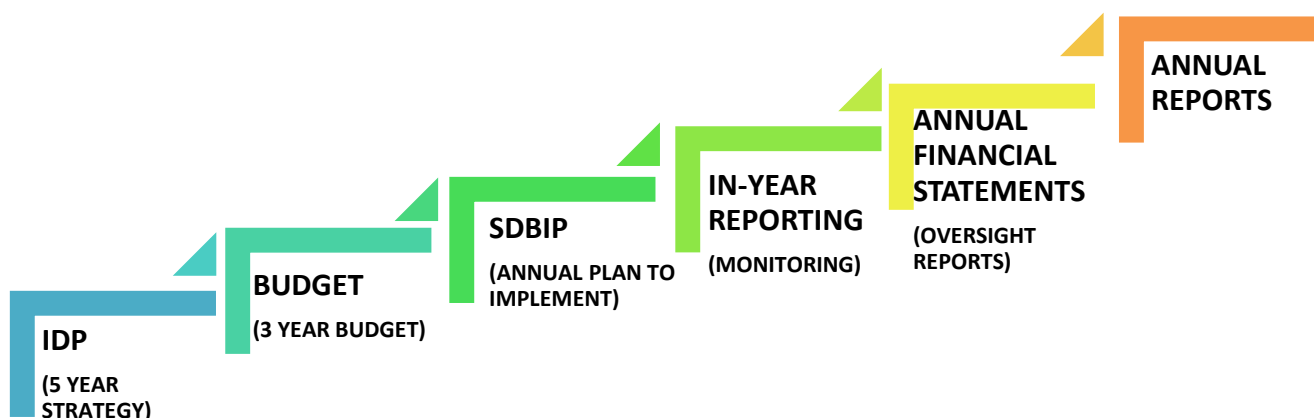


Figure 1: IDP Process

The core South African planning systems are essential in developing a credible IDP. National, Provincial and Regional long term strategic developmental plans inform the review of the municipality's IDP. Hence the uMlalazi Municipality IDP is strategically aligned to the following imperatives;

- Alignment to the NDP and PDGS and DGDP;
- Strategic mandates (SONA, SOPA, SODA)
- Implementation of RET, Operation Phakisa, B2B
- Public Participation and community engagements through the Mayoral Roadshows and CBPs
- MEC Comments as well as the Assessments Criteria from the KZN CoGTA.
- Annual Strategic Planning Session to review the strategic thrust of the IDP

Legislatively, the development of the IDP is in terms of the Chapter 5 of the Local Government Municipal Systems Act 32 of 2000 as amended.

The adoption of the Integrated Development Plans is contemplated in terms of Chapter 5 (Section 25 (1)) of the Municipal Systems Act 32 of 2000 which provides that;

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

- a) links, integrates 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 relevant legislations.*

Addressing the MEC Comments

MUNICIPAL IDP MATTERS OF EMPHASIS AND OBSERVATION		
Key Performance Area	Comment (Summarized)	Response
1. Municipal Transformation and Institutional Development.	Incorrect Vacancy Rate recorded	
2. Local Economic Development	Provide clear identification/analysis of key natural assets	
	Introduce initiatives to reduce red tape.	
	Identify initiatives aimed at Green Economy.	
	There is no relevant (specific economic sector) capacity for the LED unit to implement the IDP	
	Develop a Municipal Safety Plan.	
	Develop a bylaw for the implementation of Municipal Health Services	
	Provide responses for AG's comments in respect of PT recorded on Pg. 199 of the IDP Document	
	Align the Municipal LED Strategy to the National Framework on LED	
3. Basic Service Delivery	Indicate when the WSDP was last reviewed	
	Indicate the status of the WSA's O&M plan (adoption date of the plan)	
	Include a summary (with supporting maps) of the status, backlogs, needs and priorities for water and sanitation services. Maps provided are not clear and the information is outdated.	
	Provide a clear map for access to water within the Municipality.	
	Provide a clear map for access to Sanitation within the Municipality.	
	Provide a map showing the water projects.	
	Provide a map showing the sanitation projects.	
	The municipality does not have a Local Integrated Transport Plan.	
	Develop and adopt an electricity plan	
	Indicate cemetery site within the municipality	
	Update the Municipal Housing Sector	
	Ensure alignment between the Housing Sector Plan and KZN Human Settlement Spatial Master Plan	
4. Financial Viability and Management	Indicate level of grant dependency (calculation)	
	Indicate 3-year synopsis of funds received, spent, unspent, source of funding, variance tables and contingency plans to address challenges such as delays	
	Indicate whether projects are either "n" or "ongoing"	
	Indicate the increase/decrease of indigent support over the last three years	
	Develop monitoring mechanism to ensure that the budget allocated for people with disabilities is fully utilized	
	Indicate AG's opinion in the last financial year	
	Develop and adopt Revenue raising strategy	

MUNICIPAL IDP MATTERS OF EMPHASIS AND OBSERVATION		
Key Performance Area	Comment (Summarized)	Response
	Indicate 3 year outstanding debt per category	
	Reflect on sound financial strategies with regards to expenditure and Cost Containment to be implemented	
	Indicate the prior 3-year OPEX	
	Indicate projects with committed funding, which are not on the Municipal Budget, from other Sector Department/Funding agents aligned to DORA	
	Indicate SCM Challenges	
	Display cohesiveness to assess whether primary objectives of Service Delivery are met	
	Satisfactorily address aspects of Financial Viability which include Capital funding & expenditure, Indigent Management, Revenue raising & Debt Management	
Good Governance and Public Participation	Indicate Municipality's participation in provincial forum	
	Develop and adopt Service delivery Improvement Plan	
	Report on the functionality of the IDP steering Committee and Risk Management Committee	
	Ensure attendance and participation of Amakhosi in Council meetings	
	Indicate the functionality of IGR Structures.	
	Include a table setting out the status of Municipal Sector Plans and policies (including adoption date, review date, progress made, not yet developed, mandate for formulating sector plan.)	
5. Cross Cutting	Develop Strategic Plans to ensure environmental integrity	
	Improve on fire and rescue services in terms of resource capacity and budget.	
	Identify key challenges emanating from SWOT analysis	
	Include Disaster Risk profile maps in the SDF	
6. Strategic Thrust of the 6 KPAs	Publish a public notice announcing the adoption of the IDP in terms of in terms of Section 25(4) of the MSA	
	Align the Integrated Development Plan with the Municipal Support Plan.	
	Support and Participate in Coordinated District Model to ensure optimum integration and coordination of Service Delivery initiatives.	

Table 2: MEC Comments and Municipal Responses

The IDP, Budget and PMS Process Plan

The Process Plan was prepared and adopted by Council as per the requirements of the Municipal Systems Act (32 of 2000) which mandates municipalities to review IDP. This process plan aligns the four processes of the IDP, the Budget, SDBIP and the Performance Management System. The purpose is to ensure that Local Communities participated in the Development, implementation and review of the municipal Performance. **The 2020/21 Process Plan was adopted by Council on the 29th of August 2019 (UMC 13/08/19/20).** The 2020/21 IDP and Budget Process Plan encompasses the following:

- A program specifying the timeframes for the different planning steps;
- The structures that will manage the process;
- Appropriate mechanisms, processes and procedures for consultation and participation of local communities, organs of state, traditional authorities and other role players in the IDP review and budget formulation processes; and
- Cost estimates for the review process.

Public Participation

In order to ensure the uMlalazi Municipality achieves effective inclusion within the process of developing the IDP and Budget, the municipality utilizes the following mechanisms as required in terms of Chapter 4 of the Municipal Systems Act 32 of 2000;

- ❖ Public Notices and/or Loud Hailing
- ❖ Roadshows
- ❖ Advertisements
- ❖ Newsletters
- ❖ Social Media
- ❖ Radio Stations
- ❖ Municipal Website

Community Based Planning

As part of the review process of the IDP and Budget, and in compliance with the MSA 2000 and MFMA 2003, the municipality conducted a Community Based Planning process in the form of IDP/Budget Roadshows, so as to re-affirm service delivery needs and the municipality's commitment to service delivery and effective public participation. This process also aims at ensuring that the Batho Pele principles remain the priority of the municipality, while incorporating Back to Basic Strategy and Community Based Planning.

CLUSTER	WARDS	DATE	VENUE	TIME
	Traditional Authorities	21/10/2019	Council Chamber	10h00
	Business Sector	06/11/2019	Council Chambers	17h00
	IDP Representative Forum	27/11/2019	Premier Conference Centre	10h00
1	8, 11, 12, 13 & 14	31/10/2019	Eshowe Town Hall (Ward 11)	17h00
2	1, 2, 3, 4, 5, 6 & 7 (Joint)	01/11/2019	Bagibile Sports Field (Ward 7)	10h00
3	15, 16, 17, 18 & 19	05/11/2019	Nhlababo Hall (Ward 17)	10h00
4	20, 21, 22, 23, 24 & 25	07/11/2019	Eskebheni Community Hall (Ward 24)	10h00
5	9, 10, 26 & 27	08/11/2019	Nkume Hall (Ward 10)	10h00

Table 3: First Round IDP/Public Participation Roadshows

The municipal draft IDP/ Budget Roadshows and the Joint IDP Roadshows (with KCDM) ensure that the community inputs that were collated during the first round of roadshows (above table) have been properly and adequately been considered in the drafting of the review of the IDP. Such engagements are to further gather input on the alignment of the budget with the community needs prior to the tabling of the final budget and IDP. These roadshows afford all the stakeholders an opportunity to engage in the planning process of the IDP and the Budget, thus ensuring transparency and inclusiveness within the process. The following table indicates the schedule of meeting that took place as part of the second round of community participation meetings for the review of the IDP/Budget;

CLUSTER	WARDS	DATE	VENUE	TIME
	Traditional Authorities	2 April 2020	Council Chambers	10h00
1	8, 11, 12, 13 & 14	7 April 2020	KDS Hall (Ward 12)	17h00
2	15, 16, 17, 18 & 19	8 April 2020	Community Hall (Ward 15)	10h00
3	1, 2, 3, 4, 5, 6 & 7	15 April 2020	Biyela Peace Center (Ward 6)	10h00
4	20, 21, 22, 23, 24 & 25	16 April 2020	Ntshidi Tribal Court (Ward 23)	10h00

5	Business Sector	21 April 2020	Council Chambers	17h00
6	9, 10, 26 & 27	23 April 2020	To be confirmed	10h00
	IDP Representative Forum	13 May 2020	Gingindlovu Town Hall	10h00

Table 4: Second Round IDP/Public Participation Roadshows

The King Cetshwayo District's Framework Plan

The KCDM IDP Framework Plan ensures that there is alignment and integration of activities, projects and programmes between the IDPs of King Cetshwayo District Municipality and its Local Municipalities which are uMlalazi, uMhlathuze, uMfolozi, Mthonjaneni and Nkandla Local Municipalities.

3. Key Challenges

KEY PERFORMANCE AREA	KEY CHALLENGE	DESCRIPTION
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	Insufficient Skills Development	The skills audit undertaken annually identifies the skills gaps, but the WSP is not fully implemented
	ICT Audit Query	The AG audit indicated that the Municipality's ICT systems are somewhat ineffective and outdated.
	Outdated & Inadequate Policies	The municipality does not have a policy register in place which should identify outdated policies and those due for review.
	Ineffective Internal & external Communication	The municipality recently adopted the communication strategy and the implementation thereof needs to be monitored effectively.
	Non achievement of Employment Equity Targets	The municipality needs to continuously implement the EEP Targets in order to address the EEP backlog
	Inadequate Compliance with Archives Act	The IA findings reflected negatively in terms of compliance with Archives Act thus posing a risk organizational risk
BASIC SERVICE DELIVERY	Service Delivery Backlogs	There still exists some service delivery backlogs.
	Lack of formalized trading areas	There are still insufficient formalized trading areas in the urban and rural areas thus negatively impacting on LED.
	Natural Disasters	The municipal area is prone to natural disasters and the as the municipal area is so large in extent, the capacity to mitigate disasters is sometimes inefficient
LOCAL ECONOMIC & SOCIAL DEVELOPMENT	Slow progress on LED & Tourism Development in uMlalazi Municipality	The municipality has a wealth of Agriculture and tourism resources which are not fully exploited to promote LED.
	Unemployment	The municipality still has a high unemployment rate and much needs to be done by all sectors to improve this.
	Crime	The scourge of crime negatively impacts the GDP and the development of the municipality.
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	Insufficient Revenue Sources	The municipality is largely dependent on grants for service delivery and there is therefore a need to investigate other revenue sources.

KEY PERFORMANCE AREA	KEY CHALLENGE	DESCRIPTION
	Insufficient Infrastructure Maintenance	The Pavement Management Systems is not being fully implemented due to financial incapacity.
	Poor Monitoring of Service Providers	Monitoring of service providers is not done monthly in order to ensure early warning signs of poor performance.
	Inadequate Financial Performance	The municipality's debtor's age analysis still indicates outstanding debts that are over 120 days. Capital expenditure is below the 90% target.
	Electricity Losses	Electricity losses remains a challenge which always affect the AG Audit findings.
GOOD GOVERNANCE AND PUBLIC PARTICIPATION	Unqualified Audit Opinion	The municipality is yet to receive a clean audit.
	Poor participation in HIV/Aids Program	The HIV/AIDS infection rate still remains high and little is done to minimize the spread of HIV/AIDS
	Poor Public Participation Initiatives	The majority of ward committees are non-functional due to poor public participation initiatives.
	Poor implementation of Batho Pele	The Service delivery charter and the Batho Pele Policy has been developed but is lacking implementation
	Poor participation of AmaKhosi	There are 10 AmaKhosi which form part of Council, however, the majority of them do not attend.

Table 5: Key Challenges and Description

4. The Municipality's Vision and Mission

During the municipal annual strategic planning session in February 2019, management council resolved to keep the existing municipal vision. The municipality's vision thus remains as follows;

VISION:

“A model municipality for community empowerment and provision of services by a transformed institution in an area where everyone lives in harmony by 2035”

The Municipality's Mission

As part of the revision of the long term vision for the municipality, inevitably the mission will also be amended to be in line with the new proposed vision. Below are the commitments, in the form of mission statements, in which the municipality proposes to adopt;

The uMlalazi municipality in partnership with its community will strive to:

- Create sustainable and better services for all;
- Ensure a skilled, motivated and committed workforce;
- Create mutual trust and understanding between the municipality and the community through effective communication
- Emphasize better usage of resources;
- Provide infrastructure and build investor confidence;
- Enhance Batho - Pele principles and B2B pillars;
- Create a safe environment for all;
- Improve the Green Economy of our community by partnering with all stakeholders to create clean & safe place where people live and work;
- Ensure effective land use management that take cognizance of sound environmental practices;
- Enhance good governance through leadership excellence & community participation;
- Facilitate institutional transformation;
- Ensure continued sound financial management;
- Provide services to the entire community with diligence and empathy; and
- Apply good and transparent corporate governance to promote community prosperity

Long Term Strategic Goals and Desired Outputs

The uMlalazi Municipality has developed the following strategic goals to mitigate the key challenges. These strategic goals are directly linked to the municipal developmental vision for 2035, which is linked to National and Provincial goals.

Key Performance Area	1: Financial Viability and Management			
Strategic Goal	1. To have and maintain adequate capacity and capital to support municipal operational, infrastructure and basic services needs as well as healthy financial reserves for emergency purposes			
Strategic Objective	1. To promote a culture and environment of responsible, rational and lawful financial management practices and processes to be able to sustainably provide municipal services and survive during financial crisis by 30 Jun 2030			
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
1.1 Improve revenue generation for effective support of municipal functions	1.1.A: Provide timely and accurate billing accounts to all registered consumers by improving meter reading and statement delivery	% of statements made available to clients on time without billing errors by 30 Jun 2021	100%	FS
		% of accounts that are not based on estimates per month by 30 Jun 2021	100%	FS
	1.1.B: Create a digital web-based interactive self- service portal	% of accounts accessible to clients including by web based self-service platform by 30 Jun 2021	100%	FS
	1.1.C: Dedicate debt service clerks to remind and facilitate payments of debts	% improvement of collection of debts that are in arrears by up to 90 days by 30 Jun 2021	30%	FS
	1.1.D: Appoint a panel of 3 collection agents at risk for 10% collection fee which must be charged back to consumers accounts	% improvement of collection of debts that are in arrears above 90 days by 30 Jun 2021	100%	FS
	1.1.E: Conclude protocol agreements with Eskom and KCDM for disconnection of services	% of accounts with services cut due to arrears amount above 120 days by 30 Jun 2021	100%	FS
	1.1.F: Develop a system and designate local Peace Officers to curb electricity losses through theft	% reduction of electricity losses through theft by households and businesses by 30 Jun 2021	50%	FS
	1.1.G: Sign agreement with Ingonyama Trust and review rates Bylaws and VGR to include businesses within Ingonyama Trust land	% percentage retained rates revenue from generated from Ingonyama Trust Land located businesses by 30 Jun 2021	70%	FS
	1.1.H: Develop master plan for development of unused or underutilized land to expand revenue base	No. of approved master plans for development of unused or underdeveloped municipal land by 30 Jun 2021	1	PED
	1.1.I: Implement controlled parking meter system within all 3 major towns' CBD	% of retained revenue generated from controlled parking meter system by 30 Jun 2021	20%	CSD
	1.1.J: Establish municipal facility, tariffs, procedures and Bylaw for Vehicle Pounding	% of retained revenue generated from Vehicle Pound operating activities by 30 Jun 2021	20%	CSD
	1.1.J: Develop tourism and heritage assets revitalisation and revenue optimization plan	% percentage increase of revenue from tourism levies and related services	5%	CSD
	1.1.K: Install digital billboards and monitor outdoor advertising	% percentage revenue received from advertising charges	2%	PED
1.2 Streamline budget management processes to eliminate irregular, fruitless and avoidable expenses whilst	1.1.L: Review rates, charges and tariffs policies and by-laws to include all community halls and facilities	% increase of revenue generated from community facilities by 30 Jun 2021	2%	FS
	1.2.A: Develop practice note with measures to prevent opportunistic fruitless expenditure	% of expenditure that is incurred in vain amounting to material finding by AG by 30 Jun 2021	0%	FS
	1.2.B: Develop practice note to prevent and deal with unauthorised expenditure	% of unauthorised expenditure condoned by Council and not amounting to material finding by AG by 30 Jun 2021	100%	FS

Key Performance Area	1: Financial Viability and Management			
Strategic Goal	1. To have and maintain adequate capacity and capital to support municipal operational, infrastructure and basic services needs as well as healthy financial reserves for emergency purposes			
Strategic Objective	1. To promote a culture and environment of responsible, rational and lawful financial management practices and processes to be able to sustainably provide municipal services and survive during financial crisis by 30 Jun 2030			
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
improving rate of expenditure and audit outcomes	1.2.C: Improve rate of expenditure in line with an approved or adjusted budget	% of expenditure made against the approved or adjusted budget by 30 Jun 2021	100%	FS
	1.2.D: Develop practice note for consequence management for irregular, fruitless expenditure and underspending	% of incidences of irregular, fruitless expenditure and underspending resolved through consequence management by 30 Jun 2021	100%	FS
	1.2.E: Develop practice note for consequence management for failure or delays in responding to audit queries	% of departments that respond to internal and external audit queries and request for information on time by 30 Jun 2021	100%	OMM
	1.2.F: Review and implement comprehensive Delegations of Authority covering office bearers, committees and administration	No. of approved comprehensive Delegation of Authority framework by 30 Jun 2021	100%	FS
1.3 Ensure supply chain practices enable effective and timely service delivery and promotes radical local economic development	1.3.A: Develop strategy for sub-contracting to ensure proper implementation of set-asides for local contractors and SMMEs	% of procurement spent that benefited local SMMEs and cooperatives by 30 Jun 2021	40%	FS
	1.3.B: Review the SCM policy to allow for ring-fencing of contract classes for local SMMEs and cooperatives owned and managed by youth, women and by people with disabilities	% of procurement spent in the identified contract classes that benefited local SMMEs and cooperatives by 30 Jun 2021	100%	FS
	1.3.C: Develop practice note for effective management and monitoring of service providers	% reduction of contractors that are underperforming by 30 Jun 2021	90%	FS
	1.3.D: Retrain bid committees on proper application of SCM policies and adjudication of bids including consequences for recommending unsuitable non-compliant contractors	% reduction of contractors appointed without meeting bid requirement parameters of price and functionality by 30 Jun 2021	100%	FS
	1.3.E: Develop practice note for procurement plans approval and timely implementation	% of departments develop and implement their procurement plans timely by 30 Jun 2021	100%	OMM
1.4 Enhance internal controls environment for effective management, prevention and dealing with financial and operational risks	1.4.A: Develop practice note for effective management and resolution of internal and external findings	% of internal and external findings resolved during the year before the draft AFS by 30 Jun 2021	100%	OMM
	1.4.B: Review procedures for dealing with financial irregularities, fraud and corruption	% of financial management irregularities, fraud and corruption detected and corrected by 30 Jun 2021	100%	OMM
	1.4.C: Review and strengthen implementation of the MAMP including vehicles, fuel cards and vehicle care	% of savings on fuel and mileage on official municipal vehicles by 30 Jun 2021	20%	CS
	1.4.D: Review financial risk profile of the financial management and accounting cycle	Number of financial risk profiles developed for financial management and accounting cycle by 30 Jun 2021	1	FS
	1.4.E: Finalize the review of delegation of authority framework and schedule	% of incidents where delegated authority was exceeded by 30 Jun 2021	0%	CS

Key Performance Area	1: Financial Viability and Management			
Strategic Goal	1. To have and maintain adequate capacity and capital to support municipal operational, infrastructure and basic services needs as well as healthy financial reserves for emergency purposes			
Strategic Objective	1. To promote a culture and environment of responsible, rational and lawful financial management practices and processes to be able to sustainably provide municipal services and survive during financial crisis by 30 Jun 2030			
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
	1.4.F: Develop practice note for effective overtime management linked to productivity	% decrease of avoidable overtime across all sections by 30 Jun 2021	1	CS

Key Performance Area 2: Basic Service Delivery				
Strategic Goal 2: To have 100% satisfied communities and stakeholders with the quality of basic services delivered by the municipality				
Strategic Objective 2: To ensure that agreed upon and promised basic services are sustainably delivered timely, at the right place, in the right quality, quantity and frequency by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
2.1 To ensure provision of basic access to electricity by all communities in a sustainable manner	2.1.A: Review and implement funded households electrification plan	% of households electrified in terms of the electrification plan by 30 Jun 2021	100%	ES
	2.1.B: Design and roll out NERSA guidelines based electricity usage awareness and education campaign	% of consumers reached with electricity awareness campaign by 30 Jun 2021	100%	CSD
	2.1.C: Review and implement electrical infrastructure maintenance plan	% of electrical infrastructure maintained in terms of the plan by 30 Jun 2021	20%	ES
	2.1.D: Conduct Municipal Systems Act section 78 assessment for MSP of off the grid renewable energy supply to a designated pilot rural area	No. of Section 78 assessments for external mechanism for electricity provision completed by 30 Jun 2021	1	ES
2.2 To ensure provision, cleaning and maintenance of municipal roads, access roads, causeways and storm water	2.2.A: Develop and implement basic services infrastructure provision masterplan for roads, causeways, storm water in rural and semi-urban communities	No. of approved basic services infrastructure master plans by 30 Jun 2021	1	ES
		% of infrastructure installed based on the plan and budget by 30 Jun 2021	100%	ES
	2.2.B: Develop and or review and implement basic services infrastructure maintenance plan	No. of approved and or reviewed basic services infrastructure maintenance master plans by 30 Jun 2021	1	ES
	2.2.C: Develop and implement basic services monitoring plan for maintenance, cleaning and cleansing of public spaces and facilities	% of basic services monitored in terms of the monitoring plan by 30 Jun 2021	100%	CSD
2.3 Facilitate and enable controlled spatial growth in underutilized municipal land	2.3.A: Develop a master plan to provide serviced stands on the unused or underutilized land	No. of approved master plans for optimization of unused or underdeveloped municipal land 30 Jun 2021	1	PED
	2.3.B: Source funding to provide serviced stands on the unused or under utilized land based on the master plan	% of funding secured for development of unused or underdeveloped municipal land by 30 Jun 2021	100%	ES
	2.3.C: Identify land and develop a plan for new Civic Centre with municipal offices and government services	No. of approved plans for a new multipurpose Civic Centre by 30 Jun 2021	1	PED
	2.3.D: Source funding for phase 1 development of the Civic Centre precinct	% of funding secured for development of phase 1 development of the new Civic Centre by 30 Jun 2021	100%	CSD

Key Performance Area 2: Basic Service Delivery				
Strategic Goal 2: To have 100% satisfied communities and stakeholders with the quality of basic services delivered by the municipality				
Strategic Objective 2: To ensure that agreed upon and promised basic services are sustainably delivered timely, at the right place, in the right quality, quantity and frequency by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
2.4 To increase the accessibility of municipal vehicles and plant	2.4.A: Develop and implement municipal fleet replacement plan based on status quo report	No. of municipal fleet replacement plans implemented by 30 Jun 2021	1	CS
	2.4.B: Develop and implement and approved 'no longer fit for purpose' fleet disposal plan	% of fleet not fit for purpose disposed in terms of the disposal plan by 30 Jun 2021	100%	CS
	2.4.C: Review and implement Grader Combo according to the approved schedule	% of completed roads according to Grader Combo schedule by 30 Jun 2021	100%	CS
2.5 Ensure effective and viable emergency response to disasters through MSP with neighbouring municipalities, district and private sector	2.5.A: Collaborate with the District and COGTA to implement the Disaster Risk Management Plan prioritising wards prone to lightening, hailstorms and fire.	% of households identified in the DRMP as prone to lightening, hailstorm and fire supplied with preventative measures by 30 Jun 2021	100%	CSD
	2.5.B: Build capacity of local people to understand disaster risks, assist with prevention and emergency support during disasters within their communities	% of wards in the disaster high risk study educated on disaster mitigating measures by 30 Jun 2021	100%	CSD
		% of wards with standby trained groups in disaster prevention and emergency support by 30 Jun 2021	100%	CSD
	2.5.C: Provide emergency services to Mbongolwane and Kwabulawayo and surrounding areas through agreements with private and government entities	No. of emergency response agreement to effectively service Mbongolwane and Kwabulawayo areas by 30 Jun 2021	2	CSD
2.6 To promote safe communities through public safety and road safety initiatives	2.5.D: Upgrade emergency communication channels and equipment for reporting and responding to disasters	No. of operational reporting channels in place to enable timely reporting and managing disasters by 31 Dec 2020	4	CSD
	2.6.A: Develop Climate Change and Adaptation Strategy with assistance from MISA	No. of Climate Change and Adaptation Strategy approved by 30 Jun 2021	1	CSD
	2.6.B: Finalise and implement the Safety and Security Plan (SSP) for the entire municipal area	% of wards with village or street safety committees working with community policing forum by 30 Jun 2021	100%	CSD
	2.6.C: Utilize technology and community structures to monitor and report criminal incidents and security concerns	No. of technology based channels formalized for receiving reports from and communicating with communities by 30 Jun 2021	4	CSD
	2.6.D: Develop designs for a Grade A Vehicle Licensing and Testing Station	No. of designs for a Grade A Vehicle Licensing and Testing Station approved by 30 Jun 2021	1	CSD
	2.6.E: Develop and implement a plan for conducting of road and personal safety awareness campaigns	% of road and personal safety campaigns conducted in terms of the approved plan by 30 Jun 2021	100%	CSD
	2.6.F: Source funding from COGTA and others to establish municipal Animal pound and Bylaw	% reduction of accidents caused by stray animals in municipal road network by 30 Jun 2021	50%	CSD
	2.6.G: Develop and implement training plan for staff designated as Peace Officers	% of staff designated as Peace Officers trained in terms of the approved plan by 30 Jun 2021	100%	CSD

Key Performance Area 3: Economic and Social Development				
Strategic Goal 3: To have social and economically sustainable, viable, and vibrant villages, towns and townships that are cohesive and thriving.				
Strategic Objective3: To promote inclusive socio-economic progress by providing accessible community facilities, social services and economic infrastructure by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
3.1 Promote the growth of the local economy and the reduction of unemployment of women, youth and people living with disabilities	3.1.A: Increase budget of allocation to LED to stimulate their economic activities	% percentage increase of LED budget provided to SMMEs and Cooperatives support efforts by 30 Jun 2021	300%	PED
	3.1.B: Develop and implement training plan for SMME's and Cooperatives in construction through CIDB and SEDA support	% of SMMEs and Cooperatives in construction trained in terms of the training plan by 30 Jun 2021	100%	ES
	3.1.C: Develop or review LED strategy focusing on people living with disabilities, youth and women owned SMMEs, Cooperatives and informal traders	No. of developed or reviewed LED strategies for SMMEs, cooperatives and informal traders by 30 Jun 2021	1	PED
	3.1.D: Develop and implement targeted job creation plan through EPWP, CWP and other poverty alleviation programmes.	% of EPWP, CWP and other poverty alleviation programmes' participants recruited from the each targeted sector groups by 30 Jun 2021	100%	CSD
	3.1.E: Streamline Siza Bonke Works Program to accommodate the unemployed and women headed households	% of Siza Bonke Works Programme participants from unemployed and women headed households by 30 June2021	100%	CSD
	3.1.F: Develop and implement EPWP and CWP participants exit strategy	% of EPWP and CWP programme participants prepared for exit in terms of exit strategy by 30 Jun 2021	100%	CSD
	3.1.G: Develop and implement tourism sector transformation plan to include quotas for youth, women and people living with disabilities participation in heritage and eco-tourism	No. of tourism sector transformation plans approved an being implemented by 30 Jun 2021	1	PED
	3.1.H: Formalize shared services for bulk buying, storage, transport and access to credit Informal Traders Upliftment Programme participants	% percentage of ITUP participants receiving support through the shared services by 30 Jun 2021	100%	PED
	3.1.I: Source funding for establishing entrepreneurial trade centres in dense population areas within rural and semi urban centres	No. of proposed entrepreneurial trade centres with approved funding by 30 Jun 2021	3	PED
3.2 Promote foreign and internal direct investment in high impact economic sectors	3.2.A: Review investment strategy to incorporate oceans economy, agro-processing, primary agriculture, manufacturing, mining, renewable energy and eco-tourism	No. of investment strategies completed and approved by 30 Jun 2021	1	PED
	3.2.B: Develop a masterplan for light and heavy industrial manufacturing sectors	No. of approved master plans for light and heavy industrial manufacturing sector by 30 Jun 2021	1	PED
3.3 Improve public infrastructure and facilities to promote health and safety, informal trading, recreation and reduced road accidents	3.3.A: Construct all speed humps and sidewalk in terms of the allocated budget	% percentage of planned speed humps and sidewalks constructed by 30 Jun 2021	100%	ES
	3.3.B: Construct all public transport and hawkers shelters as per MIG and internal capital funds	% percentage of planned shelters constructed in terms of allocated capital funds by 30 Jun 2021	100%	ES
	3.3.C: Construct community halls in terms of budget allocated for the financial year	% percentage of planned community halls constructed in terms of allocated capital budget by 30 Jun 2021	100%	ES
	3.3D: Conduct ward based waste management awareness programmes	No. of wards that held waste management awareness programme by 30 Jun 2021	27	CSD

Key Performance Area 3: Economic and Social Development				
Strategic Goal 3: To have social and economically sustainable, viable, and vibrant villages, towns and townships that are cohesive and thriving.				
Strategic Objective3: To promote inclusive socio-economic progress by providing accessible community facilities, social services and economic infrastructure by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
	3.3.E: Merge HIV/AIDS Council (LAC) and other health issues into Local Primary Health Council	No. of LPHC responsible for HIV/Aids, TB, COVID-19 and other primary health care issue launched by 30 Jun 2021	1	CSD
	3.3.F: Develop schedule, Charter and implement the LPHC in partnership with the DoH	No. of schedules and charters developed and adopted by 30 Jun 2021	1	CSD
	3.3.G: Partner with the DOH and provide basic disease management and ethics training to the LPHC	% of Local Primary Health Council members trained on disease management and ethics by 30 Jun 2021	90%	CSD
3.4 Codify and preserve municipal infrastructure and buildings	3.4.A: Develop and implement Maintenance Plan for municipal buildings in terms of the allocated budget	% of allocated budget spent on municipal maintenance by 30 Jun 2021	100%	CS
	3.4.B: Liaise with DOT to register designated access roads in order to recognise them as assets	% of designated access roads registered and entered onto the municipal assets register by 30 Jun 2021	100%	PED
3.5 Promote early childhood development, social integration and cohesive communities	3.5.A: Develop and implement Maintenance Plan for municipal buildings in terms of the allocated budget	% of allocated budget spent on municipal maintenance by 30 Jun 2021	100%	CS
	3.5.B: Liaise with DOT to register designated access roads in order to recognise them as assets	% of designated access roads registered and entered onto the municipal assets register by 30 Jun 2021	100%	PED

Key Performance Area 4: Municipal Transformation and Institutional Development				
Strategic Goal 4: To have appropriate and up to date systems, tools and people with skills and right attitude to perform municipal Constitutional and other transformation legislated duties, equitably.				
Strategic Objective 4: To promote progressive transformation of the municipality by upgrading policies and systems and building capacity of officials and Councillors for effective and equitable service provision by 30 June 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
4.1 To improve IT systems for better municipal functioning, information management, communication and public education purposes	4.1.A: Review ICT strategy, update fibre installation project plan and monitor progress	% of facilities with access to high speed internet connectivity in terms of the strategy and fibre project plan by 30 Jun 2021	50%	CS
	4.1.B: Train all administrative employees on municipal Document Management System	% of administrative employees trained on municipal Document anagement System by 30 Jun 2021	100%	CS
	4.1.C: Establish funding partnership agreement with the Department of Arts and Culture for Cyber Cadet and library computers.	No. of partnership agreements with Department of Arts by 30 Jun 2021	1	CSD
	4.1.D: Upgrade telecommunication infrastructure channels for emergencies	No. of telecommunication infrastructure channels accessible 24/7 by 30 Jun 2021	3	CSD
	4.1.E: Automate leave management and train line supervisors on the leave software	% of leave applications made and processed through automated leave software by 30 Jun 2021	100%	CS
	4.1.F: Train Councillors and ward committee secretaries on basic to intermediate computer proficiency including use of social media platform	% of Councillors and Ward Committee secretaries trained on computer proficiency and social media platforms by 30 Jun 2021	100%	CS

Key Performance Area 4: Municipal Transformation and Institutional Development				
Strategic Goal 4: To have appropriate and up to date systems, tools and people with skills and right attitude to perform municipal Constitutional and other transformation legislated duties, equitably.				
Strategic Objective 4: To promote progressive transformation of the municipality by upgrading policies and systems and building capacity of officials and Councillors for effective and equitable service provision by 30 June 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
	4.1.G: Train all staff on social media platform usage to communicate, report and monitor service delivery	% of staff members trained on social media policy and social media platforms by 30 Jun 2021	100%	CS
4.2 To promote team work, communication and build capacity of leadership and staff to collaboratively execute constitutional duties and enhance overall organisational performance	4.2.A: Implement the WSP for Councillors and staff utilizing the 1% of salary budget	% of Councillors enrolled or have completed identified skills programmes as per the WSP by 30 Jun 2021	100%	CS
	4.2.B: Develop and implement the Placement Plan for work integrated learning, internship, learnership and in-service participants	% of work integrated learning participants recruited and placed according to the Placement Plan by 30 Jun 2021	100%	CS
	4.2.C: Update and implement the WSP for staff in terms of 1% of salary budget and training grants allocation	% of officials enrolled or have completed identified skills programmes as per the WSP by 30 Jun 2021	100%	CS
	4.2.D: Conduct team building workshops for councillors and officials at all levels	No. of departmental team building workshops for staff conducted by 30 Jun 2021	1	OMM
		No. of departmental team building workshops for staff conducted by 30 Jun 2021	6	CS
	4.2.E: Establish a panel of accredited training providers for a period of 3 years	No. of accredited training providers in the established panel by 31 Dec 2020	6	C S
4.3 Ensure compliance with the Archives, Employment Equity, Labour Relations Act and improve audit outcomes	4.3.A: Conduct a cost benefit analysis study for municipal owned central depot versus external provided services for all records by 30 Jun 2021	No. of cost benefit analysis reports done for records depot by 30 Jun 2021	1	CS
	4.3.B: Conclude service agreement with external Document Management provider for long term archiving	No. of long term documents storage agreement concluded by 30 Jun 2021	1	CS
	4.3.C: Identify target group through social or representative bodies and through Councillors	% of equity posts in the approved staff establishment filled by 30 Jun 2021	100%	CS
4.4 To ensure that the Municipality has an updated set of policies and Bylaws	4.4.A: Conduct an overall assessment of all municipal policies and Bylaws	No. of policies and Bylaws relevance status quo report by 30 Jun 2021	1	CS
	4.4.B: Review all outdated municipal policies and Bylaws to be in line with current laws	% of policies and Bylaws reviewed as per the status quo report by 30 Jun 2021	75%	CS
	4.4.C: Develop policies and Bylaws register and depository	No. of policies and Bylaws depository established and updated annually by 30 Jun 2021	1	CS
	4.4.D: Approach MISA at COGTA for improvement support with review of policies and development of policy register	No. of support plans implemented with the assistance of MISA by 31 Dec 2020	1	CS
4.5 To ensure that there safe, secured and suitable office space for the officials and Council Office Bearers and Councillors	4.5.A: Purchase a temporal mobile office container to house some of the PED staff to give dignity and privacy to the HOD	No. of mobile containers for temporal PED staff accommodation by 30 Dec 2020	1	CS
	4.5.B: Develop and implement compliance Occupational Health & Safety standards for all municipal office spaces	% of municipal office complying with developed OHS standards by 30 Jun 2021	100%	CS
	4.5.C: Develop optional designs for reconfigured office space to accommodate all executives and Councillors.	No. of optional designs developed and accepted with its cost implications by 30 Jun 2021	1	CS
	4.5.D: Installation security and customer service surveillance CCTV recording cameras in all municipal facilities	% of offices and customer service points with surveillance CCTV cameras by 30 Jun 2021	50%	CS

Key Performance Area 4: Municipal Transformation and Institutional Development				
Strategic Goal 4: To have appropriate and up to date systems, tools and people with skills and right attitude to perform municipal Constitutional and other transformation legislated duties, equitably.				
Strategic Objective 4: To promote progressive transformation of the municipality by upgrading policies and systems and building capacity of officials and Councillors for effective and equitable service provision by 30 June 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
	4.5.E: Install security and biometrics access and work attendance control for all staff and Councillors	% of officials and Councillors enrolled in the security and access control system by 30 Dec 2020	100%	CS
	4.5.F: Procure and install fire alert, internal automatic fire extinguishers and alarm system	% of offices with functional fire alert, fire extinguishing and alarm system by 30 Jun 2021	50%	CS

Key Performance Area 5: Good Governance and Public Participation				
Strategic Goal 5: To have and maintain participatory and reputable systems of governance and operations, grounded on external clean audit outcomes.				
Strategic Objective 5: To promote an organisational culture and practices grounded on compliance with all applicable laws, in collaboration with all stakeholders by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
5.1 Create and maintain culture of excellent customer service, professionalism, consequence management and high performance	5.1.A: Conduct annual customer needs, satisfaction and quality of life survey	No. of customer needs, satisfaction and quality of life surveys conducted by 30 Jun 2021	1	CSD
	5.1.B: Develop and implement customer service complaints procedure manual	% of customer service related complaints resolved within service charter standards and complaints procedure manual by 30 Jun 2021	100%	CSD
	5.1.C: Conduct staff and Councillors communication and customer care etiquette skills workshop	% of staff and Councillors trained on communication and customer care etiquette by 30 Jun 2021	1	CS
	5.1.D: Conduct quarterly performance review sessions with each departmental head	No. of quarterly performance reviews conducted per department by 30 Jun 2021	4	OMM
	5.1.E: Implement performance and misconduct related consequence management	% of incidents of poor performance where corrective action has been effected by 30 Jun 2021	100%	OMM
	5.1.F: Develop and sign with all Councillors and staff, the Code of Conduct and Code of Ethics	% of staff and Councillors who have signed the Code of Ethics and Conduct and oriented on consequences of breach by 31 Dec 2020	100%	CS
	5.1.G: Review the organisational organogram in line with available financial resources	No. of organograms reviewed in line with available budget by 30 Jul 2020	1	CS
	5.1.H: Review and align management job contents and profiles to be in line with performance framework	% of managers' job contents and profiles reviewed and aligned to performance contracts by 30 Jun 2021	100%	OMM
	5.1.I: Conduct quarterly performance review sessions with each section manager	No. of quarterly performance reviews conducted with each section manager by 30 Jun 2021	4	HOD
	5.1.J: Arrange and for the sitting of the Standing Rules and Orders Committee meetings	No. of ordinary meetings of Standing Rules and Orders Committee per year by 30 Jun 2021	4	CS
5.2 To cultivate and maintain a culture of	5.2.A: Develop and implement the Rapid Response Committee's interventions action plan	% of Rapid Response Committee's interventions implemented in terms of action plan by 30 Jun 2021	1	CSD
	5.2.B: Publish Council resolutions on the website and libraries once confirmed, every quarter	% of confirmed Council resolutions published in the website and libraries by 30 Jun 2021	100%	CS

Key Performance Area 5: Good Governance and Public Participation				
Strategic Goal 5: To have and maintain participatory and reputable systems of governance and operations, grounded on external clean audit outcomes.				
Strategic Objective 5: To promote an organisational culture and practices grounded on compliance with all applicable laws, in collaboration with all stakeholders by 30 Jun 2030				
Functional Objective	Strategic Activity	Key Performance Indicator	Target	Dept
participative democracy, collaboration and social cohesion	5.2.C: Develop and implement standard reporting format to the Committees of Council about attended IGR meetings	% of IGR meetings attended and reported about to the relevant Council committee by 30 Jun 2021	100%	CSD
	5.2.D: Develop and implement quarterly Performance reporting format for ward committees and social structures.	% of ward committees and social structures submitting quarterly performance reports by 30 Jun 2021	100%	CSD
	5.2.E: Establish quarterly municipal newsletter that is web-based and available in community centres	No. of newsletters published per quarter by 30 Jun 2021	4	CSD
	5.2.F: Implement Ward Committees' capacity building programme	% of ward committee members who received training by 30 Jun 2021	70%	CSD
	5.2.G: Review the strategy and incentive policy for traditional leaders to participate in the affairs of Council	No. of strategies and incentive policy developed and implemented to promote traditional leaders participation in Council affairs by 30 Jun 2021	1	CSD
		% of traditional leaders attending and participating in Council meetings and activities by 30 Jun 2021	100%	CSD
	5.2.H: Develop and implement high credible Integrated Development Plan	% improvement of Integrated Development Plan credibility score by MEC panel by 30 Jun 2021	10%	PED
	5.2.I: Develop and implement LTT work plan and War Rooms intervention plan for quarterly meetings	No. of LTT meeting held in accordance with the work plan per year by 20 Jun 2021	1	CSD
		% of War Room issues resolved in terms of the intervention plan by 30 Jun 2021	100%	CSD
	5.2.J: Monitor implementation and monitoring of Batho Pele in the Municipality by holding quarterly meetings	No. of meeting held by Batho Pele Champions and senior management on implementation of Batho Pele by 30 Jun 2021	4	OMM

Table 6: Future Outputs, Outcomes and Deliverables

Strategic Development Framework Vision

In terms of the Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA), a municipal spatial development framework must include a longer-term spatial development vision statement for the municipal area which indicates a desired spatial growth and development pattern for the next 10 to 20 years.

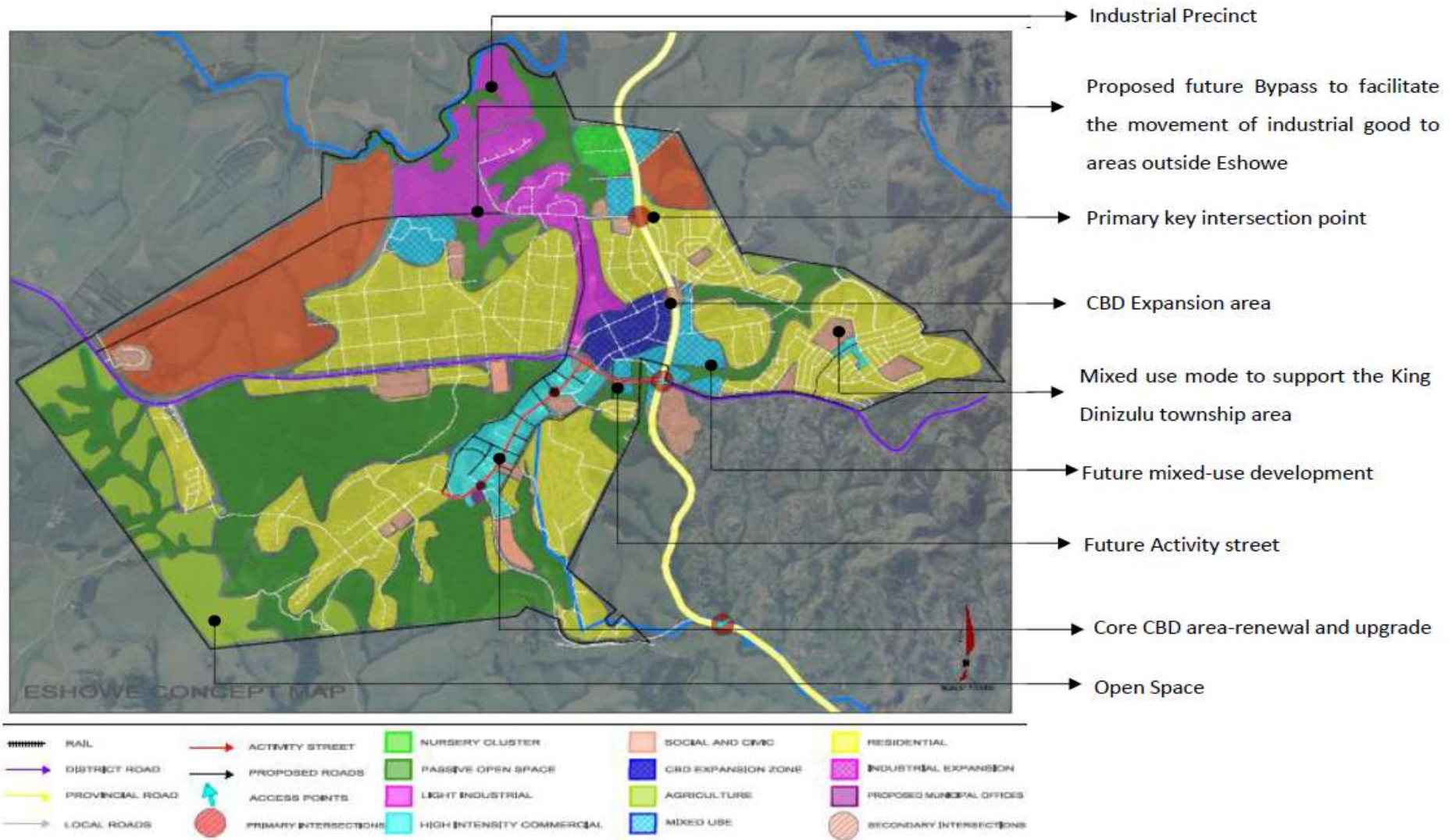
With this in mind, the reviewed SDF Vision should take cognizance of SPLUMA spatial principles of spatial justice, spatial sustainability, efficiency, spatial resilience and good administration. Taking into cognizance the SPLUMA spatial principles and inputs from various stakeholders, the reviewed vision was suggested to read as follows;

“By 2035 uMlalazi Municipality will be a socially inclusive, economically viable, environmentally friendly and spatially resilient Municipality where its people enjoy living”.

Nodal Development Plans

The uMlalazi Municipality developed | Nodal Development Plans for the three towns; Eshowe, Mthunzini and Gingindlovu. The objective in developing the nodal development plans was to optimise the use of existing resources and to encourage densification, intensification and diversification of land uses within the three towns identified as primary nodes in terms of the municipality’s SDF. As such nodal plans are important policy instruments which will be used by the municipality to promote economic growth, urban renewal and protection of biodiversity within the key primary nodes.

The municipality has committed itself to the fulfilment of its constitutional mandate to spatially plan for the development of its key nodal areas. This is to direct and ensure the utilisation of its resources towards the growth of each node. Through these nodal plans, each town therefore has prescribed development proposals.



DEVELOPMENT OF A NODAL PLAN FOR ESHOWE: UMLALAZI LOCAL MUNICIPALITY



Map 3: Eshowe Conceptual Plan

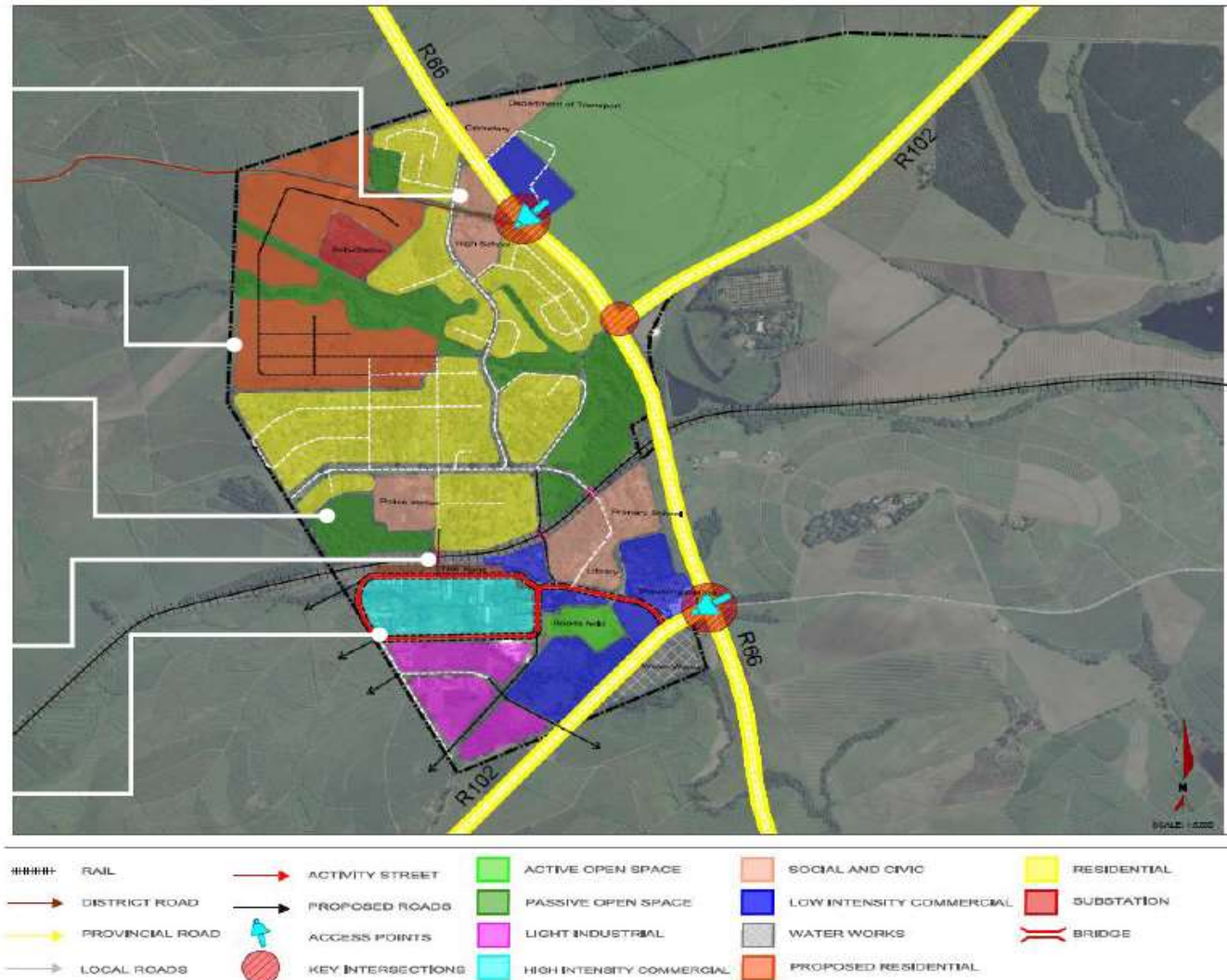
Key intersection point. A health facility is proposed at to cater for need of the community and surrounding settlements.

Proposed new residential development to include low-income and middle-income housing.

Open space system: To be integrated into the residential development in the area and act as buffer zone between different residential development intensities.

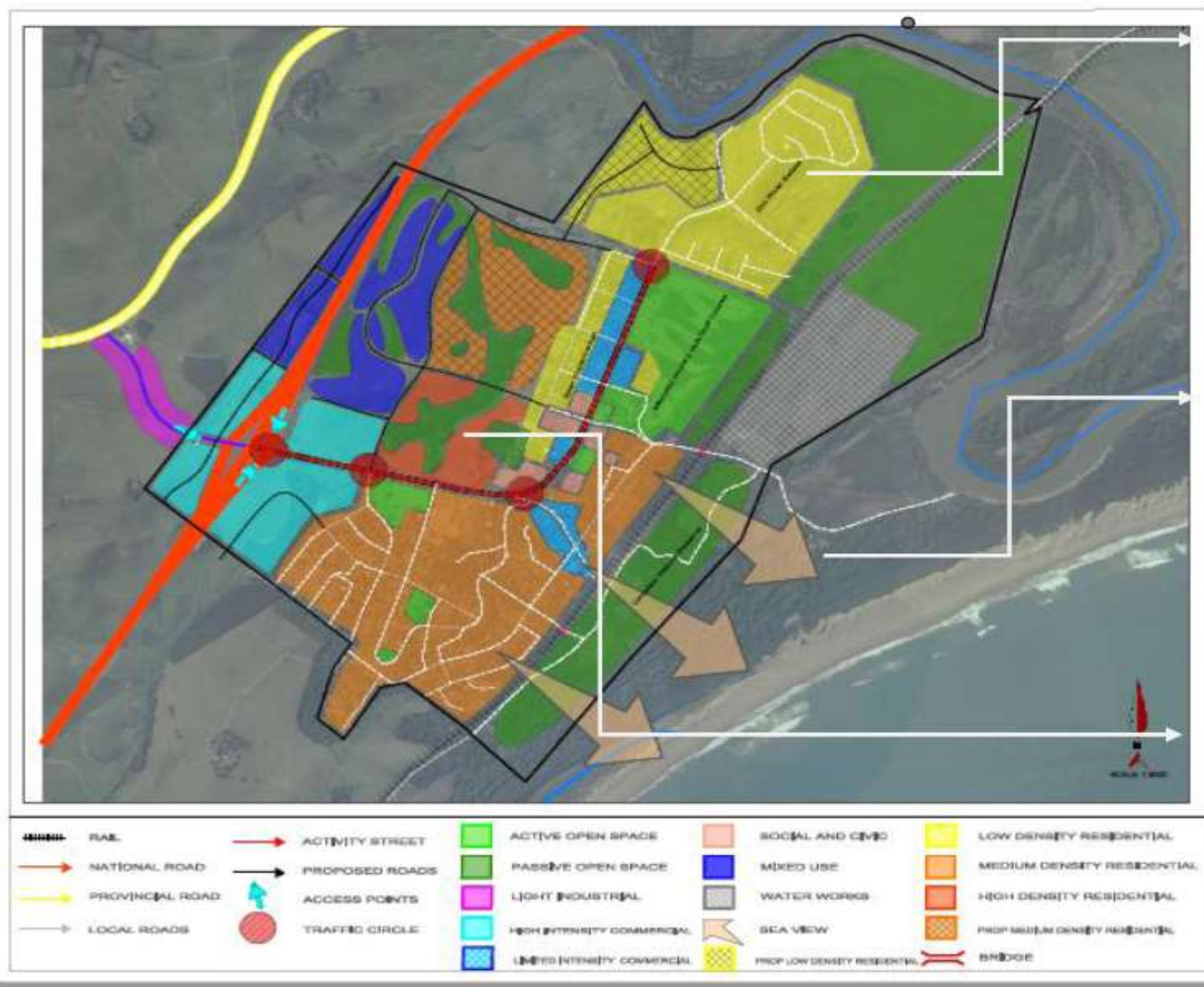
The upgrading of walkways, pedestrian crossings and provision of landscaping is proposed along this street.

Main street must be developed as an activity spine. It is currently where most activities take place.



DEVELOPMENT OF A NODAL PLAN | GINGINDLOVU

Map 4: Gingindlovu Conceptual Plan



Low density residential exists within Zini River Estate.

Open space: No development zone.

Forest areas which will form part of the open space network leading to the beach front. The pedestrian route leading to the beach front needs to be upgraded to provide lighting, maintained walkways and sitting places.

No high buildings are proposed to the south east of the town to avoid obstructing sea view from the western and centre.

Hely Hutchins Street has been identified as the main movement route through Mtunzini. Two key intersection point are proposed along Hely Hutchins Street.

Medium density residential development to accommodate middle income earners and population residing in the area on a rental basis.

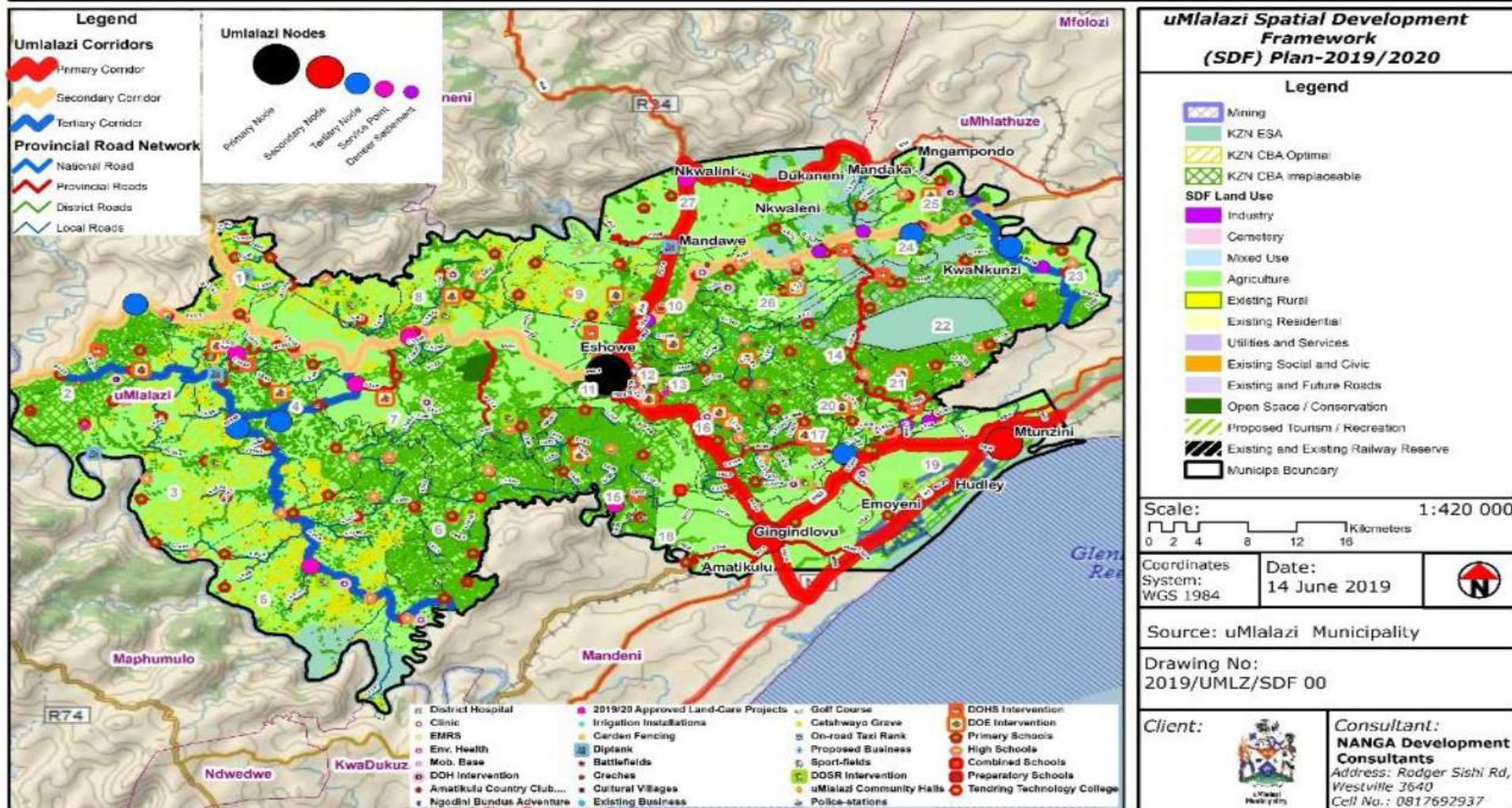
Development of storage areas, warehouse retail and other related light industry uses on the spine between R102 and N2.

Proposed core commercial development and

DEVELOPMENT OF NODAL PLANS FOR UMLALAZI LOCAL MUNICIPALITY: MTUNZINI

Map 5: Mthunzini Conceptual Plan

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 6: Combined Focus Areas

5. Performance Management

The progress will be measured through the Organizational Performance Management Scorecard (OPMS) and the Service Delivery, Budget, Implementation Plan (SDBIP). The targets that will be set for the OPMS will be more strategic and linked to the Municipal Managers Performance and the operational targets will be set for the SDBIP and will be linked to the Performance of the Managers directly accountable to the Municipal Manager. These will be provided in the final IDP Review Document. The flow chart below illustrates the performance management system.

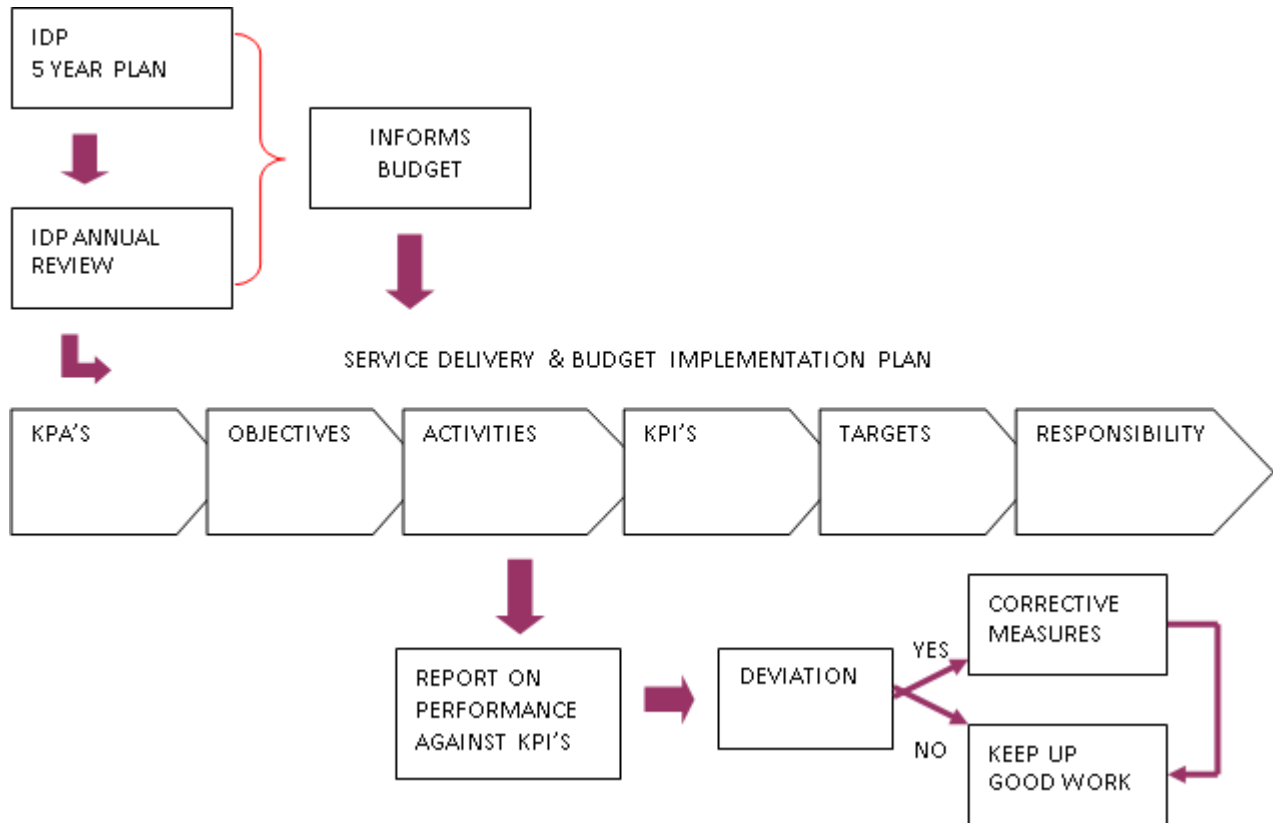


Figure 2: Performance Management

SECTION B1: PLANNING AND DEVELOPMENT PRINCIPLES

6.1. Planning and Economic Development Principles

Planning and Economic Development at local level functions in terms of, and in alignment with National and Provincial policy frameworks. The functions in terms of Planning and Economic Development at municipal level should be implied by the following principles;

6.1.1. PGDS Spatial Planning Principles

- The strategic and targeted nature of the Provincial Growth and Development Strategy implies that specific interventions will be undertaken within key geographical areas of Need and Potential.
- The Principle of Environmental Planning (Bioregional Planning) refers to understanding and respecting the environmental character (potential and vulnerability) and distinctiveness of places and landscapes and promoting balanced development in such areas.
- The Principle of Economic Potential aims to improving productivity and closing the economic performance gap between the various areas of KwaZulu-Natal towards economic excellence of all areas. Rapid economic growth that is sustained and inclusive is seen as a pre-requisite for the achievement of poverty alleviation.
- The Principle of Sustainable Communities promotes the building of places where people want to live and work. Again the sense of Quality of Living refers to the balance between environmental quality, addressing social need and promoting economic activities within communities. Often communities within the rural context of KwaZulu-Natal are not located in the areas with perceived highest economic potential. Where low economic potential exists planning and investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities towards building sustainable communities.
- The Principle of Local Self-Sufficiency promotes locating development in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally.
- The Principle of Spatial Concentration aims to build on existing concentrations of activities and infrastructure towards improved access of communities to social services and economic activities. In practical terms this promotes concentration along nodes and corridors with multi-sectoral investment i.e. roads, facilities, housing etc. This principle will further assist in overcoming the spatial distortions of the past. Future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or link the main growth centers in order for them to become regional gateways.
- The Principle of Sustainable Rural Livelihoods considers rural areas in a way which is integrated with other decision making associated with the Sustainable Livelihoods framework. This principle requires that spatial planning consider the locality and impact of human, physical, natural, financial and social capitals of an area and spatially structures these in support of each other. Another aspect of this principle is promoting spatial planning in a continuum where rural areas are not addressed as completely separate entities to urban centers, but rather a gradual change in landscape with the potential progression of rural areas to more closely resemble the service standards and quality of living achieved in some urban contexts.
- The Principle of Balanced Development promotes the linking of areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration at all spatial scales. In practical terms the principles sought to find a balance between the potentially competing land uses by understanding the relationship and integration between major dimensions within the province and promoting a synergetic mixture of land uses in support of each other at various spatial scales.
- The Principle of Accessibility simply promotes the highest level of accessibility to resources, services, opportunities and other communities. This is intrinsically linked to transportation planning and should consider localized needs for the transportation of people and goods by various modes of transport as guided by the scale and function of a region.

6.1.2. SPUMA Principles

The following provides a summary of the development principles contained in the SPLUMA (Spatial Planning and Land Use Management Act):

a) The principle of spatial justice, whereby –

- i. past spatial and other development imbalances must be redressed through improved access to and use of land;
- ii. spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterized by widespread poverty and deprivation;
- iii. spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons;
- iv. land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;
- v. land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas; and
- vi. a Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the grounds that the value of land or property is affected by the outcome of the application.

b) The principle of spatial sustainability whereby spatial planning and land use management systems must –

- i. promote land development that is within the fiscal, institutional and administrative means of the Republic;
- ii. ensure that special consideration is given to the protection of prime and unique agricultural land;
- iii. uphold consistency of land use measures in accordance with environmental management instruments;
- iv. promote and stimulate the effective and equitable functioning of land markets;
- v. consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;
- vi. promote land development in locations that are sustainable and limit urban sprawl; and
- vii. result in communities that are viable.

c) the principle of efficiency, whereby –

- i. land development optimizes the use of existing resources and infrastructure;
- ii. decision-making procedures are designed to minimise negative financial, social, economic or environmental impacts; and
- iii. development application procedures are efficient and streamlined and timeframes are adhered to by all parties.

d) the principle of spatial resilience, whereby flexibility in spatial plans, policies and land use management systems are accommodated to ensure sustainable livelihoods in communities most likely to suffer the impacts of economic and environmental shocks.

e) the principle of good administration, whereby –

- i. all spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;
- ii. all government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of spatial development frameworks;
- iii. the requirements of any law relating to land development and land use are met timeously;

- iv. the preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and
- v. policies, legislation and procedures must be clearly set in order to inform and empower members of the public

Section 12 (1) (a) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“Interpret and represent the spatial development vision of the responsive sphere of government and competent authority”

Section 12 (1) (h) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“Include previously disadvantaged areas, areas under traditional leadership, rural areas, informal settlements, slums and land holdings of state-owned enterprises and government agencies and address their inclusion and integration into spatial, economic, social and environmental objectives of relevant sphere”.

Section 12 (1) (i) of the Spatial Planning and Land Use Management Act requires that the national and provincial sphere of government and each municipality must prepare spatial development framework that:

“Address historical spatial imbalances in development”

The Municipal SDF is a primary spatial response to the development context, needs and development vision of the municipality (long term development vision). It is a key land use management tool at a strategic level with an important role to play in guiding and managing Municipal decisions relating to the use, development and planning of land.

The Municipal SDF also guides the form and location of future spatial development in a manner that addresses the imbalances of the past i.e. spatial injustice. It enables the municipality to manage its land resources in a developmental and sustainable manner. It provides an analysis of the spatial problems and provides strategies and programs to address the challenges.

6.1.3. The White Paper on persons living with disabilities.

The white paper on the Rights of Persons with Disabilities seeks to outline the rights and responsibilities of persons living with disabilities. The White Paper on Rights of Persons with Disabilities also aims to ensure that the rights of persons with disabilities are implemented in terms of the constitution. Furthermore, the white paper, seeks to emphasise the need for including the persons living with disabilities in the mainstream of society and to eliminate difficulties experienced by persons living with disabilities in accessing their fundamental social, political and economic rights.

The White Paper on Rights of Persons Living with Disabilities integrates a number of obligations in the UNCRPD and responds to the Continental Plan of Action for the African Decade of Persons with Disabilities by ensuring that it prioritises actions that ensure the socio-economic inclusion of persons with disabilities by creating a caring and inclusive society where disabled people and their families enjoy equal access to fundamental rights, even if the exercise of these rights involves removing barriers and creating enabling mechanisms.

Vision

The Vision of this White Paper on the Rights of Persons with Disabilities as aligned with the Vision 2030 of the National Development Plan, INDS (1997) and the UNCRPD (1996) is:

“South Africa a free and just society inclusive of all persons with disabilities as equal citizens”, means that all policies and legislation, across all spheres of government and of every socio-economic sector, directly impacts on the lives of

persons with disabilities. The White Paper on Persons with Disability recommends that persons with disabilities be considered as target groups and beneficiaries in all policies and legislation.

Mission

The Mission of this White Paper on the Rights of Persons with Disabilities is:

“Inclusive and Equitable Socio-Economic Development”

- A collective national effort is needed to effect the changes required to transform the experiences of persons with disabilities by removing discrimination embedded in legislation, planning, budgeting and service delivery.
- Recognition of the diversity of experiences of persons with disabilities underpins the Strategic Pillars of the WPRPD. It acknowledges that not all persons with disabilities are alike, or enjoy full citizenship, and that personal circumstances, gender, age, sexual orientation, cultural backgrounds, geographical location, as well as strategic reasonable accommodation and support needs linked to strategic impairments, require different responses within a human rights oriented framework.
- The WPRPD builds on existing efforts by all spheres of government, the private sector and civil society. It also ensures that all organs of the state retain the flexibility to respond to the unique characteristics, priorities and challenges of their respective jurisdictions in coordinated action, with one shared result – equality of outcome for persons with disabilities.

SECTION B2: GOVERNMENT PRIORITIES

Government Imperatives

6.1.4. Sustainable Development Goals 2063

The United Nations adopted the Sustainable Development Goals (SDGs) in 2016. The SDGs were developed and adopted to counteract to challenges of achieving the Millennium Development Goals. Various challenges were identified that resulted in the non-achievement of the MDGs and therefore the SDGs would then be developed with refined methodologies and strategies that would address the challenges of the MDGs. The SDGs proposes 17 new goals 231 Indicators divided into 3 Tiers as opposed to 8 MDGs.



Figure 3: UN SDGs (2016)

The SDGs are an overarching principal document which should then inform all government plans including the NDP which has since been reviewed in 2016 to incorporate the provisions of the new SDGs within the national sphere. Stats

SA, DPME, Planning Commission, DIRCO and Sector departments are to work together on the South African perspective on the SDGs. The basis for the SA perspective and respond to the SDGs is the National Development Plan. The uMlalazi LM IDP will seek to ultimately align its strategic goals to those of the SDGs to ensure that the LM responds responsibly and actively to the SDGs thus ensuring a meaningful contribution to the success in the implementation of the SDGs.

6.1.5. African Union Agenda 2063

The AU Agenda 2063 is a strategic framework for the socio-economic transformation of the continent over the next 50 years. It builds on, and seeks to accelerate the implementation of past and existing continental initiatives for growth and sustainable development. The AU Agenda was adopted in January 2015, in Addis Ababa, Ethiopia by the 24th African Union (AU) Assembly of Heads of State and Government chaired by the then Chairwoman, Her Excellency Dr Nkosazana Dlamini – Zuma. It consists of five ten year implementation plans – the first plan is 2014-2023.

GOAL 1	A prosperous Africa based on inclusive growth and sustainable development
GOAL 2	An integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa's Renaissance
GOAL 3	An Africa of good governance, democracy, respect for human rights, justice and the rule of law
GOAL 4	A peaceful and secure Africa
GOAL 5	An Africa with a strong cultural identity, common heritage, shared values and ethics
GOAL 6	An Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children
GOAL 7	Africa as a strong, united and influential global player and partner

Table 7: AU Agenda 2063

The AU formulated indicators for tracking the implementation of the first ten years of agenda 2063. The AU Working Committee has further aligned the SDG indicators to Agenda 2063 and the NDP (can only be finalized once the SDG and Agenda 2063 indicators are adopted). Costing the measurement framework for the first ten years of Agenda 2063 for both Agenda 2063 and SDGs the cost of producing statistics in the African continent is estimated at 5billion USD per year.

6.1.6. National Development Plan Priorities

The National Planning Commission formulated the National Development Plan of which its priorities are aimed at achieving the vision 2035 as amended wherein extreme poverty is eliminated and inequality reduced and opportunities are abundant. Hence the municipality has developed strategies so as to align to the objectives and priorities of the NDP which are summarized as follows;

Table 8: National Development Plan Priorities

No.	National Plan Priorities	Municipal Strategic Objectives
1	Create jobs	<ul style="list-style-type: none"> To contribute towards the growth of the economy and reduction of unemployment Ensure local SMME development through effective use SCM processes
2	Expand infrastructure	<ul style="list-style-type: none"> To ensure the provision of basic access to electricity by all communities in a sustainable manner To install and maintain electrification in rural areas To ensure provision and maintenance of municipal roads, access roads, causeways and storm water To ensure maintenance of all municipal buildings. To increase the accessibility of municipal vehicles

No.	National Plan Priorities	Municipal Strategic Objectives
		<ul style="list-style-type: none"> To ensure and monitor proper implementation of Municipal Infrastructure Projects To promote sustainable human settlement and improved quality of household for all
3	Use resources properly	<ul style="list-style-type: none"> To reduce expenditure and curb wasteful expenditure Ensure that SCM adheres to all provisions as set out in the PFMA Ensure local SMME development through effective use SCM processes Enhance effective internal controls and standard operating procedures
4	Inclusive planning	<ul style="list-style-type: none"> To Develop a Credible and Implementable IDP To ensure that a functional and effective Council exists To produce a culture of participative democracy and social cohesion To ensure effective land use management and coordinated Spatial Development Planning
5	Quality education	<ul style="list-style-type: none"> Promote equitable access to quality ECD programmes for all children under 6 year
6	Quality healthcare	<ul style="list-style-type: none"> Promote active ageing and healthy lifestyles
7	Build a capable state	<ul style="list-style-type: none"> Improvement of IT systems for better municipal functions To develop the institution and to facilitate institutional transformation
8	Fight corruption	<ul style="list-style-type: none"> To Promote a Culture of Public Participatory Democracy and Social Cohesion To reduce expenditure and curb wasteful expenditure Ensure that SCM adheres to all provisions as set out in the PFMA Enhance effective internal controls and standard operating procedures Support and strengthen the role of Internal Audit
9	Unite the nation	<ul style="list-style-type: none"> To Promote a Culture of Public Participatory Democracy and Social Cohesion



Figure 4: National Development Plan Priorities

6.1.7. National Outcomes

The 12 National Outcomes that all provincial governments must align to are:

No.	National Outcome	Municipal Strategic Objectives
1	Quality basic education	<ul style="list-style-type: none"> Promote equitable access to quality ECD programmes for all children under 6 years
2	A long and healthy life for all South Africans	<ul style="list-style-type: none"> Promote active ageing and healthy lifestyles
3	All people in South Africa are and feel safe	<ul style="list-style-type: none"> To Promote a Culture of Public Participatory Democracy and Social Cohesion
4	Decent employment through inclusive economic growth	<ul style="list-style-type: none"> To contribute towards the growth of the economy and reduction of unemployment Ensure local SMME development through effective use SCM processes
5	Skilled and capable workforce to support an inclusive growth path	<ul style="list-style-type: none"> To Develop the Institution and to Facilitate Institutional Transformation
6	An efficient, competitive and responsive infrastructure network	<ul style="list-style-type: none"> To ensure the provision of basic access to electricity by all communities in a sustainable manner To install and maintain electrification in rural areas To ensure provision and maintenance of municipal roads, access roads, causeways and storm water To ensure maintenance of all municipal buildings. To increase the accessibility of municipal vehicles To ensure and monitor proper implementation of Municipal Infrastructure Projects To promote sustainable human settlement and improved quality of household for all

No.	National Outcome	Municipal Strategic Objectives
7	Vibrant, equitable, sustainable rural communities contributing towards food security for all	<ul style="list-style-type: none"> To Facilitate and Support Accelerated Economic Development To effectively contribute towards the reduction of unemployment. To ensure coordinated Land Use Management, Taking cognizance of Sound Environmental Practices
8	Sustainable human settlements and improved quality of household life	<ul style="list-style-type: none"> To ensure coordinated Land Use Management, Taking cognizance of Sound Environmental Practices To Develop a Credible and Implementable IDP
9	Responsive, accountable, effective and efficient local government system	<ul style="list-style-type: none"> To Ensure Continued Sound Financial Management To Promote a Culture of Public Participatory Democracy and Social Cohesion
10	Protect and enhance our environmental assets and natural resources	<ul style="list-style-type: none"> To promote environmental sustainability and have an effective GIS System
11	Create a better South Africa, a better Africa, and a better world	<ul style="list-style-type: none"> All the municipal strategic objectives which have been develop as part of the IDP ultimately seek to create a better South Africa, a better Africa, and a better world
12	An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	<ul style="list-style-type: none"> All the municipal strategic objectives which have been develop as part of the IDP ultimately seek to achieve An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship
13	An inclusive and responsive social protection system	<ul style="list-style-type: none"> To Promote a Culture of Public Participatory Democracy and Social Cohesion To develop and support social development initiatives, particularly those focused on the youth and the vulnerable groups
14	Nation Building and Social Cohesion	<ul style="list-style-type: none"> To Promote a Culture of Public Participatory Democracy and Social Cohesion To develop and support social development initiatives, particularly those focused on the youth and the vulnerable groups

Table 9: National Outcomes linked to Municipal Strategies

6.1.8. Integrated Urban Development Plan (IUDF)

The Integrated Urban Development Framework (IUDF) is a policy framework guiding the reorganization of the urban system of South Africa so that cities and towns can become inclusive, resource efficient and adequate places to live. The general result of the IUDF is spatial transformation. This new focus for South Africa steers urban growth towards a sustainable growth model of compact, connected and coordinated cities and towns. The IUDF implementation plan identifies a number of short term proposals to achieve spatial transformation.

The overall objective of the IUDF is to create efficient urban spaces by:

- Reducing travel costs and distances,
- Aligning land use, transport planning and housing,
- Preventing development of housing in marginal areas,
- Increasing urban densities and reducing sprawl,
- Shifting jobs and investment toward dense peripheral townships,
- Improving public transport and the coordination between transport modes.

The IUDF is built on the premise of the following nine levers:

- Integrated Urban Planning and Maintenance,
- Integrated Transport and Mobility,
- Integrated and Sustainable Human Settlements,
- Integrated Urban Infrastructure,
- Efficient land governance and management,
- Inclusive economic development,
- Empowered active communities,
- Effective urban governance,
- Sustainable finances

The above levers are premised on the understanding that:

- Spatial planning forms the basis for achieving integrated urban development, which follows a specific sequence of urban policy actions,
- Integrated transport that informs targeted investment into integrated human settlements, underpinned by integrated infrastructure network system,
- Efficient land governance which all together trigger economic diversification inclusion and empowered communities,
- Deep governance reform to enable and sustain all of the above.

Implication of the IUDF to uMlalazi Municipality

The listed levers relate very specifically to the pillar of spatial transformation and uMlalazi Municipality has embraced a number of them. uMlalazi Municipality has or is in the process of implementing projects and programmes in the area of road infrastructure that enhances integrated transport and mobility, economic development, sustainable human settlements that improves the living condition of its citizens, amongst others.

6.1.9. The National Spatial Development Framework (NSDF)

The National Spatial Development Framework (NSDF) seeks to make a bold and decisive contribution to bringing about the peaceful, prosperous and truly transformed South Africa, as articulated in the Freedom Charter, the Reconstruction and Development Programme and the National Development Plan.

The National Spatial Development Framework vision which reads “All Our People Living in Shared and Transformed Places in an Integrated, Inclusive, Sustainable and Competitive National Space Economy” is driven by the following six national spatial development concepts:

- Urban Areas and Regions as Engines of National Transformation, Innovation and Inclusive Economic Growth.
- National Spatial Development Corridors as Incubators and Drivers of New Economies and Quality Human Settlements.
- Productive Rural Regions as Drivers of National Rural Transitions and Cornerstones of our National Resource Foundation.
- A National Spatial Social Service Provisioning Model to Ensure Effective, Affordable and Equitable Social Service Delivery.
- A National Ecological Infrastructure System to Ensure a Shared, Resilient and Sustainable National Natural Resource Foundation,
- A National Transport, Communications and Energy Infrastructure Network to Ensure a Shared, Inclusive and Sustainable Economy.

Implications of the NSDF on uMlalazi Municipality

The municipality has developed Nodal Development Plans (as part of the SDF) for all three town which will guide the preferred development in the three towns. The nodal plans will serve as a tool for identifying the opportunities and constraints to development. It is to develop strategies toward the growth of each node in order to achieve and promote spatial transformation, employment, alleviate poverty, attract investment, identify alternative economic opportunities, opportunities for human settlement and **ensure protection of the natural environment**. Through the review of the SDF, the municipality has identified major transportation routes as corridors through which the economy of the municipal area can grow.

6.1.10. State of the Nation Address

President Cyril Ramaphosa delivered the State of the Nation Address (SoNA) during a joint sitting of the two Houses of Parliament (National Assembly and National Council of Provinces). The theme for this year's event was;

“Following up on our commitments: Making Your Future Work Better”.

During the SONA, the President addressed the nation as both the Head of State and Head of Government. He presented a plan to address South Africa's needs for the year ahead. He indicated that while there is a broad range of critical work being done across government, the following five tasks are the most urgent tasks that should underpin all governments' efforts.

- Accelerate inclusive economic growth and create jobs.
- Improve the education system and develop the skills.
- Improve the conditions of life for all South Africans, especially the poor.
- Fight against corruption and state capture.
- Strengthen the capacity of the State to address the needs of the people.

6.1.11. State of the Province Address

The State of the Province Address was delivered by the Premier of KwaZulu Natal, Honorable Sihle Zikalala on the 4th of March 2020. The Premier pledged to make the year 2020 a year of heightened societal mobilization to achieve a plentiful harvest for all the people of KwaZulu-Natal. The theme for the 2020 SOPA was therefore as follows;

“Together, Creating Our Common Future.”

This theme, the Premier said, recognises that the people of KwaZulu-Natal themselves are the cornerstone and the most vital ingredient or force for growth and development.

The Honorable Premier further reflected on the 8 provincial priorities for the 6th Administration which have now been extended as follows;

1. Basic services (especially access to clean potable water)
2. Job creation
3. Growing the economy
4. Growing SMMEs and cooperatives
5. Education, health, and skills development
6. Human settlements and sustainable livelihoods
7. Building a peaceful province
8. Building a caring and incorruptible government

6.1.12. Provincial Growth and Development Strategy (PGDS) Goals (2035)

“KwaZulu-Natal will be a prosperous Province; with a healthy, secure and skilled population; living in dignity and harmony; acting as a gateway to Africa and the World”.

No.	PGDS Strategic Goal	Municipal Strategic Objectives
1	Inclusive Economic Growth	<ul style="list-style-type: none"> To contribute towards the growth of the economy and reduction of unemployment Ensure local SMME development through effective use SCM processes
2	Human Resource Development	<ul style="list-style-type: none"> Improvement of IT systems for better municipal functions To develop the institution and to facilitate institutional transformation To develop and support social development initiatives, particularly those focused on the youth and the vulnerable groups
3	Human and Community Development	<ul style="list-style-type: none"> To contribute towards the growth of the economy and reduction of unemployment Ensure local SMME development through effective use SCM processes To produce a culture of participative democracy and social cohesion To ensure effective land use management and coordinated Spatial Development Planning To develop a credible IDP Promote Social Development through Programmes focusing on social cohesion, skills development, sports & recreation and cultural development Promote active ageing and healthy lifestyles Promote equitable access to quality ECD programmes for all children under 6 years Promote active ageing and healthy lifestyles To develop and support social development initiatives, particularly those focused on the youth and the vulnerable groups
4	Strategic Infrastructure	<ul style="list-style-type: none"> To ensure the provision of basic access to electricity by all communities in a sustainable manner To install and maintain electrification in rural areas To ensure provision and maintenance of municipal roads, access roads, causeways and storm water To ensure maintenance of all municipal buildings. To increase the accessibility of municipal vehicles To ensure and monitor proper implementation of Municipal Infrastructure Projects To promote sustainable human settlement and improved quality of household for all
5	Environmental Sustainability	<ul style="list-style-type: none"> To promote environmental sustainability and effective GIS System To ensure effective land use management and coordinated Spatial Development Planning
6	Governance and Policy	<ul style="list-style-type: none"> To ensure that a functional and effective Council exists To restructure staffing to ensure a functional and effective legal services unit Ensure that all Line Departments function effectively and in line with the PMS

No.	PGDS Strategic Goal	Municipal Strategic Objectives
		<ul style="list-style-type: none"> To produce a culture of participative democracy and social cohesion
7	Spatial Equity	<ul style="list-style-type: none"> To ensure effective land use management and coordinated Spatial Development Planning To develop a credible IDP

Table 10: PGDS Linked to LM Strategies

6.1.13. Provincial Spatial Economic Development Strategy (PSEDS)

The Provincial Spatial Economic Development Strategy (PSEDS) sets out to:

1. Focus where government directs its investment and development initiatives,
2. Capitalize on complementarities and facilitate consistent and focused decision making,
3. Bring about strategic coordination, interaction and alignment.

The PSEDS recognizes that:

- Social & economic development is never uniformly distributed,
- Apartheid created an unnatural distortion of development and this distortion must be addressed.

PSEDS identifies the following as key sectors for development:

- The agricultural sector/ agri-processing and land reform,
- The industrial sector,
- The tourism sector, and
- The service sector (including government's services).
- Agriculture Sector (Including agri-processing and land reform)

Implications of PSEDS within uMlalazi Municipality;

uMlalazi has been identified by PSEDS as a municipality with potential for agriculture, cultural tourism and services. PSEDS also identifies uMlalazi LM as poverty stricken municipality. The municipality is thus expected to capitalize on its agriculture and tourism potential to address poverty.

To this end, municipality has developed a comprehensive Agriculture Sector Plan which will guide agriculture development within the municipality. The plan outlines agriculture potential areas with concurrent agricultural development proposals within the municipality.

The municipality is also in the process of developing a Tourism Sector Plan in line with PSEDS acknowledgement of uMlalazi as a cultural heritage and environmental tourism destination.

6.1.14. King Cetshwayo District Growth and Development Plan (DGDP)

The developmental vision for the King Cetshwayo District Municipality is as follows;

“By 2035 King Cetshwayo District Municipality will be a cohesive; economically viable district, with sustainable strategic infrastructure; supporting job creation through radical economic transformation rural development and promotion of our heritage.”

To achieve the developmental vision 2035, the KCDM developed the King Cetshwayo District Growth and Development Plan. These plans are recognized to play a key role in the integration and alignment of the intentions of the NDP at national level and PGDP at provincial level on the one hand, with the activities of local government operating at the coalface of implementation and interaction with constituent communities on the other. The aim of the DGDP is therefore to translate the Provincial Growth and Development Plan into a detailed implementation plan at a district level, inclusive of clearly defined targets and responsibilities thus enabling the province to measure its progress in achieving the accepted growth and development goals.

The overall objectives of the District Growth and Development Plan for the King Cetshwayo District Municipality (KCDM) can be summarized as follows:

- Set a long term (20 year+) vision and direction for development in the District;
- Serve as an overarching strategic framework for development in the district and its family of local municipalities applying the 80/20 principle (it is not intended to be a detailed inventory of all potential projects and actions);
- Provide a spatial context and prioritization for these strategic interventions;
- Guide the activities and resource allocation of the district and other spheres of government, business sectors, organized labour and other role players from civil society that can contribute to development in the district by defining a clear set of priority objectives and implementation targets;
- Identify institutional arrangements to secure buy-in and ownership in the formulation and implementation of the plan;
- To facilitate alignment and integration of the DGDP objectives with Departmental strategic plans, municipal IDP's, and sector strategies and plans;
- Provide a common platform for resource commitments and budget alignment of departments and municipal entities through the agreed set of objectives and targets of the DGDP.

As highlighted during the DGDP Summit which was held from the 23 – 24 May 2018 at CFCI Centre in Richards Bay, the Hon. Mayor Cllr. NNP Mkhulisi's opening remarks during her state of the district speech, the district's vision for 2035 is not a dream, but a blueprint for success. For the KCDM Economy to thrive the District must build on its strengths, which has been identified as the following sectors:

- Agriculture Sector;
- Manufacturing Sector;
- Domestic and foreign tourism;
- Service Sector (Incl. financial, social, transport, retail and government); and
- Maritime Sector (Oceans Economy)

The following resolutions were taken with respect to the DGDP;

GOAL	KCDM 2018 DGDP RESOLUTION SUMMIT	RESPONSIBLE DEPARTMENTS
Goal 1: Inclusive Economic Growth	King Cetshwayo Fresh Produce operating/ trading model needs to be reviewed	DARD/KCDM
	Audit of informal and formal Agricultural sector (Fresh produce & livestock) to provide a clear picture of the current situation within the District (production and market opportunities)	DARD/KCDM
	The formulation of a Maritime Development Charter aligned to the existing District Maritime Strategy in order to ensure inclusion of the previously disadvantaged	DEDTEA/KCDM
	With consultation of ITB and Traditional leaders formulate a clear guideline report for the development on Ingonyama Trust Land not just for Human Settlement	KCDM/LMs/ITB/Traditional leaders
	Research and development to influence platinum beneficiaries	DEDTEA/KCDM/Mining Houses
Goal 2: Human Resource Development	Commission of skills audit within the District to guide tertiary education within the District.	DoE/Tertiary Training Institution/KCDM
	Municipalities must initiate programmes & economy which is pro-youth (through IDP) must be reviewed annually.	DEDTEA/LMs
	Municipalities should utilise unemployment agricultural graduates, within rural areas to assist rural communities in terms of agricultural practices	DARD/LMs
	Establish entrepreneur support/development programme	DoE/LMs
Goal 3: Human & Community Development	Municipal Housing Sector Plans must be prepared closely with Department of Human Settlement	DHS/LMs

GOAL	KCDM 2018 DGDP RESOLUTION SUMMIT	RESPONSIBLE DEPARTMENTS
Goal 4: Strategic Infrastructure	Municipal Infrastructure maintenance Plans should be around 8% of the Municipal Budget and cover all infrastructure aspects.	KCDM & LMs
	Lobbying Transnet for the expansion of the Richards Bay port specifically for the inclusion of a container terminal	uMhlathuze LM/Transnet/KCDM
	Research waste management within the District, focusing on recycling and the potential for the establishment of a hazardous waste facility/site within the District	DEDTEA/DEA/KCDM
	Proactive infrastructure planning to eradicate services backlogs but also provide infrastructure required for economic growth	KCDM/LMs
	Road infrastructure maintenance inclusive of Rural Road Network	LMs/DoT
Goal 5: Environmental Sustainability	Enforcement of existing environmental legislation and the prosecution of illegal activities	DEDTEA/LMs/
	Assessing of existing SDF's, LUMS, EMF, Environmental legislation and Coastal Management Plan regarding the Coastal Development setback line and to formulate standard recommendations to be included in the review of these reports.	DEDTEA/DARD/LMs
	Preparation of a pollution prone area map	UMhlathuze air quality unit/DEDTEA/DWS/IDZ/EZE MVELO
Goal 6: Governance and Policy	To formalise an institutional Structure for the implementation of the king Cetshwayo District Growth and Development	KCDM/LMs/Sector Departments
	KCDM and its LMs to actively participate in the 18 Provincial Action Working Groups	KCDM/LMs/Actions Working Groups
	DDA to be established to address and explore investment opportunities within the district	KCDM
	Fresh Produce Market business plan/process needs to be reviewed	
Goal 7: Spatial Equity	Consult with Traditional Authorities on those surrounding formal towns	CoGTA
	Commission land audits on municipal and state owned land parcels should be targeted in the short term for land reform	DRDLR/COUNCIL
	To ensure effective implementation of LUMS and the enforcement of the Land Use Schemes and Municipal Planning Bylaws.	LMs

Table 11: DGDP Summit Resolutions

6.1.15. Local Government Back to Basics Strategy

KwaZulu-Natal's municipalities have committed themselves to implementing the Back to Basics Programme, which aims to revitalize basic service delivery. KZN Premier and Co-operative Governance and Traditional Affairs MEC launched the campaign in Pietermaritzburg on Tuesday, 17 February 2015. A declaration of intent was signed between the provincial government and the South African Local Government Association, which represents all municipalities, through which all parties committed implementing the Back to Basics programmes.

The programme consists of five pillars, namely:

- Provision of basic services – creating decent living conditions;
- Good governance;
- Public participation;
- Financial management;

- Institutional capacity.

This wide-ranging programme is aimed at rekindling the spirit of effective service delivery, efficient administration and clean governance. During the Launch, the Premier indicated that each municipality must on a continuous basis, reflect whether or not in the daily execution of our duties as elected representatives and officials, local government is improving the lives of the people.

The following are the progress made by uMlalazi Municipality in terms of the five Back to Basics Pillars:-

Basic Services: Creating decent living conditions

The Municipality has a Pavement Management System for infrastructure in the urban areas, however there is still a challenge that the Rural Asset Management System (RAMS) is still not finalized by the District. The funding was provided to the District municipality through the Department of Transport and is waiting for the finalization of the process in order to develop its own plan for rural asset maintenance.

Free basics services are provided in terms of electricity and refuse services, however the municipality is in the process of developing a comprehensive Indigent Register. Currently the municipality is providing free basic refuse services to a large number of households in the rural areas and urban areas

Good Governance

The Municipality is performing well in terms of ensuring that Council meetings take place. The Oversight committees are functional, and municipal officials do attend the District IGR forum meetings.

There is an anti-corruption policy in place. It does however require a review as there are insufficient measures in place to ensure that the strategies are implemented effectively. The Municipality has a compliance system in place to ensure compliance with legislation

Public Participation

While there are some challenges with regard to the functionality of ward committees, most wards The Councillors are holding meetings but certain wards are failing to submit sectoral reports and Councillor report. It would seem that there is a gap in terms of the Ward Committee training as Councillors are not trained to an extent where they are able to submit the documents in terms of COGTA requirements. The public participation programs are only done during the IDP and Budget roadshows.

Financial Management

The Municipal has not received any disclaimers from the Auditor General. The municipality continues to be growing concern as the budget is realistic and based on cash available. Debt collection Policy is in place and is implemented effectively. The SCM Unit has been capacitated and is functioning effectively as well.

Institutional Capacity

The appointments of all Section 54/56 positions have been finalized. All Directors have been appointed. The Municipality reviewed its organogram and it's in line in terms of the human capacity required to fulfill the municipality's vision, however all posts cannot be budgeted for due to budget constraint. The Human Resources department continuously provides training to Councillors and staff. The municipality has a staff retention policy. Skills Development is being implemented.

6.1.16. The uMlalazi LM Strategic Planning Session 2020

The reviewed Strategic Plan 2020/21 is the culmination of a 3 day inclusive deliberation process involving Councillors and management. The Strategic Planning Session took place from the 2nd to the 4th of March 2020. The engagement

process involved reviewing of prior year 2019/20 strategic plan, including the vision, missions, goals and strategic objectives. The principal objective of the review was to set the alignment baseline between our municipal resources and capacity to be able to draft and implement a realistic and achievable IDP.

In paving the way forward, the MM emphasized that in order to improve the daily circumstances and experiences of all the residents, the municipality must stay abreast of the current community challenges, opportunities and constraints. Therefore, the review of the strategic plan is part of a planning mechanism to take stock of our achievements of the prior performance period, reassess internal capacity and constraints and establish a roadmap to follow going forward in pursuit to best serve our communities.

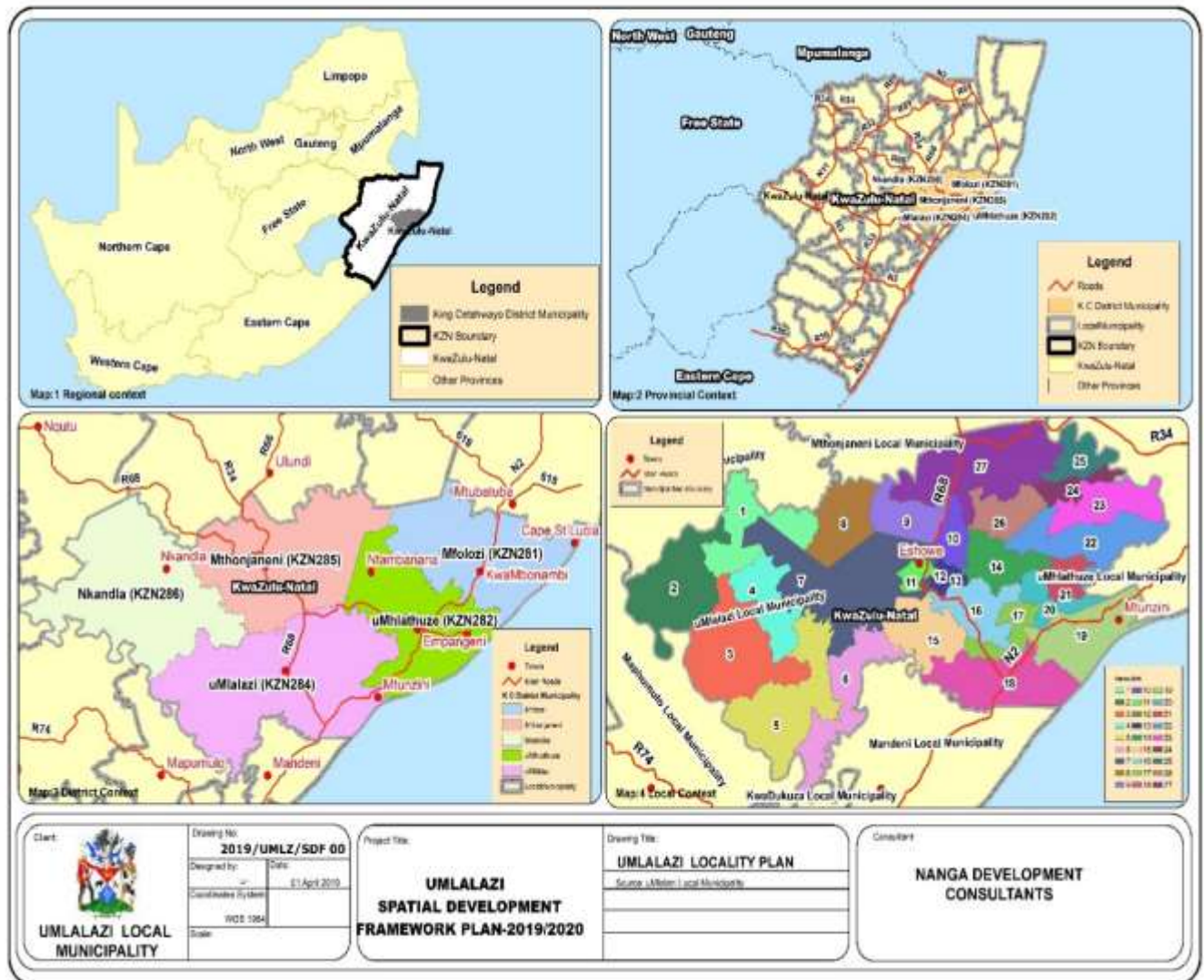
The resultant detailed strategies are compiled within the Executive Summary (Subsection 4) and forms part of the implementation plan and score card. However, the broad strategies and objectives were reviewed in line with the following key points which were posed to drive the strategic planning session;

- This Strategic Plan must focus energies and actions on embracing the policies and initiatives aimed at transforming the economy to give effect to shared economic growth and social cohesion.
- The plan must reiterate that the LM must implement the amended SCM policy to deal with issues of set asides aimed at addressing the imbalances of the past and promote economic participation by the youth, women, and people living with disabilities and give priority to black Africans within rural areas.
- Through the objectives of the Strategic Plan, SCM will be a key instrument to give effect to the PPPFA regulations dealing with set asides. LM must aggressively and without fear of contradiction promote and enforce, subcontracting and unbundling of some projects to give opportunities to SMME's.
- The municipality will continue to pursue the 40% of the discretionary procurement budget to be spent on the targeted groups that were previously disadvantaged.
- The strategic plan must promote inclusive growth and social cohesion by implementing high impact social support programmes and community based projects. Unlike traditional grant funding, the LM must promote consumer cooperatives that also supply markets outside our local boundaries.
- Guided by the strategic plan and continued decline on income from grants, the LM must place more emphasis on essential services cost items, reduce personnel related costs and avoidable expenditure. Strengthen our efforts in collection of outstanding debts whilst promoting partnerships to create more opportunities for alternative revenue streams.

SECTION C: SITUATIONAL ANALYSIS

7. SPATIAL ANALYSIS

7.1. Regional Context



Map 7: uMlalazi LM within the Regional Context

Umlalazi Local Municipality (KZN284) is situated along the north eastern coast of Kwa Zulu Natal, 125km north east of Durban. The eastern portion of uMlalazi Local Municipality lies on the N2 National and Provincial Development Corridor linking two major economic hubs of Richards Bay and Durban. Umlalazi municipality is located within King Cetshwayo District, which comprises of five local municipalities namely;

- uMfolozi LM (KZ 281)
- uMhlathuze LM (KZ 282)
- uMlalazi LM (KZ 284)
- Mthonjaneni LM (KZ 285)
- Nkandla LM (KZ 286)

It is bordered by Ilembe District Municipality (Mandeni Municipality to the south and Maphumulo Municipality to the southwest). Towards the western regions, the municipality borders Nkandla Municipality and Mthonjaneni Municipality, and to the north, it is bordered by uMhlathuze municipality. The municipality borders on the Indian Ocean

on the eastern coastline which stretches approximately 19km, from the borders of Mandeni municipality to uMhlathuze Municipality. Geographically, the municipal area covers 2 217km², one of the largest local authority areas in South Africa. There are 27 electoral wards and 14 tribal authority areas of which AmaKhosi are custodians thereof on behalf of the Ingonyama Trust Board.

The uMlalazi Municipality is crossed by a number of important transportation routes, such as the N2 Freeway between Durban and Richards Bay, the R34 between Richards Bay/Empangeni and Nkwaleni valley to the north of Eshowe, and the R66 from the N2 freeway to Gingindlovu, Eshowe, Melmoth, Ulundi and Vryheid. The famous King Shaka (Zulu) Heritage Route R66 has a lot of historical and cultural significance and is promoted a tourism route.

Eshowe, Mthunzini and Gingindlovu form the three main towns of uMlalazi Municipality. The town of Eshowe is of great historical significance in that it is the birthplace of King Cetshwayo, who was King of the Zulu's during the Anglo-Zulu War of 1879. The population distribution in the municipal area is characterized by relatively high population densities within urban nodes, and low densities in rural areas. The municipal area is dominated by tribal areas and 14 Tribal Authorities exist within the municipal area.

7.2. Administrative Entities

- The administrative city, service center and the location of the main administrative offices of the uMlalazi Municipality is Eshowe, where a number of government departments are also established. It is also a service center for its agricultural hinterland.
- Mtunzini functions as a coastal tourist jewel for the municipality as tourists usually visit while travelling north/south of the province on the N2 and R102. The coastal town services areas of Ward 19, 20, 21 and 22 as well as the southern wards of the uMhlathuze Municipality. There is a strong emphasis on the conservation of the coastal environmental features within the Mtunzini.
- Gingindlovu is a much smaller urban node rendering basic services to the immediate population of the area. Gingindlovu has a huge potential to be established as logistics hub and industrial zone. The town also services the northern wards of Mandeni Municipality

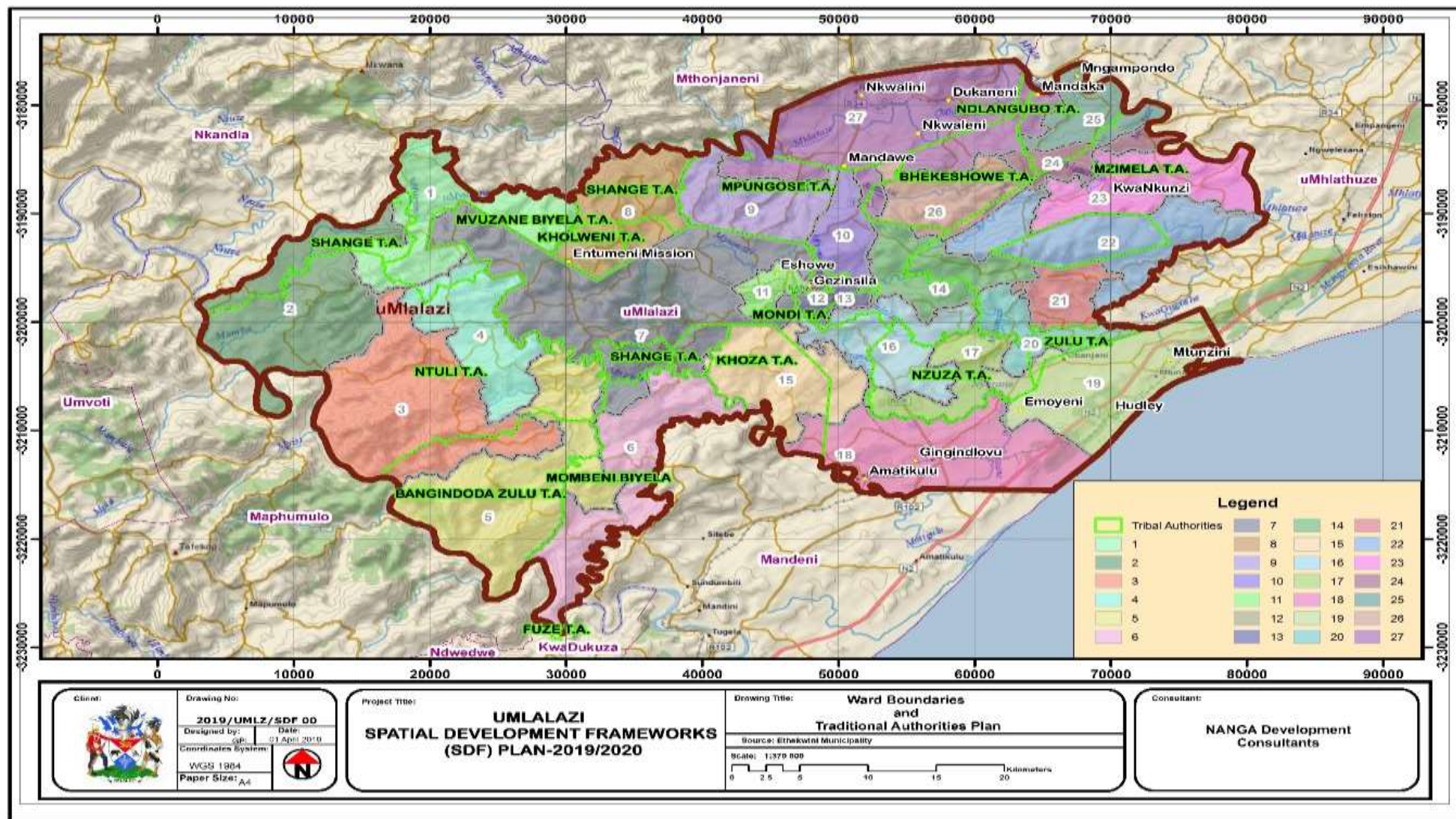
7.3. Structuring Elements

- Coastline of approximately 19kms forms the south-eastern boundary of the Municipal Area
- Tourism potential exists with pristine beaches, natural rain forest, Zulu heritage
- Scattered, low density settlement pattern evident on Ingonyama Trust land in the south-western third and the north-eastern third of the Municipal Area
- Mthunzini Coastal Reserve (the uMlalazi Reserve and the Amatikulu Reserve) along the coast and potential for Blue Flag Status and Coastal Development for Tourism
- N2 National Road traverses through the Municipal Area along its south-eastern boundary on the lower lying coastal plains. Heritage Route R66 traverses from west (Gingindlovu) east towards Melmoth thereby connecting the N2 with the highlands (Ulundi and Vryheid). P50 connects uMlalazi with Nkandla LM to the east, and P230 provides an alternative link to uMhlathuze LM either than R34 which traverses through the northern boundary towards Mthonjaneni LM
- The central and northern parts, as well as the north-western and north-eastern parts, of the Municipal Area are characterized by undulating topography.
- Mining activity at Fairbreeze and Ndlangubo will enhance local GDP, thereby improving standard of living.
- There is abundant developable town land, whereas the municipality is largely characterized by agricultural land
- Agricultural Node within Nkwaleni Valley. Sugar milling activities are in Amatikulu

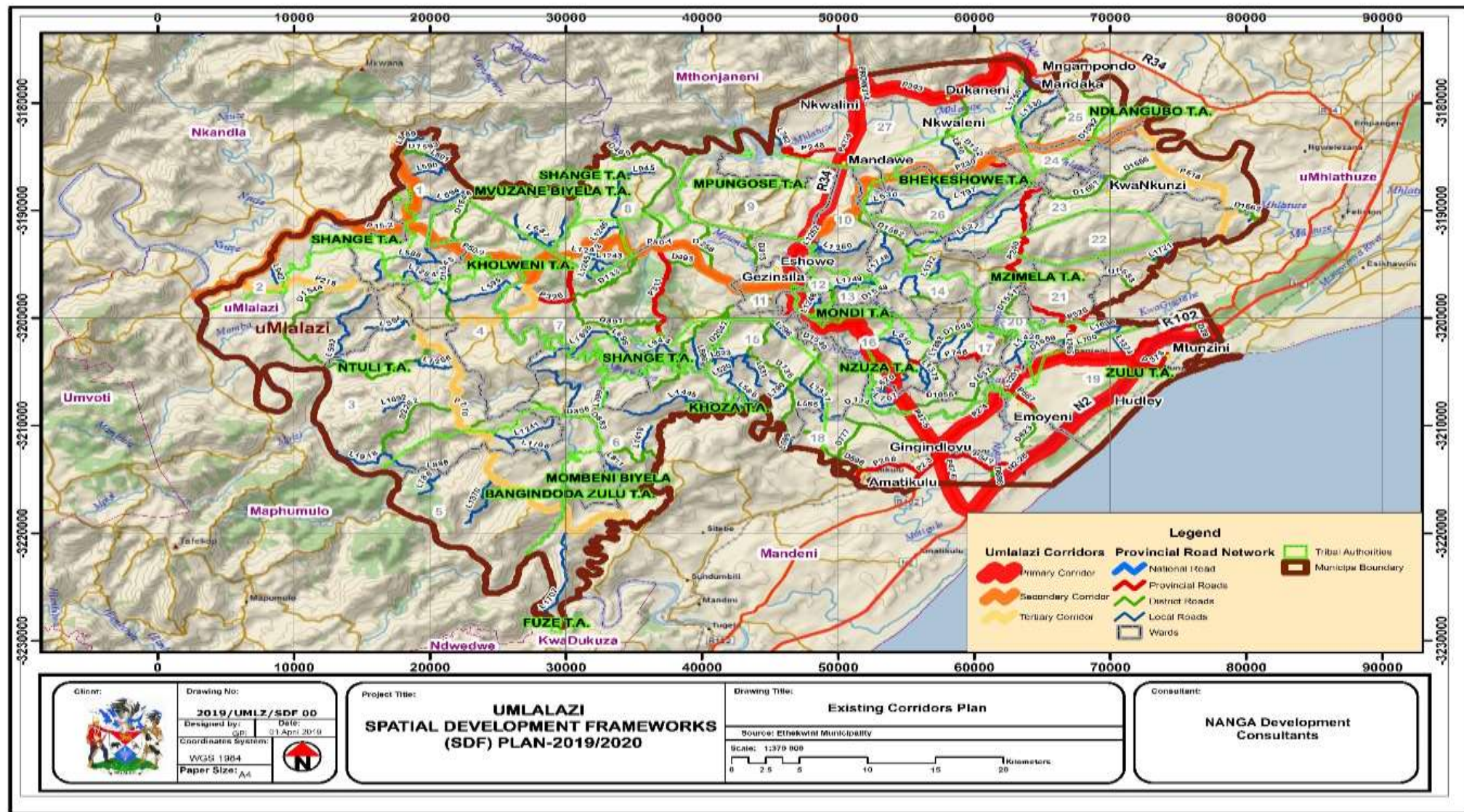
7.4. Existing Nodes and Corridors

Identifiable development corridors include Primary Development Corridors and Secondary Development Corridors namely:

- Primary - The N2 Highway (and P2) - The key two routes are aligned parallel to each other in the south-eastern sector of the uMlalazi municipal area. The P47 , R68 is an as important transportation route within the uMlalazi Area which forms a central transport spine through the municipal area as well the location of the Primary Administrative Centre, two Secondary Centres and three Tertiary Centres along its path,
- Secondary - P393, P50, P15, P230, P710 and P218 are important routes which link major towns of uMlalazi LM with surrounding areas such as Melmoth, Greytown, Kranskop and also surrounding with areas such as
- The existing nodes of uMlalazi municipality are identified as follows:
 - Eshowe (Primary node),
 - Mthunzini and Gingindlovu (Secondary nodes),
 - Ndlangubo, Nteneshane, Nsingweni, Mvutshini, Mbongolwane, and Ndayini (Tertiary node),
 - Nkweleni, Velamuva, Ngudwini, Bhekabelungu and Kolwezi (Service points),
 - Nkume, Ondini, Enqoleni, Qedusizi, Obanjeni; and Ezingeni (Denser settlements)



Map 8: Ward Boundaries and Traditional Authority Areas



Map 9: Existing Corridors

7.5. Broad Land Uses

The uMlalazi Area is dominated by a band of commercial farms covering an area from the west of Eshowe and along the R66 to Gingindlovu and northwards along the N2 Motorway to north of Mtunzini. One isolated area of commercial farming is located in the north of the municipal area and straddles the R34, and includes the Nkweleni Valley. These areas are characterized by intensive agricultural practices, where land management is of the highest order.

Agricultural production is focused on sugar cane, some timber production and citrus farming occurs in the Nkweleni Valley which is a great location for Agri-Park.

The largest portion of the municipal area is covered by land in the ownership of the Ingonyama Trust and farming activities are extensive. This area is also characterized by poor land management practices and presents a challenge in respect of the unlocking of the agricultural potential that exists. This area also accommodates scattered residential settlements posing considerable pressures in respect of the provision of basic services. The provision of water and sanitation is addressed in the uMlalazi IDP and the improvement of roads and accessibility also features prominently in the identified capital projects.

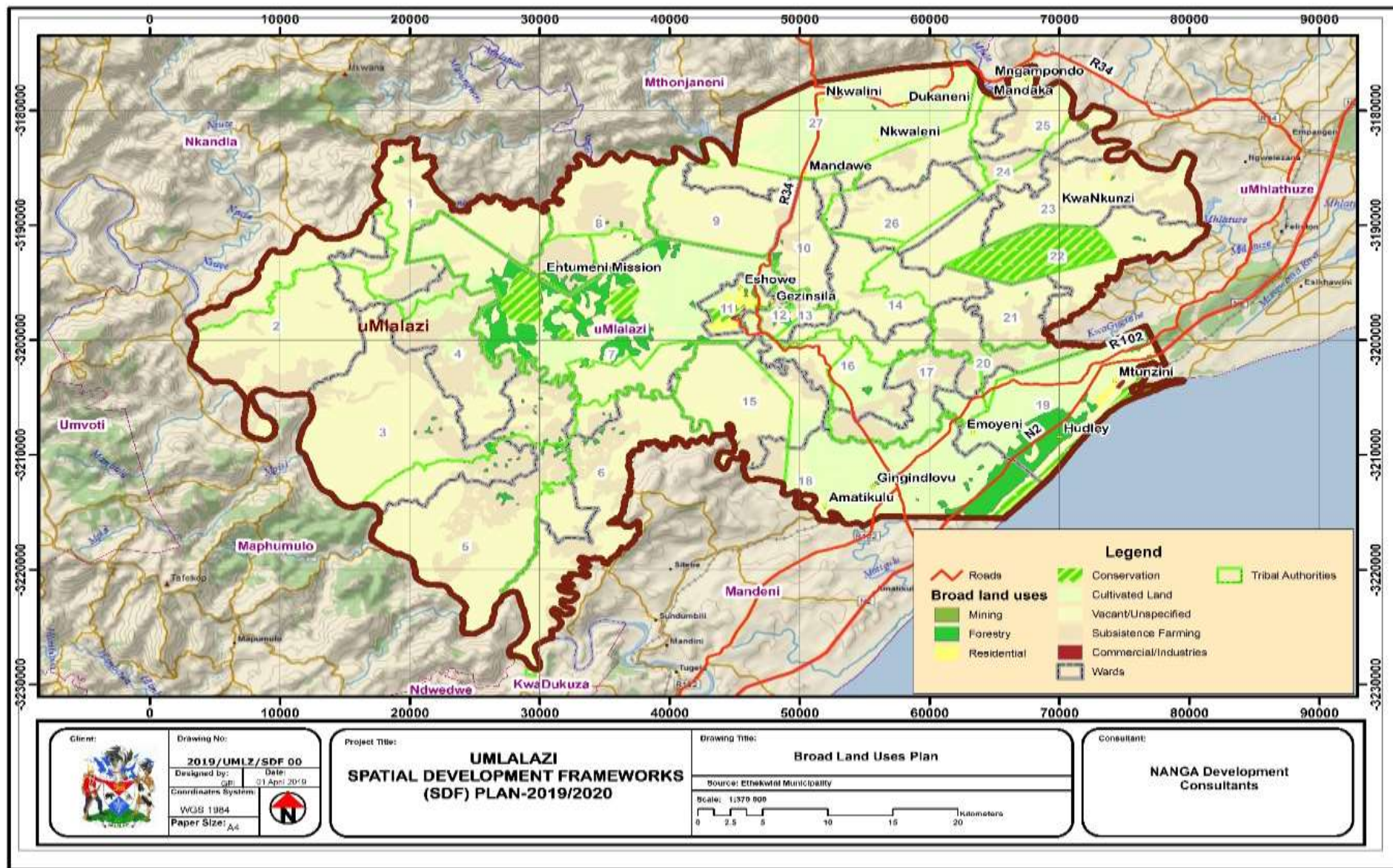
The uMlalazi Area features some important conservation areas that require careful management in the unfolding development pattern:

- The Ongoye Forest is located in the east of the municipal area and is a nature reserve, attracting local and foreign visitors,
- The Entumeni Nature Reserve, which is located to the west of Eshowe and will also require protection,
- The Mbongolwane Wetland, which is at present not demarcated and urgent attention is required to support the art and craft activities,
- uMlalazi Nature Reserve located along the coast at Mtunzini and needs to be planned properly to include facilities that complement the existing activities,
- The Dlinza Forest, which is located within the town of Eshowe and is a nature reserve.

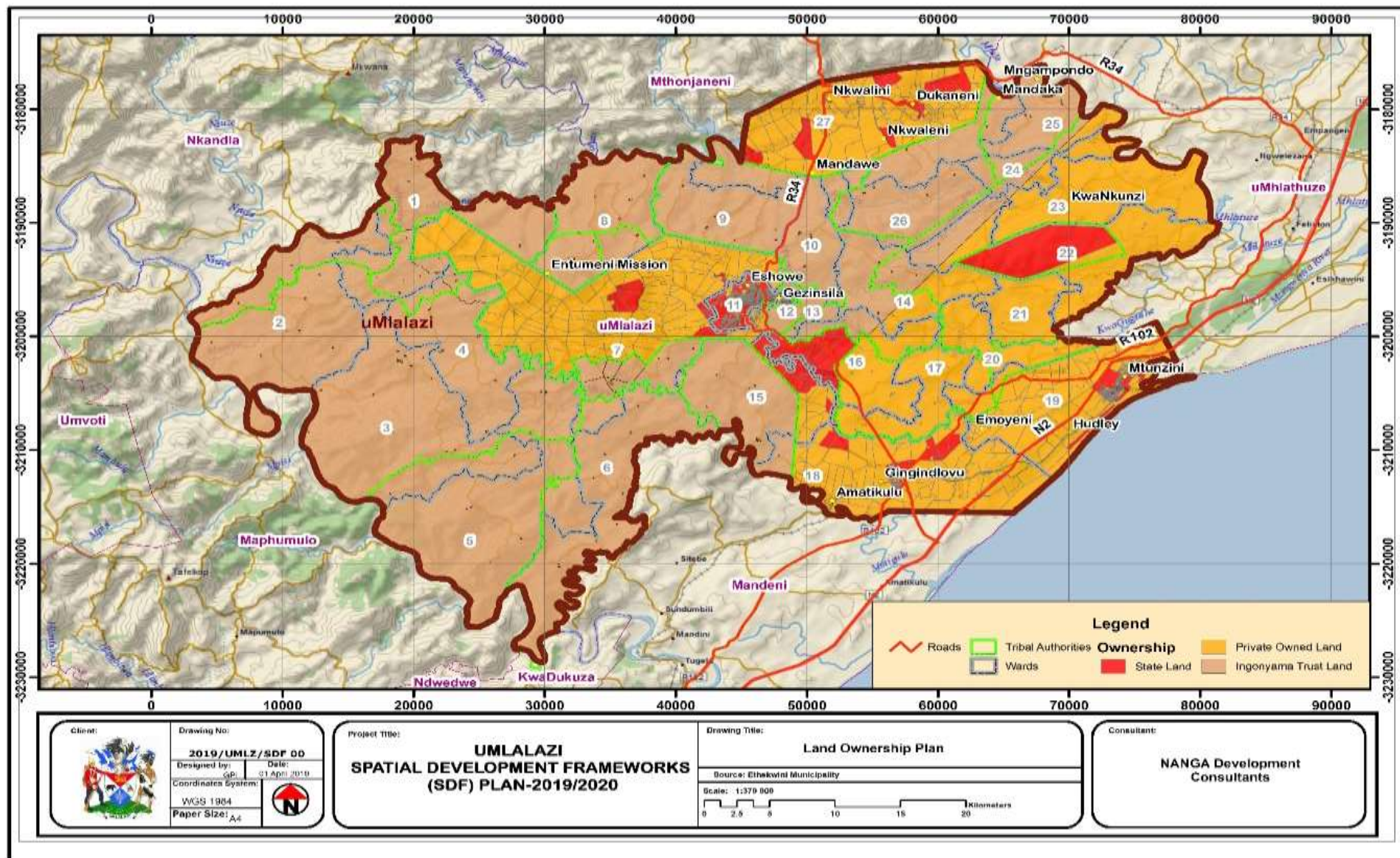
One of the outstanding features in the uMlalazi Area is the coastal zone from north of Mtunzini to the Matigulu River mouth. It covers an area of approximately 19,35km in length. This coastline presents outstanding opportunities in respect of tourism and recreational

7.6. Land Ownership

There are isolated pockets of state land evident in the central parts and the northern parts of the Municipal Area. Further, there are private commercial farms in the south-east, the central parts and the northern parts of the Municipal Area. The balance of the Municipal Area is Ingonyama Trusts Areas.



Map 11: Broad Land Uses



Map 12: Land Ownership

7.7. Land Reform

The King Cetshwayo District Informants and Constraints (2015) has identified 10 projects in the uMlalazi LM area from DRDLR database, which relate to land reform. In total there are 48 projects that have been identified in the district.

Table 11 highlights the distribution of these projects across the district:

MUNICIPALITY	NUMBER OF PROJECTS
uMfolozi	1
Mthonjaneni	14
Ntambanana	12
UMhlathuze	11
uMlalazi	10
Nkandla	0

Table 12: Land Reform Projects within KCDM

The following table identifies land parcels on which the projects are located. The number of projects differs from the number of land parcels identified in the previous table.

TYPE OF LAND REFORM PROGRAMME	NUMBER OF PROPERTIES INVOLVED
Restitution	53
Redistribution, PLAS, State Land Disposal	128

Table 13: Number of Land Parcels

The status of these projects is as follows:

- 7 of these are functional,
- 23 are partially functional, but need additional support,
- The remainder have not succeeded.

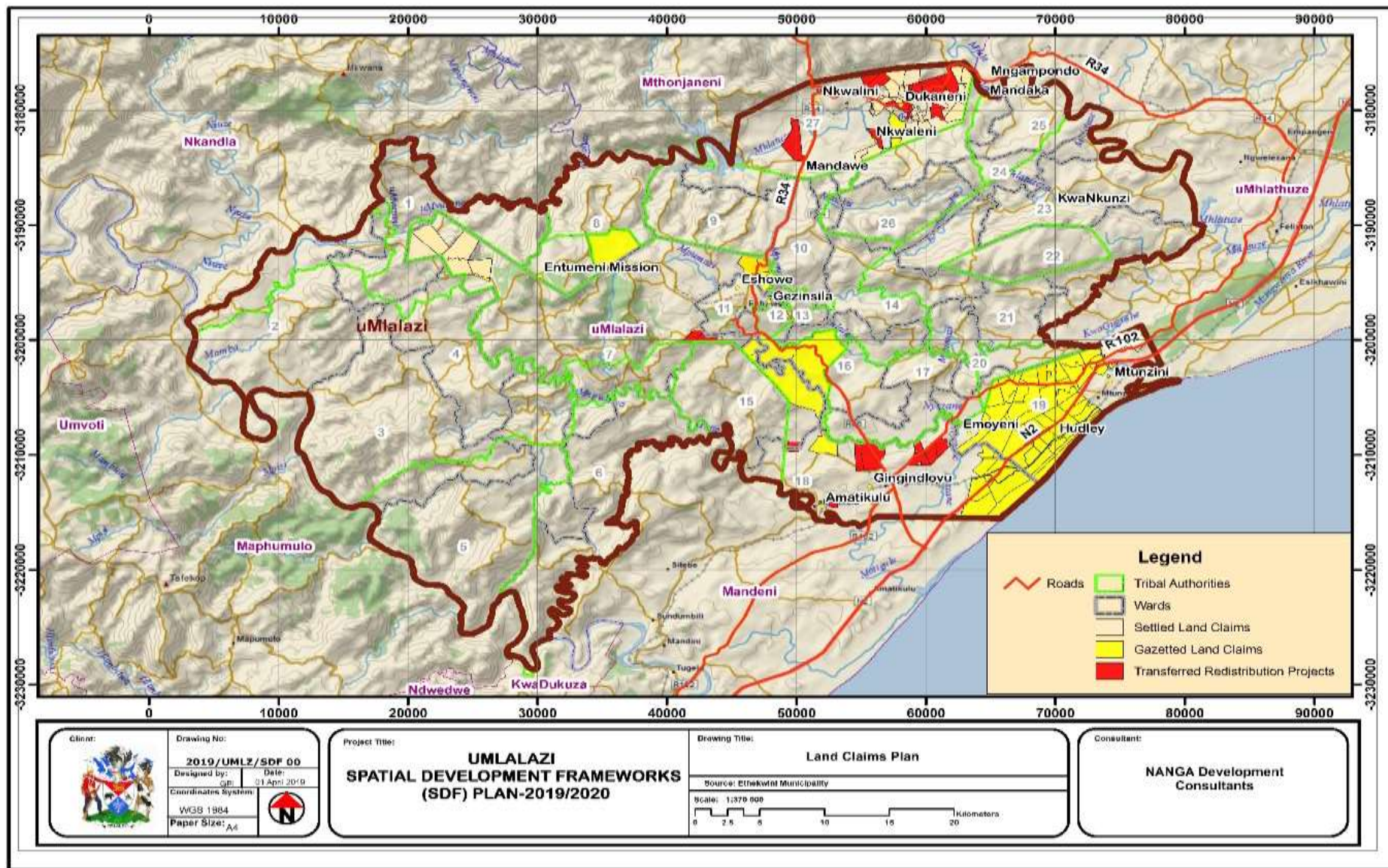
There are many reasons for the failure of these projects and why with further financial and mentorship support they are unlikely to succeed in future. Thus, it may be argued that the use of the majority of those portions of land should be reviewed (particularly redistribution) in terms of the institutional arrangements and models adopted. There are many options that are available and should be considered for these projects in future. In addition, the notion of the establishment of small holder commercial food producers located in close proximity to identified urban centers also needs further investigation as a viable alternative to large scale agriculture in land reform which invariably converts to subsistence production and urban sprawl on high value agricultural land.

The current land reform projects in King Cetshwayo have been spatially located per cadastral in the King Cetshwayo Agricultural Development Plan. The suggested areas where land could be considered for small holder production such that it adds value to the processing, packaging and marketing initiative outlined in the agricultural report for the SDF needs further investigation as part of the feasibility noted in that report.

In terms of the status of Land Claims in uMlalazi, there are 38.74km² settled land claim out of the 39.61% gazetted land claims area and there are 59.07 km² of land claims that are not yet settled out of 60.39% of the gazetted land claims area. The total the Municipal area is 97.81 km².

LAND CLAIM STATUS	KM ²	% OF TOTAL GAZETTED LAND CLAIMS AREA	% OF TOTAL MUNICIPAL AREA
Settled	38.74	39.61%	1.75%
Not yet settled	59.07	60.39%	2.66%
Total Gazetted	97.81	100%	4.41%
Total Municipal Area	2 217.00		

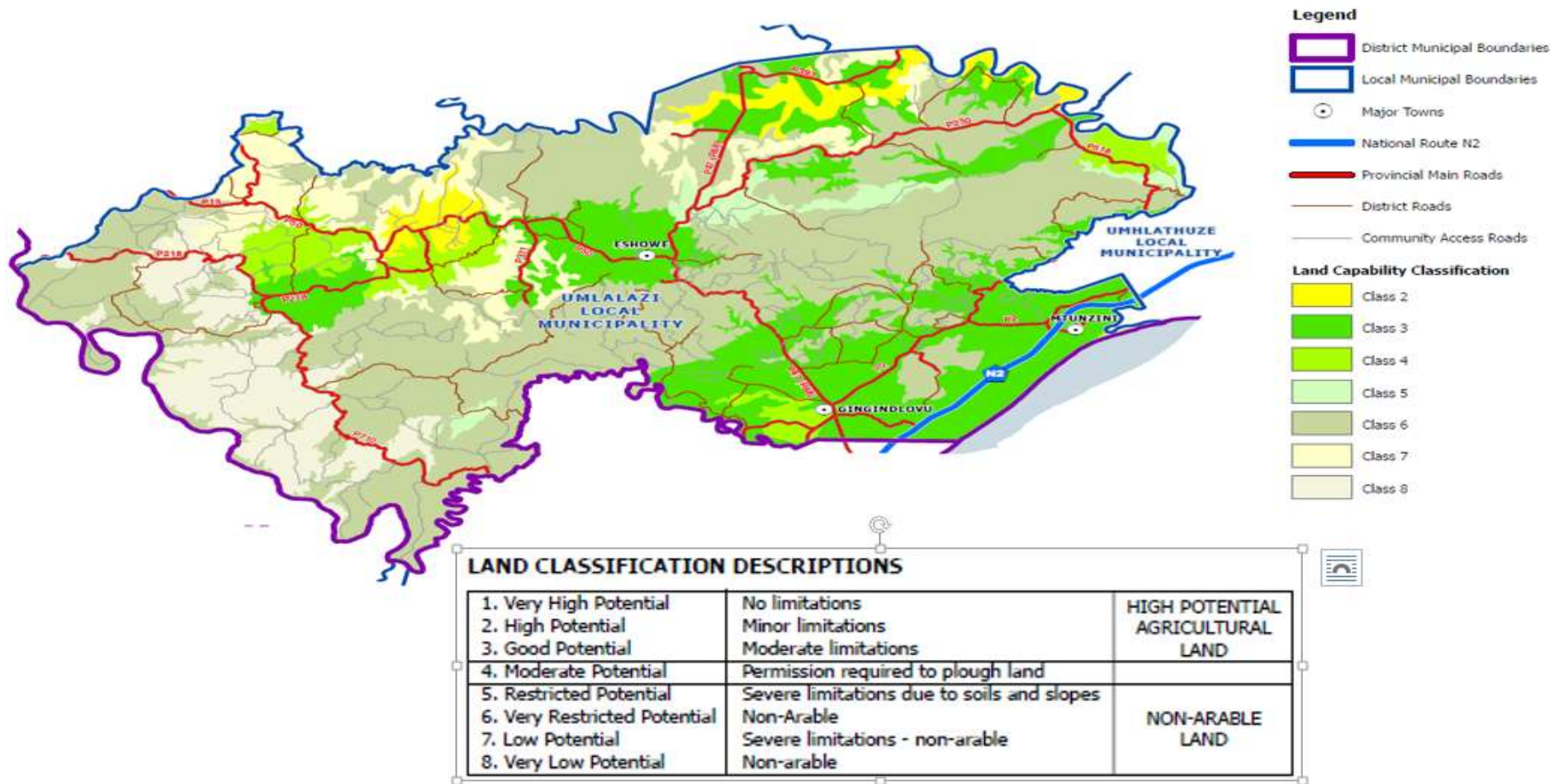
Table 14: Status of Land Claims



Map 13: Land Claims

7.8. Land Capability

Most of the high potential agricultural land is in private ownership. This land is located along the coastal strip between Mthunzini and Gingindlovu – on the lower lying areas. It is also located in the area surrounding the town of Eshowe and extending to the west thereof. There is also some very high potential agricultural land situated in the north-eastern part of the Municipal Area.



Map 14: Land Capability

7.9. Private Sector Developments

The uMlalazi Municipality is in support of all private sector developments which are adequately applied through the SPLUMA channels. The Joint Municipal Planning Tribunal assesses and facilitate all developments to be in line with the provisions of the Act. However, various projects are stagnant due insufficient bulk services in terms of water and sanitation. The following catalytic projects have been presented to the municipality with full support from council to be established within the municipal area;

- Atrium Mall Development (Old Eshowe Mall additions and alterations)
- Proposed Eshowe Private Hospital
- Proposed R 66 Mixed Use Development
- Proposed ERF 167 Mixed Use Development (Mthunzini)
- Installation of a 0.45m Optical Telescope At KwaNtoza Mountain (UNIZULU)
- Amatikulu Agri-Village
- Eshowe Gardens Mixed Use Development
- NCLude Integrated Data Digitalization Project (IDDP) – Rollout of rural addresses (All Wards)
- Eshowe & Gingindlovu Industrial Area Sites Development
- Portion 17 (of 16) of the Farm Lot 94 uMlalazi 13684 (Mixed Use Development)
- Mthunzini Park Development.

8. ENVIRONMENTAL ANALYSIS

8.1. Biophysical Analysis

Section 24 of the National Environmental Management Act (Act 107 of 1998) regards the environment as a public asset and a common heritage of the people which must be used beneficially in the interest of the people. This further requires that all sensitive, vulnerable and highly dynamic and ecosystems under pressure, such as wetlands, riverine systems and all sensitive corridors need to be identified and cognitively integrated into all spatial planning procedures in order to ensure their protection and preservation as legislatively required. Having a good sense of the environment and resources available within the areas covered by such planning is not only necessary for the protection or preservation of such resources, but also helps in ensuring of sustainable development planning, and efficient resource utilisation with due diligence and care to the natural or biophysical environment as prescribed in terms of Section 28 of the National Environmental Management Act (Act 107 of 1998).

Section 48 of the National Environmental Biodiversity Act (Act 10 of 2004) requires municipalities to align their integrated development plans (IDPs) to national and regional biodiversity frameworks in order to carry out the national mandate of protecting threatened ecosystems. This environmental report entails an overview of the status quo of the broader biophysical environment and resources within the uMlalazi municipal area.

8.1.1. Physiological Environment

Topography

The general topography and altitude of the municipal area varies, but consists of chains of undulating hills and gentle rolling hills interspersed with streams and secondary valleys across the municipal coverage. The undulating nature of the terrain may have implications for the structural developments and storm water management. The potential impacts of these would need to be assessed at project levels.

Geology

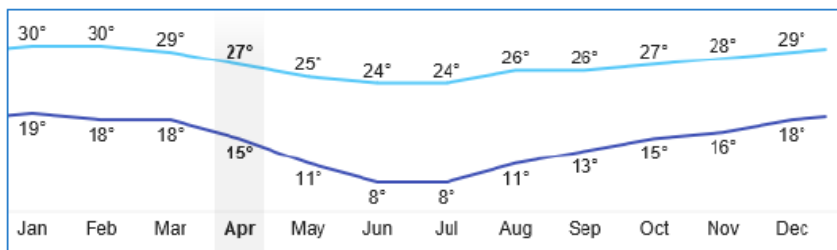
The geological composition of the municipal area is quite diverse. The predominant geological composition consist of five main geological classifications with two main metamorphic formations, the Arenite and Amphibolite sandwiching

each other and covering almost 70-80% of the municipal area. These stretch from the north western segment to the south eastern parts of the municipal area. Patches of granite extend from the eastern portions of Mandawe and then trickles towards northern parts of KwaNkunzi. Large patches of GNEISS occurs south of KwaNkunzi on the mid-eastern segment of the municipality and also along the south-western boundaries. Metamorphic GNEISS is known to be particularly useful in many commercial uses such as flooring, house facing stones, gravestones and other ornamental uses. This great resource should be well preserved and if properly explored can be of great benefit to the economy of the municipality in addition to ensuring its sustainable use.

The geology also has a significant influence on the types of soils and agricultural potential of an area. This also determines the stability of the land and potential to support infrastructure development. The geological composition is depicted on map

8.1.2. Climate

In terms of the Department of Agriculture's climate classifications, Umlalazi municipal area consists mainly of relatively good to moderately good climate with cool breezes. The climate is generally good for agricultural and recreational activities. Temperatures are higher in the summer season, reaching about 30oC and lowest in winter reaching low of 7-8 around June July.



Source: NOAA

Figure 5: Typical Temperature levels in uMlalazi LM

Rainfall within the larger parts of the municipality, are typically higher from November to February during the warmer seasons and lowest around May to July in winter. Sample rainfall pattern is shown in the figure below;

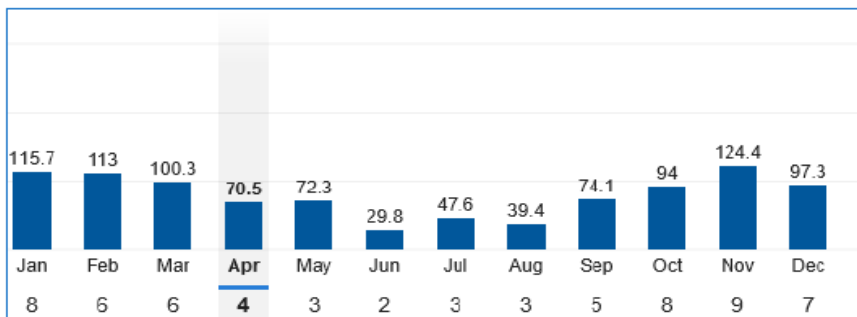
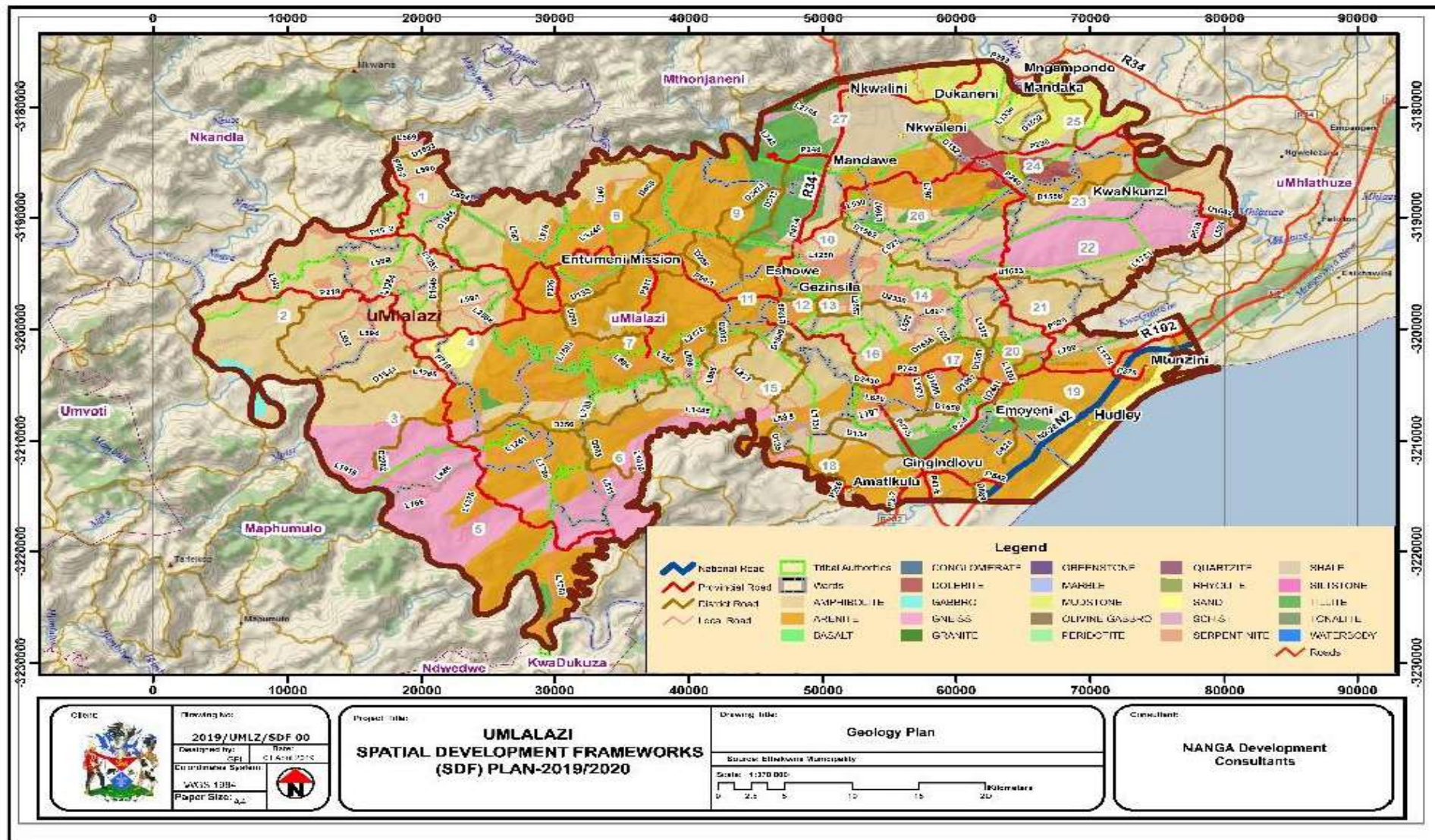


Figure 6: Typical rainfall patterns in uMlalazi LM



Map 15: Geology Plan

8.1.3. Hydrological Characteristics (Rivers, Wetlands and Estuaries)

Rivers and Catchments

The key hydrological features within the municipality include the rivers and most importantly the large patches of wetlands notably the uMlalazi Estuary and the Mbongolwane Wetlands. Most of the rivers fall within the free flowing rivers category, as they mostly follow their natural flow path created within the undulating terrains. The uMlalazi Estuary River located south of Mtunzini Village is about 54 km long and mostly easy to get to by road. Other rivers include Nhezenanene near Emoyeni, Mhlatusna River, Mfule River and Matiku River on the Northern Segment.

The catchment is proximately 492sq.km with about 53% natural vegetation in various forms and the remaining being used for subsistence farming. About 72% of the catchment is with the Ingonyama Trust Land, making it one of the largest traditional management land in the country. The remaining is mostly state land managed by Ezemvelo KZN Wildlife.

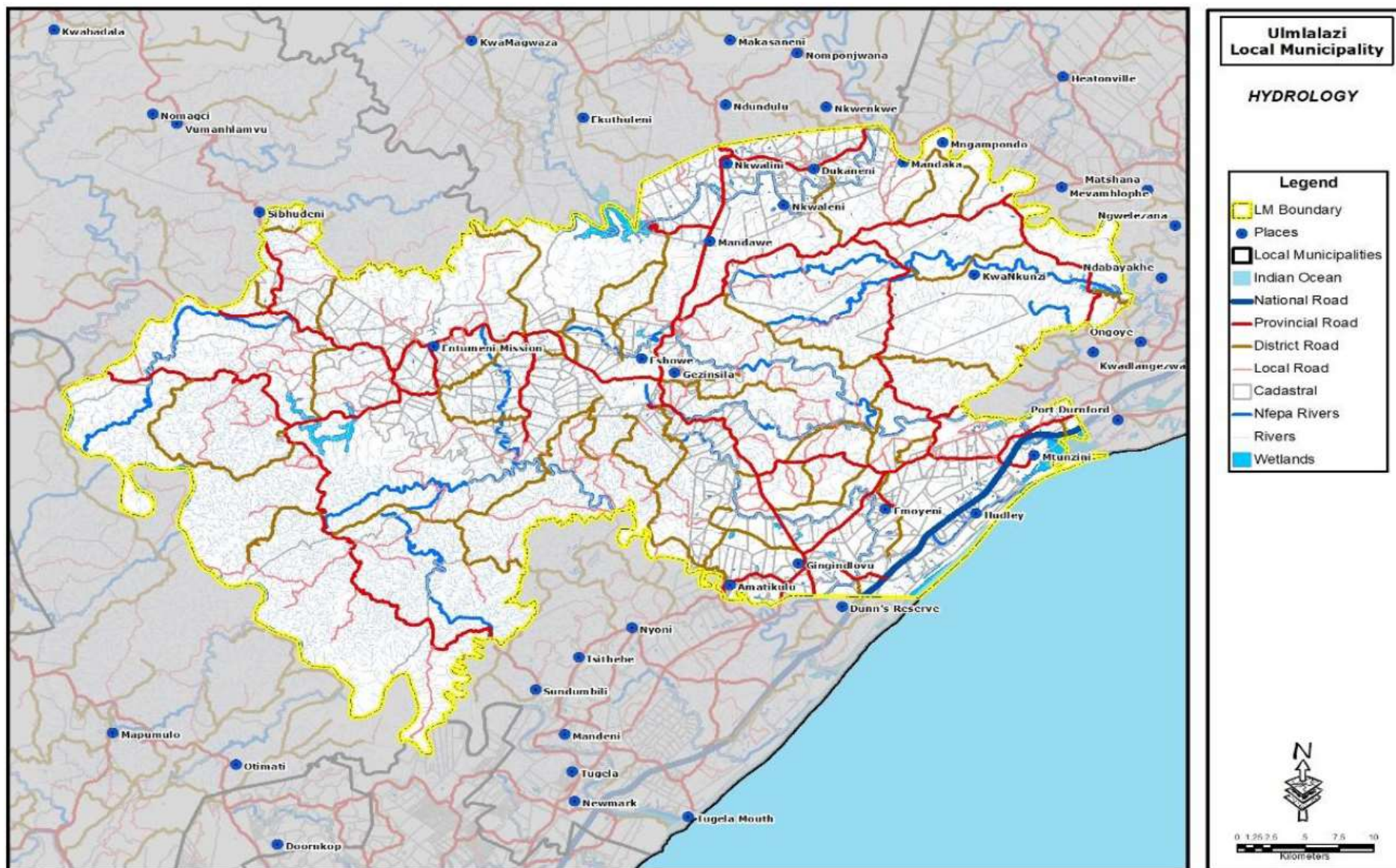
Wetlands

Mbongolwane Wetlands which is approximately 400ha in extent and notable for striving despite numerous attacks on wetlands due to competing commercial agricultural uses in the area. This makes the conservation significance to be higher in addition to the fact that it accommodates swamp of reeds used for weaving. Portions of the wetland are noted being used for root vegetable production. Catchment is referred to by the Ezemvelo guideline as an area of land from which the water runoff and water from smaller rivers flow in line with the slope into a main river system (Ezemvelo KZN Wildlife, 2017). According to the guideline, primary, quaternary or smaller catchment identification is most suitable and important for freshwater biodiversity spatial planning. Due to the numerous rivers within the municipal areas and immediate surroundings, several smaller catchments exist.

Freshwater Ecosystem Priority Areas (FEPA)

The Freshwater Ecosystem Priority Areas Project (NEFPA) has identified and mapped freshwater ecosystems, which includes rivers and wetlands and associated riparian corridors that should be prioritised in spatial planning frameworks in order to protect and preserve water resources within the country. That is, natural or human activities impacting on these water ecosystems are such that, if not checked may create an imbalance and threats to present or future sustenance of these resources. It therefore becomes necessary to intervene in how these resources are utilised, through planning and developing strategies that are aimed at maintaining this balance by ensuring identified rivers or wetlands are kept as clean as possible and in their natural. The status of these systems are categorised into either endangered, vulnerable or least threatened (Driver, et al, 2011).

It is noted that, no critically endangered areas in terms of water biodiversity are identified within the municipal area. The rivers within the municipality fall within three ecosystem threat categories. The Mamba River, Ngonje River, Mateku River and Mhlatusana River falls within Category A and B, (unmodified or largely natural). uMlalazi River is also B, largely natural, with little modifications. Mfule River falls in Category C, implying more severe modification from its natural form. Endangered River is the Mtunzini River, while the remaining are, Vulnerable and Least Threatened.



Map 16: Hydrological Features

Spatial Planning Implications

The river systems require protection and planning for. Most of these have been mapped on the hydrological sensitive map in (Figure 4). These should be integrated into local spatial planning, and objectives and managed at catchment levels, as stipulated by the national Water Act, (Act 36 of 1998) so as to maintain the integrity of the identified ecosystems, thereby creating better and sustainable systems for human use.

In addition they perform very important hydrological functions such as flood attenuation and the maintenance of water quantity and quality of river systems. These important ecological systems need to be protected and managed as effectively as possible. Wetland areas as well as areas within 100m of the river banks should be excluded from active development. In order to preserve the significant functionality of these hydrological bodies within the catchments, it is advisable to conserve these areas as open spaces in all spatial plans that may be developed.

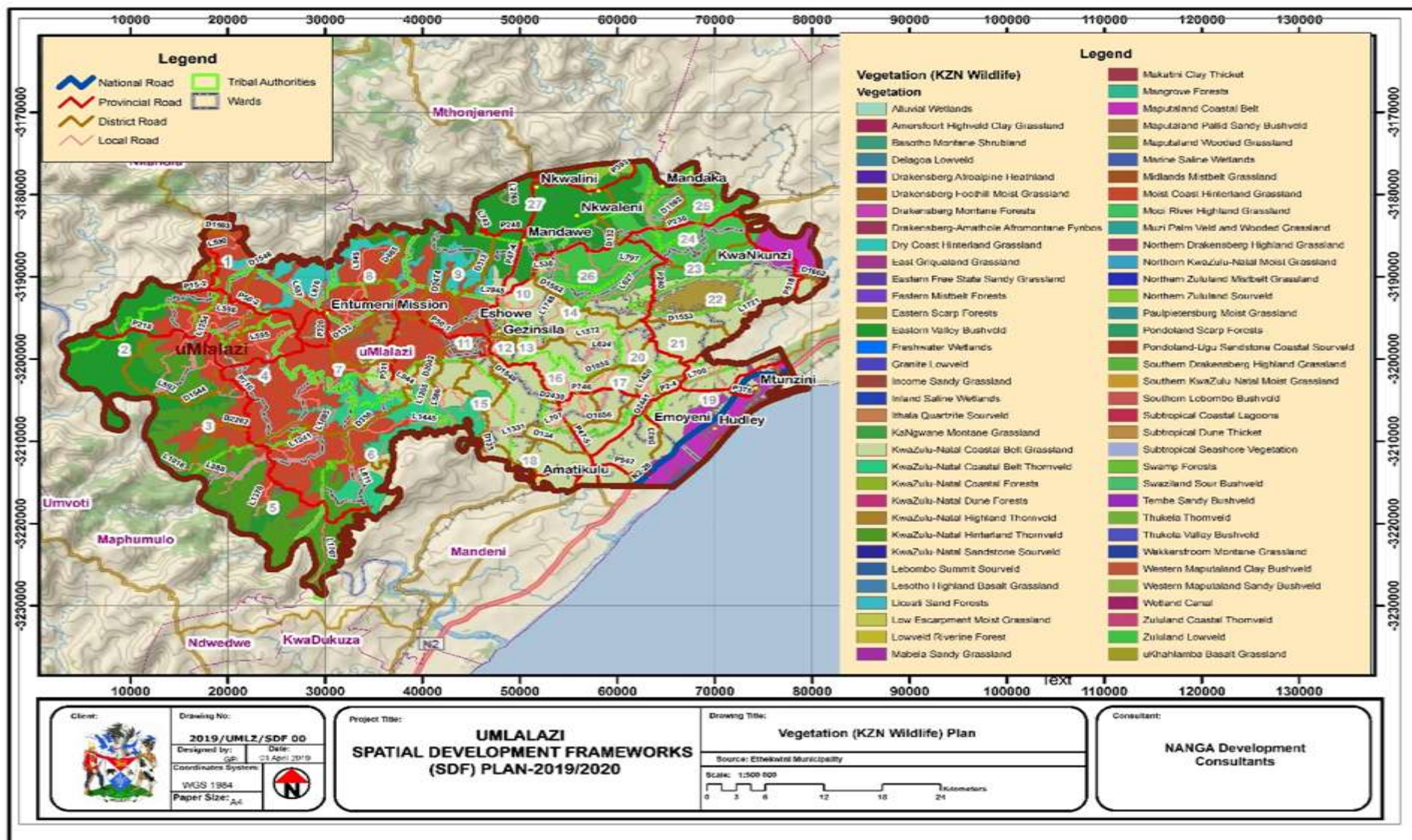
It is important that prior to the planning of specific developments, development-specific impact assessments should be undertaken in order to determine the impacts of the development on these hydrologically sensitive areas. Development in close proximity to these areas may also require environmental authorisation in terms of NEMA Regulations December 2014 (Act 107 of 1998) as amended.

The Ezemvelo KZN Wildlife's guidelines (2017), on freshwater spatial planning implications laid down the following useful principles to be followed:

- There should be no clearance of indigenous riparian vegetation around rivers. These should be maintained as erosion and sedimentation control mechanisms which will also provide river movement corridor for wild species,
- A minimum of 20m buffer of undisturbed vegetation soil should be maintained between hard surfaces and the riverine system or at the bank of the watercourse,
- Stormwater management should not be discharged directly into the river system without setting and polishing of the runoff water occurring either through soft or engineering structures,
- Alien invasive vegetation should be removed or cleared from the riparian zones, preferably by chemical means, or if chemical are used, such chemicals must have been determined to be non- toxic to aquatic species.

8.1.4. Vegetation Types and Conservation Status

In terms of the South African Biodiversity Institutes (SANBI) vegetation classifications, the municipal area is covered three main vegetation bioregions (Mucina, L. & Rutherford, M. C., 2006; SANBI, 2016). The KZN version of the vegetation classification, (Jewitt, 2011) shows that the municipal area is covered by eight main vegetation types. Eastern Valley Bushveld and the Kwazulu-Natal Hinterland Thornveld spread across the western segment and northern eastern portions of the municipality from Mandawe, to Nkwaleni. The Maputaland coastal belt intrudes the south eastern corner of the municipal area, spreading from Ndabayakhe Township areas. The Moist Coast Hinterland Grassland spread across western segment from Sibhudeni area down to surroundings of the Entumeni Mission and Eshowe areas. It is interspersed on the mid Southern portions of the municipality by the Mangrove Forests, Kwazulu-Natal Coastal Belt Grassland, and Coastal Belt Forests. The Eastern Scarp Forests patch of area just below KwaNkunzi.



Map 18: Vegetation Typology

8.1.5. Protected Areas

UMlalazi Municipal area is home to five main patches of protected areas. These are the Dhlinda Forest, Ntumeni Forest, the Ongoye Forest and the uMlalazi Coastal Reserve. No stewardship areas around in the area. The fifth significant protected area is the Reed Frog Habitats Zones south of the municipal area.

Dhlinda Forest

This forest is located on the southern outskirts of Eshowe was established in 1947 and covers 250ha of land. It has a unique history of serving as a burial place for the dead in the Zulu and Anglo-Zulu Wars that once took place in Eshowe. The forest is home to a number two distinctive bird species, the Spotted Thrush and Delagorgues Pigeon which attracts birdwatchers into the forest. A number of other unique bird species in the forest include the Green Coucal, Grey Cuckoo Shrike, Narina Trogon, Trumpeter Hornbill, Red backed Mannikin, Green Twinspot and Crowned Eagle. Very important tree species that are also used for Zulu traditional medicines are also found within this forest reserve.

Ntumeni Forest

This forest was established in 1970 and covers 750 ha of land. It consist largely of forest covered gorge just about 20km west of Eshowe, along the Eshowe /Ntumeni road. Though with a difficult terrain, unique attractions of the forest include the spectacular waterfall situated on the Ngoje Stream. At this point the rare Longtailed Wagtails are often observed along the stream. Birding can be very rewarding with species such as Delagorgues Pigeon, Brown Robin, Yellow streaked Bulbul, Olive Woodpecker, Grey Cuckoo shrike and Black Cuckoo. As with the Dlinza Forest, both blue duiker and bushbuck occur in the forest. The grasslands in the reserve are home to a herd of zebra, and numerous grassland bird species such as the Lazy and Croaking Cisticola.

Ongoye Forest

This forest is an exceptionally rare and diverse habitat. It is probably the most famous example of the extremely rare scarp forests. The Ongoye mountain range is well-drained by numerous fast-flowing streams such as the uMlalazi and its tributaries the Thondo and the Intuze arising from valley-head springs and is of great importance as a water catchment area. It has large array of rare and endemic tree and plant species which include magnificent giant umzimbeet, *Millettia sutherlandii*, forest mangosteen *Garcinia gerrardii*, forest water berry, *Syzygium gerrardii* and pondoland fig *Ficus bizanae* amongst others.. Birding and hiking are also very popular all year round. There are about 130 bird species found on the reserve. The green barbet is endemic to the forest. Bushbuck, red duiker and red squirrel are also found. In the past, Ongoye forest was protected by the Zulu Royal household because of the medicinal value of the plants found there.

The uMlalazi Coastal Reserve

This reserve is located just a kilometer from Mthunzini on the KwaZulu-Natal North Coast. UMLalazi costal reserve was established as a protected area in 1948 and is 1 028 hectares in extent. Home of the palmnut vulture, which is one of the rarest birds of prey in South Africa. There is an easy walk through one of the best examples of mangrove swamps in South Africa, where several species of Wildflowers and a great variety of bird life can be seen.

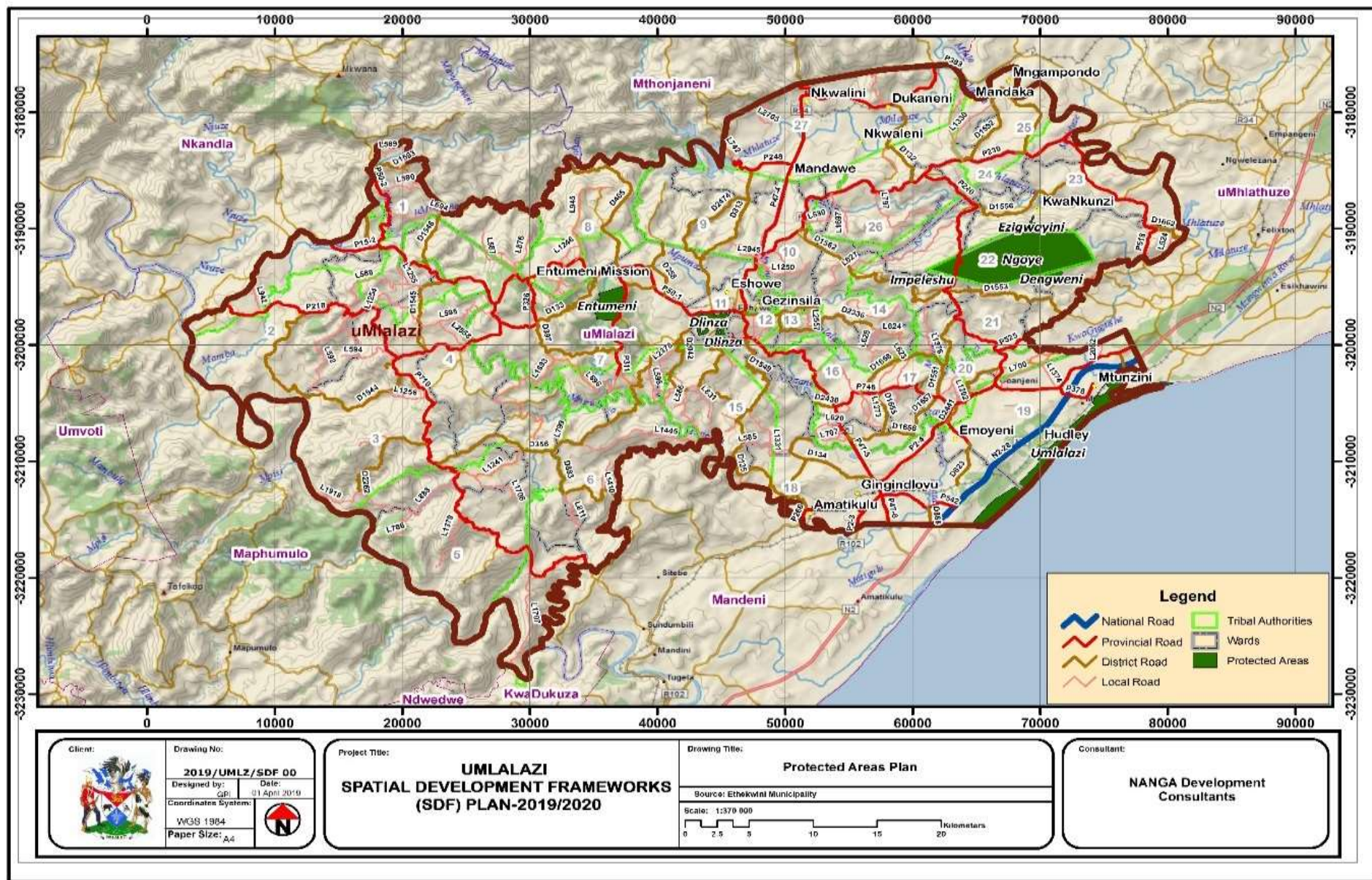
Pickersgill Reed Frog Zones

UMLalazi is home to the Pikersgill Reed Frogs (*Hyperolius Pickersgill*) a rare frog species identified by the KZN Wildlife biodiversity unit as endangered and endemic to the province and in South Africa. While some of the current habitats are known, there are potential others where it is said there is about 53% chance of occurrence. The known areas within UMLalazi Local Municipality occur in about 24 localities (as of 2016) on a 16km stretch along the coastline between Mthunzini and Hudley and nowhere else in the world.

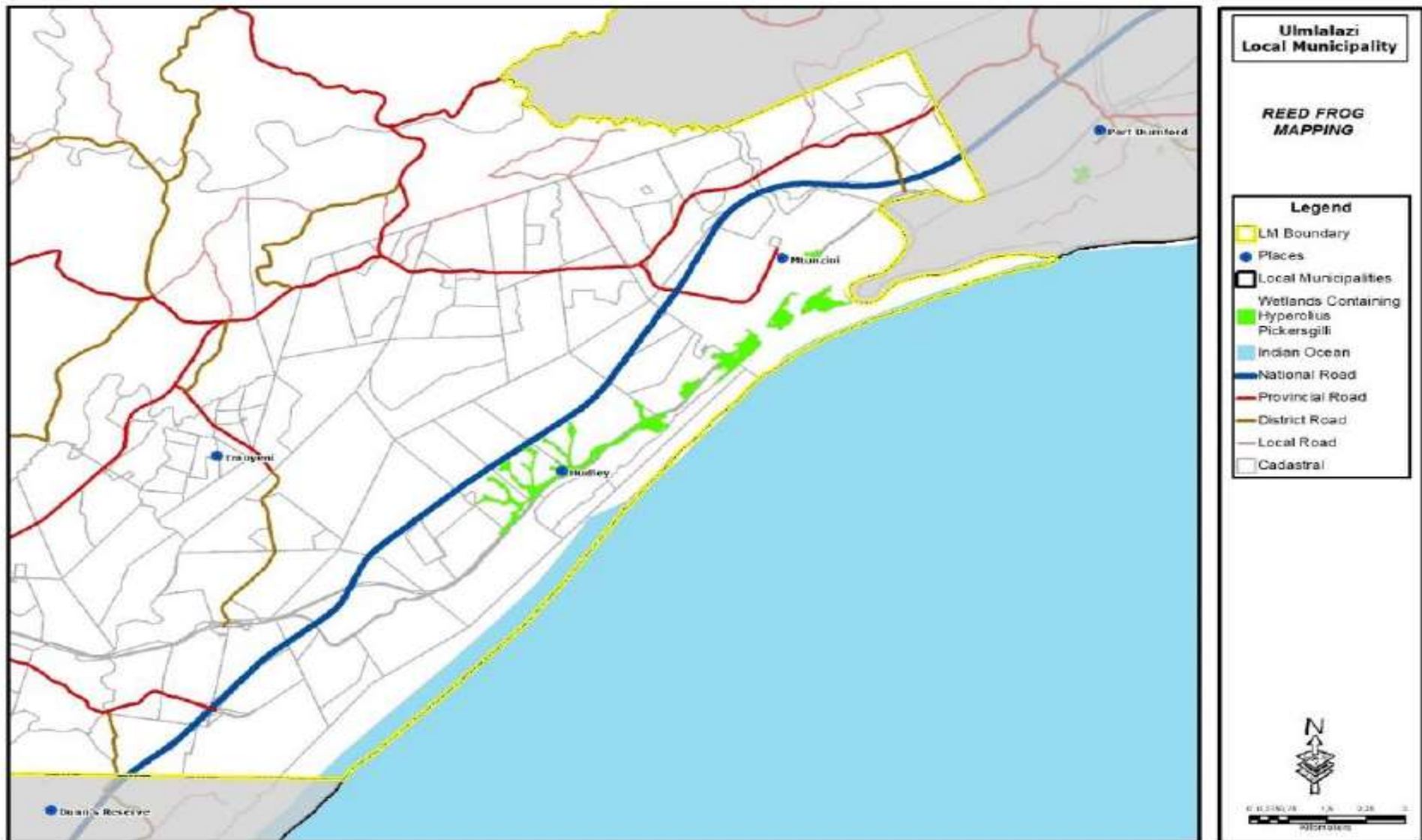
The Biodiversity Management Plan (BMP) for the Pikersgill's Reed Frog (GN.423 in GG.40883, 2017) has been gazetted on the 2 June 2017 which enforces its protection. It is known that only 4 out of the 24 localities are officially protected, leaving almost 83% unprotected. Activities that pose the most threats to the habitats of the frogs include agriculture, urbanisation, with associated pollution potential, and also alien vegetation invasions. The Pikersgill frogs (*H. Pikersgill*) is further listed as Endangered by the International Union for Conservation of Nature (IUCN) emphasizing the high risk of the frog's extinction in the wild environment



Wetlands that occur in the zone are of particular importance because they support movement between the populations across the corridor thereby promoting the growth of the population. These need to be protected, rehabilitated where necessary and prioritized for conservation and protection. Currently special efforts to conserve and sustain the population are being made through the re-introduction programmes being carried out in the wetlands in Johannesburg zoo and in other national botanical gardens, with help from the Endangered Wildlife Trust (EWT). Landowners in local municipalities are also expected to cooperate and support in the preservation of such wetlands where they occur.



Map 19: Protected Areas



Map 20: Location of Pikersgill Frogs within the uMlalazi Coast

8.2. Agriculture Analysis

Agricultural potential referred here mainly to the arability of a land which deals with ability of the land or soil to support the cultivation of crops. High arable lands are noted to be of high agricultural potential. This implies that the piece of land possess the right nutrients and pH or acidity as well as permeability levels to support the growth of basic arable crops and hence could be cultivated. The portions of the land that are marked as low and very low potential rather usable for grazing, or afforestation activities, rather than growing of arable crops.

A large percentage of the municipal area (about 40 - 45%) is classified to be of high to good potential (see Map 18). Areas of very restricted agricultural potential land covers the areas along the western boundaries and also mid north-east between Mandawe, Mandaka and KwaNkuzi. A significant proportion (about 40 %) has low potential while a relatively smaller proportion is classified as areas of low potential and restricted potential.

In terms of development planning, the areas marked as high to moderate agricultural potential should be reserved for agricultural production and excluded as much as possible from non-agricultural or non-cropping activities such as commercial and residential developments. Areas of low to very restricted agricultural potential are recommended for commercial or other non-agricultural developments.

8.2.1. Agricultural Categories

These categories classification is to help in the determination of which land parcels should be restricted to agricultural activities and which ones can be subjected to other uses. Agricultural land is classified by The Department of Agriculture into three categories to guide the use of agriculture land. These include the following categories:

A. Irreplaceable: where land use is limited to only agriculture production only. This may include cropping, keeping of farm infrastructure such as storage facilities and sheds,

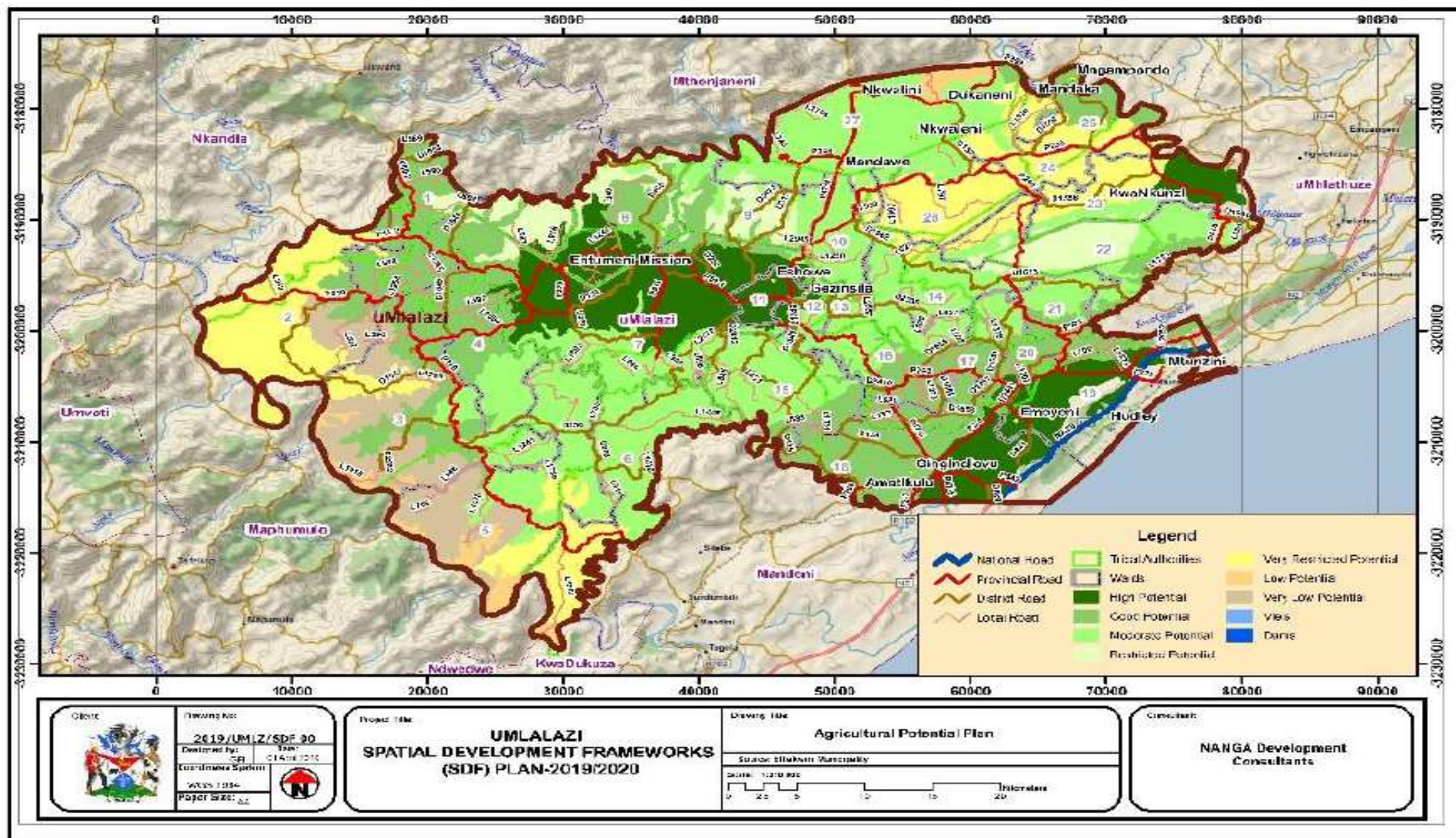
B. Threatened: This category, requires that all effort be made in restricting the land parcels with this classification for mostly agricultural uses. These should be protected from degradation by other uses,

C. Primary Agriculture land use: Category C land is one that has moderate agricultural potential, and may require further efforts in order to a desirable agricultural use. The use of this may include uses in category A and B, such as storage and production infrastructure, with limited agriculture tourism, and research facilities,

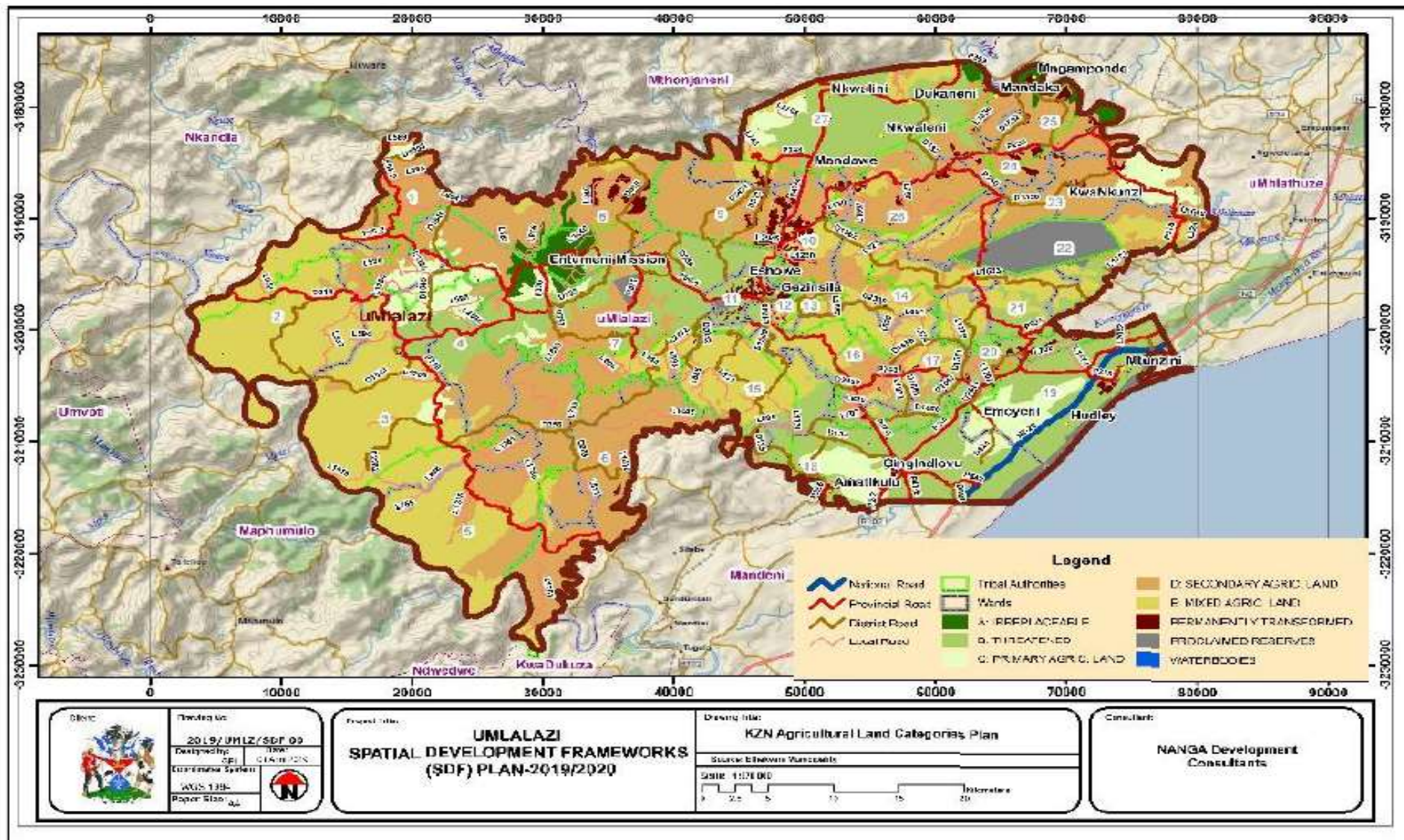
D. Secondary Agricultural land use: These areas mostly those with low agricultural potential and are used primarily for other uses, with agriculture being a secondary land use,

E. Mixed Use: Category E lands are mostly with limited arability potential. These are used for other activities such as grazing of animals, conservation, tourism or development, depending on the demand within h surrounding area.

It is noted that areas with irreplaceable agriculture land use are mostly on the northern surrounding areas of Entumeni Mission, and along the north-eastern boundaries near Mgampondo. Areas referred to as threatened are mostly on the southern portions from Mtunzini, through Hudley to Gingindlovu areas. Other such threatened areas are around the western parts of Eshowe, and north of Mandawe, to Dukaneni surroundings. The rest of the municipal area consists of a mixture of primary, secondary and mixed use land categories.



Map 21: Agricultural Potential



Map 22: Agricultural Land Categories

8.3. Coastal Management

The municipality will, within this financial year, develop a comprehensive Coastal Development Plan for the sustainable development of the 19 km coast line of the municipal area. Central to the development of the CDP is the need for the municipality to actively engage and participate in the oceans economy through existing notational imperatives such as Operation Phakisa. Currently the coastal management of the municipality is facilitated through the KCDM Coastal Management Plan. The KCDM CMP is monitored and implemented by the KCDM Coastal Working Group of which the municipal delegation is part of.

8.3.1. KCDM Coastal Management Plan

The Coastal Management Plan lays out the framework within which decisions are made relating to activities which impact on the coastal assets of the district and the activities within the coastal zone. These activities include property development, infrastructure provision, agricultural activities, poverty alleviation projects, and the provision of and access to the coastal areas and resources.

The priorities and strategies embedded within the CMP for the district are as follows;

Priority Area 1: Integrating the management of estuaries

Objective:

- Develop and implement an estuarine management protocol, including individual estuary management plans that are tailored to suit the current and future requirements including social, economic and ecological considerations.
- Establish appropriate institutional mechanisms for estuarine management to facilitate dialogue, collaboration, development and implementation of Estuarine Management Plans

Priority Area 2: Management of pollution in the coastal zone

Objectives:

- Establish regulatory mechanisms for waste and wastewater disposal in the coastal zone
- Minimization of waste and prevention of pollution

Priority Area 3: Ensuring equitable public access in the coastal zones

Objectives:

- Provide a district commitment for the facilitation of safe and equitable access to coastal public property along the KCDM coast
- Develop norms and standards to assist local municipalities in carrying out their responsibilities with respect to coastal access
- Provide capacity strengthening mechanisms for local municipalities to effectively implement, maintain and monitor coastal access
- Recognizing the importance of access preservation

Priority 4: Effective planning for coastal vulnerability to global climate change (coastal erosion)

Objectives:

- Develop regulatory mechanisms (including norms and standards) to facilitate a uniform approach to assess coastal vulnerability and to establish
- conditions of use in the coastal zone
- Develop appropriate data and decision-support for the identification of vulnerable coast areas to dynamic coastal processes and the effects of
- global change
- Rehabilitation of areas along the coast that have been adversely effected

Priority 5: Strengthening awareness, education and training to build capacity

Objectives:

- Develop enabling mechanisms for the effective implementation of coastal awareness and education for the KCDM, including
- empowerment of coastal communities
- Develop enabling mechanisms for effective training to build capacity in coastal management in KCDM.

8.4. Strategic Environmental Assessment (SEA)

From a broader planning perspective, Strategic Environmental Assessment imperatives connote a framework, based on current land uses, environmental characteristics and potential or future development intentions. Many layers of the biodiversity data that coagulates to provide a holistic picture to inform development planning within the uMlalazi Local Municipality extend from the biodiversity layers established in the Greater King Cetshwayo District Municipal (KCDM) Environmental Management Zoning (EMZ) and the Ezemvelo KZN Wildlife biodiversity and Conservation Priority area zonings. Key components have been discussed separately in this review, including the agricultural potential of the land, the vegetation status and conservation significance, the protected and biodiversity priority areas. Putting all these together culminates into land suitability and environmental zonings. This also reflects where the key resources reside, and where the no-go or restricted areas reside within the municipality.

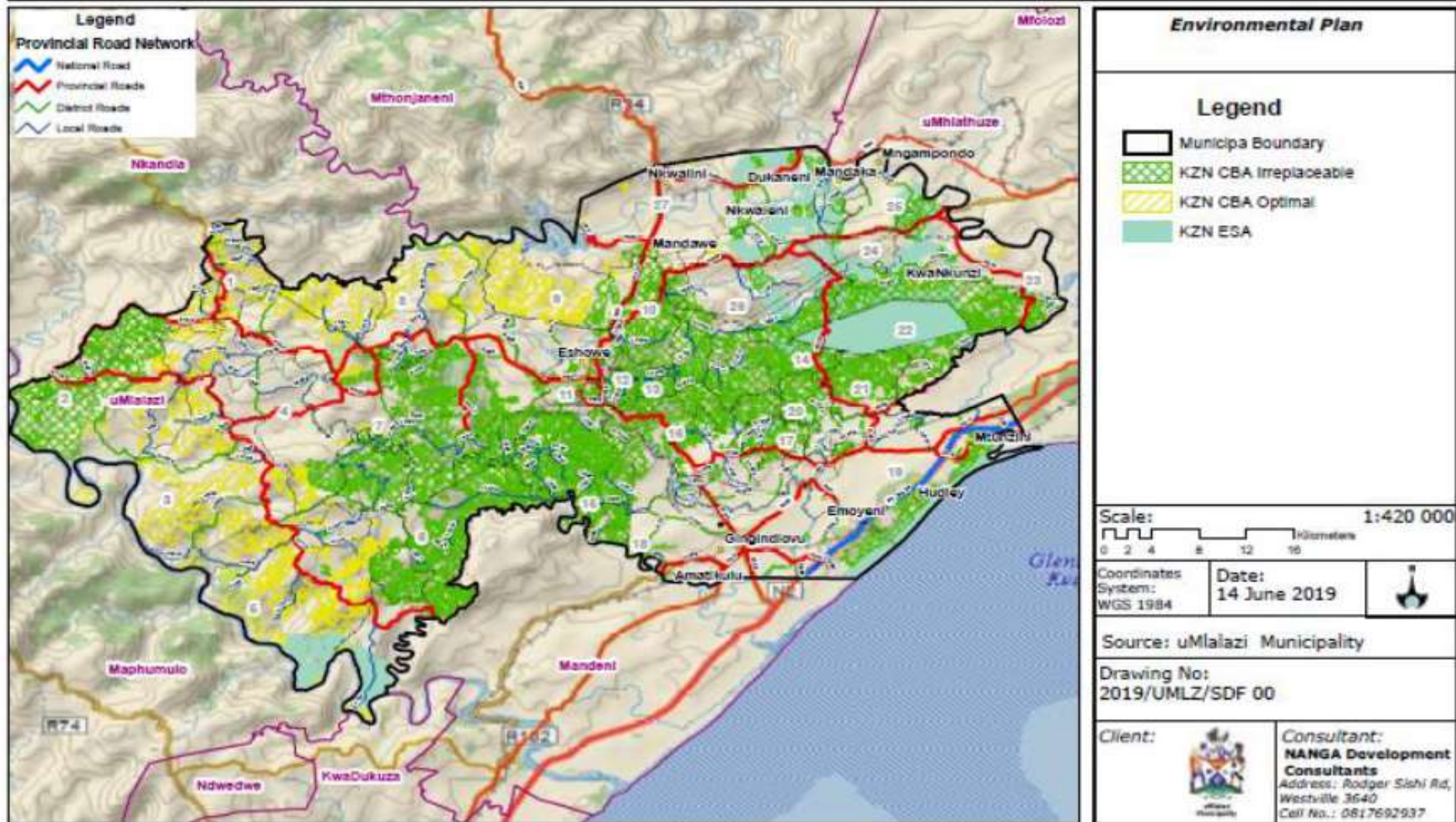
8.4.1. Potential development spatial zonings

From the EMF assessments, the areas of good agricultural potential exist within uMlalazi Local Municipality, most of which are currently already being subjected to cultivations. Due to the good quality of land in the area, most of the vast open lands are quickly being transformed into agricultural purposes. Areas with already transformed vegetation may be used for infrastructural and commercial developments, while areas with good agricultural areas be reserved for such purposes.

8.4.2. Restricted and conservation areas

The areas of high biodiversity conservation, area mostly spread within the South eastern half of the municipality, especially where indigenous vegetation still remain. These areas are noted as Irreplaceable Biodiversity Conservation Areas, as shown on the CBA Map. These areas form the no-go areas, for developments that require vegetation removals. Specific environmental Assessments (EIAs) would need to be undertaken for these areas for specific developments in terms of Section 24 of NEMA (Act 107. Of 1998). Additionally, protected zones cover the 4768km² along the coastal area from Mtunzini through Hundley towards Dunn's Reserve on the Southern side of the N2. These are the known habitats of the Pickersgill Reed Frogs, which are biodiversity assets for the province as per the Biodiversity Red list under the provisions of the National Environmental Management: Biodiversity Act (Act 10, of 2004). These areas are included in the development inclusion zones including Agricultural transformation. Development planning need to take cognisance of these restricted areas. As much as possible, it should be avoided, but and where any development of vegetation transformation is envisaged within the irreplaceable biodiversity asset areas, and conservation areas, key environmental legislations and respective governing authorities needs to be consulted.

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 23: Environmental Plan

8.5. Spatial and Environmental SWOT Analysis

Spatial: SWOT Analysis

Strengths

- uMlalazi LM is strategically located along the N2 Corridor between Durban and Richards Bay, the R34 between Richards Bay/Empangeni and Nkwaleni valley to the north of Eshowe, and the R66 (King Shaka Heritage Route) from the N2 Freeway inland towards the Zululand District.
- The municipality has adopted the wall to wall scheme to manage and regulate land use management throughout the municipal area. The SDF is also under review which will provide a framework for spatial development as it directly links to the IDP vision, mission and strategic objectives.
- Umlalazi municipality is the culture and heritage destination for the Zulu and the European population. There are also extraordinary environmental features (rain forests and wetlands) that attract tourists afar. Mountainous reaches in various awards are prime spots for hunting, birding, hiking and rock climbing.
- The beauty and ambiance with particular reference to the coast, the lagoon, indigenous forests and the activities of the conservancies active in the area is an asset which has a considerable impact on the tourism potential of the municipality.

Weaknesses

- In many instances, the Traditional Authority areas are characterized by poor land management practices that presents a challenge in respect of the unlocking of the agricultural potential that exists. This is exacerbated by uninformed allocation of land practices.
- Traditional Authority areas also accommodate scattered settlement on undulating land, posing considerable pressures in respect of the provision of basic services.
- The urbanization rate is increasing in the municipal area and appropriate responses are required to adequately accommodate this tendency.
- Lack of economic activity in rural areas due to lack of bulk services and poor state of rural roads.

Opportunities

- Economic tradeoffs from the strategic location of the municipality (SEZ/Dube Trade Port, N2 Corridor Development, Logistics Hub serving inland)
- Coastal Development (Blue Flag Status, Coastal Resorts, Pristine Beaches, Ocean Economy)
- The Development of Rural and Urban Nodal Development Plans will assist in decentralizing economic activities within the congested towns thereby enhancing rural economies.
- The vastness and rural component of the municipal area provides and opportunities in extensive agricultural development which should be further complimented with the development of agri-processing hub. An agricultural sector plan therefore being.

Threats

- Mountainous topographical areas are more prone to lightning and wind related disasters.
- Low lying areas are prone to flooding
- Urbanization and mass migration due to lack of services in far rural areas.
- Urban sprawl promotes disorder and responsive (not proactive) planning.
- Slow delivery of services result in protest which lead to the eventual damage to strategic infrastructure.

Environmental: SWOT Analysis

Strengths

- The beauty and ambiance with particular reference to the coast, the lagoon, indigenous forests and the activities of the conservancies active in the area is an asset which has a considerable impact on the tourism potential of the municipality. The strong ties that have been forged between the uMlalazi Local Municipality and the King Cetshwayo District Municipality support the development and promotion of tourism. The fact that Mtunzini was the first town to be declared as a conservancy makes a large contribution to the ambiance of the municipality and greatly contributes to the tourism potential in the area.
- The indigenous ecosystems provide habitat for medicinal plants, a rich resource for homeopathic and traditional medicines and these areas include the Ongoye, Dhlinda and Ntumeni Forests.
- A coastal and lagoon experience is provided with attractive urban nodes.
- The municipality demonstrates a substantial conservation “feel” demonstrated by the protected areas in existence.
- The municipality has a high value ecosystem good and services as a result of the indigenous forest and grasslands.
- The region’s scenic public open space provides many goods and services which contribute to the regional tourism potential.

Weaknesses

- The alignment between municipalities at the local level, the district municipality and the provincial government departments requires strengthening.
- Poor Environmental Practices contribute to the degradation of the environment
- Service delivery within the municipality is problematical due to the large area of the municipality and the sparsely populated character thereof. This has resulted in community dissatisfaction with the integrated development planning process in which external service providers regularly fail to deliver.
- Poverty and unemployment is rife within the rural areas of the municipality. A large proportion of the population within the municipality is not within the employable age group and this further complicates measures for the alleviation of poverty levels.
- The lack of a tourism skills base and capital investment in respect of tourism development and promotion has limited the ability of the municipality to realize its tourism potential.
- Access to markets from the rural areas is limited and problematical and places limitations on agricultural and tourism potential.
- The absence of an environmental chapter as well as from the vision of the municipality is to be corrected by the completion of the Strategic Environmental Assessment and the Environmental Management Plan.
- Littering is a serious problem in the urban areas of the municipality and has ecological, animal and human health and aesthetic impacts with negative consequences for the tourism potential and general health in the area.
- The degradation of wetlands is occurring as a result of cultivation and artificial drainage, river nitrification, dams, urbanization, soil erosion and alien plant invasion and has serious consequences for ecological function and water quality.
- Informal housing along the banks of rivers and streams and near major transportation routes is a weakness requiring attention. Informal housing has substantial impacts in respect of water pollution due to a lack of sanitation, aesthetics, poor land management and health and safety.

Opportunities

- Social upliftment as a result of economic growth is expected.
- Economic growth is expected in areas of tourism in areas such as the coastline, near protected areas and indigenous forests.
- Agri-industry opportunities exist inland and are related to agricultural produce such as sugarcane.

- Nodes or the various forms of development should be carefully selected or identified.
- The provision of housing together with basic services particularly in the rural areas and the formalization of current informal and overcrowded settlements present an opportunity.
- Informing the communities at “grass-root” level will serve to integrate development and inform communities of development opportunities in its area.
- The broadening of the municipality’s rates base through the valuation of the rural areas and commercial farming areas will increase internal funds available for the funding of capital projects.
- The N2 Motorway offers a corridor of opportunities in respect of tourism and agriculture.
- Development in an integrated manner will discourage piecemeal development.
- Optimization of tourism potential in the area in tandem with environmental sustainability can aid poverty alleviation.
- Improved tourism signage will also enhance tourism opportunities.
- Non-industrial labour intensive recycling of waste presents opportunities for employment throughout the municipality.
- The creation of an interlinked open space system using the protected areas and rivers and streams to enhance the aesthetical appeal of the area.
- The introduction of a Land Use Management System (LUMS) for the entire municipal area.
- Some important species of fauna and flora exist within the municipality and is of educational and tourism value.
- The area is linked to the “Valley of the Kings” by the R66 transportation route and presents a tourism opportunity.
- The area offers a pleasant climate that will also encourage tourism.

Threats

- The categorization of the uMlalazi Local Municipality as a “low-impact municipality” is a negative influence on the overall image of the municipality, particularly in respect of its ability to render essential services.
- There is a high prevalence of water borne diseases as a result of the lack of formal engineering services.
- The prevalence of HIV/Aids in the Kwa-Zulu Natal Province is alarmingly high and represents a serious threat to economic development in general.
- Development pressures will be experienced along the coastline and particularly in Mtunzini as an urban area on the coastline.
- Much of the population is involved in migrant labour as a result of the lack of employment opportunities within the municipal area and this has severe social impacts.
- High illiteracy rates prevail within the municipality and are a limitation for the population restricting it to unskilled jobs with a commensurate threat in respect of economic and earnings potential.
- Poor farming practices in the rural areas in particular are a threat to agricultural production.
- There is a lack of infrastructure maintenance impacting negatively on the aesthetics of the municipality.
- Monoculture is resulting in a loss of both genetic and biodiversity goods and services produced in the area.
- Alien vegetation has a negative impact on water resources in the area.
- There is a limited understanding of the downstream impacts of environmental degradation with apathy towards offenders.
- The subdivision of agricultural land into small entities often results in non-viable agricultural production units.
- The use of pit latrines in low-cost housing development will lead to environmental problems.
- The migration of biodiversity up and down altitudinal gradients is critical to the survival of species during global climatic events. Monoculture has created islands of biodiversity in the municipality which inhibits the ability of ecosystems to adapt and migrate.
- The lack of rehabilitation in some areas is an identified problem

9. Disaster Management

9.1. Municipal Institutional Capacity

The Department of Community Services within the uMlalazi local municipality is assigned with the Disaster Management function. The department is also responsible to ensure the regular review and updating of the disaster management plan.

The uMlalazi Municipal Disaster Management, Fire & Rescue Services is the primary functional unit for disaster management in the municipal area. The Municipal Disaster Management and Fire & Rescue Services provide direction for the implementation of disaster management policies and legislation and integration and coordination of municipal disaster management activities and priorities in order to ensure that national and provincial objectives are achieved.

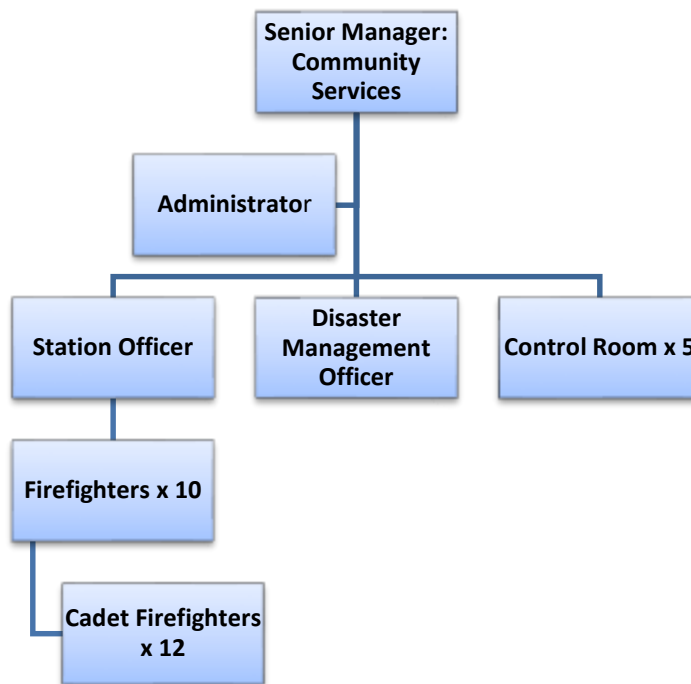


Figure 7: Disaster Management and Fire & Rescue Structure

INSTITUTIONAL INDICATORS	STATUS
1. Disaster Management, Fire and Rescue Plan	Approved 6/2018
2. Disaster Management Plan	Approved 6/2018
3. Disaster Management Interdepartmental Committee	In place
4. Disaster Management Portfolio Committee	In place
5. Disaster Management Advisory Forum	Operational
6. Disaster Management Personnel	1 x Chief Fire Officer 1 x Lead Fireman 1 x DMO 10 x Qualified Firefighters 12 x Cadet Firefighters

Table 15: Institutional and Infrastructural Arrangements for Disaster Management

9.2. Umlalazi Disaster Management Plan (2018)

The uMlalazi Municipality has developed and adopted the Disaster Management Plan and Disaster Management, Fire & Rescue Sector Plan concurrently in June 2018. The issue of disaster management within the municipality, is a broad and multi-sectoral one, thus it requires a broader consultation and support by all relevant stakeholders. The uMlalazi municipality disaster management plan is a document that:

- describes how communities, environment and property will be protected during emergencies and disasters;
- identifies personnel, equipment, facilities, supplies, and other resources available within the municipal jurisdiction or by agreement with other agencies for use during response and recovery operations;
- sets forth lines of authority and relationships, and shows how all actions will be coordinated; and
- assigns responsibility to individuals or departments within the municipality for carrying out specific actions at projected times.

The Plan articulates actions to prevent and mitigate disasters and how risk reduction measures are dealt with in the long-term and managing emergencies in the shorter term, including aspects of preparedness, response and recovery. Provision is also made for the periodic reviews and updates of the plan.

The Plan establishes the arrangements for disaster risk management within the Municipality and has been prepared in accordance with the requirements of the Disaster Management Act. The Plan should be read in conjunction with the Provincial and National legislation, policy and guidelines. This living document is a collation of information and inputs received from the different stakeholders and need to be constantly reviewed and updated.

The uMlalazi Municipality Disaster Management Plan, in which the scope, objectives, management issues and other elements pertaining to disaster management are outlined, also aims to achieve the following objectives.

- prevention and reduction of disaster risks;
- mitigation of impacts; preparedness for effective response to disasters; and
- minimize loss and property damage and quick recovery from the impacts

Also, in keeping with international and national best practice, the uMlalazi disaster risk management framework places explicit emphasis on the risk reduction concepts of disaster prevention and mitigation, as the core principles to guide disaster risk management in the area.

9.3. Ecosystem Based Disaster Risk Reduction (EcoDRR)

Ecosystem-based approaches to Disaster Risk Reduction and Climate Change Adaptation (Eco-DRR/CCA) relate to ecosystem-based solutions, such as the protection, restoration and the sustainable use and controlling of land, wetlands and other natural resources, in disaster and climate risk management. Umlalazi Municipality needs ensure that the programmes that promote (Eco-DRR) are continuous within the municipal area. Programmes like wetland rehabilitation and weed eradication must be constant encouraged and supported. The wetlands help to buffer flood waters, soak up water to release more gradually over time, filter sediments, purify water, and provide forage for livestock and refuge for numerous species. The Eco-DRR programmes include, restoration of wetlands and engagement with communities on deforestation to create awareness.

9.4. Disaster Risk Profiling

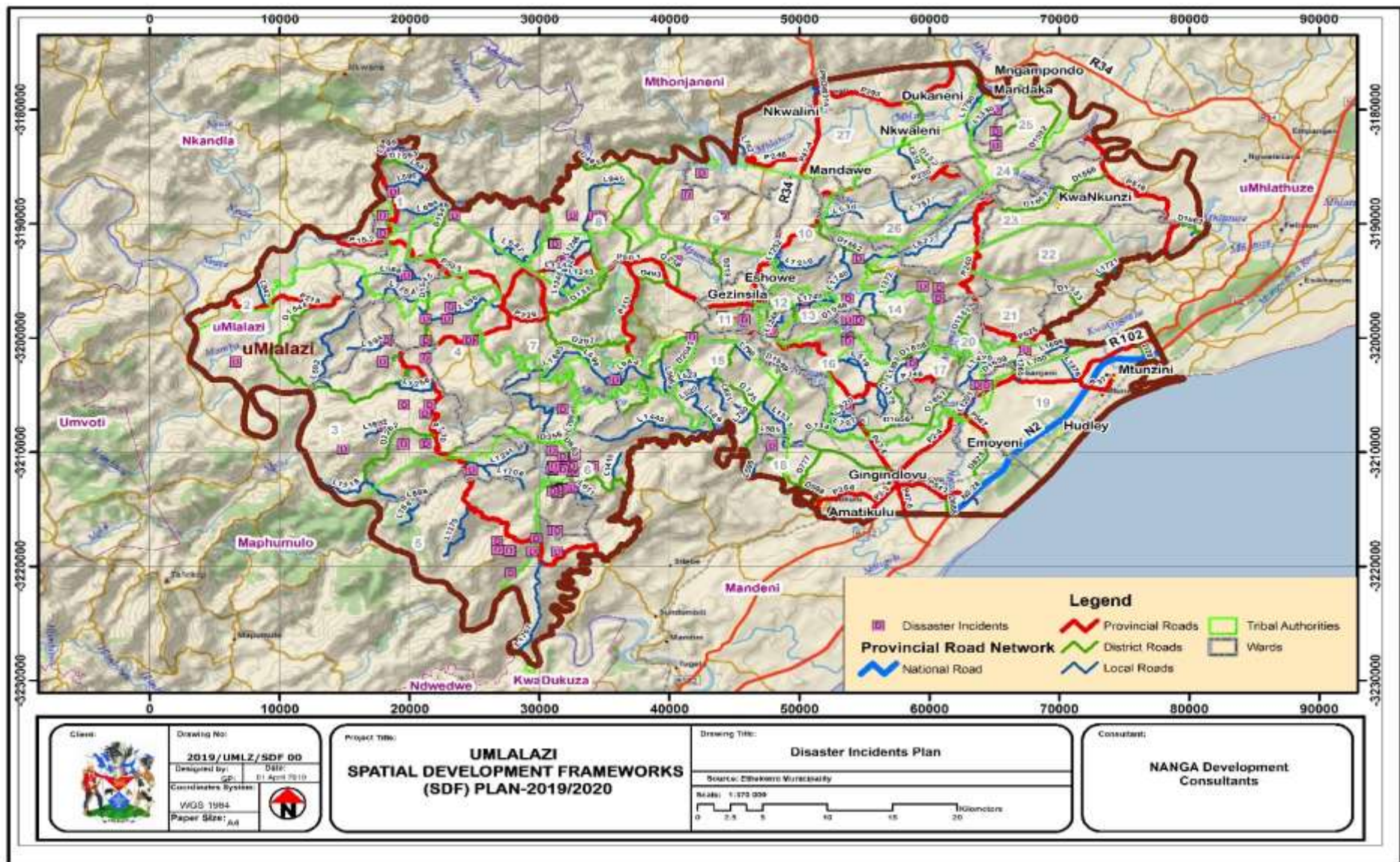
In terms of Section 53 of the Disaster Managements Act of 2002 (Act 57 of 2002), each municipality (Metropolitan, District and Local) must prepare a Disaster Risk Management Plan for its area of responsibility. In order to develop a Disaster Risk Management Plan, it is necessary to conduct a Risk Analysis which will identify and priorities potential hazards and threats that are likely to occur within the area of responsibility of the Municipality. For this process to be effective, detailed indigenous knowledge is to be sought from the local people in each ward. Physical inspections of each ward is also required in order to be acquainted with the physical characteristics of each ward, the terrain, the altitude, environmental features and any other aspects that could have (positive or negative) implications on disasters.

The Municipality current disaster risk profile is based on a detailed disaster risk assessment process. The disaster risk profile for the municipality is based on the data received from the consultations with stakeholders, communities and community development workers. The risk prioritization for the uMlalazi Municipality is shown below:

Legend:										
Red	Extreme high									
Orange	High									
Yellow	Medium									
Green	Low									
Ward No	Lightning	Strong Winds	Hailstorm	Heavy Rainfall	Floods (River, urban, dam failure)	Drowning	Drought	Veld fires	Structural fires	Hazardous material- Hazmat: Spill/ Release
1	Red	Orange	Green	Orange	Yellow	Orange	Green	Orange	Yellow	Green
2	Red	Orange	Green	Yellow	Yellow	Green	Yellow	Yellow	Yellow	Green
3	Orange	Yellow	Green	Yellow	Yellow	Green	Green	Yellow	Yellow	Green
4	Red	Green	Green	Green	Green	Green	Green	Orange	Yellow	Green
5	Orange	Red	Green	Yellow	Yellow	Green	Yellow	Red	Orange	Green
6	Yellow	Orange	Green	Yellow	Green	Green	Green	Orange	Orange	Green
7	Green	Red	Green	Orange	Yellow	Green	Yellow	Red	Green	Green
8	Orange	Red	Green	Orange	Yellow	Green	Green	Orange	Green	Green
9	Orange	Red	Green	Red	Orange	Green	Green	Orange	Yellow	Green
10	Green	Green	Green	Orange	Yellow	Green	Green	Green	Orange	Yellow
11	Green	Green	Green	Yellow	Yellow	Green	Green	Green	Yellow	Yellow
12	Green	Green	Green	Green	Green	Green	Green	Green	Yellow	Green
13	Green	Green	Green	Yellow	Yellow	Green	Green	Green	Orange	Yellow
14	Yellow	Yellow	Green	Yellow	Orange	Yellow	Green	Orange	Yellow	Green
15	Green	Yellow	Green	Yellow	Orange	Green	Green	Yellow	Orange	Green
16	Green	Green	Green	Yellow	Green	Green	Green	Orange	Yellow	Yellow
17	Green	Green	Green	Yellow	Yellow	Yellow	Green	Orange	Green	Yellow
18	Green	Green	Green	Orange	Red	Yellow	Green	Yellow	Orange	Yellow
19	Green	Green	Green	Orange	Orange	Orange	Green	Yellow	Yellow	Yellow
20	Yellow	Yellow	Green	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow	Green
21	Green	Yellow	Green	Orange	Orange	Orange	Green	Yellow	Yellow	Green
22	Yellow	Yellow	Green	Yellow	Yellow	Green	Yellow	Yellow	Yellow	Green
23	Yellow	Yellow	Green	Yellow	Yellow	Yellow	Green	Yellow	Yellow	Green
24	Yellow	Yellow	Green	Orange	Yellow	Yellow	Yellow	Yellow	Yellow	Yellow
25	Green	Yellow	Green	Orange	Orange	Green	Green	Yellow	Yellow	Green
26	Orange	Orange	Green	Yellow	Green	Green	Green	Yellow	Yellow	Green
27	Green	Yellow	Green	Yellow	Yellow	Green	Green	Green	Yellow	Green

Table 16: Ward Risk Profiling (DMP 2013)

The table above indicates that lightning and strong winds are prevalent in the western and central regions of the municipal area where the risks are extremely high. The overall analysis indicates that heavy rainfall, floods, veld fires and structural damage are disasters that are most prone to occur within the municipal area. The map below provides an analysis of the spatial representation of disaster incidents within the municipal area



Map 24: Disaster Incidents

The map above depicts disaster prone areas within the uMlalazi municipal area. It is evident from the map that the areas/wards where disaster incidents occur are primarily on the western parts of the municipality. As a result, these areas are constantly monitored by the DMU and prevention measures are being often implemented not only to prevent incidents but also to manage them when they occur. The western regions of the municipal area are characterized by dry mountainous areas with scattered portions of dense vegetation. The undulating topography leaves communities vulnerable to lightning and strong winds. Other low-lying areas are more susceptible to heavy rains and flooding.

9.5. Training and Awareness

The municipality continuously analyses the education, training, public awareness and research needs in respect of institutional capacity. Appropriate capacity building programmes are identified and implemented to address these needs. The municipality also includes the public awareness campaigns in community participation processes. The municipality also forges partnerships with CBOs, NGOs and the private sector in order to share costs for dedicated public awareness programmes that focus on priority risks.

Training interventions may include short courses; workshops; conferences; seminars; self-teaching; experiential training; mass communication; indigenous knowledge; and drills, exercises and rehearsals. UMLalazi Disaster Management Fire & Rescue Services currently conducts informal basic fire education targeting municipal staff, communities and organs of state. Fire drills are also conducted. The costs associated with education and training programmes that are not accredited can be funded through the municipal budget.

9.6. Community Education and Awareness

UMLalazi Disaster Management Fire & Rescue Services ensures that the community is aware of ways of mitigating the adverse effects of a disaster event, and preparing for, responding to and recovering from a disaster. Community awareness and education is the process by which the community is made aware of identified threats and the means by which they, at an individual, business or household level, can mitigate the possible effects.

In order to inculcate risk avoidance behavior by all stakeholders, community awareness campaigns aimed at raising consciousness about disaster risks must provide information on how to reduce vulnerability and exposure to hazards. These campaigns must include:

- organized and planned awareness programmes aimed at communities, officials and other role-players;
- public gatherings such as imbizo meetings;
- annual recognition and celebration of International Day for Disaster Reduction;
- rewards, incentives, competitions and recognition schemes to enhance awareness of and participation in risk activities;
- dissemination of information to all role players, especially those at risk;
- door-to-door;
- schools;
- Early Childhood Development centers; and
- Operation Sukuma-Sakhe (War-rooms)

9.7. Funding Arrangements

The table below provides an overview of the recommended funding mechanisms for disaster risk management functions as per the NDMF.

Activity	Funding Source	Funding Mechanism
Start-Up activities (KPA1, Enabler 1)	uMlalazi Municipality; Provincial Disaster Management Centre	Own budgets Conditional grant for local government; Conditional infrastructure grants (MIG).

Activity	Funding Source	Funding Mechanism
DRM ongoing operations (KPAs 2 and 3)	Disaster Management and Fire & Rescue Services	Own unit's budgets Equitable share
DRM ongoing operations (KPAs 2 and 3)	Disaster Management and Fire & Rescue Services	Own unit's budgets Equitable share
Response, recovery and rehabilitation (KPA 4)	uMlalazi Municipality; and Provincial Disaster Management Centre	Own Budget; Also access to central contingency funds; Conditional infrastructure grants (i.e. Municipal Infrastructure Grant (MIG))
Education, training and capacity building programmes (Enabler 2)	uMlalazi Municipality; and Provincial Disaster Management Centre	Own Budget. Re-imbursement through SETAs. Also funding through private sector, research foundations, NGOs and donors

Table 17: Proposed Funding Arrangements for Disaster Management

9.8. Disaster Management SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> Risk Assessment has been conducted to identify all Disaster Risks and have formulated a Disaster Reduction model to mitigate casual disaster risks. Disaster Risk Management Plan is in place 10 Fire Fighters employed to combat disasters. 12 Fire Cadets 2 active Fire stations, 3 Fire Trucks, 2 Fire Bakkies and 1 Disaster management vehicle. Fire Hydrants to be install on street curbs. Catchment Management Forum is operational. Budget for Humanitarian Assistance and Disaster Relief Land Use Management Scheme in place. 	<ul style="list-style-type: none"> Funding arrangements for Disaster Management insufficient. Shortage of Staff Poor Road Infrastructure in rural areas and overall topography makes rural areas inaccessible Slow Water and Sanitation projects. Unplanned allocation of Traditional Authority land Training not provided to fire fighters. Old fire fighting vehicles.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> Rural Fire prevention programs Upgrading of Fire fighting/ Disaster infrastructure. EPWP Programs (Working on Fire, Food for waste,) OSS flagship program. Awareness Campaigns in Communities and schools. Rural Housing Developments Fast track electrification projects Satellite fire station. Sidewalks to prevent road accidents. Installation of lightning conductors budget allocated. Alien Invasive Control Plan is approved. 	<ul style="list-style-type: none"> Water shortage/Drought Alien weeds in rivers (Sugar Cane) Fires Slums/Informal Settlements – unsafe practices. Crime Road Accidents. Some rural households rely on candles for lighting and fire for cooking. Climate Change Poor Fire fighting/ Disaster management infrastructure.

Table 18: Disaster Management SWOT Analysis

10. Demographic Analysis

10.1. Demographic Indicators

Population group of Head	Black African	Coloured	Indian/Asian	White	Other	Total	% share in KZN
KwaZulu-Natal	9626245	131447	874180	432831	535,4031488	11065239	100
DC28: KCDM	920496	4458	17795	28385	0	971134	8,8
KZN281 : uMfolozi	143713	254	18	376	0	144362	1,3
KZN282 : uMhlathuze	367151	3073	15399	24841	0	410464	3,7
KZN284 : uMlalazi	217029	1068	2210	2832	0	223139	2,0
KZN285 : Mthonjaneni	78544	63	0	277	0	78883	0,7
KZN286 : Nkandla	114060	0	166	58	0	114283	1,0

Table 19: Demographic Indicators

The total population size of the King Cetshwayo District Municipality has increased from 907,519 in 2011 to 971 134 in 2016. Umlalazi has also increased significantly over same time period. This translates in better standards of living thus decreasing the mortality rate. This could also be a result of a higher birth rate since 2011, which could be a worrying factor in terms of health and birth control among families.

10.2. Population Breakdown

Ward	Population	Number of Households
Ward 1	7 242	1 485
Ward 2	7 936	1 472
Ward 3	8 519	1 749
Ward 4	7 628	1 489
Ward 5	9 126	1 808
Ward 6	7 590	1 523
Ward 7	7 812	2 385
Ward 8	9 207	1 827
Ward 9	7 146	1 324
Ward 10	8 605	1 539
Ward 11	8 340	2 998
Ward 12	5 638	1 839
Ward 13	9 066	2 676
Ward 14	8 712	1 552
Ward 15	9 463	1 904
Ward 16	11 066	1 961
Ward 17	7 657	1 548
Ward 18	4 602	1 837
Ward 19	6 606	2 738
Ward 20	9 883	2002
Ward 21	5445	980
Ward 22	7 556	1 280
Ward 23	6 606	1 176
Ward 24	6 706	1 176
Ward 25	6 986	1 215
Ward 26	6 890	1 349
Ward 27	9 576	2 774

Table 20: Population Breakdown Per Ward

The table above indicates the population as well as the number of households per ward. Ward 16, Ward 20 and Ward 27 are the wards with the highest population figures. It should be noted that these wards are rural wards.

10.3. Population Growth Estimates 2019 - 2035

Using a linear extrapolation technique as well as the statistical data from both the 2011 Census and the 2016 Community Survey, the estimated figures for the population of uMlalazi Municipality in 2019 sits at around 234 327. Furthermore, and again relying upon the linear extrapolation technique, the population is anticipated to expand at a constant rate of 1,64% for the next 15 years (i.e. until 2035). With this in mind, within the next 5 years, the population is expected to reach a total of 254 233 – all else being equal. The figure below provides an illustration of the population growth forecasts from Q1:2019 to Q1:2035 (15 years).

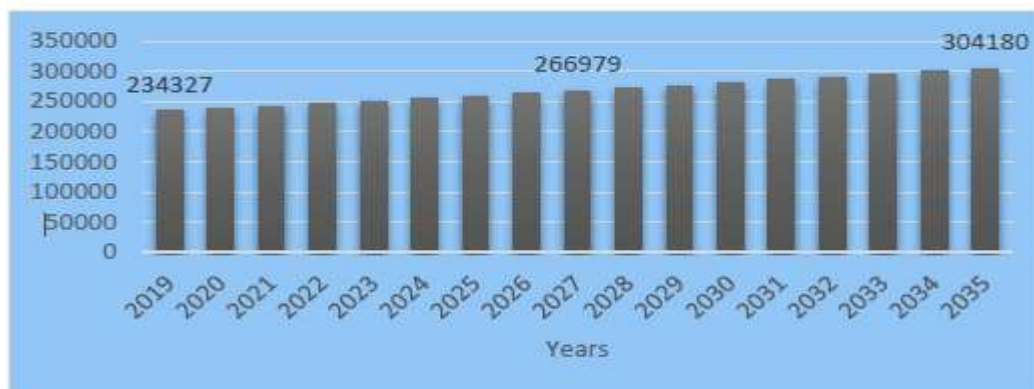
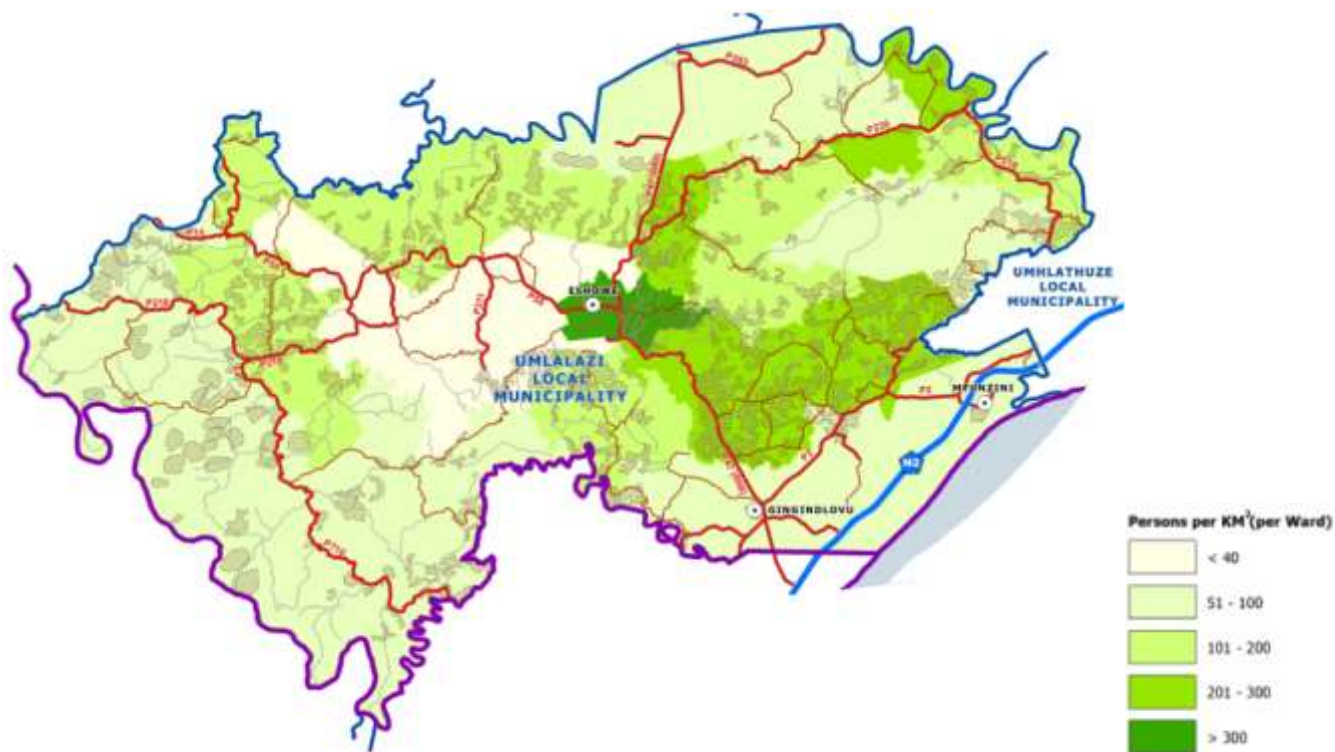


Figure 8: Population Growth Estimates (Source: uMlalazi SDF)

10.4. Population Density

The area surrounding the town of Eshowe has the highest population Density, i.e. More than 300 persons per km². The Eshowe, Gingindlovu and Mtunzini triangle also has relatively high population density, i.e. between 201 and 300 persons per km².



Map 25: Population Density

10.5. Age Distribution

Age	Male	Female
00-04	16733	17325
05-09	15931	15781
10-14	16042	14554
15-19	10754	11172
20-24	9103	9898
25-29	8318	9405
30-34	5303	7170
35-39	4284	5376
40-44	3785	4626
45-49	3027	4354
50-54	2419	4724
55-59	2344	3744
60-64	2088	3235
65-69	1602	3267
70-74	1112	1776
75-79	516	1483
80-84	212	690
85+	199	787
223 140	103772	119367

Table 21: Age Distribution

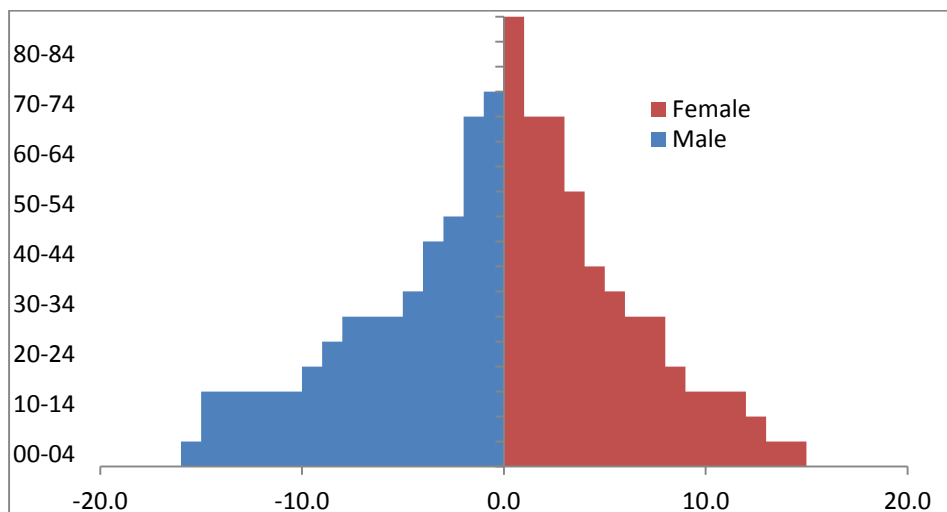


Figure 9: Population Age Pyramid

There is a steady increase in the number of people per age category from 20 years and older. This means that the pyramid structure, as presented in the graph is indicating a broadening trend from people aged 20 years and older. The population is becoming older. It is typical of developing countries. Further, the age distribution also indicates a reduction in the age categories of 5 yrs. to 19yrs. What is however interesting to note is the number of persons in the age category 0 to 4 yrs. (or from 2011 to 2016) has increased significantly indicating that poor birth control is practiced and no family planning is taking place. When further analyzing the population pyramid, it depicts noticeable declines in the categories of primary education, secondary education tertiary education and throughout the employable ages. This could indicate that at these categories, that particular population tends to leave the municipality in search for better opportunities.

10.6. Gender Ratios

In terms of the gender ratio demographics by StatsSA, it is evident that there remain to be more females within the population of uMlalazi LM than that of males. This statistic is evident in provincial and national statistics as well. This cross border trend implicates the municipality into developing plan that target the development of women skills and socio economic well-being.

INDICATOR	TYPE	NUMBER	%
Gender	Male	103 773	47,0%
	Female	119 367	53,0%
Sex ratio male/100 females	Sex ratio male/100 females	89,5	86,9

Table 22: Gender Ratios

10.7. Households Statistics

uMlalazi	2001	2011	2016
Total Population	209 777	206 961	223 139
Number of Households	38 446	45 062	46 953
Average Household Size	5.4	4.6	4.8

Table 23: Household Statistics

INDICATOR	CATEGORY	KZN	KCDM	uMLM
Number of households	Number of households	2875843	225797	46953
Household percentage share by population group	Black/African	2443359	210446	44958
	Coloured	50955	2128	513
	Indian/Asian	246441	5018	636
	White	168005	10091	1220

Head of household (gender)	Male	2414213	192351	39765
	Female	2249740	183432	39920
Main dwelling	Formal	2090067	159371	29285
	Informal	246272	7535	490
	Traditional	520244	58094	16974
	Other	19062	798	204

Table 24: Household Demographics

The above indicates that, with the increase in population due to various reason, there has been an increase in the number of households over the period of 2011 and 2016. The increase in the number of households can also be attributed to the fact that the municipality continues to provide housing to the destitute. The municipality has to date completed two rural housing projects, two urban low cost housing and is in the process of completing the third rural housing project. It is also worth mentioning that there seems to be steady increase in the number of female headed households which may be attributed to the urban migration of males to seek better employment opportunities in larger neighboring cities such as uMhlathuze and KwaDukuza.

10.8. Household Distribution

Households are more densely settled in the area surrounding Eshowe town and to the east thereof. The settlement pattern in the remainder of the Municipal area is low density scattered settlement. The Settlement pattern also shows that there are denser settlements along corridors and major routes, which may indicate that people are settling closer to access to transportation.

10.9. Average Household Size

Table 19 above indicates the number households and the average household size. There has been a noticeable increase in Average Household Sizes between 2011 and 2016, from an average of 4.6 persons to 4.8 persons per household. This is even though the number of households has increased. This could be due to the face that the municipality has lessened the burden overcrowding in households with the provision of houses especially in rural areas. This may also be attributed to the outward migration of youth whom are of a working, to seek employment in other municipalities. The largest households (more than 6 members per household) are located in Wards 22 and 24, in the north-eastern part of the Municipal Area. Whilst the population density in Eshowe town and surrounds is the highest in the Municipal Area, Household Sizes are also the smallest, i.e. less or equal to 4 members per household.

10.10. Female Headed Households

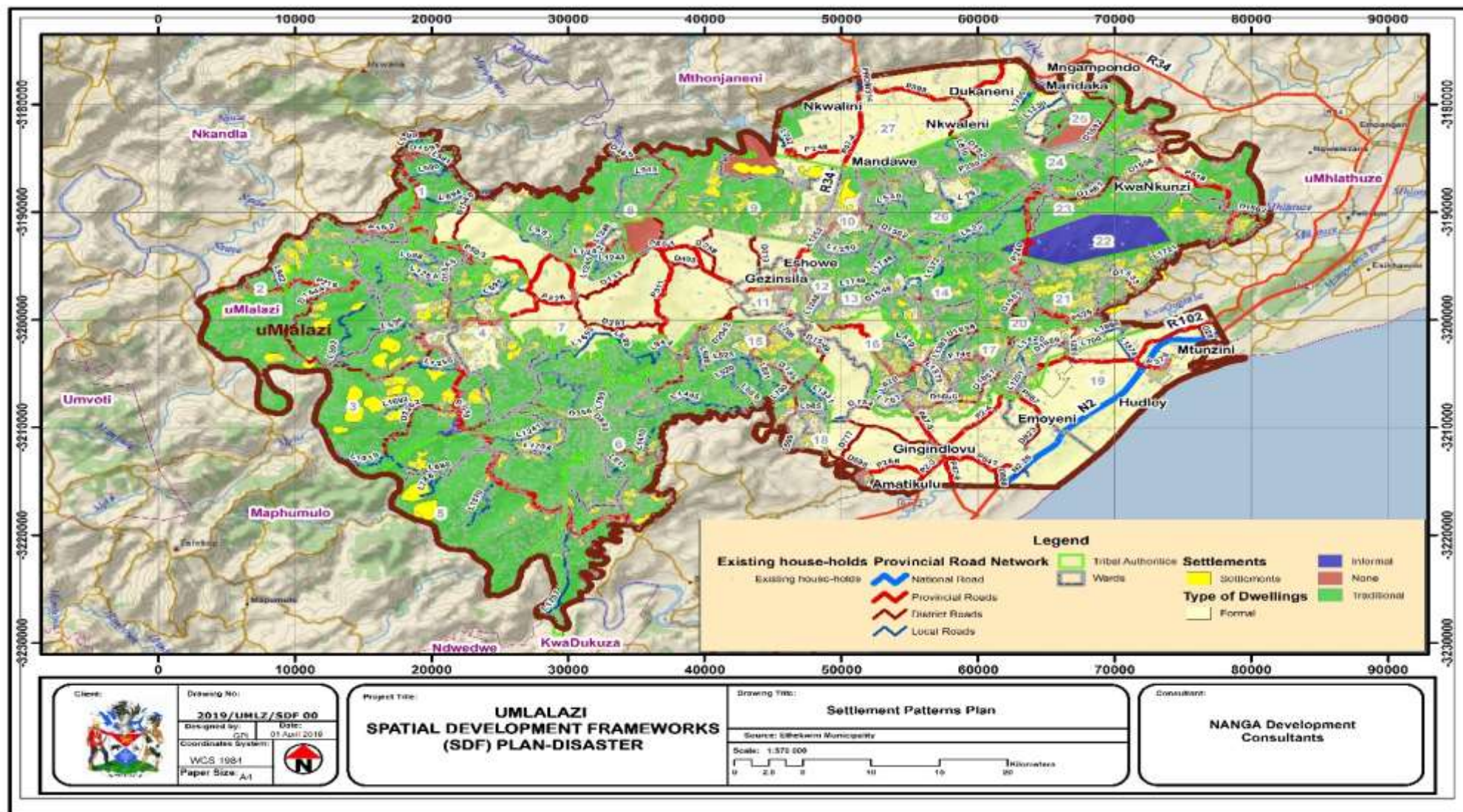
uMlalazi	2001	2011	2016
No. of household headed by women	22 157	24 913	39920
% of female headed households	57,6	55,3	53

Table 25: Female Headed Households

The table above indicates the average number and percentage of households headed by females. It is evident that although the number of female headed households is uncommon, the number seems to be decreasing. Females head households due to various reasons; some households are headed by females due to separations from the male father figure, in other instances it is through the death of the head male figure. It is critical for municipal planners to be able to interpret these figures into service delivery indicators. These figures indicate that the municipality will have to place specific consideration toward programs that seek to empower female household heads, more security measure in place within the ward.

The LED unit within the municipality has set aside specific programs that target female SMMEs and Food security projects. SCM within the municipality has a set aside policy which aims at directing specific procurement and tenders to

women and people with disabilities. Community Services Department have programs in place that seek to empower women socially.



Map 26: Settlement Patterns

11. Municipal Transformation and Institutional Development

11.1. Municipal Transformation

Municipal Transformation plays an integral role in the maximizing of sustainable service delivery. Umlalazi Municipality operates within a sphere of continuous progressive transformation. This is made possible through the implementation of transformative strategies which will ultimately feed into building a strong municipal administrative system and processes. The municipality is geared towards the transformation through the development and implementation of the following plans;

11.2. Human Resource Strategy

The HR Strategy is in place and was adopted on the 30th of June 2015 and submitted to the Local Labour Forum for monitoring and implementation. The main objectives of the HR Strategy are;

- To ensure that the management team is aligned in its views on what is the organizations' cultural fit.
- To attract and retain critical skills by using world-class recruitment and selection strategies and talent management.
- To maintain a credible performance management system across the entire organization to maximize employees contribution to the achievement of business objectives
- To implement and drive Employment Equity in order to give effect to the agreed plan
- To develop Competency Based Training and Development to ensure that the municipality has the right skills and leadership in alignment with national and provincial view
- To regularly develop and review an updated HR policies and procedures – to ensure common understanding – by all stakeholders
- To focus on skills audits by assessing the people capabilities- in order to identify opportunities for further growth and development (career development and succession planning including focus on Integrated Development Planning)
- To ensure through initial induction that new employees enter the organization effectively and are introduced to the organizational culture and behaviors.

Implementation of the HR Strategy

- The municipality holds weekly management committee meetings to ensure that the organizational culture is maintained. Human Resources is a standing item in MANCO where HR issues such as the Organogram, trainings, attendances etc.
- Critical skills are retained in terms of the skills retention policy, whereby staff is constantly trained thereby ensuring capabilities for suitable for promotions. All vacant positions are advertised in terms of the employment equity plan and the selection process is determined by the EEEP
- The municipality implemented a web based automated Performance Management System which monitors performance throughout the organization. This system requires that milestones targets be accounted for in terms of them being achieved and the provision of correctional measures if they are not achieved. This ensure that all the strategic objectives of the municipality are achieved.
- All senior managers (S54/56) undergo a competency testing through SALGA prior to their appointment. The gaps in training for those managers are identified during this process which informs the Personal Development Plan. Employees and Councillors are provided with CPMD and MFMP trainings.
- The HR Policies are continuously reviewed and workshopped to the relevant stakeholders
- Annual skills audits are undertaken and this informs the workplace skills plan as a means for identifying opportunities for further growth and development.
- Continuous induction programs are undertaken to introduce new employees to the organization culture.

11.3. The Human Resource Plan

UMlalazi Municipality has an approved Human Resource Strategy and plan which was adopted on the 30th of June 2015. The following areas are being implemented in terms of the HR Plan and relevant policies:-

a) Recruitment and Selection.

The Recruitment and Selection process is primarily aimed at procuring staff with the necessary competencies, thus enabling the organization to deliver on its strategic and operational priorities.

A transparent and objective approach to appointments is currently being followed where both trade unions are invited to short-listing sessions and interviews as observers. In this regard, the municipality will ensure that assessments are fair, equitable, objective, consistent, transparent and non-discriminatory.

b) Retention.

To achieve its strategic objectives, it is just as crucial for the municipality to retain its competent staff. A major source of discontent amongst staff is the drawn out process of TASK Job Evaluations, which was targeted at

- i. "a consistent basis for pay and remuneration in which the relationships between jobs are systematic and transparent both within and between municipalities;
- ii. "clearer and consistent job descriptions and job titles/designation;"
- iii. "a better understanding by employer and employees of the skills content of posts and therefore their education and training needs; and
- iv. "a basis for understanding employment cost factors from one municipality to another."

The process of Job Evaluation is in progress. The finalization of post level adjustments, remuneration adjustments and addressing all issues of parity following the Job Evaluation Process might significantly boost the municipality's ability to retain competent staff as proper recognition will be given to current responsibilities performed, Staff Retention and Exit Management is currently practiced on an ad-hoc basis. The ability of the municipality to retain competent staff is closely linked to, amongst others, staff morale, motivation, job satisfaction and the organisational culture. Consistent monitoring of these factors will inform interventions to be addressed via Employee Wellness and Employment Equity Strategies.

c) Education, Training and development of staff.

Education Training and Development of the uMlalazi Municipality is focused on the enhancement of knowledge, skills and behavioral competencies of employees and councillors to the appropriate levels required to deliver on and exceed organisational requirements, as embedded in the Organisational Strategy / Integrated Development Plan and legislative prescripts. The main purpose of training and development to date was to ensure that the organization's staff have the competencies necessary to meet performance and quality standards in their current jobs. Training and development interventions are also focusing on the development of individual employees' career and personal potential in order to meet their growth needs as well as the future human resource needs of the organization.

The Municipality acknowledges the value to its own development and that of its employees in cooperating fully with the LGSETA and ensures that it participates in all relevant grants and training opportunities. The Municipality complies with LGSETA requirements and makes all reasonable and cost effective efforts to obtain the highest possible rebate on the Skills Development Levy.

d) Employment Equity & diversity management.

As an employer designated in terms of the Employment Equity Act (Act 55 of 1998), the uMlalazi Municipality is under legal obligation, in terms of Section 20(1) of the Act to draft an Employment Equity Plan, which is reviewed annually.

e) Occupational Health and Safety.

The Occupational Health and Safety function is primarily focused on:

- i. Creating and maintaining a safe working environment and
- ii. Preventing workplace accidents.

f) Individual Performance Management.

In terms of Section 67(1) and specifically Section 67(1)(d) of the Local Government Municipal Systems Act (Act 32 of 2000), the Municipality is compelled to “develop and adopt appropriate systems and procedures to ensure fair, efficient, effective and transparent personnel administration, including (d) “the monitoring, measuring and evaluating of performance of staff.”

The development of such an Individual Performance Management System in essence enables municipalities to give effect to the legislative requirement of being “performance-oriented” and ensures the achievement of the strategic and operational objectives of the organization. The roll-out of an Individual Performance Management System further creates the opportunity to ensure the achievement of legislative obligations as, amongst others, Employment Equity Objectives can be reflected in the Individual Performance Agreements of managers, consistent with the recommendations in the relevant Employment Equity Act Code of Good Practice. The agreement entrench organisational values and consequently contribute to the development of a positive corporate culture. To be effective, the Individual Performance Management Process and Procedures is closely aligned with the organisational strategies and objectives as currently being formulated in the organisational Performance Management Process.

g) Employee wellness.

Employee Wellness, is based on the premise that “People who are well work well”. In this context, Employee Wellness entails all the strategies, action plans and methods used to promote physical, emotional and mental health of employees. In certain instances employees are experiencing distress as a result of emotional, psychological or relationship difficulties. Where these occurrences of distress have a direct impact on work performance or result from work-related incidents, employees are provisionally counselled internally and in the event of severe and/or deserving cases referred for external counselling or psychological intervention. The Municipality undertakes annual Employee Wellness programmes to promote physical, emotional and mental health of employees.

h) Workforce planning and personnel administration.

Personnel Administration is attending to the administration of all employee contracts, benefits and conditions of service as well as all administration and procedures incidental to employee appointments and terminations. The intensive TASK Job Evaluation process is in progress. The progress on the TASK process is considered to be a major milestone and will have a significant positive impact on staff morale, staff uncertainties and parity between positions, as it will ultimately lead to

(a) “a consistent basis for pay and remuneration in which the relationships between jobs are systematic and transparent both within and between municipalities;”

(b) “clearer and consistent job descriptions and job titles/designation;”

(c) “a better understanding by employer and employees of the skills content of posts and therefore their education and training needs;” and

(d) “a basis for understanding employment cost factors from one municipality to another.”

11.4. Workplace skills plan

Municipalities are required to develop the Workplace Skills Plan in terms of the Skills Development Act (Act No. 97 of 1998). The Workplace skills plans (WSP) identifies the skills needs in the municipality and describes the range of skills development interventions that the municipality will use to address these needs. As part of this, Human Resources Department rolls out a full skills audit annually to develop and update the skills profile, which provides important data for the training and career development of each municipal staff.

The municipality’s Workplace Skills Plan was adopted on the 30th of April 2019 and submitted to the LGSETA for consideration and municipality implements training interventions in accordance with the plan. As part of the WSP the municipality develops an Annual Training Report which will indicate skills development and training needs of all the employees and Councillors. Below is a table quantifying the number of trainings implemented through the WSP:

No.	Dates	Training	Training Provider	No of staff trained
1.	03 July – 20 September 2019	Examiner of Drivers Licenses Grade A	KZN Traffic Training College	1
2.	19-23 August 2019	Records Management	Dept. of Arts & Culture	4
3.	22-23 August 2019	Labour Law Conference	The conference company	3
4.	18-19/07/2019	Intergovernmental Relations	L H Business Solution	1
5.	17-19 September 2019	Labour Intensive Construction	SAICE	3
6.	18-19 September 2019	Performance Monitoring & Evaluation Conference	Intelligence Transfer Centre	1
7.	30 September 2019	CompEasy	Dept. of Labour	2
8.	07-11/10/2019	Records Management Training	Dept. of Arts & Culture	1
9.	15-16/10/2019	Electricity Distribution Forms Workshop	NERSA & National Treasury	1
10.	13-16/10/2019	AMEU Conference	Association of Municipal Electricity Utilities	2
11.	16/10/2019	HR & Payroll workshop	Natal Joint Municipal Pension Fund	2
12.	24-25/10/2019	Advanced Slims Training	Dept. of Arts & Culture	5
13.	30-31/10/2019	Building Inspectors Training	Dept. of Human Settlements	3
14.	25-26/11/2019	Labour Relations Symposium	SALGA	5
15.	13-15/11/2019	Institute of Traffic, Licensing and Metro Police Officers Conference	ITLMPO	1
15.	14-15/11/2019	GapSkill Training	KZN Cogta	2
16.	19-20/11/2019	Local Government Anti-Corruption Strategy and the Municipal Integrity Management Framework	KZN Cogta	4
17.	26-29/11/2019	HRD for Good Municipal Governance	LGSETA	1
18.	05-06/12/ 2019	Internal Auditors training	CIGFARO	4
19.	07 January 2020 – April 2020	Fire & Rescue Operations	Asiphokuhle Training & Research Institute	19
20	21/01/2020-11/12/2020	Traffic Officers Diploma Course	Limpopo Traffic Training College	3
21	20-31/01/2020	Urban Search And Rescue Training	COGTA	1
22	30-31/01/2020	Talent Management Seminar	SALGA	1
23	20-21/02/2020	Practical Protection Of Personal Information Act	Impact consultants	2
24	03-07/02/2020	Introduction to Samtrac	NOSA	1
25	04-06/03/2020	Support Staff Training	TNM Corporate Solutions	1
26	02 March 2020 to 12/2020	Municipal Finance Management Programme	CSM Consultant	30
27	09-11/03/2020	Coaching for Leadership Training	COGTA	3
28.	11-13/03/2020	Health and Safety	BMT Solutions	27

No.	Dates	Training	Training Provider	No of Cllrs trained
1.	22 August 2019	Housing training	Dept. of Human Settlements	33
2.	10-12 September 2019	Municipal Leaders Media and Stakeholder Engagement Programme	SALGA	1
3.	01-03 October 2019	#Press for Change Women in Leadership	COGTA	5
4.	26-29/11/2019	HRD for Good Municipal Governance	LGSETA	1
4.	30-31/01/2020	Talent Management Seminar	SALGA	1
5.	02 March 2020 to 12/2020	Municipal Finance Management Programme	CSM Consultant	10

Table 26: Staff and Councillor Training Plan

11.5. Recruitment and Selection Policy

The Recruitment and Selection process is primarily aimed at procuring staff with the necessary competencies, thus enabling the organization to deliver on its strategic and operational priorities.

A transparent and objective approach to appointments is currently being followed where both trade unions are invited to short-listing sessions and interviews as observers. This process is followed in terms of the Recruitment and Selection

Policy. In this regard, the municipality ensures that appointments are fair, equitable, objective, consistent, transparent and non-discriminatory.

11.6. Retention/Succession Policy

To achieve its strategic objectives, it is just as crucial for the municipality to retain its competent staff. A major source of discontent amongst staff is the drawn out process of TASK Job Evaluations, which was targeted at

- (a) “a consistent basis for pay and remuneration in which the relationships between jobs are systematic and transparent both within and between municipalities;
- (b) “clearer and consistent job descriptions and job titles/designation;”
- (c) “a better understanding by employer and employees of the skills content of posts and therefore their education and training needs; and
- (d) “a basis for understanding employment cost factors from one municipality to another.”

The process of Job Evaluation is in progress. The finalization of post level adjustments, remuneration adjustments and addressing all issues of parity following the Job Evaluation Process might significantly boost the municipality’s ability to retain competent staff as proper recognition will be given to current responsibilities performed, Staff Retention and Exit Management is currently practiced on an ad-hoc basis. The ability of the municipality to retain competent staff is closely linked to, amongst others, staff morale, motivation, job satisfaction and the organisational culture. Consistent monitoring of these factors inform interventions to be addressed via Employee Wellness and Employment Equity Strategies.

11.7. Organizational Development

Institutional Arrangements

The structure established to manage all aspects of the Municipality is summarized as follows:

The Council Executive/Committee served by the Municipal Manager.

The uMlalazi Municipality has five departments, namely:

- Engineering Services;
- Community Services and Public Safety;
- Financial Services;
- Corporate Services; and
- Planning and Economic Development

Powers & Functions

The following table indicates the Powers and Functions for uMlalazi Municipality:

LOCAL FUNCTION	DISTRICT FUNCTION	SHARED FUNCTION
<ul style="list-style-type: none"> • Air Pollution Control • Building Regulations Enforcement • Planning and Economic Development control • Child-Care Facilities • Pontoons, Jetties, Ferries, Piers, Harbors • Storm Water Management (Built-Up Areas) • Trading Regulations • Beaches and Amusement Facilities 	<ul style="list-style-type: none"> • Electricity Reticulation • Municipal Health Services • Potable Water • Sanitation 	<ul style="list-style-type: none"> • Fire Fighting Services • Local Tourism • Municipal Airport • Municipal Planning • Municipal Public Transport • Cemeteries, Funeral Parlors and Crematoria • Markets • Municipal Abattoirs • Municipal Roads

LOCAL FUNCTION	DISTRICT FUNCTION	SHARED FUNCTION
<ul style="list-style-type: none"> • Billboards and Display of Advertisements in Public Places • Cleansing • Control of Public Nuisances • Control of Sale of Liquor to the Public • Facilities for the Accommodation, Care and Burial of Animals • Fencing and Fences • Licensing of Dogs • Local Amenities • Local Sports Facilities • Municipal Parks and Recreation • Noise Pollution • Pounds • Public Places • Street Trading • Street Lighting • Traffic and Parking 		<ul style="list-style-type: none"> • Refuse Removal, Refuse Dumps and Solid Waste

Table 27: Municipal Powers and Functions

Staff Composition and Equity (Employment Equity)

The Municipality has an Employment Equity Plan in place, as part of the HR Plan and it is being implemented. It is reviewed annually. Further to this, through this plan, the municipality has developed progressive strategies to overcome the following challenges in which the municipality is faced with;

- Human resource capacity constraints.
- Shortage of skilled staff within the organization
- Improve the management of service providers
- Improve and continuously upgrade ICT within the organization

The following table depicts the staff composition of the uMlalazi Municipality as **29 February 2020**. The information only reflects the staff that is permanently employed by the municipality. Councilors, Temporary staff and EPWP employees are not accounted for in this table. The Staff composition that totals 453 fixed employees, categorizes staff into race and gender per occupation level.

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	4	0	0	0	1	0	0	0	0	0	5
Senior management	1	0	0	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and mid-management	16	0	0	1	7	0	1	0	0	0	25
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	60	0	3	4	48	1	7	4	1	0	128
Semi-skilled and discretionary decision making	79	1	1	1	48	0	4	4	0	0	138

Unskilled and defined decision making	90	0	0	1	63	0	2	0	0	0	156
TOTAL PERMANENT	250	1	4	7	167	1	14	8	1	0	453
Temporary employees	0	0	0	0	0	0	0	0	0	0	0
GRAND TOTAL	250	1	4	7	167	1	14	8	1	0	453

Table 28: Staff Composition and Equity

Employment Equity Plan Targets

The table below depicts the municipality's current employee equity targets which are numerical goals that were required to be achieved by the end of 2020. **The municipality is hence reviewing the current EEP which will be effective as of July 2020.** The municipality sets is targeting to achieve this demographic and gender equity within the institution. The municipality has, in compliance with the EEP targets, employed two female Senior Managers at top management level.

TOP MANAGEMENT	
Planned	2 African Females
Achieved/ Not yet Achieved	Partly achieved 2017/2018 FY: DES resigned with effect from 01 December 2020, The recruitment process for the Director Engineering Services is at screening phase in accordance with Regulations on Appointments and Conditions of Employment of Senior Managers.
SENIOR MANAGEMENT	
Planned	1 Indian Male
Achieved/ Not yet Achieved	Not yet achieved
PROFESSIONALLY QUALIFIED	
Planned	1 Indian Male
	3 African Females
	1 Coloured Females
Achieved/ Not yet Achieved	Not all achieved
SKILLED TECHNICAL AND ACADEMICALLY QUALIFIED	
Planned	5 Coloured Male
	1 Indian Male
	1 Coloured Female
Achieved/ Not yet Achieved	Not yet achieved
SEMI SKILLED	
Planned	1 Indian Male
1 Coloured Female - Achieved	
Achieved/ Not yet Achieved	Not all achieved
UNSKILLED	
Planned	2 Coloured Males
	2 Coloured Females
	1 Indian Females
Achieved/ Not yet Achieved	Not yet achieved

Table 29: Employment Equity Targets

Vacancy Rate

The municipality has a fully-fledged staff component of 453 employees and there are **13** vacancies in respect of funded posts. The Vacancy rate is therefore 3%.

Below is the table in respect of funded positions as at 29 February 2020

DIVISION	VACANCY RATE
Overall	3 %
Senior Management	16 %
Finance	2%
SCM	0%

Table 30: Vacancy Rates in respect of funded posts.

Organizational Structure / Organogram

The municipality adopted the new organogram in 11 December 2018 and is annually reviewed with the IDP. Additional new positions will only be filled upon availability of financial resources. Further to this, the municipality has employed capable and experienced staff within various sections of the organization so as to align itself with the requirements SPLUMA which has taken effect. A full organogram is annexed to this document.



Figure 10: Political Office Bearers Structure

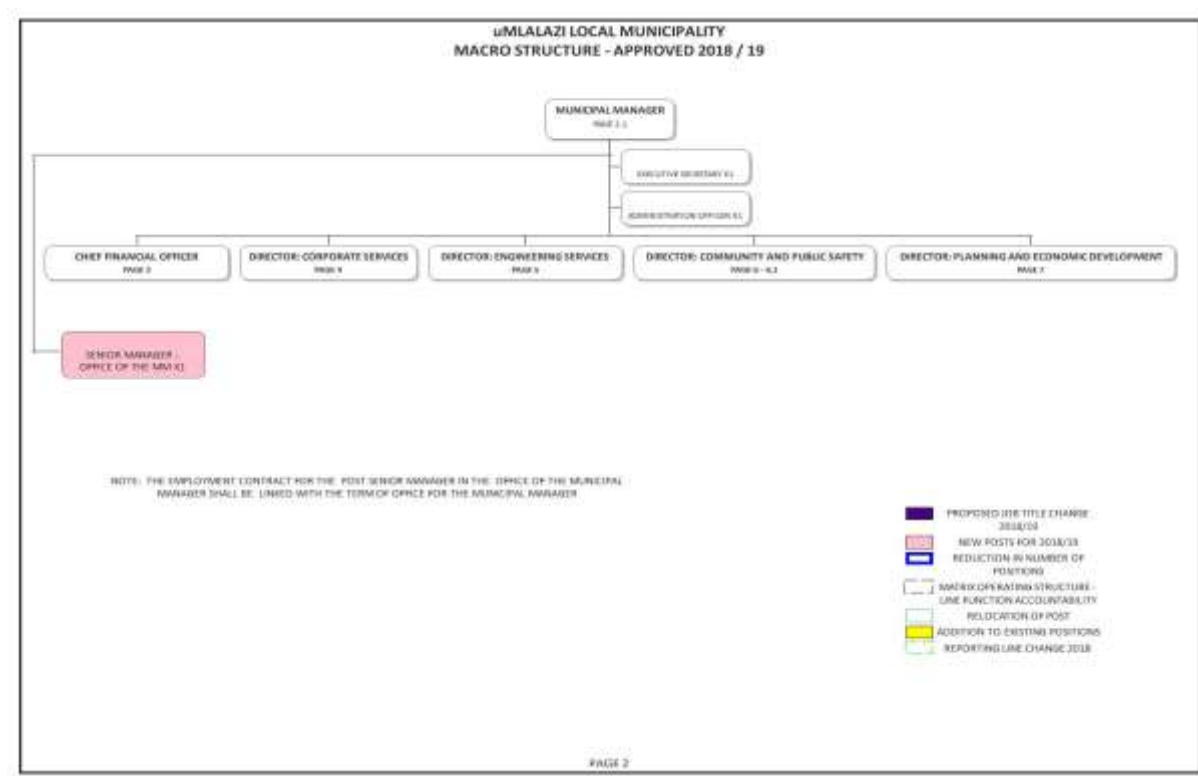


Figure 11: Macro Structure

The detailed complete organizational organogram is attached on **Annexure 6**.

Municipal Institutional Capacity & Critical Posts

Critical Posts

The posts of Municipal Manager, as well as all Section 56 posts, are considered as critical posts. **All these post have been filled with the exception of the Director Engineering Services who resigned with effect from 01 December 2019.** The recruitment process for the Director Engineering Services is at screening phase in accordance with Regulations on Appointments and Conditions of Employment of Senior Managers.

Institutional Capacity

As indicated previously, the Municipality has the following five Departments.

- Engineering Services;
- Community Services
- Financial Services;
- Corporate Services.
- Planning and Economic Development

The following provides an overview of the above Departments:

Office of the Municipal Manager

- Compliance and Legal
- Performance Management
- Internal Audit
- Public Participation

Engineering Services Department

- Civil Services (Roads and storm water; Sidewalks etc.)
- Municipal Building Maintenance Services
- Civil Infrastructure Planning, Construction & Routine Maintenance
- Project Management Unit
- Electrical & Mechanical

Finance Department

- Revenue
- Expenditure
- Supply Chain Management
- Budget and Financial Reporting

Corporate Services Department

- Human Resource Management
- ICT
- Administration/ Secretariat
- Communications
- Corporate Services
- Registry and Archives

Community Services Department.

- Community and Social Development
- Environmental Management
- Sustainable Job creation
- Protective Services Unit
- Youth Development

Planning and Economic Development

- Town Planning (Spatial, Statutory and Land use Management)
- Integrated Development Planning (Strategic Planning and Policy Development)
- Human Settlement (Urban and Rural, Rental, Title Deeds, Slum Clearance)
- Building Control (Building Plan Examining, Building Inspectorate),
- Local Economic Development and Tourism
- Youth Business Advisory

11.8. The Spatial Planning and Land Use Management Act and Its Implementation

The Spatial Planning and Land Use Management Act 13 of 2013 (SPLUMA) came into effect on the 1st July 2015 as per gazette notice number 38828 published on 27 May 2015. The Minister of Rural Development and Land Reform has also gazetted and published the final SPLUMA Regulations in terms of section 54 (1) of the SPLUMA on the 23 March 2015.

With regard to development application processes, the municipality is still continuing to use the existing planning legislation to the extent that it is not inconsistent with the SPLUMA (Section 2(2) of SPLUMA) until such time that the by-laws and systems are adopted by Council.

The King Cetshwayo District municipality resolved to establish a King Cetshwayo South Joint Municipal Planning Tribunal (JMPT), a committee which consists of members from King Cetshwayo District Municipality, uMlalazi, Nkandla and

Mthonjaneni Local Municipality and a King Cetshwayo North Joint Municipal Planning Tribunal which consists of the remaining municipalities in the district.

The advert calling for nominations for membership of King Cetshwayo South (JMPT) was placed on the Zululand Observer and Ilanga and the closing date for nominations was 30 October 2015. The Evaluation committee met on 21 January 2016 to evaluate nominations received.

After thorough assessment of the applications received, the following nominees were appointed as internal members of the King Cetshwayo South Joint Municipal Planning Tribunal Committee:

INTERNAL MEMBERS	MUNICIPALITY AND NOMINATED FIELD
1. Thembinkosi Jele	King Cetshwayo District Municipality : Engineering
2. Gcina Dlamini	King Cetshwayo District Municipality : Land Legal
3. Wisdom Mpofu	King Cetshwayo District Municipality : Planning
4. Gift Mathalise	King Cetshwayo District Municipality : Planning (Vice chairperson)
5. Khethokule Zondi	Nkandla Local Municipality : Engineering
6. Mthobisi Shezi	Nkandla Local Municipality : Engineering
7. Ntuthuko Mhlongo	Nkandla Local Municipality : Planning
8. Mthokozisi Ngubane	uMlalazi local Municipality : Planning (Chairperson)
9. Wenzile Sibiya	uMlalazi local Municipality : Planning
10. Helman Dlamini	uMlalazi local Municipality : Engineering
11. Vacant	uMlalazi local Municipality : Land Legal (Administrative Officer)
12. Jaap Le Grange	uMlalazi local Municipality : Engineering-Electrical
13. Vacant	Mthonjaneni Local Municipality : Planning
14. P Vilakazi	Mthonjaneni Local Municipality : Local Economic Development
15. D Horne	Mthonjaneni Local Municipality : Traffic
16. N Zikhali	Mthonjaneni Local Municipality : Engineering

Table 31: Internal members of the King Cetshwayo South (JMPT)

The following nominees were appointed as external private members of the King Cetshwayo South Joint Municipal Planning Tribunal Committee:

EXTERNAL MEMBERS	NOMINATED FIELD
1. Thulani Nkosi	Land Legal
2. Sibongiseni Maseko	Planning
3. Thamsanga Majola	Land Legal
4. Aubrey Ngcobo	Land Legal
5. Nomfuneko Mkhize	Land Legal
6. Lulama Miya	Land Legal
7. C P Cele	Planning
8. Robert Wilson	Planning

Table 32: External private members of the King Cetshwayo South (JMPT)

It shall be noted that the external members will be paid by King Cetshwayo District Municipality an amount of R750.00 per hour with maximum of R3000 per meeting and the internal members will not be paid since there are the employees of the state. Travelling costs to external members will also be paid as per Department of Transport rates.

The three Local Municipalities (Nkandla, Mthonjaneni and uMlalazi) will share the cost of advertising the appointed members of King Cetshwayo South MPT and divide amongst the each other.

11.9. Municipal Transformation & Organizational Development: SWOT ANALYSIS

Below is the table illustrating Municipal Transformation and Organisational Development SWOT analysis:

Strengths	Weaknesses
<ul style="list-style-type: none"> • All HOD Positions are filled • Functional Municipality • Staff Moral • Competent and capacitated staff • WSP and EEP in place and implemented • Employee Wellness Programs in place • Low vacancy • Clean Audit in ICT and HR 	<ul style="list-style-type: none"> • Job Evaluations • Registry non-compliant with National Archives Act • ICT: Slow Internet Connections • Employment equity can still be improved upon • Lack of office space • Outdated non transformational policies • Inadequate Fire Fighting Tenders • Limited Eshowe Testing Station services due to lack of space • Insufficient security at municipal buildings
Opportunities	Threats
<ul style="list-style-type: none"> • Upgrade of ICT to Fiber Optic • Funding to effectively implement ICT Master Systems Plan • Expansion of municipal buildings (including new town hall, registry, council chambers) • Full Policy Review • Partnerships with Department of Arts and Culture (Roll out of rural libraries) 	<ul style="list-style-type: none"> • Corruption • Protests • Fraud

Table 33: Municipal Transformation and Organisational Development SWOT analysis

12. Basic Service Delivery

12.1. Water and Sanitation

King Cetshwayo District Municipality, in terms of the Water Services Act, is the Water Services Authority in respect of its area of jurisdiction, apart from the City of uMhlathuze. The WSA 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 supply and sanitation (collectively referred to as water services). As a WSA, King Cetshwayo District Municipality focuses on water services and on providing at least a basic level of service to consumers in its area of jurisdiction.

12.1.1. Water

King Cetshwayo District Municipality as WSA has a number of initiatives underway, notably:

- Water loss management strategy
- Water meter installation
- Water quality improvement interventions

According to the 2016 Community Survey from StatsSA, uMlalazi Municipality has 7154 (15.2%) households with access to piped water within the dwelling, where 13 351 (28.4%) have access to piped water within the yard. It is concerning to note that almost 13% of households depend on streams and rivers as their main source of water supply. This has hazardous impacts on the health of the population and ultimately their economic productivity.

INDICATOR	TYPE	NUMBER	PERCENTAGE
Main source of drinking water	Piped (tap) water inside dwelling	7 154	15,2%
	Piped (tap) water inside yard	13 351	28,4%
	Piped water on communal stand	8 244	17,6%
	Borehole in yard	308	0,7%
	Rain-water tank in yard	815	1,7%
	Neighbors tap	758	1,6%
	Public/communal tap	4 831	10,3%

INDICATOR	TYPE	NUMBER	PERCENTAGE
	Water-carrier/tanker	3 479	7,4%
	Borehole outside yard	1 228	2,6%
	Flowing water/stream/river	6 063	12,9%
	Well	0	0,0%
	Spring	552	1,2%
	Other	169	0,4%

Table 34: Access to piped water

Water Backlogs

Water backlogs have decreased from 81% to approximately 34% between 2001 and 2018. The KCDM has connected 76,520 households with water between 2001 – 2018. The strategies to eradicate backlogs by KCDM is summarized as follows:

- To provide at least 90% of the backlog population with a water volume of 5l/capita/day within a 1000m walking distance, and;
- To provide at least 35% of the backlog population with water to the RDP level of service, i.e. 100l/capacity/day.

In addition to the above, there are about 220 small, stand-alone supply schemes in the District that supply water to many rural areas. At least 145 of these schemes are fed by boreholes or springs. However, these groundwater resources are either not reliable or too low-yielding to be relied upon for the establishment of bulk supply systems. For this reason surface water resources are relied upon to a greater degree to feed the bulk water systems while groundwater resources are used in the interim to maintain existing services levels and provide a survival level of service in remote grey and drought affected areas in the District.

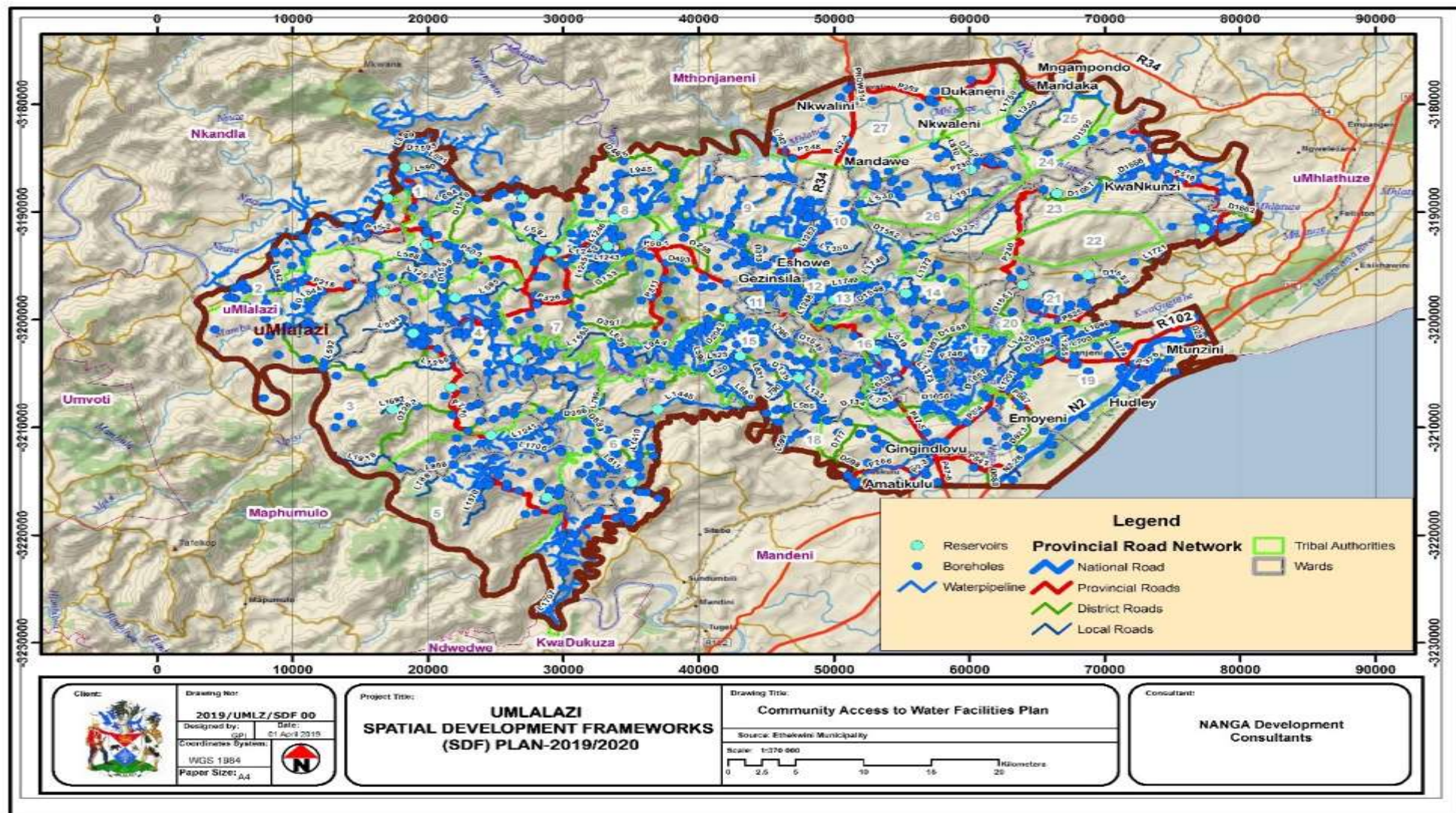
Local Municipality	2015 Households	Households with Water Coverage	Household Backlog	Percentage Backlog
UMfolozi	24,802	18,892	5,910	24%
uMlalazi	43,851	27,484	18,367	42%
Mthonjaneni	17,759	13,432	4,327	24%
Nkandla	22,484	16,712	5,772	26%
Total	108,896	76,520	34,376	32%

Table 35: KCDM Water Backlogs

Summary of Funding Requirement Water Provision

Table 36: Funding requirements for Water Provision

Master Plan Supply Area	Local Municipality	Direct Costs (R,000)	Professional Fees (R,000)	Estimated Total (R,000)
Eshowe	uMlalazi	1,504,047	248,166	1,752,213
KwaHloko	uMlalazi	1,636,569	270,035	1,906,604
Greater Mthonjaneni	Mthonjaneni	2,118,265	349,512	2,467,767
Mbonambi	uMfolozi	347,225	57,293	404,518
Middledrift	uMlalazi/Nkandla	2,729,243	450,323	3,179,566
Upper Nseleni-Mhlana	uMfolozi	1,522,282	251,173	1,773,455
Vutshini-Nkandla	Nkandla	3,150,211	518,893	3,669,104
Total		13,007,832	2,145,395	15,153,227



Map 27: Community Access to Water

12.1.2. Sanitation

KCDM has extensively covered sanitation facilities in all four local municipalities except in uMlalazi LM where there is still backlog of 10% which is to be finished by 2019/20. The Technical services department is however busy with the planning for quantifying of the infills in all local municipalities within KCDM by 2020. KCDM has connected 103,678 households with sanitation facilities from 2001-2018.

The table below indicate statistics from the 2016 Community Survey conducted by StatsSA. The below indicates that the majority of the households within uMLM have some access to sanitary facilities with almost 3% use other unconventional means.

INDICATOR	TYPE	KZN	KCDM	uMLM	uMLM (%)
Main type of toilet facility used	Flush toilet (Sewage system/septic tank	1345349	70590	8279	20,0%
	Chemical toilet	421037	58474	9827	23,8%
	Pit latrine (with/without) ventilation	876969	82936	22242	53,8%
	Ecological toilet (e.g. urine diversion, enviroloo)	20299	1411	686	1,7%
	Bucket toilet (collected by municipality/Emptied by household	50655	1874	290	0,7%

Table 37: Community Access to Sanitation

Sanitation Backlogs

The following table depicts the sanitation facilities backlogs. The KCDM remains with only 10% backlogs within the uMlalazi Municipal area which amounts to 4% in the district. Within all the other municipalities the KCDM is currently installing infills.

Local Municipality	House-hold Count	House-holds with Sanitation	House-holds without Sanitation	VIP Toilets Completed in FY2017/18 & to be completed in FY2018/19	Backlog
uMlalazi	43,851	37,647	4,232	6,039 + 986	10%
UMfolozi	24,802	25,387	0	783 + 585 - Infills	0%
Nkandla	22,484	22,484	0	537 - infills	0%
Mthonjaneni	17,759	17,759	0	542 - infills	0%
Total	108,896	103,678	4,232	9,472	4%

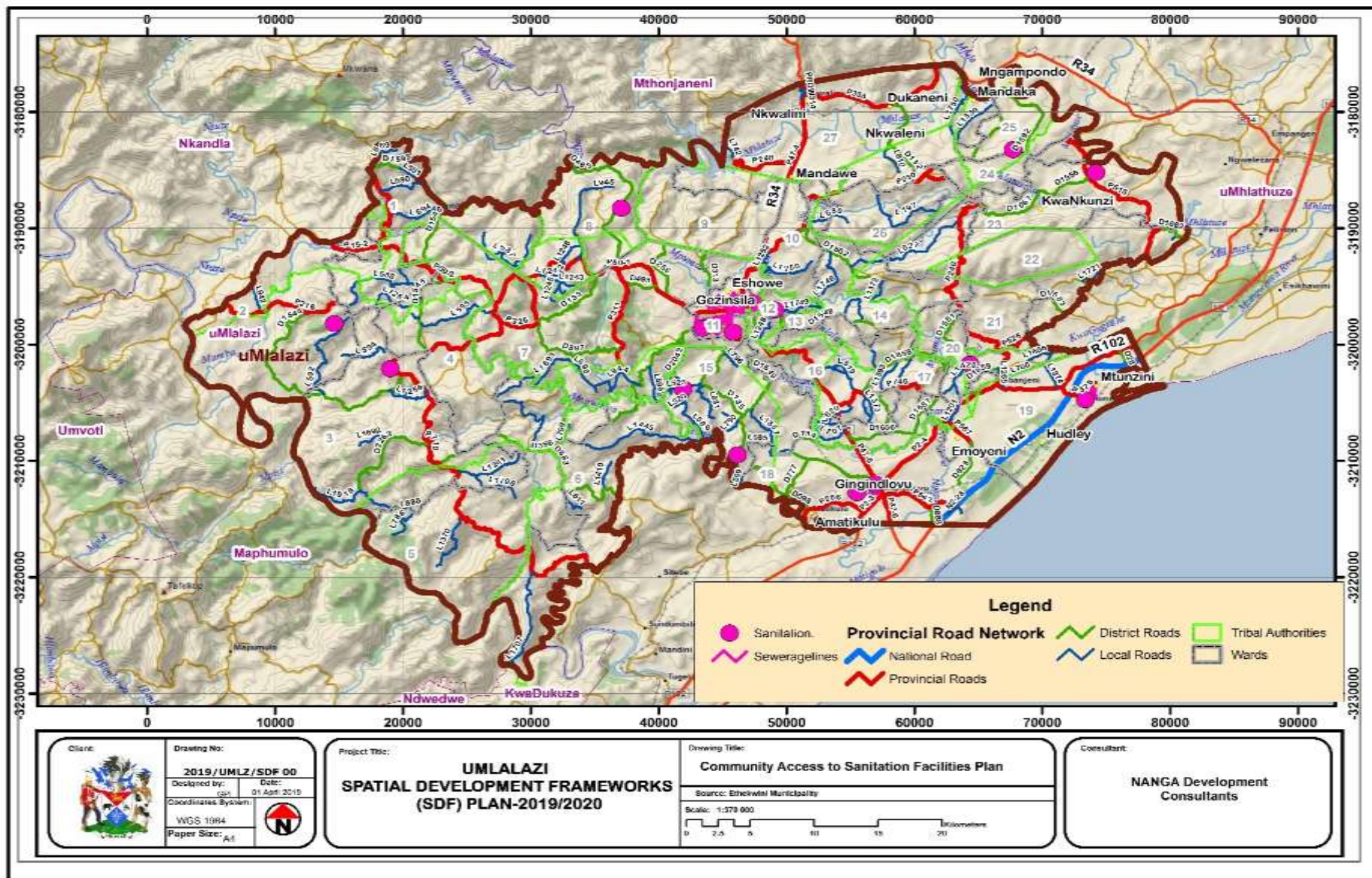
Table 38: Sanitation Backlogs

The following table depicts the funds required in order to eradicate backlogs for water and sanitation in rural areas. The total amount of money required for both water and sanitation is estimated at R 15 872 791 712.00 (Revised Master-Plan 2016).

Summary of Funding Requirement Sanitation VIP Provision

Local Municipality	House-hold Count	House-holds with Sanitation	House-holds without Sanitation	Estimated In-fills	Capital , R	Cost Per Capita
uMlalazi	43,851	38,633	4,232	0	75,685,088	17,884
UMfolozi	24,802	24,802	0	1,500	26,826,000	17,884
Nkandla	22,484	22,484	0	2,500	44,710,000	17,884
Mthonjaneni	17,759	17,759	0	2,500	44,710,000	17,884
Total	108,896	103,678	4,232	6,500	191,931,088	

Table 39: Funding requirements for provision of sanitation.



Map 28: Sanitation projects currently underway

12.1.3. KCDM Water Services Development Plan

The WSD introduced a work based WSDP which resulted in change of scope for the appointed consultant and started with this work based WSDP. The scope of the work based WSDP was broad which resulted in it being done in phases since it exceeded the appointment of the consultant. The Water Services Development Plan (WSDP) is an important tool in achieving set objectives and feeds information into the Integrated Development Plan (IDP).

All of the above is the result of expenditure in water and related infrastructure. Such expenditure is guided by the Water Services Development Plan (WSDP). The focus of the WSDP is as follows:

- Reflection of current levels of services experienced by communities.
- Revised need for water services by all communities in the district.
- Prioritized projects for development of water services, coupled with budgets and time frames.
- Strategies regarding technical, social and financial principles of water sources.

The WSDP also deals with issues pertaining to the provision of sanitation services. The eradication of water backlogs have been addressed since the 2001/2002 financial years. The backlogs for water and sanitation (as the main expenditure items on the municipal budget) relate to the following RDP standards:

- The minimum RDP level of water supply is 25 liters per capita per day within a walking distance of 200m.
- The minimum RDP level of sanitation supply is 1 VIP per household, detached from the household, inclusive of superstructure.

The following is the **KCDM Strategies** relating to water and sanitation provision:

- Low cost housing projects
 - The KCDM will install basic water infrastructure (reticulation and bulk)
 - Rural: Metered connection within 200 m from dwelling (funded from housing subsidy)
 - Urban: Metered connection on plot boundary
 - Households have a choice of minimum free basic or metered above 6 kl/month stepped tariffs
 - Developer to construct basic on-site sanitation (VIP's)
- Upper income housing developments
 - The developer constructs all water and sanitation infrastructure, including bulk where there is not sufficient capacity, at own cost
 - KCDM to approve design standards
 - Households billed on metered stepped tariffs
- Industrial developments
 - The developer constructs all water and wastewater infrastructure, including bulk where there is not sufficient capacity, at own cost
 - KCDM to approve design standards
 - Water consumption billed on metered fixed tariff
 - New policy to be developed regarding wastewater disposal of large wet industries – incentives to do pre-treatment
- Metering System
 - Proposed metering of inlets/outlets of all bulk water infrastructure, WTW, pump stations, reservoirs, for water balancing purposes
 - All connections, including communal stand pipes to be metered
 - New design created for metered yard connections
- Implementation of SMME programs including EPWP
 - Strategy document to Implement Small contractor development on water reticulation projects
 - Involves Level 1 contractors registered with the CIDB
 - Various disciplines to train, support and develop the contractors
 - Assistance from Department of Public Works required regarding the EPWP

12.2. Solid Waste Management

The uMlalazi Municipality is responsible for waste collection within its area of jurisdiction. The National Environmental Management Waste Act: (Act No. 59 of 2008) Chapter 3, section 11 of the Waste Act requires that all government spheres must develop Integrated Waste Management Plans (IWMPs). Section 12 of the Waste Act outlines what the contents of integrated waste management plans should be, whilst section 13 stipulates the reporting mechanisms on the implementation of IWMP's.

In terms of section 11 (4) (a) (ii) of the Waste Act, municipalities must incorporate the approved IWMP in their IDP's as called for by chapter 5 of Municipal Systems Act, 2000 (Act 32 of 2000) MSA. Section 36 of the MSA states that, a municipality must give effect to its IDP and conduct its affairs in a manner which is consistent with its IDP. This means that the development and implementation of the IWMP must be aligned with the IDP

The table below reflects on the recent statistics pertaining to solid waste disposal:

INDICATOR	TYPES OF SOLID WASTE DISPOSAL	NO OF HH	(%)
Refuse removal	Local authority/Private/community members at least once a week	6 220	13.2%
	Local authority/Private/community members less often than once a week	2 471	5.3%
	Communal refuse dump	1 863	4.0%
	Own refuse dump	32 233	68.6%
	Dump or leave rubbish anywhere (no rubbish disposal)	4 100	8.7%
	Other	66	0.1%

Table 40: Solid Waste Disposal

Between 2011 and 2016 there has been an increase in the number of households who had their refuse removed by the local Municipality. However, there are still some 4100 households who had no refuse disposal which is a major decline when compared to 10,227 households in the 2011 statistics.

12.2.1. Integrated Waste Management Plan (2018)

The Municipality has developed an IWMP for the 5 year period starting from its adoption in June 2018. The purpose of this plan is to set out priorities and objectives for waste management; establish mechanisms for collection, minimization; re-use and recycling and also provides for the management of landfill and transfer sites and the decommissioning thereof. It further indicates the financial resources required for effective waste management. As part of the IWMP, the municipality further developed Refuse Bylaws, which were promulgated in 2006. The Refuse Bylaw outlines guidelines on the disposal of various forms of waste, control of littering and illegal dumping. Medical waste is generated within the municipality, but the responsibility of storage, collection and disposal or treatment does not lie with the uMlalazi Municipality. The IWMP is implemented through following;

- Schedules and mechanisms for collection of waste
- Disposal of waste relative to its category
- Maintenance of disposal sites and transfer stations

Progress with implementation of the IWMP

Situation analysis	Desired end state (Goal)	Target	Progress
Some of the households are not receiving waste management services	Ensure the effective and efficient delivery of waste services	Increase the roll out of waste collection services for communal points and in rural households	Rural waste collection will be extended to the following Izigodi that previously did not receive removal services as from 1 November 2019: Mbakela – ward 5 Nyembe – ward 6 Mfihlo – ward 15

Inadequate financing of waste services	Sound budgeting and financing of waste management services	Make provision for sufficient budget for transport and collection of waste	The following budget has been allocated for transportation and collection of waste in 2019/2020 financial year -Mtunzini - R 2 273 000 -Eshowe - R 2 373 000 -Gingindlovu - R 365 430 -Rural waste collection - R 2 716 000
The waste disposal facility is not managed in an environmentally sound manner	Ensure the safe and proper disposal of waste	Ensure effective maintenance of the existing transfer stations(Eshowe and Mthunzini)	Transfer Stations fence, loading platforms are maintained on annual basis from budget allocated.
The municipality does not have education and awareness programme or strategy in place	Roll out education and awareness	Recruit environmental/ waste education personnel	An Education and Awareness Intern has been employed on temporal basis to assist in rolling out education and awareness programmes. In addition, the Department of Environmental Affairs has assisted the municipality and appointed Waste Awareness personnel based in uMlalazi to roll out waste awareness programmes.

Table 41: Progress with the implementation of the IWMP.

Areas prioritized for waste collection

Refuse removal service is once a week for all urban households where refuse is removed on the curbside and in rural areas collection is done once a week where collection is done certain locations where households are clustered. Access to most Izigodi is a challenge due to undulating topography which characterizes our municipality.

Urban areas are both serviced by municipality staff using a caged truck, recyclable materials get sorted before the final disposal for transportation to the landfill site.

Residents are issued on an annual basis an amount of black refuse bags for general refuse as well as orange bags to encourage residents to separate recyclable materials from source.

Business Refuse Collection

Businesses are serviced by refuse mass containers which are placed on their business premises and collection is done in terms of their agreement with the municipality. Separation is mostly done at source from the business premises by local recyclers which include cupboard, plastic cans and bottles. Ishongwe Mall which is newly established have their own recycling station within their premises where they bail cupboard and plastic and send their recyclables directly to MPACT.

Refuse Removal Backlog

Currently the refuse removal collection is at 43% due to insufficient funding available to roll out refuse removal service to all Izigodi in rural wards and all rural households. Rural households are encouraged to dispose of their refuse in an acceptable manner to prevent environmental pollution.

Households	Backlog: Census 2011	Backlog: Percentage – 2011	Number of households receiving the service – June 2018	Backlog: June 2018	Backlog as at June 2018
46 953	35457	79%	19 986	26 967	43%

Table 42: Refuse removal backlogs

Refuse waste is collected in all suburban areas of all three towns namely; Eshowe, Gingindlovu and Mthunzini. Waste is collected once a week in suburban areas and collected six times a week within the CBDs.

The table below indicates the frequency of collection within the identified priority areas within the uMlalazi Municipality;

Waste	Area Covered	Frequency	Services provided by
Domestic	Mpushini Park	X1 per week	Municipal Staff
	Norwood Park		
	Eshowe		Service Providers
	King Dinuzulu		
	Gingindlovu		
	Mthunzini		
	Cluster1	X1 per week per clustered wards in six (6) zones	Service Providers
	Cluster2		
	Cluster3		
	Cluster4		
	Cluster5		
	Cluster6		
Commercial	Eshowe CBD/Industrial	X 6 per week (as and when required)	Municipal Staff
	Gingindlovu		
	Mthunzini		
Garden Refuse	Eshowe	Collected as and when requested	Municipal Staff/Contractor

Table 43: Frequency of Collecting and Responsible Persons for Refuse Removal

The municipality enjoys the services of contractors who assist with the following functions;

- All general waste, street sweeping and household waste collection
- Commercial street sweeping (CBD, Taxi Ranks)
- Transportation to landfill/transfer sites and recycling

12.2.2. Role of EPWP (Job Creation)

Refuse removal by the municipality is also extended (as part of the War to Poverty/EPWP programs) to include various Izigodi in rural wards. Within this process, six (6) SMMEs/contractors are involved for the cleaning of routes at specified wards. These routes are mainly used by tourists and are treated as priority areas for waste removal services:

- P248 (Shakaland Road);
- P47 (to Melmoth from Gingindlovu);
- R102 (Gingindlovu to Mthunzini);
- P5 (Eshowe to Nkandla).

Refuse removal service in urban area is outsourced to service providers who are appointed on a three year contractual basis. The Municipality **has created 249 job** opportunities under EPWP for waste removal services. These temporary

employees are employed and based in all 27 wards (both rural and urban) to provide refuse removal services. A total of 19 986 households i.e. 14 388 rural and 5598 urban households, receive refuse removal services from the municipality

Through this EPWP program, beneficiaries have been identified who assist in the waste collection and cleaning in mostly the rural wards. The cleanup operation focuses mainly on the rural main roads within the municipality. Refuse removal in rural areas has been clustered as follows:-

Cluster	Ward No	Izigodi
Cluster 1	1	Mvuzane; Osungulweni, Gopotane
	2	Mamba, Sithilo
	3	Emkhwishimane, Esilambo, P218, P710
	4	Enkuzempunga, Endayini
Cluster 2	5	Ngudwini, Shayinja
	6	Samungu; Mombeni
	7	Nkanini, Mathibelana
	15	KwaKhoza, Emabhudla
	18	Thafeni; Matikulu, Matibomvana
Cluster 3	16	Nyezane; Makhilimba, Wombane
	17	Nhlababo; Maqhulu, Vekeza
	19	Nsingweni; Moyeni, Masundwini
	20	KwaSbhamu; Ebhadi;Ezingeni; KwaMakeqe; Doviyane; Masundwini& Ireland
Cluster 4	12	Maqedipuleti
	13	Nyanini; KwaMondi; Berea; Ezwelithini High School; Mosco; Galagala; Kwamfana
	21	Ezingwenya; Fohlweni; Kukhanyakufikile; Felisilwane; (Emanyameni)
	22	Emanzamnyama, Qwayinduku
Cluster 5	8	Ntumeni, Gcininhliziyi,
	9	Siphezi, Imbizo no1,
	10	Nkume, Eziqwaqweni & Mandawe
	26	Ncemaneni, Shakaland, Matheku & Nomyaca
Cluster 6	14	Mpumaze, Mfenyana, Hologo
	23	Nteneshane, Ntshidi
	24	Nqoleni; Ndlangubo, Fasimba
	25	Habeni; Bhakeshowe; Maqhwakazi, Tap tap, Matheku, P230
	27	Ncemaneni, Shakaland & Nkwadini

Table 44: Rural Waste Removal Clusters

Systems to Divert Waste

The IWMP for the municipality identifies the following system in which the municipality uses to divert waste from the source to its final destination.

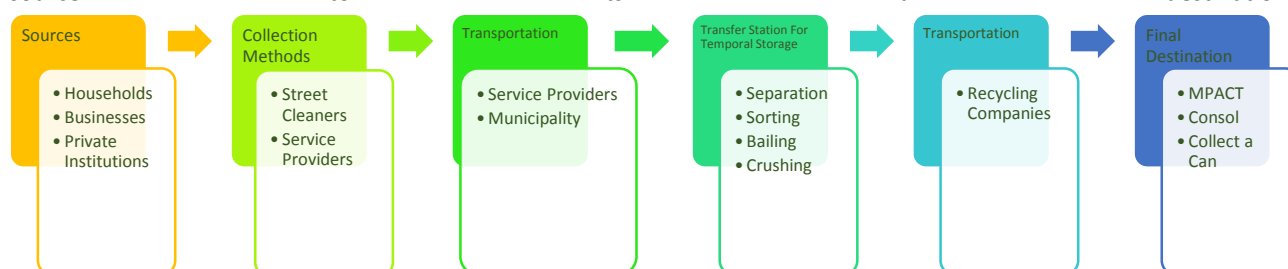


Figure 12: System to divert waste

Status Quo on Waste Disposal Facilities

There two disposal facilities in uMlalazi LM (with weigh bridges),

- a) Eshowe Transfer Station - servicing Eshowe Suburbs and surrounding wards.

The following type of waste is disposed/ allowed:

- Organic waste
- Garden waste
- Building Rubble

- b) Mtunzini Transfer Station – servicing Mtunzini and surrounding wards.

The following types of waste is disposed/ allowed:

- Organic waste
- Garden waste
- Building Rubble

- c) Gingindlovu Dumping Site – Servicing Gingindlovu and surrounding wards

The following types of waste is disposed/ allowed:

- Organic waste
- Garden waste
- Building Rubble

Hazardous and medical waste is not permitted to enter the waste transfer station. The site is controlled for entry and exit, and is open to the public 7 days a week.

Status of Transfer Stations

Name of Disposal Facility: Eshowe Transfer Station			
General Description			
Year of construction	2007	Area covered	29 385 m2
Geographic location	28°52'42" S 31°29'1" E	Condition of access road to site	Tar road
Is the site legal?	Yes. Permit no.: 12/9/11/L18/4	Surrounding land use	Agriculture and residential
Resources on Site			
Type of access control at gate	Boom gate and fenced with security guard	Resources/ Equipment on site	1. Ablution facility 2. Water & Electricity 3. Recycling station
Site Management			
Site Management	Private Contractor – MelaOkuhle Trading		
Type of waste stored	All general waste	Waste quantity threshold before transported to landfill	Waste removed by a private contractor
Nuisance control on site (e.g. litter, odour, vermin)	Yes. Incidence minimal.	Is there public participation in the management of the site?	Yes. Public awareness of transfer station
Are there plans to extend the site?	Yes	Are waste disposers charged for disposal?	Yes. Businesses

Does leachate and gas management occur on site?	Yes	Are there plans to close the site?	No
Waste Recycling and Reuse			
Are there recycling facilities on site?	Yes.	Is there waste reclamation on site? What materials?	Yes. Card board, paper, glass, tin cans & plastic.

Table 45: Status of Eshowe Transfer Station

Name of Disposal Facility: Mthunzini Transfer Station			
General Description			
Year of construction	2009	Area covered	22 000 m2
Geographic location	28°52"42" E 31°29"01" S	Condition of access road to site	Gravel
Is the site legal?	Yes. Permit no.: 12/11/4/P43	Surrounding land use	Agriculture and N2
Resources on Site			
Type of access control at gate	Boom gate and fenced	Resources/ Equipment on site	1. Ablution facility 2. Water & Electricity 3. Building on site
Site Management			
Site Management	Private company – Dolphin Coast Waste Management		
Type of waste stored	All general waste	Waste quantity threshold before transported to landfill	Waste removed by private contractor
Nuisance control on site (e.g. litter, odour, vermin)	Yes. Incidence minimal.	Is there public participation in the management of the site?	Yes. Public awareness of transfer station
Are there plans to extend the site?	No	Are waste disposers charged for disposal?	Yes. The waybill ticket is generated at the time of disposal under the classification declared by the generator or transporter
Does leachate and gas management occur on site?	No	Are there plans to close the site?	No
Waste Recycling and Refuse			
Are there recycling facilities on site?	No. Only containers available for recyclables.	Is there waste reclamation on site? What materials?	Yes. Card board, paper, glass, tin cans & plastic.

Table 46: Status of Mthunzini Transfer Station

Name of Disposal Facility: Gingindlovu Dump Site			
General Description			
Year of established		Area covered	22 000 m2
Geographic location	31°34"54" E 29°2"865" S	Condition of access road to site	Gravel
Is the site legal?	Yes.	Surrounding land use	Agriculture and R102

	Waste Management Licence : DC28/WML/0001/2014.		
Resources on Site			
Type of access control at gate	NONE	Resources/ Equipment on site	NONE
Site Management			
Site Management	Municipality		
Type of waste stored	Garden waste and building rubble	Waste quantity threshold before transported to landfill	
Nuisance control on site (e.g. litter, odour, vermin)	Yes. Maintained by levelling by a bulldozer	Is there public participation in the management of the site?	
Are there plans to extend the site?	Yes , to fence it and establish a proper transfer station	Are waste disposers charged for disposal?	No
Does leachate and gas management occur on site?	No	Are there plans to close the site?	No
Waste Recycling and Reuse			
Are there recycling facilities on site?	No.	Is there waste reclamation on site? What materials?	No

Table 47: Status of Ging Dumping Site

12.3. Transportation Infrastructure

The Municipality has a well-developed road network on a national, district, and local scale, but the condition of the majority of the local roads are poor, and access is problematic in wet conditions. The KCDM has prepared an Integrated Transportation Plan which will designate roads in need of upgrade thus hopefully improving local movement.

The following primary and secondary transportation routes are aligned through the uMlalazi Municipal Area:

- The N2 Motorway which is aligned through the eastern sector of the municipal area in proximity to both Gingindlovu and Mthunzini. This implies that the majority of the municipal area is well removed from this primary transportation corridor. There are two tollgates in respect of this route the one being the Mthunzini Plaza and the other being the Dokodweni Ramp Plaza
- The R102 is aligned almost parallel to the N2 Motorway and represents the previous only North Coast Road. It is still a popular route particularly for operators wishing to avoid the payment of toll.
- The R66 which links the N2 Motorway with Eshowe, Melmoth and Vryheid. Some surface improvements were recently completed but substantially more could be done as it is an important transportation route or Eshowe from both transportation and an economic development perspective.
- The R34 linking the Nkweleni Valley midway between Eshowe and Melmoth with Empangeni. It links with the John Ross Highway in Richards Bay and the latter is in the process of a substantial upgrade.
- The P230 which is an important alternative route to the R34 and is in the process of being upgraded to full tarmac standard. This will elevate this route to an important secondary transportation route offering alternative access to Empangeni.
- The P710 links the south-western sector of the municipal area with Mandeni and is a gravel surfaced transportation route which is in need of a similar upgrade as is being implemented for the P230.
- The P50-2 to Nkandla is also an important link through Mbongolwane and some improvement to the surface has been done.

- The P15-2 links with the P15-2 which is aligned across the Tugela River linking Kranskop in the south-west. Upgrading of it is taking place.
- Other than the above the municipal area is crisscrossed by a number of district traffic routes, often in a poor condition and making effective transportation problematic.
- Lowest in the ranking of transportation routes are the so-called agricultural roads which provide access to agricultural crops and link with the district roads.

Pavement Management System

The municipality sourced the services of a consultant to develop the municipal Pavement Management System (PMS) in 2016. The purpose of developing this system was for it to provide for a conditional assessment of all urban roads from which the municipality derives its maintenance plan based on the available budget. The PMS outlines the condition of all urban roads (ward 11, 12, 7, 18 and 19) and categorizes the roads in terms of them being primary roads, secondary roads and tertiary roads. An assessment of these roads then indicates what type of rehabilitation is required. Rehabilitation ranges from heavy rehabilitation, structural rehabilitation and light rehabilitation. The Engineering Department is then able to quantify the budget required to rehabilitate each road and implement the projects as per the system. The PMS includes a routine maintenance program which indicate that R 10 000 000.00 is required per financial year and that the total replacement value for the urban roads is R 392 000 000.00.

Rural Roads Assets Management System (RRAMS)

The King Cetshwayo District Municipality has developed and is the process of implementing the Rural Roads Asset Management System which categorizes and classifies the status of all the roads within the district. Though this plan the district ensures efficient and effective investment in rural municipal roads through development of Road Asset Management Systems (RAMS) and collection of data Grant purpose to assist rural district municipalities to set up rural RAMS, by collecting road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA).

Local Integrated Transport Plan

The municipality's main source of budget for road infrastructure is through the Municipal Infrastructure Grant (MIG) and a portion of the funds are internally generated. Priority road infrastructure projects are outlined per ward in the community based plan (annexure 1). The municipality therefore currently does not have a Local Integrated Transport Plan and implements projects according to the MIG plan in the IDP (Section F).

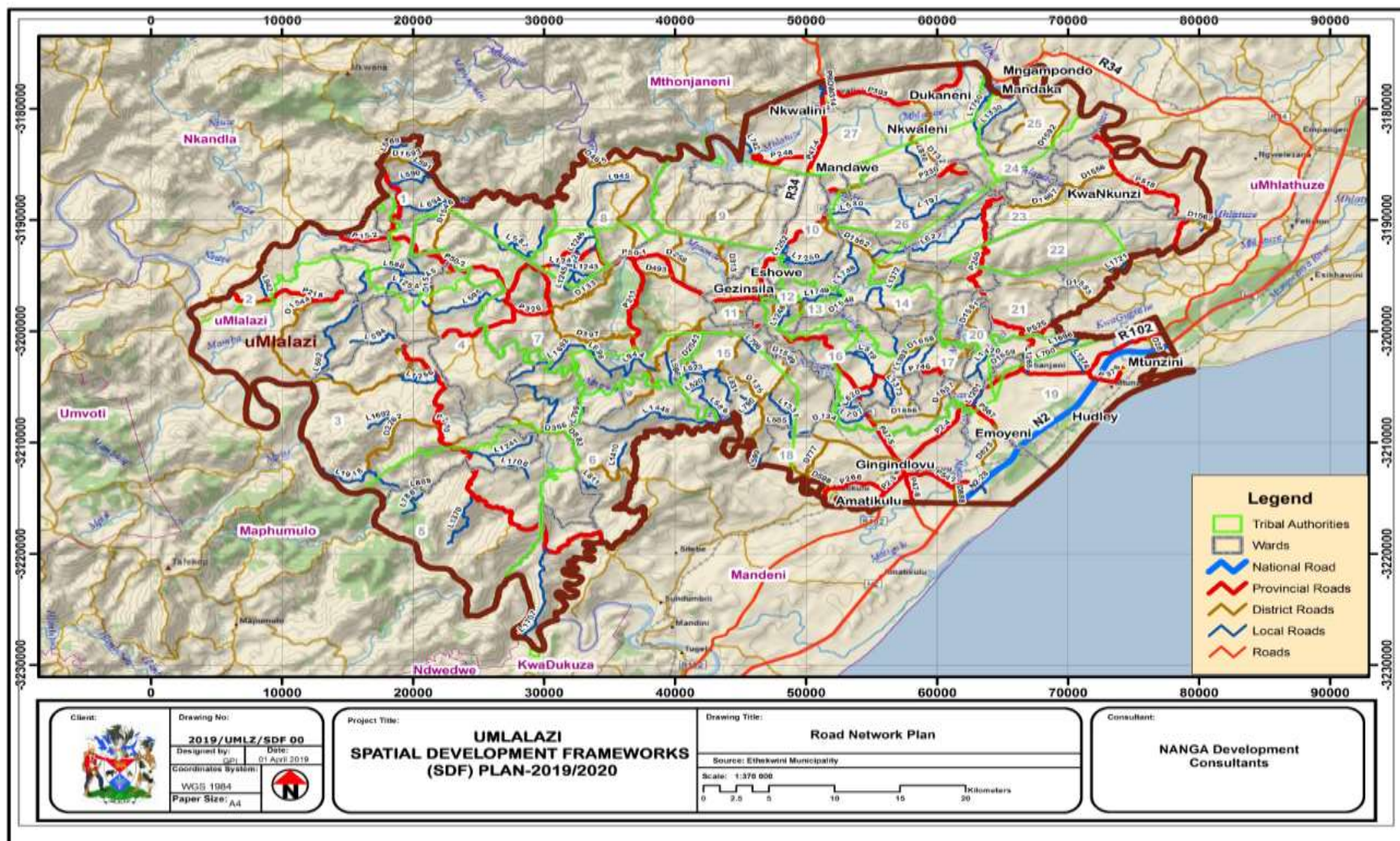
Municipal Road Infrastructure: Rehabilitation of Urban Roads

The rehabilitation and maintenance of urban roads is the responsibility of the municipality. The custodian department for roads maintenance is the Engineering Department. Although the municipality is largely rural in nature, the municipality ensures that a proper maintenance plan for urban roads is effected for all urban roads as well. Urban roads maintenance projects are restricted to wards 11, 12, 18 and 19.

Rural Roads Maintenance

As part of rural road maintenance the municipality implements a grader program in rural areas. This program entails graders having a grader to maintain key rural feeder roads as well as access roads in each ward for a period of five days. The municipality has also procured a TLB truck for problematic roads with boulders.

The Department of Transport implements a rural roads blading program as well as betterment and regraveling. The following table indicates the projects that are currently underway and their progress. Planned projects will be further unpacked in the Financial Plan Section of the document.



Map 29: Local Network Plan

12.4. Energy

The municipality is the electricity service provider for Eshowe, KDS, Sunnydale and Mpushini Park areas and the majority of the municipal area is supplied by ESKOM. The municipality receives a grant through the INEP grant funding through which the municipality carries out Schedule 5 electrification projects which are prioritized in terms of the CBP and WBP. A similar process is carried out with infills, whereby councillors identify various type infills within the ward which then forms part of the Infills Electrification Plan. There are however some challenges with regards to infills as the municipality receives a limited budget to effectively carry out these projects.

The following table depicts the types of electricity usage within the municipal area;

Usage of Electricity	2011	2016
Lighting	26 238	38 193 (81, 6%)
Heating	16 016	31 671 (67.7%)
Cooking	20 505	32 159 (68.5%)

Table 48: Electricity Usage (StatsSA 2016)

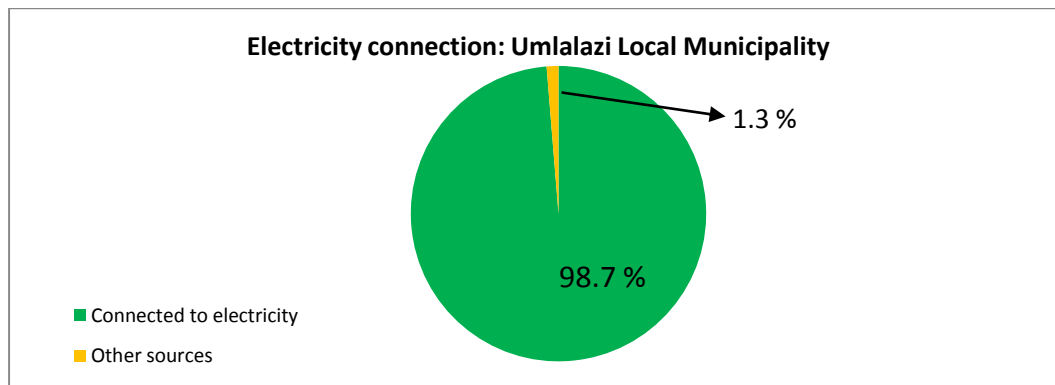


Figure 13: Electricity Connections (StatsSA 2016)

Eskom Infrastructure Plan

Eskom has committed to the following Infrastructure Projects moving forward to 2022;

NO	Project Name	Status	Construction Start date	Completion date
1	Eshowe SS Capacity Increase	In construction	2015	2017
2	Mbongolwane 132 kV line establish	Conceptual stage	2021	2022
3	Mbongolwane 132/22 kV 20 MVA SS	Conceptual stage	2021	2022
4	Gingindlovu SS additional 132 kV FDR bay for Mandeni line est.	Design stage		The project will be triggered by Amatikulu commitment to co-generate and will be initiated as a DIRECT CUSTOMER project.
5	Amatikulu 132 kV Switch station	Conceptual stage	2023	2024
6	Kwa Mbonambi 132/22 kV SS 2x132 kV Line bays Establish	Conceptual stage	2024	2025
7	Est. Port Durnford 20 MVA 88/11 kV Transformer	Conceptual stage	2024	2025
8	Nkweleni SS 10MVA (88/11 kV) TRFR Upgrade to 20MVA (88/22 kV)	Finalized	2013	Completed in 2014
9	Nkandla 22/11 kV 2.5 MVA to 5 MVA transformer upgrade	In construction	2016	2017

10	Mandeni-Gingindlovu 24 km 132 kV Double circuit line est.	Design stage		The project will be triggered by Amatikulu's commitment to co-generate and will be initiated as a DIRECT CUSTOMER project.
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Table 49: ESKOM Infrastructure Plan

Electricity Plan

The municipality has an Electricity Plan in place. The plan is a working document that is updated as progress of the projects continue. This plan provides for current, new and future electrification projects from ESKOM and the Municipality (Schedule 5B) projects. The backlogs from each wards are captured as well as the typology of the projects required. The electrification plan also takes into consideration proposed urban developments.

Electricity Operation and Maintenance Plan

The Electricity Operations and Maintenance Plan for the Municipality is in place and reviewed annually through the Electricity Unit of the Engineering Department. The O & M Plan takes inventory of all electrical equipment the municipality has including transformers and minisubs and records the efficiency status of each. The plan then indicates what needs to be repaired and when. The maintenance process includes the scanning of all the electrical inventory by infrared scanning equipment. The infrared imagery shows hot connections where problems may arise and able to detect problematic areas before they erupt into financially detrimental faults.

Electrification Projects

The uMlalazi LM has since 2011 made huge strides in terms of supplying electricity to communities within the municipal area. Statistically uMlalazi is the leading municipality in terms of electricity supply within the province. The municipality receives a conditional grant funding through INEP for electricity projects. The municipality received confirmation from the DoRA allocation (INEP Funding) of an amount of R 7 million for the 2019/2020 financial year. This funding has been earmarked for the Mkhuphulangwenya Electrification Project in Ward 25 which will consist of 282 connections. This project will be implemented in terms of schedule 5B. The municipality is furthermore implementing various electricity projects (ESKOM and Schedule 5B) in various wards and their status are on the financial plan section of this document. The table below, however shows projects that have been completed;

WARD	PROJECT NAME	COMPANY	Connections	Contractor	CONNECTIONS COMPLETE	% COMPLETE	PROGRESS
1	Izinyosi (Part of Ntumeni #3)	Eskom	248	KEV Accurate	99	40%	In Progress
2	Mankumbu # 2	Eskom	84	Techniteck Seven	84	100%	Project complete
3	Slambo # 2	Eskom	258	MG contracting	78	30.8%	2nd Contractor appointed
5	Hayinyama # 2	Eskom	272	KZN Power Line	272	100%	Project complete
5 & 6	Hayinyama / Zimbidli	Eskom	350	Super Centre Trading	350	100%	Project complete
6	Hayinyama / Zimbidli	Eskom	65		65	100%	Project complete
5	Ngudwini / Saron Shayinja	Eskom	786	Prime Electr	626	100%	Project complete
7	Emahusheni / Samungu	Eskom	118		118	100%	Project complete
8	Ntumeni #3	Eskom	163	KEV Accurate		100%	Project completed
8	Ntumeni Infills	Eskom	200	KEV Accurate	190	100%	Project Completed
14	Oyemeni #3	Eskom	(113) 70 left	Zizamele Electr	76	100%	37 connections remain
22	Oyemeni #2	Eskom	113	Howard	113	100%	Project complete

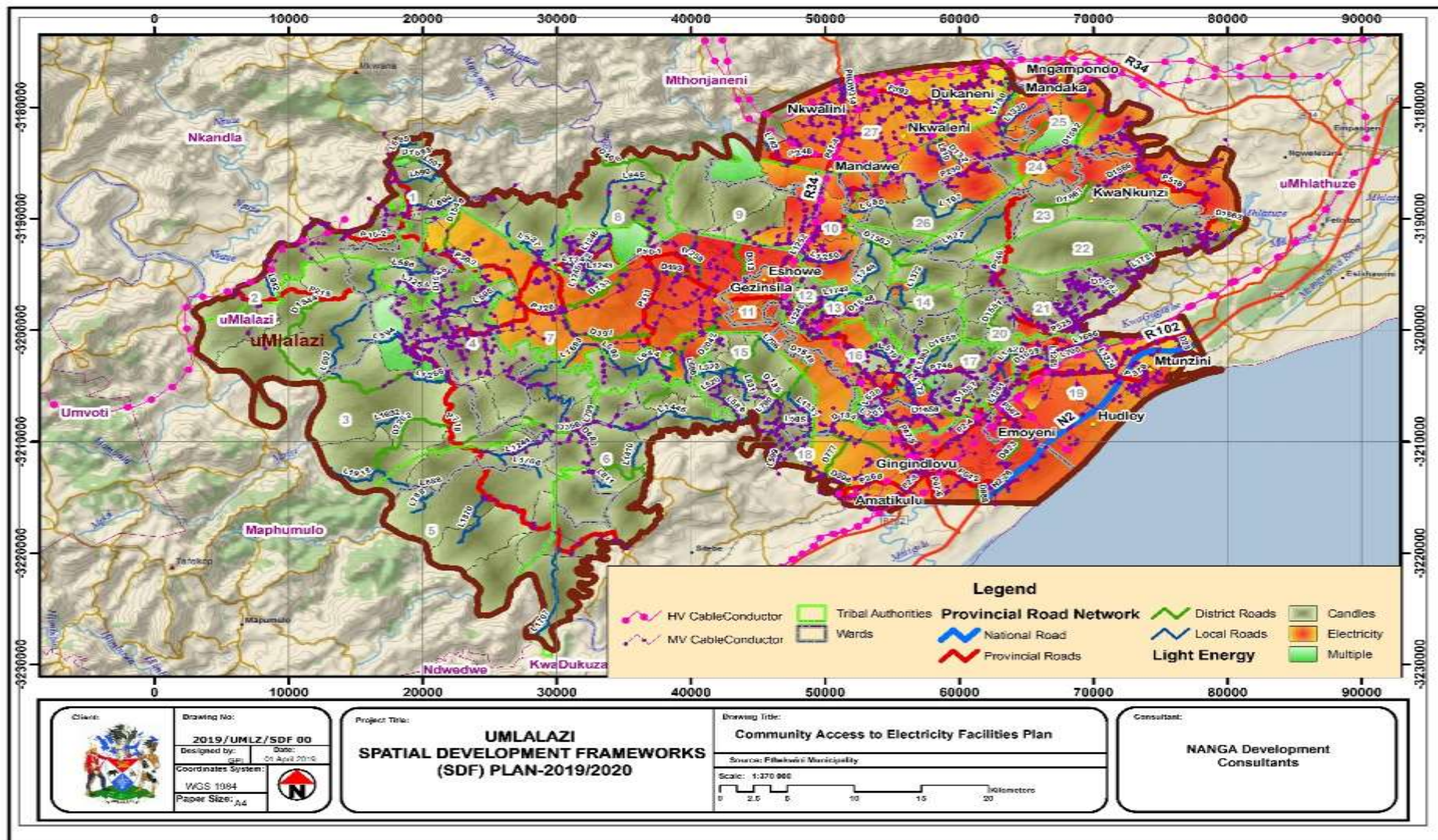
26	Mphehlele	Eskom	96		96	100%	Project complete
25	Ofasimba	Eskom	100		100	100%	Project Complete

Table 50: Completed Eskom Projects

WARD	PROJECT NAME	CONNECTIONS	CONTRACTOR	CONNECTIONS	CONNECTIONS COMPLETE	PROGRESS
21	Izingwenya #1	188	Omphile Electrical	188	100%	Project complete
21	Izingwenya #2	250	Omphile Electrical	250	100%	Project complete
21	Izingwenya #3	142	Omphile Electrical	142	100%	Project complete
24	Bonisani	124	Shanti's	124	100%	Project complete
25	Makhehle	91	Shanti's	91	100%	Project complete
27	Emvini	61	Shanti's	61	100%	Project complete
25	Mkhuphulangwenya	146	Shanti's		25%	Eskom to approve design & project preparations for contractor Shanti's to commence

Table 51: Completed Municipal Electricity Projects (2018)

Map 30: ESKOM Electrification Map



Map 31: Access to Electricity

In this sub-section, accessibility to social facilities and services, i.e. tribal courts, community halls, pension payout points and sport facilities are provided. The rationale behind this analysis is that (1) areas that have poor access to community facilities are shown in order to guide future development of such facilities. A further critical criterion is to consider the need for such facilities and services in relation to population densities because any such provision in community/social facility related needs has the potential to address the need of a relatively large beneficiary community.

Umlalazi Municipality has 14 Tribal Courts wherein customary law and matters concerning the Tribal Authority area are deliberated and resolved. Tribal courts are legislatively constituted and area administered by the Tribal Council which consist of Izinduna and the chief. The municipality also has two magistrate courts where matters pertaining judicial law are deliberated and resolved.



12.6. Human Settlements

Housing Backlog across Dwelling Types

Table 25 below shows housing backlog per dwelling type. The housing backlog according to the uMlalazi Municipal Housing Sector Plan 2017/2018 are estimated to decline to 17 792 by 2023. This shows that the municipality is doing well in terms of housing delivery to its community.

Main Dwelling	1996	2001	2011	2016	2018	2023 Estimated Housing Demand
Formal	10 437	16 171	27 359	29 285	30 110	3 229
Traditional	23 493	21 296	16 370	16 974	17 225	17 860
Informal	437	791	828	469	473	484
Housing Backlog	23 930	22 087	17 198	17 443	17 542	17 792

Table 52: Housing Backlog Per Dwelling Type

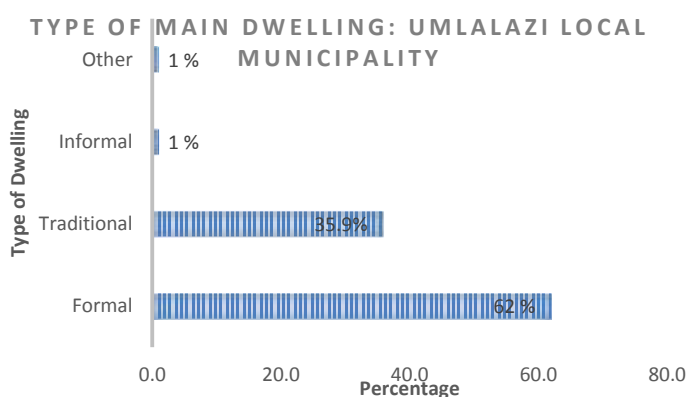


Figure 14: Housing Typology

UMlalazi Municipality Housing Sector Plan (2018)

This Housing Sector Plan (HSP) has undergone a basic review and has been updated in terms of new policies adopted within the Province as well as the King Cetshwayo District. The HSP serves a crucial role in informing delivery of adequate and sustainable human settlements within the municipality. It provides for a realistic housing delivery process between the Municipality and the Department of Human Settlements and serves as an important tool for the Department of Human Settlements in the distribution of funding to municipalities. It will also ensure improved alignment between national, provincial and local level planning for housing delivery. The primary aim of the project is to provide a clear housing sector plan for the uMlalazi LM to support the Municipal Integrated Development Planning processes.

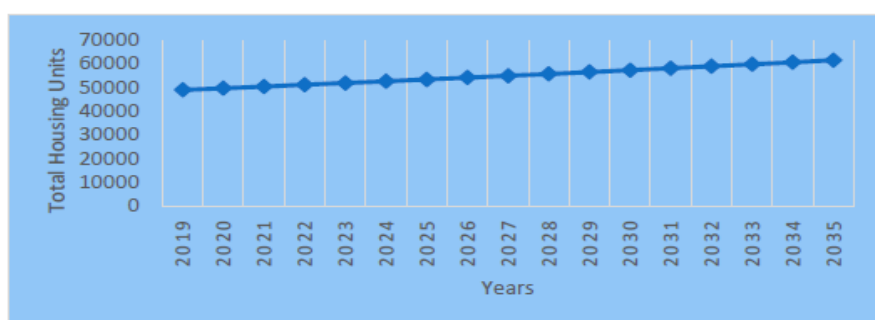
The following objectives have been adopted to undertake the Review of the Housing Sector Plan:

- To ensure that the housing planning activities which occur as part of the IDP are integrated and aligned with existing housing related documentation and data sources;
- To ensure that the definition of housing demand is comprehensive and inform IDP objectives, strategies and project formulation and enable the specification of a municipal-wide picture of housing demand in the context of sustainable human settlements;
- To achieve Spatial transformation;
- To provide a clear outline of responsibilities of relevant stakeholders critical to housing planning and deliverables with the context of integrated development planning;
- Compact and connected settlements and settlement patterns;
- To guide vertical and horizontal sector alignment with regards to housing planning and delivery and identify appropriate institutional structures to give effect to housing delivery;

- To inform multi-year housing development plans of the Provisional Sphere as the basis for vertical alignment;
- Integrated settlements and settlement patterns;
- To provide a quantified multi-year housing delivery programme;
- Functional residential property market in urban and rural areas;
- Consistent application of policies, principles, objectives and concepts across various scales (provincial, regional, local); and
- Institutional capacity for effective planning and implementation.

Current Analysis of Housing Demand

The figure below reflects estimated demand for housing between 2019 and 2035. Calculations are based on linear extrapolation and the 2016 Community Survey data. It is estimated that the demand for housing unit will grow to around 52 609 within the next 5 years (i.e. by 2024). This represents a steady growth rate of 1,43% per annum in the demand for housing for uMlalazi. By the 1st quarter of 2035, the total number of existing housing units is expected to reach about 61 516. The figure below depicts the estimated demand for housing units for the entire municipal population for the next 15 years.



Source: NANGA Development calculation based on 2016 Community Survey

Figure 15: Housing Demand / Forecast 2019 - 2035

Demand for Housing across Different Socio-economic Groups

The estimated 2019 demand for housing unit figures for the four socioeconomic groups paint a picture that the Black/African group currently has the highest demand for housing units at around 46 914; followed by the White group at 1 273; then by the Indian/Asian group at 664; and then lastly, by the Coloured group at 535. In the next 5 years, these figures are projected to reach 50 366; 1 367; 713; and 575 for the Black/African, White, Indian/Asian and Coloured groups, respectively. The above figures are therefore indicative of a steady, though modest, rise in the demand for housing units across all four groups. The estimated demand for housing units as per the different socioeconomic groups is illustrated in the figure below.



Source: NANGA Development calculation based on 2016 Community Survey

Figure 16: Housing Demand Estimate Across Different Population Groups 2019 - 2035

The uMlalazi municipal area is characterised by widely spread rural housing with approximately 89.02% of all municipal households residing on Traditional Authority land. It is critical that housing development processes should promote higher density in respect of housing development to ensure the economical utilisation of land and services. In situ and infill development within the towns such as Eshowe, Mtunzini and Gingindlovu should therefore be prioritized over new green-fields developments or the construction of housing units in sparsely populated rural areas where very limited development potential exists. In addition, it is important that in the urban area the existing prioritised projects for low income households are delivered within the resources available and that the necessary work is done in preparing the future projects and acquiring the necessary financing.

The performance assessment from a human settlements planning and implementation perspective in this context is largely based on the progress made within uMlalazi LM in terms of planning for and implementing housing projects. More particularly this includes housing projects in the following categories:

- Complete projects,
- Projects in planning,
- Projects awaiting construction,
- Project in construction,
- Delayed projects

NO.	PROJECT NAME	WARD	NO. OF UNITS
01	Nkanini Phase 1 Rural Housing Project	7	1000
02	Vuma Phase 1 Rural Housing Project	8	1000
03	Bhekeshowe Phase 2 Rural Housing Project	25,26	2000
04	Mpungose Phase 2 Rural Housing Project	9,10,14	2000
05	Mombeni Phase 2 Rural Housing Project	6	2000
06	Ngudwini Phase 2 Rural Housing Project	5	2000
07	UYaya Phase 2 Rural Housing Project	2,3,4,5	2000
08	Ndlangubo Phase 2 Rural Housing Project	24,26	2000
09	Mvuzane Phase 2 Rural Housing Project	1,4	2000
10	Kholweni Phase 2 Rural Housing Project	8	2000
11	KwaKhoza Phase 2 Rural Housing Project	15,18	2000
12	KwaMondi Phase 2 Rural Housing Project	13	2000
13	Mamba Phase 2 Rural Housing Project	2	2000
14	Nzuza Phase 2 Rural Housing Project	17,19,20	2000
15	Mzimela Phase 2 Extension Housing Project	21,23	2000
16	Ogagwini Phase 2 Rural Housing Project	20,21	2000

Table 53: Housing Demand

Urban Housing Demand

No	Project Name	Wards	Number of Units
1	Sunnydale Phase 2 Extension	11	212
2	Mpushini Park housing Project	7	3000
3	Gingindlovu Housing Project	18	500
4	Rutledge Park Housing Project	11	200
5	Mthunzini Middle Income Housing Project	19	3000

Table 54: Urban Housing Demand

Status of Housing Projects

FUNCTION	PROJECT NAME	STATUS
Projects Completed	➤ Bhekeshowe RHP	➤ 1000 units completed
	➤ Sunnydale Phase 2	➤ 403 units completed
	➤ Mombeni RHP	➤ 956 units completed
	➤ Gingindlovu Ext 5&6	➤ 143 units completed
Project Under-construction	➤ UYaya RHP	➤ 959 units completed(95.9%)
	➤ Ngudwini RHP	➤ 965 units completed (96.5%)
	➤ Mpungose RHP	➤ 699 units completed (69.9%)
	➤ Sunnydale phase 2 Ext	➤ 110 slabs completed, 15 wall plates. Sewerage pipes have been laid on platform b and water reticulation is about 80% complete. The BOC provided by the IA indicates that the LM will need to top up with R8m for black top and water meter connections.
Tranche/Stage 2-Pre-approved housing projects	Dlangubo Mvuzane KwaKhoza Kholweni KwaMondi	➤ Awaiting tranche 2 approval ➤ Letter sent to Department DOH to set aside budget to commence with construction
Tranche/Stage 1-Pre-approved housing projects	Mamba Mpushini Park Ogwagwini Mzimela Nzuza Gingindlovu	➤ Tranche 1 application has been approved, currently preparing Tranche 2 application awaiting for approval The listed below awaiting Tranche 1 approval

Table 55: Status of Housing Projects

Rutledge Park Middle Income Housing

This project is one that falls within the middle-income group which the Municipality has identified for previously disadvantaged people. All the approvals and the proposed General Plan was submitted to Human Settlement and Surveyor general for final registration but up to date no response received.



Map 34: Layout of Rutledge Middle Income Housing

Mtunzini Middle Income Housing

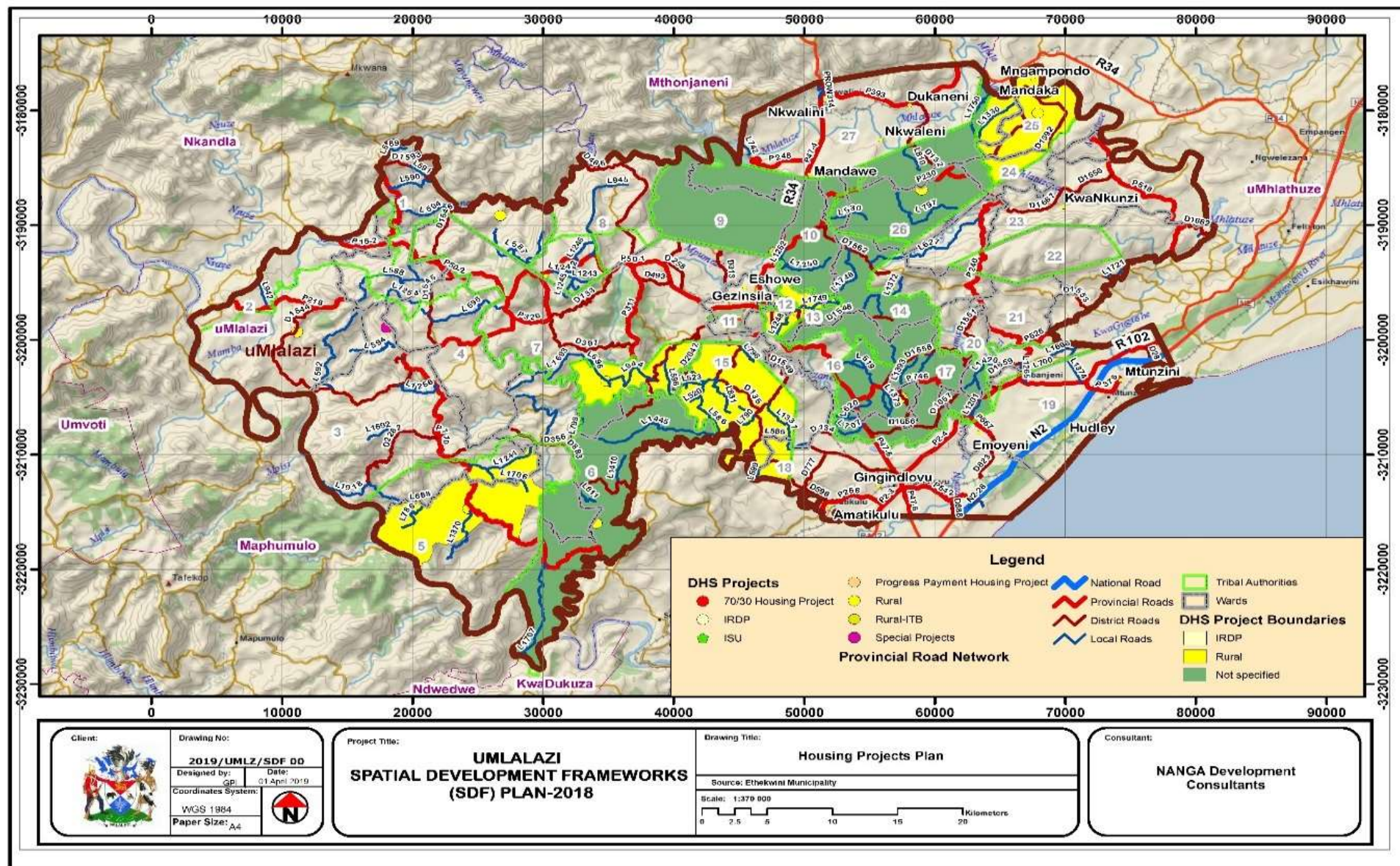
This project is another identified for the Development of middle-income houses at Mtunzini. No studies have been conducted to check the feasibility of the proposed Development. The project will be packaged and forwarded to Human settlement to initiate the process.

Gingindlovu Phase 2 Low Costs Housing Project

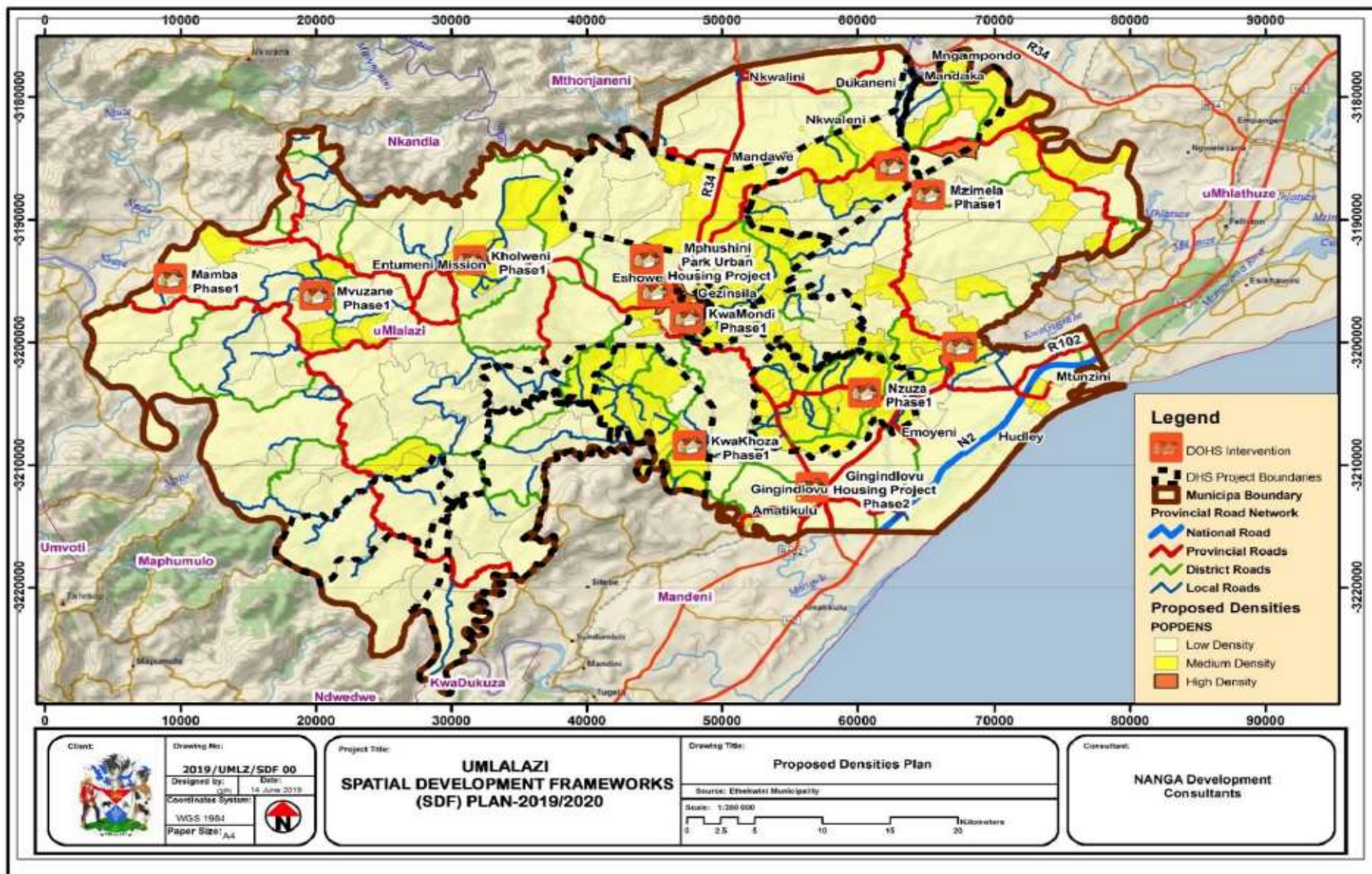
The site has been identified for the Development of Low-Cost housing at Gingindlovu. No studies have been conducted to check the feasibility of the proposed Development. The project was forwarded to Human settlement to initiate the process.

Mtakwende; KwaJwanki and Long Homes (KDS) (Formalisation)

The increasing phenomenon of incremental and uncontrolled urban development has become one of the most pressing challenges exacerbating widespread informality and land disputes in numerous municipal jurisdictions. One of the most prominent policy reactions to this challenge has been the official recognition of informal land development through various public policy and administrative tools such as formalization and tenure programs. In line with this universal trend, uMlalazi LM has embarked on an informal settlement formalization process for KDS in order to provide revised and modernized layout plans for the township. The area earmarked for this proposal is densely populated with existing structures that are both formal and informal. The plots that these houses occupy do not conform to a regular urban grid-type pattern and are randomly spaced throughout the site.



Map 37:: Housing Projects



Map 38: Housing Projects

Private Housing Developments

The following Private Sector Housing Developments have been proposed for municipality;

- Erf 167 Mixed Use Development (Including up market housing as well as affordable housing) (Ward 19)
- Sunnysdale Middle Income Housing

Institutional Capacity for Housing



Figure 17: Institutional Capacity for Housing

Types of Housing Programs

Project Linked Subsidy

This housing subsidy mechanism enables a qualifying household to access a complete residential unit, which is developed within an approved project linked housing subsidy project for ownership by the beneficiary.

Rural Subsidies

This housing subsidy is available to beneficiaries who only enjoy functional tenure rights to the land they occupy. This land belongs to the State and is governed by traditional authorities. The subsidies are only available on a project basis and beneficiaries are supported by implementing agents. Beneficiaries also have the right to decide on how to use their subsidies either for service provision, on building of houses or a combination thereof.

The Finance Linked Individual Subsidy Programme (FLISP)

FLISP is an initiative driven by the Department of Human Settlements to assist qualifying households who have secured a mortgage bond to acquire a residential property for the first time. The objective of the program is to reduce the initial home loan amount to render monthly instalments affordable over the loan repayment term, or to use a deposit for a property to be purchased. It can also be used to cover legal transfer and bond registration fees. The programme is targeted at households whose income range is R3501 and R22 000 per month and whom are South African citizens. It also considers those who have never benefitted from a housing subsidy scheme before (Eg: RDP House) and first time home buyers with an approved home loan from a financial institution.

Bulk Services Infrastructure

King Cetshwayo District Municipality, in terms of the Water Services Act, is the Water Services Authority in respect of its area of jurisdiction, apart from the City of uMhlathuze. The latest KCDM WSDP was completed in 2015, however, it is currently under review. There are some of the critical urban housing projects which have been delayed due to the unavailability of bulk water and sanitation services. The KCDM is currently implementing bulk water pipeline projects in various wards (this information is on the financial plan of this document). The KCDM however, requires R 15, 8 Billion to eradicate all water backlogs.

PROJECT	FUNDING
Water Scheme	R 15 153 227 000
Rural Sanitation	R 209 564 712
Urban Sanitation	R 510 000 000
Total	R 15 872 791 712

Table 56: KCDM summary of capital funding required

The following is the **new KCDM Strategies** relating to water and sanitation provision:

Low cost housing projects

- The KCDM will install basic water infrastructure (reticulation and bulk)
- Rural: Metered connection within 200 m from dwelling (funded from housing subsidy)
- Urban: Metered connection on plot boundary
- Households have a choice of minimum free basic or metered above 6 kl/month stepped tariffs
- Developer to construct basic on-site sanitation (VIP's)

Upper income housing developments

- The developer constructs all water and sanitation infrastructure, including bulk where there is not sufficient capacity, at own cost
- KCDM to approve design standards
- Households billed on metered stepped tariffs

Integration with Other Departments

Coordination structures are set up to coordinate and integrate the implementation of housing projects from implementation to execution. It is most important that in the process of planning and implementing housing projects, the Municipality should make broad contacts with the certain institutions and sector departments in order to align housing projects with other service delivery plans for the sector departments. The stakeholder Representative, District and Provincial Forums within which housing projects are facilitated and discussed include the following government sector departments.

INSTITUTION	SERVICES
Department of Health	Clinics, Hospitals
Department of Education	Schools
Department of Social Welfare	Welfare Institutions, Crèches
Department of Sports, Arts and Culture	Sport fields and Recreational Facilities
Department of Transport	Roads, Public transport
Department of Environmental Affairs	Protection of the Environment
Department of Water Affairs and Forestry (King Cetschwayo DC)	Water, Sanitation and environmental protection
Department of Safety and Security	Police stations or Satellite police stations
Eskom	Electricity
Telkom	Telephones
Financial Institutions	Home Loans
Local and Foreign Donors	Funding
Department of Local Government and Traditional Affairs	Facilitation of Housing Projects with other Dept. and Traditional Leadership

Table 57: Stakeholders responsible for delivery of human settlements

Housing Forum

The Provincial Department of Human Settlements and the municipality coordinates the bi monthly sitting of the Housing Forum. The forum deliberates on various matter affecting the housing delivery within the municipality. The forum facilitates and monitors the progress in the implementation of housing projects. The forum tables and deliberate on issues and progress the housing projects. Various IAs present progress reports with respect to their current projects and support stakeholder departments make inputs and align their projects with the housing projects in order to achieve efficient human settlements. The following table shows dates wherein the housing forum meets;

Month	Meeting Date	Time & Venue
February 2019	28 / 02 / 2019 (Thursday)	10H00- Municipality Offices
April 2019	11 / 04 / 2019	10H00- Municipality Offices
June 2019	13 / 06 / 2019	10H00- Municipality Offices
August 2019	15 / 08 / 2019 (Thursday)	10H00- Municipality Offices
October 2019	10 / 10 / 2019	10H00- Municipality Offices
November 2019	21 / 11 / 2019	10H00 – Municipality Offices

Table 58: Schedule of Housing Forum Meetings

12.7. Telecommunications

INDICATOR	TYPE	NO OF HH	(%)
Household Goods	Cell phone	41 960	89.4%
	Landline	1 966	4.2%
	Satellite decoder	9 048	19.3%
	Computer/Laptop	5 119	10.9%
	Television	32 302	68.8%
	Internet Services - Connected in the dwelling	2752	5.9%

Table 59: Household Access to Telecommunications (2016) Source: CS (2017)

Umlalazi Municipal IT Governance Framework

In developing the ICT Governance Framework, the Municipality appointed Sigma IT to facilitate the development of the framework. This also included using the ICT steering committee as the driver of the process and its role being ultimately responsibility for devising and managing a comprehensive IT governance framework to meet the unique needs of the municipality and its recently consolidated technology.

The ICT Governance Framework of Umlalazi Local Municipality provides guidelines for both the Political and Administrative leadership on how the Municipality should plan and operate its ICT in a stable and controlled environment. ICT governance can be seen as a structure of relationships and processes to direct and control the enterprise use of ICT to achieve the enterprise's goals by adding value while balancing risk vs. return over ICT and its processes. ICT Governance:

- Provides the structure that links ICT processes, ICT resources and information to enterprise strategies and objectives;
- Enables the integration and institutionalization of best practices of planning and organizing, acquiring and implementing, delivering and supporting, and monitoring and evaluating ICT performance to ensure that the enterprise's information and related technology support its business objectives;
- Allows the municipality to take full advantage of its information; and
- Identifies control weaknesses and assures the efficient and effective implementation of measurable improvements.

Umlalazi Municipality Master Systems Plan

Having realized that ICT has become an integral part of the day to day operations, the uMlalazi Municipality has realized the need to develop its ICT strategy (here with called the ICT Master Systems Plan) which is aimed at aligning ICT to the business and ensuring that the Municipality gets best value for money out of its ICT investment. The MSP is a 5 year ICT strategy for the Municipality and the department of finance ensures that a budget is available each year to implement its projects in order to achieve its key objectives. The MSP is also developed a part of the Auditor General's requirements as well as the international best practices for ICT to have a strategy. It outlines the ICT Vision, Mission and Objectives and informs of Strategic Actions that are required to be undertaken in order to achieve the objectives of the municipal IT Governance framework

The Integrated Data Digitalization Project (IDDP)

The challenge that exists within local municipalities and service departments is the inefficiency of mechanisms to respond or identify with critical service delivery issues and threats, disasters and emergency situations. This directly translates to government institutions being unable to efficiently render essential service delivery, including basic infrastructure development for households and related facilities. On the other hand, the majority of rural households and other buildings are off the grid and do not have a physical address. This poses a severe challenge both for individuals who reside in these areas, and to the range of institutions that are either obliged or wish to render services. Lacking a physical address means that people residing in rural areas generally do not enjoy the same level of access to basic services as those who live in the cities.

The Integrated Data Digitalization Project (IDDP) is an application based digital system that collects important data about households and buildings, and generates a household addresses and information about the circumstances in which people live. The system digitizes all the critical household information and arranges it in readable datasets and charts so that council is also able to monitor service delivery. These datasets will be essential in providing the municipality with information and tools which include the following:

- An indigent register that identifies municipal households that live below the poverty line
- Data on households that don't have access to essential services like running water, electricity and safe toilets
- A GPS navigation system for municipal emergency vehicles (fire trucks)
- Accurate shape-file (boundary maps) for all municipal villages/sub-places
- An app based platform where the municipality can send mass SMSs to its residents (communication)
- An app based platform where municipal residents can log complaints and faults to the municipality
- Online payment system for traffic fines, vehicle registration, water and electricity
- Online proof of residence generator (PDF)

Infrastructure Projects and the 2019 National Elections

The municipality has planned for infrastructure projects that are aimed to reduce backlogs in order to bring stability and peace during the 2019 and 2021 elections. Section F: 6 Financial Plan as well as the CBP outlines key infrastructure projects which will be implemented by different sector department as well as the municipality (MIG Projects) for the Council term ending 2022. These infrastructure projects have been identified as priority projects at ward level through the Community Based Planning process to ensure that government responds to the predetermined needs of the communities.

ICT SWOT Analysis

STRENGTHS	WEAKNESS
1. High levels of staff commitment	1. Slow machines and networks
2. Good relations with stakeholders	2. Poor environmental controls
3. All core ICT systems to support the business are currently in place	3. Lack of ICT policies, standards and strategy

4. Strong commitment from the business to support ICT initiatives	4. Poor Network Management
5. Dedicated server room	5. Insufficient ICT budget to meet ICT requirements
6. Full Management support of ICT	6. No ICT budget
7. ICT Steering committee	
8. Shared service agreement with the district	
OPPORTUNITIES	THREATS
1. New technology can enhance business operations	1. Increasingly sophisticated security risks and threats
2. Using ICT to enhance revenue base	2. More stringent audits focusing on controls
3. Speeding up ICT services	3. Focus on ICT by Auditor General
4. Roll Out of Fiber Optic will enhance connectivity and thus ensuring efficiency	4. Business Units make decisions which may impact ICT without consulting ICT
	5. Constantly changing ICT technologies

Table 60: ICT SWOT Analysis

Service Delivery & Infrastructure: SWOT Analysis

STRENGTHS

- Full range of engineering services provided to all urban areas.
- Free Basic services for electricity are being provided by the uMlalazi Municipality, for those people on the indigent register and residing in Eshowe and King Dinuzulu (where the Municipality is the electricity service provider). Monies are also being paid over to ESKOM on a monthly basis for free basic electricity for the indigents on ESKOM's Indigent Register.
- Free Basic Services for solid waste removal are provided by the Municipality for households on the Municipal Indigent Register for those residing in urban and rural areas.
- Recycling and buyback centers are being investigated and the Municipality has already commenced with the roll-out of pilot projects in the rural areas.
- The uMlalazi Municipality is crossed by a number of important transportation routes, such as the N2 Corridor, R66 Heritage Route, R34, P230, D135 (Currently being upgraded), P710, all of which are crucial economic catalysts. These routes link uMlalazi LM with the SEZ/IDZ, Isithebe Industrial Park, Dube Trade Port, Richards Bay & Durban Harbors
- The uMlalazi Local Municipality has a 24 hour Alpha Emergency Control Centre located at the offices of the Director Community Services in Butcher Street, Eshowe.
- Electricity Supply is high at 84%, being one of the best electricity supplying municipalities.

WEAKNESSES

- High backlogs in water and sanitation provision in the rural areas, which is exacerbated by the poor maintenance of existing infrastructure.
- Greenfields and infill backlogs in electricity which is exacerbated by scattered rural settlement patterns and undulating topography.
- Illegal connections (electricity) pose safety risks to people.
- Rural access roads are in a poor state of repair. This is exacerbated by the fact that there is no clear alignment in the construction and maintenance of roads in all spheres of the DOT. There is also slow delivery in the upgrade of gravel roads.
- Fires occur during protracted periods of drought and are aided by the generally dense vegetation such as cane fields, forests and invasive alien vegetation throughout the municipal area.
- The uMlalazi Local Municipality does not have the capacity in terms of manpower nor the technical support equipment to deal with a major disaster. Poor access increases the potential impact of a disaster.
- The impact of climate change – more periods of heavy flooding and longer periods of drought – poses a very real threat to the sustainable livelihood of rural communities.

- Lack of sufficient storm water management in urban areas.
- Inadequate MIG Funding/Municipality is Grant Dependent.
- The reticulation of water is complicated by the undulating topography.
- The municipality needs to develop a Local Integrated Transport Plan.

OPPORTUNITIES

- Construction of a new Testing Station
- Development of a LITP
- Liaise with NDOT (Establish a technical forum) for the upgrading strategic economic corridors which are gravel
- Source funding for servicing of residential, commercial and industrial sites (Ging, Eshowe, MTZ)
- Small Town Regeneration funding
- Develop a storm water management plan
- Establishment of Community Service Centers
- Construction of Halls and ECDs in all wards.
- Intensify engagements with DoHS for the development of Mpushini Housing Development (3000)
- Construction of a Waste Center (Landfill, buybacks, recycling park) in Gingindlovu

THREATS

- Protests which result in the damage of infrastructure.
- NO linkages between delivery of infrastructure (Halls, Crèches, with beneficiary committee thus remaining abandoned and subsequently vandalized.
- Undulating topography and scattered settlement patterns make delivery of services to some areas extremely expensive.

13. Local Economic & Social Development Analysis

13.1. Local Economic Development

13.1.1. Municipal Comparative and Competitive Advantages

- Pristine coastline of approximately 19 Kms (Potential for soft coastal development). Umlalazi Coastal Reserve (the uMlalazi Reserve and the Amatikulu Reserve) – potential blue flag status and boost the marine economy.
- Four Conservation Areas (Ntumeni Nature Reserve, Mbongolwane Wetland, Ongoye and Dhlinda Forests).
- Excellent biodiversity, natural rain forest (fewest in the country), wetlands and protected areas attract eco-tourists from abroad and domestically. Goedertrouw/Phobane Dam offering adventure tourism/water sports. Landscapes in Ngodini, Nkanini and Amatikulu also attract hikers, rock climbers and adventure enthusiasts.
- Potential for various types of mining in identified areas.
- Important strategic national and provincial roads traverse through the Municipal Area. National Road N2 crosses the municipality along its south-eastern boundary connecting two of KZN biggest commercial hubs/ports. Provincial road R102 runs parallel to the N2, providing an alternative route that also connects the eastern parts with the inland routes. The R66 Main Road (famously known as the King Shaka Heritage Route) traverses through the center of the municipal area from south to north, providing a road link between Durban, Ulundi and Vryheid. Provincial road R34 links uMhlathuze LM (IDZ/Harbor) with Mthonjaneni (and the hinterlands) along the east-west boundary north of the municipal area. P230 runs parallel to R34 but through the center of the municipal area. P50 links uMlalazi with Nkandla/Kranskop. D135 and P710 links uMlalazi with Mandeni and Maphumulo LMs. It is clear that there is an interconnectivity for transport routes conducive for a growing economy.
- The municipality is located adjacent and to the south of one of the fastest growing industrial and urban centers in South Africa, namely the City of uMhlathuze (Richards Bay IDZ)
- The municipal area is rich in historical and cultural assets. Umlalazi LM boasts of being home to King Cetshwayo, Dinuzulu, Queen Nandi, KwaBulawayo, Melmoth Osborne to name but a few.

- Abundant development space in strategic areas within the municipality. The municipality has developable town lands for the expansion of the three towns. Gingindlovu is proposed to be established as an Industrial/ Logistics Node, Mthunzini is proposed to be a commercial and tourism node, Eshowe is proposed to be and Administrative Commercial and Industrial node.
- PGDS and the DGDP has identified uMlalazi as a high agriculture potential area. I has also described the need for recognizing the tourism potential and aggressively investing on this comparative advantage.

13.1.2. Main Economic Contributors

SECTOR	2003	2009	2014
PRIMARY SECTOR	18.3	15.6	16.5
Agriculture	6.7	6.8	7.3
Mining	11.6	8.8	9.2
SECONDARY	43.11	34.2	34.1
Manufacturing	29.2	28.32	28.7
Electricity	1.9	3	1.8
Construction	3	3.9	3.6
TERTIARY SECTOR	47.6	50.2	49.4
Trade	9.2	9.5	9.6
Transport	10.7	11.6	11.3
Finance	9.9	11	10.7
Community Services	17.8	18.1	17.9

Table 61: Main Economic Contributors (Global Insights)

The table above indicates the percentage contribution of each sector to the economy of uMlalazi Municipality. The tertiary sector is the major contributor in the general economy. This sector includes, commercial trade, transport and community services. Commerce and Logistics are closely related activities which tie in well with the developmental vision of the municipality of being a commercial, industrial and logistic hub. The municipality is looking into developing a Tourism Sector Plan and Coastal Development Plan which will enhance the investment attractiveness of the municipality to potential investors, thus hopefully increasing the contribution of the tertiary sector.

Although the PGDS identifies the municipality as an intensive agriculture potential municipal area, its contribution to the local economy does not reflect this situation. The PGDS however, is not inaccurate. Umlalazi LM has an enormous potential for agriculture and agronomy. The municipality will develop an Agricultural Sector plan which will essentially elaborate on strategies in which to develop this sector, thereby enhancing its contribution to the economy.

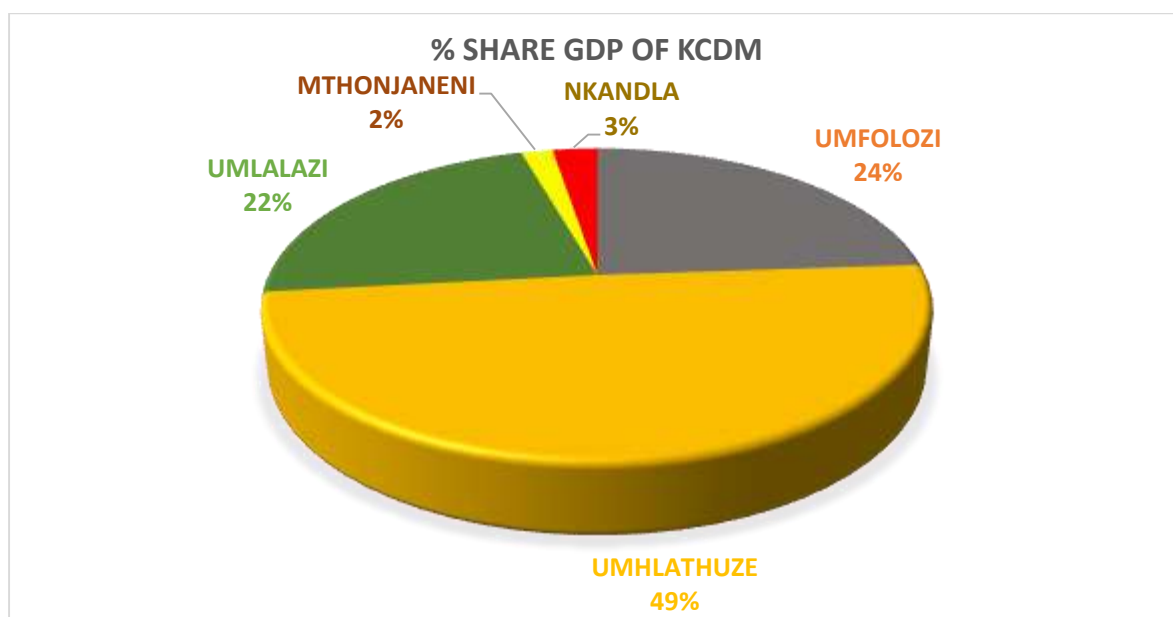


Figure 18: % share to the KCDM GDP

The above figure indicates the percentage share of each municipality toward the GDP of the KCDM. It goes without saying that the major contributor to the district GDP is uMhlathuze Municipality with just under half of the GDP being contributed by the city. The city boasts of a large commercial city and the second largest IDZ in the province (RBIDZ) as well as the second largest harbor in the province. The importance of this growing city within the KCDM is therefore acknowledged in terms of its generous contribution. Second in the larger contributions is uMfolozi Municipality, which is also the home of large mining activities which also link in well with uMhlathuze LM. The municipality is also a vast timber cultivation area. Third in the contribution toward the district GDP, is uMlalazi Municipality with its main economic contributor being the tertiary sector.

13.1.3. King Cetshwayo District Municipality Economic Performance

The figure below, represents the estimated Real GDP for King Cetshwayo district municipality and its local municipalities for the year 2014. King Cetshwayo district recorded an estimated GDP-R of R38.3 billion in 2014. Among all the six local municipalities, the largest contributor to the district's GDP-R is uMhlathuze at R17.4 billion (45.5 per cent) trailed by uMfolozi with contribution of R8.4 billion (22 per cent). Mthonjaneni local municipality was the lowest contributor to King Cetshwayo GDP at R641.6 million (1.7 per cent). uMlalazi LM is 3rd in terms of GDP share with 20.6% share. This figure has the potential to increase noticeably through the intensification of commercial development tourism, and agriculture.

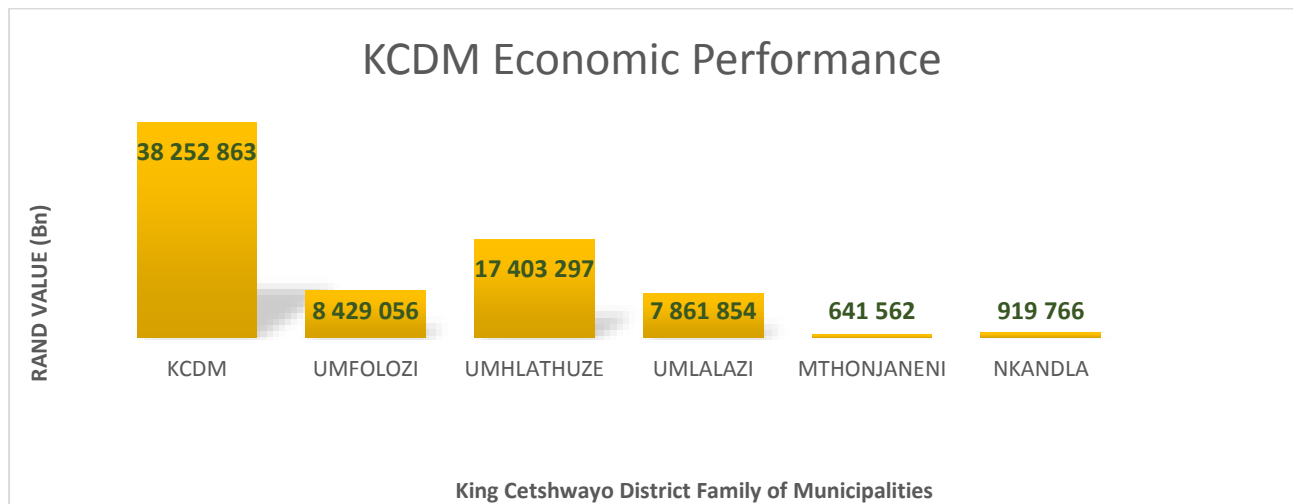


Figure 19: KCDM Economic Performance Source: Global Insight, 2015

13.1.4. Employment and Income Levels

Employment Status (15yrs – 65yrs) (2015)

From the census data obtained by StatsSA, statistics indicate that there has been a noticeable improvement in the employment status within uMlalazi Municipality. Census 2011 data indicated that the unemployment rate was 35.2% and this has positively declined further to 26.2%. This indicates not, only that the employable population is more active, but also that local economic development within the municipality is increasing favorably over the years.

	Formal Employment	Informal Employment	Total Employment	% Share of KCDM Formal Employment	% Share of KCDM Informal Employment
Kwa Zulu Natal	1 989 908	446 487	2 436 395	100	100
KCDM	143 122	29 767	172 889	19.1	20.3
uMlalazi LM	26 999	4685	31 684	18.9	15.5

Table 62: Employment Status

Unemployment Rates

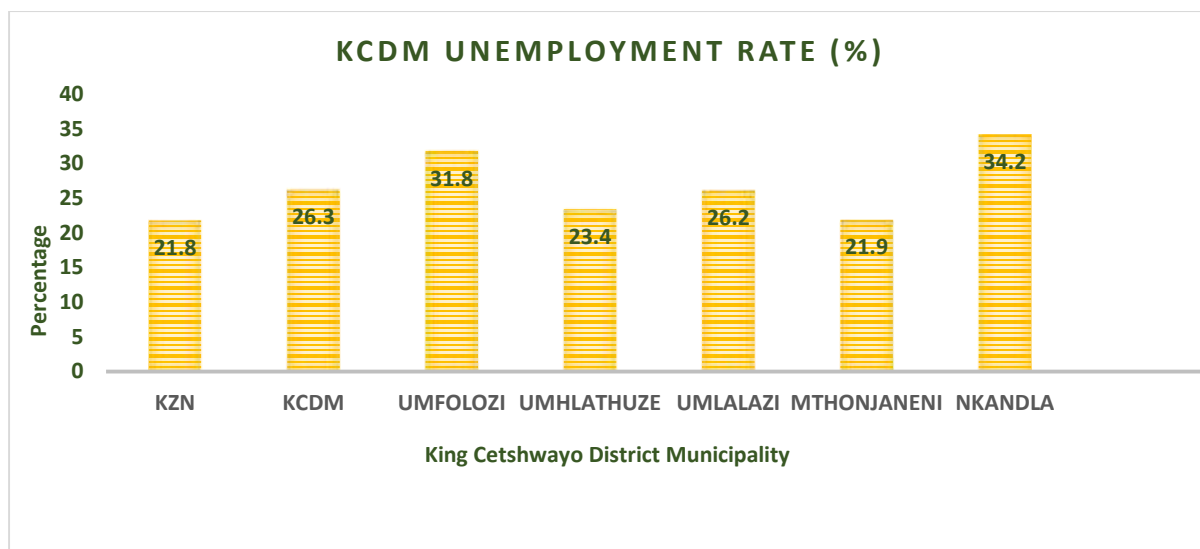


Figure 20: KCDM Unemployment Rates

The figure above portrays an unfortunate scenario of moderately high unemployment levels within the district. Although unemployment is a national crisis, there are plans in place at a national, provincial and local level which provide and analyses fundamental challenges contributing to unemployment and prescribes mitigating solutions and integrated and strategic approaches to reduce unemployment. Efforts are being undertaken by the municipality to contribute toward the reduction of unemployment in the form of EPWP and CWP programs within the wards. The municipality has also budgeted for various Local Economic Development Projects targeted at SMMEs, Co-Operatives and Informal Traders to sustain their longevity within the economic space, thus creating more employment opportunities.

Sector	2003		2009		2014	
	Number of people formerly employed	% of people formerly employed	Number of people formerly employed	% of people formerly employed	Number of people formerly employed	% of people formerly employed
Agriculture	18 560	15.6	12 340	8.7	10 966	7.7
Mining	1 609	1.4	2 725	1.9	3 068	2.1
Primary Sector	20 169	16.9	15 066	10.6	14 034	9.8
Manufacturing	17 870	15.0	19 133	13.5	17 943	12.5
Electricity	796	0.7	842	0.6	966	0.7
Construction	6 545	5.5	11 679	8.3	11 866	8.3
Secondary Sector	25 211	21.2	31 654	22.4	30 775	21.5
Trade	16 968	14.3	19 381	13.7	19 126	13.4
Transport	5 760	4.8	8 848	6.3	9 877	6.9
Finance	12 665	10.6	19 123	13.5	19 653	13.7
Community Services	24 345	20.5	30 762	21.7	34 857	24.4
Households	13 911	11.7	16 665	11.8	14 800	10.3
Tertiary Sector	73 648	61.9	94 778	67.0	98 313	68.7

Table 63: Employment by Sector (Global Insights)

The table above indicates statistics around the percentage of the working population in each sector. The primary seems to be declining noticeably as agriculture activities is losing potential and magnitude in terms of the main economic contributor. The municipal area remains with vacant farms which have lost productivity. The closing of Ntumeni Mill

has exacerbated the decline in productivity. In response to this, the municipality is in the process of developing an Agriculture Plan that will seek to revive this sector by also prescribing alternative crop production and inclusive approaching toward developing agriculture. Mining seems to increasing its contribution to employment levels through the establishment of Tronox Mining as well as Lafarge Mining. The Secondary sector has experienced moderate changes, however, manufacturing is declining noticeably. The review of the SDF will seek to establish favorable environments for industrial development to strive. Within the tertiary sector community services have an increasing percentage value in terms of creation of employment. This sector consists of mainly government departments.

Income Levels

Municipality	Average Annual Household Income (in Rands) in KCDM
King Cetshwayo DM	80,054
uMfolozi	46,130
uMhlathuze	121,177
Nkandla	39,679
uMlalazi	49,096
Mthonjaneni	44,783

Table 64: Average Household Income

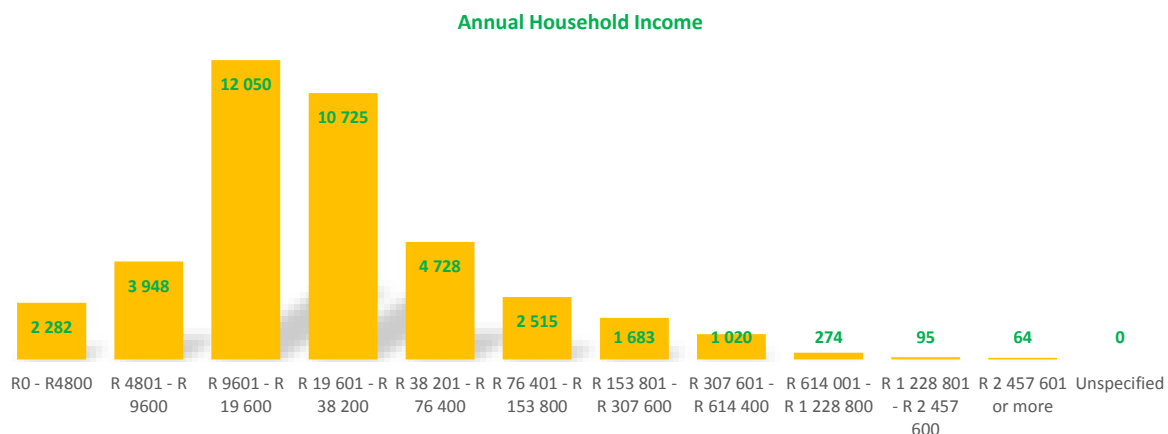


Figure 21: Municipal Annual Household income

Indigent households are those households earning less than R1, 600 per month. In terms of this criterion alone, some 45% of the Households who resided in the uMlalazi Municipal Area were indigent. In terms of this definition, some 46.4% of households (or 22,280 households), fell in this category. Unskilled labor (and informal traders) would also falls within this category where average salaries are the similar. Skilled labor is a scarce resource within the municipal area as it may be found that due few work opportunities being available, qualified and skilled labour would rather seek employment within other cities.

Central to the low average income levels is the issue of access to education and past imbalances. The historical oppression of the apartheid system was such that the content of education was not aimed empowering (economically or otherwise) African people in rural areas. To date scholars still travel vast distances on foot to access education. This imbalance has caused a historic and inherent imbalance and injustice to the economy. Access to higher education remains a challenge as the entire municipal area accesses one TVET College. The municipality (Mayoral Office) along with various organizations have come to the fore in addressing such challenges by offering bursaries in strategic fields of study to enhance the skills component within the municipality.

13.1.5. Local Economic Development Strategy

The uMlalazi Municipality has in place a Local Economic Development Strategy which was adopted in June 2018. The review LED Strategy was outsourced to Insingo Projects due to internal capacity constraints. The intention of the full review of the 2013 LED Strategy was to provide an analysis of recent socio-economic and demographic trends within uMlalazi Municipality and reflect any changes within the new Strategy for LED. Further to this the strategy is intended to assist in the undertaking of successful economic development initiatives based on the current local economic situation.

The strategy assists the municipality to informatively implement LED in an integrated manner; building upon the strengths and identifying areas requiring additional support. This is most notably done so to grow the key nodes within Eshowe, Gingindlovu and Mtunzini. Importantly, the LED will take its lead from the new opportunities within the sphere provincial economic development policy as set out in the Provincial Growth and Development Strategy as well as its being closely aligned to the developed National Framework for Local Economic Development in South Africa 2014 - 2019. The imperative is also that the LED Strategy review be closely aligned to the municipal IDP and SDF

The following key aspects are considered with LED Strategy Review:

- Assessment of the extent to which the LED Strategy has been implemented within the area.
- Changes in demographics and other socio-economic developments and trends that have taken place within the local and regional economy
- Alignment of local municipal programs, plans, strategies and initiatives with those of the district, provincial and national governments.
- Studies and projects that have been funded in the local area that have an impact on the economic potential and development of uMlalazi Municipality
- Strategic LED projects within the municipal area
- Implementation plan for the 2018 – 2023 uMlalazi LED Strategy.
- Monitoring and Evaluation Framework to systematically track the implementation of the 2018 – 2023 uMlalazi LED Strategy and;

Central to the development of the comprehensive and inclusive LED Strategy, is the extensive consultations with key stakeholders at local, regional and provincial spheres. This was done through the established projects steering committee and work groups. The PSC meets as and when required by the project leaders wherein presentations are made that impact on the strategy an informed decisions are undertaken to guide the process of development. All meeting and are minuted and actioned as per PSC resolutions. The PSC members for the development of the LED Strategy were identified as follows;

- The municipality (Director: Economic Development & Planning, IDP Manager & LED Manager) and the LED Portfolio Committee.
- Department of Economic Development, Tourism & Environmental Affairs (LED, SMMEs, Coops and Tourism Officials) (EDTEA)
- Department of Cooperative Governance and Traditional Affairs (COGTA) - LED Business Unit
- uMlalazi Tourism Association
- Farmers Association
- King Cetshwayo District (LED Department)
- Eshowe, Gingindlovu and Mthunzini Ratepayers Association
- Informal Traders Forum
- KZN Provincial Treasury (LED)
- uMfolozi FET
- Traditional Council Representatives
- Civil Society Organizations (CSOs) including NGOs and CBOs;
- Private Investors and Developers
- TIKZN

- Zululand Chamber of Commerce and Industries (ZCCI)

13.1.6. Small Medium and Micro Enterprises (SMMEs)

The SMME sector in uMlalazi includes wholesalers, manufacturing and retail trade as well. The majority of businesses are concentrated in Eshowe town of uMlalazi as a result of the strategic location of the CBD. This makes the town an important commercial and service center for other surrounding areas. Formal businesses in uMlalazi operate in various sectors including tourism, catering and accommodation, retail trade and allied services, construction, manufacturing, restaurant, general dealer, supermarket, professional and financial services.

UMlalazi is a good area for business stability and growth as the majority of formal businesses has been operating for more than 10 years and 97.4% of them are optimistic to expand their enterprises and employ more local people in the near future. Currently the majority of formal businesses in uMlalazi employ 5 to 20 persons depending on the business sector.

SMME Database

The municipality has developed a database internally within the LED Department wherein all SMMEs that are not only registered by the municipality but also all local businesses. Once entrepreneurs register, they are categorised within the database in terms of type of entity, core business functions, level of compliance with regulatory bodies as well as the wards which the SMME comes from. Critical to this process also is the registration within the Central Supplier Database which compels all SMMEs to be registered with such a database as a means of compliance. Both these databases form a referral system for the municipality procurement and tender considerations as well as technical and financial assistance.

The following projects are being implemented by the municipality to support small businesses in the past financial year (Other LED Projects will be seen under agriculture support);

Programs targeting SMMEs

NO	SMME SUPPORT	PROJECT	WARD
1.	Sisonke Mnganga	Pig feed	3
2.	Musawezwe	Pig feed	8
3.	Qikelela	Pig feed	15
4.	isgugqumezelo	Chain saw	3
5.	isitshasokhuni	Chain saw	16
6.	Zizande Trading	Block making	12
7.	Illusive models	D Camera PS SX4301S BK EU26 x1 and IUX camera	11
8.	Mahawulela (PTY) LTD	Pig feed	13
9.	Discovery zone	Block making machines	6
10.	Brainoguru (PTY) LTD	Concrete mixer	11
11.	Svumelokuhle Trading (PTY) Ltd	Round white porcelain plates x50, chaffing dishes x6, gas 6 burner griller	11
12.	Khulundaba Projects	1 x 760 Overlocker machine, 1 x heaving sewing machine, 2 x folding tables and 2 x plastic chairs	11
13.	Benzo Music Inc	Plus Double bins x 2, Audio Centre A13.0 Power Amplifier x 2, Speaker on- speaker 20m HAS0220-20	12
14.	Mningizi Trading PTY (LTD)	24Kg Top loader Automatic washing machine x1, flatbed steam press iron	11
15.	Mashiya and Shiya Chemicals	Liquid Detergent Manufacturing machine	12
16.	Mangah projects PTY (LTD)	Bricks x500, lintox3, aluminium windows x2, door, cement and timber.	17
17.	Bhundu's Project	5 X Tent size 4.8m x 3.6m x2m and 5 x Tent 3m x3mx2.2m	27
18.	Shange's Apolstry project	Industrial Sewing Machines x6 and heavy duty industrial walking foot machines x2	7
19.	Umlindo iii Co-operative	Heavy cater pot 75LT X4, Kitchen scale LCD screen x2, Freyer gas single x1, folding tablesx5, Oven trays x3, Muffin top 12 cups and Muffin pan 6 cup	23
20.	DSS Entertainment PTY (LTD)	DJM750K2MIXER-4 channel mixer with club DNA.CDJ900-NXS2 (cd player).	12

Table 65: Projects aimed developing SMMEs

13.1.7. Informal Economy

The street trading in uMlalazi Municipality is one of the key means of living in the area and makes an important contribution to the economic and social life of the majority of the residents in this Municipality. It absorbs workers who would otherwise be without work or income. Most people enter the informal economy in uMlalazi Municipality not by choice but out of a need to survive. Especially in circumstances of high unemployment, underemployment and poverty, the informal economy has significant job and income generation potential because of the relative ease of entry and low requirements for education, skills, technology and capital, but the jobs thus created often fail to meet the criteria of decent work. Informal sector comprises of many small business activities including barber shops, raw meat, cooked food, live chicken seller, cosmetics sales person, tailor, dressmaker and hatters, fruit seller, hairdresser, cell phone dealer, fast fooders, newspapers, second hand clothes, shoe repairer and the like.

A large number of informal trading businesses in uMlalazi Municipality (62.8%) have been operating for more than five years. This indicates and illustrates that uMlalazi Municipality has a conducive environment for business stability and growth and also shows that informal trading in this area is not a temporary activity but a long-term carrier for many. Further, on average, an informal business in uMlalazi employs between 1 to 3 persons depending on the activities of the business.

The municipality has developed and is implementing an Informal **Economy Policy**, **Informal Trading Policy** and **Street Trading Bylaws** within the commercial environment of the municipality, making the management of illegal trading minimal and well managed. The municipality will also develop Informal Economy Policy in house to develop strategies around the enhancement of the municipality's informal economy. The following LED projects and programs are carried out by the municipality on an ongoing basis for the upliftment of the Informal Economy;

Informal Economy Policy

The Informal Economy Policy covers the informal trading activities occurring within the uMlalazi Municipality. The policy formulation process involved consultation with a various stakeholders through public participation. For the uMlalazi Area, Informal Trading is a positive development for the micro business sector as it contributes to the creation of jobs and has the potential to expand further the Council's economic base.

The purpose of developing and having such a policy in place is to define an integrated and holistic approach towards the informal economy for all departments within the uMlalazi Area. The policy forms the basis for the By-Law that will regulate Informal Trading in the municipality and establishes a basis for a monitoring evaluation process, with clearly defined key objectives. Finally the policy provides a basis for resource allocation and decision making.

The Key Principles that govern the uMlalazi's approach to Informal Economy are economic, social and spatial;

Economic Principles - Economic growth in the informal trading sector will be facilitated through:

- Linking the development and growth of trading areas to commercial zones in orders to create viable hubs of business activity that mutually benefit formal and informal businesses.
- Providing a range of facilities, capacity building and business support service that caters for the different levels of the Informal Economy Actors, from the weekly, Saturday and small survivalist to larger informal economy Actors.
- Ensuring that the buildings and property owned by the uMlalazi are used for the maximum social and economic development of the community within which they are located.
- Targeting highly accessible and visible location for the promotion of tourist related trading in order to derive benefit for Informal Economy Actors from the tourism potential.

Social Principles - The promotion of equity within the uMlalazi to create a dignified Town through:

- Spreading public spending in an equitable manner throughout the uMlalazi with an emphasis on the poorer parts of the town that have not historically benefited from public sector investment.
- Viewing the location of public investment as an opportunity to integrate public sector investment.

- Using the development of the informal trading infrastructure as an opportunity to improve the general environmental condition of the Historically Disadvantaged Areas of the uMlalazi.
- Providing basic services such as water and refuse facilities to all areas where public health and/or public safety is at risk

Spatial Principles - Informal Economy contributes to the value of public places as amenities and places of dignity and has the potential to be a catalyst for generating positive public places through:

- Developing those areas that will have most significant impact on the largest number of people, e.g. areas with large flow of pedestrian traffic.
- Allocating space for informal trading areas in accordance with the broad Spatial Planning Framework of the uMlalazi and the local spatial development Framework.
- Providing minimal infrastructure for informal trading, that would vary depending on the type of activities.

Informal Traders Policy

The uMlalazi LM Informal Traders Policy which was developed in June 2013 and will be reviewed in 2018/19, covers the informal trading activities occurring within the municipality. This policy is founded in economic, social and spatial principles which provide a strategic thrust in achieving the core objectives upon which the policy is derived. In taking cognizance on the development of this sector, the municipality has identified a need to formalize the facilities for informal trading. The municipality has introduced a smart card manufacturing system for the issuing of permits.

The main purpose of developing the Informal Trading Policy was to;

- Define an integrated and holistic approach for all departments within the uMlalazi Area.
- Clarify the Council's policy to all relevant stakeholders.
- Form the basis for the By-Law that will regulate Informal Trading in the municipality.
- Provide a basis for resource allocation decision.
- Establish the basis for a monitoring evaluation process, with clearly defined key objectives.

The policy further identifies and puts into place mechanisms to regulate;

- The Allocation of Vendors (Land Parcels)
- Tariffs/Rental
- Permits
- Establishment of a Regulatory Body

Central to equitable allocation of trading bays and provision of services, is the compilation by the municipality of a database of all street traders in a particular area, which will include for each trader: ID number or any recognized form of identification, address, goods being sold, trading location and any other relevant information. A summary of the municipal informal trader's data base is as follows;

NO	PLACE WHERE INFORMAL TRADERS ARE TRADING	NUMBER OF TRADERS
1	BUS & TAXI RANK INFORMAL TRADERS	138
3	GINGINDLOVU INFORMAL TRADERS	58
4	FOUR SQUARE INFORMALTRADER	51
5	MTHUNZINI INFORMAL TRADERS	08
6	NQOLENI INFORMAL TRADERS	22
7	KDS INFOMAL TRADERS	57
8	KWA-KHOZA RANK INFORMAL TRADERS	18
9	THEATRE LANE INFORMAL TRADERS	69
10	OSBORNE INFORMAL TRADERS	48

Table 66: Informal Traders Database

13.1.8. EPWP Phase 4 Policy

EPWP Phase 4

The Municipality has adopted the EPWP Phase 4 Policy on 03 March 2019. The purpose of the policy is to strengthen the existing interventions and introduce new ones and consequently offer set of priorities and recommendations as the way forward to turn the general concept of EPWP into action within the Municipality, thus aimed to reduce unemployment, provide poverty and income relief for the poor households by creating work opportunities through education and training and contribute to the overall development of the society at large. The policy is embedded within the Integrated Development Plan of the Municipality and the Municipality is promoting EPWP principles and re-structured its activities to facilitate and create greater employment opportunities per unit of expenditure.

His Worship the Mayor, Councilor T.B Zulu entered into an implementation Protocol Agreement with the Premier of the Kwa-Zulu Natal Province in respect of Phase 4 of the Expanded Public Work Program The purpose of the agreement is:

- To establish an agreed framework for cooperation and coordination between the parties
- To promote the objectives of the EPWP by increasing the number of full time equivalent work opportunities through mainstreaming the use of Labour-Intensive employment in the delivery of public infrastructure, goods and services in the municipality
- To confirm the municipalities' agreement and commitment to achieve the targeted number of full time equivalent work opportunities in the Municipality by 2014 as specified
- To promote EPWP incentive grants and incentivizes eligible Public Bodies in the Province to increase Labor-Intensive employment through EPWP projects and programs that maximize job creation
- To specify the institutional structures that will oversee, monitor and report on progress in implementation the EPWP and achieving the EPWP targets
- To provide for mutual assistance and support in respect of the programs and initiatives of the EPWP

EPWP Overall Co-Ordination within the Municipality

EPWP cuts across all departments and units within the municipality. Each department makes a systematic effort to target the unskilled and unemployed and develop a plan to utilize their budget to draw significant numbers of the unemployed to productive work in, such a way that workers are given an opportunity to gain life and job specific skills while they work to increase their chances of getting out of the marginalized pool of unemployed people.

Jobs Creation through EPWP & CWP

Project	Jobs created
EPWP	
War Against Poverty	130
Food for Waste	105
Sizabonke	121
School Safety programme	44
uMlalazi Indigent Profilers	81
Security	23
Casual workers (roads, verges & street cleaning)	50
Fire Protection & Prevention	24
uMlalazi Sub Station upgrade	13
Kwagalagala Road	7
Mthinthombi road	14
Obanjeni Community Hall	7
Izingwenya Community Hall	12
Nkume Community Hall	8
Basimlilo Sports field	8
Emahhusheni Mathibelane Road	28
uMlalazi community based programme	28
Weed Eradication	9

Project	Jobs created
EPWP Total	722
Community Works Programme	952

Table 67: Job creation through EPWP and CWP

The above projects are funded from:

- Equitable Share Grant: (Poverty Alleviation; Work Creation; Local Economic Development);
- EPWP Grant
- and MIG (Labour-Intensive Construction method)

13.1.9. Agriculture

The agricultural sector is the first largest economic sector in uMlalazi in terms of employment contribution (24,9%) and the second largest in terms of the contribution to the Municipal GVA (16.1%). The uMlalazi area is reliant on the agricultural sector for economic growth. The products that dominate the municipal area are:

- Livestock Production
- Poultry Production
- Grains And Food Crops
- Industrial Crops
- Fruit Production
- Vegetable Production
- Sugar Cane, and
- Citrus Farming

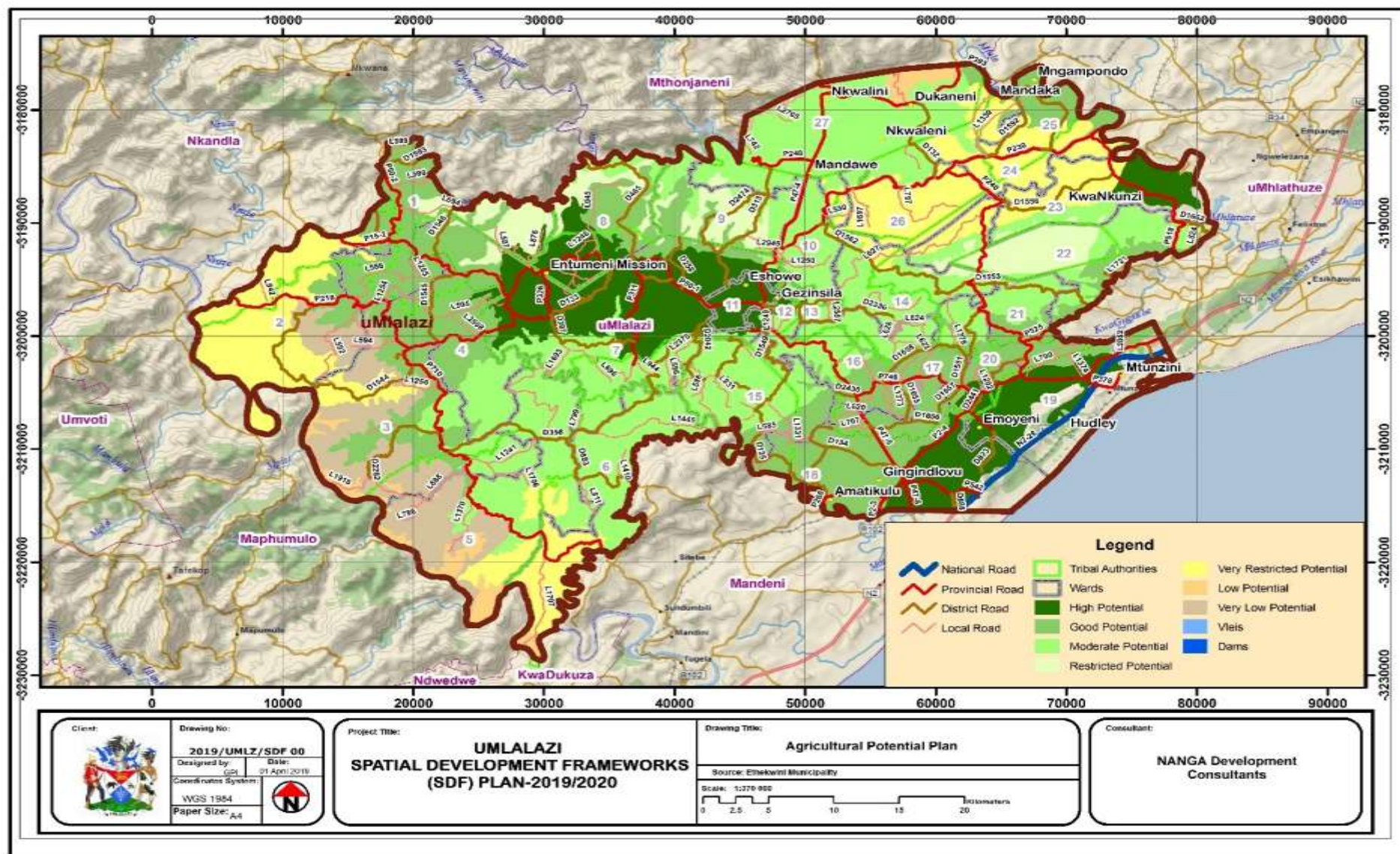
The main crop that is being exported is sugar cane in uMlalazi area. There have been community gardens that have been very successful in the uMlalazi Municipality. However, the issue still remains of transport due to the poor road conditions in the area as well as accessibility. The community gardens have been introduced as means of providing access to food for the residents of uMlalazi.

Agriculture Potential

Agricultural potential refers to the arability of a land, which deals with ability of the land or soil to support the cultivation of crops. High arable lands are noted to be of high agricultural potential. This implies that the piece of land possess the right nutrients and pH or acidity as well as permeability levels to support the growth of basic arable crops and hence could be cultivated. The portions of the land that are marked as low and very low potential rather usable for grazing, or afforestation activities, rather than growing of arable crops.

A large percentage of the municipal area (about 40 - 45%) is classified to be of high to good potential (Map 24). Areas of very restricted agricultural potential land covers the areas along the western boundaries and also mid north-east between Mandawe, Mandaka and KwaNkuzi. A significant proportion (about 40 %) has low potential while a relatively smaller proportion is classified as areas of low potential and restricted potential.

In terms of development planning, the areas marked as high to moderate agricultural potential should be reserved for agricultural production and excluded as much as possible from non-agricultural or non-cropping activities such as commercial and residential developments. Areas of low to very restricted agricultural potential are recommended for commercial or other non-agricultural developments.



Map 39: Agriculture Potential Plan

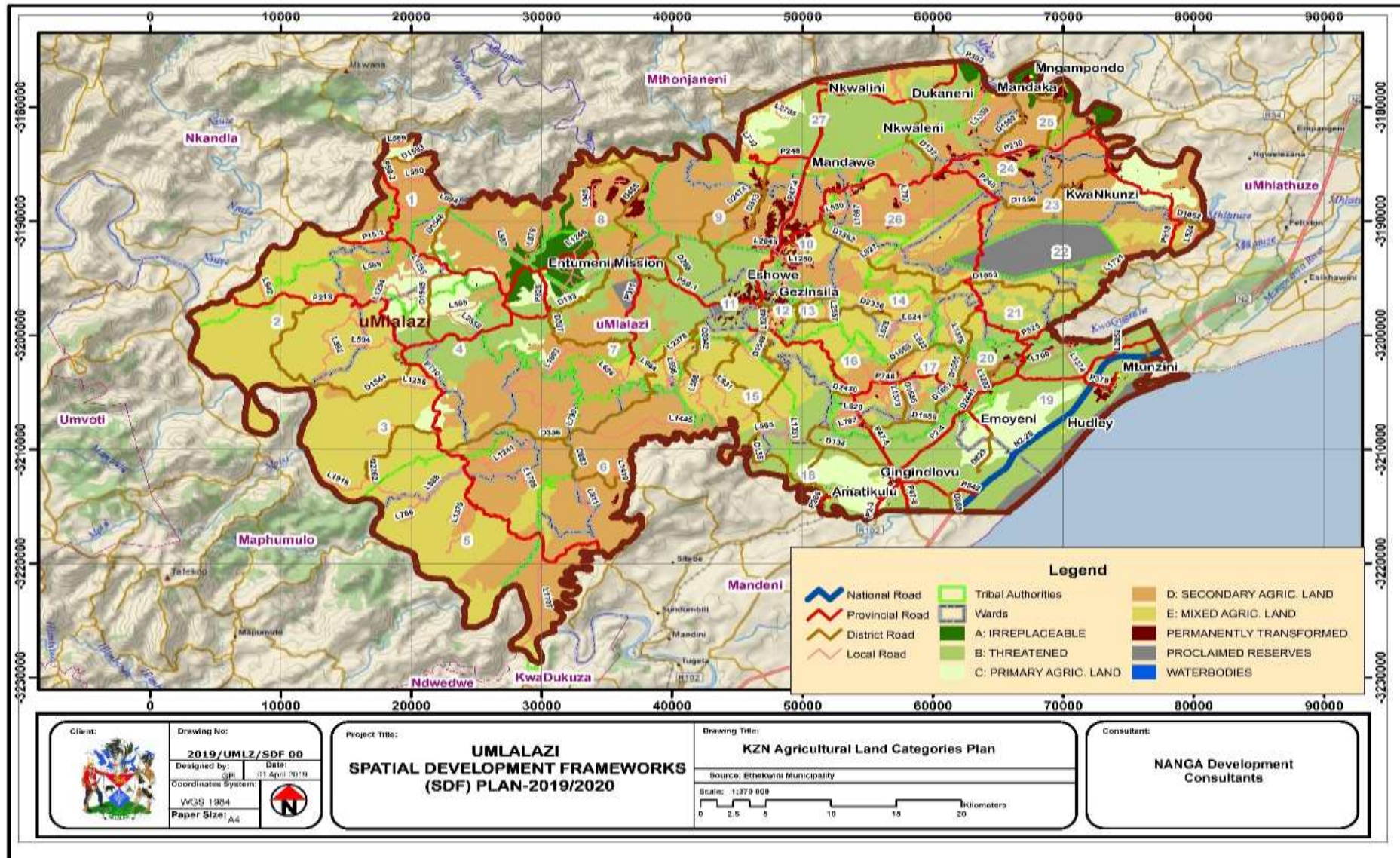
Agricultural Categories

These categories classification is to help in the determination of which land parcels should be restricted to agricultural activities and which ones can be subjected to other uses. Agricultural land is classified by The Department of Agriculture into three categories to guide the use of agriculture land. These include the following categories:

- A. Irreplaceable:** where land use is limited to only agriculture production only. This may include cropping, keeping of farm infrastructure such as storage facilities and sheds,
- B. Threatened:** This category, requires that all effort be made in restricting the land parcels with this classification for mostly agricultural uses. These should be protected from degradation by other uses,
- C. Primary Agriculture land use:** Category C land is one that has moderate agricultural potential, and may require further efforts in order to a desirable agricultural use. The use of this may include uses in category A and B, such as storage and production infrastructure, with limited agriculture tourism, and research facilities,
- D. Secondary Agricultural land use:** These areas mostly those with low agricultural potential and are used primarily for other uses, with agriculture being a secondary land use,
- E. Mixed Use:** Category E lands are mostly with limited arability potential. These are used for other activities such as grazing of animals, conservation, tourism or development, depending on the demand within h surrounding area.

The agriculture category mapping is shown in **Map 38**. It is noted that areas with irreplaceable agriculture land use are mostly on the northern surrounding areas of Ntumeni Mission, and along the north-eastern boundaries near Mgampondo. Areas referred to as threatened are mostly on the southern potions from Mtunzini, through Hudley to Gingindlovu areas. Other such threatened areas are around the western parts of Eshowe, and north of Mandawe, to Dukaneni surroundings. The rest of the municipal area consists of a mixture of Primary, secondary and mixed use land categories.

Map 40: Agricultural Land Categories



KCDM Fresh Produce Market

The King Cetshwayo District Municipality has successfully established a Fresh Produce Market that incorporates both commercial and communal farmers. The aim of this initiative is also to ensure growth and continuity, especially amongst emerging farmers at a small scale level. This is a collective initiative which requires combined efforts and resources. The aim is to continually strive to encourage partnerships to assist and undertake the task towards agrarian reform within the King Cetshwayo District. The Market operates as an entity within its own to boost economic growth through agricultural practices. The partnering government departments include;

- The Department of Agriculture
- The Department of Co-Operative Governance and Traditional Affairs
- The Department of Trade and Industry

The municipality, in support of local agricultural development, rolls out rural agricultural projects that are aimed at ensuring food security through agriculture and land care. The Department of Agriculture and Rural Development also assists greatly in this regard. The department has rolled out major agricultural projects within the Umlalazi municipality.

Projects aimed at developing the agricultural sector (small holder producers)

The municipality is in partnership with Siyasiza Trust which is a Non-Profit Organization aimed at uplifting communities by capacitating them with agricultural skills as small holder producers. The trust has partnered with The Ackerman Group to establish Pack Houses in various wards. The pack houses are a basic form of a processing plant where vegetation that has been harvested is sent to the pack houses to be cleaned and packed and the vegetables are then sold and delivered to Boxer and Pick and Pay. To date, the trust has assisted the following co-operatives have benefited from this project;

- Masibongesonke Co-operative - Ward 14
- Mazimeleni MPC - Ward 20

The same trust is further establishing a Fresh Produce Hub in Ward 20 for local small holder producers from all wards to process, package and sell their harvest to larger wholesalers.

The municipality has fostered a partnership which materialized in the form of a memorandum of understanding in between the Department of Agriculture and Rural Development, the municipality and Aloe Lifestyle Hotel. The basis of this partnership is such that it establishes an inclusive and coordinated approach to development of small holder producers and ultimately the agricultural sector. The Aloe Lifestyle Hotel also has a responsibility toward community development. As such, the hotel only procures vegetables from local producers. The municipality with the DARD have a mandate deliver local economic development and food security. In that respect the municipality and DARD ensures the delivery of fenced community gardens, seedlings, irrigation systems, tanks, and skills development (training and capacitation). This combined effort ensures that that small holder producers are capacitated in terms of funding and technical assistance. The farmers can then produce crops which the hotel procure.

The tables below indicate a combined effort by all sectors involved to aggressively develop the agricultural sector. In so doing, more jobs are created and food security is ensured. The following plans are in line with the KCDM Agricultural Sector Plan and the municipality IDP (Other projects are on the financial plan section);

NO	COMMUNITY GARDENS	PROJECT	WARD
1.	Mawusheni	Fencing material	7
2.	Masibonakale	Fencing material	9
3.	Zamokuhle	Fencing material	6
4.	Qediphanga	Fencing material	26
5.	Ibhunthe	Fencing material	23
6.	Mkhishwane	Fencing material	3
7.	Mkhungaze	Fencing material	14
8.	Makhosazane and Brothers	Irrigation System	24

Table 68: Projects funded by the municipality

Project Name	Activity	Budget	No of beneficiaries	Jobs created	Ward
Ifalethu	Fencing	R 65 000.00	8 (1M,7F)		27
Ehlathini	Fencing	R46 700	22 (1M, 21F)	6	26
Barachac	Irrigation	R158 000	3 (1M, 2F)	10	27
Savukamphendle	Irrigation	R172 195.25	16 (6M,10F)	10	6
Sivelakude	Irrigation	R299 000	23 (4M, 19F)	3	14
Zithokozise	Fencing	R65 00.00	10	07	14
Ingungumbane	Scooping	R 326 980	Community		27

Table 69: Projects funded by DARD

13.1.10. Tourism

The tourism sector has enormous potential in uMlalazi area. Tourism is regarded as a cross-sectoral industry in that it has linkages with other sectors such as retail, manufacturing, transport, catering, hospitality, etc. As a result, it is difficult to measure the contribution of tourism to the local economy as GVA from the tourism industry is spread across a number of other sectors. However, catering and accommodation within uMlalazi contributed 0.7% to total GVA and 1.7% to the municipal employments in 2017. It should also be noted that although this contribution is small, it is expected that this is only a small portion of the total generated from the industry, with spin-offs of tourism largely cutting across the wholesale and retail sector. However, some challenges related to tourism development include the following:

- Lack of appropriate tourism industry facilities;
- Lack of private investment;
- Inadequate road infrastructure;
- Lack of coordinated tourism development efforts; and
- Poor marketing of facilities and destinations.

Eshowe offers a window on history as it is the oldest town in Zululand. King Cetshwayo was born and died here and it was King Mpande who first invited the Norwegian missionary, the Reverend Ommund Oftebro to settle his mission station here in 1861, thereby forever changing the face of Eshowe.



Mthunzini is characterized by natural beauty and is a popular coastal town. Umlalazi Nature Reserve, covers 1 028 hectares. The uMlalazi Reserve and the Amatikulu Reserve together form the Siyaya Coastal Reserve, which stretches from the uMlalazi River in the north, in a narrow band along the coast southwards almost to the Thukela (Tugela) River. Amatikulu Reserve and access is via the N2 approximately 30 km south of Mthunzini. There are 5 different ecosystems, namely estuarine, dune scrub, dune forest, coastal riverine and coastal forest which characterize the Mthunzini area providing diverse natural environment. There is a thriving population of giraffe as well as waterbuck and a number of smaller antelope.

The uMlalazi Municipality has vast potential for enhancing tourism in the area but the access by road is problematic as the areas are mountainous with forest. The Goedertrouw/Phobane Dam offers the opportunity for a range of water sports, together with camping and picnic spots, however this need to be developed still and once completed will assist local communities with jobs and upliftment. It is supplementary to the areas of eco-tourism in the uMlalazi area. Thukela Valley is an area of outstanding scenic beauty and represents rugged countryside.

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Opportunities in Tourism Sector

Umlalazi has the potential to become the destination of choice for tourists to KwaZulu-Natal and South Africa, especially for those tourists who desire the country ambience. The warm temperatures, summer rainfall, scenic beauty and environmental significance of the area make the climate excellent for tourism in uMlalazi Municipality. The area

contains a number of scenic attractions, dams and unique experiences that require establishment and aggressive marketing.

The tourism sector has the following opportunities:

- uMlalazi has traditional Zulu culture that needs to be improved to attract tourists,
- Existing game reserve needs to be marketed to attract tourists,
- Existing mountains for hiking and canopy tour games need to be marketed,
- Construction of hotels and resort for tourists and conference around the existing tourism products
- Establishment of youth tourism development programme
- Coastal Development
- Adventure Tourism
-



Programs aimed and developing the tourism sector

TOURISM PROJECTS	FUNDS
Tourism Plan	R 500 000.00
Tourism Indaba	R 50 000.00
Tourism Marketing Material	R 400 000.00
Crafters Support	R 50 000.00
Art on the Shade Festival	R 50 000.00
Tourism Signage	R 100 000.00
Museum Night	R 50 000.00
Taxi Rank Building Maintenance	R 100 000.00
Gateway Entrance Designs	R 100 000.00

Table 70: Tourism projects funded by the municipality

13.1.11. Manufacturing

The manufacturing sector in uMlalazi is largely influenced by the agricultural sector. This is because of the sugar mill located at Amatikulu. The manufacturing sector is currently the second biggest contributor to GVA in the uMlalazi Municipality with a contribution of 18.5%, while the sector is the biggest contributor at a district level with a contribution of 26.8% to the King Cetshwayo District GVA. The following table provides an indication of the quantity and average annual growth rate of employment and GVA in manufacturing for the Province, District and uMlalazi Local Municipality.

	Employment in 2011	Average Annual Growth 2001-11	GVA (Current Prices) in 2011	Real Average Annual Growth Rate (2001-11)
KwaZulu-Natal	286 842	-2.0%	R 76 246 200 000	2.4%
KCDM	18 039	0.4%	R 7 375 676 000	2.6%
uMlalazi	2241	1.9%	R 638 690 600	7.2%

Table 71: Manufacturing sector performance (Source: Quantec 2012)

The provincial manufacturing sector employed close to 287,000 people, and generated a GVA of more than R76 billion in 2011. The sector experienced 2.4% real average annual GVA growth since 2001, while employment within the sector declined at 2.0% per annum. Within both the district and uMlalazi, the number of people employed in the sector increased since 2001. Umlalazi contributes 12.4% to total employment within the district manufacturing sector, with employment increasing at a rate of 1.9% per annum since 2001. Additionally, GVA growth has increased at 7.2% per

annum since 2001. This indicates that while the sector is growing, the employment in the sector is not growing at the same pace as the output and there is a need to boost employment in the sector.

The figure below displays the breakdown of the manufacturing sector in terms of contribution to total manufacturing GVA within uMlalazi.

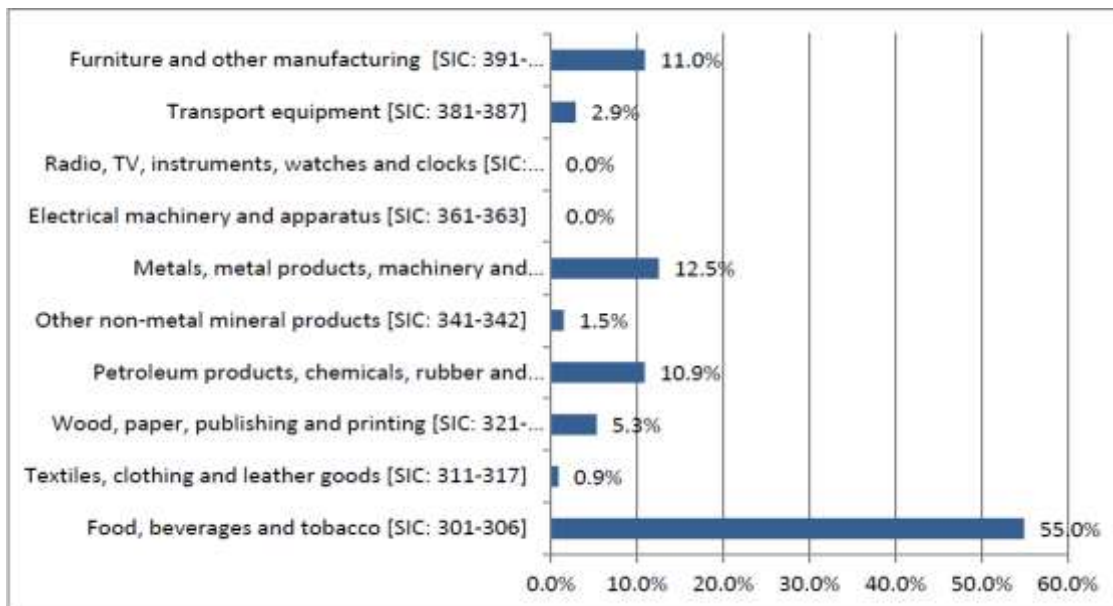


Figure 22: GVA contribution within manufacturing sector in uMlalazi, 2011 (Quantec 2012)

Opportunities in the Manufacturing Sector

There is a demand for manufactured products in uMlalazi such as clothing and textile, footwear, furniture, food, beverages and building material. Further, uMlalazi local economy is dominated by primary sectors, which implies that there is availability of raw material to a certain extent. However, because the manufacturing sector is not developed and all its full potentials are not yet utilized, in most instances raw material is transported to other centers outside the municipality for processing.

The following opportunities are available in the manufacturing sector:

- Agro-processing,
- Maize Mill,
- Ethanol production,
- Biodiesel production
- Traditional medicine,
- Leather production;
- Transport and Machinery equipment.

13.1.12. Mining

Tronox currently has since 1998 had a large business investment within the King Cetshwayo District Municipality with mining of the mineralized sand dunes in an area just north of Mthunzini, Kwa Zulu Natal, known as the Hillendale Mine, its central processing complex ("CPC") at Empangeni for refinement and the Fairbreeze and planned Port Durnford mines.

Tronox has valid mining rights in the uMlalazi Municipality and has been legally undertaking mining activities on land within this municipal area since 2002. Tronox has made significant progress towards obtaining additional authorizations

for furthering the Fairbreeze project which will in turn feed the CPC at Empangeni. Tronox has the following authorization from government to pursue mining activities on the awarded mining areas:

- Mining rights from Department of Mineral Resources;
- Water use rights from the Department of Water and Sanitation(DWS),
- Environmental approvals from the Department of Environmental Affairs (DEA),
- Permits from the Department of Fisheries, Agriculture and Forestry (DAFF),
- A positive decision by the Durban High Court on the Land Use Change approval on a large portion of mining area which allows Tronox to continue early works construction.

Tronox Mine also has a responsibility toward developing and empowering communities socially and economically in the form of Social Labor Plans (SLPs). The mine has made a noticeable change in the lives of the communities within the municipal area over the years and continues to do so. Hence the table below indicates the projects that Tronox mine will deliver within the 5 year per period.

COMMUNITY	PROJECT	BUDGET	YEAR	REMARKS
Ogagwini	1.Ogagwini Trading Facilities	R1 000 000	2018	Approved by DMR.
	2. Obanjeni Sports Complex - (Soccer, Netball etc.)	R1 200 000	2019	Approved by DMR
	3. Ogagwini Housing Project- 5 houses	R1 100 000	2020	Approved by DMR-Identification of families will be done by Municipality and DMR.
	4. Veleshowe Crèche	R950 000	2021	Project identified from Municipality IDP and approved by DMR.
	5. Cemetery Fencing and ablution	R1 200 000	2022	Approved by DMR.
Nzuza	1.Ensingweni Primary School Classrooms. Ablutions & Admin block	R3 200 000 (R1.2mil in second and third year)	2018-2020	Approved by DMR-Budget increased from R1.2mil to R3 200 000 by cancelling other projects. The school to be rebuilt.
	2. Borehole-Ploughing Project (Water Scarcity)	R350 000	2020	Approved by DMR
	3. Uphindo High School Science Laboratory for Practical work and Computers.	R800 000	2021	Approved by DMR
	4. Ngwenya Secondary School-Open shelter nutrition Programme	R600 000	2022	Approved by DMR
	5. Nogabisela High School- 3 Classrooms	R700 000	2022	Approved by DMR

Table 72: Tronox SLP for 2022

Lafarge Mining operates the quarrying interests of Lafarge South Africa Holdings, one of the country's leading manufacturers and suppliers of cement, aggregates, ready-mixed concrete and fly ash. The company is a member of the international LafargeHolcim group, the world leader in building materials, and an industry leader in sustainable development.

The Richards Bay Quarry is a commercial quarry that has been in operation since 1970 as a hard rock quarry. Prior to this the quarry had been used to manufacture clay fired bricks from the surrounding shales and clays. Richards Bay Quarry belongs to Lafarge Mining SA (Pty) Ltd and produces aggregate stone & sand for road pavement layering; ready-mix concrete; ballast and general aggregates destined for the building & construction industry.

Richards Bay Quarry is located at latitude 28° 44' 47" S and longitude 31° 44' 20" E some 15 km west of the Central Business District of Empangeni. The open pit mine is located south-west of the R34 Regional Road, P230 is an access road to the quarry. 15 employees out of 23 are from the local District municipality.

Richards Bay Quarry serves the construction and building sector, the mine is founded upon a dolerite ore deposit close to the market. Products produced are Basecoarse, Subbase, aggregate stone and crusher sand.

Lafarge always strive to operate within the confines of the law and Regulations in terms of the Mineral and Petroleum Resources Development Act, 2002, (Act No 28 of 2002) (MPRDA) and other applicable legislation.

The 5 year Social Labour Plan for Lafarge will be developed in line with the IDP and community priority needs. Within the 2018/19 financial year, build up meetings with relevant stakeholder have been initiated to establish a basis for understanding of how the SLP will be developed.

Opportunities in the Mining Sector

While Tronox is operational in the area, the mining sector is not fully developed in uMlalazi, therefore, additional studies will need to be undertaken to discover some existing mining deposit within uMlalazi Local Municipality.

13.1.13. Services

The business services sector is a big contributor to the total GVA in the uMlalazi Municipality with a contribution of 16.7%. The table below provides an indication of the quantity and average annual growth rate of employment and GVA in business services for the Province, District and uMlalazi Local Municipality.

	Employment in 2011	Average Annual Growth 2001-11	GVA (Current Prices) in 2011	Real Average Annual Growth Rate (2001-11)
KwaZulu-Natal	286 780	2.0%	R 54 570 953 664	5.6%
KCDM	17 578	3.5%	R 3 127 939 726	7.1%
uMlalazi	2184	4.0%	R 433 065 798	7.2%

Table 73: Business services sector employment and GVA (Quantec 2012)

The business services sector has increased its GVA contribution to the economy of uMlalazi significantly within the last 10 years. In 2001, the sector contributed 8.3% to the GVA of uMlalazi, while in 2011 the sector contributed 16.7% to the GVA of uMlalazi. Together with the finance, insurance and real estate industry it is the biggest contributor to GVA within the uMlalazi economy. This is an indication of the importance of the sector within the uMlalazi Municipality.

13.1.14. Operation Phakisa (Oceans Economy)

Operation Phakisa is a fast results delivery programme that was launched in July 2014 to help government implement the National Development Plan, with the ultimate goal of boosting economic growth and create jobs. Operation Phakisa is a cross-sector programme where various stakeholders engage to implement initiatives and concrete actions to address constraints to delivery in a prioritised focused area for public accountability and transparency.

Operation Phakisa is a results-driven approach, involving setting clear plans and targets, on-going monitoring of progress and making these results public. The methodology consists of eight sequential steps. It focusses on bringing key stakeholders from the public and private sectors, academia as well as civil society organisations together to collaborate in the following;

- Detailed Problem Analysis;
- Priority Setting;
- Intervention Planning; And
- Delivery

These collaboration sessions are called laboratories (labs). The results of the labs are detailed plans with ambitious targets as well as public commitment on the implementation of the plans by all stakeholders. The implementation of the plans are rigorously monitored and reported on. Implementation challenges are actively managed for effective and efficient resolution.

The municipality has been part of the Operation Pakisa Oceans Economy Initiative from inception and has identified the following key coastal projects to be implemented within the coastal areas should they emanate as viable from the labs;

- Aqua cultural Development (Fish Farming)
- Beach Tourism Development (Including Road Infrastructure)
- Accommodation/Hotels/High Income Coastal Estates
- Desalination Plant
- Small Harbors/Logistic Hub

13.1.15. Radical Economic Transformation

The municipality has adhered to the call by the National Government to be part of Rapid Economic Transformation. The aim of moving towards RET is to facilitate the capacitation of the existing market, through the provision of growth and development opportunities of local SMMEs. The municipality is positioning itself to be seen to be empowering local SMMEs through the following efforts;

- Amending the SCM policy to ensure that skills transfer through Capital projects
- Developing a continuation plan for EPWP, to see the beneficiaries being empowered beyond the EPWP tenure.
- Linking the Agriculture Support Plan (under development) with the Fresh Produce Market
- Facilitation of the development of Agrihubs within the municipality to assist Agri-SMMEs
- The Development of Tourism Development Plan and the establishment of local tour operators within rural tourism destinations.
- The revitalization of the KwaBulawayo Cultural Village/Museum.
- The Development of Precinct Plans for the expansion and commercial densification of rural nodes.
- The proposed establishment of the P230 as a Tourism Route/ Commercial Corridor

13.1.16. Collaborative Agreements

The municipality has formulated collaborative agreements with the following stakeholders in the form of ongoing partnerships through MOUs;

Partnerships/MOUs/Agreements	Scope of Work
uMhlathuze Water	uMlalazi Trader Stalls in Ward 2
Department of Rural Development and Land Reform	NARYSEC Youth Development Program
NYDA	Youth Development Programs (LED & Social)
Tronox	Community Social Investment (Capital Projects)
KCDM	Coastal Development Projects
Izibuko The Bridge (ITB)	Electrical Learnership Program
SEDA	Informal Traders Upliftment Program
University of Zululand	0.45M Optical Telescope : Research and LED
nClude	Integrated Data Digitalization Project (IDDP)

Table 74: Collaborative Agreements

13.1.17. NARYSEC (Rural Skills Development Programme)

The Department of Rural Development and Land Reform has rolled out a program called **National Rural Youth Services Corps (NARYSEC)** which is aimed at creating vibrant, equitable, and sustainable rural communities by providing certain skills and to perform community service in their own communities. The objectives of NARYSEC are as follows;

- Train youth through specifically developed programs linked to community needs in rural areas
- Develop youth with multi-disciplinary skills through civic education
- Capacitate youth in retaining knowledge and technical skills acquired during training
- Increase the number of rural communities receiving support in their self-development through the CRDP
- Character development and patriotism

In the 2017/18 financial year the NARYSEC Programme trained 15 unemployed beneficiaries (from uMlalazi LM) in various skills ranging from mechanical, civil, electrical and agricultural skills. The program runs for 24 months and it was based initially in Bloemfontein, and when practical training commences the beneficiaries were allocated at various FET Colleges.

13.1.18. Youth Business Advisory Center

The uMlalazi Youth Business Advisory Center “Home for Entrepreneurs” (YABC) was established and officially opened by His Worship The Mayor Cllr TB Zulu on the 9th of April 2014. YABC assists youth to develop and harness their business ideas into fully grown sustainable business entities by;

- Registering entities –inter-alia, Companies and Co-operatives etc.
- Sourcing funding from relevant financial institutions
- Guiding and improving technical and financial management targeting skills development, mentoring and coaching
- CIDB Registrations
- Company Profiles & logos
- CIDB registration
- Central Supplier Database (CSD)
- Registration with Regulatory Bodies (BCCI, SARS, COIDA, PSIRA)
- BEEE affidavits & Share certificate
- Grant funding applications
- Entrepreneurship Development Programmes
- Life skills programmes
- NSFAS registrations

The municipality is of the progressive view that by establishing this YABC, sustainability in the development of young entrepreneurs is ensured, in such a way that they are not only being advised, but they are also being connected to financial and mentoring streams to further empower their visions.



13.1.19. Development of a 0.45M Optical Telescope: Research and LED

The University of Zululand have established a memorandum of understanding with the municipality to support the development of a 0.45M Optical Telescope (one of the biggest in the world after the km ray telescope) in KwaNtoza Mountain (Ntumeni). This telescope will be used by the university as well as researchers from all over the world to contemplate the stars and planets in outer space. The telescope will centrally be used to achieve the following;

- ✚ Rapid transient events from transient sources
- ✚ Study exoplanets and solar systems such as The Gliese 581 system which is an astounding 20 light years away
- ✚ Study and interpret star formation such as the Star forming region of NGC2467 about 17000 light years away from the planet earth.

The university has also committed to installing a smaller telescope that which local enthusiasts, tourists and scholars can visit to explore space and further learn about the science of space and experience eclipses from a much closer range. The university will also be able to link the local schools with a variety of educational programs and technical assistance that the university has to offer. Such programmes include, but are not limited to the following;



Developmental workshops for:

- School Management Teams (SMTs)
- School Governing Bodies (SGBs)
- School Finance Officers
- Assistance for Grade 12 learners by senior students from various faculties.
- Motivational talks for Grade 12 learners.
- Talking with parents with children in Grade 12.
- Basic school assistance to improve matric results

13.1.20. Capacity within LED Unit

The LED Unit is in the Planning and Economic Development Department (with Housing, IDP, Town Planning and Building Inspectorate). The LED unit, in terms of the adopted organogram consists of eleven (11) incumbents. Currently the unit is capacitated with a Manager who reports to the Director PED, two LED Officers, a tourism officer (and an intern), one project administrator (on contract) and two administration clerks (on contract). This means that of the 11 incumbents, eight posts are filled. The LED Unit is further complimented by Youth Office which operates in the Youth Business Advisory Center. The Youth Office consists of two youth officers, reporting to the Manager Youth under the office of the Mayor. Although it is acknowledged that poverty, unemployment and inequality is a cross demographic societal issue, it mostly affects the youth as they form the majority of the population. It then makes sense to partner the two units to collectively address the issues around youth development. Furthermore, the municipality has in place an MOU with the NYDA which provides ancillary technical and funding assistance to capacitate youth.

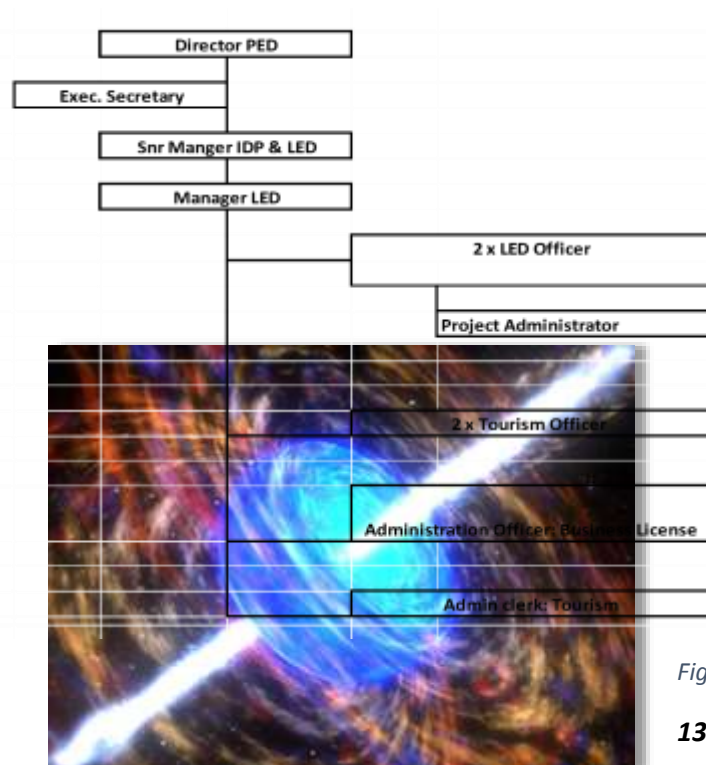


Figure 23: LED Organogram

13.1.21. LED Projects

The table below indicates the LED projects that the municipality will implement in the 2019/2020 financial year. It is important to note that these projects will address various LED issues that have emanated from communities, the MEC Comments on LED KPA as well as the strategic planning session.

The municipality has seen a need for a much more integrated and an inclusive approach to developing LED within the municipal area. For this reason the municipality has budgeted for the LED Summit which will bring all LED stakeholders

into one platform to collectively develop and implement strategies which effectively enhance LED within the municipality.

The below budget also clearly indicates budgets for SMMEs, Tourism Development, Agriculture and the informal sector.

LED PROJECTS	BUDGET
Fencing of Community Gardens x 4	R 360 750.00
SMME Support	R 1 400 000.00
SMME Training	R 100 000.00
Rank Informal Traders Ablution Facilities	R 200 000.00
Local Business Summit	R 200 000.00
Investment Attraction Strategy	R 400 000.00
Gingindlovu Trading Stalls Development	R 100 000.00
Ward Poverty Alleviation Projects	R 70 000.00
Tourism Plan	R 500 000.00
Tourism Indaba	R 50 000.00
Tourism Marketing Material	R 400 000.00
Crafters Support	R 50 000.00
Art on the Shade Festival	R 50 000.00
Tourism Signage	R 100 000.00
Museum Night	R 50 000.00
Taxi Rank Building Maintenance	R 100 000.00
Gateway Entrance Designs	R 100 000.00
Camera	R 20 000.00
Agricultural Plan (Roll over)	R 139 250.00

Table 75: Budgeted LED Projects

13.1.22. Budget for Research and Development

The following tables indicate the budget that has been reserved for research and development. During the strategic planning session, it emanated that in order to better achieve the vision 2035, the municipality would need to revisit and review the current strategic goals and objectives. As such, the revised strategic thrusts for the municipality indicated that there are various plans that need to be developed which would proposed implementable targets in which to the municipal vision. Noticeable of the list below are the critical, Coastal, Development Plan, SDF (and SEA), Town Planning Scheme (with Nodal Development Plans), Agriculture Plan, Tourism Plan and Investment Attraction Strategy.

Description	Budget Year 2019/2020
Coastal Development Plan	500 000
Electricity Supply MTZ and Ging Feasibility Study	500 000
Tourism Plan	500 000
Agricultural Plan	139 250
Investment Attraction Strategy	400 000
Land Audit	200 000
Municipality Spatial Development Framework	593 000
Office Plans	150 000
Nodal Development Plans	315 000
Wall To Wall Scheme	1 000 000
Ward Base Plans	100 000
Total	5 335 500

Table 76: Budget for Research and Development

13.1.23. Alignment of LED KPA with PGDS

PGDS GOALS	LED STRATEGY GOAL	STRATEGIC OBJECTIVES	BUDGETED LED PROJECTS
Inclusive Economic Growth	GOAL 1: THE AGRICULTURAL SECTOR SUPPORT	Strategy 1 : Agricultural Stakeholders Improvement of coordination of	Development of an Agriculture Plan Fencing of Community Gardens (DARD, uMLM, TRONOX, etal)

PGDS GOALS	LED STRATEGY GOAL	STRATEGIC OBJECTIVES	BUDGETED LED PROJECTS
Human and Community Development Environmental Sustainability		Strategy 2: Improve agro-processing and diversify commodities Strategy 3: Encourage the development and expansion of the agriculture sector	SMME Support (uMLM, NYDA, DRD, EDTEA) SMME Training (uMLM, NYDA, NARYSEC) Construction of Pack houses and Processing plants
Inclusive Economic Growth Strategic Infrastructure Governance and Policy	GOAL 2: SUPPORTING THE MANUFACTURING SECTOR	Strategy 4: Manufacturing sector policy support Strategy 5: To promote investment and boost the local economy	Local Business Summit Investment Attraction Strategy
Inclusive Economic Growth Human and Community Development Strategic Infrastructure Environmental Sustainability	GOAL 3: IMPROVE THE TOURISM SECTOR	Strategy 6: Diversification of the tourism activities Strategy 7: Provision of Tourism Support Infrastructure	Local Business Summit Tourism Plan Tourism Indaba Tourism Marketing Material Crafters Support Art on the Shade Festival Tourism Signage Museum Night Gateway Entrance Designs
Human Resource Development Governance and Policy	GOAL 4: IMPROVING LED PORTFOLIO AND CAPACITY	Strategy 8: Coordination of LED stakeholders and funding Strategy 9: Improving the LED capacity	Local Business Summit Investment Attraction Strategy
Inclusive Economic Growth Human and Community Development Strategic Infrastructure	GOAL 5: PROVISION OF ECONOMIC INFRASTRUCTURE	Strategy 10: Provision and maintenance of bulk infrastructure Strategy 11: Facilitating easy access to land for development and housing Strategy 12: Improved safety and wellbeing	Investment Attraction Strategy Land Audit Spatial Development Framework Nodal Development Plans Wall To Wall Scheme
	GOAL 6: SUPPORT SMALL ENTERPRISES	Strategy 13: Assistance and support for small enterprises Strategy 14: Small enterprise development of innovation	SMME Support SMME Training Rank Informal Traders Ablution Facilities Local Business Summit Gingindlovu Trading Stalls Development Taxi Rank Building Maintenance
	GOAL 7: PROMOTE A GREEN ECONOMY AND ICT SECTOR	Strategy 15: Support the development of the green economy sector	Agricultural Plan Coastal Development Plan Spatial Development Framework Implement the ICT Master Systems Plan

PGDS GOALS	LED STRATEGY GOAL	STRATEGIC OBJECTIVES	BUDGETED LED PROJECTS
		Strategy 16: Support the development of the ICT sector	Roll Out of Free Wifi Hot Spots

Table 77: Alignment of KPA with PGDS

13.1.24. Addressing AG Comments on LED

Within the 2017/18 financial year, the municipality received an unqualified audit opinion. Emanating from the opinion was the query pertaining to procurement and contract management. Bid documentation for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2).

Local content did not stipulate minimum threshold for local production and content to be considered. All payments in respect of these awards should be regarded as irregular expenditure which results in a material non-compliance with legislation.

The municipality has hence implemented remedial action through a standard clause which has been included in all notices for procurement over R30 000 and tenders over R200 000 compelling service providers to comply with local content requirements. A declaration form is incorporated. This target has therefore been achieved.

13.1.25. Monitoring and Evaluation of LED

The municipality developed the LED Strategy with clear implementable targets. The PED monitors the progress of LED in terms of the targets met in terms of the plan. The municipality has increased the budget for LED in response to the provisions of the LED Strategy. Some of the targets within the LED Strategy implementation are gradually incorporated the IDP review and the budget. These targets with the budget, form part of the performance management targets in the IDP (SDBIP).

13.1.26. LED Risk/Threat Analysis (and proposed interventions)

No	Risk/Threat	Proposed interventions
1	Crime	Installed satellite stations in town to curb business thefts. The municipality is also conducting studies to install cameras in crime prone areas within the towns
2	Declining Economy	The municipality has budgeted for the development of the Investment Strategy. This strategy will be developed in line with the SDF which is currently under review.
3	Fuel Prices	The municipality has budgeted for the development of Nodal Development Plan which will guide the establishment of Gingindlovu as a Logistics/Storage Hub looking at its strategic location to the major logistics routes (N2, R66 and R102) and its proximity Isithebe /NRB/DBN
4	Illegal Traders (& illegal foreigner trading)	A Task team has been established which is led by his Worship the Mayor which consists of Law Enforcement Agencies, Home Affairs, KCDM, Liquor Board and uMLM
5	Limited Commercial space	The municipality has budgeted for the subdivision of town lands for commercial development.
6	Investment Attraction	The municipality has budgeted for the review of the Investment Retention Plan
7	Inadequate bulk services	Continuous engagement with KCDM and DWAHS for installation of bulk services at strategic locations.

Table 78: LED threat analysis

13.1.27. Local Economic Development SWOT Analysis

STRENGTHS

- A diverse and rich cultural heritage and has broad international appeal;
- Good existing agricultural base; with prominent sugar cane mill and high concentration of areas of sugar cane plantations that has been untapped;
- Municipality has adopted Informal Traders Policy which is being implemented and database of traders with permits as well as designated trading facilities.
- The municipality borders on the Indian Ocean and has a coastline of approximately 19.35 km. This coastline presents outstanding opportunities in respect of tourism and recreational facilities.
- The Goedertrouw/Phobane Dam offers the opportunity for a range of water sports, together with camping and picnic spots. It is supplementary to the areas of eco-tourism in the uMlalazi area.
- The beauty and ambiance with particular reference to the coast, the lagoon, indigenous forests and the activities of the conservancies active in the area is an asset which has a considerable impact on the tourism potential of the municipality.
- The uMlalazi Municipality has a good transport network with a number of important transportation routes, such as the N2 Motorway between Durban and Richards Bay, the R34 between Richards Bay/ Empangeni and Nkweleni valley to the north of Eshowe, and the R66 from the N2 Motorway to Gingindlovu, Eshowe, Melmoth, Ulundi and Vryheid.
- The uMlalazi Local Municipality has a 24 hour Alpha Emergency Control Centre located at the offices of the Manager Protection Services in Butcher Street, Eshowe.

WEAKNESSES

- The backlog of basic services such as water, sanitation, electricity in the rural areas, which is exacerbated by the poor maintenance of existing infrastructure.
- There is a lack of infrastructure maintenance impacting negatively on the aesthetics of the municipality.
- Illegal connections (electricity) pose safety risks to people.
- Due to the absence of potable water in many of the rural areas, communities tend to settle in close proximity to rivers and streams, mostly without due consideration of flood lines along these water courses.
- In many instances, the Traditional Authority areas are characterized by poor land management practices that presents a challenge in respect of the unlocking of the agricultural potential that exists. This is exacerbated by poor “allocation of land” practices. The roll-out of wall-to-wall rural.
- Traditional Authority areas also accommodate scattered settlement on undulating land, posing considerable pressures in respect of the provision of basic services.
- The urbanisation rate is increasing in the municipal area and appropriate responses are required to adequately accommodate this tendency.
- Rural access roads are in a poor state of repair. This is exacerbated by the fact that no sphere of government is clear on who is responsible for these roads.
- Communities tend to settle in proximity to rivers and streams, mostly without due consideration of flood lines along these water courses.
- Fires occur during protracted periods of drought and are aided by the generally dense vegetation such as cane fields, forests and invasive alien vegetation throughout the municipal area.
- The occurrence of cholera and related diseases is as a result of the absence of potable water as well as the lack of sanitation in rural areas.
- The uMlalazi Local Municipality does not have the capacity in terms of manpower nor the technical support equipment to deal with a major disaster. Poor access increases the potential impact of a disaster.
- The impact of climate change – more periods of heavy flooding and longer periods of drought– poses a very real threat to the sustainable livelihood of rural communities.
- Lack of sufficient storm water management in urban areas.
- Ineffective linking of graduates to private sector;

- Insufficient funding for the implementation of LED projects.
- Lack of new foreign and domestic investment (leading to a reduction in new technology and therefore competitiveness).
- Land audit in particular municipal land is unavailable.
- Unavailability of Business Retention and Expansion Strategy.
- Unavailability of Tourism and Agricultural Sector Plans.
- Unavailability of local LED Forum to drive LED in the municipal area

OPPORTUNITIES

- Community development through agro-processing and community agricultural projects;
- Development of new value-chains in the agricultural sector (incl. bio-diesel and crushing of own sugar juices).
- Diversification of the manufacturing sector and development of new value-chains (incl. renewable energy products)/
- Infrastructure development especially road infrastructure in rural areas of the Municipality;
- Development of under-utilised or un-utilised agricultural and industrial land (vacant farms and industrial lots).
- Promotion of business retention and expansion programs.
- Establishment of industry driven training and skills development through internships and apprenticeships.
- Economic growth is expected in areas of tourism in areas such as the coastline, near protected areas and indigenous forests.
- The provision of housing together with basic services particularly in the rural areas and the formalization of current informal and overcrowded settlements present an opportunity.
- The broadening of the municipality's rates base through the valuation of the rural areas and commercial farming areas will increase internal funds available for the funding of capital projects.
- The N2 Motorway offers a corridor of opportunities in respect of tourism and agriculture.
- Optimisation of tourism potential in the area in tandem with environmental sustainability can aid poverty alleviation.
- Non-industrial labour-intensive recycling of waste presents opportunities for employment throughout the municipality.
- The creation of an interlinked open space system using the protected areas and rivers and streams to enhance the aesthetical appeal of the area.
- The area is linked to the "Valley of the Kings" by the R66 transportation route and presents a tourism opportunity.
- Development will be experienced along the coastline and particularly in Mtunzini as an urban area on the coastline.
- Existence of railway line which can be used for transportation of goods and tourism but it needs upgrading.
- Richards Bay Industrial Development Zone (RBIDZ) presents a number of opportunities for the entire district including demand for warehousing and logistics infrastructure and subsequent commercial developments.

THREATS

- Skills shortages especially in rural areas and the illiteracy within the Municipality are a limitation for the population being restricted to unskilled jobs with a commensurate threat in respect of economic and earnings potential.
- High levels of unemployment especially formal employments within agriculture.
- Out-migration of skilled employees to other urban-centres; much of the population is involved in migrant labour as a result of the lack of employment opportunities within the municipal area and this has severe social impacts.
- Worsening climatic conditions which have translated into water scarcity and therefore negatively impacting on farming around uMlalazi.
- Impact of crime on local businesses.

- Rumours of corruption and a lack of accountability (financial and management).
- Land reform and associated challenges (poor skills transfer to new farmers, slow process, etc.).
- There is a high prevalence of waterborne diseases as a result of the lack of formal engineering services.
- The prevalence of HIV/Aids in the area represents a serious threat to economic development in general.

13.2. Social Development Analysis

13.2.1. Community Based Planning

Community Based Planning (CBP) refers to the participatory process whereby local knowledge is packaged into an action plan. This approach builds on the agencies of poor communities and the local knowledge produced through the various public participation methodologies. CBP establishes a participatory process for mobilizing communities and planning around grassroots issues and how they can relate to the broader municipal planning perspective. Linking CBP and IDP creates the opportunity for further grounding the IDP in the local context and gives greater meaning to the participatory requirements of the Municipal Systems Act. CBP encourages planning from outcomes and not problems which leads to more realistic and creative planning, valuable for the ward plan but also for enabling practical implementation of the IDPs. Since CBP is a consultative and participative engagement process it requires a strategic approach that consists of various phases to ensure its successful implementation. The following cycle of activities was used;

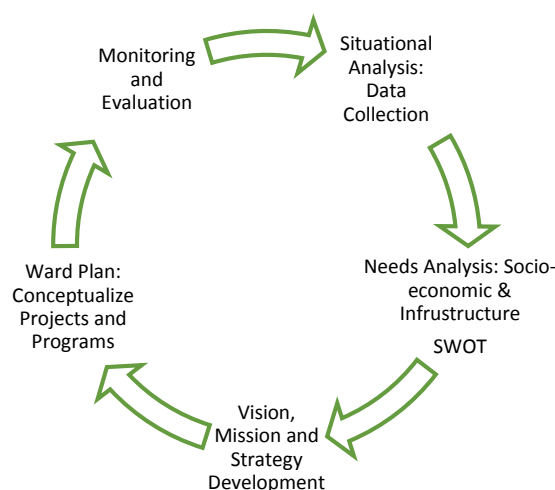


Table 79: Community Based Planning Process

The municipality commenced with a full scale ward to ward CBP: Needs Analysis process. As a result of the above exercise, the top 5 priority infrastructure needs by all wards could be determined and is reflected in the table below:
Top 5 Priority Needs by Wards

Infrastructure /Facilities	Number of Wards out of 27 Wards Citing Infrastructure as Top Priority
Roads, Access Roads, Bridges & Causeways	25
Water	24
Electricity	24
Rural Housing	14
LED/Job Creation	27

Table 80: Top 5 priority needs by wards

13.2.2. Education

The following table indicates statistics relating to school attendance within the population of uMlalazi LM. From the table below it indicates that just about half of the population of uMlalazi has not completed matric (Std 10). Of this half that has completed matric, 45% are male and only 39% are female. School attendance by race indicates that Africans

which have attended school account for 42% of the population, 18% are Coloured, 29% are Indian/Asian and 11% are the white population.

ISSUE	INDICATOR	NUMBER	%
Current school attendance	Yes	93 857	42%
	No	129 241	58%
	Don't know	42	0%
	Total	223 140	100%
Current school attendance (by gender)	Yes (Male)	47 298	45,6%
	No (Male)	56 434	54,4%
	Do not know (Male)	42	0,0%
	Yes (Female)	46 559	39,0%
	No (Female)	72 808	61,0%
	Do not know (Female)	0	0,0%
Current school attendance (by race)	Yes (Black African)	92 722	42,7%
	No (Black African)	124 439	57,3%
	Do not know (Black African)	42	0,0%
	Yes (Coloured)	173	18,8%
	No (Coloured)	748	81,2%
	Do not know (Coloured)	0	0,0%
	Yes (Indian/Asian)	633	29,5%
	No (Indian/Asian)	1 516	70,5%
	Do not know (Indian/Asian)	0	0,0%
	Yes (White)	329	11,5%
	No (White)	2 539	88,5%
	Do not know (White)	0	0,0%

Table 81: School Attendance

Highest Levels of Education

The table below indicates the highest levels of education within the population of uMlalazi LM. The table indicates that 2.9% of the population have a tertiary qualification, which makes them eligible to obtain decent specialized work. It is interesting to note that more females have passed matric than males and more females have tertiary qualifications than males. When categorizing highest levels of education by race, it is clear that even though the white population account for the smallest portion of the population, they have the highest education levels. 32% of the white population has tertiary qualification in contrast to the 2.5% of the black community which account for more than 90% of the population. 24 % of the population have had no access to education thereby indicating also that the illiteracy rates are high.

ISSUE	INDICATOR	NUMBER	%
Highest level of education	No schooling	54 316	24,4%
	Primary	78 596	35,4%
	Some Secondary	51 203	23,0%
	Matric	31 668	14,3%
	Tertiary	6 406	2,9%
Highest level of education (by gender)	No schooling (Males)	23 560	22,8%
	No schooling (Females)	30 756	25,9%
	Primary Schooling (Males)	38 890	37,7%
	Primary Schooling (Females)	39 706	33,4%
	Some Secondary (Males)	23 714	23,0%
	Some Secondary (Females)	27 489	23,1%
	Matric (Males)	14 284	13,8%
	Matric (Females)	17 385	14,6%
	Tertiary (Males)	2 832	2,7%
	Tertiary (Females)	3 574	3,0%
Highest level of education (by race)	No schooling (Black African)	53 645	24,8%
	No schooling (Coloured)	102	11,3%

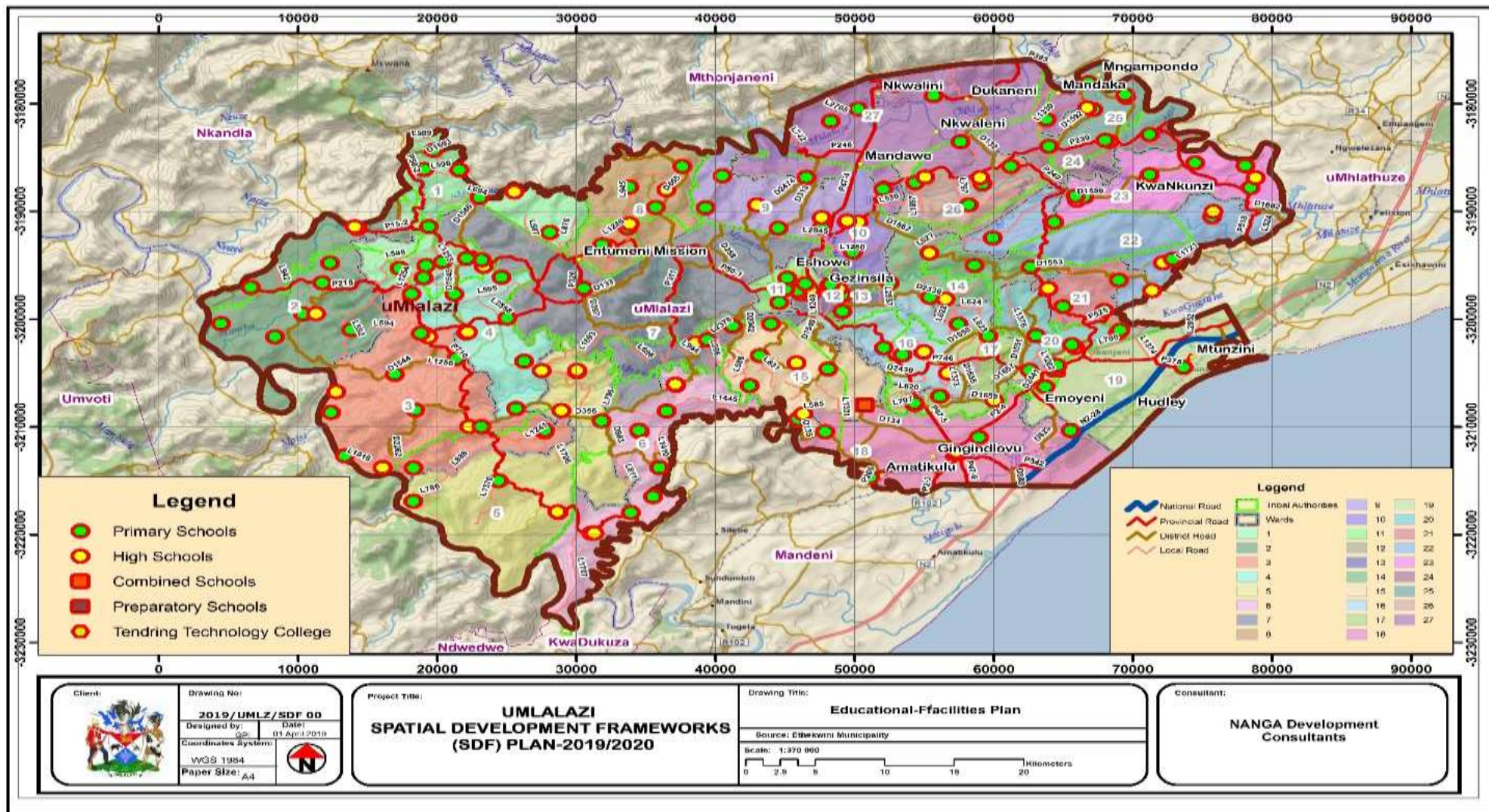
ISSUE	INDICATOR	NUMBER	%
	No schooling (Indian/Asian)	288	13,4%
	No schooling (White)	281	9,9%
	Primary Schooling (Black African)	77 503	35,8%
	Primary Schooling (Coloured)	168	18,6%
	Primary Schooling (Indian/Asian)	590	27,5%
	Primary Schooling (White)	335	11,8%
	Some Secondary (Black African)	49 901	23,1%
	Some Secondary (Coloured)	277	30,7%
	Some Secondary (Indian/Asian)	546	25,4%
	Some Secondary (White)	479	16,8%
	Matric (Black African)	29 859	13,8%
	Matric (Coloured)	339	37,6%
	Matric (Indian/Asian)	632	29,4%
	Matric (White)	839	29,5%
	Tertiary (Black African)	5 384	2,5%
	Tertiary (Coloured)	15	1,7%
	Tertiary (Indian/Asian)	93	4,3%
	Tertiary (White)	914	32,1%

Table 82: Highest Education Level (CS 2016)

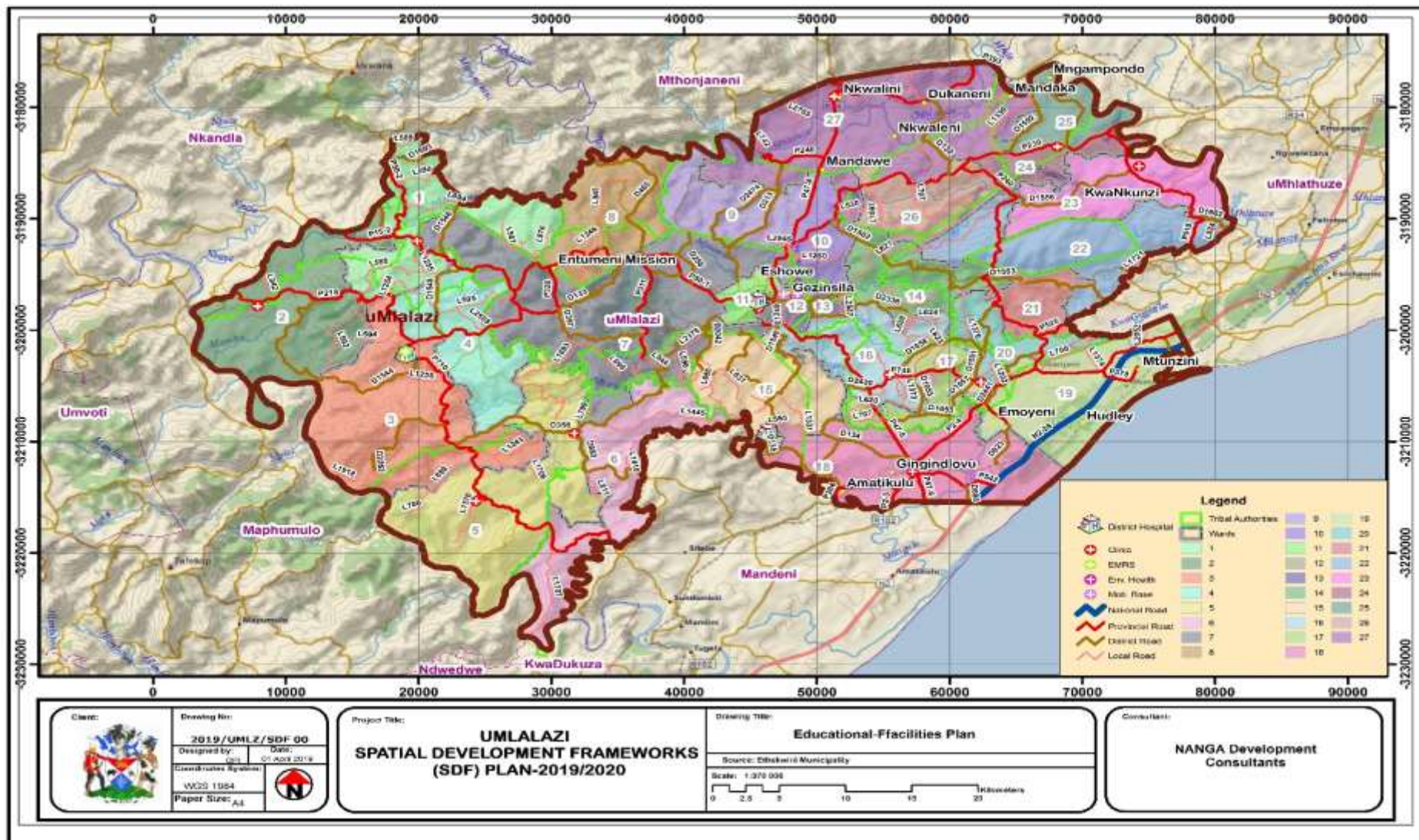
In order to address the issue of school infrastructure the Department of education has rolled out a three year infrastructure plan (In the Financial Plan Section) which outline infrastructure projects within a large number of schools within the municipal area. Most important to note is the construction of two new primary schools in in ward 11 and 19 namely Sunnysdale Primary and Emoyeni Primary School. The implementing agent in both schools is the Department of Education and both projects are funded through the Education Infrastructure Grant. The following table provides further details with respect to the new schools;

Project Name	Scope of Works	Project Status	Total Project Cost R'000	Budget Allocation 2018-19 R'000	Estimate Allocation 2020-21 R'000	Estimate Allocation 2021-22 R'000
EMOYENI PRIMARY SCHOOL	10 STANDARD CLASSROOMS, 1 MULTIPURPOSE, LABORATORIES AND SPECIALIST ROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM, 4 OFFICES, 4 STOREROOMS, 1 STRONG ROOM, 1 SNP KITCHEN, 6 GIRLS TOILET SEATS, 4 BOYS TOILETSEATS AND URINAL SPACES, 4 TEACHERS TOILET SEATS AND 1 DISABLED TOILETS.	DESIGN	26 000	0.00	2 110.00	1 395.00
SUNNYDALE SECONDARY SCHOOL	24 CLASSROOMS, 3 MP CLASSROOMS, 1 MEDIA CENTRE, 1 COMPUTER ROOM, 1 SNP KITCHEN, ADMIN OFFICES, 32 TOILET SEATS,	DESIGN	42 978	0.00	6 504.38	14 161.00

Table 83: New School Projects



Map 41: Educational Facilities



Map 42: Health Facilities

13.2.3. Health

Access to Health Facilities

Due to the inadequacy of health facilities in most rural areas, the resultant reality of this impacts negatively on the wellbeing of the people within these communities. The public often have to travel vast distances to access these facilities. This is also exacerbated by poor road infrastructure which makes it difficult for health services such as ambulances and mobile clinics to access these communities. The municipality has:

- Fourteen (14) Clinics;
- Three (3) District Hospitals in its area of jurisdiction and
- Six (6) mobile clinics.

Medecins Sans Frontiers (MSF)

MSF is an international, independent, medical humanitarian organisation that delivers emergency aid to people affected by armed conflict, epidemics, natural disasters and exclusion from healthcare. Further, the Municipality also enjoys the services of Medecins Sans Frontiers (MSF) for health services. MSF offers assistance to people based on need, irrespective of race, religion, gender or political affiliation. MSF in partnership with the KwaZulu-Natal (KZN) Department of Health (DOH) is currently supporting a HIV/TB project in the Mbongolwane and Eshowe areas, through “Bending the Curves Project”.

The Bending the Curves (BTC) project was introduced in 2011 and seeks to implement multiple strategies to address the high co-incidence of HIV and TB, and reduce the number of incidences in line with the South Africa National Strategic plan. The overall strategic objective of the project is to reduce the incidence of HIV and TB, in addition to reducing HIV- and TB-related morbidity and mortality.

The Project presently includes the Mbongolwane Health Service Area and Eshowe Municipality, uMlalazi Wards 1 to 14 (plus Ward 15 and some of Ward 16). This strategy will provide MSF with an opportunity to demonstrate the outcomes of the Project in both an urban and rural setting. The project is now established in its work across the ‘prevent, test, link, treat and retain’ cascade or the HIV care continuum, also referred to as the HIV treatment cascade which is a model that outlines the sequential steps or stages of HIV medical care that people living with HIV go through from initial diagnosis to achieving the goal of viral suppression.



Eshowe Private Hospital

The proposed hospital will meet the general demands of multi discipline medical services. Three operating theatres will be equipped with the latest theatre technology and at least one will have a laminar flow unit. The hospital will also meet the needs of casualty patient through the establishment of a trauma unit and other supporting infrastructure. Supporting medical services will include a comprehensive radiology unit, pathology laboratory services, physiotherapist and other like health care related professions. An in-house pharmacy service will service in-patients, patients visiting doctors consulting rooms and members of the public. A specialized Burns Wound Unit will facilitate for serve burns incidents. Fifteen doctors consulting suites tailored to individual needs will be available for permanent and session doctors.

HIV Aids Trends

HIV/AIDS has a major impact on the quality of life of communities and families as well as the economy. A number of initiatives have been implemented through the National Department of Health to combat the current epidemic. However, major challenges remain. Within uMlalazi and in the last decade, the number of HIV positive persons has decreased from 1.27% to 0.79 between 2007 and 2017, bringing the percentage of the population with HIV to 14.94 of the total population.

TRENDS	% AS IN 2007	% AS IN 2017
HIV positive	1,27	0,79
AIDS deaths	-4,06	1,03
Other deaths	0,05	1,19
Population	0,27	1,55
DESCRIPTIONS	NO	%
HIV positive	35533	14,94
AIDS deaths	1301	0,55% of the total population and 38.61% of the total deaths
Other deaths	2068	0,87% of the total population and 61.39% of the total deaths
Total deaths	3368	1.42 of the total population (making 100% deaths)
Crude Death Rate		14.2

Table 84: HIV/Aids Prevalence (Source: Quantec 2017)

The number of AIDS related deaths has decreased from -4.06% to 1.03% between 2007 and 2017, with AIDS deaths accounting for about 38.61% of total deaths in the municipality. This highlights the effort undertaken by the government in this regard; however, there still a need for interventions that target and attempt to address still existing HIV/AIDS challenges.

The following are the likely effect of HIV/AIDS on **Social Systems**:

- ⇒ Poor households become more vulnerable and the epidemic is likely to deepen poverty and compromise upward mobility;
- ⇒ Increased demand for housing, education and other community facilities;
- ⇒ A greater demand for health care services and facilities;
- ⇒ A greater demand for financial support for orphans, child-headed households and households run by grandparents, and
- ⇒ A negative population growth rate that is affects the sustainability of projects that are based on certain population projections.

The following are the likely effect of HIV/AIDS on the **Economic Systems**:

- ⇒ Possibility of a shift from savings to current expenditure, limiting fixed investment and economic growth;

- ⇒ Possibility of ‘technological deepening’ of the economy as a result of higher absenteeism rates: Machinery will replace people in the labour market, with negative outcomes in the long term for job creation;
- ⇒ Further erosion of household savings and skills shortage, and
- ⇒ Increased spending on pharmaceuticals and funerals

Cholera and Other Related Diseases

Some of the occurrence of these diseases is a direct result of the absence of potable water as well as the lack of proper sanitation in the rural areas of the uMlalazi Municipality; resulting in the contamination of natural water resources. This may lead to outbreaks of disaster proportions and these are characteristics of the rural areas. These diseases are life threatening and require constant monitoring. The municipal area has a number of health facilities but not all areas are well serviced. Certain areas have medium to higher concentrations of people who have no access to proper health facilities. Measures would therefore need to be put in place to ensure that these areas have access to health facilities.

13.2.4. Safety & Security

Occupational Health and Safety Policy

The municipality has developed, adopted and put in place an Occupational Health and Safety Policy in compliance with the Occupational Health and Safety Act 85 of 1993. This act requires municipalities must, amongst other things, must develop and adopt an occupational health and safety policy. The uMlalazi LM OHS Policy provides for a framework for decision making in respect to human resources management in as far as OHS is concerned.

Furthermore, the intentions of the policy are to achieve the following;

- Promote and maintain the highest degree of physical, mental and social wellbeing of the employees.
- To prevent, amongst workers, ill health caused by their working environment.
- Place and maintain workers in an environment that is conducive to the physiological and psychological conditions.
- Protect workers from factors adverse to their health.
- Promote and maintain a working environment that is free from hazards.

Health and Safety Procedure Plan

This operational plan forms part of the OHS Policy and provides for the working arrangements and proposed procedures for OHS. In summary, the HSPP provides for the coordination of the following;

- Pre-employment Examination;
- Injury Reporting;
- Personal Protective Clothing (PPC);
- Hazardous Chemical Substances;
- Workplace Safety and Protective Clothing Rules;
- Roles and Responsibilities.

Emergency Evacuation Plan

As part of the abovementioned procedural plan, the municipality has also developed and has put in place an Emergency Evacuation Plan. The Fire and Rescue Unit conducts spontaneous drills and mock procedures to analyze the state of readiness and preparedness of the workers in the event of an incidence. OHS also takes into account daily walk-ins and customers which maybe subjected to such adverse incidents. Hence the plans also provide for signage at key entrance and exit points, disaster prone areas, assembly points, contingency routes, fire escapes and emergency equipment (Fire hydrants, blankets etc.)

Community Police Forum Objectives

- Establishing and maintaining a partnership between the community and the service.
- Promoting communication between the Service and the community.
- Promoting co-operation between the Service and community in fulfilling the needs of the community regarding policing.
- Improving the rendering of police services to the community at National, Provincial and local levels.
- Improving transparency in the Service and accountability of the service to the community.
- Promoting joint problem identification and problem-solving by the Service and the community.

Operational Functions of the Community Safety Structures

- Eyes and ears of the SAPS.
- If the need arises, carry out a citizen's arrest in terms of the Criminal Procedure Act, 1977 (Act No 51 of 1977), section 42.
- Performing patrol duties that will serve as a crime deterrent.
- Preserving crime scenes when first on the scene.
- Facilitating good relations in the neighbourhood.
- Rendering a voluntary service.
- Reporting crime and crime in progress to the SAPS.
- Creating crime prevention awareness amongst the community.

Community Police Forums report all their activities to uMlalazi Municipality council through Community Services Portfolio Committee by attending committee meetings and providing reports for discussion.

Crime

Crime affects all people not only within the municipal boundaries, but the entire Republic. It promotes a decaying society of which its morals are degenerative. Umlalazi Municipality is not exempt from the scourge of crime. The following table presents disturbing figures on the levels of crime affecting the municipality. The most perpetrated crimes are;

- Assault with the intent to inflict grievous bodily harm;
- Robbery with aggravating circumstances;
- Burglary at residential premises and;
- Drug-related crime

Greater cognizance must be given to the establishment and strengthening of community policing forums who will assist the SAPS to eradicate crime within communities. Communities must be empowered to stand up against crime by reporting on it. Mechanisms of reporting crimes must be made easily available to communities, especially those in rural areas. Areas where most crimes are recorded are Mtunzini and Eshowe. These are small police stations that service a much more extensive radius, and policing vehicles are not abundant. It is also apparent that drug related crimes are on the rise. The establishment of satellite stations within the known rural pressure areas will reduce the occurrences of crime. The issue of drugs can be addressed by establishing rehabilitation centers within the municipality and enhancing the effectiveness of anti-drug campaigns. Un-aiding to the rising crime levels is also the inaccessibility in terms of transport, to most rural communities due to topography of the municipal area. Road infrastructure also makes it difficult for SAPS to access rural households and as a result, criminals having an advantage over the police.

13.2.5. Nation Building & Social Cohesion

The municipality has established a number of programs that promote social cohesion and nation building. A Senior Citizens Forum has been established to not only deal with the issues affecting the elderly, but also to improve their social wellbeing. Through this forum the municipality further encourages the elderly to partake in recreational activities

in order for them to be healthy. Platforms such as the Golden Games allow the elderly to compete recreationally with other municipalities through sports and indigenous games which promote healthy living.

The uMlalazi Municipality established a Sports Development Program, of which the aim is to promote sport development in terms of all applicable sports codes within SALGA KZN Games at local, district and provincial level. As part of promoting Arts and culture within uMlalazi Municipality and ensuring that youth of uMlalazi is kept from criminal activities and reviving the culture and pride within youth, Community Services promotes and supports cultural and religious activities such as;

- a. **Ingoma/Indlamu Competitions**
- b. **uMaskandi Festival**
- c. **Dewali Festival**
- d. **Inyanga yomhlangano waseJudea**
- e. **uMkhosi woMhlanga (Reed Dance)**
- f. **Mayoral Soccer Tournament**
- g. **Derrick Spencer Soccer Tournament**
- h. **Bundu Annual Festival**

Arts and Culture

The Department of Arts and Culture rolls out social cohesion programs focusing mainly on Arts and Culture wherein the municipality performs a facilitating role. These joint initiatives serve the following purposes;

- Improve efficiency of government led job creation program
- Enhance youth skills development and life-long learning
- Support skills alignment to economic growth
- Poverty alleviation and social welfare
- Rolling out of promotional and/or advocacy projects to communities

The Strategic Objectives of the Department of Arts and Culture are as follows;

- The implementation of interventions that grow the arts and culture industry in KZN, contributing to job creation and poverty alleviation
 - Establishment of Arts and Culture Forum – Ward Level
 - Identification of cooperatives to be supported
- The implementation of interventions that advance artistic disciplines into viable industries.
 - Performing arts / visual arts training for inmates
 - Rolling out Main stream Performing and Visual Arts Training
 - Performing arts training (theatre/drama, music etc.)
 - Visual arts and craft training (fine arts, beadwork etc.)
 - Performing arts/ Visual arts and craft training for people with disabilities.
 - Youth Camp
 - Men's Project – Amahubo rehearsals
 - Women's Project (Operation Siyaya Emhlangeni)
 - Dolosfees
 - Regional Choral Music Competition
 - District Community Festivals
 - District Ingoma
- The implementation of interventions that enhance social cohesion and inclusion in the Province.
 - Community Dialogues
- The improvement of the Quality of Education in the Arts, Culture & Heritage
 - Umkhosi waMaganu
 - Freedom Day Celebration

- Umkhosi weNonkosazana/ kaNomkhubulwane
- Reed Dance Ceremony
- Umkhosi weSivivane/ Izithungo
- Umkhosi weLembe
- Umkhosi woSelwa/ UkweShwama

13.2.6. Community Development with particular Focus on Vulnerable Groups (Special Programs)

In order to ensure compliance and inclusion of all citizens, uMlalazi Municipality is required to establish Forums for all the sectors within the municipality such as disability, women's, men's and senior citizens as well as children sectors. These sectors and forums are responsible for the following, amongst other things:-

Disability Sector Forum - To promote awareness of disabilities within the uMlalazi Municipality and encourage Government Departments to integrate disability issues into their line function activities. Furthermore, to coordinate, facilitates and monitor the implementation of the Integrated National Disability Strategy (INDS).

Senior Citizens Sector Forum – To ensure inclusion of senior citizens and raise awareness in the issues concerning older people within uMlalazi Municipality and promote healthy lifestyles in order that they live longer and enjoy the fruits of democracy.

Women and Men's Sector Forum – To promote issues pertaining to men and women within the municipality, ensure that they are heard and recognize their contribution in the societies within uMlalazi.

Children Sector Forum – To promote the rights of children in every community of uMlalazi and ensure that they are protected from all forms of abuse.

The principles guiding the functioning of these Forums include:

- Commitment and willingness to accept all stakeholders as equal partners
- Self-representation by people with disabilities
- Consultation with relevant stakeholders
- Adherence to democratic principles
- Meaningful participation by people from all sectors.

Disability Structures

NAME OF SECTOR	OBJECTIVE	ACTIVITY	TARGET GROUP	PARTNERS
Disability Sector	DISSA Festival	Sports tournament for disabled persons	Disabled Participants	Community Services and Sector Departments
	Quarterly meetings	Meetings	Disability forum	Local Forum members and Government Department Focal Persons
	Outreach Programmes	Interventions for disabled communities.	Disabled Community members	Focal Persons and Disability Structure
	Disability Parliament	Discussing issues affecting disabled person (Annual Event)	District disability forum members	Office of the Premier, setor departments and municipal officials
	Albinism Society Awareness	Raising awareness	Albinism Persons	Office of the Mayor, MM's Office, Community Services, Sector Depts and NGO'S
	Sign Language Workshop	Acquisition of skills/Sign language workshop	Disabled people from all wards	Office of the Mayor, Office of the Municipal Manager, Community Services, Government Departments and NGO's.
	Operation Siyahlola	Accessibility/Mobility Initiatives	All Stakeholders	All Stakeholders

Table 85: Disability Structures

Youth Development

In realizing the socioeconomic demographic status quo and challenges of unemployment especially among the youth, the municipality took a firm decision to recruit a Youth Manager for facilitate and coordinate programs aimed at the development of the social, infrastructural and economic needs of the youth. The municipality has since established a fully-fledged Youth Office which is responsible for the following;

Infrastructural Development aimed at developing the youth

- One-Stop-Shops
- Recreation and sporting facilities
- Skills Development Facility (Artisans, Music Studio, Visual Artists)
- Roll out of Broadband

Economic Development

- SMME Support
- Township & Rural Economic Development
- Training And Capacity Building

Social Development

- Social Cohesion/Moral Regeneration
- Youth Summits

Through the Office of the Mayor, students are supported at a tertiary institution by providing assistance in the form of registration fees. The following career fields are targeted;

- Finance
- Public Administration/Social Sciences
- Engineering
- Town Planning
- Information Technology
- Horticulture/ Environmental Studies

The municipality also offers internship programmes for the above fields of study, wherein there is one intern per department. Through National Treasury's Finance Management Grant, five interns are employed for a two year period by the finance department.

His Worship the Mayor: Cllr TB Zulu officially opened the Youth Business Advisory Center on the 9th of April 2014. The purpose of which is to "Assist and empower the youth to develop and harness their business ideas into fully grown sustainable business entities". This will be achieved through the following;

- Registering Entities inter-alia: Proprietor ownership, Co-operatives etc.,
- Creating and managing a database of existing businesses within the municipal area,
- Sourcing funding from relevant financial institutions to finance affordable small businesses finances,
- Guiding and providing technical and financial management targeting skills training, mentoring and coaching,
- Supporting people needing full assistance and guidelines in completing SCM tender applications,
- Introducing entry point youth assistance to stakeholders such as SEDA, EDTEA etc.,
- Providing technical support for SMME and ISO accreditation and,
- Taking part in export readiness assessment and assistance.

The municipality also plans to host annual Youth Day Commemorations wherein there are engagements through community dialogue on youth issues i.e. teenage pregnancy, drug abuse and high rate of unemployment. There are also annual competitions for the youth focusing on arts and culture through choral and traditional music festivals.

Vuma Youth Development Academy

The Youth Development Academy (in ward 8) was conceptualized as a result of the persistent challenges of unemployment and low skills level faced by the youth in the province. Challenges that are further compounded by social ills, unbecoming sexual behaviour, and the general ill-discipline and poor ethical values displayed by the youth. This state of affairs called for the Department of Social Development in partnership with other stakeholders to implement a bold, audacious and imaginative youth development program in the province. Hence, the idea of a Youth Development Academy that will have a strong focus on behavioural change, values and ethics, combined with need-directed vocational skills training programs, was realized. The beneficiaries identified for this program are youth between the ages of 17 and 35 who are South African Citizens residing within King Cetshwayo District which have no criminal record and have some level of education (Grade 9).

The goals and objectives of the academy are as follows;

- To ensure an increased steady flow of contributing and productive young people.
- Unlock the potential of young people through cognitive, emotional, physical and spiritual empowerment;
- To implement behaviour change programmes;
- To develop self-esteem of the young people to believe in their potential and to be responsible citizens;
- To provide relevant vocational skills to youth;
- To strengthen collaborations and partnerships by different stakeholders for youth development;
- To Increased prospects of employability and business venture creation; and
- To develop young men and woman so that they can become self-reliant and responsible citizens who positively contribute to the country.

In November 2014 the Academy officiated a graduation of 51 young men who were the very first students to enroll in the Academy. In just a space of six months, the Academy saw a complete transformation in the lives of these young participants. Many whom in their own words had lost hope and resigned to the fact they will never amount to anything. The Academy experience was an injection of new hope and an extension of a second chance to these young people. All 51 young men graduated with a Seta Accredited First Aid level 1, Basic Computer Training, Entrepreneurship, Electrical basic training, Plumbing and Bricklaying. They further received their learners licenses, drivers licenses and some their PDPs. An After Care strategy is being implemented for those students who have graduated with the aim of ensuring continuous impact and psycho-social development.

Besides the direct beneficiation of the participants, the establishment of the academy has directly created 19 jobs. These are the Academy staff members who all have fixed term contracts with the Academy and are responsible for the day to day running of the Academy. Further to that 45 more jobs have been created indirectly, where the Academy and the Department of Social Development has come up with a unique model to empower local cooperatives and to give them an opportunity to provide daily essential services to the Academy to ensure some of its vital functions.

The students receive life skills training provided by social workers and other government and non-governmental organizations such as Sanca, Lifeline, Department of Social development, Dept. of Correctional Services, KRCC and many other sectors. Through partnership with KZN Wildlife, students have undergone an outdoor self-development exercise and in that process have received Nature Conservation training. The Academy through Umfolozi TVET College and other Service providers provide skills development training to the students. The trades trained are as follows:

- Basic Electricity
- Plumbing
- Bricklaying
- Hospitality
- Entrepreneurship Training
- Basic Computer Literacy
- Learners Licenses/ Drivers Licenses/ PDPs

Early Childhood Development

The municipality in partnership with Divine Life have entered into a memorandum of agreement to assist communities (mostly rural) in the establishment of social facilities, with special attention given to early childhood development facilities. The Divine Life Society of South Africa is a non-governmental, non-profit spiritual institution and has over the past 55 years served the needs of the disadvantaged and poor community of KwaZulu-Natal and has experience in the field of poverty alleviation, building of schools, clinics, training and skills centres, literature and educational programmes and other noble service related activities. Since 2011/12 the municipality has (through this program) built 26 crèches in various wards. These projects are co-funded by Divine Life as well as Equitable Share funding. In the 2015/16 Financial year, Devine Life and the municipality have constructed 12 more crèches in various wards thus fulfilling the National and Provincial mandate to fast-track the provision of early childhood development centers within our municipalities. The municipality continues to provide crèches in various wards and supports the crèche with furniture and equipment to sustain them. The following table indicates the crèches in various wards that are being constructed;

NAME OF CRECHE	WARD	CURRENT STATUS
Thandukwenza crèche	23	Completed
Ingeza crèche	14	Completed
Khombukukhanya crèche	25	Completed
Nkanyisweni crèche	04	Completed
Ncengimpilo crèche	02	Completed
Isibizane crèche	07	Completed
Khalipha crèche	15	Completed
Mawudlu crèche	16	Completed
Nhlababo crèche	17	Completed
Ngobe crèche	22	Under construction

Table 86: New Crèches

Access to Crèches Peace centers and Halls

WARD NAME	Ward Cllr	Crèche Name	Hall Name
1	S.V Chamane	Izinsundu Creche	Izimvu Peace Centre
1	S.V Chamane	Zamimpilo Creche	
2	N.B Nkala	Ephusheni Creche	Mamba Peace Centre
2	N.B Nkala		Mamba Sewing Centre
3	T.V Jiyane	Ncekuya Creche	Mbongolwane P.C
3	T.V Jiyane	Masimbeni Creche	
4	N.N.F Luvuno	Ngilandela Creche	Amandlesizwe P. C
4	N.N.F Luvuno		Thembalesizwe C. Hall
4	N.N.F Luvuno		
5	N.S Zulu	Simoyi Crèche	Ebathenjini Com. Hall
5	N.S Zulu		Ngudwini C Hall
5	N.S Zulu		Mqalane Comm Hall
5	N.S Zulu		Amahuzu Peace Centre
5	N.S Zulu		Maqotha
6	B.C Sithole	Izule Creche	Mphendle P.C
6	B.C Sithole		Mombeni Com. Hall
6	B.C Sithole	Dumayo Crèche	Gotscheni Com. Hall
6	B.C Sithole	Manqindi Creche	Mombeni Community Service Center
7	P.T.O Shange	Saron Creche	Mawusheni Com. Hall

WARD NAME	Ward Cllr	Crèche Name	Hall Name
7	P.T.O Shange	Isidibha Cresche	Nkanini Com. Hall
8	W.P Mzimela	Imbalenhle Creche	Phaphama P Centre
8	W.P Mzimela		Gcininhliziyi C. Hall
8	W.P Mzimela		Kholweni Hall
8	W.P Mzimela		Kholweni Hall
9	M Dladla	Thintumkhaba Cr.	Esiphezi Peace Centre
10	S.S Mdletshe	Mthilombo Creche	Sibusiswe Peace C
10	S.S Mdletshe	Mandawe Creche	Eziqwaqweni P C.
10	S.S Mdletshe	Nkume Area - Creche	
11	S.B Larkan	.Norwood Creche	Sunnydale Peace C
11	S.B Larkan	Sunnydale Creche	Eshowe Town Hall
11	S.B Larkan	Mpushini Creche	Norwood Park Hall
11	S.B Larkan		Traditional Leaders Hall
12	M.E Dlamini	Mncongweni CRECHE	Kds Hall
13	H.S Thango	Kwamondi Creche	Izindophi Peace C.
13	H.S Thango	Kwamfana Crèche	Berea Comm Hall
14	S.B Dlamuka	Mbangayiya Creche	
14	S.B Dlamuka	Mfenyane Creche	
15	M.H QWABE	Mabudle Creche	Mpangazitha P. C
15	M.H QWABE		Impilo Peace Centre
16	B.D Ngidi	Zigcabangele Creche	Mvutshini Hall
16	B.D Ngidi	Sibonelo Creche	Makilimba C. Hall
16	B.D Ngidi	Safube Creche	Bhekamahubhu P.C
16	B.D Ngidi	Wombane Creche	Safube Comm Hall
17	S.S Cele	Nyezane Crèche - 2	Vukayibambe P C.
17	S.S Cele	Ngiba Creche	Nyezane Hall
17	S.S Cele	Nyezane Crèche	
18	S.S Nsele	Naickerville Creche	Ethafeni Peace C.
18	S.S Nsele		Gingindlovu Town Hall
19	J.K Powell	Manzini Creche.	Insingweni Com H.
19	J.K Powell		Sabeka / Manzini C Hall
19	J.K Powell		Mthunzini Hall
19	J.K Powell		M.P.C
20	M.G Zondi	Insala Creche	Veleshowe C. Hall
20	M.T Ncanana	Sisimane Creche	Obanjeni Comm H.
		Kwa_Sibhamu C.	Kwa_Sibhamu P. C
20	M.T Ncanana	Emabhawuzini Creche	
20	M.T Ncanana	Kwamakweqe Creche	
20	M.T Ncanana	Mceni Creche	
21	N.M Mnqayi	Evongotho Creche	Esiwohlweni Comm H
21	N.M Mnqayi		Mseni Hall
21	N.M Mnqayi		Esiwohlweni Comm H

WARD NAME	Ward Cllr	Crèche Name	Hall Name
22	N.M Mnqayi	Sibhakuza Crèche	Mhlatuzana P. C.
22	N.M Mnqayi		P240 Owen P/C
22	N.M Mnqayi		Engshiwani Peace C
23	B.L Zungu	Qinisweni Creche	Macekane P. C
23	B.L Zungu		Eskebheni Hall
23	B.L Zungu		Qalokwethu Sewing Centre
24	A.B Dlamini	Sizakancane Creche	
25	L.B.G. Biyela	Mnganpondo Creche	Ofasimba P/C
25	L.B.G. Biyela	Ndlangubo Market Store	
25	L.B.G. Biyela	Zamokuhle Creche	
26	T.E Ntsele	Habini Creche	Bhekeshowe Hall
26	T.E Ntsele	Mphehlele Creche	Mateku Peace C.
26	T.E Ntsele	Khombukukhanya C.	Multi-Purpose Centre
26	T.E Ntsele		Nondwayisa P. C
27	M.M Ngema	Ntsheluntshelu Creche	Ncemaneni Com Hall
27	M.M Ngema		Nomyaka Hall

Table 87: Community Halls, Peace Centers and Crèches

13.3. Social Development: SWOT Analysis

Strengths

- Established and functional Ward Committees
- Well established war rooms (OSS)
- Safety Committees are functional
- 3 Provincial Hospital and 16 Local Clinics
- Municipality budgets towards programs for Women Children and People with Disabilities
- Social Cohesion programs
- Indigent Register in place and will be reviewed
- Free Basic Services (Waste Collection, Water)
- LED projects that benefit the youth and curbs unemployment
- Fully Functional Disaster Management Office.

Weaknesses

- Lack of Tusong Centers
- Lack of funds to effectively service the social needs of the communities
- Clinics and Traditional Administrative Centers are mainly located along main transport routes, making access to these facilities relatively difficult to people residing in deep rural areas of the municipality.
- Crèches are poorly distributed in the western parts of the Municipal Area
- High Dropout rates exacerbated by teen pregnancy and drug abuse
- There is a lack of facilities at pension pay points – facilities such as shelters and sanitation facilities
- High unemployment rate, low household income levels and poverty-stricken communities, exacerbated by the relatively high incidence of HIV/Aids.
- Few Libraries especially in rural areas.
- Undulating topography makes service deliver difficult

- Poor relationships with Sector Departments *(Poor attendance to Rep Forums/OSS etc)

Opportunities

- Strengthening, support and capacitating of ward structures (WCs and WRs)
- Satellite Police Stations and CPFs to curb crime
- Tusong Centers to decentralize service delivery
- Skills Development Centers
- One Home One Garden Initiative (Food Security)
- Training and workshopping of ward structures (CWP, EPWP, Cllr, WrdComs, WarRooms, CCGs)

Threats

- Crime (Drug abuse, unemployment)
- Disasters
- HIV/AIDS
- Protests (Damage to property)

14. Municipal Financial Viability and Management

14.1. The Municipal Standard Charts of Accounts (mSCOA)

The mSCOA regulation issued on 22 April 2014, is applicable to all municipalities as well as municipal entities. In order to incorporate entity information the uMlalazi Municipality needs to be transacting on all 7 of the mSCOA segments and their information needs to be seamlessly integrated in to the municipal system. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured during the course of the implementation of the budget. Additional key objectives, which also illustrate the potential benefits, include improved data quality and credibility.

THE MSCOA SEGMENTS

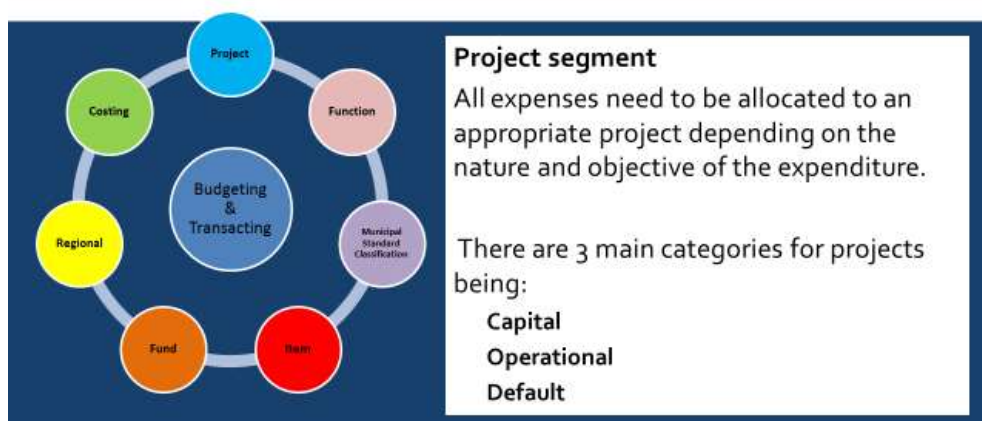


Figure 24: MSCOA Segments

GRAP vs mSCOA

GRAP stipulates the accounting treatment of transactions while mSCOA stipulates the standard format in which to account for these transactions. The standards and regulation have a symbiotic relationship in the context of mSCOA which supports National Treasury's intention to create more comparable, reliable and relevant reporting across municipalities.

mSCOA Project Steering Committee

The uMlalazi Municipality established a project steering committee to ensure a successful transition and implementation of mSCOA. The responsibilities of the mSCOA Project Steering Committee are as follows:

- A. To establish sufficient and proper governance framework/environment in accordance with delegated responsibilities in order to ensure successful implementation of the project. This includes amongst others:
 - i. Appointment of a Project Manager to lead mSCOA implementation within the municipality;
 - ii. Appointment of a representative from ICT Unit to give technical IT support to the mSCOA Project Steering Committee during and after implementation of mSCOA processes.
 - iii. Ensuring that mSCOA responsibilities are incorporated in the Performance Agreements; Performance Evaluation Templates and other applicable documentation for the identified officials; and
 - iv. Identify and appoint individuals responsible and accountable per mSCOA Segment
- B. Monitor successful implementation of the Project, which include amongst others:
 - i. Prepare a mSCOA Project Implementation Plan, with the required activities, responsible persons and timeframes;
 - ii. Monitor the progress made in terms of implementation of mSCOA project plan, and implement action plans to address any challenges and backlogs;
 - iii. Ensure organizational awareness of mSCOA by means of internal workshops, feedback to the various internal committees and Council;
 - iv. Ensure that mSCOA is adopted as a permanent standing item on MANCO agenda for tracking progress and noting institutional risk;
 - v. Oversee risk matrix assessment and the development of a risk register, with implementation of mitigating action plans, and table to Council for consideration;

- vi. Monitor the implementation of risk mitigating action plans, and quarterly assessments of the risk register, and provide feedback to Council;
 - vii. Ensure municipality's current chart is compared on an account by account level to mSCOA (all 7 segments) and notify Provincial Treasury of any anomalies;
 - viii. Consider the impact of mSCOA on business processes and develop a business process implementation plan to address change, with specific regard to, among others:
 - Impact on municipal Functions(Vote Structure, Internal Operational Work Flows, Costing Methodology, etc)
 - Impact on Operational and Capital Projects(Setting Up Project based Budgeting)
 - ix. Oversee the appointment process for the accounting system service provider by means of providing input to the bid specification and evaluation processes;
 - x. Review the Service Level Agreement with the successful service provider to ensure that all mSCOA requirements are addressed and value for money is achieved;
 - xi. Preparation of a detailed project implementation plan for data conversion and movement to mSCOA compliant system once the service provider is appointed, with input from all the relevant stakeholders;
 - xii. Ensure the assessment of current IT infrastructure requirements and that modifications are conducted with implementation plans to address current infrastructure needs;
 - xiii. Facilitate and ensure that current municipal systems that have financial implications and impact into the Core Financial system, i.e. Assets, Billing, Human Resource systems are being integrated seamlessly to the Core Financial system; and
 - xiv. Facilitate the budgetary planning provisions of mSCOA to ensure that the project is adequately funded for the implementation.
- C. Foster collaboration between the municipality, service providers, National/Provincial Treasury and other key stakeholders through:
- i. Engagement meeting with service provider, clarify roles and responsibilities, and timeframes;
 - ii. Finalize the memorandum of agreement or service level agreement for approval by the Accounting Officer;
 - iii. Establish vendor target dates for converting data and implementation - incorporate into project plan;
 - iv. Attend and participate in vendor forums and progress meetings;
 - v. Monitor municipality's compliance with the mSCOA regulation, National Treasury and Provincial Treasury directives, and
 - vi. Ensure that the Project Manager/municipality maintains ongoing communications with National and Provincial Treasuries during the implementation of the project

14.2. Expenditure of Capital Budget over last 5 years (2015 – 2019)

The following indicates the municipality's expenditure of the capital budget over the past 5 year period. The municipality monitors spending through the procurement plan which is a standing item on the Management Committee Meetings. The procurement plan is further submitted to the Finance Portfolio Committee for oversight. Spending has improved gradually through this effective monitoring and implementation of the Procurement Plan and SDBIP

	2019	2018	2017	2016	2015
Capital budget	72 211 450	56 365 120	82 008 390	79 744 790	72 363 900
Actual capital spend	52 725 957	46 045 733	75 016 899	68 502 050	56 082 022
% Spending	73.02	81.84	91.47	89.9	77.5

Table 88: Expenditure of Capital Budget over last 5 years (2015 – 2019)

14.3. Capital Funding and Expenditure

As a mechanism to mitigate challenges that contribute to slow service delivery, the municipality **will** adopt a procurement plan 14 days after the adoption of the final budget. The procurement plan is monitored continuously by

the management committee and further tabled to the Finance Portfolio committee for oversight. The table below indicates a synopsis of funds received, spent, unspent and source of funding.

GOVERNMENT GRANTS AND SUBSIDIES FOR THE PERIOD ENDED 30 JUNE 2018									
		Balance unspent at 3rd Quarter	Received during Apr-18	Spent during Apr-18	Received during May-18	Spent during May-18	Received during Jun-18	Spent during Jun-18	Total Balance unspent as at 30 June 2018
	GR	R	R	R	R	R	R	R	R
NATIONAL TREASURY									
M I G	35	-16 133 472	0	299 137	0	7 064 029	0	8 770 304	0
Financial Management Grant	44	-567 019	0	126 349	0	108 067	0	332 603	0
E P W P	55	-793 820	0	252 844	0	247 644	0	293 332	0
INEG	56	-5 880 310	0	0	0	71 484	0	5 808 826	0
Community Centre Grant		-119 036	0	1 658	0	6 910	0	64 340	-16 128
Maintenance of Facilities		-321 210	0	0	0	0	0	0	-321 210
		-23 814 667	0	679 988	0	7 486 136	0	15 299 406	-337 339
COSTA									
GIS Software Grant		-495 000	0	0	0	0	0	0	-495 000
		-495 000	0	0	0	0	0	0	-495 000
DEPARTMENT OF HOUSING									
Sunnydale Low Cost Housing	51	-393 972	0	0	0	0	0	0	-393 972
		-393 972	0	0	0	0	0	0	-393 972
OTHER									
Coastal Management Programme		-30 012	0	0	0	0	0	12 798	-17 214
King Cetshwayo		-30 012	0	0	0	0	0	12 798	-17 214
		-24 733 661	0	679 988	0	7 486 136	0	15 312 203	-1 243 826

GOVERNMENT GRANTS AND SUBSIDIES FOR THE PERIOD ENDED 30 JUNE 2019									
		Balance unspent at 31/03/2019	Received during Apr-19	Spent during Apr-19	Received during May-19	Spent during May-19	Received during Jun-19	Spent during Jun-19	Total Balance unspent as at 30 June 2019
	GR	R	R	R	R	R	R	R	R
NATIONAL TREASURY									
M I G	35	-14 162 713.94	-	3 194 643.27	-	3 246 989.53	-	4 098 859.50	-3 712 021.64
Financial Management Grant	44	-229 646.94	-	74 096.29	-	74 081.64	-	80 677.29	-801.72
E P W P		-414 724.35	-	259 540.00	-	155 184.35	-	-	-0.00
INEG		-549 811.10	-	-	-	335 612.21	-	214 196.90	0.01
		-15 356 896.32	-	3 438 469.56	-	3 811 867.73	-	4 393 735.69	-3 712 823.34
DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS									
Support to community service centres grant		-16 123.00	-	-	-	-	-	-	-16 123.00
Maintenance of Facilities		-	-	-	-	-	-	-	-
GIS Software Grant		-495 987.31	-	-	-	-	-	-	-495 987.31
Spatial Development Framework Grant		-837 200.00	-	244 200.00	-	-	-	-	-593 000.00
		-1 349 310.31	-	244 200.00	-	-	-	-	-1 105 110.31
DEPARTMENT OF HUMAN SETTLEMENT									
Sunnydale Low Cost Housing	51	-393 972.24	-	-	-	-	-	-	-393 972.24
Rural Housing Project		438 362.13	-2 663 999.13	2 225 616.01	-7 669 353.19	-	-4 467 236.33	7 669 353.19	-4 467 237.32
		44 489.89	-2 663 999.13	2 225 616.01	-7 669 353.19	-	-4 467 236.33	7 669 353.19	-4 861 205.56
KING CETSHWAYO DISTRICT MUNICIPALITY									
Coastal Management Programme King Cetshwayo		-17 214.00	-	-	-	-	-	-	-17 214.00
Informal Traders Training Grant		-8 900.00	-	-	-	-	-	-	-8 900.00
		-26 114.00	-	-	-	-	-	-	-26 114.00
		-16 687 910.74	-2 663 999.13	5 998 285.57	-7 669 353.19	3 811 867.73	-4 467 236.33	12 863 088.88	-9 705 257.23

REPORTING IN YEAR 2019/2020 GRANTS					
GOVERNMENT GRANTS AND SUBSIDIES FOR THE PERIOD ENDED 1 JULY 2019 TO 30 JUNE 2020					
	2018/2019 Roll-Over Approved (Not Approved)	2019/2020 Allocation	2019/2020 Total Available	Expenditure 2019/2020 R	Unspent 2019/2020 R
NATIONAL TREASURY					
M I G	1 352 218.54	40 360 000.00	41 732 218.54	-18 150 474.68	23 581 743.86
Financial Management Grant	801.72	1 770 000.00	1 770 801.72	-265 053.13	1 505 748.59
E P W P	-	3 068 000.00	3 068 000.00	-1 623 100.00	1 444 900.00
INEG	-	7 000 000.00	7 000 000.00	-3 467 947.19	3 532 052.81
	1 353 020.26	52 218 000.00	53 571 020.26	-23 506 575.00	30 064 445.26
DEPARTMENT OF CO-OPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS					
Support to community service centres grant	-	-	-	-	-
Maintenance of Facilities	-	-	-	-	-
GIS SoftWare Grant	58 987.00	-	58 987.00	-	58 987.00
Spatial Development Framework Grant	593 000.00	-	593 000.00	-280 830.00	312 170.00
	651 987.00	-	651 987.00	-280 830.00	371 157.00
DEPARTMENT OF HUMAN SETTLEMENT					
Sunnydale Low Cost Housing	393 972.24	-	393 972.24	-	393 972.24
Rural Housing Project	2 033 666.86	39 519 428.32	41 553 095.18	-37 768 829.65	3 784 265.53
	2 427 639.10	39 519 428.32	41 947 067.42	-37 768 829.65	4 178 237.77
KIND CETSHWAYO DISTRICT MUNICIPALITY					
Coastal Management Programme King Cetshwayo	17 214.06	-	17 214.06	-	17 214.06
Informal Traders Training Grant	8 900.00	-	8 900.00	-	8 900.00
	26 114.06	-	26 114.06	-	26 114.06
	4 456 760.42	91 737 428.32	96 196 189.74	-61 556 234.65	34 639 954.09

Table 89: Synopsis of funds received, spent, unspent and source of funding.

Description R thousand	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE:						
Operating expenditure of Transfers and Grants						
National Government:	193 399	194 597	194 597	201 810	215 421	227 933
Local Government Equitable Share	179 542	180 740	180 740	187 716	204 480	215 872
Finance Management	1 770	1 770	1 770	1 700	1 770	1 770
Integrated National Electrification Programme	7 000	7 000	7 000	7 000	7 000	8 000
EPWP Incentive	3 068	3 068	3 068	3 388	-	-
Project Management Unit (MIG Projects)	2 019	2 019	2 019	2 006	2 171	2 291
Provincial Government:	50 826	50 826	50 826	5 431	5 640	6 420
Museum Subsidy	386	386	386	408	429	449
PT: Provincialisation of Libraries	4 400	4 400	4 400	500	535	562
Community Library Services Grant	450	450	450	4 523	4 676	4 909
Ward Base Plan	-	-	-	-	-	500
Dept of Human settlements	44 997	44 997	44 997	-	-	-
COGTA: Municipal Spatial Development Framework Grant	593	593	593	-	-	-
District Municipality:	100	100	100	-	-	-
King Cetshwayo Grant	100	100	100	-	-	-
Total operating expenditure of Transfers and Grants:	244 325	245 523	245 523	207 241	221 061	234 353

Table 90: Various operating grants and subsidies allocated to the municipality over the medium term:

14.4. Capital Budget

The following guidelines were applied in order to value and prioritize the capital projects:

- In line with the Council's revised IDP
- Carryover of previously approved projects
- Existing Council's resolutions, statutory requirements and services related benefits.
- Provision was made for the basic capital projects to be funded from the equitable share if actual cash is available.

- The capital for department's budget decreased by 10.17 per cent.

The components of the capital budget are as follows:

Description	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Department Requirements	29 663 510	27 032 000	20 510 000	27 032 000
Department of Economic Development and Tourism	250 000	-	-	-
MIG projects	39 661 000	38 118 750	41 246 150	38 118 750
Total	69 574 510	65 150 750	61 756 150	65 150 750

Table 91: Components of the Capital Budget

The capital budget will be funded as follows:

Description	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
MIG	39 661 000	38 118 750	41 246 150	43 534 700
Equitable share	4 849 810	10 252 000	7 290 000	7 480 000
Department of Economic Development and Tourism	250 000	-	-	-
Own Funds	24 813 700	16 780 000	13 220 000	9 265 000
Total	69 574 510	65 150 750	61 756 150	60 279 700

Table 92: Funding of the Capital Budget

The capital for departments is set out as follows:

Description	New/Renewal	Source of Funding	Amount
Community Asset	Renewal	Internal Funding	5 295 000
Computer Equipment	New	Internal Funding	3 830 000
Electricity	Renewal	Internal Funding	1 080 000
Furniture and Office Equipment	New	Internal Funding	695 000
Machinery and Equipment	Renewal	Internal Funding	1 682 000
Roads	New/Renewal	Internal Funding	9 450 000
Storm Water	Renewal	Internal Funding	3 000 000
Vehicle	Replacement	Internal Funding	2 000 000
Total			27 032 000

Table 93: Departmental Capital Budget

The following must be noted:

- The budget of R3 830 000 provides for fiber link between offices
- The budget of R2 000 000 has been provided for refuse truck.
- Within the roads budget of R9 450 000 is the budget of urban roads rehabilitation.

Municipal Infrastructure Grant (MIG) Projects:

DESCRIPTION	Ward	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
HALLS AND OFFICES				
BAYEDLE HALL	16	-	-	4 000 000
MACOTSHANENI COMMUNITY HALL	2	-	-	4 500 000
MPUMAZI COMMUNITY HALL	14	-	3 500 000	-
SLAMBO COMMUNITY HALL	3	-	5 500 000	-
TESTING STATION	11			10 291 050
ROADS AND CAUSEWAYS		-	-	-
ENDAYENI TO NGEDLEZI ROAD	4	-	-	3 000 000
ESIPHEZI ROAD & CAUSEWAY	9	-	5 500 000	1 000 000

DESCRIPTION	Ward	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
ETHAFENI ROAD	18	1 000 000	-	-
EYETHENI ROAD	21	3 000 000	-	-
EZISULULWINI ROAD	4	-	4 187 400	-
NDLONGOLWANE ROAD AND CAUSEWAY	4	4 000 000	-	-
IZINGWENYA ROAD	15	4 500 000	-	-
KANGELA ROAD REHABILITATION - PHASE 3	11	1 000 000	-	-
KWABHONGA ROAD	26	3 500 000	-	-
KWAMFANA MAIN ROAD AND CAUSEWAY	13	-	4 200 000	-
MAKHEHLE ROAD	24	-	3 000 000	3 000 000
MBHABHA CAUSEWAY		-	-	2 000 000
MBONGOLWANE ROAD AND CAUSEWAY	4	-	3 502 400	-
MTIPELA/ NTABANKULU ROAD	3	-	8 256 350	1 743 650
NGQATHU CAUSEWAY	6	-	3 600 000	-
REHABILITATION OF OSBORN ROAD - PHASE 2	11	8 000 000	-	-
YIMBA PEDESTRIAN BRIDGE	19	-	-	5 000 000
SPORTS FIELDS		-	-	-
KING DINIZULU SPORTS PARK - PHASE 1	12	8 000 000	-	-
KWANDLOVU SPORTSFIELD	2	-	-	5 000 000
MANZAMNYAMA SPORTSFIELD	22	-	-	4 000 000
MASHABASE SPORTSFIELD	1	3 118 750	-	-
REHABILITATION OF GINGINDLOVU SPORTS FIELD	18	2 000 000	-	-
SKEBHENI SPORT FACILITY		-		
Sub total		38 118 750	41 246 150	43 534 700
PMU ADMIN		2 006 250	2 170 850	2 291 300
TOTAL		40 125 000	43 417 000	45 826 000

Table 94: Municipal Infrastructure Grant (MIG) Projects

The capital budget will be spent on the following categories of assets:

DESCRIPTION	AMOUNT	%
Infrastructure		
Rural	16 000 000	25%
Urban	21 450 000	33%
Electricity	1 080 000	2%
Community Asset		
Rural	3 738 750	6%
Urban	14 675 000	23%
Other Assets	8 207 000	13%
Total	65 150 750	100%

Table 95: Categories of Capital Budget Spending

Other assets are made up as follows:

DESCRIPTION	AMOUNT
Buildings	1 200 000
Computer Equipment	2 830 000
Furniture and Office Equipment	715 000
Intangible Asset	300 000
Machinery and Equipment	490 000
Vehicle	10 670 000
Total	16 205 000

Table 96: Other Assets

14.5. Investment Register

INVESTMENTS PORTFOLIO : FEBRUARY 2020					
CALL ACCOUNT DETAIL	MARKETING VALUE BEGIN	ACCRUED INTEREST	DEPOSITS	WITHDRAWALS	MARKETING VALUE END
STAND BANK : SMME DEVELOPMENT : CALL	790 766.61	3 790.20	-	-32 860.00	761 696.81
STAND BANK : SMME DEVELOPMENT : FIX	1 633 561.08	-	-	-	1 633 561.08
STANDARD BANK : CAPITAL RESERVE	54 922 085.69	264 002.19	3 967 601.07	-	59 153 688.95
STANDARD BANK : MIG CAPITAL	19 380 443.84	90 844.27	-	-6 816 057.92	12 655 230.19
STANDARD BANK : INEG	5 240 454.46	29 116.19	2 100 000.00	-3 594 454.46	3 775 116.19
STANDARD BANK : E P W P	2 188 393.87	11 833.56	920 000.00	-1 967 674.09	1 152 553.34
TOTAL INVESTMENTS: STANDARD BANK	84 155 705.55	399 586.41	6 987 601.07	-12 411 046.47	79 131 846.56
ELECTRICAL UPGRADE : 32 DAYS	311 995.20	-	-	-	311 995.20
ELECTRICAL UPGRADE	3 603 666.54	16 902.68	-	-	3 620 569.22
EQUITABLE SHARE	13 240 294.78	62 953.76	-	-3 432 189.30	9 871 059.24
FINANCIAL MANAGEMENT	1 892 074.97	8 926.45	-	-354 205.93	1 546 795.49
HOUSING ACCOUNT : DAILY CALL	6 187 159.85	28 681.30	-2 637 486.10	-	3 578 355.05
INDIGENT	306 087.78	1 437.77	-	-11 628.23	295 897.32
MIG : VAT	11 220 156.64	51 935.49	-	-336 709.85	10 935 382.28
TOTAL INVESTMENTS: FNB	36 761 435.76	170 837.45	-2 637 486.10	-4 134 733.31	30 160 053.80
EQUITABLE SHARE	45 087 663.71	223 022.08	-	-1 697 761.81	43 612 923.98
SPARTIAL DEVELOPMENT	618 915.22	2 845.83	-	-306 745.22	315 015.83
GIS SOFTWARE	516 626.44	2 493.03	-	-21 626.44	497 493.03
TOTAL INVESTMENTS: INVESTEC	46 223 205.37	228 360.94	-	-2 026 133.47	44 425 432.84
RETENTION MONIES	2 673 310.16	14 029.37	-	-112 046.87	2 575 292.66
SUNNYDALE HOUSING	411 204.31	2 157.92	-	-17 232.07	396 130.16
EMPLOYEE BENEFITS	4 008 566.65	21 036.69	-	-167 722.00	3 861 881.34
TOTAL NEDBANK	7 093 081.12	37 223.98	-	-297 000.94	6 833 304.16
TOTAL INVESTMENTS	174 233 427.80	836 008.78	4 350 114.97	-18 868 914.19	160 550 637.36

Table 97: Investment Register

14.6. Indigent Support (Including Free Basic Services)

Indigent Register

The municipality has in place, an Indigent Register as a database register indicating the indigent population that requires municipal support. **To date the register contains 382 people from all 4 of the urban wards.**

Indigent Relief Policy

One of the main objectives of the uMlalazi Municipal Council is to ensure the provision of basic services to the community in a sustainable manner. This objective will, however, only be possible within the financial and administrative capacity of the Council. The Council recognizes the fact that the community has a right of access to basic services, but the community also has an obligation to settle their monthly services accounts.

The municipality also recognizes the fact that many of the residents can simply not afford the cost of full service provision and for this reason the Council will endeavor to ensure affordability through:

- Setting tariffs in terms of the Council's Tariff Policy which will balance the economic viability of continued service delivery.
- Determining appropriate service levels.

Hence the uMlalazi Municipality has developed and adopted the Indigent Relief Policy which was last reviewed (and adopted) on the **28th of May 2015**. The policy provides relief of rates and tariffs to households or category of households, including a child headed households, earning a combined gross income, as determined by the municipality annually in terms of a social and economic analysis of its area, as vested in the municipal policy, which qualifies for

rebates or remissions, support or a services subsidy, provided that child support grant is not included when calculating such household income.

The Roll-out of Free Basic Services

The uMlalazi Municipality is enhancing the level of commitment into providing relief of basic services such as electricity as refuse waste removal. The refuse removal service is now extended to the rural areas where this function is carried out through the EPWP Program. Refuse removal services have been extended to 14 388 urban and rural communities. The budget for free basic electricity has increased from 2017/18 by 23% and provides free electricity for 7105 households within the municipality. The tables below depict the provision of free basic services within the municipality

ESKOM FREE BASIC ELECTRICITY		
AMOUNT PAID TO ESKOM FOR FBE	AMOUNT PAID TO ESKOM FOR FBE	AMOUNT PAID TO ESKOM FOR FBE
2017/18	2018/19	2019/20
R 1 809 086.67	R 2 424 445.33	R 2 372 881. 53

Table 98: ESKOM Free Basic Electricity Subsidy

FREE BASIC ELECTRICITY Supplied by the Municipality	NUMBER OF HOUSEHOLDS		
	FEB 2017/18	FEB 2018/19	Feb 2019/20
TOTAL	4469	4730	7105

Table 99: Households Receiving Free Basic Electricity

FREE BASIC REFUSE Supplied by the Municipality	NUMBER OF HOUSEHOLDS		
	2017/18	2018/19	2019/20
TOTAL	14388	14388	14388

Table 100: Free Basic Refuse Removal

14.7. Equitable Share Allocation for Indigent Support

DETAILS	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
	(R)	(R)	(R)	(R)
Rates relief	114 211 760	114 929 950	128 227 035	136 011 207
Free refuse	1 884 290	1 976 619	2 073 473	2 175 074
Solid waste relief	5 056 090	5 303 838	5 558 423	5 825 227
Free electricity	4 000 000	5 212 548	5 462 750	5 724 962
Electricity relief	10 154 190	10 651 745	11 163 029	11 698 854
Total	135 306 330	138 074 700	152 484 710	161 435 324

Table 101: Equitable Share Budget Allocation

14.8. Operating Revenue Framework

For uMlalazi Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);

- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policy of the Municipality.

14.9. Revenue Raising Strategies

The municipality is considering the following strategies to enhance revenue collection;

- The municipality has conducted a feasibility study to supply electricity in Mthunzini and KwaGingindlovu
- (To conduct a feasibility study into) Metered parking in town areas
- Revitalize public amenities to collect revenue (e.g.; pool/Park facilities in all towns)
- Upgrade the existing testing station to accommodate all codes.
- Review all long term leases to be in line with the current market rates.

14.10. Revenue Protection Strategies

14.11. Debtors age analysis

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. In order to ensure efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service the municipality is in a process of procuring the services of a service provider for debt collection. Furthermore the municipality is implementing Credit Control & Debt Collection Policy and reviews this policy annually.

Service	0-30Days	31-60Days	91-120Days	61-90Days	121-150	151-180	181Days-1Year	Over 1 Year	Total
Advance Payment	- 7 814 135.59	20 824.96	24 971.35	120 272.06	2 698.47	4 245.49	30 694.21	34 533.17	- 7 575 895.88
Costs	- 98.84	21.05	-	23 207.85	18 118.72	62 163.84	83 503.93	1 118 772.55	1 305 689.10
Deposit	- 8 193.28	19 125.00	12 127.82	5 494.91	298.78	2 360.40	31 973.89	10 806.43	73 993.95
Electricity	- 278 766.05	4 806 958.78	920 445.49	1 749 596.46	223 496.34	181 951.41	862 573.79	2 649 722.32	11 115 978.54
Erven	- 848.16	-	-	-	-	-	-	-	- 848.16
Hire	- 2 847.82	8 601.92	26 501.94	6 513.38	5 628.49	5 830.99	318 800.86	3 100 049.53	3 469 079.29
Interest	- 51 929.46	257 723.53	251 964.68	250 881.77	253 407.54	290 848.20	1 239 225.28	8 532 149.96	11 024 271.50
Other Services	-	-	32.78	-	-	-	1 024.85	-	1 057.63
Rates	- 1 900 486.19	2 026 762.40	660 995.35	954 104.59	879 299.33	511 574.69	13 878 910.36	19 666 646.15	36 677 806.68
Refuse	- 112 680.63	1 171 405.30	375 418.20	601 112.31	278 179.53	297 631.92	819 639.01	2 232 967.81	5 663 673.45
Sales Schemes	- 346.03	5 512.50	4 657.13	4 992.11	4 786.40	6 759.61	20 223.53	-	46 585.25
Sewerage	- 21 197.91	-	-	-	-	-	-	-	- 21 197.91
Sundries VAT	- 22.50	-	69.49	-	428.32	-	-	300.00	775.31
Sundry NON VAT	- 8 677.78	-	-	-	-	-	517.50	225.00	- 7 935.28
Water	- 390.39	-	-	-	0.01	-	-	-	- 390.38
Grand Total	- 10 200 620.63	8 316 935.44	2 277 184.23	3 716 175.44	1 666 341.93	1 363 366.55	17 287 087.21	37 346 172.92	61 772 643.09

Table 102: Debtors Age Analysis

14.12. Financial Management

Alignment of Procurement Plan and SDBIP

The Procurement Plan and SDBIP are aligned to ensure that projects are being executed as per the expectation created. The SDBIP is aligned to the Performance Plans of the HODs and to ensure that the targets are achieved it is also aligned to the procurement plan.

14.13. Supply Chain Management (SCM)

The uMlalazi Municipality has a Supply Chain Management Policy in place which was reviewed and adopted in February 2017 and which is being implemented. All challenges in the SCM unit is being addressed through a very effective Management Committee.

The Preferential Procurement Policy Framework Act requires an Organ of State to determine its Preferential Procurement Policy and to implement it within the framework prescribed. This requirement is given effect to in the Preferential Procurement section of the Supply Chain Management Policy.

The principal objectives of the Council of uMlalazi is to provide a mechanism to ensure sound, sustainable and accountable supply chain management within the uMlalazi Municipality, whilst promoting black economic empowerment, "Local Content" which will be defined to specify businesses operating within the uMlalazi Municipality which includes but not solely confined to achieving amongst others the following socio-economic principles:

- i. To stimulate and promote Local Economic Development in a targeted and focused manner;
- ii. To facilitate creation of employment and business opportunities for the people of uMlalazi with particular reference to Historically Disadvantaged Individual's (HDIs) as cited in section 217 (2) of the Constitution of the Republic of South Africa Act 106 of 1996 ;
- iii. To promote Local Content and the competitiveness of local businesses operating within the Umlalazi Municipality;
- iv. To increase the small business sector access, in general, to procurement business opportunities created by Council;
- v. To increase participation by small, medium and micro enterprises (SMME's), including cooperatives and
- vi. In responding and pursuing to achieve these objectives the council took a resolution through Supply Chain Management Policy to spend a minimum of 40% (forty percent) of its annual procurement budget with Historically Disadvantaged Individuals (HDIs) youth, women, people disabilities giving preference to people within the jurisdiction of the Umlalazi Municipality, through the application of Preferential Procurement Policy and relevant policies in the following manner.
 - 40% Youth
 - 40% Women
 - 20% People living with disabilities

An amendment has been made to the SCM Policy on 07 February 2017 which seeks to respond to the economic transformation agenda and advancement of designated groups that were previously disadvantaged as follows be adopted for immediate implementation by the Accounting Office: -

- A minimum of 40% (forty percent) of its annual procurement budget with Historically Disadvantaged Individuals (HDIs) [youth, women, people living with disabilities preference given to suppliers within the jurisdiction of the Umlalazi Municipality provided that price quoted does not exceed 20% of the lowest acceptable quote through the application of Preferential Procurement Policy and relevant policies.
 - 40% Youth
 - 40% Women
 - 20% People living with disabilities

- Sub-contracting a minimum of 30% on all contracts with a value from R5 000 000 and above to local black emerging contractor(s), local youth emerging contractor(s) inclusive of women and contractors of disabled people and co-operatives.
- Sub-contracting a minimum of 5% to local black emerging contractor(s), local youth emerging contractor(s) inclusive of women and contractors of disabled people and co-operatives on contracts below R5 million may be negotiated

All notices relevant to the above amendment and tender documents stipulate these requirements.

The following challenges were identified by the Supply Chain Management Unit;

- Inadequate training of BID Committees
- Underquoting by local service providers causing delays in Service delivery.

In addressing issues identified at the Supply Chain Management Unit, the Municipality has requested the Department of KZN Treasury to facilitate training of bid committees. The Municipality will also be hosting a Finance Expo which is aimed at addressing the issue of underquoting by the local Service providers.

Functionality of Bid Committees

The following Bid Committees of the Municipality are fully functional and the schedule of meetings is determined by the by procurement timeframes as prescribed in the procurement plan;

No	Name of Member	Designation	Department	Capacity
1.	Mbuso Dlamini	Senior Manager Engineering (Civil)	Engineering Services	Member
2.	Jaap LeGrange	Senior Manager Engineering (Elec)		Chairperson
3.	Khulekani Nxumalo	Manager Finance (Revenue)	Financial Services	Member
4.	Siphephelo Khumalo	Manager IDP	Planning & Development	Member
5.	Silungile Maphumulo	SCM Practitioner	Financial Services(SCM)	Member

Bid Evaluation Committee

No	Name of Member	Designation	Department	Capacity
2.	Futhi Mahaye	Senior Manager Community Services	Community Services	Member
3.	Skhumbuzo Mbuyazi	Deputy CFO	Financial Services	Member
4.	Mthokozisi Ngubane	Town Planner	Planning and development	Member
5.	Siphesihle Zungu	PMU Manager	Engineering Services	Member

Bid Adjudication Committee

No	Name of Member	Designation	Department	Capacity
1.	Zakhele Mhlongo	Chief Financial Officer	Financial Services	Chairperson
2.	Khulekani Zulu	Director Engineering Services	Engineering Services	Member
3.	Dalisu Zulu	Director Planning and Development	Planning and Development	Member
4.	Bongani Sithole	Director Community Services	Community Services	Member
5.		Director Engineering Services	Engineering Services	Member

Bid Timeframes

Timeframes for procurement processes range from 7 – 30 days depending on budget allocated to that particular project.

14.14. Assets and Infrastructure

	2019	2018	2017	2016	2015
Roads	317 703 977	315 919 512	290 075 257	268 686 354	267 532 489
Storm Water	47 491 016	44 016 986	40 497 681	39 012 489	41 351 759
Electrical	39 846 271	41 513 920	43 083 879	46 264 905	32 861 712
Total Infrastructure Assets	405 041 264	401 450 418	373 656 817	353 963 748	341 745 960
Repairs and maintenance	28 094 795	22 691 030	20 387 564	21 348 145	17 462 762
% of Infrastructure assets	6.93	5.65	5.46	6.03	5.11

Table 103: Expenditure on Assets and Infrastructure

14.15. Repairs and Maintenance

This type of expenditure is not reflected separately. Repairs and maintenance is spread amongst employee cost, other materials and contracted services. Hereunder is a table reflecting the budget that is provided for repairs and maintenance:

Repairs and Maintenance by Expenditure Item	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Employee related costs	22 564 440	23 839 963	25 389 561	27 039 882
Other materials	4 125 820	3 916 267	4 072 918	4 235 835
Contracted Services	6 110 760	3 738 353	3 850 904	3 966 801
Other Expenditure				
Total Repairs and Maintenance Expenditure	32 801 020	31 494 584	33 313 383	35 242 518
Repairs and maintenance as a percentage of PPE	3,8%	3,5%	3,5%	3,6%
Benchmark	8%	8%	8%	8%

Table 104: Operational Repairs and Maintenance

Even though, the budgeted amounts for repairs and maintenance are less than the threshold of 8% of the asset value of the municipality's property, plant and equipment, management is confident that the budgeted amounts are adequate to secure the ongoing health of the municipality's infrastructure.

14.16. Financial Viability/Sustainability

Financial Ratios

Cost Coverage Ratio	2019	2018	2017	2016
Cash and cash equivalents		6 436 023	3 539 000	11 712 000
Unspent Conditional Grants		932 196	6 611 000	20 099 000
Short Term Investments		93 318 646	82 557 000	100 726 000
Total Annual Operational Expenditure		390 465 000	355 333 000	341 206 000
Ratio (months)		3	3	3

Current Ratios	2019	2018	2017	2016
Current Assets		136 529 000	112 046 000	148 140 000
Current Liabilities		50 020 812	49 269 000	80 369 000
Ratio		2.7:3	2.2:7	1.8:1

Financial Ratios	2017	2018	2019	2020	2021
Current ratio	2.1:1	1.6:1	1.1:1	1.2:1	
Capital expend to Total expend	4.9:1	6.9:1	5.6:1	7.1:1	
Debt to revenue	2%	2%	1.70%	1.40%	
Collection rate	90%	92%	93%	94%	
Remuneration to total expend	30.10%	32.90%	33.90%	34.10%	
Distribution losses: Electricity	11.78%	12%	11%	10%	
Budget for maintenance	20 387 000	17 234 000	19 199 000	20 435 000	
Percentage for renewal of assets	35.10%	30.90%	20.10%	52.20%	

Table 105: Financial Ratios

14.17. Loans and Borrowings

Borrowings (DBSA)

	2019	2018	2017	2016	2015
Borrowings	3 191 645	3 545 368	4 241 191	4 456 604	4 799 418

Table 106: Borrowings

The municipality has a current borrowings with the Development Bank of South Africa for infrastructure development in the industrial area of Eshowe to attract investors. The municipality is financially viable and therefore has no challenge in repaying the loan as per agreement.

14.18. Auditor General's Opinion

AUDITOR-GENERAL REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2019

Report of the auditor-general to KwaZulu-Natal Provincial Legislature and the council on uMlalazi Municipality

Report on the audit of the financial statements

Opinion

I have audited the financial statements of the uMlalazi Municipality set out on pages ... to ..., which comprise the statement of financial position as at 30 June 2019, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information and actual information for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the uMlalazi Municipality as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the municipality in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of ethics for professional accountants* and, parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

I draw attention to the matters below. My opinion is not modified in respect of these matters.

Material impairments – receivables from exchange and non-exchange transactions

As disclosed in note 45 to the financial statements, material impairment of R39,27 million (2018: R51,12 million) was provided as a result of an annual review of the recoverability of receivables from exchange and non-exchange transactions.

Material loss- electricity

As disclosed in note 54 to the financial statements, the municipality incurred material electricity losses of 52 989 545 kilowatts (2017-18: 52 718 038 kilowatts) which resulted in revenue losses of R5,20 million (2017-18: R9,80 million). These losses were mainly attributed to the streetlights consumptions that were not metered and illegal electricity connections.

Other matter

I draw attention to the matter below.

Unaudited disclosure notes

In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA in the financial statements. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion on it.

Responsibilities of accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the SA Standards of GRAP and the requirements of the MFMA and DORA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the uMlalazi Municipality's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the

appropriate governance structure either intends to liquidate the municipality or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.

My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the basic service delivery and infrastructure development priority presented on pages xx to xx of the annual performance report of the municipality for the year ended 30 June 2019.

I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not raise any material findings on the usefulness and reliability of the reported performance information for the basic service delivery and infrastructure development priority.

Other matter

I draw attention to the matter below.

Achievement of planned targets

The annual performance report on pages xx to xx includes information on the achievement of planned targets for the year.

Report on the audit of compliance with legislation

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

The financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of revenue from traffic fines, cash flow statement and capital commitments identified by the auditors in the submitted financial statements were subsequently corrected resulting in the financial statements receiving an unqualified audit opinion.

Expenditure management

In some instance, money owed by the municipality was not always paid within 30 days or agreed period, in contravention of section 65(2)(e) of the MFMA.

Reasonable steps were not taken to prevent irregular expenditure of R57,60 million as disclosed in note 51 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. Most of the irregular expenditure incurred was as a result of competitive bidding process not being followed.

Procurement and contract management

Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of supply chain management (SCM) regulation 17(a) and (c).

Some of the bid documentation for procurement of commodities designated for local content and production did not stipulate the minimum threshold for local production and content as required by the 2017 preferential procurement regulation 8(2). Similar non-compliance was also reported in the prior year.

Some of the commodities designated for local content and production, were procured from suppliers who did not submit a declaration on local production and content as required by the

2017 preferential procurement regulation. Similar non-compliance was also reported in the prior year.

Other information

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected development priority presented in the annual performance report that have been specifically reported in this auditor's report.

My opinion on the financial statements and findings on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected development priorities presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

The other information I have obtained to the date of this auditor's report is the accounting officer's report and the mayor's foreword. The audit committee's report is expected to be available to me after 30 November 2019.

If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

After I received and read the audit committee's report, and if I conclude that there is a material misstatement, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

The municipality developed a plan to address internal and external audit findings, but the appropriate level of management did not monitor adherence to the plan in a timely manner resulting in repeat findings being raised.

A checklist to monitor compliance with legislation relating to procurement and contracting management and expenditure management was either not updated to include all key legislation requirements or not utilised by senior management.

The accounting officer did not provide adequate oversight to ensure that the financial statements

were reviewed prior to submitting them for audit.

Auditor – General
Pietermaritzburg

30 November 2019



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

14.19. Management Response to AG Report

No.	Finding	Management Response per Audit Report	Action Owner and Due Date	Management Action Plan to date	Status/ dashboard
1.	<p>Material amendments to the annual financial statements</p> <p>The following material misstatements were identified in the financial asset items as well as disclosure items which were subsequently corrected.</p> <ul style="list-style-type: none"> . Cash flows statement: receipts from customers and other – Final adjusted amount of 137 601 077 . Cash flows statement: government grants – Final adjusted amount of 274 891 207 . Cash flows statement: employee cost – Final adjusted amount of (148 649 750) . Cash flows statement: suppliers – Final adjusted amount of (197 047 737) . Capital commitments – Final adjusted amount of 4 488 156 . Revenue: traffic fines – Final adjusted amount of 36 174 400 	<p>Management has agreed, to the above findings and proposed adjustments have been provided to the auditors and confirmed</p>	<p>Action Owner: CFO</p> <p>Action Date: First attendance to be completed by 31 May 2020</p>	<p>Root Cause / internal control deficiencies: Senior Finance Management have not recently attended courses on recently and newly issued GRAP standards as well as interpretation to GRAP standards.</p> <p>Remedial Action Plan: All Finance Senior Managers to attend Short Courses on GRAP Standards at least once after two years to keep up to date with amendments to GRAP and newly issued Standards and interpretations to GRAP Standards.</p>	

2.	<p>Local content requirements not complied with</p> <p>In terms of PPR 8(5), a tender that fails to meet the minimum stipulated threshold for local production and content is an unacceptable tender.</p> <p>a) Fourteen (14) Bids specification did not specify minimum threshold for local production for amount of R28 785 502 in total.</p> <p>b) Ten (10) Suppliers did not furnish the auditee with the declaration on local production and content for R28 421 920 in total</p> <p>c) Supplier not compliant with the local content requirement: The following supplier was given the award however did not meet the local content threshold</p> <ul style="list-style-type: none"> - Sbawu project for R53 484 <p>This results in a material non-compliance with the PPR 8(2) and furthermore are regarded as irregular expenditure and must be disclosed in the financial statements accordingly</p>	<p>Partially agree with finding :-</p> <p>In terms of PPPFA Regulation 8(1)(a), The Department of Trade and Industry may, in consultation with the National Treasury designate sectors or subsectors for local content. In term of MFMA Circular 69 such sectors were designated and they include mainly;</p> <ul style="list-style-type: none"> • Textile, clothing, leather and footwear; • Buses (bus body); • Steel power pylons; • Canned / processed vegetables; • Rail rolling stock; • Set top boxes; • Furniture; and • Electrical and telecom cable products. <p>The municipality has declared irregular all expenditure pertaining to electrical projects as they used electrical cables and ensured compliance going forward. This was also done with clothing and textile with exception of the following;</p> <ul style="list-style-type: none"> • S Kwanda (Supply and installation of galvanised steel) this will be declared irregular as per recommendation 	<p>Action Owner: CFO</p> <p>Action Date: Ongoing</p>	<p>Root Cause / internal control deficiencies: Inadequate SCM checklist as it did not include the requirements of PPR in relation to local content resulting in non-compliance with the above requirements for the selected awards.</p> <p>Remedial Action Plan: Standard Clause on all tenders regarding Local Content Requirements</p>	
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		<ul style="list-style-type: none"> Ekaya promotions CC (supply and delivery of protective clothing (EPWP))- this will be declared irregular as per recommendation Darada Trading and projects (Supply and deliver 1000xTshirts and 200x golfers for derick spencer tournament) - this will be declared irregular as per recommendation <p>The other above procurement (e.g. Construction) does not form part of the designated sector so management disagree with that part of the finding.</p>			
3.	<p>Deviation reasons not justifiable/ reasonable</p> <p>In terms of Municipal Supply Chain Management Regulations (SCM) 36 (1)(a), a supply chain management policy may allow the accounting officer to dispense with the official procurement process established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only:</p> <ul style="list-style-type: none"> i. in an emergency; ii. if such goods or services are produced or available from a single provider only; iii. for the acquisition of special works of art or historical objects where specifications are difficult to compile; iv. acquisition of animals for zoos; or v. in any other exceptional case where it is impractical or impossible to follow the official procurement processes; <p>The following did not comply with the above requirement, appointment of</p>	<p>Management agree with the finding and this will be included in the disclosure note on AFS and the reporting requirements as per section 32 of the MFMA will be followed.</p>	<p>Action Owner: CFO</p> <p>Action Date: Ongoing</p>	<p>Root Cause / internal control deficiencies: An adequate review was not performed to review the request for deviation against the SCM compliance checklist to confirm that the reasons for deviation are valid and compliant with the applicable laws and regulations, prior to the approval thereof.</p> <p>Remedial Action Plan: Quarterly Reconciliation of Deviations and UIFW Register with view of reclassification</p>	

	<ul style="list-style-type: none"> - Market Demand - Southern Sky Operations - Nomakeza Pty(LTD) 				
4.	<p>Irregular expenditure/fruitless and wasteful expenditure incurred in the prior year was not prevented from recurring in the current</p> <p>During the audit of the disclosure notes, it was noted that management had incurred irregular and fruitless and wasteful expenditure for the 2018/2019 financial year, refer below for the analysis: -</p> <ul style="list-style-type: none"> - Fruitless and wasteful expenditure (Note 48) - closing 1 809 823 - Irregular expenditure (Note 49) – closing 1 115 709 <p>Irregular, fruitless and wasteful expenditure</p> <ol style="list-style-type: none"> occurred in the current and prior years related to the same transgression from the prior year being non-compliance with SCM regulations and interest on overdue accounts. could have been avoided had reasonable care been taken. <p>This results in material non-compliance with section 62(1)(d) of the MFMA</p>	<p>Management agrees with findings.</p> <p>Irregular expenditure – 98% of the irregular expenditure was dealt with in terms Section 32 of MFMA and action plans put in place to avoid recurrence.</p> <p>Fruitless and Wasteful expenditure – two thirds of expenditure incurred was recovered and balance in process of being recovered as at end of financial year under review. The opening balance is still under investigation hence, kept in the register and reported accordingly.</p>	<p>Action Owner: CFO</p> <p>Action Date: 30 April 2020</p>	<p>Root Cause / internal control deficiencies:</p> <ul style="list-style-type: none"> Inadequate monitoring and oversight over the compliance with the MFMA was not implemented due to the lack of proper compliance checklists in place. Inadequate controls were not implemented to ensure that instances of irregular, fruitless and wasteful expenditure that occurred in the prior year is prevented from reoccurrence in the current financial year. <p>Remedial Action Plan: UIFW Register will be compiled and reviewed by CFO on a monthly basis and included in the In-Year Report</p> <p>Ongoing implementation of audit action plan</p>	
5.	<p>Payments not made within 30 days</p> <p>In terms of Section 65(2)(1)(e) of MFMA the accounting officer must for the purposes of subsection (1) take all reasonable steps to ensure that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.</p> <p>The following suppliers were not paid within 30 days:</p> <ul style="list-style-type: none"> - Sikhosiphi invoice 187776 – more than 38 days - Sikhosiphi invoice 193380 – more than 41 days - Sikhosiphi invoice 193527 – more than 36 days - Sikhosiphi invoice 193043 – more than 42 days - Bahlomile dev invoice 43 – more than 57 days - Bahlomile dev invoice 42 - more than 71 days - Urban-Econ dev invoice N18160-02 – more than 48 days <p>The above non-compliance may result in interest and penalties being charged which constitutes fruitless and wasteful expenditure</p>	<p>In respect of Sikhosiphi invoices management agreed: The Budget was exhausted and we needed to wait for budget transfer before we could pay, as the system does not allow for invoice capturing when there is no budget</p> <p>Bahlomile developments: management agreed: The Municipality Received Funds from Department of Human Settlement and immediately after the funds were received invoices were also received, however those funds were</p>	<p>Action Owner: CFO</p> <p>Action Date: Ongoing</p>	<p>Root Cause / internal control deficiencies:</p> <ul style="list-style-type: none"> Delays in submission of invoices to the finance department for processing. Adequate monitoring and review controls were not designed and implemented to ensure that strict payment timelines were adhered to <p>Remedial Action Plan: Exception Reports for payments not made within 30 days will be reported to monthly Finance Portfolio Committee with reasons</p>	

		not appropriated onto the budget yet, and payments could not be effected before an adjustment budget was approved by Council, an Adjustment budget for the additional funding was only approved by Council on 29 May 2019, and only after this date could payments be made, and after necessary changes had been effected on the system to reflect new budget			
6.	<p>Deviation reasons not justifiable/reasonable</p> <p>In terms of Municipal Supply Chain Management Regulations (SCM) 36 (1)(a), a supply chain management policy may allow the accounting officer to dispense with the official procurement process established by the policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only:</p> <ul style="list-style-type: none"> i. in an emergency; ii. if such goods or services are produced or available from a single provider only; iii. for the acquisition of special works of art or historical objects where specifications are difficult to compile; iv. acquisition of animals for zoos; or v. in any other exceptional case where it is impractical or impossible to follow the official procurement processes; <p>The Following did not comply with the above requirement: SOUTHEN SKY OPERATIONS 110 600 NOMAKLEZA PTY LTD 80 000 This results in non-compliance with SCM regulation 36(a)(iii) and all payments made must be disclosed as irregular expenditure in the AFS.</p>	Management agree with the finding and this will be included in the disclosure note on AFS and the reporting requirements as per section 32 of the MFMA will be followed.	<p>Action Owner: Senior Manager: Supply Chain Management</p> <p>Action Date: 30 April 2020</p>	<p>Root Cause / internal control deficiencies: An adequate review was not performed to review the request for deviation against the SCM compliance checklist to confirm that the reasons for deviation are valid and compliant with the applicable laws and regulations, prior to the approval thereof.</p> <p>Remedial Action Plan: Quarterly Reconciliation of Deviations and UIFW Register with view of reclassification</p>	
7.	<p>Bid awarded to a supplier with a lower grading</p> <p>The public notice indicated that only suppliers with a CIDB grading of 1 SQ only were invited. The following supplier had a CIDB grading of 1SQ</p>	Management agree with the finding and the disclosure note for Irregular expenditure will be adjusted accordingly	<p>Action Owner: Senior Manager: Supply Chain Management</p>	<p>Root Cause / internal control deficiencies: This was as a result of an oversight by the Bid Specification Committee.</p>	

	<p>however the bidding price submitted by the supplier R280 649 which exceeded the minimum threshold for grading 1 by 40.3%.</p> <p>As per the PN3, an amount of 20% or more above upper limit is likely to be considered unreasonable in respect of S Kwanda Trading enterprise for R280 649.</p> <p>This results in a non-compliance with the CIDB regulation 17, 25 7(A) and PN3</p>		<p>Action Date: 31 May 2020</p>	<p>Remedial Action Plan: The Senior Manager Supply Chain will review all procurement with CIDB regulation requirement prior to advertisement or notice is issued to ensure compliance with CIDB requirement. Refresher Training for Bid Committee Members</p>	
8.	<p>Cash flow discrepancies identified</p> <p>The cash flow statement contained the following discrepancies:</p> <p>a) Discrepancies on cash flow from operating activities:</p> <ul style="list-style-type: none"> - Receipts from customers – (21 368 186) difference - Government grants – (3 526 565) difference - Cash paid to employees – 178 552 difference - Cash paid to suppliers – 37 798 773 difference <p>This results in material misstatement of cash flow from operating activities amounting to R13 082 574.</p>	<p>Management disagrees with the finding</p> <p>A) <u>Cash receipts from customers</u></p> <ul style="list-style-type: none"> - In the auditors calculations the impact of changes in working capital was double counted to arrive at cash received from customers. - The total revenue for the period was used to calculate cash received from customers and the results were compared with taxation income. <p><u>Cash receipts from customers:</u> <u>Sale of goods and Services</u></p> <ul style="list-style-type: none"> - To arrive at cash received from customers: Sale of goods and services the total changes in working capital was taken in to account which include changes in working capital from non-exchange transactions. 	<p>Action Owner: CFO</p> <p>Action Date: First attendance to be completed by 31 May 2020</p>	<p>Root Cause / internal control deficiencies: : Senior Finance Management have not recently attended courses on recently and newly issued GRAP standards as well as interpretation to GRAP standards.</p> <p>Remedial Action Plan: All Finance Senior Managers to attend Short Courses on GRAP Standards at least once after two years to keep up to date with amendments to GRAP and newly issued Standards and interpretations to GRAP Standards</p> <p>Implementation and review of amendment on preparation of Interim AFS</p>	

N5 Cash paid to employee

- The auditors have considered the closing balances for post-employment medical benefits and long service awards instead of the movements to between the opening balances and the closing balances to arrive at cash paid to employees.

N6 Cash paid to suppliers

- To arrive at cash paid to suppliers, the auditors did not remove remuneration of councillors.
- The effect of movements in employee benefits were not taken into account to arrive at cash paid to suppliers.

B) N9 Proceeds from sale of assets

- The carrying amount of assets disclosed as reflected in note number 7 amounts to R56 606 and not R1 517 803 as reflected in the

		<p>auditors workings.</p> <ul style="list-style-type: none"> - Further to the above the auditors have added the loss on disposal of assets to the carrying amount value instead of deducting it to arrive at the proceeds from sale disposal assets. 54 405.00 			
9.	Overstatement of Capital commitments <p>All approved and not contracted capital commitments amounting to R12 513 385 for 2019 and comparative amount R4 872 266, disclosed under note 48 to the financial statements were found to be budget available and not contractual commitments to third parties. As a result, Capital commitments as disclosed in note 48 to the AFS is materially overstated by R12 513 385 (2019) and R4 872 266 (2018) respectively.</p>	Agree. Management will investigate and adjust the capital commitment disclosure accordingly	Action Owner: CFO Action Date: 31 March 2020	Root Cause / internal control deficiencies: GRAP Standards and Guidelines on implementation of the standards were not regularly reviewed in order to ensure that internal controls are in line with latest developments of GRAP Standards Remedial Action Plan: Management will ensure that GRAP Standards and Guidelines on implementation of the standards will be regularly reviewed in order to ensure that internal controls are in line with latest developments of GRAP Standards Changes will be effected on the financial system and business processes to include Contract Monitoring Officer in preparation of the Capital Commitments Schedules	
10.	Traffic fines discrepancies <p>The following discrepancy was identified when comparing hand written report and SRMT reports for total traffic fines issued in the period under review with the amount recognized as revenue from fines in the annual financial statements (AFS):</p>	Management agrees. This was due to an administrative error when processing the reports which are received from the traffic fines service provider which resulted in the	Action Owner: CFO	Root Cause / internal control deficiencies: Lack of reviewing controls in relation to the processing of traffic fines revenue reports and ensuring that improved controls are implemented	

	<p>- Difference of (3 932 499) between amount hand written and AFS note 32</p> <p>As a result, thereof, the revenue from fines is materially overstated by R3 932 499 with a resultant material overstatement in receivables from non-exchange transactions by the same amount</p>	duplication of the traffic fines received.	<p>Action Date: 29 February 2020</p>	<p>Remedial Action Plan: Management is currently reviewing controls in relation to the processing of traffic fines revenue reports and shall ensure that improved controls are implemented with effect from 2019/2020 financial</p> <ol style="list-style-type: none"> 1. Reverse the duplication from revenue and receivables. 2. Recalculate the provision for doubtful debtors for traffic fines as the current provision is based on the figure of traffic fines receivables which is currently overstated by R 3.9 million. <p>Implementation and review of amendment on preparation of Interim AFS</p>	
11.	<p>Inadequate review of remaining useful life assessment of assets In terms of GRAP 17, paragraph 61 and 62, an entity should assess whether there is any indication that the expected useful life of the asset has changed based on whether the condition of the asset has improved or declined</p> <p><u>Review of expected useful lives of assets methodology:</u></p> <ol style="list-style-type: none"> 1) The methodology applied state that the condition of asset has a major impact with assessing an asset's RUL and the officials responsible for assessment of asset conditions does this based on visual inspection of it and is consistently applied. 	Whilst the methodology did not explicitly outline factors mentioned in paragraph 57, the reference was made to paragraph 61 and 62 which takes into consideration the contents of paragraph 57. During the execution of the actual verification and condition assessment the following factors as outlined in paragraph 57 were considered and a grade is allocated to the assets:	<p>Action Owner: CFO</p> <p>Action Date: 30 April 2020</p>	<p>Root Cause / internal control deficiencies: The methodology and principles used to review the useful life of assets was not reviewed to ensure it is aligned to the requirements of GRAP 17.</p> <p>Remedial Action Plan: In future detailed explanation given in response to this finding will be provided as part of the methodology</p> <p>A new company (expert) will be appointed with stringent requirements to ensure correct methodology and review</p>	
12.	<p>Inadequate review of impairment loss of assets</p> <p>The methodology applied by management has not complied with the requirements of GRAP 21, consequently the impairment amount as disclosed in note 7, amounting to R7 173 731 cannot be relied upon.</p>	Management does not agree with the finding we are of the opinion that the methodology provided is in context with GRAP 21	<p>Action Owner: N/A</p> <p>Action Date: N/A</p>	<p>Root Cause / internal control deficiencies: N/A</p> <p>Remedial Action Plan: N/A</p>	
13.	New Standard of GRAP that has been issued but is not yet effective not disclosed in the AFS		<p>Action Owner: CFO</p>	<p>Root Cause / internal control deficiencies:</p>	

	<p>Upon inspection of the financial statement submitted for the audit, new stands of GRAP that have been issued but not yet effective have not been disclosed by the auditee.</p> <p>This results in non-compliance with GRAP 3 paragraph 32 and 33.</p> <p>The following discrepancies were identified upon review of the annual financial statements:</p> <p>For statement of comparison of budget and actual amounts</p> <ul style="list-style-type: none"> - budget on cash basis, however the statement is on accrual basis - Approved capital budget in comparison to the actual expenditure has not been disclosed in the statement of comparison of budget and actual amounts <p>For Note 35.2 employee related costs:</p> <ul style="list-style-type: none"> - Performance Bonus not disclosed in the note however as per note 35.1 performance bonuses were paid to key management personnel, which can results in provision for performance bonus not being raised in the financial statements <p>For Note 49 Deviation from supply chain management:</p> <ul style="list-style-type: none"> - In terms of SCM regulation 36.2 The accounting officer must record the reasons for any deviations in terms sub regulation (1)(a) and report them to the next meeting of the council, and include them as a note to the financial statements, contrary to the above, deviations have not been disclosed as per their reason in accordance to SCM regulation 36.1(a) categories 	<p>1. Management agree with the audit finding, the information on the new Standard of GRAP that has been issued but is not yet effective will be disclosed accordingly.</p> <p>2.</p> <p>2.1 Agreed, the word “cash basis” will be removed and be replaced by the word “accrual basis” accordingly.</p> <p>2.2 Agreed, An Appropriation Statement will be provided which will reflect the line for capital budget and corresponding actual figures will be added in the statement of comparison of budget and actual amounts.</p> <p>2.3 Agreed, provision for performance bonuses for senior Managers will</p>	<p>Action Date: 29 February 2020</p>	<p>Lack of performing an adequate review of the financial statements to ensure omissions and misstatements are detected prior to final set of AFS and submission for audit</p> <p>Remedial Action Plan: Management will perform an adequate review of the financial statements to ensure omissions and misstatements are detected prior to final set of AFS are submission for audit.</p> <p>Management will Perform a thorough review of the financial statements to identify errors and omissions and correct them prior to finalisation and submission for audit</p> <p>Implementation and review of amendment on preparation of Interim AFS</p>	
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		<p>be made and the note be updated with the provision accordingly.</p> <p>2.4 Agreed, the note will be amended to include reasons as required by SCM regulation 36.1(a)</p>			
14.	<p>Change in accounting estimate note not disclosed</p> <p>Property plant and equipment, intangible assets, useful lives were re-assessed however, as per GRAP 13 paragraph 41 and 42 no change in accounting estimate note was disclosed in the financial statement</p>	<p>Management agrees with the finding, appropriate adjustment will be effected in the disclosure note</p>	<p>Action Owner: CFO</p> <p>Action Date: 29 February 2020</p>	<p>Root Cause / internal control deficiencies: Non-utilisation of the GRAP checklist to review the AFS to ensure compliance with all GRAP 13 requirements.</p> <p>Remedial Action Plan: Implementation and review of amendment on preparation of Interim AFS</p>	
15.	<p>Indigent discrepancies identified</p> <p>The caats testing on the municipalities indigent register revealed the following;</p> <ul style="list-style-type: none"> a) 83 Indigents without ID Numbers b) 168 Indigents listed as deceased persons on the NPR database c) 14 Indigents in the employment of one or another government department or organisation d) 7 Indigents that has an interest in suppliers of government or municipalities e) 4 Indigents with an ID number duplicated on the indigent register f) 1 Spouse of Indigent in the employment of one or another government department or organisation <p>Accordingly, the annual financial statements need to be considered for adjustment for the correct revenue and receivable to be raised.</p>	<p><u>Finding A</u></p> <p>Management disagrees. This finding can be split into two.</p> <ul style="list-style-type: none"> 1. Gingindlovu new RDP houses, which are in a process of being registered to beneficiaries, which according to our register have no ID numbers. In terms of clause 9.1.4 of the uMlalazi Municipality's rates policy, RDP houses are not rateable for the first 8 years from the date of registration. On the 	<p>Action Owner: CFO</p>	<p>Root Cause / internal control deficiencies: Non-review of the indigent register and the indigent applications on an annual basis to confirm that only consumers who fulfill all criteria per the policy are kept on the system.</p> <p>Non-development of control procedures to identify consumers who are employed within the municipality and other government institutions, registered as directors and deceased to confirm the value of gross income from such employment or businesses and the validity of the consumer as an indigent debtor.</p> <p>Remedial Action Plan: New Indigent Forms will be issued and signed by all beneficiaries before end of 2019/20</p>	

		<p>attached list, there 78 of these houses. These incur no charges for the first 8 years. No loss of revenue has occurred as a result of these debtors.</p> <p>2. The other remaining five debtors</p> <p>All applicants are indigent in terms of the Council's criteria for granting the indigent support i.e. Based on the actual income of the household and information to be verified by the Councillor.</p> <p>Management has taken steps to improve the indigent register so that it indicates both the owner of the property and the applicant.</p> <p><u>Finding B</u></p> <p>Management disagrees. The owner of the property might be deceased but there are people that remain as beneficiaries. What is common with the communities within uMlalazi Municipality is that owners of properties die and estates are never reported due to the fact that families lack information or there simply is financial gain in reporting the estate.</p>	<p>Action Date: 31 May 2020</p>	<p>financial year. Thorough review will be undertaken prior to approval</p>	
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		<p>When approving the indigent support application, application is checked against the criteria which is total income per household. Where the applicant is not the same as the owner like in this instance, a death certificate is requested to establish the relationship between the applicant and the deceased.</p> <p>In light of the above, no revenue loss has occurred due to the fact that indigent support has been granted to households who earn below the set threshold.</p> <p>Management has taken steps to improve the indigent register so that it indicates both the owner of the property and the applicant.</p> <p><u>Finding C & D</u></p> <p>Management agrees. The indigent support is granted in terms of the application form received and the attachments accompanying the application form. The forms are then signed by ward Councillors who verifies the information on the application forms.</p> <p>Management has no available mechanisms to establish whether there are misrepresentations on the application that is why management relies on the</p>			
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		<p>strength of the ward councillor's signature as a community representative.</p> <p>An investigation will be made to against the individuals on the list to establish whether any false information was given on the application form; if it is so, the account will be adjusted accordingly.</p> <p><u>Finding E</u></p> <p>Management agrees. There are two different explanations regarding the debtors mentioned here</p> <p><u>C Hulley – KDS 23 & 24 (7002300 and 7002400).</u> The houses belonged to the late Clifford Hulley who died a long time ago, he left his two houses to his sons, Michael Dickson Hulley and Cannon Hulley. The house were never transferred to their individual names due to affordability but they became liable for all charges separately. They applied individually for indigent support for their respective houses. The identity number on the indigent register was duplicated in error, but there is no financial loss on the side of the municipality as both the beneficiaries are on government pension.</p> <p><u>Xulu BG- (7003800 and 7138800)</u></p>			
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		<p>This debtor has two houses and in terms of the Council's Indigent support, the debtor does not qualify for the indigent support.</p> <p>This account shall be adjusted accordingly as the debtor should not have qualified to receive the indigent support.</p> <p><u>Finding F</u></p> <p>Management agrees. The indigent support is granted in terms of the application form received and the attachments accompanying the application form. The forms are then signed by ward Councillors who verifies the information on the application forms.</p> <p>Management has no available mechanisms to establish whether there are misrepresentations on the application that is why management relies on the strength of the ward councillor's signature as a community representative. Further to this, there is no evidence that suggests that the debtors spouse received and income which is the above the indigent threshold.</p> <p>An investigation will be made to against the individuals on the list to establish whether</p>			
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	<ul style="list-style-type: none"> - Infrastructure – 415 095 difference - Community – (998 992) difference 	from the mSCOA implementation and the asset misclassification occurred in the general ledger. The general ledger will be amended accordingly	30 April 2020	<p>Management will ensure that monthly reconciliations are done between the FAR and the general ledger</p> <p>Thorough review of FAR will be undertaken as part of GRAP Compliant FAR preparation. Reliable Asset Management System will be procured.</p>	
19.	<p>Difference between AFS irregular expenditure and payment listing and creditors listing</p> <p>During the audit of the irregular expenditure note, the following difference was noted between the amounts as per the irregular expenditure register and the payment listing.</p> <ul style="list-style-type: none"> a) Alpha security – (95 876) difference b) Kentey amd templer – 79 389 difference c) Makhaotse – (12 092) difference d) Dlamindlovu – (4 911) difference e) Asande projects – 19 030 difference f) Asande projects – 9 349 difference g) Imvelo – (68 314) difference h) Dlamindlovu – (123 176) difference i) Ilifa – (94 766) difference j) FMA – 66 716 difference <p>This results in the irregular expenditure being understated by R224 652</p>	<ul style="list-style-type: none"> a) Disagree: The listing with the amount as per Schedule is attached b) Agree: Schedule will be revised accordingly c) The Difference is the amount that must still be reported to MPAC. AG's amount as per creditors listing is incorrect as it excludes the VAT portion d) The Difference is the amount that must still be reported to MPAC. AG's amount as per creditors listing is incorrect as it excludes the VAT portion e) Disagree: The difference between the Schedule and Creditors Listing is VAT portion. It should be noted that an amount that gets recorded on the Creditors Schedule is 	<p>Action Owner: CFO</p> <p>Action Date: April 2020</p>	<p>Root Cause / internal control deficiencies: Inadequate review of the irregular expenditure schedule against supporting documents to ensure accuracy and completeness prior to disclosing it to the AFS.</p> <p>Remedial Action Plan: UIFW Register will be compiled and reviewed by CFO on a monthly basis and included in the In Year Report</p>	

		<p>exclusive of VAT, however irregular expenditure amounts to the total amount paid including VAT</p> <p>f) Disagree: The difference between the Schedule and Creditors Listing is VAT portion. It should be noted that an amount that gets recorded on the Creditors Schedule is exclusive of VAT, however irregular expenditure amounts to the total amount paid including VAT</p> <p>g) The Difference is the amount that must still be reported to MPAC. AG's amount as per creditors listing is incorrect as it excludes the VAT portion</p> <p>h) Both the Schedule and amount per Creditors listing on this finding is incorrect, the Correct amount which was paid to the Consultant is R 239 167.87 the schedule will be revised accordingly.</p>			
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		<p>i) Both the Schedule and amount per Creditors listing on this finding is incorrect, the Correct amount which was paid to the Consultant is R 408 029.18 the schedule will be revised accordingly</p> <p>j) Disagree: The difference between the Schedule and Creditors Listing is VAT portion. It should be noted that an amount that gets recorded on the Creditors Schedule is exclusive of VAT, however irregular expenditure amounts to the total amount paid including VAT</p>			
20.	<p>Discrepancies on percentage of electricity losses calculated</p> <p>In accordance to MFMA circular No 71, the norm is between 7% to 10% and will be suspended by the sector determination. Contrary to the above, the percentage of the electricity losses disclosed on note 54 financial statement was incorrectly calculated and as per the recalculated percentages it has exceeded the norms of 7% to 10%.</p> <p>This results in electricity loss percentage being understated by 1.85%.</p>	Management agrees. This was due to the calculation error	<p>Action Owner: Director Engineering Services</p> <p>Action Date: Ongoing</p>	<p>Root Cause / internal control deficiencies: Miscalculation errors</p> <p>Remedial Action Plan: Management shall implement recommended controls to ensure that this error does not occur in future.</p> <p>Correct the formula of calculating the electricity distribution losses and correct the amount disclosed in the Annual Financial Statements accordingly.</p>	

21.	<p>Inadequate budgeting for roads infrastructure renewal and maintenance</p> <p>The guideline indicates that municipalities should allocate approximately 40 per cent of its capital budget to the renewal of existing assets and 8 per cent to operational repairs and maintenance of the municipality's Property Plant and Equipment (PPE).</p> <p>However, it was noted that the municipality's budget was inadequate to meet these percentage allocations requirements as the municipality budgeted 20% instead of 40% on renewal and upgrading of existing assets as percentage of the total capital budget and also budgeted 2.8% instead of 8% (i.e. BUDGET & MTREF 2018/2019, page 17 and 20).</p>	<p>Management notes the finding.</p> <p>National Treasury's MFMA circular No. 55 urges Municipal councils, Mayors and municipal managers to prioritise the allocation of budget to repairs and maintenance and Where the budgeted amounts for repairs and maintenance reflected on Table A9 are less than 8 per cent of the asset value (write down value) of the municipality's Plant Property and Equipment (PPE) as reflected in the municipality's annual financial statements, the municipality must provide a detailed explanation and assurance that the budgeted amount is adequate to secure the ongoing health of the municipality's infrastructure.</p> <p>The Municipality has an asset value of R800 million and 8% translates to R64 million which is 39% of the 2018/19 equitable share allocation. Since the promulgation of this circular the Municipality has never been able to afford to allocate 8%. Should the Municipality provide 8% of the PPE, monthly</p>	<p>Action Owner: Director Engineering Services</p> <p>Action Date: Ongoing</p>	<p>Root Cause / internal control deficiencies: Adequate oversight responsibility was not exercised over the preparation of the budget to ensure adequate budget is prioritised and allocated for the renewal and maintenance of road infrastructure in line with National Treasury percentage budgeting requirements.</p> <p>Remedial Action Plan: N/A</p>	
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		commitments to keep the Municipality running and provide basic service delivery would not be met and will result to community unrest.									
22.	<p>Planned Target not consistent with the APR target</p> <p>Section 41(c) of the Municipal Systems Act requires the IDP to form the basis for the annual report, therefore requiring consistency of objectives, indicators and targets between planning and reporting documents.</p> <p>It is also required in terms of the Municipal Financial Management Act circular 13 and FMPP1 that the key performance indicators and annual targets in the Service Delivery and Budget Implementation Plan and Annual Performance Report of the municipality should be consistent.</p> <p>The following reported indicator target for the Basic service delivery was not consistent when compared with the planned target in the approved revised Service Delivery and Budget Implementation Plan:</p> <table><tr><th>Planned indicator</th><th>Planned annual target in the SDBIP</th><th>Planned target as per APR</th></tr><tr><td>Date of construction of sport field (Kwabulawayo)</td><td>31 March 2019</td><td>30 March 2019</td></tr></table> <p>The annual report may be misstated.</p>	Planned indicator	Planned annual target in the SDBIP	Planned target as per APR	Date of construction of sport field (Kwabulawayo)	31 March 2019	30 March 2019	Agree with the finding, necessary adjustment will be effected on the APR	<p>Action Owner: N/A</p> <p>Action Date: N/A</p>	<p>Root Cause / internal control deficiencies: A PMS checklist was not developed to confirm the alignment and consistency of the targets between the SDBIP and APR.</p> <p>Remedial Action Plan: 100% alignment of the PMS Strategic documents to be reviewed during the mid-year for proper amendments</p>	
Planned indicator	Planned annual target in the SDBIP	Planned target as per APR									
Date of construction of sport field (Kwabulawayo)	31 March 2019	30 March 2019									

Table 107: Management Action Response to AGs Report

SUMMARY / PERCENTAGE RATE OF AGSA ACTIONS ACHIEVED:

The total number of AG Action Plans as a result of Audit Report issued for financial year ended 30 June 2019 were twenty two (22).	Dashboard Status	Action Ratio	Percentage achieved
	Achieved	8/22	36%
	Partially achieved	7/22	32%
	Not achieved	7/22	32%
	Not yet due	0/22	0%

14.20. Municipal Financial Viability and Management SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> The Municipality has -sound Capital Financing Strategies in place; Up to date, the Municipality has been able to meet its financial obligations with regards to payment and provisioning of Free Basic Services for Electricity and Refuse Removal; The Municipality has sound Revenue Enhancement and Protection Strategies in place; The Municipality Consumer Debt Position has remained at roughly the same level since 2008; The Municipality has sound Asset Management Strategies in place; The Municipality amended the SCM policies to provide for set asides for youth, women and people with disabilities 	<ul style="list-style-type: none"> The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality; Significantly high debt impairment emanating from poor collection mainly from traffic fines revenue as well as some significant debts owing by Government Departments and the balance by some households for more 120 days. Affordability of capital projects-original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2019/2020 budget and MTREF process
Opportunities	Threats
<ul style="list-style-type: none"> The construction of Revenue generating infrastructure (Full Testing Station, Storage Units, Parking Lots) Landuse Audit needs to be made to audit all land parcels to be charged rates according to landuse and magnitude) Expansion of the towns areas developing the local economy Investment Attraction Strategy/Capital Investment Framework Review the Indigent Register Amend and Implement Land Disposal Policy. Small Town Regeneration 	<ul style="list-style-type: none"> Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies. The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be a point where services will no longer be affordable; Ageing Infrastructure (Poor State of Roads) Dwindling Economy

Table 108: Municipal Financial Viability and Management SWOT Analysis

15. Good Governance and Public Participation

15.1. Good Governance Analysis

6.1.1. National and Provincial Programs rolled-out at Municipal Level

Operation Sukuma Sakhe

Umlalazi Municipality OSS Program was revived in 2016 after the new council was inaugurated in August 2016. The Office of Premier mobilized all the local municipalities in King Cetshwayo to revive their structures, in order to be able to re-establish the KCDM District Task Team. The new DTT was elected and inducted in August 2017 during the KZN OSS Cabinet in uMfolozi Municipality. The DTT is chaired by Department of Health District Acting Manager, secretariat is KCDM and all LTTs are chaired by municipal officials.

All 27 war rooms have been established at the ward level, this includes ward 21 which failed to establish its structure in the previous council. Executive committees were elected by & from the community members as guided by the KZN Office of the Premier. Previously government officials were chairpersons at ward level and it was changed to ensure that officials are able to account to the community. Officials now serve on LTT, DTT and PTT structures and provide mentorship to war rooms. uMlalazi LTT was re-launched on the 2nd of December 2016, agreed on an Interim Executive Committee that will lead the process to revive war rooms and enable time to mobile government departments to participate in the LTT activities.

- Chairperson – Mrs Bongani Sithole (uMlalazi Municipality)
- Deputy Chair – Nonhlahla Mkhwanazi (Department of Social Development)
- Secretary – Velemseni Manqele (uMlalazi Municipality)
- Deputy Secretary – Nothando Shange (Civil Society – KRCC)

Quarterly reports are submitted to the District through the LAC reporting template. The Municipality also receives donations of old furniture from KZN Office of the Premier that covers 10 war rooms. All war rooms also receive Laptops and 3Gs through the KZN Global Fund Project. The costs for the data will be cover by KZN Treasury. This is to ensure that War room activities in the ward are fully functional.

The municipality has recruited 27 HIV/War room Community Mobilisers through the municipal EPWP program and this has strengthen the functionality as they have the responsibility to facilitate meetings and provide administrative support. Monthly food parcels are distributed to families in need by the Ward Councillors as Champions of OSS. **Additional budget was allocated in the adjustment budget to enable us to keep the intervention until June 2018.**

KZN Global Fund Project

KZN Provincial Government received a Global Fund Grant to implement HIV and AIDS programs targeting young girls and women as they are most at risk of being infected with the deceased. Various studies showed that young girls between the ages 19 to 24 were more infected compare to their male peers. HIV prevention strategies seems to be in favor of males, which include Male Medical circumcision, male condoms are easily available compare to female condoms and there is an increase in sexual abuse of young girls in KZN (sugar daddies).

- Over 4000 girls and young women (age 19 – 24) have been recruited for the war rooms (no criteria- all young women to participate)
- Each participant will receive R350 per month, for attending the sessions that will be facilitated by Youth Facilitators. The program will also offer tertiary registration assistance to participants.
- Topics will include, HIV & AIDS; Self Esteem; Economic Develop etc.
- 27 Youth Facilitators have been recruited, process was led by the KZN Provincial Treasury & CINDI Network an NGO contracted by the Province to manage the programs.
- Salaries will be paid by the provincial government, but each facilitator must work in the War room and ensure that the structure is fully functional.

Overall Performance – War Rooms

The municipality has 27 functional OSS War Rooms and monthly seating Local Task Team which comprises of ward committee chairpersons, sector departments, civil society and war room facilitators. The LTT is chaired by the Director of Community Services and Public Safety. The overall performance of war rooms is generally satisfactory although there exist minor logistical challenges in their seating, however the LTT assists in facilitating the seating and attendance of stakeholders.

War Room Challenges

- 90% of the War room chairpersons are unemployed community members and require assistance with transport to attend LTT meetings
- Lack of War room venues.

- Inadequate furniture
- Non Branding of War Rooms

Batho Pele

The White Paper on the Transformation of the Public Service identifies transforming service delivery as one of eight national transformation priorities. This involves achieving service excellence through delivering services professionally, and in a courteous, efficient and cogent manner, which ensures predictable and affordable services to all citizens, all the time.

In terms of Chapter 4 section 17 (2) (a) of the Municipal Systems Act 32 of 2000, the Municipality maintains a reputation of aiming to deliver the highest quality of services. The Municipality's, systems and procedures allow for the establishment of mechanisms processes and procedures to enable local communities to participate in the affairs of the municipality and for this purpose provide for the receipt, processing and considering of petitions and complaints lodge by members of the local communities. Feedback mechanism are in place whereby citizens can communicate to the municipality when services are not being delivered in line with the expectation as espoused within the eight Batho Pele Principles. The Municipality has approved the Batho Pele Policy and Service Standard Charter and is being implemented as per above.

Batho Pele Policy

Batho Pele is understood to be an initiative that aims to get our municipal employees to be service oriented, to strive for excellence in service delivery and to commit to continuous service delivery improvement. It commits us, as uMlalazi Local Municipality, to be held accountable by our communities for the level of services we deliver. Therefore, we have to put our communities at the centre in delivering services. The uMlalazi Municipality recognises the need for the existence of Batho Pele and its importance as a service principle and it also acknowledges that a guiding philosophy in service delivery is to get all its employees to be service oriented, to strive for excellence in service delivery and to commit to continuous service delivery improvement.

The purpose of this policy is to enable the Municipal employees to deliver services in a customer focused way as stated in the Batho Pele national policy and ensure that the uMlalazi Municipality's systems, procedures and attitudes of its employees are reoriented in favor of service delivery.

The objectives of the uMlalazi Municipality Batho Pele Policy which was approved by the Council on 27 June 2017 are:-

- To have a customer - centered approach to service delivery
- To improve service delivery, with a shift away from inward-looking, bureaucratic systems, processes and attitudes as in increased commitment, personal sacrifice, dedication and a search for new ways of working which puts the needs of the public first, which are better, faster and more responsive to the citizen's needs.
- To make the employees of the uMlalazi Municipality more accountable to citizens
- To build effective relationships with the end users of public services (consultation)
- To apply high standards and professional ethics

Batho Pele Service Standard Charter

The uMlalazi Municipality as mandated by the Constitution of the Republic of South Africa, Act 108 of 1998 and other Local Government Acts commit to delivering excellent services to our people. In compliance to this, the uMlalazi LM has developed and adopted the SSC on the 27th of June 2017. To uMlalazi LM, putting people first is not an "add on" function to our daily task but a way in which we approach delivering services through an approach that places citizens first as customers. The Municipality is committed in the implementation of Batho Pele Principles through the implementation of the Service Delivery Charter

Service Delivery Improvement Plan

The uMlalazi Municipality recognizes the need to improve service delivery within specific service delivery key performance areas within the municipal area. Although the Service Delivery Improvement Plan has not been adopted by the municipality, specific targeted areas have been identified to be critical improvement areas, which will form part of the final SDIP.

The Municipality has identified the electrification service to be improved due to the numerous protest action being undertaken by the community as a result of some areas not being electrified. A SDIP is being compiled in this regard.

EPWP Phase 4

The Municipality has adopted the EPWP Phase 4 Policy on 03 March 2019. The purpose of the policy is to strengthen the existing interventions and introduce new ones and consequently offer set of priorities and recommendations as the way forward to turn the general concept of EPWP into action within the Municipality, thus aimed to reduce unemployment, provide poverty and income relief for the poor households by creating work opportunities through education and training and contribute to the overall development of the society at large. The policy is embedded within the Integrated Development Plan of the Municipality and the Municipality is promoting EPWP principles and re-structured its activities to facilitate and create greater employment opportunities per unit of expenditure.

His Worship the Mayor, Councilor T.B Zulu entered into an implementation Protocol Agreement with the Premier of the Kwa-Zulu Natal Province in respect of Phase 4 of the Expanded Public Work Program The purpose of the agreement is:

- To establish an agreed framework for cooperation and coordination between the parties
- To promote the objectives of the EPWP by increasing the number of full time equivalent work opportunities through mainstreaming the use of Labour-Intensive employment in the delivery of public infrastructure, goods and services in the municipality
- To confirm the municipalities' agreement and commitment to achieve the targeted number of full time equivalent work opportunities in the Municipality by 2014 as specified
- To promote EPWP incentive grants and incentivizes eligible Public Bodies in the Province to increase Labor-Intensive employment through EPWP projects and programs that maximize job creation
- To specify the institutional structures that will oversee, monitor and report on progress in implementation the EPWP and achieving the EPWP targets
- To provide for mutual assistance and support in respect of the programs and initiatives of the EPWP

EPWP Overall Co-Ordination Within The Municipality

EPWP cuts across all departments and units within the municipality. Each department makes a systematic effort to target the unskilled and unemployed and develop a plan to utilize their budget to draw significant numbers of the unemployed to productive work in, such a way that workers are given an opportunity to gain life and job specific skills while they work to increase their chances of getting out of the marginalized pool of unemployed people.

The EPWP Steering Committee and Responsibilities:

- Setting EPWP targets for each department and Sectors.
- Creating an enabling climate for the successful implementation of EPWP in EMM.
- Reporting to EXCO
- Program Monitoring and Evaluation
- Setting performance Standard
- Compiling EPWP Management Plan.
- Guide the execution of the EPWP, including project selection;
- Define Sector reviews;
- Facilitate communication among stakeholders; and

- Provide a baseline for progress measurement and program control.

EPWP uMlalazi Municipality Co-ordination Structure

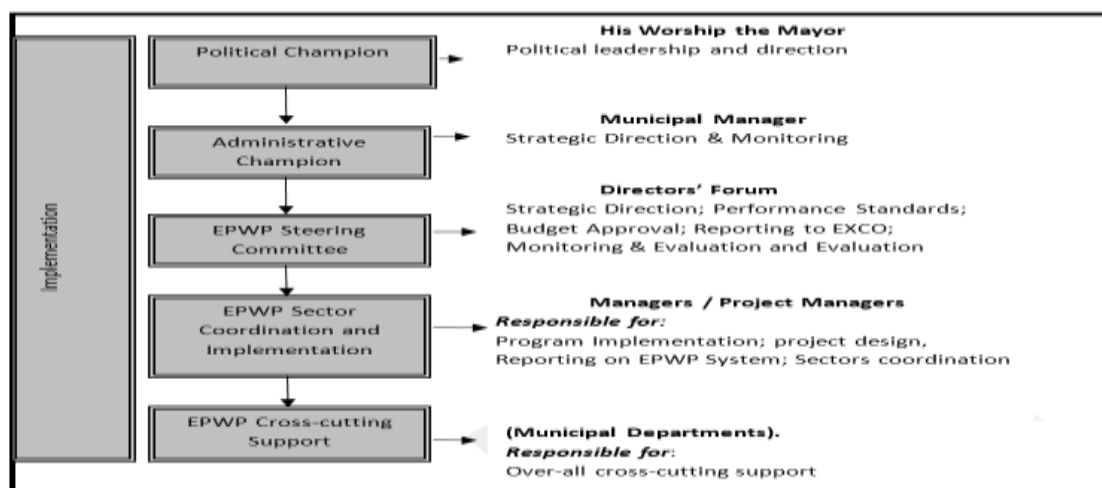


Figure 25: EPWP uMlalazi Municipality Co-ordination Structure

Sector Co-Ordination

Sector Coordinators are appointed by the Executive Committee through the Municipal Manager for each of the four sectors namely:

- Infrastructure Sector
- Environment and Culture Sector
- Social Sector; and
- Non State Sector

The appointed Sector Coordinator is at the Management Level and is responsible for:

- Keeping abreast with sector specific developments;
- Liaising and representing the Municipality on the relevant provincial EPWP Committees;
- Disseminating sector specific information to the dedicated EPWP Champions identified by each of the Departments.
- Sector coordinators are also responsible for programs design, implementation and reporting on EPWP System; and
- Monitor, evaluate and report on sector specific KPIs to the Head of Department.

Jobs Created Through EPWP

Financial Year	Work Opportunities (Jobs Created)	Full Time Equivalent
2015/16	1650	1585
2016/17	1650	661
2017/18	624	251
2018/19	741	217.1
2019/20	722	

Table 109: Job Creation through EPWP

6.1.2. Inter-Governmental Relations (IGR)

The Municipality has an IGR Officer appointed. IGR reports are submitted to Council quarterly on IGR forums attended by Municipal officials to monitor the effectiveness of IGR in the municipality. The Intergovernmental Relations Framework Act of 2005 provides for the establishment of a District Intergovernmental Forum for every district, giving effect to the goals and principles of intergovernmental relations and cooperative government as contained in Chapter 3 of the Constitution.

The municipality at local level the municipality has the following functional forums;

- IDP Stakeholder Representative Forum

➤ Housing Forum

Moving forward, the municipality will establish the following forums;

- Technical Forum (Roads, Electricity and Water)
- LED Forum

The KZN Department of Cooperative Governance and Traditional Affairs (KZN COGTA) provided assistance with the preparation of a Draft Mayoral Protocol for the King Cetshwayo District Mayor's Coordinating Forum. The Mayoral Protocol will serve as a Terms of Reference for the King Cetshwayo District Mayor's Coordinating Forum in order to promote Intergovernmental Relations within the District. The Mayoral Protocol provides a framework or guidance on the following matters of the King Cetshwayo District Mayors Coordinating Forum:

- Membership;
- Object of the Forum;
- Functions of the Forum;
- Referral of matters;
- Meeting of the Forum;
- Broad consultative meeting;
- Resolutions and their implementation;
- Settlement of Disputes;
- Technical support structure;
- Funding;
- Amendment of protocol
- the mayor of the King Cetshwayo District Municipality;
- the mayors of local municipalities in the District; and
- Socio-Economic partners and other stakeholders as may be invited by the District Mayor

District Forums/Provincial Forums

The municipality participates in the following forums;

Intergovernmental Relations Forum		
Forum	Frequency	Directorate
Premiers Coordinating Forum	Quarterly	Municipal Manager, Finance
Provincial IDP Alignment Meetings	Quarterly	Planning and Development
Provincial Skills Development Forum	Quarterly	Corporate Services
Provincial Service Delivery Forum	Quarterly	Planning & Development/ Engineering
Provincial Communicators Forum	Quarterly	Corporate Services
MUNIMEC	Quarterly	Municipal Manager
District MMs Forum	Quarterly	Municipal Manager
District Technical Alignment Forum	Quarterly	Engineering
Eskom Alignment meetings	Quarterly	Engineering
Coastal Working Group	Quarterly	Planning & Development
District Planning Forum	Quarterly	Planning & Development
DTAC	Quarterly	Performance Management
District Area Finance Forum (DAFF)	Quarterly	Finance
District Community Services Forum	Quarterly	Community Services
Corporate Services Forum	Quarterly	Corporate Service

Table 110: Provincial Forums the municipality is a part of

6.1.3. Municipal Structures

Council Representatives at King Cetshwayo District Municipality

The following councillors are representatives of uMlalazi Municipality in the King Cetshwayo District Council:

1. His Worship the Mayor: Councillor T B Zulu (ANC)
2. Councillor B P Simelane (ANC)
3. Councillor C T Dlamini (ANC)
4. Councillor N L Ngidi (IFP)
5. Councillor S S Cele (IFP)

Section 80 Committees

Financial Services Committee		
No	Councillor	Representing
1	CLlr T B Zulu	ANC
2	CLlr M M Khanyile	ANC
3	CLlr S Naicker	ANC
4	CLlr M H Qwabe	ANC
5	CLlr P T O Shange	ANC
6	CLlr I Woollatt	ANC
7	CLlr S B Larkan	IFP
8	CLlr M B Mthiyane	IFP
9	CLlr S F Mdletshe	IFP
10	CLlr S S Cele	IFP
Corporate Services Committee		
No	Councillor	Representing
1	CLlr B P Simelane	ANC
2	CLlr M M Khanyile	ANC
3	CLlr N N F Luvuno	ANC
4	CLlr N B Nkala	ANC
5	CLlr W P Mzimela	ANC
6	CLlr L B G Biyela	ANC
7	CLlr B N Shandu	IFP
8	CLlr B C Magwaza	IFP
9	CLlr I M Filand	IFP
10	CLlr M Govindsamy	IFP
Engineering Services Committee		
No	Councillor	Representing
1	CLlr M M Khanyile	ANC
2	CLlr M Z Nkwanyana	ANC
3	CLlr W L Ngema	ANC
4	CLlr S B Dlamuka	ANC
5	CLlr MT Ncanana	ANC
6	CLlr M Mbuyisa	ANC
7	CLlr S B Larkan	IFP
8	CLlr S V Chamane	IFP
9	CLlr S S Ntsele	IFP
10	CLlr B C Sithole	IFP

Community Services Committee (includes Protection)		
No	Councillor	Representing
1	CLlr M H Qwabe	ANC
2	CLlr M E Dlamini	ANC
3	CLlr N S Zulu	ANC
4	CLlr T V Jiyane	ANC
5	CLlr A B Dlamini	ANC
6	CLlr T E Ntsele	ANC
7	CLlr Q T Xulu	IFP
8	CLlr N L Ngidi	IFP
9	CLlr M M M Ntuli	IFP
10	CLlr M Dlodla	IFP
Planning and Economic Development Committee		
No	Councillor	Representing
1	CLlr C Gamede	ANC
2	CLlr E Z Jaffe	ANC
3	CLlr G S Mkhize	ANC
4	CLlr B L Zungu	ANC
5	CLlr B D Ngidi	ANC
6	CLlr H S Thango	ANC
7	CLlr S F Ngonyama	IFP
8	CLlr J K Powell	IFP
9	CLlr J T Magwaza	IFP
10	CLlr M M Ngema	IFP

Table 111: Section 80 Committees

Composition of the Executive Council

At the inauguration of the Municipal Council on the 18th of August 2016, Council resolved that the following Councillors will form part of the Executive Committee;

- | | | |
|----------------------------|---|-----|
| 1. Councillor T B Zulu | - | ANC |
| 2. Councillor B P Simelane | - | ANC |
| 3. Councillor C Gamede | - | ANC |
| 4. Councillor I Woollatt | - | ANC |
| 5. Councillor M M Khanyile | - | ANC |
| 6. Councillor M H Qwabe | - | ANC |
| 7. Alderman S B Larkan | - | IFP |
| 8. Councillor Q T Xulu | - | IFP |
| 9. Councillor J K Powell | - | IFP |
| 10. Councillor N L Ngidi | - | IFP |

Section 79 Committees

Audit and Performance Committee

The below members served on the Audit and Performance Audit Committee, Ms N Mchunu was appointed as a chairperson of the Audit committee.

Name	Designation
Ms N. Mchunu	Chairperson of Audit Committee, Member of Performance Audit Committee
Mr M. Dlamini	Member of Audit and Performance Audit Committee
Prof. T I Nzimakwe	Member of Audit and Performance Audit Committee

Ms. K Sewnarain	Member of Audit and Performance Audit Committee
Mr. J S Coetsee	Chairperson of Performance Audit Committee, Member of Audit Committee
Members contracts ended during the year under review	
Mr Z Zulu (Contract ended December 2018)	Chairperson of Performance Audit Committee, Member of Audit Performance Committee
Mr D. Bosch (Contract ended December 2018)	Member of Audit and Performance Audit Committee

Table 112: Members of the Audit and Performance Committee

Hereunder is the number of Audit and Performance Audit Committee meetings held in the 2018/2019 Financial Year :-

Name	No of Meetings	25/08/2018 Special meeting	26/11/2018	01/04/2019	23/05/2019
Ms N. Mchunu	3	✓	✓		✓
Mr Z Zulu	2	✓	✓		
Mr D. Bosch	2	✓	✓		
Mr M. Dlamini	2	✓	✓		
Ms. K Sewnarain	2			✓	✓
Prof. T I Nzimakwe	2			✓	✓
Mr. J S Coetsee	2			✓	✓

Table 113: Schedule of Audit and Performance Meetings.

The Committee members are remunerated for preparation and attendance of meetings in line with the National Treasury Regulation that regulate the remuneration of commission and committee and were reimbursed for expenses incurred for attending audit committee meetings.

Municipal Public Accounts Committee

Guidelines for the Establishment of Municipal Public Accounts Committees were issued jointly by Cooperative Governance and Traditional Affairs and National Treasury Departments during August 2011. The MPAC may engage directly with the public and consider public comments when received and will be entitled to request for documents or evidence from the Accounting Officer of a municipality or municipal entity.

The primary functions of the Municipal Public Accounts Committees are as follows:

- To consider and evaluate the content of the Annual Report and to make recommendations to Council when adopting an oversight report on the Annual Report;
- In order to assist with the conclusion of matters that may not be finalised, information relating to past recommendations made on the Annual Report, must also be reviewed. This relates to current in-year reports, including the quarterly, mid-year and Annual Reports;
- To examine the financial statements and audit reports of the municipality and municipal entities, and in doing so, the committee must consider improvements from previous statements and reports and must evaluate the extent to which the Audit Committee's and the Auditor General's recommendations have been implemented;
- To promote good governance, transparency and accountability on the use of municipal resources;
- To recommend or undertake any investigation in its area of responsibility, after reviewing any investigation report already undertaken by the municipality or the Audit Committee; and

- To perform any other functions assigned to it through a resolution of Council within its area of responsibility.
- The MPAC reports to Council, at least quarterly, on the activities of the Committee which will include a report detailing its activities of the preceding and current financial years, the number of meetings held, the membership of the committee and key resolutions taken in the annual report.
- Municipal Public Accounts Committee (MPAC) is established instead of the Standing Committee on Public Accounts (SCOPA).

The structural composition of the committee is as follows;

Municipal Public Accounts Committee (MPAC)		
No	Councillor	Representing
1	CLlr E Z Jaffe	ANC
2	CLlr P T O Shange	ANC
3	CLlr G S Mkhize	ANC
4	CLlr J C Erasmus	IFP
5	CLlr S G Mbambo	IFP

Table 114: Composition of MPAC

Bid Committees

In terms of Section 112(1) of the Local Government Municipal Finance Management Act 56 of 2003 the supply chain management policy of a municipality must be fair, equitable, transparent, competitive and cost-effective and comply with a prescribed regulatory framework for municipal supply chain management.

In terms of Section 26 (1) (a) (i) to (iii) of the uMlalazi Supply Chain Management Policy the Accounting Officer is required to establish a committee system for competitive bids consisting of : -

- (i) A Bid Specification Committee;
- (ii) A Bid Evaluation Committee; and
- (iii) A Bid Adjudication Committee;

Composition of Bid Committees

Regulation 27(3) – BSC : A BSC Must be composed of one or more officials of the municipality, preferably the manager responsible for the function involved, and may when appropriate, include external specialist advisors.

Regulation 28 (2) (a) & (b) BEC: A bid evaluation committee must as far as possible be comprised from departments requiring the goods and services and at least one SCM practitioner of a municipality.

Regulation (2) (i) to (iii) – BAC: A Bid adjudication committee must consist of at least four senior managers of the municipality, which must include:

- The Chief Financial Officer or if the Chief Financial Officer is not available another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer.
- At least one senior supply chain management practitioner who is an official of the municipality, and
- A technical expert in the field which is an official of the municipality

In view of the above and noting the regulations, the following officials have been appointed to represent the uMlalazi Council on the aforementioned Committees: -

(Note: Quorum is made by at least 50% +1. It should be noted that this committee may when appropriate, include external specialist advisors for technical matters.)

Bid Specification Committee

No	Name of Member	Designation	Department	Capacity
1.	Mbuso Dlamini	Senior Manager Engineering (Civil)	Engineering Services	Member
2.	Jaap LeGrange	Senior Manager Engineering (Elec)		Chairperson
3.	Khulekani Nxumalo	Manager Finance (Revenue)	Financial Services	Member
4.	Siphephelo Khumalo	Manager IDP	Planning & Development	Member

5.	Silungile Maphumulo	SCM Practitioner	Financial Services(SCM)	Member
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Table 115: Bid Specification Committee

Bid Evaluation Committee

No	Name of Member	Designation	Department	Capacity
2.	Futhi Mahaye	Senior Manager Community Services	Community Services	Member
3.	Skhumbuzo Mbuyazi	Deputy CFO	Financial Services	Member
4.	Mthokozisi Ngubane	Town Planner	Planning and development	Member
5.	Siphesihle Zungu	PMU Manager	Engineering Services	Member

Table 116: Bid Evaluation Committee

Bid Adjudication Committee

No	Name of Member	Designation	Department	Capacity
1.	Zakhele Mhlongo	Chief Financial Officer	Financial Services	Chairperson
2.	Khulekani Zulu	Director Engineering Services	Engineering Services	Member
3.	Daliso Zulu	Director Planning and Development	Planning and Development	Member
4.	Bongani Sithole	Director Community Services	Community Services	Member
5		Director Engineering Services	Engineering Services	Member

Table 117: Bid Adjudication Committee

No.	Support Committees	No of Councillors	Councillor nomination
1.	Local Labour Forum (LLF)	5	1. Cllr C T Dlamini 2. Cllr W L Ngema 3. Cllr N N F Luvuno 4. Cllr M G Ntuli 5. Cllr N G Ntuli
2.	Councillor Development and Skills Training Committee	5	1. Cllr C Gamede 2. Cllr B P Simelane 3. Cllr B L Zungu 4. Cllr Q T Xulu 5. Cllr M Govindsamy
3.	Employment Equity Committee	5	1.Cllr H S Thango 2.Cllr W L Ngema 3.Cllr M T Ncanana 4. Cllr M Dludla 5. Cllr J T Magwaza
4.	Geographical Name Changing Committee	5	1.Cllr M M Khanyile 2.Cllr P T O Shange 3.Cllr G S Mkhize 4. Cllr B C Sitole 5. Cllr B C Magwaza
5.	Co-Operative Relations Committee	3	1.Cllr T B Zulu 2.Cllr B P Simelane 3.Cllr B L Zungu

Table 118: Support Committees

IDP/Budget/PMS Technical Steering Committee (MANCO)

The IDP Steering Committee is a strategic and technical working team making technical decisions and inputs that must ensure a smooth planning, compilation and implementation of the IDP. The IDP Steering Committee has been operational since the inception of the IDP preparation process. The IDP Steering Committee and the Stakeholder Forum will be reconstituted for the preparation of the IDP process. As part of the IDP review and budget formulation process, the Steering Committee which supports the Municipal Manager's offices, IDP and the Budget Office.

The Composition of the IDP Technical Steering Committee is as follows;

Chairperson	: Municipal Manager / Manager IDP	
Secretariat	: Municipal Officials	
Members	: Municipal Manager	- Mr. R Mnguni
: Chief Financial Officer		- Mr. Z Mhlongo
: Dir. Corporate Services		- Mr. KB Zulu
: Dir. Engineering Services		-
: Dir. Community Services		- Mrs. B. Sithole
: Dep. Chief Financial Officer		- Mr. S Mbuyazi
: Snr. Manager: Legal Adviser		- Mr. X Mzobe
: Snr. Manager Community Services		- Ms. F Mahaye
: Snr. Manager Corporate Services		- Ms. B. Mkhwanazi
: Snr Manager Engineering (Electr)		- Mr. JE Le Grange
: Snr Manager Engineering (Civil)		- Mr. M Dlamini
: Chief Fire Officer		- Mr. X Blose
: Snr Manager SCM		- Mr. S. Duma
: Snr Manager Finance (Expenditure)		- Mr. K Mnguni
: Snr Manager Finance (Income)		- Mr. K Nxumalo
: Snr Manager Human Resources		- Mr. T Mthethwa
: Manager Office of the Mayor		- Mr. S. Ndhlovu
: Manager Office of the Speaker		- Mr. S. Mhlongo
: Manager Communications		- Mr. M Buthelezi
: Manager Performance		- Mrs. P Chetty
: Manager Community Services		-
: Manager Internal Audit		- Mr. S Ngema
: Manager Environmental Services		- Mr. A Phiri
: Manager ITC		- Ms. Z. Fakude
: Manager LED		- Ms. K Mthiyane
: Manager Housing		- Mr. B Buthelezi
: Manager IDP		- Mr. S Khumalo
: Superintendent Traffic		- Mr S Mcithi
: Senior TRP		- Mr. M Ngubane
: Senior BCO		- Ms. P Ngema

The terms of reference for the IDP and Budget Steering Committee are as follows:

The IDP TSC will perform the following functions:

- Commission activities necessary as may be required for the successful compilation of the IDP;
- Information sharing and strategic assimilation of departmental plans :
- Inputs from subcommittees;
- Inputs from provincial sector departments and support providers;
- Processes, summarise and document outputs.
- Makes content and technical recommendations;
- Prepare, facilitate and documents meetings;
- Facilitate control mechanisms regarding the effective and efficient implementation, monitoring and amendment of the IDP;

- Ensure coordination and integration of sectorial plans and projects; and
- Ensure that the municipal budget is in line with the IDP.
- Ensure IDP milestones are carried to completion by a responsible management structure.

The IDP Steering Committee has no decision-making powers, but act as an advisory body to the IDP Representative Forum and Council. The IDP Steering Committee meets quarterly.

6.1.4. Status of Policies

The following table indicates policies that have been adopted by council and in place;

POLICY	FILE REF	SECTION	EXCO ADOPTION	REVIEW DATES
Pool Motor Vehicle Policy	3/3/1	General	07 Feb 2012	
Office Bearers Security Services Policy	3/3/2	General	16 Feb 2012	
Whistle Blowing Policy	3/3/3	General	07 Feb 2012	
Risk Management Policy	3/3/4	General	07 Feb 2012	
I T Policy	3/3/6	General	07 March 2012	
Communication Plan Policy	3/3/21	General	05 June 2013	
Records Management Policy	3/3/25	General	02 October 2013	
Informal Economy Policy	3/3/26	General	02 October 2013	
Expanded Public Works Policy (LLF 29 Jan 14)	3/3/33	General	05 March 2014	
Budget Policy	3/3/7	Finance		Council 30 May 2013
S & T Allowance Policy	3/3/8	Finance	08 Oct 2012	
Supply Chain Management	3/3/9	Finance		EXCO 05 June 2013
Bad Debt Write off and Impairment of Debts Policy	3/3/10	Finance	30 May 2013	
Credit Control and Debt Collection Policy	3/3/11	Finance		Council 30 May 2013 Council 29 May 2014
Indigent Policy	3/3/13	Finance		Council 30 May 2013
Funding and Reserve Policy	3/3/14	Finance	30 May 2013	
Borrowing Policy	3/3/15	Finance	30 May 2013	
Investment and Cash Management Policy	3/3/17	Finance		Council 30 May 2013
Tariff Policy	3/3/18	Finance	01 June 2007	Council 30 May 2013
Property Rates Policy	3/3/20	Finance		Council 29 May 2014
Leave Policy and Procedures Policy	3/3/5	Human Resource	03 April 2013	
Rewards, Gifts and Favours Policy	3/3/12	Human Resource	08 May 2013	
Bursary Policy for Council Officials	3/3/16	Human Resource	19 Sept 2012	
Training and Development Policy	3/3/19	Human Resource	06 July 2010	
Scarce Skills Policy (LLF 17 July 13 & 23 Sept 14)	3/3/23	Human Resource	05 November 2014	
Staff Retention Policy (LLF 17 July 13)	3/3/24	Human Resource	21 August 2013	
Voluntarism and Internship Policy (LLF 29 Jan 14)	3/3/28	Human Resource	05 March 2014	
Occupational Health and Safety Policy (LLF 29 Jan 14)	3/3/29	Human Resource	05 March 2014	

POLICY	FILE REF	SECTION	EXCO ADOPTION	REVIEW DATES
Protective Clothing (LLF 29 Jan 14)	3/3/30	Human Resource	05 March 2014	
Dress Code Policy (LLF 29 Jan 14)	3/3/31	Human Resource	05 March 2014	
Employee Assistance Policy (LLF 29 Jan 14)	3/3/32	Human Resource	05 March 2014	

Table 119: Council Policies

6.1.5. Risk Management

The Municipal Finance Management Act ("MFMA") assigns extensive responsibilities to Accounting Officers/Municipal Managers. These responsibilities include ensuring that the organisation under their control has effective, efficient and transparent systems of financial and risk management and internal control.

Enterprise Risk Management (ERM) forms a critical part of any institution's strategic management. It is a process whereby an institution both methodically and intuitively addresses the risks attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of activities. ERM is therefore recognized as an integral part of sound organizational management and is being promoted internationally and in South Africa as good practice applicable to the public and private sectors.

The underlying premise of risk management is that every government body exists to provide value for its stakeholders. Such value is based on the quality of service delivery to the citizens. All institutions face uncertainty and the challenge for management is to determine how much uncertainty is the institution prepared to accept as it strives to grow stakeholder value. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value. Value is maximized when management sets objectives to strike an optimal balance between growth and related risks, and effectively deploys resources in pursuit of the institution's objectives.



Figure 26: Risk Categories

Main Risk Categories	Examples	Main Mitigation Measures
Strategic risk	<ol style="list-style-type: none"> 1. Political changes or change in system of government or policies particularly as our system in South Africa is based on proportional representation which means political parties and political alignments are more profound. 2. Faction fighting 3. Forceful and grabs 	<p>Hard to predict or quantify, this can be addressed through:</p> <ol style="list-style-type: none"> 1. Environmental scanning, scenario development and simulation. 2. Ensuring that service delivery and people's needs surpass political affiliation and subjectivity. 3. Maximize public participation in matters of local government. 4. Effective strategic management.

Main Risk Categories	Examples	Main Mitigation Measures
		<ol style="list-style-type: none"> Capacity building for all stakeholders. Passing appropriate by-laws and ensuring there is rule of law. Development of strategic response to each alternative scenario. Development of conflict resolution skills.
Financial risk Risk pertaining to corruption, solvency, profitability and liquidity	<ol style="list-style-type: none"> Fraud and corruption Market risks Interest rates Equity prices Transfer risk Political risk Crime Economic risk Liquidity risk Rates or rent boycott Failure to collect rates and municipal taxes Failure to collect monies from municipal creditors. 	<ol style="list-style-type: none"> Application monitoring of policies and plans such a fraud and corruption plan. Proper implementation and monitoring of the Acts such as the Municipal Finance Management Act early warning system An effective and efficient justice system at local level. Collaborative efforts in combating crime such as developing the capacity of ward committees, financial committees and policing forums. Transparent procurement system.
Operational risks Failures of operational effectiveness or service delivery in municipal operations due to inadequate internal processes or ineffective response to external challenges.	<ol style="list-style-type: none"> Poor performance in critical KPA. Dissatisfaction of residents with service delivery which might lead to protests and even violence. Councilors who are not accountable. Not adhering to the Batho Pele principles No clear roles and functions of municipal stakeholders. Political interference in service delivery. lack of cooperation between the municipality and other spheres of government including the District Municipality 	<ol style="list-style-type: none"> Application and monitoring of performance managements systems within the municipality. Development of mechanisms and systems of involving the community in matters of governance and decision making at local level such as ward committees, project committees. Communication internally and externally improved. Capacity building regarding roles, function, and responsibility of each municipal stakeholder. Enforce adherence to the code of conduct by both councilors and officials. Making the IDP development and the budgeting processes a community driven process. Improve intergovernmental relations. Adherence to the Municipal Financial management systems and sound financial practices. Good governance principles such as accountability and transparency, openness, responsiveness and so on Informing the public about what quality and standard of service to expect. Ensuring that public meetings to update communities about development are held regularly.
Project and program risks Risk within specific projects, involving technology, human behavior and external threats.	<ol style="list-style-type: none"> Risk of technology failure. Strikes Project personnel that does not have appropriate skills to deliver. Failure to complete the project Project is of low standard, and it is difficult to retrieve municipal monies used. The procurement process was not open and transparent. There is no buy in or ownership of the project by the community. 	<ol style="list-style-type: none"> Effective strategic planning, incorporating internal and external stakeholders. Ensuring alignment of the project to the IDP. Open and transparent procurement system. Formation of project committees. Project steering committees to be well versed with their roles functions and responsibilities. Ensuring that the service provider provides quality service. Proper project budgeting. Accountability, transparency, monitoring and constant reporting regard project progress.

Main Categories	Risk	Examples	Main Mitigation Measures
		8. The project is not based on the real needs of the people, and thus does not address the real needs of the people. 9. Lack of cooperation and good working relationship between the municipality and different government departments. 10. Budgetary constraints 11. The project is not aligned to the IDP	9. Use of local resources.

Figure 27: Unpacked Risk Categories

Top 20 Residual Risks Per Department

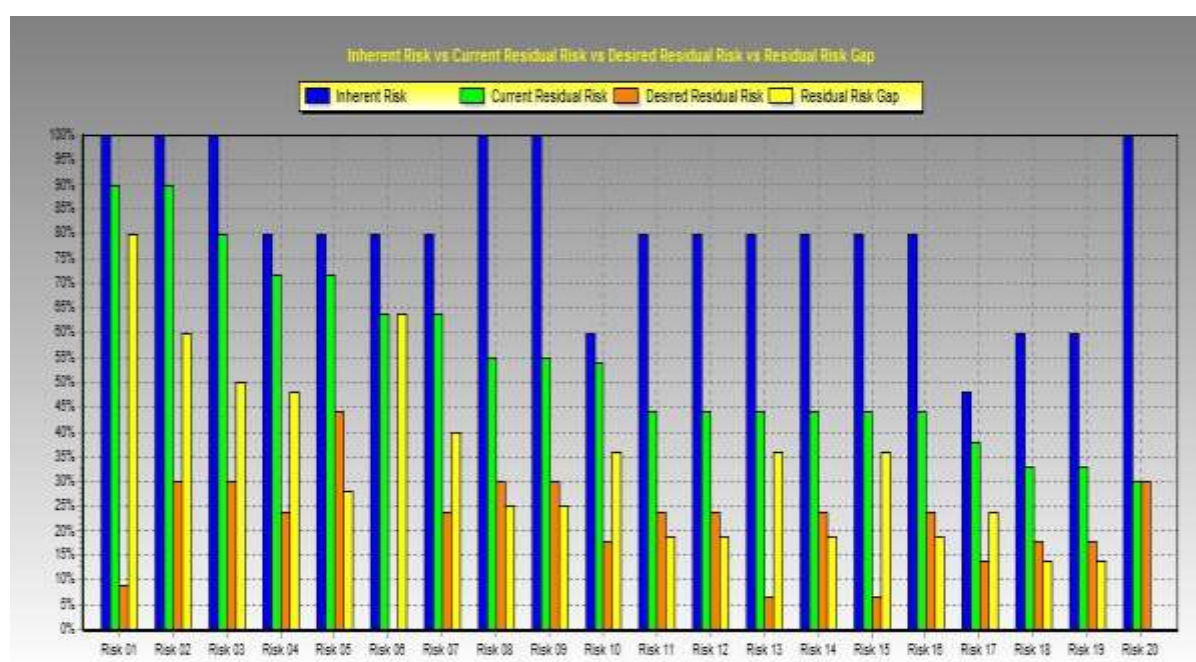


Figure 28: Bar Graph (Top 20 Residual) per Department

- Risk 01. Municipal Transformation and Organisational Development : Registry/Records
- Risk 02. IT - Disaster Recovery Plan
- Risk 03. Burial Records
- Risk 04. Inadequate Access Controls
- Risk 05. Service Delivery : Planning Development
- Risk 06. Supply Chain Management
- Risk 07. Business Support: Website Management * IT
- Risk 08. IT - Information Security
- Risk 09. Good Governance and Public Participation
- Risk 10. Financial Management: Expenditure Management
- Risk 11. Records Management
- Risk 12. IT - Physical Access and Environmental Controls
- Risk 13. IT- Asset Management
- Risk 14. IT - Incident Management
- Risk 15. Human Resource: Leave Management
- Risk 16. Service Delivery: Provision of Maintenance
- Risk 17. Swimming Pool
- Risk 18. Business Support: Fleet Management

- Risk 19. IT - User Account Management - Critical Systems
- Risk 20. Community Development: Disaster Management

Risk Management Committee

uMlalazi Municipality has established Risk Management Committee according to King IV report Principles Chapter 4: The Governance of Risk, PFMA s 38(1)(a)(i) and 51(1)(a)(i), MFMA 62(1)(c)(i) and 95(c)(i) and National Treasury Public Sector Risk Management Framework.

The Municipality annually prepares the Risk Implementation Plan which assist the Risk Management Committee in the preparation of the risk management and in giving effect to the implementation of the risk management policy and framework and set out all risk management activities planned for the financial year. The risk management implementation plan should be approved by the Risk Management Committee prior to Audit Committee and Executive Committee submission.

The uMlalazi Risk Management Committee constitute of all Heads of Departments and chaired by the Accounting Officer , and the Committee seats Quarterly to review and discuss amongst other issues the :-

- Municipal Enterprise Risk Management Framework
- Annual and Quarterly Risk Registers
- Annual and Quarterly Fraud Risk Registers
- Risk Management Policy
- Risk Management Strategies
- Approval and monitoring of progress of the Risk Management Implementation plan

6.1.6. Municipal Bylaws

NO	DATE OF ADOPTION	BY-LAWS	PROMULGATION DATE
	E = EXCO C = COUNCIL		
1	E – 04/02/08 C – 25/03/08	Advertising By-laws	09/04/09
2	E – 05/05/03 C - 29/09/03	Aerodrome By-laws	04/03/04
3	E – 04/07/05 C - 26/09/05	Beaches By-laws	11/03/10
4	E – 03/02/03 C - 24/03/03	Caravan Park By-laws	10/07/03
5	E – 03/02/03 C - 24/03/03	Cemetery and Crematorium By-laws	10/07/03
6	C – 28/03/14	Credit Control and Debt Collection By-laws	Due
7	E – 04/04/08 C - 07/04/08	Delegation of Powers By-laws	11/03/10
8	E – 04/07/05 C - 26/09/05	Electricity By-laws	11/03/10
9	E – 04/07/05 C - 26/09/05	Encroachment By-laws	11/03/10
10	E – 01/08/05 C - 26/09/05	Environmental Health By-laws	11/03/10
11	E – 04/07/05 C - 26/09/05	Fire Prevention By-laws	09/10/08
12	E – 03/10/05 C - 12/12/05	Financial By-laws	11/03/10
13	C - 27/02/07	Finance Rates By-laws	11/03/10
14	E – 05/05/03 C - 29/09/03	Funeral Undertaker By-laws	04/03/04
15	E – 03/02/03 C - 24/03/03	Lease of Halls and Conference Facilities By-laws	10/07/03
16	E – 01/08/05 C - 26/09/05	Keeping of Animals By-laws	11/03/10
17	C - 26/03/07	Motor Vehicle and Traffic By-laws	11/03/10
18	E – 04/07/05 C - 26/09/05	Municipal Public Transport By-laws	11/03/10

19	E - 07/06/04 C - 28/06/04	Nuisance By-laws	11/11/04
20	E - 04/07/05 C - 26/09/05	Parking By-laws	11/03/10
21	E - 05/02/07 C - 26/03/07	Pound By-laws	11/03/10
22	E - 05/05/03 C - 29/09/03	Public Amenities By-laws	08/04/04
23	E - 04/07/05 C - 26/09/05	Public Roads By-laws	11/03/10
24	E - 07/08/06 C - 26/09/06	Refuse By-laws	11/03/10
25	E - 04/07/05 C - 26/09/05	Street Trading By-laws	11/03/10
26	E - 04/07/05 C - 26/09/05	Storm Water Management By-laws	11/03/10
27	C - 28/13/2017	Standing Rules and Orders	20/04/17

Figure 29: Municipal Promulgated Bylaws

15.2. Public Participation

The uMlalazi Communication Plan

The uMlalazi Communication Plan was completed in 2007 and subsequently revised in 2018.

The Objectives of the Communication Plan are:

Public Education

- To educate the community about the roles, functions and processes of Council.
- To develop and maintain correct public perception on government delivery.
- To forge links with the media.
- To educate the people about their rights and obligations, more especially, on the kind and quality of services they are entitled to, and understand why they have to pay for these services.
- To inform the community about the kind of services provided by the municipality vis-a-vis those delivered by the provincial and government, and the costs thereof.
- To enhance communication between the three spheres of government and all the stakeholders.

Public Participation

- To inform the community about the resolutions and programs of Council.
- To foster healthy relations with the communities so that they identify with Council.
- To encourage public involvement in the *activities of the municipality.
- To produce an informed and responsive citizenry capable of making a meaningful contribution to the work of Council.
- To ensure that the community is at the center of developmental programs of their local government.

Performance Management

- To improve communication and efficiency within Council.
- To show case (exhibit) the achievements of the municipality.
- To receive and provide feedback (evaluation) about municipal programs.
- To reassure people that Council cares and works hard to solve their problems.

Marketing/Branding

- To position the uMlalazi Municipal Council as a professional organization.
- To improve the corporate image of Council.
- To brand uMlalazi Municipality as a premier destination for leisure, business and residence.

- To market the municipal area to current and potential residents, tourists and investors.

The following structures have been established to ensure effective and efficient public participation in the development matters of the municipality;

Structure	Status
IDP Representative Forum	Functional
Road Shows	Functional
Ward Committees	Functional
OSS War Rooms	Functional
Izimbizo	Functional
Municipal Website	Functional
Ward-based Planning forum	Still to be established

Table 120: Public Participation Structures

Other mechanisms the municipality uses for public participation are the following;

- Bi annual New Letters
- Social Development Forums (Men and Woman's Forum, Disability Forum, Youth Summit)
- Cllrs ward meetings

15.3. Good Governance SWOT Analysis

Strengths

- Effective Council established and sits according to schedule
- All committees (Bid and Council) are functional.
- Committed staff and Councilors
- Established and functional Ward Committees
- Bylaws and Policies in place
- OSS Ward Rooms are functional in all wards (LTT sits monthly)
- Municipality has developed a Batho Pele Policy and Service Standards Charter
- Audit and Performance Committees have been established and sits as per schedule.

Weakness

- Internal Audit vs External Audit: The Challenge is that in the Municipalities there is a perception that IA is responsible for any findings or unfavorable External Audit Report Cascading of Individual Performance
- Currently individual performance evaluations are only applicable to Section 54A and 56 Managers.
- Staff capacity – legal services. The department is operating with only 1 staff member being the legal advisor.
- Unavailability of vehicles to undertake Public participation activities effectively
- Office space - The Public participation office and communication office offices are congested
- Function of Batho Pele incorrectly placed under legal services
- Filling of vacant posts in communication department
- No succession plan in place

Opportunities

- Capacitate MANCO on the functions of Internal Audit
- Performance Management to be cascaded to all employees
- Job Evaluations
- Development of SDIP
- Construction of a Civic Center

Threats

- Interfering with the independence of Internal Audit functions and roles.

- Budgetary Constraints
- Lack in capacity to enforce all Bylaws
- No succession plan in place
- Poor risk management
- Service delivery protests

15.4. Combined SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ➤ Availability Of Developable Land ➤ Political Stability (Stable Council) ➤ Adopted Organogram ➤ Introduction To Fleet Management System ➤ LMs Proximity To The Dube Trade Port ➤ Fresh Produce Market (in Mhlathuze) ➤ Policies And Bylaws In Place ➤ Good Governance ➤ Financially Viable ➤ Skilled Labour ➤ 85% Households Electrified ➤ Service Delivery Orientated ➤ Tourism (Heritage) ➤ Libraries ➤ Youth Business Advisory Center ➤ Merging of Departments 	<ul style="list-style-type: none"> ➤ Poor State of Municipal Infrastructure ➤ Insufficient Revenue Sources ➤ Insufficient Infrastructure Maintenance ➤ MIG Expenditure ➤ Monitoring Service Providers ➤ Lack of Resources ➤ Poor Planning ➤ Insufficient Human and Technical Capacity ➤ Financial Constraints ➤ Lack of Development Plans (Dormant Development) ➤ Communication Channels ➤ Lack of Office Space ➤ Continuation of Approved Development ➤ Indefinite Lease Periods & Rentals ➤ Unfunded Posts on Organogram Insufficient Fleet ➤ Poor Work Ethics ➤ Dependency On Grants For Infrastructural Development
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ➤ Strategic Location ➤ Agriculture Potential ➤ 17km Coastline/ Coastline Development ➤ Active Youth ➤ Mining Potential ➤ Good working relationship with AmaKhosi ➤ Utilization of Available Land for Economic Growth ➤ Set Aside Policy ➤ LM is Attractive to Investors ➤ Job Opportunities through Agriculture and Tourism ➤ Rich Cultural History Heritage & Culture ➤ Sugar Cane Plantations ➤ Major Transport Route ➤ Oranges & Grapefruit Plantations ➤ Beach Development Tourism ➤ Nodal Development (Precinct Plans) ➤ Logistics Hub Potential ➤ Industrial Development 	<ul style="list-style-type: none"> ➤ Drought ➤ Bulk Infrastructure Electricity Losses ➤ Affordability Of The Community ➤ Mscoa Implementation ➤ Unfunded Mandates ➤ Undulating Topography in Rural Areas Municipality ➤ Large Number Of Indigents ➤ Crime ➤ Vandalism Of Infrastructure ➤ High Unemployment Rate ➤ Service Delivery Protests ➤ Political Interference ➤ Bulk Services ➤ Lack Of Funding ➤ Disasters ➤ Security Within The Municipality ➤ Fragmented Development ➤ Lack Of Infrastructure Development For Tourism/Heritage & Culture

Table 121: Combined Organisational SWOT Analysis

SECTION D: MUNICIPAL VISION, GOALS AND OBJECTIVES

16. MUNICIPAL VISION

“A model municipality for community empowerment and provision of services by a transformed institution in an area where everyone lives in harmony by 2035”

As part of the revision of the long term vision for the municipality, inevitably the mission will also be amended to be in line with the new proposed vision. Below are the commitments, in the form of mission statements, in which the municipality proposes to adopt;

Mission Statements

Create sustainable and better services for all;

Ensure a skilled, motivated and committed workforce;

Create mutual trust and understanding between the municipality and the community through effective communication;

Emphasize better usage of resources;

Provide infrastructure and build investor confidence;

Enhance Batho - Pele principles and B2B pillars;

Create a safe environment for all;

Improve the Green Economy of our community by partnering with all stakeholders to create clean & safe place where people live and work;

Ensure effective land use management that take cognizance of sound environmental practices;

Enhance good governance through leadership excellence & community participation;

Facilitate institutional transformation;

Ensure continued sound financial management;

Provide services to the entire community with diligence and empathy; and

Apply good and transparent corporate governance to promote community prosperity

17. GOALS, OBJECTIVES AND STRATEGIES

Key Performance Area	1: Financial Viability and Management
Strategic Goal	1. To have and maintain adequate capacity and capital to support municipal operational, infrastructure and basic services needs as well as healthy financial reserves for emergency purposes
Strategic Objective	1. To promote a culture and environment of responsible, rational and lawful financial management practices and processes to be able to sustainably provide municipal services and survive during financial crisis by 30 Jun 2030
Functional Objective	Strategic Activity
1.1 Improve revenue generation for effective support of municipal functions	1.1.A: Provide timely and accurate billing accounts to all registered consumers by improving meter reading and statement delivery
	1.1.B: Create a digital web-based interactive self- service portal
	1.1.C: Dedicate debt service clerks to remind and facilitate payments of debts
	1.1.D: Appoint a panel of 3 collection agents at risk for 10% collection fee which must be charged back to consumers accounts
	1.1.E: Conclude protocol agreements with Eskom and KCDM for disconnection of services
	1.1.F: Develop a system and designate local Peace Officers to curb electricity losses through theft
	1.1.G: Sign agreement with Ingonyama Trust and review rates Bylaws and VGR to include businesses within Ingonyama Trust land
	1.1.H: Develop master plan for development of unused or underutilized land to expand revenue base
	1.1.I: Implement controlled parking meter system within all 3 major towns' CBD
	1.1.J: Establish municipal facility, tariffs, procedures and Bylaw for Vehicle Pounding
	1.1.J: Develop tourism and heritage assets revitalisation and revenue optimization plan
	1.1.K: Install digital billboards and monitor outdoor advertising
	1.1.L: Review rates, charges and tariffs policies and by-laws to include all community halls and facilities
1.2 Streamline budget management processes to eliminate irregular, fruitless and avoidable expenses whilst improving rate of expenditure and audit outcomes	1.2.A: Develop practice note with measures to prevent opportunistic fruitless expenditure
	1.2.B: Develop practice note to prevent and deal with unauthorised expenditure
	1.2.C: Improve rate of expenditure in line with an approved or adjusted budget
	1.2.D: Develop practice note for consequence management for irregular, fruitless expenditure and underspending
	1.2.E: Develop practice note for consequence management for failure or delays in responding to audit queries
	1.2.F: Review and implement comprehensive Delegations of Authority covering office bearers, committees and administration
1.3 Ensure supply chain practices enable effective and timely service delivery and promotes radical local economic development	1.3.A: Develop strategy for sub-contracting to ensure proper implementation of set-asides for local contractors and SMMEs
	1.3.B: Review the SCM policy to allow for ring-fencing of contract classes for local SMMEs and cooperatives owned and managed by youth, women and by people with disabilities
	1.3.C: Develop practice note for effective management and monitoring of service providers
	1.3.D: Retrain bid committees on proper application of SCM policies and adjudication of bids including consequences for recommending unsuitable non-compliant contractors
	1.3.E: Develop practice note for procurement plans approval and timely implementation
1.4 Enhance internal controls environment for effective management, prevention and dealing with financial and operational risks	1.4.A: Develop practice note for effective management and resolution of internal and external findings
	1.4.B: Review procedures for dealing with financial irregularities, fraud and corruption
	1.4.C: Review and strengthen implementation of the MAMP including vehicles, fuel cards and vehicle care
	1.4.D: Review financial risk profile of the financial management and accounting cycle

Key Performance Area	1: Financial Viability and Management
Strategic Goal	1. To have and maintain adequate capacity and capital to support municipal operational, infrastructure and basic services needs as well as healthy financial reserves for emergency purposes
Strategic Objective	1. To promote a culture and environment of responsible, rational and lawful financial management practices and processes to be able to sustainably provide municipal services and survive during financial crisis by 30 Jun 2030
Functional Objective	Strategic Activity
	1.4.E: Finalize the review of delegation of authority framework and schedule
	1.4.F: Develop practice note for effective overtime management linked to productivity

Key Performance Area 2: Basic Service Delivery	
Strategic Goal 2: To have 100% satisfied communities and stakeholders with the quality of basic services delivered by the municipality	
Strategic Objective 2: To ensure that agreed upon and promised basic services are sustainably delivered timely, at the right place, in the right quality, quantity and frequency by 30 Jun 2030	
Functional Objective	Strategic Activity
2.1 To ensure provision of basic access to electricity by all communities in a sustainable manner	2.1.A: Review and implement funded households electrification plan
	2.1.B: Design and roll out NERSA guidelines based electricity usage awareness and education campaign
	2.1.C: Review and implement electrical infrastructure maintenance plan
	2.1.D: Conduct Municipal Systems Act section 78 assessment for MSP of off the grid renewable energy supply to a designated pilot rural area
2.2 To ensure provision, cleaning and maintenance of municipal roads, access roads, causeways and storm water	2.2.A: Develop and implement basic services infrastructure provision masterplan for roads, causeways, storm water in rural and semi-urban communities
	2.2.B: Develop and or review and implement basic services infrastructure maintenance plan
	2.2.C: Develop and implement basic services monitoring plan for maintenance, cleaning and cleansing of public spaces and facilities
2.3 Facilitate and enable controlled spatial growth in underutilized municipal land	2.3.A: Develop a master plan to provide serviced stands on the unused or underutilized land
	2.3.B: Source funding to provide serviced stands on the unused or under utilized land based on the master plan
	2.3.C: Identify land and develop a plan for new Civic Centre with municipal offices and government services
	2.3.D: Source funding for phase 1 development of the Civic Centre precinct
2.4 To increase the accessibility of municipal vehicles and plant	2.4.A: Develop and implement municipal fleet replacement plan based on status quo report
	2.4.B: Develop and implement and approved 'no longer fit for purpose' fleet disposal plan
	2.4.C: Review and implement Grader Combo according to the approved schedule
2.5 Ensure effective and viable emergency response to disasters through MSP with neighbouring municipalities, district and private sector	2.5. A: Collaborate with the District and COGTA to implement the Disaster Risk Management Plan prioritising wards prone to lightening, hailstorms and fire.
	2.5.B: Build capacity of local people to understand disaster risks, assist with prevention and emergency support during disasters within their communities
	2.5.C: Provide emergency services to Mbongolwane and Kwabulawayo and surrounding areas through agreements with private and government entities
	2.5.D: Upgrade emergency communication channels and equipment for reporting and responding to disasters
2.6 To promote safe communities through public safety and road safety initiatives	2.6.A: Develop Climate Change and Adaptation Strategy with assistance from MISA
	2.6.B: Finalise and implement the Safety and Security Plan (SSP) for the entire municipal area
	2.6.C: Utilize technology and community structures to monitor and report criminal incidents and security concerns
	2.6.D: Develop designs for a Grade A Vehicle Licensing and Testing Station
	2.6.E: Develop and implement a plan for conducting of road and personal safety awareness campaigns
	2.6.F: Source funding from COGTA and others to establish municipal Animal pound and Bylaw
	2.6.G: Develop and implement training plan for staff designated as Peace Officers

Key Performance Area 3: Economic and Social Development	
Strategic Goal 3: To have social and economically sustainable, viable, and vibrant villages, towns and townships that are cohesive and thriving.	
Strategic Objective3: To promote inclusive socio-economic progress by providing accessible community facilities, social services and economic infrastructure by 30 Jun 2030	
Functional Objective	Strategic Activity
3.1 Promote the growth of the local economy and the reduction of unemployment of women, youth and people living with disabilities	3.1.A: Increase budget of allocation to LED to stimulate their economic activities
	3.1.B: Develop and implement training plan for SMME's and Cooperatives in construction through CIDB and SEDA support
	3.1.C: Develop or review LED strategy focusing on people living with disabilities, youth and women owned SMMEs, Cooperatives and informal traders
	3.1.D: Develop and implement targeted job creation plan through EPWP, CWP and other poverty alleviation programmes.
	3.1.E: Streamline Siza Bonke Works Program to accommodate the unemployed and women headed households
	3.1.F: Develop and implement EPWP and CWP participants exit strategy
	3.1.G: Develop and implement tourism sector transformation plan to include quotas for youth, women and people living with disabilities participation in heritage and eco-tourism
	3.1.H: Formalize shared services for bulk buying, storage, transport and access to credit Informal Traders Upliftment Programme participants
	3.1.I: Source funding for establishing entrepreneurial trade centres in dense population areas within rural and semi urban centres
3.2 Promote foreign and internal direct investment in high impact economic sectors	3.2.A: Review investment strategy to incorporate oceans economy, agro-processing, primary agriculture, manufacturing, mining, renewable energy and eco-tourism
	3.2.B: Develop a masterplan for light and heavy industrial manufacturing sectors
3.3 Improve public infrastructure and facilities to promote health and safety, informal trading, recreation and reduced road accidents	3.3.A: Construct all speed humps and sidewalk in terms of the allocated budget
	3.3.B: Construct all public transport and hawkers shelters as per MIG and internal capital funds
	3.3.C: Construct community halls in terms of budget allocated for the financial year
	3.3.D: Conduct ward based waste management awareness programmes
	3.3.E: Merge HIV/AIDS Council (LAC) and other health issues into Local Primary Health Council
	3.3.F: Develop schedule, Charter and implement the LPHC in partnership with the DoH
	3.3.G: Partner with the DOH and provide basic disease management and ethics training to the LPHC
3.4 Codify and preserve municipal infrastructure and buildings	3.4.A: Develop and implement Maintenance Plan for municipal buildings in terms of the allocated budget
	3.4.B: Liaise with DOT to register designated access roads in order to recognise them as assets
3.5 Promote early childhood development, social integration and cohesive communities	3.5.A: Develop and implement Maintenance Plan for municipal buildings in terms of the allocated budget
	3.5.B: Liaise with DOT to register designated access roads in order to recognise them as assets

Key Performance Area 4: Municipal Transformation and Institutional Development	
Strategic Goal 4: To have appropriate and up to date systems, tools and people with skills and right attitude to perform municipal Constitutional and other transformation legislated duties, equitably.	
Strategic Objective 4: To promote progressive transformation of the municipality by upgrading policies and systems and building capacity of officials and Councillors for effective and equitable service provision by 30 June 2030	
Functional Objective	Strategic Activity
4.1 To improve IT systems for better municipal functioning, information management, communication and public education purposes	4.1.A: Review ICT strategy, update fibre installation project plan and monitor progress
	4.1.B: Train all administrative employees on municipal Document Management System
	4.1.C: Establish funding partnership agreement with the Department of Arts and Culture for Cyber Cadet and library computers.
	4.1.D: Upgrade telecommunication infrastructure channels for emergencies
	4.1.E: Automate leave management and train line supervisors on the leave software
	4.1.F: Train Councillors and ward committee secretaries on basic to intermediate computer proficiency including use of social media platform

Key Performance Area 4: Municipal Transformation and Institutional Development	
Strategic Goal 4: To have appropriate and up to date systems, tools and people with skills and right attitude to perform municipal Constitutional and other transformation legislated duties, equitably.	
Strategic Objective 4: To promote progressive transformation of the municipality by upgrading policies and systems and building capacity of officials and Councillors for effective and equitable service provision by 30 June 2030	
Functional Objective	Strategic Activity
	4.1.G: Train all staff on social media platform usage to communicate, report and monitor service delivery
4.2 To promote team work, communication and build capacity of leadership and staff to collaboratively execute constitutional duties and enhance overall organisational performance	4.2.A: Implement the WSP for Councillors and staff utilizing the 1% of salary budget
	4.2.B: Develop and implement the Placement Plan for work integrated learning, internship, learnership and in-service participants
	4.2.C: Update and implement the WSP for staff in terms of 1% of salary budget and training grants allocation
	4.2.D: Conduct team building workshops for councillors and officials at all levels
	4.2.E: Establish a panel of accredited training providers for a period of 3 years
4.3 Ensure compliance with the Archives, Employment Equity, Labour Relations Act and improve audit outcomes	4.3.A: Conduct a cost benefit analysis study for municipal owned central depot versus external provided services for all records by 30 Jun 2021
	4.3.B: Conclude service agreement with external Document Management provider for long term archiving
	4.3.C: Identify target group through social or representative bodies and through Councillors
4.4 To ensure that the Municipality has an updated set of policies and Bylaws	4.4.A: Conduct an overall assessment of all municipal policies and Bylaws
	4.4.B: Review all outdated municipal policies and Bylaws to be in line with current laws
	4.4.C: Develop policies and Bylaws register and depository
	4.4.D: Approach MISA at COGTA for improvement support with review of policies and development of policy register
4.5 To ensure that there safe, secured and suitable office space for the officials and Council Office Bearers and Councillors	4.5.A: Purchase a temporal mobile office container to house some of the PED staff to give dignity and privacy to the HOD
	4.5.B: Develop and implement compliance Occupational Health & Safety standards for all municipal office spaces
	4.5.C: Develop optional designs for reconfigured office space to accommodate all executives and Councillors.
	4.5.D: Installation security and customer service surveillance CCTV recording cameras in all municipal facilities
	4.5.E: Install security and biometrics access and work attendance control for all staff and Councillors
	4.5.F: Procure and install fire alert, internal automatic fire extinguishers and alarm system

Key Performance Area 5: Good Governance and Public Participation	
Strategic Goal 5: To have and maintain participatory and reputable systems of governance and operations, grounded on external clean audit outcomes.	
Strategic Objective 5: To promote an organisational culture and practices grounded on compliance with all applicable laws, in collaboration with all stakeholders by 30 Jun 2030	
Functional Objective	Strategic Activity
5.1 Create and maintain culture of excellent customer service, professionalism, consequence management and high performance	5.1.A: Conduct annual customer needs, satisfaction and quality of life survey
	5.1.B: Develop and implement customer service complaints procedure manual
	5.1.C: Conduct staff and Councillors communication and customer care etiquette skills workshop
	5.1.D: Conduct quarterly performance review sessions with each departmental head
	5.1.E: Implement performance and misconduct related consequence management
	5.1.F: Develop and sign with all Councillors and staff, the Code of Conduct and Code of Ethics
	5.1.G: Review the organisational organogram in line with available financial resources
	5.1.H: Review and align management job contents and profiles to be in line with performance framework
	5.1.I: Conduct quarterly performance review sessions with each section manager
	5.1.J: Arrange and for the sitting of the Standing Rules and Orders Committee meetings

Key Performance Area 5: Good Governance and Public Participation	
Strategic Goal 5: To have and maintain participatory and reputable systems of governance and operations, grounded on external clean audit outcomes.	
Strategic Objective 5: To promote an organisational culture and practices grounded on compliance with all applicable laws, in collaboration with all stakeholders by 30 Jun 2030	
Functional Objective	Strategic Activity
5.2 To cultivate and maintain a culture of participative democracy, collaboration and social cohesion	5.2.A: Develop and implement the Rapid Response Committee's interventions action plan
	5.2.B: Publish Council resolutions on the website and libraries once confirmed, every quarter
	5.2.C: Develop and implement standard reporting format to the Committees of Council about attended IGR meetings
	5.2.D: Develop and implement quarterly Performance reporting format for ward committees and social structures.
	5.2.E: Establish quarterly municipal newsletter that is web-based and available in community centres
	5.2.F: Implement Ward Committees' capacity building programme
	5.2.G: Review the strategy and incentive policy for traditional leaders to participate in the affairs of Council
	5.2.H: Develop and implement high credible Integrated Development Plan
	5.2.I: Develop and implement LTT work plan and War Rooms intervention plan for quarterly meetings
	5.2.J: Monitor implementation and monitoring of Batho Pele in the Municipality by holding quarterly meetings

Table 122: Goals, Objectives and Strategies

18. Cross Border Alignment with National Outcomes and Provincial Goals and Development Strategies.

NDP	PGDS/DGDP	KCDM IDP GOALS	B2B	NKPAs (GOALS)	LM STRATEGIC GOALS	OBLJECTIVES	STRATEGY
Build a capable state Fight corruption	Human Resource Development Human &Community Development Governance and Policy	Municipal Transformation, Organizational and Human Resource Development	Institutional Capacity	Municipal Transformation and Institutional Development	Municipal Transformation, Institutional and Human Resource Development	<ul style="list-style-type: none"> Improvement of IT systems for better municipal functions To develop the institution and to facilitate institutional transformation To implement the Document Management System and establish a central depot for all records To enhance the accessibility of library facilities to the public To ensure that the Municipality has an updated set of Bylaws that is in line with its Vison and Mission To ensure that there is suitable office space for the executives and Councillors 	<ul style="list-style-type: none"> Upgrade the current infrastructure, fibre, provision of necessary funding and adequate capacity Review ICT Strategy and link projects and budget for implementation Prioritise ICT projects for funding Training, consequence management Provide training to 54 Councillors in terms of skills audit undertaken and ensure 1% of salary budget is provided for training of Cllrs To implement and support internship, learnership and in-service training programmes. Provide training to staff in terms of skills development plan and ensure 1% of salary budget is provided for training of staff Training on consequence management, linked to PMS Build a new Registry Office Apply to Library Services to provide funding to roll out services such as Cyber Cadet Facilities and capacity to provide computer services and skills to scholars. Create partnership and funding agreement from the Department of Arts and Culture. To conduct an overall assessment of all Municipal Bylaws To renovate and/or build new Municipal Offices in order to accommodate all executives and councillors. To renovate and/or build new Municipal Offices in order to accommodate a new Council Chamber and Councillor Meeting rooms.
Create jobs Use Resources Properly Inclusive Planning Build a Capable State	Inclusive Economic Growth Human & Community Development Strategic Infrastructure	Radical Local Economic and Rural Development and Food Security	Basic Services	Local Economic and Social Development	Radical Local Economic Development and accelerated economic growth.	<ul style="list-style-type: none"> To contribute towards the growth of the local economy and the reduction of unemployment 	<ul style="list-style-type: none"> To develop a Strategy to attract investment To promote economic development through agricultural development To promote youth participation in agricultural activities especially those from previously disadvantaged communities. To take advantage of opportunities presented by the Ocean Economy To promote economic development through eco-tourism and heritage tourism. To promote youth participation in tourism activities especially those from previously disadvantaged communities. To promote economic development through industrial development. Economic Development: Promote creation of job opportunities e.g. EPWP, CWP and other poverty alleviation programmes.

							<ul style="list-style-type: none"> • Ensure proper implementation of set aside legislation targeting young people (PPPF 2017) • To promote the development of SMMEs in particular informal traders
Expand Infrastructure Use resources properly Inclusive planning	Strategic Infrastructure Spatial Equity	Infrastructure and Basic Service Delivery	Basic Services	Basic Service Delivery	Continued Basic Service Delivery and Strategic Infrastructure Development	<ul style="list-style-type: none"> • To ensure provision of basic access to electricity by all communities in a sustainable manner • Install and maintain electrification in rural areas • To ensure provision and maintenance of municipal roads, access roads, causeways and stormwater • To ensure maintenance of all municipal buildings. • To increase the accessibility of municipal vehicles • To ensure and monitor proper implementation of Municipal Infrastructure Projects 	<ul style="list-style-type: none"> • To ensure reduction of electricity backlog to 10% • To ensure maintenance and improvement of existing electrical infrastructure. • To ensure that electricity losses are curbed. • To ensure that energy saving principles are adhered to in line with NERSA Guidelines. • Strengthen the stakeholder's engagement in Eskom Electrification Projects in order to track progress. • Ensure budgeting is aligned to the national treasury requirements especially on maintenance activities • Investigate possible registration of Borrow Pits under the municipality in order to ensure access to those borrow pits during project implementation and road maintenance activities. • To ensure continuous maintenance of road infrastructure • Liaise with DOT to register most of these roads as access roads in order to recognise them as assets. • To develop a Maintenance Plan for Municipal Buildings • Ensure allocation of budget for purchasing of vehicles and fleet every financial year in order to properly implement the vehicle replacement plan. • Ensure that vehicles are written off and replaced once the insurance had paid and; that Vehicle Auction take place once vehicles has been declared obsolete • To ensure proper implementation of Municipal Infrastructure Projects • To ensure adherence to all Grant Conditions for Capital Infrastructure Projects • Training of local SMME's through CIDB and SEDA support • Alignment of projects with the CIDB grading requirements for SMME Development • Training of Municipal Staff in SMME's Development Programmes • To improve the Municipality's EPWP contribution through labour intensive infrastructure projects
Expand Infrastructure Use Resources Properly Inclusive Planning	Inclusive Economic Growth Governance and Policy	Sound Financial Management and Viability	Financial Management	Financial Viability and Management	Financial Viability and Sound Financial Management	<ul style="list-style-type: none"> • To reduce expenditure and curb wasteful expenditure • To ensure Revenue enhancement 	<ul style="list-style-type: none"> • To develop and maintain systems and procedures for effective and sound management of municipal finances • To develop a system to curb electricity losses through theft

						<ul style="list-style-type: none"> • Ensure that SCM adheres to all provisions as set out in the PFMA • Ensure local SMME development through effective use SCM processes • To expand the Municipal Rates Base • Enhance effective internal controls and standard operating procedures 	<ul style="list-style-type: none"> • Ensure collection of funds due to the municipality and specify optimal procedures in respect of non-collection • Ongoing implementation of SPR • Ensure review of the General Valuation Roll in line with the prescripts of legislation • Expansion of the Electricity Business • Ensure that the Municipality derives maximum value from Municipal Land • Derive maximum value from Municipal Heritage Sites and other Tourism Facilities. • Promote local economic development initiatives that create decent labor intensive job opportunities in order to reduce the number of indigents.
Use resources properly Build a capable state Fight corruption Unite the nation	Governance and Policy	Good Governance and Public Participation	Good Governance Public Participation	Good Governance and Public Participation	Good Governance and Public Participation	<ul style="list-style-type: none"> • To ensure that a functional and effective Council exists • Ensure understanding the role of Internal Audit • To restructure staffing to ensure a functional and effective legal services unit • Increasing human capacity and improving communication tools to produce an effective communications unit. • Ensure that all Line Departments function effectively and in line with the PMS • To produce a culture of participative democracy and social cohesion 	<ul style="list-style-type: none"> • To ensure that Standing Rules and Orders Committee meets quarterly and ensure when meetings of Council are postponed reasons are provided • Sitting allowance for Amakhosi must be aligned to attendance of meetings • Correspondence from Government departments to be submitted to Council Committees at the next sitting after receipt of correspondence • Facilitate training for Ward Committee members • Office Bearers to ensure attendance to events and functions held by the Municipality, timeously • All long and short term lease agreement to be reviewed • Ensure review and enforcement of bylaws • Presenting the IA Charter and Audit Plan to MANCO before approval, so that Management can understand the IA activities and terms of reference. • To review the Organogram such that PMS reports directly to the Municipal Manager in terms of the Municipal Systems Act. • The organogram to be amended to accommodate for a legal services unit. • Batho Pele function to be moved from legal services and to relocate the function to corporate services or community. • Ensuring that all communication of findings are properly responded to and all findings are understood by Management • Vacant positions on the organogram to be prioritised and filled • To procure all necessary equipment and vehicles to ensure effective public participation. • Enhance revenue through installation of digital Billboards • Appointment of personnel / service provider for monitoring of outdoor advertising – revenue enhancement

							<ul style="list-style-type: none">• Performance appraisals be cascaded to all employees in a phased in approach commencing from 2019/2020 with all Managers• Organogram be reviewed and PMS should report directly to the Municipal Manager.• Service Delivery Improvement Plan to be developed.• Rapid response Committee to respond back to communities in their respective wards within 14 days• Council Resolutions to be placed in libraries after confirmation of resolution by Council• Departments to attend IGR meetings and report back to Portfolio Committees• Load Shedding schedule communication with business and general public
Expand Infrastructure Inclusive Planning	Inclusive Economic Growth Strategic Infrastructure Environmental Sustainability Spatial Equity	Coordinated Planning, Spatial Equity, Coastal and Environmental Management		Cross Cutting	Co-ordinated Spatial Development Planning and Environmental Management	<ul style="list-style-type: none">• To ensure effective land use management and coordinated Spatial Development Planning• To ensure that strategically located land is made available for local economic development• To ensure the consolidation of the Primary Node• To promote sustainable human settlement and improved quality of household for all• To ensure sustainability of the built environment and effective enforcement of building regulations• To promote environmental sustainability and effective GIS System• To develop a credible and implementable IDP• To ensure effective responses to community emergencies	<ul style="list-style-type: none">• Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law• To finalise the Umlalazi Wall to Wall scheme• Review of the Spatial Development Framework• Identification and development of potential land for high impact development• Facilitation of township establishments and subdivisions• Conduct a review of all Land Legal Arrangements to facilitate the release of land for economic development with a bias towards previously disadvantaged individuals to participate meaningfully in the local economy.• To pursue development projects that seek to enhance the function of Eshowe Town as the main economic and administrative centre for Umlalazi Municipality.• Holistic Implementation of Housing Sector Plan• Promotion of property management• Identification of areas of need in rural areas• Training of staff to be peace offers• Enforcement of building bylaws• Establishment of outdoor advertisement section• Timeous assessment of building plans• Day to day inspections of buildings around the municipal area• Preserving municipal biodiversity and protecting environmental sensitive areas• Development of coastal environmental management plan• Development of the disaster management plan• Develop and adopt a credible IDP• Improve IDP ranking• Development of Community-Based planning• Provision of land for the establishment of the Umlalazi Disaster Management Centre• Review and implementation of Disaster Management Sector Plan

Quality Education Quality Healthcare Unite The Nation	Human &Community Development	Social Services, Human and Community Development	Basic Services	Social Development**	Social and Community Development	To develop and support social development initiatives, particularly those focused on the youth and the vulnerable groups	<ul style="list-style-type: none"> • Promote Social Development through Programmes focusing on social cohesion , skills development, sports & recreation and cultural development • Promote active ageing and healthy lifestyles • Promote equitable access to quality ECD programmes for all children under 6 years
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Table 123: Cross border alignment with National, Provincial and District Goals

SECTION E1: STRATEGIC MAPPING

19. uMlalazi Strategic Development Framework (SDF)

The uMlalazi Municipality developed and adopted the SDF Review in the 2019/2020 financial year. The preparation of the SDF is a legislative requirement. In terms of Chapter 5 of the Municipal Systems Act (Act 32 of 2000); all municipalities are required to prepare and review their Integrated Development Plan (IDP). The Act further states that as part of the IDP process, a Spatial Development Framework (SDF) has to be developed as a core component of the IDP. Chapter 4 of the Spatial Planning and Land Use Management Act No 16 of 2013 (SPLUMA) also requires municipalities to prepare SDFs.

The municipal SDF is therefore a core component of the IDP in that it gives effect to the vision, goals and objectives of the municipal IDP and in keeping with the principles for land development. The SDF guides the overall spatial distribution of current and future desirable land uses within the municipal area of jurisdiction. As such, it guides spatial growth, conservation of the natural and built environment as well as the correction of past imbalances. It also indicates areas where strategic intervention is required and should act as marketing tool to indicate where development could be promoted.

19.1. SDF Vision

Taking into cognizance the SPLUMA spatial principles and inputs from various stakeholders, the reviewed final vision reads as follows;

“By 2035 uMlalazi Municipality will be a socially inclusive, economically viable, environmentally friendly and spatially resilient Municipality where its people enjoy living”.

19.2. Strategic Goals and Objectives

The following are the broad strategic goals which have been identified in line with the key issues:

- **Goal 1:** Promote a uniform land use management system,
- **Goal 2:** Promote economic and social development,
- **Goal 3:** Promote accessibility to sustainable services and facilities,
- **Goal 4:** Protection of High Agriculture potential areas and Natural Environment,
- **Goal 5:** Promote sustainable human settlements and safer communities.

SPLUMA PRINCIPLES	PGDS GOALS	SPATIAL GOAL	SPATIAL OBJECTIVE	STRATEGY	PROJECT INTERVENTIONS
Spatial Justice	Spatial Equity	Promote a uniform land use management system.	To ensure effective land use management and coordinated Spatial Development Planning;	Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law	<ul style="list-style-type: none"> • Appointment of Registered Professional Planner.
				Allocate zones for desired land uses in Municipal land within Eshowe, Mtunzini, Gingindlovu and all rural nodes	<ul style="list-style-type: none"> • Finalization of the Wall to Wall Scheme; • Commission the preparation of the Strategic Corridor Development Plan (R66/N2); • Prepare register for Municipal owned properties.
				Regularly review the Spatial Development Framework	<ul style="list-style-type: none"> • Develop Local Area Plans for all identified nodes; • Finalization and implementation of precinct plans.
				To identify various level of node, denser settlement and services points	
				Identification and development of potential land for high impact development	<ul style="list-style-type: none"> • Update cadastral information; • Subdivision and establishment of Gingindlovu Industrial Park; • Extension of Eshowe Townlands; • Establishment of Eshowe Mixed Use development; • Establishment of Mtunzini Mixed use and Shopping Complex Development.
				Facilitation of township establishments and subdivisions;	<ul style="list-style-type: none"> • Facilitation of Mtakwende township
				Identify potential sites for cemeteries in Eshowe	<ul style="list-style-type: none"> • Prepare Cemetery plan • Conduct Geotechnical and Geohydrological studies for the identified sites.
				Identify a potential site for a regional cemetery	<ul style="list-style-type: none"> • The development of a regional cemetery in consultation with KCDM.
Good administration	Governance and Policy		To systematically assist with improving land management practices in Traditional Authority Areas	Training institutions and structures involved in land management	<ul style="list-style-type: none"> • Training and education of Traditional leaders and Ward committees on issues related to agriculture and environmental preservation, road safety etc.
				GIS mapping of the traditional households	<ul style="list-style-type: none"> • Roll out of GPS equipment; • GIS capture of households • Develop Settlement Plans for areas which are experiencing development pressures.
Spatial Efficiency	Human Resource Development	Promote economic and social development	To ensure that strategically located land is made available for local economic development	Conduct a review of all Land Legal Arrangements to facilitate the release of land for economic development with a bias towards previous disadvantaged individuals to	<ul style="list-style-type: none"> • Commission the review of all Municipal Land Lease Audit; • Commission the review of all Municipal Land Lease Agreements;

SPLUMA PRINCIPLES	PGDS GOALS	SPATIAL GOAL	SPATIAL OBJECTIVE	STRATEGY	PROJECT INTERVENTIONS
				participate meaningfully in the local economy.	<ul style="list-style-type: none"> • Commission the review of all Municipal Land Disposal Policy; • Commission the Eshowe CBD Revitalization and Extension Plan.
			To ensure the consolidation of the Primary node	Pursue development projects that seek to enhance the functions of Eshowe town as the main economic and administrative centre for uMlalazi municipality.	
	Inclusive Growth		To promote economic zones to attract investment and promote tourism development.	Identify land for Industrial Development in Eshowe and Gingindlovu	<ul style="list-style-type: none"> • Feasibility study for recycling facilities and buy back centres; • Prepare marketing strategy to promote tourism and attract investment; • Implement LED Plan initiatives across the municipal area with available resources.
				Identify areas that SMMEs can utilize within activity corridors	<ul style="list-style-type: none"> • Fresh produce market/Trading stalls; • SMME Training and Development Centre; • SMME Industrial Development funding for Small Town Regeneration; • Mini factories; • Cultural village; • Agriparks
				Identify areas where recycling facilities and buy back centres can be located to contribute towards sustainable use.	<ul style="list-style-type: none"> • Feasibility study for recycling facilities and buy back centres; • Training and awareness programmes on waste recycling facilities; • Investigate waste transfer station services in rural areas.
				Contribute towards the development of the mining sector in collaboration with the Department of Mineral Resources and KZN Department of Economic Development, Tourism and Environmental Affairs.	<ul style="list-style-type: none"> •

SPLUMA PRINCIPLES	PGDS GOALS	SPATIAL GOAL	SPATIAL OBJECTIVE	STRATEGY	PROJECT INTERVENTIONS
Spatial Justice	Human and Community Development		To facilitate youth and early childhood development with particular focus on all earmarked areas where early childhood development facilities can be located to maximize economies of scale and impact.	Improve early childhood development, primary and secondary education	<ul style="list-style-type: none"> • Early Childhood Development Facilities in partnership with Divine Life Society; • Research and Skills Development Centres; • Compile Indigent Register for uMlalazi Municipality; • Develop HIV/AIDS Strategy Plan
Spatial Sustainability	Strategic Infrastructure	Promote accessibility to sustainable services and facilities	To promote the optimal use of existing resources and infrastructure	Facilitate the provision of services (portable water, sanitation and electricity) to nodes and denser settlements	<ul style="list-style-type: none"> • Upgrading of Mtunzini, Eshowe and Gingindlovu Sewerage and Water Plant Reticulation System • Upgrading of Eskom Power Supply to improve capacity in Eshowe (District); • Eradicating all septic tank use within urban areas;
				Identify critical road and rail linkages that need upgrade	<ul style="list-style-type: none"> • Installation of boreholes and increasing capacity of exiting pumps in all wards; • Replacing of exiting conventional meters; • Identify critical road and rail linkages that need upgrade • Implementation of Pavement Management System for municipal roads, sidewalks and Stormwater; • Implement rural roads programme; • Participate in development and implementation of Integrated Transportation Plan (District) • Prepare Municipal integrated Transportation Plan; • Implement Road Asset Management
				Development of knowledge economy facilities and infrastructure at suitable locations.	<ul style="list-style-type: none"> • Conduct audit on current computer and software requirements;
Spatial Resilience	Environmental Sustainability	Protection of High Agriculture potential areas and Natural Environment	To promote environmental sustainability and effective GIS System	Preserving municipal biodiversity and protecting environmentally sensitive areas	<ul style="list-style-type: none"> • Preparation of the Coastal Management Plan
			To preserve the municipality's biodiversity and rehabilitate environmentally sensitive areas	Development of coastal environmental management plan	

SPLUMA PRINCIPLES	PGDS GOALS	SPATIAL GOAL	SPATIAL OBJECTIVE	STRATEGY	PROJECT INTERVENTIONS
			To ensure effective responses to community emergencies	Provision of land for the establishment of the Umlalazi Disaster Management Centre	<ul style="list-style-type: none"> • Undertake site identification process and secure development rights for the establishment of Disaster Management Centre • Develop a municipality Disaster Management Forum • Report to Portfolio Committee quarterly on effectiveness of Disaster forum; • Acquire fire services vehicle for rural fire fighting; • Rural satellite fire stations (Mbongolwane and KwaBulawayo) • Investigate and implement green energy programmes in relation to energy saving projects such as solar geysers.
				Review and implementation of Disaster Management Sector Plan	
			To determine the potential impacts of Climate change on long term spatial structure		
			To ensure that good potential agricultural land used for agricultural purposes	Increase production on agricultural land through improved farming methods and technology	<ul style="list-style-type: none"> • Prepare an Agricultural Sector Plan which will categorize agricultural land according to its potential
Spatial Efficiency	Human and Community Development	Promote sustainable human settlements and safer communities	To ensure sustainability of the built environment and effective enforcement of building regulations	Enforcement of building bylaws	<ul style="list-style-type: none"> • Training of staff to be peace offers • Establishment of outdoor advertisement section
				Timeous assessment of building plans	
				Day to day inspections of buildings around the municipal area	
				Holistic Implementation of Housing Sector Plan	<ul style="list-style-type: none"> • Rutledge Park Middle Income Housing Township • Mpushini Park Housing Development; • Facilitate the transferring of properties and handing over of Title Deeds; • Facilitate monthly housing forum meetings
			To promote sustainable human settlement and improved quality of household for all	Align implementation of Human settlements with bulk service provision	
				Promotion of property management	
				Identification of areas of need in rural areas	
			To enhance safety and security	Coordinate community policing forums	<ul style="list-style-type: none"> • Prepare combined crime prevention strategy

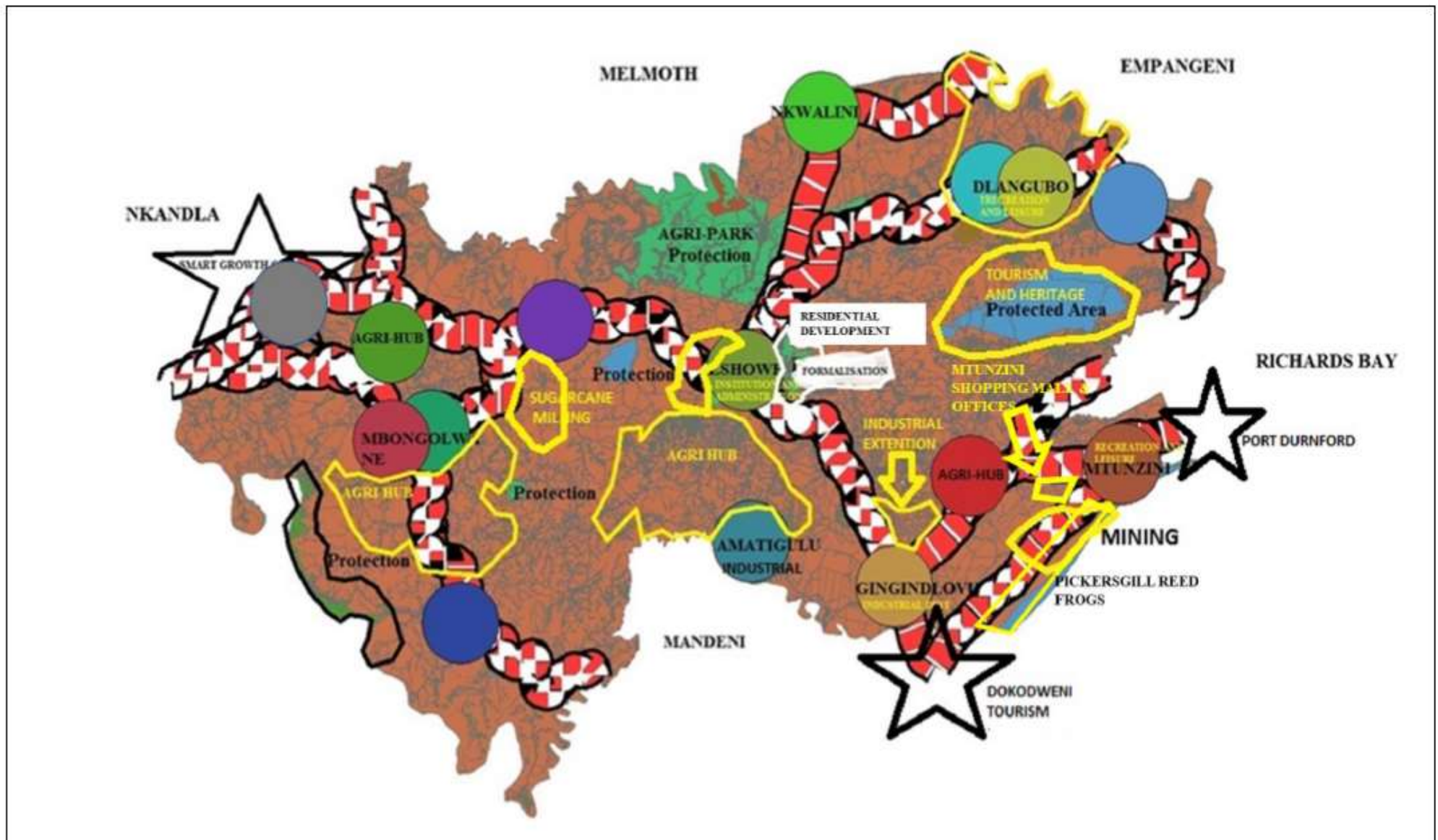
Table 124: Strategic goals, objectives and interventions

19.3. Spatial Concept

The Conceptual framework is based on the SPLUMA, environmental, spatial, social and economic principles, goals and objectives. The Conceptual Framework guides the formulation of the Spatial Development Framework (SDF) to ensure that the desired and fundamental spatial form or shape of uMlalazi municipality is achieved. The following major elements or components are considered:

- Nature conservation areas, including:
 - Critical Biodiversity Areas
 - Protected areas;
 - uMlalazi Coastal Reserves
 - Pickers gill's Reed Frog Zones:
 - Environmental sensitive areas and areas along rivers.
- Agricultural areas for:
 - Agriculture potential land categories;
 - Commercial farming,
 - Communal projects
- Urban and rural settlements:
 - Urban settlements
 - Growth Points
 - Denser settlements;
 - Rural settlements
- High order transport routes including:
 - Functional links between Growth Points and between the Growth Points and focus area for rural development;
 - Functional links from the National and Provincial Corridor route;
 - Strategic links to ensure connectivity between important areas.
- Economic zones:
 - High order activities in specific zones (such as commercial);
 - Industrial areas.

The map below illustrates the spatial concept of the municipal area, which aspires to achieve the municipal desired vision.



Map 43: Spatial Concept

19.4. Spatial Proposals

19.4.1. Spatial Proposals

Future Demand Approach Statement

The future demand approach builds from the Conceptual Framework. It is based on three pillars namely:

- **Protect** – Some areas in the municipality need to be protected;
- **Change** – Some areas in the municipality need to change;
- **New** – In some areas of the municipality, new proposals are introduced.

The following diagram illustrates:

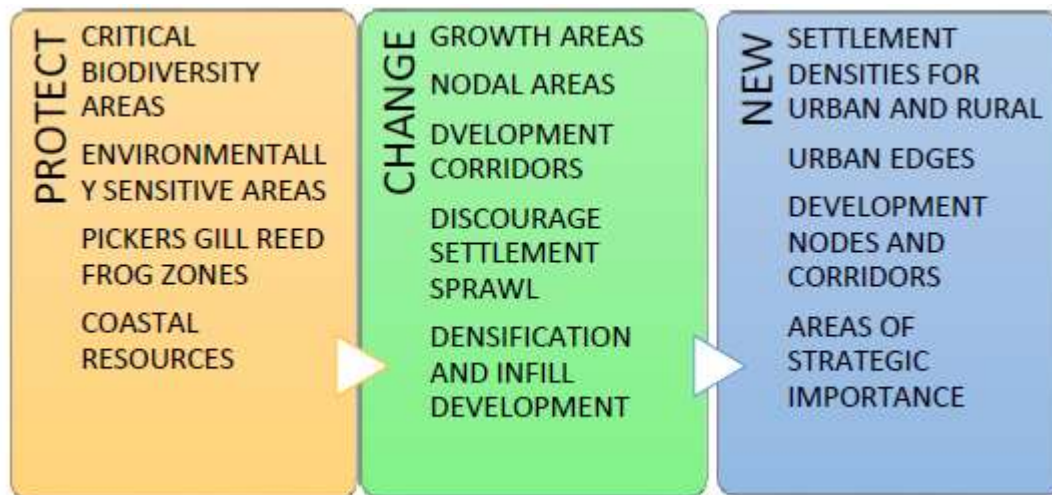


Figure 30: Protect, Change and New Concept

Different spatial tools and concepts were applied to address spatial issues faced by the municipality. The DRDLR Guidelines lists the following as the different spatial tools which can be applied in the case of uMlalazi Municipality:

- **Nodes** - These are areas where intensity of land uses and activities are supported and promoted. Nodal development improves efficiency as it provides easy access and creates thresholds for a variety of uses and public transport services
- **Corridors** - links between nodes along which an increased intensity development will naturally be attracted and is encouraged. Corridors improve access to opportunities
- **Infill and Densification** - In addition to nodes and corridors, it may be necessary to identify areas where infill development and densification will be pursued.
- **Containment** - the need to limit inefficient low-density development and prevent urban sprawl.
- **Protection** – protecting valuable natural, economic or heritage resources, such as agricultural land, wetlands or scenic landscapes.
- **Growth Areas** – The identification of appropriate / future growth opportunities is an important aspect of the SDF

19.5. Composite SDF

19.5.1. Protect threatened or scarce spatial assets

Nature Conservation and Protected Areas

Areas that are not specifically legislated as protected areas, but are primarily used for conservation are referred to as Conservation Areas while those that have been negotiated for conservation and stewardship but have not been officially gazetted, form the Stewardship Areas. Protected areas are those that are formally conserved and protect by law, through it being gazetted.

uMlalazi Municipal area is home to five main patches of protected areas. These are the Dlinza Forest, Entumeni Forest, the Ongoye Forest and the uMlalazi Coastal Reserve. These areas are untouchable and no development is allowed. However, these forests can be utilized as eco-tourism assets and any tourism activities that are within guidelines can be introduced to enhance tourism and economic growth of the municipal area.

Agricultural areas

The main types of agriculture activities include livestock production, poultry production, grains and food crops, industrial crops, fruit production, vegetable production, sugar cane, and citrus farming. To enhance agriculture sector the DRDLR in partnership with the Department of Agriculture, Forestry and Fisheries (DAFF) and other spheres of government have established areas within the municipality for Agri-park and Agri-Village.

A large percentage of the municipal area (about 40 - 45%) is classified to be of high to good potential (see Map 17). Areas of very restricted agricultural potential land covers the areas along the western boundaries and also mid north-east between Mandawe, Mandaka and KwaNkunzi. A significant proportion (about 40 %) has low potential while a relatively smaller proportion is classified as areas of low potential and restricted potential.

In terms of development planning, the areas marked as high to moderate agricultural potential should be reserved for agricultural production and excluded as much as possible from non-agricultural or non-cropping activities such as commercial and residential developments. Areas of low to very restricted agricultural potential are recommended for commercial or other non-agricultural developments.

Tourism Areas

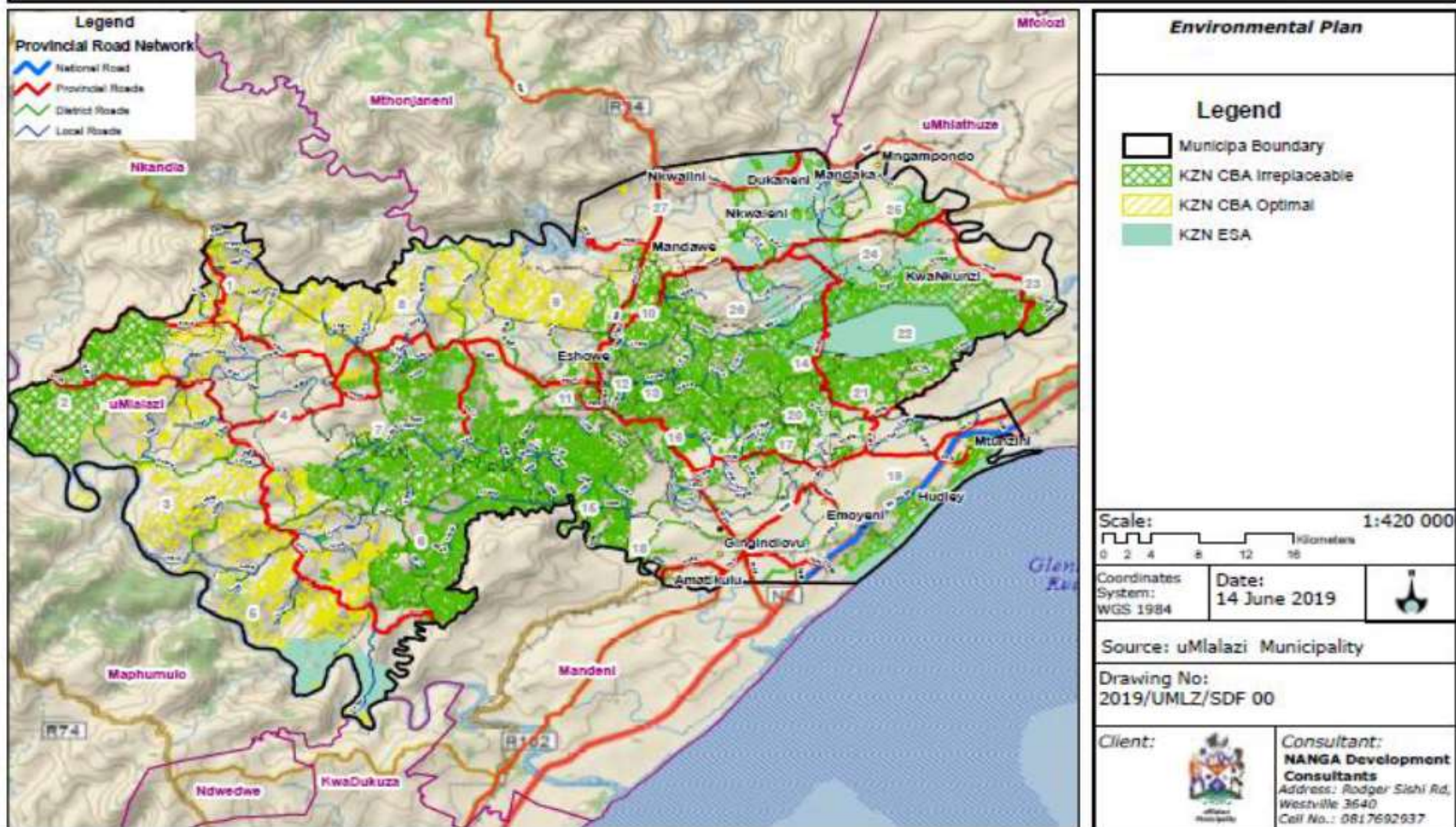
The municipality has potential to enhance tourism sector given its vast beach coastline, commercial interest from private investors and multiple untapped tourism products within the municipal jurisdiction. The municipality should facilitate in the enhancement of these sectors thereby stimulating economic growth and development thereby growing its GDP/GVA and creating job opportunities for its population.

Tourism is regarded as a cross-sectoral industry in that it has linkages with other sectors such as retail, manufacturing, transport, catering, hospitality, etc. The sector has enormous potential in uMlalazi area. Eshowe, Mtunzini and Gingindlovu are the three main towns in uMlalazi that offer an array of choices for domestic as well as international tourists. Key to Eshowe's tourism potential is its rich history and the Dlinza Forest Aerial Boardwalk.

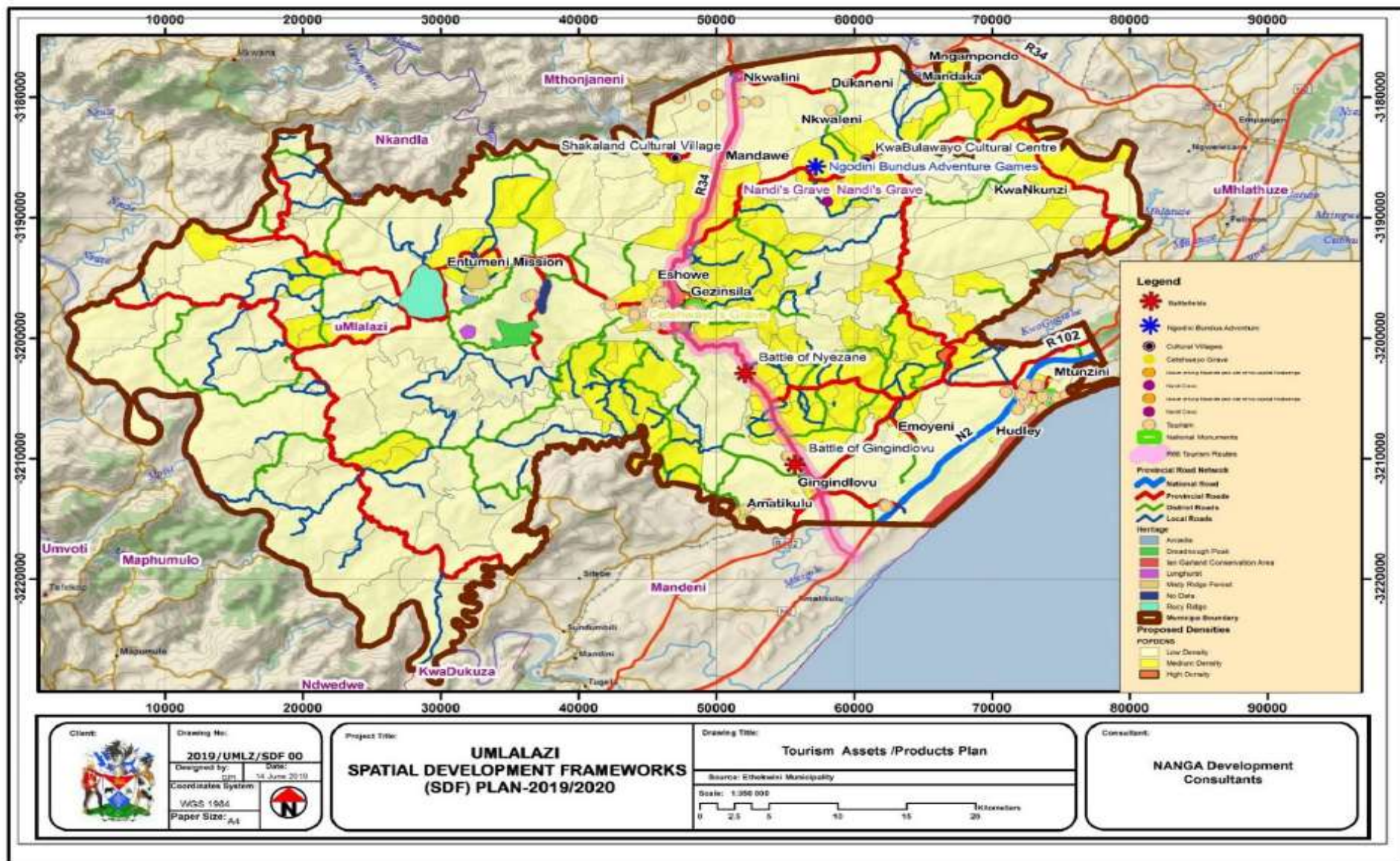
Mtunzini is a popular coastal town characterized by natural beauty. The Siyaya Coastal Reserve which constitutes the Amatikulu and uMlalazi Reserves is saddled by the uMlalazi River in the north and the Thukela River in the south, and it ends just before the latter. The coastal reserve is characterized by five distinct eco-systems – namely coastal forest, coastal riverine, dune forest, dune scrub and estuarine. Mtunzini area boasts a widely diverse natural habitat. In this location there exists thriving populations of waterbuck, giraffe and numerous smaller antelopes.

Other key tourism assets / activities located within the municipal area include Goedertrouw/Phobane Dam, Eshowe Butterfly Dome, Nongqayi Museum Village and several bed and breakfast facilities.

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 44: Environmental Zones



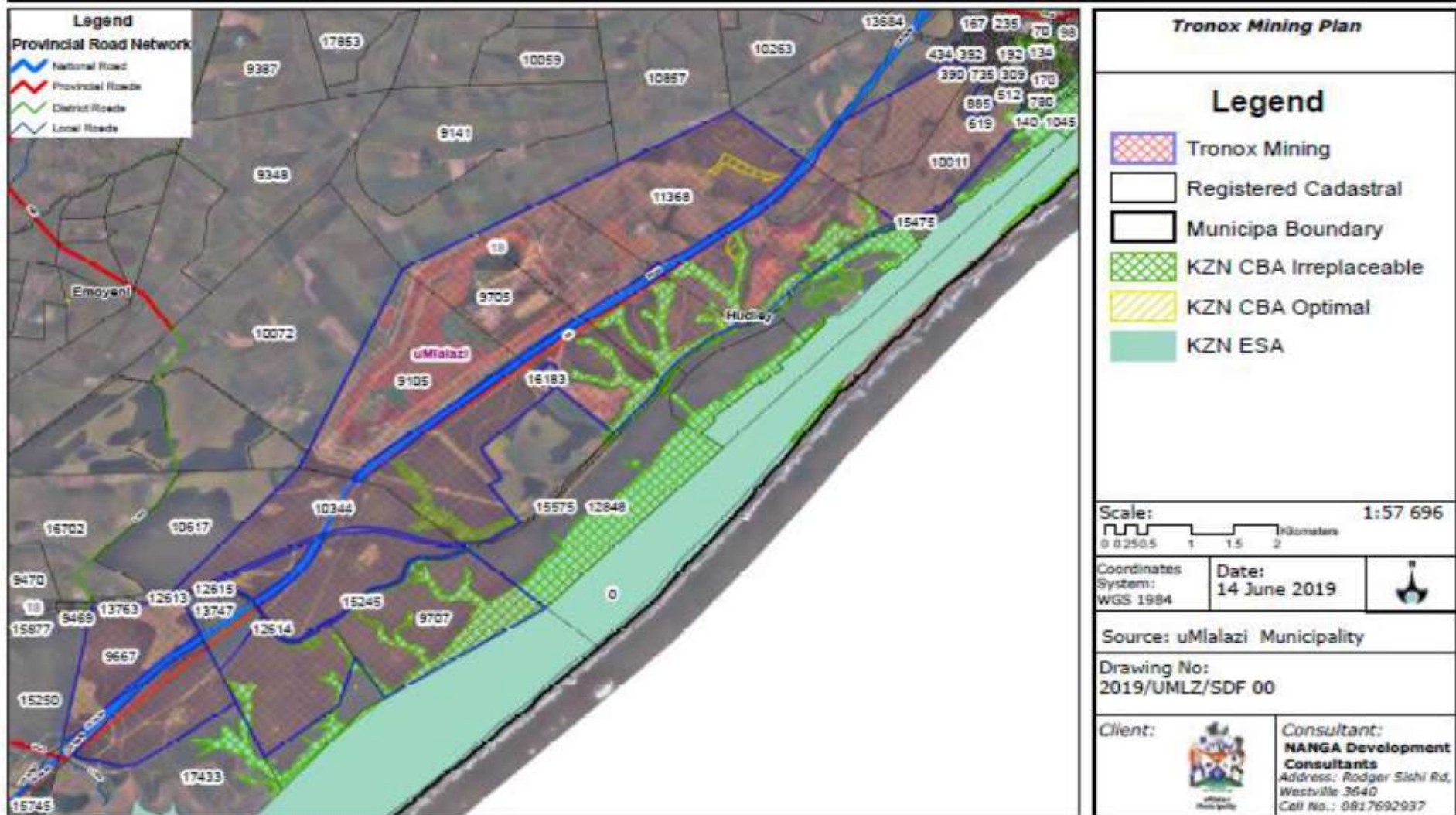
Map 46: Tourism Zones

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Map 47: Lafarge Mining Zones

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 48: Tronox Mining Zones

19.6. Spatial Change and Development

19.6.1. Settlement Hierarchy

The settlement hierarchy and structure of settlements is comprised of urban, dense and rural settlements. Accessibility to social facilities and services through road linkages is linked to settlement patterns of uMlalazi Municipality. There are a number of settlements which are experiencing development pressures and becoming more densely populated. These areas are identified as growth areas where development needs to be guided through appropriate land use management mechanisms. The growth areas are strategic areas where prioritization of limited resources and the largest provision for future integrated human settlements (namely different housing typologies, infrastructure and community service provision) will be promoted. The growth areas also provide strategic direction which will attract private investment in the housing and infrastructure sector. The following diagram illustrates the hierarchy and areas per each category:

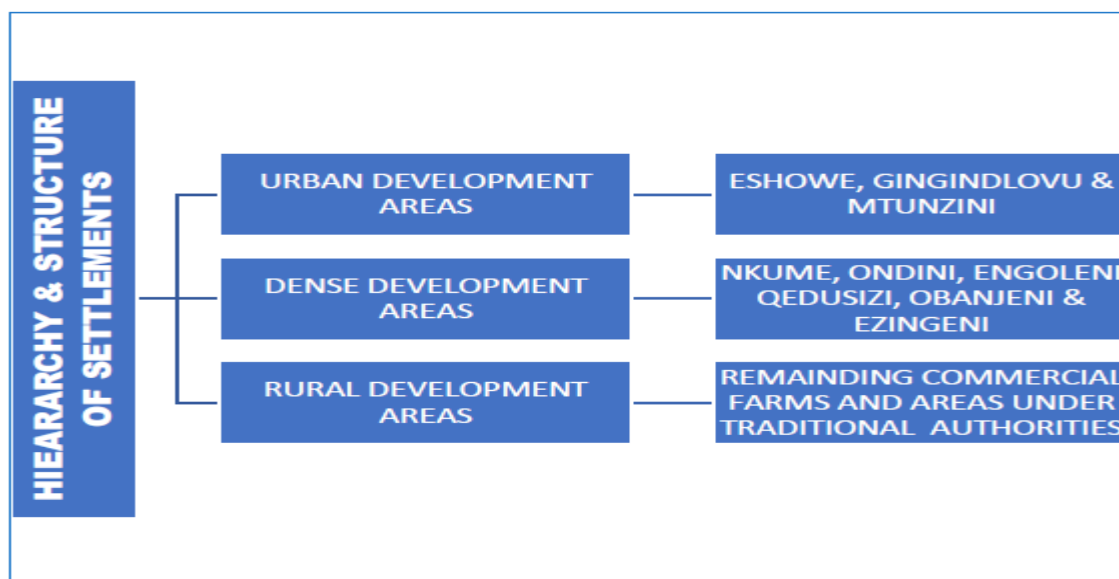


Figure 31: Hierarchy of Structures and Settlements

Urban Development Areas

The Urban settlements comprise of three areas namely Eshowe, Gingindlovu and Mtunzini. Eshowe is the most dominant urban area within the uMlalazi Municipality and is referred to as the Primary Administration Centre, owing to its diverse economy (when compared to the other main centres), superior level of infrastructure and service, and sphere of influence.

The other two urban settlements (Gingindlovu and Mtunzini) are the key links to the rural hinterland, as they are the only “trading posts” for these areas. They are regarded as “Upper secondary centres” since they have development potential as well as the thresholds of service that exist which are significant smaller to those within the major town centre of Eshowe.

Gingindlovu is centre which provides a high level of services from an engineering point of view with somewhat a lack of social services. Mtunzini is a well-established town which offers a modern residential environment. It is attractive from the point of view that is located on the Indian Ocean. The business infrastructure is relatively poorly developed and little employment opportunities exist.

Dense Development Areas

Dense settlements are a number of smaller settlements within the Municipality which have developed as a result of population concentration. These minor centres service the adjacent rural areas and are complimented by basic engineering services/infrastructure and community facilities, transport nodes and basic public and administration facilities.

They include:

- Ndlangubo;
- Nteneshane;
- Nsingweni;
- Mbongolwane;
- Ndayini.
- Nkume;
- Ondini;
- Enqoleni;
- Obanjeni; and
- Ezingeni

Rural Development Areas

The largest portion of the municipal area is covered by land in the ownership of the Ingonyama Trust and farming activities are extensive which makes up the Rural Settlements. These areas are characterized by scattered residential settlements posing considerable pressures in respect of the provision of basic services.

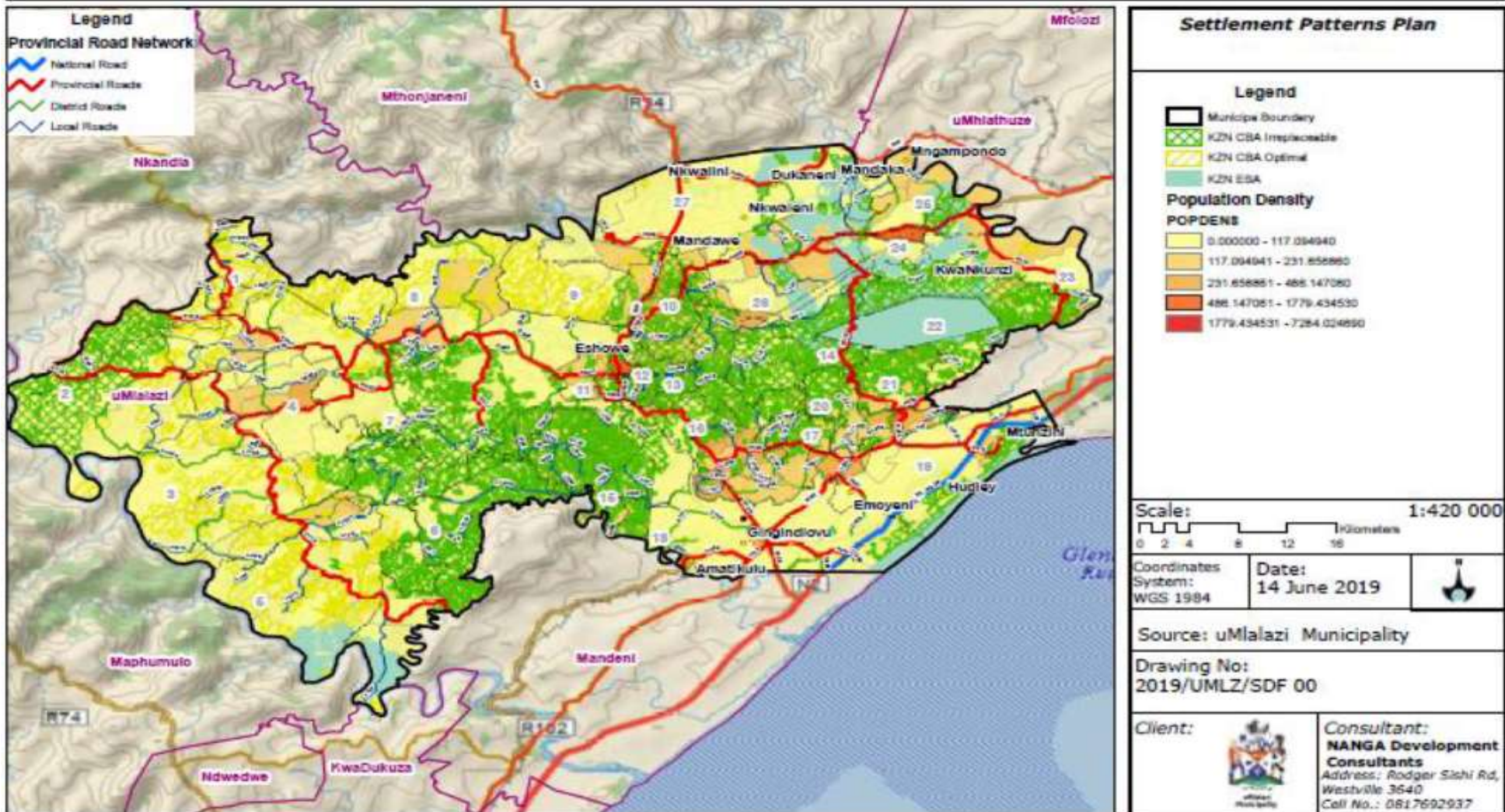
Future Population Growth Estimates

The table below contains the population projections at ward level for the areas outside the main 3 towns which are experiencing growth in terms of population. These areas mainly fall within the Dense Development Zone. The population growth rates employed in the computation of each individual node's/ward's population growth trajectory are based on the most recent/accessible population figures (i.e. the 2011 Population Census conducted by Statistics South Africa [Stats SA]). The statistical methodology used in this instance has been informed by the availability of data at the ward level. Accordingly, the average annual growth rate (AAGR) technique is utilized to calculate the annualized population growth rates for each individual ward/node. Therefore, in order to estimate the ward-specific population figures for the next one and half decades (15 years), the 2011 Census population figures are projected forwards using the compute AAGR figures

Period	Ward No.:	Ward 13	Ward 15	Ward 16	Ward 24
	Population Growth Rates:	3,59%	11,06%	14,67%	4,61%
	Year				
0.	2019	12 020	21 896	35 431	13 533
1.	2020	12 451	24 316	40 629	14 157
2.	2021	12 898	27 005	46 590	14 809
3.	2022	13 361	29 990	53 426	15 491
4.	2023	13 841	33 306	61 264	16 205
5.	2024	14 337	36 988	70 253	16 952
6.	2025	14 852	41 078	80 560	17 733
7.	2026	15 385	45 619	92 380	18 550
8.	2027	15 937	50 663	105 934	19 405
9.	2028	16 510	56 264	121 477	20 299
10.	2029	17 102	62 484	139 300	21 234
11.	2030	17 716	69 392	159 738	22 212
12.	2031	18 352	77 064	183 175	23 236
13.	2032	19 011	85 584	210 050	24 307
14.	2033	19 693	95 047	240 869	25 427

Table 125: Population growth estimates in rural activity areas

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Map 49: Settlement Structure

19.6.2. *Densification Framework*

The densification framework seeks to provide guidelines that will assist the municipality to restructure the settlement patterns of the municipal area. The following are some of the issues which have been created by apartheid spatial planning and need to be addressed by the SDF:

- Poor communities continue to be excluded in terms of access to economic opportunities and social facilities due to distance;
- Vacant areas have created buffers between residential areas which has resulted in low densities and sprawling settlements that cannot be supported by public transport
- Poor quality housing and urban environments in township areas which has resulted in the negative impact of property values as well as social consequences;
- Consideration of future growth or decline in population and housing demand as well as supporting facilities and/or economic activity or decline.

There are numerous areas within the municipality which are experiencing development pressures due to population dynamics. Various attempts to formalize some of the areas has been undertaken by uMlalazi Municipality (Planning Department) such as preparing more detailed local plans for its three areas located within the Urban Development Area zone which include Eshowe, Gingindlovu and Mtunzini. These areas have formal layout plans and a fair amount of densification has been promoted during the planning and development of these areas.

However, there is evidence of densification occurring outside of the Urban Development Areas zone. These areas are located mainly along mobility routes. These areas are already experiencing densities of around 15-20 dwelling units per hectare. There could be a number of reasons but the following may explain the densification and growth:

- Zero to low levies for high level of services found here;
- Reasonable social facilities
- Good road network
- Good public transport system

The challenge however is that these have been unplanned settlements and servicing each site is not always to planning norms and standards. Hygiene and sanitation continue to be the biggest challenge.

Aspects that should be considered for future densification programmes within the municipality include:

- Topography and slope;
- Availability of bulk infrastructure and services which will support high density residential development;
- Socio-economic conditions;
- Tourism and heritage importance.

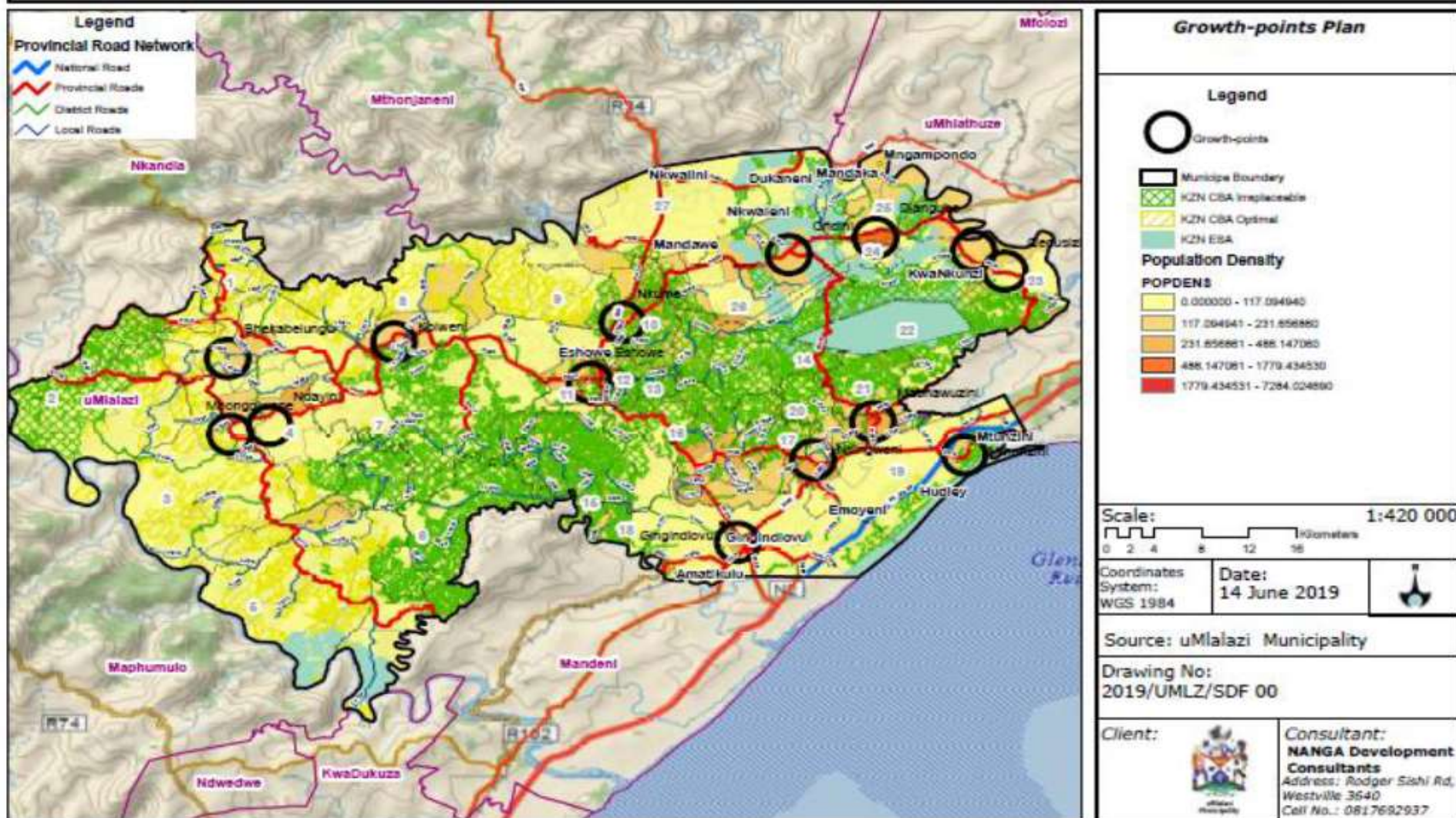
The following table presents broad recommended densification guidelines for the municipality:

DENSITIES	DESCRIPTIONS	LEVEL OF SERVICE	AREAS
20-30 du /ha	These are typically high-density areas within the study area where development has already taken place at a rapid level or where there is a potential to densify. To a large degree the location of these areas is strongly influenced by good road network system linking such areas with neighboring amenities.	These should provide the following services: <ul style="list-style-type: none"> • Water borne sanitation • Water to each site • Access to each • Storm water measures 	Eshowe, Gingindlovu and Mtunzini
7 -20 du / ha	These areas are typically medium density that could still use some form of on-site sanitation They are also influenced by good road network system linking with adjoining communities It is also important to commence with planning of local accesses in this area so that future densification occurs within a guided framework. This area may be linked to housing development programmes at the above-mentioned density.	Whilst these areas remain, to a large extent, under Ingonyama Trust, development and provision of services should nonetheless follow fully serviced high density sites. The following services are to be provided: <ul style="list-style-type: none"> • On site sanitation • Individual to communal water • Subsistence agriculture 	Nteneshane; Obanjeni, Oqaqeni, Nsingweni; Mbongolwane; Nkanini, Nkume; Ondini; and Enqoleni;

DENSITIES	DESCRIPTIONS	LEVEL OF SERVICE	AREAS
<7 du/ha	<p>Current density in the above areas is estimated at less than 6 dwelling units per hectare.</p> <p>Some households are engaged in commercial and agricultural activities</p> <p>It is proposed that up to 6 du/ha is promoted in these areas in the short to medium term.</p> <p>The following are promoted:</p> <ul style="list-style-type: none"> • Agriculture • Environmental protection • Medicinal plants. 	<p>The following services are to be provided:</p> <ul style="list-style-type: none"> • On site sanitation • Individual to communal water • Subsistence to commercial agriculture 	<p>The remaining rural hinterland of the municipality and commercial farms</p>

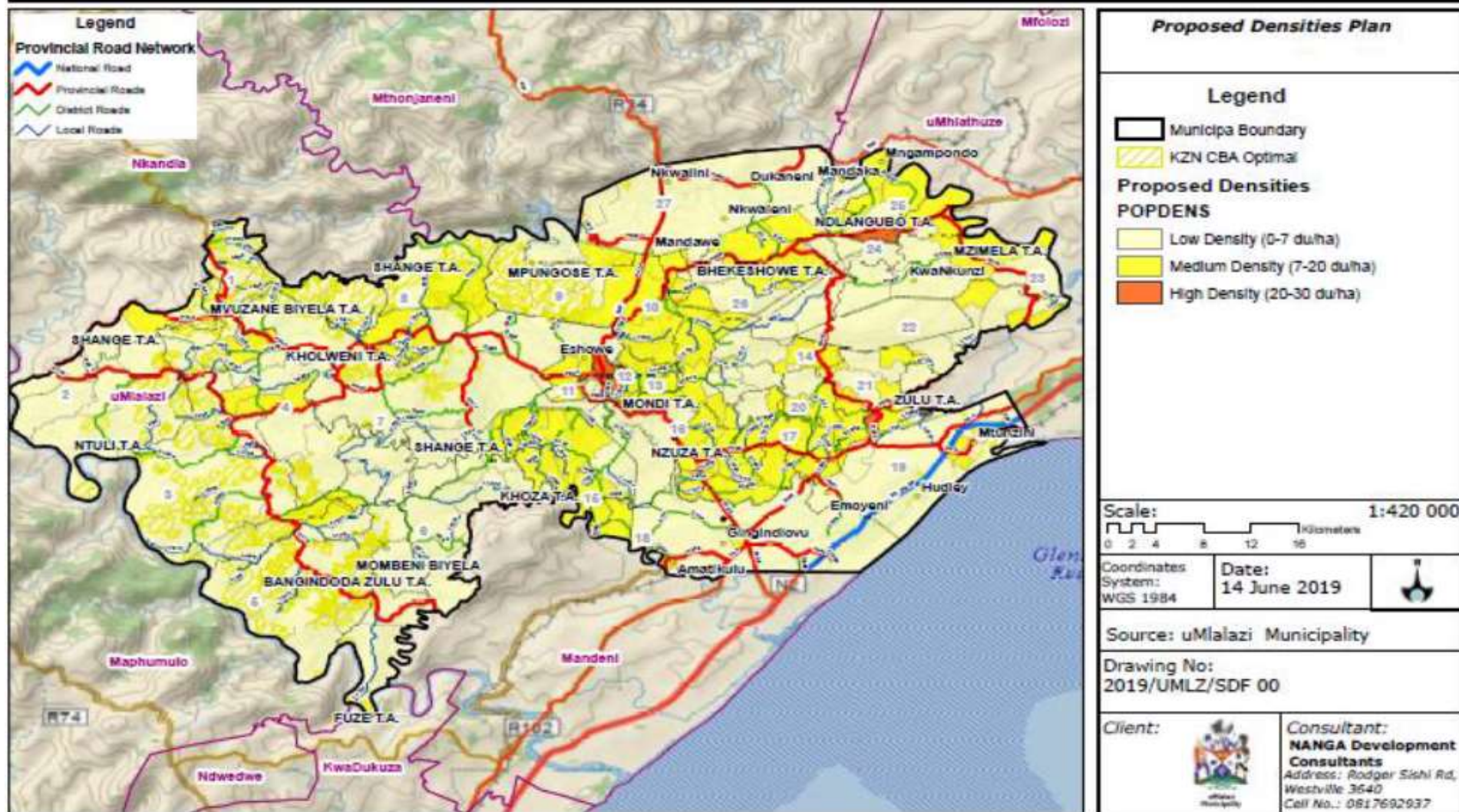
Table 126: *Densification Guidelines for the municipality*

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Map 50: Growth Points Plan

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Map 51: Proposed Densities Plan

19.7. Development Nodes

19.7.1. Primary Node

The town of Eshowe has been identified as the only Primary Node within the uMlalazi Municipal Area. It is the most dominant urban area within the uMlalazi Municipality, owing to its diverse economy (when compared to the other main centres), superior level of infrastructure and service, and sphere of influence. The primary node is characterised by the intensity, mix and clustering of activities/land uses including commercial/business development and associated employment opportunities, public offices. The level of services and facilities of this area needs to be improved to complement this function.

In the KZN PGDS the town of Eshowe is classified as a Quaternary Nodes (4th Order Nodes). Key strategic interventions specifically targeted at Eshowe and surrounding areas include:

- Focused investment in areas of Poverty Concentrations
- Promote Integration (Green Agenda)
- Integration in terms of Mixed Densities & Uses
- Improve Transportation linkages to Nodes
- Promote Social-economic Integration
- Eradicate Backlogs & Promote Basic Service Infrastructure & Delivery
- Promote Socio-Economic Upliftment
- Promote provision of sufficient Bulk Infrastructure Services (Demand & Supply)
- Priority spending on Infrastructural Upgrading Needs (New & Maintain)
- Rural Service Delivery Point
- Promote & Establish PPP's
- Promote Cultural & Community Based Tourism

19.7.2. Secondary Nodes

The towns of Mtunzini and Gingindlovu have been identified as Secondary Nodes within the uMlalazi Municipal Area. These two towns are the only remaining formalized towns within the Municipal Area. The towns of Mtunzini and Gingindlovu function as service centres for its surrounding rural hinterlands. However, in terms of roles, Gingindlovu is primarily serving an industrial and service industrial function, which is not surprising given its strategic location. Mtunzini fulfils a predominantly tourism-orientated role as well as a dormitory town role (dormitory to Richards Bay and Empangeni).

These types of towns are not really clearly defined in the KZN PGDS since they are not considered to be fully-fledged. Quaternary Nodes nor Rural Service Centres. Both towns have elements of both. The following key interventions and activities are proposed as part of the SDF;

- Focused investment in areas of Poverty Concentrations
- Promote Integration (Green Agenda)
- Integration in terms of Mixed Densities & Uses
- Improve Transportation linkages to Nodes
- Promote Social-economic Integration
- Promote provision of sufficient Bulk Infrastructure Services (Demand & Supply)
- Priority spending on Infrastructural Upgrading Needs (New & Maintain)
- Rural Service Delivery Point
- Promote & Establish PPP'S
- Promote Cultural & Community Based Tourism
- Taxi/ bus stop
- Informal trading / market area,
- Social facility (CHCs, library etc.)
- Skills development centre (mainly local schools).

19.7.3. Tertiary Nodes

The following Tertiary Development Nodes have been identified within the uMlalazi Municipal Area:

- Ndlangubo;
- Nteneshane;
- Nsingweni;
- Mbolgolwane; and
- Nkanini.

In the KZN PGDS, These Nodes are referred to as Rural Service Centres. The proposed rural service centres are envisaged to serve as the lowest level of provincial nodes and could typically be established around existing traditional administration centres as well as other accessible rural points identified as periodic markets. It should serve as first access to basic services within rural areas. These rural service centres will include, as some have already emerged to include, a combination of the following activities:

- Traditional administration centre;
- Taxi/ bus stop;
- Informal trading / market area;
- Social facility (clinic, library etc.);
- Skills development centre (mainly local schools);
- Mobile services point (mobile clinics, pension pay points, mobile library etc.);
- Small commercial facility; and
- Recreational facility such as a sport field.

19.7.4. Service Points

The following Service Points have been identified within the uMlalazi Municipal Area:

- Nkweleni;
- Velamuva;
- Ngudwini;
- Bhekabelungu; and
- Kholweni.
- Mvutshini

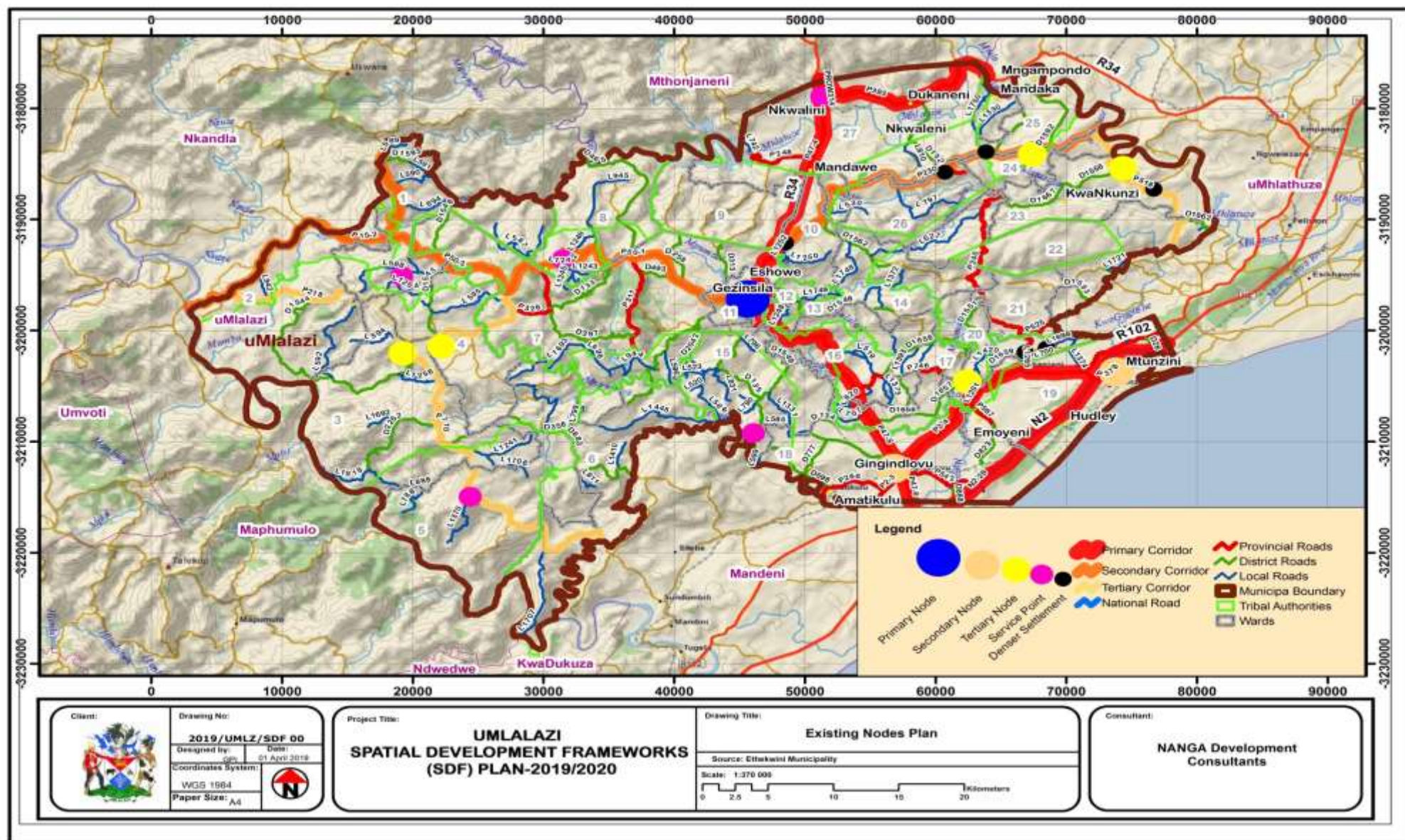
Service Points are those localities where at least a shop and one or more social facilities (sports field or schools or a clinic) are located within a specific area. It only serves the immediate communities surrounding that particular point with basic commodities and groceries. Sometimes post boxes are also provided at these localities.

19.7.5. Denser Settlement

Denser settlement referred to areas where households have settled in a denser settlement pattern than its surrounding area and where some elements of a formal layout can be identified, i.e. parallel streets, uniform erf sizes, etc. A limited number of non-household or non-settlement land uses are present in these denser settlements. These settlements are dormitory in nature.

The following denser settlements have been identified within the uMlalazi Municipal Area:

- Nkume;
- Ondini;
- Enqoleni;
- Qedusizi;
- Obanjeni; and
- Ezingeni.



Map 52: Municipal Nodes

19.8. Development Corridors

The Development Corridor network comprises of number of roads which have been identified in the SDF. This network is based on condition of roads, level of access afforded and its importance at a district/regional scale in terms of access to economic and service centres, and as carriers of investment. The existing Development Corridors are broken down in descending order (in terms of the above criteria) into Primary, Secondary and Tertiary Corridors.

19.8.1. Primary Corridors

Name	Location/Description
The N2 Highway (and R102)	The two routes are aligned parallel to each other in the south-eastern sector of the uMlalazi municipal area. It offers access to Richards Bay/Empangeni, as well as the three Secondary Centers (Gingindlovu, Nqutshini and Mtunzini).
The P47 / R66 (Heritage Route)	The R66 can be considered to be an as important transportation route within the uMlalazi Area as the N2 Highway. Emphasis is placed on the R66 in that it forms an almost central spine through the municipal area as well the location of the Primary Administrative Centre, two Secondary Centers and three Tertiary Centers on it. It is a road that links the uMlalazi Area with the rest of the KwaZulu Natal interior and with the N2 Highway which in turn links to Richards Bay/Empangeni to the north, and Durban to the south. This Route is also known as the Heritage Route as this route passes through cultural heritage tourist destinations.
The P393 / R34	This route is located in the north of the municipal area and is the current most effective link between The R66 (between Melmoth and Eshowe) and Richards Bay Empangeni. Only one Tertiary Centre has been identified in relation to this road (Nkweleni). The reason is the fact that the area, within which this road is aligned through the uMlalazi Local Municipality, is dominated by commercial farming, which discourages nodal development. The importance of this road is in its link with the District Centre of Richards Bay/Empangeni.

Table 127: Primary Corridors

19.8.2. Secondary Corridors

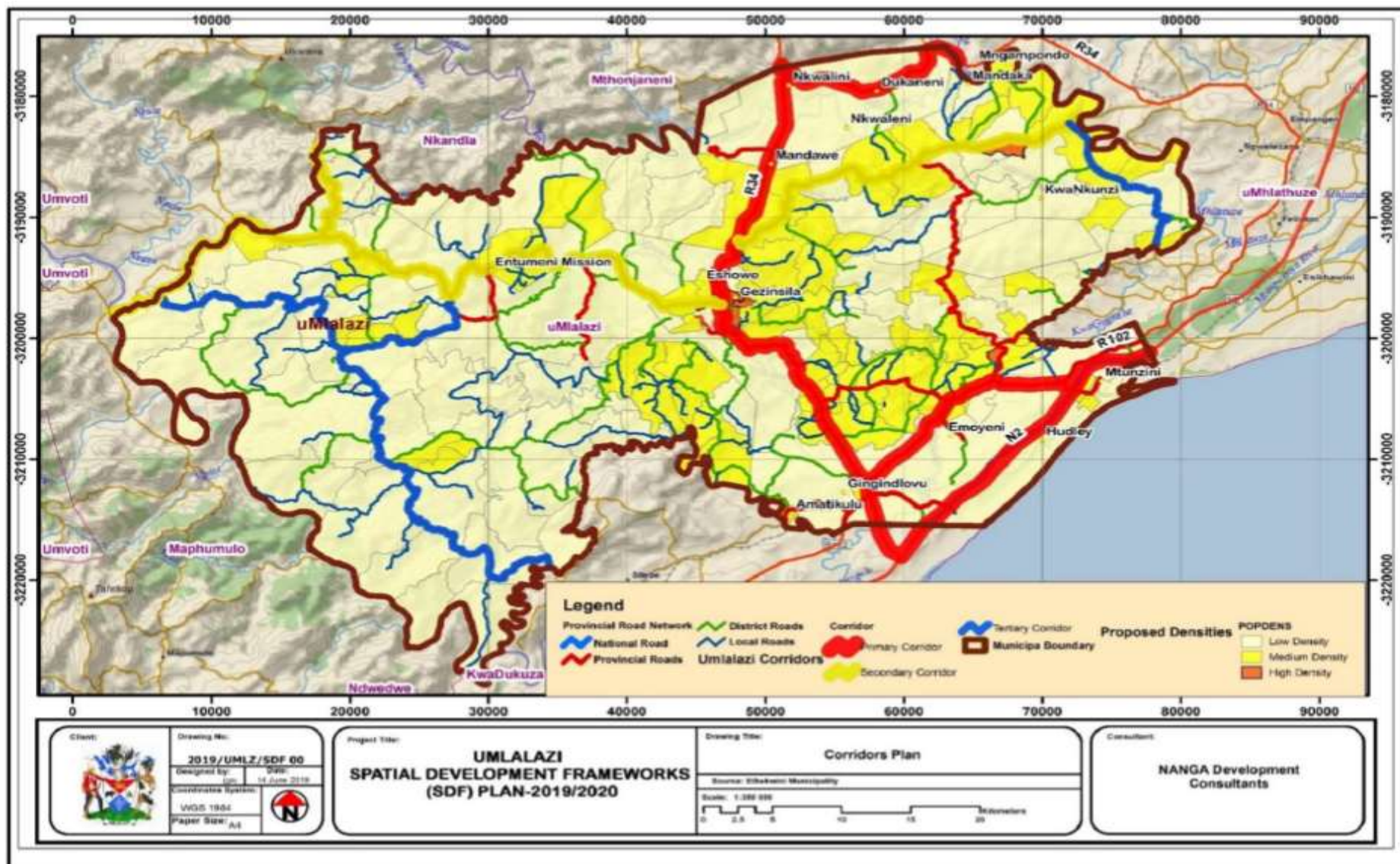
Name	Location/Description
The P50	This route links Eshowe and Nkandla to the north-west of Eshowe. It also links Entumeni with Eshowe and Mbongolwane is on this route. This corridor services an agricultural area of considerable size and will become increasingly important with the implementation of the Mbambiswano/Entumeni Agricultural project. The route is aligned through areas of outstanding agricultural quality.
The P15	This corridor establishes a road link between Kranskop and the P50. It is aligned through areas that accommodate the poorer section of the uMlalazi population. The road is generally in a poor condition and has a gravel surface. If improved to an acceptable standard, it will encourage traffic movement between the areas of Greytown/Kranskop and Eshowe, as It will shorten the traveling distance to a considerable extent. The route also serves farming areas and areas of human settlement.
The P230	Tertiary Centres (Ondini and Enqoleni), located along it. It is also a route, which is used extensively by tourists visiting the area. Added to this, it presents a shorter traveling distance between Richards Bay/Empangeni and Eshowe, when compared to the R34. The alternative route is the R34, which is aligned to the north of the municipal area and has a tarred surface.
The P710 & P218	This route is aligned along the western/south-western boundary of the municipal area. It links Mandeni to the south of Eshowe with Mbongolwane, a Tertiary Node. Two other Tertiary Centers are located along the route. The road is presently gravel-surfaced, and

Name	Location/Description
	has been identified in the uMlalazi IDP for upgrading by means of tarring. The route serves the farming areas alongside it as well as scattered human settlements. The P218 is a short link road between the P50 and the P710
The P518	This tertiary corridor provides a link between the P230 and the P2. It provides access to a tertiary node (Ukuphumuleni) and some identified denser settlements. It also forms the eastern border of the Municipal area.

Table 128: Secondary Corridors

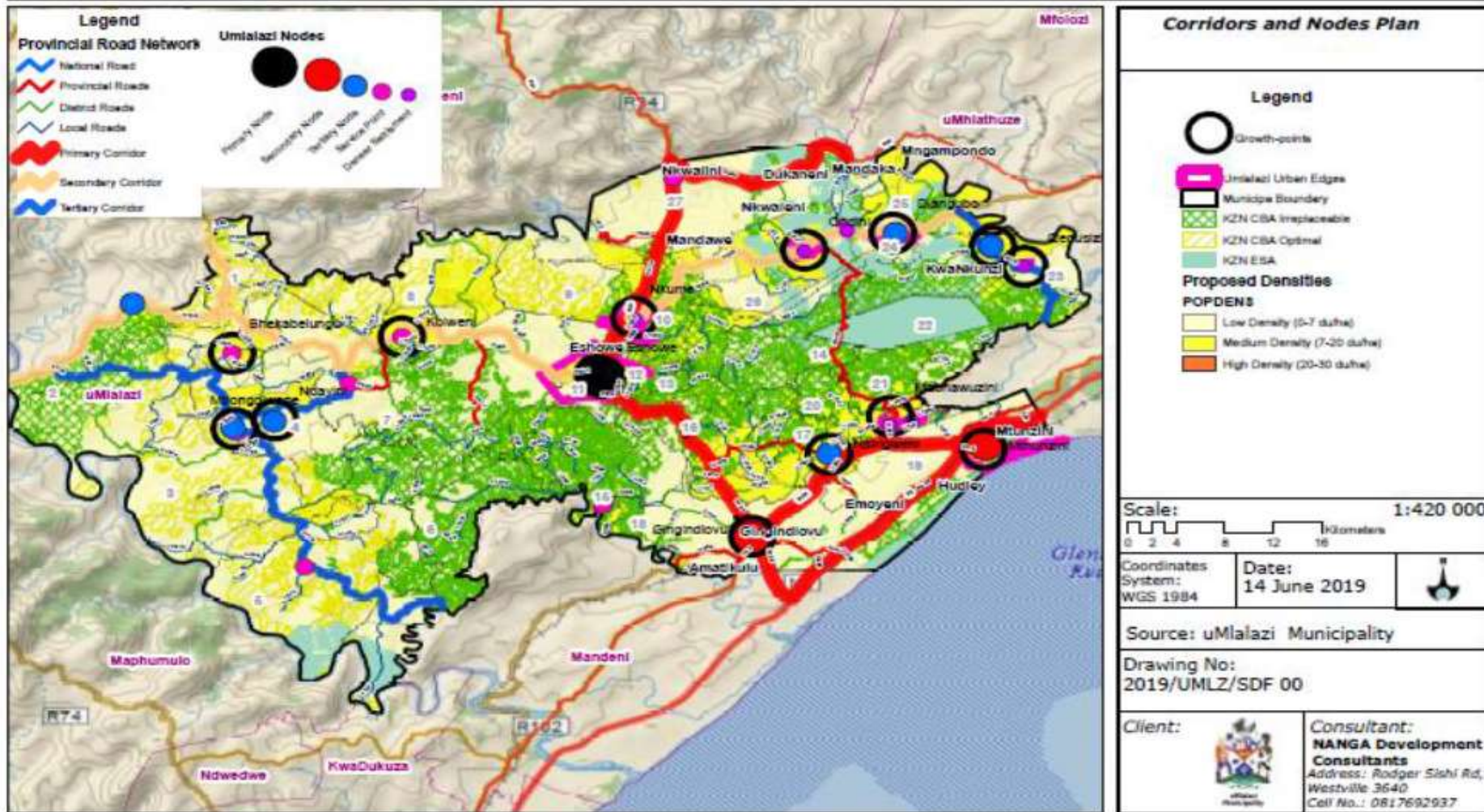
The following agricultural corridors, which coincide with identified good potential agricultural land, as depicted in the Status Quo Section of this Report, have been identified. It must be noted that commercial farming is located along these corridors:

- Old main road between Gingindlovu and Empangeni (P2);
- Main Road between Nkwaleni and Empangeni (P393);
- Main Road between Gingindlovu and Eshowe (P47); and
- Main Road between Eshowe (P5) and the road intersection with another main road, namely the P15.



Map 53: Corridor Development Plan

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 54: Corridors and Nodes Plan

19.9. Wall-to Wall Scheme

According to the SPLUMA, local municipalities are required to adopt and approve a single land use scheme for their areas within five years from the commencement of this Act. The municipality has executive authority in the development, preparation and adoption or amendment to provide general policy and other guidance. Wall-To-Wall Schemes is a single and flexible system used to manage land within a municipal area. Land Use Management is a combination of all the tools and mechanisms used by a municipality to manage the way land is used and developed. These tools include inter alia: land use schemes; by-laws; licensing; rates and general property information. These tools are aimed to assist the municipality in containing urban sprawl, guide growth of built up areas, protect areas of environmental sensitivity and define high potential agricultural land needing protection to prevent the uncontrolled spread of unsustainable development into agricultural areas.

The adopted land use scheme includes the following:

- appropriate categories of land use zoning and regulations for the entire
- municipal area, including areas not previously subject to a land use scheme;
- take cognizance of any environmental management instrument adopted by the relevant environmental management authority, and must comply with environmental legislation;

19.10. Strategic Environmental Assessment (SEA)

From a broader planning perspective, Strategic Environmental Assessment imperatives connote a framework, based on current land uses, environmental characteristics and potential or future development intentions. Many layers of the biodiversity data that coagulates to provide a holistic picture to inform development planning within the uMlalazi Local Municipality extend from the biodiversity layers established in the Greater King Cetshwayo District Municipal (KCDM) Environmental Management Zoning (EMZ) and the Ezemvelo KZN Wildlife biodiversity and Conservation Priority area zonings. Key components have been discussed separately in this review, including the agricultural potential of the land, the vegetation status and conservation significance, the protected and biodiversity priority areas. Putting all these together culminates into land suitability and environmental zonings. This also reflects where the key resources reside, and where the no-go or restricted areas reside within the municipality.

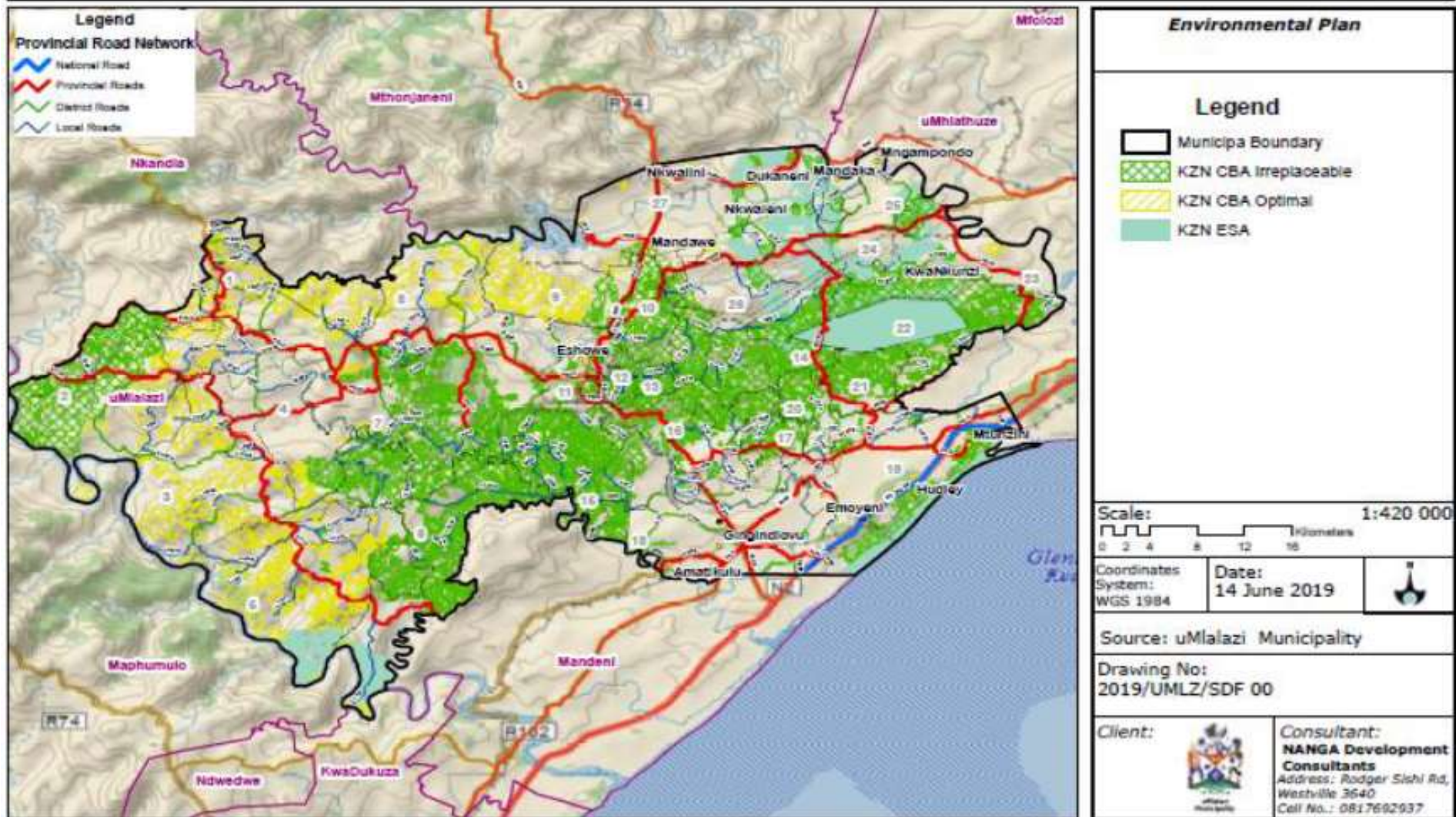
19.10.1. *Potential development spatial zonings*

From the EMF assessments, the areas of good agricultural potential exist within uMlalazi Local Municipality, most of which are currently already being subjected to cultivations. Due to the good quality of land in the area, most of the vast open lands are quickly being transformed into agricultural purposes. Areas with already transformed vegetation may be used for infrastructural and commercial developments, while areas with good agricultural areas be reserved for such purposes.

19.10.2. *Restricted and conservation areas*

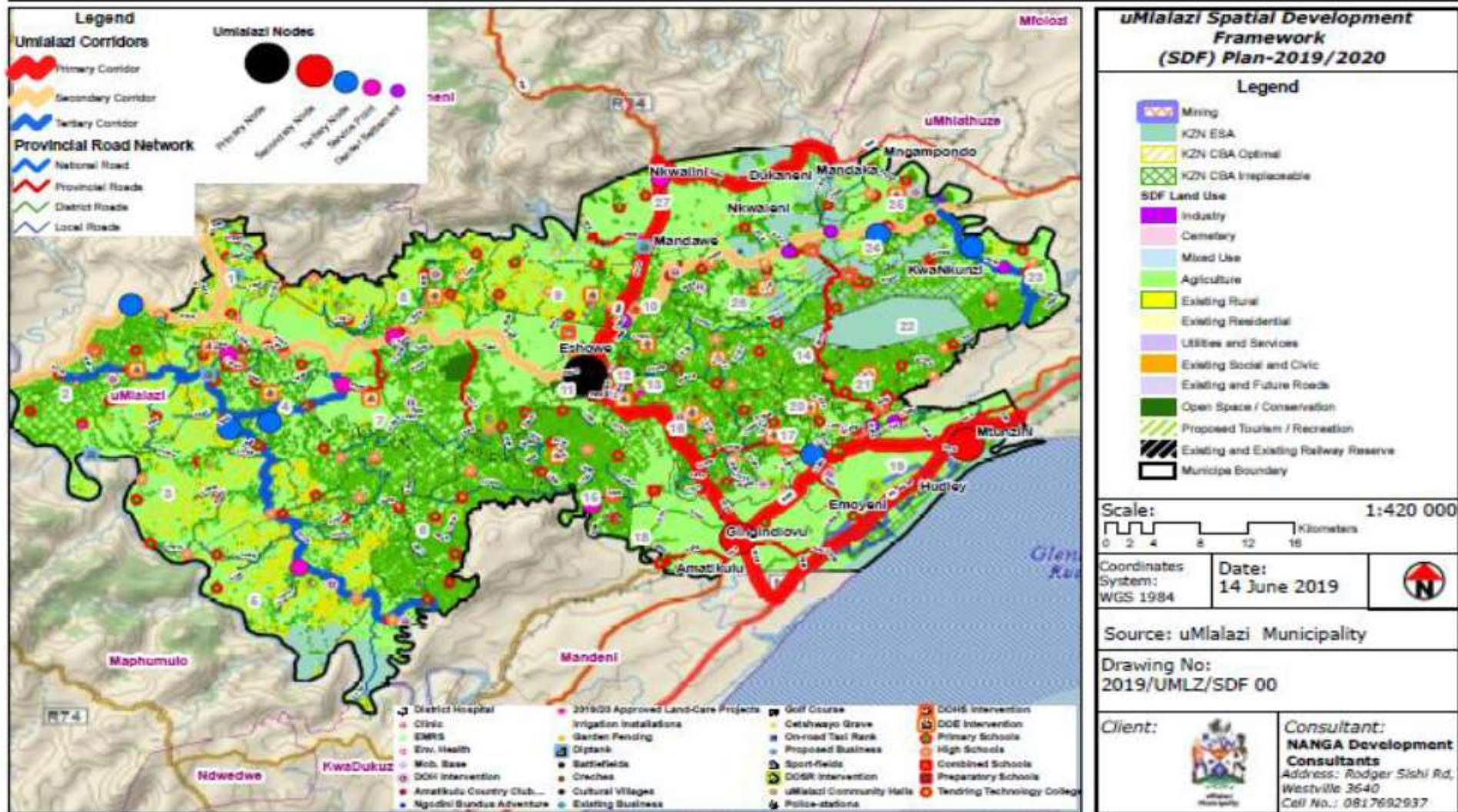
The areas of high biodiversity conservation, area mostly spread within the South eastern half of the municipality, especially where indigenous vegetation still remain. These areas are noted as Irreplaceable Biodiversity Conservation Areas, as shown on the CBA Map. These areas form the no-go areas, for developments that require vegetation removals. Specific environmental Assessments (EIAs) would need to be undertaken for these areas for specific developments in terms of Section 24 of NEMA (Act 107. Of 1998). Additionally, protected zones cover the 4768km² along the coastal area from Mtunzini through Hundley towards Dunn's Reserve on the Southern side of the N2. These are the known habitats of the Pickersgill Reed Frogs, which are biodiversity assets for the province as per the Biodiversity Red list under the provisions of the National Environmental Management: Biodiversity Act (Act 10, of 2004). These areas are included in the development inclusion zones including Agricultural transformation. Development planning need to take cognisance of these restricted areas. As much as possible, it should be avoided, but and where any development of vegetation transformation is envisaged within the irreplaceable biodiversity asset areas, and conservation areas, key environmental legislations and respective governing authorities needs to be consulted.

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



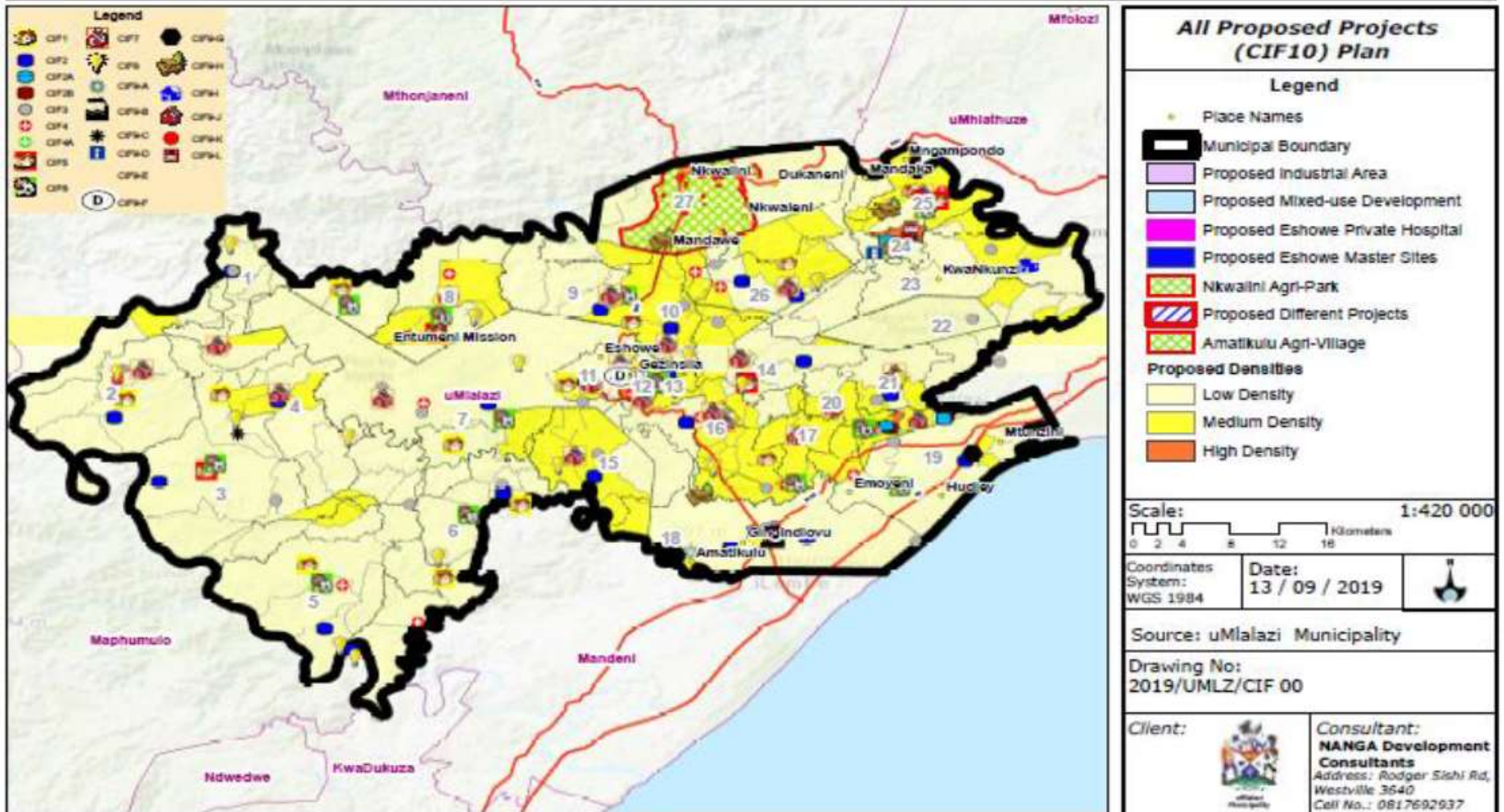
Map 56: Environmental Plan

UMLALAZI SPATIAL DEVELOPMENT FRAMEWORK (SDF) PLAN-2019/2020



Map 57: Consolidated SDF

UMLALAZI CAPITAL INVESTMENT FRAMEWORK (CIF) PLAN-2019/2020



Map 58: Consolidated Capital Investment Framework

SECTION E2: IMPLEMENTATION PLAN

20. Municipal Implementation Plan

Figure 32: Implementation Plan

SECTION F: FINANCIAL PLAN

21. Budget Summary

The application of sound financial management principles for the compilation of the municipality's financial plan is essential and critical to ensure that the municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The municipality's business and service delivery priorities were received as part of this year's planning and budget process. Where appropriate, funds were transferred from low to high priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The municipality continues to focus on Department of Planning and Economic Development after the appointment of for the director in January last year. To get the department functional the municipality is required to reduce spending on social services and focus on economic development and people empowerment as well as SMME's. This would stimulate economic growth and create sustainable livelihoods for citizens whilst enhancing future revenue streams for the municipality. Areas needing attention from this department include Tourism, Local Economic Development, Investments attraction, Property Development, Building Inspectorate, Outdoor Advertising and related functions within the department.

The municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. Furthermore the municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people led government.

The Budget/IDP process occurred according to the budget timetable approved by Council on 30 August 2019. This ensured compliance with the LG: MFMA and subsequent circulars in the preparation and approval of the multi-year budget/IDP.

The Budget and Medium Term Revenue and Expenditure Framework (MTREF) was also prepared taking cognizance of the contents of the Local Government: Municipal Finance Management Act No 56 of 2003. Circulars No. 98 and 99.

The main challenges experienced during the compilation of the 2020/2021 Budget and MTREF can be summarized as follows:

- The ongoing difficulties in the national and local economy;
- Ageing roads and electricity infrastructure;
- The need to reprioritize projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- Significantly high debt impairment emanating from poor collection mainly from traffic fines revenue as well as some significant debts owing by Government Departments and the balance by some households for more 120 days.
- The increased cost of bulk electricity (due to tariff increases from Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable – as there will be a point where services will no longer be affordable;
- Wage increases for municipal staff that continues to exceed consumer inflation, as well as the need to fill critical vacancies.
- Affordability of capital projects-original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2020/2021 budget and MTREF process.
- mSCOA reforms with stringent deadlines, compliance requirements.

The following budget principles and guidelines directly informed the compilation of the 2020/2021 Budget and MTREF:

- The 2019/2020 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted.
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;

- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;

In view of the aforementioned, the following table is a consolidated overview of the proposed 2020/2021 Budget and Medium-term Revenue and Expenditure Framework:

21.1. Consolidated Overview: 2020/2021 Budget & MTREF.

Details	Adjustments Budget 2019/2020 (R)	Budget Year 2020/2021 (R)	Budget Year 2021/2022 (R)	Budget Year 2022/2023 (R)
Total Operating Revenue	(501 399 840)	(474 875 030)	(498 368 340)	(525 201 510)
Total operating Expenditure	501 277 990	474 766 990	493 081 690	515 843 100
(Surplus)/Deficit for the year	(121 850)	(108 040)	(5 286 650)	(9 358 410)
Total Capital Expenditure	69 574 510	65 150 750	61 756 150	60 279 700

Table 129: Consolidated Overview of 2020/2021 Budget & MTREF.

Operating revenue:

Description	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Percentage Growth	-5,3%	4,9%	5,4%
Growth/(decrease) in amounts	(26 424 810)	23 493 310	26 833 170

Table 130: Operating Revenue Overview

Operating Expenditure:

Description	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Percentage Growth	-5%	3,9%	4,6%
Growth/(decrease) in amounts	(26 411 000)	18 314 700	22 761 410

Table 131: Operating Expenditure Overview

Capital Budget:

Description	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Percentage Growth	-5,1%	-5,2%	-2,4%
Growth/(decrease) in amounts	(3 483 760)	(3 394 600)	(1 476 450)

Table 132: Capital Budget Overview

21.2. Budget Summary

KZN284 uMlalazi - Table A1 Budget Summary										
Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Financial Performance										
Property rates	46 588	48 143	54 035	56 411	56 510	56 510	56 510	61 215	64 305	68 164
Service charges	70 687	77 876	80 994	85 893	86 729	86 729	86 729	91 028	95 606	101 193
Investment revenue	5 567	4 229	4 787	5 145	9 145	9 145	9 145	9 593	10 054	10 537
Transfers recognised - operational	148 258	176 200	215 087	244 325	245 523	245 523	245 523	207 241	221 061	234 353
Other own revenue	47 653	59 053	48 508	56 570	56 570	56 570	56 570	57 426	58 806	60 440
Total Revenue (excluding capital transfers and contributions)	318 753	365 500	403 412	448 344	454 478	454 478	454 478	426 504	449 832	474 687
Employee costs	101 519	107 782	132 135	143 745	147 667	147 667	147 667	156 784	166 975	177 828
Remuneration of councillors	17 632	20 041	21 510	22 957	22 957	22 957	22 957	24 392	25 977	27 666
Depreciation & asset impairment	41 264	47 516	44 980	52 290	52 290	52 290	52 290	53 336	54 403	55 491
Finance charges	537	490	447	310	310	310	310	373	330	287
Materials and bulk purchases	54 912	56 599	61 540	70 331	70 126	70 126	70 126	74 008	77 736	84 086
Transfers and grants	2 952	3 322	5 286	5 206	5 496	5 496	5 496	4 900	5 054	5 163
Other expenditure	144 980	153 070	183 426	199 471	201 932	201 932	201 932	160 974	162 607	165 822
Total Expenditure	363 796	388 820	449 324	494 310	500 778	500 778	500 778	474 767	493 082	516 343

KZN284 uMlalazi - Table A1 Budget Summary										
Description	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Surplus/(Deficit)	(45 042)	(23 320)	(45 912)	(45 965)	(46 300)	(46 300)	(46 300)	(48 263)	(43 250)	(41 656)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	57 024	39 333	56 278	44 409	44 761	44 761	44 761	48 371	48 536	51 015
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	–	–	–	1 662	1 662	1 662	1 662	–	–	–
Surplus/(Deficit) after capital transfers & contributions	11 982	16 014	10 365	105	122	122	122	108	5 287	9 358
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	11 982	16 014	10 365	105	122	122	122	108	5 287	9 358
Capital expenditure & funds sources										
Capital expenditure	–	45 891	52 726	67 879	69 575	69 575	69 575	65 151	61 756	60 280
Transfers recognised - capital	–	45 891	52 726	43 065	44 761	44 761	44 761	48 371	48 536	51 015
Borrowing	–	–	–	–	–	–	–	–	–	–
Internally generated funds	–	–	–	24 814	24 814	24 814	24 814	16 780	13 220	9 265
Total sources of capital funds	–	45 891	52 726	67 879	69 575	69 575	69 575	65 151	61 756	60 280
Financial position										
Total current assets	110 702	136 510	158 160	87 976	131 558	131 558	131 558	111 030	116 374	133 609
Total non current assets	832 227	829 084	829 877	863 433	863 433	863 433	863 433	836 006	837 592	836 329
Total current liabilities	45 191	49 018	56 782	46 643	46 643	46 643	46 643	28 173	23 693	28 659
Total non current liabilities	23 257	23 367	25 980	21 859	21 859	21 859	21 859	26 348	26 505	26 662
Community wealth/Equity	874 481	893 209	905 274	882 907	926 489	926 489	926 489	892 515	903 768	914 616
Cash flows										
Net cash from (used) operating	49 049	60 262	65 849	39 248	53 992	53 992	53 992	61 419	67 343	77 857
Net cash from (used) investing	(75 022)	(46 246)	(52 097)	(67 379)	(69 075)	(69 075)	(69 075)	(64 951)	(61 756)	(60 280)
Net cash from (used) financing	(343)	(354)	(343)	(343)	(343)	(343)	(343)	(343)	(343)	(343)
Cash/cash equivalents at the year end	86 123	99 785	113 194	54 161	97 743	97 743	97 743	68 080	73 323	90 557
Cash backing/surplus reconciliation										
Cash and investments available	86 124	99 797	113 195	54 162	97 744	97 744	97 744	68 080	73 323	90 557
Application of cash and investments	14 473	3 142	9 039	15 865	15 399	15 399	15 399	13 858	21 745	25 309
Balance - surplus (shortfall)	71 651	96 656	104 156	38 297	82 345	82 345	82 345	54 222	51 579	65 248
Asset management										
Asset register summary (WDV)	–	894 947	0	852 411	852 411	852 411	852 411	825 658	827 245	825 983
Depreciation	–	47 516	44 980	52 290	52 290	52 290	52 290	53 336	54 403	55 491
Renewal and Upgrading of Existing Assets	–	12 801	–	14 600	29 594	29 594	29 594	26 770	12 210	9 455
Repairs and Maintenance	–	22 691	–	31 864	32 801	32 801	32 801	31 495	33 313	35 243
Free services										
Cost of Free Basic Services provided	2 293	1 050	2 341	2 961	3 067	3 067	2 485	2 485	2 612	2 746
Revenue cost of free services provided	29 062	27 627	2 850	20 826	37 043	37 043	18 591	18 591	19 706	20 889
Households below minimum service level										
Water:	–	–	–	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–	–	–	–

Table 133: Budget Summary

21.3. Annual Budget Tables

The following present the main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2020/21 budget and MTREF as approved by the Council:

KZN284 uMlalazi - Table A1 Budget Summary							
Description R thousands	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Financial Performance							
Property rates	52 040	53 346	53 346	53 346	56 411	60 187	63 861
Service charges	75 348	77 102	77 102	77 102	85 893	91 586	97 730

KZN284 uMlalazi - Table A1 Budget Summary							
Description R thousands	Current Year 2018/19				2019/20 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2019/20	Budget Year +1 2020/21	Budget Year +2 2021/22
Investment revenue	7 791	4 891	4 891	4 891	5 145	5 413	5 694
Transfers recognised - operational	172 281	210 346	210 346	210 346	244 325	203 944	219 954
Other own revenue	52 741	57 917	57 917	57 917	57 070	59 638	62 709
Total Revenue (excluding capital transfers and contributions)	360 201	403 603	403 603	403 603	448 844	420 767	449 948
Employee costs	121 725	121 337	121 337	121 337	143 745	153 766	165 394
Remuneration of councillors	21 658	21 658	21 658	21 658	22 957	24 335	25 795
Depreciation & asset impairment	47 306	54 651	54 651	54 651	52 290	55 114	58 090
Finance charges	343	343	343	343	310	290	270
Materials and bulk purchases	61 042	62 562	62 562	62 562	70 331	75 730	79 696
Transfers and grants	3 901	7 451	7 451	7 451	5 206	5 319	5 558
Other expenditure	150 375	190 195	190 195	190 195	199 971	156 370	164 618
Total Expenditure	406 349	458 196	458 196	458 196	494 810	470 923	499 421
Surplus/(Deficit)	(46 148)	(54 594)	(54 594)	(54 594)	(45 965)	(50 155)	(49 473)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	59 648	60 011	60 011	60 011	46 071	50 966	53 167
Contributions recognised - capital & contributed assets	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	13 500	5 417	5 417	5 417	105	811	3 694
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–
Surplus/(Deficit) for the year	13 500	5 417	5 417	5 417	105	811	3 694
Capital expenditure & funds sources							
Capital expenditure	74 043	71 715	71 715	71 715	67 879	51 516	61 217
Transfers recognised - capital	59 648	57 320	57 320	57 320	44 409	50 966	60 167
Borrowing	–	–	–	–	–	–	–
Internally generated funds	14 395	14 395	14 395	14 395	23 470	550	1 050
Total sources of capital funds	74 043	71 715	71 715	71 715	67 879	51 516	61 217
Financial position							
Total current assets	62 461	118 154	118 154	118 154	89 637	82 128	68 923
Total non current assets	924 599	846 184	846 184	846 184	863 433	860 022	863 323
Total current liabilities	53 496	54 736	54 736	54 736	46 643	46 813	46 983
Total non current liabilities	19 812	21 946	21 946	21 946	21 859	21 516	21 173
Community wealth/Equity	913 752	887 656	887 656	887 656	884 568	873 820	864 090
Cash flows							
Net cash from (used) operating	50 995	54 779	54 779	54 779	40 910	43 001	46 939
Net cash from (used) investing	(72 543)	(71 565)	(71 565)	(71 565)	(67 379)	(51 366)	(61 067)
Net cash from (used) financing	(349)	(349)	(349)	(349)	(343)	(343)	(343)
Cash/cash equivalents at the year end	37 630	82 635	82 635	82 635	55 822	47 114	32 643
Cash backing/surplus reconciliation							
Cash and investments available	37 631	82 636	82 636	82 636	55 823	47 115	32 644
Application of cash and investments	22 585	25 146	25 146	25 146	52 486	41 838	29 197
Balance - surplus (shortfall)	15 046	57 490	57 490	57 490	3 337	5 277	3 447
Asset management							
Asset register summary (WDV)	835 172	835 172	835 172	835 172	853 611	850 190	853 481
Depreciation	47 306	54 651	54 651	54 651	52 290	55 114	58 090
Renewal and Upgrading of Existing Assets	14 600	13 144	13 144	13 144	21 970	–	7 000
Repairs and Maintenance	24 992	28 170	28 170	28 170	31 864	33 908	36 086
Free services							
Cost of Free Basic Services provided	3 175	2 961	2 961	3 000	3 000	3 208	3 422
Revenue cost of free services provided	18 821	19 463	19 463	20 826	20 826	21 743	22 993
Households below minimum service level							
Water:	–	–	–	–	–	–	–
Sanitation/sewerage:	–	–	–	–	–	–	–
Energy:	–	–	–	–	–	–	–
Refuse:	–	–	–	–	–	–	–

Table 134: Budget Summary

KZN284 uMlalazi - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)										
Functional Classification Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue - Functional										
Governance and administration		230 026	256 002	279 822	257 424	262 146	262 153	272 256	290 858	307 259
Executive and council		169 610	196 725	212 488	183 916	184 538	184 546	189 613	204 327	215 898
Finance and administration		60 416	59 277	67 334	73 509	77 608	77 608	82 643	86 531	91 361
Internal audit		–	–	–	–	–	–	–	–	–
Community and public safety		4 246	5 078	43 006	97 863	97 606	97 606	53 281	54 752	56 793
Community and social services		2 087	4 535	5 290	9 361	9 011	9 011	8 317	8 719	9 644
Sport and recreation		956	348	26	1 803	2 006	2 006	2 416	2 561	2 733
Public safety		777	4	3	41 536	41 426	41 426	42 373	43 287	44 220
Housing		427	191	37 687	45 162	45 162	45 162	175	186	197
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		40 968	54 826	42 431	18 094	16 805	16 805	19 911	20 929	21 939
Planning and development		1 731	2 301	2 765	5 455	6 006	6 006	5 217	5 531	5 802
Road transport		39 237	52 524	39 666	12 639	10 799	10 799	14 693	15 398	16 138
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		100 537	88 929	94 431	121 034	124 343	124 336	129 428	131 829	139 710
Energy sources		80 279	74 528	78 899	94 288	95 811	95 811	101 060	105 928	112 661
Water management		–	–	–	–	–	–	–	–	–
Waste water management		–	–	–	8	8	–	8	8	–
Waste management		20 258	14 401	15 532	26 738	28 525	28 525	28 360	25 893	27 048
Other	4	–	–	–	–	–	–	–	–	–
Total Revenue - Functional	2	375 778	404 834	459 689	494 415	500 900	500 900	474 875	498 368	525 702
Expenditure - Functional	-									
Governance and administration		142 738	263 260	152 812	159 345	163 411	163 411	169 350	180 215	187 382
Executive and council		96 846	220 916	101 807	91 159	92 821	92 821	95 514	102 735	106 479
Finance and administration		45 589	40 033	48 410	65 001	67 470	67 470	70 556	74 006	77 223
Internal audit		303	2 310	2 595	3 185	3 121	3 121	3 280	3 474	3 679
Community and public safety		51 796	43 854	116 786	154 672	156 458	156 458	113 601	119 681	123 920
Community and social services		11 800	14 857	17 659	20 825	21 432	21 432	20 939	22 501	23 378
Sport and recreation		13 626	16 207	16 982	18 133	19 747	19 747	20 474	21 810	22 454
Public safety		26 042	11 630	43 094	67 878	68 390	68 390	69 907	72 375	74 972
Housing		328	1 159	39 052	47 836	46 888	46 888	2 281	2 995	3 116
Health		–	–	–	–	–	–	–	–	–
Economic and environmental services		66 650	10 493	67 887	64 829	63 568	63 568	68 666	67 900	70 249
Planning and development		10 493	10 493	10 493	10 493	10 493	10 493	10 493	10 493	10 493
Road transport		56 157	–	57 393	54 335	53 075	53 075	58 173	57 407	59 756
Environmental protection		–	–	–	–	–	–	–	–	–
Trading services		102 606	71 207	111 835	115 449	117 325	117 325	123 133	125 269	134 776
Energy sources		70 045	70 839	84 176	84 292	87 024	87 024	91 731	95 770	103 717
Water management		–	–	–	–	–	–	–	–	–
Waste water management		9 205	368	365	424	527	527	554	587	621
Waste management		23 357	–	27 294	30 733	29 775	29 775	30 848	28 913	30 437
Other	4	5	7	4	16	16	16	16	17	18
Total Expenditure - Functional	3	363 796	388 820	449 324	494 310	500 778	500 778	474 767	493 082	516 343
Surplus/(Deficit) for the year		11 982	16 014	10 365	105	122	122	108	5 287	9 358

Table 135: Budgeted Financial Performance (revenue and expenditure by functional classification)

KZN284 uMlalazi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue by Vote	1									
Vote 1 - Executive and council		159 789	196 725	212 488	183 916	184 538	184 538	189 613	204 327	215 889
Vote 2 - Finance and administration		60 416	59 277	67 334	73 509	77 608	77 608	82 643	86 531	91 361
Vote 3 - Internal audit		–	–	–	–	–	–	–	–	–
Vote 4 - Community and social services		2 087	4 535	5 290	9 361	9 011	9 011	8 317	8 719	9 644
Vote 5 - Sport and recreation		956	348	26	1 803	2 006	2 006	2 416	2 561	2 733
Vote 6 - Public safety		777	4	3	41 536	41 426	41 426	42 373	43 287	44 220
Vote 7 - Housing		427	191	37 687	45 162	45 162	45 162	175	186	197
Vote 8 - Planning and development		1 731	2 301	2 765	5 455	6 006	6 006	5 217	5 531	5 802
Vote 9 - Road transport		49 058	52 524	39 666	12 639	10 799	10 799	14 693	15 398	16 138
Vote 10 - Waste management		20 258	14 401	15 532	26 738	28 525	28 525	28 360	25 893	27 048
Vote 11 - Energy sources		80 279	74 528	78 899	94 288	95 811	95 811	101 060	105 928	112 661
Vote 12 - Other		–	–	–	–	–	–	–	–	–
Vote 13 - Waste water management		–	–	–	8	8	8	8	8	9
Vote 14 -		–	–	–	–	–	–	–	–	–
Vote 15 -		–	–	–	–	–	–	–	–	–
Total Revenue by Vote	2	375 778	404 834	459 689	494 415	500 900	500 900	474 875	498 368	525 702

KZN284 uMlalazi - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)										
Vote Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and council		96 846	224 095	100 175	81 131	82 955	82 955	85 179	89 257	93 502
Vote 2 - Finance and administration		45 589	40 033	48 410	65 001	67 470	67 470	70 556	74 006	77 223
Vote 3 - Internal audit		303	2 310	2 595	3 185	3 121	3 121	3 280	3 474	3 679
Vote 4 - Community and social services		11 800	14 857	17 659	20 825	21 432	21 432	20 939	22 501	23 378
Vote 5 - Sport and recreation		13 626	16 207	16 982	18 133	19 747	19 747	20 474	21 810	22 454
Vote 6 - Public safety		26 042	11 630	43 094	67 878	68 390	68 390	69 907	72 375	74 972
Vote 7 - Housing		328	1 159	39 052	47 836	46 888	46 888	2 281	2 995	3 116
Vote 8 - Planning and development		10 493	7 315	12 125	20 521	20 359	20 359	20 829	23 971	23 471
Vote 9 - Road transport		56 157	-	57 393	54 335	53 075	53 075	58 173	57 407	59 756
Vote 10 - Waste management		23 357	-	27 294	30 733	29 775	29 775	30 848	28 913	30 437
Vote 11 - Energy sources		70 045	70 839	84 176	84 292	87 024	87 024	91 731	95 770	103 717
Vote 12 - Other		5	7	4	16	16	16	16	17	18
Vote 13 - Waste water management		9 205	368	365	424	527	527	554	587	621
Vote 14 -		-	-	-	-	-	-	-	-	-
Vote 15 -		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	363 796	388 820	449 324	494 310	500 778	500 778	474 767	493 082	516 343
Surplus/(Deficit) for the year	2	11 982	16 014	10 365	105	122	122	108	5 287	9 358

Table 136: Budgeted Financial Performance (revenue and expenditure by municipal vote)

KZN284 uMlalazi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Revenue By Source											
Property rates	2	46 588	48 143	54 035	56 411	56 510	56 510	56 510	61 215	64 305	68 164
Service charges - electricity revenue	2	60 821	66 521	68 750	74 045	74 442	74 442	74 442	77 988	82 084	87 010
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	9 866	11 355	12 244	11 849	12 288	12 288	12 288	13 040	13 521	14 184
Rental of facilities and equipment		1 702	1 623	1 622	1 450	1 450	1 450	1 450	1 537	1 629	1 727
Interest earned - external investments		5 567	4 229	4 787	5 145	9 145	9 145	9 145	9 593	10 054	10 537
Interest earned - outstanding debtors		-	-	-	-	-	-	-	-	-	-
Dividends received		-	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits		40 147	52 829	40 595	47 980	47 980	47 980	47 980	49 151	50 349	51 581
Licences and permits		9	34	21	81	81	81	81	34	36	37
Agency services		3 459	3 105	3 481	4 139	4 139	4 139	4 139	3 693	3 870	4 056
Transfers and subsidies		148 258	176 200	215 087	244 325	245 523	245 523	245 523	207 241	221 061	234 353
Other revenue	2	1 936	1 461	1 940	2 920	2 920	2 920	2 920	2 811	2 922	3 038
Gains		400	-	849	-	-	-	-	200	-	-
Total Revenue (excluding capital transfers and contributions)		318 753	365 500	403 412	448 344	454 478	454 478	454 478	426 504	449 832	474 687
Expenditure By Type											
Employee related costs	2	101 519	107 782	132 135	143 745	147 667	147 667	147 667	156 784	166 975	177 828
Remuneration of councillors		17 632	20 041	21 510	22 957	22 957	22 957	22 957	24 392	25 977	27 666
Debt impairment	3	43 991	51 121	46 450	46 202	46 202	46 202	46 202	46 664	47 130	47 602
Depreciation & asset impairment	2	41 264	47 516	44 980	52 290	52 290	52 290	52 290	53 336	54 403	55 491
Finance charges		537	490	447	310	310	310	310	373	330	287
Bulk purchases	2	45 759	47 181	51 506	59 531	59 031	59 031	59 031	62 868	66 150	72 037
Other materials	8	9 153	9 419	10 033	10 800	11 095	11 095	11 095	11 140	11 586	12 049
Contracted services		59 990	66 998	101 908	117 535	115 452	115 452	115 452	72 553	70 702	71 757
Transfers and subsidies		2 952	3 322	5 286	5 206	5 496	5 496	5 496	4 900	5 054	5 163
Other expenditure	4, 5	40 999	33 692	35 068	36 234	40 679	40 679	40 679	41 758	44 775	46 463
Losses		-	1 258	-	(500)	(400)	(400)	(400)	-	-	-
Total Expenditure		363 796	388 820	449 324	494 310	500 778	500 778	500 778	474 767	493 082	516 343
Surplus/(Deficit)		(45 042)	(23 320)	(45 912)	(45 965)	(46 300)	(46 300)	(46 300)	(48 263)	(43 250)	(41 656)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		57 024	39 333	56 278	44 409	44 761	44 761	44 761	48 371	48 536	51 015
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	6	-	-	-	-	-	-	-	-	-	-

KZN284 uMlalazi - Table A4 Budgeted Financial Performance (revenue and expenditure)											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Transfers and subsidies - capital (in-kind - all)		–	–		1 662	1 662	1 662	1 662	–	–	–
Surplus/(Deficit) after capital transfers & contributions		11 982	16 014	10 365	105	122	122	122	108	5 287	9 358
Taxation		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after taxation		11 982	16 014	10 365	105	122	122	122	108	5 287	9 358
Attributable to minorities		–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) attributable to municipality		11 982	16 014	10 365	105	122	122	122	108	5 287	9 358
Share of surplus/ (deficit) of associate	7	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) for the year		11 982	16 014	10 365	105	122	122	122	108	5 287	9 358

Table 137: Budgeted Financial Performance (revenue and expenditure)

KZN284 uMlalazi - Table A6 Budgeted Financial Position											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
ASSETS											
Current assets											
Cash		86 123	99 796	113 194	54 161	97 743	97 743	97 743	68 080	73 323	90 557
Call investment deposits	1	–	–	–	–	–	–	–	–	–	–
Consumer debtors	1	20 992	32 721	41 100	25 000	25 000	25 000	25 000	39 000	39 000	39 000
Other debtors		739	739	749	5 500	5 500	5 500	5 500	750	751	752
Current portion of long-term receivables		–	–	–	15	15	15	15	–	–	–
Inventory	2	2 848	3 254	3 116	3 300	3 300	3 300	3 300	3 200	3 300	3 300
Total current assets		110 702	136 510	158 160	87 976	131 558	131 558	131 558	111 030	116 374	133 609
Non current assets											
Long-term receivables		–	665	38	710	710	710	710	37	36	35
Investments		1	1	1	1	1	1	1	–	–	–
Investment property		16 257	17 879	18 782	19 229	19 229	19 229	19 229	19 729	20 229	20 279
Investment in Associate		–	–	–	–	–	–	–	–	–	–
Property, plant and equipment	3	804 858	799 747	800 171	832 401	832 401	832 401	832 401	805 471	806 649	805 410
Biological		–	–	–	–	–	–	–	–	–	–
Intangible		799	482	573	782	782	782	782	458	367	293
Other non-current assets		10 311	10 311	10 311	10 311	10 311	10 311	10 311	10 311	10 311	10 311
Total non current assets		832 227	829 084	829 877	863 433	863 433	863 433	863 433	836 006	837 592	836 329
TOTAL ASSETS		942 929	965 594	988 036	951 409	994 991	994 991	994 991	947 036	953 966	969 938
LIABILITIES											
Current liabilities											
Bank overdraft	1	–	–	–	–	–	–	–	–	–	–
Borrowing	4	–	–	–	343	343	343	343	343	343	343
Consumer deposits		1 985	–	2 562	2 500	2 500	2 500	2 500	2 600	2 700	2 800
Trade and other payables	4	37 328	40 517	43 691	37 300	37 300	37 300	37 300	16 230	9 150	13 816
Provisions		5 878	8 501	10 529	6 500	6 500	6 500	6 500	9 000	11 500	11 700
Total current liabilities		45 191	49 018	56 782	46 643	46 643	46 643	46 643	28 173	23 693	28 659
Non current liabilities											
Borrowing		4 241	3 888	3 534	2 859	2 859	2 859	2 859	2 848	2 505	2 162
Provisions		19 016	19 479	22 446	19 000	19 000	19 000	19 000	23 500	24 000	24 500
Total non current liabilities		23 257	23 367	25 980	21 859	21 859	21 859	21 859	26 348	26 505	26 662
TOTAL LIABILITIES		68 448	72 385	82 762	68 502	68 502	68 502	68 502	54 522	50 198	55 321
NET ASSETS	5	874 481	893 209	905 274	882 907	926 489	926 489	926 489	892 515	903 768	914 616
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		830 248	827 430	833 982	871 735	851 567	851 567	851 567	834 212	844 785	854 143
Reserves	4	44 233	65 779	71 292	11 172	74 921	74 921	74 921	58 303	58 983	60 473
TOTAL COMMUNITY WEALTH/EQUITY	5	874 481	893 209	905 274	882 907	926 489	926 489	926 489	892 515	903 768	914 616

Table 138: Budgeted Financial Position

KZN284 uMlalazi - Table A7 Budgeted Cash Flows											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		–			53 590	53 684	53 684	53 684	58 155	61 090	66 800
Service charges		–			73 009	84 886	84 886	84 886	86 476	90 825	100 039
Other revenue		165 001	186 912	137 601	15 087	15 087	15 087	15 087	17 905	18 527	19 175
Transfers and Subsidies - Operational	1	205 727	215 235	274 891	244 325	245 523	245 523	245 523	207 241	221 061	234 353
Transfers and Subsidies - Capital	1	–			44 409	44 761	44 761	44 761	48 371	48 536	51 015
Interest		5 567	4 229	4 787	5 145	9 145	9 145	9 145	9 593	10 054	10 537
Dividends		–	–	–	–	–	–	–	–	–	–
Payments											
Suppliers and employees		(323 757)	(342 302)	(345 697)	(390 802)	(393 579)	(393 579)	(393 579)	(361 050)	(377 366)	(398 612)
Finance charges		(537)	(490)	(447)	(310)	(310)	(310)	(310)	(373)	(330)	(287)
Transfers and Grants	1	(2 952)	(3 322)	(5 286)	(5 206)	(5 206)	(5 206)	(5 206)	(4 900)	(5 054)	(5 163)
NET CASH FROM/(USED) OPERATING ACTIVITIES		49 049	60 262	65 849	39 248	53 992	53 992	53 992	61 419	67 343	77 857
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		–		2	500	500	500	500	200	–	–
Decrease (increase) in non-current receivables		(5)	(5)	626	–	–	–	–	–	–	–
Decrease (increase) in non-current investments					–	–	–	–	–	–	–
Payments											
Capital assets		(75 017)	(46 240)	(52 726)	(67 879)	(69 575)	(69 575)	(69 575)	(65 151)	(61 756)	(60 280)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(75 022)	(46 246)	(52 097)	(67 379)	(69 075)	(69 075)	(69 075)	(64 951)	(61 756)	(60 280)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans		–	–	–	–	–	–	–	–	–	–
Borrowing long term/refinancing		–			–	–	–	–	–	–	–
Increase (decrease) in consumer deposits			–		–	–	–	–	–	–	–
Payments											
Repayment of borrowing		(343)	(354)	(343)	(343)	(343)	(343)	(343)	(343)	(343)	(343)
NET CASH FROM/(USED) FINANCING ACTIVITIES		(343)	(354)	(343)	(343)	(343)	(343)	(343)	(343)	(343)	(343)
NET INCREASE/ (DECREASE) IN CASH HELD		(26 316)	13 663	13 408	(28 474)	(15 425)	(15 425)	(15 425)	(3 875)	5 243	17 234
Cash/cash equivalents at the year begin:	2	112 439	86 123	99 785	82 635	113 168	113 168	113 168	71 954	68 080	73 323
Cash/cash equivalents at the year end:	2	86 123	99 785	113 194	54 161	97 743	97 743	97 743	68 080	73 323	90 557

Table 139: Budgeted Cash Flows

KZN284 uMlalazi - Table A8 Cash backed reserves/accumulated surplus reconciliation											
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/20				2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Cash and investments available											
Cash/cash equivalents at the year end	1	86 123	99 785	113 194	54 161	97 743	97 743	97 743	68 080	73 323	90 557
Other current investments > 90 days		0	11	(0)	–	–	–	–	–	–	–
Non current assets - Investments	1	1	1	1	1	1	1	1	–	–	–
Cash and investments available:		86 124	99 797	113 195	54 162	97 744	97 744	97 744	68 080	73 323	90 557
Application of cash and investments											
Unspent conditional transfers		1 025	–	–	1 000	1 000	1 000	1 000	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2				1 200	1 200	1 200	1 200	1 000	1 000	1 000
Other working capital requirements	3	13 448	3 142	9 039	12 765	12 299	12 299	12 299	(14 642)	(21 855)	(18 391)
Other provisions					900	900	900	900	2 500	2 600	2 700
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5								25 000	40 000	40 000
Total Application of cash and investments:		14 473	3 142	9 039	15 865	15 399	15 399	15 399	13 858	21 745	25 309
Surplus(shortfall)		71 651	96 656	104 156	38 297	82 345	82 345	82 345	54 222	51 579	65 248

Table 140: Cash backed reserves/accumulated surplus reconciliation

KZN284 uMlalazi - Table A9 Asset Management							
Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
CAPITAL EXPENDITURE							
Total New Assets	1	53 279	39 831	39 831	38 381	49 546	50 825
Roads Infrastructure		7 212	17 656	17 656	20 107	33 941	17 784
Storm water Infrastructure		–	–	–	–	–	–
Electrical Infrastructure		1 500	–	–	–	1 500	1 500
Solid Waste Infrastructure		–	250	250	–	–	–
Infrastructure		8 712	17 906	17 906	20 107	35 441	19 284
Community Facilities		16 060	11 813	11 813	2 000	9 200	8 500
Sport and Recreation Facilities		22 912	8 428	8 428	11 119	–	9 000
Community Assets		38 972	20 241	20 241	13 119	9 200	17 500
Operational Buildings		–	893	893	2 520	3 000	13 791
Housing		–	–	–	–	–	–
Other Assets		–	893	893	2 520	3 000	13 791
Computer Equipment		2 080	130	130	–	–	–
Furniture and Office Equipment		975	660	660	635	275	250
Machinery and Equipment		1 645	–	–	–	–	–
Transport Assets		895	–	–	2 000	1 630	–
Total Renewal of Existing Assets	2	14 600	29 594	29 594	26 770	12 210	9 455
Roads Infrastructure		7 810	9 900	9 900	16 200	8 200	5 400
Storm water Infrastructure		3 000	1 427	1 427	3 000	–	–
Electrical Infrastructure		120	1 500	1 500	1 080	1 820	1 865
Infrastructure		10 930	12 827	12 827	20 280	10 020	7 265
Community Facilities		–	1 500	1 500	600	–	–
Sport and Recreation Facilities		–	–	–	2 000	–	–
Community Assets		–	1 500	1 500	2 600	–	–
Computer Equipment		–	2 980	2 980	3 830	2 130	2 130
Furniture and Office Equipment		50	–	–	60	60	60
Machinery and Equipment		120	–	–	–	–	–
Transport Assets		3 500	12 287	12 287	–	–	–
Total Capital Expenditure	4	67 879	69 425	69 425	65 151	61 756	60 280
Roads Infrastructure		15 022	27 556	27 556	36 307	42 141	23 184
Storm water Infrastructure		3 000	1 427	1 427	3 000	–	–
Electrical Infrastructure		1 620	1 500	1 500	1 080	3 320	3 365
Solid Waste Infrastructure		–	250	250	–	–	–
Infrastructure		19 642	30 733	30 733	40 387	45 461	26 549
Community Facilities		16 060	13 313	13 313	2 600	9 200	8 500
Sport and Recreation Facilities		22 912	8 428	8 428	13 119	–	9 000
Community Assets		38 972	21 741	21 741	15 719	9 200	17 500
Operational Buildings		–	893	893	2 520	3 000	13 791
Housing		–	–	–	–	–	–
Other Assets		–	893	893	2 520	3 000	13 791
Computer Equipment		2 080	3 110	3 110	3 830	2 130	2 130

KZN284 uMlalazi - Table A9 Asset Management							
Description	Ref	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
R thousand		Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Furniture and Office Equipment		1 025	660	660	695	335	310
Machinery and Equipment		1 765	–	–	–	–	–
Transport Assets		4 395	12 287	12 287	2 000	1 630	–
Land		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
TOTAL CAPITAL EXPENDITURE - Asset class		67 879	69 425	69 425	65 151	61 756	60 280
ASSET REGISTER SUMMARY - PPE (WDV)	5	852 411	852 411	852 411	825 658	827 245	825 983
Roads Infrastructure		363 012	364 606	364 606	357 308	357 738	357 116
Storm water Infrastructure		39 354	39 081	39 081	38 361	38 417	38 358
Electrical Infrastructure		44 233	44 233	44 233	43 117	43 180	43 114
Solid Waste Infrastructure		483	733	733	471	472	471
Infrastructure		447 083	448 653	448 653	439 258	439 808	439 059
Community Assets		232 088	228 869	228 869	226 233	226 563	226 216
Investment properties		19 229	19 229	19 229	19 729	20 229	20 279
Other Assets							
Biological or Cultivated Assets							
Intangible Assets		8 534	8 814	8 814	8 319	8 331	8 318
Computer Equipment		2 874	2 819	2 819	2 802	2 806	2 802
Furniture and Office Equipment		3 319	4 743	4 743	3 235	3 240	3 235
Machinery and Equipment		9 698	9 698	9 698	9 453	9 467	9 452
Transport Assets		129 586	129 586	129 586	116 630	116 801	116 621
Land							
Zoo's, Marine and Non-biological Animals							
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	852 411	852 411	852 411	825 658	827 245	825 983
EXPENDITURE OTHER ITEMS		84 154	85 091	85 091	84 830	87 716	90 733
<u>Depreciation</u>	7	52 290	52 290	52 290	53 336	54 403	55 491
<u>Repairs and Maintenance by Asset Class</u>	3	31 864	32 801	32 801	31 495	33 313	35 243
Roads Infrastructure		31 864	32 801	32 801	31 495	33 313	35 243
Infrastructure		31 864	32 801	32 801	31 495	33 313	35 243
TOTAL EXPENDITURE OTHER ITEMS		84 154	85 091	85 091	84 830	87 716	90 733

Table 141: Asset Management

KZN284 uMlalazi - Table A10 Basic service delivery measurement										
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/2020			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Household service targets	1									
Energy:										
Electricity (at least min.service level)		380	380	380	380	380	380	370	360	350
Electricity - prepaid (min.service level)		4 390	4 390	4 390	4 390	4 390	4 390	4 400	4 410	4 420
Minimum Service Level and Above sub-total		4 770	4 770	4 770	4 770	4 770	4 770	4 770	4 770	4 770
Total number of households	5	4 770	4 770	4 770	4 770	4 770	4 770	4 770	4 770	4 770
Refuse:										
Removed at least once a week		6 566	6 632	6 700	6 700	6 700	6 700	6 700	6 750	6 800
Minimum Service Level and Above sub-total		6 566	6 632	6 700	6 700	6 700	6 700	6 700	6 750	6 800
Total number of households	5	6 566	6 632	6 700	6 700	6 700	6 700	6 700	6 750	6 800
Electricity/other energy (50kwh per indigent household per month)		403	448	446	1 067	1 067	1 067	508	539	571
Refuse (removed once a week for indigent households)		1 890	602	1 894	1 894	2 000	2 000	1 977	2 073	2 175
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		–	–	–	–	–	–	–	–	–
Total cost of FBS provided		2 293	1 050	2 341	2 961	3 067	3 067	2 485	2 612	2 746
Highest level of free service provided per household										
Property rates (R value threshold)		100 000	100 000	100 000	100 000	100 000	100 000	135 000	135 000	135 000
Electricity (kwh per household per month)		50	50	50	50	50	50	50	50	50
Refuse (average litres per week)		125	141	148	157	157	157	168	178	189
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)										
Property rates exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA)		29 062	27 627	2 850	20826	37 043	37 043	18591	19706	20889
Water (in excess of 6 kilolitres per indigent household per month)		–	–	–	–	–	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)		–	–	–	–	–	–	–	–	–

KZN284 uMlalazi - Table A10 Basic service delivery measurement										
Description	Ref	2016/17	2017/18	2018/19	Current Year 2019/2020			2020/21 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
Electricity/other energy (in excess of 50 kwh per indigent household per month)		-	-	-	-	-	-	-	-	-
Refuse (in excess of one removal a week for indigent households)		-	-	-	-	-	-	-	-	-
Municipal Housing - rental rebates										
Housing - top structure subsidies	6									
Other										
Total revenue cost of subsidised services provided		29 062	27 627	2 850	20826	37 043	37043	18591	19706	20889

Table 142: Basic service delivery measurement

DETAILS	Adjustments Budget 2019/2020 (R)	Budget Year 2020/2021 (R)	Budget Year 2021/2022 (R)	Budget Year 2022/2023 (R)
Youth development	825 000	700 000	750 000	800 000
Early childhood development	286 000	200 000	210 000	220 000
Community support programme	818 700	700 000	750 000	800 000
Local economic development (LED)	2 050 750	2 000 000	2 100 000	2 200 000
Youth business advisory Centre	230 520	200 000	200 000	200 000
Rates relief	114 211 760	114 929 950	128 227 035	136 011 207
Depreciation on assets contribution	8 333 320	8 741 653	9 161 252	9 600 992
Poverty alleviation	3 749 400	2 850 000	2 910 000	2 973 000
Ward committee expenses	3 300 000	3 000 000	3 100 000	3 200 000
Councillor's remuneration	11 363 820	11 920 647	12 492 838	13 092 494
Councillor's funeral assistance	150 000	150 000	150 000	150 000
Animal pound facility	640 000	672 000	705 600	740 880
Rural fire prevention	100 000	200 000	250 000	300 000
Disaster assistance	350 000	800 000	820 000	840 000
Humanitarian assistance	1 100 000	1 200 000	1 300 000	1 350 000
Sport development	795 150	925 000	1 000 000	1 100 000
Cultural development	250 410	450 000	500 000	550 000
Special programmes	419 130	500 000	550 000	600 000
Operation Sukuma Sakhe	431 300	200 000	200 000	200 000
Local Aids Council	138 400	200 000	200 000	200 000
Work creation projects	2 270 320	1 582 000	1 600 000	1 650 000
Sports fields - security	1 111 680	1 200 000	1 257 600	1 317 965
Rural grounds maintenance	60 000	250 000	260 000	270 000
Rural roads: Grader programme	6 659 960	11 000 000	11 528 000	12 081 344
Free refuse	1 884 290	1 976 619	2 073 473	2 175 074
Solid waste relief	5 056 090	5 303 838	5 558 423	5 825 227
Free electricity	4 000 000	5 212 548	5 462 750	5 724 962
Electricity relief	10 154 190	10 651 745	11 163 029	11 698 854
Capital projects contribution	4 849 810	10 252 000	7 290 000	7 480 000
Total	185 590 000	197 968 000	211 770 000	223 352 000

Table 143: Equitable Share Allocation

21.4. Operating Revenue Framework

For uMlalazi Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the municipality and continued economic development;

- Efficient revenue management, which aims to ensure a 95 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each services;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA)
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policy of the Municipality.

21.4.1. Summary of revenue classified by main revenue source

The following table is a summary of the 2020/2021 Budget and MTREF (classified by main revenue source):

Summary of revenue classified by main revenue source Revenue	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Property rates	56 509 900	61 215 460	64 305 370	68 163 690
Service charges - electricity	74 441 930	76 908 680	80 940 210	85 796 620
Service charges - refuse	12 287 500	14 119 070	14 665 440	15 396 650
Rental of facilities and equipment	1 449 700	1 536 680	1 628 880	1 726 610
Interest earned - external investments	9 145 320	9 593 440	10 053 930	10 536 510
Fines and penalties	47 979 610	49 151 360	50 349 300	51 581 480
Licences and permits	81 050	33 940	35 610	37 310
Agency services	4 139 290	3 693 130	3 870 390	4 056 180
Other income	2 920 200	2 811 260	2 922 220	3 038 480
Transfers and subsidies	245 523 030	207 241 260	221 060 840	234 353 280
Gain on disposal of assets and liabilities	500 000	200 000	-	-
Total revenue (excluding capital transfers and contributions)	454 977 530	426 504 280	449 832 190	474 686 810

Table 144: Summary of revenue classified by main revenue source

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

21.4.2. Operating transfers and grants receipts

The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:

Description R thousand	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
EXPENDITURE: Operating expenditure of Transfers and Grants						
National Government:	193 399	194 597	194 597	201 810	215 421	227 933
Local Government Equitable Share	179 542	180 740	180 740	187 716	204 480	215 872
Finance Management	1 770	1 770	1 770	1 700	1 770	1 770
Integrated National Electrification Programme	7 000	7 000	7 000	7 000	7 000	8 000
EPWP Incentive	3 068	3 068	3 068	3 388	-	-
Project Management Unit (MIG Projects)	2 019	2 019	2 019	2 006	2 171	2 291
Provincial Government:	50 826	50 826	50 826	5 431	5 640	6 420
Museum Subsidy	386	386	386	408	429	449
PT: Provincialisation of Libraries	4 400	4 400	4 400	500	535	562
Community Library Services Grant	450	450	450	4 523	4 676	4 909
Ward Base Plan	-	-	-			500
Dept of Human settlements	44 997		44 997		44 997	
COGTA: Municipal Spatial Development Framework Grant	593	593	593			
District Municipality:	100	100	100	-	-	-

Description R thousand	Current Year 2019/20			2020/21 Medium Term Revenue & Expenditure Framework		
	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2020/21	Budget Year +1 2021/22	Budget Year +2 2022/23
<i>King Cetshwayo Grant</i>	100	100	100	–		–
Total operating expenditure of Transfers and Grants:	244 325	245 523	245 523	207 241	221 061	234 353

Table 145: Operating transfers and grants receipts

21.5. Tariffs

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the projected inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increase of Eskom's bulk tariff is above the mentioned inflation target. Given that this tariff increase is determined by external agencies, the impact it has on the municipality's electricity tariffs are largely outside the control of the municipality. Discounting the impact of this price increase in lower consumer tariffs will erode the future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilized for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement, etc. The current challenge facing the municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by their operational efficiency gains or service level reductions. Within this framework the municipality has undertaken the tariff setting process relating to service charges as follows:

21.5.1. Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No.51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio to residential properties to be 0.25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17 (h) of the MPRA). In addition to this rebate, a further R135 000 reduction on the market value of a property will be granted in terms of the municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a rebate will be granted to owners of rate-able property as follows:

40 per cent rebate

- A single person receiving a total income of R7 579 per month or less
- A married couple receiving a joint monthly income of R9 455 per month or less

20 per cent rebate

- A single person receiving a total income of R7 580 per month or more
- A married couple receiving a joint monthly income of R9 455 per month or more

In this regard the following stipulations are relevant:

- The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependents without income;
- The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of health, also proof of the annual income from a social pension;
- The applicant's account must be paid in full, or if not, an arrangement to the debt should be in place; and
- The property must be categorized as residential.

The council at its meeting held on 29 May 2012, resolved to grant a 20% discount to ratepayers that makes a single rates payment at the end of September of each year.

These rebates are not automatic, but are conditional upon the annual rates payable being settled by no later than 30 September of each year.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2020/2021 financial year contained below:

Category	2019/2020 (c/R)	2019/2020 (c/R)	% decrease
Residential property	1.1838	1,02	16,5%
Commercial and Industrial property	1.4797	1,27	16,5%
Mining	2.3675	2,03	16,5%
Vacant Land	2.3675	2,03	16,5%
State and Education	1.4797	1,27	16,5%
Public Benefit Organisation	0.2959	0,25	16,5%
Agricultural property	0.2959	0,25	16,5%
Public service infrastructure	0.2959	0,25	16,5%

Table 146: Proposed rates for the 2020/2021 financial year

The differential rating idea came about upon studying different rating methods applied across the country. The workshops conducted by COGTA have indicated that this is the best international practice. Emphasis is made on the fact that internationally, businesses contribute a little bit more to the coffers of the Municipality because they are able to pass the on the burden of rates to their consumers whereas the residential consumers are not in this position. Further to this, any expenditure incurred is tax deductible for businesses whereas for residential customers it is not the case. When calculating the different randages, the effect on each customer's account has been taken into account; even though different randages were applied, the overall result is the reduction in the randage, even for businesses.

A punitive tariff has been introduced for all vacant undeveloped properties within the boundaries of the Municipality. The main reason for this is to encourage all owners of these properties to develop as soon as possible. Council loses revenue on all undeveloped land.

The uMlalazi Municipality will be implementing the fourth valuation roll prepared in terms of the Municipal Property Rates Act. For the purposes this implementation, applicable tariffs had to re-determined to ensure that effective increases in customer accounts remain as low as possible. The effect of this redetermination of tariffs has resulted in all applicable tariffs being reduced by 16.5 %. It must be noted that this does not equate to a reduction in the customer's account by the same percentage, but the change in the customer's account will differ from one property to the other based on the individual valuation of the property.

The fourth valuation has resulted in a general increase of between 20 and 30 % in property values over the five year period.

21.5.2. Sale of Electricity and Impact of Tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. However, there has not been any determination by NERSA since the impasse around Eskom's application. While the court case between NERSA and Eskom is still pending, the municipality has used the tariff increases previously (March 2019) approved by the regulator of 8.1 per cent for 2020/21, 5.2 per cent 2021/22 and 8.9 per cent for 2022/23. The municipality has made a provision to increase the electricity tariff by 6 percent in absence of NERSA guidelines of the maximum percentage increase. It should be noted that NERSA normally promulgates lower tariff increases for municipalities. It is expected that it will have a negative impact on the municipality's revenue from electricity.

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the municipality. Most of the reticulation network was designed or strengthened in the early 1980's with an expected 20-25 year life expectancy. The upgrading of the municipality's electricity network has therefore become a strategic priority, especially the substations and transmission lines.

21.5.3. Waste Removal and Impact of Tariff Increases

Currently solid waste removal is subsidized with an allocation from the equitable share grant of R5 303 838. Without this subsidy, the solid waste removal service will operate at a deficit. The main contributors to the high operational cost are cost of remuneration, bin liners, repairs and maintenance on vehicles, increases in fuel and solid waste contracts.

The municipality have implemented and monitor a recycling program in the community, to ensure that this service can be rendered in a sustainable manner over the medium to long term.

The waste removal tariffs are increased by **6 percent**.

21.6. Operating Expenditure Framework

The Municipality's expenditure framework for the 2020/2021 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash backed reserves to fund any deficit;
- Funding of the budget over the medium term as informed by Section 18 and 19 of the MFMA;
- The Capital programme is aligned to the asset renewal strategy and backlog eradication plan;
- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and strict adherence to the principle of no project plan no budget. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2020/2021 budget and MTREF (Classified per main type of operating expenditure):

Expenditure	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Employee related costs	147 666 770	156 783 970	166 974 800	177 828 220
Remuneration of councillors	22 957 210	24 392 060	25 977 490	27 666 020
Debt impairment	46 201 600	46 663 610	47 130 260	47 601 560
Depreciation & asset impairment	52 290 040	53 335 820	54 402 560	55 490 620
Finance charges	310 190	372 640	330 060	287 470
Bulk purchases	59 031 250	62 868 280	66 150 010	72 037 360
Other materials	11 094 720	11 139 980	11 585 560	12 048 590
Contracted services	115 452 050	72 553 000	70 702 000	71 756 670
Transfers and subsidies	5 495 660	4 899 810	5 054 280	5 163 310
Other expenditure	40 678 500	41 757 820	44 774 670	46 463 280
Loss on disposal of PPE	100 000	-	-	-
Total expenditure	501 277 990	474 766 990	493 081 690	516 343 100

Table 147: Summary of operating expenditure by standard classification item

Employee Related Costs

The budget allocation for employee related costs for 2020/2021 financial years totals R181 176 030 including remuneration of Councillors which equals to 38.15 percent of the total operating expenditure. The employee related costs are growing by 11.83 per cent from 2019/2020 (original budget) to 2022/2023.

Provision has been made for the following:

- The salaries draft budget of 2020/2021 financial year is based on the organogram that was approved by Council on
- 11 December 2018. New and vacant positions were not automatically budgeted for unless identified by management as critical. Existing positions vacated during the year have been budgeted for accordingly except for instances where posts were deemed not critical.
- The salary increase is in terms of clause 6.6 and 6.8 of the collective agreement which translates to 6.25% 10
- All other employer related contributions that are linked to the basic salary must be increased by the same percentage as that of salaries and wages and has been increased accordingly.
- The minimum wage has been increased by the same rate of 6.25%, from R7 839.31 to R 8 329.27 as stipulated in clause 7.4 of the Collective Agreement.
- The table below shows all employee related costs:

Employee related costs	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Basic Salaries and Wages	91 737 740	98 069 110	104 443 630	111 232 420
Pension and UIF Contributions	17 491 230	18 838 470	20 062 930	21 366 960
Medical Aid Contributions	6 433 720	6 805 280	7 247 650	7 718 740
Overtime	5 912 580	6 272 580	6 680 310	7 114 530
Performance Bonus	673 130	715 200	761 710	811 230
Motor Vehicle Allowance	5 039 860	5 354 890	5 702 900	6 073 560
Cellphone Allowance	1 414 100	1 502 540	1 600 150	1 704 120
Housing Allowances	1 425 700	1 517 510	1 616 180	1 721 260
Other benefits and allowances	11 182 590	12 038 920	12 821 400	13 654 920
Annual leave	4 898 780	4 170 050	4 441 060	4 729 770
Long service awards	716 350	712 130	758 410	807 720
Post-retirement benefit obligations	740 990	787 290	838 470	892 990
TOTAL	147 666 770	156 783 970	166 974 800	177 828 220

Table 148: Employee Related Costs

The table below shows a further breakdown of the other benefits and allowances:

Other benefits and allowances	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Rental Subsidy	68 550	72 870	77 520	82 660
Acting and Post Related Allowances	251 800	228 860	243 730	259 590
Standby Allowance	1 733 720	1 828 430	1 947 300	2 073 870
Night Shift	402 140	427 270	455 050	484 620
Group Life Insurance	1 578 800	1 694 240	1 804 370	1 921 670
Staff Bonuses	7 147 580	7 787 250	8 293 430	8 832 510
	11 182 590	12 038 920	12 821 400	13 654 920

Table 149: Other benefits and allowances

Remuneration of Councillors

The cost associated with the remuneration of councilors is determined by the Minister of Co-Operative Governance and Traditional Affairs, in accordance with the remuneration of Public Bearers Act (Act 20 of 1998). The most recent promulgation in this regard has been taken into account in compiling the municipality's budget. Provision has been made for a 6.25% increase in allowances for the three budget years.

Debt impairment

The budget provided is based on the audit outcome of the 2018/2019 financial year. The amount represents 9.83% of the total expenditure budget.

Provision for depreciation and asset impairments

Provision for depreciation and asset impairments is informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R53 335 820 for the 2020/2021 financial and equates to 11.23 per cent of the total operating expenditure.

Finance charges

Finance charges consist primarily of the repayment of interest on long term borrowing (cost of capital). Finance charges make up 0.08 per cent (R372 640) of operating expenditure excluding annual redemption for 2019/2020 and decreases to R287 470 by 2022/2023.

Bulk purchases

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increase of 8.1 percent have been factored into the budget appropriations and directly inform the revenue provisions. The expenditure include distribution losses.

Other materials

Other material provides for the day to day running of the municipality and material needed for service delivery. This line includes stationery, cleaning materials, fuel, materials used for electricity supply, materials used of building maintenance and road maintenance. Provision is made for the following other materials:

Description	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Inventory Consumed Consumables Standard Rated (stationery, cleaning materials, etc.)	2 599 920	2 733 970	2 843 300	2 956 650
Inventory Consumed Consumables Zero Rated (Fuel)	4 205 970	4 332 130	4 505 440	4 685 660
Inventory Consumed Materials and Supplies (asphalt hot mix, asphalt cold mix, stones, sand , etc.)	4 260 910	4 045 120	4 206 910	4 375 170
	11 094 720	11 139 980	11 585 560	12 048 590

Table 150: Other Materials

Contracted services

As part of the compilation of the 2020/2021 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2020/2021 financial year, this group of expenditure totals **R72 553 000** for the two outer years it has been limited to a decrease of (2.6) and an increase of **1.5 per cent**.

Provision is made for the following contracted services:

Description	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Weed Eradication	55 820	350 000	360 500	371 320
Animal Care (Animal Pound)	640 000	650 000	680 000	710 000
Burial Services (Destitute Burial)	1 100 000	1 200 000	1 300 000	1 350 000
Accounting And Auditing	2 380 040	2 380 200	2 421 610	2 464 250
Communications (Rural addresses)	-	1 000 000	1 000 000	-
Clearing And Grass Cutting Services	3 112 780	3 272 790	3 428 840	3 593 230
Litter Picking And Street Cleaning (CBD)	1 052 230	1 120 000	1 180 000	1 240 000
Personnel And Labour (Work Creation Projects and EPWP)	8 718 990	7 320 000	4 189 600	4 149 960
Electricity (Outsourced electrical Services)	20 000	10 000	10 000	10 000

Table 151: Contracted Services

Transfers and Subsidies

Provision is made for the following transfers and subsidies:

Description	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Early Childhood - Furniture And Equipment For Creche's, Community Halls And Peace Centres	777 300	390 000	490 000	40 000
SMME Equipment	2 260 750	1 870 000	1 870 000	1 870 000
Donations to Schools	15 000	-	-	-
Bursaries (Non-Employee)	350 000	100 000	100 000	100 000
Households (Groceries , Temporal Shelters And Food Parcels)	1 323 430	1 725 000	1 750 000	1 780 000
Total	5 495 660	4 899 810	5 054 280	4 663 310

Table 152: Transfers and Subsidies

Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved.

Provision is made for the following general expenses:

Description	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Advertising, Publicity and Marketing Bursaries (Non-employees)	9 140	9 410	9 790	10 180
Advertising, Publicity and Marketing Customer/Client Information	123 210	126 910	131 980	137 260
Advertising, Publicity and Marketing Gifts and Promotional Items	1 521 100	1 351 260	1 386 910	1 423 980
Advertising, Publicity and Marketing Municipal Newsletters	150 000	154 500	160 680	167 110
Advertising, Publicity and Marketing Staff Recruitment	174 860	180 110	187 310	194 800
Advertising, Publicity and Marketing Tenders	335 990	346 070	359 910	374 310
Assets less than the Capitalisation Threshold (loose tools)	146 210	140 290	145 910	151 750
External Audit Fees	2 300 620	2 369 640	2 464 420	2 563 000
Bank Charges, Facility and Card Fees Bank Accounts	370 000	381 100	396 340	412 200
Bargaining Council	1 421 610	1 567 840	1 669 750	1 778 280
Bursaries (Employees)	439 400	450 000	468 000	486 720
Commission Third Party Vendors	58 200	59 950	62 340	64 840
Communication Cellular Contract (Subscription and Calls)	-	-	-	-
Communication Licences (Radio and Television)	-22 000	-22 660	-23 570	-24 510
Communication Postage/Stamps/Franking Machines	280 120	288 530	300 060	312 060
Communication Radio and TV Transmissions	380 000	180 900	188 140	195 660
Communication Telephone, Fax, Telegraph and Telex	1 094 490	1 127 320	1 172 420	1 219 310
Entertainment Councillors	126 250	130 040	135 240	140 640
Entertainment Senior Management	102 190	105 260	109 470	113 850
External Computer Service Data Lines	20 850	21 480	22 330	23 230
External Computer Service GPS Licence Fees	-	-	-	-
External Computer Service Information Services	71 400	73 540	76 480	79 540
External Computer Service	200 000	206 000	214 240	222 810
External Computer Service Remote Server Access	-	-	-	-
External Computer Service Software Licences	2 111 150	2 064 630	2 497 220	2 597 100
External Computer Service System Adviser	1 980 000	2 146 090	2 232 120	2 249 300
Honoraria (Voluntarily Workers)	93 970	55 000	55 400	55 820
Insurance Underwriting Insurance Brokers Fees	653 920	673 520	700 490	728 500
Insurance Underwriting Excess Payments	32 220	33 190	34 510	35 890
Insurance Underwriting Premiums	1 723 170	1 274 860	1 325 860	1 378 890
Learnerships and Internships	-	-	-	-
Land Alienation Costs	150 000	154 500	160 680	167 110
Licences Performing Arts	3 580	3 690	3 830	3 990
Municipal Services (King Cetshwayo District Municipality - Water)	3 185 570	2 881 140	2 996 390	3 116 230

Description	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Registration Fees Professional and Regulatory Bodies	66 160	68 140	70 870	73 710
Registration Fees National (Municipal Staff Training)	1 962 240	1 964 740	2 031 320	2 100 570
Printing, Publications and Books	100 190	103 200	107 320	111 610
Professional Bodies, Membership and Subscription	62 610	64 480	66 920	69 160
Remuneration to Ward Committees	3 000 000	3 000 000	3 100 000	3 200 000
Resettlement Cost	-	-	-	-
Road Worthy Test	48 040	49 480	51 460	53 520
Skills Development Fund Levy	1 421 610	1 567 840	1 669 750	1 778 280
Storage of Files (Archiving)	58 540	60 300	62 710	65 220
Transport Provided as Part of Departmental Activities Events	648 470	802 000	816 120	830 400
Travel and Subsistence Domestic Accommodation	1 871 040	1 927 170	2 004 260	2 084 420
Travel and Subsistence Domestic Food and Beverage (Served)	34 620	20 210	21 020	21 850
Travel and Subsistence Domestic Incidental Cost	15 840	16 310	16 970	17 640
Travel and Subsistence Domestic Transport without Operator Car Rental	135 140	139 190	144 760	150 550
Travel and Subsistence Domestic Transport without Operator Own Transport	501 530	516 580	537 240	558 730
Travel and Subsistence Domestic Transport with Operator Other Transport Provider	-	-	-	-
Travel and Subsistence Domestic Transport with Operator Public Transport Air Transport	391 240	402 970	419 100	435 860
Travel and Subsistence Domestic Transport with Operator Public Transport Road Transport	-	-	-	-
Travel and Subsistence on-employees	28 190	29 040	30 200	31 410
Uniform and Protective Clothing	1 734 630	1 990 980	1 950 610	2 012 670
Vehicle Tracking	319 880	329 480	342 660	356 360
Workmen's Compensation Fund	800 000	824 000	856 960	891 240
Seating Allowance for Traditional Leaders	112 000	115 360	119 970	124 770
Hire Charges	951 010	1 254 230	2 375 020	2 407 830
Operating Leases Furniture and Office Equipment	1 227 870	1 264 700	1 315 280	1 367 910
Operating Leases Solid Waste Disposal	488 140	502 780	522 900	543 810
Operating Leases Transport Assets	1 236 030	1 273 110	1 324 040	1 377 000
Operating Leases Other Assets	212 650	219 030	227 790	236 900
Advertising, Publicity and Marketing Corporate and Municipal Activities	-	-	-	-
Signage	66 100	68 080	70 810	73 650
Car Valet and Washing Services	3 000	3 090	3 210	3 340
Laundry Services	3 060	3 150	3 280	3 410
Indigent Relief	4 000 000	4 704 380	4 930 190	5 166 840
TOTAL	40 678 500	41 757 820	44 774 670	46 463 280

Table 153: Other Expenditure

Repairs and Maintenance

This type of expenditure is not reflected separately. Repairs and maintenance is spread amongst employee cost, other materials and contracted services. Hereunder is a table reflecting the budget that is provided for repairs and maintenance:

Repairs and Maintenance by Expenditure Item	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Employee related costs	22 564 440	23 839 963	25 389 561	27 039 882
Other materials	4 125 820	3 916 267	4 072 918	4 235 835
Contracted Services	6 110 760	3 738 353	3 850 904	3 966 801
Other Expenditure				
Total Repairs and Maintenance Expenditure	32 801 020	31 494 584	33 313 383	35 242 518
Repairs and maintenance as a percentage of PPE	3,8%	3,5%	3,5%	3,6%
Benchmark	8%	8%	8%	8%

Table 154: Repairs and Maintenance

Even though, the budgeted amounts for repairs and maintenance are less than the threshold of 8% of the asset value of the municipality's property, plant and equipment, management is confident that the budgeted amounts are adequate to secure the ongoing health of the municipality's infrastructure.

21.7. Capital Budget

The following guidelines were applied in order to value and prioritize the capital projects:

- In line with the Council's revised IDP
- Carry over of previously approved projects
- Existing Council's resolutions, statutory requirements and services related benefits.
- Provision was made for the basic capital projects to be funded from the equitable share if actual cash is available.
- The capital for department's budget decreased by **10.17** per cent.

The components of the capital budget are as follows:

Description	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Department requirements	29 663 510	27 032 000	20 510 000	16 745 000
Department of Economic Development and Tourism	250 000	-	-	-
MIG projects	39 661 000	38 118 750	41 246 150	43 534 700
Total	69 574 510	65 150 750	61 756 150	60 279 700

Table 155: Components of the Capital Budget

The capital budget will be funded as follows:

Description	Adjustments Budget 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
MIG	39 661 000	38 118 750	41 246 150	43 534 700
Equitable share	4 849 810	10 252 000	7 290 000	7 480 000
Department of Economic Development and Tourism	250 000	-	-	-
Own Funds	24 813 700	16 780 000	13 220 000	9 265 000
Total	69 574 510	65 150 750	61 756 150	60 279 700

Table 156: Capital Budget Funding

The capital for departments is set out as follows:

Description	Amount
Community Asset	5 295 000
Computer Equipment	3 830 000
Electricity	1 080 000
Furniture and Office Equipment	695 000
Machinery and Equipment	1 682 000
Roads	9 450 000
Storm Water	3 000 000
Vehicle	2 000 000
Total	27 032 000

Table 157: Capital Budget Allocations

The following must be noted:

- The budget of **R3 830 000** provides for fiber link between offices
- The budget of **R2 000 000** has been provided for refuse truck.
- Within the roads budget of **R9 450 000** is the budget of urban roads rehabilitation.
-

Municipal Infrastructure Grant Projects for the next three budget years are in the **next section (Capital Projects)**.

The capital budget will be spent on the following categories of assets

DESCRIPTION	AMOUNT	%
Infrastructure		
Rural	16 000 000	25%
Urban	21 450 000	33%
Electricity	1 080 000	2%
Community Asset		
Rural	3 738 750	6%
Urban	14 675 000	23%
Other Assets	8 207 000	13%
Total	65 150 750	100%

Table 158: Categories of Assets to be funded

DESCRIPTION	AMOUNT
Computer Equipment	3 830 000
Furniture and Office Equipment	695 000
Machinery and Equipment	1 682 000
Vehicle	2 000 000
Total	8 207 000

Table 159: Other Assets

Renewal of existing assets

Hereunder is a table reflecting the budget that is provided for the renewal of existing assets:

Repairs and Maintenance by Expenditure Item	Adjustments Budget 2019/20	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Employee related costs	22 564 440	23 839 963	25 389 561	27 039 882
Other materials	4 125 820	3 916 267	4 072 918	4 235 835
Contracted Services	6 110 760	3 738 353	3 850 904	3 966 801
Other Expenditure				
Total Repairs and Maintenance Expenditure	32 801 020	31 494 584	33 313 383	35 242 518
Repairs and maintenance as a percentage of PPE	3,8%	3,5%	3,5%	3,6%
Benchmark	8%	8%	8%	8%
Benchmark	40%	40%	40%	40%

Table 160: Budget allocation for Renewal of Existing Assets

Even though, the budgeted amounts for the renewal of existing assets are less than the threshold of 40% of the capital budget, management is confident that the budgeted amounts are adequate to secure the ongoing health of the municipality's infrastructure.

The table below analyses the budgeted transactions within the capital replacement reserve (CRR) for the MTREF period, based on the tabled budget.

DESCRIPTION	Current year 2019/2020	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
Opening balance	57 060 152	46 983 022	43 303 022	44 183 022
Less: Capital budget commitments	(21 577 130)	(14 780 000)	(10 220 000)	(9 310 000)
Plus: Interest earned on CCR short term deposit	4 000 000	3 900 000	3 700 000	3 500 000
Plus: Contribution from operating account	6 000 000	5 700 000	5 900 000	6 100 000
Unspent equitable share grant (operational) Interest received on short term deposits	1 000 000	500 000	500 000	500 000
	5 000 000	5 200 000	5 400 000	5 600 000
Plus: Unspent equitable share grant (capital)	500 000	500 000	500 000	500 000
Additional cash contribution (CFO decision once AFS results are known)	1 000 000	1 000 000	1 000 000	1 000 000
Closing balance of the Capital Replacement Reserve	46 983 022	43 303 022	44 183 022	45 973 022

Table 161: Budgeted transactions within the capital replacement reserve (CRR)

It is thus clear from the above the present levels of financing of capital budgets from the CRR are sustainable over the medium term.

It must however be stressed that it is of absolute importance that capital projects be prioritized to ensure that available funds are allocated towards the most important projects. The municipality will always have the challenge to allocate its limited resources amongst the vast number of needs of its community.

21.8. Financial position of Council

The accumulated surplus of the Council was **R906 334 802** as at **30 June 2019**. It must be noted that this amount is not cash backed. The surplus for the 2020/2021 and the next two years is projected as follows:

2020/2021 - R 108 040

2021/2022 - R 5 286 650

2022/2023 - R 9 358 410

21.9. The Municipality's role in employment creation

The Council will explore how it can contribute to job creation when revising the IDP and preparing the 2019/2020 budget. However, the Council will not just employ more people without any reference to the level of staffing required to deliver effective services, and what is financially sustainable over the medium term. The Council will focus on maximizing its contribution to job creation by:

- Ensuring that service delivery and capital projects use labour intensive methods wherever appropriate
- Ensuring that service providers use labour intensive approaches.
- Supporting labour intensive LED projects;
- Participating fully in the Extended Public Works Programmes; and
- Implementing interns programmes to provide young people with on the job training.

With reference to employment creation, provision is made for the following:

- Contractors that are appointed for Municipal Infrastructure Grant (MIG) projects, are encouraged to make use of local labour;
- **R4 032 000** from the equitable share is allocated for work creation projects;
- The Municipality has received a **R3 388 000** grant to participate in the Extended Public Works Programme, and
- The Council has appointed a number of interns in deferent departments.

21.10. Budget Related Policies

Asset Management	Policy	A.1
Banking Facilities	Policy	B.1
Bad Debts	Policy	B.3
Credit Control and Debt collection	Policy	C.1
Credit Card Facility	Policy	C.2
Customer Care	Policy	C.7
Humanitarian Relief Fund	Policy	H.3
Indigent Relief	Policy	I.1
Intoxicated	Policy	I.2
Investment	Policy	I.5
Investment and Cash Management	Policy	I.6
Municipal Supply Chain Management	Policy	M.1
Preferential Procurement	Policy	P.2
Pauper Burials	Policy	P.3
Rates	Policy	R.2
Retention and Guarantees	Policy	R.3
Salaries Pro Rata	Policy	S.1
Tariff	Policy	T.2

Table 162: Budget Related Policies

22. Capital Projects (Including Sector Departments)

22.1. Department of Transport

No.	Description	Road No:	Location	Ward	T/A	Budget
1	Betterment and Re-gravelling	D356	Somungu	Ward 06	Biyela	R3 500 000,00
2	Betterment and Re-gravelling	D1548	Mvuzane	Ward 04	Ntuli	R3 500 000,00
3	Betterment and Re-gravelling	D1545	Mbongolwane	Wars 04	Ntuli	R6 000 000,00
4	Betterment and Re-gravelling	D1659	Gwagwini	Ward 20	Zulu	R3 500 000,00
5	Routine Maintenance	P47/4, P47/5, P47/6 & P393				R4 000 000,00
6	Betterment & Re-gravelling	D2262	Dakeni	Ward 03	Ntuli	R6 000 000,00
7	New Road	L595	Matimovu	Ward 04	Ntuli	R1 065 720,00
8	New Road	L3335	KwaJazi	Ward 15	Khoza	R1 230 500,00
9	Betterment & Re-gravelling	D135	Kwakhoza	Ward 15	Khoza	R2 140 000,00
10	Betterment & Re-gravelling	D1551	KwaMzimela	Ward 14	Mzimela	R2 568 000,00
11	Betterment & Re-gravelling	D1553	KwaMzimela	Ward 21	Mzimela	R2 140 000,00
12	Concrete Slab	D356	Somungu	Ward 06	Biyela	R6 000 000,00
13	Betterment & Re-gravelling	L3273	Mombeni	Ward 06	Biyela	R2 140 000,00
14	Betterment & Re-gravelling	L628	KwaNzuza	Ward 16	Nzuza	R2 140 000,00

Roads Requested By the MEC for Transport

No	Description	Road No.	Location	Ward	T/A	Status
1	Betterment and Re-gravelling	L1330	Mandaka	Ward 26	Biyela	Awaiting budget allocation.
2	Betterment and Re-gravelling	D1592	Ndlangubo	Ward 24	Biyela	Awaiting budget allocation.
3	Betterment and Re-gravelling	L1750	Mandaka	Ward 26	Ntuli	Awaiting budget allocation.
4	Betterment and Re-gravelling	L530	Mandawe	Ward 25	Zulu	Awaiting budget allocation.
5	Betterment and Re-gravelling	L797	Kwelomoya	Ward 25	Biyela	Awaiting budget allocation.
15	Betterment and Re-gravelling	L810	Dukeni	Ward 26	Zulu	Awaiting budget allocation.
6	Betterment and Re-gravelling	D132	Dukeni	Ward 26	Ntuli	Awaiting budget allocation.
7	Betterment and Re-gravelling	L1697	Habeni	Ward 25	Zulu	Awaiting budget allocation.
9	Betterment and Re-gravelling	Undeclared: Bele Road	Habeni	Ward 25	Zulu	Awaiting budget allocation.
10	Betterment and Re-gravelling	Undeclared: Mdlalose Road	Habeni	Ward 25	Zulu	Awaiting budget allocation.

Roads Requested by MEC for Transport

No	Description	Road No	Location	Ward	T/A	Budget	Status
1	Betterment and Re-gravelling	L530	Mandawe	Ward 25	Zulu	R3 500 000,00	Report BSC pre-approved, awaiting formal sitting
2	Betterment and Re-gravelling	D1544	Mbongolwane	Ward 04	Ntuli	R3 500 000,00	Report BSC pre-approved, awaiting formal sitting
3	Betterment and Re-gravelling	D1592	Ndlangubo	Ward 24	Zulu	R3 500 000,00	Report BSC pre-approved, awaiting formal sitting
4	Betterment and Re-gravelling	P710	Ngudwini	Ward 06	Zulu	R3 500 000,00	Report BSC pre-approved, awaiting formal sitting

22.2. KCDM: Sanitation Projects (Operational Projects)

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	BUDGET 2019/2020	BUDGET 2020/2021	BUDGET 2021/2022
Construction of VIP Sanitation	Umlalazi (284-11&12) - VIP Sanitation Project	MIG	-	6 925 322	6 408 076
Total			-	6 925 322	6 408 076

22.3. KCDM: Water Projects (Capital Projects)

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	BUDGET 2019/2020	BUDGET 2020/2021	BUDGET 2021/2022
Bulk Water Supply	Kwahlokohloko SSA 1	RBIG	76 519 000	60 000 000	32 316 000
Bulk Water Supply	Eshowe SSA 1	RBIG	-	-	15 000 000
Bulk Water Supply	Kwahlokohloko SSA 1	MIG	-	25 000 000	25 000 000
Reticulation Water Supply	Kwahlokohloko S/A SSA5	MIG	18 990 000	-	15 000 000
Reticulation Water Supply	Eshowe SSA 1	MIG	400 000	10 000 000	10 000 000
Reticulation Water Supply	Mpungose Phase 1D-Reticulation	MIG	-	-	2 000 000
Bulk water Infrastructure Maintenance	Eshowe Sewer Upgrade	MIG	22 000 000	6 000 000	12 000 000
Bulk water Infrastructure Maintenance	Refurbishment of Eshowe Water Works Offices	Internal	600 000	-	-
Gingindlovu Water & Waste Schemes Upgrade	Slow Sand Filter Installation Eshowe	Internal	4 900 000	3 090 000	200 000
Mthunzini Water & Waste Schemes Upgrade	Mthunzini Sewer Upgrade	MIG	2 031 658	12 000 000	18 000 000
Total			125 440 658	116 090 000	129 516 000

22.4. KCDM: District Wide Operational Programs

PROJECT NAME	FUNDING SOURCE	BUDGET 2019/2020	BUDGET 2020/2021	BUDGET 2021/2022
Youth Programmes	Internal	600 000	620 000	650 000
HIV/AIDS	Internal	525 000	637 500	667 500
District Disability Programme	Internal	488 300	400 000	523 250
Arts & Culture	Internal	1 050 000	1 065 000	1 090 000
SALGA Games	Internal	3 000 000	3 080 000	3 150 000
District Marathon	Internal	500 000	500 000	530 000
District Elimination Games	Internal	500 000	400 000	500 000
Sports Development	Internal	2 267 000	1 145 000	1 145 000
TOTAL COMMUNITY SERVICES		8 930 300	7 847 500	8 255 750
Drought Relief	Internal	50 003 593	51 477 879	52 329 506
Risk Based Monitoring	Internal	3 200 000	5 450 000	5 600 000
Audit Process Development	Internal	500 000	550 000	600 000

PROJECT NAME	FUNDING SOURCE	BUDGET 2019/2020	BUDGET 2020/2021	BUDGET 2021/2022
S78 Implementation	Internal	600 000	700 000	750 000
Survival Water Borehole	Internal	2 350 000	2 600 000	2 950 000
Raw Water Abstraction Fees	Internal	1 000 000	1 100 000	1 170 000
TOTAL TECHNICAL SERVICES		57 653 593	61 877 879	63 399 506
Last Dance	Internal	1 150 000	850 000	850 000
Artisan Development	Internal	600 000	800 000	900 000
Kings Experience	Internal	585 000	605 000	625 000
Artisan Development	Internal	600 000	850 000	870 000
Black Industrialist	Internal	392 500	510 000	520 000
Environmental Management Framework	Internal	550 000	625 000	640 000
Farmer Support & Development	Internal	565 000	495 000	495 000
Film Office	Internal	1 262 000	470 000	570 000
Forest Dependant Livelihood	Internal	550 000	1 150 000	1 250 000
SMME Support & Development	Internal	990 000	840 000	910 000
TOTAL PLANNING AND ECONOMIC DEVELOPMENT		7 244 500	7 195 000	7 630 000
Events	Internal	620 000	525 500	525 500
IDP Road Shows	Internal	2 980 000	3 285 000	2 890 000
State of the District Address	Internal	720 000	830 000	850 000
TOTAL EXECUTIVE AND COUNCIL		4 320 000	4 640 500	4 265 500

22.5. KCDM: District wide Capital Projects

PROJECT NAME	PROJECT DESCRIPTION	FUNDING SOURCE	BUDGET 2019/2020	BUDGET 2020/2021	BUDGET 2021/2022
Bulk water Infrastructure Maintenance	Tanker Reduction Strategy	WSIG	27 000 000	25 000 000	20 000 000
Bulk water Infrastructure Maintenance	WC/WDM Strategy Implementation	WSIG	40 000 000	30 000 000	30 000 000
Reticulation Water Supply	Smart Meter Installation	WSIG	23 000 000	20 000 000	25 000 000
Bulk water Infrastructure Maintenance	Survival Water Borehole	Internal	1 000 000	1 000 000	1 000 000
Reticulation Water Supply	Water & Waste Water Scheme Upgrade	MIG	5 000 000	10 000 000	20 000 000
Bulk water Infrastructure Maintenance	Health & Safety Plants	Internal	1 500 000	500 000	700 000
Bulk water Infrastructure Maintenance	Procurement of testing Equipment	Internal	900 000	400 000	300 000
TOTAL TECHNICAL SERVICES			98 400 000	86 900 000	97 000 000

22.6. KCDM: Planned Projects for 2020/2021

LM	WARD	PROJECT NAME	DESCRIPTION	STATUS	Estimated Budget	Completion Date
uMlalazi LM	9,10,14,20,21,26	Kwahlukholoko SSA 1: Bulk and Reticulation: Phase 2,3 & 4	Expansion of Phobane WTW, construction of Pump-stations, reservoirs, and pipelines including reticulation	Planning & Design	R 25,000,000	June-2021
Entire District	-	Water and sewer plants refurbishment	Refurbishment of water and sewer plants to improve operational capacity	Planning	R 5,000,000	June 2021
Entire District	-	Tanker Reduction Strategy (MWIG)	Implementation of springs, boreholes and extensions through the district	Planning	R27 000 000	June 2021

22.7. KCDM: Multiyear Ongoing Projects

Project Name	Ward	Start	End	Estimated Cost	Expenditure to date	% Progress	Sub-Wards	2019/20	2020/21	2021/22
284 -9 & 10- VIP Sanitation Project	6, 15,16,17 & 21	Nov 2016	June 2020	R 77 300 000	R 23 190 000	30%	ALL SUB WARDS	-	R6,925,322	R6,408,076
Eshowe Sewer	11 &12	Feb-18	June 2020	R36 00 000	-	0%	KDS	R 22,000,000	R 6 000 000	R12,000,000
Mthunzini Sewer	19 & 20	Jul-2018		R 198 000 000	R 2,500,000	30%	Mthunzini town	R2,031,000	R12,000,000	R18,000,000
Eshowe SSA 1	Portions 9,11, 12 &13	Jul 2013	Jun 2021	R 474 520 967	R 180 927 033	80%	Eshowe Town, KDS Kwa-Mfana, Nyanini, Berea, Thawini, Ntenjane, Emncongweni Sqwanjan Izindophi	-	-	R 15 000 000
Middledrift SSA 5	Partial 1, 2,3 & 4	01 May 2013	30 Jun 2019	R 208 304 337	R 102 305 042	49%	Izinsundu, Ntamoyenkunzi. Part Mpaphala, Khangelani, Kwa Gasa, Mbizane, Buthanani, Shushu, Ntamoyenkunzi, Matshamhlophe, Nhlalamnyango	R 39,073,824	R 10,000,000	R 10,000,000
Kwa-Hlokhloko SSA1 Bulk and Ret		June-10	June-25	R 1,5bn	R 190 485 862	45%	Mandawe (partial), Mbizo 2, Ncemaneni, Zigagayi, Emaqeleni, Isiphezi, Kwa-Mpofu, Kwa-Hlokhloko / Thintumkaba, Eziqwaqweni (Ward 26), Mhlathuzana Mtilombo Mbizo 1	R 76,519,000	R 85,000,000	R 57,316,000
KwaHlokhloko S/A SSA5	Partial 22 &23	Jan 2012	June 2020	R 157 844 574	R 42 803 986	27%	Oyemeni, Phongola, Lubisane, Gugushe, Ohhaheni, Makhehle (partial), Makholokholo (partial), Nteneshane, Hlobane, Macekane, Sabe 1 & 2	R 18,990,000	-	R15,000,000
Middledrift Phase 2	Um1 & 2 and Nk7,13 & 14	May 2006	Jun 2020	R 132 409 907	R 102 394 957.6	77%	Izinyosi, Bongela, Nkunzempunga, Mfomfolozi, Mbileni,	R34,670,273	R 17,000,000	R 15 000 000

Project Name	Ward	Start	End	Estimated Cost	Expenditure to date	% Progress	Sub-Wards	2019/20	2020/21	2021/22
							Nyimbithwa, Mvuzane			

22.8. Department of Education

The projects for the Department of Education are attached on **Annexure 2**

22.9. Department of Agriculture

Fencing Projects

No.	Project Name	Activity	Budget	Ward	Inkosi	No of beneficiaries
1	Mbongolwane Camp	Supply material and erect fence 9.5 km	R600 000	4	Ntuli	Communal investment

Land Care Projects

PROJECT NAME	ACTIVITY	PLANNED TARGET	WARD/ INKOSI	BUDGET (R'000)	WORK OPPORTUNITIES
Maqhogo (New)	293ha - camps - 136ha, 74ha and 83.4ha – livestock area	150ha	2 Mr S Ntuli	R 921 000	25

Infrastructure Projects

Project Name	Activity	Budget	Ward	Inkosi	No of beneficiaries
Ibutho tunnels	Construction of 5 tunnels	R1 800 000	20	Inkosi Zulu	6
Sizanani-MaZulu	Construction of a 50 sow unit	R3 900 000		Inkosi Zulu	5
Masisukume Tunnels	Construction of 6 Tunnels	R 1050 000.00	3	Inkosi Ntuli	7

22.10. Department of Human Settlements

PROJECT NAME	PROJECT TYPE	PROJECT STATUS	UNITS	COMMENTS
Ogagwini	Rural	Prefeasibility	1 000	Undertaking preliminary studies. Stage 1 application pack submitted to the department.
Shange	Rural	Prefeasibility	1 000	Undertaking preliminary studies.
Mpushini Park	Urban	Prefeasibility	± 3 000	Undertaking planning studies . Stage 1 application pack submitted to the department.
Mzimela	Rural	Prefeasibility	1 000	Undertaking preliminary studies.
Gingindlovu Phase 2 Extension	Urban	Feasibility	500	Undertaking preliminary studies. Stage 1 application pack submitted to the department.
Nzuza	Rural	Prefeasibility	1000	To undertake feasibility studies

PROJECT NAME	PROJECT TYPE	PROJECT STATUS	UNITS	COMMENTS
Sunnydale EXT Phase 2	Urban	Planning	212	Installation of services to begin
Mvuzane	Rural	Planning	1 000	Stage 2 Submitted to the department.
KwaKhoza	Rural	Planning	1 000	Stage 2 Submitted to the department.
Kholweni	Rural	Planning	1 000	Stage 2 Submitted to the department.
KwaMondi	Rural	Planning	1 000	Undertaking planning studies
Ndlangubo	Rural	Planning	1 000	Stage 2 Submitted to the department.

FUNCTION	PROJECT NAME	WARD	STATUS
Project Under-construction	UYaya RHP	2,3,4	959 units completed(95.9%)
	Ngudwini RHP	5	965 units completed (96.5%)
	Mpungose RHP	9, 10, 14, 16, 27	699 units completed (69.9%)
	Sunnydale phase 2 Ext	11	110 slabs completed, 15 wall plates. Sewerage pipes have been laid on platform b and water reticulation is about 80% complete. The BOC provided by the IA indicates that the LM will need to top up with R8m for black top and water meter connections.

22.11. Department of Rural Development and Land Reform: Land Acquisition

FARM NAME	Ward	EXTENT IN HA	COMMODITY	ASKING PRICE
Legalela Farms	19	599	Sugarcane	R 36 m

22.12. DRDLR: Rural Infrastructure Projects

NAME OF PROJECT	Ward	CATEGORY	STATUS	TOTAL BUDGET
Mbongolwane Grazing Camp	4	AVMP	Planning	R10 000 000.00

22.13. ESKOM

NO	Project Name	Status	Construction Start date	Completion date
1	Eshowe SS Capacity Increase	In construction	2015	2017
2	Mbongolwane 132 kV line establish	Conceptual stage	2021	2022
3	Mbongolwane 132/22 kV 20 MVA SS	Conceptual stage	2021	2022
4	Gingindlovu SS additional 132 kV FDR bay for Mandeni line est.	Design stage		The project will be triggered by Amatikulu commitment to co-generate and will be initiated as a DIRECT CUSTOMER project.
5	Amatikulu 132 kV Switch station	Conceptual stage	2023	2024
6	Kwa Mbonambi 132/22 kV SS 2x132 kV Line bays Establish	Conceptual stage	2024	2025
7	Est. Port Durnford 20 MVA 88/11 kV Transformer	Conceptual stage	2024	2025
8	Nkwaleni SS 10MVA (88/11 kV) TRFR Upgrade to 20MVA (88/22 kV)	Finalized	2013	Completed in 2014
10	Mandeni-Gingindlovu 24 km 132 kV Double circuit line est.	Design stage		The project will be triggered by Amatikulu's commitment to co-generate and will be initiated as a DIRECT CUSTOMER project.

22.14. Eskom Electrification Projects - Progress 2017/18

ESKOM ELECTRIFICATION PROJECTS - PROGRESS 2017/18						
WARD	PROJECT NAME	COMPANY	Connections	Contractor	% COMPLETE	PROGRESS
1	Izinyosi (Part of Entumeni #3)	Eskom	248	Prime Electr contract.	68%	Eskom busy designs & process to appoint new contractor
3	Slambo # 2	Eskom	258	MG contracting	60%	2nd Contractor appointed
5	Ngudwini / Saron Shahinya	Eskom	786	Prime Electr contract.	96%	Project almost complete - only 27 left & far away from services

22.15. Eskom Electrification Projects - Progress 2018/19

ESKOM ELECTRIFICATION PROJECTS - PROGRESS 2018/19						
WARD	PROJECT NAME	COMPANY	Connections	Contractor	% COMPLETE	PROGRESS
17	Mabhokweni #3	Eskom	177		70%	Contractor Onsite
14,20,21	Manyameni/Oyemeni #1	Eskom	264	Ilithalesizwe Electr	13%	Contractor waiting progress results from munics & Eskom to proceed
5 & 6	Ngudwini / Shahinya # 2	Eskom	150		2%	Eskom & munics visited site for polygon on 17/5/2019
1 & 8	Ntumeni / Vuma #3	Eskom	77		1%	Wait appointment of contractor

22.16. Schedule 5b - uMlalazi Municipality - Progress 2018/19

SCHEDULE 5B - UMLALAZI MUNICIPALITY - PROGRES 2018/19						
WARD	PROJECT NAME	COMPANY	Funding	Connections	%	PROGRESS
4	Masundwini	Umlalazi Munics	R 11 183 825,50	180	100%	Contractor on site - busy construction & waiting outage dates
5	Masundwini	Umlalazi Munics		287	100%	Contractor on site - busy construction & waiting outage dates

22.17. Schedule 5b - uMlalazi Municipality - Progress 2019/20

SCHEDULE 5B - UMLALAZI MUNICIPALITY - PROGRES 2019/20						
WARD	PROJECT NAME	COMPANY	Funding	Connections	% COMPLETE	PROGRESS
25	Mkhuphulangwenya	Eskom	R 6 405 089.40	282	96%	Contractor on site

22.18. Schedule 5b : uMlalazi Municipality - Progress 2020/21

SCHEDULE 5B - UMLALAZI MUNICIPALITY - PROGRES 2020/21						
WARD	PROJECT NAME	COMPANY	Funding	Connections	% COMPLETE	PROGRESS
w1 -27	Type 1 INFILLS	Umlalazi Munics	R 5 MIL	500	5%	Application submitted to Dept of Energy for 2020/21 financial year
w11	Sunnydale project	Umlalazi Munics	R 3,5 MIL	212	5%	Application submitted to Dept of Energy for 2020/21 financial year

ESKOM - UMLALAZI MUNICIPALITY - PROGRES 2020/21						
WARD	PROJECT NAME	COMPANY	Funding	Connections	% COMPLETE	PROGRESS
4	Ngedlezi #1	ESKOM		118	0%	To be funded 2020/2021
26	Kwa Hlaza	ESKOM		51	0%	To be funded 2020/2021
2	Dibhasi/Mankumbu (Ext Macotshaneni)	ESKOM		67	0%	To be funded 2020/2021
	uMlalazi Bulk Extension	ESKOM		100	0%	To be funded 2020/2021

22.19. Municipal Infrastructure Grant Projects

DESCRIPTION	Ward	Budget Year 2020/2021	Budget Year 2021/2022	Budget Year 2022/2023
HALLS AND OFFICES				
Bayedle Hall	16	-	-	4 000 000
Macotshaneni Community Hall	2	-	-	4 500 000
Mpumazi Community Hall	14	-	3 500 000	-
Slambo Community Hall	3	-	5 500 000	-
Testing Station	11	-	-	10 291 050
ROADS AND CAUSEWAYS				
Endayeni To Ngedlezi Road	4	-	-	3 000 000
Esiphezi Road & Causeway	9	-	5 500 000	1 000 000
Ethafeni Road	18	1 000 000	-	-
Eyetheni Road	21	3 000 000	-	-
Ezislulwini Road	4	-	4 187 400	-
Ndlongolwane Road And Causeway	4	4 000 000	-	-
Izingwenya Road	15	4 500 000	-	-
Kangela Road Rehabilitation - Phase 3	11	1 000 000	-	-
Kwabhonga Road	26	3 500 000	-	-
Kwamfana Main Road And Causeway	13	-	4 200 000	-
Makhehle Road	24	-	3 000 000	3 000 000
Mbhabha Causeway	-	-	-	2 000 000
Mbongolwane Road And Causeway	4	-	3 502 400	-
Mtipela/ Ntabankulu Road	3	-	8 256 350	1 743 650
Ngqathu Causeway	6	-	3 600 000	-
Rehabilitation Of Osborn Road - Phase 2	11	8 000 000	-	-
Yimba Pedestrian Bridge	19	-	-	5 000 000
SPORTS FIELDS				
King Dinizulu Sports Park - Phase 1	12	8 000 000	-	-
Kwandlovu Sportsfield	2	-	-	5 000 000
Manzamnyama Sportsfield	22	-	-	4 000 000
Mashabase Sportsfield	1	3 118 750	-	-
Rehabilitation Of Gingindlovu Sports Field	18	2 000 000	-	-
Sub total		38 118 750	41 246 150	43 534 700
PMU ADMIN		2 006 250	2 170 850	2 291 300
TOTAL		40 125 000	43 417 000	45 826 000

22.20. Planned internally funded Civil Projects (Draft)

PROJECT NAME	LOCATION/ WARD	LENGTH	BUDGET
Rehabilitation of urban roads			
Pearson - Ward 11	Kangela - Cul-de-sac	1117m	6 000 000.00
Oftebro - Ward 11	Kangela - Chelmsford	700m	
Nkosi Ndwandwe Street - Ward 12	Nondaba - Umsonti	550m	
Kudu - Ward 18	Isandlwana - McCulumn	580m	
STORMWATER MANAGEMENT			
Upgrade of Havelock Stormwater - Ward 11	Kangela - Webber	2.4 Km	3 000 000.00
Establishment of Stormwater management system	whole urban area		600 000.00
MAJOR ROAD REPAIRS			
Windham and Brockwell Street (ward 11)	Ward 11	400m	500 000.00
RURAL ROADS MAINTENANCE			
Rural roads patch gravelling - 12 Wards	Ward 1,2,4,5,8,12,13,18,22,25&27	24Km	5 400 000.00
Grader Programme (All wards)	All Wards	±2400 Km	11 000 000.00
Rural Roads Stormwater Culverts pipes	Ward 1,2,4,5,8,12,13,18,22,25&27	250m	300 000.00
OTHER CIVIL PROJECTS			
Speed Humps	Ward 11,12,18,19	15 No	200 000.00
Sidewalks	Ward 11,12,18,19	600m	800 000.00

PROJECT NAME	LOCATION/ WARD	LENGTH	BUDGET
Construction of Bus Stop Shelters	Ward 1,4,23	4 No	250 000.00
MAINTANANCE OF MUNICIPAL BUILDINGS			
Completion of Ndayini Community Hall upgrade	Ward 4	1x Community Hall	600 000.00
Replacement of CBD Office block roof	Office Building	1x Office Block	400 000.00

22.21. TRONOX SLA Projects

COMMUNITY	PROJECT	BUDGET	YEAR
Ogagwini	1.Ogagwini Trading Facilities	R1 000 000	2018
	2. Obanjeni Sports Complex - (Soccer, Netball etc.)	R1 200 000	2019
	3. Ogagwini Housing Project- 5 houses	R1 100 000	2020
	4. Veleshowe Crèche	R950 000	2021
	5. Cemetery Fencing and ablutionS	R1 200 000	2022
Nzuza	1. Ensingweni Primary School Classrooms. Ablutions & Admin block	R3 200 000 (R1.2mil in second and third year)	2018-2020
	2. Borehole-Ploughing Project (Water Scarcity)	R350 000	2020
	3. Uphindo High School Science Laboratory for Practical work and Computers.	R800 000	2021
	4. Ngwenya Secondary School-Open shelter nutrition Programme	R600 000	2022
	5. Nogabisela High School- 3 Classrooms	R700 000	2022

22.22. Private Developments (SPLUMA Applications of Catalytic Projects)

Ward	DEVELOPMENT	APPLICANT	PROGRESS
11	Atrium Mall Development (Old Eshowe Mall additions and alterations)	Angus McDonald	Under Construction
11	Proposed Eshowe Private Hospital	PHULUKISA MEDICAL INVESTMENTS PROPRIETARY LIMITED,	Application Stage
18	Proposed R 66 Mixed Use Development	McGormick (PTY) LTC	Phase 1 Complete
19	Proposed ERF 167 Mixed Use Development (Mthunzini)	AJ Property Holdings trading as Firerock 8 (PTY) LTD	Application Stage
8	Installation of a 0.45m Optical Telescope At KwaNtoza Mountain (UNIZULU)	University of Zululand	Pre Application Stage
15	Amatikulu Agri-Village	Amatikulu Mill (Tongaat Hullet)	On Hold
11	Eshowe Gardens Mixed Use Development	uMshini KaDlungwane (PTY) LTD	Application Stage
11/19	Eshowe & Gingindlovu Industrial Area Sites Development	uMlalazi Municipality	Pre Tender Stage
19	Mthunzini Park Development.	Municipality/Private Developer	Pre Application Stage

SECTION G: ANNUAL OPERATIONAL PLAN (SDBIP)

23. Service Delivery Budget Implementation Plan

KEY CHALLENGE		REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Slow internet connections	TL 1	1	Municipal Transformation and Institutional Development	Governance and Policy	Improvement of IT systems for better municipal functions	Install fibre, for adequate capacity	Completed installation of fibre for adequate capacity on IT Systems by 30 June 2020	Date	30 June	0	0	0	30 June	2 700 000.00		Corporate Services	ALL
	TL 2	2	Municipal Transformation and Institutional Development	Governance and Policy	Improvement of IT systems for better municipal functions	Review ICT Strategy	Reviewed ICT strategy by 30 June 2020	Date	30 June	0	0	0	30 June	0		Corporate Services	ALL
Inadequate Skills Development	TL 3	3	Municipal Transformation and Institutional Development	Human Resource Development	To develop the institution and to facilitate institutional transformation	Facilitate training programmes for Councillors in terms of skills audit	Training programmes facilitated for Councillors in terms of skills audit by 30 June 2020	Number	4	1	1	1	1	280 000.00		Corporate Services	ALL
	TL 4	4	Municipal Transformation and Institutional Development	Human Resource Development	To develop the institution and to facilitate institutional transformation	Implement and support internship, learnership and in-service training programmes.	Interns appointed in support of internship, learnership and in-service training	Number	7	0	7	0	0	0		Corporate Services	ALL

KEY CHALLENGE	REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward	
					transformation		programmes by 30 December 2019										
	TL 5	5	Municipal Transformation and Institutional Development	Human Resource Development	To develop the institution and to facilitate institutional transformation	Facilitate training programmes for staff in terms of skills development plan	Training programmes facilitated for Staff in terms of skills audit by 30 June 2020	Number	10	0	5	0	5	600 000.00		Corporate Services	ALL
Inadequate accessibility to educational facilities	TL 6	7	Municipal Transformation and Institutional Development	Governance and Policy	To enhance the accessibility of library facilities to the public	Apply to Library Services to provide funding for the roll out of Cyber Cadet services in Ging, Mtz & Sunnydale libraries	Submit application to library services by 31 December 2019 for the roll out of cyber cadet facilities in Ging, Mtz & Sunnydale libraries	Date	31 December	0	31 Dec	0	0	0		Corporate Services	ALL

KEY CHALLENGE		REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
	TL 7	10	Municipal Transformation and Institutional Development	Strategic Infrastructure	To ensure that there is suitable office space for the employees, executives and Councillors	To ensure continuous maintenance of Municipal Offices in terms of maintenance plan line with the relevant Health & Safety Standards.	Compliance with maintenance of Municipal offices in terms of Health & Safety requirement by 30 June 2019	Percentage	100%	100%	100%	100%	100%	1 600 000.00		Engineering Services	11
Service Delivery Backlog	TL 8	12	Basic Service Delivery	Strategic Infrastructure	To ensure provision of basic services by all communities in a sustainable manner	Reduce backlog of electrification services annually	90% households provided with electrification services by 30 June 2020	Percentage	90%	90%	90%	90%	90%	7 000 000.00		Engineering Services	ALL
Service Delivery Backlogs	TL 9	13	Basic Service Delivery	Strategic Infrastructure	To ensure provision of basic services by all communities in a sustainable manner	Provide affordable Services to Indigent Community by the implementation of the Indigent Policy	4500 households have access to Free basic electricity services in terms of the Indigent Policy by 30 June 2020	Number	4500	4500	4500	4500	4500	2 873 970.00		Finance	ALL

KEY CHALLENGE			REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Service Delivery Backlogs	TL 10	14	Basic Service Delivery	Strategic Infrastructure	To ensure provision of basic services by all communities in a sustainable manner	To ensure maintenance and improvement of existing electrical infrastructure.	Spend 100% of the budget allocated towards the maintenance and improvement of existing electrical infrastructure in terms of the maintenance plan by 30 June 2020	Percentage	100%	100%	100%	100%	100%	1 477 550.00		Engineering Services	11, 12	
Service Delivery Backlogs	TL 11	15	Basic Service Delivery	Strategic Infrastructure	To ensure provision of basic services by all communities in a sustainable manner	Ensure the reduction of Electricity losses	Electricity losses remain within the norm of 10% by 30 June 2020	Percentage	10%	10%	10%	10%	10%	10 154 190.00		Engineering Services	11, 12	
Service Delivery Backlogs	TL 12	16	Basic Service Delivery	Strategic Infrastructure	To ensure provision of basic access to electricity by all communities in a sustainable manner	To ensure that energy saving principles are adhered to in line with NERSA Guidelines	Energy saving principles adhered to in line with NERSA guidelines by 30 June 2020	Percentage	100%	100%	100%	100%	100%	0		Engineering Services	11, 12	

KEY CHALLENGE			REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Service Delivery Backlogs	TL 13	17	Basic Service Delivery	Strategic Infrastructure	Strengthen the stakeholder engagement in Eskom Electrification Projects in order to track progress.	Strengthen the stakeholder engagement with Eskom Electrification Projects	Quarterly stakeholder engagements held per project on all Eskom Electrification Projects in order to track progress by 30 June 2020	Number	4	1	1	1	1	1	0		Engineering Services	ALL
Service Delivery Backlogs	TL 14	19	Basic Service Delivery	Strategic Infrastructure	To ensure provision and maintenance of municipal roads, access roads, causeways and stormwater	To ensure continuous maintenance of road infrastructure	Maintenance of road infrastructure undertaken in terms of annual Road Maintenance plan based on budget available by 30 June 2020	Percentage	100%	100%	100%	100%	100%	10 000 000.00		Engineering Services	ALL	
Service Delivery Backlogs	TL 15	20	Basic Service Delivery	Strategic Infrastructure	To ensure provision and maintenance of municipal roads, access roads, causeways and stormwater	Facilitate discussion with DOT to register certain roads as access roads in order to recognise them as Municipal assets	Discussion facilitated with DOT to possibly register certain roads as access roads in order to recognise them as Municipal	Date	31 March	0	0	31 March	0	0		Engineering Services	ALL	

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
							assets by 31 March 2020										
Service Delivery Backlogs	TL 16	21	Basic Service Delivery	Strategic Infrastructure	To ensure maintenance of all municipal buildings.	To develop a Maintenance Plan for Municipal Buildings	Annual maintenance plan developed for Municipal buildings by 31 December 2019	Date	31 December	0	31 Dec	0	0	3 045 720.00		Engineering Services	ALL
Service Delivery Backlogs	TL 17	22	Basic Service Delivery	Governance and Policy	To increase the accessibility of municipal vehicles	Replace Municipal fleet in terms of the fleet maintenance plan	Municipal Fleet replaced in terms of fleet management plan and allocated budget by 30 June	Number	24	0	10	10	4	10 670 000.00		Engineering Services	ALL
Service Delivery Backlogs	TL 18	23	Basic Service Delivery	Governance and Policy	To increase the accessibility of municipal vehicles	Facilitate process to write off and replace damaged vehicles	Facilitated process to write off and replace damaged vehicles annually by 31 March 2019	Date	31 March	0	0	31 March	0	0		Engineering Services	ALL

KEY CHALLENGE			REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Service Delivery Backlogs	TL 19	24	Basic Service Delivery	Inclusive Economic growth	To ensure and monitor proper implementation of Municipal Infrastructure Projects	Facilitate training programmes to train local SMME's through CIDB and SEDA support	Training programmes facilitated to train local SMME's through CIDB and SEDA support by 30 June 2020	Number	4	1	0	1	1	0			Engineering Services	ALL
Service Delivery Backlogs	TL 20	25	Basic Service Delivery	Inclusive Economic growth	To ensure and monitor proper implementation of Municipal Infrastructure Projects	Compile annual plan to improve the Municipality's EPWP contribution through labour intensive infrastructure projects	Completed annual plan to improve the Municipality's EPWP contribution through labour intensive infrastructure projects by 31 December 2019	Date	31 December	0	31 Dec	0	0	0			Community Services	ALL
Service Delivery Backlogs	TL 21	26	Basic service delivery	Strategic Infrastructure	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a	Construct community halls in terms of budget allocated for the financial year	Completed construction of Qhlika, Vuma, community halls by 30 June 2020	Date	30 June	0	0	0	30 June	10 916 730.00			Engineering Services	25, 8, 26,3, 14, 2, 16, 27

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
					sustainable manner												
Service Delivery Backlogs	TL 22	27	Basic service delivery	Strategic Infrastructure	Ensure the provision and maintenance of municipal roads, access roads and causeways	Construct road / causeways in terms of MIG budget allocated for the financial year	Mtipela/Ntambuku roads / causeways Constructed in terms of MIG budget allocated for the financial year by 30 June 2020	km	6km	0	0	0	6km	7 000 000.00		Engineering Services	6, 11, 18, 3, 15, 17, 24, 26, 4, 9, 21, 13, 04, 4, 25, 2,
Service Delivery Backlogs	TL 23	28	Basic service delivery	Strategic Infrastructure	Ensure the provision and maintenance of municipal roads, access roads and causeways	Ensure speedhumps, sidewalk constructed in terms of budget allocated	Constructed Speedhumps , sidewalk in terms of budget allocated by 30 June	Date	30 June	0	0	0	30 June	413 000.00		Engineering Services	11, 12, 18, 19

KEY CHALLENGE			REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Service Delivery Backlogs	TL 24	30	Basic Service Delivery	Governance and Policy	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facilitate monthly waste awareness programmes	Waste awareness programmes facilitated by 30 June 2020	Number	12 waste awareness programmes facilitated by 30 June 2020	3	3	3	3	62 710.00		Community Services	ALL	
Natural Disasters	TL 25	31	Basic Service Delivery	Governance and Policy	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Facilitate quarterly Disaster Forum meetings	Quarterly Disaster Forum meetings facilitated by 30 June 2020	Number	4 Disaster Forum meetings facilitated by 30 June 2020	1	1	1	1	800 000.00		Community Services	ALL	
Service Delivery Backlogs	TL 26	32	Basic Service Delivery	Strategic Infrastructure	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a	Construct sportsfields / sports parks in terms of budget allocated for the financial year	Complete construction of sports park in terms of budget allocated for the financial year by 30 June 2020	Date	30 June	0	0	0	30 June	9 000 000.00		Engineering Services	2, 22, 5, 1, 27, 12, 18	

KEY CHALLENGE	REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward	
					sustainable manner												
Service Delivery Backlogs	TL 27	33	Basic Service Delivery	Environmental Sustainability	To provide and maintain infrastructure and services to all, with emphasis on rural communities, in a sustainable manner	Reduce backlog of refuse removal services annually	42% households provided with refuse removal services by 30 June 2020	Percentage	42%	42%	42%	42%	42%	6 921 600.00		Community Services	ALL
	TL 28	34	Basic Service Delivery	Strategic Infrastructure	Promote equitable access to quality ECD programmes for all children under 6 years	Facilitate the construction of ECD facilities to assist children under 6 years old to receive quality education	ECD facilities constructed to assist children under 6 years old to receive quality education by 30 June 2020	Number	5 ECD facilities constructed to assist children under 6 years old to receive quality education by 30 June	0	0	0	5	1 000 000.00		Community Services	ALL

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Poverty	TL 29	34 (a)	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To develop an investment attraction strategy by 30 June 2021	An adopted investment attraction strategy by 30 June 2021	Date	30 June	0	0	0	30 June	400 000.00		Planning & Economic Development	11
Poverty	TL 30	35	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To ensure the promotion of economic development through the development of an agricultural sector plan	Adopted Agricultural Sector Plan by 30 June 2020	Date	30 June	0	0	0	30 June	R 139 250.00		Planning & Economic Development	ALL
Poverty	TL 31	36	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To promote youth participation in agricultural & tourism activities from previously disadvantaged communities	Summit facilitated for Youth in agriculture & tourism by 31 December 2019	Date	31 December	0	31 Dec	0	0	100 000.00		Planning & Economic Development	ALL

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Poverty	TL 32	37	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To take advantage of opportunities presented by the Ocean Economy	Submitted application Funding for Aquaculture Development Zone feasibility study by 31 March 2020	Date	31 March	0	0	31 March	0	0		Planning & Economic Development	ALL
Inadequate Tourism Development	TL 33	40	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To promote economic development through eco-tourism and heritage tourism.	An approved Coastal Development Plan by 30 June 2021	Date	30 June	0	0	0	30 June	500 000.00		Planning & Economic Development	ALL
Inadequate Tourism Development	TL 34	41	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To ensure the promotion of economic development through the development of Tourism sector plan	An approved Tourism Sector Plan by 30 June 2020	Date	30 June	0	0	0	30 June	500 000.00		Planning & Economic Development	ALL

KEY CHALLENGE		REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
	TL 35	42	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment.	To promote economic development through industrial development.	Call for Developers for the establishment of Eshowe industrial extension by 31 December 2019	Date	31 December	0	31 Dec	0	0	0		Planning & Economic Development	ALL
Unemployment	TL 36	43	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment.	Promote creation of job opportunities through. EPWP, CWP and other poverty alleviation programmes	650 Job opportunities created through EPWP, CWP and other poverty alleviation programmes by 30 June	Number	650	160	160	160	170	6 584 640.00		Community Services	ALL
Unemployment	TL 37	44	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment.	Compile annual plan to improve the Municipality's EPWP contribution through labour intensive infrastructure projects	Annual plan completed to improve the Municipality's EPWP contribution through labour intensive infrastructure projects by 31 March 2020	Date	31 March	0	0	31 March	0	0		Community Services	ALL

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Inadequate Local Economic Development	TL 38	45	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To promote the development of SMMEs in particular informal traders	Approved Gingindlovu informal Market Stalls designs by 31 March 2020	Date	31 March	0	0	31 March	0	100 000.00		Planning & Economic Development	18
Inadequate Local Economic Development	TL 39	46	Local Economic and Social Development	Inclusive Economic growth	To contribute towards the growth of the local economy and the reduction of unemployment	To promote the development of SMMEs in particular informal traders	Constructed Eshowe Taxi Rank informal traders Ablution facilities by 30 June 2020	Date	30 June	0	0	0	30 June	200 000.00		Planning & Economic Development	11
	TL 40	47	Local Economic and Social Development	Inclusive Economic growth	To develop and support social development initiatives, particularly those focussed on the youth and the	Facilitate uMlalazi Sports, Arts & Culture Festival	uMlalazi Sports & Arts and Culture festival facilitated by 30 June 2021	Date	30 June	0	0	0	30 June	985 150.00		Community Services	ALL

KEY CHALLENGE	REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward	
					vulnerable groups												
	TL 41	48	Local Economic and Social Development	Inclusive Economic growth	Promote active ageing and healthy lifestyles	Facilitate the promotion of active ageing and healthy lifestyles for Senior Citizens in the Municipal area	Programmes facilitated the promotion of active ageing and healthy lifestyles for Senior Citizens in the Municipal area by 30 June 2020	Number	4	1	1	1	1	500 000.00		Community Services	ALL
Inadequate own revenue	TL 42	49	Municipal Financial viability and Management	Proper financial management	To ensure Revenue enhancement	Ensure that the Municipality derives maximum value from Municipal Land through Outdoor advertisement	Reviewed Outdoor Advertising Bylaws 30 June 2020	Date	30 June	0	0	0	30 June	200 000.00		Planning & Economic Development	11, 12, 18, 19
Inadequate own revenue	TL 43	50	Municipal Financial viability and	Proper financial	To ensure Revenue enhancement	Derive maximum value from Municipal	Reviewed Municipal Heritage sites and	Date	31 December	0	31 Dec	0	0	0		Planning & Economic Development	ALL

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
			Management	management		Heritage Sites and other Tourism Facilities	Tourism facilities MOA by 31 December 2019										
High outstanding debtors	TL 44	51	Municipal Financial viability and Management	Proper financial management	To ensure Revenue enhancement	Ensure effective processes for the collection of funds due to the municipality in terms of debt collection policy	95% debtors collection rate by 30 June 2020	Percentage	95%	95%	95%	95%	95%	0		Finance	ALL
Inadequate own revenue	TL 45	52	Municipal Financial viability and Management	Proper financial management	To ensure Revenue enhancement	Facilitate the review of the General Valuation Roll in line with the prescripts of legislation	Approved review of valuation roll by 30 June 2020	Date	30 June	0	0	0	30 June	1 255 550.00		Finance	ALL
Inadequate own revenue	TL 46	53	Municipal Financial viability and Management	Proper financial management	To ensure Revenue enhancement	Facilitate a feasibility study on the installation of digital Billboards as a revenue enhancement strategy	Approved feasibility study on the installation of digital Billboards as a revenue enhancement strategy by 31 December 2019	Date	31 December	0	31 Dec	0	0	0		Office of the MM	ALL

KEY CHALLENGE	REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward	
Inadequate own revenue	TL 47	54	Municipal Financial viability and Management	Strategic Infrastructure	Expansion of the Electricity Business	Facilitate a Feasibility Study to take over distribution of electricity from Eskom in Gingindlovu and Mthunzini by 30 June 2020	Approved feasibility study to take over distribution of electricity from Eskom in Gingindlovu and Mthunzini by 30 June 2020	Date	30 June	0	0	0	30 June	500 000.00		Engineering Services	18, 19
Inadequate performance monitoring	TL 48	56	Municipal Financial Viability and Management	Governance and Policy	To ensure continued sound financial management	Monitor the performance of Service Providers	Quarterly reports submitted to Council on the Performance of Service Providers	Number	4	1	1	1	1	126 516 790.00		Municipal Manager	ALL
inadequate participation in HIV/Aids programs	TL 49	57	Good Governance and Public Participation	Human and Community Development	Mitigate the Impact of HIV/Aids in the Municipality area	Ensure quarterly HIV/AIDS Council (LAC) Meetings are facilitated	No of HIV/AIDS Council (LAC) Meetings facilitated by 30 June 2020	Number	4	1	1	1	1	200 000.00		Municipal Manager	ALL
inadequate public participation initiatives	TL 50	58	Good Governance and Public Participation	Governance and Policy	To promote a culture of participatory democracy and social cohesion	Ensure that all Ward Committees are functional	100% functionality of Ward Committees by 30 June 2020	Percentage	100%	100%	100%	100%	100%	3 000 000.00		Municipal Manager	ALL

KEY CHALLENGE	REF		Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Inadequate implementation of Batho Pele	TL 51	59	Good Governance & Public Participation	Governance and Policy	To promote a culture of participatory democracy and social cohesion	Ensure the continuous Implementation and monitoring of Batho Pele in the Municipality	Quarter Batho Pele Forum meetings held by 30 June 2020	Number	4	1	1	1	1	0		Municipal Manager	ALL
Inadequate implementation of Batho Pele	TL 52	60	Good Governance & Public Participation	Strategic Infrastructure	To promote a culture of participatory democracy and social cohesion	Ensure the continuous Implementation and monitoring of Batho Pele in the Municipality	Approved Service Delivery Improvement Plan (SDIP) by 31 March 2020	Date	31 March	0	0	31 March	0	0		Engineering Services	ALL
Inadequate implementation of Batho Pele	TL 53	61	Good Governance & Public Participation	Governance and Policy	To promote a culture of participatory democracy and social cohesion	Ensure the continuous Implementation and monitoring of Batho Pele in the Municipality	Attended to 100% of Complaints within 3 working days	Percentage	100%	100%	100%	100%	100%	70 000.00		Municipal Manager	ALL
Inadequate public participation	TL 54	62	Good Governance & Public Participation	Governance and Policy	To promote a culture of participatory democracy and social cohesion	Facilitate Local Task Team (LTT)meetings to address War Room Issues	Quarterly LTT meetings facilitated to address War Room Issues by 30 June 2020	Number	4	1	1	1	1	160 000.00		Municipal Manager	ALL

KEY CHALLENGE		REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
	TL 55	63	Good Governance and Public Participation	Governance and Policy	To ensure that a functional and effective Council exists	Facilitate the sitting of the Standing Rules and Orders Committee meetings	Quarterly Standing Rules and Orders Committee meetings facilitated by 30 June 2020	Number	4	1	1	1	1	0		Corporate Services	ALL
	TL 56	65	Good Governance and Public Participation	Human and Community Development	To ensure that a functional and effective Council exists	Facilitate training for Ward Committee members	Training facilitated for Ward Committee members by 30 June 2020	Date	30 June	0	0	0	30 June	400 000.00		Municipal Manager	ALL
	TL 57	66	Good Governance and Public Participation	Governance and Policy	To ensure that a functional and effective Council exists	Ensure that all Delegations of Authority are reviewed	Approved Review of delegations of authority by 30 June 2020	Date	30 June	0	0	0	30 June	0		Corporate Services	ALL
Fragmented or adhoc planning	TL 58	67	Cross Cutting	Environmental Sustainability	To ensure effective land use management and coordinated Spatial Development Planning	Implement Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law	Quarterly Reports submitted to Council on the Implementation of Spatial Planning and Land Use Management Act (SPLUMA) and SPLUMA By-law by 30 June 2020	Number	4	1	1	1	1	R 500 000.00		Planning & Economic Development	ALL

KEY CHALLENGE		REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward
Fragmented or adhoc planning	TL 59	68	Cross Cutting	Environmental Sustainability	To ensure effective land use management and coordinated Spatial Development Planning	Ensure the finalisation of the Umlalazi Wall to Wall scheme	Approved Umlalazi Wall to Wall scheme by 30 June 2021	Date	30 June	0	0	0	30 June	R1,000 000.00		Planning & Economic Development	ALL
Fragmented or adhoc planning	TL 60	69	Cross Cutting	Environmental Sustainability	To ensure effective land use management and coordinated Spatial Development Planning	Ensure the finalization of precinct plans	Approved precinct plans by 30 June 2020	Date	30 June	0	0	0	30 June	315 000.00		Planning & Economic Development	ALL
Fragmented or adhoc planning	TL 61	73	Cross Cutting	Strategic Infrastructure	To ensure effective land use management and coordinated Spatial Development Planning	Facilitation of township establishments	Established Mtakwende Township by 30 June 2022	Date	30 June	0	0	0	30 June	R500,000.00			
Fragmented or adhoc planning	TL 62	75	Cross Cutting	Environmental Sustainability	To ensure that strategically located land is made available for local economic	Conduct a review of all Land Legal Arrangements to facilitate the release of land for economic development with a bias	Land Audit conducted by 31 March 2020	Date	31 March	0	0	31 March	0	200 000.00			

KEY CHALLENGE	REF	Key Performance Area (KPA)	Goal	Strategic Objective	Strategies/Intervention	Key Performance Indicator	Unit of Measurement	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Budget	Baseline	Responsible department	Ward	
					development	towards previously disadvantaged individuals to participate meaningfully in the local economy.											
	TL 63	76	Good Governance and Public Participation	Governance and Policy	To develop a credible and implementable IDP	Facilitate Strategic Planning session	Strategic planning session held by 31 December 2019	Number	31 December	0	31 Dec	0	0	300 000.00		Planning & Economic Development	ALL
Inadequate public participation	TL 64	76	Good Governance and Public Participation	Governance and Policy	To develop a credible and implementable IDP	Facilitate Clustered IDP Road shows	Clustered IDP roads shows held by 30 June 2020	Number	8	0	4	0	4	400 000.00		Planning & Economic Development	
Inadequate public participation	TL 65	77	Good Governance and Public Participation	Governance and Policy	To develop a credible and implementable IDP	Complete Ward Based plans	Ward Based Plans completed by 31 May 2020	Number	27	0	0	0	27	158 100.00		Planning & Economic Development	ALL

Table 163: Municipal SDBIP

SECTION H: ORGANISATIONAL & INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

23.1. ORGANISATIONAL & INDIVIDUAL PERFORMANCE MANAGEMENT SYSTEM

The Municipality has made tremendous strides in improving organisational performance and has improved its capacity in the following aspects;

- Developing and Setting of Key Performance Areas that complies with the SMART principle.
- Stronger / Clear linkage between IDP, Budget, SDBIP and Annual Report.
- Implementation of Performance Management System by creating an organisational culture of performance monitoring and evaluation.
- Review and expanding organisational Macro and Micro structures and the filling of key posts to implement projects and programmes.

The overall performance of the Municipality is managed and evaluated by a Top Layer Service Delivery Budget Implementation Plan (SDBIP) at directorate levels.

23.1.1. Approval of SDBIP

- The Mayor approves the SDBIP for each financial year within 28 days the approval of the budget.
- The SDBIP is the Municipality's strategic implementation tool and shows the alignment between the Integrated Development Plan, the budget and Annual Performance Agreements of all Section 54/56 managers.
- As it is a legislative requirement the municipal key performance indicators are revised annually.
- The SDBIP was made public and published on the municipal website

23.1.2. Quarterly Reporting on the SDBIP

The PMS System serves as primary mechanism to monitor, review and improve the implementation of the municipality's IDP and eventually the budget. The municipal performance is evaluated and measured by means of the Top-Level Service Delivery Budget Implementation Plan (SDBIP) and also the Departmental Service Delivery Budget Implementation Plan (SDBIP) at directorate and departmental levels. Reporting on the Top-Level SDBIP as well as the mid-year and annual assessment reports are submitted quarterly to the Audit Committee and Council in terms of Section 52 of the Municipal Finance Management Act.

23.1.3. Individual Performance Management

The performance of a Municipality is integrally linked to that of staff. It is therefore important to link organisational performance to individual performance and to manage both simultaneously.

The Municipal Manager (Section 54A) and all the Senior Managers (Section 56) signed Performance Agreements.

As per the signed performance agreements and plans for the Section 54A/56 Employees for each financial year, the performance of the Municipal Manager and the managers reporting directly to the Municipal Manager are evaluated in terms of the agreement within the required timeframes as set for the financial year

23.1.4. Performance Management Processes

Key performance indicators have been refined in support of the municipality's development priorities and objectives as set out in the revised IDP framework and will remain for the duration of the IDP period for consistency in measuring and reporting on long term strategies and projects. Measurable performance targets with regard to each of these development priorities and objectives were established. A process to ensure regular reporting is in place and is fed back to the Council via the Audit Committee.

Individual performance agreements and performance plans are prepared in line with provisions prescribed in the Performance Regulations (Notice 805, published on 1 August 2006 in the official gazette) and signed by the Municipal Manager and Heads of Department. These agreements are fully implemented and aligned with the Service Delivery and Budget Implementation Plan as required in terms of the Municipal Finance Management Act.

Performance Evaluation Panels have also been established for the assessment of performance of the Municipal Manager as well as Managers directly accountable to the Municipal Manager. These panels meet on an annual basis to evaluate individual performance.

The following diagram illustrates a summary of the performance management framework for the uMlalazi Municipality for performance measurement and reporting, adhering to the guidelines suggested by KwaZulu-Natal Province, Department for Cooperative Governance and Traditional Affairs

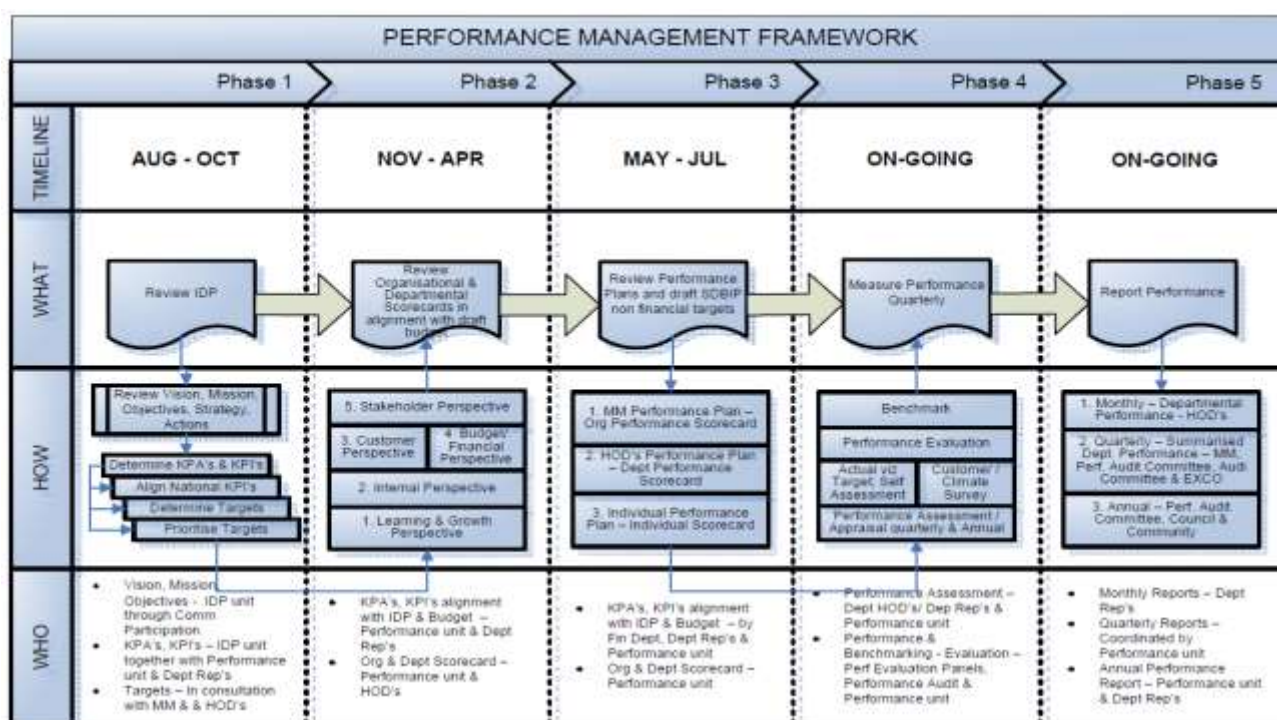


Figure 33: Summary of Performance Management Framework

Every attempt is made to ensure that the municipality complies with legislation concerning the development, operation and maintenance of a performance management system that is commensurate to the institutional service delivery objectives captured in the IDP. The uMlalazi Municipality has continued to maintain the effective operation of the following mechanisms:

- The IDP included strategic objectives, strategies and key performance indicators (KPIs) as required by the Municipal Systems Act, 32 of 2000;
- The budget for implementation of the IDP was approved within the prescribed timelines prescribed in the Municipal Finance Management Act, 56 of 2003;
- After approval of the budget, the SDBIP was developed to integrate the IDP and the budget and to ensure effective implementation of the institutional strategies;
- Performance agreements with performance plans were developed, signed and approved as required by the Municipal Performance Regulations, 2006;

The Quarterly assessments of performance of Managers directly reporting to the Municipal Manager as well as the Municipal Manager's performance were conducted on a one-on-one basis as required by the performance regulations; and

The Performance Audit Committee (PAC) functioned optimally in the year; in line with the committee's approved terms of reference.

The performance assessments were objectively and independently audited by the Internal Audit unit to verify and to confirm performance information as reflected in the reports; the unit also confirmed the credibility of evidence that was submitted quarterly;

23.1.5. Performance and Supporting Information

Background to Municipal Scorecard

The Municipal Scorecard reflects the 5 national KPA's and local priorities and enables a wider assessment of how the municipality is performing. The performance report is based on measures included within the Municipal Scorecard. This incorporates priority measures selected from the IDP. The criteria used reflect factors such as previous performance levels, comparative performance and budget implications. These are agreed by Council annually. These targets are reviewed and updated at Council meeting at adjustments budget in February each year. Summary performance results for the previous years included in the Top Layer SDBIP are as follows;

ANNUAL PERFORMANCE COMPARISON OF uMLALAZI MUNICIPALITY OVER 5 YEARS					
	2012/13	2013/14	2014/15	2015/2016	2016/2017
Annual Overall Performance	63%	69%	72%	70%	67%
KEY PERFORMANCE AREAS					
Municipal Transformation & Organisational Development	94%	63%	76%	63%	59%
Basic Service Delivery & Infrastructure Development	42%	79%	80%	73%	45%
Local Economic Development	72%	75%	75%	75%	86%
Financial Viability & Financial Management	63%	65%	50%	60%	67%
Good Governance & Public Participation	45%	64%	56%	87%	64%
Cross Cutting Issues	KPA was excluded in Scorecard	KPA was excluded in Scorecard	75%	25%	100%

Table 164: Comparative Target Achievement Information

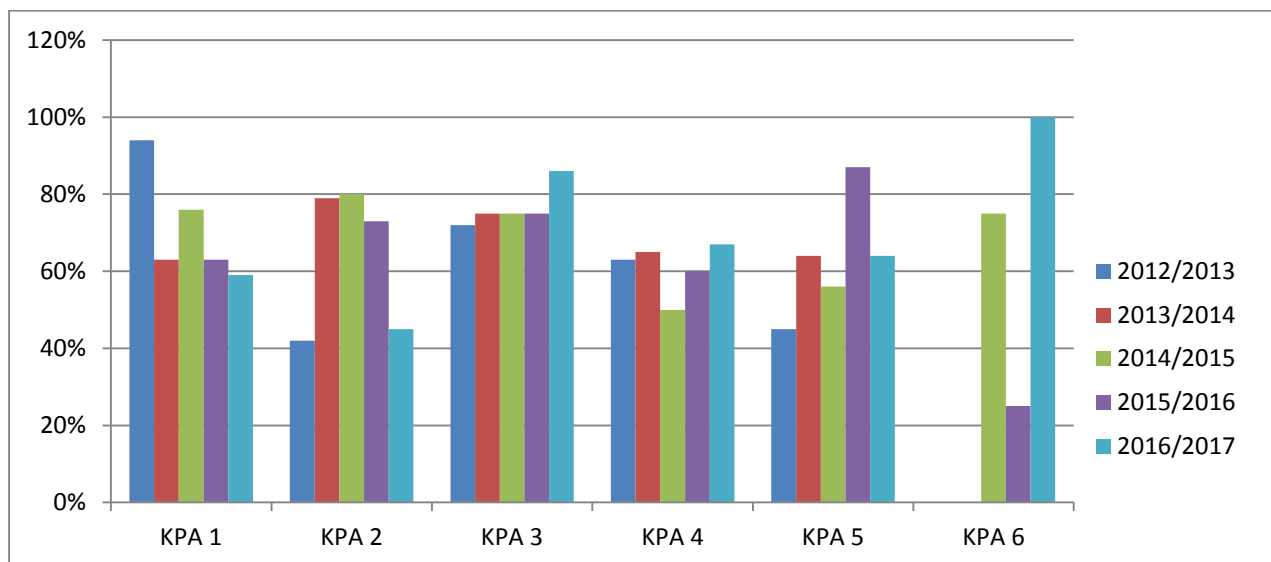


Figure 34: Comparative Target Achievement Information

Summary of Performance in terms of the Top Layer SDBIP for 2016/2017

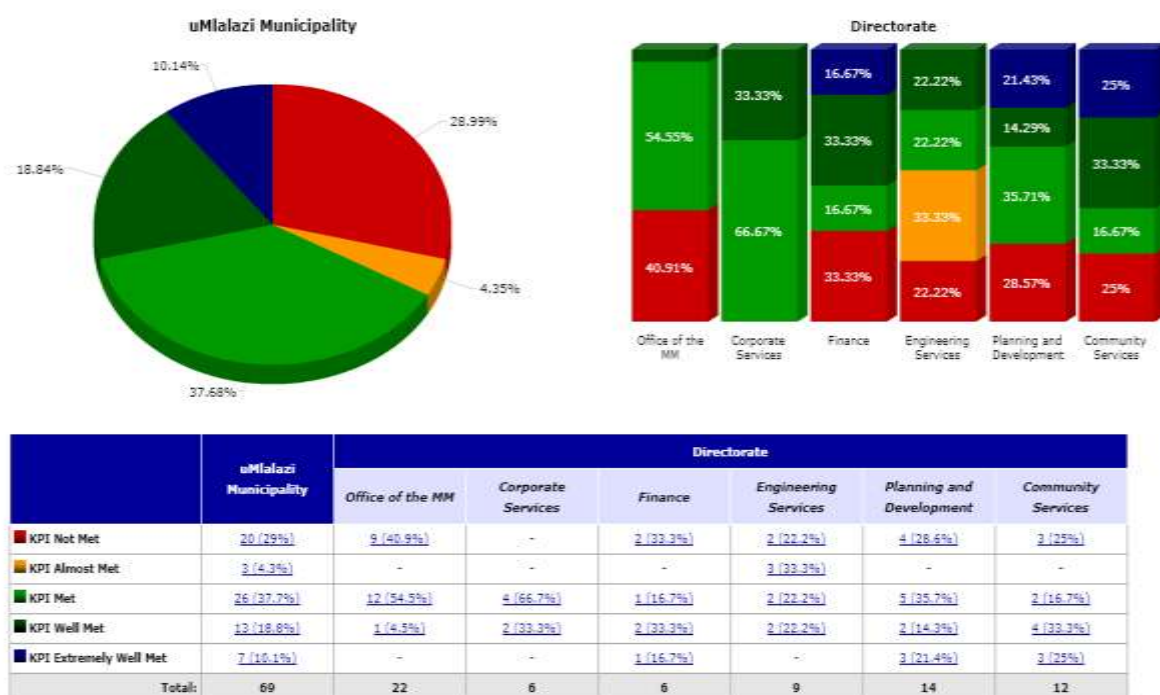


Figure 35: Target Achievement per Directorate

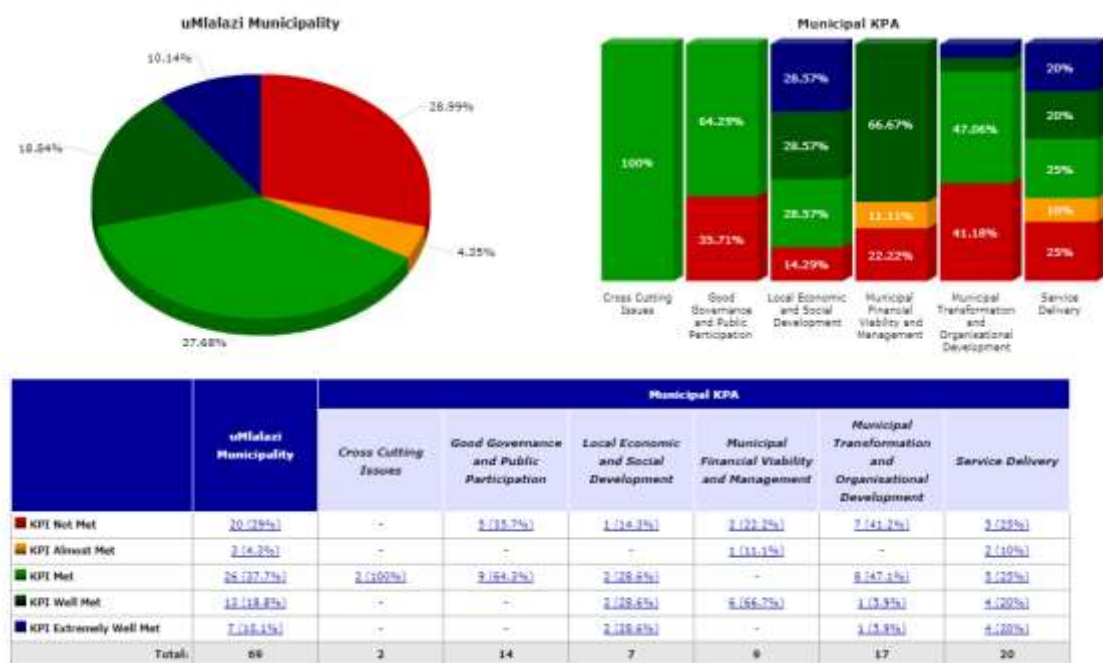


Figure 36: Target Achievement per KPA

The following are the poor performance areas and planned measures taken for improvement:-

Ref.	Department	KPI	Target	Actual	Reasons for non-achievement of targets	Measures taken for Improvement
TL1	Office of the MM	Fill funded prioritized vacant posts of Director Engineering Services and Director Planning & Development in the organogram by 30 June 2017	2	0	Positions of Director Engineering Services & planning and Development were not filled.	The posts have been advertised and the appointment process is in progress.
TL7	Office of the MM	2 people from employment equity target groups to be employed in the three highest levels of management in compliance with approved equity plan by 30 June 2017 (Excluding Section 54/56)	2	0	There were no positions filled in the 2016/2017 FY in the category, hence the target was not achieved.	The positions of MM, DCS, CFO, DES, DPD, DCOM have been advertised. The shortlisting is in progress. The filling of these positions are done in terms of EEP.
TL10	Office of the MM	Conduct needs assessments for use of Service Providers and submit to exco by 30 June 2017	1	0	A needs assessment was never done, hence departments were uncertain on what template to use for the report.	A template has been designed to standardize the reporting and is expected to be approved in December 2017.
TL13	Community Services	Conduct needs assessments for use of Service Providers and submit to MM by 31 March 2017	1	0	A needs assessment was never done, hence departments were uncertain on what template to use for the report.	A template has been designed to standardize the reporting and is expected to be approved in December 2017.
TL14	Engineering Services	Conduct needs assessments for use of Service Providers and submit to MM by 31 March 2017	1	0	A needs assessment was never done, hence departments were uncertain on what template to use for the report.	A template has been designed to standardize the reporting and is expected to be approved in December 2017.

Ref.	Department	KPI	Target	Actual	Reasons for non-achievement of targets	Measures taken for Improvement
TL15	Planning & Development	Conduct needs assessments for use of Service Providers and submit to MM by 31 March 2017	1	0	A needs assessment was never done, hence departments were uncertain on what template to use for the report.	A template has been designed to standardize the reporting and is expected to be approved in December 2017.
TL17	Office of the MM	Conduct customer satisfaction survey for uMlalazi area and submit report to EXCO by 30 June 2017	1	0	Customer satisfaction survey was not done due to no budget.	The target is not included in 2017/2018 due to no budget allocation. As soon as a budget is allocated the target will then be included.
TL21	Engineering Services	Attend meetings with uThungulu to ensure alignment of water and sanitation provisioning to all Municipal Capital and other large scale Projects and submit quarterly reports to Portfolio Committee on meetings attended.	2	0	The department did not attend the alignment meetings due to capacity constraints.	Two technicians have been appointed and they are attending the alignment meetings at the District. These reports will be submitted to the Portfolio Committee meetings.
TL25	Community Services	Review the Integrated Waste Management Plan (to include recycling and buy-back centres) and submit to Council by 30 June 2017	1	0	Dept of Env Affairs introduced a new portal for all municipalities to develop their IWMP, the process could not be finalised by 30 June 2017	The plan is in progress of being developed and will be finalised by 31 December 2017.
TL28	Engineering Services	Grade 3400km of rural access roads by 30 June 2017	3,400	3,081.10	The target was under achieved due to rain delays	Future targets are set to accommodate unexpected delays.
TL29	Planning & Development	Review Housing Sector Plan and submit to Council by 30 June 2017	1	0	Delay in finalization of Housing Sector Plan by the consultant, hence it was not submitted to EXCO for approval by 30 June 2017.	Housing Sector Plan is reviewed and is due to be submitted to EXCO in September 2017 for approval.
TL34	Engineering Services	Undertake at least 100 site visits to Capital projects by 30 June 2017	100	86	The support Consultant to the PMU was terminated during the course of the FY. Another was appointed.	With the rate of the current visits being done per month, 100 site visits would easily be reached by the end of the 2017/2018 FY.
TL35	Community Services	Hold quarterly meetings with applicable stakeholders to discuss disaster management issues	4	2	Quarter 1 meeting was scheduled, however due to community protest the meeting was postponed	The scheduled meeting for quarter 2, 3 & 4 took place according to schedule.
TL37	Planning & Development	Develop a cemetery plan for the next five years to accommodate future cemetery needs and submit to EXCO by 30 June 2017	1	0	Ilifa Engineering were appointed in 2016/2017 to compile the cemetery plan. The report is still not finalized.	The Cemetery Plan will be finalized in 2017/2018. The Service has already been appointed.
TL45	Planning & Development	Develop a database of businesses licenced in uMlalazi Municipality and submit quarterly reports to Portfolio Committee	3	2	The target was not achieved due to capacity constraints within the department. There is no dedicated staff member to work with Business licences.	The position of Business licence Officer is on the approved organisational structure. Budget will be requested during the mid-year adjustments budget to fill the position.
TL48	Finance	Financial viability measured in terms of the available cash to cover fixed operating expenditure as at 30 June 2017 ((Available cash+ investments)/ Monthly fixed operating expenditure)	3	2.66	Due to financial year end, four runs were done in June to accommodate all the expenditure incurred in the 2016-17 financial year including MIG payments, which caused the total expenditure to be high than the other months.	This required investments to be withdrawn which reduced the short term deposits.

Ref.	Department	KPI	Target	Actual	Reasons for non-achievement of targets	Measures taken for Improvement
TL49	Finance	Limit unaccounted for electricity to less than 8% by 30 June 2017 {(Number of Electricity Units Purchased and/or Generated - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated} × 100}	8	11.17	In line with the guideline from NERSA which states the percentage losses be between 5-12. Full Audit was not done for KDS due to service delivery protest.	Continuous metering Audit as well as new metering methods are being explored to ensure early detection of theft and corrective action
TL54	Engineering Services	Spend at least 90% of the Capital budget amount by 30 June 2017 (Actual expenditure/Approved capital budget)	90%	89%	The reason for non achievement was delays caused by the inclement conditions on the projects.	Improvements are made on the implementation of procurement plan. SCM submits variance report to MANCO to monitor
TL64	Office of the MM	Coordinate quarterly meetings of the uMlalazi Aids Council	4	2	Meetings were postponed due to public protests in uMlalazi Municipality areas.	The Office of the Mayor has scheduled meetings for the 2017/2018 FY in advance. Postponement of meetings is beyond the control of the municipality.
TL65	Office of the MM	Review HIV/Aids Plan and submit to exco by 30 June 2017	1	0	The HIV/AIDS Plan was not reviewed because the municipalities had to compile a new 5 year plan in line with the NDP which was only approved in March 2017 and there was insufficient time to accommodate in the budget.	The 5 five year HIV/AIDS plan is currently being reviewed and will be submitted to the Local Aids Council for approval and thereafter to EXCO.
TL66	Office of the MM	Review Enterprise Risk Plan and submit to Risk Committee by 30 June 2017	1	0	Enterprise Risk Plan has been reviewed, however still to be tabled and approved by EXCO, due to the withdrawal of assistance from NT.	The ERP has been reviewed and will be submitted to the next AUDCOM.
TL67	Office of the MM	Review Fraud Risk Plan and submit to Risk Committee by 30 June 2017	1	0	Fraud Risk plan is in the process of being reviewed and has not been submitted to EXCO	The Fraud Risk Plan has been reviewed and will be submitted to the next AUDCOM.
TL70	Office of the MM	Submit a report to MCOR by 30 June 2017 on the progress made with the Twinning partnership with Songdal Municipality (Norway)	1	0	No MCOR Committee was formed after the elections.	The target has been removed from 2017/2018 due to no progress being made on any possible future twinning arrangements

SECTION I: ANNEXURES

ANNEXURES	DOCUMENT
Annexure 1	SUMMARY OF PROJECTS PER WARD
Annexure 2	DEPARTMENT OF EDUCATION PROJECTS
Annexure 3	SPATIAL DEVELOPMENT FRAMEWORK
Annexure 4	HOUSING SECTOR PLAN
Annexure 5	DISASTER MANAGEMENT PLANS
Annexure 6	LED STRATEGY
Annexure 7	ORGANOGRAM
Annexure 8	INDIGENT REGISTER

